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United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 79th CONGRESS, FIRST SESSION

SENATE

MONDAY, MAY 7, 1945

(Legislative day of Monday, April 16, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of mercy and of justice, in these glad days for which our anxious souls have waited in an agony of hope deferred, we are humbly grateful that Thou art using our imperfect hands to loose the bonds of wickedness, to undo the heavy burdens, to let the oppressed go free, to break every yoke of oppression. We thank Thee that in this hour the embattled souls of those whose bodies sleep where white crosses keep their vigil are marching under banners of triumph their valor hath brought to pass.

For the clean air of freedom that at last is blowing through the putrid prisons of satanic cruelty, we bless Thy holy name; who by human swords bathed in heaven hast thundered Thy righteous sentence, "Let my people go."

We thank Thee that Thou hast allowed our grateful eyes to see truth, crushed to earth by cruel might, rising in splendor again; while error and falsehood, wounded and writhing in deserved pain, dies among its worshipers. Amid the wrecks of ancient systems in this confused day, make us worthy in our motives and desires to help lead toward the promised land of a loftier life for our children and a cleaner and fairer world for all the peoples of the earth. In the Redeemer's name, we ask it. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 3, 1945, was dispensed with, and the journal was approved.

POST-WAR RECONVERSION — CORRESPONDENCE BETWEEN HON. O. MAX GARDNER AND THE LATE PRESIDENT ROOSEVELT

Mr. HILL. Mr. President, I ask to have printed in the RECORD at this point a copy of a letter addressed to the late President Roosevelt, under date of April 5, by the Honorable O. Max Gardner, chairman of the Advisory Board, Office of War Mobilization and Reconversion, which letter was written on behalf of the Board; also a copy of the late President Roosevelt's reply to Governor Gardner's letter, and a copy of a letter from the Honorable Jonathan Daniels, secretary to the President, with reference to the late President's letter to Governor Gardner. I might say that, to my mind, this correspondence is of historic significance, particularly at this time when we know we have before us the very great and challenging problem of reconversion.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Alabama?

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

OFFICE OF WAR MOBILIZATION AND RECONVERSION,
Washington, D. C., April 5, 1945.

The PRESIDENT OF THE UNITED STATES,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: As chairman of the Advisory Board of the Office of War Mobilization and Reconversion I have been directed by resolution to transmit to you the communication which follows here.

The Advisory Board of the Office of War Mobilization and Reconversion, created by Congress, appointed by you, and confirmed by the Senate, assembled this day at the White House, respectfully submits to you the following message:

We have expressed publicly our profound regret at the resignation of Justice Byrnes from the directorship of this office, and we here express our highest confidence in Judge Vinson, whom you have nominated as his successor. It is fortunate that in great crises our Nation produces public servants such as these.

Events of recent days have given us a sense of special concern about our responsibilities. The membership of the Advisory Board appointed to represent the public interest includes members experienced in the affairs of business, management, labor, and agriculture. It is the immediate responsibility of the Board, in these critical moments, to bring to the director by advice and recommendations its best thoughts and assistance, reflecting the views of the different economic groups and the opinions and feelings of the people throughout the country.

Reports from the battlefields of Europe make it clear that the days of the Nazi tyranny are numbered. There will remain the grim necessity of intensive prosecution of the Japanese war. With that nothing must interfere.

Yet military victories will be hollow, empty of meaning, if we fail in rebuilding a peacetime economy far stronger and more productive than we have had before. In a shattered world, our Nation's success or failure in post-war readjustment may well determine whether the world can achieve a stable peace and security. If we—with vast resources and undamaged industrial facilities—can provide full employment in the United States for all those willing and able to work, we can fulfill our economic commitments in supplies and machinery to other nations for their reconstruction. We will then be able to carry out the responsibilities that lie in the proposals developed in international conferences at Hot Springs, Dumbarton Oaks, and Bretton Woods.

By magnificent cooperation of industry, labor, and farmers on the home front we have achieved unprecedentedly high levels of wartime production, income, and employment. National solvency itself demands the maintenance of those high levels of production, income, and employment in the reconversion period and into the peacetime economy. The Nation has demonstrated that we can do this for war. We can and must do it for peace. In achieving it, the aspirations of the people of this Nation and of the world will find their fulfillment.

These observations lead us to the following firm convictions:

1. That full employment can and will be attained here in the United States.

2. That it can be achieved under our system of competitive free enterprise. In the conversion period, bold ventures by all our citizens are necessary and the role of government must be positive. This does not call for any compromise with traditional American institutions and relations of government, labor, business, and agriculture.

3. That the full use of our resources of materials and manpower can produce a national income which, properly distributed, will bring about sound and stable business and industrial activity, higher real wages, better health, housing, and education for all.

4. That the veterans returning when war is finally at an end will then find a respected and secure place in the economic life of the Nation.

5. That this Nation can and will in that way help the needy in devastated lands abroad to alleviate their misery and enable them again to provide for themselves.

These convictions constitute our declaration of faith in the future of the Nation. It is our firm purpose to do our best toward translating that faith into accomplishment as the foundation stone of world peace. We believe and know that it can be done. To this end we pledge our best efforts toward the preparation of a broad program of public and private action at the earliest possible time.

It is therefore our sincere and earnest desire to serve Director Vinson and our country in every possible way within the powers of our official capacity and as representatives of the public.

With high regards, believe me,

Sincerely yours,

O. MAX GARDNER,
Chairman.

THE WHITE HOUSE,
Washington, April 6, 1945.

Hon. O. MAX GARDNER,
Chairman of the Advisory Board of the Office of War Mobilization and Reconversion,
Washington, D. C.

DEAR MAX: I am deeply grateful to the Advisory Board of the Office of War Mobilization and Reconversion for its expression of

faith, both in our war effort and in the necessity that our certain victory mean at home a peacetime economy far more abundant and productive than we have ever had before. You know how completely I agree. I want you to know also how much I appreciate the agreement of such Americans as compose your board.

We have been fortunate in finding in Justice Byrnes and Judge Vinson public servants equal to our great tasks. They emphasize, as do the members of your board, that there has been no shrinkage in the stature and the spirit of the American. Indeed, I am sure that Americans who have done so much in the winning of the war have no doubt that we can give victory the rich meaning of full employment in the United States and of assistance to other nations in their reconstruction. Victory without the use for abundance of the powers we have developed in production for war would be, indeed, a hollow victory.

We must plan security and abundance together. Such a stronger American economy will be essential to carry out the responsibilities that lie in plans made at Bretton Woods, Hot Springs, and Dumbarton Oaks. Similarly, abundance at home depends upon organization for order and security in the world.

America is fortunate to have such a reaffirmation of the uninterrupted tradition of an advancing America enunciated by men who represent great organizations of labor, industry, and agriculture working together with others who represent the public. As such Americans chosen by the President and confirmed by the Senate, you have well stated the program by which we fight a victorious war and seek a meaningful peace.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,
Washington, April 21, 1945.

Hon. O. MAX GARDNER,
Chairman, Advisory Board,
Office of War Mobilization and Reconversion,
Washington, D. C.

DEAR GOVERNOR GARDNER: The letter which the President wrote to you in answer to your communication as Chairman of the Advisory Board of the Office of War Mobilization and Reconversion was the last statement officially issued by him with regard to his hopes and plans for reconversion. It was also, so far as our files disclose, the last statement of any sort which the President made on this subject.

I am happy, as I know your board is, that your communication gave the President the opportunity to make this final statement about the directions in which he hoped to see this Nation move in the great tasks at home which lie before us.

Sincerely,

JONATHAN DANIELS,
Secretary to the President.

VICTORY IN EUROPE—LIBERATION OF NORWAY

Mr. WILEY. Mr. President, when the glad news came this morning I issued two brief releases which I ask to have printed in the RECORD. One release relates to the victory in Europe, and the other to the liberation of Norway.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin?

There being no objection, the releases were ordered to be printed in the RECORD, as follows:

SENATOR WILEY HAILS VE-DAY

Victory has come in Europe. The news sends a thrill to every American heart. It stirs the deepest of pride in every American breast. The hour for which we and our allies have longed, for which we have sweated and sacrificed these long years, is now at hand.

We have completed the long hard road to victory in the old world. This road was paved on the western and eastern fronts with our blood and treasure and that of our allies. In the west, it began by the American invasion of north Africa. It continued through Sicily, Italy, Normandy, the Siegfried Line, the Rhine, the Ruhr, and now to the last fallen fortress of the foe.

I congratulate the American people. I salute the citizens of the 48 States, particularly those of our State of Wisconsin, whose contribution to victory I know best. I pay tribute to our fighting Badger sons and daughters. To our farmers for their magnificent food production. To our industrial management and labor for their mountains of weapons, vehicles, and supplies. To the thousands in the trades and professions who carried on in every community. And to our parents, wives, and sweethearts who have so patiently borne the anxiety, the strain of separation from their loved ones in the armed services. I pay this sincere tribute to them all, in this, their hour, our hour, of triumph.

Yet, now we pause in reverent respect for the past and the future.

We pause in devoted memory to those of our own who gave their lives, their health, that this day might come to pass. We contemplate with sadness the untold millions of civilians and combatants among the other United Nations who have perished in the European and African struggle. We pray for divine aid that may lessen the sacrifices still to be made in the Pacific. We pray, too, for divine guidance that will assure that all of these sacrifices have not been in vain.

VE-day has come. Now if we resume our posts and carry on with renewed energy and rededicated purpose, VJ (victory in Japan) day will not be far distant. And, too, if our hearts are pure, our minds clear, and vision far seeing, there shall come one day soon VP-day, a day of the victory of the peace, a just and enduring peace.

We have paved a highway to victory across Europe with blood and treasure. We are still paving the highway to victory in the Pacific with blood and treasure. We must, lastly, pave a highway to a righteous and workable peace with faith and realism. We must fulfill the word of old in the Book of Books: "And the highway shall be there, and a way, and it shall be called the Way of Holiness."

SENATOR WILEY'S STATEMENT ON NORWAY

Norway is free.

Norwegian men and women—yes, and even children—have never relented in their determined battle for the ideals which they and we know to be right.

No nation has more justly deserved the fruits of freedom than Norway. The Norwegian underground has been a guide to the resistance movements of other occupied countries, and God has guided the Norwegian underground. In the air over Europe, in the seas about Europe, and on European battlefields, Norwegian fighting men have helped to speed the common victory. Norway has earned her place of honor in the community of free nations.

Norway is free?

No; rather Norway remains free while the invaders have surrendered. Norway, the courageous, was temporarily occupied. But Norway never has been conquered.

THE PROBLEM OF ATTAINING WORLD PEACE

Mr. WILEY. Mr. President, the world is faced with the problem how to stop war from occurring a generation from now. To keep America out of war we will have to find the way to keep the world free from war. We have tried many ways. We have tried treaties and pacts, and they have not done the job. We have tried disarmament, and it has not done the job. We have tried isolation, saying we will not fight, and that has not done the job. And just before we got into this war we tried embargoes, and that did not do the job. Then we lifted the embargo and that did not keep us out of war.

Now it is the problem of all humanity to find the way. We know that mere instrumentalities will not do the job. The finest mechanism that we can create at San Francisco will not by itself do the job. There must be back of it the will and the purpose and the desire of the contracting nations to fulfill the obligations of the pact, and we must find the way to see that that will and purpose shall obtain definitely and continuously in the years ahead.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House having proceeded to reconsider the joint resolution (H. J. Res. 106) to amend section 5 (k) of the Selective Training and Service Act of 1940, as amended, with respect to the deferment of registrants engaged in agricultural occupations or endeavors essential to the war effort, returned by the President of the United States with his objection, to the House of Representatives, in which it originated, and it was resolved that the joint resolution do not pass, two-thirds of the House of Representatives not agreeing to pass the same.

The message informed the Senate that Mr. FERNANDEZ had been appointed a manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1307) for the relief of Continental Casualty Co., a corporation, and Montgomery City Lines, Inc., vice Mr. COMBS, resigned.

The message also announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 694. A bill to amend section 321, title III, part II, Transportation Act of 1940, with respect to the movement of Government traffic; and

H. J. Res. 177. Joint resolution repealing a portion of the appropriation and contract authorization available to the Maritime Commission.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 906) granting a franking privilege to Anna Eleanor Roosevelt, and it was signed by the President pro tempore.

VE-DAY STATEMENT BY SENATOR O'DANIEL

Mr. O'DANIEL. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a VE-day statement which I have today released to the press and radio.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The prayers of millions of people throughout this world are being answered. One

phase of this most horrible of all wars is coming to an end.

We are profoundly thankful for this victory, but as the thunderous blasts of the mighty weapons of death and destruction fade into silence in Europe, let us not relax our vigilance and our efforts. The mighty task of finishing this war and rebuilding this shattered world, physically, economically, socially, and spiritually, will tax the brain and brawn of all peoples of all nations for many generations.

The peace-loving peoples of the whole world extend sympathy and condolence to the broken-hearted relatives of loved ones who made the supreme sacrifice in this fight for freedom. We also acknowledge our debt of gratitude to the returning heroes, many of whom are broken in body and health, and pledge to them the care and kindness which they so richly deserve. And to those who fight on to final victory and to the maintenance of world peace we renew our pledge of unstinted loyalty and all-out support to the last ounce of our ability and resources.

And, last but not least, if we are to keep faith with those who died, we come face to face with the supreme task of building a permanent world peace structure, so strong and secure, that no man or band of men can ever again plunge the peoples of this earth into war. To all those brave heroes who fought for the cause of freedom, and especially to those who made the supreme sacrifice, we who live owe that obligation, and in their memory, and with God's guidance, we must and we shall carry on until that goal is reached.

CONDOLENCES ON DEATH OF FRANKLIN D. ROOSEVELT

The PRESIDENT pro tempore laid before the Senate a letter from the Chief, Division of Protocol, Department of State, transmitting a telegram from the American Ambassador to Yugoslavia, expressing condolences of the Anti-Fascist Council of National Liberation of Yugoslavia on the death of the former President of the United States Franklin D. Roosevelt, which was ordered to lie on the table.

He also laid before the Senate resolutions adopted by the Democratic State Committee meeting in Dover, and the Jewish Federation of Delaware, Wilmington, both in the State of Delaware, expressing condolences on the death of the former President of the United States Franklin D. Roosevelt, which were ordered to lie on the table.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

BIRTHDAY OF SIMON BOLIVAR

A letter from the Acting Secretary of State, transmitting a resolution of the House of Representatives of the Republic of Cuba, inviting the Congress of the United States to send a delegation to participate in a birthday tribute to Simon Bolivar at Caracas, Venezuela, on July 24, 1945 (with accompanying papers); to the Committee on Foreign Relations.

PERSONNEL REQUIREMENTS

A letter from the Assistant to the Secretary of Commerce, transmitting, pursuant to law, a revised estimate of personnel requirements for the Office of the Secretary of Commerce, for the quarter ending June 30, 1945 (with an accompanying paper); to the Committee on Civil Service.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on the Judiciary:

"Assembly Joint Resolution 36

"Joint resolution relative to making President Roosevelt's birthday, January 30, a legal holiday

"Whereas our beloved President, Franklin Delano Roosevelt, has been called by Providence to the Great Beyond; and

"Whereas his birthday, January 30, has long been a day devoted to a part of his many humanitarian efforts; and

"Whereas it is fitting and appropriate that January 30 should be declared a national holiday to be known as Roosevelt's Birthday in respect to the memory of Franklin Delano Roosevelt: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to declare January 30 a national holiday to be known as Roosevelt Birthday; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"Assembly Joint Resolution 35

"Joint resolution relative to income and resources of recipients of aid to the aged and of aid to the blind

"Whereas that provision of subdivision (a) of section 2 of title I of the Social Security Act which provides that 'a State plan for old-age assistance must * * * provide that the State agency shall, in determining need, take into consideration any other income and resources of an individual claiming old-age assistance' and the similar provision of subdivision (a) of section 1002 of title X of the act, relating to aid to the blind, are construed to require that the occupancy value of a home owned and occupied by a recipient of such assistance must be regarded as income or a resource of the recipient, and deducted from the amount of assistance to which he would otherwise be entitled; and

"Whereas the amount of these deductions is a comparatively small sum, so that the amount of public money withheld from recipients for this reason is lost to the States and the United States Government by the increased cost of administration resulting from investigation and accounting to establish the amount of the deductions; and

"Whereas consideration of the occupancy value of homes of recipients as income or resources discourages thrift leading to home ownership: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Congress and President of the United States are hereby urged and memorialized to enact such amendments to the Social Security Act as will insure that ownership and occupancy of a home will not be considered income or resources of recipients of old-age assistance or of aid to the blind; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, and to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Military Affairs:

"Assembly Joint Resolution 31

"Joint resolution relative to memorializing the President and the Congress of the United States and the Federal Surplus Property Board to establish or designate a special agency to which municipalities and other public bodies may deal in the purchase of Federal surplus properties

"By the Federal Surplus Property Act of 1944 an agency known as the Surplus Property Board was created and provision was made for the disposition of surplus property belonging to the Federal Government and its agencies.

"This law directs the Board to designate one or more agencies to act as a disposal agency for surplus property and, so far as the Board deems feasible, that it shall centralize in one disposal agency responsibility for the disposal of all property of the same type or class.

"It has been shown by the experience of counties, municipalities, and other public agencies in attempting to purchase Federal surplus property that the interests both of the Federal Government and its agencies and of the local bodies would be best served by setting up a separate department or agency to deal with cities and other political subdivisions and agencies with regard to the disposition of such property, more particularly of the classes of property which are likely to be in demand for the needs of such local bodies. Under the present organization, the responsibility for the disposition of such property is divided among several agencies and the resulting confusion is harmful to the interests of both the Federal Government and local political subdivisions and agencies: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the President and the Congress of the United States and the Surplus Property Board are hereby respectfully requested to designate or establish by change in the law or by administrative action a single Federal agency to deal exclusively with cities and other political subdivisions and agencies desirous of acquiring such property; and be it further

"Resolved, That the chief clerk of the assembly be and he is hereby directed to transmit copies of this resolution to the President and the Vice President of the United States, the Speaker of the House of Representatives, and the Senators, and Members of the House of Representatives from California."

A joint resolution of the General Assembly of the Commonwealth of Kentucky; to the Committee on Education and Labor:

"Senate Joint Resolution 3

"A joint resolution memorializing Congress to pass Senate bill 181 providing for equalization of educational opportunity

"Whereas Federal aid to education is vital to the maintenance of adequate educational opportunity throughout the war and a substantial aid to social and economic stabilization in the peace to come, and furthermore believing that the maintenance of the American system of private economy depends for its success upon the knowledge and skill and productivity of its individual citizens, that this makes it a responsibility of the Federal Government to assist in preparing its citizens in the performance of a national duty effectively: Now, therefore, be it

"Resolved by the General Assembly of the Commonwealth of Kentucky:

"1. That the General Assembly of the Commonwealth of Kentucky memorializes the Congress of the United States that it, at the earliest possible date, pass the Thomas-Hill bill (S. 181) to provide for an emergency aid to education, and for the equalization of educational opportunities among the several States.

"2. Copies of this resolution shall be sent to the President and Chief Clerk of the Senate of the United States, the United States Senators from Kentucky, the Speaker and Chief Clerk of the House of Representatives of the United States and the Representatives in Congress from Kentucky."

A resolution of the Senate of the State of Kentucky; to the Committee on Post Offices and Post Roads:

"Senate Resolution 12

"Whereas there is now pending in the Congress of the United States, H. R. 2071, which provides for an increase in the compensation of certain postal employees, and also provides for other beneficial employment features for said employees; and

"Whereas said employees have received no increase in compansation for 20 years, with the exception of a small war bonus; and

"Whereas the Post Office Department has long been recognized as one of the most efficient and reliable of the Federal agencies, and the employees thereof should be rewarded for their capable and faithful service: Therefore be it

"Resolved by the senate, That the Senators and Representatives from Kentucky in the Congress of the United States are hereby urged to support and vote for the passage of H. R. 2071; and be it further

"Resolved, That this memorial be sent to the Secretary of the Senate and the Clerk of the House of Representatives of the Congress of the United States."

A resolution of the Senate of the Commonwealth of Kentucky; ordered to lie on the table:

"Senate Resolution 13

"Resolution of respect and honor to the memory of our late President and Commander in Chief, Franklin D. Roosevelt

"Whereas our all-wise and infinite Creator has called from our midst and to his eternal reward our beloved and gallant leader, Franklin Delano Roosevelt, a man who, though physically handicapped, rose and stood preeminently as a commanding international figure, and who gave unstintingly of his time, talent, and brilliant ability to his own people and to the whole world, and who saw many of his plans executed, his ideals and ideologies incorporated into fundamentals, looking toward a better world of peace, friendship, and harmony among the people of the entire universe; and

"Whereas our illustrious commander fell on the firing line, only after the slender thread of mortality was severed, at the crucial moment in world affairs, while facing the future confidently and unafraid. A man who was the peer of any man in the world, and whose discernment, viewpoints, and vision were international, yet whose heart was responsive to the welfare of the humblest citizen of our Nation: Now, therefore, be it

"Resolved by the Senate of the Commonwealth of Kentucky in special session, Mindful of our irreparable loss, in the passing of our illustrious citizen, our matchless commander and beloved President, we do hereby express our deep sorrow and poignant grief; and be it further

"Resolved, That this senate tenders to the family of the late President Roosevelt its deep and abiding sympathy in this time of their great bereavement; that we do hereby pledge ourselves to strive to carry on and bring to fruition the principles for which he lived, fought, and died, and to keep his memory as a sacred heritage, his ideals enshrined in our hearts and lives; and be it further

"Resolved, That a copy of this resolution be spread on the records of the proceedings of this body, and the clerk of this senate shall transmit a copy of this resolution to the family of the late President Franklin D. Roosevelt, and to the Clerks of the House and Senate of the Congress at Washington."

A resolution of the House of Representatives of the Commonwealth of Kentucky; ordered to lie on the table:

"Resolution of respect and honor to the memory of our late President and Commander in Chief, Franklin D. Roosevelt

"Whereas our all-wise and infinite Creator has called from our midst and to his eternal reward our beloved and gallant leader, Franklin Delano Roosevelt, a man who, though physically handicapped, rose and stood preeminently as a commanding international figure, and who gave unstintingly of his time, talent, and brilliant ability to his own people and to the whole world, and who saw many of his plans executed, his ideals and ideologies incorporated into fundamentals, looking toward a better world of peace, friendship, and harmony among the peoples of the entire universe; and

"Whereas our illustrious commander fell on the firing line, only after the slender thread of mortality was severed, at the crucial moment in world affairs, while facing the future confidently and unafraid. A man who was the peer of any man in the world, and whose discernment, viewpoints, and vision were international, yet whose heart was responsive to the welfare of the humblest citizen of our Nation: Now, therefore, be it

"Resolved by the House of Representatives of the Commonwealth of Kentucky, Mindful of our irreparable loss in the passing of our illustrious citizen, our matchless commander, and beloved President, we do hereby express our deep sorrow and poignant grief; and be it further

"Resolved, That this house tenders to the family of the late President Roosevelt its deep and abiding sympathy in this time of their great bereavement; that we do hereby pledge ourselves to strive to carry on and bring to fruition the principles for which he lived, fought, and died, and to keep his memory as a sacred heritage, his ideals enshrined in our hearts and lives; and be it further

"Resolved, That a copy of this resolution be spread upon the journal of this house and the clerk of this house shall transmit a copy of this resolution to the family of the late President Franklin Delano Roosevelt, to the Clerks of the House and Senate of Congress at Washington, and to the press in Kentucky.

"This resolution was unanimously adopted by the house of representatives on April 30, 1945."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Commerce:

"Be it resolved by the House of Representatives of the Legislature of the Territory of Hawaii (the Senate concurring), That the Congress of the United States of America be and it is hereby respectfully requested to appropriate a sufficient amount of Federal funds to complete the following improvements in and to the harbor and port of Hilo, in the county and Territory of Hawaii, namely:

"1. To complete the dredging of Hilo Harbor and to deposit the dredged material, or so much thereof as may be necessary, behind a sea wall to be constructed parallel with the present shore line from the mouth of the Wailuku River to the mouth of the Wailoa River.

"2. To construct a breakwater from the Wainaku side of Hilo Harbor of such length and in such direction as will protect the shipping in the harbor during certain prevalent winds and currents; and be it further

"Resolved, That copies of this resolution be forwarded to the President of the Senate and the Speaker of the House of Representatives of the Congress, to the Secretary of War, and to our Delegate to Congress from Hawaii."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Military Affairs:

"Whereas the adjutant general of the National Guard of the several States are appointed by the respective Governors of said States; and

"Whereas by Federal law the adjutant general of the National Guard of the Territory of Hawaii is appointed by the President of the United States; and

"Whereas the adjutant general of the National Guard of the Territory of Hawaii is a territorial officer and it is suitable and desirable that he be appointed by the Governor of the Territory of Hawaii: Now, therefore, be it

"Resolved by the Senate of the twenty-third session of the Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States of America be and it hereby is respectfully requested and urged to amend the act of Congress approved June 3, 1916, entitled 'An act for making further and more effectual provision of the national defense, and for other purposes' (June 3, 1916, c. 134, 39 Stat. 166), by amending section 66 thereof so that said section shall provide that the adjutant general of the National Guard of the Territory of Hawaii shall be appointed by the Governor of the Territory of Hawaii."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Naval Affairs:

"Whereas the people of Hawaii have down through the ages shown their aptitude for seafare; and

"Whereas it is inevitable that the United States Navy will be maintained at a greater strength than before the present global war; and

"Whereas Hawaii offers exceptional opportunities for recruiting men for the United States Navy: Now, therefore be it

"Resolved by the House of Representatives of the Twenty-third Legislature of the Territory of Hawaii (the Senate concurring), That the Congress of the United States of America be and it hereby is, requested to pass legislation to assure the maintenance in the Territory of Hawaii of a recruiting station for personnel for the United States Navy; and be it further

"Resolved, That copies of these resolutions be forwarded to the President of the United

States of America, the President of the Senate of the United States of America, the Speaker of the House of Representatives of the United States of America and Hawaii's Delegate to said House of Representatives."

A resolution adopted by the New York City (N. Y.) Colony of the National Society New England Women, commending the public expression of the President of the United States with respect to future cooperation between the executive and legislative branches of the Government; ordered to lie on the table.

A resolution adopted by the city council of the city of Cambridge, Mass., favoring the enactment of House bill 3035, providing for an increase in the compensation of postal employees; to the Committee on Post Offices and Post Roads.

A resolution adopted by the Central Labor Council of Honolulu, T. H., favoring the enactment of legislation making it unlawful for any citizen, group of citizens, corporation, company, or anyone doing business in the United States to sell, lease, license, rent or in any way furnish anything which can be construed as a sinew for making war to any nation; to the Committee on the Judiciary.

A letter in the nature of a petition from Julius Hochfelder, major, Education Section, of the Army of the United States, retired, praying for the enactment of legislation for the creation of a school for the training of men and women for legislative posts similar to the institutions for officers of the Army and Navy as maintained at Annapolis, West Point, and the Consular and Diplomatic Services, in honor of Franklin D. Roosevelt (with an accompanying paper); to the Committee on Education and Labor.

By Mr. CAPPER:

A petition of sundry citizens of Hutchinson, Kans., praying for the enactment of the bill (S. 599) to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes; to the Committee on Interstate Commerce.

PARTICIPATION OF THE UNITED STATES IN A WORLD ORGANIZATION OF NATIONS

Mr. AUSTIN. Mr. President, in my home city of Burlington a public meeting, called a town meeting, was held on the 30th day of April, at which a resolution endorsing the active participation of the United States in a world organization of nations for the promotion and maintenance of security and peace, as formulated in the Dumbarton Oaks Agreement, was adopted. In the proceedings there was a discussion of an hour and a half preceding the vote, the vote was counted, a standing vote, in which 691 citizens voted "yes," no one voted "no," 6 did not vote, and a small number left the hall before voting began. I ask permission to present the resolution and that it be printed in the RECORD and appropriately referred.

There being no objection, the resolution was received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Resolution relating to active participation of the United States in a world organization of nations for the promotion and maintenance of security and peace

Resolved, That we, the citizens of Burlington, Vt., in meeting assembled, do hereby endorse the active participation of the United States in a world organization of nations for the promotion and maintenance of security and peace, as formulated in the preamble of the Dumbarton Oaks Agreement; and further

Resolved, That the city clerk is hereby requested to forward copies of this resolution to the Members of the congressional delegation from Vermont and to the Secretary of State as representative of the United States at the San Francisco Conference.

STATE OF VERMONT,
County of Chittenden, ss:

I, W. T. Abell, clerk of the city of Burlington, in said county and State, do hereby certify the foregoing resolution was adopted at a public meeting, called a "town meeting," of the citizens of Burlington, Vt., held April 30, 1945, at 8 o'clock in the evening.

Voting on adoption of the resolution, which followed 1½ hours of discussion, was by standing vote in which 691 citizens voted "yes," no one voted "no," 6 did not vote, and a small number left the hall before voting began.

Dated at Burlington, Vt., this 3d day of May, A. D. 1945.

Attest:

W. T. ABELL,
City Clerk.

[SEAL]

MISSOURI VALLEY AUTHORITY

Mr. CAPPER. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a telegram I have received from H. J. Yount, secretary and treasurer of the Kansas State Industrial Union Council, Kansas City, Kans., favoring in principle a Missouri Valley Authority, as embodied in the Murray-Cochran bills now before the Congress.

There being no objection, the telegram was received, referred to the Committee on Irrigation and Reclamation and ordered to be printed in the RECORD, as follows:

KANSAS CITY, KANS., *April 16, 1945.*

Senator ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.:

The Kansas State Industrial Union Council believes the principle of a Missouri Valley Authority as embodied in the Murray-Cochran bills now before Congress will benefit all people in the State of Kansas. Only through the enactment of this legislation will there be unified development of the Missouri River and its basin, with balanced attention to flood-control irrigation and reclamation, the promotion of family type farming, navigation, power development, wildlife, and recreational potentialities, and the encouragement of industry. In addition to these benefits enactment of M. V. A. means jobs and security for thousands of Missouri Valley people in the critical post-war years.

KANSAS STATE INDUSTRIAL UNION COUNCIL,
H. J. YOUNT,
Secretary and Treasurer,
Kansas City, Kans.

PRICE CONTROLS AND PROFITS

Mr. REED. Mr. President, I ask unanimous consent to present and to have printed in the RECORD and appropriately referred, a resolution adopted by the Board of Directors of the Kansas Farm Bureau at Manhattan, Kans., on April 19, and sent to each member of the Kansas delegation in Congress.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

MANHATTAN, KANS., *April 19, 1945.*

Resolved, That while recognizing the need of price controls to avoid inflation, it is our belief that such controls should be rescinded as soon after the termination of the war as possible; and in no event should Congress extend such controls for a period of more than 1 year at a time. Also a continuation of the provision that O. P. A. regulations shall not be used to limit profits.

KANSAS FARM BUREAU,
JULIA KING SMITH,
Secretary-Treasurer.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. OVERTON, from the Committee on Commerce:

H. R. 1184. A bill to authorize Slater Branch Bridge and Road Club to construct, maintain, and operate a free suspension bridge across the Tug Fork of the Big Sandy River at or near Williamson, W. Va.; without amendment (Rept. No. 247); and

H. R. 1652. A bill granting the consent of Congress to the State of Louisiana to construct, maintain, and operate a free highway bridge across the Mississippi River at or near New Orleans, La.; without amendment (Rept. No. 248).

By Mr. EASTLAND, from the Committee on Claims:

S. 693. A bill for the relief of the Saunders Memorial Hospital; without amendment (Rept. No. 249).

EMERGENCY FLOOD RELIEF

Mr. OVERTON. Mr. President, from the Committee on Commerce I ask unanimous consent to report favorably without amendment the bill (S. 938) in reference to the emergency to provide for emergency flood-control work made necessary by recent floods, and for other purposes, and I submit a report (No. 245) thereon.

The bill has reference to the emergency flood-control relief and the report unanimously recommends the enactment of the bill.

Mr. President, this is an emergency measure, and I trust that I may be recognized tomorrow in order to bring the bill up for consideration and passage. I think it can be disposed of within a comparatively very short time. I hope there will be no opposition to it; there was none in the Senate Committee on Commerce. The bill follows the beaten path laid down in 1943 and 1944 relating to similar situations.

The PRESIDENT pro tempore. Without objection, the report will be received and the bill placed on the calendar.

Mr. OVERTON subsequently said: Mr. President, I do not know at the moment whether the Senate will take a recess or will adjourn until tomorrow or some other day; but I desire to give notice, as I stated a while ago, that I wish to be recognized in order to request that the Senate take up the emergency flood-relief bill the next day the Senate convenes.

MISSOURI VALLEY AUTHORITY—REPORT OF COMMITTEE ON COMMERCE

Mr. OVERTON. Mr. President, from the Committee on Commerce I ask unanimous consent to report with amendments the bill (S. 555) to establish a Missouri

Valley Authority to provide for unified water control and resource development on the Missouri River and surrounding region in the interest of the control and prevention of floods, the promotion of navigation and reclamation of the public lands, the promotion of family-type farming, the development of the recreational possibilities and the promotion of the general welfare of the area, the strengthening of the national defense, and for other purposes, and I submit a report (No. 246) thereon.

It may be stated that this bill was referred to the Senate Committee on Commerce in order to consider the bill from the standpoint of navigation and flood control. The Commerce Committee did so; it considered the navigation and flood-control provisions and the provisions allied to navigation and flood control. It has recommended that all these provisions be stricken from the bill.

Then, Mr. President, the Committee on Commerce reports unfavorably on the bill as a whole. It has done so because it is rather difficult to segregate navigation and flood control from other projects in the valley. There is an intimate relationship between irrigation and flood control and between reclamation and flood control as well as navigation. The witnesses appearing both for the bill and against the bill, including the very able distinguished author of the bill, the junior Senator from Montana [Mr. MURRAY], apparently took that view, because they presented their arguments for and against the bill in its entirety. The report is a unanimous one.

The PRESIDENT pro tempore. As the Chair is advised under a resolution of the Senate heretofore agreed to, the bill and report submitted by the Senator from Louisiana will have to go to the Committee on Irrigation and Reclamation.

Mr. OVERTON. That is correct.

The PRESIDENT pro tempore. The bill and report will be so referred.

Mr. JOHNSON of Colorado. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to the Senator from Colorado?

Mr. OVERTON. I yield.

Mr. JOHNSON of Colorado. I am very much interested in the report the Senator has just made on the so-called Missouri Valley Authority bill. The Senator will recall that during the time his committee was considering it, I had the honor and distinction and pleasure of presenting an amendment to the bill, and I should like to know whether my amendment has gone along with the original bill, or has he transmitted it to another committee?

Mr. OVERTON. It has fallen with the bill, so far as the Senate Committee on Commerce is concerned, but the amendment is still there, and, of course, can be considered by the Committee on Irrigation and Reclamation.

Mr. JOHNSON of Colorado. Is the amendment still with the Senator's committee?

Mr. OVERTON. No; it is not in my committee. The Senate Committee on Commerce did not act on it, for the reason which appeared during the testimony of the able Senator from Colorado. His amendment was to segregate the Upper Missouri Basin from any direction or control of the proposed Missouri Valley Authority. When asked about the lower basin, he said he had no amendment with reference to the lower basin, but left it just as provided in the bill. Then it was suggested to him that probably he would agree with us and join us in killing the entire bill, and the Senator from Colorado said that that would be satisfactory to him; and we carried out his wishes, at least to that extent.

Mr. JOHNSON of Colorado. Yes, but as I understand, the bill has not been killed; it has not been tabled; it has not been put in cold storage in the Committee on Commerce, but has been transmitted to the Committee on Irrigation and Reclamation, and my question is, did my amendment go along with the bill to the Committee on Irrigation and Reclamation?

Mr. OVERTON. I think the Senator raises a parliamentary question. His amendment to the bill is here. It is to be considered as it was considered by the Senate Committee on Commerce. The Committee on Commerce reported unfavorably on the entire bill. The Senator's amendment, ex necessitate rei, follows the bill in its progress through the different committees to which it may be referred. His amendment would go to the Committee on Irrigation and Reclamation, to be there considered.

Mr. JOHNSON of Colorado. If my amendment is going forward with the bill, that is all I ask.

Mr. OVERTON. That is my understanding of the parliamentary situation.

Mr. JOHNSON of Colorado. I thank the Senator for that assurance.

Mr. BANKHEAD. Mr. President, will the Senator from Louisiana yield?

Mr. OVERTON. I yield.

Mr. BANKHEAD. As chairman of the Committee on Irrigation and Reclamation, I should like to obtain some information.

Mr. OVERTON. I shall be very glad to give the Senator whatever information I can furnish him.

Mr. BANKHEAD. This is, of course, a very unusual situation, under which one bill is automatically ordered to three committees, regardless, I take it, of what action the first committee, the Committee on Commerce, may have taken, or what action the Senate Committee on Irrigation and Reclamation may take. I assume that if both adversely reported the bill, as the Committee on Commerce has already done, then it still would be required to go to the Committee on Agriculture and Forestry.

Mr. OVERTON. The Senator from Alabama is correct.

Mr. BANKHEAD. That is a rather unusual situation. I do not see much advantage in the bill going to the Committee on Irrigation and Reclamation if its action will not have any effect on the final result. If ultimately the decision will rest with the Committee on Agriculture and Forestry as to whether the bill will come back to the Senate with a favorable or unfavorable report, then it seems to me the time of the Committee on Commerce has been taken up unnecessarily, and the same would apply to the Committee on Irrigation and Reclamation.

Mr. OVERTON. I do not know that I entirely agree with the able Senator from Alabama. The bill was referred to the Committee on Commerce to pass upon the navigation and flood-control features. The first thing the Committee on Commerce did was to recommend that there be stricken from the bill all provisions relating to navigation and flood control. Having done that, when the bill goes to the Committee on Irrigation and Reclamation, I take it that that committee, as a committee, will have no jurisdiction over the question of navigation and flood control.

Mr. BANKHEAD. That is one point about which I wanted information. The Committee on Commerce has, after hearings, stricken that provision from the bill.

Mr. OVERTON. It has recommended that every provision relating to flood control and navigation be stricken from the bill.

Mr. BANKHEAD. That leaves nothing, I understand, for the Committee on Irrigation and Reclamation to consider or to act on——

Mr. OVERTON. We left the irrigation provisions intact.

Mr. BANKHEAD. It leaves nothing on the subject of flood control to the Committee on Irrigation and Reclamation?

Mr. OVERTON. That is correct.

Mr. BANKHEAD. Then, suppose the Committee on Irrigation and Reclamation took the same action so far as irrigation and reclamation was concerned; what would then go to the Committee on Agriculture and Forestry, of which I am also a member?

Mr. OVERTON. The Committee on Irrigation and Reclamation would, if it followed the course pursued by the Committee on Commerce, recommend that there be stricken from the bill all provisions relating to irrigation and reclamation.

Mr. BANKHEAD. Are there provisions in the bill relating to agriculture and forestry?

Mr. OVERTON. There would be very little left for the Committee on Agriculture and Forestry to pass on after the bill had been adversely reported by the Committee on Irrigation and Reclamation, if it should be adversely reported on.

Mr. BANKHEAD. It is my understanding—and I will ask the Senator to confirm this if it is accurate—that the action of the Committee on Commerce in striking out all features of the bill relating to navigation and flood control was unanimous, and that the action of the committee in adversely reporting the rest of the bill was also unanimous.

Mr. OVERTON. The Senator's understanding is correct.

Mr. BANKHEAD. After flood control and navigation matters had been stricken out, then the committee proceeded to make an adverse report. What consideration should the Committee on Irrigation and Reclamation, and ultimately the Committee on Agriculture and For-

estry, give to that adverse action on the bill as a whole by the very able Committee on Commerce?

Mr. OVERTON. I think that is a matter which would address itself to the sound discretion of the Committee on Irrigation and Reclamation. The Committee on Irrigation and Reclamation can follow the precedent established by the Senate Committee on Commerce and make an adverse report on the bill as a whole, as well as making a report on the irrigation and reclamation provisions of the bill. Then it will go to the Committee on Agriculture and Forestry, and that committee will consider the bill from the standpoint of agriculture.

Mr. BANKHEAD. How much time was given by the Senator's committee to the consideration of the phases of the bill which the committee considered?

Mr. OVERTON. We divided equally the time between the proponents and the opponents, and everyone who desired to be heard was heard There were a few statements of witnesses which were filed without being read to the committee in full.

Mr. BANKHEAD. How many days did the committee consume in the investigation?

Mr. OVERTON. Two weeks, and continuing sessions, morning and afternoon, with the exception, I think, of one afternoon, when no witnesses were present.

Mr. BANKHEAD. When will the hearings be available for our committee?

Mr. OVERTON. They are already printed and are available. I may say to the Senator from Alabama that the Committee on Commerce went very fully into all phases of the bill.

Mr. BANKHEAD. That is what I was about to ask the able Senator—whether the committee went into irrigation and reclamation.

Mr. OVERTON. It did, and I will tell the Senator why. The first witness was the very able and distinguished author of the bill, the Senator from Montana [Mr. MURRAY]. He went into all aspects of the bill and into its provisions, and presented it as a whole, as well as from the standpoint of navigation and flood control. Then succeeding witnesses whom the proponents presented also went fully into the bill. When the opponents presented their side they also went fully into the provisions of the bill. I think the Senator from Alabama will find that it is very difficult to separate irrigation and reclamation from flood control and navigation. As the Senator well knows, every irrigation reservoir has flood-control factors connected with it, and all phases of the bill are so entwined that it is difficult to consider irrigation and reclamation separately from the other features of the bill.

Mr. BANKHEAD. The situation of the bill is something like that of one who, in legal parlance, is subject to double jeopardy.

Mr. OVERTON. The order of the Senate was carried out. I had no control over the situation. I simply followed the direction of the Senate.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. JOHNSON of Colorado. I wish to urge the able Chairman of the Committee on Irrigation and Reclamation to hold hearings on this bill. The bill vitally affects irrigation in the West. We have considerable testimony which we wish to submit to the Committee on Irrigation and Reclamation. When I say "we" I refer to that section of the West under irrigation which is affected by the provisions of the bill. I should like to have the opportunity to present testimony before the committee, and I hope such opportunity may be afforded.

Mr. BANKHEAD. I can assure the Senator from Colorado that the Committee on Irrigation and Reclamation will proceed in an orderly way.

Mr. JOHNSON of Colorado. That is all I ask.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. MURRAY. The discussion which has been taking place during the past few moments indicates the great difficulty which results from having a bill such as this sent to three separate committees. When the subject came up for consideration on the floor of the Senate in connection with the flood-control measure, I pointed out the difficulty which would arise and I did so again later when the bill itself was introduced. The subject was also gone into at great length on the floor of the Senate in 1937. But the Chairman of the Commerce Committee had filed a motion in the Senate that the bill be sent to the three separate committees. My understanding is, and I think the RECORD will bear me out, that the separate committees may consider the bill with respect to the particular matters over which they have jurisdiction, and that the findings of one committee are not binding upon the other committees. I do not understand that the Commerce Committe has any power to take action on the bill which will be binding upon committees which will subsequently consider the bill.

Mr. OVERTON. If the Senator will permit an interruption, I may say that the findings of the Commerce Committee will be binding only as they relate to flood control and navigation. I do not think the Committee on Irrigation and Reclamation has any jurisdiction over those subjects. But our recommendations respecting the entire bill are not binding on any other committee.

Mr. MURRAY. I do not understand either that the Commerce Committee's recommendations with reference to flood control and navigation are binding, except as being advisory to the Senate, and when the bill is finally considered by the three separate committees and comes to the floor, then it is for the Senate to determine the entire matter.

Mr. OVERTON. Oh, unquestionably so.

Mr. MURRAY. So that none of the findings as they are made separately by the three committees will be binding until the Senate acts upon them.

Mr. OVERTON. The findings will certainly be like all committee reports. They are in the nature of recommendations.

Mr. MURRAY. Yes. I can see how very much better it would have been had we followed the practice of the Senate which has been in vogue for the past quarter of a century, that is, to have the bill considered by one single committee, which committee, according to the precedents of the Senate, was the Committee on Agriculture and Forestry. It seems to me that would have been the correct procedure; but inasmuch as the Senate has adopted this practice, I want it to be made clear that the findings of the separate committees are not in any manner binding, but are merely advisory, and that the whole matter will be taken up when the bill comes to the floor of the Senate.

Mr. OVERTON. Certainly the recommendations of any committee of the Senate are merely advisory to the Senate. They are not binding on the Senate as a whole. The Senate can vote the proposed amendments up or down as it desires. I do not think there is any question at all about that.

In view of the argument just made by the Senator from Montana, and without any further discussion as to which committee should have been vested with jurisdiction over the whole subject matter, and also in view of the fact that one committee now has considered the bill in its entirety, and particularly in order to escape such criticism as that which the Senator from Montana makes of other committees considering the bill, which has been thoroughly considered by one committee, I wonder whether the Senator is proposing to suggest that all further hearings on the bill now terminate and that the bill come before the Senate for action.

The PRESIDENT pro tempore. The Chair asks that Senators suspend debate for a moment, so that Senate Resolution 97, submitted by the Senator from North Carolina [Mr. BAILEY] on March 12, 1945, which was agreed to on March 12, may be read by the clerk. The Chair asks Senators who are interested to take notice of the resolution, because the Chair is bound by it. The clerk will read.

The Chief Clerk read Senate Resolution 97, as follows:

Resolved, That said bill, to wit, S. 555, shall be considered forthwith by the Committee on Commerce with respect to navigation and flood control, and thereafter returned to the Senate for reference to the Committee on Irrigation and Reclamation, to be considered by said committee with respect to irrigation and reclamation, and thereafter shall be returned to the Senate for reference to the Committee on Agriculture for consideration with respect to the agricultural features thereof; be it further

Resolved, That said bill shall be reported on respectively by each of said committees within 60 days from the date of its reference to each of said committees and that the first 60-day period shall be calculated from the date of the passage of this resolution.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield to the Senator from Montana.

Mr. MURRAY. In answer to the inquiry made by the distinguished Senator from Louisiana with reference to my position respecting the report submitted today by the Commerce Committee, I wish to say it is my idea that the procedure outlined in the resolution

which has just been read will have to be followed. The Senate took action by that resolution, and under the resolution the bill will now go to the Committee on Irrigation and Reclamation, and after action by that committee the bill will go to the Committee on Agriculture and Forestry.

Mr. OVERTON. Of course that statement is absolutely correct, although by unanimous consent or by vote of the Senate, the resolution could be changed. I did not know exactly what the Senator from Montana had in mind in making the argument he made that a bill of this character ought to be considered only by one committee.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. LANGER. I should like to ask the chairman of the Committee on Irrigation and Reclamation, Mr. President, whether we may have a week's notice before hearings are set on the bill before his committee.

Mr. BANKHEAD. I cannot assure the Senator that the committee can give him a week's notice of hearings, because we are required within 60 days to make a report. Then there is another committee, the Committee on Agriculture and Forestry, which must make a report on the bill. I do not know of any reason why I should give a week's notice before beginning hearings.

Mr. LANGER. I should like to have a week's notice, for I wish to bring witnesses from North Dakota to the hearings. Therefore I should like to have a week's notice of the hearings.

Mr. BANKHEAD. I can assure the Senator that he will have sufficient notice so he can bring his witnesses here before the hearings are closed.

Mr. OVERTON. Mr. President, I think the 60-day period under the resolution begins, so far as the Committee on Irrigation and Reclamation is concerned, on May 15. The Commerce Committee is a few days ahead of the time limit in which to submit its report.

INVESTIGATION OF ECONOMIC AND OTHER CONDITIONS IN THE PHILIPPINE ISLANDS

Mr. TYDINGS. Mr. President, from the Committee on Territories and Insular Affairs, I ask unanimous consent to report favorably without amendment the resolution (S. Res. 123) to investigate economic and other conditions in the Philippine Islands, and that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate for further study.

The PRESIDENT pro tempore. Without objection, the report will be received and the resolution referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate reports for the month of April 1945 from the acting chairman and chairmen of certain committees in response to Senate Resolution 319 (78th Cong.) relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the table and to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS

MAY 7, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of April 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
John F. Feeney	1425 Rhode Island Ave. NW	General Accounting Office, Washington, D. C	$6,400
Harold E. Merrick	906 Aspen St. NW	do	4,800
Thomas J. Scott	1210 34th St. SE	Federal Bureau of Investigation, Department of Justice, Washington, D. C.	4,800
Mrs. Mamie L. Mizen	1434 Saratoga Ave	District of Columbia Government	3,500

KENNETH MCKELLAR, *Acting Chairman.*

COMMITTEE ON INTERSTATE COMMERCE

MAY 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of April 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Mrs. Alma B. Kidwell	113 Park Blvd. SE., Washington, D. C	Federal Communications Commission, Washington, D. C	$1,800.00

B. K. WHEELER, *Chairman.*

COMMITTEE ON BANKING AND CURRENCY

UNITED STATES SENATE,
COMMITTEE ON BANKING AND CURRENCY,
May 1, 1945.

Hon. KENNETH MCKELLAR,
President pro tempore of the Senate,
Senate Office Building,
Washington, D. C.

DEAR MR. PRESIDENT: Pursuant to Senate Resolution 319, I am transmitting herewith a list of employees of the Senate Banking and Currency Committee who are not full time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the department paying the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,
ROBERT F. WAGNER,
Chairman, Banking and Currency Committee.

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Lucile Bryant	1016 16th St. NW., Washington, D. C	Reconstruction Finance Corporation	$2,100
Marion E. Dishaw	1738 M St. NW., Washington, D. C	Treasury Department	1,800
Betti C. Goldwasser	305 East George Mason Rd, Falls Church, Va	War Production Board	4,600

SUBCOMMITTEE ON WAR CONTRACTS

UNITED STATES SENATE,
COMMITTEE ON MILITARY AFFAIRS,
April 30, 1945.

Hon. KENNETH MCKELLAR,
President, United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: Pursuant to Senate Resolution 319, I am transmitting herewith a list of employees of the War Contracts Subcommittee of the Senate Committee on Military Affairs who are not full-time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the department paying the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,
JOSEPH C. O'MAHONEY,
Chairman, War Contracts Subcommittee.

Name of individua.	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Kurt Borchardt	6007 34th Pl NW., Washington, D. C	Smaller War Plants Corporation, Washington, D. C	$5,600
Ward Bowman	Wilton Woods, Alexandria, Va	Justice Department, Washington, D. C	6,500
Ann Cheatham	4000 South Capitol St. SE., Washington, D. C	Smaller War Plants Corporation, Washington, D. C	2,000
Bertram M. Gross	613 South Quincy St., Arlington, Va	Navy Department, Washington, D. C	8,000
Hilda Hamilton	705 18th St. NW., Washington, D. C	Reconstruction Finance Corporation, Washington, D. C	2,200
Doris Phippen	40 Plattsburgh Court NW., Washington, D. C	Navy Department, Washington, D. C	2,300

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MCKELLAR:

S. 961. A bill to amend the Emergency Price Control Act of 1942 to provide that a fair and equitable margin be allowed for processing agricultural commodities in fixing maximum prices; to the Committee on Banking and Currency.

By Mr. RUSSELL (for himself and Mr. ELLENDER):

S. 962. A bill to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. KILGORE:

S. 963. A bill authorizing the coinage of special 10-cent pieces in honor of Franklin Delano Roosevelt; to the Committee on Banking and Currency.

By Mr. MITCHELL:

S. 964. A bill to authorize the acquisition and operation of the Ovington Estate property in Olympic National Park, in the State of Washington, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. TYDINGS (by request):

S. 965. A bill to amend the Alaska Game Law; to the Committee on Territories and Insular Affairs.

By Mr. ELLENDER (by request):

S. 966. A bill for the relief of G. F. Allen, Chief Disbursing Officer, Treasury Department, and for other purposes; to the Committee on Claims.

By Mr. JOHNSON of Colorado:

S. 967. A bill to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms; to the Committee on Military Affairs.

S. 968. A bill to authorize the Administrator of Veterans' Affairs to employ on part time clerks, stenographers, typists and machine operators holding positions in other Federal departments and agencies, and for other purposes; to the Committee on Civil Service.

S. 969. A bill to amend certain provisions of the National Service Life Insurance Act of 1940, as amended;

S. 970. A bill to extend 5-year level premium term policies for an additional 3 years;

S. 971. A bill to amend section 100 of Public Law Numbered 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes;

S. 972. A bill to authorize the Administrator of Veterans' Affairs to accept gifts, devises and bequests in behalf of the General Post Fund for the use of veterans and for the sale and conveyance of any such property under certain circugmstances and the covering of the proceeds thereof into the Post Fund, and for other purposes; and

S. 973. A bill to liberalize and clarify the laws pertaining to hospital treatment, medical care, domiciliary care and related services, and for other purposes; to the Committee on Finance.

(Mr. JOHNSON of Colorado also introduced Senate bill 974, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. BALL:

S. 975. A bill for the relief of Mike Chetkovich; and

S. 976. A bill for the relief of Mildred E. Waldron; to the Committee on Claims.

(Mr. MORSE (for himself and Mr. CORDON) introduced Senate bill 977, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. WHEELER:

S. J. Res. 63. Joint resolution to amend the Act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes" (44 Stat. L. 807); to the Committee on Indian Affairs.

By Mr. KILGORE:

S. J. Res. 64. Joint resolution to provide for collecting and publishing the writings of Thomas Jefferson, Abraham Lincoln, Woodrow Wilson, and Franklin D. Roosevelt; to the Committee on the Library.

VOCATIONAL REHABILITATION AND EDUCATION OF VETERANS

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to amend parts VII and VIII of Veterans Regulation Numbered 1 (a), as amended, to liberalize and clarify vocational rehabilitation and education and training laws administered by the Veterans' Administration, and for other purposes. I request that an analysis of the provisions of the proposed bill be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred and the analysis of the bill printed in the RECORD.

The bill (S. 974) to amend parts VII and VIII of Veterans Regulation Numbered 1 (a), as amended, to liberalize and clarify vocational rehabilitation and education and training laws administered by the Veterans' Administration, and for other purposes, introduced by Mr. JOHNSON of Colorado, was read twice by its title and referred to the Committee on Finance.

The analysis of the provisions of the bill presented by Mr. JOHNSON of Colorado is as follows:

Sufficient time has elapsed since the enactment of Public Law No. 16, Seventy-eighth Congress, approved March 24, 1943, and title II of Public Law No. 346, Seventy-eighth Congress, approved June 22, 1944, which authorized vocational rehabilitation and education and training benefits for veterans of World War No. 2 who meet certain requirements of these acts to indicate that the administration of these benefits will be more equitable and greatly simplified if certain legislative changes are made. These changes have been incorporated in this draft of a bill and are as follows:

Section 1, if enacted, would permit the Administrator, in proper cases, to approve vocational rehabilitation training courses in excess of 4 years and also amends paragraph 1 of part VII of Veterans Regulation No. 1 (a), as amended, to extend the ultimate limit of training to 7 years after termination of the present war, instead of 6 years required by existing law. This will make the ultimate limitation for vocational rehabilitation under part VII the same period as is now provided for education or training under part VIII (par. 1, pt. VIII, Veterans Regulation No. 1 (a), as amended).

Existing law requires that books, supplies, or equipment furnished a trainee or student shall be released to him unless he fails because of fault on his part to complete the course of training. He may be required in such case, in the discretion of the Administrator, to return such books, supplies, or equipment. Experience has shown that there is no practical outlet for the disposition of such books, supplies, or equipment. Some educational institutions, however, are offering to accept the return of books, supplies, and equipment at a discount and to credit their accounts with the Veterans' Administration accordingly. Under existing law, this cannot be done. If the Veterans' Administration were enabled to dispose of returned property in this matter, administrative procedure would be simplified and a saving would be accomplished. Section 2 of the bill is proposed to accomplish this purpose and will, if enacted into law, permit the Administrator to turn in returned books, supplies, or equipment to educational or training institutions for credit upon such terms as may be approved by the Administrator, or that they may be disposed of in such manner as may be approved by the Administrator.

Section 3 of the bill increases the rates payable to those veterans found eligible for vocational rehabilitation. The rates stated in the bill include an increase in the basic rate and also the 15-percent increase authorized by Public Law No. 312, Seventy-eighth Congress, May 27, 1944. This section would also remove a provision which has caused dissatisfaction among employers extending training on the job.

Paragraph 3 of part VII of Veterans Regulation No. 1 (a), as amended, now requires that the employer must submit monthly a statement under oath showing any payments paid by him to the vocational trainee. Section 3 of this bill would amend that paragraph to require only written statements.

Section 4, if enacted into law, would greatly simplify the administration of title II of Public Law No. 346, Seventy-eighth Congress. Section 4 amends paragraphs 1, 2, 6, and 7 of part VIII, Veterans Regulation No. 1 (a) to remove the distinction between education and training and refresher and retraining courses. This distinction has proved very difficult of administration and confusing to veterans applying for education and training. The section would also, if enacted into law, remove the distinction between those veterans under 25 and those over 25 years of age at the time of entrance into service. It has been found that the distinction between these two age groups has caused considerable dissatisfaction among the veterans, it has given rise to much misunderstanding of the purposes of the act, and increases the complexity of administration. It is not considered that the removal of this distinction would effect much increase in the ultimate cost of the educational provisions of the Servicemen's Readjustment Act of 1944 and such increase as might be effected would be offset by the simplification of administration. The section would also remove the distinction in existing law between the first year of education or training or refresher and retraining course and courses for subsequent years and make the basic entitlement of all persons not to exceed the time such person was in active service on or after September 16, 1940, and before the termination of the war, exclusive of such periods as he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion or as a cadet or midshipman at one of the service academies as is provided by existing law. However, the section would permit the election of a course of education or training which would require less than the full period of eligibility. The limit of any period of education or training to 4 years would be continued.

Section 4 further provides certain regulatory limitations that appear advisable. It will, if enacted into law, provide that subsistence allowances may not be paid in an amount which, together with the benefits paid, would exceed the amount payable under part VII, and it will also provide that any veteran eligible for training under part VIII who is also eligible for vocational rehabilitation under part VII may elect either benefit as is now provided by law, and, in addition, he may be provided an approved combination of such courses provided that the total period of such combined courses shall not exceed the maximum period of limitations under the part elected.

Section 5 would, if enacted into law, permit the Administrator to approve short intensive postgraduate or vocational training courses for a period less than the generally recognized school year and contains certain safeguards to prevent advantage being taken of veterans by improperly equipped institutions and also permits the payment of reasonable and fair rates for instruction and material. It also provides that for the purposes of this provision such postgraduate or vocational training course shall be deemed the equivalent of one ordinary school year of education or training.

This section would also permit the election of a course of instruction by correspondence with similar safeguards and without authorizing the payment of any maintenance allowance in such cases.

Section 6 modifies the last proviso of paragraph 5 with reference to the adjustment and payment of fees and charges to educational and training institutions. This amendment appears to be necessary in order to clarify what is meant by fair and reasonable compensation for education and training at certain institutions and to afford necessary flexibility in the matter of authorizing the payment of fees by the Administrator. It is considered that the provisions as drawn protects the Government against excessive charges and also permits a fair adjustment on behalf of educational institutions. The section also defines the term "ordinary school year" and further clarifies the provision relative to intensive postgraduate, vocational, or trade course.

Section 7 is a formal provision relating to the effective date of the bill if enacted into law.

HOUSING FOR VETERANS ATTENDING EDUCATIONAL INSTITUTIONS

Mr. MORSE. Mr. President, I have been working with a veterans' group and a group of college and civic leaders with regard to a particular bill I am about to introduce, and with regard to which I wish to make some explanatory remarks. A news release went out this afternoon on the subject, so in order to include the contents of that release in today's RECORD, I shall appreciate it if those who have honored me by staying will permit me to take a few minutes for a brief comment with regard to this very important bill. I shall speak at some length later on the bill when it is reported by the committee to which it is referred.

Mr. President, I am introducing a bill to aid in providing housing for veterans attending educational institutions, and for other purposes. I am introducing it in my behalf and in behalf of my distinguished colleague, the senior Senator from Oregon [Mr. CORDON]. The bill we are introducing has been drafted to meet the need for housing for student veterans who are attending universities under provisions of the GI bill. It provides a three-way plan, so that it will fit every section of the country and so that it can be adjusted to the particular requirement of any authorized educational institution which may be attended by veterans under the bill.

The three-way plan embodies the following:

First. Loans to public agencies. This means any State, county, municipality, or other Government agency or public body, or any educational institution approved under the GI bill which is authorized to engage in the development of a housing project.

Loans made to public agencies shall bear interest at the rate of 2 percent. The housing authority under this section will approve rentals it deems to be fair, and the rental charged veterans will then be reduced below the established rental by an amount equal to 50 percent thereof, except that the reduction shall not exceed $15 a month for single veterans or $30 a month for a veteran and his family. Such reduction shall be credited by the authority as a payment on the loan.

There is a maximum of $4,000 per family dwelling unit except in cities where the population is over 500,000, and in this event the maximum is $5,000 per family dwelling unit.

Second. The second approach is by the construction of housing at educational institutions by the United States under the Lanham Act, with the same provisions for reduced rentals for the veterans as in the case where loans are made for the construction of housing.

Third. The third approach is that where no living quarters are made available at reduced rentals under this act for veterans and their families, their subsistence allowance shall be increased by $15 a month for veterans without dependents and $30 per month for veterans with dependents.

It is possible now for educational institutions to obtain self-liquidating loans from the Reconstruction Finance Corporation. The usual policy of the R. F. C., however, is to charge 4 percent and it would require special authorization from the directors to reduce this amount. The interest rate provided for in the bill I am introducing is 2 percent, and there are the further benefits above indicated to assist educational institutions in providing housing.

I think it is urgent for the Congress to enact legislation of this character because unless it does so, the educational provisions of the GI bill in many instances will be valueless because the sum provided under this bill will be used up for housing accommodations and there will be little left for tuition and other college expenses. If our boys are to get the benefits of advanced education, we must do something to see that they can house themselves and their families at a moderate rental.

I wish to say, Mr. President, that I have been working on this subject not only with college administrators but with leaders of veterans' groups, who recognize that although the motives of Congress were of the very highest in passing the so-called GI bill, the bill is in need of extensive revision if it is to accomplish the ends sought by those motives. This is particularly true in the educational sections of the present law. Although it is conceived to be desirable to give veterans the advantage of college training, under the educational sections, it is now practically impossible for them to obtain such training under the money allowances of the act. There are very few college towns in which veterans who have families can rent accommodations for less than $50 or $60 a month. It should be remembered their entire allowance is only $75 under the GI Act.

I think it is also important that we keep in mind the fact that the educational sections of the GI Act have great rehabilitative value. I can think of no better place for veterans who are seeking an education to make their readjustment to civilian life than on the campuses of American universities. So I believe it is important that we so amend the act as to enable veterans to attend college and have their families with them, living in decency and as a part of the university

community. I should not want them scattered all over the town or the surrounding areas, living in basements and attics, and places of exceedingly low rental value. We should give them what they are entitled to, and it seems to me that on this historic day we can well afford to direct our attention to making good with regard to the great debt of gratitude we owe to the living veterans who are winning the fight to keep America free.

I think we need to go through the G. I. law and amend those features which now make it impossible for the veterans really to take advantage of what Congress had in mind when the law was passed. I have attempted to draft a bill which will make it possible for veterans to obtain an education, and actually live on the campuses of American universities with their families.

Mr. President, I make one further point in conclusion. This is not the only section of the G. I. law which needs immediate revision by the Congress. I wish to urge the importance of immediate action in regard of veterans' legislation. I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an editorial from the Portland Journal, written by Mr. R. F. Owen. Mr. Owen was formerly a lieutenant commander in the United States Navy. He gives a very interesting account of the experiences which he has had to go through in an attempt to take advantage of the loan provisions under the G. I. law. I know that most Senators have received correspondence, as I have, to the effect that the loan provisions are not working out to the benefit of the veterans. They may be working out to the benefit of some loan agencies and office holders, but not to the benefit of the veterans.

I have sought in the bill I am introducing to amend—really to implement—the educational sections of the G. I. law. I am endeavoring to accomplish in this bill the type of thing which I think we need to do with most of the other sections of the law. Possibly the law should be rewritten, but it can be amended intelligently, and I have sought to do it so far as providing low-cost housing for veterans under the educational sections of the act is concerned. At a later date, if other Sentors do not see fit to do so, I shall offer further amendments to the GI law in regard to its loan sections, and also in connection with medical attention and hospitalization for veterans. I also think that the time limitations of the GI Act need to be greatly liberalized as indicated by Mr. Owens in his splendid editorial.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHERE GI BILL FAILS

(By Roy F. Owen)

I am mad, hurt, and concerned over the GI loan bill. It means exactly nothing in a financial way but one more great big headache for this country to face with its returning soldiers and sailors.

Before I was released from active duty with the Navy, we held meetings to instruct the men in what they would be entitled to upon their discharge and release. The GI loan bill, we said, provides for a loan up to $2,000 guaranteed by the Government for either purchase of real property or for use in getting started in business of some kind.

Upon my release I decided to test the effectiveness of the bill. I am not personally in need of money but I wanted to see for myself what the GI bill provided. I went to the Veterans' Administration in Portland to inquire as to procedure to be followed in securing a loan. I was at once referred to a bank, any bank, for origination of the loan and to secure and complete the necessary forms. I went to a banker I personally know well. He referred me to the Reconstruction Finance Corporation in this city. The gentlemen at the R. F. C., after questioning me at some length as to the purpose of the loan—a business one—advised me of several things:

1. The R. F. C. does not lend money—only approves loans made.

2. No loan can be made unless and until a bank refuses the loan.

3. No loan can be made without good collateral.

4. No consideration can be given one's professional reputation or record of success.

5. Any loan must be applied for within 2 years of separation from service.

6. The R. F. C. cannot even consider an application for a loan until the veteran has completed a series of forms that go from the R. F. C. to the Veterans' Administration in Portland to the Veterans' Administration in Seattle and from there to an office in New York and then either back through the same chain or to somewhere else.

Now, if one had good collateral, he would not need a GI loan, but could go to the bank and get whatever money was needed within the limit of his credit.

The 2-year clause means loans, if and where granted, will be on real estate at an inflated value, or we force the veterans to buy real estate, thus forcing an inflated value.

There is a contradictory angle that says loans under the GI bill cannot be made on property bought at more than its reasonable normal value. Where can anyone find property now that sells at a normal valuation?

Lastly, our returning soldiers and sailors will, in the main, be youngsters. They are not ready to buy homes and settle down or go immediately into business for themselves. Yet, if they practice the caution of waiting, the 2 years will expire before they receive any benefit from the GI bill.

Framers of the bill may have had the welfare of our servicemen at heart. But they certainly bungled the instrumentality of the legislation. It should be amended before it defeats its purpose by breaking rather than making morale.

Mr. MORSE. I ask unanimous consent to introduce the bill, and to have it appropriately referred.

There being no objection, the bill (S. 977) to aid in providing housing for veterans attending educational institutions, and for other purposes, introduced by Mr. MORSE (for himself and Mr. CORDON), was received, read twice by its title, and referred to the Committee on Finance.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles and referred as indicated:

H. R. 694. A bill to amend section 321, title III, part II, Transportation Act of 1940, with respect to the movement of Government traffic; to the Committee on Interstate Commerce.

H. J. Res. 177. Joint resolution repealing a portion of the appropriation and contract authorization available to the Maritime Commission; to the Committee on Appropriations.

DIPLOMATIC PROTECTION OF AMERICAN PETROLEUM INTERESTS ABROAD

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that a monograph which has been prepared by Mr. Henry S. Fraser, chief counsel for the Special Committee Investigating Petroleum Resources, be printed as a Senate document. It is a study of diplomatic protection of American petroleum interests abroad, a very valuable and scholarly presentation of this matter, which I believe should be available to all Members of the Senate. I therefore ask unanimous consent that it be printed as a Senate document.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

JEWISH RIGHTS—ADDRESS BY SENATOR WAGNER

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address delivered by him at a mass rally for Jewish rights held under the joint auspices of the American Jewish Conference and American Zionist Emergency Council, at Lewisohn Stadium, New York, April 29, 1945, which appears in the Apendix.]

WHAT IS THE AMERICAN WAY OF LIFE?—ARTICLES BY SENATOR SALTONSTALL, SENATOR WILEY, AND GOV. ELLIS ARNALL, OF GEORGIA

[Mr. BURTON asked and obtained leave to have printed in the RECORD a symposium entitled "What Is the American Way of Life?" containing articles by Senator Saltonstall, Senator Wiley, and Gov. Ellis Arnall, of Georgia, which appears in the Appendix.]

DEDICATION OF THE NEW WOODROW WILSON HOUSE—ADDRESS BY HON. JOSEPHUS DANIELS AND STATEMENT BY ARTHUR SWEETSER

[Mr. HILL asked and obtained leave to have printed in the RECORD an address delivered by Hon. Josephus Daniels at the dedication and opening of the new Woodrow Wilson House in New York City on April 17, 1945, and also a statement by Mr. Arthur Sweetser, president of the Woodrow Wilson Foundation, on the same occasion, which appear in the Appendix.]

RIVER BASIN AUTHORITIES AND THE NEW COMMUNITY—ADDRESS BY HON. LELAND OLDS

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address entitled "River Basin Authorities and the New Community," delivered by Hon. Leland Olds, Vice Chairman of the Federal Power Commission, before the Washington Academy of Sciences, Washington, D. C., on April 19, 1945, which appears in the Appendix.]

ADDRESS BY HON. OSCAR R. EWING AT NATIONAL RALLY OF THE UNITED AMERICANS FOR UNITED NATIONS

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an address delivered by Hon. Oscar R. Ewing, vice chairman, Democratic National Committee, at the National Rally of the United Americans for United Nations at New York City on April 25, 1945, which appears in the Appendix.]

BREAD, NOT STONE—ARTICLE FROM THE STARS AND STRIPES

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "Bread, Not Stone," published in the

Stars and Stripes of April 11, 1945, which appears in the Appendix.]

OBLIGATION OF A HOME-FRONT SOLDIER

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a statement entitled "Till the Last Shot Is Fired—My Obligation as a Home-Front Soldier," issued by the I Am an American Foundation, which appears in the Appendix.]

THE EDUCATION OF DENTISTS IN WARTIME—EDITORIAL FROM JOURNAL OF THE AMERICAN DENTAL ASSOCIATION

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an editorial entitled "The Education of Dentists in Wartime," published in the last issue of the Journal of the American Dental Association, which appears in the Appendix.]

THEY SHALL NOT MARCH ALONE—ARTICLE BY CHAPLAIN GROVER C. SCHWARTZ

[Mr. BILBO asked and obtained leave to have printed in the RECORD an article entitled "They Shall Not March Alone—The Spirit of the American Chaplain," by Chaplain Grover C. Schwartz, published in the March 1945 issue of the Mississippi Veteran, which appears in the Appendix.]

SALARY INCREASE FOR MEMBERS OF CONGRESS—LETTER FROM NEW YORK BOARD OF TRADE

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD a letter from John B. Glenn, president of the New York Board of Trade, Inc., on the subject of a salary increase for Members of Congress, which appears in the Appendix.]

CONTROL AND TREATMENT OF INFANTILE PARALYSIS

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address on the control and treatment of infantile paralysis, delivered by Sister Kenny before the Illinois State Legislature, which appears in the Appendix.]

WORLD POWER CONCEPTS—ARTICLE BY DAVID LAWRENCE

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "World Power Concepts Unfolding at Parley," written by David Lawrence, which appears in the Appendix.]

JUSTICE FOR THE POSTMAN—EDITORIAL FROM NEW YORK DAILY MIRROR

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Justice for the Postman," published in the New York Daily Mirror of April 28, 1945, which appears in the Appendix.]

A SQUARE DEAL FOR POSTAL WORKERS—EDITORIAL AND LETTER FROM BOSTON DAILY RECORD

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "A Square Deal for Postal Workers," together with a letter from William C. Doherty, president of the National Association of Letter Carriers, published in the Boston Daily Record of April 21, 1945, which appear in the Appendix.]

EXEMPTION OF FARM WORKERS FROM SELECTIVE SERVICE—ACTION BY REPUBLICANS IN CONGRESS ON VETO BY THE PRESIDENT

Mr. HATCH. Mr. President, I hold in my hand an editorial entitled "The Republicans in Congress Write Another Chapter," published in the New York Times of May 5, 1945. I have been debating whether to ask unanimous consent to have the editorial printed in the RECORD, because it analyzes a vote in the House of Representatives on the first veto message of the President of the United States. I myself have made no such analysis. I have never examined a vote in either branch of the Congress from a partisan or political standpoint. However, reading this editorial disturbs me. I am disturbed at the thought which is implied; and because I am disturbed, I ask unanimous consent that the editorial be printed in the RECORD, and urge that it receive the most careful consideration of every Member of the minority party.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE REPUBLICANS IN CONGRESS WRITE ANOTHER CHAPTER

For the sake of the record it is important to note the action of the Republicans in the House of Representatives on the first veto of a bill by President Truman.

The issue was whether blanket exemption from the Selective Service Act should henceforth be granted to all farm workers, thereby establishing an especially favored group of citizens.

President Truman properly vetoed this proposal. His own party in the House of Representatives voted to sustain him in this veto by a majority of 164 to 30.

And what did the House Republicans do? They voted 154 to 12—more than 12 to 1—to override the veto. Mr. MARTIN of Massachusetts, Republican leader, led the way.

The same old stupid business goes on of looking for political advantage by "voting against the President." Now in the record of the House Republicans a new item of opposition is added to a record that already includes opposition to repeal of the arms embargo, opposition to selective service, opposition to renewal of selective service, opposition to the Hull trade program, opposition to lend-lease.

It is a curious thing the way a Republican candidate for the Presidency bobs up every 4 years and then seems surprised because the independent voters of the country don't rush to support the Republican Party "on its record."

Mr. TAFT. Mr. President, as I understand, this is an editorial which criticizes the Republicans in the House.

Mr. HATCH. That is correct.

Mr. TAFT. It criticizes the Republicans in the House for voting to override the President's veto of a bill to exempt farm laborers. The bill was passed unanimously by the Senate. As I remember the circumstances, every Member of this body approved it. It was supported and put through by the senior Senator from Maryland [Mr. TYDINGS] and received the unanimous support of this body.

An editorial which criticizes the Republican Party in the House for voting for a measure which was unanimously approved by this body, and which met the active support and approval of many of the members of the majority party here, as well as the minority party, may be a proper element in the RECORD; but I should like to call attention to the facts behind this particular measure.

Mr. HATCH. Mr. President, I wish to have it definitely understood that I make no criticism of anyone. However, I read the editorial with deep concern, because it shows a marked partisan division, a thing which I dislike, especially when I review in my own mind the questions which will confront this country in the months ahead. I submit the editorial for the consideration of all Members of Congress, for whatever it may be worth.

Mr. TAFT. Mr. President, I suggest that when the Republican Members voted against the convictions which they held all along, that was far less partisan than the vote by majority Members in the House of Representatives, who formerly had one view, and, simply because the President happened to veto the bill, were willing to change their views and refuse to vote for the bill again. That certainly was more of a partisan exhibition than the action of the Republicans in the House.

PLANNING OF RURAL ELECTRIFICATION PROJECTS

Mr. LUCAS. Mr. President, I wish to make a brief statement in connection with Senate bill 89. Last week I advised the Senate that I would move to take up that bill following the disposition of the bill which was then before the Senate.

Today I learn that the Senator from Oklahoma [Mr. THOMAS], who is chairman of the Committee on Agriculture and Forestry, is unavoidably out of the city on official business. I shall therefore not move to take up the bill today, but probably will do so on Thursday. As I understand, the Senator from Oklahoma is expected to return by that time.

Mr. HILL. Mr. President, I can well understand why the Senator from Illinois would not wish to bring up the bill today, in the absence of the distinguished chairman of the Committee on Agriculture and Forestry. I shall be glad to cooperate with the Senator in obtaining consideration of the bill on Thursday.

As soon as the Senate shall have finished the business on the calendar in executive session, I shall move that the Senate resume the consideration of legislative business, with the intention of taking up for consideration at that time the motion of the junior Senator from Louisiana [Mr. ELLENDER] to reconsider the vote by which the so-called Tydings-Bilbo hospital construction bill passed the Senate a few days ago.

LEAVE OF ABSENCE

Mr. GURNEY. Mr. President, for the information of the Senate, let me say that a subcommittee of the Committee on Public Lands and Surveys is planning to hold hearings in New Mexico and Arizona, which will run through the 15th of May. I do not know whether or not the chairman of the committee, the Senator from New Mexico [Mr. HATCH] will make a similar request; but on my own behalf I ask unanimous consent to be absent from the Senate during the hearings, which will last approximately a week.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from South Dakota? The Chair hears none, and the request is granted.

Mr. HATCH. Mr. President, tomorrow several members of the Committee on Public Lands and Surveys will be compelled to leave Washington in connection with committee hearings. They

will be detained in the West for probably a couple of weeks. For myself, the Senator from South Dakota [Mr. GURNEY], the Senator from Indiana [Mr. WILLIS], and the Senator from Oregon [Mr. CORDON], I ask unanimous consent that we may be excused from attendance on duties of the Senate during that period of absence.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and consent of the Senate is granted.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of W. Coy St. John, to be postmaster at Manchester, Tenn., in place of Hugh Doak, resigned.

The PRESIDING OFFICER (Mr. MAYBANK in the chair). If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Foreign Service.

Mr. HILL. I ask that the nominations in the Foreign Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Foreign Service nominations are confirmed en bloc.

POSTMASTER GENERAL

The legislative clerk read the nomination of Robert E. Hannegan, of Missouri, to be Postmaster General.

Mr. HILL. I ask that the nomination of Postmaster General be temporarily passed over, until the routine nominations are confirmed.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HILL. I ask that the routine postmaster nominations be confirmed en bloc.

Mr. BALL. I ask that the nomination of Thomas J. Kosanda, to be postmaster at Hopkins, Minn., be excepted from that request. I desire to make a brief statement regarding the nomination.

Mr. McKELLAR. That will be satisfactory.

Mr. HILL. I so modify my request to have the postmaster nominations confirmed en bloc, and I ask that with the exception noted by the Senator from Minnesota, they be confirmed en bloc.

The PRESIDING OFFICER. The nomination for postmaster at Hopkins, Minn., will be temporarily passed over. Without objection, the remaining postmaster nominations are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. HILL. I ask that the nominations in the Army be confirmed en blos.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

The clerk will now state the first nomination which has been passed over.

POSTMASTER GENERAL

The legislative clerk read the nomination of Robert E. Hannegan, of Missouri, to be Postmaster General.

Mr. McKELLAR. Mr. President, I request a vote on the nomination.

Mr. DONNELL. Mr. President, at the conclusion of my remarks it will be my intention to request that, by unanimous consent, the nomination of Robert E. Hannegan to be Postmaster General be recommitted to the Committee on Post Offices and Post Roads. I do not make that request at this time.

Mr. MORSE. Mr. President, will the Senator yield for the purpose of permitting me to suggest the absence of a quorum?

Mr. DONNELL. I yield.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Hawkes	O'Mahoney
Bailey	Hayden	Overton
Ball	Hickenlooper	Radcliffe
Bankhead	Hill	Reed
Bilbo	Johnson, Colo.	Revercomb
Briggs	Johnston, S. C.	Robertson
Buck	Kilgore	Russell
Burton	La Follette	Shipstead
Bushfield	Langer	Smith
Butler	Lucas	Stewart
Capper	McFarland	Taft
Chavez	McKellar	Taylor
Cordon	McMahon	Tunnell
Donnell	Maybank	Tydings
Downey	Millikin	Walsh
Ellender	Mitchell	White
Ferguson	Moore	Wiley
Green	Morse	Wilson
Gurney	Murdock	Young
Hart	Murray	
Hatch	O'Daniel	

Mr. BAILEY. Mr. President, I announce that my colleague, the junior Senator from North Carolina [Mr. HOEY], is absent, having gone to North Carolina to fulfill an engagement at a commencement occasion. He will return, so he told me, on Wednesday.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Utah [Mr. THOMAS] are absent inspecting concentration and prison camps in Europe.

The Senator from Virgina [Mr. BYRD] and the Senator from Mississippi [Mr. EASTLAND] are absent on official business for the Senate Naval Affairs Committee.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from North Carolina [Mr. HOEY], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent as a delegate to the International Conference in San Francisco.

The Senator from Nevada [Mr. McCARRAN] and the Senators from Arkansas [Mr. McCLELLAN and Mr. FULBRIGHT] are absent on official business.

The Senator from Montana [Mr. WHEELER] is attending to public business pertaining to his State.

Mr. WHITE. The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. WHERRY], and the Senator from Massachusetts [Mr. SALTONSTALL] are absent on official business visiting various concentration and prison camps in Europe.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from New Hampshire [Mr. TOBEY] is absent on official committee business.

The Senator from Indiana [Mr. CAPEHART] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from Maine [Mr. BREWSTER] and the Senator from Indiana [Mr. WILLIS] are detained in committee meeting.

The PRESIDING OFFICER. Sixty-one Senators having answered to their names, a quorum is present.

Mr. DONNELL. Mr. President, as I indicated a few moments ago, it is my intention at the conclusion of my remarks to ask unanimous consent that the nomination of Robert E. Hannegan to be Postmaster General of the United States be recommitted to the Committee on Post Offices and Post Roads. It is my further intention, in the event that the rereference be made, to ask the committee to hold public hearings on the nomination, to which hearings Mr. Hannegan, as well as other witnesses, shall be invited or summoned.

At this time I propose to address my remarks to certain reasons why the nomination should be recommitted to the Committee on Post Offices and Post Roads, and why hearings should be held.

The first of the reasons why recommittal to the Committee on Post Offices and Post Roads should be had is that this nomination has not been presented at a hearing of that committee. On May 3, the nomination was reported to the Senate. On May 3, a paper, a copy of which I have in my hand, was passed around among some but not all of the members of the committee. That paper was signed by 11 of the 19 members of the committee.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. McKELLAR. The statement of the Senator from Missouri is correct that 11 members of the committee signed the report. They were composed of both Democrats and Republicans. Only one of them objected at the time, and he afterward withdrew his objection. So in making its report the committee, by following the method of polling its members, did only what has been done for—I can only speak for the 29 years during which I have been a Member of the Senate—a great many years. Such method has been an accepted custom in determining the views of the committee on nominations submitted to it.

Mr. MORSE and Mr. TAFT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Missouri yield, and if so to whom?

Mr. DONNELL. I yield first to the Senator from Oregon.

Mr. MORSE. I am very glad to hear the explanation just made by the distinguished Senator from Tennessee because, as a freshman in the Senate, I am not familiar with Senate committee polling methods. As a member of the committee, I was not polled. I wish to say, however, that if the custom to which the Senator has referred has been pursued for the past 29 years, it is about time that it be changed. I think that when we are asked to consider an appointment as important as that of a Postmaster General, each and every member of the committee should be consulted I have ascertained that I was present on the floor of the Senate at the time the so-called polling took place. In my judgment, each and every member of the committee should have been polled; but it seems to me that sound practice would have called for a meeting of the committee for a full discussion of an appointment so vital to the interests of this country as is the appointment of a person to be a member of the Cabinet.

Later I shall speak with reference to what criteria I think should be applied in connection with determining the qualifications of a person who has been appointed to a Cabinet position. I believe the Senate is well aware of the position I took on a previous occasion with regard to the President's prerogatives when an appointment to a Cabinet position is made. But I do not think that such an appointment should be confirmed until there has been afforded full and adequate opportunity for the committee to hold hearings.

Mr. McKELLAR. Mr. President, it seems to me that it was only a short time ago when we had before us for consideration the nomination of Mr. Wallace to be Secretary of Commerce. As I now recall, the Senator from Oregon then argued that the President, having sent to the Senate the nomination of a person to be a member of his Cabinet, should have the right to have the nomination confirmed as a matter of course.

Mr. MORSE. The distinguished Senator from Tennesseee could not be more mistaken with regard to my views on any matter than his remarks just spoken show him to be in regard to my views in connection with the Wallace nomination.

Mr. McKELLAR. The Senator from Oregon voted for Mr. Wallace.

Mr. MORSE. I was one who believed, on the basis of the criteria which had been established throughout the history of this country in regard to Cabinet appointments, that Mr. Wallace's nomination should be confirmed by the Senate, and I so voted. I shall not at this time discuss those criteria. However, as a Member of the Senate on this side of the aisle, I was one who insisted that Mr. Wallace's qualifications be determined by those criteria. After the lengthy committee hearings on Mr. Wallace, I became convinced that Mr. Wallace met those tests. I am not saying that Mr. Hannegan cannot meet them; I merely assert that they should be applied to his nomination. Hence, in fairness to Mr. Hannegan and President Truman, I think that the Senator from Tennessee, as chairman of the Post Offices and Post Roads Committee, should call a meeting of the committee for a determination of the procedure which should be followed by the committee in this matter.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. TAFT. Mr. President, without discussing the question as to the wisdom of the practice of polling committees—and I may say parenthetically that I think it is a very bad practice—I believe that the nomination of every important officer which is sent to the Senate should be considered at a meeting of the committee to which the nomination has been referred. I think that notice of the appointment should be given in order that all Members of the Senate may come before the committee and object to the nomination or request that hearings be held. But apart from that, it has also been the practice, so far as I know, that when an appointment is reported to the Senate, before any action is taken upon it, it is submitted to the Senators representing the State from which the appointee comes for their comment and advice.

The Senator from Missouri [Mr. DONNELL] was not consulted in connection with this appointment. He was a member of the committee, but he was not polled until after a large majority of the committee had already signed the report. If we are to follow the practice to which the Senator from Tennessee [Mr. McKELLAR] has referred, I submit that the practice was ignored in this particular case.

Mr. McKELLAR. The clerk of my committee, acting under my instruction, did poll the Senator from Missouri. I do not know whether he signed the report, but both Senators from Missouri were advised of the nomination.

I may say very frankly that it never occurred to me that Mr. Hannegan would not meet the requisite qualifications for the high office of Postmaster General. I never dreamed that any objection would be made to his nomination. I was astonished when objection was made. A few Senators were consulted, and the committee was polled in the usual and everyday way in which such polls have been conducted during the past 29 years I have been a Member of the Senate. In fact, the same method was pursued many years before I became a Member of the Senate.

Mr. DONNELL. Mr. President, with respect first to the statement of the distinguished Senator from Tennessee as to the custom which has prevailed, I understood him to say that such custom had prevailed with respect to the nomination of postmasters. I invite the attention of the Senate to the fact that this appointment does not concern alone a Postmaster General. The appointment is of a member of the Cabinet of the President of the United States. I further invite attention to the fact that with the exception of the incident, to which I shall advert in a moment, the matter was never mentioned to me either directly or indirectly.

On the 3d day of May, which was the date on which the nomination was reported to the Senate, a gentleman whose identity I do not know, but whom I judged to be the clerk of the committee, or an assistant, came to my desk and handed me a paper or card upon which appeared various signatures. He made mention of the fact that the card or paper related to the appointment of Mr. Hannegan, and inquired in substance whether I would sign it. I looked at the paper and told him that I would not sign it; that I desired to consider the matter before determining what I should do. The paper was never again presented to me. My signature is not upon it. I do not know how many Members of the Senate or of the committee had already signed the paper when it was presented to me. I do know, however, that upon such paper or card, over the signature of the Honorable WILLIAM LANGER, United States Senate, appeared the words: "Opposed, and want a hearing."

I undertake to state further that this request of the Senator from North Dakota, whether withdrawn or not by him, was never submitted to the committee. I undertake to supplement the remarks made by the Senator from Oregon and the Senator from Ohio, for which I am grateful, by stating that, in my judgment, when a member of a committee of the United States Senate asks for a hearing upon the question of the appointment of a member of the Cabinet of the President of the United States, it would appear to me certainly to be right and at least courteous to call the committee together and present the request of the Senator to the committee.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Tennessee?

Mr. DONNELL. I yield.

Mr. McKELLAR. When the clerk of the committee called on the Senator from Missouri, who is now speaking, and showed him the poll of the committee, and asked him to sign or do whatever he wished to do about it, did the Senator

from Missouri request of the clerk that a hearing be held?

Mr. DONNELL. No, sir; I do not regard the clerk of the committee as the committee itself. I was handed this document which had at the bottom of it over the names which are there signed the words "With the recommendation that the nomination be confirmed." The paper or card did not indicate at any place that it was designed to be the document upon which there should be contained a request for a hearing; but the Senator from North Dakota inscribed on it the words I have quoted. I did not sign the paper, and the request of the Senator from North Dakota for a hearing was never communicated to the Committee on Post Offices and Post Roads.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. DONNELL. I yield.

Mr. MORSE. After the Senator had notified the clerk of the committee that he would not sign the slip of paper that had been shown him did the chairman of the committee at any time thereafter suggest to the Senator from Missouri that there would be a committee meeting to consider the Senator's objections?

Mr. DONNELL. My statement to the gentleman who, I assumed, was the clerk of the committee, was that I would not sign it, and neither then nor thereafter have I ever heard from the chairman of the committee or any member of the committee requesting me to indicate whether I would sign or whether I desired a hearing.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. DONNELL. I shall be glad to yield in a moment.

I discussed the matter with several Members of the Senate, but there has been no meeting of the Committee on Post Offices and Post Roads to consider the request of the Senator from North Dakota, and, as I have indicated, the paper, signed as it was by only 11 members of the committee, only 10 of whom approved the nomination, does not, in my judgment, constitute action of the committee, regardless of the practice which the distinguished Senator from Tennessee and other Senators say has prevailed.

I now yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, it just happens that the chairman of the Committee on Post Offices and Post Roads was in the Senate the entire afternoon, and he remembers very distinctly not only having seen the Senator from Missouri in the Chamber, but having seen him in the Chamber practically all afternoon. The Senator from Missouri, having received the usual ordinary report, made in the usual ordinary way and signed in the usual ordinary way, does he not think that if he had any reason for making objection or wanting a hearing it would have been the simplest matter for him to have gone to the chairman of the committee and so expressed himself? The chairman of the committee, because he happens to be chairman, is still a Member of the Senate; he is exceedingly friendly to the Senator from Missouri, and would have been glad if the Senator from Missouri at the time had made such an objection or such a claim to have had it go before the committee; but the Senator was perfectly silent on the subject on the day the action was taken.

Mr. REED. Mr. President, will the Senator yield?

Mr. DONNELL. I shall be glad to yield in a moment. I should like first to answer the Senator from Tennessee. In my judgment, the proper procedure for me to follow is that which I am following, namely, to present upon the floor of the Senate, which I shall do, a request for unanimous consent that the nomination of Mr. Hannegan be recommitted to the committee.

I now yield to the Senator from Kansas.

Mr. REED. Mr. President, I happen to be a member of the Senate Committee on Post Offices and Pos Roads; I also happen to be the ranking Republican member of that committee. I signed the card which has been referred to because I had no information from any source, not the slightest intimation, that there would be any serious objection—I withdraw the word "serious" and say any objection to the confirmation of Mr. Hannegan.

I desire to say that circulating a card to take a poll of the committee is not good practice. I hold that view under the tutelage of the distinguished Senator from Maine [Mr. WHITE], the minority leader, who has always, so far as I know, objected to such procedure in other committees on which I have served with him.

Mr. President, I would not have signed that card if I had known that there was any opposition, if I had known that any Senator, especially a Senator from the nominee's own State had made objection.

I am very sorry indeed that the Senator from Missouri did not notify the chairman or even mention the matter to me as the ranking minority member. I certainly would have insisted upon a meeting of the committee and consideration by the committee. I doubt if the Senator from Missouri could get unanimous consent, but if he wants to make a motion to recommit the nomination I certainly shall vote for it.

Mr. DONNELL. I thank the Senator.

Mr. President, the Senate will recall that on the afternoon of May 3, the same day on which the nomination was presented to the Senate, sometime before 10 minutes past 4, which was the hour of the recess the chairman of the committee sought to obtain immediate consideration and confirmation of the nomination. I may say that prior to that time I had already talked with the minority leader, and I think prior to that time I had also talked with the distinguished Senator from Ohio upon this subject. It was under consideration in my mind as to the proper course of conduct for me to pursue.

To my mind, Mr. President, the remark made by the distinguished Senator from Kansas illustrates very clearly the lack of wisdom of the practice of a committee undertaking to act without the holding of a meeting. The very opportunity for the interchange of views, the very opportunity for the interchange of information, does not exist under the practice by which a piece of paper is circulated around to the individual members. That illustrates the fact, just as in the case of a board of directors of a corporation, in my judgment, that there is, to say the least, very serious doubt as to the validity of the action, so-called, of a committee which is not based upon some formal action in a meeting of the committee.

In fact, the rules of the Senate, I think distinctly contemplate that committees shall act in meetings. I call attention to rule XXV, subdivision 3, found on page 32 of the Standing Rules of the Senate, which prescries as follows:

> That the several Standing Committees of the Senate having a membership of more than three Senators are hereby respectively authorized to fix, each for itself, the number of its members who shall constitute a quorum thereof for the transaction of such business as may be considered by said committee.

With a certain limitation upon the number which may constitute a quorum.

I note in Webster's Unabridged Dictionary the definition of "quorum" to be as follows.

> Such a number of the officers or members of any body as is—

And I call attention to these next words—

> when duly assembled, legally competent to transact business.

So, Mr. President, not in any spirit of hostility, not in any spirit of denial of the fine courtesy which has been constantly extended to me by the distinguished Senator from Tennessee, for whom I have the highest regard, but from the standpoint of what I believe to be good and proper practice, I call to the attention of the Senate the fact, as I have indicated, that there was no meeting of the Committee on Post Offices and Post Roads on this important matter. Indeed—and I trust the chairman of the committee will take no offense at my mentioning the fact—I have been in Washington as a Member of the Senate since the 10th day of January of this year, and there has been no meeting of the Committee on Post Offices and Post Roads, to my knowledge, certainly none of which I have been informed, on or since the 10th day of January 1945.

The point I make at the outset, as I have said, is that among the reasons why there should be a recommittal of the nomination to the Committee on Post Offices and Post Roads is the fact that the nomination has not been presented at a meeting of the committee.

It is to be noted also, Mr. President, that there is no urgency which would prevent action in normal and proper course, legal course, if you please, by the committee. There is no urgency which would prevent the holding of hearings, because the appointment, as I observe from the document of which I have a copy, the paper signed by 11 out of 19 members of the committee, distinctly states that the effective date of the appointment of Mr. Hannegan is July 1, 1945, approximately 8 weeks from the present time. So there is no urgency which would have required us, on the

3d day of May, to pass upon this nomination without prior meeting of the committee, or which would require us to pass on it today. This point I mention as to the failure of the committee to meet is presented for the consideration of the Senate.

There is a second reason which to my mind is persuasive and highly important as to the advisability of holding a hearing, or series of hearings, upon the nomination. As I have mentioned, this is a Cabinet office, the office of an adviser to the President of the United States, an officer who has under his jurisdiction vast interests, both of persons and of property. I have been unable to secure a printed copy of the report of the Postmaster General for the fiscal year ending June 30, 1944, but I observe from the report which the Department has very kindly furnished me for the fiscal year ending June 30, 1943, that the postal operating revenues for that year were $966,227,283, almost a billion dollars, under the jurisdiction of the Department over which the Postmaster General presides.

I observe also in the same report the statement that the number of employees of the Post Office Department of the United States is some three hundred and fifty thousand. I quote this significant and interesting sentence from the report:

> The Post Office Department is one of the largest employers of men and women in the country, and in peacetime is the largest in the Government.

Not only, however, is there an extensive personnel under the jurisdiction of the Postmaster General; not only is there a tremendous volume of business, as I have indicated but, in addition, there are important contracts all over the United States of America which may readily and properly be considered as apt to be made by the Postmaster General. For illustration, in normal times there comes under this Department the question of the construction of buildings for post offices. In the fiscal year ending June 30, 1943, the Department operated 3,258 Government-owned buildings; and I know that in the State of Missouri—and my distinguished colleague will concur with me, I am sure—there are a great many very fine post office buildings, of which we are very proud; and from time to time there will be others constructed, in normal times, within our State, and in every other State in the Union.

There is another fact, Mr. President, which, as I see it, enters most strongly into the question as to whether or not the filling of this Cabinet office with the proper person is itself of highest importance. I refer to the fact that civil service is to be applied, and under the law of the United States is required to be applied, to the Post Office Department. On the first day of January of this year there were 42,031 post offices in the United States of America, and, as I have previously indicated, back in the fiscal year 1943 the number of employees was some three hundred and fifty thousand. The great bulk of these, I should judge, are clearly under civil service, and this in itself makes it of high importance as to who it is, and what his attitude may be, who shall fill the office of Postmaster General of the United States.

The third of the reasons why there should be a recommittal of this nomination to the Committee on Post Offices and Post Roads is the fact that the Postmaster General is generally regarded, and I think correctly so, as exerting much influence, not only with respect to the appointment of those under his own jurisdiction, one-third of a million men and women, but, furthermore, as exerting much influence in the entire field of Federal patronage.

I quote from the Washington Star of May 4 of this year:

> It is also a fact, however, that the Cabinet place—

Speaking of the Postmaster Generalship—

> by reason of the patronage that goes with it, adds materially to the national chairman.

I shall make mention of the chairman proposition a little further in my remarks.

So we have three reasons, up to this point, as to why there should be a recommital, first, the fact that the nomination has never been presented to the committee; second, that there is a high degree of importance in filling this Cabinet office with a proper person; and third, the fact that the Postmaster General is generally recognized as exerting much influence in the entire field of Federal patronage.

Mr. President, the fourth reason, as I see it, why the nomination should be recommitted to the Committee on Post Offices and Post Roads is the decision which Mr. Hannegan is reported to have made to retain his post as chairman of the Democratic National Committee while occupying the office of Postmaster General. I again quote from the Washington Star of May 4:

> When Postmaster General Walker—

Who is now in office, I may say—

> When Postmaster General Walker resigned as party chairman last year he gave as a reason the fact that, with the war and the constantly growing volume of Post Office business, the latter position had become so important as to require—

And I quote him, as I understand it—

> the full attention and energy of the Postmaster General.

It is interesting to note in this connection the comments made in the Washington Post of May 5, as follows:

> The position of Postmaster General should be regarded as a full-time job. We fail to see how the duties of that office can be successfully discharged by an incumbent who is concurrently serving as chairman of the Democratic Party.

Mr. President and Members of the Senate, this body is entitled to know how, and just how, Mr. Hannegan expects to find time to carry on both positions if Mr. Walker could not do so.

I have advanced four reasons, and I now come to the fifth, which to my mind is likewise of high importance as indicating the desirability and importance of a recommitment of the nomination to the committee. The fifth reason is the fact that the duties of Postmaster General and those of the chairman of the National Democratic Committee are inconsistent. I quote again from the Washington Post of May 5, as follows:

> Such dual responsibilities also require an officeholder to follow incompatible objectives. For the first duty of a Cabinet officer heading a great Government department should be to raise standards of performance and protect his organization against encroachment of the spoils system.

I continue reading from the Washington Post:

> The head of the party organization, on the other hand, is virtually compelled to exploit such opportunities as are open to him to parcel out political offices as the spoils of partisan victories.

So I say, Mr. President, in addition to the reasons previously mentioned why there should be hearings before the committee, is the incompatibility and inconsistency of the duties of Postmaster General and those of the chairman of the National Democratic Committee.

Then, Mr. President, there is a sixth reason which to my mind is one of tremendous importance, and it is one which to my mind is of such nature and extent as to require a knowledge of the facts which can only be secured by the Senate or by a committee of the Senate by hearings, and quite extensive hearings, too, upon the subject.

The sixth reason is a series of incidents which occurred in the State of Missouri during Mr. Hannegan's career, which incidents should be examined into by the committee with the purpose of determining whether or not they indicate that Mr. Hannegan is a proper person for the Postmaster Generalship. To my mind the six reasons which I have mentioned are unanswerable respecting the advisability and the importance and reasonableness of the request for unanimous consent from every Member of the Senate for a recommitment of this important nomination.

I have referred to the sixth reason, which involves a series of incidents. I shall take the liberty, Mr. President, of starting right at the birth of Mr. Hannegan. I shall endeavor to be as little tedious as is possible, yet I am sure the Members of the Senate will bear with me when they realize the vast scope of the series of incidents to which I refer.

Robert E. Hannegan was born in the city of St. Louis, Mo., in 1903. He attended St. Louis University and was an honor graduate of its law school in 1925. He was admitted to the bar of Missouri and entered the practice of his profession in St. Louis. He was active in local ward political affairs sometime prior to 1934.

In the spring of 1933, Bernard F. Dickmann, whose name will be mentioned several times, was elected mayor of the city of St. Louis. He was a member of the same political party to which Mr. Hannegan belongs, the Democratic Party. He was a close friend and a political associate of Mr. Hannegan.

On the 12th day of June 1934, in order to fill a vacancy then existing upon the city committee of the Democratic Party for the twenty-first ward, Mr. Hannegan was appointed by Gov. Guy B. Park, of

Missouri, as Democratic ward committeeman for that ward. On August 22, 1934, he was named by the St. Louis Democratic city committee as chairman of that committee.

It is to be noted that in those days factional strife was developing in the Democratic Party in the city of St. Louis; and on May 31, 1935, Mayor Dickmann, in an effort to strengthen Mr. Hannegan, had the board of estimates tell all applicants for city jobs to "See Hannegan first."

Five days later, June 4, Mr. Hannegan was ousted as chairman, being succeeded by one John P. English. Mr. Hannegan retained, however, his high place in the counsel of the Dickmann administration, and participated in a meeting of the Dickmann so-called cabinet, which confirmed the dismissal of hundreds of city employees who had been recommended by committeemen and committeewomen, who had opposed Messrs. Hannegan and Dickmann.

There was pending at that time in the city of St. Louis a very important city administration measure. That was the proposition of the so-called river-front improvements bond issue, sometimes called the Jefferson memorial, relating to the beautification and improvement of a great expanse of river front on the Missouri River, the tearing down of great numbers of buildings, leaving intact the beautiful cathedral, old in point of history and in point of interest. It was a very important matter for that administration.

The administration of Mayor Dickmann was very anxious to procure the two-thirds vote requisite at the election to authorize the bond issue of seven and one-half million dollars.

On the 7th day of September 1935 Mayor Dickmann, speaking before 4,200 city employees, said he expected them to get out a vote favorable to the river-front improvement bond issue of seven and a half million dollars. He stated:

> We will know who is working and who is shirking. There is going to be a check-up on Wednesday.

Which was the day following election.

> And I don't mean maybe. No matter who may have recommended any city employee for appointment, if he is not loyal he will be got rid of. I am tired of pussyfooting and backbiting. Only those willing to pull in harness are wanted in this administration.

Three days later, September 10, 1935, occurred the election by which the seven and one-half million dollar bond issue above-mentioned, which, as I have indicated, had been actively sponsored by the Dickmann administration, carried by a vote of 123,299 to 50,713.

The next day there occurred at the city hall a riot in which four persons were slightly injured by bullets, and the coat of Mr. English, whom I have mentioned, was pierced by a bullet.

I now come to July 23, 1936. The St. Louis Post-Dispatch of that date presented first accounts of registration frauds. I call attention to the date, Jhly 22, because it was only 12 days, I believe, before the approaching primary election. The Post-Dispatch presented first accounts of registration frauds, and for 6 days made additional disclosures, during which period the board of election commissioners failed to take action to remove illegal names from election lists, though on August 4 a primary election was to occur.

About July 28, 7 days before the election, the board of election commissioners decided to recheck the entire registration, which recheck disclosed, before the primary election which was to occur on August 4, 1936, that there were 46,252 names on the registration lists which were "not found," amounting to approximately 11.7 percent of the total registation of the city of St. Louis, or about one out of nine names.

On August 4, 1936, there occurred the primary election. On that day, in the election, Mr. Hannegan was again elected to the Democratic city committee. The Post-Dispatch rechecked after the primary, and found that of some 38,794 persons included in the 46,252 "not found," only 2,648 appeared and requested ballots, and that all of that number except 287 were permitted to vote.

On August 16 or 18, 1936, Mr. Hannegan was again chosen Democratic city chairman. Forty-seven of the fifty-six persons elected on August 4 were Dickmann candidates for the city committee.

I have referred to the river-front improvement bond-issue election of September 10, 1935. The relevancy and importance of that will appear in a moment. On the 8th of September 1936 the Post-Dispatch charged the existence of extensive frauds in the river-front improvement bond-issue election of September 10, 1935, and carried a headline reading "Widespread fraud found in Jefferson memorial bond-issue election."

The frauds asserted to exist were of various types. I shall not take the time to detail them, except to mention a very few illustrative incidents. In two precincts no negative votes were reported by the election officials. In two precincts there were more votes cast, according to the returns, than there were persons registered in those precincts. In one case ballot-box stuffing was admitted by two election officials. Forged signatures were discovered on registration books. Affidavits in all the 19 wards which voted above the necessary two-thirds majority disclosed that the affiants cast more negative votes than there were officially counted. In four precincts of Mr. Hannegan's ward there were shown only 52 negative votes on the official returns, whereas affiants appeared with affidavits indicating that 270 persons had voted in the negative, and 51 other persons who did not make affidavit asserted that they also had voted in the negative. Thus a total of 321, 270 of whom are supported by affidavit, asserted that they had voted in the negative in these four precincts of Mr. Hannegan's ward, although the official returns showed but 52 negative votes.

The Post-Dispatch, in the issue of September 18, 1937, in which it recounted certain history of the period which I have discussed said, referring to the river-front improvement bond issue:

> The successful outcome of this election was one of the major goals of Mayor Dickmann's first administration. He spoke repeatedly in favor of the issue, and personally urged all city employees to vote for the bond issue and aid in putting it over.

I quote further:

> Investigation of the election by the Post-Dispatch showed that in each of the 18 wards returned as giving a vote of more than the necessary two-thirds for the bond issue, and in one other ward, fraudulent returns were made, and "no" votes were not counted as cast.

With this situation existing in the city of St. Louis, a widespread demand arose in that city for the removal of the board of election commissioners. We will find in a moment the attitude which Mr. Hannegan, who had now been restored to the position of the chairman of the Democratic city committee, took upon this widespread demand. We find that on or before September 18, 1936, Mr. Hannegan urged upon Governor Park that the existing members of the board of election commissioners be retained. In the Post-Dispatch of September 18, 1937, the following statement appears:

> Telling the frantic efforts of politicians to retain the board, for the good of the Democratic Party, in the face of widespread demands for its removal after exposure of gross election frauds, Governor Park said that one of those who urged its retention was Robert E. Hannegan, chairman of the Democratic city committee and the city's lobbyist at the 1935 session of the legislature.

I should say parenthetically that Governor Park was no longer Governor when he made this statement.

I continue to quote from the statement of Governor Park:

> "Hannegan based his appeal on practical politics," the former governor said, "without discussing the merits of the case. He urged me not to fire the board. He said it would be bad for the party and that it would come at a peculiarly inopportune time just before the November election. But I told him the board would have to go."

On September 18, 1936, Governor Park removed the board by telegraph. On the same day the Governor issued a statement from which I quote the following:

> In no instances has it been shown that any irregularities in connection with the primary election or with the registration were with the knowledge or consent of any of the election commissioners. A prompt and vigorous investigation by the office of the distinguished circuit attorney of the city of St. Louis, a man with irreproachable public record, and by a grand jury of St. Louis citizens has shown it to be a fact that such violations of the election laws or such irregularities as may have occurred were by appointees of the commission or by individuals over whom it had no control. However, it appears that the commissioners were not diligent in supervising the acts of their appointees, and for this reason I am removing them from office.

Mr. Hannegan continued as chairman of the Democratic city committee from and after his election, which had occurred on either August 16 or 18, 1936, until the 10th day of February, 1942. In the St. Louis Post-Dispatch of March 9, 1942—remember the date, March 9, 1942, because it was shortly after the date on which Senators Truman and Clark had announced their advocacy of Mr. Hannegan for appointment as Collector of Internal Revenue in the city

of St. Louis—there appeared an article on this subject. Under a headline extending clear across the page of the editorial section of the Post-Dispatch is the following:

Ex-Boss Hannegan, who conspired to "steal" the governorship, now is to be rewarded by the President with a $7,000-a-year job.

In an article published in the St. Louis Post-Dispatch on March 9, 1942, Mr. Curtis A. Betts, whose name appears as its author, who is the State political correspondent of the Post-Dispatch, and who is widely known throughout the State of Missouri by legislators and the general public, said this:

The political history of St. Louis was a sorry one during the 8 years of the Dickmann-Hannegan machine rule. Immediately after Dickmann's first election in 1933, there developed a step-by-step progress toward the building of a machine to rival that of Boss Tom Pendergast of Kansas City, whose debauchery of the ballot and of public officials led to his downfall and his incarceration in the penitentiary.

Even before the colossal blunder of the attempted governorship steal, the public had begun to grow restless under the threat of a machine designed to be more powerful even than Pendergast's. It had seen the machine under Hannegan's chairmanship invade the sanctity of the judiciary, it had seen the machine knife good candidates and place its tools on the Circuit bench. It had known of the heavy padding of election registration lists.

But it was not until the machine's effort in 1940 to place in the Governor's office Lawrence McDaniel, the Dickmann-Hannegan candidate, through a sordid use of political might—the Democratic control of the legislature—that it so far overstepped the bounds of even political decency as to bring down upon it the overwhelming wrath of the voters.

In a few moments I shall have something to say about that wrath.

Early in the campaign for the Democratic nomination for Governor of Missouri in 1940, Senator Allen McReynolds, of Carthage, a man of high standing in Missouri, a well-known lawyer and public figure who served with distinction in the State senate, and as a member of the recent State constitutional convention, invited the support of Messrs. Dickmann, Hannegan, and the citizens of St. Louis on the basis of a fair and impartial discharge of the duties of the office of Governor. On April 13, 1940, Senator McReynolds issued a statement in the course of which he told of what happened following his invitation for their support. Said the Senator:

I was informed by Mayor Dickmann and Mr. Hannegan that they had been unable to obtain the kind of recognition and appointments they desired from the Governor's office in Missouri and in order to cure this situation they would have their own candidate for Governor in the person of Larry McDaniel.

At the primary election of August 1940, Mr. McDaniel was nominated for Governor on the Democratic ticket, and I was nominated on the Republican ticket.

On August 6, 1940, Mr. Hannegan was reelected as committeeman, and on August 20, 1940, he was reelected as chairman of the committee.

That which the Post-Dispatch refers to in the headline as the "Attempt to steal the governorship," to which reference is made in the article from which I have quoted, is one of the outstanding incidents of Missouri history.

I notice that a day or so ago a reference appeared in a Washington, D. C., newspaper to the effect that a political or election dispute in Missouri would possibly be brought before the Senate. I wish to say it is not to be characterized as a political dispute. As I have indicated, it is one of the most important and outstanding incidents in Missouri history, and I venture to say that not a Member of the Senate who is informed about the matter will undertake for an instant to deny the correctness of my statement.

In the issue of the St. Louis Post-Dispatch of January 12, 1941, the following appeared:

The scheme of the Democratic State committee—

By the way, let me say that I have never heard anyone charge that the Post-Dispatch is a Republican newspaper. It is, I understand, an independent newspaper. I think many people feel that it has inclinations toward the Democratic side. It has supported Mr. Roosevelt. It has criticized him at times. But I have yet to hear anyone ever say that either the St. Louis Post-Dispatch or the St. Louis Star-Times was or is a Republican newspaper.

Here is what the Post-Dispatch said on January 12, 1941, right in the midst of this so-called governship steal:

The scheme of the Democratic State Committee to deprive Governor-elect FORREST C. DONNELL, Republican, of office by means of a partisan legislative investigation of his election and to seat his Democratic opponent, Lawrence McDaniel—

Please listen to this—

has presented probably the most important political problem which has ever arisen in the State.

The legislature's decision early today in support of the scheme establishes a precedent of momentous effect. Never before has an attempt been made to keep out of office the candidate for Governor elected on the face of the official election returns.

The issue is whether a politically constituted legislature may, on the basis of a partisan committee's report of frauds and irregularities in the conduct of an election and without recounting all of the ballots, give the governorship to the candidate shown by the returns to have been defeated.

The basic fact in the governorship situation pending in the legislature is that the Democratic legislature, under pressure from the Democratic State committee, is planning to seat the Democratic candidate for Governor without a full recount of the ballots, notwithstanding the fact that the official election returns showed the Republican candidate elected by a plurality of 3,613.

The election had occurred on November 5, 1940, and the Republican candidate was, according to the official returns, elected by a plurality of 3,613. That was on November 5, 1940. Eight days later there occurred a meeting or gathering of some kind at the DeSoto Hotel, in St. Louis. Mayor Dickmann is quoted in an article in the Post-Dispatch of January 29, 1941, as follows:

Hannegan called the meeting, as I remember it.

Mr. Hannegan had this to say about it, in the Post-Dispatch of January 30:

I had returned from Hot Springs, Ark., the day prior to the meeting, and learned that Senator Clark and other Democratic leaders were coming to St. Louis, and I decided to have a number of Democrats at a general meeting.

Then there is some other language or reference, which I omit reading, and then appears the following:

No particular Democrats were invited to this gathering or excluded from it. Various Democrats came and left, and during the afternoon I would say that possibly as many as 20 or 25 persons visited the room.

What was the purpose of this meeting? Mayor Dickmann said, as appears in the Post-Dispatch of January 29:

The meeting was to see what steps, if any, should be taken about the governorship.

What was done? Mr. Hannegan said, according to the January 29 issue of the Post-Dispatch:

There were conferences at various times and places—

Please observe carefully that this is his statement published on January 29. The Senate will observe in a moment a further statement which he made on the 30th. This is the statement on the 29th, the day of the issue of the Post-Dispatch in which Mayor Dickmann is quoted as saying:

The meeting was to see what steps, if any, should be taken about the governorship.

Mr. Hannegan said—I quote from the Post-Dispatch:

There were conferences at various times and places and there may have been a meeting at the DeSoto Hotel, at which Hulen decided to make an inquiry as to whether there had been irregularities in the balloting.

All further activity and all decisions as to the form of the inquiry were taken by Hulen and his committee without conference with the St. Louis group.

Mr. Hulen, to whom reference was made, was Mr. C. Marion Hulen, of Moberly, Mo., the then chairman of the Democratic State Committee of Missouri.

On January 30, 1945, the Post-Dispatch further quoted Mr. Hannegan as follows:

At the gathering politics was discussed generally, and in discussing the election just passed all seemed to feel that any investigation was a State committee matter and should be determined and handled by Mr. Hulen and the State committee.

It will be recalled that Mr. Hannegan had stated that he had learned that Senator Clark and other Democratic leaders were coming to St. Louis, and that he had decided to have a number of Democrats at a general meeting. But Senator Clark and Mr. Hulen, according to the Post-Dispatch of January 30, did not reach the hotel until approximately 6:30 p. m. Mr. Clark, to whom reference is made, was Senator Clark, a former Member of this body.

I read from the Post-Dispatch:

The meeting was just a gabfest. I had been in the country and came in late, and nothing was decided while I was there; but it seemed the concensus that there should be an investigation by the State committee. The official vote had not then been tabulated, and everyone thought someone should start collecting evidence. There was no decision at the meeting to contest the election, and I never attended any subsequent meeting at which procedure for a contest was discussed.

Mayor Dickmann said:

We all discussed the situation generally, but nothing was decided while I was there. I was the first to leave.

Charles M. Hay, who was there, said:

It was decided that Marion Hulen would make an inquiry to see if he could gather evidence of fraud. Everyone concurred in the decision that this inquiry should be undertaken. * * * Hulen said emphatically during the conference that he and the State committee would not proceed unless they found convincing evidence. We did not discuss the question of procedure in the event such evidence was found. The matter of seating DONNELL, or the form of any possible contest, was never mentioned. That was handled by Mr. Hulen and the State committee, without seeking my advice.

Attorney General Roy McKittrick was present, and stated to a reporter the following:

I said to Hannegan in particular, "One thing you fellows in St. Louis should consider carefully. If you go into this, you will be the ones who are under the gun. You have a city election in the spring, while we country boys have 2 years to get over it before we have an election." Charlie Hay said something to the same effect.

I may say to the Senate that at approximately 6 o'clock in the evening of May 3 of this year, Mr. Hannegan telephoned me. He declared in the course of a very extended conversation that General McKittrick made no such statement as that credited to him. It is obvious that the statement of General McKittrick is very important.

A plan for an "investigation contest" was developed. Mr. Hulen said on January 29:

I, and I alone, started this. No one else.

Mr. Hulen sent 10 lawyers throughout the State in search of evidence. A Statewide investigation had been in progress under Hulen's direction since the 18th day of November. On the 28th of November Hulen conferred in St. Louis with Dickmann, Hannegan, and others relative to the possibility of contesting the election of Governor. The Globe-Democrat of November 29, 1940, stated:

Hulen stated he will know about the middle of next week the degree of truth in reports of alleged fraud, irregularities, and errors.

On December 30, 1940, the Democratic State committee at Jefferson City, Mo., approved a petition to be presented to the legislature asking the leadership to conduct "a general and sweeping investigation into the vote cast for Governor."

Mr. Hulen, however, did not reveal even to the members of the committee, the detailed evidence which he said had been gathered by investigators under his direction. Mr. Hulen said:

The State committee—

I invite the attention of Senators to this because it is very important—

proceeded on the assumption that the assembly has authority to conduct an investigation before it issues a gubernatorial certificate of election.

The difference between an investigation, so-called, and a contest, is that an investigation would occur before the seating of the person elected on the face of the returns, and during it the person shown by the returns to be elected would not be seated.

That was the plan determined upon, and Senators will now see what the Supreme Court of Missouri said about a contest. According to the Missouri Supreme Court, under the constitution and laws of Missouri, a contest is a proceeding under which the person elected on the face of the returns would be seated, after which a contest would be filed and determined by the joint assembly of the house and senate.

On January 3, 1941, in St. Louis, Chairman Hannegan told the St. Louis Democratic City Committee that he had a letter from Hulen asking the committee to endorse the plan. On that day, January 3, by a unanimous oral vote the committee passed the resolution it had been asked to adopt. I quote from the Post-Dispatch of March 21, 1941:

Thereafter, Chairman Hannegan was a frequent visitor in Jefferson City. He spent time in the offices occupied by St. Louis representatives and senators, in the legislative halls, and the capitol corridors. His presence was remarked on by out-State legislators.

On the nights of January 7 and 8 a caucus was held of the Democratic members of the house of representatives. The issue before the caucus was whether the procedure to be followed would be that of an investigation under which the Governor-elect on the basis of the returns, would not be seated pending the outcome of the investigation, or that of a contest under which he would be seated, followed by the contest itself. Following presentation by Hulen, 75 of those present in the caucus voted for the investigation and only 7 voted against it. The entire St. Louis delegation voted for the so-called investigation. On the morning or during the day of January 8—I do not know what time—Gov. Lloyd C. Stark, Democrat, said:

I do not care to make any statement, because, as Governor, I feel that I should hold myself aloof in this matter. However, all the able constitutional lawyers I have talked to agree that the duly elected Governor should be seated as required by the constitution, and the contest, if any, then be carried out according to the constitution.

The legislature convened on that same day. I quote from headlines of the Post-Dispatch of January 8, 1941:

Increasing opposition to Democratic Committee's scheme to keep DONNELL (Republican) out of Governor's office. No objection to contest in legal form but lawyers say proposed move is steal.

Governor Stark and Senator McReynolds, Democrats, join Republicans and Independents in contention that speaker of house must declare DONNELL elected. After this, if right to office is challenged, ballot boxes must be opened and votes counted.

The Star-Times of January 14 referred to the fact that on or about the 9th or 10th, Attorney General McKittrick informed the Senators that the ballot boxes would not be opened through purely a legislative investigation and accordingly the so-called contest was filed in the name of James T. Blair, Jr.

Then there was held a joint session of the two bodies of the legislature, which began shortly after 4 p. m., January 10, and lasted until nearly 5 o'clock in the morning of January 11. That session will never be forgotten by anyone who participated in it. The joint assembly adopted joint resolution No. 3, the provisions of which, in substance, were as follows:

First, it constituted a committee of 10 persons, 6 of them Democrats and 4 of them Republicans, empowered—notice the word "empowered"; we will come to that in a moment—to recount all the ballots cast for Governor, to conduct a general investigation; to require the opening of the poll books, tally sheets, and ballot boxes in any of the precincts and counties; the recount to be attended by an equal number of Democrats and Republicans.

The members of the committee, however, consisted of six Democrats and four Republicans.

The second thing in the resolution was that pending the investigation and action of the committee no declaration of election should be made by the speaker of the house of representatives with reference to the office of Governor and that no certificate of election should be issued.

The St. Louis Star-Times, under date line of January 11, the same day on which this all-night session concluded, contained an article under a heading reading:

Solid front vote of St. Louis group factor in contest; Hannegan holds party delegation in line during DONNELL test in assembly.

Under that heading appears this statement:

The large Democratic bloc of St. Louis legislators kept in line throughout the week by the day and night efforts of Robert Hannegan, chairman of the Democratic City Committee of St. Louis was a big factor in the battle that ended in defeat for the FORREST C. DONNELL forces early today.

Mr. President, if you had been in Missouri at that time you would have seen arise a storm of resentment from one end of the State to the other, not confined to Republicans, but embracing thousands upon tens of thousands of fine citizens of that State.

A rather remarkable incident occurred on the very day, the 11th of January, on which this action was taken in the middle of the night. A group of St. Louis women came to Jefferson City, and, bearing a small white casket, filed into the rotunda of the capitol in what they termed a "funeral service for the State constitution."

I call attention now to the empowering provisions. The resolution empowered the committee to make an investigation of all the precincts; it empowered them to recount all the ballots. The Star-Times—and if there is anyone in the Senate Chamber or within the hearing of my voice or anywhere in the United States who will say that the Star-Times is a Republican newspaper, I should like to hear him here and now or at any other time—the Star-Times uncovered a joker in this particular resolution. I quote from the Star-Times:

While the committee has the authority to open all the ballot boxes, its authorization contains a "joker" in that it may make a recount only in those precincts which the committee "may deem necessary"—

A committee not composed of an equal number, but a committee of a partisan group, six Democrats and four Republicans.

Then I desire to call attention to an editorial which appeared in the Star Times on the 11th of January, as I recall, or about that time—and I am quite sure it was the 11th—under the headline "The despoilers":

C. M. Hulen, chairman of the Democratic State committee.

Robert E. Hannegan, chairman of the St. Louis Democratic committee.

James T. Blair, Jr., chairman of the Cole County Democratic committee.

Roy McKittrick, Democrat, attorney general of the State.

Morris E. Osburn, Democrat, speaker of the house of representatives.

Democratic senators and representatives, with a few honorable exceptions, members of the sixty-first general assembly.

Look them over! These are the politicians who play leading parts in the plot to deny an election certificate to FORREST C. DONNELL, Republican, chosen Governor of the State on the basis of official returns.

These are the political schemers guilty of a most shameful perversion of power for partisan purposes this State has known since it entered the Union in 1820.

Hulen filed the request in behalf of the Democratic State committee, for a "legislative" investigation of the returns.

Hannegan whipped into line the St. Louis legislative delegation (solidly Democratic) to support Hulen's plea. Blair filed a petition for a "contest" when it became evident that not even the overwhelming Democratic majority would support the Hulen-Hannegan strategy unless a "contest," as well as an "investigation" was asked.

McKittrick gave the Democrats a technical legal opinion advising them that their conduct was legal—

By the way we shall see again what the supreme court of the State said about that—

though the constitution nowhere says that a Governor-elect may be kept out of office pending legislative inquiries of any kind.

Osburn, as speaker of the house, complied with the Democratic caucus plans and overruled Republican motions that he declare DONNELL elected.

The Democratic legislators of the rank and file, with only a few dissenters, voted repeatedly to uphold Osburn's rulings and voted, in the end, to bar Governor-elect DONNELL from office until a Democrat-dominated committee should make its "investigation" and conduct the Blair "contest."

Look them over again! These are the men who bear responsibility for denying inauguration to a governor-elect, as shown by official returns, for the first time in Missouri's history.

These are the election grabbers, the unscrupulous partisans, against whose ruthlessness the only hope at this time is the State supreme court.

I might mention at this point the State supreme court consisted of seven Democratic judges. I shall come to that in a moment.

The Globe-Democrat of January 14, 4 days after this all-night meeting, referred to the principle of bipartisan supervision of election procedure.

By the way, I think, in fairness, I should say that, while the Globe-Democrat is an independent newspaper, I think it is generally considered—I certainly personally so consider it—as having very strong Republican leanings. Its history is Republican, and, in my judgment, it is properly to be considered an independent newspaper with strong Republican leanings, whereas the Post-Dispatch and the Star-Times are exactly the contrary.

Quoting now from the Globe-Democrat:

In the plans to contest the recent election for Governor of this State that principle—

Referring to the principle of bipartisan supervision of election procedure—

that principle is dumped into the ash can by the Democratic majority of the State legislature. It has appointed a partisan committee to conduct the investigation and contest of that election, a committee of six Democrats and four Republicans, and this committee in its first action completely ignores its Republican members, indicating very clearly that they will be permitted to have no actual part in its subsequent proceedings.

There should be a general and vehement demand by the people of Missouri that, since a contest has been decided upon, however unsavory the means of that decision, it should be conducted by a genuinely bipartisan committee; that it should be thorough, fair, complete. Unless the supreme court acts to stop this procedure, only the people can prevent the consummation of a heinous crime against their rights, against the fairness of elections, which is a fundamental principle of democracy.

In the Post-Dispatch of January 15, 1941, the day after the editorial in the Globe-Democrat, appeared this:

Hannegan, who is definitely opposed to the seating of DONNELL pending the investigation, was in Jefferson City while the legislature was deciding to initiate the vote inquiry and to prevent the inauguration. His duty reportedly was to hold the St. Louis delegation in line with the inquiry plan. He was able to do so with the exception of State Senator Michael J. Kinney, who voted against the Democratic machine.

In the Star-Times of about January 11—I cannot make out the exact date in the photostat—"referring to the plan to keep DONNELL out instead of inaugurating him on January 13," the editorial states—and remember, this is the Star-Times, and I repeat for the benefit of those who may not have been present when I started, the Star-Times has never been accused of being Republican—

Never before in the history of the State has a political party attempted this particular version of election thievery. It is a new low, reaching depths of political degradation unplumbed even in Tom Pendergast's heyday.

On January 13 all officers elected on November 5 were inaugurated except the Governor. Several things happened the same day. Senator Searcy, chairman of the investigating committee, said he did not see how it would be possible for the investigating committee to count all the ballots in the State. On the same day, instead of the person who had been elected Governor on the face of the returns being inaugurated, that individual, who happened to be myself, filed in the Supreme Court of Missouri a mandamus suit against the speaker of the house of representatives to compel him to open and publish the election returns for the office of Governor, and to declare elected the person who received the highest number of votes.

Then Mr. Hannegan issued a statement on January 15, in which he—

(a) Denied the charge that certain Democratic leaders are engaged in a deliberate attempt to steal the governorship.

(b) Charged the lavish and extravagant use of money, both in violation of law and common decency.

Meaning by the Republicans.

(c) Asserted that charges of fraud and irregularities came from all sections of the State.

(d) Stated that the results of an investigation conducted by Mr. Hulen "were of such a nature that the State committee voted unanimously to request the legislature to make a thorough investigation to the end that the full facts might be brought to light."

We will see in a few minutes, by the way, what were the results of the investigation.

Now listen to this. This contains a quotation from Mr. Hannegan.

(e) Stated that "It was the opinion of the State chairman"—

That is, Hulen—

"It was the opinion of the State chairman then and now, in which opinion I heartily concur, that this inquiry not only could, but should be made prior to the issuance of a certificate of election to Mr. DONNELL.

(f) Expressed himself as "somewhat surprised that Mr. DONNELL himself desires to be seated as Governor until the charges made are investigated and determined."

(g) Stated, "I heartily join in the request that all the ballots cast for Governor be recounted and that this be done as quickly and economically as possible and in the presence of equal representation from both political parties and then whoever is shown to have received the highest number of legal votes should be seated as governor."

The Post-Dispatch printed this extensive statement, and, by the way, I ask unanimous consent that at this point in my remarks the entire article in the Post Dispatch be printed in the RECORD.

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CITY DEMOCRATIC LEADER WOULD ALLAY SUSPICION OF UNFAIRNESS—CIRCUIT CLERK H. SAM PRIEST AND DR. R. EMMET KANE, LEADER OF ANTI-DICKMANN FACTION, URGE SEATING DONNELL

Chairman Robert E. Hannegan of the Democratic city committee today joined the rapidly growing ranks of Democrats who say they favor nothing short of a full recount of ballots in the legislative investigation of the vote for Governor. To allay any suspicion of an unfair inquiry, Hannegan said he strongly favors the counting of ballots even in precincts in which the correctness of the count is unquestioned by either party.

Hannegan's statement today follows the declaration yesterday by Congressman JOHN J. COCHRAN that he favors not only a complete recount of all the ballots cast but also the immediate seating of the Governor-elect, Republican FORREST C. DONNELL.

Today Circuit Clerk H. Sam Priest and Dr. R. Emmet Kane, leaders of the anti-Dickmann faction of the local Democratic Party, joined in COCHRAN'S stand. Hannegan is Mayor Dickmann's right-hand man in the administration of the local Democratic machine.

Priest's full statement follows:

"I have been asked for a statement of my position in the controversy over the governorship.

"It is my personal opinion that the best interests of the State of Missouri and the Democratic Party as well call for the counting of all the ballots cast for Governor in the last election, if contest proceedings are to be continued. Such a recount should be under a committee or board on which both parties will have equal representation.

"Since there seems to be no doubt that the official returns as transmitted to the legislature by the secretary of state give Mr. DONNELL a majority of the votes, he should be seated and allowed to act as Governor until such time as a final outcome of the contest may indicate otherwise."

ROLE IN ADOPTING SCHEME

Hannegan, who is definitely opposed to the seating of DONNELL pending the investigation, was in Jefferson City while the legislature was deciding to initiate the vote inquiry and to prevent the inauguration. His duty reportedly was to hold the St. Louis delegation in line with the inquiry plan. He was able to do so with the exception of State Senator Michael J. Kinney, who voted against the Democratic machine.

It was reported behind the scenes in Jefferson City that many of the Democratic leaders who said they were in favor of a full recount of all ballots were secretly opposed to it and planned to stop it when necessary. As finally drafted and passed, the resolution naming the predominantly Democratic investigating committee gave it power to select specific precincts for its vote recount.

Hannegan told the Post-Dispatch he had nothing to do with this resolution and insisted that, while he spoke to the St. Louis delegation, he gave them no instructions. In a formal statement, he denounced as "plain, deliberate falsehoods" the assertions of Republican leaders that "certain Democratic leaders are engaged in a deliberate attempt to steal the governorship."

TEXT OF STATEMENT

His statement follows:

"I want to say in plain, clear language that the charges repeatedly made by Republican leaders and by some of the press that certain Democratic leaders are engaged in a deliberate attempt to steal the governorship are plain, deliberate falsehoods.

"Everyone who took part in the last campaign knew then and knows now that there never was, in the history of this State, such a lavish and extravagant use of money, both in violation of law or common decency. Since the election, the Republican organizations have admitted spending the unprecedented amount of approximately one-half million dollars and I think the evidence will show that they spent much more than that amount.

"It was not surprising, therefore, that immediately following the election, there came to the Democratic State committee from all sections of the State charges of fraud and irregularities, charges that were too serious to be ignored, particularly so in view of the fact that the published returns showed a difference of only .0019 of 1 percent of the votes cast for Governor.

"The chairman of the Democratic State committee, Marion Hulen, the proud possessor of a reputation for unquestioned honesty and integrity, conducted an extensive investigation and the results of the investigation were of such a nature that the State committee voted unanimously to request the legislature to make a thorough investigation to the end that the full facts might be brought to light.

"CALLS SEATING UNJUST

"It was the opinion of the State chairman then and now, in which opinion I heartily concur, that this inquiry not only could, but should be made prior to the issuance of a certificate of election to Mr. DONNELL. I can see how there might be a difference of opinion as to what the letter of the law provides, but there certainly can be no difference of opinion as to the spirit of the law. To place a man whose right to the governorship is challenged and on trial by members of a legislature in the Governor's chair would a contravene sense of justice.

"The Republicans claim they want a fair investigation. If that is actually so, how can they demand that while the investigation is pending the vitally interested party should be occupying the powerful position of Governor. These Republican leaders manifestly want to force DONNELL into the governorship whether he has been legally and honestly elected Governor or not. Certainly, if DONNELL should be seated as Governor while such an investigation is pending, every single official act of his would be under a cloud of suspicion. I am somewhat surprised that Mr. DONNELL himself desires to be seated as Governor until the charges made are investigated and determined.

"I heartily join in the request that all of the ballots cast for Governor be recounted and that this be done as quickly and economically as humanly possible and in the presence of equal representation from both political parties and then whoever is shown to have received the highest number of legal votes should be seated as Governor. If it should prove to be the Republican candidate, I will congratulate him and then join in the request that he be seated."

COCHRAN'S POSITION

In coming out for the seating of DONNELL, Congressman COCHRAN said that "unless the will of the people is carried out, there will be a break-down in our form of government." He said every ballot box should be opened to determine the people's choice and that the investigating committee should be composed equally of Democrats and Republicans. The committee selected is made up of six Democrats and four Republicans.

Priest also said the committee should be balanced between the two parties, and added: "Since there seems to be no doubt that the official returns as transmitted to the legislature by the secretary of state give Mr. DONNELL a majority of the votes, he should be seated and allowed to act as governor until such time as a final outcome of the contest may show otherwise."

DR. KANE'S COMMENT

Dr. Kane, commenting on equal representation in the proposed recount of the ballots, said that regardless of the method used in that process the final decision would be made ruthlessly by a partisan legislature.

Approving Congressman COCHRAN'S statement, Dr. Kane said:

"That COCHRAN is right in holding DONNELL should be now in the Governor's chair there is absolutely no doubt. No word juggling of Chairman Robert E. Hannegan or any other political sleight-of-hand artist will convince any sane person who knows the meaning of simple English words that the constitution of Missouri is being followed by the Democratic majority in our legislature."

PIECE OF BANDITRY

Members of the legislature who voted to deprive DONNELL of office during the investigation are "a disgrace to public life and ought to be driven out of it," he asserted. "It is evident from the piece of banditry certain legislators have taken that the oath of office they took to respect the constitution means nothing to them. As a Democrat I believe they have outrageously disgraced my party."

Dr. Kane suggested that Hannegan's statement criticising lavish use of money in the campaign ought to lead to opening of the books of the Public Employees' Welfare Association, a city hall organization generally supposed to devote much of its members' dues to campaign purposes.

"The machine of which Hannegan is an integral part," Dr. Kane continued, "has at last gone too far in its arrogant disregard of the rights of the people. If my advice means anything to the local Democratic Party, it will clean house, and clean it thoroughly, before April. If it does not, the Democrats will not only see a Republican Governor in Jefferson City, but they will greet a Republican mayor in city hall as well."

SO MUCH SUSPICION

Elaborating on his formal statement, Hannegan told the Post-Dispatch he believed the resolution as introduced was reasonable giving the committee authority to choose questionable precincts for the recount, but that there is so much suspicion that it would be best to go into every box.

"There isn't one member of the legislature whom I asked to vote for anything," he continued. "When the debates over the investigation were in progress in the house, and in the senate, I was in bed listening to them over the radio and reading the Life of Andrew Jackson."

He defended the unequal membership on the committee. "If the investigating group were equally divided," he said, "the Republicans would vote along party lines and we wouldn't get anywhere at all. There would be two reports brought in, and the committee would tie on all votes. They would never agree on how and where they were to start, and how they would proceed."

Asked if a predominantly Democratic committee could not ride roughshod over the Republicans in arriving at vote totals in recounting the ballots, and in throwing out more Republican votes than Democratic ones, Hannegan replied: "Oh, no, they wouldn't dare to do that; they could never return and face their own party members in the legislature. Besides, the press and the public will be able to attend all the committee's hearings, as I understand it."

Mr. DONNELL. Mr. President, the article stated:

Elaborating on his formal statement Hannegan told the Post-Dispatch he believed the resolution as introduced—

That is, Resolution No. 3—

was "reasonable," giving the committee authority to choose questionable precincts for the recount, but there is "so much suspicion" that it would be best to go into every box.

I still quote from this article:

"There isn't one member of the legislature whom I asked to vote for anything," he continued, "when the debates over the investigation were in progress in the House, and in the Senate, I was in bed listening to them over the radio and reading The Life of Andrew Jackson.

"He defended the unequal membership of the committee."

This is still reading from the Post article quoting his statement:

"If the investigating group were equally divided," he said, "the Republicans would vote along party lines and we wouldn't get anywhere at all. There would be two reports brought in, and the committee would tie on all votes. They would never agree on how and where they were to start, and how they would proceed.

Asked if a predominently Democratic committee could not ride roughshod over the Republicans in arriving at vote totals in recounting the ballots and in throwing out more Republican votes than Democratic votes, Hannegan replied, "Oh no, they wouldn't dare to do that—they could never return and face their own party members in the legislature. Besides, the press and the public will be able to attend all the committee hearings, as I understand it."

Then, on the afternoon of the same day, January 15, 2 days after the suit was filed by me against the speaker of the house of representatives to require him to declare me elected, Governor Stark, the Democratic Governor of Missouri, cast a bombshell which startled the State from one end to the other. Although he was a Democrat, he vetoed Joint Resolution No. 3, the one which had authorized the investigation, and in part the grounds of his veto were three. I quote:

First. The resolution as framed is so written as to permit the legislative committee in its discretion to open part or all of the ballot boxes and to conduct a partial or complete investigation.

Second. I cannot approve a resolution which provides for a partisan set-up in this contest. The legislative committee of the general assembly should be bipartisan and have an equal representation of members from both political parties.

Third. I disapprove of the final paragraph in said Joint Resolution No. 3, which provides that no declaration of election be made by the Speaker of the House of Representatives and no certificate of election be issued.

Listen to this. Governor Stark in his veto said:

Leaving out of consideration any discussion of the constitutional problems—

I digress to say again that the Supreme Court takes care of that, as I shall show in a few minutes—

which is now out of my hands, I am of the opinion that the principles of good government and fair play dictate that the candidate receiving the highest number of votes on the returns published by the secretary of state should be seated, and the contest proceed in a legal and proper manner.

Two days later, after this veto, the Star-Times, in the issue of January 17, pointed out that Mr. Hulen was hastening to repair the party lines which suffered as a result of Governor Stark's veto. The Star-Times says:

Hulen was not alone in his efforts. Robert Hannegan, St. Louis lawyer and chairman of the Democratic city committee, took time off to engage in conversation with members of the St. Louis delegation to the legislature at the capitol yesterday.

With the exception of State Senator Michael Kenney, who approves Governor Stark's veto of the resolution for the gubernatorial contest, the St. Louis lines seem to be holding fast, at least that was the opinion of Representative David A. Hess, who was madder than a hornet at the Governor's action.

Then there was something about the extent of this affair in Missouri at that time. It is very difficult to give Senators an idea of the situation, we are so far removed from it, it having occurred 4 years ago.

I call attention to the fact that the Post-Dispatch on January 15 stated:

Donnell dispute makes page 1 in many cities.

And mention is made of New York, Washington, Philadelphia, Detroit, Los Angeles, Minneapolis, New Orleans, Dallas, Louisville, Pittsburgh, News Week, as referring to this matter, some of them on the front pages, it is said.

Then the article continues:

Daily reports of the Missouri situation have been distributed by wire throughout the Nation all week by the Associated Press, the United Press, and the International News Service. The A. P. has averaged about 1,000 words daily.

On January 18, the Post-Dispatch headline from Jefferson City was as follows:

Protests Against Donnell "Inquiry" Flood Legislators' Offices by Wire and Mail from Voters Back Home.

In the body of the article appeared this statement:

The ever-increasing flood of messages comes by telegraph, telephone, and in postcards and letters. Many, from persons who say they are Democrats, but voted for DONNELL in November, demand that he be permitted to take the office to which he was elected by 3,613 votes on the face of the official returns.

On the 21st, the Post-Dispatch, under a heading—

Stark—

That is Governor Stark—

gets 1,500 messages praising veto, denouncing Donnell inquiry.

This language occurs in the body:

A heaping mass of letters, postal cards, and telegrams condemning the Democratic majority in the legislature for keeping Governor-elect FORREST C. DONNELL out of office and praising hold-over Governor Lloyd C. Stark for his veto of the assembly's joint resolution, was on display in the Governor's office today. * * *

The communications numbered 1,500 or more, and many of them were signed by more than one person, the number of signatures in some cases being as high as 50.

While there may be in the pile some letters criticizing the Governor for his veto examinations of several hundred did not disclose one such.

On the 15th of January the Star-Times had a headline:

"Wave of protests by citizens rises over barring DONNELL."

On January 25 on application of myself, the legislative investigating committee was halted by a preliminary writ of prohibition issued by the Missouri Supreme Court en banc from opening, recanvassing, and recounting the ballots.

On the same day, the 25th, there appeared in the Post-Dispatch an Associated Press wirephoto of one Clark G. Hardiman, secretary of the Jeffersonians, successor of the St. Louis Democrats-for-Willkie Club, with a stack of petitions before him signed by about 14,000 voters, urging the legislature to seat Governor-elect DONNELL.

On January 25 the Post-Dispatch reporter asked various questions of Mayor Dickmann, among other this:

It is true, is it not, mayor, that you are the active head of the Democratic party in St. Louis, and it is true, is it not, that your organization supports the deal to seat McDaniel?

The heading of the article is—

Dodges questions in Post-Dispatch.

And in the body is this:

Modestly, the mayor referred to Robert E. Hannegan, chairman of the democratic city committee, "he's the real head of the party in St. Louis and not the mayor."

On January 26, while all this mass of resentment was flooding the State of Missouri from one end to the other, there occurred a conference at the Coronado Hotel in St. Louis which was attended by Charles M. Hay, Mr. Hannegan, Mr. Hulen, Mr. McDaniel, and two or three figures whose names the Senate has not heard, Mr. Lauf, Mr. Searcy, and Mr. Blair.

On the 28th Mr. Hay gave out a statement in which he told of having, on January 23, made the suggestion to Senator Searcy that it would in his (Mr. Hay's judgment) be wise to seat DONNELL and then proceed with the matter. In his statement he said that the conference of Sunday at the Coronado Hotel was called to discuss this suggestion. He said that after considerable discussion the view prevailed that inasmuch as the prohibition suit had been filed, and in view of the fact that the whole matter of the validity of the proceedings would be determined by the Supreme Court within a few days, nothing should be done to disturb that situation.

Then the Post-Dispatch of January 28 says this:

Chairman Hannegan also was advised of Hay's statement and asked for his comment.

And this is his comment:

"I have already stated where I stand on this whole matter and I see no reason to change that stand," he replied.

Then the newspaper proceeds:

He referred to a statement published by the Post-Dispatch in which he took the position that DONNELL should have no desire to be seated and should not be seated until an investigation should determine who had been elected legally.

And further commenting in the Star-Times Hannegan said this:

I have already issued a statement as to my views and those are still my views. I am surprised that Mr. DONNELL is continuing to put obstacles in the way of a speedy disposal of the matter. By obstacles I refer to his suit before the Missouri Supreme Court

and his threat to take the matter to the Federal court or even to the United States Supreme Court. My position was and still is that I think all the ballots should be counted as quickly as is humanly possible, that they should be counted by a committee which gives equal representation to both sides, that both McDaniel and DONNELL should stand aside until the matter is settled, leaving Stark as Governor.

Statements in the newspapers that the organization in St. Louis wants McDaniel seated to gain control of the police and election boards are not true. Mayor Dickmann won his election in 1937 by 55,000 votes with the Charles P. Williams election board in control. I have said that if I were in a position to make recommendations that I would recommend that Gov. Stark's police and election board appointees be retained."

On January 29, the Star-Times, referring to the Coronado Hotel conference of January 26, said:

At this conference Hay repeated his suggestion to seat DONNELL and then proceed with the contest. Hulen immediately made it plain he would not back down on the contest procedure barring DONNELL from office.

Searcy said, "As far as I am concerned, I'll never vote to seat DONNELL."

Lauf chimed in, "I know that the house will never vote to seat DONNELL."

Hannegan then interposed, "Well, it looks like the conference is over."

However, Hay insisted on further discussions but failed to break down opposition to his proposal. He suggested that if his advice were followed, it might serve to "take the heat off" of the St. Louis Democratic organization in the municipal election next spring when Mayor Bernard F. Dickmann will be up for reelection.

But Searcy, Lauf, and other sponsors of the contest asserted their plans had been carried too far to back down now, regardless of the effect on the St. Louis Democrats in the city election.

Hannegan agreed with this view. "Don't worry about the St. Louis situation," he said, "We'll be able to take care of it."

We are approaching the end of this story. On January 29, after referring to the absence of orders from Dickmann and Hannegan to the St. Louis legislators to switch their positions, the Post-Dispatch said:

Several of the St. Louis Representatives, having been among the loudest advocates of the plan to place the defeated Lawrence McDaniel in the Governor's office, on the theory that it would not only save the Democrats their jobs but would contribute materially in strengthening the party machine, gave evidence that they were disturbed over the prospect of receiving the orders which would force them to abandon their stand.

But, in the absence of orders, or in the uncertainty of whether they would be issued the St. Louis group held their lines yesterday afternoon in the House Democratic caucus.

Then the Post-Dispatch of the 18th said:

In every legislative step taken in the stop DONNELL campaign, the 19 St. Louis representatives and 5 of the 6 St. Louis senators have voted with the State Democratic machine and on several occasions there have been bitter exchanges in debate between individual St. Louis representatives and opponents of the committee's scheme.

Mr. President, I shall say a few words now with regard to Hulen's evidence. In the Star-Times of January 17, 1941, it was stated that some of the evidence gathered by the investigating staff of 10 lawyers had already been disclosed to representatives and senators in a series of closed meetings.

In the Star-Times of January 30, however, occurred this language:

The smattering of evidence which Hulen presented to the legislators puzzled even the most astute veterans.

In the article of January 30, 1941, it is also stated:

But what Hulen, Moberly attorney and indefatigable party worker, has found in two months of searching for election irregularities remains a deep secret.

Except for a broad outline as to the nature of the supposed irregularities at the polls, the fraud evidence was a secret to the members of the Democratic State committee when on December 30 it met and authorized a contest of the election of FORREST C. DONNELL; it was still a secret when Democratic legislators in house and senate caucuses heard Hulen and decided to go ahead with the plan to keep DONNELL out of office, and it remained a secret when the ill-starred contest committee was created at the historic all-night session of the joint assembly of the legislature January 10.

From a news account in the Post-Dispatch of February 12, 1941, it appeared that Representative Lowry, of Cape Girardeau County, estimated that petitions signed by at least 100,000 voters to protest against the legislature's failure to seat DONNELL, had been presented to the house of representatives.

Then came the decision of the supreme court on February 19. As I have already said, all seven members of the supreme court were democratic judges. The decision is reported under the heading of *Ex. rel. Donnell* v. *Osburn* (147 S. W. 2, 1065). The entire decision was unanimous.

1. Order the issuance of peremptory writ of mandamus.

2. Decided that the speaker of the house should declare the election of FORREST C. DONNELL.

3. We held official returns to be prima facie evidence of election and good until proven otherwise by contest in *State ex rel. Attorney General* v. *Vail* (53 Mo. 97).

4. The argument of the speaker, the joint assembly may go behind the face of the returns and exercise judicial powers to determine the legal votes before the winner is declared according to the face of the returns, is obviously untenable.

5. The action of the joint assembly directing the speaker to make no declaration with reference to the office of Governor is contrary to the affirmative duty placed upon him by section 3, and is void. In our Government the origin of all political power is vested in and derived from the people; it is a government of laws, not of men.

Seven days later occurred the inauguration of the Governor, after a delay of 44 days. A legal contest was then instituted on March 4 by Mr. McDaniel, the recount progressed, and on May 21 the contest was dismissed by Mr. McDaniel. In the course of his letter to State Senator Donnelly, who was later Governor of Missouri, he said:

I received information from varied sources that in virtually every precinct of the State a large number of votes had been counted for my opponent to which I was justly entitled, and a large number of additional ballots had not been counted for either of us to which I was entitled. These reports were "greatly exaggerated."

I confess freely and frankly that the ballot boxes opened in Missouri in the gubernatorial contest to date have convinced me beyond question of doubt that Gov. FORREST C. DONNELL was elected.

In the Star-Times, adjacent to Mr. McDaniels's letter, is a photograph of Mr. Hulen carrying a brief case. Below the picture are these words:

Frequent sight in legislative halls was C. Marion Hulen, above, chairman of the Democratic State Committee, with the brief case [indicated by arrow] that he said contained evidence that would make Lawrence McDaniel Governor. But the evidence never showed up.

The Post-Dispatch article of the 21st of May contained the following statement:

McDaniel's decision had been expected for at least 2 weeks, the recount of ballots having consistently shown gains by DONNELL above the official count as reported by election officials to the secretary of state, which showed that DONNELL had a plurality of 3,613 in the State. A recount of about half the 1,820,000 ballots in the election had increased DONNELL'S plurality to about 7,000, and there was nothing to indicate that McDaniel would show any gains in the remainder.

The indications were that final official returns would show DONNELL'S plurality to have been nearly 10,000.

This was May 21; but in the meantime something very significant occurred. On April 1, 1941, 5 weeks after the inauguration of a new Governor, and 6 weeks after the decision of the Supreme Court, there occurred a city election in the city of St. Louis, and William Dee Becker, Republican, defeated Bernard Dickmann by a plurality of 35,684, whereas 4 years previously Mr. Dickmann had been elected by a plurality of 48,170. In November 1940, Mr. Roosevelt had carried the city of St. Louis by 65,173 plurality. So we find this reverse in the situation, the Republicans carrying the city by 35,000 in the April election, after all these happenings, whereas 4 years before Dickmann, a Democrat, had carried it by 48,000.

Mr. Hannegan continued as city chairman until February 10, 1942. Then he resigned as city chairman. Early in 1942 Senator Clark and Senator Truman recommended that the President approve Mr. Hannegan as Collector of Internal Revenue.

Then came the edition of the Post-Dispatch of which I spoke, of March 9, 1942, with the headline:

Ex-boss Hannegan, who conspired to "steal" the governorship, now is to be rewarded by the President with a $7,000-a-year job.

There were long articles, cartoons, pictures, and various statements, showing the "Ghost Voters Club", and quoting Attorney General Roy McKittrick at the DeSoto Hotel meeting on November 13, 1940, when he said:

One thing you fellows in St. Louis should consider carefully. If you go into this, you will be the ones under the gun. You city fellows have a city election in the spring—

They certainly did—

while we country boys will have 2 years to get over it before we have an election.

I shall ask unanimous consent that this entire document be printed in the RECORD later in my remarks.

Mr. HILL. Mr. President, does that include the cartoons?

Mr. DONNELL. Not the cartoons. I can describe the cartoons. They show Mr. Hannegan with the label "Hannegan for collector," being pulled out of the governorship steal, and there are various pictures.

The PRESIDING OFFICER. Without objection, the matter referred to may be printed as requested.

Mr. DONNELL. Mr. President, I wish to call attention very briefly to certain important comments from citizens of St. Louis, under the heading "What St. Louisans think of job for Hannegan."

Herewith are the replies of St. Louisans who were asked by the Post-Dispatch to comment on the Missouri Senators'—

Senators Truman and Clark—

selection of Robert E. Hannegan for Presidential appointment as collector of internal revenue at St. Louis.

Former Governor Henry S. Caulfield, now director of public welfare of St. Louis:

"I agree with your courageous editorial against the appointment of Hannegan. In this dread time when men and women are striving for national unity and for faith that our President is a leader raised by patriotism high above partisan politics, it would be a distinct let down, a grievous shock, for him to make this sordid machine appointment.

"The people's opinion of the Dickmann-Hannegan machine was registered at the last election. To make this appointment would flout the people and array the President on the side against good government. The Post-Dispatch is rendering a valiant service in bringing the truth home to him."

Mrs. George Gellborn, former president of the League of Women Voters:

"The Post-Dispatch editorial on the Hannegan appointment throws the floodlight on a sorry situation long recognized by some of us, the people. 'Find a job for the man,' say Missouri's Senators, following the outdated patronage system. So they nominate Mr. Hannegan for the position of collector of internal revenue. But we the people voted against Mr. Hannegan and patronage last September 16, when we passed the civil-service amendment to the St. Louis charter. The people voted for merit, the people voted to find the man for the job, not the job for the man. Too bad that the merit system in the Federal civil service does not apply to the purely administrative post of collector of internal revenue. Too bad that such posts are dependent on Senate confirmation. Too bad that for reasons we can only surmise Missouri's Senators have found it expedient to nominate Mr. Hannegan. Perhaps they need to hear more from us, the people, who are fighting to preserve democracy on every front, including the home front. Perhaps the President will invite Senators Clark and Truman to withdraw the nomination of Mr. Hannegan, or, better yet, perhaps Mr. Hannegan will withdraw himself."

J. A. McClain, dean of the law school, Washington University:

"Appointments to the position of Internal Revenue Collector, as has been true of other important Federal posts, have traditionally been treated by Democrats and Republicans alike as political plums. Little else can be expected so long as the patronage system remains entrenched in Federal, State, and local Government. The basic fault, as the Post-Dispatch has repeatedly emphasized, lies in our failure to insist that merit and ability to do the job constitutes the sole consideration. This basic handicap is one of the greatest threats to the survival of democracy."

George R. Throop, chancellor of Washington University, which is one of the largest educational institutions in the State, the one of which former Gov. Herbert S. Hadley once was chancellor, is quoted as follows:

I agree completely with statement contained in your telegram regarding appointment of Robert E. Hannegan. (The telegram sent to Dr. Throop contained excerpts from a Post-Dispatch editorial published Sunday. This editorial is reprinted today on the editorial page.)

Dr. R. Emmett Kane—one of the leading Democrats of St. Louis, I think—is quoted as follows:

I am in complete agreement with the efforts of the Post-Dispatch to prevent the appointment of Hannegan to the collector's post. Supporters of good government defeated the political machine which bore his name and which was directed by him. Good government now demands that neither he nor Dickmann be rewarded by lucrative appointive offices after their repudiation by their fellow townsmen.

I may say that Mr. Dickmann is now the postmaster of St. Louis.

I quote further from the article:

Truman and Clark will hang a millstone about the neck of their party in St. Louis if they force this appointment. All of these men should be grateful to the party which has done so much for them. They should not crucify it.

Rabbi F. M. Isserman, Temple Israel, is quoted as follows:

Hannegan's political leadership has been repudiated by the voters of the Democratic Party. To appoint him now to high public office would be to flout public opinion. The collectorship of Internal Revenue should be filled by a man who holds the confidence and respect of the community. It should not be a political plum handed out to repay political favors. When Senators recommend repudiated political leaders for high office they place personal interest above public welfare and their recommendations should be ignored. I hope that President Roosevelt will recognize that the citizens of this area disapprove of Mr. Hannegan's appointment.

Mrs. George Roudebush, president of the League of Women Voters, is quoted as follows:

Wholeheartedly concur in opposing Hannegan's appointment. Now, when Government is extending in many directions, it is more than ever necessary that its functions be administered honestly and efficiently. No man under whose dictatorship a political machine seized and dispensed spoils with utter disregard for community welfare can be considered fit to fill an office for which the prime requisite is honest concern that the public be honestly served. It is deplorable that this type of administrative post remains outside civil service and thus a party plum. If Senators Truman and Clark continue to support Hannegan, they will flout the judgment of thousands of St. Louis voters.

There are three short paragraphs more. One is a quotation of a statement by Mrs. Luella B. Sayman, a former member of the St. Louis Housing Authority:

The pending appointment of a new internal-revenue collector at St. Louis would seem to furnish definite proof of the importance of including this responsible public office under the Federal merit system in preference to the present patronage method of appointment by favor. The fitness of the individual for the job is unquestionably the all-important point and should be the determining factor in selecting the new appointee, regardless of political services or affiliation.

Mrs. Jerome E. Cook, author of Boot Hill Doctor and other novels, is quoted as follows:

Now as never before we, the people, need to have confidence in our officials, above all in their loyalty to public welfare. I believe the Post-Dispatch is correct in declaring that a man whose record the voters have indignantly repudiated should not be rewarded by a valuable appointment. Senators Clark and Truman must be reminded of the indignation of their fellow Missourians. We want a man recommended because of his record, not despite it. To do otherwise is to damage public faith.

Finally, Mrs. Virgil Lewis, a leader in civic affairs and defense activities, and she is so described in the article, is quoted as follows:

St. Louis citizens in the April election clearly demonstrated that they believed in the doctrine of party responsibility. If Senators Clark and Truman fail to recognize what a political liability the appointment of Mr. Hannegan would be to the Democratic Party, they appear to be very unimaginative traders of political commodities. But the public cannot evade its responsibility for such a situation by raging against it or even voting against it at intervals. So long as we retain the antiquated system of requiring the President to appoint hundreds of administrative officials, such as United States marshals, collectors of customs, and collectors of internal revenue, subject to confirmation by the Senate, we turn these jobs over to the spoilsmen.

Mr. President, I have already obtained unanimous consent to have the article printed in the RECORD, and I desire to have it printed including the excerpts from statements made by various citizens.

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Without objection, it is so ordered.

(The article is as follows:)

EX-BOSS HANNEGAN, WHO CONSPIRED TO "STEAL" THE GOVERNORSHIP, NOW IS TO BE REWARDED BY THE PRESIDENT WITH A $7,000-A-YEAR JOB—APPOINTMENT AS COLLECTOR OF INTERNAL REVENUE SLATED TO GO TO SENATE FOR CONFIRMATION THIS WEEK—SPONSORED BY BENNETT CLARK, WHO ALSO WAS IN ON THE "DEAL"—ANOTHER EXAMPLE OF THE POLITICAL HAND-OUT AS RESULT OF PRESSURE TO SERVE PARTY AND KEEP MACHINE INTACT—AGAIN THE STORY OF THE GOVERNORSHIP STEAL AND THE IMPORTANT PART HANNEGAN PLAYED IN IT—HOW THE PEOPLE KICKED DICKMANN OUT—HOW THE PRESIDENT IS ABOUT TO PUT HANNEGAN IN

(By Curtis A. Betts)

One of the curious inconsistencies of life in democratic America is the blind and unreasoning loyalty to party which so frequently takes precedence over loyalty to the public interest and, in many instances, loyalty to public decency.

Hoary tradition dictates that the rich political plums shall go to those who have served the party, regardless of any question of service to the public. The politician whom a Senator endorses, a President must appoint and the Senate confirm. Simply because of

that custom, Robert E. Hannegan, retiring chairman of the St. Louis Democratic City Committee and partner in the scuttled Dickmann-Hannegan machine, is about to be rewarded this week with the $7,000 job of United States Collector of Internal Revenue in St. Louis.

Former Mayor Bernard F. Dickmann, senior partner in the ill-starred venture into the realm of "big time" politics, is in political oblivion, defeated for a third term a year ago by a majority of 35,684, a crushing repudiation by an electorate which 4 years before had chose him for the city's highest office by a majority of 48,170.

The organization headed by Dickmann and his sidekick, Hannegan, was wrecked by political greed and unconscionable grasping for power. It is floundering and helpless. It is unable even to agree upon a new chairman who has the confidence of the party members and is capable of rescuing it from the chaos into which it has been tumbled.

HANNEGAN TOOK THE FIRST OVERT STEP

But Hannegan is to be rewarded for past services. He was an active participant—indeed, he took the first overt step—in the disgraceful attempt to "steal" the governorship for Lawrence McDaniel, a machine cohort. He was loyal to United States Senator Bennett Champ Clark and to United States Senator Harry S. Truman. His organization had been faithful, as politicians view faith, and had delivered votes for them when they needed votes. So, regardless of public protest and public revulsion, the two Senators from Missouri are determined to pay their debt to him.

The political history of St. Louis was a sorry one during the 8 years of the Dickmann-Hannegan machine rule. Immediately after Dickmann's first election in 1933, there developed a step-by-step progress toward the building of a machine to rival that of Boss Tom Pendergast of Kansas City, whose debauchery of the ballot and of public officials led to his downfall and his incarceration in the penitentiary.

Even before the colossal blunder of the attempted governorship steal, the public had begun to grow restless under the threat of a machine designed to be more powerful even than Pendergast's. It had seen the machine under Hannegan's chairmanship invade the sanctity of the judiciary, it had seen the machine knife good candidates and place its tools on the circuit bench. It had known of the heavy padding of election registration lists.

But it was not until the machine's effort in 1940 to place in the Governor's office Lawrence McDaniel, the Dickmann-Hannegan candidate, through a sordid use of political might—the Democratic control of the legislature—that it so far overstepped the bounds of even political decency as to bring down upon it the overwhelming wrath of the voters. The voters defeated Dickmann for reelection by a majority almost as large as that by which they had elected him 4 years before, and by defeating him made certain that Hannegan could no longer head the party organization in St. Louis. They declared as vociferously as they could that they wanted no more of Dickmann, and no more of Hannegan, in position of public authority.

MACHINE LEADERS LOOKING AFTER SELVES

Until its foray into State politics, the machine seemingly had a strangle hold on St. Louis. But it was not satisfied with that. Power breeds a desire for more power, and with the collapse of Pendergast the St. Louis politicians thought they saw the opening for control of Jefferson City and of the State, as well as St. Louis. To get that control, the machine must have its man in the Governor's chair. Studying the list of availables, it decided upon McDaniel, who was Dickmann's appointee as city excise commissioner, and who seemed to fill the bosses' requirements in every respect.

Dickmann and Senator Clark did not agree on an candidate in the early negotiations. Clark preferring Dan M. Nee, United States Collector of Internal Revenue in Kansas City. But when trial balloons failed to show that Nee had the desired following, Clark withheld the go-ahead sign for Nee, and joined with Dickmann in the support of McDaniel.

McDaniel's candidacy proved a dud. Although President Roosevelt carried the State by 87,467, so great was the machine handicap for McDaniel that he lost to his Republican opponent, FORREST C. DONNELL, by the slim margin of 3,613 on the official return. It was the first time a Republican Governor had been elected in Missouri in 12 years.

This was a devastating blow to the machine leaders. All their plans were wrecked. Loss of the governorship meant they were deprived of the huge patronage of the Governor's office, patronage being a vital necessity for the maintenance of a political machine, and that they were deprived of the many financial favors which flow from a Governor to those who serve the party organization.

In a desperate situation, they decided upon a desperate course. In the forlorn hope of saving themselves, they wrecked their party organization in city and State, and threw out of jobs in St. Louis many thousand loyal followers. The leaders themselves went scurrying to Washington to see what the national administration could do for them. Dickmann landed quickly with the job of Inspector General in the Office of Civilian Defense, but that job recently was abolished, and he is again on the waiting list. Recently McDaniel landed himself a $3,000 job as parole officer of the St. Louis Circuit Court. Hannegan is to be taken care of with the fat office of Internal Revenue Collector. The chiefs in the machine had ways of looking out for themselves, but the men and women in the ranks are not that fortunate.

In whose mind first lodged the germ which gave birth to the partisan scheme to steal the governorship, to prevent Governor DONNELL from taking office and to install McDaniel in his stead, has been held a closely guarded mystery, but it is known that the first overt step was taken November 13, only 10 days after the State election.

That first overt step was taken by none other than Hannegan. He called a conference of party leaders in a room in the De Soto Hotel for the purpose, as Dickmann later explained it, of "discussing what, if anything, should be done about the governorship." In that smoke-filled hide-out gathered Dickmann and Hannegan, Senator Bennett Clark, Attorney General Roy McKittrick, Secretary of State Dwight H. Brown, Chairman Charles M. Hay of the St. Louis Board of Election Commissioners, Probate Judge Glendy B. Arnold, Chairman C. Marion Hulen of the Democratic State committee, State Senator Michael Kinney, of St. Louis, and others.

They discussed the catastrophe which had overtaken the machine and they reached a decision, not unanimously, but by sufficient strength for State Chairman Hulen to proceed with the approval of the machine. Those in attendance never have admitted that this discussion was anything more than an authorization for Hulen to make an investigation to determine whether there was evidence of fraud and election irregularities which would justify the institution of a contest. But the fact is that from that moment the plot to seize control of the Governor's office was in full swing.

COULD NOT SAY THEY HAD NOT BEEN WARNED

When the plot failed, with its consequent repudiation of Dickmann and Hannegan, they could not say that they had not been warned. Sitting in the haze of the curling blue smoke listening and taking little part in the discussion of plans, was Attorney General McKittrick, who is noted for a political sagacity acquired through years of rough and tumble campaigning in his native Chariton County. The course of many a political conference has been changed by one homely comment by McKittrick.

As the discussion went more and more into detail, McKittrick changed his seat a time or two until he was off in a corner almost by himself. About all that was to be said about the plans had been concluded. Hannegan was summing up, when McKittrick interrupted and said:

"One thing you fellows in St. Louis should consider carefully. If you go into this you will be the ones under the gun. You city fellows have a city election in the spring, while we country boys will have 2 years to get over it before we have an election."

The stage was set, however, and McKittrick's warning went unheeded. The political mind could easily hold the idea that nothing could go wrong with the plans, so long as the Democrats controlled both branches of the legislature. They would simply have the legislature vote McDaniel in and DONNELL out, and that would be all there would be to it.

And with carrying out of the scheme what had the machine in St. Louis to fear in the spring election? Would it not control both the board of election commissioners and the board of police commissioners? What more would be needed to reelect Mayor Dickmann?

State Chairman Hulen—the front man for the State machine—immediately put into motion the forces necessary, as it was thought, to lay the groundwork for carrying out the plan, and to get the sorely needed support of the entire Democratic organization in the State. Ten lawyers were employed to gather evidence of "Republican frauds." Democratic jobholders in St. Louis, Jefferson City, and throughout the State began to pour in reports. In 6 short weeks Hulen was primed.

At a meeting of the Democratic State Committee in Jefferson City December 30, Hulen solemnly announced he had sufficient evidence to show that McDaniel had been elected and that Republican frauds had resulted in McDaniel being counted out. But he did not produce an iota of his evidence for the committee. He had a bulky brief case, which he said contained the evidence, and he even loosened one strap of the brief case, but he didn't get it opened. The State committee took his word for it and adopted a resolution calling for a general and sweeping investigation of the election.

It also asked that the local Democratic committees throughout the State adopt resolution to be addressed to the legislature, urging the investigation.

HANNEGAN READY AND EAGER FOR HIS ROLE

Hannegan not only was ready but also eager for his role in St. Louis. As chairman of the Democratic city committee, he called the city committee into session just 4 days later, January 3, 1941, at the Jefferson Hotel. Again no evidence of fraud was presented, but Hannegan explained that the State committee desired the adoption of a resolution which had been prepared in advance. Forty-nine of the 56 members of the city committee were present and unanimously followed Hannegan's advice and adopted the resolution.

The scheme for an investigation, as distinguished from a contest, was a slick political trick. It called for a legislative committee to be controlled by Democrats, which would have the power to hear such evidence as it wanted to hear and exclude such evidence as it didn't want to hear, and to examine only such ballots as it wanted to examine, and to make its report to a Democratic legislature. Its report would be approved or rejected, the machine leaders seemingly having no fear of a rejection.

Of supreme importance in the plot was the fact that it would prevent the inauguration of Governor DONNELL on January 13, the date fixed in the State Constitution.

JUST ONE SLIP IN SCHEMING

There was just one slip in the scheming. The machine did not take into consideration the Missouri Supreme Court, or if it did, was so naive as to think it could count on a solidly Democratic Supreme Court to throw in with it. It was the Supreme Court, acting with high judicial integrity, which caused the collapse of the whole plan.

If there was any honest doubt in the minds of any of the Democratic leaders that Governor DONNELL had been elected, the proper legal course to have followed was for McDaniel to file a contest petition with the legislature, provision for which is made in the Constitution. The Supreme Court so held when DONNELL instituted proceedings to stop the illegal investigation. That, however, was just what the machine did not want. For that would have provided for opening all of the ballot boxes, and DONNELL would have been seated as Governor pending the outcome.

The legislature boldly attempted to play the part cut out for it by the machine. At a stormy all-night session January 11, and over the protest of a few Democratic members, it adopted the investigation resolution. There came an almost instantaneous blast of disapproval from throughout the State.

Leading Democrats, Gov. Lloyd C. Stark, Congressman JOHN J. COCHRAN, State Senator Allen McReynolds, of Carthage, State Senator Michael Kinney, of St. Louis, and others, denounced the scheme as illegal, and insisted that the only legal course would be to follow the Constitution with a straight-out contest, seat the Governor, and proceed in an orderly manner.

FOUR WERE STRANGELY SILENT

Strangely silent were Senator Clark, Senator Truman, Mayor Dickmann, and the city chairman, Hannegan. None had even a suggestion of criticism of the scheme. They were mute, awaiting results.

Four days after the resolution was adopted by the legislature and the aroused fury of Democrats as well as Republicans over the attempted steal had become evident, Hannegan issued a statement advocating the counting of all ballots but persisting in demanding a partisan inquiry and decision.

Governor Stark said: "All the able constitutional lawyers I have talked with agree that the duly elected Governor (DONNELL, the Republican) should be seated as required by the constitution, and the contest, if any, then be carried out according to the Constitution."

Congressman COCHRAN said: "Unless the will of the people is carried out there will be a break-down in our form of government."

State Senator McReynolds said: "It is the duty of the majority (the Democrats in the legislature) to observe the exact language of the constitution."

State Senator Kinney said: "We should follow the Governor's advice and proceed in an orderly constitutional way."

Clark, Truman, and Dickmann said nothing. Hannegan continued to stand for a narrow, partisan decision.

Governor Stark on January 15 threw the machine leaders into a state of consternation by the unprecedented action of vetoing the "investigation" resolution passed by the legislature. No governor ever before had exercised the power of veto over a legislative resolution. The machine leaders and the legislative leaders who had been charged with the spadework of carrying out the machine orders were thunderstruck.

SCHEMERS EDGING AWAY

Governor Stark's veto message terrorized the machine leaders, and they began to edge away from an appearance of participation in the scheme. They began to itch and squirm, and, looking forward to the city election in St. Louis, in which Dickmann was a candidate for mayor for the third time, they began to seek a way to calm the tumult.

It became common talk in St. Louis and through the State that the governorship contest would mean Mayor Dickmann's defeat. The machine leaders recalled, but alas too late, the words of homely wisdom uttered by Attorney General McKittrick 2 months earlier in the smoke haze of the DeSoto Hotel hideout, "You city fellows have a city election in the spring, while we country boys will have 2 years to get over it before we have an election."

Governor Stark said in his veto message:

"Leaving out of account any discussion of the constitutional problem, which is now out of my hands (it had been taken to the Supreme Court by DONNELL), I am of the opinion that the principles of good government and fair play dictate that the candidate (DONNELL, the Republican) receiving the highest number of votes in the returns published by the secretary of state should be seated, and the contest proceed in a legal and proper manner."

CLARK BREAKS SILENCE

Senator Clark in Washington finally broke his silence after the State was aroused to fever heat. The mayoralty election was then only 10 weeks off. He spoke, but vaguely, and in generalities: "I certainly think that under no circumstances should the contest on the governorship be made in a partisan manner. Just because the Democrats have a majority in the legislature is no reason for throwing DONNELL out. On the other hand, if McDaniel was elected, he should be seated. As to the legal aspects of the case, I must decline to give an offhand opinion."

However, State Senator McReynolds, a lawyer of recognized ability, had not hesitated to express the legal opinion that the course being pursued was illegal. Governor Stark, acting on legal advice, had not hesitated to declare it illegal. The supreme court, deciding the case, specifically held that it was illegal.

The wishy-washy statements by the machine leaders and Senator Clark served to increase the public clamor for fairness, but the party leaders held their ground, continuing their plans, if not with the same degree of openness, to carry out the original scheme, but stopped for the time being by the supreme court, to which DONNELL had appealed. The supreme court, in accepting jurisdiction of the case, had directed that all proceedings be held up until its final decision.

By the latter part of January, while the supreme court was considering the issue, the first noticeable evidence that the machine leaders were thoroughly scared of the effect of the contest on Dickmann's chance for reelection appeared in Jefferson City. St. Louis members of the legislature who, with the exception of Senator Kinney from the beginning and Senator Clinton T. Watson later, began to soften in their support and showed signs of abandoning the stand they had taken. One of them said, "To hell with the governorship if this thing's going to beat Barney."

ANOTHER HOTEL MEETING

The real break came late in January when State Senator L. N. Searcy, of Eminence, chairman of the "investigating" committee, was summoned to another hotel conference in St. Louis. It was held at the Coronado Hotel. In addition to Searcy, one or two other members of the legislative committee were there to meet Hannegan and some of his St. Louis machine cohorts. Hannegan by that time had become convinced that the fight was endangering Dickmann and he knew that Dickmann's defeat would mean the immediate collapse of the machine on which they had so laboriously toiled for 8 years.

At the Coronado Hotel conference, Hannegan sought to abandon the governorship steal, advising Searcy that nothing more should be done to carry out the detailer plans of the original cabal, that the "investigation" should be halted, that Governor DONNELL should be seated.

But those who had been charged with the legislative responsibility at Jefferson City were in no mood to quit. Whatever their doubts in the beginning, they had gone so far that they were not willing to backtrack. Senator Searcy returned to the capital determined to recklessly brazen it through.

However, he was not given the opportunity. The supreme court decided the matter for him. On February 19 the court ordered that Governor DONNELL be seated, holding that a "contest" under the Constitution was the proper mode of procedure.

The supreme court left the schemers only the toehold for starting all over again with a legal contest. Governor DONNELL was inaugurated February 26, and shortly afterward a contest petition was filed by McDaniel with only the half-hearted support of the machine and the legislative leaders most active in the original proceeding. The schemers really had no hope of sustaining a contest, but a recount of the ballots was begun. As the returns came in it was evident that if there had been frauds and irregularities they had been in McDaniel's favor rather than DONNELL'S. The indications soon were that a completed recount would show that DONNELL had been elected by a majority in excess of 10,000, instead of the 3,613 shown by the original returns.

Even in the face of this situation, it was not until May 21 that McDaniel abandoned hope that through some quirk of fate the cards would fall his way, although long before that the originators of the plot had lost interest in it. For Dickmann had been defeated for reelection in the April election. The Republicans had control of the city hall. Nearly all the St. Louis machine Democrats were out of jobs, and there was no rift in the clouds for the Democrats in the contest. So on May 21, McDaniel asked the Legislature to dismiss his contest, which, he said, he had instituted "with the highest motives," and "with the firm conviction that I had in truth and in fact been elected Governor."

So ended the most gigantic attempted political steal in the history of the State. Dickmann and Hannegan became job hunters instead of job dispensers. What its effect will be on Senator CLARK when he seeks reelection 2 years hence is for disclosure in the still somewhat remote future. As for the immediate future, it seems reasonably certain that while the people kicked Dickmann out, the President and the Democratic majority in the United States Senate are about to put Hannegan in.

WHAT ST. LOUISANS THINK OF JOB FOR HANNEGAN

Former Gov. Henry S. Caulfield, now director of public welfare of St. Louis:

"I agree with your courageous editorial against the appointment of Hannegan. In this dread time when men and women are striving for national unity and for faith that our President is a leader raised by patriotism high above partisan politics, it would be a distinct let-down, a grievous shock, for him to make this sordid machine appointment. The people's opinion of the Dickmann-Hannegan machine was registered at the last election. To make this appointment would flout the people and array the President on the side against good government. The Post-Dispatch is rendering a valiant service in bringing the truth home to him."

Mrs. George Gellhorn, former president of the League of Women Voters:

"The Post-Dispatch editorial on the Hannegan appointment throws the floodlight on a sorry situation long recognized by some of us, the people. 'Find a job for the man,' say Missouri's Senators, following the outdated patronage system. So they nominate Mr. Hannegan for the position of collector of internal revenue. But we the people voted against Mr. Hannegan and patronage last September 16, when we passed the civil-service amendment to the St. Louis Charter. The people voted for merit, the people voted to find the man for the job, not the job for the man. Too bad that the merit system in the Federal civil service does not apply to the purely administrative post of collector of internal revenue. Too bad that such posts are dependent on Senate confirmation. Too bad that for reasons we can only surmise Missouri's Senators have found it expedient to nominate Mr. Hannegan. Perhaps they need to hear from us the people, who are fighting to preserve democracy on every front, including the home front. Perhaps the President will invite Senators Clark and Truman to withdraw the nomination of Mr. Hannegan, or, better yet, perhaps Mr. Hannegan will withdraw himself."

J. A. McClain, dean of the Law School, Washington University:

"Appointments to the position of Internal Revenue Collector, as has been true of other important Federal posts, have traditionally been treated by Democrats and Republicans alike as political plums. Little else can be expected so long as the patronage system remains entrenched in Federal, State, and local government. The basic fault, as the Post-Dispatch has repeatedly emphasized, lies in our failure to insist that merit and ability to do the job constitute the sole consideration. This basic handicap is one of the greatest threats to the survival of democracy."

George R. Throop, chancellor of Washington University:

"I agree completely with statement contained in your telegram regarding appointment of Robert E. Hannegan." (The telegram sent to Dr. Throop contained excerpts from a Post-Dispatch editorial published Sunday. This editorial is reprinted today on the editorial page.)

Dr. R. Emmet Kane:

"I am in complete agreement with the efforts of the Post-Dispatch to prevent the appointment of Hannegan to the collector's post. Supporters of good government defeated the political machine which bore his name and which was directed by him. Good government now demands that neither he nor Dickmann be rewarded by lucrative appointive offices after their repudiation by their fellow townsmen. Truman and Clark will hang a millstone about the neck of their party in St. Louis if they force this appointment. All of these men should be grateful to the party which has done so much for them. They should not crucify it."

Rabbi F. M. Isserman, Temple Israel:

"Hannegan's political leadership has been repudiated by the voters of the Democratic Party. To appoint him now to high public office would be to flout public opinion. The collectorship of internal revenue should be filled by a man who holds the confidence and respect of the community. It should not be a political plum handed out to repay political favors. When Senators recommend repudiated political leaders for high office they place personal interest above public welfare and their recommendations should be ignored. I hope that President Roosevelt will recognize that the citizens of this area disapprove of Mr. Hannegan's appointment."

Mrs. George Roudebush, president of the League of Women Voters:

"Wholeheartedly concur in opposing Hannegan appointment. Now, when Government is extending in many directions, it is more than ever necessary that its functions be administered honestly and efficiently. No man under whose dictatorship a political machine seized and dispensed spoils with utter disregard for community welfare can be considered fit to fill an office for which the prime requisite is honest concern that the public be honestly served. It is deplorable that this type of administrative post remains outside civil service and thus a party plum. If Senators Truman and Clark continue to support Hannegan, they will flout the judgment of thousands of St. Louis voters."

Mrs. Luella B. Sayman, former member, St. Louis Housing Authority:

"The pending appointment of a new internal revenue collector at St. Louis would seem to furnish definite proof of the importance of including this responsible public office under the Federal merit system in preference to the present patronage method of appointment by favor. The fitness of the individual for the job is unquestionably the all-important point and should be the determining factor in selecting the new appointee, regardless of political services or affiliation."

Fannie Cook (Mrs. Jerome E. Cook), author of Boot Heel Doctor and other novels:

"Now as never before we, the people, need to have confidence in our officials, above all in their loyalty to public welfare. I believe the Post-Dispatch is correct in declaring that a man whose record the voters have indignantly repudiated should not be rewarded by a valuable appointment. Senators Clark and Truman must be reminded of the indignation of their fellow Missourians. We want a man recommended because of his record, not despite it. To do otherwise is to damage public faith."

Mrs. Virgil Lewis, a leader in civic affairs and defense activities:

"St. Louis citizens in the April election clearly demonstrated that they believed in the doctrine of party responsibility. If Senators Clark and Truman fail to recognize what a political liability the appointment of Mr. Hannegan would be to the Democratic Party, they appear to be very unimaginative traders of political commodities. But the public cannot evade its responsibility for such a situation by raging against it or even voting against it at intervals. So long as we retain the antiquated system of requiring the President to appoint hundreds of administrative officials, such as United States marshals, collectors of customs and collectors of internal revenue, subject to confirmation by the Senate, we turn these jobs over to the spoilsmen."

Mr. DONNELL. Mr. President, in reference to the fact that the appointment of Mr. Hannegan was suggested by Messrs. Clark and Truman, who announced their support of Mr. Hannegan in the early part of 1942, I desire to quote from the Appendix of the CONGRESSIONAL RECORD, volume 88, part 8, at page A1147, at which appear the remarks of Mr. WALTER C. PLOESER, a Member of the House of Representatives, who at that time obtained consent to have printed in the RECORD an editorial appearing in the St. Louis Globe-Democrat. At that time he said:

Mr. Speaker, on Friday, March 13, I called to the attention of the House the grave resentment which continues to grow in St. Louis and St. Louis County, Mo., against the avowed intention to secure the appointment of discredited machine boss, Robert E. Hannegan, to the post of collector of internal revenue.

Public sentiment continues to mount into an overwhelming wave of public indignation. It is signified by the pointed editorial in the St. Louis Globe-Democrat of March 19, 1942, which I am extending into the RECORD. As the Globe-Democrat again joins in a renewal of the fight for public decency in public places the great metropolitan press, constituting three outstanding newspapers, becomes unanimous in their opposition to this intrusion on public confidence.

Then follows the editorial, which was published in the St. Louis Globe-Democrat of March 19, 1942. I wish the Senate to listen to this: It reads as follows:

SMASH THE HANNEGAN APPOINTMENT

Senators Clark and Truman have recommended the President appoint Robert E. Hannegan, discredited boss of a discredited political machine, to the office of internal-revenue collector in St. Louis. Such an appointment would be in wanton disregard of public sentiment. It would be a disgraceful example of plum passing. It would reward a party henchman whose record is inextricably linked with the brazen attempt to steal the governorship of Missouri.

In opposing Hannegan for the collectorship, there is no implication that his personal integrity is not of the highest. His private and legal reputaton, as far as we know, is as spotless as Caesar's wife. His political reputation is a much different story.

The issue is Hannegan, the former chairman of the city Democratic committee, the chieftain with ex-Mayor Dickmann, of the local machine, that dominated politics here for 8 years. The issue is Hannegan, the organization wheelhorse who wielded a boss regime as powerful in its own bailiwick as the late Pendergast juggernaut in Kansas City.

The issue, most specifically, is Hannegan, who, with Mayor Dickmann, sat in on the conference that started the nefarious scheme to hijack the governorship from FORREST C. DONNELL. Whether Hannegan actually counseled the partisan investigation by the Democrat-controlled assembly may be debatable. That he later backed the plan by calling for his committee's approval, that he gave tacit consent to the whole proceeding, cannot be questioned.

If Hannegan and Dickman had withdrawn support from the plot to strong-arm the governorship and seat their own candidate, Lawrence McDaniel, the whole vicious stratagem would have collapsed. They "went along." That is the most charitable view possible. It is much more likely they were silent leaders in the plan.

The Dickmann administration was rolled out of office last April by a stunning defeat—a majority of 35,684 votes against it. Four years previously Mr. Dickmann was elected by a majority of 48,170. Without a ghost of doubt, the paramount reason for the machine's crushing rejection was the conspiracy against the governorship, ultimately scotched by the State supreme court.

The public of St. Louis has repudiated the Democratic machine. Hannegan was an integral part of that machine, one of its two bosses. It becomes no less than an insult to the city's electorate for Missouri's two Senators to attempt hoisting him onto the Federal pay roll in a $7,000 consolation coup. If this is what is called political loyalty, we have no stomach for it.

Obviously, were Hannegan to be made collector, it could hardly be called a move to resuscitate the machine. Federal service is under a pretty strict merit system. But St. Louis has a healthy intolerance for a political credo that damns public opinion and dishes out rewards to discarded machine bosses.

Senator Clark and Senator Truman had better reconsider their Hannegan recommendation. If they don't, we urge the President to ignore senatorial privilege and smash the attempt to secure Hannegan's appointment.

His appointment was made. He was nominated on May 4, 1942, and the appointment was reported favorably on May 5. I do not know whether a meeting of the committee was held; but he was nominated on one day, reported favorably on the next day, and confirmed by unanimous consent on May 6. There was no yea and nay vote. Mr. Clark of Missouri addressed the Senate, urged confirmation of Mr. Hannegan's nomination despite the statement which had been made in the St. Louis-Post-Dispatch. I have not read his statement fully. I had better not say whether he comments on the Globe Democrat.

In 1943 Mr. Hannegan was appointed to be Commissioner of Internal Revenue. On October 4 the nomination was referred to the committee. On October 5 it was reported favorably, and on October 6 it was unanimously confirmed. On motion by Mr. Clark of Missouri, and unanimously agreed to, it was ordered that the President of the United States be notified of the confirmation, and on October 7 Mr. Hannegan took office as Commissioner of Internal Revenue. On January 22, 1944, he was made chairman of the Democratic National Committee.

Mr. President, before completing my remarks I desire to make a very brief recapitulation of the points which I think are unanswerable that the Senate is entitled to have this nomination recommitted to the committee. If any other Senator desires to be heard while I hold the floor, I shall, with pleasure, yield to him. (After a short pause.) I assume that no other Senator desires to be heard.

For the following reasons there should be granted by this body, by unanimous consent, an order recommitting the nomination of Mr. Hannegan to be Postmaster General to the Committee on Post Offices and Post Roads: First, because the nomination was not presented at a meeting of the committee; second, there is no urgency which would prevent holding hearings on the matter; and third, the importance of filling this Cabinet office with a proper person. Consideration should be given to the fact that the office is a Cabinet office. Consideration should also be given to the volume of business which the Post Office Department transacts, the number of its employees, as indicated in peacetime, which is the largest of any department of the Government; its contractual duties; and the fact that the employees of 42,000 post offices are under civil service. All these facts indicate the importance of the office.

Next, as I have already indicated, is the fact that the Postmaster General is generally regarded as one who exercises a great deal of influence in the entire field of Federal patronage. The next reason is that when Postmaster General Walker resigned as party chairman he gave as his reason the fact that due to the war and the constantly growing volume of post-office business, the office of Postmaster General had become so important as to require the full time and energy of the Postmaster General. Yet, Mr. Hannegan is reported to have made the decision to retain his position as chairman of the Democratic National Committee while occupying the office of Postmaster General. The Senate is entitled to know how Mr. Hannegan can find time to perform the duties of both positions if Mr. Walker could not do so. Moreover, the duties of Postmaster General and those of the chairman of the National Democratic Committee are inconsistent and incompatible.

Finally, I cite the series of incidents which occurred in Missouri not only 1 day but over a long period of years, from the time that Mr. Hannegan became interested in politics. The committee is entitled to examine into those facts, hear Mr. Hannegan's side of the question, and determine whether or not he is of the type of man to be appointed. The committee should hear fully from him, and from every witness which the committee wishes to summon.

So, Mr. President, at this time I respectfully request unanimous consent of this body that the nomination of Robert E. Hannegan to be Postmaster General of the United States be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri?

Mr. McKELLAR. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DONNELL. Objection having been made, I respectfully move that the nomination of Robert E. Hannegan be recommitted to the Committee on Post Offices and Post Roads.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Austin	Hatch	O'Mahoney
Bailey	Hawkes	Overton
Ball	Hayden	Radcliffe
Bankhead	Hickenlooper	Reed
Bilbo	Hill	Revercomb
Briggs	Johnson, Colo.	Russell
Buck	La Follette	Shipstead
Burton	Langer	Smith
Bushfield	Lucas	Stewart
Butler	McFarland	Taft
Capper	McKellar	Taylor
Chavez	McMahon	Tunnell
Cordon	Maybank	White
Donnell	Millikin	Wiley
Downey	Mitchell	Willis
Ellender	Moore	Wilson
Ferguson	Morse	Young
Green	Murdock	
Hart	O'Daniel	

The PRESIDING OFFICER. Fifty-five Senators having answered to their names, a quorum is present.

Mr. McKELLAR obtained the floor.

Mr. O'MAHONEY. Mr President——

Mr. McKELLAR. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I addressed the Chair in order that I might answer the quorum call.

The PRESIDING OFFICER. The Chair previously recognized the Senator from Tennessee.

Mr. McKELLAR. Mr. President, a number of Senators have come into the Chamber, and I wish their names might be put on the roll call.

The PRESIDING OFFICER. Without objection——

Mr. O'MAHONEY. Mr. President, the Senator from Tennessee yielded to me. A quorum call was just had, and I desire to be recorded as present.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SHIPSTEAD. Mr. President, I make the same request.

Mr. BURTON. Mr. President, I should like to have the same privilege accorded the Senator from Arizona [Mr. HAYDEN] and myself.

The PRESIDING OFFICER. Without objection, the Senator from Ohio [Mr. BURTON], the Senator from Arizona [Mr. HAYDEN], and the Senator from Minnesota [Mr. SHIPSTEAD] will be recorded as present.

Mr. McKELLAR. Mr. President, returning to the question before the Senate, I desire to say that it is quite remarkable how we sometimes do things in the Senate. The nomination of Mr. Robert E. Hannegan, of Missouri, has been sent in for confirmation as Postmaster General, and we have just listened to a very fine and delightful speech by one of the Senators from Missouri, my distinguished friend [Mr. DONNELL]. About nine-tenths of his speech was a rehash from the public press of a political controversy between Democrats and Republicans of Missouri. I can understand why my good friend would feel very much interested in both present and past and possibly future politics in Missouri, but I am wondering whether or not that constitutes a reason why Mr. Hannegan's nomination to be Postmaster General should not be confirmed.

Let me say to my Republican friends that most of them have been here for several years and, by implication at any rate, they voted for Mr. Hannegan on two former occasions. Nominations of Mr. Hannegan have been confirmed twice by the Senate. He was confirmed on May 6, 1942, as collector of internal revenue for the first district of Missouri, a very important office. I have never heard of any defalcations or charges of wrongdoing in that office. Some political successes of Mr. Hannegan have been charged against him, but my distinguished friend from Missouri has not said a word against Mr. Hannegan's character or his ability.

Let me digress sufficiently long to say that when we think of the results of the election last November, with Mr. Hannegan at the head of the Democratic campaign effort, it is no wonder that nothing is said about Mr. Hannegan's ability, because in a very hot contest last November Mr. Hannegan won it for his candidate, even in Missouri. My distinguished friend, by his eloquence no doubt, and by his fine character was fortunate enough to be elected to the Senate by a small majority. I congratulate him on his success. He must have achieved it by the same species of speaking he has evidenced here today. But he has not said anything against the character or the ability or the honesty or integrity of Mr. Hannegan. Except for several Republicans, including the Senator from Missouri, who were not here at the time, my Republican colleagues voted for Mr. Hannegan twice.

The first time on May 6, 1942, and again on October 6, 1943. They voted both times unanimously; he obtained every vote in the Senate. They voted unanimously to confirm him for one of the most important offices of this country, indeed probably the most important so far as a man of integrity is concerned, namely, the office of Commissioner of Internal Revenue, one of the greatest money offices in the Government. They unanimously voted for him; there was no opposition. So, when his nomination was sent to the Senate a few days ago, he having been confirmed by this body twice in the recent past, I assure my colleagues that it never occurred to me that there would be any opposition to the nomination.

Mr. Hannegan has won his spurs. I think the senior Senator from Missouri should take off his hat to him. It is an excellent thing to take one's hat off to an opponent sometimes when the opponent has done well, and certainly Mr. Hannegan did well last November. Many Republicans then thought he was not going to do so well as he did, but he made a good campaign, and he won a great victory.

I wish to call attention to some of the things which have been said. First of all, the Senator from Missouri takes me to task for having done something irregular, so to speak. Before I start to speak about that, however, I wish to say to the Senator that if he had come to me last Thursday and had said he wanted a hearing, that he would like to have the nomination go over, that he wanted certain witnesses called, and that this nominee was dishonest, or if he had made any other charge, I would, of course, have accommodated the Senator. If he had brought me all the newspaper clippings he has put into the RECORD today about Mr. Hannegan, I do not think I would have paid any attention to them, but certainly if he had come to me and said he wanted to be heard, of course he would have been heard. He is a member of the committee. But he chose another plan. He wanted to make an issue. I think there are two Senators on the other side who want to make an issue of this nomination, who want to overturn, as the Senator now wants to overturn, as he has just moved to overturn, a rule which has stood for many years.

I am not sure whether the rule was started by Republicans or not, but even in my time I remember when Mr. Will Hays was chairman of the National Republican Committee, and was also Postmaster General. Mr. Hays was a very delightful gentleman, and, so far as I can now recall, he made a very excellent Postmaster General. The fact that he had been in politics, as we have all been in politics, was not held against him. What Senator is there who has not been in politics? I say to my friend, the senior Senator from Alabama [Mr. BANKHEAD] sitting here before me, that he should not look at me in the way he is doing, because he has been in politics, and he cannot tell me any different. [Laughter.] We have all been in politics.

A man who is in politics is not a criminal, he is not dishonest necessarily. Sometimes he is, but very rarely. During all the years of its existence there have been very few in this body who have been dishonest, I am very happy to say.

Are we to say that a man who has been confirmed twice to high public office by this body should not be confirmed because some newspapers have said evil things against him? If my name came before this body for confirmation, I would never have a chance in the world if Senators should consider newspaper statements as ground for disqualification, because I presume that as much evil has been said about me by the newspapers as has been said about any other Member of this body, and probably more.

Mr. LUCAS. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. LUCAS. I call attention to the fact that, as we all know, the two confirmations of Mr. Hannegan, to which the Senator from Tennessee has called attention, happened since 1940, since the events upon which the Senator from Missouri bases his entire case.

Mr. McKELLAR. That is true, and I thank the Senator from Illinois for the interruption and for the information. Since the controversy took place, the Senate twice confirmed this man, who was involved in the controversy, according to the newspaper stories read by the distinguished Senator from Missouri.

Mr. WHEELER. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. WHEELER. When it appeared that Mr. Hannegan's nomination was to be held up here today, I had occasion to talk with him, and I asked him whether or not he was a party to what took place in Missouri as it has been related. He assured me that he was not, that at the time he and his family were in Florida, and that he had issued a public statement after that saying he was in no wise responsible for it.

Mr. President, I am not intimately acquainted with Mr. Hannegan. I have met him a few times, but, frankly, I have been impressed with the fact that he is a very high class and very honorable gentleman.

I have also had occasion to inquire as to his activities when he was Commissioner of the Internal Revenue Bureau and I was told by a disinterested party, who was a civil-service employee, that during the short time Mr. Hannegan was in the Bureau he put into effect more reforms than anyone else had inaugurated for a long time. So far as I am concerned, I shall vote to confirm Mr. Hannegan, and I think he will make a very able Postmaster General.

Mr. McKELLAR. I thank the Senator.

Mr. TAFT. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. TAFT. The Senator from Missouri merely suggested that the nomination be recommitted to the committee, in order that these matters might be looked into and Mr. Hannegan given an opportunity to state what are the facts, as it seems he stated them to the Senator from Montana. I still think that Mr. Hannegan himself should prefer to have an opportunity to appear before the committee.

Mr. McKELLAR. Mr. President, I have not talked with Mr. Hannegan. I saw him for probably one-eighth of a minute last night as he and his wife walked through the vestibule of the hotel where I reside, so I do not know what he wants done about the matter, and I cannot say. I wish to say, however, that, as my colleagues know, we feel in certain instances that we know about certain matters. I was a trial lawyer for about 18 years before coming to Congress, did little else but try cases, and I had to look jurors and judges constantly in the face. There was not so much trouble with the judges, but I had to look jurors in the face regularly, and I came to feel that I could judge a man after I had had opportunity to look him in the face.

I think that the first time I ever met Mr. Hannegan was last July. I may have met him before, but it would have been just a passing introduction, and I have not seen him five times since; indeed, I doubt if I have seen him three time since then. If ever I saw an honest look on a man's face, I saw such a look on Bob Hannegan's face. He is a straight man. I would vouch for him from my knowledge of men generally, having looked at him. We can look at a man and tell whether he is an honest man—if we look carefully enough [laughter]—and I believe Bob Hannegan to be a perfectly honest man.

Mr. Hannegan is not only honest, but he is able. The last campaign was a difficult one for any party. There is no doubt about that. Even the Republicans admit it, because they really thought they were going to win in that campaign. But Bob Hannegan was the master of that situation. The chairman of the national committee is always master of the situation if he succeeds, and Hannegan succeeded. He did well, and, so far as I know and believe, he is a man who meets every specification which was suggested by the Senator from Oregon [Mr. MORSE] a little while ago.

Mr. CHAVEZ. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. All we have to do, in considering Mr. Hannegan, is to judge by the experience of any Member of this body. Which Member of this body would be here if his qualifications were dependent upon what the opposing newspapers stated about him? I think the record should be consulted in these particular instances. Politically Mr. Hannegan has done wonderfully well, and, as the Senator from Tennessee has stated, I think he has shown that he could fill perfectly the office to which he has been appointed. On the two different occasions to which the Senator from Tennessee has referred, this body scrutinized Mr. Hannegan's integrity, and his ability, in connection with positions which are just as important as that of Postmaster General, in my opinion. A man could be Postmaster General who would not qualify as collector of internal revenue. Possibly he would not look into the ramifications and details of his office. But on two different occasions,

when Mr. Hannegan was appointed collector of internal revenue for the St. Louis district, and when he was appointed to be Commissioner of Internal Revenue, the incidents which took place in 1940 were rather recent. If they had been really serious, surely this body would have heard of them.

Mr. McKELLAR. I thank the Senator from New Mexico. If they had been serious they might have saved the Republicans a great deal of trouble, because they might then have fixed matters so that Mr. Hannegan could not have waged the successful campaign he waged.

Mr. President, in all frankness I wish to talk about the rule which the two Senators on the other side of the aisle desire to change. The rule has been in existence ever since I have known anything about the Post Office Department, which is now a period of about 35 years.

When a nomination comes to the committee it is sent to the various members of the committee. In this instance this is what was sent to them:

Ordered, That the following nomination be referred to the Committee on Post Offices and Post Roads:

Robert E. Hannegan, of Missouri, to be Postmaster General, effective July 1, 1945, vice Frank C. Walker, resigned.

On this paper we find the following signatures:

ALLEN J. ELLENDER, CHAVEZ, MCKELLAR, HAYDEN, BAILEY, JOHN L. MCCLELLAN, LEE O'DANIEL, GLEN H. TAYLOR, CLYDE M. REED, B. B. HICKENLOOPER, WILLIAM LANGER.

The Senator from North Dakota [Mr. LANGER] at first protested, but after consultation with me he withdrew his protest. I consulted with him, because I have nothing in the world to cover up in any manner, shape, or form. I consulted with him, and after talking the matter over he said he would not object.

The objection came from the Republican leader, the Senator from Maine [Mr. WHITE], who very courteously asked that the nomination go over until today, and that was done.

I have never been asked for a hearing on this nomination by anyone. The distinguished member of my own committee who is now fighting the nomination never asked me about it. He is objecting to the rule. So is the Senator from Oregon [Mr. MORSE]. Both Senators object to the rule. The rule has been in existence from time immemorial, so far as I know.

By the way, there are Senators present who, I believe, enjoyed the benefits of this rule. I know that one of the finest men God ever made, who is sitting back here with his hand to his face, and his name is JOSIAH W. BAILEY, was confirmed as collector of internal revenue of North Carolina 35 or 40 years ago under exactly the same rule. The practice has continued all the time. There have been some objections raised to it. My friend the Senator from Maine [Mr. WHITE] does not like the rule very much. I think he has frequently expressed his disapproval of it. But the Senate has adopted the rule. It is a part of the Rules of the Senate. It may be a wrong rule. If the Senator from Missouri thinks it is a wrong rule, or if the Senator from Oregon thinks it is a wrong rule, let them submit a resolution, and let it go to the Rules Committee and let that committee and the Senate pass on it. The Rules Committee is still in existence. The Senate is still in existence. If the rule is wrong, change the rule.

Mr. President, both Senators to whom I have just referred are new Members of the Senate, and excellent ones, too. After they have been here for a while and realize how many nominations come before various committees I think they will think better of it and promptly change their views. They are now in this indirect manner trying to attempt to make a precedent for the purpose of changing the rule. So far as I am concerned, I probably would have made a mistake if the Senator from Missouri had come to me and said he wanted a hearing, but after hearing his political speech of 2 hours, in which he said he wanted to rehash things that happened away back yonder before Mr. Hannegan was twice confirmed by this very body, I think it was very fortunate that the Senator did not come to me and that we did not change the rule. I think we ought to vote on the nomination this afternoon, and the sooner the better. I shall not take long, but I will yield to the Senator from Missouri, who has been on his feet for some time.

Mr. DONNELL. May I ask the Senator from Tennessee if the Senate manual which I hold in my hand contains the official Rules of the Senate, and whether there is any rule anywhere by which a committee is authorized to act without holding hearings?

Mr. McKELLAR. I am not sure about whether it is in the manual. I have not looked at it lately. I will say to the Senator that since I have been in the Senate that question has been raised a number of times, as the Parliamentarian will tell the Senator, and every time the Senate has held that a report on a nomination by poll was a legal and proper report under the rules. If the Senator has any doubt about it he can make a point of order. I shall conclude in a few moments, and I suggest to the Senator that when I am through he make the point of order that a favorable report by poll is not in order.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHITE. The Senator from Tennessee referred to me kindly, as he always does——

Mr. McKELLAR. I could do not anything else.

Mr. WHITE. And said in substance that I do not think much of this rule; indeed I do not think anything of this rule, I want to supplement what the Senator has said. I do not think much of this rule; I do not think anything of this rule, except that it is a thoroughly vicious practice.

Mr. President, it is a practice which has been followed in the Senate for some time—I have to admit that much—but I believe that it is a violation of the written rules of the Senate; the standing rules of this body. I believe it is a practice which is thoroughly reprehensible. I wish there were some way to stop it. I think what we have here today is a perfect illustration of the infirmity and of the inherent harm in the practice.

I do not like to speak of it as a rule, but rather as a practice. If the rules of the Senate had been followed this matter would have been referred to a committee, and then there would have been a committee meeting; there would have been opportunity formally to present the request for an investigation. It always has seemed to me, and it seems to me now, that that is the correct and proper and orderly procedure, and might well result in avoiding situations similar to the one we have here today.

Mr. McKELLAR. My recollection is that on a former occasion, and that is probably where I obtained my information concerning his views, the Senator from Maine made a point of order that a report from a committee—I do not know whether it was from my committee, but from some committee—when a poll was taken of the members of the committee, was not a proper report. The Senator made a point of order against it, and the Chair overruled the point of order, and the Senate sustained the Chair. That is my recollection.

Mr. WHITE. I have no recollection whether I made the point of order or not.

Mr. McKELLAR. Some Senator did.

Mr. WHITE. Notwithstanding the point of order, notwithstanding the ruling of the Chair, and notwithstanding the practices and the precedents of the past, I still insist that it is all wrong.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from Ohio.

Mr. TAFT. I do not want to enter into the question whether this is a rule or not. I think clearly it is not a rule. I assume what the Senator is saying is that it is a precedent of the Senate.

Mr. McKELLAR. It certainly is.

Mr. TAFT. I think that in this case it is not a precedent of the Senate. On pages 4132 and 4131 of the CONGRESSIONAL RECORD, appears the following:

Executive nominations received May 3.

Robert E. Hannegan, of Missouri.

By Mr. MCKELLAR, from the Committee on Post Offices and Post Roads:

Robert E. Hannegan, of Missouri, to be Postmaster General.

The same day the report came in and, I think, actually before it was referred to the Committee on Post Offices and Post Roads, a report was made. Certainly the practice, if there is a practice, when such a nomination comes in, is to refer it first to the Senators of the State from which the appointment is made.

That is the regular practice. I am constantly receiving from the Senator's committee the nominations of postmasters in Ohio, which, so far as I know, I have invariably approved. In this case that practice was not followed.

Mr. McKELLAR. Yes; that practice was followed in this case.

Mr. TAFT. I understood the Senator from Missouri to state that until after the report had been signed by 11 Members, and was then presented to him, no official statement was made to him.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. DONNELL. The facts are that on the 3d of May there was brought to me a paper which had some signatures on it. I do not know how many there were. It was the paper a copy of which I hold in my hand. It begins:

Ordered, That the following nomination be referred to the Committee on Post Offices and Post Roads—

And concludes with the words "with the recommendation the nomination be confirmed," following which are various signatures. That paper was presented to me at my desk. I had never been spoken to directly or indirectly before it was presented to me. When it came to me I looked at it and told the gentleman who handed it to me that I would not sign it at that time, that I wished to think over what I should do about it.

Mr. McKELLAR. Mr. President, my secretary hands me the following note:

I submitted it to Senator DONNELL immediately after Senator REED, ranking minority Member, who had signed it.

The Senator from Kansas is the ranking minority member of the committee, and my secretary assumed that he ought to submit it to him first. He then submitted it to the Senator from Missouri.

It never occurred to me in the remotest way that there would be any objection to the nomination of this Cabinet officer.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. TAFT. I understand the Senator's statement; but the point I wish to make is that if there is a precedent regarding nominations in the Senate, it is that when they are received they shall be first referred to the Senators from the State in which the nomination is made, for their opinions and views. When their views have been received, whether adverse or favorable, a nomination may then be submitted by a poll to the members of the committee. I do not believe that is a good practice. But I do not think there is any rule or precedent of the Senate which justifies a nomination coming here in the middle of the afternoon and being circulated among members of the committee and signed without consulting the Senators from the particular State, and without other Senators even knowing that the nomination has been received. Senators may be out of the city. It seems to me that there is no precedent of the Senate to justify the procedure which has been followed in this case.

Mr. McKELLAR. Mr. President, we might as well be perfectly frank. The Democratic Senator from Missouri was in favor of this nomination, and the Republican Senator from Missouri was against the nomination. That is all there is to it.

Mr. SHIPSTEAD and Mr. DONNELL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Tennessee yield; and if so, to whom?

Mr. McKELLAR. I yield first to the Senator from Minnesota.

Mr. SHIPSTEAD. Mr. President, I am not acquainted with Mr. Hannegan, but I have friends who are acquainted with him, and who speak very highly of him and his work. Personally, I have no knowledge of his qualifications.

However, while it is not a rule, it has been the custom, when a nomination is received, particularly an important nomination, to refer it to the Senators from the particular State. I have never insisted upon it, but I believe that it is a courtesy which is usually accorded.

Mr. McKELLAR. It always is. It was accorded in this case.

Mr. SHIPSTEAD. As to polling the committee, it is my impression that it is usually understood that when a committee is polled, and every member of the committee is consulted, that is considered a proper procedure; but a poll of the committee is proper only when all the members of the committee are consulted.

Mr. McKELLAR. Oh, no. The Senator is mistaken.

Mr. SHIPSTEAD. That is not a fixed rule. We know what the fixed rule of the Senate is. There is nothing wrong about polling a committee. It is a precedent.

Mr. McKELLAR. It has been in effect for 35 years to my certain knowledge.

Mr. SHIPSTEAD. It is the practice.

Mr. McKELLAR. Yes; it has been the practice for 35 years.

Let me say to the Senator and to the Senate that I am told that during this war several hundred thousand appointments have been reported from the Military Affairs Committee alone. If we had to have a party fight over every military appointment which comes before the Senate, we would not be a legislative body at all. We would be a political body.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. AUSTIN. I do not believe that the Committee on Military Affairs follows the practice of taking signatures on a sheet of paper when recommendations come from the White House or from the Chief of Staff for promotions of officers. The Military Affairs Committee has exercised care, and has scrutinized such appointments. In many cases it has sent for the history and records of the men who were promoted. So the practice of the Committee on Military Affairs can hardly be used as a reason for taking a poll of part of a committee in order to receive a report on a nomination from a committee on the same day on which the nomination is received, without any opportunity to investigate the appointment of an individual to the high office of a member of the Cabinet. There is nothing that the Senate Committee on Military Affairs has done which would constitute a precedent for such haste.

Mr. HATCH. Mr. President, will the Senator yield for a question?

Mr. McKELLAR. I shall be glad to yield in a moment.

Mr. President, in order to demonstrate how our memories sometimes fail us, let me cite one instance. I do not see the chairman of the Committee on Military Affairs present.

Mr. AUSTIN. No; he is in Europe.

Mr. McKELLAR. Within the past 10 days the Senate had before it a long list of military appointments. It must have occupied a dozen pages in the RECORD. They were submitted to the Senate and were announced from the desk. I believe my friend, the Senator from Alabama [Mr. HILL] asked unanimous consent that the entire list of military nominations be approved without being sent to a committee. As I remember, they were approved without even being sent to a committee. Is that true?

Mr. HILL. I believe the Senator has reference to the nominations of midshipmen in the Navy.

Mr. McKELLAR. Perhaps that was it.

Mr. HILL. A few days ago, the distinguished Senator from Massachusetts [Mr. WALSH], chairman of the Committee on Naval Affairs, asked that a very large number of nominations of graduates of the Navy Academy be confirmed.

Mr. McKELLAR. There were several hundred of them.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. AUSTIN. We have routine promotions in large numbers, but they are passed on by the committee. They are passed on en bloc unless there is reason for a detailed investigation by the committee. However, that does not constitute a precedent for the peculiar action which occurred in connection with this nomination.

Mr. McKELLAR. Does the Senator think there is something wrong about this action?

Mr. AUSTIN. I do not pass judgment. However, I believe that when a member of a standing committee of the Senate asks that opportunity be given for a hearing, his request should be granted.

Mr. McKELLAR. He did not make the request until after he had made a political speech lasting 2 hours today. That was the first time he ever made the request.

Mr. AUSTIN. It is a matter of right.

Mr. McKELLAR. I do not agree with the Senator, under the circumstances.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. REVERCOMB. The able Senator from Tennessee has referred to the practice of the Committee on Military Affairs.

Mr. McKELLAR. The particular incident to which I was referring related to the Committee on Naval Affairs. I was mistaken. However, the Committee on Military Affairs follows the same practice.

Mr. REVERCOMB. No. The Committee on Military Affairs does not follow that practice. So far as I know, every appointment on which the Committee on Military Affairs acts comes before the committee and must come before it. I recall that last year one of the attachés of the Committee on Military Affairs attempted to deal with some appointments by polling the committee. That practice was objected to, and has not been indulged in since, so far as I know.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HATCH. I merely wish to ask the Senator from Tennessee a question. I have heard a great deal of comment about this particular nomination, and about technical rules and procedure. I have always had the idea that the President of the United States was entitled to select the persons whom he might choose to be members of his own official family or Cabinet. But I have always had in my own mind this particular reservation, namely, that that person should be a man of fitness and character.

I listened to the Senator from Missouri [Mr. DONNELL] review the political scandals of his State—to his own great satisfaction, I am sure—but I did not hear him say a single word against the fitness or the character of the nominee.

I ask the Senator from Tennessee whether that question was raised.

Mr. McKELLAR. I did not hear it raised. If the Senator from Missouri made a statement reflecting upon Mr. Hannegan's fitness or his character, I did not hear it—and I sat here all the time, except for about 2 minutes.

Mr. HATCH. Then, Mr. President, in that respect I wish to say that the confirmation of the nomination of a member of the President's Cabinet is on a somewhat different basis than the confirmation of the nomination of postmaster of Squedink or Podunk.

Mr. McKELLAR. Mr. President, I wish to conclude my remarks very shortly. All I wish to say is that, there being nothing against the character or fitness of Mr. Hannegan—he has held high office, he has been very much in the public eye, of course, because of his connection as chairman of the Democratic National Committee—it seems to me there can be no question in the world about his qualifications.

It is said that he should not be confirmed because he is now chairman of the Democratic National Committee. That question was raised by the Senator from Missouri, I believe. That practice, as I recall from my recollection of history, was begun by Mr. Harding, when Will Hays, a very estimable gentleman, who had led the Republican Party to a glorious victory, as they looked at it, was made Postmaster General, and he was also continued as chairman of the Republican National Committee.

My recollection is that later on, in a subsequent administration—I have forgotten which one, whether it was Mr. Coolidge's or Mr. Hoover's—a man who was either chairman or assistant chairman of the Republican National Committee was made Postmaster General.

My recollection is that James A. Farley then came in; and following the example set by a successful Republican in their day, the Democrats appointed the chairman of their national committee to be Postmaster General. He made an excellent one.

Now the nomination of Mr. Hannegan is before us. The Democrats now have nominated Mr. Hannegan—again following the leadership of the Republicans. We followed them on the question of polling the committee. That is what they used to do; it was a general practice in Republican days, as well as in Democratic days. But now the Republicans wish to stop the practice—insofar as the Democratic Party is concerned.

Mr. President, I have no doubt that if some day the Republicans secure as a chairman of their national committee a man who leads them to a successful result and a fine victory, they will change their minds, and they will wish to put him in office, just as Mr. Hannegan is to be put in.

Mr. Hannegan is a fine man. He has a wonderful personality. He is well educated. He is a graduate of a splendid college in Missouri. He is a man who stands well. He is a man who knows how to fight. He is a man who knows how to win. He is a man who knows how to handle himself.

From a political point of view I can see why the Republicans should be opposed to him. I do not know about all the fights the Senator from Missouri has had in Missouri, but it may be that Missourians will fight again, and I do not blame them for not wanting Mr. Hannegan to be Postmaster General. But practically all the other Republican Senators have voted for him for two other high offices. If they vote against him now they will have to change their practice, they will have to change their votes, because they all voted for him in 1942 and 1943. They will have to say their votes were wrong, that the Senator from Missouri is their leader, and that they are going to follow him and take back the votes they heretofore cast for Mr. Hannegan.

Mr. REED. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. REED. The Senator from Tennessee did not go far enough back in history to discover the origin of the custom relative to the nomination of Postmaster General. As I recall, Frank H. Hitchcock, who was chairman of the Republican National Committee in 1908, was made Postmaster General under President Taft.

Mr. McKELLAR. I am quite sure that is correct.

Mr. REED. I have forgotten whether he retained his chairmanship along with his position as Postmaster General.

Mr. McKELLAR. Inasmuch as the Senator has refreshed my memory, I wish to tell him about another man, namely, Harry S. New, whom most of us oldtimers remember. He was a fine man, and he was Postmaster General and also chairman of the Republican National Committee. I have forgotten whether he held both positions at the same time, but he held them in the same vicinity of time, at any rate. I do not think the fact that he had been chairman of the Republican National Committee disqualified him to be Postmaster General. Harry New was one of the finest gentlemen I ever know. I always liked him. The fact that he was an excellent chairman of the Republican National Committee did not make him any less able as Postmaster General. I think he made a very excellent Postmaster General, just as Robert Hannegan will do if his nomination is confirmed this afternoon.

I hope the Republican Senators will stand by their former votes. I do not think we should reframe or attempt to change the rules. I do not think we should change the rule or the custom relative to having a Postmaster General hold both offices. That has been the custom. The only way to make a change now would be to pass a law to the effect that no man who had been chairman of a national committee should be head of the Post Office Department. I think such a law or such a rule would be a very foolish one. I think it depends on the man.

We have before us the nomination of a man as to whom not a word to his discredit has been spoken, except that he has been a successful politician. He has been, and I admire his success; I honor him for his success. He made a great fight. It seems to me there is no reason in the world why his nomination should not be confirmed.

Mr. REED. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. REED. I wish to say a few words to my good friend the Senator from Tennessee. I am in a rather peculiar position here, because I happen to be the ranking member of the minority on the Committee on Post Offices and Post Roads. When the clerk brought that poll to me, I signed it. I am not defending the practice of polling committees. I share to some extent the view of the Senator from Maine that it is a bad practice. But I wish to say to my good friend the Senator from Tennessee that there is no question whether the nomination of Mr. Hannegan will be confirmed. The only issues presently on trial are the practices of the Senate and Mr. Hannegan's own welfare in the future.

If the Senator had called a meeting of the committee I would have voted in favor of a committee report recommending confirmation of the nomination. I say again to the Senator from Missouri that notwithstanding what he has said here today, I voted twice in this body to confirm the nomination of Mr. Hannegan—first when he was nominated to be collector of internal revenue at St. Louis, and later when he was nominated to be Commissioner of Internal Revenue for the country as a whole; and I am familiar with what the Senator from Missouri has said.

I agree that the conditions about which he has spoken represent a disgraceful chapter in the history of politics in Missouri, as they would in any other State. They do not reflect any credit upon Mr. Hannegan. The political situation in Kansas City and in the remainder of the State is about as rotten as ever existed anywhere. When he searches his soul I believe the Senator from Missouri will perhaps agree that the dirty treatment which he received at the hands of the Democratic authorities in Missouri in 1940, after he had received a majority of the votes cast, on the face of the returns, was perhaps an important influence in his election last year to the United States Senate.

Mr. President, to me it is important that we keep the record straight. If

a meeting had been held of the Committee on Post Offices and Post Roads I believe I should have voted favorably upon the confirmation of Mr. Hannegan. If the Senator from Tennessee [Mr. McKELLAR] should agree to let the nomination lie over until tomorrow, and call a meeting of the committee tomorrow morning, I think I would vote to report favorably the nomination of Mr. Hannegan notwithstanding his connection with the incidents to which reference has been made by the senior Senator from Missouri, and which were purely political in nature. After all, I have been in politics somewhat myself.

I agree with the Senator from Tennessee and the Senator from New Mexico that, to a large extent, the President of the United States should be permitted to select members of his Cabinet unless the person whom he wishes to select is clearly unfit. I do not believe that Mr. Hannegan falls within that classification.

Mr. President, I think it would be wholesome for the Senate if we were to follow a procedure different from what has been followed in the past. I think the Senator from Missouri has some right to complain, although he did sleep upon his rights. I know the Senator from Tennessee has served on the Committee on Post Offices and Post Roads ever since I became a Member of the Senate. I know how careful he is with the prerogatives of Senators. If at any time a suggestion had been made to the chairman of the committee that a hearing was desired, I am sure he would have called a meeting of the committee for that purpose. If the senior Senator from Missouri had suggested it to me, I, as the ranking member of the committee, would have been very happy to have asked that a meeting be held. But no suggestion of that nature was made.

I think Mr. Hannegan is now in a doubtful light. I think the best thing for him, and certainly the best thing for the Senate, is to stop where we are, and send the nomination back to the committee for further consideration. If that is done, and the chairman will call a meeting of the committee in the morning——

Mr. McKELLAR. Mr. President, if the Senator from Kansas [Mr. REED] or the Senator from Missouri [Mr. DONNELL] had come to me last week and asked for a committee hearing, I assure them that a meeting of the committee would have been called. But inasmuch as no statement or request concerning the matter was made, and inasmuch as an attack has now been made on a practice which has been followed by the committee for at least 35 years, I do not feel like going any further. I assert to my friend that I have not done anything dishonorable in this matter, and I shall not be placed in the position of trying to put over some sharp practice. I think that the Senator from Missouri owed the obligation to me, as well as to the Senator from Kansas of making the proper request to one or the other of us instead of coming to the floor of the Senate, as he has done, with a statement attacking the method which was followed by the committee and which has been in vogue for at least 35 years.

Mr. REED. Mr. President, I hope the Senator from Tennessee does not consider anything that I have said as being a reflection upon him.

Mr. McKELLAR. Oh, no.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. McMAHON. I ask the Senator from Tennessee if the only purpose of holding a committee meeting would not be to hear evidence as to the fitness or unfitness of the nominee, Robert Hannegan, to hold the office for which he has been nominated?

Mr. McKELLAR. That would be the purpose.

Mr. McMAHON. The Senator from Missouri [Mr. DONNELL] has had a Committee of the Whole of the Senate for 2 hours today.

Mr. McKELLAR. He has.

Mr. McMAHON. I have listened very carefully. I have not heard one single word in what we might term the Committee of the Whole which would reflect upon the integrity or fitness of the nominee.

Mr. McKELLAR. The Senator is correct. I have heard that there was considerable politics in Missouri from time to time, and that sometimes Mr. Hannegan won and sometimes he did not.

Mr. McMAHON. So, if the suggestion of the Senator from Kansas [Mr. REED] were to be adopted, and the nomination recommitted to the committee, the Senator from Missouri would consume a couple of hours to present to the committee the same speech and the same facts which he presented to the Senate today. From the speech we have already listened to we have not learned anything with respect to the qualifications of Mr. Hannegan, who has been nominated by the President to be Postmaster General of the United States, that reflect on Mr. Hannegan's fitness for the office. Therefore we would do a useless thing if we were to heed the suggestion of the Senator from Missouri.

Mr. McKELLAR. I thank the Senator from Connecticut.

Mr. BRIGGS. Mr. President, I have been very much interested in the discussion today. If the Senate will bear with me for a few minutes I shall undertake to present some of the facts which I know exist with regard to conditions in the State of Missouri.

A short time ago I was attending a national convention. It was not a political convention, but a convention of delegates, and considerable dissension was existing among the delegates from Missouri. One of the high ranking members of the convention came to me and said, "Can you not get these fellows from Missouri together?" I replied, "Get them together; hell, I cannot keep them apart." [Laughter.] That is an example of the trouble we have been having in Missouri politics. We have not been able to get together, and we have had trouble in keeping apart.

Mr. President, the very distinguished senior Senator from Missouri [Mr. DONNELL] made six points as a basis upon which we should not confirm the nomination of a distinguished son of Missouri. With reference to the first five points I would not deign to raise my voice, as I am the youngest of the younger Members present. I do not know what the procedure of the Senate has been in the past, and I do not know what it now should be. But with reference to the sixth point which was raised by the senior Senator from Missouri, namely, that of Bob Hannegan's political life in the State of Missouri, I do feel that I can testify.

I was the president pro tempore of the Missouri State Senate when the so-called contest was filed. I believe I know as much about that contest as does any man in the State of Missouri, the distinguished senior Senator from that State not excepted. I know that Bob Hannegan was not a member of the State committee at the time to which reference has been made. He had nothing to do with filing the contest. Bob Hannegan was a Democrat. Bob Hannegan supported what the Democratic majority of the senate and house said should be done. I believe there is no Member present on this side or on the other side of the aisle who would not support his party after it had taken a stand upon a particular question.

The senior Senator from Missouri proceeds to tell the whole story, and, as several of my colleagues have said, not one word has been given to Senators to convince them or to indicate that Mr. Hannegan in any way is not efficient, that he is not honest, that he is not capable, that he would not make a good Postmaster General. In fact, the record shows that each of these qualifications exists in Mr. Hannegan's personality.

Mr. Hannegan made the most outstanding success as collector of internal revenue in the St. Louis district that has ever been made, and if the senior Senator from Missouri had taken the time to read the self-same newspapers from which he has been quoting today, he would have read editorials in which it was said that Bob Hannegan's record as a public servant was above reproach, and that he had made good. Even the Globe-Democrat, which the senior Senator from Missouri admits is a Republican newspaper, urged confirmation. I would not go so far as to agree with him as to some of his statements about some of the other newspapers; there have been times in which they have leaned toward the Democratic Party, but that has been rare, but only last Sunday, yesterday, I was in the city of St. Louis, and I read in the Globe-Democrat an editorial in which it was said that the Senate should confirm the nomination of Bob Hannegan. So if we are to bring the record in, let us bring it down to date.

I read a little story a few days ago with which I shall conclude my brief remarks. It is said that a father was trying to get rid of his son and some of his questions, and he tore up a newspaper in which there was a map of the world and said, "Son, go out and put that together, and when you have it put together come back and talk to me." In about 2 minutes the boy came back with the paper put together. The father said, "Son, how in the world have you solved

that problem so quickly?" The son answered, "Father, there was a man on the other side of the paper, and when the man was put together, I found out that the world came out all right."

Mr. President, in this case we are considering a man, and we should not consider any trivial or side issues. Bob Hannegan deserves confirmation by the Senate. He has been confirmed twice before unanimously, and it is my opinion that he not only deserves confirmation, but that he deserves it today. I hope the Senate will not vote to recommit the nomination, and turn the mosquitoes of politics loose on him only to harass him, not to do any good. I hope the Senate will stand firm.

Mr. MORSE. Mr. President, I shall detain the Senate for only a few minutes in discussing the issue before us, and to make two matters as clear as possible. First, I shall discuss a matter of procedure, in regard to confirmation of members of the President's Cabinet, and, second, I desire to refer very briefly to some of the principles and tests which I think should be applied in confirming members of the President's Cabinet.

I have listened to the distinguished senior Senator from Tennessee, for whom I have the highest respect, and let me say, he has been very kind to me by way of giving me, from time to time since I have been a Member of the Senate, some very valuable "Dutch uncle" advice. I judge from his remarks that there has grown up in the Senate over a 35-year period, not a rule, although when first discussed by him today he talked of it in terms of being a rule, but as the discussion continued we have learned that it is a practice, not a rule, a precedential practice.

As the senior Senator from Missouri pointed out, we cannot find it, as a rule, in the book of Senate rules which has been handed us as freshmen. I have made very serious study of those rules, to acquaint myself with them, so that I could be of maximum service to my constituents and to my colleagues in the Senate. But there is not such a rule, and now we are told it is a practice.

I think we need to analyze that practice. I am glad the distinguished senior Senator from Wisconsin [Mr. LA FOLLETTE], chairman of the Special Committee to Study the Need for Revision of the Senate Rules and Practices, is present, because I wish to say that, in my humble judgment, there is very strong feeling throughout the country that some of the moss-covered rules of the Senate need to be brought out for public airing and revision. I certainly know of no procedure with which I have had personal experience that is more deserving of revision—yes, abolition, by the Senate—than this one. Let us see how this so-called 29-year-old practice works in practice.

Slips of paper are passed to us in the Chamber by the clerk of the committee. Frequently we do not know when he comes to us that he is a clerk. He whispers some instructions while the debate is proceeding, and asks if we have any objection to a nomination or a list of nominations set forth on the slips. If a Senator has one ear listening to the speaker and the other listening to the clerk, he may with a nod of his head give the clerk the impression that he favors a nomination which he has not had time duly to consider. So I say that that particular practice is a bad one, because these matters of appointment should at least receive the solemnity of due consideration by members of a committee when the clerk is in his office, not on the floor of the Senate, while debate is proceeding. Taking a poll of committee members while they are on the floor of the Senate listening to Senate debate is not a proper way to conduct committee business.

Not only that, Mr. President, but it appears that under this practice when the clerk gets reports from a majority of the committee by Senators either giving him a nod of the head or telling him that they favor the nomination, or that they will not object to the nomination, the clerk goes to the chairman of the committee, and the next thing we hear as a result of that sort of polling is a statement from the chairman of the committee, such as that set forth on page 4121 of the CONGRESSIONAL RECORD, May 3d, a statement by the distinguished Senator from Tennessee [Mr. MCKELLAR], the chairman of the committee:

> Mr. President, as in executive session, from the Committee on Post Offices and Post Roads, I report favorably the nomination of Robert E. Hannegan to be Postmaster General, and I ask unnanimous consent for its immediate consideration.

Mr. MCKELLAR. Mr. President, will the Senator yield?

Mr. MORSE. I shall yield in a moment. As a member of the Committee on Post Offices and Post Roads I was not even extended the courtesy of a poll by the clerk of the committee, let alone any statement from the chairman of the committee in regard to the appointment.

I now yield to the Senator from Tennessee.

Mr. MCKELLAR. In the first place, I wish to read rule XXXVIII, on page 43 of the Rules of the Senate:

> When nominations shall be made by the President of the United States to the Senate, they shall, unless otherwise ordered—

This is what happens to the nominations unless otherwise ordered; the Senate can take them from the desk and act on them.

> They shall, unless otherwise ordered, be referred to appropriate committees and the final question on every nomination shall be, "Will the Senate advise and consent to this nomination?" which question shall not be put on the same day on which the nomination is received, nor on the day on which it may be reported by a committee, unless by unanimous consent.

So that I say to the Senator that in this very rule the Senate itself states how the matter shall be handled. The committee can make its report in writing, it can have a meeting and report it from a meeting.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. MCKELLAR. I have not the floor.

Mr. MORSE. Mr. President, I wish to say that, after listening to the reading of the rule, I find not one word in it which justifies the interpretation the distinguished Senator from Tennessee has made. There is not one word which would justify an interpretation that the chairman of the Committee on Post Offices and Post Roads has the authority, under the rule, to notify the Senate of the United States that the committee reports a nomination when at least one member of the committee was not even consulted in regard to it. If that is the sort of rule or practice the Senate is working under, I think it is high time the people of the United States understand how the Senate proceeds to carry on its important business, such as that involving the nomination and confirmation of a Postmaster General of the United States.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. AUSTIN. I wish to observe that what was read from the rule vests no authority in any committee whatever to make the "otherwise" arrangement. That rule requires action by the Senate in order to make an arrangement otherwise.

Mr. MCKELLAR. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MCKELLAR. I find that in 1934 the following resolution was adopted by the Committee on Post Offices and Post Roads:

> *Resolved by the Senate Committee on Post Offices and Post Roads*, That, until further notice, all post office nominations shall be submitted by the Clerk of the committee to the two Senators of the State in which the post offices are situated respectively. If the two Senators recommend or okay such nominations, or, if, after submission to them, they do not object to such confirmation, the chairman of the committee is authorized and directed to report such nomination favorably to the Senate.

That, Mr. President, has been the rule for 11 years. A majority of the committee acted exactly in accord with that rule. The majority of the committee approved the nomination.

The Senator from Oregon said the nomination was not submitted to him. I want to tell the Senator why it was not submitted to him. My clerk said he hunted everywhere for the Senator and could not find him. The Senator was not on the floor of the Senate during that time. I do not know where he was. But he was not on the floor of the Senate. That is why it was not submitted to him.

Mr. MORSE. Mr. President, I want to reply immediately to that statement. I wish to say that if the clerk made that statement to the distinguished Senator from Tennessee he did not help the cause of truth by the statement. I think the Senator from Tennesse is well aware of the fact that I was in the Chamber while the Senator was here on the very day in question.

Mr. MCKELLAR. The Senator was here, but he was not here at that time.

Mr. MORSE. The Senator from Tennessee is likewise mistaken about that. I held a conference with the distinguished minority leader and the distinguished Senator from Missouri [Mr. DONNELL] on the floor of this Senate in regard to this matter after I heard the statement of the Senator from Tennes-

see that he was reporting the nomination to the Senate. I sat in my chair when the distinguished Senator from Tennessee made his statement, as I have quoted it from the CONGRESSIONAL RECORD. I immediately proceeded to discuss on this side of the aisle with some of the older Senators what course of action should be followed in regard to the report of the Senator from Tennessee. I was advised, and followed the advice, that what we should do was to proceed to ask the minority leader to request that the nomination go over until the next day. That was done by the minority leader [Mr. WHITE].

All I want to say to the distinguished Senator from Tennessee is that as a member of the Committee on Post Offices and Post Roads I think that each member of the committee is entitled to be contacted by the chairman before he comes into the Senate and submits a report in behalf of the committee involving the nomination of a Postmaster General.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MORSE. I will not yield until I finish this part of my statement. I want to say to the distinguished Senator from Tennessee that I have heard his discussion in regard to the conduct of the chairman of a Senate committee. I have never been a chairman of a Senate committee, but I have been the chairman of many committees, and I never would think of making a report to the parent body of a committee of which I was chairman until I knew that the report represented the point of view, or set out the view, of each member of the committee. I think that each member of the committee was certainly entitled to have his view ascertained by the chairman of the committee before the chairman made any report in behalf of the committee.

Let us assume a case; it does not happen to be this case, but to illustrate and discuss the principle of procedure involved I think the hypothetical is a good one. Let us assume that I had reason for objecting to Mr. Hannegan's nomination on the basis of one of the tests I shall mention later. I think the procedure that is followed by the polling method, and by completely overlooking one member of the committee—and I do not know whether there were others, for I have not inquired—

Mr. McKELLAR. If the Senator will yield I will tell him what the facts are.

Mr. MORSE. I yield.

Mr. McKELLAR. The clerk of the committee found all the members who were in Washington with the exception of two. One or two of the members of the committee were in Europe. One or two of them were on the Pacific Coast. There were only two members of the committee in Washington whom the clerk was unable to find. One was my distinguished friend the Senator from Delaware [Mr. BUCK] and the other was the Senator from Oregon who now has the floor.

The majority of the committee has acted. Eleven out of 19 have acted. I will give the names of Senators who were not in Washington.

The Senator from New York [Mr. MEAD] was ill, and of course he could come back and, like the Senator from Oregon, say that he did not have any notice.

The Senator from Nevada [Mr. SCRUGHAM] was out of the city. He was ill.

The Senator from Mississippi [Mr. EASTLAND] was out of the city.

The Senator from Delaware [Mr. BUCK] was not on the floor.

The Senator from Oregon [Mr. MORSE] was not on the floor at the time the committee was polled.

The Senator from Massachusetts [Mr. SALTONSTALL] was in Europe.

A majority of the committee has acted on the nomination. Does the Senator from Oregon contend that because he was not in the Chamber when the clerk polled the committee the whole procedure should be set aside in order to publish again a political campaign of 5 years ago? Is that the contention of the Senator? If it is, I want to say that I am opposed to changing the rule about polling of committees. I think it is a very excellent rule and was applied in a very excellent way to this particular case.

If the Senator from Oregon had come to me and asked me for a hearing, I have no doubt he would have gotten it, but he did not ask me for it, nor did the Senator from Missouri, nor did any other Senator who is now opposing the confirmation of the nomination.

Mr. MORSE. If the Senator from Tennessee will let me finish he will find out what my contention is, and it is not the contention which apparently the Senator would put in my mouth. However, he is in error whenever he says I was not on the floor when the poll was taken. However, if I had been absent, which I was not as the RECORD will show, he owed me the consideration of taking the matter up with me before he made his report to the Senate.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HICKENLOOPER. May I ask the distinguished Senator from Tennessee a question?

Mr. McKELLAR. Yes, if the Senator from Oregon will permit it.

Mr. MORSE. I yield for that purpose.

Mr. HICKENLOOPER. As a member of the Committee on Post Offices and Post Roads I signed the document that was circulated among Senators because I approve the appointment of Mr. Hannegan, and I still approve it. I shall, however, on the basis of principle, support the motion of the Senator from Missouri. I think perhaps if the motion should prevail it would not change my opinion as to Mr. Hannegan's qualifications to hold this office. But the question I should like to ask the Senator from Tennessee is: What opportunity did the members of the Committee on Post Offices and Post Roads who were absent or who were not contacted have to file minority views as should be their privilege?

Mr. McKELLAR. I think very active minority views are being filed, or being put before the Senate now, and Senators have every opportunity, if they have a majority of the Senate with them, to defeat the nomination. But when there are no charges made of fraud or wrongdoing or improper conduct on the part of Mr. Hannegan, I do not think the Senate would do itself any great credit by going into this ancient political history.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. MORSE. I yield further to the Senator from Iowa.

Mr. HICKENLOOPER. I should like to say that while I am of the opinion that Mr. Hannegan's nomination should be confirmed, I still believe that in orderly procedure, every Member of the Senate, whether he be a member of a committee or of the Senate in a so-called Committee of the Whole, should have every right to present his objections or to advance his approval. It is on that theory that I think Mr. Hannegan will not be hurt by a formal hearing of this matter before the committee, if it is necessary. I agree with the Senator from Oregon that this nomination should be recommitted to the committee, in the interest of common parliamentary fairness and in the public interest, for a full examination, which Mr. Hannegan can no doubt meet with flying colors if there is nothing wrong with him; and if there is something wrong with him that should disqualify him, it is time that the committee, the Senate, and the public knew about it.

I repeat that I have no reason to change my mind about Mr. Hannegan. I believe that he is an able man, and I shall support him, unless something unusual develops in connection with the consideration of his nomination. I shall, however, support the recommittal of the nomination to the committee, for such opportunity as any Member may wish to present his objections or his approval.

Mr. MORSE. Mr. President, I thank the Senator for his remarks.

To proceed with the hypothetical situation which I was discussing I wish to point out that under the practice which we have seen illustrated in this case, when a member of a committee is not polled, assuming that he has objections to the nominee concerned, he finds himself in the position of having the chairman of the committee announce on the floor of the Senate a report from the committee based upon a poll about which the Senator concerned has never been informed. Such a practice puts a Senator who may want a committee discussion of a nomination in a very embarrassing position, in that he must either then and there raise objection, which may be misinterpreted, or he must go to the chairman of the committee and say, in effect, "Mr. Chairman, you did not talk to me about it; but now I should like to have you join with me in an effort to have the nomination referred to the committee."

Any such procedure as that is very unsound parliamentary practice. No Member of the Senate should be put in such a position in relation to the chairman of any committee. On the other hand, I believe that members of committees are entitled, from the chairman of the committee, to be fully advised in

regard to the business of the committee, and in regard to reports which the chairman of a committee intends to make to the Senate on behalf of the committee. That was not done in this case. The practice which was followed in this case should be discontinued by all committees.

My criticism is not a personal criticism of the Senator from Tennessee, but of what is, in my judgment, a very bad practice.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MORSE. I should like to finish my thought.

I wish to make it perfectly clear that what I am saying is not a personal criticism of the Senator from Tennessee. I would make the same criticism of the chairman of any committee on which I might be serving if I found him following a 35-year-old practice of the Senate which, in my judgment, does such great injury to the rights of individual Members of the Senate, and puts us in a position where we must go to the chairman who follows the practice which was followed in this case and say, "Mr. Chairman, I should like to have this nomination recommitted to the committee."

I now yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator heard the report made. That was the time for him to act. It was made to the Senate. It was not made secretly. It was made openly. The report was made, and unanimous consent was asked for the consideration of the nomination. If I correctly recall, the Senator did not object then. He is very able in objecting. He has objected 3 or 4 days after he heard the report read by the chairman of the committee. Unanimous consent was asked for the consideration of the nomination; and yet the Senator claims that he has not been treated fairly. I would not treat the Senator unfairly for anything in the world.

Mr. MORSE. The minority leader did object, which made objection by me at that time unnecessary.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. KILGORE. I agree with the Senator from Oregon, and would agree to support a motion to the effect that the Senate abide by its own rules.

On three different occasions this subject has been brought up in connection with specific nominations, but nothing has been done with regard to the prevailing practice.

One of the first things I was told as a Member of this body was that the rules were honored largely by their violation. I take issue with the distinguished Senator from Vermont [Mr. AUSTIN], whom I respect highly. My coattails have been very nearly torn off in the corridors around this Chamber, in efforts to have me signify my approval of nominations of general officers of the United States Army by initialing reports, in order that the nominations might be reported to the Senate without a meeting of the committee. A subcommittee of the Committee on Military Affairs which was formed to investigate certain nominations was discharged a few months ago because it took a little time to conduct the investigation.

I would most heartily agree with the Senator from Oregon if his motion were to the effect that the Senate should obey its own rules. I have always taken issue with attacks on the violation of a rule when they occurred in connection with the consideration of a particular nomination.

Mr. MORSE. Mr. President, I believe the point of the Senator from West Virginia is well taken. I am more interested in following correct procedure than I am in having the rule applied to this particular case now that the damage has been done to orderly procedure.

However, I am using this case—I believe legitimately—to point out what I think is a very bad practice in the Senate.

Mr. KILGORE. Mr. President, will the Senator further yield?

Mr. MORSE. I yield.

Mr. KILGORE. Again we are confronted with the proposal to change the rules in the middle of the game. We have violated the rules so frequently that I object to bringing it up in connection with one particular case. If we were to consider the rule itself, I think we would get much further. That is the only point I intended to make. I do not like to call attention to the violation of the rule in the case of a specific individual and make him suffer because of a violation which has persisted for 35 years.

Mr. MORSE. Mr. President, I am counting on the innate sense of fairness of the Senator from Tennessee, after the discussion is over, to suggest, on his own initiative, that the nomination be recommitted to the committee for report at a later date.

I now wish to take up the comment of the Senator from Tennessee with regard to failure on my part to make objection when he made his general report on May 3. Let us go to the RECORD and see what happened on May 3.

Immediately after the Senator from Tennessee made the suggestion that the Senate proceed to consider the nomination, the minority leader [Mr. WHITE] in keeping with the duties of his position discussed the matter with the Senator from Tennessee, and it was agreed that the nomination should be passed over until a later date. Several of us had made it clear to the Senator from Maine that we objected to the procedure which had been followed, and that we wished to have the matter go over for more deliberate consideration.

The Senator from Maine pointed out to us that in view of the fact that the nomination was to be passed over anyway, nothing further needed to be done on that occasion. I think he was quite right in that advice.

I have heard the Senator from Tennessee use the argumentative technique of pointing out that certain Senators did not raise an objection at the time. Surely I need not tell him that it is not necessary to raise a formal objection at the time when objection has already been made by other Senators and we have been notified that the nomination is to be passed over. It has been passed over, and we are now proceeding to discuss what procedural action should be taken for further consideration of the nomination by the committee.

I disagree with the statement made by the Senator from Kansas to the effect that the Senator from Missouri slept on his rights. I do not know what rights he slept on. The moment the polling statement was handed to him he made objection. He told the clerk that he would not sign it, but that he wished to think it over. The record is perfectly clear that what he did was to proceed to discuss the matter with the senior Senator from Maine, the minority leader, and with the Senator from Ohio.

I have not heard the Senator from Missouri say that he intends to vote against the confirmation of Mr. Hannegan's nomination. If I correctly interpret his remarks, they lead to the final conclusion that he believes that the committee ought to consider the nomination and decide upon what procedure should be followed in the face of his objections.

I wish also to point out that on the basis of what has been said up to this time, the Senator from Missouri certainly has made a prima facie case to this extent, and to this extent only: He has raised certain objections based upon considerations which I believe lay the foundation for an inference that possibly Mr. Hannegan's participation in political manipulations in the State of Missouri might raise questions as to his qualifications on the ground of character. I think the Committee on Post Offices and Post Roads should consider the objections raised by the senior Senator from Missouri.

That leads me to the remarks which I wish to make in regard to the tests which I have always applied, and always will apply, until someone can show that I am in error, in connection with the matter of nominations to the Cabinet. Earlier this afternoon the Senator from Tennessee made some reference to my having voted for the confirmation of the nomination of Mr. Wallace. At that time I tried to explain to him that he was mistaken as to the basis on which I voted for the confirmation of that nomination. I shall now try to explain in greater detail the tests which I think should be applied by the Senate in considering nominations.

At the time of the Wallace nomination I made as thorough a study as I could of the question of rejections of Cabinet nominations in the history of this country. The record shows that there have been seven rejections, out of a total of almost 400 nominations. One of them occurred in the administration of Andrew Jackson; four in President Tyler's administration; one in President Johnson's administration; and one in President Coolidge's administration.

When we make an analysis of those great Senate discussions we find, in my humble judgment, that there are four major tests, and then I think another one which runs through all four of them. The first is the character test. Is the man of good character, as that term is generally used by all? Second, is he one who believes in our form of gov-

ernment and who seeks through our form of government to bring about any particular reform which he advocates? Third, is he one who is not disqualified because of some professional or personal or financial interest in the job, so that he cannot render impartial, honest service? The Senate will remember that at the time of the Warren controversy in 1925, when President Coolidge had nominated Warren to be Attorney General, the charge was made that his connection with certain great business interests or organizations in the State of Michigan and throughout the country rendered it questionable whether he could meet the test of impartiality as Attorney General, when it came to administering the antitrust laws. It is not for me to say whether the Senate was right or wrong, although on the basis of a study of the record, I am inclined to believe that had I been a Member of the Senate at that time I would not have voted for confirmation of the nomination of Mr. Warren. I say that because, looking at the situation as it is now set out in the books, and records, I have grave doubt whether his professional connections met the test I have just mentioned.

Then, of course, there is the fourth test of mental soundness. At the time of the debate on the nomination of Mr. Wallace, when I discussed this particular test with some of my Republican colleagues, one said to me, "What do you mean by that, Wayne? Do you mean that he just is not nuts?" I said, "What I mean is that the test of mental soundness, as we apply it in the law, should be applied to any Cabinet nominee or to any nominee proposed by the President for any office."

I applied what I consider to be the four major historical tests to the Wallace nomination, and in my honest judgment he met the tests, and on the basis of those tests I voted for the confirmation of his nomination.

On the basis of those tests I will vote for the confirmation of Mr. Hannegan, unless I can be shown that he does not meet those tests.

There is also a fifth test which I think we must take into account, namely, the so-called test of competency. It is a highly subjective test. It is one which must be watched in its application, lest there be a possibility that one may be influenced by partisanship. I think it is sometimes rather easy for us to assume that the fellow in the other party is not competent, when what we mean is that his success has shown his outstanding competency, to our party's disadvantage. Nevertheless, I think it is true that when we function under the advice and consent clause of the Constitution, insofar as the confirmation of nominations is concerned, we should give weight to the question of competency, from the standpoint of whether in the particular job for which the President has appointed an individual he will be able to render service which will be for the public good and will protect the interest of our citizenry as a whole. I felt that Mr. Wallace met that test, and I have yet to be shown that Mr. Hannegan does not meet it.

However, I think it is only fair that we have at least a committee hearing on the nomination, to study the nominee's qualifications from the standpoint of meeting these tests.

Senators may disagree with me in respect to its application as a legal proposition, but let me point out that the advice-and-consent clause of the Constitution is in the form of language of limitation. The appointive authority is given by the Constitution to the President. Hence, I agree with the Senator from New Mexico [Mr. HATCH] in essence, I think, if I correctly understood the remarks he made a few minutes ago. I agree if by those remarks he meant that a presumption exists in favor of a Presidential nomination. I say that because we do not have joint appointive authority with the President. The framers of the Constitution did not use such language.

What the framers of the Constitution did say, in speaking of the Presidential appointive power, was—

> He shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, Judges of the Supreme Court, and all other officers of the United States.

In my judgment the advice-and-consent language of the Constitution is language of limitation. It means that the presumption should be resolved in favor of the President, unless we find that the particular nominee falls short in respect to one of the tests I have enumerated. There is nothing among those tests, and I find nothing in the debates on the great historic cases, which would justify the making of any finding on the basis of partisanship. By that I mean that I do not think we have a right to sit here and do either one of two things: First, object to the nomination of a Cabinet officer because we do not like his politics or because he is of a political party different from ours. I think we should act nonpartisanly, from that standpoint. Neither do I think we are justified in applying the test "Would we appoint him if we were in the appointing position?" That right was not given to us by the advice-and-consent clause of the Constitution. The framers of the Constitution did not say, "The President and a majority of the Senate shall appoint Cabinet officers."

Neither do I think a Cabinet nomination should be made use of in the Senate for carrying on political warfare against the President, regardless of the party to which he may belong. I do not intend, in connection with the consideration of any Cabinet appointment, to seek to make political capital out of it. I do not think a single thing said today by the distinguished senior Senator from Missouri [Mr. DONNELL] would justify any such interpretation of his remarks. However, such interpretations already have been made on the floor of the Senate.

When another Member of the Senate raises a question such as the one which has been raised in this case, namely, whether the particular nominee is qualified from the standpoint of the tests I have enumerated, I think I have a duty, as a Member of the Senate, to say to the committee concerned with the nomination, "You should hold a hearing on it."

If I knew Mr. Hannegan—and I do not—and if I were a close friend of his, as his friend I would say that I think it is in his interest, and certainly in the interest of the great office in which he is about to serve, to have any investigation that is requested by a member of the committee or by a Member of the Senate.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LUCAS. The Senator from Oregon made an interesting legal argument on the subject of the requisite qualifications of a person seeking appointment to a Cabinet position. I have enjoyed listening to him. I am wondering whether there is anything in his opinion, as expressed in the record up to the present moment, which would prevent Mr. Hannegan from qualifying under the tests which the Senator laid down.

Mr. MORSE. I believe that if the record in its present form is all the evidence we are to have before us when we vote on the nomination, and if the Senate does not see fit to allow the Committee on Post Offices and Post Roads to interrogate the senior Senator from Missouri [Mr. DONNELL] in regard to the implications contained in some of the material which he spread upon the RECORD today, I shall be forced to conclude that a prima facie showing has been made which justifies me in insisting that Mr. Hannegan be investigated on two grounds. The first ground would be that of character; the second, whether or not he has such professional or personal interest in the office of Democratic National chairman as to prevent him from administering impartially the duties of Postmaster General.

I make that statement on the basis of what I have heard today. Charge after charge was made, and material was presented to the effect that Mr. Hannegan had conducted himself in what I should conclude to be a corrupt manner in regard to the Missouri political disputes to which the senior Senator from Missouri has referred.

Furthermore, I say that the statements made by the Senator from Missouri, if accepted, on the basis of his experience as a qualified witness in the case, give me some concern as to whether Mr. Hannegan would use his office of Postmaster General for political purposes. However, I do not ignore the strength of the presumption in favor of the President in this instance, and hence I would prefer to have the matter go to the committee for further study.

I am inclined to believe that if and when rebuttal material is presented to the committee, perhaps Mr. Hannegan's friends will be in position to make a clean showing for him.

Unless I misunderstood the senior Senator from Missouri, he did not, contrary to what has been stated by the Senator from Connecticut [Mr. MCMAHON], present before the Senate as in Committee of the Whole the evidence

which he thinks should be brought before the Committee on Post Offices and Post Roads. He raised only a question in support of his request that the committee investigate and ascertain whether or not the evidence to which he has referred can be supported. In my judgment, we have not listened this afternoon, contrary to what the Senator from Connecticut has said, to a presentation on the basis of which Mr. Hannegan should be disqualified or rejected by the Senate. The senior Senator from Missouri directed his remarks only to the motion made by him that the Committee on Post Offices and Post Roads hold a hearing to consider charges which then could be brought against Mr. Hannegan's qualifications. From a procedural standpoint, I think it not only fair to all of the Members of the Senate, particularly to the members of the Post Offices and Post Roads Committee, to Mr. Hannegan, and to President Truman that this nomination be sent back to committee.

Mr. LUCAS. I ask the senior Senator from Missouri, What are the charges as they relate to what the Senator from Oregon is now addressing himself, namely, corruption in the political situation in Missouri? I should like to have the Senator from Missouri tell me, if he can, what he expects to prove in respect to political corruption as it may relate to Bob Hannegan of Missouri.

Mr. DONNELL. Mr. President, if the Senator from Oregon will yield to me, I may say that in answering the question it would be necessary again to bring the entire situation before the committee as I discussed it for 2 hours this afternoon. The statement made by the distinguished Senator from Oregon is correct, namely, that the position I take is that the matters to which I have referred should be heard by the committee. I am not undertaking to pass on what the decision of the committee or of the Senate should be. I have stated charges which have been made repeatedly day after day in the press of the State of Missouri with respect to the election of Mr. Hannegan, with respect to the incident of his going to Governor Park and asking that he not dismiss the election board, and with reference to other matters which I have mentioned. All of them, to my mind, raise a question which should be considered by the committee.

Furthermore, Mr. President, I am of the opinion that this is not a matter upon which the committee should be put in the position of having made a report merely because there had been a poll taken of a majority of the members of the committee—perhaps all with the exception of the Senator who is seated on my right, the distinguished Senator from Oregon [Mr. MORSE]. To my mind the committee itself should make a report.

During the course of my remarks I pointed out several additional reasons why the committee should hear this entire matter. I also raised the point, if the Senator will recall, that the importance of filling this Cabinet office is such that the committee should consider the qualifications of the individual who has been appointed to the office. The fact that the Postmaster General is generally regarded as one who exerts considerable influence in the entire field of patronage, and the fact that Mr. Hannegan has indicated his intention of retaining the post of Chairman of the Democratic National Committee while at the same time occupying the office of Postmaster General, whereas Postmaster General Walker found in his experience that the duties of the office should occupy the full attention and energy of the Postmaster General, are all facts which I think the committee should take into consideration. I think it is the duty of the committee, and the right of the Senate to insist that the committee look into these questions and ascertain whether or not, on the basis of the material presented, the nomination should be reported favorably to the Senate.

Mr. LUCAS. Will the Senator yield?

Mr. MORSE. I yield.

Mr. LUCAS. I should like to ask the Senator from Missouri to answer a question. I do not care to have him make another 2-hour speech on the matters concerning which he has already addressed the Senate; but I should like to know whether, if the nomination is recommitted to the committee, the Senator from Missouri will produce any more testimony tomorrow than he has presented today?

Mr. DONNELL. I stated earlier today that in my opinion Mr. Hannegan should be called before the committee. The committee should hear whatever statement he wishes to make. The committee should be permitted to cross-examine him. In view of the fact that Mr. Hannegan's statements, as reported in the press, do not coincide with, for example, Attorney General McKittrick, the committee should call other witnesses so that it can undertake to consider the question, not solely on the basis of the ex parte statement of Mr. Hannegan but also the statements of witnesses which should be presented. If the nomination is recommitted to the committee I shall undertake to designate the names of several gentlemen whom I shall ask the committee to summon to Washington for the purpose of being interrogated by the committee. At the proper time I shall be glad to give to the committee the names of the gentlemen whom I have in mind.

Mr. LUCAS. Mr. President, as I understand the situation, what the Senator from Missouri wants to do is to have the Senate go over the entire contest between himself and others who have been associated with politics in the State of Missouri, and consider the situation in connection with his election to the high office of Governor. It seems to me that unless the Senator from Missouri himself can present certain proof—and he has not done so up to the present time—with reference to charges of corruption or fraud of some kind in connection with the election, proof which goes directly to Hannegan, and unless the Senator himself can present proof, not implication or inference, which goes directly to the nomination of Hannegan for an important Cabinet position, the nomination should not be recommitted to the committee. If the Senator cannot furnish any more evidence than he has furnished this afternoon, and unless the Senate wishes to go into the field of inference and innuendo, in my humble opinion, Mr. Hannegan meets every required test which the Senator from Oregon has laid down.

Mr. DONNELL. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. DONNELL. I undertake to say that the newspapers published in the city of St. Louis, to which I have referred, presumably employ honorable men to report in the columns of those papers. Mr. Curtis A. Betts, of the city of St. Louis, who has been with the Post-Dispatch many years, has made statement after statement in the newspapers, and one man I would have before the committee would be Mr. Curtis A. Betts, of St. Louis, of the St. Louis Post-Dispatch.

In my opinion, the matter of the selection of a Cabinet officer by the President is subject to the advice and consent of the Senate. In my judgment, the Senate should know the facts, should investigate, should have the opportunity for full and complete hearing, particularly in view of the fact that these various statements by presumably reputable newspapers have come out day after day and day after day, as well as statements of other well-known persons I have mentioned, like the chancellor of Washington University, and others. We are entitled to have witnesses before the committee who may assist it in arriving at a conclusion for itself as to the qualifications of the nominee.

Mr. LUCAS. Mr. President, will the Senator from Oregon yield further?

Mr. MORSE. I yield.

Mr. LUCAS. I ask the distinguished Senator from Missouri why he did not object to Hannegan in 1942 and 1943, when the Senator was Governor of his State and when Mr. Hannegan was appointed Commissioner of Internal Revenue, an office involving people and parties and votes in his own State?

Mr. DONNELL. I will answer the Senator from Illinois by stating, first, that I was not a Member of the United States Senate.

Mr. LUCAS. No; but the Senator knew the facts.

Mr. DONNELL. There were thousands of people in the State of Missouri who knew the facts, probably knew them even more intimately, in many instances, than I did personally, who can testify before the Senate committee. There was no hearing, as a matter of fact, before the Senate committee, so far as I have discovered from the record.

Furthermore, it was not my business to come here and volunteer something in regard to that matter. Had the Senate wanted my opinion, I would have been glad to give all the facts which I had within my possession. I would have been glad to submit the names of any and all persons in Missouri who I thought could enlighten the Senate.

I do not deem it a failure on my part because, as Governor of the State, I did not intervene in the business of the Senate of the United States. I do not regard that as any reflection upon my official or personal conduct. Does that answer the Senator's question?

Mr. LUCAS. It answers the question to the satisfaction of the Senator from Missouri, of course, but the Senator was the great Governor of a great State, having the interests of the public at heart all the time. He knew all about Bob Hannegan at that particular hour, and he knew he was being appointed as collector of internal revenue for the district of St. Louis, in his own State, in the largest city of his State. The matter to which he has referred was fresh in his mind at that particular time, and yet as Governor of this great State he sat by silently and never uttered a protest against Hannegan; but he now comes before the Senate and wants a long-winded investigation, from now until next July, for that is what it means, involving someone, some place along the line, who does not like Hannegan. That is all I can see in it.

If the Senator is interested now in investigating Hannegan as to his qualifications for the Cabinet position of Postmaster General, he should have been interested at that particular time, and he should have been interested when there was sent to the Senate the nomination of Mr. Hannegan to be chief internal revenue officer of the United States, a position which carries greater responsibility, from the standpoint of integrity and honesty and decency than almost any other position I know of in America. I cannot understand why the Senator becomes so excited at this late hour, some 4 or 5 years after all this happened. I think I know, though.

Mr. DONNELL. I think I know, too. It is because I am a Member of the Senate of the United States, and of the Committee on Post Offices and Post Roads. As a Senator of this great country I am entitled to know the facts, and as a member of that committee I am entitled to have the committee pass on the facts. It was not my duty as the Governor of the State of Missouri, as the Senator well knows, to neglect my duties in Missouri and come to Washington and intervene in matters here, when we had two United States Senators, Senator Clark and Senator Truman, who were well qualified and able to present matters which they thought proper to present. There was no duty resting on me as Governor, but there is a duty on me as a Senator, and I have performed it to the best of my ability, to disclose the facts so far as they are disclosed to me.

Mr. President, I am not stating that I am asking a Member of the Senate to vote against Mr. Hannegan. I am not stating that I am going to vote against him, but I do state that for the various reasons I have indicated, we are entitled to have this matter heard by the proper committee of the Senate, rather than to have a report submitted without the committee having heard the facts, without the committee investigating all these matters.

If the Senator or I were a member of the board of directors of a bank and the president appointed a man cashier, and charges of this kind were made, we would certainly investigate them. I, as a Senator, have a duty upon my shoulders at this time which I did not have on my shoulders when I was Governor of the State of Missouri.

Mr. MORSE. Mr. President, I can summarize my position rather quickly, because I do not care to detain the Senate. I think, however, we should keep in mind the import of the motion which is before the Senate. The motion is to recommit the nomination to the committee. It does not follow that by sending it back to the committee there necessarily will be ordered by the committee an investigation of Mr. Hannegan, but it does mean that when it is recommitted to the committee, the committee then will have the right and the duty of determining what procedure it will follow thereafter.

It may be that after this nomination is recommitted to the committee, the committee may decide against any further investigation, and report back to the Senate recommending confirmation. On the other hand, the discussion before the committee may disclose certain evidence and testimony which would cause the committee to want to investigate further, as has been suggested by the Senator from Missouri.

I wish to make very clear, as clear as I possibly can, that all I am urging is an objection to the procedure which has been followed in this case. I desire to add that I think every Cabinet nomination should be referred to a committee for full committee discussion and report. I think it should be done in defense of the President who makes the nomination. I think he should be in a position, in case anything should happen subsequent to the nomination, or being able to say that the nomination was investigated by the appropriate Senate committee, and that it was approved on the ground that the appointee met the tests to which I alluded earlier in my remarks.

The Senator from Illinois raises the question whether there is anything in the record which would support the motion. I wish to say, as one who wants to believe that Mr. Hannegan can meet these tests, that in fairness to him and in fairness to President Truman, the Committee on Post Offices and Post Roads should have this matter under consideration, for the reason that despite the fact that Senators on the other side of the aisle may have the votes to confirm the nomination, I venture the suggestion that if they do, Mr. Hannegan will take his office under a cloud, when it may not be necessary that there be any cloud, if they do not agree to have the committee consider the nomination fully. I think Senators owe it to Mr. Hannegan, and I think they owe it to President Truman, to see to it that the committee considers the nomination.

I wish to conclude with the suggestion that in times so difficult as these, when we come to the question of a Cabinet appointment and the confirmation thereof by the Senate of the United States, Senators on both sides of the aisle should work together on the nomination to ascertain the facts in regard to the nominee, and submit a nonpartisan report, demonstrating that the nominee meets the tests I have suggested this afternoon. If the Committee on Post Offices and Post Roads is not given the opportunity, by recommittal, to check Mr. Hannegan's record by these tests, then I think those on the other side of the aisle open themselves up to the charge that they are not willing to have the nominee undergo the microscope of an investigation.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TAYLOR in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Austin	Hayden	O'Mahoney
Ball	Hickenlooper	Overton
Bankhead	Hill	Radcliffe
Bilbo	Johnson, Colo.	Reed
Brewster	Johnston, S. C.	Revercomb
Briggs	Kilgore	Russell
Burton	La Follette	Smith
Butler	Langer	Stewart
Chavez	Lucas	Taft
Cordon	McFarland	Taylor
Donnell	McKellar	Tunnell
Downey	McMahon	Tydings
Ellender	Millikin	Wagner
Ferguson	Mitchell	Walsh
Green	Moore	White
Hart	Morse	Wiley
Hatch	Murdock	Willis
Hawkes	O'Daniel	Young

The PRESIDING OFFICER. Fifty-four Senators having answered to their names, a quorum is present.

Mr. DONNELL. Mr. President, I ask for the yeas and nays on my motion.

The yeas and nays were ordered.

Mr. LA FOLLETTE. Mr. President, I shall not delay the Senate at this late hour to make any extended remarks in connection with this nomination. I desire to say, however, that I am happy that the Senator from Tennessee stated he had not consulted Mr. Hannegan and did not know what Mr. Hannegan's wishes might be in connection with the issue now presented to the Senate, because I personally believe that it is a disservice to Mr. Hannegan not to grant the request, which I believe to be sincerely made, by a member of the Committee on Post Offices and Post Roads to give him a chance to present to the committee his proposal that there should be a hearing on this nomination.

I am convinced that Mr. Hannegan's service as a member of the Cabinet and as Postmaster General would, in such event, start off with a much better public reaction than it will as a result of what I fear will be a strict party vote in the Senate as between Republicans and Democrats on the pending motion.

Let me say, however, that after having listened to the speech, or to most of the speech of the Senator from Missouri, if the Senate votes down the pending motion I shall support the nomination of Mr. Hannegan, because I do not believe that in his statement the Senator from Missouri has presented any probative evidence which reflects upon the character or integrity or the ability of Mr. Hannegan.

But, after all, I think in times such as these we should strive for as much unity as can be obtained in connection with the selections which the new President of the United States may make involving any changes he thinks necessary or advisable in his official family. Knowing

nothing about the details of the Missouri political situation, but knowing something about Mr. Hannegan's brief administration as Commissioner of Internal Revenue, I feel that he has, insofar as my information goes, the ability and the character to discharge the responsibilities of the high office to which he has been nominated.

I think it unfortunate that the majority leadership should have determined upon the course of denying to a member of the committee a right at a duly called meeting of the committee to present his case and thus to give the committee an opportunity to determine it. I am sorry that that course has been followed.

Mr. LANGER. As the one member of the committee who demanded a hearing at the time that the petition was circulated by the clerk of the Senate Committee on Post Offices and Post Roads I wish to state that the reason why I wanted the hearing was not because of any allegations made against the honesty or the integrity or good character of Mr. Hannegan. There were none.

In order to keep the record straight on the matter of the pending confirmation, I simply wish to invite the attention of the Senate to what I said upon the Senate floor on the 13th day of May 1943. It is my conviction that a member of the Cabinet should not be chairman of any political party and that the chairman of a political party should not hold any Federal position.

What have we here? In the instant case all the 357,000 employees of the Post Office Department are under the Hatch Act and the Civil Service Act, both of which prohibit them from taking part in politics. Certainly it is inconsistent to say that no employee of the Post Office Department shall be in politics and then exempt the head of the Department—not only exempt him, but permit him to be head of a major political party, and to be in a position to scare and dictate to 357,000 employees, while if one of them answers back—if one of them objects to something the Postmaster General says—he is guilty of a violation of law and can be removed from office.

Mr. President, it has been my hope that with the new leadership provided by President Truman, the constitutional amendment which I proposed, that only one individual from any State should be appointed to the Cabinet, will be adopted. As I stated upon the floor of the Senate some time ago, we have recently had the spectacle of one-half of the entire Cabinet coming from New York State alone. Also, there is a splendid opportunity for President Truman to assume leadership in the movement calling for direct election of the President by the people. The time has come in the life of our great Republic when the electoral college should be abolished and the people themselves, by direct vote, should nominate and elect their President.

I agree with what the senior Senator from Wisconsin [Mr. LA FOLLETTE] has said. From what has occurred on the floor of the Senate today there is no evidence which would cause me to vote against the nomination; and the President should have the right to select his own Cabinet.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Missouri [Mr. DONNELL] to recommit the nomination of Mr. Hannegan to the Committee on Post Offices and Post Roads. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Legislative Clerk called the roll.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD] and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Utah [Mr. THOMAS] are absent inspecting various concentration and prison camps in Europe.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from North Carolina [Mr. HOEY], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS] are absent on public business.

The Senator from Nevada [Mr. MCCARRAN] and the Senators from Arkansas [Mr. MCCLELLAN and Mr. FULBRIGHT] are absent on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent on official business for the Senate Naval Committee.

I further announce that the Senator from Texas [Mr. CONNALLY], who is absent as a delegate to the International Conference in San Francisco, has a general pair with the Senator from Michigan [Mr. VANDENBERG] and the Senator from Utah [Mr. THOMAS] has a pair with the Senator from New Hampshire [Mr. BRIDGES].

I am advised that if present and voting the Senators whose absences have been announced would vote "nay."

Mr. WHITE. The Senator from New Hampshire [Mr. BRIDGES], who is necessarily absent, has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Michigan [Mr. VANDENBERG], who is absent on official business as a delegate to the International Conference at San Francisco, has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. WHERRY], and the Senator from Massachusetts [Mr. SALTONSTALL] are absent on official business visiting various concentration and prison camps in Europe.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent on official business.

The Senator from Wyoming [Mr. ROBERTSON], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are detained on official business.

The result was announced—yeas 28, nays 35, as follows:

YEAS—28

Austin	Gurney	Revercomb
Ball	Hart	Shipstead
Brewster	Hawkes	Smith
Buck	Hickenlooper	Taft
Burton	La Follette	White
Butler	Langer	Wiley
Capper	Millikin	Willis
Cordon	Moore	Young
Donnell	Morse	
Ferguson	Reed	

NAYS—35

Bailey	Johnson, Colo.	O'Mahoney
Bankhead	Johnston, S. C.	Overton
Bilbo	Kilgore	Radcliffe
Briggs	Lucas	Russell
Byrd	McFarland	Stewart
Chavez	McKellar	Taylor
Downey	McMahon	Tunnell
Ellender	Maybank	Tydings
Green	Mitchell	Wagner
Hatch	Murdock	Walsh
Hayden	Murray	Wheeler
Hill	O'Daniel	

NOT VOTING—33

Aiken	George	Pepper
Andrews	Gerry	Robertson
Barkley	Glass	Saltonstall
Bridges	Guffey	Scrugham
Brooks	Hoey	Thomas, Idaho
Bushfield	Johnson, Calif.	Thomas, Okla.
Capehart	McCarran	Thomas, Utah
Chandler	McClellan	Tobey
Connally	Magnuson	Vandenberg
Eastland	Mead	Wherry
Fulbright	Myers	Wilson

So Mr. DONNELL's motion to recommit was rejected.

Mr. BUSHFIELD. Mr. President——

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Robert E. Hannegan to be Postmaster General?

Mr. McKELLAR. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BUSHFIELD. Mr. President, I should like to cast my vote. I attempted to obtain recognition before the announcement was made.

Mr. HILL. Mr. President, what is the request?

The PRESIDING OFFICER. The Senator from North Dakota wishes to vote. The result has been announced.

Mr. REVERCOMB. Mr. President, as a matter of fact, the Senator from North Dakota asked for the ear of the Chair before the result was announced, but he was not recognized.

Mr. BANKHEAD. Mr. President, I ask unanimous consent that the Senator from North Dakota may be permitted to vote.

The PRESIDING OFFICER. The Chair is informed that it is impossible to obtain unanimous consent; and inasmuch as the result has been announced, it is impossible to recognize a Senator for the purpose of voting. His statement will appear in the RECORD.

Mr. McKELLAR. Mr. President, I have no objection to the Senator's vote being recorded.

Mr. BUSHFIELD. Mr. President, in view of the fact that I sought recognition before the result of the vote was announced, I believe I am entitled to vote.

The PRESIDING OFFICER. The Parliamentarian informs the Chair that the rule strictly prohibits it.

Mr. TYDINGS. Mr. President, may I ask who objected?

The PRESIDING OFFICER. To the unanimous-consent request?

Mr. TYDINGS. Yes.

The PRESIDING OFFICER. The Parliamentarian informs the Chair that the rule prohibits it.

Mr. TYDINGS. I was wondering if the rule could not be waived by unanimous consent. I think the Senator is entitled to have his position stated.

Mr. McKELLAR. Mr. President, I hope that may be done.

The PRESIDING OFFICER. The clerk will read the rule.

The legislative clerk read as follows:

When the yeas and nays are ordered, the names of Senators shall be called alphabetically; and each Senator shall, without debate, declare his assent or dissent to the question, unless excused by the Senate; and no Senator shall be permitted to vote after the decision shall have been announced by the Presiding Officer, but may for sufficient reasons, with unanimous consent, change or withdraw his vote. No motion to suspend this rule shall be in order, nor shall the Presiding Officer entertain any request to suspend it by unanimous consent.

Mr. STEWART. Mr. President, I hope unanimous consent will be granted. I believe it can be, under this situation. I myself saw the Senator from South Dakota enter the Chamber and address the Chair before the result was announced. I was about to rise to my feet to call attention to that situation, but events occurred too rapidly to enable me to have time to do so. The Senator from South Dakota did address the Chair, and I saw him do so. I saw him enter the door of the Senate Chamber and address the Chair before the result was announced.

The PRESIDING OFFICER. The rule precludes the Chair from entertaining a motion to suspend the rule, and it cannot be done by unanimous consent.

Mr. TYDINGS. Mr. President, it seems to me the present case is not one which requires unanimous consent. It is a case of a Senator who was on his feet and who addressed the Chair before the result of the vote was announced. I do not believe that the request of the Senator from South Dakota conflicts either with the spirit or the letter of the rule. If he had been seen by the Chair or if his voice had been heard, he would have been entitled to vote. The fact that he was not seen or was not heard by the Chair was no fault of his. I think the rule would be rather drastically applied if the vote of the Senator from South Dakota were not recorded.

I most respectfully suggest to the Chair that the Chair make such a ruling. I do not believe any Senator on the floor will object to it. If there is no objection, there will be no insistence on a strict application of the rule, and the Senator's vote will be allowed to be recorded.

Mr. HATCH. Mr. President, I was about to request the floor in my own right, and then I intended to yield to the Senator from South Dakota, in order that he might explain his position, if he desired to do so. However, he has already explained his position. I merely wish to say that I am in perfect accord with what the Senator from Maryland has said. If the Senator from South Dakota wishes to have his vote recorded, I think it should be recorded, and I hope it will be.

Mr. BUSHFIELD. Mr. President, will the Senator yield to me?

Mr. HATCH. I yield, if I have the floor. I had already taken my seat.

Mr. BUSHFIELD. I thank each of the Senators who have spoken in my behalf. In view of the announced ruling of the Chair, I presume that ends the matter. I wish to say to the Chair that if I had had an opportunity to cast my vote, it would have been "yea."

In that connection I wonder whether the announcement of the vote could be withdrawn, in order to permit a Member of the Senate to cast his vote, and then have the announcement made.

The PRESIDING OFFICER. Is it the pleasure of the Senate that the announcement of the vote be withdrawn and that the vote of the Senator from South Dakota be recorded? Is there objection?

Mr. HILL. Mr. President, I do not think I will object; but we cannot establish a precedent of permitting a Senator to vote after the announcement of the result of the vote has been made. Evidently the situation was unfortunate, namely, the Senator from South Dakota was not recognized in time to be given an opportunity to vote. The rule on this matter is about as strong and about as tight, so to speak, as one possibly could be.

If the vote of the Senator from South Dakota is recorded, it will not change the result or affect it one way or the other. The RECORD shows that the Senator is here. The RECORD shows how he would have voted if he had voted before the result was announced. I do not see how the Senator will accomplish anything now by having his vote recorded. I think the whole record is before the Senate.

I hope the Senator will not insist on having his vote recorded. He is already on record; he has recorded the fact that he was in the Chamber before the vote was announced, and that had he voted he would have voted "yea"; and had he voted, the result would not have been affected.

The rule could not be more specific or tighter than it is.

The PRESIDING OFFICER. The Chair desires to state for the benefit of the Senator from South Dakota that the clerk was exactly in line with the Chair's line of vision in the direction toward the Senator's seat when the clerk was transmitting the result of the vote to the Chair, and the Chair did not see the Senator from South Dakota and did not hear him. The Chair regrets the incident very much.

Mr. WHITE. Mr. President, I think it would be a grievous error on the part of the Senate to avoid or evade in any way or by any subterfuge the clear intendment and the clear language of this rule of the Senate. I join in the hope that the Senator from South Dakota will not press the matter.

The circumstances of the case have been made perfectly clear, and the RECORD now shows that the Senator from South Dakota would have voted "yea" if he had had an opportunity to vote. That makes his record complete, and it makes the Senate RECORD complete.

I think it would be a great mistake on the part of the Senate to do anything which would, as I have said, either avoid or evade this rule of the Senate.

Mr. BUSHFIELD. Mr. President, I accept the suggestion of both the acting majority leader and the minority leader.

The PRESIDING OFFICER. The question now is, Will the Senate advise and consent to the nomination of Robert E. Hannegan, of Missouri, to be Postmaster General?

Mr. HILL. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Utah [Mr. THOMAS] are absent inspecting various concentration and prison camps in Europe.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from North Carolina [Mr. HOEY], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are absent on public business.

The Senator from Mississippi [Mr. EASTLAND] is absent on official business for the Senate Naval Affairs Committee.

The Senator from Texas [Mr. CONNALLY] is absent as a delegate to the International Conference in San Francisco.

The Senator from Nevada [Mr. MCCARRAN] and the Senators from Arkansas [Mr. MCCLELLAN and Mr. FULBRIGHT] are absent on official business.

The Senator from Louisiana [Mr. OVERTON] is unavoidably detained from the Senate.

I further announce that the Senator from Texas [Mr. CONNALLY] has a general pair with the Senator from Michigan [Mr. VANDENBERG], and the Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

I am advised that if present and voting all the Senators whose absences have been announced would vote "yea."

Mr. WHITE. The Senator from New Hampshire [Mr. BRIDGES], who is necessarily absent, has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Michigan [Mr. VANDENBERG] who is absent on official business as a delegate to the International Conference at San Francisco, has a general

pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. WHERRY], and the Senator from Massachusetts [Mr. SALTENSTALL] are absent on official business, visiting various concentration and prison camps in Europe.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is absent on official business.

The Senator from Wyoming [Mr. ROBERTSON], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are detained on official business.

The result was announced—yeas 60, nays 2, as follows:

YEAS—60

Austin	Hart	Murray
Bailey	Hatch	O'Daniel
Ball	Hawkes	O'Mahoney
Bankhead	Hayden	Radcliffe
Bilbo	Hickenlooper	Reed
Brewster	Hill	Revercomb
Briggs	Johnson, Colo.	Russell
Buck	Johnston, S. C.	Shipstead
Burton	Kilgore	Smith
Bushfield	La Follette	Stewart
Butler	Langer	Taylor
Byrd	Lucas	Tunnell
Capper	McFarland	Tydings
Chavez	McKellar	Wagner
Cordon	McMahon	Walsh
Downey	Maybank	Wheeler
Ellender	Millikin	White
Ferguson	Mitchell	Wiley
Green	Morse	Willis
Gurney	Murdock	Young

NAYS—2

Donnell	Taft

NOT VOTING—34

Aiken	Glass	Robertson
Andrews	Guffey	Saltonstall
Barkley	Hoey	Scrugham
Bridges	Johnson, Calif.	Thomas, Idaho
Brooks	McCarran	Thomas, Okla.
Capehart	McClellan	Thomas, Utah
Chandler	Magnuson	Tobey
Connally	Mead	Vandenberg
Eastland	Moore	Wherry
Fulbright	Myers	Wilson
George	Overton	
Gerry	Pepper	

So the nomination of Robert E. Hannegan, of Missouri, to be Postmaster General was confirmed.

Mr. MORSE subsequently said: Mr. President, I should like to make a statement for the RECORD in regard to my vote in the Hannegan case. I wish to make it very clear that in my judgment a prima facie showing was made which called upon the proponents of the nomination to give the Committee on Post Offices and Post Roads an opportunity to consider further the procedure which should have been followed in a final consideration of the case. As I think I made clear in my remarks, my objection was to the procedure which was followed by the committee and by its chairman, which I think set an exceptionally bad precedent, and one which I hope will not be repeated.

I thought further that in fairness to Mr. Hannegan and in fairness to President Truman the matter should have gone to the committee for further discussion of the procedure. I sincerely felt that in fairness to the distinguished senior Senator from Missouri [Mr. DONNELL], who simply asked for the courtesy of having further discussion of this matter in the Committee on Post Offices and Post Roads, of which he is a member, the Senate owed him that courtesy of further discussion before the committee. But as I said in my remarks, from a thorough study of the history of Cabinet confirmations and rejections I did not feel that there was before us sufficient evidence to overcome the presumption which is due the President of the United States, be he Democratic or Republican, to pick his official family and have the members thereof confirmed, unless a clear showing is made that they are not deserving of confirmation under the tests which I enumerated in my discussion. On the basis of the evidence before me at the time I cast the vote I could not say that the presumption had been overcome. I think it is most unfair, however, to both the President and to the Postmaster General that the matter was not considered further by the committee so as to have cleared the atmosphere of any charges as to his qualifications under those tests.

POSTMASTER AT HOPKINS, MINN.—NOMINATION PASSED OVER

Mr. HILL. Mr. President, I understand that a postmaster nomination reported last Monday was temporarily passed over. After conferring with the distinguished Senator from Tennessee [Mr. MCKELLAR] and the distinguished Senator from Minnesota [Mr. BALL] I understand that the Senator from Minnesota will make a statement, and then we shall be able to dispose of the nomination within a few minutes.

Mr. MCKELLAR. The Senator from Minnesota [Mr. BALL] wishes to make a statement, and I yield to him.

Mr. BALL. Mr. President, I shall state the facts in connection with this postmastership. Mr. Kosanda, whose nomination has been reported to the Senate, was appointed acting postmaster a little more than a year ago. A competitive civil-service examination was held and three successful candidates were certified by the Civil Service Commission as follows: Roy M. Kelly with a grade of 91.8, Einar Jorgenson with a grade of 84.6, and Thomas J. Kosanda, whose name is before the Senate, with a grade of 75.8.

The Civil Service Commission ruled that all three men were entitled to veterans' preference, and all three have had 5 percent added to their grades.

Mr. Kelley, who was at the top of the list of the three eligibles, is a World War veteran who served overseas in the First World War for 13 months. He worked in the Hopkins, Minn., post office for 18 years, the past several years as assistant postmaster. Obviously, on the basis of his grade he is the best qualified man for the position.

Kosanda, whom the Civil Service Commission ruled was entitled to veterans' preference, was drafted on November 11, 1918, and was discharged on December 10, 1918, without ever having actually been sworn into the Army of the United States.

The Civil Service Commission made its ruling under a decision of the Supreme Court of the District of Columbia in 1931 which held that any individual drafted into the armed forces thereby became a veteran entitled to a veteran's preference. But since that decision the Seventy-eighth Congress passed Public Law No. 359 approved on June 27, 1944. That law provides that with respect to appointments under the Civil Service veterans shall be given preference in three classes; the first three dealing with disabled veterans, their widows, and dependents, and the fourth dealing with ex-service men and women who have served on active duty in any branch of the armed forces of the United States during any war, or in any campaign or expedition for which a campaign badge has been authorized, and from which service the person was discharged under honorable conditions. I think the Civil Service certification of Kosanda as a veteran is directly contrary to the language of the statute passed last year by the Congress, which provides that in order to be eligible for a veteran's preference a person must have served in active duty in the armed forces. I may say that the adjutant general of Minnesota has no record of Kosanda ever having been a war veteran.

I do not personally know any of these men and have no interest in the matter except that I have received protests and resolutions adopted by the Veterans of Foreign Wars post in Hopkins, Minn. I believe at the present time that veterans of the present war who have suffered wounds in combat, and are being discharged at the rate of several thousand a month, are involved in the situation, and that a serious question is also involved of whether we intend really to apply veterans' preference in this instance, or permit this kind of a runaround in connection with a real veteran. I hope the Senate will not confirm this appointment, and that the real veteran, who has served for 18 years in the post office at Hopkins, and who was overseas in military service for 13 months, be appointed to the position of postmaster at Hopkins, Minn.

Mr. MCKELLAR. Mr. President, all I can say is that the Civil Service Commission has said that these men have Army classification. They were given a rating by the Civil Service Commission on the basis of having been soldiers.

I do not know anything in the world about Mr. Kosanda except from hearsay, but he has been acting as postmaster for a year or two, and I believe the other gentleman is in the Post Office Department there in the same town. He wishes to supersede the present acting postmaster. Under those circumstances there is nothing that the committee could do, or that I could personally do. Much as I like the senior Senator and the junior Senator from Minnesota, I am confronted with the belief that probably this is another political matter. I hope that the Senate will confirm the nomination.

Mr. SHIPSTEAD. Mr. President, I understood my colleague to state that the nominee had been appointed contrary to law. Was I correct in my understanding?

Mr. McKELLAR. No; he was not appointed contrary to law.

Mr. BALL. My position is that the Civil Service Commission acted on a Supreme Court of the District of Columbia decision of 1931 which, I believe, has been superseded by the veterans' preference law passed by Congress last year, and which applies only to veterans who have seen active duty. Obviously, Kosanda was never on active duty. He reported for induction on November 11, 1918, apparently was sent to Camp Ripley, remained there until December 10, 1918, and then was discharged.

Mr. SHIPSTEAD. Is it the contention of the junior Senator from Minnesota that Kosando is not eligible for the position of postmaster at Hopkins, Minn.?

Mr. BALL. I do not believe he is eligible under the present law governing veterans' preference. I think the Civil Service Commission was in error in certifying that he was entitled to veteran's preference.

Mr. SHIPSTEAD. If that be true, he was certified illegally, was he not?

Mr. BALL. He is not certified here illegally, because the Post Office Department is required by law to rely on the certification of the Civil Service Commission. The only place to get it changed now, if the Civil Service Commission is in error, as I contend it is, is here in the Senate.

Mr. HILL. Mr. President, the distinguished Senator from Louisiana [Mr. ELLENDER] wishes to speak this afternoon. I had hoped we might dispose of the pending nomination very shortly, but I am not sure that can be done. Will the distinguished Senator from Minnesota be here Thursday?

Mr. BALL. Yes.

Mr. HILL. Will it be agreeable to the Senator to let this nomination go over? I do not believe we can finish it now. It is nearly 6 o'clock, and other Senators are very anxious to address the Senate this afternoon.

Mr. BALL. On this matter?

Mr. HILL. No. I will move that the Senate go into legislative session, and as soon as we go back into executive session, this nomination will be the pending question.

Mr. DOWNEY. Mr. President, as chairman of the Committee on Civil Service, I am very much interested in the issue presented here, and I should like to have an opportunity to make some investigation. I am wondering if we cannot agree to put this nomination over at least 1 week so that opportunity may be afforded for an investigation.

Mr. McKELLAR. I have no objection. The Senator from West Virginia [Mr. KILGORE], who does not seem to be in the Chamber at the moment, is very much interested in the nomination. I have no objection to it going over for a week. It has been before the committee for a long time, and I hope it can be disposed of at the end of the week.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California that the nomination be laid over for 1 week? The Chair hears none, and it is so ordered.

Mr. HILL. Mr. President, I ask unanimous consent that the President be notified forthwith of all confirmations of today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be immediately notified.

LEGISLATIVE SESSION

Mr. HILL. Mr. President, I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

HOSPITAL CENTER FOR THE DISTRICT OF COLUMBIA

Mr. BILBO. Mr. President, recently the Senate pased by unanimous vote Senate bill 223, providing for a hospital center for the District of Columbia, whereupon a motion was made by the Senator from Louisiana [Mr. ELLENDER] to reconsider the vote by which the bill was passed. By agreement the motion to reconsider was to be taken up today, but, because of the time consumed in other matters, we find it is too late to take it up now. We have reached another agreement, that the motion may be called up Thursday, with the consent of the Senator from Louisiana, and we have agreed on an hour for each side so that it may be disposed of as early as possible. I ask unanimous consent that that order be approved.

Mr. WHITE. What is the agreement which has been entered into between the Senator from Mississippi and the Senator from Louisiana?

Mr. BILBO. We agreed, and we are asking the Senate to confirm the agreement, that we may have time on Thursday to dispose of this motion. The Senator from Maryland [Mr. TYDINGS] is very much interested, and he cannot be present any other day but Thursday. He has joined in the request that we be permitted to call the motion up and dispose of it, with not to exceed an hour a side on the issue.

Mr. WHITE. I know nothing about the merits of the matter, and I have no objection to it being taken up Thursday, but I would not care to agree at this time, with so few Senators present as there are now, to a limitation of time for debate. I have no objection to the motion being taken up Thursday.

Mr. BILBO. Can I get unanimous consent to make the motion the unfinished business for Thursday?

Mr. HILL. Mr. President, I suggest that instead of making it the unfinished business for Thursday, we make it the pending business before the Senate now, and of course with the understanding that we will not debate it now. We are to have a speech by the Senator from Louisiana. We can make it the pending business now, since there is no business before the Senate, and when we meet Thursday, after a recess, it will be the business before the Senate.

Mr. BILBO. I also wish to suggest that it is agreed between us, I am authorized to say, that it will not take more than 80 minutes that is, 40 minutes to each side.

Mr. WHITE. The Senator may be able to speak for himself and the Senator from Louisiana, and give assurance to the Senate that they will not take more than 80 minutes, but I question whether he could give any assurance about the other Senators.

Mr. BILBO. We could get unanimous consent, and that would bind us and the rest of the Senate.

Mr. HILL. Mr. President, I ask that the motion of the Senator from Louisiana [Mr. ELLENDER] to reconsider the vote by which Senate bill 223, for the construction of a modern, adequate, and efficient hospital center in the District of Columbia, may be made the pending business of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROMOTION OF OFFICERS IN THE MEDICAL, DENTAL, AND VETERINARY CORPS

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 939, Calendar No. 234, and I promise that if there is any discussion or any controversy whatever I shall withdraw the request.

The PRESIDING OFFICER. The Clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 939) to extend the provisions of the act of November 29, 1940 (Public Law 834, 76th Cong., 54 Stat. 1219), relating to promotion of Medical, Dental, and Veterinary Corps officers.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHITE. Mr. President, the Senator from Colorado was good enough to call this measure to my attention, and I have taken the opportunity to consult with minority members of the Committee on Military Affairs, so far as I could do so. I understand that there is no objection to the bill in its amended form.

Mr. JOHNSON of Colorado. I do not know of any controversy over the bill whatsoever, and I hope it may be passed at this time, because it is more or less of an emergency matter. I may say the bill provides an extension of a previous act which has been in effect for 5 years, and the time will expire on May 15, 1945. This was overlooked, and it is necessary to have this bill passed before May 15.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 3, after the word "That" to strike out "for the duration" and to insert "until the termination;" on line 4, after the word "engaged" to insert a comma and the words, "as declared by proclamation of the President or by concurrent resolution of the two Houses of the Congress," so as to make the bill read:

Be it enacted, etc., That until the termination of the wars in which the United States is presently engaged, as declared by proclamation of the President or by concurrent resolution of the two Houses of the Congress, and for 6 months thereafter, the Secretary of War may, in his discretion, dispense with

any part of the examination for promotion in the Regular Army of officers of the Medical, Dental, and Veterinary Corps, except those relating to physical examination.

SEC. 2. This act shall become effective as of May 15, 1945.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSON of Colorado. Mr. President, I should like to have inserted in the RECORD at this point an explanation of the bill, together with the report from the Senate Committee on Military Affairs.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement and report (No. 237) were ordered to be printed in the RECORD as follows:

STATEMENT AS TO SENATE BILL 939

Under the provisions of section 24c of the National Defense Act, as amended, and the act of July 31, 1935 (49 Stat. 505, 506), officers of the Medical, Dental, and Veterinary Corps are required to pass a professional examination for promotion in the Regular Army. However, by virtue of the provisions of the act of November 29, 1940 (54 Stat. 1219), the Secretary of War is authorized, in his discretion, until May 15, 1945, to dispense with any part of the examination for promotion in the Regular Army of officers of the Medical, Dental, and Veterinary Corps, except those parts relating to physical examinations. The purpose of S. 939, as recommended by the Senate Committee on Military Affairs, is to extend such authority until the termination of the wars in which the United States is presently engaged, as declared by proclamation of the President or by a concurrent resolution of the two Houses of the Congress, and for 6 months thereafter.

Although in peacetime the requirement of professional examinations in connection with the promotions of Medical, Dental, and Veterinary Corps officers in the Regular Army offers no great difficulty, the situation is quite different in time of war. The assembling of examining boards throughout the Army for this purpose entails the employment of three officers for each board. This would involve an unjustifiable expenditure of the time and energy of such officers when their services are direly needed in connection with their professional duties. Furthermore, the activities performed by officers of the Medical Department in time of war are such as to furnish reliable criteria of their abilities without the need for academic examinations. If the requirement of professional examinations remains discretionary with the Secretary of War, he would be free to require that they be given when conditions permit and could dispense with them when they interfere with the prosecution of the work of the Medical Department.

REPORT TO ACCOMPANY S. 939

The Committee on Military Affairs, to whom was referred the bill (S. 939) to extend the provisions of the act of November 29, 1940 (Public Law 884, 76th Cong., 54 Stat. 1219), relating to promotion of Medical, Dental, and Veterinary Corps officers, having considered the same, submit the following report thereon, with the recommendation that it do pass with certain amendments.

AMENDMENTS

In line 3, after the word "That", delete the words "for the duration" and insert in lieu thereof the following: "until the termination".

In line 4, after the word "engaged", insert a comma and the following: "as declared by proclamation of the President or by concurrent resolution of the two Houses of the Congress,".

The purpose of the amendments is to clarify the date on which the provisions of the bill will cease to be effective.

STATEMENT

The act of November 29, 1940 (54 Stat. 1219), authorizes the Secretary of War, in his discretion, to dispense with any part of the examination for promotion in the Regular Army of officers of the Medical, Dental, and Veterinary Corps, except those parts relating to physical examinations. Under the provisions of that act, this authority terminates on May 15, 1945.

The purpose of the bill, as recommended by your committee, is to extend such authority until the termination of the wars in which the United States is presently engaged, as declared by proclamation of the President or by concurrent resolution of the two Houses of the Congress, and for 6 months thereafter.

Your committee believe that in wartime the requirement of professional examinations for promotion of officers of the Medical, Dental, and Veterinary Corps in the Regular Army should be discretionary with the Secretary of War. The assembling of examining boards throughout the Army for this purpose entails the employment of three officers for each board. This would involve an unjustifiable expenditure of the time and energy of such officers when their services are needed urgently in rendering professional care to our sick and wounded soldiers. Moreover, the activities performed by officers of the Medical Department in time of war are such as to furnish reliable criteria of their abilities without the need of academic examinations.

War Department witnesses appeared and testified in support of the measure.

CONSTRUCTION OF AIRPORT SYSTEM

Mr. SHIPSTEAD. Mr. President, I ask consent to have printed in the RECORD a telegram from the Governor of the State of Minnesota, in the form of a petition for coordination between the Federal Government and the various States in the postwar aviation and airport program.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN., *May 3, 1945.*

Senator HENRIK SHIPSTEAD,
United States Senate:

Minnesota 1945 Legislature enacted sound aviation program which we hope can be coordinated with Federal program along same pattern used in development of State highways. Since the municipalities and the State will make a substantial investment, we believe nothing in Federal bill should deprive the State or its municipalities of their rightful authority over these installations after they have been constructed, and that fullest provision should be made for intergovernmental cooperation in planning, construction, maintenance, and operation of State and National airport systems.

EDWARD J. THYE,
Governor of Minnesota.

COMPULSORY LABOR DRAFT—LETTER AND STATEMENT BY AMERICAN FEDERATION OF LABOR

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a copy of a letter which I have received from Mr. William Green, president of the American Federation of Labor, with respect to the so-called manpower bill. In connection with the letter I ask unanimous consent that there may be printed also in the body of the RECORD a press release issued by the American Federation of Labor on the same subject.

There being no objection, the letter and the release were ordered to be printed in the RECORD, as follows:

APRIL 27, 1945.

JOSEPH O'MAHONEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: The CONGRESSIONAL RECORD shows that the conference report on H. R. 1752, classified as the compulsory labor draft bill, which the Senate most decisively rejected on April 3 was returned to the House Military Affairs Committee on April 23. Does this mean the end of legislative procedure regarding this legislation and the definite defeat of same.

Be assured that the officers and members of the American Federation of Labor are very deeply appreciative of the aggresive and successful fight which you made against the adoption of this form of compulsory service legislation. It seems so contradictory on the part of those who sponsored this legislation to seek its enactment into law at a time when the defeat of Hitler was imminent and our own country was face to face with a cutback situation in war material production plants which would lead to varying degrees of unemployment.

Labor has made a wonderful record during the war, not only in the maintenance of its no-strike pledge, but in the production of ships, planes, guns, tanks, and war material of all kinds. Labor will not falter or fail even to the slightest degree. It will continue to give its skill, training, and service in the future as it has in the past and will maintain the high standard of production and excellency of service which it has set all during the war until our enemies are defeated both in Europe and in the South Pacific.

Very sincerely yours,

WILLIAM GREEN,
President, American Federation of Labor.

STATEMENT BY THE EXECUTIVE COUNCIL OF THE AMERICAN FEDERATION OF LABOR, APRIL 30, 1943

Events again have proved the wisdom of the American Federation of Labor's unfaltering and unalterable opposition to the enactment of compulsory manpower legislation.

The defeat of this legislation in Congress has not injured the war-production program. On the contrary, production records were broken and schedules exceeded in the month of March, according to official announcement.

Nor has the absence of compulsory labor controls resulted in more manpower shortages, as many official authorities predicted. The opposite is true. In recent weeks, several cities have been taken off the critical list and manpower needs are being met in every important war industry.

Finally, and most important of all, voluntary labor in America has succeeded in backing up the victory drive on the fighting fronts with amazing success. Our armed forces have not lacked materials or equipment In fact, the overwhelming superiority of their equipment has proved the decisive factor in winning the war in Europe and in turning the tide against Japan.

Today we hear no more talk of the need of forced labor.

Already the War Department has made substantial cut-backs in airplane production. One of the largest factories in the Nation which formerly operated around the clock is going back to one-shift, 40-hour-week schedules. Shipyards are not getting any new orders and the Maritime Commission is planning to wind up most of its ship-

building program by the end of the year. The end of the war in Europe means that the war-production program generally will be cut in half within a few months.

Under these circumstances it is imperative that a large-scale reconversion program be undertaken at once. American industry must be given enough advance notice of cancelation of war contracts so that it can proceed without unnecessary delay to put into effect plans for peacetime production which will provide jobs for displaced war workers and returning servicemen. Unless the reconversion process is expedited, mass unemployment will grip America in 1945 and purchasing power will be reduced to such a low point that expansion of postwar production will be blocked.

Immediate action is also required by Congress and by Federal agencies to protect human needs during the reconversion period. President Truman, while serving as a Senator during the last session of Congress, sponsored reconversion legislation which provided far more adequate unemployment compensation to disemployed workers than is available at present. This measure was defeated, but the executive council feels that it should be revived at this time and that it would be most fitting for the President to recommend it to Congress.

Production cut-backs are bound to eliminate the overtime pay on which most workers have relied during the past 2 years to offset increased living costs. The National War Labor Board must take cognizance of this critical situation and order immediate revision of the Little Steel formula, so that frozen wage rates can be adjusted to make up for the loss of overtime pay. The executive council will deal with the subject of wage rates in more detail during the next few days, but it takes this opportunity to warn the National War Labor Board that further delay will be dangerous to the Nation's postwar economy.

THE CONTRIBUTION OF PRICE CONTROL TO THE SUCCESS OF THE WAR EFFORT

Mr. ELLENDER. Mr. President, I dislike to detain the Senate at this late hour, but I can assure Senators that what I have to say will not require more than 15 minutes. It is on a very important subject, and I hope that all Senators who are present will listen.

As the war in Europe draws to an end and as the Allied armies and navies are getting set for the final phase of the war, it is time to take stock of the contributions of price control to the success of the war effort and to stake out the problems that lie ahead.

Wartime price control is a most unpleasant undertaking. It is a most vexing problem, not only to those who have to administer it but also to the people who have to be administered under it. It is something which we undertake for very compelling reasons.

Among the compelling reasons or purposes behind price control are these:

First, to facilitate speedy and increased war production by assuring our producers stable and predictable materials costs—without which orderly scheduling of production contracts becomes impossible.

Second, to maintain wartime morale, particularly among wage earners, who cannot continue putting their shoulders to the wheel when the cost of living moves away from them and they have to engage in a losing race between price increases and wage adjustments.

Third, to prevent the dissipation of Government war expenditures by adding to the gigantic unavoidable costs of total war the inexcusable burden of inflated prices.

Fourth—and this some would call the most important of all—to preserve a sound economy for our heroes to come back to, instead of an economy ruined by the twin evils of runaway inflation and deflationary collapse.

Now let us see what has been the record of price control, the record of the O. P. A. in achieving these purposes. Our war production record as a whole, despite mistakes of detail in one field or another, has been unbelievably superb. Everybody here at home, and both our friends and our enemies abroad, acknowledge this. Of course, nobody has any pretension of attributing this record solely, or even in major part, to the success of price control. It is the product of many factors—the genius and drive of American enterprise, the hard work and skill of our millions of war workers, the scheduling and production controls laid out by the War Production Board and the armed services, and so forth. But this much we can say, and that is that the O. P. A. made its contribution to the total record, and made it well.

Let us look at the figures of industrial production and prices during the two wars.

I have here a table in which these figures are set forth. Taking production in 1914, the year that World War No. 1 began, as 100, they show a rise to 126 in 1917 and a slight decline, to 125 in 1918, and the year that World War No. 1 ended. Think of that, Mr. President. In the last war our industrial production peak was reached before we really got into the war, and output actually slackened off while we fought. Yet it was not tight pricing that held back production. Far from it. Between 1914 and 1918 the wholesale prices of industrial goods increased 88 percent, and by the time of the Armistice they were just about double their July 1914 level. There was a doubling of prices but only a 25 percent increase of production. The table shows the following figures:

Industrial prices and production

WORLD WAR NO. 1

Year	Prices	Production
1914	100	100
1915	102	114
1916	133	121
1917	172	126
1918	188	125

WORLD WAR NO. 2

1939	100	100
1940	102	115
1941	109	143
1942	117	183
1943	119	219
1944	121	216

Sources: Prices (wholesale, all commodities other than foods and farm products), Bureau of Labor Statistics. Production: World War No. 1, F. C. Mills, Economic Tendencies in the United States, World War No. 2, Board of Governors of the Federal Reserve System.

How different is our record in this war. According to the table before me, industrial production has for 2 years now run at more than double the 1939 level, while industrial prices have risen less than 25 percent. The pattern of the last war has been just reversed as our energies have been concentrated on production under the benefits of stable prices and stable costs. There has been no speculation in essential commodities, no hoarding or withholding of such materials from war production. And under stabilization, there has been mighty little work stoppage for shortage of materials, wage disputes, or any other factor.

This production record belongs to us all and, of course, it belongs primarily to the men in the factories, American men of management and labor. But I think it clear from these contrasting records of our two war-production experiences that a share in this superb achievement must go to price control and the agency which has been responsible for price control.

In agricultural production, the contribution of the O. P. A. is equally clear. During World War No. 1, the physical volume of our agricultural production rose only 6 percent during the entire 4 years. Rising farm prices stimulated agricultural production at the outset, but toward the end of the conflict the rise was stopped. An important factor in this was the rise of farm costs. Without price control, these costs overtook and exceeded the rise in farm prices, and the farmer's economic position grew steadily worse.

This time the Nation, through the policies set by the various price-control acts, has sought and has succeeded, first, in restoring farm prices to a proper balance with industrial prices and, next, in restraining such prices from rising beyond the level of balance. Restoration of this balance has entailed the effective control of the prices paid by farmers and, thus, of their most important costs. In consequence of this control the farmers' gains this time have been real, not illusory. It is no accident, I think, that during these years wartime agricultural production has broken all records and has expanded more than four times as much, percentagewise, as it did during the last war.

At this point, Mr. President, I wish to read a speech delivered by me on the America's Town Meeting of the Air program on April 12, 1945, in the city of New Orleans. The title was "Is the Present Food Shortage Necessary?"

The speech reads as follows:

Ladies and gentlemen, asking the question "Is the present food shortage necessary?" reminds me of the case of the man brought into court because his dog was charged with biting another man.

He appeared without benefit of counsel, and the judge asked what he had to say in his own defense.

"Well, judge," he replied, "in the first place, no one has proven that this man was bitten by a dog.

"In the second place, if he was bitten by a dog, no one had proved that it was my dog that bit him.

"In the third place, I don't have a dog!"

Now, all of this talk about whether the present food shortage is necessary reminds me of that man. Before we set about proving whether a food shortage is necessary, we ought to determine whether there is a food shortage in the first place.

For more than 3 years, as a member of the Senate Agriculture Committee, I have heard much testimony predicting a famine of certain farm commodities. These famines have not occurred, but on the contrary, our food production in 1944 exceeded prewar levels by one-third.

Meat production, for instance, in 1945 will be 38 percent above the average for the years 1935–39; with beef 36 percent above and pork 43. Estimates for the following commodities covering the same period are as follows: 43 percent increase in chickens, 36 in eggs, 15 in milk, and 52 in cheese. Fruits and vegetables, both fresh and processed, will be up 6 to 46 percent. Wheat is up 23 percent, corn 33, and oats 24.

This enormous food production could not have been made possible except for the fortitude and the patriotism of our unsung, uncited soldiers of the soil, our farmers. They are cultivating every available acre in our land, often with insufficient tools and implements, and with 6,000,000 less farmers.

Now, what becomes of this enormous supply during wartime? Before the war almost 98 percent was consumed by civilians and the rest was commercially exported. Last year almost 80 percent of our huge supply was consumed by our civilian population, over 13 percent by our military forces, nearly 6 percent for lend-lease, and slightly over 1 percent for exports. This year, depending upon the rapidity with which we can conquer our enemies, we can expect our civilian supply to dwindle further, for the simple reason that victory brings on the added responsibility of feeding prisoners of war and aiding the inhabitants of conquered territory.

Our most vexing problem is that of distribution. Our civilian population now has money to spend. It has money to spend and is ready to buy what it wants. Some sections of our country are highly industrialized and others are primarily agricultural. For a balanced economy we must move the products of industry and the products of agriculture where they are needed.

As an illustration let's use the meat situation. It must be remembered that no meat can be shipped from one State into another unless it is federally inspected. All meat supplies for our armed forces and our allies must be federally inspected. A lot of meat on the hoof does not mean a lot of meat in Washington, New York, and the State of Rhode Island, which are located away from our meat-producing areas. Federally inspected plants will slaughter about 15,800,000,000 pounds of meat in 1945. Civilian consumers will get 10,400,000,000 pounds in 1945. In prewar days civilians consumed 10,600,000,000 pounds.

When there is ample money available for people to buy what they want, commodities do not move far out from the producing areas. The tendency is toward local slaughtering and selling, and I know that such a situation tends further to aggravate distribution.

Rationing causes a more even distribution. When meat supplies concentrate near producing centers and do not reach all consumers, we must widen its distribution by increasing ration-point values. We should have ration points high enough to move the existing normal meat supply out over the entire country, so the total supply will be distributed fairly. When that is done, we will all be consuming, on the average, about the same amount of meat that we could have purchased in normal times.

If we stop the leaks, curb the black markets, buy at ceiling prices, and pay ration points, we shall have food enough. If we observe the rules and each of us acts as a self-appointed sentinel no one of us will go hungry.

Mr. President, on the morale side of the war effort, we have the O. P. A.'s contribution to the economic stabilization program, and here the record is crystal clear. It has been O. P. A.'s job to hold the cost of living, so that wage stabilization could be maintained, so that labor could adhere to its voluntary no-strike pledge, and so that all classes could contribute their share to the war effort without the sinking fear that the bottom had dropped out of the dollar and the purchasing power of money had disappeared.

Mr. President, I believe we should all be proud of the fact that a dollar is still a dollar in the United States. Yes, I know that the cost of living has risen by something like 25 percent since 1941. But the fact of the matter is that today the price level is just about where it was in 1928 and 1929. In those years, we did not say that money had lost its value and that the dollar had ceased to be a dollar. And we cannot say that today.

What is more, although we have been unable to prevent a moderate wartime increase in the cost of living, the O. P. A. during the past 2 years has not only checked the rise, but it has kept the over-all average of cost-of-living prices practically stationary. Since May 1943, just before the "hold the line" program was launched, the cost of living has risen by approximately 1½ percent.

I have here a second table in which the steady improvement in the control of prices with each successive stage of the stabilization program is dramatically brought out. I wonder, Mr. President, how many Senators are aware that since May 1943, the cost of living has risen less than six one-hundredths of 1 percent a month, as compared with a rise of nearly 1 percent a month during the 16 months preceding the establishment of general price control. The table is as follows:

Percentage increase in cost of living and wholesale prices during selected periods

	Percentage increase in—			
	Cost of living		Wholesale prices	
	Total	Per month	Total	Per month
August 1939 [1] to May 1942,[2] 33 months	17.6	0.53	31.7	0.96
January 1941 [3] to May 1942, 16 months	15.1	.94	22.3	1.39
May 1942 to May 1943,[4] 12 months	7.8	.65	5.4	.45
May 1943 to March 1945, 22 months	1.4	.06	1.2	.05

[1] Last month before outbreak of war in Europe.
[2] Month in which general maximum price regulation became effective.
[3] Base month of Little Steel formula.
[4] Month preceding launching of price program under the "hold the line" order.

Source: Bureau of Labor Statistics.

With so much money in circulation, there is little doubt that many people are paying illegal prices and that some of these illegal prices may not be reflected in the cost of living index, although the Bureau of Labor Statistics prides itself on getting actual prices, not merely the legal ceiling prices, in charting the changes in the cost of living. But making all allowances that we will the record in holding the line against inflation is a remarkably good one, and we all ought to recognize this and give credit where credit is due.

The other day an item in Leonard Lyons' syndicated column struck my eye and made me stop and think about our record on inflation control. The item described how Leon Henderson, former O. P. A. Administrator, went to China to give expert advice to the Chinese Government on how to handle the Chinese inflation problem. While in Chungking Mr. Henderson heard he could buy silk stockings, and he searched around for a pair. He was finally offered a pair of rayons for $32 in American money. The price in Chinese money was not stated, but it probably would have required a truckload of currency to negotiate the transaction. When Mr. Henderson examined them, he found them marked with this label: "O. P. A. Ceiling Price, 95 cents."

The ratio between 95 cents and $32 measures our relative success in controlling wartime inflation. It measures the difference between a country where money has value and a dollar is still a dollar, and a country where currency has become a cheap form of wallpaper.

In our own country we had something like the Chinese experience of runaway inflation. We had it at the time of the War of the Revolution, and from that time dates the expression, "not worth a continental." Our history books tell us how seriously Washington's struggle to carry on the war was handicapped by the inflation of prices and the depreciation of the paper of the Continental Congress. Our history books also tell us how, when the Constitution was established, our young Republic had to pay off the inflated costs of the war in hard taxes and real money. That brings me to the record that has been achieved by the O. P. A. in preventing the dissipation of our war appropriations and war expenditures through inflated prices.

We do not have to compare the record of the O. P. A. in holding down war expenditures with such extreme cases as the inflation in China or the inflation during our War of the Revolution. All we need to do is to compare the record in this war with the record in World War No. 1. It has been estimated that if we had been no more successful in holding down prices in this war than was the case in the last war, the extra cost of this war to the Government—and that means to you and me and to all other taxpayers—would have amounted to $80,000,000,000 up to the end of 1944. Even in these days of astronomical sums, that is not pin money.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD as a part of my remarks a table showing the comparative increases in prices over 4 years of two World Wars, which was made a part of a speech delivered by me before this body on November 29, 1943.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparative price increases over 4 year of 2 world wars

	1914–18 World War No. 1 (percent price increase)[1]	1939–43 World War No. 2 (percent price increase)[2]
Cost of living, total[3]	50.3	24.9
Food (61 items)	63.9	46.7
Clothing (111 items)	85.3	28.5
Housefurnishings (39 items)	77.2	24.8
Wholesale prices, total (889 items)	96.1	37.5
Raw materials (111 items)	102.1	69.5
Semimanufactures (99 items)	131.3	24.7
Finished products (679 items)	87.6	26.0
Industrial commodities[4] (709 items)	92.4	21.2
Selected manufactured items:		
Steel plates (tank)	187.4	0
Copper ingots	90.3	14.0
Plate glass	76.1	0
Wool blankets	164.7	[5] 50.0
Cotton hosiery (men's)	132.3	[5] 71.9
Blue denims	214.8	74.5
Prices received by farmers for all commodities	91	119
Prices received by farmers for 58 foods	78	116
Selected agricultural items:		
Cattle	58	89
Hogs	102	150
Cotton	127	128
Milk	46	94
Butter fat	73	122
Wheat	165	133
Corn	106	159
Prices paid by farmers for 174 commodities and for interest and taxes	[6] 71	24

[1] July 1914 to July 1918.
[2] August 1939 to August 1943.
[3] Rent and fuel, not available by months.
[4] All commodities other than farm products and foods.
[5] To May 1943, the latest available.
[6] 1914 to 1918, not available for World War No. 1 period.

Source: Farm prices, Bureau of Agricultural Economics; others, Bureau of Labor Statistics.

Mr. ELLENDER. Mr. President, as we look forward to the future, it is not the saving in money costs of the war that should be uppermost in our minds, but the preservation of a sound economy for the postwar period. On this, as I have already stated, our record so far has been remarkably good. But, unfortunately, this is a problem on which we cannot merely stand on our record. We must see the thing through to the end, or all the good that we have accomplished so far with so much strain and effort will be lost.

We must see the job of price control through to the end; and the end means not merely the end of the war in Europe, not merely the end of all fighting in the Pacific, but the end of all inflationary threats, and the end of all the war-developed scarcities.

That is the critical test wihch we face from now on. It is a critical test because the dramatic tie-up between price control and the success of the military effort tends to disappear, and because the feeling is spreading among many people that the need for price control is about over.

This is the moment which has been chosen by various pressure groups to exploit the weak and soft spots in the price-control program for the purpose of wrecking our whole apparatus of controls.

Mr. President, I have no desire to gloss over the blacket market in meat or the black market in any commodity. It is a serious threat to the continued effectiveness of price control. We must pitch in with all constructive efforts to curb it. I believe that Mr. Bowles' new 10-point meat program is a long step in that direction, but I am ready to support even more drastic and more stringent programs if they prove necessary. But frankly, what alarms me in much of the testimony, and in some of the proposals made as a result of congressional food investigations, is the doctrine that the way to eliminate black markets is to raise prices all down the line. If we do that for meat, we shall have to do the same for all other industrial groups. There is not a single industry, no matter how prosperous a showing it makes on its income-tax statements, that does not complain that it is being pinched by price control.

During the height of the war struggle, the Congress recognized that we could not set price ceilings in the way that tariff rates were set in the old days, namely, by logrolling of pressure groups. Today, however, that idea finds favor. Why? It seems to me it is because the basic public awareness of the danger of inflation has lessened. There has been a let-down in the public pressure that has kept pressure groups in check.

That is the most alarming aspect of the whole situation. It is incumbent on all Members of the Congress to combat the trend of apathy and indifference to the inflation problem. Let us recall what happened after the last war. About 40 percent of the total inflation of the last war took place after the Armistice, after the fighting had stopped, after we removed price controls. Prices went up fast in 1919, but in the ensuing crash of 1920 and 1921 they came down even faster, and they came down hard. From the peak inflated levels, wholesale prices dropped 45 percent in 20 months, and farm prices more than 50 percent in only 13 months. Factory pay rolls shrank 44 percent, and unemployment increased by five and one-half million. Peak corporation profits turned into losses, and business failures rose 40 percent above prewar rates. Farmers' incomes were cut by two-thirds, and nearly half a million farm owners lost their farms by foreclosure during the next 5 years.

Unless we watch carefully, that is what will happen again. That is why I agreed with the statement of the Senator from Ohio [Mr. TAFT] at a recent hearing that "price control must be continued after the war." Not only must price control be continued, but there must be no let-down in its enforcement, and there must be no let-down in the vigor with which we hold the line.

It is always the last lap of the race, the last round of the fight that determines the outcome. We are coming up now for the last round in the stabilization fight. When the American people realize this—and I am sure they will—they will not quit on this round. They will put on the same whirlwind finish on the home front that our boys are putting on in the war fronts of Europe and the Pacific.

RECESS TO THURSDAY

Mr. HILL. Mr. President, I move that the Senate take a recess until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 6 o'clock and 26 minutes p. m.) the Senate took a recess until Thursday, May 10, 1945, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 7 (legislative day of April 16), 1945:

FOREIGN SERVICE

Spruille Braden to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

Edward A. Dow, Jr., to be a consul of the United States of America.

Laurence C. Frank to be a Foreign Service officer of class 4, a secretary in the Diplomatic Service, and a consul general of the United States of America.

POSTMASTER GENERAL

Robert E. Hannegan to be Postmaster General, effective July 1, 1945.

IN THE ARMY

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

(The nominations of James Hart Hottenroth and others for promotion in the Regular Army of the United States, which were received by the Senate on April 30, 1945, which appear in full at the end of the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning on p. 3946 and ending on p. 3949 with the name of George Jefferson McMurry.)

POSTMASTERS

ARKANSAS

Martin A. Gassner, Alexander.

CALIFORNIA

Floyd V. Wike, Bryte.
Logan P. White, Lancaster.
Thomas S. Powell, Orosi.
Robert A. Bates, Roseville.
Elsie R. Wiseman, Standard.
Bonnie F. Rodenbaugh, Winterhaven.
Maxwell F. Buffum, Yreka.

IDAHO

Maye Burns, Osburn.

INDIANA

Eva A. Thompson, Chesterfield.
Ferd B. Koenig, Etna Green.
James W. Shafor, Frankfort.
Leslie C. Weigle, Fremont.
Nellie K. Kownover, Granger.
Bernard H. McCann, Lawrenceburg.
Fred M. Hoppas, Sidney.

KENTUCKY

Glenn F. Hozendorf, Coral Ridge.

LOUISIANA

Charles A. Batton, Dubberly.
Louis A. Dubreuil, Marrero.
Robert W. Human, Sulphur.
Roy M. Taylor, Winnsboro.

MAINE

Ida M. Packard, Bethel.
Evariste A. Chenard, Chisholm.
Margaret I. Colby, Coopers Mills.

MINNESOTA

Alice Lucille Wood, Cass Lake.
Shirley M. Anderson, Evan.
Mildred A. Olson, Harris.
Jay P. Mortenson, Lyle.

MISSOURI

Geraldine T. Johnson, Ash Grove.
Raymond Nickles, Fair Play.
Roy F. Irvin, Festus.
Ruth J. Tate, Grain Valley.
Cordie Opal Price, Green Castle.
Jesse J. Ayer, Lancaster.
David M. Weems, Neosho.
Hazel A. Pollock, Powersville.
Hubert B. Brown, Slater.

NEVADA

Nettie W. Wills, Goldfield.

NEW HAMPSHIRE

Raymond L. Jenkins, Reeds Ferry.

NEW MEXICO

Pearl Komfala, Gamerco.
Meliton Struck, Ranches of Taos.

OKLAHOMA

William Trigg Music, Elk City.

OREGON

Donald R. Muth, Empire.
Harold M. Laws, Rogue River.

TEXAS

Andrew J. LeRibeus, Angleton.
Collier M. Yeury, Howe.
Louella Elam, Milano.
Willie E. Warren, Paint Rock.
Donald E. Williams, Seagraves.
Ward O. Barker, Sulphur Bluff.

VERMONT

Edward J. Duzinski, Essex Junction.
Alice C. FitzSimonds, Underhill.

VIRGINIA

Jesse N. Cahoon, Clifton Forge.

WASHINGTON

Clare F. Lee, Colville.
George A. Bremner, Jr., Lynden.

WEST VIRGINIA

Hugh A. Christie, Everettville.
Lindsey C. Foster, Pennsboro.
Ethel N. Tuggle, Peterstown.
Jack R. Michael, Prichard.
Fred A. Williams, Princeton.
Grace Watkins, Seth.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 7, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Most merciful and gracious God, we pray that Thou wilt expand our hearts with gratitude, for in Thy benevolent goodness we find an abundant supply for our many needs, strength for every task, wisdom for the solution of every problem, and consolation for every sorrow.

We thank Thee for the glorious assurance that we are all the children of Thy love and the subjects of Thy kingdom. Grant unto the members of the human family the grace to live together in the bonds of amity and brotherhood, seeking for one another those blessings which none can ever find or enjoy alone.

Enlarge our minds with a more eager spirit to help those for whom the struggle of life is so difficult. May we have the vision to see their point of view with sympathy and understanding, lest we become haughty in our judgments and hardened with self-interest and personal aggrandizement.

We pray for our President, our Speaker, and all of the chosen Representatives of our beloved country. Grant that they may be the honored servants of the Lord to hasten that glorious day of prediction when there shall be peace upon this earth. We thank Thee for this day of gladness. May it be a day of penitence and of praise, of commemoration and of consecration when we shall dedicate ourselves to the fulfillment of that time when man everywhere shall be brought into a glad and willing obedience to the Prince of Peace.

Hear us in the name of Christ our friend and elder brother. Amen.

The Journal of the proceedings of Friday, May 4, 1945, was read and approved.

RECESS OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order during the remainder of the day for the Speaker to declare such recess as he may desire, the reconvening of the House to be subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I do this for the purpose of making an inquiry as to the object of this request and ask for any detail that the gentleman might like to give us.

Mr. McCORMACK. In the event the hoped-for proclamation from an official angle of VE-day has arrived, I thought it might be that the Speaker would desire to have the House stand in recess. There are many rumors. The leadership, as far as I am able to ascertain, has nothing definite, although it is hoped that the official announcement may be made possibly some time during the afternoon, in which event the Speaker may desire to have the House stand in recess.

The SPEAKER. Permit the Chair to make this statement: The Chair has been in communication with the White House this morning. The Chair knows nothing more than any other Member of the House. But in case the President of the United States issues a proclamation this afternoon it will be on the air and the Chair has arranged that the Members may remain in their seats to hear this proclamation. The Chair thinks it would be wise, therefore, for the House to be in recess for this reason.

Mr. MARTIN of Massachusetts. Is it the understanding that after the proclamation comes, if it does come, we are going to continue to work for the rest of the day?

Mr. McCORMACK. That is our intention. I hope the House will concur in the thought that we go ahead with the work of the day as an example for the rest of the country. The House should continue to carry on its regular work even if the official announcement is made.

Mr. MARTIN of Massachusetts. I agree with the gentleman that we should set a good example here.

Mr. McCORMACK. I thank the gentleman.

Mr. RANKIN. Mr. Speaker, reserving the right to object, and I shall not, I wonder if it is the intention of the gentleman from Massachusetts to have the bells rung so that the Members will know when to be here.

Mr. McCORMACK. I think it is the understanding that the usual 15-minute notice will be given.

The SPEAKER. Of course, the Chair will give the 15-minute notice of the reassembling, but the Chair might not receive notice until 5 or 10 minutes before the President goes on the air, if he does go on today.

Mr. McCORMACK. Under those circumstances, I am sure the gentleman from Mississippi and the other Members of the House realize that it is best to leave that to the discretion of the Speaker.

Mr. RANKIN. But the bells will be rung?

Mr. McCORMACK. No matter what notice is given, that is something that could very easily be done, and I assume will be done.

The SPEAKER. The bells will be rung. They will ring five times for the recess. That should be notice to the Members that we are standing in recess for a specific purpose.

Mr. VOORHIS of California. Mr. Speaker, further reserving the right to object, I do so only to ask the majority leader and possibly the Chair if they feel it would be proper and fitting under the circumstances for Members to withhold any remarks they might feel they wanted to make on this occasion until after the President's proclamation has been made?

Mr. McCORMACK. Of course, that is a matter of discretion for each individual member, and I would not want to undertake to express an opinion on that.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

WAR DEPARTMENT REDEPLOYMENT PLAN

Mr. ANDREWS of New York. Mr. Speaker, in view of certain statements appearing in the press referring to the Committee on Military Affairs, I ask unanimous consent to proceed for not to exceed 10 minutes.

The SPEAKER. The Chair has talked to the gentleman from New York [Mr. ANDREWS] and thinks that under the circumstances, due to an injustice to the gentleman, the Chair is justified in breaking the 1-minute rule and entertaining the request that he may proceed for 10 minutes.

Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ANDREWS of New York. Mr. Speaker, within the last few days there has been certain publicity in the press referring to members of the Committee on Military Affairs of the House of Representatives which I regard as most unfortunate. My own opinion is that none of the information revealed was of a serious nature or even unknown, but it is unfortunate that in the time element of that publicity it came when it did, and not until the official War Department statement on redeployment had been made.

On Friday morning, like a number of other Members of Congress, I made a radio record in the sound studios here for transmission to New York State stu-

dios for VE-day. I made that record shortly after breakfast and before the Committee on Military Affairs met. I made it from knowledge of my own and what I thought were facts that had appeared in various publications in the United States, on the radio, and referred to in Congress, and some facts contained in General Marshall's letter to the chairman of our committee some time ago.

It was a short broadcast, and I am going to read it:

With VE-day now an actuality in Europe, we may well now take stock of our present situation. As I heard General Somervell at the War Department say the other day: The first half is over but we've still got to play the second half to a successful conclusion and in a sense we are now in between the halves. Certainly it is time for some serious contemplation, if we have any idea of the magnitude of the job still ahead of the armed forces, both Navy and Army.

In the Pacific the Navy, marines, and certain elements of our armies (the Sixth in the Philippines under Krueger and the Tenth on Okinawa under Buckner along with Army Air Forces) have, as we know, made great strides during the past 3 years in reducing the original gains of the Japanese and cutting down their sphere of military operations. This has been a steady series of advances through Guadalcanal, the Marshalls, Carolines, New Guinea, Truk, Guam, Saipan, and by by-passing ending with the recapture of the Philippines and the taking of Iwo Jima and now Okinawa. We have opened all necessary lanes of supply and established the essential bases from which by sea, air, and land we are now about in position to work out some final blows. We have destroyed a great portion of the enemy's navy and shipping—leaving them largely in a defensive position so far as their navy is concerned and we are much more than their equal with our Air Force—which is still nevertheless a threat on their part—due to their now fanatical suicide use of this weapon against our ships, carriers, transports, and installations.

Of the Jap Army generally estimated to have been of 5,700,000 men—we have either destroyed or rendered largely impotent through our advances and by-passing about a million men—leaving them still 4,700,000 trained men and further reserves in China, on the main Jap islands and in Manchuria, and it is this force that we must still be prepared to conquer. In this connection we should remember that Iwo Jima represented only 8 square miles of their territory and it was stubbornly defended by only 20,000 Japs. Our future operations in the Pacific must of necessity be on a much larger scale to bring the knockout blows.

This gives you some idea of the task the Army and the War Department now has on its hands. Of course, it may be that we will have material assistance from the Russians on top of, I understand, agreed participation by the British and I am one of those, who believe Russia will come into the picture against the Japs. Certainly in view of the general situation they should for Russia is Japan's traditional enemy.

Obviously, whether we like it or not, we must prepare to move many additional Army forces from the European theater to the Pacific and the War Department has its plans for this already under way. Our trained forces of reserves (ground forces) are now at a low mark—not over 70,000, and we cannot count much for new men beyond the increments from those attaining their eighteenth birthday—and the requirement for at least 6 months' training for them. Obviously, also, all of our extensive forces in Europe will not be required in the Pacific but a large proportion thereof must of necessity be used. With this in mind, the War Department has been and is now making a very careful check-up on all personnel now in the European area with a view of arriving at a proper manner of relieving some from further necessity for service. This will be done on a point system rating all men on length of service, length of service oversea, days of actual combat, whether wounded or not, age, marital status, number of children and dependents. This, after all, would seem to be the only fair way to handle this difficult situation. Then all of these forces must be rearranged—some going direct to the Pacific and the main larger group back through this country to the Pacific.

Beyond this, our installations for assembly and retraining in the Philippines and the Pacific and maintenance of supply presents another stupendous task and, if for no other reason, no stone must be left unturned because of our debt to those who have given their lives in the Pacific and to those who have fought our battles out there for 3 years.

It is figured that an over-all average of 70 percent of our material in Europe will, after checking, be fit for use against the Japs, but it must be moved and this all takes ships, airplanes, gasoline, and a thousand other items—so there you are.

All of these vital considerations, to my mind, are the thoughts we should have in mind on this VE-day, if we are to play fair with those who have gone beyond, and to this we must dedicate our purposes.

After I made that radio address, I was asked some questions by newspapermen even before I attended the hearing of the Committee on Military Affairs. It is my firm belief that almost every word in that statement of mine was known generally throughout the Congress and by many American citizens. The United States News which came out yesterday had the story of the whole picture.

As I say, it is unfortunate that I made that statement before the official release of the War Department yesterday. I think most of the Members of the House will agree with me that the statement of the War Department redeployment plan, as announced yesterday, was a magnificent presentation in the premises, and it came just when we need it and when the American people need it.

As far as I know, no other members of the Committee on Military Affairs are involved in relaxation in this respect, and I accept on my own responsibility the full blame for it.

Mr. Speaker, I ask unanimous consent to print in the Appendix of the RECORD the full statement issued by the War Department yesterday covering its proposed redeployment plan in general.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

RATE OF EXCHANGE BETWEEN AMERICAN, FRENCH, AND ITALIAN CURRENCIES AND PAYMENT OF AMERICAN ARMED FORCES ABROAD IN FOREIGN CURRENCY

Mr. MAY. Mr. Speaker, I present a privileged resolution, House Resolution 150, from the Committee on Military Affairs of the House and ask for its consideration.

The Clerk read the resolution, as follows:

Resolved, That the Secretary of War is directed to transmit to the House, within 10 days after the adoption of this resolution, the following:

(1) Copies of all documents and memoranda in the possession of the Department of War on the basis of which it was determined that the payment, in whole or in part, of members of the armed forces abroad in currency other than legal tender of the United States is lawful under the laws of the United States, and copies of all documents and memoranda in the possession of such Department on the basis of which the policy of making such payments in foreign currency was adopted;

(2) Copies of all documents and memoranda in the possession of the Department of War relating to the manner in which the governing bodies in France and Italy attempt to control the rate of exchange between the dollar and their respective local currencies;

(3) All facts in the possession of the Department of War with respect to the sources from which, and the manner in which, the currencies of France and Italy are secured by the Army for the purpose of disbursing pay in such currencies to members of the Army;

(4) All facts in the possession of the Department of War with respect to the use or disposition of dollars, if any, exchanged by the Army for such local currencies;

(5) All facts in the possession of the Department of War with respect to the agreements, if any, made with French and Italian officials with respect to the rate of exchange between the dollar and French and Italian currencies.

Mr. ANDERSON of California. Mr. Speaker, will the gentleman yield?

Mr. MAY. Yes; I am happy to yield to the gentleman.

Mr. ANDERSON of California. I understand this is the usual procedure in connection with privileged resolutions. I further understand that the Committee on Military Affairs now has a complete report from the War Department which, however, has been listed as confidential. It is available to the Members of the House; is that correct?

Mr. MAY. The report is on file with the committee and is available to the Members of the House. It is stated by all three of the Departments that participated in the preparation of it, that is, the War Department, the State Department, and the Treasury Department, that there is much confidential information contained in the report and in the public interest ought not to be made public. It is therefore available to all Members of the House.

I would like to say, Mr. Speaker, while I am on my feet, that the gentleman from California [Mr. ANDERSON], the author of the resolution, has been extremely courteous and cooperative with the committee about the matter. He allowed it to be deferred far beyond the 7 days fixed by the rules of the House, and has cooperated with us in every respect. We appreciate it.

Mr. ANDERSON of California. Mr. Speaker, I thank the chairman of the Committee on Military Affairs for that statement. I notice in reading a copy of the report which was made available to me by the chairman of the committee that the War Department stated, although the entire report is confidential in nature, they would be willing, at the request of the committee to prepare a

report which would not be confidential covering the salient features in their full report.

Mr. MAY. They are preparing that report now. As soon as it is available, we will either have it printed or furnish copies of it to the gentleman from California or any other Members who may wish to look at it. It will be on file in the committee.

Mr. ANDERSON of California. I thank the gentleman.

Mr. MAY. Mr. Speaker, I ask unanimous consent that the resolution be laid on the table.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks and include in the Appendix of the RECORD a statement by Matthew Woll before the Committee on Ways and Means this morning.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

FREE MEN OF GOD

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, in view of the rapidity with which events are happening, I wish to try to fix responsibility on the home front by reading a very short poem:

FREE MEN OF GOD

Free men of God, the New Day breaks
In golden gleams across the sky;
The darkness of the night is past,
This is the Day of Victory!
For this our fathers strove
In stern and fiery love—
That men to come should be
Born into liberty—
That all should be—as we are—free!

Free men of God, gird up your loins,
And brace you for the final fight!
Strike home, strike home for Truth and Right!
Yet bear yourselves as in His sight!
For this our fathers fought,
This with their lives they bought—
That you and I should be
Heirs of their liberty—
That all should be—as we are—free!

Free men we are and so will be;
We claim free access unto Him,
Who widened all the bounds of life,
And us from bondage did redeem.
Let no man intervene,
Or draw a veil between
Us and our God, for He
Would have His people free—
And we would be—as Thou art—free!

Free men of God, your birthright claim!
Our fathers won it with a price.
They paid in full to ax and flame,
Nor counted up the sacrifice.
This is our heritage,
And here we do engage,
Each man unto his son
Intact to pass it on.
So shall they be—as we are free!

Our sure defense, in times of stress,
Thy gates stand open, wide and free,
When men provoke and wrongs oppress,
We seek Thy wider liberty.
With loftier mind and heart,
Let each man bear his part!
So—to the final fight,
And God defend the right!
We shall, we must, we will be—free!

—*John Ozenham.*

PERMISSION TO ADDRESS THE HOUSE

Mr. BRYSON. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the regular business and any other special orders, I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. O'NEAL asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Star.

Mr. FOLGER asked and was given permission to extend his remarks on the subject A Just and Lasting Peace; also to include an editorial by Hon. Josephus Daniels.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD on three subject matters, one to include an editorial from the Milwaukee Journal; in the second, an article from the Evening Star, and in the third, an editorial from the New York Times.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD on the subject of universal training.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the American Forum of the Air and to include a manuscript, the cost of which, according to the Public Printer, will be $182. I ask unanimous consent that notwithstanding the additional cost the article may be printed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HOCH asked and was given permission to extend his remarks in the RECORD and include a very timely sermon.

Mr. BLAND asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter and a memorandum from Admiral Vickery on ship construction.

Mr. BLAND asked and was given permission to extend his remarks in the RECORD and include an article prepared by Arthur M. Tode, honorary president, Propeller Club of the United States, discussing an article by Mr. Lewis W. Douglas.

Mr. COFFEE asked and was given permission to extend his remarks in the RECORD on five topics and to include excerpts from newspaper article and letters.

Mr. D'ALESANDRO asked and was given permission to extend his remarks in the RECORD and include an address by the Polish Ambassador to the United States.

Mr. KEFAUVER asked and was given permission to extend his remarks in the RECORD and include an editorial from the Nashville Tennesseean.

Mr. LARCADE asked and was given permission to extend his own remarks in the RECORD.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and include an editorial about Senator GLEN H. TAYLOR, taken from the May 2, issue of Progressive.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD on three different subjects and to include short excerpts therewith.

Mr. ELLIS asked and was given permission to extend his remarks in the Appendix of the RECORD and include certain published statements.

Mr. HALE asked and was given permission to extend his remarks in the RECORD and include a radio address delivered by him on May 5.

VE-DAY

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. McKENZIE. Mr. Speaker, we are all thrilled, yet humbly grateful, over the announcement of the cessation of all fighting in Europe. VE-day is here. Today is VE-day, thanks to God and the power and leadership of American arms.

Now that we have won one of our two wars we will naturally begin to think of demobilization and the reduction of our armed forces. We all know that it was the concerted effort of a well rounded coordinated military might—all the branches of the service—that brought us victory. However, I think it only right and proper that we recognize the part played by the Air Corps. Field Marshal von Rundstedt, the Nazi commander in the west, said:

> Three factors defeated us in the west where I was in command. First, the unheard of superiority of your Air Force which made all movement in daytime impossible. Second, the lack of motor fuel—oil and gas—so that the Panzers, and even the remaining Luftwaffe, were unable to move. Third, the systematic destruction of all railway communications so that it was impossible to bring a single train across the Rhine. This made impossible the reshuffling of our troops and robbed us of all mobility.
>
> Our production was greatly interfered with by the loss of Silesia and bombardments of Saxony as well as the loss of oil reserves of Rumania.

In other words, aerial bombing so paralyzed the Nazi war effort that the war was shortened by many months, saving the lives of thousands of American boys. Let us not forget the lesson.

When we start postwar disarmament let us be sure that we retain a strong, very strong, Air Force and see that it is kept the largest, best trained, and most advanced in the world. Therein lies the greatest guarantee of American safety and world peace.

THE CYCLE OF CIVILIZATION

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, it has been called to my attention that today is the thirtieth anniversary of the sinking of the *Lusitania*. It seems fitting that the surrender of Germany should have come at this time. In a sense, it may be said that the history of civilization has taken one full turn. This war with Germany in effect began with the sinking of the *Lusitania*. We had an armistice in 1918. The war against Germany has now been completed as far as the fighting is concerned. We can hope that this day marks the beginning of a new era in Christian civilization in which the right to life, liberty, and the pursuit of happiness will be universally respected.

ILL-ADVISED CELEBRATION

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, the world is awaiting the announcement that the fighting is over in Europe. Already we have been subjected to the agony of one false alarm. With hope in their hearts an unprecedented number of press representatives even now are gathered at the White House expecting the announcement that is to be made simultaneously from London, Moscow, and Washington, but no word has been given them.

In spite of this the radio has been filling the air with the word that complete capitulation has taken place. I am glad I do not know who is responsible for this second false report.

Disregarding the earnest words of the President, in which he urged the country to meet VE-day with prayer rather than with wild orgies, New York has turned itself into a madhouse. Only an hour ago I was told by telephone that torn up paper and streamers are being thrown from office windows, thousands are milling around, and Times Square is one solid mass of humanity. What a spectacle with a continent in shambles?

How can we do this? Have we no thought of the broken hearts and destroyed homes? Have we no realization that even though the fighting ends, peace is a long way off? Have we forgotten that for us it may well be that the major part of our war has just begun? How can we be so heartless? Instead of this shocking orgy of wild hilarity, we should weep tears of gratitude, praying to the Eternal God for understanding and for wisdom, humbly recognizing that He and He only can bring us to peace.

EXTENSION OF REMARKS

Mr. JOHNSON of Illinois asked and was given permission to extend his remarks in the Appendix of the RECORD and include a poem.

Mr. BENNETT of Missouri asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. GAVIN asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein an article from the Times-Herald.

Mr. TAYLOR. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution adopted by the Veterans of Foreign Wars, Trojan Post.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD in two instances, in one to include a statement by myself on the new postal pay bill which has been introduced, and in the other to include an editorial from the Greenville News, of South Carolina.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WHITE asked and was given permission to extend his own remarks in the RECORD and include a magazine article.

WHAT IS OUR OBJECTIVE IN THE PACIFIC?

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, from the morning paper we learn that organized fighting in Europe has ended. From the same source comes the information that the British are fearful of what Russia may do; that she may move too far to the west; that the internationalists now propose to keep several million young Americans in Europe policing the territory wrested from the enemy by our troops, rebuilding the ruined towns and cities and at the same time watch the Russians.

Is it possible that if Stalin moves further to the west than the British think he should, our men are to be used as a threat or to do actual fighting against the Russians to hold them to a certain territory?

Again we are told that 2,000,000 or more men must be sent to the Pacific to complete the conquest of the thousands of islands and of Japan. Forty or fifty million Americans who have, or will have relatives engaged in the war in the Pacific, in view of the statements which have been made by some of the internationalists, would like to know how many of the islands of the Pacific the British and the Dutch want retaken by our men.

How many American lives are to be sacrificed in the retaking of territory which is unnecessary for our own defense; which is to be given back to either the British or the Dutch after the job has been finished.

Fifty million Americans want to know whether the war in the Pacific is to be a war of conquest, fought by Americans, for the benefit of others, or whether it is to end when the welfare of the United States has been made secure.

DOMESTIC RUBBER

Mr. SLAUGHTER, from the Committee on Rules, submitted the following privileged report from the Committee on Rules (H. Res. 245, Rept. No. 245) which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2347) to provide and insure a dependable supply of domestic natural rubber, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CAPT. JAMES K. VARDAMAN, JR.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I desire to commend the President of the United States for one of his recent selections in the appointment of Capt. James K. Vardaman, Jr., as his naval aide.

Captain Vardaman is the son of a former Governor of and Senator from the State of Mississippi.

He was a captain of artillery in the last war and served by the side of President Truman in the Argonne Forest. He is a captain in the Navy in this war and was wounded in action recently in the Southwest Pacific.

On one occasion I heard Captain Vardaman pay President Truman one of the highest compliments possible. He said, "I have known Harry Truman intimately for 25 years and I can say without reservation that there is not a man in America who strives harder to live up to the principles of the Ten Commandments, the Golden Rule, and the Sermon on the Mount than Harry Truman."

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include an article.

GERMAN ATROCITIES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my remarks, and to include therein a report appearing in the Washington Star of yesterday of the American newspaper editors who are now in Europe investigating Nazi brutalities.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[Mr. McCORMACK addressed the House. His remarks appear in the Appendix.]

CARE OF WAR VETERANS

Mr. CLASON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CLASON. Mr. Speaker, on this day of thanksgiving we are all proud of our fellow Americans who have made VE-day possible. This and subsequent Congresses will see to it that the dependents of those who have been killed and those veterans who have been wounded and who are disabled are well taken care of.

After the fall of the Philippines, the men who were liberated and who had been prisoners of the Japanese were promoted in rank, and their terrible ordeals were recognized by General MacArthur and the War Department. I am thinking now of the 85,000 or more American officers and enlisted men who have been prisoners of the Germans. The atrocities inflicted upon them and the suffering which they endured have earned for them the careful and sympathetic consideration of our Government.

I hope that the War Department and the Congress will see to it that they get the same liberal treatment that was accorded those who were made captive in the Philippines.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

TITLE XVIII OF THE UNITED STATES CODE

The Clerk called the bill (H. R. 2200) to revise, codify, and enact into positive law, title 18 of the United States Code, entitled "Crimes and Criminal Procedure."

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

AMENDING NATIONALITY ACT OF 1940

The Clerk called the bill (H. R. 513) to amend the Nationality Act of 1940 to preserve the residence for naturalization purposes of certain aliens who serve in the military or naval forces of one of the Allied countries during the Second World War or otherwise assist in the Allied war effort, and for other purposes.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SETTLEMENT OF CLAIMS OF MILITARY PERSONNEL

The Clerk called the bill (H. R. 2068) to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object. Two weeks ago I asked that this bill be passed over on account of the fact that the report was not in proper form. At present they have provided a supplementary report and it is all in order, so that I am withdrawing my objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War, and such other officer or officers as he may designate for such purposes and under such regulations as he may prescribe, are hereby authorized to consider, ascertain, adjust, determine, settle, and pay any claim against the United States, including claims not heretofore satisfied arising on or after December 7, 1939, and not later than 6 months after the termination of the wars in which the United States is now engaged, as proclaimed by the President, or such earlier date as the Congress, by concurrent resolution, may fix, of military personnel and civilian employees of the War Department or of the Army, when such claim is substantiated, and the property determined to be reasonable, useful, necessary, or proper under the attendant circumstances, in such manner as the Secretary of War may by regulation prescribe, for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service, or to replace such personal property in kind: *Provided*, That the damage to or loss, destruction, capture, or abandonment of property shall not have been caused in whole or in part by any negligence or wrongful act on the part of the claimant, his agent, or employee, and shall not have occurred at quarters occupied by the claimant within continental United States (excluding Alaska) which are not assigned to him or otherwise provided in kind by the Government. No claim shall be settled under this act unless presented in writing within 1 year after the accident or incident out of which such claim arises shall have occurred: *Provided*, That if such accident or incident occurs in time of war, or if war intervenes within 2 years after its occurrence, any claim may, on good cause shown, be presented within 1 year after peace is established. Any such settlement made by the Secretary of War, or his designee, under the authority of this act and such regulations as he may prescribe hereunder, shall be final and conclusive for all purposes, notwithstanding any other provision of law to the contrary.

SEC. 2. Such appropriations as may be required for the settlement of claims under the provisions of this act are hereby authorized. Appropriations available to the War Department for the settlement of claims under the provisions of the act of March 3, 1885 (23 Stat. 350), as amended, shall be available for the settlement of claims under the provisions of this act.

SEC. 3. Sections 3483–3488 of the Revised Statutes (31 U. S. C. 209–214), and the act of March 3, 1885 (23 Stat. 350), as amended by the act of July 9, 1918 (40 Stat. 880), and by the act of March 4, 1921 (41 Stat. 1436; 31 U. S. C. 218–222), and by section 6 of the act of July 3, 1943 (57 Stat. 374; 31 U. S. C. 222a, 222b), are hereby repealed.

SEC. 4. That portion of section 1 of the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), reading as follows: "The provisions of this act shall not be applicable to claims arising in foreign countries or possessions thereof which are cognizable under the provisions of the act of January 2, 1942 (55 Stat. 880; 31 U. S. C. 224d), as amended, or to claims for damage to or loss or destruction of property of military personnel or civilian employees of the War Department or of the Army, or for personal injury or death of such persons, if such damage, loss, destruction, injury, or death occurs incident to their service." is hereby amended, effective as of the date of approval of said act, to read as follows: "The provisions of this act shall not be applicable to claims arising in foreign countries or possessions thereof which are cognizable under the provisions of the act of January 2, 1942 (55 Stat. 880; 31 U. S. C. 224d), as amended, or to claims for personal injury or death of military personnel or civilian employees of the War Department of the Army if such injury or death occurs incident to their service."

SEC. 5. This act may be cited as the "Military Personnel Claims Act of 1945."

With the following committee amendment:

Page 1, line 8, after "1939", strike out down to and including the word "fix", on page 2, line 4.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISCONTINUING CERTAIN REPORTS REQUIRED BY LAW

The Clerk called the bill (H. R. 2504) to discontinue certain reports now required by law.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, when this bill was called up on the last call of the Consent Calendar, I suggested that the chairman of the Committee on Expenditures in the Executive Departments refer the bill to the ranking minority members of the committees having jurisdiction over reports which are proposed to be discontinued. In addition to that, I took it upon myself to write to the ranking minority members of the various committees, and so far have received a reply from but one who indicated that some of the reports in connection with the Indian Affairs should not be discontinued. In view of the fact that there is this expression from at least one member of a committee that it should not be passed by unanimous consent, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SAN CARLOS IRRIGATION PROJECT

The Clerk called the bill (H. R. 1656) to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed, with the consent of the Christmas Copper Corporation, to modify the provisions of the contract entered into on June 19, 1942, whereby the United States agreed to purchase the Diesel electric-generating plant of the said corporation for use in connection with the San Carlos irrigation project for the sum of $27,000 in cash and electric power of the value of $33,000 to be delivered to and accepted by the said corporation prior to December 31, 1944, so as to provide for either (1) the payment to the said corporation, in addition to amounts heretofore paid and electric power heretofore delivered, the sum of $18,700 (the appropriation of which is hereby authorized), or (2) the delivery to the said company, during the 3-year period beginning on January 1, 1945, of the equivalent thereof in electric power at the rates established by the general rate schedule for the San Carlos project power system, the said company having been unable, because of circumstances beyond its control, to utilize the amount of electric power which it agreed to accept under the provisions of such contract within the period therein prescribed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOURTH-CLASS MAIL MATTER

The Clerk called the bill (H. R. 2502) readjusting the rates of postage on fourth-class mail matter, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, several Members have expressed an interest in this bill and feel it should not be passed by unanimous consent. I therefore ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

DOMESTIC NATURAL RUBBER

The Clerk called the bill (H. R. 2347) to provide and insure a dependable supply of domestic natural rubber, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

KLAMATH TRIBE OF INDIANS

The Clerk called the bill (H. R. 2296) amending the Act of June 25, 1938 (52 Stat. 1207), authorizing the Secretary of the Interior to pay salary and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath business committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe, as amended, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 655, be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There being no objection, the Clerk read the Senate bill as follows:

Be it enacted, etc., That the act approved June 25, 1938 (52 Stat. 1207), as amended, be, and the same hereby is, further amended so as to read in full as follows:

"The Secretary of the Interior, or such official as may be designated by him, is hereby authorized beginning as of July 1, 1937, and until otherwise directed by Congress, to pay out of any unobligated tribal funds of the Klamath Indians in the Treasury of the United States salaries and expenses to the chairman, secretary, an interpreter of the Klamath General Council and members of the Klamath business committee or other committees appointed by the Klamath General Council (except the Klamath Reimbursable Loan Fund Board), when engaged on business of the tribe, and to such official delegates of the Klamath Tribe who may carry on the business of the tribe at the seat of government: *Provided*, That the rate of salary and per diem paid shall be fixed in advance by resolution of the Klamath General Council, subject to the approval of the Commissioner of Indian Affairs, except that additional salaries and expenses, fixed and approved in the same way, may be made retroactive to July 1, 1943: *Provided further*, That the official delegates of the tribe carrying on said business at the seat of government shall receive, if travel is by rail, the usual railroad and sleeping-car transportation to and from the seat of government, or, if travel is by automobile, delegates furnishing such transportation shall receive an amount equivalent to the cost of their railroad and sleeping-car transportation to and from the seat of government, but salary and per diem shall not be paid to delegates traveling by automobile for any period in excess of the time required to perform the travel by railroad: *Provided further*, That the aforesaid official delegates shall also receive reimbursement for telegraphic expenses incurred on tribal business: *Provided further*, That the aforesaid salaries and expenses shall not exceed $15,000 per annum: *Provided further*, That the length of stay of the official delegates at the seat of government shall be determined by the Commissioner of Indian Affairs."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2296) was laid on the table.

LEASING OF INDIAN LANDS FOR BUSINESS

The Clerk called the bill (H. R. 2586) to authorize the leasing of Indian lands for business, and other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any other provisions of law, with the consent in writing of the individual Indian, association of Indians, or Indian tribe concerned, any restricted Indian lands may be leased for (1) public, religious, educational, or business purposes; (2) the use and benefit of enterprises operated by Indian groups; or (3) other beneficial purposes for periods not to exceed 25 years under such rules and regulations as the Secretary of the Interior may prescribe.

SEC. 2. Such leases may be made by the individual Indian owner of the land or by the authorized representatives of the tribe or group of Indians to whom the land belongs, subject to the approval of the Secretary of the Interior or his authorized representative. Restricted allotments of deceased Indians, when the heirs or devisees cannot agree on a lease, may be leased for them in the manner prescribed by the act of July 8, 1940 (54 Stat. 745, ch. 554). No lease shall be made by or on behalf of any tribe organized in accordance with the act of June 10, 1934 (48 Stat. 984), for a longer period than is authorized by the tribal constitution or charter. Nothing contained in this act shall be construed to repeal any authority to lease restricted lands which any Indian, Indian tribe, or official of the Department of the Interior would have in the absence of this act.

With the following committee amendments:

Page 1, line 6, after "for", strike out "(1) public, religious, educational, or business purposes; (2) the use and benefit of enterprises operated by Indian groups; or (3) other beneficial purposes" and insert "religious, educational, recreational, business, or public purposes, including, but not limited to, airports, experimental station, stockyards, warehouses, and grain elevators."

Page 2, line 4, after "prescribe", insert a colon and the following: *"Provided*, That nothing in this act shall be deemed to authorize such leases for the exploitation of any natural resources."

Page 2, line 7, after "made" insert "only."

Page 2, line 16, strike out "organized in accordance with the act of June 10, 1934 (48 Stat. 984)."

Page 2, line 17, after "is", insert "or may be."

Page 2, line 18, strike out "or charter" and insert "charter, or ordinances."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF FOURTH-CLASS POSTMASTERS IN ALASKA

The Clerk called the bill (H. R. 656) to provide further for the appointment of postmasters for fourth-class post offices in the Territory of Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any other provision of law, any officer, agent, or employee of the United States Government shall be eligible to appointment as postmaster of a fourth-class post office in the Territory of Alaska and may serve and act as such postmaster and receive the compensation provided by law for such services.

With the following committee amendment:

Line 4, after "Government," insert "who is a citizen of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAW LIBRARY GENERAL ACCOUNTING OFFICE

APPREHENSION AND PUNISHMENT OF WAR CRIMINALS

The Clerk called the concurrent resolution (H. Con. Res. 39) to declare a governmental policy in relation to the apprehension and punishment of war criminals.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the concurrent resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

IMMIGRATION AND NATURALIZATION SERVICE

The Clerk called the bill (H. R. 386) to amend the law relating to the authority of certain employees of the Immigration and Naturalization Service to make arrests without warrant in certain cases and to search vehicles within certain areas.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

COMMISSIONER OF IMMIGRATION AND NATURALIZATION

The Clerk called the bill (H. R. 1104) to amend section 23 of the Immigration Act of February 5, 1917.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 23 of the act of February 5, 1917 (39 Stat. 892; U. S. C., title 8, sec. 102), be, and it hereby is, amended by inserting the following after the first sentence thereof: "He shall receive a salary of $10,000 per annum."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SIOUX INDIANS

The Clerk called the bill (H. R. 378) authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Reserving the right to object, Mr. Speaker, the report accompanying this bill omits the report which was submitted to the Committee on Indian Affairs by the Secretary of the Interior. Apparently the report was prepared before the communication was received from the Department of the Interior.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. May I call the attention of the gentleman to the fact that representatives of the Department of the Interior were present and appeared before the committee at the time the bill was under consideration, and they gave the report orally. At that time it had not formally cleared the Bureau of the Budget, but it was understood the clearance had been assured. Subsequently the report was cleared by the Bureau of the Budget and was received by the chairman of the committee. Believing that it should be available for the information of the Members of the House, I obtained a copy of the report and, with the permission of the House, placed it in the RECORD of last Friday, May 4, so that it might be available for consideration at this time.

Mr. COLE of New York. I suggest that the communication from the Department of the Interior be prepared by the Committee on Indian Affairs and submitted to the House as a supplemental report to accompany its original Report No. 376. In order that that might be done, Mr. Speaker, I ask unanimous consent that the bill be passed over.

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, I merely wish to say I think it is a reasonable request that the report be made available in that form as a part of the history of its consideration. I have no objection to the bill being passed over with that understanding.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

TO REPATRIATE NATIVE-BORN WOMEN RESIDENTS OF THE UNITED STATES

The Clerk called the bill (H. R. 384) to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That section 317 (b) (1) of the Nationality Act of 1940 (U. S. C., 1940 edition, title 8, sec. 717 (b) (1)) is amended by inserting after "terminated" the following: "or who has resided continuously in the United States since the date of such marriage,".

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 334 (c) OF NATIONALITY ACT OF 1940

The Clerk called the bill (H. R. 385) to amend section 334 (c) of the Nationality Act of 1940 approved October 14, 1940 (54 Stat. 1156–1157; 8 U. S. C. 734).

The SPEAKER. Is there objection to present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, this is one of a number of bills seeking to amend the Nationality Act piecemeal. It provides two things, first, to eliminate the 60-day period before an election, and, second, to give the Commissioner authority to waive the 30-day period. I would like to know from the chairman of the committee why this 30-day period should be waived.

Mr. MASON. May I answer the gentleman?

Mr. KEAN. I am glad to yield.

Mr. MASON. This is a bill which was passed at the last session and was stalled in the Senate. Giving the Commissioner the power to waive the 30-day limit was necessary because in many of these cases where wartime conditions affect the situation, and many of these people are in the service and their parents are in the service, the 30-day limit was not needed. In those cases, the Commissioner, in his discretion, could waive it. But it was not thought best to remove it entirely because there are many cases in which they need the 30-day limit in order to make further investigation.

Mr. KEAN. In other words, you leave it entirely up to the Commissioner to choose or decide what he wants to do?

Mr. MASON. No; it depends on whether the Commissioner decides it is an emergency case or a case involving war conditions.

Mr. KEAN. It does not say anything about war conditions.

Mr. MASON. There are many of these people being naturalized under war conditions or war legislation. In that case, there would be no need of further investigation or time for further investigation because the facts themselves prove the desirability of such person being naturalized. But in the ordinary case, they may want 30 days to make further investigation and, therefore, they did not want it to be eliminated entirely, but that he would have the power to say, if it was an emergency case, "We do not need 30 days."

Mr. KEAN. Who is being injured by this 30-day provision?

Mr. MASON. These applicants for naturalization papers, who, because of war conditions, cannot wait the 30 days?

Mr. KEAN. Why not?

Mr. MASON. They are being sent somewhere on an errand and they must be citizens before they can be sent to other countries.

Mr. KEAN. You mean soldiers?

Mr. MASON. Not soldiers.

Mr. KEAN. Soldiers have separate provisions.

Mr. MASON. Yes, I know; but there are many cases in which Government officials and representatives of the Government must be sent. That is the type of case involved.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 334 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1156–1157; 8 U. S. C. 734), is hereby amended to read as follows:

"(c) Except as otherwise specifically provided in this chapter, no final hearing shall be held on any petition for naturalization nor shall any person be naturalized nor shall any certificate of naturalization be issued by any court within 30 days after the filing of the petition for naturalization. This period may be waived by the Commissioner in his discretion."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CONGRESSIONAL MEDAL OF HONOR TO THE LATE PRESIDENT, FRANKLIN DELANO ROOSEVELT

The Clerk called the bill (H. R. 2966) authorizing the President of the United States to award posthumously a Con-

gressional Medal of Honor to Franklin Delano Roosevelt.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent that the bill be passed over.

Mr. MARCANTONIO. Mr. Speaker, I object.

Mr. DICKSTEIN. Mr. Speaker, I object.

Mr. McCORMACK. Reserving the right to object, would the gentleman mind explaining why?

Mr. ROBSION of Kentucky. Yes. I shall be glad to do so.

The Congressional Medal of Honor was first authorized by an act of Congress of December 21, 1861, when it was limited to noncommissioned officers and enlisted men of the Navy and Marine Corps. In 1862 Congress authorized this decoration for enlisted men of the Army.

An act of Congress of March 3, 1863, for the first time authorized this medal for commissioned and noncommissioned officers as well as privates of the Army; and it was not until 1915 that the award was authorized for commissioned and noncommissioned officers of the Navy, Marine Corps, and Coast Guard.

This is the highest decoration that can be awarded by this Nation to an officer or enlisted man serving in the armed forces of the United States. Under the law it can only be awarded to those officers and enlisted men who were in actual conflict or combat with the enemy, and so distinguished themselves conspicuously by gallantry and intrepidity at the risk of their own lives, above and beyond the call of duty.

Our late lamented President never wore our country's uniform; he was never engaged in combat with the enemy; he was Commander in Chief, yet he was a civil officer.

For 84 years this medal, under the law, could be awarded only to those who go far beyond their duty and perform extraordinary services at the risk of their lives in actual combat or conflict with the enemy. This resolution amends the law to give the medal to President Roosevelt.

This resolution could not honor President Roosevelt. He was elected President of the United States four times; he was Assistant Secretary of the Navy; he was Governor of the great State of New York; he had other signal honors conferred upon him in recognition of his accomplishments in his particular field or fields. This resolution adds nothing to his honors. It is my honest conviction that it would not add to his great achievements, but it would detract from the glorious traditions of the Army, the Navy, the Marine Corps, and the Coast Guard.

I certainly would not withhold my support of any resolution giving President Roosevelt such honors as his record merits as Governor, Assistant Secretary of the Navy, and President of the United States. But I would not feel justified in changing this general law and breaking the precedents of 84 years and thereby detracting from the honor of those who have won this medal through heroic achievement at the risk of their lives above and beyond the call of duty in actual combat with the enemy. The bestowal of this medal would not help former President Roosevelt but it would open the doors. We have another bill before the Committee on the Judiciary to grant the Congressional Medal of Honor to the late lamented Ernie Pyle, who was greatly beloved by all the defenders of this country and who brought words of cheer to wives and fathers and mothers of our defenders, and whose courage and messages helped to sustain the morale of the American people.

Ernie Pyle was a newspaper correspondent. Like President Roosevelt he never wore his country's uniform; yet he gave his life on Okinawa Island. He stopped a Japanese bullet. However great my admiration for Ernie Pyle, I could not conscientiously vote to give him the Congressional Medal of Honor. Let me repeat: under the law and the practice from 1861 to this time this highest of our decorations can only go to those in our armed services who risk their lives above and beyond the call of duty.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. MAY. There is a difference, however, between the President and Ernie Pyle as I understand it. Ernie Pyle died in actual combat but was not in uniform as I understand it.

Mr. ROBSION of Kentucky. It is true that Ernie Pyle was not in uniform and neither did the President of the United States wear a uniform. Ernie Pyle assumed that great danger as a civilian. He was performing heroic services, as have many other correspondents who have given their lives in this war, in the service of their newspapers and of our country. This decoration is for those of our armed forces who risk their lives or are killed in defense of our country, who are under the call of their country, and perform these heroic deeds at the risk of their lives above and beyond the call of duty.

I would very willingly vote an appropriate medal for Ernie Pyle and the other brave correspondents who have given their lives.

A good Democrat from Texas, a member of the Committee on the Judiciary, when this resolution was up before our committee pointed out that Abraham Lincoln was assassinated during the Civil War and while he was Commander in Chief. His assassination grew out of the bitterness of that great war. Lincoln was not awarded the Congressional Medal of Honor.

I regret exceedingly that this bill was ever introduced or that it was brought before this Congress—not that I would not be willing to honor former President Roosevelt by any resolution in keeping with his life and achievements in his field. I have heard it said during this war, when certain Members of the House and Senate have died that these men gave their lives as truly as men give their lives on the battlefield. I know that Members of the House and Senate are wearing their lives out by reason of extraordinary responsibilities and duties that are thrust upon them and I greatly admire and honor them. They can quit any time they want to and so can the President or any civil officer of this Government. Not so those in the armed forces. Whatever dangers and perils may come, our defenders must meet them, as patriotic, courageous men.

This medal cannot be given to those who have done no more than their duty. Tens of thousands of men in this war, on every land and every sea and every battle front, have gone up against machine guns, shell fire, flame throwers, big guns, submarines, and have been cooked in oil when their ships were torpedoed and have been shot down and their bodies consumed in flames of their planes, beaten and stoned to death in enemy prisons. But they did not get the Congressional Medal of Honor because that was their duty and they did what they did in line of duty. This highest of all decorations goes only to those who go far beyond the call of duty and risk their lives.

About 14,000,000 men have been inducted into the armed services during this war; about 200,000 have given their lives, and 700,000 are broken in body and mind, and 100,000 are missing in action. Others have lost their sight, others 1 or both legs, or 1 or both arms, but out of the 14,000,000 only about 160 have been awarded the Congressional Medal of Honor. This gives us some appreciation of the requirements for receiving this highest award our country can bestow upon its defenders. And it is gratifying to know that this award is going to some buck privates, gobs, and up to some of our highest commanding officers in the Army, Navy, and Marine Corps.

If we depart from the general law and the requirements for this decoration, how soon will it be that someone introduces a bill to give some person the Purple Heart who has not been actually wounded in combat with the enemy?

Only recently a coal miner, 22 years of age, from the hills of Kentucky, residing in my district, on the western front in October 1944, when they were fighting for every foot—he and his company were ordered to take a German position on a hill. They had to fall back 200 feet because of superior numbers and equipment of the Germans. But only 33 survivors fell back. His commanding officers and comrades fell still farther back. But this private soldier, Wilbur K. Ross, a coal miner, who had the only machine gun in the outfit moved out in front of his company. His commanding officer told him to come back. He replied, "I will sweat it out." There he withstood 9 attacks of the Gemans who came down the hill. Eight times the Germans fell back. When they fell back from the eighth attack he was out of cartridges, but the Germans did not know that.

His officers again yelled, "Come out of there!" He said, "No; I'll sweat it out." And he went on. Some comrade slipped through the grass and bushes and brought him more shells. He met the ninth attack and when the Germans fell back again there were 58—58 Germans

piled up around him, at least 40 dead and 18 wounded. Only 8 of his comrades were left. Over the protest of his officers he refused to go to the rear for rest. He remained on duty for 36 consecutive hours, and he has continued on duty fighting in France and Germany ever since.

That is the kind of heroism that must be displayed in actual combat to receive this priceless decoration.

The Congressional Medal of Honor, the Purple Heart, and other medals belong to the fighting men of our armed services. I insist that the passage of this resolution cannot add to the honors of our former President. I sincerely believe that it will detract from his honors when his friends reach out and propose by this resolution to give him this distinction which is denied him by the laws of our country, a distinction which belongs solely and alone to the fighting men of our Republic.

Personally, I feel that I would not be worthy to represent Wilburn K. Ross and the many other heroic men who have won and who hold this coveted decoration and others if I did not have the courage to stand up and preserve their integrity so that through the years they will continue as beacons to the heroic fighting men—privates, noncommissioned and commissioned officers—of the finest and best Army, Navy, Marine Corps, Air Force, and Coast Guard in all the world.

And I shall continue, so long as I am a Member of Congress, to resist any such effort.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Is there objection to the present consideration of the bill?

Mr. ROBSION of Kentucky. Mr. Speaker, I object.

TO AMEND SECTION 327 (h) OF THE NATIONALITY ACT OF 1940

The Clerk called the bill (H. R. 392) to amend section 327 (h) of the Nationality Act of 1940.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title I, subchapter III, section 327, subsection (h), of the act of October 14, 1940 (54 Stat. 1151; 8 U. S. C. 727 (h)), be, and the same is hereby, amended to read as follows:

"SEC. 727 (h). The offices in charge of property owned or leased by the Government are authorized, upon the recommendation of the Attorney General, to provide quarters, without payment of rent, in any building occupied by the Service, for a photographic studio, operated by welfare organizations without profit and solely for the benefit of persons seeking to comply with requirements under the immigration and nationality laws. Such studio shall be under the supervision of the Commissioner."

With the following committee amendment:

Page 1, line 7, strike out the word "offices" and insert the word "officers."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 342 (b) OF THE NATIONALITY ACT OF 1940, WAIVING CERTAIN FEES FOR MEMBERS OF THE ARMED FORCES

The Clerk called the bill (H. R. 391) to amend section 342 (b) of the Nationality Act of 1940.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CLEVENGER. Mr. Speaker, I object.

Mr. Speaker, I know nothing at all about this bill but I do know that in the press of Sunday morning there was a story to the effect that there are some 2,000,000 aliens in this country, temporary visitors among us who, it is said, are amassing immense sums of money on which they escape paying the capital gains tax. I object to this chopping up of the National Immigration Act into seven or eight different acts, until by amendment and cross-amendment, we do not know what the law is.

Mr. Speaker, I object.

STATUS OF CERTAIN NATIVES AND INHABITANTS OF THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 712) relating to the status of certain natives and inhabitants of the Virgin Islands.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CLEVENGER. Mr. Speaker, I shall object to this also, and shall object to the rest of these amendments of this act.

The SPEAKER. Objection is heard.

DEFINITION OF THE PHRASE "INELIGIBLE TO CITIZENSHIP"

The Clerk called the bill (H. R. 390) to amend section 28 (c) of the Immigration Act of 1924.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CLEVENGER. Mr. Speaker, I object.

EXTENSION OF PERIOD OF OPERATIONS UNDER SECTION 409 OF THE INTERSTATE COMMERCE ACT

The Clerk called the bill (H. R. 3038) to amend section 409 of the Interstate Commerce Act, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 409 of the Interstate Commerce Act, as amended, is amended by striking out the words "36 months" wherever they appear therein and inserting in lieu thereof the words "48 months."

With the following committee amendment:

Page 1, line 6, strike out "48 months" and insert in lieu thereof "45 months."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXEMPTED ISSUES UNDER SECTION 3 (b) OF THE SECURITIES ACT OF 1933

The Clerk called the bill (S. 62) to amend section 3 (b) of the Securities Act of 1933, as amended, so as to permit exemption of security issues not exceeding $300,000 from the provisions of such act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (b) of section 3 of the Securities Act of 1933, as amended, is amended by striking out "$100,000" where it appears in such subsection, and inserting in lieu thereof "$300,000."

Mr. LEA. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on this bill at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEA. Mr. Speaker, the Securities Act of 1933 now permits the Securities and Exchange Commission to exempt security issues of not exceeding $100,000 from the provisions of the act. This amendment would extend that discretionary exemption to $300,000. Such exemptions are not made except where the Commission finds that such action can be taken consistently with the public interest and for the protection of investors by reason of the small amount involved or the limited character of the public offering.

The proponents of this legislation have urged its adoption on the ground that the exemption of security issues of these small amounts would reduce the expense and burden of issues by small corporations and thereby aid small business.

The Securities and Exchange Commission, after discussing the two sides of the question involved in this legislation, advised the Interstate and Foreign Commerce Committee as follows:

We have weighed carefully the advantages to be gained by the adoption of the amendments against its disadvantages and have come to the conclusion that balancing all the interests concerned, the proposal merits a trial. We, therefore, favor its adoption.

The committee concurs in this recommendation.

This bill was proposed in the last Congress by the gentleman from West Virginia [Mr. RANDOLPH], who also filed his same bill in this Congress. Our committee expected to act upon the Randolph bill, but on account of the prior passage of S. 62, introduced by Senator VANDENBERG in the Senate, the committee reported the Senate bill instead of the House bill.

The gentleman from West Virginia, always alert and diligent as to his legislative responsibility, earned commendation for his earlier espousal of this legislation.

Mr. RANDOLPH. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I am grateful for the very gracious reference by the chairman to my connection with this proposal. The passage of this legislation is most important to the bona fide business development of America. It will act as a stimulant to the smaller industrial activity of our Nation, and its approval will be most helpful in the post-war period.

Mr. Speaker, the increase from $100,000 to $300,000 in the exemption from the

regulations of the Securities and Exchange Commission will encourage small business in the necessary refinancing following the war. It is vital to America's future stability in industrial progress that we, as the Members of Congress, encourage through proper channels the use of venture capital. Favorable action on this measure can be a contribution to that desired end.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXTENSION OF COLE PIPE LINE ACT

The Clerk called the bill (H. R. 2600) to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended, is amended by striking out "June 30, 1945" and inserting in lieu thereof "June 30, 1947."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

USE OF POST-OFFICE CLERKS AND CITY LETTER CARRIERS INTERCHANGEABLY

The Clerk called the bill (H. R. 3059) authorizing the Postmaster General to continue to use post-office clerks and city letter carriers interchangeably.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved November 4, 1943 (57 Stat. 586), entitled "An act authorizing the Postmaster General to use post-office clerks and city letter carriers interchangeably" is amended by substituting the date "June 30, 1946" for the date "June 30, 1945" appearing in the second section thereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXEMPTING CERTAIN OFFICERS AND EMPLOYEES OF OFFICE OF SCIENTIFIC RESEARCH AND DEVELOPMENT FROM CERTAIN PROVISIONS OF CRIMINAL CODE

The Clerk called the bill (H. R. 1524) to exempt certain officers and employees within the Office of Scientific Research and Development from certain provisions of the Criminal Code.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That nothing contained in sections 109 and 113 of the Criminal Code (U. S. C., title 18, secs. 198 and 203) shall be deemed to apply to any person because of any appointment as an officer or employee within the Office of Scientific Research and Development if such person is serving or has served in such capacity with compensation on a per diem when actually employed basis for not in excess of 90 days a year or without compensation. This act shall not apply to any such officer or employee if he represents or acts on behalf of the United States in connection with the negotiation, making, modification, renewal, or termination of any contract between the Office of Scientific Research and Development and any individual, corporation, partnership, or association from whom such officer or employee receives compensation for services, or in connection with the submission, consideration, or determination of any claim against the United States under any such contract.

With the following committee amendments:

Page 1, line 4, after "203)" insert "or in section 19 (e) of the Contract Settlement Act of 1944 (Public Law 395, 78th Con.)."

Page 2, line 11, after the word "contract" insert "nor shall this act apply to any such officer or employee if he prosecutes, or acts as counsel, attorney, or agent for the purpose of prosecuting, a claim against the United States involving any particular subject matter with which he was directly connected as an officer or employee of the Office of Scientific Research and Development."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXEMPTING CERTAIN MEMBERS OF ECONOMIC STABILIZATION BOARD FROM CERTAIN PROVISIONS OF THE CRIMINAL CODE

The Clerk called the bill (H. R. 2951) to exempt certain members of the Economic Stabilization Board from certain provisions of the criminal code.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SHAFER. Mr. Speaker, reserving the right to object, the House should be given more information in reference to this legislation which exempts certain employees of the Government from the criminal code. It should be explained by members of the committee reporting this bill. Mr. Speaker, I object.

Mr. PRIEST. Mr. Speaker, will the gentleman withdraw his objection and permit me to ask unanimous consent that the bill be passed over without prejudice?

Mr. SHAFER. Mr. Speaker, that is satisfactory to me.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

UNITED STATES' PARTICIPATION IN INTER-AMERICAN STATISTICAL INSTITUTE

The Clerk called the bill (H. R. 688) to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEEFE. Mr. Speaker, reserving the right to object, I would like to have this bill explained.

Mr. LUTHER A. JOHNSON. Mr. Speaker, this is a bill which comes from the Foreign Affairs Committee by unanimous report of the committee and it simply changes in very slight respect the existing law by which we became members of that organization several years ago. May I say to the gentleman that the organization relates to and its membership is restricted to the American Republics and Canada in the Western Hemisphere. It has done a very fine job in gathering and furnishing statistical information. A great many of these countries do not have complete statistics and this organization has been working with these other countries of this hemisphere in securing this information. I may say that the trade between our country and the South American countries is increasing. This organization has done a very fine job, and has demonstrated the necessity for its existence.

One reason it is necessary to amend the existing law is because some of the other agencies of the Government sometimes want the statistical institute to get information for them. I understand, for instance, Mr. Rockefeller's organization wanted some information. It was given to them, or the desire was to give it to them, but under the ruling of the Comptroller General they could not do so. The $35,000 limitation or ceiling would not permit that even though some other agency of the Government paid the expense.

The $35,000 is the maximum amount that our Government will pay for our part of the expenses of the institute, and even though other agencies of the Government should be willing to pay for information which the institute would secure for them, it cannot be furnished if the aggregate expenditure for the year exceeds $35,000. The pending resolution, on line 6, restricts the $35,000 maximum for adhering membership, as was intended when the act was passed.

Mr. KEEFE. Do I understand that the amendment proposed will permit other agencies of the Government to transfer funds to this organization for the performance of statistical services?

Mr. LUTHER A. JOHNSON. No; I do not think so. There would be no transfer of funds, as I understand it.

Mr. KEEFE. Is there any ceiling upon the expenditures that this organization could make upon request for other agencies of the United States Government?

Mr. LUTHER A. JOHNSON. I do not think that would be much. It is just an occasional request of this kind.

Mr. JONES. Mr. Speaker, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentleman from Ohio.

Mr. JONES. Is this in connection with the expenditure of the cultural relations program of South America?

Mr. LUTHER A. JOHNSON. No. These are statistics with reference to trade, commerce, and vital statistics, I will say to the gentleman from Ohio.

Mr. JONES. Mr. Speaker, if the gentleman will yield further, is this in connection with the investigation to see what students, and so forth, will come up from South America?

Mr. LUTHER A. JOHNSON. No; this is commercial data largely and statistics of that kind, as I understand it. Business firms call upon the institute for statistics upon various matters relating to trade, and the information furnished is valuable in promoting commerce.

Mr. JONES. In connection with the State, Justice, and Commerce appropriation bill, I made several points of order to language used in the bill. That language was not contested. I would like to have an opportunity to debate this measure if it has to do with the appropriations that we passed and authorized in express language throughout the State Department bill. I would like an opportunity to examine the bill.

Mr. LUTHER A. JOHNSON. This is really not in the State Department. We have as our representative one from the Bureau of the Budget.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. JONES. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MEXICAN BORDER SERVICE MEDAL

The Clerk called the bill (H. R. 2322) to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve forces of the Army on active duty in 1916 and 1917.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to issue the Mexican Border Service Medal to any officer of the Medical Reserve Corps or to any other member of a reserve component of the Army not eligible under existing law to receive such medal or the Mexican Service Medal heretofore authorized by the President who (1) served on the Mexican border at any time during the period from January 1, 1916, to April 6, 1917, or (2) was called to active duty during such period on account of the existing emergency and served in the field but rendered service elsewhere than on the Mexican border: *Provided*, That such medal shall not be issued to any person who has, subsequent to such service, been dishonorably discharged from the service or deserted.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KERMIT ROOSEVELT FUND

The Clerk called the joint resolution (H. J. Res. 136) to provide for the establishment, management, and perpetuation of the Kermit Roosevelt fund.

There being no objection, the Clerk read the joint resolution as follows:

Resolved, etc., That there is hereby established in the War Department a board to be known as the Trustees of the Kermit Roosevelt Fund, whose duty it shall be properly to administer all money and property which hereafter may come under its control as part of the Kermit Roosevelt fund, created pursuant to section 2 hereof. The board shall be composed of the Chief of Finance, United States Army, ex officio, and three general officers of the Army who shall be appointed to the board and may be replaced thereon by the Secretary of War.

SEC. 2. The board is hereby authorized to accept from Mrs. Kermit Roosevelt such money and property as she may tender, to receipt therefor on behalf of the United States, and to deposit the funds so received in the Treasury of the United States as the original corpus of a trust fund, to be known as the Kermit Roosevelt fund, which shall be used for the purpose of fostering a better understanding and a closer relationship between the military forces of the United States and those of the United Kingdom by sponsoring lectures or courses of instruction to be delivered by officers of the British Army at the United States Military Academy and elsewhere in the United States and by officers of the United States Army at Sandhurst Royal Military College and elsewhere in the United Kingdom or, should such exchange lectures prove or become impracticable or unnecessary for any reason, by such other application of the funds as the board, with the approval of the Secretary of War, may determine. The original corpus of the fund and the income therefrom may be disbursed at the discretion of the board in furtherance of the stated purpose, and shall be subject to investment and reinvestment as provided in section 3 hereof.

SEC. 3. The board is also authorized to accept, receive, hold, and administer gifts, bequests and devises of money, securities, or other property, whether real or personal, from any source, for the benefit of the Kermit Roosevelt fund, but no such gift, bequest, or devise which entails any expenditure not to be met out of the gift, bequest, devise, or the income thereof shall be accepted without the consent of Congress. Such additional sums or property shall be receipted for by the Chief of Finance and may, at the discretion of the board and unless otherwise restricted by the terms of the gift, bequest, or devise, be administered and disbursed in the same manner as the original corpus of the fund and the income therefrom. The board may in its discretion sell or exchange securities or other property given, bequeathed, or devised to or for the benefit of the Kermit Roosevelt fund, and may invest and reinvest the proceeds thereof, together with any other moneys in the fund, in such investments as it may determine from time to time: *Provided, however*, That the board is not authorized to engage in any business, nor shall it make any investments for the account of the fund which could not lawfully be made by a trust company in the District of Columbia, except that it may make any investment directly authorized by the instrument of gift, bequest, or devise under which the funds to be invested are derived, and may retain any investments accepted by it.

SEC. 4. The income from any property held or administered by the board, as and when collected, shall be deposited in the Treasury of the United States to the credit of the trust fund established pursuant to section 2 hereof, and it shall be and remain subject to investment, reinvestment, and disbursement by the board for the uses and purposes set forth herein.

SEC. 5. The board shall have all the usual powers of a trustee in respect to all property administered by it, but the members of the board shall not be personally liable, except for misfeasance, on account of any acts performed in their trust capacity. The members of the board shall not be required to furnish bond, and no additional compensation shall accrue to any of them on account of their duties as trustees. Within the limits prescribed by sections 2, 3, and 4 hereof, the administration, control, and expenditure of this fund and its application to the purposes intended shall be according to the sole discretion of the board, and the exercise of its discretion and authority in regard thereto and its decisions thereon, including any payments made or authorized by it to be made from the Kermit Roosevelt fund, shall not be subject to review except by the Secretary of War, to whom the board shall, on the 1st day of January, each year, render a full report of its activities during the preceding twelve months. The action of the board shall not be subject to judicial review except in an action brought in the United States District Court for the District of Columbia, which is hereby given jurisdiction of such suits, for the purpose of enforcing the provisions of any trust accepted by the board.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. PRIEST. Mr. Speaker, that concludes the reading of the eligible bills on the Consent Calendar today.

Mr. COLE of New York. Mr. Speaker, may I call the attention of the gentleman from Tennessee to the next bill on the Consent Calendar which, as the gentleman has stated, has not been on the calendar long enough to be called up at this date. But because of the peculiar significance of this particular day and the type of bill it is, I ask if he would not withhold his remarks and let this bill be called up? For the information of the House, this is a measure to authorize the award of some suitable medal or mark of distinction to the members of the draft boards, who have served voluntarily, at the sacrifice of their own interests, and have devoted their time to the selection of our Army back through the years. Today is the first day of victory to crown their efforts, and I think it is especially appropriate that the bill be passed today.

Mr. PRIEST. May I say to the gentleman from New York that I certainly have no objection to considering the bill at this time. I was simply carrying out my responsibility to notify the House that the remaining bills on the calendar are not eligible for consideration under the rule. If the bill may be considered by unanimous consent, it certainly has my endorsement. I agree with the sentiments expressed by the gentleman from New York.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that Consent Calendar No. 102, the bill H. R. 1812, be called today, irrespective of the fact that it has not been on the Consent Calendar long enough to be eligible for consideration under the rule.

Mr. HOFFMAN. Reserving the right to object, Mr. Speaker, will that citation, or whatever it is, go to those boards which have been drafting men in violation of the Tydings amendment?

Mr. COLE of New York. It will go to any member of the Selective Service System who has served faithfully for 2 years or more.

Mr. HOFFMAN. Well, if you want to reward them, it is all right with me.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Kentucky.

Mr. MAY. I should like to suggest to the gentleman from New York that he make his request apply to the remainder of the bills on the Consent Calendar today. These three bills were placed on the Calendar too late to be considered today under the rule, but the passage of each of them is almost imperative. In the case of two of the bills, the acts which they extend will expire on the fifteenth of this month. The other bill relates to the reshuffling of officers on the European front.

Mr. COLE of New York. I think the gentleman is entirely right. These bills should be passed today.

Mr. Speaker, I ask unanimous consent that Consent Calendar Nos. 102, 103, 104, and 105, the bills H. R. 1812, H. R. 2992, H. R. 3070, and S. 701, respectively, be considered today.

Mr. O'HARA. Reserving the right to object, Mr. Speaker, I should like to have the gentleman from Kentucky explain what these bills do. Some of us do not know anything about them.

Mr. MAY. I shall be glad to do that as the bills are called.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will call Calendar No. 102.

AWARD OF MERIT FOR UNCOMPENSATED PERSONNEL OF THE SELECTIVE SERVICE SYSTEM

The Clerk called the bill (H. R. 1812) to authorize an award of merit for uncompensated personnel of the Selective Service System.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Congress hereby declares that many members of local boards, boards of appeal, Government appeal agents, local board examining physicians and dentists, members of medical advisory boards, and reemployment committeemen and other uncompensated personnel of the Selective Service System have, in a manner which is an example of patriotism, served the United States in the administration of the Selective Training and Service Act of 1940, as amended. This service has been voluntary and uncompensated and in many cases has resulted in great sacrifices on the part of these citizens.

The Congress further declares that in accordance with the historic policy of the United States to recognize and publicly acknowledge the gratitude of the people and Government of the United States for patriotic service, that uncompensated personnel of the Selective Service System who have given faithful service should be awarded a certificate and medal in recognition of their patriotic service.

SEC. 2. There may be awarded in the name of the Congress of the United States to such uncompensated personnel of the Selective Service System who have faithfully served more than 1 year and such others who have served faithfully as may be selected by the Director of Selective Service a certificate and a medal for faithful service in the administration of the Selective Training and Service Act of 1940, as amended.

SEC. 3. The medal authorized by this act shall be known as the Selective Service Medal and shall be in such form and of such design and material as shall be prescribed by the Director of Selective Service.

SEC. 4. The appropriations for the Selective Service System shall be available for the payment of all expenses incident to the creation and awarding of the certificates and medals authorized by this act.

With the following committee amendment:

Page 2, line 13, strike out "one year" and insert "two years."

Mr. KNUTSON. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, why should not this measure be amended so as to take care of the members of the draft boards who rendered equally good service in the First World War? In the Sixty-sixth and Sixty-seventh Congresses I introduced a measure to recognize the fine services that were rendered by the draft boards of World War No. 1. Certainly they rendered valuable service to the public. I should like to see an amendment offered to take care of them, even at this late day. Many of those men are still alive. This would be a tardy recognition but an entirely proper and fitting one, and I hope the bill can be amended in such a manner as to provide that the members of the draft boards in both wars be equally recognized.

Mr. ANDREWS of New York. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. ANDREWS of New York. There are very few members of the draft boards of the last war left. Furthermore, the draft situation was different. It did not last for 2 years.

Mr. KNUTSON. I know it did not last for 2 years, and we ought to be thankful that it did not. I do not think we should overlook the services which the draft boards of the First World War rendered. This would be a very appropriate time to give them that recognition to which they are justly entitled.

Mr. ANDREWS of New York. Why does not the gentleman introduce a bill to that effect?

Mr. KNUTSON. Oh, I had a bill of that nature pending for a long time. I had it pending in two or three Congresses but I never got anywhere with it. I am not going to obstruct the passage of this bill, but I certainly feel we ought to give equal recognition to the draft boards of the First World War.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. Yes.

Mr. JENSEN. I think the gentleman is exactly right. I hope the committee will accept his amendment.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that the bill be passed over until I can prepare an amendment.

Mr. ANDREWS of New York. Mr. Speaker, a point of order. The bill is already before the House for consideration.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the bill be passed over without prejudice. He has the right to ask that at any time.

Is there objection to the request of the gentleman from Minnesota?

Mr. COLE of New York. Mr. Speaker, I object.

Mr. KNUTSON. I shall ask the Senate to take care of the omission.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING PROVISIONS OF ACT OF JULY 11, 1941

The Clerk called the bill (H. R. 2992) to extend the provisions of the act of July 11, 1941 (Public Law 163, 77th Cong.).

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. O'HARA. Mr. Speaker, reserving the right to object, will the chairman of the Committee on Military Affairs explain the bill?

Mr. MAY. I will be glad to explain the bill, Mr. Speaker. This is a bill which was passed 4 years ago which authorizes the Secretary of War and the Secretary of the Navy to establish quarantine boundaries around camps and cantonments and naval bases for the purpose of cooperation with the State and local authorities prohibiting illicit practices which are calculated to spread loathsome diseases among the armed forces. The Public Health officials who have had the administration of the act appeared before our committee and requested an extension of it. The bill as reported extends the act for a period of 1 year until May 15, 1946, or until such earlier time as Congress may, by concurrent resolution, designate.

Mr. O'HARA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Public Law 163, Seventy-seventh Congress (518a, ch. 13, title 18 of the Criminal Code), is hereby amended by deleting "May 15, 1945" and inserting in lieu thereof the following: "May 15, 1946, or the date of the termination of hostilities in the present war, or on such earlier date as may be specified in a concurrent resolution of the two Houses of Congress for that purpose. As used in this section the term 'date of the termination of hostilities in the present war' means the date proclaimed by the President as the date of such termination or the date specified in a concurrent resolution of the two Houses of Congress as the date of such termination, whichever is the earlier."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING PROVISIONS OF ACT OF NOVEMBER 29, 1940

The Clerk called the bill (H. R. 3070) to extend the provisions of the act of November 29, 1940 (Public Law 834, 76th Cong.).

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. O'HARA. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. MAY. Mr. Speaker, this act relates to the examination of medical officers in the Army Medical Corps, with

reference to veterinarians and dentists. Under the law as it exists the Secretary of War is required to give an examination before he can promote them; or on discharge. This merely requires him to give the examination relating to their physical condition, not as to their qualifications, because that has already been passed upon.

Mr. O'HARA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That for the duration of the wars in which the United States is presently engaged and for 6 months thereafter, the Secretary of War may, in his discretion, dispense with any part of the examination for promotion in the Regular Army of officers of the Medical, Dental, and Veterinary Corps, except those relating to physical examination.

SEC. 2. This act shall become effective as of May 15, 1945.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WARTIME REDUCTION OF TEMPORARY GRADES HELD BY GENERAL OFFICERS OF THE ARMY OF THE UNITED STATES

The Clerk called the bill (S. 701) to provide a method for the wartime reduction of temporary grades held by general officers of the Army of the United States

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. O'HARA. Mr. Speaker, reserving the right to object, would the gentleman from Kentucky explain the bill?

Mr. MAY. Mr. Speaker, under the law as it now exists, when the movement of our armies from Europe is under way, the Chief of Staff does not have authority to adjust the rank or the grade of officers above that of major general. Everyone now knows that we have reached a stage of this war when we will soon be transferring large units from Europe to the Pacific and that situation makes this legislation necessary now. The purpose of this bill is to enable the Army to adjust the rank and grades of officers from major general up. It simply means that when an officer holding the rank of lieutenant general, for instance, or even general of the armies, is transferred from the European theater of operations, it is the idea of the Chief of Staff that it would be embarrassing to that officer to go to the Pacific area and after he gets there be reduced in rank. The purpose is to reduce the rank, if it should be reduced, down to major general before he leaves his field of operations and after his duties are performed there, in order to prevent embarrassment to the officer, and let him go into the new field of operations with the rank that has already been accorded him.

Mr. O'HARA. This is not any attempt to make permanent the rank of these temporary generals?

Mr. MAY. Oh, no.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, during the continuance of any of the wars in which the United States is now engaged and for 6 months thereafter, the President, without the advice and consent of the Senate, is authorized to appoint any member of the Army of the United States who, since August 27, 1940, has been appointed, by and with the advice and consent of the Senate, to the temporary grade of major general in the Army of the United States or to any higher grade, and whose appointment to such grade has been terminated, to any temporary general officer grade in the Army of the United States which is lower than the grade held under the appointment terminated.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article by Mr. Archibald B. Thatcher, published in the Washington News Digest, on the subject of universal training.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a short statement by Mr. Owen D. Young, published in the bulletin of the International Office for Education.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is the day set to call individual bills on the Private Calendar. The Clerk will report the first bill on the calendar.

COLD SPRING, MINN.

The Clerk called the first bill on the calendar (H. R. 2008) for the relief of the village of Cold Spring, Minn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the village of Cold Spring, Minn., the sum of $3,637.27. The payment of such sum shall be in reimbursement for the payment by the said village of Cold Spring, Minn., of the costs of an action brought by Michael Schmit against it and the judgment rendered against it therein on April 10, 1944, for personal injuries sustained by Francis Schmit, son of the said Michael Schmit, who was burned by a flare used by employees of the Work Projects Administration on a water-main project in said village of Cold Spring, Minn.

With the following committee amendments:

Page 1, line 7, insert "full settlement of all claims against the United States as."

Page 2, line 5, after the word "Minnesota", insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MORGAN CREAMERY CO.

The Clerk called the bill (H. R. 952), for the relief of the Morgan Creamery Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $920.64, to the Morgan Creamery Co., of Fargo, N. Dak., in full settlement of all claims against the United States as part of the excess cost alleged to have been incurred by the United States by reason of the failure of the Morgan Creamery Co. to perform under contract No. VA37r-935, entered into on June 25, 1942, with the United States Veterans' Administration to deliver fresh milk, cream, buttermilk, and cottage cheese to the Veterans' Administration facilities, Fargo, N. Dak., during the fiscal year ended June 30, 1943: *Provided*, That no part of the amount approriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARDY H. BRYANT

The Clerk called the bill (H. R. 2005) for the relief of Hardy H. Bryant.

Mr. DOLLIVER and Mr. SPRINGER objected, and the bill, under the rule, was recommitted to the Committee on Claims.

DR. ALMA RICHARDS AND MRS. MARY BLOCK

The Clerk called the bill (H. R. 1710) for the relief of Dr. Alma Richards and Mrs. Mary Block.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Alma Richards, Memphis, Tenn., the sum of $10,000, and to Mrs. Mary Block, Memphis, Tenn., the sum of $1,000. The payment of such sums shall be in full settlement of all claims against the United States on account of personal injuries sustained on December 6, 1940, by the said Dr. Alma Richards and Mrs. Mary Block when the automobile in which they were riding was in collision in Memphis, Tenn., with a truck in the service of the Work Projects Administration.

With the following committee amendments:

Page 1, line 6, strike out "$10,000" and insert "$7,140."

Page 2, line 3, after the word "Administration", insert "*Provided*, That no part of

the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DANIEL D. O'CONNELL AND ALMON B. STEWART

The Clerk called the bill (H. R. 1303) for the relief of Daniel D. O'Connell and Almon B. Stewart.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Daniel D. O'Connell and Almon B. Stewart, both of Bangor, Maine, the sums of $544.16 and $1,732.22, respectively, in full satisfaction of all claims against the United States for damages sustained by them by the failure of George E. Glunt, of Altoona, Pa., to pay said Daniel D. O'Connell and Almon B. Stewart for labor and materials furnished as subcontractors under said George E. Glunt, who held a contract with the Civil Aeronautics Administration for the construction of an airways communication station building at the Bangor (Maine) Airport: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA MANRIQUEZ RUIZ

The Clerk called the bill (S. 70) for the relief of Maria Manriquez Ruiz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maria Manriquez Ruiz, of Phoenix, Ariz., the sum of $3,000, in full satisfaction of her claim against the United States for compensation for injuries sustained by her when a United States Army airplane crashed into her home in Phoenix, Ariz., on April 22, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTELLA RUIZ

The Clerk called the bill (S. 71) for the relief of the legal guardian of Estella Ruiz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Estella Ruiz, a minor, of Phoenix, Ariz., the sum of $1,350, in full satisfaction of all claims against the United States for compensation for the personal injuries sutained by the said Estella Ruiz, and medical expenses incurred for her treatment, as the result of an accident involving an Army airplane which occurred in Phoenix, Ariz., on April 22, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

P. W. VAN DOREN AND E. J. COATES

The Clerk called the bill (S. 407) for the relief of Pierce William Van Doren and Elmer J. Coates.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Pierce William Van Doren the sum of $3,500, and to Elmer J. Coates the sum of $3,500, in full satisfaction of their respective claims against the United States for compensation for loss of time, pain, and suffering, and permanent injuries sustained by them as the result of an accident which occurred when the automobile in which they were riding was struck by a United States Army vehicle in San Fernando, Calif., on March 24, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES A. STRAKA

The Clerk called the bill (S. 519) for the relief of the estate of Charles A. Straka.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

REIMBURSEMENT OF CERTAIN MARINE CORPS PERSONNEL FOR FIRE LOSS

The Clerk called the bill (S. 569) to reimburse certain Marine Corps personnel and former Marine Corps personnel for personal property lost or damaged as the result of a fire in the training building at the Marine Corps air station, Cherry Point, N. C., on June 3, 1944.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $1,451.65, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Marine Corps personnel and former Marine Corps personnel for the value of personnel property lost or damaged as the result of a fire in the training building at the Marine Corps air station, Cherry Point, N. C., on June 3, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof, shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCES BIEWER

The Clerk called the bill (H. R. 856) for the relief of Frances Biewer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frances Biewer, the sum of $206, as compensation for and in full settlement of all claims for damages against the United States for injuries sustained by her and expenses incident thereto, as a result of her being struck and injured by a Government vehicle which was driven by an employee of the Navy Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of any services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 5, after the name "Biewer" insert the words "of Chicago, Ill."

Line 6, strike out the words "as compensation for and."

Line 7, before the word "injuries" insert the word "personal."

Line 7, also, strike out the words "for damages."

Line 10, after the word "Department" insert the words "on September 6, 1944, in Chicago, Ill."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VERNE V. GUNSOLLEY

The Clerk called the bill (H. R. 931) for the relief of Verne V. Gunsolley.

Mr. SPRINGER and Mr. DOLLIVER objected and, under the rule, the bill was recommitted to the Committee on Claims.

MRS. MARY KARALIS AND NICHOLAS KAVALARIS

The Clerk called the bill (H. R. 1054) for the relief of Mrs. Mary Karalis and Nicholas Kavalaris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Mary Karalis, Minneapolis, Minn., the sum of $540, and to Nicholas Kavalaris, Albion, Mich., the sum of $52.50. The payment of such sums shall be in full settlement of all claims against the United States of the said Mrs. Mary Karalis for personal injuries, and of the said Nicholas Kavalaris for damage to personal property, sustained on May 2, 1940, when the automobile in which they were riding was struck on United States Route No. 12, near Baraboo, Wis., by a United States Army truck.

With the following committee amendment:

Line 6, after the words "the sum of," strike out the remainder of the bill and insert in lieu thereof the following "240 in full settlement of all claims against the United States for personal injuries, medical, and hospital expenses, sustained as the result of a collision between the automobile in which she was a passenger, and a United States Army truck on United States Route No. 12, near Baraboo, Wis., on May 2, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill for the relief of Mrs. Mary Karalis."

A motion to reconsider was laid on the table.

MRS. ZELMA INEZ CHEEK

The Clerk called the bill (H. R. 1671) for the relief of Mrs. Zelma Inez Cheek.

Mr. LEWIS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

RELIEF OF CERTAIN NAVAL PERSONNEL FOR LOSSES AT TRINIDAD, BRITISH WEST INDIES, JUNE 11, 1944

The Clerk called the bill (H. R. 2685) to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $3,643.56, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain naval personnel and former naval personnel for the value of personal property lost or damaged as the result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE TOBEY HOSPITAL

The Clerk called the bill (H. R. 2721) for the relief of the Tobey Hospital.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Tobey Hospital, Wareham, Mass., the sum of $427.25. The payment of such sum shall be in full settlement of all claims of the said Tobey Hospital against the United States for services rendered, and supplies furnished to members of the United States Army stationed at Camp Edwards, Mass., who were injured in two automobile accidents, the first of which occurred on April 25, 1941, and the second on December 7, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. J. D. WHITESIDE AND ST. LUKE'S HOSPITAL

The Clerk called the bill (H. R. 2930) for the relief of Dr. J. D. Whiteside and St. Luke's Hospital.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LEWIS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

WILLIAM EDWARD OATES

The Clerk called the bill (S. 78) for the relief of the estate of William Edward Oates.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $6,453 to the estate of William Edward Oates, in full satisfaction of all claims against the United States for compensation for the death of the said William Edward Oates, late of Birmingham, Ala., who was killed when the motorcycle which he was riding was struck by a United States Army truck on United States Highway No. 31 near Montgomery, Ala., on December 2, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in conection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. SPRINGER. Mr. Speaker, I offer an amendment.

The Clerk read the amendment as follows:

Amendment offered by Mr. SPRINGER: Page 1, line 5, strike out "$6,453" and insert in lieu thereof "$5,453."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY MARTHA WITHERS

The Clerk called the bill (S. 174) for the relief of Mary Martha Withers, as trustee; Mary Martha Withers, as administratrix of the estate of Beatrice Withers, deceased; and Mary Martha Withers, individually.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to Mary Martha Withers, as trustee for herself and Myrtle Withers Figgatt and Lochie Withers Giddings under an indenture executed by Beatrice Withers bearing the date of July 14, 1942, the sum of $4,425, in full satisfaction of the claim of such trustee against the United States for compensation for the loss of a building at No. 322 North Claybrook Street, Memphis, Tenn., which was destroyed by fire when a United States Army airplane crashed into such building on April 29, 1944, (2) to Mary Martha Withers, as administratrix of the estate of Beatrice Withers, deceased, the

sum of $3,791.93 in full satisfaction of the claim of such estate for compensation for the loss of personal property belonging to the said Beatrice Withers, which was destroyed in such fire; and the sum of $5,000 in full satisfaction of all claim arising out of the death of the said Beatrice Withers as a result of such fire; and (3) to Mary Martha Withers, of Memphis, Tenn., individually, the sum of $1,734.04, in full satisfaction of her claim against the United States for compensation for the loss of personal property belonging to her, which was destroyed in such fire: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUNE I. GRADIJAN

The Clerk called the bill (S. 316) for the relief of June I. Gradijan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding provisions contained in the Department of Agriculture Appropriation Act, 1943, Public Law No. 674, Seventy-seventh Congress, second session (56 Stat. 664), prohibiting the payment of compensation therefrom to officers or employees who are not citizens of the United States, the Comptroller General of the United States is hereby authorized and directed to allow credit in the settlement of disbursing officers' accounts, and relieve certifying officers of liability for such payment for services rendered by June I. Gradijan, while employed in the Department of Agriculture during the fiscal year 1943, as are otherwise correct and legal.

SEC. 2. June I. Gradijan shall not be required to refund the compensation received for such services; and any amounts which have been collected or paid as a refund of such compensation shall be repaid to the person making the payment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JAMES A. KELLY

The Clerk called the bill (S. 328) for the relief of James A. Kelly.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., title 5, secs. 767, 770), are hereby waived in favor of James A. Kelly, who is alleged to have sustained an injury on October 8, 1940, while employed as a laborer at the United States Navy Yard, Portsmouth, N. H., and his case is authorized to be considered and acted upon under the remaining provisions of such act, as amended, if he files a notice of such disability and claim for compensation with the United States Employees' Compensation Commission not later than 60 days after the date of enactment of this act: *Provided*, That any benefits that may be awarded shall not accrue prior to the date of enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELLEN McCORMACK

The Clerk called the bill (S. 359) for the relief of Mrs. Ellen McCormack.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Ellen McCormack, of Saugus, Mass., the sum of $549.52, in full satisfaction of her claims against the United States (1) for reimbursement of medical and other expenses incurred because of personal injuries sustained by her, and (2) for compensation for personal property lost or damaged, as a result of an accident which occurred when she was struck by a United States Army vehicle, near the intersection of Broadway and Essex Street, in Saugus, Mass., on May 6, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJ. MALCOLM K. BEYER

The Clerk called the bill (S. 467) for the relief of Maj. Malcolm K. Beyer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maj. Malcolm K. Beyer, the sum of $1,076, in full settlement of all claims against the Government by him for the loss of clothing and personal effects destroyed by fire at the officers' quarters at Civilian Conservation Corps Camp Breeze Hill, Wawayanda, N. Y., on April 3, 1937.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN H. GRADWELL

The Clerk called the bill (S. 491) for the relief of John H. Gradwell.

Messrs. SPRINGER and DOLLIVER objected, and, under the rule, the bill was recommitted to the Committee on Claims.

CHESLEY BRAZIL

The Clerk called the bill (S. 591) for the relief of Chesley Brazil.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding provisions contained in the several appropriations acts for the fiscal years 1940, 1941, 1942, and 1943 prohibiting the payment of compensation to officers or employees who are not citizens of the United States, the Comptroller General of the United States is hereby authorized and directed to allow credit in the settlement of disbursing officers' accounts, and relieve certifying officers of liability for payments for services rendered by, and for annual and sick leave granted to, Chesley Brazil, of Eugene, Oreg., as an employee of the Bonneville Power Administration, where such payments are otherwise correct and legal.

SEC. 2. If credit is allowed in disbursing officers' accounts in accordance with section 1 of this act, said Chesley Brazil shall not be required to refund the amount thereof.

SEC. 3. Notwithstanding any provisions contained in the civil-service laws, rules, or regulations relating to the admission to examination or appointment of aliens, said Chesley Brazil's appointment as an employee of the Bonneville Power Administration is hereby ratified and confirmed and his appointment and period of service shall be treated for all purposes as if he had been at all times a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERMAN GELB

The Clerk called the bill (H. R. 838) for the relief of Herman Gelb.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Herman Gelb, of New York City, N. Y., the sum of $10,000 in full settlement of all claims against the United States by said Herman Gelb on account of the injuries sustained by him when the automobile in which he was a passenger was struck by a War Department jeep on October 15, 1943, in Jersey City, N. J.: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$10,000" and insert in lieu thereof "$500."

Mr. LEWIS. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. LEWIS to the committee amendment:

Page 1, line 6, strike out "$500" and insert in lieu thereof "$200."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOROUGH OF PARK RIDGE, N. J.

The Clerk called the bill (H. R. 1562) for the relief of the Borough of Park Ridge, N. J.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated the sum of $9,469.10 to the Borough of Park Ridge, Park Ridge, N. J., in

full settlement of all claims against the United States for damages sustained by the borough roads as the result of hauling sand from a sand pit located in the interior of the borough in connection with the grading and graveling of roads at Camp Shanks, Orangeburg, N. Y., during the spring of 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$9,469.10" and insert in lieu thereof "$7,500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHAEL C. DONATELL

The Clerk called the bill (H. R. 1629) for the relief of Michael C. Donatell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Michael C. Donatell, Willmar, Minn., the sum of $15,000. The payment of such sum shall be in full settlement of all claims of the said Michael C. Donatell against the United States on account of permanent impairment of vision caused by an injury to his left eye received on April 30, 1943, at Tintah, Minn., when he was struck by an egg thrown from the kitchen car of a United States Army troop train. At the time of the receipt of such injury, the said Michael C. Donatell was engaged in his employment as fireman for the Great Northern Railway Co.

With the following committee amendments:

Page 1, line 6, strike "$15,000" and insert "$4,339.20".

At the end of the bill, insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CANAL DREDGING CO.

The Clerk called the bill (H. R. 1713) for the relief of Canal Dredging Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby appropriated out of any moneys in the Treasury the sum of $63,663.59, covering the unrecouped losses and extra costs sustained by the Canal Dredging Co. in work on Lake Okeechobee, Fla., by reason of an excess amount of rock encountered on the work, all as indicated by findings of the Court of Claims in Findings and Opinion dated March 1, 1943, and printed as Senate Document No. 36, Seventy-eighth Congress, first session.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Canal Dredging Co., the sum of $40,000, in full settlement of all claims against the United States as the reasonable price for certain excavating work on Lake Okeechobee, Fla., performed for the Government by the said Canal Dredging Co. and for which it has not been paid, as found by the Court of Claims in its decision of March 1, 1943, and heretofore reported to Congress: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the presentation of this claim to the proper committees of Congress, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOMENICO STRANGIO

The Clerk called the bill (H. R. 1845) for the relief of Domenico Strangio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $39.62 to Domenico Strangio, of Sacramento, Calif., in full settlement of all claims against the United States for services rendered as an employee at the Sacramento Post Office during the holiday in December 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STEWART MARTIN, JR.

The Clerk called the bill (H. R. 2003) for the relief of the legal guardian of Stewart Martin, Jr., a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Stewart Martin, Jr., a minor, of Union Township, N. J., the sum of $3,500, in full settlement of all claims against the United States for personal injuries sustained by the said Stewart Martin, Jr., in an accident in New Egypt, N. J., on July 3, 1943, involving an Army truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$3,500", and insert "$4,500."

Mr. DOLLIVER. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. DOLLIVER to the committee amendment: Page 1, line 7, strike out "$4,500", and insert "$3,500."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. SADIE L. DANCE AND OTHERS

The Clerk called the bill (H. R. 842) for the relief of Mrs. Sadie L. Dance, Michigan Millers Mutual Fire Insurance Co., and State Farm Fire Insurance Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Sadie L. Dance, of South Boston, Va., the sum of $282; to Michigan Millers Mutual Fire Insurance Co., of Lansing, Mich., the sum of $1,363.81; and to State Farm Fire Insurance Co., of Bloomington, Ill., the sum of $200. The payment of such sums shall be in full settlement of all claims against the United States for real and personal property damages sustained by the said Mrs. Sadie L. Dance on June 18, 1944, when a United States Navy airplane crashed on her property in South Boston, Va. The payment herein authorized to the said Mrs. Sadie L. Dance shall be in full settlement of damages resulting from such crash to her fence, driveway, rose garden, shrubbery, and lawn, and the payments herein authorized to such insurance companies shall be in full settlement of all claims of such companies by reason of their being required, by the terms of policies issued to the said Mrs. Sadie L. Dance, to pay such sums to her upon damage by fire resulting from such airplane crash to real and personal property belonging to her: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATE OF CALIFORNIA

The Clerk called the bill (H. R. 1465) for the relief of the State of California.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the State of California, the sum of $12,676.83, in full settlement of all claims against the United States for damages and cost of repairs to the San Francisco-Oakland Bay Bridge across the Bay of San Francisco (which said bridge is owned and operated by the State of California) as a result of being struck by United States Navy SBD-5 airplane, bureau No. 28851, on September 12, 1943: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. AUGUSTA McCALL

The Clerk called the bill (H. R. 1552) for the relief of Mrs. Augusta McCall.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,000 to Mrs. Augusta McCall, of San Antonio, Tex., in full settlement of all claims against the United States for personal injuries suffered by her when she was struck by a Government truck in San Antonio, Tex., on July 7, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$3,000" and insert "$500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ETHEL FARKAS, JULIUS FARKAS AND LEGAL GUARDIAN OF TEREZ FARKAS

The Clerk called the bill (H. R. 1606) for the relief of Ethel Farkas, Julius Farkas, and legal guardian of Terez Farkas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated to Ethel Farkas, the sum of $7,200.97; to Julius Farkas, the sum of $2,500; to the legal guardian of Terez Farkas, the sum of $1,400, all of 955 Hillside Boulevard, New Hyde Park, Nassau County, N. Y., in full settlement of all claims against the United States for personal injuries, hospital and medical expenses, loss of wages, and for the services of Mrs. Ethel Farkas to the household as the result of injuries sustained in a collision between the car in which Mrs. Farkas was riding and a United States Army vehicle at the intersection of Hillside Avenue and Roslyn Road, East Williston, N. Y., on May 19, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,500.97 to Mrs. Ethel Farkas, of New Hyde Park, Nassau County, N. Y., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, incurred as the result of a collision between the car in which she was riding and a United States Army veicle at the intersection of East Williston Avenue and Roslyn Road, East Williston, N. Y., on May 19, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALOYSIUS G. MILLER

The Clerk called the bill (H. R. 1913) for the relief of Aloysius G. Miller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Aloysius G. Miller, New Orleans, La., the sum of $175. The payment of such sum shall be in full settlement of all claims of the said Aloysius G. Miller against the United States for property damages sustained on July 14, 1944, when his car, parked on Forshey Street, New Orleans, La., was struck by a United States Army truck.

With the following committee amendment:

At the end of the bill insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALICE WALKER

The Clerk called the bill (H. R. 2700) for the relief of Alice Walker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,000, to Alice Walker, of 1224 Lomb Avenue, Birmingham, Ala., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses and loss of wages as a result of being struck by a United States Army truck in Birmingham, Ala., on June 3, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. A. SMOOT, INC.

The Clerk called the bill (H. R. 1058) for the relief of W. A. Smoot, Inc.

Mr. LEWIS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. PRIEST. Mr. Speaker, that concludes the call of the Private Calendar.

EXTENSION OF REMARKS

Mr. COCHRAN (at the request of Mr. LUTHER A. JOHNSON) was given permission to extend his remarks in the RECORD.

APPREHENSION AND PUNISHMENT OF WAR CRIMINALS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I move to suspend the rules and pass the concurrent resolution (H. Con. Res. 39) to declare a governmental policy in relation to the apprehension and punishment of war criminals, as amended.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that it should be the policy of the Government and its agencies and representatives—

(a) To cooperate with the nations allied with the United States in the present war in the determination of those persons, irrespective of rank, who shall be brought to trial, or summarily punished, as war criminals, for the perpetration of, or the participation in, acts of atrocity, or treachery, oppression, or pillage by political, military, or economic means.

(b) To determine no one exempt from trial or punishment by virtue of his status as head of any state, or as an official of any state, or as an industrialist or civilian, or by virtue of the fact that the acts involved were the acts of state or were performed under the compulsion of superior orders.

(c) To join with other nations in the use of all available means, in addition to treaties

of extradition, to secure the person or property of those persons determined to be war criminals who have already fled, or who may hereafter flee, to any neutral nation, or any other nation, that may harbor them or afford them a place of asylum.

The SPEAKER. Is a second demanded?

Mrs. ROGERS of Massachusetts. I demand a second, Mr. Speaker.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. KEE].

Mr. KEE. Mr. Speaker, House Concurrent Resolution No. 39, now under consideration, merely expresses the sense of the Congress, without having the dignity nor the force of a statute. A resolution of this character does not require the signature of the President in order to make it effective. It is advisory only, and is of value, for its suggestion of a policy to be adopted by the Government in the matter of apprehension and punishment of war criminals.

In my opinion there is but little necessity of argument to influence the Members of the House to stamp with their approval this view of the action that should be taken against war criminals. It is not necessary for all the crimes committed by the Axis Powers to be paraded before you today. During the past several years the leaders of the enemy nations have written into history chapters so terrible and so heart-breaking the untold future years will be required to erase them from those pages or blot them from the memories of people living today and of generations yet to be born.

We are now emerging from a long, long period of aggression and of peril. The conflict in which the free nations of the world have been battling on land and sea and in the air is nearing a victorious conclusion. Already the men responsible for inciting the most terrible war in the history of humanity, the men who have been guilty of the most horrible atrocities in the history of the world, are fleeing from the wrath to come. These are the men who will be praying for the hills to fall upon them and hide them from the just wrath of an outraged people. That they will try to escape their punishment is a foregone conclusion. That they do not escape is a duty we must not neglect. Already our Government has notified the neutral nations of the world that they must not give asylum or refuge to these criminals, for too well do we remember our neglect of our duty at the close of World War No. 1.

We recall how those who were responsible for that war and for the death of the millions of men, women, and children who were victims of the arch criminals of that time were forgiven and forgotten. We recall how many of them were permitted to retire to private life, carrying with them their ill-gotten gains, and allowed to live unpunished and in happiness and content. This must not happen again.

The resolution before you gives expression to the sense of this Congress that the arch criminals of this war shall not be permitted to escape the consequences of their crimes and that they shall be either brought to trial or summarily punished for the perpetration of their unspeakable acts of atrocity and deeds of treachery, oppression, and pillage. This resolution is also a stern warning to every nation in the world that this Government of ours will not brook interference with our determination to see that this punishment is inflicted.

In all this land of ours there will not be a single voice raised to protest this resolution. Its adoption will be heralded and approved by all classes and conditions of men and women. Every father and every mother who have a son or a daughter in uniform will hail it as just and right, and from every home darkened because of the sacrifice of a loved one will come a heartfelt approval. Let us today send this warning winging across the seas to the quaking criminals who are now vainly seeking a place of refuge, and thus say to them that the world is not large enough to hide them from the wrath to come.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, I am heartily in favor of the passage of House Concurrent Resolution 39, introduced by the gentleman from California [Mr. KING] for the apprehension and punishment of war criminals. He deserves credit for having introduced it.

Mr. Speaker, this resolution was reported unanimously out of the Committee on Foreign Affairs with a protective amendment. Everybody in the United States, I believe, will agree in the provisions of this resolution. The resolution provides that it is the sense of Congress that it should be the policy of the Government to cooperate with our allies in the determination of any German official, no matter how high his rank, or any civilian or anyone at all in Germany who has taken part in the perpetration of the barbaric treatment of prisoners of war, both the military and civilian, as war criminals. Also it serves notice to any neutral countries where war criminals may try to seek refuge that the United States will use all available means to secure their persons. The Army and the Navy will take care of the military punishment of these savage Nazis. Mr. Speaker, I will read the amendment which was introduced by the gentleman from South Dakota [Mr. MUNDT].

One page 2, line 6, the bill reads, "to join with other nations in the use of" and then the word "such" is stricken out and the words "all available" are added in its place. Then the words "as may be necessary without regard to, irrespective of the limitation of any" are stricken out and the words "in addition to" are inserted, so that the bill would read, "to join with other nations in the use of all available means in addition to treaties of extradition to secure the person or property of those persons determined to be war criminals who have already fled, or who may hereafter flee, to any neutral nation, or any other nation, that may harbor them or afford them a place of asylum."

It was necessary to have this amendment in the bill, Mr. Speaker, because surely we, of all nations in the world, who have always lived up to our treaty agreements, would not be willing to state in any resolution that was passed that we would scrap those treaties or have our word considered merely a scrap of paper. The gentleman from Michigan [Mr. JONKMAN] also suggested a perfecting amendment to the resolution.

Mr. Speaker, the entire country, and I believe the world, wants the Nazis punished, but I am absolutely sure that all respectable, liberty-loving people would not like to have the United States descend to the worse-than-beasts level of the Nazis. Their behavior has been even worse than that of beasts. For beasts do not torture their prey as the Nazis have tortured both military and political prisoners.

Mr. Speaker, the speedy enactment of this resolution will serve as a warning to all nations who are harboring Nazi prisoners of war that we intend to do everything within our power legally to see that those Nazis are brought to justice.

I believe there will not be a vote against this resolution.

Mr. COLE of New York. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. COLE of New York. What is the significance of paragraph (c), which declares it to be the policy of the Government to apprehend these criminals, irrespective of any treaty obligation which our country may have previously agreed upon?

Mrs. ROGERS of Massachusetts. I will say to the gentleman that the Committee on Foreign Affairs held a special hearing about that very paragraph, and an amendment which was suggested by the gentleman from South Dakota [Mr. MUNDT] was adopted, and which reads as follows:

To join with other nations in the use of such means as may be necessary, without regard to any treaties of extradition, to secure the person or property of those persons—

The words "irrespective of the limitations of" were stricken out and the amendment of the gentleman from South Dakota was inserted in lieu thereof. We considered the bill should be amended in that respect and that is one reason why we did not want it brought up a week ago.

Mr. COLE of New York. I thought it was strange that our Government should be so particular about preserving our international obligations such as the treatment that we gave to German prisoners in this country, and at the same time be ready to abandon our treaty obligations when it came to apprehending criminals responsible.

Mrs. ROGERS of Massachusetts. The gentleman is absolutely correct. We were very particular at Mexico City in the act at Chapultepec, and in every res-

olution we passed there, to see that all treaty obligations should be lived up to. I think this will be satisfactory to everyone.

The State Department saw no objection to the bill as it was originally drawn. And I read the letter. Although signed by the Secretary of State, it was probably written by the Assistant Secretary of State, Mr. Dean Acheson, who handled the bill for the State Department and who testified before our committee in its favor. But, as I stated, the committee decided that section (c) was not satisfactory.

DEPARTMENT OF STATE,
Washington, April 13, 1945.

The Honorable CECIL R. KING,
House of Representatives.

MY DEAR MR. KING: I have received your letter of April 2, 1945, in which you asked for my comments on House Concurrent Resolution 29, expressing the sense of the Congress with reference to the policy of the Government and its agencies and representatives with respect to the treatment of war criminals.

The principles contained in this resolution are in accord with those which this Department has heretofore announced in respect of this matter. Such a resolution would serve, in my opinion, to harmonize the views and policies of the legislative and executive branches of our Government on this important subject, which is much to be desired.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

EDWARD R. STETTINIUS, Jr.

Mr. McCORMACK. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. McCORMACK. And "available means" means all effective means, as I understand it?

Mrs. ROGERS of Massachusetts. Everything possible, so long as we do not violate our treaties.

Mr. McCORMACK. The amendment strengthens the resolution as originally reported from the committee.

Mrs. ROGERS of Massachusetts. Yes; it keeps it within the law.

Mr. McCORMACK. But it means all effective means?

Mrs. ROGERS of Massachusetts. That is correct.

Mr. McCORMACK. That does not mean that we are going to allow the war criminals to escape through any international subterfuge, does it?

Mrs. ROGERS of Massachusetts. No. We are going to follow it right through.

Mr. McCORMACK. Follow it right through to see that they are prosecuted and punished?

Mrs. ROGERS of Massachusetts. Yes. That is what everybody wants. Of course, we do not want to torture these criminals. But certainly war criminals from the highest to the lowest must be punished. In the United States if a man commits murder he is hanged. The Nazis have murdered many political prisoners. The torture they have inflicted was worse than murder.

Mr. McCORMACK. Oh, nobody is talking about torture.

Mrs. ROGERS of Massachusetts. No. But there are some today who would mete out exactly the same kind of cruelty to the Nazis that they have inflicted.

Mr. McCORMACK. There is a policy called "righteous anger and vindictive justice," that is consistent with the moral law.

Mrs. ROGERS of Massachusetts. Many persons would like to do to the Nazis exactly what they did to American prisoners of war and to prisoners of other nationalities.

Mr. McCORMACK. Certainly we are not going to be any "softies" in our treatment of them.

Mrs. ROGERS of Massachusetts. It is going to be very harsh treatment. It is incredible that anyone should treat them softly. This measure serves warning that they will not be treated softly.

Mr. McCORMACK. That is good; and this amendment by the committee does not mean any weakening, as I understand it.

Mrs. ROGERS of Massachusetts. Everything we can do we are going to do and we pledge ourselves to do.

Mr. McCORMACK. In other words, this resolution is not to be considered as a limitation or a little "softie" consideration.

Mrs. ROGERS of Massachusetts. No; it is hard.

Mr. McCORMACK. I am very glad. That is why I asked the gentlewoman; I wanted it understood that this was not a limitation.

Mrs. ROGERS of Massachusetts. We are going to see that justice is done. They are going to be brought to court, tried, and convicted. They will not go unpunished.

Mr. CELLER. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I shall be very happy to yield to the gentleman from New York, who was the first one to introduce a resolution on this subject.

Mr. CELLER. I may say that the gentlewoman understands this matter and has always expressed great interest in the subject in general, but we have had a Crimean declaration of policy. The Crimean declaration is nothing more nor less than a restatement of this principle. The difficulty seems to stem from the fact that we have had no action to implement the policy. In other words, it is all right for us to say in such words as are embodied in this resolution that these criminals should be punished, but what follows?

Mrs. ROGERS of Massachusetts. I firmly believe that a stronger resolution will follow later.

Mr. CELLER. I hope the gentlewoman is right.

Mrs. ROGERS of Massachusetts. I am sure something more definite will be done later after they have considered what the punishment should be.

Mr. CELLER. In the last war the same thing happened, but no action was taken to implement the words.

Mrs. ROGERS of Massachusetts. Mr. Speaker, if the gentleman from Texas wishes to yield time he may.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. KING].

Mr. KING. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an editorial from the Boston Sunday Post.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KING. Mr. Speaker, the resolution which I have introduced places the Congress of the United States fully and squarely behind the announced policy of all the United Nations that all war criminals shall be sought out and inexorably punished.

In a statement released in Moscow on November 1, 1943, President Roosevelt, Prime Minister Chuchill, and Premier Stalin, speaking in the interests of the United Nations, gave full and solemn warning that the German officers and men who had been responsible for or taken part in the horrible and cold-blooded atrocities which have shocked the civilized world, would be sent back to the countries where their abominable deeds were done, there to be judged and punished, this "without prejudice to the case of the major criminals, whose offenses have no particular geographical localization and who will be punished by joint decision of the governments of the allies." They said:

Let those who have hitherto not imbrued their hands with innocent blood beware lest they join the ranks of the guilty, for most assuredly the Three Allied Powers will pursue them to the uttermost ends of the earth and will deliver them to their accusers in order that justice may be done.

Previously in a declaration signed at St. James Palace in London on January 13, 1942, representatives of the Governments of Belgium, Czechoslovakia, Greece, Luxembourg, the Netherlands, Norway, Poland, Yugoslavia, and the Free French National Committee had signed a declaration which placed "among their principal war aims the punishment, through the channel of organized justice, of those guilty of or responsible for these crimes, whether they have ordered them, perpetrated them, or participated in them."

President Roosevelt repeatedly made the position of this Government abundantly clear. On August 21, 1942, he said:

The United Nations are going to win this war. When victory has been achieved, it is the purpose of the Government of the United States, as I know it is the purpose of each of the United Nations, to make appropriate use of the information and evidence in respect to the barbaric crimes of the invaders, in Europe and in Asia. It seems only fair that they should have this warning that the time will come when they shall have to stand in courts of law in the very countries which they are now oppressing and answer for their acts.

On October 7, 1942, he said:

It is our intention that just and sure punishment shall be meted out to the ringleaders responsible for the organized murder of thousands of innocent persons and the commission of atrocities which have violated every tenet of the Chrisitian faith.

The Acting Secretary of State, Mr. Grew, on February 1 of this year pointed out that the Department of State in consultation with other departments had

worked out proposals for the realization of the objectives stated by the President, proposals "as forthright and far-reaching," he said "as the objectives announced by the President which they are intended to implement."

These are but a few of the pronouncements that have been made not only by the executive branch of this Government but by spokesmen for the United Nations.

The resolution which I have introduced makes it clear that the Congress of this country supports both the determination of the United Nations to punish war criminals and the policy of this Government to cooperate wtih its allies in this grave undertaking.

Moreover, the resolution sets forth the policy which the Congress feels should be followed in respect to the defenses against trial or punishment which the criminals may be expected to raise.

Finally it makes it absolutely clear that the Congress supports the administration in the representations which this Government has made to the governments of the neutral nations against affording war criminals asylum in their territory. Mr. Cordell Hull revealed last fall that the neutral governments had been advised that if they refused to admit Axis leaders and their henchmen and criminal subordinates to their territories, problems between those governments and the United Nations could be avoided. They were also advised that the American people would not understand the extension of asylum or protection by neutral countries to any of the persons responsible for the war or for the barbaric acts committed by the Axis leaders. President Roosevelt, almost 2 years ago, on July 30, 1943, declared that "the Government of the United States would regard the action by a neutral government in affording Axis leaders or their tools asylum as inconsistent with the principles for which the United Nations are fighting." The resolution which I have introduced reinforces the policy already declared by the executive branch of the Government that we expect the neutral nations to surrender any war criminals who come within their borders.

The prompt adoption of the resolution is highly desirable since it gives timely notice to the Axis Powers that the Congress wholeheartedly supports the policy announced by the executive branch of the Government to cooperate with the Allied Nations in their steadfast determination to ensure that the guilty shall not escape.

Moreover, on April 16, 1945, in this very Chamber, before a joint session of the Congress of the United States, President Truman, whom providence has destined to lead us out into a more enlightened world of peace, emphatically declared in his brief and courageous message:

> We do not wish to see unnecessary or unjustified suffering. But the laws of God and of man have been violated and the guilty must not go unpunished. Nothing shall shake our determination to punish the war criminals even though we must pursue them to the ends of the earth.

Mr. Speaker, adoption of this resolution by the Congress will not only support and give weight to the emphatic declaration of the President of the United States, but will give notice to the entire world that this Congress intends "that all available means" be used to apprehend war criminals, and by that we mean every possible effective means, facility, or modus operandi that now exists or may hereafter be devised to accomplish the objectives of this resolution and produce the intended results; namely, the apprehension and punishment of war criminals even though we must pursue them to the utter ends of the earth.

In concluding Mr. Speaker, adoption of House Concurrent Resolution No. 39 by the Congress, will formalize the will of American people, and be a definite step in strengthening and supporting the cause for which our beloved, Franklin Delano Roosevelt, the great liberator, gave his live—to bring justice to the world.

[From the Boston (Mass.) Sunday Post of April 29, 1945]

THEY BROKE ALL LAWS

The first test of the strength and durability of the machinery for lasting peace, being assembled at San Francisco, may come quicker than most of us think.

Shortly, the Nazi war lords, the sword wavers, and the word wavers are going to find themselves with their backs against the last wall, and will then flee the scenes of their carnage to seek refuge from angry hands in some foreign hide-out.

Little men, bitter men in the mass, still unwilling to admit defeat and struggling in the way of whimperers for whom all hope is gone, they will look for sanctuary behind the legalistic formalities which nations adopted to protect the good refugee, but not the bad.

It was President Truman, in that part of his address to Congress which was generally overlooked, who sounded the wish and will of the people of America, when he warned that the artificers of the world's sorrow and pain would be pursued to the ends of the earth

It was the House Committee on Foreign Affairs which resolved that the international treaties, which hitherto offered a haven to the fiendish who should face justice for their wantonness, should not bar this Nation from plucking the criminals from their plush hide-outs.

And it is the desire of people all over the world, who have borne physical suffering or the mental anguish of the war, that the men who murdered, tortured, and destroyed so ruthlessly, should not be protected by any national or international red tape.

On the heads of some people in this world, some living and many now dead, is the shame that the kaiser, a killer no better than Hitler, was allowed to end his days, calmly sawing wood and receiving royal attentions.

No tribunal ever sat in judgment upon him. No jury ever walked out of the little room behind the courtroom and said, "Guilty." Time was allowed to erase the memories of his ferocity and responsibility for killing millions until he ended up a harmless old man, fretting away his final days in a style to which he was not accustomed.

This cannot happen again. The sovereignty of nations, the sanctity of treaties, the moral code among men of good will, the law that puts the heads of states above the law—these can hardly be invoked to protect killers who destroyed sovereignty, smashed treaties, blasted the moral code and tramped the earth as gang leaders rather than rulers of people.

All along it has been to the utmost advantage of the Axis Powers and their satellites that the nations arrayed against them have endeavored, even in a time of war, to observe the conventions. While our foes broke the law promiscuously, we carefully adhered to it.

The Nazis made shields of unarmed refugees, they slew 100 hostages for one of their own killed, they bombed cities in terror raids, they sank ships without warning, they stole the food of whole populations to starve them into submission and fatten their own people.

The list of violations of all the laws of God and humanity would bring forth from any grand jury the longest indictment ever known to man. For such, how incongruous it would be, after smashing all laws, that they be allowed to invoke them for their protection.

Here is the test for nations, the active, fighting nations of this war, for the ones which in the eleventh hour declared war on paper so to be in on the feast, and for the neutrals who stubbornly clung to nonparticipation. When the archcriminals fly and seek sanctuary, will the nation where they light act?

If one nation or a few nations falter or haggle, go legalistic or stand on ceremony, then the posse, earth's greatest posse, should assemble, with armed representatives of all the nations included, and go in and get their man without any ifs and whereases. The people, who are the law, do not want them to escape justice—justice that is the sword of the righteous, not the shield of the wicked.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. KING. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to congratulate the gentleman from California for drafting and introducing this resolution, and for the fine work he has done in bringing it to the floor of the House for consideration. The people of the gentleman's district might well be proud of the gentleman's services in this House. In connection with the last observation the gentleman made, I am sure he was pleased to hear the answers of the gentlewoman from Massachusetts to the question I asked her that all available means constitutes in the minds of the members of the Committee on Foreign Affairs all effective means.

Mr. KING. Yes. I thank the majority leader, he is absolutely correct.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Speaker, this resolution, as has been stated, has the unanimous support of the House Committee on Foreign Affairs. We were not only unanimous in our desire to bring punishment to the war criminals but we were unanimous in desiring to maintain the integrity of this Republic in its adherence to treaties and international documents. Torn between those two unanimous objectives, we had some little difficulty in arriving at language which would express as well as language can those two desired goals.

We have written in this resolution clearly and curtly the fact that the Congress is determined to bring to justice wherever they may be found the perpe-

trators of these war crimes. Let us see to it that the people who have been engaged in the type of crime described by the lady from Connecticut [Mrs. LUCE] and others who have visited the war fronts are brought to justice.

We have had considerable questioning by Members of Congress as to the language originally written in the bill which said, "By use of such means as may be necessary without regard to treaties of extradition," and the language first substituted for that which said, "Such means as may be necessary, irrespective of the limitations of any treaties of extradition."

I am mighty glad that this body did not want to go on record in favor of repudiating treaties. After all, the thing America is trying to do is to bring this world back to a respect for law and order, and to have respect for international treaties and international documents. Despite the fact that the State Department was satisfied with the original language, the committee was not. Some of us tried to change the original language in committee and, failing in that, we went back into session again, and after considerable discussion, the committee unanimously suggested the language which I have incorporated in an amendment which reads, "In the use of all available means in addition to treaties of extradition."

I can assure the majority leader that when we say "all available means," we use language as inclusive as we can find in an Englishman's lexicography. We think it is more inclusive than "all effective means" because men might disagree as to what would be effective means. We say "all available means," of every type, except that our committee was unwilling to go on record in favor of disregarding treaties at a time when the nations of the world are meeting in San Francisco to work out a respectable machinery for adherence to national treaties and international obligations. I am sorry the State Department approved that original language. I think it was simply an oversight on its part. I do not believe such language accurately represents the feeling of the State Department. I am positive it does not reflect the feeling of the legislative branch of the Government. We must never permit the enemy countries and the Nazi tyrants to pull us down to their foul level no matter how great the temptation. The United States has always had a high regard for its treaty commitments, and it is my hope it always will.

I hope that this resolution, as amended, will have the unanimous support of the House as it now has the unanimous support of the Committee on Foreign Affairs.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, the instant resolution is laudable. All will vote for it. One could no more be against a declaration of this sort than one could be in favor of sin. It is probably just as right as a dictionary, but of no avail unless it is used and followed up by action.

We have had torrents of words of policy and no action. An ounce of action is worth a pound of preachment. The last time out-worn but legal technicalities bedeviled the plans to punish Hun sadists, mainly because Congress did not follow up the declarations of policy. These declarations were not carried out. They were hamstrung by positive diplomatic sabotage.

What is needed is the actual setting up of working machinery to try the war criminals. This has not, as yet, been done. Although a good beginning may have been created by the appointment of Justice Jackson. The United Nations War Crimes Commission has been working for more than 2½ years, but the mountain has labored and has not even produced a mouse. It has no power. There is no central body to set up the instrumentality of courts. As far as the public knows, there has been no orderly practical program for trials and punishment worked out as yet. Lord Wright, head of the United Nations War Crime Commission, admits that the Commission has no power of investigation and no local officers or machinery either in Germany or elsewhere.

Only recently was Hitler placed on the list of criminals at the instance of the Czechs. Hirohito, due to some forces in our State Department, has not yet been placed on any war criminal list. To say that he and his baron clique would be the only focus of responsibility and stability in Japan after the Japanese defeat is, in my mind, ridiculous. By sparing him and his palace, we only strengthen and encourage the Japanese in their belief that he is a descendant of the sun goddess. That "Sacred cow of Japan must be smashed forever."

Herbert C. Pell, erstwhile American delegate to the War Crimes Commission, has complained bitterly that the Commission through him sent to the State Department months ago recommendations as to methods of trial, types of courts, definition of war criminals, and so forth. Instructions were sought. The State Department has not acted as far as the public knows, in giving such instructions. They may have been given, but we do not know. Why keep these matters secret?

This is the congress or parliament in the world now functioning that knows least of all about war criminals.

There has been full dress rehearsals staged in the British House of Commons on the subject, but we have had no debates on the entire situation. We are indifferently informed. For several years we knew of the general atrocities against other nationals, but there were indifferent shrugging of shoulders. But our chickens came home to roost when we saw the pictures of our own boys tortured and starved in camps like Beesen and Buchenwald.

I believe it is for this Congress to authorize a regular committee like the Judiciary or House Foreign Affairs Committee to stand in the offing and watch the entire situation. Whenever evidences of ineptitude, lack of courage, or hesitancy appear, anywhere, in any department having jurisdiction, or British Foreign Office, or the War Crimes Commission, these committee members could force action or at least inform the public of indecision, unwarranted actions or lack of action. How many Members in this Chamber know the definition of war criminals? Have you given it any study? Has any department issued such definition to the public?

Mr. LUTHER A. JOHNSON. Mr. Speaker, this resolution is for one specific purpose, and one only. It is a declaration by the Congress of the United States as the representatives of the American people, for whom they are authorized to speak, declaring the will of the American people regarding the apprehension and punishment of war criminals.

The executive department has spoken and acted with reference to these war criminals, the press and the radio commenators have expressed their opinions, but Congress and Congress alone has the right to speak for the American people upon this important subject, and when we have spoken, the executive branch of the Government should and will carry out the mandate of the American people in this regard.

The resolution makes three positive and firm declarations, in clear and unequivocal language regarding three phases of these war criminals:

First. In subsection (a), it pledges our Government to cooperate with the nations allied with the United States in the present war in the determination of these criminals, irrespective of rank, who are to be brought to trial and summarily punished as war criminals for the perpetration of and the participation in acts of atrocity, or treachery, oppression, or pillage by political, military, or economic means.

This is a pledge that our Government will cooperate in the punishment of these war criminals, and that they shall be brought to trial and punished for their crimes.

Second. Subsection (b) expresses the conviction that such criminals shall not be exempt from trial or punishment by virtue of any status as head of a state or as an official of any state or as an industrialist or civilian, or by virtue of the fact that any such acts involved were the acts of state or were performed under the compulsion of superior orders.

In other words, that such war criminals shall not hide themselves behind their government or their superior officers, but that they shall all be held subject to punshment without these cloaks of escape that are sometimes invoked by such criminals.

Third. In subsection (c) we pledge the United States to join with other nations in the use of all available means, in addition to treaties of extradition, to secure the person or property of those persons determined to be war criminals who have already fled, or may hereafter flee, to any neutral nation, or any other nation, that may harbor them or afford them a place of asylum.

This is a warning to neutral nations, and other nations, that our Government will not tolerate the harboring of these criminals in havens to which they may

flee, and that we will invoke the powers of the United States, in connection with the other Allied Nations, in demanding the surrender of any such fleeing criminals, so that they may be punished and brought to justice for their atrocities.

This resolution, therefore, deals with all phases of war criminals, both as to their prosecution, regarding their defense, and in apprehending those who flee.

The crimes of the Axis Powers in this war have been unprecedented in history. The leaders of the Axis Powers have not been alone in the perpetration of these offenses. There have been many offenders, and they should all be punished. None should be allowed to escape. That, I submit, is the will of the American people, and their will is crystallized in this declaration of policy, which is notice to the executive branch of the Government, notice to our allies, and to our enemies of what the American people demand shall be done with these outlaws who have offended and violated not only the laws against man and society but against humanity itself.

So shocking have been the crimes perpetrated by these war criminals that upon the request of Gen. Dwight D. Eisenhower there was sent recently to Europe a committee of Congress and of the press and others to view and witness these horrible atrocities, so that the American people would not claim that the charges of such was mere propaganda but based upon physical evidence of violence and barbarism so shocking that it was not believed that any human beings would perpetrate such atrocities and crimes.

Of course, these criminals should be punished, and Congress would be recreant in its duty as representatives of the American people if it did not so declare and so demand, as this resolution does.

The charge made by some who have spoken, that nothing has yet been done about this matter, is not true. Our Government, in connection with the other allied nations, has long since begun the consideration, and has set up the War Criminals Commission, and a long list of war criminals has already been prepared and other names are being added to it, and machinery has been set in motion whereby such criminals will be punished, and only a few days ago the President of the United States appointed Associate Justice Robert H. Jackson, Associate Justice of the Supreme Court, and one of the ablest Members of the Supreme Court, as the official prosecutor to represent our Government in the prosecution of these war criminals.

It was never intended by the founders of our Government that Congress should be the prosecutors or the enforcers of law. Congress legislates and declares policies, while the executive branch of the Government enforces and executes law. Congress may, upon occasion, investigate the executive departments, but in my judgment it should never be formed as a part of a commission in the execution of laws.

I hope that the criminals of this war may not escape, as was done in the last war.

This resolution reflects the will of the American people, and it should receive the approval of every Member of this House.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to include as a part of my remarks a letter from Secretary of State Stettinius regarding this concurrent resolution.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members have 5 days in which to extend their remarks in the RECORD on this concurrent resolution.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. NEELY].

Mr. NEELY. Mr. Speaker, unfortunately, the pending resolution has been brought before the House in circumstances which provide it iron-clad protection against amendment and restrict the Members to the attenuated privilege of simply voting for or against its adoption. Manifestly, no one opposes it. But many regret that it does not vigorously say much that it leaves unsaid.

It was my desire to offer and my hope that the House would approve the following amendments:

On page 2, in paragraph (b), line 1, after the word "state" insert "Or by reason of any pretended supernatural origin or relationship."

The purpose of this language is to fortify the representatives of this country against any clamor that may be made in behalf of leniency for Hirohito because of his pretended relationship to the sun goddess, or any other creation of pagan imagination.

Immediately after paragraph (b) insert the following:

To regard as war criminals, meriting the death penalty and confiscation of property, the head and all other responsible officials of any enemy nation who aided or abetted by any means whatsoever the perpetration of any act of atrocity against any serviceman, servicewoman, or civilian of any Allied nation during the present war.

To regard as war criminals, deserving the death penalty, all others of any enemy nation who, except upon actual compulsion, aided or abetted in any manner the perpetration of any act of atrocity against a serviceman, servicewoman, or civilian of the United States or any of her allies during the present war.

These amendments, if adopted, would at least be notice to those who represent this country in the important matter of dealing with war criminals that the House means by punishment, as used in the resolution, the hanging as high as Haman of every Axis fiend who is duly convicted of having participated in the perpetration of atrocity against any serviceman, servicewoman, or civilian of the United States or her allies during this war.

In my opinion, it will require much more than the euphemistic language of the resolution in its present form to prevent the Axis wholesale murderers from escaping not only from the hanging they deserve, but from every other sort of physical punishment, just as their progenitors in crime escaped punishment after the First World War.

It is generally known from evidence that cannot be refuted that the Nazis and Japanese have systematically and sadistically inflicted upon multitudes of those whom they have conquered or captured torture that shocks civilization and horrifies Christianity. The crimes committed in enemy torture camps and extermination chambers are too revolting for public description.

To fail to destroy those who are responsible for these abominations will be to leave in the militaristic soil of the Axis countries the fertile seed of another world-wide war which, under the leadership of the hopelessly incurable conquestmongers of Germany, will be launched against our children and our children's children within the next 25 years.

There are startling indications that the militarists of the Old World and the monopolists of both the Old and the New plan to sabotage the Dumbarton Oaks proposals, the Bretton Woods agreement, the San Francisco Conference, and make the peace so soft for the Axis Powers that their masters of baneful financial and economic practices may promptly resume their cooperation with the captains of predatory exploitation in Allied countries, to the end that the world may again be ruled by the international cartelists who shamefully plundered the people of all the nations for 20 years before the Second World War was begun. If this wicked scheme is consummated all those who have died for the Allies' cause will have died in vain.

Let us, before the adjournment of this session, proclaim by record vote our unalterable opposition to a tender peace for the gangster-ruled, cutthroat nations of the earth, Germany and Japan. In similar manner, let us demonstrate that the overwhelming sentiment of this Chamber is for the prompt execution of every Axis official who, by torture or otherwise, cold-bloodedly murdered the servicemen, servicewomen, or civilians of the United States or any of her allies during this war.

Mr. LUTHER A JOHNSON. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. GOSSETT].

Mr. GOSSETT. Mr. Speaker, I am wholeheartedly supporting this resolution as amended. I think, however, that this Congress should go much further and set up a special committee of the House and the Senate to see that this policy is further implemented and is carried out.

Most of you read in yesterday's paper the report of 18 leading editors from all over America concerning war crimes. In today's paper I have just read the following item:

FOUR MILLION EXTERMINATED IN ONE CAMP, REDS SAY

LONDON, May 7.—The Moscow radio said today that more than 4,000,000 persons of var-

lous European nationalities were killed by the Germans in the Oswiecim concentration camp in Poland.

The broadcast quoted the Soviet Extraordinary State Commission describing the camp as "far surpassing all hitherto known German death camps in its elaborate equipment, technical organization, and mass-scale extermination of people."

We ought to have an official agency of this Congress to gather together the complete facts and data on war crimes and atrocities. We ought to know what is true and what is false, for the sake of humanity and for the benefit of posterity. There should be a responsible committee of this Congress, not only to see that the policy which we are about to declare is carried out but for the purpose of knowing what is true and what is untrue in the myriad of reports now circulating throughout the world concerning war crimes and atrocities. We need a clearing house and a central statistical agency for the sake of human decency and for the record hereafter. Such activity would certainly be in the interest of world peace.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. GOSSETT. I yield.

Mr. CELLER. I offered exactly the same bill which the gentleman advocates now before the Committee on Foreign Affairs, and it was tabled.

Mr. GOSSETT. No; you proposed a commission of Congressmen and civilians.

Mr. CELLER. I offered the bill so that we in Congress would know what was happening and so that the words we utter here would not be belied by a lack of action.

Mr. GOSSETT. The gentleman's resolution was to set up a commission of Members of Congress and civilians. What I propose is simply for Members of Congress, so many Representatives and so many Senators, in order to fix the responsibility and see that the job is done. Everybody's business is nobody's business. Insofar as I know and believe we now have no fixed policy nor any adequate machinery for dealing with this most important matter. We will doubtless need some legislation to set up rules of procedure and to establish adequate machinery to facilitate and insure the prosecution and punishment of war criminals. We must certainly see to it that a true history of Nazi and Japanese barbarism is written. The dastardly record our enemies have written might well be used as an effective weapon in the arsenal of peace.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. VOORHIS].

Mr. LUTHER A. JOHNSON. Mr. Speaker, I yield 1 additional minute to the gentleman.

The SPEAKER. The gentleman from California [Mr. VOORHIS] is recognized for 3 minutes.

Mr. VOORHIS of California. Mr. Speaker, I am very much obliged to both the gentleman from Texas and the gentlewoman from Massachusetts for the time they have given me.

Of course, as has been pointed out, this resolution of my colleague from California [Mr. KING] will pass unanimously, as it should. I had hoped that the resolution might go somewhat further than it does and I submitted to the acting chairman of the committee a proposed amendment thereto which I understand the committee believed was not germane to this particular resolution. In any event no amendment could be offered to the bill since it has come up under suspension of the rules. I believe the resolution an entirely proper one. I am for it. But I want to speak about another part of our present duty.

I want to say, Mr. Speaker, to the Members of the House, that at this very moment and even before this moment, on this very VE-day and before and after, there has been at work and there will be at work the same forces which began preparing for this war even before World War No. 1 was ended. They are forces which seek through cartel organizations through transfers of German properties and technological research and finance and personnel from Germany into neutral nations where presumably they may be beyond the control of the Allies, to rebuild the sinews of Germany's future military power and warmaking power. The day must come, and that speedily, Mr. Speaker, when this House will, at the very least, go on record, as it goes on record in this resolution with regard to individual war criminals, against the possibility of the rebuilding by these methods of the war potentialities of Germany. Surely one of the purposes of the punishment of war criminals is not simply to visit punishment and to take retribution upon those whose fond ambition has caused all this suffering in the world, but also to render a repetition of their nefarious work impossible. If we earnestly are devoted to that cause, then it becomes necessary that we see to it the same thing does not happen as happened after the First World War, namely the rebuilding in neutral nations and other nations through business deals, which make money for people unfortunately, the means whereby armament industries of our enemies could be rebuilt. I plead only, Mr. Speaker, that early and definite action may be taken by this body along lines of that sort.

I am going to ask in the course of the next few days for an opportunity to address the House at some length because I have information about this problem in which I know the membership will be deeply interested and concerned. It is a matter, Mr. Speaker, which demands our immediate attention.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I yield to the gentleman from Alabama [Mr. PATRICK] such time as he may require.

Mr. PATRICK. Mr. Speaker, the winds of war are blowing out. When Japan does what Germany is today doing, the world can then take time to number its war dead.

This resolution will pass the House with not a dissenting vote. Let us with this vote serve notice to all living persons that this is a resolution with a will and that will a determination to see that justice, stern as this justice is, is done to the gangsters who hatched and put to work the wicked war scheme.

The awful arts that would come with another war would be more than the world can endure. The buzz bomb is a creation of this conflict. It is in a most imperfect stage of its death dealing possibilities. It is a fresh piece of deviltry. Let Germany, or any organized gangster nation have 20 years—even 10 years—to secretly make, sight, and set buzz bombs and the nation of its wrath can easily be destroyed in a very few weeks—perhaps a few days.

The remedy begins, in part, with our resolution here today. Let us ask heaven to bless it and pray that the God of nations guide us in carrying it through.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, undoubtedly this resolution will be passed unanimously. I want to add my voice in favor of its passage. I am inclined to feel that it might have gone further than the language of the present bill goes with great justice and propriety. I listened a few minutes ago to the fiery remarks of the gentleman from West Virginia [Mr. NEELY] and felt in my heart very much as he does regarding the archcriminals who have plunged the world into such misery as it has suffered in this war. I must confess that I am about equally puzzled as to the proper kind and degree of punishment which would be suitable for these international outlaws and as to what classes of persons constitute these criminals. Just now I am as anxious that we have a right determination of who are top-ranking criminals who should be held responsible as I am as to what should be done with them. Of course, there is no question about including the name of Hitler, Mussolini, and Hirohito—but who else? Who are these criminals against society?

What should be the nature, and more important still, what should be the purpose, of the punishment of these criminals when they are in the power of civilized society to deal with them? That is another big question which ought to be settled. How would it be possible to deal properly with these national and international criminals without making martyrs of them and producing in the minds of their fanatical followers exactly the wrong emotions and sentiments concerning them? How can their names become a hissing and a byword down through all future ages, as any pronouncement of justice should decree for them?

I have read quite a great deal of human history. I am inclined to think that we are going to have to write some history in reverse. As we look back over the story so familiar to the student, how many would-be world conquerors, although they failed, died quietly in bed? How many leaders, political or military, who have dipped their hands in innocent blood, have been eulogized in the chronicles and have had monuments erected to them by later generations? It might have a wholesome influence

upon future ambitious leaders, developing as embryonic monsters, to know that in starting wars they were heading into not lives of ease but deaths of violence—not records of glory but chapters of infamy. History had better be taught differently from now on, and its content should be different, for the reading of young potential Hitlers or Mussolinis or any such, down to the end of time.

After all, the "Buffoon on a Balcony," or the "Beast of Berlin," or the "Moron of Tokyo" have been but tools in the hands of a class—and how many compose such a class and of whom does it consist? And what shall be our attitude in dealing with that class? I am convinced that the German militarists of the Prussian school and the Japanese war lords of the Tojo class, through their teachings, are the creators of the few infamous specimens whom we are accustomed to name as the arch criminals. How can we rid the world of such virus and prevent its spreading to other peoples?

Perhaps it is a matter of right education, just as this criminal class itself is a product of wrong education, for wrong education has created that dangerous class, and right education could eliminate it. There can be no question but that wrong education has produced this dangerous class which then has used some leader as a tool to do its biding. Old Kaiser Bill was simply a tool in the hands of the Prussian war lords a generation ago. The insane Hitler was simply a tool in the hands of the same class in our troubled time. It is this dangerous class and their teachings that have brought forth this fruit of calamity.

How the Prussians have glorified war! How they have lined their streets with warriors in marble and bronze! We are told that a witty Frenchman, in passing through Berlin, remarked that "Prussia was hatched from a cannon ball, like an eagle from an egg." Yes, the Germans, who came so near conquering the world and who required the total might of the United Nations to bring them to the dust, gained ascendency in the beginning through war and conquest. It is not strange that they assumed that might makes right. It is not strange that they regarded war as a biological necessity and that they taught that military achievement is the grandest work to which the human mind can give its attention. They taught that war is noble.

They had not learned until this hour the ancient truth, "He that liveth by the sword shall perish by the sword." Verily, the fate of Germany, as well as that of Italy and Japan, has been brought upon them by their false philosophy and teachings. If we are to assess their crimes and convict their criminals, others, with their political and military leaders, must appear at the bar of judgment and be assessed their punishment.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I yield the balance of the time to the gentleman from Michigan [Mr. SADOWSKI].

Mr. SADOWSKI. Mr. Speaker, I am in favor of this resolution, but I hope I can control my anger and resentment at the news we read in the papers yesterday when Moscow announced they had arrested the 16 Polish leaders. These men represent the Polish Government. They represent the political parties of Poland. They are part of the official government which our country recognizes, and with which the United States of America has had diplomatic relations and military relations throughout the war, namely, the government in London.

Those people were working in cooperation with the Government in London. Some of them were members of the Polish Army in Poland, working in cooperation with the Polish Army that has been fighting in Italy, France, and on all battle fronts. Those 16 men were arrested. For what reason? It was claimed that they had a radio, and that they were communicating with London. They had a right to do that. They were a part of the Polish Government in London, and they kept in touch with their Government in London. The United States recognized that Government. If such arrests are going to be tolerated, I do not know where it will end. I think it is high time that our Government should insist that we should have an Allied commission in Poland and in these other countries so that these men can have the protection of an Allied commission. Moscow has no right to bring these people to trial. They are not Nazis. They have fought the Nazis for 6 long years with everything at their command. Of course, they are not Communists. Since when is this a crime?

Ninety-nine percent of the people of Poland are not Communists. According to Moscow then, they should all be arrested and exterminated.

In accordance with the Yalta agreement, these 16 Polish leaders were invited to confer with the Lublin group and the London group. Instead, they were kidnaped and arrested, and Moscow has defied London and Washington to do anything about her lawlessness.

I have been preaching unity, friendship, and understanding between the United States and Russia and Poland and Russia. Every American wants it that way. It is regrettable that Moscow's dealings with her neighbors are spreading gloom throughout the world. Moscow is making enemies when she should be making friends. Moscow is creating a gap between herself and the Anglo-Americans at a time when the greatest cooperation will be needed.

Russia needs America badly. After the war she will need billions of dollars worth of materials to reconstruct her railroads, power plants, her industries, and to rebuild her cities and towns. She will need farm machinery and tools. Does she expect to have our cooperation by pursuing her present policy?

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I yield such time as he may desire to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I have taken this time in the course of this debate to talk upon the matter of the recent German atrocities. Nothing has shocked the people of America as much as the revelations of these wanton cruelties to those who were German prisoners during the course of this war. We had heard of these things; but until our armies actually drove into the heart of Germany and liberated the prison camps, we could not believe that the stories were true.

Now we know the real truth. Never in all history have acts of such barbarity been visited upon captive peoples. Thousands upon thousands died of starvation; other thousands died of cruelties, and still others were mowed down by the machine gun. They were killed by infuriated Nazi leaders, and their bodies have been permitted to fill the compounds and the enclosures by the thousands alongside of those who yet lived. A total absence of medical treatment at times has prevailed; and unspeakable indignities have been visited upon those poor, defenseless peoples.

Because these atrocities are worse than anything we could have dreamed, some of us want a permanent commission set up to record and tabulate these countless acts of bestial inhumanity. We think they should be put in permanent form; and should constitute an all-time black record of atrocities. This record should cover not only German but also Jap atrocities. While the German acts are fresh in our minds, we must not forget that the Japs have already been guilty of acts of savagery which will be a constant shame to the peoples of the Orient for a thousand years to come.

These records, properly compiled and cataloged, should be permanently bound. They should be available this year, next year, and a thousand years from now. They should be available to the War Crimes Commission which meets in London, to the right-thinking Christian people all over the world and they should be available to historians who will again and again record in the annals of the past those despicable acts of bestial brutality which indelibly have blackened the name of everything Nazi.

I think it is a very important thing to make a permanent record of these atrocities; and for this purpose we should have a permanent War Atrocities Commission.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent that all Members who have spoken may have the privilege of revising and extending their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would say in answer to the gentleman from Michigan, obviously the United States, from press reports, is outraged at what has happened insofar as the 16 Polish captives are concerned.

Mr. Speaker, Germany must never again be allowed to become militarily strong. Germany must never again be allowed to teach the ideology and barbaric practices of the Nazi.

The SPEAKER. The question is, Will the House suspend the rules and pass the resolution?

The question was taken, and, two-thirds having voted in favor thereof, the

rules were suspended and the resolution was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to extend the remarks I made today.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

SALARIES OF POSTMASTERS, OFFICERS, AND EMPLOYEES OF THE POSTAL SERVICE

Mr. SMITH of Virginia, from the Committee on Rules, submitted the following privileged resolution (H. Res. 246, Rept. No. 526) which was referred to the House calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3035 to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes. That, after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Post Office and Post Roads, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

TO AMEND FEDERAL FARM LOAN ACT, EMERGENCY FARM MORTGAGE ACT, FEDERAL FARM MORTGAGE CORPORATION ACT, AND SERVICEMEN'S READJUSTMENT ACT

Mr. SMITH of Virginia, from the Committee on Rules, submitted the following privileged resolution (H. Res. 247, Rept. No. 527) which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2113) to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

APPEAL FROM DECISION OF THE COURT OF CLAIMS

Mr. SMITH of Virginia, from the Committee on Rules, submitted the following resolution (H. Res. 248, Rept. No. 528) which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1270) to provide for an appeal to the Supreme Court of the United States from the decision of the Court of Claims in a suit instituted by George A. Carden and Anderson T. Herd. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

TO AMEND SECTION 201 (g) OF THE NATIONALITY ACT OF 1940

Mr. SMITH of Virginia. Mr. Speaker, by directon of the Committee on Rules, I call up House Resolution 229 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 388) to amend section 201 (g) of the Nationality Act of 1940 (54 Stat. 1138–1139; 8 U. S. C. 601). That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, this is a rule for the consideration of the bill H. R. 388, which makes a very slight change in the immigration laws.

The bill was reported unanimously by the Committee on Immigration and Naturalization. I know of no objection to the bill. The purpose of it is to shorten, to some extent, the time that a person born outside of the United States, one of whose parents is a citizen of the United States, may retain his citizenship. I should like to know if the minority desire that I yield any time? It is my purpose to move the previous question.

Mr. MICHENER. Mr. Speaker, there is no desire to take any time on the rule because the rule provides adequate debate on the bill.

I do, however, desire to ask unanimous consent that the gentleman from Minnesota [Mr. PITTENGER] may extend his own remarks in the RECORD and include therein some correspondence.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. DICKSTEIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 388) to amend section 201 (g) of the Nationality Act of 1940 (54 Stat. 1138–1139; 8 U. S. C. 601).

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 388) with Mr. MANSFIELD of Montana in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 5 minutes.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. DICKSTEIN. Mr. Chairman, this bill deals with the children of the members of our armed forces. Under the Nationality Act of 1940 a citizen must have resided in the United States for 5 years after his sixteenth birthday in order to transmit citizenship to children borne by a noncitizen wife. We all know that our boys are being drafted at 18 and 19 years of age. Many of them marry in the European theater of war and children are born of such marriages. These children under the existing law are aliens. H. R. 388 has been requested by the War and Justice Departments, to correct this situation, to amend the law so that a citizen can transmit citizenship to his children if he has resided in the United States for 5 years after his twelfth birthday, instead of his sixteenth birthday.

Thousands of children have been born from the wedlock of American boys under 21 years and foreign girls in European theaters of war who today are classified as aliens. On the other hand, a boy if over 21 years of age can transmit citizenship to a child born to him under such circumstances.

This bill passed the House in the last Congress but died in the Senate because of lack of time to get it through that body before the end of Congress. Otherwise it would have been enacted into law.

Mr. MASON. Mr. Chairman, there should not be any objection to the passage of this bill H. R. 388, and there would not be if the membership of the House understood what the bill sought to do. I shall try to make that as clear as I can to the membership of the House.

Under present law, the child of a male citizen of the United States and an alien wife automatically becomes an American citizen, but there is a provision of the

law which states that this male citizen of the United States must have lived in the United States 10 years, and 5 of these years must have been between the time when he was 16 and 21. Hundreds of thousands of our American boys have either volunteered or have been drafted before they were 21; therefore, they do not comply with the provision which says they must have lived here between the ages of 16 and 21. If they volunteered when they were 17 or were drafted when they were 18, 19, or 20, and are in the European theater of war and have become 21 years of age while there, and if they marry, a child of that marriage under present law would not be an American citizen because the father had not complied with that restriction in the law which says he must have lived in the United States between the ages of 16 and 21.

All this bill does is to make the child of such a marriage a citizen of the United States automatically, even if the boy has not lived here from 16 years to 21 years. It waives that particular part of the present law and that restriction. That child, the result of a marriage between an American male citizen and an alien wife, will automatically become a citizen of the United States.

Mr. SHAFER. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Michigan.

Mr. SHAFER. Does not the gentleman think this legislation would be improved and all doubt taken out of it if it were specified in the bill that the man had served in the armed forces during those 5 years?

Mr. MASON. Such amendment is to be offered to the bill to further restrict and to provide that he must have served in the Army of the United States and have been honorably discharged.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. This bill does not waive the 5-year period except for those in the armed services?

Mr. MASON. That is right.

Mr. CUNNINGHAM. Will it waive the full 5-year period for those in the armed services?

Mr. MASON. Yes.

Mr. DICKSTEIN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 201 (g) of the Nationality Act of 1940 (54 Stat. 1138–1139; 8 U. S. C. 601) be, and the same is hereby, amended to read as follows: "A person born outside the United States and its outlying possessions of parents one of whom is a citizen of the United States who, prior to the birth of such person, has resided in the United States or one of its outlying possessions for a period or periods totaling 5 years subsequent to his twelfth birthday, the other being an alien: *Provided*, That in order to retain such citizenship the child must reside in the United States or its outlying possessions for a period or periods totaling 5 years between the ages of 13 and 21 years; *Provided further*, That if the child has not taken up a residence in the United States or its outlying possessions by the time he reaches the age of 16 years, or if he resides abroad for such a time that it becomes impossible for him to complete the 5 years' residence in the United States or its outlying possessions before reaching the age of 21 years, his American citizenship shall thereupon cease.

"The preceding provisos shall not apply to a child born abroad whose American parent is at the time of the child's birth residing abroad solely or principally in the employment of the Government of the United States or a bona fide American educational, scientific, philanthropic, religious, commercial, or financial organization, having its principal office or place of business in the United States, or an international agency of an official character in which the United States participates, for which he receives a substantial compensation;".

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES: Page 2, line 1, after the colon, following the word "alien", insert the following: "Provided, the foregoing provision of this subsection shall not apply where the citizen parent has served, is serving, or shall serve honorably in the armed forces of the United States during the period from December 7, 1941, and ending on the day proclaimed by the President as the date of termination of hostilities of the present war."

Mr. REES of Kansas. Mr. Chairman, if the membership present had listened to the distinguished gentleman from Illinois you will understand that this amendment simply restricts the provision of this bill to and only to members who have served honorably in the armed forces. No one else is entitled to the privileges under this bill except that group.

If there are any questions, I shall be glad to answer them.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Arizona.

Mr. MURDOCK. As I understand, the gentleman's amendment then would limit the provisions of the entire act only to those who had served in the armed forces and their dependents.

Mr. REES of Kansas. This amendment simply broadens the rights provided under present law only to the extent that it applies to members of the armed forces from December 7, 1941, until the termination of the war.

Mr. MURDOCK. I certainly favor the amendment but I was trying to find out whether this amendment, if adopted, would make the entire bill apply only to those in the armed services.

Mr. REES of Kansas. The gentleman is correct.

Mr. SHAFER. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Michigan.

Mr. SHAFER. Will this amendment strike out the proviso reading as follows:

The preceding provisos shall not apply to a child born abroad whose American parent is at the time of the child's birth residing abroad solely or principally in the employment of the Government of the United States or a bona fide American educational, scientific, philanthropic, religious, commercial, or financial organization, having its principal office or place of business in the United States, or an international agency of an official character in which the United States participates, for which he receives a substantial compensation.

Mr. REES of Kansas. May I say to the distinguished Member from Michigan that the provision referred to is a part of the law at the present time. We are not changing the present law with respect to that group of people.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was agreed to.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I move to strike out the last word, and ask unanimous consent that I may be permitted to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I am one of those who have not been in on the various gossips and rumors reportedly coming out of the Committee on Military Affairs in the past few days in relation to War and Navy Department plans after VE-day. For that reason I am in no way a party to the argument over who let the cat out of the bag. However, I have always felt that a Member of the House has some privileges in knowing what is going on and deserves better treatment at the hands of a committee chairman than as though the Member were a child. Plans to be followed after VE-day that come out of these Departments are of great concern to this House. They are also of deep interest to the people we represent back home. This hush-hush attitude on the part of some people who happen to be on the "in" should stop.

For that reason I am introducing at this time a privileged resolution directing the Secretary of War and the Secretary of the Navy to transmit to the House of Representatives copies of all plans of their respective Departments for providing free transportation home to persons in the armed forces returning to the United States on furlough after victory in Europe.

Furlough transportation for our service men and women is an issue which has been ducked by responsible authorities for the past 3 or 4 years; ever since I have had my bill before the House. Little opportunity has been given for debate on this subject. Little attention has been paid by those responsible to the subject of transportation during furlough, which I have repeatedly asked be adopted as a policy of the War Department. I have maintained all along that it is not necessary for legislation to be presented. If the Secretary of War or the Secretary of the Navy so desire, they can come out with a definite military policy of furlough transportation, just as they have in the case of proper medical attention for the people in the service. I have consistently kept at this issue, which I think should merit attention from the Committee on Mili-

tary Affairs and also the War and Navy Departments. I do not refer to transportation on the high seas; I am talking about carrying people from the port of entry or training camp to and from their homes.

In spite of the Secretary of War, who has turned thumbs down on each bill I have introduced on this matter which has hung fire for three Congresses, I am sure that if it were instituted as a definite policy of the War Department it could be made to stick, and it would be found workable without any legislative action except an appropriation.

Any Member of the Congress has the right to ask the Committee on Military Affairs for a definite report on the plans of the War Department in this respect. However, I have introduced this privileged resolution which will at least bring the matter to a head. I hope within the next 7 days favorable action on the part of the committee will be taken and some report given to this House so that every Member can have a copy of what is up the sleeve of the Secretary of War and the Secretary of the Navy.

I am not basing any statement on rumor. It is my understanding something is going around that after VE-day in Europe every man who is brought back to the United States is to have the opportunity to go back home for a few days. I think he ought to have that opportunity. If he happens to come within the boundaries of America, I think he should have a chance to have his way paid home. I do not see that it would make any difference to the common carriers so long as they were guaranteed the transportation the men should have.

For that reason, Mr. Chairman, I am introducing this privileged resolution now. I think any Member of the House should be able to obtain the information he asks for on this subject, and I hope the Chairman will have a definite report before long.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MANSFIELD of Montana, the Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 388) to amend section 201 (g) of the Nationality Act of 1940 (54 Stat. 1138–1139; 8 U. S. C. 601), pursuant to House Resolution 229, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD and include five articles from the Seattle Star, on the subject of Bretton Woods.

Mr. GOSSETT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

SPECIAL ORDERS

The SPEAKER. Under previous order of the House, the gentleman from North Carolina [Mr. ERVIN] is recognized for 1 hour.

Mr. ERVIN. Mr. Speaker, I yield back the balance of my time.

Mr. MANSFIELD of Montana. Mr. Speaker, I have consulted with those Members who have special orders today. They have agreed that I may ask unanimous consent to address the House for 5 minutes at this time.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD of Montana. Mr. Speaker, I have been very disturbed and worried about the attacks being made in the press and over the radio against our Secretary of State, the Honorable Edward R. Stettinius, both on the eve of the San Francisco Conference and since. These commentators and reporters, it seems to me, have come to consider themselves as policymakers in the affairs of our Government and they are very free in saying what should and should not be done.

As an illustration, one well-known commentator wrote on April 17—5 days after President Roosevelt's passing—that Mr. Stettinius should be removed as Secretary of State and that "it would seem to be advisable to make the change before the San Francisco Conference rather than after it" and that the "foreign ministers of Britain, Russia, China, and France ought to be enabled to confer officially with the man who will actually be Secretary of State when they go back home." Does not this commentator know that President Truman is perfectly capable of making his own decisions concerning who shall make up his Cabinet and that, when he desires advice, he is only too willing to ask it of qualified individuals?

Some newspapers are also very angry at the admission of Argentina into the inter-American fold and also because she has been given a seat at San Francisco. These papers immediately attacked the fact that Argentina had been voted a seat at San Francisco without taking the time or the trouble to investigate what was behind the admission. It should be remembered that the Argentine policy was not Stettinius'—he has been Secretary for approximately 7 months—but his predecessor's. The critics of Stettinius did not seem to realize that Argentina was readmitted on April 4, 1945, to the American family of nations because of the pressure of the other Latin-American states who in the words of Sumner Welles "disapproved our unilateral policy of coercion toward Argentina commenced in the autumn of 1943 and lasting until February 1945." Are we going to penalize a people who, according to reports, have been sympathetic toward our cause just because they have Fascist leaders? If that is the case then we will have to reexamine our relations with a lot of other countries who would fall in that category even though, on the surface, they are on our side. If we are going to have real pan-Americanism in this hemisphere then I believe we must act as a unit and not unilaterally.

Furthermore, the admission of Argentina to the Conference was brought about because the other Latin-American nations desired it. We did not try to force our will on our neighbors but we treated them as equals and gave their desires the consideration they were entitled to.

There are many things which happen at international conferences which go deeper than newspaper head lines and editorials would indicate. I feel that we, as a people, and newspapers, as purveyors of information, should be as fair and considerate as possible, and if we have qualms about certain decisions, that we try to go behind the head lines and ascertain the facts.

We are too prone to call names when affairs are not conducted to suit us as individuals. We should remember that there are two sides to every story and the least we can do is not to become too opinionated but to be as fair and as impartial as possible. No one benefits—least of all, our country—when a newspaper of national reputation goes out of its way to show its pique over a press conference, not conducted as it would like, by referring to the meeting as a "brush-off" and our State Department officials as "bush league" diplomats.

There is a need, in these trying times, for dignity, courtesy, and consideration, and I, for one, deplore the tactics which have been used to date against Mr. Stettinius and his handling of the Conference. We should keep in mind that Mr. Stettinius has been Secretary of State for only 7 months; that he has shown great energy in trying to raise the standards and the standing of the State Department; that he has been considerate and fair in his dealings with the press, the people, and with Congress; and that he has accepted criticisms in good spirit and has tried to do things which he thought best for the country.

I do not know Secretary Stettinius very well but, as a member of the Foreign Affairs Committee, it was my privilege and duty to observe closely his work as Lend-Lease Administrator and as Secretary of State. I know I speak for all members of that great committee when I say that we were tremendously impressed with his energy, ability, and his desire to be helpful. There is nothing easy about Mr. Stettinius' job because he realizes the difficulty of his position and the stresses of these times. In my opinion, he will develop as he remains in office and I feel it is only fair that instead of sniping at him we should give him every possible form of assistance. He is up against seasoned diplomats from many lands and he, as President Truman's and

our representative, needs and is entitled to our confidence at this hour.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that I may extend my own remarks at this point in the RECORD.

The SPEAKER pro tempore (Mr. GOSSETT). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I want to commend the gentleman from Montana [Mr. MANSFIELD] for the observations he has just made.

Mr. Stettinius as the agent of this Government for us, the people of this country, is now engaged in the most important diplomatic undertaking which has confronted this country since the Jay-Grenville Treaty following the Revolution. It is not only the most important since that time, but it is perhaps, all things considered, as complicated and difficult as any nation in history has had to deal with. That is the job which Mr. Stettinius is engaged in. All things considered, it is not improbable that the treaty, the preliminaries of which are now in progress, may prove to be the most important agreement ever entered into in the diplomatic history of the world. It is in such an undertaking as that that Mr. Stettinius, as head of our group of diplomats, is now engaged. He is engaged not in his own business in San Francisco; he is engaged in the Nation's business, in our business, selected and commissioned to do this job by the then President of the United States, the Honorable Franklin Delano Roosevelt.

At the conference table in San Francisco there will be differences of opinion among the diplomatic representatives assembled there. The degree to which Mr. Stettinius can succeed in having our views incorporated in what may be agreed to and in protecting our interest, will depend in no small degree upon his support at home and the indications of public confidence and strength which are reflected by his people at home. There is nothing which is more indispensable to success of a diplomatic agent than the belief that he is strongly supported by his people. There is nothing which could do more to make him impotent in attending to the business to which he has been assigned than for the impression to be created that he is not thus supported.

Insofar as I have heard from any Member of Congress who has come in contact with Mr. Stettinius during his service in Washington, the opinion coincides with that which the gentleman from Montana [Mr. MANSFIELD] has just expressed when he said:

I know I speak for all members of the Foreign Affairs Committee. We were tremendously impressed with his earnestness, ability, and his desire to serve.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana asked and was given permission to revise and extend his remarks.

Mr. SHAFER asked and was given permission to extend his own remarks in the RECORD.

Mr. COLE of Kansas asked and was given permission to extend his own remarks in the RECORD and include a resolution from the board of commissioners of Topeka, Kans.

Mr. REES of Kansas asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

AMENDMENT TO THE CONSTITUTION WITH RESPECT TO TREATY RATIFICATION

The SPEAKER pro tempore. Under previous order of the House the gentleman from New Hampshire [Mr. MERROW] is recognized for 25 minutes.

Mr. MERROW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein certain excerpts from editorials and letters in connection with the subject of treaty ratification.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

FUNDAMENTAL ISSUE

Mr. MERROW. Mr. Speaker, House Joint Resolution 60, proposing an amendment to the Constitution of the United States relative to the making of treaties, which was debated on the floor last week and on which the House will vote this week, is beyond a doubt one of the most important measures ever to come before this body. The question briefly stated is this: "Shall the House vote to submit to the State legislatures an amendment which when ratified by three-fourths of these bodies will change the Constitution so that a majority of both Houses of Congress will be empowered to validate treaties?" We will vote on whether or not we wish to allow the people through their State legislatures to decide on this proposed change in the treaty-ratifying procedure of the Constitution.

This question is most fundamental. It is as important as the writing of the charter of the United Nations or any issue connected with winning and maintaining the peace. It is fundamental because it deals with the constitutional mechanism by which we approve or disapprove of treaties. Let us be perfectly clear on this point. The charter of the United Nations or the proposals made by Senator Vandenberg or any other plans for building a peaceful world must have legislative approval. Under our system the charter of the United Nations and the treaties following must be ratified by two-thirds of the United States Senate. When the suggested amendment is finally written into the Constitution treaties will be validated by a majority of both Houses of Congress.

We can readily see that this is one of the most significant issues connected with winning the peace. We must decide on the type of constitutional machinery by which we propose to conduct our relations with the nations of this world in the future. It is imperative that we have constitutional procedure to facilitate our dealings with our neighbors in many highly controversial and divergent fields. The constitutional procedure by which we are to operate in foreign affairs goes to the very heart of the questions in connection with the construction of a decent postwar society.

OPPORTUNE TIME

It has been stated during the course of this debate that this is not a proper time to discuss this question. I can conceive of no more opportune time than the present moment. The war in Europe is won; the war in the Pacific will, in my opinion, terminate in a much shorter period than many have formerly predicted. The great United Nations Conference in San Francisco is moving to a successful conclusion. The charter for the world organization will soon be written. People around the globe would like to know what the United States actually proposes to do in the field of international cooperation after hostilities cease. It is well that we are debating the proposed amendment at this juncture in world history. We should decide here and now on how we intend to ratify treaties in the future, and decide whether or not we wish to set up the constitutional machinery necessary for the development of a foreign policy of expanding international cooperation.

By acting favorably on the pending resolution, this House will inform the world that we intend to assist in organizing a peaceful society and that we actually propose to maintain our present position of leadership and to use this position of leadership for the construction of a lasting peace. By the adoption of this resolution and the subsequent ratification of the amendment by the States, we will inform all nations that we recognize the impossibility and the utter futility of trying to remain isolated and that in the conduct of foreign affairs we intend in the future to play a responsible part and a much more active part than in the past.

THE PEOPLE WISH THE AMENDMENT

I am convinced that the people wish the adoption of this amendment. It is my conviction that the people desire to change the Constitution so that a majority of the entire Congress can validate treaties. Since I have been working for this reform I have received letters from all sections of the United States. An analysis of the communications sent to me on this subject shows that approximately 90 percent of those who have taken the trouble to write favor the amendment. I am inserting in the RECORD a few excerpts from these letters.

Inez Quinn, of Billings, Mont.:

I heard your radio broadcast the other night on the constitutional amendment to change the ratification of treaties from two-thirds vote of the Senate to a majority of both Houses, and must say I heartily approve this amendment and hope you can make it become law—and fast.

I have five baby nephews—who will be just the right age to catch it in the next war—and I don't want any mistake like they made last time staying out of the League of Nations. The United States had better get in there and get her shoulder to the wheel and see that these wars don't happen. Every time I see a newsreel showing what the robot bombs did to England, I wonder just what we were doing over here with our heads stuck in the sand all that time Germany was doing all these things—and Hitler all along telling us he was doing them.

Miss Almira L. Cheney, of Chicago, Ill., wrote in reference to my broadcast of April 17 on treaty ratification:

You made it crystal clear that this unrepresentative situation must cease. If it does not cease, we may well begin to talk about the dictatorship of the Senate.

Miss Jeanne M. Ewing, of Cleveland, Ohio, wrote as follows:

I heartily agree with your stand. It is unthinkable that a small group of Senators should have the power to emperil the future well-being of this Nation and of the world as they did after the last war. Your 13 reasons for abolishing the two-thirds rule are excellent and all-inclusive.

Scott King, of Primghar, Iowa, wrote thus after my broadcast of April 17:

I wish to thank you for your illuminating discussion of this evening upon a subject of momentous importance to our country—and to every individual in it. Not one amendment to the Constitution so far enacted is so vital to our future well-being—or so necessary—as this act you sponsor. To modernize and simplify the treaty-making power of our Government will do much to hasten the establishment of a world peace—politically and economically. And the urgency for the earliest possible action is known to all who are familiar with "another minority group" in the Senate. * * *. Thank you, Congressman MERROW; and if you get this before the voters, there is little doubt about the result.

Dr. Ernest M. Hopkins, president of Dartmouth College, stated to me in a letter on this subject:

I have no hesitancy at all in asserting my complete approval and endorsement of the joint resolution which you introduced into the House on January 3, and I am very happy to have the full copy of your speech of November 20, 1944, on this same subject.

Sometimes I have thought that Congress and the administration were no clearer in their own minds as to the distinction between treaties and Executive agreements than was the public at large. * * * However, far beyond this, I think that it is greatly to the public interest to have the situation clarified so that it may be much more easily understood, and, specifically, I think that a constitutional amendment making a ratification possible by a majority vote of both the House and of the Senate would be to the advantage of all world relations.

On April 30 our colleague the gentleman from Texas, Congressman GOSSETT, and on May 1 our colleague the gentleman from Illinois, Congressman SABATH, inserted a letter in the RECORD received from seven representative organizations strongly endorsing the measure.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. I notice the letters which the gentleman just read, particularly the first one, referred to a majority vote of both Houses. Does not the gentleman believe the general public thinks this resolution provides for ratification of treaties by a majority of the membership of both Houses rather than a scant majority which might in some instances be 110 in the House and 49 in the Senate?

Mr. MERROW. I have no expression on that particular point. Some of my correspondence refers to a simple majority. As far as the conception of the public is concerned in reference to the majority of the duly elected Representatives, I cannot give the gentleman anything on that.

Mr. COLE of Missouri. I have letters that came to my desk which refer to a ratification by a majority vote of both Houses. I believe the literature of the League of Women Voters, an organization supporting this movement very vigorously, refers also to a majority vote of both Houses.

Mr. MERROW. Two hundred and eighteen in the House and forty-nine in the Senate.

Mr. COLE of Missouri. Under the resolution as it now stands, in an instance where there is only a quorum of 218 Members present, a treaty could be ratified by a vote of 110 in the House and on the other side of the Capitol by a vote of 25.

Mr. MERROW. The gentleman is correct.

Mr. COLE of Missouri. Does the gentleman know whether or not the public realizes that is what this resolution provides?

Mr. MERROW. I am not certain, but I feel that the public is insisting on a majority vote in both Houses.

Mr. COLE of Missouri. That would be 218 in the House and 49 in the Senate?

Mr. MERROW. If you consider a majority of the duly elected Representatives, yes. I believe the public as they are thinking on this wish to put it on the same basis as the enactment of laws. The distinction that the gentleman has made is one that should be clearly set forth. The correspondence I have received on the subject indicates that the people would like to have a majority of both Houses act on treaties. In the speeches I have made I have not attempted to draw the distinction. I have asked for a majority of a quorum.

Mr. SCHWABE of Missouri. Mr. Chairman, will the gentleman yeild?

Mr. MERROW. I yield to the gentleman from Missouri.

Mr. SCHWABE of Missouri. Along that line, does the gentleman realize that had only a majority of the entire membership of the Senate been necessary at the time of League of Nations proposition was up for a vote in the Senate, the League of Nations would have passed? The vote was 49 in favor of the League and 35 opposed. Forty-nine would have been a majority of all the Members of the Senate.

Mr. MERROW. I appreciate the gentleman's contribution. This is an important point to keep in mind.

Mr. JONKMAN. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Michigan.

Mr. JONKMAN. May I ask the gentleman who just interrogated the present speaker: That would also be true with the reservations? If they had passed the League of Nations bill with the reservations, would President Wilson have signed it with the reservations? Would he have signed the bill with the reservations? Have you not the same proposition here?

Mr. MERROW. As long as the matter of reservations and amendments has been mentioned, may I say that reservations and amendments are added to treaties by a majority vote of the Senate. In my opinion, a treaty may be so loaded with reservations and amendments that it would not be acceptable to two-thirds and therefore finally be defeated.

If you are going to amend a treaty and make reservations by a majority, it would seem logical that the final document should be validated by a majority.

Mr. JONKMAN. Along that line, is it not true that you are making parliamentary procedure twice as cumbersome as it is at the present time? In other words, under the proposed amendment only those treaties in which there is a difference of opinion between the executive department and the Congress will it be necessary; is that not true? In other words, where there is agreement it will not make any difference whether you have a two-thirds vote or a majority vote?

Mr. MERROW. Provided the President has two-thirds of the Senate who are willing to go along with him.

Mr. JONKMAN. Supposing that both Houses add on amendments and reservations and they are unacceptable to the President, then you would still have to pass it by two-thirds vote of each House, would you not?

Mr. MERROW. Yes; if you are going to allow the President to veto treaty provisions, but I do not know whether that would be any more difficult than getting two-thirds of the Senate at the present time.

Mr. JONKMAN. The gentleman does not think it would be more difficult to get two-thirds of each House than only one House?

Mr. MERROW. It all depends on what the public wishes. Treaty ratification would be on the same basis then as the enactment of laws.

Mr. JONKMAN. If the House and the Senate overrode the President's veto, then you would be right where you were with the League of Nations. If the President refused to go on, you still would not have any action; is that not true?

Mr. MERROW. If the President had the power to veto treaties and you did not override, that is true. We can discuss the League of Nations from two different angles. Some say that Mr. Wilson was to blame for its defeat; some say it was the Senate. It depends on how you look at it. The League of Nations had many reservations and amendments. There are those who feel that Mr. Wilson caused its defeat by instructing Democrats to vote against it. Yet, on the other hand, you can argue that those who put on the reservations and amendments caused it to be defeated, because the final document was unacceptable.

Mr. JONKMAN. As a final question, may I ask the gentleman this? Is it not true that the only thing you are accomplishing by this amendment is to give the House the privilege to pass on treaties, and that you will not facilitate the making of treaties that is now occasioned by the two-thirds rule?

Mr. MERROW. No; I do not think so. We will by the adoption of this amendment, give the House a voice in treating making. Thus you allow treaties to be placed on the same basis as the passage

of a statute and you facilitate the making of treaties. We would go into the postwar period with the ability to do something constructive. As far as treaties are concerned, our action in my opinion has been mostly negative. We would accomplish more than giving the House a voice in treating making. We would facilitate the adoption of treaties by allowing the majority of both Houses to decide.

Mr. SHAFER. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Michigan.

Mr. SHAFER. If this is to facilitate the making of treaties, and so forth, why did they adopt the two-thirds rule at the Dumbarton Oaks Conference? Can the gentleman explain that?

Mr. MERROW. The gentleman may not agree to this explanation, but I think Dumbarton Oaks should be considered as a matter by itself. I do not think that because an extraordinary majority required in the Dumbarton Oaks proposals that this is any reason for continuing a procedure which, over a period of years, has been shown to be outmoded and antiquated.

Mr. SHAFER. It is true, is it not, if a majority vote would facilitate one action, it would facilitate another?

Mr. MERROW. Not necessarily. That does not follow. It depends on whether or not the situations are analogous.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does not the gentleman feel that if the House approved a treaty it would carry a good deal of weight with the President? The House is much closer to the districts, to the people of the country, than are the Members of the Senate.

Mr. MERROW. Yes; I think so.

Mrs. ROGERS of Massachusetts. It is more the voice of the people.

Mr. MERROW. It would place a definite responsibility on the people. You would have direct responsibility as far as the people are concerned.

Mrs. ROGERS of Massachusetts. It would be educational, then, in a way?

Mr. MERROW. Yes; it would.

Mr. PRIEST. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Tennessee.

Mr. PRIEST. Just as I came into the Chamber I understood that the colloquy at that time taking place between the distinguished gentleman from Michigan and the gentleman from New Hampshire had something to do with the question of the President vetoing a treaty that might have been approved by the House and the Senate. We will say it might have been approved by a two-thirds vote if a change had taken place making that in order.

As I understand, there is no veto of a treaty. The President takes the initiative as the Chief Executive in negotiating a treaty and then submits it for approval, but it does not follow the legislative procedure from that point on. In other words, it might be approved, but there would be no veto insofar as the handling of the treaty is concerned.

Mr. MERROW. I thank the gentleman for his contribution. It might have been assumed that if we put treaty ratification on the same basis as statutory law the President could veto it, but that would necessitate an amendment, would it not?

Mr. PRIEST. I would think so, because the situation with reference to the statutory law there is not analogous at all. The President has his say on a treaty before it is submitted to the legislative body. The legislative body has its say and takes its position and its action on a law before it goes to the President. I do not believe the two situations are at all analogous.

Mr. SHAFER. In other words, the gentleman means to say there would simply be nonaction.

Mr. PRIEST. Nonaction, perhaps.

Mr. SHAFER. There would not be any concurrence, and you just would not get anywhere.

Mr. PRIEST. Perhaps so, but there would not be a veto.

Mr. FELLOWS. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Maine.

Mr. FELLOWS. I understood the gentleman to place a statute in the same category as a treaty. I do not understand that that is true.

Mr. MERROW. Perhaps I should say this. I would place the making of a treaty on the same basis as the enactment of a Federal statute. That is my position.

Mr. FELLOWS. I do not quite understand that, because they are not the same.

Mr. MERROW. We enact laws by a majority of both Houses. I would validate treaties by a majority of both Houses.

Mr. FELLOWS. But if the President vetoes a bill, then you pass it by a two-thirds vote.

Mr. MERROW. That is right.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Michigan.

Mr. RABAUT. The last speaker said something about the President vetoing a treaty. If a treaty is changed, and that would be the reason for a veto, it would have to be agreed to by the other contracting party to the treaty or there would be no treaty. There would not be any occasion for the President to veto.

Mr. FELLOWS. That is what I am saying. You cannot say this is the same kind of a procedure at all. The treaty is the supreme law of the land. I say you cannot use that analogy. It is not the same as the passage of a statute in any sense of the word.

Mr. RABAUT. The gentleman is right.

Mr. FELLOWS. If the statute is not liked, it can be repealed. If a treaty is entered into, who is going for a moment to think of our body here repealing or abrogating a treaty, even though the Supreme Court has perhaps said you could do that?

Mr. RABAUT. If it is changed, it has to be agreed to by the other contracting party.

Mr. MERROW. May I say in connection with the passage of Federal statutes the Supreme Court has held that a Federal statute abrogating any part of a treaty overrules the treaty. Of course, if a Federal statute destroys any international obligation we get into difficulties internationally. But as far as the provisions of a treaty are concerned, if we pass by a majority of both Houses an act that would abrogate parts of that treaty, that statute takes precedence over the treaty.

Mr. SCHWABE of Missouri. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Missouri.

Mr. SCHWABE of Missouri. Speaking of the apparent difference between a regular congressional enactment and a treaty, it seems to me we have overlooked one of the greatest differences from a practical standpoint. This country is the only great Nation that has a two-thirds vote requirement for the ratification of treaties.

Mr. MERROW. May I add that only Guatemala and Liberia are the only countries that have seen fit to follow that provision of our Constitution.

Mr. SCHWABE of Missouri. Is it not also true that this Nation is unique in that it is the only great power that has a two-party system of government? When we pass a law in this body and the Senate, and it is passed by, say, 51 percent of the votes, it is easy enough for the Administration to get that bill through because perhaps 55 or 60 percent of the Members are of the same party as the President. However, in a few years from now there might be an administration of a different political complexion. We could easily adjust ourselves to the shift in sentiment if it were a regular congressional enactment because that would have to do only with the people in this country. In the case of a treaty where another nation is involved, it seems to me if we only require a simple majority of those present to ratify a treaty, we have in a sense denied the minority of their rights because a treaty lasts for a much longer period of time than the average regular congressional enactment. It seems to me there is a vast difference. I am just as interested in guarding against ill-advised and too quickly considered treaties or contracts with other nations as I am with regard to streamlining treaty-making. To me, it is a bit repulsive to think of streamlining the treaty-making machinery of a deliberative body.

Mr. MERROW. The President takes the initiative in foreign affairs and the President and his party are responsible. Rarely does a President have two-thirds of the Senate in his own party. So far as I personally am concerned, I would like to have the President, whether he be a Republican or a Democrat, and the party he has with him in this Congress be responsible for decisions in international affairs. I would not be disturbed if the President and his party with a majority here in this House and with a majority

in the Senate, had the power to ratify treaties.

Mr. SCHWABE of Missouri. But the essence of our form of government is that we do protect minorities. This is a republican form of government. Treaties last so much longer and have to do with other nations as well as our own, and it seems to me it is necessary to have an overwhelming majority of the representatives of the people favor a resolution when it comes to the matter of treaty making.

Mr. MERROW. I agree with the gentleman in that respect 100 percent. But I am of the opinion that a majority of the House and the Senate would better reflect public opinion than one-third of the Senate or even two-thirds of the Senate.

Mr. TOLAN. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield.

Mr. TOLAN. I think the gentleman has been very generous in yielding. May I make one observation? Of course, the framers of the Constitution wisely knew that there would be changed conditions and thus they provided for amendments. Article V of the Constitution says before any amendment can be submitted to the legislatures two-thirds of the House has to vote on it and consent to it as well as the Senate. This is the point I want to make: Can you conceive of any amendment to the Constitution any more important than the ratification of this peace treaty after this most terrible war? And, further, the next war would probably mean the doom of civilization. Do you not think it is just as important for us to have something to say about that treaty ratification?

Mr. MERROW. That is my opinion. I conceive of no amendment any more important. I do not think there has been one in the past or that there will be one in the future of greater significance. Furthermore, I think this is the most opportune time to debate the issue. I believe regardless of how we feel we should present this to the people for a decision.

Mr. LEWIS. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I am glad to yield to the gentleman.

Mr. LEWIS. With reference to the observation of the gentleman from New York, may I ask whether the gentleman believes that whatever we do here toward amending the Constitution will become effective before we have to ratify whatever is done at San Francisco? Personally, I doubt if what we are doing here will have any effect whatsoever on the ratification of that treaty. I am thoroughly in accord with the gentleman's position, but I believe we ought not to be misled into thinking that whatever we do here is going to have any effect whatsoever on the ratification of the San Francisco Treaty.

Mr. MERROW. I am glad the gentleman has made that point. I will discuss this at some length in the remarks which are to follow. The argument that the proposed amendment cannot be acted on in time to have any bearing on the charter written at San Francisco is not an argument for not passing the measure we are discussing. Furthermore, if we were willing to act, this House could submit this amendment by passing this resolution tomorrow. If the Senate were willing to act, it could pass the resolution within a week, and the State legislatures would have the question before them within 2 weeks. I am convinced that the New Hampshire State Legislature would validate the amendment at once if it were before them for consideration.

Mr. LEWIS. Pursuing the matter just a little further, most of the State legislatures that have been in session this year have either adjourned or are on the point of adjournment. The Legislature of my own State at Columbus, Ohio, is about to adjourn. I do not believe anything we do here can be submitted under 2 years to the Legislature of Ohio, unless that legislature should be called in special session for the purpose.

Mr. MERROW. Does the gentleman admit, that if we would heed the voice of the people and actually wanted to present this to the people, that the Congress could do it in a very short time?

Mr. LEWIS. By calling special sessions of the State legislatures, yes.

Mr. MERROW. Yes. This Congress could present it at once if it wished to. We could present it this week.

Mr. LEWIS. You mean to the legislatures?

Mr. MERROW. To the legislatures, yes. Then the legislatures could be called into special sessions.

Mr. LEWIS. But what I am interested in is that it raises the stature of the House equal to the stature of the United States Senate. I cannot see why any man who is a Member of this House would not be willing to trust the membership of this House equally as he would trust the membership of the Senate of the United States. That is nothing to the derogation of the Senate of the United States. We all know there are Members of this House who have been Members of the United States Senate. Many of the present Members of the United States Senate have previously been Members of this House.

Mr. BREHM. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield.

Mr. BREHM. You mean trust the House on a two-thirds majority? We do not trust the Senate with but a bare majority on treaties.

Mr. LEWIS. Of course, I cannot see the purpose of the two-thirds majority myself.

Mr. MERROW. I think it would be infinitely better, if we cannot have the House involved, to have a majority of the Senate.

Mr. BREHM. I appreciate the sincerity and the earnestness of the gentleman from New Hampshire [Mr. MERROW]. He has presented some sound arguments in favor of this proposition. The other day the gentleman from Missouri [Mr. SCHWABE], made a point which stands out in my mind as one of the most pertinent points made in this entire debate, wherein he said, "Now you folks are complaining that a minority in the Senate can block treaties. Is it any more dangerous to have a one-third minority block passage of a treaty than it is to have bare majority of one ratify a treaty and perhaps commit us to things away beyond our power to fulfill"? I think that is a good point.

Mr. MERROW. If we had a bare majority of duly elected Representatives, you might have a situation where one person would decide. If you have majority rule you often have that condition arising. I refer to the extension of the Selective Service and Training Act back in 1941, when the vote was 203 to 202. A majority of one person made possible the passage of that important act.

Mr. LEWIS. Will the gentleman yield further?

Mr. MERROW. I yield.

Mr. LEWIS. Just pursuing this matter a little further, is the gentleman willing to accept the amendment suggested by the gentleman from Missouri [Mr. SCHWABE], to require ratification of treaties by a majority of those elected to both Houses of Congress and not by a mere majority of a quorum?

Mr. MERROW. I prefer the resolution as it is, but I think that is a fair compromise. I think it is infinitely better than the present system. It would do two things. First, the House would have a voice in treaty making, and second, it would prevent a minority of the Senate blocking treaties. It would give better representation as far as the people are concerned. The amendment suggested by the gentleman and others, is infinitely better than the plan we have at the present time.

Mr. LEWIS. I agree and I hope the suggestion of the gentleman from Missouri [Mr. SCHWABE], if it is offered in the form of an amendment, will be accepted.

Mr. MERROW. I thank the gentleman.

Mr. BREHM. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield.

Mr. BREHM. I believe the 2 days' debate on this resolution has done one thing for this House which has been very salutary. It has brought out a degree of statesmanship which in my humble opinion has been lacking in so much of the discussion that goes on in the well of the House. I can recall several bills, for instance, the soldiers'-vote bill, the so-called work-or-fight bill, the nurses'-draft bill, and so forth, those bills did not present any statesmanship, so it has been proved that statesmanship does exist, and I think it has come to the front insofar as action on this legislation is concerned.

I am very sincere when I say I do not think anything will ever come of this resolution, but it has proved that statesmanship does exist in this body, and, therefore, it was good that it was considered, for that reason if for no other.

Mr. MERROW. I appreciate the gentleman's statement. I cannot agree that this will never amount to anything. Perhaps this is just the beginning of a long fight. It may take 10 or 15 years, but the people, in my opinion, will insist that we change the present system.

Does the gentleman from Iowa still wish me to yield?

Mr. GWYNNE of Iowa. I believe the gentleman answered what I had in mind, but what has the gentleman to say about the amendment which would require a two-thirds vote of both Houses?

Mr. MERROW. I would be definitely opposed to that. Such a requirement would make it much more difficult to ratify a treaty. There would have to be two-thirds of the House as well as two-thirds of the Senate in favor of it; you would just make it that much more difficult. I would be opposed to that.

Mr. GWYNNE of Iowa. Mr. Speaker, will the gentleman yield further?

Mr. MERROW. I yield.

Mr. GWYNNE of Iowa. What does the gentleman think of the two-thirds requirement for amending the Constitution?

Mr. MERROW. I am inclined to think that the other two-thirds provisions should be debated and decided on the merits of each individual case. It is entirely possible that we should make other changes in the Constitution.

Mr. GWYNNE of Iowa. What does the gentleman think of the two-thirds provisions in the Dumbarton Oaks Proposal? They require at two-thirds majority on a number of questions.

Mr. MERROW. Yes; in that case the representatives from the nations are acting as representatives of sovereign states, whereas in the matter of treaty ratification the Senators are voting not as the representatives of sovereign states. I say again that in my own thinking concerning the Dumbarton Oaks Proposals the provisions have not much bearing on this particular proposition we are discussing.

As time goes on I would expect that the charter of the United Nations might have to be amended to meet changing conditions.

Mr. PRIEST. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield.

Mr. PRIEST. I hesitate to impose on the gentleman's time any further, but in line with the question asked by the distinguished gentleman from Iowa and the answer given by the gentleman from New Hampshire, it seems to me that that goes to the very bedrock of the whole background of the question now before us. If we agree that the two-thirds provision in the Dumbarton Oaks charter is a logical one, and use it as an analogy to the present situation, then we agree today that we ratify treaties by States rather thanby the people of the United States. Under the articles of confederation they voted by States; each State had one vote, and it took nine votes to do many things that we do now in Congress by a majority. It seems to me that if we use Dumbarton Oaks as an illustration we admit at the same time that today we ratify treaties by States rather than by the people's representatives. I believe there is no actual basis of comparison there.

Mr. MERROW. I appreciate the gentleman's comment, and I am glad to see so much interest in this important question. I hope no Member will have any hesitancy in asking me to yield if he has anything to say. This probably is the most vital issue we will be called upon to decide in many months. It should be decided most carefully.

Some time ago I placed in the RECORD a resolution from the American Federation of Women's Clubs in approval of the amendment under discussion. On April 23, 1945, Congressman RAMEY, of Toledo, inserted in the RECORD a resolution adopted by the Toledo Bar Association in favor of majority rule in treaty making. I mention the letters and the resolutions to emphasize how strongly public opinion endorses this action.

Many outstanding newspapers through their editorial columns have voiced approval of immediate action by Congress in submitting the treaty amendment to the States. The New York Times as recently as May 3 used these words:

The historical reasons for adopting the present constitutional system of treaty approval have long ceased to exist. The present provision for treaty approval is both undemocratic and illogical. It is undemocratic because it permits a minority to block a majority in the making of peace. It is illogical because it permits a simple majority of the House and Senate to make war, while it requires two-thirds of the Senate to make peace. So far as the Senate is concerned, it is harder to make peace than to make war.

The Washington Post in an editorial on the same day employed the following sentences:

The greatest danger to the Nation nowadays seems to arise, moreover, not from inept treaties but from a failure to exercise this vast power constructively in the cause of world peace. The inescapable fact is that the United States will not be able to take its rightful place in the organization to keep the peace now being set up at San Francisco unless it can exercise the treaty power free from a minority veto.

The Free Press of Detroit, Mich., on November 27, 1944, stated:

Logic and sense support an end to the two-thirds Senate treaty rule. A simple majority of both Houses is sufficient to declare war. It is the democratic way that the same device be used to bring wars to a close. It is sound statesmanship to permit the lower House to share in this power. Its membership, standing for reelection every 2 years, is closer and more susceptible to popular sentiment than the Senate. As it is now, 33 Senators can block what might be the clear wishes of the other 498 Members of Congress and the overwhelming wish of the whole people. Instead of the time being unpropitious for a constitutional amendment, it may well be that the time was never more propitious. Certainly, with all the infinity of international agreements that eventualily will be submitted for sanction or rejection, the need for a more democratic instrument was never more evident.

An editorial from the Sun, Chicago, Ill., of December 3, 1944:

It is impossible to make out a case on the basis of democracy or efficiency in the conduct of our foreign affairs for the constitutional provision which requires a two-thirds Senate majority for the ratification of treaties.

Strongest public support, accordingly, should go to the resolution unanimously adopted last week by a House Judiciary subcommittee for submission of a constitutional amendment on this vital matter to the States.

The proposed amendment would provide for treaty ratification by simple majority of both Houses of Congress present and voting. Until such an amendment is adopted, the American people will be gravely handicapped in building the peace. We may be able to enter the forthcoming world organization on an adequate basis without it, but entering the organization will by no means end the need for an American treaty-making system that frees the majority of our people from the "verbotens" of a minority.

From the Post-Star of Glens Falls, N. Y., of November 18, 1944:

The real issue at stake is that America has elected to be governed by the will of the majority and this principle should extend to all things, including treaty making. In this matter the Constitution clearly violates its own precepts. The Constitution belongs to the people. It is theirs to change if they see fit. No excuse is sufficient to justify denying them that right and the Congress should give them the opportunity to voice their opinion by putting the amendment before the States.

From the Times-Dispatch of Richmond, Va., of January 2, 1945:

The constitutional provision requiring ratification by two-thirds of the Senators has been a stumbling block in the way of sensible international arrangements almost throughout our history. It was adopted when there were only 13 States, and the 26 Senators representing them were thought of as a sort of privy council which would advise with the President on foreign affairs. Matters have turned out very differently, with the result that it has become almost impossible to secure ratification of any far-reaching treaty.

This notorious fact has been bitterly deplored by many of our ablest statesmen, including the Republican, John Hay, one of our most distinguished Secretaries of State. They have pointed out that even when popular sentiment for a treaty is overwhelming, there is no assurance whatever that two-thirds of the Senate will back it. Special interests of one sort or another have almost invariably been able to stir up opposition from at least one-third of the Senators. A majority of both branches can declare war, but for no good reason at all, it takes two-thirds of the Senate to declare peace. How much longer are we going to put up with this absurd state of affairs?

From the Star Journal of Minneapolis, Minn., of November 17, 1944:

The United States treaty-making machinery once again is under scrutiny as the day approaches for determining American participation in a world organization for peace.

While the United States failure to join the League of Nations was not the sole cause of the League's failure—it is doubtful that it was even one of the major causes—the fact remains that a small Senate minority kept us from joining in that effort to avoid another war. The fact that we are now fighting again proves that we cannot escape being enmeshed in world conflicts merely by staying out of a league. By staying out we do not help; at best we can refrain from hindering.

Faced again with the possibility that a minority may block the peaceful will of the majority, some of our more progressive thinkers are urging a modification of the Senate's treaty-making powers to do away with the necessity for a two-thirds vote on ratification.

Outstanding leaders of public opinion have been urging this reform. In a statement on the subject Mr. Nicholas Murray Butler, of Columbia, used the following words:

There is one important change which the people of the United States must make in

their Constitution without delay. Treaties should be ratified as statutes are enacted, by a majority vote in each of the two Houses of Congress. There is no more important question than this before the country at the present moment. To effect this vitally important change, the pending amendment to the Federal Constitution should be adopted by the people without delay. Otherwise, no can foretell what damage may be done to the public welfare, both national and international.

When hearings were held before the Judiciary Committee on this question the witnesses who spoke were practically unanimous in the belief that this change should be made. You are familiar with the hearings conducted by the Judiciary Committee and know that the leaders of public opinion who appeared on the proposed amendment urged strongly immediate action upon this much needed reform.

It has been my privilege to address various audiences on the subject of treaty ratification. Last January I spoke before the Foreign Policy Association in Philadelphia. The reaction of that audience was overwhelmingly in favor of doing away with the two-thirds rule. Last Friday evening I addressed the Men's Club of the First Congregational Church in the city of Toledo, Ohio. The issue was discussed freely. Not one voice was raised in opposition to the amendment. The Legislature of New Hampshire—in this connection may I say that with a house of approximately 400 members, my State holds the distinction of possessing the large State legislature in the country—adopted unanimously a resolution requesting that Congress present the proposed amendment to the States. The legislature in the "Granite State" would welcome the opportunity to be the first to ratify this proposed change in the Constitution.

The American Institute of Public Opinion under the direction of Dr. George Gallup has conducted three polls on this question. The results of the first were released on October 13, 1943; of the second, May 17, 1944, and the third, January 7, 1945. On January 6, 1945, Dr. Gallup stated:

Majority public opinion in the United States is ready to accept a major reform in the method of ratifying peace treaties, judging by the evidence of a survey just completed by the institute.

The opinion is shown in response to the following question: "When the war is over, it will be necessary for the Allies to decide on peace terms for the Axis. Which one of these three ways would you, personally, favor as the best way to have peace treaties approved after the war?"

The three alternatives given the voters were approval by the President only, approval by the President and a majority of the whole Congress, or approval by the President and two-thirds of the Senate, which is the present method.

The trend of opinion follows:

	October 1943	May 1944	January 1945
	Percent	*Percent*	*Percent*
President only	7	7	8
President and majority of whole Congress	54	60	58
President and two-thirds of Senate	25	19	22
Do not know	14	14	12

I wish to emphasize that in the poll of October 1943, 54 percent of the people favored the proposed amendment, as against 25 percent for the two-thirds rule—over two to one. In the poll of May 1944, 60 percent favored the proposed amendment, as against 19 percent for the two-thirds rule—over three to one. In the poll of January 8, 1945, 58 percent favored the proposed amendment as against 22 percent for the two-thirds rule—over two to one. From these figures it is perfectly clear that only a small minority of our people favor the two-thirds rule. I will go as far as to predict that when this question is clearly presented to the entire citizenry of the country the percentage of people in favor of the proposed change to allow both Houses of Congress to ratify treaties by majority vote will be overwhelming. It is my studied opinion that if the Congress refuses to give the people of this country an opportunity to pass upon this amendment through their State legislatures we will be defying the wishes of those we represent and we will be held to strict accountability for our action.

NOT IN TIME FOR SAN FRANCISCO

It has been repeatedly stated during the past week that no matter what we do on this resolution the Constitution cannot be amended in time to have any bearing upon the ratification of the charter of the United Nations which will come from the Conference at San Francisco. It appears to me that this argument is advanced by the opponents to the reform who wish to secure as much delay as possible. If the Congress has no desire to block action by the public, if the Congress is perfectly willing to give the people an opportunity to act, this is what would happen. The House would vote overwhelmingly for the measure under discussion. The Senate would take it up immediately, and within a few days vote to submit the amendment to the State legislatures. Yes; if the Congress would heed the voice of the public, this matter would be before the State legislatures within a week, and were this done, I feel certain that the people would write the amendment into the Constitution within a few months. Let us not use the statement that we cannot effect this change in time for San Francisco just as a reason for excusing an unwillingness to pass the measure.

Even though we admit, for the sake of argument, that the proposed amendment cannot become a part of the Constitution in time to have effect on the charter of the United Nations, this is no argument for retaining the two-thirds rule. Many treaties and agreements implementing and supplementing the charter of the United Nations must be agreed upon if we are to have permanent peace. During the next two decades we will be called upon to validate many treaties in the development of a foreign policy designed to preserve the peace. The charter of the United Nations will be but a beginning. We must change our constitutional machinery for the approval of treaties if we are to erect on the charter of the United Nations a structure of international security and peace.

TREATIES OF THE FUTURE

It is impossible to predict whether particular international agreements in the future will take a form which can be appropriately handled by executive agreement or whether treaty action will be required. However, various subjects will may be dealt with in international agreements and which may require treaty action can be indicated. A partial list is as follows:

1. Treaties of establishment which concern the rights of nationals, corporations, and other associations in one country to live in and perform other activities in another country.
2. Treaties of commerce and navigation dealing with the rights of the nationals of one country to carry on trade and other activities with those of another country.
3. The Civil Aviation Convention now before the Senate for ratification as a treaty, and future treaties with respect to civil aviation which may arise out of this convention.
4. In the field of shipping, there may be treaties concerning:
   (a) safety of life at sea;
   (b) load line. The present treaties on this subject have been suspended during the war and may require revision and renegotiation in the light of the situation after the war.
   (c) Other shipping matters.
5. The International Labor Office may propose treaties in the field of labor.
6. With respect to telecommunications, existing treaties may have to be revised and new ones made in view of advances in the art, as well as changes brought about by the war.
7. There may be treaties proposed which deal with education.
8. Treaties of extradition.
9. Treaties relating to traffic in narcotic drugs.
10. Exchange of publications.
11. Possible future actions with respect to freedom of the press and other forms of communication.
12. Fisheries and whaling.
13. Double taxation.
14. In the broad field of commercial policy, treaties may be required covering various matters, such as:
   (a) the elimination of trade barriers;
   (b) special commodity arrangements;
   (c) cartels and monopolies.

A FUTILE GESTURE?

The opponents of House Joint Resolution 60 have repeatedly stated that to debate and to act on this resolution is just a futile gesture on the part of the House and that the Senate will do nothing. This is no reason for failing to do our duty. This is no argument for refusing to represent the people. This is no reason for the House not acting. This change must and will come. How can anyone be sure that the Senate will not act? Even though the Judiciary Committee of the Senate has indicated that it will not report any constitutional amendments for the duration, the other body will not, I am sure, forever defy public opinion. Senators, too, must be elected. Congress will ultimately do as the people wish. This issue may be carried into many election contests in the future. For a long time the people have been fighting for this reform and they will not cease fighting until the needed reform is made.

I believe that this House should act regardless of any anticipated move by the Senate. Are we going to be afraid to do what the people wish just because

of a stand by a committee of the other branch of this Congress? As far as not reporting any amendments to the Constitution for the duration is concerned, it would be, in my thinking, just as reasonable to say that we will suspend the enactment of statutes until the boys get home. We have been elected to legislate. We have been sent here to pass upon important questions affecting the welfare of the Nation. Our fighting men are doing their duty on the many battle fronts of this world. They are winning great military and naval victories. It is for us to win the peace and devise the constitutional machinery by which the peace can be maintained. I feel that those who are fighting on the battlefields expect us as legislators to act, expect us to render decisions on the matters that are before us, and not say that we will wait for the duration before doing anything about these vital questions. Regardless of what the Senate may or may not do, we should listen to the voice of the country and act favorably on this resolution.

REASONS FOR INSERTING THE TWO-THIRDS RULE NO LONGER EXIST

Let it be emphasized that there is no political theory underlying the two-thirds rule and that the reasons for including it in the Constitution do not now exist. The Articles of Confederation are no longer in the immediate background. The jealousies and suspicions which caused the insertion of this rule have long since disappeared. The Senate is much larger than the fathers anticipated. Consequently, secrecy does not prevail. The Senate never did advise and consult with the President. State sovereignty, all-important at the time of the writing of the Constitution, is not prominent at the present hour. A fair and impartial consideration of the historical aspects of this question leads one to the conclusion that the reasons motivating the writers of the Constitution to insert the two-thirds rule have long since disappeared. This is the only great country with such an encumbering provision on the execution of its foreign policy. The nations of the world who have copied many features of our Constitution have never seen fit to employ the two-thirds rule. It cannot be established that the fathers were motivated by any political theory of government in the writing of this provision.

THE TWO-THIRDS ARGUMENT

In the course of this debate many have cited the two-thirds provision in reference to other matters and have indicated that because the President's veto must be overridden by a two-thirds vote of Congress and because we require a unanimous verdict by juries and because a two-thirds vote is necessary for impeachment, and so on, that the two-thirds rule in reference to treaty ratification should be continued.

Let us analyze this method of reasoning. I have stated, and I still maintain, that these cases are not analagous to treaty making, and therefore have no bearing on the consideration of this subject. Concerning the President's veto, William Y. Elliott, former chairman of the School of Government, Harvard University, in a statement before the Committee on the Judiciary, said:

As you know, sir, a veto by the President of an act passed by Congress indicates, after all, a division of opinion between the Executive and the Congress on a legislative matter on which both, by the Constitution, are entitled to have a view, the President by his veto. The practice, of course, under the party system, is that the President is a leader in the formulation of policy.

Treaty-making power, on the other hand, is something in which the President, the only officer elected, along with the Vice President, by a national vote of all the people, is asking agreement of another body of the Government. He is asking for it in terms of supporting something he is doing. He is not vetoing something the other body has done; he is asking for support of what he is doing. Therefore, the minority provision that is holding up ratification of a treaty is in effect the veto power by a very slight minority of the Government.

It is not an affirmation and repassing of something over a veto. Let us get that distinct. What happens is that a veto stops an act passed by an ordinary majority of Congress. There is, therefore, a difference of opinion between the two. Now, in order to get that repassed over the veto, the President has to get it repassed by a two-thirds majority of the Senate and of the House, because there has been a difference of opinion between the two parties.

The Senate, on the other hand, can block the President from acting in this matter by a simple one-third power of the most unrepresentative body in the world from the point of population. That is an extraordinary situation.

As far as unanimous verdict by jury is concerned and the impeachment of a President, these matters are entirely different from treaty ratification. Juries hear evidence in cases presented to them. In treaty ratification the President presents a proposition on international affairs to the Senate. The Senate makes amendments and reservations by a majority and then proceeds to apply the two-thirds rule when final ratification is voted upon. The assertion that since more than a majority is required in certain other situations, therefore we should require an extraordinary vote in treaty making is without substantial foundation.

IMPORTANCE OF TREATIES

We have heard a great deal about the importance of treaties and because of their importance we must hold to the two-thirds rule. The argument from the standpoint of importance falls by its own weight. There certainly is nothing more important than declaring war and yet we do that by a majority. We write the legislation necessary to carry out the provisions of a treaty by a majority, certainly there is nothing more important than spending the people's money and we appropriate billions and billions and still more billions by a majority. As important as treaties may be we abrogate them by a majority vote. Charles K. Burdick, professor of law at Cornell University, in the book The Law of the American Constitution, states:

If a treaty may supersede a Federal statute, it follows conversely that a Federal statute may abrogate the provisions of a treaty. This has been repeatedly determined by the Supreme Court. The result of such action is to replace the treaty provisions by the statute as the law of the land, but the international obligation created by the treaty still exists, and its nonfulfillment may, of course, lead to international complications.

It is certain that failure to act by the Congress in taking appropriate steps to carry out a treaty can destroy the instrument and it is logical that the same agencies that can destroy should have the power to ratify. It can well be said that the matter of making treaties is so important that we cannot afford to exclude the House from the process of treaty ratification.

THE SENATE'S RECORD

Mathematical statements have been made in respect to the treaties the Senate has acted upon or has failed to act upon, but mathematical considerations do not tell the whole story. In connection with this important point I wish to reemphasize the fact that peace treaties and treaties of arbitration have suffered greatly at the hands of the Senate. Dr. Frank M. Russell, of the University of California has stated:

It has been pointed out by defenders of this provision of the Constitution that over the whole course of our history the Senate has actually rejected few treaties, and the number that it has amended has not been considerable. That is true, but the whole story cannot be told in terms of mathematics. In recent decades, certainly, the most important treaties from the point of view of building an economically and politically integrated and peaceful world—the only kind of world in which our safety and prosperity can be promoted—are the ones that have suffered emasculation or mutilation, if not actual rejection at the hands of a minority of isolationists in the Senate.

The mathematical statement of what the Senate has done to treaties does not in any way tell the whole story. We must take into consideration the type of treaty which has been rejected or mutilated.

Nearly 45 years ago the weakness of our system of treaty ratification was recognized by the Nation. Commenting on this subject December 20, 1900, the following words were used:

The United States is rapidly coming to be regarded by the other Great Powers as a Nation which is not able to make a treaty. We have been trying to conclude important international agreements during the past 15 years, but have seen one after another of them go to wreck in the Senate. It is needless to enumerate the long and melancholy list. Whether the President was Cleveland or Harrison or McKinley, whether the negotiators were Democratic or Republican the power of the Senate to ratify treaties has been mainly exercised as to the power to kill treaties. Three valuable conventions with Great Britain have been broken on the Senate's veto. The Chief of State has made treaties with France and Germany, but the Senate has said with a sneer, "They reckon ill who leave me out," and has brought the whole work to the ground. With or without intention, we seem to the world to have stripped ourselves of a leading attribute of sovereignty—the power to make treaties.

That the result is badly to impair our national prestige admits of no question. Already foreign writers on government and international relations are beginning to say that it is absolutely worth no country's while to attempt to make a treaty with the United States. The President may be conciliatory, the Secretary of State may be willing to agree,

but there is always the intractable Senate to say us nay; so what is the use? This is a most humiliating thing to be truthfully said of a great nation. It leaves us in a contemptible position.

In a newly hatched and loudly cackling world power the inability to make a treaty is little short of ludicrous. To be a world power means at least to meet other powerful nations on equal terms. It is, indeed, an essential function of world powers to make agreements with each other for their reciprocal advantage and for the peace of the world. But here we are, thrusting ourselves into the company of the Great Powers, and at the same time confessing that we cannot bear ourselves as a great power should.

I want to make it perfectly clear that in my discussion of this subject I have no intention of criticizing even by implication any Member of the Senate past or present. I am opposing a system which makes impossible our constructive leadership in international affairs. I thoroughly believe that the Senate should be much more interested in this amendment than is the House. Were this amendment adopted its position would be greatly strengthened because the will of a majority of its Members could be exercised. Action would be positive not negative, constructive not obstructive. The majority would then rule, the minority could not block.

MAJORITY RULE

Wallace McClure in his book International Executive Agreements has said:

In democratic voting one more than one-half must be decisive; otherwise the minority rules the majority. The constitutional authorization for the President to enter into treaties, provided the Senate by a two-to-one vote acquiesces, is, accordingly, not democratic. The burden of proof is on him who contends that it is not inconsistent with a system of democratic government. In practice, no less than in theory, it has become an anachronism. To allow the votes of the opposition to count twice as heavily as those for affirmation places upon international collaboration a handicap that history has shown to be dangerous to the public welfare.

Treaty making should be on the same basis as statutory law. We adopted the lend-lease measure by a majority vote. This program has proved to be as important as anything which could be done by a treaty. It ought to be easier to make treaties instead of more difficult. It is so difficult at the present time that the total result is a do-nothing policy. During the course of the debates it has been pointed out that Congress can terminate a war by a majority vote. This statement confuses the issue. Certainly no one contends that the treaties which must be formulated—treaties on which the peace is to be erected—can be made without two-thirds approval of the Senate. Even though Congress can by a resolution declare the peace, in the broader sense, peace cannot be made by the majority.

ISOLATIONISM NO LONGER POSSIBLE

One of the strongest reasons for adopting this resolution is the fact that isolationism is dead and we must in the future take a more active part in international affairs. This we cannot do unless we have the machinery for a quick review, approval and disapproval of treaties and agreements. We cannot have a flexible foreign policy unless we construct more efficient constitutional machinery for making peace.

President William McKinley of Ohio, who once served in this House, displayed an almost unbelievable ability to prophesy in his last speech made in 1901 in Buffalo. So pertinent are his remarks that I am including them in this speech:

After all, how near one to the other is every part of the world! Modern inventions have brought into close relation widely separated peoples and made them better acquainted. Geographic and political divisions will continue to exist, but distances have been effaced. Swift ships and fast trains are becoming cosmopolitan. They invade fields which a few years ago were impenetrable. The world's products are exchanged as never before, and with increasing transportation facilities come increasing knowledge and larger trade. Prices are fixed with mathematical precision by supply and demand. The world's selling prices are regulated by market and crop reports. We travel greater distances in a shorter space of time and with more ease than was ever dreamed of by the fathers. Isolation is no longer possible or desirable. The same important news is read, though in different languages, the same day in all Christendom. The telegraph keeps us advised of what is occurring everywhere, and the press foreshadows, with more or less accuracy, the plans and purposes of the nations. Market prices of products and of securities are hourly known in every commercial mart, and the investments of the people extend beyond their own national boundaries into the remotest parts of the earth.

I believe that if William McKinley were serving in this House today he would be one of the strongest advocates for this change.

RESPONSIBILITY

If this resolution is defeated in the House we must bear the awful responsibility of denying to the people of this country an opportunity to express their voice through their legislatures on this amendment. This responsibility is made all the greater because of the popular demand for this reform. If this resolution is not passed we take the responsibility of saying that the people's Representatives, elected every 2 years, should not have a voice in making treaties and that our foreign policy should be dictated by 33 Members out of 531 Members of this Congress elected to represent 130,000,000 men and women who make up this great democracy. If this measure is defeated we say to the country that we do not believe we have in this House the ability to pass on peace treaties. If this measure is defeated we take upon ourselves the terrible responsibility of saying that we do not think it is necessary to construct constitutional machinery needed to meet the problems of this scientific age. If we defeat this amendment we will, in my opinion, indicate to the world that we are hesitating in accepting international leadership in the postwar period.

EXTENSION OF REMARKS

Mr. PRIEST asked and was given permission to extend his remarks in the RECORD and include an editorial from the Chattanooga Times.

SPECIAL ORDERS

The SPEAKER pro tempore. Under previous special order of the House, the gentleman from Michigan [Mr. JONKMAN] is recognized for 15 minutes.

CONGRESSIONAL FOOD STUDY COMMITTEE

Mr. JONKMAN. Mr. Speaker, under our law and Constitution, it is the function of Congress to represent the people in consideration and enactment of legislation. It should not be necessary for congressional committees and individual Members of Congress to devote their time, energy, and effort to investigating and correcting the administration of the laws they have enacted. This is particularly true at the present, when we should be devoting all of our effort to the tremendously complicated problems that face us in the postwar period to come.

Unfortunately, it has been necessary for both Houses of Congress to appoint special committees and for many Members to devote too much of their time to the investigation of administrative action as it relates to food and to other problems of the Nation. As every Member of the House knows, the food situation became so serious that as long as 2 years ago, the minority leader of the House of Representatives appointed a Republican Food Study Committee, chairmaned by our colleague, the Honorable THOMAS A. JENKINS, of Ohio, when the Democratic leadership of the House failed to take action on the matter.

The recent revelations in regard to the meat situation were brought to the attention of the House more than a year ago, but no official action was taken. Every charge made by the Republican Food Study Committee in that regard has been fully substantiated by the recent investigation and report made by the special committee to investigate food shortages for the House of Representatives. The misadministration of the whole meat program from the producer to the consumer is now known by everyone in the country. The same confusion, misadministration, and procrastination, through the failure to establish a central agency of government to handle the whole food program, is to be found in the administration of the sugar problem. I have repeatedly taken the time of the House to call attention to this deplorable situation.

On April 19 last, based upon an investigation made by the Republican congressional food study committee, I pointed out that the War Food Administration estimates of the amount of sugar to be available to the American housewife and commercial users during the present year were grossly exaggerated and that the truth of the matter, based upon reliable information secured from the industry itself, was that we faced the shortest sugar supply of the entire war period during the balance of this year. Now, at last, in an O. W. I. press release dated May 1, 1945, the O. P. A. and the War Food Administration have admitted that the country faces the worst sugar shortage of the entire war period. In four single-spaced mimeographed pages, these agencies attempted to explain the reasons for the sugar crisis, but they failed to admit the real cause for the sugar scarcity.

No one denies that some of this shortage is due to conditions beyond our control. On the other hand, no one can honestly deny that sugar cane and beet planting in the continental United States and in the off-shore producing areas would have been greatly increased if it were not for the failure of administrative officials to handle the problem properly. Apparently, the sugar shortage does not bother them. The sugar shortage is now official, but these responsible Government officers have not revealed the whole truth. They do not seem to know that the amount of sugar to be produced this year will be some 300,000 tons less than their latest revised estimates.

According to this official O. W. I. press release, here is the way the sugar situation shapes up for the rest of this year:

First. Consumers will have 25 percent less sugar on the table for use with their coffee, cereals, and fruits, and for home baking.

Second. Housewives will receive 45 percent less sugar for home canning than was provided last year.

Third. Hospitals and other institutional users will receive 17 to 30 percent less sugar for the consumers they feed.

Fourth. Restaurants, cafeterias, and other public eating places will receive 25 percent less sugar.

Fifth. Industrial users, such as bakers, soft drink and candy manufacturers, food canners, and others are warned to expect a reduction below the present ration, which is only 65 to 75 percent of pre-war requirements.

These reductions are inevitable because of the confusion created in administration. An examination of the O. W. I. press release, however, brings another strange fact to light. Consumers in the United Kingdom and in Canada are to receive an increased allotment of sugar for the balance of this year, while consumers in the United States are to experience a further sharp reduction. Congressional investigation is needed to find out why an arrangement is being made by United States Government officials, if the O. W. I. release is true, whereby the sugar shortage in the United States is to be further seriously aggravated by increasing the allotments to other nations.

Congress is powerless to correct the basic trouble so far as the remainder of this year is concerned, but we must insist that steps be taken immediately to prevent a further reduction in the sugar supply for 1946. In my recent statement, I invited attention to the fact that unless steps were taken within 5 weeks, there would be a further reduction of sugar production in Puerto Rico and Cuba, which jointly supply more than 60 percent of our sugar. In both of these great sugar-producing areas, there is no labor shortage and sugar does not displace any other major crop. The failure of United States Government officials to face the problem of sugar production realistically is withholding large acreage from production in both of these areas. They have taken no action to encourage the expansion of production for the coming season, and unless such action is taken within the next few days, it will be too late to secure increased production for 1946.

Time is the very heart of this matter. Procrastinating Government officials may be willing to wait on endless surveys and time-consuming conferences—but nature and the planting season will not. The spring planting season in Cuba and Puerto Rico is now more than half gone. Only about 5 or 6 weeks remain in which to plant the crop that will be harvested in the early summer of 1946. The most favorable action 2 or 3 weeks from now will not leave time enough for a full planting, and thousands of acres of sugar land will be devoted to pasturing stock for the next year.

Puerto Rico, which this year will produce only 850,000 tons of sugar could and should be harvesting a crop of 1,200,000 tons. Cuba, which is harvesting a crop of no more than 4,000,000 tons could and should be harvesting a crop equal to or better than the 1944 crop which was 5,600,000 tons.

For reasons that have not been explained either to the Congress, the public, or the sugar producers, the governmental agencies having to do with this matter have failed to take action that would encourage sugar producers to expand their crop acreage. These Government officials have apparently devoted their energies to the negative policy of allocating whatever supplies happen to be available rather than following a positive course of encouraging greater production.

If necessary action is taken promptly, the potential shortage can be materially relieved for 1946, and we must insist that Federal officials, who control the entire production of sugar from beginning to end, lose no time in taking such steps as are necessary to assure the American public of a reasonable sugar supply next year. There can be no excuse for a further severe shortage.

LEAVE OF ABSENCE

Mr. BRYSON. Mr. Speaker, the gentleman from South Carolina [Mr. RIVERS], a distinguished Member of the House Committee on Naval Affairs, has been called out of the city on official business. I ask unanimous consent that he be granted leave of absence for the balance of this week.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from South Carolina [Mr. BRYSON] is recognized for 10 minutes.

GERMANY SURRENDERS

Mr. BRYSON. Mr. Speaker, in the glorious victories of the Allied forces in the European theaters of war there is great cause for rejoicing.

Naturally, the victories of our armed forces have brought joy to our civilians, and possibly their first thought is a celebration such as we have never had before in our country. Victories have brought to us joy and optimism and assurance that right reigns in the end.

But let us stop, look, and listen. What would our boys want—both those who have made the supreme sacrifice and those who will come back to join again the loved ones they have been separated from so long?

They have seen the stark tragedy of war. They have seen their comrades blown to bits—part of them mud, part of them blood, the rest of them not at all. And they have lifted up their hands in prayers of thankfulness as victories have come. They have thanked God for guidance, for instilling them with courage to meet the awful tests of hardship and battle.

After peace came in World War No. 1, in most of our cities there were wild, howling crowds bent on celebrating—drunkenness, fires, parades, and all that goes with such disorderly demonstrations.

If God's guidance has brought success to the Allied armies, as it surely has, there should be solemn thanksgiving instead of a wild orgy.

I doubt very much that the brave men who have given their lives, and who have passed on to their reward would approve of any program of destruction; they saw too much of destruction, of carnage, and slaughter when they held the gage of battle. And the living have seen too much of it, and they have well realized that God's watchfulness has been with them and they feel that there should be ceremonies in which God would be thanked for the blessings bestowed.

The hand of God has been so clear in the battles. The facetious remark credited to Napoleon that the Lord is on the side of the heaviest artillery has little standing when this has shown in so many instances, in so many battles. It is surprising that some have failed to recognize this. Our men in the armed forces know it; they have felt it, in their throbbing heads as they struggled forward against a hail of machine-gun bullets. The men in the ranks, the officers, the chaplains—oh, yes, they know.

Peace will mean great new problems which will have to be faced. No war has ever thrown industry and life itself so far out of gear as World War No. 2. The tremendous questions which will have to be determined when hostilities cease will require the very highest statesmanship the country has ever known. Wisdom of a high order will be a necessity.

And so as we give up prayers of thanks to God for the blessings of His guidance in the war, and for the splendid victories thus far attained, it is plain that we should offer up prayer for a wise solution of these problems and for wise action on the part of those to whom this great task is entrusted.

As such problems stand before us, we should engage in a dignified and solemn ceremony with an expression of thanks to God for victory and peace.

VE-day belongs to those who sacrificed most to make it possible. VE-day belongs to the front-line heroes, and with reverence we should commemorate the toil and sacrifice they gave for the cause of a better world.

Yes, Germany surrenders. Now we can expect to be bombarded with some of

the cleverest chicanery, hypocritical weeping, wailing, and lying that the world has ever known, for outdoing that which we were assailed with at the end of World War No. 1.

Now is the time when we, the United Nations, will have to arrange a settlement with these unrepentent barbarians, which, God willing, will be based upon justice for the victims whose populations they have destroyed, whose resources they have wasted, whose accumulated capital they have ruined and whose institutions they have wrecked.

The German Army is beaten to a frazzle. The supermen have become cornered rats. Their strutting field marshals, who have not been shot down like dogs by Nazi firing squads, are caged and tamed by the Russians or are hanging up new running records in retreats from broken fronts.

In this land, freedom made its home. It is your duty and mine to see to it that it shall not be banished from these shores. I claim no ability to walk with unstumbling feet the uncertain paths of prophecy, but I make bold to predict that when the smoke of this war's battles shall have been completely cleared away, it will clearly be seen that Old Glory, unstained and untorn, will yet be waving over this land—still the land of the free and the home of the brave; that when the constitutional infidels and saboteurs, the liberty thieves and freedom's foes are dead and in their forgotten graves, the Constitution, unaltered and unchanged, will be the supreme law of this land, and the liberty-loving, God-fearing men and women of this Nation, unashamed and unafraid, will still put their unfaltering trust and unfailing faith in that Constitution and pay undivided allegiance and unstinted tribute to that flag. May God grant it so!

The war at this point is but half over. We must not relax our war efforts. We must continue to save, give, and buy. We must save scrap, give blood, and buy bonds until Japan surrenders. Remember there will be millions of Americans still under arms in the Pacific, engaged in fighting a war against Japan. There are the wounded and the dead, who have sacrificed themselves to bring about the defeat of Hitler. Can we think of them and go on a V-day jag? We can rejoice in the victorious result of their pain and death, we can feel a sense of utmost relief and gratitude, but are we in the mood to scream and throw ourselves about like jitterbugs? It ought not to be. Let us recapture the mood of D-day, which was not one to blow whistles and sirens, but to bow in solemn prayer.

One thing especially is needful, in order to keep the lights on in the world—faith—faith in ourselves, faith in the heritage that is ours, faith in those inalienable rights which were given to man by the Creator of the universe.

We, on V-day, our homage pay
To God, for everywhere
The bombings cease, that silent peace
May solemnize the air,
Which lately roared, as airplanes soared
And from the skies, in torrents poured—
As warnings to the earth—
Their deadly bombs on tyrants' homes,
That peace might have its birth.

A peaceful calm, sweet as a psalm,
Too merciful to tell,
Devoid of mirth, enwrapped the earth
When Mussolini fell;
But justice cried, when Hitler died;
Or when the Reich about it lied.
If mercy stopped his breath,
He went straight down shorn of his crown,
Into the darks of death.

Most of us felt that Roosevelt
Should not have died just now,
But God thought best to let him rest,
Hence, we must humbly bow.
He, far away, sees this V-day—
For which he once was wont to pray—
And he, from out the blue,
With that broad smile that knew no guile,
Sees his dream coming true.

Mr. KUNKEL. Mr. Speaker, will the gentleman yield?

Mr. BRYSON. I yield.

Mr. KUNKEL. I compliment the gentleman on his speech.

Mr. BRYSON. I thank the gentleman.

Mr. KUNKEL. I think the gentleman has called the attention of the public to one of the most important things we have to consider in the postwar world. We must have a religious revival if we are going to have a successful peace, a peace which will be permanent. I think the gentleman has done a great service to the country in his speech today in calling the attention of the Congress of the United States and through the Congress to the people of the Nation to that fact.

Mr. BRYSON. I thank the gentleman for his very true observation.

PROPOSED SECRETARY OF DEPARTMENT OF VETERANS' AFFAIRS AS CABINET MEMBER

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that I may address the House for 3 minutes and extend as part of my remarks a letter received from the Surgeon General of the Public Health Service, General Parran, regarding the improvement in the Nurse Corps since they were allowed to commission their nurses.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, as the announcement of VE-day nears, every one of us in the House knows our first duty is to the disabled among those men and women who have borne the brunt of battle and who have made VE-day possible for us. Our work for them is only just beginning.

Mr. Speaker, I introduced some time ago a bill which would create a Department of Veterans' Affairs, providing for a Secretary, a Cabinet member, who would sit at the Cabinet meetings held by the President, and who would fight for the veterans and see that they receive justice. In addition to the Cabinet member there would be an Under Secretary and five Assistant Secretaries.

The Surgeon General would be one of the Assistant Secretaries under the bill. Within that Department there should be a permanent medical corps which would contain a permanent nurse corps.

Since I introduced the bill which would create a Department of Veterans' Affairs I have received many letters from all over the country. The writers of those letters have said in numerous cases, "It is the first time I have ever written to any Member of Congress about any piece of legislation, but I heartily endorse the Department of Veterans' Affairs, because I think in that way the veterans will receive justice."

Mr. Speaker the most immediate and crying need is for nurses in the Veterans' Administration. They are short 1,000. Lives can be saved with enough nurses. It is also true in connection with nervous cases that it is vitally necessary that nurses watch the progress of the patients constantly. The doctors cannot be with the patients all the time. Adequate nursing means the off chance for recovery in many cases. If there are enough nurses they can watch them. There was a suicide in one of the Government hospitals recently. That suicide, in my opinion, could have been prevented by quick action. It was a nurse who warned that the patient might commit suicide. A permanent nurse corps is one of the vitally necessary provisions that should be made at once.

I asked General Parran how the Nurse Corps in the Public Health was working out. When you read his letter you will see that it has improved the morale tremendously and has brought more nurses into the Service. The letter is as follows:

The Army has a permanent and efficient nursing corps. Also the Navy and the Public Health Service have efficient nursing corps. The Veterans' Administration has very unselfish efficient nurses but they are very much overworked due to the shortage of nurses. They need 1,000 nurses at once. There is no inducement for them to enter the Service. Those who are caring for our veterans are doing so at great personal sacrifice.

Surgeon General Parran's letter, to which I have previously referred, is as follows:

MAY 4, 1945.

Hon. EDITH NOURSE ROGERS,
House of Representatives,
Washington, D. C.

DEAR MRS. ROGERS: This is in reference to your telephone call today in which you inquired as to what effects we had seen of the policy recently authorized for the Public Health Service to grant commissions to our nurses. I am very glad to tell you of our experience.

For a number of years, nurses in the Public Health Service, as well as the national nursing organizations, have urged that we should grant commissions to them. They cited the precedent in the Army and Navy. In July 1944 we secured specific congressional approval in Public Law No. 410 for the commissioning of nurses, both in our regular corps and in the reserve corps. Their pay and allowances and other rights and privileges are on the same basis as those accorded to our medical, dental, sanitary engineering, and other scientific officers. Because of lack of sufficient funds, it was not possible to put this new policy into effect until the beginning of this year. Prior to that time we had lost a considerable number of our nurses to the Army and Navy. They had been replaced to some extent by war service appointments, frequently married nurses, wives of men in the military forces, and others who had local ties and were available only for service in a particular locality. This group,

by the large, were not willing to accept commissions because of the obligation carried to perform general service wherever needed for the duration of the war.

Another group of our nurses in the older-age brackets have accumulated rights under civil service which they were loath to sacrifice. In this group also was a high proportion of those who could not pass the physical examination. As a result of the above considerations, about half of the nurses in our hospitals have qualified for commissions. A much larger proportion of our Public Health nurses and of our administrative staff in the nurse-education program also have qualified and are on active duty.

The general effect of granting commissions to our nurses has been to give a great boost to their morale. They feel a sense of participation in the war effort and of recognition for their valuable services which heretofore had been denied them. Even though we were not able to inaugurate this policy until recently, the effects still have been very beneficial; and had we been able to grant commissions to nurses at the beginning of the war, we would now be in a much better position.

I am attaching also a statement which I presented to the Appropriations Committee as of possible interest in bearing upon your question.

Sincerely yours,

THOMAS PARRAN,
Surgeon General.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MADDEN and Mr. BATES of Massachusetts (at the request of Mr. VINSON), for 10 days, on account of official business.

To Mr. HEALY (at the request of Mr. HOLIFIELD), for 2 weeks, on account of official business.

ADJOURNMENT

Mr. CARNAHAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 58 minutes p. m.), the House adjourned until tomorrow, Tuesday, May 8, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, May 8, 1945, to resume public hearings on S. 63 and H. R. 1648, to amend the Communications Act of 1934, as amended, so as to prohibit interference with the broadcasting of noncommercial cultural or educational programs.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

Subcommittee No. 2, of the Committee on Immigration and Naturalization (Representative FISHER, chairman), will hold a hearing at 10:30 a. m. on Wednesday, May 9, 1945.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will hold an executive session on Tuesday, May 8, 1945, at 10:30 a. m., in committee room 356, Old House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Bridge Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 o'clock a. m., Friday, May 11, 1945.

To begin public hearings on H. R. 541, a bill authorizing and directing the Commissioners of the District of Columbia to construct two four-lane bridges to replace the existing Fourteenth Street or Highway Bridge across the Potomac River, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

444. A communication from the President of the United States, transmitting a supplemental estimate of appropriations for the fiscal year 1946 in the amount of $2,500,000 for the Office of Price Administration (H. Doc. No. 168); to the Committee on Appropriations and ordered to be printed.

445. A communication from the President of the United States, transmitting a supplemental estimate of appreciation for the fiscal year 1945 for the Public Health Service, Federal Security Agency, amounting to $600,000 (H. Doc. No. 169); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 3118. A bill to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes; with an amendment (Rept. No. 523). Referred to the Committee of the Whole House on the state of the Union.

Mr. SLAUGHTER: Committee on Rules. House Resolution 245. Resolution providing for the consideration of H. R. 2347, a bill to provide and insure a dependable supply of domestic natural rubber, and for other purposes; without amendment (Rept. No. 524). Referred to the House Calendar.

Mr. SPARKMAN: Committee on Military Affairs. H. R. 1947. A bill to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms; without amendment (Rept. No. 525). Referred to the Committee of the Whole House on the state of the Union.

Mr. BATES of Kentucky: Committee on Rules. House Resolution 246. Resolution providing for the consideration of H. R. 3035, a bill to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes; without amendment (Rept. No. 526). Referred to the House Calendar.

Mr. CLARK: Committee on Rules. House Resolution 247. Resolution providing for the consideration of H. R. 2113, a bill to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes; without amendment (Rept. No. 527). Referred to the House Calendar.

Mr. COX: Committee on Rules. House Resolution 248. Resolution providing for the consideration of H. R. 1270, a bill to provide for an appeal to the Supreme Court of the United States from the decision of the Court of Claims in a suit instituted by George A. Carden and Anderson T. Herd; without amendment (Rept. No. 528). Referred to the House Calendar.

Mr. McCOWEN: Committee on Immigration and Naturalization. H. R. 3087. A bill to correct an error in section 342 (b) (8) of the Nationality Act of 1940, as amended; without amendment (Rept. No. 529). Referred to the Committee of the Whole House on the state of the Union.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. MAY: Committee on Military Affairs. House Resolution 150. Resolution directing the Secretary of War to transmit certain information to the House (Rept. No. 522). Referred to the House Calendar and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GEELAN:

H. R. 3138. A bill to provide for the taxation of certain nonresident aliens; to the Committee on Ways and Means.

By Mr. BLAND:

H. R. 3139. A bill to authorize the Coast Guard to investigate and employ new methods of promoting safety at sea and aiding navigation; to the Committee on the Merchant Marine and Fisheries.

By Mr. CANNON of Missouri:

H. R. 3140. A bill to provide for emergency flood-control work made necessary by recent floods, and for other purposes; to the Committee on Flood Control.

By Mr. STARKEY:

H. R. 3141. A bill to authorize the use of penalty envelopes of the Veterans' Administration by veterans receiving hospital treatment or domiciliary care furnished by the Veterans' Administration; to the Committee on the Post Office and Post Roads.

By Mr. DINGELL:

H. R. 3142. A bill to postpone for 20 years the imposition of import duties and other import restrictions on articles imported into the United States from the Philippine Islands; to the Committee on Insular Affairs.

By Mr. FLANNAGAN:

H. R. 3143. A bill to provide assistance to the States in the establishment, maintenance, operation, and expansion of school lunch programs, and for other purposes; to the Committee on Agriculture.

By Mr. EDWIN ARTHUR HALL:

H. Res. 249. Resolution directing the Secretary of War and the Secretary of the Navy to transmit to the House of Representatives copies of all plans of their respective Departments for providing transportation home to persons in the armed forces returning to the United States on furlough after victory in Europe; to the Committee on Military Affairs.

By Mr. CASE of South Dakota:

H. J. Res. 179. Joint resolution to supplement the act of June 3, 1920 (41 Stat. 738), to provide for a full accounting in the pending claims of the Sioux Tribe of Indians; to the Committee on Indian Affairs.

By Mr. EBERHARTER:

H. J. Res. 180. Joint resolution giving official recognition to the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

By Mr. FORAND:

H. J. Res. 181. Joint resolution declaring the birthday of Franklin Delano Roosevelt to be a legal holiday; to the Committee on the Judiciary.

By Mr. RANDOLPH:

H. J. Res. 182. Joint resolution to provide for the construction of a suitable memorial

to those who served in the armed forces in World War I and World War II, to be known as World Wars Memorial Temple; to the Committee on Public Buildings and Grounds.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to establish or designate a special agency to which municipalities and other public bodies may deal in the purchase of Federal surplus properties; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to income and resources of recipients of aid to the aged and of aid to the blind; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to making President Roosevelt's birthday, January 30, a legal holiday; to the Committee on the Judiciary.

Also, memorial of the Legislature of Costa Rica, memorializing the President and the Congress of the United States by expressing deep sympathy in regard to the death of our late President, Franklin D. Roosevelt; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to extend to the Postal Service employees within the Territory of Hawaii the 25-percent differential now enjoyed by all Federal employees within the Territory; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to amend the act of Congress, approved June 3, 1916 (ch. 134, 39 Stat. 166), referring to the appointment of the adjutant general of the National Guard of the Territory of Hawaii; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Oklahoma, memorializing the President and the Congress of the United States to waive payment of interest and authorize refund of interest heretofore paid on deficiencies in income taxes arising out of the Oklahoma community-property law being invalidated for Federal income-tax purposes by the Supreme Court of the United States; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to pass Senate bill 181, to provide for equalization of educational opportunity; to the Committee on Education.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to appropriate funds and to direct construction of such tunnel and highway through the head of Kalihi Valley connecting the leeward and windward sides of the island of Oahu; to the Committee on Roads.

Also, memorial of the Legislature of the Commonwealth of the Philippines, memorializing the President and the Congress of the United States by expressing the grief of the Filipino people over the sudden and untimely passing of our late President, Franklin D. Roosevelt; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HAVENNER:

H. R. 3144. A bill for the relief of the State Compensation Insurance Fund of California; to the Committee on Claims.

By Mr. McKENZIE:

H. R. 3145. A bill for the relief of A. C. McMeans; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

548. By Mr. COCHRAN: Petition of Charles Goodhart and 23 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

549. Also petition of August Bumb and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

550. Also, petition of H. S. Schwenbeck and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

551. Also, petition of Arthur Fonville and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

552. Also, petition of Thomas Cleaver and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

553. By Mr. FORAND: Petition of Local No. 2459, United Textile Workers of America, affiliated with the American Federation of Labor, signed by Joseph Deignan, president of that local, and by 126 employees of the Cranston Print Works Co., Providence, R. I., urging defeat of H. R. 2652, providing for the extension of the Reciprocal Trade Agreements Act, because of the necessity of tariff protection and to maintain the high American standards of living, because of the lack of assurance that it would benefit America, and because of disastrous results to labor and industry in the few cases where application of its provisions was made; to the Committee on Ways and Means.

554. Also, petition of Local No. 2195, United Textile Workers of America, affiliated with the American Federation of Labor, signed by George B. Sanford, president of this local, and by 186 employees of the American Woolen Co. (National and Providence Mill, Providence, R. I.), urging defeat of H. R. 2652, providing for the extension of the Reciprocal Trade Agreements Act, because of the necessity of tariff protection and to maintain the high American standards of living, because of the lack of assurance that it would benefit America, and because of disastrous results to labor and industry in the few cases where application of its provisions was made; to the Committee on Ways and Means.

555. Also, petition of the Sacramento City Council, urging consideration of their resolution with reference to providing a wage readjustment for Postal Service employees; to the Committee on the Post Office and Post Roads.

556. By Mr. MOTT: Petition signed by Mrs. Cora Morlan and 40 other citizens of the State of Oregon, urging enactment of the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

557. By Mr. FORAND: Petition of Local No. 35, United Textile Workers of America, affiliated with the American Federation of Labor, signed by Charles Sullivan, president of the local, and 171 employees of the Lister Worsted Co., Stillwater, R. I., urging defeat of House bill 2652, providing for the extension of the Reciprocal Trade Agreements Act, because of the necessity of tariff protection to maintain American standards of living, because of the lack of assurance that it would benefit America, and because of disastrous results of labor and industry in the few cases where application of its provisions was made; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 8, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, offered the following prayer:

O Lord God Omnipotent, who maketh wars to cease unto the ends of the earth, we praise and magnify Thy holy name, for through Thy might and Thy mercy we have been brought to this day of grace and of victory.

We have watched and waited, we have longed and labored, we have hoped and prayed. We have not kept vigil in vain, for Thou hast rewarded our labors, fulfilled our hopes, and answered our prayers. May we now dedicate this day of high and holy remembrance to Thy glory.

When we call to memory with pride, gratitude, and love that vast multitude who struggled so heroically and endured so valiantly, giving their very lifeblood in order that this day might be possible, we cry out, "Alas, alas, next to defeat, the saddest thing is victory at such a cost."

We pray that we may earnestly and faithfully endeavor to prove worthy of their sufferings and sacrifice. May the freedom that they have achieved for us be a blessing and bring forth the fruits of righteousness. Grant unto us the rapture of the forward look and the joy of going on from victory unto victory until we reach that glorious goal and that blessed day of prediction when selfishness, greed, envy, prejudice, and all the baser passions which are the seeds of war and strife among men and nations shall be forever banished from the earth and groping humanity shall enter into the joy of a just and lasting peace. God, make us better men.

Humbly and penitently, we offer our petitions in the name of the great Captain of our salvation, the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 939. An act to extend the provisions of the act of November 29, 1940 (Public Law No. 884, 76th Cong., 54 Stat. 1219), relating to promotion of Medical, Dental, and Veterinary Corps officers.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive

papers in the following departments and agencies:

1. Department of the Navy.
2. Department of War.
3. General Accounting Office.
4. Office of War Information.
5. Selective Service System.
6. War Relocation Authority.

CALL OF THE HOUSE

Mr. GORE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 70]

Baldwin, Md.	Gavin	Norrell
Baldwin, N. Y.	Geelan	Norton
Barrett, Pa.	Gibson	Patman
Barry	Granahan	Patterson
Bates, Mass.	Grant, Ala.	Pfeifer
Bell	Hagen	Richards
Bloom	Hancock	Rivers
Boren	Hand	Roe, N. Y.
Bradley, Mich.	Harris	Sabath
Brumbaugh	Hart	Savage
Buckley	Hays	Short
Carlson	Healy	Stewart
Clark	Hoffman	Talbot
Cochran	Hook	Thomason
Cooley	Izac	Trimble
Courtney	Jackson	Vorys, Ohio
Cox	Jarman	Vursell
Cravens	Kirwan	Wadsworth
Curley	Lesinski	Walter
Dawson	Link	West
Delaney, John J.	Luce	White
	Lynch	Whitten
Dirksen	McGlinchey	Wilson
Douglas, Calif.	Madden	Winter
Eaton	Manasco	Wolfenden, Pa.
Elliott	Morgan	Worley
Ellsworth	Morrison	Zimmerman
Gathings	Mott	

The SPEAKER. On this roll call 347 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

The doors were opened.

SURRENDER OF THE GERMAN FORCES

Mr. McCORMACK. Mr. Speaker, I offer the following resolution (H. Res. 250), which I send to the desk and ask its immediate consideration.

The Clerk read as follows:

Whereas the President of the United States has this day announced the unconditional surrender of the German forces: Now, therefore, be it

Resolved, That the House of Representatives gives thanks to Almighty God for His divine guidance, which has made possible our victory in Europe;

Resolved, That the House of Representatives extend its congratulations to the officers and members of the armed forces of our country and of the other members of the United Nations for their magnificent accomplishment in bringing about the unconditional surrender of the armed might of our enemies in Europe;

Resolved, That the House of Representatives requests all our people to give heed to the President's appointment of Sunday, May 13, 1945, as a day of prayer, and urges them while rejoicing in our splendid victory to honor those who have given their lives for the common good and to pledge their unswerving efforts to the successful conclusion of our country's task.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. Will the gentleman from Massachusetts [Mr. McCORMACK] take the chair?

Mr. McCORMACK assumed the chair as Speaker pro tempore.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas [Mr. RAYBURN].

VE-DAY

Mr. RAYBURN. Mr. Speaker, this morning at 9 o'clock the President of the United States proclaimed that the armies of Germany had surrendered unconditionally. That to millions throughout the length and breadth of the earth was glorious news.

I take this moment of your time to pay tribute to every man and woman of the armed forces not only of the United States but of the governments allied with us and to extend to them our grateful and unstinted thanks. They have done a marvelous job for you and me. They have kept the enemy from our shores and whipped them in their land. But to me this should not only be a day of celebration for this great victory, it should also be a day of dedication and consecration by every human being throughout the length and breadth of the earth who loves liberty and order to put their hands to the plow and not look back until our other enemies have surrendered unconditionally.

Mr. Speaker, today as I am happy I am also sad, because I cannot help but think of those thousands of our boys who are yet to die in the far-flung Pacific islands and the Far East in order that victory may come to our armies and that the glory of America might be upheld and peace and an ordered world may come to us again.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, this splendid gathering this afternoon and the harmony which prevails indicates why it is that America and the allied forces have won such a sweeping victory in Europe. This war was won because there was a united effort on the part of everybody in America, Republicans, Democrats, and independents alike, united to see that victory was achieved. And we have here at home that same unity as we go forward to finish the war with Japan. It is a happy day for the people, not only of America, but in every nation in the civilized world. We have won the war, a war that has brought security to the world, and permitted all of us to breathe a little freer. We can now plan and hope for the future because of the gallant efforts of our fighting men and women on many distant battlefields. We are deeply grateful to these fighting forces. We owe them a debt of gratitude that will never be forgotten. The American people realize and have always realized that men and women who fight for their country are entitled to the fullest justice after the war is over. It is in that spirit I hope and pray we will always consider our fighting men and women.

While we rejoice today we are sobered with the realization there are serious and grim tasks ahead. We have won a victory over the mightiest war machine ever assembled by man. But that is not all we must do. We must press on now to win a victory over the arrogant Japanese, and we must have complete unity everywhere to win an early victory. For that reason I hope we shall secure the full cooperation of our gallant allies in the Pacific war. We have earned their cooperation through our efforts in Africa and Europe. If we secure the close cooperation and aid there will come an earlier peace than otherwise. We also have the task ahead of planning for the post-war days. It is not too early to begin. Millions of our countrymen will be coming back from the fighting front, out of the factories, and out of the shipyards. These men and women will want a job, a real job, a job under American conditions and paying American wages. It is our duty to see they secure that kind of a job if we are to keep America a solvent, happy nation. Through keeping our country solvent, a progressive going America, we will be able to render our fullest obligations to the other nations of the world.

I am glad to join with our good Speaker in celebrating this victory No. 1. The great Divinity which shapes the destinies of mankind has been with us in achieving this great victory. May He continue to be with our fighting forces and with this great Nation to the end that we can win an early victory over Japan and bring our fighting forces back home again. Then in a happy, prosperous America we can build a better future for everyone, not only in our own country, but throughout the civilized world.

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, every American today, and properly so, rejoices in the news that has been officially proclaimed to the world by the President of the United States and by the heads of the other great nations that comprise the United Nations. We all rejoice in the termination of the war in Europe. As Americans we are all proud of the outstanding contributions made to that historic victory by the Americans who constitute the armed forces of our country.

It was only a few years ago when defeat stared us in the face. A decent world was threatened with conquest by the forces of destruction, forces determined to enslave the entire world. It was due only to the leadership that existed in our country, in Great Britain and in Soviet Russia that the forces of decency were aroused and massed, and turned apparent defeat into the overwhelming victory which is ours today.

It is well that the people of America rejoice on this occasion, but it is well that we rejoice in a spiritual way, that we give thanks to God for His direction and guidance, and to our leaders, to the officers and men of our armed forces, and to the officers and men of the armed forces of the other nations that comprise our allies.

It has been said that the victory is half won. That is true, but the hardest part of this war is over. There is no question but that the remainder of the war, against Japan, will not be as severe so far as its consequences are concerned as the war has been to date against Nazi Germany. We could have licked Japan 1 or 2 years ago and might not have won the war, but with the defeat of Germany there is no question, no matter how long Japan may fight on, but that the war is won by our country and our allies.

This is a day for all Americans to pause, to pause out of memory to the young men who have served and sacrificed, to pause and pay tribute to the young men of our country who have paid the supreme sacrifice, yes, to pause and pay tribute to the memory of our leader who departed only a few weeks ago, and whose judgment, whose vision, whose courage, and whose leadership gave to the Allies and to the United Nations the course of action to follow which has brought about the great victory which is ours today. Yes, as we pause to pay tribute to the young men who have paid the supreme sacrifice, young Americans who have served and died, we can well pause and pay tribute to that great man who will go down in history as one of the greatest figures of all time, America's contribution to the great, historical figures of all time, Franklin Delano Roosevelt. I say that not in a partisan sense, but I say it of one who was President of the United States and who, in the line of duty, has taken the journey into the Great Beyond.

This is a day of rejoicing—not of unnecessary jubilation, but rejoicing in a spiritual manner, thanking God for the gifts He has given us. It is a day of remembrance of the sacrifices made by our youth, remembering those who have made the supreme sacrifice. It is a day to remember and also that we shall go forward with grim determination—every one of us, those in the armed forces and those on the home front—making every contribution possible toward the final winning of the war and toward the early defeat of the Japs. It is a day to resolve that we shall do everything we possibly can to bring about a better world; to establish machinery of an international nature which will outlaw war and assure permanent peace for countless of generations to come.

In the great victory which has just been consummated in Europe, this body and the Members of this body have played their important part in the passage of legislation which enabled our country to prepare itself; this body has brought about the passage of legislation which turned our peacetime economy into the vast and tremendous wartime economy that it now is; turning out the weapons of war as our factories have done. The Members of this body who participated in these legislative battles are also entitled to credit. Yes, my colleagues of the House, we have done our part. Let us continue to do our part in unity—not as Democrats or Republicans, but as Americans—until the vicious Jap is defeated, until cruel nations are obliterated, and until again peace reigns on earth among men of good will.

Mr. RANKIN. Mr. Speaker, this is a glorious day. It means the end of the war in Europe, and the defeat of Japan is bound to follow.

While there is not so much excitement in Washington, there is rejoicing in the millions of American homes whose gallant sons are bearing the burdens of this world-wide conflict.

It means that millions of those boys will return to their homes, and that in the not far-distant future, Japan will collapse, and then there will be such a homecoming as the world has never seen.

Our duty now is to support to the limit the war against Japan, until that bunch of ruthless savages is also conquered, driven from the society of civilized nations, and placed in a position that they can never again make war on the civilized nations of the earth.

We have another duty to perform, and that is to take care of our disabled veterans and their dependent loved ones, and to make it possible for the ones who return in health and strength to resume their normal occupations and earn a decent livelihood.

We cannot bring back those brave, heroic men who have fallen in this conflict, but we can cherish their memory and manifest our gratitude to them by properly caring for their dependent loved ones and their disabled buddies, who shared their burdens and faced the dangers with them.

We also owe it to those sacred dead, as well as to the living, to see that this does not occur again. While joining the other civilized countries in maintaining peace among the nations of the earth, we must also remember that it is our duty to defend our own country, and to protect our own shores, as the surest guaranty against a recurrence of a world conflict.

As President Truman has said:

> We can repay the debt which we owe to our God, to our dead, and to our children only by work—by ceaseless devotion to the responsibilities which lie ahead of us. * * * We must work to bind up the wounds of a suffering world—to build an abiding peace, a peace rooted in justice and in law.

In that way, and in that way only, can we bring about the golden age of which Tennyson dreamed when he said:

> I dipt into the future, far as human eye could see,
> Saw the vision of the world, and all the wonder that would be;
> Saw the heavens fill with commerce, argosies of magic sails,
> Pilots of the purple twilight, dropping down with costly bales;
> Heard the heavens fill with shouting, and there rain'd ghastly dew
> From the nations' airy navies grappling in the central blue;
> Far along the world-wide whisper of the south-wind rushing warm,
> With the standards of the people plunging thro' the thunderstorm;
> Till the war drum throbbed no longer, and the battle flags were furl'd
> In the parliament of man, the federation of the world.
> There the common sense of most shall hold a fretful realm in awe,
> And the kindly earth shall slumber, lapt in universal law.

GENERAL LEAVE TO EXTEND REMARKS ON VE-DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their own remarks in the RECORD at this point on VE-day.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, the victory we celebrate today, that of the democratic ideal over the barbaric theories of the Hun is only one step on the road and should not be permitted to sap or weaken our determination to carry on unrelentlingly until that great day comes when the stars and stripes shall fly over the Imperial Palace in Tokyo.

That shall be convincing and concluding evidence of the preponderant triumph of right over might; a signal to all generations to come that the high place which the white race has achieved by sweat and blood and tears, over the long years, in its struggle to establish and maintain civilization, it proposes to have and to hold and to keep.

Nothing but retributive justice can or will ever square the account we have to settle with those treacherous, barbaric, inhuman yellow devils, who, owing all that they had ever been and were or hoped to be, to us and to our endeavors to make them civilized and prosperous, for 20 years and more prepared and waited for an opportunity to stab us in the back as they did at Pearl Harbor.

So it follows that there shall and can be no soft peace for them. They sought the sword and must learn the lesson in the hard school of experience that:

> He that killeth with the sword must be killed with the sword (Rev. 13: 10).
>
> Thus saith the Lord God of hosts * * * when He cometh he shall * * * deliver such as are for death to death; and such as are for captivity to captivity; and such as are for the sword to the sword (Jeremiah 43: 10.11).

What we Americans purpose we propose to perform in the name of the Lord.

We should today contemplate with pride the accomplishment of our Army and Navy and other branches of a service united as they are to win the war, backed by all of those on the home front who have contributed to the victory which is ours.

We should not minimize nor lessen our practical and unreleting support and effort on the home front until that day comes, at the end of a long, tough, and laborious road, down the dark future, when Japan is defeated and we can once more hear the voice of Christ say:

> Peace: And no longer from its brazen portals
> The blast of war's great organ shakes the skies!
> But beautiful as songs of the immortals,
> The holy melodies of love arise.

We must be realistic to make our idealism come true.

Mr. Speaker,

> The high crusade whereon we have embarked calls forth the free
> In hosts, with spears and flaunting flags arrayed:

Not for one dragon's end, one victory,
One last great war, but to unending war,
Without, within, till God's white torch supreme
Melts the last chain; and the last dungeon door
Swings slowly wide to the triumphant dream.

* * * * *

The star that leads
The leader of this quest has held the world
True to its orbit for a million years!
And shall he fail? They never fail who light
Their lamp of faith on the unwavering flame
Burnt for the altar service of the Race
Since the beginning.

Mr. RABAUT. Mr. Speaker, as in our Lenten sadness we rejoice on Laetare Sunday, the midpoint in our period of sorrow, so let us rejoice now, not forgetting the task unfinished.

It is appropriate that in this life struggle of diametrically opposed philosophies to rededicate ourselves at this time to the eternal preservation of the inalienable rights of individuals.

Enduring peace cannot be obtained if material strength and power are to be recognized as the criteria of justice and good.

In right there is might; never "might is right."

Mr. LUTHER A. JOHNSON. Mr. Speaker, as we rejoice today over the Allied victory in Europe, we must not forget that this does not mark the end of the war; that much fighting lies ahead; and that, while we have conquered our cruel and crafty enemies in Europe, the fanatical and merciless Japs are yet undefeated. Two-thirds of their armed forces are in China; and even after Japan proper has been defeated and occupied by our forces, with the resources that Japan has in Manchuria and Korea, together with their armies in China, they can still wage a long and bloody war.

We must not permit any slack, either in our morale or in our armed might, to intervene between VE-day in Europe and continuance of the war in Japan. The momentum of victory in Europe must be used against the Japs without interruption, and with increased vigor, until Japan also is conquered.

As unity has brought us victory in Europe, let us not forget that unity will be essential in the final victory over Japan, and, after she is beaten, that that same spirit of unity must prevail among the Allies, if we are to write a peace and create an organization that will prevent World War No. 3.

We are grateful to Almighty God and to those in the armed forces of our country and our Allies who have brought us victoriously thus far, and we pray that we may not fail them until final victory is achieved and the forces of tyranny are conquered throughout the world.

Mr. D'ALESANDRO. Mr. Speaker, we should not celebrate VE-day by merrymaking and noise. It is far better that we go to our churches and synagogues and thank God that the end of war in Europe is at hand.

For the families who have lost their loved ones it is only a day of commemoration. For the wounded soldier in the hospital it is only another day of physical suffering.

Yes; let us rejoice that we have won the victory, that our cities have not been devastated, or our peoples taken into slavery, but let us resolve that never again in the history of the world will tyrants ever trample freemen underfoot.

Only a part of this world-wide struggle is over. In the Pacific the war continues. We cannot pause in our efforts. We must end that war victoriously and soon.

War workers, I plead with you not to leave your defense plants, but continue your work until the day of peace—complete peace.

Let this be a day of thanksgiving and prayer. Let us remember our departed loved ones who sleep forever in foreign soil. Let us remember our late Commander in Chief who sleeps on the banks of the Hudson and let us pray for complete victory and everlasting peace.

Mr. RICH. Mr. Speaker, President Truman announced at 9 a. m. the end of the war in Europe, as Germany has surrendered.

We have Japan to lick. Can we count on England and Russia as allies to help us fight Japan as we as allies helped them defeat Germany?

We are trying to prohibit future wars at the San Francisco Conference. To gain the support of Russia and England do we have to give our all on promises of future cooperation? If we do, watch out. Now is the time for all countries to toe the mark. Now is the time to look after the United States of America and our American people. Let us do our part, but remember our possibilities and our probabilities. Agreements and promises among nations are sacred trusts. History has proven how easily broken. Congressmen, you represent the American people and our form of government. Be diligent, sincere, honest, and American if we are to have peace and happiness.

God save and guide the President, the American people, and the people of all the world.

A THOUGHT FOR VE-DAY

Mr. BENDER. Mr. Speaker, the news of victory in Europe marks the end of the first phase of this devastating war. We have by no means reached the final goal. This is no time for celebration or relaxation in our efforts. It is rather a day for redetermination and renewed zeal. The foe we have yet to conquer on the field of battle is savage and fanatical. We must guard against the temptation to underestimate the strength of the Japanese Empire. We must remember that it has taken more than 3 years for us to break into the inner defenses of Japan. The main armies of Nippon have not yet been conquered.

The sober truth must temper our joy at the destruction of fascism and nazism. It must send us into the churches of the Nation to utter our thanks for what has been achieved and to gain new strength for what lies ahead.

We must guard ourselves from premature rejoicing, and we must guard ourselves no less from any belief that the end of fighting means the achievement of victory. What the men who have died on the bloody battlefields of Tunis and Anzio, at St. Lo, and in the Ardennes Forest died to win was not a war against the German and the Italian military machines of this war. They died to give the nations of this world one last chance—a chance to establish lasting peace. Unless we seize the time they have given us and use it to create a world order in which nations adopt a moral and legal code, the boys who gave their lives will have died in vain.

It has happened before. It must not happen again. Our civilization cannot endure another world conflict. The history of warfare demonstrates that each war becomes more frightful than its predecessor. Let us resolve that this time we shall succeed; that this time the sons of those men who have fought will not one day tread the same deadly mine fields through which their fathers crept.

VE-day is a great moment in history. It can prove to be the beginning of a new era, or merely another day in an endless series of equally hopeless milestones in the records of mankind.

As we take pride in this great and triumphant climax of our battle from the shadow of defeat, we must determine that VE-day shall herald the dawn of victory—eternal and peace ever enduring.

Mr. DONDERO. Mr. Speaker—

Truth crushed to earth shall rise again;
The eternal years of God are hers;
Error wounded writhes in pain and dies among her worshipers.

Error has died among her worshipers. Justice and righteousness have triumphed and peace has come again to at least a major portion of a tear-drenched and blood-stained world.

Let there be no relaxation of effort on our part and our brave allies—in shop, in field, or mine—in providing our heroic men and women with all the implements of war necessary to destroy the remaining power of darkness and aggression in the Pacific.

The cruel and merciless scourge of war has partially ceased. The prison chains of misery and starvation have been shattered. To ravaged Europe has come deliverance from the dreadful holocaust of conflict. This, after 6 years of the most horrible night of pain, slaughter, and destruction the world has ever witnessed.

We give thanks to a just and merciful God. Let us demonstrate our gratitude to Him by going to the church of our faith and giving thanks. We beseech the Ruler of us all to grant wisdom to those in conference at San Francisco. A prostrate world prays that from their deliberations may come a document so wise and just that mankind will know war no more.

To the brave men, living and dead, who have brought victory to the cause of right and triumphed over wrong, the Nation bows in reverent praise and prayer. Humanity and civilization owes them an eternal debt of gratitude.

May war's relentless slaughter and destruction soon end everywhere, and peace—sweet peace—come again to a saddened world.

Mr. HARNESS of Indiana. Mr. Speaker, here, at last, is the end for which millions of our fighting men and women in Europe have slaved, suffered,

and died. Here, at last, is a great achievement which we at home have toiled and sacrificed to make possible.

This is indeed a moment which historians will underscore. This is a moment in which the spirit of liberty-loving people everywhere in the world must be tremendously lifted.

America has earned the hard-won right to be exultant in this moment. But no one can cheer who counts the terrible price in gold stars, in disabled veterans, in labor, and in wealth which we have paid for this initial victory.

No one can afford to forget the equally vicious enemy in Asia still to be destroyed, nor be indifferent to the tragic price that victory will cost.

No one can celebrate who remembers the thousand difficult problems we still must solve if we hope to win a just and lasting world peace.

We can hardly feel jubilant if we think only of the purely physical problems remaining as the backwash of war in Europe. Organized resistance is ended, but many of our fighting men will be held in Europe to track down the insane criminals still at large, and to render at least initial aid to that stricken continent.

It is sobering to think merely of the staggering job of dismantling our European war machine and bringing 4,000,000 men and women home. Even if we had no war in the Pacific, no responsibilities remaining in Europe, the physical task of returning home would be tremendous and time consuming.

In this moment of solemn exultation let us keep our eyes firmly upon the goals still to be attained. Let us remember that any slackening now will delay final victory in Asia and will waste lives and treasure. Let us devote ourselves to getting those European veterans who may now be spared back to their homes. Let us see to it that battle-worn veterans in Europe get the long rest at home they deserve; and that replacements are provided at the first possible moment for those units in the Pacific which have already served unreasonably long.

Finally, let us keep it firmly in mind that we must devote the same concerted effort, the same singleness of purpose to the winning of peace as we have devoted to military victory.

Far as we have come to this point, our final goal is still far ahead of us.

Mr. HÉBERT. Mr. Speaker, today is a day of gladness and joy mingled with sadness and regret.

It is a day of gladness and joy because of the triumph of our armed forces in Europe. It is the VE-day toward which we have looked forward so long.

It is a day of sadness and regret because Franklin Delano Roosevelt is not in the White House to live this day among us, but wherever Franklin Delano Roosevelt is he knows that part of the victory for which he fought has been achieved at long last.

Let us not run rampant in our celebrations today.

True the Stars and Stripes and the flags of our gallant allies have been planted atop fortress Europe while the much vaunted superman of Nazi Germany grovels underfoot—but that is only half the victory.

Ahead of us lies the defeat of an equally vicious, atrocious, and fanatical enemy—the sinister Japanese.

Our job will not be completely done until the Rising Sun falls beyond the horizon of American valor and might, never to rise again.

That and that alone will be the day of complete victory; that day and that day alone will be the day when we can turn our eyes toward a permanent and lasting peace in a world devoid of those who would debauch the dignity of a civilized people and destroy the right of the individual to his inalienable right in liberty and the pursuit of happiness.

Until the day of complete victory those of us on the home front dare not falter even momentarily in our determination to keep our supply lines open to our men on the fighting fronts of the far-flung Pacific. Any let-down on our part will delay and retard complete victory and triumph and cost unnecessary loss of life in the closing days of this struggle.

The blood of those who die because of our failure to give our utmost will be upon our own heads. If we fail them we will have murdered those who do now fight to save us.

On this glorious day of triumph let us not forget to fall on our knees and lift our eyes heavenward and utter just three words, but simultaneously recite a million more words deep in our hearts:

"Thank you, God!"

And when the day of complete victory comes let us again repeat those words, ever mindful that we are still a free and untrampled people because there were those among us who were willing to die in order that we might live.

"Thank you, God!"

Mr. LANE. Mr. Speaker, this is it—"Judgment day" for the Nazi-Fascist tyranny of Europe. The brute power which assaulted looted, tortured, and destroyed so many of the peaceful nations of Europe and which was reaching out to overwhelm us has suffered a complete and decisive military defeat.

Those who lived by the sword have died by the sword.

In 1940 some timid men said that this, the most destructive military machine in all history, could never be beaten. In 1945 it has been wiped from the face of the earth by the united efforts of freedom-loving men the world over.

From Australia, New Zealand, Canada, Brazil, the United States, and many other nations they came to help the men of good will in Europe—to help them hold, beat back, and finally exterminate the most vicious evil ever to threaten the dignity of our common humanity.

At this moment of sober satisfaction, we pause to mop our brows, to look around, and count the cost. It has been heavy, this human sacrifice which good must pay to conquer evil. It has been justified only if, in the generations to come, we are ever ready in cooperation with other nations to stop this or any other evil before it can gather and unleash such terrible instruments of destruction against the peace of the world. This then, must be our testament to those who have fallen in order that man may be free.

In the brotherhood of battle we have learned to understand, respect, and appreciate the courage and integrity of our allies in the United Nations. With them we shall go forward to fight as hard for peace, to establish a world-wide system of law and justice to replace the bloody ordeal of war.

To the commanders of our armed forces, we extend the gratitude of the Nation. Never before in our history have our citizens gone forth to defend the sovereignty of our people, as well-trained and as skillfully led as have the American soldiers and sailors of today. The men in the services know that even better than the newspaper readers at home.

To the millions of Americans in the ranks who have fought and suffered and have seen their comrades die, the folks at home are humbly thankful. For your sake, we are glad that the war in Europe is over and that many of you will soon come home to stay. You know what nazism means. You have fought it first-hand. Some of you have seen the concentration camps and the death factories. When you come home you will be the major factor in the formulation of American public opinion for the next 40 years. We are counting on you to make America intelligent and alert, able to see through the mask of propaganda which conceals the gathering storm of aggression, so that America may never again come as close to disaster as she did in 1940 and 1941.

To the Government workers and the war workers we say, "Two down, one to go." The victory in Europe should spur us to greater efforts so that victory in the Pacific may come all the sooner.

Remembering our battle dead and those who mourn them, our joy in victory is tempered by thoughts of the unforgetable debt we owe to the men who sacrificed all for us. May God in His infinite wisdom and mercy, grant them eternal peace.

For 27 years the clock of Europe has been running backward. Today we have stopped that fearful measure of destruction. Tomorrow that clock shall start moving forward, marking progress toward a better and happier world.

Today, as Americans, we must realize as never before that we are in this one world to stay.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, the great day of victory in Europe is here. That glorious time for which untold millions all over the globe have prayed has come at last.

A just God has answered our supplications and prayers. He sees fit to bring about retribution upon mankind's enemies. He sits this day upon His seat of judgment and looks sternly down at those who have broken his commandments.

In the book of Matthew, in the twenty-sixth chapter, there appears the profound warning: "All they that take the sword shall perish with the sword."

Certainly the Nazi armies which have brought bloodshed and sorrow to the nations of Europe are learning the truth

of this prophecy from the Holy Bible. It is written that man must not kill his brother. Yet death and wanton destruction followed in the wake of the barbarous soldiers who tried to conquer the world for the Fuehrer.

Yes; the great day is here. The worst is over for America. We still face a gigantic task, but we know it will be lighter with the knowledge that the beasts on the Continent are exterminated. The Lord has crushed the serpent with his heel.

On this day of days, let us dedicate ourselves to eventual peace. What hope, what love, spring out of our knowledge that lasting tranquillity on this earth can be attained by our earnest efforts.

Today the veil which for 5 years has shrouded the universe is momentarily lifted. We are letting in the sun. God is in His heaven, and all is right with the world.

Victory is an exotic word. We rarely grasp its true meaning. When it arrives, it is hard to believe, and after we look back on it we scarcely appreciate it.

But we must always remember this victory. We must look upon it as a victory that will endure throughout the ages. This victory must not slip out of our hands.

There are those who contemplate the past centuries of history in sadness when they recall the never-ending savage wars which have torn the nations asunder and corrupted the world. They say you can never enjoy more than a breath of peace.

I am afraid it is their very pessimism, their dreary outlook, and the resignation of those gone before which has perpetuated the well-nigh eternal conflict. I fear their lack of faith in God and man prolongs the struggle.

Let us, therefore, join our hearts and hands this day and resolve upon this costliest of victories that we will lend our strength and our lives to the work of attaining the security of blessed peace. Let us determine to cherish our triumph, and, unlike the conquering tyrants we subdued, stretch forth our friendly hands to all the nations.

Today we stand upon the doorstep of a new destiny. America must begin the job of preparing for years of peace.

With this victory comes responsibility to our Creator. This Nation commands more power than any before her ever had. Can we use that power to the advantage of weaker countries? Can we help others instead of terrorizing them?

In this great hour of triumph, I like to ponder the lines of Rudyard Kipling's Recessional. As I recite them now, I beg of you to join me in a bit of humble circumspection which becomes all men when they are beholding victory:

RECESSIONAL, 1897

God of our fathers, known of old,
Lord of our far-flung battle-line,
Beneath whose awful Hand we hold
Dominion over palm and pine—
Lord God of Hosts, be with us yet,
Lest we forget—lest we forget!

The tumult and the shouting dies;
The Captains and the Kings depart:
Still stands Thine ancient sacrifice,
An humble and a contrite heart.
Lord God of Hosts, be with us yet,
Lest we forget—lest we forget!

Far-called, our navies melt away;
On dune and headland sinks the fire:
Lo, all our pomp of yesterday
Is one with Nineveh and Tyre!
Judge of the Nations, spare us yet,
Lest we forget—lest we forget!

If, drunk with sight of power, we loose
Wild tongues that have not Thee in awe,
Such boastings as the Gentiles use
Or lesser breeds without the Law—
Lord God of Hosts, be with us yet,
Lest we forget—lest we forget!

For heathen heart that puts her trust
In reeking tube and iron shard,
All valiant dust that builds on dust,
And guarding, calls not Thee to guard,
For frantic boast and foolish word—
Thy mercy on Thy People, Lord!

Mr. FOLGER. Mr. Speaker, of course, there is great rejoicing in that there has been an unconditional surrender by Germany to our armed forces, and that on tomorrow cessation of the last bit of hostility in the European theater will occur. I hope this will take place, and that our ally, Russia, will not be under the necessity of further defending Germany's onslaught against the Russian people. We are grateful that our other allies and ourselves have completed the job and that Germany has unconditionally surrendered.

This has been a terrible experience for our people and those allied with us in beating back the hordes who would have destroyed liberty, enslaved the world, and brought chaos for years to come. It now remains that we are under the necessity of bringing Japan to unconditional surrender. We shall, with all confidence, expect the full support and aid of Great Britain and, I hope, too, Russia. This has been a fight for freedom. The full victory has not been won. All liberty-loving nations are concerned for an early victory over the last remaining foe of righteousness and justice in the world. We shall, after this victory is complete, be under the necessity of establishing a just and lasting peace, and that peace to maintain. This must be done by men of good will, those who recognize and rejoice in the fact that every man is a sovereign and that peace and good will, cooperation and care one for another should be the goal today for which all may strive.

We cannot be selfish and win a lasting peace. We cannot be selfish and maintain a lasting peace. What is to be done with Germany and Japan is a matter for discussion on another occasion. Now, let us rejoice in the progress made toward overcoming evil and set ourselves to completion finally of the task remaining. We cannot look back except to remember with hearts of gratitude those who have contributed the last full measure of devotion to the cause of peace and good will; and in anxious prayer for those who must carry on the great fight for victory over hate and ill will on earth. Surely there is not one who may be excused from devoting himself unreservedly to the full accomplishment of a complete victory and the establishment of a world in peace, with law and order prevailing.

Mr. SPRINGER. Mr. Speaker, I rise today to pay my humble tribute to every man and woman in our fighting forces and to extend my prayerful thanks to each one of them for the final victory in Europe.

This phase of this war is over. Nazi Germany has fallen. Every American gives thanks to Almighty God for this victory. While this is VE-day and the people of this Nation are mildly celebrating this glorious victory over the fighting forces in Europe; but that is not all, because our people are engaged in prayer, they are engaged in shedding tears, they are thinking of the frightful cost of this unholy war, they are thinking of the boys who have fallen, and they are thinking of the disabilities suffered in this frightful World War, and they are so happy that this phase of this war is over.

We now go about the task that remains in the Pacific. We must complete that task as quickly as possible. The Japs, barbarians as they have demonstrated that they are, must go. They must be defeated in order that the world may have peace.

May God grant that the last phase of this frightful war will soon end. That is our universal prayer today.

Mr. Speaker, when this terrible war finally ends, when our boys come back home from this gruesome business of war, we must be prepared for the post-war days. These will be serious days. The strength and capabilities of men will be called upon as never before. But, with the will and determination of Americans, with the fortitude and bravery of our fighting forces, we will win the peace and make the post-war era one of peace, happiness, and contentment among all of the people of our Nation and our allies.

While we join in a mild and happy celebration today, let us not forget to pray for ultimate peace, let us pray for our Nation and for the future of our country and the world.

Mr. H. CARL ANDERSEN. Mr. Speaker, VE-day is a solemn event in the history of our Nation. It marks the end of tyranny in Europe and the beginning of a new life for hundreds of millions of liberated people in that part of the world. It marks also the beginning of the end for the Japanese Empire in just repayment for its scurrilous attack at Pearl Harbor. Our American servicemen have achieved a great victory in Europe and they will repeat this victory in the Orient, God willing.

Mr. FEIGHAN. Mr. Speaker, the end of the war in Europe is, indeed, a blessing, because it saves the loss of many human lives, and should forever doom Nazi, or any other kind of enslavement.

We should pay tribute especially to our men and women who have fallen in battle, killed and wounded.

We and our allies face a strong, hard fight with fanatical Japs, and the sacrifices and hardships that have been suffered, unfortunately, must be longer endured. Not until the Japs have laid down their arms can we have a world where freedom and justice can reign.

Our rejoicing should quickly give way to prayer for the success of the San Francisco Conference, for the early defeat of Japan and the establishment of peace and a just world social order, based on the moral law of God.

Mr. KELLY of Illinois. Mr. Speaker, under permission granted Members of Congress to extend their remarks in the RECORD regarding the ending of the war in Europe, I think no better tribute could be made than the editorial appearing in today's Washington Times-Herald:

TE DEUM LAUDAMUS

We praise Thee, O God; we acknowledge Thee to be the Lord;
All the earth doth worship Thee, the Father everlasting.
To Thee all angels cry aloud; the heavens and all the powers therein;
To Thee cherubim and seraphim continually do cry,
Holy, holy, holy Lord God of Sabaoth;
Heaven and earth are full of the majesty of Thy glory.
The glorious company of the apostles praise Thee.
The goodly fellowship of the prophets praise Thee.
The noble army of martyrs praise Thee.
The holy church throughout all the world doth acknowledge Thee;
The Father of an infinite majesty;
Thine adorable, true, and only Son;
Also the Holy Ghost, the Comforter.

Thou art the King of Glory, O Christ.
Thou art the everlasting Son of the Father.
When Thou tookest upon Thee to deliver man, Thou didst humble Thyself to be born of a Virgin.
When Thou hadst overcome the sharpness of death, Thou didst open the Kingdom of Heaven to all believers.
Thou sittest at the right hand of God, in the glory of the Father.
We believe that Thou shalt come to be our Judge.
We therefore pray Thee, help Thy servants, whom Thou hast redeemed with Thy precious blood.
Make them to be numbered with Thy saints, in glory everlasting.

O Lord, save Thy people, and bless Thine heritage.
Govern them, and lift them up forever.
Day by day we magnify Thee;
And we worship Thy name ever, world without end.

Vouchsafe, O Lord, to keep us this day without sin.
O Lord, have mercy upon us, have mercy upon us.
O Lord, let Thy mercy be upon us, as our trust is in Thee.
O Lord, in Thee have I trusted; let me never be confounded.

Mr. ALLEN of Louisiana. Mr. Speaker, this is the day for which Americans in all walks of life have worked, fought, and prayed. Victory in Europe comes as a climax to the bloodiest war Europe has ever seen. This news brings gladness and joy to our people, but I hope that our expression will be restrained because of the sadness that this war has brought to so many of our homes. I hope that it will be a day of sober reflection upon what it has cost our country and the world. This war has cost our own country nearly a million casualties and we may be far from the end.

Let this be a time of prayer, a time to express our gratitude to God for His directing hand in assisting us to achieve this great victory. This should also be a time to remember the great sacrifice which so many of our fine Americans have made in laying down their lives for this country. We honor these great heroes in death and our thanks and gratitude go out also to the living members of our armed services for the great part they have played in making this victory possible and we pledge to them anew our cooperation, support, and devotion. I hope that all of our people will heed the call of our President and go to the church of their choice next Sunday morning and there unite in praise and thanks to God.

We yet have the war in the Pacific. Our brave men in the Pacific, like their comrades in Europe, have fought long and hard and have achieved most notable successes. It seems to me that this hour should be one of rededication and reconsecration to the great task of finishing the job in the Pacific as speedily as possible. This is an obligation we owe to our heroic dead. In the silence of the grave they point to America the way out—continued sacrifice, more work, greater effort, a determined will to win—until complete victory shall crown the efforts of the mighty American forces. Their sacrifice calls for the soul of America to rise up and in a mighty outburst of the spirit of free men of America to forever crush the power of the ruthless and cruel Japanese.

We also have ahead the stupendous job of trying to build a structure for an enduring peace. America owes it to the memory of her brave men, living and dead, to try to prevent another world war. The military victory which has been achieved at such a terrible price in Europe and that in the Pacific which has, and will, likewise cost dearly will not last unless the civilized nations of the world can work out some fair and sensible plan to prevent a recurrence of this terrible thing called war. God grant that some fair and workable plan may be worked out. These and many other problems require the full attention and time of every American citizen. This is no time to let up. Let us therefore continue to work, fight, and pray that complete victory may come and that an enduring peace may be achieved. God bless America!

Mr. BIEMILLER. Mr. Speaker, the first big job is finished. We all rejoice, today, that the Battle of Europe has been won and that the Nazi war machine has been thoroughly and completely smashed.

Our joy is tempered with sorrow because the man who did the most to achieve this victory is no longer with us to share in our rejoicing, but I think if Franklin D. Roosevelt were here he would urge us not to relax, in the exaltation of victory, but to think of the three big jobs ahead.

Those jobs are to win the war in the Pacific, to win a lasting peace, and to win freedom from want and freedom from fear at home. These three tasks are closely related; they will stand or fall together.

The first job means that there must be no let-down in the prosecution of the war or in war production until the Japs surrender unconditionally. We dare not demand immediate return of all our boys; we dare not urge conversion to peace production until all military needs are met.

If VE-day is to mean the beginning of lasting peace, instead of just another 20-year armistice, we must work immediately and continuously for an international organization with both justice and teeth in it. We must throw our support now behind Bretton Woods, behind the food and agricultural agreement, behind the security plans advanced at Dumbarton Oaks.

The third point—freedom from want and fear—means planning ahead for full production and consumption so that there will be jobs for all. We dare not think in terms of going back to prewar standards; we must agree to go forward to a new high standard of living for everyone. Our ability to turn out more goods with less men has increased enormously during the war. Full employment depends upon facing this fact and insisting on more goods for all, instead of less goods and less jobs.

Labor, management, and Government have done an amazing job in turning out war goods—we can and must do the same thing in peacetime production. That partnership should be continued.

The sacrifices of our brave boys who have fought so valiantly against so ruthless an enemy must not have been in vain. We must all work without let-up for a world of lasting peace and prosperity—a world worthy of the heroism our courageous men in uniform have shown.

Mr. REES of Kansas. Mr. Speaker, we have been advised that Germany has surrendered to the Allies. Under the superb leadership of Gen. Dwight D. Eisenhower the Allied armies in the European theater are victorious. Our rejoicing over this victory should be tempered by thoughts of the sacrifices which have made this moment possible.

In our prayers of thanksgiving let us ask for divine guidance to proceed with the tasks which lie ahead. Halfway across the world we have yet to meet the full might of the Japanese armies. To conquer this last stronghold of barbaric aggression with minimum casualties will require all our efforts and prayers.

The success which we shall have in preventing future wars will be largely determined by our ability to remember vividly the events of these years. Lasting peace will not be born of hopes and dreams alone but of cooperative action inspired by the courage and bravery of our boys who made the supreme sacrifice for the cause of the freedom of men.

Mr. GILLIE. Mr. Speaker, it is with a spirit of reverence and thanksgiving that we rejoice in the heart-warming news that the Germans have surrendered unconditionally. The war in Europe is officially ended. For this victory, we offer our grateful prayers to God for His Divine guidance through the perilous fight. To our armed forces, for their valiant efforts and overwhelming triumph, we express our deepest appreciation and heart-felt thanks.

To those who have laid down their lives for their country, we humbly and respectfully pay tribute. Our Nation bears a deep and solemn obligation to their memories.

In our joy we cannot forget the price we have paid in lives and suffering. In this victorious hour we do not forget those who have suffered sorrow and anguish in the loss of loved ones. They,

too, have felt the heavy weight and shock of battle. May they in their grief find consolation in the realization of the high ideals and purposes for which these lives were sacrificed.

The war goes on. The last obstacle down the road to complete victory is in sight—the defeat and unconditional surrender of the Japanese in the far Pacific. We know that our men and women in the armed forces will carry on the fight for final victory with courage and gallantry, supported by the earnest devotion to duty of those on the home front. They will be spurred on in their efforts by the triumph over Germany and the knowledge that greater help and cooperation will be forthcoming from our allies now that the war in Europe is won.

This Nation today shares the joys and hopes of the liberated peoples of the Continent. The spirit of freedom burns brightly in their hearts despite the overshadowing darkness that has been left in the wake of 5 years of war. For all the sacrifices that have been made by our armed forces, and for the loyalty and devotion to the cause of freedom, the civilized peoples of the world will be eternally grateful.

AS THE LIGHTS COME ON AGAIN

Mr. JOHNSON of Oklahoma. Mr. Speaker, perhaps there is nothing I could add to the timely and forceful statements made by our distinguished Speaker of the House, the eloquent floor leader, the minority leader, and others who have expressed themselves so fittingly upon this momentous occasion. This is a day that every man and woman in uniform, especially those in the European theater, has looked forward to. It is a day that every father and mother of the gallant fighting sons and loyal and devoted daughters have envisioned since that solemn day back in December 1941, when the United States declared war on our Axis enemies.

At that time the United States was hopelessly unprepared on land, on sea, and in the air and yet in a relatively short time, we, with the help of our gallant allies, have defeated the once greatest military machine in all the world. It is a record unaparalleled in all history.

We rejoice today in that victory—a victory over one of the arch enemies of civilization. What Hitler and his heinous hordes of high-ranking criminals had assured the German people could not be done by the Allied nations has been accomplished. Germany has not only been forced to her knees but the powerful German armies have been routed, humbled, and conquered. We accepted no negotiated peace as some weak-kneed Americans advocated, or anything that smacked of a negotiated peace. It was an unconditional surrender, as our late beloved Commander in Chief Franklin D. Roosevelt had repeatedly promised. The German people know now that they have been defeated and that Hitlerism is forever dead. Let us indulge the hope that they also understand full well that war does not pay.

But, Mr. Speaker, this must not be a day of boasting, even though it is a day of rejoicing. It should also be, as the Speaker suggested, a day of consecration. It should be a day of devotion and prayer to the God of the universe. It should be a day of thanksgiving. But as we rejoice at the victory over the Nazi war machine upon the European theater, and as the lights come on again tonight on the Nation's Capitol, our hearts are heavy because we know of the sacrifices it has cost many of our loved ones and friends. We are thinking of the many fine, clean, ambitious young men who have not and will not return. They have given their all for us, our children, and our children's children. They have paid with their precious lives that this might ever remain a decent place in which to live. We are thinking of their loved ones, who are sad, heartsick, and lonely on this occasion. We are also thinking today of the wounded who are languishing in hospitals throughout the world as a result of this terrible war. For many of them the war is not over today, nor will it ever be.

Then, too, we are thinking of the war of the Pacific, and as has been repeatedly suggested, our hearts are heavy because we know that other gallant American boys are dying every day in the Pacific war theater against another desperate foe. Let us pray that the treacherous Japanese will take the sound advice given them today by our great President, Harry Truman, and surrender unconditionally at an early date. Although that would be the wise course to pursue, few Americans indulge the hope that Japanese fanatic leaders will profit by the experience of a defeated Germany and do so.

But, Mr. Speaker, we must not rest on our oars and assume that the war is over. If we are to remain true to our ideals, true to our fighting men, and true to our heroic dead, we must this day resolve in our hearts henceforth to work and fight unitedly against our remaining foe. With America united, and with God as our leader, we shall go forward to a glorious victory.

Mr. DOYLE. Mr. Speaker, this morning as I listened to our great living President briefly speak to this Nation and to the entire civilized world at 9 o'clock over the radio, it struck me as significant and appropriate that the very second sentence of his sincere and inspiring statement should be with a word of respect and affection for that great dead, but recently living, President—his friend and ours—Franklin Delano Roosevelt. And after he said he wished he lived this day to see this great VE-day, I almost spontaneously said to myself that he does live to see this day.

Civilization is a contract between God, the great dead, the living, and the near unborn. Surely God is on our side now in this victory; surely Franklin Roosevelt and Abraham Lincoln and George Washington and the other great American dead did their duty; certainly you and I, as the living, will not shirk our utmost performances of bounden duty to our posterity. Finally, the near unborn will carry on the heritage we have left by improving upon whatever we may do here as we pass this way in our brief lifetime. No one man is necessary to the progress of the human race, to be sure; but no generation of men can break faith with any of the other parties to the contract of civilization, which is a contract of mutuality of interest and responsibility to our God, to the great dead, to the living, to the near unborn.

If the prophecy of our distinguished Speaker of this great legislative body is correct this day, as it always is, then tonight the dome of this Capitol Building will again be flooded with light. How appropriate and inspiring that will be all over our Nation—yes, all over the civilized world it will flash as news. Thousands and tens of thousands will tonight walk and ride to the very steps and sidewalks through which we walked a few minutes ago to enter this room to see the dome again lighted. Light always attracts people; light means intelligence, safety, progress, happiness of humankind. Light causes people to look upward and to be thankful. The dome tonight lighted again will be looked upon by tens of thousands of happier Americans, because it is lighted again. Because it will signify once again that all will be well with the Christian world. Even the birds and squirrels of Capitol Park will know that an historic day has broken for mankind, for they too will see the lighted dome from their nests and leafy shelters in the beautiful trees of the park grounds.

Yes; we who have given our sons in death while on duty rejoice in the presence of victory too. It means thousands less of other sons will need be slaughtered for the greed of man or to give their lives that we might live on. Gentlemen, the fact of death of any man for us must make us humble indeed. As thousands of men have actually died for us in this war, it should make us under obligation to do our dead-level best to see that there never comes another world war by reason of any act or omission on our part in the remainder of our lifetimes. We cannot do less by those who have died that we might live.

A few minutes ago you and I heard here in our very presence three other great American leaders of this Legislative forum speak extemporaneously from their hearts and very souls. Everything they each said was rich with power, perseverance, and patriotism to be true. But gentlemen, did you not notice that each of them humbly and sincerely and reverently thanked God and that it was pointed clear to us that the basis of celebration must be a spiritual one. I compliment the Speaker; the majority leader; the minority leader upon their inspiring remarks. No nation which stays on its knees can long stay in captivity or fear; our great Nation and her allies must stay on their knees as we attack and attack our remaining enemy until Japan also surrenders unconditionally.

A few minutes ago also, you heard our distinguished leadership stress that unity must continue for victory over Japan. Why can we not stretch that unity of purpose and objective to the purposes of achieving victory over our domestic problems over which we must needs work together to promptly solve? War has created most of these as at present exist-

ing and to arise. Let us continue our unity of purpose and common understanding into the field of victory over the problems of peace, at home and abroad. This VE-day does not come because any political party has played party politics. The winning of a war leaves no room for such things. Is not the winning of security and food and health and happiness for mankind also so challenging that partisan politics should be known only in a minimum sense in connection therewith? If you say that this is too idealistic, I say that a nation without ideals is lost.

The problems of peace are not less challenging than those of war. They are chiefly different in that in war we are concerned with killing other human beings before they kill us, while in solving problems of peace we seek by every means known to man to help mankind to progress and to a happier, healthier experience. Let you and I do our dead-level best throughout our lives to the high purposes of peace on earth and good will to all men.

The results of the San Francisco Conference will be magnificent in any man's language. The fact of the meeting itself must inspire us. The fact of such international accord and agreement for world peace is the most significant footstep in the world's history on the pathway to enduring peace. The least we can do from here is to work and think and pray unceasingly, with sincerity and humility, that at San Francisco shall be placed foundation stones for enduring world peace, which foundation will be so soundly laid that an enduring house of enduring world peace will be builded upon by the experience of mankind and that this house of peace shall be builded upon the rock of international peace and that neither the tides of temporary stress or passion or fear shall have any effect, but that the foundation builded at San Francisco shall be found to be firm and sure.

Tomorrow let us begin our work in this great legislative body with renewed courage and determination that there shall be freedom in the highest sense of that significant American word for peoples throughout the world.

No less a dedication by us on this VE-day is worthy of our high responsibility as members of this distinguished legislative body.

Mr. VOORHIS of California. Mr. Speaker, this is no hour for wild rejoicing. Millions of American men—some of them very young men—at this moment face the hell of war in the far reaches of the Pacific.

For their sakes this must be an hour of rededication—rededication to our support of their great and terrible task with every ounce of our effort, devotion, and resources.

But this is an hour of deep and profound thankfulness to Almighty God. For in Europe our men are safe from death and maiming. And on that continent women and children need no longer fear the death that comes from the air. Most of all, we are thankful because once again it has been proven that forces of evil, of tyranny, of oppression, persecution, and cruelty are compelled by a just God to sow the seeds of their own destruction. For who is to say that the strong arms of the soldiers, sailors, marines, and airmen of America, Russia, Britain, and the other Allied nations have not been made even stronger by the spirit of a righteous cause.

And last, this must be a day of solemn consecration to a great cause. For there are men in American uniforms, and in other uniforms, who are not with us to rejoice in victory. Theirs has been the complete sacrifice. To them we owe a debt that can be paid in but one way. That one way is by building a law of peace in this world so strong, so rooted in justice, equity, and cooperation that the sacrifice of our gallant dead will not be in vain, but will flower into a new and better world than mankind has ever known before.

Mr. LARCADE. Mr. Speaker, thank God, it is over in Europe.

While we rejoice in this announcement, it is with a sense of solemn obligation as our thoughts instinctively turn to those who have made this day possible, both the living and those who have made the supreme sacrifice, and our hearts go out to their families. We also think of those who have and will return maimed, and of those broken by the horrors of the terrible prison camps.

We should never forget the debt that we owe to those who have made these sacrifices to attain the end which we celebrate today, and we will try to show our gratitude by making every possible provision for those who served in the armed forces and for their dependents. This is our duty and obligation, and the least we can do.

Unfortunately, the victory is not complete. We still have to wage another war upon another fanatical enemy—Japan—and with the grace of God, we hope that it may not be long before we will have the opportunity to celebrate the unconditional surrender of that treacherous nation, so that all of those in the armed forces may return to their country, families, and friends, and resume their peaceful pursuits. In the meantime, we should bear in mind that the war in Japan will require many more sacrifices and hardships, and it is our duty on the home front to back up and supply our armed forces with all that is needed to finish the job. Surely the small sacrifices and hardships should be accepted and borne cheerfully, when compared with those that our boys and girls have made, and will continue to make in the future. In grateful acknowledgment and thanks to our Lord for this day, and looking hopefully forward to His blessing for the end of the conflict with Japan, let us also pray for His divine guidance for all of the representatives of the peace-loving nations at the Conference in San Francisco, to the end that they may agree and consummate the object for which they assembled, and while I have full confidence that our representatives and all of the citizens of our country will do all in their power to bring about the success of this conference, as well as carry out our part on the agreements, I for one, believe that we should not forget the admonition of the Father of our Country: "To be prepared for war is one of the most effectual means of preserving peace."

Mr. PHILBIN. Mr. Speaker, this is one of the most glorious days in all American history. The victory which our gallant boys have won through blood and bitter sacrifice on the soil of Europe against the most highly organized military establishments of all times is an outstanding contribution to the salvation of our democracy. Let us thank God for answering our prayers and devoutly ask Him to bring our final struggle to an early victorious end.

Would that today marked the end of this terrible struggle. Unfortunately it is only the completion of one stage—a vital stage—of this frightful war. We must now move without hesitancy and with all our resources, military and economic, against the ruthless Jap enemy and smash it mercilessly until this despicable menace to our free institutions is brought to its knees and its evil influence removed once and for all from the civilized world.

I have supreme confidence that the American soldiers, sailors, and marines, their gallant leaders and comrades—incomparable fighting men all—and our people at home in factories, on the farms, and in all the places in America where such magnificent support is given to our armed forces, will redouble their efforts so as to make it possible for our boys to deliver the final knock-out punch to the fanatical Japs in the not too distant future.

Now that this glorious victory has been won in Europe, I think our military leadership ought to give the boys who participated in this gigantic struggle for freedom a breathing spell so that, within the exigencies of military necessity, they may be permitted to come back home and spend some time with their families and get their breath, so to speak, before going into battle in the Japanese theater. And those who have been long in the Pacific war ought to be given every surcease possible at this time through furlough or rotation procedures.

The American people must not relax. To the contrary, we must go forward more determined now than ever to lend our full undiminished energies to the earliest possible completion of the remaining desperate struggle and then turn our thoughts and efforts to the consummation of that noble aim felt so deeply by all our people, the establishment of a just and durable peace. Long may the banner of American liberty wave. Consecrated by the sacred blood of our sons, let us now cherish it even more than ever. Americans, forward to final, total victory.

Mr. COLE of Missouri. Mr. Speaker, at long last victory in Europe is ours. This is a day that will be long remembered by all liberty-loving people. It is the day that brings to a close the most devastating war, waged by one of the cruelest, most brutal and barbaric foes ever known to mankind. It is truly a day for rejoicing and thanksgiving. We should all give profound thanks to Almighty God for bringing our Nation, thus far, through these terrible years of

conflict. We should pray that He will continue to bless us until final victory in the Pacific has been won; that He will guide and direct our President, the heads of the Allied governments, and all others in authority, in charting a course for a just and lasting peace.

No doubt many will now want immediate relief from wartime regulations. Some relaxation of these may be possible, but we should not expect too much at this time. We still have a major war to win and must not lose sight of that fact for one instant. I am against any program at the present time calling for relaxation of any Government controls which might prolong the Pacific war one extra minute or cause one extra drop of blood to be shed. However, I shall always be on the alert to detect any tendency by any bureaucratic agency, or group of cosmic planners, to keep our country regimented in order to continue their control over the lives of our citizens in the post-war era.

The home front has done a marvelous job in backing up our armed forces. In the post-war era, we must continue to go forward as a united people to help bring peace and order out of the present world chaos. This is a debt we owe particularly to those who have laid down their lives on the far-flung battle fronts. Also, we owe a great debt to those who are about to return to civilian life. I, for one, solemnly dedicate myself, as a Member of Congress, to work unceasingly for legislation that will enable our heroic war veterans to take up again the threads of civilian life, with every facility and every opportunity to carry on under a system of free enterprise with a minimum of Government regulation and interference. I cannot see why we should not soon be able to embark upon an era of great prosperity. Certainly there is enough work to be done by our people and by the peoples of the world in replacing the billions of dollars' worth of worn-out equipment in our country and rebuilding the shattered cities and towns of the world. Properly directed, with the cooperation of all nations of good will, the energies of the people of the world can be used to create a fuller and happier life for all.

Mr. FORAN. Mr. Speaker, VE-day is here at last. Germany is beaten.

Our victory over the Nazis gives us cause to rejoice, but it should not be taken as a signal for wild celebration. It is only the end of one phase of the world-wide conflict.

We still have a big job to do. Fanatical Japan is still to be licked. It is true that we have made great progress in the Pacific. We have restricted Japan's sphere of operations, but within the territory where she is still in control Japan is putting up a bitter, brutal, suicidal fight.

Until she is brought to her knees like Germany, we must continue, without relaxation, to lend our every effort to the war program. We cannot afford to forget for a single moment that our soldiers and sailors in the Pacific theater are still fighting to insure victory in that area. Only after they have reached that goal can we feel that victory is complete. That will be the time for a real celebration.

In anticipation of complete victory over our enemies, we and our allies must continue to work out plans to insure a lasting peace.

Under the sterling leadership of our late President, Franklin Delano Roosevelt, we have made considerable progress on building the foundation for world peace.

President Truman is determined to follow through with the peace program of his predecessor. We must give him our united support so that that program may become a reality. That would be, not only a memorial to our departed President, but it also would be a great blessing to all the people of the world.

We do not want another war. We cannot afford to have the youth of our Nation sacrificed on the field of battle every 25 years. Our casualties in the present conflict have reached nearly the million mark. Many of them will never come home. They gave their lives so that we may live. We must achieve a peace that will prove that they did not die in vain.

VE-day signalizes the start of reconversion from war to peacetime economy. The change will be gradual. The demand for consumer goods will be great. The people have money and will be anxious to spend it for articles which were made scarce by the war. Temptation will be great to bid up the price in order to obtain them. If we yield to that temptation we will most certainly bring on inflation, thus reducing the value of our dollar, and at the same time throw our whole economy out of gear.

To guard against that situation, I am told that price control and rationing, as well as some of the other war measures, will be continued for some time. But it is the aim of our Government to remove these controls at the earliest date possible, that is, as soon as the supply of consumer goods begins to meet the demand.

Our late President set our goal at 60,000,000 jobs in the post-war period in order that our standard of living may be maintained. President Truman will work toward that goal, and all of us should work as a unit to help him achieve success in this undertaking. It will require teamwork. Labor, management, and Government will have to work together. We have done it since Pearl Harbor and, because we worked together, victory over Germany was made possible, and victory over Japan will be ours.

Let us, therefore, resolve that every segment of our society will go forward on the road from victory over Germany to victory over Japan, to lasting world peace and to an economy of freedom and prosperity.

Mr. MERROW. Mr. Speaker, this is the day for which we have been waiting, working, and praying. This is a day of rejoicing for all liberty-loving people throughout this world. The war in Europe is over. Germany has surrendered unconditionally. The Nazi war machine is utterly defeated. Democracy and freedom are again safe.

We congratulate the members of our armed forces on the tremendous victory they have won. The gratitude of our hearts go out to those who have sacrificed so much that the principles and ideals of this great Nation may not perish. Through the efforts of our fighting men the war has been kept from our shores. Through their efforts free government will continue.

Although this is a day of great rejoicing because it marks the end of the war in Europe, it is also a day of rededication to the tasks before us. We still have much work to do. The enemy in the Pacific must be fought until he too surrenders unconditionally. We can best observe VE-day by resolving to redouble our efforts to bring an early victory in the Pacific.

On this day that marks the complete defeat of Nazi Germany, and on this day when we resolve to redouble our efforts in the Far East, let us be determined that just as we have won the war so will we win the peace. By doing this we will keep faith with those who have sacrificed so much and we will make certain that another war will not curse the nations of this earth.

VE-DAY, ITS MEANING TO THE AMERICAN PEOPLE

Mr. HOLIFIELD. Mr. Speaker, the long awaited announcement of victory over nazism in Europe has been made. The bloody era of gangster violence on the international scale has ceased on the European Continent. This does not mean the end of violence by fanatics who will continue in mountain hideaways and underground retreats to wage guerilla warfare until they are completely exterminated. The diabolic cunning of Hitler, Goebbels, and Himmler in twisting and warping the minds of the German people will continue to be a source of trouble to the Allied Nations for years to come. These younger people have been fed his lies and half-truths since birth, and in the case of the older pre-Hitler people, it has been so long since free information has been available to them, and because the misinformation and lies of nazism have been for 15 years their only diet, they too look at the world as their Nazi masters planned. Therein lies the reason behind their lack of shame or sense of guilt for the unprintable and unspeakable atrocities which are being exposed daily to a shocked world. The majority of the German people must acquire a new conscience, a new conception of ethics and morals, before they can be accepted on the same plane as the democratic peoples. I do not say this in a self-righteous or cynical manner but regretfully and with a full realization of the responsibility of the United Nations in helping Germany acquire a new conscience. So the announcement of victory may cause the unthinking to be temporarily carried away by the exuberance which usually accompanies victory. But thoughtful people will temper their enthusiasm. A realization of the mental attitude of these Nazi-indoctrinated people and an analysis of the chaotic economic, social, and political conditions now prevalent in the devastated countries of Europe indicates the gravity of the situation.

The winning of the war against nazism and fascism has cost us a terrible

price in property destruction and an immeasurable price in human lives. This loss of life and property has not been confined to the vanquished alone, but the victors have drunk to the dregs the bitter cup of sacrifice and suffering. Although the arms of the United Nations have been accorded military victory, we too, have in reality suffered defeat. The wrath of total global war is visited on both victor and vanquished. A few months ago I made a tour of inspection through the bombed section of England and the occupied portion of France. I shall never forget the scenes of destruction, where the fury of modern warfare had expended its malevolent forces. I shall never forget the stunned look in the eyes of the civilians, who had undergone intensive bombing and artillery fire. As I walked through the cemeteries newly created to receive American heroes, and later when I talked with the wounded in our field hospitals, I realized as never before the penalties and curse of global war.

What then does the announcement of victory in Europe mean to us?

Can victory bring back the millions who have died in mortal combat, the flower of youth in every land?

Can victory heal the sick in body and mind, the broken victims of war's aftermath?

Can victory bring back the millions of civilians who have perished through starvation and persecution?

The answer is "No." Neither can victory restore their shattered cities, their burned forests, and their expended natural resources.

What then can victory bring us in this solemn hour?

First, it brings us a feeling of devout thankfulness that God has bestowed success upon our armed forces and the fervent hope that our loved ones who have borne the heat of the battle may soon be restored to their families.

Secondly, we are struck with the awe-inspiring knowledge of the terrible price we have paid to the god of war, a price paid because human beings have refused to practice the principle of brotherhood.

Thirdly, we instinctively vow we will take such necessary steps, nationally and internationally, to prevent the reoccurrence of global war.

In making this vow, we know the problems of establishing a peaceful and orderly world are greater than those we have faced in mortal conflict. We nevertheless dedicate ourselves to the unfinished work that lies ahead. We cannot, and with God's help we must not, fail. The goal we strive for is the preservation of civilization.

Mr. CHELF. Mr. Speaker, VE-day—what a glorious, beautiful, and happy day to all liberty-loving peoples throughout this saddened, war-torn, war-weary world!

Can it really be true? Have the long, bloody battles to subdue and conquer Germany actually been won? Is that horrible nightmare really over?

Yes; it is true—at long last VE-day has dawned. Thanks be to a most merciful God. What magnificent and melodious music this news is to the strained ears and to the anxious hearts of all mankind. What joy, what happiness this news is to the loved ones back here at home who have, through their tears and fears, kept the home fires brightly burning for the return of those some 6,000,000 boys now serving overseas. Truthfully, "there is a silver lining through the dark clouds shining; turn the dark clouds inside out 'til the boys come home."

It is no longer the end of the beginning; but rather the beginning of the end. We have two down and one to go. Only Imperial Japan is left as a loose-flayed end of the former all-powerful Axis. Two-thirds of the battle has been won; two-thirds of the blood, sweat, tears, toil, and heartaches are now behind us.

Yet, my fellow Americans, in our exuberance, we must not lose sight of the fact that the war is definitely not over. We must keep the faith with those tens of thousands of our honored dead. We must redouble our efforts, our production, our determination, our faith, our hopes, and our prayers for a prompt and decisive knock-out blow over Japan. We must complete the job. President Roosevelt and all of those who have made the supreme sacrifice for us here at home wanted it that way.

Germany's defeat has at last set the stage for the final act. "We of our time" must ring down the curtain with such a grand and spectacular performance in the winning of this war and the peace to follow that the applause and acclaim therefrom shall resound and echo in the ears of grateful generations yet unborn, "so that they might see our good works and glorify our Father who art in Heaven."

Do not let up. Stay on your job, and total victory shall be ours.

Mr. SULLIVAN. Mr. Speaker, the long-awaited VE-day is at hand. The day for which a stricken civilization has prayed and fought has come.

The prison camps of Europe have been opened. Men may now come out of the mud and filth of their holes in the ground. Men will now walk upright in God's sunlight and may now let their fires shine out at night.

Terror no longer rides the hours of the day and the darkness.

As we realize that victory in Europe has crowned our efforts, we remember the terrible price we have paid.

We remember the long casualty lists, the gold stars in hundreds of thousands of homes, the crowded hospital trains, and the hospitals.

We remember the loss of our great President, Franklin D. Roosevelt, who planned the way to victory and charted the course of enduring peace.

We remember, too, that the war is not over. We will not know peace until the last hostile weapon has been silenced; the last desperate enemy anywhere in this world captured or destroyed.

We know that even then the war is not over. It will not be over so long as a widow or orphan needs care or help; the disabled, rehabilitation or assistance; a returning veteran, a job; the gold-star families, consolation.

It will not be over until sure and relentless justice has overtaken the war criminals.

It will not be over until we have established the foundation of a firm and lasting peace, made under the able leadership of President Truman.

We stand in all humility before the gallantry and heroism of our armed forces. We have seen the miracle of production, made possible by the devotion to duty of labor and management.

We have looked upon the miracle of transportation performed by the men and women of the railroads, busses and trucks, ships and steamboats, and airplanes.

In a spirit of profound thanksgiving we turn to the task of winning the war in the Pacific with renewed vigor.

May God give us the courage, wisdom, and understanding to accept our responsibility of building a peaceful world.

Mr. LAFOLLETTE. Mr. Speaker, if we have imagination enough to visualize and feel the agony of wounded, dying men; the future which faces permanently injured and maimed men; and the anguish in the hearts of parents, wives, and children of dead men, we cannot find words to express properly our feelings at this time. If we honestly wish to honor the dead and the permanently crippled, we shall do all that we can as individuals to keep ourselves and our Nation disciplined and sacrificing so that we can hasten the end of the Japanese war. If we seriously intend to see to it that this thing shall not happen again, we will work ceaselessly toward the construction of a new international order based upon the moral law.

Such conduct by each of us individually and by our Nation is the only way by which we can obtain absolution from our God for the human sacrifices which our selfish, prideful, soulless materialism has visited upon our fellow humans.

Mr. ELSAESSER. Mr. Speaker, it is with great happiness that I received the news of the end of the European phase of this terrible conflict, and the United States is profoundly indebted to our men and women who have done such a heroic job in bringing about the termination of hostilities in Europe.

I sincerely hope that our allied nations in this struggle, to whom we furnished much in the way of armaments, food and clothing, will lend every effort to bring about a speedy and complete victory against Japan so that once again our men and women who have served so gallantly may return home.

Mr. GARY. Mr. Speaker, the day for which we have long waited has finally arrived. Our hearts are filled with gratitude to those who have so successfully led our armed forces to the coveted goal of final and complete victory over Nazi Germany, to those in the ranks whose stamina and courage have made victory possible, to those who have offered their lives as living sacrifices on the altar of freedom, and to our God who has guided the destiny of our Nation through the most critical struggle of its history.

In the midst of our rejoicing and thanksgiving we must remember, however, that we cannot relax our efforts

until Japan, too, has been completely conquered. The past is a monument to our prowess; the future is a challenge to our fortitude and our strength. May we, in this hour of triumph, dedicate ourselves to the speedy conclusion of our task.

Moreover, may we look beyond the day of final victory and resolve in our hearts that, out of the carnage and destruction which have shaken the very foundations of civilization, there shall arise an international organization with sufficient force to guarantee permanent peace on earth among men of good will.

Mr. TAYLOR. Mr. Speaker, the news of the defeat of our enemy in the European theater of war is glorious.

Our gallant fighting forces have acquired this victory only after tremendous sacrifices on their part. Our gratitude for their efforts should be everlasting and boundless. We should thank God and them for the opportunity to live in a decent world.

There is yet another great conflict that must be brought to a conclusion. As Americans, we must realize how very important it will be to our future welfare to totally annihilate the Jap. Let the news of the great victory therefore stimulate us to ever greater support to our heroic forces in the Pacific. Let us keep faith with those forces, too, by insisting that the Allies, to whom we gave so much, when they had so little, now keep their pledges to reciprocate in men and materials.

The redemption of these pledges will be a guaranty of early victory as well as an indication of real gratitude.

Mr. FALLON. Mr. Speaker, today, VE-day, will not mark—as did November 11, 1918—the ending of the war and the return to peaceful pursuits. It may not even signify the end of all fighting in Europe, disorganized though the enemy may be.

It is not, therefore, a day of wildly joyous celebration as was Armistice Day. It should be a day of deep satisfaction and reverent thankfulness that so large a part of our great task is accomplished.

We have seen our men called from their work, their professions, their classrooms, and from their homes. They were called to learn the bloody business of war and to prepare themselves to participate in this great conflict.

We saw our Navy and our Coast Guard fight and win the Battle of the Atlantic to send supplies of war to our allies. The heroic actions of the men of the merchant marine, many of whom gave their lives, are not to be forgotten.

The great landing in north Africa brought the successful end of the north African campaign. Then Sicily, Italy, France, and finally Germany itself. All of this while our Marine Corps, Army, Navy, and Coast Guard are successfully waging another war in the Pacific.

VE-day is the end of the European phase of the war. However, great tasks still lie ahead.

In the names of those of our men who have shed their blood and the others who have disrupted their lives in this great accomplishment we should on VE-day even more highly resolve that we will dedicate every effort and every thought to the support of those men who carry on to the final victory and the return of peace.

Our support of those who have yet to fight and possibly to die on the battlefields will be quickened to the end that the day of final victory will be speeded even nearer than we dare now to hope.

Mr. GARDNER. Mr. Speaker, the announcement that has just been made, while being very pleasant to those of us who are at home, is nevertheless a solemn reminder of our obligation to those who made the supreme sacrifice in bringing this phase of our war against the exponents of force to a successful conclusion.

We still have a very difficult war to win in the Pacific area against an opponent who has shown that he has little respect for civilized countries. It is the duty of all of those who are on the home front to continue with full and complete efforts to produce for the support of our military forces still engaged in battle. This is the best method of honoring those who have given their lives already in support of our religious, economic, and political way of life.

We must not forget the debt which we owe the members of our armed forces who have died in action and their families, and that prayer is the best instrument and the most satisfying method of support to those who have passed beyond. In memory of the departed heroes we should dedicate our immediate time to asking God Almighty for assistance to those who have passed beyond, and also for support of those who are left on the firing line.

With the strength of prayer our own domestic economy will be fortified against deviation from the established principles of our American way of life.

Mr. HUBER. Mr. Speaker, on December 7, 1941 the destiny of millions of American boys was altered by the aggressor's blow. America rallied quickly, and gave freely of her men and resources. The timber was stripped from her forests—the petroleum was pumped from the deep recesses provided by a bountiful Providence. From her mines went the metals to provide implements of death to stay the progress of the invader. New cities were built overnight and the skills of a mighty Nation were enlisted in a production for war.

In the homes of America there was sadness, and an aching heart for the service flag that was proudly displayed, in both hovel and mansion.

Yet, America also had a prayer in each heart, a prayer that her stalwart sons would triumphantly hasten the day of peace.

This is a day to bring humbleness into the hearts of all people. At last VE-day has arrived for us of the home front. Yet, for thousands who have made this day possible there are no bands, no banners and no speeches. For those who lie buried in the South Pacific there is only the roar of eternal breakers on tropical beaches. For those in the icy fastness of the far north, only the frozen stillness broken by a gull's sad note. And to those on Europe's shores, the sad requiem of faltering steps by slave men made free again only through the sacrifices of those gallant men of America who lie buried forever in an alien land—those American boys who have died so that others may be free.

Following all the wars in which America has participated, statesmen are wont to state that those who have died in freedom's name shall not have died in vain.

Poets have said we shall not break faith with those who sleep, yet one war has followed another throughout all the history of civilization. Can we say that this war has truly ended, if another can be started?

Let us, the civilians of America, together with the civilians of our great allies, assure the heroes of this war, living and dead, that we shall dedicate ourselves to the principle that we are "our brother's keeper," and shall resolutely band ourselves together under God and banish wars from the earth forevermore.

VE-DAY: A PARTIAL ANSWER TO OUR PRAYERS

Mr. BRUMBAUGH. Mr. Speaker, VE-day was ushered into reality by the American people with a marked degree of reverence for those who have made the supreme sacrifice and thoughtful consideration for thousands of their living comrades who are in deadly combat this moment with the fanatical Japanese.

Under ordinary conditions the death of Hitler and Mussolini and the unconditional surrender of Germany would provide the means for a celebration of unprecedented proportions. But thoughtful Americans realize that thousands of homes have been saddened by the death of one or more members of the immediate family in the costliest and most devastating war in the history of mankind.

Then, too, thousands of young Americans are serving in the Pacific theater of war and to them VE-day is significant in the hope that it will release for use in that area military and naval personnel, food, and weapons of war as a means of hastening the day of total victory to be achieved when the ruthless war-lords of Japan are vanquished.

The effect of religion in the daily lives of our citizenry was reflected in the crowds that flocked to churches of every denomination to pay homage to the Prince of Peace for His deliverance of our Nation from the grief and misery of the European conflict.

The keynote of every prayer service was disclosed in the fervent pleas for a just and lasting peace and an early and successful termination of the war in the Pacific.

America's kneeling Army of devout men and women who have beseeched Almighty God for aid since the war began have witnessed a partial victory on VE-day and an answer to their fervent prayers for divine help and guidance.

The end of the European phase of the war should prove an added incentive to intensify our prayerful attitude so that Almighty God may bless the United States in the effort now in progress to bring the war with Japan to a victorious conclusion.

SECOND SUPPLEMENTAL DEFICIENCY BILL, 1945

Mr. CANNON of Missouri, from the Committee on Appropriations, reported the bill (H. R. 3146) making appropriations to supply additional or supplemental appropriations for the fiscal year ending June 30, 1945, and for subsequent fiscal years, and for other purposes (Rept. No. 530), which was read a first and second time, and with the accompanying report, referred to the Union Calendar and ordered printed.

Mr. TABER reserved all points of order on the bill.

VE-DAY

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. KOPPLEMANN. Mr. Speaker, in humility and reverent gratitude to almighty God, we have received the news of the capitulation of Germany to the Allied Nations. Truly, we are living in days where the finger of God is visibly tracing the destiny of nations.

In the downfall of Hitlerism, we see the workings of the eternal law of divine retribution. In the destruction of Nazi militarism, we see the fulfillment of the moral law which always makes the evil of the wicked their own destruction.

Let us concentrate now on making the victory fully significant by destroying the hateful things Hitler stood for. It can be done by loyalty to our national ideals. So let us refrain from excesses of joyous and wild celebration.

With our thankfulness, we must rededicate ourselves and re-concentrate our efforts to the building of a world that will make a repetition of such devastation and agony impossible.

In the spirit of our late Commander in Chief who gave his strength and life in the cause of humanity, we are determined to devote our resources and energies in collaboration with our Allies and all liberty-loving nations to the establishment of a just and moral peace and a world order that will outlaw war.

We must not slacken our efforts in causing the defeat of our far eastern enemy and must do our utmost to bring about a quick ending to the war in the Pacific theater.

The sacrifices of our noblest and dearest and the heartaches of all our people and the people of the world must not be in vain. We must continue our efforts for a world order based upon the Atlantic Charter and the Dumbarton Oaks proposals so that the purposes embodied in our Declaration of Independence will become the creed of all mankind.

PERMISSION TO ADDRESS THE HOUSE

Mr. GRANGER. Mr. Speaker, I ask unanimous consent that I may address the House for 30 minutes on Friday, next, after the disposition of business on the Speaker's desk and the conclusion of other special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

EXTENSION OF REMARKS

Mr. FORAND asked and was given permission to extend his remarks and include a resolution.

Mr. GARY asked and was given permission to extend his remarks in the Appendix of the RECORD and include excerpts from the minutes of the United States Circuit Court of Appeals for the Fourth Circuit in Richmond, Va.

Mr. DOYLE. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from California [Mr. KING] may extend his own remarks in the RECORD and include a sermon.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLS asked and was given permission to extend his remarks and include therein an editorial.

Mr. WEISS asked and was given permission to extend his own remarks in the RECORD.

Mr. BROOKS asked and was given permission to extend his remarks in the RECORD and include a radio speech which he made on German atrocities.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include a resolution from the Wisconsin Legislature.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include two short editorials.

Mr. WELCH asked and was given permission to extend his remarks in the RECORD and include an editorial published in the San Francisco Examiner, entitled "Keep the Pacific Islands."

MINNESOTA MINING & MANUFACTURING CO.—NATIONAL LABOR RELATIONS BOARD

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

[Mr. KNUTSON addressed the House. His remarks appear in the Appendix.]

VE-DAY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, thank God victory has come to the Allies in Europe—the victory countless millions have prayed for so long.

Thank God for the valiant men and women whose ceaseless toil and endless courage overseas and at the battlefronts have brought about that victory.

Our profound thanks to the supreme military commander, Gen. Dwight D. Eisenhower, and to all our invincible military forces, to the least known soldier or sailor, for their unfaltering determination to beat inhuman barbaric Germany.

They have traversed many lands in far-off countries. They have crossed the ocean by air and boat. They have undergone every hardship in living and fighting conditions in unfamiliar lands. They have had the difficulty of communications with foreign tongues—and they have been victorious.

With the joy that comes to all freedom-loving peoples today comes the sobering thought that war is not over in the Pacific, and peace cannot prevail until Japan is beaten. Any slackening in the effort to beat Japan means the loss of precious lives of the men of our great Army and of our great Navy.

We know too that our work is just beginning in building for the peace and justice we must have if civilization is to survive.

Our prayers and thanksgiving are not enough. We have an overwhelming responsibility and obligation to perform.

Let us march forward with President Truman to conquer the Japs, shoulder to shoulder in unity with the same dauntless determination as have the armies of the great Allies, who have conquered the Nazi and to the task of bringing justice and peace to humanity.

Let us rededicate ourselves to the care of the veterans, and to our debt to them of building a better world.

They have played their part in the horrors and sacrifices of the grim reality of war.

We must not, we will not, fail them in peace. God bless America.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

VE-DAY

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, in rising to speak today, I do so with a very full heart. As one of the millions of women all over the world, breathlessly grateful that the fighting has at last really ceased in one theater of this decimating war, I cannot refrain from voicing the hope that the end may come soon in Asia; that the last killing may be finished, and that the door to possible peace may be opened wide. We women of every race and clime have learned, as never before, the hideous cost of war. We are determined that in the future there shall be peace; that our children's children shall not rise up to kill each other, but rather that whatever we do now shall make it possible for them to build a world where the stern, clean, merciful law of love may prevail.

Victory in Europe has been announced. In my mind's eye I see again the rows upon rows of white crosses, with here and there stars of David, I saw in England and France that have spread far into Europe. I see again the rows on rows of hospital beds and cots and litters that held, and hold, the tragic aftermath of man's inhumanity to man. I find myself looking into the eyes of those boys, into

the eyes of the women whose hearts lie buried in foreign soil. As a Member of this House I feel an almost intolerable sense of responsibility to those generations yet unborn. On this day when victory in Europe is an accomplished fact, it is my prayer that this Nation, face to face with the opportunity to end war, face to face with an unknown future, may humble its heart and put its "hand into the hand of God, which is better than a light, safer than a known way."

The SPEAKER. The time of the gentlewoman from Ohio has expired.

GEOLOGICAL AND MINING DATA

Mr. BREHM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BREHM. Mr. Speaker, I am today introducing a bill which has as its objective the making available to the several States geological and mining data assembled by the Department of the Interior.

This legislation is in keeping with a resolution adopted by the Association of American State Geologists.

It is feared that this geological and mining data collected by the Federal Government at great expense during the present emergency may be stored in Washington where it will seldom again see the light of day unless steps are taken to place copies of the pertinent data on file in each of the States where investigations have been made. As the resolution points out, most inquiries relative to any State's mineral resources naturally are sent to the State geologist of that State for the convenience of the public and if for no other reason, all such data obtained by the expenditure of public funds should be made as accessible as possible.

I am informed that the officials of the United States Bureau of Mines and the United States Geological Survey, the two Federal agencies chiefly involved, have expressed the desire to cooperate with the State geologists to the fullest possible extent. However, I feel that legislation on this subject would seem to be the better way to handle it since it would remove any doubt in the minds of the officials involved as to the propriety of furnishing the data requested.

I sincerely trust that my bill may receive prompt and favorable action.

EXTENSION OF REMARKS

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD on the subject of a toll-free bridge between Duluth and Superior.

Mr. REED of New York asked and was given permission to extend his remarks and include a newspaper article.

Mr. PLOESER asked and was given permission to extend his remarks and include a resolution from the Long Beach (Calif.) Chamber of Commerce; also to extend his remarks and include a brief article on the subject This Is America.

COMPENSATION OF MEMBERS OF CONGRESS

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PLOESER. Mr. Speaker, I call the attention of the Members of the House to an extension of remarks in the Appendix of the RECORD, page A2275, of our colleague the gentleman from Kentucky [Mr. O'NEAL], which is an editorial printed by the Washington Star of Saturday last on the subject of the legislative appropriation bill which is coming up on the floor of the House tomorrow. It is worthy of the time of every Member of the House to read this editorial.

EXTENSION OF REMARKS

Mr. LEMKE asked and was given permission to extend his remarks in the RECORD and include an article on water conservation.

Mr. O'KONSKI asked and was given permission to extend his remarks in the RECORD on five different subjects.

Mr. CLASON asked and was given permission to extend his remarks in the RECORD.

ERNIE PYLE

Mr. JOHNSON of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. JOHNSON of Indiana addressed the House. His remarks appear in the Appendix.]

SERVICES IN ST. PETER'S CATHOLIC CHURCH

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, today is indeed a day for jubilation and rejoicing. But more than that, it is a time for solemn thanksgiving. An important part of the struggle is finished. But it is only a part. It is now necessary to concentrate our entire resources—material and spiritual—on completing the task. Therefore, let us pause in the midst of this cheering and say a prayer of thanksgiving and petition to Almighty God. We are grateful for victory in Europe and we shall not forget the brave men and women who brought it about—many of whom made the supreme sacrifice. We ask for divine guidance and help in the future.

I have been asked to announce to the Members of the House that services will be held in St. Peter's Catholic Church, on Second and C Streets SE., at 7:45 p. m. today. All are cordially invited to attend. There we can offer thanks for the victory that has been won; there we can rededicate ourselves to the task that lies ahead.

EXTENSION OF REMARKS

Mr. CELLER asked and was given permission to extend his remarks on the subject of American relief for India and to include a brief statement by the Honorable William Phillips, of the State Department, and four other small letters.

Mr. DICKSTEIN asked and was given permission to extend his remarks in the RECORD and to include therein a statement made by the Secretary of the Navy, James Forrestal, at the christening of the U. S. S. *Franklin D. Roosevelt* on Sunday, April 29.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask that Calendar Wednesday business of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE FOOD SITUATION

The SPEAKER. Under previous order of the House, the gentleman from New Mexico [Mr. ANDERSON] is recognized.

Mr. ANDERSON of New Mexico. Mr. Speaker, I yield 27½ minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], and at this time I yield myself 5 minutes.

Mr. Speaker, this program today deals with a report of the House Committee Investigating Food Shortages, which is Union Calendar 126, House Report No. 504.

On this VE-day we need to remember the slogan that we saw upon signboards all over the country as follows: "Food will win the war and write the peace." The war in Germany has been won and it is our responsibility now to see if food will write the peace, if food can write the type of peace that Americans desire to be written.

I call attention to a newspaper story that appeared in a number of papers only a day or two ago, the headline of which reads: "Famine stalks the heels of peace in Europe."

I need not remind you that the planting season has been greatly delayed all over Europe and by a strange coincidence the Americans are required to take over a section of Germany which is not agriculturally self-sustaining. The Ukraine, the Danube Basin, and all the great bread basket of Germany are in the hands of the Russians and unquestionably they will do a good job of feeding the people there. But we have our responsibility to the other people of Europe and we must in this present hour realize that food is of tremendous importance.

That is why the House committee placed as its top priority the requirements for an abundance of food production. That is why in the last few days we have been meeting the various governmental agencies asking for prisoner-

of-war assistance in the sugar-beet areas. That is why this morning we met with the War Production Board, the War Manpower Commission, and the War Food Administrator in an effort to iron out a top priority for farm machinery, for food-processing machinery, and for the deferment of key men in those various industries.

At this time I do not intend to review to any degree the items that are contained in our report, but I do remind you that we found the black market an extremely serious situation in this country.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield to the gentleman from California.

Mr. HINSHAW. Before the gentleman goes on to discuss the black market, I wonder if the gentleman's committee has concerned itself with the threatened shortage of boxes and boxing material, crates and so forth, which, if continued, will make it very difficult to harvest the various crops that are not only necessary for ourselves but for the war areas.

Mr. ANDERSON of New Mexico. I may say to the gentleman that is a perfect example of what we constantly encountered. We were planning to hold some hearings in the next few days on poultry, butter, and eggs and one of the first things we ran into was the shortage of crates. Everywhere we turned we found there is a shortage which was not anticipated and to which we need to pay some attention.

Let me refer to the fact that in Cleveland we obtained a quotation that black market meat was selling at 5 cents above the wholesale legal ceiling. In Seattle it was 8 cents. We found that in New York, early in March, it was $30 above the legal ceiling for one carcass, but when we came back 6 weeks later it had risen to $100 above the legal ceiling for one carcass. I point that out to show how rapidly the spiral of inflation can move into the food picture.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield to the gentleman from Arizona.

Mr. MURDOCK. I understood the gentleman to say that conferences had been held with the governmental authorities regarding the use of prisoners of war. Could he elaborate on that just a bit?

Mr. ANDERSON of New Mexico. There has been a great deal of apprehension in this country that prisoners of war would not be available after the next few weeks. We were advised that the shipment of prisoners of war will stop immediately except for those who are now afloat in addition to the others recently brought in. There will probably not be a return of prisoners of war until some time in November, or until the normal growing season has passed.

Mr. MURDOCK. I will not interrupt the gentleman long enough to express my own views concerning the presence of prisoners of war in this country. The all-important thing is that they be returned home as soon as possible and that every one of them be returned. I do not want one of them here.

Mr. ANDERSON of New Mexico. They will be returned as soon as possible. I do not desire to discuss these matters, because other members of the committee are going to speak.

I only desire to do one other thing. I want to pay tribute at this time to the men with whom it has been my privilege to be associated. I think I have enjoyed the fellowship of as fine a group of people as a man could ask. I desire to compliment the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], long a member of the Committee on Agriculture, whose services on this committee have been of extreme value. I desire to compliment the gentleman from Washington [Mr. HOLMES] who is a producer of livestock as well as a processor of beef. I do not know what we would have done without his very fine technical knowledge. I wish also to praise the gentleman from Massachusetts [Mr. HERTER] whose steady desire has been to protect the people in the metropolitan areas, and give those folks a chance to have the fullest representation on this committee.

On my own side of the aisle, the distinguished Member from Georgia [Mr. PACE] has again long been a member of the Committee on Agriculture, and we have dipped into his tremendous fund of knowledge at all times. To the gentleman from Kentucky [Mr. CLEMENTS] and to the gentleman from Illinois [Mr. GORSKI], who are comparatively new Members to this House, I can say commendations for the fine job that they have done.

We have had a pleasant experience. But we are not through. We are undertaking at the present time a study of the sugar situation. We intend to move from that to poultry, butter, and eggs, and following that to fats and oils.

I intend, if I may, to reserve some time for myself, so that at the end of this debate I may answer questions that any Member desires to ask.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. May I ask the gentleman if in his report there are recommendations for legislation to the House at this time?

Mr. ANDERSON of New Mexico. This report is hardly to be classed as a recommendation for legislation, but there are recommendations in the report which we are glad to call to the attention of the gentleman from New York.

I now yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, it has been a pleasure for me to have had the opportunity of serving on this special committee to investigate food shortages. During my years in Congress I have served on a good many committees, but I do not know of any other committee upon which I have served that has sought to get at the facts and do more constructive work than this special committee.

I am particularly pleased to express my satisfaction over the fairness and the constructive spirit of our chairman, the gentleman from New Mexico [Mr. ANDERSON]. His leadership of the committee is especially worthy of mention. The committee has worked as a team in our desire to secure honest facts and to find a remedy to assist in solving the food shortage which is now facing the country. I feel that our committee should continue its activities as long as the food shortage exists, which appears to be in the picture for at least the next 6 to 8 months.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Minnesota.

Mr. PITTENGER. May I make the observation that I do not believe a more important document has ever been presented to the Congress than this report of the committee. I am from Minnesota. Without detracting from the fine things I can say about the other members of that committee, I want to pay tribute to the gentleman from Minnesota [Mr. ANDRESEN] for the outstanding work he has done on behalf of the American people on that committee. The history of O. P. A. has been a history of error and mistake ever since it started. This committee will not have finished its work until it abolishes that outfit and gives us a new set-up in the hands of people who apply the rules of common sense to what they are doing.

Mr. AUGUST H. ANDRESEN. I thank my colleague for his very fine sentiments.

I first want to urge a careful study of the preliminary report of the Special Committee to Investigate Food Shortages in the United States. The report was filed on May 1. The findings are factual and the conclusions and recommendations are purposely tempered in criticism, in the hope that the President or the Congress will take immediate action to bring some semblance of coordination and authority out of the chaotic food situation as it is now found to exist.

The President has been fully advised by your committee of the increasing scarcity of beef, pork, poultry, eggs, and sugar, and the near collapse of the legitimate distribution system for these vital foods. He has been urged to take immediate steps to bring coordination out of chaos in the handling of food problems, in order to restore confidence among producers for greater production of food and to initiate policies which will restore distribution to normal channels.

It will do little good to rehash the mistakes and bungling of the many agencies in charge of food. What we need is a correction of the mistakes of the past. A fresh start. An experienced and coordinate authority with power to function without having nearly 20 other agencies hovering around to veto or delay necessary acts to secure production and equitable distribution. What the country needs now is an administrator experienced in food production and distribution, who recognizes that it takes man and machine power to produce food, and that producers cannot long exist if

they are forced by Government edict to operate below the cost of production.

Meat counters that are bare of beef, pork, and poultry are the best evidence of tremendous black-market operations at prices far in excess of ceilings fixed by the O. P. A. Legitimate processors, distributors, and retailers who observe price ceilings cannot compete with the black-market operator. It would take at least 50,000 inspectors in New York alone to curb the black market in meat and poultry, and I seriously doubt if they could accomplish a great deal. It will take more than O. P. A. prosecutions, for as long as a scarcity of vital food continues, the black market will flourish

It is quite obvious that our country has been committed to provide food for more than 250,000,000 hungry people in the war-devastated countries of the world. This food will be taken from our dwindling supplies. We are and have been a generous people, and will continue to do more than our part in sharing our food with the starving people of the world. But to promise food to hungry people, we must be able to deliver or our country will become the most-hated nation in the world, in spite of what we have already done to free Europe and Africa from Nazi tyranny. Starving people in liberated countries cannot live on promises of food any more than Americans can live on statistical meat. The Department of Agriculture recently announced that liberated countries will require more than 12,000,000 tons of food in the next 15 months, most of which will be expected to come from the United States, as severe droughts have occurred in other surplus-producing countries, with the exception of Canada.

Our first duty is to take care of the needs of our men in the armed forces, who still have a stupendous task ahead of them to smash Japan. Secondly, the American people are entitled to secure food in adequate amounts to provide a satisfactory and customary diet in order to avoid famine in the United States.

The next 6 months will disclose a virtual famine for the United States in beef, pork, poultry, and other vital foods. I will discuss the cause for this scarcity of vital food at a later date, as I first want to give the President an opportunity to do what must be done to bring coordination and change in food policies before pointing out the many mistakes of the past.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. EDWIN ARTHUR HALL. May I say at this point my feeling in the matter is that the action should come from the President in coordinating these agencies rather than the President calling upon Congress for any more power to be given to him.

Mr. AUGUST H. ANDRESEN. The President, I might say to my colleague, has full power and authority to act because all of food administration now comes under the Executive, and he can change it overnight if he so desires; and I believe he will.

Above all, what we need to take care of the American people, meet our commitments, stop black-market operations, and prevent inflation, is abundant production of food. The farmers are anxious to produce, but to do so they must be provided with manpower and machinery under policies which will assure cost of production. Processors and distributors are anxious to do their part in this crisis, but they also must be assured that they will be permitted to live and recover costs of production for the necessary services which they render.

Food production must now have top priority. The President has full power to establish such a policy. If he does not take prompt action it is the duty of Congress to function, and that should not be later than May 15, as time and nature do not wait, when it comes to producing more meat, pork, and poultry as well as crops grown from the earth.

Mr. ANDERSON of New Mexico. Mr. Speaker, I yield 10 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Speaker, earlier in the day we gave official recognition to the termination of hostilities in the European area. I think it would be constructive if at the same time we gave recognition to the fact that while fighting is over in Europe between armies, the battle of food goes forward with increased intensity. I have tried to make an appraisal of the situation today as against yesterday with reference to what has happened on the question of food on a world basis. As best I can estimate the condition, certainly there has not been the slightest lessening of the need for food. On the contrary, I am inclined to the point of view that today the need for food has increased over the need of yesterday. Of course, the war in the Pacific must be carried on. We will have approximately as many of our boys in the services as we have had in the past. Of course, they must be fed. In addition, we must continue to feed a portion of the Allied armies.

For instance, it is expected that the French will send some divisions to the Pacific. If so, we will doubtless have to feed them. As most of you know, we are now feeding about 300,000 or 350,000 Philippine troops. It is expected that Holland, Belgium, and Denmark will probably send troops to the Pacific. If so, those people not being able to feed themselves at home, the job will probably be ours to feed their troops.

I mention that because it is so easy for someone to get the idea that everything is all right now. It is not, in the food situation. As I see it, in our judgment, it may become somewhat worse than it has been. The estimate for this country is that the 1945 production will be less than the 1944 production by about 5 or 10 percent.

In my judgment and in the judgment of the committee, as you will find in the recommendations, there is one real contribution toward the solution of this problem and that is increased production. The committee finds and recommends to the Congress and to the President that at last food production be given first priority. As the House Committee on Agriculture suggested nearly 3 years ago, it will solve so many of the problems we have today. It provides food that we need so badly. An abundance of production is the answer to the black market. There can be no black market when there is an ample supply of food. Abundant production is the answer to price fixing. There will be no need for price fixing when there is an abundant supply. Abundant production is the solution to this troublesome item of rationing. There will be no need for it when the supply is sufficient.

I want to address my remarks to the sounding out of the sentiment of the Congress. Is the Congress ready—and I hope it is—to meet the food situation just as you have met the situation regarding implements of war? I think we have been a little niggardly—and I charge myself as seriously as anyone else—in our handling of the funds and the program with regard to food. In my judgment if you are going to meet the food needs of the situation you must go about the production of food just exactly as you went about the production of implements of war. We must forget about the possibility of a surplus somewhere down the line. General Eisenhower did not let that worry him. When he needed implements of war he wanted them in abundance. Today I daresay there are many billions of dollars worth of surplus implements of war yonder on the battlefields of Europe. But you and I are not disturbed about it because it took that to bring victory to our arms. We must look upon food production as an implement of war and the writing of the peace, and go into it just as you have gone into the production of implements of war.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield.

Mr. HOPE. The gentleman has criticized Congress on the ground that it has not met its responsibilities with reference to the production of food. Does not the gentleman agree that the Congress has done pretty well? Is not the fault somewhere else in the Government?

Mr. PACE. There is plenty of fault everywhere, but we complain to these other agencies in the committee. The gentleman will permit me to illustrate.

There is a debate going on in the committee right now. The sugar situation is critical. That is going to continue all of this year and maybe longer. There is a debate about working out a sugar program for 1945, 1946, and 1947. We cannot figure on 1947, because the Commodity Credit Corporation does not have the power to contract that far ahead, and does not have the money. In my judgment what we do with the sugar crop for 1945 has a vital relation to how much sugar we will have in 1946 and 1947. It is those things, I may say to my distinguished colleague on the Committee on Agriculture, about which we have been rather limited in our funds. When the War Food Administration guaranteed the production of eggs, and the producers greatly increased production, some of us were critical because there was a temporary surplus of eggs.

Yet in my judgment within 6 months you will face a very serious shortage of both poultry and eggs in this country. The War Food Administration asked a production of hogs for pork. They secured an abundant production, and some were rather critical because there were so many hogs. Yet, I repeat, that is the answer to our food problem. It is abundant production. I do not care about the past or who is responsible. I am looking to the future, and I think that is my job and your job.

Mr. HOPE. The gentleman has specifically said that the Congress has been derelict in what it might have done toward the encouragement of the production of food. Is it not reasonable to say that the Congress has given the executive agencies which have charge of this matter all of the authority and all of the power and all of the appropriations which, if rightly used, would have brought about an abundance in the production of food?

Mr. PACE. I say this, that we have tried certainly to give them such authority as we thought they should have. I think the gentleman will have to agree with me that Congress has limited the funds of the Commodity Credit Corporation every year. We did it again less than 6 weeks ago.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. ANDERSON of New Mexico. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. PACE. Yes.

Mr. HINSHAW. The gentleman and his committee are to be complimented for the studies that they have made. I hope, however, that it will not overlook the fact that, concerning perishable food products, we can grow all that we want; but if we have no way of processing and storing them, then they will rot.

Mr. PACE. That is a problem that the committee is working on right now. Just this morning we had before the committee representatives of the War Manpower Commission and the War Production Board with regard to securing urgently needed workers and supplies for the food-processing plants.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, will the gentleman yield?

Mr. PACE. Yes.

Mr. EDWIN ARTHUR HALL. The gentleman made the statement that he thought the production of food should be entered into with the same zeal that the production of arms has been entered into.

Mr. PACE. Exactly.

Mr. EDWIN ARTHUR HALL. Then I ask the gentleman if we should enter into a subsidy program on all the items of food that we have on milk.

Mr. PACE. I would not want to discuss the details now, but I do say, and this is my concluding remark, there is one thing I am concerned about at this moment. The War Production Board is now entering plans for reconversion. They have already made announcement about the number of refrigerators they are going to authorize the production of, when the farmers do not have adequate farm machinery. It is my judgment that we should give thought to efforts to get something to go into the refrigerators before we spend too much of our time and materials on building refrigerators.

In conclusion I must compliment the chairman of our committee, the gentleman from New Mexico [Mr. Anderson]. Never have I worked with one who has shown such devotion to his duties or been more anxious to contribute to the solution of our problems. He has shown oustanding executive ability and great capacity to get the conflicting elements together and work out a sound and sensible solution.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Speaker, at the very outset I want to join with my colleagues in paying tribute to the great fairness and the constructive spirit in which the chairman of our committee approached this very difficult problem which was put in his charge. It is unfortunate that on this particular day when we ought to be rejoicing over the news that has been officially announced we should be discussing something that accompanies VE-day in a large part of the world, namely, the greater restriction rather than the lessening of restrictions on certain essential foodstuffs.

I want to devote the few moments I have here to the problems of the consumer in areas far removed from the production centers of the country. The consumers of this country have a very lean 6 months to look forward to, particularly in connection with meat and sugar. As another member of the committee said, this is not the time or the place to assess the blame for existing shortages; however, that blame can be very clearly ascertained and very definitely fixed.

Let me point out two facts which militate against the consumer during this period. Last year the civilian population, not the Army, consumed a billion and a half pounds of meat over and above that which was allocated to it by Government agencies because of the lifting of certain restrictions and the easement of the rationing picture at a time when it was unwarranted and over the protest of the O. P. A. The second point I want to mention is that we consumed last year 800,000 tons of sugar over and above the allocated rationed amount of sugar which somewhere slipped through our fingers.

But that is not the only thing consumers are suffering from. Of course, they are suffering from these shortages, but they are suffering from an even more serious thing as far as the morale of the Nation is concerned. They are suffering from an extremely bad distribution, particularly of meat. That bad distribution is due to the fact that from the moment prices were put on the retail level of meats in the large communities, the entire system of distribution become dislocated right back to the sale of the animals on the hoof. There is going to be no chance of righting that maldistribution unless our entire control of meat from the hoof to the consumer is radically altered. Some steps are in process now. Personally, I feel they will not be adequate to take care of the situation.

What are the principal remedies from the point of view of the consumer angle of this situation? The one of more production has been spoken of and that obviously is the key to the whole picture. But that cannot become effective for at least 6 months in some cases and a year in others. Better distribution obviously must be attained, but that cannot be done unless certain vital factors are taken care of. I want to mention several of them.

In the first instance I am convinced that a single head must be responsible for this entire program. I say that not because I love czars on general principle but because we have a situation with respect to the morale of the consumers of this country that is very serious. The prohibition days are being reenacted with great rapidity.

We have black markets now to an extent so great that a mere change in price structure at the retail end cannot possibly solve the problem. The profits in bootlegging are so great that this situation is likely to grow considerably worse rather than better.

A single head, to my mind, can alone restore confidence; can alone take hold of the maladjustment between different agencies and put them into line where they belong so that we can get proper distribution. And, finally, it is the only method of obtaining confidence on the part of the consumer in order that he may be convinced he is being given a fair share in the distribution of the shortages.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HERTER. I stress that question of confidence very particularly because we are not going to be able to beat the black market until the average citizen is convinced that he is being given a fair share of what there is to go around; and, furthermore, that he is convinced that the shortages which exist are being remedied as rapidly as possible.

May I, Mr. Speaker, call attention to some very significant figures? During this war period there has been no effective request made of the American people to pull in their belts. When I say "effective request" I mean appealing to them voluntarily to assist in the picture. In every case the distribution has been under compulsion.

May I read some figures on the per capita consumption of the things that are scarce today as between the last war, when the American people were asked voluntarily to ration themselves, and this war, when all rationing is a matter of compulsion? Take meat. The per capita consumption during the 18½ months of the last war as compared with the average of the 3 years of this war was 6 percent less. Chicken consumption, 28 percent less. Fats and oils, 10 percent less. Sugar, 12 percent less. In other words, the people of the United States,

when asked voluntarily to respond because they had the needs pointed out to them, and they had the entire picture before them, made this extraordinary response. Today our people are not being asked that same thing nor are they being given a convincing picture as to the vital necessity of consuming food.

Mr. ANDERSON of New Mexico. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. GORSKI].

Mr. GORSKI. Mr. Speaker, in our investigation of the food situation we held hearings in Chicago, Cleveland, Boston, Providence, and New York City. We went out to meet the people who we thought could throw some light on this subject. In Chicago we met with the producers and the slaughterers, as we did in all the cities. We think we have found some of the causes of the shortage of food. One of the principal complaints, of course, is that they cannot produce meat at a profit. Along with the slaughterers and the producers we met many groups of consumers. In every city we met people representing large consumer organizations. Their principal evidence was that they tried to keep the ceiling prices intact, and they urged their members to watch so that the retailers would not sell over the ceiling. They were also concerned very much about black markets. May I say that black markets can only flourish when there is a scarcity. Among some of the witnesses who testified before our committee were those who urged that the O. P. A. be given more help to enforce the ceiling prices. I know that is the opinion of other members of the committee who feel that no matter how many men you put on to enforce the ceiling prices, that is not going to increase production.

The thing we wanted to do was to find out what the cause of the scarcity was and see if we could not encourage more production. I think we have found some of the reasons. We have held hearings with some of the different agencies, and I think they have the benefit of what we have found while holding hearings in the field. As the previous speaker told you, the situation for 3 or 4 months in the future does not look very good for an increase in supply; but I think the testimony and evidence we have gathered and submitted to the different agencies charged with this problem will help 4 or 5 months from now. I hope the evidence we have been able to give them will correct many of the things we have found wrong, and I believe it will.

Mr. Speaker, we can correct this situation only by encouraging production, and the only way to encourage production—and I think the committee was unanimous on this—is to let the people who can do the job operate at a profit. Unless we do that, we are not going to get more meat, and the problem is going to get worse. The meat will not only be shorter in supply but the situation will become more critical.

I believe we have done a good job in that direction and think the agencies have profited by what we have discovered.

Mr. JONKMAN. Mr. Speaker, will the gentleman yield?

Mr. GORSKI. I yield to the gentleman from Michigan.

Mr. JONKMAN. The gentleman has stated that he does not believe enforcement will increase production. Does the gentleman feel that enforcement can destroy the black market?

Mr. GORSKI. It probably could; but no matter how much you enforce the regulations, that will not solve the problem so long as there is a shortage in the meat supply. For instance, Mayor LaGuardia said that you could have an O. P. A. agent in every store in New York City. You can see how many men it would take to try to enforce the job there.

One of the agents was in a store while a lady was buying a chicken. The retailer said, "You owe me $4." She started to pay him the $4, when the agent said, "I would like to have you weigh that chicken." Just as he said that, the retailer said, "You know you owe me a dollar from the week before."

Mr. JONKMAN. Is not Mayor LaGuardia's statement an admission that you cannot destroy the black market by enforcement?

Mr. GORSKI. We had that experience in the prohibition days. I do not believe it is enforceable at all, no matter how many men you put on the job. The scarcer food becomes, the more profitable it becomes to operate in the black market.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GORSKI. I yield to the gentleman from Pennsylvania.

Mr. GROSS. The gentleman believes, then, that increased supplies of meat will be the best medicine for the black market?

Mr. GORSKI. Yes; I do.

Mr. GROSS. Does not that apply also to inflation, that the best guarantee against high prices is a generous supply of food?

Mr. GORSKI. Yes.

Mr. GROSS. The more food goes to market the cheaper it will be.

Mr. GORSKI. Yes.

Mr. KELLY of Illinois. Mr. Speaker, will the gentleman yield?

Mr. GORSKI. I yield to the gentleman from Illinois.

Mr. KELLY of Illinois. One of the reasons for black-market operations is that many small slaughtering houses in the small communities are not affiliated with the packing industry and are not Government-inspected, and they are the source of black-market meat. They are supplying meat constantly to the black market.

Mr. GORSKI. That is absolutely true.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. HOLMES].

Mr. HOLMES of Washington. Mr. Speaker, as a Member of the House, may I take this opportunity to pay my respects to the chairman and the senior members of this committee for the fine and efficient manner with which they have conducted their hearings and reported their findings. We are shifting now very rapdily from tanks, guns, and ammunition to food. Men do not fight for freedom to go hungry. An empty stomach does not reason. It will take the type of government that will offer it the best chance of supplying its physical needs. By this I do not mean the diet of the American people is in jeopardy. I do mean to say the United States will subsist along with many other countries on less of some of the basic commodities for the coming year than they did during the years of a full-fledged war. One of these commodities is meat. This commodity, like all others, has to experience production and distribution. They are requisites of consumption. They are like the blades of a pair of scissors. It takes both blades to cut the paper. Our production of meat is high, but down approximately 2,000,000,000 pounds from 1944. This, in the face of unprecedented population of cattle on the hoof and also in face of the very great reduction in the production of pork. We have the cattle but not the beef. In pork, we do not have the animal on the hoof. Of course, the demand is high and military requirements are great and purchasing power is great. But that is not all the story. In cattle-range operations you grow the animal. In cattle, you make an animal that is ready to have meat hung on to its frame. The percentage of grass fats moving directly to market are beginning to show from the southwestern United States and later some will come from range areas in other parts of the country. But range operation, generally speaking, does not produce the heavier grades of beef. It requires a feeding operation. In that feeding operation, the committee found there was not enough spread between the price of the feeder animal and the finished heavier grade of animal to permit the feeder to operate. The margin between the two prices was not enough for that operation to continue. A year ago feeding of animals was somewhat curtailed, and purposely so, because of the supply of feed grains. However, this year our carry-over in cereal grains is larger and will permit more extensive feeding operations. The ceilings were not correlated between the ceiling on the live animals versus the ceiling on the beef grade of live animal to permit that operation. Nor were there well correlated ceilings between the live price of the animal and the feed ration.

The SPEAKER. The time of the gentleman has expired.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield 3 additional minutes to the gentleman.

Mr. HOLMES of Washington. Feeding is a risky business at best and men were not prone to go into that operation for purposes of experiencing a loss. Why again? Because the rules of the game have been changed two or three times while they were in the midst of that operation, once on the roll-back and the second time after the feed lots were filled up there was the adjustment of the ceiling on the hoof put through. So what feeding was continued was done over the short period, what the livestock and feeders call the "warm-up feeding," or the period between the graz-

ing and the grain finishing process, taking the younger animals and growing them into some beef with the aid of nature with not too much feeding. The result of this operation was it did not produce the tonnage of beef. The committee is aware of the statistics showing the movement of animals to the feed lot, but the committee is also aware of the type and length of operations of feeding in the feed lot. When ceilings were placed at the different levels in the processing program within the packing industry, they were placed upon how the animal would dress out. In so doing this ceiling and the subsidies got out of line in the packing industry, to not take care of one very important thing that was not being watched very carefully, and that was the changing in the quality of the grade of the beef dressed out from the live animal. Too many people are still thinking that cattle are beef. The trend has been in the dress-out of the animal on the hoof, to reduce the amount of edible meat on the carcass. That, in turn, makes the killing process to the packer more expensive, because the grade has changed from around 58 percent on the commercial grades, with 60 percent dress-out on the choice. The latter animal is hardly in existence now, the average dress-out going into process being from 52, 53, and in some cases 54 and 55 percent. This trend increases the cost of the kill and shows the decline in the quality of the carcass. This also made the demand great for lighter stuff, because it was the best available and threw two-way cattle into competition between the feeder and the packer. Two-way cattle are under great demand, boosting the price of the feeder animal.

In conclusion, the committee has approached this program from working within the price program, and working from within the price program we have found some very poor correlation of price ceilings below the retail level.

The SPEAKER pro tempore. The time of the gentleman from Washington has again expired.

Mr. ANDERSON of New Mexico. Mr. Speaker, I yield 8 minutes to the gentleman from Kentucky [Mr. CLEMENTS].

Mr. CLEMENTS. Mr. Speaker, during this war the American economic system, both on the industrial front and on the farm front, has performed vastly better than it ever did in the last war. I am convinced, and I do not stand alone, that our production records—the increase of more than 30 percent in farm production, more than 35 percent in food production, and more than 100 percent in industrial production—could never have been attained if the farmers and the managers and the factory workers of this country had not been able to count on stable prices and stable costs in making their plans, their contracts, their wage agreements. And those plans could never have been carried out so well, those contracts could not have been fulfilled, those wage agreements could not have been lived with, had it not been for our stabilization program.

Economic stabilization, Mr. Speaker, is therefore not something apart and separate from war production. It is an essential requirement of all-out production. Nothing could strike more surely at our production effort than any proposal or scheme, however well intended to advance production, which made stabilization impossible.

But that, Mr. Speaker, is precisely what would happen under a system of commodity czars, each one of whom would set his own prices without regard to a common price policy and a common stabilization objective.

Just consider what would happen. The food czar would raise prices to increase food production. As these increases were passed on at the retail level, the rise in the cost of living would create pressure for wage increases, which would raise production costs in all industries. Clothing manufacturers, for example, would have grounds for claiming a price increase for clothing. But even before this came before the clothing czar, he would already be moving to increase the prices under his control in order to stimulate more production of clothing. These price increases, too, would be reflected in the cost of living, and through wage adjustments would add their steam to the pressure of cost and price increases throughout the economy. And so it would be for every industry, up and down the line. Each industry would have its czar. Each czar would compete price wise with all the other czars, and instead of price control we would have bidding up of prices, not by private individuals but by Government agencies. The system of czars would thus be a machine for creating runaway inflation, creating it rapidly and creating it by law.

Congress saw what would happen under a system of multiple price agencies when it first legislated on price control. That is why it voted to put the control of all prices under a single agency.

Mr. Speaker, the present difficulties in the food program can and will be solved by using and not by wrecking our present machinery of the war program. We do not have to burn our house down in order to roast a pig. Nor do we have to wreck our stabilization program to achieve greater food production. Our committee has shown how the goal of greater food production can be achieved by stepping up the coordination of our present machinery, and I am confident that the President, the Congress, and the American people will recognize the common sense and wisdom of our position.

Furthermore, it is demonstrable, I submit, that our food program could not, in fact, operate under the so-called "czar" system. Let us take a look at the actual operation of our economy. Suppose, for example, that the food czar wants railroads cars to haul grain. Will he simply go out and grab them? Or will he go as a claimant to an over-all transportation director, empowered to consider all factors affecting our transportation system? The former alternative—a group of uncontrolled "czars," each grabbing what he wanted—would produce chaos. The latter alternative would simply give us a "czar" in name only, possessing no powers in excess of those now exercised by the Food Administrator. Who would allocate steel among competing claimants? Will we have food prices set by a food czar and other prices by O. P. A.? In that case, will we have two separate enforcement agencies? Will we have separate rationing boards in each community—one for food, one for gasoline and one for every other separate commodity?

Merely to ask these questions is to answer them. The proposal for a food czar, plausible on the surface, is in fact demonstrably unworkable and inconsistent with the successful integration of our war economy. If it is not that, then it is merely a sham proposal to change the name of the Food Administrator.

Mr. Speaker, there is not any justification to the breaking up our war program into so many little satrapies in order to solve the specific difficulties that arise from time to time. Such difficulties have been handled in the past without scrapping our existing agencies, and they can be so handled in the future. Our committee has shown how we can solve the food problem with our present machinery. They have shown how the food problem can be solved without creating dozens of other problems all down the line—which is what happens the moment you start using the czar system.

Mr. Speaker, the Romans had a tag line which went, "Who will guard the guards?" Today I would like to ask the proponents of this plan, "Who will czar the czars?" A czar is an easy solution until you ask yourself what you are going to do with the problems that the czar system creates. Once the war program is broken up into independent pieces, how are you going to put it together again?

Mr. Speaker, today, as we celebrate the end of the war with Germany, it is time to show a sense of balance, a sense of perspective, a sense of restraint. It is no time to start dismantling our existing management of the war program and start experimenting with radically new ideas. It is no time to start chasing after a shadow and lose the solid achievements we have attained with so much toil and struggle. Let us rather see the job through to the end along the lines that have already been charted.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CLEMENTS. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. The gentleman stated that we had increased our agricultural production 30 percent. Does the gentleman mean to infer that we have done that on all our major agricultural products or just on some of the minor ones and during what period did we do that?

Mr. CLEMENTS. The over-all food production and in the 1935–39 period.

Mr. MURRAY of Wisconsin. The drought period and the war period.

The SPEAKER pro tempore. The time of the gentleman from Kentucky has expired.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, the committee appointed to investigate the

food situation has done a good job and has made a commendable report.

I am glad that this report in effect confirms several recommendations heretofore made by the Republican Congressional Food Study Committee.

The studies of the several committees making investigations of the food situation have brought to the people a full realization of two profound facts.

First. That the food situation is very serious and is rapidly getting worse.

Second. That the O. P. A., which is a creation of the executive department of the Government, has failed miserably and that the executive department should immediately take steps to clean it up, both as to personnel and as to policies. The personnel is incompetent and the policies are fallacious.

Since the O. P. A. is an arm of the Chief Executive, it is difficult for Congress by legislation to reach this situation quickly. But the President can clean up the mess by Executive orders if he decided to do so. The situation demands his immediate attention.

If the President feels that he does not have the power to do this and will indicate that legislation is necessary, I feel sure that Congress will respond quickly and effectively.

About 2 weeks ago the Republican membership of the House, in conference assembled, adopted a resolution which was sent to the President. That resolution went to the heart of this serious problem. With your permission I shall read that resolution:

Resolved by the Republican conference of the House of Representatives, That the President be urgently requested to take immediate and positive steps to relieve the present deplorable food situation particularly with a view to preventing further and more serious consequences which are fast developing; be it further

Resolved, That in an earnest desire to be of assistance to the President in finding the right solution to this problem, we suggest to him:

First. That as authority and responsibiltiy in the various aspects of food production, processing, allocation, and distribution, price and rationing, are now divided among at least six agencies of Government—thereby generating conflicts of authority, confusion in administration, and uncertainly of results—the President immediately vest in one single angency full authority and responsibility for the production, distribution, and export, including price and rationing, of all food available to the United States.

Second. We suggest further that the President classify food production as an essential war industry and immediately instruct those Federal agencies concerned with manpower, transportation, storage, farm machinery, and fertilizer to so direct the activities of their respective agencies as to give special assistance to the production, processing, storage, and distribution of foods.

No matter what the intent, almost everything that has been done in the name of price control and resistance to inflation has had the effect of destroying or impairing producing units. Mr. Speaker, I would like to know how to find out the facts with respect to the mortality rate in most of the fundamental lines of production. We have had mountains of statistics and endless words, but few facts about where the production we will need tomorrow and next month and next year is to come from if first we keep on hampering the units which remain and then create conditions which result in the discontinuance completely of others. Production built the United States of America. Production sustains the American people. The weight of the evidence indicates that food production is not what it should be and is seriously threatened. When will we face the facts and realize that something constructive must be done about this increasing mortality of producing units?

The O. P. A. seems to be an almost sadistic devotion to punishment. It seems to never have heard of instinctive American ideas of rewards and incentives. By restrictions and regulations, it so impaired the fundamental market and price structures and systems that it discouraged the production of grain and fruit crops; it established such impossible conditions for the producers and processors of meat that the suppliers in most part had a loss; it drove out of business through almost incomprehensible regulations and punitive devices thousands of perfectly reliable and efficient American food distributors who wanted to continue to serve the public.

As a result of all of these restrictions and inconveniences, the consumer has found it almost impossible to purchase the necessary food at any price. The black market was therefore inevitable. Black markets are not in themselves a cause. They are necessarily an effect. The people are unable to secure the necessities of life which are available and which cannot be secured except by resort to the black market.

There are tens of thousands of violations of the O. P. A. regulations committed every day by people who are not wilfull law violators but who know that the O. P. A. has broken down and cannot function. These people would welcome a cleaning up of these conditions so that they could again resume their purchasing of food in the good old normal way of bargain and sale. The food business from the farmer on the producer's end to the housewife on the consumer's end is America's greatest and most honorable business. When the O. P. A. assumed that the farmer must be regulated and then proceeded to regulate the processor and distributor out of business, it was doing the consumer a great disfavor for it drove the consumer to buy clandestinely from the black market for a much higher price. The American people are instinctively honorable and law abiding and he who proceeds on any other theory makes a mistake.

Mr. Speaker, the American people still have to eat.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I take this time principally to commend the committee upon the excellent job it has done and the splendid report it has filed. The report has met with a very favorable reception in the press and over the country generally, as well as in this Congress. It is deserving of this favorable reception.

The committee has made some very excellent recommendations. I call attention to the fact, however, that unless recommendation No. 2, dealing with the coordination of the Government agencies having to do with food is adopted, all of the other recommendations are valueless because they cannot be put into effect in any practical way unless we adopt a coordinated program. In my opinion this coordination can best be brought about by placing all phases of food production, distribution, and pricing under one administrator.

Mr. Speaker, this is not a new subject. Two years ago the Committee on Agriculture brought out a bill centering authority over food in one individual. That legislation was not enacted. It has been discussed since that time but no action has been taken. This committee with the prestige which it has as a special committee of the House, prestige which has been increased because of the excellent work which it has done up to date, is in a position to insist that there be this coordination of the agencies which are dealing with food.

I hope that the committee will stay everlastingly on that part of the job until it is accomplished.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. I agree with the gentleman on his coordination suggestion there. May I ask the gentleman if he feels it ought to be left in the hands of a man like the War Food Administrator, who has no power, or the O. P. A. Administrator, who has a great deal of power, or some other person selected by the President?

Mr. HOPE. Whoever has the job, of course, should have the power to do everything necessary to carry it out.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. GILLIE].

Mr. GILLIE. Mr. Speaker, I also wish to take this opportunity to extend my thanks and appreciation to this great committee which has made an attempt, at least, to try and clear the bottleneck in our food production. I trust this committee will continue to serve and go forward and do its work.

Mr. Speaker, on this great day as we celebrate a victory of our armed forces against the Nazi aggressors.

The tremendous job of feeding the freed but starving peoples faces us. This effort will test the ingenuity and resourcefulness of the American farmers. But they will meet the challenge.

While our military might finishes off the Japs, our agricultural strength must be fully mobilized for the fight against the famine fronts. The American farmer has outproduced himself each year during the war. He has done this remarkable job under the greatest handicaps—a crop-curtailment program, diminishing manpower, and broken down equipment that has become increasingly decrepit with each year's work.

For a long time I have advocated that the War Food Administration take action to place the food industry on the critical list so that it could receive pri-

orities considered essential to the war program. Marvin Jones, Administrator of the War Food Administration, according to information in the press, has finally heeded these admonitions and pleas of agriculture. He has asked the administration, through the War Production Board, to place food on the critical list. It has taken almost 2 years to wake up the War Food Administration to the desperate situation that exists in our food planning. We must arouse the W. P. B. to immediate action.

Steps should be taken at once to see that the farmer gets the tools he needs to get every bit of food possible into production for this year's harvest.

Millions of dollars in surplus machinery is being offered for sale by the R. F. C. Why not divert the materials used in its production into the manufacture of more farm equipment to alleviate the food shortages here and abroad. American farmers, unrestricted, and with the cooperation of the Government in meeting their problems can produce to feed the hungry people. In citing the report submitted to President Truman by Samuel Rosenman, special adviser and legal counsel for the late President Roosevelt, I wish to state that the farmers in Indiana and the Midwest would disagree with the statement of this administration spokesman who says that the people of the United States must be denied food so that the liberated nations of northwestern Europe can be fed.

Furthermore, I want to point out that the farmers of the Indiana district which I have the honor to represent and other midwesterners do not go along with the philosophy of scarcity of this administration. If the farmer, dairyman, stockman, and processor get the stuff they need to work with without tying their hands in endless red tape and restrictions, the food will be raised.

I want to suggest the immediate termination or revision of the regulations of Federal agencies which have brought about the red tape and overlapping restrictions on production and distribution which only perplex and interfere with the raising of an adequate food supply. The farmers will raise the food and the processor will get it to the people of the world, if they get the green light. The United States has shown what it can do in supplying the mechanical weapons of war for the world—even under myriad and confusing governmental restrictions. The farmers, poultry raisers, dairymen, and livestock men will do an equally good job on the food supply if they get the things they need to work with—seed, fertilizer, equipment, and manpower.

We must raise more food in the future if we are to feed the world. It is our biggest safeguard for a lasting peace. But the farmer cannot do the job with his hands tied.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. SUNDSTROM].

Mr. SUNDSTROM. Mr. Speaker, may I take this opportunity to thank this committee for the work it has done, and for the opportunity I had of appearing before them in New York and presenting some of the men who are in the meat industry. For some months I have been closely associated with the people in that industry trying to solve their problems and endeavoring to increase meat supplies for the American people.

May I say that we found a tremendous amount of opposition from the O. P. A. Their rules have not been workable. We have endeavored to cooperate and to make suggestions, constructive suggestions, which would aid in increasing these supplies. As a general rule, the answer I always received was, "I think it is a very good suggestion," and then a week later they went about their own way.

The recent program consisting of 10 points which they put into effect about May 1 I do not believe is going to increase food supplies or meat supplies. The fact is, I think it is going to hinder the increase of supplies.

This committee has offered constructive suggestions. I sincerely hope the O. P. A., if they find their program unworkable, will forget about the set-up they have just originated and give serious consideration to the constructive suggestions made by this food study committee to increase supplies.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. HILL].

THE STOCKMEN ARE DOING THEIR PART IN MEAT PRODUCTION

Mr. HILL. Mr. Speaker, right now there is a great deal being said about the inadequate supplies of meat which are available to civilians, to liberated European countries, and to the armed forces. Undoubtedly, the causes of the shortages which we are experiencing are many, one of the most important being that the demand is several times greater during this war period than ever before and the greatly increased production has not kept pace with this demand. It has on numerous occasions been charged that the cattlemen of this country have been holding back their animals in the hope that prices would become more favorable if they held supplies off the market. My purpose, here today, is to set the record straight as far as the producer of cattle is concerned and to show that the cattleman has done a marvelous job in his effort to furnish beef and leather to satisfy the enormous demands which are being made for those commodities. His lot has not been an easy one. He has had to produce more and more with less and less equipment, and less and less labor. Yet he has overcome these handicaps and has in these three and a half years of war kept most of us and many in foreign countries reasonably well supplied with his products.

At the beginning of the war it was reported by the Crop Reporting Board of the Department of Agriculture that on January 1, 1942, there were 75,162,000 cattle on farms and ranches in this country. This was an increase from 66,000,000 on January 1, 1939, the year the war in Europe started. When the Pearl Harbor incident threw this Nation into war, stockmen and farmers set out to increase their production of forage and grain, to provide the basis for the needed increased livestock production. In 1943 and 1944 production of hay and grain was at an all-time high for the Nation. This, together with good forage production in the range country, permitted further increases in breeding herds and greater feeding, and on January 1, 1944, the cattle population reached a record high of 82,364,000 head, an increase of more than 7,000,000 in 3 years.

The combined increase in numbers of breeding animals and of forage and feed to support them, together with improved management, has made it possible to greatly increase production. In 1939 the calf crop was less than 29,000,000 head, by 1941 it was 31,000,000, but in 1943 it was over 33,000,000, and even higher in 1944, although the final estimates are not yet available.

Increased calf crops have in turn made it possible to send increasing numbers of cattle and calves to market to furnish the beef and hides so essential at this time. In 1941 the total slaughter of cattle and calves in the country as a whole was twenty-five and seven-tenths million head. In 1942 and 1943 slaughter had jumped to over 27,000,000 head. In 1944 nearly 34,000,000 head of cattle and calves were slaughtered. That is over 6,000,000 head more than were marketed in either of the 2 previous peak years. Certainly these figures carry no indication that cattlemen are holding their animals off the market in the hopes of gaining higher prices and higher profits.

It is true that many of the cattle which were slaughtered during 1944 went directly to market from the western ranges or pastures, and their weights may not have been as high as if those animals had been put in feed lots and fed to good or choice grades. I should like to point out that the estimates of the Department of Agriculture indicate that there were 5 percent more cattle on feed in this country on January 1, 1945, than on that same date a year ago. This number of cattle on feed is the second highest of record, 1943 being the record year. Also, during January, February, and March of this year 11 percent more stocker and feeder cattle were sold at four major Corn Belt markets than a year ago. These figures indicate that both the producer of range cattle and the feeders are not shirking their duty in placing much good quality meat on the market. In wartime we cannot afford to use our feed supply to produce highly finished beef animals. Feeders have wisely fed as many animals as possible to only medium finish, thus making most efficient use of available feed supplies.

In spite of this excellent record, the cattlemen's efforts are not slackening. They have continued to market heavily during the winter months just past. The slaughter goal set by the War Food Administration for 1945 is 35,000,000 head of cattle and calves. During January, February, and March of this year, federally inspected slaughter throughout the country as a whole was 10.8 percent above the same months last year. Based on the market trend of 1944, this number of cattle slaughtered indicates that between thirty-seven and thirty-eight

million may be sent to market during 1945. Certainly, this does not indicate any tendency on the part of cattlemen to hold back for better prices.

The cattlemen have done a wonderful job during this war, and I am sure that they will continue to do so until the last shot is fired. They have reseeded and improved the management of their ranges, produced more hay and grain, produced more calves, made more cattle available to the feeders, and they have shipped millions more cattle to slaughter than ever before. All this has been done under the most serious handicaps—using old and worn-out machinery, having little or no help, short supplies of trucks, gasoline, and tires, and greatly increased costs of hay, feed, and other items of production. Stockmen have been working longer hours and harder than ever before. If there is a shortage of beef and beef products, the cattle producer is certainly not to blame. He has put his whole effort into building up and maintaining the beef supply at as high a level as possible.

The sheepman, too, has done a fine job in making lamb, mutton, and wool available to satisfy the war demand. His difficulties of production, if possible, are even greater than those of the cattleman, and his costs of production have been many times higher than they were before the war. Where before the war herders were paid $70 to $80 a month plus their keep, they cannot be hired today for less than $150 and keep. Even then it is hard to hold them on the job, and many are inexperienced. Some sheepmen have had to go out of business because of the difficulties involved and numbers of stock sheep in the country have decreased quite sharply. In spite of all these things, however, sheep have continued to come into market in large numbers all through the war period. In 1940, twenty-one and six-tenths million sheep and lambs were slaughtered, but by 1943 and 1944 slaughter was stepped up to twenty-seven and one-tenth and twenty-four and four-tenths million head, respectively. During the first 3 months of this year, federally inspected slaughter of sheep and lambs has been 9 percent above the same months of last year. The sheepmen's record of production is good.

Both cattle and sheep producers should be highly commended for their high meat-production record, and for more than fulfilling their obligations in building up and maintaining their part of our food supply.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, this special committee selected by the House to investigate and make recommendations with respect to supplies of meat has rendered valuable service, in pointing out some of the reasons why there is a scarcity of meat, especially beef, even though we have more cattle in this country than ever before, and why the black market is doing most of the retail meat business in larger centers.

I pointed out on the floor of the House a few days ago that the O. P. A., and other agencies dealing with meat prices and meat supplies, ought to permit an increase in the price of the more expensive and better cuts of meat so the feeder can afford to finish his cattle by feeding grain and proteins, and thereby add from 200 to 400 pounds more on each animal than is being done at present. Too many cattle are going to market weighing 800, 900, and 1,000 pounds when they ought to weigh 1,200 and 1,300 pounds and more. This added weight going to the packer would increase the amount of meat by thousands of tons, and at the same time provide a better quality product.

The first thing is to make cattle feeding attractive and create a bigger supply. Then cut out a number of regulations that are now holding back meat production and processing. Let the small packer have a chance to run at capacity, the same as the big operator. It was a mistake to shut them down to a 40- or 50-percent quota. Then in place of employing 500 or 1,000 O. P. A. inspectors, just let a few F. B. I. agents go to the larger centers where black markets operate on a big scale, and ask wholesalers where they get their supplies and to whom they sell them. There is not much advantage in paying the expenses of inspectors going around over the country looking into small locker concerns to find black-market meat. The real black markets, the one that operate in a big way, are in large cities like Washington, New York, Philadelphia, and Boston. I was surprised that the War Food Administration, when it quoted retail price of meat, quoted a black-market price.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Missouri [Mr. COLE].

Mr. COLE of Missouri. Mr. Speaker, I take this opportunity to commend the members of the House Committee Investigating Food Shortages for the splendid work they have done and to thank them for the help and cooperation which they so generously gave to me and the pork producers of my district.

On Monday, April 23, 1945, I attended a meeting of the Four State Hog Producers Association at St. Joseph, Mo. Several hundred hog raisers from the four-State area of Missouri, Kansas, Iowa, and Nebraska gathered to discuss the Government's appeal for a substantial increase in hog production and the necessity for their receiving an adequate floor price guaranty in order to protect them from heavy losses in marketing their crop.

Those in attendance at this meeting were in full accord that the hog producers must have a support price program for a period long enough to cover two consecutive pig crops because it is difficult for them to jump in and out of production every 6 months and few producers are able to do so. It was brought out that attempts made in the past to change production for short periods by juggling prices and weights have made the producer feel insecure and reluctant to increase his production above a conservative level which he is sure will find an outlet at near ceiling prices.

All of these producers feel their obligation to produce an adequate supply of pork and are ready to fulfill that obligation. However, at the present time, with the extreme shortages of labor and supplies, difficulty of obtaining supplements for their home-grown feeds and the many other problems which confront them, it is unfair to expect them to make extra efforts necessary to raise more hogs without some assurance that the hogs they raise will bring them a reasonable return for their labor and investment.

They feel that they were unfairly treated by the failure to maintain the support price of $13.75 during 1943 and 1944 and are apprehensive that the same thing will happen again should they again make sacrifices to produce an abundance of pork. They want assurance of a fair price for their product and the present situation is best described by a remark made by one typical producer. He said, "I can make more money and work less selling corn at a dollar a bushel than I can sweating to get a bunch of hogs on the market at 10 or 12 cents a pound." That is the prevailing sentiment in the four-State area represented at this meeting.

This gathering represented an excellent cross-section of the interested producers in this important Middlewestern area, and after much discussion the following resolution was formally adopted:

Whereas hog producers in a meeting at the Chamber of Commerce Building, in St. Joseph, Mo., on Monday, April 23, feel that approximate cost of production must be assured if adequate numbers of hogs are to be produced, they herewith recommend that the support or floor price for all barrows and gilts be as follows: 180 to 270 pounds, $13.75 per hundredweight; 270 to 330 pounds, $13.50 per hundredweight; 330 to 400 pounds, $13.25 per hundredweight; sows and stags, $12 per hundredweight (Chicago basis); and that these support or floor prices continue in effect until December 31, 1946; and further that present ceiling prices not be lowered.

In my opinion, those in attendance were almost unanimous in their belief that, unless the authorities approved a more adequate support price program as outlined in the above resolution, no substantial increase in hog production could be expected in this area.

I earnestly urge all interested authorities to establish immediately the support prices recommended in the foregoing resolution for the period set out therein in order that the hog raisers of our Nation may safely embark upon a program sufficient to produce the pork requested by our Government.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I yield the balance of my time to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Speaker, I think today is a mighty appropriate day to think of our departed colleague, Mr. Steagall. To my mind, Mr. Steagall and the Steagall amendment made a greater contribution to the needed war food supply than any other one piece of legislation that has ever been enacted in this House. Hundreds of times have I thought of our departed colleague especially so when I realized the time, the patience, and the effort he put into trying to effectuate the 90 per-

cent of parity floor. The law provided the loans for the basic commodities, but the Steagall amendment gave the producers of the strategic foods of this country some assurance that they could step up production without losing everything they had.

If that amendment has not been followed too carefully, it surely is not the fault of the author. Most of the troubles we have had, have been the result of the lack of attention to the Steagall amendment. In fact we had to pass the La Follette-Taft amendment in order to get the Steagall amendment adhered to.

I enjoyed very much the remarks of our colleague, the gentleman from Georgia [Mr. PACE]. I just wish he had made that speech 3 or 4 years ago. All through this period we have had people appear before our committee and, instead of trying to work out something that would increase food production, they have seemed to want to spend the time telling us in what bad shape some strawberry grower or someone else was after the last war. The first part of the war period found the Agriculture Department paying one group not to produce food while another department was paying them for increasing production. While our people have difficulty in securing food today, we still have a W. F. A. paying an export bounty in order to get rid of so-called surplus crops. We have seen our fertilizers and protein feeds allocated in a manner and to sections that did not provide maximum food production. We have seen these food programs administered by men that never had any practical or scientific agricultural training. Many times little use has been made of the scientific facts discovered by our agricultural colleges the past 50 years.

We must be tolerant in our criticisms because if the War Food Administration made an error we must remember that some of the other departments have made errors in judgment, as to when the war was going to end. If the War Food Administration made errors in judgment in connection with the war food program, we should be tolerant with them. This has not given them any reason however for not following the laws.

The part that disturbs me all the way through is that even at this late hour we have limitations on the amount of food that can be produced, necessary, strategic foods. I do not think any department should keep such provisions in operation.

If any one of my colleagues has ever tried to get an order changed I am sure you know what I mean. When the W. F. A. allowed pork to sell last year for 50 percent to 60 percent of parity and eggs to sell at 50 percent to 60 percent of parity, we probably made a greater contribution toward a shortage of food in this country than any other single act. The producer was not protected in accordance to the 90-percent parity guaranty provided by the Steagall amendment. When the W. F. A. jerked the $13.75 floor out from under the pork producers of America and reduced the floor to $12.50 per hundredweight, they changed the rules in the middle of the war. The consumers were harmed because the price of pork rose to the ceiling and the producers lost faith in the promises and commitments from Washington. We, as a Congress, should not have allowed this to happen.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. HOPE. The gentleman does not mean to say Congress is responsible for the fact that eggs were selling at these low prices which he mentioned a year ago. How does the gentleman put that responsibility on Congress?

Mr. MURRAY of Wisconsin. I did not intend to put the blame on the Congress as a whole. As an individual Congressman and as a member of the Agricultural Committee I felt I must assume my share of the responsibility if I did not see to it that the law was carried out according to the letter of the law. I acted accordingly and in cooperation with the gentleman from Minnesota, the Honorable AUGUST H. ANDRESEN, as well as the gentleman from Kansas [Mr. HOPE] we were able to pass the Taft-La Follette amendment which amendment really told the W. F. A. to follow the law as it was passed in the first place. In conclusion let me say that all this talk about a 30-percent increase in this crop and 40-percent increase in that crop is not a factual presentation. It sounded good but it did not have many calories in it. Milk, though it should represent 25 percent of the food, has not been increased 10 percent; less potatoes were produced in 1944 than in many former years; wheat production was a billion bushels, but so it was in 1915; eggs did show a 50-percent increase in production and are a food easy to increase in amount. Pork was increased by 50 percent and the production could have been maintained very easily. From now on I hope we will see some agricultural programs based on nutritional facts and not on sectional favoritism.

Mr. ANDERSON of New Mexico. Mr. Speaker, I yield such time as he may require to the gentleman from New Jersey [Mr. AUCHINCLOSS].

Mr. AUCHINCLOSS. Mr. Speaker, I have listened with a great deal of interest to the remarks made by the gentlemen about the food situation, and I want to join with them in expressing my appreciation to the special committee appointed by the House that is studying this great food problem. Their report is a masterpiece in its brevity, its clarity, and its sound, practical suggestions, which no one can doubt would aid in the solution of this very vexing question.

Members of the House, and indeed the whole country, owe this committee a great debt of gratitude, and the work they plan to do in studying the shortage of sugar and farm machinery is sure to be constructive.

I take this opportunity to point out that during this shortage of food there is yet a great abundance of food in the oceans and lakes which border on and are located in this great country of ours. Fish provides a great source of protein food which is available at small effort and little work. I refer particularly to the amount of fish which can be produced through the operation of what are known as party boat fishermen. These are men with fishing boats who are engaged in the business of taking people out to enjoy a day's fishing.

Recently the subcommittee on fish, of which I am chairman, of the Republican Food Study Committee, held hearings on this subject at Atlantic City and Toms River, N. J. It was set forth at these hearings that party boat fishermen from these two places and the surrounding localities by actual record would produce in a season in the neighborhood of 10,000,000 pounds of edible fish. That certainly would be a contribution to the American food supply if they were permitted to operate.

Under rulings by the Office of Price Administration these boatmen today are restricted to 125 gallons of gasoline for 3 months' time, while their normal requirement is about 400 gallons a month. The season is between 3 and 4 months long, so it is easy to see that the amount of gasoline used would be infinitesimal compared to the benefits to be gained. The Bureau of Fisheries of the Department of the Interior and the War Food Administration have both expressed themselves as endorsing this practical method of increasing the Nation's food supply. They estimate a shortage from commercial sources of 1,500,000,000 pounds of fish for this year.

It is to be hoped that the Office of Price Administration will consider this question carefully, and, judging from the testimony which our committee received, it would not be necessary, in New Jersey at least, to increase the quota of gasoline already received. It is a fact that the same testimony concerning the catch of fish can be secured from many other sections of the country.

Mr. ANDERSON of New Mexico. Mr. Speaker, I return to the well of the House merely to answer a few questions in reference to the report.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield.

Mr. VOORHIS of California. I compliment the gentleman on the splendid job that he and his committee have done. I notice in the report the committee states that poultry promises a quicker supplement for a meat supply certain to be short for many months. May I say to the gentleman, on the west coast I have a great deal of evidence to the effect that the ceiling price on meat and poultry is too low to permit a cost-of-production return to the poultryman and that black-market conditions have become very serious. Either something needs to be done about the ceiling price or else something needs to be done about the price of feed which has also increased pretty substantially, as the gentleman knows. Can the gentleman give us some encouragement with reference to that problem?

Mr. ANDERSON of New Mexico. May I say to the gentleman from California that the committee tried first to cover the subject of the meat situation in the country with very little attention to poultry. It is now engaged in the study of sugar and expects within the next 10 days or 2 weeks to go into the study of poultry, butter, and eggs. At that time we

are going into the question which the gentleman has referred to, with, I am sure, the same thoroughness which we sought as to meat. We hope to find out whether this price situation is satisfactory or whether the feed-price situation has grown entirely out of line in the poultry market.

Mr. VOORHIS of California. I am very much obliged to the gentleman.

Mr. ANDERSON of New Mexico. May I say to the gentleman at this point, it is regrettable that poultry in New York, for example, moves largely in the black market, and that the War Food Administration, which is a Government agency, is correctly reporting the prices, but reporting those of the black market, consequently indicating that the line has not been held. I think it is too bad. I commend the War Food Administration for publishing the truth.

Mr. KEFAUVER. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield.

Mr. KEFAUVER. May I say to the gentleman that when the matter of appointing this committee came before the House, I was opposed to the creation of it on the theory that we had one in the Senate, and we had other people investigating these problems. I have followed the activities of the committee very closely and read this report today and listened to the statements made. May I say to the gentleman, I was terribly wrong in my opinion at that time. The gentleman's committee has done an excellent job and has rendered a great service to the country and to this Congress.

Mr. ANDERSON of New Mexico. I thank the gentleman. I think the nicest thing that happened to me happened in Chicago when I left the meeting for a minute and a gentleman came to me and said, "Mr. Chairman, I would like to inquire who are the Democrats and who are the Republicans. We cannot tell by the type of questions they are asking."

Mr. HOWELL. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield.

Mr. HOWELL. I also want to compliment the gentleman and his committee for this fine study which they have undertaken. May I emphasize one point you make in your report when you say that the over-all 10-point program fails to remove the price squeeze confronting feeders of cattle and offers little, if any, incentive for farmers to feed cattle, and thereby materially increases the amount of beef for the Nation. In that statement you are absolutely describing the situation with reference to our feeders in the Middle West, and if your final recommendation in point No. 3 is not followed, there will be very little cattle fed out in that section of the country.

Mr. ANDERSON of New Mexico. May I say to the gentleman I fully subscribe to that point. I think the committee was unanimous on the question of feeder cattle. We gave it a lot of time. We tried to go into it as carefully as we could.

In that connection, the O. P. A. originally announced to the committee that its 10-point program would include some sort of special feeder subsidy. It was not in the program as announced, but that was not the fault of the O. P. A. I understand there is an effort being made to work it out. I do hope something is done because that is the point that supplies our only possibility of an increase in beef.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield.

Mr. CHENOWETH. I wish to join my colleagues in complimenting the gentleman and his committee on this splendid report. I notice you chose the subsidy method instead of the price method in connection with the production of beef. Is it not true that the livestock producers generally prefer the price method instead of the subsidy method?

Mr. ANDERSON of New Mexico. Yes. I did not mean that was the only road. We started with two assumptions. First, the assumption that it was going to be the practice to keep the retail price on meat where it was and, second, that it would be the policy not to reduce it to the producer. Therefore, we had to bridge that somewhere in between. But we suggested it might be possible to start over again with a new approach and come out with a new basis that did not involve subsidies.

The SPEAKER. The time of the gentleman has expired. All time has expired.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PACE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on this question of food production.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CALL OF THE HOUSE

Mr. SPRINGER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. SUMNERS of Texas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71]

Anderson, Calif.	Douglas, Calif.	Kee
Bates, Mass.	Eaton	Keogh
Bland	Elliott	King
Bloom	Fernandez	Kirwan
Boren	Fogarty	Lesinski
Bradley, Mich.	Gearhart	Link
Buckley	Geelan	Lynch
Burgin	Gibson	McGlinchey
Byrne, N. Y.	Granger	Madden
Cannon, Fla.	Grant, Ala.	Manasco
Carlson	Hancock	Mott
Celler	Hand	Norrell
Clark	Harris	Norton
Cochran	Hart	Patman
Cooley	Hays	Patterson
Cox	Healy	Peterson, Ga.
Cravens	Holmes, Mass.	Pfeifer
Crosser	Hook	Powell
Curley	Izac	Rains
Dawson	Jackson	Randolph
Dirksen	Jarman	Rayfiel
Richards	Stewart	White
Rivers	Stockman	Whitten
Roe, N. Y.	Talbot	Wilson
Sabath	Thomason	Winter
Savage	Trimble	Worley
Short	Vorys, Ohio	Zimmerman
Simpson, Pa.	Walter	
Smith, Va.	Weaver	

The SPEAKER. On this roll call 347 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROPOSED AMENDMENT TO THE CONSTITUTION RELATIVE TO TREATIES

Mr. SUMNERS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 60) proposing an amendment to the Constitution of the United States relative to the making of treaties.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 60, with Mr. BATES, of Kentucky, in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. The gentleman from Texas [Mr. SUMNERS] is recognized.

Mr. SUMNERS of Texas. Mr. Chairman, may I say to the members of the Committee, we are now about to begin reading House Joint Resolution 60 for amendment. There are going to be some important amendments offered which ought to have the careful consideration of the full Committee. I hope the members of the Committee on each side will make every effort to be present during the consideration of this resolution. I know my friends on the other side of the aisle join me in that request.

The CHAIRMAN. The Chair will state that general debate on the joint resolution has been concluded.

The Clerk will read the joint resolution for amendments.

The Clerk read as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Hereafter treaties shall be made by the President by and with the advice and consent of both Houses of the Congress."

Mr. SPRINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: On page 2, line 2, after the word "Congress", strike out the period and add a comma and insert "Provided two-thirds of both Houses of the Congress present concur."

Mr. SPRINGER. Mr. Chairman, we are now considering House Joint Resolution 60 to which the distinguished chairman of the Committee on the Judiciary,

the gentleman from Texas, has just made reference. This resolution seeks to eliminate the two-thirds majority rule with reference to the ratification of treaties. By this resolution it is sought to place the ratification of treaties upon a mere majority of both the House and Senate. Some of the Members have expressed to me they have the feeling that the House of Representatives should participate in the matter of making treaties. Therefore, I introduce this amendment to the resolution which would give to both the House and the Senate the right to ratify treaties, but preserving the two-thirds rule as provided in the Constitution of the United States of America.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield just for a brief question.

Mr. LUTHER A. JOHNSON. The gentleman's amendment, if adopted, makes it twice as difficult to ratify a treaty as it is under existing law in requiring a two-thirds vote of both bodies. As I understand, one reason for the proposed amendment is that it is almost impossible to ratify a treaty, but the gentleman wants to make it doubly hard by having two-thirds of both Houses vote on treaties.

Mr. SPRINGER. I thank the gentleman for making that suggestion, but at the time the Constitution was written it was never intended to make the ratification of treaties an easy function to perform.

In other words, without doubt, it was the idea of the framers of the Constitution that the statesmanship of men would be required to be exercised when it came to the question of ratifying treaties.

On that question may I say to my distinguished friend the gentleman from Texas [Mr. LUTHER A. JOHNSON] that if ratification of treaties is placed upon a mere majority, politics will enter into the making of every treaty between this country and foreign nations.

During the last World War there was an amendment submitted to our Constitution. I recall the boys who were serving under my command, and I recall what they said when they learned what was done with respect to amending our Constitution when they were away fighting in that war. Remember this, our boys are still over there in Europe. They are in the South Pacific. They are waging this war. The fighting is over in Europe, we learn. If you amend the Constitution while these boys are away, the repercussions will be tremendous when they come back home. You remember what I say on this subject. I remember it from the last war; and those same remarks are heard today, 25 years after that was over. Yes; we are still in war. We want those boys to come back home. They have an interest in this country. They have an interest in the Constitution. They want to participate in whatever may be done with respect to any amendments submitted to our Constitution.

Under article VI, clause 2, of the Constitution, we think about State's rights involved in every treaty, and the rights of every State in the Union are involved in the ratification of every treaty. The Senators represent the States. Each State has two Senators, regardless of the size of the State.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. SPRINGER. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SPRINGER. The Senators represent the several States. Each State, regardless of its size or population, has an equal number. Those Senators represent the States. The Representatives in Congress represent the people. We think about States' rights when we think about ratifying treaties.

Mr. Chairman, I want to read briefly from article VI, clause 2, of the Constitution. I am referring now to the force and effect and the binding influence of treaties upon States.

Reading from that clause:

> The Constitution and the laws of the United States which shall be made in pursuance thereof, and of treaties made or which shall be made under the authority of the United States, shall be the supreme law of the land.

And mark you these words which follow in that provision of the Constitution:

> And the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding.

That means just this: Regardless of the State laws, regardless of what the constitution of any State may be, when a treaty is made the treaty becomes the supreme law of the land, and it overrides the laws and the constitution of every State in the Union. Therefore, the ratification of treaties was placed in the Senate, under the two-thirds rule, because the Senators represent the States, and the States have a direct interest in every treaty that is ratified under our Constitution.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. Yes.

Mr. PRIEST. The gentleman stated a moment ago, reading from the Constitution, that the laws enacted by the Congress pursuant to the Constitution also have the effect of the supreme law of the land. We enact laws by a simple majority, and I cannot see why there is any great difference, when an act of Congress likewise is the supreme law of the land over the State constitutions.

Mr. SPRINGER. Very true, but may I say that in requiring a two-thirds majority for ratifying a treaty in the Senate it was in order that that direct question might be met by statesmanship by making the number of votes necessary greater than a mere majority. There is a vast difference between a law and a treaty. The two-thirds majority takes it away from a mere political consideration. For instance, where in the House or the Senate, where the political situation is almost evenly balanced, one party having only a few votes in majority over the other. That would doubtless cause a political consideration. A treaty carries with it some political considerations which enter into it, of course, but when you require more than a mere majority, as provided by the Constitution of the United States, where a two-thirds majority is required, then you get away from those direct political considerations, and you reach the point where statesmanship and careful consideration is involved. With the two-thirds rule in force, the very best is considered for our people and the very best is obtained for our Nation.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. Yes.

Mr. O'HARA. And may I call the gentleman's attention also, in answer to the question of the gentleman from Tennessee [Mr. PRIEST], that our legislative acts are subject to our check and balance system by review by the courts?

Mr. SPRINGER. The gentleman is precisely correct. Take the Dumbarton Oaks organization. We talk about majorities, and we talk about a two-thirds rule which is in existence. At the present moment, may I say those who participated at Dumbarton Oaks take the same position that the framers of the Constitution took. What do they say?

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. SPRINGER. Mr. Chairman, I ask unanimous consent that I may proceed for 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SPRINGER. I quote from section C on the subject of voting. I think that lends great force and effect to the debate here, because that is what those who participated in that conference say on that subject. This is the last word. Let us hear what it says:

> 2. Important decisions of the General Assembly, including recommendations with respect to the maintenance of international peace and security—

And nothing is more important than that—

> election of members of the Security Council; election of members of the Economic and Social Council; admission of members, suspension of the exercise of the rights and privileges of members, and expulsion of members; and budgetary questions, should be made by a two-thirds majority of those present and voting.

That is the exact language of the Constitution of the United States with respect to action by the Senate. That is what is taking place at this moment, not years ago. They now recognize that two-thirds rule. They inserted it and made it a part of this conference. So today, it is my hope, if there are those who want the House to participate in this important function, in addition to the Senate, that this amendment will be adopted unanimously.

Mr. SUMNERS of Texas. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, the proposed amendment which provides for a two-thirds majority of each of the Houses of Congress to ratify a treaty, practically speaking, is little short of an amendment to prevent the ratification of treaties by the United States. This amendment, if adopted, would double the powers of the minority to block a treaty; any treaty. In opposition to this proposed amendment to the Constitution giving to the Senate and House by a majority the power to ratify a treaty, the gentleman cites the fact that a unanimous verdict of a jury is required under our system. If this were followed to its logical conclusion, then why not require a unanimous vote to ratify a treaty?

May I call your attention to the last observation of my distinguished friend from Indiana, in which he mentioned the fact that in the Dumbarton Oaks organization a two-thirds majority is required. That is an entirely different situation. The gentleman did not draw a distinction between the relationship of participants in the Dumbarton Oaks organization and those who are the participants with reference to ratification of a treaty. As a matter of fact, assemblages such as the Dumbarton Oaks organization usually require that important action be unanimous. Why? Because that is an assemblage of independent nations with many conflicting interests, whereas this would be a determination of the will of the Nation.

We are not now engaged in amending the Constitution. We are proposing that there be submitted to the judgment of the people of all the States whether the treaty-making power should remain as it is now or whether the judgment of the House of Representatives should test treaties before they become binding upon the country and whether the judgment of the Senate and the House should be expressed in the ordinary way by a majority.

I understand there is going to be offered an amendment to this proposed resolution, in the event the Springer amendment is voted down, providing that the vote of approval of a treaty must be by a majority of the membership of each House. While a great many Members who are supporting this resolution as it now stands are not in favor of this proposed amendment, I understand there is a quite general disposition to accept it as a compromise. If the pending amendment—the Springer amendment—is voted down and the other amendment adopted, it would then require more than a bare majority to ratify a treaty. The ratification would have to be by a majority of the number of elected Members of each House. To illustrate, the membership of the Senate is 96. Suppose when the vote is taken, assuming this amendment is agreed to, there are 6 Senators absent. Each of those 6 Senators would be counted against ratification. There would have to be not only a majority of the Senators present and voting in favor of ratifying the treaty in order to ratify it, but the majority would have to be 6 more than a numerical majority, 6 being the number of non-voting absent Members. A similar situation would apply with reference to the requirement in the House except, of course, the number beyond a mere numerical majority would be greater because of the larger number of the House membership, with a resultant larger number of absentees. These would constitute the protection against bad treaties. First, under such an arrangement, the President, whoever he is, would have the responsibility of formulating the treaty in the first instance. The country at large would have an opportunity to examine the proposed treaty before its consideration would be taken up in either House. There it would be subject to reservation. It would come under debate in the Senate, assuming it would be first to proceed. The people would check in on that. Public opinion would reflect itself. The vote would be taken on the ratification. As I have stated, it would require a clear majority of the entire membership of the Senate, not merely a majority of those present and voting, to ratify the treaty.

Then the matter would go over to the House. The House would have had the advantage of what the Senate had done, the discussions, and so forth. It would also have the benefit of public discussion. The people could tell their Representatives in the House what they thought of the treaty as it was then proposed. With the advantage of all this, the House, a different body, would begin its consideration. The treaty would have to be approved by a majority of all the Members of the House.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The gentleman says he is going to vote the absent Members. Is he going to vote the dead ones, too?

Mr. SUMNERS of Texas. I think we will let you Republicans answer for yourselves. I do not mean that. I say things once in awhile that I wish I had not. The fact is, the first intimation I have sometimes is when I hear words like those coming out of my mouth. In the spirit of compromise the proponents of this resolution are going a long way in agreeing to the amendment providing for a clear majority of the entire membership of each House to ratify a treaty. I hope it will remove the apprehensions of some of our friends and we can all go along with the amended resolution. We had just as well be candid about it. Some of you are afraid of the power of the President. If the President has too much power you cannot reach that by hamstringing the legislative branch of the Government by shifting the power to speak the voice of the Houses of Congress from the majority to a bare one-third minority plus one. It cannot be done trying to protect the Houses of Congress by a constitutional provision which gives to one-third of their membership a sort of guardianship over the other two-thirds.

It is perfectly ridiculous, with all due respect to my distinguished friend of whom I am very fond, to provide that one-third of the membership of the House and of the Senate shall speak the judgment of the House and the Senate on these important treaty matters. If you do not want this Government to participate in treaties, if you do not want the majority judgment to control even a majority of the entire membership, if you want to force the majority to trade with a recalcitrant one-third minority in order to get any sort of a treaty, and if in addition when something is attempted to liberate the majority from minority control, you want to double the handicap, double the minority power, then vote up the pending Springer amendment, and you would be accomplishing that job.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. Would the distinguished chairman of the Committee on the Judiciary point out, as contended by the gentleman who has just taken his seat, that when you have a two-thirds majority, there is no politics involved, and when there is a majority involved, there is politics?

Mr. SUMNERS of Texas. I will let somebody who understands the mystery of that thinking explain it.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Illinois.

Mr. MASON. We have had evidence during the past 10 years where the Executive by his power did control a majority of this Congress.

Mr. SUMNERS of Texas. I assume that is probably true in instances, but, because that may be true, are you, instead of removing this minority control in the Senate, going to double handicap this treaty-making power of your Nation by also giving to a minority of one-third of the House plus one the power also to block a treaty as is proposed in the Springer amendment? Are we in times like this going to let the Senate handicap remain, as is proposed in this amendment and add the new one-third plus one minority handicap as is proposed in this amendment, so that instead of just as now obtains, you would have two minorities empowered to thwart the public will and public purpose seeking to reflect the majority judgment as to how we may best serve the cause of peace and world stability and maybe avoid another slaughter of the peoples of the world? Not even willing to leave the treaty-making power with its present handicap, but actually preparing to double it.

Mr. GRAHAM. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, unfortunately, I was detained last week during the debate; but I have carefully read all the arguments made during the two days of debate last week. You will be surprised when I make this statement to you: That not a single new argument was advanced or statement made that has not heretofore been made either in the Continental Congress, the Congress of the Confederacy, the Constitutional Convention, in the papers of the Federalist, written by Jay, Madison, and Hamilton, or in the ratification conventions held in the respective States to ratify the Constitution of the United States. Not a single new

argument has been advanced here today or in the last 2 weeks. Why is it?

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I yield to the gentleman from Michigan.

Mr. MICHENER. The only difference is that times have changed. The gentleman is talking in retrospect, and not in the present or in the future.

Mr. GRAHAM. I will answer the gentleman in a moment.

Why is it that since the inception of this country, according to the statistics furnished by the Legislative Reference Bureau, 4,200 attempts have been made to amend the Constitution and only 21 have succeeded—21 out of 4,200? What is the inherent and ingrained thought of the people of the United States that they are perfectly content with the Constitution, that they do not want it tampered with, or altered, or changed in any way?

Now what else? Let us go back for a moment. Who were the men in that Constitutional Convention? Were they all nondescript men? Did they know what they were talking about? Here is who they were:

Of those 55 men who gathered there that day—and if this Congress can ever equal it, then posterity can take off their hats to us—18 were officers of the Continental Army, 34 were lawyers, 6 had been State attorneys general, 5 chief justices of State supreme courts, 4 chancelors of their States, 3 judges, 5 later Justices of the Supreme Court of the United States, 2 of them to be Chief Justices, and 10 of them were later to be elected to the Congress of the United States and 16 to the Senate.

What was their background of experience? Forty-two had been delegates to the Continental Congress, 8 were signers of the Declaration of Independence, 6 were signers of the draft of the Articles of Confederation, 7 had attended the Annapolis Convention, 3 had been executive officers of the Congress, 13 were Congressmen at the time serving in the Congress of the Confederacy, 1 had been with the Territorial Government, 4 were members of the President's Cabinet, 1, Benjamin Franklin, had been a Minister abroad, and 3 of them later were to be Ministers abroad, and 2 were Presidents later. Were these ordinary men?

What did they do in the debate? As I read the debates of last week over Saturday and Sunday, I thought, what did these men do when the great debate came up for the compromise after Edmund Randolph had offered the Virginia plan? That same day Charles Pinckney came forward with his plan, and later on William Paterson, of New Jersey, came forward with his plan, representing the small States, and they came to an impasse. There again old Benjamin Franklin, with the wisdom of the years, suggested that there be an interim and that they go about their work and think it over. In the debate that took place at that time, what happened? There were 22 references to nations, ancient and modern, and over 130 references were made to English history and its institutions, and the range of inquiry included the study of the institutions of Greece, Rome, France, the German States, Holland, and Switzerland. I say to the gentleman from Michigan, can you improve on that sort of wisdom, whether it be in retrospect or in the future?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MICHENER. Mr. Chairman, I ask unanimous consent that the gentleman have 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I yield.

Mr. MICHENER. The gentleman is an accurate historian. I am sure his recitation of facts is correct. But I am wondering, with the changes that have come about in the United States and in the world—granting that changes have occurred—whether these experienced gentlemen of that time who wrote the Constitution might think and act differently than they would if they lived today and had the benefit of the experience of the past 150 years.

Mr. GRAHAM. Industrially, mechanically, and financially, yes. But in the matter of inherent political justice and right, no.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. Certainly.

Mr. MAY. Waiving the question of whether the House of Representatives should participate in the ratification of a treaty and considering only the question of whether it should be by a majority or a two-thirds vote, is it or is it not true that 49 Senators, being a quorum of the Senate of the United States, if a mere majority were required, then 25 Senators, in the event only 49 were present, could ratify a treaty, which is just 1 person more than one-fourth of the membership of the Senate?

Mr. GRAHAM. The gentleman from Kentucky had an apt illustration of that last week when this House, by a majority vote, refused to allow his committee to act on a matter, but a few minutes later, under the protection of the Constitution, the House refused to override the veto of the President.

What was the thought of these men? Were they dealing only for the day? Let us see what some of them said. James Wilson, of Pennsylvania, of whom we are proud, and who is one of the greatest lawyers this country ever produced, said this:

> When he considered the amazing extent of the country, the immense population it takes to fill it, and the influences which the government we are to form will have, not only on the present generation of our people and their multiplied posterity, but on the whole globe, he was lost in the magnitude of the operation.

That answers the question of the gentleman from Michigan.

Mr. KEFAUVER. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I yield.

Mr. KEFAUVER. The gentleman has quoted James Wilson, who, I admit, was one of the great members of the Constitutional Convention. I am sure the gentleman realizes that James Wilson advocated the ratification of treaties by the majority and not by a two-thirds vote.

Mr. GRAHAM. He did on the 8th day of September in that convention. Later on in convention of the State of Pennsylvania to ratify it, he changed his views considerably.

Mr. KEFAUVER. I will say to the gentleman also that when he changed his vote on it in the Constitutional Convention he voted against the two-thirds provision, as the gentleman well knows.

Mr. GRAHAM. I agree with the gentleman, but I still insist that when he appeared before the convention in Pennsylvania he had changed his views.

Mr. Chairman, I decline to yield further.

Mr. KEFAUVER. May I say to the gentleman we are talking of the Constitutional Convention and inasmuch as the gentleman quoted James Wilson, I felt it only proper to call that to his attention.

Mr. GRAHAM. I have all this material which I will go into.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I cannot resist yielding to the gentleman from Massachusetts, but I wish that I might have some more time.

Mr. MICHENER. Mr. Chairman, I ask unanimous consent that the gentleman have 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. McCORMACK. Mr. Chairman, my friend has made an observation about the framers of the Constitution and we all have that stronger affection for them which the gentleman from Pennsylvania has demonstrated. But as to what they would do if they were alive today, in response to the question asked by the gentleman from Michigan, I am wondering if the gentleman would look into their minds and answer this question and let us know if they would have voted for the seventeenth amendment to the Constitution, for the direct election of United States Senators; and also for the amendment to the Constitution providing for the right of women to vote?

Mr. GRAHAM. When the seventeenth amendment was proposed, 36 States voted favorably, 2 refused, Rhode Island and North Carolina, and 9 did not vote.

Mr. McCORMACK. That does not answer the question.

Mr. GRAHAM. I am telling you how they voted.

Mr. McCORMACK. I asked the gentleman about the framers of the Constitution. Does he think, if they were alive at that time, the framers of the Constitution, if they were Members of Congress, would have voted for the seventeenth amendment to the Constitution, and later for the amendment permitting woman's suffrage?

Mr. MASON. Would the gentleman permit me to answer that question?

Mr. GRAHAM. Certainly.

Mr. MASON. The framers of the Constitution provided a method by which the Constitution could be changed. And

it was changed when the seventeenth amendment was adopted, and they provided for that method.

Mr. McCORMACK. Nobody disputes that.

Mr. GRAHAM. Now, Mr. Chairman, I decline to yield further. I ought to get in a word once in a while.

Now, let us take this immortal Constitution and go through it. Ten sections of the Constitution:

Article I, section 3, paragraph 6: "The Senate shall have the sole power to try all impeachments. When sitting for that purpose they shall be on oath or affirmation. When the President of the United States is tried, the Chief Justice shall preside. And no person shall be convicted without the concurrence of two-thirds of the Members present."

Article I, section 5, paragraph 2: "Each House may determine the rules of its proceedings, punish its Members for disorderly behaviour, and, with the concurrence of two-thirds, expel a Member."

Article I, section 7, paragraph 2: "Every bill which shall have passed the House of Representatives and the Senate shall before it becomes a law be presented to the President of the United States. If he approves he shall sign it, but if not he shall return it with his objections to that House in which it shall have originated, who shall enter the objections at large on their Journal, and proceed to reconsider it. If after such reconsideration two-thirds of that House shall agree to pass the bill it shall be sent, together with the objections, to the other House, by which it shall likewise be reconsidered, and if approved by two-thirds of that House it shall become a law."

Article I, section 7, paragraph 3: "Every order, resolution, or vote to which the concurrence of the Senate and House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States; and before the same shall take effect, shall be approved by him, or being disapproved by him, shall be repassed by two-thirds of the Senate and House of Representatives, according to the rules and limitations prescribed in the case of a bill."

Article II, section 2, paragraph 3: "He shall have power, by and with the advice and consent of the Senate, to make treaties provided two-thirds of the Senators present concur."

Article V, section 1: "The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislature of three-fourths of the several States, or by conventions in three-fourths thereof, as, the one or the other mode of ratification may be proposed by the Congress, *Provided*, That no amendment which may be made prior to the year one thousand eight hundred and eight shall in any manner affect the first and fourth clauses in the ninth section of the first article; and that no State without its consent shall be deprived of its equal suffrage in the Senate."

That is one part of the Constitution you cannot amend. They say you can amend the Constitution. You cannot amend that. You cannot take from any State, without its consent, its power. That provision implies you can never eliminate or change by popular vote the method of ratification. You can elect United States Senators as under the seventeenth amendment, but you cannot change the manner and form of ratification. That must be done by the respective legislatures of the several States.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. KEFAUVER. Mr. Chairman, I rise in opposition to the amendment.

All of us, of course, have great respect for the founding fathers, the writers of our Constitution, but I do not think it is entirely correct, as the gentleman from Pennsylvania [Mr. GRAHAM] says, that all of them had a great theory of government insofar as this two-thirds rule is concerned. I think I can conclusively show the two-thirds rule was not a fundamental theory which they had any particularly strong sentimental ideas about. I say that because in the first place, the record shows that when the Committee of Eleven on September 7 met, James Madison—and I am sure the gentleman from Pennsylvania will agree that he was one of the great members of the Constitutional Convention—offered a motion to except treaties of peace from the two-thirds rule, to have treaties of peace ratified as other legislation is ratified, and not one member of the committee on consideration of that motion spoke or voted against it, because on September 7 the Committee of Eleven met—the steering committee—and unanimously agreed to exclude treaties of peace from the two-thirds provision. The main thing they did want covered under the two-thirds provision was matters having to do with territorial integrity affecting the Mississippi, insofar as the four Southern States were concerned, and affecting fishery rights, as far as the New England States were concerned. Mr. Wilson was against the two-thirds rule and spoke against it. Mr. Madison was against it, and to show that others had no idea that this was a sacred rule, on the next day the motion was made to have treaties ratified by a majority of the Senators elected, not by a two-thirds, and that motion was defeated 5 to 4. A change of one vote would have made the rule by majority of those duly elected. Mr. Dayton spoke against the two-thirds rule, and he thought that treaties should be handled as other legislation.

Mr. Chairman, it was impossible for our forefathers to realize that in this modern age the boundaries of nations would be contiguous. They could not appreciate the fact that in the days to come we would have to deal with the type of foreign relations now confronting the Nation. In these days we are going to have to make treaties and make them frequently. The future of our Nation is bound up in our ability to handle and act in the field of foreign affairs.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. GRAHAM. The gentleman says that they did not know that they were dealing with foreign relations. When Richard Henry Lee offered his amendment on the 7th day of June proposing free and independent States, and also a second clause for provision for treaties and alliances, in pursuance of that, a committee was appointed, and they immediately engaged in fulfilling the treaty with the King of France, the first treaty, and that was made within 30 days after that resolution.

Mr. KEFAUVER. I thank the gentleman for his contribution. What I said was I did not think our forefathers appreciated the fact that in the years to come we could cross the ocean in a night, and that whole cities and industrial plants could be destroyed almost without warning. I do not think they realized the fact that, as I say, airplanes would be flying the ocean and that we would have to have some kind of international law to protect our people and the people of the world. They had the idea that the oceans would protect us; but now, Mr. Chairman, we are in a period where the very future of our Nation depends upon our being able to deal effectively and affirmatively in foreign affairs, when it depends upon our being able to make agreements with other nations and not have the will of the people of this Nation stymied every time an effort in that direction is made. I will say also they did not foresee that this Nation would be thrown into two great world wars, one of which may have been because of the fact that the two-thirds rule stymied and prevented our country taking its part with the other nations of the world in the promotion and keeping of peace.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. GALLAGHER. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, may I state that at the time the Constitution was adopted in this country we all looked upon the Nation, even though it was a nation, as a union of equal sovereign States, each with a different sphere of influence.

Then there is another thing we want to remember. We had a lot of little Americans who could not conceive of this country extending from coast to coast. A good many of them were opposed to the Louisiana Purchase and every progress that we made as a real nation.

May I call attention to another aspect of this matter. The Democratic Party of that day was pro-French and the Federalist Party was pro-English. Each of them looked upon America as a small country that was liable to be dominated by outside influences. That was one of the reasons for the adoption of the two-thirds rule.

Mr. Chairman, America has become industrially, spiritually, educationally, and in the know-how the greatest country in the world. We dominate things and there is no reason why we should not have faith in ourselves. We only require a majority vote to declare war and at the same time we say that one-third of the Senate plus one, a small minority may say: "You cannot make the peace." If the word and the will of America is to have influence, it ought to be backed up by the people of these United States. It should not be stymied by any group less than a majority. I believe in having faith in our country and giving it a chance to function in world affairs; but if a small minority can hamstring the will of this country and the will of the Congress I fear that we

are going to have trouble ironing out international affairs, maybe not at the San Francisco Conference nor the peace conference, but in time to come by small men who might be able to join with a minority and set aside the will of the American people.

Mr. Chairman, I want unity and faith in America. I believe we are entitled to it.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. MERROW. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I have profound respect for the wisdom of the men who wrote the Constitution of the United States. They knew that changes would be necessary and provided four ways to amend the original document. The Constitution has been amended several times, and furthermore it has developed by statutes, judicial decisions, customs, and usages. In my opinion if the framers of the Constitution were alive today they would be the first to make this much needed and long overdue change in the treaty-ratifying mechanism of the Constitution.

The amendment under discussion would provide for the validation of treaties by a two-thirds vote of both the House and the Senate. I can think of no act that would be more disastrous to our welfare than adopting this proposal. The war in Europe is won. This is VE-day, and the eyes of the world are upon this House as we debate the question of revising our constitutional machinery for making peace. The world wishes to know what we intend to do in the future.

Let us see what the adoption of this amendment under discussion at the present time would do. By the adoption of this amendment, making it necessary for two-thirds of both Houses of Congress to ratify treaties, we would notify the entire world that we do not intend to make treaties after all hostilities have ceased; we do not intend to participate in the formulation of the peace.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I cannot yield. But if the House will give me time after I finish my statement, I will yield to anyone.

Mr. GRAHAM. Will the gentleman differentiate between a treaty which will be signed by the Senate and the endorsement of the Dumbarton Oaks proposal? There is a vast difference between the two.

Mr. MERROW. Oh, yes. The charter is going to be presented, and it seems to be the consensus of opinion that it will be adopted, but that is no reason for not passing this resolution. There will be a multitude of treaties supplementing and implementing the charter of the United Nations based on the Dumbarton Oaks proposals, and they will be subject to minority domination in the Senate if we do not make this change. If we adopt the pending amendment, we will increase minority control. We already have too much minority control in the Senate. We would be extending minority control by placing it in the House. Furthermore, in actuality we would have no voice in treaty making except a negative voice. As it is now, the Senate exercises no constructive voice in the making of treaties of peace and treaties of arbitration. The Senate's voice has become a negative voice. I want the Congress of the United States to have a constructive voice in these important matters.

We have at the present time the spectacle of one great branch of the Congress of the United States being unable to exert the will of the majority of its members, because complete minority control is exercised as far as treaties are concerned.

The proposed amendment requiring two-thirds of both Houses would render treaty making much more difficult. So if we do not want to make any treaties after the war is over, if we want to try to get out of the business of international affairs, which we cannot do, then it would be a good idea to adopt this amendment. If we want to make absolutely certain that we are not going to take part in international affairs, somebody should propose an amendment requiring the unanimous consent of both Houses before we agree to treaties. This, of course, would be absurd.

By adopting House Joint Resolution 60, requiring only a majority of both Houses to validate treaties, we inform the world that we are going to take our place as a world leader after this war is over. We are leading at the present time in the prosecution of the war. Fortunately, the war in Europe has been brought to a successful conclusion. It is now our duty to maintain our position of leadership and to build a peace so that the sacrifices that have been made, that are being made, and that will be made, will not have been made in vain.

I am certain that the people of the United States wish us to present this amendment to their legislatures. I pointed out yesterday, with letters and editorials and polls from all over the country, that the people are in favor of a majority vote in treaty ratification.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the warm precincts of this room the arguments of the gentleman from Pennsylvania sound most persuasive. I like as well as any other Member to feel that there are principles handed down to us through the years, adherence to which can give us security and peace; as to the real fundamentals of life I believe that, with all my heart. But I think it is incumbent upon the Members of the House to consider this question as if indeed they were looking out of the window at the top of the Washington Monument over this whole suffering war-torn world. I think it is incumbent upon us to consider this question in the light of the realities of the world as we know it today.

For 138 years the United States lived in this world as a nation left alone. Most of those years we were a comparatively small republic, far removed from centers of world conflict. Even the First World War did not change that very much. At least we did not realize any such change. But when the Japanese attacked Pearl Harbor on December 7, 1941, a great era came to an end. Not only did that action stand for international perfidy, but it stood for the end of the time when the United States of America had in its own hand and in its own choice the question of whether it should remain at peace or whether it should go to war.

I think there will be few Members of the House who will contradict me when I say that before Pearl Harbor the average American, including the average Member of Congress, still believed it was in the power of the United States, in her own voluntary choice, to decide what her fate would be. We know now that the peace of America, the saving of the lives of our sons, is inextricably intertwined with the peace of the world itself.

The difference between 1787 and 1945 is the jet-propelled bomb. The difference is between a small republic in a comparatively unknown continent and the most powerful nation on the face of the globe. The difference is, if we are going to decide this matter with thought for the soldiers that still face a relentless enemy, we are today under the absolute impulsion to be certain that America can take a positively effective action in preserving the peace of the world. America cannot in this hour avoid the burden of leadership. I am more concerned, Mr. Chairman, that we should be able to take constructive action in the great crisis for the future which we face than I am afraid that we might take action that would be regretted afterward. We live in a new world, a cold world, a world in which the icy blasts of reality have to blow through the mind and heart of every man who faces the truth as it really is. In that world the burden of proof is going to be on those people who are going to say "Yes" and not on those who are going to say "No."

I do not suppose the San Francisco Conference or the conferences that will follow will give a world order that is just as I want it, but I do know that unless America takes a different course than she took after World War No. 1 we will be betraying in the most abysmal fashion the sacrifices that have been made by our fighting men.

I have believed for a good many years that had the United States entered the League of Nations she might have helped to make that organization an instrument for peace, that possibly some of those steps, the Japanese incursion into Manchuria, which our Secretary of State at the time tried to stop, the incursion of Mussolini into Ethiopia, and Hitler's march into the Rhineland, might have been stopped, and had they been, World War No. 2 might not have come. And we know, do we not, that at least one reason America was not part of that world peace machinery was because of the veto power of one-third of the United States Senate.

Mr. Chairman, attempt has been made to liken this question to the presidential veto of acts of Congress. They are not comparable at all. The presidential veto means that two of the three great branches of our Government are in disagreement over a measure, and, therefore, the vote of two-thirds of Congress shall be required to override the disagreement of the President. In this case

at least two-thirds of the legislative branch is needed to override the opposition of the Executive to a legislative proposal.

In this case, that branch of the Government which has the primary responsibility for foreign affairs, namely, the executive, makes a proposal which presumably, it must be remembered, is made with the interest of the United States in mind. Yet under present circumstances one-third of one body of the Congress, and that body, mind you, which least represents the popular will of America, exercises an absolute veto power over the proposal of our Executive, and can block any action by our country in its international affairs.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VOORHIS of California. Mr. Chairman, I ask unanimous consent to proceed for 3 adidtional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. McCORMACK. The overriding of a veto is in a sense an Executive function and an Executive act. The veto is an Executive power. A two-thirds vote is required to override a veto because it is giving the legislative branch, to a certain extent, Executive power.

Mr. VOORHIS of California. I thank the gentleman. But in the case of treaties at present, there must be two-thirds of the Senate agreeing with the action of the President before it can become effective. The proposal in House Joint Resolution 60 is that both the Senate and the House of Representatives—and I submit our own body is closer to the people of America—shall not only participate in the ratification of treaties but it shall be sufficient for action by our country if a majority of those two Houses agree with the action of the President. Is that going to make the ratification of treaties too easy? Mr. Chairman, I do not believe it is. I believe in the stormy days that lie ahead, in the midst of the difficult and complex problems with which we shall have to deal, the ratification of treaties is going to be hard in any event. I believe that requiring two-thirds of the Senate for such ratification is making too difficult that action which must be taken by the people who will be far-sighted and have in mind the position of the United States in this complex world, and they will have too heavy a load to carry.

So, I hope, Mr. Chairman, not only that the amendment offered by the gentleman from Indiana, for whom I have the highest respect, will be defeated on the ground that if it were adopted we would be taking a long backward step, but I hope also that the resolution presented to the House by the Committee on the Judiciary will pass this House by such a substantial vote as to become an inspiration to American public opinion so that it then may pass also through the Congress as a whole.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I suppose if you really want to make it easy to ratify treaties, the thing to do is to simply reduce the two-thirds Senate rule to a mere majority and let it go at that, because that probably would be the easiest way to do it. Evidently this resolution has nothing to do particularly with making the ratification of treaties easier, but its purpose is to give the House a voice in the making of treaties. Am I correct in that, may I ask the gentleman from Texas [Mr. SUMNERS]?

Mr. SPRINGER. May I say that the gentleman is entirely correct, as the evidence shows which I have adduced.

Mr. SUMNERS of Texas. The purpose is, one, to give the House by a majority and the Senate by a majority the right to ratify a treaty, and the other to give the House, of course, the right to participate.

Mr. HINSHAW. Of course, it would be assumed that the House is very much interested in participating in the making of treaties. That is a just and reasonable thought. But, lo, these many years the House has had that power and never exercised it, although on occasion the House has protested violation of its rights. We have had that power ever since the Constitution was first adopted. In section 2 of article I of the Constitution, 18 different powers are granted to the Congress of the United States which, of course, includes the House of Representatives. In other sections of the Constitution there are likewise powers that are granted to the Congress of the United States which have to do with the subjects of treaties.

The first attempt on the part of the House to achieve some acknowledgment of that power was in 1796 when the Jay Treaty was before the Senate for ratification. The House at that time adopted a resolution which was sent to the Senate calling attention to the rights, duties, privileges, and prerogatives of the House in connection with treaty making. That same resolution in slightly different form was submitted and agreed to by the House on other occasions. In 1824 there was one very particular occasion, at which time a Member of the House who later became the President of the United States, Mr. Polk, had some words of very great wisdom to say on the subject of the rights, prerogatives, and privileges of the House in connection with treaty making. I have made bold to take the resolution which was agreed to in 1796, and again in 1881, adding a word or two, and to resubmitting it to the House in the form of House Resolution 156.

Likewise, I have presented a companion resolution of my own drafting known as House Concurrent Resolution 112. Both of them have been referred to the Committee on the Judiciary. A subcommittee of that committee has accorded me a very courteous hearing for a matter of 2 hours on those two resolutions. I have sent copies of those resolutions, with a brief statement, to each Member of the House for his consideration. I know from the letters of acknowledgment by my colleagues that the House is greatly interested in them.

In all probability, the pending resolution, no matter in what form, when submitted to the Senate may receive an unkind reception there as the chairman of its Judiciary Committee has warned, and of course in any event it would have to go before the people. The question would remain as to whether or not any amendment to the Constitution could be accomplished before a treaty of peace were to be returned for action by the Senate, or the House and Senate, as the case might be. Nevertheless, if some resolution similar to the ones I have presented may be given favorable consideration by the House and likewise by the Senate, there is no reason why the House should not take its proper position of participation in connection with treaty making without any constitutional amendment. In my humble opinion, these 18 different powers in article I, section 2, and others that are granted to the House elsewhere in the Constitution should be exercised. It includes such matters as patents, copyrights, piracies, war, army and navy; to raise and support armies, as everyone knows, but no appropriation of money to use that power "shall be for a longer term than 2 years," and so forth.

Now, in connection with a treaty of peace, there may be some matter of legislation required to support an army or a part of an army that may be joined with other forces in the world for the preservation of peace. It is impossible for the Senate and the President to agree to supply that force by any treaty whatsoever, because it is the Congress that has the sole power to raise and support armies and that includes the House. We may make appropriations for that purpose but we cannot make them for longer than 2 years. There are hundreds of treaties that are handed to the Senate for ratification that have nothing to do with peace. There are treaties on copyrights and patents; there are treaties on immigration and naturalization, on radio, on aviation, and all sorts of things that are properly subject to the powers of the whole Congress, not the Senate alone.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. In conclusion, may I say that I intend a little later to offer a combination of my two resolutions as a substitute for the pending measure. I know that that substitute will be subject to a point of order. Nevertheless I hope the point of order will be reserved by the gentleman from Texas [Mr. SUMNERS] or any other member of the committee, because I hope the House will hear it, and I would like to discuss it very briefly.

Meantime, of course, everyone knows that a treaty of peace is not like a law enacted by the Congress. A treaty of peace is something that should not be considered as lightly as a law. To repeal a treaty of peace might mean an act of war. To repeal any other treaty by act of Congress or by any other means might become a casus belli. Therefore, a treaty

is not quite as light a thing as a law. Any time that the Congress chooses to do so, in conjunction with the President, it can repeal any law that has been theretofore passed, but you cannot repeal a treaty that lightly. You must consider the consequences, because there is another party to the treaty than the United States. That other party is one or more foreign countries. The effect upon them must be considered in the repeal of a treaty. The repeal of a law is nothing serious whatsoever. We can pass a law today and repeal it tomorrow and no harm, but perhaps good, may come from it. On the other hand, when you ratify a treaty, be careful what you do when you repeal it. That is a serious matter, and it should likewise be a serious matter to ratify it in the first place. A treaty is a more binding thing than a law as it is in the nature of a contract with a foreign power.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. PATRICK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, surely it is getting time that the House of Representatives of the people of America stood up on its hind feet and got its proper recognition in this land and country. I have heard some of those who seem to be opposing this amendment deplore the fact, they say, that the Congress is letting powers get away from it that rightly belong there. Why, then, do they shrink from assuming a power that should be theirs? Surely those same men realize that a treaty is a thing about which the people of America are interested; surely they know that the Congress of the United States, the men and women who go before the people each 2 years, know what the people of the United States think and feel. The people know what they want done in their business among other nations; and with that in mind, where is there any reason for any Member of this House shirking his responsibility and cultivating the understanding that he must have to represent his district? Is he justified in not engaging in the burden, if he wishes to call it that—and certainly his patriotic duty and his duty as a Representative, his duty to participate in the affairs of this Nation from top to bottom?

Why, I just listened to my good friend from California talking about our Nation's business that comes under the head of treaties—patents, and so on. Well, bless your life, are they not matters of interest and import to the people of the Nation and as such are they not just as much the responsibility of the House as of the other body of the Congress of the United States? No wonder they still call this the lower House.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. PATRICK. I have not time.

Mr. HINSHAW. The gentleman mentioned my name.

Mr. PATRICK. Wait a few moments; then I will get to the learned gentleman as soon as I can. I have some things I would like to say first. I thank the gentleman very much, for I appreciate the honor of having the able Member from California wish to participate right now.

Mr. HINSHAW. That is only because the gentleman referred to me; that is all.

Mr. PATRICK. Very soon. I want to say that this resolution really should have been submitted to the people of the several States when the election of the Senators was reposed directly in the people. This really should have been done then, because the day America recognized that the people could directly elect its Senators and seat them coming straight from themselves, then the reason that obtained for leaving treaties only to the Senate disappeared. Since they decided the Senators could face their constituents—and they do it only once every 6 years—then that was removed. Read the Federalist. I have just recently reviewed, as we all ought to occasionally, the Federalist. Madison and Hamilton both had a great deal to say as to the difference between the Senate and the House, and laying security and safety on the Senate in the fact that it was removed from a direct vote of the people. They declared that it was removed because the people in need of security at that time were not able to sustain as their own views what they should have held.

Mr. HINSHAW. Now, if the gentleman will yield——

Mr. PATRICK. That is not even the end of the sentence. And they provided the Senate be removed from the people by the election by the State legislatures. They expatiated on the fact that the Senators were grounded in the knowledge of affairs of the world, and alleging, as stated in the Federalist and also in the notes in Madison's Journal of the Constitutional Convention, that the people could not be trusted because they did not know enough about what was going on and would listen to siren calls and to selfish men. They also refer in the Federalist, all down the line, to the fact that the Congress came here only a few weeks or months each 2 years, and the men who constituted the Congress were not informed so as to pass on matters of major interest. Read it in the Federalist. It is stated on page 432 of the Federalist that the Congressmen were not able to understand or to pass on objects and principles of legislation. One hundred and fifty years have proved otherwise.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. PATRICK. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute to answer a question the gentleman from California wants to ask.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HINSHAW. The gentleman very kindly referred to me and the remarks I made. I would like to say to the gentleman that my purpose in pointing out that the Congress had the power to make laws in relation to patents, and so forth, was to indicate to the House that we do have that right, we should exercise the right, but we have not exercised it in the past in connection with treaty making. I refer to section 2, article 1, of the Constitution. I certainly believe that the House should exercise it.

Mr. PATRICK. I thank the gentleman very kindly. If we were seeking to make treaties more easy to pass one House, the justice of the argument would obtain; but since that is not the position of the minority in this matter, it does not. It is merely one of getting it passed on by both Houses. If you get a majority of both Houses when the Members are elected by the people all over the country, I ask you, in Heaven's name, is it not more democratic to pass any treaty through both Houses by a majority?

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. VURSELL. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, one of the speakers preceding me called for the United States to take its place in world affairs and rather played down the United States and the power and the influence it has brought to the world. That is not an uncommon thing in this House. It is more common in this House than it is among the American people, the supporters of us Congressmen, and it is stated more by Members of this Assembly than probably by any other statesmen in the world.

Now we hear we are about to lose the peace if the lower House of Congress, the House of Representatives, will not become a party in making treaties on a majority basis. That is another and more recent scarehead. Then we are also blamed for bringing on World War No. 2. Anyone who has read the history of the days of the Treaty of Versailles knows that the nations which scuttled the peace treaty and made it impossible for this country to join did not include the United States, and it was not the action of the Senate. Within the last day or two the newspapers state that the daughter of Woodrow Wilson, our great President of the First World War, has added a footnote of importance to history.

The press states:

> Wilson died knowing the public was right. Just before he died Woodrow Wilson told his daughter it was right that the United States did not join the League of Nations.

That is Margaret Wilson's statement, according to the press.

It has been said in the debates here today that had we been in full fellowship in the League of Nations, probably the second war would not have happened. We are the ones that tried to prevent Japan from moving into Asia; we are the ones that called upon the British Empire and others who were members of the League of Nations for sanctions. It is a well-known fact that Clemenceau, Lloyd George, and those who were manipulating the treaty making of that time, particularly they as the leaders of their people, had not gone through the Gethsemane of war to the point where they had enough. They were the ones who made it impossible for this country to join in a proper effort to prevent the war we are now engaged in.

It has been said in debate today that Washington and those who wrote the Constitution did not visualize that we would live in an age such as we are living in today. No; but they visualized enough,

and they wrote the Constitution with prophetic vision. They probably did not visualize that the Chief Executive would have added to his power and influence from two to three million political jobs. We have seen the power of the Chief Executive wielded in this House. We saw it recently when a few weeks ago this House, by almost unanimous vote, gave its approval to the farm draft resolution and the will of the Executive prevented this House from sustaining its position by a mere majority. The question has been asked, Why should we hold to a two-thirds vote in the ratification of treaties which has been in effect since these men gave us our form of government? I say there are 100 more reasons why we should hold to those fundamental principles today because there has been such tremendous power added to the Chief Executive and there are other reasons.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. VURSELL. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. May I say that there are from ten to twelve million of the finest men and women in this country who are giving all of their attention to upholding the Constitution, upholding representative constitutional government and upholding the dignity of this country under laws by which we have made such great progress. They are the men and women in the military service. Here you propose to reduce the treaty-making power to a mere majority. You propose to endanger every God-given heritage. The heritage that has been kept for them through the sacrifices of the pioneers and the men who have been called to arms in the past as well as the present and who are doing such a remarkable job for this country. You are about to strike down one of the great safeguards that they went out to protect and defend. You had better ponder your action well before you do this in their absence. They have a right greater than any other group to be heard, before this most drastic change is made.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the question that presents itself to my mind today on this question is, "What is my duty as a Member of the Congress of the United States in 1945; what course of action is for the best interest of my country?" Being a Member of the Congress, having the responsibility to pass upon the question, how should I, as a legislator with responsibility, vote on this question, in the national interest of my country as of today, and as of tomorrow?

As I pass upon that question I see a Nation of 135,000,000 people. I see 48 States. I see my country a leader among the nations of the world, one of the greatest nations of all time. I see my country having gone through two world wars within 25 years, with all its pain and suffering. I see what the world has gone through on two occasions. These are some of the factors that attract themselves to my mind, that I in 1945 must consider in passing upon this question.

Every one of us loves the Constitution, every one of us respects those who served in the Constitutional Convention, the same as the gentleman from Pennsylvania, but I wonder how the members of the Constitutional Convention would feel if they were Members of the House of Representatives today passing on this question. In those days this country consisted of 13 States with a little over 5,000,000 people. France controlled the mouth of the Mississippi and England controlled the outlet through the Great Lakes. The Louisiana Purchase came later.

What should we do today with our Nation as a leader, as I have said, among the nations of the world and with responsibility placed upon us? Whether or not we like it, our position among the nations of the world has changed between 150 years ago and today. As I see it, the national interest of our country calls for a change along the lines proposed by this resolution and the amendment that will be offered by the gentleman from Texas [Mr. SUMNERS]. In the ratification of treaties certainly a different course of procedure is called for today than 152 years ago if we are to assume our responsibility as a great nation.

The framers of the Constitution gave us a way to amend the Constitution. We know that, and we are exercising that way today. If this resolution passes the House by a two-thirds vote and then passes the Senate by a two-thirds vote, the amendment will be submitted to the several States of the Union for ratification by three-fourths of the several States.

Years ago many things entered into the compromise that we all know brought about the present treaty-ratification provision of the Constitution. In those days the United States Senators were considered ambassadors of the sovereign States, but the status of the Members of the Senate has changed. For all practical purposes they are no longer ambassadors of the sovereign States. The Members of this body years ago passed upon that very question, as did the Members of the other body, by a two-thirds vote, when they passed a resolution now known as the seventeenth amendment to the Constitution, providing for the direct election of United States Senators, not election by the legislatures, as the framers of the Constitution intended, but direct election by the people.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. VURSELL. The fact that they are elected by direct vote of the people gives them the power of representing the people to a greater extent than heretofore, does it not?

Mr. McCORMACK. Yes; but it makes them the agents and the servants of the people. That was never contemplated in the early days. That is where the gentleman is right, but the gentleman did not know when he asked the question he was giving his own answer.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. That is the question. They were considered ambassadors but not agents and servants of the people. The seventeenth amendment has changed their status. The original conception of Senators as ambassadors of sovereign States has no practical force or no virtue today.

You and I are elected by the people as Members of this body and have been elected by the people since the inception of our Constitution. The House of Representatives was to be the body representing the people, the United States Senate the body representing the sovereign States. The Senators were elected by the legislatures of the States. Members of this body have always been elected by the people, down through the years. As a result of the progress of democratic institutions of government, as a result of aroused public opinion, and as a result of changing conditions, the seventeenth amendment was passed by Congress and ratified by three-quarters of the States of the Union. When that happened, the original conception of United States Senators changed, and for all practical purposes they became just like you and me, agents and servants of the people. If we do not include ourselves in treaty approval, we are giving them a preferred status that they do not deserve in these days, and we are discriminating against ourselves as one of the two great coordinate bodies constituting the Congress of the United States.

I yield to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Chairman, I have very profound respect and a very high regard for the judgment of the majority leader. But I am wondering, in view of his statements, whether or not the seventeenth amendment within itself contemplated relieving the Senators of their responsibilities to the States as originally conceived.

Mr. McCORMACK. What I said is, "The original construction of the Senators as ambassadors of constituent States," mark what I said, my friend, "as a result of the seventeenth amendment, has no practical force or virtue today." That is my statement, and I think the gentleman understands what I mean to say. I will agree theoretically, the original conception of the framers of the Constitution exists, but from a practical angle it does not exist by reason of the seventeenth amendment. The United States Senators are for all practical purposes today what you and I are, agents and servants of the people. If anything, the seventeenth amendment broadened the responsibilities of Members of the Senate. I think in these modern times, with our responsibilities, it is for the best

interests and for the national interest of our country, that the amendment proposed by the gentleman from Texas, Judge SUMNERS, be adopted.

I also urge the defeat of the amendment offered by the gentleman from Indiana [Mr. SPRINGER]. That is a backward step instead of a forward one. Such a proposal was not offered or considered by the constitutional committee itself.

Mr. BREHM. Mr. Chairman, I move to strike out the last word, revise, and extend my remarks.

Mr. Chairman, I do not particularly care to take issue with the majority leader, but I am mighty glad he cleared up a point which I had in mind. Speaking in favor of this amendment a few days ago, the gentleman said, and I quote—perhaps not verbatim, but at least the sense of his remarks—"I trust that this resolution will be adopted because it will go far toward shaping and molding the thinking of the people back home." Now, those are almost his exact words. I was under the impression we were here as servants of the people to reflect the ideas of the people back home and not to shape and mold their thinking. So I am glad he has corrected himself on that. Those words are in the RECORD. He now says that we are agents and servants of the people. I agree with him 100 percent. But let us correct the RECORD wherein he said a few days ago on the same subject that we were here to shape and mold the thinking of the people. That is one thing that has been wrong with this administration during the last 10 or 12 years. They have been attempting to shape and mold the thinking of the people with propaganda measures, and have spent $30,000,000 in the last 10 years to send out propaganda over the radio and through the press and in the movies to shape and mold their thinking. If there is one thing this debate has brought out to me, it is that we should broadcast the proceedings of this Congress so that the people will hear both sides of the question. We are not here to shape and mold their thinking, but to reflect their thinking.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BREHM. I yield.

Miss SUMNER of Illinois. While the gentleman is at it, would he mind correcting another very silly fallacy, and that is the one about the buzz bombs. Does anybody think that any foreign nation in its right senses is going to start hurling buzz bombs at the United States unless it is prepared to be bombed by our B–29's and be taken by our armies?

Mr. BREHM. There is quite a bit of buzzing that goes on occasionally in the well of this House, far in excess of the amount of honey actually being produced.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BREHM. I yield.

Mrs. ROGERS of Massachusetts. Is it not a fact that the Senate Foreign Relations Committee is given a great deal of so-called confidential information which the House Committee on Foreign Affairs does not receive because the Foreign Relations Committee acts upon treaties?

Mr. BREHM. That is true.

Mrs. ROGERS of Massachusetts. Does the gentleman not think that it would be very educational and helpful if the House were given that information? That is one of the reasons I favor the ratification of treaties by the House. Persons who have friends in the State Department can secure information from them, but more Members of the House should be kept informed. It would be a great protection to the country if that were done.

Mr. BREHM. A little knowledge is a dangerous thing.

Now, Mr. Chairman, times may have changed, as the gentleman from Michigan [Mr. MICHENER] said, but I say to you that the longer I live the more I respect and admire our forefathers for giving us the kind of a government which we have. There is nothing in our Constitution which prevents us from full cooperation with foreign nations, but as I said over a year and a half ago, cooperation does not mean amalgamation. We must and I am confident that we will cooperate with other nations to preserve the peace, but I am not willing to take any action in the House which could well weaken our position for effective cooperation.

Personally I believe that it is just as dangerous if not more so to the cause of peace to permit a single majority of one vote to commit this Nation to treaties and obligations which might well be away and beyond our abilities to fulfill, as it is to permit a one-third minority to prevent us from rushing in where angels fear to tread.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. FOLGER. Mr. Chairman, I move to strike out the last word.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. FOLGER. I yield.

Mr. VOORHIS of California. I would like to point out that the concluding argument of the gentleman from Ohio [Mr. BREHM] is an argument for having the two Houses of Congress, and therefore an argument in favor of the resolution which is pending before us.

Mr. FOLGER. Mr. Chairman, I cannot understand; I have lost my power to appraise the thoughts of men. Here we are, the most numerous branch of the Congress, composed of more than 400 Members, elected every 2 years by the people of the several districts of all the States, and we are conceding, and some insisting, that there should remain a situation in the United States of America, now composed of 48 States, from the Great Lakes to the Gulf of Mexico and from the Atlantic to the Pacific, in which not a one of these more than 400 elected Members of the Congress of the United States is entitled to say a word in the world about one of the most vital and important things that could present itself to the American people. This amendment to require two-thirds votes of both Houses of the Congress is unthinkable and that I pass over.

I am not going to attack and criticize unfavorably the action of the framers of our Constitution in finally deciding they would provide that one-third plus one of the Senators might void the most important and far-reaching and vital step that could be taken by this Nation in the preservation of peace and good will in the world. I cannot quite visualize the circumstances in which they were at the time, except that there were only about 13 States and that they were just arising from a time when they had had trouble with foreign people, who are today our allies in saving this world for freedom and democracy and for religion and good will among men. And here we sit as Members of the Congress, elected every 2 years by the people of the United States, and say by our vote that we will deny to the people of the United States an opportunity to say whether in their opinion and by a three-fourths vote of their legislatures, it ought to be that treaties may be ratified by Members of the House as well as Members of the Senate, and by majority vote. We have arrived at a time when we know that if there is a war of any considerable proportion in any part of the world we have got to take our part in it. We are struggling now through Bretton Woods, through Yalta, through the Dumbarton Oaks Conference, and through the San Francisco meeting to provide the establishment of a method and means whereby peace and good will may be established and maintained among the people of the world, and that we may be not thrown, ourselves, into such a holocaust of war as we are passing through this hour.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield.

Mr. PATRICK. As a Member of Congress does not the gentleman get tired of important matters being sent to the Senate for advice and consent, the apparent attitude being that we do not exist over in this House at all?

Mr. FOLGER. I may say to the gentleman that I do not believe any Member of the Senate would actually vote against this resolution simply to maintain a balance of power, an extraordinary degree of power in that body of the Congress, but that he would vote as his conscience and his understanding might dictate to him was for the best interest of the United States of America in this year, 1945.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Pennsylvania.

Mr. RICH. If the gentleman had to do it over again would he do away with the two-thirds rule?

Mr. FOLGER. If I had had a voice in the Senate I would have voted in 1920 to take our place in the League of Nations and probably have prevented this orgy that we are in today.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I regret that attendance on appropriation hearings has prevented me from hearing a great deal of the debate on this very interesting subject.

The closing remarks of the gentleman from North Carolina, however, call to mind the fact that today the Daily News of this city carries a dispatch from San Francisco in the column Peter Edson Reports that the daughter of Woodrow Wilson says that before Mr. Wilson died he said he thought that the United States did right in not entering the League of Nations. Mr. Wilson said it would have been a mistake had we entered the League at that time. That, it seems to me, throws a valuable and an unexpected light upon the problem before us. The gentleman from North Carolina may feel now and may have felt then that we should have entered the League of Nations, but now we have the statement that Woodrow Wilson before he died believed America acted wisely in not entering the League of Nations at that time.

Mr. FOLGER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. FOLGER. I will ask the gentleman if Mr. Wilson did not die for the League of Nations?

Mr. CASE of South Dakota. I would say that he died for a cause of which the League was a temporary symbol. And I would suggest that the gentleman read the statement; the gentleman will find it in tomorrow morning's RECORD in an extension of remarks made by the gentleman from New York [Mr. REED].

Mr. KEFAUVER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Tennessee.

Mr. KEFAUVER. Does not the gentleman think it unfair in view of all the record to take this as the final authority as to what Woodrow Wilson lived and believed?

Mr. CASE of South Dakota. I refer to a direct quotation of Woodrow Wilson given by the daughter of Woodrow Wilson.

Mr. KEFAUVER. How would the gentleman weigh that in the light of the great bulk of material available showing his support of the League?

Mr. CASE of South Dakota. I would weigh it this way: Mr. Wilson believed in an association of nations but his ripe judgment was that the United States should not enter the League until there was sufficient support for it among the people to stand by such a step. It may be well for the House to enter into the consideration of treaties; personally I believe the House should, but I am inclined to question whether we should unless we also provide for a two-thirds majority in this body as well as in the Senate. That it seems to me is how we should measure the final verdict of Woodrow Wilson.

When the Women's Council on National Defense was held in this city in January of this year, they passed a resolution against the adoption of the proposal now under consideration on the ground that treaties should be ratified only on a two-thirds vote. They contended that without the assurance of Nation-wide support that a two-thirds vote indicated, international commitments of a permanent character should not be given.

This two-thirds issue is being raised out in San Francisco for the very same reason: Assurance of true support for action taken. That is the reason in fact for the provision in the Constitution. Would you argue that we should amend the Constitution by a two-thirds vote? Yet when you set up a treaty by a majority vote you are setting up a supreme law of the land, which in effect may amend the Constitution of the United States or the constitution of many States, and doing it by a simple majority vote.

The issue that has been raised by the amendment offered by the gentleman from Indiana is a proper issue to come before us and as far as I am concerned I shall support his amendment.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. ROGERS of Florida. Mr. Chairman, I rise against the pending amendment.

Mr. Chairman, I have listened with a great deal of interest to the reasons advanced for and against this important measure. I went all through my district during the past campaign and one of the things I stated to my electorate was I hoped the Congress would submit a constitutional amendment wherein and whereby a treaty might be ratified and confirmed by a majority vote of both Houses of Congress. I believed in this amendment then, and after listening to the many arguments against this measure, I believe in it now.

Mr. Chairman, I call attention to one point that I do not think has been stressed thus far. What we are doing here is a mere proposal, what we are doing here is not a finality; what we do here is submitted to the States of this Union and before it becomes effective three-fourths of the States of the United States must ratify and confirm our action.

Are we as Members of Congress elected by the people of our congressional districts afraid to submit this issue to the States of this Union so that if three-fourths of the legislatures of the States of this Union ratify and confirm what we propose here it will become a part of the Constitution? Are you afraid of that? Have you not faith enough in the legislatures of the States to permit them to make their decision? We simply say to them: "Here is a proposal. As Members of the House of Representatives we believe in it. We are giving you an opportunity to say whether or not you believe in it."

If three-fourths of the legislatures of these States believe in it, then it becomes a part of the supreme law of the land.

Let me call your attention to another thing. Did you know that just nine States of the Union placed this in the Constitution? The others have not had an opportunity to say whether they want it changed or not. You Members of the House have not had the courage to submit the matter to the legislatures of the States of this Union. If you had that courage I believe they would ratify and confirm it.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Might I suggest to the gentleman before he condemns either this or any other Congress for failure to act in this matter that he discuss the possibility that if three-fourths of the States wanted such a change in the Constitution they could under the very same Constitution initiate proceedings to obtain that change through constitutional convention?

Mr. ROGERS of Florida. In answer to my distinguished colleague may I say this, that in that event conventions will be called in response to the memorials and resolutions passed by the legislatures of the various States. May I say, further, that the good old State of Florida has just passed a resolution memorializing Congress to submit this amendment to the legislatures of the States.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from California.

Mr. VOORHIS of California. I just wanted to ask the gentleman whether he feels that if this proposal were ratified and did become the law, anyone should be afraid of a majority of this very House, which would be a new element in the ratification of treaties heretofore denied any Member therein.

Mr. ROGERS of Florida. I think so, and I think the gentleman has a good point there.

May I say this? The House participates in a declaration of war. The House participates in the passage of draft laws. In appropriating moneys to fight a war, this House takes part. Now when it comes to rejoicing after the battle is won, after victory has come to us, then you say that this House must sit back and say to the Senate, "By a two-thirds vote you must ratify any treaty that is made."

I say to you, Members of the House, that is not democracy.

Mr. CELLER. Mr. Chairman, I move to strike out the last eight words.

Mr. Chairman, I am firmly of the conviction that the pending amendment would make worse the insufferable condition that now exists requiring a two-thirds vote in the Senate for the ratification of a treaty. It would make that present impediment even more burdensome. The cure for the ills of democracy, we are told, is more democracy. We know that this requirement of a two-thirds vote in the Senate is one of the difficulties of our democracy. It has caused President after President to use the subterfuge of Executive agreement, protocol, and Executive covenants to get away from the intolerable condition that applies with reference to the ratification of a treaty. Each President bypasses as often as possible the undemocratic method of treaty ratification. A majority vote in the Senate is and should be sufficient. Two-thirds vote means control by one vote plus one-third of the Senate—a most undemocratic procedure.

The two-thirds-vote requirement in both Houses means just this: That one vote more than a quorum can scuttle a treaty. One vote more than a quorum in

either House can make impossible the ratification of a treaty.

A moment ago one of the Members said that there is much talk about the two-thirds requirement at San Francisco with reference to the ratification of a charter of a community of nations or any amendment thereof. As to that, the cases are not in the slightest degree comparable. You cannot compare the votes of nations which assemble only as they are assembling in San Francisco, once in a quarter of a century, to the case of ratification of a treaty by the Senate.

To my mind—and I say this weighing my words—this amendment is an attempt to sabotage any improvement that we may attempt in this Chamber by passing this bill. Perhaps the author of the amendment does not so intend, but that is the effect. You could not possibly get a treaty ratified, or any given number of treaties ratified, with a two-thirds requirement in both Chambers. Say "good-bye" to treaties. Maybe some of those advocating the amendment want to be sure that no charter fashioned at San Francisco shall become a treaty.

John Hay, a very wise statesman, once said that the presentation of a treaty to the Senate could very well be likened to a bull in the arena. You could not state when the fatal blow would be struck or where the fatal blow would come from, but one thing was certain—the bull would never get out of the arena alive. That is what the situation is over on the other side of this Capitol. You rarely, if ever, get a treaty out of that Chamber.

If you compare the list of the treaties submitted with the list of the treaties defeated, the disproportion is most revealing. Too many important treaties have been defeated. Then compare over and above that the thousands of Executive agreements entered into during the history of this country by the President and the foreign officers of the various nations.

There again you emphasize the extreme perturbation with which each successive President views agreements in the nature of treaties.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. Out of over 800 treaties submitted by 1928 to the Senate, only 6 failed to get a two-thirds majority and were therefore defeated, but they did get a majority.

Mr. CELLER. I do not want to doubt the gentlewoman's figures, but I think there has been placed in the RECORD the number of treaties which have been defeated over the course of the years—scuttled, I would rather say—and the number is sizable. The earnest efforts of many able Presidents and Secretaries of State—Republican and Democratic—were thus frustrated by the wishes of mere minorities—often with political axes to grind—in the Senate.

Miss SUMNER of Illinois. I say there were six treaties that got a majority vote but did not get the two-thirds necessary for ratificaion.

Mr. CELLER. I am afraid I must differ with the gentlewoman from Illinois, although I regret to do so.

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 25 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I regret very much that the distinguished Member from New York who has just left the floor suggested the author of this amendment, the able member of the committee from Indiana, was wilfully sabotaging this legislation. I think that is a pretty strong statement, because I believe the gentleman who offered the amendment is acting absolutely in good faith. Members may disagree with his views, but to charge sabotage of legislation is unfair.

The gentleman from Florida a few minutes ago said he was tired of having the other body at the other end of the Capitol dictate with respect to legislation that should or should not be passed by this House. The Member who yielded to him seemed to agree. In fact I have many times shared the view that this House has too many times accepted legislation that it refused to support when considered on the floor of this House.

Within the next 2 or 3 days that body is going to send back one of the bills that passed this House and was sent to that body for consideration. It is an appropriation bill. I am informed the other body has by amendment increased that bill by the millions that will be charged to the taxpayers of this country. Items, I say, that were not in the measure when it left this House. I hope these distinguished gentlemen will rise in their places and vote against these amendments, unless they feel this House was in error by not including these great increases in the bill. Here is a good chance to further maintain our position, unless, as I have said, we feel we were wrong in our position in the first instance when this legislation was considered here. Of course, the other body has a right to amend our legislation, but if we feel they were wrong then give us a chance to vote against such amendments.

Mr. Chairman, the measure we are considering this afternoon is submitted by one of the most important committees of this House. In fairness I should say that it does not have the unanimous approval of the committee.

It proposes in substance that the Constitution be amended so that treaties may be approved by a majority of the membership present when vote is taken. Mr. Chairman, if only a quorum of the House were present to vote on a treaty, 4 of our most populous States could approve the treaty. In fact, if three-fourths of the membership were present, or more than 300, and that is a fair average, 6 of our big heavily populated States could approve a treaty. Then the proposal would go to the other body and if voted upon in the same manner over there, 37 Senators could pass it if 75 percent of its membership were present. Even if all Members were here, which very rarely occurs, 11 or 12 States could carry the vote.

This is the legislation you are considering this afternoon. I believe it is only fair to call attention to the fact that those who propose this legislation have insisted they want the bill passed as submitted. There has been a considerable amount of discussion that the House should sustain its dignity. The amendment before you will give the House a chance to sustain its dignity if that is the reason for the passage of the legislation.

Mr. Chairman, I think it ought to be stated that this bill comes at a rather inopportune time. The House and the country are under tremendous pressure right now. Most serious and complicated problems are at hand that demand our immediate and careful consideration. Some of these problems almost overwhelm us. Why not wait until this terrible war has been brought to final conclusion? Even if it should pass both Houses of Congress, it will take a long time before it will be passed upon by the several States.

Now, Mr. Chairman, after all the effort, after all the debate in this House, I do not believe there are many on this floor today, even the most optimistic of you, who believe the other body will pass this legislation, even though we may think they ought to do it. Somehow, we don't find any demand for it over there.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Kentucky.

Mr. ROBSION of Kentucky. I am a Member of the Committee on the Judiciary. Some eight of us on that committee have made speeches—that is, seven or eight of us—against the proposed amendment here.

Mr. REES of Kansas. Then I meant to say that the majority of the committee brought this measure before us. I thank the distinguished Member from Kentucky. I will see that my statement is clear on that point.

Mr. ROBSION of Kentucky. I am for the amendment offered by the gentleman from Indiana. I am opposed to the proposed amendment of the committee.

Mr. REES of Kansas. I appreciate the statement of the gentleman from Kentucky.

May I say to the gentleman the particular thing I meant to refer to is that the gentleman from Alabama suggested a while ago that he was very much disgusted with the manner in which the other body at the other end of the Capitol operates with respect to legislation which we send over there. May I suggest to him again within the next 2 or 3 days legislation will come back from the other end of the Capitol with numerous items added thereto. I suggest when that legislation comes back to this House with these amendments will he take the floor

and make a similar argument? I feel it would be helpful if he will do it.

Mr. PATRICK. May I correct the gentleman's statement? He did not quite understand the statement I made.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, in view of the lateness of the hour, I will reserve what I have to say on the next amendment. I yield to my distinguished friend the gentleman from Massachusetts [Mr. GIFFORD], who is on his feet.

Mr. GIFFORD. Mr. Chairman, I hardly think I can contribute much in a talk of 5 minutes, after listening most of the afternoon to such able men who, by the way, seem to differ so greatly among themselves. However, I should express sympathy with those who believe so thoroughly in a bare majority vote. What a pity it must seem to them that three-quarters of the States must ratify. They would seem to object to the idea of one-fourth of the States preventing what the majority of the States might approve.

How can they reconcile that phase of the process? I cannot understand their lack of reference to it. I hope you will not recommend a change in the jury system and advocate that a defendant should be convicted by a bare majority of the 12 members of the jury. I have been brought up under the old system. When my people, as in all small villages, want to put up their money or pledge their fortunes in any undertaking, they first draw up a constitution so that a bare majority could not change the fundamental principles they sought to preserve.

Temporary conditions often bring about heated, diverse opinions that threaten hasty and oft-repented action.

You would not subscribe your hundred dollars a share to build a church or anything else unless you first framed a constitution that would require at least a two-thirds vote to change its fundamental character. I am sometimes quite disturbed by the hasty action of a mere majority. Of course we all subscribe to majority rule. However, I voted for prohibition and later I voted to repeal it. I want our fundamental theories of government carefully preserved, and if a two-thirds vote cannot be secured, we may well doubt the wisdom of proposed changes.

I have seen even Congressmen get so heated up over things during the last 20 years, that I sometimes felt their careful, sober judgment was impaired by too much enthusiasm. Yes, I often have seen majorities take far different action from what I felt they should and afterward seemingly such action was regretted. Many times I want to vote for changes. I want to vote for the Bretton Woods and other proposals, but only after the most intense consideration has been given. I have sometimes been guilty, as many of you also have, of coming into this Chamber without much information about a particular bill and then voting with the majority. I like to be in the procession but we should act only after careful thinking; and we are sent here to do careful thinking. One speaker has said, "You do not have the courage to present this to the people." Well, we ought to have the courage not to present some things. However, we have presented a great many proposals to the States, over 2,000 I think, which the States failed to ratify. How easy it is to say, "Do you not have the courage to present this or that?" and "Ought not the people have a chance to vote on it?" The States do not wish that we avoid our responsibility by dumping it on them.

Oh, I can see men on this side of the aisle who when I came here 20 years ago would long hesitate to favor a proposition like this. Indeed, how vehemently they would have fought it. Do the verities of the government of our forefathers change with the seasons?

I think of those who have joined the recent majority. I could name some of them. But loving my country, as I am sure I do, I am right glad that we can prevent a majority made up of such combinations from destroying that Government, the best yet devised by man. We have treaties to make with countries which we should debate and consider long before we ratify. They should command more than a mere majority if they are meritorious.

After all, I should know more about the Constitution than perhaps you really expect. I studied and taught it for some years.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BATES of Kentucky, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the resolution, House Joint Resolution 60, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. GEARHART asked and was given permission to extend his remarks in the RECORD in three instances, in the first to include an article entitled "Military Training, If"; in the second instance to include an article "We Will Soon Have 80,000,000 Germans on Our Doorstep"; and in the third an article relating to Philo Norton McGiffin.

Mr. GWYNNE of Iowa asked and was given permission to extend his own remarks in the RECORD.

Mr. DE LACY asked and was given permission to extend his own remarks in the Appendix of the RECORD and include a letter from a soldier.

Mr. ROWAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD in two instances, in one to set forth a resolution adopted by the City Council of Chicago, and in the other a speech entitled "Tomorrow's Trains Today."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HOFFMAN asked and was given permission to revise and extend his own remarks.

UNITED STATES NAVAL ACADEMY CENTENNIAL COMMISSION

The SPEAKER. Pursuant to the provisions of Public Law 50, Seventy-ninth Congress, the Chair appoints as members of the United States Naval Academy Centennial Commission the following Members of the House: Mr. O'TOOLE, Mr. SASSCER, and Mr. BEALL.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CRAVENS (at the request of Mr. MILLS), indefinitely, on account of business.

ADJOURNMENT

Mr. FOLGER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 1 minute p. m.) the House adjourned until tomorrow, May 9, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Wednesday, May 9, 1945, to resume public hearings on S. 63 and H. R. 1648, to amend the Communications Act of 1934, as amended, so as to prohibit interference with the broadcasting of noncommercial cultural or educational programs.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

Subcommittee No. 2, of the Committee on Immigration and Naturalization (Representative O. C. FISHER, chairman), will hold a hearing at 10:30 a. m. on Wednesday, May 9, 1945.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will meet in open session at 10 a. m. on Thursday, May 10, 1945, in the committee room, 356 House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Bridge Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m. Friday, May 11, 1945.

To begin public hearings on H. R. 541, a bill authorizing and directing the Commissioners of the District of Columbia to construct two four-lane bridges to replace the existing Fourteenth Street or Highway Bridge across the Potomac River, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

446. Under clause 2 of rule XXIV a communication from the President of the United States, transmitting a supplemental estimate of appropriations for the fiscal year 1946, in the amount of $838,725, for the District of Columbia (H. Doc. No. 170), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 3146. A bill making appropriations to supply additional or supplemental appropriations for the fiscal year ending June 30, 1945, and for subsequent fiscal years, and for other purposes; without amendment (Rept. No. 530). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLMER: Special Committee on Post-War Economic Policy and Planning. Interim report pursuant to House Resolution 60. Resolution creating a Special Committee on Post-War Economic Policy and Planning (Rept. No. 541). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SCRIVNER: Committee on Claims. H. R. 246. A bill for the relief of L. S. Strickland and Mrs. Marguerite Boggs; with amendment (Rept. No. 531). Referred to the Committee of the Whole House.

Mr. SCRIVNER: Committee on Claims. H. R. 795. A bill for the relief of Marie A. Atanasio; with amendment (Rept. No. 532). Referred to the Committee of the Whole House.

Mr. COLE of Kansas: Committee on Claims. H. R. 1243. A bill for the relief of Mrs. C. J. Rhea, Sr.; with amendment (Rept. No. 533). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. H. R. 1599. A bill to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.; with amendment (Rept. No. 534). Referred to the Committee of the Whole House.

Mr. SCRIVNER: Committee on Claims. H. R. 1792. A bill for the relief of the White Van Line, Inc., of South Bend, Ind.; with amendment (Rept. No. 535). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. H. R. 1838. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of A. G. Bailey against the United States; with amendment (Rept. No. 536). Referred to the Committee of the Whole House.

Mr. SCRIVNER: Committee on Claims. H. R. 2158. A bill for the relief of the Cowden Manufacturing Co.; with amendment (Rept. No. 537). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 2699. A bill for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson; with amendment (Rept. No. 538). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2727. A bill for the relief of Mrs. Lillian Adams and Pleas Baker; with amendment (Rept. No. 539). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. H. R. 2730. A bill for the relief of Mrs. Jane Strang; with amendment (Rept. No. 540). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ADAMS (by request):

H. R. 3147. A bill to authorize the appointment of qualified medical technologists as commissioned officers in the Army of the United States and in the Naval Reserve; to the Committee on Military Affairs.

By Mr. BREHM:

H. R. 3148. A bill to provide for making available to the several States geological and mining data assembled by the Department of the Interior; to the Committee on Mines and Mining.

By Mr. MAY:

H. R. 3149. A bill to provide for payment and settlement of mileage and other travel allowance accounts of military personnel; to the Committee on Military Affairs.

By Mr. PITTENGER:

H. R. 3150. A bill to revive and reenact the act entitled "An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes," approved August 7, 1939; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE of Illinois:

H. R. 3151. A bill to provide additional time within which honorably discharged veterans may make payment of Federal income taxes; to the Committee on Ways and Means.

By Mr. SASSCER:

H. R. 3152. A bill to make certain temporary employees in the executive branch of the Government eligible to acquire a civil-service status upon passing a noncompetitive examination; to the Committee on the Civil Service.

By Mr. STARKEY:

H. R. 3153. A bill to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 3154. A bill to provide for restoration to office of civilian officers of the United States who left their positions to serve in the armed forces; to the Committee on the Judiciary.

By Mr. VOORHIS of California:

H. R. 3155. A bill to amend the second sentence of section 500 (a) of title III of the Servicemen's Readjustment Act of 1944; to the Committee on World War Veterans' Legislation.

By Mr. McMILLAN of South Carolina:

H. R. 3156. A bill to require the use of surplus cotton to the fullest practicable extent in articles and facilities produced for the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. FARRINGTON:

H. Con. Res. 53. A concurrent resolution urging the adoption of the Edwards perpetual calendar; to the Committee on Foreign Affairs.

By Mr. PLOESER:

H. Con. Res. 54. A concurrent resolution providing that unemployed veterans should receive preferential consideration by private employers when qualified; to the Committee on World War Veterans' Legislation.

By Mr. VOORHIS of California:

H. Con. Res. 55. A concurrent resolution to declare a governmental policy in preventing the rebuilding of the war power of enemy nations; to the Committee on Foreign Affairs.

By Mr. REED of New York:

H. Res. 251. A resolution to request the Tariff Commission to furnish to the ways and Means Committee certain information relating to reciprocal trade agreements; to the Committee on Ways and Means.

By Mr. CELLER:

H. Res. 252. A resolution to empower the Judiciary Committee of the House to study, investigate, and examine into the trial and punishment of the Axis war criminals; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States respecting and honoring the memory of our late President and Commander in Chief, Franklin D. Roosevelt; to the Committee on the Library.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States in support of House bill 2071, for the benefit of postal employees; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to pass Senate bill 181, providing for equalization of educational opportunity; to the Committee on Education.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 3157. A bill for the relief of J. T. Melson; to the Committee on Claims.

By Mr. ELSTON:

H. R. 3158. A bill for the relief of Leonard J. Fox and Milford G. Fox, a partnership, doing business as Fox Co.; to the Committee on Claims.

By Mr. FARRINGTON:

H. R. 3159. A bill for the relief of Ernest Pedro Ferreira; to the Committee on Claims.

H. R. 3160. A bill for the relief of George Corenevsky; to the Committee on Claims.

By Mr. HOLIFIELD:

H. R. 3161. A bill for the relief of Mrs. Ruby Miller; to the Committee on Claims.

By Mr. LANHAM:

H. R. 3162. A bill for the relief of Alexander C. Maddox and Thomas F. Moorey; to the Committee on Claims.

By Mr. WEICHEL:

H. R. 3163. A bill for the relief of Edwin R. Samsey; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

558. By Mr. BLAND: Petition of 65 citizens of Virginia, urging the imperative need of passing the Bryson bill, H. R. 2082, at the earliest possible opportunity; to the Committee on the Judiciary.

559. By Mr. COCHRAN: Petition of Max Kloeris and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

560. Also, petition of Tom O. Winn and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

561. Also, petition of Casper Seim and 25 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

562. Also, petition of John Vilbert and 25 other citizens of St. Louis, Mo., protesting

against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

563. Also, petition of John Cassar and 26 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

564. By the SPEAKER: Petition of the city council of the city of Cambridge, petitioning consideration of their resolution with reference to passage of House bill 3035 for the benefit of postal employees; to the Committee on the Post Office and Post Roads.

565. Also, petition of F. J. Atterbury, of Jersey City, N. J., and of others, petitioning consideration of their resolution with reference to support of a merchant seaman's bill of rights; to the Committee on the Merchant Marine and Fisheries.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 9, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Infinite and eternal God, our gracious benefactor, we pray that our minds and hearts may be fitly disposed and worthy to receive the many blessings which Thou art continually bestowing upon us.

Inspire us with a clear vision of Thy holy will and a cheerful obedience to Thy laws. We humbly confess that again and again we follow our own desires, placing our confidence in human ingenuity.

We pray that all who are charged with the responsibility of leadership in the affairs of government may have that wisdom which cometh from above as they face the tremendous problems and decisions of this day and the adventures of the unknown tomorrow.

To Thy name we shall ascribe all the glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD in four instances and to include in connection therewith a newspaper article, an editorial, and two resolutions from the Legislature of Massachusetts.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and to include an address by William D. Leahy.

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD and include an editorial on the Boeing union workers.

Mr. FEIGHAN asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Cleveland Plain Dealer, May 7.

Mr. LYNCH asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an article appearing in the New York Post on the food situation and in the other an article from the American magazine.

Mr. THOMAS of Texas asked and was given permission to extend his remarks in the RECORD and include a short newspaper article.

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an editorial appearing in the Washington Post entitled "Mr. Roosevelt" and in the other a newspaper article concerning Mr. Pauley.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include a newspaper article by Sam Tucker appearing in the East St. Louis (Ill.) Journal.

Mr. SHEPPARD asked and was given permission to extend his remarks in the RECORD and include an address delivered by Dr. Ira D. Scott, of the United States Veterans' Administration.

VE-DAY FORECAST

Mr. WOLVERTON of New Jersey. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON of New Jersey. Mr. Speaker, we have frequently been surprised at some of the "Believe it or not" happenings that have been recorded. Yesterday, May 8, as we celebrated VE-day, a happening of this character came to my attention. It was of such an unusual character and so interesting that it deserves to be brought to the attention of the House.

I hold in my hand a V-mail letter addressed to Mr. Herb K. Stratton, 118 Haddon Avenue, Haddonfield, N. J. The letter was written by Corp. Isadore Rosenthal from somewhere in Italy on February 22 last, when Corporal, now Sergeant, Rosenthal was serving with a Headquarters Detachment Medical Service, Eighth Battalion, First Replacement O. C. P., A. P. O. No. 761, postmaster, New York City, N. Y. This letter forecast on February 22 last that VE-day would be May 8.

The letter reads as follows:

SOMEWHERE IN ITALY,
February 22, 1945.

DEAR HERB: Many thanks for that nifty calendar. Here, where the daily routine makes it difficult to know what day it is, your calendar will do a big job. I've marked May 8 as VE-day. Don't know how close I'll hit, but from where I'm sitting I believe that date will be it.

I trust things are going well with you, and that war's shortcomings hasn't cramped too much your ability to enjoy the good things of life.

Regards to the neighbors.

Best wishes,

IZ.

It is also interesting to note that this young man, before his induction into service, operated a drug store in Berlin. I refer to Berlin, N. J., in the First Congressional District of New Jersey.

EXTENSION OF REMARKS

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include an editorial from the Grinnell (Iowa) paper.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a report from a New York City bank on the Bretton Woods agreement.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD on two subjects and include newspaper articles.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a statement from a New York paper dealing with W. P. B. Order No. 388.

Mr. PATRICK asked and was given permission to extend his remarks in the RECORD.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make today and include excerpts from the Constitution of the United States and certain records of previous Congresses, as well as a statement of my own.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EQUAL RIGHTS AMENDMENT

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, the House is showing such a very fine spirit of fairness in an effort to see both sides of the treaty amendment that it gives one fresh hope as to the type of legislation we will put through. I want to put into the RECORD two sides of a matter that will come before us before very long, probably, as it is out of committee, the equal-rights amendment. I hope very much that you will read both sides as given in the Cleveland News and in one of the labor-union drafts, which you will find in the Appendix, and that you will consider these presentations of both sides as well as whatever expressions may have come to your desks.

CALL OF THE HOUSE

Mr. SPRINGER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 72]

Andresen, August H.	Bland	Chapman
Andrews, Ala.	Bloom	Clark
Baldwin, Md.	Boren	Clason
Bates, Mass.	Bradley, Mich.	Cochran
Bell	Buckley	Cooley
	Camp	Cravens

Curley	Jennings	Richards
Dawson	Johnson, Okla.	Rivers
Dirksen	Judd	Rogers, Fla.
Douglas, Calif.	King	Sabath
Earthman	Lea	Sasscer
Eaton	Lesinski	Savage
Eberharter	McKenzie	Short
Elliott	Madden	Stewart
Gallagher	Manasco	Thomason
Gardner	Mansfield, Mont.	Tolan
Gibson	May	Voorys, Ohio
Grant, Ala.	Morrison	Vursell
Hancock	Mott	Wadsworth
Hand	Norrell	Walter
Hays	Norton	West
Healy	Outland	White
Hébert	Patman	Wilson
Izac	Pfeifer	Worley
Jackson	Randolph	Zimmerman
Jarman		

The SPEAKER. On this roll call 356 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROPOSED AMENDMENT TO THE CONSTITUTION RELATIVE TO TREATIES

Mr. SUMNERS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 60) proposing an amendment to the Constitution of the United States relative to the making of treaties.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 60, with Mr. BATES of Kentucky, in the chair.

The Clerk read the title of the joint resolution.

Mr. RIZLEY. Mr. Chairman, I do not flatter myself enough to believe that anything I might now say—or, in fact, anything that will probably hereafter be said—will change a single vote. I simply want to record my opposition to this resolution because, in my humble opinion, it strikes at one of the fundamental safeguards which the founding fathers placed in our national charter.

It is an easy matter to say that because the world has so materially advanced and that through science, invention, and a thousand other things they have brought the peoples of the world into closer proximity we should no longer pay attention to what some of us seem to believe to be almost inspired supernatural wisdom on the part of the founding fathers in writing into our national charter some fundamentals which would make it possible to retain the system of government which they visioned.

What I am trying to say is that certain things are fundamental; they do not change with the times. I am still old-fashioned enough to believe that the change of times does not warrant amending or repealing the Ten Commandments or the philosophy contained in the Sermon on the Mount.

Treaties are not in the same category with ordinary legislation enacted by the Congress. Treaties supersede all State and National laws. They are not the subject of court review and cannot be repealed by the Congress at will without manifest danger of plunging the country into war and, because of these and many other reasons, it is my humble opinion that the Constitution makes believe that it was well to safeguard the rights of the States and the rights of the people by requiring treaties to be approved by a two-thirds vote of the Senate.

I regret very much that I find myself unable to agree with the distinguished chairman of the Judiciary Committee, Judge SUMNERS, of Texas. I have the utmost regard and respect for him, and I just cannot understand, knowing his philosophy as I do, how, at this time of unrest in the country and with the waves of emotionalism which sweep the world during war, that he could advocate a resolution to amend the Constitution which would make treaty making easy. It is my opinion that perhaps one of the outstanding reasons that the founding fathers had in mind by requiring a two-thirds vote of the Senate to ratify treaties was to safeguard the interests of this country and the interests of the individual States in times like these when sober thought and sound judgment are sometimes replaced by what seems to be the exigencies of the hour. Of course, none of us want to be sectional about this thing, but the House of Representatives is made up in accordance with the population of the several States. Again it must be remembered that treaties supersede and take precedence over all State laws. As a protection for the interests of the small States, they were given equal representation in the United States Senate. It is not so in the House. We might well vision a time when a majority of this House, and I mean a majority of the membership, not merely a majority of a quorum, might come from a half dozen large cities in the country. If we change the Constitution, they could write a treaty, and regardless of the effect that it might have on agriculture or industry, it would be the law.

I know there are a lot of people in the country who believe and who preach and teach new and strange doctrines which are not compatible to a republican form of government. I have heard the arguments made in the past few years and in high official places that our method of legislation is outmoded and insufficient to cope with the times. I have heard it argued that bureaucracy is more capable of legislating than the elected Representatives of the people. They say that these swarms of Government agents who visit the farms and the business houses are in closer touch with the people and with what the people need than are their own Representatives. Thus they advocate that these agents who are constantly in the stores of the merchants and in the fields of the farmers can make recommendations to the boards, bureaus, agencies, and what-have-you in Washington, and from these recommendations they can write orders, decrees, and directives which will much better serve the people's needs than will the laws enacted by the Congress.

I know my good friend from Texas subscribes to no such policy. But he does know that that school of thought is prevalent in many places. And the same argument is made by those who advocate this thing I have been talking about that is being made here by those who are advocating amending the Constitution. They say the world has grown too small, that, because of trade and commerce and communications, the Constitutional method of making treaties has become outmoded, and that we must change it. Yes, there are a good many people today who think that, while the war is going on and the boys are away, we must build and have ready for them an entirely new world when they return. In this respect I want to call your attention to a recent speech made by the Prime Minister of Great Britain, Winston Churchill. Personally, I have a lot of respect for his judgment. I quote from a very recent speech of his:

> Let there be no mistake about it. It is no easy cheap-jack Utopia of airy phrases that lies before us.
>
> There is no time for windy platitudes. The Conservative Party had far better go down telling the truth and acting in accordance with the verities of our position than gain a span of shabbily bought office by easy and fickle froth and chatter.
>
> Woe betide those public men who seek to slide into power down the slippery slope of vain and profligate undertakings. This is no time for humbug and blandishment, but for grim and stark facts and figures, and action to meet immediate needs.
>
> You hear all this talk by the stay-at-home left-wing intelligentsia that the soldiers will hold us guilty if we do not have a new world waiting for them on their return. The brave new world is to be already waiting for them when they disembark.
>
> But that is not what the fighting men are looking forward to.
>
> They are not looking forward to a new world constructed behind their backs by politicians who seek their votes. Most of them have lived long enough in uncomfortable proximity to another world to be thinking of that.
>
> They do not regard themselves as a slum-bred serf population chased into battle from a land of misery and want. They love their country and the scenes of their youth and manhood and they have shown themselves ready to die not only in defense of their material satisfactions but for its honor.
>
> When they are home and settled down and their country is again a going concern, paying its way and standing on its own in the postwar world, then will be the time for them to settle what form and shape our society should assume.

What is the hurry about this thing? The war will be over some of these days, and the 8,000,000 men and women now overseas will be coming home. Why hurry this thing through during their absence? Personally, I am willing to respect their judgment on treaty making. They will have seen a lot of this world, and they are going to be in the legislative halls of the States and in this Congress within a short time. Are you afraid to wait until they return so they can have some say about this thing? Some people have become terriby exorcised and upset in respect to the two-thirds majority right for the approval of treaties. It is quite interesting to note that, while this debate is going on, the United Nations meeting in San Francisco applied a two-thirds voting rule on all major decisions. I hold here, and will ask permission to insert it in the RECORD at the proper time, an Associated Press dispatch from San Francisco. Here it is in glaring headlines: "Two-thirds Rule Adopted for Security Parley Voting."

It seems to have grown very fashionable in this country to criticize and find fault with all of the old landmarks and traditions. Someone, I do not remember now who it was, said one time that "It is always easier to find fault than it is to find a way to remedy that fault." But perhaps faultfinding and adverse criticism is not altogether an unmixed evil for, as the lashing storms of nature come to purify the very air we breathe so that the blood may run just a little more red in our veins, maybe this criticism of the past few years of all of the old landmarks and the branding of some of us who still believe in them as reactionaries and stand-patters will help to clear the political atmosphere and bring to the front the very best there is in statecraft. But I am persuaded that "if we have the fortitude to stand against the throng, and have the courage to fight the thing that is wrong," that when this storm of criticism shall have finally passed away, we will have the satisfaction of beholding the citadel of this great Government of ours standing strongly intact, and our best and most sturdy citizenship standing strongly erect, unwavered and unwavering, unscathed, untarnished, and unafraid, still respecting, still obeying, and still upholding democratic principles and a representative form of Government, against which all of the combined forces of evil cannot prevail.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. HENDRICKS].

Mr. HENDRICKS. Mr. Chairman, like the gentleman from Oklahoma, I feel that I perhaps am not going to persuade anyone to change his opinion about this joint resolution. I have been here for 9 years and I am sure the Members of the House who know me know I am not the talkative type. I feel that on a measure of this importance I should express myself, however, because I feel I ought to let my constituents know where I stand and I should like the public to know where I stand.

There has been so much said about this proposed legislation and so many scholarly arguments on each side that I have been somewhat hesitant in addressing this House at all on the subject. However, I do feel that there are a few things I may add.

For one thing, if the amendment offered by the gentleman from Indiana is adopted, I shall be compelled to vote against this joint resolution. I do not want to do so, but if that amendment is adopted I am going to vote against the resolution for the simple reason that I do not want to make it doubly difficult for us to ratify treaties in the future.

I think I know something about the history of the League of Nations. I know that the League was not defeated on partisan lines. One of my colleagues said recently, "I am afraid if we provide that the Senate can adopt a treaty by a majority vote, treaties will be acted on along partisan lines."

The action on the League of Nations does not indicate that at all because the record of the final vote on the League of Nations in 1920 shows that in spite of the fact the League was proposed by a Democratic President, 28 Republicans voted for it, as I recall the vote, and 21 Democrats voted for it. But that was less than two-thirds. I do not know whether this has been pointed out or not, but under our present system 17 Members of the Senate may defeat a treaty which means so much to this Nation. It is absolutely possible for 17 Members of the Senate to defeat it. Therefore, when a situation of that kind arises, the majority action of the Senate is not important at all. Immediately the minority becomes important. Some of our colleagues have said the House is jealous of some of the powers which the Senate now has and that we are trying to secure some of those powers for ourselves. Well, that may be true. But if we could divide the two questions and if I had to compromise and make a sacrifice, I would be perfectly willing to give up the right of the House to vote on a treaty if we fix it so that the Senate could ratify a treaty by majority vote. I am not at all concerned with whether the House will vote on it or not as long as we can get treaties adopted. I am willing to make that sacrifice. But there is no reason in the world why the House of Representatives should not vote on treaties. We are called upon to vote for war; we are called upon to take all the great responsibilities of sending our men abroad; we are called upon to originate the appropriations which carry on a war. I want to say to you I have been on the Committee on Appropriations during this war and have felt that great responsibility. I do not know whether the League of Nations would have worked or not. No one knows. But I want to say to you, after having made those appropriations and after having sent our boys abroad, I wish we had tried the League of Nations. Let me call to your attention this bit of irony: After the League of Nations had failed in the Senate and after President Harding had announced the League of Nations was a dead issue, then a disarmament conference was called in Washington at which many great nations convened in the Continental Memorial Hall. On the back of the chair of each delegate was inscribed the name of each delegate. Those chairs were later given to the House Committee on Appropriations. In 1941, after we went to war with Japan, I sat on the Committee on Appropriations, and after hearings had been held by a subcommittee the full committee voted appropriations at the rate of $5,000,000,000 a minute, and I turned around and looked on the back of my chair. I was sitting in the chair of the delegate from Japan. My friends, I want to say the House has always had the responsibility of declaring war, of supporting war, and of originating the appropriation bills to carry on a war. I hope that this measure will pass.

The CHAIRMAN. The gentleman from Texas [Mr. SUMNERS] is recognized for 5 minutes.

Mr. SUMNERS of Texas. Mr. Chairman, it should be understood by everybody that this particular amendment on which we are to vote in a few minutes adds to the present requirement of a two-thirds majority of the Senate to ratify a treaty the further requirement that a two-thirds majority of the House must also favor the treaty before it is ratified, a double handicap.

That is the answer that it is proposed to have this House make to the appeal of the people of the Nation that one-third of the Senate plus one no longer be able to prevent the will of the majority from becoming reflected in their public policy. The answer to that appeal is to add an additional identical handicap in the House. This amendment would say to the isolationist, if you fail in the Senate, we fix it so you can go to the House, and if you can get one-third plus one in the House to block the treaty, though you could not get it in the Senate, the treaty is blocked. There is only one chance now for a one-third plus one minority to block a treaty. Adopt this amendment and you have two. I say with all respect that if anybody wants to make it practically impossible for this Government to adopt a treaty, vote for this amendment. Everybody who is in favor of isolation, nonparticipation, ought to support that amendment, because it goes as far as I have ever heard it being proposed to go to make that situation, in effect, certain.

In justice to the memory of Mr. Wilson, I think I should call the attention of the House to the confusion and misunderstanding which must have arisen from the quotation from Mr. Wilson's daughter which was put in the RECORD yesterday. That statement was to the effect, as you will recall, that Mr. Wilson had changed his mind with regard to the League of Nations. He did not say that at all. I am quoting now from the same newspaper, the concluding statement:

> Miss Margaret rose and bent over her father's bed.

And here is what Mr. Wilson said:

> The time will come when this country will join such a league because it will know that it has to be, and then, and only then, will it work.

It seems to me Mr. Wilson was looking forward to a time like this time when the Nation had come again from a baptism of blood. He said "the time will come when this country will join such a league because it will know that it has to be." He seemed to look into the future realizing that another war was inevitable unless nations of the earth adopted a better method of settling international disputes than war affords, and he did not believe it possible they would not try to do something about it. Looking into the future Mr. Wilson did not believe it to be possible that another generation would fail to appreciate the necessity of doing something about it. He could not see a picture like this, trying to double the present handicap.

I do not understand how anybody can fail to appreciate that we must unhandicap ourselves and try to do something about it, when he faces a devastation never before dreamed of, millions of casualties, billions of unpaid debts, the face of the earth covered with wreck and ruin, millions of dead, other millions

physically and mentally maimed, and the constant danger of repetition. We must try to work with other peoples in the effort. We must have treaties with them. By our Constitution we commission the President to enter into such arrangements tentatively. One-third of the Senate plus one can bring his efforts to naught though two-thirds less one are convinced the proposed treaty should be ratified. Now we face this proposition to build in the House an additional identical handicap.

I do not want to charge anybody with being unfair about this thing by pointing to the San Francisco requirement of a two-thirds majority vote, but this requirement at San Francisco has no relationship to our requirement within our own Nation. Those several independent nations represented there do not require an agreement of two-thirds of their own personnel in order to express the voice of the Nation. Let me make that clear. Would it not be perfectly absurd for the representatives of the United States at San Francisco now to adopt among its own representatives the plan that it could not vote favorably on any question that came before that meeting of nations if one-third of its delegates plus one was opposed regardless of the judgment of the other two-thirds less one? It would be perfectly ridiculous.

Under the Articles of Confederation, it is true that it took nine States to bind, but they were only confederates; but it did not take that percentage of the representatives of the several States to speak the choice of their several States.

We are not dealing with child's play stuff. This is big league stuff we are dealing with today. Let nobody misunderstand that. It would be a tragic thing to adopt this amendment to further handicap the Nation in dealing with its international business, and in meeting the challenge of its responsibility.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The question is on the amendment offered by the gentleman from Indiana.

The question was taken; and on a division (demanded by Mr. SPRINGER) there were—ayes 61, noes 103.

So the amendment was rejected.

Mr. SCHWABE of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHWABE of Missouri: Page 2, lines 1 and 2, after the word "consent", strike out "of both Houses of the Congress" and insert "of a majority of the Members of each House of the Congress."

Mr. SCHWABE of Missouri. Mr. Chairman, as we have been discussing this very important matter of amending the Constitution the past few days I have noticed that there is quite an agreement among the Members that it would be satisfactory to have the House come into the picture of treaty making. It seems to me that it is simply a question as to the degree to which the House shall participate in this matter.

We have just voted down an amendment that would have required a two-thirds vote on the part of the House as well as the Senate. To my mind, that is one extreme. I voted for it because I thought it less dangerous to have treaty making too difficult than too easy. The idea of streamlining our treaty-making machinery is repulsive to me. I do not want to make treaty making easy, and I cannot support the resolution as now written because I feel that it is likewise to the extreme.

It has always been interpreted that "the advice and consent of both Houses of Congress" simply means a majority of the Members of each House that happen to be present and vote. I have therefore been thinking that there should be some middle ground. I am just as much concerned about being careful and proceeding with the utmost caution in treaty making as I can be. Most of the State legislatures, or at least quite a number of them, provide that in order for their regular laws to pass, a majority of the duly elected and qualified members must have voted in the affirmative. It seems to me that there is a middle ground, a middle-of-the-road course, that we might apply in this case.

I can see that treaties are different from regular congressional enactments. Treaties do last a longer period of time. We are unique in that we have a two-party system in this country. We are the only great power that has that. I am interested in protecting the minority as well as the majority. When we enter into a sacred contract with another nation it is a lot different from making a law that affects only the people in this country. Fifty-one percent of the Members of this body and of the Senate can make a law affecting only the people in this country. If in a few years' time—say, 3 years from now—the people vote in another political complexion, vote in another administration—say, a Republican administration—we can be responsive to the changing sentiment and we can easily rescind the law by a 51-percent vote. If a treaty is involved, we should recognize the difference of its nature. I am not in favor of making treaties, or contracts, with other nations that we cannot so easily get out of unless we have a majority of all the Members, not just the Members present. So I offer this amendment in the hope that it will prevent too hasty action. On the other hand, it will not make it impossible to get action on a treaty.

Let us take an example or two. When the League of Nations proposition was up for vote, there were 84 Members of the Senate present. Forty-nine of them voted in the affirmative. Under my proposition, had it been in effect, the League of Nations would have passed, because 49 would have constituted a majority of the Members of the Senate. Let us take, on the other hand, the recent manpower bill, which, in my judgment, was perhaps the most important piece of legislation that has come up for consideration since the 1st day of January. The vote, it will be recalled, was 167 to 160. Adding those two together, you get a total of 327. A majority of all the Members would have been 218. Two-thirds of the Members present would also have been 218 on that particular day. So, in some instances, if my amendment should be adopted, where it would require a majority of all the Members of both Houses, counting all qualified Members, both present and absent, in order to ratify a treaty, my provision would be just as strong and it would bring the Representatives of the people in the picture in connection with treaty making just as much as the last amendment that we voted down requiring a two-thirds vote.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. HOBBS. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, this is a fair compromise and does not jeopardize the ratification of treaties too much. The other amendment did. In fact the Springer amendment would make ratification of any treaty a forlorn hope. Our committee is in substantial agreement that this is a fair compromise, therefore I rise in support of the amendment.

May I call attention to something which I find is pretty generally misunderstood? There is no question but that a bill passed by a majority vote of Senate and House, the Congress, if it becomes law, can abrogate any treaty that was ever made. There are 16 decisions of the Supreme Court of the United States, dating all the way back, holding to that effect.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. It is a pleasure to yield to the gentleman from California.

Mr. HINSHAW. Provided the President concurs and does not veto the resolution.

Mr. HOBBS. That is right. Of course, the President has to approve any bill we pass.

The following are the citations of the 16 cases in which the Supreme Court so decided:

"A treaty may supersede a prior act of Congress, and an act of Congress may supersede a prior treaty."

Cook v. *United States* (288 U. S. 102, 77 L. ed. 641, 53 S. Ct. 305.)

Rainey v. *United States* (232 U. S. 310, 58 L. ed. 617, 34 S. Ct. 429); *Ex Parte Webb* (225 U. S. 663, 56 L. ed. 1248, 32 S. Ct. 769).

Alvarez y Sanchez v. *United States* (216 U. S. 167, 54 L. ed. 432, 30 S. Ct. 361).

United States v. *Lee Yen Tai* (185 U. S. 213, 46 L. ed. 878, 22 S. Ct. 629); *Thomas* v. *Gay* (169 U. S. 264, 42 L. ed. 740, 18 S. Ct. 340); *Ward* v. *Race Horse* (163 U. S. 504, 41 L. ed. 244, 16 S. Ct. 1076).

Fong Yue Ting v. *United States* (149 U. S. 698, 37 L. ed. 905, 13 S. Ct. 1016); *Horner* v. *United States* (143 U. S. 570, 36 L. ed. 266, 12 S. Ct. 522); *Botiller* v. *Dominguez* (130 U. S. 238, 32 L. ed. 926, 9 S. Ct. 525); *Whitney* v. *Robertson* (124 U. S. 190, 31 L ed. 386, 8 S. Ct. 456); *Head Money Cases* (*Edye* v. *Robertson*) (112 U. S. 580, 28 L. ed. 798, 5 S. Ct. 247); *Cherokee Tobacco* (*Boudinot* v. *United States*) (11 Wall. (U. S.) 616, 20 L. ed 227); *Foster* v. *Neilson* (2 Pet. (U. S.) 253, 7 L. ed. 415), overruled on other ground in *United States* v. *Percheman* (7 Pet. (U. S.) 51, 89, 8 L. ed. 604, 618); *Thingvalla Line* v. *United States* (24 Ct. Cl. (F) 255, 5 LRA 135).

We began it away back in 1778 when the Congress, by a mere majority vote, passed a bill that became law and abrogated our treaty with the King of France.

This right has been conceded by all authorities until it was questioned in the heat of this debate. So when we talk about the transcendent sanctity of treaties in awestruck tones, we forget our Constitution. All good law is sacred in a sense. A treaty is a part of "the supreme law of the land" just as is an act of Congress made in pursuance of the Constitution, and approved by the President. The Constitution so declares.

Mr. KEFAUVER. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Gladly. It is a pleasure.

Mr. KEFAUVER. In other words, the gentleman points out that we can abrogate a treaty just as we do an act or any sort of a bill on domestic affairs passed by the Congress.

Mr. HOBBS. Of course. Yes, sir.

Mr. KEFAUVER. Treaties and laws stand exactly on the same level.

Mr. HOBBS. The Constitution makes both parts of the law of the land.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am glad to yield to my distinguished friend.

Mr. O'HARA. If the other country does not agree to that change in the treaty, where are we then?

Mr. HOBBS. You are just exactly where you would be under a law that had been repealed. The King of France did not want his treaty abrogated but we did it by a simple act of Congress. The Supreme Court has 16 times held that that is within our province, and the other party never can prevent the repeal or the abrogation of a treaty no matter how solemnly made, if it is done by a majoritly vote of both Houses and approved by the President.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am glad to yield to the distinguished gentleman from Indiana, my friend and committee colleague.

Mr. SPRINGER. I just heard the distinguished gentleman say that a treaty could be abrogated or set aside by an act of Congress.

Mr. HOBBS. Yes, sir.

Mr. SPRINGER. Is it not true that the abrogation or setting aside of a treaty might well result in a war with any country that was a party to that treaty?

Mr. HOBBS. Of course, it might. It is the province of the whole Congress to declare war. We declare war though we cannot declare peace. We Members of the House do not participate in the ratification of peace treaties. The proposed amendment is offered to enable the whole Congress to speak for the whole people on the subject of treaties.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Gladly.

Mr. HARNESS of Indiana. If the Congress should attempt to repeal or vitiate a treaty by a simple majority, it would require the signature or the assent of the President, would it not?

Mr. HOBBS. Certainly, sir.

Mr. HARNESS of Indiana. Then if we wanted to override that, or if the President vetoed the bill, it would require two-thirds to get rid of the treaty.

Mr. HOBBS. That is right, sir; two-thirds vote of both Houses.

Mr. HARNESS of Indiana. That is the same procedure that is now necessary to enact a treaty.

Mr. HOBBS. Oh, no, sir. The President negotiates a treaty, and the Senate alone may ratify, with or without reservations, or reject.

Mr. HARNESS of Indiana. But it is possible, therefore, for one man to do it.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am so happy to yield to my distinguished colleague.

Mr. DONDERO. Last week in this Chamber a majority voted to override the veto of President Truman. Would the gentleman, by the same token, surrender the right that the President now has in protecting his views by asking that a treaty be made by a majority vote in this Chamber?

Mr. HOBBS. I do not think that the illustration is in point in the issue now being considered. It may be true that there is too much power vested in the President, in the veto and requiring a two-thirds vote of both Houses to override.

It gives him more voting power in Congress than many think the Executive should have in a government composed of three coordinate branches.

Mr. DONDERO. Then if we change the treaty-making power of the Congress, we should go a little bit further and change the authority that is given to the President under the Constitution and make his act subject to the will of the majority.

Mr. HOBBS. I do not mean to say that that is not logical and right. I simply mean to say that that is not the issue that is before us now. Of course, we cannot go into such collateral matters, which are now not germane.

Mr. SCHWABE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Of course, I gladly yield to the gentleman from Missouri, the author of the pending amendment.

Mr. SCHWABE of Missouri. The gentleman from Michigan referred to the vote last week. The vote was 185. Under my amendment, 218 or a few less would have been required. My amendment considerably strengthens the proposition.

Mr. HOBBS. I realize that, sir.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am glad to yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. In the case on which the Supreme Court passed and to which the gentleman has referred was it held that the Congress could abrogate a treaty by simple majority, meaning a majority simply of a quorum, or did it require a majority of the entire membership?

Mr. HOBBS. The 16 cases I cited hold that a prior treaty may be abrogated by a law passed by a quorum majority vote of both Houses.

Mr. CASE of South Dakota. So that this proposition would be stronger than that?

Mr. HOBBS. That is right, sir.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am glad to yield to the gentleman from Michigan.

Mr. HOFFMAN. May I ask the gentleman if he believes in our system of checks and balances?

Mr. HOBBS. I certainly do. I believe in it as strongly as any man in this Chamber.

Mr. HOFFMAN. How many checks does the gentleman want to throw away?

Mr. HOBBS. None. I favor the additional check of making it impossible for 17 Senators to thwart the will of the President and of a majority of the people.

I want to call your attention to one or two other things before I conclude. Do not forget that there was no Senate until 1787, when the Constitution was written. Do not forget that before the adoption of the Articles of Confederation there was no Senate at all, and that absolute unanimity of action by all the States was required to ratify a treaty. Do not forget that under the Articles of Confederation it took a two-thirds majority of the States. This two-thirds rule was retained as a compromise to assure the States who feared that Spain might close the Mississippi, that no such treaty could be ratified.

The time has long passed when any such fear should influence us to keep the requirement that makes it possible for 17 Senators to block the ratification of any treaty.

Mr. GWYNNE of Iowa. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in my judgment this amendment should not be adopted for several reasons. In the first place, it was never considered in the Judiciary Committee. The Constitution was written in about 3,000 words. So carefully was that work done by those great men that courts have held there is not a dead word in it. I would regret that this House would pass on so important a question as this in this hasty way.

It occurs to me with the very brief reflection permitted here that there are serious objections to this amendment. In the first place, it does not give adequate protection to the individual, to the State, and to the Nation against treaties. I call your attention to article VI of the Constitution to show you what a tremendous power this treaty-making power is:

> This Constitution, and the laws of the United States which shall be made in pursuance thereof; and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land.

When it comes to a statute the people, the States, the minorities have protection. They have the protection of the Constitution as enforced by an independent judiciary. As against treaty making, however—and I have the support of all the authorities in the Nation on this—

there is no practical limitation except this two-thirds limitation.

Virtually anything can be done by a treaty. We could make an agreement with Britain for Union Now. The only barrier to the making of that treaty is this two-thirds vote requirement.

Mr. Chairman, it is our misfortune to be on this earth at a time when the world is on fire. There are strange and fearful forces coming up out of the ground. Millions are being spent in this country to propagandize us to favor certain alien ideologies.

What stands between your children and those things? Nothing but the two-thirds provision in the Constitution. Now, why in the name of common sense do we at this time whittle down the only barrier there is in the Constitution on the matter of treaties? I have been talking about the major treaties, important treaties. We should bear in mind that of the 800 treaties which have been considered, a majority were not major or controversial treaties. Many of them were minor, on which there was no controversy. For example, on one day the Senate ratified 13 treaties without controversy. I have an idea that on some of those treaties they did not have the 49 votes there present and voting which would be required under this amendment. If you want to see how impractical and how unworkable this is, apply it to our own procedure in the House of Representatives. Last Monday we passed 51 bills. Last session we passed 773 bills. Many of those were minor and were not controversial. Suppose you should write in the Constitution a provision making it obligatory upon the Speaker and obligatory upon the courts to determine every time any kind of bill was passed that 218 people were actually here and voted for it? Why, it is an unworkable departure from procedure that we have been following ever since the Constitution was written.

There has been something said here, Mr. Chairman, to the effect that the Constitution is outmoded, out of date. I fully realize there are people in this country, and there are groups in this country, who would like to bury the Constitution. But when you do it, my friends, just dig that grave deep enough and wide enough to include a lot of other things, such things as the Ten Commandments and the Sermon on the Mount.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GWYNNE of Iowa. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GWYNNE of Iowa. The truth is, the Constitution is not simply a body of legalistic rules. It represents a philosophy of government just as the Christian religion represents a philosophy of life. It is the philosophy of equal justice under law, of rules, the same definite written rules governing sovereign and subject. I trust, my friends, that in this critical hour this amendment will not be adopted and that no amendment will be adopted whittling away the great protection we now have under the Constitution.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and Members of the Committee, I am going to vote for this amendment. I will do so with my tongue in cheek, because we must be practical and at times we must compromise. All Anglo-Saxon civilization has been the result of compromise. The British Parliament does not require a two-thirds vote to ratify a treaty. It does not require a majority of all the Members of the House of Commons to ratify a treaty. A majority of a quorum present is all that is required. I had hoped that we would not have such an amendment offered. It has been offered. It looks as though the proposal will fail in its entirety particularly on the other side of this Capitol, unless we offer some such provision as embodied in the instant amendment which would require 218 votes in this House and 49 votes in the Senate, or 267 absolute votes of Congressmen. It is unprecedented. We have never yet passed anything that disturbed the time-honored requirement of a majority of a quorum to pass any measure.

Despite the fact it may be unprecedented, half a loaf may be better than no loaf at all. The proponent says he wants uttermost caution in treaty making. As to that I might say we declare war by a mere majority of a quorum and thus without any two-thirds vote, as is now required by the Senate for treaty ratification. We enter the holocaust of war not by a majority of all the Members of either House or both Houses, but by a majority of a quorum in both Houses.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. HARNESS of Indiana. If the Senate had adopted the resolution to join the League of Nations as it was proposed, without the reservations under article X, by a majority vote we would then have surrendered the right of this body and the other to declare war. We would have been plunged into World War No. 2 immediately that France and Britain entered the war against Germany. This Congress would have had no voice in a declaration of war. That decision would have been made by the League. It seems to me that the two-thirds vote on treaties is a safeguard we should preserve.

Mr. CELLER. No. I am in emphatic disaccord with the gentleman's conclusion. I respect his opinion, even though I disagree with it. It is not proper to assume that we would have surrendered in this body the right to declare war.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. GRAHAM. The gentleman has stated that we have a right by a majority to declare war. Does not the gentleman know that in the Constitutional Convention on the 17th day of August 1787, when that right was given to the House of Representatives and the Congress assembled, that the same right, adding the words "to conclude treaties and make peace" was defeated by unanimous vote?

Mr. CELLER. The point is that is not in the Constitution at the present time.

Mr. GRAHAM. No, but it was debated and ruled out of the Constitution.

Mr. CELLER. I do recall that no less a figure than Benjamin Franklin, as well as James Madison, wanted ratification of treaties by a Senate majority. Regardless of that, the final wisdom of the members of the Constitutional Convention prevailed and said we could declare war by a mere majority vote, not of the entire membership, but a majority vote of a quorum present.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. SUMNERS of Texas. Whatever has been done by the Senate could not withdraw the constitutional power of the House to declare war.

Mr. CELLER. I thank the gentleman for his observation.

I want in some way the more democratic body of the Congress to participate in treaty ratification, because, as I said the other day, the cure of the ills of democracy is more democracy. We want more democracy. We want "open covenants openly arrived at." We get "open covenants openly arrived at" to a great degree, in my humble opinion, if this House, which is nearer to the people and more responsive to the needs of the people, will participate in the ratifying of treaties.

Sometimes, if we do not bend, we break. I feel that this measure will fail utterly, if the pending amendment is not adopted. I may earn sufficient votes for the general proposition—if it prevails—to insure its passage. Therefore I shall, although reluctantly, vote for the amendment.

Furthermore, with this amendment the general proposal may become more palatable to the membership of the other body.

Finally, I am tired of hearing the argument of the sacredness of the Constitution as a means of preclusion of amending that document. We have already changed it more than a score of times to meet changing needs of the people. Let us cease making a sacred cow of the Constitution.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MICHENER. Mr. Chairman, I rise in support of the amendment.

We have debated at extreme length. The debate has been most helpful. I could hardly hope to add anything that will be of value, because everything has been said. I am, however, distressed to find myself in disagreement on this particular amendment with my good friend on the committee the gentleman from Iowa [Mr. GWYNNE]. A few minutes ago the gentleman supported, and attempted to have the House adopt, an amendment requiring a two-thirds vote in the House, as well as in the Senate. Now he takes the floor and vigorously opposes this amendment, which would require only a majority of the House and Senate, on the ground that it had not received committee consideration.

Consistency, thou art a jewel! Neither one of those amendments was considered in the gentleman's committee.

This amendment is a compromise, not in principle, but as to number of votes required. The two-thirds rule in the Senate, in the beginning, was a compromise. No political philosophy of government was involved or discussed when the two-thirds rule was placed in the Constitution; it was a mere compromise. We must compromise sometimes; we all know that. There would not have been any Constitution had wise men been unwilling to give and take, that is, to compromise.

I often think of what Theodore Roosevelt once said when he was President. He stated there were three groups of Members in Congress: First, the reactionaries, or stand-pat group; second, the radical group; and third, in between the two extremes, the progressive group.

Theodore Roosevelt spoke these words at a time when we were just placing self-starters on our automobiles. We all remember how difficult it used to be to crank the starter. He observed that the stand-patter reactionary needed self-starters; that the radicals needed self-stoppers; but that in between there was a group that started with caution and stopped discreetly. This was the progressive group.

Mr. Chairman, I believe that a majority of the American people come within the progressive group. The stand-pat, refuse-to-budge attitude in regard to keeping the Constitution abreast of the times is not in harmony with the overwhelming sentiment of our people today. I yield to none in my reverence for our Constitution, what it has accomplished, and what it is intended to accomplish. I, therefore, heartily support the Schwabe amendment which will require the approval by a majority of the elected members in both the House and the Senate before a treaty can bind our people. Those who still cling to the notion that the House should have nothing to do with treaties, and that one-third plus one of the Senate can defeat any treaty, naturally are opposed to a majority vote in the House and the Senate, just the same as they are opposed to the House participating in the ratification of treaties. The Schwabe amendment should be adopted.

Mr. GOSSETT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I defer to no man in my devotion to the Constitution. The gentleman from Iowa has implied that those of us who seek this fundamental change are not devoted to the wisdom and the work of the founding fathers. The men who wrote the Constitution were not omniscient. In deference to the distinguished gentleman from Pennsylvania, who yesterday spoke, I want to say to you that there was no political philosophy back of this two-thirds rule. It was written into the Constitution merely as a matter of political expediency as a compromise and to get the Constitution on foot. The two-thirds rule has never worked in practice and has been detrimental to the best interests of this country from the day it was written. It has been as a ball and chain about each ankle. It is a constitutional strait jacket from which there is no escape. If this country is going to participate effectively in international affairs, we must rid ourselves of this impediment. The founding fathers if they were now to assemble, in my humble judgment, would vote unanimously to revoke and to repeal the two-thirds rule.

Last year the Chief Executive of the country made 74 executive agreements. Not a treaty was made. Either this country is going to act by treaty or it is going to act through executive agreements. The Congress of the United States, representing the people of America, ought to be the agency of our Government which determines our foreign policy. There is nothing worse than war except chains of slavery. We have tried everything under the sun except world collaboration and we are now impotent in our efforts to try world collaboration unless we change this two-thirds rule.

I am going along on this amendment simply as a matter of compromise, because to my mind we must rid ourselves of two-thirds rule.

I hope I will be forgiven for being a little sentimental, but in conclusion let me say I am thinking of a poem written by Alfred Noyes at the end of the last war. I think it is entirely appropriate today, and I want to say to you in all sincerity that if this move which we now seek to initiate were not entirely successful and if I thought I had not done my full part in its behalf I would not sleep very easy. This poem is entitled "The Pact":

THE PACT

(By Alfred Noyes)

They have no pact to sign—our peaceful dead.
Pacts are for trembling hands and heads grown gray.
Ten million graves record what youth has said,
And cannot now unsay.

They have no pact to sign—our quiet dead
Whose eyes in that eternal peace are drowned.
Age doubts and wakes, and asks if night be fled;
But youth sleeps sound.

They have no pact to sign—our faithful dead.
Theirs is a deeper pledge, unseen, unheard,
Sealed in the dark, unwritten, sealed with red;
And they will keep their word.

They have no pact to sign—our happy dead.
But if, O God, if we should sign in vain,
With dreadful eyes, out of each narrow bed,
Our dead will rise again.

Mr. Chairman, let us now strike these shackles which impede our action in foreign affairs in order that America may move forward in the fulfillment of her manifest destiny.

Mr. REED of New York. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, when I came to this body a good many years ago I took an oath to support and defend the Constitution. I have taken that oath a great many times and I know of no instance where I have failed to live up to the obligation.

The Constitution has been our charter of liberty for more than 150 years and we have developed under it the greatest, the strongest, the most idealistic Nation in the world. I agree with the gentleman from Texas that we have a big question before us.

I am not going into the details of these various amendments, nor into the proposition to abrogate the two-thirds rule. What I want to take up with the House I believe has not been touched on.

Treaties are negotiated in secret. The House of Representatives has nothing to do with the negotiation, neither does the Senate. Those are conducted by the Executive. There is one thing we have lost sight of in discussing this matter and that is the psychological factor that enters into modifying or an attempt to modify the Constitution in this way. That is, through the process of making treaties. You must remember that we are living, just as the gentleman who last spoke said, in a great period of emotionalism. In the next few years we will live in a still greater time of emotionalism. New instruments to produce emotionalism have come into operation. The psychological factor is simply that a legislative body is no different from any other crowd. We talk about deliberation. Why, with these galleries filled as they are sometimes, when great pressure groups have been at work and every Member finds himself in his seat in this House, I have seen the House become a mob. What does that mean? It means when an aggregation of people under the influence of propaganda surrenders to emotionalism the mentality of the crowd drops to the lowest common denominator and people act purely upon their emotions because reason has been dethroned. Think of the propaganda machinery we have now, and it will become stronger as years go on—the radio, the movies, the telephone and the press. Why, in one night, two-thirds of the population of the United States can be blanketed with propaganda and immediately that emotionalism flows in here and becomes contagious. People are swept off their feet.

The best reason for the two-thirds rule is to protect the people from themselves and our Constitution is the only document that has ever been framed by a sovereign people as their sovereign will to protect themselves against themselves. Now it is proposed to destroy all that and take away the protection of the people against their own emotions and provide an intrument by which they can dethrone their reason. It simply does not make sense.

Go back to the French Revolution and see what happened. I hope you will read it. Some of the ablest men—and they were able in that convention—voted to have their dearest friends guillotined and then went home to their families and wept, and some even committed suicide, because they had done something that they never intended to do, under the psychological impulse of the moment. If there was ever a time when we should not abolish the two-thirds rule that time is now. People are not settled in their thinking; why not wait until we see what is going to develop in this Nation, why do it now? This is not the time, with the whole world unsettled mentally and, we might say, morally and spiritually. You are treading on dangerous ground. No, we cannot afford to put it into the hands of a distraught people to destroy or weaken the Constitution of the United States.

The instruments of radical propaganda are now in possession of those who would use them to destroy free institutions by the method here proposed.

Mr. NEELY. Mr. Chairman, the amendment to the Constitution which is proposed by the pending resolution will, if adopted, be productive of various beneficial results. Among other things, it will promote the welfare of democracy by bringing the ratification of treaties a step nearer to the people than it has ever been. It will invigorate that democratic fundamental known as majority rule, and expand democracy's horizon by transferring the power of life and death over treaties from a minority of the Senate to a majority of both the Senate and the House. It will greatly augment the contribution of the legislative branch of the Government to the important business of making treaties.

In certain circumstances it will provide the minority party protection which it has never enjoyed. For example, it frequently happens that the Presidency and the Senate are controlled by one of the two great political parties while the House is controlled by the other. In such case, under the operation of the amendment, abuse of power by the majority party would be impossible.

The amendment, if made, will enhance the self-respect, reputation, and influence of the House by making it a correlative body with the Senate instead of a nobody in the matter of ratifying treaties.

It will forever protect the American people against their present peril of being deprived of the benefits of meritorious treaties by 33 willful men.

Notwithstanding the high plane of courtesy and dignity upon which the discussion of the resolution has been conducted, some of those opposed to it have raised the tides of fallacious argumentation and groundless fear to unusual heights. Practically every fallacy condemned by Sydney Smith in his version of Jeremy Bentham's essay on Fallacies of Anti-Reformers is shown by the RECORD to have been utilized by those who proclaim that the resolution shall not pass.

The opposition in voicing its fears has taxed the powers of description to the limit and entirely exhausted the resources of controversial skill. One of those who has no faith in the fact that the Constitution was made for man and not man for the Constitution, fears that to amend this justly venerated instrument would be to violate the scriptural injunction against the removal of ancient landmarks.

Another fears that to dot a constitutional "i" or cross a constitutional "t" would be to manifest ingratitude to the authors of the world's greatest charter of democracy.

Indeed, the RECORD is not wanting in intimations that some believe that even an attempt to improve the Constitution would be a sin against the founding fathers as unpardonable on earth as the sin against the Holy Ghost is unforgivable in Heaven.

Others fear that the adoption of the amendment would result in an increase of the power of the President and a corresponding decrease of the power of the legislative branch of the Government.

Fortunately there are adequate antidotes for all these fears. The makers of the Constitution themselves attested their belief that amendments to their masterpiece would become necessary. Consequently they most explicitly specified how amendments should be made. Those who read as they run should be able to perceive that the operation of the amendment would vest in the legislative department an additional check upon the Chief Executive, and diminish instead of increase his power. Under existing law, 64 Senate votes—when all the Members of that body are present and participate in the proceeding—are required to ratify a treaty. Under the amendment, 49 votes in the Senate and 213 votes in the House—267 in all, if full membership participated in the proceeding—would be required to ratify a treaty. Thus the present requirement for congressional votes for ratification would be increased by more than 317 percent.

Anyone who can delude himself into believing that this transformation would increase the power of the executive at the expense of the Congress should experience no difficulty in changing the spots on a leopard or in riding a camel through the eye of a needle.

But the combined, stated, or indicated apprehensions of those who oppose the resolution impel the deduction that several of this body consider the Members of the House incompetent to share with the Members of the Senate the duties and responsibilities of ratifying treaties. Let me as vigorously as parliamentary propriety will permit repel this slanderous belief. My respect for the Senate is unlimited. My affection for the most of its Members is unsurpassed. But my 16 years' experience in that body and my more than 8 years' experience here convince me that the average Member of the Senate is not superior in ability, patriotism, or devotion to duty to the average Member of the House.

Anyone here who certifies by voice or vote that he considers himself or his colleagues too dumb to participate in the making of a treaty should add to his certification the words of the famous constable Dogberry, "Oh, that he (the sexton) were here to write me down an ass."

Let me, illustratively as well as argumentatively, demonstrate my faith in the outstanding ability of the Members of what is frequently, but erroneously, called the lower House of Congress. Let me, for the purpose of a comparison, designate 12 Members of this body, 6 Republicans and 6 Democrats, as follows: The gentleman from Massachusetts, the able minority leader [Mr. MARTIN]; the gentleman from New York [Mr. WADSWORTH]; the gentleman from Michigan [Mr. MICHENER]; the gentleman from Wisconsin [Mr. KEEFE]; the lady from Connecticut [Mrs. LUCE] and the lady from Massachusetts [Mrs. ROGERS]; the gentleman from Texas, the eminent Speaker of the House [Mr. RAYBURN]; the gentleman from Massachusetts, the accomplished leader of the majority [Mr. MCCORMACK]; the gentleman from North Carolina, the chairman of the Committee on Ways and Means [Mr. DOUGHTON]; the gentleman from Ohio, who, like the gentleman from North Carolina [Mr. DOUGHTON], has been here since the days of the immortal Woodrow Wilson [Mr. CROSSER]; the lady from New Jersey, the dean of our feminine Members [Mrs. NORTON]; the lady from Illinois [Mrs. DOUGLAS]. And let me hasten to add that any other Democratic lady of the House could, with equal propriety, be chosen for the purpose of this illustration.

Now let me most respectfully challenge all and singular who believe that the Members of the House are inferior in any praiseworthy particular to the Members of the Senate to designate, in my time, 12 Senators whom they consider superior to the 12 whose names have been called. The unbroken silence proves that those who have intimated the incapacity of House Members to advise and consent to the ratification of treaties are unable to indicate 12 Senators whom they consider more richly endowed with the priceless gift of statesmanship than are the 12 Members of the House whom we selected.

Ladies and gentlemen, let us lay aside our foolish fear of reform. Let us think and act responsively to the imperative demands of experience in the broad daylight of the twentieth century instead of in the dim twilight of 150 years ago. Let us adopt the resolution by an overwhelming vote and thus remove an intolerable obstruction from the path of progress, render a great service to the United States and the world, and demonstrate that we—

* * * have no dread of what
Is called for by the instinct of mankind;
Nor think * * * God's world will fall apart
Because we tear a parchment more or less.

Mr. ROBSION of Kentucky. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Chairman, I have listened with interest to my very able and distinguished friend, the gentleman from West Virginia. He is always able and interesting. I believe he was here when I first came to the House of Representatives and he went to the Senate. I believe he was in the Senate when I went to that body and I served with him there. He has made a very skillful, able, and artful argument here, which he always can do, and which we always enjoy. I cannot agree with him on this question. I think he is wrong.

I listened with great interest to my distinguished friend the gentleman from Texas [Mr. GOSSETT], who speaks with ability and eloquence on any subject. I wish to call special attention to one thing he said which intrigued me very

much, and I have heard other Democrats say it in this debate. He said the President, meaning former President Roosevelt, in the last year has entered into some seventy-odd agreements with foreign nations and did not submit a single one to the Senate to be ratified by that body; and the logical conclusion is we must amend the Constitution and take away this two-thirds majority to keep the President from working around the Constitution. What an indictment of the former President of the United States. If one President of the United States can work around the Constitution in order to make treaties, what is to keep a subsequent President from doing likewise when he wants to enter into an agreement with foreign countries and he finds the majority of the House and Senate, opposed to his purpose? He can still work around it, can he not? Why, of course he can. That argument does not appeal to me at all. I want to believe that the Chief Executive of this great Republic is keeping his solemn oath and obeying the Constitution, not avoiding the Constitution. If we have to amend our Constitution to force the President to obey it, we may be amending the Constitution every 2 or 3 years.

Very frequently the majority of the House is of one political party and the Senate of another. And frequently the majority of the House and Senate are of one political party and the President is of another. In either of these contingencies the President might not be able to obtain even a majority of either the House or the Senate. In such event would my friend from Texas advocate the President ignoring the House and Senate and do as his remarks indicate—work around the Constitution? Each and every Member of the House and Senate should follow the Constitution, and should urge in no uncertain terms that the President of the United States do likewise.

I cannot see how my able friends, the gentleman from West Virginia [Mr. NEELY] and the gentleman from Texas [Mr. KILDAY] can get worked up about this two-thirds proposition. You are starting at the wrong place. You are talking about something that is to be done, after what? After the provision in the Constitution requiring a two-thirds vote of the Senate to ratify treaties is repealed to submit this proposed amendment which requires two-thirds majority of House and Senate, and then it requires 36 of the 48 States to make it a part of the Constitution. Then, when you do that it is like a treaty, and it becomes a part of the supreme law of the land. You go through all that. Do you not have faith in this House, to let a majority submit it? Do you not have faith in a majority of the States and let them ratify it by a majority, instead of three-fourths? No. You have not. You insist upon a two-thirds majority in the House and Senate to submit it. Thirty-six of the 48 States must ratify it. Now after that is done you have no faith in the two-thirds majority of House and Senate; you have no faith in a majority of the 48 States; now you come and propose what? That a majority of the House and Senate should ratify a treaty by a majority and put it up alongside the Constitution of the United States, as a part of the supreme law of the land.

It does not make sense to me. Why do not the proponents of this proposed amendment insist that the Constitution be amended so that an amendment to the Constitution may be proposed to the States for ratification by a majority of House and Senate, and that proposed amendments be initiated by a majority of the States instead of two-thirds of the States, and that a simple majority of the States may ratify the proposed amendments instead of three-fourths of the States; and why not provide that the veto of the President can be overturned by a majority of the House and Senate instead of two-thirds as is now provided in the Constitution? That would give some symmetry and some reason to the proposal before us.

Oh, I know you say our founding fathers had some question about the Mississippi River and about the fishing rights on the Atlantic coast and put a two-thirds provision as to ratifying treaties in the Constitution. I wish to repeat what I said the other day—that today you have a hundred valid reasons pressing upon you. They did not have the question of foreign immigration, annexation of islands, defense bases in the Atlantic and Pacific Oceans, or air routes. They did not have the question of tariffs, wages, hours, or working conditions, world peace, and police force. They did not have the question of economic stabilization of industry and currencies of many nations, and hundreds of important questions affecting our social and economic life which will be involved in new treaties. When those questions come, some parts of this country want to open wide the gates and let down the bars and let millions of aliens come in. Other parts of our country do not want that, but perhaps some of those coming from States which have congested population centers of the country will have the power to vote in the House to put through their propositions.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. ROBSION of Kentucky. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. So it is with many other problems that will come up. I do not look with much favor upon any treaty we might enter into with foreign countries that could not receive a two-thirds majority of the American people and the chosen representatives of the people.

I have heard so much said about the defeat of the Covenant of the League of Nations. Some said that Mr. Lodge defeated it. Others said that the reservations defeated it. That is not the record at all. There were four votes in the Senate on that question. The first two of the votes on the League covenant with the reservations did not get a majority, much less two-thirds. Then Senator Underwood, the very able Senator from Alabama, the Democratic leader in the Senate, offered a motion to ratify the covenant of the League of Nations without any reservations. That motion did not even get a majority. You cannot lay its defeat to the two-thirds requirement in the Senate, for it did not even get a majority. Then in the next year Senator Lodge moved to ratify the Covenant of the League of Nations with reservations, and it got 49 votes; it got one majority of the Senate; and it was the only proposal in that body that did get a majority. The motion proposing to ratify the League without reservations did not get as many votes as the motion to ratify with reservations. President Wilson wanted it ratified without any protecting amendments. I could not get that and he then asked Democrats in the Senate to do it. Do the proponents of this amendment want the President to be able to force a treaty through the Senate with the old protecting clauses? If we must accept the treaties as they are submitted, then why should the House and Senate be called upon for perfunctory action.

In my speech under general debate the other day, I pointed out that one strong objection that I had to this proposed amendment was that it greatly increased the already tremendous powers of the President and by the same token took away that much power from Congress.

With the powers that the Chief Executive has built up it is quite possible that they could force through a treaty by a majority vote regardless of the objections of the American people. We have seen the power of the Chief Executive manifested in many ways in recent years. But it is insisted that Congress has the power to revoke or modify most of the treaties that we might enter into. That would apply to a treaty such as would follow this great World War. To do this, a bill or resolution would have to be introduced and pass both Houses. It would then go to the President. The President might veto the bill or resolution. In order to override his veto it would require a two-thirds majority of House and Senate. In other words, under this proposal you could put a bad treaty off on the American people by a majority of the House and Senate; but in order to get rid of a bad treaty you would have to have a two-thirds majority.

My other objection to this proposal was that we are spending days in its consideration when as a matter of fact even though we pass it the Senate will not do so. The gentleman from New York [Mr. CELLER], one of the proponents of the legislation, the other day in debate stated that he had consulted Senators and he was convinced the Senate would not pass this resolution and likely would not at any time in the future pass a similar resolution, but if any amendment of this character was submitted to the States for ratification, it would have to be initiated as provided in the Constitution by the legislatures of two-thirds of the States; in other words, by 32 of the 48 States; and al-

though the propagandists of the administration have led the American people to believe that this must go through the House in order that the treaty following this war may be ratified by a simple majority of the House and Senate, there is not a chance of 1 in 100,000 for that to happen. It is just another one of those things by which the American people have been deceived and misled.

Germany and Italy have been whipped. They are both prostrate. They are absolutely under the control of the Allied armies. The two great objectives we now have are to defeat Japan, and to set up machinery that will insure a just and lasting peace, and whatever is set up, it will be ratified as treaties are now ratified under the Constitution of the United States. Let us devote all our energies to bringing this war to a speedy conclusion and to contributing what we can to a just and lasting peace.

Mr. KOPPLEMANN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, my experience in legislation has taught me that in order to procure needed legislation, very often a compromise was essential to gain the objective. I do not, however, stand here for compromise that does not compromise. I do not pretend to understand the Constitution as well as some of those who have already spoken, but I do believe that the people that I represent, I believe the people you represent, desire, demand, and expect from this House a measure of relief from present constitutional conditions with relation to agreements to the treaties that must have approval by the other House. I rise, Mr. Chairman, to call the attention of this House to a few figures, that call for our serious and thoughtful consideration.

Suppose the Schwabe amendment to the resolution were adopted and only a quorum were present in this House—219 Members—then 110 votes could defeat any treaty. Because all other Members, whether not voting or absent, would in effect be voting against. The combined vote of those in opposition and those not voting would not require as many votes to defeat a treaty as the Constitution calls for now. On the other hand, if all of the Members were present, under a two-thirds rule as at present provided for in the Constitution—providing this House were permitted to vote on treaties—it would require 134 votes to defeat it. In other words, this is not a compromise, this is a tightening up on the two-thirds rule, making it even worse than the condition now prevailing in the other body, under the Constitution.

Let us take the situation in the other body. If a quorum were present—49 Members—a mere 25 could defeat it. At the present time it takes 33 plus 1, 34, to defeat, therefore a lesser number with only a quorum present could defeat a treaty.

I know some of you will say that such a condition may not prevail when a vote is taken, but in reply may I say that the condition can prevail and has often happened in the past. We are not, therefore, passing on a compromise, Mr. Chairman. The gentleman from Texas, who has my affection and whom I respect highly for his great ability, must take into consideration when he agrees to the Schwabe amendment that it is not really a compromise on the resolution, but that we are in reality doing something that makes the situation worse than now prevails. Because of that I cannot support the pending amendment.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I want to again commend the members of this Committee for the high plane on which they have held this discussion. I know, insofar as I am concerned, I am trying to render what I believe to be a necessary service to my country at a time of my country's need, and I concede the same motive and same purpose to all those with whom I am not able to agree.

As has been stated with regard to the amendment now pending, the amendment is a matter of compromise. Except for a relatively few people in this Chamber, not many, I believe, they are dissatisfied with the way the business of the whole world is being conducted. It seems to me every student of the trend of these times must know that some form of authoritative government is now trying to enter that realm that lies between the governments of the world, the breeding ground of most of the world wars. If that is true, we will either lend that element of human cooperation which nature requires of men in order to effectuate its purpose, render that cooperation willingly and effectively, or we will be driven by the lash to do it. Some day people will recognize that arrangement as a practical work-a-day fact. We will then quit chasing around after these theory-hatching world strutters and seek in the study of nature to discover the safe guide for human policies.

We have heard much in this discussion about not disturbing ancient landmarks. We have had some ancient landmarks removed all right, and that is why we have got to do something about it. Those landmarks marked the borderlines of governmental sovereignty, great seas intervened between this country and every other important government of the world when our Constitution was written. It required weeks and months to travel from our national boundary to the national boundary of those nations. Time and distance have been eliminated. These then far-away nations are in point of time and distance problems and dangers in our own neighborhood now. This provision of the Constitution which we propose to amend originated when we were not only a new, weak country, a far-away country, unestablished as a Nation, but we were then between England on the one side and France on the other and in great terror and in great danger insofar as our own existence was concerned. France was trying to involve us and England was trying to involve us, and the whole circumstances of the world were imperiling us. Under that situation, far distant from all the other nations of the world, we agreed to that which in our new relationship is a hurtful handicap on the treaty-making power of the Government.

As I said a moment ago, I am trying to be useful to my country and I know you all are. This is a serious time. One of the great crises, perhaps the greatest, in the international governments of the world is pending this minute.

I agree with the observation made a little while ago that the President has too much power under the two-thirds requirement for passing a bill over his veto. It is a perfectly ridiculous power. That two-thirds business has no place, speaking generally, in the governmental machinery of a free democracy. It did have a place in the beginning.

You who are familiar with the processes by which we developed ourselves into a Nation know that back in the very early times, in the seventeenth century, Massachusetts and some of the other communities got together and formed a firm friendship. They represented independent sovereignties in their relationship to each other confederated in a common cause. Toward the end of the struggle for independence these confederates adopted articles of confederation.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I appreciate the careful attention of the Members of the House because these are things, regardless of who speaks them, which we must consider in making our determination.

When those States had been drawn together by association in the French and Indian War and with the press of the problems and dangers casting their shadows across the country as we were approaching the Revolution, they gathered by their delegates in the Continental Congress. They were independent States, associated in a common enterprise. They required a unanimous vote to even attempt to bind any of them because they were only confederates. When they had fought the battles of the Revolution and had been united by the struggles of the Revolution, and faced the dangers to which I have referred, they formed a more perfect Union. They adopted the Federal Constitution. But even then, after that adoption, the States were first in the patriotic love of the citizens of the respective States. We were not a nation. We clearly were not a nation until after the Spanish-American War. Constitutions and written documents do not create nations. They grow together under natural laws that God Almighty has provided for the development of governments of peoples. Men cannot make nations. Documents do not bind them. When we formed the Constitution, we left two foreign substances lying side by side—slavery, that

terrible institution; and the protective tariff, lying between the two great sections, North and South. While the bark grew up around parts of the tree, there remained an inherent weakness, because the fibers of union could not penetrate this foreign substance. In 1861 we broke at this point of weakness. The States of the two great sections were united but we were not united in the middle. We were not a nation. We could not be. We had not grown together in the middle. We were a nation when the Spanish-American War ended. The Confederate flag, except upon rare special occasions, had pretty nearly disappeared from my section of the country. We were one people, united by natural processes by doing things together, making history together, growing together at the point of physical and governmental contact. Now, we have gone through the first great war, making common cause with other nations. Like a tired human body after great physical exertion, we had the urge to sit down. We laid down. We went to sleep. The opening guns of another great war aroused us from our dreams of isolation and security. Other nations had the same rude awakening.

Men and women of this body, are you going to stop here and not try to do something to effectively establish some better method to restrain the wicked, some better method for the settlement of disputes among nations than wars afford? If so, are we going to leave our own hands tied by a minority of one-third plus one of only one House of the Congress to which we give the power to thwart the will of a nation facing its duty and its dangers?

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. HOFFMAN. Does not the gentleman think it would be a good plan for these nations who are clamoring for our help to adopt the same system of government which has served us so well and try it themselves?

Mr. SUMNERS of Texas. I am glad the gentleman asked that question. No, I do not think so. I do not believe that many of those countries could operate under our system of government. We have been nearly 2,000 years within historical times developing that capacity. I think they probably have the system of government best suited to themselves. And if we stop trying to make other people accept our system of government, and would resist their attempts to make us accept their system of government, and try to equip ourselves to exercise the united judgment and will and power of this country to become the leader of the nations of the world in trying to establish a better method than war afforded, and not tying our hands by this absurd provision, useful and adapted no doubt to the needs of our ancestors, we would be moving in the proper direction, in the direction of our duty and destiny. May I say to my friends when confronting this situation, you ought not to have been trying to put upon this country an additional handicap permitting one-third of the House of Representatives in addition to that of the Senate to defeat a treaty. That very spirit unfortunately is guiding too many of you people who are capable of clear thinking, if you would but try. Gentlemen, I appeal to you in behalf of your country, do not fall under the influence of that little group on the Republican side trying to tie the hands of this country in an hour such as this and preventing it from exercising its power in the world to provide a better method for preserving order and security and settling the disputes of nations than is afforded by such wars as we are now engaged in.

Mr. Chairman, I am in favor of the pending amendment and hope that it is adopted and that this resolution as amended will be adopted.

Mr. ADAMS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I agree with the many able gentlemen who have said on the floor of this House that this is an important question. As a new Member of this Congress I am impressed myself with the fact that this may be the most important question upon which I am privileged to vote in this, the Seventy-ninth Congress.

I am for the principle of the concurrence of the House in the ratification of treaties, but I am emphatically for the amendment that has been offered by the able gentleman from Missouri. (Mr. SCHWABE of Missouri proposed treaty passage shall be by a majority vote of the Members of each House of Congress.) Personally, I am not impressed with the argument that the secrecy nor the complexity involved in the negotiation of treaties properly lodges their consideration in the other House. It seems to me that in representative government, in our kind of constitutional government, treaties are the people's business. In the days that are ahead of us, when the interdependency of nations is of increased importance, treaties, or contracts between nations—for that is what they really are—should properly come before this House for consideration.

It has been well said that we should never underestimate the intelligence of the American people. It may be just as well said, I think, that general knowledge of the policy of this Government, not only over its own domain but over its relationships with other nations of the world, properly belongs with the people. Knowledge of those policies will generally contribute to their support in the measure the people know and understand their nature. In what body can the consideration of treaties be taken more properly than right here in this House, the body of the people's representatives?

I see advantages in the gentleman's amendment. Those advantages apply not only to the consideration of treaties here, but, as has been pointed out, in the Senate as well. Affirmative action on a treaty may now be taken in the Senate, theoretically at least, by a vote of 33 members, two-thirds of a quorum. Under House Joint Resolution 60 such action may be taken by no more than 25 Members, a majority of a quorum. However, under the amendment proposed by the able gentleman from Missouri, it would require a vote of 49 Senators to take positive or affirmative action with respect to a treaty under consideration in that body.

It may be argued that this makes more difficult the adoption or ratification of a treaty. However, an inspection of the record discloses that treaties have almost invariably been adopted, when they have been adopted, with an affirmative vote of much more than a majority of Senators.

On the negative side it has been pointed out that in the Senate a vote of 17 Members could conceivably block favorable consideration, and no more than 33 Members voting negatively are needed in any event. Under House Joint Resolution 60, 26 Members may prevent favorable action, whereas under the gentleman's amendment it would take 49.

I want to refer at this point to the votes that have been made on treaties which have been rejected by the Senate by operation of the two-thirds rule and to point out that under the gentleman's amendment the majority of those treaties which have been rejected, and which had more votes for them than against them, would not have been adopted.

The treaty on commerce between Prussia and other German states was rejected on June 15, 1844. There were in the Senate at that time 52 Members—26 voted for the treaty, 18 Members voted against. Under House Joint Resolution 60 that treaty would have been adopted. Under the gentleman's amendment the treaty would have been rejected, in part because there were 8 Members of the Senate who were either ill or absent or who did not vote on the question.

When the claims treaty with Spain was rejected June 27, 1860, there were then 66 Members in the Senate. At that time 26 Members voted for it, 17 voted against it. The treaty was rejected. It would have been adopted under House Joint Resolution 60, but it would have been rejected under the gentleman's amendment. Twenty-three Senators did not vote.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. SCHWABE of Missouri. Mr. Chairman, I ask unanimous consent that the gentleman from New Hampshire may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ADAMS. When the reciprocity treaty with Hawaii was rejected June 6, 1870, there were then 74 Members of the Senate—20 Members voted for the treaty, 19 against; 35 Members did not vote. The treaty was not adopted. It would have been adopted under House Joint Resolution 60, but it would have been rejected under the gentleman's amendment.

I include at this point, under leave granted me in the House, a complete list of treaties rejected in the Senate by operation of the two-thirds rule, showing the vote for and against each treaty:

Treaties defeated in the Senate by reason of the constitutional requirement of two-thirds of the Members present concurring, but having more than a majority of the total votes cast in favor thereof

Rejected	Total number members	Vote		Not voting	Country	Subject
		For	Against			
June 15, 1844	52	26	18	8	Prussia and other German states.	Commerce.
June 27, 1860	66	26	17	23	Spain	Claims.
June 1, 1870	74	20	19	35	Hawaii	Reciprocity.
Jan. 5, 1883 [1]	76	33	20	23	Mexico	Claims.
May 5, 1897	90	43	26	21	Great Britain	Arbitration.
Mar. 19 1920	96	49	35	12	Multilateral	Versailles Treaty.
Jan. 18, 1927	96	50	34	12	Turkey	Amity and Commerce.
Mar. 14, 1934	96	46	42	8	Canada	Great Lakes-St. Lawrence Deep Waterway.
Jan. 29, 1935	96	52	36	8	Multilateral	Adhesion to the World Court.

[1] This treaty was resubmitted to the Senate in 1886, and on April 20 again rejected: 32 to 26.

Sources: U. S. Department of State: List of treaties submitted to the Senate, 1789-1934; treaties submitted to the Senate, 1935-39; treaties submitted to the Senate, 1940; treaties submitted to the Senate, 1941; treaties submitted to the Senate, 1942. Fleming, Denna F.: The Treaty Veto of the American Senate. Haynes, George H.: The Senate of the United States, vol. II. Holt. W. Stull: Treaties defeated by the Senate.

This is a complete list of treaties receiving more than a majority of votes cast, but which failed of adoption through the operation of the two-thirds rule. It will be noted that under House Joint Resolution 60 all of these treaties would have been approved, but under the amendment offered by the gentleman from Missouri only three would have received approval of that body. Those three are the Versailles Treaty, the Treaty of Amity and Commerce with Turkey, and the treaty which would have made us members of the World Court. All the rest would have been rejected under the gentleman's amendment.

Although the point has been made in debate on this issue, I should like to call attention once more that under House Joint Resolution 60 favorable action on a treaty might be taken in this House by the affirmative votes of only 110 Members. Under the gentleman's amendment affirmative action would require 218 votes, a majority of the elected Members of this House. In my view, at least that number of Representatives ought to agree before a treaty receives favorable consideration by this body.

The object of changing the method of ratifying treaties, as I understand it, is both to facilitate their adoption by the reduction of the proportion of votes required which are necessary to favorable consideration, although that has been denied by some Members here, and of even greater importance, to broaden the base of treaty consideration. It seems to me that under House Joint Resolution 60 with the amendment as proposed by the gentleman from Missouri, both these objectives are accomplished. Favorable action in the Senate will require no greater proportion of the total votes than have been cast over the years in the adoption of treaties acted favorably upon by the Senate. In the House 218 votes would be required for favorable action. Negatively stated, it would require theoretically at least 49 Members of the Senate to block favorable consideration as against anywhere from 17 to 33 Members at the present time.

Insofar as the second objective is concerned, that of broadening the base of treaty consideration, we shall have brought the consideration of international problems of great importance to the people before a majority of the people's elected Representatives. It seems to me that here is rightfully where that consideration belongs.

Mr. Chairman, I yield back the balance of my time.

Mr. SUMNERS of Texas. Mr. Chairman, I wish to make an inquiry as to how many Members still wish to speak on this amendment to get an idea as to the length of time it may take. [After a pause.] Too many Members have risen. I will let the debate run on for a while.

Mr. HOFFMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. Or perhaps it is merely an inquiry as to procedure. I notice that Members are asking for 5 additional minutes from time to time. Does the Chairman intend to cut off debate later on? I am asking so I may know whether to object to these requests when they are made.

Mr. SUMNERS of Texas. I have no disposition to try to cut off debate. I was trying to ascertain how much time would probably be required to see if we could get some agreement, but I observed so many Members still wanting to speak that it would not be advisable for me to make that request.

Mr. HOFFMAN. Does the gentleman intend to close debate tonight?

Mr. SUMNERS of Texas. I hope so. I hope to not only conclude debate but to finish consideration of the bill today.

Mr. HINSHAW. I hope to offer a substitute. Does the gentleman intend to close off debate on this matter?

Mr. SUMNERS of Texas. There is no disposition to close debate.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from South Carolina.

Mr. HARE. Mr. Chairman, I ask unanimous consent to extend my remarks in the Appendix of the RECORD on this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The gentleman from Arizona [Mr. MURDOCK] is recognized.

Mr. MURDOCK. Mr. Chairman, I feel I should not take the time of the committee more than to make a brief statement to clarify my stand. I voted against the preceding amendment and will support the pending amendment. I am in favor the pending resolution. I voted against the earlier amendment requiring a two-thirds vote in both Houses of Congress to ratify a treaty, because I felt that such a provision in the Constitution would make it virtually impossible in the future to ratify a major treaty. I favor the pending amendment which, if adopted, would change the Constitution and require treaties to be ratified by both branches of Congress by a majority of the total membership of each House. Yes, treaty ratification is a weighty and serious matter, and I think the voice of the people should be heard in such ratification through the representatives of the people, but with such method and machinery as not to permit a false majority to find expression. The pending amendment, if adopted, will come nearer assuming the true expression of the people if it becomes effective in the fundamental law.

Yesterday and today are VE-days. We should be happy that the slaughter in Europe has ceased. I am indeed happy because of that fact, but I could be happier in the present situation if I could know that the price already paid has not been largely waste. Say what you will, I cannot erase from my mind what I believe to be a fact—that the present holocaust might have been avoided had it not been for the action of a few willful men in the Senate of the United States, under this present constitutional two-thirds rule, which thwarted the will of the American people a generation ago. I lost no one who was near and dear to me in the First World War. Therefore the blood that was shed in vain in that war against imperial Germany does not strike home to me so directly as in the case of this war. When I reflect that my own son died in battle to prevent, among other things, his father's execution in case the swastika or sun flag should be hoisted over this building, that, with all its other meaning, greatly stirs my emotions. But my feeling would be more greatly modified and softened if I could know that his death would prevent his little nephew and namesake, and millions of others of like age, traveling the same road in about 20 years. So long as a little handful of willful men have the power, no matter what their motives may be, to wreck any peace plan however wisely conceived, I have a chilling fear that my boy's death and that of others may have been in large measure in vain. I recognize that there are other ways—and they are constitutional ways—of our entering into international agreements than by the method which we are trying to change, but I have no assurance that we can make use of these other methods in our dealing with other nations when it comes to a peace settlement.

It has been implied that there is something sacred about the two-thirds rule. I wish somebody would point out to me how sacred it is. Some of those who are upholding this very two-thirds rule for treaty ratification have never been conspicuous in the advocacy of a two-thirds vote in the Supreme Court of the United States to make its decision effective. Talk about an important matter requiring caution and great consideration because of the long influence through many years of a fateful decision, how about those epoch-making Supreme Court decisions, many of which were 4 to 5 decisions? Show me a man who has advocated a two-thirds vote in the Supreme Court, and I will listen to him more respectfully in his argument for a two-thirds vote on treaties.

No one can surpass me in respect for that remarkable group of men who framed the Constitution of the United States. I know of no more competent, intelligent, and wise group of statesmen that was ever convened in the history of the world than our Convention of 1787, but they were men and not gods. The wisest of them was perhaps the philosopher Benjamin Franklin, and in 1787 he doubted that the Constitution they had framed would last 100 years. According to his own idea, since the Constitution was of human origin, it probably had within it the seed of its own destruction. The great document has outlived Franklin's prophecy, but remember that it has been changed. Who can say that some of those changes have not only meant improvement but have removed some of the seed of destruction implanted in the original document itself.

The two-thirds rule for ratifying treaties by the Senate was implanted in the original document. Let the result of that two-thirds rule work out a second time as it did after the First World War, and that provision in itself will be a seed which may means the destruction of the Constitution for which Franklin and all the rest of us have such solicitude.

It is needless for me to argue this case, after all that has been said here. Let us remember the age in which the Constitution was framed, and our Nation's then small and insignificant place on this globe. In contrast, note our present position and the almost terrifying changes that have taken place. By all the forces of circumstances, we have become a leading nation in the world, and if we do not measure up to that responsibility we are doomed. If we are bound hand and foot by a treaty-making regulation established for an infant republic in the eighteenth century, as we attempt to fill our destined niche in human affairs in the twentieth century, then we are foredoomed to failure as a nation. The choice of America's road of destiny has not only been made by the fighting men, but it must be confirmed by appropriate and sensible action by the Nation's civil officials, or all of our travail will be futile.

Mr. RAMEY. Mr. Chairman, I move to strike out the last eight words.

Mr. Chairman, I want to answer two objections that have been advanced by the opposition. One distinguished gentleman opposed to this amendment and to the resolution referred to the time when the boys come marching home. They will soon come back victoriously. They will be the militant force of our national thought and action, and many of them are going to become Members of the House of Representatives. I wonder if right now we want to deny those boys, and I add girls, who will be Members of the House of Representatives the right to participate in treaty making? About 6 or 8 years ago a Member of Congress from Ohio resigned as a Member of this House stating:

> I am tired of being a Member of Congress because I have no right to speak. My voice is not heard. The only time they listen to me is when they want to spend some of the taxpayers' money.

Our gallant heroes should have the right to make treaties and now is our opportunity to give those who will be Members of the House of Representatives that right. Let us not say to them when we elect them to the House of Representatives, "You can go to Congress, but your voice cannot be heard."

In regard to what has been said by the distinguished gentleman to the effect that Members of the House become emotionally intoxicated when under pressure I cannot concur. When Members of the House of Representatives receive chain telegrams that are inspired by various racket bureaus and they come in in sacks full, the Members of this House are not moved; but when the letters come from our sons and daughters in the armed services, when the letters come from the fathers, mothers, and wives of those boys and girls and from the taxpayers themselves, certainly we are moved to action. God forbid the day when a Member of the House of Representatives becomes so cool, cold, and calculating that he does not listen to the voice of the people. The people do not need to be saved from themselves, as a distinguished Member here stated. Quite often that which you call emotion is spiritual intuition.

The gentleman from Ohio [Mr. BREHM] stated yesterday that we are here to reflect the voice of the people. The preamble to the Constitution begins "We, the people." Let us not by-pass "We, the people" in the United States today by bypassing the people's Representatives in our law-making body. Let us look forward, not backward. Let us give our conquering heroes who will be Members in great numbers of the House of Representatives of tomorrow a voice in treaty making.

Mr. BELL. Mr. Chairman, I move to strike out the last nine words.

Mr. Chairman, I was opposed to the preceding amendment because I felt that it would unduly tie the hands of this country in the making of treaties and agreements with foreign powers. We must all recognize the fact that we are living in a smaller world than we did a few years ago. It is a world we are going to have to get along in. We want it to be a world where we will live among friends, and in order to have friends we must have a meeting of minds with them from time to time.

I think that this is a move, perhaps, in the right direction to let the body in Congress which is closest to the people have a voice in the making of treaties from time to time. On the other hand, I am for the present pending amendment.

During the decade that I have been in Congress again and again I have seen things happen on the floor of the House, maybe at 5 o'clock in the evening, when a bill of tremendous importance would come in here, with only a dozen Members on the floor of the House. That bill would pass by a standing vote or a voice vote, no record vote, and the great body of the membership perhaps not know anything about it. Again and again I have seen those same bills amended or repealed within a short time because it had been discovered that they were bad bills.

But when we ratify a treaty with a foreign power extending over a period of years, we have signed a solemn contract and we have bound the American people to it. If we are going to do that I think that we ought to require that those voting upon it comprise a majority of the entire membership of the House and of the Senate. I feel that if we are dealing with a matter of great solemnity it should be handled in a manner commensurate with the importance and solemnity of the occasion.

This amendment does just one thing. It provides that treaties may be ratified by a majority of the membership of the Senate and House respectively, but it prevents solemn treaties binding the American people, and our children, and our grandchildren possibly for generations to come, that might, under the bill as now written, be passed upon by a mere handful of the membership of either House. I am saying something that every Member here knows is true. I think it is tremendously important to the future safety of the country that we love to put this little safeguard back of the making of treaties. I think it is a fine thing to let the American people, through their Representatives, speak on the making of these solemn agreements. But if we are going to have a majority rule, let us have majority rule and not rule by a fraction of a minority, and that is the thing that the bill unamended would permit.

I hope, therefore, that this amendment will carry, I think it has two important provisions in it. In the first place it provides that in order for a treaty to be ratified, not merely a majority of those present at the time it is ratified must vote for it but a majority of the entire membership of the House and Senate. Then it has this additional safeguard. It provides that the vote shall be taken by the yeas and nays; in other words, a record is to be made that will be here for all time, so that every man who on that solemn occasion here in this House is searching his conscience as to how he ought to vote will be voting with that knowledge.

Mr. SCHWABE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Missouri.

Mr. SCHWABE of Missouri. The yea-and-nay provision is not contained in the amendment which I introduced, but I think it is intended to be submitted later.

Mr. BELL. When I saw the amendment last it contained that provision. Well, that is all right. I am still for the amendment.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. If that amendment is adopted the yea and nay provision will probably be incorporated, because it will be necessary affirmatively to show that a majority of the membership of the House voted for the amendment.

Mr. BELL. I think the gentleman's position is perhaps well taken. But I am still in favor of having the vote by the yeas and nays for this reason: For a good many years I practiced law, as many of you gentlemen have. Again and again I have gone into court as a lawyer on one side or the other of a lawsuit, and the reason that the lawyers were there, and the reason the litigants were there was because they saved a few words when they originally drew the contract.

I think if there is any responsibility that God has placed on our shoulders today it is to make America as safe as we can possibly make it for the generations to come.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BELL. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BELL. As the distinguished chairman of the committee has said, the probabilities are that the vote would be taken by the yeas and nays anyway. But let us not make any mistake about it. The stakes are too great, the possibilities are too great. The possibilities for good and the possibilities for evil are so great that they are staggering. If we enter into the ratification of a treaty, we solemnly give our plighted word to some other nation, and we cannot expect to repeal it the next week if we find we have made a mistake. We will have to stick to it.

So I hope an amendment will be offered and that the House will vote for an amendment requiring that the vote be by the yeas and nays. The distinguished gentleman said it probably would be, anyway, but let us not have any mistake about it. Let us require that every man who votes for a treaty binding his country for generations to come will not only vote for it but will have his name put down in black and white so that his children and his children's children after him will know beyond any question just how he voted upon that solemn occasion.

Mr. JENNINGS. Mr. Chairman, I rise in opposition to the amendment and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. JENNINGS. Mr. Chairman, in my opinion, we are debating what we might term a moot question. It will, when it reaches the Senate, lie beside the work-or-jail bill, and the draft-nurses bill this House passed in moments of emotion. For these reasons I shall not get unduly exercised about what I am going to say or about what anybody else has said.

In the beginning, may I say I was impressed tremendously with the remarks of the able gentleman from Oklahoma [Mr. RIZLEY] when he urged that we not undertake to change the fundamental law of the land while 12,000,000 of the bravest, the strongest, and the best of the young men of this country are engaged in fighting to preserve its institutions, and at a time when they will have little if any voice in the action that is proposed. He has six of his immediate family in the armed forces, three sons and three sons-in-law, all he has, and five of them are on the battle front.

Let us just remember that we are undertaking to amend or change not a statute, but the fundamental law of the land. Much has been said about what some of the men who formulated this great document are alleged to have said. We are considering their handiwork. It may safely be asserted that no abler body of men—yes, I will make it stronger than that: The men who constituted the Constitutional Convention were the ablest body of men that ever met upon this earth for the performance of a governmental task. They worked in the light of the world's experience. They were governmental experts. They were familiar with every governmental experiment from the dawn of history to their time. They thought in terms of government.

What has been the measure of the success of our form of government? You have before you the result of their wisdom in the unparalleled and unequaled 156 years of the growth, development, power, and liberty of this country. We are the oldest free government in the world today. We are the only constitutional government of any note in the world today. The past is the nursery and the cemetery of nations. The pathway of the human race is strewn with the wreckage of fallen states. The system of balances and checks under which we have prospered and been happy should not hastily be changed. The world today is in a state of flux. The elections recently held in France were carried by the radicals. The proposals that are being made for the future government of England, if they succeed, will make a socialistic or a communistic state out of that nation.

It is none of my business what sort of a government Russia has, but it is tremendously my business and your business as to what sort of a government this Nation shall have. The President of the United States is, as I said the other day, and I want to repeat it, the most powerful executive in the world. The argument has been made here that the Membership of this House is equal in intelligence and patriotism to the Members of the Senate. We all know that. We would all probably admit it if you could take the privy examination of each of us where our modesty would not be tested too strongly. We would all admit that. I believe I will make that admission now for the Members of the House, but I would not undertake to pick out a select few and to say, "These are the bellwethers of the House." These are those who stand out in wisdom and virtue above all their fellows.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. Yes.

Mr. HOFFMAN. Do you know of anyone who is a Member of this House who would not admit under pressure that he is a great statesman?

Mr. JENNINGS. That is probably true. But that is not the question. The question here is, Shall we so amend the Constitution that a majority of the membership of the two Houses may ratify treaties? There is nobody in this House, of course, who would be susceptible to the influence of a Federal gratuity or Federal patronage. But there might come a time when a treaty affecting the welfare of this country was submitted to the House or to the Senate and where the necessary majority of one might be obtained by the appointment of the man necessary to make the majority of one to the Federal bench or to some other lucrative life job. Nobody in this House would be influenced by that sort of thing, but human nature is just human nature. I know of Members of the House and Members of the Senate getting lifetime jobs as judges. Not so long ago I heard that a Member of the Congress was offered a judgeship to get rid of him because he was pestiferous in certain respects as a Member of Congress.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. Yes.

Mr. HOFFMAN. Can the gentleman not recall when the whole House on several occasions jumped through the hoop?

Mr. JENNINGS. I do not want to reflect on the membership by saying that, but I do remember the other day when the President vetoed the measure passed by a vote of more than two-thirds of this House, requiring General Hershey to observe the law as passed by Congress, his veto was not debated upon the merits, but my good friend who carried the flag over on the other side of the House said, "Let us stand by the President because this is his first veto."

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. No; I cannot yield.

This measure was originally proposed under the belief that a two-thirds majority of the Senate would not ratify a treaty designed to keep the peace or support a world organization. We all know that. Every well-informed Member of this House knows that today sentiment in this country is so unanimous that the Senate will ratify the proposal which is

brought forth from the San Francisco Conference. That is part of the wisdom of the founding fathers. This country ought not to be and cannot be bound by any treaty involving the far-flung and important structure of the nature of a world organization to keep the peace unless two-thirds or more of the people of this country are in favor of such a treaty. Not only that, but a treaty transcends in dignity and power and in its far-reaching effects the statutes of this Congress. By section VI of the Constitution, it is provided that this Constitution and the laws of the United States which shall be made in pursuance thereof and all treaties made, or which shall be made, shall be the supreme law of the land. You propose to bind this Nation to the destinies of foreign powers, and obligate our people to other peoples by a majority vote. But to repeal, revoke, or get rid of a treaty, you propose—if the President vetoes the repealing act—that we can only make our act of revocation valid provided the Congress muster two-thirds of the votes of Congress to override his veto. Emotional appeals have been made here to the effect that we must go out and make this treaty or the other treaty. Well, we cannot make unilateral treaties. A treaty is a contract between two or more powers.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield.

Mr. DONDERO. Have the people of the United States petitioned the Congress for this change in their Constitution?

Mr. JENNINGS. They have not.

This proposal was conceived in the minds of some who thought the Senate would not go along on the matter of an organization to keep the peace. Let us see what might be the effect of a majority ratification of a treaty. Everybody knows that the whole world has its eyes on America. The Members of this House who have just come back from England tell me that virtually every Englishmen wants to come to this country. We know there are millions in Europe and in Asia who desire to come to this country, by relaxation of the immigration laws. We are talking about 60,000,000 jobs. We are talking, above all other things, about a job for the young man who has bared his breast and who is now coming home; the young man who wants to come home to the kind of a country that was so free and great and good that he was willing to lay down his life for that country. He wants to come back here and have a wife and raise children and have a home and have a job. There will be those who will strive to breach the immigration laws and flood this country with foreign immigration when we do not have enough jobs for our own people.

Then there are others who say we must finance the world. I am for helping the world. Who can say we have not helped the world? We have poured out our treasure like sand and our blood like water, and yet some of them want to make a nurse-cow out of this country and put all the nations of the world on us. They want to strap Uncle Sam down on a table and carry on an eternal transfusion of blood from the veins of this country into the veins of all the people of the world who are ready to take all we have. I have not heard of anybody who wants to give us anything.

Mr. LEWIS. Will the gentleman yield?

Mr. JENNINGS. I yield.

Mr. LEWIS. Does the gentleman think if this amendment is adopted and the amendment now pending before the House——

Mr. JENNINGS. I know what your question is. I think it will be easier for me to answer it and save time.

Mr. LEWIS. Let me finish my question.

Mr. JENNINGS. I think I have anticipated your question. If that is not it, then it is not a pertinent question.

In other words, those people who desire to take our country over and take all we have, and have us work to feed the world, to clothe the world, to finance the world, to take care of the world, they can more easily do that by a majority vote. Did you know—you do know, many of you—that it is proposed that we have "union now"? A book has been written on the question and thousands of dollars have been subscribed by Americans to bring about a union between this country and the British Empire. All the blood in my veins except a little French blood, is English blood. I love England but I do not love her better than I love my own country. It has been proposed that we have "union now." That could be done by treaty. It could not be done by a two-thirds vote of either House, but there might come a time when it might be done by a majority vote of the two Houses. I love the King, in an abstract sort of way, but I do not want to help sing God Save the King. I would rather sing a song—if somebody will write one—God Save the United States of America. Yes; we should be able to join in singing The Star-Spangled Banner. There are no isolationists. We are Americans. We have voted for every measure to win this war. I believe in England. I rejoice that England survived. I am satisfied we would go to war before we would see her wiped out by any power on the face of the earth, because we are bound to her by ties of blood, common interests, and in our devotion to representative government and the liberty the English brought with them to America and to enjoy which we fought and won the Revolution.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. KEFAUVER. Mr. Chairman, there are three other amendments pending. I wonder if we could not get some agreement about debate on this particular amendment.

I ask unanimous consent, Mr. Chairman, that all debate on this amendment be concluded in 30 minutes.

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, how much time will that give each one of us who desires to speak?

Mr. KEFAUVER. About 3 minutes each.

Mr. KEEFE. Mr. Chairman, I object.

Mr. HOFFMAN. Some of the Members have spoken as much as an hour. Some of us have been waiting a week or more to say something.

Mr. KEFAUVER. Mr. Chairman, I ask unanimous consent that all debate on this amendment conclude in such time as that those now standing may have 5 minutes.

Mrs. ROGERS of Massachusetts. Three minutes will be sufficient for me.

Mr. KEFAUVER. Mr. Chairman, I ask unanimous consent that all debate on this amendment conclude in 1 hour. That should give sufficient time for everybody.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee that debate on this amendment close in 1 hour?

There was no objection.

The CHAIRMAN. The Chair will read the names of the Members seeking recognition:

Messrs. HOFFMAN, JUDD, Mrs. ROGERS of Massachusetts, Messrs. MERROW, LEWIS, GWYNNE of Iowa, PLUMLEY, DOYLE, KEEFE, MCCORMACK, TOLAN, KEFAUVER, LYNCH.

Has the Chair omitted any Member?

Mr. GWYNNE of Iowa. Mr. Chairman, I wish to make a correction. I was not seeking recognition.

Mr. DOYLE. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. DOYLE. Mr. Chairman, I do not know how many Members had constituents who were vitally enough concerned with the question of constitutional provisions to discuss them intelligently, but in their respective congressional districts answering the distinguished gentleman from Michigan [Mr. DONDERO] who raised the question as to whether or not Congress had been petitioned to make this change, I may say, that this issue was a very live one in the Eighteenth District of California which I have the honor to represent. At least 95 percent of the expressions there made last September, October, and November, and 100 percent of the expressions since I came from that great congressional district, have been for the changing of the constitutional provision relating to the ratification of treaties. I speak today therefore, very definitely representing the expression of the people of my district in California favoring this amendment and favoring the amendment as submitted by the gentleman, I believe, even though they, of course, had no knowledge of such amendment, no more than did I.

Discussion and debating groups, responsible political groups, current events groups, and others, almost unanimously expressed it as their opinion and desire that our Consttiution should be amended, so it could not happen again that as few as one-third plus one Member of the United States Senate could defeat the wishes of the great majority of the American people as to treaty ratification.

Fundamentally, there are two reasons why I favor this proposal. I would that I had time to elaborate on some of the important points raised by other Members of this House on the same subjects,

but inasmuch as they have been very thoroughly discussed, I think I shall limit my discussion to these two reasons which I believe are fundamental to a decision in this debate. First, I say to you frankly that I think it is dangerous for the American people to have longer saddled upon them any method of government, any procedure in government, with reference to treaties or any other major subject, by which a minority of the people or the representatives of a minority can control the decision. I will say it again: I believe it is dangerous to our democracy that we continue any system of procedure in American Government by which a minority vote can control the destinies of the American people in treaty ratification or other major matters. The present system of ratifying treaties clearly permits a minority of only one House of this great Congress to control the destinies of the American people in matters of treaties. This has not and cannot be successfully denied. You will clearly see therefore that I am in favor of the amendment; I am in favor of both Houses of this great Congress having a voice, because I am fundamentally in favor of more expression of the American people and by the American people, in their own Government and of the participation of both Houses of this great Congress after expression by the people of their wishes. By such an expression we get a larger expression of the American people of their considered opinion. I will therefore say again that I think the time has come when we must submit to the American people for their own decision finally, whether or not they want to continue under this load which they now carry in treaty ratification.

No Member of this House has more reason to think carefully about this question with reference to treaties than do I. I think that we Members of this House who have given our life blood in this war are not less patriotic, are not less concerned, than the men in uniform in having a right to participate in their government. These men expect us to do our duty as we sincerely see it on this home front while they do their duty where they are.

The other day in this debate I, in a definite way, urged the same fundamental reasons as I now again emphasize. We have debated these 4 days on this important subject. Yet, since I previously made the argument that the present system and procedure of ratifying treaties was contrary to the fundamentals of representative democratic form of government, and the needs thereof, no opponent of this resolution and amendment has undertaken to answer my argument and state anything to the contrary. It is not and cannot be denied that minority government, or government by a minority is not fundamentally sound. Such government cannot long endure. Fundamental decisions as to the destiny of the American people, if made by minorities, are not finally made; they are but transient and temporary substitutes, for the will of the American people. Can it be that opponents of this measure feel that in one-third plus one of the Members of the Senate there rests the wisdom of the vast majority of the American people? Give me the American people in possession of the true and accurate information about any problem; let them discuss it; let them debate about it, work over it and pray about it. I will take their decision thus reached at any time in preference to the decision by any minority of any group of legislators. It may not be what the minority of such legislators or groups would determine, but it is nevertheless the soul expressed wish of the American people. It therefore rests in more permanency and security and equity than does a minority decision on the same subject. There is guaranteed safety and security in the decision by the great American majority, when fully advised and informed in the premises.

Why is there need of being fearful of results to the American people themselves if we this day vote in favor of this fundamental proposition and thus give the American people a chance to decide for themselves? The very root of safety and endurance for our American form of government stems and grows from frequent opportunities for the American people to decide their own destiny, being in possession of the facts and information concerning same. Rather we need to be fearful in the absence of increased participation by American people in determining their destiny in major matters. They are not concerned with technicalities nor trivial matters; but, more and more, gentlemen, I am convinced that our governmental procedure must be so set up that it functions back to the American people themselves in the fundamental decisions which must be made with reference to our international relationships, as well as our national or our own major domestic problems.

The American people resent—and have for many, many years, resented the fact that they were and could continue to be eliminated from representative participation in matters relating to foreign treaties. Let us give the American people a chance to decide for themselves. They know that their majority opinion can now be ignored by reason of the time-worn and antiquated and out-of-place provision of our Constitution, which permits one-third plus one Member of our great Senate to decide against majority will. This is just basis for a sound resentment on the part of the American majority. They know that there is too much at stake in the near offing, for our Constitution to be left in this particular as it now is.

Even if it be true that this provision could not possibly be ratified by both Houses of this Congress, and thereafter promptly enough ratified by three-fourths of the States of this great Union to be effective within the next several months, this in itself is no sound argument against making this change. If it be fundamentally sound to make this change because it is fundamentally unsound as at present in our Constitution, then, gentlemen, it remains fundamentally sound for us to make this change for the benefit of the future years, even if it not be for the benefit of the immediate future months of our Nation's history.

Our American way of life cannot be perpetuated, if the processes and procedures of our American Government are in the most important places of governmental processes and responsibilities, not consistent with the fundamentals of the representative form of government of our American democracy. It being inconsistent with representative, majority rule, that a minority can control in spite of the expressed wish of the majority; therefore, at this point in our Constitution, we must change this provision which develops as inconsistent with our representative form of government. Our Constitution should be amended.

If the great framers of our Constitution did not recognize that history, itself, would no doubt dictate that fundamental changes could be made in it, I ask the opponents why it was then that four ways to amend this historic instrument were written into it by our great forefathers. I hear no answer to that question today, nor have I heard any reasoning made as to why they wrote into the original document itself, provisions for amending it, if they are today considered to have been so wise that they then knew what all of our needs were to be. I consider that I take no glory, nor honor, nor respect away from the members of that great Constitutional Convention, nor the framers of this great document, when I state frankly that they could not possibly have foreseen the succeeding history of mankind. Therefore, the opponents' argument that we must not change this instrument, because it was written by our farseeing forefathers, does not apply.

A thing we need not ever fear as representatives of the great American people, is giving to the American people, who elect us, every reasonable opportunity to gain accurate, full information about their own government and destinies; and then let them vote and determine what their own destinies shall be. A favorable vote by this House and the Senate, will give to the people back home, who know more than some Members of this House give them credit for knowing, an opportunity to decide the national destiny of their own Nation for themselves, instead of having it continue a fact, that a minority of one body of one House, can decide and control that destiny for them.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DOYLE. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Time for debate has been limited by agreement.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield the gentleman 1 minute of the time reserved for me.

The CHAIRMAN. The gentleman from California is recognized for 1 additional minute.

Mr. DOYLE. I think the men who have lost their sons have no less reason to be concerned with participation by the G. I. boys as they come home than I have. I say to you that the consciousness of the American people is asking for some such change as this. As the boys come home they will compliment

us for acting so it will be more difficult for their children to be called to arms.

My second reason, for favoring the amendment, is that it will throw back to the great American people, where it belongs and in whom I have unlimited confidence, a chance to increasingly participate in their own governmental decisions and their destiny. It will throw back to the grass roots of our own people at home, a chance to participate in their own destiny and to vote, to discuss, and to reason together, the ways and means by which their Government shall be handled; the means by which their international treaties shall be determined as to ratification. The time has come when we must submit to the majority of the American people a chance to give expression to their majority opinion. We need not fear the informed, considered opinion of the American people, for that opinion will be no less sound than ours as their representatives.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, the gentleman from California who has just spoken gave his son for our country and I know when he spoke he was voicing the sentiments of his precious son. I believe his every action taken and every word spoken follow what he believes his son would wish. The gentleman from Ohio, Judge RAMEY, stated that many men overseas would occupy seats in the Congress of the United States in future years, and I am sure he is right in that assertion. He said they would want to have a voice in the making of treaties. I may add the thought that it is extremely important for the Congress of the United States to have the benefit of the ideas of those men who have fought in far-off lands, who have lived there, who know all the conditions over there and know the importance and far-reaching effect of what we do insofar as treaties are concerned as they affect the welfare of the United States.

Mr. Chairman, I have maintained steadily that the enlisted men, the G. I. Joes, who have seen action and who have suffered should be given a seat, or seats, at every conference and every peace table that we shall have.

Mr. Chairman, there is another reason why I feel the House should participate in the ratification of treaties and that is we would try to be so much better informed if we had the power to ratify. I have protested in the past that information has not been given to the House Committee on Foreign Affairs regarding international matters, although the information that I have requested and which other Members have requested has been given to the Senate Foreign Relations Committee. The reason it was given to them, so it was stated, was because that body ratifies treaties. As a matter of international education of the members of the Committee on Foreign Affairs and for the international education of the Members of the entire House, ratification of treaties by the House would be very helpful to the welfare and well being of everybody in the United States. The more views we have about foreign countries and the more information regarding our relationships with foreign countries the more wisely the Members of the House, the most direct representatives of the people, can and will vote to protect America.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, the people of the United States should be allowed to express themselves through the democratic medium of their duly elected Members of Congress, and by Members of Congress I mean the Members of the House of Representatives and the Members of the Senate.

The matter before this honorable body asks that the Constitution of the United States be amended to enable the President to conclude treaties, provided he obtains the advice and consent of a majority of the Members present in the Senate and House of Representatives.

The proper approach to this momentous question is not, of necessity, to criticize the Senate, but to follow in our minds the full import of what is meant by "advice" in the negotiation stage of treaty ratification.

I am amazed at the source of most of the opposition to the proposed bill when I realize that the proposed constitutional amendment has one outstanding advantage over other recent plans to change the two-thirds rule of the Constitution—it is clearly a lawful method of making the change. That is more than can be said for the frequently misused executive agreement which I must characterize as having worked an evasion of the Constitution in numerous instances throughout the pages of American history. It is contrary to the fundamental precept of constitutional law to do indirectly what cannot be done directly. A long line of decisions of the United States Supreme Court reiterates and emphasizes opposition to the theory of indirection in attempts to evade the Constitution in a pseudolegal manner. I felt certain that many of the gentlemen in opposition would be willing to go to almost any length to curtail Executive power and to preserve the rigidity and the sanctity from any evasion, direct or indirect, of this mighty document—the Constitution of the United States—concerning which they are loud for the defense.

Many of these gentlemen during recent years have spent a great deal of their time looking under beds and behind fence posts for those who would extend the power of the Executive and yet today, when a most commendable piece of legislation is presented which definitely curbs the Executive power the same gentlemen amaze us with their opposition. Certainly the case argues the proposed change has not been strengthened by the arguments thus far presented by the gentlemen who have been blowing hot and now cold during the last 10 years on this question of restriction of the Executive power.

Throughout the Constitution there are numerous instances where the two-thirds rule is required in other matters. The same vote is necessary in conviction after impeachment, for the expulsion of Members and in other cases, but in all these other instances the fundamental reason the democratic theory for the two-thirds vote required exists today and under our form of government will always exist. This is admittedly in the case when the subject matter is that section of the Constitution calling for two-thirds vote of the Senate in the ratification of treaties. The reasons motivating the writers of the Constitution to insert the two-thirds requirement have long since disappeared. The United States of America is the only great Nation requiring a two-thirds vote of one branch of the legislature to ratify treaties, the Articles of Confederation providing for treaty ratification by a vote of 9 out of the 13 States were in the immediate background as the makers of the Constitution did their work. The continuity between the Constitution and the Articles of Confederation, which is to be found at so many points, is also present in certain fundamental aspects of the treaty provisions. Under the Articles of Confederation, the treaty power was exercised by a Congress in which the States were not only represented as States but voted as States as well. The power to make treaties was regarded as one of the fundamental attributes of State sovereignty. The treaty power was viewed as a right and concern of the States, not of the people. This is perhaps the most fundamental and currently pertinent point in the entire historical aspect of the question. It is important because it is contrary to the assumption which most people make in connection with the two-thirds provision. That rule is usually thought of and justified in terms of requiring an extraordinary majority in order to assure a large measure of popular unanimity when in fact it was never so intended and does not necessarily so operate.

As has been so well stated demand for the two-thirds rule came from the jealousies and suspicions of the Original States. The South was interested in navigation on the Mississippi River. The New England States were concerned in protecting fishery rights. Sections were fearful lest treaties might be made which would interfere with their respective economic interests.

Many organizations in this country have passed resolutions asking this Congress to take immediate action on this measure. I believe that many of the State legislators before adjournment will express themselves memorializing Congress to submit the amendment to the States. I am convinced that people throughout the country wish this reform. I feel that the only opponent to the proposition will be those who fear the loss of the power and the prestige in Senate membership and the traditional geographic and political isolationist elements. I am sure this House will pass this resolution recommended by its Judiciary Committee. No committee of legislators should go on a sit-down strike for the duration. It is our duty to act upon the amendments necessary to make the Constitution fit the needs of this critical period. One of the great beauties

of the immortal document is its elasticity. It is that feature which has appealed to students of government down through the years. It would be just as reasonable to suspend all the activities of Congress until the war is over as it is to refuse to act upon constitutional amendments at this time.

As a matter of fact, it would have been much better if the Senate had initiated this move. The Senate should be more interested, if possible, in this constitutional reform than is the House. The proposed amendment would increase the power of that august body. It would prevent the will of the majority from being thwarted by a small minority. But since the Senate refuses to act, it is up to the House, in all conscience, to take the leadership in this matter—and at once.

Overwhelming support of this resolution by the Members of this House will be the greatest spur conceivable to continue for further action taken in conjunction with the force of public opinion demanding this reform. This is one more step toward the desired goal of the great democracy under a republican form of government. The objectors cannot lightly shrug off the fact that the Versailles Treaty was killed by operation of this two-thirds rule. This is denied and the answer made that it was the personal enmity between Lodge and Wilson that really defeated the Versailles Treaty. Such specious argument is a perfect example of the fallacy of the majority premise. It points up the old adage of "logition," "which came first—the chicken or the egg?" The fact remains that the two-thirds rule became a club which killed all hopes of world peace a quarter of a century ago.

I have the greatest difficulty in understanding why every single argument advanced in behalf of the Senate cannot be advanced in behalf of the House of Representatives.

The historical reason for the two-thirds rule, of course, no longer exists. Now there is substituted the practical, political legislative reasons for the rule. I repeat, for emphatic purpose, there is not one of these reasons argued for Senate action which cannot be argued equally for House action. As a matter of fact, I go further—if the arguments in behalf of the right for Senate action have merit purely as a question of political science, then carried to their proper conclusion, they have much greater merit when the theory is applied to the Members of the House and its historical and constitutional reasons for existence within the legislative framework of our Government. The proposed action on this basis alone will insure a sound and less vulnerable treaty with full legislative support.

The deep concern and the awareness of this House with the momentous problem of our foreign affairs argues well for its right to exercise and give effect to its opinion. Submission to the House, as well as to the Senate of the debate on treaties would prevent ill-considered or hasty adoption of a treaty before the public can be fully advised of what is under consideration.

The two-thirds rule, as it now exists, with its historical background removed, is merely a means or a device for reaching a decision. Majority vote is a means and a device for ascertaining the truth, for guaranteeing unified and effective action to permit a minority to exercise its full rights but not to enjoy the evil privileges of caprice and tyranny.

Great, indeed, is our need to protect ourselves against recurring war. But we must not do so when the price is to silence the will of the majority which strikes at our heart-worn methods of preserving human liberties.

Mr. Chairman, the most important reason in support of this resolution that has come to my attention during the course of this debate is the very intensity, the high degree of intelligence, case study, and thought that has been given by this House to the problem. It is unthinkable that the knowledge and the understanding of the subject and the deep concern and earnestness of the Members should not be available for the discussion of the series of treaties that will be making up, with God's help, the peace treaty.

The fact that the Constitution quite possibly cannot be amended according to the methods it provides for its own amendment before the agreements emanating from San Francisco can be brought under the proposed amendment is not a reason to reject this resolution. The San Francisco Conference is merely the beginning. It will be followed by a long series of similar conferences held in different parts of the world among the signatory powers for the purpose of building the foundation and the complete superstructure of a permanent world peace. Neither this generation nor the next will complete that momentous task. A peace treaty is not going to spring full grown from any one conference. So if we and our children, and our children's children, should be able to speak the mind of our people on the ratification of these treaties to come, then those voices can only be heard in one form—the Congress of the United States, which is the Senate, and the people's forum, this august assembly, this honorable body, the House of Representatives. With no reflection upon the Senate or its Members, the fact remains—and so the people think and feel—that this Chamber is closer to them and speaks more their beliefs and reflects closer their ideas. That was the purpose in the creating of this House and that, I am pleased to say, is the fact.

Let us not forget that the long series of treaties that I have just mentioned will follow down through the coming years must be given effect by legislation to finance the participation of the United States in the execution of these treaties. And it is the House of Representatives that must sponsor and pass such appropriation bills. Surely it follows that looking forward to the demand of this House for appropriation measures, this membership has the right to be consid-tion of treaties, the execution of which it is called upon to finance.

Mr. Chairman, I have been impressed tremendously by the solemnity and the dead earnestness of this momentous debate. And I say unqualifiedly that America in the future can safely and confidently entrust to the House of Representatives its rightful place on the debates having to do with the ratification of treaties.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, the 2 main reasons that have been advanced here for passing House Joint Resolution 60 are, first, the belief of practically all of us, I think, that the House of Representatives as the body nearest to the people, should have a voice in the ratification of treaties, especially since so many of them require legislation and appropriations in which it must participate later; and second, the belief of many that it would be safer and more democratic and more in the long-term interest of our country to have ratifications of all treaties made by a majority of both Houses of Congress rather than by a two-thirds majority in the one House, the upper body. It is contended that the present two-thirds rule in the Senate should be abolished because it prevents such decisions by a majority of the elected representatives of the people, as has been stated repeatedly, the present constitutional requirement permits one-third of a quorum in the Senate, plus one, to block action on the part of the United States in this very important field of treaty-making. If a bare quorum of 49 Senators is present, two-thirds of them or 33 Senators is necessary to ratify a treaty. But if only 32 concur and the other 17 do not concur, then those 17 Senators can block a treaty which might be strongly approved by both the overwhelming mass of the American people and by a majority of all their Representatives in Congress.

I have always believed that such great power should not be placed in so small a minority. Especially in so fluid and fast moving a world as this, such vital decisions should be in the hands of a majority. But House Joint Resolution 60 does not take treaty-making out of the hands of a minority in the Senate and put it into the hands of a majority of the Members of both Houses as is generally assumed. It takes it out of the hands of one minority in the Senate and puts it into the hands of another minority in the Senate plus a minority in the House. Because "by and with the consent of both Houses of Congress" means by and with the consent of a majority of the Members present and voting in each House, that could be a mere majority of a bare quorum in each House, and the power to ratify treaties would be in the hands of one fourth, plus one, of the Members in each House. Forty-nine is a quorum in the Senate. Twenty-five would be a majority of that quorum. In the House 218 Members constitutes a quorum. A majority of that quorum is 110. Therefore under House Joint Resolution 60 without the pending amendment, only 25 Members of the Senate along with only 110 Members of the House could ratify a treaty of enormous consequence to our Nation. That also is far too great power to be placed in minorities.

As I stated the other day, I could not support House Joint Resolution 60 as it is now written, because I think treaties, which are binding contracts with other nations, are too important ever to be

entered into by less than a full majority of all the representatives of the American people. That is exactly what the amendment offered by the gentleman from Missouri does. It takes the effective treaty-ratifying power out of the hands of a small minority in the Senate and puts it into the hands of a real majority of all the representatives whom the people of the United States have elected to both Houses of the Congress.

The amendment requires, to ratify a treaty, not a majority of a quorum in each House, but a majority of all the Members of each House, whether present or not. It requires in the Senate not just 25 affirmative votes, but 49. It requires in the House not just 110 but 218. Less than that represents less than the majority of all the people of the Nation and ought not, I believe, to have the power to ratify treaties.

It so happened that working entirely independently on this problem, the gentleman from Missouri [Mr. SCHWABE] and I devised the same amendment, word for word, and learned of each other's efforts only when each of us approached the chairman of the committee, the distinguished gentleman from Texas, to see if he would not approve it. The gentleman from Missouri introduced the amendment because I have another to be offered later.

I am glad to say that after study, the chairman agreed to accept the amendment as, in his words, "a fair compromise." I cannot see why any of the resolution's sponsors should object to the amendment because surely none of them want the United States to enter into a treaty with the approval of less than a full majority of all the representatives of the people. On the other hand, it certainly is much more democratic and workable than the present two-thirds rule and yet throws greater safeguards around the ratification of treaties than we have in enacting ordinary legislation.

It will be said by some that we are losing some of the security that we now have in the two-thirds rule. That is true; we do lose some of its negative security. But under this amendment we gain certain security, too. We gain the advantage of free debate in two bodies rather than in just one, with time elapsing following the debate in the Senate before the treaty comes to our body, during which interval we have an opportunity to study and discuss it and the press and the public have an added opportunity to study and discuss it.

Mr. Chairman, before I came to Congress I was sometimes inclined to think that this system of having two Houses of Congress is a confusing and useless waste of time and effort, but the longer I have been here the more I have seen the superior wisdom and safety of having this division into a bicameral legislature. Every Member here knows that occasionally we go off the deep end a little; perhaps pass an amendment offered from the floor on the spur of the moment which seems to a majority in the heat of debate to be sound, but which when it is examined carefully the next day or two, proves not to have been as wise as it seemed—has some unworkable "bugs" in it. The Senate has perhaps been known to make similar errors on occasion.

The second body to consider the legislation has the benefit of time to examine it deliberately. Corrections can be made and the differences straightened out in conference. I believe that having a treaty examined carefully in each House of Congress and requiring for ratification the affirmative vote of a full majority of all the Representatives of the people in each House, which in practice would usually mean about 55 percent of the Members present, gives us as adequate security as requiring 67 percent of the Members present in just one body does, and, besides, gives us greater flexibility for dealing with these new world situations and gives us a better expression of the true will of the people of America, especially of the informed, enlightened opinion which has additional opportunity to understand and discuss it carefully and to make itself heard.

Therefore, I feel strongly that the Schwabe amendment ought to be adopted. With it and another amendment I intend to offer requiring recorded vote by the yeas and nays on all treaty ratifications, it seems to me most of the Members will feel able to vote for the resolution on final passage. Without it, I myself cannot do so because I cannot conscientiously take the treaty-making power out of the hands of one minority and put it into the hands of another minority, which is what the resolution does if not so amended. I hope the Schwabe amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from New Hampshire [Mr. MERROW].

Mr. MERROW. Mr. Chairman, I hope the Committee will bear with me for speaking again on this issue. I feel that if I were to remain silent at this important juncture in the debate I would not be doing my duty to my country.

I wish to state at the very beginning that I yield to no man in my love for the Constitution of the United States. I cannot agree with those who apparently, from their statements, feel that we should not make any change in that document. The founding fathers themselves provided four ways to amend the Constitution. They knew that the Constitution would have to be a vital, living, pulsating organism and not something static. It has been amended in many instances, and as time goes on it will be amended again and again to meet the problems of a changing world. Political systems must develop to meet a changing environment.

I am supporting the Schwabe amendment. I feel it is a good compromise. The gentleman from Missouri has been much interested in this debate and he has made a valuable contribution to the discussion of the subject.

What would the Schwabe amendment do? In the first place, it would prevent minority domination of treaty making. It provides that a majority of the House and the Senate would be necessary to validate treaties. In the second place, it would give the House a voice in treaty making. These are two important things which we have been arguing for during the entire debate. In the third place, it would ensure a large number of the people's representatives voting to validate a treaty. In the fourth place, it would make the public more responsive because more of their representatives would be required to vote for a proposed treaty.

If this House today refuses to adopt this amendment, and then if it refuses to pass House Joint Resolution 60, what does it do? The House would assume the awful responsibility of telling the people that we do not believe they should have the right to act upon this proposed change through their various legislatures.

Some have asked the question, Has any petition by the people been made to this body for this amendment? Perhaps not formally, but letters and editorials and statements from various organizations, issued all over this country, indicate that a vast majority of the people wish to change the constitutional machinery whereby we are going to ratify peace treaties in the post-war period.

If we defeat this proposal, if we refuse to give it to the States so that action may be taken through the State legislatures, we are taking upon ourselves the responsibility of saying that we believe the conduct of foreign affairs, as far as treaties are concerned, in the future ought to be placed in the hands of a minority of the United States Senate.

Then again, we would be taking upon ourselves the responsibility of saying to the world that we do not intend to maintain our position of leadership, that we do not intend to ratify the many treaties so necessary to implement the charter of the United Nations.

Furthermore, we will be taking upon ourselves the responsibility of telling the country that we, their representatives, do not believe we are capable or have the ability to pass upon such important matters as treaties.

It has been asserted again and again that the sentiment of the country is overwhelmingly in favor of the charter of the United Nations which is being written at San Francisco and that it will command a large vote in the Senate. I hope this is true, but this is no argument for retaining the two-thirds rule. There will have to be many treaties implementing and supplementing the original charter of the United Nations. If we retain the two-thirds rule the minority will still have control.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. LEWIS].

Mr. LEWIS. Mr. Chairman, I started out as an opponent of this whole measure. I felt that in tampering with the Constitution of the United States by amendment we were doing something that was uncalled for and perhaps dangerous. Yet the more I have thought about this situation the more convinced I am that we are doing the wise thing here in proposing to the legislatures of the various States this amendment to the Constitution.

For myself, I would be perfectly willing to accept the resolution as it now stands, but I am still more convinced that it is

probably better to amend it in accordance with the Schwabe amendment.

I have heard distinguished gentlemen paint horrid pictures of imaginary situations which are possible to exist some time in the future. It occurs to me that that sort of imaginary evil and imaginary picture could be drawn about anything which is proposed here. We could not propose a bill changing the status quo in any way that it would not be possible for a perfervid imagination to conjure up some fanciful situation which would make it an instrument of evil instead of an instrument of good. So I am not too much concerned by these fanciful situations.

I do not think all the wisdom which has ever existed or shall ever exist in the world resides in my generation nor in the membership of this House as it is now constituted. I assume that in any future situation there will be just as able, just as intelligent, just as thoughtful, and just as patriotic Members of the House of Representatives to cope with these fanciful situations should they ever occur. These intelligent and patriotic Members of some future Congress will be here to guard the interests of the Republic just as watchfully as the gentlemen who now conjure up these fanciful future situations. I am not worried about that at all. But I am worried about the situation the House of Representatives is placing itself in, and the estimate which apparently sensible gentlemen of this House have for its membership of the past, present, and future. Instead of decreasing the checks and balances that are a part of the warp and woof of our Constitution, by adopting this amendment we increase the checks by placing one more check in the hands of the representatives of the people. I am in favor of the Schwabe amendment.

The CHAIRMAN. The gentleman from Minnesota [Mr. O'HARA] is recognized.

Mr. O'HARA. Mr. Chairman, it was not originally my intention to speak on this subject because, in my opinion, the Members of the House have thoroughly discussed it. Some very fine and very able speeches have been made. It did seem to me that the logic was on the side of those who oppose this resolution. I recognize there are some here who feel we ought to change our Constitution and to do this or that, and unless we do we are going to the eternal "bow-wows."

It so happens that I do not feel that way. I would like to be practical for a moment and ask you to consider the fact that out of this United Nations Conference, one of the first matters of importance to be voted upon is to give our single representative upon that council of the League of Nations or United Nations, or whatever it may be, the power to send the people of this country into war.

Possibly the Senate is not going to consider this with the same seriousness that we do. As a matter of fact, I have some doubt if the Senate will ever consider it. If some pressure organizations think they are going to put pressure on the Senate to change the two-thirds rule because we have taken some action on it, they will find the Senate has made up its mind that during the hysteria of the last war we changed the Constitution by constitutional amendment, and they have learned a rather bitter lesson, and as individuals they have made up their minds that during the period of the hysteria of war they are not going to change the Constitution by submitting a constitutional amendment again.

Mr. DONDERO. Will the gentleman yield?

Mr. O'HARA. I yield.

Mr. DONDERO. Does not the gentleman think the best evidence before us of the fact that the American people are satisfied with their Constitution is that they have said "No" 4,179 times and have said "Yes" only 21 times in 160 years?

Mr. O'HARA. Yes. Every once in a while somebody says a willful minority might reject a treaty. Has anybody ever said that some of those treaties that were rejected should not be rejected? They have not claimed that. We have lived long enough to see the hysteria of conditions when people do not act soundly. I say in time of war it is the poorest time in the world for the people of this country or for the Congress of the United States to be meddling with the Constitution of the United States. I voted for the amendment offered by the gentleman from Indiana to provide for a two-thirds vote in the House and in the Senate. That is the only amendment upon which I am going to vote "aye." I shall vote against this amendment, which is a sugar-coated proposition which may carry this resolution through. Personally, I am not going to vote to change the constitutional processes of this country in time of war. If the House must pass upon it, let us pass upon it on the same basis as the Senate at this time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PLUMLEY. Mr. Chairman, I am for the Schwabe amendment. I am for House Joint Resolution 60.

I think we, as Members of Congress, take ourselves entirely too seriously and fear we have lost sight of the fact that under the Constitution the people in the ultimate have the right to have an amendment submitted to them for consideration—article V of the Constitution—to say whether they care to adopt it or not.

I, personally, might be for or against this or any other constitutional amendment, but that is not the question. I do not care to take the responsibility which is that of the people nor to decide that those to whom I am going to vote to submit the amendment shall not have an opportunity to exercise their constitutional right to pass upon it.

The nearer we get to the people the closer we cling to that form of government which has made and kept us a nation. To deprive the people of any right is to be wrong.

To the extent that we undertake to usurp the prerogatives of the people, to set ourselves up as the court of last resort respecting matters and things clearly and constitutionally the responsibility in the last resort of the people, to that degree we undertake to destroy the Democratic-Republican fundamentals on which this Government rests.

Now, Mr. Chairman, I labor under no delusion nor illusion as to what will happen to the resolution reported by the Judiciary Committee when we adopt it and sent it on its way, as we shall today. Nevertheless, the people through their Representatives in the House will have spoken. The proposal will have had its day in that forum which most closely represents the sentiments of the folks back home. Whether it lives or dies will not be the responsibility of their Representatives in this House.

So many things vital to the very existence and continuance of representive government and our democratic way of life hang on the thin thread of the right of the people to be heard today as against those years when wise men drafted the Constitution, one must be bold as a lion and as well informed as an encyclopedia to undertake to justify any change in fundamentals of law or procedure.

All government is an experiment in political science. Because a program has justified itself up to date is no real reason for its continuance under new and different circumstances provided something better may at least be tried.

I claim no qualification, extraordinary, to justify my position.

I acknowledge the merit to be found in the arguments of those who oppose any change and recognize the outstanding legal erudition and authority with which they speak. Yet I am not convinced that they are right. They are more cautious and conservative, it seems to me, than the new state of affairs may justify.

New occasions teach new duties; time makes ancient good uncouth;
They must upward still and onward who would keep abreast of truth.

One may spend hours to no avail undertaking to determine what the framers of the Constitution would do were they here today to be confronted by a situation they never could have visualized as a possible source of an amendment to the document they drafted. Yet an all-complete and conclusive answer is found in the fact that in their wise vision they made such an amendment possible in the long days ahead which they could not foresee.

On both sides a great deal has been said which, in my opinion, is irrelevant. In my judgment, the proposed amendment as offered by the Judiciary Committee is necessary, wise, and expedient, to the end that a preponderant majority of the people, not the States as such, may be heard to have a part in deciding what their future shall be.

This is not a new proposition. It has been discussed for years. The war has brought it to its focus. There can be no question but that the people feel, and that they are demanding, that their Representatives should represent them in saying that the House of Representatives shall have a voice in determining what agreements in the nature of

treaties shall be made to involve them in the postwar program. They have a right to insist that through their Representatives they shall have a voice in determining what agreements shall be entered into between and among nations looking toward the establishment of that perpetual peace for which they, the people, as such, have given their all and have fought.

They have a right to be heard. I shall vote for the proposed amendment as offered by the Judiciary Committee.

While Congress may declare war, the people should not be deprived of their right to determine what the terms of peace shall be.

The CHAIRMAN. The gentleman from Wisconsin [Mr. KEEFE] is recognized for 5 minutes.

Mr. KEEFE. Mr. Chairman, I have listened patiently to every argument that has been made since the debate on the current resolution started in the House and I feel that I would be derelict in my duty as a Member of the House if I did not pay tribute to the magnificent spirit that has been generated as a result of the submission of this resolution to debate, and the high plane and level upon which Members of this House have approached the determination of the issues involved. I may be in complete disagreement ultimately with some of my distinguished friends on my side of the aisle who have spoken in opposition to the adoption of either the Schwabe amendment or the resolution itself, but on the matter that is involved here, that is as important as this particular issue, I feel it is my responsibility as a Member of Congress to make up my own mind in accordance with my conscience and the intelligence that I can bring to bear upon the solution of this question. I will surrender to no one in my feeling of allegiance to the fundamental principles laid down by our founding fathers in the Constitution. However, it is because of the very reason that I have since a boy had that interest, and have read the constitutional debates, and have read the notes and have studied them that I have concluded that those same founding fathers at all times during those debates had in mind the vision of the country we have today, and they had in mind the progress of a great Nation and never dreamed for a moment that its progress would be circumscribed by a determination never to change a word or syllable. They made provision for its amendment in that Constitution itself. In doing what we are doing today we are merely carrying out the proviso that those people had in mind when they wrote that Constitution.

Every argument I have heard urged against the adoption of this amendment and this resolution has apparently been grounded upon the fact that it would be a sacrilege in this day and age to disturb that God-given sacred instrument.

I have read the arguments that were made in this House when other proposed amendments to the Constitution were proposed in this body. Down through the years the same voice has been heard here in the well of the Congress: "Make no amendment to this Constitution; change not a line of it, because it is a sacred instrument." And yet, the very Constitution itself would never have been ratified had the first 10 amendments not been adopted. Since that time 11 amendments have been ratified by the people of the United States after submission to the legislatures of those proposed amendments by action of the Congress.

I wonder what the debates were when the fifteenth amendment was proposed? I wonder what the debates were when any one of these amendments—the thirtieth amendment, if you pleace—were proposed here in the House? The same argument was made then; and because I believe in progress and because I believe that the country is going to move forward I am going to vote for the Schwabe amendment and I am going to vote for this resolution.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEFAUVER. Mr. Chairman, I yield the gentleman 3 minutes of my time if he wants it.

Mr. KEEFE. Mr. Chairman, I thank the gentleman very much for the 3 minutes because I want to say just one more thing. As a lawyer of many years of practice I had the privilege of drafting a good many wills. Do you know that there are about 387 contingencies which I as a lawyer might urge upon that client that might conceivably arise that might be covered in the writing of a will? I could be there until doomsday writing the will if I took into consideration every conceivable thing that might be urged as a possible contingency and that ought to be covered. After all, Mr. Chairman, about 370 of those contingencies never arose. So, some point out that we are liable to have communism sweeping the country if we disturb the Constitution and that under the treaty-making power we might unite with Russia or adopt "union now" or something equally unthinkable, but I want to say to you that I am convinced that insisting upon a policy of maintaining at all times the status quo of things, without consideration of the demands for reasonable progress will do more to encourage the growth of radicalism than anything proposed in the pending resolution.

What would have happened in America if the people had listened to the argument that the thirteenth amendment should not have been adopted? So far as I am concerned, I want to be very careful on the matter of adopting constitutional amendments; but I am willing to trust a majority of the elected representatives of both Houses of Congress and I am willing to trust three-fourths of the legislatures of this Nation. When they have all spoken I can be certain that the heart and the soul of the people of America are represented in any amendment that may subsequently by that action be written into the Constitution.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Pennsylvania.

Mr. GRAHAM. The very amendment the gentleman talks about requires two-thirds of the States to vote.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEFAUVER. Mr. Chairman, I yield the gentleman 1 additional minute of my time.

Mr. SUMNERS of Texas. May I suggest to the gentleman that the first 10 amendments were proposed by many of the people who sat in the Constitutional Convention.

Mr. GRAHAM. At that time 22 amendments were submitted but only 10 were adopted.

Mr. KEEFE. Mr. Chairman, may I say to my very distinguished friend from Pennsylvania, and there is no man in this House for whom I have greater affection, as he well knows, and greater admiration because of the great capacity which he has displayed far too seldom upon the floor of this House, that I realize the difficulty he is confronted with. He is all bound up in this legal lore of constitutional thinking to the extent, I am fearful, that he does not see the real clearing in this forest of trees. He only sees those trees that stand out in front of him, but he ought to go through those trees and see the clearing that will come eventually if we are responsive to not only the will of the framers of this Constitution but to the wishes of the people.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. RYTER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. RYTER. Mr. Chairman, the proposed constitutional change is not a sudden thought dictated by the desire to make treaty ratifications more easy. Those whose support of this measure is predicated upon this purpose stand upon an insecure footing. Sober and mature reflection upon the implications and responsibilities of proposed treaties are most desirable. The proposed change has a greater aim in that it gives the people a greater sense and duty in the participation of the making of treaties. The question presents two fundamental issues, as stated in the committee report: First, should the House of Representatives participate in the making of treaties; and, second, should treaties be ratified by a simple majority or by a two-thirds vote? A short journey into our history surrounding the adoption of the Constitution is rewarded by some very enlightening and pertinent background. The reason for the insertion of the two-thirds requirement was not to forestall any hasty passage of treaties but to appease the suspicions and apprehensions of the original States arising out of the economic interests of each State and its natural desire for protection. Virginia valued the right to navigate the Mississippi River while others valued the Atlantic fisheries. Before the Articles of Confederation, unanimity of the States was required. Under the articles of 1781, 9 States out of 13 had to approve treaties. So great was the distrust of the States of each other that not until September 4, 1787, 13 days before final

adjournment, was the President brought into the picture at all, and finally a compromise had been reached resulting in the present provision. It is interesting to note that Connecticut was divided in the final result. The framers of the Constitution held no firm philosophy to the effect that treaties had to be ratified by two-thirds of the Senate. This is quite apparent by the fact that on September 7, 1787, a motion of James Madison to exclude treaties of peace from the two-thirds provision was adopted without dissent. The following day, the exclusion was eliminated without extended discussion. A close scrutiny of the Federalist papers, No. 64, and attributed to Jay, and No. 75, attributed to Hamilton, indicate other reasons for the two-thirds requirement.

It was originally contemplated that the President would actually advise and consult with the Senators—26 in number at the time of the adoption of the Constitution—and that the Senators would be an expert body who would advise and consult with him. Actually, after Washington's first disastrous experience wherein he was treated so coldly, he vowed never to return and never did, this language in the Constitution has found little practical application. Some dissatisfaction was expressed by several members with the two-thirds rule and James Wilson made this point, "If two-thirds are necessary to make peace, the minority may perpetuate war against the sense of the majority." Some consideration was also given as to whether ratification should be had by two-thirds of all Senators or two-thirds of those present and the final version gives some comfort to the proponents of a majority ratification. It had also been assigned as an argument for Senate ratification only that treaties would be made in executive or secret session of the Senate and President. This reason has long ceased to exist. Another of the basic reasons for the limitation of treaty ratifications by the Senate has disappeared by reason of the adoption of the seventeenth amendment.

Under the Constitution as originally written it was argued that the careful selection of Senators by the various State legislatures would result in the selection of men who had vastly superior knowledge and were better qualified in foreign affairs and generally than Members of the House of Representatives. The people were not trusted to choose their own Senators and happily this anachronism has now been removed. The tenure-of-office argument is no longer sustainable. There are indeed many more veterans of the House than of the Senate and many had greater experience and longer years of service which would certainly qualify them for the consideration of treaties. The remaining argument that the House could not be in constant session has been adequately refuted by the last several years. This popular dissatisfaction is not a movement of recent origin. It had its inception in the early days of the framing of the Constitution and has become more vocal and insistent with the years. No doubt it has reached its present intensity due to the fear of a recurrence of the Senate action after the last war.

It is an expression of a deep and zealous desire of the people for a more active part in the ratification of treaties, through a body more closely representative of and more attuned to the wishes of the majority. The failure to remove the obstacle to popular expression has contributed its share to the reluctance of other nations in a real attempt at international cooperation. This constant threat of minority control in foreign affairs looms ever large in the eyes of other nations and though we pride ourselves on our great democratic Constitution, we have not stopped to consider what thwarting effect it may have in a real attempt at international cooperation.

Scarcely a day passes that does not give rise to an opportunity to harangue against the usurpation of power by the Executive. The question of Executive agreements versus treaties is bound to become more confusing. It is avowedly a way of circumventing the two-thirds requirement. This resort to subterfuge has been occasioned by the undemocratic provision and has been found most welcome in innumerable instances. We must put an end to making treaties with foreign nations and calling them agreements. It is a dangerous run in our constitutional fabric. In the words of Washington, "If in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation for though this in one instance may be the instrument of good, it is the customary method by which free governments are destroyed. The precedence must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield."

Few treaties can long endure without implementing legislation which requires the concurrence of both Houses of Congress. In reality the House cannot be ignored in the case of a treaty calling for an appropriation or legislation to put it into effect. This truth was forcibly demonstrated when Alaska was purchased from Russia in 1867. After the treaty was duly signed and ratified, it required a great deal of maneuvering to secure from Congress the money which the United States was bound to pay in consummation of the bargain. In this sphere as in so many others the spirit of cooperation is necessary. However independent in theory the several branches of the Government may be, none of them can proceed entirely without reference to the others. No foreign policy agreed upon by the Senate can long endure unless it has the support of the people. That support can best be given by having the House of Representatives participate in the ratification of treaties. If the policy secures the approval of the Executive, the House and the Senate, it is thus unquestionably the foreign policy of the Nation. Having this full support, it will receive better and stronger support from the country as a whole.

The CHAIRMAN. The Chair recognizes the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, I repeat that nothing is permanent in this world but change. Change is constantly taking place not only in the habits and actions of the animal kingdom—in the actions and thoughts of man—but also in the material—the inanimate—world.

But that does not mean that that which was good yesterday is bad today. Neither does it mean that that which was accepted as best yesterday is still so today. I am not a blind follower of precedent—of "has been." I believe in following has been only so far as it throws light upon what ought to be.

I do not believe, as has been suggested, that the Constitution, which our forefathers promulgated 156 years ago, is to be discarded lightly. Such reasoning is dangerous to our liberties. It was that kind of reasoning that attempted to pack the Supreme Court. It was that kind of reasoning that led Hitler to believe in a new order, which new order has just collapsed in dismal failure—collapsed because it was wrong. It was that kind of reasoning that caused the downfall of Mussolini and will cause the downfall of other nations unless they read the signs of the times.

I am sure that none of us want to do away with the Christian religion just because it is 2,000 years old. I am sure that none of us would want to abolish the Ten Commandments because they are over 5,000 years old. Not every change that is advocated by the overzealous will make our lot a better lot. Not every change advocated here on the floor, leads to paradise. If we are not careful, some of them may lead us to the place where it never gets cold—to everlasting destruction.

We live in an age of bewildering confusion. Nearly every other person that you meet on the street has a new idea. He has suddenly become a crusader, and wishes to build a new and different world. Some of these ideas are good. Too many are worse than worthless. Many Members of this House have a perfect solution for all the problems of the future—for all the days yet to come. They think they can bring about permanent and lasting peace by selling their own Nation continuously down the river—via fly-by-night, easily made treaties.

I am sure if your liberties, or your life, were at stake, you would want a unanimous decision of a jury. I am sure you do not wish to discard the principles laid down in the Declaration of Independence just because it will be 169 years old on July 4. I am sure you do not wish to ditch the Constitution because it is 156 years old. There are provisions in the Constitution that protect the rights of minorities against the abuse of majorities. These are fundamental. They will endure as long as our Republic endures.

We know that some matters coming before Congress require more serious consideration than others. Treaties are political. To deny that politics enter into treaties is not to be intellectually honest. Those of us who advocate the two-thirds requirement want more politics, not less. We want to give the minority an opportunity to protect itself,

and to protect the people, from unwise political treaties.

We realize that a treaty overrides not only the constitutions and the laws of the several States but supersedes the Constitution and the laws of the Nation. We realize that an improvident treaty may ultimately end in war. We also realize that Congress is not always responsive to the will of the people. We know that we have passed many unwise laws which we have repealed. We know that we can repeal an unwise law, but that we cannot repeal a treaty when once entered into without endangering our peace.

We know that Congress is often influenced by pressure groups. We know that laws have been passed because of pressure groups. We know that these groups often represent the best interest of the people. We also know that at times they represent that which is not for the best interest. We also know that some of these pressure groups represent other nations rather than our own. These are well financed. Let us guard against these in the making of treaties. Let us require more serious consideration.

We cannot excuse ourselves by saying that the Senate will not pass this amendment. We cannot excuse ourselves by saying the States will not adopt it. The Constitution has put the primary power upon us—the lawmakers—and we are not supposed to submit matters just because we do not wish to antagonize some pressure group. Our first responsibility is to our Nation, not to a party nor a pressure group.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. TOLAN].

Mr. TOLAN. Mr. Chairman, I do not know whether I can add anything to what has been said in this intelligent and gentlemanly debate. The issue before us is the most important and far-reaching that this or any other Congress will ever face.

This is the issue as I see it. We are now in the midst of the world's most terrible war. We are all horror stricken by the killing and the wounding of millions of human beings. We are marring and scarring the face of the earth. With the next war, terrible and death-dealing instruments will spell the doom of civilization. What is the best way for Congress to act now so that another war will never happen?

This bill proposes that the House of Representatives shall have something to say in preventing war by voting on the ratification of the peace treaty.

When the Constitution was adopted the framers wisely provided for amendments on account of changing conditions. Indeed, under article V it provided that before any amendment should be presented to the States both of the Houses of Congress must vote on it. I submit that if the House must vote on a constitutional amendment surely it should vote on the ratification of a peace treaty. It may mean that either civilization shall live or die.

Now, do you suppose the American people want 17, or at the most 33, men alone, not 33 States, to have the right to reject a peace treaty that all the world is looking toward as the only hope of mankind? Don't you think we could get a higher average of American public opinion by giving the House of Representatives a right to vote on the ratification? The 33 Senators might only represent directly a small part of this great Nation, both geographically and numerically. We all deal in the law of averages. No human being is perfect. For the life of me I cannot see but what we could get a much better average in these momentous decisions if the House was given the right to act with the Senate on treaties.

The present constitutional provision providing for ratification of all treaties by two-thirds vote of the Senate only has not worked out well in the past. Should we hesitate now to have all of our congressional representatives participate in the ratification of treaties when civilization itself may depend upon this vote?

Dr. Charles Warren, historian of the Supreme Court of the United States, has stated as follows: "You will search in vain to find any political theory on which that two-thirds clause was founded."

I would even go so far as to recommend the House and Senate meet in joint session on treaties. The debates are necessarily almost identical. This would mean the saving of endless time through separate consideration, conferences on reservations, and so forth.

When the Constitution was adopted, Senators were elected by the several legislatures. Now, by the seventeenth amendment, they are elected by a direct vote of the people just the same as Members of the Lower House. House Members become Members of the Senate. Former Members of the Senate now sit in the House of Representatives. I am sure these transfers did not change their abilities.

No; I think this legislation is the answer to the hopes and prayers of the American people, to the millions of fighting boys on the fronts, and to the millions of mothers and fathers who have suffered terrible agonies and anxieties and who are praying that another war must never occur.

The Members of the House of Representatives, under the Constitution, are elected every 2 years so as to come fresh from the people, and must not be voiceless now. We must and should have the right to vote on this treaty of peace and the right to shoulder this great and everlasting responsibility.

Mr. PHILLIPS. It was my intention, Mr. Chairman, to offer an amendment during this debate which would require a 60-percent vote of the elected Representatives to approve a treaty. I mean 60 percent in each House. The "atmosphere of the debate," to adopt one of the newer expressions of the intelligentsia, suggests to me that it would be pointless to offer it this afternoon.

My desire was, and is, to call attention to a very practical consideration to which too little thought is being given here. I am unreservedly in favor of a change which will bring the House of Representatives into the discussions of treaties. I told the gentleman from New Hampshire [Mr. MERROW] this over a year ago, when he first introduced the resolution which now comes out of committee as House Joint Resolution 60. I would be even more in favor of the idea now, after 3 months' personal experience with the consideration given treaties by another body of the Congress.

The Members of the House of Representatives are very close to the people. We have to go back every biennium and submit our records to the people. If the proposed change did nothing more than increase the discussions of treaties and attract attention to them, it would be fully justified.

My concern is with the suggestion that these treaties should be approved by majority vote. Let us take the practical case: Suppose 250 were on the floor at the time of the vote. Would you suggest, Mr. Chairman, that a treaty approved by a vote of 126 to 124, with 185 absent or not voting, would represent accurately the desires of the people?

You say the amendment of the gentleman from Missouri [Mr. SCHWABE] corrects this. I am afraid it does not. Would you consider a vote of 218 for and 217 against to be a guaranty of the wishes of the people, or a vote of 218 for and 175 against, with 43 absent or not voting?

The amendment of the gentleman from Missouri improves the resolution, but it does not protect the people of the United States. The vote on this resolution will undoubtedly support what I say. I suggest before hearing or seeing the vote, that it will show a high vote of the majority party, many of whose members in my hearing have questioned its wisdom at this time, but who consider this an administration issue. I do not want treaties decided as administration issues, nor majority issues, nor minority issues; I want them decided as American issues, and with complete assurance that the approving vote is representative of the thinking of the people.

We are children of emotion. I am absolutely positive that the treaty to which I referred as recently approved by another body of the Congress could never under any circumstance have received the vote it did receive if it had not been for the unique and skillful propaganda methods of the Department of State; the nearness of two spot-lighted international conferences, one in Mexico and one in San Francisco—with both of which I am completely in sympathy and accord—and for the fact that several very prominent Members of that other body suddenly became "statesmen." Their interpretation of that term seemed to prevent full and thoughtful consideration of matters which affected seriously the citizens of the United States and at the same time involved another nation. Had the treaty come up a year ago, or a year hence, the vote might have been different.

To paraphrase the Prime Minister of England, who said that he had not been selected as Prime Minister to preside over the dissolution of the British Empire, I say today that I do not conceive that I was elected from the Twenty-second District of California to decide future international agreements on the

basis of some temporary emotion, nor on the wishes of other nations, as compared with the wishes of the men and women of that district, nor without the sober and considered decisions which would be indicated by more than a majority vote of the elected Representatives.

There are two other practical points, Mr. Chairman: This is a very important issue. I wish it were possible to have the men in the armed services tell us their opinions, and certainly I do not want to set up the easier method of a majority vote without knowing what they think and want of the brave new world which they alone have bought for themselves and for us with their blood. Certainly it was not bought by politicians. I would be willing to vote the resolution, with a two-thirds vote provision; I am not so willing to vote it with a majority provision before the fighting men come back.

The final point, which alone would probably decide me, is the easy way in which the gentleman from Alabama and the gentleman from Tennessee pass off the possibilities for changing treaties if we decide that we did make a mistake, during perhaps this moment of emotion to which I referred. It was said, very easily, that a majority could later change them, or even pull them back after they had actually been accepted by the nations involved. Have we so soon forgotten 1914 and 1917? We are not dealing with a law affecting our own people, and nobody else. We constantly make amendments to our own laws. We are talking about treaties, agreements between nations. Have we forgotten the scorn of the world when Germany in 1914 decided that she did not like the treaties previously entered into, and called them "scraps of paper"? I do not want that scorn or that invitation to war to be visited upon our children, who are away today fighting, nor upon their children, even in the sincere hope and belief on the part of many Members that this resolution will be a step toward the prevention of future wars. Hope is praiseworthy, but history is realistic.

I am responsible on the floor of this House for only one vote: my own. For the reasons stated above, that vote must be cast today against the resolution if it continues the majority vote provision. I favor 60 percent, not as a compromise, but as the correct majority. It avoids the small and so-called willful minority, but it makes certain the full consideration, and vote which assures the support of the people.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK] for 5 minutes.

Mr. McCORMACK. Mr. Chairman, in relation to the amendment offered by the gentleman from Missouri [Mr. SCHWABE], which I have read and studied closely, it is my intention to support the amendment and vote for it. I consider the amendment not in the nature of a compromise but as an affirmative amendment of a progressive nature and one that those who believe in amending the Constitution so that our country can take its place in these days as a leader among the nations of the world can properly support. Those also who believe that the House in these days should have a voice in the ratification of treaties can properly support this amendment.

Mr. GWYNNE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield for a question.

Mr. GWYNNE of Iowa. Does the gentleman prefer the Schwabe amendment rather than the original resolution, if he had a choice between the two?

Mr. McCORMACK. I am speaking now on the question before the Committee, which is the amendment offered by the gentleman from Missouri [Mr. SCHWABE]. The gentleman from Massachusetts has stated that he intends to vote for the amendment offered by the gentleman.

The situation at home and abroad has greatly changed since the framers of the Constitution decided on the two-thirds rule for the ratification of treaties. The Mississippi River question and the New England fisheries question do not exist today. The Senate has grown too large to be an advisory group such as the framers of the Constitution contemplated. Furthermore, foreign relations have passed into a new field since the early days of our country. The Spanish-American War was the turning point of our country in this respect. Furthermore, distances have been eliminated. We now know from hard experience that war in one part of the world results in war in all parts of the world. As a writer recently once said, "A challenge to liberty anywhere is a challenge to liberty everywhere."

I have spoken on this question on several occasions. In one of my previous speeches I emphasized the fact that the framers of the Constitution were drafting that great instrument in the light of the times and conditions existing in those days. I emphasized the fact that the treaty-ratifying provision was a compromise. I emphasized one of the important factors which entered into it was the theory that the Members of the United States Senate were representatives of the States to the Central Government and were called ambassadors of the State governments to the Central Government. I also called your attention yesterday to the fact that the seventeenth amendment has changed the character of the service of Members of the Senate. The original concept of being ambassadors, for all practical purposes, has been wiped away. Members of the United States Senate today, for all practical purposes, are agents and servants of the people who elect them and whom they represent, exactly as are Members of the House of Representatives. In connection with the compromise aspect of the matter, to show how important a bearing that had in the minds of the members of the Constitutional Convention, I call attention to page 83 of volume II of the Federalist, and I read the following from one of the letters of Hamilton, in which he said:

The remarks made in a former number—

And that was by Jay, appearing on pages 10 to 16, inclusive, of the same volume—

which have been alluded to in another part of this paper will apply with conclusive force against the admission of the House of Representatives to share in the formation of treaties.

Let me read what he said was the reason against the House for participation in the ratification of treaties. This was back in 1789:

The fluctuating and, taking its future increase into account, the multitudinous composition of that body—

And that means the House—

forbid us to expect in it those qualities which are essential to the proper execution of such a purpose.

Will any Member of the House today say that any Member of this body is not just as able to perform this duty as any Member of the Senate?

Furthermore, Hamilton went along and referred to the character, security, and dispatch in the Senate as against the House of Representatives. Hamilton said:

Accurate and comprehensive knowledge of foreign politics; a steady and systematic adherence to the same views; a nice and uniform sensibility to national character; decision, secrecy, and despatch, are incompatible with the genius of a body so variable and so numerous. The very complication of business, by introducing a necessity of the concurrence of so many different bodies, would of itself afford a solid objection. The greater frequency of calls upon the House of Representatives, and the greater length of time which it would often be necessary to keep them together when convened, to obtain their sanction in the progressive stages of a treaty, would be a source of so great inconvenience and expense as alone ought to condemn the project.

Whatever may have been the justification for these reasons in those days as to why the House of Representatives should not participate in the approval of treaties, those reasons and conditions do not exist now, and have not existed for many years. Members of the House have just as "accurate and comprehensive knowledge of foreign politics" or foreign affairs these days as the Members of the Senate have. Certainly, for anyone to deny that Members of the House have "a steady and systematic adherence to the same views"; and particularly a nice and uniform sensibility to national character as members of the Senate have, would be a charge that would fall immediately to the ground because of its absurdity. I think we can well compare the "decision, secrecy, and despatch" of the House of Representatives of these days at least favorably with that of the United States Senate.

The House today possesses all of the elements that the Senate possesses in its speedy ratification of treaties. For us to refuse to vote today for the House to participate would be tantamount to an attack upon our own integrity and our own ability. Conditions have changed to such an extent that in the best interests of our country the House should participate in the approval of future treaties.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. KEFAUVER. Mr. Chairman, I move to strike out the last word.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I only have 1 minute.

Mr. PLUMLEY. I want to be corrected if I am in error, but I was sitting in this House and I understood the chairman of the committee in charge of this bill to say he would accept the so-called Schwabe amendment. Is that right?

Mr. KEFAUVER. I do not know. He will have to speak for himself. I only have 1 minute and I cannot yield further.

Mr. PLUMLEY. Will the gentleman answer that question?

Mr. KEFAUVER. Mr. Chairman, I regret that I cannot be for the Schwabe amendment. I have proceeded on the idea that we have to operate by a majority like we do on other legislation and that we cannot differentiate between one and the other. However, that is only my personal opinion.

What I did want to say was that insofar as public opinion is concerned, it has been said that this matter should be discussed more. I do not think any amendment has ever been submitted to the Congress or to the people that has been more thoroughly discussed, pro and con, than the one we are proposing today. Every poll that has ever been taken on this proposition shows that a majority of the people polled are in favor of ratifying treaties by a majority of the Congress rather than by a two-thirds vote of the Senate. I refer to the Gallup poll taken in October 1944.

Mr. Chairman, there has been a good deal said during the course of this debate relative to this being a bad time to submit this amendment to the legislatures of the States. I recall the gentleman from New York [Mr. REED] stated that we should not get the people excited and upset by submitting this amendment. My opinion is that the people are excited and upset because of the opposition to submitting it. I do not believe that any proposed amendment has ever been so fully debated as has this one. Ever since the Spanish-American War, leading students of government have advocated remedying this mistake. It has been extensively discussed by legislators, political scientists, and in editorials of the leading newspapers. Congress is far behind the people insofar as this amendment is concerned. Every poll that has been taken of public opinion that has come to my attention shows the majority of the people are in favor of changing the two-thirds rule. For instance, the Gallup poll of October 1943 showed 54 percent of the people were in favor of approving treaties by the President and by a majority of Congress; 25 percent were in favor of the present two-thirds rule; and then on May 17, 1944, 50 percent of the people were in favor of approving treaties by a majority and only 19 percent were in favor of the present system. I dare say a poll taken at this time would show this trend continuing.

Mr. Chairman, I am against the amendment now pending. I think we ought to submit the issue for vote as it was originally set forth in House Joint Resolution 60. The hearings have been on the basis of approving treaties by a majority of those voting in both Houses of Congress. I think to adopt the pending amendment would confuse the situation. The basis of my support of House Joint Resolution 60 is that treaties should be considered the same as other legislation. Our experience demonstrates, that we as American people have found majority decisions a satisfactory method of enacting legislation. Today our interests are so closely linked with those of other nations that many proposals handled as domestic legislation have international implications. It is impossible to draw a line between matters pertaining to domestic affairs and foreign affairs. The size of our Army and Navy, the kind of tariffs we have, all of these questions concern international relations. I must oppose this amendment and any others that provide a distinctive method of considering of treaties. I hope the amendment is voted down and that we may have a clear-cut decision on the question of whether treaties shall be considered like all other legislation presented to Congress.

The National League of Women Voters has been very enthusiastic and effective in its support of the pending resolution. I have a copy of a letter from the National League of Women Voters stating in very persuasive and logical terms the reason why they are opposed to the pending amendment. The letter is as follows:

As you know, the National League of Women Voters has supported your proposal, House Joint Resolution 60, to permit approval of treaties by a majority of both Houses. We understand that amendments to this resolution may be considered during floor debate. In view of this possibility, we would like to define further the basis of our interest in the treaty procedure.

The history of the United States records a steady development in our use of the democratic process. Our experience demonstrates that as an American people we have found majority decision a satisfactory method of enacting legislation.

In the early days of our Republic, the difficulties of travel and communication made the distinction between foreign and domestic policy relatively clear. These distinctions are no longer realistic. Today our interests are so closely linked with those of other nations that many proposals ordinarily handled as domestic legislation have international implications, and many matters that might be handled as treaties require implementation through domestic legislation and appropriations. This situation has been widely recognized by editors, students of political science, and citizen groups. To assure responsible integration of our national policies, we believe that treaties should be handled in the same way that other legislation is handled, by majority vote of both Houses of Congress.

We are opposed to any amendment which provides a distinctive method for consideration of treaties. An accurate delineation of the issues covered by treaties is already proving difficult, and invites increasing debate as international contracts result in legislation in wider fields of trade, business, and social activity. Such discussion is futile. Our objective is to focus on international and domestic legislation alike the full judgment and experience of Congress in direct, responsible, and democratic fashion.

We believe it especially important for the House of Representatives to undertake participation in treaty approval at this time. The effectiveness of the United Nations will depend in large measure upon the popular support available to it. Because the entire membership of the House is elected every 2 years, and can reflect promptly current opinion throughout the country, its judgment on international issues is needed to supplement the longer experience in the Senate.

We hope that Congress will vote to submit House Joint Resolution 60 in its present form to the State legislatures. The National League of Women Voters is made up of 550 local groups throughout the country. Our members have studied this problem and are alert to its significance. The two-thirds treaty requirement can easily be abused by obstructionist groups. It threatens our national capacity to control the causes of war. It limits our capacity to cooperate for peaceful change. We believe that the American people will welcome the leadership of the House in modernizing our treaty procedure.

Sincerely yours.

Mr. SHAFER. Mr. Chairman, we now come to the time when we can concentrate upon the war which was thrust upon us by the Japanese attack upon Pearl Harbor.

We come, too, to the time when the acid test will be applied to those with whom we have been allied and associated in crushing the scourge of Europe. The people of the United States look now for a return upon the investments in lives and treasure which we made when we joined the nations of Europe in overthrowing Germany and her satellites.

This is the hour, and now is the time for those nations to turn their might to the relief and aid of the United States as we turn whole-heartedly to the task of wiping out the vicious Japanese.

In some quarters of our country there is a fear that we, who sent millions of our boys to Europe, will be left alone, or virtually alone, to carry the burden of the Pacific war. I should hate to be one of those entertaining that feeling. I should hate to see that feeling grow. It would be bad for the world.

I look with confidence to those whom we have aided with our men, our treasure, and our resources, to come at once, fully armed and adequate in their power, to join us in the bitter struggle which we face in the Pacific.

Long before the Pacific war developed, our Nation, in the hope of strangling the outburst in Europe, did many things to support those with whom we now share the European victory. We did these things unselfishly and at a time when there existed no legal and little moral requirement that we do them. It may be said that this pre-war aid to the nations fighting in Europe was of material assistance in the final victory. It would be well, in fact common decency demands, that those nations since associated with us shall now come to the fore and aid us in our struggle.

In the last few years there have been from many nations pleasant expressions of respect and affection for the United States. This is the time to transmute those verbal expressions into solid and substantial cooperation. I hope that the time of transmutation will not be postponed or delayed.

Mr. McDONOUGH. Mr. Chairman, this amendment to the Constitution allowing both Houses of Congress to approve treaties by a majority vote gives a more democratic expression of the views of a larger majority of the people of this Nation than the present two-thirds vote of the Senate presents. I

favor this amendment because I believe the American people are entitled to this greater representation and voice in treaty making. I feel that it would be unfair to deny the several States an opportunity to express themselves on this proposition.

The Constitution is not a static instrument. It must be amended to meet the needs of the people. Our founding fathers anticipated this when they provided means of amending it. Safeguards must be provided against many actions of both Houses of Congress, but we should not permit a minority in the Senate to rule against and have the power to deny the will of the majority as the two-thirds rule now permits.

We should adopt this amendment because I do not think the people of this Nation do not want 34 Senators who may represent a very small area and population of the United States to decide on the approval or rejection of treaties. We can have just as much confidence—yes, more—in a majority of both Houses passing intelligently on treaties than we can on two-thirds of the Senate.

We should pass this resolution and encourage the Senate and the several States to adopt it as an amendment to the Constitution.

Mr. PATRICK. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. PATRICK. Mr. Chairman, let it never again be stated that votes are never changed by debate on the House floor. A number of our colleagues who had stated their intentions to vote against this resolution have, after attending this debate, announced in private conversation they are now supporters. With this Schwabe amendment in—and it looks as though it is going in—the resolution will apparently pass.

Often you Members of the House have observed that many matters of greatest public interest pass by your door without pause but stop on your Senator's doorstep. The reason is plain. Since you do not rate the rank of passing on treaties there is no reason why interested persons spend any time in your office. They are not interested in your personal interests.

How many a time have you seen your Senator questioned and written up in your home-town paper on matters of public concern about which you had never been questioned? This was no conspiracy against you, though your constituents questioned you with embarrassing interrogations. "Why were you not given opportunity to be heard?" "Why do you play silent on these matters involving the business of the Nation?"

Now let them know why. Let each State legislature in the United States be given the job of passing on whether the people wish the whole Congress to pass on the wisdom of our treaties. All polls taken on the subject show a definite affirmative.

We are 150 years beyond the fears of Madison, Hamilton, Gerry, and Mason. When Senators began to be elected by direct popular vote it was time to have bilateral treatment of treaties.

This defeatist attitude of Members of the House is the only thing left as a real argument against submitting our contracts and agreements between ourselves and other countries to the Congress as a whole.

Let us not only ask for the responsibility but do so with such force the Senate will be influenced.

The voice is already heard in the land calling for this action. Our brothers in the other body will hear that voice.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Missouri [Mr. SCHWABE].

The question was taken; and on a division (demanded by Mr. GWYNNE of Iowa) there were—ayes 119, noes 32.

So the amendment was agreed to.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 2, line 2, add the following sentence:

"In all such cases the votes of both Houses shall be determined by yeas and nays, and the names of the persons voting for and against ratification of the treaty shall be entered on the Journal of each House respectively."

The CHAIRMAN. The gentleman from Minnesota is recognized for 5 minutes in support of his amendment.

Mr. KEFAUVER. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I shall be pleased to.

Mr. KEFAUVER. Time is running short and there are several amendments yet to be acted on. I wonder if we cannot agree to a limitation of time on this amendment.

Mr. JUDD. It seems to me the gentleman ought to be willing to accept this amendment; then we would not need any debate.

Mr. KEFAUVER. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. RANKIN. Mr. Chairman, reserving the right to object, I understood the chairman of the committee was willing to accept this amendment.

Mr. SUMNERS of Texas. As far as I am concerned individually—I cannot speak for the committee—I would be very glad to accept the amendment.

Mr. JUDD. Mr. Chairman, this amendment adds to the resolution some language from article I, section 7, of the Constitution, in order to require that when either House of the Congress votes on ratifying a treaty the vote shall be by the yeas and nays and each Member's vote for or against shall be placed in the RECORD.

This certainly cannot properly be objected to by those favoring change in our method of ratifying treaties; and to those who are fearful lest the resolution make it too easy to enter into treaties, it gives definite assurance that there will never be a possibility of a treaty being slipped through without full consideration and responsible decision by every Member.

I am gratified that the chairman of the committee indicates he is favorable to the amendment. It strengthens rather than weakens the resolution, and I believe will lead more Members to vote for it. Therefore I hope it will be adopted.

I yield back the balance of my time and ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. HINSHAW. Mr. Chairman, I offer a substitute for the pending measure.

The Clerk read as follows:

Substitute for House Joint Resolution No. 60 offered by Mr. HINSHAW:

"Whereas it being declared by the second section of the second article of the Constitution 'that the President shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur,' the House of Representatives do not claim any agency in making treaties; but that when a treaty by its terms stipulates any authority or regulation on any of the subjects submitted by the Constitution to the power of Congress, it must depend for its execution as to such stipulation on the law or laws to be passed by Congress; and it is the constitutional right and duty of the House of Representatives in all such cases to deliberate on the expediency or inexpediency of carrying such treaty into effect, and to determine and act thereon as in their judgment may be most conducive to the public good; therefore, be it

"*Resolved, etc.*, That, it being declared by the eighth section of the first article of the Constitution, that the Congress shall have power to make all laws which shall be necessary and proper for carrying into execution the powers granted to it and all other powers vested by the Constitution in the Government of the United States, or in any department or officer thereof—

"Therefore, in the making of any treaty which by its terms stipulates any authority or regulation on any subject submitted by the Constitution to the power of Congress, the President shall transmit such treaty to the Congress, together with his recommendations; and he shall not transmit such treaty to the Senate for ratification until the Congress shall declare that the treaty is conducive to the public good, and that it has passed all laws necessary and proper for its execution."

Mr. SUMNERS of Texas. Mr. Chairman, I reserve a point of order against the substitute.

Mr. HINSHAW. I thank the gentleman for that courtesy.

Mr. Chairman, I hesitate to trespass on the patience of the House in offering a substitute for the pending resolution, which I know to be subject to a point of order, but I offer it only for the RECORD and for the future consideration of the House in the event that unkind treatment may be given the pending resolution when it reaches the other body. The substitute which I have prepared is a combination of two resolutions, one known as House Resolution 156 and the other one as House Concurrent Resolution 112, which, as I stated on yesterday, a subcommittee of the House Committee on the Judiciary was kind enough to accord me a hearing on. In the event that the pending resolution is not agreed to in the Senate, then this is another course that the House may well take to achieve its determination to participate in the consideration of treaties. I intend to vote for the pending measure with the Schwabe amendment because of

my keen desire for the House to participate in the consideration of treaties.

Mr. Chairman, a reading of the Constitution, like a reading of Holy Writ, is very liable to bring one some new and perhaps theretofore hidden knowledge. There is a section in the Constitution, article I, section 8, which reads that—

> The Congress shall have power * * * to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States or in any department or officer thereof.

Consequently, there is no question whatever but that the Congress has the right to stipulate how treaty making shall be carried into execution.

There are a good many powers that the Constitution contains that are submitted to the Congress, and that is one of them. We can say how treaties shall be handled; we can say as a congress, without an amendment to the Constitution at all, that a treaty shall be sent to both Houses of Congress for the purpose of considering its effect upon the general welfare and for the enactment of enabling legislation and even appropriation authorization before its being submitted to the Senate for ratification. It is my belief that these treaties which contain matters that are submitted to the power of the Congress by the Constitution should properly have congressional action on such matters as may be contained in them before ratification.

I would like to advert to the CONGRESSIONAL RECORD, volume 2, part 2, Nineteenth Congress, first session, when a very distinguished gentleman of that Congress, Mr. James K. Polk, who, born in North Carolina, had come to the Congress from Tennessee, later became Speaker, then Governor of Tennessee, and then in 1844 was elected President of the United States. Mr. Polk's remarks, made on April 21, 1826, on the floor of this House of Representatives, are, reported in the style of that day, as follows:

> The imposing argument, said he [Mr. Polk, of Tennessee], that a treaty is the supreme law of the land and cannot be impugned, or counteracted by any act of legislation, loses its weight when tested by the Constitution itself. The language of that instrument is, "This Constitution, and the laws of the United States which shall be made in pursuance thereof, and all treaties made, or which shall be made, under the authority of the United States, shall be supreme law of the land and the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding." It is not here said that a treaty is the supreme law of the land, when signed on our behalf by our Ministers, and ratified by the President and the Senate; nor did the Constitution so mean, except in those cases when its stipulations are such that it can become operative and take effect without the aid or cooperation of the legislature. But, if a treaty require legislative aid to give it effect, it does not become the supreme law of the land, "under the authority of the United States," until such aid is obtained; and to obtain such aid, the consent and cooperation of the House of Representatives—a constituent branch of the legislature is necessary; and hence no treaty requiring such aid can become the supreme law of the land, "under the authority of the United States," without the consent of the House of Representatives. Nor are treaties declared in this article of the Constitution to be the "supreme law of the land" in any other sense than as contradistinguished to the constitution and laws of the States. They are not declared to be paramount to the acts of Congress; or, in other words, to be the "supreme law of the land," in reference to "the laws of the United States which shall be made in pursuance" of the Constitution: For these likewise, by the same article of the Constitution, I declare to be the "supreme law of the land." And the most zealous champions of Presidential prerogative, and the suremacy of the treaty-making power over all the other powers granted by the Constitution to Congress, are not sustained by the Constitution in this construction; but that they are both declared to be "the supreme law of the land," in reference to the constitutions and laws of the States, is evident from the language which immediately follows: "And the judges in every State shall be bound thereby, anything in the constitution or laws of any State to the contrary notwithstanding." This article of the Constitution never could have intended, by declaring "treaties to be the supreme law of the land," to palsy the energy or annihilate the participation of Congress in the advancement and protection of the national welfare. With the recollection of the difficulties which existed in relation to the ratification of treaties, under the Articles of Confederation, fresh in their minds, the Convention intended to guard against them in the new Constitution. If it be urged that a treaty, when ratified by the President and Senate is a contract with a foreign power, and that it would be a breach of good faith in us to refuse to carry it into effect, the obvious answer is that foreign states would presume to know and understand the nature of our Government—and a treaty is a contract upon condition that the government of the respective parties to it shall do whatever is necessary to be done to carry it into effect.

Mr. Chairman, under authority granted to extend my remarks, I desire to include the list of powers submitted to the Congress by the Constitution, which cover subjects that may be included in treaties.

The list follows:

EXCERPTS FROM THE CONSTITUTION OF THE UNITED STATES OF AMERICA

Article I, section 7: "All bills for raising revenue shall originate in the House of Representatives."

Article I, section 9: "No money shall be drawn from the Treasury but in consequence of appropriations made by law and a regular statement and account of receipts and expenditures of all public money shall be published from time to time."

Article I, section 10: "No State shall without the consent of the Congress lay any impost or duties on imports or exports except what may be absolutely necessary for executing its inspection laws, and the net produce of all duties and imposts laid by any State on imports and exports shall be for the use of the Treasury of the United States; and all such laws shall be subject to the revision and control of the Congress. No State shall, without the consent of Congress, lay any duty on tonnage, keep troops, or ships of war in time of peace, enter into an agreement or compact with another State, or with a foreign power, or engage in war, unless actually invaded, or in such imminent danger as will not admit a delay."

Article III, section 2: "The judicial power shall extend to all cases, in law and equity, arising under this Constitution, the laws of the United States, and treaties made, or which shall be made, under their authority."

Article IV, section 3: "The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States; and nothing in this Constitution shall be so construed as to prejudice any claims of the United States, or of any particular States."

Article VI: "This Constitution, and the laws of the United States which shall be made in pursuance thereof; and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the Land; and the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding."

Article I: section 8. "The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States; to borrow money on the credit of the United States; to regulate commerce with foreign nations, and among the several States, and with the Indian tribes; to establish a uniform rule of naturalization, and uniform laws on the subject of bankruptcies throughout the United States; to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures; to provide for the punishment of counterfeiting the securities and current coin of the United States; to establish post offices and post roads; to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries; to constitute tribunals inferior to the supreme court; to define and punish piracies and felonies committed on the high seas, and offenses against the law of nations; to declare war, grant letters of marque and reprisals, and make rules concerning captures on land and water; to raise and support armies, but no appropriation of money to that use shall be for a longer term than 2 years; to provide and maintain a Navy; to make rules for the Government and regulation of the land and naval forces; to provide for calling forth the militia to execute the laws of the Union, suppress insurrections and repel invasions; to provide for organizing, arming, and disciplining, the militia, and for governing such part of them as may be employed in the service of the United States, reserving to the States, respectively, the appointment of the officers, and the authority of training the militia according to the discipline prescribed by Congress; to exercise exclusive legislation in all cases whatsoever, over such districts (not exceeding 10 miles square) as may, by cession of particular States, and the acceptance of Congress, become the seat of the Government of the United States, and to exercise like authority over all places purchased by the consent of the legislature of the State in which the same shall be, for the erection of forts, magazines, and arsenals, dockyards, and other needful buildings; and

"To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

Mr. Chairman, at this point, and under authority hereofore granted, I desire to insert in the RECORD a memorandum prepared by me and distributed to the entire membership with copies of House Resolution 156 and House Concurrent Resolution 112, as follows:

MEMORANDUM ON HOUSE RESOLUTION 156 AND HOUSE JOINT RESOLUTION 112

The Constitution of the United States grants certain powers and imposes certain duties upon the Congress. For at least 60 years, the House of Representatives as a co-

ordinate branch of the Congress has not asserted its right and duty to exercise these powers in connection with treaties. I believe it is about time that the House of Representatives resurrect its rights and exercise its powers and duties in this connection. House Resolution 156 is intended as a declaration of the constitutional rights and duties of the House of Representatives to deliberate and act upon any treaty which by its terms stipulates any authority or regulation on any of the subjects submitted to the power of the Congress by the Constitution.

This House Resolution 156 is almost identical with another resolution which was adopted by the House by more than a two-thirds vote in 1871, and is similar to the first such resolution which was agreed to by the House in 1796, during the administration of George Washington.

House Joint Resolution 112, if agreed to by both House and Senate, and signed by the President, would accomplish almost the same end that is intended to be accomplished by those who propose that treaties shall be ratified by a majority vote in both the House and Senate. To all practical purposes, it would accomplish that end without an amendment to the Constitution, simply by Congress exercising its already existing constitutional power to make all laws which shall be necessary and proper for carrying into execution the powers granted to it, and all other powers vested by the Constitution in the Government or in any department or officer of the Government.

Under the terms of House Joint Resolution 112, the President, as an officer of the Government, would be required to transmit to the Congress—meaning both the House and Senate—any treaty which by its terms stipulated any authority or regulation on any subject submitted by the Constitution to the power of Congress, and would require that any such treaty should not be transmitted to the Senate for ratification until the treaty had been given congressional approval, and until the Congress had declared that it had passed all laws necessary and proper for its execution.

This would have a most salutary effect. The long-standing custom has been for the Senate to consider itself the sole body concerned with treaties, and in that the House has acquiesced, since the time of the proposed treaty with the Kingdom of Hawaii in 1881.

If House Joint Resolution 112 should become law, then both the House and Senate would consider a treaty which involved subjects constitutionally submitted to the power of the Congress as a whole—deliberate upon the expediency or inexpediency of carrying the treaty into effect, and then if the treaty be deemed expedient, pass all laws necessary and proper for its execution—all this prior to its ratification. This, in my judgment, is the proper course of action to insure against public dissatisfaction with such a treaty, and likewise to legally vest the powers to carry out such a treaty in the proper Government officers. After the processes of this resolution shall have been carried out by the Congress as a whole, then its ratification by the Senate would be almost a proforma affair. In my judgment no willful one-third would be able to stand up against the public pressure that would be brought against them, in the event that both bodies of Congress had already approved the measure by majority votes. The subsequent ratification by two-thirds of the Senate would merely serve as a final inspection and approval of the workmanship already accomplished.

Mr. SUMNERS of Texas. Mr. Chairman, I submit a point of order against the proposed substitute offered by the gentleman from California [Mr. HINSHAW].

The CHAIRMAN. The gentleman will state the grounds of his point of order.

Mr. HINSHAW. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The gentleman from California [Mr. HINSHAW] concedes the point of order. Therefore, the Chair sustains the point of order.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. HOFFMAN. Mr. Chairman, now having adopted an amendment to give us an excuse, we will probably pass this legislation, but perhaps no great harm will be done if, as most of us expect, it is killed in the other body.

As I listened to the debate I gathered from the remarks of the gentleman from Texas [Mr. SUMNERS], the chairman of the committee, our acting minority leader [Mr. MICHENER], and from what was said by the gentleman from Massachusetts [Mr. MCCORMACK] that some of the Members were afraid that the folks back home do not think that we know as much or are as great as the men who wrote the Constitution. So it is insisted that we prove our greatness, carve ourselves a place in history by carving a chunk or two out of the old Constitution. I hope, if this resolution goes through, that those Members who wish to add to their stature by adding to the wisdom of the founders of the Republic will be reassured as to our greatness when this mutilation is completed, our progressiveness, as it is called, and our courage has been demonstrated. I hope they and the home folks will forget that for the last 10 years we have been jumping through the hoop held up by those at the other end of the Avenue. I hope they will forget that when we were told by the three Washington papers that the minority over here all got from three to five thousand dollars apiece for voting for the Ruml plan, we did not have the courage to call anybody on it; that we let the false charge go unchallenged.

I hope they will forget, and the folks back home will forget, that when a certain gentleman over the radio told the whole wide world that there were saboteurs in Congress, we did not have the courage to call his hand and show by his own words that he was a liar. Having established our greatness and our courage by passing a resolution which most of us believe will be killed in the Senate, we can all call ourselves progressive statesmen and wait for history to write our names with the names of the authors of the Constitution. Unfortunate that none of us will live that long.

Without in any way suggesting that our Constitution has a Brutus, or that there is here a Mark Antony who comes not to praise Caesar but to bury him, a stranger to the galleries, listening to the debate during the last week while the resolution has been under consideration, might get the idea that some who have words of praise were actually, but unwittingly, assisting in that organized movement which overlong has been attempting to bury the Constitution. That by its action today, while not interring all of the Constitution, we were just starting in to bury it piecemeal—a little today, perhaps some more tomorrow—and at the same time standing idly by while the executive departments continued digging the grave on which they have been working overlong for the burial of Congress.

Is it too much to suggest, if I do it most humbly and respectfully, that when we have finished with this Constitution which has demonstrated its worth, if we be truly progressive as the gentleman from Michigan suggested, we turn our attention to the spelling book, the dictionary, the multiplication table? Being great men, perhaps we can make improvements in all three. At least we can try.

The Clerk read as follows:

SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BATES of Kentucky, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the joint resolution (H. J. Res. 60) proposing an amendment to the Constitution of the United States relative to the making of treaties, pursuant to House Resolution 174, he reported the joint resolution back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. GWYNNE of Iowa. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 288, nays 88, not voting 56, as follows:

[Roll No. 73]

YEAS—288

Abernethy	Brown, Ga.	Cunningham
Adams	Bryson	Curtis
Allen, La.	Bulwinkle	D'Alesandro
Anderson, Calif.	Bunker	Daughton, Va.
Anderson, N. Mex.	Burch	Davis
	Burgin	Delaney, James J.
Andrews, N. Y.	Byrne, N. Y.	Delaney, John J.
Angell	Byrnes, Wis.	Dickstein
Arnold	Canfield	Dingell
Auchincloss	Cannon, Fla.	Domengeaux
Bailey	Cannon, Mo.	Doughton, N. C.
Baldwin, Md.	Carlson	Douglas, Ill.
Baldwin, N. Y.	Carnahan	Doyle
Barden	Case, S. Dak.	Drewry
Barrett, Pa.	Celler	Durham
Barrett, Wyo.	Chapman	Earthman
Barry	Chelf	Eberharter
Bates, Ky.	Clason	Ellsworth
Beall	Clements	Elsaesser
Beckworth	Coffee	Engle, Calif.
Bell	Cole, Kans.	Ervin
Bender	Cole, N. Y.	Fallon
Bennett, Mo.	Colmer	Feighan
Biemiller	Combs	Fernandez
Bland	Cooley	Fisher
Bolton	Cooper	Flannagan
Bonner	Corbett	Flood
Boykin	Courtney	Fogarty
Bradley, Pa.	Cox	
Brooks	Crosser	

Folger	Kilday	Rains
Forand	King	Ramey
Fuller	Kirwan	Ramspeck
Fulton	Kopplemann	Rankin
Gallagher	Kunkel	Rayfiel
Gamble	LaFollette	Resa
Gary	Landis	Riley
Gathings	Lane	Robertson, Va.
Gearhart	Lanham	Robinson, Utah
Geelan	Larcade	Roe, Md.
Gerlach	Latham	Roe, N. Y.
Gillespie	Lea	Rogers, Fla.
Goodwin	LeCompte	Rogers, Mass.
Gordon	LeFevre	Rooney
Gore	Lewis	Rowan
Gorski	Link	Russell
Gossett	Luce	Ryter
Granahan	Lyle	Sadowski
Granger	Lynch	Sasscer
Green	McCormack	Schwabe, Mo.
Gregory	McDonough	Schwabe, Okla.
Hagen	McGehee	Scrivner
Hale	McGlinchey	Sheppard
Hall, Edwin Arthur	McGregor	Sheridan
	McKenzie	Sikes
Hall, Leonard W.	McMillan, S. C.	Simpson, Ill.
	Mahon	Slaughter
Hare	Maloney	Smith, Maine
Harless, Ariz.	Mansfield, Mont.	Smith, Va.
Harris		Sparkman
Hart	Mansfield, Tex.	Spence
Hartley	Marcantonio	Starkey
Havenner	Martin, Iowa	Stefan
Hébert	Martin, Mass.	Stevenson
Hedrick	Merrow	Stigler
Heffernan	Michener	Sullivan
Hendricks	Miller, Calif.	Sumners, Tex.
Henry	Miller, Nebr.	Sundstrom
Herter	Mills	Talbot
Heselton	Monroney	Talle
Hill	Morgan	Tarver
Hinshaw	Morrison	Taylor
Hobbs	Mundt	Thom
Hoch	Murdock	Thomas, N. J.
Hoeven	Murphy	Thomas, Tex.
Holmes, Wash.	Murray, Tenn.	Thomason
Hook	Murray, Wis.	Tolan
Hope	Neely	Torrens
Horan	O'Brien, Ill.	Towe
Huber	O'Brien, Mich.	Traynor
Hull	O'Neal	Trimble
Izac	O'Toole	Vinson
Johnson, Calif.	Pace	Voorhis, Calif.
Johnson, Ind.	Patrick	Vorys, Ohio
Johnson, Luther A.	Patterson	Wasielewski
	Peterson, Fla.	Weaver
Johnson, Lyndon B.	Peterson, Ga.	Weiss
	Pickett	Welch
Johnson, Okla.	Pittenger	West
Judd	Plumley	Whitten
Kean	Poage	Whittington
Kearney	Powell	Wickersham
Kee	Powers	Wigglesworth
Keefe	Price, Fla.	Winstead
Kefauver	Price, Ill.	Wolverton, N. J.
Kelley, Pa.	Priest	Wood
Kelly, Ill.	Quinn, N. Y.	Woodhouse
Keogh	Rabaut	Woodrum, Va.
Kerr	Rabin	

NAYS—88

Allen, Ill.	Gillette	Ploeser
Andersen, H. Carl	Gillie	Reece, Tenn.
	Graham	Reed, Ill.
Andresen, August H.	Grant, Ind.	Reed, N. Y.
	Griffiths	Rees, Kans.
Arends	Gross	Rich
Bishop	Gwinn, N. Y.	Rizley
Blackney	Gwynne, Iowa	Robertson, N. Dak.
Brehm	Halleck	
Brown, Ohio	Harness, Ind.	Robsion, Ky.
Brumbaugh	Hess	Rockwell
Buck	Hoffman	Rodgers, Pa.
Buffett	Holmes, Mass.	Shafer
Butler	Howell	Sharp
Campbell	Jenkins	Short
Chenoweth	Jennings	Simpson, Pa.
Chiperfield	Jensen	Smith, Ohio
Church	Johnson, Ill.	Smith, Wis.
Clevenger	Jones	Somers, N. Y.
Cole, Mo.	Jonkman	Springer
Crawford	Kilburn	Sumner, Ill.
Dolliver	Kinzer	Taber
Dondero	Knutson	Tibbott
Dworshak	Lemke	Vursell
Ellis	Ludlow	Weichel
Elston	McConnell	Winter
Engel, Mich.	McMillen, Ill.	Wolcott
Fellows	Mason	Wolfenden, Pa.
Fenton	O'Hara	Woodruff, Mich.
Gavin	Philbin	
Gifford	Phillips	

NOT VOTING—58

Andrews, Ala.	Boren	Case, N. J.
Bates, Mass.	Bradley, Mich.	Clark
Bennet, N. Y.	Buckley	Cochran
Bloom	Camp	Cravens
Curley	Jackson	Richards
Dawson	Jarman	Rivers
De Lacy	Lesinski	Rogers, N. Y.
Dirksen	McCowen	Sabath
Douglas, Calif.	Madden	Savage
Eaton	Manasco	Snyder
Elliott	May	Stewart
Gardner	Mott	Stockman
Gibson	Norrell	Wadsworth
Grant, Ala.	Norton	Walter
Hancock	O'Konski	White
Hand	Outland	Wilson
Hays	Patman	Worley
Healy	Pfeifer	Zimmerman
Hollfield	Randolph	

So, two-thirds having voted in favor thereof, the resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Wadsworth and Mr. Patman for, with Mr. Bradley of Michigan against.

General pairs:

Mr. Cravens with Mr. Hand.
Mr. Pfeifer with Mr. Stockman.
Mr. Outland with Mr. Case of New Jersey.
Mr. Buckley with Mr. Bennet of New York.
Mr. Lesinski with Mr. Wilson.
Mr. Boren with Mr. Dirksen.
Mr. Manasco with Mr. Eaton.
Mr. Randolph with Mr. Hancock.
Mr. Madden with Mr. Bates of Massachusetts.
Mr. Hays with Mr. O'Konski.
Mr. Curley with Mr. Mott.

Mr. HART changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole today and to include citations of authority, and I also ask unanimous consent to extend my remarks in the RECORD and to include therein certain excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. O'KONSKI (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD.

Mr. PITTENGER (at the request of Mr. MICHENER) was given permission to extend his remarks in the RECORD.

Mr. ADAMS asked and was given permission to extend the remarks he made in the Committee of the Whole today and to include a list of treaties defeated in the Senate by reason of the constitutional requirement of two-thirds of the Members present concurring but having more than a majority of the total vote cast in favor thereof.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include an article by Mark Sullivan.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include a statement issued by the American Relief for India Committee.

Mr. D'ALESANDRO asked and was given permission to extend his remarks in the RECORD and include a copy of H. R. 511.

Mr. STARKEY asked and was given permission to extend his remarks in the RECORD and include a resolution by the St. Paul Trades Assembly.

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. HARRIS asked and was given permission to extend his remarks in the RECORD and include an address delivered by Gov. Ben Laney, of Arkansas.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include an address by the President of the United States.

Mr. HINSHAW asked and was given permission to extend his remarks in the RECORD and include three roll calls conducted by the Senate of the United States.

Mr. HENDRICKS asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Orlando Morning Sentinel.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOOK. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ACQUISITION OF EXCLUSIVE OWNERSHIP OF THE PHOTOGRAPH DEPICTING RAISING THE AMERICAN FLAG AT MT. SURIBACHI, IWO JIMA

Mr. COLE of New York. Mr. Speaker, by direction of the Committee on Naval Affairs, I submit a resolution (H. J. Res. 162) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, etc., That the Secretary of the Navy is hereby authorized and directed to acquire by purchase, gift, agreement, or otherwise, all rights in and to the exclusive use, ownership, and control of the photograph taken by Joseph Rosenthal depicting the raising of the American flag on Mount Suribachi, Iwo Jima, and he is further authorized to make such use or disposition of the rights so acquired as in his opinion he deems best in the public interest.

SEC. 2. There is hereby authorized to be appropriated out of the Treasury such sum as may be necessary.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include the remarks made by the Speaker and other officials who participated in the raising of the Mount Suribachi flag over the Capitol this morning.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLE of New York. Mr. Speaker, this morning an eventful ceremony took place at the front of the Capitol of the United States, when the famous flag which was first raised over Mount Suribachi in the Iwo Jima campaign was hoisted to half-mast height under the dome of the Capitol, one of the two places in all the world where the American flag is never furled. The Speaker of the House of Representatives, the gentleman from Texas [Mr. RAYBURN] officiated at the ceremony, which was attended also by the Secretary of the Navy, James Forrestal; the commandant of the marines, Gen. Alexander Vandegrift; high-ranking officers of the Navy Department and Members of Congress. The flag was raised by the three survivors, two marines and one sailor, of those who originally placed it on the heights of Iwo Jima in that historic incident. These three are Pvt. (1st cl.) René A. Gagnon, Pvt. (1st cl.) Ira H. Hayes, and Pharmacist's Mate (2d cl.) John H. Bradley. The other three who subsequently were killed in action on Iwo Jima were Sgt. Henry O. Hansen, Sgt. Michael Strank, and Pvt. (1st cl.) Franklin R. Sousley. The remarks of the Speaker were as follows:

Messrs. Secretaries, distinguished Members of the Senate and House, Admiral McIntire, General Vandegrift, and officers, we are here this morning to raise over the United States Capitol Building the famous flag which was first unfurled on Mt. Suribachi during the recent bitter but successful struggle for Iwo Jima. This flag, made famous in picture and story, is a symbol of victory to the American people. It should be a constant reminder to us that, although our forces have been successful in Europe, we are still confronted with a bitter struggle in the Pacific and complete victory will not be ours until we have defeated unconditionally the Japanese Empire, smashing them as our forces smashed their stronghold on Iwo Jima. General Vandegrift, may I take this opportunity of congratulating your marines who, fighting side by side with the men of the United States Navy, made this victory possible.

The remarks of General Vandegrift were as follows:

Thank you, Mr. Speaker, on behalf of the officers and men of the Marine Corps, and especially those of the Third, Fourth, and Fifth Divisions who fought at Iwo Jima, and on behalf of the hospital corpsmen who served so valiantly with them, I wish to thank Members of Congress for this distinct privilege and honor. This flag, when it was raised over the crest of Mount Suribachi on February 23, served as an inspiration to all men engaged in the bitter struggle below and to all hands fighting from the battle fleet offshore. It was a symbol of certain victory to come. With us this morning are three survivors—two marines and a hospital corpsman—from the group of six men who raised the flag aloft on that memorable occasion. Their gallant comrades gave their lives in the heavy fighting of the next several days. As these three men raise this flag proudly above the Capitol, it is our hope and belief that it will inspire all Americans who see it to renewed devotion to the cause for which it stands, and that it will serve as a reminder that victory in the Pacific will require the utmost efforts of all in the hard fighting yet to come.

Mr. Speaker, the bill which has just been adopted directs the Secretary of the Navy to acquire in the name of the people of the United States all property rights to the famous photograph taken by Joseph Rosenthal, showing the raising of the American flag on Mount Suribachi, Iwo Jima. This picture, more than any one of the thousands of war scenes which have, in one fashion or another, recorded for history the part which America has played in World War II, embodies within itself all the determination and the sacrifices which this Nation has given to make victory possible. Indeed, it might well be said that this one picture represents the full spirit and significance of America. Because of its common acceptance by the public as being so completely representative of all the grim suffering and heroic zeal of America's fighting men, it is entirely fitting that the property rights to this photograph should be owned by the people through their duly chosen officials.

Although recently the proceeds of the distribution of this picture have been turned over to the Navy Department by the Associated Press and its affiliated organizations for the purpose of welfare and recreation of the Marine Corps, an entirely worthy and magnanimous gesture by those organizations, it cannot be denied that this photograph should be preserved for the future as the exclusive property of the Government of the United States. I am hopeful that the Associated Press and its affiliated organizations will see fit to make it as a gift to the United States as but one of its manifold services in speedily and accurately reporting the progress of the war.

EXTENSION OF REMARKS

Mr. ROBERTSON of Virginia (at the request of Mr. McCORMACK) was given permission to extend his remarks in the RECORD and include a trade-agreement quiz.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will we take up the legislation appropriation bill tomorrow?

Mr. McCORMACK. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. RIZLEY asked and was given permission to revise and extend his remarks and include a newspaper article.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WADSWORTH (at the request of Mr. MARTIN of Massachusetts), for 3 weeks, on account of important business.

To Mr. DE LACY (at the request of Mr. GORDON), for an indefinite period, on account of official business.

To Mr. ANDREWS of Alabama, for an indefinite period, on account of illness in the family.

To Mr. GRANT of Alabama (at the request of Mr. ANDREWS of Alabama), for an indefinite period, on account of official business, inspecting the food situation in Europe.

To Mr. SASSCER (at the request of Mr. D'ALESANDRO), indefinitely, on account of important business.

To Mr. BIEMILLER for a period not to exceed May 16, on account of official business.

To Mr. HARE, for Thursday, May 10, on account of important business.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 40 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, May 10, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will meet in open session at 10 a. m. on Thursday, May 10, 1945, in the committee room, 356 House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Bridge subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m. Friday, May 11, 1945.

To begin public hearings on H. R. 541, a bill authorizing and directing the Commissioners of the District of Columbia to construct two four-lane bridges to replace the existing Fourteenth Street or Highway Bridge across the Potomac River, and for other purposes.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a hearing at 10 o'clock a. m. on Wednesday, May 16, 1945, on H. R. 714, H. R. 1350, H. R. 2299, and H. R. 2650.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

447. A letter from the Acting Secretary of the Navy, transmitting a draft of a bill to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes; to the Committee on Naval Affairs.

448. A letter from the Chairman of the Reconstruction Finance Corporation, transmitting a report covering its operations for the period from the organization of the Corporation on February 2, 1932, to December 31, 1944, inclusive; to the Committee on Banking and Currency.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. BOLTON:

H. R. 3164. A bill to establish the office of adviser to the Administrator of Veterans' Affairs on matters affecting Negro veterans; to the Committee on World War Veterans' Legislation.

By Mr. ROBERTSON of North Dakota:

H. R. 3165. A bill to extend for 2 additional years the reduced rate of interest on

Land Bank Commissioner loans; to the Committee on Agriculture.

By Mr. ELLSWORTH:

H. R. 3166. A bill to aid in providing housing for veterans attending educational institutions, and for other purposes; to the Committee on Banking and Currency.

By Mr. HOLMES of Washington:

H. R. 3167. A bill to amend section 112 of the Judicial Code to change the times for holding the terms of the District Court for the Eastern District of the State of Washington; to the Committee on the Judiciary.

By Mr. SPARKMAN:

H. R. 3168. A bill to provide promotion and retirement benefits for enlisted men of the Army, Navy, Marine Corps, and Coast Guard who are recalled to active service; to the Committee on Military Affairs.

By Mr. LANE:

H. R. 3169. A bill to amend Employees' Compensation Act of September 7, 1916, as amended; to the Committee on the Judiciary.

By Mr. LEA:

H. R. 3170. A bill to provide Federal aid for the development of public airports, and to amend existing law relating to air navigation facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE of Illinois:

H. R. 3171. A bill to provide for additional income-tax exemption for persons who served in the armed forces of the United States; to the Committee on Ways and Means.

By Mr. ROBINSON of Utah:

H. R. 3172. A bill to amend section 1 of the act entitled "An act to provide for cooperation with Central American republics in the construction of the Inter-American Highway," approved December 26, 1941; to the Committee on Foreign Affairs.

By Mr. McGLINCHEY:

H. R. 3173. A bill to prevent tax discrimination against certatin civilian officers and employees of the Government who would be entitled, except for their employment by the United States, to retired pay for service as commissioned officers in the armed forces; to the Committee on Expenditures in the Executive Departments.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CORBETT:

H. R. 3174. A bill for the relief of Charles Scott Murray; to the Committee on Claims.

By Mr. DAUGHTON of Virginia:

H. R. 3175. A bill to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood; to the Committee on Claims.

By Mr. GIFFORD:

H. R. 3176. A bill for the relief of I. Winslow Hall; to the Committee on Claims.

By Mr. GRANAHAN:

H. R. 3177. A bill for the relief of James J. Barrett, Jr.; to the Committee on Claims.

By Mr. MAHON:

H. R. 3178. A bill for the relief of James E. Pritchard; to the Committee on Claims.

By Mr. WASIELEWSKI:

H. R. 3179. A bill for the relief of Clemens F. Michalski; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

566. By Mr. ANDREWS of New York: Petition by the Assembly of the State of New York, having to do with establishment in Palestine of a national home for the Jewish people; to the Committee on Foreign Affairs.

567. By Mr. ANGELL: Petition of Ruth E. Schulz and sundry other citizens of Portland, Oreg., petitioning the Congress of the United States that inasmuch as our Nation is facing a world full of danger in which it becomes imperatively necessary to conserve our youth and to achieve a high degree of physical fitness, we earnestly beseech you to prevent the alcoholic beverage industry from directing high-pressure campaigns to increase its profits at the expense of the home and of youth, by prohibiting it the use of the air, periodicals, newspapers, motion pictures, or any other form of advertising; to the Committee on the Judiciary.

568. By Mr. CLASON: Petition of the General Court of Massachusetts, urging the immediate enactment of legislation to increase the salaries of postal employees; to the Committee on the Post Office and Post Roads.

569. Also, petition of the General Court of Massachusetts, urging Congress to provide for expediting the payment of claims by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

570. By Mr. CORBETT: Petition of sundry persons of the Thirtieth Congressional District of Pennsylvania relating to treatment of war prisoners; to the Committee on Military Affairs.

571. By Mr. GOODWIN: Petition of the General Court of Massachusetts, favoring the immediate adoption of the plan to increase salaries of postal carriers and clerks; to the Committee on the Post Office and Post Roads.

572. Also, petition of the General Court of Massachusetts providing for expediting the payment of claims by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

573. By Mr. GRANAHAN: Petition of parishioners of St. Donato's parish, Philadelphia, Pa., petitioning that the Government of the United States recognize Italy as an ally and extend to her an invitation to participate in the San Francisco Conference; to the Committee on Foreign Affairs.

574. By Mr. LANE: Petition of approximately 350 American textile workers of the Stevens Mills, North Andover, Mass., dated May 1, 1945, protesting against the passage of House bill 2652, pertaining to the reciprocal trade agreements; to the Committee on Ways and Means.

575. Also, petition of the Pacific Mills, Lawrence, Mass., containing 3,656 names of employees of the mills protesting against House bill 2652, pertaining to reciprocal trade agreements; to the Committee on Ways and Means.

576. By Mrs. ROGERS of Massachusetts: Petition of the General Court of Massachusetts, providing for expediting the payment of claims by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

577. Also, petition of the General Court of Massachusetts, favoring the immediate adoption of the plan to increase the salaries of postal carriers and clerks; to the Committee on the Post Office and Post Roads.

578. By Mrs. SMITH of Maine: Petition of Clara T. Sawyer and approximately 70 other citizens of Thomaston, Maine, deploring the shipping of malt beverages and other liquors with higher alcoholic content into fighting areas; to the Committee on the Judiciary.

SENATE

THURSDAY, MAY 10, 1945

(Legislative day of Monday, April 16, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God our help and our hope, Thou who has brought us to this shining hour, still through the wilderness our Shepherd be. Knowing the darkness of evil that shadows our own lives, conscious of our own failures in love and brotherhood, hating the rancor and the unreasoned prejudice that widen chasms which bridges of understanding must span if man is to be saved from himself, O Thou Kindly Light, lead us on, o'er moor and fen and crag and torrent, 'til the night is gone.

May this week of the ages, when a monstrous system lies prone in the dust of defeat—the victory Thou hast given to truth and justice—be the golden door into a future where none shall oppress and where all mankind is great through gentleness—

"That we may tell our sons, who see the light
High in the heavens, their heritage to take,
I saw the powers of darkness put to flight,
I saw the morning break."

Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 7, 1945, was dispensed with, and the Journal was approved.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on May 7, 1945, he presented to the President of the United States the enrolled bill (S. 906) granting a franking privilege to Anna Eleanor Roosevelt.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 7, 1945, the President had approved and signed the act (S. 906) granting a franking privilege to Anna Eleanor Roosevelt.

LEAVES OF ABSENCE

Mr. AUSTIN. Mr. President I ask unanimous consent to be absent from the Senate for a period beginning next Monday.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and consent of the Senate is granted.

Mr. GREEN. Mr. President, I ask unanimous consent for leave to be absent from the Senate on official business the first part of next week.

The PRESIDENT pro tempore. Without objection, the Senator from Rhode Island is given the leave of absence requested.

ADDRESS BY THE PRESIDENT ON THE SURRENDER OF GERMANY

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the RECORD the address delivered by the President of the United States on May 8 in connection with the surrender of the German forces to the United Nations.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

This is a solemn but a glorious hour. I only wish that Franklin D. Roosevelt had lived to witness this day. General Eisenhower informs me that the forces of Germany have surrendered to the United Nations. The flags of freedom fly over all Europe.

For this victory we join in offering our thanks to the Providence which has guided and sustained us through the dark days of adversity.

Our rejoicing is sobered and subdued by a supreme consciousness of the terrible price we have paid to rid the world of Hitler and his evil band. Let us not forget, my fellow Americans, the sorrow and the heartbreak which today abide in the homes of so many of our neighbors—neighbors whose most priceless possession has been rendered as a sacrifice to redeem our liberty.

We can repay the debt which we owe to our God, to our dead, and to our children only by work—by ceaseless devotion to the responsibilities which lie ahead of us. If I could give you a single watchword for the coming months, that word is—work, work, work.

We must work to finish the war. Our victory is but half won. The West is free, but the East is still in bondage to the treacherous tyranny of the Japanese. When the last Japanese division has surrendered unconditionally, then only will our fighting job be done.

We must work to bind up the wounds of a suffering world—to build an abiding peace, a peace rooted in justice and in law. We can build such a peace only by hard, toilsome, painstaking work—by understanding and working with our allies in peace as we have in war.

The job ahead is no less important, no less urgent, no less difficult than the task which now happily is done.

I call upon every American to stick to his post until the last battle is won. Until that day let no man abandon his post or slacken his efforts.

And now I want to read to you my formal proclamation of this occasion:

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA, A PROCLAMATION

The Allied armies, through sacrifice and devotion and with God's help, have wrung from Germany a final and unconditional surrender. The western world has been freed of the evil forces which for 5 years and longer have imprisoned the bodies and broken the lives of millions upon millions of free-born men. They have violated their churches, destroyed their homes, corrupted their children, and murdered their loved ones. Our armies of liberation have restored freedom to these suffering peoples, whose spirit and will the oppressors could never enslave.

Much remains to be done. The victory won in the West must now be won in the East. The whole world must be cleansed of the evil from which half the world has been freed. United, the peace-loving nations have demonstrated in the West that their arms are stronger by far than the might of dictators or the tyranny of military cliques that once called us soft and weak. The power of our peoples to defend themselves against all enemies will be proved in the Pacific war as it has been proved in Europe.

For the triumph of spirit and of arms which we have won, and for its promise to peoples everywhere who join us in the love of freedom, it is fitting that we, as a Nation, give thanks to Almighty God, who has strengthened us and given us the victory.

Now, therefore, I, Harry S. Truman, President of the United States of America, do hereby appoint Sunday, May 13, 1945, to be a day of prayer.

I call upon the people of the United States, whatever their faith, to unite in offering joyful thanks to God for the victory we have won and to pray that He will support us to the end of our present struggle and guide us into the way of peace.

I also call upon my countrymen to dedicate this day of prayer to the memory of those who have given their lives to make possible our victory.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 8th day of May, in the year of our Lord, nineteen hundred and forty-five, and of the Independence of the United States of America the one hundred and sixty-ninth.

[SEAL] HARRY S. TRUMAN.

By the President:

JOSEPH C. GREW,
Acting Secretary of State.

REPORT BY MEMBERS OF CONGRESS ON GERMAN ATROCITIES

Mr. BARKLEY. Mr. President, many Senators have asked me privately when there will be a report to the Senate from the group of Members of the Senate and House who have just returned from Europe. I feel that I should say that we hope to have a report ready by Monday. We desire to report in as much detail as possible without being prolix. We are now working upon the report, which will be made to the two Houses. We hope that the reports to the two Houses will be identical. We expect to have the report ready by Monday next. I make that statement so that Senators will understand that nothing will be done about it until then.

TRANSFER TO R. F. C. OF CERTAIN GOVERNMENT CORPORATIONS, ETC.

Mr. WAGNER. Mr. President, I ask unanimous consent to introduce a joint resolution for appropriate reference.

The PRESIDENT pro tempore. Without objection, the joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 65) to transfer to thee Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations was read twice by its title and referred to the Committee on Banking and Currency.

Mr. WAGNER. Mr. President, I desire to make a brief statement concerning the joint resolution I have just introduced. The joint resolution dissolves certain corporations now subject to the management of the R. F. C. and transfers the functions, powers, duties, and authority of those corporations to the R. F. C.

We all recognize that after hostilities cease some reorganization of the executive branch of the Government will not only be desirable but necessary in order to place it in position to meet peacetime requirements. Undoubtedly the activities of some emergency agencies will be either curtailed or eliminated to such an extent as is consistent with immediate needs, and I believe it to be the duty of the Congress to assist in carrying out such a program.

The joint resolution, whose purpose is to provide such assistance, is as follows:

Resolved, etc., That, notwithstanding any other provision of law, all functions, powers, duties, and authority of the corporations hereinafter designated, are hereby transferred, together with all their documents, books of account, records, assets, and liabilities of every kind and nature, to Reconstruction Finance Corporation and shall be performed, exercised, and administered by the board of directors of that Corporation in the same manner and to the same extent and effect as if originally vested in Reconstruction Finance Corporation, and the designated corporations are hereby dissolved.

Defense Plant Corporation, Metals Reserve Company, Rubber Reserve Company, and Defense Supplies Corporation created by Reconstruction Finance Corporation pursuant to the act of June 25, 1940 (54 Stat. 572) and Disaster Loan Corporation, created by the act of February 11, 1937 (50 Stat. 19), are hereby designated as the corporations to which this joint resolution applies.

The Corporations designated in the joint resolution, with the exception of Disaster Loan Corporation, were created to perform certain functions arising out of the present emergency. The function of these corporations has been substantially that of procurement of strategic and critical materials and other supplies and equipment essential to the successful prosecution of the war. This has for the most part been accomplished and, therefore, some administrative reorganization at this time is desirable. The transfer to the Reconstruction Finance Corporation of the functions, powers, duties, and authority of these corporations would simplify operations and it may reasonably be expected that some economy in operation can be effected.

The adoption of this joint resolution, however, does not mean that there would be interference with procurement of supplies necessary to the successful prosecution of the war against Japan. Management would remain where it is now, in the board of directors of the Reconstruction Finance Corporation, the members of which at the present time are also the directors of the Corporations.

In addition, all outstanding contracts and new contracts which may be necessary would, of course, be administered by substantially the same personnel as at the present time, although acting directly for the Reconstruction Finance Corporation.

While Disaster Loan Corporation was created not for national-defense purposes, but to provide loans necessitated by floods or other catastrophies, nevertheless since it is managed by Reconstruction Finance Corporation officers and agents under rules and regulations prescribed by the board of directors of the Reconstruction Finance Corporation, there is no sound basis for having these functions performed by a separate corporate entity.

War Damage Corporation, the RFC Mortgage Company, and Federal National Mortgage Association, all subsidiaries of the R. F. C., are not included in the resolution. War Damage Corporation, while wholly owned and managed by the R. F. C., was created for a highly specialized purpose, and it is believed that it should continue as a separate corporate entity until its insurance program directly related to the war has been completed. Undoubtedly it will at that time be liquidated.

The RFC Mortgage Company was organized under the laws of Maryland, and while its capital stock is owned by and it is subject to the management of the R. F. C., it is believed undesirable at this time to include within the joint resolution a State-chartered corporation.

Federal National Mortgage Association was organized pursuant to the provision of title III of the National Housing Act, as amended, to provide a ready market for insured mortgages, and operates within the limitations and restrictions imposed by that act. Because of the nature of these restrictions it is considered inadvisable to include the Association in this joint resolution.

United States Commercial Company and Petroleum Reserves Corporation, although originally organized for national defense purposes by the R. F. C. pursuant to the authority contained in the R. F. C. Act, as amended, and Rubber Development Corporation, established for the purpose of procuring natural rubber from outside the United States, are not included in the joint resolution for the reason that they have been transferred to and are subject to the supervision of the Foreign Economic Administration.

I believe that prompt and favorable consideration should be given to this proposal.

VE-DAY

Mr. BUSHFIELD. Mr. President, 2 days ago the war-weary world suddenly thrilled to the realization that the war in Europe had reached its end. VE-day, for which we have waited so long, is here. Millions of American soldiers scattered around the world on every battle front lift tired eyes as they realize that the thing for which they prayed and fought has come to pass. Millions of fathers and mothers everywhere bow their graying heads in a prayer of thanksgiving.

A feeling of relief wells in our throats. Even though war still rages in a distant land, the most terrible war of all times has been fought and won, not for glory, not for spoils of land or money or power, but for the priceless privilege of assuring to our children the right to continue, in security and peace, our way of life. Freedom, liberty, life, and the knowledge that we are secure against the beast of fascism—those are the things for which we have fought. Freedom to till our farms. Freedom to manage our stores, our shops, and our businesses. Freedom to attend our schools and churches. Freedom to direct our lives in our American way, free from dictatorship, regimentation, and orders. Freedom to speak, write, and worship God as our conscience dictates.

The return of our loved ones from the fury of battle has been so long in our hearts that we have considered but little those things which will come after. Now that the roar of guns in Europe no longer blasts our ears in a ghastly nightmare, now that our war planes are silent and the conquered enemy no longer faces us with bared fangs, our thoughts turn inevitably to peace and the reconstruction period to follow with its rehabilitation for our returning veterans.

What does that post-war period hold for us? How will we pick up the threads of peace? How will we weave them into the fabric of our daily lives? For that will be our task—the turning of our skill and energy and brains to the tools of life in place of the weapons of death.

But the future holds more than that for us. We must prevent a recurrence of the hideous thing from which we have today emerged. We must make war impossible. We must forge weapons that will destroy the makers of war. Human ingenuity, by every energy and thought we possess, must be turned upon this problem of peace. War has cost us a staggering price. The world is all but bankrupt. The savings of our people, as well as their earnings for generations to come, have been swept away in the lavish uncounted cost of war. But far above that—far more important than all the gold in the world—is the expenditure of life and health which we have poured upon the altar of war. Nothing that we can do will recall those sons who will never return, or, returning, are shattered in body and brain. No gift that we can bestow upon those returning veterans can ever repay them for what they have suffered.

They have saved us from death or slavery; yea, they have inspired us to an effort even greater than victory in war, when we have finished with Japan, to make certain that neither they nor their children shall be forced again to repeat their sacrifice.

Let us then consecrate ourselves—we Americans—to the aid and comfort of our veterans; let us solemnly vow to make the world safe and secure from savagery. Let us blazon upon the sky of our national heavens the letters for which this day will forever stand. VE-day is henceforth to mean peace on earth and good will toward men of all creeds, all races, all colors, for we, the American people, must lead the world to justice, to brotherly love, and to peace.

May a beneficent Providence bring our sons home to us safely and quickly.

LIBERATION OF NORWEGIAN PEOPLE—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the RECORD a release I issued to the press today entitled "Senator WILEY Hails Norwegian People in the House of Liberation."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The maturity of action of the Norwegian people in the hour of their liberation from Nazi domination reflects high credit on the character of that people. It is an admonition to the world that "by their deeds ye shall know them."

Vidkun Quisling, the Judas of the North, has not been executed by the people he betrayed. Instead, he is legally imprisoned, awaiting legal trial. He will be meted out legal justice for the crimes he perpetrated against his countrymen.

Crown Prince Olav is in Oslo. He represents the return of law and order to Norway. The hearts of the Norwegian people are rejoicing beyond the power of words. Yet in the midst of this national jubilation the workings of the Norwegian mind may be seen. In dignified restraint, with the minimum of demonstrations, the Norwegian people accept their joy as they have accepted their suffering, guided by the instructions of their King and General Eisenhower.

We who have closely observed the anguish of all Europe under the Nazi oppressor can appreciate this restraint. Before the aggressor came Norway was in the front ranks of the forward-looking nations. The Norwegian budget was balanced. Important social advances, such as the old-age pension, were functioning. A literate, religious people were working industriously in their factories, in their farmsteads and in their fishing boats. There were none extremely rich; neither were there any extremely poor. It was into this civilized national community that the ruthless Nazis came. Homes were seized; law and order were extinguished; churches were closed. Nazi concentration camps and Nazi firing squads sought to subdue this Christian people. But barbarism could never crush courage supported by character.

Like Lazarus risen from the tomb, the joy of the Norwegian people is tempered by the holy fire of reverence, as they give thanks to the universal God for their deliverance.

TRIBUTE TO JOHN S. KNIGHT, JR., BY HIS FATHER

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Lest We Forget," written by John S. Knight, publisher of the Chicago Daily News and other newspapers, in memory of his son, John S. Knight, Jr., who was killed in action in Germany March 29, 1945. I feel that this touching tribute written by a father about a son who was the winner of the Bronze Star "for gallantry in action beyond the call of duty," should be made a part of the RECORD, not only because it is the expression of the deep feelings of thousands of parents throughout this country and the world but also because it voices their fierce determination that the objectives their sons died to obtain for us shall be safeguarded and preserved for future generations.

John S. Knight is my personal friend, and I share in a small measure his grief in the loss of Johnny. While I cannot help him bear his heavy burden, I can do my utmost to see to it that his son shall not have died in vain, that in his death, and the deaths of the Johnnies all over the world, there shall be a rebirth of the ideals for which they gave their lives. And that I pledge to John S. Knight, and to sorrowing parents everywhere, I shall do above all else. This can be accomplished, Mr. President, through a durable and everlasting peace.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BROADWAY

(By Danton Walker)

"LEST WE FORGET"

From an editorial written by John S. Knight, publisher of the Detroit Free Press, in memory of his son, 22-year-old John S. Knight, Jr., winner of the Bronze Star "for gallantry in action beyond the call of duty," who was killed in battle in Germany, March 29, 1945:

"Johnny is gone. The lovable kid, who never had a vicious thought in his life, is sleeping in Germany, because of the mad, senseless ambitions of a demented paranoiac, because in the last 20 years the "statesmen" of Europe have repeatedly sacrificed principle on the altar of power politics, because those of us in all lands who fought the last time failed to insure a lasting peace, because, as his friend and fellow paratrooper, First Lt. Denis Jones, of Landsberg, Pa., expressed it, 'Johnny was killed just the same way he lived, doing just a little more than anyone asked him to do—giving more than he was required to give.' * * * Johnny is gone. Try as we may, it is difficult not to become embittered. All of the kindly, sym-

pathetic words we have spoken to others now taste like ashes in our own mouths. Perhaps it is always that way.

"As we strive to fight back the tears, there are memories of his childhood, his blond curly hair, his sensitive mouth, his contagious chuckle, his affectionate hugs. Like every other normal American boy, he had the desire to excel in athletics, became a crack boxer and a cross-country star. Never a good student, he tackled the roughest work in a lumber yard during summer vacations with real zest and characteristic energy. Johnny was never intended to be a fighter; he loved people too much. I have seen him apologize to men he could have knocked flat with a single blow. He knew his physical strength and feared it. War to him was not a glamorous adventure, but a job to be done so that he and millions of other American boys could live normal lives when it was finished. Yet he took all the tough jobs in his stride as paratrooper, liaison pilot, and combat patrol leader. That was Johnny's way.

"The great tragedy of the Johnnies, the Sams, the Petes, the Joes, and all the hundreds of thousands of other fine young men who have died for us is that few of them ever had a real chance at life. There were so few years 'so little time,' for them to have achieved but the smallest part of their hopes and aspirations. It was intended by Divine Providence that the young should have their day in which to rectify the errors of their elders; to press boldly forward without fear or inhibitions in a world which has somehow managed to survive the sins and greediness of countless generations. This chance has been denied them—forever. They have given their lives so that our country might live, that you and I can continue living in security and freedom from fear.

"We hear the war is 'practically over,' that 'losses are light.' But every second of every hour it continues some fine young American boy is being slaughtered by a maniacal foe indoctrinated with cruelty and hate. Nearly 300,000 Johnnies are gone. We must make an appointment with those gallant boys and give them a solemn pledge that we shall never again shirk the task of achieving a peaceful world, free from the bestialities and carnage that have made a mockery of civilization through the ages. We must guarantee them, further, that their returning comrades will be given the chance at life which was denied to them; that no one of them shall ever suffer through our selfishness and greed; that our high-sounding promises will never re-echo as a hollow mockery of words.

"Above all, we must work unceasingly for a rebirth of spiritual values and the strengthening of our national character. Here at home we have undergone no such test as that faced hourly by our youngsters on the fighting fronts. Sometimes I think it would have been better if we had. But the test will come when the parades are over and the bands stop playing. We have an obligation to those who have made the brave and gallant fight, a covenant with the dead. To the Johnnies who are gone and the millions of Johnnies to come let it at least be proved by our acts that we sought redemption and endeavored to make atonement for the sins of a shallow, self-indulgent, and greedy generation. Through tear-dimmed eyes I offer a silent and humble prayer.

"JOHN S. KNIGHT."

THE MEAT SHORTAGE

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the RECORD a personal letter I have received from Mr. C. H. Fuller, of Sidney, Nebr., relating to the meat shortage, as well as a letter from the Fairbury Livestock Co., of Fairbury, Nebr., dealing with the sale of hogs, comparing the figures of this year with those of last year.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

SIDNEY, NEBR., *March 30, 1945.*

Hon. KENNETH WHERRY,
Senate Office Building, Washington, D. C.

DEAR MR. WHERRY: I have been growing and fattening cattle for many years. I have never seen anything so uncalled for, so downright ridiculous as this shortage of meat. The bungling of the hog production program is now ancient history and cannot now be remedied, so I am not going into that, except to say that more pork would surely be a handy thing to have now. But the beef situation can still be helped if you can just make those bunglers see a few plain facts. The principal ones are that we have more cattle in the country than ever before and also the largest corn crop in history. I, for one, am willing and able to do my small share of putting the two together to make some beef provided I can foresee the chances of a profit to be reasonable. But costs are too high to give me a profit even at ceiling prices for my finished beef and the packers are not going to pay me ceiling prices unless scarcity of numbers forces them to it. I am not too familiar with the packers' side of this fantastic set-up, but it appears to me that there is a very good chance there for them to lose money too. In fact, the very ones who are producing and processing this beef are doing it at a loss, or at best for no profit, while the consumer, who has more money than ever before has the price held down for his especial benefit and held down, not only by ceilings, but also by a subsidy. But more about this subsidy some other time. However I am sure that the consumer could stand very well an increase of say 3 cents per pound and never know it was there. This same consumer is paying black market prices for many things he buys and not squawking very loud about it. Three cents a pound increase in the retail price should give everyone else down the line to the producer a reasonable chance for a profit. If I could be sure of getting a cent per pound more for my finished beef, I would be producing more of it.

Permit me to commend you for the stand you have taken on this question. I have corresponded with Mr. MILLER several times in the past and he knows my views. You are the first Senator from Nebraska during the span of my mature years who has taken the trouble to really fight for the interests of the meat producers. If you and Mr. MILLER will stay in the buggy, you may get something done. I hope so.

C. H. FULLER.

FAIRBURY LIVESTOCK CO.,
Fairbury, Nebr., March 29, 1945.

Hon. KENNETH S. WHERRY,
Washington, D. C.

DEAR SIR: Here is the dope from the sale barn in Fairbury which serves quite a territory as you probably know and might be helpful to you in your present battle anent the meat shortage.

In the first 3 months of 1944 we sold 16,605 hogs and for the same period in 1945 we sold 7,094, 9,511 less than in 1944. The cattle for the same period of both years is approximately the same.

No doubt you know more the reason that farmers are not raising more hogs to feed the bumper crop of this year than we do and if these figures are of any value to you in helping solve any of the problems, we are happy.

Just go ahead and use this information and don't bother to answer this letter unless you wish more information which we might be able to give you.

Yours truly,

L. MCKIMMEY.

CONTRACT TERMINATIONS

Mr. O'MAHONEY. Mr. President, there has been received and referred a quarterly report of the Director of Contract Settlement. I rise to call the attention of Senators to the report, because I am sure they will find it of great interest.

Up to the date of the report, commitments canceled by contract terminations have totaled $27,500,000,000. Of these, contracts in the value of $18,000,000,000 have already been settled.

The report of progress is so significant, Mr. President, that I ask unanimous consent that the letter of the Director of Contract Settlement transmitting the report be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF CONTRACT SETTLEMENT,
Washington, D. C., April 30, 1945.

The Honorable PRESIDENT OF THE SENATE.
The Honorable SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIRS: As Director of Contract Settlement I hereby submit my third quarterly report.

To date, commitments canceled by contract terminations have totaled $27,500,000,000. Of these, about $18,000,000,000 have already been settled. It is necessary to distinguish between the large amount of canceled commitments and the small amount paid by the Government to settle the resulting claims. Payments to contractors in settlement of almost $15,000,000,000 of canceled fixed-price commitments totaled only six-tenths billion dollars.

The job of contract settlement will increase considerably. Terminations in the coming months may average two to three billion dollars per month as against one and two-tenths billion dollars per month since passage of the Contract Settlement Act. Furthermore, the difficulty of settling the average canceled commitment will increase. With the scaling down of war production and the urgency to convert to other work, the influence of many of the factors which have facilitated settlement so far will decline. Regardless of the size and difficulty of the job, however, it must be done quickly and well.

Performance during the quarter indicates the test ahead can be met. The high one and four-tenths-billion-dollar rate of settlement attained in the last quarter was maintained despite the smaller influence of certain factors of special importance at the year-end. This is one indication of the soundness of the system of policies and procedures now in existence. Experience has given both contractors and contracting agencies facility with contract settlement. Their organizations are ready to handle a larger job.

The main problem ahead is to attain maximum efficiency in operations. A few important questions of policy and procedure remain. They are now under consideration.

The Contract Settlement Appeal Board is now fully organized. Rules of practice and procedure have been issued. The first cases will be heard shortly.

Recent conferences in Europe with representatives of United States procurement agencies confirmed my decision not to interfere with the exemptions of foreign contracts from the act. Discussions with British Government officials and industrialists confirmed my belief in the soundness of our present policies and procedures for contract settlement in the United States.

We are confident of the ability of Government and business to do the larger job ahead. This does not mean, however, that the task will be easy. The fullest cooperation between contracting agencies and contractors and

between contractors and their subcontractors will be necessary to achieve fast, fair, and final settlement. Only if all concerned are prepared and do their part, can war production be unwound successfully.

Respectfully submitted.

ROBERT H. HINCKLEY,
Director of Contract Settlement.

REPORT OF JUDGE OF JUVENILE COURT OF THE DISTRICT OF COLUMBIA

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on the District of Columbia:

To the Congress of the United States:

I transmit herewith for the information of the Congress a communication from the judge of the Juvenile Court of the District of Columbia, together with a report covering the work of the Juvenile Court during the fiscal year 1943–44.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 10, 1945.*

NOTE.—The report accompanied a similar message to the House of Representatives.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman and secretary of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report covering its operations for the period from the organization of the Corporation on February 2, 1932, to December 31, 1944, inclusive (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON COLUMBIA BASIN PROJECT

A letter from the Secretary of the Interior, transmitting, pursuant to law, a joint report of the Secretary of the Interior, the Commissioner of Reclamation, and the Administrator of the Bonneville Power Administration, on the allocation and repayment of the costs of the Columbia Basin project (with accompanying papers); to the Committee on Irrigation and Reclamation.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Legislature of the State of New York; to the Committee on Foreign Relations:

"Whereas on January 27, 1944, the following resolution was introduced in the Congress of the United States (H. Res. 448, 78th Cong., 2d sess.), reading as follows:

"'Whereas the Sixty-seventh Congress of the United States on June 30, 1922, unanimously resolved "that the United States of America favor the establishment in Palestine of a national home for the Jewish people, it being clearly understood that nothing shall be done which may prejudice the civil or religious rights of the Christian and all other non-Jewish communities in Palestine shall be adequately protected": and

"'Whereas the ruthless persecution of the Jewish people in Europe has already demonstrated the need for a Jewish homeland as a haven for the large number who have become homeless as a result of this persecution: Therefore be it

"'*Resolved*, That the United States shall use its good offices and take appropriate measures to the end that the doors of Palestine shall be opened for the free entry of Jews into that country, and that there shall be full opportunity for colonization, so that the Jewish people may ultimately reconstitute Palestine as a free and democratic Jewish commonwealth.'

"Whereas the people of the State of New York are cognizant of the historical connection of the Jewish people with Palestine and the grounds for reconstituting their national home; and

"Whereas the people of the State of New York are keenly concerned and shocked by the ruthless persecution of the Jewish people in Europe, which has clearly proven the need for a homeland and haven for the large number of the Jewish people who have become homeless as a result of this ruthless persecution; and

"Whereas the people of the State of New York, through its legislature pronounces once more the fine American tradition of sympathy with, and held for, all unfortunate peoples who have suffered from persecution: Therefore be it

"*Resolved (if the senate concur)*, That the Congress of the United States be and hereby is memorialized to enact the House Resolution 448 of the Seventy-eighth Congress, second session, or other appropriate legislation to effect the same purpose, and that a copy of this resolution be transmitted to the Vice President, the Speaker of the House of Representatives, and to each Member of Congress from New York State."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Senate Concurrent Resolution 19

"Concurrent resolution memorializing Congress to waive payment of interest and authorize refund of interest heretofore paid on deficiencies in income taxes arising out of the Oklahoma community-property law being invalidated for Federal income-tax purposes by the Supreme Court of the United States

"Whereas on May 10, 1939, the State of Oklahoma, in the exercise of its sovereign power, adopted a community-property law applicable to husbands and wives who irrevocably elected to make the provisions of said law apply to them; and

"Whereas several thousand citizens of the State of Oklahoma did so elect; and

"Whereas the validity of said law for Federal income-tax purposes was sustained by the United States Tax Court and by the United States Circuit Court of Appeals for the Tenth Circuit; and

"Whereas the Supreme Court of the United States, by a divided Court, held, in the case of *Commissioner of Internal Revenue* v. *C. C. Harmon*, that the said community-property law was ineffective so far as Federal income taxes are concerned: Now, therefore, be it

"*Resolved by the Senate of the Twentieth Legislature of the State of Oklahoma (the House of Representatives concurring therein)*:

"SECTION 1. That the Congress of the United States of America be, and it is hereby, memorialized to enact a law waiving interest on deficiencies in income taxes arising out of the Oklahoma community-property law being invalidated for Federal income-tax purposes by the Supreme Court of the United States, and providing for refund of interest paid on account of such deficiencies.

"SEC. 2. That the secretary of the senate be, and he is hereby, directed to forward a copy of this resolution to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each Senator and Representative from the State of Oklahoma to the Congress of the United States."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Post Offices and Post Roads:

"House Concurrent Resolution 10

"Whereas an additional highway crossing the mountain range on the island of Oahu from the leeward to the windward side would be of immense value in connecting the naval and military establishments by a direct line if constructed through the head of Kalihi Valley; and

"Whereas if such a highway were constructed by tunnelling through the head of Kalihi Valley, such tunnel could serve as a safe and capacious storage room for foods and essential supplies, as a bomb shelter for the public, and as a direct and protected road from the leeward to the windward sides of the island of Oahu, and be of great value as a highway for civilian use after the termination of any emergency or any war: Now, therefore, be it

"*Resolved*, That the Congress of the United States of America be and it is hereby requested to appropriate funds and to direct construction of such tunnel and highway through the head of Kalihi Valley, connecting the leeward and windward sides of the island of Oahu; and be it further

"*Resolved*, That copies of this concurrent resolution be forwarded to the President of the United States, to the President of the Senate, and to the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior, to the Delegate to Congress from Hawaii, to the commandant of the Fourteenth Naval District, and to the commanding general of the Hawaiian Department."

By Mr. HART:

A joint resolution of the General Assembly of the State of Connecticut; to the Committee on Military Affairs:

"Resolution memorializing the Congress to pass universal military training legislation at the present session

"Whereas twice within the last 25 years the people of these United States have been forced to bear the terrible consequences of their lack of preparedness, in the loss of their sons and in the waste of their wealth; and

"Whereas the lack of preparedness of this Nation in 1939 and again in 1941 undoubtedly encouraged the aggressor nations, Germany and Japan, in starting a world conflict; and

"Whereas developments in modern warfare make it highly improbable that the United States in a future war will be given the time by a potential aggressor to prepare their defenses; and

"Whereas the future peace of the world depends upon the cooperation of these United States in maintaining such peace, and on the conviction of other nations that these United States through their strength mean to preserve such peace; and

"Whereas the hand of the President of these United States will be strengthened in future international conferences by the avowed determination of the people of these United States to hereafter maintain a state of preparedness; and

"Whereas minority groups, despite the convictions of the majority of the people of these United States and the majority of the members of the armed forces, are already attempting to postpone necessary action to keep these United States strong and prepared; and

"Whereas the President of these United States, in his wisdom and in his knowledge, has already stated to the Congress his conviction of the necessity for universal military training: Now, therefore, be it

"*Resolved*, That the representatives of the State of Connecticut in the Congress of these United States be respectfully requested to make effort to further the passage of universal military training legislation during the present session of the Congress, so that these United States may never again be forced to face a potential aggressor without adequate preparedness; and be it further

"*Resolved*, That the clerk of the senate and the clerk of the house be directed to

forward a copy of this resolution to the President of the United States, to each of the Senators and Representatives for Connecticut in Congress, and to the chairmen of the Senate Military Affairs Committee and the House Military Affairs Committee."

By Mr. WALSH (for himself and Mr. SALTONSTALL):

Resolutions of the General Court of Massachusetts; to the Committee on Finance:

"Resolution memorializing Congress to provide for expediting the payment of claims by the Veterans' Administration

"Whereas great inconvenience, and in some cases severe hardship, is being caused by the unreasonable delay in the payment by the Veterans' Administration of claims for compensation, particularly the claims of the dependents of those who have died while serving in the armed forces and the claims of disabled veterans; and

"Whereas persons entitled to such compensation are in many instances deprived of their sole means of subsistence and are forced to rely upon public welfare assistance for their support; and

"Whereas immediate action should be taken to remedy the deplorable condition to which persons entitled to the benefits above mentioned are unjustly and unfairly subjected: Therefore be it

"Resolved, That the General Court of Massachusetts hereby respectfully urges the Congress of the United States to immediately take such action as may be necessary in order to expedite the payment of compensation claims by the Veterans' Administration; and be it further

"Resolved, That copies of these resolutions be forthwith transmitted by the State secretary to the President of the United States, to the Administrator of Veterans' Affairs, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

Resolutions of the General Court of the State of Massachusetts; to the Committee on Post Offices and Post Roads:

"Resolution that Congress be memorialized in favor of the immediate adoption of the plan to increase the salaries of postal carriers and clerks of Massachusetts in particular and the Nation in general

"Resolved, That the General Court of Massachusetts, foremost in the enacting of legislation beneficial to working and living conditions of its citizens, and anxious to start a parade of States petitioning Congress to take immediate action in rectifying the substandard working conditions and wages of the postal clerks and postal carriers, hereby urges the Congress of the United States to adopt the plan of the National Postal Employees Association and provide funds necessary in carrying out this great humanitarian piece of legislation; and be it further

"Resolved, That copies of this resolution be sent forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

By Mr. TYDINGS:

Two joint memorials of the Legislature of the Territory of Alaska; to the Committee on Territories and Insular Affairs:

"Senate Joint Memorial 21

"To the Secretary of the Interior, to the Attorney General, to the Senate Judiciary Committee, to the Senate Committee on Territories and Insular Affairs, to the House Judiciary Committee, to the House Committee on the Territories, and to the Delegate to Congress from Alaska:

"Your memorialist, the Legislature of the Territory of Alaska in Seventeenth Regular Session assembled respectfully represents that:

"Whereas all of the judicial power of the Territory is vested in four Federal district courts; and

"Whereas no inferior courts are provided for under the organic act of the Territory except that it provides for the appointment of commissioners to exercise generally powers ordinarily delegated to the county and municipal courts; and

"Whereas the commissioner in Alaska is not only a committing magistrate as he is in the States, but he is also the precinct recorder, justice of the peace, coroner, probate judge; and

"Whereas there is no county form of government in Alaska, the commissioner takes the place of the county recorder, the vital statistics officer, the county probate judge, the county coroner, and justice of the peace; and

"Whereas wherever in Alaska there is a community too far distant from the headquarters of the district court, the only other court in Alaska is the office of the commissioner exercising the functions of the county offices in the States; and

"Whereas without the commissioner minor crimes would go unpunished, no estates could be probated, no investigations be made of deaths by illegal means, no mining claims be recorded, no primary or general elections be held, no minor civil cases be tried, and no vital statistics be kept; and

"Whereas even the smallest communities in Alaska under the present conditions of communication and travel are dependent upon the services mentioned; and

"Whereas no other court has the jurisdiction of the commissioner under present law; and

"Whereas the Congress of the United States has, since the adoption of the provision defining the duties of the commissioners on June 6, 1900, failed to redefine such powers and duties; and

"Whereas it is imperative to redefine the duties at this time in view of postwar development now contemplated; and

"Whereas it is impossible to obtain the services of competent personnel to serve as commissioners under existing law;

"Now, therefore, your memorialist, the Legislature of the Territory of Alaska, respectfully prays that the Congress of the United States enact H. R. 2262 introduced by Mr. BARTLETT, delegate of the Territory on February 19, 1945.

"And you memorialist will ever pray.

"Approved by the Governor March 24, 1945.

"ERNEST GRUENING,
"Governor of Alaska."

"Senate Joint Memorial 9

"To the Secretary of the Interior, the Secretary of Agriculture, the chairman of the Senate Committee on Territories and Insular Affairs, the chairman of the Senate Committee on Public Lands and Surveys, the chairman of the House Committee on Territories, the chairman of the House Committee on Public Lands, the Delegate to Congress from Alaska, and the Chief of the Forest Service:

"Your memorialist, the Legislature of the Territory of Alaska, in seventeenth regular session assembled, respectfully represents that:

"Whereas the Shrine of St. Terese of Juneau was first built in 1931 when 5 acres of land were leased to the Catholic bishop of Alaska in trust for the Roman Catholic Church by the Forest Service; and

"Whereas some $75,000 had been expended by the church; and

"Whereas the shrine, when completed, will require an expenditure of more than $250,000; and

"Whereas annual retreats are to be held at the shrine for both clergy and laity at all times of the year; and

"Whereas interest in the retreat movement is not confined solely to the church, but a number of friendly non-Catholics in Juneau and throughout Alaska have expressed a desire to attend a retreat; and

"Whereas the property will also be used by the youth of Alaska for recreational purposes and during the summer months will be available for Boy Scouts and girls' organizations for summer activities; and

"Whereas a community of sisters have indicated an interest to maintain residence at the shrine, to establish educational centers for both natives and whites; and

"Whereas additional land is required to fulfill these purposes;

"Now, therefore, your memorialist, the Legislature of the Territory of Alaska, respectfully requests that every effort be made to enact into law H. R. 1992, a bill introduced by Mr. Bartlett in the House of Representatives to authorize the sale of certain lands in Alaska to the Catholic bishop of Alaska, in trust for the Roman Catholic Church.

"And your memorialist will ever pray.

"Approved by the Governor, March 21, 1945.

"ERNEST GRUENING,
"Governor of Alaska."

A resolution adopted by Frederick (Md.) Chapter No. 1, American War Dads, favoring the enactment of House bill 2717, to eliminate the requirement of an oath in connection with applications for benefits under all laws and regulations administered by the Administrator of Veterans' Affairs; to the Committee on Finance.

A resolution adopted by the Chamber of Commerce of Annapolis, Md., protesting against the enactment of legislation providing a Missouri Valley Authority; to the Committee on Commerce.

A memorial of sundry citizens of the State of Maryland, remonstrating against the enactment of any prohibition legislation affecting the manufacture and sale of fermented malt beverages; to the Committee on the Judiciary.

A petition of sundry citizens of the State of Maryland, praying for the enactment of Senate bill 860, relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

A memorial of sundry citizens of the State of Maryland, remonstrating against the enactment of legislation providing peacetime compulsory military conscription; to the Committee on Military Affairs.

A resolution adopted by the twenty-fifth Council of Lithuanian Societies, of Baltimore, Md., favoring that military occupation of the territory of the Republic of Lithuania be placed under the supervision of the Inter-Allied control, that the people of Lithuania be given the right to organize their own government as soon as possible by a free and uncoerced democratic election, and so forth; to the Committee on Foreign Relations.

A resolution adopted by the Lions Club of Westminster, Md., favoring a world organization of nations, large and small, to stop aggression, preserve the peace, and promote social and economic harmony; to the Committee on Foreign Relations.

A petition of sundry citizens of the State of Maryland, praying for the adoption of House Concurrent Resolution 21, providing a basis for peace and a just world order; to the Committee on Foreign Relations.

A resolution adopted by the Fairbanks (Alaska) Chamber of Commerce, favoring the enactment of legislation to extinguish all aboriginal claims of the Alaskan Indians; to the Committee on Territories and Insular Affairs.

FREE ENTRY OF JEWS INTO PALESTINE

Mr. WAGNER. Mr. President, last year I introduced for myself and the Senior Senator from Ohio [Mr. TAFT] Senate Resolution 247, urging the United States to use its good offices and take appropriate measures to the end that the doors of Palestine shall be opened for free entry of Jews into that country, and that there shall be full opportunity for colonization so that the Jewish people may ultimately reconstitute Palestine as a free and democratic Jewish commonwealth. At the same time, a similar resolution was introduced in the House by Representative WRIGHT, of Pennsylvania, and Representative COMPTON, of Connecticut.

No group of people has suffered more than the Jews from the bestial brutality which Hitler let loose upon civilization. No people have contributed more, in proportion to their numbers, to the efforts of the United Nations. The record of the Jews in Palestine, both in the establishment of a sound, flourishing economy and as wartime allies, is superb. Now that the German forces have surrendered and the war in Europe has happily come to a close, I feel that the time has come to do justice to the Jews. Most of the Jews of Europe have been annihilated. Justice demands that those who remain should be allowed free access to Palestine and permitted to rebuild their ancestral homeland as a free and democratic Jewish commonwealth. I believe that those are the feelings of the overwhelming majority of the American people.

Recently, the Legislature of the State of New York expressed the concurrence of the people of New York in these views by passing a resolution memorializing the Congress to enact legislation to effect the purpose of the resolutions on Palestine which were introduced in the Seventy-eighth Congress. I now present the resolution of the New York State Legislature for appropriate reference and ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was received, referred to the Committee on Foreign Relations, and, under the rule, ordered to be printed in the RECORD, as follows:

Whereas on January 27, 1944, the following resolution was introduced in the Congress of the United States (H. Res. 418, 78th Cong., 2d sess.), reading as follows:

Whereas the Sixty-seventh Congress of the United States on June 30, 1922, unanimously resolved "that the United States of America favor the establishment in Palestine of a national home for the Jewish people, it being clearly understood that nothing shall be done which may prejudice the civil or religious rights of Christian and all other non-Jewish communities in Palestine, and that the holy places and religious buildings and sites in Palestine shall be adequately protected; and

Whereas the ruthless persecution of the Jewish people in Europe has clearly demonstrated the need for a Jewish homeland as a haven for the large number who have become homeless as a result of this persecution: Therefore be it

Resolved, That the United States shall use its good offices and take appropriate measures to the end that the doors of Palestine shall be opened for the free entry of Jews into that country, and that there shall be full opportunity for colonization, so that the Jewish people may ultimately reconstitute Palestine as a free and democratic Jewish commonwealth.

Whereas the people of the State of New York are cognizant of the historical connection of the Jewish people with Palestine and the grounds for reconstituting there their national home; and

Whereas the people of the State of New York are keenly concerned and shocked by the ruthless persecution of the Jewish people in Europe, which has clearly proven the need for a homeland and haven for the large numbers of the Jewish people who have become homeless as a result of this ruthless persecution; and

Whereas the people of the State of New York, through its legislature pronounces once more the fine American tradition of sympathy with, and held for, all unfortunate peoples who have suffered from persecution: Therefore be it

Resolved (if the senate concur), That the Congress of the United States be and hereby is memorialized to enact the House Resolution 418 of the Seventy-eighth Congress, second session, or other appropriate legislation to effect the same purpose, and that a copy of this resolution be transmitted to the Vice President, the Speaker of the House of Representatives, and to each Member of Congress from New York State.

GRADING AND PRICE OF COTTONSEED

Mr. MAYBANK. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a resolution adopted by the House of Representatives of the State of South Carolina relating to an investigation of the grading and price of cottonseed.

The PRESIDENT pro tempore. Without objection, the resolution will be received, referred to the Committee on Agriculture and Forestry, and, under the rule, printed in the RECORD.

To the Committee on Agriculture and Forestry:

House resolution requesting the Members of the United States Congress from South Carolina to have investigated the grading and price of cottonseed

Be it resolved by the house of representatives, That Members of the House of Representatives and Senators from South Carolina in the Congress of the United States are hereby requested to have investigated by the proper authorities the sale of cottonseed and the grading of cottonseed. Considerable complaint has been made as to both of these matters from all over the State of South Carolina, and we feel that something should be done about it.

The clerk of the house of representatives is directed to send each Member of the House and Senate of the United States of America from South Carolina copies of this resolution.

POSTWAR MILITARY ESTABLISHMENT AND STATUS OF NATIONAL GUARD

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a concurrent resolution adopted by the Legislature of the State of South Carolina memorializing the Congress of the United States on the postwar Military Establishment and the status of the National Guard.

There being no objection, the concurrent resolution was received, referred to the Committe on Military Affairs, and, under the rule, ordered to be printed in the RECORD, as follows:

Concurrent resolution adopted by the Legislature of the State of South Carolina memorializing the Congress of the United States on the postwar Military Establishment and the status of the National Guard

Whereas the postwar military policy and the character, composition, and size of the Military Establishment of the United States is a matter of vital importance to the States and Territories of the Union, as well as to the National Government; and

Whereas the decisions which will be reached by the Congress in this matter will be predicated upon the powers granted to the Congress under the militia clauses, as well as the Army clauses, of the Constitution and will directly affect the Military Establishments of the several States and the relationship of these State forces to the Army of the United States; and

Whereas many plans and suggestions as to the postwar military policy and the future Military Establishment have been proposed, some of which have already been presented to the Congress: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Congress is respectfully urged to preserve in the postwar military organization, insofar as it relates to the civilian components of the Army of the United States, and specifically to the National Guard, the Officers' Reserve Corps, and the Organized Reserves, the basic principles of the policies laid down in the National Defense Act of 1916, as amended, and in cogent acts, especially the provisions of the Selective Training and Service Act of 1940 relating to the status of the National Guard as an integral part of the first line of defense of the Nation.

The contributions made by National Guard units and the Organized Reserves on the battlefields of World War No. 2 completely justify the wisdom of the Congress in making them a first-line component of the Army of the United States and amply warrants their retention in that capacity; be it further

Resolved, That we fully subscribe to and endorse the position taken by the Secretary of War to the future status of the National Guard, as announced on November 23, 1944, in which he states:

"It would be the mission of this reserve component (the National Guard), in the event of a national emergency, to furnish units fit for service anywhere in the world.

"This conception of the mission of the National Guard of the United States would interfere in no way with the traditional mission of the National Guard of the States and Territories to provide sufficient organizations in each State, Territory, and the District of Columbia, so trained and equipped as to enable them to function efficiently at existing strength in the protection of life and property and the preservation of peace, order, and public safety, under competent orders of the State authorities.

"National Guard units have played a vital role in the mobilization of our present Army, and they have made a brilliant record on every fighting front. We are counting on them as a bulwark of our future national security."

We also approve and endorse the statement of Gen. George Marshall, Chief of Staff of the Army of the United States, set forth in War Department Circular No. 347, August 25, 1944, to the effect that the post-war Military Establishment should consist of a professional peacetime Army (no larger than necessary to meet normal peacetime requirements) to be reinforced in time of emergency by organized units drawn from the civilian components of the Army of the United States; be it further

Resolved, That we advocate, in the event that a system of universal military training be included in the postwar plan for the Military Establishment, that such training be integrated with the civilian components of the Army and, specifically, the National Guard, the Officers' Reserve Corps, and the Organized Reserves; and be it further

Resolved, That in the discussion of the post-war military policy and the form of the Military Establishment, the fullest opportunity, consistent with existing conditions, be accorded the officers and men of all components of the Army who are or who have been serving with the armed forces in time of war to express their views on this most important matter to the end that this Nation will adopt a sound military policy consistent with our traditions and which will afford the utmost security to the Nation.

ADEQUATE HOSPITAL FACILITIES IN NORTH DAKOTA

Mr. YOUNG. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a resolution signed by Hon. Fred G. Aandahl, Governor of North Dakota, favoring the enactment of legislation to provide additional adequate hospital facilities within the State of North Dakota.

There being no objection, the resolution was received, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas, the State of Vermont has presented its resolution passed by the Legislature of the State to the Committee on Finance, which resolution is signed by Governor Mortimer R. Proctor, under date of April 14, 1945, and which includes the following:

"Whereas the Federal Government is contemplating a large hospital building program in other States to provide facilities for the care of the wounded and disabled; and

"Whereas Vermont and North Dakota are the only two States in the Union which have only 1 veterans' hospital each and all other States have at least 3 or 4, and California has over 60"; and

Whereas the State of North Dakota has only one veterans' hospital, as pointed out by the Vermont resolution, which hospital is located at Fargo, the extreme eastern edge of the State; and

Whereas the large soldier population of the State and the congested condition of the Fargo Veterans' Hospital justifies the immediate building of a veterans' hospital in the western part of North Dakota; and

Whereas additional adequate hospital facilities within the State should be available for returning hospitalized veterans and for those other veterans who need such facilities; and

Whereas North Dakota has an excellent and healthful climate and the physiological advantages sought for hospital locations: Now, therefore, be it

Resolved, That the Federal Government be requested to provide additional adequate hospital facilities within the State for returning hospitalized veterans and other veterans needing the use of such facilities; and that to accomplish that end, an additional veterans' hospital should be erected in western North Dakota; be it further

Resolved, That a copy of this resolution be sent to the Veterans' Administration by the secretary of the State; and that the Veterans' Administration be requested to take such steps as may be necessary to provide the State of North Dakota with such additional hospital facilities by the erection of a much needed veterans' hospital.

FRED G. AANDAHL,
Governor of North Dakota.

PLEDGE OF SUPPORT TO PRESIDENT TRUMAN BY BOARD OF DIRECTORS OF NATIONAL ASSOCIATION OF MANUFACTURERS

Mr. HAWKES. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference copy of a resolution unanimously adopted by the board of directors of the National Association of Manufacturers at its monthly meeting on April 27, 1945.

This resolution, signed by Mr. Robert M. Gaylord, chairman of the board, was immediately transmitted to President Truman by Mr. Ira Mosher, president of the National Association of Manufacturers.

Inasmuch as the National Association of Manufacturers is probably the most important organization of industry in the world, and represents more than 13,000 companies, both large and small, which are engaged in the production of war materials and essential civilian goods, this broad pledge of cooperation and support to President Truman of the United States, is strong evidence of the unity with which the Nation is supporting our President at this time.

There being no objection, the resolutions was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

PRESIDENT RECEIVES INDUSTRY'S PLEDGE OF SUPPORT

A resolution pledging to President Truman every resource of industry toward winning the war and obtaining a better post-war world was adopted unanimously by the board of directors of the National Association of Manufacturers at its monthly meeting on April 27. The resolution, with a letter of transmittal from N. A. M. President Ira Mosher, was delivered personally to President Truman on April 30. The text of the resolution follows:

"TO THE PRESIDENT OF THE UNITED STATES:

"The ever heavy responsibilities of the President of the United States are greater today than ever before. In view of this increased burden placed upon the Chief Executive, the full support of a united Nation is more imperative than at any time in history. The board of directors of the National Association of Manufacturers unanimously pledges its support to the President to the attainment of these objectives:

"Until victory, every resource of industry will be mustered behind America's fighting men and women.

"Beyond victory, industry pledges these same resources to the building of a better Nation—a Nation in which every man and woman will have greater opportunity to achieve higher living standards and increased economic security. This can be accomplished only by united effort striving for this common goal. For the great American tomorrow belongs to us all—workers, managers, the public and our fighting men and women. And because it belongs to us all, industry pledges its desire and intent to live and work together with all other groups to achieve a postwar world in which international peace, amity, and freedom can exist.

"ROBERT M. GAYLORD,
"Chairman of the Board."

NAMING OF NEW WARSHIP THE "MILWAUKEE"

Mr. WILEY. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Common Council of the City of Milwaukee, Wis., requesting the Secretary of the Navy to name one of the new warships the *Milwaukee*.

There being no objection, the resolution was received, referred to the Committee on Naval Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the United States Navy is reported presently to be without a warship bearing the name *Milwaukee*, the last ship of such designation having been turned over to the Government of Soviet Russia and rechristened the *Murmansk;* and

Whereas warships bearing the name *Milwaukee* have written a proud and glorious chapter in the history of the United States and the United States Navy; and

Whereas Milwaukee is the thirteenth largest city in the United States and has established an enviable reputation in all wartime activities and demonstrated the patriotic character of its citizenry to the entire world; and

Whereas the United States Government is believed presently to be engaged in a program of construction of new warships, at least one of which is of such a class as to be worthy of bearing the proud name of "Milwaukee": Now, therefore, be it

Resolved by this common council, That the United States Navy Department, through its Secretary James V. Forrestal, be and hereby is requested to use its best offices to bring about the naming of one of the new warships the *Milwaukee;* be it further

Resolved, That a certified copy of this resolution be sent to the Honorable Secretary of the Navy and to the Members of Congress representing Milwaukee, including the United States Senators from Wisconsin.

WORLD ORGANIZATION TO PRESERVE PEACE

Mr. WHERRY. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a letter from G. H. Wrightsman, chairman of the resolutions committee, and attached resolution adopted by the Hebron (Nebr.) Lions Club at their regular meeting on May 1, 1945, relating to a world organization to preserve peace.

There being no objection, the letter and attached resolution were received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

INTERNATIONAL LIONS CLUB,
Hebron, Nebr., May 4, 1945.

Hon. KENNETH WHERRY,
United States Senator,
Washington, D. C.

DEAR SENATOR: Please find attached hereto a resolution passed by the Hebron (Nebr.) Lion's Club at their regular meeting on May 1, 1945.

This resolution simply gives a little idea as to the way people are feeling in regard to a world organization to preserve peace at this time.

It will be greatly appreciated if you can find time to receipt for this resolution and, if possible, have the resolution placed in the CONGRESSIONAL RECORD.

Respectfully yours,
G. H. WRIGHTSMAN,
Chairman, Resolutions Committee.

Whereas we believe the people of the United States of America are overwhelmingly in favor of a world organization of nations, large and small, to stop aggression, preserve

the peace, and promote social and economic harmony; and

Whereas we believe that it is the duty of all Americans, individually and collectively, to develop opinion and thinking on this tremendous subject and to make that opinion and thinking known in such unmistakable terms as to leave no doubt of this Nation's desire to prevent such useless carnage and destruction as is now abroad in the world; and

Whereas we believe that all peoples everywhere should be guaranteed the "four freedoms," namely, freedom of worship, freedom of speech, freedom from want, and freedom from fear: Now, therefore, be it

Resolved by the Lions Club of Hebron, Nebr., United States of America, in regular meeting assembled, That:

1. We believe the President of the United States, the State Department, and the Senate should conclude, as soon as possible, agreements with our principal allies providing for complete and permanent demilitarization of Germany and Japan, through the present San Francisco Conference.

2. The United States of America should use all reasonable means to assure our allies and the other nations of the world that we intend to share in the direction of and responsibility for the settlement of the war and the maintenance of peace thereafter, with force if necessary.

3. We believe that the principle of unity for safety and other purposes can be beneficially applied among nations, that the framework and the details of a world organization must be worked out by the chosen leaders of the nations, that the document on which it is based should be subject to amendment to meet the needs which the future will dictate, that the document must be given life, growth, and policies through the judgments of a final tribunal or assembly, and that such judgments, when the necessity arises, must be carried out by force of arms contributed by the signatory nations. We therefore endorse and urge a world organization so constructed to develop friendly relations among nations, to end wars, to preserve world-wide peace, and to guarantee each nation, large or small, the right to choose its own form of government.

4. Copy of this resolution to be sent to the President of the United States; Secretary of State Edward R. Stettinius; United States Senators Kenneth Wherry and Hugh Butler; international office of Lions; district governor.

M. L. Christensen, William E. Baker, Claude L. Rowley, J. K. Musgrave, H. R. Kellinger, Clarence J. Crowley, Harry Dietcher, C. Wallace Buck, E. F. Kilmer, D. L. Whitcomb, R. H. Drews, A. M. Stephenson, L. S. McKenzie, Ben Connor, Frank Borovicko, E. J. Uphoff, G. H. Wrightsman, Art Werner, Fred Pkowock, R. B. Pearson, D. B. Shearer.

I hereby certify that the above and foregoing resolution is a full, true, and complete copy of a resolution, unanimously adopted by the Lions Club of Hebron, Nebr., United States of America, at a regular meeting held May 1, 1945, as the same now appears in the minutes of said club.

M. L. CHRISTENSEN,
President.

WORLD ORGANIZATION TO PRESERVE THE PEACE

Mr. WHITE. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a resolution adopted by the Lewiston-Auburn (Maine) Lions Club, relating to a world organization of nations to prevent future wars, keep the peace, and further social and economic harmony.

There being no objection, the resolution was received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas it is our firm opinion and belief that the overwhelming majority of the people of the United States of America are in favor of some type of a world organization of nations to prevent future wars, keep the peace, and further social and economic harmony; and

Whereas we further feel that it is the responsibility of each and every American to develop individual and collective thinking on this vital problem and to make his or her opinion so clearly known to the world that there can be room for no doubt that the United States of America is determined to prevent in the future the destruction that now overruns the globe: Now, therefore, be it

Resolved by the Lewiston-Auburn Lions Club, of Lewiston-Auburn, Maine, United States of America, in regular meeting assembled, That:

1. Pending the time when the proposals of the Dumbarton Oaks and the San Francisco Conferences have been worked out and completed, we believe the President of the United States, the State Department, and the Senate should enter into agreements as early as practicable with our principal allies to the effect that Germany and Japan be completely demilitarized both for the present and for the future.

2. The United States of America should give clear indications to our allies that it is our intention that this country proposes to take its proportionate share in the direction of and responsibility for settlement of the war and in the maintaining of peace after the war, by the use of force if necessary.

3. We are aware of the fact that the founding fathers of this country were alive to the need for both unity and force when they originated our present Federal system of government from a disorganized group of colonies. The subsequent history of our country has borne out the truth of their beliefs and convictions even though certain changes have been made in our Constitution. It is our belief that the principles of unity and force as already used by us in these United States can also be successfully applied between and among nations. We also believe that the framework and the details of any world organization must be worked out by the elected or delegated leaders of the various nations, and that the document or documents on which this framework is based must have certain qualities of elasticity to meet the needs which an unknown future may present. We further believe that such a document must be given life, growth, policies, and traditions through the determinations and judgments of some final tribunal or assembly, and lastly, that such judgments may upon occasions have to be carried out by force of arms supplied by the signatory nations. We believe these things because of the way in which our own Constitution was formulated and has grown and developed in its own marvelous way.

We, therefore, stand for and urge a world organization such as indicated in the broad basic tenets and principles adopted at Dumbarton Oaks, even though those principles may not be perfect any more than any other principles of living or action are perfect and complete.

4. Copy of this resolution be sent to the President of the United States; Secretary of State Edward R. Stettinius; United States Senators Wallace H. White, Jr., Owen Brewster; International Office of Lions, district governors.

(We hereby certify that the above and foregoing resolution is a full, true, and complete copy of a resolution unanimously adopted by the Lewiston-Auburn Lions Club, Lewiston, Maine, United States of America, at a regular meeting held May 1, 1945, as the same now appears in the minutes of said club.)

MEMORIAL TO CONTRIBUTIONS OF VARIOUS MEMBERS OF RELIGIOUS FAITHS TO MILITARY AND NAVAL HISTORY

Mr. WHITE. Mr. President, I also ask unanimous consent to present for printing in the RECORD and appropriate reference a resolution adopted by the City Council of the City of Bangor, Maine, favoring the enactment of Senate Joint Resolution 7, to establish a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history.

There being no objection, the resolution was received, referred to the Committee on the Library, and ordered to be printed in the RECORD, as follows:

Resolution relating to Senate Joint Resolution 7 being a "Joint Resolution Establishing a Commission to Select a Site and Design for a Memorial to the Contributions of Members of all Religious Faiths to American Military and Naval History."

Whereas there has been introduced in the Senate of the United States Senate Joint Resolution 7, being a: "Joint resolution establishing a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history" which has been read twice and referred to the Committee on the Library; and

Whereas we are proud of the religious freedom guaranteed by the Constitution of the United States; and

Whereas the Armed Forces of the United States of America have always embraced and do now embrace members of various religious faiths; and

Whereas by said resolution "such commission is authorized and directed to consider and select a suitable form and site for a national memorial, to be located in the District of Columbia, commemorating the contributions of members of the various religious faiths to American military and naval history, particularly during the present war": Now, therefore, be it

Resolved by the City Council of the City of Bangor, Maine:

SECTION 1. That the city of Bangor heartily approves Senate Joint Resolution 7, being a "Joint resolution establishing a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history," and recommends the passage thereof.

SEC. 2. That a copy hereof be forwarded to the Senate Committee on the Library and to OWEN BREWSTER, and WALLACE H. WHITE, the Senators from Maine.

RETURN OF RURAL ELECTRIFICATION ADMINISTRATION TO STATUS OF SEPARATE DEPARTMENT

Mr. CAPPER. Mr. President, I have received a resolution adopted by the Kansas Federation of Rural Cooperatives at their annual meeting April 18, 1945, asking the Congress to enact legislation for the return of Rural Electrification Administration to a separate department of Government, instead of a branch department. I myself am heartily in favor of the pending bill. I ask unanimous consent to present the resolution for printing in the RECORD and appropriate reference.

There being no objection, the resolution was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

Resolved, That we favor the return of the Rural Electrification Administration to be a

separate department of Government and not as a branch and subject to, any of the existing departments of Government;

Resolved, Floods are again general over the Middle West, causing a great economic loss, which eventually must be borne by the public and is a matter of general concern. We think it a proper exercise of governmental powers and duties to take appropriate measures to prevent this damage. We can see that certain power companies are opposing all such projects for fear that such construction would be used to help generate cheap electricity. We do feel that water conservation and flood prevention should be the major purpose, but if as an incident to such construction, the public could also have the benefit of cheap electricity, so much the better. That such construction should not be limited so as to deprive the public of the benefit of its fullest use.

Resolved, That the national association assist each State to perfect a State organization. It is our belief that strong State organizations are necessary to make the efforts of the national association effective. This is not only true with regard to State laws affecting rural electrics but, also, to make effective contacts with national Representatives and Senators.

Resolved, That the national association refrain from engaging any financial enterprises, such as insurance, purchasing of equipment, etc.

MISSOURI VALLEY AUTHORITY

Mr. CAPPER. Mr. President, I have received resolutions adopted by the mayor and city commissioners of Topeka, Kans., protesting against the formation of a Missouri Valley Authority. I ask unanimous consent to present these resolutions and that they be printed in the RECORD and appropriately referred.

There being no objection, the resolutions were received, referred to the Committee on Irrigation and Reclamation, and ordered to be printed in the RECORD, as follows:

Whereas there are proposals before Congress for the establishment of a Missouri Valley Authority; and

Whereas the Army, with the cooperation of the city, has a flood-protection project nearing completion for the city of Topeka; and

Whereas the Topeka project is under the direction of competent Army engineers and without political consideration; and

Whereas the city prefers to maintain and operate locally these flood-protection works: Be it

Resolved by the board of city commissioners, That the board of city commissioners hereby protest the formation of a Missouri Valley Authority and that copies of this resolution be sent to the Kansas Senators and Congressmen in Washington.

Adopted by the board of commissioners, May 1, 1945.

Approved May 1, 1945.

W. A. LAWSON,
President of Commission.

Attest:

LOUISE HANLIN,
Deputy City Clerk.

BRETTON WOODS AGREEMENTS—LETTERS OF APPROVAL

Mr. CAPPER. Mr. President, I have received letters from numerous members of women's organizations in Kansas expressing an interest in approval of the Bretton Woods agreements without change. I ask unanimous consent to have letters written by Mrs. Ed O'Connor, of Macksville, Kans., and Mrs. Veda S. Gibson, of Lawrence, Kans., printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MACKSVILLE, KANS., *April 21, 1945.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: I am writing to ask you to vote and work for the prompt acceptance of the Bretton Woods Agreements without change. Such action is necessary if our country is to keep its leadership in international cooperation. The United States delegation got more than it asked for, more than any other nation at Bretton Woods, and if we fail to back our leaders up we will fail in all our further efforts to build for a peaceful world. I am sure that at this time of crisis our Congress will rise to true heights of statesmanship and vote and act for the good of the whole people.

Sincerely,

EDITH O'CONNOR.
(Mrs. Ed. O'Connor,)

LAWRENCE, KANS., *April 21, 1495.*

Senator ARTHUR CAPPER,
Senate Building, Washington, D. C.

DEAR SENATOR CAPPER: It seems most important at this time that the United States Senate support the Bretton Woods agreement for an international monetary system. I hope that you will not only support the general outlines of the Bretton Woods plan but that you will also indorse the creation of an international monetary fund that would be used to stabilize currencies and combat inflation in countries throughout the world.

If we take this major step toward international economic cooperation it should go a long way toward preventing another horrible war. I trust that you will find it possible to give the Bretton Woods plan your wholehearted support.

Sincerely yours,

Mrs. VEDA S. GIBSON.

PRODUCTION AND DISTRIBUTION OF NURSERY STOCK—LETTER FROM RICHARD P. WHITE

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written to me by Richard P. White, executive secretary, American Association of Nurserymen, Washington, D. C. urging the enactment of S. 818 introduced by the Senator from Oklahoma [Mr. THOMAS]. Mr. White believes that the rules for production and distribution of nursery stock should be the same for Government-owned and operated units as for privately owned and operated units.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN ASSOCIATION OF NURSERYMEN,
Washington, D. C., April 17, 1945.

Hon. ARTHUR CAPPER,
Committee on Agriculture and Forestry,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: I wish to express to you our interest in and support of S. 818 introduced by Senator THOMAS and referred to the Senate Committee on Agriculture and Forestry.

The Federal Government is engaged in the production of nursery stock on a large scale. With the exception of forest tree seedlings for reforestation purposes, much of this Government produced nursery stock finds its way into the channels of trade in competition with stock produced by privately owned taxpaying nurseries. In some cases it has been supplied free of charge, in others at a subsidized cost with which privately owned concerns cannot compete. Furthermore, such subsidized or free distribution tends to depress the entire market.

Privately owned and operated nurseries are highly regulated by State departments of agriculture for the protection of the agricultural and horticultural interests of the various States, including our own interests. We see no reason why governmental production and distribution of nursery stock should not comply with the same regulations that privately owned business units must comply with.

S. 818 will do one thing—it will make the rules for production and distribution of nursery stock the same for Government owned and operated units and privately owned and operated units.

In view of this fact, we are wholeheartedly in favor of the bill and hope that it may be favorably reported to the Senate.

Very truly yours,

RICHARD P. WHITE,
Executive Secretary.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills:

S. 62. An act to amend section 3 (b) of the Securities Act of 1933, as amended, so as to permit exemption of security issues not exceeding $300,000 from the provisions of such act;

S. 70. An act for the relief of Maria Manriquez Ruiz;

S. 71. An act for the relief of the legal guardian of Estella Ruiz;

S. 174. An act for the relief of Mary Martha Withers, as trustee; Mary Martha Withers, as administratrix of the estate of Beatrice Withers, deceased; and Mary Martha Withers, individually;

S. 316. An act for the relief of June I. Gradijan;

S. 328. An act for the relief of James A. Kelly;

S. 359. An act for the relief of Mrs. Ellen McCormack;

S. 407. An act for the relief of Pierce William Van Doren and Elmer J. Coates;

S. 467. An act for the relief of Maj. Malcolm K. Beyer;

S. 569. An act to reimburse certain Marine Corps personnel and former Marine Corps personnel for personal property lost or damaged as the result of a fire in the training building at the Marine Corps air station, Cherry Point, N. C., on June 3, 1944;

S. 591. An act for the relief of Chesley Brazil;

S. 655. An act amending the act of June 25, 1938 (52 Stat. 1207), authorizing the Secretary of the Interior to pay salary and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath business committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe, as amended, and for other purposes; and

S. 701. An act to provide a method for the wartime reduction of temporary grades held by general officers of the Army of the United States.

The message also announced that the House had passed the bill (S. 78) for the relief of the estate of William Edward Oates, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 384. An act to repatriate native-born women residents of the United States who

have heretofore lost their citizenship by marriage to an alien;

H. R. 385. An act to amend section 334 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1156–1157; 8 U. S. C. 734);

H. R. 388. An act to amend section 201 (g) of the Nationality Act of 1940 (54 Stat. 1138–1139; 8 U. S. C. 601);

H. R. 392. An act to amend section 327 (h) of the Nationality Act of 1940;

H. R. 656. An act to provide further for the appointment of postmasters for fourth-class post offices in the Territory of Alaska;

H. R. 838. An act for the relief of Herman Gelb;

H. R. 842. An act for the relief of Mrs. Sadie L. Dance, Michigan Millers' Mutual Fire Insurance Co., and State Farm Fire Insurance Co.;

H. R. 856. An act for the relief of Frances Biewer;

H. R. 952. An act for the relief of the Morgan Creamery Co.;

H. R. 1054. An act for the relief of Mrs. Mary Karalis;

H. R. 1104. An act to amend section 23 of the Immigration Act of February 5, 1917;

H. R. 1303. An act for the relief of Daniel D. O'Connell and Almon B. Stewart;

H. R. 1465. An act for the relief of the State of California;

H. R. 1524. An act to exempt certain officers and employees within the Office of Scientific Research and Development from certain provisions of the Criminal Code;

H. R. 1552. An act for the relief of Mrs. Augusta McCall;

H. R. 1562. An act for the relief of the Borough of Park Ridge, Park Ridge, N. J.;

H. R. 1606. An act for the relief of Ethel Farkas, Julius Farkas, and legal guardian of Terez Farkas;

H. R. 1629. An act for the relief of Michael C. Donatell;

H. R. 1656. An act to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project;

H. R. 1710. An act for the relief of Dr. Alma Richards and Mrs. Mary Block;

H. R. 1713. An act for the relief of Canal Dredging Co.;

H. R. 1812. An act to authorize an award of merit for uncompensated personnel of the Selective Service System;

H. R. 1845. An act for the relief of Domenico Strangio;

H. R. 1913. An act for the relief of Aloysius G. Miller;

H. R. 2003. An act for the relief of the legal guardian of Stewart Martin, Jr., a minor;

H. R. 2008. An act for the relief of the Village of Cold Spring, Minn.;

H. R. 2068. An act to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service;

H. R. 2322. An act to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve forces of the Army on active duty in 1916 and 1917;

H. R. 2586. An act to authorize the leasing of Indian lands for business, and other purposes;

H. R. 2600. An act to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended;

H. R. 2685. An act to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944;

H. R. 2700. An act for the relief of Alice Walker;

H. R. 2721. An act for the relief of the Tobey Hospital;

H. R. 2992. An act to extend the provisions of the act of July 11, 1941 (Public Law 163, 77th Cong.);

H. R. 3038. An act to amend section 409 of the Interstate Commerce Act, as amended;

H. R. 3059. An act authorizing the Postmaster General to continue to use post-office clerks and city letter carriers interchangeably;

H. R. 3070. An act to extend the provisions of the act of November 29, 1940 (Public Law 884, 76th Cong.);

H. J. Res. 136. Joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt fund; and

H. J. Res. 162. Joint resolution providing for the acquisition of exclusive ownership of the photograph depicting raising the American flag on Mount Suribachi, Iwo Jima.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 39) to declare a governmental policy in relation to the apprehension and punishment of war criminals, in which it requested its concurrence of the Senate.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred or ordered to be placed on the calendar, as indicated:

H. R. 384. An act to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien;

H. R. 385. An act to amend section 334 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1156–1157; 8 U. S. C. 734);

H. R. 388. An act to amend section 201 (g) of the Nationality Act of 1940 (54 Stat. 1138–1139; 8 U. S. C. 601);

H. R. 392. An act to amend section 327 (h) of the Nationality Act of 1940; and

H. R. 1104. An act to amend section 23 of the Immigration Act of February 5, 1917; to the Committee on Immigration.

H. R. 656. An act to provide further for the appointment of postmasters for fourth-class post offices in the Territory of Alaska; and

H. R. 3059. An act authorizing the Postmaster General to continue to use post-office clerks and city letter carriers interchangeably; to the Committee on Post Offices and Post Roads.

H. R. 838. An act for the relief of Herman Gelb;

H. R. 842. An act for the relief of Mrs. Sadie L. Dance, Michigan Millers Mutual Fire Insurance Co., and State Farm Fire Insurance Co.;

H. R. 856. An act for the relief of Frances Biewer;

H. R. 952. An act for the relief of the Morgan Creamery Co.;

H. R. 1054. An act for the relief of Mrs. Mary Karalis;

H. R. 1303. An act for the relief of Daniel D. O'Connell and Almon B. Stewart;

H. R. 1465. An act for the relief of the State of California;

H. R. 1552. An act for the relief of Mrs. Augusta McCall;

H. R. 1562. An act for the relief of the Borough of Park Ridge, Park Ridge, N. J.;

H. R. 1606. An act for the relief of Ethel Farkas, Julius Farkas, and legal guardian of Terez Farkas;

H. R. 1629. An act for the relief of Michael C. Donatell;

H. R. 1710. An act for the relief of Dr. Alma Richards and Mrs. Mary Block;

H. R. 1713. An act for the relief of Canal Dredging Co.;

H. R. 1845. An act for the relief of Domenico Strangio;

H. R. 1913. An act for the relief of Aloysius G. Miller;

H. R. 2003. An act for the relief of the legal guardian of Stewart Martin, Jr., a minor;

H. R. 2008. An act for the relief of the village of Cold Spring, Minn.;

H. R. 2700. An act for the relief of Alice Walker; and

H. R. 2721. An act for the relief of the Tobey Hospital; to the Committee on Claims.

H. R. 1524. An act to exempt certain officers and employees within the Office of Scientific Research and Development from certain provisions of the Criminal Code; to the Committee on the Judiciary.

H. R. 1656. An act to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project; and

H. R. 2586. An act to authorize the leasing of Indian lands for business, and other purposes; to the Committee on Indian Affairs.

H. R. 1812. An act to authorize an award of merit for uncompensated personnel of the Selective Service System;

H. R. 2322. An act to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve forces of the Army on active duty in 1916 and 1917; and

H. J. Res. 136. Joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt fund; to the Committee on Military Affairs.

H. R. 2600. An act to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended; and

H. R. 3038. An act to amend section 409 of the Interstate Commerce Act, as amended; to the Committee on Interstate Commerce.

H. R. 2685. An act to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944; to the Committee on Naval Affairs.

H. R. 2992. An act to extend the provisions of the act of July 11, 1941 (Public Law 163, 77th Cong.); ordered to be placed on the calendar.

H. J. Res. 162. Joint resolution providing for the acquisition of exclusive ownership of the photograph depicting raising the American flag on Mount Suribachi, Iwo Jima; to the Committee on the Library.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Claims:

S. 712. A bill for the relief of William B. Scott; without amendment (Rept. No. 250);

S. 956. A bill for the relief of Mr. and Mrs. Stephen E. Sanders; with amendments (Rept. No. 253);

H. R. 905. A bill for the relief of Paul T. Thompson; with an amendment (Rept. No. 251); and

H. R. 1069. A bill for the relief of Sidney B. Walton; without amendment (Rept. No. 252).

By Mr. CAPPER, from the Committee on Claims:

S. 144. A bill for the relief of M. E. Cafferata and John Granata; with an amendment (Rept. No. 254).

By Mr. TUNNELL, from the Committee on Claims:

S. 642. A bill for the relief of Ida F. Braun, Alice Braun Menges, and Carl J. Braun, individually and as executors of the estate of Hedwig W. Braun, deceased, and as legatees and beneficiaries of the will of Hedwig W. Braun, deceased, and as the sole parties in interest by succession under the last will and testament of Hedwig W. Braun, deceased, and under the last will and testament of Herman W. Braun, deceased; with an amendment (Rept. No. 255); and

S. 842. A bill for the relief of the Elmira Area Soaring Corporation; without amendment (Rept. No. 256).

By Mr. KILGORE, from the Committee on Claims:

S. 620. A bill for the relief of the widow of Joseph C. Akin; without amendment (Rept. No. 257); and

H. R. 1847. A bill for the relief of Francis X. Servaites; without amendment (Rept. No. 258).

By Mr. McMAHON, from the Committee on Claims:

H. R. 1598. A bill for the relief of Mrs. Bessie I. Clay; without amendment (Rept. No. 259).

By Mr. WILSON, from the Committee on Military Affairs:

S. 916. A bill to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps; without amendment (Rept. No. 260).

By Mr. JOHNSON of Colorado, from the Committee on Military Affairs:

S. 948. A bill to extend the provisions of the act of July 11, 1941 (Public Law 163 of the Seventy-seventh Congress, 55 Stat. 583), relating to prostitution near military and naval establishments; without amendment (Rept. No. 261); and

S. 967. A bill to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms; without amendment (Rept. No. 262).

By Mr. JOHNSON of Colorado, from the Committee on Interstate Commerce:

H. R. 2600. A bill to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interestate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended; with an amendment (Rept No. 263); and

H. R. 3038. A bill to amend section 409 of the Interstate Commerce Act, as amended; without amendment (Rept. No. 264, together with minority views of Mr. REED).

WAR PLANT DISPOSAL: AIRCRAFT PLANTS (REPT. NO. 199, PT. 2)

Mr. O'MAHONEY. Mr. President, I desire to ask unanimous consent to submit a report from the Committee on Military Affairs on the disposal of aircraft and aircraft plants. The recent announcement of the Army Air Forces that the Willow Run plant, the largest constructed by the Government for the building of aircraft, will not be operated after the first of July this year, calls attention to the gravity of this problem.

The PRESIDENT pro tempore. Without objection, the report submitted by the Senator from Wyoming will be received and printed.

INVESTIGATION OF ECONOMIC CONDITIONS IN THE PHILIPPINE ISLANDS

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably Senate Resolution 123, submitted by the Senator from Maryland [Mr. TYDINGS] on May 3, 1945.

Mr. President, this resolution requests an authorization of $3,000, and has been favorably reported by the Committee on Territories and Insular Affairs. In effect, it authorizes a subcommittee of the Committee on Territories and Insular Affairs, to be appointed by the chairman, to visit the Philippine Islands. This is in line with the request recently made by the President of the United States asking the Senator from Maryland, as his personal representative, to visit the Philippine Islands for divers and sundry reasons.

I ask unanimous consent that the resolution be considered, and I trust that the Senate will act favorably on it.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was read, considered and agreed to, as follows:

Resolved, That a subcommittee of the Committee on Territories and Insular Affairs, duly appointed by the chairman of the committee, is hereby authorized to visit the Philippine Islands, during the present Congress, for the purpose of making an investigation and study of economic and other conditions in such islands; and, in particular, war damages and compensation therefor and the effect of the war upon the industrial and agricultural enterprises in said islands, and the post-war economy thereof, and also to survey the territorial and administrative problems incident to any other islands in the Pacific which may come under the jurisdiction of the United States. The committee shall make such reports and recommendations to the Senate concerning any such study and investigation as it deems appropriate and desirable. The expenses incurred under this resolution shall not exceed $3,000, and shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman of the committee.

ALLIE J. HACKNEY

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably Senate Resolution 124, submitted by the Senator from Mississippi [Mr. BILBO] on May 3, 1945. I ask unanimous consent for the present consideration of the resolution. I am sure there will be no controversy.

Mr. WHITE. Mr. President, will the Senator indicate what the resolution provides?

Mr. LUCAS. It is a resolution for the payment of compensation to the widow of a deceased employee of the Senate. It is in customary form.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was read, considered, and agreed to as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Allie J. Hackney, widow of James E. Hackney, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUSHFIELD:

S. 978. A bill to repeal the act of June 18, 1934 (48 Stat. L. 984), and the act of June 15, 1935, supplementary thereto (49 Stat. L. 378), and for other purposes; to the Committee on Indian Affairs.

By Mr. WHITE:

S. 979. A bill for the relief of the estate of Mrs. Lillian Epstein; to the Committee on Claims.

By Mr. BILBO:

S. 980. A bill for the relief of Mr. and Mrs. Edmond J. St. Amant, Jr.; to the Committee on Claims:

S. 981. A bill to amend the Judicial Code to provide for three judicial districts for the State of Mississippi, and for other purposes; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 982. A bill to provide for the deduction from gross income for income-tax purposes of expenses incurred by farmers for the purpose of leveling land used or to be used in farming operations; to the Committee on Finance.

S. 983. A bill for the relief of A. F. Crawford; to the Committee on Claims.

By Mr. WALSH:

S. 984. A bill to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes;

S. 985. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires occurring at various naval shore activities; and

S. 986. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in Administration Building at the naval air station, Bunker Hill, Ind., on December 28, 1944; to the Committee on Naval Affairs.

By Mr. MYERS:

S. 987. A bill to prevent discrimination against blind persons and persons with impaired visual acuity in the administration of the civil-service laws and rules; to the Committee on Civil Service.

By Mr. GEORGE:

S. 988. A bill to amend section 3 of the act approved August 12, 1935, entitled "An act to safeguard the estates of veterans derived from payments of pension, compensation, emergency officers' retirement pay and insurance, and for other purposes," as amended, and for other purposes; to the Committee on Finance.

By Mr. JOHNSON of California:

S. 989. A bill to exempt from cancelation certain desert-land entries in Chucawalla Valley, Riverside County, Calif.; to the Committee on Public Lands and Surveys.

By Mr. MURDOCK (for himself and Mr. BANKHEAD):

S. 990. A bill to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes; to the Committee on Banking and Currency.

(Mr. WAGNER introduced Senate Joint Resolution 65, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. FERGUSON introduced Senate Joint Resolution 66, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

PEARL HARBOR INVESTIGATION—EXTENSION OF STATUTE OF LIMITATIONS

Mr. FERGUSON. In the releases issued on December 1, 1944, by both the Secretary of War and the Secretary of the Navy, each stated that the investigations contemplated by the congressional

resolution of June 1944 had not yet been completed. The Secretary of War said:

In accordance with the opinion of the Judge Advocate General, I have decided that my own investigations should be further continued until all the facts are made as clear as possible and until the testimony of every witness in possession of material facts can be obtained, and I have given the necessary directions to accomplish this result.

Some of the testimony may be much delayed where witnesses are engaged in combat in active theaters of operation. My present decision will be reviewed when the investigation has been finally completed.

The Secretary of the Navy said:

The Secretary is not satisfied that the investigation has gone to the point of exhaustion of all possible evidence. Accordingly, he has decided that his own investigation should be further continued until the testimony of every witness in possession of material facts can be obtained and all possible evidence exhausted.

Some of the testimony will be much delayed because certain witnesses who are actively engaged in combat against the enemy are not available and will not be available within the predictable future. The present decision of the Secretary will be reviewed when the investigation has been finally completed in the light of evidence then at hand.

It is thus obvious that both the Army and the Navy contemplate either now, or in the future, conducting a further investigation. It would seem inappropriate that the doors should be closed against such further proceedings as these additional investigations might justify. Moreover, they would afford Congress and the American people an opportunity to express their judgment on the facts as found by the two service courts as to whether any action should be taken.

Mr. President, yesterday's newspaper carried the item that the Secretary of the Navy had named Admiral Hewitt to take part in the further investigation. That being true, at this time I ask unanimous consent to introduce a joint resolution extending the statute of limitations in relation to the Pearl Harbor incident. The joint resolution provides that the statute of limitations shall be extended for 6 months after the close of the war. I ask that the joint resolution be referred to the Judiciary Committee, to which similar measures have been referred heretofore.

The PRESIDENT pro tempore. Without objection, the joint resolution will be received and referred as requested by the Senator from Michigan.

The joint resolution (S. J. Res. 66) to extend the statute of limitations in certain cases, was read twice by its title and referred to the Committee on the Judiciary.

PAGES OF CONGRESS—EDUCATIONAL FACILITIES, LIVING QUARTERS, ETC.

Mr. BURTON (for himself and Mr. BYRD) submitted the following concurrent resolution (S. Con. Res. 17), which was referred to the Committee on Rules:

Resolved by the Senate (the House of Representatives concurring), That there is hereby created a joint congressional committee to be composed of two Members of the Senate, to be appointed by the President of the Senate, and two Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. The joint committee shall select a chairman from among its members. A vacancy in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original appointment.

SEC. 2. The joint committee shall make a full and complete study with respect to (1) ways and means for providing adequate educational facilities, proper care and supervision, and suitable living quarters for the pages employed by the Senate and the House of Representatives, (2) improving the methods of selecting such pages, and (3) such other matters relating to such pages and their employment by the two Houses as the joint committee may deem appropriate. The joint committee shall consider the extent to which any educational facilities, living quarters, or other facilities or services made available to such pages should also be made available to other persons of less than adult age who are employed by the United States at the seat of government. The joint committee shall report to the Senate and House of Representatives, at the earliest practicable date, the results of its study, together with such recommendations as it deems advisable.

SEC. 3. For the purposes of this resolution, the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings; to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress; to employ such clerical and other assistants; to require, by subpena or otherwise, the attendance of such witnesses and the production of such correspondence, books, papers, and documents; to administer such oaths; to take such testimony; and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the joint committee, which shall not exceed $5,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers approved by the chairman of the joint committee.

FANNIE C. FARR

Mr. MYERS submitted the following resolution (S. Res. 125), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Fannie C. Farr, widow of O. H. Farr, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

EXTENSION OF EMERGENCY PRICE CONTROL AND THE STABILIZATION ACT OF 1942—AMENDMENT

Mr. TAFT submitted an amendment intended to be proposed by him to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, which was referred to the Committee on Banking and Currency and ordered to be printed.

NAVAL UTILIZATION OF ITS CIVILIAN MANPOWER (S. DOC. NO. 44)

Mr. WALSH. Mr. President, in January 1944 Mr. Bard, the Assistant Secretary of the Navy, submitted a report on the Navy's utilization of its civilian manpower. This report was printed as Senate Document No. 143 of the Seventy-eighth Congress.

Mr. Bard, now Under Secretary of the Navy, has submitted, at my request, a second report on this subject. This report is divided into eight sections, as follows:

First. Review of problems mentioned in previous report.

Second. Improvement of supervisors.

Third. Legislative provisions adversely affecting utilization of manpower.

Fourth. Trade jurisdictional practices.

Fifth. Scheduling difficulties.

Sixth. Government as a single employer.

Seventh. Difficulty in getting rid of inefficient employees.

Eighth. Manpower surveys.

The problems faced by Government departments in mobilizing and utilizing civilian personnel to expand production for our war effort were very difficult. If there are insufficient jobs available in private establishments after the war, the demobilization of the Government's excess civilian employees will present still greater problems. In my judgment, the Navy's second report will be helpful to the Members of Congress when they are faced with making decisions on this subject.

I ask that the Under Secretary's letter of May 2, 1945, and the accompanying report be printed as a Senate document.

The PRESIDENT pro tempore. Is there objection The Chair hears none, and it is so ordered.

EXEMPTION OF INTERSTATE VENDORS FROM CERTAIN STATE TAXES—CHANGE OF REFERENCE

Mr. GEORGE. I also ask unanimous consent that the Finance Committee be discharged from the further consideration of the bill (S. 887) to regulate commerce by exempting interstate vendors from liability for payment or collection of certain State taxes, introduced by the senior Senator from Minnesota [Mr. SHIPSTEAD]. The bill was evidently referred to the Finance Committee through error or inadvertence, and I make the request that that committee be discharged from further consideration of the bill and that it be referred to the Committee on Interstate Commerce.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Georgia? The Chair hears none, and the change of reference will be made.

SERVICEMEN'S DEPENDENTS ALLOWANCE—CHANGE OF REFERENCE

Mr. GEORGE. Mr. President, on behalf of the Finance Committee, I ask unanimous consent that that committee be discharged from the further consideration of the bill (S. 18) to further amend the Servicemen's Dependents Allowance Act of 1942, as amended, so as to provide for the relief of certain widows, children, and other dependents of servicemen who die as a result of injury or disease incurred in or aggravated by military or naval service, and for other purposes, introduced by the senior Senator from Nevada [Mr. MCCARRAN]. The bill was inadvertently referred to the Finance Committee and, as I understand,

should be referred to the Committee on Military Affairs.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and, without objection, the Committee on Finance is discharged from further consideration of the bill, and it will be referred to the Committee on Military Affairs.

HOUSE CONCURRENT RESOLUTION 39 REFERRED

The concurrent resolution (H. Con. Res. 39) to declare a governmental policy in relation to the apprehension and punishment of war criminals, was referred to the Committee on Foreign Relations.

COMMUNICATIONS FOR PEACE—ADDRESS BY HON. PAUL A. PORTER

[Mr. McFARLAND asked and obtained leave to have printed in the RECORD an address entitled "Communications for Peace," delivered by Hon. Paul A. Porter, Chairman of the Federal Communications Commission, at a dinner by the Baltimore Chapter of the Morse Telegraph Club of America, at Baltimore, Md., on April 27, 1945, which appears in the Appendix.]

LET US NOT ASK TOO MUCH OF SAN FRANCISCO—ADDRESS BY HAROLD W. DODDS

[Mr. SMITH asked and obtained leave to have printed in the RECORD an address entitled "Let Us Not Ask Too Much of San Francisco," delivered by Dr. Harold W. Dodds, president of Princeton University, at United Nations Forum, Princeton, N. J., April 13, 1945, which appears in the Appendix.]

PROPOSED UNITED NATIONS CHARTER PREAMBLE AND AN APPEAL FOR SUPPORT BY THE PEOPLE

[Mr. BURTON asked and obtained leave to have printed in the RECORD a proposed preamble for a United Nations charter and an appeal for support by the people, prepared by the Committee on World Order of the Unitarian Laymen's League, which appears in the Appendix.]

POSTWAR COMPULSORY MILITARY TRAINING

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a letter from Thaddeus W. Hunt to the editor of the Stars and Stripes regarding postwar compulsory military training, which appears in the Appendix.]

REVIEW BY COL. LEWIS SANDERS OF PAMPHLET, THE CASE AGAINST COMPULSORY PEACETIME MILITARY TRAINING

[Mr. HILL asked and obtained leave to have printed in the RECORD a review by Col. Lewis Sanders, United States Army, of the pamphlet, The Case Against Compulsory Peacetime Military Training, written by Lt. Col. Roscoe S. Conkling, which appears in the Appendix.]

PARTIES, POLITICS, AND PEACE—ARTICLE BY CHRISTOPHER DAWSON

[Mr. GREEN asked and obtained leave to have printed in the RECORD an article entitled "Parties, Politics, and Peace," written by Christopher Dawson, and published in the February 1945 issue of the Sword of the Spirit, which appears in the Appendix.]

DEMOCRACY IN DECLINE?—ARTICLE BY REV. JAMES M. GILLIS

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Democracy in Decline?" written by Rev. James M. Gillis and published in the May issue of Washington News Digest, which appears in the Appendix.]

THE LATE PRESIDENT ROOSEVELT AND PRESIDENT TRUMAN

[Mr. BRIGGS asked and obtained leave to have printed in the RECORD a statement signed by officers of St. Louis locals, Union Electrical, Radio, and Machine Workers of America, C. I. O., expressing sorrow on the death of President Roosevelt and asking support for President Truman, which appears in the Appendix.]

A MISSOURI SOLDIER'S ATTITUDE TOWARD FURLOUGHS

[Mr. BRIGGS asked and obtained leave to have printed in the RECORD a letter addressed to him by Corp. Thomas C. Cauley, serving overseas, which appears in the Appendix.]

SAVANNAH RIVER AUTHORITY

Mr. OVERTON. Mr. President, on March 15, 1945 a unanimous consent agreement was entered into at the suggestion of the junior Senator from Georgia [Mr. RUSSELL] in reference to the Savannah River Authority bill, which provided, in effect, that the bill should be considered by the Senate Commerce Committee within a certain period not later than approximately May 15.

I have consulted with the Senator from Georgia, and also the Senator from South Carolina [Mr. MAYBANK] who are coauthors of the bill, and they have authorized me to state that it is satisfactory to them to propose another unanimous consent request to the Senate, namely, that the Senate Committee on Commerce begin consideration of the Savannah River Authority bill on June 11 of this year. I make that request.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

Mr. OVERTON. Accordingly, as chairman of the subcommittee of the Committee on Commerce handling this bill, I give notice that hearings before the subcommittee will begin on June 11. The proponents will be heard first, and then the opponents.

HOSPITAL CENTER IN THE DISTRICT OF COLUMBIA—MOTION TO RECONSIDER

The PRESIDENT pro tempore. The question is on agreeing to the motion heretofore entered by the junior Senator from Louisiana [Mr. ELLENDER] to reconsider the vote by which Senate bill 223, to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, was passed.

Mr. OVERTON. Mr. President, I move that the Senate proceed to the consideration of Senate bill 938, calendar No. 243, a bill to provide emergency flood control work made necessary by recent floods, and for other purposes.

The PRESIDENT pro tempore. That motion would set aside the pending business. The pending business is the motion heretofore entered by the junior Senator from Louisiana [Mr. ELLENDER] to reconsider the vote by which Senate bill 223 was passed.

Mr. OVERTON. I have no desire to set aside the pending business. However, I should like to obtain recognition when the pending business is concluded.

Mr. TYDINGS. Mr. President, I should like to accommodate the Senator from Louisiana in any way I can; but in view of the fact that I must leave the country the first of the week, as the author of the hospital bill, this will be the last day I shall have a chance to discuss it.

Mr. OVERTON. The Senator need say no more. I am perfectly willing to yield the floor.

Mr. TYDINGS. I will do everything in my power to shorten consideration of the bill, and to aid the Senator in every way possible.

Mr. OVERTON. Mr. President, I believe the junior Senator from Louisiana anticipated that I was about to seek consideration of the emergency flood-control bill, which would not require more than 15 or 20 minutes, and has absented himself from the Chamber.

The PRESIDENT pro tempore. The junior Senator from Louisiana is now present in the Chamber.

Mr. BILBO. Mr. President I should like to obtain recognition after the flood-control bill has been disposed of.

Mr. ELLENDER. Mr. President, on April 26 I entered a motion to reconsider the vote by which Senate bill 223, to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, was passed by the Senate without objection.

I desire to say at the outset that I am not opposed to the establishment of a hospital center in the District of Columbia. On the contrary, I am heartily in favor of it, and so far as I am concerned, I would do anything within reason to assist in attaining that objective.

However, the main issue before us today in respect to Senate bill 223 in its present form is that it provides for the creation of a hospital center, to be paid for not by the residents of the District of Columbia, but by the taxpayers of the entire Nation.

The bill contains a blanket authorization to appropriate such sums as may be necessary to carry out its purposes. No amount is fixed. The bill would create a private corporation to be known as The Washington Hospital Corporation. It provides the manner and method in which the trustees of the corporation are to be selected. The corporation is specifically authorized to enter into agreements with Garfield Memorial Hospital, the Central Dispensary and Emergency Hospital, the Episcopal Eye, Ear, Nose, and Throat Hospital, and any other hospital in the District of Columbia which desires to become a member of the corporation under the terms of the bill, on a fully participating basis.

The bill provides for the establishment and maintenance of central heating systems, laundries, and so forth, all of which facilities are to be constructed by the Federal Works Administration with funds to be appropriated pursuant to section 6 of the bill.

Section 3 provides that within the limits of the appropriation made pursuant to section 6 of the act and subject to the approval of the Board of Trustees of the Corporation, the Federal Works Administration is directed to purchase the necessary land, to erect buildings

and provide the equipment for the operation of the hospital center. Thereafter, when completed, the Administrator is authorized to convey, without consideration, all rights, titles, and interests therein to the Corporation herein created. In other words, the Federal Government will build a hospital center that will cost the taxpayers of the country many millions of dollars and then turn it over to a privately owned corporation without any strings attached.

When the bill was first introduced, section 6 provided as follows:

> There are hereby authorized to be appropriated such sums, not to exceed $———, as may be necessary to carry out the provisions of this act.

But in the bill which was passed without objection by the Senate a few days ago, provision was made under section 6 (a):

> There are hereby authorized to be appropriated such sums, not to exceed $——— to carry out the provisions of this act.

Then subsection (b) of section 6 reads as follows:

> (b) Out of amounts appropriated pursuant to the authorization in subsection (a), the Federal Works Administrator is authorized and directed to advance the shares of the cost allocated to the respective participating hospitals upon agreement by such hospitals to repay the amounts so advanced over a period of 50 years from the date of completion of the hospital center with interest at the rate of 2 percent per annum upon any unpaid balance. The first payment of interest and principal shall be made 5 years after the date of completion of the hospital center, and shall cover amounts accrued up to that time.

In other words, Mr. President, the entire amount of the cost of the hospital center, to be built for the civilian population of the District of Columbia, is to be provided from the Federal Treasury, and the District of Columbia funds will in no wise be utilized; that is, the District Government will not participate in the expenditure to any extent. It would seem to me that the least the citizens of Washington should do would be to put up the one-third cash that is to be borrowed from the Federal Government under section 6 (b) of the bill.

In addition to the over-all picture with respect to the payment for the hospital center, two-thirds being an outright grant and one-third through a loan out of the Federal Treasury, section 5 (a), provides as follows:

> SEC. 5. (a) The Corporation may, in its discretion, enter into agreements with any voluntary hospital in the District of Columbia rendering service for indigent or semi-indigent patients and may allocate to such hospital, from appropriations made pursuant to section 6, such sums as may be available upon completion of the hospital center, for the replacement, enlargement, renovation, or modernization of any part of such hospital's buildings as said Corporation may determine to be in the public interest, having in view the most economical and effective use of available funds for hospitalization and to the end that the facilities of such hospital may be utilized to the best advantage. Such sums so allocated for affiliating hospitals shall be paid to such hospitals by the Secretary of the Treasury upon certification by the Corporation, and shall be paid at such time or times as may be specified in such certificate.

In other words, Mr. President, aside from assuming full responsibility to build the hospital center, with the exception of one-third of the cost which will be repaid by participating hospitals, any hospital in the District of Columbia which does some charity work will be able to become affiliated with the corporation. Then the corporation, from the blanket authorization under section 6, is authorized to allocate Federal funds in order to renovate or add to such participating hospitals.

Mr. O'DANIEL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Louisiana yield to the Senator from Texas?

Mr. O'DANIEL. Has the Senator stated how much money is to be appropriated, or has he stated the total cost?

Mr. ELLENDER. That is the next point to which I am coming.

Mr. O'DANIEL. I thank the Senator.

Mr. ELLENDER. I was about to inform the Senate about the cost of the hospital center. One witness, Mr. Neergaard, I believe, an architect, testified that the hospital center alone would cost $20,000,000. Under cross-examination, he admitted that if the land were furnished without cost to the Corporation, the cost might be between $17,000,000 and $18,000,000.

Mr. President, I wonder how the Senate would act if the distinguished Senator from South Dakota [Mr. BUSHFIELD] were to introduce a bill asking for the establishment of a hospital center in the State of South Dakota with all costs paid for from the Federal Treasury. Yet there would be no more reason to erect a hospital center in the State of South Dakota, to be paid for by all the taxpayers of the Nation, than there would be to build one in the District of Columbia.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BILBO. I have no desire to embarrass the Senator——

Mr. ELLENDER. The Senator may proceed; he cannot embarrass me. I have nothing to hide.

Mr. BILBO. Does the Senator happen to remember how much the Federal Government put into the Charity Hospital in New Orleans?

Mr. ELLENDER. Yes; to some extent.

Mr. BILBO. Approximately how much was the amount?

Mr. ELLENDER. Approximately $7,500,000, under a P. W. A. grant, back in 1935 or 1936. The District of Columbia could have done the same thing, but it did not. P. W. A. funds were allocated to the States and its political subdivisions for public improvements. The State put up 60 percent to build a hospital center in New Orleans which cost about $18,000,000, and the Federal Government put 40 percent.

Mr. BILBO. The point I am making is——

Mr. ELLENDER. I will further discuss the point in a few minutes.

Mr. BILBO. The point I make is that the constituents of the Senator from Louisiana in the city of New Orleans have already gotten more money than we expect or plan to put into this center, and the Senator from Louisiana should be the last Member of the Senate to complain about this bill.

Mr. ELLENDER. I doubt that statement as to costs. The hearings indicate that the cost of the center alone will be $20,000,000. As I pointed out a while ago, under P. W. A. operations all localities were treated alike and no attempt was made to give advantage of one community over another.

I wish to state as my next point that today we have before the Committee on Education and Labor a comprehensive hospital bill which will place every State of the Union on the same basis, the same as P. W. A. did in the days when unemployment was at our door. Every State of the Union had the right at that time to apply for funds in order to erect such hospitals or build roads or buildings of any kind which it might desire to have built within the State.

But under this bill we are called upon, as I have just indicated, to put up the hospital center and to dig down into the Federal Treasury, into money collected from Idaho, California, Colorado, and every other State to pay for its erection. It would be a privileged grant.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Louisiana yield to the Senator from Maryland?

Mr. ELLENDER. I yield.

Mr. TYDINGS. I am very much intrigued with the argument the Senator is making for fairness for the District of Columbia, as compared with other States. I am wondering when the Senator is going to introduce a bill—the District of Columbia having approximately half as many people as does the State of Louisiana—to give the District of Columbia its two Senators in the Senate of the United States and its Members in the House of Representatives, so that the question of fair treatment, which the Senator is laboring so hard, may apply to all categories, and not be singled out for merely one or two.

Mr. ELLENDER. Mr. President, in my opinion, the District of Columbia is receiving its fair share of any general appropriations made by the Government. I have not seen a bill passed here yet which did not take care of the District of Columbia to the same extent as any of the States. Believe me, the District of Columbia gets its share of any appropriations which are made by this body, and then some.

Mr. TYDINGS. But whether the District of Columbia receives its share or whether it does not, there is on the floor no Senator whom I see who represents the District of Columbia, and there is no one in the Chamber across the corridor who represents it. The residents of the District of Columbia are taxpayers, but they have no voice whatsoever on the floor of Congress.

Inasmuch as the Senator is comparing what they receive with what other States

receive, he might also, with justice, compare whether they have all the things which my State and his State have in other lines which are equally important. Here is a great big voteless section of the country.

Mr. ELLENDER. What has the Senator in mind when he says there are other things that the States have that the District does not enjoy?

Mr. TYDINGS. In my own time I shall develop a great many of the things the Senator is covering. But, in passing, I note that, of course, it is very convenient to pick out one philosophy and follow it when it suits you, and then throw it overboard when it no longer serves your purpose, but confounds you.

Mr. ELLENDER. I may say to the distinguished Senator from Maryland that 3 or 4 years ago I made the same fight that I am making now, and successfully convinced this body that we should prevent the building of a large auditorium in the city of Washington if its construction meant the use of funds out of the Federal Treasury instead of out of the treasury of the District of Columbia.

I am not quarreling with the District of Columbia in its effort to get what it wants, but let it pay for what it receives, and let it be put on the same basis as that upon which the States have been put. That is what I am pleading for.

As I was about to say a few moments ago, there is now pending before the Committee on Education and Labor a very comprehensive hospital bill. It was introduced by the distinguished Senator from Alabama [Mr. HILL] and the distinguished Senator from Ohio [Mr. BURTON]. The bill provides for an authorization of $100,000,000 for the purpose of constructing hospitals throughout the Nation. It also provides for a fund of $5,000,000, for the purpose of planning the construction of hospitals throughout the Nation. There is also included in the bill a special plan by which money may be obtained, and the money is to be allocated in accordance with the needs of the community.

On page 12 of the bill is the following language:

> The term "State" includes Alaska, Hawaii, Puerto Rico, and the District of Columbia.

Why should not the District of Columbia come under the provisions of that bill instead of a special bill to construct a hospital, the expense of which would have to be paid by the taxpayers of North Dakota, Texas, Oklahoma, Louisiana, and other States. I do not think the proposition is a fair one.

Mr. President, let us now consider how the people of the District fare in respect to the payment of Federal income taxes in contrast to the people of our sister States. I believe that the comparison should give us a fair idea of whether we should dip into the Federal Treasury so as to help a rich and well-off community to build a hospital facility. On many occasions I have stated that there is no area in the United States the people of which pay less taxes for the support of their own local government than do the people of the District of Columbia. In contrast with other sections of the country, the District of Columbia is a haven for taxpayers. Do Senators know that in 1939 31 States of the Union paid less Federal income taxes than did the District of Columbia? In 1940 31 States were also in the same category.

If the citizens of the District of Columbia pay more income taxes than 31 of our States pay, I assert they are able to provide for the construction of a hospital center. In Louisiana we have taxed ourselves until it hurts, and today the taxpayers of that State are paying for a hospital which we built in 1936. We raised 60 percent of the funds and the Federal Government contributed 40 percent. The people of other sections of our Nation have constructed public buildings such as, perhaps, auditoriums, and so forth. But we have put some of our money into the building of hospitals. That is what the District should have done because it had the same opportunity to obtain funds with which to build hospitals as did the State of Louisiana.

Let us consider further the subject of income taxes. One might say, "It would strike me that inasmuch as there is no manufacturing in the District of Columbia, but there is much in many of the States, taxes paid by the States during the present war increased over and above that collected in the District." But here is the record: In 1941, 28 States paid less income taxes than did the District of Columbia. In 1942, 33 States paid less income taxes than did the residents of the District of Columbia.

Mr. WALSH. Is the Senator speaking of Federal income taxes?

Mr. ELLENDER. Yes.

Mr. WALSH. Does the District of Columbia have an income-tax law?

Mr. ELLENDER. Yes. The rates are very low. If the people of the District of Columbia were to pay an additional income tax of only 1 percent, they could build one of the finest hospital centers in the United States. The people of the District, with its hundreds of thousands of employees who are living within the District and spending their money here, should be willing to use their own funds for the purpose of constructing the proposed hospital center.

In 1943 there were 32 States which paid less Federal income taxes than did the District of Columbia. In 1944, last year, 36 States paid less. Imagine that. Only 12 States in the Union paid more Federal income taxes into the United States Treasury than did the citizens of the District of Columbia. Yet we are being asked to dig down into the pockets of every taxpayer all over the country in order to afford a special privilege to the District of Columbia, which is much better able to pay for a project of the kind which it is being proposed than any State in the Union. I am not objecting to a hospital center for the District of Columbia. I want to help provide one of the finest hospital centers in the world for the District. But my contention is that the District residents are able to finance the construction of this private hospital or else await the time when the Congress enacts the Hill-Burton hospital bill now before the Committee on Education and Labor of the Senate.

We are called upon to pass legislation that will permit the construction of a hospital center with public funds to be operated by a private corporation. Although built from public funds all patients will be compelled to pay a substantial sum per day for treatment at the proposed hospital center. It is my view that after the hospital center is completed and conveyed to the corporation, created under the bill, Congress loses control.

Mr. President, I submit that the motion should be agreed to and that the bill should be amended so that the funds necessary for the construction of the hospital center shall come from the District of Columbia.

On the other hand, if the District does not have the funds, let the House pass legislation which will provide a tax to raise the necessary funds to make it possible to build the proposed hospital center in the District of Columbia, and I feel confident that the Senate would concur in such legislation.

Mr. TYDINGS. Mr. President, the Senator from Louisiana, with a great deal of skill, selects a few facts bearing upon this situation which perhaps support his position, and at the same time he overlooks other and more pertinent facts which I believe very much argue against the position which he has taken.

The first thing we should keep in mind is that Washington, the District of Columbia, is the Capital of the United States. It belongs to Louisiana just as much as it belongs to the citizens of any State of the Republic. It is a part of every State of the Nation. It is the seat of the National Government. It is the advertisement to the world of what our Capital is. If our Capital lacks forms of civic improvement, or if it is not on a highly efficient plane in all respects, it is noticed throughout the world. We are part of it because it is a great city. Yet, in spite of the fact that it enjoys such distinction its population, which is equal to approximately half the population of the State of Louisiana or the State of Maryland, is absolutely voiceless in both the Senate of the United States, and in the House of Representatives. Being voiceless and voteless as it is, and not being allowed even to cast a vote on who shall be our President, it is a happy privilege for me to stand here today and fight in a small way for what I consider to be fair play.

There is one significant fact which has not yet come into this debate. Fifty-one percent of the assessable property of the District of Columbia is nontaxable. Let that fact sink into our consciences. More than half of the property in the District of Columbia does not contribute a penny to the treasury of the District of Columbia. What about that? A few years ago the Senator's own colleague, the senior Senator from Louisiana [Mr. OVERTON], because the District of Columbia contained so much property which was nontaxable and which contributed no tax revenue, made a valiant fight on this floor to give the District a larger lump sum appropriation, in view of its growth, than it had heretofore been getting.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TAFT. How much does the Congress appropriate in a lump sum, $6,000,000?

Mr. TYDINGS. It was $5,000,000 and now it is $6,000,000. The senior Senator from Louisiana contended, as I recall, that $8,000,000 should be appropriated.

Mr. TAFT. I can understand why we should contribute for the nontaxable property. What bothers me is why we should pursue in the case of the District the policy of putting up all the money, if we do, for hospitals when we do not do the same thing for the city of Cincinnati or any other city in the United States.

Mr. TYDINGS. If the Senator will allow me I shall try to develop that suggestion.

Mr. TAFT. I quite agree that we should be generous with the District, we should pay the Federal Government's proportion, and, maybe, it ought to be more than $6,000,000, but I do not quite understand on what basis we can assume an entirely different attitude toward the building of a hospital for the District than for any other city. That is what bothers me.

Mr. TYDINGS. I shall come to that in a moment. I desire first to take up some phases of the argument advanced by the Senator from Louisiana.

The very point the Senator makes that the District contributes more income taxes than 31 States of the Union, coupled with the fact that the people of the District have no representation, coupled with the fact that 51 percent of the property is nontaxpaying, is an additional reason why the hospital measure comes here wtih merit. The people of the District are large contributors to the revenues of the whole Nation; their money goes to Louisiana and to all the other States, just as other income-tax payments do, to help build, for instance, the very hospital which the Senator from Louisiana was able to get—and I am glad he was—for the people of New Orleans.

When our committee started in on the proposal to improve hospital facilities in the District we found that the hospital conditions here were among the worst in America, so testified to by experts with a Nation-wide reputation. Here were rat-infested wards, disease-infected kitchens, a lack of sterilization in ramshackle, unmodern, unsuitable buildings for hospitals. Deaths occurred because of improper facilities. Women had babies on boards over bathtubs because there were no beds in which to put them. One mother testified before the committee that she lost her little girl because in the hospital where the little child was placed for treatment of one kind she was put in a ward where there were contagious diseases, one of which she contracted and died. I believe 700 other cases of the same nature were brought to the attention of the committee.

The hospitals in the District are not all privately owned hospitals. There are other hospitals to which the Government has contributed money and which are maintained by the Government. So as we charted a course for this hospital project, we tried to chart one which when it was completed would not involve any additional drain for maintenance on the taxpayers of the United States. Therefore, we went to the existing hospitals and found out how much endowment they had, and ascertained that none of them was rich enough to bring about in the District of Columbia an improvement in the hospitals which was absolutely vital to the health of everyone. A year of conferences went on. Men like Mr. Castle and Mr. Grew, of the State Department, who are directors on the boards of private hospitals, told us the dire need and asked that we support in principle the legislation which we finally brought before this body. So also did men in the business life of Washington, welfare organizations, women, citizens' organizations; in fact, we had a cross section of the entire life here to get action.

We did not want to appropriate more money out of the Federal Treasury to build a Government hospital. That would entail—what? It would entail annual appropriations. So we went to these hospitals and asked them how much property and endowment they had which they could throw into the hopper so that if we helped them to bring their hospital facilities up to par they could maintain them after we gave them this assistance, and end the period of deficient and improper hospital facilities for the District.

Mr. ELLENDER. Mr. President——

Mr. TYDINGS. Just a moment. Let me finish my thought. As I say, it took years of conference. Not one of the men who appeared before us received a single cent for the services he rendered to these hospitals. All of them were large contributors to the local hospitals; all of them for years had given their time as well as their money to the hospitals. So we finally got the larger institutions to agree to pool their interests, to pool their property, to pool their endowments, so that they would make a contribution ab initio to an expense as great as that which is met by any other hospitals throughout the country, for, while other hospitals to a large extent are putting up a part of the money, the hospitals covered by the bill are putting up their endowments, their buildings, and their real estate in order to provide a certain sum of money, which, with the Federal money, will permit the transition to take place.

Mr. TAFT. Mr. President——

Mr. TYDINGS. I yield to the Senator from Ohio.

Mr. TAFT. I do not quite understand the provisions of the bill about the one-third. In section 2 there is a provision for the payment by the participating hospitals of one-third of the initial cost of establishing and equipping the hospital set-up. Does that mean payment in cash? Is this a matching bill or is it not a matching bill? I cannot tell from the terms of the bill. I do not think it is very clearly expressed. I think what it means ought to be more clearly stated.

Mr. ELLENDER. Mr. President, will the Senator permit me to interrupt him?

Mr. TYDINGS. I yield.

Mr. ELLENDER. Section 6 (b) authorizes the Federal administrator to advance the money for the one-third payment to be made by the participating hospitals in Washington. They are not putting up a dime for the construction of the center.

Mr. TYDINGS. That statement is absolutely incorrect, Mr. President.

Mr. ELLENDER. I wish the Senator would point out the language in the bill that supports his view. If I am wrong about it, I want to know it.

Mr. TYDINGS. I will point it out.

Mr. ELLENDER. The bill provides on page 14, lines 11 to 21:

> (b) Out of amounts appropriated pursuant to the authorization in subsection (a), the Federal Works Administrator is authorized and directed to advance the shares of the cost allocated to the respective participating hospitals upon agreement by such hospitals to repay the amounts so advanced over a period of 50 years from the date of completion of the hospital center with interest at the rate of 2 percent per annum upon any unpaid balance. The first payment of interest and principal shall be made 5 years after the date of completion of the hospital center, and shall cover amounts accrued up to that time.

Again the bill states on page 10—in respect to maintenance:

> And shall provide—

That is the agreement—

> And shall provide that when a suitable site, buildings, and equipment are so provided, the participating hospitals will undertake to maintain and operate the hospital center, under the supervision and control of the board of trustees of the Corporation and in accordance with the provisions of this act, and that the participating hospitals will devote their full resources to this purpose—

That is to maintain and operate. But there follows a proviso which in part reads:

> *Provided*, That no part of the funds of one hospital shall be required to be employed for the maintenance or operation of any part of the center used exclusively by another hospital.

It strikes me very forcibly, Mr. President, that from such language in the bill I am correct when I say that the participating hospitals are not putting up any of their own money to build the center.

Mr. TYDINGS. Of course, everyone who knows anything about endowments must realize that that provision is absolutely essential. An endowment of $500,000 belonging to one hospital cannot be used for another hospital.

The hospitals will all be in the same building, but certain wings or parts of the building will be set aside for a particular hospital, so that its entity will more or less be kept separate and its endowment kept separate; but they will all be members of the corporate board that governs the whole thing, and therefore their endowment, their property, and everything they have would be pledged to repay the Federal Government, with 2 percent interest, the money which the Federal Government would advance to them. Everything they have would be pledged to the repayment. So that the statement that the Federal Government is putting up all the money is 100 percent incorrect.

Mr. ELLENDER. In making his statement the distinguished Senator from

Maryland points to me as though he is issuing a challenge to me. I said that the Federal Government is putting up every penny—two-thirds as a gift and one-third as a loan—and I am certain that the bill so provides.

Mr. TYDINGS. Not at all.

Mr. ELLENDER. I wish the Senator would read the bill, and I again ask him to show me where I have misstated the facts.

Mr. TYDINGS. I have read the bill. What happens is this: There is here a large hospital already in existence—Garfield Hospital. There is another large hospital—Emergency Hospital. To illustrate the point, each of them has endowments. They combine all their real property, all their endowments, and all their equipment into one overhead corporation. Then the Federal Government appropriates a sum of money which, with what they already have in the form of buildings, land, and endowments, is sufficient to erect this modern hospital center. Then, on top of that, and in addition to everything the hospitals have in the way of endowments and property, they agree to refund to the Federal Government one-third of the total cost of the improvements, with interest at 2 percent.

Mr. TAFT. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Maryland yield to the Senator from Ohio?

Mr. TYDINGS. I yield.

Mr. TAFT. I still do not understand the set-up. It seems to me an extraordinary kind of provision, and I cannot understand, from the Senator's explanation, what happens.

As I take it, we form a private corporation, which in effect consolidates all the private hospitals in the city of Washington.

Mr. TYDINGS. Let me say to the Senator that they can come in, but so far only three have agreed to come into the proposal, and they are cited by name, although the door is open to the others.

Mr. TAFT. I am not making any point of that. I am trying to get the general idea. We form a corporation, and that corporation is in effect a private corporation.

Mr. TYDINGS. Quasi-private.

Mr. TAFT. Which would control these three larger hospitals. That corporation proceeds to acquire land and build a modern hospital, a brand new hospital. Is that the theory?

Mr. TYDINGS. Yes.

Mr. ELLENDER. The bill provides that the Federal Public Works Administrator buys the site, builds the center under the auspices of the corporation, and then the United States Government conveys the finished product to the corporation.

Mr. TAFT. A hospital costing from 18 to 20 million dollars?

Mr. TYDINGS. That is not correct.

Mr. TAFT. What is the cost?

Mr. TYDINGS. The total outside cost, including the property they already own?

Mr. TAFT. No; the cost of the new building the F. W. A. is going to build.

Mr. TYDINGS. It would be very difficult for me to give the Senator an accurate answer to his question, because of many factors which I shall not take the time to discuss, but attempting substantially to answer his question, in my opinion the Federal Government would, with the one-third loan and with the two-thirds grant, put up altogether about 7½ million dollars, of which 2½ million would be returned to the Federal Government; and the money would be loaned on good security.

Mr. TAFT. The building would then be erected. Would the older hospitals be abandoned, would they move into this hospital center; or what is the prospect as to that?

Mr. TYDINGS. There is a division of thought as to how the new project should be brought into being. There are some who think that the old property should be sold, and the cash in conjunction with the other cash, used for erecting a new hospital. In the case of Garfield Hospital, which is on a site of about 9 acres, some hold that that site in itself is large enough, or almost large enough, I would rather say, for the kind of building, with the grounds, and so forth, the new project visualizes. In that case there would be no land to be purchased, and the present hospital would perhaps be torn down. I am advised by competent authority that that hospital has outlived its day, that it is vermin infested in spots, that it is rat infested, that there are subterranean tunnels running all around under it. It is the kind of place that is far from being the sort of hospital any of us would care to enter after the war was over, unless improvements were made.

Emergency Hospital, another large one, would probably, if this plan were followed, sell its property, except for a small part which it would keep for what might be termed a casualty station. The remainder of the property would be sold, and the money would go to the central corporation for use in the building of the new hospital.

So, depending upon all those things, it is a little hard to know how much money would be needed. It is my considered judgment, having listened to practically all the testimony for more than a year and a half, that the most the Federal Government would eventually be out of pocket would be in the neighborhood of five or six million dollars.

Mr. TAFT. Let me suggest to the Senator what troubles me. A general measure for aid to hospitals throughout the country will come before the Senate. It requires an actual cash payment of from 25 to 75 percent to match Federal funds in any case, with no loan, or anything of the kind. In fact, I think that when we get through with the bill, if a private hospital wants to take advantage of the act, it will have not only to put up from 25 to 75 percent in cash—according to the State where it is located—but it will also perhaps have to pay the entire balance of the Government money given to the private hospital.

It seems to me the bill before the Senate contains an extraordinary provision, to take Federal money and give it to a private corporation, even though it be a charitable corporation. The Burton-Hill bill has not been discussed in the Committee on Education and Labor; but it seems to me that the proposal to make an appropriation to a private corporation is a doubtful policy, because it is not bound to use its facilities necessarily in accordance with the direction of the Government.

I would say, furthermore, that if the private hospitals in Cincinnati, for instance, were going to ask for Government aid in the construction of a new hospital, they would not have any difficulty whatever in collecting money in a cash-collecting campaign. If the Federal Government would give them 50 percent for a proposed extension of a private hospital, they would have no difficulty whatever in raising the other 50 percent by a campaign to raise money from charitable contributors, the Federal Government to put up 50 percent in cash.

It seems to me the pending bill goes far beyond anything that is justified by general policy in hospital construction. I do not see why the Washington hospitals do not undertake a campaign to raise the cash, at least one-third of the money which may be required for the new hospital.

Mr. TYDINGS. They tried it, I am advised, and it did not produce very much.

Mr. TAFT. They did not have the benefit of the matching provision. If they have an assurance that the Federal Government will match every cent they put up, it becomes an easy matter to undertake a hospital campaign. That is my experience.

Mr. TYDINGS. There are several things about Washington which are not true about other cities of the country, which was abundantly brought out in the testimony. In the first place, no rich contributors live here. There is no Payne Whitney, as in New York, and no Harkness, who contributed twenty-five or thirty million dollars, respectively, for the great hospital project in New York. We have no Johns Hopkins, who contributed ten or twelve million dollars for such a purpose in Baltimore. So it is in the great industrial sections of the country, where a few men have accumulated great wealth and contributed to their States or cities by way of some endowment. While there are many people in the District of Columbia who pay income taxes and make a very substantial livelihood, there are not large contributors such as are found in other cities in proportion to population. There are more people enjoying average welfare, perhaps, among the wage earners in the District in good times, so far as pay is concerned, than are to be found elsewhere; but large fortunes cannot be amassed in the District, because there is no industry in the District to produce them. People of wealth who live in Washington have, in a great many instances, made their money elsewhere and have come here to live. When they endow an institution, they feel a strong urge to endow one in the section of the country which helped them to amass or accumulate such fortunes as they have. I suggest that to the Senator from Ohio, not as an idle statement, for it is absolutely true.

Before we began the consideration of the bill we made investigation as to whether or not we could go to some

wealthy people here and attempt to get money from them for this purpose. I was advised that frequently the solicitors for hospitals when they approach people of more than average wealth in the District are met with the reply "We are contributing what we can give to hospitals of Baltimore where we used to live," or "We are contributing to hospitals in Cleveland where we used to live," or "We are contributing to hospitals in Cincinnati where we used to live," or "We are contributing to hospitals in St. Louis." Although they live here they retain the old home feeling, and it is almost impossible to get them to help the old home town and also to help the Nation's Capital.

Then there is the viewpoint that this is the Nation's Capital, and that therefore there should be a degree of tolerance in beautifying and making the various institutions efficient. That feeling does not prevail in other places in the country.

So, Mr. President, without taking issue with the thought which the Senator from Ohio has in mind, I believe that the raising of large sums of money in the District is something which is more theoretical than practical when it is put to the test.

The board which will manage the proposed hospital center is not a board composed of individuals who have no official connection with our Government. It is a quasi-governmental board. The Surgeon General of the United States appoints one of the directors. The American Medical Association appoints one of the directors. The Commissioners of the District of Columbia appoint one of the directors. They are on the board to see that any contribution Congress sees fit to make is spent for the purposes for which it is made, and to stay on as a part of the management until the hospital center is completed.

There is nothing complicated about this situation, Mr. President. These are the facts on which this whole matter is postulated: First, this is the capital of the United States, and belongs to every citizen. It is not a separate political entity, as are other cities, and the Territories and States of the Union. It is my city; it is the city of the Senator from Mississippi [Mr. BILBO]; it is the city of the cowboy out on the plains. It is our city. It is our symbol to most of the people of other countries who come to the United States.

The second point is that more than half of the property in the District of Columbia is not taxable. It is occupied to a large extent by the Government of the United States. It contributes nothing into the District treasury by way of taxes. So far as Government property is concerned the District of Columbia is dependent solely on lump sum appropriations which Congress may care to make.

The third point is that in this city, the Capital of the United States, the hospital standard is far below that of any comparable city in this country. That is what the experts who have surveyed the situation say. The hospital conditions here are out of date. The hospitals in many cases are not sanitary. They are not adequate in many cases. Their equipment is poor, or there is practically none at all. People have to wait their turn to get into hospitals. We are told there was a shortage of 2,500 beds up to the outbreak of the war. Frequently persons who are entitled to receive medical attention have to take their turn, particularly if they have no money.

Those, Mr. President, are the factors involved.

Moreover, we have privately endowed hospitals which are not conducted for profit. None of the hospitals covered by this bill are operated for profit; they are operated to serve mankind. They have endowments, they have buildings, and they have grounds. So we are giving those physical and financial entities such money, under the supervision of a Federal board of directors in part, as will allow them to do what has been done in the city of the Senator from Louisiana. Then we manage it, and they agree to pay back one-third of it, with interest at 2 percent.

So this bill simply proposes to construct, as best we can from the elements which now exist in the District of Columbia, an improvement in its hospital facilities at the least possible expense anyone can devise, and under a scheme which will cost the Government not a cent for maintenance when the hospital center is completed, which was the ultimate objective we ever kept in mind.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. OVERTON. I am rather impressed by the argument made by the Senator from Maryland in respect to the national aspect of this proposed hospital. That leads me to make a statement with reference to who the beneficiaries of this hospital will be. Who will they be? The Senator from Ohio referred to Cleveland, Ohio, which is a very fine city and a very prosperous city, and we are very proud of it. But a hospital in the city of Cleveland would be a local institution as compared to a hospital in the city of Washington, because a hospital in the city of Washington must necessarily assume a national aspect and be of national benefit. Because Washington is the seat of the National Government, many individuals are here temporarily. They are entitled to hospital facilities. They come here from every section of the United States of America. Some come from Louisiana, some come from Maryland; some come from the West and others come from the East; they come from everywhere in this country. Furthermore, there reside here the representatives of foreign governments who at times need proper hospitalization. We ought to have a hospital in the District which is commensurate with the dignity of the greatest capital in the world, a hospital which can afford facilities to the people of this great Nation when they are in Washington and which can afford to give proper care to those who represent foreign governments in our Nation's Capital.

Mr. TYDINGS. I thank the Senator from Louisiana for his statement.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. TYDINGS. I shall yield in a moment; but first let me make an observation. I do not think I need to state that since I have been in the Senate no one has ever accused me of favoring large and unnecessary appropriations. I believe I have made some little reputation, perhaps, as being rather conservative in the expenditure of money, and I certainly feel that I am not departing in the slightest from that position in advocating the passage of this bill.

I have never followed a policy of closeness in dealing with the development and beautification and welfare of the Capital City; I am proud of the city. I experienced a thrill when I saw the lights again turned on the dome of the Capitol and the Washington Monument. The Washington Monument might just as well have been built in Maryland or in Louisiana, but neither State would have been the place for it. It cost a great deal of money in the days when it was built. Yet it is a part of our Capital. We have The Archives Building here. There is no reason why we should not have built it in Louisiana or in Maryland. But we like to have it here. We are proud of it. It represents America's success, its cultural development, its civilization. It is our advertisement. I agree with my good friend, the junior Senator from Louisiana, on fundamentals, but when it comes to the Capital of the United States, which is the symbol of all 48 States, and of which we are all proud, we have to take a somewhat different approach than we take to our ordinary State problems.

I now yield to the Senator from Ohio.

Mr. BURTON. I want to say to the Senator from Maryland that while I was not a member of the subcommittee which reported the bill in its final form, I recall attending the meetings of the committee which considered the bill in an earlier form.

Mr. TYDINGS. The Senator was very active in the committee in considering the bill.

Mr. BURTON. That was in the earlier form of the bill. The argument which impressed me the most when we were considering that earlier bill was along this line, which I do not think the Senator has emphasized particularly now: When we seek appropriations for a hospital in an industrial city we always obtain contributions from the chief industries of the city. The only industry in the city of Washington is the United States Government.

Therefore I have regarded the contribution made by the Federal Government as comparable to that made by industry for the benefit of its employees in the community. The District of Columbia itself does not carry on much of an industry in the employment of people, but the United States Government does carry on a tremendous activity. Therefore, in that capacity, as the principal industry of the area, the Federal Government has a relationship to the proposed hospital comparable to that of manufacturing industries in their own communities. In the latter case the relationship results in large contributions by local industries to such community projects.

Mr. TYDINGS. Mr. President, the Senator is exactly correct The Government of the United States may be compared to the automobile industry, which makes contributions for such projects in its own community. When the Federal Government contributes it is contributing for the benefit of its workers, just as General Motors would contribute to a hospital in Detroit, or Republic Steel to a hospital in Cleveland.

There are no great industrial enterprises in the District. The Federal Government is the only large activity. Without this kind of support we shall never have sufficient money to have a hospital worthy of the District of Columbia, or reasonably comparable with hospital facilities in other cities.

I should like to advance one further thought. Hearings on this subject extended over a period of a year and a half. The bill, in its final form, was unanimously approved by the Committee on the District of Columbia. We did not take action on it in 2 or 3 weeks. We went into the subject from every possible angle, to try to discover how such a facility could be provided with the least cost and the lowest maintenance charges, to meet the crying need for hospital facilities in the District of Columbia.

Mr. BILBO. Mr. President, before making any remarks I should like to call on the senior Senator from Louisiana [Mr. OVERTON] to tell the Senate something about the tax burdens of the people of the District of Columbia. In my opinion, the Senator from Louisiana knows more about the tax and fiscal affairs of the District of Columbia than does any other Member of the Senate. He is a member of the Committee on the District of Columbia, and has specialized on the question of taxation in the District. The statement has been made on the floor of the Senate today that the taxpayers of Washington pay lower taxes than are paid by the people of any other city in America. I shall be glad to hear from the Senator before I make any remarks.

Mr. OVERTON. Mr. President, when I became associated with the Committee on the District of Columbia, and also with the subcommittee of the Appropriations Committee which handles the District of Columbia appropriations, I became interested in determining the proper Federal payment to be made to the District of Columbia.

At the outset I was met with the old objection that the people of the District of Columbia pay very little taxes as compared with the taxes paid by the residents of other cities throughout the United States. That objection kept bobbing up in hearings, which continued for some time, on the bill which I had introduced in order to meet that age-old problem, which has been before the Congress of the United States ever since there has been a District of Columbia. I determined to undertake to have the best possible authority make a thorough investigation. I submitted a written request to the Bureau of the Census, asking the Bureau to consider the tax burden borne by the people of the District of Columbia in comparison with the tax burdens of the people of other cities of comparable size in the Nation.

The Bureau of the Census selected 12 cities. It selected 6 cities, in an ascending scale, with a population greater than that of the District of Columbia. It selected 6 other cities, in a descending scale, with a population smaller than that of the District of Columbia. I believe that that was a very fair method of selection. The Bureau then went into the question of the tax burden borne by the people of those 12 cities, in comparison with the tax burden borne by the people of the District of Columbia. It discovered and reported—and its report is in the hearings—that the tax burden resting upon the people of the District of Columbia is approximately equal to the average tax burden borne by the people of the other 12 cities.

It seems to me that that is the best authority. I know that Senators and Representatives have their individual views. I wanted the testimony of experts on that question, and I obtained the testimony of experts. It seems to me that that testimony ought to settle the question for all time.

Moreover, let me say that last year the Senate Committee on Appropriations selected experts to handle problems which come before the Appropriations Committee. The subcommittee dealing with District of Columbia appropriations directed the work of certain of those experts, who are independent of the Bureau of the Census. For the most part they are selected from various agencies of the Government. Most of them are from the General Accounting Office. Those experts have gone into the problem afresh and anew, and are almost ready to submit a report. I believe I am betraying no confidence when I say that the report will be to the effect that the people of the District of Columbia bear as heavy a tax burden as is borne by the people of any other comparable city in the United States. That is the testimony of the experts on the subject. I subordinate my own opinion to that of the experts, who I think are far more competent than I, or possibly any other Member of the Senate, to pass upon the question.

Mr. BILBO. Mr. President, we are greatly indebted to the Senator from Louisiana for his lucid presentation of the tax question affecting the District of Columbia. I sometimes think that the reason why so many persons misunderstand, or obtain a false impression that the people of the District of Columbia do not pay their fair share of taxes in comparison with the people of other cities in the country, is the low levy which obtains in the District for purposes of ad valorem taxation. It might be of interest to know that the law of the District provides that there shall be a 100-percent assessment of the value of property in the District of Columbia for purposes of taxation. That provision of the law is complied with to a very great degree—so much so that in condemnation proceedings involving property within the District, no condemnation jury may award an amount in excess of the assessed value of the property plus 25 percent.

Some cities prefer to have low assessments and high levies. The District of Columbia has high assessments and low levies. I believe that fact is the root of most of the misunderstanding throughout the country with regard to the tax question in the District of Columbia. However, with the expert testimony to which the Senator from Louisiana has referred, there should be no further doubt about the matter.

Mr. President, I have been a member of the Committee on the District of Columbia for more than 10 years. That was one of my first assignments when I came to the Senate in 1935. In that capacity I have had an opportunity through the years to observe the deplorable status of the hospitals of the District of Columbia. I have never had occasion to enter one of them as a patient, but members of my office force have, and I have frequently visited them. I know something, from personal observation, of the almost inexcusable hospital conditions which obtain in this great capital.

When I became chairman of the Committee on the District of Columbia, my first announcement related to a project for a great hospital center in the District of Columbia. My very dear friend from Maryland [Mr. TYDINGS] being a member of that committee, there was no trouble in enlisting him in the campaign. I wish to pay tribute to him for the hard work which he has done in carrying on an investigation which developed the facts which made possible the very sane, just, and equitable bill which is now before the Senate. I appointed the subcommittee to investigate the situation and to make possible the consideration of the pending legislation, and I made the Senator from Maryland chairman of the subcommittee. He has rendered a wonderfully fine service in connection with this program.

The point which appeals to me as a Senator about this bill and the necessity for it, in addition to my central thought of providing for humane and fair treatment for people, is that I have noticed that if a Senator or a Member of the House of Representatives becomes sick and needs hospitalization he is very promptly taken to the naval hospital at Bethesda, Md., and there he enjoys the best hospitalization and the best treatment and the best doctors in all the United States. That is fine, of course. However, on the other hand, if a poor girl working in his office or a poor girl who is on his patronage list from some hamlet in the United States becomes sick, there is no first-class hospital in Washington to which she may go. She must be carried off to one of the second-rate hospitals, where she takes the risk of the rats and the roaches, and the other sources of infection, and the limited accommodations which exist in some of the District of Columbia hospitals. I say, frankly, that some of them are a disgrace to the city of Washington. I remember that a few weeks ago one of my secretaries became ill. I tried for 2 days to find a hospital for her in Washington, but I could not find one. Finally, I was forced to take her to a small hospital on the Baltimore Road, conducted by the Seventh-day Adventists.

Those who have made a study of the hospital situation in the District of Columbia report that today the District of Columbia is short of hospital beds, and has been for many months, to the number of nearly 3,000, and the people simply cannot get accommodations in the hospitals here. A great many persons who have the money go to Baltimore; others go to New York; some go to the Mayo Clinic in Minnesota. But the hundreds of thousands of people whom we as Senators and Members of the House of Representatives have brought to Washington to work for us, together with all the employees of the departments and other Government agencies in Washington who are not citizens of the District of Columbia, are at the mercy of the world, without any adequate hospitalization. I think a Senator should be ashamed of himself if he would hesitate to fight for a proposition by which it is proposed to give employees of his office what he himself can get. Let us treat them fairly.

I like the expression the Senator from Maryland used when he referred to Washington as the people's capital. The founding fathers intended this to be a great Federal city which would belong to all the people of the Nation and all the States of the Nation.

Today there are in Washington over 100,000 people who have been brought here as a result of the war situation. They are working here. The people of Washington who are taxpayers in Washington and who regularly live here are under no obligation to look after the hundreds of thousands of people whom we have brought here to work for the Federal Government and to help carry on the activities of the Government. That responsibility is ours; it is a responsibility of all the people of all the States of the Nation. We should not hesitate to vote for an appropriation to be used to build a hospital in Washington—a decent hospital, a hospital which will be up to the last minute in matters of medicine, training, treatment, doctors, and so forth. I would vote for it as quickly as I would vote for one in my home town, because many of my home people are in Washington and they are dependent upon the facilities existing in Washington, and they are looking forward to having this provision made for them—as much so as if they were now dwelling in their home State.

I repeat that I cannot understand how any Senator or any Member of the House of Representatives could hesitate to support this measure, in view of the fact that the hospitals agree to pay for one-third.

My friend the Senator from Louisiana said that, although it is to be one-third, the Federal Government will have to loan the money. Well, Mr. President, the Federal Government has been in the loaning business for some time. The Senator from Louisiana very frankly admitted that the great city of New Orleans in his State, which is more or less of a home city of mine, because at one time I lived only 85 miles from it, has already received $7,500,000 for its great Charity Hospital for the benefit of the poor in that great section of the South. Washington may be at fault in that it did not get on the bandwagon back in the old W. P. A. days and get $7,500,000 with which to build a great medical center here. However, perhaps it is to the credit of Washington that she did not rush in and secure some of that money when the getting was so good.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr BILBO I yield.

Mr. ELLENDER. So much has been said about the Federal money that has been spent to build the Charity Hospital in New Orleans that I think I might bring out some distinctions between what is proposed in this bill and what we did in Louisiana. In the State of Louisiana it was the State itself that made application for the money from the Federal Government. The Charity Hospital, which is benefited from that fund, is a State-owned hospital, and nothing is paid by any patient who is treated there.

But under the present bill we create a private corporation which will be the owner of the hospital center, where all the buildings and everything else will be built as a result of the expenditure of money obtained from the taxpayers all over the country. I am sure there is no intention on the part of the corporation to use the hospital center to give hospitalization to any of the citizens from Mississippi or Louisiana unless they pay for it. There is one of the distinctions between the hospital which was built in Louisiana—owned by the State, operated by the State, without any cost to any of its citizens except through taxation—and the hospital which is proposed to be built with funds from the Federal Treasury, to be owned by a private corporation, and to be operated by that corporation. The private corporation will have carte blanche to manage and operate the publicly built center and to charge all patients for services.

Mr. BILBO. The hospital, which under this bill we propose to have built, will belong in part to the State of Louisiana, and it has been understood all along that a certain percentage of the beds and wards of the hospital center will be set aside and dedicated to charity cases.

Mr. TYDINGS. That is correct.

Mr. ELLENDER. The bill does not so provide.

Mr. BILBO. There has been no thought that the hospital center will be a money-making proposition. In fact, the bill provides that no profit shall be made, but it shall be in the interest of sick persons in the District of Columbia; and those who are not able to pay will be able to obtain hospitalization in a decent hospital. Merely because a person is an object of charity, is not able to pay and cannot ordinarily get into a hospital, is no reason why he should not be given the very best treatment possible.

Mr. ELLENDER. The Senator knows very well that in the entire country there are very few hospitals, even private ones, that pay. Few are operated on a profit basis. They will all be on the same basis as the center which is proposed to be built by the Federal Government for the benefit of this private corporation.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BILBO. I am glad to yield.

Mr. TYDINGS. Let me point out that the difference between the Louisiana hospital and the one contemplated in this bill is this: Not only must the Louisiana hospital be kept up by the taxpayers, but it must be supported by the taxpayers throughout all the years it may endure, whereas under this bill after the hospital is built it will not cost the Federal Government a single, solitary cent.

Mr. TAFT. Mr. President, will the Senator yield for a moment on that point?

Mr. TYDINGS. I ask the Senator to wait a minute until I finish.

Mr. President, the whole philosophy underlying the development of this bill was based on the desire to find a means of improving the hospital facilities of the District of Columbia so that, if possible, the Federal Government or the Government of the District of Columbia would not be committed to making annual appropriations for maintenance, because we already have some municipal hospitals in Washington, and, as a matter of fact, of all the things municipally regulated, the one thing which probably does not work very well is a hospital, because every one wants to go to a municipal hospital free. A private hospital can at least make those who are able pay in part or pay in full, so that those who are taken suddenly ill and who cannot pay may have as much care as possible.

Mr. TAFT. Mr. President, I wish to propound a question to the Senator from Maryland. What provision has been made for people of the District of Columbia who are today unable to pay for hospital services? In other words, what would the provision be after this bill is passed?

Mr. TYDINGS. It would be just the same as it is now.

Mr. TAFT. What is it now?

Mr. TYDINGS. What does the Senator wish to know? I do not understand his question.

Mr. TAFT. If a person is unable to pay how does he obtain free hospital service?

Mr. TYDINGS. The testimony which was given some time ago will show that the number of indigent patients who were in the hospitals of Washington were counted. The private hospitals follow this general procedure: They make a charge, and wherever possible they attempt to collect. There is established within the Community Fund in Washington a hospital loan division. If, for example, I am a poor man and my wife needs an operation, and I do not have the necessary funds to enable her to have it, I may go to the Community Fund organization and borrow a certain sum of money after I have been investigated, pay my hospital bill, and then make monthly payments back to the Community Fund until the entire amount which I have borrowed has been repaid. The fund is a revolving one. When those agencies break down, and the private citizen has neither the ability to pay for his hospital services nor to obtain a loan, the hospitals, whenever they can do so, most generously, and at the expense of them-

selves, attempt to provide medical care and hospital quarters.

Mr. TAFT. In Cincinnati, and I believe in all other cities in Ohio, there are free public general hospitals which, perhaps, furnish more free service than is generally expected. But if this bill were to become law, and a sum of $6,000,000, or whatever the sum may be, were provided, I do not see any obligation which would be imposed upon any of these hospitals to furnish service free to any of the so-called indigent patients. If the bill is passed and the hospital is constructed the least we can expect is that the District of Columbia shall be given the right to assign indigent patients to the hospital. Should not that privilege be written into the bill?

Mr. TYDINGS. I can see the Senator's point of view, but I am sure that such a provision is absolutely unnecessary. These hospitals have broken themselves down in an attempt to deal with the sickness and other difficulties of people in the District, and their attempts have gone far beyond their capacities. The Providence Hospital, the Emergency Hospital, the Garfield Hospital, and all of the remaining hospitals of the District have been crowded to the limit. Their corridors have been filled. In rooms where there is supposed to be one patient, there have been placed two. Where there have been supposed to be two, there have been placed three or four. Patients have been crowded together. Where there were supposd to be isolation wards to be used for contagious diseased patients, it has been necessary to break the rule. Patients have been crowded up and down the corridors. There are not sufficient nurses and equipment. Plumbing has fallen into disrepair. For example, in one hospital in the food-mixing room for patients with contagious diseases, the toilets broke and flooded the whole kitchen. For a period of months the food for the sick people in that hospital was prepared in a disease-infested area and carried throughout the whole hospital. When we asked the witnesses why that had been permitted we were told that the whole plumbing system in the particular hospital was in such condition that it would all have to be torn out in order to guard against a repetition of the difficulty.

Mr. TAFT. Mr. President, will the Senator further yield to me?

Mr. BILBO. I yield.

Mr. TAFT. It is exceedingly unpleasant to oppose a project which everyone admits is a necessity, and yet the very fact that it is necessary is no reason why there should be an abandonment of principles which should prevail in connection with the spending of public money. In this instance it is proposed to make an outright gift of several million dollars of public money to a private organization. I do not think that is a sound principle. I do not object to loaning money to private corporations if it is to be paid back. If we make a grant of funds to every private or charitable hospital throughout the United States which needs money, I think we depart from good principles of government. We would give money to Catholic hospitals, to Protestant hospitals, and to private hospitals of other kinds, and when we got through we would not have any control whatever over the institutions. They could dissolve and disburse their assets, and I do not know where the money would go. It might go to some reversionary legatee who had supplied funds originally to the hospital. It seems to me to be wrong in principle to make outright Federal gifts of money to private institutions of any character. I do not think the bill is sound in that respect. If the bill were reframed, perhaps it might represent an arguable proposal.

I think it is important to develop the public hospital situation throughout the United States and not confine ourselves solely to private hospitals. But if we are to give funds in the manner suggested in this bill, we should have a promise of some kind that the hospital will take every indigent patient which the District of Columbia assigns to it. That is the situation with respect to the Concinnati General Hospital, and with respect to similar hospitals in most other cities. I do not know why we should make a gift and merely say, in effect, "We know you have acted nicely in the past and you will continue to do so in the future."

Mr. President, why do some hospitals fill up their halls with indigent patients? Because a private hospital, if it is to be run economically and pay its own expenses, cannot afford to make available to indigent patients a vast amount of space. They must have revenue in order to meet their expenses. If we are not to have a public general hospital in the city of Washington, we can at least, through this bill, have a definite agreement that those who receive Government funds shall furnish certain free service.

Mr. TYDINGS. Mr. President, the argument which the Senator from Ohio has made was also made by me to the men who came before our committee and asked us for aid. I took the same position which the Senator has taken and was confronted with an alternative. Should we appropriate for a municipal hospital with a board of directors selected by the President, and continue to make appropriations, which would mean that the hospital would become a free institution and a free medical center for the whole city of Washington? Why not? It would be a Government hospital, built for the people of Washington. But we would be committed to an annual cost in order to defray the hospital bills for District of Columbia citizens forever and ever. I do not think that is democracy. I think that is socialism. Therefore, we took the existing agencies—and the bill does not create a private board at all—and put a quasi-public control over them by having the Director of the Public Health Service appoint one director, the District of Columbia Commissioners appoint one director, and the president of the American Medical Association appoint one director.

Mr. BILBO. Mr. President, may I correct one statement of the Senator?

Mr. TYDINGS. Please allow me to finish. What the Senator from Ohio is contending is that we should appropriate a sum of money to construct a municipal hospital in Washington, and then maintain it in good repair, and pay its bills forever and ever.

Mr. TAFT. I think that would be better than to make an outright gift for all time to various private institutions. I may say further that the board to which the Senator has referred, of course, would not be a public board. Seven members of the board would be private citizens. Furthermore, under section 5 of the bill, if I read it correctly, it does not stop at the construction of a medical center. The language provides that additional funds may be advanced to an individual hospital "for the replacement, enlargement, renovation, or modernization of any part of such hospital's buildings," and so forth. We would make a gift not only to this corporation, which the Senator says is semipublic in nature—I do not think it is—but we would make a gift to all these private concerns which are constituent members, and which would retain title to their property for all time to come.

Mr. TYDINGS. Allow me to say to the Senator from Ohio that I knew this debate would take place pretty much as it has taken place. In order fully to understand this hospital situation, one must live with it for a long while. It is not possible to take a bill as short as this is, consider only the testimony which was given, and absorb the difficulties which are present in the situation. It is not easy to take the situation as it exists and to find a solution for it, but I will say with measured words that I defy any committee of the Senate to evolve a plan which will cost less money, do better work, cost not a single dollar or penny for maintenance after it is constructed, and, at the same time, keep within our democratic approach to medicine, hospitals, and all the other ingredients of our philosophy.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TAFT. I wish to suggest to the Senator that there is no assurance in the bill that the Government will not have to provide upkeep.

Mr. TYDINGS. Oh, yes; there is.

Mr. TAFT. As a matter of fact, the District of Columbia government can be asked by these hospitals at any time they want to do so to pay for every indigent patient the District of Columbia sends to them, and so the Government would pay a charge for such patients. I do not see why not.

Mr. TYDINGS. That is rather far-fetched. Of course, I can ask them to pay for my hospital bill, but what provision is there in the bill from beginning to end that says by implication or by express statement that the Federal Government shall be responsible in any way for the maintenance of this hospital once it is constructed.

Mr. TAFT. But the District of Columbia——

Mr. TYDINGS. Let me proceed for a moment. The Senator complains that it is a private institution in one statement and argues that it is a public institution

in a subsequent statement, because he says the Dstrict will have to pay for its maintenance.

Mr. TAFT. Mr. President, if the Senator will yield, my point is that we cannot relieve the District of Columbia and the Federal Government of the duty to pay for the hospitalization of people who are unable to pay for it themselves. We have admitted for years that we have an obligation to provide free hospital service for people who have not the money to pay for it themselves. That is acknowledged, I think, in every State in the Union. It is not socialism to have a general public hospital. It has been an acknowledged practice of the Government for many years, and an acknowledged obligation of the people. My suggestion is that the District of Columbia has a duty to provide such hospital service for indigent patients, and if it has no place to provide it, and under this bill it wants a private hospital to provide it, the private institution can say, "You have to pay for the service thus received." In common practice many cities pay for their indigent patients. I am only suggesting that I think it can be provided that the hospital shall take indigent patients without being paid for it and that the cost to the city of maintaining the hospital can be considered as payment for such patients.

There is nothing in the bill that is going to relieve the District and the United States Government from future payment for indigent patients.

Mr. TYDINGS. Every one of the hospitals which are mentioned in the bill and some which are not been mentioned have been taking care of indigent patients without any payment whatsoever.

Mr. TAFT. But there is no obligation to continue that and if we are going to pay the expenses of the hospital 100 percent, it should not have the right to charge for indigent patients who may be sent to them. I do not think the bill has been thought out or is in accord with the general health policy of the United States.

Mr. TYDINGS. The Senator has only been thinking about this bill for a day whereas the committee has worked on it for a year and a half. I venture to say now that the Senator from Ohio would fight an appropriation for a municipal hospital in the District with annual appropriations to maintain it.

Mr. TAFT. No; I would not. I would say that the Federal Government should not be required to pay 100 percent of the cost of a District hospital any more than of a hospital in Ohio. It ought to be a matching proposition.

Mr. TYDINGS. It is a matching proposition.

Mr. TAFT. So far as a general hospital is concerned, on the whole I think it is probably better to have a city-owned general hospital than to build a brand new hospital center, costing seven or eight million dollars, and hand it over to three or four private corporations to operate. I think I should prefer a general hospital. I do not object to that; but I do want to suggest that the bill ought to contain, in the first place, an over-all limitation of appropriations, because this thing of renovating all the hospitals in the city of Washington can go on for years.

I think the bill ought also to contain specific language that there shall be no obligation on the part of the Government to provide care for indigent patients who are certified by the Commissioners of the District of Columbia.

Mr. TYDINGS. Let me state to the Senator that the complete testimony of every witness who appeared before our committee, insofar as I can recall, including some officials from Washington, was adverse to the building of a municipal hospital because they said, "Not only would we have to build it, but we would have to maintain it; the citizens would look to it as a place where they could go and obtain medical care free, and it would break down the whole hospital situation in the District." On the contrary, every competent witness we heard testified to the merit of voluntary nonprofit hospitals.

This is a matching bill. These hospitals would put up all their endowments and property, worth millions of dollars, and would pledge that property to the repayment of one-third of the grant. So they would put up, in fact, half of all they would get. First of all they would put their property in the pot as a part of the project, and secondly, they would pledge that property to a repayment to the Federal Government over a period of 50 years. If that is not matching, I should like to know what matching is.

Mr. TAFT. I do not think there is a private hospital in Cincinnati that, for its enlargement, extension, or improvement, would not take from the Federal Government a loan for 50 years at 2 percent and agree to pay 100 percent of it. I think it is perfectly feasible insofar as that is concerned.

I agree we are going to build something that will probably be very fancy, and probably should be as a model for the country, though I do not see that the Government should necessarily pay 100 percent. Certainly I can say that any private hospital I know of would be more than pleased to borrow Government money for improvements and extensions and promise to repay it, and pledge their endowment to repay it, at 2 percent over a period of 50 years. Incidentally, the development and operation of private hospitals has become much more profitable since there has been full employment at good wages. Many hospitals that have been running deficits for years are now making money from their operations. The question of maintaining hospitals is nothing like so difficult as it has been in recent years.

Mr. BILBO. Mr. President, I think the subject has been fully discussed and, unless some other Senator desires to make a speech on the issue, I suggest the absence of a quorum in order that we may have a vote.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ball	Brewster	Burton
Bankhead	Briggs	Bushfield
Bilbo	Brooks	Butler
Byrd	Kilgore	Radcliffe
Chavez	La Follette	Revercomb
Cordon	Langer	Robertson
Donnell	McFarland	Russell
Downey	McKellar	Saltonstall
Eastland	McMahon	Shipstead
Ellender	Magnuson	Smith
Ferguson	Maybank	Stewart
Hart	Millikin	Taft
Hawkes	Moore	Taylor
Hickenlooper	Morse	Tydings
Hill	Murdock	Walsh
Hoey	Myers	Wherry
Johnson, Colo.	O'Mahoney	Wilson
Johnston, S. C.	Overton	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Arkansas [Mr. FULBRIGHT], the Senator from New Mexico [Mr. HATCH], the Senator from Nevada [Mr. MCCARRAN], the Senator from North Carolina [Mr. BAILEY], and the Senator from Arkansas [Mr. MCCLELLAN] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent as a delegate to the International Conference at San Francisco.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GREEN], the Senator from Arizona [Mr. HAYDEN], the Senator from Illinois [Mr. LUCAS], the Senator from Washington [Mr. MITCHELL], the Senator from Texas [Mr. O'DANIEL], the Senator from Delaware [Mr. TUNNELL], the Senator from New York [Mr. WAGNER], the Senator from Pennsylvania [Mr. GUFFEY], and the Senator from Montana [Mr. WHEELER] are absent attending committee meetings and public business pertaining to their respective States.

Mr. WHERRY. The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Indiana [Mr. CAPEHART] are absent because of illness.

The Senator from South Dakota [Mr. GURNEY] is absent on official business.

The Senator from Vermont [Mr. AUSTIN], the Senator from Delaware [Mr. BUCK], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. CAPPER], the Senator from Kansas [Mr. REED], the Senator from New Hampshire [Mr. TOBEY], the Senator from Maine [Mr. WHITE], the Senator from Wisconsin [Mr. WILEY], and the Senator from Indiana [Mr. WILLIS] are detained in committee meetings and on official business.

The PRESIDENT pro tempore. Fifty-four Senators having answered to the roll call, a quorum is present.

The question is on agreeing to the motion heretofore entered by the Senator from Louisiana [Mr. ELLENDER] to reconsider the vote by which Senate bill 233, to provide for the establishment of a modern, adequate and efficient hospital in the District of Columbia, was passed.

Mr. LANGER. Mr. President, I ask for the yeas and nays on the motion to reconsider.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, I wish to say for the benefit of Senators who have just entered the Chamber that the motion is to reconsider the vote by which the District of Columbia Hospital Center bill was passed. I think the discussion showed at least the necessity for a number of amendments to the bill, which of course cannot be offered on a motion to reconsider. I believe very strongly that the vote should be reconsidered, and amendments then considered by the Senate.

Mr. BURTON. Mr. President, a parliamentary inquiry along the same line.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BURTON. As I understand, if the motion is agreed to, it will result in restoring the bill to the Senate calendar. Is that correct?

The PRESIDENT pro tempore. An affirmative vote will restore the bill to the calendar.

Mr. TYDINGS. Mr. President, just a word. I shall not take more than 2 minutes, but I should like to say that the bill came from the Committee on the District of Columbia by unanimous vote, after a very fully attended meeting, and after a year and one-half of hearings. The bill represents the best solution that can be reached of a very difficult situation. The need is urgent, and I sincerely hope that the motion to reconsider will not be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the motion heretofore entered by the junior Senator from Louisiana [Mr. ELLENDER] to reconsider the vote by which Senate bill 223 was passed. The yeas and nays have been ordered, and the clerk will call the roll.

The Legislative Clerk proceeded to call the roll.

Mr. WAGNER (when his name was called). I have a general pair with the Senator from Kansas [Mr. REED] which I transfer to the Senator from New Mexico [Mr. HATCH] and will vote. I vote "nay."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], the Senator from Rhode Island [Mr. GERRY], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senators from Arkansas [Mr. MCCLELLAN and Mr. FULBRIGHT], the Senator from Nevada [Mr. MCCARRAN], and the Senator from New Mexico [Mr. HATCH] are absent on official business.

The Senator from North Carolina [Mr. BAILEY] and the Senator from New Mexico [Mr. CHAVEZ] are detained in a committee meeting.

I further announce that the Senator from Texas [Mr. CONNALLY] has a general pair with the Senator from Michigan [Mr. VANDENBERG].

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WHERRY. The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART] and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The Senator from South Dakota [Mr. GURNEY], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Indiana [Mr. WILLIS] are absent on official business.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco. He has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Kansas [Mr. REED] is detained in a committee meeting. He has a general pair with the Senator from New York [Mr. WAGNER].

The Senator from New Hampshire [Mr. BRIDGES] is detained in a committee meeting. He has a general pair with the Senator from Utah [Mr. THOMAS].

The result was announced—yeas 26, nays 43, as follows:

YEAS—26

Ball	Eastland	Revercomb
Brewster	Ellender	Robertson
Brooks	Ferguson	Russell
Buck	Hickenlooper	Taft
Burton	Langer	Tunnell
Bushfield	Millikin	Wherry
Butler	Moore	White
Byrd	Morse	Wilson
Cordon	O'Daniel	

NAYS—43

Austin	Hoey	Overton
Bankhead	Johnson, Colo.	Radcliffe
Barkley	Johnston, S. C.	Saltonstall
Bilbo	Kilgore	Shipstead
Briggs	La Follette	Smith
Capper	Lucas	Stewart
Donnell	McFarland	Taylor
Downey	McKellar	Tydings
George	McMahon	Wagner
Green	Magnuson	Walsh
Guffey	Maybank	Wheeler
Hart	Mitchell	Wiley
Hawkes	Murdock	Young
Hayden	Myers	
Hill	O'Mahoney	

NOT VOTING—27

Aiken	Gerry	Pepper
Andrews	Glass	Reed
Bailey	Gurney	Scrugham
Bridges	Hatch	Thomas, Idaho
Capehart	Johnson, Calif.	Thomas, Okla.
Chandler	McCarran	Thomas, Utah
Chavez	McClellan	Tobey
Connally	Mead	Vandenberg
Fulbright	Murray	Willis

So Mr. ELLENDER's motion to reconsider was rejected.

The PRESIDENT pro tempore. The motion to reconsider not having been agreed to, and the bill will be transmitted to the House of Representatives.

EMERGENCY FLOOD RELIEF

Mr. OVERTON. Mr. President, I renew my motion that the Senate proceed to the consideration of calendar No. 243, Senate bill 938, to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

The PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 938) to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Louisiana [Mr. OVERTON].

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. OVERTON. Mr. President, the Nation has again been visited by a flood. Annually, each spring, floods, more or less disastrous, occur in different sections of the Nation. The floods during this year have been rather widespread, occurring in various localities in the United States. These floods will continue to be of annual occurrence in some of the valleys of the Nation until an opportunity has been presented for the Congress to make adequate appropriations in order that there may be constructed a comprehensive flood-control plan to safeguard the valleys against disastrous high waters. That will require some years.

The bill of which I am the author, and which is now before the Senate, follows the beaten path of similar legislation in 1944 and 1943—notably the bills introduced by the Senator from Illinois [Mr. LUCAS] and former Senator Clark of Missouri.

The floods which occurred, and the total damage which ensued during this year, are as follows:

In the upper Mississippi, a total damage of $1,163,500; in the lower Mississippi, including some minor tributaries, $800,000; on the Ohio, $34,300,000; on the Missouri, $16,000,000; on the St. Francis in Arkansas, $1,250,000; on the Arkansas River, $18,266,000; on the White River, $5,710,000; on the Red River in Louisiana, Oklahoma, Texas, and Arkansas, $12,600,000; on the Yazoo, $1,300,000; on the Atchafalaya, $500,000; on the Trinity, $2,600,000; on other Gulf streams, $5,316,000; and on the Sacramento and San Joaquin Rivers in the State of California, $4,000,000; or a total of $103,799,500.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. LANGER. Which bill is the Senator now discussing? Is he discussing Senate bill 938, or some other bill?

Mr. OVERTON. I am discussing Senate bill 938.

Mr. LANGER. Where does the Senator get the figure of $103,799,500?

Mr. OVERTON. I get it from the hearings. Of course, this bill does not undertake to pay for all the damages which occurred. I am merely bringing this out in order to show the nature of the disaster, and how widespread it was.

The purpose of the bill is simply to provide for emergency flood protection, that is, to authorize an appropriation of $12,000,000 in order to restore the levees and other flood-control works which have been damaged, or threatened with damage by these floods, and by any other floods which may occur during this spring. It is not the purpose of the bill to build any new flood-control projects. It is merely to restore flood-control projects which have been damaged to the condition in which they were before the floods occurred.

Mr. BUTLER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Louisiana yield to the Senator from Nebraska?

Mr. OVERTON. I yield.

Mr. BUTLER. I wish to ask the Senator from Louisiana a question. Where damage occurred in the flood about a year ago along the Missouri, and a cooperative district was damaged to a considerable extent, by borrowing heavily on their own personal notes the residents of that section have been able to some extent to repair the damage. They are really unable to bear the expense individually, or through the cooperative group in which they are organized. I ask the Senator if the money made available under this bill could be used to repay them for what they have done up to date to repair the damage?

Mr. OVERTON. The answer is "No"; but if they have not completed the work, the money authorized to be appropriated under the terms of this bill can be used in order to complete the work and restore the levees to the condition in which they were before any damage occurred.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. LANGER. I am curious about section 3. What farm machinery and equipment is covered by that section?

Mr. OVERTON. All farm machinery and equipment which has been damaged or destroyed by any of the floods which have been mentioned.

Mr. LANGER. So if a farmer had a combine, and the canvases were destroyed by the flood last year, he could obtain new canvases?

Mr. OVERTON. Yes.

Mr. LANGER. And the War Production Board would be authorized to give him priority?

Mr. OVERTON. Yes.

Mr. LANGER. The question asked by the distinguished Senator from Nebraska is very important. In North Dakota the farmers are digging ditches and drains. They have not sufficient money to complete the work. Am I to understand that under the terms of this bill they might be able to obtain sufficient money to complete the drainage ditches so as to get rid of the water which is there now?

Mr. OVERTON. No; they could not. No such legislation has ever been enacted by the Congress, because the Federal Government does not, except through irrigation and drainage districts, undertake to make any provision for drainage. It makes no appropriation for drainage on lateral ditches.

Mr. LANGER. There is a provision under the Agricultural Adjustment Act by which a contribution is made to the support of drainage ditches under Federal laws.

Mr. OVERTON. That may be; and some relief might be obtained under some other legislation; but so far as flood control legislation is concerned, all that such legislation has ever undertaken to do is to protect adjacent lands from inundation.

Mr. BRIGGS. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BRIGGS. Did I correctly understand the Senator to say that this bill does not include the construction of any new work?

Mr. OVERTON. That is correct.

Mr. BRIGGS. Even though such works might have been previously provided for in a bill, this bill does not give the "go" sign to such projects?

Mr. OVERTON. That is correct.

Mr. LANGER. Mr. President, will the Senator further yield?

Mr. OVERTON. I yield.

Mr. LANGER. I call the Senator's attention to the language on page 2, line 21. Should it not read "floods in 1944 and 1945"?

Mr. OVERTON. No. We dealt with 1944 floods last year, and an appropriation of $12,000,000 was authorized and made to take care of the 1944 flood damage. This is for 1945 flood damage.

Mr. LANGER. Suppose a thrashing machine or a combine was damaged late in the fall of 1944, and the farmer suddenly finds that he cannot use it. He could not get at it last fall.

Mr. OVERTON. He had a legislative priority during all this year.

Mr. LANGER. Would the Senator have any objection, in line 21, to including the floods of 1944?

Mr. OVERTON. I have no objection.

Mr. LANGER. It would make a tremendous difference.

Mr. OVERTON. If the damage occurred in 1944, the farmer already has legislative priority.

Mr. LANGER. Then the Senator has no objection to including 1944 floods?

Mr. OVERTON. I have no objection.

Mr. LANGER. I suggest that after the word "in"——

Mr. OVERTON. Let me finish the explanation, and then the Senator can offer his amendment. I think we had better wait until I complete the explanation before amendments are offered.

The next feature of the bill is the one to which the Senator from North Dakota has made reference. It grants legislative priority to all farmers whose machinery and farm equipment have been damaged by the 1945 floods, in order that they may have the opportunity to replace and repair their farm machinery. This direction is given to the War Production Board and to every other governmental agency which may have any jurisdiction over allocations and priorities relating to such machinery.

Section 4 of the bill would make available the balance of the appropriation of $15,000,000 provided in the Second Deficiency Appropriation Act, 1943, for 1943 flood restoration loans. That balance would be made available to make loans and grants to farmers whose property has been destroyed or damaged by flood or windstorms, but not to exceed $1,000,000 in the case of damage from windstorms, in 1945 and to service loans made under such appropriation in connection with the 1943 and 1944 floods, but not to exceed $3,000,000 shall be used for grants.

I understand that approximately $12,000,000 remains of the $15,00,000 which was appropriated to enable the Department of Agriculture to make these loans and grants under the 1943 act. Therefore, that $12,000,000 will be available.

When the Chief of Engineers was on the stand he stated that he thought $12,000,000 would be a sufficient amount for the purposes of this bill, insofar as flood control is concerned; that is, it would be sufficient to restore a limited number of levees in which there had been crevasses to their original condition and to repair any damage which might occur to revetments or reservoirs or any other flood-control works. In view of the large extent of the floods, I personally thought that was a rather modest estimate, but he said it would be sufficient. They have already proceeded to work with the $4,000,000 balance which they have on hand, and they have undertaken to repair the flood-control works so that there will not be a second visitation by flood or rising waters during this year.

I also understand that the War Production Board is already granting necessary priorities to the farmers who have been affected by the flood, to enable them to obtain machinery and equipment. For the information of the Senator from North Dakota and other Senators, I shall say that they are operating largely through the Red Cross. The Red Cross aids the farmers in making such applications. I suggested to the people of my own State that local public bodies obtain from the State representative of the War Production Board the necessary forms to enable the farmers to make application for such priorities.

As I stated at the outset, this proposed legislation is exactly in line with legislation which has heretofore been enacted in 1943 and 1944. It is unanimously reported by the Senate Committee on Commerce. I think I have made a rather full explanation of it to the Senate. The bill is very short, and I hope it will pass without a dissenting vote.

Mr. LANGER. Mr. President, I offer the following amendment. On page 2, in line 21, insert "1944 and."

Mr. OVERTON. Would those words be inserted after the word "in", in line 21?

Mr. LANGER. Yes; I propose that they be inserted after the word "in."

Mr. OVERTON. I have no objection to the amendment.

Mr. LANGER. And in line 23, on the same page, after the word "floods", I would add the words "or windstorms or fire."

I notice that on page 3, grants and loans for damage from windstorms are included up to the amount of $1,000,000, but they are not included on page 2.

Mr. OVERTON. I would be perfectly willing to have loans or grants for dam-

age by windstorms or fire covered in some other bill.

Mr. LANGER. I mean fire due to lightning. In the Northwest storms are often accompanied by lightning which hits a machine shed and sets fire to it, with the result that the machinery in it is burned. I think such a case should be covered, just the same as damage done by flood.

Mr. OVERTON. That may be; but that is foreign to a bill which is for the purpose of protecting against flood disaster.

Mr. LANGER. But in the Northwest lightning generally accompanies windstorms. If lightning accompanies a windstorm, I cannot see why the Senator would object to having damage caused by lightning covered by the bill, because all the machinery a farmer might have might be in a small shed. If lightning struck it during a windstorm, the shed would be burned down, and the man would desperately need the machinery.

Mr. President, on page 2, in line 23, after the word "floods", I propose to have inserted the words "or windstorms, or fire."

The PRESIDING OFFICER. The Chair will state that one amendment is already pending, and it should be disposed of before any further amendments are considered.

Mr. WHITE. What is the amendment, Mr. President?

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, in line 21, after the word "in", it is proposed to insert "1944 and."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment, offered by the Senator from North Dakota, will be stated.

The LEGISLATIVE CLERK. On page 2, in line 23, after the word "'floods" and the comma, it is proposed to insert "or windstorms, or fire."

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from North Dakota in line 23, page 2.

Mr. OVERTON. Mr. President, I must object to the amendment in its present form. If the Senator will add the words "caused by lightning" after the word "fire", then I shall have no objection.

Mr. LANGER. That is entirely agreeable. I so modify my amendment.

The PRESIDING OFFICER. The modified amendment will be stated.

The LEGISLATIVE CLERK. On page 2, in line 23, after the word "floods" and the comma, it is proposed to insert "or windstorms, or fire caused by lightning."

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from North Dakota.

The amendment as modified was agreed to.

Mr. LANGER. Mr. President, on page 3, in line 7, after the word "in", I move to insert "1944 and."

Mr. OVERTON. Mr. President, there is no objection to the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from North Dakota on page 3, in line 7.

The amendment was agreed to.

Mr. LANGER. I thank the Senator from Louisiana very much.

The PRESIDENT pro tempore. The bill is still open to amendment. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 938) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the sum of $12,000,000 is hereby authorized to be appropriated as an emergency fund to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers for the repair, restoration, and strengthening of levees and other flood-control works which have been threatened or destroyed by the recent floods, or which may be threatened or destroyed by later floods, and for completion of work begun under the acts entitled "An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes," approved respectively July 12, 1943, and May 29, 1944: *Provided*, That pending the appropriation of said sum the Secretary of War may allot from existing flood-control appropriations such sums as may be necessary for the immediate prosecution of the work herein authorized, such appropriations to be reimbursed from the appropriation herein authorized when made.

SEC. 2. The provisions of section 1 shall be deemed to be additional and supplemental to, and not in lieu of, existing general legislation authorizing allocation of flood-control funds for restoration of flood-control works threatened or destroyed by flood.

SEC. 3. The War Production Board, and every other governmental agency which has jurisdiction over allocations and priorities relating to farm machinery and equipment, are authorized and directed immediately to take such steps as may be necessary to provide for the necessary allocations and priorities to enable farmers in the areas affected by floods in 1944 and 1945 to replace and repair their farm machinery and equipment which was destroyed or damaged by such floods, or windstorms, or fire caused by lightning, and to continue farming operations.

SEC. 4. The balance of the appropriation of $15,000,000 made in the Second Deficiency Appropriation Act, 1943, for 1943 flood restoration loans, is hereby also made available until June 30, 1946, to enable the Secretary of Agriculture, in such manner and upon such terms and conditions as he may prescribe, to make loans and grants to farmers whose property is destroyed or damaged by floods and windstorms (not to exceed $1,000,000 in the case of windstorms) in 1944 and 1945 and to service loans made under such appropriation in connection with the 1943 and 1944 floods: *Provided*, That not to exceed $3,000,000 of such amounts shall be used for grants.

POSTWAR PRICE STABILIZATION

Mr. TAFT. Mr. President, no doubt many of the Senators have read the comprehensive report of Fred M. Vinson on phase 2 of the war. It is a very informative report, and it gives promise that the administration will approach the whole problem of reconversion with foresight and careful analysis.

Of course, the policies proposed by Mr. Vinson for phase 2 of the war enter upon debatable ground. The senior Senator from Georgia [Mr. GEORGE] has expressed his opposition to the policy suggested by Mr. Vinson for the handling of taxes. I desire to express my serious doubt as to the wisdom of another policy, namely, that of wage and price stabilization proposed for phase 2. Mr. Vinson has said:

> Both prices and wages must be stabilized as long as this danger exists. Stabilization does not mean that wages will be frozen. Unfair wage rates will be adjusted, substandard wages will be raised.

It is significant, Mr. President, that nothing is said about raising unfair prices or modifying in any way the present policy of freezing prices.

In the Washington Post Mr. Vinson is reported as saying:

> Reconversion prices for durable goods (automobiles, refrigerators) which have not been produced during the war, will be based on pre-war prices, but industry will be given consideration in cases where profits would be precluded. I see no reason why new productive efficiency shouldn't permit consumer prices to remain steady despite higher cost of raw materials and labor.

A number of my constitutents are returning to the manufacture of goods prohibited during the war, and in every case they have been told that they must sell at the prewar price, in spite of increased costs, unless they can show that they will have to do business at a loss. In that case they will be permitted to charge more than other companies, if they can get it, to the extent necessary to break even.

Mr. President, Mr. Vinson's suggestion that new productive efficiency will enable every manufacturer in the United States to absorb an increase of 30 percent in costs is simply not in accordance with the facts.

In my opinion, this policy proposed by Mr. Vinson will be destructive to reconversion and to employment. Costs have risen at least 30 percent, and it is idiotic to suppose that men will rush into production in large business or in small business or expand their prewar activities if the Government is going to undertake to control profits. Since this whole question has been raised by Mr. Vinson, I believe that the Banking and Currency Committee of the Senate should reopen its hearings on the bill to extend price control and should write down in the statute the proper policy for phase 2 of the war.

In my opinion, the price-control policy now in effect is far too strict, even for wartime. It is rapidly turning into a profit-control policy instead of a price-control policy. What has happened is clear. In the last 2 years retail prices have only increased 2 percent on the index, whereas wages have increased not less than 10 percent by the lowest method of calculation. Distributors and processors have been required to absorb the increased costs, with the result that many companies are now doing business at a loss. Companies in war work and large concerns with many products are still making large profits, to which the O. P. A. point as justification for their policy. But this is little consolation to the many small businesses which are being driven to the wall. The O. P. A. has been determined fanatically to hold

retail prices at a fixed level, and they have been wholly unconcerned about the injustice to individual business or the effect on production of goods. Since they have adopted an over-all profit standard, they have required many items to be sold at a loss. The smaller concerns handling only these items are forced to suffer a loss on their over-all business. This has happened in the meat-packing industry; it has happened in the textile industry; and it is happening in the case of the small steel companies.

While I feel that a more elastic policy should be pursued, even in wartime, I was willing to join in extending the act without insisting on a change. But now that the postwar policy is being determined, I am strongly opposed to permitting the continuation of a system which will throttle American industry and produce widespread unemployment.

I shall, therefore, send to the desk and ask to have printed and referred to the Banking and Currency Committee an amendment to Senate joint resolution 30. This amendment proposes that after December 31, 1945, a substantial liberalization of the price policy be adopted. My suggestion is that the same margin over cost be allowed after January 1, 1946, as was enjoyed by the industry or distributor on the average in the years 1938, 1939, and 1940. I suggest further that the Stabilization Act of October 1942 be entirely repealed as to wages and salaries as of January 1, 1946. I propose further that no maximum rates shall be fixed on houses construction of which is begun after July 1, 1945. I also suggest that the Administrator be directed after January 1, 1946, to exempt from price regulation all luxury and other commodities the price of which does not substantially affect the cost of living.

I have made these changes effective as of the end of 1945, leaving present controls in effect until that date. During the rest of this year there must be an all-out war effort and changes in conditions will be slow. But at some point the problems of reconversion will come to exceed in importance, here at home, the problems of war production. If we hope to deal with those problems and give men employment, a new price and wage policy must be adopted. I believe that by that time there will be no tremendous shortage of labor and that the fixing of wages can properly be left to collective bargaining. Price controls must perhaps be retained for 2 years, but their purpose should not be arbitrary stabilization, but the prevention only of unfair price inflation.

Mr. President, I ask that the amendment which I send to the desk be printed, and referred to the Committee on Banking and Currency.

The PRESIDING OFFICER. Without objection, the amendment will be received, and referred to the Committee on Banking and Currency.

PLANNING OF RURAL ELECTRIFICATION PROJECTS

Mr. BUTLER obtained the floor.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. LUCAS. I move that the Senate proceed to consider Senate bill 89.

Mr. BUTLER. How much time does the Senator expect to take?

Mr. LUCAS. Consideration of the bill will take some time, but I wish to have something before the Senate.

Mr. BUTLER. Does the Senator desire that the bill become the unfinished business of the Senate?

Mr. LUCAS. The Senator from Illinois merely desires to get something before the Senate. For that reason I have made my motion.

The PRESIDENT pro tempore. The bill will be stated by its title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 89) to provide for the planning of rural electrification projects, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported by the Committee on Agriculture and Forestry, with amendments.

OUR FUTURE IN THE PACIFIC

Mr. BUTLER. Mr. President, not the least of the matters under discussion at the United Nations Conference in San Francisco is the role that our Nation shall play in the far reaches of the Pacific after that day when Japan shall have been decisively defeated.

Every Senator is familiar with the fact that day by day, news stories relating to America's demands for future possession of, or control over, many islands of the Pacific have appeared in the daily newspapers here and throughout the Nation. A few Senators and a number of our colleagues in the other House have spoken on the subject, and while there is not perfect agreement among them, the gist of everything coming from Members of the Congress on the subject is that our Nation must move decisively in relation to this subject.

Resolutions have been introduced in both the Senate and the House calling on the President and the Secretary of State to make the strongest representations for our country at the San Francisco Conference in regard to these vital bases in the Pacific.

The distinguished junior Senator from Connecticut [Mr. HART], who until recently was a high-ranking officer of our Navy, a few days ago expressed well in one paragraph the subject I should like to discuss today. He said:

> The march of history, our record and standing before the world in treatment of the people of the Philippines and Guam, and our prospective responsibilities for security of the Pacific, all point to the United States as the Nation to take over those islands from which our forces will have evicted the Japanese.

The distinguished senior Senator from Tennessee [Mr. MCKELLAR] only the other day made a statement regarding these potential bases with which I heartily concur. He declared that a trusteeship was not enough, that our Nation must have actual control over these important islands for future bases.

I want to reiterate what my distinguished colleagues have said regarding the necessity for American control of the bases which our military men say we must have in the Pacific in the future. And I, too, call on President Harry S. Truman, Secretary of State Edward R. Stettinius, Jr., and our delegation at San Francisco to insist at the current security conference that these islands be recognized as American possessions. As someone has said, it is superfluous to ask the servicemen who are capturing these islands what should be done with them. They have made it clear that our Nation should keep the islands, if for no other reason that to be sure that the blood of our finest men shall never again be spilled in recapturing these same islands to make secure our liberties in some possible future war.

Mr. President, for our world position of the future, our most immediate concern must be with the control of suitable bases both in the Atlantic Ocean and the Pacific Ocean, but because our position is more secure in the Atlantic, and because our people are more or less familiar with our situation and our needs there, I desire today to discuss only the Pacific area.

We as a Nation have suffered much because we had insufficient bases in the Pacific. Obviously, it has cost us much. We have now been fighting for more than 3 years and have not yet reached the mainland of Japan. Had we possessed adequate bases, we would have been able to attack the Japanese on their own mainland long ago—just as we were able to attack Germany using the land of one of our allies as a base.

Indeed, had we been adequately prepared and alert to the troubles of the Far East, the war with Japan might never have taken place. Perhaps, if other generations had known what we know now, the Japs would have thought twice before attacking us. But, of course, hindsight is better than foresight in this case as in many others, and the sad fact is that we were woefully not ready to make a war against Japan.

When victory over Japan comes bases are to be reapportioned, as it were. We want every island that is essential for our defense. We want a complete circle of bases, both in the Atlantic and the Pacific. These will constitute, insofar as we can make them, an impenetrable barrier against any future aggressor who may dare to make war upon us.

We must prepare a defense in depth on these islands and we must so arrange our defense that no possible enemy can break through them easily.

Every American has followed with moving anxiety the long road from Pearl Harbor to Okinawa, from Darwin in Australia to Manila in the Philippines. On that painful, though glorious, trail the blood of 200,000 of our finest youth has been shed and $100,000,000,000 of our treasure has been spent. That is what it has cost us until today, but we still have yet to come to grips with the enemy on his own home islands.

The lessons of this war should have taught our people well—and I think that the lesson has been learned—that bases are indispensable in waging modern war. We now know only too well how the

Japanese profited by the possession of all those islands which slipped into their hands through our unwitting folly and lassitude.

Americans are now learning—the hard way—that the nation with bases is in a powerful position to control the tradeways, the lines of communications, the water routes, and the air routes which course through or about the bases. We have seen that bases can be the outlying ring of bastions which prevent or make costly the approach of the enemy to the homeland. We have seen how our own position was aided vastly where we possessed bases, even when those bases were virtually commanded by the guns of the enemy. Our control of the Philippines delayed for critical months the march of the Japanese toward Australia and even toward our own homeland. When the Japs attacked General MacArthur at Manila he retreated first to Bataan and then to Corregidor, buying valuable time for us while causing the enemy to expend men and materials needed for battle elsewhere on their march of conquest.

Bases are important now, Mr. President, but in the decades to come they will be far more important than they are today. We now live in an air age. Distance, in a few short years, will undergo a marked transformation. Even the Arctic Circle is no barrier. By air Montreal is 300 miles nearer to Liverpool than is New York. The airplane saves 4,000 miles between Chungking and Washington. Distance, therefore, is a factor which is partly absorbed in the air battle of the future. The enemy may always be near.

Our air lines which would encircle the globe will need a strip of land—an atoll, an island, or a coral reef—where they can seek refuge from the storms, repair a broken part, or replenish their depleted fuel. We need such ports of call everywhere. More especially do we need them for possible aerial struggles of tomorrow. What we have seen in this war of the work of the deadly bomber remains a mild display of military mischief compared with the devastating ruin which may be heaped upon populations in the new air age. There will be gigantic bombers that can aim their demolition charges with deadly accuracy to wipe out all the means of a nation's life—its factories, its water systems, its powerhouses, its railroads, and its communications. A day may come when the sky will be black with squadrons of future battle planes.

Even more terrifying than the battleships of the air may be developments in aerial warfare as characterized by robots and rockets. Robot planes will be so maneuvered by remote control that they will be able to strike their target with remarkable precision. Rockets will be so perfected that their power for destruction will be devastating. Nations will use these bases for giant robot and rocket launching installations to carry the demolition charges against the nation they wish to destroy. For we must remember that on these bases will be constructed vast warehouses for supplies, great machine shops for repairs, and extensive military installations of every kind. The nearer these bases are to the country which is to be attacked, the better it is for the attacking power. It is essential for us to establish some kind of real control over every piece of island territory near our shores.

We usually think of what can be done to our seaboard cities when an enemy possesses the bases about us. But now cities do not have to be on the coast to be destroyed. The enemy can point his weapon just as well on the inland cities, to our crowded centers and industrial areas. The whole of this continental extent would then be a part of the line of battle. Every citizen becomes a frontline soldier.

And how shall we organize a defense for such a murderous and predatory attack on industry and the civil population? Through organized air power. And for that air power, we need that cordon of fortified spots in the far ends of the Atlantic and of the Pacific, where planes can take off and land, seek refuge, refuel, and make repairs. That is why we should possess the bases. That is why now—in these days of decision over islands and bits of soil—we cannot allow them to fall into other hands. Not because we suspect any nation of being an enemy, but because we want to be sure that we can keep any eventual foe away from these shores, and preserve world peace. We too must build modern installations, warehouses, oil depots and machine shops for possible needs. As long as we hold such bases and keep our power in the air supreme, no enemy can easily make his way to our shores.

I have referred in a previous speech to the noted author on international affairs, William B. Ziff. Let me quote him again, in this reference from his book, "Gentlemen Talk of Peace." He has this to say on future battles of the skies:

> Every piece of ground from which a foreign airplane can take off, is a gun pointed directly at the vitals of nearby nations. Warfare of the future will be declared by the opening bomb bays of warplanes. The attacked nation will have no time to get itself ready. It will find its airports and rail centers smashed, its cities in ruins, and limitless tons of flaming steel pouring down on all strategic points from overhead.

This is a warning which should fire us to our sense of duty to retain either by conquest, by purchase, or by annexation all those islands, atolls and strips of land we have taken with so much strain and blood in the far reaches of the Pacific.

Mr. LANGER. Mr. President——

The PRESIDING OFFICER (Mr. DOWNEY in the chair). Does the Senator from Nebraska yield to the Senator from North Dakota?

Mr. BUTLER. I yield.

Mr. LANGER. Are we to understand that as to Puerto Rico, for instance, instead of giving them independence, the Senator would have us annex Puerto Rico, or that he would give Puerto Rico a chance to come into the Union as a State?

Mr. BUTLER. I may say to the Senator from North Dakota that that particular question is under consideration by a committee of which I am a member, and I am speaking today as a member of the Committee on Territories and Insular Affairs. I do not know what the committee will do, but it is my personal feeling that the people of Puerto Rico should be given an opportunity to exercise a good deal more freedom and control of their own affairs than they do today, with an ultimate view of their being put in the same position as that of the people of Cuba, and the position I hope the people of the Philippines will be in before long.

Mr. LANGER. In that connection, if the Senator will yield further, does he not think it would be no more than fair to give the people of Puerto Rico a vote to determine whether they desire their independence, or wish to have a chance to become a State of the United States?

Mr. BUTLER. I could agree with the Senator from North Dakota on their having a right to express themselves by vote on almost any question, with the exception of their votes being binding on us should they vote to become the forty-ninth State of the Union, because I doubt very much if we would be willing to annex States to the Union which are not contiguous to the forty-eight States which now make up the Union.

Mr. LANGER. Of course, they could not annex themselves, unless the Congress first passed an enabling act. As the Senator knows, I personally am very much in favor of having Alaska, Hawaii, and Puerto Rico become States of the United States of America. I believe that Alaska, for example, would be much further advanced if she had two Senators on this floor, and had a Member in the House of Representatives who could speak in her behalf. In view of what the Senator just said, I did not know what his personal feeling was. I thank the Senator.

Mr. BUTLER. I thank the Senator from North Dakota.

Mr. President, the number of the islands in the Pacific, which has fallen within our zone of effective occupation, staggers the imagination. There are literally thousands of them in that vast ocean, which is five times as large as any other body of water. They range in size from the tiny atoll, hardly showing above the water, to vast island areas comparable in size to some of our larger States. By alliance they involve the huge subcontinent we know as Australia. Many of these islands contain unexplored wealth underground, as well as the undeveloped fertile areas of the surface soil.

Their potentialities as fueling stations, airports, recreational spots, and military bases run into the realm of a yet incalculable value. If all the lands in all the islands of the Pacific were pieced together—excluding Australia, which is itself as large in area as our country—the area would be greater in extent than the continental United States. Inhabited by diverse races, with differing religions and varying degrees of civilization, these islands as a whole present us with a new frontier, a great challenge for the destiny of our people and of mankind.

Among the island groups of obvious importance in our present considerations are:

The Caroline group. Truk Islands, Dublon Islands. Here there are important naval and air bases.

Palau Islands. Peleliu, which was captured only last September, is the

most important strategically. Babelthuap, which was by-passed, possesses an airfield and an ore dock.

Yap, contested by the United States after the last World War, has air and naval installations and is a cable transfer point.

The Marshall group. In this group is the atoll of Jaluit, with its lagoon anchorage, shipping installations, and seaplane bases. Besides, there are Maloelap, Wotje, and Mili atolls with their air installations.

The Bonin group. This group consists of the strategically important island of Iwo Jima, which was recently taken by the marines. It possesses very substantial air and naval installations which will be of great postwar value.

The Ryukyu group. Here is located the island of Okinawa, where fighting is still going on. This island is the nearest to the Japanese mainland we have as yet attacked. Its size and proximity to the home islands of Japan make it of supreme strategic importance. It has both air and harbor installations of highly valued capacity.

The Kurile group. This chain of islands lies north of Japan, and they are the closest to Russia of any of the islands in the waters around the Japanese mainland. They are at present the nearest Japanese islands to our bases in the Aleutians.

There are still others equally as important in any military design in the South Pacific.

We certainly and without any equivocation should declare ourselves the possessors of all islands previously held by the Japanese and now in our hands. We have a pledge to fulfill to those who have suffered and died in the bloody struggle to gain these valuable bits of soil. Shall we forget that 2,000 marines suffered and bled for Kwajalein? Shall we forget Tarawa, where 3,000 marines fell either dead or wounded? On Peleliu in the Paulau Islands, 7,000 American youth offered their blood on this outpost from which we could step to still another place. And there was Saipan, where our losses reached 15,000. Still more, there was Iwo Jima, where 20,000 marines swelled the casualty lists in order to deliver that small but strategic spot into our hands.

All of these must be ours. Without any further negotiation except that of the recognition by the other powers, we should become the outright possessors of the Marshalls, the Carolines, the Palaus, the Marianas, and the Bonins. We owe it to our own destiny. We owe it to those who have secured them for us by the payment of their own life's blood.

Mr. President, we cannot let this occasion, this time, go by without establishing our position, so that in any crisis in the future in that vast stretch of the earth's surface, all the advantages will be on our side. We want to hold all the approaches to that great ocean, and be able to lock these portals from the outside to bar the entrance of any aggressor with designs upon our power and our wealth.

For the defense of our own homeland, besides the cordon of bases stretching from Alaska through the Aleutians, the Bonins, the Ryukyus, to the Philippines, our line of defense must include Celebes, the Noluccas, the Bismarck Archipelago, and the New Hebrides. It will not do for us to hold an island here and an atoll there. Unless all of these islands are in our hands, considering the technique of the war of the future, our position can be regarded as in no uncertain jeopardy.

Today it is true that we have friends all about us in these regions. But we do not know what the situation is going to be a generation from now, a half century from now, or a century from now. We have the duty—now that the opportunity is in our hands—to safeguard the defense of this country for the long centuries in the future. We shall be lacking in our responsibilities if we now allow this great occasion to slip from our grasp by our own laxity and unrealistic thinking.

We must count upon the rise of the millions of China and India. Their vast territories, rich in minerals and fertile for everything that grows, will some day be brought to flourishing capacity. They will be industrialized. Vast plants of modern construction will produce all the implements of peace and war—the symbols by which this age is indelibly distinguished. We have seen what has been done in the Soviet Union in only 20 years. The Soviet Union has risen from a primitive agricultural land to become a great industrial power, second only to the United States. It has been demonstrated again and again that men and women who were once peasants, or even enslaved bondsmen, could be taught to man the most modern machines of these times. What has been done in Russia can be done in China and in India, and in Burma, and in Java, and in Sumatra, and in Borneo.

We do not envisage conflict in any form with any of these great peoples. Our stake in the coming peace is as great as that of any country. We want to construct a substantial peace organization but we must look to protect our own interest, in whatever may be the structure of any postwar concert of nations. Our own future demands that we arrive at some formula which will insure us, if not outright possession, then trusteeship of all these islands so necessary to our protection and our future.

It would not be the first time in our history that we had come to some understanding over territory, which, though not originally ours, became ours either by purchase or by agreement. We have done it again and again whether for our own defense or in the interests of fulfilling our obvious destiny as a Nation. In fact, when we started out to buy the Louisiana Territory, it was for the purpose of our Southwestern defense. Thomas Jefferson entered into negotiations with Napoleon for Florida as a defense bulwark but took Louisiana instead. We bought Alaska for the same reason. It was only in 1917 that we bought the Virgin Islands from Denmark for $25,000,000 so as to bolster our defenses for the Panama Canal.

Many of these islands are rich in natural resources. We would seek to develop them for the benefit of their own peoples and the world. We would try to develop those peoples and not suppress them. Celebes and New Guinea and many of the others have rich deposits in nickel, mercury, silver, manganese, chrome ore, in oil, and in tin. They grow coffee, cocoa, rubber, tobacco, palm oil, coconuts, and sugar, though it is not for these that we desire to set up our military and naval installations. We have no predatory ambitions for a single island in the Pacific. Nevertheless their economic worth cannot be overlooked.

So far as Australia and New Zealand are concerned our interests coincide. But none of the European powers can possibly correlate any claim for these islands to their own security. They can be made to be for us an impenetrable barrier, guaranteeing the security of our continent.

For us, this must not be an imperialistic enterprise. I would not be a party to any predatory ambitions for the United States in any part of the world. We do not want to possess or acquire rights to these outposts because we wish to exploit them for our own material profit. We would not go there with whip or club but with our investments and know-how, and the good intention to lift the natives to higher standards of life in this rapidly developing age.

Our possession of the Philippines stands out as an example for all the great powers of the world. We went there unwelcomed by the natives. We passed through years of careful patient administration devoted to the best interests of the islands themselves as well as our own. Sometimes, it is true, we have had to be strict in maintaining order but when we were understood, the great mass of the Philippine population made common cause with us in their own development in our mutual security.

The islands have increased and prospered under our administration. We have transformed the hate of the natives to a respect unequaled in any comparable relationship of peoples anywhere else on the globe. They are not subjects as are colonial peoples held by other powers. We have raised them to the dignity of freemen and called on them to administer their own country and their own affairs as freemen ought to do.

Now this cultural, political and economic advance of the Philippine Islands is what would take place with any territory consigned to our charge. We bought the Philippines. By all the concepts of international law, we had complete title to them and annexed them. They were ours. And yet, there is nothing in colonial history which appears in such bold and kind relief as our unselfish stewardship of the interests of the native population.

Today, there is the talk of trusteeship for the bases we are discussing. What would you call our administration of the Philippines? Could any trusteeship have given more to the credit of the trustee than that of the Philippines to its American administration? We owned the Philippines, yet in reality, we administered them as if we were there in the capacity of trustee. Whatever dominion we are given to these islands as our out-

posts, we shall glorify our own traditions by an administration which will be a pattern for all other colonial, mandatory, or trustee countries to follow. That we have proved.

As momentous as this great struggle is, just as momentous are the decisions which we will be forced to consider and to take in the interests of our continued security. I am confident we shall not be found wanting in the supreme wisdom and logic which our position and mission in the world demands. Great men in the past secured the magnificient heritage of America for us. The conditions of this century require that we decide on a new expansion—an expansion into the Pacific and the Atlantic.

As the most powerful nation in the world, recognized everywhere as the very central bastion and light of the peace to come, we are entrusted by those who have sacrificed so much, with the inescapable responsibility of safeguarding the future peace by perfecting our strategic position. We must so order our future defenses that they fit in with the conditions of this age, and make certain that the United States will remain at least reasonably secure under those conditions which we can now envisage.

We have fought for this line of defense and spilled the blood of our best men to secure it. If we abandon it after victory, all history will condemn us as having been unequal to the glorious task of world leadership that is ours today.

VOLUNTARY RESETTLEMENT OF AMERICAN NEGROES IN AFRICA

Mr. BILBO. Mr. President, the longer I retain my seat in the Senate the less use and virtue do I see in so much talking unless the speaker has a specific and definite objective in mind. That takes care of the filibuster. At times I may speak longer than any other Member of this body, but I can boast of the fact that I do not speak often. It is not my purpose to detain the Senate very long at this time, but I want to be sincere and serious for a few moments while I direct the attention of my colleagues and the attention of the people of our country to a problem of Government that must sooner or later be met and solved, and solved aright and once for all.

I desire to discuss for just a few minutes at this time an impending crisis. I know that some will say that this is not the time, while we are waging the other half of our World War, to mention and discuss race relations in our country. However, I would feel justified in speaking at length on this issue because it is evident to every observant citizen of the Republic that that minority of our population known as the Negro race is very active and persistent in every way imaginable in taking advantage of the war situation to inject the question of race relations into our economic, political, and social life. Books and newspaper and magazine articles are now being written by the hundreds by Negroes and Quislings of the white race in an effort to sponsor and foster legislation to give to the Negro not so much his economic and political rights as social rights, leading inevitably to intermarriage and miscegenation of the white and black races.

For political reasons many people in public life are today quietly submitting and agreeing to the absurd and unreasonable demands of this minority. For fear that they will antagonize the Negro voters many men in public life are supinely submitting to courses of action that will inevitably lead to bloody conflicts between the races.

I am not speaking prompted by any hate or prejudice against the Negro race, but I am only sounding a note of warning against conditions and results that are bound to follow in the wake of such ill-advised promulgation of theories, ridiculous, senseless, and in violation of all ethnological facts and common horse sense.

I have recently read a great many books, as well as newspaper articles, the underlying theme and purpose of which is to put over the idea that the only difference betwixt a white man and a Negro is the color of his skin, and that any form of segregation is undemocratic discrimination. In fact, the dean of the anthropological department at Howard University is teaching young Negroes that the white race descended from the Negro race, and they believe it.

These intelligentsia Negroes and negrophile whites who are advancing such theories are only prying open Pandora's box. This country will soon be reaping a harvest of blood and tears from the planting of the seeds of racial social equality implanted in the American mind through the damnable teachings of Dr. Boaz, of Columbia University.

Today we find many men and women in high political life, as well as in our colleges and universities, who are guilty of promulgating the same doctrines that will bring about strife, riots, and bloodshed in the very near future, when this war is over. Many of these quislings of the white race are found not alone on the political hustings, but in the pulpits of our country. May the good Lord forgive them, because they do not know what they are doing.

When designing politicians of the pressure groups of minorities in our population beat their breasts and try to browbeat legislatures and the Congress into enacting the un-American and unconstitutional monstrosity known as the F. E. P. C., they are rendering a great disservice to the minorities they would have you believe they seek to serve, as well as a great disservice to our common country. If the F. E. P. C. bill, as drafted by Mrs. NORTON, of the House of Representatives, is passed, and an attempt is made to enforce it in the South, there will be a revolution.

Why have our boys to fight and die on all the battle fronts of the world for the preservation of the good old American way, and then let these political planners destroy the very essence of our Constitution, wreck our American free enterprise, and violate the unwritten laws of God and man?

It is really refreshing to find that a great many leaders of some of these minorities are beginning to see the light and understand the proper and only solution of the race question that is growing worse day by day in our common country. In this connection I wish to read the full correspondence which I have recently had with a strong Negro preacher of Savannah, Ga. This Negro's views and convictions give evidence of real statesmanship and leadership, and I invite Senators specially to read his letters and my replies.

This is the first letter which I received from this pastor:

THE SECOND BAPTIST CHURCH,
Savannah, Ga., May 1, 1945.

Senator BILBO,
United States Senate Building,
Washington, D. C.

MY DEAR SENATOR: Mr. Anderson, the publisher of the Macon (Ga.) Journal tells this story. He has the reputation of making small loans and often out-right gifts to worthy causes and one day he was surprised to look up from his desk into the face of a strange Negro, who asked Mr. Anderson to loan him $5, whereupon Mr. Anderson asked him why he came to him to borrow $5, to which the Negro replied, "Well, it is like dis, you were recommended to me by a friend of mine as a man who would let me have this money."

This is exactly the situation in my case * * * except for the money involved. I understand that a bill prepared by you is either in the records of Congress, or was at some time past, submitted. I do not have the information as to the title of the bill, but as I understand it, it was a bill designed to offer to Negroes the opportunity to return to Africa. Negroes will never be the people they should and hope to be until they shall rise by their own boot straps, and make for themselves a country worthy of world recognition. He will forever be a menace to society wherever he is until this is done.

This is a Negro speaking. He is a preacher, and an important one.

I am asking that you reintroduce your bill to Congress and so are millions of others, for I think that while Libya and other provinces formally belonging to Italy will soon after the fall of Germany, become an issue, it would be the logical thing for American Negroes and those from every part of the world to return there and if the great powers would assist in industrializing those parts of the world, the Negro could make a real contribution to civilization.

You will hear from others in this connection, and it is hoped that you give this your most serious consideration. This is the time for such measure to receive support even from those who opposed it when it was first offered. If I may be of service, I shall be only too glad to do so. Do me the favor of an early answer.

Very truly yours,

LEWIS L. SCOTT.

This church was established in 1802. On May 3 I replied as follows:

MAY 3, 1945.

Rev. LEWIS LEWELLYN SCOTT,
Pastor, Second Baptist Church,
Savannah, Ga.

DEAR BROTHER SCOTT: It was good of you to write me your letter of May 1—one good Baptist to another. Your observations about the proper thing to do in giving the Negro of America a real chance in life has the ring of real statesmanship on your part.

I have been trying to convince these Washington and northern Negroes that I am the best friend they have because I know their troubles. I know what is in store for them. I know they will continue to be discriminated against for centuries to come and I am trying to do something about it.

A physical separation of the races is the only solution to our impending race frictions and troubles and a physical separation is the

only means by which the integrity of both the white and black races can be made safe.

History has proven for 20,000 years that where the white man and the black man have tried to live side by side in the same country total mongrelization finally takes place and that is something that no white man worthy of the name nor any self-respecting Negro wants to see take place.

The only reason we are not willing to do anything about it is that we know it will not happen in our lifetime. We do not seem to care what may happen in the future.

I will take great pleasure in complying with your request by sending you a copy of the bill I introduced published along with the speech that I made on the occasion of its introduction.

Thanking you for writing me and may God bless you in your labors, I am,

Yours truly,

THEODORE G. BILBO,
United States Senator.

To that letter, on May 7, I received the following reply:

THE SECOND BAPTIST CHURCH,
Savannah, Ga., May 7, 1945.

Senator THOMAS G. BILBO,
United States Senate Building,
Washington, D. C.

MY DEAR SENATOR: Yours was the most welcome letter I have ever received. It was full of facts and truths, the things which make people strong. My only concern now is the next step in the direction toward which a full realization of the program under discussion may be had. I have just completed reading your speech of April 24, 1939, and assure you that it was truly factual. For the protection of the future of your race and mine, a thoughtfully worked-out plan can be made which will modernize and industrialize Africa under the guidance of the United States, to which Negroes may by a gradual process go without disrupting their effort to make themselves into a great race.

The United States owes this debt to the Negro, who will forever be an enigma to the peace of this country, to take the initiative in making possible and profitable his return to his native land. Why cannot Libya and Tunisia, provinces which have been under the heel of Italy, and the disposition of which has not been settled, be given as a protectorate of the United States, and placed in the hands of Negroes? Shall white and black Americans continue to die for the liberation of these lands, and their restoration to their former holders, only to repeat this process every 25 years?

That Negro is asking a good question. I read further from his letter:

Yes, Senator; Americans white and black are great dreamers, idealists, and wishful thinkers, seeing through their prejudices, demanding that the facts be good, and when one attempts to disclose the facts, he is at once labeled a radical, fanatic, and hothead. The realist must be patient and wait his turn, for time will finally give him a hearing. The time is now.

Mongrelization of the races is as certain the fate of this country as the night follows the day. This or the extermination by one of the other. This may not occur in yours and my times, but unless a program consistent with the one under discussion here is inaugurated it is an eventual certainty.

The writer of this letter is a Negro, and he is above the average.

He then states:

Please understand that my statement is not motivated by some unpleasant personal experience, for I am speaking as a Negro, without regard to anything except the facts. The greater portion of my 44 years of life, I have given this matter careful study, and I entertain no ill-will toward any man, white or black. I therefore ask in the name of God, and your country and mine, give your cooperation to this matter, for you are in position to point out the "ears" who will listen to this plea, and thereby gain for yourself immortal fame, and because you will have rendered a great service to humanity. By this I mean that you are in position to arrange a hearing before the Senate Foreign Relations Committee or any other agency through which the machinery may be set in motion leading to the realization of our aims.

Mr. President, I also call attention to this part of his letter:

I close with apologies to you, for having taken so much of your very valuable time, but finding that you are a Baptist, I felt that I could without running the risk of having an experience of the Negro preacher, who just before winding up his dry 2-hour sermon on a hot Sunday afternoon, called out to Deacon Johnson, requesting him to wake up Deacon Jones who had gone fast asleep, whereupon Deacon Johnson replied, "No sir, brother pastor, you put him to sleep; now you wake him up."

If I may hear from you again in this connection with suggestions and advice, I shall regard this as a great service rendered your race and mine, and so will many who oppose yours and my ideas today.

Very truly yours,

LEWIS L. SCOTT.

To that letter I have just replied, as follows:

MAY 8, 1945.

Rev. LEWIS LEWELLYN SCOTT,
Pastor Second Baptist Church,
Savannah, Ga.

DEAR BROTHER SCOTT: Your letter of May 7 received today. To say that I enjoyed your letter is putting it mildly indeed. The more you write the stronger and better you get. If every leader of your race throughout the Nation could have the inspiration that you have and then do something about it, as you are vowing that you will do from now on, it would not take long to solve and settle once for all the ever-perplexing and disturbing race question in our common country.

I am sure that you noted in my speech that I said nothing about deporting the American Negro to his fatherland in Africa. The Negro is as much a citizen of this country as I am. Therefore, the Congress cannot compel any Negro to go to West Africa, the richest country on earth, unless he goes voluntarily.

My proposition is to provide the ways and means for his transportation and then to "grub stake" him for 1 whole year, giving him land, a house, and equipment, so that he will have the time and opportunity to get his feet on the ground in his new home. My bill would further provide that our country shall build roads, schools, and hospitals, and guarantee sanitary conditions for the health of him and his family.

I had two leading Negroes from Chicago to make a personal visit to Liberia and make a first-hand investigation of the great opportunities that await the coming of the American Negro to his fatherland. These two "spies" made a great and glorious report on the "promised land." Just as soon as this war is over we want to start our campaign in dead earnest.

We can get the land and Uncle Sam has the ships already built.

We have 5,000 ships in our merchant marine now. I am on the committee to provide for their sale, but I am going to fight it. We will need them.

I read further from my reply:

And I believe that God will bless the Negro in his new home. In fact, I have always believed that since God works in mysterious ways his wonders to perform that the Negro was brought to this country, although he came as a slave, to be trained and educated and taught the arts of peace and industry and given the true religion of Christ and His salvation that he might return some day to his fatherland and preach the gospel of salvation, Christianizing and saving the multiplied millions of his race now in darkness and despair in the junglelands of the dark continent.

I believe that, too.

My letter concludes as follows:

You have convinced me that you are a far-seeing and brave leader of your people, and I am taking the liberty of publishing our correspondence in the CONGRESSIONAL RECORD, that all the people of our country, both black and white, can begin to understand the true and only solution to our race problem.

Again let me repeat that physical separation is the only solution. Separation or mongrelization is inevitable—two roads—we can take our choice, and I know that every self-respecting white man and every right-thinking and decent Negro revolts at the idea of mongrelization.

I can assure you that as soon as this horrible World War is over I am going to push the campaign with all my might.

May the good Lord protect you and make you strong and useful for this great work that can be accomplished in your day and generation.

Yours truly,

THEODORE G. BILBO,
United States Senator.

Mr. President, in this connection I ask unanimous consent to have printed in the RECORD, for the benefit of the people of this country who wish to know the facts, an address which I delivered on April 24, 1939, discussing the only solution of the great race question which now is impending. If anyone has a doubt about my statements in this connection, he will only have to wait until the war is over. Then, from Harlem, New York City, to Los Angeles, Calif., instead of finding, in accordance with the old saying that "Hell will break loose in Georgia," we will find that it will break loose all the way across our country.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

VOLUNTARY RESETTLEMENT OF AMERICAN NEGROES IN AFRICA

(Speech of Hon. THEODORE G. BILBO, of Mississippi, in the Senate of the United States, April 24, 1939)

Mr. BILBO. Mr. President, before I proceed with my remarks, let me read three important historical statements or papers:

"Deep-rooted prejudices entertained by the whites, 10,000 recollections by the blacks of the injuries they have sustained, new provocations, the real distinctions which Nature has made, and many other circumstances will divide us into parties and produce convulsions which will probably never end but in the extermination of the one or the other race. * * * Nothing is more certainly written in the Book of Fate than that the two races, equally free, cannot live in the same government. Nature, habit, opinion have drawn indelible lines of distinction between them. * * * Provide an asylum to which we can, by degrees, send the whole of that population from among us and establish them under our patronage and protection as a separate, free, and independent

people in some country and clime friendly to human life and happiness. I leave this to those who will live to see their accomplishment, but I leave it with this admonition—to rise and be doing."—(Thomas Jefferson.)

EMANCIPATION PROCLAMATION

"I, Abraham Lincoln, President of the United States and Commander in Chief of the Army and the Navy thereof, do hereby proclaim and declare. * * * That the effort to colonize persons of African descent, with their consent, upon the Continent or elsewhere with the previously obtained consent of the government existing there, will be continued; that on the 1st day of January, in the year of our Lord 1863, all persons held as slaves within any State, or any designated part of a State, the people thereof shall be then in rebellion against the United States, shall be then thenceforward and forever free."—(Abraham Lincoln.)

"There is a physical difference between the white and the black races which I believe will forever forbid the two races living together on terms of social and political equality. * * * Let us be brought to believe that it is morally right, and at the same time favorable to * * * our interest to transfer the African to his native clime, and we shall find a way to do it, however great the task may be."—(Abraham Lincoln.)

Mr. President, with the patience and kind indulgence of my colleagues, I trust I may be permitted at this time to discuss for a little while what is, in my judgment, the greatest, most important, and far-reaching problem that has ever or will ever confront the American people for solution.

It is important in the highest degree because it involves the welfare and perpetuity of two races, the white race and the black race, which are now trying to live side by side in the same domain and under the same government.

The solution of this problem is equally as important to the black race as to the white race, because without a proper solution both races will be destroyed and will be succeeded by a mongrel race, and at the same time the white race will suffer the loss of all that is dear and precious, high and noble in our civilization.

As certainly as that the sun shines and there is a God in heaven, believe it or not, there are only two solutions to our ever-present race problem in the United States. One solution is the physical separation of the races, thereby preventing the commingling of the blood streams of both the black race and the white race. A physical separation by the voluntary colonization or resettlement of the black race in its fatherland, from which it was brought here by fraud and force, will thereby give the Negro race an opportunity to protect the integrity of its blood stream and have a free and full opportunity to reach the greatest heights of development of which the race is capable and build a nation of the Negro race that will take its stand among the nations of the earth; and by this separation the blood stream of the white race shall remain unchanged and all the culture, progress, and the blessings of the white man's civilization shall forever remain the priceless possession of the Anglo-Saxon in this proud Republic.

The other solution to this great problem is to let the two races continue to live side by side in the same country, which will result, as certain as fate, in the complete amalgamation of the two races in the years to come, and in the loss of the white man's civilization. For 300 years we have tried to live side by side, and in this period of time—a short span when compared with the lives of nations—there have come to be in our midst four or five million citizens of our country in whose veins commingle the blood of the white man and the black man, which should be enough to convince any man or woman with any symptom of intelligence that complete amalgamation will some day be a sad but accomplished fact.

The solution of this race question by the process of amalgamation will take place, whether we wish it or not, if we fail or refuse to solve the problem by physical separation. Therefore it is evident that all the citizens of this country—black or white—whether they desire to be so or not, are either separationists or amalgamationists.

I am constrained to believe that 99 percent of the white race are naturally and normally opposed to the amalgamation or interbreeding of the two races. I also believe that 75 percent of the black race have pride in their racial integrity and are at heart opposed to the mixing of their race with the white race.

I repeat, every citizen, black or white, is on one side or the other. There is no middle ground. This is one question which we cannot straddle. If one is opposed to and is not willing to assist in the physical separation of the races, which is the only thing that will prevent amalgamation, then he is an amalgamationist. Everyone classifies himself by his own stand.

If one is indifferent and is willing to let things go on as they are now going, his indifference and lack of positive action lines him up with the amalgamationists.

The most gratifying thing in my life is to be able today to present to the American Congress petitions signed by two and a half million American Negroes pleading and begging for a physical separation of the races. By their act in signing these petitions to be resettled in their fatherland—Africa—they say to the world, "We are proud of our race; we believe in racial integrity; we are not willing to have our blood stream commingled with the white blood. We want to flee from this certain disaster that is going to overtake both races by complete amalgamation and the production of a mongrel race."

These petitioners know that in saving their race they are likewise saving ours. They have faith in their ability to work out their own destiny and established a nation in a country all their own, where they can reach their highest destiny in a land of freedom—a land without oppression and a land without discrimination.

I call the attention of the Senate to the presence of the petitions. The signatures have been carefully counted, and the petitions have been signed by two and a half million Negroes of the United States. I may add that the petitions come from every State in the Union, praying and asking for a physical separation of the races, or that an opportunity be afforded the Negroes to be resettled in their fatherland.

The VICE PRESIDENT. The petitions presented by the Senator from Mississippi will be received and referred to the Committee on Foreign Relations.

Mr. BILBO. Mr. President, there is ample evidence that the Negro nationalists who support this bill, have chosen between the alternative solutions of race problems—between separation and amalgamation—for they have given a wide circulation to the privately published race studies of Earnest Sevier Cox, of Richmond, Va. The works of this author deal with the nature of race problems, rather than with the various phases of the problem, and there has been a close and long friendship between this author and the Negro leaders of the nationalistic movement.

At this point I wish to read into the RECORD, for the information of the Senate and of the country, the titles of these splendid publications by Colonel Cox. They are White America, Let My People Go, The South's Part in Mongrelizing the Nation, and Lincoln's Negro Policy.

In this connection, since the press of the country has given notice of the introduction of a bill on this subject by me, I wish to read some telegrams which I received this morning. (Telegrams from Negro organizations in several of the States here omitted.)

* * * * *

Mr. President, on May 24 of last year I presented to the Seventy-fifth Congress an amendment to the relief bill then under consideration by the Senate, providing for the repatriation of citizens of the United States of African descent to the Republic of Liberia, and/or such contiguous territory as may be acquired by the United States by purchase from France and Great Britain, such negotiations to be consummated on the basis that the purchase price of the acquired territory should be represented by a credit on the war debts owing to the United States by these countries.

After submitting the amendment I discussed it before the Senate in considerable detail, setting forth, first, in a brief summary, the political and economic support given the repatriation movement by the foremost citizens of this country from the foundation of the Republic to the present time; and second, extensive biological sanctions of the movement gained from an exhaustive study of the views of the most eminent authorities in the sciences of anthropology, ethnology, and of the world's most renowned writers on the principles of inheritance. At the conclusion of this discussion I withdrew my amendment, having availed myself of the opportunity of submitting what I believed to be irrefutable reasons for its support, because, at the last moment, I considered it the better part of wisdom to present the proposition as an independent measure in the next succeeding Congress. In conformity to a pledge to that effect made to the Senate, and to the 2,000,000 or more citizens of the United States of African descent interested in migrating to Liberia, I now offer a bill to provide for the liquidation and settlement of the war debts due the United States; to create a bureau of colonization and to provide for the migration and colonization of United States citizens to newly acquired territory; to provide aid to United States citizens desirous to migrate to the Republic of Liberia, and for other purposes. The bill declares the intent of Congress to be that the benefits and provisions thereof shall apply to citizens of the United States who may qualify as eligible for citizenship in the Republic of Liberia, and who, by their physical fitness and climatic adaptability, may qualify as migrants to be permanently settled in the territory to be acquired, and who shall have voluntarily expressed a desire to become migrants under the provisions of the bill.

I most respectfully ask unanimous consent of the Senate that the bill be printed in full in the CONGRESSIONAL RECORD following the remarks I am about to make.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and, as requested, will be printed in the RECORD at the conclusion of the remarks of the Senator from Mississippi.

The bill (S. 2231) to provide for the liquidation and settlement of the war debts due to the United States; to create a Bureau of Colonization and provide for the migration and colonization of the United States citizens to newly acquired territories; to provide aid to United States citizens desirous to migrate to the Republic of Liberia, and for other purposes, was read twice by its title and referred to the Committee on Foreign Relations.

(The bill S. 2231 is printed in full at the conclusion of Mr. BILBO's remarks.)

Mr. BILBO. Mr. President, let me say in the beginning that the impression seems to prevail in the minds of some people that the proposal to provide for the resettlement of the American Negro in his fatherland is all

a plan of my own. An attempt would naturally be made on the part of some of these amalgamationists, miscegenationists, to prejudice the proposal because I am a Senator representing the South. I wish to say that I am pursuing and prosecuting the campaign for this great program which means the salvation of both the white and the black races, with the support of millions of Negroes, in every State in the American Union, as evidenced by the petition which is on my desk, representing two and one-half million American Negroes.

* * * * *

Mr. President, the first effort made to bring about the colonization of the American Negroes was by a committee in the General Assembly of Virginia in the year 1777. Thomas Jefferson was chairman of that committee. It reported favorably on a resolution for the emancipation and colonization of Virginia slaves. It contemplated the acquisition of territory—a gradual enforcement of the plan, and not only to establish them in a territory of their own, but to support them until they had acquired strength enough to sustain themselves. Only young men, having attained the age of 21, and young women, having reached the age of 18, were eligible.

That was under Jefferson's plan back in 1777. If Senators will read the bill which I have introduced, I believe they will come to the conclusion that no more gracious, more liberal, and finer spirit of helpfulness can be found in all history than the provisions this bill holds up to members of the Negro race who desire to go back to their fatherland and have a chance in a country of their own.

* * * The bill provides for the appropriation of a billion dollars to begin with to resettle these people in their native land. That is a very small consideration when we think what the Negro race has contributed to this Nation from the time the Negroes were in slavery even up to the present time, and it is a small consideration when we consider what the Congress is year after year appropriating to carry several million of our American citizens on the relief rolls.

I may say that almost 75 percent of those on the relief rolls in many States are Negroes. Take the District of Columbia, with 10,000 persons on the relief rolls. The record shows that approximately 8,000 of those persons are Negroes and 2,000 whites, notwithstanding the fact that the population of the District of Columbia is 400,000 whites and 200,000 blacks. In other words, 8,000 of the 200,000 blacks are on the relief rolls and only 2,000 of the 400,000 whites. Already it has been suggested that an appropriation of one billion and a half dollars be made for relief for next year. At the last session we appropriated over $2,000,000,000 for relief. One-half of that amount of money could be spent in providing for the resettlement of the Negro in his native fatherland, and the Government would save money on the transaction, because if we could succeed in removing 5,000,000, 6,000,000, or 8,000,000 Negroes who are now ready to go to Africa, we would solve the unemployment problem and do away with the necessity for relief, for there would be a job for every white man and woman in America.

* * * * *

Immediately following the War for Independence several States of the Union liberated their slaves, and, as a consequence, outstanding white men began to seek and discuss ways and means to repatriate these freedmen.

It is to us of special significance that Thomas Jefferson was the first man of great prominence to be identified with a repatriation movement in this country. This man Jefferson, the father of the party to the principles of which a majority of the Senate subscribes, wrote more learnedly and truthfully about the Negro than any other man of his time. On divers occasions he implored his countrymen, with the vision of an inspired prophet, to seek to evade, by emancipation and repatriation, a national disgrace and ruin that it now appears will soon overtake us. Notwithstanding his frequent utterances warning the Nation against the evils that would follow where two dissimilar races, equally free, were compelled to live together, many Sophists of his day appealed to the author of the Declaration of Independence in support of the position that the Negro should be recognized in this country upon terms of perfect equality with the white man. The New York Tribune, the most outstanding newspaper of that age, on April 14, 1866, said:

"Mr. Jefferson is, and ought to be, held in sincere reverence by all radicals because of his agency in basing the Declaration of Independence on the broad, comprehensive, eternal principle of equal human rights. As to the fundamental base of our political system, Mr. Jefferson is, and ought to be, the highest authority."

As a matter of fact, when Mr. Jefferson penned the Declaration of Independence he never once thought of the Negro. When he spoke of men, he thought of white men of European origin. When he talked of the rights of life, liberty, and the pursuit of happiness, he was oblivious of any consideration of the Negro. If we fairly scrutinize and weigh intelligently what Mr. Jefferson really did say and write on the subject of the Negro during more than half a century subsequent to the day he penned the Declaration of Independence we will unmistakably find irrefutable proof of our contention that he had no thought of the Negro when he said, "All men are created free and equal."

I consider it opportune at this time to quote extensively from the writings of Mr. Jefferson on the subject of segregating the Negro race, more especially the things written from July 4, 1776, the date of that memorable document, the Declaration of Independence, to the date of his death, on July 4, 1826.

In Jefferson's Works, volume 8, page 380, written in 1782, we find these words with respect to the general characteristics of the Negro:

"Deep-rooted prejudices entertained by the whites, 10,000 recollections by the blacks of the injuries they have sustained, new provocations, the real distinctions which nature has made, and many other circumstances will divide us into parties and produce convulsions which will probably never end but in the extermination of the one or the other race."

In Jefferson's Works, volume 5, page 563, is found a letter written by Mr. Jefferson to John Lynch, under date of January 21, 1811, with respect to an inquiry from Mr. Lynch on the proposition of a Mrs. Mifflin to colonize people of color on the coast of Africa. It reads as follows:

"You have asked my opinion on the proposition of Mrs. Mifflin, to take measures for procuring, on the coast of Africa, an establishment to which the people of color of these States might, from time to time, be colonized, under the auspices of different governments. Having long ago made my mind up on this subject, I have no hesitation in saying that I always thought it the most desirable measure which could be adopted for gradually drawing off this part of our population most advantageously for themselves as well as for us. Going from a country possessing all the useful arts, they might be the means of transplanting them among the inhabitants of Africa, and would thus carry back to the country of their origin the seeds of civilization, which might render their sojournment and sufferings here a blessing in the end to that country."

Again, in a letter addressed to Dr. Thomas Humphreys by Mr. Jefferson, under date of February 8, 1817, found in Jefferson's Works, volume 7, page 57, we find these words:

"I concur entirely in your leading principles of gradual emancipation, of establishment on the coast of Africa, and the patronage of our Nation until the emigrants shall be able to protect themselves. The subordinate details might be easily arranged. * * * Personally I am ready and desirous to make any sacrifice which shall insure their gradual but complete retirement from the State and effectually, at the same time, establish them elsewhere in freedom and safety. But I have not perceived the growth of this disposition in the rising generation, of which I once had sanguine hopes. No symptoms inform me that it will take place in my day. I leave it, therefore, to time, and not at all without hope that the day will come, equally desirable and welcome to us as to them."

It seems that back in 1817 Thomas Jefferson appreciated the fact that it would be a Herculean task to bring about the desired result, because he said he did not hope to see it in his lifetime. However, I am convinced that the day will soon come when this great program can be made effective. It will be made effective because the Negro himself, as he suffers discrimination, as he suffers from the pressure of economic conditions, as he suffers more and more, year after year, from attempting to live with the white man, will demand a physical separation, and whenever the great majority of the Negroes demand it we shall have no trouble in obtaining enough votes in the Congress to pass the legislation.

On page 48, volume 1, of Jefferson's Works, an autobiography written in 1821, Mr. Jefferson said with respect to the Negro:

"Nothing is more certainly written in the Book of Fate than that these people are to be free; nor is it less certain that the two races, equally free, cannot live in the same government. Nature, habit, opinion have drawn indelible lines of distinction between them. It is still in our power to direct the process of emancipation and deportation peaceably and in such slow degree as that the evil will wear off insensibly, and their place be, pari passu, filled up by free white laborers."

The scheme underlying the repatriation bill is that the transfer of the American Negro to his fatherland shall be a gradual process, so as not to disturb economic conditions in this country, and so that it can be done peaceably. There is not one line or word of compulsion in the scheme. It is all voluntary.

* * * * *

Mr. Jefferson again advocates African colonization of the Negro race in a letter to Jared Sparks under date of February 4, 1824, the letter being found in Jefferson's Works, volume 7, page 332. It reads as follows:

"The article on the African colonization of the people of color, to which you invite my attention, I have read with great consideration. It is, indeed, a fine one and will do much good. I learn from it more, too, than I had before known of the degree of success and promise of that colony. In the disposition of this unfortunate people, there are two rational objects to be distinctly kept in view. First, the establishment of a colony on the coast of Africa, which may introduce among the aborigines the arts of cultivated life and the blessings of civilization and science. By doing this we may make to them some retribution for the long course of injuries we have been committing on their population. * * * The second object, and the most interesting to us, as coming home to our physical and moral characters, to our happiness and safety, is to provide an asylum to which we can, by degrees, send the whole of that population from among us and establish them, under our patronage and protection, as a separate, free, and independent people in some country and climate friendly to human life and happiness. * * * I do not go into all the details of the burdens and benefits of this operation. And who could estimate its blessed effects? I leave this to those who will live to see their accomplishment, and to enjoy a beatitude forbidden to my age. But

I leave it with this admonition—to rise and be doing."

It will be found from these few excerpts taken from Mr. Jefferson's writings that he weighed every possible alternative, and finally decided upon separation as the only solution of the race problem. He declared that while he desired the Negro to enjoy the full liberties of men, yet it must be in a country of their own, and in a climate suited to their physical fitness and congenial to their mode of living. Is it not strange that the people of this Nation, who have for so long a time honored and revered the name and fame of the incomparable Jefferson, who have seen the renown of his great intellect and commanding abilities increase with the growth of time, still refuse to give heed to his warnings and admonitions with respect to a calamity which he so often pointed out would overtake us? Why do we accept without protest a part of his teachings, and reject another part equally essential to the preservation of the Union? Could he be right only in his advocacy of the principles of government which he enunciated more than a century and a half ago, and to which we enthusiastically and unreservedly subscribe as members of the party he founded, and on the other hand be absolutely wrong with respect to the one particular evil that would eventually destroy the Republic to the establishment of which he had contributed more generously and wisely than any other man.

Thomas Jefferson, the original Democrat; Thomas Jefferson, philosopher and politician; Thomas Jefferson, who has been described as artist, naturalist, scientist, sentimentalist, and utilitarian; as thinker, dreamer, and doer; as inventor and scholar; writer and statesman; who enthralled his followers, and fascinated, while infuriated, his foes, said:

"The two races equally free cannot live in the same government."

Who is so bold as to dare deny the truth of these words of Jefferson, which have rolled down through the years in thunderous tones, only to fall unheeded upon ears that would not hear? Jefferson understood, as did no other man of his time or since his day, that the race problem admits of but one of two solutions; namely, separation or amalgamation. By "separation" he did not mean mere segregation. True, segregation would reduce race friction, but it would not solve the problem. It would merely prolong the process of amalgamation. It would move forward a few centuries the date when the future American would become a Negroid.

Scientific research has successfully established three propositions beyond all controversy:

First. The white race has founded, developed, and maintained every civilization known to the human race.

Second. The white race, having founded, developed, and maintained a civilization, has never been known, in all history, to lose that civilization so long as the race was kept white.

Third. The white man has never kept unimpaired the civilization he has founded and developed after its blood stream has been adulterated by the blood stream of another race, more especially another race so widely diverse in all its inherent qualities as the black race.

No man in America since the foundation of the Republic has understood and appreciated better than did Thomas Jefferson the truth of these three propositions.

The next man in our Nation to propose colonization as a permanent settlement of the Negro problem was William Thornton, a philanthropist, who lived in Washington. He advocated the repatriation of all people of color from the United States back to the homes of their fathers in the African Continent. Nothing he did, however, took shape toward a definite movement. It was not until the formation in Washington of the American Colonization Society that the destinies of the colored people in the United States began to crystallize into a definite idea. Before the organization of the American Colonization Society one other man, an American Negro by the name of Paul Cuffe, became interested in Negro repatriation in 1811, and succeeded in obtaining the consent of Sierra Leone, a small country on the west coast of Africa, to a program for receiving free American Negroes.

Paul Cuffe was a native of Massachusetts, and at the age of 16 was a sailor on a whaling vessel. He organized a crew of Negro seamen and sailed to Sierra Leone and made arrangements with that government for the reception of Negro emigrants. His plan, however, was not begun until 1815, when, at his own expense, he carried a shipload of free Negroes from Massachusetts to Sierra Leone. He died in 1817, the very year in which citizens of the United States organized the American Colonization Society in the city of Washington. The purpose of this organization was to carry out a program of Negro repatriation. This society, soon after its organization, appreciated the fact that land would have to be acquired upon which to settle the Negro emigrants and that ways and means for their settlement and temporary maintenance would have to be devised. The organization realized further that the task was far beyond their powers to cope with unless it should be aided by the Federal Government. It was their purpose to begin the work of repatriation and thereafter enlist the cooperation of the Federal Government in their praiseworthy undertaking. No organization in the history of our country has had enlisted in its support a more distinguished group of American citizens than the American Colonization Society. Bushrod Washington was the first president. Among the nationally known men who were members of this society, that had for its purpose the repatriation of the Negro, were such distinguished men as Francis Scott Key, John Randolph, Thomas Jefferson, James Madison, James Monroe, Charles Fenton Mercer, John Marshall, Andrew Jackson, Daniel Webster, Henry Clay, Abraham Lincoln, and a long line of other prominent Americans.

It might be of interest to those who live in Washington to know that the American Colonization Society is still in existence, and is headed now by Colonel West, who lives in this city.

Daniel Webster, a name just mentioned as one of the members of the society, said on one occasion, as reported in Webster's Works, volume 5, page 364:

"If any gentleman from the South shall propose a scheme to be carried on by this Government upon a large scale for the transportation of the colored people to any colony or any place in the world, I should be quite disposed to incur almost any degree of expense to accomplish that object."

Those were the sentiments of Daniel Webster during the early days.

Henry Clay, another member of the society, said in his speech in the House of Representatives in 1827:

"Of the utility of a total separation of the two incongruous portions of our population, none have ever doubted. The mode of accomplishing that desirable object has alone divided public opinion. Colonizations in Haiti, for a time, had its partisans. Without throwing any impediments in the way of executing that scheme the American Colonization Society has steadily adhered to its own. * * * Colonization beyond the Stony Mountains"—that is, the Rocky Mountains—"has sometimes been proposed, but it would be attended with an expense and difficulties far surpassing the African project, whilst it would not unite the same animating motives."

Charles Fenton Mercer, also named as a member of the society, sponsored a Virginia memorial requesting the President to acquire land for a Negro colony. Mercer finally became a Member of Congress, and his first move toward the repatriation of the American Negro was to strike at the slave traffic. The antislave act of March 3, 1819, was initiated and engineered through Congress by Mercer. Out of this act developed an appropriation of funds to be used to return to Africa the slaves that were brought illegally to this country. When the time came to execute the provisions of this act Mercer went to President Monroe and insisted that if the unfortunate captives should be returned to the coast of Africa under the provisions of the act, which he had been successful in passing, and if they were there released, the probability was that they would be sold as slaves again and eventually brought back to the United States. President Monroe was favorably impressed with his reason, and thereupon determined to acquire lands on the West Coast of Africa on which illegally imported slaves to the United States could be settled and cared for by the Federal Government. In cooperation with the American Colonization Society, he sent out agents to acquire this territory. Sam J. Mills and E. Burgess were directed by the Colonization Society to proceed to the West Coast of Africa and report upon the British settlements in that vicinity with respect to their suitability for a proposed colony of American freedmen and illegally imported slaves. The report of these men justified the society in proceeding further with its colonization movement, and 2 years later the first colony of 88 Negroes sailed for the African coast in the charge of three white Americans, named Bacon, Bankson, and Crozer, the last named being the society's agent, and the Rev. Sam Bacon being the agent of the United States Government. This was the first step taken in acquiring the land now called Liberia. The capital of this country is Monrovia, named for President Monroe.

Mercer did not stop with the Anti-Slave Trade Act of 1819. In 1820 he secured the passage of a measure through Congress, which declared that citizens of the United States engaged in the slave trade should be adjudged pirates and, upon conviction, should suffer death. In 1830 Congress published a volume of 293 pages dealing with Mercer's official efforts in the interest of Negro repatriation and the suppression of the slave trade. It has been said to the credit of Mercer:

"There is no portion of the African Continent now under political control of Negro people save that portion reserved for them principally through the labor of Mercer."

During the time of Mercer's efforts to bring about repatriation of free Negroes, there were upwards of 200,000 free colored people scattered through the Union. They enjoyed, in those days, just as the situation is here today, few of the advantages of freedom. It was thought by the American Colonization Society that if a colony for the 200,000 freed Negroes of the United States could be established in the land of their race, they might, in time, with the proper care and attention given by the Federal Government, become a self-supporting community and thus prepare a way and a home for the eventual colonization of the remaining millions of slaves who, at some future time, would most certainly be given their freedom.

Following the first shipment of 88 Negroes to the African coast, the very next year the ship *Nautilus*, chartered by the United States Government, voyaged to Africa with two Government agents on board, named Winn and Bacon, who were accompanied by two officials of the Colonization Society and a further group of Negro emigrants.

In the autumn of 1821 Dr. Eli Ayres was appointed chief agent of the Colonization Society. He went to Cape Montserrado, the

site of the present city of Monrovia, and succeeded in acquiring the whole of the Montserrado promontory, and, as a result, all emigrants were transferred to this new acquisition and there made good their final occupancy.

On Ayres' return to Washington the American Colonization Society selected Jehudi Ashmum, a Negro, for service with the Negro emigrants in Africa. It is said that the life of this man was one continuous sacrifice of self on the altar of duty. He proceeded to Africa in the brig *Strong*, in charge of another group of emigrants. He was instructed to take full control of the settlement. His departure from the United States was on June 20, 1822, and early in August he reached his destination, and assumed the direction and administration of the colony. No man ever gave a greater measure of devotion to any cause than Ashmum did to the progress and development of the colony of freedmen settled in Liberia. As a representative of the Colonization Society and an administrator and a leader of men, the name of Jehudi Ashmum will never be forgotten wherever and whenever the story of Liberia is told.

When Ashmum sailed for the United States he handed over the reins of the administration to Rev. Lott Cary, who remained at the head of affairs at Montserrado until the arrival of Dr. R. Randall, who was appointed by the society in Ashmum's place. By this time the number of the American emigrants had reached nearly 3,000, and the designation of the chief administrative authority was changed to that of governor. The first Governor of Liberia was a white American named Thomas Buchanan. At the close of his administration he was succeeded by Joseph J. Roberts, a Virginia mulatto, who was confirmed by the Colonization Society. During Roberts' administration Liberia continued to grow in importance and in size. Roberts, realizing the necessity for funds to carry on his administrative duties, imposed upon goods imported into Liberia a 6-percent ad valorem duty. The imposition of this tax brought about the independence of Liberia. Foreigners refused to pay this duty upon the ground that the colony, as the commercial experiment of a philanthropic society, was incompetent to exercise sovereign rights implied by the levy of duties on imports. Many disagreeable incidents occurred, such as the seizure and subsequent release of certain infringing vessels, followed by a presentation to the Liberian authorities of heavy claims for damages alleged to have been suffered. The Government of the United States, when asked for a declaration of its attitude, made it clear that nothing was further from its intention than to assume the responsibilities of a protectorate of the colony. Thus, it appeared clear that only one thing remained to be done and that was for the settlers to take into their own hands the management of their affairs and to ask for recognition by the powers as an independent Negro state upon the west coast of Africa.

At this juncture, the American Colonization Society, finding that the offspring of its care and benevolence was now able to go it alone unaided, severed the bonds which had held the colony to the society for so many years. Therefore, the Liberian authorities, with unfaltering courage and with faith in what the future might have in store for them, resolved to act without further delay, and a convention was called to sit on the 25th day of June 1847. On the 26th day of the following month the declaration of independence was adopted. This declaration of independence is a document so remarkable for its dignity, its pathos, and its admirable clearness of phrase, that I feel that I cannot do better than read it in full at this point.

* * * * *

So ends the reading of the declaration of independence adopted by the representatives of the people of the Commonwealth of Liberia in convention assembled. The sentiments expressed in this remarkable document may become, with every propriety, the sentiments and expressions of hope and aspiration of more than 2,000,000 American citizens of African descent who have petitioned this Government to aid them in a voluntary migratory movement to Liberia. Its preamble, its statement of the causes leading to their colonization and independence; its lamentation because of the natural rights denied them in the United States; its profound conviction that the west coast of Africa was the place of proper refuge for the disconsolate members of the black race, are in every way applicable to the situation which obtains today with respect to the race's longing and yearning for a freedom denied them under a government conceived and administered by the white man. This declaration of independence should be read and pondered in the home of every citizen of the United States through whose veins flows a single drop of African blood.

I desire to say in this connection that the gate of Liberia is open today for thousands, and I might say millions, of American Negroes. I hold in my hand the original letter from the President of the Republic of Liberia, addressed to President Gordon, of the Peace Movement of Ethiopia, in which President Barclay announces to the world that millions of acres of land in Liberia are now ready and waiting to be settled by American Negroes. He sets out certain terms upon which the Republic will be willing to accept these immigrants. I desire to say that the terms provided for in our bill introduced on this day are more generous and more liberal, and we propose to do more than has been even suggested by President Barclay of the Republic for the immigrants who see fit to go into Liberia.

Negroes of this country know what it means to have jobs denied them. They know the causes which bring about discriminations in favor of the white man. They understand why they are not permitted to play in the parks; to sit in the theaters, restaurants, hotels, and to ride on the trains and busses and airplanes with the white man. They have read numerous signs saying, "Negro, don't let the sun set on you in this town." They understand that there is a real difference between the opportunities offered them and those bestowed upon the white man.

The Negro appreciates the impossibility of his fulfilling in this country the high purposes which education and enlightenment have inspired him to hope for and to long for. No matter which way he turns, he sees evidence of a disparity of opportunity for him and his children. His schools are the poorest in the country; his housing accommodations are neglected. In Alabama he notes that less than one-eighth of the school funds are allotted to the education of his children, while one-third of the eligible school children are colored. In Georgia, he observes that one-third of the children are blood of his blood, while only one-eighth of the school funds are allocated to their education. He has seen South Carolina, with one-half of the school children colored, spend $642,086 on school busses for white children for 1 year's transportation and the sum of only $623 for colored children.

When it comes to jobs, the Negro is in no better condition today than he was immediately after receiving his freedom. The building-trades unions in both the North and the South used divers methods to exclude the Negro. The railroad brotherhoods deny them membership. The Supreme Court may rule that Negro defendants shall not be denied the right of trial by their peers, thus making it obligatory that the names of Negroes should appear upon the jury panel when their life or liberty is in jeopardy, but the Negro still continues to be barred from jury duty or to participate in any matter concerned with public justice. Just to make a feint toward compliance with this ruling of the Court, Negroes are sometimes called for jury service, but they are made to understand by the authorities that they must ask to be excused and accept the fee incidental to the summons. In the city of Washington—often called the Negroes' paradise—Marian Anderson, a Negro woman who has developed some reputation as a singer, was recently denied a request to sing in a Washington public-school auditorium and Constitution Hall, the latter a building owned, I am told, by the Daughters of the American Revolution.

These are only a few of the many thousands of discriminations against members of the Negro race as practiced consistently in this country. These discriminations are not any greater and are no less today than they were the year following the date of the Emancipation Proclamation, or through all the intervening years since their freedom was made a reality, nor will the discrimination be less through succeeding years, or at any time, be it near or far, so long as the white man and the black man occupy the same territory.

* * * Before the Civil War, the white laboring man of the South had to compete with slave labor and the poor white man of the South had little chance. After the Negro was freed he was more or less dependent; he was not used to his freedom; he was in desperate straits and was willing to work for any wage. Then the white laboring man of the South had to compete with the Negro freed labor of the South.

The racketeers and industrialists of that section took advantage of the situation, and held the wage scale to the very bottom throughout the years. So the white man of the South suffered just about as much as did the black man. But with the wage-and-hour law on the statute books, boosting the wage scale in certain industries, which will have a tendency to increase the wage scale in all industry, the white man will receive a wage which will enable him to accept the job which the poor Negro has been filling in the South, because the wage will now be sufficiently high so that the white man can maintain his standard of living in the South. So that the poor Negro who has been having the laboring job heretofore will be out of luck. We will find in the South a great army of millions of Negroes who are going to lose their jobs to white men because the wage scale has been increased.

There is another thing that is causing a grave condition in the South among the Negroes. I refer to the improvement in machinery used on the farm, and especially in the growing of cotton. We now have tractors with which to break the land, without the Negro and the mule. With a machine we lay the land off in rows, without the Negro and the mule. We distribute fertilizer and plant the seed with a machine, without the Negro and the mule. We even have cotton choppers, which do away with the labor of the Negro family. And now we have the mechanical cotton picker. So that the day of the Negro, even on the plantations of the South, is gone.

The white man will take the Negro's job in industry. There are about 8,000,000 Negroes in the South, and being of the South and one of the South, and being a friend of the Negro, I am advocating the passage of the bill I am proposing, so that something can be done to bring relief to the Negro race in the South.

Oh, we are taking care of the Negro in the South now on W. P. A., it is true. The Negroes have left the farms and are congregating in the little towns and cities of the South. They are living 10, 15, 20, sometimes 40 in one room in a house, and Uncle Sam is feeding them through the W. P. A. But that will have to end. I understand a bill is now pending here which provides that the States must contribute one-third of all the W. P. A.

money. If that bill should become a law, it would mean there would be no money distributed for the Negro and the poor white man, because the Southern States will not be able to contribute. Such a provision of law would have the same effect as the vicious, inequitable, unfair, unrighteous, almost criminal, social-security and old-age pension law which has been put on the statute books, which requires the States to contribute one-half of the old-age pension funds.

My State happens to be one of the poorer States. The result is that the old people of my State are receiving only $2.34 a month from the Federal Government, and a total pension of $4.79, whereas in the richer States, which are able to match the Federal money under the social-security and old-age pension law, the old people are receiving $15 a month from the Federal Government, and $30 altogether, with the State's $15 contribution.

I do not know who is responsible for that kind of legislation, but just a little more of that sort of laws for the South and for the poorer States and there will be a revolution. I go so far now as to state that if the Democratic Party shall be defeated in 1940, if someone will erect a tombstone, I will write the name of one man who will be largely responsible for the defeat of the party. His name is Altmeyer, and he is the head of the social-security outfit.

As repeatedly stated before, and as proclaimed by all the great students of and authorities on race relations, these two diverse peoples cannot live together upon terms of social and economic equality, and the only solution for the problem is either amalgamation or separation. The whole Nation, both black and white, revolts at the prospect of amalgamation, with the possible exception of a few thousand mulattoes. The Afro-American is just as insistent upon maintaining the purity of his blood, of perpetuating his racial integrity, as the Caucasian is unalterably committed to the proposition of keeping the white man white, and of resisting all customs, practices, and procedures, both in private and in public life, that have a tendency toward ultimate amalgamation.

I am glad to say that with two and a half million Negroes' names on these petitions they are saying: "We are not in favor of amalgamation. We do not want our blood commingled with white blood." I have respect for that class of Negro. But the element of the Negro race headed by Walter White—not all of them, of course, but a great many of them—are amalgamationists; they are miscegenationists. A large percentage of that element want white wives. They want to see white women nursing black babies—their babies. But these petitioners do not want to see any white woman nursing a black baby.

Immediately following the adoption of the declaration of independence by the people of Liberia, in convention assembled, they adopted, on July 26, 1847, a constitution for the Republic of Liberia. I see that the Senator from Michigan [Mr. VANDENBERG] has come into the Senate Chamber. I desire especially to ask the Senator from Michigan to read the declaration of independence of the Republic of Liberia. It is one of the great documents of the world. A Negro is its author.

The Constitution of Liberia was closely modeled upon that of the United States. In fact in the establishment of the Republic of Liberia the Negro attempted to adopt the American Constitution in toto. He improved upon the American Constitution. The Negro in Liberia was just a little smarter than were the Americans who wrote our Constitution in 1787, because the Liberian Constitution says that no man in Liberia can vote unless he has Negro blood in his veins. The Constitution of Liberia says that no man can own land in Liberia unless he has Negro blood in his veins. So, while using our Constitution as a model, the Negro improved on it, and made a better job of it than we did.

Following a preamble declaring that in order to secure certain blessings for themselves and their posterity, and to establish justice, insure domestic peace, and promote the general welfare, the people of the Commonwealth of Liberia constitute themselves a free, sovereign, and independent state by the name of the Republic of Liberia. Article I was inserted carrying 20 sections, which constituted the bill of rights. Our Bill of Rights is found in 10 amendments to the Constitution. Then followed article II, defining legislative powers, and article III, executive powers; article IV, judicial department, and article V, miscellaneous provisions. Under the head of miscellaneous provisions, we find section 13, which reads as follows:

"The great object of forming these colonies being to provide a home for the dispersed and oppressed children of Africa, and to regenerate and enlighten this benighted continent; none but Negroes or persons of Negro descent shall be eligible for citizenship in this republic."

Those Negroes were smart.

As originally written and adopted, this section read:

"None but persons of color shall be admitted as citizens of this republic."

But in May 1907, this clause was amended to read:

"None but Negroes or persons of Negro descent shall be eligible for citizenship in this republic."

"Persons of Negro descent" was intended to qualify for citizenship any person who had Negro blood in his veins. The expression "people of color" was found to be too broa in its application as it could be interpreted to mean all peoples except members of the white race, when the purpose intended to be accomplished was to make eligible for citizenship, only those people who were of African descent, wheresoever on the globe they may be found.

Mr. President, I wish to say to the colored citizens who may hear me today, or who may read my speech, that if they are resettled in Liberia they will have one consolation in knowing that they will not be troubled by the white man.

* * * * *

I have taken the time to read some of the revised statutes of the Republic of Liberia, and I was interested to note that they have a law exempting homesteads from taxation. Section 1095 of the law says:

"Every family shall be entitled to a homestead which shall be exempt from execution."

Liberia has done better than some of the States of the United States. My State just last year passed the homestead-exemption law.

"The exemption herein provided for shall continue as long as any of the heirs of the family shall occupy such homestead."

That is a word of comfort to our colored friends who are planning to go to Liberia. When they acquire homes they will be free from execution or sale.

Section 1098 says:

"Any clerk issuing any writ to seize and sell any homestead, and any sheriff who may seize and sell any homestead, or shall attempt to do so, shall be guilty of a misdemeanor."

That legislation is in advance of the legislation on this subject of many of the States of the American Union. Only very few, up to this time, have passed homestead-exemption laws.

I was interested further to note that the laws of Liberia provide for the purchase, by the Republic, of school books for the use of the children in the various counties of the Republic. Section 947 of chapter 25 says:

"The legislature shall appropriate from time to time moneys for the purchase of primary and elementary school books for the use of the public schools. The secretary of the treasury shall draw special warrants to cover such appropriation, and shall make the same payable to the order of the superintendent, who shall purchase such books as may be provided for and distribute the same among the several counties according to law."

By way of recapitulation, it has been observed from this discussion that the American Colonization Society, organized, as before stated, in the United States in the city of Washington in 1817, undertook to colonize American free Negroes in Africa, and sent its first group of emigrants to that country in 1822, and established them as a settlement within the present limits of the Republic of Liberia; that the Colonization Society purchased practically all the territory that now forms the Republic of Liberia. It has also been shown that the American Government cooperated with the Colonization Society, and from time to time landed its recaptured slaves from vessels engaged in the slave trade in the territory of Liberia, and provided for these recaptured slaves temporary care and sustenance. In addition to the freedmen from America and the recaptured slaves settled there by the American Government, a great many West Indian Negroes found their way also to this new country. The various settlements in Liberia, established under the auspices of the American Colonization Society and the Auxiliary State Colonization Societies, were in the beginning entirely independent of each other—their affairs being managed by agents selected and sent out by the Home Colonization Society.

As time passed on, more and more power was granted to these various settlements by the society, and eventually they were all consolidated under the name of the Commonwealth of Liberia. Then, on July 26, 1847, the colony declared its independence and subsequently adopted a constitution, and became recognized the world over as the Republic of Liberia. The first President of the Republic of Liberia was Joseph Jenkins Roberts, who, at the time of the declaration of independence and the adoption of a constitution, was Governor of the Commonwealth of Liberia, having succeeded Thomas Buchanan, who was the Commonwealth's first Governor. Roberts was five times elected President of the Republic, and he did much toward inducing other countries to recognize Liberia as a free and independent republic. The Republic flourished far beyond the expectations of its founders during his administration. It was recognized by other nations in the following order: France, Lubeck, Bremen, Hamburg, Belgium, Denmark, the United States, Italy, Sweden, Norway, Holland, Haiti, and Portugal. It has been said that recognition by the United States was delayed because it was pointed out that Washington would be compelled to receive a colored envoy.

About 1 year after the adoption of the constitution, and when the new Government was well on its way toward the completion of its labors in setting up and placing in operation the various subdivisions of the Government, the directors of the society and the commissioners of the Republic, on behalf of the American Colonization Society and the Republic of Liberia, in the city of New York, on the 20th day of July 1848, entered into articles of agreement whereby the society ceded all of its public lands within the limits of Liberia to the Republic, subject to 10 provisions, one of which was that when the Government sells any of the public lands, every alternate lot, or farm, or section, or square mile, or miles shall be left unsold to be assigned to emigrants. It was further provided that the tracts reserved for emigrants may, with the assent of the society, be exchanged for others of equal value, or sold and the proceeds devoted to the purposes of education. It was provided also that the society shall retain the right of locating emigrants in any of the present settlements, and that any settlements are to be formed by the concurrence

and agreement of the Government of Liberia and the society.

If Senators have time to read my bill, which I hope they will, they will find that I provide that the American Colonization Society, which is still an organization domiciled in Washington, shall have a part in connection with allocation of the lands acquired for the resettlement of Americans in Liberia.

The agreement stipulated that the Government of Liberia should hold the land theretofore appropriated to the Kentucky society for the occupancy of emigrants from that State, the land assigned to the Mississippi society should be held for emigrants from that State, and the Blueberrie land should be assigned to emigrants from the State of Louisiana. These several State societies were auxiliaries of the American Colonization Society. By this agreement the active participation of the American Colonization Society in administering the affairs of the people of Liberia was practically terminated, and only such rights were reserved and such cooperation in the matter of establishing new settlements was permitted as were to be found stipulated in the articles of agreement of July 20, 1848.

* * * * *

It may be of interest to know that since I have been working on this problem, through the activities of the Ethiopian League, headed by President Gordon, of Chicago, two commissioners were sent to Liberia to interview the President of Liberia and definitely ascertain whether or not the President of Liberia would be willing to accept the American Negroes if the Congress should pass legislation providing for their settlement in Liberia. I am glad to say that those two commissioners returned from Liberia in January and are in the gallery today. The President of Liberia is ready to receive American Negroes.

Notwithstanding this severance of the ties which had so long bound together the settlements of the Republic and the American Colonization Society, the parent organization continued to keep in touch with the progress and development of the republic and to cooperate in an unofficial way in directing its destinies and contributing to its growth and development by encouraging those of African descent in the United States to return to their mother country.

Only this morning I was in conference with Colonel West, who is the head of the American Colonization Society in Washington. He has made frequent trips to Liberia and is still working at the job.

Negroes then began to volunteer in great numbers for colonization in Liberia. The American Colonization Society was unable to take care of all who desired to migrate to the new-found land. Not every Negro in whose breast had risen high hopes of migration to his homeland could be transplanted by the Colonization Society. The volunteers were in greater number than the society could accommodate.

In other words, unless we can persuade the Federal Government to carry out the program, it never can be successfully and satisfactorily done. When two and a half million American Negroes, as evidenced by the petitions on my desk, are beginning the Congress to give them the opportunity to avail themselves of the land which is now waiting for them, being held in trust by the Republic of Liberia, is it not better sense, is it not better judgment, is it not better business for the Government to pay for their transportation and care until they are well on their way and have been established in their new home? Is it not cheaper and better to care for them in that way than to let them stay in the United States and keep them indefinitely on the relief rolls?

* * * * *

The situation I have outlined, and the contention by the slave-holding States that because of States' rights the Federal authorities could not aid in the movement, influenced the State of Ohio to propose a program of repatriation known as the Ohio plan. The legislature of the State of Ohio, through the Governor of that State, sent out a request to the sister free States that the several Governors thereof submit to their respective legislatures a plan for the emancipation and colonization of slaves, the plan to be concurred in by the slave States. This history is necessary in order to place before the country the story of resettlement, and the importance of what we are now trying to do.

This plan got around the question of States' rights, which, it was thought, prohibited Federal support in the movement. Also, the plan originated by the Legislature of Ohio stipulated that slavery might be carried on in the several States while repatriation was in progress, and that all slaves who did not volunteer to return to their native land should remain as slaves, on the ground that any such individual who did not join members of his own race in the establishment of a new government could not be considered as worthy or deserving of freedom.

I have much the same opinion of a Negro who would not accept the gracious offer of the opportunity which we are now trying to give him to establish a new home in Africa.

It so happened that the free States readily concurred in the Ohio plan, but the slave States refused to accept it. It is claimed by a distinguished author that in reality this was the first schism that occurred between the North and the South on the race question. This division of sentiment on the question of manumission and repatriation of Negro slaves placed the slave States in the most nearly indefensible position they had ever essayed to maintain. Up to this juncture the slave States apparently gave sympathetic consideration to the emancipation idea, but in the last analysis felt inclinded to reject it because they feared to liberate in their midst a race whose numbers were equal to, and in most instances greater than, the number of whites. In my own State today there are more Negroes than whites. The people of the slave States were struck with horror at the contemplation of the great tragedy that would necessarily, according to their way of thinking, ensue if millions of untutored and uneducated human beings, just a few degrees advanced above a state of barbarism, should be turned loose in their midst and left free to roam at will, and at the same time be endowed with all the inalienable rights vouchsafed to the white man under the Constitution.

Then, too, there was the question of property rights. They had paid for these slaves in the coin of the realm; they felt, under any scheme of liberation, that they should be compensated for the losses that would follow general emancipation.

* * * * *

Now the Ohio plan came forward and provided for the repatriation of slaves owned by the slave States, who would volunteer to migrate and that the institution of slavery should continue while the process of repatriation was being carried out. This proposition fully met the dangers apprehended from a wholesale liberation of slaves who were to remain in the territory of enslavement. It is true, the compensation idea was not considered in this plan, and it is possible the absence of any proposal in the Ohio plan to remunerate the slaveholders for the loss of their slaves contributed to their rejection of the plan. At any rate, the free States in the Ohio plan proposed a program which, if accepted, would have resulted in the establishment in these United States of a purely white nation composed of a white race—an ideal which yet must be attained if this Government is to endure and fulfill its destiny in the development and maintenance of the greatest civilization known to man.

Following the rejection of the Ohio plan a man by the name of William Lloyd Garrison arose and made a vicious attack on the American Colonization Society, claiming that it was merely an instrument of the slave power for removing only troublesome free Negroes from the United States and from the presence of their slaves. He claimed that the real purpose of the society was to make more secure the bondage over the Africans who were already enslaved. It will be recalled that the general plan of the American Colonization Society all along was to repatriate only those Negroes who were free, and those who had happened through some fortuitous circumstance to be made free. Even the slave States now accused the society of collaborating with the Garrisonian abolitionist. These attacks, both by Garrison and the slave power, would have destroyed the colonization movement of the society if the society had not been supported and defended by some of the most eminent men in the Nation. Garrison, in theory, was an advocate of the amalgamation of the two races. He was opposed to repatriation; he was in favor of emancipation, the bestowal of citizenship upon the Negro, and the hybridization of the two races. The Colonization Society, in spite of these attacks, continued to make progress until some 12,000 emigrants or more were established in Liberia. It took the Civil War to suspend its operations. The reconstruction era that followed the Civil War almost destroyed the society as an effective agency for repatriation. Reconstruction politicians were active among the Negroes with their newly acquired freedom, urging them to forget about the establishment of a nation of their own in Liberia and to make ready to appropriate to themselves the lands and properties of their former masters.

Let us now turn to that central figure around which all the incidents of the bloodiest war in history revolved—the immortal, the incomparable Abraham Lincoln. There is not a single doubt in the mind of any reputable historian that the institution of slavery was the direct cause of the Civil War. But for the deportation as slaves of these unfortunate people from the jungles of their native home in Africa to the Atlantic seaboard and finally to the cottonfields of the South, the disruption of the Union would never have been threatened and Robert E. Lee would never have had occasion to make surrender of his army to Ulysses S. Grant. No man of that memorable age was more fully advised as to the causes that were challenging the stability of the Union than was Abraham Lincoln It is well at this point of our discussion to review the words of this great man in giving voice to his sentiments with respect to the emancipation and repatriation of the Negro race.

It will be noted in the study of his public utterances on this subject that he never spoke of emancipation without coupling with that thought the idea of repatriation. Like Jefferson, it was impossible for him to think of emancipation without uniting with that thought the idea of colonization and repatriation. As it has ever been, from time immemorial, impossible among civilized men to think of Jonathan without associating with that character the name of David, or to think of Damon without at the same time thinking of Pythias, so was it with Jefferson and Lincoln equally as impossible for either to think of emancipation without associating with that idea colonization or repatriation.

In the Emancipation Proclamation, that immortal document penned by Abraham Lincoln, he said:

"I, Abraham Lincoln, President of the United States and Commander in Chief of the Army and the Navy thereof, do hereby proclaim and declare that * * * it is my purpose upon the meeting of Congress to again recommend * * * the immediate or gradual abolishment of slavery * * * and that the effort to colonize persons of African descent with their consent, upon the continent or elsewhere, with the previously

obtained consent of the government existing there, will be continued."

The proposition I am advocating here today was just as important and just as much part of the emancipation proclamation as were the words that set the Negro free. Lincoln tied them together. He says:

"And that the effort to colonize persons of African descent, with their consent"—

My bill provides that a Negro cannot be transported to Africa unless he gives his consent by filing application indicating his desire to go. Two and a half million Negroes have filed already.

Lincoln says:

"Upon the continent or elsewhere, with the previously obtained consent of the government existing there, will be continued.

"That on the 1st day of January, in the year of our Lord 1863, all persons held as slaves within any State or any designated part of a State, the people thereof shall then be in rebellion against the United States, shall be then thenceforward and forever free."

In one single breath the President proclaimed freedom for the slaves and at the same time the effort to colonize them would be continued.

President Grant spent much effort in trying to carry out the colonization plan of Lincoln.

The reason some Senators and some other public men are afraid of this question is that they say it is fantastic; that it is a dream; it is a vision; it is too big a job; it cannot be done. Well, here, without any effort on the part of any man in public life to do anything about it, 20 percent of the 12,000,000 Negroes of the United States are now asking that it be done. I am safe in saying that 75 percent of the 12,000,000 Negroes in this country, if contacted and made to understand the gracious proposal we are offering to them in the effort to give them a chance at freedom and an opportunity in life for themselves and their children, would gladly accept the proposition, and the other 25 percent who might not want to go and do not want to go now, assuming the 75 percent went, would be ready to go, because they would not then have the rank and file of the Negro race to prey upon and to exploit and to racketeer upon. What would the Negro dentist do if all the rank and file of the Negroes moved to Africa? What would the Negro doctor do? What would the Negro undertaker do? And the Negro preachers would be preaching to empty benches. They would go. As soon as the trek was started, the job would be finished.

After having read this document to his Cabinet, and while waiting for a Federal victory before publishing the proclamation to the world, the President assembled a group of free Negroes at the White House and informed them that he was about to enter upon a general program that would solve the race question through the peaceful and voluntary separation of the two races.

As a valuable contribution to this discussion and as a document that more clearly sets forth the views of the President with respect to the future status of the Negro, I quote almost in its entirely his memorable address, delivered in the month of June 1862 to a deputation of free Negroes in the city of Washington. If any Members of the Senate have not had a chance to read this speech of Abraham Lincoln, I think they will find it very interesting. It is as follows:

"Why should not the people of your race be colonized?"

Lincoln is speaking to the Negroes assembled in the White House.

"Why should they not leave this country? This is perhaps the first question for consideration. You and we are a different race. We have between us a broader difference than exists between almost any other two races. Whether it is right or wrong, I need not discuss, but this physical difference is a great disadvantage to us both, as I think your race suffers greatly, many of them by living with us, while ours suffer from your presence. In a word, we suffer on each side. If this is admitted, it shows a reason why we should be separated. You, here, are freemen, I suppose. Perhaps you have long been free for all your lives. Your race are suffering, in my opinion, the greatest wrong inflicted on any people. But even when you cease to be slaves you are yet far removed from being placed on an equality with the white race. You are still cut off from many of the advantages which are enjoyed by the other race. The aspiration of man is to enjoy equality with the best when free; but on this broad continent not a single man of your race is made the equal of ours."

Not then, not now.

"Go where you are treated the best, and the ban is still upon you."

Whether it is in Michigan or in Mississippi.

"I do not propose to discuss this, but to present it as a fact with which we have to deal. I cannot alter it if I would. It is a fact about which we all think and feel alike. We look to our conditions owing to the existence of the races on this continent. I need not recount to you the effects upon white men growing out of the institution of slavery. I believe in its general evil effects upon the white race. See our present condition. The country is engaged in war. Our white men are cutting each other's throats, none knowing how far their frenzy may extend; and then consider what we know to be the truth. But for your race among us, there could not be a war, although many men engaged on either side do not care for you one way or the other. Nevertheless, I repeat, without the institution of slavery, and the colored race as a basis, the war could not have had an existence. It is better for us both, therefore, to be separated. I know that there are freemen among you who, even if they could better their condition, are not as much inclined to go out of the country as those who, being slaves, could obtain their freedom on this condition. I suppose one of the principle difficulties in the way of colonization is that the free colored man cannot see that his comfort would be advanced by it."

Like some of the miscegenationists, they cannot now see that they would be better off, but they would be.

"You may believe you can live in Washington, or elsewhere in the United States, the remainder of your lives, perhaps more comfortably than you could in any foreign country. Hence you may come to the conclusion that you have nothing to do with the idea of going to a foreign country."

This is Lincoln, still talking to the Negro:

"This—I speak in no unkind sense—is an extremely selfish view of the case. But you ought to do something to help those who are not so fortunate as yourselves. * * * For the sake of your race you should sacrifice something of your present comfort, for the purpose of being as grand as the white people in that respect. It is a cheering thought throughout life that something can be done to ameliorate the condition of those who have been subject to the hard usages of the world. It is difficult to make a man miserable while he feels that he is worthy of himself and claims kindred with the great God who made him. In the American Revolutionary War sacrifices were made by men engaged in it, but they were cheered by the future. General Washington himself endured greater physical hardships than if he had remained a British subject; yet he was a happy man, because he was engaged in benefiting his race, and in doing something for the children of his neighbors, having none of his own."

That is Lincoln's speech to these Negroes at the White House. He closed his address with the following words:

"The practical thing I want to ascertain is whether I can get a number of able-bodied men, with their wives and children, who are willing to go when I present evidence of encouragement and protection."

Every encouragement and protection on earth is to be thrown around the Negro as he is being resettled in Africa under the provisions of the bill I have introduced.

"Could I get a hundred tolerably intelligent men, with their wives and children, and able to 'cut their own fodder,' so to speak? Can I have 50? If I could find 25 able-bodied men, with a mixture of women and children good things in family relation, I think I could make a successful commencement. I want you to let me know whether this can be done or not. This is the practical part of my wish to see you. These are subjects of very great importance—worthy of a month's study, instead of a speech delivered in an hour. I ask you, then, to consider this seriously, not pertaining to yourselves merely, not for your race and ours at the present time, but as one of the things, if successfully managed, for the good of mankind—not confined to the present generation, but as—

"'From age to age descend the lay
To millions yet to be,
Till far its echoes roll away
Into eternity.'"

The observations made by President Lincoln in this famous address, delivered at the White House to a deputation of free Negro citizens assembled from many sections of the country, did not spring from immature considerations, nor were they conceived under the pressure of passions generated by the exigencies of war; but they coolly and calmly reflected his judgment on the race problem as frequently enunciated in the early years of his political life. The address embodied views long entertained by him and arrived at years before the war clouds began to gather—views garnered from a prolonged study of racial inheritances and the ethnological differences between the two most widely diverse races on the globe. Furthermore, because of having been born in the South, he was frequently thrown in immediate contact with the colored race, and through this familiarity and intimacy with this unfortunate people he acquired a knowledge of their traits, their habits, and customs that served him well in the formulation of his policy to colonize the free Negroes of this Republic on the coast of Liberia.

No man since the beginning of this Republic was more firmly convinced that this Nation could not survive if the two races were required to live in the same territory and under the same government. That is as true as heaven. As far back as 1836, when Lincoln announced his candidacy for the legislature in the State of Illinois, and when he was only 27 years old, he said:

"I stand for admitting all whites to the right of suffrage who pay taxes and bear arms, and by no means excluding females."

Lincoln was a woman suffragist when he was 27 years old.

This was a direct declaration favoring the limitation of suffrage to white people only.

In 1837, while discussing a resolution to the General Assembly of Illinois, Lincoln denied that Congress had power to interfere with slavery, and in doing so employed these words:

"The Congress of the United States has no power under the Constitution to interfere with the institution of slavery in the different States."

Lincoln was opposed to social or political equality of the two races and inveighed against the intermarriage of whites and blacks. On this subject he spoke at Charleston, Ill., September 18, 1858, and used these words:

"I will say that I am not, nor ever have been, in favor of bringing about in any way the social and political equality of the white

and black races—that I am not, nor ever have been, in favor of making voters or jurors of Negroes, nor of qualifying them to hold office, nor to intermarry with white people; and I will say in addition to this that there is a physical difference between the white and black races which I believe will forever forbid the two races living together on terms of social and political equality, and, inasmuch as they cannot so live, while they do remain together there must be the position of superior and inferior; and I, as much as any other man, am in favor of having the superior position assigned to the white race."

When Henry Clay, who for many years had been president of the American Colonization Society, died, Mr. Lincoln, in making a memorial address following the demise of the great compromiser, said:

"If as the friends of colonization hope, the present and coming generations of our countrymen shall by any means succeed in freeing our land from the dangerous presence of slavery, and at the same time restoring a captive people to their long-lost fatherland with bright prospects for the future, and this, too, so gradually that neither races nor individuals shall have suffered by the change, it will, indeed, be a glorious consummation. And if to such a consummation the efforts of Mr. Clay shall have contributed, it will be what he most ardently wished and none of his labors will have been more valuable to his country and his kind."

In a debate with Senator Douglas on October 16, 1854, Lincoln voiced sentiments of regret that it was not possible at that time for a sudden freeing and colonization of the Negro. You will notice that he could not say "emancipation," he could not say anything about freeing the Negro, without saying something about colonizing the Negro. The two went together, as they ought to go together.

These were his words:

"My first impulse would be to free all the slaves and send them to Liberia, to their own native land, but a moment's reflection would convince me that whatever of high hope (as I think there is) there may be in this, in the long run its sudden execution is impossible."

No one ever dreamed of sending all of our Negro citizens to Liberia or to other parts of Africa in a month, or in a year, or in 5 years. This is a work of possibly a quarter of a century, and it ought to be done in such a slow and gradual way as not to disturb the economic conditions of the country; and things will adjust themselves as these people are moved out.

Later on in a debate with Senator Douglas on June 26, 1857, Lincoln spoke more encouragingly as to the prospects of being able to bring about the colonization of the Negro. In this speech he employed these words:

"Such separation, if effected at all, must be effected by colonization; and no political party, as such, is now doing anything directly for colonization. Party operations at present only favor or retard colonization incidentally. The enterprise is a difficult one—'but where there is a will there is a way,' and what colonization needs most is a hearty will. Will springs from the two elements of moral sense and self-interest. Let us be brought to believe that it is morally right, and at the same time favorable to, or at least not against, our interests to transfer the African to his native clime, and we shall find a way to do it, however great the task may be."

I will tell you when this thing will be done. When a few more million Negroes in this country sign the petition asking Congress to give them a chance under the sun in their new home in Africa, there will not be any question about the bill passing.

In his first message to Congress, in December 1861, he proposed to colonize Negroes liberated from persons in arms against the Government—

"At some place or places in a climate congenial to them. * * * If it be said that the only legitimate object of acquiring territory is to furnish homes for white men, this measure effects that object, for the emigration of colored men leaves additional room for white men remaining or coming here."

These words, uttered 78 years ago, are as applicable to the situation obtaining here today as they were to the age of Abraham Lincoln.

Mr. Lincoln did not believe that the Declaration of Independence meant that all men were created equal in every respect. In his speech delivered in Illinois in 1858 he made clear his understanding of the Declaration of Independence on this point by saying:

"I have said that I do not understand the Declaration of Independence to mean that all men are created equal in all respects. Certainly the Negro is not our equal in color, perhaps not in any other respect. * * * I did not at any time say I was in favor of Negro suffrage. Twice, once substantially and once expressly, I declared against it. * * * I am not in favor of Negro citizenship."

Not any more than the Negroes in establishing their government in Liberia were in favor of white people having citizenship in their republic.

In President Lincoln's second annual message to Congress, submitted in December 1862, he emphasized the fact that colonization would settle forever the Negro problem.

There are two ways in which it might be settled—either separate them physically or let them remain here and amalgamate with them. Everyone is on on side of the fence or the other. Lincoln said:

"Our strife pertains to ourselves and not to the passing generation of man, and it can, without convulsions, be hushed forever with the passing of one generation."

Following this observation, he then proposed an amendment to the Constitution of the United States, and because the right of Congress to appropriate money for colonization purposes had been challenged he submitted this observation:

"Congress may appropriate money and otherwise provide for colonizing free colored persons with their own consent in any place or places without the United States."

Again, in the same second annual message, he said:

"Reduce the supply of black labor by the colonization of the black laborer out of the country, and by precisely so much you increase the demand for, and the wages of white labor."

I have heard many of the statesmen here repeatedly declare that we have problems which will stay with us; that we will always have unemployment; that because of this being a machine age and because of the exhaustion of new frontiers, our employment rolls will decrease. Then why not adopt Lincoln's theory of handling the question? It will cost less to handle it in that way, and the Negro is asking that we do it, and do it for him.

If Lincoln's advice had been heeded at the time it was given, and the supply of labor in the South had been reduced by the colonization of the black laborer, the South today would not be featured throughout the Republic as the Nation's economic problem No. 1. As Lincoln stated, the colonization of the black laborer in that section would have increased the demand for, and the wages of white labor; just in the same proportion the supply of black labor would have been reduced.

From the careful study of these limited excerpts from the writings and public utterances of President Abraham Lincoln, it is adequately demonstrated that he did not suddenly jump at conclusions with respect to racial separation. His philosophy of the race problem was gradually developed and slowly reasoned out from the time he was 27 years old, and a candidate for the legislature in the State of Illinois, to the day when he issued the Emancipation Proclamation. I wish again here to emphasize by repeating the fact that through all his efforts to colonize persons of African descent, he never proposed any plan for the liberation of the slaves that was not coupled with his scheme for colonization. Embodied in the Emancipation proclamation itself was the solemn pledge that his efforts would be continued to colonize the slaves when liberated from their state of bondage. It has been shown that the President did continue his efforts by recommendations to Congress, providing for colonization; by attempting to obtain land upon which free Negroes might be settled, by at one time devising plans for compensated emancipation of the slaves; by obtaining an appropriation from Congress with which to begin colonization, and by an official request to the Congress for a constitutional amendment to sustain his colonization program.

He considered the Emancipation Proclamation as a war measure, and that colonization was a post-war measure, the purposes of both being, the one the saving, and the other the perpetuation of the Union. He deemed the Emancipation Proclamation not only as an instrument designed for preserving the Union by destroying the slave power, but as also an act that would expedite his long-advocated concept of racial separation. He reasoned that when 4,000,000 slaves had been given their freedom in the Southland, and that when the war subsequently had been won by the armies of the Republic, the slaveholding power of the South, defeated in battle and confronted with the presence of 4,000,000 ignorant freemen, unaccustomed to and incapable of exercising the duties and responsibilities of intelligent citizenship, would immediately join hands with the free States of the Union in a unified effort to bring about the complete riddance of a race that seriously threatened the political existence not only of the Southland, but of the Nation as a whole. So it happened that, when conscious that the war for the preservation of the Union had been won, he commissioned Gen. W. F. Butler, in the month of April 1865, to inquire into and give his views as to whether the Negroes could be exported.

At this juncture, Lincoln was assassinated, and until this day the hope, the dream, the aspiration of the great emancipator has never been fulfilled.

Two of the greatest lights in the bright galaxy of all the stars that are set in the political firmament of this Republic, namely, Thomas Jefferson and Abraham Lincoln, have entertained the same concepts and ideals with respect to the solution of the Negro problem, and one of the saddest commentaries on the lives and achievements of these illustrious leaders is that the most priceless of the numberless ideals they have champ'oned and defended has, through all succeeding years, remained an unaccomplished reality.

On the banks of the Tidal Basin here in Washington there is today being erected a memorial to Thomas Jefferson, commemorating—in time-defying granite—his contribution to the establishment, on everlasting foundations, of the greatest republic known to civilized man. Already on the banks of the mighty Potomac—in impressive grandeur—stands a monument done in imperishable stone commemorating the contribution of Abraham Lincoln to the preservation of the Union. Strange, is it not, that the people of this Nation should thus befittingly honor these heroic men for the incomparable services they have rendered—the one laying wisely and well the foundations of a New World democracy, and the other effecting, at a crucial moment of disintegration, the preservation of that democracy—and that they should at the same time reject, in these memorials, the cornerstone which

represented the culminating ideals of both, namely, if this Nation is to endure under God, the separation of the two races and the colonization in Liberia of all citizens of African descent must be accomplished. One should be pardoned for indulging the hope that this rejected stone shall become the keystone of the arch in the construction of the Jefferson Memorial.

Jefferson and Lincoln, along with others who have devoted effective research and prolonged study to the Negro race problem, are in practical unanimity upon a three-way solution of this problem—social and political equality, resulting in amalgamation; complete segregation in this country, extending somewhat remotely the time of effectual amalgamation; and repatriation—the only remedy to be adopted that will preserve the civilization of the Caucasion race, and afford an opportunity for the Negro race to develop a civilization of its own.

I endeavored on a previous occasion, May 24, 1938, to stress the importance of reviewing and weighing, in every detail, the racial concepts of Jefferson and Lincoln, and took occasion to say that the time had arrived when this Government and those who make and execute its laws can no longer afford to ignore the accumulated wisdom of the past; to be oblivious of the teachings of history and of the warnings and admonitions of the most illustrious and renowned patriots of the past—the teachings and prophecies of those great and unselfish souls who have steered successfully thus far the destinies of this Republic.

What strange and inexplicable processes governing the mysterious workings and operations of the human mind have we fallen upon in this modern age that we cannot accept, without doubts and misgivings, the teachings and philosophies which have become our heritage as handed down to us by our great statesmen, our scientists, and recognized authorities on race culture and hereditary and social values.

It is inconceivable that any of the foremost leaders of our time should so willingly accept the fundamental principles of our Government, the basic foundations upon which rests the superstructure of our political system and the western civilization it has developed, and at the same time refuse to be guided and motivated by the men who framed and preserved for us that self-same Government, and who, while doing so, clearly and unanimously laid down the dictum that nothing is more certainly written in the book of fate than that "the two races, equally free, cannot live in the same government," and that "there is a physical difference between the white and the black races which will forever forbid the two races living together on terms of social and political equality."

Especially is this fact all the more incomprehensible when the sentiments they so wisely and so well expressed have been caught up and echoed and reechoed through all the succeeding years by others no less capable, who severally, in their turn, laid hand upon the helm of state and guided with prudence and wisdom its continuing upward course. Nor were they alone, as if in the wilderness, in their cry for redemption and deliverance from the unspeakable horrors of impending blood pollution, amalgamation, and hybridization. The bravest and the best from all sections of our common country have helped to hold high the danger signal so that the car of human progress might proceed to its destined goal without Caucasian casualty, Ethiopian extermination, or slow and imperceptible or cataclysmic disintegration of our boasted civilization.

Unquestionably, the devotion of the people of this Nation to Abraham Lincoln is sincere, but regardless of that sincerity, the endorsement of the full and complete plan of his high purposes and noblest aspirations is withheld. The most generous reason that can be offered for failure of his devotees to follow him in his ideas no further than emancipation and the grave is that they have lost sight of his ultimate purpose—his definite goal. Every citizen who professes a devout respect for the great emancipator owes it to the memory of this sainted man, as well as to himself, to work for the consummation of his interrupted purpose. That which the assassin's bullet prevented Lincoln from accomplishing should be the mark at which those of us who have followed him should aim. Human justice, racial pride, and self-preservation cry out in a tearful plea that Lincoln's legacy be not dishonored; that the great project of colonization, following emancipation, which he had formulated, be not terminated in Ford's theater.

Lincoln sacrificed his very life for his first step in emancipation, and whoever cooperates in taking the final step, whoever helps to complete his unfinished project by providing for the voluntary repatriation of the American Negro, will earn the everlasting gratitude of two self-respecting races and enable the spirit of Lincoln to rest content. No repatriation movement can be conducted without the name of Abraham Lincoln being associated with it. The part he played in setting the stage for the voluntary exodus of the downtrodden race should be repeated until it is known and understood by all men who seek a happy and permanent solution of the race problem. Like a theme song, it should be heard in the nature of a Negro spiritual running through the halls of Congress and wherever men are assembled to direct and determine the course of empires. It should be repeated in the ears of the listening world until every thought of Lincoln suggests his unfinished dream. It should be repeated here, within these walls, until, resonant with his long silenced voice, they may be made to intone unceasingly these words:

"Without the institution of slavery and the colored race as a basis, the war could not have had an existence. It is better for us both, therefore, to be separated. * * * I do not understand the Declaration of Independence to mean that all men are created equal in all respects. * * * I am not, and never have been, in favor of making voters or jurors of Negroes, nor of qualifying them to hold office, nor to intermarry with whites. * * * There is a physical difference between the black and white races which, I believe, will forever forbid the two races living together on terms of social and political equality."

Those immortal words of Lincoln should be written into the minds and hearts of every American citizen.

Abraham Lincoln fell a martyr to his ideals before they could be achieved. Abraham Lincoln—the noblest friend the colored man ever had—was deterred by the assassin's bullet from giving him a liberation far surpassing that afforded by emancipation—namely, a home in a congenial clime in the land of his fathers where he could, under the guidance and protection of this Government, work out for himself a civilization and a culture to the full limit of his racial endowments and the acquisitions in point of training and development gained from his sojourn in America. How easy it is to visualize his sympathetic spirit today standing on the sidelines in sad contemplation of his shattered ideals; of a work half completed, viewing, with profound commiseration, the black man to whom he had given freedom, still without freedom, stranded, as it were, on an unfriendly shore and at the mercy of misguided agitators, today, as in 1865, who seize every opportunity to exploit him for private gain. Who is there, among the members of this most exclusive body in the world, who will hesitate to join with two and one-half million people of African descent in a united effort to bring about the ultimate completion of Abraham Lincoln's self-imposed task?

Following the death of President Lincoln, the reconstruction era began, and through the efforts of reconstruction politicians migrating from the North into every nook and corner of the South, the activities of the American Colonization Society were paralyzed and the movement it had inaugurated so long ago became more or less devitalized.

The carpetbagger of those days, like the Communist of this day, impregnated the Negro brain with the idea that he should abandon the effort of establishing a Negro nation in a foreign land and become reconciled to his manifest destiny, which was to take over the lands and properties of his former slave owners, and also to make ready to seize the reins of government. The same idea, in slightly modified form, is being advanced by the Communists who are active in organization work among the Negroes of the South, urging them to demand all the rights made secure to the white man under the Constitution, and assuring them of the assistance of the Communists in a united effort to take over the black belt of the South, politically and otherwise.

They have been encouraged by these Communists to believe that they can take possession of the farms and the industries now owned by the white people, called the capitalistic class.

Earl Browder, in a report to the New York convention of the Communist Party, on June 24, 1936, said:

"Significant progress has been made in building a united front of struggle for Negro liberation. The Negro people have learned to expect and demand from Communists the greatest sensitivity to their problems; the greatest energy in their defense; the greatest solidarity in their struggles."

In the testimony of Walter S. Steele, before the Dies committee investigating un-American propaganda activities in the United States, we find on page 321 in a volume carrying his testimony exclusively, these words:

"The Communists promise Negroes self-determination in the black belts of the country. These belts are indicated by maps and, of course, include the districts heaviest populated by the Negroes. Communists promise them confiscation of land and industries from the white owners and the turning over of them to the Negroes."

On page 323 of his testimony, Mr. Steele further stated:

"In the South those who join the Communist movement realize that such a change in sentiment as the Communists plan, if it could be brought about, will give them actual domination in such States as South Carolina and Mississippi, where Negroes are numerically superior, and could use their votes to especially good advantage. To many southern Negroes, therefore, the cunningly devised picture of social and political equality is a vision of the promised land. They are told that the plantations now belonging to the members of the white race will be divided up and given to them. In Russia members of the Negro race do not have social equality. The friendship of the Communist leaders for members of the southern colored race is purely hypocritical."

In June of 1938, less than 1 year ago, the Communists held their first all-southern conference of the Communist Party, in Chattanooga, Tenn. One hundred and thirty-three delegates, it is claimed, assembled in this city from all parts of Dixie to hear Earl Browder, the national secretary of the Communist Party, and James W. Ford, head of the Negro section of the same party. According to the further testimony of Steele, on page 324 of the Dies committee hearings, it was the expressed determination of this meeting to carry forward the Red penetration of the South during the next 12 months with renewed vigor. He further stated:

"It is the announced purpose of the meeting to accelerate the work of the Communists in the South, looking toward votes for the Negroes and the organization of more powerful labor unions in the South. It is to be remembered," he said, "that when the Reds mention unions they are not referring to labor organizations but to organizations which will agitate for the class struggle which will make America over as a Communist state."

Therefore the hypocrisy of the Communists of our time finds its prototype in the hypocrisy and deceit of the carpetbagger during the reconstruction period.

At the very height of the demoralizing situation that prevailed soon after the Civil War, another outstanding Repatriationist arose in the person of Henry McNeil Turner, a Negro born at Abbeville, S. C. He encouraged his race to achieve race progress through race nationality as other races had done. Turner entered the ministry and became a bishop in the African Methodist Episcopal Church. He had attracted the attention of President Lincoln, who appointed him Army chaplain for the first colored troops used in the Union Army. Following the close of the war he was sent with the reconstruction forces to Georgia, but resigned his commission and returned to the ministry. The reconstruction crowd was too hot for him. Bishop Turner was well aware of the fact that the race problem would continue as long as white women bred white children, and Negro women bred Negro children. In answer to the carpetbagger's promise to the freedman of the plantation formerly owned by his master, Bishop Turner claimed that the Negro would more likely secure 400 acres of land and a hippopotamus in Africa than he would get 40 acres and a mule in America.

When the argument was advanced that the Negro could profit in this country by the achievements of the whites, and that there was no need for racial and national independence, he proclaimed that "freedom for racial initiative is a prerequisite for racial progress, and in this respect the Negro would be better off in hell than in the United States."

Some Negroes are finding that out, and conditions are going to become worse.

Bishop Turner was as firmly committed to the policy of repatriation as the only solution of the Negro problem as any of the leading statesmen, scientists, and ethnologists of his time. Very definitely in line with the racial concepts of both Jefferson and Lincoln, he insisted that by separation he did not mean that everyone should go, or must go, but that there should be given or granted an opportunity for the departure of such black men and women as are self-reliant and as are willing to go. He said further:

"This Nation, or its aggregated people, will either have to open a highway to Africa for the discontented black man, or the Negro will flinder this Government."

I cannot close these remarks about Bishop Turner without including a letter that he wrote when an old man to W. P. Pickett, who was then preparing a publication entitled "The Negro Problem—Abraham Lincoln's Solution." This letter, under date of January 12, 1907, reads as follows:

"I pray God that you will continue in the great work in which you are engaged and move this country to help the Negro to emigrate to the land of his ancestors. I have visited that continent as often as I have fingers on my hand, and it is one of the richest continents under heaven in natural resources. Millions of colored people in this country want to go. Give us a line of steamers * * * and let us pay as much as the million or more white immigrants pay coming from Liverpool, London, and Hamburg to this country, and the Negroes will leave by thousands and by tens of thousands—yes; by millions."

The question of colonizing the Negro or of separating the two races has been almost continuously agitated throughout the past century. The various proposals to accomplish this end are not characterized by any essential differences. The question of location furnished the principal basis upon which opinions widely differed. One group of colonizationists recommended that unoccupied territory held by the United States should be set apart exclusively for the colonization of Negroes. Just recently there was a movement in Chicago to organize a forty-ninth State by taking parts of certain large Western States, such as Colorado and others, and forming a State where none except Negroes could go. Another group favored the removal of Negroes to some part of the Western Hemisphere not owned and not likely to be owned by the United States. However, the most serious considerations have been entertained by the group which proposed to repatriate citizens of the United States, of African descent, to Africa, more especially to the Republic of Liberia.

Following the death of Bishop Henry McNeil Turner, Marcus Garvey, a Negro born in Jamaica, took up the movement of repatriation; and during the course of his activities he developed into the most powerful and effective advocate of race integrity and race nationality that this country or any other country has ever known. We are told by authorities who have devoted effective study to the labors of Garvey on behalf of the Negro race that he was a man of good education, and that in his youth he brooded long over the disadvantages suffered by his race. He organized a Universal Negro Improvement Association. He stressed the importance of blood integrity and race nationality. He spoke in a language that stirred the deep desire of the race for these essentials. Garvey's organization became international. It developed into a vast empire of workers devoted to the achievement of economic progress through racial integrity and race nationality. It is said that the membership of the organization at one time exceeded 6,000,000. Its membership came from many foreign countries, as well as from the States of the Union.

Garvey was the first repatriationist who succeeded in gaining to any appreciable degree the attention of the American press. As stated by Mr. Earnest Sevier Cox, this organization, in a plan to aid Liberia, believed that it had acquired certain rights in that country, and sent out a shipment of goods of the value, it is said, of $50,000, when the Liberian end of the agreement was rescinded.

At about this time other American citizens were successful in acquiring holdings in Liberia; but these other Americans, not being of Negro descent, could not become citizens of Liberia or hold title to its land. The Firestone Tire & Rubber Co. has $90,000,000 invested in a rubber plantation in Liberia on leased land. This obstacle was overcome by leasing a million acres of Liberian land for a period of 99 years. Garvey opposed the white man's occupation of Africa through the seizure of Liberian lands on long leases. He advocated the doctrine of "Africa for the Africans," and decried the white man seizing Negro Africa and holding its people in subjection there, as the white man had done elsewhere.

Garvey's enemies were legion. More especially he was stubbornly fought by the Negroes in the United States who favored amalgamation—the blending of the blood of the two races. Notwithstanding this formidable opposition, more forcefully felt through the activities of the N. A. A. C. P., Garvey succeeded in gaining a powerful hold upon the group of the Negro race which may be designated as "Afro-Americans," practically full-blooded Negroes.

Garvey made an effort to finance the Black Star Line of steamships to be used to carry Negro emigrants to Africa and to develop trade among Negro people. This unfortunate enterprise resulted in temporarily arresting his repatriation movement. He was convicted of having fraudulently used the mails to sell stock in the Black Star Line. His conviction took place just before the economic collapse known as the depression. The presiding judge denominated him as an impractical dreamer, afflicted with a Messianic complex, and considered that the innocent Negroes of the country should be protected against the vagaries and impractical schemes of the repatriation idealist.

It may be true that Garvey sold stock in the Black Star Line. It may be true that the Black Star Line went to pieces as an investment. However, there was no more reason for penalizing Garvey for selling that kind of stock than there was for penalizing bankers who flooded the country with Peruvian bonds and other bonds which were sold through the mails and which were just as worthless as the stock in Garvey's Black Star Line.

In passing, it may be well to note that shortly after Garvey's conviction multiplied millions of dollars' worth of stock issued by so-called practical men—men free from the hallucinations of a Messianic complex—proved to be as worthless as the stock in the Black Star Line. President Coolidge commuted Garvey's sentence; but since he was an alien he was automatically exiled from the United States. His imprisonment deprived him of further active leadership in the great organization he had founded. His largest group of followers was located in the United States; and because of his alienation he was powerless to carry on the great movement of repatriation.

When we consider that Garvey's work was terminated by a court conviction and subsequent deportation, we find cause for discouragement among his followers. However, the chief value of his labors lay in the quickening of a race consciousness and in the birth among his followers of a new hope for racial integrity and Negro nationality. For this service he could not be adjudged in violation of law by any court in the world, while on the other hand he was denominated a benefactor of the human race at the bar of enlightened public opinion.

The most significant thing about the achievement of Garvey is that notwithstanding the collapse of his colonization program at the zenith of its popularity, notwithstanding the loss of considerable sums of money invested by the members of his race, notwithstanding his conviction and imprisonment, followed by deportation from the country in which he had established his great organization — notwithstanding all these things and more, the movement he had originated did not die with the passing of its founder. The longing for economic freedom and progress, the yearning for the establishment of Negro nationality, the burning desire to make secure racial integrity that Garvey had implanted in the souls of millions of Afro-Americans, survived. He definitely succeeded in establishing the fact that there is an overmastering impulse, a divine afflatus among the mass of Negroes of the United States for a country of their own and a government administered by themselves. Garvey was the greatest of the Negro publicists, and the most conspicuous organizer of his race.

In the wake of the Garvey movement there has appeared a new movement, unaided by the publicity of the press, which has for its purpose a single idea—to return people of African descent to their motherland, Africa. It was to be known as a "peace movement." President M. M. L. Gordon, of the Peace Movement, is a woman of marvelous courage and determination. She has breathed new life into the cause of Negro repatriation. Through her efforts a giant memorial has been presented to the President of the United States calling for the return of people of African descent to their motherland, Africa.

I now submit the letter which President Gordon wrote to me, in which was enclosed a copy of the memorial prepared by the Peace Movement of Ethiopia. Before reading the letter I wish to say that the names of more than 2,000,000 of the petitioners which came to me were the results of the efforts of the organization led by President Gordon, of Chicago. Fifty-eight thousand more came to me through the efforts of the heads of organizations of the Universal Negro Improvement Association, which was originally founded by the Garvey organization. They are all working together for the one end, one purpose, one goal.

In 1938 I received this letter from President Gordon:

* * * * *

"THE PEACE MOVEMENT OF ETHIOPIA—ONE GOD, ONE COUNTRY, ONE PEOPLE—TO RETURN PEOPLE OF AFRICAN DESCENT TO THE MOTHERLAND, AFRICA

"CHICAGO, ILL., *February 2, 1938.*

"DEAR SIR: We thank you for your interest shown in our petition. In your speech against the antilynch bill, three points are drawn as follows:

"1. Draw the color line.

"2. Set the race in some island in the sea.

"3. Send them back to Africa."

Those are the proposals that I developed in the 4 days' speech against the antilynching bill, and she boils them down.

"Your third solution is highly endorsed by the 1,000,000 members of the Peace Movement of Ethiopia. This will not alone settle the race problem in America, but will also solve the problems of unemployment—problems which threaten the very foundations of the tranquillity of this Nation.

"There are millions of us who abhor alms, both private and public. We know that in our ancestral country we can carve a frugal but decent civilization of our own in that favorable climate and virgin soil."

These are the words of the leader of this great organization—a woman:

"This organization is made up of the industrial masses, farmers, and men of skill, and in the land of our forefathers we will not only make a living for ourselves but will be free from race prejudice and discrimination.

"We highly approve your opposition to the mixture of the two races, for we, likewise, detest the same thing. For a long period of time the mixing of the two races came from one side, the white man and the colored woman. But now it is coming from both sides."

Let me digress here to remark that statistics show that there are today over 20,000 Negro boys and Negro girls annually crossing the color line. I mean by "crossing the color line" that the Negro boy, say, is a mulatto and looks white, so that he gets by; he goes where he is not known, and marries a white girl, and the mulatto, or white-colored girl, goes where she is not known and marries a white man. There are 20,000 of them annually. By our indifference are we going to favor amalgamation in this country?

"Since communism has established itself in this country, it is quite common to see a white woman rocking a black baby. We positively resent the mixture from either side and the only way to stop it is to separate the two races. We hope you will continue to push to the top this deportation measure, for this, and this alone, will save both your race and mine.

"There are several million of us who will go back to Africa by our own consent."

As evidenced by this petition.

"When the masses are once sent away, the oppositionists"—

That is, the "highbrows," the Negro intelligentsia—

"which are the classes, will be forced to follow. They cannot exploit the white people as they do their own. We, the million members of the Peace Movement of Ethiopia, solicit your support on this plan. We are enclosing a copy of our memorial, sent to President Roosevelt on November 14, 1933. We will be glad to hear from you at your own convenience. Our signatures are growing rapidly.

"Respectfully,

"THE PEACE MOVEMENT OF ETHIOPIA,
"Mrs. M. M. L. GORDON, *President.*
"EDMOND HOLLIDAY, *Secretary.*

"Senator THEODORE G. BILBO,
"United States Senator From Mississippi,
The Senate Chamber,
Washington, D. C."

Those are the sentiments of the heads of this organization who make this appeal to be sent to Africa.

I now direct the attention of the Senate to the memorial, the one I have before me being a copy of the one sent to the President of the United States, and which today bears actually a little over two and a half million names.

"A MEMORIAL

"THE PRESIDENT,
"The White House, Washington, D. C.

"Whereas the Congress has empowered the President to exercise his judgment in the present crisis in a manner suited to the exalted office and provided him with the means to execute his plans for the amelioration of distress and the restoring of normalcy; and

"Whereas the distress of the unemployed is most severely felt by such of the uneducated American Negroes who abhor alms, both public and private, in any guise; and

"Whereas the removal of a half million of the poorest from a competitive labor market, at this time, would tend to relieve to that extent the condition and opportunities of the remainder;

"Therefore, we, the subjoined signatories, American citizens of African extraction, individually and collectively, join in respectfully petitioning the President to consider our proposal, confident that his conclusions will be for the best interests of our families and of the community at large.

"WHO WE ARE"

They undertake to tell the President who they are.

"We desire to make it clear, first of all, that this is not a racket or scheme for the enrichment or self-glorification of any group or individual. The signatories pay no dues or other fees and the officers of the Peace Movement of Ethiopia serve entirely without pay, meeting their expenses wholly out of their own meager resources. Nor do our plans involve the taking over of any Government funds. We propose that the Federal Government itself meet directly such initial expenditures as launching of adopted plans involved.

"We are of the so-called North, most of us having been driven from a cruel and avowedly intolerant South to the cities and towns of the Middle West, the bread basket of America, without a just opportunity to earn a livelihood in our abject new state. We are the simple-minded, sincere, lowly, law-abiding workers who have maintained traditions of simple honesty, industry, and frugality as much from choice as from necessity. Few of us have any education, but we have learned not to heed the blandishments of self-seeking politicians, impostors, and the unworthy and undesirable products of a hectic civilization that is foreign to our nature.

"We recognize the fact that there are exploiting elements in partisan politics, in industry and commerce, and even among our own people, who oppose the movement laid before the President hereinafter. But the wreckage of cupidity and intrigue strew the spectacular path of our race wherever a concerted movement for our betterment has fallen prey to crafty leadership in the past. We have avoided even our own self-seeking racial leaders.

"We have a vivid realization of the hardships and toil that the fruition of our plans in a strang land entails. But we are inured to toil, and the ultimate goal of social and economic freedom gives us heart to welcome the hardships for our children's sake.

"For these reasons we are not sponsored by self-styled leaders and come before the President unheralded but with alert minds and clean, calloused hands. Should the President require further information about our numbers, our need, our earnestness, and fitness for the proposed undertaking, we entreat him to seek such information among those who hold themselves in readiness to join in the execution of the plans hereinafter proposed.

"WHAT WE ASK

"We were torn from our original homes and kindred people against our will; but the pride of ancestry and homing instinct survive the whip and social ostracism; they are as strong in our bosom as they are in the hearts of other races. We fully understand that social and political equality of races is as repugnant to the dominant race in America as it is to the dominant races elsewhere in the world. Yet race consciousness and contempt for previous servitude bid fair always to oppose each other at the behest of those who trade on them. The ever-possible bloodshed is as abhorrent to our stricken people as it is to other law-abiding citizens.

"Hungry, cold, and miserable, the pursuit of life, liberty, and happiness in America appears futile. Given an opportunity in our own ancestral Africa, the knowledge of farming and simple farm machinery and implements, which we have acquired here, would enable us to carve a frugal but decent livelihood out of the virgin soil and favorable climate of Liberia, or such other well-disposed country, where the Federal Government, in its wisdom, might acquire a footing for us.

"We most respectfully ask that the Federal Government negotiate with the Liberian Government for such land as existing treaty rights entitle us to, sufficient to colonize the entire body of the signatories hereto and finance the movement to the extent desirable for ultimate success. The details of our projected plans have been worked out tentatively, subject to the revision of a benign Government.

"We respectfully ask that the President graciously have this matter investigated now, with a view to fulfilling the expressed desires of Abraham Lincoln in this respect. We are a liability now and any cost of this project, no matter how great, would still, we sincerely believe, be a sound investment for the American people. We might require a guidance of some of the Departments of the Federal Government, for a brief period, but even if that be denied us, we could acquit ourselves with credit to the land of our tutelage, provided only the material aid is supplied to meet the first financial and mechanical requirements. A selective army of pioneers can be recruited from our ranks for the preparatory work on the ground.

"We have no utopian dreams of elevating the entire Negro race; no disconcerting requests in behalf of those Afro-Americans who prefer to remain here. We submit only what we consider a practical and practicable remedy for an acute ailment of American social and economic life. We, the subjoined and accompanying signatories, merely ask respectfully that we be eliminated from an overcrowded labor market and given a helping hand in establishing such social and economic independence as we are fitted for—establishing it where it will give no offense and where it may serve as an object-lesson to tempt those who remain.

"The colonial activity of America has always been based on benevolent paternalism, and we respectfully ask that this administration interest itself in like manner in behalf of those Africans whose forbears were brought here forcibly and who are now

stranded here amid uncongenial surroundings.

"We await the call.

"THE PEACE MOVEMENT OF ETHIOPIA,
"Mrs. M. M. L. GORDON, *President*.
"EDMOND HOLLIDAY, *Secretary*.

"Dated at Chicago, Ill., November 15, 1933."

Let me say, in response to that memorial to the President, which is to the Congress as well, and to the Government as a whole, that I am impressed with the fact that this Government has been very liberal to persons who are not truly Americans. We have only to remind ourselves of what we have done for Cuba, what we are still doing for Cuba, what we have done for the Puerto Ricans, what we have done for the Hawaiians, and for the Filipinos. Today we are penalizing our own beet- and cane-sugar makers for the benefit of the Cuban sugar grower and for the benefit of the Puerto Rican; yet these people, our own citizens, are asking that something be done for them.

The National Association for the Advancement of Colored People has stubbornly fought every movement having for its purpose either the segregation of the white and black races in the United States, or the repatriation of the Negro race to Africa. The fact is, this organization is definitely and unmistakably committed to the principle of amalgamation. Marcus Garvey has written, since his deportation, that despite the opposition of the United States Government—referring to the court sentence that resulted in his forced return to his native country—and the Society for the Advancement of Colored People, more than a million Negroes had signed up, and were ready, willing, and anxious, under his plan of repatriation, to take ships for Africa. It is said that when Garvey spoke to the Negroes of New York, at the time of the greatest popularity of his movement, not a hall in that great city was large enough to contain the crowds that desired to hear him.

Just a short while ago I received a telegram from a leader of the Negroes in New York saying that a mass meeting of 10,000 persons had endorsed the bill I am introducing.

The N. A. A. C. P., because of having, as Garvey declared, put him in the penitentiary through the decision of a judge presiding at his trial who was a member of the Society for the Advancement of Colored People, capitalized the failure of the Garvey program by proclaiming to the world that amalgamation was the preferred solution because the repatriationist's theory had been stranded upon the rocks for lack of support of the white race, and that now, in no distant future, the two races will merge through slow gradations into a mulatto type or a brown race.

This week I received from a Negro educator in Kentucky a letter in which he said that in 75 years we would not have any race problem. In other words, he has been led to believe that the process of amalgamation will be so rapid that the race problem will be settled in 75 years. I admit that the process is rather speedy.

With Garvey exiled, and Gordon for so long a time ignored, the amalgamationists felt confident that a permanent victory had been won and that a mulatto race would develop without appreciable opposition by the whites or the full-blooded Negroes. Strange to say, there are not many white people who are aware of a divided opinion among the Negroes on the subject of amalgamation. As a rule, it is assumed by the whites that all Negroes prefer to lose their race identity by a mixture of the blood of the two races. This is untrue, as is clearly shown by the resolution prepared by the peace movement under the direction of President Gordon, and delivered to the President, and to which memorial there are subscribed the names of more than a million Afro-Americans.

As evidenced by this memorial and the letter accompanying it that President Gordon addressed to me in February, and as further evidenced by the teachings of a long list of eminent Negro leaders, the Negro is as capable of experiencing pride in his race, and of fostering an innate desire to stand alone and apart in a unified effort to attain race nationality, and thereby preserve racial inheritance, as other races have shown ability to accomplish similar purposes.

The memorial signed and sent to President Roosevelt by President Gordon, of the Peace Movement, served to threaten again the security felt by the amalgamationists. They are beginning to recognize this gigantic movement of repatriation, revitalized by the indomitable spirit and unflagging courage and determination of President Gordon, as another Banquo's ghost appearing upon the scene of action. President Gordon's plan does not contemplate an enforced exodus. It seeks to provide an opportunity, through Federal aid, for transportation and settlement in another land of only those American citizens of African descent who are willing to go. It is wholly voluntary. Certain reasons are cited showing the advisability and desirability of the American Negro seeking an opportunity to demonstrate to the world that he is capable, if given proper encouragement through Federal aid, of establishing a government of his own under which he will be privileged to enjoy all the rights—political, social, and economic—that are denied him when forced to live under a system of government controlled and administered by any other race.

President Gordon regards with horror the sight of white women rocking black babies in this country. You have seen it in Harlem, Mr. President. Since communism has been active in establishing itself in this Republic, she regards with grave apprehension the strong tendency in certain sections, among certain organizations, to bring about the amalgamation of the two races.

The question of unemployment in this country is not overlooked by this great leader of the Negro race when she says:

"The peace movement to Ethiopia will not alone solve the race problem in America but will also solve the problem of unemployment, which today threatens the very foundations of the tranquillity of this Nation."

A parallel civilization between two diverse races is an impossible achievement. The two races cannot run along parallel and equal. One or the other will dominate or else the two will amalgamate. There is not a single ethnologist who does not predict that eventually the blacks, if given full rights with the whites, will be absorbed by the whites. Some scientists claim that this condition will come about very soon, while others contend that it will require hundreds of years; but all are agreed that miscegenation will result if the Negro is given every chance that the white man is given to develop in this country. Mixed schools, mixed hotels, such as provided by the laws of Pennsylvania, and intimate social relations between whites and blacks will hasten race blending, as shown by the great increase of mulattos in the cities of the West and North, far exceeding any such increase in the South; and Washington is not far behind. White girls working in some of the departments in Washington are married to and living with Negro men, since they can marry here without violating the law.

There is no doubt that the presence of the Negro in the South is responsible for that section of our country being called the No. 1 economic problem of the Nation. The whites have been migrating from that section by the millions within the last score of years. The best blood of the white race in the South, when trained and educated for the duties and responsibilities of outstanding citizenship, observe, after casting their eyes over a benighted land, cursed with a race problem, a lack of opportunities to discharge these duties with any degree of efficiency. Consequently they migrate to sections of the country where the free and full exercise of talent and qualifications will count most. Therefore the southern population becomes to an alarming extent depleted because of the migration of the best element of the white race to other sections of the United States.

Between 1900 and 1930 more than 3,400,000 of those born in the Southeastern States have moved to States outside that region. It is estimated that since 1900, 3,800,000 have left the Southeast entirely, and only 400,000 have come in from elsewhere, still leaving, as before stated, a loss of 3,400,000. Just what the estimated value of this human wealth lost to the South would be depends upon the per capita estimate of capital wealth. At an appraisal of one-half the maximum used by economists, the aggregate would approach the present stupendous debt of the Nation. To be more specific, the migration of whites, due primarily to the presence of the Negro, in 30 years has cost the South $60,000,000,000.

Still another loss is sustained because of this migratory movement, and that is that many of the most ambitious and venturesome citizens join in this gigantic trek, leaving behind many who are satisfied to take their ease. The result is that to a large extent the South is underpopulated in desirables and overpopulated in undesirables. This is a serious charge for a Senator of the United States to make against his people. There is no excuse, other than the Negro problem, for the South's lack of advancement, educationally and industrially, as compared with other sections of our country.

Take, for example, the 11 Southeastern States, which have an unexcelled climate and embrace 17 percent of the Nation's area; yet in material development they lag. Of the 100 great banking systems throughout the country this region has only 3, and its deposits are less than 1½ percent. There are 161 units in the 29 concentrated areas of iron and steel, and the South has only 5 of this number. This region has 28 out of the 195 units of food concentration. There are 30 great industrial areas in the United States, and not one is to be found in the 11 Southeastern States. The income and wages of this section are from 30 percent to 50 percent below normal. It is estimated that 20,000,000 tons of potash and nitrogens and phosphates are annually washed out of the soil. Forty-five percent of the eroded lands of the Nation are in this section. The profits of the farms are taken up in the purchase of livestock, farming implements, and especially fertilizer. Five and one-half million tons of fertilizer, costing $161,000,000 are purchased annually in the South, while the rest of the Nation buys only $500,000 worth of this commodity. The wealth per capita is about one-half the Nation's average. We might go on indefinitely through a category of lost and wasted opportunities in the South.

Notwithstanding these unfavorable and highly deplorable conditions, the South surpasses all other sections of the country in natural advantages. The 11 Southeastern States embrace 40 percent of desirable farm lands, 40 percent of the commercial forests, 98 percent of the yellow pine, 43 percent of the hardwood, 61 percent of the marble, 10 percent of the pig iron, and 100 percent of the soapstone. Think of these 11 States enjoying these favorable advantages over the entire remaining sections of the country.

Fuel and water power in these States are of such regional excellence as exists in no other part of the Nation. This section, inclusive of the Southwest, furnishes 65 percent of the Nation's petroleum, 50 percent of the natural gas, 98 percent of the natural phosphate, 99.9 percent of the sulfur, and 43 percent of the borate.

The water power of the Southeast develops 16,000,000 horsepower, a total that equaled the Nation's output in 1930. Here we have a section of the country that is far above the average in natural resources, yet it is far less developed. Why this lag? I am con-

strained to believe that the original cause was slavery, followed by the presence of the freedmen, then by reconstruction, and finally the loss of a great part of the desirable population due to the handicap directly traceable to the presence of an enormous Negro population.

My attention has recently been directed to a letter written by Kelly Miller to Arthur W. Mitchell, a Member of Congress from the Black Belt of Chicago, Ill., which letter, and his reply thereto, the Congressman had published in the CONGRESSIONAL RECORD on Thursday, February 9, 1939. This letter undertakes to depict the deplorable condition of the Negro in this country, and to discourage the further migration of the Negro from the farms of the South to the cities of the North. While I do not know that Miller is a Negro, I assume from the tone and purport of his letter that he is. I quote from Miller's letter:

"Even where he—the Negro—is engaged in recognized pursuits which demand shorter hours and higher wages, he constitutes in the main, a marginal worker demanding less skill and lower pay. Under the pressure of competition, even in agriculture and domestic service, the Negro is being pushed down to the bottom or pressed out at the side, and therefore is becoming less and less indispensable."

Again he says:

"Race prejudice as severely restricts the Negro's industrial opportunities in the North as it does his political and civil rights in the South. * * * One shudders to predict the future of a Negro child brought up in a seven-story flat of a Harlem tenement house."

Again I quote:

"The invasion of the boll weevil and the coming of the World War threatened to shift the Negro population from the farm to the cities, both in the North and the South, but the hegira was short-lived after the boll weevil had ceased to threaten cotton production and the soldiers had returned from the World War to their places in the mechanized industries of the South, the Negro looked around and, like Othello, found his city occupation gone."

He goes on to say, further, that the Negro's plight in the industrial and economic world has been emphasized by the depression, and that a disproportionate number of the 10,000,000 unemployed in this country is represented by the Negro race; and then adds, to use his own words:

"The cities * * * have now as many Negroes as they can hold in solution without a dangerous precipitation. He must have a greater faith in the future than I can command who can foresee any way out for the city contingent of the Negro race. It is unthinkable that they should continue forever, or for long, to live on charity and relief."

Before closing these observations on the letter written by Kelly Miller, I wish to give one quotation from the reply to the letter sent by Representative Mitchell:

"It is my opinion and observation that nowhere in the United States of America has the Negro been given equality before the law and equality in the economic affairs of the Nation."

Are not these remarkable statements to be made by outstanding leaders of the Negro race after the Negro has lived in this country for 300 years? If, within a period of time covering a century and a half, the Negro has been willfully and designedly denied the rights and privileges secured to the white race under our Constitution, how can he, at this advanced stage of our growth and development, entertain the faintest hope of enjoying the blessings of society and the benefits of government such as have been provided by the white man for a white civilization?

I recall again in this connection the words employed by President Lincoln when addressing a deputation of free Negroes at the White House. He said:

"I think your race suffers greatly; many of them by living with us while ours suffers from your presence. * * * We suffer on each side. If this is admitted, it shows a reason why we should be separated. You here are free men. * * * Perhaps you have long been free. * * * You are yet far removed from being placed on equality with the white race. You are still cut off from many of the advantages which are enjoyed by the other race. The aspiration of man is to enjoy equality with the best when free, but on this broad continent not a single man of your race is made the equal of ours. Go where you are treated the best and the ban is still upon you. I cannot alter it if I would."

I ask my colleagues to pardon me for requoting still another statement from the Great Emancipator:

"I am not, nor ever have been, in favor of bringing about in any way the political and social equality of the white and black races. I am not, nor ever have been, in favor of making voters and jurors of Negroes, nor of qualifying them to hold office, nor to intermarry with white people; and I will say, in addition to this, that there is a physical difference between the white and black races which I believe will forever forbid the two races living together on terms of social and political equality."

I cannot refrain from associating these words of Abraham Lincoln with those memorable lines uttered by Thomas Jefferson:

"Nothing is more certainly written in the Book of Fate than that * * * the two races, equally free, cannot live in the same government."

Jefferson and Lincoln, although separated in time of service by many years, occupy a position in history with respect to the repatriation of the American Negro very similar to the one occupied by Moses and Aaron with respect to the exodus of the children of Israel from an Egyptian bondage not entirely dissimilar in point of denied social and political rights and undesirable living conditions to the lot of the American Negro under the Government of the United States. Both Moses and Aaron repeatedly petitioned the Pharaoh of their time to "let my people go" in order that they might return to the land of Canaan. They prophesied frequently the visitation of numerous plagues upon the land of Egypt if the government of Pharaoh continued to insist that the Israelites, a minority group denied the rights and privileges of the high-born Egyptian, should be forced to live in a land populated with a people of wholly diverse racial values.

Jefferson and Lincoln likewise prophesied with respect to the calamities that would befall a nation of people composed of two races so entirely unlike in their racial inheritances. In Egypt, due to the presence of the Israelites, according to the prophecies of Moses and Aaron, the rivers ran with blood. Then came the plague of frogs, lice, flies, murrain, boils with blains from the scattered ashes flung into the air, hail, locusts, impenetrable darkness, and, last, the death of the first born in every home of the land, except where the blood of the lamb was sprinkled on the two side posts and on the upper door posts of the houses, in which event the Angel of Death would pass over and spare the first born of that home.

Already, according to the warnings and admonitions of Thomas Jefferson and Abraham Lincoln, plagues have been visited upon those sections of our common country where the white race and the black race have been forced to live side by side. As a result of the Civil War, due to the presence of the Negro, our rivers have been made to run with the blood of the best and the bravest. Already has the most favored part of the Nation in point of climate and natural resources been visited by the boll weevil and divers other insects, which left a devastation in their paths greater by far than that which lay in the wake of the flies and the lice and the locusts which settled like an ominous cloud upon the land of Egypt. Neither has this fair clime, peopled with the purest blood of the Caucasian race, been spared the "boils with blains." It has suffered through the spread of a syphilitic infection far more deadly than the contagion of the putrid scourge that afflicted the kingdom of Pharaoh.

I call upon Congress now to renew the covenant of Abraham Lincoln to return the children of Ethiopia to their motherland, Africa, lest we may yet experience the consequences attendant upon the visitation of some angel of death that will strike down into cold and lifeless clay the first born in every home of the land. I call upon Congress to open the channels of the sea for the passage of Ethiopians into the land of Liberia; and if this be accomplished, I warn any hostile band of Pharaoh against any attempt to pursue them with horse and chariot lest the waters of the deep envelop them in universal ruin.

Mr. President, while craving the Senate's patience for indulging in Biblical allusions, I wish to present one other I have in mind which seems to me to have a special bearing upon the subject of repatriation. It will be recalled that Ishmael and Isaac, although circumcized as fellow heirs of the same covenant, could not dwell together as equals in the same house. Sarah, the lawful wife of Abraham, has ever been thought cruel in her methods. Hagar, her servant slave and companion, whom Sarah—at that time childless—had given to Abraham that children might be born to his tribe, was tearful and submissive and was obsessed with the conviction that Ishmael, her son, could not attain unto blessings promised unless they were sent forth as Sarah had demanded after the birth of Isaac, her first born; and so it happens in this day, in this year of our Lord, that the seed of the bond woman here is coming to the conclusion that it cannot work out its destiny and obtain its inheritance in the midst of the seed of the free woman. Notwithstanding all laws that are passed for the purpose of securing equal social, political, and economic rights among the citizens of this Government, these two races, the black and the white, cannot live together as equals. How can we hope for the achievement of a parity condition in point of personal rights and liberties when there is no case in all history upon which such a condition or achievement can be predicted? Antagonism between the races, an inborn prejudice on the part of the whites, coupled with the birth of a growing self-respect among the blacks, an awakened ambition for race nationality, and an innate loyalty to race inheritance are causing the Afro-Americans to lower their hands that have been held high for a century and a half in suppliant pleadings to an indifferent Government, established and administered by the white man, and are urging the Negro to turn his face to the land of his fathers where he can exercise the rights and enjoy the security for so long a time denied him. They are thinking in mass of the land of their fathers, of the continent that God himself gave to their race, where their destiny is yet to be fulfilled.

Many have not yet heard of the Christian Republic of Liberia, whose standing among the nations of the world is acknowledged and whose fascinating history, fertile lands, free institutions, and equal opportunities invite them; where personal development, race nationality and race loyalty will find an easy and permanent solution. More than 2,000,000, however, have learned of this land of equal opportunities and unclouded future. They are sending petitions, growing in number of signatories, daily to our Government, praying for the helping hand of this rich and powerful Nation to strengthen

and support them in their consuming desire to return to the land that the Great Emancipator, Abraham Lincoln, had pledged himself to provide for them. As if coming through the invisible ether, I can hear their message radioed, as it were, to this body that will soon sit in judgment on their fate, saying:

"We, the Negroes of the United States, are burdened with conditions which to us are no longer endurable. Our American citizenship is a sham; our presence is endangering the peace and integrity of your Nation; our natural increase will in time threaten to push you overboard and wreck your great ship of sttae. Our growing population should be more alarming and disconcerting to you than the almost $50,000,000,000 deficit in your Treasury. We outnumber you in some States. There is a black belt in Chicago, in New York, in Detroit, in Philadelphia, in St. Louis, and in the Mississippi Delta, and as we expand, you are rapidly and necessarily departing. With you, we have learned, we cannot form one homogeneous people, neither can our race dwell with you together on an equality. Send us back to Africa, that we may do our long-delayed divinely appointed work. We do not ask for all to go at once. Just send those who are now willing to go and whose training, education, experience, and character will add new luster to the star of the Liberian Republic, already founded by the beneficence of your Government. Start the emigration by Government aid. Acquire new territories adjacent or contiguous to Liberia so that in time all citizens in your country of African descent may find a home in the motherland and there be privileged to work out their own salvation and the redemption of benighted Africa."

With such a plea coming from the multitudinous voice of 2,000,000 Afro-Americans, how can we be more rebellious than Pharaoh of Egypt?

I trust my bill, designed to furnish an opportunity for Negroes or persons of Negro descent in this country to migrate to the West Coast of Africa, will have favorable consideration by the committee to which it may be referred and if a favorable report is made on the measure and it is placed upon the calendar of the Senate and here comes up for further consideration, I shall avail myself of the opportunity to discuss, in some detail, every provision of the bill.

At this time, I shall touch upon only two features of the measure, namely, section 102 of title I and section 201 of title II.

Section 102 reads as follows:

"SEC. 102. It is hereby declared to be the intent of Congress that the benefits and provisions of this act shall apply to citizens of the United States who may qualify as eligible for citizenship in the Republic of Liberia and who, by their physical fitness and climatic adaptability may qualify as migrants to be permanently settled in the territory hereinafter provided for and who shall have voluntarily expressed a desire to become emigrants under the provisions of this act."

There can be no doubt but that this section distinctly designates the Negro and persons of Negro descent as the beneficiaries of the act.

The word "Negro" is nowhere mentioned in the bill. It provides only for those who can qualify for citizenship in Liberia, and before one can qualify for citizenship in Liberia he must be of Negro descent. The expression "physical fitness and climatic adaptability," taken with the statement that "only persons who are eligible for citizenship in the Republic of Liberia may qualify as an applicant," unmistakably points to the Negro, exclusive of any white person, as the individual entitled to any of the benefits of the act.

In article 5, section 13, of the Constitution of the Republic of Liberia, these words are to be found:

"None but Negroes or persons of African descent shall be eligible for citizenship in this Republic."

The purpose of the act, therefore, is to establish a government on the West Coast of Africa sufficiently large in territorial boundaries to take care of the Negroes of the United States—a government where Negroes only can enjoy the rights of citizenship and where Negroes only shall participate in the administration of its political affairs.

Title 2 of the act provides for the liquidation and settlement of the war debts due to the United States by the debtor nations. The act contemplates negotiations to be conducted by the United States with Great Britain and France, with a view to purchasing not to exceed 400,000 square miles of territory from those countries, such lands to be contiguous to the Republic of Liberia and so situated as to form an undivided area to be known as the Republic of Greater Liberia. The territory to be acquired will necessarily come from the Ivory Coast and French Guinea, owned by the French Government, and from the Gold Coast and Sierra Leone, owned by Great Britain. The act provides that the purchase price of this territory, not to exceed 400,000 square miles, shall be paid by crediting the agreed purchase price against the war debts owing to the United States by the countries from which such territory is purchased. The debts of foreign nations owing to the United States by virtue of loans made by the United States during the World War now loom so high as to make those obligations one of the most troublesome problems facing this country and its debtor nations.

It is universally admitted that the only way to discharge a war-debt obligation is through payment in goods or services by the debtor to the creditor. Our debtor nations are unable to pay their obligations to us either in silver or gold. There is insufficient gold in the world to liquidate the debts due us by foreign nations. As a matter of fact, no international loan in the financial history of the world was ever paid by transfer of money. That is a fundamental economic fact. Regardless of this fact, the nonexistence among our debtor nations of a sufficiency of gold to pay their obligations to us takes a gold settlement completely out of the picture. The only alternative, then, is for this Nation to accept goods and services, but it would be detrimental and downright destructive to the welfare of our country to accept settlement in goods and services, because our country is a highly industrial one and the consumption market here is already glutted from an overproduction of American-made goods. To accept the manufactured products of a foreign nation would, therefore, be disastrous to the economic life of the United States.

France and England, our greatest debtor nations, would gladly discharge their obligations to us if it could be done with goods and services, but as before stated, the United States cannot afford to accept settlement in this manner because it would be suicidal for American industries and to our economic stability. The disastrous economic effect that such settlements have upon a creditor country is today a matter of common knowledge. When the French settled their war indemnity to Germany in 1871, there followed such an economic depression in Germany that Bismarck remarked: "The next time I defeat France I will insist upon paying her an indemnity."

Following the World War, when Germany began to build merchant ships for England, the British shipyards were thrown out of work. When the Germans began to hand over ships and goods on account, their reparation, instead of a blessing, proved to be a disaster.

My bill provides for an American consumption market in Africa where no evil effects, as a consequence, would appertain to home-consumption markets. It so happens that the two largest debtor nations, Great Britain and France, are also the two largest landholders on the globe. Never before in the history of the United States and these debtor nations has there been a time when their interests have been more nearly identical, and when the destiny of all is bound up in the destiny of any one of them. The aggressive tendency of totalitarian states threatens the permanency of democratic institutions the world over. This troublesome question of war debts is the only problem that strikes a discordant note in the harmony which these three great democracies are endeavoring today to establish as a common defense against the encroachments of the totalitarian states.

If the syndicated articles of Drew Pearson and Robert S. Allen are to be credited as they pertain to some of the underlying purposes of Hitler and Mussolini, it would be well to weigh carefully what these gentlemen have to say about the "conference on raw materials," as set down in their syndicated article of March 3; I quote:

"No diplomatic overtures have been made officially but an extremely significant deal to carve up Africa will be sprung by Hitler and Mussolini soon. Keep your eyes open for a "conference on raw materials" or some other high-sounding name. This will be suggested in the near future by the Rome-Berlin axis, and to the conference will be invited not merely Europe's four main powers but Poland and Spain. Colonies for Poland have been discussed recently by Von Ribbentrop, Nazi foreign minister, and the Polish foreign minister, Colonel Beck. Mussolini will also demand new colonies for his minion, General Franco. What Germany has in mind to satisfy its raw-material craving is a slice of Africa extending from French Senegal on the west coast of Africa to around Lake Chad, and then south to the Belgian Congo. This would include Liberia, an American Negro free colony, Nigeria, and large chunks of French territory. * * * The means of providing these raw materials may be tough for the French and British palate. Mussolini and Hitler would also demand some African territory for their new Fascist ally, Spain. What will be asked for Poland is not yet known. Germany will not be asking for the return of her old African colonies, but considerably more than her prewar holdings for herself and her allies.

* * * * *

Assume that the bill passes and at the present time negotiations with debtor nations result in our failure to acquire lands now owned by the debtor nations contiguous to Liberia. Still the fact really should not be overlooked that successful negotiations resulting in acquiring these properties may be undertaken and consummated at some future time, if not now. The bill will enable representatives of the democracies to give consideration to our war debt proposal wherever and whenever they may be gathered around the council table. Under the terms of the bill, regardless of the success of our negotiations to acquire additional territory, the repatriation movement to Africa can begin and continue when the proper negotiations are completed between the United States and the Republic of Liberia. The success of the repatriation movement is not entirely predicated upon our successes in acquiring the additional territory.

I sincerely hope that every Member of this body will read and give careful consideration to the provisions of the bill. It is not the product of minds afflicted with a Messianic complex. It is a rational and realistic formula for the solution of the race problem in the United States. The bill has been prepared with the cooperation of the friends of the movement. It has been reviewed and approved by the best legal minds of the Na-

tion, men who are in sympathy with the end to be achieved. May the Congress give to the measure the sympathetic consideration it deserves.

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(The bill S. 2231, which was ordered to be printed at the conclusion of Mr. BILBO's remarks, is as follows:)

"Be it enacted, etc.,

"TITLE I

"SECTION 101. This act may be cited as the 'Greater Liberia Act.'

"SEC. 102. It is hereby declared to be the intent of Congress that the benefits and provisions of this act shall apply to citizen of the United States who may qualify as eligible for citizenship in the Republic of Liberia and who by their physical fitness and climatic adaptability may qualify as migrants to be permanently settled in the territory hereinafter provided for and who shall have voluntarily expressed a desire to become migrants under the provisions of this act.

"TITLE II

"SECTION 201. (a) The President of the United States is hereby authorized and directed to enter into negotiations, through the Department of State or oherwise as he may deem appropriate, with the Governments of the Republic of France and of His Majesty the King of Great Britain, respectively, for the purchase by the United States of not to exceed 400,000 square miles of territory of either or both such ccuntries adjoining the Republic of Liberia or oapable of annexation to the said Republic of Liberia.

"(b) If the President shall ascertain that such territory may be purchased from either or both such countries at a price determined by him to be reasonable, he shall have and hereby is granted all the necessary authority to consummate negotiations for the purchase of such territory.

"(c) If the Governments of the Republic of France and of Great Britain shall have effected public works of value and usefulness in such territories, respectively, or shall own and operate public utilities in said territories, the same shall become the property of the United States and their fair appraisal valuation shall become part of and be added to the purchase price of such territories.

"(d) The purchase price of any such territory, including the value of all public works, public buildings, public utilities of government ownership, and other public property, shall be paid by crediting the agreed purchase price against the war debts owing to the United States by the country from which such territory is purchased: *Provided*, That in any instances in which the United States shall agree to assume the public debt of any such territory, or the payment of any outstanding bond issues of any public utilities, the same shall be deducted from the credits accruing to such country in accordance with the provisions of this subsection.

"SEC. 202. Upon the consummation of the negotiations provided in the preceding section, the President of the United States is hereby authorized and directed to enter into further negotiations with the Governments of the Republic of France and of Great Britain, respectively, and also with other nations owing war debts to the United States for the purchase of goods and services, including textiles, tools, implements, machinery, building materials, and other goods, in such amounts, and of such type and specifications as may be judged by the President to be best adapted to the development and organization of the territories so acquired, and as will contribute to the comfort and subsistence of the migrants to such territories. Such services may include maritime transportation of personnel and matériel from points of departure to points of discharge. Such goods and services shall be paid for in the same manner as provided in subsection (d) of the preceding paragraph for the acquisition of the lands, and such payments shall be applied annually to the annual installments of principal and interest accruing to the United States from such debtor countries, respectively.

"TITLE III

"SEC. 301. (a) Upon completion of such negotiations by the President and the transfer to and acquisition by the United States of such territories, the President shall immediately provide for and proceed to the military occupation and policing of such territories, which territories shall become one jurisdiction to be known and designated as the United States Territory of Greater Liberia, under a military governor and government, pending the establishment of civil government by Congress. The President shall further agree with the Governments of the Republic of France and Great Britain, respectively, for the gradual withdrawal of their respective troops and public officials and replacement by United States troops and public officials in such manner as best will preserve public peace and order during the transition. Except as hereinafter provided, and until Congress shall otherwise dispose, it shall be the duty of the military government to maintain the status quo in the newly acquired territory and to maintain peace and order and enforce the revenue laws of such territory. The President is hereby authorized to appoint one of the ranking major generals of the Army as military governor of such territory.

"(b) For the purpose of carrying out such military occupation the President is hereby authorized to call into active service two war-strength divisions of the United States Army, or such parts thereof, or such other troops, as he may deem advisable, including such units of the Regular Army and the National Guard as may physically qualify according to title I of this act and are available for duty, and proceed to the occupation of such territory under the jurisdiction of the military governor thereof.

"(c) The President is further authorized to recruit, organize, and train, from such citizens of the United States as may qualify according to title I of this act, and subject to all other conditions now required for enlistment in the United States Navy, a naval militia, not to exceed, including officers and other personnel, 10,000 seamen and 5,000 marines, for coast-patrol service on the coastal lands and territorial waters of such Territory; and, to detail and utilize for such service, from the list of inactive ships of the Navy, units of such type and tonnage as he may deem most suitable for such service. The said naval militia shall be commanded by a rear admiral of the Navy with appropriate staff of Navy personnel, and except as otherwise disposed by Congress, said naval militia shall be subject to the jurisdiction of, and be used for carrying out the naval needs of, the military governor of such Territory.

"SEC. 302. The military governor, on his departure from the United States, shall be accompanied, in addition to his regulation staff, by a special staff of civil and sanitary engineers, health officers, and other experts, assisted by such personnel as the President may deem fit and necessary, and detailed from the Army or recruited from civil life. It shall be the duty of such staff, on its arrival at such Territory and under the direction of the military governor, to proceed to make a survey of the land, and particularly the unimproved hinterland, with a view to the subsequent establishment of cities, towns, and settlements, the building of roads, construction of bridges, drainage of marshlands, adoption of sanitary measures, and the gathering of all such data and information as to the nature of the land and its adaptability to civilized habitation, including the taking of photographs, drawing of topographic maps, and other documentary guidance as will aid in the subsequent settlement and development of such Territory. The said staff of engineers and experts shall submit its data and information to the military governor, who in turn shall study the same and submit the same to the President with his recommendations. The said staff of engineers, health officers, and experts shall not be discharged upon completion of its survey, but shall be retained for subsequent service in connection with the organization of said lands for civilized habitation.

"SEC. 303. Upon assuming command of his post, the military governor shall at once proceed to take possession of all customs and other revenues, taking measures for the prevention of smuggling, and shall take over the management and operation of all public utilities that by this act may have come into the ownership of the United States and impound their revenues until further disposition by the President. For such purposes the president may detail an adequate number of finance officers from the Army and the Navy to accompany the forces of occupation and to be subject to the jurisdiction of the military governor.

"(b) The military governor, subject to the approval of the President, may make such changes in policies and governmental procedure and directing personnel in the various agencies and establishments of government in the newly acquired territory as shall be consistent with the exercise of sovereignty by and to the best interests of the Government of the United States.

"TITLE IV

"SECTION 401. (a) For the purposes of carrying out the provisions of this act, the President is authorized, upon the consummation of the negotiations provided for in title II of this act, to create a Bureau of Colonization, attached to the Department of the Interior or acting as an independent agency as the President may deem best for the efficient operation of this act, and all powers of said Bureau of Colonization shall be exercised and administered by an Administrator of Colonization, hereinafter referred to and designated as the 'Administrator.'

"(b) The Administrator may, without regard to the civil-service laws or the Classification Act of 1923, as amended, appoint and fix the compensation of such experts and such other officers and employees as may be necessary to carry out the provisions of this act; and may make such expenditures, including expenditures for personal services, rent of quarters at the seat of government and elsewhere, for lawbooks and books of reference, for stationery, printing and binding, and other facilities incidental to the adequate and efficient operation of said Bureau, as may be necessary for carrying out the provisions of this act.

"(c) The Administrator is hereby authorized to establish, man, and equip such regional branch offices of the Bureau of Colonization within the continental United States and in the newly acquired territory as he may deem necessary to carry out the provisions of this act. The said regional branch offices in the territory shall be in charge of a Deputy Administrator appointed by the Administrator, subject to the approval of the President.

"SEC. 402. (a) The President upon receipt of the informative data provided for in section 302 of title III of this act, shall submit the same to the Administrator and shall direct the said Administrator to formulate and devise a comprehensive plan of political and economic organization of said lands in accordance with the informative data supplied, including political subdivision for purposes of local government, establishment of towns, cities, settlements, farm districts, building of roads, deforestation of jungles, construction of bridges and of dams for hydroelectric power, drainage of marshlands

and irrigation of arid lands, general sanitation, erection of buildings for public purposes, establishment of rail systems and of post and telegraphic routes, dredging of harbors and navigable rivers, construction of docking facilities, provisions for territorial defense, and all such other planning and provisions as will ensure to the United States the successful development of said Territory and as will safeguard the health, life, and safety of migrants to said Territory.

"(b) Upon approval by the President of the plan of organization provided for in the preceding subsection, and in pursuance of the agreements provided for in section 202 of title II of this act, the President shall call upon the debtor nations to supply all such tools, implements, machinery, building materials, textiles, and supplies of whatsoever nature as may be necessary to carry out the plan of organization of said lands, either by shipments from the sources of supply of the said debtor nations, or by purchases within the United States to be charged to said debtor nations. The Bureau of Colonization shall keep accounts of such supply of goods and services, submitting periodic balances to the President as he may direct, for the purpose of credit to the said debtor nations in accordance with section 202 of title II of this act.

"(c) Upon approval by the President of the general plan of organization provided for in subsection (a) of this section, the President is hereby authorized to enlist, recruit, and organize three war-strength divisions of labor troops, or such number of labor troops as he may reasonably deem necessary, including skilled and unskilled labor from among such citizens of the United States between the ages of 21 years and 50 years, as may best qualify as settlers or migrants to said Territory in accordance with title I of this act, for active service in their respective trades and professions in connection with the carrying out of the general plan of organization of the land, such active enlistment to be for a term of 3 years, and not more than 6 years under a reenlistment, or until a civil government for such Territory shall have assumed the responsibility of carrying out the unfinished portions of said plan of organization. In addition to their defensive equipment, the said troops shall be further equipped with the necessary tools, machinery, and implements of labor necessary to carry out such plan of organization. The rate of pay, rations, and subsistence of said labor troops shall be the same as the rate of pay in the United States Army for similar services: *Provided*, That the Administrator, with the approval of the President, may fix additional compensation under such terms as shall be just and reasonable to skilled labor, to compensate for losses for the same type of service in civil life.

"(d) The President is hereby authorized to accept such shipping facilities as may be obtained from the debtor nations for the transportation of such troops and to credit the same to their respective installments on the war debts; or, in his discretion, he may use all or any of the transportation facilities of any department, agency, or dependency of the Government of the United States for such purpose, and may use all the methods, plans, and facilities of the United States Army for the transportation, maintenance, and discipline of said troops from the point of enlistment within the United States to the point of expected service in the newly acquired territory.

"SEC. 403. (a) Upon the arrival of the labor divisions provided for in the preceding subsections, and subject to the orders and instructions of the Administrator, the Deputy Administrator resident in the newly acquired territory (hereinafter designated as the Resident Deputy Administrator), aided by the staff of experts and engineers provided for in section 302 of title III of this act, shall proceed to execute and carry out the plan of organization of the lands, and he shall be responsible to the President and to the Administrator for its prompt and proper execution. The said Resident Deputy Administrator shall be provided with adequate facilities for the transportation of men and materials, and for communication within the said Territory and with the pertinent agencies within the United States to better carry out his duties.

"(b) Except for the performance of labor and other duties incidental to the execution of the plan of organization, the said labor troops shall be subject to the jurisdiction of the military governor, who, at the same time, shall render to the Resident Deputy Administrator all the cooperation and assistance necessary to aid in carrying out the plan of organization.

"SEC. 404. When the military governor shall deem it advisable, and subject to his recommendations, the Administrator may provide for and proceed to the transportation to the said Territory of the families and dependents of any member of the territorial forces of land or sea, or of the labor divisions, rendering services in the newly acquired Territory, in the same manner as provided for subsequent migrants in the succeeding provisions of this act. Such individuals as shall have volunteered to serve in said armed forces or labor divisions, and their families, shall be allowed a 25-percent increase over and above the maximum allowed to any other migrant by way of grant-in-aid as hereinafter provided.

"SEC. 405. Upon completion of the term of enlistment of any such member of the armed forces or the labor divisions, and his discharge from the service, it shall be the duty of the Resident Deputy Administrator or his successor in duties, to provide the said discharged individual with land, housing, household goods, tools, and other implements of labor, subsistence, transportation for himself and dependents to the point of settlement, and all other facilities for his reentry into civil life, including his increase in grant-in-aid, in the same manner as hereinafter provided for subsequent migrants to said Territory. In addition thereto, any such individual shall enjoy preferential rating for any classified or unclassified civil-service position in the government of the said Territory for which he may otherwise qualify.

"SEC. 406. The President is hereby authorized, from any funds available in the United States Treasury and not allocated for any other purpose, to provide in accordance with Army standards, for pensioning or paying of compensation to any individual serving in the land or sea forces provided for in title III, or in the labor troops provided for in title IV, or his dependents, in case of death or disability while in such service; or, the President may, in his discretion, enter into contracts or covenants with life-insurance companies to provide such compensation in case of the death or disability or any officer or enlisted man engaged in such service, in the same or similar manner as provided for war-risk insurance, and the President is hereby authorized to utilize any available funds of the United States not allocated for any other purpose, for the purpose of payment of premiums for the same. Each individual shall be so insured, or pension and compensation so provided for, on his enlistment or assignment for duty in the newly acquired Territory.

"SEC. 407. (a) After the establishment of the Bureau of Colonization provided for in this title, any citizen of the United States, between the ages of 21 years and 50 years of age, in good physical condition, who can qualify in accordance with the provisions of title I, and who is capable by reason of his training, intelligence, and ambition of becoming self-sustaining as a settler in the United States Territory of Greater Liberia, and who desires to become a migrant and settler to said Territory under the provisions of this act, and any acceptable alien who is a bona fide resident of the United States who can qualify according to the provisions of this section and under such other terms and conditions as the Administrator may prescribe with respect to such aliens, shall file an application on blanks prepared and supplied by the Bureau of Colonization, with the mayor or with the chief of police of the city, town, or village in which he resides, or with the county clerk or corresponding officer of the county in which he resides, giving such data and information as will aid the Bureau of Colonization in making the proper arrangements for his migration and placement in the said Territory. If such blanks are not available in his city, town, village, or country, the applicant may request the same from the Bureau of Colonization, or from the nearest regional office of the said bureau.

"(b) If the applicant is a householder, he may make application for all the members of his household as a unit, and in such a case the limitations as to age and other conditions established in the preceding section shall not apply to the members of his household. The application of a person responsible for the support and maintenance of children under the age of 12 years shall not be favorably acted upon, unless such children are to accompany such applicant on his migration, or unless he has made adequate provisions for their support and maintenance pending their transfer to join the applicant in the new territory.

"(c) The following persons shall not be eligible to apply for migration: Escaped convicts or fugitives from justice, unless the jurisdiction in which they are desired waives extradition or prosecution; persons under indictment and awaiting trial, unless the jurisdiction in which such trial is pending waives prosecution; persons applying for migration for the purpose of defrauding creditors, unless written release from such creditors is filed with the Bureau of Colonization; and such other persons as the Administrator may reasonably believe likely to become public charges or social liabilities in the territory. The rulings and opinions of the Administrator may be reviewed by certiorari to any United States district court of competent jurisdiction.

"(d) The various mayors, chiefs of police, county clerks, or other persons in authority with whom such applications are filed, shall forward the same forthwith to the Bureau of Colonization, and the Administrator shall receive and pass upon the same, and shall classify and catalog the same for action in accordance with the provisions of this act; but the Administrator shall not order the transfer of any applicant or his household, unless proper and adequate placement has been obtained in the territory for the said migrant. The Resident Deputy Administrator in the territory shall keep the Bureau of Colonization promptly and fully informed as to possible and available placements, such placements to be based on occupational opportunities for economic self-sustenance either independently or in private employment or as a public servant in the Federal or Territorial services.

"SEC. 408. Subject to the authority of the President, the Administrator shall have power:

"(a) To requisition the debtor countries for goods and services in accordance with the agreements entered into between the President and the debtor governments, respectively, under the provisions of title II of this act, and to receive and receipt for the same in the name of the President.

"(b) To order goods and services in the name of the President from private individuals or concerns in the ordinary course of trade, and charge the same to such appropriations as Congress may from time to time make for the purpose of carrying out the provisions of this act.

"(c) To requisition any department, board, or agency of the Government of the United States for any available goods, services, or facilities which may be used and useful in the carrying out of the provisions of this act, without affecting the proper operation of such department, board, or agency.

"(d) To provide transportation by land and by sea to qualifying applicants migrating under the provisions of this act, and to their households, from the initial point of departure in the United States to the point of settlement in the Territory of Greater Liberia; and to contract with land and maritime transportation companies for such purposes to the extent that may be necessary by reason of the fact that such transportation facilities are not available from the debter nations or from the Government of the United States.

"(e) To provide adequate subsistence, medical care, and other necessities of life for the migrants during transit and until finally settled at the point of settlement; and, to pay in whole or in part for such transportation and necessities as are provided under this section, in acordance with the circumstances and economic needs of each migrant.

"(f) To make loans to individuals, partnerships, or corporations composed of migrants, in meritorious cases, not to exceed the sum of $1,000 in any case, on reasonably liberal terms and conditions, as initial capital for business and industrial enterprises in said Territory.

"(g) To extend such grants-in-aid, in cash or in supplies and equipment, to such migrants as he may deem advisable, to enable them to establish themselves on a self-sustaining basis at the chosen point of settlement, subject to the following limitations in any case: For clothing and household equipment, not to exceed $300; for machinery, tools, implements, and materials of labor, not to exceed $300; for food and physical subsistence, not to exceed $1 per day for each person 12 years of age or over, and 50 cents a day for each child under 12 years of age; for educational and recreational facilities, not to exceed $50 for each person in any 1 year. Such grants-in-aid shall not extend, under ordinary circumstances, for more than 1 year after the migrant and his household shall have settled in their new location, or, under extraordinary circumstances, for more than 2 years. At any time when in the judgment of the Resident Deputy Administrator a migrant shall have become self-sustaining, such grants-in-aid, except unexpired State grants-in-aid, shall cease. The Administrator shall have authority to act as trustee for the administration of State grants-in-aid on behalf of the migrants, accounting periodically to the various States therefor. The Resident Deputy Administrator shall provide medical aid, medicines, and hospitalization for the migrants during the period of economic adjustment, free of charge, and shall take such other and further measures as may be reasonably necessary to safeguard and protect the health of the migrants. For the purpose of carrying out the provisions of this subsection, the Resident Deputy Administrator is hereby authorized to establish and operate general stores, commissaries, depots, pharmacies, hospitals, infirmaries, and other buildings and facilities in accordance with the need of every locality or new settlement occupied by the migrants.

"(h) In the event that the governments of the various States should extend grants-in-aid to their respective citizens who may become migrants under the provisions of this act, then the grants-in-aid provided for in the preceding subsection shall operate as supplementary grants up to the amounts established by said subsection: *Provided*, That when the State grants-in-aid shall exceed the limits established by subsection the migrant shall have the full benefit of such excess: *Provided further*, That State grants-in-aid shall not be diminished or curtailed by reason of the cessation of the grants-in-aid under such subsection.

"SEC. 409. The Resident Deputy Administrator shall be assisted in the administration of the Territory and of this act by a board of commissioners appointed by the Administrator, with the approval of the President, whose duties respectively shall be as follows:

"(a) A Commissioner of Interior, who shall be the custodian of all forests, flora, and fauna of the Territory, and of all lands not parceled out for public or private use. He shall establish and maintain a land office, with branch offices in various localities for the registration of all land titles or interests in property, and shall act as register of deeds for the military government; he shall have charge of the welfare of the uncivilized natives and shall administer the laws of the tribes, and shall supervise their education and progress so as to prepare and adjust them as quickly as possible to the new system of life.

"(b) A Commissioner of Education, who shall establish and maintain a public-school system for the Territory according to the American system and standards of education, coordinating any existent school systems in the Territory with the new order, and shall also establish and maintain such schools as he may determine to be necessary for the training of military and naval officers. He shall act as commissioner of education for the military government, and as such he shall have supervision of all educational activities within the Territory subject to the military government, making such changes as will obtain an integrated and uniform system of education for the Territory.

"(c) A Commissioner of Public Health and Sanitation, who shall have full authority in all matters of public health and sanitation, including athletic activities and physical development and education in the public schools. The Commissioner of Public Health and Sanitation, together with the Commissioner of Interior, shall adopt measures for the improvement of the health and sanitation of the uncivilized tribes and their physical welfare. The Commissioner of Public Health and Sanitation shall have full authority over all hospitals of the Territorial government and supervisory authority over all other hospitals, public or private. He shall act as commissioner of public health and sanitation for the military government, and as such shall enforce all orders and decrees of the military government relating to public health and sanitation.

"(d) A Commissioner of Agriculture, Commerce, and Industry who shall have full charge of the economic organization and development of the Territory. He shall be charged with the economic adjustment and education of the migrants in the preparation and cultivation of the land for commercial productivity; foster and develop industries from the products of the soil; and open, organize, and develop markets at home and abroad for the products of the Territory. The Commissioner of Agriculture, Commerce, and Industry shall have authority to employ specialists and experts in the various branches of his activities. He shall act as Commissioner of Agriculture, Commerce, and Industry for the military government, and in this capacity he shall supervise on behalf of the military government all activities of the Territory in his respective fields, including the enforcement of plant and animal quarantine, enforcement of the laws, orders, or decrees on weights and measures, and all commerce regulations and labor laws or regulations.

"(e) A Commissioner of Public Works who shall take over, maintain, and operate all public works completed by the staff of experts provided for in section 302 of this act, upon their completion, and who shall have charge of the construction of all public buildings, sewage, and water-supply systems, and all enterprises of a public-works nature in the areas selected for city, town, or village sites, after such sites have been cleared and prepared by the staff of experts and labor divisions hereinbefore provided, and also shall construct all building facilities, such as schools and other public houses, and incidental side roads, in the organized rural areas or farm districts. He shall act as Commissioner of Public Works for the military government, and as such he shall be the custodian of all public buildings, and shall be charged with the care and maintenance of such buildings and of water-supply and sewage systems in the organized portions of the Territory; and shall carry out all orders of the military government within the scope of his office.

"(f) A Commissioner of Banking and Finance, who shall be in charge of the monetary needs of the migrants, and shall organize a banking and currency system for the Territory, and shall be the custodian of all funds of the Bureau of Colonization to be expended within the Territory or by the Resident Deputy Administrator. He shall act as treasurer for the military government, and subject to the authority of the military governor and with the aid of officers detailed by the latter for the purpose he shall have charge of the collection of all taxes and revenues for the military government, and shall be the custodian of the same. The Commissioner of Banking and Finance shall maintain an accounting office, in charge of an auditor or certified accountant, to keep all accounts and records of the Resident Deputy Administrator, of the military government, and of the migrants with reference to their grants-in-aid. The accounting office may maintain branches in the various organized settlements.

"(g) A legal adviser, who shall act as such for the Resident Deputy Administrator, and in the capacity of attorney general for the military government. He shall further be charged with the gathering and coordination of all existing laws, recommending to the military governor the nullification of those that are inoperative or inconsistent with the policies of the Government of the United States or with the sovereignty of the United States, recommending changes, and codifying the law of the land.

"(h) The Resident Deputy Administrator shall have authority to appoint an executive secretary, who shall have charge of all records and archives of the office of the Resident Deputy Administrator, and of his seal. He shall act as secretary of state for the military government with such power and authority under the military governor as is consistent with and pertinent to the nature of his office.

"(i) The Board of Commissioners, of which the legal adviser and the executive secretary shall be members, shall, together with the Resident Deputy Administrator (who shall be chairman thereof), prepare the territory at the earliest possible time for civil government, by organizing their respective departments into working units and adopting jointly such measures as shall be deemed necessary to obtain that end. The salaries of the members of the Board of Commissioners shall be fixed by the Administrator, subject to the approval of the President.

"TITLE V

"SEC. 501. (a) All proprietary rights in any and all lands acquired under the provisions of this act, except (1) lands used or reserved for governmental or other public uses, (2) lands set aside as tribal reservations for uncivilized natives, or as forest or mining reserves, by the commissioner of interior, and (3) lands previously acquired by good and sufficient private title or subject to previously acquired proprietary rights shall be conveyed by the President by quitclaim deed to a corporation, to be known as

the Greater Liberia Corporation, and to be organized by the Administrator under the direction of the President, for the economic organization and development of the new Territory.

"(b) The said corporation shall parcel out all available lands, except such lands as shall be reserved for public utilities and for its own administrative uses, into farms to be sold to the migrants who might settle in the rural areas, and into subdivisions and lots to be sold to migrants who might settle in the villages, towns, or cities: *Provided*, That migrants receiving grants-in-aid shall not be allowed more than 50 acres of farm land nor more than 50-foot frontage of land subdivided as urban lots.

"(c) The said corporation, either directly or through a subsidiary land company or companies, shall proceed to construct farm homes, city dwellings, business buildings, and other structures for private use of said lands, and shall sell such farms and dwellings to the migrants at cost, including expenses of administration and interest on bonds issued or preferred stock, either for cash or with a partial or no down payment, and with not more than 30 years to make full payment. All homes sold to persons migrating under the provisions of this act, or the plans for such homes, shall be approved first by the commissioner of sanitation as to sanitary facilities, and by the resident deputy administrator before such sale is made.

"(d) The Greater Liberia Corporation shall have the exclusive right to operate all of the public utilities for the benefit of the Government and the people of the Territory; and the President shall release and quitclaim to the said corporation all proprietary rights that may have accrued to the United States, by virtue of the negotiations provided in title II of this act, in any railway line or lines (including all rolling stock and real estate involved), in any telephone, telegraph, or radio systems, in any hydroelectric establishment or electric light and power system, and in any other public utility or utilities. The Greater Liberia Corporation shall proceed, either directly or by means of separate subsidiaries, to organize and extend the said public utilities into comprehensive and integrated systems, to the end that the entire Territory shall be adequately served thereby: *Provided*, That, subject to the approval of the President, and under such safeguards as will best protect the interests of the United States, the Greater Liberia Corporation may assign to any private corporation, foreign or domestic, for a reasonable period of time its rights to an exclusive franchise to operate any of such public utilities when such operation may prove advisable: *Provided further*, That the migrants under the provisions of this act shall have preference under all circumstances for employment for any position in such public utilities for which they may otherwise qualify.

"(e) The President and the commissioner of interior shall quitclaim to the Greater Liberia Corporation all mines and mining rights, and the said Corporation shall have the exclusive right to exploit the underground natural resources of the Territory for the benefit of the people and the Government of the said Territory; and, the said Corporation may proceed, either directly or through separate subsidiaries, to open and operate mines and utilize the mineral resources of the land to the profit of the people and Government of Greater Liberia: *Provided*, That the said Corporation, under the same restrictions and conditions as are established in the preceding subsection for public utilities, may assign mining concessions to private corporations, foreign or domestic.

"SEC. 502. (a) The Greater Liberia Corporation is authorized to issue two classes of stock, to wit, a common stock and a nonvoting preferred stock with guaranteed dividends. The common stock shall not have a par value of more than $10 a share; not more than 49 percent of the same shall ever be offered for sale to the public; and the sale of the said stock shall be limited to nonalien residents of the Territory of Greater Liberia. The provisions of this section shall apply to the stock of the Greater Liberia Corporation itself and to the stock of any of its subsidiaries.

"(b) Subject to the approval of the President, the Greater Liberia Corporation is authorized to issue bonds, either in its own name or in the corporate name of any of its subsidiaries, for the purpose of carrying on its various branches of business or enlarging the same, and the President is hereby authorized to pledge the full faith and credit of the United States to guarantee the redemption of said bonds, and in pursuance thereof, is hereby directed to establish sinking funds to secure the adequate redemption of each class of bonds issued under the provisions of this subsection: *Provided*, That interest on the said bonds, annual allocations to the sinking fund, and guaranteed dividends on the nonvoting preferred stock shall constitute prior claims after payment of operating expenses.

"SEC. 503. The Greater Liberia Corporation, either in its own name or through a subsidiary or subsidiaries, is hereby authorized, subject to the authority of the Commissioner of Banking and Finance, to engage in the business of banking and foreign exchange, and to organize a banking system for the Territory, and provide bank-credit facilities to the migrants for the purpose of economic development under such liberal terms and conditions as will best carry out the purposes of this act.

"SEC. 504. The President is hereby authorized to allocate and assign to the government of the new Territory the sum of $10,000,000, from any sums available and not allocated to other purposes, such sum to apply to the purchase of 51 percent of the common stock of the Greater Liberia Corporation, and to provide initial capital for the operation of the same, and to advance such additional sums as in his judgment and on the recommendation of the Administrator may be deemed necessary to put this title into effective operation: *Provided*, That such sum or sums shall constitute loans to the government of said Territory, to be repaid in not less than 25 years, with interest at the rate of 2 percent per annum.

"TITLE VI

"SEC. 601 (a) The President is authorized to enter into negotiations with the Government of the Republic of Liberia and the American Colonization Society for the purpose of obtaining, on behalf of the United States and from the said Government of Liberia and Colonization Society, a land grant of not to exceed 5,000,000 acres of land capable of being used or converted for agricultural, industrial, and commercial purposes, and of being organized into communities, settlements, and residential and farm districts. Should the President determine that such negotiations may be consummated in a manner satisfactory to him, he shall have all the necessary authority to consummate such negotiations and to accept deeds or other evidence of title in said lands on behalf of the United States.

"(b) Upon their acquisition by the United States, the said lands shall, for colonization purposes, be put under the authority of the Resident Deputy Administrator, who, either in person or through a resident agent appointed by him for that purpose, shall have full supervision over the same for such purposes, and the Resident Deputy Administrator or his resident agent in Liberia shall act as personal representative of the President of the United States in all further negotiations with the Government of the Republic of Liberia in reference to said lands, except as the President may otherwise dispose.

"(c) The President shall convey by quitclaim deeds to the Greater Liberia Corporation, provided for in title V, all lands acquired under the provisions of this title, except such lands as shall be reserved by the Resident Deputy Administrator for public roads, public buildings, and other public purposes, said lands to be parceled out and disposed of in the same manner provided by section 501 for lands acquired by the said Corporation in the Territory of Greater Liberia. The Greater Liberia Corporation is hereby authorized to enter into negotiations and contracts or agreements, subject to the approval of the President, with the Government of the Republic of Liberia and the American Colonization Society, for the extension into the said Republic of Liberia of its activities provided for in subsections (d) and (e) of section 501, and to exercise the right of eminent domain in the establishment of rights-of-way for trunk-line railways, and telephone and telegraph lines, to unify the Greater Liberia systems and to provide the settlements and communities established under this title with the benefits and services of such public utilities.

"SEC. 602. (a) Upon the consummation of the negotiations for the acquisition of lands provided for in section 601, the President is authorized to enter into further negotiations with the Government of the Republic of Liberia for the purpose of obtaining the consent of such Government to the construction by the United States, in areas of such Republic where persons receiving the benefits of this title may settle, of public roads, bridges, schools, sanitary facilities, river and harbor improvements, flood-control works, and other public buildings and works of similar character, such buildings and works to be constructed by the United States, and such part of the cost of such construction as may be agreed upon by the President and the Government of the Republic of Liberia to be covered by bonds of the Republic of Liberia issued to the United States and bearing such interest and containing such provisions with respect to redemption as the President may deem adequate: *Provided*, That the title to such public works and buildings shall remain in the Government of the United States until such time as the Government of the Republic of Liberia shall have amortized with interest the bonds provided for herein or such part thereof as shall be agreed to between the President and the Government of the Republic of Liberia, at which time the President shall convey to the Government of the Republic of Liberia the title to said public buildings and works, reserving a lien on the same to secure any unpaid balances remaining. If the President determines that such negotiations may be consummated in a manner satisfactory to him, and if he further determines that the Government of the Republic of Liberia will give adequate assurances with respect to the operation and maintenance of such public buildings and works as may be constructed in such Republic by the United States, the President shall have all the necessary authority to consummate such negotiations.

"(b) In the event the consent of the Government of the Republic of Liberia to the construction of such public buildings and works is obtained as provided in subsection (a) of this section, the Administrator is authorized, subject to the approval of the President, to construct any such public buildings and works in such areas of the Republic of Liberia where persons receiving the benefits of this title may have settled, as he deems advisable: *Provided*, That preference in employment for such construction of public works and buildings shall be given to the citizens of the United States who can qualify as migrants under the provisions of this act: *Provided further*, That no such public buildings or works shall be constructed until the Government of the Republic of Liberia has agreed that upon completion of such public buildings or works, the Govern-

ment of said Republic will deliver to the President of the United States, or any other person designated by him for the purpose, bonds of such Republic covering such part of the cost of such public buildings or works as is to be borne by such Republic.

"SEC. 603. (a) Any citizen of the United States, or any alien who is a bona fide resident of the United States, who can qualify in accordance with the provisions of title I and subsection (a) of section 407 of this act, and who may also become eligible for citizenship in the Republic of Liberia, may apply for migration to the Republic of Liberia under the provisions of this title in the same manner and under the same terms and conditions as are prescribed for migrants to the Territory of Greater Liberia in accordance with the provisions of section 407 of this act.

"(b) The Administrator shall proceed, in the case of migrants to the Republic of Liberia under the provisions of this title, in the same manner and under the same terms and conditions as are provided in sections 407 and 408 of this act for migrants to the Territory of Greater Liberia, and shall extend to said migrants under this title such of the facilities, grants-in-aid, and all other emoluments extended to migrants to the Territory of Greater Liberia under any of the provisions of this act as are not inapplicable to such migrations to the Republic of Liberia.

"SEC. 604. The President shall further negotiate with the Government of the Republic of Liberia to secure reasonable guaranties of safety of life and limb and freedom of action for the migrants while under Liberian rule; to assure that the Government of the Republic of Liberia will earnestly prohibit and punish any act or acts of intolerance or persecution, either political, social, or economic, of the migrants because of their condition as migrants; to assure that the migrants while aliens in the Republic of Liberia shall enjoy all the privileges and immunities of any other aliens resident in the Republic of Liberia, and that, after naturalization, they shall enjoy all the privileges and immunities of any other naturalized citizens of the Republic of Liberia; and to assure that the Government of the Republic of Liberia will extend the greatest amount of home rule consistent with the Constitution and laws of the Republic of Liberia to all settlements and communities made up of migrants under the provisions of this act; and that preference to all appointive offices in said settlements or communities shall be given to naturalized migrants who may otherwise qualify. The provisions of this section shall be a condition precedent to other negotiations under this title.

"TITLE VII

"SEC. 701. (a) Upon assumption of jurisdiction and exercise of sovereignty by the United States over the Territory of Greater Liberia, the President shall extend to such Territory all the Federal services in their various activities and departments, except such as shall by circumstances and local conditions be inoperative; and all Federal laws and statutes not locally inapplicable shall extend to the said territory with the same force and effectiveness as in any other lands subject to the jurisdiction of the United States.

"(b) For the purposes of this section the President shall appoint one special assistant to the Postmaster General, who shall have charge of the organization and operation of the postal services in the Territory and of the enforcement of the postal laws, and who shall be responsible to the Postmaster General of the United States for the proper functioning of the postal system throughout the Territory; one special assistant to the Attorney General, who shall be in charge of the enforcement of the Federal laws throughout the Territory and of the proper functioning of the judicial department, performing such other and further duties in connection with his office as shall be assigned by the Attorney General of the United States; one special assistant to the Secretary of the Treasury, who shall have charge of the collection of all customs and internal revenues in the name of the United States, and who shall act as the personal representative of the Secretary of the Treasury in all matters coming within the jurisdiction of the Department of the Treasury; one special assistant to the Secretary of Commerce, who shall organize, supervise, and direct the lighthouse, coast and geodetic survey, steamboat inspection, and census services and all other services and functions pertaining to the Department of Commerce, and who shall act as the personal representative of the Secretary of Commerce in all matters pertaining to his Department; one special assistant to the Secretary of Labor, who shall supervise and direct the immigration and naturalization services and all other services within the scope and jurisdiction of the Department of Labor; and in the same manner the President shall appoint special assistants to the Secretaries of Agriculture and of the Interior if in his judgment he deems that the services and the needs of the Territory so require. The Military Governor, in addition to his duties as such, shall act as personal representative of the Secretary of War, and shall be charged with the organization of the military defenses of the Territory, and of the training and supervision of all military forces and activities throughout the Territory; and in the same manner the rear admiral in command of the naval militia of the Territory shall act as the personal representative of the Secretary of the Navy and shall be charged with the organization and supervision of the naval defenses of the Territory and of the training of all personnel in the science of naval warfare. The President shall further divide the Territory into Federal judicial districts, and he is hereby authorized to establish and put into operation a United States district court in each judicial district, with the same powers and under the same terms and conditions as in the case of such courts established for other Territories of the United States.

"(c) All appointments to office, whether Federal or Territorial office, shall preferably be made from such citizens of the United States who, by their physical fitness and climatic adaptability, may assure to the United States the proper operation of the governmental services, and are less likely to impair such services for failure of physical endurance, all other conditions being equal.

"SEC. 702. At the earliest practicable time, but not more than 2 years from the military occupation of said lands, Congress shall establish a civil government in the said Territory, and shall enact and put into operation and in force an organic act for the said Territory, providing therein the maximum amount of self-government which is consistent with the Territorial form of government. It is hereby declared to be the intent of Congress that the Territorial form of government herein provided for shall be only transitory and preparatory to a higher form of self-government, and that Congress shall provide for a commonwealth form of government to follow the said Territorial form of government at the end of 4 years from the initiation of the said territorial form of government, such commonwealth to be established under such terms and conditions as will provide complete autonomy to the said Territory. It shall be the policy of the Territorial government to prepare the said Territory for government as such a commonwealth under the United States.

"(b) Whenever, at any time after the establishment of the commonwealth government, in the opinion of Congress the said commonwealth shall have attained sufficient perfection in its internal life to warrant independence, and its national defenses shall have been so organized and perfected as reasonably to assure to the said commonwealth security against foreign aggression, the President at the request of Congress may enter into negotiations with the government of the Republic of Liberia with a view to having such commonwealth incorporated into the Republic of Liberia to form together one independent Republic of Greater Liberia, with due recognition as such by the United States. If the President determines that such negotiations may not be consummated with the government of the Republic of Liberia in a manner satisfactory to him and in accordance with the purposes and intent of this act, he shall formulate and submit to Congress for its approval a plan whereby independence may be granted to the Commonwealth of Greater Liberia without incorporation into the Republic of Liberia.

"SEC. 703. Until Congress shall have been able to estimate and determine the annual cost of the operation of this act and the available income for the same, the President is hereby authorized to utilize the following funds and credits to put this act into immediate operation and to finance the initial expenditures in connection with this act:

"(a) All customs, Federal internal revenues and other Federal taxes levied and collected within the territory of greater Liberia.

"(b) All payments in gold or in cash paid by the debtor nations to the United States by virtue of World War debts, whether the same is a so-called token payment or any other form of cash payment.

"(c) Not to exceed $1,000,000,000 of any funds of the United States available and not allocated for any other purposes: *Provided*, That if such funds be not available, the President is hereby authorized to pledge the credit of the United States in an amount not to exceed the said $1,000,000,000 in order to secure such funds.

"SEC. 704. The President is authorized to remove any restrictions placed on the borrowing power or borrowing facilities of any nation owing debts to the United States, by any act of Congress limiting the borrowing powers or facilities of such debtor nations, in consequence of concessions obtained by the United States by virtue of the negotiations and agreements entered into pursuant to the provisions of title II of this act, the extent of the removal of such restrictions in any case to be determined on the basis of the concessions made in relation to the total debts due from said debtor nations, respectively. The President is further authorized to reimpose such restriction at any time upon failure to fully carry out any of the agreements entered into or concessions obtained by virtue of title II of this act.

"SEC. 705. If any provision of this act, or the application thereof to any persons or circumstance, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances, shall not be affected thereby."

LEGISLATIVE PROGRAM

Mr. LANGER obtained the floor.

Mr. HILL. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Alabama?

Mr. LANGER. I yield.

Mr. HILL. I wonder if the Senator from North Dakota is in a position at this time to advise how long he expects to address the Senate. I ask that question for the reason that a number of Senators are interested in knowing whether it will be possible to conclude action on the pending bill today or whether it will be necessary to have a session tomorrow. I should like to endeavor to determine what the situation is.

Mr. LANGER. I shall take nearly an hour.

Mr. HILL. In that case, will the Senator yield to me so that I may ask a question of the Senator from Illinois?

Mr. LANGER. I yield.

Mr. HILL. First, let me say that I wonder whether the Senator will be willing to let action be taken on the rural electrification bill, and then speak following action on it.

Mr. LANGER. Mr. President, ordinarily I should not mind following that course, but I had a very unfortunate experience the last time I agreed to such a program; it took me a week to get the floor, after I yielded for such a purpose.

Therefore, I must very respectfully decline to yield for the purpose stated at this time.

Mr. HILL. As the Senator knows, if we cannot complete consideration of the bill today the Senate will have to meet tomorrow. I think that if we could complete action on the bill today the Senator from North Dakota could then make his speech.

Mr. LANGER. The only reason that I decline to do that is the very unfortunate experience which I had a week ago. Mr. President, for the purpose stated, I respectfully decline to yield.

Mr. HILL. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. HILL. I wish to propound a question to the Senator from Illinois.

The distinguished Senator from North Dakota has stated that he will consume perhaps an hour in making his speech. Does the Senator from Illinois think that it will then be possible to complete action upon the pending bill today?

Mr. LUCAS. I doubt that we should attempt to complete consideration of the bill today following the speech of the Senator from North Dakota, assuming that he takes the length of time which he has stated he will take. The bill will undoubtedly consume approximately an hour. We would be here until 5 o'clock before resuming consideration of the bill. I do not know of any opposition to the bill, but I believe that an explanation should be made of it because it is an important measure. I believe that the Senator from Minnesota [Mr. SHIPSTEAD] will desire to say something about the bill. Therefore we could not finish it today. In view of what the Senator from North Dakota has said, I should like to have the bill go over until tomorrow.

Mr. LANGER. Mr. President, in view of the fact that no opposition will be voiced to the bill, the senior Senator from Illinois having so stated, in all probability it will not take long to dispose of it. I am as much interested as any other Member of this body in the pending bill which was reported by the Senator from Illinois. The people of my State want it to become law. I do not know anything more important than the passage of the bill. I will certainly yield to the Senator from Illinois right now for the purpose of having the bill passed.

Mr. LUCAS. I do not want to take advantage of the situation. The discussion of the bill may consume an hour.

Mr. LANGER. Mr. President, I understood the Senator from Alabama [Mr. HILL] to say that it would not take very long to dispose of the bill.

Mr. LUCAS. The Senator from Alabama does not control what the Senator from Illinois may want to do in connection with the measure. I do not wish to take advantage of the Senator from North Dakota. He said he would consume approximately an hour. I do not know how long the Senator from Minnesota will take, but I know that he has prepared a speech with regard to the bill which he desires to deliver to the Senate. It is agreeable to me that the measure go over until Monday if the Senate does not wish to meet tomorrow. However, I do not see why we should not meet tomorrow and dispose of the bill.

CANCELATION OF BAN ON DOG RACING AND HORSE RACING

Mr. LANGER. In view of the statement of the Senator from Illinois, I shall proceed.

Mr. President, in this morning's Times-Herald I read that Mr. Fred M. Vinson, War Mobilization Director, had given the go-ahead signal for dog racing and horse racing. That means that large crowds will congregate for the purpose of witnessing dog racing and horse racing. Throughout the Northwest the small merchants have been refused permission to attend style shows. For a great many years a large department store in New York, for example, followed the custom of inviting merchants from the Northwest to visit New York, see the latest styles, and give orders for merchandise. The merchants were shown what goods would be available, and small shop owners were privileged to buy and sell the goods to the people of the Northwest. Those merchants have been refused the right to hold style shows.

Furthermore, churches of various denominations wish to hold conferences this year, but Hon. Frank Perrin, secretary of War Committee on Conventions, who was appointed by Mr. Fred M. Vinson, has consistently refused to grant permission to the churches to hold their conferences anywhere in the Northwest.

So, Mr. President, in view of the fact that horse racing and dog racing are now to be permitted, I wrote the following letter to Mr. Perrin:

UNITED STATES SENATE,
May 10, 1945.

Hon. FRANK PERRIN,
Secretary, War Committee on Conventions, Washington, D. C.

DEAR MR. PERRIN: The morning papers carried the news that Director of War Mobilization Fred M. Vinson yesterday issued the "go ahead" signal permitting the resumption of horse racing and dog racing, and I note that the Kentucky Derby will be held, and that a tentative schedule of dates provides as follows:

Narragansett: May 12 to June 9.

Pimlico: May 16 to 26 (with Preakness to be run 1 week after the Kentucky Derby 1-day session at Louisville).

Charles Town: May 28 to July 4.

Delaware Park: May 29 to July 4.

Garden State, N. J.: July 13 (for 50 days).

Jamaica, N. Y.: May 21 (number of days to be determined later).

Lincoln Field, Chicago: May 14 to June 16.

Suffolk Downs: June 11 to August 11.

Rockingham Park: August 13 to September 1.

Wheeling Downs, W. Va.: May 23 to July 4.

Beulah Park, Ohio: May 19 (for 14 days asked for).

Thistledown, Ohio: May 26 to July 4 (meeting will be staged at North Randall, because of the recent fire which destroyed the Thistledown grandstand).

Rendon, Seattle, Wash.: June 23 to September 3.

In view of the above, that horse racing and dog racing are now permitted at which time racing crowds will gather from far and wide, I ask that the War Committee now permit the annual meetings of various church conferences and groups. This week the annual meeting of the Congregational Conference takes place in North Dakota. On May 1 you wrote me a letter which affects not only churches but mass numbers of industrial, labor, educational, and every other form of group activity.

I respectfully ask whether in the opinion of Mr. Vinson and the rest of you gentlemen, it is more important to have thousands of people meeting at horse races and dog races, than to permit mass movements of industrial, labor, and educational groups?

With kind regards, I am,

Very sincerely,

WILLIAM LANGER.

I may add that the merchants all over the Northwest have not yet received permission of Mr. Vinson—so far as I have been informed, and I have taken the matter up with them at various times—to attend style shows to which I have referred, which enable them to buy necessary merchandise in supplying the needs of the farmers, laborers, and other people of the Northwest.

AIRPLANE ACCIDENTS

Mr. President, on a number of occasions I have risen on the Senate floor to call attention to the outrageous and deplorable conditions that exist at the Curtiss-Wright Corporation aircraft plant at Buffalo, N. Y. In substantiation of previous charges, I shall read today another amazing statement that has been sent to me by another former inspector who resigned from the Curtiss-Wright plant in disgust at what he witnessed, and what he was required to overlook in the production of unsafe and defective airships. In view of the denial by various officials in Buffalo, this former inspector names the ships, as Senators will note as I proceed. This former inspector specifically names defective ships as they came off the assembly line. The defective parts he enumerates were caught by him after these ships had been O. K.'d by production and inspection departments.

Mr. President, before I discuss this supporting evidence I desire to call attention to a letter from Army inspectors at the Buffalo Curtiss-Wright plant. At the time the original charges were made against the Curtiss-Wright Corporation, the officials at the Buffalo plant released a denial of the allegations. The corporation's memorandum to its employees was posted on bulletin boards throughout the plant.

Mr. President, officers lifted one of these documents off the bulletin board, and on the reverse side wrote me the following letter:

APRIL 23, 1945.

Senator LANGER,
United States Senator,
Washington, D. C.:

This is a notice taken from the bulletin board in the Airport plant of Curtiss-Wright Corporation aeronautical division located on

Genesee Street in Cheektawaga, N. Y., immediately beside the Buffalo Airport.

We can assure you that the statements on the other side of this letter do not reflect the opinions of the Army Air Forces inspection personnel in any way. The Government inspectors here have hoped and prayed that sooner or later someone would blow the conditions at this facility wide open.

Not only are the conditions as bad as Senator LANGER stated, but we are sure that if a congressional investigation were started in this factory and the little man on the floor was allowed to tell his story, instead of taking the word of the high-ranking officials as final, there would be so much foulness uncovered that the stench would drive some of these so-called officials out of the country.

The rank and file of Army inspectors in this plant would welcome a chance to clear their conscience of a lot of things that have been like a thorn in their side for a long time. An investigation conducted at this plant would give them this chance, and we can assure you that your time will not be wasted. In fairness to yourself and to the oath of office you took when you were placed in your present position, you should force this investigation through.

Wishing you all the luck in the world in this, your fight on a vile second front, we are,

UNITED STATES ARMY AIR FORCES
(FLOOR INSPECTORS), CURTISS-WRIGHT CORPORATION, AIRPORT DIVISION, BUFFALO, N. Y.

Now, Mr. President, I shall read the company's denial, on the other side of that sheet:

CURTISS-WRIGHT CORPORATION,
AIRPLANE DIVISION, BUFFALO PLANT,
April 21, 1945.

To All Curtiss-Wright Workers—List "E" and Bulletin Boards:

We all know that thousands of our loyal and patriotic employees, as well as the Army Air Forces personnel concerned, are righteously indignant at the untrue and unfair implications contained in Mr. Hirsch's statements as read into the CONGRESSIONAL RECORD by Senator LANGER.

The allegations made by Mr. Hirsch at and prior to the time that he was discharged by the Curtiss-Wright Corporation, and which have recently been publicized in the local press, were thoroughly investigated by the Army Intelligence Section while he was employed by the company.

It was reported by this Section that it was conclusively shown that rigid inspection standards were being consistently maintained both by the Curtiss-Wright Corporation and the Army Air Forces, and that the Army Intelligence Section was entirely satisfied. They also reported that the statements made by Mr. Hirsch were wholly inaccurate and in no way indicative of negligence on the part of either the Army Air Forces or the Curtiss-Wright Corporation.

The quality and inspection departments of the Curtiss-Wright Corporation have been awarded the approved quality "A" rating, which is the highest rating awarded to airplane manufacturers and indicative that the most rigid inspection and quality standards are maintained at all times. The performance of Curtiss-Wright airplanes in battle and in the various theaters of operations speak for themselves.

N. F. VANDERLIPP,
General Manager.

As I stated a moment ago, it was on the back of that piece of paper, pasted on the bulletin board, that the reply was made by the United States Army Air Forces that if this investigation continued there would be so much foulness uncovered that the stench would drive some of these so-called officials out of the country.

I might add, Mr. President, that I am informed again this afternoon by the distinguished junior Senator from Michigan [Mr. FERGUSON] that the Mead committee had men at Buffalo, who have now returned, and, as I understand, are working upon the report. If they are, I call to the attention of the Mead committee the further testimony of another man who has also written me, and whose letter I shall now read. I call the particular attention of the distinguished junior Senator from Michigan to this letter which I am about to make public.

Referring to my previous remarks, I now wish to read a statement received from Mr. Clifford B. Smith, another former inspector who resigned from the Curtis air plant in disgust. I have his original statement here in case any Senator wishes to read it, and I have his permission to use it.

Mr. Smith is now an instructor at the Industrial Arts School No. 68, Buffalo, N. Y. His home address is Genesee Road, Crittenden, N. Y. This former inspector worked at No. 2 plant of the Curtiss-Wright Corporation. He was employed by the company for approximately 15 months. Finally, he too gave up in despair. He has furnished me with a complete and detailed report of conditions as he saw them. Thank God we still have men of his courage in America. I shall quote his statement. For security reasons certain military date have necessarily been deleted from these observations.

Mr. Smith writes:

One would imagine that America at war would present a picture of earnest workers and a more earnest supervision bending every effort in a desire to produce the best airplane possible to withstand the assaults of the enemy and the stress of battle conditions. It was with these feelings that I offered my services to work 16 hours a day for the duration of the war to help in my small way to relieve the manpower shortage. I was determined to do a job with all my sincerity.

At the Curtiss-Wright plant I was confronted with weekly changing placards emblazoned on every side urging quality work and unremitting toil. It was like wine to my blood; we were united for victory. Daily letters of instructions were printed, instructing inspection on proper installations; what to accept and what to reject. I painfully copied them all.

Starting as a green hand in the capacity of an inspector, I was given as little help as was humanly possible by the other inspectors, with much misleading information or instructions. That is, questions were answered evasively and instructions were given which, if followed, would not be upheld. Shop would not obey, and the crabs would remain in the book as the ship passed from station to station. In time the ship was at the door, the crabs were buried, ignored as inaccessible. An inspector became dulled in his enthusiasm.

Time went on and the line of ships grew and new men were added and I found myself gradually promoted to the final inspection of the plane. I had to fight jealously guarded secrets of the work to obtain every bit of knowledge I possessed of this ship. Blueprints were difficult to obtain, numbers of the proper prints were almost inaccessible. I followed my written instructions to the best of my ability. I examined every part of the plane, I dug deep beneath installations to find things wrong, to discover sabotage, I wrote crabs (written statements of errors) by the hundred, I established a reputation for thoroughness and toughness, but I acquired the hatred of shop supervision. My superiors in inspection would not support me (or other inspectors). I got into nearly daily fights with supervision. I found that the written instructions that all lines must be cell-o-sealed or removed meant nothing; that instructions that any oxygen or oil or hydro lines could not pass with cuts in them meant nothing; that hose clamps should be tight meant nothing. Inspection became not a standard but a compromise.

Mind you, Mr. President, this is a former inspector who is now talking—

The printed instructions had to be compromised with the difficulty of correction and the time element was to be taken into consideration. Supervision would gather around me: the first shift general foreman, two of his assistant general foremen; second shift general foremen, two or three of his assistants, and the fight would begin. My superiors would ignore the issue or as likely as not override me on the very thing that the day before you would be instructed to check thoroughly.

Shop (supervision) claimed that to correct these mistakes held up production. Yet an error that would require 30 minutes to correct for one man, 5 or 6 men would waste their time (and yours) for an hour. While they talked (and continuously) their own workmen would be pitching coins, gossiping or pounding a piece of metal uselessly (to appear busy) in 15 to 30 minute stretches. They did not apparently go back to the station where the mistake was being continued to prevent its repetition for the same errors would be found sometimes through as many as 75 to 100 ships.

One would imagine that war production would be steady, unflagging work, but the contrary was true. In any given week, about 3 days we are rushed, and then for as many more, everyone stood around in make-believe activity or in frankly killing time. Supervision on these rush days tried to cram everything past inspection. Inspection was not fast enough; they shouted inspection is holding up the war effort. On these days supervision was the essence of patriotism. Then for no apparent reason the slump days returned. Everyone started to loaf again. I have talked with many in the hope of fathoming this condition. The only answer I could obtain was that jealousy between the shifts and the credit accruing to the particular shift which passed or checked out the most ships was responsible for this situation. I charge that supervision withheld or exerted pressure as needed, so that they themselves would receive credit for the production of a plane. I charge that they purposely delayed on an airplane so that the next two shifts would not be able to get it out of the door as finished and that it would therefore fall to their own credit. Then they wanted inspection to be nimble and to be subservient to their need to rush out the plane for their credit. If there is any other possible conclusion for this mystery no one seemed to have fathomed it.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. MORSE. The Senator has been quoting at some length, as I understand, from statements made by an inspector in the Curtiss-Wright plant. What can the Senator tell us as to the reliability of this inspector? I judge he is a dismissed inspector. In trying to weigh the evidence presented by the Senator I should like to know to what extent he feels we can place reliability upon the testimony of this inspector. Was any investigation made of him? Are any reports available as to his reliability?

Mr. LANGER. I may say to the Senator from Oregon that this is not the same inspector concerning whom I spoke last week. I spoke then of Inspector Hirsch. This is another inspector. His name is Smith. In both instances I telegraphed to friends of mine in Buffalo to ascertain something about the character of these men. In both instances the report is favorable. I may add that Smith says he is now an instructor at Industrial Arts School No. 68, Buffalo, N. Y. So I telegraphed to Buffalo to find out whether he was really employed there. I received a reply telegram stating that he is employed there. Then I telegraphed an inquiry as to his reliability. The reply message said he was reliable. That is only the opinion, however, of people who live in Buffalo. They do not want to get mixed up in this matter. Then I telegraphed Smith direct and asked whether I could use the information he had written me in his letter. I have a reply telegram from him that I may use it.

I wish to say further that I, of course, do not pass upon the credibility or reliability of these two men. I have turned that matter over to the Senator from New York [Mr. MEAD] and the Senator from Michigan [Mr. FERGUSON], of the Mead committee, who in turn have sent men to Buffalo to make investigation, and in due course of time I expect to have a report for the Senate from the hands of the Mead committee.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. FERGUSON. When did Mr. Smith resign?

Mr. LANGER. I have that information in my office.

Mr. FERGUSON. Does Smith give the time when the so-called defects he is pointing out occurred?

Mr. LANGER. Yes. The times of all of them will come out as I proceed. Both men said that before they resigned they were offered employment in other places by the Curtiss-Wright Corporation.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. MORSE. I understand that the men resigned, and that they were not discharged.

Mr. LANGER. They were dismissed. Mr. Hirsch said that when he would not go to another place, when they wanted to transfer him, he was removed.

I continue to read from the letter of Mr. Smith:

> Inspectors after months of being "smacked" down for attempting to be sincere, after being overruled time after time by supervision subservient to shop; inspectors became lax and started to stamp out many installations without looking at them or some would make the most casual inspection. These inspectors are well known. Shop knows them well. They stand by the hour doing nothing. The ship beside them usually had 8 or 10 serious errors, fully 50 minor errors, but they do not find them. If a sincere inspector refused to accept a job or if he crabbed a mistake, shop would allow the ship to pass to the next shift, or to the next station, and one of these so-called inspectors would be called in, the work would be stamped out and your efforts would have accomplished nothing. No inspector could touch this job again.
>
> Shop foisted on a subservient inspection department a rule called double inspection. This rule said that when an installation or an area had been duly accepted or inspected by one inspector no other inspector could look at it or crab it. I was repeatedly warned by the general foreman on day shift as well as by supervision on my shift about this rule.
>
> We were forbidden to look for such errors. We were to return to our desk and remain idle. It was hard for me to ignore defective production. I learned by looking at an inspector's stamp whether the area was incompetently inspected; when I found these defects I could not ignore them. I often broke the rule, discovered the error and found myself in trouble. Other inspectors stood safe and secure in their idleness; with many mistakes passed under their stamp; with a burned airplane or a dead pilot on their conscience; it was the careful inspector that was punished.
>
> Americans fighting Americans. I was made to feel like the most miserable rat that ever crawled into Curtiss. I came with sincerity, not brains, anxious to do my part in winning this war. I was confronted with petty rivalry and enmity as an American. I could not understand why Americans were my foes, with bitter invective and underhand tactics. It is reported and can be verified that second shift supervision had placed a $150 bet that they would railroad me out of the department. I was informed by my own foreman that I was to be demoted down the line. I tried to quit several times in my disgust but changed when I decided either not to let Shop get the better of me or when the head of Army inspection, Mr. Crossack, came to my assistance. He who found the mistake was punished. I was in continual hot water, but the indifferent inspector remained at peace. Stories got around that if you did poor enough work you would be made a foreman. That is, an inspector who would help Shop pass a defective ship would be considered to have that rare quality called judgment.
>
> My general foreman, Mr. Eddie Boos, told my foreman, Mike Boar, to demote me down the line because I had the reputation of being the toughest inspector on the line.
>
> I was accused of:
>
> 1. Double inspection: That is, I used to use my spare time in looking for additional mistakes. It is a self-apparent fact that no man can see everything. Every inspector has his strong and his weak points. I was no exception. I would feel better to have my inspection covered also by another. It made a keener and more healthy rivalry, to know that they could not find an error in your work, or to know that had to be "up on your toes" every minute to avoid their finding a mistake in your work. The general foreman told me that double inspection was sabotage as it delayed the ship.
>
> 2. One-man inspection: The serious charge was made against me that I was guilty of one-man inspection. The inference was that I was the only man looking for mistakes, finding most of the errors, writing crabs and covering the ship. A grave charge! Therefore they tried to force me out and those inspectors who were not inspecting were their friends.
>
> 3. Of not having faith in other inspectors: This charge was true, I had very little faith in many inspectors, with others I realized that they could make mistakes, even as I also could and did.
>
> 4. Of holding up production: If insisting that a plane must be sound and well-made is holding up production, then this charge also is true. We, in Curtiss, would be told by fellow workers of ships that burned up or cracked up with the loss frequently of the pilot's life as well as the loss of the plane. These were not reported in the papers. They were due to faulty inspection and the rush of Shop to get ships out of the door regardless of quality. I hold that a few minutes lost in carefulness was really time saved. The ridiculousness of the charge is self-evident to any impartial observer who watches the workers stopping work 20 to 30 minutes before the whistle and many (by the hundreds) lined up at the clock 5 minutes before the time to quit arrives. I arrive at work 10 minutes before time and the aisles are crowded with first-shift workers already dressed and going to their clocks. Sundays were the most flagrant. It was customary for the workers to work about one-third of the 8 hours for which they are paid $18 to $20.
>
> These are some of the more serious mistakes. All of these items had been inspected and accepted and, in most cases, were buried.

I invite the attention of Senators to the fact that he gives the numbers of the ships.

> Ship No. 350: Two cotters missing and a nut nearly off on the elevator bellcranks. Same ship—The tail wheel uplock cable installed on the wrong side of the S. S. pin. Either of these mistakes could mean the loss of the plane.
>
> Ship No. 247: Tube at top of fuselage supporting elevator bellcrank had three bolts with the nuts nearly off. Failure of this bellcrank would mean the loss of the ship.
>
> Ship No. 267: Eight main bearing bolts for turbo loose. The shaking loose of the turbo would prevent the ship from flying at high altitudes. The ship would become partially helpless.
>
> Ship No. 295: Turbo bolts loose again.
>
> Ship No. 296: One five-sixteenth-inch bolt removed from the tail section splice. Loss of the tail of a plane would be fatal.
>
> Ship No. 321: Both rubber cables installed out of these proper holes through bulkheads and installed so they instead rubbed on the sharp edge of the bulkhead. This ship had passed final inspection and was ready for engine test.
>
> Ship No. 333: Cotter missing in the actuator for the right-hand aileron. This was almost inaccessible and entailed several hours' work to repair. It would have meant the loss of the ship and was an item not in the province of our inspection. It was a "panel" item and very difficult to discern and I am certain that it was never even glanced at by our Inspection Department.
>
> Ship No. 342: Cotter missing in actuator of left-hand aileron.
>
> Ship No. 343: Elevator bellcrank, station 350 (inaccessible); nut without cotter and nearly off.
>
> Ship No. 347: Cotter missing off scissor joint on right-hand landing gear; cotter off of elevator bellcrank; and bolt loose holding the tail-wheel spring.
>
> All of these errors listed were discovered at the door and frequently after complete inspection of the plane. Had I begun early enough this list would be quadrupled. As this list lengthened the distance between me and my immediate superiors increased until it amounted almost to open hostilities. Mr. Edward Beu, my general foreman, ordered my demotion to the bottom of the line. My immediate foreman refused to transfer me. The hostility with supervision in shop became even greater. They were capable of many underhand tactics which they did not hesitate to perform.
>
> Mr. Beu had me hailed before Mr. Bob Zavitz, inspection head, for criticism in my bringing some of these items to the attention of the Army. Continuation in this so-called war effort was rapidly becoming almost unbearable and honesty and self-respect in one's self became difficult to sustain. I wish that I could paint a picture of work at Curtiss-Wright. The word patriotism was only mentioned in scorn. There was deep

disgust among the common workers about the whole atmosphere of the place. It was recognized commonly that supervision was rotten and that honest endeavor would not be recognized. The quality of the men in supervisory positions was very low. They were in general a time serving, selfish group who thought that this war was entirely for their own selfish ends. Inspection supervision was entirely subservient to shop, and as inspectors admitted among themselves it was but a sham or pretense to get the ships out. You were not supposed to be on the alert, nor even busy. Inspectors wasted away their time by the hour.

No record seemed to be kept of the mistakes that an inspector found, nor of those that he made. If one was kept it worked in reverse order and was held against the competent man. Shop runs Curtiss. Inspectors were expected to jump when Shop spoke and to jump in the right direction. They established the rule that one could not inspect an area or installation already inspected, so an inspector would have to wait until a new area was ready. Meantime you stood idly by. The hours passed, no one seemed to be working. Then suddenly everything burst into life and activity, usually about 1 hour before quitting time, and for 30 minutes you were supposed to inspect several parts of the plane. Then the last of the whip falls: "Don't hold up the work." "Hurry up and inspect all these items." "Inspect the secondary." "Give an O. K. for primary cowl." "Crab the cockpit." "Get in 180 to tail." "Hurry—hurry—hurry."

This is done to confuse inspection and to obtain inefficient inspection. Why some of Hitler's best men work in our airplane plants and they hold high office.

CLIFFORD B. SMITH.

CRITTENDEN, N. Y.

Mr. President, I may add that I have the original letters. I have corrected some mistakes in spelling and have transposed one or two words in order to make the sense clear.

Mr. President, we hear of new aircraft fatalities day after day. The number is piling up to astronomical figures. General Arnold himself has said that 17,500 planes have crashed in the United States—three times as many as the total number of our planes which have crashed during the operations of our air forces all over the rest of the world. I repeat, Mr. President, that the statement that the Army Air Forces lost in the continental United States in this war more planes than in combat on all the world battlefields, was not originated by me. That statment was made by General Arnold himself, and it appeared on the front page of the Washington Star on October 2, 1944. It was at that time that he said 17,500 planes had crashed in this Nation.

President Truman, while head of the Senate Special Committee to Investigate the National Defense Program, promised the American people a subsequent report on these crashes. He made that pledge on July 10, 1943, approximately 22 months ago. Since that time, Mr. President, two of my best friends have died in air crashes. No one knows whether something was wrong with the planes, and no one ever will know; but I do know that the air forces refused to tell me, a United States Senator, what make of ships went down.

Mr. President, why are the American people, who have offered their sons and daughters in defense of this great Nation, being kept ignorant of these startling facts? I ask, Mr. President, why?

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO SUBMIT A REPORT

Mr. McKELLAR. I have listened for the past few minutes to ascertain whether or not the Senate intends to adjourn or recess over until next Monday or until tomorrow. There seems to be some question about it; but, regardless of what action the Senate may take in that regard, I ask unanimous consent that the Committee on Appropriations be allowed to report to the Senate during the recess or adjournment which may be taken following today's session any appropriation bills which may be ready.

I also ask unanimous consent that I may be permitted to file a notice of motion to suspend the rule in order to offer a certain amendment on behalf of the committee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

AUTHORIZATION FOR COMMITTEE ON CIVIL SERVICE TO SUBMIT A REPORT

Mr. DOWNEY. From the Committee on Civil Service I ask unanimous consent to report during the recess or adjournment which will be taken by the Senate today, Senate bill 807, which is now pending before the committee, and which will be agreed upon by the committee tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF SPEECH ON UNFINISHED BUSINESS

Mr. HILL. Mr. President, the distinguished senior Senator from Illinois [Mr. LUCAS], who has charge of the rural-electrification bill, wishes to address the Senate on the bill and on the amendments thereto immediately after the approval of the Journal at the next meeting of the Senate, and he wishes to have me make this announcement to the Senate.

PROMOTION OF OFFICERS OF THE MEDICAL, DENTAL, AND VETERINARY CORPS, UNITED STATES ARMY

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 3070, relating to promotion of officers of the Medical, Dental, and Veterinary Corps, in the Regular Army.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 3070) to extend the provisions of the act of November 29, 1940 (Public Law 884, 76th Cong.), was read twice by its title, and the Senate proceeded to its consideration.

Mr. JOHNSON of Colorado. Mr. President, the bill is similar to Senate bill 939, Calendar No. 234. Senate bill 939 was passed by this body last Monday. The House bill is not exactly similar to it. The Senate bill, as passed by the Senate, contained an amendment offered by the Senator from Vermont [Mr. AUSTIN]. I have talked with the Senator from Vermont, and he has suggested that House bill 3070 be passed by the Senate, even though it does not contain his amendment. I understand that his position is that the amendment is not particularly important.

Mr. HILL. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. HILL. I understand that the only difference between the bill which was passed by the Senate on Monday and the pending House bill is an amendment which was added to the Senate bill after it was proposed by the Senator from Vermont.

Mr. JOHNSON of Colorado. That is correct.

Mr. HILL. I understand that the Senator from Vermont, when in consultation with the Senator from Colorado, suggested that it be waived, and that the Senate now pass the House bill.

Mr. JOHNSON of Colorado. That is correct.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHITE. Will the Senator explain the subject matter of the House bill?

Mr. JOHNSON of Colorado. The bill would make it possible for medical officers to be promoted without examination, under certain conditions.

Mr. WHITE. Oh, yes. Am I correct in recalling that the bill relates to the promotion of Medical, Dental, and Veterinary Corps officers, and that it provides for a relaxation of examinations in such cases?

Mr. JOHNSON of Colorado. That is correct. The bill provides that such officers may be promoted without a board examination, during wartime.

Mr. WHITE. I remember the Senate bill.

Mr. JOHNSON of Colorado. The bill contains a limitation to the period of the war and for 6 months thereafter.

The PRESIDING OFFICER. The bill is before the Senate and is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 3070) was ordered to a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing two nominations, which were referred to the appropriate committees.

(For nominations and withdrawals this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Military Affairs:

Several officers of the Army of the United States (honor graduates), for appointment in the Regular Army; and

Sundry officers for temporary appointment in the Army of the United States.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

POSTMASTER AT HOPKINS, MINN.—NOMINATION PASSED OVER

The legislative clerk read the nomination of Thomas J. Kosanda to be postmaster at Hopkins, Minn., which nomination had previously been passed over.

Mr. HILL. Mr. President, I understand that, under the agreement, the nomination will be passed over until next Monday.

The PRESIDING OFFICER. Without objection, the nomination will be again passed over.

POSTMASTER AT MANCHESTER, TENN.

The legislative clerk read the nomination of W. Coy St. John, to be postmaster at Manchester, Tenn.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HILL. I ask that the President be notified forthwith of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith of the confirmation.

RECESS TO MONDAY

Mr. HILL. As in legislative session, I move that the Senate take a recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 37 minutes p. m.) the Senate took a recess until Monday, May 14, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 10 (legislative day of April 16), 1945:

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

To be colonels with rank from May 1, 1945

Lt. Col. Basil Dennis Spalding, Infantry (temporary colonel).

Lt. Col. Robert Sherman Barr, Ordnance Department.

Lt. Col. Charles Joseph Herzer, Coast Artillery Corps.

Lt. Col. William Hieatt Cureton, Field Artillery.

Lt. Col. George A. Pollin, Field Artillery (temporary colonel), subject to examination required by law.

Lt. Col. Claud Edward Stadtman, Infantry (temporary colonel).

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

TO QUARTERMASTER CORPS

Lt. Col. Boyce Manly James, Field Artillery (temporary colonel), with rank from February 4, 1941.

TO CAVALRY

Lt. Col. Fred William Makinney, Quartermaster Corps (temporary colonel), with rank from December 11, 1942.

TO INFANTRY

Maj. Reynolds Condon, Field Artillery (temporary colonel), with rank from June 14, 1944.

TO AIR CORPS

Maj. Charles Loomis Booth, Field Artillery (temporary brigadier general), with rank from June 12, 1941.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Dan Carroll, Ozark, Ala., in place of J. B. Adams, resigned.

ARKANSAS

Corynne Warren, Brickeys, Ark. Office became Presidential July 1, 1943.

ILLINOIS

Albert E. Born, Jr., Bensenville, Ill., in place of A. E. Born, Jr. Incumbent's commission expired February 6, 1941.

Margaret Barnett, Indianola, Ill. Office became Presidential July 1, 1944.

MICHIGAN

Lillian Moody, Jenison, Mich. Office became Presidential July 1, 1943.

MISSOURI

Carlisle M. Randall, Craig, Mo., in place of J. E. Thomson, removed.

NEBRASKA

Ella Gertrude Brune, Tekamah, Nebr., in place of E. W. Isgrig, deceased.

NEW YORK

Francis T. Hoffman, Truxton, N. Y. Office became Presidential July 1, 1944.

Gwendolyn L. Naber, Walworth, N. Y. Office became Presidential July 1, 1942.

NORTH DAKOTA

Fred W. Bork, Jud, N. Dak., in place of O. L. Noble, resigned.

OHIO

Floyd Turner, Barnesville, Ohio, in place of I. A. Foglesong, resigned.

Loffa C. Hoke, Phillipsburg, Ohio. Office became Presidential July 1, 1942.

Anna M. Carpenter, Radnor, Ohio. Office became Presidential July 1, 1944.

John A. Ressler, Verona, Ohio. Office became Presidential July 1, 1944.

PENNSYLVANIA

Conrad A. Zahner, Glenfield, Pa. Office became Presidential July 1, 1942.

Roy B. Lesher, Mount Pleasant Mills, Pa. Office became Presidential July 1, 1944.

William C. Stauffer, Orefield, Pa. Office became Presidential July 1, 1944.

William M. Stewart, Rochester Mills, Pa. Office became Presidential July 1, 1944.

La Roy C. Best, Schnecksville, Pa. Office became Presidential July 1, 1944.

Martha M. Benninger, Stiles, Pa. Office became Presidential July 1, 1944.

John B. Myers, Wormleysburg, Pa. Office became Presidential July 1, 1944.

TEXAS

Richard J. Meskill, Texas City, Tex., in place of T. A. Bynum, resigned.

WISCONSIN

Gerrit J. Vredeveld, Friesland, Wis. Office became Presidential July 1, 1944.

CONFIRMATION

Executive nomination confirmed by the Senate May 10 (legislative day of April 16, 1945):

POSTMASTER

TENNESSEE

W. Coy St. John, Manchester.

WITHDRAWALS

Executive nominations withdrawn from the Senate May 10 (legislative day of April 16), 1945:

POSTMASTERS

MICHIGAN

Mrs. Bessie M. Cubalo to be postmaster at Lincoln, in the State of Michigan.

OKLAHOMA

Oda Smith to be postmaster at Reed, in the State of Oklahoma.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 10, 1945

The House met at 11 o'clock a. m., and was called to order by the Speaker.

Chaplain (Major) Aryeh Lev, Office Chief of Chaplains, War Department, offered the following prayer:

Behold how good and how pleasant it is for brethren to dwell together in unity.

Dear God, we have learned that we are indeed brethren. We ask now Thy guidance to learn how really good it is to dwell together in unity. The task which Thou has set before us, to rebuild the world according to Thy divine law, is too great for each of us alone; but unite Thou our efforts, and we can achieve it.

We have learned a measure of unity on the battlefield, where, all under the same banner, white men and black men, yellow men and brown men, Christian and Jew, Moslem and Buddhist have fought and died side by side. We pray that with the coming of the peace we may now learn to live side by side.

We invoke Thy blessing upon the Members of this House, men and women with dreams, who are ever on the quest after better things, nobler tasks, and keener aims. Be ever with them so that they continue to bring their blessings to others, and thus increase the sum of the world's happiness. Grant them such wisdom and understanding that they may lead our Nation in justice and righteousness. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 3, 1945:

H. R. 1701. An act to amend section 2, Public Law 140, Seventy-seventh Congress.

On May 5, 1945:

H. J. Res. 174. Joint resolution making additional appropriations for the fiscal year ending June 30, 1945; and

H. R. 2689, an act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1946, and for other purposes.

On May 9, 1945:

H. R. 2625, an act to extend the Selective Training and Service Act of 1940, as amended.

GOERING: WAR CRIMINAL

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. FLOOD addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HOLMES of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein an article by Col. Ralph A. Tudor, Corps of Engineers, United States Army.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MICHENER asked and was given permission to extend his remarks and include two addresses, one made by Henry Ford II and one by Col. Neison S. Talbott at the exercises held in the Ford plant.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD and insert an article by a distinguished clergyman from his district.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include three letter exchanged between himself and the Director of the Mint with reference to the placing of the likeness of Franklin Delano Roosevelt upon the American dime.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial on victory which appeared in the Lynn Item, Lynn, Mass.

Mr. LYNCH asked and was given permission to extend his remarks in the RECORD and include therein an article from the New York Post of April 10 and also an article from the New York Post under date of April 11.

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks in the RECORD and include a proclamation on national rehabilitation made by the President of the United States.

Mr. FLOOD asked and was given permission to revise and extend the remarks he made before the House today.

Mr. McGREGOR asked and was given permission to extend his remarks and include excerpts from letters from one of his constituents.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1946

Mr. COX. Mr. Speaker, I call up House Resolution 244 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

CALL OF THE HOUSE

Mr. BULWINKLE. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

Mr. COX. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 74]

Anderson, N. Mex.	Fallon	Norton
Andrews, Ala.	Fellows	O'Hara
Baldwin, Md.	Fuller	Outland
Barry	Gardner	Patman
Bates, Mass.	Gathings	Pfeifer
Bennet, N. Y.	Gibson	Powell
Bland	Grant, Ala.	Richards
Bloom	Gwinn, N. Y.	Rivers
Boren	Hall, Edwin Arthur	Rockwell
Bradley, Mich.	Hancock	Roe, N. Y.
Brooks	Hand	Rooney
Buckley	Hare	Sabath
Camp	Harless, Ariz.	Sadowski
Case, N. J.	Hart	Savage
Clark	Hays	Short
Cochran	Healy	Spence
Cooley	Hoffman	Stewart
Cravens	Holifield	Sumner, Ill.
Crawford	Holmes, Mass.	Thom
Curley	Jarman	Thomason
Dawson	Johnson, Okla.	Vursell
De Lacy	Kirwan	Wadsworth
Dingell	Lemke	Walter
Dirksen	Madden	White
Douglas, Calif.	Manasco	Wilson
Earthman	Mansfield, Tex.	Wolverton, N. J.
Eaton	Merrow	Woodhouse
Elliott	Neely	Worley
		Zimmerman

The SPEAKER. On this roll call, 351 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

DEVELOPMENT OF COOPERATIVE AGRICULTURAL EXTENSION WORK

Mr. BATES of Kentucky, from the Committee on Rules, submitted the following privileged resolution (H. Res. 253, Rept. No. 542), which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1690) to provide for the further development of cooperative agricultural extension work. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1946

Mr. COX. Mr. Speaker, this resolution simply waives points of order on the bill making appropriations for the legislative branch of the Government. The Rules Committee did not feel that it could decline to take favorable action because it was a matter affecting the membership of the Congress. The thought was that Members should have the right to consider the question which is in controversy. If I were opposed to the provision of the appropriation bill which is subject to a point of order, I still would vote for the adoption of this rule, because I think that the membership of this body should be accorded the right to hear the discussion and then form a decision that represents their best judgment.

As far as I am concerned, when I turn to my experience and ask for a report on this proposal I get much to confirm the wisdom and the justice of what the subcommittee of the Committee on Appropriations here proposes to do.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, there is not much I can add to what the gentleman from Georgia [Mr. Cox] has stated.

This rule waives all points of order. It's purpose is to permit a full discussion of all the proposals contained in this measure. The majority of the members of the Appropriation Committee, the majority of the members of the Rules Committee by their votes feel that these matters should come before the full membership of the House of Representatives for full debate, open discussion, and final determination.

I feel that the rule should be adopted in order to provide the membership with those opportunities.

Mr. Speaker, I now yield 5 minutes to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Speaker, on last Monday I ordered $100 worth of books entitled "Handbook for Servicemen and Servicewomen of World War II." This $100 that I used was my own money, not supplied by the Government.

There is no reason why the United States Government should not purchase these books for our constituents when the need is apparent.

There are so many times during the course of the year that we are called on to underwrite expenditures of this kind. Since every other Government employee is reimbursed for his official expenses for travel, for telephone service, for taxicab hire, and so forth, I feel that there is every justification for Members of Congress to be similarly reimbursed for expenses entailed in connection with official business. I have my petty cashbook here, and I would be glad to have any Member read the account set down day by day, of expenditures, needful expenditures, in connection with the work for my constituents.

Some say that we were elected here to do a job and that we knew what the pay was. That is exactly true. Most of us would be candidates if the pay were only half what it is; but, frankly, that is not the question; the question involved here is whether or not Members of Congress are entitled to be reimbursed for expenditures they make in connection with their official duties.

I am convinced that this is a fair proposition. I am talking about this one phase of the bill which has received considerable discussion and attention. I have not found any criticism anywhere on the part of any group, or agency, or newspaper contending that this is not a proper expenditure. If you do not need the money then, of course, it is wrong to take it, but if you make an expenditure in connection with your work as a Member of Congress in behalf of your constituents, then I say you are entitled to be reimbursed for that expenditure.

Why do we find ourselves in this condition? Because in recent years the number of Government departments has increased tremendously. Our contacts, of necessity, are great. Yesterday and day before, and the day before that, we were discussing an important constitutional amendment. With the debate on a high plane, no personalities, no partisanship, still most of the membership was away. One or two Members might have been asleep or one or two might have been at a ball game—I do not know whether there was a ball game here or not—but I know from my own knowledge that most of the Members were out contacting departments and taking constituents from place to place, and making necessary contacts in connection with the things that are important to the people back home.

This is an all-the-year-around job. There is not a man who is employed in private industry who when expenses are called for in connection with his work does not have these expenses paid by the company that employs him; and we pay the expenses of every Government employee on the pay roll if that employee uses the expenses in connection with his official business. That is all that is contained in this legislative appropriation bill, an authorization to provide the necessary expenses payable week by week and month by month to Members of Congress; and I say that since we are Members here and since we are trying to do a good job for our constituents we should not be satisfied to give our constituents anything but the best possible service.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. COX. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Speaker, I rise today in opposition to the rule and in opposition to the amendment in the legislative appropriation bill which carries an appropriation of $2,500 for each Member of the House. Mr. Speaker, I call attention to the fact that there are days ahead of us that will be right troublesome. We know that by the time the war with Japan is over this country will have an indebtedness of well over $300,000,000,000; we know that the expenses of the Government after the war is over will run to at least $20,000,000,000 if not more; we know that taxes will have to be reduced in order that business may give employment and we know we have to hold the line against inflation, I refer to the 15 percent salary line; yet, forsooth, we come in here today and ask by what some will say subterfuge, if you please, that we allow ourselves $2,500 tax-exempt raise when every one else in the country is paying taxes, and all the people have made and will make sacrifices.

I call this to your attention because I have heard much about extra expenses of Members. Now, let us see what we as Members of Congress get. We receive $10,000 a year salary; we get our transportation at 40 cents a mile one way or 20 cents each way back home; we get ample clerk hire and we get fine offices. We get a stationery allowance, and the franking privilege for our mail, which I think last year was $700; we get stamps; we get telegraph services on official business free. We may go down here to the restaurant, if you please, which is losing $12,000 or $13,000 a year and get your noonday meal, which we pay for. We get books and pamphlets from the Government and yet some come up here today and say, in this time of stress when we should hold the line against inflation: "We will hold it against these other groups but against ourselves we will not."

I think that each and every one of us should think very seriously about this amendment. I can understand why, if we were going to raise salaries, we would do it directly so that the people would know what we are doing, and do it for the next term of Congress, because each one of us on election day made a contract with the people of our districts that we would serve with the salary and the allowance up to this time.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. I yield to the gentleman from Kentucky for a question.

Mr. MAY. The gentleman is undertaking to say that the membership gets certain allowances and advantages.

Mr. BULWINKLE. I have but 5 minutes, and I cannot yield for an observation.

Mr. MAY. Will the gentleman tell us how many Congressmen have chauffeurs and big cars like the bureaucrats downtown have?

Mr. BULWINKLE. I do not know; but then why do you not put that in and name it? Is that what you are wanting this $2,500 for, to get a chauffeur?

Mr. MAY. No.

Mr. BULWINKLE. I hope not.

Mr. MAY. Mr. Speaker, will the gentleman yield further?

Mr. BULWINKLE. Ask the question.

Mr. MAY. I merely want to say this——

Mr. BULWINKLE. Ask a question. I cannot yield for an observation. But I say to you that as a Member of Congress we have a duty and that is to cut expenditures where possible and to prevent unnecessary new expenditures from being made.

Mr. O'NEAL. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. I yield for a question.

Mr. O'NEAL. Does the gentleman charge this subcommittee and the full committee with subterfuge?

Mr. BULWINKLE. No. But I do know that but a small percentage of the Members of this House spend their full $700 stationery allowance.

Mr. O'NEAL. Why is not the gentleman willing for us to take this matter before the House and debate it?

Mr. BULWINKLE. Because this is the time to take it up and debate it in this hour. Everyone here knows about it, and the thing to do is to defeat this rule and end this argument.

Mr. COX. Mr. Speaker, I yield to the gentleman from Virginia [Mr. SMITH] such time as he may desire.

Mr. SMITH of Virginia. Mr. Speaker, the Committee on Rules reported this rule to the House, for the reasons stated by the gentleman from Georgia, without committing any member of the committee as to how he should vote on the rule. We felt that it was, as the gentleman from Georgia has said, a matter that should be strictly within the conscience of the House itself and should be brought to the House for a vote. Personally, I shall vote against the measure.

We have enacted the Stabilization Act in our effort to prevent inflation, under which we deny to others wage increases that in many instances are deserved. And without intending in any way to criticize anyone who thinks differently, I do not feel that we can consistently vote an increase in our own compensation while denying relief to others equally deserving.

Mr. COX. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. SLAUGHTER].

Mr. SLAUGHTER. Mr. Speaker, if there is any legislative body in the whole civilized world that suffers from an inferiority complex, it is the Congress of the United States. We furnish without stint to any executive department anything that they ask by way of tools to carry on the work in administering the laws that we pass. There is just no limit to what we do.

I shall later ask unanimous consent to insert at this point in the RECORD, as a part of my remarks, an article by Marquis Childs, appearing in the St. Louis Post-Dispatch under date of April 10 right along this line, in which Mr. Childs goes on to discuss with great clarity the inferiority complex which possesses the Congress of the United States:

CONGRESS AND ITS INFERIORITY COMPLEX

(By Marquis Childs)

Talking with some of the new Members of the House and Senate, you get an impression of slight bewilderment. They feel like spectators at a big parade, helpless to do more than stand on the sidewalk and watch the exhibits go by.

This reaction is particularly interesting because the last election brought some exceptional people to Congress on both sides of the political aisle—men and women who had made careers for themselves outside the ordinary channels of politics.

It may be the time we are living in. Any period so crowded from day to day with extraordinary events calling for extraordinary action is bound to put a heavy burden on Congress. But the fact remains that many Members have a sense of hopelessness about the flow of legislation that spills across their desks.

DEAD HAND OF THE PAST

Sensible Members soon decide that the only course is to specialize. They fasten on a subject—ordinarily one of particular interest back home—and concentrate on that. While this has advantages, it also has serious dis-

advantages, since it tends to accentuate the business of special interests and special blocs.

Largely, it seems to me, the dilemma of Congress grows out of a timid reluctance to accept the techniques of the twentieth-century world. The dead hand of the past rests heavily on the machinery of the legislative branch of our Government. Sometimes the echo of Webster and Haynes scunds louder than the muffled voice of the present.

That is why the work of a congressional committee headed by Senator ROBERT M. LA FOLLETTE Jr., of Wisconsin, is particularly important right now. That committee, through a series of hearings, is working out some recommendations to bring Congress up to date.

COSTLY TIMIDITY

Whatever you may happen to think about Senator LA FOLLETTE'S views on this question or that question, he is recognized as one of the foremost experts in the country on legislative procedure in other words, on how to get things done. Long before he, himself, came to the Senate—and that was nearly 20 years ago—"Young Bob" was secretary to his father, fiery "Old Bob," so he began to learn very early what was wrong with the creaky machinery of our national legislature.

The other day, in commenting on the testimony of a witness before his committee, he made a diagnosis of Congress that interested me, if only because it confirmed a theory I've had for some time. Senator LA FOLLETTE said that Congress had an inferiority complex.

While that phrase is greatly overworked today, it does seem to me to apply in this case. I was reminded of what happened on the floor of the Senate shortly after the shock of Pearl Harbor.

A vast naval appropriation bill calling for billions of dollars was put through with scarcely half an hour's debate. Then the Senate took up a proposal to grant its Members the privilege of free long-distance telephone calls on legitimate business, up to a limited amount. If I recall rightly, it was $1,000 a year for each Member, which would have made the total less than $100,000 if they had all taken full advantage of the privilege.

CHARTING A CURE

On that one they debated for several hours. Could they trust each other? Wouldn't they abuse the privilege? Finally it was turned down. Not until last year did the Senate approve a resolution under which the first 3 minutes of 10 long-distance calls a month per Member are paid for out of Senate funds.

That is symptomatic of Congress' inferiority complex. It should not be afraid to make use of the instruments that have tied this world of ours together into a tight knot.

It should not be afraid to use experts far more freely than it does. Committees of Congress that approve billions of expenditure limp along with two or three trained specialists, while the executive departments that spend the money hire experts by the drove. Congress should have its own sources of authoritative information.

The La Follette committee is a hopeful sign. It is charting a cure for the congressional inferiority complex.

Mr. Speaker, there was no intention on my part, of course, to reflect on the other body. I am thinking of ourselves, because we go perhaps even further.

I have just talked to one of the very high ranking members of the Committee on Appropriations. He tells me that the entire cost of maintaining the House of Representatives is a little more than $15,000,000 a year, yet in the agricultural appropriation bill we provided the Department of Agriculture for traveling expenses alone the sum of $14,000,000, within $1,000,000 of the amount we spend on this whole body. The cost of maintaining the House and the Senate, including all salaries and all traveling allowances and all expenses of every kind, is less than one-half of the cost of maintaining the Bureau of Indian Affairs.

There is not an employee of a department downtown who does not, if he feels he needs to, reach for a telephone to make a long-distance call to any place in the country, and the Government pays the bill; yet in this body, if we make a long-distance call—and those of us who live at any distance from our districts make many of them—we do so at our own expense.

How many times have you heard people ask the question, "Does the Government pay your expenses every time you come home?" There is a lot of misapprehension about that, just as in the case of the telephone calls. It never occurs to them the Members of Congress have neglected to provide themselves with necessary expense accounts just as we have for other Government departments. Your constituents have no compunction about asking you to look up something and telephone them, because they think we run this body as we permit the bureaus downtown to operate, that is, to operate at the expense of the Government where official business is concerned. The people of this country, in my judgment, at least, want this Congress to operate and to function in the way it was intended to function when the Constitution was written.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I yield to the gentleman from Kentucky.

Mr. MAY. Has the gentleman as a member of the Committee on Rules or as a Member of the House ascertained how many men who are Members of this body have to maintain a home in their districts and an apartment in Washington? And in connection with that, has the gentleman ascertained the increase in apartment rents over the last few years?

Mr. SLAUGHTER. I do not have that information, but I assume that with the exception of a very few Members, perhaps from Virginia and Maryland and a few surrounding States, there are none of us but who are in that category of maintaining two residences. As one of the newer Members, who came here in the Seventy-eighth Congress, I am certainly competent to testify as to what the current rental situation is in Washington, which this item, among other things, attempts to alleviate to some extent.

As a member of the Committee on Rules I felt, and I think we all felt, that this matter should come here and be openly discussed, and we then could make up our minds whether or not we want to operate as a self-respecting body or whether we want to deprive ourselves of all the tools and modern implements we give to the executive departments without question.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I came here as a Representative of the people of the Fifteenth District of Pennsylvania to try to serve this Congress and this Nation of ours to the best of my ability. I realize that the expenses of the Members of Congress, as I have viewed them for 10 or 12 years, depend altogether on the kind of accommodations the Members want in Washington and the amount of money they spend in the entertainment of their constituents and for campaign expenses in their own districts, as to whether or not they can get along on $10,000 a year. Personally, I believe the Members of the House at a certain time should have an increase in salary. I do not deny that in any sense. But I do not believe the membership of this House is at all wise in trying to pass a rule at this time on this legislative appropriation bill asking for $2,500 for expense money for the Members of Congress without that being subject to tax and retroactive to January 3. I do not know of anything which will be more inflammatory or which will be more detrimental to the welfare of the Nation at this particular time than this very act which the Members of Congress are now trying to make into law. I think the Members of the House of Representatives ought to have more sense. They ought to have a better idea of the psychology and the conditions in this country than to bring such a bill here at this time when the Government employees are all asking for a raise and will be here with a bill very shortly for that purpose; when the Post Office employees are presenting a bill to the Congress for an increase in wages; when every labor union in the United States is now coming to the National Labor Relations Board or to some branch of the Government trying to get permission for their members' salaries and wages to be raised; when every industry in the United States is trying to get increased salaries and wages for their employees and we are unable to do so because of the fact that the National Labor Relations Board will not permit them to do it, according to the law which you have passed, either directly or through Executive order.

Certainly, it is not the time to rock the boat. It is not the time to put a little hole in the bottom of the boat creating another leak because the financial boat some of these days is going to be sunk or there is going to be internal trouble because of wages, salaries, or living costs. Nothing will have more inflammatory effect on the people than the passage of this bill at this time.

I know it is very unpopular for me to make these statements. This is the day of sacrifice, and Congress should lead the way. I am not here to try to hurt or injure any Member of Congress. But let us see what you have done in the last few years. The gentleman a while ago spoke about the expenses of the Department of Agriculture for traveling, which would amount to almost as much as the Members of Congress would receive under this proposal, and said that the other branches of the Government were getting too much money. Now, if that is the case, and it is wrong, then the

fault is right here in the Congress. You cannot attribute that to the people back home because you are the men responsible for these great appropriation bills. What has the Congress done in the last few years? For 12 or 14 years you have gone on spending and we have not had a balanced Budget. Where do we stand today in that light? Look at the statement of May 5. It shows we are $236,500,000,000 in the red. Where are you going to get the money to make these payments?

Mr. POWERS. Mr. Speaker, will the gentleman yield?

Mr. RICH. I cannot yield to the gentleman unless he can get me more time.

Mr. POWERS. Mr. Speaker, the gentleman said he would yield if I got him more time. The gentleman from Illinois says he will give him an additional minute. Now, will the gentleman yield?

Mr. RICH. Not if you take longer than that 1 minute.

Mr. POWERS. I want to ask the gentleman this: If by any chance this becomes law, will he, during his service as a Member of Congress, take all or any part of this $2,500?

Mr. RICH. I will say the gentleman a while ago asked me how much of the clerk hire I used and asked me whether I took it all. I told him that I did not and that there was $2,100 I was not using.

Mr. POWERS. But you took $900 of it?

Mr. RICH. I will do the same thing in this. But I tell you I am getting sick and tired of spending without knowing where we will get the money.

Mr. POWERS. Will the gentleman take the $2,500 or will he not?

Mr. RICH. I will not take any more than is necessary, I can assure you, if the bill does pass.

Mr. POWERS. I yield the balance of my time back to the gentleman from Pennsylvania.

Mr. RICH. The gentleman from New Jersey is now leaving the Congress. He is going back home where he can get more money. Any Member of Congress who is not satisfied with the salary he is getting does not need to run for Congress.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. COX. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, I am very strongly opposed to the adoption of this rule. Its only purpose is to make in order, and thereby avoid having stricken from the bill on a point of order, the provision of $2,500 per year for expenses of Members of the House of Representatives in addition to their salaries. This was the only purpose for requesting a rule suggested in the Committee on Appropriations and, while it may now be insisted that there are other legislative provisions in the bill which will be made in order if this rule is adopted, yet all of us know that, except for this provision for $2,500 more for Members of Congress, no rule for the consideration of this bill would have been requested. If the rule is not adopted, that provision will be stricken on a point of order as legislation upon an appropriation act. If it is adopted, the point of order against the provision will be waived, and there will be no chance to have a roll-call vote in the Committee of the Whole on whether the provision should be stricken out or not, nor will there be any chance for a roll-call vote in the House itself unless an amendment should be adopted in the Committee of the Whole striking out the provision. None of us expect that such an amendment would be adopted. Therefore, the only roll-call vote which can be had on this question would be a roll-call vote on the adoption of this rule. Upon such a roll call those favoring the adoption of the rule would be voting in favor of this $2,500 per Member appropriation while those opposing the adoption of the rule would be voting against it.

I very much hope that the House will have courage enough to have a roll call on the adoption of the rule. I know, of course, from many years of legislative experience, how easy it is when an overwhelming majority of the House so desire to avoid a roll call on anything. A quorum call can be had just before the vote on the rule if a majority of the House membership is not in attendance in order to insure the attendance of a quorum. If one-fifth of those present do not support a demand for a roll call after the attendance of a quorum is ascertained, no roll call will be had, and this measure will be passed without the people of the United States knowing by whose votes its passage was made possible.

I realize that there are strong arguments which can be made in good faith both for and against the provision. I am not questioning the sincerity or good purposes of any Member who supports it. I do say, however, that it would be very unfortunate if those who are prepared to write this provision into the law are unwilling that their constituencies shall know that they have done so. Assuming that they are acting in good faith and that they believe they can justify their votes, there can be no reason founded in good conscience why a Member should not be willing to have his vote recorded. I, therefore, most sincerely urge that for the prestige and dignity of the House of Representatives of the United States a demand for the ayes and noes on the adoption of this rule may be supported both by those who favor the adoption of the rule and by those who oppose it. Anything else would indicate a lack of courage upon the part of more than four-fifths of the membership of this House, which would be appalling, a willingness to vote themselves more than a million dollars annually out of the Treasury of the United States without letting their constituencies know that they did so.

I have said that there are strong arguments both for and against the provision which is included in the bill. I know that expenses of Congressmen have vastly increased; so have the expenses of everybody else. I know that the taxes of Congressmen have been greatly increased; so have the taxes of everybody else. I know that most Congressmen earnestly desire increases in their salaries; so does nearly every other salary or wage earner in the United States, so do all of the employees of the Federal Government, so do all of the millions of men and women in industry, and all of them have good arguments to advance to support their contentions. You cannot do this thing for yourselves and not do it for these others. You cannot grant yourself a 25-percent increase in your compensation and refuse to do that for the 3,000,000 or more employees of the Federal Government. You cannot do it and at the same time lend your support to the maintenance of the so-called Little Steel formula. You can do it only if you are willing to open the floodgate to inflation, to provide for increases in incomes in every walk of life, to remove all restraints which have been imposed by yourselves or under your authority in the fixing of wage ceilings.

For my part, I am not willing to take that step. I think that I can live and that other Members of Congress can live and pay their expenses and their taxes on $10,000 a year. If under present conditions that income represents in value perhaps only two-thirds of what it represented a few years ago, as I admit to be true, and if therefore there is an element of sacrifice involved, it is a sacrifice we should be willing to make with the debt of our Nation approaching $300,000,000,000, and with 12,000,000 American boys in the armed services, millions of them on the firing lines receiving only $55 per month. Surely, it is time for somebody to do some sacrificing in this country besides those who are doing the fighting, and if voting against this proposal to help ourselves to more than $1,000,000 a year out of the taxpayers' money involves any element of sacrifice, I feel that we can do no less in good conscience than to accept that sacrifice. So far as I am concerned, I have not supported efforts to increase the salaries of Federal employees and have incurred criticism on the part of some of my best friends because of that fact. I cannot differentiate between their cases and my own and I will not do so merely in order to pay myself $2,500 per year that I would not otherwise receive.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. COX. Mr. Speaker, I yield such time as he may desire to the gentleman from Arkansas [Mr. NORRELL].

Mr. NORRELL. Mr. Speaker, there is no law authorizing the payment of expenses in any amount of Members of Congress. No appropriation should be made for such purpose until and unless a bill is introduced in the Congress, passed and signed by the President. Your Appropriations Committee is not a legislative committee. It is a committee of Congress to make recommendations for appropriations authorized by Congress. The pending bill includes expense allowance of $2,500 per annum for each Member. This is not authorized by law. If the rule now being considered is not adopted, the expense item can be deleted from the bill by any Member of the House. If the rule is adopted, then it will take a majority vote to delete the item.

When the subcommittee presented recommendations for the legislative branch appropriation bill for 1946 (H. R. 3109),

the item of expenses for Members of Congress was discussed extensively. Many of us in the full Committee on Appropriations opposed the inclusion of this item of expense and there was offered an amendment to delete this item from the bill, and if this amendment had been adopted the amount for expenses would have been taken from the bill and the question would not now be under consideration by the House. There was a roll call in the committee and I voted for the amendment which, if adopted, would have had the effect of deleting from the bill the paragraph providing expenses for Members of Congress. The exact language to be deleted would be all of line 25 on page 15 and down to and including line 9 on page 16.

Being against the allowance of such expense item in the committee, I am opposed to the provision now in the bill. I am against the adoption of the rule and expect to vote for an amendment to take this expense allowance out of the bill because it is not authorized and further, I am opposed to the authorization of such expenses at this time. I do not believe that Members of Congress should increase their own earnings directly or indirectly unless at the same time they provide similar treatment for all other groups, including not only the salaried and wage group, but for similar or proportionate increases for those engaged in all activities whether on salaries, wages, or in the production of agricultural commodities. This is a matter for each Member to decide for himself. I merely desire to state my position with reference to this item.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, the pending rule proposes to make in order a provision in the legislative appropriation bill which, if enacted into law, will provide $2,500 per year to aid in paying the extraordinary expenses of Members of Congress. I shall not discuss the question as to whether or not there should be an increase in the compensation of Congressmen. I merely want to say that it has been traditional policy in the State of Wisconsin that neither the salary nor the emoluments of an office should be raised during the term for which an individual is elected to fill such office.

In line with this traditional policy, the State Legislature of Wisconsin recently rejected a proposal similar to that embodied in the proposal now before this House. All Members of Congress were elected to their respective offices last November. Many Members worked long and diligently to achieve their election. Some spent considerable sums of money. This was all done with full knowledge that if elected and seated, the salary and emoluments of the office would be as then fixed by existing law. To increase these emoluments now by congressional action seems to me to be inconsistent and incompatible with the efforts being made throughout the country to hold the line against inflation. Every person in America is meeting the burden of increased taxation and increasing costs of living. Most people in America have had their salaries frozen by Executive order. I cannot in good conscience vote to separate Members of Congress from the effect of this governmental policy, and I shall therefore be compelled to vote against this proposal if it reaches that stage in the consideration of the legislative appropriation bill.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Speaker, as a member of the Committee on Appropriations, I voted against this particular provision when the matter was under discussion. Today I shall vote against the rule in the hope that the rule can be defeated and then through a point of order that the $2,500 expense allotment can be removed.

This is not the proper time, Mr. Speaker, to give to ourselves as Congressmen an addition to our salary, whether that addition be disguised as an expense allotment or otherwise, regardless of the justified necessity of such addition.

How, if this measure passes, can we consistently refuse any other group throughout the Nation additional emoluments? It is up to this Congress, above all others, to hold the line against inflation.

We have sacrified during this period of war—but who has not? Small businessmen in many cases have lost out entirely. Farmers have not been able to secure needed manpower to properly farm their farms. The old people of America have difficulty in existing on the small amount they receive as old-age pensions.

It is a poor example to the Nation for this Congress to approve the present bill. Let us reject this rule. If it is not rejected, it is my intention to vote against the entire bill.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Speaker, I am opposed to the rule and also the appropriation for the additional expense allowance for Members of Congress. I agree with the proponents of this allowance that the Members of Congress are entitled to an increase of their salaries and also allowances for official expenses. I am opposed to voting ourselves an increase at this time, however, to be retroactive and covering the term for which we have already been elected at the old salary schedule. Furthermore, in the midst of this crisis while all citizens are making heavy sacrifices not only in money, services, and needs, and many of life itself, we here in the Congress can well make some sacrifice in compensation and expenses to which in normal times we are entitled. I believe it ill becomes us in this great legislative body to vote ourselves these increases while we deny many underpaid Federal employees reasonable increases in salaries. I have long advocated a reasonable allowance for our elderly citizens for meager living expenses. I cannot feel justified in voting increases to ourselves while denying these old folks a modest sum to keep body and soul together in their old age. Mr. Speaker, for these and other reasons, which time does not permit me to discuss, I shall vote against the rule and will vote for a motion to strike this provision from the bill and will feel obliged to vote against the bill itself unless this item is eliminated. Let us in the Congress point the way in holding the line and vote down an additional annual expense of $1,642,500 for ourselves.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. GILLIE].

Mr. GILLIE. Mr. Speaker, I am opposed to this rule. Mr. Speaker, because the people of this Nation are already laboring under the heaviest financial load in history and since there is no sign of relief in sight from this burden during the next few years, I regret that I cannot support this measure which would increase the expense accounts for the Congressmen.

I would hold a more favorable feeling for this action, if Congress would first approve legislation that would assure an increase in compensation for the postal workers and white-collared employees of the Government. It is undoubtedly true that many of the Congressmen need this increase, but I believe that these workers need the financial assistance more urgently.

While I realize that the Members of Congress are faced with heavy expenses which have been brought on by the increased work, and the year-around sessions of the Congress, I cannot permit myself to believe that this is the time to add this expense to the cost of our Government for the taxpayers. I know that many Congressmen have had to dig down deeply in their own pockets to pay for the telegrams and long-distance telephone calls and other expenditures which have necessarily increased during the war. I am fully conscious of the financial drain that has been placed on the Members by such expenses as paying for publications such as pamphlets on the G. I. Bill of Rights and Suggestions for Veterans of World War I and II and similar booklets for their constituents. Then, there has been the heavy personal expenditures to the Members of maintaining a residence in Washington where living costs are high, while keeping up their permanent home.

But in spite of these facts, I cannot see where the Members of Congress are justified at this time in voting an increase in their office expenditures under this proposal. In view of the present circumstances, I therefore will vote against the rule and against that provision in the bill which provides for the payment of $2,500 annually as an expense allowance for Congressmen.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Speaker, I am opposed to the rule, I am opposed to the provision in the bill appropriating $2,500 to Members of Congress for expenses.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I desire to express my personal opinion upon this rule, and the proposed legislation which will be made in order if this rule

is adopted, and I take this time in order that the people and the country may know just what my position is, and will be, respecting this matter.

I intend to vote against the adoption of this rule, because if the rule is adopted the provision which is now contained in the bill, H. R. 3109, is not subject to a point of order, and the same will then be considered by the House, and the question of "paying to each Representative in Congress, and to each Delegate and Commissioner an expense allowance of $2,500 per year" will be entitled to consideration as a part of the pending measure. And, may I say, that I will vote against the payment to each Member of the House of Representatives, and to each Delegate and Commissioner, the additional amount of $2,500 per year, as expense money, because the same is unwarranted and unjustified under the existing conditions in our Nation.

Mr. Speaker, I am well aware of the struggle the Members of Congress now have to travel about in order to conduct the business of the people they represent, to live in Washington practically the entire year, and to maintain two places of residence—one at home and the other in Washington—and I am fully aware of the high Federal taxes which all Members are required to pay, and of all of the additional obligations which are thrust upon us, and that has been, and the same is now, a tremendous burden to bear. But every Member of this House knew before he or she was elected just what demands would be made upon him during the term of office to which he was elected. But there is no Member who refrained from making a vigorous campaign for election, or reelection, in the face of that positive knowledge. Now, after the election is past, this provision of "added expense money in the sum of $2,500 per year" is proposed in this measure; and while this is designated as "expense money," and without doubt many of the Members will use it in whole or in part as expense money, yet if there is any excess over expenses, that portion of this money will become, in fact, additional salary, because there is no provision for the excess to be returned to the United States Treasury.

Mr. Speaker, I cannot support the provision contained in this measure which provides for the payment of the sum of $2,500 to every Member of the House, and to each Delegate and Commissioner, as additional expense money, because we are not in any position in this Nation to now increase the expense of Government, or any function thereof. Our Treasury is bare; and when this war is over we will have obligations which will reach the staggering proportions of probably $350,000,000,000 or more. We will have an annual obligation, in order to pay the normal cost of Government, which will include the maintenance of our Army and Navy, for the care of our disabled veterans, to pay the final costs which grow out of this frightful war, and the interest upon the public debt, which will aggregate, in all probability, the sum of $25,000,000,000 or more annually. In the face of that appalling situation, I am convinced this is not the time nor place to add this proposed item of "additional expense" in favor of the Members of the House of Representatives, and I will vote against it.

May I say further, Mr. Speaker, that the people of this Nation are now bowed down under the weight of the burdens imposed by war. They have bought bonds to the limit of their ability, they have given to every war agency, they have paid the highest taxes that have ever been imposed upon them, their businesses have suffered and their incomes have been greatly decreased, and they have been suffering untold hardships—and now to add another burden, by way of "additional expenses for Congressmen," which will require the huge sum of $1,642,500 each year to pay, would be entirely wrong—and to that program I cannot subscribe.

Each American citizen must bear certain burdens in time of war, and during the post-war period, and while the people, generally, are bearing exceedingly heavy burdens—there is no reason why the Representatives in Congress should not bear some of the burdens imposed upon the people. And while I am not blessed with this world's goods to any degree, I am willing to bear my part of the burden; I am willing to try to go forward, and to help the people—I want our maimed and disabled soldiers and sailors to be properly and adequately taken care of—and I want the people of this Nation to have a chance to go forward in the future, without adding to their suffering additional burdens such as this one.

Therefore, Mr. Speaker, I am unalterably opposed to this proposal to pay the Members of the House of Representatives "an expense allowance of $2,500 per year," and I will cast my vote against such proposal.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Speaker, I am opposed to the rule and I am opposed to the provision in the bill providing an additional allowance to Congressmen for expense money.

I can state in a very few words my objections to the rule asked to be granted for consideration of the present bill and to the provision therein for additional allowances for expense money for Members of the House.

The bill provides that each Member of the House shall be allowed $2,500 per year as expenses. This amount is not, of course, subject to income taxes. The rule proposed for the consideration of this bill provides that all points of order are waived. In other words, while this provision of the bill is legislation and subject to be stricken out of the bill on a point of order, this would not be possible under the proposed rule for the consideration of the bill. I am opposed to the provision of the bill providing for the sum of $2,500 for expenses, and voting against this rule is the one way in which I can help eliminate that provision, as, if the rule is denied, the bill will undoubtedly be reintroduced without that clause.

My objections to that provision, briefly, are as follows:

First. When we were elected in 1944 we were elected on the assumption that we would receive a salary of $10,000 per year. It was also known that we would receive certain allowances for the hiring of secretaries, free official telegraph service, stationery, and so forth. Now, we propose to change the rules under which we were elected and vote ourselves an additional $2,500 for expenses. To me it is unfair to now change the rules, to our personal financial advantage, under which we were elected, and which rules were well known to us.

Second. In California there is a fundamental rule that an elected official cannot vote a raise in his salary for the term for which he was elected. Making allowances for expenses, which at the time of our election were payable out of our own earnings, is the same as increasing our salary by that amount. In many States it is contrary to law for an elected official, by his vote, to increase the salary for the term for which he has been elected. In my judgment it certainly is bad public policy. If we feel that we should make additional allowances or increase the salary—and there is much argument for this viewpoint—we should make it applicable to future terms of office and not to the one to which the legislator has already been elected.

Third. Congressmen do not suffer any more financially than do other groups, because of war conditions. Undoubtedly many Members of the House could earn much more in private enterprise than they get as a salary; others perhaps would not make as much. But that is beside the point. Men and women do not come to Congress primarily because of the salary attached to the job. They come because they enjoy being in the public service. By the very laws which Congress enacted, wage controls have been set up. Thousands of workers in the home economy—as distinguished from war workers—have been frozen in salaries and wages. Their employers and their Congressmen have tried to remedy the situation, but the War Labor Board has steadfastly refused to allow increases. All segments of the home front have made a slight sacrifice. We should be willing to do likewise. During a big war when some are making such terrific sacrifices we certainly should be willing to make a slight financial sacrifice.

Fourth. The form of this additional allowance—calling it expense money—is doubling the effect of it. The conception of our salary is that it is the money we are paid to provide for our personal wants, food, shelter, travel, and so forth. But by making it "expense" it is eliminated from income-tax deductions, so it is really a net increase over what the salary was when we were elected. To me this does not seem right. Congress was the agency that imposed the drastic income taxes on salaries. It seems inappropriate to me for Congress to now vote more money to Congressmen and work it out so it is exempt from income taxes. The letter of the law may allow this, but certainly the substance does not condone it. Making allowances for expenses

which I heretofore had to pay out of my salary is merely raising my salary to me, because the net amount left to me is going to be greater by the exact amount of those allowances. This same amount as an increase in salary would be subject to a considerable deduction under the income tax.

For these reasons I am going to vote against the rule and the bill in its present form and for any amendments that may be offered to eliminate the provision for this extra allowance for expenses.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Speaker, I am going to vote against this rule and this increase.

I would like to have the money. I think I am worth it. I think we should have a $12,500 Congress instead of a $10,000 Congress, and would vote for such a salary scale for the next Congress, and then ask my district to choose me as a $12,500 Congressman from among the other candidates for the job.

The fact remains, however, that we were elected as a $10,000 Congress. We were willing to take the job at that figure. Our country is facing the dangers of inflation. We should be examples in holding the line. We cannot do that very well if we vote ourselves a 25-percent increase, but ask everyone else to hold the line. We are justified in rating up the job of a Congressman for the future, and then letting the people select Congressmen for the newly rated job. I do not think we are justified in rating ourselves up as proposed here, even though we attempt to get around the Little Steel formula in our own consciences by calling it expense money.

I voted against the civil-service increase because it included too many already highly paid officials; I voted against the increase for clerk hire; I am voting against this increase.

If this increase becomes law, I will comply with the law. Many times I have opposed bills which passed and became law. Once a law is duly enacted by Congress and signed by the President, I obey and uphold that law whether I voted for it or not. If Congress passed a law reducing congressional salaries, no Congressmen could continue to collect a higher salary merely because he voted against the decrease. The same principle applies to an increase.

We should vote down this increase now. Congress should be worth even more than this in the future, but this increase is a case of too much too soon.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, it appears that I am in the minority with respect to this legislation. I have been in the minority at other times since I have been a Member of this body. I am opposed to the appropriation of $1,642,000 to pay Members of the House $2,500 extra money. Let me say to you that I do not like the innuendoes and suggestions on the part of some Members who say those who are not in favor of this appropriation will be among the first to take it. I will vote against this bill if this item is not eliminated, and will not accept the money allowed under this appropriation in the event it stays in the bill.

Mr. RABAUT. Is the gentleman sure?

Mr. REES of Kansas. That is correct, sir. This is an inopportune time, I say to the gentleman from Michigan, a member of the Appropriations Committee, that brings this legislation to the floor of the House. I respect the gentleman, although I have disagreed with him many times because of some large appropriations he has advocated that I believed were unnecessary charges against the Treasury and the taxpayers and not for the best interest of our country.

Mr. Speaker, I regret very much to take issue with the views of what appears to be an overwhelming majority of the House, with respect to the appropriations that would grant an allowance of $2,500 for Members of Congress. This is the most inopportune time to consider a measure of this kind. Of course, we understand, and I think the people of the country realize, Members of Congress have more expenses now than ever before. But even at that, to consider increase in payments for ourselves at this time is not right. I express only my own opinion and want to be most considerate of the views of those who differ with me.

This House will have under consideration within a few days legislation to provide for increases in costs of government, including the increase of salaries of more than a million and a half Government employees. These increases run into the hundreds of millions of dollars. I assume some of them should be allowed—how much I do not know. When Congress passes legislation of this nature it is going to be difficult to put a brake of any kind on all the spiraling demands for increase of Government expenditures all the way from the bottom to the top.

It can be said that since Members of Congress are allowed an expense account without exemption, then why not do the same thing for other Government employees who live away from home. Furthermore, if Members of Congress are entitled to such exemption, then why not increase exemptions for other taxpayers?

I know, as you do, that tremendous salaries and wages are being paid in certain war industries but there are millions of people in this country whose salaries have been held down by the Government because it was feared that to increase them might cause inflation. I have laundry concerns in my own district which have been recently fined thousands of dollars because they overpaid their employees. They say they had to pay more money to get their services. Laundry business was not considered war work so the management paid the fines. You know very well that laundries just do not ordinarily overpay their workers.

Mr. Speaker, if we are expected to hold the line in business and industry we are not in very good shape to break the line in Washington. I know as well as you do the cost of living of Members of Congress has increased considerably. I can speak as one who does not have an independent income, but I do not think it is right for us, as Members of this legislative body, to ask the taxpayers of this country to allow this additional payment, especially now.

We are in a most critical period of our history. We are spending money by the millions and billions to carry on the war. We are going to have to retrench and to retract in our expenditures as soon as it can possibly be done. I do not think that we ought to demand more money at this crucial time of increased taxes and increased demand for sale of bonds to take care of the tremendous expenditures of our country.

Again let me say, this is a problem for each individual to determine. I respect, as I have always respected, the views of those who differ from me.

Mr. COX. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Speaker, I have asked for this time to say that the Special House Committee on Post-war Economic Policy and Planning has issued its sixth report on the subject of foreign trade and shipping. Your Committee is very proud of that report, and we are sending, by special messenger, a copy to all of the Members of both the House and the Senate. We hope they will take the time to read it thoroughly. We would also appreciate the suggestions and cooperation of the membership from time to time in the stupendous task ahead of reconverting our wartime economy back to a solid peacetime basis.

Mr. Speaker, I might also add that I regret the necessity of voting against this rule on the legislative appropriation bill. But I feel compelled to do so for the reason that I think it is a mistake for Members of Congress to raise their income, either directly or indirectly, at a time when we are all trying to hold the line against inflation. And certainly if we as Members do that we make ourselves vulnerable when all other groups request additional compensation. The vote on the rule will be the test.

Mr. COX. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Speaker, we have heard much about holding the line. I want to congratulate the Members of the House for doing a very good job. We have made sacrifices and the people of the country know that we have; but other people have made sacrifices, too. So let us hold the line.

We are doing wrong today if we vote to increase directly or indirectly our salaries, and I expect to vote for an amendment to strike out the provision on page 16 of this bill for expense allowance of $2,500 per annum. We are told by the Committee that this $2,500 item will not be subject to taxes, which would mean more than $2,500 as an addition to our salaries. This is not the time to adopt such an amendment. We have made sacrifices and the people of the country understand that we have and have applauded us for it. On the other hand, many people in every walk of life have

made just as much sacrifice as we have. All of them have to pay more for food and clothing and rents just like we do. The people in the Government service, in the workshops, in industry, and on the farm have undergone many hardships during this war on account of the increased cost of living. The boys in the armed forces and on the front lines have undergone hardships and suffered a lot without an increase in their small pay.

The old people of our country with very small means, on account of high cost of living, are suffering.

The amendment to increase our pay may be ever so meritorious, but this is not the time to pass it and I certainly hope the rule will be defeated and later the amendment will be stricken from the bill.

Any action or any plan to increase our salaries directly or indirectly should be postponed until after the end of this cruel war. If this amendment is passed the stabilization program and the control of our economy will be very much interfered with. While we have the confidence of the people let us hold it and not set the example of increasing salaries for ourselves at a time when everybody is willing to make great sacrifice. During this period we are even controlling salaries in civilian life. For instance, small banks are not allowed to increase the salaries of their clerks and merchants are not permitted to increase the salaries of their employees. How can you explain this to the people at a time like this and in the midst of this great war?

Let us set an example today of holding the line so that the people of the United States will know that Congress is still willing to make sacrifice, while calling on them to do the same thing.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. BALDWIN].

Mr. BALDWIN of New York. Mr. Speaker, in my opinion there are two points that we have forgotten in discussing this very important measure. In the first place, as I have said previously, times have changed and our constituencies expect us to be in more constant contact with them on account of the improved speed in communication by the radio, telephone, and transportation than at any time in the past.

In the second place, Mr. Speaker, those of us who are here now have got to consider the future. No one will deny that personally it is immaterial to me whether the bill passes or is defeated so far as the $2,500 item is concerned. But I am thinking about the future, whether some young soldier who has come back from the war front may not want to come down here with his wife and children to represent my district and represent it ably. That is something we all have to consider, not just what we want or what we think is wanted. The sum involved is not such a large amount that it is going to break the United States of America. Everyone realizes that the money we now receive is not adequate for us to keep in touch with our constituents as we should keep in touch with them. It so happens I am able to do it, others are able to do it, but we should think of those who cannot; we should think of those who may succeed us in the future.

Mr. Speaker, I am for adoption of the pending rule and I am for passage of the bill including the item of $2,500.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remaining time on this side to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, this rule has been reported by the Rules Committee for the distinct purpose of giving an opportunity to this House to pass upon one controversial issue in the bill, namely, the $2,500 expense allowance for Members of Congress. In my opinion, it is a good thing that such a rule has been granted.

I am for the rule and I expect to vote for the bill. When we bring the measure before the House in this way, we give an opportunity to have the issue discussed fully and completely.

It was necessary the Committee on Rules grant this rule in order to prevent any one individual, by his lone objection, stopping the consideration of this question, and thus preventing the House from working its will.

There has been a great deal of talk on this floor regarding this rule. There have been some ill-advised statements made. One distinguished gentleman, for whom I have the highest regard, bandied the word "subterfuge." There has been no subterfuge in connection with this bill or its consideration. Instead, it has been directly the opposite. The subcommittee on legislative appropriations first considered this question fully, and then, after due consideration and approval, it brought the issue before the full Appropriations Committee. After the full committee had approved it, they did what? Why, they notified the House and the newspapers of their action. Does that sound like subterfuge? Then the Legislative Subcommittee came before the Committee on Rules and that committee conducted hearings for 2 full days. This matter was fully discussed before the Committee on Rules. Every Member of the House was given an opportunity to appear before the Committee on Rules, either in support or in opposition to this rule. The newspaper reporters were there. The hearings were all reported in the press. Then the leadership of this House—and I want to pay tribute to them for their action—scheduled this bill for a floor hearing sufficiently far in advance to give a full opportunity for the press, the public, and individual Members to discuss the measure fully, and to consider and study it, and to reach a definite conclusion as to the soundness of the proposal.

There is a lot of talk about giving Congressmen $2,500. This provision does not give any Member of Congress $2,500. It allows him $2,500 in expense money to be spent in behalf of his constituents. He does not keep it. I know there is talk about no taxes being paid on this allowance for expenses. There is a claim that it would be unfair to take this money. Let us remember that not all Members of Congress are rich, and not all the Members of Congress own and control whole communities, so they can do as they please, and can serve in Congress for nothing, if they wish, and have the pleasure of doing so. I know something about business. I consider myself a businessman. I wager that most of these gentlemen who have spoken on this floor today in opposition to this rule are paying the expenses of the men who are running their businesses for them. They do not expect their employees and servants to pay their own expenses out of their salaries. They talk about there being no taxes on this item. Why, certainly not. Why should there be? Taxes are never charged against business expenses. Legitimate expenses are always deductible, and I will wager that the gentlemen who spoke on this floor today, in opposition to this bill, take deductions for tax purposes, for the expenses they have in their businesses. It it a good thing to bring this bill out here in the open and discuss it frankly because it will probably be the first time 99 percent of the American people ever learned or ever knew Members of Congress were not already receiving their expenses.

Everyone in America thinks we receive our actual expenses. Even most newspaper publishers think so—and I am in the newspaper business—because time after time I have read articles and seen pictures, about the time a new Congress would be convened, showing the Capitol barbershops and dining rooms, and giving the impression, at least, that Members of Congress received all these services free.

It is a good thing to discuss this bill here because the American people will learn, perhaps for the first time, that Members of Congress pay for their own long-distance calls to take care of official business, and that we have to furnish our own automobiles, tires, and gasoline, and pay our own travel expense if we go around the districts back home to meet our constituents and discuss with them their issues and their problems, or visit Government departments in Washington and elsewhere to look after public business.

Mr. SHAFER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Michigan.

Mr. SHAFER. Will the gentleman explain that we do not get 20 cents a mile for such travel, as most people believe?

Mr. BROWN of Ohio. No, of course we do not get 20 cents a mile for such travel. We have an allowance of 20 cents a mile for coming to and returning from Washington once in each session of Congress, and that is all.

Most of the public believes Members of Congress get $10,000 a year and all expenses, but instead of that we are paid an over-all compensation of ten thousand and are taxed on all of it. We pay five thousand of it out for expenses we would not have if not in Congress, and about two thousand of it for taxes.

I do not know about some of you, but back in my district they want, and believe they have, a ten-thousand-dollar-a-year Congressman, not a three-thousand-dollar-a-year Congressman. Per-

haps if some of the three-thousand-dollar-a-year "fraidy-cat" Congressmen would be retired as a result of this measure it might be beneficial.

I do not think the Members who are so much concerned about voting for this measure have anything to worry about, because I recall when our clerical hire was increased the same story was put out here—that such a needed increase was going to defeat all sitting Members of Congress. Yes, you were told it would defeat everyone who dared increase clerical hire. So all of the "fraidy-cats" are going to be defeated anyhow, and might just as well vote their desires and convictions on this measure.

By the way, I wonder if the executives of some of these companies owned by the men who have opposed this bill, some of these rich men, perhaps, pay the salaries of their clerks out of their own personal salaries. Oh, no. Their companies pay the clerks the same as they pay all other business expenses.

I say to you that the American people believe in a fair deal—a fair deal for their elected Representatives as well as for themselves. I do not want a single penny, and I do not believe any other Member of Congress wants a single penny, to which we are not rightfully entitled. I do not ask a salary increase. I do not want somebody to bring an amendment here to increase my salary, and have people think I am getting $15,000 a year when actually I am not; but I do believe that the people of America want me to be reimbursed for the honest expenditures I make here in their behalf. That is why I am supporting this rule and supporting this bill. I hope I have made myself clear.

Mr. COX. Mr. Speaker, I yield the remainder of my time to the gentleman from Kentucky [Mr. O'NEAL].

Mr. O'NEAL. Mr. Speaker, may I say at the start that my actions in this matter have been motivated by the fact that I feel there is no finer group of men in America or any place else than the Members of the House of Representatives. I have a deep and abiding affection for the Members of this House. As chairman of this Legislative Appropriations Committee I have felt it to be my duty to recommend to that committee that something be done to take care of a situation which I believe needs attention now.

I know the sacrifices that 70 percent of the Members of this House are making. I know the beating they are getting. I decided I was glad to be the villain in the piece as far as this $2,500 expense allowance is concerned. I recommended to the subcommittee, of which I am chairman, that we put it in the bill. I recommended to the subcommittee that we ask for a rule. I recommended to the full committee that we pass that provision and that we ask for a rule. I went before the Committee on Rules enthusiastically in favor of it. Why? Well, not long ago, we had what was probably a very meritorious provision here for the assistance of you gentlemen along the lines of a retirement. Everyone thought it was slipped over and put through too quietly. I wanted a rule, gentlemen, in order to stand before this group and make an open and fair statement to the public at large about this expense allowance, and to give opportunity to everyone to say what he thinks about it. That is the only honest and fair thing to do. If we did not have the rule, gentlemen, any man who is a little disgruntled, or who is a little mad at somebody because he has done something he does not like, could stand on the floor of this House and make a point of order denying to this group the right to be put in the proper position before the people of this country. I thought, gentlemen, and I feel now, the only fair thing to do is to vote for this rule and have the matter discussed.

Now, to those who rather object, and I am one of them, and I will say that though I am a Member of the Committee on Appropriations, to those who object to important legislation on an appropriation bill, let me tell you a little something which is probably not generally known here. We have a legislative committee for every subcommittee of the Committee on Appropriations. But in the case of the legislative subcommittee of the Committee on Appropriations, we are not analagous to any other department of the Government. Our subcommittee has no budget estimates sent up here by the Bureau of the Budget. They do not review it; they merely forward it to us.

The committee of the House which is supposed to be the legislative committee for the legislative appropriation subcommittee is the Committee on Accounts. If you will read the rules, you will see the jurisdiction of the Committee on Accounts is over the contingent fund and they provide that certain moneys shall or shall not come out of the contingent fund. But by the passage of time it has been recognized as the legislative committee of the appropriation subcommittee for the legislative branch of the Government. But, gentlemen, that has always, since I have been on the committee, been a confusing situation. Half of the time they ask us to go ahead and put matters in the bill without action on their part. Very often the Committee on Accounts says, "We would just rather you go ahead and take this legislative matter in hand." That has happened to me many, many times, and to date I do not believe a majority of the Committee on Accounts has the slightest objection to the inclusion of this provision in the legislative appropriation bill. I am confident that is so. The whole proposition is this: If we do not adopt this rule, and if this provision were to go out on a point of order, I have no doubt but what the other body, as a matter of courtesy, would insert it in the bill. It would then get back in conference and there would not be adequate discussion of the matter. Irrespective of such words as "subterfuge" and "people not wanting to vote," the truth of the matter is that the only way we can get an honest and fair discussion of this matter—and I certainly want to have my time on the floor in general debate—is to vote for this rule and allow it to go in without any point of order eliminating discussion. Then let us talk frankly of what we think of it. If we believe it is just—and I was never more convinced of anything in my life than that it is just—we can pass it. If you are opposed to it, you can vote against it, but let us have an opportunity to talk this thing out in the open in the American way.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. MAY. If the rule is adopted, the provision in question will be subject to a motion to strike it out, the same as any other provision of the bill, will it not?

Mr. O'NEAL. That provision, of course, is subject to be stricken by a vote of the committee.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. HALLECK. If a Member of the House of Representatives leaves his home to come here for a session of the Congress, turns the key in the door and locks up his place, rents an apartment in an apartment hotel, furnished, for $200 a month, that cost will run him for the year $2,400. Can he deduct that as an expense from his salary as a businessman can deduct similar actual out-of-pocket expenses?

Mr. O'NEAL. Does the gentleman mean if this bill is passed?

Mr. HALLECK. No. As the Bureau of Internal Revenue has now construed that situation.

Mr. O'NEAL. I can state that I have never known it to be excepted by the Bureau of Internal Revenue.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. CELLER. I have tabulated what the increased cost would be and it amounts to $1,340,000. That is just 1 cent for each person in this country every year to give us this increase.

Mr. O'NEAL. And if a man does not have these expenses, of course, he would not take the money.

Mr. CARLSON. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. CARLSON. The Tax Court has ruled that the home of a Member of Congress is in Washington and therefore his living expenses cannot be deducted. In my opinion, the enactment of this legislation will not permit it, either.

Mr. O'NEAL. Now, Mr. Speaker, this is before the House. I think the honest way to get at this matter so that it can be discussed fully and frankly is to vote for the rule. You are not in any sense voting your convictions one way or the other, but you are saying that the matter is reasonable, to permit its consideration.

I trust you will all vote for the rule.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. COX. Mr. Speaker, I ask that Members wishing to do so may extend their own remarks on the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

Mr. TARVER. Mr. Speaker, on that motion I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 229, nays 124, answered "present" 1, not voting 78, as follows:

[Roll No. 75]

YEAS—229

Adams	Geelan	Morrison
Allen, Ill.	Gerlach	Mott
Allen, La.	Gifford	Murdock
Anderson, Calif.	Gillespie	Murphy
Anderson, N. Mex.	Gillette	Neely
	Goodwin	O'Brien, Ill.
Andrews, N. Y.	Gordon	O'Hara
Arnold	Gorski	O'Konski
Auchincloss	Granahan	O'Neal
Bailey	Granger	Patrick
Baldwin, Md.	Grant, Ind.	Peterson, Fla.
Baldwin, N. Y.	Green	Peterson, Ga.
Barden	Gregory	Philbin
Barrett, Pa.	Griffiths	Phillips
Barry	Hagen	Pittenger
Bates, Ky.	Hale	Ploeser
Beall	Hall,	Plumley
Beckworth	Leonard W.	Powell
Bell	Halleck	Powers
Bender	Harless, Ariz.	Price, Fla.
Bennett, Mo.	Harness, Ind.	Price, Ill.
Biemiller	Harris	Priest
Bishop	Hartley	Quinn, N. Y.
Blackney	Havenner	Rabaut
Bolton	Hébert	Rabin
Boykin	Hedrick	Rains
Bradley, Pa.	Heffernan	Ramspeck
Brehm	Hendricks	Randolph
Brown, Ohio	Herter	Rayfiel
Burch	Hess	Reece, Tenn.
Burgin	Hill	Reed, Ill.
Butler	Hinshaw	Reed, N. Y.
Byrne, N. Y.	Hobbs	Resa
Canfield	Holmes, Wash.	Riley
Cannon, Fla.	Hook	Rizley
Carnahan	Howell	Robinson, Utah
Celler	Huber	Robsion, Ky.
Chapman	Izac	Rodgers, Pa.
Chelf	Jackson	Roe, Md.
Chenoweth	Jennings	Rogers, Mass.
Chiperfield	Johnson, Ill.	Rogers, N. Y.
Clements	Johnson, Ind.	Rowan
Clevenger	Johnson,	Ryter
Coffee	Luther A.	Sasscer
Cole, Kans.	Jones	Schwabe, Okla.
Cole, N. Y.	Kearney	Shafer
Combs	Kee	Sharp
Courtney	Kelley, Pa.	Sheppard
Cox	Kelly, Ill.	Sikes
Daughton, Va.	Keogh	Simpson, Pa.
Dawson	Kerr	Slaughter
Delaney,	Kilburn	Smith, Maine
James J.	Kilday	Snyder
Delaney,	Kirwan	Somers, N. Y.
John J.	Kopplemann	Sparkman
Dickstein	LaFollette	Spence
Domengeaux	Larcade	Sullivan
Drewry	Latham	Talbot
Durham	Lea	Taylor
Eberharter	LeFevre	Thomas, N. J.
Ellsworth	Lesinski	Thomas, Tex.
Elsaesser	Link	Tolan
Elston	Lyle	Torrens
Engle, Calif.	McCormack	Towe
Feighan	McCowen	Traynor
Fellows	McDonough	Vinson
Fenton	McGehee	Wasielewski
Fernandez	McGregor	Weaver
Flannagan	McKenzie	Welchel
Flood	McMillan, S. C.	Weiss
Fogarty	Maloney	Welch
Forand	Mansfield, Tex.	West
Fuller	Marcantonio	Wickersham
Fulton	Martin, Iowa	Winter
Gallagher	Martin, Mass.	Wolcott
Gamble	May	Wolfenden, Pa.
Gary	Miller, Calif.	Woodruff, Mich.
Gavin	Morgan	Woodrum, Va.

NAYS—124

Abernethy	Buffett	Crosser
Andersen, H. Carl	Bulwinkle	Cunningham
	Bunker	Curtis
Andresen, August H.	Byrnes, Wis.	D'Alesandro
	Campbell	Davis
Angell	Cannon, Mo.	Dolliver
Arends	Carlson	Dondero
Barrett, Wyo.	Case, S. Dak.	Doughton, N. C.
Bland	Church	Dworshak
Bonner	Clason	Ellis
Brown, Ga.	Cole, Mo.	Engel, Mich.
Brumbaugh	Colmer	Ervin
Bryson	Cooper	Fallon
Buck	Crawford	Fisher
Folger	Lane	Rockwell
Gearhart	Lanham	Russell
Gillie	LeCompte	Schwabe, Mo.
Gore	Lewis	Scrivner
Gossett	Ludlow	Simpson, Ill.
Graham	McConnell	Smith, Ohio
Gross	McMillen, Ill.	Smith, Va.
Gwynne, Iowa	Mahon	Smith, Wis.
Henry	Mansfield,	Springer
Heselton	Mont.	Starkey
Hoch	Mason	Stefan
Hoeven	Michener	Stevenson
Hope	Miller, Nebr.	Stigler
Horan	Mills	Sumners, Tex.
Hull	Monroney	Sundstrom
Jenkins	Mundt	Taber
Jensen	Murray, Tenn.	Talle
Johnson, Calif.	Murray, Wis.	Tarver
Johnson,	Norrell	Thom
Lyndon B.	Pace	Thomason
Jonkman	Pickett	Tibbott
Judd	Poage	Trimble
Kean	Ramey	Vorys, Ohio
Keefe	Rankin	Vursell
Kefauver	Rees, Kans.	Whitten
Kinzer	Rich	Whittington
Knutson	Robertson,	Wigglesworth
Kunkel	N. Dak.	Winstead
Landis	Robertson, Va.	Wood

ANSWERED "PRESENT"—1

Voorhis, Calif.

NOT VOTING—78

Andrews, Ala.	Gibson	Outland
Bates, Mass.	Grant, Ala.	Patman
Bennet, N. Y.	Gwinn, N. Y.	Patterson
Bloom	Hall,	Pfeifer
Boren	Edwin Arthur	Richards
Bradley, Mich.	Hancock	Rivers
Brooks	Hand	Roe, N. Y.
Buckley	Hare	Rogers, Fla.
Camp	Hart	Rooney
Case, N. J.	Hays	Sabath
Clark	Healy	Sadowski
Cochran	Hoffman	Savage
Cooley	Holifield	Sheridan
Corbett	Holmes, Mass.	Short
Cravens	Jarman	Stewart
Curley	Johnson, Okla.	Stockman
De Lacy	King	Sumner, Ill.
Dingell	Lemke	Wadsworth
Dirksen	Luce	Walter
Douglas, Calif.	Lynch	White
Douglas, Ill.	McGlinchey	Wilson
Doyle	Madden	Wolverton, N. J.
Earthman	Manasco	Woodhouse
Eaton	Merrow	Worley
Elliott	Norton	Zimmerman
Gardner	O'Brien, Mich.	
Gathings	O'Toole	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hand for, with Mr. Edwin Arthur Hall against.

Mr. Outland for, with Mr. Voorhis of California against.

Mr. Cravens for, with Mr. Hays against.

Mrs. Norton for, with Mr. Hare against.

General pairs:

Mr. Bloom with Mr. Short.

Mr. McGlinchey with Mr. Hoffman.

Mr. Buckley with Mr. Wadsworth.

Mr. Manasco with Mr. Eaton.

Mr. Pfeifer with Mrs. Luce.

Mr. Patman with Mr. Wilson.

Mr. O'Toole with Miss Sumner of Illinois.

Mrs. Woodhouse with Mr. Lemke.

Mr. Roe of New York with Mr. Merrow.

Mr. Holifield with Mr. Corbett.

Mr. Curley with Mr. Gwinn of New York.

Mr. Healy with Mr. Dirksen.

Mr. Sheridan with Mr. Holmes of Massachusetts.

Mrs. Douglas of California with Mr. Wolverton of New Jersey.

Mr. Madden with Mr. Stockman.

Mr. Rooney with Mr. Hancock.

Mr. Jarman with Mr. Bates of Massachusetts.

Mr. Walter with Mr. Bennet of New York.

Mr. MICHENER changed his vote from "yea" to "nay."

Mr. VOORHIS of California. Mr. Speaker, I have a pair with the gentleman from California, Mr. OUTLAND. Were he present, he would vote "aye." I have voted "no." Therefore, I change my vote from "no" to "present."

The result of the vote was announced as above recorded.

EXTENSION OF REMARKS

Mr. SLAUGHTER. Mr. Speaker, earlier this morning in the course of my remarks I asked unanimous consent to insert a newspaper article. The reporter tells me that his notes do not show a ruling by the Chair. I therefore renew the request at this time.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PROPOSED AMENDMENT TO THE CONSTITUTION RELATIVE TO TREATIES

Mr. JUDD. Mr. Speaker, I ask unanimous consent for the immediate consideration of a resolution (H. Res. 254) which I send to the desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

Resolved, That the Clerk of the House in the engrossment of the joint resolution (H. J. Res. 60) proposing an amendment to the Constitution of the United States relative to the making of treaties, is authorized and directed, in the last sentence of section 1 of the proposed article of amendment to the Constitution, to insert after the word "against" the following: "advising and consenting to the", so that such sentence shall read as follows: "In all such cases the votes of both Houses shall be determined by yeas and nays, and the names of the persons voting for and against advising and consenting to the ratification of the treaty shall be entered on the Journal of each House respectively."

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and two-thirds having voted in favor thereof the resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HARRIS. Mr. Speaker, on yesterday I asked unanimous consent to extend my remarks and include a speech by Governor Laney, of Arkansas. I am advised by the Printing Office that this will require two and one-half pages at a total cost of $130. I ask unanimous consent that the extension may be made notwithstanding.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. PLUMLEY asked and was given permission to extend his remarks in the RECORD and insert two editorials.

Mr. RICH asked and was given permission to revise and extend his remarks.

Mr. BIEMILLER asked and was given permission to revise and extend his remarks.

Mr. POWERS asked and was given permission to revise and extend his remarks.

Mr. MUNDT asked and was given permission to extend his remarks and include a newspaper article.

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD and include House Concurrent Resolution 40 from the State of Michigan.

Mr. HAGEN asked and was given permission to extend his remarks and include a radio story on the Philippines.

Mr. LAFOLLETTE asked and was given permisison to extend his remarks and include an article from This Week.

PERSONAL EXPLANATION—FAVORS HOUSE JOINT RESOLUTION 60

Mr. RANDOLPH. Mr. Speaker, on roll call No. 73 yesterday I was unable to answer to my name. Had I been present, I would have voted "aye." It was my privilege, during debate on the measure, House Joint Resolution 60, to speak in behalf of its passage. The House very properly should join the Senate in acting on treaties between our Nation and other countries.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—JUVENILE COURT OF DISTRICT OF COLUMBIA

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on the District of Columbia and ordered printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress a communication from the judge of the Juvenile Court of the District of Columbia, together with a report covering the work of the Juvenile Court during the fiscal year 1943–44.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 10, 1945.*

LEGISLATIVE BRANCH APPROPRIATION BILL, 1946

Mr. O'NEAL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes.

Pending that, I ask unanimous consent that general debate shall continue not to exceed 2 hours, to be equally divided and controlled by the gentleman from Indiana and myself.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3109, with Mr. JOHN J. DELANEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. O'NEAL. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this is the legislative appropriation bill.

I should like to state in the beginning that we have had a most harmonious session in our subcommittee, although the session a few minutes ago might be interpreted otherwise by some, but the committee itself on both sides of the aisle, the subcommittee on legislative appropriations, has had a very friendly cooperative group of meetings. We were fortunate on our side of the aisle in having the gentleman from New York [Mr. ROONEY] as a member of this committee, and he was of great assistance. The chairman of the full committee, the gentleman from Missouri [Mr. CANNON] is also a member of this subcommittee. He was not able to be present much of the time due to his continuous attendance at meetings of the deficiency subcommittee. The gentleman from Massachusetts [Mr. CURLEY] is also a member of our subcommittee . On the minority side the ranking member of the subcommittee is the gentleman from Indiana [Mr. JOHNSON]. Serving with him are the gentleman from Missouri [Mr. PLOESER] and the gentleman from Pennsylvania [Mr. TIBBOTT]. They have been very faithful, intelligent, and cooperative and I wish to thank them publicly for all they have done to bring this bill into its present condition. We have been fortunate in having as the clerk of this committee, Mr. Orescan, who sits at the table. Only a member of a subcommittee can appreciate the importance of the work of the clerk, for it is on him we rely to dig out the facts and do the hard, laborious detail work, and Mr. Orescan has done that most satisfactorily.

The Budget Bureau, which I mentioned a few moments ago, has no function with reference to this bill except to send it up here. The estimates go to the Budget Bureau so that they may be included in the full budget which is presented to Congress, but they have no review powers, they cannot recommend, they simply do not interfere with our affairs.

The bill we have before us today contains appropriations for quite a few activities which are not really a part of the legislative branch of Government so far as lawmaking duties are concerned. In this bill, for instance, is the Botanic Gardens, certainly not a legislative function, per se. It includes also the Library of Congress in the amount we are asking you to appropriate. It includes also the Government Printing Office, a great business concern. These amounts are not appropriations chargeable to this coordinate branch of the Government, the legislative branch. Furthermore, we provide for the operations of the Architect of the Capitol. He is in charge of the mechanical and structural care of many buildings. So when you analyze this bill, we have operated in a most economical way, and it is an amazing fact that we can run this third part of our Government, the legislative branch, on the very small amount we are operating on as of today.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. I would like to ask the gentleman a question about the second item in the bill, making an appropriation for the office of the Vice President. We have no Vice President at this time and, as I understand it, will not have until the next Presidential election. Why is it necessary to appropriate for salary of the Vice President and for clerical assistants?

Mr. O'NEAL. I may say to the gentleman that so far as the Vice President is concerned, or any items of the Senate, we do not touch them at all and the Senate does not touch any of the House items. By mutual forbearance, as we may put it, we automatically pass all of the Senate items without question, believing they are capable of handling their own affairs, and we in turn expect the Senate not to touch any of the House items. That has been nearly universally the case. When this bill reaches the Senate, it may do what it pleases. There may be some expenses for the office of Vice President when there is not a Vice President, but that will have to be decided by the Senate, not by the House of Representatives.

Mr. COLE of Missouri. There surely will not be a salary for Vice President?

Mr. O'NEAL. The Senate will take it out then, but we do not attempt to question their items.

The total amount in the bill is $50,722,000. Of this amount $20,000,000 is the working capital for the huge Government Printing Office. They merely have the use of that sum and must return it after the year is up. It does not represent an expense or loss; it is merely working capital and it reduces the amount of this bill so far as the actual outlay is concerned to $30,000,000 plus.

The part of this bill chargeable to the Congress itself for its entire operation is a little over $25,000,000 and the amount for the House of Representatives is approximately $13,000,000. As was stated this morning, one or two department travel items would exceed the total cost of the operations of the House of Representatives. I am perfectly confident that we are operating in a most economical and fair-minded way.

Mr. Chairman, I do not intend to go through the entire bill. It is pretty much the same as we have had before. The Members understand the functions of the various parts of this legislative branch and the divisions that get their money under it. The report is before you, the hearings are before you and most of you know about the work of those receiving funds under this legislative appropriation.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Arkansas.

Mr. HARRIS. I want to commend the gentleman for the excellent presentation he is making in connection with this legislative appropriation bill and the explanation he has given. May I ask the gentleman, how does the amount recommended in this legislation compare with the amount appropriated for the last fiscal year?

Mr. O'NEAL. If the gentleman will look on the back of the sheet he will see that there is appropriated a little over $200,000 more in this bill than the estimates. As I say, we have operated very

economically, but there are three or four reasons why there are these slight increases. It is not below the Budget estimate and it is a little more than we operated on last year.

As I stated a moment ago, the first part of the bill deals with the Senate items. As a matter of courtesy we pass those matters over to the Senate and they act on them, and we feel that the Senate will treat our items the same way as they have done in the past.

We have had a few extra expenses which I would like to explain. Every 6 years we prepare a revision of the United States Code. The Committee on the Revision of the Laws, under the leadership of the chairman the gentleman from New York [Mr. KEOGH] has done a remarkable piece of work, and now is the time to prepare the 6-year code. The gentleman from New York [Mr. KEOGH] has recommended to us the expenditure of $150,000 for that purpose. He is an excellent chairman, and he made a splendid presentation, and the committee very gladly recommends to you that $150,000 be made available to the Committee on the Revision of the Laws for this very necessary work.

We have increased a few salaries. You will find them listed in the report. May I say to you that there is nothing more needed in the Congress than for a thorough study to be made of the entire salary structure on the Hill. Many salaries here are too low. There may be some that are too high. There are some jobs on this side where the men in the other body, performing similar work, are paid more than they are here. In the same way, there are jobs over on the other side where the employees in the House are paid more than the Senate employees. It is a thing that has grown, and it is out of balance, and it needs a very thorough study.

We gave an increase to the committee reporters. The committee reporters have been paid less than the floor reporters. We put all but two of the committee reporters on the same basis as the floor reporters, because we thought it was equitable and fair, requiring the same type of ability, and probably equal, if not more, work.

There is a provision in this bill, by a vote of the Committee on Appropriations, giving to the subcommittees of the Committee on Appropriations an extra clerk, as well as the ranking Member on the minority side. Four of those subcommittees already have clerks, and due to the fact that this is the only means we have of going into the appropriation item, that is, to have someone make a real search, it was felt that it was sound business, and in the interest of economy, to provide a clerk for each subcommittee.

I will not relate all of the multitudinous duties of the Architect. As I say, the report of the hearings will disclose that. He is charged with the mechanical care of the buildings, of the grounds, of the powerhouse, as well as 13 buildings, some not related to the work on the Hill. We have to give him the money with which to operate, and we believe that he is operating economically and in a very satisfactory way.

The Library of Congress is a most interesting part of the Government's operations. The Acting Librarian, Dr. Evans, is doing an excellent piece of work.

I know of nothing in the whole Government set-up that is more appealing than the work of the Library of Congress. I will not attempt to tell you all about it. I presume you know that it is perhaps the greatest library in the world today; its duties are multifarious. It is not just simply a library. There is a copyright office over there. They distribute cards to all the libraries in the country. The Library needs the interest and cooperation of Congress to help it to continue to grow.

We have given the Legislative Reference Service an additional $50,000 in this bill. The Library of Congress was started as an instrument to assist Congressmen in their work. That was the primary object of the creation of the Library of Congress. The department over there which now does that work is the Legislative Reference Service. For several years Congressmen have been urging us to give additional funds to the Legislative Reference Service. The Library proper would not make that request until this year because it was, after all, they said, for the service of Congress, and if Congress wanted the increase, it should come in and recommend it. This year several Members of Congress have come before our committee and urged the committee to provide $100,000 for the Legislative Reference Service in addition to the normal appropriation.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. O'NEAL. Mr. Chairman, I yield myself 10 additional minutes.

We provided $50,000 for the Legislative Service.

We also gave the Library an increase of $392,000 over the normal amount for acquisitions for the Library. That is $325,000 less than what they requested. Many libraries provide even larger sums than that for acquisitions for the library.

This great Library of ours has an opportunity now at this period of the world's history to bring material to this country and to this Library, which they will never have the opportunity to bring again. It takes money to go out and get them. We have provided a reasonable amount by way of increase for that purpose. I think it is a wise expenditure because we can pick up many things now that we will never be able to get again.

I should like to go into the Government Printing Office work somewhat in detail but I hardly think time will permit of it. It is one of the great business organizations of the Government. As you probably know, the amount in this bill is merely to pay for the amount of printing done at the Government Printing Office for congressional printing. Every department in the Government goes to the Government Printing Office to get its printing done and must pay for it, and we on the Hill must do the same thing. The amount we have here is the amount it will cost to print what we need to have printed for the purposes of the legislative branch of the Government.

We come now to the item we discussed this morning. I do not know that it is quite necessary to go into it in any detail. I should like to state in just about 3 minutes why I advocated and why I am enthusiastically for this proposal.

I think it is a matter of common knowledge that every Congressman is forced to pay out of his own salary a large amount of money for expenses in behalf of his district which would not be chargeable to him if he were in private business or in almost any other public position. Every Congressman is in travel status. He is required to retain a residence in his home district. Until a few years ago a Congressman could spend a large part of his time at home, but in recent years this burden of expense has increased greatly and he is away from home for nearly the entire year. This means that he, the same as anyone else in travel status, has hotel and other expenses in much larger amount than ever before.

If a man in private employment is sent away from home his expenses are paid. If a man in a Government office travels on Government business his transportation costs are paid, and in addition he receives a per diem to take care of his other expense. Every Army officer and Navy officer traveling on Government business receives subsistence and other expense allowances. Almost every governor and mayor has an expense allowance. In my opinion, and I say this advisedly because I have talked to many people in my own district and elsewhere, the thinking people of this country are more than willing to have a Congressman paid a reasonable amount for the expenses he incurs by the nature of his work in behalf of his district.

The people of this country are willing to have a salary of $10,000 paid to their Congressmen. There has been no argument about that. I do not believe that they as a group understand that out of that amount, which, gentlemen, belongs to him and his family, he must pay out at least $2,500 as expenses necessary for the proper conduct of his congressional business. A man maintaining a home certainly has extraordinary expenses in coming to Washington. Who can deny that? It simply means that he maintains two homes. His travel allowances, in most cases, will pay the cost of taking his family to Washington and back one time. If you figure it out, you will see that is just about what his travel allowance is. A Congressman is entitled to bring his family with him. All the rest of the travel that he does must come out of his pocket. He is called upon many times during the year to discuss the erection of a hospital, or make a speech, or attend to something else with reference to the work in his district. He has so many long-distance calls to make, as all of us know, for which there is no repayment and which he must assume.

To be perfectly frank with Congress, I am interested in this matter, as I stated a moment ago, chiefly because I believe that there is no finer group of men in America than those in the American Congress. From my 10 years and more of experience in Congress, I believe that 60 to 70 percent of the men in Congress are

dependent upon their salaries entirely. If they are required to pay out of their salary, which properly and justly belongs to the family needs, a large sum of money by way of expenses, they can hardly meet their budgets. I say that after talking with many men. If a major sickness strikes the family of a Congressman, in a large number of cases, it would amount to a desperate tragedy financially. I believe that. Due to the expenses which they incur and must incur by the nature of their business, they have not a sufficient margin to pay any unusual expenses. The result to 70 percent of the men in this House would be a very serious matter. Due to the fact that necessary expense items are taken from their salaries, it leaves such a small amount that they are unable to save anything from their salaries. And when they are facing a time when they must leave Congress, they will have no margin built up to carry them over a period of readjustment. The frank truth is that most Congressmen when they leave Congress endure humiliating experiences in their efforts to find a job to feed their families. There is no retirement fund, and there is no margin to use for the future.

Since I believe these things, I have urged my subcommittee to place in this bill $2,500 to help the situation in a small way. It is not a salary increase. I doubt the advisability of a salary increase at this time because of the Little Steel formula. But it is saying frankly to the American people that because of the extraordinary expenses of a Congressman, he should be relieved of those special and extra expenses which he incurs out of loyalty to his district. In my opinion, the public believes that a man has his salary to apply to his personal uses, and I further believe that the thinking people of America are heartily in favor of some plan that will relieve Congressmen from the specter of financial embarrassment.

May I say to those on this floor who are against this provision that I could readily take the position before the people of my district that I am unwilling to do anything to help the Congressmen. That is not a difficult thing to do. But I preferred, knowing the condition of many Members of Congress, to speak frankly and say that I have recommended that these unusual expenses be paid by the Government. I also believe that in doing so we will not only be doing right, but will do much toward aiding our country in having more independent thinking on legislation.

From my personal knowledge, we have lost several of our ablest men because of this situation. I know men in this House today who are seriously considering retiring because they feel they cannot continue to make the personal sacrifices required of them. All of us know that men in public life, and Congressmen particularly, by virtue of their work, are called upon to make these large outlays for expenses.

However, in the case of other positions in which we appropriate large sums such services are reimbursed, and Congressmen are not.

I therefore recommend to this committee that we face the proposition honestly and fairly. I am sure everyone here knows that the statements made by me are true, and I trust that this committee will support the action of the subcommittee.

In the report you will see a statement made as to the tax status of this proposition. If it is an expense, and a man takes it as such, in my opinion, and I think it is the opinion of the subcommittee, it is in the same position as your mileage and your stationery account. You can say on your tax blank, "Mileage fully expended; stationery fully expended; expense allowance fully expended."

In my opinion, that would be the result as to taxation.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. O'NEAL. Mr. Chairman, I yield myself 2 additional minutes.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. RICH. I think the gentleman has made a very good statement, but at this particular time, when everything is going to be required of this Congress and the President of the United States to cut down on departmental expenses and on departments, would it not be the proper time for the Congress to lead the way in the matter of economy?

Mr. O'NEAL. Let me ask the gentleman, who is an employer and is a very fine, substantial businessman, if you send a man out to travel for your company, would you think it would be proper to pay his expenses?

Mr. RICH. I would, of course.

Mr. O'NEAL. I consider it exactly on all-fours with that proposition.

Mr. RICH. I appreciate the position the gentleman takes, and I quite agree with him, except I cannot feel that I can do it at this time.

Mr. HINSHAW. Will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. HINSHAW. I would like to say that if ever this is the time when Members of this House need to and want to serve their constituents better than ever before. Very important things are happening not only to industry but to private individuals at home which need our help here. If we do not have the tools with which to do it, meaning in this case money for expenses, then how can we do a good job?

Mr. O'NEAL. I appreciate that very much.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] such time as he may require.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I recognize from personal experience that everything the gentleman from Kentucky [Mr. O'NEAL] has said about large increases in expenses of Members of Congress is correct, but I seriously doubt if this is the proper time to propose and approve special appropriations to meet such expenses. I voted against the rule which made it impossible to strike the Members' expense item from the bill on a point of order, and I shall vote to strike this section from the bill when the paragraph is reached.

I am not attempting to criticize any colleague for his vote in favor of the $2,500 expense allowance for Representatives. Each one must naturally decide what is proper. However, it seems to me that there can be no justification for the expense item or any salary increase at a time when our country is at war and when all of the people are called upon to make sacrifices. Instead of approving this allowance for Members, we should be curtailing every nonwar appropriation, and husband the country's resources for the inevitable day of reckoning, which will come as sure as we are here today. The future financial stability of our country means more to all of us than this appropriation to pay a part of each Member's expenses while on duty in this body, and I therefore strongly urge that the expense appropriation be stricken from the bill.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, this bill deals with the salaries paid to Members of the House of Representatives. This morning, in an attempt to help earn my salary for the day, I wrote to the Honorable Fred M. Vinson, Director, War Mobilization and Reconversion, a letter which reads as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 10, 1945.

The Honorable FRED M. VINSON,
Director, War Mobilization and Reconversion, the White House, Washington, D. C.

MY DEAR JUDGE VINSON: Now that VE-day is here and the ban has been lifted on horse racing and curfew has been lifted on night clubs, may I ask that you kindly direct lifting of the bans on the following:

1. Regular conventions and conferences of the various churches.

2. Regular conventions of patriotic organizations, such as the American Legion, American Legion Auxiliary, Veterans of Foreign Wars and its Auxiliaries, Spanish War Veterans, etc.

3. Regular conventions of various fraternal organizations.

In my state of South Dakota these conventions will not place any noticeable demand on transcontinental railroads that are carrying troops. The principal railroads serving points within the State are not transcontinental lines—with one exception.

At all of these conventions in the State churches, patriotic organizations, and fraternal orders will not equal the total demand of one major track event, like Pimlico or the Kentucky Derby.

Reference to a map will disclose that intrastate travel to the central points within the State of South Dakota will not interfere with the movements of troops or war supplies to the west coast.

All of these organizations serve a constructive purpose and will contribute to national strength.

Your early consideration of this request will be appreciated so that plans can be allowed to go forward, as many of these groups planned to hold their meetings in June.

Sincerely yours,

FRANCIS CASE.

Mr. ENGLE of California. Mr. Chairman will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. ENGLE of California. Will the gentleman add to that list the gold mines which have been closed for almost 2½ years, which have watered up and are completely depreciating? They should be opened now.

Mr. CASE of South Dakota. I think the L–208 order should be rescinded, and I was glad this morning to add my signature to the letter written to the gentleman addressed to the War Production Board asking that L–208 be rescinded.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, I appeared before the Rules Committee and opposed the procedure of the Appropriation Committee. If the Appropriation Committee is to continue in its practice of legislating on appropriation bills the legislative committees of Congress might just as well fold up.

Only a few weeks ago the Rules Committee gave the Appropriation Committee a rule waiving all points of order on the agricultural appropriations bill. If one is interested in constructive legislation, I feel time will show that this was an unwise rule.

In our State the members of the State legislature are prohibited from increasing their own salary during their term of office. This should be the Federal law.

In 1939 10,000,000 people were unemployed and agricultural products brought from 45 to 60 percent of parity. Has the country become prosperous since that date?

I realize the legislative situation here today. I do not expect to see a roll call on the passage of this bill. I voted no on the rule and I shall vote no if there is a roll call on the bill.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. PLOESER].

Mr. PLOESER. Mr. Chairman, first of all I wish to pay my compliments to the chairman of this committee, the gentleman from Kentucky [Mr. O'NEAL], and to the ranking minority member, my leader on the committee, the gentleman from Indiana [Mr. JOHNSON], to the other committee members and to the clerk of the committee for the arduous and splendid work they have done on these hearings. The Appropriations Subcommittee of Congress has a sort of dual capacity. It was not designed so, but it has become so by practice in recent years and cannot deny the responsibilities. In addition to having the responsibility of appropriating for the Congress, the House and the Senate, the Library of Congress, and the activities on Capitol Hill, such as the Government Printing Office and other activities, the committee falls into the routine of being a sort of management group to which the various persons who are charged with the management of these grounds and the operation of the Capitol come throughout the year for consultation. Our committee serves therefore not only as a committee on appropriations but it serves in the capacity of a management consultant all the year round. It is because of that and because of no clear-cut definition of the duties of the Committee on Accounts so as to include all of these many functions which are not ordinarily considered as the responsibility of an appropriating committee that this committee frequently has had to come before the House with portions of a bill which were either subject to a point of order or could be made in order only by a rule.

Under normal circumstances I do not condone the practice of placing legislative items in an appropriation bill; however, in the situation presented to the House today I do approve of the controversial item because of the dual responsibility of this committee. I was one of two members of the committee, the other being the chairman, who went before the Rules Committee of the House and asked that a rule be granted waiving points of order on this bill.

Rule was granted without objection.

There are several items in the bill against which points of order may have been made had it not been for this rule which has just been adopted by the House on a vote of about 2 to 1. I am going to state to the committee the argument I made to the Rules Committee on behalf of one portion of the bill over which there is so much controversy.

First, may I say, Mr. Chairman, that I doubt whether the controversy runs more than skin deep. I am rather of the opinion that the portion of this bill which makes provision for an expense allowance for each of the Members of the House is practically the unanimous opinion of the Members. I am going to do a little straight political talking now. I hope all of you will listen and accept it in the spirit in which I make the statement. Some Members might be tempted to voice objection to this portion of the bill in the belief that their constituents would not approve or condone their action otherwise. But let us review the day-to-day, year-to-year experience of every Member of the House. A man runs for Congress with the full knowledge that his salary, if and when elected, will be $10,000. He runs for Congress on the assumption perhaps that his incidental expenses of office and his direct expenses of office, such as clerical hire, will be paid by the Government. He is elected to the Congress and when he arrives here he learns that he has a limitation on clerk hire and a restriction on the number of clerks he may hire. I agree with the provision covering clerk hire if it is ample to serve the needs of every Member of the House. We found in recent months, though, that the $6,500 allowance and the three-clerk allowance was not ample. The House, therefore, in its wisdom saw fit to increase that amount and to increase the number of clerks that might be employed.

I do not mind telling the Members of the House that prior to the date of that increase, as one Member of the House, I had to pay out of my own pocket in the 4 years I have served as a Member for additional help because the allowance was not sufficient to give adequate service to my district of almost 600,000 people.

In addition to that, the Member learns when he arrives here, and this will take you back but a very few years, that he has what is known as a stationery allowance which not so long ago was $200. He is furnished his office space, his desks, file cabinets, three typewriters, possibly one or two lamps and one telephone. If he needs a waste basket in his office, and he does need one, he has to buy it. Of course, he can charge it to this $200 stationery allowance if he wants to until it is exhausted. Every nickel's worth of pencils, stationery, and equipment of every kind he pays for himself. He can charge it against his stationery allowance to the extent and to the limit of $200.

Beginning in 1940, this Congress has been almost in continuous session, and $200 did not begin to defray the expenses of the stationery account of the average Member of this Congress. So it was increased to $500. Even then it did not begin, with all of the arduous duties being piled upon a Member by virtue of continuous session, and by virtue of the load of the war, to pay for his expenses in the stationery bracket. We increased the allowance then to a total of $700. I do not mind telling you that in the case of a few of us who represent large districts $700 does not cover the items which are directly and properly chargeable—and I am speaking for my own district in particular—to a stationery allowance.

This is something the public is not aware of. Every Member of this Congress pays for every long-distance telephone call that he makes. He pays the rent for the additional office in his home district. He pays for his telephone there, and all other expenses. If the traffic on his single telephone outlet in his Washington office is too great, and he is compelled to put in another telephone, he pays the telephone bill for the second telephone. He pays for about two-thirds of his telegrams, all of his cables, all of his printing.

Does the public know that? Generally, they do not. He pays all of his traveling expenses in excess of the 20 cents a mile allowance once per session. The reason for the 20 cents a mile allowance once per session is that he might bring his family to and from Washington and also, if you please, bring his office staff to and from Washington. Now, if you have a staff of three or four and a family of four, and can do it on 20 cents a mile, I wish you would tell me how. I have never learned. I do not mind telling this House that my traveling expenses last year to and from my district on business of the Congress, directly incidental to the affairs of my district and to my representation of that district in the Congress, exceeded the amount of the expense allowance in this bill today. I paid them.

I deplore the attitude that the Congress should be niggardly with its own service to the very point of impairment of its efficiency, or should be niggardly with its own service because any one individual would think there was misrepresentation as between the Congress and the public.

Four weeks ago I advocated—and I released it to the Associated Press—that some such expense allowance should be made in this bill. It was printed in my home-town newspapers. Since that time I have spent several days at home. Let

us be honest with one another. I have not had one piece of mail on the subject. In the several days I spent at home people stopped me on the street and said, "Why, we are amazed to learn that all of those expenses are not being paid for. We were always under the impression that they were. They should be."

I do not mind admitting to this House and to the constituents of my district that over and above the salary that the Government has paid me in the 4½ years that I have been here, I have lived on a much lower level than I had been accustomed to prior to that. And I do not complain about that. I have contributed from my own funds to the amount of about 43 percent of the total salary I have received from the Government. I am not complaining about that except to say that it is a dishonest premise on which to conduct the financial affairs of this Congress.

Just 2 weeks ago the Members of this House voted for the naval appropriation bill.

Do you think after we voted the $15,000 salary to the Secretary of the Navy we said, "Now, we will give you a few hundred dollars for your stationery and office expense account, but from there on out, my friend, you pay your own bills"? Of course we did not. Every Member of this House who was present not only voted to equip the Secretary of the Navy—and every other member of the Cabinet, and practically every department head in the entire Government—with a car and a chauffeur and with an unlimited office expense allowance, but we put no restrictions on the number of employees he can have in his office, because he alone knows what he needs most to conduct his business efficiently. We have confidence in him. If he does any traveling, we pay all the expenses of that travel. Whatever his office expenses may be, we pay them. That is true of every Cabinet member. That is true within reasonable limitations—and there is certainly a most reasonable limitation in this bill—of every single department of the Government. If any employee of this Government, regardless of his wage scale, is sent upon official business and has to travel any distance whatsoever, the expenses are borne by the Government. The people have assumed and believe that ours are, and if nothing more came from this bill but a thoroughly honest exposition of the facts to the country the bill would serve a very worth-while purpose.

I happen to be a businessman, I will frankly tell you, I would not have been able to serve under the salary allowance here in the past 4 years if I had not been in such a position that my little business at home made a contribution in order to keep me here.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 5 additional minutes to the gentleman from Missouri.

Mr. PLOESER. Let us be honest about it. I am a poor man as the general qualification would run. You are saying every day that you fail to allow adequate expenses for the Congress, that this is a club for the rich, because only they can afford to make a contribution in addition to the $10,000 salary, unless they have some other little income along the side which helps to make up the deficit. The man who has to live on the $10,000 salary here and pay the direct and incidental expenses of his office which are not chargeable to any man's salary either lives a life of hypocrisy or he is staying away from his bill collectors by one reason or another, or he is going broke and has not awakened as yet to the fact. You know, some people can be broke for years before they know it.

In my business, if I send a man from the city of St. Louis to Kansas City, and his salary is $10,000 a year, do I say to him, "Brother, take the railroad fare and your hotel bill and your other expenses out of your salary if you want to work for me"? Well, if I did, how long do you think he would work for me? Not very long. And if he did accept those conditions, I think I would soon want to fire him, because I would know he was pretty stupid.

I say to you, those of you who may feel timid about voting for this, that you have already voted the same allowances, the same expenditures, in greater amount to every department of the Government save only one, and that is the Congress. I do not mind reminding you that there is only one department of the Government that is truly the people's branch of the Government and that has a right to function efficiently the same as any other, and that is the Congress.

Why, my people at home would think less of me if I did not face this thing honestly. I heard it said on the floor by the gentleman from Ohio this morning that his people do not want a $3,000-a-year Congressman. I do not know whether my people have ever rated a Congressman on the basis of dollars per year, but I say to you they want a man who deals with them honestly. If I voted anything but "yes" on this provision in this bill, I would certainly not be dealing with them honestly. That would not satisfy my conscience. And, yet, I could, by virtue of a little additional income, go on serving in Congress, because I can just barely make that contribution. But I happen to know that 70 percent of the Members of this body cannot make that contribution. Because I am not willing to talk about the personal affairs of the Members, I am not going to say any more than that. But remember that fact.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield gladly.

Mr. RICH. I possibly have the wrong name to be one of the opponents of this provision in this bill.

Mr. PLOESER. I mentioned the word "rich," but I did not mean the name "Rich."

Mr. RICH. The gentleman made the statement a while ago that anyone who opposed this bill did so with the idea that he was thinking about what the people would do in the next election—or inferred that.

Mr. PLOESER. I did not say everybody.

Mr. RICH. The gentleman admits I never gave that one thought.

Mr. PLOESER. I believe the gentleman. I have here a list of all the departments—not all of them, but a number of them, the top ones—with the various expense allowances that have been made for them.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. O'NEAL. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. ERVIN].

Mr. ERVIN. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ERVIN. Mr. Chairman, I want to talk a little bit about this thing called the F. E. P. C. and the effect it would have upon private enterprise and local self-government. First, I want to thank the chairman of the subcommittee for his kindness in yielding a few minutes of time to me.

In view of the few minutes that he has yielded and in view of the statement I am about to make, I regret that I will not be able to yield any part of this time to anyone because, if I should, I would not have the time to finish my short statement.

Mr. Chairman, I had occasion to talk about this thing called the F. E. P. C. on Friday of last week, but there is one phase of the subject I did not get to cover because of the limitation of time. Today I want to talk about the F. E. P. C. and private enterprise and local self-government.

I would like to offer a short plan for the consideration by the individual Members of Congress in passing upon this question of the F. E. P. C. When I first began to practice law I heard an old judge say one time that he thought that in order for a man to be a good trial judge, he ought to spend at least a week in the penitentiary and a week in jail to see how prisoners fared when they got there. On that same basis, I think it would be a very fortunate thing if Members of Congress had to engage in interstate commerce, because oftentimes, when Congress gets ready to put a piece of legislation into operation, we put it into operation under the interstate-commerce clause.

Not only that, I think it would be fortunate if Members of Congress could go out and operate a farm, a manufacturing plant, and a mercantile establishment. Then, when we got ready to legislate on matters that would affect people in those lines of business we would have a better knowledge that would help us in the consideration of proposals.

Of course, we cannot do that. We stay here practically all the time. So, in view of the fact that we stay here practically all of the time, there is only one substitute for our being engaged in interstate

commerce, and that is to go home frequently and confer with some of our constituents about these matters.

The plan I wish to suggest to you is this: We are going to have a recess probably during July and August. I do not want us to be in a hurry in voting on this F. E. P. C. bill. Just about the time we have a recess, in July or August, this is what I would suggest that the individual Members do. I would like for each Member of this House to send a telegram to about 25 of his best friends and say "I want you to meet me at my house or my office. I am going to arrive on a certain day. There is a matter pending in the Congress that I want to talk to you about. Some people think it is going to be very beneficial to the public. It is going to relieve all employers of a lot of troubles. I want you to meet me there."

Of course, they will come to meet you. I want to make some suggestion to you as to those to whom that telegram should be sent. Of course, you cannot send it to all of them, because everybody would be regulated by F. E. P. C., but you can pick out some representative people, and here are the ones I would suggest that you pick out:

In the first place, send it to the president of the central labor union in your own town. He is probably a good friend of yours. I suggest you pick out your best friend who is a contractor, either a contractor who is engaged in construction work or one who is engaged in furnishing materials used by the Government.

I suggest that you send the telegram to your local postmaster. You can invite your postmaster, because, after all, he is probably a very good American, but if you want somebody of your own political faith, invite somebody of your faith who works in the post office in a supervisory position.

In addition to that, I would ask you to invite the heads of the local agencies of your Federal Government. Invite the secretary of your merchants' association, the head of the county grange of your county, your favorite newspaper publisher, your banker, your favorite manufacturer, some good white woman who is working in industry in your community, some member of the railroad brotherhood, some man in the trucking business, either as a driver or the owner of a trucking business. You might invite the Governor of your State. If he cannot be there, tell him to send a representative, because this bill would have a vital effect on him. Ask him to send somebody if he cannot come. Invite your local county officers—the sheriff of your county and the clerk of your court, and the other county officers; the county farm agent; the head of the county welfare department; the head of the local health department; the chief of the fire department and the chief of the police department. Invite the post commander of the American Legion or the post commander of some other recognized veterans' organizations. Ask him to bring with him a couple of veterans of the World War, one from Iwo Jima and one from some German concentration camp, because that fellow from the concentration camp will know what you are talking about when you explain with this proposition. He has been in a concentration camp already. When you meet these people you will probably see an uninvited guest there. Some people have not been as friendly with that uninvited guest as we might have been in recent years. He will be a fellow who will have some bandages on his face. He has been bruised. He will probably have a footprint on the rear of his trousers. He has been kicked around. He will be a guest in your home or office and you will ask him, "Who are you? I did not send you a telegram." He will say, "I am the fellow who would like to be the forgotten man, but I am not forgotten. I have been regimented. I have been regulated by bureaucrats. I have been red taped. I am the average, humble, American citizen who is engaged in small business."

You could say, "What are you doing here?"

He would probably answer:

"Well, I heard that you had some kind of proposal that is going to relieve us of a lot of trouble and the Lord knows we need relief. Now, what is this proposal you have here that is going to relieve the American people of so much trouble?"

And you could say: "We have a bill pending in Congress which would provide an over-all employment agency. We propose to fix it so you won't have to worry about whom your employees are going to be."

Then he would probably say: "Let's learn more about it. You mean to say we are not going to have anything to say about it?"

And you can reply: "A large part of it is going to be done for you. It will have to go through the bureaucrats in Washington, but they think it is a good thing for you."

Someone present will probably say: "Well, tell us how the bill reads and what effect it is going to have on the people."

Then you can say: "Well, my friend, there is a provision in it which regulates labor unions; there is a labor union section in the bill. Then, there is another provision in it that talks about the immunities of the citizens of the several States under the fourteenth amendment. You see, under that section of the bill, this special bureaucracy we are going to set up would result in the Government employees being selected by the F. E. P. C. for the Federal departments and agencies. Then there is another section in there that relates to contractors. Any man who is in construction work for the Government or who is furnishing goods and materials to the Federal Government will have the help of the F. E. P. C. in selecting his employees. The F. E. P. C. is going to help select the employees of everybody engaged in interstate commerce who has as many as six employees."

About that time the Governor of your State and the sheriff of your county and your local school board are going to ask you: "Well, under what provision of the bill are you going to help select the employees of the State and local governments?"

You can say: "There is no way you can escape. The F. E. P. C. is going to do that under the interstate commerce clause, because your States, counties, and cities are engaged in interstate commerce in the purchase and sale of goods. Your State highway departments are engaged in interstate commerce in the construction of interstate highways. They are going to control you under that clause. Then, there is another clause. They are going to get you under the contract clause."

But someone will say: "We have no contract with the Federal Government."

Then you can say: "Yes; you have contracts with the Federal Government. There are different kinds of contracts. There is the contract that is either formal or informal; there is the contract that is either written or unwritten; there is the contract that is entered into voluntarily, and there is the contract that is imposed by statute."

What is this contract that is imposed by statute upon us, upon the States, counties, cities, and towns of America?

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. JOHNSON of Illinois. Mr. Chairman, I yield the gentleman from North Carolina 5 additional minutes.

Mr. ERVIN. Every time the Federal Government appropriates financial aid to the States, counties, cities, and towns, certain conditions are attached. That is a statutory contract imposed by law on the States, counties, cities, and towns that spend that money. They must spend it according to the way it is appropriated, and there must be certain employees to spend it. Who are those employees? This special bureaucracy will help to select those employees for the States, counties, cities, and towns.

Then there is the catch-all clause in this for the States, counties, cities, and towns, that is, the immunity clause. Under the immunity clause the proposed bill states that the F. E. P. C. shall have the right to help select the employees for any State or any instrumentality or creature of any State. The F. E. P. C. would help select all the State, city, county, and town employees under that provision of the law.

And, about the time you are explaining that to the crowd that is assembled, one of them is going to rise up and say: "Well, Mr. Congressman, what worries me, if they are really going to help select the employees of every creature of any State, is whether they can do that with a little corporation that is engaged purely in local commerce, that does not operate across State lines, the kind that the Supreme Court held in the N. R. A. case that could not be regulated under the commerce clause?"

And you can say: "Yes, they did hold that under the N. R. A. case, but we are going to do it under this catch-all clause, we are working now under the immunity clause. This is a different clause we are working under now. We are working under the immunity clause."

"Well, do you mean that I have to test that thing out in court?" he will ask. You can reply: "Oh, yes; you may have to go to the Supreme Court; you may have to spend $25,000 and go broke, proving your right to stay in business."

Mr. Chairman, if we adopt that plan we are going to have some protests. Every Member of Congress will have some protests about this. The Central Labor Union will ask you: "What effect is that going to have on my business? We do not have any employees. We are all members of the union." We can tell him to disband his central labor union, that the union will not have to meet because the F. E. P. C. will make all of its rules and regulations." That is what we can tell them.

Then the secretary of your merchants association will probably say: "The average merchant in our town is pestered to death now. How will it affect us?" We can say to him: "We think it is good for you anyway and we are going to give it to you and your merchants."

The master of the grange will ask: "What effect will it have on the farmers?" Take, for instance, the Wisconsin farmers who ship cheese and milk in interstate commerce. Take the corn farmers in Iowa who ship out corn, as well as farmers in all States. "We are going to help select his employees too."

What about the white woman who is working for someone. She is going to tell you: "Look here, I believe I want my employer to select my fellow employees. We do not want some bureaucracy in Washington doing that." But we can tell her: "You can do much better work when the employees are selected for you by a bureaucratic agency in Washington." She will want to know whether business does not have some rights. I used to read in the textbooks that a man had the right to run his own business and property as long as he does not injure somebody else. But that is not true under this new scheme. There will be special rules and regulations to choke private enterprise to death.

The Governor of your States will probably say: "Look here, I do not want somebody outside of the State to help select employees of my State." The Congressman can say: "We cannot help that. We think this is going to be good for you, too."

The next inquiry will be: "What kind of a crowd is going to enforce this kind of a bill?" Well, they will have all sorts of power, every conceivable power. They will have the right to prepare and issue their own rules and regulations. The proposed bill would give that bureau the right to issue regulations. They will have the right to inspect your records, they will have the right to seize your records, they will have the right to act as prosecutor, judge, and jury. When you have a hearing before the F. E. P. C. you will not have the statutory right of cross-examination. Of course, it would not do you any good anyway. You will not have any appeal at all on the facts. You will only have an appeal on points of law. Then, there is the old weapon of fear. They will put the fear of F. E. P. C. into the people. Do you know that the F. E. P. C. would have the right to overrule those acts of Congress that appropriate money for the aid of States, counties, cities, and towns?

The temporary F. E. P. C. boasts that it has settled most of its cases by negotiation. Hitler's gestapo was never armed with stronger weapons than those which would be vested in the permanent F. E. P. C. under the proposed bill.

The permanent F. E. P. C. would be armed with the instrumentality of fear. All Federal officers who employ personnel would be afraid of losing their jobs if they disobeyed the F. E. P. C. States, counties, cities and towns would be afraid of losing Federal financial aid, if they disobeyed the F. E. P. C.

Farmers, merchants, newspapers, bankers, small business and private enterprise would be afraid of having to reinstate employees with back pay, of being in contempt of court, of being fined $5,000 or of being imprisoned for 1 year, if they disobeyed the F. E. P. C.

Contractors would be afraid of being blacklisted by the F. E. P. C.

If any Member of Congress should explain this bill to his best friends, as I have suggested, there would arise in that group, in all probability, an American soldier who has been a prisoner in a German prison camp, who would say: "I do not need to hear any more about this bill. I know what it is. It is similar to the concentration camp from which I have just been released. I do not want any more of it."

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. O'NEAL. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. WOOD].

Mr. WOOD. I have been very much interested in attempting to analyze the language of the provision of this bill which seeks to make available to Members of Congress an additional $2,500 annually from the Federal Treasury. Permit me to quote the exact language of that provision of the bill:

> There shall be paid to each Representative an expense allowance of $2,500 per annum to assist in defraying expenses related to or resulting from the discharge of his duties.

Such is the language into which we, as the elected Representatives of a sovereign people, are now called upon to breathe the breath of legislative life at a cost to the taxpayers of America of $1,642,500 to June 30 next year.

Before voting ourselves this gratuity from public funds is it not proper that we should inquire, at least whether or not this language means what it says? Just what expenses do we have "related to or resulting from the discharge of our official duties" to which we can apply this fund? I have searched diligently through the hearings had before the committee reporting this bill, and I find its pages strangely silent as to such expenses. Neither does the report of the committee which accompanies this bill here give any enlightenment as to the nature and character of such expenses. Failing there to obtain any information as to the identity of such expenses let us turn to sources more personal to ourselves and tell the people of America exactly how the record stands. We are furnished free office space, including fuel, lights, water, complete furnishings, typewriters, supplies, and stationery allowances which few, if any Member, is using in full. Our ordinary official mail is franked and costs us nothing, and we have an allowance of $65 per annum for air mail and special-delivery postage, which this bill increases to $75, and all of our official telegrams are paid from Federal funds. We are furnished from public funds $9,500 per annum for clerical and stenographic help, $3,000 of which was added on by the last Congress. In addition to this we are paid 20 cents per mile of travel from our homes to Washington and return once each session of the Congress. Is it not then, in order to inquire what "expense" is really referred to in the bill as being the object against which this bounty is to be applied?

We are all agreed, I take it, that living expenses and, particularly residental rentals, have reached unprecedented levels in this area, but we knew that before we came here on January 3, and besides these are matters of personal rather than official expenses, and if these expenses are to be used as a basis for argument in favor of the enactment into law of this provision of this bill then the language used in the bill amounts to a subterfuge and smacks strongly of legislative dishonesty.

If the time is at hand when the extremely high tax burden we are forced to bear, coupled with the unparalleled increase in the cost of living here in Washington has, in the opinion of a majority of the Members of this Congress, brought about a condition which justifies and demands an increase in our compensation, then, in the name of common honesty, let us not insult the intelligence of the American people by undertaking to dress it up in a lot of high-sounding and misleading language but let us call it what it really amounts to—just a plain salary raise. And before we do this let us begin with the men in the fox holes with guns in their hands, fighting our battles and sacrificing their lives for our liberties all around the world at a salary of $50 per month. Let us first amend the laws governing these regulatory wage-hour, manpower and price-control boards, so that the man on the farm, in the shop, and in the factory and the mines—the man who sweeps your streets and the woman who washes your cuspidors, may also receive an increase in compensation. As for my part I desire to sound a solemn warning that the time is near at hand when the people of America are going to demand that this Congress get back to earth in the reckless handling of public funds, and that we bring to bear upon proposed legislation designed purely for our own benefits a little more consistency and a little more sincerity than the language of this provision of this bill offers.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. PLOESER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I yield to the gentleman from Kentucky.

Mr. O'NEAL. May I ask the gentleman if he is charging this committee with duplicity and subterfuge?

Mr. WOOD. No.

Mr. O'NEAL. He made that statement.

Mr. WOOD. I did not make that statement. I say it smacks strongly of it. If you are going to predicate your argument on the fact that your living expenses are increased here, then your bill smacks of subterfuge and dishonesty.

Mr. O'NEAL. The gentleman made the statement that it was a dishonest approach to it, that it was subterfuge and duplicity.

Mr. WOOD. I beg the gentleman's pardon, I made no such statement. The statement I made was that if the argument upon which this bill is to be based is that living expenses in Washington have increased, then the bill smacks of subterfuge and dishonesty.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I yield to the gentleman from Missouri.

Mr. PLOESER. The gentleman has yet to hear anyone on the floor of the House make the argument he is now building up in his imagination.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

OPPOSED TO SALARY INCREASE FOR MEMBERS OF CONGRESS

Mr. MILLER of Nebraska. Mr. Chairman, I want to register my disapproval of that part of H. R. 3109, which has for its purpose making available in equal monthly installments to Members of Congress the sum of $2,500. I realize, Mr. Chairman, there are many legitimate expenses that a Member of Congress must incur in serving his district for which he is not now compensated. Such matters as telephone calls, telegrams, payment for printing bulletins, and copies of the G. I. bill of rights, tax bills, and so forth, and explanations of these which are valuable to ex-servicemen and income-tax payers, must now be paid by Congressmen out of their own pockets. Also, Mr. Chairman, a Member of Congress, if he properly serves his district, must make frequent trips there to attend meetings and meet personally the people in his district. Many Congressmen are required to maintain two residences, one in his district and the other in the Capital. All these are expenses due solely to the nature of his office and must be paid by the Member himself.

However, Mr. Chairman, there is another side to this question which causes me to oppose this provision. Congress has been called upon to help hold the line. In doing so, it has denied salary advances to many white-collar workers, in spite of the increase in the cost of living. Congress can hardly increase its own salary and not do likewise with others. The time is inopportune. Our country is already having economic chills. We are financially sick. The national debt keeps on increasing. Now is the time for retrenchment and retreat in national spending. We should not dip into the Treasury for an increase in pay, which this really amounts to, even though we may call it an expense account.

Mr. Chairman, this bill, regardless of its wording, is really an increase of 25 percent in the salary of a Member of Congress. If Congress is going to increase salaries of its Members, it should be made effective 2 or 4 years from now but certainly not at this time. I, therefore, Mr. Chairman, must oppose the passage of H. R. 3109.

Mr. SMITH of Wisconsin. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Chairman, I am opposed to the provision contained in H. R. 3109 which would allow the sum of $2,500 per year as an expense allowance for each Member of the Congress.

Mr. Chairman, it is my desire to make clear my position in this matter. I do not question the sincerity of those Members who urge the necessity for this legislation, but for myself, I am opposed to it for the following reasons:

First. Recently the Legislature of the State of Wisconsin considered the question of allowing the members of the legislature an amount to cover expenses while in attendance at sessions. The bill was overwhelmingly rejected and newspaper comment was almost unanimously opposed to it. Therefore, I must assume that my constituents have spoken in this matter and I yield to their judgment.

Second. This is no time to be voting expense allowances for ourselves. It is true that many Members need this extra money in order to meet the heavy monetary demands of this office; for many it is a considerable sacrifice. But, Mr. Speaker, when I attempt to justify my sacrifices with those of my son and my daughter, I find no basis for comparison.

Third. It is my opinion that a straight salary increase bill should be submitted to the Congress when the war is over when the subject can be considered under more normal conditions.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, at the proper time I shall submit an amendment to strike from this bill the item that permits the allowance of $2,500 to each Member of the House.

I do not think we ought to get into a discussion of the question about subterfuge or anything of the kind. I have the highest respect for those Members of the House who are in favor of this allowance.

Let us clear up another thing or two. I come under the category of those described awhile ago who do not have an independent income. I am also one of the Members who represents one of the large districts, I am proud to represent one of the largest districts in the Middle West. Further, I am also one of those Members who maintain two homes. I have a home out where I live and I also pay rent here in Washington.

I call your attention to the fact that this item for $2,500 is an allowance to each Member of Congress to use for his expenses, for almost whatever he wants to use it for except, of course, that he is expected to use it in line with his duties as a Member of Congress.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I cannot yield.

I recall very well that the gentleman, the Member at Large, stood here and explained that we would have to itemize every week or every month, or something of that kind. There is nothing in the bill that provides that at all. Read it for yourself. If he wants to do that, well and good. I am not saying the Members would not use this money for expenses, but you will find that you cannot use it for house rent and then try to get it exempt from taxation, because that will not happen. Of course, any regular expenses you have now are exempt from taxation. I realize the report makes that statement, but you will find out that you cannot make it exempt by a committee report. That is not the way to do anyway. The idea of making a committee report say it is tax exempt is a new one to me. It is, and should be, either exempt or not under the law. You will find out the Internal Revenue Bureau will decide that question and not the committee report. That is my own opinion.

Mr. BENDER. That would be proper.

Mr. REES of Kansas. This allowance, or whatever you call it, should not be exempt just because of a committee report. The items for which it is used are either exempt or not. Why try to write in a committee report a special statement that this item is not subject to taxes?

This proposal does not come at a very opportune time. It is the worst time it could come, as I see it. I know there have been a lot of allowances to people employed in Government—too much, in fact. We have been too free with our allowances, as far as that is concerned. We ought to allow what is fair and reasonable, but we have not checked as carefully as we should.

As the gentleman from Kentucky suggested, we are supporting too many chauffeurs and fine cars at the expense of the taxpayers of this country.

Here today we are asking that $2,500 be allowed to us as Members of the House, but out in my community the wage board say they cannot increase the pay of laundry workers; in fact, they fined my laundry operators $90,000 solely for paying laundry workers too much money. A bank teller in one of the banks in my community has been employed there many years. He has a wife and five children to support. He gets $175 per month. The bank wants to increase his salary $25 per month. The wage board says, No. That to do so is inflationary. Hundreds of thousands of white collar workers in this country are not receiving comparable wages because they must help "hold the line".

I see before me here Members of the House who have been insisting on holding the line. Today they say, "We are going to increase our allowance here $2,500." It does not come with good grace, in my opinion.

Mr. BENDER. Mr. Chairman, will the gentleman yield now?

Mr. REES of Kansas. I do not have time. The gentleman will have to take his own time to discuss this matter.

I say that this question comes to our attention at a most critical period in our history We are spending money by the millions and billions to carry on the war. We are going to retrench our expenditures as soon as it possibly can be done. I just do not believe that as Members of Congress, we ought to demand more money at this crucial time of increased taxes and increased sale of bonds to take care of the tremendous expenditures of our country.

We ought to forego that thing now. If it is a little more expense, let us forego it for the present at least and not dip into the Treasury for $1,650,000 as provided in this bill. Legislation will be submitted to provide for increases for employees of this Government amounting to hundreds of millions of dollars. Some of it undoubtedly should be allowed, especially those in the smaller brackets, but some Members on the floor will say they think too much money is being expended. Yet, we stand here today and say, "Well, so far as we are concerned, we think at least we are entitled to the extra $2,500." I have the utmost confidence in the distinguished gentleman from Missouri. I know he is acting in good faith. I know he believes in what he has said. He is sincere with respect to this matter. But it just happens he and I differ as a matter of judgment with respect to this legislation.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 1 additional minute to the gentleman from Kansas.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished Member from Missouri.

Mr. PLOESER. The gentleman was talking about increases in Federal salaries. Can the gentleman point out to me any employee of the Federal Government whose expenses are not paid, that is, those expenses which are incidental to the conduct of his office?

Mr. REES of Kansas. I will say this to the gentleman, that we have these employees of the Federal Government who are away from home.

Mr. PLOESER. Well, can you or can you not?

Mr. REES of Kansas. Yes; the employees who work for the Federal Government who are down here on jobs that are temporary or war jobs.

Mr. PLOESER. All of their expenses are paid whenever any are incurred in the performance of their duties.

Mr. REES of KANSAS. The gentleman knows there are thousands in all the various departments of Government down here who are not allowed money to pay their rent or expenses for living in Washington. It has been suggested this money may be for rent expenses.

Mr. PLOESER. This is not for the payment of rent. Why does the gentleman insist on the matter of rent?

Mr. REES of Kansas. They are not allowed expense money for themselves—why, certainly not.

Mr. PLOESER. I assume then the gentleman will not use this because he does not need it.

Mr. REES of Kansas. Oh, the gentleman understands my statement very well. Of course I need money, just as much as he does. That certainly is not the question. He certainly would not infer, after the statement he has made, this allowance is on the basis of need. I know he does not mean that.

I have tried to make clear to him and to this committee, that this is a most inopportune time to take an extra $2,500 for each Member, in all $1,642,000, when we might forego this additional payment. We are in a critical time. We are still spending billions for war and other Government expenses. We are taxing and being taxed to the limit to do it. We are selling bonds to carry on the war expenses. Before long we are going to have to cut some of our Government expenses. There are a lot of them we should be reducing long before now. Expenses that have nothing to do with the prosecution of the war. I feel we can well set the example eliminating this appropriation this afternoon.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, when the gentleman from Kansas presents his amendment to strike out that provision on page 16 providing for the extra allowance of $2,500 for Congressmen, I intend to be one of those voting for it.

So far as I know, there is nobody in Congress at present who did not know at the time he was a candidate a year ago, or less than a year ago, what the emoluments were and what he expected expenses to be when he got here. If there is anybody in Congress who less than a year ago was out before the people as a candidate for Congress on the declaration that he wanted a salary increase of 25 percent immediately after his election, I failed to have read that announcement.

There is a perfectly proper way in which the salaries of Congressman can be increased. It can start right now. Every Member in favor of increasing that salary can get up and make an announcement that in 1946 he will be a candidate for reelection upon a proposition that salaries of Congressmen must be increased. If there shall be a majority of Congress elected in 1946 in favor of increasing salaries, let the bill be then presented. Let it go to the appropriate committee. Let the country discuss it. Let hearings be held, and then bring it under a rule which will enable amendments to be offered, and let the House act upon it. I do not favor such an increase, but that would be the right and sensible way to bring before the House and the country the question of salary increase.

Mr. Chairman, I am heartily opposed to this measure and the method. Repeatedly, in considering even smaller appropriations in the past few weeks, we have heard the declaration that "the bottom of the barrel" has been reached; that it was necessary to economize on every civilian expenditure in order to carry on the war and keep down the national debt. That is the cry that has been raised upon almost every little appropriation bill that has been brought up. Now it is proposed by this bill to give $1,600,000 in extra allowances to the Members of the House. It does not seem sensible to me.

I have not read all the political platforms for 1944, but I have read the platforms of the two major parties. I have been unable to find anywhere in those platforms a declaration that Congressmen needed an increase in pay. I do find in those platforms a declaration that all civilian expenditures must be reduced to the minimum to protect the national credit and to win the war. That is in both platforms, but somehow the platforms are silent about the necessity of increasing the salaries or emoluments of Members of Congress.

I earnestly hope that the provision of adding $2,500 annually to the salaries of House Members will be defeated.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. O'NEAL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Chairman, I am going to deviate for a moment and perhaps by taking your minds to some other issue, a cooler atmosphere may prevail before the afternoon is completed.

On January 1, 1935, a young Georgia boy became a House page. His name is W. J. Strachan. We all know him as Jimmie.

The Committee on Appropriations in June 1940 asked for the detail of a page, and Jimmie was recommended and employed.

He is a fine-looking, splendid, clean-cut young man and immediately won the esteem and affection of the members of the committee.

After Pearl Harbor Jimmie responded to the general urge to join the colors and enlisted in the Navy. After boot training and later a trick as an enlisted-man instructor at the naval training station, Newport, R. I., he applied for aviation training, was accepted, and has been pursuing the usual educational and practical courses.

The day before yesterday Jimmie received his wings. He is now an ensign and a naval officer aviator. It is a great compliment to Jimmie, and it is a great compliment to the class of boys who serve here as pages.

I want Jimmie to know that the House is proud of him and that we all wish him all success and a speedy return after a job well done.

Mr. Chairman, in the remaining part of my time I would like to address myself to the bill that is presently before the Congress.

I feel that perhaps some of the splendid gentlemen who have an adverse opinion to the committee and to those of us who are supporting the contentions involved in this legislation have permitted their temperaments to go somewhat afield.

I defend the right of every Member of this House and every citizen of this country to express himself on any subject, but I deplore the charge that subterfuge has been employed by any Member of this House or any member of the Appropriations Committee, either by direct

allegation or by innuendo. In my opinion, about the only time that subterfuge will be prevalent in any manner in connection with this legislation will be when those gentlemen who have used that terminology go down to the pay window and take the money. I say to you frankly that insofar as I am concerned I sincerely trust that those who are now publicly declaiming the fact that the Congress is entitled to have its just expenses, as all other departments of Government, will permit their conscience to be the controlling factor when this money becomes available and not take it. But endorse their check and return it to the Government.

I yield back the remainder of my time.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. TIBBOTT].

Mr. TIBBOTT. Mr. Chairman, the legislative appropriation bill before us today is the result of many days of hearings and untiring efforts to remedy, if possible, certain inequities in the legislative branch of the Government. For my part, it has been a pleasure to work with our distinguished chairman the gentleman from Kentucky [Mr. O'NEAL] and all other members of our subcommittee forming as they do a cross-section of independent and sound thinking.

It is my opinion that if we are to accomplish national unity we must have a governmental organization that represents national economic unity. The way we are directing ourselves, at this time, represents national disunity. If we can only have a big and united government, we can expect to remain free and keep our country free. It seems to me that it is quite generally conceded that the struggle for economic power is reaching a climax and that the day of the showdown is near at hand.

We in this country have made ourselves think that we are rich and powerful by counting dollars instead of the things which dollars represent. We have so many people who do not realize what money is and little if anything about saving it. There are so many who accept money for what it will buy and who care not at all whether his money comes to him as paper standard by the Government, or in coin representing a certain weight of silver. The mystery in money comes when one confuses money with things and tries to make money do what money cannot do.

From statistics we know that the number of rich is very small; that the number of persons who are well-to-do and comfortable is still small; and that the persons with slender incomes are the most numerous of all.

The purpose of any economic system is to foster and maintain the prosperity of the Nation and the well-being of the individual citizen. The Public Treasury is like an individual. What an individual earns by hard work, he is likely to watch with care, to conserve, and to invest. Our economic freedoms need guardians, but also they need guides. If the actual facts of our Nation can be obtained, it would seem utterly reckless to gamble the life of the Nation upon the correctness of any set of theories springing from purely hypothetical premises. Theory is a useful method of speculation on the meaning of things, but it is not a substitute for exact knowledge.

After the war is won, practically everyone in the land will be a creditor of Uncle Sam. In the event there would be a great inflationary rise in prices, who will get hurt? The answer is the Government creditors. Who will they be? Obviously, all of us. Whether we are of different political beliefs, we should put our Federal finances in order and leave nothing undone. This should be done to avert the general ruination of our financial structure.

While I am not attempting to foretell the future, yet it seems that we must go in the direction of conservative ways of thinking and doing. That would mean toward individual initiative, private enterprise, and maintenance As I see it, we must get away from the growth of Government domination and political management of the economy in centralized Washington. It is the opinion of many that the post-war spirit will bring progress toward reforms in government at a greater speed than the pell-mell rate of spending which we have experienced in the past decade.

We are going at a pace that kills us—spending the money of the people whom we represent. We are kidding ourselves into believing that we can continue to appropriate vast sums of money over which we are the duly elected representatives of those who have placed a confidence in us as guardians of their interests. It is my candid opinion that we should slow down a bit in appropriations which are not essential to our war effort, for after all we must be true to our trusts. A change of pace would be a great tonic for our nervous energy in reckless spending.

In conclusion, I desire to refer briefly to the Library of Congress. In fairness to those who are handling its many burdens and who testified before our subcommittee, it can be said that the leadership of this institution requires one of broad vision and great learning. The Library of Congress, the greatest in the world in many respects, gives great service to all who desire and seek information. Its management should be placed under the ablest librarian. It is my judgment that this should be done immediately if it is to function economically.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Chairman, I wish to assure you there is no feeling of animosity in my heart toward anyone who holds views different from mine on this particular matter. In fact, I believe we have one of the finest subcommittees, that dealing with the legislative appropriations, of any in the House; but I, too, will urge this House and this committee to proceed cautiously in taking this step. I do it for several reasons. It has been stated here that we do certain things for the executive departments that we do not do for ourselves. I like to think of the legislative department of this Government as a separate and distinct branch. We do not fit in the same category as the executive branch of the Government. Those are individuals we can hire and fire. The people elect us, and we are responsible to them directly. We must not follow the leadership of any other branch of the Government. As statesmen we must lead. Everyone is familiar with the increased cost of living and higher taxes.

I wish to say very frankly that one of our difficulties is brought about by the higher taxation. On a net income of $10,000, 1939, a married person with one dependent paid a tax of $415. This year on the same income he pays $2,585. Who voted those taxes? We voted those taxes, and they are the same rate as are paid by every other citizen in the country. In other words I do not think we should begin talking about tax burdens having increased in the last few years, because we voted those taxes and the folks back home have the same burdensome taxes as we do.

Furthermore, I think this is the greatest inflationary step we can take. I hate to see this legislative body do this, because we must be in position to resist great increases in the cost of Government if we are to avoid runaway inflation. Demands will be made upon us that will be hard to resist. If we vote this out I do not see how we can in all sincerity and honesty vote to hold back all other similar requests.

I do not believe we as Members can vote an item for expenses that will be tax free. The Bureau of Internal Revenue will determine that. While you may list these items—and there are items that will be deductible—I am afraid many Members are under the impression that we can write into this bill congressional intent and upset general rules of the Bureau of Internal Revenue. The matter of deducting expenses for living while away from home is a matter for the courts to settle. There are such cases in court today. There is a difference of opinion in the courts as to whether these certain items are deductible. I do not believe we can make special exemptions but believe they must be general. I am opposed to this bill.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from Wyoming [Mr. BARRETT].

Mr. BARRETT of Wyoming. Mr. Chairman, we are here as the Representatives of the people and during this debate I have been endeavoring to determine just what the people back home might think of this proposal to vote ourselves this expense money. I have come to the conclusion that they would be opposed to it.

Most of us came down here charged with the duty of reducing the expenditures of Government. About 9 years ago some one made the statement that this country was practically insolvent. We owed at that time about $36,000,000,000. The President took cognizance of the statement and made this reply in effect: "I have talked to the best bankers in this country, men in whom I have the highest confidence, and they tell me that this

country can stand a public debt of $80,000,000,000."

Now, if the best bankers of the country thought that we could stand a debt of only $80,000,000,000 then, where are we today with a debt of nearly $300,000,000,000? If we vote for this raise in salary or payment of expenses, whatever you want to call it, of $1,600,000, we certainly place ourselves in an embarrassing position. We cannot in good conscience vote to hold the line when others are involved. It seems to me that we cannot fairly refuse to grant an increase to others who may ask for one. It seems to me to be a most inopportune time to even consider such legislation. I shall oppose that provision in the bill.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Missouri.

Mr. PLOESER. The gentleman is going on the assumption that this is a salary increase and, of course, he may assume that if he cares to. The fact remains, however, that every employee of the Government who has any traveling to do for the Government or incurs any expenses in connection with his duties has those expenses paid by the Government. Is that not true?

Mr. BARRETT of Wyoming. I rather think there are many officials of the Government who are not wholly compensated for expenses paid.

Mr. PLOESER. Name one instance besides that of the Congress.

Mr. BARRETT of Wyoming. Well, I think many officials are allowed a per diem for travel expense on official business who are required to pay out more than they get.

Mr. PLOESER. Expenses due to the work of their office are not paid? Name one.

Mr. BARRETT of Wyoming. There are many in the executive branch of the Government who do not get all their expenses, while traveling on official business, as I am advised they get only $6 a day.

Mr. PLOESER. Does the gentleman get $6 a day?

Mr. BARRETT of Wyoming. The gentleman gets 20 cents a mile for travel for one trip a year but if I want to go out for public meetings that is on my own expense.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. BENNETT].

Mr. BENNETT of Missouri. Mr. Chairman, I voted today for the rule which would make in order debate upon H. R. 3109, the regular legislative appropriation bill for the fiscal year ending June 30, 1946. This bill, in addition to the customary provisions to provide for operation of the Congress, sets up a $2,500 annual expense account for Members whose salaries have not been raised since 1924, when Congress met only a few months each year, prices and income taxes were low, it was not necessary to maintain two homes hundreds of miles apart, and other conditions of congressional service were quite different from what they are today.

Many cogent arguments have been advanced in support of this measure. I think it goes without saying that all Members could use the money on official duties connected with their offices and for which they are now paying out of their personal funds while every other official of the Government has similar expenses paid from an expense account such as is proposed to be set up here. Even so, after listening to the debate, I have decided to vote against the proposition. I think that the whole structure of Federal employees' compensation and retirement needs review. We are here attempting to start on this job in a piecemeal fashion and while the country is engaged in war. A committee on reorganization of the needs of Congress is now conducting studies of the needs of this institution and what it requires to meet its responsibilities properly. I make the further point that we would be able more intelligently to pass upon this question when we have received that committee report.

I shall support the amendment to be offered to strike this provision from the bill. If that fails, I shall vote to recommit the bill, and if that fails I shall vote against the whole bill. I realize, of course, that the Democratic Party has a majority in this House and on the committee which reported this bill, and that pleas for economy have fallen on deaf ears in this Congress for 12 years.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Ohio [Mr. BENDER].

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Missouri.

Mr. PLOESER. The gentleman from Wyoming who just preceded the gentleman left the well of the House with the statement unanswered that the Members get 20 cents a mile when they travel. I want to correct that because the Members of Congress know, as the gentleman meant to say but did not, that the Members receive 20 cents a mile for one round trip to cover the expenses of their entire family and for the travel of their personnel and office staff.

Mr. BENDER. I may say that my travel bill for 1944 was over $2,000, and I received $187 from the Government to apply toward those travel expenses.

Let me say this: I have listened to the gentleman from Kansas [Mr. CARLSON], the author of the Ruml plan. I cannot comprehend how some people on one day give you one kind of an argument, and then on another day take a wholly different line of attack and expect you to swallow what they say hook, line, and sinker. The gentleman talked about inflation. Another gentleman talked about salary increase. Another one talked about reducing the cost of government. I think all of these observations are superfluous. There is nothing like that involved here, and if I thought there was, I would be against this bill; and if any Member of this Congress would take this money and use it or expect to get it as a part of his salary, I am sure he would be wholly out of order in voting for this bill.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman referred to the fact that several Members called this a salary increase, and charged them with perhaps not acting in good faith. Now the gentleman says that there is nothing in here that will increase a Member's salary.

Mr. BENDER. Absolutely nothing, and if I do not have a legitimate expense which I can justify in connection with my duties as a Member of Congress, then I have no business taking this money.

Mr. RICH. I appreciate that, but the money that the gentleman will spend for the conduct of his office, for instance, as he stated a while ago, buying those books, he would now put into the expense account, would he not?

Mr. BENDER. Yes.

Mr. RICH. That is right.

Mr. BENDER. Absolutely. I would be justified in using that $100 that I must now use out of my own resources for books or for pamphlets for veterans, giving them information that they require. Of course, they should be provided by the Government. I am amazed that these books are not provided by the Government. They are far more useful than an agricultural yearbook or some of these other booklets that we get that are of no particular value.

Mr. RICH. But we do provide you with a certain quantity.

Mr. BENDER. But the quantity is not sufficient.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Indiana.

Mr. SPRINGER. If this measure should pass, then, as I understand, this $2,500 additional expense money would be paid direct to the Members. Suppose the bill passes and you receive the $2,500 in one year and you do not use all of it as expenses, what would you do with the remainder?

Mr. BENDER. Then I have no right to keep it, or any part of it if not actually used for official governmental expenses.

Mr. SPRINGER. Would you turn it back to the Federal Government?

Mr. BENDER. That is exactly right. That should be done.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Missouri.

Mr. PLOESER. For the edification of the gentleman from Indiana as to what the committee believes they have done, and what the committee intended to do, may I say this: This money is made available. You do not have to draw it each month unless you need it, and you should not draw it unless you need it for expenses. That is the intent of the committee.

Mr. BENDER. It is not only the intent of the committee; here is the language of the bill:

An expense allowance of $2,500 per annum to assist in defraying expenses related to or resulting from the discharge of his official

duties to be paid in equal monthly installments.

Is that clear? There is nothing in the proposal relating to a salary increase. Nothing is said about a raise in pay. Any Member who makes that kind of a statement must be doing it for home consumption and to make political capital for himself back home.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Michigan.

Mr. DINGELL. There is no compulsion in the bill, is there?

Mr. BENDER. None at all.

Mr. DINGELL. A Member does not have to take it, does he?

Mr. BENDER. He does not have to take it at all, and if he does not use it for official business he should not take it.

Mr. DINGELL. I will wager right now that those who are shouting loudest against it will be the first ones to take it.

Mr. BENDER. Since 12 o'clock I have had two long-distance calls relating to O. P. A. matters, calls that I am paying for. There is no reason, when constituents are concerned about an O. P. A. ruling or regulation and as a last resort appeal to their Representative in Congress, why a Representative should absorb the charge when it is official business.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Indiana.

Mr. SPRINGER. I notice that the bill provides, "There shall be paid to each Representative and Delegate".

Mr. BENDER. That is right.

Mr. SPRINGER. That means that the money will be paid to them. On page 16 it is provided further "to be paid in equal monthly installments." This means that that payment will come to each Member just as his salary check comes.

Mr. BENDER. This is to be used for official business; not for hotel bills; not for lunches or dinners for our constituents. Only for legitimate expenses in connection with the performance of our work as Members of this House.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Missouri.

Mr. PLOESER. It has been said on several occasions during the course of the debate that this is tax-exempt. The gentleman just read the section of the bill in point, and the bill says nothing on the subject of taxes. If this money should be accepted by a Member and not be spent for proper expenses, it certainly would be the assumption of the committee that that portion which was not spent would be taxable, and therefore not allowable, either. Further, the committee said they did not believe it was taxable when it was spent for expenses. That was the sole purpose of the committee, contrary to any misinterpretation by some who have insisted on making that point, which does not exist either in words or in fact in the bill.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. There has been a lot of talk about there being something wrong about it if you vote no and take the dough. If this proposal were to cut down the salary or expense allowances of Congressmen and a Member voted against it, does the gentleman think such a Member could still collect the old higher salary? Would he not be bound by the law to accept the reduction? Of course he would be bound by the law that was passed by the majority as to his salary, whether it went up or down.

Mr. BENDER. That is right.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Pennsylvania.

Mr. RICH. The insinuation was made that those who are opposed to this provision now should not take any of the expense money if the provision is passed. I do not agree with that in any sense of the word. If this provision goes through, the Members who are opposed to this legislation at this time are just as much entitled to that money, if they have the expenses, as any Member of the Congress, and they have a right to take it.

Mr. BENDER. I trust this money will be used only for legitimate and official expenses. When you use this money for official business, I am sure many Members will be giving better service to their constituents. I wish everyone of you could read not only the bill but the report of the committee on this legislation. Then you would have more clearly fixed in your mind what this legislation attempts to accomplish.

This bill was considered in the regular way. I was very glad that its consideration was postponed for a week. This legislation was scheduled for action a week ago today. But because there were some of these extravagant statements about salary increases made on the floor of the House and elsewhere, the committee itself and the Committee on Rules and the leadership of the House delayed the consideration of this matter for a week. This is not a partisan matter. There has been no subterfuge. There is no attempt to fool anyone. The only thing we are talking about here is legitimate governmental expenses. If it is not to be used that way, then it should not be used and it should not be drawn by any Member. Any Member who draws on this money and is not using it for Government expenses, for regular expenses, is certainly violating the law. Whether or not it is tax exempt is entirely a matter within the jurisdiction of the Bureau of Internal Revenue.

Mr. O'NEAL. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut [Mr. RYTER].

Mr. RYTER. Mr. Chairman, I take this occasion to bring to the attention of the membership of the House and to present for your studied reflection a resolution recently passed by the Connecticut General Assembly memorializing Congress to reaffirm the tenets of the Atlantic Charter. This memorial gives voice to the serious and great apprehensions of the people of Connecticut through their chosen representatives, as a result of the disquieting recent developments concerning the fate of our first and great ally, Poland. Some time ago a similar expression had been transmitted to this body by the people of Massachusetts.

The resolution is as follows:

STATE OF CONNECTICUT,
GENERAL ASSEMBLY,
January session, A. D. 1945.

House Joint Resolution 316

Resolution memorializing Congress for reaffirmation of the tenets of the Atlantic Charter in regard to Poland

Resolved by this assembly:

Whereas England declared war on Germany to guarantee the sovereignty and territorial integrity of Poland; and

Whereas the President of the United States, in enumerating the aims of the United Nations, declared against any territorial acquisitions by the United Nations; and

Whereas Poland, alone and unaided, for more than 6 weeks stemmed the Nazi hordes at the outbreak of the war, and from the very first shot has been a valiant and honored ally; and

Whereas on August 14, 1941, the President of the United States and the Prime Minister of Great Britain by joint declaration announced to the world certain common principles of national policies of their respective countries; and

Whereas thousands of Americans of Polish extraction have fought and died in this and every other war under the American flag; and

Whereas the morale of our men and women in the armed services is being impaired by this violation of Poland's inalienable right to preserve intact her territories: Now, therefore, be it

Resolved, That the General Assembly of the State of Connecticut hereby petitions the President of the United States and the United States Congress to reaffirm the tenets of the Atlantic Charter in order that our ally, Poland, shall remain territorially intact as a free and independent member of the United Nations; and be it further

Resolved, That a copy of this resolution be transmitted by the secretary of the State of Connecticut, to the President of the United States and to all Senators and Representatives from the State of Connecticut now serving in the National Congress.

Passed house of representatives, April 11, 1945.

Passed senate, April 11, 1945.

In the Crimean Conference, we reversed our policy of delaying the settlement of political questions until after the war and had agreed to participate in the settlement of these issues as they arose. As a result of this change of position there had been expressed much apprehension which subsequent rapidly developing events have proven to be not entirely without merit.

We had not only agreed to participate but proceeded to immediately participate in the attempted solution of some of the most vexing problems whose happy solution would have immeasurably contributed to the peace of the world. In this regard a marked departure from the principles of the Atlantic Charter was noted. We have veered sharply from our course toward the goal toward which in the words of Mr. Churchill, in which he characterized the aim of the Atlantic Charter, as, "The goal toward which the British Commonwealth and the United States mean to make their way."

This goal was urged upon and accepted by all the freedom-loving peoples of the world and ourselves as the great objective of the new world order for the successful achievement of which the United States entered into this war. That the Atlantic Charter portrayed our desires was evidenced by the wide and unanimous acceptance given to it by the United States not as a mere aspiration but as an assurance of things yet to come. We continued in our desires and remained steadfast in our convictions that the successful achievement of a permanent peace must rest upon a foundation made solid and secure by the combination of two vital and necessary ingredients, each as equally important as the other, and without the one, the other in and of itself is incapable of securing a permanent peace to the entire world. These two ingredients were a just peace and the establishment of an international agency for the maintenance of a just peace.

Our concept of what was a just peace had been embodied in the principles of the Atlantic Charter which became the battle cry of all the United Nations. In it was embodied the bill of rights of the entire world; in it was the salvation of the entire world. This peace was to be secured by the establishment of an international organization implemented with the necessary force and empowered to take the necessary speedy action to prevent any future disruption of the peace of the world. Toward both of these two essentials we had made notable progress. The first, by the Atlantic Charter, and the second, by Dumbarton Oaks.

Prior to the advent of Dumbarton Oaks, the entire foundation of the United Nations rested upon the Atlantic Charter. All of the members comprising the United Nations signed a pledge not to negotiate a separate armistice or treaty and this pledge was preceded by a formal adoption and reaffirmation of the Atlantic Charter by all the signatories in the pledge. Since the signing of this pledge and the military successes on the various battle fronts, differences have arisen between the members of the United Nations and these differences became greater and greater until a vast chasm was precipitated by the recent Greek and Polish situations. These differences were so greatly reflected in the Dumbarton Oaks Conference that they presented an insurmountable obstacle to a full and adequate understanding. Such events have greatly disturbed the American people to such an extent that they began to despair whether a permanent peace is attainable.

We have witnessed a gradual and disastrous drifting from our original aims, with the result that our determination for a strong international organization for the maintenance of permanent peace is constantly being weakened. There must be a return to the fundamentals, and the Atlantic Charter and the Dumbarton Oaks must supplement each other.

Not so many hours ago we all joyously received the news of VE-day. But there was no VE-day in Poland, which for more than 5 long years has expended all its treasures and manhood in resisting the Nazis hordes. It was the first nation to have called a halt to Hitler's demands and to stand its ground and give battle to a vastly superior enemy. "For your freedom and ours" once more became its battle cry. "For your freedom" the hour has struck. How long yet must they wait for theirs. We must not fail her again for if we do the future peace of the world will be a mocking failure.

Mr. O'NEAL. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I regret to take the position in opposition to the allowance in this bill of $2,500 per year for the use of paying the expenses of Congressmen. The reason I regret to oppose this measure is because I realize that a salary of $10,000 a year, when one takes into consideration that the average Congressman has to keep up the expenses of his home where he resides and, in addition, is compelled to pay his expenses here in Washington, which are extremely high, and when you add to this various other expenses in serving the people of his district which he alone must bear, the net, if any, one may save out of his salary for his services is very small, especially after $2,000 or more in income taxes is also deducted from his $10,000 salary.

In support of this allowance of $2,500 per year, proponents have pointed out that this additional allowance which, in fact, is equivalent to an increase in salary will help to retain valuable men here in Congress who otherwise feel that they cannot make the sacrifice to stay here, and that it may attract more capable men to the Congress. There is some justification for this thought.

In an effort to be fair, I have given some of the reasons for the justification of this additional expense, but now I want to point out some objections to the legislation which prevents me from supporting the measure.

I am willing to agree that salaries of Congressmen should be at a sufficiently high level as will, in fact, attract men and women to this body who have demonstrated their ability in professional, business, and other lines. I believe it might improve the work of this body, yet I seriously question if at this time such a move should be made. For the past 2 years our Government has been trying to avoid inflation by placing a ceiling on commodities, labor, and, in fact, profits. We Members of Congress have insisted on attempting to hold the price-level lines on commodities and labor as nearly as possible at a fixed point to prevent inflation. The war now is only half over and there is greater danger of inflation now and for the first 2 years after the war, than the period we have passed through. For many months there has been a concerted move to break the Little Steel formula with the view to a further raise in labor costs. Within a few weeks this body will be called upon to extend the Price Control Act and it will be our constant obligation to attempt to hold the price of commodities and labor at a point where we can avoid ruinous inflation during and after the successful conclusion of the war.

If the Members of Congress, regardless of how justifiable the move is, should effect an increase in their expense allowance at this time, I fear it would weaken their position in an effort to prevent inflation in the future. Such a move might help touch off an inflation that would do great damage to the country. I doubt the wisdom of such a move at this time, and I cannot support it.

Mr. O'NEAL. Mr. Chairman, I yield the balance of the time, 8 minutes, to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I listened with interest to the gentleman from Wisconsin [Mr. HULL] who said he had no notice of what we were going to do today; that he had no notice of any attempt to increase any allowance to the Members. I must deny that. I have attempted to spearhead a movement to give us greater emoluments for over 4 years. I offered bills to that effect in the Seventy-seventh, in the Seventy-eighth and in the Seventy-ninth Congresses.

The gentleman from Wisconsin said he defied anyone in this House to rise and say that he appeared before his constituents prior to election on this issue. I am willing to rise in my place and say that I did appear before my constituency and tell them in no uncertain language that the Membership of this House is entitled to far greater consideration, when it comes to salaries and allowances; that they should have a salary of $12,500 and they should have an allowance beyond what they are now receiving to the extent of $2,500.

The gentleman from Wisconsin said the bill is not open to amendment. Under the rule we adopted the bill is open to amendment. He said there were no hearings. We have a book full of hearings with reference to the appropriation bill for the legislative branch.

So why should we be pinchpenny when it comes to ourselves? Why! last week we gave to the railroads $20,000,000 a month without even batting an eyelash and now some of us are getting unduly excited because we are voting ourselves $1,340,000 a year which, as I indicated before, amounts to but 1 cent per person per year.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CELLER. In a moment.

Those who are speaking against this bill, deep down in their hearts, of course, know that we who are the proponents will get all the blame but they will take the gain. I should like to offer an amendment to the effect that any Member who votes against this bill would be denied taking the expenses of $2,500 a year. Then watch how many votes there would be for this bill.

I am reminded of a story that comes out of the prohibition period There was a prohibitionist who got very ill and he said to his wife: "Mary, go down in the cellar after I get into bed and you will find down there an old trunk. Dig deep into that trunk and you will find a fine bottle of elderberry brandy. You bring that upstairs, and get the tallest glass you can find in the kitchen, fill it clear up to the top and, Mary, no matter what I say or do you make me take it." That is what is going to happen right here.

We are going to pass this increased expenditure and these Members who vote against it do so, saying, "No matter what I say, no matter what I do, you just make me take it." And they are going to take it.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Pennsylvania.

Mr. RICH. We have increased the tax on $10,000 salaries to more than $2,100 in the last 5 or 6 years. What are your constituents going to say when they learn their taxes have been increased to the extent that ours have been decreased by this exempt expense fund?

Mr. CELLER. I may tell the gentleman that my constituents reelected me several times on this very issue. I was unafraid then and I am still unafraid to appear before my constituents.

The gentleman from Georgia [Mr. WOOD] said this was a gratuity. It is not. It is not, of course, a gratuity; it is only an allowance for expenses actually incurred, and will not be paid unless the expenditures have been made. He also said that our telephone calls were paid for. That is not actually so. We are only allowed telephone service within the District of Columbia. The gentlemen in the body at the other end of this building are accorded about 10 free long-distant telephone calls a year. But we show timidity. Those who vote against this bill show little courage. I say to the Members, Mr. Chairman, have a little courage to do that what is right.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. BENDER. Mr. Chairman, the gentleman must be mistaken. I do not believe the Members of the other body are reimbursed for long-distance telephone calls.

Mr. CELLER. If I have made a mistake in my statement in that regard I shall be very glad to correct it. If they get it we should have it.

The gentleman from Georgia said that the provision was dishonest. That is the word he used. He stated that the wording of that section of the bill was rather ambiguous. I have read it carefully. It is plain and simple, it is crystal-clear. It simply states that if you have expenses to the extent of $2,500 and you have actually made those expenses, that money will be given back to you by the Government.

The Surplus Property Act provides that Government bureaus shall have preference in securing surplus property.

Among the items that are declared surplus we find electric typewriters, mimeographing machines, adding machines, teletype machines, telautograph machines, and telephone extensions. But try to get a telephone extension; try to get an electric typewriter which will make your work easier and remove some of the burdens from your secretary. You will have to pay an enormous amount for an electric typewriter if you get it.

Why should we not have those appliances in our office to make our work easier? Why should we not have the privilege of using the $2,500 to purchase an electric typewriter? You go to an office of any consequence today and you will not find the old-fashioned typewriters. You will find these new gadgets and we should be possessed of them. Time marches on and we should not be compelled to use horse-and-buggy appliances and machinery in a radio-electronic age.

The CHAIRMAN. The time of the gentleman from New York has expired.

All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

For 3 additional clerks at $1,500 per annum each for each Senator from any State which has a population of 10,000,000 or more inhabitants, $18,000; for 2 additional clerks at $1,500 per annum each for each Senator from any State which has a population of 5,000,000 or more inhabitants but less than 10,000,000, $30,000; in all, $48,000: *Provided*, That such additional clerks shall be in addition to any other clerical assistance to which Senators are entitled, and shall be employed only during the period of the emergency.

Mr. BUFFETT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I only wish that I was endowed with the intellectual skill to properly portray the dangers involved in this legislation for additional funds for Members.

The future of the world depends upon the stability of the dollar of the United States and upon the public respect accorded the Congress of the United States. Those two things mean more to the future of human liberty than anything else in the world. I would therefore like to discuss the dangers to both that are inherent in this proposal—dangers that may never come to pass but which could get out of control like the fire when Mrs. O'Leary's cow kicked over the lantern in Chicago and a large part of that great city burned down. We cannot foresee the repercussion of this seemingly small action.

A few days ago I received a statement from the great life-insurance companies of America. The report begins:

Sixteen of the Nation's leading economists, participating in a symposium of the Life Insurance Companies in America, agree that inflationary pressures are currently at the high point of the war period and that greater efforts will be needed to keep this threat from getting out of hand.

It is doubtful whether the present control program can keep these forces in check without being strengthened.

What are the greater efforts needed. This analysis names many, but I call attention to this one—"to resist pressure for higher prices and higher wages."

I am not an expert on the purely political effect of this bill. I do not think that is important as an individual Member. I know that many of the arguments in favor of this raise are meritorious, and in the ordinary course of events, if we were living in ordinary times, they would justify its passage. But we stand on the threshold of the greatest job that Congress has ever faced in its history; a job, on the success of which depends the future of the United States and the world as well. That job is to restore something close to balance between governmental revenues and expenditures.

During the bond sales campaign in the month of April 1945, the bond redemptions were 48 percent of the sales. That means something. That means that there are rumblings of disquiet over the country; that people are getting worried about the inflationary pressures that are present in this country; and if those emotions ever get out of control, this Congress will have a problem on its hands the like of which this world has never seen. You remember that day in 1929 when private credit broke down, and as a result of that break-down the world has never been the same for a great many people. If the public credit of the United States should ever break down, the world will never be the same for most of us.

We are taking a chance on that danger in this bill, in my humble opinion. I do not think we can trifle with that kind of a possibility.

In yesterday's papers Raymond Moley had this to say: "Germany is down, but the fight against inflation must go on." That fight is in the hands of this Congress.

Congress is not like the ordinary individuals when they want more income. We are like an engineer of a train. We must be careful every minute. The people in the back of the train can carouse, become careless, and do as they please, but the engineer of the train does not dare do that. Congress is the engineer that should prevent ruinous inflation in America.

What did Mr. Burgess, president of the American Bankers Association, say, when he was before the Banking Committee?

"No campaign among the people and no price controls will be adequate to curb inflation unless the Government itself sets an example and puts its own house in order."

My colleagues, that is the job we have ahead of us. I hope that this Congress will not take this risky action at this time. The timing of this action could not be more illy conceived. When we should be fortifying ourselves by self-restraint for the colossal task ahead, we are abandoning our defenses.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I quite agree with the gentleman who just preceded me that the country is looking to the Congress of the United States to lead us today. We are going to have much that the people of this country will be looking to us for. Unless we are wise and prudent we shall not do the things that are uppermost in the minds of the Members of Congress; that is, the things that are best for our country at this time.

I want to read you a letter I received in reference to the salary increases to show you what some of the people back home are thinking:

Representative ROBERT F. RICH.

DEAR SIR: I see by the paper where you oppose the bill to be presented next week calling for $2,500 additional office expense accounts for Congressmen.

I feel sure you are in a position to know whether or not this additional expense account is needed. However it may, or may not be, I simply can't understand why an expense account of $2,500 should be granted in addition to a good salary, while a man like myself, who has lain bedfast since 1917,

almost 28 years, must try to live and keep his self respect on $365 a year. We, my wife and I, have never received a penny from the Government, State, or county. We have struggled all these years to be self-supporting and keep our home together. But the way has always been rough in a financial way.

If this bill for the $2,500 should be presented, it might help their thinking to let them know how some people in this good old America do struggle to keep going. And possibly such knowledge would cause them to see whether there was a way provided for the dollar-a-day helpless, and if there isn't a way, in the name of God see that there is a way, without bringing shame and embarrassment on the helpless trying to live as I believe Americans should live.

When you get letters like that it makes you think and you should think and think hard. When you have people in your own employ and people back home who you know are in worse circumstances than Members of Congress, you have a feeling for those people. If you talk economy and vote more expense money it just does not make sense. You voted a tax increase in a $10,000 salary from $415 tax to a $2.585 tax and you are no better than any other person who has to pay that tax. Today is the day of sacrifice for all.

We talk about the dollar. You want a great big dollar like this one I hold in my hand. [Holding an imitation dollar a foot long and 5 inches wide.] That is the dollar you are looking for, a great big one that looks like five or six for what it will purchase. But when you come to buy something with it, you find out it is a small dollar like this, a little rubber dollar, and that it will not amount to much if anything. That is what you are building up in this Nation, something that looks large, but actually you are tearing it down so that it just will not stretch. If it will not work with the Members of Congress it will not work with the people back home.

The time is here when you must be the leaders of men, when you must be the men who are guiding the destiny of our Nation. Unless you act wisely and judiciously, unless you do the things that are right and sound and just among all people, you will find that you are not going to be regarded as men qualified to be Members of Congress, and rightly we should not be under those circumstances. Remember the Golden Rule. Do your own sacrificing till we get this country in better shape in every way than it is now.

This President started to cut down Government expenses; I want to help him. What will he think when he has to approve this bill? What will the people back home think of their Congressmen who vote for this bill at this particular time with the increase of $2,500 expense money? We will tell better November 1946.

Mr. HOPE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am opposed to the provision in this bill which seeks to give each Member an additional compensation of $2,500 each year. I do not join with those who have criticized the committee which brought in this legislation. I have the very highest regard for the chairman and every other member of the committee. I am fully aware through personal experience of the fact that Members of Congress have many expenses for which there is no allowance and that there are many in and out of Congress who feel that Congressional salaries should be increased. But this is not the time or the place or the way in which we should increase our compensation.

There has been a great deal said here today about this being expense money, but that is all beside the point, in my opinion. This bill states that there shall be paid to every Member of Congress this additional sum of money, and that means that as far as the country is concerned we are increasing our pay in that amount no matter what it is called in the bill.

The greatest menace this country faces today is inflation. I do not believe there is anyone who will dispute that assertion. We are winning the war, but no one knows how we are going to come out on inflation. The big fight there is still ahead. We have kept down inflation pretty well so far. We have held the line. But if we pass this bill, Congress will be the first to break the line. How can we refuse to adopt legislation which may be presented any time from now on which has the effect of giving to any individual in the Government service an increase in pay when we have failed to hold the line ourselves? How can we refuse to pass legislation to do away with the Little Steel formula or oppose any other attempt to break the line when we ourselves have been the first to do so? What are you going to say to your constituents or to pressure groups of one kind or another when they say to you, "You broke the line." I do not believe if I voted for this legislation I would have a very ready answer.

Let us not forget also that the biggest increase in expenses any of us have had has been the increase in taxes, an increase which is borne by every other citizen in this country. The tax we pay on our salaries at the present time is something over $2,000 more than it was before the war. If we pass this legislation, we are putting ourselves in the position of giving ourselves an allowance sufficient to absorb the extra tax which we are paying for the purpose of carrying on the war. Can we in good conscience refuse to give the same relief to anyone else who may come in and say, "I am entitled to an increase in my pay in an amount sufficient to take care of my increased taxes." If we pass this legislation, it means we are unwilling to make our share of the sacrifices which every individual in this country must make at this time if we are to win the war and the peace. I do not believe we can do it in good conscience.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, whatever we say about the pending provision with respect to increasing the compensation of Members of Congress and the method under which we are considering it, I should like to make two observations. In the first place, I believe in stabilization. If the salaries of Members of Congress are to be increased, I would oppose increasing them more than the so-called Little Steel formula; or 15 percent, the amount that we have increased the compensation of legislative or congressional employees. Secondly, there is a mistake which Congress has made in not providing for credit for the expenses in Washington of Members of Congress in previous legislation. That mistake was not of very great moment until 1939 and subsequent years. Twice a year we passed revenue laws which increased very materially the income taxes on incomes of $10,000. Now we know that the failure of Congress to provide for a credit for our expenses including rent, hotel room, and other similar expenses in Washington is a mistake that has been brought home to us.

I propose to meet the issue directly. The proposed amendment in the bill would virtually increase the salaries of Members of Congress 50 percent. It is urged that we are entitled to the same credits that business is entitled to. I agree. My solution of this matter, for whatever it be worth, is this: First, I would provide that Members of Congress be given a credit under section 23 of the Revenue Code for their rental and other expenses in Washington not to exceed $2,500 per year. That would provide for a definite, automatic allowance for our living expense in Washington, to cover a mistake that we have made in previous years in not providing for that expense. We ought not to shirk the responsibility. We should not leave it to the court or to the Commissioner of Internal Revenue. We could well afford, and I think the country would be willing to approve, and for us to provide a definite deduction of $2,500 because of our maintaining two homes.

Secondly, if we are to increase the salaries of our employees and other Government employees, I would provide for an increase of $1,500 a year in the salaries of Members of Congress, with a definite deduction of $2,500 for their expenses in Washington, because they are called upon to maintain two homes. We would thus meet the issue directly. We could not be charged with having increased our salaries 50 percent when we are insisting upon stabilization and maintenance of the line.

So when we reach the provision under conisderation, about which we have been talking, I will offer a substitute for that to provide for a compromise of this matter, to increase our salaries by $1,500, or 15 percent, and give us an automatic deduction for living or rental or hotel room, and similar expenses in the sum of $2,500. I will offer that as an amendment to the Internal Revenue Code. I believe in all the circumstances, we will correct a mistake that we should have corrected years ago, and at the same time maintain the stabilization line by not increasing, either directly or indirectly, the salaries of Members of Congress more than 15 percent.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mr. PLOESER. The gentleman brings about a salary raise of 15 percent and he

brings about an allowance for expenses, which is proper, but he fails yet to say that anybody but Members of Congress should pay those expenses of the office, which should properly be borne by the Government.

Mr. WHITTINGTON. I get the gentleman's point. The purpose of this $2,500 is to pay that expense, whatever it may be, because of our having to maintain two homes.

Mr. PLOESER. No, not two homes.

Mr. WHITTINGTON. We retain our homes in our districts and we must provide hotel accommodations or apartment accommodations in Washington. We thus maintain two homes.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. O'NEAL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have had very full discussion of this entire matter. No doubt we will have a few amendments offered. I think every Member here has made up his mind and knows what he is going to do. I am now asking for this time to inform you that when we reach that portion of the bill, which will be shortly, I am going to ask unanimous consent that the debate be limited to a reasonable length of time so that we may have a chance to settle the matter, and do it promptly and expeditiously without tiring out the whole membership of this House.

My only purpose in speaking now is to announce that as soon as we reach that item I am going to ask unanimous consent to limit the debate. I think everybody has spoken who desires to speak, and it seems to me it is not necessary to go on, and on, and on, with the argument.

I shall make that request when we reach that paragraph in the bill.

Mr. SMITH of Ohio. Mr. Chairman, I wish to state my position on this proposal to provide an additional $2,500 labeled "Expense account for Congressmen." First, however, I wish to answer the gentleman from New York [Mr. CELLER] who made a statement to the effect that those of us who oppose this item would nevertheless take the $2,500 if it passes. I wish to say to the Congress and to my constituents that if this passes I will not take any part of it. This is wrong and I believe that most Members of the House know that it is wrong.

This $2,500 will be exempt from taxation. It is class legislation if ever there was class legislation; and I wish for my country's sake that the item were withdrawn.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. No; I do not care to yield just now; I would rather finish my statement first; then I will yield.

In the first place, I think the Committee on Rules did wrong by placing the provision in the rule which prohibits the making of a point of order against the item in question.

What are the people of the country going to say about this? They are going to say that the Congressmen raised their salaries by $2,500. And I must say that, so far as I am concerned, if I took that money I would have to admit that my salary had been raised by $2,500. I do not care to speak further on this, Mr. Chairman. I agree with the gentleman from Nebraska [Mr. BUFFETT] who made that splendid talk and told us that it was our duty to stand between the inflation that threatens this country and something in the way of a sound and safe economy. If this provision passes we shall have weakened our position to stem the great pressure by the bureaucracy, which is constantly increasing, for more and more appropriation of funds to keep it going.

I dislike to take this position; I do not do it because I like to, but I feel it is my bounden duty to do everything I possibly can to stem the threatening inflation.

I now yield to the gentleman from Missouri.

Mr. PLOESER. The gentleman from Ohio is certainly sincere in his position or he would not take it, but he made the statement that this would be exempt from taxation. On what assumption did the gentleman make that statement?

Mr. SMITH of Ohio. I have just talked to one of the men in the Internal Revenue Bureau and he told me that because of the manner in which it is set up it would for all practical purposes be exempt from taxation.

Mr. PLOESER. But if it were salary it would not be exempt. If it be truly expenses it rightfully should be exempt, should it not?

Mr. SMITH of Ohio. I would rather not discuss that further.

Mr. PLOESER. That is the meat of the whole debate today. I feel that the gentleman should answer.

Mr. SMITH of Ohio. If the gentleman insists upon an answer I will give him the answer.

Mr. PLOESER. I would like an answer.

Mr. DONDERO. Mr. Chairman, will the gentleman yield to me that I may answer?

Mr. SMITH of Ohio. I yield.

Mr. DONDERO. On the question of whether or not this money is taxable the report itself says it shall not be taxable.

Mr. PLOESER. That is very true because we intend that it be used for expenses only. Make no mistake about that intention.

Mr. SMITH of Ohio. I am not questioning anybody's intention at all.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. POAGE. Mr. Chairman, I move to strike out the last seven words.

Mr. Chairman, I certainly do not want to criticize the committee. The committee has worked out a very sound, fair arrangement of a very difficult problem that should have been solved a long time ago. I wish it had been done before the war. Had we raised our salaries or anybody else's salary while civilian goods were plentiful, it would have added to the standard of living—unless the increases were so excessive as to result in unemployment—because there were goods to be bought with the additional money. When we raise salaries generally during a time like the present, when we have a controlled economy and do not have an adequate supply of consumers' goods, we do not bring about an increase in the standard of living, we only bring about an increase in the cost of living. I believe that in normal times, when additional wages result in additional buying power that it is well to keep wages just as high as the productive ability of the wage earner will allow. In other words, in normal times the higher the wage scale, the higher the standard of living, so long as the worker is able to contribute more in the way of new wealth than the amount of his wages. At any time that his wages get so high as to amount to more than the wealth that he creates, he will find his employer suffering a loss by reason of his employment, and if that employer is a private individual or corporation, he will soon be unemployed.

We are not, however, living in a free economy. We are fighting a war. As long as that war goes on, we cannot increase the supply of a multitude of articles that we, as civilians, want without reducing the supplies needed by our armed forces. Therefore, more money in circulation will not raise the standard of living of our people, but it will raise the cost of living. No one should want to raise the cost of living I have therefore felt that this is an unwise time to raise anybody's salary or income Last December I was the only man in the House of Representatives on a roll-call vote to vote against a general pay raise for postal employees. Of course, some of the low-paid postal employees need a raise, and I wish I could have seen my way clear to give it to them.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Georgia.

Mr. TARVER. There were four Members who voted against that.

Mr. POAGE. I am talking about the last vote There were four the first time this matter was before the House. The gentleman from Georgia [Mr TARVER], the gentleman from Tennessee [Mr. GORE], the gentleman from Texas [Mr. RUSSELL], and I then voted against the proposal. That was probably a year ago, but there was a vote on this proposition last December, and at that time I was the only man in the House of Representatives who voted against it.

Mr. TARVER. I have never voted to increase the salary of postal employees.

Mr. POAGE. That is correct. I am sure the gentleman from Georgia has consistently fought this wartime pay increase, but the gentleman was not here the last time this matter came before the House. The roll call vote was, I believe, something like 232 to 1, and I well recall being the 1. I voted a sincere vote at that time because I believed then and I still believe that had we given that increase which many people wanted and which many people needed, it would have resulted in a complete break-down of the control of wages throughout the Nation because I cannot believe we can raise Government employees' salaries and at the same time deny the right to private industry to do the same thing. If we allow that kind of break-down, it is perfectly patent that we break down

all price control. The result is bound to be an inflationary rise in the cost of living that will take away from the intended beneficiaries all of the proposed benefits.

Personally, I do not look upon this as a salary increase. I think the committee has very fairly stated it. It is honestly a proposition to take care of legitimate expenses. The gentleman from Missouri has correctly said it should not be taxable. But I do not think we should pass it because the public will believe that the Congress is trying to secure for itself something which they think it will not give to other individuals.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Missouri.

Mr. PLOESER. The Government today does give it all to their employees.

Mr. POAGE. That is right. The Government does pay these expenses for all other employees of the Government, but the public does not understand that.

Mr. PLOESER. Therefore we would not be passing anything for ourselves that we had not already done for everybody else.

Mr. POAGE. I fear I have not been able to make myself clear. In my opinion, the allowance for expenses is thoroughly deserved and were it not for the fact we are engaged in a war and are operating under a controlled economy where increased incomes must necessarily result in increased prices rather than an increase in the standard of living, I would vote for this proposition. I think the proposal by itself is fair, but I think the time selected for bringing it up is very inappropriate. When the Congress does anything that the public looks upon as giving itself a special privilege the psychological result is as bad as if that special privilege actually existed. I realize this is no special privilege. I realize the necessity and the justice of the claim just as I recognize the justice of the claim of some of these postal employees; but I also recognize that the effect on the economy of the Nation will be just as bad as if it actually were a salary increase Inflationary advances in the cost of living are often the result of what the people think, not the result of sound fact. Inflation is always brought about by what people think. People are going to think of this as a salary raise. It does not make any difference whether it is a salary raise or not, it will have the same evil effect on public thinking and will have the same unhappy inflationary effect. We must maintain the confidence of the people in the Congress. To do so, I am willing and I know you are willing to make some sacrifice.

I am not going to ask others who are in less fortunate positions than I to forego wage increases in order to help hold the price line and then jeopardize that line for my own benefit, no matter how much I would like to have this allowance. I feel this is a most unfortunate time to bring this matter up. We should let it lie dormant until after the period when we fear inflation, then we should do justice by the Congress as well as by everybody else. I voted against the rule making this bill in order. I shall vote against allowing these expenses at this time. When I can conscientiously vote to raise the compensation of the great bulk of Federal employees, I will vote for this measure. So long as I cannot see my way clear to vote additional money to people who I know need it more than I do, I am certainly not going to vote, even indirectly, to raise my own pay. I fear that the inflationary effect of this action will be far more serious than the condition you seek to correct. No man's salary can escape the destructive effect of inflation. No one can expect to get enough salary increase to offset inflation.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I have a very genuine regard for the sincerity of my colleague from Texas. He indicates the expense proposal is justified but that the people generally will misunderstand our action and feel there has been a salary increase. I believe there is a responsibility for my friend, when a misapprehension appears among our citizenry, to clarify that atmosphere. He can do much to dissipate the confusion that may exist.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Clerk read as follows:

There shall be paid to each Representative and Delegate, and to the resident Commissioner from Puerto Rico, after January 2, 1945, an expense allowance of $2,500 per annum to assist in defraying expenses related to or resulting from the discharge of his official duties to be paid in equal monthly installments. For making such payments through June 30, 1946, $1,642,500, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

Mr. TARVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TARVER: Page 15, line 25, strike out line 25, and on page 16, strike out lines 1 to 9, inclusive.

Mr. WHITTINGTON. Mr. Chairman, I offer a perfecting amendment, and I submit that the amendment I propose to offer should be considered before the amendment to strike out.

Mr. TARVER. Mr. Chairman, I do not yield to the gentleman to offer a perfecting amendment, and I hope that this will not be taken out of my time.

The CHAIRMAN. It will not be taken out of the gentleman's time.

The Clerk read as follows:

Perfecting amendment offered by Mr. WHITTINGTON: Page 15, strike out all of line 25 and on page 16 strike out all of lines 1, 2, 3, and 4 down to and including the word "installments" in line 5, and insert in lieu thereof the following:

"There shall be paid to each Representative and Delegate and to the Resident Commissioner from Puerto Rico after January 2, 1945, an additional annual salary of $1,500 payable in equal monthly installments.

"Section 23 (a) (1) (A) of the Internal Revenue Code (relating to deductibility of trade and business expenses) is amended by inserting at the end thereof a new sentence as follows: For the purposes of this chapter, in the case of an individual holding an office as a Member of the Congress of the United States of any State or Territory, his home shall be considered to be his place of residence within the State or Territory from which he is such a member, but the deduction allowable for the taxable year by reason of this sentence shall in no event exceed $2,500, and shall be applicable only with the respect to the taxable years after December 31, 1944."

Mr. O'NEAL. Mr. Chairman, I make a point of order against the amendment.

Mr. TARVER. Mr. Chairman, I do not understand that the amendment is being offered. It has merely been read for the information of the Committee. I did not yield to the gentleman for the purpose of offering an amendment.

The CHAIRMAN. The gentleman from Georgia is still entitled to 5 minutes on his amendment. The gentleman from Kentucky is now making a point of order against the amendment offered by the gentleman from Mississippi.

Mr. O'NEAL. I shall be glad to reserve the point of order if the gentleman from Mississippi desires to speak on his amendment.

Mr. WHITTINGTON. No; I do not ask the gentleman to reserve the point of order, but if the gentleman is going to make a point of order I desire to be heard on it.

Mr. O'NEAL. Mr. Chairman, I make the point of order that the amendment goes far beyond the provisions of the bill. There are provisions in the amendment which deal with subject matters not even closely related to the bill. For example, it has the language, "his home shall be considered to be his place of residence within the State or Territory from which he is such a member, but the deduction allowable for the taxable year," and so forth. Certainly the provision reading "his home shall be considered to be his place of residence within the State or Territory" does not confine it to the purposes of taxation but would affect many, many laws on the statute books today not in any way related to taxation. The gentleman's amendment is not in any way confined to taxation, and so is not a perfecting amendment.

The CHAIRMAN. The Chair will hear the gentleman from Mississippi.

Mr. WHITTINGTON. Mr. Chairman, I have no disposition to detain the Committee or the Chair in respect to the point of order, but I would be less than frank if I did not state that the provision in the bill under consideration is a modification and an amendment of existing law. It only modifies section 23 of the Internal Revenue Code by making the allowance for expenses free from income tax. That in and of itself constitutes, without saying so in so many words, an amendment to existing law, to make the $2,500 stipulated in the bill free from income tax.

For my part, I cannot see the difference between actually reciting the existing law and referring to it and amending it and nullifying its provisions to the amount of $2,500 by a committee report giving the intent of Congress to exempt it from income tax, or making it an allowance free from income tax.

With respect to the other item of $1,500, I am perfectly frank to say that the whole purpose of the $2,500 provision is to increase the salary or the compensation of Members of Congress. While we do not

refer directly to the statute fixing the salary at $10,000, I submit that we do indirectly increase that compensation.

I have offered this amendment in order to bring this provision of $2,500 here within the language of the revenue code covering expenses generally, to place expenses of Members of Congress on an equality with trade and business. I submit the matter to the Chair with the statement that the language of my amendment is the language approved to allow Members credit for their expenses.

Mr. CASE of South Dakota. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from South Dakota.

Mr. CASE of South Dakota. The resolution that was adopted in connection with this bill merely waived points of order against the bill and the provisions contained therein. The amendment offered by the gentleman from Mississippi proposes legislation on an appropriation bill and is not in order.

The CHAIRMAN. The Chair is ready to rule.

One item in the bill is an expense allowance of $2,500 per annum, which in no sense of the word is a raise of salary. The gentleman from Mississippi includes in his amendment to that provision matter that evidently is not germane to the bill. Therefore, the Chair sustains the point of order.

Mr. WHITTINGTON. Mr. Chairman, I offer a further perfecting amendment.

The CHAIRMAN. Does the gentleman from Georgia yield for that purpose?

Mr. TARVER. No. I think the gentleman should offer his perfecting amendment after the consideration of the amendment I have offered.

The CHAIRMAN. It is within the province of the gentleman from Georgia to decide whether or not he shall yield. The gentleman may now proceed.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield for the purpose of a unanimous-consent request?

Mr. TARVER. I yield to the gentleman if it is not taken out of my time.

Mr. O'NEAL. I assure the gentleman it will not be taken out of his time.

Mr. Chairman, it is my feeling, although I may be wrong, that practically everyone who wants to speak on this bill has spoken on it, and probably everyone has made up his mind. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes.

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, does the gentleman confine that to the amendment now before us or to all amendments to this paragraph?

Mr. O'NEAL. It applies to all amendments to this paragraph and all amendments thereto.

I have asked unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes.

Mr. HENDRICKS. Mr. Chairman, reserving the right to object, that does not prevent the offering of any amendment?

Mr. O'NEAL. No; it does not prevent the offering of any other amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. TARVER. Mr. Chairman, it is pretty easy for Members in the heat of debate to say things they do not mean which reflect upon the integrity and purposes of their colleagues. I shall not participate in any attack upon the motives of those who are supporting this provision or of those who are opposing it. I have served something over 18 years in the House of Representatives and I have never been associated with a body of men and women in whose honesty of purpose and in whose integrity I have more confidence. There are logical arguments not connected with demagoguery of any kind or description, not connected with any sort of selfish interest, which may be advanced for or against this proposition. I have entertained the viewpoint for the several years of this war that expenditures in connection with civilian affairs of the Government ought not to be increased during the period of the emergency. In pursuance of that viewpoint, I have voted against increasing the salaries of postal employees, although no portion of my constituency is more nearly composed entirely of my loyal friends than are these postal employees. I have voted against increasing the salaries of all Federal employees, as has been done for the emergency period until June 30 of the present year and will probably be done for a further period. I have voted against an increase in secretarial hire for Members of Congress and against the increasing of the salaries of the clerks of the Committee on Appropriations. I have not failed to realize that the salaries which are paid to these various types of employees, as well as the salaries which are paid to the Members of Congress, do not buy in actual value after taxes are paid very much more than two-thirds of what they were capable of buying prior to the beginning of this war.

I know there are many arguments which can be advanced in favor of increasing the salaries of Federal employees and in favor of increasing the salaries of Members of Congress, but I have felt with the casualties in this war approaching the million mark, with the boys fighting and dying while being paid $55 per month on the battlefields in the Pacific and as they have been dying in Europe, we ought to be willing to make some sacrifice. So I am in the attitude of saying to you that while under normal conditions you might well be entitled to this consideration, yet conditions are far from normal. As a matter of fact, neither we nor anybody else in this country have made very much sacrifice in this war except the boys who have act ally been doing the fighting. With a national debt approaching $300,000,000,000 I appeal to you to sacrifice something that, under ordinary circumstances, you might be justified in asking for, to take this little share of our national sacrifice to yourselves and not to increase your compensation in this time of emergency.

If you take that position, then you can take the position of voting to hold down other salaries in the Government, other expenses, adhere to the Little Steel formula and perhaps hold the line against the great threat of inflation which I conceive to be very grave indeed. But if you vote for this I do not see how you are going to justify yourselves in voting against any of the several propositions to increase Federal salaries, which you are going to face within the next week or so nor against any proposal which would have the effect of increasing salaries and wages for millions in industry proportionately to this increase for yourselves.

I have no criticism to make of the position of anybody else. I moved in the committee to strike out this provision, and in maintaining consistency in my position I am moving to strike it out here.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. WHITTINGTON. Mr. Chairman, I offer a preferential amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: Page 15, strike out all of line 25, and on page 16 all of lines 1, 2, 3, 4, and down to and including the word "installments" in line 5, and insert in lieu thereof the following:

"Section 23 (a) (1) (A) of the Internal Revenue Code (relating to deductibility of trade and business expenses) is amended by inserting at the end thereof a new sentence as follows: 'For the purposes of this chapter, in the case of an individual holding an office as a Member of the Congress of the United States of any State or Territory, his home shall be considered to be his place of residence within the State or Territory from which he is such a member, but the deduction allowable for the taxable year by reason of this sentence shall in no event exceed $2,500, and shall be applicable only with respect to the taxable years after December 31, 1944.'"

Mr. O'NEAL. Mr. Chairman, I make a point of order against the amendment. I make the same argument on the point of order that I made on the last amendment offered by the gentleman, namely, that that part of his amendment which says his home shall be his place of residence within the State or Territory, might affect provisions of law far beyond anything contemplated in this bill and is plainly legislation on an appropriation bill, and not germane.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. WHITTINGTON. Mr. Chairman, the ground of objection is certainly all-inclusive. It apparently covers many different amendments.

This amendment is an exact copy of half of the amendment that I previously offered. I offered an amendment to increase salaries $1,500 and for a deduction as expenses for $2,500.

The previous amendment provided for an increase of $1,500 in the congressional salaries and for a deduction not to exceed $2,500 for expenses of Members of Congress made necessary by their being required to maintain a residence in Washington while maintaining a home in their district.

It is true that the salary increase would apply to the statute fixing the salaries at $10,000. It was not embraced directly in the provision under consideration. My amendment also provided for deduction for expenses including rental, apartment, and other official expenses in Washing-

ton. That part of the amendment was certainly germane to the provision under consideration. I have therefore rewritten the amendment and eliminated the increase of salary, as I maintain that the increase in salary can be provided in other legislation that will shortly come before the House for increasing the salaries of congressional employees.

The provision under consideration is an amendment of section 33 of the code. Nothing is said in the provision about its being exempt from taxes. It is true that the report of the committee states that the $2,500 is to be exempt from taxes. I think that the House ought to be definite. My amendment is germane to the provision under consideration. It makes definite provision for allowing up to $2,500 for expenses. It is a direct approach.

I believe it to be germane. I should like to add that the language of the amendment is not original with me. It has been approved in bills that have been introduced that were prepared by the drafting service and that have been approved by attorneys for the Joint Committee on Taxation and Revenue. I have used substantially the language embraced in the bill introduced by the gentleman from Chicago [Mr. SABATH] who introduced H. R. 1627. Similar bills were introduced by the gentleman from Vermont [Mr. PLUMLEY], H. R. 2408, and the gentleman from Ohio [Mr. JENKINS], H. R. 2319. The language of my amendment refers only to expenses of Members of Congress. So does the provision under consideration.

I have eliminated and I have stated that part of the amendment I offered just now to which a point of order was just made increasing the salaries by $1,500 because I assume, Mr. Chairman, that that may properly come before the House in the next 6 weeks, when a provision to extend the present 15 percent covering legislative or congressional employees comes before the House. I confine my observations in response to the point of order and I will undertake to say that as I understand the point of order the gentleman from Kentucky makes the point of order on the ground that the amendment is not germane. I simply say this: That the amendment deals with the only law that is dealt with by the amendment in the bill to existing law, to wit, it provides for definitely $2,500 as expenses for Members of Congress.

The amendment I offer simply refers to the law and puts that expense on all fours with all other similar expense to all classes of citizens of the United States; and, if anything, it is more inclusive, because it would embrace all items of expense up to $2,500 but not to exceed it.

The CHAIRMAN. The Chair is ready to rule.

The pending appropriation bill contains a provision that would allow Members of Congress a sum not exceeding $2,500 to pay expenses. The amendment offered by the gentleman from Mississippi would constitute legislation on an appropriation bill, legislation which comes within the province of the Committee on Ways and Means. The Chair is of the opinion that the amendment is not germane to the pending paragraph and, therefore, sustains the point of order.

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word.

Mr. MASON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. Mr. Chairman, I regret very much to interrupt the gentleman from Mississippi to call the attention of the gentleman and the Chair to the fact that time has been limited.

Mr. WHITTINGTON. But I happen to be one of those gentlemen who asked for time under the limitation.

The CHAIRMAN. For the information of the Members may the Chair suggest that nine Members rose. The time was limited to 30 minutes.

The gentleman from Mississippi [Mr. WHITTINGTON] is recognized for 3 minutes.

Mr. MASON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. The gentleman from Mississippi has already occupied more than 3 minutes. If he is now to be recognized for an additional 3 minutes he will be receiving an undue proportion of the already limited time.

The CHAIRMAN. The Chair advises the gentleman from Illinois that the time consumed in considering the point of order was not deducted from the time set aside for debate.

The gentleman from Mississippi may proceed.

Mr. WHITTINGTON. Mr. Chairman, I have no desire to detain the Committee.

Personally, I have endeavored in my feeble way to offer my contribution to the solution of this rather difficult problem. The committee has considered it carefully.

It has been said that increases in the compensation of Members of Congress ought to be applicable to succeeding Congresses. That has not been true in practice. The last increase in salaries of Members of Congress was made in the closing days of the Sixty-eighth Congress, on the last day before the next succeeding Sixty-ninth Congress; so that the matter of the last increase we had was never submitted to the country.

My whole thought is that we ought to settle ourselves the matter of our deductions and our expenses, because we are called upon to maintain two homes. We should be allowed our expenses in Washington to the amount of $2,500 as provided by the item in the bill, and as I have proposed in my amendments.

Let me further say that we ought not to increase our salaries more than 15 percent. The whole purpose of the provision in the bill is to allow Members of Congress $2,500 for expenses related to or resulting from the discharge of their official duties. While the amendment does not so state, as shown by the report of the committee, it is intended that the allowances will be free from income tax.

I opposed the rule and unless the amendments that I have offered as a compromise are adopted, I will support a motion to strike out the provision. Personally I believe that we should provide for the same percentage of increase to Members of Congress that we have provided for our congressional employees. I think we ought to make a definite exemption of expenses for rental or for hotel rooms and similar expenses in Washington as we are required to maintain our residences in our districts. The provision, in the bill if exempt, is really, as I stated, a salary increase of 50 percent. Personally I cannot oppose other salary increases when I insist upon holding the line unless Members of Congress hold down their increases to 15 percent. Formerly Members of Congress spent substantially half of their time at home. For the past 12 years, during the emergency and during the war, they spend practically all of their time in Washington. The costs of living have increased. The sum of $2,500 is a reasonable deduction for expenses. Personally I would prefer not increasing the salary, but if the salary is increased it should be limited to 15 percent. I proposed the amendments to which points of order were sustained in an effort to solve a difficult problem as a compromise. I believe my proposition far better than the provision in the bill. Unless such a proposal or a similar proposal is adopted, I shall continue to oppose the provision of allowing $2,500 free from taxes, as it amounts to an increase of salaries from $10,000 to $15,000. I think the increase should be limited, as I have stated to 15 percent. At the same time, I believe we should have a reasonable allowance for expenses in Washington.

The CHAIRMAN. The gentleman from Missouri [Mr. COLE] is recognized for 3 minutes.

Mr. COLE of Missouri. Mr. Chairman, when I campaigned for election to my first term in this House I knew what the emoluments of the office were. I did not however know the expense incident to the office. I found that out during my first term here. So when I filed for reelection I had full knowledge of the amount that I could expect in remuneration, the amount that I must pay in income tax, the expenses incident to travel, the expense of living in Washington, the cost of entertaining constituents, the cost of maintaining two homes, and the many other expenses that a Member of Congress is obligated to pay. I knew that the going was tough, yet I campaigned vigorously for reelection. I did not tell the voters of my district that I could not get by on the salary of the office. I knew that it would be most difficult for me to stay within my income and under those circumstances, I asked reelection.

That was my contract with the voters of my district. I did not tell them that I would need an expense allowance. For this reason, Mr. Chairman, I feel duty bound to vote against the $2,500 expense allowance provided in this bill. I voted against the rule waiving points of order on this bill. I shall support the pending amendment to strike the item from the bill and if that is not successful I shall vote against the entire bill.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

The Chair recognizes the gentleman from Texas [Mr. RUSSELL].

Mr. RUSSELL. Mr. Chairman, I am not unaware of the expenses which the individual Members of this body, as well as the other body, are obliged to assume in carrying on their duties in representing their respective districts; but I wonder whether or not we are doing the right thing.

We have just finished at least a part of one of the greatest wars the world has ever known and one of the most expensive wars that the world has ever known. It has cost us more money—I am making a rough guess but I believe I am rather accurate—than all of the wars heretofore have cost us. The people of America have made sacrifices and it should not hurt our conscience too much to make sacrifices here. We have gotten by some way. We can finish it and get by. We have been told that our indebtedness at the close of the war will be somewhere between 300 and 325 billion dollars. If you will take your pencil and calculate that you will see how much it means to each individual in the United States of America. You will also see the financial conditions that we are going to find ourselves in.

When I came to Congress I came on a platform of an economy program; in fact, I promised my people such a program when I asked to come here to represent them. I have tried to be almost 100-percent consistent in carrying out that promise. I have voted against most of the raises, although there were one or two cases wherein I thought the equities of the occasion demanded a raise and I supported those instances, but in most cases I voted against them. I am keeping two homes also; I am a long way from home and I appreciate the expenses involved, but, Mr. Chairman, I am ready to sacrifice a little more until we win this great conflict, until the chaos is over. This is no time to upset the boat, as a gentleman who preceded me stated. This is no time to raise salaries, because if we do we are opening the floodgates and you will see the effect of it within a few days. Every concern in the country will throw into our faces the statement: "Yes, you raised your own salaries. Now it is time to raise ours."

Every paper I pick up contains something in reference to this matter. Where are we going to get the money? Let us be consistent and support the pending amendment. The pending amendment is the Tarver amendment which seeks to strike out that part that raises the salaries of Representatives and Senators, and I am supporting that amendment. I voted against the rule that waived points of order against this raise, and now there is no way to defeat the same except by the amendment pending, which I hope we will support, and strike out this provision raising the salaries of all Congressmen.

Three hundred billion dollars indebtedness is not to be laughed off. That amount is so enormous that I cannot see how it can ever be paid, and yet we seek to place more indebtedness upon the people. We do not have any money to operate our Government now except by borrowing same, and today there is being carried on in our country a bond drive where the people are being besieged to buy bonds, which of course is a loan of their money to support the Government in order that our Government might function and we can finish this war and bring it to a successful conclusion.

If these were ordinary times and our country was in good shape financially, I would not have any objection to passing the expense account as provided in this bill. But I believe it is our duty here to lead the way and show to the people that we are willing to do our part in sacrificing in every way that we possibly can. If we have the money, it is going to be our duty to help the returning soldiers; to help them rehabilitate themselves. And with that drain on our finances, as well as the insurance that we are going to have to pay for those who gave their all, is going to bring about a condition which I am fearful will erupt our financial structure. Let us not do that today. Vote for the Tarver amendment and strike this provision out of the bill.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair recognizes the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, it is not my intention to criticize any Member who disagrees with me in my opposition to this proposal to provide $2,500 a year for each Member of Congress.

I am probably the only one in the House who was here and fought on this floor against the pay raise in the Sixty-eighth Congress, mentioned by the gentleman from Mississippi [Mr. WHITTINGTON]. I opposed it at that time along with Mr. Eugene Black, of Texas, on the ground that it would increase the pay of Members of Congress for a term to which they had already been elected.

I realize that there is going to have to be a readjustment of wages, salaries, and farm prices at an early date. This is especially true as to prices of farm commodities, such as wheat, corn, and cotton, which are now far too low to enable the farmers to enjoy a reasonable measure of prosperity.

When the last war closed we had $5,698,000,000 in circulation. At that time cotton was 35 cents a pound, wheat $2.50 and corn $1.75 a bushel.

Today we have $25,899,000,000 in circulation and cotton is selling at about 23 cents a pound, wheat at $1.75, and corn $1.15 a bushel. There is bound to be a readjustment of wages and salaries, and especially of farm prices to bring them into line with the new price structure which this vast increase in the volume of money has created.

But here is my objection to this proposition now. There never was a time when Congress needed the confidence of the American people more than it does today. What I am afraid of is that the passage of this provision in its present form, especially at this time, will shake that confidence which means more to us and to the American people in this crisis than all the salaries and all the increases that could be paid to Members of both Houses.

I voted against the rule and I shall vote for the amendment offered by the distinguished gentleman from Georgia [Mr. TARVER] to strike this provision from the bill. If there is going to be a readjustment of salaries, let it be done to take effect at the beginning of the next Congress, and then you will not be subjected to the criticism that you have broken faith, so to speak, or shaken the confidence of the American people at a time when we are passing through one of the greatest crises in all the history of mankind.

So with that feeling I am compelled to support the amendment offered by the gentleman from Georgia to strike this provision from the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I shall not use much further time. I submitted and sent to the Clerk's desk a similar amendment to that of the gentleman from Georgia [Mr. TARVER] that is to strike out all that part of the bill allowing each Member of the House an additional $2,500 per year. Of course, I shall support his amendment. This simply is not the time for Congress to be increasing the allowance of expenses or salaries, either one. It does not come with any too good grace, I am afraid, for us to spend $1,600,000 here on ourselves when we are asking others to hold the line. Let us set the example and save the money, forego the use of it now. We are in a war crisis. We are taxing and taxing. More and more bonds must be sold. I know in the aggregate it does not seem so much, but to take it now is not the thing to do.

I called attention before on this floor to the fact that we are not permitted under regulations now to increase the salaries of the white-collar workers throughout this country who are not getting as much money as they are entitled to, yet we step in today and ask for an increase for our own expenses. Let us let it go. Let us pass it for the present; at least, let us not take it up at this crucial time. Wait, at least, until the picture is brighter and our financial condition is better. I hope you will vote to eliminate this item from the bill.

I have sent an amendment to the Clerk's desk to be offered in event the House votes down the amendment now under consideration. It cuts the allowance from $2,500 to $1,000. If you are not willing to knock out all the $2,500, then support this one that will save $1,000,000 of this appropriation. I do not think the $1,000 should be allowed but it will save $1,000,000, and leave more than enough money to take care of the expenses you are talking about today. I would withhold the amendment until after the vote on the one pending, but under our parliamentary situation, I will not have a chance to talk on it after the vote now pending. The House should defeat the whole thing and save the $1,640,000. If the Tarver amendment is defeated, I hope on roll call—if we may have a roll call—you will vote against the bill and let the committee bring in a bill with this section stricken out.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 16, line 2, strike out "1945" and insert "1947"; and in line 5, after the period strike out the balance of the paragraph.

Mr. CASE of South Dakota. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. Will this amendment be regarded as a perfecting amendment, to be voted upon before the Tarver amendment, or will it be voted upon after the Tarver amendment?

The CHAIRMAN. It is a perfecting amendment and will be voted on before the Tarver amendment.

Mr. CASE of South Dakota. Personally, I should prefer to have it the other way, because I should like to have the vote come first on striking out the entire paragraph. However, under the parliamentary situation I do not know how to do that. This amendment is in the nature of a perfecting amendment and will be voted upon first.

I do not care to take time to argue the merits of the matter because that has run through the debate all during the afternoon. This is what the amendment does: It leaves the legislative language setting up an expense allowance of $2,500 per annum but makes it effective only after January 2, 1947. In other words, it would not be effective for this term of Congress, and no one would get it until after the succeeding election.

The second part of the amendment strikes out the portion of the paragraph that provides the appropriation in this bill.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Missouri.

Mr. PLOESER. Does not the gentleman attempt there to appropriate several years in advance?

Mr. CASE of South Dakota. No; it simply is a legislative provision.

Mr. PLOESER. I know the gentleman is one of the finest parliamentarians in the House, but I wonder if he has not overstepped the bounds in his amendment.

Mr. CASE of South Dakota. Even if that were true, no one made a point of order against the amendment.

Mr. PLOESER. I am not making a point of order, but the gentleman admits that it is subject to a point of order.

Mr. CASE of South Dakota. The gentleman does not admit that. The amendment changes the date but shrinks the period covered and does not expand. I think it is in order. At any rate, the point of order would come too late.

I think it is clear what the amendment does. It gives an opportunity to pass on the issue raised of whether or not this should be effective now or after a succeeding election.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Alabama.

Mr. PATRICK. This is a bill making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes.

Mr. CASE of South Dakota. Yes; but the rule adopted made in order the legislation in this paragraph, and this is a germane amendment to change a date in the legislative part of the paragraph and to strike out the last sentence carrying the appropriation. It is clearly in order and places a debated issue before the membership.

Mr. O'NEAL. Mr. Chairman, has the gentleman's amendment been offered or read for information?

The CHAIRMAN. It has been offered. It is a perfecting amendment.

Mr. O'NEAL. I wanted to make a point of order against it. I must make a point of order against it, certainly.

Mr. CASE of South Dakota. Mr. Chairman, the point of order comes too late.

The CHAIRMAN. The gentleman from South Dakota has already debated the amendment, and the point of order comes too late.

Mr. ABERNETHY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Chairman, I cannot support that section of H. R. 3109 which has for its purpose the allowance to Members of Congress of $2,500 per annum to assist in defraying expenses related to or resulting from the discharge of official duties.

There is no doubt, Mr. Chairman, but that these expenses have tremendously increased in recent years. But at the same time we cannot turn our backs on the Little Steel formula or the hold-the-line order of our late and lamented President. Without this order our economy would have been engulfed in a state of inflation such as the Nation has never known. Members of Congress have thus far set a wonderful example for those who would break the Little Steel formula. They must continue to set that example.

We all knew when we came here in January what our salaries and allowances were to be for the 2-year term. This additional allowance is nothing more than a raise in salary. I am not willing to vote an increase in our salaries effective during our tenure of office. If we do this there is danger, great danger, of the hold-the-line order becoming only a memory.

I voted against the rule which prevents this section from being stricken on a point of order. I shall vote for the amendment to strike the allowance from the bill.

Mr. WINSTEAD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WINSTEAD. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia [Mr. TARVER] which seeks to strike out the allowance provision for payment of expense of Congressmen incurred by the increased duties of wartime conditions, due to almost continuous sessions, additional travel to and from the district, telephone bills and various other expenses. I realize that many people are under the impression that Members of Congress are allowed these and other expenses, which in reality we pay and are not allowed deductions of them on income-tax returns.

Regardless of needs, however, I have consistently voted for economy in Government and to maintain the Little Steel formula and feel that this is an inopportune time to pass legislation of this nature. If there should be need for this legislation to justify its passage, it has always been my contention that the proper approach is to make it effective for the following session, to give the people a chance to vote for the ones who would participate in the benefits. I voted against the rule which would permit consideration of this section of the bill. I am now supporting the amendment which strikes out the provision for the payments of expenses of Members of Congress, if it fails I expect to vote against the bill. This is no time to bring up this kind of legislation.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, as a member of the Committee on Appropriations I opposed and voted against this provision for payment of congressional expenses in the committee consideration of this measure. I also voted against the rule making in order its consideration.

I cannot take issue with my friends and colleagues who have discussed the amount of expense they have incurred in connection with their service here. From personal experience I know that we all have the expense of two homes, extra mileage, telephone calls, and many other expenses, much of which has been brought about by the almost continuous sessions. I also appreciate the fact that it is not recognized by the people back in our districts. In most instances they feel that those expenses of telephone, extra mileage, hotel bills, and other necessary expenses are now paid.

However, since we accepted this term of office with the provisions of law well known and the amount of compensation well fixed in our own minds, I do question the wisdom of making this increase in allowance of expense incurred on official business at this time. Certainly we will be in better position to keep down inflation in voting on other measures if we adopt the Tarver amendment striking out the provision for paying expenses incident to service in Congress.

I have always made the statement in discussions in my own area and elsewhere that if I ever saw fit or thought it wise to increase the salary of Members of Congress I certainly expected to vote that such increase take effect with the next succeeding Congress and not during the term of office during which the vote was cast, so that the people in our

respective districts would have an opportunity to pass on and select the man they wanted for this office with the increase in salary to take effect after such election. Since I have been a Member of the House I have tried to keep down the expenses of Government. I cannot feel that, in the present emergency, where we are trying our best to hold the line against inflation, we, as Members of Congress, should vote for the payment of official expenses, even though those expenses are much larger than formerly.

I am in favor of the Tarver amendment striking out the provision and hope it will be adopted. Unless this provision for payment of expenses is stricken out I expect to vote against the bill.

Mr. JUDD. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Chairman, in ordinary times there could be no valid argument against the passage of some such provision as this for the necessary expenses a Congressman incurs in performing his duties—such as the many long-distance calls necessary in handling governmental affairs for his constituents, trips to and from his district, the additional expenses required to maintain residence in Washington as well as in his home town, and so forth. In my judgment, this ought to have been done long ago—not so much for the sake of the Congressman as for the sake of the country. It is poor economy to elect a person to so important a task and then not give him the tools to do it well. We would not dream of asking any other officials or public servants to pay out of their own pockets expenses incurred wholly in the performance of their official duties.

Yet in wartime with all the inevitable and understandable pressures to break the line against inflation, a provision which is eminently just to a particular group may have serious repercussions, psychological if not financial, on our delicately balanced wage and price setup with results injurious to our whole economy. At a time when there is terrific inflationary pressure in this country, and when we are tasking all groups in our population to hold the line, I believe we here ought to hold it too, and make no changes in our own allowances. We need to tighten our belts a little more and a little longer until this crisis is past, just as so many millions of citizens are doing, either voluntarily or involuntarily. I could not in good conscience vote for this expense money for a Congressman's work and then vote against increases in salaries or reductions in taxes to persons or groups whose actual condition is worse than that of most of us. Therefore, I must vote to strike this provision from the bill, and if that fails and the allowance of $2,500 a year is granted to begin retroactively on January 2, 1945, then I cannot accept the money, at least during this term of office.

Mr. JENKINS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Chairman, heretofore today we had a chance to vote by yea-and-nay vote on this subject when we voted on the rule making this legislation in order for consideration and I voted "no" on that vote. By that vote I indicated that I am against this legislation and in favor of the Tarver amendment now pending.

I think this is not the proper way to bring this matter before the House. It should come in on a straight-out vote for increasing the salary. This is a sort of a left-handed way.

On February 22, 1945, I introduced a bill that would have, I think, covered this situation better than this method. I maintain that if Congressmen are entitled to consideration by reason of unusual expenses that they should be allowed a tax deduction in the amount of expense incident to the office which they incur such as the expense for housing and lodging and so forth. At present the Internal Revenue Bureau holds in effect that a Congressman lives in Washington. I maintain that a Congressman really lives in his district. My bill would have clarified that situation and done it in a fair way.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. PLOESER] for 4 minutes.

Mr. PLOESER. Mr. Chairman, I am in hopes that the House will quickly defeat the amendment now pending. I think we have thoroughly debated it. I also think every Member has had a fair opportunity to be heard on this bill this afternoon. We have now spent some 5½ hours on this bill, a longer time than we probably have ever spent on a legislative appropriation bill in the history of Congress. I think those who have presented the point that this increase is unjustified have had their day in court, and I am sure that we who have presented the point that the expense allowance is wholly justified have had our day in court. So I am hopeful that the House can finish the bill and adjourn for the day within the next few minutes.

The CHAIRMAN. The gentleman from Kentucky [Mr. O'NEAL] is recognized for the time remaining.

Mr. O'NEAL. Mr. Chairman, now that we are about to conclude our consideration of this matter, I trust no one will consider the Case amendment very seriously due to the fact that we would thereby be legislating beyond the power we possess. Unfortunately, the point of order that I made against the amendment was held to have been made too late. But I trust that the Committee will not adopt that amendment.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield for a question?

Mr. O'NEAL. Yes, indeed.

Mr. CASE of South Dakota. Even without my amendment, if this legislation should be approved in the form in which it here appears, would it not be in effect from now on, including the year 1947 and thereafter?

Mr. O'NEAL. It becomes permanent law; that is correct.

Mr. CASE of South Dakota. That is correct. That is my understanding of it.

Mr. O'NEAL. It becomes permanent law. May I say I believe we probably had unnecessarily heated debate here today. I feel very confident there is no one who can say this matter has been slipped through the House or that there was any evasion or dodging of the question. Men may have different opinions. That is their right. I have felt for some time, and I still feel, the Members of the House of Representatives are unduly burdened because of the work they are doing, with expenses over which they have no control but must incur in behalf of their districts. I have felt that the Members could not—that is, most of them—afford to carry that load. I have felt that if undue hardship fell upon them by way of sickness, it would present a tragedy in the lives of many of them. I have felt that many men looking forward to some time when they will leave Congress, not realizing we are carrying this extra burden, will not have one dime saved to carry on over a period of emergency. They may be in a position which is rather sad to contemplate. Feeling that, I have taken a great interest in trying to have this presented to the House, hoping that if the facts we present are true, the House would recognize it and stand up and vote to do something about it. The issue is with you. The question is whether or not we have made a case. If we have, I do not think any man need fear to vote what he really believes to be right in his heart. I trust this amendment of the gentleman from Georgia will be defeated and that the Committee will be upheld in its position that a laborer is worthy of his hire and that this should be done now.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE].

The amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Georgia [Mr. TARVER].

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 68, noes 208.

So the amendment was rejected.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: On page 16, line 2, strike out "$2,500" and insert "$1,000"; in line 6, strike out "$1,642,500" and insert "$657,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was rejected.

The Clerk read as follows:

Chaplain of the House of Representatives, $1,680, and $820 additional so long as the position is held by the present incumbent.

Mr. DONDERO. Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with and that it be open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. BROWN of Ohio. Mr. Chairman, I object.

The Clerk read as follows:

OFFICE OF THE CLERK

Salaries: Clerk of the House of Representatives, including compensation as disbursing officer of the contingent fund, $8,000; Journal clerk, 2 reading clerks, and tally clerk, at $5,000 each; assistant reading clerk, $3,600, to continue available, under the limitations of House Resolution 95, adopted January 18, 1945; enrolling clerk, $4,000; disbursing clerk, $3,960 and $2,040 additional so long as the position is held by the present incumbent; file clerk, $3,780; chief bill clerk, $3,540; assistant enrolling clerk, $3,900 and $500 additional as assistant to the Clerk of the House of Representatives; assistant tally clerk, $3,600; assistant to disbursing clerk, $3,120; stationery clerk, $2,880; librarian, $2,760; assistant librarian and assistant file clerk, at $2,520 each; assistant Journal clerk and assistant librarian, at $2,460 each; clerks—1 at $2,460, 4 at $2,340 each; bookkeeper and assistant in disbursing office at $2,160 each; assistant in disbursing office, $1,800; additional clerical assistance in disbursing office in accordance with the provisions of House Resolutions Nos. 585, 390, and 679, adopted December 16, 1942, December 20, 1943, and December 14, 1944, respectively, $15,000; 3 assistants to chief bill clerk at $2,100 each; stenographer to the Clerk, $2,500; assistant in stationery room, $1,740; 3 messengers at $1,680 each; stenographer to Journal clerk, $1,560; laborers—3 at $1,440 each, 10 at $1,260 each; telephone operators—assistant chief, $2,400; 23 at $1,800 each; longevity pay of operators as authorized by Public Law 2, Seventy-ninth Congress, $2,010; operators and extra services of regular employees, when required, at the rate of not to exceed $135 per month each, $1,620; property custodian and superintendent of furniture and repair shop, who shall be a skilled cabinetmaker or upholsterer and experienced in the construction and purchase of furniture, $3,960; 2 assistant custodians at $3,360 each; locksmith and typewriter repairer, $1,860; messenger and clock repairer, $1,740; operation, maintenance, and repair of motor vehicles, $1,200; in all, $205,550.

Mr. SLAUGHTER. Mr. Chairman, I offer an amendment.

The Clerk read, as follows:

Amendment offered by Mr. SLAUGHTER: On page 17, line 7, strike out "$5,000" and insert "$7,000"; and strike out "$3,600" and insert "$5,000"; and in line 14, strike out "$3,600" and insert "$5,000."

Mr. SLAUGHTER. Mr. Chairman, I anticipate that the gentleman from Kentucky is going to make a point of order against this amendment, but I wonder if he will withhold it for a moment.

Mr. Chairman, the amendment offered to increase the salaries of the reading clerks is merely an effort to bring their compensation up to the same figure that the clerks in the other body receive for the same work. It seems to me it is only fair, for it is a matter of common knowledge that they occupy extremely responsible positions, and extremely difficult ones. Every Member of this body knows what excellent service we receive from the clerks at this desk, particularly in the closing days of the session or when the work is hard, when it is not unusual to have 3, 4, and sometimes even 10 roll calls involving, as it does, the calling of a roll of 435 Members twice.

With all of the confusion that goes on in this Chamber and the fact that bills are amended not once but many times, these clerks by their diligence and accuracy manage to achieve a degree of perfection that is hardly believable. It does seem to me that it is only fair that we pay our own clerks as much for the hard work they put in here as the other body pays for people who work under conditions which are not nearly so difficult.

I sincerely hope the Committee will accept this amendment.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. SLAUGHTER. I yield.

Mr. REED of New York. I wish to call the attention of the gentleman from Missouri and of the membership to the fact that the reading clerks, these very efficient and faithful employees at the desk, have not had an increase in 20 years. Practically everybody else has had an increase. I question whether there are many Members of the House who can go up there and perform the duties they perform over their long hours. The strenuous work has ruined the health of more than one reading clerk since I can remember. I think this is a very fair amendment and ought to be passed.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. SLAUGHTER. I yield.

Mr. PLUMLEY. I spent 10 years of my life as a clerk of a legislative body at a salary far from remunerative which, however, paid for an experience not to be valued or measured in or by dollars and cents. If ever anybody was forgotten when salaries were raised, it was the clerk of a legislative body who was the forgotten man. It is, of course, an honor so to serve not easily earned, one, however, determined competitively, did you know that, on the question of merit. These people have undertaken this work as a life job, as a career for which all Members of Congress should be thankful. They should not, however, be penalized by being overlooked. It takes money to pay doctors' and grocers' bills and to raise and educate a family. We should not make martyrs of those who render these essentially, efficient services to us without which, although many do not know it, we could not operate. I am, therefore, in favor of the amendment offered by the gentleman from Missouri [Mr. SLAUGHTER].

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. SLAUGHTER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Admitting all that has been said about the work that these clerks do, how does the gentleman justify doing this on a piecemeal basis, picking up two or three, and not giving consideration to the entire scale of House employees?

Mr. SLAUGHTER. I do not attempt to justify it on any blanket basis. It so happens that from my own personal observation I know what these particular employees do. I have no doubt but what there are others who are just as worthy and if some other Member wishes to offer an amendment he may do so.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. SLAUGHTER. I yield to the gentleman from Pennsylvania.

Mr. GRAHAM. I am one of those who voted for the Tarver amendment against ourselves. But I am in favor of anything that can be done to help these men. The efficient, good order, and good conduct of this House could not go on without their untiring efforts. We have recently increased the pay of telephone operators and we have increased the pay of our own clerks. Why should not these men who make for everything that produces good order and success be granted a reasonable increase, especially when they have not had one in 17 years.

Mr. SLAUGHTER. I thank the gentleman.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. SLAUGHTER. I yield to the gentleman from Ohio.

Mr. JONES. I believe it might be pointed out in comity between the two Houses that the reading clerks here are not paid as much as the other body pays, and while we have at times in previous years given increases to a certain number and have picked out certain employees of the House, we have skipped over and passed over these employees, some of whom have been here for 40 years. In justice and in fairness to the job that these men hold, the reading clerks and the tally clerks' job here is much more strenuous than in the other body because we have 435 Members in the House whereas there are only 96 in the other body. Many times confusion over here creates a nervous tension much greater than would be the case in the other body. As one who yields to no other Member of this body as far as a desire to cut down expenses is concerned, I sincerely believe this is a worthy cause and that we should vote to increase the compensation of these employees. I hope the gentleman from Kentucky will not make a point of order against this amendment.

Mr. SLAUGHTER. There is no question but what my amendment is subject to a point of order if the gentleman from Kentucky cares to urge it. I am informed, however, that there are several increases in this bill which have not been authorized by law. Will the gentleman enlighten me on that point?

Mr. O'NEAL. Mr. Chairman, I shall rise in opposition to the amendment.

Mr. SLAUGHTER. I asked the gentleman a question.

Mr. O'NEAL. I am not going to raise a point of order.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. O'NEAL. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Missouri.

Mr. Chairman, having been chairman of this subcommittee for a long time, I know some of the problems that the committee has which probably the average Member is not aware of. If you will look in this bill, you will find many, many positions in there that are out of line. Certainly these gentlemen are doing a fine piece of work. They are good friends of mine, too. I suppose there are from

50 to 100 in the bill out of line with comparable work, many of them underpaid. Many of them have not had increases.

I stated in my remarks made earlier today that I shall urge the Committee on Accounts to go into this whole salary structure. We not only have men who are underpaid, we possibly have some who are overpaid. Every time we get over to the Senate the Senate informs us that we have a man in the House to whom we are paying so much a month, that they have a man on a similar job over there to whom they are not paying that much. That is not right. Each side more or less brings up examples of maladjustment, and it is very difficult to do justice to everybody.

If you increase this item, there are other gentlemen waiting with amendments at three or four other places for increases. Possibly all of them are deserved. I think an intelligent approach to the matter is for the Committee on Accounts to be asked to go into the whole employment structure in the House and, with the Senate, work out a proper provision that will take care of everybody. For you gentlemen to sit back here and pick out some good fellow—and there are plenty of them up here—and say, "That is a boy that we would like to help," that just is not good business. I think it should be done in a businesslike way, and I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. SLAUGHTER].

The amendment was agreed to.

Mr. RABAUT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this opportunity to address the House because of the fact that there are so many Members present. May I remind you that tomorrow the very controversial conference report on the State, Justice, Commerce bill will be brought up. That bill was very much debated when it was previously before the House, and it will probably be very much debated tomorrow. If you are absent, why blame yourselves if you miss several roll calls, because there is going to be something doing on this conference report tomorrow.

Mr. O'NEAL. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, and that amendments to any part thereof be in order.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. TARVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TARVER: Page 23, line 11, strike out "$4" and insert "$6."

Mr. TARVER. Mr. Chairman, this proposed amendment relates to the compensation of pages in the House of Representatives. They are paid $4 per day. Some of them come many hundreds of miles to Washington, paying, of course, their own traveling expenses. They pay $15 per month to attend the pages' school, and some of them, to my knowledge, have difficulty in meeting their expenses out of the very meager per diem that is paid to them. It seems to me that today, when the House has taken steps to provide for more liberal allowances for itself, and when it has taken steps to provide more liberal compensation for the reading clerks, it is not inappropriate to ask that these 50 boys, who get only $4 per day, may have their compensation increased to $6 per day. Even then they will have barely enough to pay their living expenses, pay their tuition at the pages' school, and pay for their books and for their fare back home. There will not be a dime of profit in it at that.

I certainly hope that the House will adopt this amendment.

Mr. O'NEAL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, here again is a case where we are beginning to write a pay roll. I do not think it is the orderly way to do it. I do not think it is a business-like way to do it. By the action we just took it may be felt necessary to have another amendment to take care of some other men who are thrown out of line. I think you will find that another amendment will be offered right away to correct a situation that has arisen because of the fact that we have just adjusted those other figures. I think it is rather bad business to do it this way. I think the amendment offered by the gentleman from Georgia should be defeated.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Missouri.

Mr. PLOESER. I think it should be explained to the House that some adjustments that were before the committee were taken into consideration.

Mr. O'NEAL. Yes.

Mr. PLOESER. The committee is fully aware of the fact that there should be other adjustments, but this is not the place to consider them without their having been considered over all and given thorough study. I hope no one will take advantage of this situation to try to rush a lot of water through a break in the dam.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. TARVER].

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 20, noes 56.

So the amendment was rejected.

Mr. TARVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TARVER: On page 23, line 11, strike out "$4" and insert "$5."

Mr. TARVER. Mr. Chairman, this is just a meager increase of $1 a day in the salary of these pages. Certainly it is justified if any increase whatever is justified to anybody. I hope that you will do this measure of justice to these boys.

Mr. O'NEAL. Mr. Chairman, the same argument applies to this amendment that was made to the last amendment offered by the gentleman from Georgia. This is not the way to do business, in my opinion, and I trust the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 101, noes 57.

Mr. O'NEAL. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was agreed to.

Mr. O'NEAL. Mr. Chairman, by the direction of the subcommittee, I offer an amendment. I may say that this provision was considered by the subcommittee but through inadvertence was left out of the bill.

The Clerk read as follows:

Amendment offered by Mr. O'NEAL: On page 23, line 23, after the comma following the word "each", insert "one at $3,000, and $450 additional so long as the position is held by the present incumbent," and following that, change the word "three" to "two."

Mr. O'NEAL. Mr. Chairman, the committee carefully considered this amendment. It was one of three amendments which they recommended and considered at one time. Through some inadvertence, this one was omitted. I suggest that the amendment be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The amendment was agreed to.

Mr. LANHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANHAM: On page 22, line 6, after the word "at" (first occurrence), strike out "$1,470" and insert in lieu thereof "$2,400"; in the same line after the word "at" (second occurrence), strike out the figures "$1,680" and insert in lieu thereof "$2,100"; on page 22, line 7, after the word "at", strike out "$1,620" and insert in lieu thereof "$1,920"; in the same line, after the words "all", strike out the figures "$110,820" and insert in lieu thereof "$132,900."

Mr. LANHAM. Mr. Chairman, I am not offering this amendment as the result of any sudden impulse. For some time I have observed that it is specially pertinent in the consideration of this bill.

We are confronted with the question of whether or not we shall have a Capitol Police force, or whether we shall have the Metropolitan Police force come up and look after these Federal properties at a very much greater expense. Let me call to your attention the fact that in 1944 the turn-over in the Capitol Police force was 125 percent. Some of the men who served on it left after only 2 or 3 weeks. The reason is quite apparent: The compensation for such service is grossly inadequate. A policeman on the Capitol Police force, who spends 8 hours a day in the service and works in all kinds of weather, can go down town and be a guard in a public building and make more money for less strenuous work. A private in the Capitol Police force receives $1,620 a year; a guard downtown receives $1,800.

This amendment simply proposes to raise lieutenants of the Capitol Police force to $2,400 a year. That is what a private gets in the Metropolitan Police force. The proposed increases for ser-

geants and privates are similarly out of proportion. It will be seen, therefore, that the amendment I have offered will, if adopted, still leave these public servants in an underpaid class for the work they do.

These men work in three shifts of 8 hours each, day and night, whether the weather be cold or warm, fair or inclement, and they are required to meet certain standards of efficiency. They have supervision of 55½ acres of floor area in the Capitol and the House and Senate Office Buildings and 120 acres of ground space, extending all the way to the Union Station and to the Ford Building on Pennsylvania Avenue.

I could not offer any better justification for this amendment than the testimony in the hearings of the Appropriations Committee with reference to this item. I think it is favored by several members of that committee.

I believe we ought to keep a Capitol Police force to guard and supervise these buildings and grounds on Capitol Hill, which are worth multiplied millions of dollars, and not resort to the more expensive arrangement of having the Metropolitan Police force, not under our direct control or supervision, come up and have charge of these premises. If you will just read the hearings before the Committee on Appropriations, I believe you will see the justice of the proposal I am making. This amendment would still leave the Capitol policemen far short in the matter of compensation of what the Metropolitan policemen in similar capacities are being paid. No wonder the turn-over in the Capitol Police force is so great. These men, many of whom are married and have families, simply cannot meet the ordinary expenses of living with the salaries they are receiving. It is high time to get this injustice corrected.

The question is, Do we want a Capitol Police force or do we not want it? There are 132 of these men, from the standpoint of the House and of the Senate. We had 166 resignations last year. We cannot expect efficient operation upon any such basis.

Mr. O'NEAL. Mr. Chairman, I rise in opposition to the amendment. I rise in opposition to the amendment, not because I object in any way to giving these men on the Capitol Police force what they are entitled to. Again, I say it is not the way to arrange for a pay roll, to sit in this Committee and then in response to an impassioned speech by someone, vote for increases which cause the whole pay-roll structure to be thrown out of balance and cause certain other people to feel they have been mistreated because you took care of one and did not take care of the other. Of course, I think something should be done to aid the Capitol Police force. Under the amendment offered by the gentleman from Texas you will put them on the same basis almost, not quite, with the Metropolitan Police. Well, the qualifications are not the same. The long training and all that goes to make competent, outstanding, fine policemen have not been applied in the same manner as far as the Capitol Police are concerned. We might as well be practical. As much as I would like to see these men helped, I think it is in the interest of the House and the whole pay roll to let this thing go before the Committee on Accounts or some committee to study the question as a whole and not vote in response to some enthusiastic and well-meaning man who knows of one case and does not know of another, and gets the whole watch so it will not run, from tinkering with one or two wheels.

I regret very much to suggest to this House that I think the wiser, sounder, saner, more businesslike way is not to vote just because some enthusiastic speech has been made, but to let this matter go over to the Accounts Committee and the proper authorities, to go into the whole subject, and bring back a bill that will be fair not only to those whom you want to help, but to those whom we have overlooked. I will be glad to cooperate in aiding the Capitol Police.

I hope the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. LANHAM].

The question was taken; and on a division (demanded by Mr. DINGELL) there were ayes 60 and noes 87.

So the amendment was rejected.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the Committee of the Whole House a few minutes ago, in its wisdom, and I take no issue with the action taken, as the majority rule is a procedure that we all respect and follow, increased the salaries of our reading clerks. I want to call attention to the fact that on page 16 the salaries of our Parliamentarian and Assistant Parliamentarian are carried in this bill.

You will note that the base salary of the Parliamentarian is $5,000. You will also note that the base salary of the Assistant Parliamentarian is $3,000. The result of the amendment adopted, of course, throws them out of line.

I do not believe I have to call to the attention of the Members of the House the importance of the position of Parliamentarian and Assistant Parliamentarian. I hardly believe I have to call to the attention of any Member of this House the valuable contribution made to the proceedings of this House by our outstanding Parliamentarian, in particular, and also by his able assistant, Mr. Roy.

It is not my intention to ask unanimous consent to return to that part of the bill to consider an amendment which I think should be considered and adopted; but I do call the attention of the House to the situation that presents itself to two of our most valued associates, and express the hope that in the next deficiency bill the appropriations subcommittee on the deficiency bill and the full committee will consider this question and increase the salaries of these two fine, not employees, but officials in a sense, of the House of Representatives.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I gladly yield.

Mr. REED of New York. I agree with the sentiments expressed by the distinguished gentleman from Massachusetts. I recall when he was a member of the Committee on Ways and Means, one of its outstanding members, before he became majority leader.

Mr. McCORMACK. Coming from one whom I consider one of the outstanding Members of the House, I appreciate the compliment the gentleman has just paid me.

Mr. REED of New York. The gentleman realizes, as perhaps few Members of the House can who are not Members of the Committee on Ways and Means, a committee of 25 Members holding sessions day after day and evening after evening, and even Saturdays, the importance of the minority clerk. We have a minority clerk to that committee. I am not going to ask at this time, but I want to express the hope just as the gentleman has that this minority clerk who is now very much underpaid—I think he gets around $2,700 or something like that—be raised to a point that is consistent with the dignity of the office and the requirements of the office.

Mr. McCORMACK. I know of no one who works harder than the minority clerk and the clerk and employees of the Committee on Ways and Means. I agree with the gentleman that he should be considered.

But we all know what Lew Deschler does as Parliamentarian. Not a thing done in this House but what goes through his hands.

On my way home the other night at 7 o'clock I met Lew Deschler coming back into the Capitol to continue his work during the night. He is available at all times; and we all know that there is no one connected with this House who is more valuable to the proceedings of the House than our distinguished Parliamentarian. I hope that the proper subcommittee of the Committee on Appropriations when they are considering the next deficiency bill will pass upon this question and will keep in mind what I have said and give these two fine assistants of ours the increase in salary they so richly deserve.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. LUTHER A. JOHNSON. The gentleman from Massachusetts is eminently correct in the position he has taken. There is no one in this House who has more to do with its entire proceedings. Every bill, every amendment, every resolution goes through the Parliamentarian's hands. If anybody is entitled to a raise, certainly it is those in the Parliamentarian's office.

Mr. McCORMACK. I thank the gentleman.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. I wish to add a word to what our colleague the gentleman from New York [Mr. REED] has said about the minority clerk of the Committee on Ways and Means. He is a highly efficient clerk. His father was at one time a very prominent Member of the House of Representatives, a member of the Committee on Ways and Means. He left that committee to become chairman of the Committee on Appropriations of the House.

To give you some idea of what minority clerks in particular mean to the House of Representatives and to the Committee on Ways and Means, it is only necessary for me to say that our previous very efficient minority clerk, Mr. Rapp, whom the gentleman from Massachusetts knew very well——

Mr. McCORMACK. I knew him and he was a very honorable young man.

Mr. WOODRUFF of Michigan. He certainly was. A prominent law firm in the city of New York offered him something like four times as much as the House paid him in order to get his services.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. O'NEAL. Mr. Chairman, I ask unanimous consent that the totals that have been affected by these various amendments be corrected.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: Page 22, line 17, after the comma, strike out "16 messengers at $1,740 each" and insert "16 messengers at $2,040 each."

Mr. GREEN. Mr. Chairman, in all measures of this kind there are always people who are forgotten when it comes to a raise in pay. The ones who play an important part in the House of Representatives are the doorkeepers, the men on the door, especially the front door, where they have to know and recognize every Member of the House and protect the House of Representatives itself. These men are entitled to a small increase of $300, making their salary $2,040. Most of them come from outside of Washington and with the high cost of living are entitled to this increase.

Mr. McGLINCHEY. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Pennsylvania.

Mr. McGLINCHEY. I want to complement the gentleman from Pennsylvania for taking up this matter in reference to the doorkeepers who have responsible positions. They have to recognize every Member of the House and see that only those who are Members of the House are admitted. In my opinion they are entitled to an increase of $300 per year.

Mr. GREEN. I thank the gentleman.

Mr. O'NEAL. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania [Mr. GREEN].

Mr. Chairman, the same argument applies to this amendment as has heretofore been made in reference to the other amendments. It is unwise to write pay rolls in this way, and I therefore trust the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GREEN].

The question was taken; and on a division (demanded by Mr. GREEN) there were—ayes 17, noes 97.

So the amendment was rejected.

Mr. O'NEAL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having assumed the chair, Mr. JOHN J. DELANEY, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. O'NEAL. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en grosse.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. JOHNSON of Indiana. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. JOHNSON of Indiana. In its present form, I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. JOHNSON of Indiana moves to recommit the bill to the Committee on Appropriations.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. COLE of Missouri) there were—ayes 179, noes 83.

Mr. HULL. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a statement made by Mr. PHILLIPS before the Committee on Ways and Means.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Stanton Zephyr.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two places and include in each an editorial.

Mr. LAFOLLETTE asked and was given permission to extend his remarks in the RECORD and include a report by Hon. Thomas E. Dewey, Governor of New York.

Mr. EARTHMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EARTHMAN. Mr. Speaker, due to having a most important previous engagement at the Department of State with the chairman of a special Agriculture Subcommittee of the House, of which I am a member, I was not present for the record vote on the question of whether or not the rule for consideration of H. R. 3109 should be adopted. If I had been present at the time of the record vote, I would have cast my vote against the adoption of the rule. I returned to the House shortly after this vote was taken and when a motion was offered by the gentleman from Georgia [Mr TARVER] to strike from the bill the provisions allowing $2,500 to the Members of Congress for expenses in connection with their official duties, I cast my vote for the amendment. I also voted against the final passage of the bill.

PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I ask the majority leader if he can tell us the program for next week?

Mr. McCORMACK. I shall be very glad to give that information.

Monday is District day. I understand there are three noncontroversial bills to be considered. I see the chairman of the Committee on the District of Columbia is here. May I ask him to advise the House as to the numbers of the bills and what they are?

Mr. RANDOLPH. The numbers of the bills are H. R. 2874, H. R. 2875, and H. R. 2995. As the distinguished majority leader says, they are not controversial, and I believe we can dispose of them speedily.

Mr. MARTIN of Massachusetts. They are unanimously reported by the committee?

Mr. RANDOLPH. They are unanimously reported by the Committee on the District of Columbia.

Mr. McCORMACK. I have asked the gentleman from West Virginia to give the Republican whip that information, and I understand he will do that. The information I am about to give now will also be given to the Republican whip.

After the District of Columbia business is concluded on Monday, there will be brought up the bill, H. R. 1690, dealing with agricultural extension work, on which there will be 1 hour of general debate. If that bill is completed in time, we will take up the bill, H. R. 2347, relating to guayule rubber. If the latter bill cannot be disposed of on Monday, it will have to be displaced on the calendar, because I am assigning to the program for Tuesday the bill H. R. 3035, the postal-salary bill, and following that on that day the bill H. R. 387, a bill amending the Nationality Act of 1940.

The business census bill, which was to have come up tomorrow but cannot be taken up then, has been placed on the program for next Wednesday.

Thursday and Friday have been set aside for consideration of the Labor-Federal Security appropriation bill. If there is any time left on Friday, the bill H. R. 2113, relating to the Federal Farm Loan Act, will be considered.

Mr. MARTIN of Massachusetts. Tomorrow, the conference report on the State, Justice, and Commerce Departments appropriation bill will come up?

Mr. McCORMACK. Yes; and I shall ask unanimous consent that the House meet tomorrow at 11 o'clock.

Mr. MARTIN of Massachusetts. I have no objection to that.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOOK] is recognized for 15 minutes.

EXTENSION SERVICE DEPARTMENT OF AGRICULTURE

Mr. HOOK. Mr. Speaker, the distinguished and able gentleman from Oklahoma will, I understand, propose an amendment to H. R. 1690 that, if passed and enforced, will check the spread of fascism in rural America. The amendment proposes simply to prohibit the use of funds appropriated by Congress to the Extension Service for the promotion and the activities of any private organization.

Unless one knows, as I know, what goes on in this country and in my own State of Michigan, between the Farm Bureau and the Extension Service, including the county agents, one would think there would be no more opposition to this amendment than to an amendment against smallpox or the spread of fascism.

The fact that there is opposition to the Wickersham amendment proves the existence of the evil that it is designed to rout out and will rout out unless this House, by defeating the amendment, gives its approval and its blessing to a wholly sinister, disruptive, destructive, and thoroughly un-American and subversive set-up now existing between the Farm Bureau and the Extension Service in many of our agricultural States. It proves, to my mind, how far along the road to rural fascism we have already gone.

I am not choosing my words lightly, nor using them loosely, Mr. Speaker, when I say that H. R. 1690, as it stands, without the Wickersham amendment, will double the strength and the hold that the American Farm Bureau has upon the United States Extension Service, the land-grant colleges, and the State and county extension services. The bill provides for twelve and a half million more dollars annually for the Extension Service, which, when matched by State and county funds and piddling little sums contributed in some States by farm bureaus, will mean $25,000,000 more—added to the approximately $37,000,000 already being used by the Extension Service. I am not opposing the authority to appropriate additional funds for an Extension Service free and independent of the Farm Bureau. I would be for such additional funds.

But I am against giving additional funds, or authorizing later additional appropriations of additional funds, to a United States extension service that seems to be absolutely supine and helpless, completely deaf, dumb, and blind to the uses that are made of United States funds after they are paid over to the State extension services.

I know out of my own experience and observation, and from reports that are common knowledge among the Members of this House, particularly the Members from rural areas, that $25,000,000 added to $37,000,000, will, in effect, give the Farm Bureau a $62,000,000 political machine with which it can, on the one hand, by the use of intimidation, coercion, and downright terror, increase its membership from the present total of 1,000,000—including bank clerks, groceries, members of chambers of commerce, and poor tenant farmers and sharecroppers who have no more voice in the determination of policy than I have in the government of Iceland—this additional appropriation will enable this membership to increase from one to two million within a few years.

With this bigger, more powerful, more ruthless machine, oiled with Government funds, the men at the controls of the Farm Bureau cannot double, but quadruple the coercion, domination and outright control they now exercise upon the county agents, State extension services, land grant colleges, State legislatures, Members of this Congress, and committees of this Congress. In saying this, might I say I am supported by the words of a very distinguished and prominent Member of this body, reported on page 3360 of the CONGRESSIONAL RECORD for April 14, 1943. Judge TARVER, the very able, conscientious and independent chairman of the House Agricultural Appropriations subcommittee was explaining, with his usual frankness, the history, the paternity, if you please, of the 1943 Agricultural Appropriations bill. He referred to a proposal that certain sums allocated to the Farm Security Administration be transferred to the extension service, and this is Judge TARVER speaking:

> I do not like this idea of legislating in the dark. I do not care if it is advocated by the Farm Bureau Federation. I have respect for the Federal Farm Bureau Federation * * * but at the same time we know, and I think all of us know, that that federation is now engaged in an effort to turn over as much as it can of the activities of the Department of Agriculture to the Extension Service. This farm-labor program has been placed under the Extension Service. A part of the funds for soil conservation and A. C. P. payments are to be, according to the terms of this bill, turned over to the Extension Service. Now it is desired here to turn over to the Extension Service a part of the administrative problems connected with the work of the Farm Security Administration. I am not willing, as far as I am concerned, to let the Farm Bureau Federation write this bill for me, insofar as my vote on an individual Member of Congress is concerned. Yet I am frank to say that the Farm Bureau Federation, with regard to some of these more controversial items, has been all powerful in the consideration of the pending bill.

I am measuring my words when I say that, should the Wickersham amendment be defeated, and should H. R. 1690 be adopted, we will have voted new power to this already all-powerful Frankenstein that, grown stronger on funds which we, ourselves, have authorized, will come back next year and the year after to push Members of Congress around.

The Farm Bureau, often working in cooperation with other powerful lobbies, is today recognized as one of the most forceful, most ruthless, and demanding pressure groups on the Hill and in administrative agencies. Its representatives do not ask, they often order. If an administrative agency will not do its bidding, the Farm Bureau and its allies have them yanked up before congressional committees. Other Members may know better than I what attempts at pressure are made upon them by the Farm Bureau. Its agents have just about come to the conclusion that they are wasting time trying to pressure me.

The end of this career of power is bound to be the extinction of democracy in both the economic and political sense among our farm people. Finally, it threatens democratic processes and results right here in Congress.

Consider what we have already in many of our farm States—and I am sure that many Members are aware of these practices and dislike them.

The Farm Bureau forces county agents, paid with Federal and State funds, to call meetings, to send out Farm Bureau propaganda under Government frank, to solicit members for the Farm Bureau, and in many other ways to assist Farm Bureau growth, activity, and power. Power is the final objective, power over individual farmers, over county agents, over State officials, over Federal officials,

over Members of Congress, over laws and policies of the Nation.

I do not object to the Farm Bureau, or any other private organization, doing anything it can legitimately to increase its membership and promote the principles and policies to which its members have democratically subscribed. But I do object to furnishing the Farm Bureau, or any private organization, with an army of mercenaries to do the organizing and operating job for it. That is exactly what is going on today.

In hundreds of counties the Farm Bureau and the county agent are one and the same thing in the minds of thousands of farm people. Every effort is made to strengthen that belief—to make farmers think that the Farm Bureau has the literal power of life or death over them in the matter of getting farm machinery, feed, fertilizer, labor, and necessary draft deferments. All during the war the Farm Bureau has not overlooked a trick. The farm labor program has been taken away from the Farm Security Administration, which was beginning to do a good job in mobilizing farm labor on a fair, voluntary, and patriotic basis to do the job of food production for war at reasonable wages and under decent conditions. "Oh, no," said the Farm Bureau, that was "an attempt at a social revolution in the midst of war." So the job was turned over to the Extension Service and the United States Extension Service was made simply the disbursing agent for turning the money for this program over to the States, which, in turn, turned it over to the county agent. Then he, under the terms of the Pace amendment, was made a little king who had the power to say whether or not Federal funds should be used to transport workers of the county and across State lines to another State where vital war food crops might be rotting for lack of labor. Three thousand little kings were empowered to make this decision.

Triple A was gagged and the information job—the important and necessary job of letting the farm people of the country know just what the war food needs were, just what the stabilization program was all about, just what their role in the war should be—was left up to these 3,000 little kings—the county agents.

Why was this done? Because the county agents were not real kings at all. They were puppet kings—just as the King of Italy was a little puppet for Mussolini.

Mr. Speaker, I plead with the Members of this House that when the Wickersham amendment comes up to cast a vote for their own independence, for the liberation and independence of hundreds of fine, intelligent county agents, who, afters years of study and work to fit themselves to help the farm people of the country be better farmers and better citizens, have found themselves trapped and in captivity to a vast power machine. The county agents know that this machine has the power to make or break the individual, be it county agent, farmer, local, State, or even Federal official.

All over America, county agents, their wives and families, and hundreds of thousands of farmers and their families are waiting today to see whether we by our vote, strike down the tie that binds the Extension Service and enslaves its employees. They are waiting to see if we dare set these public servants free from the domination of the men who control the Farm Bureau, or if we, by voting down the Wickersham amendment, vote new power to an organization that has already far too much power for its own good and for the safety of agriculture and the Nation.

I speak with deep feeling on this subject because it seems to me that this power, unless checked, will one day—and perhaps soon—bring the rural fascism which it even now practices out in the open. I fear that, in the difficult days of transition from war to peace that are coming soon, we will find springing up, inspired by some power-mad forces, working in cooperation with the same industrial and business allies who have helped them in the past, an American version of the Heimwehr, the Fascist militia, the Storm Troopers, recruited from rural areas, led by power-crazed men of the middle classes in the cities, using rural America as a base from which to launch a Fascist putsch against our democracy.

Again, I am not talking through my hat, but from the RECORD. Let me quote the concluding words of the report made by the La Follette Civil Liberties Committee on its investigation of the Associated Farmers of California, an organization with which the Farm Bureau found it possible to work in harmony.

The Senate Committee on Education and Labor, after extensive investigation and hearings, had this to say about this so-called farm group:

> Under the law today, groups similar to the Associated Farmers can proceed, and have so proceeded with impunity to perpetuate a system of economic tyranny which should be a cause of national shame and concern. Industrialized agriculture has permitted to continue as an economic poorhouse for the unfortunates who have no other means of livelihood and as a political breeding ground for violence and undemocratic philosophies held by employer and employee alike. Where rights of persons do not exist, rights of property are in danger. The history of human relationships on the land in Russia, Spain, Italy, Germany, and Hungary of the first four decades of this century should awaken the United States to its own peril, so clearly apparent in the history of the Associated Farmers of California.

Mr. Speaker, I plead for the adoption of the Wickersham amendment and the restoration of the strength and freedom of rural democracy. All that the Extension Service needs to make it again an honest woman is a divorce from the Farm Bureau, a dissolution of an illicit union having no sanction even in common law. Should the amendment fail of adoption, I want to enter this warning on the record—the day of reckoning will come, the day when every Member who voted against this amendment will be pushed around by the representatives of the Farm Bureau and will wish to the bottom of his heart that, on this day, he had struck a blow with his vote in this House for his own freedom and for the freedom of all farmers, all county agents, all local and State officials, all Americans. But, by that time, it may be too late. The same antidemocratic forces which today reach into this House to insist that this amendment be defeated, may be too powerful to check. It is for that reason that I say that defeat of this amendment may well prove to be another Munich, an appeasement of a powerful private organization, using public funds and personnel to make itself even more powerful, and finally, openly to take over the state itself and all its apparatus, including the Congress.

The issue is defense of democracy or the defense of antidemocratic forces and tendencies. A vote for the Wickersham amendment is a vote for democracy; a vote against it is a vote for fascism.

Let me close by reading the language of the amendment itself:

> Proposed amendment to H. R. 1690 to be inserted as a paragraph immediately preceding last section:
>
> "(d) The Secretary shall not authorize payment of the funds appropriated by this act or the acts herein mentioned to any State or Territory on or after July 1, 1947 until the Director of Extension of said State or Territory shall certify and the Secretary shall also find that no portion of said funds may or will be used by said State or Territory to pay all or any part of the salary, wages, or expenses of any person, who, during the preceding fiscal year, and while employed to carry out the purposes of this act or any of the acts herein mentioned, has acted as representative, agent, salesman, or solicitor of membership of any business, commercial or farm organization or enterprise, provided, that any sum withheld pursuant to this subsection shall be reported to the President, retained in the Treasury, and disposed of in accordance with the provisions of the Smith-Lever Act herein mentioned."

The farm people of the country will want to know how their elected representatives will vote on this proposal.

If by some chance this amendment is defeated in the Committee of the Whole, thereby avoiding a record vote, the argument I have made will be strengthened. The power of the Farm Bureau will be felt.

The SPEAKER. Under previous order of the House, the gentleman from Montana [Mr. MANSFIELD] is recognized for 25 minutes.

THE SUNSHINE INTERNATIONAL AIR ROUTE

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include two newspaper editorials and one newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD of Montana. Mr. Speaker, I have asked for this time so that I could present to the House the latest details on the Sunshine International Air Route extending from Great Falls, Mont., south through the Intermountain and Central States region to Mexico and beyond and north from Great Falls to Alaska and Asia.

A meeting was held in Denver, Colo., on April 9 with the object of forming a permanent organization to further the interests of this route and I am happy to

report it was an unqualified success. It was very well attended, and cities all the way from Whitehorse, Yukon Territory, to Houston and El Paso, Tex., sent representatives, and the Province of Alberta thought it so important that in addition to the Alberta cities represented the Provincial Government was represented officially by two of their ministers. Cities officially represented were as follows:

El Paso, San Antonio, Fort Worth, Amarillo, Dallas, all in Texas; Albuquerque, N. Mex.; Wichita, Kans.; Sheridan, Cheyenne, and Casper, Wyo.; Billings, Great Falls, and Cutbank, Mont.; Lethbridge, Calgary, and Edmonton, Alberta, plus two ministers of the Alberta provincial government; and Whitehorse, Yukon Territory. Two delegates from Mexico City accepted, but had to cancel their plans at the last minute, as was also the case with Oklahoma City.

I am calling your attention to this list so that you can see how strongly the Southwest, Intermountain, Canada, and Alaska areas are interested in this route. It will also prove emphatically just how much active interest there is back of this inland route to Alberta, Alaska, and the Orient. As a matter of fact, the Texas delegates at the meeting were fully as vigorous in their support as those from Montana, Colorado, Kansas, Wyoming, New Mexico, Alberta, and Alaska.

The sentiment of the delegates was unanimous and quite enthusiastic. In fact, the Montana delegation was quite gratified at the enthusiastic stand taken by our neighbors to the south and north. As soon as they understood the possibilities of this route, they were just as sold on the idea as we were. All the States are naturally very vitally interested because they have many products, such as oil-well machinery, mining machinery, fresh fruits and vegetables, and many lesser commodities, which they feel they can ship to advantage to the Canadian Provinces of Alberta and Yukon, to Alaska, and to the Orient.

Economically, aeronautically, geographically, and logically there is every justification for the establishment of this inland route. It is from the political angle only that we are weak in comparison to other larger and established centers. That is why we have organized the Sunshine International Air Route Association. With the solid support of our neighboring States, we of Montana feel that we have overcome, to some extent, our political weakness.

Mr. Speaker, I should like to insert in the RECORD at this point two editorials from the Great Falls (Mont.) Tribune, which state far better than I can the outstanding reasons why this route should be developed:

THE TRIBUNE SAYS: AMERICA, SEE IT FIRST, STAND BY IT ALWAYS

OUR INTERNATIONAL AIR ROUTES

The military selection of the Great Falls gateway to Alaska and Russia was coincident with the building of the so-called Alaska Highway. The ferrying command transport supervision came to Great Falls from the Pacific coast because of sunshine inland flying advantage. The sunshine international air route became an important international facility, whereby thousands of planes, and thousands upon thousands of tons of war supplies, have been sent to Alaska and to Russia. The kind and volume of this war traffic quite naturally has not been given, detailed, or emphasized in the civilian news.

It, however, is perfectly clear that this fair weather inland route will have the same flying advantage in the years of peace that will follow the war.

There are some air-line interests, and one or two powerful Pacific coast cities, which would not have it that way. They seem to think the flying that left the coastline fog in wartime should come back and centralize in former coast points regardless of the superior inland flying opportunity. They said so before the Civil Aeronautics Board in Washington the other day. Some of their civic and political leaders are throwing rocks at both the Alaska Highway and the inland air route. In an apparent selfish attitude, although millions of dollars of Uncle Sam's money have been expended building a military highway through a new country, and despite the fact that it goes a long way toward connecting two great areas of the United States, our supposedly coast friends would send this 1,600-mile thoroughfare back to prairie.

Apparently, again, they have not heard that some thousands of Americans believe the Alaska Highway will have an important continuing value, connecting Alaska and the great park playgrounds of the Rocky Mountain area.

Observing what has been said in Washington and elsewhere, it may be remarked also that a number of large eastern and midwestern cities would like to centralize the peacetime Alaska travel through their airports. They, too, regardless of what has been amply established through the Montana gateway, are throwing some rocks at the claims of our smaller city and at a really important Rocky Mountain group of States.

And this is perhaps where the story gets interesting. The Great Falls gateway happens to be the most convenient transport route for that portion of the United States west of Omaha and Kansas City, and as far as the west line of the States of Utah and New Mexico—more than 40 percent of the area of the United States, if you please. Quite a section of the Nation, therefore, has a vital interest in air service over a route running north from Houston, Fort Worth, and Dallas, Tex., then through Denver and Montana to Lethbridge and Edmonton, to Alaska, and beyond. Central and South America are interested in the shortest and safest transport across the United States and to Alaska.

Therefore, with this much of a foundation for confidence and merit it isn't surprising to read in the Associated Press news, coming out of Denver, that there was a conference in that city several weeks ago with representation from seven or eight States to consider this problem—national and international in its importance. The news report relates that this was merely a preliminary meeting. There is to be a larger conference in Denver on April 9 to connect up a north-south air route, all the way from Mexico and other southern republics, with Alaska and the Orient.

Of course, Montana and Great Falls are intensely interested. They wish and intend to win what they can on the merit of their cause. They will not strive for anything more. Other cities east or west should be content with a like effort. No airline or cities are apt to make much throwing rocks at the other fellow. The best, the safest, and the most advantageous air routes for service should finally go on the map.

If this is the accepted test, the sunshine international air route, going and coming this way, will be a choice. The air transport command flying the Great Falls route day by day since 1942 has proven its value.

It is pertinent to observe further that the various projections of routes through Edmonton to Alaska on the part of other cities from coast to coast are, to date, nothing more than blueprints or a gleam in the eye of the planners. In contrast to this, the route north from Great Falls is already complemented by an existing and usable highway, a railroad as far north as Dawson Creek, and complete installations of necessary air navigation aids such as radio beams and weather stations.

It may be stated truthfully that the route through the Great Falls gateway is already from 2 to 3 years ahead of any other flyway in necessary ground-aid construction.

THE SUNSHINE AIR ROUTE

The Sunshine International Air Route Association has been substantially and representatively organized in the city of Denver.

There were delegates taking part in the Denver conference representing the great intermountain territory from the Mexican border all the way north—and including the Province of Alberta, Canada, and Alaska.

This association has come into existence not as a promotion, but as a development upon the foundation of merit and service. Of course, the State of Montana is tremendously interested.

A limited comment is pertinent at this time.

The association, we are assured, intends to urge this comprehensive air service upon the foundation of merit in the enterprise. It asks for consideration by the Government and otherwise, taking into account what we have learned of its value and volume both in the war service that is still being rendered, and upon the same basis of what can be accomplished in a civic way after the war.

It proposes further to urge the maintenance and improvement of the Alaska Highway—upon the basis, of what its usefulness can be to Canada and to the United States after we are through fighting upon the war fronts. It does not ask for any further approval or development.

Upon this foundation the State of Montana, and the city of Great Falls, does not appreciate the gross misrepresentations that have been circulated in various publications coming out of some of the big cities on the coast. We do not like other untruthful statements that have been made, apparently through regional selfishness, in other cities of the Middle West portion of the United States. On the other hand, we have not the slightest objection if these larger centers of business appeal and endeavor to secure what they in turn may win upon the foundation of merit. Furthermore, we do not believe, in the long run, they will win much of anything by throwing rocks at the important inland flying service that has already been rendered over a short inland route which has an abundance of sunshine and established advantages for flying.

The Tribune has already advocated that the great Alaska area be given Statehood. It may become a new frontier, full of resources that have not even been discovered.

Mr. Speaker, I want to also call your attention to the latest endorsement given to this air route by the Premier of Alberta, the Honorable Ernest C. Manning who has stated that the Alberta government heartily endorses and supports this project and has so notified the Civil Aeronautics Board at Washington, D. C., and the Department of Aviation of the Republic of Mexico.

The statement issued by Premier Manning is so forceful, logical, and accurate that I feel it is worth the time of the membership of the House to study.

ALBERTA INDORSES SUNSHINE AIR ROUTE—PREMIER SUPPORTS LINE IN NOTES TO UNITED STATES, MEXICO—MANNING POINTS OUT MERITS OF PRESENT MILITARY SKYWAY

Indorsement and support of the Sunshine International Air Route and its association has been given by the government at Alberta and forwarded by Premier Ernest C. Manning of Alberta to the Civil Aeronautics Board at Washington, D. C., and to the aviation department of Mexico. Charles B. Anderson, chairman of the airways committee of the Great Falls Chamber of Commerce, has been advised of the action by the Premier.

The statement said, in part, that, "having considered carefully the abstract of proceedings of the Sunshine International Air Route Association * * * and heard the reports of Hon. C. E. Gerhart and Hon. W. A. Fallow, who attended, the government of Alberta heartily endorses and is prepared actively to support the objectives of the association as expressed in the resolution passed."

SEEKS HIGH STANDARDS

"The government of Alberta is not particularly concerned about which company or companies operate the air route," the statement continues, "but we do urge effective action to insure that those who do operate the route provide the highest possible standard of air transportation equipment for safe, speedy, and comfortable service and establish schedules which will reduce to a minimum the number of charges from aircraft to aircraft and minimum wastage of time in stopovers en route.

"We strongly urge that the feasible air route from Cape Horn to Russia and the Orient and serving all the capitals of the world without losing sight of land is the inland route, which, already established and equipped with modern airport and navigational facilities, is navigable virtually throughout the entire year, is free from fog and, lying in the chinook belt, traverses terrain whose climate is comparatively mild and admittedly superior to that of other routes for purposes of navigation.

"We are not unmindful of the commercial benefits which will accrue to the districts contiguous to the inland route, but these occupy a place of lesser importance in deliberations seeking without bias but in wisdom to reach now decisions which will shape the course of aviation on this continent for many years to come," the statement continued.

"MERITS ARE PROVED

"Experience has proved the merits of this route," Premier Manning points out. "Upon its merits alone was it developed and improved to its present efficient standards of airports, airstrips, weather stations and directional aids. Because of its merits alone it has been used extensively by the United States Army Air Forces in its defense of Alaska, the battles of the Aleutians and in ferrying aircraft to Russia.

"Since the days of the adventurous Gatty-Post global flight, this route has been chosen when speed and the maximum of security and dependability were essential. Mr. Wendell Willkie and Mr. Henry Wallace, and other diplomats from the Americas, have selected it on their flights to Russia. Mr. Molotov was added to the long list when he flew from Moscow to attend the United Nations Conference on International Organization in San Francisco," Premier Manning pointed out.

"We trust," the Premier said, "that the efforts of the Sunshine International Air Route Association will bear beneficial and lasting results and that their representations to those with whom the final decisions rest will be acted upon with the dispatch which their sincerity and urgency warrants."

Finally, Mr. Speaker, I want to state that we of the interior United States are determined to do all that we possibly can to see that this route is continued in operation in peacetime. We are going to fight our hardest for the establishment of the Sunshine International Air Route because we know we have the most logical and safest airway and we feel that its continued development will not only help the interior western United States but all of our country as well, both in peace and in war. We ask no special favors but we do expect fair and impartial consideration. The merit of the route has been proved by the Army in wartime; that merit will be just as significant and important in the days of peace to come. The air-age is upon us and today we look confidently forward to the trade of tomorrow, to the Pacific era, and to the future.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HOOK, for 2 weeks, on account of official business.

To Mr. CASE of New Jersey (at the request of Mr. POWERS), for 3 days, on account of illness in family.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 62. An act to amend section 3 (b) of the Securities Act, 1933, as amended, so as to permit exemption of security issues not exceeding $300,000 from the provisions of such act;

S. 70. For the relief of Maria Manriquez Ruiz;

S. 71. An act for the relief of the legal guardian of Estella Ruiz;

S. 174. An act for the relief of Mary Martha Withers, as trustee, Mary Martha Withers, as administratrix of the estate of Beatrice Withers, deceased; and Mary Martha Withers, individually;

S. 316. An act for the relief of June I. Gradijan;

S. 328. An act for the relief of James A. Kelly;

S. 359. An act for the relief of Mrs. Ellen McCormack;

S. 407. An act for the relief of Pierce William Van Doren and Elmer J. Coates;

S. 467. An act for the relief of Maj. Malcolm K. Beyer;

S. 569. An act to reimburse certain Marine Corps personnel and former Marine Corps personnel for personal property lost or damaged as the result of a fire in the training building at the Marine Corps air station, Cherry Point, N. C., on June 3, 1944;

S. 591. An act for the relief of Chesley Brazil;

S. 655. An act amending the act of June 25, 1938 (52 Stat. 1207), authorizing the Secretary of the Interior to pay salary and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath business committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe, as amended, and for other purposes; and

S. 701. An act to provide a method for the wartime reduction of temporary grades held by general officers of the Army of the United States.

ADJOURNMENT

Mr. MANSFIELD of Montana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 36 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, May 11, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Bridge Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Friday, May 11, 1945.

To begin public hearings on H. R. 541, a bill authorizing and directing the Commissioners of the District of Columbia to construct two four-lane bridges to replace the existing Fourteenth Street or Highway Bridge across the Potomac River, and for other purposes.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a hearing at 10 o'clock a. m. on Wednesday, May 16, 1945, on H. R. 714, H. R. 1350, H. R. 2299, and H. R. 2650.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

449. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires occurring at various naval shore activities; to the Committee on Claims.

450. A letter from the Secretary of the Interior, transmitting a report on the Columbia Basin project on the Columbia River dated October 30, 1944, prepared by the Bureau of Reclamation and the Bonneville Power Administration (H. Doc. No. 172); to the Committee on Irrigation and Reclamation and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BATES of Kentucky: Committee on Rules. House Resolution 253. Resolution providing for the consideration of H. R. 1690, a bill to provide for the further development of cooperative agricultural extension work; without amendment (Rept. No. 542). Referred to the House Calendar.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 2875. A bill to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia"; without amendment (Rept. No. 543). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. VINSON:

H. R. 3180. A bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the

Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. CELLER:

H. R. 3181. A bill to provide that the Secretary of State shall submit an annual report to the Congress; to the Committee on Foreign Affairs.

By Mr. MAY:

H. R. 3182: A bill to provide for one national cemetery in each State and Territory, the enlargement of existing national cemeteries where necessary, and for other national cemeteries needed for the burial of war veterans; to the Committee on Military Affairs.

By Mr. O'TOOLE:

H. R. 3183. A bill to provide for the erection in the District of Columbia of a Franklin Delano Roosevelt memorial; to the Committee on the Library.

By Mr. PRICE of Florida:

H. R. 3184. A bill to provide that the terms of peace to be imposed upon Germany and Japan shall include agreements by such countries to pay indemnities to American military and civilian prisoners of war; to the Committee on Foreign Affairs.

By Mr. ROGERS of Florida:

H. J. Res. 183. Joint resolution designating the second Thursday of October of each year as Clara Barton Day; to the Committee on the Judiciary.

By Mr. DOUGHTON of North Carolina:

H. J. Res. 184. Joint resolution to continue the temporary increase in postal rates on first-class matter, and for other purposes; to the Committee on Ways and Means.

By Mr. SHORT:

H. J. Res. 185. Joint resolution to extend the statute of limitations in certain cases; to the Committee on the Judiciary.

By Mr. LANE:

H. J. Res. 186. Joint resolution that the United Nations establish procedure for repatriation of the Hebrews of Europe; to the Committee on Foreign Affairs.

By Mr. SPENCE:

H. J. Res. 187. Joint resolution authorizing the dissolution of the Defense Plant Corporation, Metals Reserve Company, Rubber Reserve Company, Defense Supplies Corporation, and Disaster Loan Corporation and the transfer of all the functions, powers, assets, and liabilities to the Reconstruction Finance Corporation; to the Committee on Banking and Currency.

By Mr. RAMEY:

H. J. Res. 188. Joint resolution declaring that it is the sense of Congress, that the United Nations assume responsibility for the repatriation of the Hebrews in Europe; to the Committee on Foreign Affairs.

By Mr. O'KONSKI:

H. J. Res. 189. Joint resolution declaring that it is the sense of Congress, that the United Nations assume responsibility for the repatriation of the Hebrews in Europe; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Maryland, memorializing the President and the Congress of the United States to include members of the maritime service, the merchant marine, and the merchant marine cadets in the class of persons given special income-tax exemptions because of their service in the war; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to extend the right to become a naturalized citizen of the United States to persons whose sons or daughters have served honorably in any branch of the armed forces of the United States; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to enact House Resolution 448 of the Seventy-eighth Congress into law, relative to establishment of Palestine as a Jewish homeland; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to adopt an increase in salaries of the postal carriers and clerks of Massachusetts in particular and the Nation in general; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to provide for expediting the payment of claims by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HOOK:

H. R. 3185. A bill for the relief of George Lassila; to the Committee on Claims.

By Mr. JOHNSON of California:

H. R. 3186. A bill for the relief of Ruth Dudley Cameron and Henry V. Harris; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

579. By Mr. MARTIN of Massachusetts: Petition of the General Court of Massachusetts, favoring more expeditious payment of claims by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

580. Also, petitions of the General Court of Massachusetts, favoring immediate adoption of postal salary increases; to the Committee on the Post Office and Post Roads.

581. By Mr. RICH: Petition of borough councils and township supervisors, requesting appropriate flood-control measures along the Cowanesque River; to the Committee on Rivers and Harbors.

582. By Mr. RYTER: Resolution adopted by the General Assembly of the State of Connecticut, House Joint Resolution No. 316, memorializing Congress for reaffirmation of the tenets of the Atlantic Charter in regard to Poland, passed by both the House of Representatives and the Senate of the State of Connecticut on April 11, 1945, introduced by Helen W. Zbikowski and certified by Charles J. Prestia, secretary of state of Connecticut; to the Committee on Foreign Affairs.

583. By Mr. SUNDSTROM: Petition by the Board of Commissioners of the City of Newark, N. J., approving Senate Joint Resolution 7 and recommending the passage thereof; to the Committee on Public Buildings and Grounds.

584. By the SPEAKER: Petition of the Friends of Enlisted Men in Service and Veterans Committee, of Local 450, V. E.-C. I. O., Jamaica, N. Y., with numerous signers, petitioning consideration of their resolution with reference to approval of the Dumbarton Oaks, Bretton Woods, Mexico City, and Crimea Conference proposals, without crippling reservations; to the Committee on Foreign Affairs.

585. Also, petition of the Jewish Federation of Delaware, Wilmington, Del., petitioning consideration of their resolution with reference to expressing sorrow at the death of our late President, Franklin D. Roosevelt; to the Committee on Memorials.

586. Also, petition of the New York City Colony of the National Society of New England Women, New York, N. Y., petitioning consideration of their resolution with reference to endorsement of the public expression of the President respecting future cooperation between the executive and legislative branches of our Government; to the Committee on the Judiciary.

587. Also, petition of Terrell Chamber of Commerce, Terrell, Tex., petitioning consideration of their resolution with reference to amendments to the O. P. A. program for 1945; to the Committee on Banking and Currency.

588. Also, petition of the United Federal Workers of America, Local 10, Washington, D. C., petitioning consideration of their resolution with reference to their support of the Bretton Woods proposals; to the Committee on Banking and Currency.

589. Also, petition of the Advertising Club of Washington, D. C., petitioning consideration of their resolution with reference to opposition to legislation prohibiting the price advertising of alcoholic beverages; to the Committee on the District of Columbia.

590. Also, petition of the International Association of Machinists, Washington, D. C., petitioning consideration of their resolution with reference to opposition to compulsory peacetme military conscription; to the Committee on Military Affairs.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 11, 1945

The House met at 11 o'clock a. m., and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, Thou art worthy of more than our deepest love, our highest praise, and our purest devotion. May we daily aspire to bring our character and conduct into a closer harmony with Thy divine holiness and in tune with that which is noble, just, and righteous.

We pray that in our longings and struggles for freedom and peace we may gird ourselves with faith, fidelity, and fortitude, assured that we shall be gloriously triumphant, for Thou art the Lord God Omnipotent.

Grant that Thy voice of wisdom and counsel may be heard in the mind and heart of our President and all the leaders and Members of this Congress. Let Thy guiding Spirit take full possession of all who are now seeking to organize the good will of the nations of the earth for a just and lasting peace.

May we confidently believe that the whole world is being lifted by Thy grace into the loftier altitudes of spiritual unity and fellowship. Lord, we believe. Help Thou our unbelief.

In the name of the Prince of Peace, we offer our petitions. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 3070. An act to extend the provisions of the act of November 29, 1940 (Public Law 884, 76th Cong.).

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 223. An act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia; and

S. 938. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

EXTENSION OF REMARKS

Mr. STEVENSON asked and was given permission to extend his remarks in the RECORD and to include a statement.

Mr. KEARNEY asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a statement by the commander in chief of the Veterans of Foreign Wars.

THE MOTHERS OF AMERICA

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. SPRINGER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and to include an editorial from the Tulsa Tribune of May 8, 1945.

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and to include two statements under two separate headings made before the Ways and Means Committee.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and to include four tables.

Mr. GILLIE asked and was given permission to extend his remarks in the RECORD and to include certain statements on the food situation in Europe.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include the text of a statement made by Maj. Gen. William F. Tomkins on the demobilization plan. I doubt that this will exceed the allowable limit; but if it does, notwithstanding the extra cost, I ask unanimous consent that it may be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REV. J. SHERA MONTGOMERY, D. D.

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I have just talked to the Assistant Chaplain, and he informs me that Dr. James Shera Montgomery, the Chaplain of the House, has returned from the hospital, where he had been under treatment for 3 weeks. He is now at his home on Maryland Avenue. I am sure the membership of the House are all very gratified to know that he is improving. We hope he soon will be out and around in his usual good health. We enjoy his presence, and seeing his smiling face is a real joy to us all.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. BAILEY asked and was given permission to extend his remarks in the RECORD and include two letters protesting the shortage of meat in the coal areas of West Virginia.

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD and include an article by Father Godfrey Kaspar entitled "The Good Mother."

STATE, JUSTICE, AND COMMERCE APPROPRIATION BILL, 1946

Mr. RABAUT. Mr. Speaker, I call up the conference report on the bill (H. R. 2603) making appropriations for the Departments of State, Justice, Commerce, the judiciary, and the Federal loan agencies for the fiscal year ending June 30, 1946, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. JONES. Mr. Speaker, I object to the reading of the statement in lieu of the report.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2603) making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and the Federal Loan Agency, for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 19, 44, and 47.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 14, 18, 21, 23, 29, 32, 37, 45, 48, 49, 52, 53, 57, and 58 and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$9,900,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$795,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,875,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,422,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,150,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,250,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,200,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,200,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$8,260,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$17,500,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$21,300,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,878,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,100,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 13, 16, 17, 20, 20½, 22, 24, 25, 26, 27, 28, 31, 33, 34, 35, 36, 38, 40, 41, 42, 43, 50, 51, 54, 55, 56, and 59.

LOUIS C. RABAUT,
JOHN H. KERR,
BUTLER B. HARE,
THOMAS J. O'BRIEN,
KARL STEFAN (with reservations),
Managers on the part of the House.
PAT MCCARRAN,
KENNETH MCKELLAR,
RICHARD B. RUSSELL,
WALLACE H. WHITE, Jr.,
HAROLD H. BURTON,
JOSEPH H. BALL,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2603) making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and the Federal Loan Agency, for the fiscal year ending June 30, 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

DEPARTMENT OF STATE

No. 1: Appropriates $9,900,000 for departmental salaries, instead of $9,600,000, as proposed by the House, and $10,000,000, as proposed by the Senate. The additional amount will enable the Department to employ approximately 300 additional employees to assist in meeting the increased responsibilities of the Department, especially in post-war Europe.

No. 2: Imposes a limitation in the contingent expense fund of $10,000 for expenses of attendance at meetings, as proposed by the Senate.

No. 3: Appropriates $795,000 for departmental contingent expenses, instead of $750,000, as proposed by the House, and $810,000, as proposed by the Senate. This additional amount is related to the increase in personnel allowed in amendment No. 1.

No. 4: Imposes a limitation in the item, President's War Relief Control Board, of $500 for expenses of attendance at meetings and conferences, as proposed by the Senate.

No. 5: Appropriates $4,875,000 for the salaries of Foreign Service officers, instead of $4,850,000, as proposed by the House, and $4,900,000, as proposed by the Senate. The increased funds will be used to augment the Foreign Service officer personnel in connection with the reopening of many Foreign Service posts in Europe.

No. 6: Appropriates $2,000,000 for transportation expenses of the Foreign Service, as proposed by the House, instead of $2,100,000, as proposed by the Senate.

No. 7: Appropriates $3,422,000 for Foreign Service quarters, instead of $3,280,000, as proposed by the House, and $3,563,000, as proposed by the Senate. The added amount is related to the increased Foreign Service personnel allowed under amendments Nos. 5 and 9.

No. 8: Appropriates $2,150,000 for cost of living allowances for employees in the Foreign Service, instead of $2,100,000, as proposed by the House, and $2,200,000, as proposed by the Senate. This increase is also related to the increased personnel allowed under amendments previously mentioned.

No. 9: Appropriates $4,250,000 for the salaries of Foreign Service clerks, instead of $4,150,000, as proposed by the House, and $4,287,000, as proposed by the Senate. The House conferees are agreed that the recent turn of events will make additional staffing necessary in the very near future.

No. 10: Appropriates $1,700,000 for miscellaneous salaries and allowances for the Foreign Service, instead of $1,650,000, as proposed by the House, and $1,725,000, as proposed by the Senate. This increase is also related to the proper staffing of offices now being reopened in Europe.

No. 11: Appropriates $6,200,000 for the auxiliary (emergency) of the Foreign Service, instead of $6,000,000, as proposed by the House, and $6,289,000, as proposed by the Senate. The added amount will enable the Department to carry into 1946 most of the personnel currently on the rolls, needed for special wartime and post-war responsibilities.

No. 12: Appropriates $8,260,000 for contingent expenses of the Foreign Service, instead of $8,000,000, as proposed by the House, and $8,460,000, as proposed by the Senate. The added amount is related to the additional Foreign Service personnel allowed, and to the need for reequipping offices now being reopened.

No. 14: Restores the item "Foreign Service buildings fund," as proposed by the Senate. This item was stricken from the bill in the House on a point of order as the original amount of $1,466,000 exceeded the statutory limitation of $1,000,000. The Senate amendment provides for the latter amount, and excludes the exemption from statutory provisions contained in the bill reported to the House.

No. 15: Appropriates $17,500,000 for emergencies arising in the Diplomatic and Consular Service, instead of $16,000,000, as proposed by the House, and $18,000,000, as proposed by the Senate. The added amount is principally for assistance to American nationals in occupied China and is made necessary by the greatly increased costs of living in that area.

No. 18: Makes immediately available $400,000 of the amount of $1,500,000 appropriated for international conferences, as proposed by the Senate. The added amount will be used to assist in financing the International Conference now being held in San Francisco, Calif.

No. 19: Omits the language and the amount of $20,000 for Rio Grande emergency flood protection, inserted by the Senate. There is now available for such purpose the amount of approximately $80,000.

No. 21: Imposes a limitation in the item "Cooperation with the American republics" of $5,000 for expenses of attendance at meetings or conventions, as proposed by the Senate.

No. 23: Appropriates $4,000,000 for the item "Cooperation with the American republics," as proposed by the Senate, instead of $4,330,000, as proposed by the House.

DEPARTMENT OF JUSTICE

No. 29: Restores the provision for attendance at meetings and imposes a limitation of $5,000 for such purpose in the Immigration and Naturalization Service item, as proposed by the Senate.

No. 30: Appropriates $21,300,000 for the Immigration and Naturalization Service, instead of $21,000,000, as proposed by the House, and $21,900,000, as proposed by the Senate.

No. 32: Imposes a limitation in the item "Salaries and expenses, penal and correctional institutions" of $10,000 for expenses of attendance at meetings, as proposed by the Senate.

DEPARTMENT OF COMMERCE

No. 37: Appropriates $5,318,000 for compiling census reports and so forth, Bureau of the Census, as proposed by the Senate, instead of $4,757,000, as proposed by the House. The additional amount of $561,000 is to be expended in connection with the taking of an industrial census.

No. 39: Appropriates $2,878,000 for general administration, Civil Aeronautics Administration, instead of $2,680,000, as proposed by the House, and $3,046,138, as proposed by the Senate. The added amount is to be used principally to defray rental costs of the field offices of the Administration.

No. 44: Appropriates $24,000,000 for maintenance and operation of air-navigation facilities, Civil Aeronautics Administration, as proposed by the House, instead of $24,300,000, as proposed by the Senate.

No. 45: Appropriates $850,000 for technical development, Civil Aeronautics Administration, as proposed by the Senate, instead of $675,000, as proposed by the House. The added amount is to be used for the development of swivel landing gear for airplanes and for radar investigations.

No. 46: Appropriates $3,100,000 for the enforcement of safety regulations, Civil Aeronautics Administration, instead of $3,050,000, as proposed by the House, and $3,112,000, as proposed by the Senate.

No. 47: Appropriates $300,000 for airport advisory service, Civil Aeronautics Administration, as proposed by the House, instead of $425,000, as proposed by the Senate.

No. 48: Omits language which restricted to 55 the number of airplanes that could be transferred to the Civil Aeronautics Administration from surplus of the War Department or the Navy Department, as proposed by the Senate.

No. 49: Omits restrictive language with reference to the transfer of surplus airplanes covered by amendment No. 48, as proposed by the Senate. This language merely referred to the schedule in the printed Budget setting forth the limitation of 55 airplanes.

No. 52: Provides that $10,000 shall be immediately available for field salaries and expenses, Coast and Geodetic Survey, as proposed by the Senate. This additional need resulted from recent urgent requests from the Navy Department for hydrographic surveys, calling for greater expenditures for wages of crews of ships.

No. 53: Appropriates $1,325,000 for research and development, National Bureau of Standards, as proposed by the Senate, instead of $1,250,000, as proposed by the House.

No. 57: Provides language for the salaries of five additional commissioners, Court of Claims, as proposed by the Senate. The employment of such commissioners is authorized by substantive legislation.

No. 58: Provides statutory reference with respect to employment of commissioners, Court of Claims, as proposed by the Senate.

AMENDMENTS REPORTED IN DISAGREEMENT

No. 13: Relating to authority to credit the contingent expense fund of the Foreign Service, Department of State, with reimbursements incident to the maintenance of a commissary service, and providing for a detailed report to Congress annually of th receipts and expenditures of said commissary service. The managers will move to recede and concur.

No. 16: Relating to authority to credit the appropriation "Emergencies arising in the Diplomatic and Consular Service, Department of State," with refunds, repayments, or other credits on account of funds disbursed under this head. The managers will move to recede and concur.

No. 17: Relating to printing and binding without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111), entertainment, and representation allowance for the item "International conferences" under the Department of State. The managers will move to recede and concur.

No. 20: Relating to the program of cultural relations with China and the neighboring countries and countries of the Near East and Africa, under the Department of

State. The managers will move to insist on disagreement.

No. 20½: Relating to the Conference of Allied Ministers of Education in London, under the Department of State. The managers will move to insist on disagreement.

No. 22. Relating to authority to pay the actual transportation expenses and $10 per diem in lieu of subsistence in the item "Cooperation with the American Republics, Department of State." The managers will move to recede and concur.

No. 24: Relating to the transfer of funds from the appropriation "Cooperation with the American Republics, Department of State," to other departments and agencies of the Government, and providing that $100,000 of the appropriation shall be available until June 30, 1947. The managers will move to recede and concur.

No. 25: Relating to the availability of $250,000 of the appropriations made for legal activities and general administration, Department of Justice, for the employment of special assistants to the Attorney General without regard to the Classification Act of 1923, as amended. The managers will move to recede and concur.

No. 26: Relating to the employment of special attorneys and expert witnesses in the Customs Division, Department of Justice. The managers will move to recede and concur.

No. 27: Relating to the entire item "Salaries and expenses, War Division, Department of Justice," engaged in the enforcement of acts relating to the national security and war effort and in connection with the registration and control of alien enemies. The managers will move to recede and concur.

No. 28: Relating to authority to pay 4 cents per mile for the use of privately owned automobiles within the limits of official stations, in the item "Salaries and expenses of marshals, Department of Justice." The managers will move to recede and concur.

No. 31: Relating to making the appropriation for Immigration and Naturalization Service, Department of Justice, available for expenditures without regard to section 3709 of the Revised Statutes or section 322 of the act of June 30, 1932. The managers will move to recede and concur.

No. 33: Relating to making the appropriation for penal and correctional institutions, Department of Justice, available for expenditure without regard to section 3709 of the Revised Statutes. The managers will move to recede and concur.

No. 34: Relating to the delegation of authority by the Secretary of Commerce to subordinate officials in connection with the signing of minor routine documents. The managers will move to recede and concur.

No. 35: Relating to the employment of temporary employees without regard to the Classification Act, Bureau of the Census, Department of Commerce. The managers will move to recede and concur.

No. 36: Relating to authority to pay 3 cents per mile for travel performed in privately owned automobiles within limits of official posts of duty, Bureau of the Census, Department of Commerce. The managers will move to recede and concur.

No. 38: Relating to authority to make expenditures in connection with entertainment of officials in the field of aviation of other countries, in the item "General administration, Office of the Administrator of Civil Aeronautics, Department of Commerce". The managers will move to recede and concur.

No. 40: Relating to the amount for the establishment of air-navigation facilities, which amount, as passed by the Senate, includes $2,750,000 for establishment of landing areas (airport in Kanawha County, W. Va.). The managers will move to recede and concur with an amendment to appropriate $12,577,000, instead of $14,729,000, as proposed by the Senate. The amendment to be offered by the managers will include the amount of $2,750,000 for the above-mentioned airport.

No. 41: Relating to the provision "without regard to warrant action". The managers will move to recede and concur.

No. 42: Relating to the proviso, inserted by the Senate, authorizing the expenditure of $2,750,000 for the establishment of landing areas (airport in Kanawha County, W. Va.) from the appropriation "Establishment of air-navigation facilities, Department of Commerce". The managers will move to recede and concur.

No. 43: Relating to authority to pay 3 cents per mile for travel in privately owned automobiles within limits of official posts of duty, "Maintenance and operation of air-navigation facilities, Department of Commerce." The managers will move to recede and concur.

No. 50: Relating to the provision "without warrant action." The managers will move to recede and concur.

No. 51: Relating to authority to employ experts, and in the case of airplane accidents the employment of temporary guards without regard to section 3709 of the Revised Statutes, Civil Aeronautics Board, Department of Commerce. The managers will move to recede and concur.

No. 54: Relating to authority, Department of Commerce, to credit appropriations of the Office of Administrator of Civil Aeronautics, Civil Aeronautics Board, and the Weather Bureau, with refunds in connection with expenditures for emergency medical service and for the storage of food and other subsistence supplies in Alaska. The managers will move to recede and concur.

No. 55: Relating to authority for the Secretary of Commerce to delegate authority to certain subordinate officials to authorize payment of expenses of travel of officers and employees on change of official station. The managers will move to recede and concur.

No. 56: Relating to authority to expend, not exceeding $1,000, for obligation incurred by officers and employees of the Department of Commerce for traveling expenses of returning members of their immediate families from outlying Territories and possessions of the United States. The managers will move to recede and concur.

No. 59: Relating to salaries of law clerks and secretaries of circuit and district judges, included under "Miscellaneous salaries, the Judiciary." The managers will move to recede and concur.

LOUIS C. RABAUT,
JOHN H. KERR,
BUTLER B. HARE,
THOMAS J. O'BRIEN,
KARL STEFAN
(with reservations),
Managers on the part of the House.

Mr. JONES. Mr. Speaker, I make the point of order against the conference report that it contains money for activities that do not have any authorization in law. The amendment included in the conference report is amendment No. 37, appearing at page 55 of the bill, which provides for $5,318,000 of expenditure. Of this amount, $561,000 covers an industrial census, for which there is no authorization in law. The industrial census during the present fiscal year was financed partly by transfer of funds from the War Production Board. There is no authority in the basic legislation for conducting industrial censuses in this fiscal year.

I have looked at title XIII of the United States Code, covering miscellaneous statistics authorized in the respective years, and find there that section 111 covers special statistics, decennial only; section 112 covers manufactures in 1905 and every 10 years thereafter; section 113 covers a census taken annually as to crimes, defectives, and so forth; and section 201 covers a census every 10 years of population, agriculture, irrigation, drainage, distribution, unemployment, and mines.

As to the collection of statistics, section 71 covers cotton statistics; section 81, cottonseed statistics; section 91, hide and leather statistics, monthly reports; section 94, red-cedar shingles, monthly reports; section 101, births and deaths, annually; and section 106, housing statistics, in the 1940 census.

As near as I can learn from the statutes, these are the comprehensive authorizations for the census reports and activities of the Bureau of the Census generally.

This work was started, as near as I can learn from the hearings, as a part of the functions of the Work Projects Administration. While that Administration was still in operation, the President, by Executive order, transferred the functions to the Bureau of the Census in Executive Order No. 9232, which may be found in the 1940 edition of the United States Code, Supplement III, at page 133.

In that connection it may be pointed out that the original authority, if there were any in the Federal Work Projects Administration, died with that agency. The Work Projects Administration was authorized from year to year, but when it died any authority that was hoped to be transferred died with it. This, therefore, leaves the Bureau of the Census without any basic act whatever authorizing it to carry on activities for an industrial census, which is included in the funds carried in amendment No. 37, to wit, $5,318,000.

Further, on page 6 of the statement accompanying the conference report, there is this statement:

DEPARTMENT OF COMMERCE

Amendment No. 37: Appropriates $5,318,000 for compiling census reports and so forth, Bureau of the Census, as proposed by the Senate, instead of $4,757,000, as proposed by the House. The additional amount of $561,000 is to be expended in connection with the taking of an industrial census.

For these reasons, I maintain there is no authority in law for the expenditure of money for an industrial census. Therefore, this is legislation on an appropriation bill and the conference report is subject to a point of order because of its inclusion.

Mr. RANKIN. Mr. Speaker, may I answer one statement made by the gentleman from Ohio [Mr. JONES] in which he says that this practice started with the W. P. A. I call attention of the gentleman from Ohio to the fact that as far back as 1925, when his party was in power, they took this census—if I remember correctly.

The SPEAKER. The Chair is ready to rule.

The Chair has listened to the statement of the gentleman from Ohio in support of the point of order he raises against the conference report. The paragraph starting on page 54, beginning at line 7 and ending on line 7, page 55, was in the bill when it passed the House. Even though the paragraph might have

been subject to a point of order then, it was not made, and the paragraph remained in the bill. The Chair is of the opinion this is only a question of amount of money. The House put in appropriation of $4,757,000 under the heading of compiling census reports, and so forth. If in the House an amendment had been made changing the sum of $4,757,000 to $5,318,000, or any other amount, it would certainly have been in order.

Mr. JONES. Mr. Speaker, may I be heard further on the point of order?

The SPEAKER. Yes.

Mr. JONES. Mr. Speaker, when the original bill was in the House, there was a point of order made against the following language, which I think was an authorization for this item which had been left in the bill. The language is as follows:

And for sample surveys throughout the United States for the purpose of estimating the size and characteristics of the Nation's labor force and population, including personal services, at the seat of government.

That clause was left out of the bill. This, as I understand, Mr. Speaker, is for a sample survey of industrial statistics.

The SPEAKER. But the Chair goes back to the original proposition that the paragraph remained in the bill.

Mr. TABER. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The Chair will be glad to hear the gentleman from New York.

Mr. TABER. Mr. Speaker, may I call your attention that in lines 9 and 10 the operation of that paragraph is limited to items provided for by law, and this being clearly set forth as an item for a particular project which was not authorized by law and appearing in the conference report, renders the conference report subject to a point of order. If that did not appear in the conference report, it might be that there would be nothing before the House upon which a point of order might be sustained. But with those two things, the fact that the language is limited to an item which was authorized by law and the fact that the object of increase is specifically set forth in the conference report, would seem to me to bring it directly before the House where it is subject to a point of order.

The SPEAKER. The Chair will state that the only question before the Chair is the point of order on the conference report. Let the Chair repeat, the only point involved here is an increase in amount of an appropriation. It does not change existing law. The paragraph was not stricken out in the House on a point of order. The only question involved being a question of amount, the Chair overrules the point of order.

Mr. RABAUT. Mr. Speaker, I move the previous question on the conference report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 13: Page 16, line 3, after the word "countries", insert ": *Provided further*, That reimbursements incident to the maintenance of commissary service authorized under this head shall be credited to the appropriation for this purpose current at the time obligations are incurred or such amounts are received: *Provided further*, That a detailed report shall be made to Congress annually of the receipts and expenditures of said commissary service."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment No. 13 and concur therein.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. RABAUT moves that the House recede from its disagreement to Senate amendment No. 13 and concur therein.

Mr. JONES. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. Yes. How much time does the gentleman want?

CALL OF THE HOUSE

Mr. McGREGOR. Mr. Speaker, a point of order. I make the point of order that a quorum is not present.

The SPEAKER. Evidently there is no quorum present.

Mr. GORE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 76]

Allen, Ill.	Fuller	Merrow
Anderson, N. Mex.	Gardner	Monroney
Andrews, Ala.	Gathings	Morrison
Andrews, N. Y.	Gavin	Murphy
Arends	Geelan	Norton
Auchincloss	Gerlach	O'Brien, Mich.
Baldwin, N. Y.	Gibson	Outland
Barry	Grant, Ala.	Pace
Bates, Mass.	Grant, Ind.	Patman
Bennet, N. Y.	Gwinn, N. Y.	Pfeifer
Biemiller	Hagen	Philbin
Bland	Hall, Edwin Arthur	Powell
Bloom	Hall, Leonard W.	Quinn, N. Y.
Boren	Halleck	Rabin
Boykin	Hancock	Rains
Bradley, Mich.	Hand	Rayfiel
Buckley	Hart	Reece, Tenn.
Bunker	Hartley	Reed, Ill.
Byrne, N. Y.	Hays	Riley
Camp	Healy	Rivers
Case, N. J.	Hébert	Roe, N. Y.
Case, S. Dak.	Heffernan	Rooney
Celler	Hoffman	Sabath
Chapman	Holmes, Mass.	Sasscer
Chiperfield	Jarman	Savage
Clark	Jennings	Simpson, Pa.
Clements	Johnson, Okla.	Snyder
Cochran	Keogh	Somers, N. Y.
Colmer	Kirwan	Spence
Cooley	Lane	Stewart
Cravens	Latham	Sumner, Ill.
Crosser	Lemke	Talbot
Curley	Lynch	Thom
Dawson	McCowen	Tibbott
De Lacy	McDonough	Torrens
Delaney, James J.	McGlinchey	Wadsworth
Dickstein	Madden	Walter
Dirksen	Manasco	Weiss
Douglas, Calif.	Mansfield, Mont.	White
Earthman	Mansfield, Tex.	Wilson
Eaton	Marcantonio	Winter
Eberharter	May	Wolfenden, Pa.
Fellows		Woodhouse
		Worley
		Zimmerman

The SPEAKER. On this roll call 302 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

STATE, JUSTICE, AND COMMERCE APPROPRIATION BILL, 1946

Mr. STEFAN. Mr. Speaker, I ask unanimous consent that Senate amendments Nos. 13, 16, and 54 be considered together, inasmuch as they are of the same nature.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read as follows:

Senate amendment No. 13, on page 16, line 3, after the word "countries", insert ": *Provided further*, That reimbursements incident to the maintenance of commissary service authorized under this head shall be credited to the appropriation for this purpose current at the time obligations are incurred or such amounts are received: *Provided further*, That a detailed report shall be made to Congress annually of the receipts and expenditures of said commissary service."

Senate amendment No. 16, on page 16, line 24, after the word "Columbia", insert ": *Provided*, That all refunds, repayments, or other credits on account of funds disbursed under this head shall be credited to the appropriation for this purpose current at the time obligations are incurred or such amounts are received."

Senate amendment No. 54, page 73, beginning on line 4, insert ", the proceeds from such resales to be credited to the appropriation from which the expenditure for such supplies was made and a report shall be made to Congress annually showing the expenditures made for such supplies and the proceeds from such resales."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The Clerk read as follows:

Mr. RABAUT moves that the House recede from its disagreement to Senate amendments Nos. 13, 16, and 54, and concur therein.

Mr. RABAUT. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Speaker, on these three amendments the issue involved is: Shall the executive departments take their collections for running commissaries or business ventures and supplement their appropriations and use them over and over again for the purchase of supplies, employment of personnel, and other expenses.

The general law requires that all moneys collected by any Federal agency be paid into the Treasury of the United States and any money spent for any purpose whatsoever be spent from appropriations made by the Congress and spent on an accountable warrant drawn upon the Treasury of the United States.

These three amendments—listen to the wording of the first of them:

Provided further, That reimbursements incident to the maintenance of commissary service authorized under this head shall be credited to the appropriation for this purpose current at the time obligations are incurred or such amounts are received:

Provided further, That a detailed report shall be made to Congress annually of the receipts and expenditures of such commissary service.

The original language contained in the House bill was stricken out on a point of order on this amendment, and the other body added the proviso. The point involved is a matter of principle. When you get through with all of these appropriation bills, add them all up and take

them piece by piece as we have put them together; when we get all through with them we have repealed, to a large extent, a general law that has been on the statute books for many, many years. Up until this year I think it is admitted that we have not given very great consideration to the legislative provisions. There is no adequate remedy for the Congress to watch appropriated funds of a Government agency in a business venture of this kind. True, with reference to the T. V. A. and the Bonneville Power Administration, there are certain definite standards set up by the Federal Power Commission. But here you have a business venture authorized by language inserted by the Bureau of the Budget and further approved by the Congress because the Appropriations Committee and the Congress is so busy watching the figures that we do not watch the legislation. We are primarily not a legislative committee. So when this language is inserted in an appropriation bill it has never been given consideration before that it is legislation that repeals the positive terms of a statute.

The terms of the statute which provide that moneys collected by any department or agency be paid into the Treasury was put into the law of the land after mature consideration, after much debate, to set a standard which would guide public officials in the administration of a public trust. When you start an agency such as the State Department into the restaurant business, as this commissary service is, and let them add to their appropriation the amounts collected for food, and then plow it back in, there is absolutely no way you can adequately control the employees of the Government. We have not provided here for a cost-accounting system so that the General Accounting Office or we may know exactly whether they are making a profit or a loss, or whether they are fleecing us on the bookkeeping, or whether they are carrying on their business operations with good business practices.

We will have nothing except the bare report of total income, which tells us nothing. It is duck soup for anybody who wants to be crooked. I do not think any State Department officials are crooked, but we should run the public business, and we run public affairs in such way that there is no chance for anybody to be crooked if he wanted to be.

We are starting a restaurant business in this commissary item without setting up any cost-accounting methods or any standards for the conduct of the business. There is not a corporation in the United States that has this kind of set-up in the use of corporate funds; yet here we are allowing them to use the funds of the Treasury of the United States and no strings are attached to them. To my way of thinking it is the most damnable thing that we can inaugurate and keep going in the Federal Government. I am opposing amendments 13, 16, and 54 on principle. It is a matter of principle, because when you let the bars down any number of agencies may find excuses, may find emergencies if you please, to carry on their business of running a harness shop, running a restaurant, running anything that might be difficult to get in a private establishment. I am against it, because it sets a precedent of loose fiscal policy and that will wreck any government. If we are going to do this sort of thing, if the law requiring the payment of money into the Treasury is bad, then by the grace of God let us let the appropriate legislative committees do their job and provide for commissary service, provide for the restaurant business, provide for harness shops, provide for honky-tonks, if you please, but put safeguards in so that the Treasury will be kept whole.

There is no provision here for the bonding of the managers of these commissaries; there is not any provision that they will have to take up policy matters, as to whether or not they will throw away old food or whether they will use it at all to feed people. We are just setting on foot a means whereby any employee connected with its operation who wants to be dishonest can cheat the Government. I think it is a bad policy to adopt. If the urgency is great, the Congress has been in session ever since the war started and will be in session for a long time to come on postwar problems. It has been in session for nearly 2 months since this was stricken out on the point of order. The legislative committees have been here all this time. Why did they not get authorization on amendment 13 in legislation from the Committee on Foreign Affairs? And likewise amendment 16, and from the proper committee on amendment 54? Why were not those committees consulted in the setting up of a policy that would keep Government officials honest and set up a policy so that when of necessity Congress again deals with the item we can know it was set up in accordance with honest business practices and principles guaranteed by statute?

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. JONES. I yield.

Mr. TABER. If we do something like this we have no way of telling how much they are going to spend in advance.

Mr. JONES. That is correct.

Mr. TABER. The Congress, unless it refuses to adopt this amendment, is turning over to the Executive money to spend without any control by us.

Mr. JONES. That is correct. They can do things with their operating expense items that we do not anticipate because we allow them to supplement anything, to buy stuff to supplement for the purpose of this program. That means for janitors, for stewards, for waiters, and other employees that might be incidental to running a restaurant business. It is bad; it is bad practice. You would not expect such a set-up for yourself. We argued all yesterday afternoon about $1,000,000,000 item for Congress. I might point out that in connection with the conference report which we have already adopted, we have increased this appropriation by a net of $4,651,000.

The details on this matter follow:

	House figures in amendments involved	Under House bill	Conference figures	Over House bill
Amendment No. 1	$9,600,000		$9,900,000	$300,000
Amendment No. 3	750,000		795,000	45,000
Amendment No. 5	4,850,000		4,875,000	25,000
Amendment No. 7	3,280,000		3,422,000	142,000
Amendment No. 8	2,100,000		2,150,000	50,000
Amendment No. 9	4,150,000		4,250,000	100,000
Amendment No. 10	1,650,000		1,700,000	50,000
Amendment No. 11	6,000,000		6,200,000	200,000
Amendment No. 12	8,000,000		8,260,000	260,000
Amendment No. 15	16,000,000		17,500,000	1,500,000
Amendment No. 30	21,000,000		21,300,000	300,000
Amendment No. 39	2,680,000		2,878,000	198,000
Amendment No. 46	3,050,000		3,100,000	100,000
Amendment No. 14			1,000,000	1,000,000
Amendment No. 23	4,330,000	−$330,000	4,000,000	
Amendment No. 37	4,757,000		5,318,000	561,000
Amendment No. 45	675,000		850,000	75,000
Amendment No. 53	1,250,000		1,325,000	75,000
Total agreed items		−330,000		+4,981,000
Compared to bill as passed by House, net change on agreed items				330,000
Total				4,651,000

If Senate prevails in disagreed money item

	House	Senate	Additional	Less
20	0	$1,390,000	$1,390,000	
20½	0	172,000	172,000	
27	0	390,000	390,000	
40	$9,400,000	12,577,000	3,177,000	
Total raises if Senate permits			5,129,000	
Summary:				
Agreed items in conference raising House bill				$4,651,000
Disagreed items if Senate permits				5,129,000
Total				9,780,000

Mr. Speaker, if we adopt the amendments which are in disagreement, calling for the expenditure of this money, there will be another $5,129,000 added, a total of $9,780,000, that we seem to want to add without the blinking of an eye and without much debate. It is a crime and a shame if we spend nine and three-fourths million dollars additional. It is unfortunate that we have to permit people to run business for the United States of America in such a way that no executive of a private corporation could expect to do.

Mr. RICH. What do they do with the profits that are made from the operation of these Government institutions?

Mr. JONES. I am not worried about the profits, because no Government venture has yet turned in a profit. What I am worried about is the amount that comes back in, and what they spend it for.

Mr. RICH. What do they do with the deficit?

Mr. JONES. They are going to keep getting more appropriations, and all we will have to account for it is the amount collected for grub.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. RABAUT. Mr. Speaker, in order that the House may fully understand amendments 13, 16, and 54, I wish to say the following:

The purpose of this amendment is to restore to the appropriation a provision which was eliminated on a point of order on the floor of the House. This provision had to do with reimbursement of the appropriation incident to the operation of commissary services. Authority has been contained in this appropriation for the establishment and maintenance of commissary services since 1933. Until the present fiscal year there has been little occasion for the department to utilize this authority; however, with the liberation of areas formerly occupied by the enemy, economic conditions in certain areas made it impossible for the Foreign Service personnel to obtain food and other essential commodities except through the military service or providing its own facilities where the military could not provide them. The provision for reimbursement is necessary to make this service self-sustaining. Without such provision greatly increased appropriations will be required of the Congress.

I want to impress that upon you: Greatly increased appropriations will be required of the Congress should this provision fail.

The entire cost of operating these commissaries would be a direct charge against the appropriation. So much for amendment No. 13.

Amendment No. 16. Justification: The purpose of this amendment is to restore to the appropriation a provision which was eliminated on a point of order on the floor of the House. The provision for refunds and repayments which was deleted is a revision of similar language which has been contained in this appropriation for a number of years. The revision was recommended in order to eliminate certain confusion which had been occasioned through difficulty in identifying the fiscal year appropriation to which reimbursement should be made.

The provision for reimbursement of the appropriation has been utilized in the past to save money for the Government. I repeat, to save money for the Government. For example, the Department from time to time is able from its appropriation to purchase foreign currency at advantageous rates. If reimbursements to the appropriations were not permitted, it would not be possible to carry on these transactions and greatly increase amounts would be necessary in the various appropriations for the operation of the Foreign Service in acquiring services in commodities at official rates. Reimbursements received from American nationals to whom loans have been made are credited to this appropriation for the sole purpose of providing funds for additional loans, and any balance not required for that purpose automatically reverts to the Treasury.

Amendment No. 54. This language has appeared at the end of the Department of Commerce appropriations for several years past. It is necessary to provide a service for the personnel of the Civil Aeronautics Administration and the Weather Bureau who are sent to Alaska and stationed at outlying bases where no facilities are available for the purchase of their necessary subsistence supplies. Without this service it would be necessary for individual employees to provide an advance of approximately $1,000 for laying in supplies for a long period of time, and since few employees would be able to do so, a commissary system was set up which allows them to purchase and receive the supplies and make payment therefor through deductions in salary within the current fiscal year, crediting the payments to the appropriation and thus restoring it and permitting the funds appropriated to be used for the purpose for which they were appropriated.

Failure to restore this language would necessitate an increase in this appropriation by several hundred thousand dollars, or the creation of a separate appropriation—revolving fund.

Mr. KEEFE. Mr. Speaker, will the gentleman yield me some time in order that I may ask him some questions?

Mr. RABAUT. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin.

Mr. KEEFE. Mr. Speaker, with respect to amendment No. 13, I have listened with great interest to the answer of the distinguished chairman of the subcommittee to the point raised by the gentleman from Ohio. This amendment, you will observe, is an amendment to an item appearing in this appropriation bill on page 13 entitled "Contingent Expenses, Foreign Service." It is a lump-sum appropriation totaling $8,460,000. In the language providing this lump-sum appropriation there is authority contained in these words, "Funds for establishment and maintenance of commissary service." There is no separation of the funds to indicate what amount out of this total appropriation of $8,460,000 is allocated and used for the purposes of establishing and maintaining a commissary service in the State Department.

Certainly some portion of this lump-sum appropriation is being used by the State Department under the authority contained in this general language. I am unable to find what amount of this general appropriation is being allocated by the State Department for the purpose of maintaining a commissary service.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. RABAUT. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. KEEFE. The point on which I should like to be informed as a Member of the House is this. The gentleman has stated that unless this amendment is written into this bill the State Department will have to come back here and ask for a greatly increased appropriation for this item. What I want to know is, How much does this bill carry for the State Department to spend for the maintenance of a commissary establishment in the State Department? How large is that amount, may I ask the chairman?

Mr. RABAUT. That matter was fully discussed. The gentleman would have to have the hearings before him to know the answer. The members of the minority were with the committee upstairs, as the gentleman well knows. The gentleman is no novice in this House. The minority sat upstairs on the committee, and this was adopted and brought to the floor by the full committee.

Mr. KEEFE. Will the gentleman please answer my specific question?

Mr. RABAUT. I am not answering the gentleman's question at all. The gentleman can look in the hearings and find it.

Mr. KEEFE. The gentleman does not care to answer my question.

Mr. RABAUT. The gentleman was here when the bill was passed in the House.

Mr. KEEFE. I should like to know how much of this lump-sum appropriation of $8,460,000 is allocated by the State Department for the maintenance of a commissary service.

Mr. RABAUT. The gentleman will find that matter was discussed in the hearings. It is up to him to look in the hearings and discover it. This is a conference report that is under consideration. The question the gentleman is bringing up now should have been asked when the bill was under consideration on the floor.

Mr. KEEFE. I am dismayed that the distinguished gentleman has seen fit to cast no light upon this subject at all. It is characteristic of New Deal thinking. You of the majority will jam this thing through without the Congress knowing the facts.

I should like also to know how it would cost the people of the United States a single dollar if the State Department were required to turn into the Treasury under the item of miscellaneous receipts

the amount they receive from the operations of this commissary service. Under existing law the receipts should be turned into the Treasury. They would then be required to come to the Congress and ask the Congress for the money to carry on that service. Then we would know how much that service is costing. Under the proposed amendment you are not going to get the information any more than I have been able to get it from the chairman of the committee.

I think it is a deplorable situation that we handle the public's money in that manner, and rest the question on the pure, sole statement taken from the justifications that have been submitted by the State Department, which is asking for the money, and that when a Member of Congress asks a sensible, decent question, asking for information, he is told to read the hearings and he will find it. The chairman ought to have that information available.

Mr. Speaker, I have read the hearings on this subject and I submit that regardless of the evasions of the chairman that they are utterly silent and furnish no answer to my question. Under leave to extend my remarks, I include the testimony that appeared in the hearings on this bill in connection with the subject about which I have been inquiring:

ESTABLISHMENT OF COMMISSARIES IN LIBERATED AREAS

Mr. JONES. What are the new projects that are referred to in the justification for the Division of Foreign Service Administration? Are those altogether the things that Mr. Davis testified to?

Mr. KURTH. Yes, almost wholly; new projects, for example, would envision such things as the establishment of commissaries in liberated areas.

Mr. JONES. That brings me to this question. What is the necessity of that when we have U. N. R. R. A.?

Mr. KURTH. U. N. R. R. A. is an agency which supplies relief to the people in liberated areas. The commissary operation is an entirely different thing. This program is to enable our people in liberated areas to get food and other supplies. When the Army moves into an area and our people move in with the Army, the Army supplies food for our people through the Army mess and post exchanges. Then, when the Army moves on up to a new front line, our people can no longer rely on the Army. We have to make sure that our people are going to get food and that they are going to be able to get drugs and things of that kind.

Mr. JONES. How much will an operation like that cost?

Mr. KURTH. For the purchase of food, and so forth, it will not cost the Government anything, because the people buy it themselves. In other words, they pay for it. We merely ship it over to them and they buy it and consume it.

Mr. JONES. What expenses are involved?

Mr. ROSS. Three clerks.

Mr. KURTH. Three clerks are needed to administer that.

Mr. JONES. How many places will there be?

Mr. KURTH. There will be 10 to 15.

Mr. JONES. All in France?

Mr. KURTH. In France, Belgium, and other places.

Mr. ROSS. They run one in Moscow, for example.

Mr. JONES. Why is not that same proposition coming up in the Pacific?

Mr. KURTH. It may come up there. Of course, it does not at the moment because the Navy takes care of that area. Our people get their food from the Navy commissaries, but later on the Navy will be moving into some other area. In the Philippines, at the moment, the Army takes care of that area. Our people who will be sent into that area will get their food from the Army. When the Army moves on, though, and that becomes a fairly stable place, they cannot be expected to continue to service our people.

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Speaker, I do not know that I can furnish the information requested by the gentleman from Wisconsin [Mr. KEEFE]. In fact, I do not know that anyone can furnish it, but in order that those who may read the RECORD may understand the question involved I should like to read part of the bill, appearing on pages 14 and 15, showing what the funds carried in the bill are appropriated for, I quote:

For relief, protection, and burial of American seamen, and alien seamen as authorized by Public Law 17, approved March 4, 1943, in foreign countries and in Territories and insular possessions of the United States, and for expenses which may be incurred in the acknowledgment of the services of masters and crews of foreign vessels in rescuing American seamen or citizens from shipwreck or other catastrophe at sea——

Mr. KEEFE. Mr. Speaker, will the gentleman yield so that I may submit a unanimous-consent request?

Mr. HARE. Yes; gladly.

Mr. KEEFE. Mr. Speaker, in view of the statement of the gentleman from Michigan, who is in charge of this conference report, that I would find in the hearings the information requested, I ask unanimous consent to insert in the RECORD as a part of my remarks the entire language appearing in the hearings, consisting of about a half page, on the subject to which I directed my inquiry.

This appears on page 48 of the hearings.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HARE. May I read further for the benefit of the gentleman from Wisconsin:

for expenses of maintaining in Egypt, Ethiopia, Morocco, and Muscat, institutions for incarcerating American convicts and persons declared insane by any consular court, rent of quarters for prisons, ice, and drinking water for prison purposes, and for the expenses of keeping, feeding and transportation of prisoners and persons declared to be insane by any consular court; for every expenditure requisite for or incident to the bringing home from foreign countries of persons charged with crime as authorized by section 5275 of the revised statutes (18 U. S. C. 659)—

Saying further the appropriations shall be available to reimburse the Navy Department for materials, supplies, equipment, services, and so forth, furnished by the Navy Department, including pay, subsistence, allowances and transportation of enlisted men of the Navy and Marine Corps who may be assigned by the Secretary of the Navy upon request of the Secretary of State, and so forth.

No one can tell how many people are going to be incarcerated. No man can tell how many people are going to be imprisoned or assigned to duty by the Secretary of State. No one can tell you how much water they are going to need. No man can tell you how much ice they are going to need. No man can tell you how much food is going to be needed for these prisoners and insane persons. Therefore, how in the name of common sense could I stand here and demand of you or any Member of the House to say to the very penny what is going to be needed for this particular purpose or that particular purpose. It is impossible to say. The estimate is based upon the experience of the past.

Nobody knows how many people are going to go insane over there. Nobody knows how much food they will need. No one knows how much the transportation costs are going to be. If there is anyone in this House now, or if he is in the Congress or in this city, who can furnish such information, I, for one, would be glad to have it. But I am not going to raise a big row because somebody has not been able to furnish me with information showing the exact penny that will be required. I am not going to be one to say to these American soldiers and to these American citizens who are in these foreign countries, not of their own volition but by the direction of this Congress, that we will strike this appropriation from this bill simply because I do not happen to know to the last dollar and cent how much is going to be required to take care of the insane persons, and so forth.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HARE. I yield.

Mr. RICH. Does not the gentleman believe the Department should reveal to the Congress the expenses they incur in connection with this from year to year so that we would have it in a report?

Mr. HARE. Yes; I believe that.

Mr. RICH. So that we would know exactly what has been done?

Mr. HARE. Yes; I believe that; surely I do. I agree with you fully. Such information is available; but that is not the question that has been raised here this morning. The question has been raised as to why the chairman of the subcommittee does not know to the exact penny how much money is going to be used for purposes mentioned in the bill.

The SPEAKER. The time of the gentleman has expired.

Mr. RABAUT. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, amendment No. 13 provides the very thing which the gentleman from Pennsylvania has inquired about, "that a detailed report shall be made to Congress annually of the receipts and expenditures of said commissary service."

Mr. RABAUT. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, these 3 provisions which are being considered together provide for revolving funds, two for the State Department and one for the Civil Aeronautics Administration.

The statute that is the law of the land, title 31 United States Code, sections 484 and 495, provides that when any reimbursable activity is engaged in by the Government, any funds collected shall be paid to the Treasury.

These provisions are in violation of that statute which was designed to protect the Treasury. They create reimbursable funds where the money goes back into the appropriation. It is absolutely impossible from the hearings before us, held by the committee, pages 48 and 49, to tell anything about how much these funds would be. Why should they not come here and tell us how much they would be and why should they not ask for an appropriation for them instead of asking for an indefinite reimbursement?

I like to see the Congress maintain its control over appropriations. It can only be done by following the law and requiring the funds that are collected to be paid into the Treasury. I cannot see any reason at all, if the Congress is ever going to retain control over expenditures or, in this situation, to regain control of governmental expenditures, why we should pass any such legislation as this.

The House threw this thing out on a point of order. I hope the House will continue to throw it out by its vote in rejecting these three amendments. There is absolutely no emergency that exists. These people have, as a result of the conference report that has been adopted, in the first item a total of $8,260,000 to play with in the fund. They have $17,500,000 in the second fund, and they have a large amount in item 54. If they do not have money enough, after careful administration, they can come before the Congress and ask for a review on a deficiency estimate. That is the regular and proper way to proceed.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. RABAUT. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. KERR].

Mr. KERR. Mr. Speaker, I regret that these three amendments have been attacked in the manner in which they have been attacked. It reminds me of the effort of an attorney with a bad case to technically attack every issue presented and muddy the waters as much as possible.

This fund is to provide a contingent fund in order to pay obligations that cannot be determined accurately. This fund is given into the hands of the State Department of this great government of ours and this Department is given the authority to determine for what this money should be expended. It can be assumed, I think, that the gentlemen who have control of the State Department of this great nation will expend the fund honestly and do it properly. That is the only issue involved. It is a question of whether or not we will rely upon the State Department and the personnel of that Department to take care of the interests of the Government and taxpayers.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. KERR. I yield.

Mr. KEEFE. Will the gentleman address himself to the point that has been raised, namely, that the Congress makes an initial appropriation for the establishment of a commissary fund, out of which there flows to employees, materials, and food in the operation of it, and for which the State Department gets back money from its employees? The law requires that money normally should go into the Treasury. Now what you are asking for is that it do not go to the Treasury but that it be credited to the appropriation for the establishment of this fund. Does that not, in effect, establish a revolving fund for each one of these things?

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. RABAUT. Mr. Chairman, I yield the gentleman from North Carolina 1 additional minute.

Mr. KERR. My friend has not asked me a question.

Mr. KEEFE. Yes; I am asking a question. Does not that practice——

Mr. KERR. The gentleman is really debating an issue that he debated here a few minutes ago. I believe that the Department of State of this Nation is honest enough, and clever enough, and intelligent enough to administer this sum that we propose to turn over to them.

Mr. KEEFE. The gentleman feels, then, that the Congress ought to relieve itself——

Mr. KERR. I will not continue to argue with my friend and I will not yield to him longer.

Mr. RABAUT. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The question was taken; and the Chair being in doubt, the House divided and there were—ayes 37, noes 31.

Mr. JONES. Mr. Speaker, I object to the vote on the ground a quorum is not present.

The SPEAKER. Evidently no quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 163, nays 147, not voting 122, as follows:

[Roll No. 77]

YEAS—163

Abernethy	Delaney, John J.	Hobbs
Allen, La.	Dingell	Hoch
Bailey	Domengeaux	Holifield
Baldwin, Md.	Doughton, N. C.	Huber
Barden	Douglas, Ill.	Izac
Barrett, Pa.	Doyle	Jackson
Bates, Ky.	Drewry	Johnson, Luther A.
Beckworth	Durham	Johnson, Lyndon B.
Bell	Engle, Calif.	Kee
Bland	Ervin	Kelley, Pa.
Bonner	Fallon	Kelly, Ill.
Brocks	Feighan	Kerr
Brown, Ga.	Fernandez	Kilday
Bryson	Flannagan	King
Bulwinkle	Flood	Kirwan
Bunker	Fogarty	Lanham
Burch	Folger	Larcade
Burgin	Forand	Lesinski
Camp	Gallagher	Link
Cannon, Fla.	Gary	Ludlow
Cannon, Mo.	Gordon	Lyle
Carnahan	Gore	McCormack
Chapman	Gorski	McGehee
Chelf	Gossett	McKenzie
Coffee	Granahan	McMillan, S. C.
Colmer	Granger	Mahon
Combs	Green	Maloney
Cooper	Gregory	Mansfield, Tex.
Courtney	Hare	May
Cox	Harris	Miller, Calif.
Crosser	Havenner	Mills
D'Alesandro	Hedrick	Morgan
Daughton, Va.	Hendricks	Morrison
Davis	Resa	Starkey
Murdock	Richards	Stigler
Murray, Tenn.	Robertson, Va.	Sullivan
Neely	Robinson, Utah	Sumners, Tex.
Norrell	Roe, Md.	Tarver
O'Brien, Ill.	Rogers, Fla.	Thom
O'Neal	Rogers, N. Y.	Thomas, Tex.
O'Toole	Rooney	Thomason
Patrick	Rowan	Tolan
Patterson	Russell	Traynor
Peterson, Fla.	Ryter	Trimble
Peterson, Ga.	Sadowski	Vinson
Pickett	Sasscer	Voorhis, Calif.
Poage	Sheppard	Wasielewski
Price, Fla.	Sheridan	Whitten
Price, Ill.	Sikes	Whittington
Priest	Slaughter	Wickersham
Rabaut	Smith, Va.	Winstead
Rains	Snyder	Wood
Ramspeck	Somers, N. Y.	Woodrum, Va.
Randolph	Sparkman	
Rankin	Spence	

NAYS—147

Adams	Gillie	Murray, Wis.
Allen, Ill.	Goodwin	O'Hara
Andersen, H. Carl	Graham	O'Konski
Anderson, Calif.	Griffiths	Phillips
Angell	Gwynne, Iowa	Pittenger
Arnold	Hagen	Ploeser
Barrett, Wyo.	Hale	Plumley
Beall	Harness, Ind.	Powers
Bender	Henry	Ramey
Bennett, Mo.	Herter	Reece, Tenn.
Bishop	Heselton	Reed, Ill.
Blackney	Hess	Reed, N. Y.
Bolton	Hill	Rees, Kans.
Brehm	Hinshaw	Rich
Brown, Ohio	Hoeven	Rizley
Brumbaugh	Holmes, Wash.	Robertson, N. Dak.
Buck	Hope	Robsion, Ky.
Buffett	Horan	Rockwell
Butler	Howell	Rodgers, Pa.
Byrnes, Wis.	Hull	Rogers, Mass.
Campbell	Jenkins	Schwabe, Mo.
Canfield	Jensen	Schwabe, Okla.
Carlson	Johnson, Ill.	Scrivner
Case, S. Dak.	Johnson, Ind.	Shafer
Chenoweth	Jones	Sharp
Church	Jonkman	Simpson, Ill.
Clason	Judd	Smith, Maine
Clevenger	Kean	Smith, Ohio
Cole, Kans.	Kearney	Smith, Wis.
Cole, Mo.	Keefe	Springer
Cole, N. Y.	Kinzer	Stefan
Corbett	Knutson	Stevenson
Crawford	Kunkel	Stockman
Cunningham	LaFollette	Sumner, Ill.
Curtis	Landis	Sundstrom
Dolliver	LeCompte	Taber
Dondero	LeFevre	Talbot
Dworshak	Lewis	Talle
Elliott	McConnell	Thomas, N. J.
Ellis	McCowen	Towe
Elsaesser	McDonough	Vorys, Ohio
Elston	McGregor	Vursell
Engel, Mich.	McMillen, Ill.	Weichel
Fenton	Martin, Iowa	Welch
Gamble	Martin, Mass.	Wigglesworth
Gearhart	Mason	Wolcott
Gifford	Michener	Wolverton, N. J.
Gillespie	Miller, Nebr.	Woodruff, Mich.
Gillette	Mott	
	Mundt	

NOT VOTING—122

Anderson, N. Mex.	Delaney, James J.	Hart
Andresen, August H.	Dickstein	Hartley
Andrews, Ala.	Dirksen	Hays
Andrews, N. Y.	Douglas, Calif.	Healy
Arends	Earthman	Hébert
Auchincloss	Eaton	Heffernan
Baldwin, N. Y.	Eberharter	Hoffman
Barry	Ellsworth	Holmes, Mass.
Bates, Mass.	Fellows	Hook
Bennet, N. Y.	Fisher	Jarman
Biemiller	Fuller	Jennings
Bloom	Fulton	Johnson, Calif.
Boren	Gardner	Johnson, Okla.
Boykin	Gathings	Kefauver
Bradley, Mich.	Gavin	Keogh
Bradley, Pa.	Geelan	Kilburn
Buckley	Gerlach	Kopplemann
Byrne, N. Y.	Gibson	Lane
Case, N. J.	Grant, Ala.	Latham
Celler	Grant, Ind.	Lea
Chiperfield	Gross	Lemke
Clark	Gwinn, N. Y.	Luce
Clements	Hall, Edwin Arthur	Lynch
Cochran	Hall, Leonard W.	McGlinchey
Cooley	Halleck	Madden
Cravens	Hancock	Manasco
Curley	Hand	Mansfield, Mont.
Dawson	Harless, Ariz.	Marcantonio
De Lacy		Merrow
		Monroney

Murphy	Riley	Walter
Norton	Rivers	Weaver
O'Brien, Mich.	Roe, N. Y.	Weiss
Outland	Sabath	West
Pace	Savage	White
Patman	Short	Wilson
Pfeifer	Simpson, Pa.	Winter
Philbin	Stewart	Wolfenden, Pa.
Powell	Taylor	Woodhouse
Quinn, N. Y.	Tibbott	Worley
Rabin	Torrens	Zimmerman
Rayfiel	Wadsworth	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Heffernan for, with Mr. Short against.

Mr. James J. Delaney for, with Mr. Arends against.

Mr. Outland for, with Mr. Fuller against.

Mr. Keogh for, with Mr. Tibbott against.

Mr. Quinn of New York for, with Mr. Edwin Arthur Hall against.

General pairs until further notice:

Mr. Pfeifer with Mr. Taylor.

Mr. Lane with Mr. Hoffman.

Mr. Barry with Mr. Wadsworth.

Mr. Patman with Mr. Baldwin of New York.

Mr. Bloom with Mr. Holmes of Massachusetts.

Mrs. Norton with Mr. Lemke.

Mr. Byrne of New York with Mr. Case of New Jersey.

Mr. Philbin with Mr. Eaton.

Mr. Lynch with Mr. Halleck.

Mr. Manasco with Mr. Fellows.

Mr. Powell with Mr. Bradley of Michigan.

Mrs. Douglas of California with Mr. Latham.

Mr. Rabin with Mr. Wilson.

Mr. Healy with Mr. Jennings.

Mr. Rayfiel with Mr. Hartley.

Mr. McGlinchey with Mr. Grant of Indiana.

Mr. Roe of New York with Mr. Auchincloss.

Mr. Cravens with Mr. Dirksen.

Mr. Torrens with Mr. Ellsworth.

Mr. Hays with Mr. Hand.

Mr. Madden with Mr. Gross.

Mr. Hook with Mr. Chiperfield.

Mrs. Woodhouse with Mr. Kilburn.

Mr. Curley with Mrs. Luce.

Mr. Fisher with Mr. Gavin.

Mr. Cooley with Mr. Gwinn of New York.

Mr. Buckley with Mr. Fulton.

Mr. Hart with Mr. Merrow.

Mr. Cochran with Mr. Johnson of California.

Mr. Eberharter with Mr. Leonard W. Hall.

Mr. Murphy with Mr. Bennet of New York.

Mr. Pace with Mr. Hancock.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the Appendix of the RECORD and include a statement by Mr. Rose before the Ways and Means Committee.

The SPEAKER pro tempore (Mr. LANHAM). Is there objection to the request of the gentleman from New York?

There was no objection.

STATE, JUSTICE, AND COMMERCE DEPARTMENTS APPROPRIATION BILL, 1946

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 17: Page 21, after line 8, insert "printing and binding without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111); entertainment; and representation allowances as authorized by the act of February 23, 1931, as amended (22 U. S. C. 12, 23c); $1,500,000."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 17 and concur in the same.

Mr. STEFAN. Mr. Speaker, will the gentleman yield me 3 or 4 minutes?

Mr. RABAUT. Mr. Speaker, I yield the gentleman 4 minutes.

Mr. STEFAN. Mr. Speaker, I shall go along with the motion to recede and concur on this amendment. It has to do with a fund known as "International conferences, emergency."

We appropriate annually a million and a half for this item. Approximately $500,000 of that has already been expended for previous conferences, and the rest of it is being used in connection with the San Francisco Security Conference.

The item of $400,000 in this amendment refers to the appropriation for the fiscal year 1946, and that amount will be used in connection with the San Francisco Security Conference in case the conference lasts more than 6 weeks.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield for a question?

Mr. STEFAN. I yield.

Mr. BROWN of Ohio. This $400,000 that the gentleman mentioned is being used for the purpose of meeting the expenses at San Francisco?

Mr. STEFAN. It will be used in case the Conference lasts more than 6 weeks.

Mr. BROWN of Ohio. Does the gentleman mean to tell me that the representatives of the United States Government at San Francisco, the Secretary of State and the other departmental officials, are not paying their own expenses out of their own salaries and income?

Mr. STEFAN. Aside from the American delegates to the Conference there are secretaries and many employees and clerks who do the detail work. Their travel, rooms, food, per diem, and necessary expenses are paid by the Government as is done for other Government employees.

Mr. BROWN of Ohio. They are receiving their expenses, but it is wrong for Members of Congress to receive expenses. I cannot understand the logic of it.

Mr. STEFAN. I wish to call to the attention of the House, however, the fact that contrary to general belief, the United States does not pay for the travel, for the food, or the rooms of the foreign delegates to the San Francisco Conference. The foreign governments pay the expenses for their own delegates. This fund is mostly for our own Government employees and representatives.

Mr. BROWN of Ohio. Oh, the gentleman means from foreign countries; we do not pay for other people who come here from foreign countries but we do pay the travel and per diem expense of our own people who go out there.

Mr. STEFAN. That is correct. We pay the expenses of our Government employees and that is not a new procedure.

Mr. BROWN of Ohio. It has been my thought that the same rule should apply to the Congress; and I want to bring out what we are doing in connection with the San Francisco Conference in that regard.

Mr. STEFAN. That is a matter not under discussion in this amendment. Mr. Speaker, I ask unanimous consent, in order to inform the House fully as to the division of these funds and also regarding expenditures made by the United States Government in connection with the Security Conference at San Francisco, that I may be permitted to extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

INTERNATIONAL CONFERENCES, EMERGENCY—BACKGROUND

Mr. STEFAN. Mr. Speaker, H. R. 2603, an act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and the Federal Loan Agencies for the fiscal year ending June 30, 1946, includes on page 20, lines 5 to 24, inclusive, language providing for an appropriation in the amount of $1,500,000 to enable the United States upon approval by the Secretary of State to participate in international activities which arise from time to time in the conduct of foreign affairs and for which specific appropriations have not been provided pursuant to treaties, conventions, or special acts of Congress.

As was explained during the testimony before the subcommittee in charge of the bill, this appropriation is utilized primarily to finance international conferences and similar activities of an emergency nature. A similar appropriation also in the amount of $1,500,000 was approved by the Congress for the fiscal year 1945 which was the first time that such a provision had been included in the State Department appropriation bill.

During the fiscal year 1945 a number of international activities have been financed from this appropriation. Allotments totaling $594,915 have been made to date as follows:

Activity:	*Amount*
Interim Commission on Food and Agriculture	$26,815
Conference of Ministers of Education of the Allied Governments in London	35,000
Expenses of United States representatives in conducting exploratory rubber conversations with the British and Dutch Governments in London	6,600
Discussions regarding international security (Dumbarton Oaks)	23,500
Second meeting of the Council of the United Nations Relief and Rehabilitation Administration in Montreal	20,000
International Civil Aviation Conference in Chicago	212,000
Interim Commission on European Inland Transport	80,000
Conference of American Foreign Ministers in Mexico City	111,200
Conversations on aviation matters between officials of the Governments of the United States and Canada in New York	1,800
Conversations on telecommunications problems between representatives of the United States and Great Britain in London	19,000

Activity—Continued.	Amount
Mission to London of Mr. Earl Harrison to consult with Intergovernmental Committee on Refugees and the British Government	$5,000
Mission to Moscow headed by Dr. Isador Lubin to formulate the German reparations program	54,000
Total	594,915

The present unallotted balance of the 1945 appropriation is, therefore, $905,085. In addition to the unallotted balance of $905,085 it is estimated that of the allotments previously made totaling $594,195 the amount of $106,600 in unobligated allotment balances can be recovered and restored to the appropriation balance. Thus, the total amount available for activities other than those enumerated above would be $1,011,685—$905,085 unallotted balance plus $106,600 unobligated allotment balance. The expenses of the United Nations Conference on International Organization are not included in the above tabulation.

A tentative budget based upon the Conference lasting 6 weeks indicates that the balance of $1,011,685 will be insufficient to finance the San Francisco Conference. If the Conference lasts 8 weeks additional funds will be needed if the Conference is to continue. The length of the Conference will depend upon developments. The length of the Conference is, of course, a matter beyond the control of the Department of State.

In order to make provision for additional funds to finance the San Francisco Conference it is requested that consideration be given to an amendment to the 1946 appropriation bill to make a portion of the $1,500,000 provided for in 1946 available in the fiscal year 1945. It is estimated that the amount of $400,000 should be made immediately available. It is believed that the following amendment to the language already contained in H. R. 2603, page 20, lines 5 to 24, inclusive, will accomplish this purpose: "Provided that not to exceed $400,000 shall be made immediately available."

ESTIMATED EXPENDITURES, SAN FRANCISCO CONFERENCE

Based on a Conference duration of 6 weeks, the total estimated expenditures for the San Francisco Conference are $1,202,178. The various items of expenditure are as follows:

Object of expenditure:	Amount
Personal services	$150,730
Travel	443,283
Transportation of things	18,408
Communications services	163,000
Rents and utility services	196,503
Printing and binding	27,000
Other contractual services	127,800
Supplies and materials	36,590
Equipment	38,864
Total	1,202,178

The composition of each of these items and the necessity for the expenditures is given immediately below.

Personal services: The amount of $150,730 is required to pay for the salaries of approximately 500 temporary employees most of whom will be recruited in the San Francisco area. Temporary employees are required as messengers, mimeograph-machine operators, chauffeurs, stenographers, typists, guards, transportation experts, translators and interpreters, and others in a similar category. The largest group of employees consists of chauffeurs who will drive automobiles made available by the War Department. The War Department is able to furnish the cars but not the chauffeurs. At least 325 chauffeurs will be required to operate busses and passenger cars which will be used to transport the delegates to the conference and their employees, as well as the employees of the International Secretariat. It should be explained in this connection that because of the space situation in the various hotels in San Francisco it is necessary to provide transportation on a 12-hour-a-day basis between the hotels and the place where the plenary and working sessions, namely, the civic center, will occur.

Travel: Travel includes the payment of a per diem of $6 to the members of the American delegation, the secretariat of the American delegation, and the International Secretariat, all of whom are Americans. In this connection the United States does not pay for the travel expense of foreign delegations and their secretariats. The American delegation and its Secretariat consists of a total of 255 people. The International Secretariat, exclusive of the secretarial and clerical personnel employed locally, whose travel expenses will be paid by the Department, total 575. The total amount to be paid for per diem is $258,780, which provides for per diem payments of the American delegation and the International Secretariat for a 6-week period. It also includes travel to and from the conference and the payment of per diem to couriers. The following tabulation gives a break-down of the per diem payments:

830 people, 42 days	$209,160
Before and after conference	12,300
En route:	
Rail	35,040
Air	1,200
Per diem payments to couriers	1,080
Total	258,780

The second portion of the travel expense consists of the transportation of persons, totaling $184,503. A break-down of this total is as follows:

Railroad fare	$106,772
Pullman	30,414
Air travel	37,278
Courier travel	10,594
Total	184,503

Transportation of things: The estimated cost of the transportation of things is $18,408 which provides for removing and replacing equipment from the Veterans' Building, which is being utilized as the Conference center, in the amount of $9,000 and for transportation costs for the movement of supplies and materials to and from Washington and San Francisco in the amount of $9,408.

Communications services: The estimated cost of communications services is $163,000. This provides for telephone and teletype service. The individual items comprising the above total are as follows:

Installation costs	$41,121
Local service charge	24,572
3 leased telephone lines	45,750
2 teletype circuits	20,560
Toll charges	30,997
Total	163,000

In this connection charges for telephone and teletype service on behalf of foreign delegations will be charged initially to the United States. Collections will be made from the foreign delegations for service rendered. Such collections will be deposited in the miscellaneous receipt fund of the Treasury and will not be reimbursed to the appropriation. The net affect, however, will be that the total cost to the United States of $163,000 will be reduced by any collections made.

Rents and utility services: The total cost of this item is estimated at $196,503 divided as follows:

Rental of office equipment and furniture	$18,489
Rental of hotel rooms	178,014
Total	196,503

An effort has been made to rent equipment wherever possible rather than make direct purchases. The payment for the rental of hotel rooms is based on the use of such rooms as both residence and office space. Because of the lack of available office space in the city it is necessary for the American delegation and the International Secretariat to commingle their residence and working quarters.

Printing and binding: The total cost of printing and binding is estimated to be $27,000. Expenditures will be made for printing the Conference Guide, a telephone directory, pamphlets, and other publications of a purely emergent nature.

Other contractual services: The expenditures to be incurred for this purpose are estimated at $127,800. The individual items comprising this total are as follows:

Alterations and restorations in the Veterans' Building	$35,000
Entertainment	30,000
Construction, installation, and removal of stages, and so forth	27,300
Reporting service	13,000
Construction of lighting towers	2,000
Janitor service	4,500
Trucks and labor for moving and installing office equipment	4,000
Construction of conference tables	7,000
Hire of automobiles	5,000
Total	127,800

Supplies and materials: The estimate for this item is $36,590 consisting of the following:

Photographic materials	$12,576
Office supplies	11,414
Gas and oil	12,600
Total	36,590

The purchase of gas and oil is necessary for use in the automobiles which will be furnished gratis by the War Department.

Equipment: The estimated cost of this item is $38,864, consisting of the following:

Files	$10,150
Furniture	25,713
Office equipment	3,001
Total	38,864

The purchase of certain types of equipment such as files, and so forth, is necessary because these items could have been obtained in no other way. The purchases have, however, been made from the Treasury Procurement Division. After the Conference these items will be returned to the Treasury Procurement Division as surplus property. The disposal price by the Treasury Procurement Division will be returned to the Treasury as miscellaneous receipts.

General: As indicated above, the estimated budget for the San Francisco Conference, based on a Conference of 6 weeks' duration, totals $1,202,178. If the Conference lasts a total of 8 weeks, it is expected that this estimate will be increased to $1,400,400. Also, a previously indicated, the maximum available balance remaining under the 1945 appropriation for international conferences is $1,011,685. If at all possible, the Department will endeavor to reduce the estimated 6-week budget of $1,202,178 so that the total expense will come within the available balance. The Department will make every effort to accomplish this objective. However, it is obvious that if the Conference lasts 8 weeks, additional funds will have to be provided. If $400,000 of the 1946 appropriation is made available in 1945, the total available funds will be $1,411,685, which is slightly in excess of the estimated 8-week budget of $1,400,400.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. REES of Kansas. How much of this money is spent for entertainment out at San Francisco?

Mr. STEFAN. The gentleman will find all that information in the extension I am placing in the RECORD. My memory is that it will amount to about $30,000.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. JONES. Mr. Speaker, will the gentleman yield me a minute?

Mr. RABAUT. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Speaker, this amendment No. 17 provides for getting printing done under this item without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111). As a matter of principle, the section of the code, title 44, section 111, was enacted after thorough debate and study in the House some years ago. It is a safe and salutary law and I do not think it ought to be repealed by legislation on this appropriation bill. I therefore oppose the amendment and oppose the motion to recede and concur.

The SPEAKER pro tempore (Mr. LANHAM). The question is on the motion of the gentleman from Michigan [Mr. RABAUT] to recede and concur in amendment No. 17.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 20: Page 29, after line 8, insert the following:

"Cultural relations with China and the neighboring countries and countries of the Near East and Africa: For all expenses, without regard to section 3709 of the Revised Statutes, necessary to enable the Secretary of State independently or in cooperation with other agencies of the Government to carry out a program of cultural relations with China and the neighboring countries and with countries of the Near East and Africa, $1,390,000 (payable from the appropriation "Emergency fund for the President," contained in the First Supplemental National Defense Appropriation Act, 1943, as supplemented and amended), including the purchase of books, publications, scientific and other equipment, and educational and cultural materials; contributions of money and materials to, and contracts with, educational, cultural, and nonprofit institutions and organizations in the United States and the above countries, directly or through independent agencies; compensation, allowances, and grants to citizens of the United States and the above countries who are students, professors, or technical specialists, at such rates and under such regulations as may be determined by the Secretary of State, including expenses incurred by such persons in traveling between places of residence, Washington, District of Columbia, and posts of duty abroad, and including travel expenses of citizens of the above countries without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended; advance of moneys without regard to section 3648 of the Revised Statutes; printing and binding; and not to exceed $20,000 shall be available for temporary employment of persons or organizations, by contract or otherwise, without regard to the civil-service and classification laws; and, subject to the approval of the President, the Secretary of State is authorized to transfer from this appropriation to other departments, agencies, and independent establishments of the Government for expenditure in the United States and in the above countries any part of this amount for direct expenditure by such department, agency, or independent establishment for the purposes of this appropriation and any such expenditures may be made under the specific authority herein contained or under the authority governing the activities of the department, agency, or independent establishment to which amounts are transferred."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in amendment No. 20.

Mr. Speaker, since the preparation of the statement on the part of the managers a majority of the committee has instructed me to offer a motion to recede and concur in this amendment.

This amendment is to make funds available from the President's emergency fund for cultural relations with China and the neighboring countries and countries of the Near East and Africa. This provision was eliminated on the floor of the House on a point of order. The deletion of the provision to make available $1,390,000 from the emergency fund of the President for this appropriation would necessitate the discontinuance of a program which was begun in 1942 in the interest of the national defense and for the continuation of which on a long-range basis there is now pending before Congress authorizing legislation. The department considers the continuation of this program to be a necessity. More than half the funds are to be used for aid to China. Such aid includes technical training for the Chinese, the lending of American technical experts and the sending of American technical data.

These activities have been planned jointly with the Chinese Government for the past 3 years to assist the Chinese Government agencies in carrying out their responsibilities in the war effort and to facilitate political cooperation between China and the United States. Withdrawal of support to China at this time would, in the opinion of the department, have a serious effect upon the Chinese forever. This program has been widely publicized in China since 1942, and its discontinuance at this time would almost certainly be interpreted as a gesture of dissatisfaction toward China. The department believes the program in the Near East and Africa is equally necessary in 1946 because maintenance of political stability in the face of serious economic dislocation throughout the Near East and Africa, especially in the Moslem countries, is a major objective of American foreign policy. This program has demonstrated America's good faith in cooperation with those countries by aid to American universities in the Near East, by loans of American technical experts, and by widely publicized grants to a few professors and students to come to the United States for study.

Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, the Members will notice that this amendment came to them originally from the committee with instructions to further insist on disagreement. Later there was some compromise on the part of the majority, and now the chairman is asking the House to recede and concur in the Senate amendment.

This is another one of those items which is not authorized by law. We have been carrying on cultural relations with Latin-American countries for a long time. They have resulted in considerable good. You will note, if you read the bill, that the House cut that item approximately $100,000, and the Senate cut the bill another $300,000 or more.

When this matter of continuing cultural relations with China and the Near East came before our committee, we questioned Mr. MacLeish, who has charge of that acitvity, at great length. I took the floor of the House and explained the situation in detail when this bill was before the House. I will not here discuss policies, because the Committee on Appropriations very seldom gets into that phase. We have to implement authorizations by appropriations. We felt that the time had come that legislative committees should draw legislative bills and authorization bills which we could implement with appropriations. In this case funds for the cultural-relations program with China and the Near East are not so large, comparatively speaking. We were told by Mr. MacLeish that he was planning appropriate legislation to extend cultural relations throughout Europe; in fact, extending the cultural-relations program throughout the world.

In view of the fact that a program is now about to be formulated to extend cultural relations throughout the world, and in view of the fact that suitable and proper authorization legislation is being

planned, we felt that it was time for the Committee on Foreign Affairs, which is charged with writing legislation, to assume its responsibility and bring into the House suitable legislation which we could implement with appropriations. If they do that we then could legally appropriate. That is, we then would have a law of authorization.

So far as China is concerned, every member of the Committee on Appropriations and every Member of this House is in favor of doing everything to encourage China and the Chinese people.

Every bit of encouragement and help up to our ability has been and will continue to be given to China to assist in driving out and defeating the Japanese and in bringing to China help to bring about real freedom and democracy in China.

This is merely a question of whether or not the House is going to continue appropriating for activities which are not authorized by law. I think it is a very serious question. It is not a question of whether or not we want to do something for China but whether or not we are going to uphold the prerogatives of the members of the legislative committees who have come here time and again charging members of the Committee on Appropriations with writing legislation on appropriation bills or passing appropriation bills which have no authority in law.

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Speaker, I oppose this amendment for a further reason, that the O. W. I., the F. E. A., of which lend-lease is a part, and perhaps other agencies, that now have come to Congress for funds as a result of the Russell amendment are in the Chinese picture.

I oppose it because at the time the hearings were held in the House on this bill the gentleman from Nebraska, [Mr. STEFAN], in examining Mr. MacLeish, Assistant Secretary of State, received the following answer, which appears at page 274 of the hearings:

Mr. MACLEISH. At the end of the war the Government is going to have on its hands a lot of communications facilities which the O. W. I. and the C. I. A. A. have been using, and the question is going to come up at that time as to what use is going to be made of them, what should be the disposition of them, and what are the plans of use in terms of international information.

At page 303 of the hearings the following testimony appears:

Mr. STEFAN. I want to ask you, Mr. MacLeish where will the O. W. I. come in and where will you come in, in Europe, especially when and if that authorization bill is passed by Congress that you are asking for to extend your cultural-relations program into Europe?

Mr. MACLEISH. That is a question that we have discussed at very considerable length with the O. W. I. The O. W. I.'s activity, of course, is in the field of information, not in the cultural field. They have done some things that they call long-range information, things which were urgently asked for by the Army or by our missions.

The arrangement that we have with them is when the enabling legislation is passed, we will send out cultural attachés to our missions, and we will arrange to take over at a mutually convenient time whatever cultural work they are doing in that area, and will supply the additional programs, that we think ought to be carried out.

I think the feeling in O. W. I. is that they will, perhaps, be able to transfer some people to us, which will be very helpful to us.

Mr. STEFAN. It is understood that O. W. I. liquidates with the end of the war?

Mr. MACLEISH. Yes, sir.

Mr. STEFAN. Your program takes them over, does it?

Mr. MACLEISH. Many O. W. I. activities are concerned solely with the war, and should be discontinued when the Army decides they are no longer needed. But we were speaking specifically of cultural work, this we will take over. I think our program will have to begin in the liberated areas before the end of the war.

Mr. STEFAN. Are you taking over some of the duties of O. W. I. now in liberated countries?

Mr. MACLEISH. No, sir; we cannot until we have the enabling legislation.

Despite the statement that the State Department is expected to take over the functions of O. W. I., lo and behold, in yesterday's paper we found that the O. W. I. plans to continue to operate in Europe.

The point I want to get at is that the State Department and these special agencies, F. E. A. and Lend-Lease, are all competing to represent the United States Government. None of them seems to be coordinated, and none of them has terminal facilities as to where one agency will stop and another agency will start, so that the work of each agency overlaps that of others. The situation might be characterized by saying that there are so many agents of the Government in foreign countries from different agencies that they have to wear a badge to keep from trying to give the United States to each other.

I oppose this appropriation dealing with cultural relations with China, because it is not backed up by positive, basic legislation. When attention has not been given to defining carefully the functions of the State Department with reference to this program, you will find a hodgepodge of representation of the United States Government. That is what we have found as of this date. By this program that is presently under consideration in this paragraph, we are supposed to help China with scientific and technical data and scientific personnel, but lo and behold, F. E. A. made a comprehensive report just before the bill originally came before the House for consideration, with, as I recall, a billion-dollar industrialization plan for China. Then Mr. Donald Nelson went over there and came back with an industrialization plan for China.

Presently, Leon Henderson is over there helping with the stabilization problem. No doubt, the Treasury Department has a program for China. When we get all through with the programs of every Government agency, the thing which will help China most is an invasion by our forces on the coast of China. That is what we are going to have to do in order to help China win the war against the aggressor, the Jap. When we get all through, that is how we will have good will with China. When we get through, many, many of our American boys will be lying dead on the shores of China, killed by the common foe whom we are fighting. I believe the membership should vote down this amendment because it was born in the phosphorous light of a bureaucrat's dream. It was financed with emergency funds which should never have been spent for this purpose. Now it is sought to be continued only because the Russell amendment was adopted, making them come up here and ask for funds. When you get through with all of the appropriation bills and you add an item like this in every one of them, you will find you have repealed the Russell amendment by taking nicks out of it in every appropriation bill we pass. In the name of good government and in the name of the honor and integrity of the Congress, which controls the funds of the Nation, we should defeat this kind of an amendment and wait until the Committee on Foreign Affairs comes forward with legislation and a sound program of international relations. Then we can vote on it.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. RABAUT. Mr. Speaker, I yield 4 minutes to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Speaker, I am in distinct agreement with one statement made by the gentleman from Ohio [Mr. JONES] that undoubtedly and unfortunately before we conclude the war with Japan there will be many American boys lying dead on the shores of China.

The purpose of this particular appropriation is to reduce as much as we can by this device the number of American boys who will have to meet their death in Japan or China, by making available to the Chinese the advice, the assistance, and the guidance which will enable them better to utilize their own resources and equip their own men to shoulder a greater burden of the fight. This the Chinese are willing and eager to do. But they do desperately need technical and scientific guidance and assistance from us at this time if they are so to equip a larger and more effective fighting force.

Much has been said about the desirability of the Committee on Foreign Affairs bringing in legislation preceding this type of appropriation. I yield to no Member of the House in my desire to uphold the integrity of the legislative committees, but we all recognize war breaks precedents and creates emergencies. This is an emergency growing out of the war. It is one in which the legislative machinery has not kept pace with the military needs which have confronted us. I do not believe the Members of this House on either side of the aisle are going to permit a piece of picayunish, parliamentary protocol to interfere with a very essential service in this war, that is, providing the necessary guidance and the necessary technical assistance to our Chinese allies.

Nobody has mentioned anything specifically as to what is actually being done with this money. Let me cite a few things which were brought out in the hearings. At the present time with this type of funds we have 7 agricultural agents helping the Chinese to increase their agricultural production to relieve the demands upon our food supplies.

We have 8 production engineers over there helping the Chinese to equip their productive plants so they will have the equipment with which to fight the war. We have a number of public health agents over there helping to create sanitary conditions and healthful conditions so that their soldiers will be in better health.

Mr. Speaker, we have a very prominent American manufacturer of vitamin pills over there helping them to produce vitamin pills to give to their soldiers when they are sick or undernourished so that they will have the vigor to resist the Japanese invasion. All this and much more is right in the record of the hearings. The stronger and better we make these soldiers, you and I know, the fewer the number of American soldiers who will have to meet death in fighting the common enemy.

Mr. Speaker, I yield to the acting chairman of our committee.

Mr. LUTHER A. JOHNSON. Is it not true to say that the work being done by Mr. Donald Nelson over there comes out of this fund largely, and that there is very little we can do for China now, due to transportation conditions, except this; and that for the psychological effect as well as the practical effect it would be fatal for us not to make this appropriation at this time?

Mr. MUNDT. Precisely. This is a tangible form of assistance that the Chinese know is going on. If we were to withdraw it with the simple promise of coming later with a big army, it would be a tremendous psychological let-down. It seems to me so realistic and so simple that it is better to spend a few dollars, $1,390,000, to continue this program and equip the Chinese to help themselves, than it is to send a great many American boys, extra ones, to help fight the battle for which we have failed to provide the Chinese sufficient equipment, guidance, and leadership so that they can fight it themselves.

I hope that the House will concur in this Senate amendment.

The SPEAKER pro tempore. The time of the gentleman from South Dakota has expired.

Mr. RABAUT. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, my record of voting in this House will show that ordinarily I am in thorough agreement with the members of the subcommittee on appropriations on this side in their opposing grants in appropriation bills for projects without legislative authorization. But there are times and seasons, and surely this is not the time to withdraw help from China and from our own efforts in China.

Ordinarily when doctors get ready for a major operation we have a long, complicated routine to go through. It takes 15 to 20 minutes. They put on masks and caps, then scrub so many minutes on each finger, hand, arm, then wash in antiseptics, pull on gowns and gloves, and so on. There are reasons for every single step, and good reasons under ordinary circumstances. But once in a while a person gets a safety pin or a peanut in his larynx which shuts off his breathing. We have to operate right then and there, even with a penknife. We cannot take 20 minutes to scrub up, just because that is the ordinarily justifiable and proper routine.

In the case of China we are dealing with a nation that has been at war almost 8 years. It was the first nation that fought tyrannical military aggression in this war. It fought alone for four and a half years while the rest of the nations were appeasing Japan, or trying to. China is tired. Yet she has held on, patiently waiting and hoping for the assistance we have promised we would send just as soon as we could defeat Germany. This week, we have achieved that goal. At long last we are able to turn our full strength toward Asia. In a very few more months the military help to China of which the gentleman from Ohio [Mr. JONES] spoke, will be in sight. Is this the moment to cancel even the meager program of help we have been able to give her? Is this the moment for us to insist on correcting the admittedly bad method we have used far too often in the past, of appropriating for projects for which there is no legislative authorization?

China observes, as you and I do, that the very first nation to fight aggression in Europe, Poland, is having some things done to it which make China fear that it too may be sold down the river. It is not good judgment from the standpoint of the lives of American boys, as I see it, for us to do anything here which might conceivably suggest to our ally in Asia that we are not backing her to the limit. This is not the time to pull out from under her any of the few props we have been able to give in lieu of military assistance, which geographic, military, and other factors made it impossible to give heretofore.

Some of this money is being used to send technical experts to help improve China's agriculture, communications, industrial production, and public health. I know the F. E. A., the O. W. I., and a few other Government agencies are engaged in little programs over there, too. There is no question about that, they ought to be integrated into a coordinated program, but that is our fault, not China's. The Chinese do not know our internal difficulties. They know this assistance has been helpful to them and they know it will be helpful to us, too.

About 350 Chinese students in this country have been helped out of the funds. Out of about 1,500 stranded Chinese students who were cut off here from their funds in China, 350 of them were considered of such outstanding ability and doing work which was so crucial from the standpoint of preparing China to help us most in the war against Japan, and in such financial need, that they have been enabled under this program to continue their training in American universities.

Another thing being done is the sending over to China each month of 6 microfilm copies of about 70 leading scientific and professional journals. Last October in Chungking I saw in use one of the little viewing boxes set up with a light behind the film projecting a page at a time on the screen. Here sit men and women in shifts for 24 hours a day reading those enlarged microfilm copies of medical, or agricultural, or chemical, or engineering journals, or translating them into Chinese for printing in China. Is it not to our own advantage to help the Chinese increase their agricultural and industrial production as much as possible, thereby decreasing the amount of food and materials we will have to take from our own limited supplies here and send over for them and for our own forces there?

The best way to win the war against Japan is not to send 6,000,000 or even 4,000,000, or even 2,000,000 American soldiers to fight on the continent of Asia. The Chinese soldiers, if fed and trained and supplied, can do it in their own country better than we can. They are less vulnerable to many of the diseases. They can live on a few handfuls of rice a day. They know the language and customs of the people; they know the Japanese. If we will give them training and equipment, they will certainly fight even more valiantly and skillfully for the liberation of their own country than they fought for the defense of Burma. You read in the papers today of a great victory in Hunan by the first Chinese armies that we have really trained, and fed, and equipped in China. In the long run it will be better for them and for us and for Asia to have the Chinese rather than our boys doing the bulk of the fighting in China. It seems to me that the way to save more of the American lives for which the gentleman from Ohio is so properly concerned is to continue this pitifully small aid to help the Chinese hold on this long last mile until we can arrive with real military assistance.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. RABAUT. Mr. Speaker, I yield 3 minutes to the gentleman from Idaho [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. Speaker, I rise at this time because I made the point of order upon which this provision was deleted from the bill.

I share the friendship and the sympathy of my colleague from South Dakota [Mr. MUNDT], a member of the Committee on Foreign Affairs, for China and other Allies. I am vitally interested in this particular appropriation item; but, likewise, as a member of the Committee on Appropriations, I felt some responsibility to make the point of order, because I was aware of the fact that the Committee on Foreign Affairs last year had under consideration this specific program and that that committee has had approximately a year during which to submit that program for the consideration of this House.

It seems to me that, in view of the widespread criticism on the part of many members of the legislative committees of this body that the Appropriations Committee is going far afield and encroaching upon the prerogatives of some of these legislative committees, it is time we demanded procedure in accordance with the rules of the House.

Mr. JONES. Mr. Speaker, will the gentleman yield?

Mr. DWORSHAK. I yield.

Mr. JONES. Lend-lease is charged with the responsibility of sending fighting equipment and lethal weapons. In this program there is not one cent's worth of weapons.

Mr. DWORSHAK. I understand about half the money in this item will be used for cultural relations in China; that the remaining half will be used likewise in the Far East and in Africa.

When the chairman of the subcommittee made his statement a few minutes ago on this item, he submitted more information than had been given to this House during the entire consideration of the bill before this body. He said it was necessary to engage in this activity in Africa, if I recall his words correctly, because it was integrated with our national defense. I thought the war had ended in Africa and I wonder why it is necessary now to use a subterfuge to divert funds. We now have a half million civilian employees serving outside the continental United States—yet we have proposals made to divert funds; to delegate authority to the Chief Executive, to the State Department in this particular case, and to other executive departments to ignore the legislative, policy-making branch of the Congress; and to use these funds to engage in every imaginable activity because someone downtown thinks it is an essential part of our national defense program.

When is this war going to end so far as Africa is concerned? When will Congress reassert itself and proceed in accordance with the rules of the House in the consideration of appropriation bills?

I ask my colleague from South Dakota why his Committee on Foreign Affairs has not brought legislation to the floor of this body to authorize this particular activity? Can the gentleman answer that question?

Mr. MUNDT. Yes; we have had bills before our committee dealing with this cultural-relationship program but we have not yet been able to agree upon proper language and proper methods; and in the meantime we do not think these phases of the program should be held up.

Mr. DWORSHAK. In the meantime, the gentleman's committee is willing to delegate the authority of Congress to the State Department to continue this program not alone in China but in Africa and the Near East. Is that corrrect?

Mr. MUNDT. As a war emergency; yes.

The SPEAKER pro tempore. The time of the gentleman from Idaho has expired.

Mr. RABAUT. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. MANSFIELD].

Mr. MANSFIELD of Montana. Mr. Speaker, I rise at this time in wholehearted support of what the distinguished gentlemen from South Dakota and Minnesota have already said about the proposal now under consideration; I am heartily in favor of it. I should like to call the attention of the House to the fact that this billion-dollar program proposed by the F. E. A. and this program proposed by Donald Nelson are programs for the postwar period and not for the present.

This is a small measure compared to the amount of good which it can render. China is, at the moment, our ally and our friend and, while the actual aid given to her has not compared with that given our other major allies, it has only been so little because of difficulties which we could not overcome. Now we have a chance to assist a friendly people through passing the measure now before us. In doing so we will keep alive a continuing program which has done much good in assisting China in things she could not do, and it has created mutual good will and interest. China has been able, through this cultural program, to stimulate her scientific and agricultural possibilities, and we hope that the assistance which we have contributed to China will, in the future, make her the great power she should be and the preserver of peace in that part of the world.

As far as actual assistance to China is concerned, out of all the lend-lease that goes to all our allies, less than 2 percent goes to China, and you will grant, I am sure, that this is a small amount. I had the opportunity to see what some of the gentlemen whom we have sent to China under the program now being considered were doing, and I can tell you that they are performing a good work in bringing in a variety of new kinds of crops and in improving the breed of hogs, cattle, and horses. If we pass this we will not only be helping ourselves in this war, but we will be helping the Chinese to assist themselves as well. This, I maintain, is a very worthy and necessary objective at this time.

The SPEAKER pro tempore. The time of the gentleman from Montana has expired.

Mr. RABAUT. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Speaker, I do not think I can add to anything that has been said by those gentlemen who have spoken in favor of the House receding and concurring in this amendment; but I would like to state that it will affect vitally our relations with China at this time if the pending amendment is not passed because of the war conditions and because of the way the people of China feel about it. It is one of the few things we have been able to do for them and it would help us greatly in this war.

Mr. Speaker, it would be a very, very unwise thing now when the war is shifting to the East not to take this step at the present time. Regardless of the rules of the House, I think the defense of the United States of America and the defense of our allies require our taking this action.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. RABAUT. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan [Mr. RABAUT] that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 20½: Page 31, after line 2, insert the following:

"Conference of Allied Ministers of Education in London: For all necessary expenses of the participation by the United States in the Conference of Allied Ministers of Education in London, or its successor, and in addition for surveys and studies related to the work thereof, including personal services in the District of Columbia and elsewhere, without regard to civil-service and classification laws; travel expenses, without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended; entertainment, stenographic reporting and other services by contract, books of reference and periodicals, and rent of office space, without regard to section 3709 of the Revised Statutes; printing and binding; and the share of the United States in the expenses of the secretariat of the conference; $172,000, payable from the appropriation "Emergency fund for the President," contained in the First Supplemental National Defense Appropriation Act, 1943, as supplemented and amended."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. Speaker, after the statement on the part of the managers was prepared, a majority of the committee instructed me to offer a motion to recede and concur in this amendment.

Briefly, the purpose of this amendment is to restore the provision to make funds available for 1946 from the emergency fund of the President for the conference of allied ministers of education in London. This provisions was eliminated from the bill on a point of order on the floor of the House.

Deletion of the provision to make available from the emergency fund of the President $172,000 for the Conference of the Allied Ministers of Education in London would necessitate the discontinuance of participation by the United States in a project of importance in both the present and postwar periods and in which it should have a prominent part. Participation by the United States in this activity was begun in 1943 and continuation of such participation should be extended until postwar determinations in the field of education have been decided.

To withdraw from this program, especially at this time, would have serious repercussions.

The Dumbarton Oaks proposals have held forth prospects of international action on economic, social, and other humanitarian problems. To give even this degree of expression and support to such a policy and, at the same time, withdraw from this international exploratory activity in the educational field would raise doubts in the minds of other governments concerning the purposes of the United States.

The destruction and disorganization of educational and cultural institutions in the countries occupied by the enemy present a critical problem in the reestablishment of orderly life in these countries. The Department considers it to

be in the national interest and in the interest of international security to join with other countries in the systematic study of conditions in this field to determine the extent to which these devastated countries can themselves restore essential educational and cultural services, and the extent to which it is in the national interest for this Government to participate in a program of assistance in reestablishing essential services.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman for a question.

Mr. CASE of South Dakota. I would like to ask the gentleman, the chairman of this conference committee, whether any notice has previously been given to the House that the managers planned to move to recede and concur, in the light of the statement which they submitted and which was printed in the RECORD the other day that on this item the managers would move to insist on disagreement?

Mr. RABAUT. I will say to the gentleman that that is the reason I made the statement for the purpose of informing the House of the decision of the majority of the members of the conference committee.

Mr. CASE of South Dakota. Has the gentleman given the House any notice that the committee was going to change its mind?

Mr. RABAUT. I could not give the House notice beforehand because notice was just given to me this morning.

Mr. CASE of South Dakota. Ordinarily a conference report has to be filed 24 hours before it is acted on by the House, as the gentleman knows. When the conference report was filed in that fashion it was printed saying that you were going to insist on disagreement. It seems to me it is very unfair to the membership of the House who have been put on notice in that respect to have the committee change its mind without notice.

Mr. RABAUT. The whole matter is open to a vote of this House. I am not in accord with the word "unfair" because I am trying to be extremely fair. That is the reason for my announcement. I want to be fair with the House, and the gentleman knows that, and knows enough about me to know that. I am making the statement for the purpose of explaining the situation to the House that the majority members of the committee have really changed their minds on it. Now, the majority is in favor of receding and concurring, and that is the announcement I make.

Mr. CASE of South Dakota. Yes; but without notice. The Members of the House who have had committee sessions, for instance, the Committee on Ways and Means, and the Committee on Appropriations, have had no notice of this, and those who do not happen to be on the floor right now have had no notice.

Mr. RABAUT. My committee is very familiar with the subject, and the House is being informed on the matter at the present time. The gentleman cannot impart knowledge before he has it. I received this information late this morning.

I yield 5 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, here, is an amendment in which there is very little sentiment. There was plenty of sentiment in the amendment relating to cultural relations with China. You have just heard a statement from the Department. In my opinion the Department is here writing legislation for you which they are asking you to implement with an appropriation. Your legislative committee had nothing to do with it. It is not authorized by law.

It has frequently been said here as well as in the full Committee on Appropriations that perhaps the legislative committees should give careful consideration to some of these emergency agencies which they eventually, perhaps, want to liquidate. I do not know how far you want to go in the matter of educating Europe. We in America, too, have school problems. There is some argument in favor of it.

I make my plea again to the chairman and ranking minority members of legislative committees, how far are you going in the way of criticism of the members of the Committee on Appropriations by claiming that we continually write legislation on appropriation bills and pass items of appropriation for which there is no authorization of law?

I know the full history of this item, and so does every member of the Subcommittee on Appropriations. This organization was originally set up by Great Britain. We are now being asked to become a member of it. I have no criticism of my chairman because he has changed his mind.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Michigan.

Mr. RABAUT. I never have changed my mind. I have been for the measure since the beginning.

Mr. STEFAN. I beg the gentleman's pardon. I know he has. It was another member of the majority who changed his mind. My chairman was in favor of this amendment.

This amendment came to you with the intention on the part of your committee to move to insist on disagreement. Now the majority have changed their minds. If you believe in the prerogatives of the legislative committees, if you do not want us to continue writing legislation on appropriation bills, if you do not want us to appropriate for things for which there is no authority of law, you should vote against the motion of my chairman.

Mr. RABAUT. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Speaker, this amendment went out on a point of order in the House on the ground it had no legislative authority. The Conference of Allied Ministers of Education was formed in England in 1942, and we were invited to it subsequently. I opposed it as a matter of principle, along with the ranking Republican member of the committee, the gentleman from Nebraska [Mr. STEFAN], because it was unauthorized by law.

If the Committee on Foreign Affairs think that this is such a good amendment that it ought to be adopted for the interests of the United States, they have had since 1942 to consider and debate and write legislation that would be for the ultimate best interests of the United States Government. They have not done it. They apparently do not have any confidence in this program. They apparently do not want to give us any legislation that we can debate at length on the floor of the House.

From 1942 until the present time, especially in the last month, since the point of order was made against this item, the Committee on Foreign Affairs have not reported out this legislation. It seems to me, then, it comes with poor grace for members of that committee to speak for this item and for the item immediately preceding it. They must not have confidence in the program or they would have reported out some legislation on it and on amendment No. 20, which immediately preceded this amendment. Legislation on the China and Far East cultural relation item was introduced by the chairman of the Committee on Foreign Affairs in February 1944, and another bill on the same subject was introduced in September of 1944. These hearings were held in January 1945. Since the question was raised that there is no authority in law for the appropriation, there still has been no legislation presented to the Committee on Foreign Affairs. There still is nothing on the House legislative program as to either one of these items.

I object to this item for this further reason. We in this war have given tremendous commitments in addition to the blood our sons have spilled. We have made tremendous commitments in materials and dollars that the boys who are fighting at the front will have to pay when they come back, because we are running deficits in this war. Our debt will be somewhere around $300,000,000,000. In addition to the boys' running the risk of getting shot on the battle front, they will have to come home and pay income taxes to help pay for this kind of a program.

It seems to me if we had the kind of State Department which lived up to the traditions of old-time diplomacy, as the world has known it heretofore, we would have some quid pro quo agreements. It is urged that we should adopt this amendment in order to sell some machine tools on behalf of American businessmen to the schools of the foreign countries. Why, bless your soul, would it not be easy with the enormous commitments we are making and which we will make in the future, to have a quid pro quo agreement—"something for something"? "For these things we are giving foreign countries to help, to help give their people government of the people, by the people, and for the people, in accordance with the Atlantic Charter, the State Department ought to get for us just a portion—not all—just a portion of the business in equipping these schools."

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RABAUT. Mr. Speaker, I yield 4 minutes to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Speaker, let us set clearly before us exactly what is involved in this issue. In the first place, in terms of dollars and cents, it is an appropriation of $172,000. That is the type of item that a country boy from South Dakota like me can understand because that is getting it down to the size of appropriations we talk about in our State legislature. In these days of multibillion dollar expenditures, this is not an alarmingly large expenditure.

In the second place, let us analyze the arguments in opposition to it They come under two headings. First, under the heading of technicalities from the standpoint of parliamentary procedure, and secondly under the heading of the merits of the proposition itself.

From the standpoint of technicalities, let me point out, first of all, on this resolution, the House Committee on Foreign Affairs started holding hearings for this general type of activity on Thursday of this week when it began hearings on House Resolution 215, which it was my privilege to have introduced. This resolution provides for a permanent approach to a problem which is now being met on an emergency basis during the war and on a very incomplete and totally inadequate basis at that. My resolution (H. Res. 215) proposes to establish a permanent International Office of Education to operate in the post-war world in the imperative job of raising and refining educational standards throughout the world.

On the strictly technical argument let me say that if I have to choose, as we must today apparently, between a proper point of order and proper order in the world, I want to go on record in favor of proper order in the world. This kind of resolution leads in the direction of a sensible and ordered world. Now, as to the merits of the proposition itself.

This international conference is not the original idea of the American Government. An interallied conference of educators was being held in London, and we thought, and wisely so, that we should be included. So we availed ourselves of an invitation and utilized money from the President's emergency fund to send delegates there, one of whom, may I say, was a former colleague, BILL FULBRIGHT, now in the Senate representing the State of Arkansas. This program is continuing. We can withdraw if we care to, but they will continue to hold the conference in London. I think it is important as a beginning in the reeducation of the people of the world to take out the poisonous doctrines spread by the Nazis as to the undesirability of Americans and American products and principles. To do this we must have our representatives over there presenting American concepts along with the concepts of other nations.

Mr. HARNESS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. HARNESS of Indiana. I wonder if the gentleman feels that the United States, with its check book, can go into all of the countries of the world and establish order?

Mr. MUNDT. Certainly not. I do not believe anybody or any nation can establish order with a check book, but I do think if we can inculcate into the minds of the people of the world proper ideals of international good behavior, that will help to establish world order, and this is a step in that direction.

Mr. HARNESS of Indiana. How long can we continue to do this? We are about bankrupt now.

Mr. MUNDT. That is correct. We have spent about $250,000,000,000 in this war, and it has cost us almost a million casualties to date. It seems to me we certainly would be penny wise and pound foolish now to shy away from a $172,000 appropriation which is designed to do something with the victory we have won. The $250,000,000,000 has been largely spent on consumer goods and expendable goods. We have shot them up, worn them out, and burned them up. This is a reimbursable appropriation because it is spreading the gospel of good will and presenting to the folks of the world a proper concept of America and it does not come under the classification of money lost forever.

I wish the gentleman from Indiana would read the booklet put out by the United States Chamber of Commerce called Education Builds Up Living Standards, where he will see that money expended in this way helps open up markets for the products of American factories and farms all over the world; and that it raises living standards as well as inculcating ideals of peace in the heart of mankind. This is an investment in good will which we cannot afford to neglect. I hope the House will support the Senate amendment.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RABAUT. Mr. Speaker, in this connection I want to say that industry follows the book. All through Europe the book that was followed before the war was the book prepared by industry in Germany. All technical apparatus came from Germany. All hospital equipment in the old world came from Germany. Perhaps it would be wise that we saw to it that the books are properly printed for the future, that some following might be had toward us and that we may be the leaders, rightfully so, because to our door has come crying humanity.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Speaker, like the amendment just disposed of, amendment 20½ is vitally important in our relations with China, especially at this time.

It has been difficult to do much for China because of problems of transportation and supply, and the cultural cooperation effected in the past under authority similar to that included in Senate amendment No. 20, has been one of the few things which could be undertaken in China's behalf. This has proved to be an important aspect of our relations with China, and a matter which is taken most seriously by the Chinese.

Similarly, the Conference of Allied Ministers of Education in London, amendment 20½, has attracted immense interest in China and has been given very strong Chinese support.

The sponsoring powers of the San Francisco Conference—the United States, the U. S. S. R., the United Kingdom, and China—announced on April 24 that they had agred to support certain proposals put forth by the Chinese Government. The third of these provided that "the economic and social council should specifically provide for the promotion of education and other forms of cultural cooperation."

The emphasis put upon the matters covered in Senate amendments Nos. 20 and 20½ by the Chinese is such that action by the House unfavorable to the continuance of this Government's participation in projects of cultural cooperation and the Conference of Allied Ministers of Education would have serious and harmful effects upon our relations with the Republic of China. This is particularly true at the present time when the San Francisco Conference is in progress, and the American delegation, which includes Chairman BLOOM and Dr. EATON of the Foreign Affairs Commitee, has agreed to support the Chinese proposal set forth above.

The Chinese people and the Chinese Government would find it difficult to understand why this Government should decide to bring its activities in the field of cultural cooperation and its participation in the London Education Conference to an end at the very moment that the Conference in San Francisco is looking forward to the creation of a Social and Economic Council, one of whose principal functions will be to increase and cultivate the cooperation and participation of all nations in such projects.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. RABAUT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan to recede and concur in the Senate amendment.

Mr. JONES. Mr. Speaker, I ask for a division of the question.

The SPEAKER pro tempore. The gentleman from Ohio demands a division of the question.

The question is, Shall the House recede from its disagreement to the Senate amendment?

The question was taken; and on a division there were ayes 60 and noes 47.

Mr. JONES. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. Evidently no quorum is present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 182, nays 119, not voting 131, as follows:

[Roll No. 78]

YEAS—182

Abernethy	Barden	Bonner
Allen, La.	Bates, Ky.	Boykin
Anderson, Calif.	Beckworth	Brehm
Angell	Bender	Brooks
Bailey	Bland	Brown, Ga.
Baldwin, Md.	Bolton	Bryson

Bulwinkle	Hobbs	Peterson, Fla.
Bunker	Hoch	Peterson, Ga.
Burgin	Holifield	Pickett
Cannon, Fla.	Holmes, Wash.	Poage
Carnahan	Huber	Price, Fla.
Chapman	Izac	Price, Ill.
Chelf	Jackson	Priest
Coffee	Johnson, Calif.	Rabaut
Colmer	Johnson, Luther A.	Rains
Combs	Johnson, Lyndon B.	Ramey
Cooper	Judd	Ramspeck
Corbett	Kee	Randolph
Courtney	Keefe	Rankin
Cox	Kefauver	Resa
Crosser	Kelley, Pa.	Richards
D'Alesandro	Kelly, Ill.	Robinson, Utah
Davis	Kerr	Roe, Md.
Delaney, John J.	Kilday	Rogers, Fla.
Dingell	King	Rogers, Mass.
Domengeaux	Kirwan	Rogers, N. Y.
Douglas, Ill.	Kopplemann	Rowan
Doyle	LaFollette	Russell
Drewry	Lanham	Ryter
Durham	Larcade	Sadowski
Eberharter	Lea	Sasscer
Elliott	LeCompte	Sheppard
Ellsworth	Lesinski	Sikes
Engle, Calif.	Lewis	Slaughter
Ervin	Link	Smith, Va.
Fallon	Luce	Smith, Wis.
Feighan	Ludlow	Snyder
Fernandez	Lyle	Somers, N. Y.
Flannagan	McCormack	Sparkman
Flood	McGehee	Spence
Fogarty	McKenzie	Starkey
Folger	Mahon	Stevenson
Forand	Maloney	Stigler
Fulton	Mansfield, Mont.	Sullivan
Gallagher	Mansfield, Tex.	Sumners, Tex.
Gary	May	Tarver
Gordon	Miller, Calif.	Thom
Gore	Mills	Thomason
Gorski	Morgan	Tolan
Gossett	Morrison	Traynor
Granger	Mundt	Trimble
Gregory	Murdock	Vorys, Ohio
Hare	Murray, Tenn.	Weaver
Harless, Ariz.	Neely	West
Harris	Norrell	Whitten
Havenner	O'Brien, Ill.	Whittington
Hébert	O'Brien, Mich.	Wickersham
Hedrick	Patrick	Winstead
Hendricks	Patterson	Wolcott
Henry	Peterson, Fla.	Wolverton, N. J.
Hinshaw	Peterson, Ga.	Wood
		Woodrum, Va.

NAYS—119

Adams	Gillie	Murray, Wis.
Allen, Ill.	Goodwin	O'Hara
Andersen, H. Carl	Graham	O'Konski
Andresen, August H.	Griffiths	Phillips
Arnold	Gross	Pittenger
Barrett, Wyo.	Gwynne, Iowa	Ploeser
Beall	Hagen	Powers
Bennett, Mo.	Harness, Ind.	Reece, Tenn.
Bishop	Herter	Reed, Ill.
Blackney	Heselton	Reed, N. Y.
Brown, Ohio	Hess	Rees, Kans.
Brumbaugh	Hill	Rizley
Buck	Hoeven	Robertson, N. Dak.
Buffett	Hope	Robsion, Ky.
Butler	Horan	Rockwell
Byrnes, Wis.	Howell	Rodgers, Pa.
Campbell	Hull	Schwabe, Mo.
Canfield	Jenkins	Schwabe, Okla.
Chenoweth	Jensen	Scrivner
Church	Johnson, Ill.	Shafer
Clason	Johnson, Ind.	Sharp
Clevenger	Jonkman	Short
Cole, Kans.	Kearney	Simpson, Ill.
Cole, Mo.	Kilburn	Smith, Maine
Cole, N. Y.	Kinzer	Smith, Ohio
Crawford	Knutson	Springer
Cunningham	Kunkel	Stefan
Dolliver	Landis	Stockman
Dondero	LeFevre	Sumner, Ill.
Dworshak	McConnell	Taber
Ellis	McCowen	Talbot
Elsaesser	McDonough	Talle
Elston	McGregor	Thomas, N. J.
Engel, Mich.	McMillen, Ill.	Towe
Fenton	Martin, Iowa	Vursell
Gamble	Martin, Mass.	Weichel
Gifford	Mason	Welch
Gillespie	Michener	Wigglesworth
Gillette	Miller, Nebr.	Woodruff, Mich.
	Mott	

NOT VOTING—131

Anderson, N. Mex.	Auchincloss	Bell
Andrews, Ala.	Baldwin, N. Y.	Bennet, N. Y.
Andrews, N. Y.	Barrett, Pa.	Biemiller
Arends	Barry	Bloom
	Bates, Mass.	Boren
Bradley, Mich.	Granahan	O'Toole
Bradley, Pa.	Grant, Ala.	Outland
Buckley	Grant, Ind.	Pace
Burch	Green	Patman
Byrne, N. Y.	Gwinn, N. Y.	Pfeifer
Camp	Hale	Philbin
Cannon, Mo.	Hall, Edwin Arthur	Plumley
Carlson	Hall, Leonard W.	Powell
Case, N. J.	Halleck	Quinn, N. Y.
Case, S. Dak.	Hancock	Rabin
Celler	Hand	Rayfiel
Chiperfield	Hart	Rich
Clark	Hartley	Riley
Clements	Hays	Rivers
Cochran	Healy	Robertson, Va.
Cooley	Heffernan	Roe, N. Y.
Cravens	Hoffman	Rooney
Curley	Holmes, Mass.	Sabath
Curtis	Hook	Savage
Daughton, Va.	Jarman	Sheridan
Dawson	Jennings	Simpson, Pa.
De Lacy	Johnson, Okla.	Stewart
Delaney, James J.	Kean	Sundstrom
Dickstein	Keogh	Taylor
Dirksen	Lane	Thomas, Tex.
Doughton, N. C.	Latham	Tibbott
Douglas, Calif.	Lemke	Torrens
Earthman	Lynch	Vinson
Eaton	McGlinchey	Voorhis, Calif.
Fellows	McMillan, S. C.	Wadsworth
Fisher	Madden	Walter
Fuller	Manasco	Wasielewski
Gardner	Marcantonio	Weiss
Gathings	Merrow	White
Gavin	Monroney	Wilson
Gearhart	Murphy	Winter
Geelan	Norton	Wolfenden, Pa.
Gerlach	O'Neal	Woodhouse
Gibson		Worley
		Zimmerman

So the motion to recede was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Rooney with Mr. Arends.

Mr. Voorhis of California with Mr. Fuller.

Mr. Celler with Mr. Tibbott.

Mr. Weiss with Mr. Edwin Arthur Hall.

Mr. Dickstein with Mr. Carlson.

Mr. Monroney with Mr. Plumley.

Mr. De Lacy with Mr. Rich.

Mr. Granahan with Mr. Simpson of Pennsylvania.

Mr. Sheridan with Mr. Taylor.

Mr. Cravens with Mr. Kean.

Mr. Bradley of Pennsylvania with Mr. Hale.

Mr. Daughton of Virginia with Mr. Grant of Indiana.

Mr. Barrett of Pennsylvania with Mr. Gearhart.

Mr. O'Toole with Mr. Curtis.

Mr. Zimmerman with Mr. Case of South Dakota.

Mr. O'Neal with Mr. Andrews of New York.

Mr. Thomas of Texas with Mr. Jennings.

Mr. Jarman with Mr. Hartley.

Mr. Burch with Mr. Gavin.

Mr. Geelan with Mr. Case of New Jersey.

Mr. Bell with Mr. Wilson.

Mr. Cochran with Mr. Hoffman.

Mr. Cannon of Missouri with Mr. Wadsworth.

Mr. Gathings with Mr. Winter.

Mr. Clark with Mr. Halleck.

Mr. SOMERS of New York changed his vote from "nay" to "yea."

Mr. BROWN of Ohio changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER pro tempore. The question is, Will the House concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 22: Page 33, line 21, insert "to pay the actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other expenses, of citizens of the other American republics while traveling in the Western Hemisphere, without regard to the Standardized Government Travel Regulations, and to make advances of funds notwithstanding section 3648 of the Revised Statutes."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in the Senate amendment No. 22.

The SPEAKER pro tempore (Mr. RAMSPECK). The Clerk will report the motion.

The Clerk read as follows:

Mr. RABAUT moves that the House recede from its disagreement to the amendment of the Senate No. 22 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan.

The motion was agreed to.

EXTENSION OF REMARKS

Mr. HOFFMAN (at the request of Mr. WOODRUFF of Michigan) was given permission to extend his remarks in the RECORD and include an article by David Lawrence.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD and include a resolution.

LENA P. RIDDICK

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to withdraw from files of the Seventy-sixth Congress, certificates, affidavits, and papers filed in support of H. R. 1474, private bill for pension to Lena P. Riddick, widow of Isaac H. Riddick, who served in the Civil War, which are needed for claim filed with Veterans' Administration.

The SPEAKER pro tempore. Has there been any adverse report filed?

Mr. SHAFER. No; no adverse report has been filed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. RANDOLPH asked and was given permission to extend his own remarks in the RECORD.

Mr. D'ALESANDRO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an address by Jan Ciechanowski, Ambassador of Poland.

The SPEAKER pro tempore (Mr. RAMSPECK). Is there objection to the request of the gentleman from Maryland?

There was no objection.

STATE, JUSTICE, AND COMMERCE APPROPRIATION BILL, 1946

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24: Page 33, line 13, after the word "discretion", insert ", and, subject to the approval of the President, to transfer from this appropriation to other departments, agencies, and independent establishments of the Government for expenditure in the United States and in the other American republics any part of this amount for direct expenditure by such department or independent establishment for the purposes of this appropriation and any

such expenditures may be made under the specific authority herein contained or under the authority governing the activities of the department, agency, or independent establishment to which amounts are transferred: *Provided further*, That not to exceed $100,000 of this appropriation shall be available until June 30, 1947."

Mr. RABAUT. Mr. Speaker, I move to recede and concur in the Senate amendment.

Mr. Speaker, I yield 3 minutes to the gentleman from Maryland [Mr. ROE].

Mr. ROE of Maryland. Mr. Speaker, I wish to make a brief statement in connection with a suit entered against my firm by the O. P. A. in Baltimore yesterday.

This action was expected by us. The controversy is in reference to charges made by our firm last summer in receiving, handling, and obtaining warehouse receipts for our farmers for wheat stored with the Government. Practically all the grain dealers in our section of the country made the same charge we did. Most of the other dealers have paid the claim made against them by the O. P. A. I think the O. P. A. claim is unjust and am simply availing myself of my right as an American citizen to a judicial decision in the matter.

Mr. RABAUT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: Page 36, line 9, insert "Not to exceed $250,000 of the foregoing appropriations for personal services shall be available for the employment, on duties properly chargeable to each of said appropriations, of special assistants to the Attorney General without regard to the Classification Act of 1923, as amended."

Mr. RABAUT. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 26: Page 37, line 12, after the word "reference", insert "and employment of special attorneys and expert witnesses at such rates of compensation as may be authorized or approved by the Attorney General or his Administrative Assistant, $146,000."

Mr. RABAUT. Mr. Speaker, I move to recede and concur in the Senate amendment.

Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, in a local paper of today's date I see the headline "Rebellious Committeemen Block Rankin Plan for Whitewash of Hospitals." The article proceeds with one of the most ridiculous stories I have ever read.

Nobody is trying to whitewash any veterans' hospital. When we met on yesterday the question arose as to how we should proceed in calling the witnesses. I laid the question before the members of the committee and agreed to abide by their decision in the matter. We decided unanimously to call in certain witnesses on next Tuesday, put them on oath, and find out where they got the information on which they based their charges against employees of the Veterans' Administration in order that we may find out the facts.

We are not trying to whitewash and we are not trying to persecute anybody. We are trying to get information in order that we may protect the veterans in those hospitals and take care of one of America's greatest institutions.

Mr. ALLEN of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Louisiana.

Mr. ALLEN of Louisiana. May I say that the statement of the gentleman is absolutely correct. Nobody on the committee is trying to whitewash anybody, and his statement is 100-percent correct.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Tennessee.

Mr. REECE of Tennessee. So far as my observation goes of the operation of veterans hospitals as presently administered, there is no occasion for a whitewash, because there is nothing substantially wrong anywhere.

Mr. RANKIN. Mr. Speaker, if there is anything wrong, of course, we want to find it out and correct it. That is what we are after. If there is anything wrong in any of these hospitals, we want to find out what it is and correct the situation as quickly as possible.

Mr. REECE of Tennessee. There may be individual cases, and I have no doubt but what there are, where some neglect exists. That is always true. But all in all, the veterans have received very good care in the Veterans' Administration hospitals, and they are well administered. I think Colonel Griffiths, the medical director, has done a good job, and General Hines over a long period of years has unquestionably been the ablest administrator that has ever administered a department of veterans' affairs of this Government.

Mr. RANKIN. I thank the gentleman from Tennessee [Mr. REECE]. I consider that quite a compliment to those gentlemen, because there is no man in this House who has received more decorations for services rendered in the last war than has the gentleman from Tennessee [Mr. REECE]. He knows the veterans' problems from experience.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from California.

Mr. HINSHAW. There are two very important veterans' hospitals in the vicinity of my congressional district. Organizations of veterans and their auxiliaries have visited these facilities regularly; and if there was anything wrong in any of those hospitals, they would know it and report it immediately. I imagine that is true in practically every congressional district in the United States.

Mr. RANKIN. Let me say to the gentleman from California that the representatives of the veterans' organizations have visited those hospitals, and so have Members of Congress from California. Our distinguished colleague the gentleman from California [Mr. VOORHIS] during the recess went to Sawtelle and inspected that hospital. He will make his report to the committee as soon as we can get to him.

Mr. WOODRUM of Virginia. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. I am glad the gentleman from Mississippi has brought up this question. The public is greatly interested in it and, of course, the families of these veterans are interested. I may say to the gentleman that for 10 or 12 years I have been chairman of the Subcommittee of the Appropriations Committee handling appropriations for the Veterans' Administration. Our subcommittee has gone into its appropriations and its activities minutely every year. We have had a close-up opportunity to observe the method of operation of General Hines and, as the gentleman from Tennessee stated, with the tremendous load that is coming in on the Veterans' Administration, plus the manpower shortage, the doctor shortage, and the nurse shortage, undoubtedly there have been instances in the Veterans' Administration that we would not like to have occurred; but that will best be corrected by this Congress and the American people upholding and backing the splendid efforts of General Hines in correcting those defects.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. RABAUT. Mr. Speaker, this is a very important subject and I yield the gentleman 5 additional minutes.

Mr. RANKIN. Mr. Speaker, may I say to the gentleman from Virginia [Mr. WOODRUM] in this connection that I heard a Member of Congress stand on this floor the other day and read a letter attacking certain veterans' facilities. It sounded familiar. I found the identical letter verbatim in my files. It was from a neuropsychiatric case, a man who has charged, among other things, that they had put six different kinds of poison in his food one night.

You get letters of that sort. One mental patient wrote me about a number of different people. He began with General Hines and wound up with the nurse in his local hospital. He said they should all be sent to the electric chair, and included several others whose names I had never heard. Reading his letter you could tell that he was insane.

Many such letters have been received by Members of Congress from individuals that we checked up and found to be insane.

Mr. GALLAGHER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Minnesota.

Mr. GALLAGHER. I just want to state that I have investigated our own hospital, and I found out one thing. They do not have enough nurses or doctors.

Mr. RANKIN. Right on that point let me say to the gentleman from Minnesota that we are finding these complaints: Some of the hospitals are crowded. They need more beds and more room. Some of them are short on nurses. Some of them are short on help. They are doing the very best they can, as a rule, with the help they have, and we are going to try to provide them with whatever additional help they need. These men must be taken care of, but it is little short of a crime to repeat statements and have them go out to the press, statements originally made by people known to be insane, making charges calculated to disturb the confidence of the American people and to disturb inmates of these hospitals, and in that way bring reflection on the doctors, the nurses, and the attendants who are trying to take care of these disabled men as best they can.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Michigan.

Mr. DINGELL. The gentleman from Mississippi certainly is not trying to defend himself——

Mr. RANKIN. No; I do not need any defense. That is not what I came here for. I will take care of myself on this floor at any time.

Mr. DINGELL. The gentleman from Mississippi certainly is not trying to defend himself or General Hines?

Mr. RANKIN. No.

Mr. DINGELL. The record of this team of two, as far as I know it in regard to the veterans, and looking after their welfare, is absolutely unimpeachable.

Mr. RANKIN. I thank the gentleman from Michigan.

Mr. DINGELL. Unless we guard against the possible inference that there is a defense of the gentleman or General Hines necessary, we are dignifying some of these statements.

Mr. RANKIN. No; I am not defending myself, and I am not defending General Hines. But I am merely calling attention to these inflammatory articles that are being written and published throughout the country that are doing infinitely more harm than good. I served with Royal Johnson, the gentleman from South Dakota, when he was chairman of the Veterans' Committee. I took the same position then that I am taking now, that our first duty was to these men who had served their country and who were compelled to occupy these hospitals.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Minnesota.

Mr. JUDD. I think it cannot be said that there are not some things wrong with the veterans' hospitals, but the things that are wrong are mostly the sort of things that would be wrong in any vast medical system which is controlled by laymen and which is more or less bureaucratized, as is inevitable under the Veterans' Administration. I am making this point now not to criticize the Veterans' Administration as such but because having gone into it from the standpoint of a physician, I want the Members to stop and look at the medical care in the veterans' hospitals as a sample of what we would have in the whole United States if the practice of medicine were put under bureaucratic control. There might be more equal distribution of the medical care available; but the medical care available would be of far poorer grade than under our present system in this country. If veterans' hospitals are to be put under laymen, we cannot rightly expect the Veterans' Administration to be able to avoid those troubles which will inevitably develop whenever and wherever Government bureaus under nonmedical men tell doctors how to practice.

Mr. RANKIN. I thank the gentleman from Minnesota.

As I said we do not say there is nothing wrong in any of these hospitals. We know that some of them are crowded. We know that some of them are short of help. We know that some of them are short of doctors. We know that some of them are short of nurses. But what we are trying to do is to find out what is wrong in each individual hospital and correct it without going out here and burning the barn, so to speak, merely to kill a mouse. In other words we want to find out what is wrong and correct it as quickly as we can with as little harm as possible.

We are not trying to whitewash anybody or anything.

Mr. SUMNERS of Texas. Mr. Speaker, we are all appreciative of the fine service in behalf of our disabled veterans rendered by our distinguished colleague, JOHN RANKIN, who has just preceded me. There is a veterans' hospital in my district in the suburbs of Dallas. The head of it is Dr. Charles L. Magruder. I have maintained fairly close contact with that institution since it was built. From all information which I have it was never better administered than under its present management. I have a very special friend who for a long time has been giving much of his time and effort to the disabled veterans of World War No. 1. He is a casualty of that war himself, P. Dale Jackson, past national executive committeeman of the Disabled American Veterans. His wife, who is equally interested, is commander of the auxiliary of the Buddies chapter, Disabled American Veterans. They have for a long time been in close contact with this hospital. When I was home for the Easter holidays, Mr. Jackson and I visited it. He seemed to be personally acquainted with many of the patients there and with the doctors and nurses in the institution. He told me they are doing a fine job, especially considering the draft upon our nurse and medical personnel required by those who have been wounded in this war. I have similar reports from other people in a position to know. I want to speak these words of commendation of the fine staff of this institution, the doctors, the nurses, and those responsible for the food and care of the disabled veterans in this facility.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 38, after line 20, insert the following:

"Salaries and expenses, War Division: For all salaries and expenses in the District of Columbia and elsewhere necessary for the enforcement of acts relating to the national security and war effort and in connection with the registration and control of alien enemies, including the employment of experts; supplies and equipment; printing and binding; travel expenses; stenographic reporting services by contract; books of reference, periodicals, and newspapers (not exceeding $4,000), $390,000."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 28: On page 41, line 8, after "$3,980,000", insert the following: "*Provided*, That United States marshals and their deputies may be allowed, in lieu of actual expenses of transportation, not to exceed 4 cents per mile for the use of privately owned automobiles when traveling on official business within the limits of their official station."

Mr. JONES. May I suggest to the gentleman from Michigan that Senate amendments numbered 28, 36, and 43 cover the same subject matter, and it is agreeable to me to have them considered en bloc.

Mr. RABAUT. That is agreeable to me.

Mr. Speaker, I ask unanimous consent that Senate amendments numbered 28, 36, and 43 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendments numbered 36 and 43.

The Clerk read as follows:

Senate amendment No. 36: On page 54, line 21, after "tolls", insert the following: ", and not to exceed 3 cents per mile for travel performed in privately owned automobiles within the limits of their official posts of duty, of employees engaged in census enumeration or surveys."

Senate amendment No. 43: On page 56, line 23, after "automobiles;", insert the following: "and not to exceed 3 cents per mile for travel, in privately owned automobiles within the limits of their official posts of duty, of employees engaged in the maintenance and operation of remotely controlled air-navigation facilities."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in the amendments of the Senate numbered 28, 36, and 43.

I now yield 10 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Speaker, these amendments change existing law. All

day, we have been passing by majority vote amendments that are legislation on appropriation bills. It is discouraging, indeed, to my way of thinking, to find the House taking this action, because the statutes which we are repealing piecemeal, were passed after mature consideration. They have been the law of the land for many years, and they have had a salutary effect upon Government spending.

The Government of the United States in its activities is not like a private business, for the affairs of a Government agency that is competing with private enterprise are not put on such a basis that any accountant can establish approved accounting procedures and let them go on as if the heads of that organization were the heads of a private corporation. The laws of the land have been well thought out, and over a period of years have been established in order to guide the public servants who are dealing with the expenditure of public funds.

Take the travel item, for instance. Congress has had this recently brought to its attention. In fact, on yesterday we discussed it quite frequently. An allowance of one round trip at 20 cents a mile is granted to the Members of Congress during each session. The rest of the travel we pay for. The traveling we have been doing in behalf of our constituents to the departments, and even up and down our districts, we have paid for out of our own pockets. We have worn out our own cars, and bought new tires for our cars, and it has all been at our personal expense.

The law of the land states that when a person is employed in an agency he does not get any mileage for driving his car within the city where that agency is located. I think that is a wise provision. It is too easy for a man to drive his car home at night and to drive it on personal shopping tours within the city where the Government agency is located.

This matter of allowing mileage of 3, 4, and 5 cents a mile in Government agencies within the city limits of the place where the agency is established is a very, very dangerous precedent. We have done it not by repealing the law and not by writing an amendment to the law, but we have done it by legislation on appropriation bills which I expect 85 percent of the Members of Congress never examined, never even looked at, and never knew existed, until points of order were made on this appropriation bill on the 16th and 17th of March. I plead and beg in the interest of honesty in government, in the interest of practicing economy in government, that these amendments be stricken out of this bill and that the motion of the gentleman from Michigan to recede and concur be voted down. It may be urged and argued that it is a saving of money to pay a deputy marshal, for instance, 3 cents a mile for the operation of his car in serving processes and warrants, and that it would cost 20 cents a mile for him to hire a taxi. All that may be true. But, gentlemen, we do not know how many miles we are paying for at the rate of 3 cents a mile to take care of personal business. If we are going to adopt this sort of a proposition to pay a man for using his private car on a mileage basis, we ought to adopt some careful safeguards. We ought to be sure that the interest of the Government is adequately safeguarded.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. RABAUT. It has been figured out and been brought to our attention that it is more economical to make the payments along the lines suggested than it would be for them to use even a street car when you consider the salaries of the men and the time it would take to travel in that way.

Mr. JONES. I recognize that is the argument of the gentleman and there have been some statements on that in the record of the Senate hearings. I recognize that. But we do not know how many miles we are paying for at the rate of 3 cents a mile, which is for personal business, politicking, and so forth. I sincerely hope that this matter will not be decided along partisan lines and that, in a burst of party loyalty, so many Republicans will vote against this sort of thing and so many Democrats vote for retaining this legislative provision in the bill. I think the integrity of Congress is involved here, the Congress to which has been given by the Constitution the purse strings of the Government. We are repealing statutes little by little that the Congress in a saner moment provided, looking at Government expenditures quite a little bit more carefully than we are now. We are repealing little by little every one of those acts. When we get all the appropriation bills passed, we will have repealed for all practical purposes the money and finance sections of the United States Code.

Mr. RABAUT. Mr. Speaker, this is the only manner in which the United States marshal's office can operate and transport prisoners if we really want to consider the cost to the Government. The same thing is true of the C. A. A., with its outlying stations far removed from certain centers. They must use automobiles for this purpose. The House certainly would not want automobiles to be purchased for that purpose and then have the cost of wear and tear of those automobiles imposed upon the taxpayers of the country as compared to this small mileage allowance.

Mr. Speaker, with reference to amendment No. 28, may I say United States marshals and their deputies, almost or without exception, use their personally owned automobiles in the discharge of their duties in the service of process and the transportation of prisoners. In view of the fact that usually there are from two to four individuals accompanying the marshal, it is deemed essential that they be reimbursed for the mileage traveled at the rate of 4 cents per mile.

On amendment No. 36, having to do with the Bureau of the Census, it is the established practice of the Congress in the language of appropriation acts to write limitations as to the uses to which appropriated funds may be put. In conformity with this practice and to insure economical expenditure of funds authorized for official travel, the Census Bureau requested the language now stricken from the bill. The Bureau will be gravely hampered in the performance of its functions if the requested language is not restored. Efficient survey operations require that the households canvassed be widely scattered and consequently a certain amount of travel is necessary as enumerators proceed from one selected dwelling to the next. The setting of a rate of 3 cents per mile within the limits of an official station for the use of privately owned automobile permits the Bureau of the Census to handle local surveys with a minimum of enumerators, thereby relieving the strain on the manpower situation and also with a minimum of time consumed, resulting in a lesser cost for surveys to the Bureau of the Census.

Mr. Speaker, with reference to amendment No. 43, may I point out, ever since the passage of the Air Commerce Act of 1926, the C. A. A. and its predecessor organizations have been required, from time to time, to reimburse employees on a rate-per-mile basis for the use of their personal automobiles in the conduct of their official business. This was found to be necessary and in the interest of the Government, since in many cases the use of automobiles was required for only short periods of time and did not warrant the purchase, maintenance, and operation of an automobile by the Government in each case. In the maintenance of remotely located air navigation facilities, employees headquartered in the area were forced to use their personal automobiles to reach the facilities and perform their maintenance duties. In practically every case, no other means of transportation was available.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 56, noes 39.

So the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 31: On page 47, line 12, insert *"Provided further*, That this appropriation shall be available without regard to section 3709 of the revised statutes or section 322 of the act of June 30, 1932 (40 U. S. C. 278a), when authorized or approved by the Attorney General, for the acquisition of or alterations, improvements, and repairs to premises."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment numbered 31 and concur therein.

Mr. JONES. Mr. Speaker, I suggest that amendments 31, 33, and 51 cover the same legislative provisions.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that amendments Nos. 31, 33, and 51 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The Clerk will report amendments Nos. 33 and 51.

The Clerk read as follows:

Amendment No. 33: Page 49, line 24, insert *"Provided,* That section 3709 of the Revised Statutes shall not be construed to apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed $500."

Amendment No. 51: Page 60, line 9, strike out "experts, and guards on a contract or fee basis", and insert "and experts, and in the case of airplane accidents the employment of temporary guards on a contract or fee basis without regard to section 3709 of the Revised Statutes."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendments Nos. 31, 33, and 51, and concur therein.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 34: Page 52, line 23, insert *"Provided,* That hereafter the Secretary may designate an officer of the Department to sign minor routine official papers and documents during the temporary absence of the Secretary, the Under Secretary, and the Assistant Secretary of the Department."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 34 and concur in the same.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 35: Page 54, line 12, insert "temporary employees at rates to be fixed by the Director of the Census without regard to the Classification Act."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 35 and concur therein.

The motion was agreed to.

Mr. REES of Kansas. Mr. Speaker, I rise to call attention to amendments 35 and 37 inserted in this bill by the body at the other end of the Capitol providing for additional employees for the Bureau of the Census to be appointed without civil-service qualifications, and increase the appropriation for the Census Bureau by $1,435,000.

According to this report the money is for salaries for additional employees to be paid at rates to be fixed by the Director. The House already allowed the Census Bureau $4,750,000. When this bill passed the House I protested the amount was more than necessary in view of the duplication of the work that is already going on in Government. The title says it is for "compiling census reports," and so forth. We have too many reports now. Four and one-half million dollars is more than is needed, now you are making it five and a half million. This extra million will not aid in the prosecution of the war or be of any real benefit. The witness who appeared to support the extra appropriation says it will be used to "sample" census matters in various centers of population. Employees will travel around doing that sort of work. This is no time to pay people to travel from place to place doing that sort of thing. We have too many people on the pay roll traveling at the expense of the Government. We have got plenty of "samples" now.

Now, about this census business again. It would seem sometimes, the Census Bureau heads spend time thinking up ways of making additional reports. You get them every few days. I wish I had the time and space to describe some of them. It is suggested that industry and business would like the information that might be gathered. Well, I have a report, and you get them each month from the Department of Labor, Bureau of Labor Statistics. I have one for April 30, 1945, for example. It gives figures as to the number of employees in Agriculture, self-employed, industry, and so forth. Also earnings in various lines of business, and so forth. It classifies according to war and nonwar industries, and so forth. Then comes another document almost the same time, from another arm of the Labor Department under Labor Information Bulletin that provides similar information. And along comes still another report by the War Manpower Commission with still another document entitled—said to be a guide to the Employment Service. I think it is called Labor Market Information for United States Employment Service and there are plenty more of them.

Mr. Speaker, this House has agreed to increase these appropriations by millions. We ought not to do it. I realize it is almost futile to demand it, but here is a place to save one and a half million dollars that will not go for the war effort or any real good as I see it. It should be knocked out of the bill. I think it is a waste of the people's money.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 38: Page 55, line 18, insert "not to exceed $5,000 in fiscal year 1946 for entertainment of officials in the field of aviation of other countries when specifically authorized and approved by the Administrator."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 40: Page 56, line 10, strike out "$9,400,000" and insert "$14,729,000."

Mr. RABAUT. Mr. Speaker, Senate amendments numbered 40 and 42 are related, and I ask unanimous consent that they may be considered together.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The Clerk will report Senate amendment numbered 42.

The Clerk read as follows:

Senate amendment No. 42: Page 56, line 15, after the word "fund", insert *"Provided further,* That not to exceed $2,750,000 of this amount shall be available for the establishment of landing areas."

Mr. RABAUT. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate numbered 42.

Mr. Speaker, I yield myself 2 minutes.

The SPEAKER pro tempore. The gentleman from Michigan is recognized for 2 minutes.

Mr. RABAUT. Mr. Speaker, Senate amendment No. 42 relates to the establishment of an airport in Kanawha County, W. Va. The amount named in the amendment No. 40 includes the amount named in amendment No. 42.

The managers on the part of the House are opposed to singling out this airport in West Virginia for preferential treatment. It was entirely through inadvertence that our statement accompanying the conference report indicated that we would move to recede and concur in these two amendments, Nos. 40 and 42. Accordingly, I am constrained to move that the House insist upon its disagreement to these amendments.

I find myself at this time, however, in a legislative position; and I recognize the devotion of the Members from West Virginia to the House and to their districts. I recognize their popularity.

Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. HEDRICK] for it is in his district, the Sixth District of West Virginia, that this airport is proposed.

Mr. HEDRICK. Mr. Speaker, the House bill in question—H. R. 2603—passed the House a few weeks ago and has been amended in the Senate to appropriate $2,750,000 for an airport at Charleston, W. Va., the capital city. Five major air lines, averaging approximately 30 passenger planes a day, pass over Kanawha County with no landing field for accommodation. I doubt if there is another State capital in the United States with so many major air lines and without airport facilities.

This bill was amended for the following reasons:

First. In the early months of 1942, the Government was desirous of erecting a rubber plant at Charleston. The Rubber Reserve Company let a contract to the Carbon Carbide Chemical Corporation for the erection and operation of a rubber plant. The Carbon Carbide Chemical Corporation wanted to erect the new plant adjacent to their plant already in operation. By so doing, they could eliminate the need for a laboratory and could use their laboratory personnel in the operation of the Federal plant, thereby saving the Government the expense of a new experimental laboratory.

The site upon which they desired to build was a part of the then Charleston, W. Va., airport which was operating and enjoying a profitable business. The chamber of commerce and others interested in the airport were advised by the Secretary of Commerce, so I am informed, that if they would relinquish the airport site for the Government's use in erecting a rubber plant, the Government

would, in turn, build a new airport for Charleston. They agreed to this proposition, and the rubber plant was built.

After the airport had been rendered useless for flying, all funds for building airports were placed under the control of the Army and Navy. Unfortunately for Charleston, there was no money available from the Department of Commerce. However, on June 4, 1942, the president of the Kanawha County court received a letter from the Secretary of Commerce stating he believed it would be in order to proceed with the matter of the airport, having in mind the bond issue which has been discussed previous to this date. With this information, the county court floated a $3,000,000-bond issue, and a site was purchased. A contract was let for the grading at the extremely low figure of 47 cents a yard, whereas the usual price is $1 a yard. This work is now under way, and if a contract for a turn-key job could now be let to the present contractor, while his equipment is on the ground and his crew intact, at least $100,000 could be saved by the Government.

It occurs to me, fellow members, that our county court has been more liberal than those of other counties in requesting less than half the cost of the airport be paid by the Government when it was at the suggestion of the Government, they gave up their only airport at a very critical time, depriving Charleston of airport facilities and causing a heavy loss in passenger service, mail service, and in incomes too numerous to mention at this time.

Charleston, the capital city of West Virginia, is located in Kanawha County, 374 miles southwest of Washington and 200 miles east of Cincinnati, Ohio. Its population consists of one-ninth of the entire State's population. One eighth of the State's assessed valuation is located in Kanawha County.

Kanawha County has the Nation's largest armor plate plant, the Nation's largest rubber plant installations, the largest flat glass plant in the world, and the largest axe factory in the world. There are more than 30 operating chemical industrial plants employing between twenty-five and thirty thousand men and women. It is my understanding many large corporations will not consider a location without airport facilities and perhaps for this reason, the fertile valley of Kanawha County may not have been chosen by corporations which might otherwise have located there.

I am of the opinion, fellow Members, that the need for an airport in an industrial area such as I have described is necessary and important not only to these people but also to the Nation.

I believe these officials and citizens of Kanawha County, and the citizens of the entire State of West Virginia, have been very patient in waiting for the Government's action to return to them an airport. In good faith this $3,000,000-bond issue was floated by the officials and citizens of Kanawha County.

I believe this is the proper time for the Government to make good its promise and relieve our State and community of the inconvenience, and embarrassment caused by not having an airport, through no fault of their own. Therefore I ask your consideration and support in the passage of this amendment.

Mr. JENKINS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore (Mr. RAMSPECK). The gentleman will state it.

Mr. JENKINS. Mr. Speaker, those of us who were inclined to favor these proposals were under the impression that a motion was going to be made that the House recede and concur in the amendment. As I understand it, that motion not having been made, the proper parliamentary procedure is that we who agree with the gentleman must vote down the present motion and then someone will be recognized to offer a motion to recede and concur; am I right?

The SPEAKER pro tempore. That could be done.

Mr. JENKINS. Is there any other method by which we could proceed? Could I make the motion now?

The SPEAKER pro tempore. The gentleman from Michigan [Mr. RABAUT] has the floor. He could yield for that purpose.

Mr. JENKINS. Mr. Speaker, will the gentleman from Michigan yield?

Mr. RABAUT. I yield to the gentleman from Ohio.

Mr. JENKINS. The parliamentary situation at the present time is that those of us who agree with the gentleman who just spoke will have to vote down the motion made by the gentleman from Michigan but, if he will yield or permit the motion to be voted on now, we can save time. One of the gentlemen from West Virginia can offer the motion.

Mr. RABAUT. Mr. Speaker, I intend to yield to the other four Members from West Virginia. I will yield for the motion to be made but will retain the floor myself.

Mr. JENKINS. Mr. Speaker, can I make that motion?

Mr. RABAUT. I yield to the gentleman from West Virginia [Mr. HEDRICK], for that purpose. This is in the district represented by the gentleman from West Virginia [Mr. HEDRICK].

The SPEAKER pro tempore. The gentleman from West Virginia [Mr. HEDRICK], is recognized to offer the motion.

Mr. HEDRICK. Mr. Speaker, I offer a substitute motion that the House recede and concur in the Senate amendment.

Mr. RABAUT. Mr. Speaker. I yield to the gentleman from West Virginia [Mr. NEELY].

Mr. NEELY. Mr. Speaker, "a certain man went down from Jerusalem to Jericho, and fell among thieves, which stripped him of his raiment and wounded him and departed, leaving him half dead." In the matter before the House the city of Charleston—the capital of West Virginia, the chemical center of the Western Hemisphere, and the greatest industrial city of its size in the world—is the "certain man" mentioned in the parable. Of course, Charleston did not fall among thieves, but she did fall among Federal agencies and Federal officials, who deprived her of her airport as completely as the biblical character was stripped of his raiment.

Prior to this action by the Government Charleston was commonly known as the hub of the aviation wheel of the State. It enjoyed the east-west and the north-south service of two nationally prominent air-line companies. Charleston provided more than half the aerial commerce that originated in the State. As a result of what the Government has done, the capital of West Virginia has, for more than 2 years, been entirely destitute of airplane service. The State, the city of Charleston, and the county of Kanawha, in which Charleston is situated, all patriotically and cheerfully acquiesced in the Government's utilization of this airport to satisfy wartime demands. But their acquiescence was evoked by the unconditional assurance that a new and satisfactory airport would be promptly provided them as compensation for the old one of which they were about to be deprived. Unhappily, the Government forgot its obligations, disregarded its promises, and utterly failed to redress or help to redress the injury which West Virginia, Kanawha County, and the city of Charleston had suffered solely because of its action.

After hope for the promised Federal aid had been deferred until it had made sick the hearts of the people of Kanawha County, they voluntarily burdened themselves with a bond issue of $3,000,000 with which to repair the loss which they had been forced to sustain. But, except the narrow banks of the Kanawha River, which flows through Charleston, she is a city of high and rugged hills that extend for many miles around her.

Consequently the construction of an airport in the Charleston area is expensive to a distressing degree. And it has become apparent that after the expenditure of the last cent of the $3,000,000 the people have raised for construction purposes, at least $2,750,000 more will be required to complete this important undertaking.

We appeal to the Members of the House to be good Samaritans and, by voting for the pending motion, help to compel the Federal Government to discharge not all or half, but only $2,750,000 of the $5,750,000 obligation she owes to the capital of West Virginia, which is the most important city on the globe that is completely destitute of airport facilities.

There is much more that should be said on this subject, but the harsh, inflexible rules under which we are proceeding make it impossible for me or any other Member of the House to obtain sufficient time to discuss or even enumerate all the merits of this case. In the few remaining seconds before the fatal fall of the gavel ends my participation in the debate, let me assure the Members of the House from every State in the Union, who have most generously indicated their intention to support the motion on which we are about to vote, that they have the unlimited gratitude of the entire West Virginia delegation. The kindness of these friends in need, who are proving themselves friends indeed, will

never be forgotten. It will not be unrewarded in the days to come.

Mr. RABAUT. Mr. Speaker, I yield to the gentleman from New York [Mr. O'TOOLE] to make a unanimous-consent request.

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RABAUT. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Speaker, uniformly I have consented to yield to my colleagues for questions, but I cannot do it in the short time allotted today.

I have a high regard for the distinguished chairman of the subcommittee, the gentleman from Michigan [Mr. RABAUT], and those who serve with him. He has made a mistake, however, in saying that Charleston and the State of West Virginia ask for preferential treatment in connection with this airport. That is not the fact. We are not asking for preferential treatment. We ask only that the Federal Government now give back to Kanawha County, and Charleston, the necessary funds for the completion of this vitally important airport. I remind you that Charleston possessed an airport which was formerly in operation, served by Pennsylvania Central Airlines north and south, and American Airlines east and west—an important artery of travel to the people of our State and the Nation.

My colleagues, you are fair-minded men, and I feel you will agree that when the United States Government came, through one of its agencies, and took the former airport property, that we have a right to present and have accepted the request for Federal money. It was under the impact of war that there was a ready acceptance by our citizenry, when request for airport lands were made, that these were quickly given. These West Virginians, at cost to their personal or selfish wishes, would do the same if called on again. They have produced, in the great Kanawha Valley, the products for successful prosecution of the global war.

Charleston today—not 5 years hence—is entitled to Federal aid to supplement local funds to do a job which will aid indirectly all the country in peacetime travel and trade, and serve as a defense unit if we are ever called to fight another war.

Let us remember that the people of West Virginia, through their Representatives, have never come into this Chamber and asked for an appropriation of Federal funds until first we have put our house in order at home. This, Mr. Speaker, has been done in the appeal now pending for your judgment.

The people of Kanawha County by a bond issue raised the sum of $3,000,000 to contribute substantially to this construction of new landing facilities; in other words, we are paying more than 60 percent of the total cost of the airport now being built.

We only ask that colleagues who have worked with us and who know us here in this House give us today the Federal funds and the further opportunity to complete this airport. The contractor's equipment already is on the ground doing the job. Ultimately the Federal Government will be saved actually perhaps $100,000 to $400,000 in this necessary aid to the Nation's airport system. We come not in a pleading fashion, we only ask for justice. That is the reason all West Virginians have joined in this appeal.

Mr. RABAUT. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. ELLIS].

Mr. ELLIS. Mr. Speaker, I am in entire sympathy with this project. I should like to emphasize just two or three points which seem to me to be the controlling factors.

The first has already been stated—that Kanawha County and Charleston, our capital city, had an airport that was satisfactory in every respect. It was taken over by the Government to construct a synthetic-rubber plant there, which has made a great contribution to the war effort.

Let me emphasize the fact that West Virginia does not have much level land suitable for landing areas; in fact, this was the only available land in that valley which could be used as an airport, and that was taken by the Government. Now, what happens? The same thing that happens in most West Virginia communities. We are driven to the mountains, to the hills, to the hilltops, if you please, which have to be cut down and the valleys filled in to construct our airports. This costs money.

Mr. BARRETT of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. ELLIS. I yield to the gentleman from Wyoming.

Mr. BARRETT of Wyoming. Is it not also true that this location was highly suitable for the synthetic-rubber plant because it was an area along the river, and that is the reason the Government took it over?

Mr. ELLIS. That is quite true. It is a location in the valley.

Mr. BARRETT of Wyoming. It seems to me in fairness this appropriation ought to be allowed.

Mr. ELLIS. That is right. You could take the $3,000,000 which has been appropriated by the county and the balance it will take to finish it and go into any of the Prairie States and build a dozen airports with it. This sort of construction costs money. The county and the city have made a magnificent contribution in their $3,000,000 bond issue.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. ELLIS. I yield to the gentleman from Ohio.

Mr. JENKINS. Is it not also a fact that Charleston, W. Va., now is the recognized chemical center of the world? It is a very busy big city.

Mr. ELLIS. That is true.

Mr. RABAUT. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. KEE].

Mr. KEE. Mr. Speaker, I hardly feel it is necessary to add my word to what has already been said in reference to this matter. You have heard a statement of the matter from our colleague [Mr. NEELY], who was Governor of the State of West Virginia when the Government walked in and took away the airport of the State's capital city and used it for the building of a synthetic-rubber factory.

This may not be a legal obligation on the Government, although if there was a forum in which we could bring an action against the Government it would be impossible for them to plead the statute of frauds against that action. There is a writing, signed by Government officials, acknowledging the debt and this writing will later be read to you.

However, there is certainly a moral obligation on the Government to assist the people of West Virginia in the construction of a new airport. This was fully understood by the body at the other end of the Capitol when it inserted this appropriation in the bill now under consideration.

Nature has not been kind to West Virginia in providing sites for airports or airfields. It is a State of high mountains and deep valleys. There is very little level land suitable for airports and landing strips. Without level land, the cost of construction is vastly increased. Charleston had this site for an airport, a proper and convenient site and the only one available where the cost of construction would not be excessive. They constructed an airport at a cost in the neighborhood of $3,000,000, and then the Government took it over for Government purposes. The city of Charleston has a new airport under construction at the present time. The money provided by the city will not complete it. The appropriation provided by the bill now before us will be only a part payment toward the additional cost of construction occasioned by the action of the Government.

This is no gift to the city of Charleston or to the people of West Virginia. To make this appropriation is an act of justice. The United States Government took over a city's airport for its own use. Now it is a moral obligation upon the Government to assist in the construction of a new airport.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. KEE. I yield.

Mr. RANDOLPH. It is also a fact that the then Secretary of Commerce, Mr. Jesse Jones, wrote to the president of the county court of Kanawha telling those in responsibility to proceed with the airport construction, because the Federal Government would do its part.

Mr. KEE. That is absolutely true. I thank my colleague for his contribution.

The SPEAKER pro tempore. The time of the gentleman from West Virginia has expired.

Mr. RABAUT. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, it has been said, and truthfully so, "Thrice armed is he whose cause is just."

Some days ago when the House gave consideration to the naval appropriation, I was, through the courtesy of the subcommittee handling the appropriation, given an opportunity to get some

facts in the RECORD concerning the treatment accorded my State's capitol city in the matter of airport facilities.

It was held at that time that my amendment was not germane to the naval appropriations bill. It was rejected on a point of order. Today, the matter is quite different. The other body has seen fit to amend the Commerce Department appropriation as found in H. R. 2603, now before the House for concurrence.

It shall be my pleasure in the next few minutes to prove that the action taken was not only germane but proper. If I may be permitted to borrow a leaf from the notes of my many friends in this House who are lawyers, I can in all sincerity say not only that my cause is just but that I also come into the court with clean hands.

Prior to the Second World War Charleston had an excellent municipal airport, erected at a cost of some $1,400,000. It was taken over by the Defense Plant Corporation as a site for one of the Nation's largest synthetic-rubber plants. The then Secretary of Commerce and R. F. C. Administrator, Jesse Jones, assured the Charleston City and Kanawha County officials that a new and better airport would be provided.

In this connection the president of the Kanawha County court, Mr. W. T. Brotherton, and the court's attorney, Dale Casto, came to Washington in May 1942 and had a conference with Mr. Jones on the airport situation. As proof that the conference was held and that Mr. Jones did make a commitment I desire to read for the RECORD the following letter from Mr. Jones to Mr. Brotherton:

THE SECRETARY OF COMMERCE,
Washington, June 4, 1942.

Mr. W. T. BROTHERTON,
President, County Court of Kanawha County, Charleston, W. Va.

DEAR MR. BROTHERTON: Your letter of June 1 received.

I tried to get you at the hotel that afternoon but without success.

The legislation contemplates construction of your airport, but I am unable to tell you just when the bill will pass. The conference committee is in agreement, so it would seem in order for you to proceed in the matter.

I was glad to see you and hope everything will work out to your entire satisfaction.

With best wishes,

Sincerely yours,

JESSE H. JONES.

As a result of the understanding, the Kanawha County citizens voted the sum of $1,000,000 in bonds in August 1942. This money was held pending action by the Federal Government. In the meantime representatives of the C. A. A., a bureau in Mr. Jones' department, came to Charleston and assisted in selecting a site for the new airport. The county court acquired title to the new site and appropriated money out of its general county funds in the amount of $125,000 for its purchase. In addition, the West Virginia State Road Commission obligated its funds in the amount of $200,000 to construct new highways to the airport site.

There was further delay on the part of the Government, and the court, realizing its inability to do the work with $1,000,000, voted, by a 20 to 1 vote, bonds in the amount of $3,000,000 in November 1943. To prove the Government was still interested Mr. Jones, accompanied by Senator Wallgren, of Washington, and Senator Truman, now President Truman, attended a banquet at Charleston to celebrate the completion of the new rubber plant, at which time Mr. Jones publicly stated the Government should do something to complete the new airport.

As late as June 1944 the Kanawha County court was advised by letter from James M. Barnes, administrative assistant to the President, that the C. A. A. had approved the sum of $4,180,000 for the completion of the new airport. In view of this commitment the court went ahead and let a contract for the grading and drainage of the airport site in the sum of $2,480,286. This contract will be completed within the next 3 months and the court finds itself without funds to complete the runways and contract the necessary building to make the airport usable.

In the meantime Charleston, a city with a population of near 100,000 people, is denied airport facilities they once enjoyed.

I have here a telegram from Governor Meadows, of West Virginia, calling attention to the fact that until the Charleston Airport is completed other airports in our State are handicapped because of cancelation of east-west, north-south air service due to their inability to land at Charleston.

The Senate has recognized the justness of the claim and of the Government's obligation and has seen fit to provide funds in the form of an amendment to H. R. 2603, now before the House for concurrence. I hope it will be the pleasure of the Members to concur in the committee item of $12,577,000 in item 40 of the committee report, and thereby discharge an honest Government obligation.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RABAUT. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Speaker, someone asked me why a Member from down in the mountains of Tennessee is interested in an airport in West Virginia. My reply was that the better half of my firm came from West Virginia, her father having had the distinction of representing that State in the Senate of the United States at one time. I have long since learned to respect her judgment. She either exercised good judgment or was very charitable when she accepted my marriage proposal. Of course, I am inclined to think she exercised good judgment, although I am not too sure about that.

Time does not permit me to go into a detailed discussion of the merits of this proposal. It pretty well speaks for itself. The capital city of a great State such as West Virginia which gave up its airport for the war effort at the instance of the War Department and was told by its representatives that the Government would furnish another site, and not having any airport facilities available to it is sufficient indication that the Federal Government should cooperate with the local community, which has raised more than $3,000,000 for the purpose of building an airport, to insure its completion. After the War Department decided that this rubber plant should be located at Charleston, it is manifest that this was the only suitable location near the city for this project. It now would be unfortunate if the Government should not come through as promised and acquire another site for these people. It is my hope that the House will cooperate in helping to make airport facilities possible to the capital of the State of West Virginia by receding and concurring in this amendment.

Mr. RABAUT. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, I do not come from West Vriginia, nor do any of my people by blood or marriage come from West Virginia, but I am a hill-billy from the Ozark Mountains. We hillbillies do stick together. The hills in West Virginia are no higher than those in the Ozarks but the "hollers" are a little deeper. Our people are much alike. Some West Virginians and Missourians still cover their houses with bull hides and use their tails for lightning rods. We "aint" the smartest folks in the world but we know what justice is.

I saw this splendid airport at Charleston before the Government took it over. I have seen the same airport on which the Government has spent huge sums of money in building one of the greatest synthetic-rubber plants in the United States. I also know the dangers of flying over West Virginia. One of our aircraft, flying from Pittsburgh to Birmingham about 3 weeks ago, crashed in West Virginia and all of its occupants were killed.

Charleston deserves a substitute airport and the Federal Government is honor bound to furnish the money. Uncle Sam is not giving the city of Charleston any gratuity but will simply pay back a just obligation if this appropriation is voted. And, regardless of the cost, this busy city which has contributed so much to the war effort will not get as good an airport as the one she generously and patriotically turned over to the Federal Government. Let us give back to Charleston at least a portion of what we took from her.

Mr. RABAUT. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Speaker, I think it might be well to state that there have not been any hearings in connection with this item. It was presented to the committee in the other body after hearings were closed, so there is nothing upon which to base judgment from the record. So I contacted the Defense Plants Corporation to get some of the details.

I have here a plat of the ownership of the property. I find that the Carbide & Carbon Chemicals Corporation purchased the airport property rather than the Government of the United States. The only land that the Government of the United States owns is 3.30 acres abutting the old airport grounds. It would seem to me that making the city of Charleston stand whole on the basis of

any wrongdoing on the part of the Government is out of place, because the Carbide & Carbon Chemicals Co. bought the old airport at Charleston and paid $135,000 for it. In addition to that, they bought considerable numbers of small properties adjacent to the airport. I do not see from the correspondence, which I will put in the RECORD, where the Government of the United States owes any particular debt for any wrongdoing to the city of Charleston. In addition to that, enormous expenditures have been made by the Government to build these plants in Charleston. The wealth of the city of Charleston has been increased by the enormous pay rolls at these plants. Some 2,000 people are employed.

Many Members have talked to me about supporting this $2,750,000 for an airport. I well recognize a great many Congressmen want airports, and the city of Charleston presents no unusual case. It seems to me the correspondence between the Carbide & Carbon Chemicals Corporation, in a letter dated May 9 to Mr. Allan Brown, general counsel of the Defense Plant Corporation, to which is attached a plat of the land involved and which I cannot put in the RECORD, disposes of any claim that the Government owns this airport ground.

I think we come down to the proposition that we have a policy of not putting any money for airports in appropriation bills of the House. The bills go over to the other body and come back with at least one airport appropriation item. The other body did this last year and they have done it again this year. That may be the policy of the other body, but we should go into consideration of the Charleston airport with our eyes open and know that we are voting for one airport in the United States. I do not see any equities in the matter in favor of Charleston. The correspondence referred to follows:

DEFENSE PLANT CORPORATION,
Washington, May 10, 1945.

Hon. ROBERT F. JONES,
United States House of Representatives, Washington, D. C.

Re Carbide & Carbon Chemical Corporation. Plancor 229.

DEAR CONGRESSMAN JONES: Pursuant to your request, the following shows the land acquired by this Corporation in connection with the captioned project:

Grantor	Date of deed	Acreage	Purchase price
Carbide and Carbon Chemical Corporation	Apr. 7, 1942	18.377	$11,919.50
Do	June 30, 1942	36.2953	23,591.45
Do	do	25.8160	16,780.40
Butts	Nov. 6, 1942	.016	400.00
M. K. Malcome	Aug. 30, 1943	1.5521	4,600.00
Kelly Realty Co	do	9.9221	12,402.62
Carbide and Carbon Chemical Corporation	July 7, 1944	3.8026	6,721.25

Our records show that Carbide & Carbon Chemical Corporation purchased 89.8911 acres of land from the city of Charleston at a total purchase price of $135,000, which was verified by telephone conversation this morning with Mr. H. E. Thompson, of Carbide & Carbon Chemical Corporation.

Parcel No. 7, above listed, is the only land acquired by this corporation which had previously been a part of the Charleston City Airport.

Mr. Thompson further stated in his telephone conversation that the city of Charleston did not own sufficient land for the proper operation of an airport, and at the time of the beginning of the construction of the butadene plant the runways of the airport encroached on lands belonging to the Carbide & Carbon Chemical Corporation.

I trust that the above information is sufficient for your purposes.

Very truly yours,
SAM H. HUSBANDS, *President.*

DEFENSE PLANT CORPORATION,
Washington, D. C., May 10, 1945.

Hon. ROBERT F. JONES,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN JONES: Supplementing Mr. Husbands' letter of today regarding property acquired by this Corporation at Institute, W. Va., and property of the city of Charleston, W. Va., acquired by Carbide & Carbon Chemicals Corporation, I am forwarding to you a copy of a letter received today from Mr. H. E. Thompson, vice president of Carbide & Carbon Chemicals Corporation, and a copy of a plat showing lands owned by this corporation.

If there is anything further that we can obtain for you in connection with this matter, please let us know.

Very truly yours,
ALAN B. BROWN,
Assistant General Counsel.

CARBIDE & CARBON
CHEMICALS CORPORATION,
New York, N. Y., May 9, 1945.

Mr. ALAN B. BROWN,
General Counsel, Defense Plant Corporation, Washington, D. C.

DEAR MR. BROWN: In accordance with your telephone request of this morning, I have checked the property records relating to our land at Institute, W. Va., and the portion of it which we have sold to Defense Plant Corporation, with particular reference to former ownership, and wish to advise as follows:

Our original purchase at Institute, W. Va., came in three parcels with acreages as follows:

	Acres
Maxwell Malcolm et al	26.9714
Myer Land Co	103.2368
The Charleston National Bank	44.1126
Total	174.3208

Of this property we sold Defense Plant Corporation one tract of 18.3377 acres as a site for the first butadiene unit, but with the expansion of the synthetic-rubber program from time to time we were asked for additional land, which was given in four separate parcels, the last of which included the land for the United States Rubber Co.'s copolymer plant. The total of these five parcels amounts to 80.4490 acres, all of which we had purchased from the three sources shown above.

At a later date we purchased the adjoining piece of property, which had previously been the Charleston Municipal Airport, known as Wertz Field. The purchase of the airport involved not only purchases from the city of Charleston itself but purchases from many individuals who had building lots in the property which, before its use as an airport, had been subdivided into building lots. The total number of individual pieces of real estate that had to be cleared is shown by our records to have been 89. In many of these cases heirs were involved, so that the task of putting this property in shape for use for plant purposes was a difficult and extensive one.

The total airport acreage purchased was 133.88 acres, and of this 3.8026 acres were sold to Defense Plant Corporation for the purpose of giving clearance on the north side of the original butadiene plant site.

The accompanying photostat shows the six parcels of land which we have sold to Defense Plant Corporation to make up the institute plant site, the 3.8026 acres of land which we acquired as part of the airport property being colored in red.

We hope this gives you the information desired.

Very truly yours,
W. E. THOMPSON,
Vice President.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. RABAUT. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I do not live in West Virginia, but I know Charleston. I have landed several times at the airport which the Government took over. I know Charleston is one of the busiest cities in America; it is one of the most prosperous. It is the capital of the State. The Government has great investments there, and the Government would do well to encourage them in building this airport.

There has been a misunderstanding with reference to the amount of land taken by the Government and also the amount of money that the city of Charleston will invest in this project. I think some of the Members from West Virginia who know the facts ought to have time to explain this fully, and I am going to yield the remainder of my time to the gentleman from West Virginia [Mr. RANDOLPH] for this purpose.

Mr. RANDOLPH. Mr. Speaker, a longer debate could very well have further clarified this subject. We know that the operation of aircraft in and out of airports is many times determined not by the actual runway lengths but by surrounding buildings and hazardous approaches.

The smokestacks of the Rubber Reserve plant and the proximity of the buildings themselves make it impossible to operate airports in that section.

The closing of the Charleston Airport can be attributed almost exclusively by the needs of the Government for the river valley site.

I repeat that Kanawha County citizens have taxed themselves for $3,000,000 to help defray the airport now being built.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, I am delighted that so many Members are interested in the construction of airports today. I am sure all of you know of my activities in connection with civil aviation and my efforts to have airports constructed in this country. The Government has encouraged communities to build airports, not only in West Virginia but in every State in the Union, including all communities. Since this matter has come up I have learned a great deal about this particular airport from my colleague the gentleman from West Virginia [Mr. ELLIS] and from Senator REVERCOMB, of West Virginia, both of

whom have worked so hard for Charleston, and also my friend the gentleman from West Virginia, JENNINGS RANDOLPH, and others. They all want this airport completed, but I owe a duty to this House as a member of the Committee on Appropriations and I owe a duty to the other communities who are represented here by Members of Congress whose airports are not completed today. I owe a duty to those who have airports in a condition similar to that of Charleston. We cannot get these airports completed regarding which some of you have talked to me, although we have money appropriated for some of them, because the War Manpower Commission and the War Production Board will not give us clearance on labor and materials.

Mr. NEELY. Mr. Speaker, will the gentleman yield?

Mr. STEFAN. I am very sorry, I cannot yield to the distinguished gentleman from West Virginia because my time is so limited.

Mr. Speaker, I do not say that Charleston is asking for preference. But this would set a precedent. I am as interested as you people down there to have that airport completed because you need it, but there are other airports uncompleted in the United States which should also be completed. All should have the same treatment.

My duty to you is to say that if we are going to allow the other body to include a $2,750,000 item in an appropriation bill without hearings for the construction of an airport in any particular place, then I feel that I have not done my duty to those of you in the House who are waiting so patiently now to have the airports in your communities completed. These are airports on which we have had complete hearings and for which there has been Budget approval.

Mr. SHORT. Mr. Speaker, will the gentleman yield at that point?

Mr. STEFAN. Yes; I yield.

Mr. SHORT. We all know the very able and hard work the gentleman from Nebraska has done and that he is acting out of the highest motives and that his conscience dictates what he says, but I want to answer his argument.

Mr. STEFAN. I yielded for a question only. I have but a few minutes.

Mr. SHORT. We all want certain airports completed, but we know that the airport at Charleston is in a different category.

Mr. STEFAN. Not entirely. It has had no Budget approval.

Mr. SHORT. Yes; and the city of Charleston had to give it. They did, without a whimper or any reluctance, give an airport that already existed.

Mr. STEFAN. Mr. Speaker, I have another responsibility to the House and the people. You and I know that all of the airports that have been completed have been by Budget approval or there were hearings held on them. The gentleman from West Virginia said the Army is in favor of constructing this airport, and I assume that is true. They said if they would give up this land for a rubber plant, the Government would give them an airport. Then why no Budget approval? I know that you do not want the members of your committee to pass and approve appropriation items for one part of the country without Budget approval or full hearings. Why did they not get Budget approval for this if the Government said it was going to give them an airport? I admire the fight our colleagues from West Virginia are waging for Charleston, but let us not favor one locality and neglect others.

The SPEAKER pro tempore. The time of the gentleman from Nebraska has expired.

Mr. RABAUT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, it was not anticipated by me that this motion would be made by the committee which therefore made possible the motion offered by the gentleman from West Virginia to recede and concur. I am heartily in favor of the procedure taken for two reasons: The first reason, and one of the most interesting to me, is that on the motion to recede and concur some very vital funds will remain in the bill that should have been, in my humble judgment, placed there by the House.

I offered an amendment which would provide some funds for certain transoceanic radio ranges and communications and for a traffic-control automatic posting system. With the traffic that is coming back from both Europe and the Orient by air, I can think of nothing more vital than these transocean radio ranges—those beams that go out over the ocean and guide our planes to a safe landing on shore. Those planes will be carrying not only our soldiers and sailors but the wounded as well.

There is one more matter in connection with this airport at Charleston, W. Va. As a member of the Select Committee to Investigate Air Accidents, I had occasion about 3 years ago with the members of that committee to investigate an accident at that place, and I can say to you with all confidence that when the Government asked to take over this land that was the airport at Charleston, W. Va., there just was not anywhere else that an airport could be built except on the top of a mountain. In my opinion, the Government of the United States is duty bound to replace the airport site that Charleston has had, the only one available to it.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I have a high regard for the gentleman from Nebraska [Mr. STEFAN], but this is not preferential treatment when Congress appropriates funds to be used to replace the facility Charleston once possessed.

Mr. HINSHAW. I do not regard it as such. It has a very unique position in the United States. In nearly every other place in the United States there is an additional square mile or two of flat land available for an airport, but West Virginia stands on end all over the place and there would not be any flat place for an airport.

Mr. RANDOLPH. The gentleman, who is one of the aviation spokesmen of this House and who knows his subject, also realizes that in this body we have taken care of appropriations to complete W. P. A. airport projects. The gentleman from Nebraska [Mr. STEFAN] desired such projects completed and we acted affirmatively on that request. I spoke and voted for such a plan of action.

Mr. HINSHAW. The Government did take this land. It was the only land that was at all flat that was available for an airport site, and it was not too good at that, but certainly, with no other site available, the Government should give these people a site for an airport properly worked out.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. RABAUT. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Speaker, I feel very kindly toward the objective of the gentlemen from West Virginia, but I hope you will appreciate the attitude and the responsibility of the committee handling this appropriation.

I am prepared to admit that Charleston did have a good airport. I am prepared to assume that some representative of the Government promised the people of the city of Charleston and those interested they would restore, rebuild, or construct an airport at Charleston upon condition that they furnish land upon which a plant for the manufacture of rubber might be constructed. I will assume that is all correct.

But it has not yet been stated when the representatives of the Government promised to restore this airport. Nobody has said it would be done in 1945. Nobody has said it was to be done in 1944, or when the war was over. There are a number of other places in the United States where representatives of the Government came in a few years ago and said to the city, or the municipality, or other parties interested, "We need this airport for military purposes, and we will restore any damages you may sustain."

This committee is charged with the responsibility of protecting those interested in such airports. If this committee had made the promise that the money would be furnished for the airport at Charleston, it would be an entirely different thing. But the committee did not promise it. The committee is charged with the responsibility of giving due consideration and equal consideration to airports in other States. It was never brought to our attention. There were no hearings conducted. No justifications were submitted. This is the first time I ever heard of this proposition.

No budget was submitted to our committee, we have none now. Who made the estimate of the cost? Who here can tell that it will cost $2,700,000—the amount requested?

The SPEAKER pro tempore. The time of the gentleman from South Carolina has expired.

Mr. RABAUT. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HARE. But now we find this amendment in here. Suppose your committee now would agree to let this amendment go by uncontested, what would you say to your people when you

get back home after you, without any justification, without any Budget estimate, and admit you voted to pass this item? Do not place the blame on this committee because we are asking you to oppose the appropriation. I do not mean to criticize the delegation from West Virginia. They have a right to ask for the money. But I want to say this, in all fairness to the other Members of this body, that if this delegation had been as assiduous before the Bureau of the Budget as they have been to come before this House and ask us to make this appropriation, they would have probably had some justifications to present in the regular parliamentary way, and it may have been in such order as to justify our support. But what reply is your committee going to make when these other States come in here tomorrow or next day and inquire: "Why did you give an appropriation of $2,750,000 for this airport when the one in my State, the one in my district, the one in my community is just as deserving and in just as much need as the one over here in West Virginia?" I do not depreciate the need or the necessity for the airport in West Virginia but I am insisting that your committee is entitled to certain considerations, and the other Members of the Congress are entitled to consideration by this committee, and we should see to it that equity and fairness should be the guiding principle upon which we appropriate funds for the construction of these airports.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. HARE. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman made the assertion that no promise had been made as to when the airport might be constructed.

Mr. HARE. No; I said I had not heard of any.

Mr. BAILEY. I put in the RECORD, and would have announced publicly on the floor, a letter from the Assistant President, J. M. Byrnes, who was formerly a Member of Congress, as late as June 4, 1944, saying that the C. A. A. had definitely allocated $4,180,000 for this airport. Otherwise, we never would have voted the bonds and let the contract.

Mr. NEELY. Mr. Speaker, will the gentleman yield?

Mr. HARE. I yield to the gentleman from West Virginia.

Mr. NEELY. Does the gentleman not know that the status of all the other airport undertakings to which he has referred is entirely different from that of the one at Charleston?

Mr. HARE. No; I do not know that.

Mr. NEELY. Let me assure the gentleman that the facts in the case firmly establish the conclusion indicated by my inquiry.

Mr. HARE. I am not here to argue with you about that, but I am here to emphasize the fact that you did not bring any such information to our committee. You did not present the information and subject yourself to examination, and it does not come here with the approval of the Bureau of the Budget.

The SPEAKER pro tempore. The time of the gentleman from South Carolina has again expired.

Mr. RABAUT. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I have an acquaintance with the airport situation in Charleston, W. Va. I have talked to some of the leading citizens of that city about their problem, and am informed as to the reason why the original airport was taken away from the city. I am in favor of this appropriation so that the Government will give back to the city of Charleston that which it took away, and will give back to the central West the air facilities which were suspended because of the abandonment of the former Charleston Airport. I am for this amendment.

Mr. RABAUT. Mr. Speaker, I ask for a division of the motion to recede and concur. The funds carried in this amendment are a great deal more than are necessary for this project because of the other items that are in the Senate amendment. The difference can be seen on page 56 of the bill. The amount was $9,400,000 and it has been changed to $14,729,000. The amount necessary for the construction of this airport is only $2,750,000.

Mr. BAILEY. Mr. Speaker, I should like to offer an amendment in the amount of $12,577,000.

The SPEAKER pro tempore. That would not be in order until a vote is taken on the motion to recede.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from California.

Mr. HINSHAW. The motion which the gentleman intends to make, as he stated, would strike out these very necessary funds for over-ocean radio ranges and some other things which the Senate has put in

Mr. RABAUT. Yes.

Mr. HINSHAW. I hope the gentleman's motion will not be carried as these are very vitally needed.

Mr. RABAUT. The Senate conferees agreed to leave them out.

Mr. HINSHAW. The motion that has been made is to recede and concur in the Senate amendments. Whatever the Senate conferees stated, the Senate amendment No. 40 is for $14,000,000. That carries these very vitally necessary funds for the transport by air of our soldiers back and forth across the seas.

Mr. REECE of Tennessee. As I understand the situation, the motion to recede is the first to be acted on.

Mr. STEFAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. STEFAN. Was the gentleman from West Virginia recognized to offer an amendment?

The SPEAKER pro tempore. Not at this time. The gentleman from West Virginia [Mr. HEDRICK] has offered a motion to recede and concur in the Senate amendments.

Mr. STEFAN. Is that the question before the House now?

The SPEAKER pro tempore. The gentleman from Michigan has asked for a division of the question, so that the first vote will come on the question of whether or not the House will recede from its disagreement to the amendments of the Senate.

The question is on the motion that the House recede from its disagreement to the Senate amendments.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 97, noes 7.

So the motion was agreed to.

Mr. RABAUT. Mr. Speaker, I move that the House concur in the amendment of the Senate numbered 40 with an amendment.

The Clerk read as follows:

Mr. RABAUT moves that the House concurs in the amendment of the Senate No. 40 with the following amendment: On page 56, line 10, strike out "$14,729,000" and insert in lieu thereof "$12,577,000."

Mr. HINSHAW. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HINSHAW. Unanimous consent having been granted that the House consider both amendments en bloc, that is, Senate amendments No. 40 and No. 42, is an amendment such as this in order?

The SPEAKER pro tempore. It is in order at this time.

The question is on the motion offered by the gentleman from Michigan.

The question was taken; and the Chair being in doubt, the House divided, and there were—ayes 101, noes 8.

So the motion was agreed to.

The SPEAKER pro tempore. The question now is on the motion that the House concur in the amendment of the Senate No. 42.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 41: Page 56, line 12, after the word "available", insert "without warrant action."

Mr. JONES. Mr. Speaker, amendments 41 and 50 refer to the same subject matter.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that amendments numbered 41 and 50 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The Clerk will report amendment No. 50.

The Clerk read as follows:

Amendment No. 50: Page 59, line 8, insert "without warrant action."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement to the amendments of the Senate numbered 41 and 50 and concur therein.

Mr. JONES. Mr. Speaker, will the gentleman yield to me?

Mr. RABAUT. Mr. Speaker, I yield the gentleman 3 minutes.

Mr. JONES. Mr. Speaker, this is another amendment which restores lan-

guage which was stricken out in the House on a point of order.

The funds that are spent by any agency of the Government must be spent on an accountable warrant, according to the statute which has been established for a great many years, to wit: Title 31, section 147 of the United States Code. I have read the Senate hearings at pages 296, 297, and 298, where they state this is just an internal Treasury procedure and that it stops red tape. I insist that this amendment sets a dangerous precedent. It should not be adopted.

A motion to recede and concur should not be agreed to, for the reason that when the amendment restores funds that they may be expended without warrant action, it seems to me it clearly shows that the funds may be expended without an accountable warrant, which is required by law.

I sincerely trust the membership will vote down the motion.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 55: Page 73, line 14, insert: "During the fiscal year 1946 the Secretary of Commerce may delegate his authority to subordinate officials of the Coast and Geodetic Survey, the Weather Bureau, and the Civil Aeronautics Administration to authorize payment of expenses of travel and transportation of household goods of officers and employees on change of official station: *Provided*, That in no case shall such authority be delegated to any official below the level of the heads of regional or field offices."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement with the amendment of the Senate numbered 55 and concur therein.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 56: Page 73, line 22, insert: "Not to exceed $1,000 of the appropriations in the Department of Commerce Appropriation Act, 1945, available for travel shall be available under regulations to be prescribed by the Secretary of Commerce for obligations incurred by officers and employees of the Department of Commerce for traveling expenses of returning members of their immediate families from outlying Territories and possessions of the United States to their former homes in the United States or points of not further distance, since the outbreak of hostilities in December 1941, regardless of the fiscal year during which such obligations were incurred."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment No. 56 and concur therein.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 59: Page 82, line 1, insert:

"Miscellaneous salaries: For salaries of all officials and employees of the Federal judiciary, not otherwise specifically provided for, $1,400,000: *Provided*, That the compensation of secretaries and law clerks of circuit and district judges (exclusive of any temporary additional compensation) shall be fixed by the Director of the Administrative Office without regard to the Classification Act of 1923, as amended, except that the salary of a secretary shall conform with that of the main (CAF-4), senior (CAF-5), or principal (CAF-6) clerical grade, or assistant (CAF-7), or associate (CAF-8) administrative grade, as the appointing judge shall determine, and the salary of a law clerk shall conform with that of the junior (P-1), assistant (P-2), associate (P-3), full (P-4), or senior (P-5) professional grade, as the appointing judge shall determine, subject to review by the judicial council of the circuit if requested by the director, such determination by the judge otherwise to be final: *Provided further*, That (exclusive of any temporary additional compensation) the aggregate salaries paid to secretaries and law clerks appointed by one judge shall not exceed $6,500 per annum, except in the case of the senior circuit judge of each circuit and senior district judge of each district having five or more district judges, in which case the aggregate salaries shall not exceed $7,500."

Mr. RABAUT. Mr. Speaker, I move to recede and concur.

Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, I rise in opposition to the motion made by the chairman of the subcommittee. This language was stricken from the bill upon its passage through the House on March 16 upon a point of order raised by myself on account of the fact that it is legislative in character.

While the language of the amendment relates to the classification of law clerks and secretaries to Federal, district, and circuit court judges its effect is to bring about a further increase in the salaries of these employees.

Last year in the passage of this bill through the House there was recommended by the Commitee on Appropriations for this purpose a similar item. It was eliminated by the House. The Senate subsequently restored it and when the bill was finally enacted it carried an increase of $162,000 for these employees, 386 in number, or approximately $420 each increase in the annual salary of these employees. It must be remembered that in addition to that these employees receive the 21.6 percent increase provided under the Overtime Pay Act of 1943.

The proposal is made here to add $172,800 additional for the payment of these same employees. It may, of course, be contemplated that some few additional law clerks may be employed, but the net effect of the proposed language in which concurrence is here sought would amount to an increase above the increase of $420 per employee on the average granted in last year's bill to these employees of district and Federal judges.

In my judgment this sort of procedure is in no way justified, and I feel obliged to offer my objection to receding and concurring in the Senate amendment. I certainly hope that the House will not provide for this further increase in these salaries at this time, although I realize that its action on yesterday in providing a 25 percent addition in the compensation of its own Members handicaps it in refusing any salary increases that may be sought by any employees of the Federal Government.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that the remarks I have just made may follow consideration of amendment No. 35, and I also ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. RABAUT. Mr. Speaker, this amendment covers secretaries and law clerks to Federal judges. I went into the matter at great length when the bill was being considered by the House and will not say anything about it now.

Mr. Speaker, I move the previous question on the motion to recede and concur.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. RABAUT] to recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 29, noes 6.

Mr. TARVER. Mr. Speaker, I object to the vote, on the ground a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidenty a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 169, nays 104, not voting 159, as follows:

[Roll No. 79]

YEAS—169

Allen, La.	Fogarty	LaFollette
Anderson, Calif.	Folger	Lanham
Bailey	Forand	Larcade
Bates, Ky.	Fulton	Lea
Beckworth	Gallagher	Lesinski
Bell	Gary	Lewis
Bland	Gearhart	Link
Brehm	Geelan	Ludlow
Brooks	Gillespie	Lyle
Brown, Ga.	Gordon	McCormack
Burch	Gore	McDonough
Burgin	Gorski	McGlinchey
Butler	Granger	McKenzie
Canfield	Green	McMillan, S. C.
Cannon, Mo.	Gregory	Mahon
Carnahan	Hagen	Maloney
Chapman	Hale	Mansfield, Mont.
Chelf	Hare	Marcantonio
Chenoweth	Harless, Ariz.	May
Clason	Harris	Miller, Calif.
Coffee	Havenner	Mills
Combs	Hedrick	Morrison
Cooley	Henry	Mott
Cooper	Holifield	Mundt
Courtney	Holmes, Wash.	Murdock
Cunningham	Huber	Murray, Tenn.
Curtis	Izac	Neely
D'Alesandro	Jackson	Norrell
Daughton, Va.	Johnson, Calif.	O'Brien, Ill.
Davis	Johnson, Luther A.	O'Brien, Mich.
Dingell	Johnson, Lyndon B.	O'Toole
Doughton, N. C.	Jones	Patrick
Douglas, Ill.	Jonkman	Patterson
Doyle	Judd	Peterson, Fla.
Earthman	Kearney	Peterson, Ga.
Eberharter	Kelley, Pa.	Pickett
Elliott	Kelly, Ill.	Pittenger
Ellsworth	Kerr	Poage
Elsaesser	Kilday	Price, Fla.
Feighan	Kopplemann	Priest
Fernandez		Rabaut
Flannagan		

Ramey	Sharp	Talbot
Ramspeck	Sheppard	Thom
Randolph	Sheridan	Thomas, Tex.
Reece, Tenn.	Short	Thomason
Reed, Ill.	Sikes	Tolan
Resa	Smith, Maine	Towe
Richards	Smith, Wis.	Trimble
Rizley	Snyder	Weaver
Robinson, Utah	Somers, N. Y.	Welchel
Rogers, Mass.	Spence	West
Rowan	Starkey	Whittington
Ryter	Stefan	Wickersham
Sadowski	Stigler	Wolverton, N. J.
Sasscer	Stockman	Woodrum, Va
Schwabe, Mo.	Sullivan	
Schwabe, Okla.	Sumners, Tex.	

NAYS—104

Abernethy	Elston	Martin, Iowa
Adams	Engel, Mich.	Martin, Mass.
Allen, Ill.	Fallon	Mason
Andersen, H. Carl	Fenton	Michener
	Gifford	Miller, Nebr.
Andresen, August H.	Gillette	Murray, Wis.
	Gillie	O'Konski
Angell	Goodwin	Phillips
Arnold	Gossett	Ploeser
Bennett, Mo.	Graham	Rankin
Bishop	Griffiths	Reed, N. Y.
Blackney	Gwynne, Iowa	Rees, Kans.
Boiton	Harness, Ind.	Robertson, N. Dak.
Brown, Ohio	Herter	
Brumbaugh	Heselton	Robertson, Va.
Bryson	Hess	Robsion, Ky.
Buck	Hill	Rockwell
Buffett	Hobbs	Rodgers, Pa.
Bulwinkle	Hoeven	Rogers, Fla.
Byrnes, Wis.	Hope	Scrivner
Campbell	Howell	Simpson, Ill.
Carlson	Hull	Smith, Ohio
Case, S. Dak.	Jenkins	Springer
Church	Jensen	Stevenson
Clevenger	Johnson, Ill.	Sumner, Ill.
Cole, Kans.	Johnson, Ind.	Taber
Cole, Mo.	Keefe	Talle
Cole, N. Y.	Kilburn	Tarver
Colmer	Knutson	Thomas, N. J.
Corbett	Kunkel	Wasielewski
Crawford	Landis	Whitten
Dolliver	LeCompte	Wigglesworth
Dondero	LeFevre	Winstead
Durham	McConnell	Wolcott
Dworshak	McCowen	Wood
Ellis	McGregor	

NOT VOTING—159

Anderson, N. Mex.	Engle, Calif.	Luce
	Ervin	Lynch
Andrews, Ala.	Fellows	McGehee
Andrews, N. Y.	Fisher	McMillen, Ill.
Arends	Flood	Madden
Auchincloss	Fuller	Manasco
Baldwin, Md.	Gamble	Mansfield, Tex.
Baldwin, N. Y.	Gardner	Merrow
Barden	Gathings	Monroney
Barrett, Pa.	Gavin	Morgan
Barrett, Wyo.	Gerlach	Murphy
Barry	Gibson	Norton
Bates, Mass.	Granahan	O'Hara
Beall	Grant, Ala.	O'Neal
Bender	Grant, Ind.	Outland
Bennet, N. Y.	Gross	Pace
Biemiller	Gwinn, N. Y.	Patman
Bloom	Hall, Edwin Arthur	Pfeifer
Bonner		Philbin
Boren	Hall, Leonard W.	Plumley
Boykin		Powell
Bradley, Mich.	Halleck	Powers
Bradley, Pa.	Hancock	Price, Ill.
Buckley	Hand	Quinn, N. Y.
Bunker	Hart	Rabin
Byrne, N. Y.	Hartley	Rains
Camp	Hayes	Rayfiel
Cannon, Fla.	Healy	Rich
Case, N. J.	Hébert	Riley
Celler	Heffernan	Rivers
Chiperfield	Hendricks	Roe, Md.
Clark	Hinshaw	Roe, N. Y.
Clements	Hoch	Rogers, N. Y.
Cochran	Hoffman	Rooney
Cox	Holmes, Mass.	Russell
Cravens	Hook	Sabath
Crosser	Horan	Savage
Curley	Jarman	Shafer
Dawson	Jennings	Simpson, Pa.
De Lacy	Johnson, Okla.	Slaughter
Delaney, James J.	Kean	Smith, Va.
	Kee	Sparkman
Delaney, John J.	Kefauver	Stewart
	Keogh	Sundstrom
Dickstein	King	Taylor
Dirksen	Kinzer	Tibbott
Domengeaux	Kirwan	Torrens
Douglas, Calif.	Lane	Traynor
Drewry	Latham	Vinson
Eaton	Lemke	Voorhis, Calif.
Vorys, Ohio	Welch	Woodhouse
Vursell	White	Woodruff, Mich.
Wadsworth	Wilson	Worley
Walter	Winter	Zimmerman
Weiss	Wolfenden, Pa.	

So the motion was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Cannon of Florida with Mr. Fellows.
Mr. Hoch with Mr. Barrett of Wyoming.
Mr. Crosser with Mr. Fuller.
Mr. John J. Delaney with Mr. Kean.
Mr. Barden with Mr. Beall.
Mr. Domengeaux with Mr. Gamble.
Mr. Engle of California with Mr. Kinzer.
Mr. Grant of Alabama with Mr. McMillen of Illinois.
Mr. Barrett of Pennsylvania with Mr. Bender.
Mr. Drewry with Mr. O'Hara.
Mr. Flood with Mr. Grant of Indiana.
Mr. Hendricks with Mrs. Luce.
Mr. Hébert with Mr. Gwinn of New York.
Mr. Gardner with Mr. Plumley.
Mr. Kee with Mr. Rich.
Mr. Gibson with Mr. Hinshaw.
Mr. Bonner with Mr. Shafer.
Mr. King with Mr. Sundstrom.
Mr. Mansfield of Texas with Mr. Holmes of Massachusetts.
Mr. Boykin with Mr. Wadsworth.
Mr. Riley with Mr. Horan.
Mr. Rivers with Mr. Taylor.
Mr. Walter with Mr. Vursell.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER pro tempore. Without objection, a motion to reconsider the various votes taken on the conference report will be laid on the table.

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that all Members who spoke on the conference report just considered may have 5 legislative days in which to extend their remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a statement made by Mr. Arthur Besse before the Ways and Means Committee.

Mr. PITTENGER (at the request of Mr. STEFAN), was given permission to extend his remarks in the RECORD on the aviation question.

Mr. COLMER asked and was given permission to extend his remarks in the RECORD and include several editorials.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

Mr. GWYNNE of Iowa asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. SHORT asked and was given permission to extend his remarks in the Appendix of the RECORD and include three brief newspaper articles.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD.

Mr. DE LACY (at the request of Mr. PATTERSON), was given permission to extend his remarks in the RECORD.

Mr. MUNDT asked and was given permission to revise and extend the remarks he made today.

Mr. MUNDT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article appearing in the Christian Science Monitor.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article by Mr. Kehoe, of Washington, Iowa.

Mr. THOM asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. MANSFIELD of Montana asked and was given permission to revise and extend the remarks he made earlier in the day.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and that they may appear immediately following the remarks of the gentleman from Mississippi [Mr. RANKIN] in reference to Veterans' Administration hospitals.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that on Tuesday next after the disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 1 hour.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SHORT. Mr. Speaker, I ask unanimous consent that on Wednesday next after the legislative program for the day and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 1 hour in connection with observations I made on my recent tour of German prison camps.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah [Mr. GRANGER] is recognized for 30 minutes.

RECIPROCAL TRADE AGREEMENTS

Mr. GRANGER. Mr. Speaker, the Ways and Means Committee is now considering legislation to extend the reciprocal trade agreements for another period of time. It is my understanding that in addition to extending the agreements, the amendment proposes to grant authority to the State Department, in the executive branch, to further reduce the present tariff rates another 50 percent. In other words, if this authority is granted, it would mean an over-all allow-

able reduction in the tariff rates that were in effect when the present Reciprocal Trade Agreements Act was passed to the extent of 75 percent.

The tariff question has been a political issue between the two major political parties as long as I can remember. The Republican position has been one of protection for the American farmer, manufacturer, and worker through the means of a high tariff. The Democratic position, claiming that this process produces the greatest amount of prosperity for the American farmer, the businessman, and the worker, has been all the way from "free trade" to "for revenue only," up to the present Reciprocal Trade Act. Personally, I think this issue is now regarded by most people as an economic proposition employed to secure the greatest benefits to our own people without doing injury to our world neighbors with whom we want to carry on commerce and trade.

As Americans, we are justly proud of the high standard of living which has been attained by our people in our 150 years of national existence. Many factors have contributed to the economy which has made that standard possible. No other one thing has been as important as the adoption of our Constitution and the Bill of Rights, which established the doctrine of free enterprise and provided a basis of rewards for individual initiative and diligence.

This basic advantage, with our great natural resources, was such that we attracted people from all nations of the world, who brought their knowledge and skills to utilize these resources and to develop the use of tools with which to extend the power of the human mind and hand, which, in turn, gave incentive for the utilization of capital to advance the common good. All of these factors, however, were amplified by another very important factor in the development of our economy, and that was the policy which was adopted of imposing tariffs and customs duties on the import of foreign commodities.

During the past 10 years—1935-1944—a systematic effort to eliminate so-called "tariff barriers" has been made, and at this time it challenges the very existence of tariffs either for revenue or protective purposes. The advocates of low tariff during this period have been successful, under the provisions of the Reciprocal Trade Agreements Act, in effecting a general reduction in tariff rates, many of them to the extent of 50 percent of the 1930 tariff schedules.

This recital of facts, with which we are all familiar, supplies the background from which I wish to make some observations that may be regarded by the proponents of this bill as highly provincial. I am, however, one of those who believes that American prosperity and our high living standards could not have been brought about without our system of Government and private enterprise; that we could not have attained our present greatness without the system of protective tariffs upon which many of our industries have been built. This system has admitted the articles we needed from abroad, but has preserved in large measure the American market for domestic agriculture, labor, and industry.

In the confusion of debate on the subject of trade agreements, many people have come to believe that "tariff barrier" is one word. They believe that it is a barrier to trade and is injurious to national welfare. It is admitted by its proponents that tariff schedules can be barriers. They can be so high or so low as to reduce commerce and advantage between international traders.

That is not the whole story however. Correct tariffs can be fertilizers and stimulators of trade. The common half-truth argument is that we cannot export unless we import. The other half of the truth is that we cannot and will not import unless we maintain domestic prosperity at a rate high enough to give us the means to buy foreign goods and materials.

I was raised in an area that was, and in some respects still is, tragically poor both in the substance and variety of its natural resources. I represent a people who had a long and painful struggle to establish their meager industries, and I share with them a grave concern when any tariff changes are proposed that may adversely affect these industries.

I am also greatly concerned with the plan to transfer authority that may deprive Congress of its ability or opportunity to protect them. I have previously expressed this concern and my objection to the delegation of such powers as are included in the provisions of the Reciprocal Trade Agreements Act to men outside of Congress, without retaining some power of final approval of the acts they may perform under its delegated authority.

I feel that we should approach the further extension of these trade agreements with great caution. To extend them on certain products, or to a greater degree of tariff reduction, may prove disadvantageous, even disastrous to some of us. If, by trying to increase trade with other nations, we stimulate their production of agricultural products and raw materials without stimulating for them a comparable industrial development, and then open our markets to them we will find no advantage, but instead injury, in that trade.

Except in instances where we may trade those products which we produce in surplus for the things of which we do not produce enough, or do not produce at all, there would seem to be no profit in the transaction for us. If we import things that we ourselves can produce—even if they may be purchased cheaper abroad than we can produce them—we deprive ourselves of jobs for our workers substantially to the extent of the man-hours of labor that such imports represent. The proponents of this amendment insist that such importations will be in the nature of "bread cast upon the waters which will return after many days". Perhaps so; I am impressed that it may be too many days before any purpose will be served that will justify the risks involved.

I make no pretension, as my colleagues know, of being either an economist or a tariff expert. My experience, however, brings me to the conclusion that our so-called national economy is made up of a wide variety of local or sectional economies, each of which may bear an important relationship and give important support to the whole. Each of us, therefore, must look to the preservation and development of the area he represents, or both the local and national economy suffer. I think I might feel more reconciled to the objectives of this amendment if I thought that the men to whom it is proposed to delegate this authority were intimately familiar with the arduous means and processes by which we have developed our local economies and with the great amount of back-country development that is still needed. I believe our national economy will be more effectively served by devices that will increase the purchasing power of our own backward areas than by attempting to develop the purchasing power of many of the foreign countries with which we have made trade agreements, although I agree we should do both.

I have every confidence in the integrity and the motives of the men to whom it is proposed to give this great authority. I repeat, I am sure I would feel more reconciled to this proposal if I felt these men were as well acquainted with the needs of the various local areas as they are with the lines in which they have formerly so successfully specialized. We have among these men one recognized as a great industrialist, another who is an international merchant, others are skilled in various pursuits. None of them, however, are qualified by the hard experience of extending our frontiers; neither can they be expected to have an understanding sympathy with those who have had that experience and are moved by it, nor with their local needs, if such local needs conflict seriously with their plan. The Congress is made up of men who are intimately acquainted with the local problems of our country and should have something to do with the final approval of determinations made by these men.

I have spoken of the painful cost in terms of great effort with which our meager industries have been established in the area that I represent and in adjacent areas. Our experience is typical of that in many other areas of this great land, and, as a matter of record, I should like to present briefly the history of some of these developments.

In the days of my boyhood the village blacksmith shops, the grist mills to which the farmers hauled their grain for grinding, were about the only industries in the rural areas of the mountainous West. Gradually we developed dairy and poultry industries, canning factories, flour and cereal mills, packing houses, smelters, and metal refining plants, beet-sugar factories, and others. Each of these industries was established by great cooperative effort, hard work, and oftentimes tremendous sacrifice on the part of the people concerned. Most of these industries could not have been established without the protection afforded by our tariff laws.

In earlier days we raised poor livestock and sold it at low prices to buyers who shipped to the areas of cheap feed for finishing. Relatively little money was retained to improve the local economy from this operation or others of its kind. We needed industrialization and the added population that would accompany it. We needed the pay rolls of industry and the products of our agricultural industries to trade for capital goods with which to improve and balance our economy. We also needed the by-products of mills and factories to supplement our stock-feed supply that we might finish our livestock for market, and we needed our own packing houses.

I have said we finally secured these in a very modest degree, after a long and difficult effort. The establishment of the beet-sugar industry in the West is an example of the great cost, in terms of heroic effort, disappointment, loss, and failure, at which some of this development was made. The people of Utah were among the first in America to attempt the manufacture of sugar from sugar beets. In 1852 John Taylor and associates investigated the beet-sugar industry in France, which was in its infancy there, and decided to attempt its establishment in Utah. They purchased the machinery and equipment for a complete modern factory in Liverpool and had it transported by sailing vessel to New Orleans. It was transferred to river boats there, and again at St. Louis, and finally delivered at Fort Leavenworth, which was then a great point of outfitting for the West by those who came that far by water.

John Taylor and his associates acquired wild cattle, more than 200 of them, which they broke to the bow and the yoke, to make up ox teams for 50 wagons. They also made their own wagons, which proved inadequate for their great loads, and had to be replaced with others that were secured with great difficulty.

Six months were required to make the trip from Fort Leavenworth to Salt Lake City. Some of their cattle died, others strayed or were stolen. Winter and hunger overtook them and part of the heaviest machinery was left in the mountains until the next spring. With dogged determination the project was carried through and the factory completed in the outskirts of Salt Lake City. But sad to relate, the venture proved an utter failure with great financial loss to all who were concerned.

This was the first sugar project west of the Mississippi and the first of a series in Utah which occurred intermittently for nearly 40 years before their first successful unit was built. Since that time the manufacture of sugar has become our most important agricultural industry in Utah. Our whole economy is helped by the cycle of its operations as is that of adjacent States.

The beet-sugar industry in our area is highly efficient. It provides good income from certain areas which yielded but little from other crops. The by-products of sugar beets have made possible the development of a thriving livestock feeding industry west of the Mississippi. In addition, beet culture compels intelligent farm practice, it inspires indifferent farmers to be good farmers, and good farmers to be better farmers. It provides and preserves soil fertility through rotation and deep tillage. And above all, the beet-sugar industry has enriched the over-all economy in areas that were formerly poor. It has increased the purchasing power of thousands who now buy the Nation's manufactured goods in great quantity, who would not have had that purchasing power without the multiple influence and benefits of the beet-sugar industry.

In a normal year, a hundred thousand American farmers grow sugar beets on a million fertile acres. These beets are processed in eighty-odd modern refineries with an annual capacity of nearly 2,000,000 tons of refined sugar.

I may be asked why I, or my constituents, have any concern at this time regarding tariff on sugar as we are operating in a completely regimented sugar economy, when if that should be terminated we would revert to quotas and controls as provided by the Sugar Act of 1937.

Our concern arises from the fact that the Sugar Act of 1937 expires again next year, and while we hope and expect it will be extended, we have no such assurance at this time. We also remember that in 1942, the quotas were abandoned and the tariff of $1.50 became automatically effective with that abandonment. The tariff is now only 75 cents, and there is no provision for an advance in the rate should quotas again be abandoned, nor will any further reduction in the rate carry such a provision.

What I have said of the sugar-beet industry could in truth be said of mining and smeltering, livestock, and other industries. I might well call to the attention of the House the present plight of the sheep and wool industry which, even under war conditions, is threatened with ruin. We have on hand at this moment, more than 2 full years' supply of wool. As a result of the present situation, the flocks and herds are on the decrease and will continue to decrease unless some hope is held out to these producers. The grazing and pasture lands of the West would become valueless without a healthy, prosperous livestock industry.

It seems to us of the intermountain territory at least that the whole reciprocal trade policy is directly beamed at our economic life, because the things we produce are in the main raw and unprocessed products that have in the past borne the brunt of foreign competition.

The tariff experts and others, in figuring out degrees of prosperity, use national average figures to prove their point. It has been demonstrated time and time again during this war where prices have been fixed by applying national average figures that the over-all picture does reflect prosperity; but this does not tell the whole truth, because we have seen many farm crops, and even business enterprises in various sections of the country almost wiped out. We of my section of the country, knowing these things to be true, are not at all satisfied with this kind of expert calculation.

As I said in the beginning in my discussion of the tariff, we have the extreme views, the high- and the low-tariff points of view. Each has its conscientious strong advocates. This being true, this question is never discussed by the Congress without bitter debate, which in times past has left the scars of battle. It is unfortunate that this issue should be raised at this time, when unity of parties and unity of the people is so essential, when we are waging a world war, on the one hand, and at the same time planning for what we hope will be a lasting peace. In view of present circumstances, it seems to me the opponents of the reciprocal trade program—and when I say opponents I mean simply that, because in most instances they are opposed to the extension of the program in any shape or form—should consider the time and circumstances. On the other hand, we have the advocates of the present bill, who are equally convinced that the reciprocal trade-agreement program, and its extension as the bill contemplates, should be made law; they, too, should consider the time and circumstances. It would be well for both sides of this controversy to consider the grave result that a prolonged bitter debate might have on endangering the prosecution of the war and, of far greater consequence, endangering the peace. It seems to me, therefore, that if the present trade agreements were extended 1 or 2 years in their present form, this would be a fair compromise of the extreme points of view on this issue.

When we shall have passed from the emergencies of war and have stabilized some of the rapid-changing economic conditions of the world, we may see great advantage in these reciprocal trade agreements.

In the meantime, however, and in the absence of more facts in support of the advantages claimed, they should be regarded as experimental, which they are, and treated as all safe experiments for which Congress is responsible should be treated, and that is under its close supervision and for short extended periods of time. Caution in this matter may save us great embarrassment and can do us no harm.

EXTENSION OF REMARKS

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

NURSE CLASSIFICATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have before the Civil Service Committee a bill that will grant professional status to the nurses in civil service. The purpose of the bill is endorsed by the American Nurses Association and others. Today a great injustice is done the nurses by civil service. Although it requires great training and skill and a long time before they become trained nurses, they are carried as subprofessional. This bill would grant them professional status. The dietitians and physiotherapists all ought to have it,

and if it is not done by order, I hope very much the Civil Service Committee will grant me a hearing on it. I have asked already for a hearing. There was a great shortage of nurses found in the Veterans' Administration hospitals. Also something must be done to help the attendants.

The SPEAKER pro tempore. The time of the gentlewoman from Massachusetts has expired.

Mr. RAMEY. Mr. Speaker, I ask unanimous consent that the gentlewoman be allowed to proceed for 1 additional minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. RAMEY. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Ohio.

Mr. RAMEY. The gentlewoman from Massachusetts has made a great study of the nursing situation in regard to the veterans hospitals.

Mrs. ROGERS of Massachusetts. So has the gentleman.

Mr. RAMEY. The gentlewoman realizes that perhaps the greatest tragedy now is the lack of adequate nursing care in the veterans' hospitals. Will this bill work out a solution so that there will be at least help given in regard to the situation?

Mrs. ROGERS of Massachusetts. There will be some help. But they also must have a permanent nurse corps, and I have introduced a bill for that purpose. I feel sure that that bill will be recommended and become law. It will take in the attendants, physiotherapists, dietitians, and others. I know the gentleman found a shortage of attendants.

Mr. RAMEY. A very great shortage.

Mrs. ROGERS of Massachusetts. And I believe a permanent medical corps will be enacted into law before long.

Mr. RAMEY. Something will have to be done for the emergency which is now upon us.

Mrs. ROGERS of Massachusetts. We must do something immediately. There is no excuse for the present situation, as I have told the House repeatedly.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. AUCHINCLOSS (at the request of Mr. POWERS), for 2 days, on account of official business.

To Mr. TRIMBLE, for the remainder of the week, on account of official business.

To Mr. LYNDON B. JOHNSON, Mr. COLE of New York, Mr. BRADLEY of Pennsylvania, and Mr. HÉBERT (at the request of Mr. HESS), for an indefinite period, on account of official business for the Naval Affairs Committee.

To Mr. HESS, for an indefinite period, on account of official business for the Naval Affairs Committee.

EXTENSION OF REMARKS

Mr. ADAMS asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Northeastern States Development Agencies Conference.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 223. An act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia; to the Committee on the District of Columbia.

S. 938. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes; to the Committee on Food Control.

ADJOURNMENT

Mr. RABAUT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.), under its previous order, the House adjourned until Monday, May 14, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m. on Monday, May 14, 1945, on House Joint Resolution 116, a joint resolution to facilitate the execution of subsection (D) of section 13 of the Railroad Unemployment Insurance Act, as amended.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m. Tuesday, May 15, 1945, to begin public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a hearing at 10 o'clock a. m. on Wednesday, May 16, 1945, on H. R. 714, H. R. 1350, H. R. 2299, and H. R. 2650.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

451. A letter from the Attorney General, transmitting a report stating all of the facts and pertinent provisions of law in the cases of 406 individuals whose deportation has been suspended for more than 6 months under the authority vested in me by the said statute together with a statement of reason for such suspension; to the Committee on Immigration and Naturalization.

452. A letter from the Archivist of the United States, transmitting lists or schedules covering records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

453. A letter from the Archivist of the United States, transmitting lists or schedules covering records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

454. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to the appropriation for the fiscal year 1946 for the National War Labor Board of the Office for Emergency Management (H. Doc. No. 174); to the Committee on Appropriations and ordered to be printed.

455. A letter from the Archivist of the United States, transmitting the tenth annual report of the Archivist of the United States, which covers the fiscal year ending June 30, 1944; to the Committee on the Library.

456. A letter from the board of trustees of the Federal old-age and survivors insurance trust fund, transmitting the fifth annual report of the board of trustees of the Federal old-age and survivors insurance trust fund; to the Committee on Ways and Means.

457. A letter from the Chairman of the Board of Governors of the Federal Reserve System, transmitting the thirty-first annual report, prepared by direction of the Board of Governors of the Federal Reserve System, covering operations during the calendar year 1944; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 2874. A bill to amend the Code of Laws for the District of Columbia to authorize any corporation formed under authority of subchapter 3 of chapter 18 of such code to specify in its by-laws that a less number than a majority of its trustees may constitute a quorum for the transaction of the business of the corporation; without amendment (Rept. No. 544). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. H. R. 2001. A bill for the relief of Betty Allen Edwards; without amendment (Rept. No. 545). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2725. A bill for the relief of the estate of Joe Manier; with amendment (Rept. No. 546). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3053. A bill for the relief of the East Coast Ship & Yacht Corporation, of Noank, Conn.; without amendment (Rept. No. 547). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3074. A bill for the relief of the heirs of Henry B. Tucker, deceased; without amendment (Rept. No. 548). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3081. A bill for the relief of August Svelund; without amendment (Rept. No. 549). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3084. A bill for the relief of Hassler-Ponder Toy Manufacturing Co., Inc.; without amendment (Rept. No. 550). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LANHAM:

H. R. 3187. A bill to amend section 204 of title II of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to

increase the amount authorized to be appropriated therein, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. SHERIDAN:

H. R. 3188. A bill to include parents through adoption among those persons with respect to whom allowances may be paid under the Pay Readjustment Act of 1942; to the Committee on Military Affairs.

By Mr. SMITH of Wisconsin:

H. R. 3189. A bill to provide for the furlough of certain members of the armed forces who have served in the European theater of operations and now are destined for service in the Pacific theater of operations; to the Committee on Military Affairs.

By Mr. BUCKLEY (by request):

H. R. 3190. A bill to amend the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, as amended; to the Committee on Patents.

By Mr. O'NEAL (by request):

H. R. 3191. A bill to provide for the certification of the crews of vessels on the navigable waters of the United States, and to promote safe operations thereon; to the Committee on the Merchant Marine and Fisheries.

By Mr. PATRICK:

H. R. 3192. A bill to encourage and promote the employment of blind persons in the public service and in private enterprise; to the Committee on Labor.

By Mr. VINSON:

H. R. 3193. A bill to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes; to the Committee on Naval Affairs.

By Mr. CANNON of Missouri:

H. R. 3194. A bill to provide for emergency flood-control work made necessary by recent floods, and for other purposes; to the Committee on Flood Control.

H. J. Res. 190. Joint resolution making an appropriation for emergency flood-control work made necessary by recent floods, and for other purposes; to the Committee on Appropriations.

By Mr. HOWELL:

H. J. Res. 191. Joint resolution to provide for the painting of a group portrait of the four Joint Chiefs of Staff of the United States, and for other purposes; to the Committee on the Library.

By Mr. HARRIS:

H. Con. Res. 56. Concurrent resolution to repeal Public Law 403, Seventy-seventh Congress, second session, entitled "An act to promote the national security and defense by establishing daylight saving time"; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBINSON of Utah:

H. Res. 255. Resolution authorizing the Committee on Roads, as a whole or by subcommittees, to investigate the Federal road system, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States to increase the compensation of postal employees; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY:

H. R. 3195. A bill for the relief of Grenada County, Miss.; to the Committee on Claims.

By Mr. FISHER:

H. R. 3196. A bill granting an increase of pension to Mrs. Lizzie Johnson; to the Committee on Pensions.

By Mr. GOODWIN:

H. R. 3197. A bill for the relief of William F. Patchell, Jr.; to the Committee on Claims.

By Mr. GORE:

H. R. 3198. A bill for the relief of the legal guardian of Sue Flippin Bratton, a minor; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

591. By Mr. BISHOP: Petition of the commissioners of the East Cape Girardeau and Clear Creek drainage district, that after long experience in dealings with the United States Army Engineers in the construction and protection of the levees of the district against floods in the Mississippi River, it is our opinion that the best interests of the Nation will be served if flood control, navigation, and river improvement be left under authority of the United States Army Engineers; to the Committee on Rivers and Harbors.

592. Also, petition of the City Council of the City of Marion, Ill., held on May 7, 1945, that the veterans' facility at Marion, Ill., be enlarged to provide hospital facilities for at least 350 additional patients; to the Committee on World War Veterans' Legislation.

593. By Mr. BRYSON: Petition of W. F. Riffel and 60 other citizens of Weslaco, Tex., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

594. Also, petition of Anna J. Anthony and 99 other citizens of Columbus, Ohio, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

595. Also, petition of Mrs. B. Davenport and 67 other citizens of Detroit, Mich., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

596. Also, petition of Mrs. J. K. Woerner and 44 other citizens of Hammond, Ind., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

597. Also, petition of Rev. Roy G. Gilbert and 67 other citizens of Hastun, Colo., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

598. Also, petition of Mrs. C. B. Goodenough and 72 other citizens of Jonesville, Wis., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

599. Also, petition of Adam J. Westmaas and 79 other citizens of Ionia, Mich., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

600. Also, petition of Mrs. Carl H. Lortz and 58 other citizens of El Monte, Calif., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

601. Also, petition of Florence Allen and 84 other citizens of Cape May, N. J., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

602. Also, petition of Paul Johnson and 47 other citizens of Seattle, Wash., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

603. Also, petition of Lillie Londenberg and 76 other citizens of Tampa, Fla., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

604. Also, petition of Nellie E. Benton and 33 other citizens of Taunton, Mass., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

605. Also, petition of Mrs. Ray Huff and 59 other citizens of Chester, W. Va., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

606. Also, petition of Mrs. F. G. Contley and 24 other citizens of Charlotte, N. C., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

607. Also, petition of Mary Eden and 500 other citizens from Flemingsburg, Ky., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary

for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

608. Also petition of Verlin T. Davis and 108 other citizens of Phoenix, Ariz., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

609. By Mr. BYRNES of Wisconsin: Petition of 19 postal clerks in the Green Bay, Wis., post office in meeting assembled, do solicit support of the Burch bill, H. R. 3035, when it is presented for consideration before the House of Representatives. This bill would tend to increase the salaries of Government employees in the Postal Service by at least $300 per year. This would be the first salary increase we have enjoyed in 20 years, with the exception of a $300 bonus which was granted to offset the increase in living costs and which terminates June 30, 1945; to the Committee on the Post Office and Post Roads.

610. By Mr. HULL: Petition of Chapter No. 8, American War Dads, Eau Claire, Wis.; to the Committee on Military Affairs.

611. By Mr. KEARNEY: Memorial of the Legislature of the State of New York, memorializing the Congress of the United States to enact appropriate legislation relating to opening the doors of Palestine for the free entry of Jews into that country; to the Committee on Foreign Affairs.

SENATE

MONDAY, MAY 14, 1945

(Legislative day of Monday, April 16, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Dear Lord and Father of mankind, at noontide's feverish hour, we fain would turn aside to the wells of penitence and peace. Here we would humbly pray that Thou wouldst save us from the perils and temptations of victory, the proud and boasting spirit; a heart distilling from the cruelty of fiendish men the poison of hate; a consecration demanding the utmost in selfless devotion to a cause bigger than our own life turned into sordid scheming for self-advantage.

As the dark clouds of loss and daily dread roll away in the splendor of triumph, our grateful hearts tremble at the narrowness of our escape. Steel our wills at any cost to finish the work we are in, to dedicate the strength that one victory has fashioned to the utter destruction of the still blatant blasphemy which desecrates the good earth.

In the unknown days of peril and of challenge which loom ahead, give us spirits that are calm and confident, wise and just, in the protecting shadow of Thy unfailing love. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 10, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2603) making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and the Federal Loan Agency for the fiscal year ending June 30, 1946, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 13, 16, 17, 20, 20½, 22, 24, 25, 26, 27, 28, 31, 33, 34, 35, 36, 38, 41, 42, 43, 50, 51, 54, 55, 56, and 59 to the bill and concurred therein, and that the House receded from its disagreement to the amendment of the Senate numbered 40 to the bill and concurred therein with an amendment in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3109. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes; and

H. J. Res. 60. Joint resolution proposing an amendment to the Constitution of the United States relative to the making of treaties.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 62. An act to amend section 3 (b) of the Securities Act of 1933, as amended, so as to permit exemption of security issues not exceeding $300,000 from the provisions of such act;

S. 70. An act for the relief of Maria Manriquez Ruiz;

S. 71. An act for the relief of the legal guardian of Estella Ruiz;

S. 174. An act for the relief of Mary Martha Withers, as trustee; Mary Martha Withers, as administratrix of the estate of Beatrice Withers, deceased; and Mary Martha Withers, individually;

S. 316. An act for the relief of June I. Gradijan;

S. 328. An act for the relief of James A. Kelly;

S. 359. An act for the relief of Mrs. Ellen McCormack;

S. 407. An act for the relief of Pierce William Van Doren and Elmer J. Coates;

S. 467. An act for the relief of Maj. Malcolm K. Beyer;

S. 569. An act to reimburse certain Marine Corps personnel and former Marine Corps personnel for personal property lost or damaged as the result of a fire in the training building at the Marine Corps air station, Cherry Point, N. C., on June 3, 1944;

S. 591. An act for the relief of Chesley Brazil;

S. 655. An act amending the act of June 25, 1938 (52 Stat. 1207), authorizing the Secretary of the Interior to pay salary and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath business committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe, as amended, and for other purposes;

S. 701. An act to provide a method for the wartime reduction of temporary grades held by general officers of the Army of the United States; and

H. R. 3070. An act to extend the provisions of the act of November 29, 1940 (Public Law 884, 76th Cong.).

REPORT OF COMMITTEE ON CIVIL SERVICE FILED DURING RECESS

Under authority of the order of the 10th instant,

Mr. DOWNEY, from the Committee on Civil Service, to which was referred the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; and for other purposes, reported on May 12, 1945, with amendments, and submitted a report (No. 265) thereon.

CONDOLENCES ON DEATH OF FRANKLIN D. ROOSEVELT

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of State, transmitting copy of a resolution adopted by the Central Greek Committee at the U. N. R. R. A. Refugee Camp, Moses' Wells, Egypt, expressing condolences on the death of Franklin D. Roosevelt, which, with the accompanying papers, was ordered to lie on the table.

He also laid before the Senate resolutions adopted by the Ahvas Achim Beneficial Association, of Philadelphia, Pa., expressing condolences on the death of Franklin D. Roosevelt, which were ordered to lie on the table.

RESOLUTIONS OF CUBAN SENATE ON WORLD ORGANIZATION FOR PEACE

The PRESIDENT pro tempore laid before the Senate resolutions of the Senate of the Republic of Cuba, favoring the establishment of a world organization for peace based on justice, and the creation of an American Inter-Parliamentary Union, which were referred to the Committee on Foreign Relations.

CONGRATULATIONS ON SURRENDER OF GERMANY

The PRESIDENT pro tempore laid before the Senate a radiogram from Mohammed Hussein Heykal, president of the Egyptian Senate, expressing on behalf of the Egyptian Senate and himself heartfelt congratulations to the United States Senate and the American people on the unconditional surrender of the German forces, and so forth, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a cablegram from the Nicaraguan Senate, signed by Jose Solorzano Diaz, secretary, and Hector Membreno, secretary, expressing congratulations to the United

States Senate on the unconditional surrender of the German forces, which was referred to the Committee on Foreign Relations.

SHOWING OF PICTURE TWO DOWN AND ONE TO GO

Mr. THOMAS of Utah. Mr. President, the War Department has invited the Members of the Senate, their families, and staffs, to attend a showing of the picture Two Down and One To Go in the Senate caucus room at 3 and 4 o'clock—two separate showings—on the afternoon of Tuesday, May 15.

This picture explains graphically in detail how the Army is demobilizing its troops and shifting them to the Pacific theater.

Much careful thought and effort has been put into this picture and it will be shown in the near future to all the troops.

I am informed that after seeing this picture Senators will have a better understanding of the many demobilization and redeployment problems and how the Army is meeting them.

I, therefore, urge every Member of the Senate to attend one of these showings in the Senate caucus room, Tuesday afternoon; only 27 minutes are required to see this important picture.

LEAVE OF ABSENCE

Mr. BARKLEY. Mr. President, the junior Senator from Arizona [Mr. McFARLAND] is expected to be absent from the Senate for about 2 or 3 weeks as a member of the Subcommittee on Communications of the Senate Interstate Commerce Committee, which is to inspect some of the communication facilities overseas.

I ask unanimous consent that he be excused until his return from that duty.

The PRESIDENT pro tempore. Without objection, the Senator from Arizona is excused as requested.

REVISION OF NATIONAL DEFENSE ACT, PAY READJUSTMENT ACT, AND ARMY PAY TABLES

Mr. THOMAS of Utah. Mr. President, I deem it my duty to announce to the Senate that the Senate Military Affairs Committee last week received the print of the revised National Defense Act, together with a revised edition of the Pay Readjustment Act and the Army Pay Tables. The office of any Senator may receive a copy of these prints upon application.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATES, INTERIOR DEPARTMENT

(S. Doc. No. 45)

A communication from the President of the United States, transmitting supplemental estimates of appropriation for the Department of the Interior, fiscal year 1946, amounting to $1,606,000, together with draft of a proposed provision pertaining to an existing appropriation, in the form of amendments to the Budget for that fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

GUARDING OF GRAVE AND PRESERVATION OF HOME OF FRANKLIN D. ROOSEVELT

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide for preservation, maintenance, repair, protection, administration of the home of Franklin D. Roosevelt national historic site during nonoccupancy of the property by life tenants, and for proper guarding of the grave of President Franklin D. Roosevelt (with an accompanying paper); to the Committee on the Library.

REPORT OF BOARD OF TRUSTEES OF THE FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

A letter from the board of trustees of the Federal Old-Age and Survivors Insurance Trust Fund, transmitting, pursuant to law, the fifth annual report of the board for the fiscal year ended June 30, 1944 (with an accompanying report); to the Committee on Finance.

REPORT OF BOARD OF GOVERNORS OF THE FEDERAL RESERVE BOARD

A letter from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a copy of the thirty-first annual report of that Board for the year 1944 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF ARCHIVIST OF THE UNITED STATES

A letter from the Archivist of the United States, transmitting, pursuant to law, his tenth annual report for the fiscal year ended June 30, 1944 (with an accompanying report); to the Committee on the Library.

DISPOSITION OF EXECUTIVE PAPERS

Two letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the House of Delegates of the State of Maryland; to the Committee on Finance:

"Resolution requesting the Congress of the United States to provide an income-tax exemption of $1,500 to members of the United States Maritime Service, the United States merchant marine, and the United States merchant marine cadets

"Whereas the Congress of the United States has provided a special income-tax exemption of fifteen hundred dollars for members of the military or naval forces in active service on compensation received by such forces; and

"Whereas this exemption as it is presently construed does not apply to members of the United States Maritime Service, the United States merchant marine, and the United States merchant marine cadets; and

"Whereas it is the opinion of this House that the same considerations which prompt the grant of such an exemption to members of the military and naval forces are equally applicable to members of the Maritime Service, the merchant marine, and merchant marine cadets: Now, therefore, be it

"Resolved by the House of Delegates of Maryland, That the Congress of the United States be requested to include members of the Maritime Service, the merchant marine, and the merchant marine cadets in the class of persons given special income-tax exemptions because of their service in the war; and be it further

"Resolved, That the clerk spread a copy of this resolution on the journal of the house and that he be directed to send a copy to the President of the United States Senate and to the Speaker of the House of Representatives."

A concurrent resolution of the General Assembly of the Commonwealth of Kentucky; ordered to lie on the table:

"Concurrent resolution pledging confidence in the Honorable Fred M. Vinson, national head of War Mobilization and Demobilization

"Whereas the Honorable Fred M. Vinson is a native son of this Commonwealth and a former Representative of this Commonwealth in the National Congress, and a former member of the Federal Judiciary; and

"Whereas the Honorable Fred M. Vinson, after holding various other Federal positions of the highest responsibility as head of important emergency and war commissions; and

"Whereas the Honorable Fred M. Vinson now heads the War Mobilization and Demobilization Board: Now, therefore be it

"Resolved by the House of Representatives of the Commonwealth of Kentucky (the senate concurring therein):

"That the General Assembly of the Commonwealth of Kentucky hereby expresses its confidence in the Honorable Fred M. Vinson, a native son of Kentucky and a former Representative of this Commonwealth in the National Congress, in his present responsible position as head of National War Mobilization and Demobilization.

"The clerk of the house shall send a copy of these resolutions to the Honorable Fred M. Vinson and to the Clerks of the House and Senate of the National Congress. A copy is also to be furnished to the press of Kentucky and a copy spread upon the minutes of the house and senate."

Resolutions of the General Court of Massachusetts; to the Committee on Finance:

"Resolutions memorializing Congress to provide for expediting the payment of claims by the Veterans' Administration

"Whereas great inconvenience, and in some cases severe hardship, is being caused by the unreasonable delay in the payment by the Veterans' Administration of claims for compensation, particularly the claims of the dependents of those who have died while serving in the armed forces and the claims of disabled veterans; and

"Whereas persons entitled to such compensation are in many instances deprived of their sole means of subsistence and are forced to rely upon public welfare assistance for their support; and

"Whereas immediate action should be taken to remedy the deplorable condition to which persons entitled to the benefits above mentioned are unjustly and unfairly subjected: Therefore be it

"Resolved, That the general court of Massachusetts hereby respectfully urges the Congress of the United States to immediately take such action as may be necessary in order to expedite the payment of compensation claims by the Veterans' Administration; and be it further

"Resolved That copies of these resolutions be forthwith transmitted by the state secretary to the President of the United States, to the Administrator of Veterans' Affairs, to the Presiding Officer of each branch of Congress

and to the Members thereof from this Commonwealth."

Resolutions of the General Court of the State of Massachusetts; to the Committee on Post Offices and Post Roads:

"Resolutions that Congress be memorialized in favor of the immediate adoption of the plan to increase the salaries of postal carriers and clerks of Massachusetts in particular and the Nation in general

"Resolved, That the general court of Massachusetts, foremost in the enacting of legislation beneficial to working and living conditions of its citizens and anxious to start a parade of States petitioning Congress to take immediate action in rectifying the substandard working conditions and wages of the postal clerks and postal carriers, hereby urges the Congress of the United States to adopt the plan of the National Postal Employees' Association and provide funds necessary in carrying out this great humanitarian piece of legislation; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the state secretary to the President of the United States, to the Presiding Officer of each branch of Congress, and to the members thereof from this Commonwealth."

A joint resolution of the General Assembly of the State of Illinois; to the Committee on Foreign Relations:

"Senate Joint Resolution 9

"Whereas representatives from the United States, Great Britain, and Russia have met together for the purpose of formulating an international post-war program and a world peace plan; and

"Whereas the United States is expected to participate extensively and intensively in world affairs; and

"Whereas for a democracy to so function in world affairs it is essential that its people be accurately and fully informed as to what is going on in the world; and

"Whereas this information can only be obtained by the news services when they have freedom to gather and transmit news from all the countries of the world; and

"Whereas the announcements from the meetings of the representatives of the United States, Great Britain, and Russia failed to mention a provision which would guarantee this freedom to gather and transmit news: Therefore be it

"Resolved by the Senate of the Sixty-fourth General Assembly of the State of Illinois (the House of Representatives concurring herein), That we do hereby memorialize Congress to take appropriate action to secure in the peace treaty a provision assuring freedom to gather and transmit news in the territories of nations subscribing to the pact; and be it further

"Resolved, That a suitable copy of this preamble and resolution be sent by the secretary of state to the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States."

A joint resolution of the General Assembly of the State of Illinois; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution 20

"Whereas the United States Fish and Wild Life Service of the Department of the Interior is considering extending the hunting season for ducks, due to the great increase in the duck population; and

"Whereas such an extension of the hunting season would be of small benefit to the Illinois hunters since the rivers and lakes are frozen over before the end of the present season rendering it useless in its last few days; and

"Whereas the ducks arriving in Illinois after having been fired upon in the Dakotas and Canada are both 'gun-shy' and 'blind-shy' when they reach Illinois, and render it almost impossible under existing regulations and conditions, to fully enjoy the sport of duck hunting; and

"Whereas if duck hunters were allowed to use live decoys from blinds, the chance of obtaining the limit would be made at least possible; and

"Whereas there is now pending before Congress H. R. 2081, a bill to permit the use of six live decoys to each blind in the taking of ducks: Therefore be it

"Resolved, by the Senate of the Sixty-fourth General Assembly of the State of Illinois, (the House concurring herein), That we do hereby endorse H. R. 2081, and urge its passage, and respectfully request the Representatives in Congress and the two United States Senators from Illinois to give their support to this bill; and be it further

"Resolved, That copies of this preamble and resolution be forwarded by the Secretary of State to the President of the United States, the Speaker of the House of Representatives of the Congress of the United States, the President of the Senate of the United States, the United States Fish and Wild Life Service of the Department of the Interior and to each of the Senators and Representatives in Congress from Illinois."

A resolution of the House of Representatives of the Territory of Hawaii; to the Committee on Territories and Insular Affairs:

"House Resolution 96

"Whereas the Territory of Hawaii is an integral part of the United States of America and for a long period of years has demonstrated its ability for self-government; and

"Whereas the people of this Territory have by plebiscite demonstrated their overwhelming desire that Hawaii shall become a State through the customary procedure as authorized by the Congress; and

"Whereas provision has been made by this legislature to invite visits of congressional committees and groups to the Territory, to acquaint the Congress of the United States with important conditions and issues affecting the relations of the Territory to the National Government and to the Congress: Now, therefore, be it

"Resolved by the House of Representatives of the Twenty-third Legislature of the Territory of Hawaii:

"1. That this House express its complete belief in and support of statehood for Hawaii at the earliest possible moment.

"2. That this House urge the Congress of the United States to take the steps necessary to elevate this Territory to a State.

"3. That the Governor be requested to immediately extend an invitation to the Committee on Territories of the National House of Representatives, and to any other Members of Congress whom it may appear appropriate to include, to visit Hawaii upon the first opportune occasion to give further study and impetus to the program of statehood, and to give attention to any other matters of congressional interest and concern; and be it further

"Resolved, That duly certified copies of these resolutions be forwarded to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to the Delegate to the House of Representatives of the United States from Hawaii, and to the Governor of the Territory of Hawaii."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Immigration:

"Joint resolution memorializing the Congress of the United States of America to extend the right to become a naturalized citizen of the United States to persons whose sons or daughters have served honorably in any branch of the armed forces of the United States of America and who themselves have not been disloyal to the United States of America

"Whereas we are now engaged in the successful prosecution of a world war against the forces of totalitarianism, aggression, and oppression, which has called for the total mobilization of our national resources and the united efforts of all our peoples; and

"Whereas in keeping with our democratic ideals and our national heritage, the might of our armed forces has been the product of the mental and physical resources of the men and women of all the many races and peoples who constitute this Nation; and

"Whereas many men and women of alien descent have faithfully and honorably served in the armed forces of the United States of America and have rendered services of exceptional merit and distinction to this country; and

"Whereas there are many persons who are ineligible to American citizenship notwithstanding the part their sons and daughters have performed and the lives they have given in our cause; and

"Whereas it is now fitting and proper that we share our most cherished birthright with those whose sons and daughters have thus contributed in such large measure to our cause and who themselves have not been disloyal to the United States of America: Now, therefore be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America be and it is hereby earnestly requested to enact legislation to amend the naturalization laws in such a manner as to provide that all persons whose sons or daughters have served honorably in any branch of the armed forces, merchant marine, the Army Transport Service, or other like services of the United States of America, and who themselves have not been disloyal to the United States of America and who otherwise comply with the requirements of the naturalization laws, may become citizens of the United States of America, without being barred upon the ground either of nationality or race.

"SEC. 2. That duly authenticated copies of this joint resolution be transmitted to the Delegate to Congress from Hawaii, the Secretary of the Interior, and each of the two Houses of the Congress of the United States of America.

"Approved this 18th day of April A. D. 1945.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Immigration:

"Senate Concurrent Resolution 2

"Concurrent resolution requesting the Congress of the United States of America to amend the naturalization laws in such manner as to grant the privilege of citizenship to Koreans

"Whereas for many years a relatively small number of Koreans have been members of the community in Hawaii; and

"Whereas, most, if not all, of said Koreans entered Hawaii at a time when Korea was an independent nation; and

"Whereas, said Koreans have shown themselves throughout the years to be industrious, adaptable and readily assimilated into the community; and

"Whereas since the outbreak of war with Japan said Koreans have been indefatigable in their efforts in support of the United States of America in its prosecution of the war; and

"Whereas they have constantly displayed a more burning hatred of our enemy, Japan, than is felt by many citizens of the United States of America; and

"Whereas it is the announced policy of the Government of the United States of America that barriers of racial discrimination should be destroyed, and that the peace of the world can only be maintained upon the basis of harmonious cooperation by peoples of all races upon equal terms: Now therefore, be it

"Resolved by the Senate of the Twenty-third Legislature of the Territory of Hawaii (the house of representatives concurring), That the Congress of the United States of America is hereby respectfully requested to enact legislation to amend the naturalization laws in such manner as to provide that Korean residents, who otherwise comply with the requirements of the naturalization laws, may become citizens of the United States of America without being barred upon the ground either of nationality or race; and be it further

"Resolved, That copies of this concurrent resolution be forwarded to the President of the United States, to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to the Secretary of the Interior, and to the Delegate to Congress from the Territory of Hawaii."

The petition of Dr. Carl H. R. Hovde, of San Francisco, Calif., praying for redress by impeachment of Judge A. F. St. Sure, of San Francisco, and others; to the Committee on the Judiciary.

A resolution adopted by the executive council of the International Association of Machinists, Washington, D. C., protesting against the enactment of legislation providing for compulsory peacetime military conscription; to the Committee on Military Affairs.

A resolution adopted by the board of directors of the Chamber of Commerce of Honolulu, T. H., requesting that the United States declare that the Marshall Islands, East Caroline Island, West Caroline Islands, Palau (Peleu) Islands, Yap Islands, Mariana Islands, Volcano Islands, Bonin Islands, Marcus Islands, and all other islands, reefs, or places formerly mandated to Japan north of the Equator become irrevocably the property of the United States, and so forth; to the Committee on Foreign Relations.

By Mr. WALSH (for himself and Mr. SALTONSTALL):

Resolutions of the General Court of the State of Massachusetts; to the Committee on Finance:

"Resolutions memorializing Congress to extend certain existing income-tax exemptions to all members of the military and naval personnel of the United States who are serving or have served in any foreign area or in Alaska.

"Whereas under the provisions of the Federal Internal Revenue Code, and of regulations interpreting said provisions, members of the military and naval personnel of the United States who are serving in areas within a possession of the United States are exempt from the payment of taxes on their income; and

"Whereas the limitation of such tax exemption to those serving in the areas aforesaid results in an unfair and unjust discrimination against the members of the military and naval personnel serving in other foreign areas which are not a possession of the United States: Therefore be it

"Resolved, That the General Court of Massachusetts hereby respectfully urges the Congress of the United States to immediately take such action as may be necessary to extend the aforesaid tax exemption to all members of the military and naval personnel of the United States who are serving outside the continental limits of the United States or in Alaska, and to provide that such extended exemption shall apply to all income taxes already collected from persons who are serving or have served in the foreign areas aforesaid and in Alaska; and be it further

"Resolved, That the State secretary forward copies of these resolutions to the presiding officers of both branches of Congress and to the members thereof from this commonwealth."

By Mr. CAPPER:

A petition of sundry citizens of Wichita, Kans., praying for the enactment of Senate bill 599, to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes; to the Committee on Interstate Commerce.

By Mr. HOEY:

A resolution adopted by the Forsyth Pomona Grange, of Winston-Salem, N. C., protesting against the enactment of the so-called Fair Employment Practice Act; to the Committee on Education and Labor.

A resolution adopted by the Oxford (N. C.) Rotary Club, favoring creation of a world organization for the preservation of peace; to the Committee on Foreign Relations.

By Mr. TYDINGS:

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Finance:

"Senate Concurrent Resolution 16

"Whereas the tax laws of the Territory of Hawaii apply to all compensation paid for services performed within the Territory irrespective of the domicile of the taxpayer, and under said laws it is contemplated that domiciliaries of the Territory of Hawaii who are absent from the Territory may be taxed by the States in which they perform services, in which event the Territory does not tax such domiciliaries upon their earnings outside of the Territory; and

"Whereas it is proper and desirable that duplication taxation be avoided and the sentiment of the Legislature of the Territory of Hawaii is that the proper method of avoiding such duplicate taxation is by the method used by the Territory of Hawaii, that is, the method of exempting earnings of domiciliaries if and to the extent that the same earnings already have been taxed by the jurisdiction in which the services were performed; and

"Whereas it further is the view of this legislature that the State or Territory in which compensation is earned should be recognized to have the prior right of taxation inasmuch as, first, taxes are more readily collectible in the place in which the taxpayer actually is to be found and in many instances the domiciliary jurisdiction will not be able to collect taxes from its citizens who are absent from the State or Territory and may remain absent for several years; and second, the presence of workers within a State or Territory increases the cost of government therein whether or not they become citizens of such jurisdiction, and it is not fair to require the citizens of such jurisdiction to bear the cost of government for the noncitizens; and

"Whereas in no event should it be provided that the compensation of Federal employees who are working outside of their State or Territory of domicile shall be taxable solely by the domiciliary jurisdiction, thereby leading to tax evasion by such employees, by reason of their absence from the domiciliary jurisdiction; nor is such a provision for exclusive jurisdiction in one State necessary to avoid duplicate taxation, since duplicate taxation can be avoided by any State or Territory by a provision in its tax law for deduction from the tax base of income upon which a tax has been actually paid to another State or Territory, or by a provision for a credit against the tax on account of taxes actually paid to another State or Territory: Now, therefore, be it

"Resolved by the Senate of the Twenty-third session of the Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States of America be and it is hereby respectfully requested and urged to amend H. R. 534 and any other bill presented to the Congress, relating to duplicate taxation of Federal employees, so as to provide that:

"1. The State or Territory in which the compensation is earned by a Federal employee shall have the prior right to tax such compensation; and

"2. The domiciliary jurisdiction may tax such compensation if the laws thereof provide for deduction from the tax base of income upon which a tax has been actually paid to the State or Territory wherein it was earned, or for a credit against the domiciliary tax on account of taxes actually paid to the State or Territory in which such compensation was earned; be it further

"Resolved, That duly certified copies of this concurrent resolution be forwarded to the presiding officer, the chairman of the Committee on the Judiciary, and the chairman of the Committee on the Civil Service, of each of the Houses of Congress, to the chairman of the Committee on Territories and Insular Affairs of the Senate of the Congress, to the chairman of the Committee on the Territories of the House of Representatives of the Congress, to the Delegate to Congress from Hawaii, and to the Secretary of the Interior and the Attorney General of the United States."

A resolution of Photo Engravers Union, No. 2, I. P. E. U., of Baltimore, Md., favoring the enactment of House bill 2071, Seventy-eighth Congress, providing for an increase in the salaries of postal employees; to the Committee on Post Offices and Post Roads.

FORMER SENATOR FRANCIS T. MALONEY—RESOLUTION OF CONNECTICUT LEGISLATURE

Mr. McMAHON. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a joint resolution adopted by the Legislature of the State of Connecticut in honor of the memory of the late Senator Maloney.

There being no objection, the joint resolution was received, ordered to lie on the table, and to be printed in the RECORD, under the rule, as follows:

Resolution in memory of Senator Francis T. Maloney

Whereas in the death of United States Senator Francis T. Maloney, the State of Connecticut has suffered the loss of a leading public servant, in token of our appreciation of his service, we desire to commemorate the following facts:

His career from humble beginnings to a place in the leading legislative body of the country reads like a bit of American fiction and is part and parcel of what we have come to know as the American dream.

From his earliest days he had to accept family responsibilities and undergo the hardships of child labor. He was employed in a factory at 14 and this employment marked the end of his formal schooling. As a worker in a restaurant at 18, he kept his eyes wide open and learned much of people and of the city. A year later he was a cub reporter on the Meriden Record, a position that was in itself an education. There he learned the details of municipal government and the ways of terse, concrete writing. During the First World War his work on the Record was interrupted by service in the Navy. In 1920 he left newspaper work to enter the insurance and real estate business in Meriden. He soon found himself active in the affairs of the Democratic Party and became Superintendent of Charities of the city—a position which lasted from 1922 to 1926. His friends in Meriden recall vividly his presence on the city coal pile during an emergency, shoveling coal and putting it into bags to relieve the distress of the unfortunate.

In 1930, while still a young man, he was elected Mayor of Meriden, and was re-elected

in 1932 by a record-breaking majority. No Mayor of Meriden ever faced problems as difficult as those that confronted him. Families were jobless, taxes unpaid, and money was difficult to obtain. As Mayor he created projects to give men work; he appointed a non-partisan research commission to grapple with the economic breakdown; he listened for endless hours to long lines of suffering people who came to his office for help and gave himself unsparingly to the problem of relief. His sense of humor and unerring insight into human nature enabled him to differentiate the worthy cases from the time-servers and his stories of this period of his life have been an endless source of interest and enjoyment to his friends. Meriden's Made Works Plan, of which he was very proud, gave work to many needy families and saved them the stigma of asking for charity. This program, largely a creation of Senator Maloney's brain, was one of the foundations upon which the Federal Relief Program was later modeled. In 1932 he went on to the House of Representatives in Washington, serving 1 year of his term as both Congressman and mayor of Meriden.

In 1934 he ran for the Senate and achieved a great victory at the polls, as he did again in 1940. His vote in this last year was an alll-time high for any Connecticut candidate. As Senator he was not an ardent left-wing New Dealer, but rather a middle-of-the-road Democrat traveling a little to the right of center. Some of his votes annoyed his New Deal friends, but no one ever questioned his integrity or his independence. He was disturbed over the growing power of the Executive in Washington and deplored the waning influence of the legislative branch of the Government. Many of the votes that exasperated some of his friends were votes cast to increase the power and responsibility of the House and Senate. He recognized the slowness of the machinery of the legislative branch of the Government and spent his last years in the Upper House trying to reform the procedure and streamline the Congress in such a way to make its workings more expeditious. That he had to leave before this purpose was achieved is one of the great losses this country has sustained in his passing. His opposition to the so-called court-packing bill and his desire to have the reciprocal trade agreements reviewed and checked by a two-thirds vote of the Senate indicate the increasing conservative tendency and drift of his mind.

Toward the end of his career he was appointed chairman of a committee to investigate gasoline and fuel shortage and this position led him to the chairmanship of the committee to investigate the petroleum shortage of the Near East, one of the most important assignments in the present World War.

His family life was exemplary. His wife, quiet and unassuming, did not care for the spotlight, preferring Connecticut home life to the gaiety of Washington society. The Senator shared this feeling and was always happiest when headed for home. His three daughters and son gave him great comfort and their schooling in Washington brought them close to their father.

His entire life was given up to public service for which his great gift of patience fitted him preeminently. He knew his native State as few men ever knew it and believed profoundly that gradual reforms are much more likely to achieve lasting results than drastic and radical measures. His great gifts as an orator he rarely used, but when he did plead a cause he was listened to as few men of the Senate were listened to in his day. He was a devout member of the Catholic Church and a great favorite with the clergy and the laity of the Catholic communion; his loyalty to his friends made his life a daily exemplification of Wordsworth's famous lines:

"That best portion of a good man's life,
His little nameless, unremembered acts of
kindness and of love."

Now, therefore, be it

Resolved, That the sympathy of this legislature goes out to the bereaved wife and the children who have sustained an irreparable loss, although they have the memory which will grow dearer through the years of a husband and father who laid down his life in the service of this country and in unstinted devotion to the cause of human welfare, and no greater monument could be erected to any man; and be it further

Resolved, That this resolution be recorded in the journals of the legislature and that a suitably engrossed copy thereof be sent to Mrs. Maloney.

RETENTION OF PRINCIPLES OF THE ATLANTIC CHARTER

Mr. McMAHON. Mr. President, I also ask unanimous consent to present for printing in the RECORD and appropriate reference a resolution adopted by the General Assembly of the State of Connecticut memorializing Congress to retain the principles of the Atlantic Charter.

There being no objection, the resolution was received, referred to the Committee on Foreign Relations, and, under the rule ordered to be printed in the RECORD, as follows:

Resolution memorializing Congress for reaffirmation of the tenets of the Atlantic Charter in regard to Poland

Whereas England declared war on Germany to guarantee the sovereignty and territorial integrity of Poland; and

Whereas the President of the United States, in enumerating the aims of the United Nations, declared against any territorial acquisitions by the United Nations; and

Whereas Poland, alone and unaided, for more than 6 weeks stemmed the Nazi hordes at the outbreak of the war, and from the very first shot has been a valiant and honored ally; and

Whereas on August 14, 1941, the President of the United States and the Prime Minister of Great Britain, by joint declaration, announced to the world certain common principles of national policies of their respective countries; and

Whereas thousands of Americans of Polish extraction have fought and died in this and every other war under the American flag; and

Whereas the morale of our men and women in the armed services is being impaired by this violation of Poland's inalienable right to preserve intact her territories: Now, therefore be it

Resolved, That the General Assembly of the State of Connecticut hereby petitions the President of the United States and the United States Congress to reaffirm the tenets of the Atlantic Charter in order that our ally, Poland, shall remain territorially intact as a free and independent member of the United Nations; and be it further

Resolved, That a copy of this resolution be transmitted by the secretary of the State of Connecticut, to the President of the United States and to all Senators and Representatives from the State of Connecticut now serving in the National Congress.

RESCINDING OF PRICE CONTROLS AFTER TERMINATION OF THE WAR

Mr. CAPPER. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a resolution adopted by the board of directors of the Kansas Farm Bureau favoring rescinding price controls as soon as possible after the termination of the war.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

KANSAS FARM BUREAU,
Manhattan, Kans., May 2, 1945.

HON. ARTHUR CAPPER,
United States Senate.

DEAR SIR: At a meeting of the board of directors of the Kansas Farm Bureau held April 19, the following resolution was passed with the instruction that a copy be sent to each member of the Kansas delegation in Congress:

While recognizing the need of price controls to avoid inflation, it is our belief that such controls should be rescinded as soon after the termination of the war as possible; and in no event should Congress extend such controls for a period of more than 1 year at a time; also, a continuation of the provision that O. P. A. regulations shall not be used to limit profits.

Yours very truly,

JULIA KING SMITH,
Secretary-Treasurer.

FEDERAL AID FOR EDUCATION—LETTER FROM M. P. MOE

Mr. HILL. Mr. President, I ask unanimous consent to present and to have appropriately referred and printed in the RECORD a letter addressed to the members of the Senate Committee on Education and Labor and the members of the House Committee on Education by Mr. M. P. Moe, executive secretary of the Montana Education Association. The letter relates to bills which are pending in the Senate and in the House of Representatives.

There being no objection, the letter was received, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

MONTANA EDUCATION ASSOCIATION,
Helena, Mont., May 9, 1945.

MEMBERS OF THE SENATE COMMITTEE ON EDUCATION AND LABOR.

MEMBERS OF THE HOUSE COMMITTEE ON EDUCATION.

DEAR SENATOR OR REPRESENTATIVE: I beg leave to file this statement with your committee.

I note with interest the following A. P. news item of May 2:

"MONTANA OPPOSED

"WASHINGTON, May 2.—A resolution signed by 11 Montana organizations was read into the record, opposing a Federal education subsidy, in testimony today before the House Committee on Education."

I believe that an explanation will help evaluate the resolution on S. 181 and H. R. 1296.

It is a little difficult to determine the exact number present at this meeting in Helena, held on April 19. I was present and do know that for the evening joint banquet for those present for the meeting of the 11 organizations signing the resolutions and the number of the organizations not signing, 106 places were set and some places were vacant.

Apparently the number present for each organization was somewhere in the neighborhood of 10–12 persons and the total probably less than 150.

From all information that I can gather, the resolutions on S. 181 and H. R. 1296 were presented at the request of the secretary of the Montana Taxpayers' Association.

During the 60-day 1945 legislative session, this same secretary fought our request for a $1,500,000 State appropriation for our State school funds. Next he fought the request for a 30-percent increase in the maximum budgets for high school education, which was necessary to meet increased costs. Again he fought the request for financing the teachers' retirement system from an additional levy. He wanted it included in present limitations.

This shows that he is opposed (1) to Federal aid to education, (2) to State aid to education, (3) to county aid to education, and (4) to local aid to education. In short, he is opposed to any aid from any source for education.

I note by the press that Congress has appropriated a total of $756,000,000 for meat subsidy. Recently in a conversation with one of our leading stockmen in the State, I was informed that Montana has more than 1,800,000 head of cattle on the range, as compared to a normal herd of about 700,000 head. Cattle are selling at from about $12.50 to $17.90 per hundred.

Our State school lands are being leased at $60 per section for class A grazing land. The conservation program calls for 45 head per section, which makes the grazing cost $1.33⅓ per head per year. At present the number of cattle being fed is 2½ times the normal, or about 125 per section, which means the grazing cost per head per year is about 48 cents.

Two of the organizations reported to me as signing the resolutions against S. 181 and H. R. 1206 are the Montana stockgrowers and the Montana woolgrowers. They cry their eyes out to get $756,000,000 for meat subsidies so as to get more money for stock, and yell their heads off against $300,000,000 for equalization of the educational opportunities for our boys and girls.

Gentlemen, you finish the story. I haven't the heart to say what I think; besides, the quality of our paper today can't take it.

Which should we subsidize: Calves or kids.

Very truly yours,

M. P. MOE,
Executive Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. OVERTON, from the Committee on Appropriations:

H. R. 2907. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes; with amendments (Rept. No. 266).

By Mr. McKELLAR, from the Committee on Appropriations:

H. J. Res. 177. Joint resolution repealing a portion of the appropriation and contract authorization available to the Maritime Commission; without amendment (Rept. No. 267).

By Mr. BANKHEAD, from the Committee on Agriculture and Forestry:

S. 660. A bill to transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College; without amendment (Rept. No. 268).

By Mr. O'DANIEL, from the Committee on Commerce:

H. R. 533. A bill authorizing the State of Minnesota Department of Highways to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Hastings, Minn.; without amendment (Rept. No. 269).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 991. A bill for the relief of Marion M. Hill; to the Committee on Claims.

(Mr. BALL (for himself, Mr. BUSHFIELD, Mr. YOUNG, Mr. BUTLER, Mr. LANGER, Mr. CAPPER, Mr. REED, Mr. DONNELL, Mr. HICKENLOOPER, Mr. WHERRY, Mr. BRIGGS, Mr. GURNEY, Mr. WILSON, and Mr. SHIPSTEAD) introduced Senate bill 992, which was referred to the Committee on Interstate Commerce, and appears under a separate heading.)

By Mr. RUSSELL (for Mr. MCFARLAND):

S. 993. A bill to amend section 10 of the act of Congress approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," as amended, to provide for the retired pay of certain persons, and for other purposes; to the Committee on Naval Affairs.

By Mr. BAILEY:

S. 994. A bill to authorize payment of $1,000 to Central Leaf Tobacco Co. for claim of damages; to the Committee on Claims.

By Mr. WALSH:

S. 995. A bill for the relief of the widow and children of Percy S. Poole; to the Committee on Claims.

S. 996. A bill for the relief of Lt. (Jr. Gr.) William Augustus White, U. S. N. R.; to the Committee on Naval Affairs.

By Mr. McMAHON:

S. 997. A bill for the relief of Aldona Kojas; and

S. 998. A bill for the relief of Gregory Stelmak; to the Committee on Claims.

By Mr. WHEELER:

S. 999. A bill for the relief of John W. Wagner; to the Committee on Indian Affairs.

By Mr. EASTLAND:

S. 1000. A bill to amend subsection (4) of section 200, and subsection (3) of section 500, of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended; to the Committee on Military Affairs.

By Mr. HAYDEN (for Mr. MCFARLAND):

S. 1001. A bill to amend the Second Deficiency Appropriation Act of 1935; to the Committee on Indian Affairs.

PAYMENT OF HIGHWAY USE AND OTHER TAXES IN OPERATION OF COMMERCIAL TRANSPORTATION SYSTEM

Mr. BALL. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to direct the payment of highway use and other taxes in the operation of any system of commercial transportation taken over and operated by an agency of the Federal Government, and for other purposes.

The coauthors of this bill are the Senators from South Dakota [Mr. BUSHFIELD and Mr. GURNEY], the Senators from North Dakota [Mr. LANGER and Mr. YOUNG], the Senators from Nebraska [Mr. BUTLER and Mr. WHERRY], the Senators from Kansas [Mr. CAPPER and Mr. REED], the Senators from Missouri [Mr. DONNELL and Mr. BRIGGS], the Senators from Iowa [Mr. HICKENLOOPER and Mr. WILSON], and my colleague, the senior Senator from Minnesota [Mr. SHIPSTEAD].

Mr. President, last summer the Federal Government took over approximately 100 truck lines and subsequently had to take over direct operation of 8 of them which operate in the seven States whose Senators have joined in sponsoring the bill. So far the O. D. T. has refused to pay State gasoline and license taxes of the trucks on the lines it is operating. The bill is drawn to require such payment.

There being no objection, the bill (S. 992) to direct payment of highway use and other taxes in the operation of any system of commercial transportation taken over and operated by an agency of the Federal Government, and for other purposes, introduced by Mr. BALL (for himself, Mr. BUSHFIELD, Mr. YOUNG, Mr. BUTLER, Mr. LANGER, Mr. CAPPER, Mr. REED, Mr. DONNELL, Mr. HICKENLOOPER, Mr. WHERRY, Mr. BRIGGS, Mr. GURNEY, Mr. WILSON, and Mr. SHIPSTEAD), was received, read twice by its title, and referred to the Committee on Interstate Commerce.

ELIMINATION OF KICK-BACKS, ETC., UNDER COST-PLUS-A-FIXED-FEE AND OTHER CONTRACTS—AMENDMENT

Mr. McMAHON (for himself and Mr. HICKENLOOPER) submitted an amendment intended to be proposed by him to the bill (H. R. 2284) to eliminate the practice by subcontractors, under cost-plus-a-fixed fee or cost reimbursable contracts of the United States, of paying fees or kick-backs, or of granting gifts or gratuities to employees of a cost-plus-a-fixed-fee or cost reimbursable prime contractors or of higher tier subcontractors for the purpose of securing the award of subcontracts or orders, which was ordered to lie on the table and to be printed.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated:

H. R. 3109. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes; to the Committee on Appropriations.

H. R. 2068. An act to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service; to the Committee on Claims.

H. J. Res. 60. Joint resolution proposing an amendment to the Constitution of the United States relative to the making of treaties; to the Committee on the Judiciary.

POWERS OF CONGRESS UNDER GENERAL-WELFARE CLAUSE—MEMORANDUM BY LEGISLATIVE COUNSEL OF THE SENATE (S. DOC. NO. 46)

Mr. BAILEY. Mr. President, some weeks ago I requested the legislative counsel of the Senate to prepare for me a discussion of the general-welfare clause of the Constitution, in section 8 of article I. I wished for my own benefit to have the opinions of the Supreme Court brought down to date, so that we could see just how we stand with respect to the powers of Congress under the welfare clause. Mr. Charles S. Murphy has prepared a very thoroughgoing and highly intelligent discussion of the opinions of the Court. I believe that his memorandum would be of value to Members of the Congress and to many others. I send it forward with the request that it be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, the memorandum will be printed as a Senate document.

OUR NEW PRESIDENT—ADDRESS BY SENATOR RADCLIFFE

[Mr. HILL asked and obtained leave to have printed in the RECORD a radio address

entitled "Our New President, Harry S. Truman," delivered by Senator RADCLIFFE on April 21, 1945, which appears in the Appendix.]

POSTWAR PROBLEMS—ADDRESS BY SENATOR HOEY

[Mr. HOEY asked and obtained leave to have printed in the RECORD a radio address on the subject of postwar problems, delivered by him on Friday, May 11, 1945, which appears in the Appendix.]

FRATERNALISM'S JOB IN THE DAYS UP AHEAD—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address on the subject Fraternalism's Job in the Days Up Ahead, delivered by him before the Independent Order of Odd Fellows, District of Columbia Lodge, on May 12, 1945, which appears in the Appendix.]

PATENT MEDICINE POLITICS—ARTICLE BY SENATOR WILEY

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Patent Medicine Politics," written by Senator WILEY and published in the May 1945, issue of the magazine Washington News Digest, which appears in the Appendix.]

ITALIAN PATRIOTS—OVERSEAS BROADCAST BY SENATOR TUNNELL

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD a news release relating to an overseas radio broadcast made by him on the subject Italian Patriots, on April 27, 1945, which appears in the Appendix.]

OPERATIONS OF THE COAST GUARD—ADDRESS BY ADMIRAL RUSSELL R. WASCHE, COMMANDANT

[Mr. BAILEY asked and obtained leave to have printed in the RECORD an address dealing with the operations of the Coast Guard, delivered by Admiral Russell R. Waesche, Commandant of the Coast Guard, at the annual dinner meeting of the Maritime Law Association at New York City on May 4, 1945, which appears in the Appendix.]

A PLEA FOR POLAND—ADDRESS BY MOST REVEREND RICHARD J. CUSHING

[Mr. WALSH asked and obtained leave to have printed in the RECORD an address entitled "A Plea for Poland," delivered by Most Reverend Richard J. Cushing, archbishop of Boston, at the Cathedral of the Holy Cross, Boston, Mass., May 6, 1945, which appears in the Appendix.]

REPLY TO GOVERNOR DEWEY—ADDRESS BY PAUL E. FITZPATRICK

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a radio address entitled "Reply to Governor Dewey," delivered by Paul E. Fitzpatrick, Democratic State Chairman of New York, on May 12, 1945, which appears in the Appendix.]

GETTING ALONG WITH THE GOVERNMENT AGENCIES—ADDRESS BY GILBERT H. MONTAGUE

[Mr. WHITE (for Mr. HAWKES) asked and obtained leave to have printed in the RECORD an address delivered by Gilbert H. Montague entitled "Getting Along With the Government Agencies," and a request for printing the address prepared by Mr. HAWKES, which appear in the Appendix.]

TREATMENT OF HERMANN GOERING AFTER CAPTURE—RADIO ADDRESS BY FRANK KINGDON

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a radio address dealing with Goering's capture and treatment after capture, delivered by Frank Kingdon on May 10, 1945, which appears in the Appendix.]

ECONOMIC STABILITY FOR THE SOUTH—ARTICLE BY WILLIAM PARKER

[Mr BILBO asked and obtained leave to have printed in the RECORD an article entitled "United States Plans 10-Year $4,600,000,000 Campaign To Give Economic Stability to Cotton South," by William Parker, published in the Wall Street Journal of May 14, 1945, which appears in the Appendix.]

CHAVEZ LEADS FIRST PATROL INTO NAHA—ARTICLE FROM WASHINGTON POST

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an article entitled "Chavez Leads First Patrol Into Naha," written by Homer Bigart, and published in the Washington (D. C.) Post of May 14, which appears in the Appendix.]

RIGHT IN THE MIDDLE—EDITORIAL BY MAURICE R. FRANKS

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial by Maurice R. Franks, entitled "Right in the Middle," relating to the unionizing of foremen, which appears in the Appendix.]

POETIC TRIBUTE TO THE LATE PRESIDENT ROOSEVELT BY JOHN MAGILL

[Mr. LANGER asked and obtained leave to have printed in the RECORD a poem in tribute to the late President Roosevelt entitled "Glorious Leader," written by John Magill of Verona, N. Dak., which appears in the Appendix.]

CONTROL OF AGRICULTURAL PROGRAMS

Mr. BILBO. Mr. President, all the abuses that have been heaped upon and all the charges made against the so-called New Deal dating from 1933 to the present have not been brought about by the legislation of the Congress in its honest, sincere, and patriotic efforts to bring relief to the unemployed, the bankrupt farmers, closing of banks, failures of industries, and other financial organizations, but in nine cases out of ten the troubles endured and criticisms provoked were brought about in or by the administration of these honest, necessary, and righteous laws and measures by the Congress to save a great Nation from absolute chaos and disaster.

The intentions and purposes of the laws enacted by the Congress under the calamitous conditions with which the whole country was confronted were necessary, wholesome, and righteous but the agents and agencies set up under all the letters of the alphabet resulted in abuses of powers conferred along with powers usurped by ill-informed, totally inexperienced, and sometimes vicious, ambitious, and autocratic men and women dealing with free Americans in such a way that will almost justify historians to condemn the era of the New Deal as the era of crackpot and bureaucratic government in free America.

It has been evident to a great many of us that many men and women in the alphabetical-lettered bureaus and agencies set up to administer these necessary and reform laws and measures took advantage of the powers granted and the powers usurped to try with their own pet schemes and wild theories to rule, regiment, dominate, and control the economic, social, and political affairs of the Nation from the great Federal city of Washington on the banks of the historic and beautiful Potomac.

It is then no wonder that millions of the people have justly complained of the autocratic and dictatorial regulations and intimidations that have been resorted to, often in violation of all the sacred and time-honored concepts and principles of the American way. I do not want to be understood as condemning the beneficent, life saving and needed reforms brought about by the efforts of the Congress and the Democratic administration that made the New Deal possible, nor do I want to condemn all the men and women who administered the laws for without the New Deal this country could not have been saved and the people restored to peace and prosperity, with homes, decent living wages and the social standards of the American people raised to the highest levels in the country's long history.

The Republican Party through their mismanagement for 12 years had wrecked the economic life of the country, and the Nation in 1933 was on the brink of ruin and revolution, when the Democratic administration took charge of the destiny of the country and verily led the American people out of the slough of despondency into the promised land of peace, safety, happiness, and prosperity. The Democratic administration through the New Deal indeed performed a miracle in thus redeeming and saving our country and its people.

I was and still am a New Dealer, but I have no defense for all the abuses and waste on the part of many designing, ill-informed, un-American, and inexperienced crackpot bureaucrats who nosed their way into Government bureaus and agencies and whose ideas and theories have all along been "the fly in the ointment."

The time has come when there should be a housecleaning. The time has come when many bureaus and agencies should be stripped of the drones that infest them and there should be an abrogation or repeal of any usurped rules, regulations, and powers that have so harassed and bitterly beset a great and free people.

Many million dollars of the people's tax money can be saved by such eliminations, followed by consolidations in the administration of many remedial measures by proper laws of reform and relief. I prophesy that when this global war is over many complex and disturbing conditions will follow in its wake—situations and conditions which will require the highest degree of statesmanship and the application of true American ideals along with a large portion of common horsesense to adjust and correct these disturbing factors.

In this connection I want to read into the RECORD a letter I received a few days ago from Hon. Charlie McNeil, general manager of the Mississippi Federated Cooperatives. I am not saying that I agree with all the suggestions incorporated in Mr. McNeil's letter, but I am frank to say that to my mind he is thinking along the right lines and his observations are worthy of our careful consideration. I want to specially urge every Member of the Congress to read Mr. McNeil's letter. Here is the letter:

JACKSON, MISS., *April 5, 1945.*

Senator THEODORE G. BILBO,
Washington, D. C.

DEAR SENATOR: Thanks for your letter of March 26 in re Senate bill 383, and appreciate your assurance that you would support this bill to the limit.

We are faced with the development of agricultural programs on a postwar basis, and certainly at this time no one can foresee just what plans will be developed if Germany surrenders or folds up, which looks at this time as though it might happen in the next few months. I realize that you stand ready at all times to do your utmost for agriculture and the people in Mississippi, and felt that I wanted to express to you our thinking with reference to our postwar problems as they affect agriculture in this State and see if we cannot avoid some of the mistakes that were made during our depression period in the setting up of a multiplicity of agricultural agencies to function in carrying out postwar programs.

We believe from the standpoint of States' rights and real democracy that control of all agricultural programs instituted by the Federal Government where contacts and supervision are to be made directly with the average farmer within a State, should be channeled through our State land-grant college on a mutual working basis under agreements between the Federal Government and such institutions representing the State similar to what exists now in the extension setup.

If all Federal or Federal-State agricultural service programs being carried out at this time in Mississippi should under the various laws be headed up at Mississippi State College, and come under the direction and supervision of the board of trustees and president of the college, it would bring about a much closer working relationship between the various agencies and would eliminate much duplication of effort and make possible a unified State agricultural program.

Also with State and reasonable county control of these programs, it would eliminate much of the bitter attacks which were made from throughout the State on some of these agencies because of the adoption of policies in Washington and the carrying out of these policies in Mississippi by Federal workers regardless of the thinking or attitude of the mass of our average farmers and agricultural workers within the State.

I digress from the reading to remark that in the campaign of 1940 and in the campaign of 1944 a large percentage of the farmers of the Nation voted against the Democratic administration, and the reason is stated right here. What that administration did, and was doing, and is still doing, for the farmers of the United States meant their salvation; it meant their redemption from a state of bankruptcy. But in the administration of the relief measures, the bureaus in Washington carried out the law with a number of agents and people sent into the various States from other States who could not make the proper contacts with the people themselves and did not understand the people of the States where they were sent. As a result, so much friction developed that the people, notwithstanding their salvation by the administration, were led to vote against the administration which had saved them.

The letter continues:

I feel that the same fundamental principles of States' rights should be safeguarded and respected by the Federal Government when it comes to dealing with agriculture as we are practically unanimously demanding should be respected with reference to Federal appropriations to our schools if and when such laws may be passed. In other words, Senator, I am convinced that the average white man in Mississippi will vote to maintain the principles of States' rights, and even though the programs adopted by groups of farmers throughout this State may not be as perfect as some of the programs developed by experts in Washington, yet we know that such programs developed, giving proper consideration to the local people affected, will have the support of the people affected by such programs.

Recently I have had this experience: In endeavoring to afford relief to two or three hundred thousand people who are dependent upon the naval-stores industry of the South—and it is confined to the South, because that is the only section where the yellow pine tree grows, the tree from which the naval stores are produced—I found in the O. P. A. a section which was trying to work out a ceiling price. That section was composed of men who knew absolutely nothing on earth about the naval-stores business and who refused to call into their consultations and conferences those who were advised and who had spent their lives in the naval-stores business. As a consequence, the O. P. A., in the face of the recommendations of the Agricultural Department, where there were men who knew what the naval-stores business meant to the people and to the Nation, said that they would give no relief to the two or three hundred thousand people who were dependent on this great industry.

The letter continues:

What I am trying to say is that throughout the world the day of dictators seems to be fast passing, and we do not want any dictators set up in Washington to tell the farmers of Mississippi what they must do.

We believe that the program and principles involved in our system of land-grant colleges and extension service is the fundamental program which should be followed with all our agricultural service endeavors, and for this reason not only do we need more appropriations fo the extension service but we need to have this system of agricultural education and the dissemination of agricultural information and the direction of agricultural programs, etc., centered in the agricultural Extension Service, and I am wondering just what it will take to bring about in Washington and possibly the Department of Agriculture the adoption of such a policy that would place the Extension Service and the land grant college program in the position which it should occupy.

I wish to state at this time that our different agricultural agencies are working together in Mississippi in a most satisfactory and harmonious manner, and under the leadership of men like L. I. Jones, T. M. Patterson, Dallas Vandivere, and C. B. Anders and others, we should be able to continue to function harmoniously, but at present the respective agencies are entirely separate and this situation a few years ago, on the part of some of the agencies, was not so harmonious, and in the future a change in Washington of administrators and a change in Mississippi of administrators might bring about a situation that would be most unsatisfactory.

As it was a few years ago. I continue the reading:

Even though all of our present agricultural agencies were to be continued entirely separate as they now are, it would certainly be advantageous from a permanent standpoint if all such agencies were required to work out a mutual Federal-State working agreement through Mississippi State College and have the control of their activities within the state vested in the President of that institution.

Including the trustees.

We have a great need for increased service and educational work in forestry for example, and we will have a Federal forest program, State forestry department, and extension forestry. We also have Federal forests within the State, owned by the Federal Government and administered direct. Isn't it possible and reasonable to conceive of all Federal and State programs in forestry being coordinated and unified so that the greatest good would come to the farmers who are the individuals whom we are trying to help?

Personally I would like to see a considerable sum of money set up for the Extension Service to permit them to put on an assistant county agent in at least 30 or 40 counties, who would be an extension forester and who would have the backing and direction of the county agent who would be his superior officer. I cannot conceive of a program being set up wherein the Federal Government would send a forester into each of the 30 or 40 counties who would work independent of any other agricultural group in Mississippi and more especially independent of our Extension Service.

I have used the forestry program as a concrete illustration, and wish to say that so far as I know there is a very harmonious and close working relationship between all forestry groups within the State, but if Mississippi expects to really develop our forests as we should and to conserve same, we need many men employed in the post-war period to really carry out a forestry program within this State, and we would like to see them employed as Extension men rather than to set up a completely separate forestry service.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. LANGER. What is the date of that letter?

Mr. BILBO. The letter is dated April 5.

Mr. LANGER. The measure the Senator mentions has been passed by the Senate?

Mr. BILBO. Yes.

Mr. LANGER. It provides for 3,500 more assistants to these county agents, does it not?

Mr. BILBO. Yes.

Mr. LANGER. I certainly agree with what the Senator has said. This should have been done a long time ago.

Mr. BILBO. The letter continues:

Please pardon the length of this letter, but unless you and other Senators and Representatives from the deep South get together along with leaders from the Midwest and begin to crystallize and develop a policy and program for agriculture in the postwar period, working with agricultural leaders, I can foresee that the Congress will be flooded with every kind of a wild-eyed, harum-scarum bunch of bills designed to re-create our social order and our economic order, and we will have so many different agricultural agencies with employees running about over the Nation trying to carry out various programs, that we will have chaos and confusion rather than a soundly planned and developed program.

Very truly yours,

CHARLIE MCNEIL,
General Manager.

FULL EMPLOYMENT AFTER THE WAR—REPORT FROM BUREAU OF THE BUDGET

Mr. WAGNER. Mr. President, as America looks forward to its post-war

problems, increasing thought is being given to the problem of the large national debt which has been created by the war. More and more people are coming to realize that the postwar debt burden will be exceedingly troublesome unless we are able to maintain full employment and a steadily expanding national income.

The relationship between full employment and the national debt is discussed in the report on the full-employment bill, S. 380, which, as chairman of the Committee on Banking and Currency, I have received from Mr. Harold Smith, Director of the Budget Bureau. In this report, Mr. Smith makes the following statement:

> Servicing the national debt will be easier with a high than with a low national income. State and local governments will be better able to discharge their responsibility in the fields of education, health, and other services. A full-employment national income provides a broad tax basis from which the Government can raise tax revenue with the least hardship to the taxpayer.

The Budget Bureau report also includes certain suggestions for improving the bill, together with a staff memorandum describing procedures that might be used, under the full-employment bill, in estimating employment and production.

Mr. President, I ask unanimous consent that the report of the Budget Bureau, to which I have just referred, be printed at this point in the RECORD in connection with my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 4, 1945.

Hon. ROBERT F. WAGNER,
United States Senate.

MY DEAR SENATOR WAGNER: I have your letter of March 3 in which you ask for preliminary comments on four questions related to S. 380, a bill "To establish a national policy and program for assuring continuing full employment in a free competitive economy, through the concerted efforts of industry, agriculture, labor, State, and local governments, and the Federal Government." I have expressed my sympathy with the general objectives of the full employment bill in a letter to Senator MURRAY of January 4, a copy of which is enclosed. This bill raises questions of great importance for our Government and the people, and I am glad that you have given me an opportunity to discuss the questions posed in your letter.

You requested preliminary comments on your questions. I should like to emphasize, indeed, the preliminary and incomplete character of my answers. A full exploration of the questions raised by your letter was not possible within the short time available.

Question No. 1: If we were assured of continuing full employment after the war, what might the effect be on the sectors of our economy with which your agency is concerned?

If governmental and private programs succeed in achieving full employment, many of the Government's most difficult problems would become more manageable. Government programs which contribute to assuring full employment have social implications very different from those which are required to relieve unemployment and economic distress. Full employment means an expanding economy, increasing opportunity, and rising incomes. Unemployment and nonutilization of resources mean that pressure groups struggle for larger slices of a smaller-sized pie. Democratic government will face grave problems—domestic and international—in the period of post-war reconstruction. The prospects of their solution are the brighter if our policies promote full employment rather than struggle with the task of mitigating the evils of unemployment. If full employment is assured by means of maximum private activities, certain expenditures of Federal, State, and local governments could be avoided or reduced.

To be more specific, with full employment, unemployment compensation can take care of the period between jobs; emergency measures to relieve general unemployment would not be needed. Full employment would not remove the need for expanded social-security programs but would make the attainment of adequate social standards more feasible. The reabsorption of veterans into civilian employment can be accomplished with less friction if we have full employment than under conditions of mass unemployment. Full employment brings with it a high demand for agricultural products and, consequently, the need for farm price support and programs for the disposal of surplus farm products would be reduced or eliminated. A policy of promoting competition and lower prices to consumers can be better pursued when business expects to make profits in expanding markets. Under conditions of full employment opportunities, labor will enjoy a higher standard of living and will be more willing to abandon restrictive practices. Servicing the national debt will be easier with a high than with a low national income. State and local governments will be better able to discharge their responsibility in the fields of education, health, and other services. A full employment national income provides a broad tax basis from which the Government can raise tax revenue with the least hardship to the taxpayer.

On the other hand, it must be recognized that a full employment policy means new peacetime responsibilities for business, labor, agriculture, and government. Full employment does mean that the Government must watch possible upward pressures on prices and wages which may conflict with the requirements of economic stabilization. The responsibilities of Government in maintaining a stable price level will depend very largely on the willingness of business, agriculture, and labor to assume their share in the responsibility for a general policy of economic stabilization.

The Bureau of the Budget is not directly concerned with any one sector of the economy. It has responsibilities with respect to all agencies of the executive branch of the Government and is, therefore, concerned with the economy as a whole. I feel sure that its responsibilities could be much more effectively met if the policy of the Government resulted in full and stable employment than if we were plagued by periods of mass unemployment.

QUESTION NO. 2: "IF S. 380 WERE ENACTED BY THE CONGRESS, WHAT MIGHT BE THE ROLE OF YOUR AGENCY IN HELPING ACHIEVE CONTINUING FULL EMPLOYMENT?"

The full employment bill obliges the President to transmit to Congress a "national production and employment budget (national budget)." The President shall include in this national budget:

Statistical estimates and forecasts.

A program of Federal policies and activities designed to encourage increased non-Federal investment and expenditures or a program of anti-inflationary measures.

Programs of Federal investment and expenditures.

The bill does not say explicity which agency shall prepare the National Budget for the President. It states, section 4 (a), that; "The National Budget shall be prepared in the Executive Office of the President under the general direction and supervision of the President * * *" and that, section 4 (b)): "* * * the several departments and establishments * * * [shall] prepare such plans and programs as may be needed * * *." Thus the bill implies that the National Budget, including the estimates, policies, and the programs of investment and expenditures, is to be prepared in the Executive Office of the President on the basis of recommendations and estimates supplied by the various departments and establishments. The bill leaves it to the President to assign the responsibility for this work.

The coordinating functions now performed by various agencies in the Executive Office, including the Bureau of the Budget, are similar to the coordinating responsibility placed upon the Executive Office under this bill. Under present practices, the Bureau of the Budget would have to assist the various operating agencies in planning those administrative and statistical functions that are required by the full-employment bill. The bill would, I believe, have the effect of intensifying, enlarging, and making mandatory certain of the functions already being performed in the Executive Office. The President has emphasized in Budget messages and other addresses the need to develop a coordinated approach to the problems of economic policy. I think it is wise for Congress to define the coordinating job to be done and to permit the President to work out, with respect to the formulation of an integrated program, the particular assignment of functions within the Executive Office.

I shall discuss in the subsequent paragraphs the functions of the Executive Office of the President under the full employment bill, irrespective of the specific agency or agencies in the Executive Office which will be charged with these responsibilities.

Statistical estimates and forecasts

The bill contemplates that the President shall transmit, under section 4 (b), to the several departments and establishments preliminary estimates and other information that will enable them to prepare their own plans for submission to the President. I take it that this procedure calls for a communication similar to that which the Bureau of the Budget sends out for the President in July of each year, giving the agencies general directives for working out their own budgetary requests. I assume that section 4 (b) relates not only to the preparation of policy and programs, but also to the preparation of estimates of the National Budget.

In preparing the estimates and forecasts required by the bill, the Executive Office of the President should make full use of all the data and information available in the various agencies and establishments of the Federal Government and State and local governments, and also in private organizations of consumers, business, labor, and agriculture. It seems to me essential that there should be a widespread understanding throughout the country of the estimates that go into the National Budget, and that all interested groups inside and outside the Federal Government should have an opportunity to contribute to these estimates. Enlightened economic policy by the Government depends largely on an informed public opinion. By making groups throughout the country aware of the problems involved in formulating the Nation's Budget, the Federal Government can contribute greatly to this process of enlightenment.

I am attaching in an appendix a sketch of a possible procedure for the compilation of the statistical estimates and forecasts. This is a staff memorandum submitted merely as an illustration of how various Government agencies and interested groups of the population could be drawn into the formulation

of estimates for the National Budget. (With reference to the statistical programs, see the staff memorandum of February 6, 1945, which I submitted to Senator MURRAY on February 14, 1945. A revised version of that memorandum is attached to this letter.)

A program of Federal policies and activities designed to encourage increased non-Federal investment and expenditures or a program of anti-inflationary measures

In case the prospective total of expenditures by business, consumers, and government falls short of the total required for full employment, the Federal Government under the bill is obliged to propose programs that would stimulate private investment and increased consumers' expenditures. Contrariwise, when such expenditures are expected to exceed the full-employment level, an anti-inflationary program is to be developed.

The policies and programs enumerated in the bill which fall in this area include banking and currency, monopoly and competition, wages and working conditions, foreign trade and investment, agriculture, taxation, social security, and the development of natural resources. Policies in these various fields and others would have to be combined in such a manner as to accomplish as much of a desired additional expansion in private expenditures as possible. Industry, labor, agriculture, and other groups and individuals will have an opportunity to make suggestions to the departments concerned. These, in turn, will analyze the suggestions and pass their recommendations on to the Executive Office. The President, assisted by his staff in the Executive Office, would integrate the policy recommendations submitted by the various departments and establishments under the provisions of the bill. Before transmission to Congress, these recommendations would thereby be tested for consistency and completeness.

The function to be performed by the Executive Office under this bill is similar, particularly in its procedural aspects, to the legislative reference function performed by the Bureau of the Budget under present practice. The experience gained by the Bureau of the Budget, as well as by agencies such as the Office of Economic Stabilization and the Office of War Mobilization and Reconversion, in coordinating wartime programs, will be useful in devising the coordinating procedures required under the full-employment bill.

Programs of Federal investment and expenditures

The development of Federal investment and expenditure programs under the bill would, no doubt, require the use of many existing budgetary procedures and the expansion and redirection of others. The bill provides that the President shall submit the National Budget at the beginning of each regular session of Congress. I think it wise that the bill does not limit the period covered by the National Budget to a fiscal year. It is especially important that the policies and programs recommended in the National Budget be outlined each year for a period considerably longer than the ensuing fiscal year. A procedure for long-range planning, at least in the field of public works, was first established on the basis of the Employment Stabilization Act of 1931. More recently it was the objective of Executive Order No. 9384 to establish a procedure under which the Director of the Budget was to submit to the President an over-all advance program of public works and improvement projects prepared by the various agencies for a period of several years.

Full-employment policy, if it is to be fully implemented, requires the development of long-range programs in all fields in which governmental action is deemed to be appropriate. Flexible long-range programs in the field of developmental expenditures must serve as a background for the determination of an annual budget of investment and expenditures that takes account of the possible deficiency in the Nation Budget and the expected success in stimulating non-Federal expenditures. The Executive Office and the various departments and agencies would have to prepare and revise such programs on a continuing basis for submission by the President to the Congress.

With long-range programs outlined in advance, annual determinations as to the scope and content of the Federal expenditures program for shorter periods would fall into proper focus.

Under Section 6 (a), the bill calls for a quarterly review of Federal investment and expenditures in the light of revised estimates of non-Federal investment and expenditures. This provision calls for a continuous appraisal by the Executive Office of the factors entering into the national budget so as to permit revisions in the light of current trends. Such an appraisal would presumably be made on the basis of statistical and other information collected by the various operating agencies and submitted to the executive office. Action taken by the President to vary the rate of expenditures within the limits prescribed by Congress, as authorized under Section 6 (b), would thus be designed to meet current developments. In this connection, it may be noted that the method of quarterly apportionment combined with the reporting procedure under Executive Order 8512 could provide the President with the fiscal controls necessary for the implementation of section 6 (b).

QUESTION NO. 3: "IN THE PRESENT PLANNING OF YOUR AGENCY'S POSTWAR ACTIVITIES, WHAT ASSUMPTIONS, IF ANY, HAVE YOU MADE WITH REGARD TO THE POSTWAR LEVEL OF THE GROSS NATIONAL PRODUCT, THE NATIONAL INCOME, AND EMPLOYMENT?"

The Bureau has not made any single assumption as to postwar level of the gross national product, the national income and employment. It has, however, attempted to develop certain goals and to delineate the range of possible developments which should be envisaged in planning Federal activities.

The work of the Bureau in preparing the Federal Budget normally calls for estimates of expenditures for a fiscal year ending 18 months ahead. Revenue yields and certain expenditure items such as aids to agriculture and unemployment relief depend on the level of national income. The Bureau, therefore, has found it necessary to make estimates of income and employment for the period covered by the Budget for the ensuing year.

However, to perform its functions adequately, the Bureau cannot confine its attention merely to the period covered by the budget. It is necessary to make various hypothetical estimates for several years in advance. Such estimates have been attempted both for the transition period and for a "typical" postwar year.

These estimates are of two types. In the first place, estimates have been made of what may be termed income and employment goals for the next few years. These estimates are similar to those required under section 3 (a), (1) and (2) of the bill. During the transition period these goals are necessarily something other than what might be regarded as full employment in a normal year. During the transition there will necessarily be large-scale shifting of jobs, and this will mean that unemployment will necessarily be greater than it needs to be when the labor force is distributed according to the requirements of peacetime production.

The second type of estimate consists of projections of national income and employment under various assumptions as to future congressional action with respect to expenditure programs, tax, and other policies. Alternative assumptions also were made concerning the rate of private capital formation. These projections are similar in nature to those required under section 3 (a), (3) of the bill, but resulted in various alternative sets of estimates of income and employment. Though furnishing some indication of possible deviation of the national budget from what is required for attaining full and stable employment, they do not constitute any definite forecast as to the postwar level of income and employment.

Question No. 4: "What specific improvements in S. 380 might be considered by the Banking and Currency Committee?"

I have already expressed by sympathy with the objectives of the full employment bill. My comments are largely concerned with details. Section 2 makes a commendable effort to define specifically what is intended to be regarded as full employment. I feel, however, that the formulation could still be improved.

Section 3 (a) and (f) specifies in considerable detail the estimates and information which the President shall include in the national budget for transmission to Congress. I recognize that the details called for are formulated in the light of the best available technical knowledge at the present time. The specific provisions in the statute may, however, become a handicap in the future when experiences may suggest a somewhat different form. Particularly, I propose that in the first paragraph of section 3 (a) the words "which set forth in summary and detail" be changed to read, "which set forth in summary and such detail as the President deems necessary. * * *"

Section 3 (c) has been frequently misinterpreted as proposing that Federal investment and expenditure programs should be determined simply by the need for making up deficiencies in the National Budget. The wording of the second sentence of section 3 (c) (p. 6, lines 6 to 9) should dispel such misinterpretation. I suggest that the bill give a fuller expression to the intention that the Federal investment and expenditure programs be determined on the basis of their intrinsic merits, that is, their contribution to the national wealth and well-being. The timing of these expenditures—the amount to be spent in any particular year—should be determined with consideration given to expected deficiencies in the national budget. This distinction between the long-range aspect of Federal expenditure and investment programs on the one hand, and the timing of these expenditures in view of economic necessity, on the other hand, could be emphasized in the bill if it includes a special paragraph dealing with the long-range aspect. Such a paragraph could provide that the President make recommendations for enabling legislation and also recommendations for a long-range public works and developmental expenditure program. This paragraph might precede the present section 3 (c). In this case, in the second line on page 6, after "Federal investment and expenditures," add the words: "authorized by existing law or by legislation as proposed in the preceding section."

Section 3 (c) has also been misinterpreted as suggesting that full employment really is to be accompanied by additional Federal expenditures and that only lip service is paid to the various policies enumerated under 3 (b). The true intent of the bill could be expressed more unequivocally by adding the words: "in combination with the other measures recommended in the National Budget," after the words "as will be sufficient," on page 6, line 2. I also wonder whether it might not be appropriate to insert the word "deemed" before the word "sufficient" on page 6, line 2.

The last sentence in section 3 (c) might be interpreted as indicating that the bill considers public works construction programs as the most important item in the Federal investment and expenditure programs. If this is not the intention, the text might be clarified by referring also to other than public works expenditures in the same paragraph.

The bill places considerable emphasis
planning Federal expenditures as a mean
promote full employment. Tax policy
mentioned only as one of the various poli
enumerated by way of illustration in sect
3 (b). I wonder whether it would not
desirable to give greater emphasis to
effect that tax policies may have on empl
ment.

Very truly yours,

HAROLD D. SMITH,
Director

APPENDIX

A POSSIBLE PROCEDURE FOR THE DEVELOPMENT
ESTIMATES FOR THE NATIONAL BUDGET UN
S. 380

Section 3 (a) of the full employment
requires two main types of estimate: (1)
volume of aggregate expenditures required
produce full employment; and (2) the p
spective volume of expenditures, not tak
into account any increased or decreased
vestment or expenditures which might be
pected to result from the programs set fo
in the Budget.

The procedure for preparing these e
mates should assure that all available inf
mation of the agencies of the Federal G
ernment, of State and local governments, a
of private organizations be utilized. It
also essential that the procedure be kept
flexible as possible so that revised estima
can be made available to Congress whene
changing conditions require.

A first tentative summary of the two ty
of estimates to be included in the Natio
Budget would be prepared in the Execut
Office of the President in consultation w
experts from a few Federal Government ag
cies particularly concerned with over-all p
jections, such as the Department of Co
merce, the Department of the Treasury,
Department of Labor, the Department
Agriculture, and others.

The summary statement would then
broken down into its component parts. W
the aid of research facilities available in su
agencies as the Departments of Commer
Labor, and Agriculture, estimates of such
tails would be made which are implied in, a
are consistent with, the over-all estima
prepared in the first round. It would
shown, for example, with respect to the g
as well as to the projections, what amount
residential construction, automobile prod
tion, railroad transportation, what wage
velopments, hours of work, exports and i
ports are implied in the over-all estimates

These detailed estimates would then
used as a basis for discussion with expe
outside the Federal Government in indus
agriculture, labor, finance, State and lo
governments, and other fields. They wo
be asked to comment on the estimates
those specific fields with which they
mainly concerned. Contact with indust
experts, for instance, would be establish
through the Department of Commerce, w
labor experts through the Department
Labor, with agricultural experts through
Department of Agriculture, etc. These
partments would analyze the comments ma
by these various nongovernmental expe
A similar method would be used for conta
ing State and local governments through
agency designated for this purpose. Utiliz
these comments and analyses, a revised dr
of the over-all projections would be prepa
in the Executive Office of the President, ag
in consultation with the experts of the F
eral agencies particularly concerned. Th
the final revised set of National Budget g
and projections would be developed for s
mission to the President.

The procedure for compiling these e
mates would have to start probably in J
or August in order to have the final estima
available in December as material for
National Budget to be transmitted by
President.

out that estimates indicate there are 1,500,000 disabled persons who could be benefited by services available through these State services and that to this number are added annually many thousands disabled by accident, disease, or congenital conditions.

The Government-sponsored effort in behalf of the civilian disabled, Mr. Shortley said, was begun just a quarter of a century ago but the legislation making possible the many services now available to the handicapped was enacted less than 2 years ago.

"These services," he said, "will continue year after year, since we will probably never devise ways to eliminate all accidents and crippling diseases."

The Federal Security Administrator's decision to recommend the holding of rehabilitation clinics throughout the country was based, Mr. Shortley added, on reports he had received through the Office of Vocational Rehabilitation on the success of such efforts already made in many communities. The clinics, which will be held during rehabilitation week, he explained, will be organized by States and communities, following the general pattern of those already held. Notice will be given that on certain days physicians and surgeons will examine every disabled person who asks for help. If his disability can be removed or reduced, medical care or surgery will be provided. If the applicant cannot afford to pay for such service the costs will be borne by the State. Hospitalization, up to 90 days, will also be provided if necessary.

The work of the medical men will be supplemented by that of vocational experts who will talk with applicants about the kind of work they can do or want to do. The final step, Mr. Shortley pointed out, is to get a job for each handicapped worker.

HOSPITALIZATION OF WAR VETERANS IN NEBRASKA

Mr. BUTLER. Mr. President, on April 5 I addressed to General Hines of the Veterans' Bureau a communication containing considerable data with reference to hospital facilities in the State of Nebraska, and a few days ago I received a letter from Reed O'Hanlon, commander of the American Legion, department of Nebraska, covering the same subject. I ask to have inserted in the body of the RECORD at this point a quotation from the letter I wrote to General Hines, his reply to me, and also the communciation I received from the commander of the American Legion, Department of Nebraska, enclosing a resolution.

There being no objection, the letters and resolution were ordered to be printed in the RECORD, as follows:

APRIL 5, 1945.

It would seem that Nebraska has been bypassed in the matter of being provided with hospital beds for veterans in need of hospitalization. In comparing the number of hospital beds to the number of men discharged from World War No. 1, it would seem that every State which boders on Nebraska has been favored in the expansion of hospitals program over Nebraska.

The State of Wyoming had 12,348 men in World War No. 1 and today has 745 hospital beds available in Veterans' Hospitals, serving both general medical and mental cases. This would give the State of Wyoming 62 beds for each 1,000 veterans.

The State of Kansas had 81,724 men in World War No. 1 and at the present time has approximately 2,369 hospital beds, plus the new facility that is to be opened at Camp Phillips, Salina, Kans., of about 2,000 beds. This will give the State of Kansas approximately 53 beds per each 1,000 veterans and the facilities are for general medical, mental, and domiciliary care.

The State of South Dakota had 32,017 men in World War No. 1. At the present time they have approximately 2,632 beds available for general medical, tubercular, and domiciliary care. In addition to the above there is to be a new hospital built at Sioux Falls consisting of 150 beds. Without the new hospital at Sioux Falls, South Dakota has approximately 87 beds for each 1,000 veterans.

The State of Iowa had 114,292 men in World War No. 1 and have approximately 1,655 hospital beds at the present time for mental and general medical cases, or approximately 15 beds for each thousand veterans.

The State of Colorado had 43,421 veterans in World War No. 1 and have 805 hospital beds at this time for mental cases, or an average of 19 beds for each 1,000 veterans.

The State of Nebraska had 57,329 veterans in World War No. 1 and have at the present time 280 general medical beds available or a total of 5 beds per each 1,000 veterans of World War No. 1. In addition, approximately 11,000 men have been returned to Nebraska from the present war which makes the immediate potential load approximately 68,000 veterans and would mean that we only have 4 beds available for each 1,000 veterans. Should the war terminate suddenly and the total of 115,000 veterans be discharged, they would immediately become a potential hospital load and Nebraska would have for each 1,000 veterans only 1.6 percent beds available. Before the present war the Lincoln facility had hundreds of men on the waiting list at different periods. It would seem that no definite provisions have been made for the expansion of the Lincoln facility to take care of this potential load upon the discharge of the men from the service. Steps should be taken immediately to double the present capacity and eventually to increase it to 750 beds.

VETERANS' ADMINISTRATION,
Washington, D. C., April 20, 1945.

Hon. HUGH BUTLER,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BUTLER: Further reference is made to your letter of April 5, 1945, which forwarded a copy of a memorandum that you received from a friend in Nebraska relative to the hospitalization of war veterans.

It is noted that the study is based on the estimated veteran population of each State. The Veterans' Administration, however, in determining the number of hospital beds required, does not consider the number of veterans residing in any State but those veterans residing in the area that is closer to a hospital of a given type than to any other hospital of the same type. In other words, veterans who reside within Nebraska now have general medical and surgical facilities available to them at the Veterans' Administration hospitals at Lincoln, Nebr.; Cheyenne, Wyo., and Hot Springs, S. Dak. The new hospital that has been authorized for Sioux Falls, S. Dak., will serve those veterans residing in northeast Nebraska. Hospitalization for nervous and mental cases for that area is provided at Knoxville, Iowa; Fort Meade, S. Dak.; Wadsworth, Kans., and Fort Lyon, Colo.

Of the 95 Veterans' Administration hospitals now in operation, 13 are predominantly for the care of tuberculous cases; 31 for neuropsychiatric cases, and 51 for general medical and surgical cases. Our hospitals are augmented by the utilization of beds in approximately 40 Army, Navy, and Marine hospitals.

Our policy has been to provide hospital services for all types of cases to veterans in any part of the country within reasonable distances of their homes, and to have hospital services equally available in all parts of the country. It will be recognized, however, that reasonable distances cannot be the same in sparsely populated areas as in the large metropolitan centers.

Our over-all hospital requirements are now being reviewed and you may be assured that careful consideration will be given to the providing of adequate facilities for the Nebraskan veterans.

Very truly yours,

FRANK T. HINES,
Administrator.

THE AMERICAN LEGION,
DEPARTMENT OF NEBRASKA,
Blair, Nebr., May 9, 1945.

Hon. HUGH BUTLER,
United States Senate,
Washington, D. C.

DEAR SENATOR BUTLER: I have been directed by the executive committee of the American Legion, Department of Nebraska, to forward for your consideration a resolution passed at their meeting of May 2, 1945, concerning the urgent need for an additional veterans' hospital in Nebraska. Unless some definite action authorizing the construction of at least one additional hospital in this State is taken in the near future, the delay before actual construction can be completed is going to cause a serious situation in this State.

The Department of Nebraska has no direct interest in the location of such additional facilities, feeling that this should properly be left to proper authority. We are deeply concerned, however, with the delay in the Veterans' Administration, notwithstanding congressional authorization, for additional facilities. It is our hope that you will find time, busy as you are, to personally urge General Hines to make a definite commitment.

Sincerely,

REED O'HANLON.

RESOLUTION

Whereas it is the belief of war veterans of Nebraska that the construction program for Veterans' Administration hospitals has been conducted along entirely too conservative lines, especially in view of the anticipated need for new hospitals and new beds, which should be in readiness before any emergency occurs; and

Whereas experience in the past has proven that the present veterans' hospital facilities in Nebraska are inadequate even for the veterans of wars prior to World War No. 2, as we have seen long waiting lists of men desiring hospitalization and in need of it; and

Whereas a comparison of Veterans' Administration facilities available to veterans of Midwestern States shows that the Nebraska veterans are the victims of unjust discrimination in respect to the facilities provided for them, as shown by the following table:

State	Men in World War I	Veterans' Administration hospital beds	Beds per 1,000 men
South Dakota	32,017	[1] 2,632	87
Wyoming	12,348	745	62
Kansas	81,724	4,369	53
Colorado	43,421	805	19
Iowa	114,292	1,655	15
Nebraska	57,329	280	5

[1] Does not include 150-bed hospital now authorized.

Therefore be it resolved by the department executive committee of the American Legion, Department of Nebraska, in regular session convened this 2d day of May 1945, That we demand that the war veterans of Nebraska be given the consideration to which they are entitled in the way of hospital facilities in their own State, and that

the Veterans' Administration be urged to proceed with a construction program, in accordance with the provisions of the GI bill of rights, which will provide adequate hospital facilities in Nebraska for the war veterans of this State, that the situation may not become a stark tragedy when veterans of World War No. 2 return home; and be it further

Resolved, That copies of this resolution be forwarded to Gen. Frank T. Hines, Administrator of Veterans' Affairs; to all Members of the Nebraska delegation in the Congress of the United States, and to Edward McKim, chief administrative assistant to President Truman.

COTTON STOCKS OWNED AND POOLED BY COMMODITY CREDIT CORPORATION

Mr. EASTLAND. Mr. President, a large part of the gloomy picture facing the American cotton industry in the postwar years was cleared up by an announcement made last Saturday by the Commodity Credit Corporation. This announcement was one of the most significant made by a Government agency in many years. The Commodity Credit Corporation announced figures of cotton stocks owned and pooled by it, which showed that, in fact, there is no surplus of cottons of the grades and staples normally consumed in the United States.

A few years ago the owned and pooled stocks of the Corporation totaled 7,000,000 bales. This has now been reduced to 3,476,000 bales of cotton. Of this remaining amount approximately 49½ percent is nontenderable on the exchanges. More than two-thirds of this amount, or 2,328,000 bales, is cotton of 29/32's staple and shorter. This cotton is not normally used in the United States and is of little value to the American textile industry.

Mr. President, many persons think a bale of cotton is a bale of cotton; whereas, by counting the number of bales without regard to demand, grade, or classification one can get an impression of a surplus when in reality none exists. What are the facts? The United States uses cotton of fifteen-sixteenths inch staple and longer. The Commodity Credit Corporation owns only 1,148,000 bales of cotton of this length, and this includes all grades. Of all cotton stocks controlled by the Commodity Credit Corporation fifteen-sixteenths inch through 1 3/32 in staple, and strict Low Middling and better in grade there remain only 548,000 bales, more than half of which is irrigated cotton. Furthermore, the Corporation has reduced its stocks of all grades of cotton from 1 1/16 through 1 3/32 to only 428,000 bales. This high quality cotton could have been sold, since there is a ready market for it but it is being held by the Government pending determination of Army requirements. It is safe to assume that this cotton will be consumed by the American Army in the war against Japan. These are small amounts indeed when it is remembered that American textile mills are consuming 850,000 to 900,000 bales a month.

The Commodity Credit Corporation has done all this and has acquired a surplus for the Government of $98,000,000 on its cotton operations.

Mr. President, last year the senior Senator from Tennessee [Mr. McKELLAR], the junior Senator from Arizona [Mr. McFARLAND], and I offered an amendment to the surplus property disposal bill which created the present export subsidy program. This program has been administered by Mr. C. C. Smith, Director of the Cotton Section of the Commodity Credit Corporation. Mr. Smith is one of the ablest men in public service and he has administered a difficult and complicated task with great benefit to the cotton trade and the war effort.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. STEWART. I heard the Senator mention the name of Mr. Smith, the head of the Commodity Credit Corporation. I think he has done a most excellent job, of which we can all feel proud. The Senator has already complimented Mr. Smith in the remarks which he has made. I ask the Senator if he does not think that the work of Mr. Smith has been outstanding?

Mr. EASTLAND. I believe that Mr. Smith is one of the most intelligent and able men in the Government service. He has certainly done an outstanding job, because he has marketed a tremendous cotton surplus, and removed it from the market without destructive effects on prices, and without injury to that part of agriculture engaged in the cotton business. This marketing achievement marks the first time that a Government-owned surplus has been worked off without depressing the price.

Under the Commodity Credit Corporation program we have been exporting for cash an average of 80,000 bales of cotton a month. These figures do not include cotton which was exported under lend-lease. However, it can be said that there have been heavy shipments abroad under lend-lease. Last week the Commodity Credit Corporation sold more than three-quarters of a million bales of cotton, which is the biggest week's business in its history. In addition to the foregoing exports, inquiries have come from Switzerland, Norway, Sweden, Holland, and Belgium regarding the additional purchase of cotton for cash. From all appearances exports for cash in the next 12 months will run three times greater than in the past 12 months. Te present export subsidy program has been and is a lifesaver to the cotton farmer.

Mr. President, there is now no surplus of cottons normally consumed by American mills, and the shorter cottons on hand will be disposed of with the reopening of the channels of trade to Europe and the Orient when world conditions permit.

In addition to the reduction of the surplus, the prospects for a cotton crop were never darker than this year. Private sources estimate that there will be only nineteen to nineteen and one-half million acres planted to cotton in America in 1945. This is the lowest cotton acreage since 1892. Moreover, the new crop is off to a very late start and, with farmers confronted with an acute shortage of labor and implements, it appears at this time that we shall have a very short cotton crop. All these factors indicate that we shall go a long way this year in working down our recent ruinous surplus to normal levels.

Mr. President, I bring these matters to the attention of the Congress to correct the totally erroneous impression of the dark position of American cotton due to the alleged overwhelming surplus, and to clarify the reality of the cotton situation so far as Government-owned stocks are concerned.

Now that the surplus has been reduced to manageable proportions, it behooves the Congress to enact legislation to prevent the accumulation in the future of another great price-depressing cotton surplus which has wrought such ruin to the entire American economy. While the surplus has dwindled under the export-subsidy amendment, I do not believe this program can be a permanent solution. A subsidy is essential under the present system, and must be retained so long as the present system exists As a permanent policy the full-parity export bill introduced by the Senator from Alabama [Mr. BANKHEAD] and myself offers a long-range solution to the farm problem, not only for cotton, but for all other crops of which we produce a peacetime surplus. In normal times a subsidy alone will not suffice because it does not provide dollar exchange with which foreign nations can buy our crop surpluses. There can be no real cure for the farm problem until the Congress enacts legislation whereby our surplus agricultural production can be exchanged for foreign goods. This is essentially the program of our bill. By its provisions and under proper management it is entirely possible that all surpluses will be permanently removed and the farmers will receive full parity for all their production.

PLANNING OF RURAL ELECTRIFICATION PROJECTS

The Senate resumed the consideration of the bill (S. 89) to provide for the planning of rural electrification projects, and for other purposes.

The PRESIDENT pro tempore. The first amendment of the Committee on Agriculture and Forestry will be stated.

The first amendment of the Committee on Agriculture and Forestry was, in section 2, page 3, after line 11, to strike out "annually, beginning with the fiscal year ending June 30, 1945," and to insert "for each of the fiscal years 1946, 1947, and 1948," so as to read:

Be it enacted, etc., That it is hereby declared to be the policy of the Congress to provide for the immediate preparation of comprehensive plans and programs to facilitate and expedite the electrification of rural areas in the several States and Territories to the fullest extent possible, as soon as materials and manpower are available, in order to improve the standard of living and the economic condition of persons residing in rural areas and further to provide employment opportunities and demands for materials and manufactures.

SEC. 2. (a) The Administrator of the Rural Electrification Administration is authorized and empowered immediately to prepare comprehensive plans and programs for the electrification of rural areas to the fullest extent possible, and to collect such information as he may require to develop projects which comply with the requirements of the Rural Electrification Act of 1936, as amended (U. S. C., title 7, secs. 901–914, inclusive), including, without limitation, the assembly of factual data indicating the extent of the need and

demand for rural electrification, the making of engineering studies, the preparation of maps and supporting explanatory material, and the preparation of loan applications: *Provided, however,* That the Administrator of the Rural Electrification Administration shall cause to be included in the amount of any loan hereafter made to any borrower that part of the moneys expended by the Administrator of the Rural Electrification Administration for the purposes of this section which he shall determine to be properly chargeable to such borrower.

(b) In order to carry out the provisions of this act, the Administrator of the Rural Electrification Administration may, without regard to the provisions of law relating to the making, performance, amendment or modification of contracts, or to the obtaining of personal services, obtain or employ, by contract or otherwise, the services and facilities of such persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples utility districts and cooperative, nonprofit, or limited-dividend associations organized under the laws of any State or Territory of the United States, as have received or may receive loans from the Administrator pursuant to the Rural Electrification Act of 1936, and may exercise the authorities described in section 11 of the Rural Electrification Act of 1936.

(c) There is hereby authorized to be appropriated for each of the fiscal years 1946, 1947, and 1948, a sum not exceeding $5,000,000, which shall be used to carry out the provisions of this section.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

Mr. LUCAS. Mr. President, on January 6 last I caused to be introduced in the Senate a bill which is identified as Senate bill 89. It provides for the planning of rural-electrification projects and for financing them. When the bill was introduced it was referred to the Senate Committee on Agriculture and Forestry. The distinguished chairman of that committee, the Senator from Oklahoma [Mr. THOMAS], appointed a subcommittee to study the bill. After hearings were held by the subcommittee the bill, with some amendments, was reported favorably to the entire Committee on Agriculture and Forestry. The committee unanimously reported the bill to the Senate, and the bill, with the amendments, is now pending before the Senate for consideration today.

Before discussing the essential features of this important measure, I deem it advisable to refer for a moment to the 1936 Rural Electrification Act, and to call the attention of the Senate and the country to the immeasurable amount of benefit which has accrued under the administration of that measure, as it was passed by the Senate and the House of Representatives. Perhaps the most expeditious way to present the results is to turn to page 3 of the report and to read to the Senate exactly what has been accomplished in the way of loans to cooperatives throughout the Nation, the amounts returned, and so forth. There we find that under the act advances of funds have been made to a total of 875 borrowers.

Five hundred and seventeen million six hundred and ninety-nine thousand nine hundred and forty-six dollars and seventy-nine cents has been allotted to borrowers.

Four hundred and six million three hundred and seventy thousand seven hundred and twenty-two dollars and twenty-seven cents has been advanced to borrowers.

The amounts due total $68,295,712.18.

The amounts paid total $85,965,243.36.

I read further from the tabulation on page 3 of the report:

Construction and energy statistics:	
Consumers connected	1,214,149
Miles of line energized	409,110
Consumers connected—calendar 1944	127,785
Kilowatt-hours of energy billed—calendar 1944	1,920,883,777
Amount paid for energy consumed	$63,811,622
Number of borrowers with advance payments	601

From the report we also find that there have been advance payments in the amount of $18,085,514.06. That is a very interesting feature.

We also find that there are only 77 borrowers with payments overdue more than 30 days, totaling $373,959.18.

I may say on that point that, small as that amount is in comparison with the payments made on time or the payments made in advance, it does not fairly measure the relinquencies resulting from inability to pay, because the total figure includes many payments which have been delayed more than 10 days because of reasons other than inability to pay. I mention that point because a number of cooperatives had borrowed money and had their electrical equipment partially completed when the War Production Board, because of war requirements, was compelled to order the cessation of any further sending of such essential and critical materials to the cooperatives.

Briefly, Mr. President, that is the picture of what the Rural Electrification Administration has done up to date.

Mr. HILL. Mr. President, will the Senator yield at this point?

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Illinois yield to the Senator from Alabama?

Mr. LUCAS. I yield.

Mr. HILL. I have been very much interested in the figures the Senator has been stating. I wonder if he can give us the over-all figure for the number of farm homes which today throughout the Nation are receiving electricity through the Rural Electrification Administration.

Mr. LUCAS. The over-all number of farm homes throughout the Nation which are receiving electricity is, as I recall, 1,200,000. I will later state the exact figure for the RECORD if I am in error in that statement.

Mr. HILL. I thought that information would be interesting, along with the other interesting figures the Senator has given the Senate.

Mr. LUCAS. The Senator is correct, and I am glad he asked that question. If the figure I have stated is not the correct one, I shall replace it with the accurate figure in due course.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. LANGER. Can the Senator tell us what percentage of the farmers or how many farmers have Rural Electrification Administration service and what percentage of the farmers do not have it?

Mr. LUCAS. That record is here, but it may take me a little time to find the figure. I wish to be accurate in regard to the numbers referred to. If the Senator will repeat his question a little later, by that time I shall have had a chance to examine the record and to find the exact figures, and I shall be able to answer the Senator's question correctly at that time.

Mr. LANGER. Will the Senator yield now for another question?

Mr. LUCAS. I yield.

Mr. LANGER. I notice the bill refers to "electrification of rural areas in the several States and Territories." What Territories does it include?

Mr. LUCAS. It includes the Philippines, Puerto Rico, and all the other Territories of the United States.

Mr. LANGER. Very well; I thank the Senator.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SHIPSTEAD. My information is that approximately a million and a half farmers are now receiving benefits of rural electrification, and that the R. E. A. is serving approximately 7,000,000 people in the farm communities of the United States.

Mr. LUCAS. Mr. President, the clerk has called my attention to page 3 of the report for which I was looking. The Secretary of Agriculture, Mr. Wickard, who testified before our committee, stated that 1,200,000 rural homes were being served by the R. E. A. That information is in line with the figures which I gave a moment ago. The Secretary of Agriculture also stated that 15,000,000 rural homes, including farm and nonfarm homes, are eligible to receive rural electrification service. That answers the question propounded by the Senator from North Dakota.

Mr. LANGER. I thank the Senator.

Mr. LUCAS. Mr. President, the record which I have just explained to the Senate is, indeed, an impressive one. I seriously doubt whether any other agency within the Government, dealing at the present time with the loaning of money to its people, has a more efficient and more economical record than has the Rural Electrification Administration. That is one of the primary reasons why last January, the Senator from Illinois saw fit to introduce a bill which would further develop and further promote rural electrification throughout America. We have made a magnificent start; but there remains much to be done if we complete the job within the next 5 or 10 years, and do so along the lines of affording efficient and economical electricity for the rural folk of the Nation.

One of the first features of the pending bill will be found in section 2 (a) on page 2. Perhaps first by reading it, I may give information pertaining to it in the best manner:

SEC. 2. (a). The Administrator of the Rural Electrification Administration is authorized and empowered immediately to prepare comprehensive plans and programs for the electrification of rural areas to the fullest extent possible, and to collect such information as he may require to develop projects which comply with the requirements of the Rural Electrification Act of 1936, as amended (U. S. C., title 7, secs. 901–914, inclusive), including, without limitation, the assembly of factual data indicating the extent of the need and demand for rural electrification, the making of engineering studies, the preparation of maps and supporting explanatory material, and the preparation of loan applications.

Paragraph (c) of section 2 reads:

(c) There is hereby authorized to be appropriated for each of the fiscal years 1946, 1947, and 1948, a sum not exceeding $5,000,000, which shall be used to carry out the provisions of this section.

Mr. President, that language would authorize an appropriation. It is well to remember that it is distinguished from language later appearing which authorizes and directs the Reconstruction Finance Corporation to furnish the money to accredited applicants for Rural Electrification Administration loans. The reason for such innovation is simply that this money which is now being appropriated for the primary purpose of giving to the Administrator of Rural Electrification and his subordinates authority to make a comprehensive study of the entire rural area of America. There are good reasons for doing so. Heretofore the cooperatives themselves have always taken the initiative. We want them to continue doing so because this is truly a cooperative plan. It is not one in which the Government is to intervene or interfere anymore than to give advice and counsel, as a result of its experience and knowledge obtained through this comprehensive survey and planning. For example, a 600-mile line is requested by a cooperative where, in reality, a 1,000-mile line would be more profitable and more economical. This is where the R. E. A. experts can be of unmeasurable help.

In proving that point, I wish to quote a letter which I received only last week from a cooperative in the State of Illinois. It will show how difficult it is for local people to plan properly for the future in a new field where we have never trod before. Under the pending bill we hope to avoid any mistakes which might have been made because of the lack of proper planning in the early days of rural electrification. Here is a part of the letter:

DEAR SENATOR: Due to the serious position into which our R. E. A. cooperative * * * is drifting—a matter about which we, as a cooperative, can do little to prevent as conditions are now and promise to be for some time—I feel that I, as president of the board of trustees, should write you, in a heart-to-heart and confidential way about the situation that is developing.

The situation is this: We, as a cooperative, started operation just 5 years ago and have grown steadily during that time until now there are nearly 1,000 miles of line serving almost 3,000 rural members.

I shall exclude the territory through which this line extends because the writer of the letter wants it to be kept confidential.

During this period of time we have met every payment regularly and paid $168,000 on the loan in advance to serve as a cushion of credit, if needed at some future time. We have also invested nearly $26,000 in United States bonds.

Almost anyone would say, "That surely is a good record." It isn't bad, I am sure.

But now we are confronted with this situation: We have made about the last extension that we can make until our main lines are rebuilt. They were built too light from the first. We are not blaming anyone, but the recommendation and advice of R. E. A. was too little and too light originally. There are applications for extensions coming in almost every day, and there isn't much we can do about it. Low voltage stands in our way. Larger transformers were put in at our substations and every device has been used that we know of to keep up the voltage until we are at the end of our capacity.

That is a situation which the pending bill would meet because, under it, the experts of the R. E. A. who have been acquiring specialized knowledge and experience for a period of years are in position to give to the new cooperative which is about to be established in Illinois, or in any other State, the proper advice and counsel as to the kind of power station it should build in order to carry the current load of electricity to meet the demand of all users who will be served by that particular cooperative. That is one of the constructive features of the bill.

I wish it to be distinctly understood that we do not intend to tell the cooperative what it must or must not do. The pending legislation is not designed to bludgeon the cooperative into doing something which it does not believe would be economical and feasible. That subject was considered thoroughly in the committee. In other words, we wish to maintain cooperatives free from governmental interference. That is the theory of the bill. Yet, at the same time, we wish to give to the cooperative any advice and counsel which may be necessary along engineering and other lines—trying to point out to the new cooperative means by which it can be benefited if it follows the advice of the experts in the R. E. A.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TUNNELL. I was about to ask the Senator from Illinois if the various amounts set forth on page 4 of the bill, such as $35,000,000, $70,000,000, $200,000,000, and so forth, are all authorizations for loans.

Mr. LUCAS. The answer is "No." I may say to my able friend the Senator from Delaware that I am now discussing only the $5,000,000 loan for 3 years, which deals only with the expenses which the Administrator may use in further development of this huge program throughout America. In a moment I shall come to the authorization of loans under a different section of the bill.

Mr. President, I wish further to state with respect to the $5,000,000 that we are asking to have authorized, that the Administrator will be required each year to make a proper showing before the Appropriations Committee as to the amount of money necessary to carry on this work; in other words, it might be only a half a million dollars; it might be only $100,000. Then, in addition to that—and this should be remembered—when a group in a given cooperative territory files a petition to become a cooperative and the petition is granted by the Administrator, the amount of money spent in counsel fees or in engineering fees or whatever is expended in connection with that cooperative, is included in the loan which is ultimately made to the cooperative, so that the money will eventually come back to the Reconstruction Finance Corporation.

Mr. TUNNELL. The Senator is going to refer, is he, to the other amounts?

Mr. LUCAS. I shall do that in a moment.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senatory from North Dakota?

Mr. LUCAS. I yield.

Mr. LANGER. Unfortunately I shall have to leave the Senate Chamber in a few moments. I am very much interested in this bill, but am somewhat confused by the language at the bottom of page 3 of the report, the last three lines, which read:

Except that not more than 10 percent of such remaining 50 percent may be allotted to any State or in all of the Territories.

Does that mean that only 10 percent can be used in Alaska and Puerto Rico?

Mr. LUCAS. That is my understanding. That is the way the law is at the present time.

Mr. LANGER. I am much interested in Alaska, for example, and in Puerto Rico, and I do not see why there should be such a distinction made. I think they should be treated the same as a State.

Mr. LUCAS. I can only say to the Senator that the provision which he has just read is in the Basic Act of 1936, and no reason why it should be changed was presented. There may be good reasons, but none were presented.

Mr. President, I shall now discuss section 3. In this section, the bill provides additional funds for loans in accordance with sections 3, 4, and 5 of the Original Act of 1936. We authorize the sum of $35,000,000 for the fiscal year ending June 30, 1945, in addition to the amount authorized for this purpose by the Agricultural Appropriation Act of 1945; $70,000,000 for the fiscal year ending June 30, 1946, which amount shall be in addition to the amount authorized by the Agricultural Appropriation Act of 1946; $200,000,000 for the fiscal year ending June 30, 1947, and $200,000,000 for the fiscal year ending June 30, 1948.

Section 3 ties in with the previous sections insofar as the 3-year program is concerned. Until now the Rural Electrification Act has been operating on a yearly basis, and we believe, in view of the tremendous problems which will arise in the postwar period and in view of the fine record the Rural Electrification Administration has made during the last 5 years, that it is advisable to carry on the program over a 3-year period. That was approved by the committee.

Mr. OVERTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Louisiana?

Mr. LUCAS. I yield to the Senator from Louisiana.

Mr. OVERTON. The bill declares that the authorization for the appropriation for the fiscal year ending June 30, 1945, shall be $35,000,000, "which amount shall be in addition to the amount authorized for this purpose in the Department of Agriculture Appropriation Act, 1945." There is a similar provision in reference to the fiscal year ending June 30, 1946, except the authorization is $70,000,000. How much balance is there on hand in the Department of Agriculture to be added to the $35,000,000, and how much to be added to the $70,000,000?

Mr. LUCAS. I am not sure about the balance, but as I recall it, the testimony shows that on April 2 the Administration had $2,500,000 available for allotment but only $700,000 was available for immediate use. The truth of the matter is that many groups throughout the country are trying to form cooperatives, and the Department of Agriculture, or the Administrator, are unable to make the allotments because of the lack of funds. That was testified to, and I know of my own personal knowledge, after talking with officials of the Agricultural Department, that they have absolutely no money to carry on a great portion of the program insofar as actual allotments are concerned. While June 30 is only a short time away, nevertheless we believed that it was worth while to authorize an appropriation for the current year in view of the requests now pending before the R. E. A. As I recall, about $25,000,000 appropriated by the Agricultural Department appropriation bill for the fiscal year 1945, of which a very small amount is left.

Mr. OVERTON. I assume that this language refers not to the original amount authorized but to the balance on hand.

Mr. LUCAS. The Senator is correct; it includes whatever may be left, and not the original amount.

Mr. OVERTON. For the fiscal year 1946, $150,000,000 was originally provided in the bill. That was stricken out and $70,000,000 inserted in lieu thereof, with the additional words, "which amount shall be in addition to the amount authorized for this purpose in the Department of Agriculture Appropriation Act, 1946." I assume that amount must be about $80,000,000, and that the two total $150,000,000.

Mr. LUCAS. The Senator is correct about that. The Appropriations Committee authorized $80,000,000 for this purpose. The bill originally authorized $150,000,000. We struck out "$150,000,000" and inserted "$70,000,000" in order to conform with the original purpose of the bill and at the same time comply with what the Appropriations Committee had done.

Mr. OVERTON. For the fiscal year 1947 there has been no appropriation for the Department of Agriculture.

Mr. LUCAS. There has not been.

Mr. OVERTON. I thank the Senator.

Mr. LUCAS. I might add while I am discussing this part of the bill that, of course, all this money as everyone knows, is loaned and the primary reason that I went into the record of the R. E. A. over the last several years was to demonstrate to the Senate and to the country the efficiency and the economic administration we have had. In other words, if we continue to go along—and I see no reason why we should not—with this fine program, there will be very little of this money ever in default during the next 5 or 10 years. It is not like a grant, such as Congress constantly makes to States for one purpose or another, but it is something that the taxpayers of America are going to get back. It is purely a loaning agency and nothing else. So we thought that the amounts involved were not too much under those circumstances.

Referring to paragraph (b), section 3, of the bill we made a slight change there. The amount which can be obligated to borrowers in any 1 fiscal year is properly set forth in paragraphs (c) and (d) of section 3 of the present law:

(c) Fifty percent of the annual sums herein made available or appropriated for the purposes of this act shall be allotted yearly by the Administrator for loans in the several States in the proportion which the number of their farms not then receiving central-station electric service bears to the total number of farms of the United States not then receiving such service. The Administrator shall, within 90 days after the beginning of each fiscal year, determine for each State and for the United States the number of farms not then receiving such service.

(d) The remaining 50 percent of such annual sums shall be available for loans in the several States and in the Territories, without allotment as hereinabove provided, in such amounts for each State and Territory as, in the opinion of the Administrator, may be effectively employed for the purposes of this act, and to carry out the provisions of section 7: *Provided, however,* That not more than 10 percent of said unallotted annual sums may be employed in any one State, or in all of the Territories.

That is on an annual basis. We have left those provisions as they are for 1 year, but unless during that time the States come forward with their plans, then the Administrator is given the right to make these allotments during the following 2 years where he believes electricity should be used.

This is done for the reason that there are some States, for instance, where the farmers get electricity from public utilities and not from cooperatives. Connecticut is one, Rhode Island is another, Massachusetts is another, as I recall, so there is no reason for tying up money for those States for a period of 3 years, and not permitting other States, such as Louisiana, Illinois, Delaware, States where the people are interested in the program, to use that particular money. Furthermore, there are some States where the utility companies, backed by the regulatory bodies of the States, are also constantly attempting to retard rural electrification. That is the reason for the provision, and the committee agreed upon it unanimously.

Mr. President, I have given the explanation of the principal features of the bill which was introduced by me some time ago. There is another amendment to the bill, which takes the Rural Electrification Administration away from the Department of Agriculture and establishes it as an independent agency. The senior Senator from Minnesota [Mr. SHIPSTEAD], who is not on the floor at the moment, was the one who was vitally interested in that amendment, and he presented it before the Committee on Agriculture and Forestry. As I recall, the amendment was adopted in committee by a vote of 13 to 6. I voted against the amendment. At that time I was in consultation with the President of the United States, attempting to ascertain his position with respect to converting the Rural Electrification Administration back to an independent agency. He said he wanted further time to study the problem. At this point I shall not make any argument against making R. E. A. again an independent agency. Candidly, it makes but little difference to me whether it remains under the Department of Agriculture or returns to an independent status.

Mr. President, this all grows out of the controversy which arose when Harry Slattery was the Administrator, a controversy with which all Members of the Senate are familiar. If we take the R. E. A. out of the Department of Agriculture and make it an independent agency, and do not get the right type of individual to head the Administration, and trouble shall arise in the future, as it did with Mr. Slattery, we will have no one between the President of the United States and the Administrator as a buffer, so to speak, but the argument will be direct between the President and the Administrator. So it does not seem to me to be so vital.

On the other hand, we hear certain Senators constantly presenting the argument that we should merge all these agencies, and put them under one great head, as was done by President Roosevelt in the reorganization bill when we put R. E. A. under the Department of Agriculture. On the other hand, we find here the tendency to get away from that and make the R. E. A. an independent agency.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BUTLER. The Senator from Illinois just made the statement that the vote in the Committee on Agriculture and Forestry was 13 to 6, and he followed that by the statement that what is proposed now is the outgrowth of some trouble that arose concerning a previous administrator.

I should like to clarify that just a little in regard to myself, because I was not a member of the Committee on Agriculture and Forestry at the time the controversy took place, and I know very little about it except what appeared in the public press at the time. However, I voted very conscientiously in the group of 13 who favored making the agency independent again, and I think for one very good reason, which I should like to state at this time, with the consent of the Senator from Illinois.

The Administrator of R. E. A. is selected and appointed for a term of 10 years, I believe.

Mr. LUCAS. The Senator's statement is correct.

Mr. BUTLER. At the present time, while the Administration is operating as an agency within the Department of Agriculture, the Administrator is under the general supervision of the Secretary of Agriculture, who is selected for a period of 4 years or less. It is easily possible that the Administrator of R. E. A. could serve under three different Secretaries of Agriculture, in the normal course of events. Each of the three Secretaries might have entirely different ideas as to the general management of the rural-electrification program, and I think that if for no other good reason, the agency should be placed on an independent basis again, so that Congress could dictate as to the general over-all policy, and the general supervisors would not be changed three times, possibly, while one Administrator was serving out his term.

Mr. LUCAS. I thank the Senator from Nebraska. His argument is sound, and perhaps it was a little unfair for me to say, or even to imply, that the members of the Committee on Agriculture and Forestry voted for the change because of the controversy which existed between Slattery and the officials of the Department of Agriculture. I might say, however, that in my opinion that controversy probably brought the matter to a focus more quickly than otherwise would have been the case. We must remember that the Rural Electrification Administration was originally an independent agency, and the President, through the reorganization bill, placed it under the Department of Agriculture, where it has been since. I believe, however, that the controversy brought the situation to a head, and probably was responsible for the proposed change. I doubt if this amendment would be in the bill today if it had not been for that controversy.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. The bill provides $200,000,000 for each of the fiscal years 1947 and 1948. If we adopt that provision, do we not leave it entirely beyond the control of Congress and wholly within the discretion of the Rural Electrification Administrator?

Mr. LUCAS. Yes; because this is not an appropriation or authorization in the sense we ordinarily understand those terms. The language of section 3 is:

> In order to provide additional funds • • • the Reconstruction Finance Corporation is hereby authorized and directed to make loans to the Administrator of the Rural Electrification Administration.

The Senator is correct.

Mr. TAFT. I wondered if the power of the Administrator should not at least be subject to approval by the President, or if there should not be some over-all, general control. The $200,000,000 is a part of a postwar budget with which we are not familiar, and the provision would be committing us to a good deal. I wondered if there should not be in the bill at least a provision for control by the President, if not control by appropriations, for the fiscal years 1947 and 1948.

Mr. LUCAS. As I explained a moment ago, we are not authorizing the payment of anything. There may be some defaults in the loans, but in the main, I will say to the Senator from Ohio—and this is based primarily and solely upon the record heretofore made—it seems to me we stand to lose very little in comparison with the great benefits which will accrue to the rural population of America.

Mr. TAFT. I am thoroughly in favor of proceeding with the program, and it is not so much a question of the money involved, but as to whether we should now commit ourselves to a program of spending as much as $200,000,000 a year, at a time when there may be a shortage of copper, a demand for copper, and difficulty in holding down the price. It is looking rather far ahead in a field with which we are not very familiar. I do not feel very strongly about the matter, but it seems to me someone perhaps should have some power of check on the program if that seems to be the Government's policy at any time.

Mr. LUCAS. Mr. President, I cannot wholly agree with my distinguished friend the Senator from Ohio, because we do know where we are going in this program, and it is one of the few programs in postwar planning where we really do have the background and the factual data upon which to make a real case for the authorization of the loaning of this money. This is not a W. P. A. program or a program of grants. This is a loan program under which the money is going to be refunded. I would be almost willing to prophesy now that 98 percent of this money will return to the Treasury of the United States over the amortization period provided by law.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BUSHFIELD. I think the Senator has largely answered the question I was about to ask but I do not want the wrong impression to be created by this discussion, that we were simply spending this $200,000,000. The program is purely a grant of loans to extend this service to the farmers of the country.

Mr. LUCAS. The Senator from South Dakota is correct. The agency is a loaning agency which today is a stand-out success in Government. I doubt that there is another loaning agency in Government which has a more favorable record from the standpoint of return, as shown by the fact that these cooperatives have now returned more than $18,000,000 before the due dates of their obligations. That is a fine indication of what they think of the program.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Delaware.

Mr. TUNNELL. I merely wanted to be clear about the matter, and I think probably what has been asked or suggested already by other Senators has pretty nearly answered what I have in mind. The various amounts are not authorizations for expenditures at all, as I understand. They are authorizations for loans.

Mr. LUCAS. Precisely so.

Mr. TUNNELL. And no matter how much we may authorize for loans, they will be paid back in all probability. So it is not in any sense an expenditure.

Mr. LUCAS. Based upon the past record, and that is what we have to go by, these loans will be paid back. Of course, no one can tell what is going to happen to rural America in the future. We may have drought, we may have a calamity like that we had in 1931 and '32, but I believe we have done a great deal to prevent rural economic maladjustments. I think this Administration, under the measures we have passed for agriculture, has absolutely prevented the kind of depression we experienced back in 1930, 1931, and 1932. I realize that the cooperatives which are now in existence represent some of the best farmers and some of the best farm lands throughout America. I do not say that the cooperative crop has been skimmed to the point where there are no more efficient and money-making farmers left out of the program in the country. There are thousands of acres of land in Illinois which will produce good crops, and the homes thereon are not as yet electrified. As I recall, only 52 percent of the farm homes in Illinois have rural electrification. But there may be a tendency, the further we go along and the more cooperatives there are included in the program, finally to include some of the less efficient producing farms.

Mr. TUNNELL. I may suggest to the Senator that if, as I understood the statement, 1,200,000 are now using the electrification program and 15,000,000 are eligible, we are hardly nearing the bottom of the barrel.

Mr. LUCAS. The Senator from Delaware has made a pertinent observation, and I thank him for his statement.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. I wanted to make it clear that my objection is not to proceeding with the program as best we can. I think we should proceed with it. I think the Government should see to it that loans reach to every farm. My question was rather whether we could spend effectively and efficiently $200,000,000 a year; but if there is some control provided, I am satisfied in that respect.

I wish, however, to make a suggestion. The Senator from Minnesota [Mr. SHIPSTEAD] calls attention to the fact that the Rural Electrification Act of 1936 contains the words:

> The Reconstruction Finance Corporation is hereby authorized and directed to make loans to the Administrator, upon his request, approved by the President.

That language was changed in the bill so the request would be approved by the Secretary of Agriculture. Then the language of the bill was amended to strike out "the Secretary of Agriculture." I suggest to the Senator from Illinois that perhaps it would be wise if the language should be amended so as to read "upon the request of such Administrator, approved by the President," I think that

would be agreeable to the Senator from Minnesota.

Mr. LUCAS. I would have no objection to that change at all, if that was the language contained in the original act.

Mr. TAFT. It was.

Mr. LUCAS. As I understand the language, the reorganization bill made the Secretary of Agriculture the fiscal agency of approval.

Mr. TAFT. Yes.

Mr. SHIPSTEAD. Mr. President, in effect, the provision contained in the Reorganization Act was that the Administrator shall have the power to borrow, at the request of the Secretary of Agriculture, and when approved by the President.

Mr. TAFT. I understand. So even then the President's approval was required?

Mr. SHIPSTEAD. Yes.

Mr. LUCAS. Let me say to the Senator from Ohio that by this bill we do not amend the basic law, with the exception of the changes I discussed a moment ago, in subsections (c) and (d) of section 3 of the original act. Under the amendment suggested by the distinguished Senator from Minnesota we are definitely repealing section 5 of the Reorganization Plan No. II, which was transmitted by the President to Congress on May 9, 1939. We are reestablishing the R. E. A. as an independent agency, and all its powers shall be exercised by the Administrator appointed pursuant to such act. If we set aside Reorganization plan No. II and return to the basic act, then I doubt that the amendment has any force or effect.

Mr. TAFT. I suggest to the Senator that since $200,000,000 is being authorized definitely for 2 years, I think the Administrator ought to have his request approved by the President.

Mr. LUCAS. I will accept that amendment, although I am certain it is surplusage.

Mr. TAFT. Mr. President, I ask unanimous consent to amend the committee amendment on page 3, in line 24, after the words "of such Administrator," by inserting the words "approved by the President."

Mr. LUCAS. I accept that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment on page 3, line 24, after the words "of such Administrator," to insert "approved by the President". Without objection, the amendment to the committee amendment is agreed to.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. OVERTON. In this bill we are undertaking to transfer the Rural Electrification Administration from the Department of Agriculture and establish it as an independent agency. Does the record show, first, whether there was a more or a less efficient administration under the Department of Agriculture than when the Rural Electrification Administration was an independent agency; and, second, does the record show whether or not it was a less expensive or a more expensive administration under the Department of Agriculture?

Mr. LUCAS. Mr. President, I shall answer the first question asked by the able Senator from Louisiana in this way: That question is controversial. In my humble opinion there was just as much efficiency under the Department of Agriculture as there was when it was an independent agency. That is my own judgment about it from the way I read the record. Other Senators will disagree with that statement.

Here is the one thing, in response to the second query of the Senator from Louisiana, which becomes important: When we set this organization up as an independent agency we must increase the appropriation to carry it on as an independent agency. The testimony of Mr. Nicholson, who is one of the Deputy Administrators and a lawyer with the organization, as well as that of Mr. Neal and Mr. Wickard, definitely shows a complete tie-in of the Rural Electrification Administration with all branches of the Department of Agriculture whenever and wherever the Rural Electrification Administration needs help from that Department. It may need legal help. It may need engineers. It may need a statistical expert. In other words, notwithstanding the fact that the various branches of the Department of Agriculture may not be directly connected with the Rural Electrification Administration, whatever is in the Department of Agriculture is available to use by the Rural Electrification Administration at the present time, so long as it is under that Department. If it is to be set up as an independent agency, obviously it must have its own group of engineers, statisticians, and experts of every kind. In my judgment more money will be required to operate the agency in that event.

Mr. OVERTON. Mr. President, so far as I am concerned, without further information, that is rather decisive of the issue. There is such an intimate relationship between Rural Electrification Administration and the Department of Agriculture that I did not see anything improper or unwise in the Executive order which placed the Rural Electrification Administration under the Department of Agriculture. There is a very intimate relationship.

The Rural Electrification Administration is growing, and will continue to grow into quite an organization. To leave its administration solely in the hands of one person, without any supervision, is to my mind a rather questionable procedure. If such a course would involve considerably greater cost, then it seems to me, offhand, that we had better resolve the question by permitting the Rural Electrification Administration to remain a part and parcel of the Department of Agriculture.

I thank the Senator.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SHIPSTEAD. I think I can satisfy the Senator from Louisiana on the question of expense and extravagance under the Department of Agriculture, if the Senator will listen to me when I take the floor. If the Senator from Illinois will yield for a moment, I can point out, for example——

Mr. LUCAS. Mr. President, I do not wish to yield for a speech. I have almost concluded my statement.

Mr. SHIPSTEAD. The point was raised as to efficiency. It involved Mr. Nicholson. I am perfectly willing to let it go until I take the floor.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HICKENLOOPER. I am concerned about the meaning of the words beginning on page 2, line 24, in subsection (b) of section 2. That subsection provides as follows:

(b) In order to carry out the provisions of this act, the Administrator of the Rural Electrification Administration may, without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts, or to the obtaining of personal services, obtain or employ, by contract or otherwise, the services and facilities of such persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples utility districts and cooperative, nonprofit, or limited-dividend associations organized under the laws of any State or Territory of the United States, as have received or may receive loans from the Administrator pursuant to the Rural Electrification Act of 1936, and may exercise the authorities described in section 11 of the Rural Electrification Act of 1936.

Will the Senator from Illinois give me some light on the meaning of that language, and what instances or cases are referred to?

Mr. LUCAS. As I understand that provision, it simply gives the Administrator of the act full power, without any limitation, as stated on page 3, to deal with—

Persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples utility districts, and cooperative, nonprofit, or limited-dividend associations organized under the laws of any State or Territory of the United States.

In other words, all that provision does is to give the Administrator the power to deal directly with an agency of a State, a municipality, or a government within a State. The Administrator would not have such power unless it were granted by Congress. It may be that State agencies in some States do not have the power to deal with the Federal Government. It might be necessary for the State legislature to enact legislation empowering a State agency to deal with the Federal Government on this question. That is my understanding of the language.

Mr. HICKENLOOPER. The language is that the Administrator may—

Without regard to the provisions of law relating to the making, performing, amendment, or modification of contracts, or to the obtaining of personal services, obtain or employ, by contract or otherwise, the services and facilities of such persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples utility districts and cooperative, nonprofit, or limited-dividend associations organized under the laws of any State or Territory of the United States, as have received or may receive loans from the Administrator pursuant to the Rural Electrification Act of 1936.

Another portion of my question is a query as to whether, under that provis-

ion, the Rural Electrification Administrator or the Department, may preempt, by some means or other, a muncipal light plant, for example. The language of the subsection provides that the Administrator may obtain or employ services, properties, and other facilities of such agencies as have either applied for a loan or have received a loan. I am not saying what the effect of the language is, but I am concerned about it.

Mr. LUCAS. Let me reply to the Senator in this way: There is nothing in this bill which would permit the preemption of a municipal light plant, or prevent any local community from constructing a plant for its own use and the use of the surrounding territory.

We must always remember the premise upon which we are operating, and that is that the cooperatives must take the initiative. If the Senator is familiar with the testimony, he will find that throughout the hearings Senators on both sides of the agricultural table—Democrats and Republicans alike—were constantly calling the attention of the Secretary of Agriculture and the Deputy Administrator, as well as that of Mr. Nicholson, to the rights reserved by the individual who is seeking electricity. At no time do we wish the Government to intervene or interfere to the point where the individual in the cooperative may reach the mental attitude of saying, "I am now taking orders from my Government." In other words we want to keep the control of the program where it is, at the grass roots. We want these programs to originate from the soil in the Senator's territory and in mine. We want the people who are controlling the cooperatives to continue to have control, because it is their property. All they are doing is borrowing the money from the Government.

Mr. HICKENLOOPER. I agree with the Senator as to the philosophy. By and large, I believe that the management of R. E. A. cooperatives has been fine, and that they have done a splendid job thus far. I do not wish to disturb that philosophy. I wish to strengthen it if possible. However, the language to which I have referred leads me to believe that there is a possibility of the R. E. A., by making a loan or extending aid to a municipally owned plant, or even a privately owned plant, being placed in a position where it could take over the plant, because the language provides that it may acquire the services and facilities. I merely wish to be perfectly satisfied on that point.

Mr. LUCAS. If a municipality has a plant which is operating at the present time and if it desires, through its own initiative, to turn the plant over—for a proper consideration—to a cooperative in that community, which borrows the money from the Government, it has the power to do so; but in the first instance the Government is absolutely without power to condemn or preempt or take over anything of the sort. It simply cannot be done, and this bill provides no such arbitrary unconstitutional power.

Mr. President, I now wish to make a few concluding statements. Let me say that while this bill is another forward step in the use of electricity in the rural communities, it is not the final step. Much more must be done in serving agricultural communities throughout the Nation; and, Mr. President, that is exactly what the Rural Electrification Act means, namely, service to agriculture.

While the cooperatives are not in the business for the purpose of making a profit, nevertheless their operations have been so successful that there are few defaults on loans; and, as pointed out before, some $18,000,000 has been paid in advance of due dates on loans. It should also be remembered that the Government is not in the business of loaning money for the purpose of making a profit. It is doing what private industry and private utilities failed to do. Rural Electrification covers the communities which private utilities consider hazardous financial ventures.

The enlargement of this program means better health, improved social and economic conditions, and more happiness and contentment for every rural community. Typical examples of what I mean can be found in the electric washing machine, mechanical refrigeration, adequate illumination, electric fans, milking machines, and hundreds of other items which are an inherent part of any rural-electrification program.

When electricity comes to the farm home, no farmer will be without a radio. Here is the instrumentality in communication which keeps the farmer abreast of the times. The radio not only makes him a more closely integrated part of the community but it keeps him more alert to what is going on in the State, the Nation, and the world.

Complete rural electrification in America will be the greatest factor of all in breaking down rural isolation. Statistics show that before the Congress of the United States inaugurated the Rural Electrification Program in 1935, 9 out of every 10 United States farm families did their chores, read their papers, ate their suppers, and studied at night around the flickering flame of a kerosene lamp or lantern. I am happy to report that in the short space of 10 years, as a result of the program planned and administered by the forward-looking men and women in Congress and in the Executive branch of government, at this very moment 4 out of every 10 farmers in America, if their farms are so equipped, can push a button, turn on electricity, and enjoy its innumerable benefits.

What should be done and what must be done during the next 10 years is to get electricity into practically every rural home in America. That is the theory of the 3-year planning program laid down in the bill which is now before the Senate. We want no wide-awake, progressive farm family left in the dark, if we can prevent it. Once this program becomes effective and once the reconversion program comes forth in full blast, we shall see the farmer spending a portion of his savings for the innumerable items of electrical equipment which will make the old farm home modern in every way.

In the further development of this program, agricultural leaders throughout the Nation can be of material aid in helping formulate a sound plan which will meet every cooperative need.

In every State, educational centers dealing with agricultural problems can also be helpful in the further study and development of rural educational electrification programs. Providing farmers with the knowledge of how to make greater use of power on the farm offers a real challenge to research men and women in these educational institutions. Mr. President, the Secretary of Agriculture, who appeared before the committee, said that in a short time farmers would be drying hay by means of the use of electricity. That is what I mean when I say that electricity presents a real challenge to our educators, insofar as the future uses of electricity on the farm are concerned. Farmers can also help in this program by taking the initiative, always remembering that if the program is to be successful it must continue to originate from the soil; it must be, without question or doubt, carried on as a grass-roots program.

While I am on this question, let me say that it must be remembered that this bill in no way undertakes to tell the cooperative what it must or must not do. The program of planning is primarily in the interest of those who to date have not received the benefits of rural electrification. Experts who have been engaged in this work over a period of years should be in a position to give valuable information to every community seeking rural electrification, to the end that the consumer of electricity, as well as the Government loaning agent, will operate more effectively and effciently, thereby giving to the user of electricity reduced rates for the electricity consumed.

Last, but not least, it should be noted that this program can play an important part in the postwar era, in the stimulation of private employment. Last week the Honorable Fred Vinson, Director of War Mobolization, made a prediction as to the number of people who may be out of employment within the next year. Everyone knows that reconversion is on its way, as a result of the termination of the war in Europe. The beginning of the return to a peacetime economy will release increasing numbers of men and women from war production and from the armed forces. If we expect to keep people employed, and if we expect to maintain a minimum national income that will guarantee a decent standard of living, as many job opportunities as possible must be created in this country.

The facts that this agency is almost a self-liquidating one and that the projects to be constructed are to be permanent and helpful in the economic and social structure of the Nation should give the bill the approval of every United States Senator. Here is a program involving nearly 3,000,000 man-years of labor, and it will cost the taxpayers of America practically nothing. It is the kind of program which provides self-supporting, economic stability. To this end all America should strive in the post-war days to come.

Let me say, in conclusion, that I am one of those who definitely believe that

there should be a back-to-the-farm movement in this country. I think agriculture is destined to be, as it has always been, the basic industry of America. A great future is in the making for agriculture in America if we can so work out our problems with the other countries of the world that foreign markets will be available for our surplus products.

The boys who are coming back from this war have had an unusual experience with the world and its various ways of life. For many of these boys it will be some time before they will be able to settle down to a steady, stable program.

Thousands upon thousands who left the farm will no doubt want to return to the farm, but that farm must be made as attractive and as efficient as possible, if the back-to-the-farm movement is to be successful. One of the things that they will want is electricity, with all its resulting modern conveniences. If they have, in addition, highly mechanized farm equipment, farm-to-market roads, the automobile, and other means of communication, farmers will have little trouble in obtaining competent and efficient labor to produce the products so necessary and indispensable to feed this Nation and other parts of the world.

So, Mr. President, I hope the bill will pass.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BUSHFIELD. I was interested in what the Senator said a moment ago to the effect that the administrative cost of the Rural Electrification Administration would be larger if it were conducted as a separate agency. If I did not misunderstand the Senator, he based his statement upon the fact that the Rural Electrification Administration could borrow help from the various agricultural agencies. Am I correct in my understanding of what the Senator said?

Mr. LUCAS. That is my understanding of a statement made by one of the witnesses who appeared before the committee, namely, that as the Rural Electrification Administration is set up at the present time, it is able to obtain help and cooperation from the various agricultural agencies, whereas if it were made an independent agency, of course, it would be compelled to set up its own staff of experts, and so forth.

Mr. BUSHFIELD. I understand that. But I assume that this agency or any other Government agency would have ample help with which to carry on its activities without having to borrow it from some other agency. Therefore, I cannot understand why it would function more expensively as a separate agency. I wonder whether the Senator has broken down the figures or has investigated that situation.

Mr. LUCAS. No; I have not; but I am certain that Mr. Nicholson testified that those in the R. E. A. have the right at the present time to go into a division of the Department of Agriculture and call for help on any problem which confronts them. If it is established as an independent agency, undoubtedly it will be foreclosed from obtaining any help from the Department of Agriculture. That is the point I make. It will establish its own facilities within its own agency. It will be truly independent, depending upon no other agency in Government for help.

Mr. SHIPSTEAD. That is the only point about which the Senator thought greater expense would be involved.

Mr. LUCAS. Yes.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CORDON. I invite the Senator's attention to a matter to which I have already called his attention. I refer to the language on page 1 of the bill, reading in part as follows:

> That it is declared to be the policy of the Congress to provide for the immediate preparation of comprehensive plans and programs to facilitate and expedite the electrification of rural areas in the several States and Territories to the fullest extent possible—

And so forth. Then on page 2, section 2 (a), the language reads in part as follows:

> "The Administrator of the Rural Electrification Administration is authorized and empowered immediately to prepare comprehensive plans and programs for the electrification of rural areas to the fullest extent possible"—

And so forth. There is no modification of the word "possible" and the only interpretation which can be put upon it is its general definition. If the word "possible" is to be used, the bill would provide authority for carrying the electrification program to every section of the United States in which it is physically possible to do so, without reference to cost, or any other consideration. I think the bill would be in better form if the word "possible" in each instance to which I have referred were stricken out and in lieu thereof the word "practicable" were to be inserted. I understand that the Senator from Illlinois, on behalf of the committee, is willing to agree to the modification.

Mr. LUCAS. As one member of the committee I have no objection to the substitution of the word "practicable" for the word "possible" on page 1, in line 7, and on page 2, in line 6 of the bill. However, I do not believe that it makes very much difference which word is used. I think it is one of those distinctions without a difference. In my judgment, in this particular case the word "practicable" means the same as "possible." However, if some satisfaction came to the Senator from Oregon, in this slight change I shall accept the modification.

The PRESIDING OFFICER. The Senator from Illinois has a right to modify the amendment, and it is modified accordingly.

Mr. TAFT. Mr. President, I wish to make a few remarks in connection with the pending bill bearing only on the general question of the expenditure of money. The bill proposes to expend a large amount of money on a very desirable program. It proposes the expenditure of $150,000,000 in the fiscal year 1946, $200,000,000 in the fiscal year 1947, and $200,000,000 more in the fiscal year 1948. Those amounts are, of course, in the nature of loans, and we hope to get them back. Yet they are Government expenditures because they represent money which could not be borrowed from any other source. There is no private money behind the loans. Therefore, I think that the loans fall within the general description of Government expenditures.

I am heartily in favor of extending as rapidly as possible the rural electrification system until it shall reach all farm homes. I do doubt somewhat whether the Administration can spend more than $100,000,000 a year wisely, economically, and with the care that should be exercised. But on this question there may be a strong difference of opinion, and the sponsor of the bill has accepted an amendment which would at least put the Administrator's discretion under the control of the President during future years.

I am more concerned about the course which Congress is pursuing with all these bills authorizing a vast expenditure of money after the war. We have another similar and equally desirable bill on the calendar proposing the expenditure of $100,000,000 a year for civil airports. There is another bill on the calendar to increase the salaries of all civil-service employees, which, I believe, in its present form, is estimated to cost approximately $350,000,000. There are many other bills pending in the committees, and many not yet introduced. But as yet neither the Administration nor anyone else has considered the size of the Federal Budget after the war. All these bills and the amounts provided may be reasonable in themselves, and yet the whole program may be far beyond the danger line. I believe we should proceed very cautiously with these measures, authorizing only sufficient money to get the program started and leave its final scope until we can draw an intelligent picture of our post-war financial condition.

Certainly that condition must alarm any reasonable man. The deficit for the first 10 months of this fiscal year was more than $44,000,000,000. The public debt today is more than $236,000,000,000. The expenditures of the Government for the fiscal year will approximate one hundred billion and the receipts forty-five billion; so that the deficit will be about fifty-five billion and the public debt on July 1 will be two hundred and fifty-four billion. I have attempted to secure the best information available for the next 3 or 4 years, and it shows that even the most conservative government can hardly achieve a balanced budget until the fiscal year 1949. The very roughest kind of an estimate gives the following result:

Fiscal year 1946: Expenses, seventy-five billion; receipts, forty billion; deficit, thirty-five billion.

Fiscal year 1947: Expenses fifty-five billion; receipts, thirty-two billion; deficit, twenty-three billion.

Fiscal year 1948: Expenses, thirty-five billion; receipts, twenty-five billion; deficit, ten billion.

Fiscal year 1949: Expenses, twenty-one billion; receipts, twenty-one billion.

In other words, as I have already indicated, it seems to me that the most conservative government cannot hope to balance the budget until approximately

3 years after the end of the war with Japan.

Of course, my estimate makes various assumptions about continued military expenditures and tax changes, which are a mere guess. If I am correct, however, the public debt by 1949 will amount to $322,000,000,000.

A good many different estimates have been already made regarding the normal post-war budget, that is the budget which may prevail about 1950. A general picture of that budget may be obtained from the following items:

Military expenditures	$6,000,000,000
Interest on public debt	6,000,000,000
Veterans' expenditures	3,000,000,000
General Government departments	1,500,000,000
Agricultural aids	2,000,000,000
Social security, other than insurance	600,000,000
Public works	900,000,000
Total	20,000,000,000

State and local expenditures are estimated at about $10,000,000,000, so that the grand total will be $30,000,000,000. It must be understood that this does not allow for any increase whatever in the expenditures now authorized by law, and undoubtedly many of these should be authorized. Even if they are cut down to a minimum, they will undoubtedly total another billion dollars or a grand total of $21,000,000,000.

Before the war, I do not believe we ever raised more than $5,000,000,000 in taxes in any one peace year. Of course, we anticipate a much higher national income after the war than we have ever enjoyed before. But even with such an income the absolutely necessary tax burden is going to lie very heavily on the activity of the American people. Estimates of national income run as high as $150,000,000,000. But it is impossible for me to see how we can replace with consumers' expenditures the $80,000,000,000 which must come out of Government expenditures. Making every allowance for prosperity and heavy employment, I do not see how we can hope for an average post-war national income much in excess of $125,000,000,000. Minimum estimates of expenses will consume 25 percent of the national income. That means that everyone is working about 1 day in 4 for the Government, and the heavy burden of taxation may discourage the very business activity and expansion which is the first essential of full employment.

It is estimated that our present system of taxation will produce about $33,000,000,000 on $125,000,000,000 of national income. That is Federal receipts in addition to those of the States. But obviously we must cut the present tax rates materially, if we do not wish to choke all private business activity. We are bound to lose four or five billion dollars in corporate taxes and about the same in individual taxes, according to all the plans which are now being considered, plus several billion dollars in excise taxes. I do not believe that we can find a system for taxes which will raise much more than $20,000,000,000 a year for the Federal Government without putting a serious brake on the very machine which is to produce the revenue.

Mr. President, it is frequently said that we must aid the States in many fields, because they have not the ability to tax enjoyed by the Federal Government and cannot raise the money for many desirable activities.

It is certainly material to point out that while the Federal Government's constitutional powers are unlimited, its economic ability to tax is subject to a very real and definite limit, to say nothing of the political opposition to heavy taxes. Certainly in the last 15 years no one has succeeded in devising a Federal system of taxation producing enough revenue to pay the expenses of the Federal Government, and no one can be certain that after the war we are going to provide a Federal system of taxation which will produce the absolutely necessary $20,000,000,000 for the Federal budget.

I have made a brief compilation of the various measures now pending in the present Congress which propose an increase in the annual expenditures of the Federal Government. Some of them, perhaps, are not seriously urged, but the following summary includes those which do have substantial backing:

S. 807: Increase of pay to civil-service employees	$800,000,000

The committee has pursued the very wise policy, which I think should be pursued in the case of most of these bills, of cutting it approximately in half from the amount contained in the bill as at first proposed.

S. 717, S. 181: Aid to States in financing education	$550,000,000
S. 619: Aid to States in financing vocational education	97,500,000

I should say that the figures stated represent annual appropriations.

Miscellaneous aid to states in connection with education	8,000,000
S. 185: National food-allotment plan—the old stamp plan	500,000,000
S. 89: Rural electrification loans	200,000,000

That is the bill which is now before the Senate.

S. 73: Rural Telephone Administration	$50,000,000
S. 191: Aid in construction of hospitals	110,000,000
Further aid to States for health programs	600,000,000
S. 200: School-lunch program	100,000,000
S. 330: Aid to States in eliminating river pollution	50,000,000
S. 2: Aid in construction of airports	100,000,000
H. R. 2012: Aid for aeronautical experiments	50,000,000
Additional subsidies for public housing	100,000,000
Total	3,315,500,000

It will be noted that the total of those programs, many of which I think are desirable, is $3,315,500,000.

I have included two matters dealing with health and housing which are not yet embodied in legislation, but which I know are in preparation, but I have not included foreign grants and credits, and, I have not included increased social-security insurance which involves an additional tax burden on employer, employee, and the general taxpayer.

I estimate that if the Beveridge plan were applied to this country it would cost us, besides what we are now spending, about $14,000,000,000 a year, of which half would come out of the General Treasury. No doubt other Senators can think of other projects not yet introduced.

Bretton Woods alone would cost nearly $6,000,000,000. Lend-lease is extending, improperly I think, into the post-war period. I am glad to note that Mr. Crowley is apparently attempting in every way to limit the extension of that program.

The Export-Import Bank is to be enlarged and projects for direct loans to Russia and Great Britain seem to be under consideration. Casual estimates seem to indicate that those who favor foreign lending would like to extend loans at the rate of $5,000,000,000 a year for a good many years to come. If any such lending program is undertaken, our experience shows that the loans are most unlikely to be repaid, and that a large part of them ought to be charged directly to the expenditure budget.

I have not mentioned any of the more fantastic schemes for vast extension of public works and Government guaranties of private investment. But it is certainly clear to me that unless we watch ourselves carefully, the Federal Budget alone will exceed $30,000,000,000 and will involve us in an annual deficit of as much as $10,000,000,000 a year. In my opinion, such a course will lead to inflation and ultimately the destruction of our whole social and political system.

We often hear the argument that we must spend more money in order to produce full employment. I think it should be finally clear by this time that spending to produce full employment must be on such a tremendous scale that in the end it will destroy the very prosperity which it seeks to produce.

At the present moment there is no evidence whatever that spending is required to produce prosperity or full employment. The best opinion is that we are on the road to inflation rather than depression. No such demand for American products has ever existed before, and is not likely to exist again for many years to come. Billions of dollars of purchasing power are in the people's hands, as represented by the increase in currency, in deposits, and in redeemable bonds. Deficit Government spending must continue for 3 or 4 years without our adding anything to that spending. Foreign governments and their nationals have perhaps $25,000,000,000 available to spend at once in this country. Repairs and replacements have accumulated and corporations are ready to spend their money on repairs and reconversion. If our system of economy cannot produce prosperity in the next 3 or 4 years, then the time will never come when it can do so again. Our job should be to restrain inflation so that we can avoid the abnormal boom which in our past history has always led to a violent reaction of unemployment and

hardship. I believe very strongly that we must have the courage to prevent excessive prosperity if we are to avoid depression, and that means that we must prevent excessive spending for any purpose whatever.

Mr. President, the Committee on Post-War Economic Policy and the Finance Committee are studying the problems of post-war budget and taxation. I hope that their forthcoming reports may advise the administration and the Congress of the situation which we face, and propose a definite fiscal policy for the post-war period. Until that time I believe we should be extremely conservative in our authorization of new programs.

Mr. BUTLER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BUTLER. First I should like to commend the Senator from Ohio for a splendid over-all statement of Government expenditures, either actual or proposed. But I should like to know whether the Senator brought out in his statement—I did not hear the first part of it—the difference between the expenditures proposed in Senate bill 89 and those he listed totaling $3,500,000,000 a year. That $3,500,000,000 represents out-and-out appropriations, that is, money gone after it is spent, but under Senate bill 89, there would be what I would term a business loan.

Mr. TAFT. I would say the distinction is not a very material one. It is not a business loan, because no one lends money to another when the borrower has no assets back of the money. I hope the loan will be repaid. So we hope foreign loans may be repaid. But the effect of this $200,000,000 a year is to increase the national debt $200,000,000 a year. We hope the money will be returned and I think it will. As a matter of fact, I am not opposing the pending bill, because I think the money will come back. Nevertheless, when we are considering the scope of post-war Government spending, we should consider all Government spending. From the point of view of inflation, it may well be that, as I have said, the demand for copper and everything else may be so great that we may be adding to private activity a Government-sponsored activity which will raise the price of copper, perhaps, and may inflate our activity beyond what it should be.

To my mind, inflation means the expansion by artificial means of activity beyond what it is possible to maintain indefinitely, because sooner or later the expansion will stop, and when it stops, the whole economy will tend to collapse.

We have to hold down excessive business activity, just as we have to prevent too low a business activity, and if we have everyone in this country scrambling to spend money, and trying to build at one time everything that has to be built, there is bound to be produced a boom which may well bring about subsequent inflation.

As to this particular bill, inasmuch as its author is willing to let the law be subject to the President's action, so that he can coordinate it with the whole program, I shall not oppose it or offer any particular amendment. I think what we are doing is taking action which is wholly defensible, but I believe that we should look at the whole picture, so as to make sure, taking it altogether, that we do not go beyond the point which is a safe limit.

Mr. BUTLER. In reply to the Senator from Ohio, Mr. President, I may say that I do not like loans which are in the nature of character loans to individual citizens of America being put in the same class as loans which are made in enormous amounts, up to hundreds of millions of dollars and even into the billions of dollars, to foreign governments, that have not had good records in the past. The loans which have been made in connection with rural electrification have a splendid record, and are backed not only by the notes of the individual farmer who enjoys the service, but they are what I term good character loans, which, after all, are the best kind of loans any banker can make.

Mr. SHIPSTEAD obtained the floor.

Mr. BAILEY. Mr. President, will the Senator from Minnesota yield?

Mr. SHIPSTEAD. I yield.

Mr. BAILEY. I wish to thank the Senator from Ohio for a very timely statement of fact, and a very important warning to the Senate. I wish to add one or two words to what he has said.

If we continue spending as we have been, and as these proposed authorizations call for, we will come to another depression, we shall have no credit with which to resist that depression, and we shall be helpless.

It is not beyond possibility that some time in the next 10, 15 or 20 years we may fall into another war, as we fell into this one, and with our credit exhausted, and our power to raise money gone, we would be practically helpless. So I wish to join with the Senator from Ohio in his very timely warning to the Senate.

Mr. SHIPSTEAD. Mr. President, I join with the Senator from North Carolina and the Senator from Ohio in their expressions of concern. I agree with them. However, I wish to assure the Senator from Ohio that if there is any loan that can be made for post-war production, it seems to be the rural-electrification loan is about the soundest that can be made, because back of these loans is the production of the farmers of the United States.

There is another thing, a psychological consideration, and a biological consideration, if I may say so, we must take into consideration. We are going to increase production, but the strongest asset behind these loans is something that is even more than production, namely, the woman on the farm who insists that the entire electric bill shall be paid. That bill has to be paid. Every woman on a farm is going to see that if there is any bill that is to be in default, it will not be the rural-electrification bill.

Mr. BROOKS. Mr. President, will the Senator from Minnesota yield?

Mr. SHIPSTEAD. I yield.

Mr. BROOKS. I wish to join in what the Senator from Ohio and the Senator from North Carolina have said, and to state that, in connection with the pending bill and this rural-electrification activity, the farmers of America are going to be called upon as they have never been called upon in the history of the world to produce food, to a greater extent even than they had to produce it during the war. With the soldiers coming home from the exciting life they have seen all over the world, if we can get more electricity in more homes they will be more content to live in such electrified homes with the conveniences, the advantages of radio, and with the educational facilities which come with the lights at night and the machinery that accompanies electrification. It will increase the desire of the boys on the farms to remain on the farms, and increase the desire of those who have not been there to make the farm their home and make farming their future occupation. I think it is one of the most important things we can do in America at this moment.

Mr. SHIPSTEAD. Mr. President, first I wish to call the attention of the Senate to the fact that increased use of electricity will induce more production. There is no greater deterrent of inflation than increased production. If we can get sufficient production, it will take care of inflation. It is lack of production and shortage of materials that causes inflation. When we have a great national debt, the debt is a constant attack on production because it raises costs. Electricity on the farm will reduce cost of production; therefore is anti-inflationary.

Mr. President, I wish now to address myself to the part of the bill which deals with restoring the Rural Electrification Administration to the independent status it occupied prior to the Reorganization Act of 1939. The history of the independence amendment to this bill is well known to most Senators. It had its origin, first of all, in a resolution offered in the Senate by me for an investigation of the conduct of the Rural Electrification Administration. The resolution was offered by request. A committee was appointed to investigate, and it did so, the investigation lasting for a long time. The committee made a unanimous report, which was a bipartisan one. Both the Democrats and the Republicans on the committee voted unitedly to recommend that the Rural Electrification Administration be made an independent agency under the Federal Government, as it had been for the first 4 or 5 years of its existence. So much for the history of the amendment.

I addressed the Senate some time in March, during the consideration of the nomination of Mr. Williams to be Administrator, and at that time I went into some detail to explain why, according to the record and the sworn testimony in the investigation, the Rural Electrification Administration should be restored to its independent status. In the beginning of the year a bill to accomplish that purpose was introduced by myself, the Senator from Montana [Mr. WHEELER], and the Senator from Vermont [Mr. AIKEN].

When the Lucas bill came before the Committee on Agriculture and Forestry, we added this bill for independence as an amendment to the so-called Lucas R. E. A. bill. That is now before the Senate, and I wish to address myself

to the amendment, and give the reasons why I think it should be agreed to. Of course, this deals with the agricultural communities of the United States. I have been amazed to learn their feeling concerning the making of this agency an independent agency. They write me and say they have read the record of the hearings, and they tell me of their experiences with the Rural Electrification Administration after it became an agency of the Department of Agriculture. They write me and telegraph me their views and the reasons why they want the R. E. A. to be an independent agency.

Mr. President, I have here hundreds of letters and telegrams from cooperatives in 37 States of the Union. Only 46 of the States have rural electric cooperatives. Some States have not developed rural electrification sufficiently to make much difference. But cooperatives in the 37 most heavily electrified States of the United States have written and telegraphed me giving the reason why they want the amendment adopted. I do not have the time and will not attempt to take the time to read these messages into the RECORD, nor will I clutter the RECORD with printing all of them, but I have some typical messages here from 37 States which I shall ask to have printed in the RECORD at the conclusion of my remarks. To save space and time I shall ask to have printed only the parts of the messages which I have underscored, which present the particular reasons why the writers wish to have the agency transferred from the Department of Agriculture to be an independent agency. It will be very interesting for Senators to read the RECORD as it will be printed.

Mr. President, the messages I refer to come from 37 States of the Union. Senators who wish to come to my office may see hundreds of other messages from the various States; I have arranged the messages in alphabetical order. The first is from Alabama. The next is from California. Then I have 1 from Delaware, and others from Georgia; 19 cooperatives out of 21 in Illinois have joined together to send a message. In many of the States numerous cooperatives are united in one State organization. I have messages from Indiana, many from Iowa, many from Kansas, and from Kentucky. Cooperatives in most of these States have written me that all the cooperatives in those States favor the amendment. All the cooperatives in Louisiana have passed resolutions of their boards favoring the amendment. Then I have a message from Maine and from Oregon. Also 1 from 47 cooperatives in Minnesota, 1 from all the cooperatives in Missouri, from Montana, another from Nebraska, and from North Carolina. North Dakota and South Dakota, Minnesota, Wisconsin, and Iowa have joined in a telegram. I have many letters from Ohio. All 23 cooperatives in Oklahoma have joined in a telegram favoring transfer to an independent agency. All the cooperatives in Oregon have sent me a letter favoring the amendment. All the cooperatives in Pennsylvania have done likewise. The same is true of all cooperatives in South Carolina as well as in Tennessee and Texas. Similar telegrams and letters are coming in to me every day. I have also messages from Utah, Virginia, the State of Washington, and Wisconsin.

As I previously stated, the messages are arranged in alphabetical order. I now ask unanimous consent that the excerpts be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The excerpts from the letters and telegrams appear in the RECORD at the conclusion of Mr. SHIPSTEAD'S remarks.)

Mr. SHIPSTEAD. Mr. President, there is a very good reason why those who have sent me these messages feel as they do. They must do business with the Rural Electrification Administration. They have done business with it in the past. They were obliged to do business with this agency when it was an independent agency. They had to do business with it after it was placed under the Department of Agriculture. So far as I know, the cooperatives are now unanimous in their desire that the agency be independent. I have not received a single message opposing the proposal that the R. E. A. be restored to its independent status.

Mr. President, as I stated earlier, I have tried to explain some of the reasons why the farm cooperatives feel as they do respecting this agency. I wish to present some further reasons in addition to the reasons contained in the messages which I have asked to have printed in the RECORD, in extenso.

Mr. President, two Senate committees have taken action which would approve the amendment. First, the investigating committee composed of the late Senator Smith of South Carolina, the Senator from Vermont [Mr. AIKEN], former Senator Gillette of Iowa, the Senator from Mississippi [Mr. BILBO], and myself, made a report recommending restoration of the R. E. A. to an independent status at the earliest possible date.

Then a short time ago when the Senate Committee on Agriculture and Forestry considered the so-called Lucas bill, by an overwhelming vote the amendment providing that the R. E. A. be an independent agency was voted a part of that bill. So we find that two committees of the Senate have endorsed this amendment.

As I have previously stated, the overwhelming support of Members of the Senate for R. E. A. independence is matched by a similar desire on the part of the R. E. A. cooperatives themselves. There are in the Union 46 States in which R. E. A. cooperatives are in various stages of development. In certain States matters are in abeyance and in others the cooperatives are more active. So far as letters and telegrams which have come to me are concerned the correspondence is unanimous to the effect of approval of the transfer of the R. E. A. from the Department of Agriculture, where, my correspondents say, it has been a political football. The writers of the letters and telegrams say "We want this to be an independent agency. We want an Administrator who will administer it honestly and efficiently, and not meddle with politics."

Mr. President, they want a nonpolitical agency as the agency was established in the first place, under an Administrator appointed for 10 years. He should administer it without respect to political patronage. He would be subject to removal from office if he dealt in political questions. Everyone employed by him in the administration of the R. E. A. is to be under civil service and should keep away from political activities. The writers of the letters and telegrams tell me that is what they want done.

Mr. President, this is a remarkable fact, when it is considered that these R. E. A. systems have to deal with the Department of Agriculture constantly. They are placed on the spot, as it were. It represents real courage on their part to take the position they do. The least we can do is to grant the request contained in this plainly evident demand that the R. E. A. be made independent.

I do not believe we can improve upon the famous remark of Mr. Justice Louis D. Brandeis, formerly of the United States Supreme Court, in speaking of large industries in this country. He stated that beyond a certain size they cease to be efficient. Management then is too far removed from the worker. Ownership, then, is too far removed from both of the foregoing. His studies disclosed that the smaller units operate more efficiently. They also create better relationship between the owner and the manager and the workers and the general public. He coined the expression, "the curse of bigness."

We have recently heard an extended discussion of the vast powers of the Reconstruction Finance Corporation as a part of the Department of Commerce. In its wisdom, Congress recently divorced the R. F. C. from the Department of Commerce. It did so in order to make these agencies of manageable size. We all know how much time the heads of departments, who are political appointees, spend in traveling around the country on political matters. Let us not deceive ourselves. The assistant, the assistants to the assistant, and those tenth or twentieth down the line are the ones who really make the policy. The head of the department is so busy, that for all practical purposes the agencies are being operated by bureaucrats and clerks.

In divorcing the R. E. A. from the Department of Agriculture, we are taking one of the first steps to bring the Federal agencies down to manageable size. We are also making them responsible to the Congress. Do not gather from this statement that R. E. A. is a small administration. It serves nearly 7,000,000 people in 46 States. The present allotments are more than $500,000,000. A similar amount is involved in the pending bill. Even though we have become used to large figures during the war, when an agency reaches the size of a $1,000,000,000, that is big business. Consequently, if for no other reason, R. E. A. should be returned to its status as an independent agency, reporting directly to the Congress as it did for nearly 4½ years in the beginning.

We have had too much negative criticism of the Executive. We have had too much idle condemnation. It is now time

for us to get back to first principles. There is no better place to start than with the Constitution of the United States. When we consult that document, we find that the first line of the first section of the first article tells us what to do:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

It does not say that legislative powers are vested in the Executive, or in anyone else. This is our responsibility.

During the many years I have served in this body I have noticed with alarm the gradual disappearance of the legislative sovereignty of the Congress. We are getting into the habit of going to the Executive and the departments to see what they want, instead of doing the job especially prescribed for us by our Constitution. The people concerned want an independent R. E. A. We are their legislative representatives in Congress. They are the ultimate source of our authority. We have no alternative other than to carrying out their wishes in this matter by making R. E. A. an independent branch of the Government. They are the ones who borrow the money. They are the ones who must pay it. They are the ones who use R. E. A., and they are about as economical and conservative a group of people as can be found in this country. They do not want to do R. E. A. business with agents sent out by the Department of Agriculture.

I am proud of and have the highest regard for President Truman, and intend to cooperate fully in all measures which I feel are for the best interests of the people of the United States. In all sincerity, I say that we should legislate, and leave to the President the job of executing the laws, as provided by the Constitution. When I say that I cast no reflection on the integrity, or ability of the President of the United States, Mr. Truman. Once in a while we must draw the line, not because of the man who is now in office, but because Presidents come and go, and Congress cannot too often call attention to the line of demarcation of authority between the legislative and the executive, as well as the judiciary.

Many Senators have not had time to read the 2,000 pages of sworn testimony and documentary exhibits from the subcommittee of the Committee on Agriculture and Forestry which investigated the R. E. A. pursuant to Senate Resolution 197. Consequently I wish to give a few of the highlights of the report, so that the conclusions which I state might be based squarely upon the sworn testimony and documentary exhibits.

In part I, beginning on page 34, appears the testimony of Mr. John M. Carmody, former Administrator of the Rural Electrification Administration. That was at the time when it was an independent agency. It is generally agreed that he established the sound, constructive administrative policies which existed when R. E. A. was an independent branch of the Federal Government. It is likewise agreed that he did an outstanding job. At the present time he is a Commissioner on the Maritime Commission. When he heard that R. E. A. was to be transferred to the United States Department of Agriculture he resigned immediately. The reason is to be found in his remarks, which follow. He was asked under oath why he resigned, and he said:

Well, it just put five or six more layers on top of us, and it was not a question of the Department of Agriculture with me. It was just the question of going from an independent agency that knew what it was doing and knew how to do it, and was getting the job done, going into another agency where we would have to educate a great many people, chiefly clerks, because the business of a bureau finally gets turned over to a few clerks, not to people who really know the total administrative job, but to clerks, irrespective of their titles. That is what it is.

He continued:

We knew that would happen, but frankly I did not want to cool my heels outside some supernumerary's office while he and his associates caught up with what we had already learned the hard way.

That is given as part of the reason for his resignation. He predicted what would happen. The job of administering the R. E. A., since it was transferred to the the Department of Agriculture, has literally been turned over to a group of persons who know nothing about the job.

Why was R. E. A. successful previously? Let us quote Mr. Carmody's exact words.

We had a small, flexible organization which could turn around fast and meet its obligations. We had the statutes of the Congress that were our guide. That is all we needed. * * * It was all very simple and effective.

That is found in part 1 of the hearings, on page 46.

Mr. Carmody's conclusions with respect to an independent R. E. A. are unanswerable. He was with the organization when it was successful, and he left it because he did not want it to be operated by a group of clerks. Here are his exact words:

I assume that the Department of Agriculture has done the best it can to assimilate this very strange little animal, many of whose functions had previously had no relationship to anything that the Department of Agriculture was doing. That is the difficulty. The fact that the word "rural" attaches to it is no reason why it belongs in Agriculture any more than the fact that because rural mail carriers are designated by the word "rural" should subject them to the Department of Agriculture instead of to the Post Office Department. Somebody was misled into this rearrangement, and if I had the authority to make the change, I would make it. * * * I would put it where it was before—make it an independent agency.

That testimony appears in part II of the hearings, on page 336.

The next sworn testimony which I should like to discuss in part is the evidence presented by Mr. John Carson. He was formerly secretary to the late Senator Couzens, of Michigan, and is now Director of the Washington office of the Cooperative League of the United States of America. He is a well-respected witness, whose word and testimony carry great weight and command respect. From Mr. Carson we learn of a scheme of a former deputy administrator, Mr. Craig, to control the R. E. A. from inside or outside.

I shall read Mr. Carson's exact words. Mr. Craig was a deputy administrator in R. E. A., and Mr. Carson quotes him. Mr. Craig had come to see Mr. Carson about a great idea. Mr. Carson said:

It was proposed to establish a Nation-wide organization, frankly a political organization—I remember these things in the memorandum—that Mr. Becker quoted Mr. Craig as saying that he had grown up in Ohio and learned his politics under Harry Daugherty, a former Attorney General, and that he knew his politics too well to be pushed around; that he was going to control R. E. A. from inside or outside, and that he then went on to describe his organization which he proposed. It was to be a Nation-wide organization, with an office in Washington; that they would collect dues for each family member of R. E. A. cooperative, which he estimated would give them a Washington fund of something like $100,000; that they would then set up central buying organizations from which they would get further income and further power; that through this organization in Washington they would keep their influence on Members of Congress—I think the language was stronger than that in the memorandum. He stated that, "We will have the strongest farm organization this country has ever known. * * *"

The declarations that Mr. Craig was reported to have made by Mr. Becker of his mastery of Congress, and of his ability through this organization to continue that mastery of Congress. (Hearings, pt. 1, pp. 14 and 15.)

I am quoting this testimony for the one purpose of pointing out that when this matter was called to the attention of Mr. Wickard's assistant, Mr. Carl Hamilton, he did exactly nothing. When Mr. Carson told Mr. Hamilton of the scheme of those subordinate in R. E. A. to form a great organization for political purposes to collect money from the cooperatives, and so forth, Mr. Hamilton replied, according to Mr. Carson's testimony:

I wish you would forget that you have talked to me. (Hearings, pt. 1, p. 25.)

He did not want to do anything about it, and he did not want anyone to know that he knew that these things were occurring. Yet, he was Mr. Wickard's assistant.

This shows the utter indifference of bureaucrats in a giant organization, when they are given information that may spell the destruction of a smaller agency. They simply are not concerned.

VII. THE FORMER DEPUTY ADMINISTRATOR, MR. ROBERT B. CRAIG

I will not take the time of this body to consider in detail the sworn testimony of Mr. Robert B. Craig, which appears on page 119 and following, of part 1, and on pages 215–342, of part 2. I dealt in some detail with Mr. Craig in my remarks before the Senate on March 21, 1945. I merely wish to direct attention to the fact that when serious charges of bad administration were presented to Mr. Wickard, concerning Mr. Craig, he did nothing. In addition, at a time when an alleged criminal charge was pending against Mr. Craig for authorizing illegal expenditure of United States funds, Mr. Wickard likewise did nothing. On the contrary, he gave Mr. Craig a very complimentary letter when he resigned—part 2, page 807.

THE FUTILITY OF PLACING TECHNICAL BUREAUS IN A POLITICAL DEPARTMENT

On pages 57, 59, and following, of part 1, appears the testimony of Mr. Freeman, former Coordinator of Engineering of R. E. A. I do not care to go into the merits of his testimony. The important fact is that a bitter controversy was raging within the R. E. A. on the relative merits of aluminum and copper conductors. There were, likewise, serious charges of favoritism in the awarding of bids.

Such matters are wholly foreign to Secretary Wickard and his political henchmen in the Department of Agriculture. The important point to make concerning this testimony is that a highly technical bureau like the Rural Electrification Administration has no place in the Department of Agriculture. The thorough incompetence with which those controversies were handled is conclusive proof of this fact.

Equally important, in finally determining the policy, is the fact that the Department of Agriculture abandoned the previous R. E. A. policy of awarding bids to the lowest bidder. The Department of Agriculture permitted the individual R. E. A. systems to select what they wanted. This could only mean a higher cost, because of sales pressure. In the words of Mr. Freeman:

> My only answer to that is that my interpretation of that paragraph would mean that, regardless of cost of construction, no matter how much higher it was than the project could be built for, it would be permitted as long as the project seemed to be assured of sufficient financing to pay off the loan. That is, that regardless of how much lower the project could be built, it might be built more expensively. (Hearings, pt. 1, p. 95.)

Such technical matters cannot be decided by a political bureau or any of the clerks that are appointed. It is a matter that should be resolved by technicians within the agency, acting under a responsible, able Administrator.

FORCING A PRESIDENTIAL APPOINTEE, MR. HARRY SLATTERY, TO RESIGN

In my remarks before the Senate on March 21, 1945, I presented in great detail the political administration of R. E. A. by Secretary Wickard. I then referred to the able administration of Mr. Harry Slattery. He was serving 5 years of a 10-year Presidential appointment when the political muddle in R. E. A. became hopeless. He resigned, as any self-respecting administrator would do under similar circumstances. The situation is a sorry picture of political intrigue.

I disclosed, in great detail, how Mr. Wickard made Mr. William J. Neal Deputy Administrator. Actually, he was the complete Administrator of the R. E. A. So we see the futility of attempting to place a nonpolitical agency like R. E. A. in a Department of Agriculture headed by a political appointee.

The sworn testimony and documentary evidence to back these remarks is to be found in part 2, pages 194 and 495, part 3, pages 628, 629, 660; part 4, pages 1208, 1259, 1376, 1399, 1433, and following.

MR. WICKARD'S POLITICAL DOMINATION OF R. E. A.

The sworn testimony of Mr. Claude R. Wickard, Secretary of Agriculture, is to be found in part 2, page 381, and part 3, pages 775 and 855. I have discussed this testimony in great detail in my remarks before the Senate on March 21, 1945. The best possible comment upon Mr. Wickard's political administration of the R. E. A. is to be found in the interim report of the Subcommittee of the Committee on Agriculture and Forestry which presented its views to the Senate after it had spent nearly a year in investigation:

> The disintegration and demoralization of personnel in the R. E. A. since its integration into the Department of Agriculture, is an outstanding contrast to the harmony and excellency of morale that appears to have existed prior thereto, and is an indictment of the administration under the Agricultural Department (Interim report, p. 4.)

This is amply confirmed by the Committee's conclusions that R. E. A. be made independent "at the earliest possible date."

OTHER SWORN TESTIMONY AND DOCUMENTARY EVIDENCE INDICTS THE ADMINISTRATION OF R. E. A. UNDER SECRETARY WICKARD

If we turn to the remaining evidence and documentary exhibits of the subcommittee's hearings on R. E. A. since it was transferred to the Department of Agriculture, the conclusions are still the same. We merely have additional evidence of the gross incompetence and dire mismanagement of R. E. A. since it was transferred to the Department of Agriculture. Naturally, it is impossible to quote all the testimony and evidence presented in 2,000 pages. The foregoing are a few of the highlights. Further information can be obtained from the testimony given in parts 2, 3, and 4 of the hearings.

ILLUSTRATIONS OF BAD ADMINISTRATION UNDER SECRETARY WICKARD

Today, Congress is confronted with the colossal task of using an axe and a butcher's cleaver to trim down and reduce in size, various bureaus of the National Government that were established in peacetime. Each year they come to Congress for additional funds. Since we lack the needed expert legislative staffs, we have to rely upon the recommendations of the bureaus. As a result, they are now becoming larger and more powerful than the Government itself.

I should like to give you a classic example of the enormous growth in the Department of Agriculture under Mr. Wickard, as it relates to the R. E. A. This information is based upon facts which have been supplied to me by Secretary Wickard. The First Deputy Administrator of the R. E. A. and its associate solicitor is Mr. Vincent D. Nicholson. The Senator from Louisiana asked about the relative expense of conducting the administration of R. E. A. under the Department of Agriculture, as compared with conducting it as an independent agency. Let us see. The Rural Electrification Administration has a legal department. In 1940 the R. E. A. was building approximately 118,000 miles of line a year. Mr. Nicholson had 44 lawyers and 66 others to help him, at an administrative cost of approximately $309,000. On the face of things, that would seem to be approximately twice the number of lawyers that would be needed, but let us pass that by. In 1944, Rural Electrification Administration construction had decreased to approximately 16,000 miles, or 100,000 miles less than in 1940. Nevertheless, Mr. Nicholson still employed 37 lawyers, and 51 other persons for an administrative cost of approximately $321,500.

In other words, when R. E. A.'s construction was about one-seventh of what it was in 1940, under the gross incompetence of Mr. Nicholson the R. E. A. had to pay more money for fewer lawyers and fewer people. Mr. Wickard sanctioned all this, because Mr. Nicholson was playing his political game. Mr. Nicholson actively aided and assisted in all of Mr. Wickard's political manipulations that have made a political football of the R. E. A. today.

The Mr. Vincent D. Nicholson to whom I have referred, who is the First Deputy Administrator of the R. E. A., and also the Associate Solicitor of the Department of Agriculture, is the same gentleman who said "To hell with the law"—hearings before a Subcommittee of the Committee on Agriculture and Forestry, United States Senate—Senate Resolution 197, part 4, page 1016. Mr. Nicholson was speaking to a meeting of R. E. A. cooperatives at Chicago.

The committee investigating R. E. A., when informed of this fact, refused to hear any further testimony from Mr. Nicholson. In dismissing him as a witness, the chairman said:

> I consider this an absolute degradation of the principles of the legal profession for an attorney to say "To hell with the law" when the thing suits you (ibid., p. 1022).

I believe that Mr. Nicholson is entitled to the explanation that he was talking to a group of R. E. A. cooperatives at the time he admits to have made this remark. He was about to explain what they could do or not do under the law, and so forth, when he admits he said, "To hell with the law." Afterward he stated before the committee that he meant that facetiously.

SENATE COMMITTEE RECOMMENDS IMMEDIATE R. E. A. INDEPENDENCE

Mr. President, on May 3, 1945, I inserted in the CONGRESSIONAL RECORD the interim report of the bipartisan committee of the Senate that investigated the R. E. A. Without a dissenting vote, it reported that R. E. A. should be made independent immediately.

THE NATIONAL SCANDAL IN R. E. A.

Ever since Mr. Harry Slattery was forced out as Administrator of the R. E. A. under the political administration of Secretary Wickard, Mr. Neal, Deputy R. E. A. Administrator, has been the real Administrator of the R. E. A. He was the former head of the worst-managed of all the 813 R. E. A. cooperatives. A recent audit of his system shows that under Mr. Neal's careless leadership, Federal funds were stolen. Mr. Wickard did

nothing about it. The man who collaborated with this person, Mr. Neal, is now the Acting Administrator of the $500,000,000 R. E. A. program.

MR. NEAL COLLABORATED CLOSELY WITH MAN WHO STOLE GOVERNMENT FUNDS

The theft of Government funds was merely a small part of the gross mismanagement of this system of which Mr. Neal was the former head.

1. AUDIT OF MR. NEAL'S SYSTEM

In order to remove any doubt as to the close connection between Mr. Neal and the maladministration of New Hampshire 4 Merrimack of which he was head, let us turn to the R. E. A. audit started on July 24, 1944. The R. E. A. staff members that made this audit are among the oldest and most trusted employees of the R. E. A. This is a Government document. I personally have a copy, which was submitted in the recent hearings on the nomination of Mr. Aubrey Williams. It is signed by four R. E. A. auditors. Here are the facts:

2. MR. NEAL'S NEGLIGENCE IN BAD MANAGEMENT

In this audit we learn that the manager of this system "was given complete control of the management and that only in rare instances did he obtain the approval of the board of directors before formulating policies and procedures of the cooperative"—New Hampshire 4 Merrimack Audit, page 5.

We further learn that the manager "in almost every instance, would recommend that, in view of the fact that his report contained all information required by the board, the president—Mr. Neal—forego the expense of having a board meeting and defer it to some future date, and in most instances, the board meeting was deferred"—New Hampshire 4 Merrimack audit, page 5.

The manager appears to have a working arrangement with the president—Mr. Neal—and treasurer whereby he would correspond and have telephone conversations with them frequently concerning the problems of management, the approval of expenditures, and other matters for the system. In this manner a series of checks would be prepared in the course of business each month and presented to the president—Mr. Neal—and treasurer for their signatures—New Hampshire 4 Merrimack audit, page 5.

It will thus be seen that Mr. Neal actively cooperated with the manager of this system, who later stole Federal funds. It will likewise be seen that it was a constant relationship and that the manager obtained the permission of Mr. Neal for the actions he performed. This is a clear case where two people have collaborated to a common end, the end in this case resulting in gross mismanagement and the actual theft of Government funds. Mr. Neal cannot escape this responsibility.

To give Senators some idea of the vast waste of Government funds in the operation of this system, under Mr. Neal's leadership, let us glance at the audit information on right-of-way costs. As we know, these are the costs involved in securing permission to run lines over a given area. From this audit we learn that Mr. Neal's cooperative "spent $211,605.51 for right-of-way costs. Since the entire system comprises approximately 1,373 miles, this cost is approximately $154 per mile of line. Comparing this cost to the same type of expenditure in the adjacent State of Vermont, the comparison reveals the following information: Of the three systems in Vermont comprising 1,014 miles, the total right-of-way cost was $12,120.10, or a total cost of $11.95 per mile—New Hampshire 4 Merrimack audit, page 8.

In other words, in the adjoining State of Vermont, they were paying approximately $12 per mile for right-of-way. Under Mr. Neal's presidency and bad management, the New Hampshire Cooperative paid nearly 13 times as much.

Let us consider the question of line loss. This is the amount of electric energy that is lost on the line, for which the cooperative pays but gets no benefit. Where the management is good these line losses are kept to a minimum. Notice what happens under bad directorship. In a month, the line loss on this system was 38 percent. In the adjacent State of Vermont, the line loss for the month was 21 percent. The auditor's comment:

> The 38 percent line loss for New Hampshire 4 appears out of line compared with the average line loss of the other systems throughout the country. (New Hampshire 4 Merrimack Audit, p. 9.)

For the actual theft for which the auditors have a fancy name, "defalcation," we learn the following information from this audit. The total amount "of approximately $15,000 was disclosed during the course of this audit, involving Federal loan funds and operating funds.—New Hampshire 4 Merrimack Audit, page 1.

The auditors state further that this $15,000 consists of "a large portion of which represented loan-fund advances made to the cooperative by R. E. A."—New Hampshire 4 Merrimack Audit, page 11.

The exact nature of these thefts is set forth on pages 18, 19, and 20 of this audit. It will be noted that the manager made good part of the theft only after he had been caught. I quote the auditors:

> Acknowledgement by the manager of the above shortages was made after he had reason to believe that they had been detected. (New Hampshire 4 Merrimack Audit, p. 19.)

That is to say, there may be vast other sums which the auditors have not been able to dig out with limited R. E. A. staff and funds.

Where we find theft in a system, we may expect to find bad management. In the first place, this is a cooperative. We note, however, from this audit that "the areas in which the officers of this board reside * * * are already served by other utilities"—New Hampshire 4 Merrimack Audit, page 3.

That is to say, we find board members of a cooperative being served by private utilities. It is of interest to note that Mr. Neal, who was the President of this system, was not receiving electric service from this cooperative. On the contrary, he obtained it from a private utility. Likewise, the present president of this cooperative obtains his electric service from a private utility and not from his own cooperative.

What is the operating picture of this system of which Mr. Neal was formerly the head? What kind of a record was made here that entitled Mr. Wickard to make him Acting Administrator of the R. E. A.? Here are the facts as disclosed in this audit:

> Since incorporation in July 1939, the cooperative has sustained operating losses of $180,803.59. (New Hampshire 4 Merrimack Audit, p. 11.)

I believe this will be found to be the worst operating record of all the 813 R. E. A. systems.

We have heard that many of the R. E. A. systems are doing so well that they are making advance payments on their loans to the United States Government. What is the record of Mr. Neal's system? Let us quote the audit.

> It is now $38,394.17 in default of its obligations to the United States Government. (New Hampshire 4 Merrimack Audit, p. 11.)

In other words, the man whom Mr. Wickard made the Acting Administrator of the R. E. A. today has left a system, the manager of which stole $15,000 which has been discovered, with how much undiscovered only a future investigation will disclose. Mr. Neal was also the head of a system that is $180,000 in the red. Mr. Neal is also the former head of a system that owes the Government nearly $40,000 in back payments on its loans.

But this is not all. An examination of the audit will show bad operating practices which are a disgrace to Mr. Neal or anyone else who was formerly the president of such a system. Let us look at the facts disclosed in the audit. First of all, the office of this system was located in the residence of the manager, a part of which he used as his home—New Hampshire 4 Merrimack Audit, page 14.

We notice that under the bad operating practices approved by Mr. Neal, this manager seldom visited the various districts—New Hampshire 4 Merrimack Audit, page 14.

The office was very poorly located, making it inconvenient for customers to come to it—New Hampshire 4 Merrimack Audit, page 14.

Deposits were usually made in round figures and not in the amount of daily cash transactions. Undeposited cash on hand on the books as cash on hand ranged from $2,000 to more than $5,000—New Hampshire 4 Merrimack Audit, page 14.

The wife of the manager of this system was also on the pay roll. New Hampshire 4 Merrimack Audit, page 14.

We also note that when the auditors attempted to examine the records of this system, they were either lost, destroyed, or withheld—New Hampshire 4 Merrimack Audit, page 15.

The shortages in the case of this system reveal amazingly bad management, all of which Mr. Neal approved. An examination of the records shows that they were kept in a highly improper manner. See, for example, the handling of meters or transformers, making it difficult, if not impossible, for the auditors to make

an accurate check—New Hampshire 4 Merrimack Audit, pages 24–25.

Throughout the record there is evidences of constant mismanagement, extravagance and unsound business practices. Let us take one illustration. A 4-mile extension was built under contract to a privately owned resort hotel at a cost of $2,800.54 before overhead and easement expenses were included. The service contract guaranteed a $300 annual revenue. It was never enforced—New Hampshire 4 Merrimack Audit, page 29.

In another instance, an extension was built to an estate. There was supposed to be a guaranteed annual revenue of $200. The actual revenue was as follows: 1941, $28.96; 1942, $24.44; 1943, $97.71; 1944, $67.45—New Hampshire 4 Merrimack Audit, page 30.

It is not necessary to give additional details to prove the bad management; to indicate duplicate deposit slips which were missing, page 45; to show sales without R. E. A. approval, pages 46–47, and numerous other cases of bad management.

The conclusions of the auditors need no comment:

1. There have been defalcations of substantial amounts of funds.

2. There have been misappropriations of substantial amounts of Federal funds which cannot possibly be restored before settlement with bonding company.

3. The falsehood of the president has not yet been repudiated by the Board.

4. Illegal line extensions have been constructed. (New Hampshire 4 Merrimack Audit, p. 31.)

MR. NEAL'S RESPONSIBILITY

Starting in as one of the incorporators of this system in July 1939—New Hampshire 4 Merrimack Audit, page 12—Mr. Neal sanctioned and approved the bad practices in which the manager indulged—New Hampshire 4 Merrimack Audit, page 13. Mr. Neal has been cooperating in this negligence—New Hampshire 4 Merrimack Audit, page 5. He shares a direct responsibility; and he must assume some responsibility, if not for the theft, at least for the bad management.

MR. WICKARD DOES NOTHING

Mr. Neal's system was in operation and all the above bad administration of it occurred during the time that Mr. Wickard was Secretary of Agriculture and in charge of the R. E. A. Mr. Wickard did nothing. Likewise, when the 1944 audit was made, Mr. Wickard did nothing as regards basic remedial action. If there is any doubt about this, all we have to do is to ask two questions:

Has the manager of this system been prosecuted and placed in jail for stealing Federal funds?

Has Mr. Neal been indicted for collaborating with this manager in the above theft and mismanagement?

The answer is obvious. So far as I know, Mr. Wickard has done nothing up to this date. On the contrary, he has cooperated to keep these ugly facts away from the light of public opinion. It proves conclusively that Mr. Wickard and his aids are actively collaborating in preventing disclosure of this scandalous condition.

EVIDENCE OF MR. NEAL'S BAD LEADERSHIP OF NEW HAMPSHIRE 4 MERRIMACK

When I made my remarks on Mr. Neal's bad leadership on the New Hampshire 4 R. E. A. system, of which he was president, a question was raised about the facts. So I have gone to the sworn testimony of the investigation of R. E. A. I have the facts. Without taking the time of this body, they prove conclusively that this system was badly managed in peacetime before the war. All the excuses about war conditions have no relation to the facts.

Mr. President, at this point I ask unanimous consent to insert in the RECORD extracts from the hearings before the subcommittee of the Senate, and my comments, and also an excerpt from the report of the committee of auditors that examined the books and the management of this company. In that audit there are some remarks that are clarifying and citations. I ask that this be printed in the RECORD without being read, in order to save the time of the Senate.

The PRESIDING OFFICER (Mr. MCMAHON in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Bad, inefficient management on Mr. Neal's system New Hampshire 4 Merrimack, from the very beginning.

1. We first learn that R. E. A. policy was to have its systems meet their obligations. The following is taken from the sworn testimony and documentary evidence, of the Senate Subcommittee of Agriculture investigation of Rural Electrification Administration, page 1399, part 4:

"Mr. BEEDY. Now, Mr. Slattery, I want to question you about Merrimack No. 4, New Hampshire.

"Mr. SLATTERY. New Hampshire 4; yes.

"Mr. BEEDY. Has that given R. E. A. some concern, the administration of that particular cooperative?

"Mr. SLATTERY. Mr. Beedy, it is embarrassing, because that is Mr. Neal—he is Deputy Administrator.

"Mr. BEEDY. I think, Mr. Slattery, we have allowed too many personalities, if I may say so, to come into this. Now we are dealing with a matter of policy, and regardless of who administers it, it is the policy, as I understand, of the R. E. A. to hold its cooperatives up to a high standard of meeting their obligations.

"Mr. SLATTERY. True.

"Mr. BEEDY. And repaying their loans?

"Mr. SLATTERY. Yes.

"Mr. BEEDY. And if they find maladministration, attention is called to it?

"Mr. SLATTERY. That is true.

"Mr. BEEDY. And efforts are made through proper officials in R. E. A. to cut down operating costs and determine the cause of operating deficits; is that correct?

"Mr. SLATTERY. That is true.

"Mr. BEEDY. And you cooperated, did you not, with this new project from the start to bring it into line and have it conform with standards which are imposed upon other local cooperatives?

"Mr. SLATTERY. That is true."

2. From the evidence we learn New Hampshire 4 Merrimack, of which Mr. Neal was president, has been managed badly from the beginning.

Here is a letter from one of the R. E. A. engineers dated 1940, before the war. Notice that Neal was ignoring sound R. E. A. practices from the beginning. Observe, also, that a supervisor is requested. He is the man the Administrator appoints as a sort of receiver when an R. E. A. system is in very bad shape:

"EXHIBIT 216

"Dated: August 26–29, 1940.

"Received: August 30, 1940.

"To: C. O. Falkenwald.

"From: W. L. Wolff.

"Subject: New Hampshire 4 Merrimack.

"President Neal and Superintendent Huntress are definitely intent on submitting about 250 miles of miscellaneous extensions about September 15. I stressed the advisability of getting the preallotment material in good shape before submission, but it is evident they have their own ideas about the program.

"Recommendations: I recommend that we go full steam ahead on the construction of Rural Electrification Administration lines in New Hampshire but on some orderly basis, assuring a check on feasibility. In my opinion, this can only be accomplished by the appointment of a Rural Electrification Administration supervisor" (pt. 4, p. 1400).

That is the disturbing report about Mr. Neal's leadership from one Division in R. E. A., the Applications and Loans Division. Now observe the same kind of report on bad management from the R. E. A. Finance Division. The report covers a period before the war:

"There is no question in my mind that all these people are actually in the service of the cooperative. However, although being employed as easement solicitors, their duties were varied, including political and other work of a like nature. To illustrate this point the following example is typical of the utter lack of consideration of economy on the part of project officials.

"A special board meeting was called to empower the president to act for the board of directors in the removal of the project engineer. Easement solicitors were sent to various parts of the State to drive the directors to Concord. In addition, each director was called to notify him of the meeting. The cost of this will run well over $100. Lack of daily time sheets prevented the auditor from obtaining more detailed information" (pt. 4, p. 1401).

The general counsel of the Senate subcommittee, Mr. Beedy, comes to the same conclusion. R. E. A. was having trouble with Mr. Neal's system right from the start:

"Mr. BEEDY. The committee will perceive the purpose of these offerings, to show the confusion that has obtained respecting New Hampshire 4 Merrimack, from the start, and the difficulties the R. E. A. was having with this project" (pt. 4, p. 1402).

There was bad management under President Neal from the start. Here is a report in 1941. This is from the Finance Division of R. E. A.:

"Operations from the date of energization in February 1940 to December 31, 1940, resulted in a let loss of $7,183.82. Operations from January 1 to July 31, 1941, resulted in a net loss of $10,274.87. Interest accrued and deferred charged to operations amount to $3,407.29 in 1940 and $7,823.22 in 1941."

Here is another finance report to the same effect:

"EXHIBIT 219

"AUGUST 30, 1941.

"To: The head, Field Audit Section.

"From: John A. Tierney.

"Subject: Personnel, New Hampshire 4, Merrimack.

"Superintendent: * * * The project is running at a substantial operating loss; it is the auditor's opinion that this is due, at least in part, to the superintendent's propensity for spending money—often inadvisedly. At the beginning of August, for example, $590 was spent for an Ediphone set. It is not believed that the expenditure was warranted, in view of the size of the office.

* * * * *

"Clerk: Mrs. Helen G. Huntress, wife of the superintendent, does extra typing work at a salary of 40 cents per hour. Payments

from January through July 1941 averaged $61.50 per month. The auditor found no evidence that the Operations Division had approved the employment of Mrs. Huntress.

"Respectfully submitted" (pt. 4, p. 1403).

Those are reports from two R. E. A. divisions. Let's now consider a report from the Operations Division in R. E. A. in 1942. Notice it's the same old story of bad management under Mr. Neal's leadership. Mr. Neal's use of the farmers and this cooperative for his own political purposes is clear. This evidence is from part 4 of the R. E. A. investigation, page 1404:

"Mr. ERNEST W. HOVER,
"St. Louis, Mo.

"DEAR MR. HOVER: I arrived at New Hampshire 4, Merrimack, as per schedule, after notifying Mr. Huntress of my impending visit. He seemed very gratified because of the advance warning. It is not difficult to understand his desire to be notified, as I was not given an opportunity to talk to any of the members of his staff out of his presence. He verified where I was staying and made it a point to keep me out of the office all the time possible.

* * * * *

"The dominant figure on this property is William Neal, the president. He is past grand master of the State grange, secretary of the State fair association, and now chairman of the New England Emergency Council, which is an organization formed to keep John L. Lewis from organizing the farmers in this section of the country. Huntress says that Neal will announce his candidacy for Governor on the Democratic ticket in the near future. He is reputed to have powerful connections in Washington.

"Since Huntress is Neal's man, it would seem that he is will situated, which may have a bearing on his attitude.

"The co-op organization is, therefore, operated along military lines with Huntress in the position of commandant."

Here is another later finance report from two R. E. A. auditors covering the period 1941–42. This is found in part 4, page 1407:

"From the accompanying balance sheet and statement of income and expense it will be noted that the system is operating at a loss and is $56,558.48 in the red as of October 31, 1942, without including 1942 depreciation, which will amount to approximately $40,000. At this rate the deficit will approximate $100,000 by December 31, 1942.

"General and operating funds were not audited in detail, but test checks indicated numerous items of gross extravagance.

"* * * The office is located in the residence of the superintendent, and there are numerous indications that alterations, improvements, and even furnishings have been applied to the residence at the expense of the system. One example is an item of $171.57 for "rings, curtains, and drapes," included in office furniture and equipment, on schedule 10; also, note the lamps charged to this account. An Ediphone, which cost $590, is also an item for observation. This machine reposes in the office, seldom, if ever, used.

"Attention is also directed to transportation equipment, which includes 11 automobiles. Many more evidences of extravagance, too numerous to comment upon individually, are noteworthy.

"The superintendent, Mr. Leon M. Huntress, exercises a rigid control over the telephone and mail. None of the office force is allowed to call for the mail or answer the phone, Mr. Huntress attending to these functions personally. The cash collections also are kept under lock and key, and he alone has access to same" (pt. 4, p. 1407).

Now, contrast this with similar R. E. A. cooperatives in Vermont. This is also on page 1407 of part 4 of the Senate committee investigation of R. E. A.:

"Senator SHIPSTEAD. Is that in Senator AIKEN'S State?

"Mr. BEEDY. Vermont has no such blot on its escutcheon.

"Senator AIKEN. This project is not in Vermont. I think we can clear Vermont on this all right. We have three projects. One of them a year ago had paid $37,000 in advance. The second one got off to a bad start, but has since made recovery and has now paid in advance, while the third cooperative has not been in existence long enough to have payments come due yet" (pt. 4, p. 1407).

CONCLUSION

Mr. SHIPSTEAD. This shows what happens when a nonpolitical agency like R. E. A. becomes a political football. The man whom Wickard chose to be Administrator of R. E. A. was the head of the worst-managed system of all the R. E. A. cooperatives. Under his bad direction there was a substantial theft of Federal funds. Mr. Neal not only did nothing, but he also took steps to prevent the disclosure of these facts to the public. This is a national scandal. Three things should be done immediately.

First. Proper charges should be brought against the manager of this system for theft of Government funds. If proved—and the conclusions of the auditors of R. E. A. are inescapable—he should immediately be jailed for theft.

Second. Mr. Neal should be separated from the management of the Rural Electrification Administration until he shall have been cleared of liability for the mismanagement of this cooperative. He was president of the board of directors of that cooperative, he hired and protected the manager who did all these things, and he must share responsibility, even if he cannot be proved to have benefited personally from the thefts of the manager, and I am not saying that he did benefit from them.

Mr. President, the inescapable conclusion from all the foregoing is that R. E. A. should be moved out of the Department of Agriculture at the earliest possible date and be made an independent branch of the Federal Government, responsible directly to Congress as it was during the first 4½ years of its administration.

The farmers who have communicated with me in letters and telegrams want me and expect me to tell the Senate that they desire to have the Rural Electrification Administration restored to its status as an independent agency. They hope an able and honest and efficient Administrator will be appointed, and that the business of that agency will be conducted on the high plane on which it was conducted when it was first inaugurated and first went into operation as an independent agency, when it was not considered political. It was conducted as a business institution, to furnish electricity to the farmers. It was very satisfactorily operated. The farmers remember how it was operated, and they want it returned to its original status.

Anyone who has any doubt about my quoting the farmers correctly may look at hundreds of letters I have here. I shall not take the time to read them into the RECORD, and shall not have them printed, but they are from many States of the Union, and in most of the States the farmers have had State meetings. In the wintertime farmers are busy, but they have been so much interested that they called board meetings of their systems to consider this matter. They have held State meetings in which they have talked the matter over, and they have all come to the same conclusion. Not a single letter or telegram has come to me opposing the change. As a matter of fact, they all demand it.

(On request of Mr. SHIPSTEAD, and by unanimous consent, the following telegrams and letters were ordered to be printed at this point in the RECORD:)

ALABAMA

Wiring Florida United States Senators, board of directors of cooperative overwhelmingly approved R. E. A. independence.

CALIFORNIA

Our board passed resolution at last meeting recommending R. E. A. be placed as independent agency as most logical plan of eliminating politics in organization.

DELAWARE

This matter has received careful consideration by the directors of this cooperative, * * * are unanimously of the opinion that the Rural Electrification Administration should be restored immediately to an independent status in the best interest of the rural-electrification program. We are of the opinion that the present situation must be corrected immediately or this program will be seriously jeopardized. * * * Restoration of this agency to an independent status must be followed by the appointment of a competent administrator who is in full sympathy with the program.

We are not in favor of the appointment of the present so-called Acting Administrator, William J. Neal, or any other person connected with Mr. Neal or Secretary Wickard.

GEORGIA

Our board of directors is definitely of the opinion that R. E. A. was much better off as an independent agency than under the Department of Agriculture.

ILLINOIS

The directors of the Jo Carroll Electric Cooperative ask your support of all legislation favoring making R. E. A. an independent agency.

The actual sentiment among cooperatives is very greatly in favor of an independent agency, but many cooperatives are too timid to express their views.

Meeting of R. E. A. cooperative managers of the State of Illinois was held in the Abraham Lincoln Hotel in Springfield, Ill., on April 8.

It was moved * * * and seconded * * * that the group go on record as favoring the reestablishment of the Rural Electrification Administration as an independent agency. Motion carried by roll-call vote—19 for and 2 against.

I do not see how the Senate and the House of Representatives can overlook the desires of the cooperatives in this matter.

INDIANA

Resolved, That Indiana State-wide Rural Electric Cooperative, Inc., hereby place itself on record as favoring the reestablishment of the Rural Electrification Administration as an independent agency.

IOWA AND 15 OTHER STATES

At a meeting * * * St. Louis, April 14, there were 16 States represented by 48 directors, managers, and presidents of State associations, and they went on record as favoring the independence of R. E. A. During the meeting telegrams and letters were received from 350 cooperatives backing the fight for the independence of R. E. A.

IOWA

We believe R. E. A. should be divorced from politics and should not be treated as an inferior agency in some bureau or department. The whole project is so large and of such vital importance to millions of farmers and their families that it warrants an independent status with a capable and fearless administrator. It should not be used to advance or further anyone's political aspirations.

KANSAS

We have read the testimonies of the witnesses who were examined by the investigating committees and the final reports of their findings. We are thoroughly convinced that R. E. A. should be made an independent agency and believe it should be done as soon as possible for the best interest of R. E. A.

KENTUCKY

I have closely followed the developments in R. E. A. since its organization in 1935 to date.

I was very much disturbed in July 1939 because of the Reorganization Act, making R. E. A. a part of the Department of Agriculture. I was convinced then, as I am now, that the organization could not and would not function to the best interest of all concerned as a part of the Department of Agriculture. Time has proven this conviction to be true.

I have read with great interest all four volumes of the Senate subcommittee hearings, and I consider myself very much familiar with the happenings that have taken place in R. E. A., as part of agriculture.

LOUISIANA

Our cooperative feels that it is imperative that R. E. A. be an independent agency, free from politics.

Please extend our sincere thanks and appreciation to all the committee members who voted in favor of R. E. A. independence. We gratefully acknowledged your efforts and support.

LOUISIANA—ALL R. E. A. CO-OPS

It was unanimously decided that each member of the Louisiana Electric Cooperative, Inc., should solicit the aid of his Congressmen and Senators in Washington, D. C., in having the Rural Electrification Administration removed from the control of the Department of Agriculture and made a department of the Government in its own name, responsible only to the Congress of the United States of America.

MAINE

We are very much in favor of an independent R. E. A.

We wish you much success in your efforts in behalf of R. E. A. I consider it the greatest and most forward step our Government has taken in this decade.

ALL 13 CO-OPS IN MICHIGAN

After having made a canvass of all 13 cooperatives representing the State of Michigan, I am able to say to you that we are unanimous in the opinion that the entire group are in favor of the Senate R. E. A. independence bill.

The writter attended a meeting last week in St. Louis, at which time representatives of R. E. A. from the nine midwestern States convened to discuss the matter thoroughly, and as a result resolutions were passed asking for a complete separation of R. E. A. from the Department of Agriculture.

MINNESOTA—ALL 47 CO-OPS

The efficient and successful operation of the R. E. A. cannot be realized under a politically minded Administrator subservient to the Secretary of Agriculture.

The continued success of R. E. A. requires that it again be made an independent agency.

MISSOURI

The board of directors of the Northwest Missouri Electric Cooperative, with 2,100 members, unanimously recommends the Rural Electrification Administration be made an independent agency.

MONTANA

We are 100 percent for an independent R. E. A.

NEBRASKA

The board of directors have long felt the need of restoring the Rural Electrification Administration to the status of an independent agency if the success of the R. E. A. projects and the rural-electrification program, America's greatest rural program, is to be maintained.

Sixteen hundred rural families hereby respectfully request the legislative authorities of the United States to remove the Rural Electrification Administration from the Department of Agriculture and reestablish the Rural Electrification Administration as an independent agency. We respectfully request this change be made before consideration is given to the appointment of a new Administrator of the Rural Electrification Administration.

NORTH CAROLINA

Thoroughly discussed by board, several members studied testimony of hearing in detail. Conclusion reached unanimously favoring independent status R. E. A.

NORTH DAKOTA, SOUTH DAKOTA, MINNESOTA, WISCONSIN, IOWA

* * * authorized representativ for independent R. E. A., North and South Dakota, Minnesota, Wisconsin, and Iowa.

OHIO

We are fighting for independence and will continue to do so until it is won.

OKLAHOMA—ALL 23 COOPERATIVES

Our people behind you 100 percent in this movement and sincerely appreciate your efforts.

ALL 12 COOPERATIVES IN OREGON

At a meeting the Oregon Rural Electric Cooperative Association stills favors independence of R. E. A. from the Department of Agriculture to an independent agency.

ALL 13 R. E. A. COOPERATIVES, PENNSYLVANIA

The Pennsylvania Association of Rural Electric Cooperatives, representing 28,000 members, favors the removal of the Rural Electrification Administration from the jurisdiction of the Department of Agriculture and the reestablishment of said Rural Electrification Administration as an independent Government agency.

SOUTH CAROLINA—ALL R. E. A. SYSTEMS

Anyone can readily see that R. E. A. would have soon been kicked out of the back door if it had continued as it has in the past 3 years. Here in South Carolina, it has been the desire of every member of boards of directors and managers to see R. E. A. independent once more. I am confident that the R. E. A. program would have failed if it had not been for you, and men like you, who are farsighted enough to see what this means to the future of R. E. A.

TENNESSEE—ALL R. E. A. SYSTEMS

Whereas we, the members of the Tennessee Rural Electric Cooperative Association, realizing the better capacity of Rural Electrification Administration to serve the rural people of America as an independent agency, free and unhampered by any outside influence,

Resolved, That we reaffirm our resolution made at our meeting September 12 and 13, in which we proposed that Rural Electrification Administration be reestablished as an independent agency.

TEXAS

Interested in seeing R. E. A. independent of Department of Agriculture.

UTAH

Appreciate your effort in support on legislation again making R. E. A. an independent agency.

VIRGINIA

The directors heartily approve of the passage of legislation to again make the R. E. A. a nonpartisan, independent agency of the Government.

STATE OF WASHINGTON

Our unanimous approval of your effort to restore R. E. A. as an independent agency.

WISCONSIN

The board of directors went on record as recommending that R. E. A. be set up as an independent organization and not be under the Department of Agriculture.

Mr. LANGER. Mr. President, I rise to speak in behalf of Senate bill 89. During the time I was Governor of the State of North Dakota, I do not know of any bill on behalf of the farmers which attracted more attention than the bill which was introduced providing for rural electrification. Yet, somehow or other, the farmers in the middle Northwest did not begin to get the amount of rural electrification that was secured by farmers in other sections of the United States.

For example, in Rhode Island 93 farmers out of every 100 have light and power on their farms. In the State of Washington 84 farmers out of every 100 have light and power on their farms. That means that the women folk in those homes are not burdened down by excessive drudgery. It means that their churns and their washing machines are operated by electricity, and that their little children at night, instead of weakening their eyes by lamplight, can study their lessons under electric lights. It means that the water is pumped by electricity.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LUCAS. The Senator from North Dakota a moment ago mentioned the State of Rhode Island as having 93 percent of its farms electrified.

Mr. LANGER. Yes.

Mr. LUCAS. I call the attention of the Senator to the fact that 93 percent of those farms are electrified through the public utilities. There is not a single cooperative in the State of Rhode Island. I do know that many farms in that State are equipped with electricity, but it all comes through the private utilities. Not a dime of money appropriated by Congress for lending purposes in connection with rural electrification has gone into the State of Rhode Island.

Mr. LANGER. I understand that perfectly, Mr. President, but the last annual report of the R. E. A., giving the number of farms equipped with electricity and power, regardless of where the power comes from, shows that 93 out of every 100 in Rhode Island have light and power. In my State, instead of 93, there are less than 7. In the State of the distinguished senior Senator from Minnesota, 40 out of every 100 are thus equipped, and in the State of Montana, 25 out of every 100.

We feel that under this bill, if the R. E. A. shall be made an independent agency, there will be someone in Washington who will equalize that situation.

It will mean that, regardless of the fact that in Rhode Island 93 farmers out of 100 have electricity, if we have an independent agency here it will see to it that, whether located in States North, South, East, or West, the farmers in those States will at least be put upon an equality with those in some of the other States.

Mr. President, this is very important, because when the soldier boys return what are they going to say? Some of them will say, "We have been in the Scandinavian countries, in Norway, Sweden, Denmark, or Finland, where there is nearly 100 percent of rural electrification." They will say, "We have been in Germany fighting, and in Germany 95 farms out of 100 have light and power." Some of the men coming back from Japan will say, "That country is a barbaric country, yet 95 out of 100 Japanese farms have light and power."

Roughly 93 percent of the farmers in North Dakota do not have refrigeration. We have a struggle there, as the distinguished senior Senator from Minnesota knows, even to get locker plants in which to store our meat and keep it from spoiling. When the war came along, we were not able to get the material with which to build the plants. One of my most arduous duties here has been to assist in having locker plants established in the various small towns in North Dakota.

In my State the people are extremely interested in the enactment of Senate bill 89. I think I have received more letters and telegrams this year in favor of the enactment of that bill than of any other bill. I hope it will be passed without any changes. I hope priorities will be obtained so that we can get copper and other materials which are now so badly needed in the Middle West to complete the various cooperative enterprises which already have been approved by the Administration in Washington.

Last week the Government approved the completion of the rural-electrification lines into Traill and Steele and Grand Forks Counties. As soon as that was announced, counties all over the State telephoned to me and said, "If these three counties can get sufficient copper and other materials, we should have some copper and other materials for our cooperatives, too."

Mr. President, I compliment the distinguished Senator from Illinois for advocating the passage of the pending bill. I do not think the amount provided is 1 penny too much. I heard what the distinguished senior Senator from Ohio said a while ago when he was talking about the debt of the Government of the United States. I desire to supplement what was said by the senior Senator from Nebraska [Mr. BUTLER] when he stated that the debt which may arise by reason of the passage of the pending bill, if it can be called a debt, will be secured by the notes of cooperatives and by the individual notes of the farmers in all the cases. Referring to page 3 of the report, it is shown that the amounts which have fallen due on these loans by R. E. A. aggregate $68,000,000, but that borrowers have repaid approximately $86,000,000. That means that the borrowers from the Administration have made aggregate repayments of $18,000,000 in excess of the payments due under the terms of their loans.

In North Dakota we have today the richest State in America. The records show that according to individual deposits in banks, per capita, the people of North Dakota are at the very top. Every Senator on this floor is familiar with the fact that the people of North Dakota buy more liberty bonds per capita than those in any other State in the Union. They oversubscribed their last quota 81 percent.

If the pending bill shall be enacted, if the copper and other materials shall be made available, I assure Senators that the farmers of North Dakota will not make the loans, they have the money in the bank, and they are anxious to pay whatever amount may be necessary in order to have their farms electrified. I hope the bill will be passed, as it should be, without a single dissenting vote. Surely the time has come in America when the farmers of this country are entitled to have at least the same kind of rural electrification as do the farmers in Japan and in Germany.

Mr. REED. I call attention, Mr. President, to the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ball	Hill	Reed
Barkley	Hoey	Revercomb
Bilbo	Johnson, Colo.	Robertson
Briggs	Johnston, S. C.	Russell
Brooks	Kilgore	Shipstead
Burton	La Follette	Smith
Butler	Langer	Stewart
Byrd	Lucas	Taft
Capper	McClellan	Taylor
Cordon	McKellar	Thomas, Okla.
Donnell	McMahon	Thomas, Utah
Downey	Magnuson	Tunnell
Eastland	Mitchell	Wagner
Ellender	Moore	Walsh
Ferguson	Morse	Wherry
George	Murdock	White
Guffey	Myers	Wiley
Hart	O'Daniel	Wilson
Hayden	O'Mahoney	Young
Hickenlooper	Radcliffe	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Rhode Island [Mr. GREEN], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Interstate Commerce Committee.

The Senator from New Mexico [Mr. HATCH] and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Montana [Mr. MURRAY], the Senator from Louisiana [Mr. OVERTON], and the Senator from Maryland [Mr. TYDINGS] are absent attending committee meetings and public business pertaining to their respective States.

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN] is absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from South Dakota [Mr. GURNEY] is absent on official business.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate, and also because of an injury resulting from an accident.

The Senator From New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from Delaware [Mr. BUCK], the Senator from Colorado [Mr. MILLIKIN], the Senator from New Hampshire [Mr. BRIDGES] are detained in committee meetings and on official business.

The PRESIDING OFFICER. Fifty-nine Senators having answered to their names, a quorum is present.

The question is on agreeing to the first committee amendment, in subsection (c) of section 2, on page 3, line 12, which will again be stated.

The LEGISLATIVE CLERK. In section 2, on page 3, at the beginning of line 12, it is proposed to strike out "annually, beginning with the fiscal year ending June 30, 1945", and insert "for each of the fiscal years 1946, 1947, and 1948," so as to make the subsection read:

(c) There is hereby authorized to be appropriated for each of the fiscal years 1946, 1947, and 1948, a sum not exceeding $5,000,000, which shall be used to carry out the provisions of this section.

The amendment was agreed to.

The next amendment was, in section 3, on page 3, line 18, after the numerals "1936", to strike out "but without regard to the provisions of subsections (c) and (d) and the proviso in subsection (e) of section 3 of said act," so as to read:

SEC. 3. (a) In order to provide additional funds for loans in accordance with sections 3, 4, and 5 of the Rural Electrification Act of 1936, the Reconstruction Finance Corporation is hereby authorized and directed to make loans to the Administrator of the Rural Electrification Administration.

The amendment was agreed to.

The next amendment was, in the same section, on page 3, line 23, after the word

"request", to strike out "and approval of the Secretary of Agriculture" and insert "of such Administrator," which amendment had previously been amended, in line 24, in the committee amendment, after the word "Administrator" by inserting the words "approved by the President", so as to read:

upon the request of such Administrator, approved by the President, and in accordance with the provisions of subsection (a) of section 3 of said act, not exceeding in aggregate amount $35,000,000 for the fiscal year ending June 30, 1945, which amount shall be in addition to the amount authorized for this purpose in the Department of Agriculture Appropriation Act, 1945.

The amendment as amended was agreed to.

The next amendment was, on page 4, at the beginning of line 5, to strike out "$150,000,000" and insert "$70,000,000"; and in line 6, after the numerals "1946", to insert "which amount shall be in addition to the amount authorized for this purpose in the Department of Agriculture Appropriation Act, 1946", so as to read: "$70,000,000 for the fiscal year ending June 30, 1946, which amount shall be in addition to the amount authorized for this purpose in the Department of Agriculture Appropriation Act, 1946; $200,000,000 for the fiscal year ending June 30, 1947; and $200,000,000 for the fiscal year ending June 30, 1948."

The amendment was agreed to.

The next amendment was, on page 4, line 19, after the word "section", to insert "*Provided, however,* That such portion of such authorized sums as is not obligated at the end of the fiscal year 1946 may thereafter be obligated without regard to the provisions of subsections (c) and (d) of section 3 of said act", and on page 5, line 2, after the word "subsection", to insert "(a)", so as to read: "*Provided, however,* That such portion of such authorized sums as is not obligated at the end of the fiscal year 1946 may thereafter be obligated without regard to the provisions of subsections (c) and (d) of section 3 of said act. Such agreements and commitments shall be deemed contractual obligations on the part of the United States and may be discharged with any of the funds made available in said subsection (a)."

The amendment was agreed to.

The next amendment was, on page 5, after line 8, to insert:

SEC. 5. (a) The Rural Electrification Administration, created by the Rural Electrification Act of 1936, is hereby reestablished as an independent agency in the executive branch of the Government and all its powers shall be exercised by the Administrator appointed pursuant to such act. None of the functions and activities transferred to the Department of Agriculture or to the Secretary of Agriculture by section 5 of Reorganization Plan No. II, transmitted by the President to Congress on May 9, 1939, and no other function relating to the Rural Electrification Administration shall be exercised by such Department or Secretary after the expiration of 30 days after the date of enactment of this act.

(b) All records, property, and personnel of the Rural Electrification Administration, and all records, property, and personnel of the Department of Agriculture used primarily in the administration of any function of the Rural Electrification Administration, are transferred to the Rural Electrification Administration for use in the administration of its functions.

(c) So much of the unexpended balances of the appropriations, allocations, or other funds available for the use of the Rural Electrification Administration, or of the Department of Agriculture in the exercise of the functions of the Rural Electrification Administration, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the Rural Electrification Administration, for use in connection with the exercise of its functions. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided,* That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

(d) All orders, rules, and regulations promulgated or issued by or in respect of the Administrator of the Rural Electrification Administration, the Rural Electrification Administration, the Department of Agriculture, or the Secretary of Agriculture in the administration of the functions of the Rural Electrification Administration, and in effect on the date of enactment of this act, shall continue in effect to the same extent as if this act had not been enacted, until modified, superseded, or repealed.

(e) No suit, action, or other proceeding lawfully commenced by or against any of the officers or offices referred to in subsection (d) of this section in his or its official capacity or in relation to the discharge of his or its official duties shall abate by reason of the enactment of this act, but the court or agency before which such suit, action, or proceeding is pending may (on motion or supplemental petition filed at any time within 12 months after the date of enactment of this act showing a necessity for the survival of such suit, action, or proceeding to obtain a settlement of the questions involved) allow the same to be maintained by or against the Rural Electrification Administration.

(f) This section shall become effective 30 days after the date of enactment of this act.

The amendment was agreed to.

The next amendment was, on page 7, at the beginning of line 19, to change the section number from "5" to "6."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is before the Senate and open to further amendment.

Mr. CORDON. Mr. President, earlier in the debate I called attention to the use of the word "possible", in line 7, on page 1, and again in line 6, on page 2. The Senator from Illinois [Mr. LUCAS] very graciously consented to the insertion of the word "practicable" in lieu of the word "possible" in each instance. I now find the same vice occurring again in line 13, on page 4, where the word "possible" is used. I move that the word "possible" be stricken and the word "practicable" inserted in lieu thereof.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The LEGISLATIVE CLERK. On page 4, line 13, after the word "extent", it is proposed to strike out "possible" and insert in lieu thereof "practicable."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

Mr. CORDON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The LEGISLATIVE CLERK. On page 2, at the beginning of line 23, it is proposed to strike out "may, without regard to the provisions of law relating to the making, performance, amendment or modification of contracts, or to the obtaining of personal services, obtain or employ, by contract or otherwise, the services and facilities of such persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples utility districts and cooperative, nonprofit, or limited-dividend associations organized under the laws of any State or Territory of the United States, as have received or may receive loans from the Administrator pursuant to the Rural Electrification Act of 1936, and."

Mr. CORDON. Mr. President, the purpose of this amendment is to eliminate from the bill language which seems to me to be ambiguous, and which may confer upon the Administrator of Rural Electrification authority beyond that which may be needed, and far beyond that which should be granted. I call attention to subsection (b) in its entirety. I read it:

(b) In order to carry out the provisions of this act, the Administrator of the Rural Electrification Administration may, without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts, or to the obtaining of personal services, obtain or employ, by contract or otherwise, the services and facilities of such persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, people's utility districts and cooperative, nonprofit, or limited-dividend associations organized under the laws of any State or Territory of the United States, as have received or may receive loans from the Administrator pursuant to the Rural Electrification Act of 1936, and may exercise the authorities described in section 11 of the Rural Electrification Act of 1936.

My amendment would strike from that paragraph the language beginning with line 24, on page 2, down to and including the word "and" in line 9, on page 3. If my amendment were adopted, the paragraph would then read:

(b) In order to carry out the provisions of this act, the Administrator of the Rural Electrification Administration may exercise the authorities described in section 11 of the Rural Electrification Act of 1936.

Mr. President, the Rural Electrification Act had its beginning in an Executive order of the President, which was continued by congressional action in the act approved on May 20, 1936. That act continued by legislative enactment the authority of the Administrator of Rural Electrification to loan the funds of the United States to cooperative agencies in rural areas where the population did not have electrical facilities, in order to permit of the electrification of rural sections. The act has been highly successful throughout the United States. The provisions of the act as it has been

in existence since 1936 have proved fully effective, as witness the fact that approximately $500,000,000 has been loaned to rural cooperatives, and very few of such loans are now in arrears or default.

The policy behind the act of 1936 was that of lending the credit of the United States to the rural sections as and when requested by them. The authority in the act of 1936 is ample for that purpose. The experience under the act clearly demonstrates that to be so.

The pending bill, Senate bill 89, goes beyond the act of 1936 and declares the policy of the Congress, as follows:

That it is hereby declared to be the policy of the Congress to provide for the immediate preparation of comprehensive plans and programs to facilitate and expedite the electrification of rural areas in the several States and Territories to the fullest extent possible, as soon as materials and manpower are available, in order to improve the standard of living and the economic condition of persons residing in rural areas and further to provide employment opportunities and demands for materials and manufactures.

That is the declared policy of the Congress under the pending bill.

Section 2 of the bill grants authority to the Administrator to prepare the comprehensive plans and programs to carry out the announced policy.

Skipping subparagraph (b) in section 2, which is the one now under discussion, we come to subparagraph (c), which provides the funds to do the thing authorized in section 2 (a), the authorization for appropriation being in the sum of $5,000,000 for each of 3 succeeding years, or a total of $15,000,000 to enable the Administrator to prepare comprehensive plans for carrying out the announced policy.

Section 3 (a) provides additional funds with which to consummate the plans, once they are made.

Section 3 (b) provides for the loaning of the funds which are made available by section 3 (a).

Section 4 is purely with reference to the mechanics of handling the finances.

Section 5 includes provisions for the transfer of the Rural Electrification Administration back to the status which it originally occupied—in other words, that of an independent agency.

I have summarized the bill, Mr. President, for the one purpose of indicating that there is nothing in its several provisions which would seem to require the authority which is granted in section 2 (b). The authority of the Administrator, as provided in the original act, is clear and comprehensive. The additional authority proposed is for the purpose of enabling the Administrator to prepare plans and specifications and then to secure the necessary funds with which to effectuate the plans and to loan money to cooperatives. I can see no reason under the sun for extending or granting the additional authority provided for in section 2 (b).

Again I call attention to that language:

The Administrator of the Rural Electrification Administration may, without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts—

I cannot conceive of any reason why there should be granted to the Administrator authority to disregard the law with reference to contracts, either to the making of any contract or its performance, amendment, or modification. The additional authority granted by the bill would be simply that to make plans and specifications to carry out the original act. The original act did not provide for such a broad grant of authority, and I can see no reason why it should be granted in this bill.

I read again:

The Administrator of the Rural Electrification Administration may, without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts—

In other words, he may set those aside—

or to the obtaining of personal services—

Which I assume refers to the civil-service rules—

obtain or employ, by contract or otherwise, the services and facilities of such persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples utility districts, and cooperative, nonprofit, or limited-dividend associations organized under the laws of any State or Territory of the United States, as have received or may receive loans from the Administrator pursuant to the Rural Electrification Act of 1936, and may exercise the authorities described in section 11 of the Rural Electrification Act of 1936.

Mr. President, I could understand the purpose of granting to the Administrator the authority to employ individuals who might be employed by those several agencies, but I cannot understand the need for the broad authority which the bill proposes to grant. The only explanation which has been given was stated by the Senator from Illinois in answer to an inquiry propounded by the Senator from Iowa. That explanation did not, so it seemed to me, give any reason for the authority here proposed to be granted, nor did it give any explanation of how the particular authority might or could be used under the law.

Inasmuch as the original act has been so successful—under it a billion dollars have been used for this worthy purpose, and all with little or no criticism throughout the 48 States—it seems to me that it would be the part of wisdom for the Congress to retain that which has been tried and found successful, and not to embark upon this unknown sea of authority granting, which—to put it mildly—is most ambiguous. As I read the language, Mr. President, the subsection will mean whatever the Administrator may say it means. It is a grant of authority ill defined; it is a grant of authority which, so far as the record and the experience of the Rural Electrification Administration go, is wholly unneeded. I hope the Senate will adopt the amendment as stated.

GREETINGS TO RT. HON. CLEMENT R. ATTLEE, LORD PRESIDENT OF THE COUNCIL AND DEPUTY PRIME MINISTER OF GREAT BRITAIN

Mr. BARKLEY. Mr. President, we have as a guest on the floor of the Senate at this time a very distinguished public servant of Great Britain, the Right Honorable Clement Richard Attlee, Member of Parliament, Deputy Prime Minister, and Lord President of the Council. We are glad to have him in our midst and to have him sit here and observe our legislative processes for a few minutes. I ask unanimous consent that the Senate stand in recess for 5 minutes in order that the Members of the Senate may have an opportunity to greet the Deputy Prime Minister.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon (at 3 o'clock and 45 minutes p. m.) the Senate stood in recess for 5 minutes. (While the Senate was in recess, the Members of the Senate personally greeted Mr. Attlee.)

On the expiration of the recess, the Senate reassembled.

PLANNING OF RURAL ELECTRIFICATION PROJECTS

The Senate resumed the consideration of the bill (S. 89) to provide for the planning of rural electrification projects, and for other purposes.

Mr. LUCAS. Mr. President, I regret that my able friend, the Senator from Oregon, who was a member of the subcommittee, apparently has misunderstood the real reason why paragraph (b) of section 2 was written into the bill. In the labored argument of my distinguished friend, he kept talking about the original R. E. A. program, and how effectively the program had been maintained over a period of the past 9 years. I wish to say to the Senator that paragraph (b) of section 2 has nothing whatsoever to do with the basic act. Paragraph (b) of section 2 was placed in the bill primarily because of section 2 of the bill. Section 2 of the bill, as the Senator knows, deals with the comprehensive plan which we are now attempting to put into force for a period of 3 years, making appropriations of $5,000,000 for that purpose. If the Senator's motion shall be sustained, it will simply mean that every individual in the R. E. A. will be compelled to go out on his own, and make the surveys, without any assistance whatever from any public agency in the respective States involved. That is exactly what will be necessary if the Senator's amendment shall be agreed to.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. LUCAS. I shall yield in a moment. I wish first to complete my argument.

In other words, all this provision does is to permit the Administrator of the R. E. A. to make a contract, if necessary, with any corporation, State, Territory, municipality, or any subdivision thereof. I know of two or three States in which the planning commission is merged with the R. E. A. program. That commission no doubt has today all the blueprints, charts, engineering data, and statistics which are necessary to put forward a real R. E. A. program in the State. All this bill does is to give the Administrator the power, right, and authority to go into the State, contact the State agency, and if feasible make a

contract with it. The Administrator may not do that unless this provision is retained in the bill. If we were to strike out the language which the Senator from Oregon has proposed to eliminate, we might just as well strike out all the language of the bill, because section 11 of the original act is entirely different from paragraph (b) of section 2 of the pending bill. Section 11 of the original act states—

> In order to carry out the provisions of this act the Administrator may accept and utilize such voluntary and uncompensated services of Federal, State, and local officers and employees as are available.

That would not at all apply to the language before us. This language permits the Administrator to make a contract and pay for services. We cannot accept voluntary and uncompensated services from a State agency. Time is of the essence of this bill. We want work under this program to start as soon as possible.

Mr. President, I hope the amendment of the Senator from Oregon will be rejected, because it would do an injustice to the bill which I know the Senator would not wish to be done.

There is nothing menacing to private or corporate rights about the present language of this bill. It does not contain anything which would violate any power of a State agency, or give to the Administrator any more power than would be necessary to carry out the provisions of the act.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. The language, however, is so broad that it seems to me to go far beyond what the Senator from Illinois suggests. Paragraph (b) of section 2 provides that "in order to carry out the provisions of this act, the Administrator" may obtain the facilities of any one of these cooperative associations.

Mr. LUCAS. What is wrong with that?

Mr. TAFT. It seems to me that under that language he could take over their plant and everything they owned, and then operate it as the Administrator of the Rural Electrification service.

Mr. LUCAS. The Senator knows there is no authority in the original act, or in the pending bill, which would enable the Administrator to take over the power plant of a municipality.

Mr. TAFT. No word can be broader than the word "facilities." That means, ordinarily, plants, transmission lines, and any other physical property. When we say, "in order to carry out the provisions of this act the Administrator may, without regard to the provisions of law," acquire this property, or obtain it—I think that "obtain" is the same as "acquire"—it seems to me that a very broad power is granted. I suggest that the Senator can perhaps find some way in which to carry out his purpose without employing such exceedingly doubtful language.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BUSHFIELD. With regard to paragraph (b) of section 2 of the bill, in line 22, after the word "provisions", would not the insertion of the words "of this section" take care of the situation?

Mr. LUCAS. That is exactly what it means, and I will accept the amendment. Insofar as this act is concerned, it can only apply to the plan under paragraph (c), for which we would make an appropriation. A construction of the language could mean nothing more and I am certain any court would so hold.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. LA FOLLETTE. I wish to ask the Senator, if he proposes to accept the amendment, if it should not include paragraph (c) as well as paragraph (a). I did not understand that the amendment which the Senator says he will accept, related to the entire section. It seems to me that should be the language employed.

Mr. LUCAS. We say in paragraph (c) that this money is appropriated to be "used to carry out the provisions of this section." That would tie it in with the amendment offered by the Senator from South Dakota.

Mr. LA FOLLETTE. If that is the case, I am perfectly satisfied, and I thank the Senator.

Mr. CORDON. Mr. President, I am in sympathy with the provisions in this section as interpreted by the Senator from Illinois, but I cannot agree that the language of the section is the same as he interpreted it to be. However, I am wondering what benefit would be derived by the inclusion in the bill of the words, beginning of line 24, on page 2, "without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts, or to the obtaining of personal services," and so forth. I am wondering if those words can not be left out and still leave the section with the full effect intended. It seems to me that language is very ambiguous and totally unnecessary.

Mr. LUCAS. I cannot agree to leave out those words because I think they are necessary. The section deals with a municipality, for example, which may have a contract with some other agency in a particular State.

There may be something in the Federal law or in the State law which would prohibit dealing directly with a municipality, and if we eliminate this section we definitely foreclose the right to deal with a municipality under those circumstances. That I cannot agree to. We also permit the cooperative now under contractual obligation to enter into a more favorable contract with the Administrator, according to the provisions of this measure.

Mr. LA FOLLETTE. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. LA FOLLETTE. I am not a member of the committee, but, as I understand, the purpose of section 2 is to take care of the situation created by the uncertainty which now exists with regard to the possibility of future construction, and under those circumstances it is not possible or likely that potential cooperatives will organize and make plans far in advance of knowing whether or not the plans can be carried into execution.

As I understand, the desire back of this language is to remove contracts which may be entered into between the R. E. A. and potential cooperatives in the future from the provisions of law which have been thrown around Government contracts for many years, requiring advertising for bids, publication, and various restrictions which are entirely appropriate when the ordinary contract is being entered into. But the design of section 2 is to build up rapidly a program of future R. E. A. development, and in order to make it possible to contract with those who may make the surveys, and thus relieve them of the initial burden of the cost of planning at a time when it is indefinite whether the plans can be carried into execution, it is desired to relieve such contracts from those restrictions. But ultimately the Federal Government will not carry this cost because when the program goes into operation the cost will be reimbursed to the Federal Government. Am I correct in that, I ask the Senator?

Mr. LUCAS. The Senator from Wisconsin is correct in his statement.

Mr. LA FOLLETTE. In other words, in a rural area in Wisconsin, let us say, if the Senator will yield to me further, where there is not now rural electrification service, in ordinary times, if the materials, machinery, and labor were available, a cooperative could be organized. They would spend their own money for the planning and design and development, and then they would expect, if their program were approved, to get it under way and to build their line.

The purpose of section 2, as I understand, is to make it possible to go into areas where there is a potentiality of further successful and sound extension of the R. E. A. program, and have the program and development cost carried out of these appropriations, and thus be prepared, when the time comes, and materials and machinery are available, so that the plans can be rapidly put into execution.

In other words, Mr. President, we are building up a backlog of sound R. E. A. projects, but in order to do that under the circumstances it is necessary for the Federal Government to carry the initial planning cost and designing cost. The desire is to make these contracts outside of the restrictions which are imposed—and properly so, as I said a moment ago—in the case of the usual and ordinary contracts; but the officials want to be in such a position that without advertising, as I have said, without asking for bids, and so forth, they can have the surveys made by the people who would ordinarily make them were they ready to go forward with the organization of their cooperatives.

Then, it is my understanding, when the projects are ultimately constructed, the Federal Government will be reimbursed for the initial planning and engineering expense to which it has been put in building up this backlog of sound

rural electrification projects to be initiated when the materials and labor and machinery are available. It is my understanding that if these contracts had to comply with all the existing provisions and restrictions of law, it would be impossible, or at least impracticable, for the Administrator to do the job which is contemplated by section 2.

Mr. TAFT. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. TAFT. Do I understand correctly that there are States and Territories which receive loans under the general act? Are the words "as have received or may receive loans" a qualification of the States and Territories and municipalities, as well as of the cooperative associations?

Mr. LUCAS. I do not think any States have received any loans under the act up to the present time. I read into the RECORD, in the early part of my address upon this subject, a statement of the number of cooperatives which have received loans, and I shall restate it briefly. The number of borrowers to whom allotments have been made, cooperatives and public bodies, is 904.

There is no break-down in the evidence as to "public bodies." There were 885 cooperatives and public bodies and 19 private utility companies. It may be possible that some subdivision of a State or some municipality has received a loan under the present law.

Mr. TAFT. The question which I should like to have answered is whether under this section it would be possible to get States, Territories, and counties to make a number of plans, when they were not to receive loans? Therefore, there would be no one to repay the loans. Under paragraph (a) it is clear that this money will be repaid as part of a loan, if the loan is subsequently made, but what concerns me is that it looks a little as if they might finance all the States and local subdivisions to make elaborate plans which would not then be included in any loan.

Mr. LUCAS. It is my understanding that under this section the Administrator would be permitted to go into a State and confer with an agency of the State familiar with the rural-electrification plans and programs, and it might be that such agency would have a complete, sound, solid program which the R. E. A. could adopt, thereby saving money for the new cooperatives. As the Senator knows, the bill provides that the cost of any services furnished to the new cooperatives is included in the loan.

Mr. TAFT. On the other hand, while they might have such surveys, under this provision they might not have such surveys, and the Federal Government might provide them for them.

Mr. LUCAS. The Federal Government has the power to do it without going to a State agency, if it desires to send its experts all over the country to do it. But the rural area of the United States is very extensive, and, as the Senator from Wisconsin said a moment ago, time is of the essence. We hope to proceed with this program as speedily as feasible, in order to get as many men employed as possible and to start industries making electrical equipment.

Mr. BUSHFIELD. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. BUSHFIELD. I wish to say to the Senator from Ohio, in addition to the explanation the Senator from Illinois has made, that this very point was discussed in the committee, as to whether or not this agency would solicit applications for plans, and the definite understanding of the committee was that the Government or the agency would not make such solicitation.

Mr. LUCAS. The Senator's statement is correct. There is no question about that at all. I merely wish to make one remark in closing. There is nothing harmful in this language. It applies only to the question of planning, and to nothing else. In my opinion the Senate does not want to amend the bill to the end that it would result in restricting the individuals who are going to administer the R. E. A. in getting electricity to the farmer in the quickest and most feasible way. Senators cannot point out anything in this language which is injurious to anyone. I care not how broad the language is, maybe, it is not going to affect any farmer, it is not going to affect any municipality or any State from the standpoint of doing them an injustice or impairing any rights they may have under the law, and the Constitution.

Mr. CORDON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CORDON. Do I understand correctly that at the moment paragraph (b) of section 2 has been amended by agreement and some provision inserted in line 22 on page 2?

The PRESIDING OFFICER. The Chair is informed that by unanimous consent there has been inserted in line 22 after the word "provisions" the words "of this section." Does that answer the Senator's question?

Mr. CORDON. The language then would be, "In order to carry out the provisions of this section of this act?"

The PRESIDING OFFICER. The Senator's statement is correct.

Mr. CORDON. Mr. President, I think I have never seen more unhappy wording in any legislation to which my attention has been drawn than is included in this particular paragraph. If its provisions be limited, as now they have been, to the provisions of section 2, which provide only for planning, I shall withdraw my amendment. In doing so I want to say that the provisions of paragraph (b) when they are limited to section 2 cease to have any real meaning.

The PRESIDING OFFICER. The amendment of the Senator from Oregon is withdrawn. The bill is open to further amendment. If there be no further amendment, the question is on the third reading of the bill.

The bill (S. 89) was ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for the planning of rural electrification projects, to reestablish the Rural Electrification Administration as an independent agency of the Government, and for other purposes."

EXTENSION OF PERIOD OF OPERATIONS UNDER SECTION 409 OF THE INTERSTATE COMMERCE ACT

Mr. JOHNSON of Colorado. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 260, House bill 3038.

Mr. WHITE. Mr. President, may I say a brief word about this motion? Earlier in the afternoon the Senator from Colorado called my attention to two bills on the Calendar and asked me if there would be objection on my part or on the part of any Senators on this side to considering one of the bills, it being a House bill. I conferred with minority members of the Military Affairs Committee, so far as I could do so, and found no objection. I indicated to the Senator from Colorado that no objection would be voiced by me to a request to take up that House bill, and to its disposition.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. JOHNSON of Colorado. The bill about which I spoke to the Senator from Maine, which I wanted to have considered by unanimous consent, and which I still desire to have considered by unanimous consent, provides for the extension of a law which I am sure every Senator will want to preserve and continue. But that is a unanimous consent matter. The bill I now have in mind is not a unanimous consent matter. I want to make it the pending business of the Senate.

Mr. WHITE. Mr. President, I understand perfectly that the original suggestion to me was of unanimous consent, and I have said nothing to negative that understanding. Now the Senator moves to consider and make the unfinished business of the Senate another bill on the calendar. My attention had not been called to the other bill until within the last few minutes. It is a bill of only four lines, I think, but in order to make known its effect it has taken 13 pages of printed report by both majority and minority members of the committee to explain what is involved and to make clear the importance of the proposed legislation.

Mr. President, the bill passed the House on May 7. There have been 7 days in which to give notice to Members of the Senate, to give notice to me, if you please, that it was contemplated to take up the bill at this time. I am not proposing and I have no disposition to resort to any filibuster against the bill, but I protest that it is not fair to the minority Members of the Senate, it is not fair to me as minority floor leader of the Senate, at this time in the afternoon to move to take up a measure of which we have had no prior notice of intention to consider.

I think that is about all I can say. I do not propose to resort to dilatory tactics, but I think there is such a thing as comity between the two sides, and I think that in this instance the comity to which

we are entitled has not been respected, and I do not like it.

Mr. JOHNSON of Colorado. Mr. President, I am sorry the Senator from Maine takes that position. My interest in the bill is simply this: The Senator from Montana [Mr. WHEELER] had to be away from the Senate. He was in charge of the bill. The Senate Committee on Interstate Commerce reported the bill at its last session and it was placed on the calendar, and the Senator from Montana left word for me to try to have the bill brought before the Senate and enacted into law.

I will say to the Senator from Maine that one of his colleagues on the other side of the aisle, the Senator from Kansas [Mr. REED], is very familiar with the provisions of the bill. He has followed the legislation which is involved for a great many years. I understand that the Senator from Kansas is prepared to debate the question at length and to inform all Senators of what the bill contains. If the Senator from Maine thinks we are attempting hasty action I want to correct that impression, because there is nothing of that kind involved.

Mr. WHITE. Mr. President, the bill was reported on May 10. There have been 4 days within which those of us upon this side of the aisle, and I, in particular, might have been advised that it was the purpose of the Senator from Colorado, or some other Senator, to reach back into the calendar when the calendar was not being called, and bring forward a bill. I am simply saying that I think we are entitled to that much courtesy, and I do not like the failure to observe it.

Mr. JOHNSON of Colorado. Mr. President, if I have been discourteous I apologize to the Senate and I apologize to the Senator from Maine specifically, because I had no such thought. The bill has only recently come on the calendar. We are not reaching back to take up a bill. We are reaching forward to enact a bill to extend a law whose provisions will expire on May 16. If I have neglected to do my duty, which has very suddenly been thrust upon me—responsibility for a measure which I, myself, did not even know anything about until very recently—if I have erred I want to apologize to the Senate and to the Senator from Maine.

Mr. WHITE. Mr. President, having said what I have said, I feel a great deal better. I know that the Senator from Colorado intended no discourtesy. Perhaps I was oversensitive; but when the matter was called to my notice I looked for the report, and found a 13-page report. It was utterly impossible for me, within the time permitted, to inform myself about the legislation. I repeat that I did not like it; but all is forgiven.

Mr. HILL. Mr. President, in view of the fact that the distinguished minority leader has said that all is forgiven, perhaps there is not much for me to say, except this:

The distinguished majority leader [Mr. BARKLEY] is at the present moment necessarily absent from the Chamber. He is endeavoring to complete the report on the trip which he and other Senators made to Europe, in order that a report may be made to the Senate tomorrow. So he is absent on urgent business in connection with that report. I am sure that the distinguished majority leader had no idea other than to show the distinguished minority leader every possible consideration. I am sure the distinguished minority leader will agree that it is always the practice and policy of the distinguished majority leader to show the distinguished minority leader every possible consideration in matters of this kind.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHITE. I have only appreciation for the courtesies shown me by the distinguished majority leader, and the even greater courtesies shown me by the distinguished acting majority leader. Perhaps I was a little supersensitive this afternoon. But, as I say, it is all off my chest, and I have no disposition to talk about it further. I suggest that we proceed with the business of the Senate.

Mr. HILL. Mr. President, the fact ought to be brought out; I think that there is a dead line in connection with this bill.

Mr. JOHNSON of Colorado. The 16th of May.

Mr. HILL. The bill would extend a section of the Interstate Commerce Act which expires on May 16, as I understand.

Mr. JOHNSON of Colorado. That is correct.

Mr. HILL. If this section in the Interstate Commerce Act is not to expire on the 16th of May, the bill must be passed by the Senate in time to be signed by the President of the United States on or before May 16. Today is the 14th of May. If the bill is not passed by the Senate and signed by the President within 48 hours, the section of the law which the bill seeks to extend will automatically die.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHITE. I understand that the member of the minority who has filed a minority report is quite satisfied with that possibility.

Mr. HILL. That may be true; but the distinguished Senator of the majority who has the responsibility of acting for the majority of the committee wishes to have the bill passed so that the section of the law will not lapse.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. TAFT. I understand the danger of a lapse; but I remember at least two occasions when something lapsed and later we took care of it, and nothing seemed to happen because of the lapse. I do not believe anything would happen in this instance because of a lapse of a few days. I remember that one night we argued until 1 o'clock on the question of the extension of the President's power to devalue the dollar, or to take some action in connection with the stabilization fund. The measure was delayed for 2 or 3 days, but operations still continued on, and when the bill was passed the whole situation was restored. I do not believe that there would be any great loss in this instance if we waited a day or two.

Mr. REED. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. REED. Let me say to the Senator from Maine that no discourtesy whatever was intended. I am opposed to this bill. I think it is unnecessary. I think it continues an unlawful condition, which I shall discuss if opportunity is offered.

The Interstate Commerce Committee met only last Wednesday, I believe, and reported the bill to the Senate on Thursday. This is the first day it could be brought up without unanimous consent.

I believe the Senator from Ohio is correct. Even if there were a delay of a day, 2 days, or any other number of days, I do not believe that any particular damage would be done.

I was about to say to the Senator from Colorado, who is in charge of the bill, that I appreciate his situation. It is now 25 minutes past 4 o'clock. It is a little inconvenient to begin a difficult explanation at this time.

Mr. HILL. Let me say to the Senator that if we can agree to the motion of the Senator from Colorado and make the bill the unfinished business, I shall then move that the Senate proceed to the consideration of executive business.

Mr. REED. I am opposed to the bill, but I am perfectly agreeable to that arrangement, if it is agreeable to the Senator from Colorado.

Mr. HILL. Certainly if the distinguished Senator from Kansas, who is opposed to the bill, is agreeable, there ought not to be any opposition to the motion of the Senator from Colorado.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. OVERTON. Today I reported from the Committee on Appropriations the Navy Department appropriation bill. I should like to have an opportunity to have that bill passed. W are nearing the end of the fiscal year, and we should get rid of appropriation bills. I believe that we can easily dispose of the bill within an hour, if permitted to do so. I was wondering, if we proceed to the consideration of the bill of the Senator from Colorado, whether it would be agreeable to him and to the majority and minority leaders to set aside some time tomorrow for the purpose of considering the Navy Department appropriation bill and disposing of it.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. JOHNSON of Colorado. I am certain that if we do not dispose of this bill promptly tomorrow, and the appropriation bill is ready, there will be no objection to considering it. However, as the acting majority leader has indicated, we are confronted by a deadline.

Mr. OVERTON. I understand that.

Mr. JOHNSON of Colorado. We are anxious to extend a law which will otherwise expire on May 16. The only difficulty which will arise from such expiration is that perhaps certain shipments which are now in the course of being completed will be made unlawful.

I think it would be to the interest of everyone to extend the law just as soon as we can, if we are going to extend it. However, if there is any delay in disposing of the bill, so far as I am concerned, I shall be glad to step aside when the Senator wishes to bring up the Navy Department appropriation bill, and let him proceed with it.

Mr. OVERTON. I appreciate the courtesy.

Mr. HILL. As the Senator from Louisiana knows, the distinguished majority leader is engaged on the work of the Senate, but at the present time he is absent from the Chamber. He is very busy trying to complete the report to which I have referred. I cannot speak for him. However, the thought occurs to me that the bill which we seek to make the unfinished business must be passed by the 16th, today being the 14th, whereas the appropriation bill, as we know, has a greater margin of time.

Bearing all that in mind, I am sure that any consideration that can be shown the Senator from Louisiana will be shown.

Mr. OVERTON. In view of the fact that the majority leader or some other Senator is to make a report on the European trip tomorrow, which I understand will not require longer than an hour unless there is some discussion about it, it may be that we shall not have an opportunity tomorrow to take up the Navy Department appropriation bill. However, I should like to do so at the earliest opportunity.

I was about to suggest to the Senator from Colorado that if the Interstate Commerce bill is not disposed of, say, by 4 o'clock tomorrow, he might allow me an hour to dispose of the Navy Department appropriation bill.

Mr. HILL. Mr. President, I think the Senator from Colorado has indicated that he will be glad to cooperate with the Senator from Louisiana.

Mr. REED. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. REED. I think we could probably dispose of the interstate commerce bill within an hour. I do not think there will be any prolonged debate about it. Probably I shall have more to say about it than any other Senator.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado [Mr. JOHNSON] that the Senate proceed to the consideration of House bill 3038, calendar No. 260.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3038) to amend section 409 of the Interstate Commerce Act, as amended.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, ETC.—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2603) making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and the Federal Loan Agency, for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 19, 44, and 47.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 14, 18, 21, 23, 29, 32, 37, 45, 48, 49, 52, 53, 57, and 58 and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$9,900,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$795,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,875,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,422,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,150,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,250,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,700,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,200,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$8,260,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$17,500,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$21,300,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with the amendment as follows: In lieu of the sum proposed by said amendment insert "$2,878,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,100,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 13, 16, 17, 20, 20½, 22, 24, 25, 26, 27, 28, 31, 33, 34, 35, 36, 38, 40, 41, 42, 43, 50, 51, 54, 55, 56, and 59.

PAT MCCARRAN,
KENNETH MCKELLAR,
RICHARD B. RUSSELL,
WALLACE H. WHITE, JR.,
HAROLD H. BURTON,
JOSEPH H. BALL,
Managers on the part of the Senate.

LOUIS C. RABAUT,
JOHN H. KERR,
BUTLER B. HARE,
THOMAS J. O'BRIEN,
KARL STEFAN (with reservations),
Managers on the part of the House.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 2603, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
May 11, 1945.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 13, 16, 17, 20, 20½, 22, 24, 25, 26, 27, 28, 31, 33, 34, 35, 36, 38, 41, 42, 43, 50, 51, 54, 55, 56, and 59 to the bill (H. R. 2603) making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and the Federal Loan Agency for the fiscal year ending June 30, 1946, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 40 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert "$12,577,000."

Mr. McKELLAR. Mr. President, in order to complete action on the bill, I now move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 40. The amendment relates to the establishment of air-navigation facilities. Amendment No. 40, as amended, provides for the appropriation of $12,577,000 in lieu of $14,729,000 as proposed by the Senate, and in lieu of $9,400,000 as proposed by the House. The amount allowed covers $427,000 for general work and $2,750,000 for the development of the airport at Charleston, W. Va.

So, Mr. President, I have moved that the Senate concur in the amendment of the House to the amendment of the Senate numbered 40.

Mr. BURTON. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield.

Mr. BURTON. I did not quite understand the statement of the Senator from

Tennessee. Is the House receding from its position?

Mr. McKELLAR. The House is receding on two items, one for $427,000 and the other for $2,750,000.

Mr. BURTON. Under the Senator's motion the Senate's position on those items will take effect; is that correct?

Mr. McKELLAR. That is correct; the Senate's position will take effect. The House has already agreed to it.

Mr. President, I now renew my motion.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee that the Senate concur in the amendment of the House to the amendment of the Senate numbered 40.

The motion was agreed to.

STATEMENT ISSUED BY SENATOR McKELLAR AND SENATOR STEWART ON THE NOMINATION OF DAVID E. LILIENTHAL

Mr. STEWART. Mr. President, my colleague, the senior Senator from Tennessee [Mr. McKELLAR], and I have this afternoon prepared and have issued to the press a public statement concerning the nomination of Mr. David Lilienthal to be one of the members of the Board of Directors of the Tennessee Valley Authority for the next 9 years. As all Members of the Senate know, his nomination was recently sent to the Senate by the President.

I desire to read the statement at this time. It was prepared jointly by the senior Senator from my State [Mr. McKELLAR] and myself, and it has been signed by each of us. It reads as follows:

We oppose the confirmation of Lilienthal as Administrator of the Tennessee Valley Authority. He was first appointed without consultation with us, and has been against us ever since.

We have tried in every way to get along with him, but without rhyme, reason, or excuse he has refused, and has subtly and adroitly made and published untruthful statements against us and concerning our connection with the dams on the Tennessee River.

We have thus been compelled to oppose his vacillating, cunning, unscrupulous double-dealing and his false methods, policies, and practices in the Tennesse Valley Authority.

We have likewise been forced to oppose his political activities and his putting and keeping the Tennessee Valley Authority in politics. We do not want the Tennessee Valley Authority in politics. It can serve the people best only if kept entirely out of politics. Lilienthal is making it a political machine for his own personal advancement and for the furtherance of controversial, social, and other experiments.

We oppose his claiming and publishing that we oppose him because we want to use his organization and employees as political patronage. This claim is absolutely false, and he knows it is false. In his last testimony before the Senate Appropriations Committee he admitted it was false.

We oppose his continuous efforts to advertise and sell himself with funds belonging to the Federal Government.

We oppose the joining up and political fellowship and combination existing now between Lilienthal and the publisher of the Nashville Tennesseean, Silliman Evans, in their campaigns of indecency, untruthfulness, and dishonor in every matter that pertains to the Tennessee Valley dams and to Tennessee. They are the would-be Hitler and Mussolini of Tennessee politics and Tennessee affairs.

We oppose Lilienthal's continuous propaganda that in opposing him as Administrator we are opposed to the Tennessee Valley Authority. This is patently and infamously false. The Tennessee Valley Authority is a splendid institution. If we had not thought so it would never have been build. If we had not thought so we could have stopped the appropriations for the dams at any time.

I digress here to observe that my colleague the senior Senator from Tennessee who, of course, is a member of the Appropriations Committee, could have accomplished just that, because—as many Senators know—oftentimes, or at least on three or four occasions, if my memory serves me correctly, appropriations for dam sites for the Valley were authorized in the Appropriations Committee by a majority of only one vote.

I continue to read the statement:

Instead, we have constantly fought for these appropriations ofttimes over the active opposition and even lobbying of Lilienthal.

The men under Lilienthal are doing a fine job. Many of them are experts in their chosen field. Lilienthal claims he was a lawyer once; certainly he is not an engineer; but he has become an expert propagandist in claiming credit for all the good works of the Tennessee Valley Authority. The Tennessee Valley Authority officials for the most part were not chosen by Lilienthal and Lilienthal is not entitled to credit for their good work even though he tries to take credit for their good work. As to the other men under him, the United States civil-service laws do not apply. He has set up a so-called "merit system" of his own which gives him full control of all patronage in the Tennessee Valley Authority which he exercises while calling others "patronage mongers."

Lilienthal is personally and politically obnoxious, offensive, and objectionable to each of us.

But, the President, who has just taken office, and upon whose successful administration at this critical time the success of our beloved country depends, and whom we like, has sent in his nomination for reappointment.

We have, therefore, concluded simply to make this statement and to vote against his confirmation and leave the matter there.

KENNETH McKELLAR.
TOM STEWART.

Mr. President, I have read the statement; and, as it ir dicates, that is about all there is to be said at this time. Later, at the proper time, I shall wish to elaborate somewhat on the statement and to point out in detail some of the things which are indicated by it. Other than that, I do not know that I shall have anything to say.

SUPPRESSION OF VICE IN THE VICINITY OF MILITARY CAMPS

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 2992, Calendar No. 258.

The PRESIDENT pro tempore. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2992) to extend the provisions of the act of July 11, 1941 (Public Law 163, 77th Cong.).

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. WHITE. Mr. President, reserving the right to object, although I shall not object, I understand that the bill would simply extend for the period of a year the law now on the statute books designed to suppress vice in the vicinity of Army camps.

Mr. JOHNSON of Colorado. That is correct. It would extend it for 1 year, unless the war ends before the expiration of 1 year. If that occurs, the bill will cease to be in effect as of the time of the end of the war.

Mr. HILL. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. HILL. As I recall, the bill was unanimously reported by the Senate Committee on Military Affairs.

Mr. JOHNSON of Colorado. That is true.

Mr. LA FOLLETTE. It is commonly known as the May Act.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. OVERTON. Does the bill deal only with vice?

Mr. JOHNSON of Colorado. Yes.

Mr. OVERTON. Does it contain any element of prohibition?

Mr. JOHNSON of Colorado. None whatever.

Mr. LANGER. I do not quite understand the purpose of the bill. May we have an explanation of it?

Mr. JOHNSON of Colorado. In answer to the inquiry propounded by the Senator from Louisiana [Mr. OVERTON], I said that the bill contained no element of prohibition. There is, however, a prohibition of vice, but not with respect to liquor. There is no reference in the bill to liquor. If enacted into law, the bill would extend the expiration date of Public Law 163, Seventy-seventh Congress, which prohibits prostitution within certain areas prescribed by the Secretaries of War and Navy, from May 15, 1945, to May 15, 1946, or the date of the termination of hostilities in the present war, or such earlier date as may be specified in a concurrent resolution of the two Houses of Congress for that purpose.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2992) to extend the provisions of the act of July 11, 1941 (Public Law 163, 77th Cong.) was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 948 will be indefinitely postponed.

THE BUTTER SITUATION

Mr. HICKENLOOPER. Mr. President, I wish to read into the RECORD two short clippings in connection with the butter situation as it now exists.

Here is a clipping from the Chicago Tribune Press Service under the date line of Cleveland, May 5, reading as follows:

In an effort to keep an estimated half million pounds of butter in Cleveland from spoiling, Birkett L. Williams, regional O. P. A. chief, today asked O. P. A. officials in Washington to grant a temporary reduction in the ration point value of butter in Cleveland.

After receiving numerous complaints from purchasers about rancid butter, Williams learned that a half million pound supply has piled up in wholesale and retail outlets here because few housewives are willing to surrender 24 points for a pound of it. He said thousands of pounds are spoiling after leaving cold storage warehouses and additional thousands will spoil unless action is taken to induce housewives to buy it.

On May 6, 1945, in the Sunday edition of the Des Moines Register and Tribune of Des Moines, Iowa, there appeared the following:

Some Des Moines food outlets Saturday reported they have been having a little trouble with butter turning rancid for the lack of customers with sufficient points to buy that commodity.

Butter, which commands a ration price of 24 points a pound, has been plentiful in stores in recent weeks. On the other hand, oleomargarine, which "costs" 12 points a pound, has been scarce.

One chain reported that some of its butter has become a "little musty" at times although "we haven't had any spoil on us."

Butter sales are said to be running between 30 and 50 percent of normal.

One wholesale outlet said it hasn't had any trouble because it has been careful not to load up stores with more butter than they can turn quickly under the present point shortage.

Here is another item from the Associated Press under a Washington date line of May 5:

The O. P. A. has no plan for reducing at this time the ration point value on buttter despite reports from some areas of a surplus.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

Br. Mr. O'MAHONEY, from the Committee on the Judiciary:

Donnell Gilliam, of North Carolina, to be United States district judge for the eastern district of North Carolina, vice Isaac M. Meekins, retired;

Tobias E. Diamond, of Iowa, to be United States attorney for the northern district of Iowa; and

Jones Floyd, of Arkansas, to be United States marshal for the western district of Arkansas, vice Henry C. Armstrong, term expired.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Joseph J. Lawler, of Pennsylvania, to be Third Assistant Postmaster General, Post Office Department, vice Ramsey S. Black, resigned, effective May 6, 1945.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

POSTMASTER NOMINATION PASSED OVER

The legislative clerk read the nomination of Thomas J. Kosanda to be postmaster at Hopkins, Minn., which had previously been passed over.

Mr. WHITE. Mr. President, in the absence of the Senator from Minnesota [Mr. BALL], I ask that the nomination go over.

Mr. HILL. It should go over, Mr. President.

The PRESIDENT pro tempore. The nomination will be passed over.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HILL. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the postmaster nominations are confirmed en bloc, and, without objection, the President will be forthwith notified.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. HILL. I ask that the Army nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Army nominations are confirmed en bloc, and, without objection, the President will be immediately notified.

RECESS

Mr. HILL. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 15, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 14 (legislative day of April 16), 1945:

DIPLOMATIC AND FOREIGN SERVICE

R. Henry Norweb, of Ohio, now Ambassador Extraordinary and Plenipotentiary to Panama, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Cuba.

Avra M. Warren, of Maryland, to be a Foreign Service officer of class 1, a secretary in the Diplomatic Service, and a consul general of the United States of America.

Harold Sims, of Tennessee, now a Foreign Service officer, unclassified, and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

Robert B. Macatee, of Virginia, now a Foreign Service officer of class 1 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

Harry E. Carlson, of Illinois, now a Foreign Service officer of class 3 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

George F. Scherer, of New York, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

John C. Fuess, of Massachusetts, now a Foreign Service officer of class 8 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

Howard Elting, Jr., of Illinois, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

Charles W. Yost, of New York, to be a Foreign Service officer of class 5, a secretary in the Diplomatic Service, and a consul of the United States of America.

John E. Peurifoy, of South Carolina, to be a Foreign Service officer of class 6, a secretary in the Diplomatic Service, and a consul of the United States of America.

The following-named persons now Foreign Service officers of class 7 and secretaries in the Diplomatic Service, to be also consuls of the United States of America:

Gordon H. Mattison, of Ohio.

Ivan B. White, of Oregon.

The following-named persons for promotion in the Foreign Service of the United States of America, to be effective as of May 16, 1945:

From Foreign Service officer of class 2 to Foreign Service officer of class 1:

George Atcheson, Jr., of California.

Herbert S. Bursley, of the District of Columbia.

Selden Chapin, of Pennsylvania.

Cecil M. P. Cross, of Rhode Island.

William E. DeCourcy, of Texas.

Walter J. Donnelly, of the District of Columbia.

William E. Dunn, of Texas.

Joseph Flack, of Pennsylvania.

Carol H. Foster, of Maryland.

Hugh S. Fullerton, of Ohio.

Waldemar J. Gallman, of New York.

Raymond H. Geist, of Ohio.

George F. Kennan, of Wisconsin.

Samuel Reber, of New York.

Howard K. Travers, of New York.

From Foreign Service officer of class 3 to Foreign Service officer of class 2:

William H. Beck, of the District of Columbia.

George H. Butler, of Illinois.

Edward S. Crocker 2d, of Massachusetts.

Howard Donovan, of Illinois.

Albert M. Doyle, of Michigan.

Curtis T. Everett, of Tennessee.

Samuel J. Fletcher, of Maine.

Richard Ford, of Oklahoma.

Homer S. Fox, of Michigan.

Julian F. Harrington, of Massachusetts.

George C. Howard, of the District of Columbia.

Dayle C. McDonough, of Missouri.

George R. Merrell, of Missouri.

Paul G. Minneman, of Ohio.

John J. Muccio, of Rhode Island.

Jefferson Patterson, of Ohio.

Edwin A. Plitt, of Maryland.

Karl L. Rankin, of Maine.

Christian M. Ravndal, of Iowa.

Lester L. Schnare, of Georgia.

George Tait, of Virginia.

Angus Ward, of Michigan.

From Foreign Service officer of class 4 to Foreign Service officer of class 2:

Charles E. Bohlen, of Massachusetts.

John M. Cabot, of Massachusetts.

Lewis Clark, of Alabama.

W. Perry George, of Alabama.

Edward B. Lawson, of the District of Columbia.

James W. Riddleberger, of Virginia.

From Foreign Service officer of class 4 to Foreign Service officer of class 3:

William H. Beach, of Virginia.

H. Merrell Benninghoff, of New York.

David C. Berger, of Virginia.

Richard F. Boyce, of Michigan.

John H. Bruins, of New York.

A. Bland Calder, of New York.

Leo J. Callanan, of Massachusetts.

Vinton Chapin, of Massachusetts.

Archie W. Childs, of Ohio.

Prescott Childs, of Massachusetts.

James Orr Denby, of Indiana.

Hasell H. Dick, of South Carolina.

Walton C. Ferris, of Wisconsin.

Harold D. Finley, of New York.
C. Paul Fletcher, of Tennessee.
Lynn W. Franklin, of Maryland.
Robert G. Glover, of Florida.
Franklin C. Gowen, of Pennsylvania.
Winthrop S. Greene, of Massachusetts.
William M. Gwynn, of California.
Curtis C. Jordan, of California.
Erwin P. Keeler, of Indiana.
Gerald Keith, of Illinois.
C. Porter Kuykendall, of Pennsylvania.
Charles W. Lewis, Jr., of Michigan.
James P. Moffitt, of New York.
Walter H. Sholes, of Oklahoma.
Edward J. Sparks, of New York.
Paul C. Squire, of Massachusetts.
Maurice L. Stafford, of California.
Alan N. Steyne, of New York.
Henry S. Waterman, of Washington.

From Foreign Service officer of class 5 to Foreign Service officer of class 3:
James C. H. Bonbright, of New York.
Daniel M. Braddock, of Michigan.
Homer M. Byington, Jr., of Connecticut.
Cavendish W. Cannon, of Utah.
William P. Cochran, Jr., of Pennsylvania.
Gerald A. Drew, of California.
Everett F. Drumright, of Oklahoma.
Elbridge Durbrow, of California.
Cloyce K. Huston, of Iowa.
Hervé J. L'Heureux, of New Hampshire.
John H. Madonne, of Texas.
James K. Penfield, of California.
Guy W. Ray, of Alabama.
Llewellyn E. Thompson, Jr., of Colorado.
Edward T. Wailes, of New York.
Walter N. Walmsley, Jr., of Maryland.
Thomas C. Wasson, of New Jersey.

From Foreign Service officer of class 5 to Foreign Service officer of class 4:
Ware Adams, of Georgia.
LaVerne Baldwin, of New York.
Sidney A. Belovsky, of New York.
Burton Y. Berry, of Indiana.
James E. Brown, Jr., of Pennsylvania.
Sidney H. Browne, of New Jersey.
J. Holbrook Chapman, of the District of Columbia.
Augustus S. Chase, of Connecticut.
DuWayne G. Clark, of California.
William W. Corcoran, of Massachusetts.
Basil D. Dahl, of Wisconsin.
Robert F. Fernald, of Maine.
Bernard Gotlieb, of New York.
Knowlton V. Hicks, of New York.
Malcolm P. Hooper, of Maryland.
John F. Huddleston, of Ohio.
Perry N. Jester, of Virginia.
Kenneth C. Krentz, of Iowa.
John H. Lord, of Massachusetts.
Walter H. McKinney, of Michigan.
Dale W. Maher, of Missouri.
John H. Morgan, of Massachusetts.
Sidney E. O'Donoghue, of New Jersey.
Nelson R. Park, of Colorado.
Walter S. Reineck, of Ohio.
Thomas H. Robinson, of New Jersey.
William A. Smale, of California.
Sheldon Thomas, of New York.
Edward G. Trueblood, of Illinois.
George P. Waller, of Alabama.
Carlos J. Warner, of Ohio.

From Foreign Service officer of class 6 to Foreign Service officer of class 4:
Theodore C. Achilles, of the District of Columbia.
Garret G. Ackerson, Jr., of New Jersey.
John M. Allison, of Nebraska.
Walworth Barbour, of Massachusetts.
Jacob D. Beam, of New Jersey.
Max Waldo Bishop, of Iowa.
C. Burke Elbrick, of Kentucky.
R. Horton Henry, of Arizona.
Heyward G. Hill, of Louisiana.
J. Wesley Jones, of Iowa.
Charles F. Knox, Jr., of New Jersey.
Foy D. Kohler, of Ohio.
Edwar ' D. McLaughlin, of Arkansas.
John J. Macdonald, of Missouri.
Edward Page, Jr., of Massachusetts.
John S. Service, of Ohio.
Henry E. Stebbins, of Massachusetts.
Francis Bowden Stevens, of New York.
Laurence W. Taylor, of California.
William C. Trimble, of Maryland.
Robert F. Woodward, of Minnesota.
James H. Wright, of Missouri.

From Foreign Service officer of class 6 to Foreign Service officer of class 5:
George Alexander Armstrong, of New York.
J. Kenly Bacon, of Massachusetts.
Barry T. Benson, of Texas.
Ralph A. Boernstein, of the District of Columbia.
Roy E. B. Bower, of California.
Robert Y. Brown, of Alabama.
Robert L. Buell, of New York.
John S. Calvert, of North Carolina.
Robert D. Coe, of Wyoming.
Montgomery H. Colladay, of Connecticut.
John Davies, Jr., of Ohio.
Henry B. Day, of Connecticut.
Edmund J. Dorsz, of Michigan.
John A. Embry, of Florida.
Robert English, of New Hampshire.
John B. Faust, of South Carolina.
Dorsey Gassaway Fisher, of Maryland.
Wilson C. Flake, of North Carolina.
Gerhard Gade, of Illinois.
Willard Galbraith, of California.
James W. Gantenbein, of Oregon.
George M. Graves, of Vermont.
Bernard Gufler, of Washington.
John N. Hamlin, of Oregon.
Randolph Harrison, of Virginia.
Thomas A. Hickok, of New York.
Frederick W. Hinke, of New York.
Thomas S. Horn, of Missouri.
Morris N. Hughes, of Illinois.
J. Winsor Ives, of Illinois.
Henry P. Leverich, of New Jersey.
Raymond P. Ludden, of Massachusetts.
Cecil B. Lyon, of New York.
Robert Mills McClintock, of California.
Walter P. McConaughy, of Alabama.
Stewart E. McMillin, of Kansas.
Thomas J. Maleady, of Massachusetts.
Patrick Mallon, of Ohio.
Edward S. Maney, of Texas.
Gerald A. Mokma, of Iowa.
John B. Ocheltree, of Nevada.
William L. Peck, of Connecticut.
Troy L. Perkins, of Kentucky.
Joseph P. Ragland, of the District of Columbia.
R. Borden Reams, of Pennsylvania.
Charles S. Reed 2d, of Ohio.
George W. Renchard, of Michigan.
John S. Richardson, Jr., of Massachusetts.
Arthur R. Ringwalt, of Nebraska.
Willard Quincy Stanton, of Montana.
John F. Stone, of Pennsylvania.
Tyler Thompson, of New York.
William Clarke Vyse, of the District of Columbia.
Gilbert R. Willson, of Texas.
Whitney Young, of New York.

From Foreign Service officer of class 7 to Foreign Service officer of class 5:
Edward Anderson, of Florida.
E. Tomlin Bailey, of New Jersey.
John Willard Carrigan of California.
Norris B. Chipman, of the District of Columbia.
Herbert P. Fales, of California.
Andrew B. Foster, of Pennsylvania.
Norris S. Haselton, of New Jersey.
L. Randolph Higgs, of Mississippi.
John D. Jernegan, of California.
George Lewis Jones, Jr., of Maryland.
Andrew G. Lynch, of New York.
Edward P. Maffitt, of Missouri.
Brewster H. Morris, of Pennsylvania.
Walter W. Orebaugh, of Kansas.
J. Graham Parsons, of New York.
John C. Pool, of Delaware.
G. Frederick Reinhardt, of California.
Arthur L. Richards, of California.
Livingston Satterthwaite, of Pennsylvania.
George F. Scherer, of New York.
Donald W. Smith, of Maryland.
Philip D. Sprouse, of Tennessee.
Ivan B. White, of Oregon.

From Foreign Service officer of class 7 to Foreign Service officer of class 6:
R. Austin Acly, of Massachusetts.
Stephen E. Aguirre, of Texas.
William K. Ailshie, of Idaho.
Daniel V. Anderson, of Delaware.
John L. Bankhead, of North Carolina.
Carl H. Boehringer, of Michigan.
Howard A. Bowman, of California.
Reginald Bragonier, Jr., of Maryland.
Glen W. Bruner, of Colorado.
Gordon L. Burke, of Georgia.
Richard W. Byrd, of Virginia.
Thomas S. Campen, of North Carolina.
Carl E. Christopherson, of Iowa.
David M. Clark, of Pennsylvania.
Mulford A. Colebrook, of New York.
Glion Curtis, Jr., of Missouri.
Sherburne Dillingham, of New Jersey.
Howard Elting, Jr., of Illinois.
James Espy, of Ohio.
Douglas Flood, of Illinois.
T. Muldrup Forsyth, of Virginia.
John L. Goshie, of New York.
Paul S. Guinn, of Pennsylvania.
James E. Henderson, of California.
Theodore J. Hohenthal, of California.
Phil H. Hubbard, of Vermont.
Richard S. Huestis, of New York.
Carlton Hurst, of the District of Columbia.
Paul C. Hutton, of North Carolina.
Douglas Jenkins, Jr., of South Carolina.
Beppo R. Johansen, of Florida.
U. Alexis Johnson, of California.
Nathaniel Lancaster, Jr., of Virginia.
E. Allan Lightner, Jr., of New Jersey.
F. Ridgway Lineaweaver, of Pennsylvania.
Douglas MacArthur 2d, of the District of Columbia.
Elbert G. Mathews, of California.
Ernest de W. Mayer, of New York.
Miss Kathleen Molesworth, of Texas.
Alton T. Murray, of California.
Robert Newbegin, of Massachusetts.
Carmel Offie, of Pennsylvania.
John Ordway, of the District of Columbia.
John Peabody Palmer, of Washington.
Marselis C. Parsons, Jr., of New York.
Archibald R. Randolph, of Virginia.
Edward E. Rice, of Wisconsin.
W. Garland Richardson, of Virginia.
Halleck L. Rose, of Nebraska.
John C. Shillock, Jr., of Oregon.
Stanley G. Slavens, of Texas.
Jule B. Smith, of Texas.
William P. Snow, of Maine.
Francis L. Spalding, of Massachusetts.
Carl W. Strom, of Iowa.
Robert M. Taylor, of Washington.
Cyril L. F. Thiel, of Illinois.
Charles O. Thompson, of Alaska.
Jay Walker, of the District of Columbia.
T. Eliot Weil, of New York.
Rolland Welch, of Texas.
H. Bartlett Wells, of New Jersey.
Arthur R. Williams, of Colorado.
Philip P. Williams, of California.
Robert E. Wilson, of Arizona.
William P. Wright, of the District of Columbia.
William E. Yuni, of Washington.

From Foreign Service officer of class 8 to Foreign Service officer of class 6:
Charles R. Burrows, of Ohio.
Robert T. Cowan, of Texas.
Leon L. Cowles, of Utah.
Edward A. Dow, Jr., of Nebraska.
Robert F. Hale, of Oregon.
Richard H. Post, of New York.

From Foreign Service officer of class 8 to Foreign Service officer of class 7:
William Belton, of Oregon.
Niles W. Bond, of Massachusetts.
William O. Boswell, of Pennsylvania.
Robert P. Chalker, of Florida.
Thomas J. Cory, of California.
H. Francis Cunningham, Jr., of Nebraska.
Philip M. Davenport, of Maryland.
Richard H. Davis, of New York.
Arthur B. Emmons 3d, of Massachusetts.
Nicholas Feld, of Mississippi.

William N. Fraleigh, of New Jersey.
Fulton Freeman, of California.
John Goodyear, of New York.
Robert Grinnell, of New York.
Theodore J. Hadraba, of Nebraska.
Boies C. Hart, Jr., of Connecticut.
Parker T. Hart, of Massachusetts.
Richard H. Hawkins, Jr., of Pennsylvania.
Franklin Hawley, of Michigan.
George D. Henderson, of California.
Martin J. Hillenbrand, of Illinois.
Outerbridge Horsey, of New York.
Francis C. Jordan, of North Carolina.
Randolph A. Kidder, of Massachusetts.
William L. Krieg, of Ohio.
Joseph Palmer 2d, of Massachusetts.
David T. Ray, of California.
Robert W. Rinden, of Iowa.
M. Robert Rutherford, of Montana.
Robert C. Strong, of Wisconsin.
Alfred T. Wellborn, of Louisiana.

COAST AND GEODETIC SURVEY

The following-named employees of the Coast and Geodetic Survey to the positions indicated:

Lyman D. Graham to be hydrographic and geodetic engineer with rank of commander in the Coast and Geodetic Survey from the 1st day of May 1945.

Alfred M. Sobieralski to be hydrographic and geodetic engineer with rank of captain in the Coast and Geodetic Survey from the 1st day of May 1945.

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

The following-named cadets, United States Military Academy, who are scheduled for graduation on June 5, 1945, for appointment in the Regular Army of the United States:

To be second lieutenants with rank from June 5, 1945

CORPS OF ENGINEERS

Carroll Edward Adams, Jr.
Douglas Clark Atkins
Roscoe Allen Barber, Jr.
William Louis Barnes
Robert Laurence Barr
Richard Walter Paul Boberg
John Kirkpatrick Boyce, Jr.
Ernest Paul Braucher
James Russell Brownell, Jr.
Bates Cavanaugh Burnell
George Monroe Bush
Lochlin Willis Caffey
Colin McRae Carter, Jr.
Henry Perry Catts, Jr.
Richard AtLee Chidlaw
David Carleton Clymer
Howard James Dager, Jr.
Ernest John Denz
Raymond Oscar Dietsche
Thomas Edward Dowd, Jr.
Reynold Martin Eckstrom
Robert Carl Erickson
Lawrence Wellburn Fagg, Jr.
Delbert Marcom Fowler
Donald Edward Fowler
William Pringle Gardiner
Walter Charles Gelini
John Washington Graham
Richard Hulbert Groves
John Lloyd Hadden
Joseph George Hadzima
Arthur Pancratius Hanket
Ernest Lauriston Hardin, Jr.
Richard Sides Hartline
John Collingwood Hastie
Donald Horton Henderson
Richard Joseph Hesse
James Julius Heyman
Ira Augustus Hunt, Jr.
Walter Raymond Hylander, Jr.
Fred Eugene Jones
Harvey Cooper Jones
Geoffrey Brooks Keyes
Arch Park Kimbrough
Harry Lane King, Jr.
Lawrence John Klima
Richard Irving Kothrade
William George Kratz
Ralph Severin Kristoferson
Frank Alvin LaBoon
Garland Sivley Landrith, Jr.
Ernest Edward Lane, Jr.
Dale Earnest Lockard
Douglas Albert Lott
Everett Eugene Love
William James Love
Robert Wegley McBride
Richard Edward McConnell
John James McCulloch
William Vincent McGuinness, Jr.
Monor Collins Mabry
Dorsey Taylor Mahin
Nikitas Constantin Manitsas
Frank Erhard Mehner
William Van Deusen Millman
Kenneth Mason Moore, Jr.
James Mathew Mueller
Otis Collins Myers, Jr.
Robert Clough Nelson
Thomas Joseph Nichols
William Muir Nichols
John Ashley Noble
William Henry Norris
DeWitt Archibald Nunn
Joseph Patrick O'Hanlon
Kenneth Lawrence Paape
Vernon Wyatt Pinkey
Oscar William Portman
Fred Wharton Rankin, Jr.
Robert Keith Reierson
Charles LeRoy Reynoldson
John Taylor Rhett, Jr.
Dwight Alban Riley, Jr.
Joseph John Rochefort, Jr.
James Arthur Ruth
Albert Dermont Sheppard, Jr.
Walter Jerome Slazak
Nile Warren Soik
Harry Thaddeus Stewart
William Garrett Stewart
Warren Robert Stumpe
William Brockenbrough Taylor
William Carl Trefz
Marion Wiles Trotti
Paul Henry Ugis, Jr.
Richard Luther West
John Henry Wirries, Jr.
Donal Joseph Wolf
Fayette Loomis Worthington
Amos Luther Wright
George Edward Wyatt, Jr.

SIGNAL CORPS

Charles Scott Adler
Howard Arthur Baldwin
Harvey Stein Boyd
Cyril Joseph Brown
Walter Joseph Cain
Stanley Gunnison Calder
Robert Victor Calvert
Forrest Andrew Carhartt
Leon Arthur Cookman
William Anderson Daugherty
John Philip Downing, Jr.
Clarence Richard Driscoll
William Alan Ekberg
John Whelan Fehrs
Leonard Joseph Gilbert
William Edward Glynn
James Butler Graham
Howard Johnston Hanson
Robert McKissen Herron 3d
Albion Williamson Knight, Jr.
Philip Lewis Lansing
John Greig Leghorn
Houghton Lohn
Donald Robert Lunney
Raymond Iszard McFadden
Robert Leslie Marben
Edward Michael Michalak
Thomas Clinton Musgrave
John Francis Myron
Hugh Clifford Oppenheimer
Edward Adorno Powers
Bert Frank Prentiss
Frank Armand Smith
George Henry Troxell, Jr.
Earl Robert Velie
Edward Leon Winthrop
Arthur Lewis Wolfe

CAVALRY

Robert Ricketts Batson
Glenn Samuel Brunson, Jr.
Frederick Roy Einsidler
George Thure Forssell, Jr.
John Cutter Gage
Robert Earl Hayes
Neil ImObersteg
Edward Frederick McCarron, Jr.
William Dean McNaughton
James Henry O'Brien, Jr.
William Kimball Vaughan

FIELD ARTILLERY

Joseph Tormin Adams
James Morehead Alfonte
Harry Oliver Amos, Jr.
Reamer Welker Argo Jr.
Archibald Vincent Arnold, Jr.
Kincheon Hubert Bailey, Jr.
Alexander James Belmonte
John Bennington Bennet, Jr.
John Lythgoe Black
John Yates Bohn
William Fred Boiler, Jr.
Robert Clay Burgess
Luther Clyde Campbell, Jr.
Richard Chapman Carnes
Taylor Kaye Castlen
James George Christiansen, Jr.
George Anson Churchill
Raymond Lavern Clark
Robert Grant Conrad
Richard Clarkson Crane
Robert Muir Cunningham
Harle Hoyt Damon
Robert Edward Dingeman
Philip Jarvis Dolan
James Henry Elkey
David Erlenkotter
John Markham Ferguson, Jr.
Thomas Edward Fitzpatrick, Jr.
Louis Renshaw Fortier
John Edward Fox
Arthur William Fridl
Robert Wallace Fye
George Albert Garman, Jr.
James Madison Garrett, 3d
James Wesley Gilland
Thomas Robert Gleason
Rabun Watson Griffith
Edward Francis Gudgel, Jr.
Richard Louis Haley
Claud Steward Hamilton
John Robert Harman, Jr.
James Boyle Harrington, Jr.
Edmund Gus Heilbronner
James Lynn Henshaw
William Henry Holcombe, Jr.
John Herbert Holdridge
Rupert Watson Jernigan, Jr.
Bernard Edwin Johnsrud
Alfred Henderson Jones
Lawrence McCeney Jones, Jr.
Henry Eaton Kelly, Jr.
Alfred William Klement, Jr.
Donald Jay Kohler
John Bernard Kusewitt, Jr.
Karl Raymond Liewer
John Henning Linden
Arthur Hadley Lozano
Robert Chester Lutz
Robert Carter McAlister
Theodore Hays McLendon
Horace Abbott Macintire
Norman Douglas Mallory
Robert James Mann
Thomas Everett Marriott
James Alva Munson
Donald Eugene Myers
John Dorsey Nacy
James Thomas Neal
Keith Chandler Nusbaum
Philip Bertram Polak
Patrick William Powers
Mark Edmond Rivers, Jr.
Almon Richard Roth
Sylvan Edwin Salter
Kenneth Russell Scurr, Jr.
John Lewis Shadday
James Maxwell Shilstone
Gordon Hughes Shumard

George Francis Smith, Jr.
Richard Agnew Smith
Charles William Spann
Henry Melchior Muhlenberg Starkey
Carl Arnett Steinhagen
John Gibson Tomlinson
John Phillip Tyler 3d
Wilbur Henry Vinson, Jr.
Robert Barton Waddington
Cornelius William Wakefield, Jr.
Clifford Martin White, Jr.
Bernard James Wichlep
Harold Dale Wilson
William Roy Wolfe, Jr.
John Lawrence Wood
Joseph Laird Woolley
Robert Farrer Zeidner
James Robert Zeller

COAST ARTILLERY CORPS

Bruce McCheane Barnard, Jr.
Ross Walton Campbell, Jr.
Augustus Raymond Cavanna, Jr.
Stuart Lee Cowles, Jr.
Willian Lee Davis
Thomas Milton Dolan
Arthur Luke Doyle, Jr.
John Loren Goff, Jr.
James Lloyd Hayden
James Dudley Ingham, Jr.
Bruce Olen McCracken
Roland William McNamee, Jr.
Albert James Maris
John Boone Martin, Jr.
Joseph Edward Melanson, Jr.
Neil Joseph O'Donnell
Fred Charles Parker, 3d
Homer Shepherd Pitzer, Jr.
James Asa Rasmussen
William James Reidy
Joseph Russo
William Murray Ryan
Samuel Thomas Scarborough
Jack Winslow Spiller
Jonas William Stuckey
Robert Charles Tongue
Theodore Franklin Wagner
Robert Charles Waring

INFANTRY

Theodore F. Gerwin Adair
Walter Robert Adkins, Jr.
George O'Neil Adkisson, Jr.
Walter Gordon Allen
Fred John Archibald
Richard Burkhart Armstrong
Leslie Sherman Ayers
Howard Reamy Bealmear, Jr.
Earl William Bell
John Charles Bennett
George Charles Benson
Joseph Peter Berg, Jr.
George Combs Berger
William Blum, Jr.
Robert Nelson Boehm
Louis Henry Boettcher
John Calvin Boleyn
James Charles Bowman
John James Briscoe
Levin Barnett Broughton
John Francis Brown
John Adam Bruckner
John Thomas Burke
Clark Woods Burton
Leon Curtis Byrd
Patrick O'Keefe Callahan
Clark Speer Campbell
John Terrel Carley, Jr.
George Baker Carrington
Jose Luis Carrion
Charles Faulkner Carter, Jr.
Woodbury Carter
George William Casey
Smith Barton Chamberlain
Albert Wylie Childress, Jr.
William Doran Clark
Ira Burdette Coldren, Jr.
William Collins
William Harold Combs, Jr.
Charles William Cox
William Burton Crary
James Albert Crowe
George Benson Crowell
Harold Edwynne Curry
Charles Harry Curtis
Bernard Clark Dailey, Jr.
James Howard Dallman
George Arlington Daoust, Jr.
Richard Winslow Davis, Jr.
Stephen Albion Day, Jr.
Richard Frank DeKay
Marcello Joseph Del Vecchio
Milton Henry DeVault
Thomas Henry Devlin
George Ellis Dexter
James Paul Donovan
Thomas Davison Drake 2d
Warren Wallace Drake
Charles Frank Dubsky
Ward Winston Dworshak
James King Edwards
Lyle Irving Edwards
Edward Searles Eneboe
George Senseny Eyster, Jr.
Roy William Farley
Andrew Gilligan Favret
George Crosland Fee
Ernest Scholten Ferguson
Harris Markham Findlay, Jr.
David Fink
Carl H. Fischer, Jr.
John Wilkinson Fletcher, Jr.
Glenwood William Flint
Arthur Theodore Flum
John Morris Forbes
Lawrence James Fox, Jr.
Earl William Fuqua, Jr.
Eugene Joseph Gasior
Andrew John Gatsis
John Colclough Geer
John Michael Gilligan, Jr.
Edwin John Gilmore
Louis Dona Gingras
William Joseph Glunz
Frederick Carl Goeth
Charles Richard Gorder
Arthur Bryan Greene
Charles Francis Greer
Donald Edwin Gross
Melvin Eugene Gustafson
William Robert Guthrie
Dale Stanley Hall
Robert Metcalf Hall
Theodore Harding Halligan
James Calvin Hamilton
William Brevard Hankins, Jr.
Earl Caldwell Hardy
John Trompen Harmeling
Harry Burt Hause
Laurence Louis Heimerl
James Arthur Herbert
Alfred Henry Herman 2d
Alfred Olivier Hero
Joseph Chamberlain Hill
Rolfe Louis Hillman, Jr.
Ralph Moe Hinman
Rupert Edward Hodges
Joseph Homer Hoffman
Harold Francis Hogan
George Fredendall Hoge
James Frederick Holcomb
Paul Robert Holland, Jr.
James Franklin Holt
Robert Marshall Horan
James William Howe
Henry Joseph Hughes, Jr.
William Hayden Hughes
Leonard Alfred Humphreys
Henry Emmette Hutcheson, Jr.
Robert Northrup Ives
George Daniel Jackson
Walter Albert Jagiello
Richard Orem Jett
John Henry Johnson, Jr.
Richard Harold Johnson
George Salley Jones 3d
John Harold Jones
Claude Kitchin Josey
George DuComb Kahlert
Francis Borgia Kane, Jr.
Edgar Douglas Kenna, Jr.
John Luther Kennedy, Jr.
Edwin Bartlett Kerr
Charles Edward Knudsen
Kenneth George Kochel
Fred Kochli, Jr.
Wilbert Joe Kovar
Robert Gordon Krebs
Kenneth Roland Ladensohn
Lincoln Landis
Quentin Charles LaPrad
Robert Edward Lee
Burton Oliver Lewis, Jr.
Charles Everett Limpus, Jr.
Thomas Angelo Lombardo
Thomas Dick Longino 2d
Raymond J. McCarrell
Joseph Edward McCarthy
Herbert Joseph McChrystal, Jr.
Thomas George McCunniff
Robert Lee McDaniel
John Joseph McDonald
Joseph Corbett McDonough
Edward Rexford McElroy
Palmer Scott McGee, Jr.
Russell Daniel McGovern
John Victor McKerlie
Strathmore Keith McMurdo
William Harvey McMurray
Thomas Humphreys McNiel
Frank Day McPeek
Claude Monroe McQuarrie, Jr.
Robert Neale Mackinnon
Thomas Brock Maertens
Dale Eugene Mahan
James Lockett Malony
Robert Francis Mantey
Joe Ignacio Martinez
Ernest Joseph Massari
Raymond Oscar Miller
Putnam Waldner Monroe
Harold Gregory Moore, Jr.
James Monroe Morris, Jr.
James Wingfield Morris
Jared William Morrow
Albert Farquharson Muehlke
John DeSales Murphy
Kyran Martin Murphy 3d
Herman Smith Napier
John Henry Neff
Donald Thomas Nelson, Jr.
George Delno Nelson, Jr.
Paul Burnham Nelson, Jr.
Carl Bryant Nerdahl
Vernon Howard Harper Newman
William Van Dyke Ochs, Jr.
Stephen Pace, Jr.
Robert Joseph Parr
James Kelley Patchell
Frank Ned Pavia
William Oliver Perry, Jr.
Edmund d'Autremont Pickett
Charles Sumner Pierce
Everett Orville Post
Edmund David Poston
John Joseph Powers, Jr.
Randall Upson Pratt
Daniel Chapman Prescott
Edmund Randolph Preston, Jr.
Alfred Jess Price
Herbert Hamilton Price, Jr.
Marvin Louis Price
Donald Volney Rattan
Robert Milton Reese
Donald Howard Rehm
John William Reynolds
Robert Vincent Ridenour
Abram Vorhees Rinearson 3d
Arthur Herbert Ringler
Edward Norwood Robinson
George Locke Robson, Jr.
Adolphus Worrell Roffe
Wilfred Lee Rogers
James Thurman Root
Walter Harold Root, Jr.
Robert Joseph St. Onge
Chester Craig Sargent
Bickford Edward Sawyer, Jr.
Edward Stanley Saxby
Louis John Schelter, Jr.
Barney Groves Schneckloth
Tom Lomax Schwinn
Loxley Radford Scott
Joseph Schilling Senger
Harry James Shaw

Almon Leroy Shoaff
William Cary Sibert
Rubin Siegel
Daniel Nathan Silverman, Jr.
Erskine Smith
Rayburn Lester Smith, Jr.
Shelton Gillespie Spear
Charles Echols Spragins
Lester Atchley Sprinkle, Jr.
Joseph John Stanowicz
Robert Ingersoll Starr
Robert Edward Stetekluh
George Craig Stewart, Jr.
Keith MacArthur Stewart
William Hopkins Stites
Milton Dair Stone, Jr.
Paul Allen Stough
James Austin Stuart, Jr.
John Francis Suelzer
Camillus Caruthers Sullivan, Jr.
James Benjamin Tanner
Robert Francis Tansey
David Harlan Thomas
Robert Inman Thompson
Ralph Thomas Tierno, Jr.
Robert Beeghly Tobias, Jr.
Robert Alfred Tolar
John Orrien Truby
Lucian King Truscott 3d
Arthur Henry Truxes, Jr.
John Joseph Vallaster, Jr.
Joseph Collins Van Cleve, Jr.
Harold Anton VanHout
Richard VanHouten
Arland Hertzog Wagonhurst
John Wahl
William Allen Walker, Jr.
George Magoun Wallace 2d
Richard Park Wallsten
John Wiley Warren
Lamar Weaver, Jr.
Robert Morris Webster, Jr.
Paul Ross Wheaton
William Edward Whittington 3d
William Benson Wier, Jr.
Perry Oldham Wilcox
Richard Charles Williams
George Lindsay Withey, Jr.
Wallace Kieth Wittwer
Harold Dale Wolaver
William Clark Wood, Jr.
Robert Evans Woods
Robert Louis Woodward
John James Wuchter
Austin Joseph Yerks, Jr.
William Eugene Zook

QUARTERMASTER CORPS

Thomas Frederick Tuttle

CHEMICAL WARFARE SERVICE

Norman Lawrence Lasker

ORDNANCE DEPARTMENT

David Uel Armstrong
Waldo Louis Carbonell
Warren William Cobb, Jr.
David Higgins 4th
Benjamin Gunter Hussey
Robert Clyde Loudermilch
Wade Harvey Shafer

AIR CORPS

Samuel Brown Adams, Jr.
J. F. Allen, Jr.
Frank Sylvester Attinger, Jr.
Roderick Harold Averill
Charles Jerome Avery
Robert Lewis Babin
Cole Dempster Bacon
Robert Harlie Bacon
Alfred Lewis Bailey
Edwin Harry Bailey
Paul Baker, Jr.
Charles Edward Barnett
Robert Simpson Bartron
Ray Scott Basham
Jacques George Beezley
William Thomas Bess, Jr.
Donald Ray Bissell
Frederick Corbin Blesse
Rowland Charles William Blessley, Jr.
Kenneth Thompson Blood, Jr.
Alfred Dixon Blue
George Frederick Bond, Jr.
William Jackson Bowen
Chester Val Braun
Robert Gale Breene, Jr.
Harold Frederick Brenneman
Devol Brett
Martin Harvey Brewer, Jr.
Warren Marshall Briggs
Basil A. Brockles, Jr.
Jacksel Markham Broughton
William Philip Brown
Earl Dudley Bruton, Jr.
Paul Kenneth Bullard
Harold Howard Buth
Joseph Rice Byron
John Ash Callahan
John William Campbell, Jr.
Walter Aaron Carter, Jr.
Thomas Benton Catron 4th
Nathan Brown Chase
William Kemper Cherry
Hally Delmar Chesney, Jr.
John Bradley Chickering
Glen Chadwick Childs
Charles William Clark
William Lee Clarkson
Henry Lee Cobb, Jr.
John Will Coffey, Jr.
Richard Patrick Conniff
John Edward Coulahan, Jr.
Marshall Glenn Coulter, Jr.
William Blount Craig
David James Crawford 3d
Ralph Francis Croal, Jr.
David Wauchope Crockett
Charles William Cross
Jack Graham Crouch
Donald Valen Crowe
Handford Lindsley Cummings, Jr.
Thomas Hanley Curtis
Walter Davis Dabney, Jr.
Charles Irvin Daubert
Kingdon Alva Davidson
Franklin Case Davies
Ernest James Davis, Jr.
Edward Francis Deacon, Jr.
Walter Branham Dillard 3d
Leon Alexander Dombrowski, Jr.
Anthony Eugene Domey
Harry Drake
Frank Winthrop Draper
Robert Eugene Duvall
Robert Paulle Eckert
Ralph Alan Ellis, Jr.
Robert Barrett English
Calvert Lewis Estill, Jr.
Jeptha Hughes Evans
Robert Allen Evans
Daniel Ely Farr 2d
James Thomas Farr
William Estes Farrar, Jr.
Kelton Merrill Farris
Grant Harrison Fenn
David Murray Field
Paul Walker Field
Max Findell
Claudius daSilva Fingar
Theodore Mayer Fite
Hal Lloyd FitzPatrick
John Malcolm Fitzpatrick
Roland Daniel Foley, Jr.
Ralph Joseph Ford, Jr.
Ivan Leon Foster, Jr.
Alexander Otto Froede, Jr.
Walter Turbush Galligan
Charles Lewis Gandy, Jr.
Zean Goudy Gassmann, Jr.
Jesse Cecil Gatlin, Jr.
Duncan Gault
Walter Leslie Gerald, Jr.
William Frank Gilbert
James Adolphus Giles
Vergil Calvin Givens
Thomas Junior Godwin
James Richard Golden
Robert Ralph Granik
William Cannon Hanes
Frederic William Hartwig
Herbert Frank Haws, Jr.
Randolph Carrington Heard
Jesse Bethea Hearin, Jr.
Robert Francis Hegenberger
Jack Norman Hoffman
Gifford Merrill Holden, Jr.
Billy Neel Hollis
John Samuel Holtze
Orlando Holway 3d
Robert Roff Horner
James Arnold Horowitz
Richard Warren Hurdis
Wilson Patrick Hurley
Donald Einer Huseby
Wallace Gourley Hynds, Jr.
Kenneth Lee Jackson
William Robert Jarrell, Jr.
Maxwell Oscar Johnson, Jr.
Roger Lundeen Johnson
Ray Stanley Jones, Jr.
William Atkinson Jones 3d
John Ross Karr
Edwin Godwin Kellum
Charles Howard King
Nat Dulaney King
John Jacob Knight
Byron Franklin Knolle, Jr.
Scott Anthony Kuntz
Robert Goodman Lake
Harrison Larkin
John Ewing Lawrence
Joseph Denton Ledford
Frank Aloysius Lee
Samuel Kenric Lessey
John Pagenstecher Liebel
Leonard William Lilley
Robert George Lindsay
Clarence Leslie Linton
John Francis Lish
Robert Ream Lochry
Wendell Jackson Long
John Duer Ludlow
Joseph Francis McCaddon
Donovan Low McCance
Middleton McDonald, Jr.
William Edward McGlynn
John Joseph McGranery
John Baird MacWherter
Joseph John Macur
William Mahl, Jr.
William Robert Manlove
Thomas Russell Marks
Bobby Lee Marlow
Roy Leon Marston
Louis Lyon Martin
Michael Joseph Martin, Jr.
Frank Freeman Marvin
Edward Jones Mason
James Gordon Mason
Harry Lee Maynard
Harry Richard Middleton
Roger Eugene Miller
John Thomas Fargason Milnor
Homer Robert Minckler
Richard Byrd Minor
Richard Raymond Moore
Charles Edward Moran
William King Moran, Jr.
James David Morrison Morris
Arthur Raymond Morrison
Edgar Marvin Munyon
Clifford Edward Myers, Jr.
James Slade Nash
Daniel Jack Nelson
Albert Roland Neville, Jr.
Edgar Walker Nichols
Offa Swann Nichols, Jr.
Joseph Thomas O'Neal
Hugh Campbell Parker, Jr.
Anthony Roberts Parrish
Charles Warren Partridge Jr.
Harry Randolph Patrick
Archie Rice Patterson, Jr.
John William Pauly
Richard Allen Perez
Daniel Crawford Perry
Lorrin Carlton Peterson
Jack Chase Pettee
Robert Edward Pine
Charles William Pratt
William Tuinenburg Preston
Ward Ellsworth Protsman
Augustine Stephen Puchrik
Wilbur Raymond Pugh
Marshall Pulliam

Edmund Anthony Rafalko
Roland Wheeler Ramey
John Edward Ray, Jr.
William Derrick Raymond
James Arnold Reints
John Edward Reuler
John Edward Richards
Frederick Wadsworth Robinson
Robert Emmet Rochfort
Jack Harding Romney
James John Rouch
Charles Brown Rupert
Kendell Russell
Cecil Leland Rutledge, Jr.
Norman Gardiner Sauer
William Joseph Schibilsky
Thomas Lewis Schroeder
Charles Morgan Seeger, Jr.
George Elden Shaffner
John Wesley Sherwood, Jr.
William Spearman Simpson
Chester Arthur Skelton, Jr.
Clarence Virgil Slack, Jr.
John Arthur Smart
Joseph Lee Smith
Robert McChesney Smith
Robert Price Smith
Vernon Monroe Smith
William Josiah Snow 2d
Morton Spiegel
Robert Elias Spragins
Stewart Sylvester Stabley, Jr.
Albert Kellogg Stebbins 3d
Arthur James Steele
Malcolm Nebeker Stewart, Jr.
Henry Hull Stick
William Robert Stickman, Jr.
John Standish Stoer
John William Storf
James Arthur Summer
Harold Dow Swain, Jr.
John Broomhall Swartz
Russell Eugene Taliaferro
Frederick Clifton Thayer, Jr.
Alfred Gardner Thompson
Earl Milton Thompson
James Brierton Townsend, Jr.
James Lee Treester
Robert Finley Trimble
Yale Francis Trustin
Robert Graham Valpey
Chauncey Brooks Vandevanter
Peter Van Matre
Harry Grady Walker, Jr.
Robert Rumley Wallace, Jr.
Arthur Willis Walton
Henry Lee Warren
James Clark Wayne
Kenneth Homer Werner
Dirck deRyee Westervelt
Paul Clement Whelan
Daniel Doremus Whitcraft, Jr.
Clair Gene Whitney
Winthrop William Wildman
Earl Vane Wilkinson, Jr.
Lyman Screven Willcox
George Alexander Williams, Jr.
Richard Wale Williver
Harold Ballard Wohlford
William Leonard Wood
William Sterling Wood

To be second lieutenant with rank from June 6, 1945

AIR CORPS

Robert Dias Hippert

To be second lieutenant with rank from June 7, 1945

AIR CORPS

Jesse Henry Johnson

CONFIRMATIONS

Executive nominations confirmed by the Senate May 14 (legislative day of April 16), 1945:

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

Luther Edward Brown to be second lieutenant, Field Artillery, with rank from December 1, 1944.

Winston Huntington Elliott to be second lieutenant, Corps of Engineers, with rank from December 1, 1944.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

To be major generals

Holmes Ely Dager
Bryant Edward Moore
William Morris Hoge
Charles Everett Hurdis
Herbert Ludwell Earnest
John Matthew Devine

To be brigadier generals

George Winfered Smythe
Hugh Cort
William Lynn Roberts
William Orlando Darby
Charles Trueman Lanham
Charles Harlan Swartz
Thomas Leonard Harrold
William Nelson Gillmore

POSTMASTERS

ALABAMA

Burton C. Sterling, Addison.
Vera S. Collier, Praco.

ARIZONA

Eleanor McCoy, Yuma.

ARKANSAS

Dorothy A. Trammell, Everton.

GEORGIA

Ruby R. Beckwith, Springfield.
Ellie A. Long, St. Marys.

ILLINOIS

Margaret Mulvaney, Edwards.

INDIANA

Mildred Maxedon, Hardinsburg.
William L. Alvis, Patoka.

KANSAS

Lester C. Irwin, Onaga.

MASSACHUSETTS

Thomas F. Dehey, Hinsdale.

MICHIGAN

Helen M. Verplanck, Edmore.
Lyman J. Telfer, Henderson.

OHIO

Mahla E. Stafford, Caledonia.
David F. Mayer, Harrod.
Elizabeth E. Lennex, Millbury.
William Corrigan, Morrow.
Mae H. Jones, South Point.
Lillian M. Droescher, Terrace Park.
Helen Santulla, Washingtonville.

PUERTO RICO

Carmen Villalobos, Canovanas.
Rafael Castaneda, Humacao.
Luisa Rodriguez, Naguabo.

WISCONSIN

Roland B. Cary, Boulder Junction.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 14, 1945

The House met at 12 o'clock noon.

Rev. Robert H. Dolliver, pastor of Old John Street Methodist Church, New York City, offered the following prayer:

O God of our salvation, if Thou hadst not been on our side when men rose up against us, then they had swallowed us up quick, when their wrath was kindled against us: Then the waters had overwhelmed us, the stream had gone over our soul. Blessed art Thou who hath not given us a prey to their teeth. Thou hast done great things for us, whereof we are glad.

May we not forget all Thy benefits: The price of them in blood and suffering has been so great. We remember also that Christ died for our sins according to the Scriptures. Give us humble and contrite hearts that we may be worthy of so great salvation.

We ask Thy blessing upon the President, the Speaker, and officers and Members of this House. Bless our armed forces and bless the representatives of the United Nations gathered at San Francisco. Grant that enduring and just peace may soon come to the nations of the world.

Guide and direct the deliberations of this body today that there may be used not only human wisdom, but also that there may be employed the desire to do Thy will. We acknowledge that Thy law is perfect and Thy judgments are true and righteous altogether. Help us to comprehend Thy plan and Thy purposes which are surely working out in the unusual events of the times.

And, O God, sustain us all with hope of better things to come. May the benediction of Thy peace keep our hearts and minds in the knowledge and love of God, and of His Son, Jesus Christ, and may the blessing of God Almighty, Father, Son, and Holy Spirit, be with us all evermore. Amen.

The Journal of the proceedings of Friday, May 11, was read and approved.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the disposition of business on the Speaker's desk and any other special orders heretofore entered, I may be permitted to address the House for 40 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. THOMASON. Mr. Speaker, I ask unanimous consent that I may be permitted to address the House tomorrow for 1 hour after the disposition of business on the Speaker's desk and the conclusion of any other special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 hour on next Monday after the disposition of business on the Speaker's desk and the conclusion of any other special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. PIÑERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a statement by the President of the Senate of Puerto Rico, Hon. Luis Muñoz-Marín.

The SPEAKER. Is there objection to the request of the Resident Commissioner from Puerto Rico?

There was no objection.

Mr. WINSTEAD asked and was given permission to extend his remarks and include therein an article from the March 1944 issue of the Mississippi Law Journal by Hon. Gibson B. Witherspoon.

AMERICAN FREE PRESS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, the well-deserved praise and commendations of the commanding officers of S. H. A. E. F. should not make us oblivious to a blind spot in their planning. S. H. A. E. F. has ordered, apparently at the suggestion of the O. W. I., that no American newspaper or publication should be admitted into occupied Reich.

It is difficult to understand how the refreshing steam of democracy, as exemplified by the American free press, should be turned back from Germany. How can we democratize the German people if we deny their reading of our own free press? How can they learn the value of the free exchange of opinion, so necessary to democracy, if they are not permitted to read our free press? Do we distrust democratic ways? I humbly ask that this bad decision be rescinded.

The SPEAKER. The time of the gentleman from New York has expired.

EXTENSION OF REMARKS

Mr. KOPPLEMANN asked and was given permission to extend in the RECORD Connecticut house joint resolution in relation to peacetime military training as introduced by Assemblyman Russell, of Lyme, Conn.

Mr. SULLIVAN asked and was given permission to extend his remarks in the RECORD and include a letter of transmittal and a resolution passed by the Board of Aldermen of the City of St. Louis.

Mr. HARRIS asked and was given permission to extend his own remarks in the RECORD and include a statement he made on VE-day.

Mr. HARRIS asked and was given permission to extend his remarks in the RECORD and include a statement made by him before the congressional joint committee today.

Mr. STEVENSON asked and was given permission to extend his remarks and include an editorial appearing in the Evening Star on Mother's Day, 1945, entitled "The President's Mother."

Mr. COLE of Missouri asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, AND RELATED INDEPENDENT OFFICES APPROPRIATION BILL, FISCAL YEAR 1946

Mr. HARE, from the Committee on Appropriations, reported the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes (Rept. No. 551), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. KEEFE reserved all points of order on the bill.

ONE HUNDRED AND FIFTY-EIGHTH ANNIVERSARY OF THE CONSTITUTIONAL CONVENTION

Mr. GRAHAM. Mr. Speaker, I rise to remind the House that this is the anniversay date of the opening of the Constitutional Convention of 1787, and I ask unanimous consent that I may proceed for 5 minutes.

The SPEAKER. The Chair feels this is an important occasion; and if there is no objection, the Chair will entertain the request of the gentleman from Pennsylvania to address the House for 5 minutes.

There was no objection.

Mr. GRAHAM. Mr. Speaker, 158 years ago today, on May 14, 1787, there met in the city of Philadelphia those deputies selected by the various States to compose the Constitutional Convention. From that day until the 17th day of September of that year those men worked assiduously and carefully in the preparation of one of the greatest documents that has ever fallen from the hands of man.

It is a notable fact that in this session we will parallel day by day their problems. May I bring to the Members of the House this solemn thought, that as we do this let us remember that in a sense we are the continuation of that body. On that opening day only two delegations appeared in their entirety, that of Pennsylvania and Virginia. It is an important thing to remember that the meeting was held in Independence Hall, already hallowed by the meeting of the Second Continental Congress, and the fact that the Declaration of Independence had been signed in that hall. Above hung the Liberty Bell that proclaimed liberty throughout all the land unto all the inhabitants thereof.

It was a marvelous group of men who gathered there. Seventy-four had been selected. At various times 55 appeared, and of the 38 men who finally signed the declaration, plus 1, John Dickinson, who delegated another to sign his name, they probably represented the best of the brains and the ability and the integrity and the courage of that day. From that little Nation of Thirteen Colonies and 3,000,000 people we have grown into a great Nation of 135,000,000 people and of 48 States, with far-flung possessions, so that today, engaged in the global war in which we are, the sun does not set upon the American flag.

It is rather significant indeed that today the minister who offered the prayer comes from the John Street Methodist Church, of New York City, one of the oldest churches in America. On the day that George Washington was inaugurated President of the United States in the city of New York that church passed a resolution commending him and his administration, and praying for the future happiness and safety of the United States of America. It is indeed a happy occasion that he is here with us today.

Now, as we plunge into this great eastern war and the great task that is before us, let us remember that today we are one of the oldest forms of government in the world. You say England. Not so. In the year 1832 they passed a Reform Act changing their form of government. So the United States Government, as constituted on that day, May 14, 1787, makes us one of the oldest surviving governments.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM. I yield.

Mr. RANKIN. This Government would not have survived this long either if those great mean whose pictures are down here at the head of the stairs had failed to get the Constitution adopted.

Mr. GRAHAM. I agree with the gentleman from Mississippi.

Mr. RANDOLPH. Mr. Speaker, will the able gentleman yield? I do not wish to interrupt if in so doing he would break the continuity of his speech.

Mr. GRAHAM. I yield.

Mr. RANDOLPH. I think it would be well for the RECORD to show at this point that one of the members of that Pennsylvania delegation was Benjamin Franklin. At the Constitutional Convention he said:

> I have lived, sir, a long time, and the longer I live the more convincing proofs I see of this truth, that God governs in the affairs of man. And if a sparrow cannot fall to the ground without His notice, is it probable that an empire can rise without His aid?

Mr. GRAHAM. I wish to read a brief excerpt from a letter transmitted by George Washington as chairman of the Convention to the Continental Congress, or rather, the Congress of the Confederation, meeting in New York on that day. He said in part:

> In all our deliberations on this subject we kept steadily in our view that which appears to us the greatest interest of every true American, the consolidation of our Union, in which is involved our prosperity, felicity, safety, perhaps our national existence.

Is it any wonder that when Nathaniel Gorman arose on the 8th day of August and said:

> Can it be supposed that 150 years hence that this Nation, including the western territories, will remain one Nation?

That he was answered in turn by James Wilson, a member from Pennsylvania, who said:

> When he considered the amazing extent of the country, the immense population which is to fill it, the influence of the Government which we are to form will have, not only on the present generation of our people and their multiplied posterity, but on the whole globe, he was lost in the magnitude of the object. * * * We should consider we are providing a Constitution for future generations and not merely for the peculiar circumstances of the moment.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

THE POSTAL PAY INCREASE BILL

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute on the postal pay increase

bill that is to come up tomorrow; and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. MASON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in two instances, in the first to extend in the Appendix of the RECORD tables of the Tariff Commission with reference to imports; and in the second to include a statement made by Tom Linder, Georgia commissioner of agriculture, before the Ways and Means Committee of the House on May 2, 1945, relating to trade agreements.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CLEVENGER asked and was given permission to extend his own remarks in the Appendix of the RECORD and include an article from the Bryan Press.

INTERNATIONAL OFFICE OF EDUCATION

Mr. BALDWIN of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks in the RECORD and include therein an excerpt from the report of the Committee on Education of the New York State Federation of Labor.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. BALDWIN of New York addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD on the subject of the J. G. White Engineering Co., report dealing with Minnesota resources and the St. Lawrence seaway and power project, and include an editorial.

Mr. PITTENGER asked and was given permission to extend his remarks in the Appendix of the RECORD on the subject of the food famine and the O. P. A.

Mr. HILL asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. JENKINS asked and was given permission to extend his remarks and include a report which the Republican Congressional Food Study Committee has made to the gentleman from Massachusetts, Hon. JOSEPH W. MARTIN, minority floor leader, which report deals with sugar.

THE FOOD SITUATION

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, the activities of the Republican Food Study Committee in its efforts to relieve the very serious food situation is attracting attention all over the Nation. Among the hundreds of letters that I receive on the subject, I wish to comment on two that I received from Ohio referring to an incident reported in an Akron, Ohio, paper. The letters were from Miss Irma Dillow and Mr. E. E. Griffith, two prominent business people from Ohio.

An Akron meat dealer owns 45 fat steers that are grazing on his farm near Akron. He can find no legal way to slaughter them. He inquired of his local O. P. A. and was referred to the local W. F. A. The W. F. A. referred him to the State W. F. A. at Columbus and Columbus referred him to Chicago and Chicago told him "that no one could give him that information and that would have to come from the National W. F. A. office."

Apparently he still does not know what to do. "Meanwhile the steers are eating about 28 bushels of corn a day."

EXTENSION OF REMARKS

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include an article by Constantine Brown entitled "This Changing World," appearing in the Washington Evening Star of last Saturday.

Mr. LUDLOW asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an address delivered by Justice Douglas, of the Supreme Court, at the opening of the War-bond campaign in Indiana on May 11.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD and include a letter received by William L. Batt from his son, who is serving abroad.

PROMOTION OF PRIVATES IN OUR ARMED FORCES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, we are now beginning to discharge men who have seen actual combat service in this war. I am going to make a suggestion, and I hope it will be carried out, that these "buck" privates are not made the forgotten men, but that they be discharged as privates, first class. You will remember it was my amendment that raised the pay of these men to $50 a month. Prior to that time they were getting $21 a month.

Now I want to see the ones who saw combat service given a rank not lower than that of private, first class, before they are discharged.

This may not mean much to certain people. It will not mean as much as promoting a four-star general to the rank of a five-star general, it will not mean as much as promoting a man from top sergeant to second lieutenant, but it will mean a great deal in the lives of these young, battle-scarred heroes who are coming back home with combat-service records.

Many of them will have five or six bars on their sleeves showing how long they have been out of the country; many of them will have wound stripes to show that they have been wounded in combat.

Then why not give them one stripe to show that they were first-class soldiers and that we appreciate their services and their sacrifices, especially when it cannot possibly do any harm.

The SPEAKER. The time of the gentleman from Mississippi has expired.

EXTENSION OF REMARKS

Mr. SUMNERS of Texas asked and was given permission to extend his remarks in the RECORD and include a short resolution adopted by the Federal Bar Association.

PRIVATE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar on tomorrow be dispensed with, and that it be in order on Monday, May 21, 1945, to call such calendar immediately after the consideration of the bills on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISTRICT OF COLUMBIA DAY

The SPEAKER. This is District of Columbia day. The Chair recognizes the gentleman from West Virginia [Mr. RANDOLPH], chairman of the Committee on the District of Columbia.

AMENDING CODE OF LAWS FOR THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 2874) to amend the Code of Laws for the District of Columbia to authorize any corporation formed under authority of subchapter 3 of chapter 18 of such code to specify in its bylaws that a less number than a majority of its trustees may constitute a quorum for the transaction of the business of the corporation, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. RANDOLPH. Yes; I shall be glad to. The purposes of the measure are to make provision within the District of Columbia for the holding of a meeting of an educational or literary or musical or scientific society with less than a majority constituting a quorum. We now give that privilege to religious and missionary organizations, and to facilitate the business of those who are engaged in the District of Columbia and people that come from a distance, the Commissioners feel that this is necessary.

Mr. MARTIN of Massachusetts. Are there many people coming from outside of the city?

Mr. RANDOLPH. Yes. The travel situation has made it necessary, we believe, to include these other societies which are so nearly like the missionary and religious organizations, so that it seems they should fall in that category.

Mr. RICH. Mr. Speaker, reserving the right to object, it seems to me if we are going to permit organizations to meet

and do business, and if we are going to authorize and give permission for them to do it by law with less than a quorum, we might be doing something that would not only affect this particular group but it might be detrimental to other organization meetings. Certainly no business should be transacted where a majority does not rule. It seems to me that in cases of this kind they should get permission in writing from the ones who are responsible, permitting them to hold these meetings and permitting them to transact business; permission from those who know what that business is going to be, giving their permission rather than for us now to pass legislation to do that. I question very much if legislation of that kind is right and just, and for one I do not want to be giving my consent to do it. I think probably you had better go into the committee and have this argued out and let the membership determine whether it is wise and the right thing to do.

Mr. RANDOLPH. Mr. Speaker, in response to the gentleman from Pennsylvania who raises the practicability of a quorum with less than a majority, may I say to him that the committee did go into the matter very thoroughly. The bill which is before the House today came out with the unanimous report of both the Republican and the Democratic members of the Committee on the District of Columbia. It was felt and it was requested by organizations that they did not desire to do any business that was extremely essential with less than a majority constituting a quorum, but that the expeditious dispatch of business could be carried forward, and that the societies in question would not lose any of their powers because of the meetings which would be held where business would be transacted within the District of Columbia.

Mr. RICH. How do you know, as a committee, what is going to be brought up in these meetings and whether the majority associated with these organizations are going to permit it? How do we know if they would agree to everything that was done?

Mr. RANDOLPH. I have a high regard for the opinions of the gentleman from Pennsylvania. The committee went into the matter thoroughly. We give the missionary and religious societies the opportunity of meeting at the present time. They have been meeting in the District of Columbia without a majority constituting a quorum. It was felt that to broaden the law, to bring in the scientific and the educational and the literary societies, was proper, and the comprehensive letter sent to the committee by the Commissioners, which will be substantial evidence of the need for the revision of the law, caused that committee to act as it has. If the gentleman desires to object, of course, that is his privilege.

Mr. RICH. I do not want to hold up any legislation that might accomplish a good purpose, but I cannot satisfy my own mind and my own conscience that if we by legislation now permit a minority, regardless of how small it is, to act for the majority, it is a wise thing to do. I do not believe in that way of doing business. Whenever a majority does something we have to fall in line and agree to it, but we are now legislating for a minority to impose its will upon the majority. I do not believe in that.

Mr. RANDOLPH. The gentleman knows that in the operation of the business of this House we sometimes pass important measures with less than a majority of the Members present. That is done each and every day.

Mr. RICH. Yes, but a Member has the right to demand to know what that legislation is. I realize they permit legislation to go through many times that way, but I am fearful of legislation of this type.

Mr. RANDOLPH. A member of the board of trustees of any one of these organizations could certainly object to the procedure of the society in question.

Mr. RICH. As I understand, the trustees are not all going to be present.

Mr. RANDOLPH. They would be allowed to operate with a quorum constituted of less than a majority of the trustees if its bylaws specified that a less number than a majority of its trustees constituted a quorum.

Mr. RICH. The trustees with less than a majority present can do business?

Mr. RANDOLPH. Yes, just as we do here in the House and in organizations everywhere.

Mr. RICH. It does not sound good.

Mr. RANDOLPH. I assure the gentleman the committee went into the matter thoroughly.

Mr. RICH. That does not ring good to me.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. RICH. I object, Mr. Speaker.

FIRE DEPARTMENT, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 2875) to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia," and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I understand this relates to a salary increase for just one member of the Fire Department, to bring his salary into equality with that of other members of the Department.

Mr. RANDOLPH. It concerns five individuals in the District of Columbia Fire Department. We found that the pilots and the marine engineers of the District of Columbia Fire Department were being paid a base salary of $2,600, which is not in line with base salaries for similar positions, not only here but throughout the country.

We also found that a pilot must pass the entrance examination to be a private in the Fire Department and must hold a master pilot's license or have at least 5 years' experience in the handling of boats; that he must be a licensed officer under the United States Steamboat Inspection Service, that he must have a restricted radio-telephone operator's license, and that his duties generally are just of a nature that make this $2,600 salary inequitable.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Nebraska.

Mr. STEFAN. I have heard of no objection to this bill. I think it is meritorious. I see no good reason for not passing it.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, approved July 1, 1930 (46 Stat. 839), as amended May 5, 1944, be, and the same is hereby, further amended to read as follows:

"SEC. 2. That the annual basic salaries of the officers and members of the Fire Department of the District of Columbia shall be as follows: Chief engineer, $8,000; deputy chief engineers, $5,000 each; battalion chief engineers, $4,500 each; fire marshal, $5,000; deputy fire marshal, $3,600; inspectors, $2,460 each; captains, $3,600 each; lieutenants, $3,050 each; sergeants, $2,750 each; superintendent of machinery, $5,000; assistant superintendent of machinery, $3,600; pilots, $3,000 each; marine engineers, $3,000 each; assistant marine engineers, $2,460 each; marine firemen, $2,100 each; privates, a basic salary of $1,900 per year, with an annual increase of $100 in salary for 5 years, or until the maximum salary of $2,400 is reached. All original appointments of privates shall be made at the basic salary of $1,900 per year, and the first year of service shall be probationary."

This act shall become effective on the first day of the first month following the month in which approved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RANDOLPH. Mr. Speaker, that completes the legislative calendar of the Committee on the District of Columbia.

COOPERATIVE AGRICULTURAL EXTENSION WORK

Mr. BATES of Kentucky. Mr. Speaker, I call up House Resolution 253 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1690) to provide for the further development of cooperative agricultural extension work. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and

the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BATES of Kentucky. Mr. Speaker, this resolution, if adopted, makes in order the consideration of H. R. 1690, which is a bill to authorize an increase in appropriations for the Agricultural Extension Service. They now get $18,000,000 or $19,000,000 a year. The purpose of this resolution is to authorize an appropriation up to $30,000,000 within the next 3 years.

Mr. Speaker, I have no request for time. I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN]

Mr. ALLEN of Illinois. Mr. Speaker, I yield 20 minutes to the gentleman from Indiana [Mr. HARNESS] and ask unanimous consent that he may proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HARNESS of Indiana. Mr. Speaker, because the War Department plan for discharging approximately 2,000,000 men is of such vital concern to practically every American family and to every Member of the House, I believe further examination and discussion of this plan for these few minutes will be of particular interest to the House. The official material which the War Department has supplied me for this occasion will, I believe, give us a better picture of the plan, and of the program for moving some 3,500,000 from European areas over into the Pacific theater.

I have given a great deal of thought and study to the War Department plan. I confess that I was a bit critical at the outset, but I now believe this program is as just and practical in theory as any that could be worked out for the relief of our fighting men in the order of their contribution toward victory and their responsibility to dependents. It should be remembered, too, that this Adjusted Service rating system follows, as near as practicable, the actual recommendations of American soldiers all over the world, as reflected in extensive polls.

I believe this rating system will work fairly in practice, so I urge that we support it wholeheartedly, particularly since we have the assurance of the War Department that prompt revision will be made to correct any inequities which may develop.

As you know, the present strength of the Army is approximately 8,300,000. It is proposed to maintain Army strength at about 6,900,000 to wage war upon Japan. We are advised that 400,000 men will be held for the occupation of Europe. That means that we can release close to 2,000,000 men just as rapidly as we can bring them home and clear them through the separation centers. This point system is set up to guide the mustering out of approximately 1,300,000 men, or roughly one-sixth of the Army's present strength. That leaves another group of approximately 700,000 men to make up the total of 2,000,000 to be discharged through the redeployment period. This latter group will include all men over 42, who, according to recent War Department announcement, will not fall under this rating system, but who may be released upon their own application; and others to be released for special reasons, such as illness, disability, and so forth.

This adjusted-service rating plan, or point system, is illustrated by the chart which I have placed before you. It applies to all Army personnel in enlisted grades in every branch of the service. Some may wonder just how the War Department set the figure of 85 points as the minimum for eligibility for discharge. It should be explained that the figure was arbitrarily established upon actuarial estimates as the score which will produce the number of eligibles which the Army may safely release from service. I presume the War Department stands ready to adjust that figure upward or downward as experience dictates in the closing phases of the war against Japan.

To those Members who have had some difficulty in understanding just how an individual soldier's score is tabulated, this chart explains it thoroughly. You will notice this adjusted-service rating card, on which the record of every soldier in the Army, in every theater will be recorded, counts four types of credit.

Adjusted service rating card

Name..... Army serial No.....
Unit..... Arm or service.....

Type of credit	No.	Multiply by—	Credits
1. Service credit (number of months in Army since Sept. 16, 1940)...	36	1	36
2. Overseas credit (number of months served overseas).....	18	1	18
3. Combat credit (number of decorations and bronze service stars).....	5	5	25
4. Parenthood credit (number of children under 18 years old)...	1	12	12
Total credits.....			91

Certified by.....

Read instructions on reverse side before filling out card.

First is the service credit, that is, the number of months in the Army since the draft went into effect, September 16, 1940. Second is overseas credit, the number of months served overseas. Then there is combat credit, the number of decorations and bronze service stars. Finally, the parenthood credit, or the number of minor children up to three.

Assuming that a man has been in the service 3 years from the time he was inducted up until the 12th day of May 1945, when this went into effect, you see he would have one point for each month of service, or 36 points. If he has had 18 months overseas out of those 36 months, he gets an additional 18 points. There have been a great number of campaigns since this war started.

BATTLES AND CAMPAIGNS OF THE UNITED STATES ARMY BY THEATER

ASIATIC-PACIFIC THEATER

1. Philippine Islands.
2. Burma, 1942.
3. Central Pacific.
4. East Indies.
5. India-Burma.
6. Air offensive, Japan.
7. Aleutian Islands.
8. China.
9. Papua.
10. Guadalcanal.
11. New Guinea.
12. Northern Solomons.
13. Eastern Mandates.
14. Bismarck Archipelago.
15. Western Pacific.
16. Southern Philippines.
17. Luzon.
18. Central Burma.
19. Ryukyus.

EUROPEAN-AFRICAN-MIDDLE EASTERN THEATER

1. Egypt-Libya.
2. Air offensive, Europe.
3. Algeria French Morocco.
4. Tunisia.
5. Sicily.
6. Naples-Foggia.
7. Rome-Arno.
8. Normandy.
9. Northern France.
10. Southern France.
11. Rhineland.
12. Ardennes.
13. North Apennines.
14. Po Valley.
15. Central Europe.

ALL THEATERS OF OPERATIONS

1. Antisubmarine.
2. Ground combat.
3. Air combat.

There are 19 Pacific campaigns. Some of these men may have participated in as many as seven or eight of those campaigns, and for each campaign he gets a Bronze Star. For example, on this chart it shows 5 campaigns and the soldier gets 5 points credit for each campaign, or 25 points.

Mr. ANDREWS of New York. Will the gentleman yield?

Mr. HARNESS of Indiana. I yield.

Mr. ANDREWS of New York. On the question of the campaigns, I might say the distinguishment of the campaign is a ribbon, for service in a theater of combat.

Mr. HARNESS of Indiana. That is correct.

Mr. ANDREWS of New York. Whether they receive the Bronze Star or not. If they have served in Tunisia or Normandy without a decoration they receive a campaign ribbon, defined by regulations of the theater of operations setting that up. That campaign ribbon is worth 5 points for the mere fact that he has been there.

Mr. HARNESS of Indiana. Yes, and for each star on that campaign ribbon he gets an additional 5 points.

Now with reference to parenthood credit you figure the number of children up to 18 years of age. Twelve credit points are earned for each minor child, but maximum dependency credit is 36 points.

Mr. RABAUT. Will the gentleman yield?

Mr. HARNESS of Indiana. I yield.

Mr. RABAUT. That is the point that I want to know about. How is it that they only take three children? What about the man who has six children?

Mr. HARNESS of Indiana. Well, the person who has six children has a preferred position for discharge.

Mr. RABAUT. On what ground?

Mr. HARNESS of Indiana. On the same ground as the boy who only has three children. It was figured out on the basis of the total number of fathers in the Army. Note on this second chart

that only 19 percent of the total Army strength are fathers, yet fathers comprise 26 percent of the men to be discharged under this system. Better to illustrate: Note again on this chart that only 2 percent of Army personnel are fathers of three or more children. Of this 2 percent, or some 165,000, almost one-third will be released under this plan.

Mr. RABAUT. Mr. Speaker, will the gentleman yield further?

Mr. HARNESS of Indiana. I yield.

Mr. RABAUT. That is the only thing in the whole program that seems to be unjust.

Mr. HARNESS of Indiana. I believe when the gentleman studies the figures and familiarizes himself with the percentages the War Department has figured out he will find that it will cover those men with more than three children.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield.

Mr. ENGEL of Michigan. We had preliminary hearings last week on the War Department appropriation bill and I brought this same subject up and informed the War Department that unless they changed that rule I expected to offer an amendment in the committee and press it on the floor of the House providing that none of the funds should be used to pay anyone in the service who had more than three children. The War Department said they were considering changing that now and adopting a broader policy.

Mr. CELLER. Mr. Speaker, will the gentleman yield briefly?

Mr. HARNESS of Indiana. Not at the moment; I wish to answer the gentleman from Michigan on the point he raised.

Mr. Speaker, this is worked out on a group basis. In an army of 8,300,000 soldiers there is, of course, bound to be some injustice to the individual, but the Army still can handle those individual cases whenever they are brought to its attention. This will cover the vast majority of them, and the Army is trying to do the job of giving men preference who are entitled to preference through parenthood, combat, and foreign service.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield.

Mr. CELLER. Does this mean that if a soldier has 1 child he gets 12 points and if he has 3 children he gets 36?

Mr. HARNESS of Indiana. That is right.

Mr. RABAUT. Mr. Speaker, will the gentleman yield further?

Mr. HARNESS of Indiana. I yield.

Mr. RABAUT. I was reading an article yesterday which stated the case of a mother who had nine children in the service. When we come to think about points we forget that it is these very children who will probably defend the country when it is necessary to be defended.

Mr. HARNESS of Indiana. That is true.

Mr. RABAUT. I think it is something that has been totally overlooked. Every child ought to have some recognition in the matter of dependency.

Mr. HARNESS of Indiana. He does; everyone has the same recognition.

Mr. RABAUT. Only for three children.

Mr. HARNESS of Indiana. The gentleman will find that the vast majority of men in the service, 98 percent, in fact, have less than three children.

Mr. RABAUT. That does not make it right though, I will say to the gentleman.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield.

Mr. McDONOUGH. Under the column "Multiplied by," the commander of the theater in which the boy is now operating puts that multiple in there. There is no static figure; in fact it is conditional as to whether it is 1, 3, or 5.

Mr. HARNESS of Indiana. Oh yes, these multiples are static. A man gets 1 point for each month of service; 1 point for each month of foreign service; 5 points for each campaign or citation; and 12 points for each minor child, maximum of three. This same table is used throughout the Army. Every man will be graded according to those multiples.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman yield for a question?

Mr. HARNESS of Indiana. I yield.

Mr. KOPPLEMANN. The chart shows one service credit and a credit for overseas. Are they given credit for overseas 1? And credit for service 1 also while they are overseas? Or is it only 1 point for both?

Mr. HARNESS of Indiana. No; what it really does is to give the soldier 2 points for overseas service.

Mr. KOPPLEMANN. That is what I wanted to know.

Mr. HARNESS of Indiana. In other words, he gets 1 point for every month he has been in the Army regardless of where he serves. If he serves 18 months in the United States he gets 18 points. If he serves another 18 months in Europe that makes a total of 36 months, but worth 54 points. He will get 36 points for his total service and 18 points for his overseas service. In other words, foreign duty actually gives 2 points per month.

Mr. SLAUGHTER. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I am very glad to yield.

Mr. SLAUGHTER. The gentleman's remarks are most informative and very interesting. I wonder if the gentleman can enlighten us as to why the multiplying factor is used in the second column? Why do they not just take the figures in the other column, or is there some reason for that?

Mr. HARNESS of Indiana. The gentleman will have to get some of the mathematicians in the War Department to explain that in detail. They have been working on this plan ever since the war started. These credits are weighted upon actuarial studies, plus due recognition to the desires of our soldiers everywhere in the world. The multiples you see on this chart are the result of polls among soldiers, translated in actuarial figures.

Obviously, details of these polls and these conclusions could not be revealed earlier, but immediately VE-day came these points were announced to all the theater commanders throughout the world and are being applied now. The Army thinks that within 30 days from the 12th day of May every single soldier in our armed forces will have his rating. That means not only those in Europe, but those in the Pacific and everywhere else they may be serving, will have one of these cards and his record will be tabulated in The Adjutant General's office.

Mr. KOPPLEMANN. The gentleman stated that the Army was working on this ever since the war started or approximately that time. Is it not true that the men in the service themselves were largely responsible for this?

Mr. HARNESS of Indiana. This plan was adopted after a poll was taken of all the troops. The men themselves voted the credit they thought should be given; namely, so much for service, total service, overseas service, combat credit, and parenthood credit.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. A wound is also 5 points?

Mr. HARNESS of Indiana. Yes.

Mr. ENGEL of Michigan. A private in the Army gets a base pay of $50 a month. A private who has a wife and six children draws $208 a month plus his rations, and so forth. If you do not want to put it on a humanitarian basis but on a cold, hard-boiled financial basis, the latter ought to be out.

Mr. HARNESS of Indiana. Well, I think many of them will be out and that will be demonstrated in a minute.

Mr. ENGEL of Michigan. The Army officials did not tell us that in the hearings the other day.

Mr. HARNESS of Indiana. I may say to the gentleman from Michigan that I had the same viewpoint he has about this. I was disturbed about the matter months ago when they first brought it to our committee, and before the members of our committee went to Europe. While over there we talked to many soldiers in France, England, and Italy who discussed this with other Members and myself. We found only a few of those boys out of the several hundred we discussed it with who would not be affected or who would not have the necessary points to get out. When you study this thing and understand it, I do not see how it is possible to improve on it.

From the purely hard-boiled business viewpoint I expect many of these soldiers with large families are drawing more money and benefits than they could earn in civilian life. If we could reduce this problem to a pure matter of cash, I would heartily urge the discharge of these men with large families. But at the outset, at least, I would prefer not to put military authority into such a strait jacket.

If there was ever any sound reason for taking these men with large families into service in the first place, there may be good reason for keeping them there

now, despite the extra costs of dependency benefits. Let us not too closely circumscribe the Army in this matter, but watch the present system to clear out any bugs that may develop in operation.

In the meantime, please also remember these average facts. The soldier with the unusually large family is usually the older type man who has never seen combat, and probably never will. He probably has spent, or will spend, his army life right here at home, or at least out of sound of gunfire.

We might save a few dollars a month by throwing such men out of the Army. But remember that when you release such a noncombat father you ask a combat soldier, who probably has already seen his share of hell, to stay in service and take that father's place.

Does anyone here wish to deny the younger soldier without children, but with a chest full of ribbons, his right to return home merely to save the Government the few dollars per month it pays in dependency benefits to the family of another man who has made no real personal or financial sacrifice?

Fathers represent 19 percent of the Army and 26 percent of the group to be discharged. In other words, 1 soldier out of 5 is a father, but 1 man in every 4 to be sent home will be a father. Since we did not begin drafting fathers until the war was well advanced it is apparent that this system will operate heavily in their favor.

Now, the Purple Heart has been mentioned. In addition to the recognition for combat, soldiers get five points for each star. They will get additional points for the Bronze Stars. They will get an additional credit of five points for the Distinguished Service Cross, the Legion of Merit, the Silver Star, which is awarded for outstanding or distinguished service; the Distinguished Flying Cross, the Soldiers Medal, a Bronze Star, the Air Medal, the Purple Heart, and the brown service stars we have already discussed.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from California.

Mr. PHILLIPS. In the case of these various stars or awards, are they all one? That is, the Bronze Star is one; and if he has two Bronze Stars, that is two; and if he has a Purple Heart, that is three?

Mr. HARNESS of Indiana. Yes; three units; but all worth five points each.

Mr. PHILLIPS. Is the multiplication in the second column a set amount? Does that ever change?

Mr. HARNESS of Indiana. That never changes. This multiple figure here is a figure that never changes. Speaking further of the Bronze Star points, Silver Star points, Purple Heart points, and the other medals, a man may have been in seven different campaigns for which he gets a Bronze Star for each campaign; he may have gone beyond duty and have been awarded a Silver Star. That would give him eight stars. Then he may have received the Purple Heart. That would give him nine. He may have received the Congressional Medal, and he gets five points for each one of those—five points for each star or each medal.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from Pennsylvania.

Mr. RICH. I wish the gentleman would state the number of points that it is necessary for a boy to have in order to get out?

Mr. HARNESS of Indiana. The War Department, after figuring this whole matter out, actuarially has arrived at an arbitrary interim critical figure of 85 points. They estimate that is the minimum number of points that a soldier must have to be discharged under this plan. As a matter of fact, you can figure it up on many men now in service and find they will get far more than this 85-point minimum.

Many men are so far over the 85-point requirement that they will almost automatically be sent home for discharge on the first available ship.

We have a lot of men down in the South Pacific with General MacArthur, who will have as much as 125 or more points. We are sending the men that have been drafted in the last 60 or 90 days, after they finish basic training, direct to the Pacific, and as soon as these men get there they will replace those veterans who have the credits and who will start coming back.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from New York.

Mr. KEARNEY. This is also in addition to the circular issued by the Army, during the latter part of April, I believe, that men of the age of 42 or over will be discharged upon application.

Mr. HARNESS of Indiana. Those men of 42 or over have nothing to do with this plan. Those older men in enlisted grades can all get out by making application.

Here is another point in that connection. The War Department is hopeful, as soon as this redistribution of troops may be made, that the age limit may be lowered. We can make no prediction, of course; but we may be able to work the maximum age down to 38, or even 36, upon which discharge at the soldier's request will be automatic. You will find a lot of men in the service also that have 100 points or more who will elect to stay in the service. You doubtless noticed that a few such men in our first contingent of eligibles refused discharges. If they want to remain and have a good record, the Army will keep them, and these men remaining will make an opening for others to get out.

Let me go to the next chart to show how this works.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from Iowa.

Mr. JENSEN. I think the plan worked out is simple, and I agree that it is very good. But I just wonder if any credits are to be given to dependent parents, or if the gentleman has any understanding from the War Department as to that? What category do they come in?

Mr. HARNESS of Indiana. The only dependents that fall in this category are children, and you cannot figure more than three children to a soldier.

Mr. JENSEN. Does the gentleman not think that they should give some credit for parents that are entirely dependent upon them?

Mr. HARNESS of Indiana. As I said a while ago, you cannot work out any kind of a plan that will meet the requirements of every individual out of 8,000,000 men. Possibly the present system should be further revised to include other dependents. In the meantime, it should be remembered that the Army has other and independent means for giving individual consideration to special cases.

Mr. JENSEN. That is what I was trying to find out.

Mr. HARNESS of Indiana. If there is a hardship case with respect to a soldier who has a dependent mother, for instance, the War Department can release him, but they do it separate and apart from this plan.

Mr. JENSEN. That is exactly what I wanted to know, and I thank the gentleman.

Mr. SASSCER. Before the gentleman passes that chart, will he yield to me for a question?

Mr. HARNESS of Indiana. I yield.

Mr. SASSCER. Suppose a man had only 1 service credit. After he had been in the service 1 month that would give him 1 credit. Having seven children it would give him 84 points, and with that additional credit it would make it 85. Would he qualify?

Mr. HARNESS of Indiana. Yes, definitely. If he makes 85 points, that is the minimum.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield in order to correct an answer that he just made.

Mr. HARNESS of Indiana. I yield.

Mr. PHILLIPS. The gentleman from Maryland asked the question. If the soldier had seven children would he then get 84 points.

Mr. HARNESS of Indiana. Oh, no; only three children are considered. I misunderstood the gentleman from Maryland, and I thank the gentleman from California for calling the oversight to my attention. If the soldier has three children, and the other credits that would give him a minimum of 85 points, he could get out. But it must be remembered that no more than 36 credits are allowed under this system for dependent children.

Mr. PHILLIPS. It has been suggested that this does not apply in the same way to the marines.

Mr. HARNESS of Indiana. The plan now applies only to the Army. I understand that the Navy has plans to adopt the same, or a similar system for its personnel; but that it contemplates no immediate reduction in personnel, such as that now possible in the Army. Navy policy, of course, includes both the marines and Coast Guard.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from Texas.

Mr. RAYBURN. I think the gentleman is discussing a matter that is most important to the fathers and the mothers, and the boys and the girls in the service, and also of tremendous importance to every Member of the House of Representatives. In my opinion, if the War Department does not lay down a hard and fast rule from which it will not vary until the general rule is changed, then there is not a man or woman in this House who will be able to explain to any father or mother or enlisted man or woman why they cannot get out of the Army now.

I trust the members of the Committee on Military Affairs will suggest to the War Department and the members of the Committee on Naval Affairs will suggest to the Navy Department that they get out a leaflet that we can send to the parents or to the men in explanation of why their boys cannot get out of the service now. If they do not do that, we, as Members of the House of Representatives, will be in a very difficult position; that is all there is to it.

Mr. HARNESS of Indiana. I may say to the Speaker that the War Department is as much concerned about getting this information to the families of soldiers as any Member of Congress could be. I am sure if the Members will get the little booklet that has already been printed by the War Department, called Two Down, One to Go, they will find that it goes into detail on this plan and will be very helpful in answering the questions of any of the parents who are concerned.

Look at this chart. This is the Army of the United States as of December 31, 1944. You will note that 57 percent of the entire Army is made up of nonfathers with overseas service, 11 percent is fathers with overseas service, 8 percent is fathers without overseas service, and 24 percent nonfathers without overseas service. In other words, 68 percent of all the men in the service are nonfathers and fathers who have overseas service.

See how this chart works with respect to that group. We are talking about reducing the strength of the Army about one-sixth. We can figure that roughly 1,300,000 men will be released under the War Department plan. Seventy-four percent of all of those to be released will be nonfathers with overseas service. Twenty-four percent will be fathers with overseas service. Only 11 percent of the entire Army is fathers with overseas service, but of those to be discharged, 24 percent will be fathers with overseas service. Two percent of the total to be discharged is fathers without overseas service or fathers who were serving in the United States. That will cover many of the fathers who have 4 or 5 or 6 children. You will note this significant fact that 98 percent of those discharged will have overseas service. Only 2 percent will not have overseas service and those will all be fathers.

That first group covers those with overseas service. Now we come to those having combat credits. Thirty percent of the entire Army is nonfathers with combat credit. Five percent is fathers with combat credit.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 additional minutes to the gentleman from Indiana.

Mr. HARNESS of Indiana. Now notice that only 35 percent of the entire Army is in combat service. But 57 percent of all the men to be discharged will be nonfathers with combat service; 16 percent will be fathers with combat credit. Ten percent will be fathers without combat service, and 17 percent nonfathers without combat credit.

Now we come to the last credit item, which refers to minor children. Nonfathers constitute 81 percent of the total Army, fathers with one child 13 percent, fathers with two children 4 percent, and fathers with three or more children, 2 percent.

You see here how they will be affected when the discharge comes. Seventy-four percent of the total will be nonfathers, 15 percent of the total will be fathers with 1 child, 7 percent will be fathers with 2 children, and 4 percent will be fathers with 3 children. The total number of fathers with 3 children in the entire Army is only 2 percent, yet of this 1,300,000 to be discharged, 4 percent will be men with 3 children or more. Note further than 26 percent of those to be discharged will be fathers, although only 19 percent of the entire Army are fathers.

Someone may ask about the rights of women in the WAC's under this plan. You have noticed, of course, that the same rules apply, except that a WAC needs only 44 points to qualify under this point system for discharge. Dependency credits, of course, do not apply in the case of WAC's, since women may not enter service in the first place if they have minor children.

This further important provision should be noted: A WAC who is married to a serviceman becomes eligible for release if her soldier husband is discharged under this rating system.

Nurses are commissioned officers, and as such are subject to the general rules for release of all officers. Generally speaking, the same factors applying to enlisted men will be weighed in the case of all commissioned officers, but essentiality in the service will be the primary factor. Proficiency in service is another factor. Age-in-grade regulations will also strictly apply, so that overage officers will rate preference for release.

While officers will be retired in about the same numerical ratio as enlisted men, each officer's case will be a matter largely for individual consideration.

Mr. Speaker, I think the War Department is to be commended for working out this sensible solution of a most difficult and complex problem. Taking the easy way, they could have brought the entire Army back to the United States and discharged them by units. But that certainly would not have been just, because you have many men in some of our units oldest in point of foreign service who probably have just recently gone into those outfits. Veteran outfits in Europe which have been in from the time of our African landings have replacements who reported just as Germany capitulated. Recognizing this, the Army has built a plan designed to recognize and evaluate the service of the individual. Anyone can see at a glance the added work and responsibility imposed upon the Army under this plan, purely to grant full recognition to the individual. The War Department plan may prove imperfect in practice. It is, at least, an ideal approach, which can be altered as experience proves desirable.

I have another chart here in which I think the Members will all be interested. This is a chart showing how these men are going to be moved back from Europe. They are coming into the various areas shown here. They will be formed in groups according to the areas from which they come before shipment home. After these area groups are assembled through screening, they will move directly from American debarkation ports to the separation center nearest their home. There are 22 of these separation and reassignment centers. Eighteen have already been set up. It will require not to exceed 48 hours at these camps for men to be discharged or sent home on furlough, and in most instances not more than half that time. For example, there is Camp Atterbury in Indiana. A group who will be discharged, or who will get to spend 30 to 45 days' furlough on their way through the United States to the Pacific, will go directly from port to Camp Atterbury. From there they will be given tickets at Government expense to go to their homes in that neighborhood. These reception stations are so located that it will require not to exceed 6 hours for the round trip from the station to the soldier's home. At that camp the men will again be processed for discharge. If a man has been declared surplus in Europe and he comes back to Camp Atterbury, another group of officers will check him to determine whether or not he is essential to the Army and to the war. For example, he might be a radar expert, who simply could not be released until a replacement is available. That boy will then be declared essential and will be sent home on a 30- to 45-day furlough. He then will report back to camp to join his group at one of the other assembly camps, and from there be sent to join other soldiers in the Pacific.

The SPEAKER. The time of the gentleman from Indiana has again expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, I do not believe there is any objection to the adoption of the rule on the bill (H. R. 1690) to provide for further development of cooperative agricultural extension work.

Mr. BATES of Kentucky. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. FLANNAGAN. Mr. Speaker, I move that the House resolve itself into

the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1690) to provide for the further development of cooperative agricultural extension work.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 1690, with Mr. RANDOLPH in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. FLANNAGAN. Mr. Chairman, I yield myself 10 minutes.

Mr. FLANNAGAN. Mr. Chairman, back in 1862 we passed what is known as the Morrill Act, granting certain public lands to the States and giving the States the right to dispose of said lands and invest the proceeds in bonds, and further providing that the "moneys so invested shall constitute a perpetual fund, the capital of which shall remain undiminished, and the interest of which shall be inviolably appropriated by each State, to the endowment, support, and maintenance of at least one college where the leading object shall be, without excluding other scientific and classical studies, and including military tactics, to teach such branches of learning as are related to agriculture and the mechanical arts." This was the beginning of what came to be commonly known as our land-grant colleges. The Morrill Act, in my opinion, was one of the greatest pieces of legislation affecting agriculture ever passed. It set up for the farm boy a college where he could go and receive practical and scientific training in agriculture. Prior to this act our universities and colleges had been sadly lacking in instruction in agriculture. The land-grant colleges, from the very beginning, opened up great possibilities in the field of agriculture; and it soon became evident that men trained in agriculture became better farmers. Realizing that only a few of the farm boys were able to attend the land-grant colleges and, hence, for this reason the very purpose for which the colleges had been established was being circumscribed, it was thought wise to devise means whereby those on the farms unable to attend should be instructed in agriculture. This thought gave birth in 1914 to the Smith-Lever Act, which brought into being what is known as the cooperative Agricultural Extension Service. The declared purpose of this act is "in order to aid in diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics, and to encourage the application of the same, there may be inaugurated in connection with the college or colleges in each State now receiving the benefits of the Morrill Act agricultural extension work which shall be carried on in cooperation with the United States Department of Agriculture, which work shall consist of the giving of instruction and practical demonstrations in agriculture and home economics to persons not attending or resident in said colleges and impart to such persons information on said subjects through field demonstrations, publications, and otherwise."

Under the Smith-Lever Act each State was given a lump appropriation of $10,000, which did not have to be matched, and an additional sum of $4,100,000 was provided to be annually allocated to the States "in the proportion which the rural population of each State bears to the total rural population of all the States as determined by the next preceding Federal census." This act also provides that the $4,100,000 shall be matched dollar for dollar by the States. Later the terms of this act were extended to Alaska, Hawaii, and Puerto Rico.

In 1928 further assistance for extension work was provided for under the Capper-Ketcham Act. Under this act each State was granted a lump sum appropriation of $20,000, which did not have to be matched, and an additional sum of $500,000 was provided to be proportioned among the States in accordance with the provisions of the Smith-Lever Act. The $500,000 has to be matched by the States, dollar for dollar.

In 1935 further assistance for the extension work was provided for under the Bankhead-Jones Act. This act provides for $12,000,000, $980,000 of which to be paid to the States in equal shares, that is, $20,000 to each State, and the balance $11,020,000, to be paid in "proportion that the farm population of each bears to the farm population of the several States." None of the funds provided for in this act have to be matched. It will be noted that under this act, for the first time, the apportionment is based upon farm population rather than rural population. This was a wise change, as the last census showed a rural population of something over 58,000,000, while the farm population was given at something over 32,000,000. The difference in rural and farm population is brought about by the Bureau of the Census including towns of 2,500 population and under in the rural census.

All of these acts extend, either by the provisions of the acts or by amendments, to the territories of Alaska, Puerto Rico, and Hawaii, with the single exception that the provisions of the Capper-Ketcham Act have never been extended to the Territory of Alaska.

In addition, the Extension Service has received small grants under the Clarke-McNary and Norris-Doxey Acts and from farmers' organizations.

To summarize, the Extension Service from all Federal sources is receiving today $18,996,840. That part of these funds that the States have to match dollar for dollar amounts to $4,100,000 under the Smith-Lever Act, $500,000 under the Capper-Ketcham Act, and $108,000 under some of the Forestry Acts, making a total of $4,708,000. However, while the States have only been required to match $4,708,000, they have, as a matter of fact, put up $18,839,424.08 thus matching Federal funds dollar for dollar.

Mr. Chairman, I ask permission to file at this point in my remarks a statement showing total of all Federal funds and the acts under which they were obtained, a total of all State funds and the sources from which they come, a break-down of the Federal funds to the States, and the amounts put up by the respective States. The statement is as follows:

Sources of funds allotted for cooperative extension work in States, Alaska, Hawaii, and Puerto Rico for the fiscal year ending June 30, 1945

States	Grand total	Total Federal funds	Total within the States	Funds from Federal sources					Funds from within the States		
				U. S. Department of Agriculture		Smith-Lever and Bankhead-Jones	Capper-Ketcham	Additional cooperative	State and college	County	Farmers' organizations, etc.
				Clarke-McNary	Norris-Doxey						
Connecticut	$345,097.95	$133,539.95	$211,558.00	$1,620		$107,119.99	$24,799.96		$127,868.00	$53,000.00	$30,690.00
Delaware	93,598.21	76,723.21	16,875.00			55,616.39	21,106.82		16,375.00	500.00	
Maine	268,650.82	159,279.75	109,371.07	1,620	$1,620	129,431.86	24,391.36	$2,216.53	66,911.07	42,460.00	
Maryland	434,697.34	199,372.21	235,325.13		1,620	171,298.96	26,453.25		132,792.13	102,533.00	
Massachusetts	551,831.26	141,234.87	410,596.39	1,620		115,632.22	23,982.65		138,631.00	271,965.39	
New Hampshire	246,472.27	94,807.48	151,664.79	1,620		70,238.64	21,814.30	1,134.54	82,272.24	69,392.55	
New Jersey	519,626.05	172,649.37	346,976.68	1,620		136,209.13	26,666.64	8,153.60	119,188.76	224,537.92	3,250.00
New York	2,099,814.13	501,467.40	1,598,346.73	1,620	1,620	458,078.79	40,148.61		576,613.58	737,737.96	283,995.19
Pennsylvania	1,125,207.00	646,045.80	479,161.20	1,260		595,926.62	48,859.18		354,161.20	125,000.00	
Rhode Island	88,691.25	61,034.47	27,656.78			40,512.19	20,522.28		10,000.00	13,625.00	4,031.78
Vermont	231,857.56	114,300.91	117,556.65	1,620		85,171.59	22,055.51	5,453.81	68,925.65	40,700.00	7,931.00
West Virginia	616,890.89	352,819.29	264,071.60		1,620	319,286.65	31,912.64		191,575.00	67,756.60	4,740.00
Total	6,622,434.73	2,653,274.71	3,969,160.02	12,600	6,480	2,284,523.03	332,713.20	16,958.48	1,885,313.63	1,749,208.42	334,637.97
Alabama	1,387,256.12	698,256.12	689,000.00	1,620	1,620	654,071.94	37,220.03	3,724.15	339,000.00	350,000.00	
Arkansas	932,384.30	580,330.30	352,054.00		1,620	538,543.78	33,217.36	6,949.16	265,000.00	87,054.00	
Florida	535,648.54	229,683.54	305,965.00	1,620		200,645.82	27,417.72		140,465.00	165,500.00	
Georgia	1,187,422.45	735,638.45	451,784.00	1,620	1,620	668,110.80	37,854.95	26,432.70	150,240.00	300,044.00	1,500.00
Kentucky	952,539.49	664,989.49	287,550.00	1,620		625,981.53	37,387.96		170,500.00	117,050.00	
Louisiana	1,050,394.20	469,518.20	580,876.00	1,620		435,848.30	32,049.90		451,422.54	125,753.46	3,700.00
Mississippi	1,156,425.66	696,324.66	460,101.00	1,620		659,454.04	35,250.62		147,326.00	305,855.00	6,920.00

Sources of funds allotted for cooperative extension work in States, Alaska, Hawaii, and Puerto Rico for the fiscal year ending June 30, 1945—Continued

States	Grand total	Total Federal funds	Total within the States	Funds from Federal sources				Funds from within the States		
				U. S. Department of Agriculture		Smith-Lever and Bankhead-Jones	Capper-Ketcham	Additional cooperative	State and college	County	Farmers' organizations, etc.
				Clarke-McNary	Norris-Doxey						
North Carolina	$1,409,389.93	$856,411.23	$552,978.70	$1,620		$812,167.22	$42,624.01		$231,032.00	$321,946.70	
Oklahoma	938,128.71	554,221.71	383,907.00		$1,620	468,568.12	32,688.61	$51,344.98	251,200.00	132,707.00	
South Carolina	751,530.24	500,037.33	251,492.91	1,620	1,620	461,957.51	32,487.60	2,352.22	206,500.00	44,392.91	$600.00
Tennessee	1,035,977.85	661,564.55	374,413.30	1,620		623,494.36	36,450.19		200,000.00	172,613.30	1,800.00
Texas	2,191,238.53	1,191,069.93	1,000,168.60	1,620		1,056,695.90	50,515.24	82,238.79	365,118.00	631,565.60	3,485.00
Virginia	1,189,044.48	546,823.93	642,220.55	1,620	1,620	508,488.49	35,095.44		440,720.55	200,505.00	995.00
Total	14,717,380.50	8,384,869.44	6,332,511.06	17,820	9,720	7,714,027.81	470,259.63	173,042.00	3,358,524.09	2,954,986.97	19,000.00
Illinois	1,240,904.13	583,329.13	657,575.00	1,620	1,620	531,169.12	38,183.11	10,736.90	225,575.00	7,000.00	425,000.00
Indiana	1,051,456.67	468,615.67	582,841.00	1,620		433,581.40	33,414.27		305,050.00	275,891.00	1,900.00
Iowa	1,431,319.41	532,440.72	898,878.69	1,620	1,620	468,515.29	32,664.80	28,020.63	288,165.93	318,912.76	291,800.00
Kansas	1,034,724.36	403,995.43	630,728.93		1,620	323,026.48	29,120.22	50,228.73	164,680.00	360,857.60	105,191.33
Michigan	1,020,680.36	510,765.36	509,915.00	1,620	1,620	471,836.40	35,688.96		315,290.00	194,625.00	
Minnesota	832,148.21	494,436.21	337,712.00	1,620	1,620	458,982.90	32,213.31		145,712.00	181,000.00	11,000.00
Missouri	982,750.45	604,111.45	378,639.00		1,620	564,917.54	35,886.93	1,686.98	165,639.00	213,000.00	
Nebraska	641,115.14	344,778.14	296,337.00	1,620		266,393.57	26,982.76	49,781.81	117,500.00	174,437.00	4,400.00
North Dakota	408,747.65	249,102.60	159,645.05	1,620		184,334.82	24,442.25	38,705.53	37,491.05	122,154.00	
Ohio	1,123,485.46	627,028.46	496,457.00	1,620		585,422.06	39,986.40		232,095.00	260,962.00	3,400.00
South Dakota	381,426.22	260,808.45	120,617.77		1,620	175,125.28	24,223.30	59,839.87	63,840.00	56,777.77	
Wisconsin	941,448.86	488,791.86	452,657.00	1,620	1,620	451,633.76	32,703.17	1,214.93	148,058.00	304,599.00	
Total	11,090,206.92	5,568,203.48	5,522,003.44	14,580	12,960	4,914,938.62	385,509.48	240,215.38	2,209,095.98	2,470,216.13	842,691.33
Arizona	203,620.00	117,243.39	86,376.61			94,410.17	22,833.22		55,503.81	30,872.80	
California	1,080,980.00	453,531.62	627,448.38	1,620		414,446.82	37,464.80		356,688.38	270,760.00	
Colorado	433,909.59	212,271.59	221,638.00	1,260		158,977.29	24,638.47	27,395.83	97,400.00	119,738.00	4,500.00
Idaho	264,807.71	155,807.71	109,000.00	1,620		127,709.65	23,032.55	3,445.51	40,000.00	69,000.00	
Montana	411,722.00	174,670.66	237,051.34	1,260		118,162.50	23,030.42	32,217.74	69,950.00	167,101.34	
Nevada	149,570.51	74,231.85	75,338.66		1,200	40,493.58	20,583.19	11,955.08	43,338.66	32,000.00	
New Mexico	371,660.64	142,619.52	229,041.12			119,523.81	23,095.71		92,721.12	136,320.00	
Oregon	696,123.80	189,396.87	506,726.93	1,620		162,916.56	24,860.31		330,427.93	176,299.00	
Utah	239,699.00	122,130.24	117,568.76	1,260		85,130.44	22,132.38	13,607.42	71,229.76	46,339.00	
Washington	553,547.59	239,310.33	314,237.26	1,620		210,598.38	27,091.95		108,349.00	205,888.26	
Wyoming	227,781.47	109,642.21	118,139.26	1,260		67,441.38	21,368.92	19,571.91	66,550.76	51,588.50	
Total	4,633,422.31	1,990,855.99	2,642,566.32	11,520	1,200	1,599,810.58	270,131.92	108,193.49	1,332,159.42	1,305,906.90	4,500.00
Alaska	34,050.00	23,950.00	10,100.00			13,950.00	10,000.00		10,100.00		
Hawaii	284,614.49	127,331.25	157,283.24		1,260	88,094.83	21,385.77	16,590.65	157,283.24		
Puerto Rico	450,735.19	244,935.19	205,800.00	1,620		243,315.19			205,800.00		
Unallotted	3,420.00	3,420.00		340	3,080						
Grand total	37,836,264.14	18,996,840.06	18,839,424.08	58,480	34,700	16,858,660.06	1,490,000.00	555,000.00	9,158,276.36	8,480,318.42	1,200,829.30

H. R. 1690

H. R. 1690, the bill we are considering, would provide additional extension funds, as follows:

Four million five hundred thousand dollars for the fiscal year ending June 30, 1946, and each subsequent year; an additional $4,000,000, for the fiscal year ending June 30, 1947, and each subsequent year; and an additional $4,000,000 for the fiscal year ending June 30, 1948, and each subsequent year. This would make $12,500,000 for the fiscal year ending June 30, 1948, and each year thereafter. All of these funds except $500,000 will have to be matched by the States dollar for dollar. Mr. Speaker, I have a break-down of the $12,500,000 among the States and the Territory of Hawaii, which I desire to file at this point in my remarks. The statement is as follows:

Amount which each State and the Territory of Hawaii would receive of $3,910,000 or $11,750,000 of cooperative extension funds distributed on basis of farm population

States	$3,910,000	$11,750,000
Alabama	$171,186.78	$514,435.98
Arizona	14,587.35	43,836.68
Arkansas	141,874.16	426,348.18
California	85,451.40	256,791.30
Colorado	32,229.50	96,853.37
Connecticut	13,358.91	40,145.07
Delaware	5,859.77	16,609.29
Florida	38,905.39	116,915.18
Georgia	174,315.50	523,838.15
Hawaii	16,569.59	49,793.52
Idaho	25,820.77	77,594.39
Illinois	124,769.89	374,947.87
Indiana	104,058.03	312,706.35
Iowa	118,639.52	356,525.41
Kansas	77,360.09	232,475.97

Amount which each State and the Territory of Hawaii would receive of $3,910,000 or $11,750,000 of cooperative extension funds distributed on basis of farm population—Con.

States	$3,910,000	$11,750,000
Kentucky	$160,730.10	$483,012.44
Louisiana	108,842.94	327,085.57
Maine	22,467.47	67,517.33
Maryland	31,306.71	94,080.25
Massachusetts	18,763.66	56,386.95
Michigan	110,994.82	333,552.22
Minnesota	116,574.57	350,319.99
Mississippi	178,842.19	537,441.35
Missouri	143,443.30	431,063.63
Montana	22,439.55	67,433.45
Nebraska	63,502.31	190,831.74
Nevada	2,021.74	6,075.58
New Hampshire	8,983.78	26,997.28
New Jersey	18,233.94	54,795.08
New Mexico	22,732.07	68,312.49
New York	93,102.35	279,783.26
North Carolina	211,514.23	635,624.59
North Dakota	41,799.08	125,611.04
Ohio	138,758.19	416,984.32
Oklahoma	118,588.79	356,372.97
Oregon	32,979.98	99,108.63
Pennsylvania	116,598.78	350,392.77
Rhode Island	2,206.05	6,629.43
South Carolina	116,829.74	351,086.81
South Dakota	39,170.25	117,711.11
Tennessee	162,583.60	488,582.42
Texas	275,252.46	827,165.32
Utah	13,339.54	40,086.85
Vermont	13,578.39	40,804.64
Virginia	125,730.92	377,835.89
Washington	43,387.08	130,383.18
West Virginia	67,886.24	204,005.96
Wisconsin	112,537.83	338,189.14
Wyoming	9,290.70	27,919.61

This statement was prepared before the House Committee on Agriculture decided to include the Territories of Alaska and Puerto Rico and before the committee decided to amend the bill so all funds except $500,000 would have to be matched dollar for dollar by the States. The sum $3,910,000 used in the first column represents the $4,500,000 authorized for the year 1946 and which, until the bill was amended, did not have to be matched, less the $500,000 to be used by the Secretary of Agriculture on the basis of special needs due to population characteristics, and so forth, and less 2 percent for administrative purposes, and the sum of $11,750,000 used in the second column represents the full $12,500,000 authorization, less the aforesaid $500,000, and less also 2 percent or $250,000 for administrative costs.

Having given you a break-down of the $12,500,000 among the States, let me now give you a further break-down showing for what purposes the funds would be used by the States. This break-down is as follows:

1. 100 additional county agricultural agents at $3,200 per year $320,000

There are a few over 3,000 farm counties in the United States. At present we have 2,903 county agricultural agents. The 100 additional agents would bring the total up to 3,003 and would provide an agent for each county.

2. 1,010 county home demonstration agents at $2,600 per year 2,626,000

We now have 2,035 county home demonstration agents. The 1,010 additional agents would bring the total up to 3,045, which means you can have at least one agent in each county.

3. 2,365 assistant county agents, called in some counties 4-H Club agents, at $2,800 per year 6,508,000

We now have 1,068 of these agents. The 2,365 additional agents would bring the total up to 3,443 and would provide for at least one of these agents in each county.	
4. 652 assistant home demonstration agents or 4-H Club agents at $2,250	$1,479,000
We now have 544 of these agents. The additional agents would bring the total to 1,196.	
5. 120 supervisors of county extension agents at $3,600 per year salary plus $1,500 travel and clerical help	612,000
At present we have 343 of these agents. The addition of 120 would bring the total up to 463.	
6. 141 State field agents in marketing, rural housing, nutrition, rural youth farm management at $3,500 per year plus $1,500 travel and clerical help	$705,000
We now have 100 such agents and the additional 141 would bring the total up to 241.	
Total	12,500,000

The State funds to match the $12,500,000 would about take care of the clerical help, traveling expenses, supplies, office rent and so forth.

ANALYSIS OF BILL

Now let me give you a brief analysis of the bill. The bill would amend the Bankhead-Jones Act of 1935 by adding a new section to be known as section 23.

First. The purposes of the bill are the same as those set forth in the original act of 1914, known as the Smith-Lever Act. While the language of the bill enumerates several of the types of extension work, this enumeration is not intended, in any way, to vary or change the definition of cooperative extension work as contained in the original act, but is only set forth to emphasize certain phases of the work to which, it is hoped, greater attention can be given when additional funds are made available.

Second. Apportionment of the funds is to be made according to the farm census, as provided for in the Bankhead-Jones bill, rather than according to the rural census as provided for in acts prior to the Bankhead-Jones Act. I have already explained why this change was made.

Third. All funds, except $500,000, are to be matched by the States dollar for dollar. Under the bill as originally drawn, and which passed the Senate without amendment, $4,500,000 of the funds did not have to be matched by the States. After full consideration, the committee concluded that all funds except the sum of $500,000 should be matched. It arrived at this conclusion because the States now received something over fourteen millions of dollars of extension money that does not have to be matched. Then, too, the evidence before the Committee showed that the States were so deeply interested in the extension work that although they were only required to match some $4,700,000 of the Federal funds that they had matched said funds dollar for dollar. It is thought by the committee that most of the States are in financial position to match additional funds dollar for dollar. Moreover, the committee feels that dollar-for-dollar matching is the best policy. However, in order not to impose a hardship upon any of the States the Committee provided for $500,000 of free money, that is money that will not have to be matched. This fund is to be administered by the Secretary of Agriculture on the basis of "special need due to population characteristics, area in relation to farm population, or other special problems." Not more than 5 percent of this fund can be allocated to any one State.

Fourth. The bill as introduced and as passed by the Senate, while it covered the territory of Hawaii did not include the Territories of Alaska and Puerto Rico. The committee saw no reason why Puerto Rico and Alaska should be excluded and therefore amended the bill to include these two Territories.

Fifth. The bill provided that no more than 2 percent of the sums authorized shall be available for administrative expenses.

Sixth. Provision is made that no allotments of funds can be made to any State which has not complied with the matching requirements of the Smith-Lever and Capper-Ketcham Acts.

Seventh. And finally it is provided for continued allotments under the Bankhead-Jones Act without requiring the States to comply with the matching provisions in the present bill.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. How do these 4,500 get their positions—under the Civil Service?

Mr. FLANNAGAN. No. They are recommended by the director of the State extension service in each State and that recommendation is then transmitted to the local county set-up.

Mr. ROBSION of Kentucky. Do we keep politics out of these appointments?

Mr. FLANNAGAN. Politics have been kept out. I do not know of any politics in my district so far as the extension service is concerned.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Kentucky.

Mr. CHELF. In addition, these 4–H Clubs have helped keep the bread basket filled during this emergency period?

Mr. FLANNAGAN. The gentleman is quite correct.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Chairman, coming, as I do, from an agricultural district, with not a town in it bigger than 9,500, I am not unmindful of the fact that what I am going to say carries a lot of political TNT. But I would have less courage and I would have less intellectual honesty than my district expects me to have if I did not say what I am going to say about this appropriation.

No person who is familiar with the work of the 4–H Clubs of the county home extension can have any fault to find with that work; it is wonderful, but I venture not one farmer out of a hundred in my district knows that this bill is before this House today. But practically every one of those men know that I, their Congressman, promised that I would not add to the cost of this bureaucracy that even before this war was crushing the very economic life out of them.

This bill calls for some $12,500,000 of Federal funds and $12,000,000 more from the State legislatures. It is another one of those bills that puts unholy pressure on a State legislature to vote these funds against their better judgment, sometimes, lest they lose the Federal contribution. In my State the Democratic director of agriculture reporting to a Democratic governor has said that 700,000 acres in Ohio would be untilled this year. I want an institution big enough to help our farmers, but I most certainly, as a farmer, do not want one big enough to run the farmers. We can well wait until we have funds in this Federal Treasury of ours rather than dipping into the war bond money as we are doing right and left to expand these agencies that we promised to reduce in size. We can well wait until we have the money to spend and until there is labor on the farm again. One big farm after another has no livestock because there is no one left there to take care of it. More than half of them in production are in soy beans, grain, something else that requires considerably less labor. There is no one more aware of the fact than I that the county agent, who may be for this, is seeing the farmers every day so that he can tell them that Congressman Clevenger is opposing this bill. But I would, as I said, be less intellectually honest and less intellectually courageous if I did not voice my opposition to this expenditure of funds and this pressure on the legislature of my State to appropriate additional funds against their better judgment. I have nothing to say at all against the work these people do. I see no reason for departing from the promise that we made our people that we would reduce the cost of bureaucracy which is now weighing heavily upon them and I am willing to stake my future on the patriotism of the men who till the soil in my district. I oppose this bill now not because of the work that is being done, but because it is unnecessary, and that we cannot afford it.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I think we can all agree with the gentleman from Ohio about the need for cutting expenditures. We all know that a day of reckoning is coming, when many worth-while expenditures must be drastically curtailed if we are to retain financial stability in this country.

I am supporting this bill under the theory that by making an appropriation of $12,000,000 a year we will be able in the future to cut down some of the large expenditures of millions of dollars which

we have been appropriating every year for agriculture. Farming is not an easy business. The purpose of this legislation is to help young boys and girls on the farms of America to become more interested in farming; to teach them efficiency and to aid them in producing better farm products at a lower cost; in other words, get them actively working on the farm so that they will remain farmers and keep producing the food for our country.

I believe this is a good investment. On the other hand, as most of you know, I have opposed many of these payments that have been paid out of the Treasury to have the farmers produce less in the United States. I think we could well have eliminated those appropriations. If we make this investment now in the boys and girls on the farms of America so that they will stay on the farms, and lower their cost of production through scientific methods. I believe we shall have made a sound investment at a small cost, which will lead to the reduction of other payments that have been continued now for more than 12 years.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. If I understand the gentleman's position, he thinks this appropriation will increase efficiency and increase production. No dollar of it will go to keep down production?

Mr. AUGUST H. ANDRESEN. Not at all.

Mr. ROBSION of Kentucky. It is a policy of plenty in this country?

Mr. AUGUST H. ANDRESEN. It is a policy of plenty, and it is also a policy of efficiency, interesting the boys and girls to stay on the farms and produce more and better crops at lower cost, to produce better livestock, better grains, and better fruits and vegetables.

I believe the 4–H Club work has been demonstrated to be worth while in the United States. Those of you who have seen the exhibits of the 4–H Clubs will agree with me that they are doing a wonderful job. Above all, these boys and girls are becoming interested in farming. They are the future farmers of America. We should do all we can here to encourage them to stay on the farms and produce the Nation's supply of food.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Michigan.

Mr. MICHENER. Which of the farm organizations, if any, favor this legislation?

Mr. AUGUST H. ANDRESEN. As far as I know, the Grange and the Farm Bureau appeared before our committee. I do not know of any farm organization that appeared in opposition to it.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Iowa.

Mr. JENSEN. I received a letter from the Farmers' Union opposing this legislation. I wonder if the gentleman knows what their primary opposition is to it.

Mr. AUGUST H. ANDRESEN. I do not recollect that I received such a letter. If I did, it was overlooked. I do not believe they appeared before the committee and testified, as I recollect it now.

Mr. JENSEN. The gentleman does not believe they came before the committee and testified in opposition to it?

Mr. AUGUST H. ANDRESEN. They may have appeared before the committee, but not when I was there.

Mr. FLANNAGAN. If the gentleman will yield, the bill was supported by the Farm Bureau, the National Grange, and the cooperative organizations. Those were the only farm organizations that appeared. I understand the Farmers' Union opposes the legislation because of certain contributions that have been made by the Farm Bureau in certain States to the Extension work. I further understand that an amendment will be offered prohibiting further contributions by farm organizations to the Extension work.

Mr. AUGUST H. ANDRESEN. A good many individual businessmen and farm organizations throughout the country have contributed in a very material way as a part of the State contributions to carry on this splendid work.

Mr. FLANNAGAN. Not only is that true, but the business people and civic organizations put up over $1,500,000 per year in prizes for the exhibits of the 4–H Club boys and girls.

Mr. AUGUST H. ANDRESEN. As I understand, the gentleman from Oklahoma intends to offer an amendment which would eliminate that contribution?

Mr. FLANNAGAN. That is right.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, the outstanding fact about American agriculture is briefly this: In both times of prosperity and times of depression, the American farmer produces an abundance of crops. If industry believes there is going to be a short demand for what it will produce, it shuts down its plants and lays off its workers. Agriculture, on the other hand, does not do that. The farmer goes on and produces as much as he can produce, given good weather conditions and the bounty of Providence. The minimum duty this Nation owes, therefore, to its farmers is to try to maintain the demand for farm products on something like the same high and stable level as the efforts of the farmers assure us of a supply.

The most constructive approaches to the solution of the agricultural problem must proceed along that line. The first point then in a long-range agricultural program would be to increase and stabilize the demand for agricultural crops. Along with that there must be, it appears to me at any rate, a program to prevent ruinous price declines, price declines which ruin the farmer, but which do not benefit the consumer to anything like the same degree because the prices paid to the farmer for his crop are forced by people controlling the markets way down below anything corresponding to the reduction in prices that the consumer will be given. Of course, that is partly where farm cooperatives come into the picture as the best single means of preventing that. But I believe it to be a governmental duty as well to prevent that from happening. I think most people will agree that objective should be accomplished as much as possible without having to rely upon the Federal Treasury to do it.

The third point in major policy, it seems to me, ought to be that we do not freeze uneconomic agricultural procedures, patterns, and practices. By which I mean it does not make very much sense to produce crops which will be marketed at a price below a decent American cost of production and standard of living, just for export. What does make sense is attempting to encourage the production of things on the farms of America which will make our American agriculture more nearly in accord with the kind of demands for farm crops which our own country has, because it is our home market after all that affords the best market to our farmers; and that inevitably will be the case.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield 2 additional minutes to the gentleman from California.

Mr. VOORHIS of California. In other words, to the degree that the farmers can be encouraged or assisted to produce more livestock products, more dairy products, or more of certain kinds of fruits and vegetables which are required in a well-balanced, decent diet for American people, our agriculture will be on a sounder and better basis.

So it seems to me that this bill is altogether in line with the right thing that we should try to do. Other members have emphasized the excellent 4–H Club work. I most heartily agree with what has been said about that fine work. Furthermore, I think that to the extent that an educational, helpful program, such as will be conducted under this bill can contribute to assisting the farmer of America to gear his production more nearly to the domestic needs of America for food products and make the pattern of our agricultural production more nearly in accord with our consumption as we hope it will be, to that extent we are striking at the very root of some of our most difficult problems.

For my part, Mr. Chairman, I believe that in addition to this measure we have got to consider specifically the problem of the low-income farmer who in the past has been so greatly helped by the Farm Security Administration work. I trust that in the very near future bills for that purpose will come before the Congress. As for this bill it seems to me there should be very little, if any, opposition to it. There are, I understand, certain amendments which will be offered, one of these I expect to support. But I believe that basically this legislation is along the right line and is legislation which looks forward to the long-run solution of our agricultural problem in America.

Therefore I am glad our committee brought the bill before the House.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I have listened to this debate for quite a little while. It calls for an extra appropriation to encourage the boys and girls to take more interest in agriculture.

I have never done anything in my life but farm. On that farm I have raised a large family. All the farmer needs to interest the boys and girls is a chance to make a little money and they will take an active interest. They will be farmers and you will have enough of them. Here we find in the Government one agency terribly concerned that the farmer's prices are going to be too low. Another agency terribly concerned that the farmer's prices are going to be too high. In the various departments of the Government we have about 25 agencies ready to give the farmers expert advice. If you want food in regular and generous supply, so that prices will never get too high, just dismiss all these agencies, cut out these appropriations and let the farmers go. They will supply the food. They will get along and everybody will have food.

I noticed in the paper this morning that over around Philadelphia 2,500 meat stores closed this morning. Imagine that, at a time when you have more livestock on the farms than ever in the history of this country. That is the result of expert advice, the Government worrying about the farmers. Meat stores closed. When a slice of bacon comes along there is a stampede to get it. In the markets today people are buying chicken heads, chicken feet, fish heads, and God knows what, just because of too much advice, too much concern, getting the farmer going around in circles. He does not know whether he is going or coming. The boys and girls get discouraged, and consequently they go where there is money and peace of mind. But, believe it or not, before the war in 1938 I talked with 400 soldiers down at Charleston, S. C., fellows who had just gone into the Army before the war. Ninety-five percent of them told me they went into the Army because dad on the farm had nothing for them to do. Prices were too low. The acreage was curtailed. The old man had nothing to do. The boys did not have enough to eat. In 1938, before the war, farm boys in the South were joining the Army so that they would have something to eat. That is a deplorable situation, and it is because we have too much Government advice, too much Government money, too much Government consideration. Turn on the green light, cut out the appropriations, let the farmer go to work in peace, so that he does not have to make out reports for the Government as to why he produces this and why he does not produce that. Just let us work in peace, and there will be food for all, reasonable profit, and happy farm folks, and the children will remain on the farms.

I yield back the remainder of my time, Mr. Chairman.

Mr. FLANNAGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Chairman, I take this time to clarify some misapprehension.

A little while ago a Member said that my amendment would prohibit any funds from being donated or contributed by the farm organization or others. My amendment will not do that. My amendment provides as follows:

> (d) From and after July 1, 1947, none of the funds authorized by this act shall be used to pay all or any part of the salary, wages or expenses of any person who, during the preceding fiscal year, and while employed to carry out the purposes of this act or any of the acts herein mentioned, has acted as representative, agent, salesman or soliciting of membership of any business, commercial or farm organization or enterprise.

I may say that I personally am a member of the Farm Bureau and of the Farmers Union; I am not a member of the Grange. The Grange itself, and the Farmers Union and the Farm Bureau are for the Extension Service bill. I can say that both as a legislator and as a farmer who spent about half of my life on the farm, that I am in favor of the passage of the Extension Service bill. I know that these organizations are strongly for an Extension Service program and so am I. However, the time has come—in fact it came long before now—when we should prohibit the use of Federal funds for the purpose of building up any particular individual or private organization whether it be mine or anyone else's. These funds should be used for the Extension Service, to help the 4–H Club boys and girls and the county agents, home management supervisors and assistants to carry on the program directly to the farmers themselves and should not be used to build up any private organization to call its meetings, to send out its notices, to call on them for membership drives, or do anything for a private organization.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I yield.

Mr. ABERNETHY. Was there any testinmony in the committee that anything like that is going on now?

Mr. WICKERSHAM. Yes; there was.

Mr. ABERNETHY. In the hearings?

Mr. WICKERSHAM. Yes; it is in the hearings.

Mr. ABERNETHY. I have read the hearings and I heard the testimony. I do not recall it.

Mr. WICKERSHAM. On page 51 of the hearings is the statement of one of the finest gentlemen who testified, Mr. P. O. Davis. He is a cousin of one of the rural mail carriers in my district. He stated he was appearing on behalf of the Farm Bureau; yet he is in charge of the Extension Service in his own State.

There was not much testimony on my amendment because there was not time, but in previous instances it has been called to the attention of Congress that notices on behalf of the Farm Bureau and others have been sent out under the frank of the Extension Service. The Extension Service has been used for the purpose of carrying out some of the Farm Bureau's own individual programs.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield further?

Mr. WICKERSHAM. I yield.

Mr. ABERNETHY. Is there any statement in the record relating to what the gentleman has just stated?

Mr. WICKERHAM. Yes.

Mr. ABERNETHY. Will the gentleman point it out?

Mr. WICKERSHAM. I refer the gentleman to page 51 of the hearing, the statement of Mr. P. O. Davis where he says:

"I am Mr. P. O. Davis"—and so forth—representing the American Farm Bureau Federation—and then down below he says, "My name is P. O. Davis, and I am director of the Extension Service."

This custom has been indulged in time and time again. Recently in Chicago Secretary Wickard said:

> We must see that our Extension people are free to bring accurate and complete information to all the farm people. Such freedom means extension workers must not be subject to any pressures which will interfere with their presentation of all of the facts, and nothing but the facts. It means the Extension Service must not be used as a sales or promotional agent for any particular commercial, political, or farm organization.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I yield.

Mr. FLANNAGAN. The gentleman said that Mr. Davis made the statement upon the gentleman's amendment——

Mr. WICKERSHAM. No.

Mr. FLANNAGAN. Refer me to the page in the RECORD where he made such statement.

Mr. WICKERSHAM. Mr. Davis did not make any statement on my amendment. His own testimony shows that he is a director of Extension Service. At the same time the hearings show that he was coming here at the direction of the Farm Bureau and was representing the Farm Bureau Federation. How could he represent the Farm Bureau and at the same time be on the Federal pay roll as an extension director from Alabama.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield the gentleman 1 additional minute for the purpose of asking a question. The gentleman knows that many of the State extension directors were here, among them Mr. Davis?

Mr. WICKERSHAM. Yes.

Mr. FLANNAGAN. Mr. Davis did not testify upon the amendment the gentleman has in mind?

Mr. WICKERSHAM. The gentleman is correct. He did not.

Mr. FLANNAGAN. At the request of Mr. O'Neal, president of the American Farm Bureau Federation, Mr. Davis inserted in the RECORD a statement prepared by Mr. O'Neal, due to the fact he could not be present?

Mr. WICKERSHAM. Yes; but he said he was representing the American Farm Bureau Federation.

Mr. ABERNETHY. Did he not also state that he was a lifelong friend and neighbor of Mr. O'Neal?

Mr. WICKERSHAM. Yes.

Mr. ABERNETHY. Had known him all his life?

Mr. WICKERSHAM. Yes.

Mr. ABERNETHY. And was appearing for him as a matter of courtesy to present his statement so that it might go into the record?

Mr. WICKERSHAM. That is right.

Mr. ABERNETHY. That is all he said.

Mr. WICKERSHAM. No; that is not all he said.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. HOPE. Mr. Chairman, I yield 3 minutes to the gentleman from North Dakota [Mr. ROBERTSON].

Mr. ROBERTSON of North Dakota. Mr. Chairman, I have a profound regard for the gentleman from Ohio [Mr. CLEVENGER] and on general principle I share his view that the matter of economy is a question that we must give early consideration to; but in the consideration of economy, we must not overlook some of the things that have proven beneficial during the years. It was my privilege to have been reared on a farm, and I lived on a farm for quite some time. I belong to that period to which many of you belong that started the great movement away from the farm to the bright lights, if you please. As I recall it, the reason was there was a lack of interest in things on the farm.

I am impelled to support this particular measure by reason of the fact that I thoroughly believe it has added luster and interest to farm life, it has tied the youth of the farm to the farm; it has tended to create efficiency and has added luster to farm life. At all costs we should continue the extension movement. We should continue it by this legislation because of the fact that the history of the extension movement down through the years, from its very beginning, is without politics and a record of great achievement in farm life.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of North Dakota. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I am sure the gentleman will admit that if such measure had been in operation at the time he was on the farm he might have stayed there instead of becoming a successful businessman and a statesman?

Mr. ROBERTSON of North Dakota. May I say to the gentleman, in reply to his question, that the occasion of my coming to Congress was due to the fact that I saw a great butter maker from Minnesota come down here and make a success in Congress.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of North Dakota. I yield to the gentleman from Pennsylvania.

Mr. RICH. In allowing this annual expenditure of $12,500,000 regardless of how much good we are going to get out of it, and we will probably get a lot of good from it, should we not at the same time eliminate a lot of other expenditures in the Agricultural Department that are not yielding proper benefits before we put any additional burden on the taxpayers of this country?

Mr. ROBERTSON of North Dakota. I may say to the gentleman from Pennsylvania that I stand committed to the elimination of all possible expenditures in any department of government, but I do not believe the day should ever come when we will be so shortsighted as to think in terms of reduced expenditures for such a thoroughly proven, worthwhile project as the Extension Service.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Chairman, I am heartily supporting this legislation and propose to give it my vote. The farmers in my State favor H. R. 1690 and have asked me to support it, which I am very glad to do. Of course, I note that it provides for some new agricultural extension work and it also authorizes a somewhat larger amount for the work heretofore done by this agency.

There will be some who will cry out against this measure as an unnecessary expenditure. We are hearing much these days about economy. We would be blind indeed if we did not recognize the need of true economy in these days. We would be equally blind if we did not see that the right kind of expenditure now, at this critical time, is in fact the highest type of economy. This measure calls for an expenditure which will increase agricultural production, and to do without it is no kind of economy, as I view it.

The new Extension Service and the addition to existing service have both been made necessary by our unprecedented war food needs. The farmers of America have done a magnificent job in helping to win the war through the increase of food and fiber productions. It is equally important, if not even more important, that we produce food to win the peace. It is a very hungry world which must be fed if it is to be saved from further chaos following the war.

The progressive farmers of my State are especially favorable to this legislation, because it brings to the aid of the agricultural producer the most scientific help and accurate information which is available. In the highly productive irrigated portions of my State, technical knowledge is more imperatively needed. Crops are diversified, and most of it is specialty production, whether it be food or fiber, and such is naturally prepared for the best possible markets. I have a feeling that agriculture in Arizona cannot be supplied too fully with expert knowledge. We need experimentation, and the immediate application of scientific facts learned through experimentation.

As proof of this, I recall that the farmers of my State have insistently called upon me to furnish them from Washington the scientific textbooks such as Soil and Men, Food and Life, Farmers in a Changing World, Climate and Man, and Keeping Livestock Healthy. The demand for these scientific studies from my district has probably been twice such demand from the average agricultural district. All of this means that not only the future farmers of America down in my State, but their parents as well, are studying the latest word on all lines of scientific agriculture. This work I want to encourage and I shall vote for H. R. 1690 as one of the means of encouraging such progress.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, I do not think that I have the reputation of being a spender in this Congress. Just last week this House appropriated $2,750,000 for a lone airport in this country, whereas today we are considering a bill which authorizes an additional appropriation for the betterment of agriculture in all of the 48 States and some of our possessions. In my judgment this is a progressive piece of legislation. Going into the postwar period now we certainly must concern ourselves with agriculture in making our plans for future years.

One of the great problems of agriculture in the future is going to be to keep our young men on the farm. We have to make farming more attractive for thousands of farm boys who have gone to war and who soon will be coming back to their home communities.

One of the finest features of this bill relates to the extension of the splendid work being done for rural youth in the 4–H clubs. That feature of the bill alone would justify an affirmative vote on the bill. These young people who have done such a splendid job for agriculture are to be commended for their efforts in the past and it is up to us to see to it that the good work continues.

This bill will make it possible to engage additional extension workers so that more time can be devoted to the farm youth and the work of the 4–H Clubs. In 1943 73.14 percent of the time of all county extension workers was allocated to adults and only 26.86 percent devoted to the 4–H Clubs and older youths. In the hearings before our Committee on Agriculture it was stated by the proponents of the bill that more time would be devoted to the youth on the farm if this bill is passed.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to my distinguished chairman.

Mr. FLANNAGAN. The testimony showed that around eight million of the funds authorized in the bill would be used for the youths on the farm.

Mr. HOEVEN. I thank the gentleman for that contribution. The membership may be interested in knowing that there are 1,700,000 4–H Club members in the country today; that there are 10,000,000 former 4–H members and that 1,000,000 former 4–H members are now in the armed forces. Today the

boys and girls in these clubs are helping to produce and conserve for the food arsenal. For instance, they produced and conserved 1,000,000 acres of victory-garden products since Pearl Harbor; they produced 2,700,000 head of livestock, 1,300,000 acres of food crops; and the girls canned 71,000,000 jars of fruits and vegetables. They also collected 400,000,000 pounds of scrap and bought or sold to others $200,000,000 of War bonds and stamps. Each year they are guarding their own and their community's health; each year they are serving for those who have gone to war and are aiding the city boys and girls to break into farm work. They are helping to interpret the Nation's peace program to the community. They are practicing democratic procedures and are learning to have a deeper appreciation of the democratic way of life at home, in the community, and in the Nation. They are discussing at club meetings some of the important social and economic forces now at work, and, best of all, they are helping to build an enduring peace.

Mr. BUCK. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from New York.

Mr. BUCK. Will the gentleman tell us how many jobs this bill will add to the public pay rolls?

Mr. HOEVEN. There may be some jobs added. I do not have the exact figures. Regardless, I am sure that the membership wants to do what it can for the betterment of agriculture, and the passage of this bill will be a step in that direction.

Mr. HOPE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I rise very largely to echo what the distinguished gentleman from Iowa has just been saying about the 4–H Clubs and the youth of our agricultural America. I want to emphasize an indirect result of the 4–H Clubs which is of truly vital importance to us as a Nation: the establishment in the hearts of these young people a very high standard of marriage and home.

The many girls and the boys I have known, have very real and very beautiful dreams about the homes they are going to establish. When a girl marries into the farm world and is a 4–H Clubber, she really does something about a home and children. To me it is one of the most hopeful things in our whole country. If we could just get all of us out of the cities and back to the soil, I think ours would be a much more wholesome citizenry. We of the Congress certainly should do everything we can to forward this work which encourages so many of the young people to stay on the farms. It gives them opportunity, it gives them stimulation, it gives them a challenge, and believe me, Mr. Chairman, they hand that challenge back to us over and over and over again. I do hope the Congress will see to it that this work is continued.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentlewoman yield?

Mrs. BOLTON. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. In addition to what the gentlewoman has so well said, it makes better Americans and better citizens out of them.

Mrs. BOLTON. That is the whole point, because the real America is at heart essentially a country of homes. The more we recognize that fact and reassume our earlier simplicity of living the more truly shall we fulfill ourselves as a Nation. Our Agricultural Extension Service is one of the finest expressions of practical democratic living. Let us insure it an adequate budget.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Chairman, it would seem unnecessary to contribute to the debate now in progress on this bill because it is my impression that it will receive the overwhelming support of the committee and of the House. However, I should like to record my strong endorsement of its purpose.

The bill, H. R. 1690, provides for further development of cooperative agricultural extension work and appropriates substantial additional funds for this purpose.

The Committee on Agriculture, in reporting this bill, said among other things:

> The committee is impressed with the fact that incalculable service is being performed for the people of this country, both in peace and in war, by the extension services of the States, and that through demonstrations, teaching, and other methods these agencies have served immeasurably to enable farm communities to meet the demands being made upon them. The funds being made available under existing law, however, have been found insufficient to permit the employment of adequate numbers of county agents or their assistants and, through pressure of other work, the existing county agents have been unable to devote sufficient time and effort to work with 4–H Clubs and the older rural youth.

With this statement, I agree entirely.

Mr. Chairman, the expenditure of funds in order to aid and assist our farm population to apply greater skills to their work, to have available more information on their problems, and to make farm life generally more profitable and attractive, ultimately is an economy. It will inevitably lead to greater production of foodstuffs and to the strengthening generally of our agricultural communities. It should be the firm policy of the Congress to work toward these goals.

I know that the communities in the district, which I represent, have been morally and materially strengthened by this work. The county agents and home demonstrators have contributed largely to the welfare of all of us, and I have great faith in the good which will come from development of the 4–H Clubs and similar organizations.

I believe the ultimate welfare of the country will be served by this legislation and I earnestly hope it will receive the support of the House.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, it was my privilege to be reared on a farm until I was 16 years of age. Life on the farm, therefore, has been a personal experience. I shared and did every kind of work required on a farm. It is not an easy life. The work is hard and demands of those engaged in it plenty of muscle, plenty of sweat, dirty hands, but clean and active minds. The agricultural extension work has held out encouragement to the boys and girls of our country for the production of food, building of character, and for making life more attractive to those who till the soil.

The youth of the land should be given the benefit of this program and to stay on the farm. It is essential if we are to produce the food we need and feed a war-torn and distressed world.

My record in the Congress is a record for economy in government. It must be practiced if the fiscal integrity of the Nation is to be preserved. The amount required to carry on the extension work is a modest sum. In my opinion, it has proven to be an excellent investment, which has returned dividends in character, good citizenship, and scientific agricultural methods. Therefore, I shall vote for this bill, H. R. 1690, and hope it will be passed by a large majority.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, the Extension Service has done a splendid job and this bill, proposing to increase the scope of its good work, should be passed unanimously in recognition of agriculture's debt to that organization.

The hundreds of thousands of 4–H Club boys and girls who have grown up into American citizens of the highest type are the best recommendation for the expansion of this type of service to the farm boys and girls of the United States.

It is my hope that the amendment to be presented by the gentleman from Oklahoma [Mr. WICKERSHAM] will be defeated when that comes up here today for decision. The scope of that proposal is too far-reaching to be decided here on the floor. It should be properly presented to the Committee on Agriculture for full hearings and careful study.

As a man who for over 20 years has watched the splendid accomplishments of extension work in his own county, it is my sincere hope that here today the House will give this encouragement to, and a vote of confidence in, this great nonpolitical group of men and women who comprise the Extension Service at the present time.

Mr. HOPE. Mr. Chairman, I yield the remainder of the time on this side to myself.

Mr. Chairman, I think it is significant that none of those who have opposed this legislation today have in any way criticized the work of the Extension Service. Some have expressed their doubt as to whether we should appropriate more money for even as worthy a purpose as this at the present time. I have all respect for the sincerity of those who have expressed that viewpoint. However, I believe that when we consider the purpose of this appropriation and the uses to which it will be put, the

appropriation can well be justified even at a time like this, when we should very carefully scrutinize any increase in appropriations.

Mr. Chairman, I have always felt that there was no appropriation made by Congress for which we got more value, considering the money spent, than the appropriation for the Extension Service. It is primarily an educational program. The Department of Agriculture is a great scientific and research institution. Its scientists and reasearch experts are daily discovering new crops and new uses for existing crops. They are developing new and improved crop varieties, and new strains of livestock. They are working out constant improvements in the technique of agricultural production. They are bringing forth new developments in the distribution and marketing of agricultural products. In fact, there is no step in the production and distribution of agricultural production, from the preparation of the soil to the marketing of the crop or livestock product, which is not the subject of constant study in the Department of Agriculture. All of this knowledge is of no value to working farmers, however, unless some way can be found to impart the information to them and give them the benefit of these discoveries and improvements. That is primarily the function of the Extension Service. It has done a good work with the expenditure of a comparatively small sum of money.

The purpose of this bill is to furnish the funds so that the service can be expanded and rounded out to an extent that it will be available to practically all of the farmers of America.

The funds authorized in this bill are particularly needed for the expansion of the 4–H Club work. The gentlewoman from Ohio has just pointed out to you how very significant and important this 4–H Club work is. After many years of close contact with this activity I can concur in everything that the gentlewoman has said. In fact, I feel that it is impossible to overestimate the great value of this work among the youth of America.

Although this movement has made a steady growth, it is a fact that today only about one-eighth of the farm boys and girls between the ages of 10 and 20 are enrolled in 4–H Clubs. The principal reason the enrollment is not larger is because of the lack of funds for the employment of boys' and girls' 4–H Club agents. The funds authorized in this bill would make it possible to greatly expand the 4–H Club work.

I think, perhaps, we sometimes underestimate the importance of 4–H Club work from a national standpoint. We think of it only as a movement which is of interest to rural people. That is a great mistake. A large proportion of our farm-reared boys and girls go to the cities, partly because there are greater opportunities there but very largely because there are not places on the farms for all who are reared there. The rural areas are the only part of this country where the birth rate exceeds the death rate. We are replenishing our cities from the farms. Thus, the splendid training in character and good citizenship and in education along practical lines which is furnished by the 4–H Club inures to the benefit of the entire country. Many of the leaders in all lines of urban activity today come from the 4–H Clubs in rural America. The entire country will benefit from the extension of this worth while activity which is provided for by the terms of this bill.

Mr. JOHNSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. JOHNSON of Illinois. Did the Extension organization initiate or set up the 4–H Club work? Did they originally start the 4–H work? Was it the outgrowth of the Extension work or was it initiated by private people?

Mr. HOPE. I am not able to answer the gentleman's question exactly. My impression is that 4–H Club work, as a national program, was initiated by the Extension Service. There may have been local organizations before that. I think it should be mentioned that there is a splendid organization known as the National Committee on Boys and Girls Club work which has contributed greatly to the success of the 4–H Club work. This committee of eminent citizens is headed by Mr. Thomas E. Wilson. The executive secretary is Mr. Guy L. Noble. It is hardly necessary to say that this committee is heartily in favor or this bill. If the gentleman has any information relative to the origin of the program I shall be glad for him to make a statement for the benefit of the committee.

Mr. JOHNSON of Illinois. No; but the gentleman has answered the question. Private citizens have largely carried this work on up to this time. I just wanted the Members of the House to realize that the originators of the 4–H Clubs were private people who put their money into it. We are overlooking them and not giving credit where it is due.

Mr. HOPE. I am very glad the gentleman brought that up because they should have credit.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Kansas.

Mr. CARLSON. I concur in the remarks made by the gentleman. I sincerely hope the committee and the House will approve this legislation. I am especially interested in seeing an expansion of the 4–H Club program which has been held back by a lack of funds.

Mr. HOPE. I thank my colleague, who has always given this program his hearty support.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. AUGUST H. ANDRESEN. I think it has been shown to our committee at least some of the money heretofore appropriated for this 4–H Club work has been diverted. I think it should be strictly understood so far as the House is concerned that the bulk of this money is to go for the training of boys and girls in the 4–H Clubs rather than for some other purpose.

Mr. HOPE. Yes; I am glad the gentleman brought that up because that is a matter which was discussed in committee, as the hearings will show. The report of the committee and the hearings disclose that the committee wants the major part of the funds authorized used for this purpose.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, this bill offers a long needed relief for American agriculture. We have thousands upon thousands of young farm boys and girls who are today leaving the farms simply because the program has not been made attractive to them. The Extension Service, with limited funds and limited personnel, has done more to improve farm life than any other arm of the Department of Agriculture.

The standards of farm life must be improved. There must be further development of individual farm and home plans. The farm people need guidance in the improvement of farm and home building. And, of foremost importance, there must be an additional emphasis laid to work with the rural youth in 4–H Clubs.

The farmers of this country want and are entitled to a fair break with his goods at the market. They have never liked the idea of being recipients of subsidies. A fair price is all that they ask but something they have not had. The authorization contained in this bill will improve marketing facilities and thus tend to make the farmer more independent.

Under present law the Federal Government appropriates almost $19,000,000 annually for cooperative extension work. This money is matched almost dollar for dollar by the States, although statutory law does not require matching beyond more than about one-fourth of that amount. The funds authorized in this bill must be matched dollar for dollar, with the exception of a small amount to be used more or less as an equalizing fund.

Not a single witness appeared before our committee in opposition to the bill. It has the support of every leading farm organization of the country. All of the witnesses told us that the increased funds were needed if agriculture was to take its place in the postwar world.

Now, I shall not elaborate further on the bill since the general purposes have already been explained to you by the distinguished chairman of the Committee on Agriculture and others but I would like to address myself briefly to the proposed amendment of the gentleman from Oklahoma [Mr. WICKERSHAM].

We held hearings on this bill for 8 or 10 days. The hearings were public. All persons interested were permitted to appear and state their approval or disapproval of the bill or any parts thereof. All farm organizations were likewise invited to appear and some did appear. During the course of the hearings not a single witness or individual addressed himself to or offered any complaint against the situation which the gentleman proposes to correct by amendment. It was after we had gone into executive session and started reading the bill in committee for amendment that the com-

mittee was first apprised of the alleged objectionable activities. Even then no reference was made to these alleged activities but the same amendment which is to be offered was then offered and the committee overwhelmingly voted it down.

Now, it is my opinion that before the House should consider such a far-reaching amendment that its merits should be thoroughly investigated by one of the legislative committees. It should be discussed in open public hearings. The opportunity was afforded but not a single individual appeared or requested opportunity of appearance in behalf of this amendment. So, with all due deference to my good friend from Oklahoma, I think that when his amendment is offered it should be voted down.

When the bill comes on for final passage it is my hope that all of you will support it.

Mr. FLANNAGAN. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, if the Members of the House had an opportunity to visit the West Virginia 4–H camp, I am sure there would not be any question about what action would be taken on this legislation. The State has acquired a 1,300-acre tract, the home of Stonewall Jackson, the famous Confederate general. If we were to choose right now between whether you took away our State capitol or our 4–H State camp, I expect we would tell you to take the capitol.

I want to call the attention of the gentleman from Iowa, who mentioned the matter of appropriating money for airports to the fact that the people of West Virginia appreciate the action that was taken here last Friday. We are for progressive legislation. I am sure every member of the West Virginia delegation is in favor of this legislation. I trust it will be the pleasure of the Congress to provide these funds.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DOYLE].

EXTENDING AND STRENGTHENING 4–H AND OTHER AGRICULTURAL PROGRAMS FOR RURAL YOUTH IS A SOUND INVESTMENT

Mr. DOYLE. Mr. Chairman, I briefly but emphatically speak for and urge unanimous approval of the funds provided to be expended according to the sound objectives of H. R. 1690, being debated by us this day. By the expressed provisions thereof beginning at line 7, page 2, it provides—

> Particularly for the further development of county extension work, there are hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated for the purpose of paying the expenses of cooperative extension work in agriculture and home economics, including technical and educational assistance to farm people in improving their standards of living, in developing individual farm and home plans, better marketing and distribution of farm products, work with rural youth in 4–H Clubs and older out-of-school youth, guidance of farm people in improving farm and home buildings, development of effective programs in canning, food preservation, and nutrition, and for the necessary printing and distribution of information in connection with the foregoing.

Therefore this appropriation, gentlemen, may honestly and fairly be considered as a foundation investment in the production of food, and the strengthening of home ties in the necessary development and improvement of farm conditions and of better marketing and distribution of farm products. There is no program which is more fundamental than is the security for a betterment of the rural or farm areas and communities of our Nation. Out of these rural and farm areas have come the most, numerically, of our leaders in the history of our Nation. There is something about rural life—out in God's great outdoors—which not only strengthens the sinews of man but clarifies, purifies, and makes more positive his spiritual understanding and values.

So when we appropriate this money we not only do it to increase, stabilize, and secure our production of farm products in the best technical and modern manner—we not only vote money to improve, extend, and stabilize farm and rural home conditions and surroundings; but we make more attractive the farm and rural life and areas for our young people, and we make it happier and healthier for the elders as well. Therefore this appropriation will be merely an advancement, if you please, to the further and increased production of food for our Nation and the world.

While food is an absolute essential there is another property of intrinsic value entering into this appropriation which is definable and indelible. It is, gentlemen, the character values of rural youth and older out-of-school youth as they develop in these areas. If you say that you cannot count character as you can cash, then I reply that cash without character has no value. Cash dollars are but transitory material things which are so small that they can be counted, while character is so great and so intrinsic and so lasting it cannot be compared with small things. As a nation without character is lost, so an individual without character values is of little worth to his community or to his nation. The fact that the rural and farm areas of our Nation have produced so many million men and women of character and who have placed character values above money worth is the reason so much of the leadership of our Nation has been born and raised in rural areas. Therefore I say that in addition to being an advancement of money for food values and production, this appropriation is likewise an advancement of specific ways and means and programs which have already proved their unlimited value in tangible results, in the creation of and stabilization of character values in young Americans.

It is evidenced that the strategic and known value of the 4–H Club programs of our Nation is well known for both these results, because not one word of criticism have I heard on this floor against the 4–H Club programs and purposes. Any reasonable amount of money sensibly expended is not poorly or unwisely spent.

Perhaps I have had an unusual experience with youth in farm and rural areas, which I should relate, briefly, to you for your guidance and explanatory of my emphatic remarks in support of this appropriation:

For 3 years I was boy counselor, athletic coach, and instructor in government at California Junior Republic, Chino, San Bernardino County, Calif. This is a nationally and internationally known school for boys, fundamentally sound in principles of self-government and self-supporting by the boys themselves, of high-school and junior-high-school age. It consists of a farm of about 500 acres with a prize-winning herd of cattle. Both the products of the farm and dairy have won innumerable prizes at the California State and Los Angeles County fairs in my native State of California. I have seen hundreds of boys leave that splendid school permanently strengthened in character values and which have never been eradicated, thus becoming a distinct asset in some cases of a very probable liability.

There is no comparable program in the development of character for youth to the rural and farm program, unless it be a religious faith and experience itself, as is claimed by some. Now is the time in which to make immediate and adequate provision for this sort of investment in the rural youth of our Nation and in the rural families, home, and conditions of the Nation. This is true because we have been exhausting both the material and the manpower youth resources of the rural and farm areas, as well as every other section of our Nation. Millions of rural-born lads, having been in uniform of one branch or another of our Nation, will have had experiences and contacts with metropolitan advantages and conditions. These advantages and conditions in education, health, social, economic, and recreation, will have been so different, in countless numbers of cases so much more satisfactory, than those they were used to before going into the armed forces, that we must needs immediately improve, by every possible means, every possible condition surrounding rural youth in every possible rural area. It is high time we spent at least as much money and effort in behalf of the youth of our Nation as we do on our livestock—our cattle, our mules, our pigs, and our chickens.

The 4–H Club programs in America has proved its values in dollars and cents and character-building worth. Is there any Member on this floor who can gainsay that statement? Not a one of you denies it, because it cannot be successfully controverted. In the Eighteenth Congressional District in Los Angeles County, in my native State of California, which congressional district I have the honor to represent in this great legislative body, the 4–H Club program in the northeastern end of my district, which is predominantly prosperous on account of a splendid small-farm and dairy activity and population, the 4-H Club program has contributed inestimable value to the

community, county, and the State. I have personal knowledge of that fact. I have observed it and know what I am talking about. I have seen it with my own eyes. I know the leaders. The relatively few paid people are tops in their profession, and the extensive volunteer leadership is invaluable and rich in unselfish contribution to the happiness, character value, and training of youth. The 4–H program deserves—yes; our Nation needs its immediate expansion. We have had to draft and put millions of rural youth into the armed forces; we have unrooted them, their families, relationships, with economic and industrial and educational relationship, too. But we could not help this. We can, however, by this sensible and necessary appropriation counter and offset to some degree at least, the ravages and destruction of war on the economic, social, and educational relationships and conditions in rural areas. By this bill, also, we can sensibly and soundly place a sensible amount of money in the rural areas in the manner and at the time and through the methods which are already proven as ways and means to make such an advance or investment in the youth of our Nation in rural areas.

I repeat, gentlemen, the appropriation of this money is not an expenditure which will not return. It will pay back in terms of actual food and agriculture values and along with it in actual character value of American youth, and which values are indestructible and without which no permanent progress, according to our American way of life, can permanently endure.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That title II of the act entitled "An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges," approved June 29, 1935 (the Bankhead-Jones Act), is amended by adding at the end thereof the following new section:

"SEC. 23. (a) In order to further develop the cooperative extension system as inaugurated under the act entitled 'An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act of Congress approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture,' approved May 8, 1914 (U. S. C., title 7, secs. 341–343, 344–348), particularly for the further development of county extension work, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of paying the expenses of cooperative extension work in agriculture and home economics, including assistance to farm people in improving their standards of living, assistance in developing individual farm and home plans, better marketing and distribution of farm products, work with rural youth in 4–H Clubs and older out-of-school youth, guidance of farm people in improving farm and home buildings, development of effective programs in nutrition, and for the necessary printing and distribution of information in connection with the foregoing, the following sums:

"(1) $4,500,000 for the fiscal year ending June 30, 1946, and each subsequent fiscal year;

"(2) An additional $4,000,000 for the fiscal year ending June 30, 1947, and each subsequent fiscal year; and

"(3) An additional $4,000,000 for the fiscal year ending June 30, 1948, and each subsequent fiscal year.

"(b) The sums appropriated pursuant to this section shall be paid to the several States and the Territory of Hawaii, in the same manner and subject to the same conditions and limitations as the additional sums appropriated under such act of May 8, 1914 (the Smith-Lever Act), except that—

"(1) not more than 2 percent of the sum appropriated pursuant to this section for each fiscal year shall be available for paying expenses of the Extension Service in the United States Department of Agriculture;

"(2) $500,000 of the sum so appropriated for each fiscal year shall be allotted among the States and the Territory of Hawaii, by the Secretary of Agriculture on the basis of special needs due to population characteristics, area in relation to farm population, or other special problems, as determined by such Secretary;

"(3) the remainder of the sum so appropriated for each fiscal year shall be paid to the several States and the Territory of Hawaii, in the proportion that the farm population of each bears to the total farm population of the several States and Territory of Hawaii, as determined by the census of 1940; and

"(4) the several States and the Territory of Hawaii shall not be required to offset or match the funds allotted from sums appropriated pursuant to subparagraph (1) of subsection (a) of this section.

"(c) The sums appropriated pursuant to this section shall be in addition to, and not in substitution for, sums appropriated under such act of May 8, 1914, as amended and supplemented, or sums otherwise appropriated for agricultural extension work. Allotments to any State or the Territory of Hawaii for any fiscal year from the appropriations herein authorized shall be available for payment to such State or the Territory of Hawaii only if such State or the Territory of Hawaii complies, for such fiscal year, with the provisions with reference to offset of appropriations (other than appropriations under this section and section 21 of this title) for agricultural extension work."

Mr. ROBSION of Kentucky. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the bill. According to my way of thinking, no proposal has come to this House in some time which has more merit than the one before us. While we appropriate hundreds of millions of dollars for the Department of Agriculture, I am convinced that we get more for our dollar out of this extension work of the 4–H Clubs than out of anything else for which we appropriate. I remember back through the years when we did not have these. I, too, was brought up on the farm as the son of a tenant farmer and know something about the problems of the farmer the long hours, and the slavish work and very small remuneration.

This appeals to me, as has been suggested, as a character-building, a citizen-building proposition. I know it calls for $12,500,000, but this is a big country—48 States and our Territories. This administration has spent billions in paying people not to produce. This proposes to train them to produce; it is not a policy of scarcity, but it is to develop a policy of plenty in this country. This is a proposal to develop self-reliance among the boys and girls and the people of this country. We have heretofore spent billions of dollars to destroy self-reliance in the United States. When we destroy the self-reliance of the boys, girls, men, and women we have done a great injury to them and our Nation.

This teaches them how to produce. It encourages them to produce better and more hogs, poultry, cattle, dairy products, fruits, and other farm products. The girls in the homes, and the mothers, too, are taught not only to can but to can in the proper way, and to can not only plentifully but they are taught how to protect and to preserve it, how to keep house, and how to maintain a home. Except for the war appropriations and appropriations for the defense of our country and for our defenders, no other appropriation has greater appeal to me than this one.

We have made wonderful progress in organizing our boys and girls on the farms. While this was not initiated perhaps by governmental agencies, it was in Abraham Lincoln's administration that it was first given governmental sanction; and in the 1860's or 70's Senator Morrell, of Vermont, got a bill through establishing Federal land-grant colleges; in other words, our State universities; and the Government made contributions from that day to this to the States that would cooperate with the Federal Government.

This great movement crystallized into the 4–H Clubs and it has been recognized and encouraged by Congress. We now have a million seven hundred and fifty thousand boys and girls in the 4–H Clubs. It is impossible to estimate how much the boys have contributed to developing more and better livestock, fruits, vegetables, grains, and dairy products. Last year the girls put up approximately 75,000,000 cans of fruit.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. ROBSION of Kentucky. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. And this is not all. In the 4–H Clubs they have sold hundreds of millions of dollars' worth of bonds and savings stamps. And perhaps more than 1,400,000 young men and women have gone into our armed forces. All in all, they have made wonderful progress. It really is a great educational program and a lot of the knowledge developed in these 4–H Clubs by the boys and girls has been absorbed by the fathers and mothers.

It is comparatively a few years ago that American orchardists did not know what a great enemy the San Jose scale was. When I was a young man starting out to practice law, a certain man in my home town sued the electric-light company, claiming that the electric-light

wires killed his fruit trees. I represented the defendant. We started to investigate and found it was San Jose scale and not the electric-light wires that had killed the plaintiff's fruit trees.

And perhaps some of you still remember when we had a disease known as limberneck among fowls. The farmers and their wives did not know what caused limberneck. I have seen my mother many times swab the throats of fowls with a feather covered with kerosene oil, or run a hairpin down the neck of a chicken suffering with this disease. It appeared to help them. Great numbers of fowls on nearly every farm died of limberneck. Finally the educational program going on amongst the boys and girls on the farms found out what caused this disease. It was brought about by fowls eating decayed flesh. The farms were kept clean of decayed flesh and the limberneck disappeared.

These are only three of the hundreds and hundreds of similar developments that grew out of experimentation and education on the farm.

When I engaged in the practice of law and became president of a national bank, I did not lose interest in the farmers and their problems. Agriculture is the backbone of this country. I had the bank secure 10 thoroughbred young sows. We gave these pigs to 10 farm boys. The bank received 2 of the first litter of pigs and these were given to other boys. That thoroughbred stock of hogs spread like wildfire over the county.

I gave out 300 settings of White Plymouth Rocks to 300 young farm girls in the county and we got wonderful results. I was very much impressed with the great interest manifested by the boys and girls in matters of this kind.

Today we have 138,000,000 people in this country; at least 108,000,000 of these are located in cities or in congested districts and fewer than thirty million are living on farms.

When I was a lad between one-half and two-thirds of the people of this Nation were living on the farms. Today we have fewer than one-fourth living on the farms.

We must spare no pains to improve conditions on the farms, and to make better farmers, and to create an interest in the boys and girls for farm life and to add to their efficiency as farmers. Unless we do something about these matters, our boys and girls will leave the farm and the movement from the farms to the cities and these congested centers, with a consequent increase in the demand on farms for food, feed, and fiber. I know of no agency or group in this country who have contributed more to these laudable purposes than the extension activities of the Department of Agriculture in promoting 4–H Clubs for the boys and girls of the Nation. These clubs not only make better and more efficient and better satisfied farmers, but they teach self reliance, build character, and make better homes, better wives, and better fathers and mothers and husbands, and in all better citizens.

We must not only depend on the farmers for our food, feed, and fiber, but they too, are the bulwark of patriotism of this country and our fighters in time of war. It was the farmers who stopped the British at Lexington and Concord and Bunker Hill, and who really won the Revolutionary War, and the farmers have been foremost in the defense of this country in every war since the Revolution, and nearly a million and a half of our boys and girls are in this present war. It is on the farm that we find love of liberty and the real American way of life, and it affords me great pleasure to speak and vote for this very important and essential legislation.

There is only one condition that Congress desires and that is that politics be not permitted to creep into this wonderful organization of boys and girls. I repeat, I shall continue to support measures that will encourage the farmers. I wish here and now to warn my colleagues that we must stand together in preserving the markets for these boys and girls and other farmers of our country. Let us not forget their long hours of service and the heavy toil they must endure. They are entitled to such prices as will insure them a substantial return on their investments, and real American wages for their work. We cannot build up the farm boys and girls of America if we permit agricultural products from foreign lands produced by peon labor to be shipped into our country without proper restrictions and thereby take away the markets for the products of our farmers and 4–H boys and girls.

The CHAIRMAN. Before other Members are recognized we will have the Clerk report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 2, line 12, after the word "including", insert "technical and educational."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 14, strike out the word "assistance."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 1, line 19, after the word "in", insert "canning, food preservation and."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 4, strike out "and the Territory of Hawaii" and insert "the Territories of Hawaii and Alaska, and Puerto Rico."

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, I rise in opposition to this amendment for the purpose of securing an explanation of why Alaska and Puerto Rico should be added to the Territory of Hawaii as provided in the bill as originally drafted. It is my impression that some of these amendments suggested here deserve a little explanation, and in this instance I think we should have it.

Mr. FLANNAGAN. The committee went into the question thoroughly. We found that the original Smith-Lever Act, the Capper-Ketcham Act, and the Bankhead-Jones Act either originally or by amendment have been extended to the Territories. We see no reason why the Territories of Alaska and Puerto Rico should be left out of the present bill.

Mr. CASE of South Dakota. Is it correct that in the original legislation on extension work Hawaii was the only Territory included, and that Alaska and Puerto Rico received separate treatment?

Mr. FLANNAGAN. That is not true. They were brought in by amendment passed to the Smith-Lever Act.

Mr. CASE of South Dakota. Yes; but after the Territory of Hawaii had been carried in the original act; that is, Puerto Rico and Alaska, were not covered in the original legislation.

Mr. FLANNAGAN. They have always been under the act either by the text of the original act itself or by amendment.

Mr. CASE of South Dakota. This illustrates the importance of considering carefully the language of amendments. In that connection, when the gentleman from Oklahoma [Mr. WICKERSHAM] was reading his amendment, it occurred to the gentleman from Kansas [Mr. CARLSON] that the language proposed there was very inclusive. For instance, it reads:

No portion of said funds may or will be used by said State or Territory to pay all or any part of the salary, wages, or expenses of any person who, during the preceding fiscal year, and while employed to carry out the purposes of this act or any of the acts herein mentioned, has acted as representative, agent, salesman, or solicitor of membership of any business, commercial or farm organization or enterprise—

And so forth. The gentleman from Oklahoma is an earnest and diligent Member. His intent in suggesting the amendment is laudable, but I question whether the proposition can be handled in the way suggested. That language seems to me to say that any man who in 1 year solicits membership in any commercial or farm organization shall be prohibited from receiving wages or expenses in extension work in a succeeding year. In other words, if somebody under the Extension Service solicits membership in a 4–H Club in one year, he will be barred from receiving any expense money in any part of this program in the succeeding year. Take your 4–H Clubs, the calf clubs, poultry improvement associations, your corn clubs, or whatever they may be, if someone solicits membership in them, or acts as a representative for one of these clubs he will be prohibited under the language of the proposed amendment from receiving any wages or expenses out of these funds in a succeeding year. A county agent, for example, could not serve on the membership committee for a commercial club or a county fair association.

For that reason I hope that the amendment proposed by the gentleman from Oklahoma will not be adopted in the form in which it was read to the Committee.

So far as the basic resolution is concerned, I think that this is another one of those steps in the right direction. It is an additional step in the right direction which the Congress has previously taken.

This is money that will be spent for a constructive purpose. I hope the bill will be approved without the addition of any crippling amendment.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have just returned from my home district, where I attended a hobby show which lasted for 2 nights. It was my privilege to present the awards and prizes in this show. Five thousand people were at that demonstration. Featured there were exhibitions of every sort to show the initiative and the ability of the individual youth of my section. There was a young man who had raised white mice. He had a whole cage of them at that show. Another had built some remarkable specimens of toy airplanes. Still others had gone in for wood and sheet metal working, and for a thousand different other subjects, all related to vocational work, from which they gained knowledge that will do them a great deal of good in later years.

The point I wish to make is that at that hobby show, out of all the youth organizations, and there were dozens of them, the people in the 4–H Clubs in Broome County, which is my home county, had carried off the honors and had won prizes for having the highest rating in numbers of points in that contest. They distinguished themselves in such a way that interest in 4–H Club work in my own district has been tremendously stimulated. I say money which is going for work like that is well spent.

In one of the other counties of my district a young man about 12 years of age had taken several courses and had studied extensively in the 4–H Club work. The knowledge he gained from that training had enabled him to advise his parents on agricultural matters so well that they were able to improve the production on their farm. They were able to profit by many of the things he had gained from his studies in that extension work. I say that money spent in this way is spent in the most constructive way in which we can help the farm youth of America.

There was a time when in many sections of the country the farm youth did not have the advantages and did not have access to the opportunities for education that some of the city youth had. They were looked upon as being rather backward. Today, however, due to the improved rural school system and the extension work and studies on other correlated subjects carried on by the 4–H Clubs, the farm youth of America are able to take their place with full equality along with the city youth in building up a greater America than we have ever known before.

It is my sincere hope that the appropriation authorized in this bill will be approved of, and that the great work which the 4–H Clubs of America are doing will be continued and elaborated upon and magnified so that it can embrace every farm youth in the country. There is no question but that the value of this work is beginning to tell in agriculture. As these young people, imbued with enthusiasm and desire for learning and invigorated in mind and body by the benefits they have gleaned from this extension work continue to get more out of these courses, the agricultural picture will improve.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DONDERO. Mr. Chairman, I ask unanimous consent that the gentleman be allowed 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. GROSS. The gentleman, of course, will agree with me that the greatest progress can be made along this line by having county agents who are good mixers and agreeable fellows and giving the children leadership, more than the few dollars extra for them to spend. Is that not so?

Mr. EDWIN ARTHUR HALL. I agree with the gentleman. In my home district, the county agents are doing a splendid job, and they are specializing in the work that the gentleman mentioned. I think they should do that.

Mr. GROSS. In what way could he use more money in furthering his work? I just do not see the point how money is going to further this work.

Mr. EDWIN ARTHUR HALL. I understand there are many county agents who just cannot cover their territory at present. These funds will give additional personnel where it is needed.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I must yield to the gentleman from Michigan inasmuch as he asked for my additional time.

Mr. DONDERO. The gentleman from New York will agree with me that life on the farm is hard work and that it requires a lot of muscle, a lot of sweat, and dirty hands. But it requires clean and active minds. Anything we can do to encourage the youth of the land to stay on the farm and till the soil ought to be done.

Mr. EDWIN ARTHUR HALL. The gentleman is correct.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Kansas.

Mr. HOPE. In reply to the question propounded by the gentleman from Pennsylvania, the way in which this legislation assists in the 4–H Club work is that it will make possible the employwent of 4–H Club agents in many counties which do not have such agents at this time.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. EDWIN ARTHUR HALL. Yes.

Mr. GROSS. Right at the present time in my county a fellow is driving around mixing with the farmers, urging them to take time to build up club work, when they ought to be doing constructive work and they ought to be helping the war effort and producing food. I am interested in food and not in a paternalistic plan of just spending money. Food is the issue.

Mr. EDWIN ARTHUR HALL. The 4–H Clubs are interested in the production of food. At least it is in my section and I am sure it is throughout the country. Future generations will do a better job of producing food by virtue of the action we are taking today in making these additional sums for 4–H Club expansion.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very much interested in listening to the gentleman from Kentucky. After I heard the fine statements made by the gentleman from Kentucky, and he always has fine, constructive ideas, even if I had been for economy, he would have converted me into supporting this amendment. I do want to say here I am for this program for the reason that it is going to aid and assist the boys and girls on the farms to become so imbued with the idea that they ought to take hold of their 4–H Clubs, their pig clubs, their potato clubs, and their calf clubs, and other clubs on the farms and develop so that they will be so interested in agriculture, they will feel with the knowledge they have gained by this program they will remain on the farms and develop the farms so they can produce the things needed for the benefit of all the people, not only of our own Nation, but of all the world, which is going to be in such need of agricultural commodities. But, on the other hand, they will not be looking to Uncle Sam for a great big subsidy program of $800,000,000 for the farmers. They will believe they should work for what they receive instead of asking their Government for a gratuity—a hand-out. Something for nothing.

This is the point I want to make: If you want to do the thing that is best for this Nation you will aid and assist the farmer of this country to get a price for his commodity, plus a wage for the time that he spends on the farm producing agricultural products, so that he will not have this $800,000,000 political farm subsidy program which you have been driving the farmer to take, only to his detriment, because it will only be a year or so until you have to stop these $800,000,000 subsidies. Then where will the poor farmer of the country be? The farmer will have to pay the taxes to pay the bill. You are only leading the farmer to the greatest fall the farmers of this country and the Nation have ever had, because of the ridiculous legislation which Congress has passed in the last 10 years.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. RICH. I yield to the distinguished gentleman.

Mr. AUGUST H. ANDRESEN. It is our hope that this will teach them thrift, economy, and self reliance in their own industry.

Mr. RICH. That is right, and I am in favor of it.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. RICH. I now yield to that great gentleman from Kentucky, who always has something fine, interesting, and practical to say.

Mr. ROBSION of Kentucky. I thank the gentleman.

Mr. RICH. I mean it from the bottom of my heart.

Mr. ROBSION of Kentucky. I want to join with the gentleman. Let us teach the American boys and girls to produce on the farm and then let us not give away their markets to other countries of the world.

Mr. RICH. The gentleman is absolutely right. If you will watch these reciprocal trade agreements, these reductions of 50 percent in the tariff, that will be important. As long as these foreign countries are unable to produce, it will be all right, but you just wait until after a while when things begin to come into this Nation, raised by peon labor in many, many countries our farmers will wonder why they do not have even the American markets left for their produce. Then there will be a day of reckoning. That day will not be far off. When that time comes there may be a lot of you fellows who want to come back here to Congress, who will not have the opportunity. I say to you in all sincerity, keep your eyes open for America. Be for the things that are going to build up America. Be for the things that will help American boys and girls to continue to work, so that they know they will have to work for their daily wage and that they are not going to have a munificent government handing them hand-outs all the time, because that hand-out business has got to stop some day. Your treasury will not stand it, you have already gone by that time. If there is anything we ever did to our American people that has been wrong, it was to put a wishbone where their backbone ought to be. Anything worth having is worth working for.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. JENSEN. Mr. Chairman, I move to strike out the last six words. The Extension Service and the 4–H Club work of our farm boys and girls has played a leading role in the wonderful food production record which America has made during this terrible war when food is so vital to ourselves and our allies. I wish to inquire of the chairman of the Committee on Agriculture why the Virgin Islands were left out of his amendment? It occurs to me that the small farmers there should be helped to carry on their business so they can finally run their own farms instead of being obliged to work for the large corporations operating there.

Mr. FLANNAGAN. No consideration was given to that question. As far as I know, the Virgin Islands have never been included in the Extension Service. The original act, of course, was the Smith-Lever Act, which was amended to take in the Territories of Hawaii, Puerto Rico, and Alaska. Then the Capper-Ketchum Act was likewise amended; but the Virgin Islands have never been considered in any of the legislation providing for the Extension Service.

Mr JENSEN. Does that mean that the Virgin Islands could not be included in this amendment? I happen to know the Virgin Islands need this extension work just as much if not more than our other possessions.

Mr. FLANNAGAN. I do not know what work is being done in the Virgin Islands by the Extension Service. So far as I know none of the extension legislation to date covers the Virgin Islands.

Mr. JENSEN. Would the gentleman be willing to include the Virgin Islands in his amendment? Then between the time it goes to the Senate and its consideration by that body we can have an opportunity to look into the situation and it can be taken out by the Senate if it should be found to be not in order. I know something of the conditions down there being a member of the appropriations subcommittee on the Interior Department.

Mr. FLANNAGAN. I do not want the Virgin Islands included in my bill unless we know the situation, and we have had no testimony one way or the other with reference to the Virgin Islands. I do have the Extension bill before me and I think that no one of them covers the Virgin Islands.

Mr. LECOMPTE. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to my distinguished colleague from Iowa.

Mr. LECOMPTE. I would remind the gentleman that there are only three of the Virgin Islands that are inhabited and there is not much agriculture on the others to speak of.

Mr. JENSEN. There is considerable sugarcane raised there, and we need more sugar especially during the days of food shortages.

Mr. LECOMPTE. There is no agriculture in the Virgin Islands except some sugarcane.

Mr. JENSEN. Yes, quite a lot of sugarcane.

Mr. LECOMPTE. Very little.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. RICH. There is a Government rum plant in the Virgin Islands which takes charge of the Islands. Mr. Ickes is president of the company. They are making rum down there and we are getting the rum back here. I do not know why the Virgin Islands should be included.

Mr. JENSEN. I am not interested in rum, but do want to be fair. We are including every other island. Certainly we should include the Virgin Islands if it is germane to this bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. GROSS. Is it not true that a major portion of the agriculture of the Virgin Islands is conducted by corporation farms, big sugar plantations and perhaps pineapple plantations, if pineapples are grown there? And are not these corporations abundantly able to take care of themselves?

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. FLANNAGAN. I think I can answer the gentleman's question. The Virgin Islands do not constitute a Territory; it is one of our possessions. The land-grant-college bill does not extend to the Virgin Islands, because they do not have a land-grant college. This extension work, of course, stems from the land-grant college. These being the facts, I do not see how we can make this Extension bill applicable to the Virgin Islands.

Mr. JENSEN. I thank the gentleman for that statement, which explains it to my satisfaction. I do believe, however, that the Extension Service would be beneficial to the economy of the Virgin Islands, as it is to ours.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. BUCK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, almost everybody talks about economy, but nobody does anything about it. A few minutes ago I asked how many additional jobs this bill would add to the Government's pay roll. I have subsequently been told that the number is 2,500—2,500 new jobs will be set up as a result of the passage of this bill. If this country is to avoid national bankruptcy, it must have a balance to its peacetime budget. Mr. Chairman, we are not working toward a balanced peacetime budget when we add 2,500 new jobholders to the millions of officeholders who are now one of our greatest problems.

I hope this bill will not be enacted.

Mr. BROOKS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I wish to take just a few moments to compliment this committee for bringing in this bill.

The money we appropriate in this bill will provide for the additional work among the young people of the farming communities of the United States. It provides increased training and education for them at a time when they are in the formative periods of their lives. It is then that we will give them the benefit of new ideas regarding agriculture. In my opinion, it is most important that this bill be passed at the present time. It will reach out into the postwar period.

We have had tremendous agricultural problems in the past and we have no reason to believe that the problems in the postwar era, so far as agriculture is concerned, will not be as severe and as difficult as they have been in the past. The money which is provided by the pending bill will, in the postwar period, permit us to go ahead with increased intensity in educating and training the young farm population of the United States.

Mr. Chairman, in my section of the country I envision a great transition in agriculture. In my section I envision, for instance, a marked increase in the use of machinery on the farms and in farming operations; the use of the cotton picker, which will have a tremendous influence upon the cotton farms all over the South. I envision further, Mr. Chairman, a transition, so far as the development of the forests of the country are concerned, on a much larger scale than in the past. I can see in our section a desire on the part of our farming population to cultivate forests in a large measure as they raise cotton, corn, wheat, and other agricultural products.

This appropriation will come to these young people at the very time when the great postwar transition period is at hand and by using this money we can properly advise, counsel, and train these young people to take a large part in that transition period, thereby to help solve the new and critical postwar problems of agriculture.

Mr. Chairman, I take this time to commend the committee for bringing in this bill at the present time and giving this small but badly needed addition of money to the Extension Service of the Department of Agriculture.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. DOLLIVER. Mr. Chairman, I move to strike out the last eight words.

Mr. Chairman, it should not go unnoticed in this discussion that down on the avenue leading from the Capitol to the Agricultural Building there is an arch dedicated to one of Iowa's citizens, Dr. Seaman Knapp. He was responsible for the origin and the development of the Agricultural Extension Service. Those of us in this House representing the State of Iowa are proud to recall that Dr. Knapp played an important and prominent part in making the Extension Service of the Department of Agriculture a valuable addition to our agricultural economy.

I join with my colleague [Mr. HOEVEN], from the Eighth Iowa District, in supporting this bill to help improve the Agricultural Extension Service. In the Sixth Iowa District, there is no more important work carried on than the Extension Service of the Department of Agriculture. I am especially impressed by the work done on behalf of the farm youth of our communities. The Extension Service teaches the young men and women on the farms the advantages, the methods and the means of improving farms and making farm life more interesting, profitable, and enjoyable. Our rural life ought to be more interesting, profitable, and enjoyable and we should use every means at our disposal to induce our young farm people to continue their interest in agriculture. So that instead of leaving the farms for the congested areas of the Nation they will stay out in the free and open country. The educational methods of the Extension Service are sound, and the results have been excellent.

Following the close of this war it is anticipated by all of us that the farmers of our country will have the impulses and the means to improve farm life. Better living for the farm population means a distinct contribution to the general welfare of all our people.

This legislation has that motive and purpose and I heartily favor it.

Mr. HAYS. Mr. Chairman, I move to strike out the last nine words.

Mr. Chairman, I appreciate very much what the gentleman from Iowa [Mr. DOLLIVER], who has just spoken, had to say about the contribution of Dr. Seaman Knapp to the Extension Service. I think it is well for us as we build this legislative policy to pay tribute to the pioneers in this important work. Many years ago I remember reading letters which Walter Hines Page wrote to Seaman Knapp, and in that day he was envisioning this very thing, the building of a sound educational policy for the farm people of America. We can look back upon the tremendous achievements of the Extension Service with real pride in the imagination and the vision and the patriotism of men of that type.

I was curious to know what the symbol "4–H" stood for, so I asked a member of the Committee on Agriculture a moment ago if he could enlighten me. He told me that it stands for head, hands, heart, and health, so that confirms the impression I had that the program which these splendid Extension representatives are engaged in is a very broad and balanced program, that the mental and the moral and the physical well-being of farm youth is involved.

I was interested in what the gentlewoman from Ohio had to say about the interpretation of these enterprises which we are engaged in promoting, that is, that farms are something more than food factories, and that the institution of agriculture is something more than a commercial enterprise. To be sure, the economics are vital, production is important, but farming, as many of us see it, is something more. It represents a way of life.

I simply want to say, Mr. Chairman, that I hope the House will give by an overwhelming vote its approval to this splendid measure which the Committee on Agriculture has labored so diligently in formulating.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Georgia.

Mr. RAMSPECK. I heard the gentleman from Virginia say that the authority for this act is based on the Land-Grant College Act, is that correct?

Mr. HAYS. I will yield to the chairman to answer that question.

Mr. RAMSPECK. Is the authority for this activity based on the Land-Grant College Act?

Mr. FLANNAGAN. I said it goes back to the beginning of it, but the first Extension Act was the Smith-Lever Act in 1914. Of course, the land-grant college bill was passed in 1862.

Mr. RAMSPECK. That is what I wanted to call attention to. It is part of our program of Federal aid to education which had been going on for 75 years.

Mr. HAYS. I thank the gentleman, and I think it is very appropriate to point out that beginning in 1862, perhaps, at least in President Lincoln's administration, we had the start of this educational program.

Mr. RAMSPECK. Was not the gentleman rather surprised that no one here has expressed any fear of Federal control?

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. JOHNSON of Illinois. Mr. Chairman, I move to strike out the last 10 words.

Mr. Chairman, I am not going to take my 5 minutes, but it seems like the interpretation of this bill is confined entirely to the work being done by the 4–H Clubs under the Extension Service. To get the record straight, the 4–H Club work was promoted many years ago by a private individual—and I have not heard his name mentioned here today—a man whom the United States and agriculture particularly owe a great debt of gratitude—Mr. Tom Wilson. This work has been growing and it has been picked up by the Extension Service, and they are doing a good job with it. We had some hearings about 4 years ago, I think it was, before our Committee on Agriculture. It was those people who originally initiated this work that were most deeply interested. We had before us some witnesses who were 4–H Club members, and we had just recently before our committee some most brilliant youths. But my mind still goes back to those days about 4 years ago when we had before our committee a farmer from Virginia or North Carolina, a brawny, hard, suntanned farmer who looked as though he had struggled hard from the days of his youth. With him was his son. The son testified briefly what the 4–H Club had done for him, and then the father testified. He had been a hired farm hand and many years a poor tenant. He had quite a large family. They struggled along but never could make any headway. Then the boy came home one day and said he wanted to join the 4–H Club. The father acquiesced. It was perfectly all right if the boy wanted to. Then the boy came home telling stories of the great things of interest he had learned. He told his father that they were not farming right along certain lines, that they could use a little better stock by selective breeding, that there were ways of improving their way of handling their milk herds, their poultry, their crops and their hogs. The father became interested and finally went along with the boy and sat in at the meetings. He said, "After a few years of this, I can testify to you how much the 4–H Club and my boy have helped me. Today I am paying for my own farm and have it pretty near paid for." This was 4 years ago in a time of low-farm income.

We are talking today of the work of the 4–H Clubs, and that is the salvation of the future farm home, and agriculture. Things are going to be tough enough when the boys all come back and everybody wants to go farming, while we have been forced into a high state of mechanization.

It has been well said here today that we should stress the great value of this work to our youth in agriculture.

Mr. McKENZIE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I have sat through this debate and am somewhat perturbed to hear some of our very distinguished and able colleagues refer to this bill and the appropriation thereunder as being a subsidy to the farmer. The gentleman from Arkansas [Mr. HAYS] and the gentleman from Georgia [Mr. RAMSPECK], hit the nail right on the head when they said it was an educational program. Very definitely, this is the best means we have for bringing to the boys and the girls and the men and women on the farm the

agricultural college and the benefits of the educational program of that college.

Some of us lose sight of the fact that agriculture, since it is broken up into so many small components, is actually the greatest industry in this Nation. They lose sight of the fact that the major portion of our other industries stems, to use the words of our distinguished chairman, from agricultural pursuits, from things raised on the farm. Every bit of our food, whether meat or grain or fruit, comes from the farm, as does most of our other livelihood, whatever it may be. The products of the farm in the main furnish most of the raw materials upon which the great industries of this country are based. Therefore, it is only a matter of common sense that by better education and by better methods of production being brought directly to the farm man, the farm wife, the farm boy, and the farm girl, we are going to make for a sounder economy and greater prosperity in this country. In addition, we are going to make for a better, happier, and more equitable life on the farm.

There must be reasonable prosperity. There must be ability to maintain one's self if people are going to stay in any particular industry, trade, or pursuit. If we want this Nation to prosper, then the least we can do is to see to it our farm people have the benefit of the education which the Extension Service through its many activities brings to the people on the farms. I am wholeheartedly in favor of this bill. I want to point out to my economy-minded friend on the left side of the aisle that the entire appropriation of $12,000,000 plus, and the slight sum above that which is provided by the other bills is less than 10 cents per person per year for the population of this Nation.

This appropriation is not a subsidy It is a capital investment in better farming, our greatest and most important vocation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAY. Mr. Chairman, I move to strike out the last word, and ask unanimous consent that I may speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Chairman, I desire to make a statement in which I am sure all will be interested because it is something especially for the Members of Congress and their families.

The War Department invites the Members of the House, their families and friends to attend the showing of the picture Two Down and One To Go in the House caucus room at 10 and 11 o'clock a. m. on Wednesday, May 16. That is the day after tomorrow.

Two showings will be made, one at 10 and one at 11 o'clock.

I believe that after seeing this picture you will have a better understanding of the many demobilization and redeployment problems and how the Army is meeting these problems.

This picture explains graphically in great detail how the Army is demobilizing its troops and shifting them to the Pacific theater. Much careful thought and effort has been put into this picture, and it is being shown to all the troops and the public.

I am sure that every Member of the House will enjoy seeing this picture. I repeat that there will be two showings in the House caucus room at 10 and 11 on Wednesday morning; only 27 minutes are required to see this important picture.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. FERNANDEZ. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask the indulgence of the Committee and ask unanimous consent to proceed out of the regular order of business.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FERNANDEZ. Mr. Chairman, in the absence of Senator HATCH, who is in New Mexico at this time, holding hearings for the Committee on Public Lands, I wish to take a few minutes to pay tribute to the county of Curry and the community of Clovis, N. Mex., the Senator's home town, for an act which reflects the typical attitude of the people of my State as a whole, respecting the war effort.

I have in my hand a telegram from Mr. Albert Burran, chairman of the Curry County War Finance Committee, dated at Clovis, N. Mex., on last Saturday, May 12, and which reads as follows:

We wish to let you know that the largest E-bond quota ever assigned to Curry County was oversubscribed at noon today for the seventh War-loan drive, 2 days before the official opening. Response indicates that our citizenship feels no complacency because the war in Europe is ended but rather that they are impatient to get on with the war and eager to lend their money and support to get the Japs whipped without further delay.

Mr. CARNAHAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Agricultural Extension Service has certainly meant much to the farmers of the Eighth Congressional District of Missouri, the district which I have the honor to represent. Perhaps no other action of this Congress dealing with farm problems will more directly affect the farmers of my district than will the provisions of this act.

I simply want to take this time to pay tribute to the fine work already done by the Agricultural Extension Service, by stating that I intend to support this proposed legislation which is designed to extend and enrich this worthy service.

The pro forma amendments were withdrawn.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 15, after the word "allotted", insert "without reference to provisions for offset of appropriations."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 17, strike out "and the Territory of Hawaii" and insert "the Territories of Hawaii and Alaska, and Puerto Rico."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 22, insert "*Provided*, That not to exceed 5 percent shall be allotted under this subparagraph to any one State or the Territories of Hawaii or Alaska, or Puerto Rico in any fiscal year;"

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 2, strike out the words "and the Territory of Hawaii" and insert "the Territories of Hawaii and Alaska, and Puerto Rico."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 6, strike out "and Territory of Hawaii" and insert "the Territories of Hawaii and Alaska, and Puerto Rico."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 8, strike out the word "and" and all of lines 9, 10, 11, and 12.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 18, strike out "Territory of Hawaii" and insert "Territories of Hawaii or Alaska, or Puerto Rico."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 21, strike out "Territory of Hawaii" and insert "Territories of Hawaii or Alaska, or Puerto Rico."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 22, strike out "Territory of Hawaii" and insert "Territories of Hawaii or Alaska, or Puerto Rico."

The committee amendment was agreed to.

Mr. WICKERSHAM. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WICKERSHAM: Page 5, line 2, insert the following:

"(d) From and after July 1, 1947, none of the funds authorized by this act shall be used to pay all or any part of the salary, wages, or expenses of any person who, during the preceding fiscal year, and while employed to carry out the purposes of this act or any of the acts herein mentioned, has acted as representative, agent, salesman, or solicitor of membership of any business, commercial, or farm organization or enterprise."

Mr. WICKERSHAM. Mr. Chairman, I ask unanimous consent to proceed out of order and for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Chairman, whether or not my amendment is agreed to, I certainly will vote for the Extension Service. Having spent about half of my life on a farm, I fully realize the value of the Extension Service. Especially coming from the State of Oklahoma which during the last 19 years has produced seven of the outstanding farm boys of the United States, I can appreciate the good the Extension Service is doing. But, like any other public group, this group of men and women working in Extension Service cannot do their best if they are controlled in the slightest degree by any group, whether it be the Farm Bureau, the Farmers Union, the Grange, or anyone else.

I have letters here which I will read to you, letters from the National Consumers' League, a letter from Father John O'Grady, secretary of the National Conference of Catholic Charities, statements from the Grange, from the Farmers' Union, each of them saying that these funds should not be used for this purpose. I will read same at this point:

THE NATIONAL CONSUMERS LEAGUE,
Cleveland, Ohio, May 14, 1945.

HON. VICTOR WICKERSHAM,
Representative from Oklahoma,
House Office Building,
Washington, D. C.

DEAR MR. WICKERSHAM: The proposed amendment to H. R. 1690, prohibiting the use of United States Agricultural Extension Service funds for the payment of wages, salaries, or expenses to persons acting as representatives, agents, salesmen, or soliciting membership for any business, commercial, or farm organization would correct long-standing abuse of public funds.

Sound principles of government have been repeatedly violated over a period of years by allowing a private commercial organization such as the Farm Bureau to use a Government office for its special benefit. It is high time that this practice be ended before it undermines clean government in the public interest in other agencies.

Many instances have come to our attention of the unhealthy influence upon the conduct of the county agent's office created by this extraordinary favoritism. There are cases of small farmers who have been refused advice and assistance from the county agent unless they would join the Farm Bureau. In other cases the county agent is permitted to use his car (paid by the Farm Bureau) only to call upon Farm Bureau members. The very farmers who need the county agent the most are thereby denied his assistance. This is a thoroughly un-American practice and should be stopped.

Congress is permitting a political machine to be built with taxpayers' money at present. This is a dangerous threat to a truly representative form of government. We hope you will use your influence to end the domination of one of our valuable Government agencies by a private organization.

Sincerely,

FLORENCE R. WYCKOFF.

NATIONAL CONFERENCE
OF CATHOLIC CHARITIES,
Washington, D. C., May 7, 1945.

DEAR CONGRESSMAN: I have noted the Wickersham amendment to House Resolution 1690 which provides additional funds for the Extension Service of the Department of Agriculture. On behalf of the National Catholic Rural Life Conference, I want to say that the conference favors the Wickersham amendment to H. R. 1690.

The Congress by appropriate legislation has prohibited persons employed by Federal agencies from engaging in lobbying on behalf of their own specific programs. On the other hand, it is a well-known fact that State agencies, supported in large measure by Federal funds, have been actively engaged in lobbying in behalf of their own programs. Sometimes their representatives come to Washington and remain for weeks actively engaged in lobbying. Their expenses are paid by funds appropriated by the Congress.

It is very discouraging at times for those who are interested in great social movements to see Federal funds used to oppose these movements. The Wickersham amendment opens up a vital question the solution of which is most important for the maintenance of our democratic institutions. Nobody who is interested in the Extension Service can have any objection to the resolution. Surely the Service cannot sanction the use of Federal funds to promote the programs of private organizations.

I am sure the Wickersham amendment will have the support of all who are interested in promoting a rural economy that is in harmony with the American way of life.

Very sincerely yours,
Rt. Rev. Msgr. JOHN O'GRADY,
Secretary.

Mr. Goss, president of the National Grange, recently said:

We deplore the fact that in some States the Agriculture Extension Service is giving preference to certain farmers and farm organizations, and we urge the land-grant colleges and the Extension Service to take steps to correct this situation, so that the Extension Service shall be free to serve all alike and so that it shall be maintained entirely by public funds. (From the National Grange annual convention held in Winston-Salem, N. C., November 1944.)

Mr. Patton, president of the National Farmers Union, recently said:

We know, and we have repeatedly stated, that many—most, in fact—of the employees of Extension are innocent of any improper activity whatsoever; that others abhor the chores assigned to them or undertaken by others in the Service; that they hope for the day that Extension everywhere will be free to devote all its energy to its chartered field. I know that is true.

I shall later quote from the statement of the Secretary of Agriculture to the same effect. The rules of the Extension Service specifically state that these funds should not be used for such purposes.

The Wickersham amendment to S. 383 or H. R. 1690 will end a misuse of public funds that is a serious threat to democracy. The amendment would prohibit the use of funds appropriated by Congress to the Extension Service for the promotion of the activities of any private organization.

The present situation is that in about half of the States certain private organizations cause county agents, paid at public expense, to call meetings, to send out private organization material under Government frank, to solicit members, or otherwise to assist its growth and activity. It is able to do this because any county agent who does not perform as it wishes risks his job, and because it is politically powerful. If that organization were forced to operate as do other farm organizations, solely out of its own funds, then it would not have this power. By failing to end this practice, therefore, Congress is helping to build a machine that can be turned against Congress itself.

S. 383 and H. R. 1690 are identical bills. They would provide additional funds for the Extension Service, $4,500,000 next year and $4,000,000 additional in each of the succeeding years, until the total has reached $12,500,000 annually. The Extension Service should have the added money. Where it is permitted to perform its true work of education and information, it is invaluable to farmers, and in many instances it is sadly understaffed.

But it should be freed from domination by a private organization.

And I might say this: Many of the Members know of the recent criticism of a mighty fine organization a few weeks ago, the Commodity Credit Corporation. Three men on the inside were charged with using inside information to book futures and making literally thousands of dollars through the information and knowledge they had gleaned from their jobs.

The amendment I have sent to the desk is designed to insure the move effective operation not only of the pending bill but of past acts of Congress relating to the Extension Service.

What the amendment does is simply to require the expenditure of the funds authorized in accordance "with the purposes of this act or of any of the acts" previously adopted by Congress relating to the Extension Service.

The amendment seeks also to assure economy of operation, in that it would prevent the waste of public funds by their diversion to other uses. In this way, it would make sure that the taxpayers of the United States get a dollar's worth of Extension work for each dollar appropriated.

The amendment also is aimed at enabling the Extension Service to perform its true function, that of education, to the exclusion, as nearly as possible, of the varied activities it has been called upon to assume in late years.

Mr. Chairman, Mr. Wickard speaking at Chicago some weeks ago said this:

We must see that our Extension people are free to bring accurate and complete information to all the farm people.

Such freedom means Extension workers must not be subject to any pressure which will interfere with their presentation of all of the facts, and nothing but the facts. It means the Extension Service must not be used as a sales, or promotional agent for any particular commercial, political, or farm organization.

There are many instances, Mr. Chairman, where the bureau has used these agencies to its own advantage.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. As a member of the Farm Bureau for a number of years I would like to have the gentleman tell the House exactly what is behind this particular amendment.

Mr. WICKERSHAM. As a member of the Farm Bureau myself, I will tell you.

Here is a letter written to an individual in Iowa reading as follows:

Mr. P ————,
Paton, Iowa.

DEAR ————: Persons who ordered fertilizer through the Farm Bureau Office and who were Farm Bureau members were allowed a dividend which was deducted from the price of the fertilizer. On Tuesday, March 31, when your men picked up your fertilizer and I filled in the check for the amount, I noted that you were not a Farm Bureau member, the dues for which are $10 per year. By your not being a member, it was impossible to allow you the dividend of $12.99.

If you care to become a Farm Bureau member and pay your $10 membership dues, the county Farm Bureau will still be in a position to send you the $12.99 dividend; or in other words your fertilizer would only cost you $107.07 rather than the $120.06.

This is only one of many things which Farm Bureau members have an advantage in. If you are interested in this, we will be looking forward to a reply from you.

Yours very truly,
LESTER W. JUSTICE,
County Agricultural Agent.

That letter is signed by Lester W. Justice, county agricultural agent, paid for with your money.

Mr. Chairman, I have nothing against the Farm Bureau. Mr. Ed. O'Neal is a fine fellow. The Extension Service in my State operates in a wonderful manner and it is doing a splendid job. I am a member of the Farm Bureau and I am also a member of the Farmers' Union, but regardless of what organization it is, whether public or private, when it starts using public funds for private gain in connection with its own promotion, it is not in your interest, and the city folks who are helping us will not vote for our bills.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. I ask this question simply for information, without criticizing the gentleman's amendment: I wonder if the words "farm organization" might be construed to mean any member of the National Grange or subordinate Grange that happened to be in the district?

Mr. WICKERSHAM. It would prevent any of us from using Government funds for our own private gain. This amendment would prohibit the use of these funds to pay the salary of any Extension Service employee, who during the preceding year acted as organizer or promoter for any private organization. Please bear in mind my amendment does not become effective for 2 years. It does not penalize anyone who might have worked during the past year, but it puts him on notice so that he can get ready next year.

I have talked with members of the Extension Service and although they cannot publicly admit it they think my amendment should be adopted in the interest of the people who are supposed to benefit by this legislation. Toward the $37,000,000 fund the Farm Bureau contributed $1,164,379.30 or only 3 cents out of a dollar.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. FLANNAGAN. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I do not know what is behind this amendment but I do want the membership of the House to know the facts. We held hearings on this bill for 9 or 10 days. Most of the farm organizations appeared in support of the legislation. No one appeared in opposition. If these practices have been going on that the gentleman from Oklahoma complains of, he, being a member of that committee, should have brought the charges to the attention of the committee so they could have been investigated.

As I say, we had completed the hearings. We had gone into executive session and had gotten to the last paragraph in the bill when the gentleman from Oklahoma offered the amendment. I do not charge the gentleman from Oklahoma with not acting in good faith, but it is peculiar that a member of the committee in possession of this information that he now claims to be in possession of would remain silent during the hearings, during the executive session, and wait until the ninth hour and then offer the amendment which was unanimously voted down.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. The gentleman does not mean to say that it was unanimously voted down, does he?

Mr. FLANNAGAN. I do not remember any Member except the gentleman from Oklahoma voting for the amendment. Perhaps I am mistaken.

Mr. WICKERSHAM. There were four Members who voted for it.

Mr. FLANNAGAN. If that is true, I know nothing about it. Probably they did. But I know this, that if these charges are true and if there is any foundation for them, they should be investigated. We cannot investigate them here in the Committee of the Whole. We cannot afford to take favorable action here on this amendment.

This amendment is directed at the American Farm Bureau. I do not have to stand here and defend that great farm organization. It needs no defense. Its record speaks for itself. I do not know why these charges have been made against the Farm Bureau. I do know, however, the gentleman from Michigan [Mr. HOOK], on May 10, made a speech here in the House in which he brought certain charges against the Farm Bureau. If the charges are true, a bill should be introduced that will have for its object the correction of the abuses. I know the Committee on Agriculture will give such a bill a fair and an impartial hearing.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield.

Mr. FLANNAGAN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The point that I would like to bring to the attention of the House in connection with this amendment is the fact that our Extension Service has done marvelous things for the farm boys and girls in the past 20 to 25 years, and why bring in this amendment that might disrupt the entire proceedings?

Mr. FLANNAGAN. I agree with the gentleman.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Colorado.

Mr. HILL. I am sure the gentleman knows that as regards boys' and girls' extension work, organizations such as the Holstein-Friesian, Duroc-Jersey folks, and other cattle and poultry organizations have always given premiums or prizes to the boys engaged in this enterprise, as well as to the girls for their canning activities. Under this amendment our good friend Mr. Wilson, who was referred to a moment ago, could not give a dime to the boys and girls engaged in this sort of work, and if the county agent found out, he would be fired at the next board meeting, according to the amendment.

Mr. FLANNAGAN. May I say to the gentleman from Colorado that the original Smith-Lever bill provided that farm organizations could make contributions to the fund that the State had to match. Here is the language of the matching provision:

No payment out of the additional appropriations herein provided shall be made in any year to any State until an equal sum has been appropriated for that year by the legislature of such State, or provided by State, county, college, local authority, or individual contributions made within the State for the maintenance of the cooperative agricultural extension work.

Mr. MURRAY of Wisconsin. Mr. Chairman, I offer a substitute for the Wickersham amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. MURRAY of Wisconsin to the amendment offered by Mr. WICKERSHAM: "None of the funds authorized by this act shall be expended except in cooperation with a unit of Government."

Mr. MURRAY of Wisconsin. Mr. Chairman, I regret very much that the discussions of Wickersham amendment have reached the state that they now have, or I might not even have introduced this substitute.

This is nothing new. There is nothing in the issue that anyone should not have known for the last many years. A couple of years ago I talked about it with the distinguished chairman of the Subcommittee on Agricultural Appropriations, the gentleman from Georgia [Mr. TARVER]. I called his attention to the fact that it would be very unwise to make any change during the war.

This is one of the few times I have spoken that I could not go south of the Mason and Dixon's line, because it happens that nearly all this matching money comes from four northern States—Illinois, Iowa, New York, and Kansas. They use over $1,000,000 of this $1,164,000. The thing that is involved is the principle. The principle is, Should we as a Congress appropriate money to match funds with any group? It is not any indictment of the Farm Bureau, the

way I look at it. But I ask you, if someone brought in an appropriation for $1,000,000 to go to the C. I. O. or the A. F. of L. or the National Manufacturers' Association or the United States Chamber of Commerce, we might stir up considerable opposition.

I do say that it would be unwise for us at this hour, during this war, to disturb the cooperation in these four leading agricultural States. We have done enough things to them already. They have made enough of a flop out of our meat situation. When we realize that Illinois and Iowa produce one-third of the pork of this Nation, I know I for one do not want to do anything that will disrupt the relationships that exist in the counties in Iowa, Illinois, New York, and Kansas at this particular time. However, I do believe that as a future policy we should not continue to match funds with private organizations and that we should match them only with a unit of government. The Farm Bureau is only one of many units with whom funds are matched. The Farm Bureau matches the most money, but there are several of them. My remarks are not confined to the Farm Bureau in any way.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. I think the gentleman does not want to leave the implication that at least I understood from the first part of his statement, to the effect that we were appropriating money and turning it over to the Farm Bureau for some use other than Extension use.

Mr. MURRAY of Wisconsin. No.

Mr. RIZLEY. My understanding of the matter is that instead of our appropriating money and turning it over to the Farm Bureau, the Farm Bureau raises funds and turns them over to the Extension Service. Am I right in that?

Mr. MURRAY of Wisconsin. The gentleman is correct. For example, in the State of Illinois, according to the official table, the Illinois Farm Bureau contributed $425,000 out of the total of $1,164,000 contributed last year.

Mr. RIZLEY. Then instead of our turning money over to the Farm Bureau in Illinois, that Farm Bureau is turning money over to the Extension Service and thus extending the work to the extent of the increased amount they contribute.

Mr. MURRAY of Wisconsin. The Farm Bureau as an institution matches Federal money, instead of having the units of government in Illinois, as they do in most States. In these States, some nine States, the Farm Bureau matches the Federal funds. That is a policy which cannot be justified, in my humble opinion, because what are we going to do if we had the A. F. of L., the C. I. O., or the National Association of Manufacturers, or any other group, ask us to give them a chance to match funds of the Federal Government.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. AUGUST H. ANDRESEN. Is it not a fact that the Farm Bureau is just a vehicle to raise the money which they collect from a good many businessmen in the communities in the various States and that it might be the Presbyterian Church would do the same thing or the Methodist Church or some other organization?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. MURRAY of Wisconsin. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. AUGUST H. ANDRESEN. Would the gentleman answer my inquiry? Because the Farm Bureau is a vehicle to gather this money, that is no sign it is not proper to do that.

Mr. MURRAY of Wisconsin. No; I tried to state that there are several groups with whom the Federal Government is matching funds. The present law permits it. I am not questioning the legality of this matching of funds, I am questioning the wisdom of so doing. There is one dairy organization I know of in the South. There are several organizations. I am not picking out the Farm Bureau. I am just trying to point to the principle involved.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the distinguished ranking minority member of the Committee on Agriculture.

Mr. HOPE. Assuming there is some situation which should be investigated, does not the gentleman think that this is rather a poor time for the House to pass on the matter? Does not the gentleman think it would be better to postpone the consideration of it until the Committee on Agriculture can look into it?

Mr. MURRAY of Wisconsin. I think as far as what is already in operation is concerned, that is true, I will say to my colleague. But for the additional funds, I do not think we have any justification to go down the road still further and appropriate any additional funds to match with any organization regardless of who it is, except a unit of government.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HARE. Mr. Chairman, I ask unanimous consent that the gentleman have 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. HARE. The gentleman is raising a very interesting question. I gather from the statement of the gentleman, heretofore the Congress has been appropriating money to be matched by individuals or individual organizations to promote the interest of agriculture. The object of his amendment is to prevent this in the future.

Mr. MURRAY of Wisconsin. The object of my amendment is to prevent these additional funds being used for that purpose, not the funds of the past, but the additional funds, the $12,500,000. None of that should be matched with private funds.

Mr. HARE. It should be matched only with some unit of Government?

Mr. MURRAY of Wisconsin. Yes; with a unit of Government, that is all.

Mr. HARE. Whether it be a municipality, county, or State?

Mr. MURRAY of Wisconsin. It would be pretty apt to be a State and possibly a county; yes, sir.

Mr. HARE. And not a group of organized individuals?

Mr. MURRAY of Wisconsin. That is right.

Mr. HARE. I think that is a very valuable observation, because I do not know where we would get if we were to continue such a policy indefinitely because there are many desirable things in this country, not only in agriculture, but in business, and as the gentleman from Minnesota suggested, in religion and in society. We might place ourselves under obligation to assist these various groups in a matching process. The sky would be the limit. I think the amendment is worthy at least of discussion.

Mr. MURRAY of Wisconsin. I thank the gentleman.

I yield to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Has the gentleman any evidence to prove because of the fact that the Farm Bureau or the Farmers Union or any other type of agricultural county organization of any kind paid some money into a fund to assist in hiring a county agent it desired to direct the program?

Mr. MURRAY of Wisconsin. No; I have not said so, I will say to the gentleman from Colorado, nor did I make that approach. I made the approach purely on the basis of public policy as to whether it is a good policy for our Government to match funds with private organizations or whether we should match funds with units of Government. That is the point I have tried to make.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. VOORHIS of California. I believe the gentleman is quite correct in the principle he has enunciated. I think also the gentleman's approach to this problem is the right approach. I do not understand there is any opprobrium involved in the discussion of this question but only a matter of public policy.

Mr. MURRAY of Wisconsin. The gentleman from California is correct. I thank the gentleman. His contribution is appreciated.

The official letter and table used in the hearings on this bill are as follows:

Sources of funds allotted for cooperative extension work in States, Alaska, Hawaii, and Puerto Rico for the fiscal year ending June 30, 1945

States	Grand total	Total Federal funds	Total within the States	Funds from Federal sources					Funds from within the States		
				U. S. Department of Agriculture		Smith-Lever and Bankhead-Jones	Capper-Ketcham	Additional cooperative	State and college	County	Farmers' organizations, etc.
				Clarke-McNary	Norris-Doxey						
Connecticut	$345,097.95	$133,539.95	$211,558.00	$1,620		$107,119.99	$24,799.96		$127,868.00	$53,000.00	[1] $30,690.00
Delaware	93,598.21	76,723.21	16,875.00			55,616.39	21,106.82		16,375.00	500.00	
Maine	268,650.82	159,279.75	109,371.07	1,620	$1,620	129,431.86	24,391.36	$2,216.53	66,911.07	42,460.00	
Maryland	434,697.34	199,372.21	235,325.13		1,620	171,298.96	26,453.25		132,792.13	102,533.00	
Massachusetts	551,831.26	141,234.87	410,596.39	1,620		115,632.22	23,982.65		138,631.00	271,965.39	
New Hampshire	246,472.27	94,807.48	151,664.79	1,620		70,238.64	21,814.30	1,134.54	82,272.24	69,392.55	
New Jersey	519,626.05	172,649.37	346,976.68	1,620		136,209.13	26,666.64	8,153.60	119,188.76	224,537.92	3,250.00
New York	2,099,814.13	501,467.40	1,598,346.73	1,620	1,620	458,078.79	40,148.61		576,613.58	737,737.96	[1] 283,995.19
Pennsylvania	1,125,207.00	646,045.80	479,161.20	1,260		595,926.62	48,859.18		354,161.20	125,000.00	
Rhode Island	88,691.25	61,034.47	27,656.78			40,512.19	20,522.28		10,000.00	13,625.00	[1] 4,031.78
Vermont	231,857.56	114,300.91	117,556.65	1,620		85,171.59	22,055.51	5,453.81	68,925.65	40,700.00	[1] 7,931.00
West Virginia	616,890.89	352,819.29	264,071.60		1,620	319,286.65	31,912.64		191,575.00	67,756.60	[1] 4,740.00
Total	6,622,434.73	2,653,274.71	3,969,160.02	12,600	6,480	2,284,523.03	332,713.20	16,958.48	1,885,313.63	1,749,208.42	334,637.97
Alabama	1,387,256.12	698,256.12	689,000.00	1,620	1,620	654,071.94	37,220.03	3,724.15	339,000.00	350,000.00	
Arkansas	932,384.30	580,330.30	352,054.00		1,620	538,543.78	33,217.36	6,949.16	265,000.00	87,054.00	
Florida	525,648.54	229,683.54	305,965.00	1,620		200,645.82	27,417.72		140,465.00	165,500.00	
Georgia	1,187,422.45	735,638.45	451,784.00	1,620	1,620	668,110.80	37,854.95	26,432.70	150,240.00	300,044.00	1,500.00
Kentucky	952,539.49	664,989.49	287,550.00	1,620		625,981.53	37,387.96		170,500.00	117,050.00	
Louisiana	1,050,394.20	469,518.20	580,876.00	1,620		435,848.30	32,049.90		451,422.54	125,753.46	3,700.00
Mississippi	1,156,425.66	696,324.66	460,101.00	1,620		659,454.04	35,250.62		147,326.00	305,855.00	6,920.00
North Carolina	1,409,389.93	856,411.23	552,978.70	1,620		812,167.22	42,624.01		231,032.00	321,946.70	
Oklahoma	938,128.71	554,221.71	383,907.00		1,620	468,568.12	32,688.61	51,344.98	251,200.00	132,707.00	
South Carolina	751,530.24	500,037.33	251,492.91	1,620	1,620	461,957.51	32,487.60	2,352.22	206,500.00	44,392.91	600.00
Tennessee	1,035,977.85	661,564.55	374,413.30	1,620		623,494.36	36,450.19		200,000.00	172,613.30	1,800.00
Texas	2,191,238.53	1,191,069.93	1,000,168.60	1,620		1,056,695.90	50,515.24	82,238.79	365,118.00	631,565.60	3,485.00
Virginia	1,189,044.48	546,823.93	642,220.55	1,620	1,620	508,488.49	35,095.44		440,720.55	200,505.00	995.00
Total	14,717,380.50	8,384,869.44	6,332,511.06	17,820	9,720	7,714,027.81	470,259.63	173,042.00	3,358,524.09	2,954,986.97	19,000.00
Illinois	1,240,904.13	583,329.13	657,575.00	1,620	1,620	531,169.12	38,183.11	10,736.90	225,575.00	7,000.00	[1] 425,000.00
Indiana	1,051,456.67	468,615.67	582,841.00	1,620		433,581.40	33,414.27		305,050.00	275,891.00	1,900.00
Iowa	1,431,319.41	532,440.72	898,878.69	1,620	1,620	468,515.29	32,664.80	28,020.63	288,165.93	318,912.76	[1] 291,800.00
Kansas	1,034,724.36	403,995.43	630,728.93		1,620	323,026.48	29,120.22	50,228.73	164,680.00	360,857.60	[1] 105,191.33
Michigan	1,020,680.36	510,765.36	509,915.00	1,620	1,620	471,836.40	35,688.96		315,200.00	194,625.00	
Minnesota	832,148.21	494,436.21	337,712.00	1,620	1,620	458,982.90	32,213.31		145,712.00	181,000.00	[2] 11,000.00
Missouri	982,750.45	604,111.45	378,639.00		1,620	564,917.54	35,886.93	1,686.98	165,639.00	213,000.00	
Nebraska	641,115.14	344,778.14	296,337.00	1,620		266,393.57	26,982.76	49,781.81	117,500.00	174,437.00	4,400.00
North Dakota	408,747.65	249,102.60	159,645.05	1,620		184,334.82	24,442.25	38,705.53	37,491.05	122,154.00	
Ohio	1,123,485.46	627,028.46	496,457.00	1,620		585,422.06	39,986.40		232,095.00	260,962.00	3,400.00
South Dakota	381,426.22	260,808.45	120,617.77		1,620	175,125.28	24,223.30	59,839.87	63,840.00	56,777.77	
Wisconsin	941,448.86	488,791.86	452,657.00	1,620	1,620	451,633.76	32,703.17	1,214.93	148,058.00	304,599.00	
Total	11,090,206.92	5,568,203.48	5,522,003.44	14,580	12,960	4,914,938.62	385,509.48	240,215.38	2,209,095.98	2,470,216.13	842,691.33
Arizona	203,620.00	117,243.39	86,376.61			94,410.17	22,833.22		55,503.81	30,872.80	
California	1,080,980.00	453,531.62	627,448.38	1,620		414,446.82	37,464.80		356,688.38	270,760.00	
Colorado	433,909.59	212,271.59	221,638.00	1,260		158,977.29	24,638.47	27,395.83	97,400.00	119,738.00	4,500.00
Idaho	264,807.71	155,807.71	109,000.00	1,620		127,709.65	23,032.55	3,445.51	40,000.00	69,000.00	
Montana	411,722.00	174,670.66	237,051.34	1,260		118,162.50	23,030.42	32,217.74	69,950.00	167,101.34	
Nevada	149,570.51	74,231.85	75,338.66		1,200	40,493.58	20,583.19	11,955.08	43,338.66	32,000.00	
New Mexico	371,660.64	142,619.52	229,041.12			119,523.81	23,095.71		92,721.12	136,320.00	
Oregon	696,123.80	189,396.87	506,726.93	1,620		162,916.56	24,860.31		330,427.93	176,299.00	
Utah	239,690.00	122,130.24	117,568.76	1,260		85,130.44	22,132.38	13,607.42	71,229.76	46,339.00	
Washington	553,547.59	239,310.33	314,237.26	1,620		210,598.38	27,091.95		108,349.00	205,888.26	
Wyoming	227,781.47	109,642.21	118,139.26	1,260		67,441.38	21,368.92	19,571.91	66,550.76	51,588.50	
Total	4,633,422.31	1,990,855.99	2,642,566.32	11,520	1,200	1,599,810.58	270,131.92	108,193.49	1,332,159.42	1,305,906.90	4,500.00
Alaska	34,050.00	23,950.00	10,100.00			13,950.00	10,000.00		10,100.00		
Hawaii	284,614.49	127,331.25	157,283.24		1,260	88,094.83	21,385.77	16,590.65	157,283.24		
Puerto Rico	450,735.19	244,935.19	205,800.00	1,620		243,315.19			205,800.00		
Unallotted	3,420.00	3,420.00		340	3,080						
Grand total	37,836,264.14	18,996,840.06	18,839,424.08	58,480	34,700	16,858,660.06	1,490,000.00	555,000.00	9,158,276.36	8,480,318.42	[2] 1,200,829.30

[1] Farm Bureau.
[2] Includes $1,164,379.30 from Farm Bureau.

UNITED STATES DEPARTMENT
OF AGRICULTURE,
EXTENSION SERVICE,
Washington, D. C., April 28, 1945.

Hon. REID F. MURRAY,
House of Representatives.

DEAR MR. MURRAY: Complying with your request, I am sending you herewith a statement showing the sources of funds allotted for cooperative extension work in each State, Alaska, Hawaii, and Puerto Rico for the current fiscal year. We have indicated in the last column of the statement the nine States which use farm bureau funds totaling $1,164,379.30 to help maintain the work.

If you need additional information along this line, please let me know.

Sincerely,

W. H. CONWAY,
Assistant Director.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. HOPE. Mr. Chairman, I rise in opposition to the amendment.

As has already been stated by the distinguished chairman of the committee, this question, which could very well have been brought up when this bill was before the committee and which certainly should have been brought up at that time if there was any thought that something should be done about the matter now, was not brought up and was not considered in the committee until just as the committee was ready to report the bill. No evidence was submitted at that time or at any other time. The committee obviously was not in a position, as far as knowledge of the matter was concerned, to do anything about it. The Committee of the Whole now is not in possession of any information which would justify it, in my opinion, in taking any action upon the matter.

I have always felt it was a desirable thing to have local farm organizations take enough interest in this program to make some contribution. In Kansas, as the gentleman from Wisconsin [Mr. MURRAY] just said, the local farm-bureau organizations, some of which are and some of which are not affiliated with the National Farm Bureau Federation, contribute a part of the cost of this work. In the beginning of the extension-work program, after the passage of the Smith-Lever Act, there was an effort made on the part of the Extension Service of the Department of Agriculture to get the local farm organizations to contribute to the work and to take part in it. That was before the American Farm Bureau

Federation organized. Some of the local farm-bureau organizations later became a part of that organization. I do not think it is any secret at all to say that the reason this amendment is here today is because there are differences of opinion among the farm organizations about this matter. There are some farm organizations which feel that the American Farm Bureau Federation has some advantage in this situation because in some States, such as my own, the local farm-bureau organization, the county organization, contributes something to this program. I know nothing about the matter as it operates in any other State, but I can say I have observed it in my own State and in my own county and I have no reason to believe that the fact that local farm-bureau organizations contribute to the program has had any effect in the least upon the program or has given the farm-bureau organizations any preferential position as far as the extension service programs are concerned. I know nothing about what has happened in other States. I have made no investigation of the matter. I do not want to support this amendment without knowing more about the matter than I do now. I do not believe any member of this committee has had an opportunity to secure sufficient information to enable him to vote intelligently on this question. If there are those who favor either the amendment of the gentleman from Wisconsin [Mr. MURRAY], or the amendment offered by the gentleman from Oklahoma [Mr. WICKERSHAM], who think the matter should be investigated further, I am sure if they will bring the matter up in the Committee on Agriculture, the chairman of the committee will give them time to go into the matter. I think, however, that is the way the matter should be handled.

I hope the amendment will be voted down and that the matter may be taken up, if it is of the importance which the gentlemen say it is, in the Committee on Agriculture.

Mr. MURRAY of Wisconsin. Will the gentleman yield?

Mr. HOPE. I yield.

Mr. MURRAY of Wisconsin. I just want to correct the gentleman from Kansas because I do not want it to appear in the RECORD that there is anything sinister in this as far as I am concerned. I was sufficiently interested to appear before the subcommittee of the Committee on Appropriations, and since that time I have discussed it with out colleague the gentleman from George [Mr. TARVER]. I am very much surprised to know that the members of the Committee on Agriculture did not know long before I same here, exactly what was taking place.

Mr. HOPE. I will say in reply to the gentleman that I certainly did not want to give the impression there was anything sinister about the way it was handled.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HOPE. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. I know the gentleman from Wisconsin has mentioned the matter in the committee, but there has been no hearing had in the committee. No evidence has been offered at any time. The Committee on Agriculture and this committee, unless the members have gotten information privately, is without any information on this question.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. If the statements I have here are proven to be true then the gentleman would not favor this type of practice, would he?

Mr. HOPE. I do not know just what the gentleman expects to prove. I will be glad to consider anything he may offer.

Mr. WICKERSHAM. The gentleman would not favor the use of any Federal funds for the private gain of any individual or private organization, would he?

Mr. HOPE. Certainly not. I do not believe any member of this committee would favor that sort of thing.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. PITTENGER. If the gentleman will yield for an observation, I have been here, and most of us have been here all afternoon in order to vote on an appropriation that will do something for the 4-H Clubs. I think we had better vote down these amendments and go ahead and proceed to business.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I wish simply to pose a question to the gentleman from Oklahoma for further information. I asked the gentleman a question a while ago but I am afraid he misunderstood it. I want to know if the gentleman considers that his amendment would eliminate a member of a subordinate Grange from participation in these funds?

Mr. WICKERSHAM. It would not eliminate any group or individual from contributing to the funds.

Mr. EDWIN ARTHUR HALL. No; I mean from accepting a job in this extension work or in participation in the work.

Mr. WICKERSHAM. It would not only prohibit those who are on the pay roll who have during the past fiscal year acted as promotor or organizer for any of these organizations.

Mr. EDWIN ARTHUR HALL. The gentleman realizes, of course the importance of the Grance—I do not know how the granges are in his district or whether he has many members, but there are 42 subordinate granges in the 3 counties I represent. They make up the backlog of the farmers throughout my district, and they are spread throughout the State of New York. If such an amendment were to operate in that way it would be of grave concern to the people in my district.

Mr. WICKERSHAM. I may say to the gentleman that the Grange has endorsed my amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. H. CARL ANDERSEN. Mr. Chairman, the question propounded by the gentleman from New York simply illustrates the fact that this House should not accept either one of these amendments at this time but should let the Committee on Agriculture go into a thorough hearing of the subject.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, as I have said, the Granges throughout the country, particularly in New York State, are very extensively organized. The farmers in practically every small town, in every rural section in the States, are members of the Grange. It is definitely loked upon as a farm organization, and many of the folks consider it a farm fraternity where they go twice a month and exchange their views. They know a lot about agriculture and some of the leading questions, and I think it would be disastrous if any curb were put upon their participation.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. AUGUST H. ANDRESEN. As I read the amendment it appears to me that any man who is a member of the National Grange, who might be on the pay roll, would have to sever his connection with the National Grange or any other organization; otherwise the Federal funds would not be forthcoming.

Mr. EDWIN ARTHUR HALL. That is what I gathered, but I was simply trying to get the information more definitely.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FLANNAGAN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I have listened with great interest to the discussion with reference to this particular piece of legislation because I am exceedingly interested in the Extension Service and the 4-H Clubs; but my interest in the Extension Service and the 4-H Clubs does not permit me to become so exuberant and so enthusiastic that I do not want to have full knowledge and information as to the amendment offered by the gentleman from Oklahoma [Mr. WICKERSHAM]. As is so often exemplified on the floor of the House and in the Committee of the Whole House, we have a good illustration this afternoon of an amendment being offered which has provoked

confusion in the minds of the Members who are prepared and willing to vote for authorization of funds necessary to extend the work of the Extension Service and to extend the work of the 4–H Clubs.

I confess I do not quite understand this amendment. Certain charges have been made to the effect it appears that certain representatives of the Farm Bureau, a great farm organization, have utilized Federal funds provided under the Smith-Lever Act in order to obtain benefits for their own organization that are denied to other similar or business organizations. That is the purport of the charge we find leveled at the Farm Bureau by the gentleman's amendment.

Going back to the original act itself, we find that the Congress provided that agricultural, commercial, or business organizations may make contributions to the Extension Service which would form the basis of matching by the Federal Government. In other words, if the Farm Bureau Federation in my State observed that the State and county units of government were not appropriating the money to match Federal funds, they could go out on a solicitation campaign as could the chambers of commerce or any one else, and raise money to be used to match the Federal funds that would aid in the prosecution of the Extension Service. That is in the law.

Now, what I cannot understand is why and how does the Farm Bureau Federation obtain any benefits peculiar to it because they have patriotically gone out in certain States and raised the money to pay into the Treasury in order that Federal funds might be available as a matching fund in order to extend the work of the Extension Service? I am in a state of confusion mentally as a result of the amendment offered by the gentleman from Oklahoma [Mr. WICKERSHAM]. It is not clear to me, and I do not think it is clear to very many Members. What he is seeking to do is to say if I were a member of the Farm Bureau and went out and solicited funds so that those funds might be turned into the Federal Government for matching purposes, and if perchance I was appointed a farm agent or representative under any of these programs, I could not draw any pay from the Federal Government.

Mr. Chairman, I have read the gentleman's amendment three times and if it does not mean that, it does not mean anything. On a matter submitted to the Committee of the Whole at this late hour, it seems to me that we should have trust and confidence in the committee that has charge of the legislation pertaining to agriculture and reject the amendment offered by the gentleman from Oklahoma. I can well understand that the substitute offered by my colleague the gentleman from Wisconsin [Mr. MURRAY] is intended to deal with a matter which I believe the Agricultural Committee should give immediate study to. I am inclined to agree with him that Federal funds should only be used to match funds raised by units of government. It may well be that the provision found in the original Smith-Lever Act, which permits private sources to provide matching funds, should now be reexamined by the Congress. I trust that the Committee on Agriculture will give consideration to the suggestion of the gentleman from Wisconsin [Mr. MURRAY] and conduct hearings which may disclose the necessity for legislation in harmony with the spirit of his substitute.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The question is on the substitute offered by the gentleman from Wisconsin [Mr. MURRAY] for the amendment offered by the gentleman from Oklahoma [Mr. WICKERSHAM].

The substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Oklahoma [Mr. WICKERSHAM].

The amendment was rejected.

Mr. BARRETT of Wyoming. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARRETT of Wyoming: Page 4, line 8, after the semicolon, insert the following: "*Provided, however,* That each of the several States shall receive no less than three-tenths of 1 percent of said remaining sum so appropriated upon proof of need thereof satisfactory to the Secretary of Agriculture."

Mr. BARRETT of Wyoming. Mr. Chairman, I am very much in favor of this legislation. I think this is money well spent. However, I am compelled to disagree with the amendment which the committee wrote into the bill providing that not to exceed 5 percent of the $500,000, shall be allocated to any one State by the Secretary of Agriculture on the basis of special needs due to population characteristics, area in relation to farm population, or other special problems as determined by the Secretary. I am hopeful that in conference that provision will be eliminated or at least the amount that the Secretary might allocate in his discretion will be raised from 5 to 10 percent.

Mr. Chairman, as I see it, this bill is not fair and equitable to States like my own where the rural population is low. The expenses of administration are much higher in States like Wyoming where some sections of the county are 100 miles from the county agent's office. Under the present program, Wyoming spends $227,781.47 on extension work. Of this amount $109,642.21 are Federal funds and $118,139.26 are funds raised within the State. Three of our 23 counties do not have county agents. Fremont and Goshen Counties, being 2 of our largest agricultural counties, are without the services of assistant county agents, 4–H Club agents or assistant county home demonstration agents. Fifteen of our counties have no home demonstration agent to work with women and girls. A supervisor of county extension agents is needed, two subject-matter specialists are needed to assist the county agents and train them in the latest results of research carried on by the University of Wyoming and the United States Department of Agriculture. Now in order to render that service to the people of my State, we will need a total of $96,000 additional funds which can be itemized as follows:

Wyoming:	
3 county agents	$9,000
15 county home-demonstration agents	39,000
2 assistant county agents or 4–H Club agents	4,800
2 assistant home-demonstration agents or 4–H Club agents	3,800
1 supervisor	3,600
2 subject-matter specialists	6,600
2 clerk-stenographers	3,000
Total salaries	70,800
Travel expenses	16,200
Salary adjustment, training and other	9,000
Total	96,000

Under the provisions of this bill, Wyoming would get $27,919.61 out of the $11,750,000 to be allocated to the States. My amendment provides that the least amount that any one State could get out of the $11,750,000 appropriation after 3 years would be $35,190. If such a floor is placed under this appropriation, then my State could match this $35,190 and if we received the limit of $25,000 on the $500,000 appropriation, we could carry on our extension program reasonably well. I think that this floor putting a minimum which each State must receive from this appropriation is fair and equitable, and I am sure that the committee feels that in States like mine where the rural population is low and consequently the costs of administration high, that some provision should be made to overcome that situation.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Kansas.

Mr. HOPE. I wish to compliment the gentleman upon the fine statement he made before the committee and which he is making now on behalf of the State of Wyoming. I have had this feeling, however—being convinced, of course, by the gentleman's effective statement—that we do have a difficult situation. I still feel that this $500,000 fund, some of which undoubtedly will go to the gentleman's State, should take care of the situation. Does not the gentleman think that he will be able to get enough out of that fund to take care of his situation?

Mr. BARRETT of Wyoming. May I say to the gentleman from Kansas that I took the matter up with the people in my State, and they have advised me that Wyoming would hardly be able to extend this program as it should be with the limitation of not more 5 percent of the $500,000 fund to any State. Because the committee has placed that limitation on that part of the appropriation it seems to me that it would be only fair to put a floor of $35,000 on the amount which any State could get out of the twelve million appropriation. That is all my amendment does.

Mr. HOPE. Mr. Chairman, if the gentleman will yield further, suppose that the committee in conference should

increase the limit of the amount that might go to any one State from 5 to 10 percent, would that afford the gentleman some relief?

Mr. BARRETT of Wyoming. That would help out considerably and I am pleased that my colleague, the ranking Republican Member as well as the distinguished chairman of the committee have been kind enough to suggest such action in conference.

However, I think that the distribution of the $500,000 fund should be left entirely to the discretion of the Secretary of Agriculture but most assuredly it would improve the situation greatly if the limitation were raised from 5 to 10 percent.

Mr. HOPE. That would help the situation?

Mr. BARRETT of Wyoming. That would help some, provided we got the money.

Mr. FLANNAGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from California.

Mr. PHILLIPS. I desire to offer what may be a practical solution of the problem. It is necessary to understand that the gentleman from Wyoming appeared before the Committee on Agriculture and made an excellent speech on the situation, which is a very difficult one in the State he represents. There then appeared before the committee a representative of the Extension Service, who made certain statements regarding the amount of money which Wyoming needed. Looking back, I am afraid that the gentleman's statements were inadequate. Several members of the comittee, myself included, have placed in the record statements which would make it appear that these figures were given us by the gentleman from Wyoming [Mr. BARRETT]. That has caused this difficulty.

My sugestion is that it is a difficult thing to pass upon this amendment at the moment, because it requires figuring. The gentleman from Kansas has suggested that it might be proper to raise the limit of 5 percent contained in a preceding amendment. It seems to me that perhaps the amendment offered by the gentleman from Wyoming might be adopted and taken to the committee of conference, where the bill must go necessarily, and let the committee of conference figure whether it is necessary to put a floor under it, as the gentleman says, or to raise the limitation previously placed. That would be the easiest and fairest way out of the present difficulty.

Mr. FLANNAGAN. Mr. Chairman, may I ask the gentleman from Wyoming just how much money his State needs?

Mr. BARRETT of Wyoming. According to Director Bowman of our Extension Service, we will need $96,000 additional.

Mr. FLANNAGAN. I thought it was $54,000.

Mr. BARRETT of Wyoming. No, the amount we will need is $96,000.

Mr. FLANNAGAN. Half of that would be Federal funds?

Mr. BARRETT of Wyoming. No. Under my amendment, if we got $35,000 at the end of the third year we would match that, and that would give us $70,000. We are hopeful that we will get at least $25,000 of the $500,000, which would give us $95,000.

Mr. FLANNAGAN. There are other States situated somewhat as is the State of Wyoming, but if we should adopt the gentleman's amendment we would tear the whole allocation scheme to pieces. The allocation of these funds are based upon the farm population of each State in proportion to the total population of the United States.

Mr. BARRETT of Wyoming. My amendment simply puts a floor under the amount any State could get. I talked to people who should know, and they told me it will not disturb the present formula in the least.

Mr. FLANNAGAN. I think the gentleman from Kansas made a wise suggestion. I am perfectly willing to go into it in conference. If we can solve the gentleman's problem by raising the 5-percent limitation on the $500,000 of free money, I am perfectly willing to go along, but I do think it would be unwise to adopt the amendment, because we are following the same method of allocation in this legislation that has been followed in every extension bill we have passed since the original Smith-Lever Act.

I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wyoming [Mr. BARRETT].

The amendment was rejected.

The Clerk read, as follows:

SEC. 2. Section 21 of such act of June 29, 1935, is amended by striking out "(other than appropriations under this section)" and inserting in lieu thereof "(other than appropriations under this section and section 23 of this title)."

Mr. FLANNAGAN. Mr. Chairman, I ask unanimous consent that all debate on this section conclude in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON of North Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I previously addressed the Committee this afternoon and indicated my strong support of this measure. It would seem to me a movement of this kind should in all cases be free and independent. In that respect I find myself in accord with the gentleman from Oklahoma as well as the gentleman from Wisconsin. I believe only such funds as are made available to them by the Congress of the United States matching the money from the public sources of the several States. I believe the Wickersham amendment, though proposed belatedly, presented an attempt to correct this situation, as well as the Murray amendment. I am inclined, Mr. Chairman, to suggest to the chairman of the Committee on Agriculture that he in his wisdom appoint a subcommittee of the Committee on Agriculture for the purpose of making a judicious and careful study of this involved question, the same to be completed and the report made before the next appropriation for the Extension Service as completed by the Appropriations Committee.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RANDOLPH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 1690, pursuant to House Resolution 253, directed him to report the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en grosse.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BUCK) there were ayes 95 and noes 6.

Mr. CLEVENGER. Mr. Speaker, I object to the vote on the ground that there was no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent members, and the Clerk will call the roll.

The question was taken; and there were—yeas 285, nays 14, not voting 133, as follows:

[Roll No. 80]

YEAS—285

Abernethy	Butler	Dworshak
Adams	Byrne, N. Y.	Eberharter
Allen, Ill.	Byrnes, Wis.	Elliott
Allen, La.	Camp	Ellis
Andersen, H. Carl	Canfield	Ellsworth
Anderson, Calif.	Cannon, Mo.	Engel, Mich.
Anderson, N. Mex.	Carlson	Engle, Calif.
Andresen, August H.	Carnahan	Ervin
Angell	Case, N. J.	Fenton
Arends	Case, S. Dak.	Fernandez
Arnold	Celler	Flannagan
Auchincloss	Chapman	Folger
Bailey	Chelf	Gallagher
Baldwin, Md.	Chenoweth	Gardner
Barrett, Wyo.	Chiperfield	Gary
Bates, Ky.	Church	Gathings
Beckworth	Clason	Gearhart
Bell	Clements	Geelan
Bennet, N. Y.	Coffee	Gibson
Bennett, Mo.	Cole, Kans.	Gillespie
Bishop	Cole, Mo.	Gillette
Blackney	Colmer	Gillie
Bland	Combs	Gordon
Bolton	Cooper	Gore
Bonner	Courtney	Gorski
Boykin	Cravens	Gossett
Brehm	Crawford	Graham
Brooks	Crosser	Grant, Ind.
Brown, Ga.	Cunningham	Gregory
Brown, Ohio	Curtis	Griffiths
Bryson	Daughton, Va.	Gross
Buckley	Dawson	Gwynne, Iowa
Bulwinkle	Dolliver	Hagen
Bunker	Domengeaux	Hale
Burch	Dondero	Hall,
Burgin	Doughton, N. C.	Edwin Arthur
	Doyle	Hand
	Drewry	Hare
	Durham	Harless, Ariz.

Harness, Ind.	McMillan, S. C.	Roe, Md.
Harris	McMillen, Ill.	Rogers, Fla.
Havenner	Mahon	Rooney
Hays	Maloney	Rowan
Hedrick	Manasco	Russell
Henry	Mansfield,	Ryter
Heselton	Mont.	Sadowski
Hill	Mansfield, Tex.	Sasscer
Hinshaw	Martin, Iowa	Schwabe, Mo.
Hobbs	May	Schwabe, Okla.
Hoch	Michener	Scrivner
Hoeven	Miller, Calif.	Shafer
Holmes, Wash.	Miller, Nebr.	Sheppard
Hope	Mills	Short
Howell	Monroney	Sikes
Huber	Morrison	Simpson, Ill.
Hull	Mott	Slaughter
Izac	Mundt	Smith, Maine
Jackson	Murdock	Smith, Va.
Jenkins	Murray, Tenn.	Smith, Wis.
Jensen	Murray, Wis.	Snyder
Johnson, Calif.	Neely	Spence
Johnson, Ill.	Norrell	Springer
Johnson, Ind.	O'Brien, Ill.	Starkey
Johnson,	O'Brien, Mich.	Stefan
Luther A.	O'Hara	Stevenson
Jonkman	O'Konski	Stigler
Kearney	Outland	Stockman
Kee	Peterson, Fla.	Sullivan
Keefe	Peterson, Ga.	Sumner, Ill.
Kefauver	Phillips	Taber
Kelley, Pa.	Pickett	Talle
Kerr	Pittenger	Tarver
Kilburn	Ploeser	Thom
Kilday	Plumley	Thomas, Tex.
King	Poage	Thomason
Kinzer	Price, Fla.	Tibbott
Kirwan	Price, Ill.	Tolan
Knutson	Rabaut	Traynor
Kopplemann	Rains	Trimble
LaFollette	Ramey	Voorhis, Calif.
Landis	Ramspeck	Vorys, Ohio
Lanham	Randolph	Vursell
Larcade	Rankin	Wasielewski
Latham	Reed, Ill.	Weaver
Lea	Reed, N. Y.	Welchel
LeCompte	Rees, Kans.	Welch
LeFevre	Resa	Whitten
Lesinski	Rich	Whittington
Lewis	Richards	Wickersham
Link	Riley	Winstead
Ludlow	Rivers	Wolcott
Lyle	Rizley	Wolverton, N. J.
McConnell	Robertson,	Wood
McCormack	N. Dak.	Woodruff, Mich.
McCowen	Robinson, Utah	Woodrum, Va.
McDonough	Robsion, Ky.	Zimmerman
McGehee	Rockwell	
McKenzie	Rodgers, Pa.	

NAYS—14

Buck	Goodwin	Luce
Buffett	Herter	Martin, Mass.
Clevenger	Jones	Smith, Ohio
Elston	Judd	Wigglesworth
Gamble	Kean	

NOT VOTING—133

Andrews, Ala.	Eaton	Johnson,
Andrews, N. Y.	Elsaesser	Lyndon B.
Baldwin, N. Y.	Fallon	Johnson, Okla.
Barden	Feighan	Kelly, Ill.
Barrett, Pa.	Fellows	Keogh
Barry	Fisher	Kunkel
Bates, Mass.	Flood	Lane
Beall	Fogarty	Lemke
Bender	Forand	Lynch
Biemiller	Fuller	McGlinchey
Bloom	Fulton	McGregor
Boren	Gavin	Madden
Bradley, Mich.	Gerlach	Marcantonio
Bradley, Pa.	Gifford	Mason
Brumbaugh	Granahan	Merrow
Campbell	Granger	Morgan
Cannon, Fla.	Grant, Ala.	Murphy
Clark	Green	Norton
Cochran	Gwinn, N. Y.	O'Neal
Cole, N. Y.	Hall,	O'Toole
Cooley	Leonard W.	Pace
Corbett	Halleck	Patman
Cox	Hancock	Patrick
Curley	Hart	Patterson
D'Alesandro	Hartley	Pfeifer
Davis	Healy	Philbin
De Lacy	Hébert	Powell
Delaney,	Heffernan	Powers
James J.	Hendricks	Priest
Delaney,	Hess	Quinn, N. Y.
John J.	Hoffman	Rabin
Dickstein	Holifield	Rayfiel
Dingell	Holmes, Mass.	Reece, Tenn.
Dirksen	Hook	Robertson, Va.
Douglas, Calif.	Horan	Roe, N. Y.
Douglas, Ill.	Jarman	Rogers, Mass.
Earthman	Jennings	Rogers, N. Y.
Sabath	Sundstrom	Weiss
Savage	Talbot	West
Sharp	Taylor	White
Sheridan	Thomas, N. J.	Wilson
Simpson, Pa.	Torrens	Winter
Somers, N. Y.	Towe	Wolfenden, Pa.
Sparkman	Vinson	Woodhouse
Stewart	Wadsworth	Worley
Sumners, Tex.	Walter	

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. D'Alesandro with Mr. Hess.

Mr. Keogh with Mr. Baldwin of New York.

Mr. Robertson of Virginia with Mr. Wilson.

Mr. John J. Delaney with Mr. Taylor.

Mr. Cannon of Florida with Mr. Reece of Tennessee.

Mr. Somers of New York with Mr. Mason.

Mr. Boren with Mr. Cole of New York.

Mr. Hook with Mr. McGregor.

Mr. James J. Delaney with Mr. Brumbaugh.

Mr. Andrews of Alabama with Mr. Dirksen.

Mr. O'Toole with Mr. Eaton.

Mr. Barrett of Pennsylvania with Mr. Fellows.

Mr. Marcantonio with Mr. Gifford.

Mr. McGlinchey with Mr. Fuller.

Mr. Torrens with Mr. Beall.

Mrs. Douglas of California with Mr. Fulton.

Mr. Rabin with Mr. Sundstrom.

Mr. Healy with Mr. Winter.

Mr. Pfeifer with Mr. Towe.

Mr. Madden with Mr. Wadsworth.

Mr. Roe of New York with Mr. Hoffman.

Mr. Patman with Mr. Corbett.

Mr. Heffernan with Mr. Bradley of Michigan.

Mr. Cooley with Mr. Hartley.

Mr. Rayfiel with Mr. Bender.

Mr. Dickstein with Mr. Halleck.

Mrs. Woodhouse with Mr. Thomas of New Jersey.

Mr. Powell with Mr. Jennings.

Mr. Curley with Mr. Holmes of Massachusetts.

Mr. Rogers of New York with Mr. Hancock.

Mr. Sheridan with Mr. Simpson of Pennsylvania.

Mr. Bloom with Mr. Gwinn of New York.

Mrs. Norton with Mr. Lemke.

Mr. Lynch with Mr. Kunkel.

Mr. Fisher with Mr. Powers.

Mr. Quinn of New York with Mr. Leonard W. Hall.

Mr. Stewart with Mr. Bates of Massachusetts.

Mr. Lane with Mr. Horan.

Mr. Philbin with Mr. Talbot.

Mrs. Douglas of Illinois with Mrs. Rogers of Massachusetts.

Mr. O'Neal with Mr. Andrews of New York.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 383) an act to provide for the further development of cooperative agricultural extension work.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That title II of the act entitled "An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges", approved June 29, 1935 (the Bankhead-Jones Act), is amended by adding at the end thereof the following new section:

"SEC. 23. (a) In order to further develop the cooperative extension system as inaugurated under the act entitled 'An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act of Congress, approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture', approved May 8, 1914 (U. S. C., title 7, secs. 341-343, 344-348), particularly for the further development of county extension work, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of paying the expenses of cooperative extension work in agriculture and home economics, including assistance to farm people in improving their standards of living, assistance in developing individual farm and home plans, better marketing and distribution of farm products, work with rural youth in 4-H Clubs and older out-of-school youth, guidance of farm people in improving farm and home buildings, development of effective programs in nutrition, and for the necessary printing and distribution of information in connection with the foregoing, the following sums:

"(1) $4,500,000 for the fiscal year ending June 30, 1946, and each subsequent fiscal year;

"(2) An additional $4,000,000 for the fiscal year ending 30, 1947, and each subsequent fiscal year; and

"(3) An additional $4,000,000 for the fiscal year ending June 30, 1948, and each subsequent fiscal year.

"(b) The sums appropriated pursuant to this section shall be paid to the several States and the Territory of Hawaii in the same manner and subject to the same conditions and limitations as the additional sums appropriated under such act of May 8, 1914 (the Smith-Lever Act), except that—

"(1) not more than 2 percent of the sum appropriated pursuant to this section for each fiscal year shall be available for paying expenses of the Extension Service in the United States Department of Agriculture;

"(2) $500,000 of the sum so appropriated for each fiscal year shall be allotted among the States and the Territory of Hawaii by the Secretary of Agriculture on the basis of special needs due to population characteristics, area in relation to farm population, or other special problems, as determined by such Secretary;

"(3) the remainder of the sum so appropriated for each fiscal year shall be paid to the several States and the Territory of Hawaii in the proportion that the farm population of each bears to the total farm population of the several States and Territory of Hawaii, as determined by the census of 1940; and

"(4) the several States and the Territory of Hawaii shall not be required to offset or match the funds allotted from sums appropriated pursuant to subparagraph (1) of subsection (a) of this section.

"(c) The sums appropriated pursuant to this section shall be in addition to and not in substitution for sums appropriated under such act of May 8, 1914, as amended and supplemented, or sums otherwise appropriated for agricultural extension work. Allotments to any State or the Territory of Hawaii for any fiscal year from the appropriations herein authorized shall be available for payment to such State or the Territory of Hawaii only if such State or the Territory of Hawaii complies, for such fiscal year, with the provisions with reference to offset of appropriations (other than appropriations under this section and section 21 of this title) for agricultural extension work."

SEC. 2. Section 21 of such act of June 29, 1935, is amended by striking out "(other than appropriations under this section)" and inserting in lieu thereof "(other than appropriations under this section and section 23 of this title)."

Mr. FLANNAGAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLANNAGAN: Strike out all after the enacting clause and insert the provisions of the bill just passed, H. R. 1690, as amended.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings by which the bill, H. R. 1690, was passed were vacated and that bill laid on the table.

GENERAL PERMISSION TO REVISE AND EXTEND REMARKS

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent that Members be given 5 legislative days within which to revise and extend their remarks on this legislation.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

DOMESTIC NATURAL RUBBER

Mr. SLAUGHTER. Mr. Speaker, I call up House Resolution 245 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2347) to provide and insure a dependable supply of domestic natural rubber, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SLAUGHTER. Mr. Speaker, House Resolution 245, if adopted, will provide for the consideration of H. R. 2347, to provide for the further development of the guayule rubber experiment.

Mr. Speaker, I have no requests for time on this side and I am informed the minority has no requests either. Accordingly, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. FLANNAGAN. Mr. Speaker. I ask unanimous consent that the bill (H. R. 2347) to provide and insure a dependable supply of domestic natural rubber, and for other purposes, be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read, as follows:

Be it enacted, etc., That, in order to encourage the establishment of a permanent source of natural rubber in the United States, the Secretary of Agriculture, hereinafter called the Secretary, is directed to support by loan, purchase, or other operation a fair price to growers and processors of guayule shrub based upon a price of 28 cents per pound at the mill for processed, crude guayule rubber for shrub harvested before June 30, 1956: *Provided, however*, That in any one year the price support benefits to any grower shall be limited to the guayule shrub harvested from an area of not to exceed 40 acres, and that the total price support benefits provided for by this act shall be limited as to all growers to the shrub harvested from a total of not to exceed 400,000 acres.

SEC. 2. The Secretary is authorized to continue and develop a comprehensive program of guayule research and experimentation and to establish and maintain nurseries for this purpose and to provide seeds and seedlings, to produce and purchase seed, to sell seeds and seedlings at cost, as determined by the Secretary, and to acquire by purchase or otherwise such land and water rights as may be necessary.

Mr. POAGE. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: Amend section 2 by adding a new sentence to the end thereof to read as follows:

"The Secretary is authorized to continue and develop a program of experimentation and research in connection with kok-saghyz and any other rubber-bearing plants."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 3. The Secretary is authorized to cooperate with individuals, partnerships, associations, corporations, and public agencies in carrying out the purposes of this act, and all moneys received as contributions toward cooperative work shall be permanently available for such work without regard to the provisions of any other laws relating to the disposition of funds collected by offices or agencies of the United States.

SEC. 4. The Secretary may exercise the authority conferred on him by this act through such agency or officer of the Department of Agriculture as he may direct and in conformity with such procedures and such rules and regulations as he may deem necessary to prescribe, including the terms, conditions, and manner in which benefits are to be made available, and is authorized so to limit the contracts entered into each year as to reasonably insure that not more than 100,000 acres of guayule shrub shall be harvested during any one year.

SEC. 5. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this act: *Provided*, That the Secretary is authorized to enter into such contracts as may be necessary to carry out the purposes of section 1 of this act in advance of the appropriations therefor.

Mr. POAGE. Mr. Speaker, I ask unanimous consent on behalf of the gentleman from California to return to section 1 that he may offer an amendment.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of California: On page 2, line 2, after the word "exceed", strike out "forty" and insert "one hundred."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and include a column and an editorial.

Mr. SHEPPARD asked and was given permission to extend his own remarks in the RECORD.

Mr. GOSSETT asked and was given permission to extend his remarks in the RECORD and include some newspaper comments.

Mr. BUNKER asked and was given permission to extend his remarks in the RECORD and include an article by Clem Walker.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD and include a newspaper story.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in three places, one to include an editorial, in another some correspondence, and in the third instance a radio address.

Mr. ADAMS asked and was given permission to extend his remarks in the RECORD and include a newspaper article from the Burlington (Vt.) Free Press under date of May 3.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. WICKERSHAM asked and was given permission to extend the remarks he made in Committee of the Whole and to include certain letters.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. PRIEST (at the request of Mr. KEFAUVER), for 2 days, on account of illness.

To Mrs. NORTON (at the request of Mr. MCCORMACK), for 4 days, on account of official business.

To Mr. SIMPSON of Pennsylvania (at the request of Mr. KINZER), indefinitely on account of illness.

To Mr. EARTHMAN (at the request of Mr. GORE), indefinitely, on account of official business.

To Mr. COOLEY (at the request of Mr. KERR), indefinitely, on account of official business.

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin asked and was given permission to revise and extend his own remarks and include a table.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD in two instances: In the first to include a statement by Mr. C. C. Teague, of California; and in the other to include a statement by the California Farm Bureau Federation.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ENROLLED BILL SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3070. An act to extend the provisions of the act of November 29, 1940 (Public Law 884, 76th Cong.).

BILL PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 3070. An act to extend the provisions of the act of November 29, 1940 (Public Law 884, 76th Cong.).

ADJOURNMENT

Mr. FLANNAGAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 46 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 15, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will meet in open hearing at 10 o'clock a. m., on Tuesday, May 15, 1945, in the committee room, 356 House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a'clock a. m., Tuesday, May 15, 1945, to begin public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a hearing at 10 o'clock a. m. on Wednesday, May 16, 1945, on H. R. 714, H. R. 1350, H. R. 2299, and H. R. 2650.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 o'clock a. m. on Wednesday, May 16, 1945, for consideration of H. R. 3187.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will hold an executive session on Thursday, May 17, 1945, at 10:30 a. m., in the committee room 247, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

458. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a bill to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases," approved August 11, 1939; to the Committee on the District of Columbia.

459. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of $12,005,000, to be immediately available and to remain available until expended, for the War Department for rivers and harbors and flood control (H. Doc. No. 175); to the Committee on Appropriations and ordered to be printed.

460. A communication from the President of the United States, transmitting a supplemental estimate of appropriation in the amount of $1,637,000, for the Office of War Mobilization and Reconversion in the form of amendments to the Budget for the agency for the fiscal year 1946 (H. Doc. No. 120, 79th Cong.) (H. Doc. No. 176); to the Committee on Appropriations and ordered to be printed.

461. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill for the relief of Lt. (Jr. Gr.) William Augustus White, United States Naval Reserve; to the Committee on Claims.

462. A letter from the Chairman of the Board of the Reconstruction Finance Corporation, transmitting a report of the Reconstruction Finance Corporation for the month of January 1945; to the Committee on Banking and Currency.

463. A letter from the Secretary of the Interior, transmitting a draft of a proposed joint resolution authorizing the Secretary of the Interior to incur expenses in connection with the preservation, maintenance, repair, protection, and administration of the home of Franklin D. Roosevelt as a national historic site during nonoccupancy of the property on the part of the life tenants, and providing for the proper guarding of the grave of President Franklin D. Roosevelt; to the Committee on the Library.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARE: Committee on Appropriations. H. R. 3199. A bill making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 551). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Judiciary. Supplemental report pursuant to H. R. 1270. A bill to provide for an appeal to the Supreme Court of the United States from the decision of the Court of Claims in a suit instituted by George A. Carden and Anderson T. Herd; without amendment (Rept. No. 564). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 2856. A bill to provide for better enforcement of law within the District of Columbia, and for other purposes; without amendment (Rept. No. 565). Referred to the Committee of the Whole House on the state of the Union.

Mr. DREWRY: Committee on Naval Affairs. S. 645. An act to suspend until 6 months after the termination of the present wars section 2 of the act of March 3, 1883 (22 Stat. 481), as amended; without amendment (Rept. No. 566). Referred to the Committee of the Whole House on the state of the Union.

Mr. FOGARTY: Committee on Naval Affairs. S. 647. An act to authorize the Secretary of the Navy to convey to the State of Rhode Island, for highway purposes only, a strip of land within the naval advance base depot at North Kingstown, R. I.; without amendment (Rept. No. 568). Referred to the Committee of the Whole House on the state of the Union.

Mr. HEFFERNAN: Committee on Naval Affairs. H. R. 2913. A bill authorizing rehabilitation on the island of Guam; with amendment (Rept. No. 570). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DOUGHTON of North Carolina: Committee on Ways and Means. H. R. 1044. A bill for the relief of Marlin-Rockwell Corporation with respect to the jurisdiction of The Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act; without amendment (Rept. No. 552). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. S. 194. An act for the relief of Mrs. Glenn T. Boylston; without amendment (Rept. No. 553). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 498. An act for the relief of W. C. Wornhoff and Josephine Wornhoff; without amendment (Rept. No. 554). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 567. An act for the relief of Mrs. Freda Gullikson; without amendment (Rept. No. 555). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 1393. A bill for the relief of Mrs. Laura May Ryan; with amendment (Rept. No. 556). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 1547. A bill for the relief of W. H. Baker; with amendment (Rept. No. 557). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on Claims. H. R. 1611. A bill for the relief of Charles E. Surmont; without amendment (Rept. No. 558). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1677. A bill for the relief of Hires Turner Glass Co.; with amendment (Rept. No. 559). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 1857. A bill for the relief of the legal guardian of Mona Mae Miller, a miner; with amendment (Rept. No. 560). Referred to the Committee of the Whole House.

Mr. BARRETT of Pennsylvania: Committee on Claims. H. R. 2002. A bill for the relief of Joseph Wyzynski; without amendment (Rept. No. 561). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2925. A bill for the relief of Nelson R. Park; without amendment (Rept. No. 562). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3175. A bill to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood; without amendment (Rept. No. 563). Referred to the Committee of the Whole House.

Mr. COLE of New York: Committee on Naval Affairs. S. 646. An act to provide for the advancement of Capt. Edward Macauley, United States Navy, retired, to the rank of rear admiral; without amendment (Rept. No. 567). Referred to the Committee of the Whole House.

Mr. VINSON: Committee on Naval Affairs. H. R. 2896. A bill to provide for the advancement of Vice Admiral Emory S. Land, Construction Corps, United States Navy, retired, to the rank of admiral; without amendment (Rept. No. 569). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON of Florida:

H. R. 3200. A bill to provide that veterans shall not be denied care or treatment in Veterans' Administration facilities, for mental or nervous disorders, because they have not been adjudged mentally incompetent; to the Committee on World War Veterans' Legislation.

By Mr. RANDOLPH:

H. R. 3201. A bill to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended; to the Committee on the District of Columbia.

By Mr. WINSTEAD:

H. R. 3202. A bill to provide that national service life insurance, whether heretofore or hereafter applied for, shall be effective as of the date of application therefor; to the Committee on World War Veterans' Legislation.

By Mr. CASE of South Dakota:

H. R. 3203. A bill to direct payment of highway use and other taxes in the operation of any system of commercial transportation taken over and operated by an agency of the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RANKIN (by request):

H. R. 3204. A bill to facilitate employment of necessary personnel in Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. CASE of South Dakota:

H. R. 3205. A bill granting a 15 percent increase in pensions received under special acts of Congress; to the Committee on Invalid Pensions.

By Mr. MONRONEY:

H. R. 3206. A bill to provide for the succession to the Presidency, and to create a joint commission to investigate the problems connected therewith; to the Committee on the Judiciary.

By Mr. HAGEN:

H. R. 3207. A bill to require that the name of each officer or employee in the executive branch of the Government shall be typewritten or hand printed under his signature on official correspondence, papers, and documents; to the Committee on Expenditures in the Executive Departments.

By Mr. PETERSON of Georgia:

H. R. 3208. A bill to repeal that portion of section 203 of title 2 of the Hawaiian Homes Commission Act of 1920, as amended, as designates the land herein described as available land within the meaning of that act, and to restore the land to its previous status under the control of the Territory of Hawaii; to the Committee on the Territories.

By Mr. VOORHIS of California:

H. J. Res. 192. Joint resolution to designate payments to disabled veterans as partial repayment of debt owed, and not as gratuities; to the Committee on World War Veterans' Legislation.

By Mr. HEALY:

H. J. Res. 193. Joint resolution to quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles; to the Committee on the Judiciary.

By Mr. IZAC:

H. J. Res. 194. Joint resolution to provide for the acquisition of the property known as Temple Heights to be used for the duration of the war as a recreation center for Government employees and immediately thereafter as a site for a memorial building in commemoration of the deeds and sacrifices of the defenders of the Union during the Civil War, where the relics and records of all veterans of the Civil War, both North and South, may be preserved for posterity; and containing an auditorium providing a suitable arena for symphony concerts and other useful and patriotic purposes, and dedicated by them as their memorial tribute to the American youth of today who have sacrificed their lives on the battlefields of the world; to the Committee on the District of Columbia.

By Mr. JONES:

H. J. Res. 195. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville; to the Committee on the Library.

By Mr. MANSFIELD of Texas:

H. Res. 256. Resolution authorizing the Committee on Rivers and Harbors of the House of Representatives to investigate certain shores and beaches in the United States with a view to the protection of the shores of the United States; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to make Hawaii a State of the United States; to the Committee on the Territories.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to erect a Statue of Freedom on the coast of California; to the Committee on the Library.

Also, memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States that an effective world organization for peace be given authority to enforce the peace by force, if deemed necessary; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of Uruguay, memorializing the President and the Congress of the United States by expressing condolences in regard to the death of our late President, Franklin D. Roosevelt; to the Committee on Memorials.

Also, memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States in regard to the endorsement of H. R. 2081, a bill to permit the use of live duck decoys; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States to take appropriate action to secure in the peace treaty a provision assuring freedom to gather and transmit news in the territories of nations subscribing to the pact; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COFFEE:

H. R. 3209. A bill for the relief of Edward A. Mason; to the Committee on Claims.

H. R. 3210. A bill for the relief of Clyde O. Payne; to the Committee on Claims.

By Mr. ENGLE of California:

H. R. 3211. A bill for the relief of Mrs. Dorothy Vicencio; to the Committee on Claims.

By Mr. HAGEN:

H. R. 3212. A bill for the relief of Peter Winter; to the Committee on Military Affairs.

By Mr. KEFAUVER:

H. R. 3213. A bill granting a renewal of patents Nos. 113 and 244 dated February 7, 1939, relating to the flag of the Church of God; to the Committee on Patents.

By Mr. McGEHEE:

H. R. 3214. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in administration building at the Naval air station, Bunker Hill, Ind., on December 28, 1944; to the Committee on Claims.

H. R. 3215. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires occurring at various naval shore activities; to the Committee on Claims.

By Mr. ROBINSON of Utah:

H. R. 3216. A bill for the relief of Williams Building Supply Co.; to the Committee on Claims.

By Mr. SIKES:

H. R. 3217. A bill for the relief of Mattie Lee Wright; to the Committee on Claims.

By Mr. WADSWORTH:

H. R. 3218. A bill for the relief of Hanson, Orth & Stevenson, Inc.; to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

612. By Mr. CLASON: Petition of the General Court of Massachusetts, urging Congress to extend certain existing income-tax exemptions to all members of the military and naval personnel who are serving or who have served outside of the continental United States or in Alaska, such exemptions to apply to all income taxes already collected from such persons; to the Committee on Ways and Means.

613. By Mr. GOODWIN: Petition of the General Court of Massachusetts to extend certain existing income-tax exemptions to all members of the armed forces of the United States who are now or have served in any foreign area, or in Alaska; to the Committee on Ways and Means.

614. By Mr. ROWAN: Senate Joint Resolution 20, adopted by the Senate of the State of Illinois on April 5, 1945, and concurred in by the House of Representatives on May 2, 1945, in regard to use of live duck decoys; to the Committee on Agriculture.

615. By Mr. JONKMAN: Petition of sundry citizens of Cedar Springs, Mich., endorsing House bills 2082 and 752; to the Committee on the Judiciary.

616. By Mr. ROWAN: House Joint Resolution 33 adopted by the House of Representatives of the State of Illinois on April 17, 1945, and concurred in by the Senate on May 2, 1945; to the Committee on Ways and Means.

617. Also, House Joint Resolution 32, adopted by the House of Representatives of

the State of Illinois April 25, 1945, and concurred in by the Senate on May 2, 1945; to the Committee on Foreign Affairs.

618. Also, resolution of the City Club of Chicago endorsing the Bretton Woods proposals; to the Committee on Foreign Affairs.

619. By Mr. WELCH: Resolution No. 4656 of the Board of Supervisors of the city and county of San Francisco, memorializing Congress to adopt House bills 2032 and 2033 in furtherance of preventing beach erosion; to the Committee on Rivers and Harbors.

620. By Mrs. SMITH of Maine: Petition of Mamie E. Benner and 20 other citizens of Waldoboro, Maine, deploring the shipping of malt beverages and other liquors of higher alcoholic content into fighting areas; to the Committee on the Judiciary.

621. By Mr. BRYSON: Petition of Harvey McCaslin and 86 other citizens of Warrensville, Pa., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

622. Also, petition of Mrs. T. H. Plemmons and 20 other citizens of Charlotte, N. C., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

623. Also, petition of Rev. A. Whitehead and 56 other citizens of West Clarksville, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

624. Also, petition of Mrs. E. W. Yates and 139 other citizens of Cumberland, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

625. Also, petition of Max Dunlap and 19 other citizens of Phoenix, Ariz., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

626. Also, petition of Edna Olds and 58 other citizens of Danforth, Ill., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

627. Also, petition of Minta Schmoe and 26 other citizens of Newberg, Oreg., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

628. Also, petition of Ida Ward and 44 other citizens of Riverton, Wyo., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

629. Also, petition of Mary Chapman and 95 other citizens of Atlanta, Ga., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

630. Also, petition of Rev. John R. Donley and 51 other citizens of Newell, W. Va., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

631. Also, petition of Rebecca Jacobson and 30 other citizens of Granita Falls, Wash., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

632. Also, petition of S. N. Engelstad and 41 other citizens of LaMoure, N. Dak., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

633. Also, a petition of Dorothea Morse and 23 other citizens of Arlington, Va., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necesssary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

634. Also, petition of F. L. Smith and 43 other citizens of Duluth, Minn., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

635. Also, petition of Mrs. A. A. Rimmell and 156 other citizens of Plumville, Pa., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

636. Also, petition of Rosa B. Posik and 19 other citizens of Ramona, Calif., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

637. Also, petition of Mrs. G. W. Hummel and 452 other citizens of Madisonville, Ky., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

638. Also, petition of Mrs. E. E. McKelvey and 139 other citizens of Montoursville, Pa., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

639. By Mr. BISHOP: Petition of the Sixty-fourth General Assembly of the State of Illinois, that they do hereby endorse House bill 2081 and urge its passage, and request the Representatives in Congress and the two United States Senators from Illinois to give their support to this bill; to the Select Committee on Conservation of Wildlife Resources.

640. Also, petition of the Sixty-fourth General Assembly of the State of Illinois, that the members of the sixty-fourth general assembly respectfully petition and urge the Illinois Members of the House of Representativess and of the Senate of the Congress of the United States to take immediate steps to effect the return of the Employment Service of Illinois, now administered by the Federal Government, to the Department of Labor of the State of Illinois at the earliest practicable date after cut-backs in war production ease the shortage of manpower in Illinois; to the Committee on Labor.

641. By Mr. LUTHER A. JOHNSON: Petition of the American Legion, Department of Texas, favoring House bill 2859; to the Committee on World War Veterans' Legislation.

642. By Mr. GRAHAM: Petition of 24 residents of New Castle, Pa., for speedy passage of the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

643. By the SPEAKER: Petition of Seattle Aerie, Fraternal Order of Eagles, petitioning consideration of their resolution with reference to the United States establishing its sovereignty over the Japanese mandated islands seized by our efforts in this war; to the Committee on Foreign Affairs.

644. Also, petition of Ahavas Achim Emergency Relief Fund, of Philadelphia, Pa., petitioning consideration of their resolution with reference to an extension of sympathy in regard to the death of our late President, Franklin D. Roosevelt, to the Committee on Memorials.

645. Also, petition of Paulino Dominguez, of Mexico, petitioning consideration of his resolution with reference to securing old-age assistance; to the Committee on Foreign Affairs.

646. Also, petition of merchants committee of Port Arthur Chamber of Commerce, Port Arthur, Tex., petitioning consideration of their resolution with reference to amendments to the Emergency Price Control Act; to the Committee on Banking and Currency.

647. Also, petition of Edmund J. Dansart, of Chicago, Ill., and other signers petitioning consideration of their resolution with reference to favorable consideration to the postal salary bill, H. R. 3035; to the Committee on the Post Office and Post Roads.

648. Also, petition of the Lions Club of San Juan, P. R., petitioning consideration of their resolution with reference to securing a plain and final definition of the political future of Puerto Rico; to the Committee on Insular Affairs.

649. Also, petition of various signers of Wholesale and Warehouse Workers Union, Local 65, Congress of Industrial Organizations, New York, petitioning consideration of their resolution with reference to approval of Dumbarton Oaks, Bretton Woods, Mexico City, and Crimea Conference proposals, without crippling reservations; to the Committee on Foreign Affairs.

650. Also, petition of Descendants of the Signers of the Declaration of Independence in Congress assembled, petitioning consideration of their resolution with reference to their prayers for the success of the San Francisco Conference; to the Committee on Foreign Affairs.

651. Also, petition of Florida Rural Electrification Administration Cooperatives' Association, Astatula, Fla., petitioning consideration of their resolution with reference to opposing the proposed transfer of Rural Electrification Administration from its rightful place as an independent agency of the Government to the Department of Agriculture; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, MAY 15, 1945

(Legislative day of Monday, April 16, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, grant to our anxious, groping hearts the assurance that behind the shadows and in them standeth One who slumbers not nor sleeps. We are beset by perplexity; our needs are many, but our greatest need is of Thee; unless we find Thee and art found of Thee the laws of Thy physical universe break our mortal life and the laws of Thy moral order make mockery of our futile rebellion.

Breathe now Thy peace on hearts that pray—the peace that comes only when our jarring discords are tuned to the music of Thy will; then as heralds of Thy love send us forth across all barriers of race and creed, bearing to yearning hearts, as a holy sacrament, the bread of human kindness and the red wine of willing sacrifice. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 14, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE ROLL

Mr. BARKLEY obtained the floor.

Mr. WHITE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Maine?

Mr. BARKLEY. I yield.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Bailey	Hart	O'Mahoney
Ball	Hayden	Overton
Bankhead	Hickenlooper	Reed
Barkley	Hill	Revercomb
Bilbo	Hoey	Robertson
Bridges	Johnson, Colo.	Russell
Briggs	Johnston, S. C.	Saltonstall
Brooks	La Follette	Shipstead
Buck	Langer	Smith
Burton	Lucas	Stewart
Bushfield	McClellan	Taft
Butler	McKellar	Taylor
Capper	McMahon	Thomas, Okla.
Chavez	Magnuson	Thomas, Utah
Cordon	Millikin	Tunnell
Donnell	Mitchell	Wagner
Downey	Moore	Walsh
Ellender	Morse	Wherry
Ferguson	Murdock	White
Fulbright	Murray	Wiley
George	Myers	Wilson
Guffey	O'Daniel	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHANDLER], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GERRY], the Senator from Rhode Island [Mr. GREEN], the Senator from South Carolina [Mr. MAYBANK], the Senator from Florida [Mr. PEPPER], and the Senator from Maryland [Mr. RADCLIFFE] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from New Mexico [Mr. HATCH] and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Interstate Commerce Committee.

The Senator from Maryland [Mr. TYDINGS], as chairman of the Committee on Territories and Insular Affairs, is absent on official business in connection with the investigation of certain conditions in the Philippine Islands.

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN] is absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from South Dakota [Mr. GURNEY] and the Senator from Indiana [Mr. WILLIS] are absent by leave of and on official business of the Senate.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate and also because of an injury resulting from an accident.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER] is necessarily absent.

The PRESIDENT pro tempore. Sixty-six Senators having answered to their names, a quorum is present.

REPORT ON ATROCITIES IN CONCENTRATION CAMPS IN GERMANY (S. DOC. NO. 47)

Mr. BARKLEY. Mr. President, I am about to make a report on behalf of the joint committee representing the two Houses named to investigate atrocities and other conditions in concentration camps in Germany; and in order that I may face the Members of the Senate, and probably be heard better, I ask unanimous consent that I may speak from the well of the Senate Chamber.

The PRESIDENT pro tempore. Without objection, the Senator may do so.

Mr. BARKLEY. Also, Mr. President, in order that the report may appear in the RECORD without interruption and without break, I ask that I be permitted to conclude it without interruption, after which I shall be glad to answer any question any Senator may care to propound. Other members of the group which made the trip upon which the report is to be made will likewise be glad to do the same.

I intend to ask, when I conclude, that this report be made a Senate document, and I wish that it may appear as a Senate document as a whole and without any breaks in it.

REPORT TO THE SENATE AND HOUSE OF REPRESENTATIVES OF THE JOINT COMMITTEE REPRESENTING THE TWO HOUSES NAMED TO INVESTIGATE ATROCITIES AND OTHER CONDITIONS IN CONCENTRATION CAMPS IN GERMANY, AS REQUESTED BY GEN. DWIGHT D. EISENHOWER THROUGH THE CHIEF OF STAFF, GEN. GEORGE C. MARSHALL

To the Senate and House of Representatives:

Before relating the conditions found by the joint committee which recently visited Germany to investigate atrocities in concentration camps in that country, the committee desires to inform the Senate and House of Representatives the basis upon which the investigation was undertaken and the procedure by which Members representing the two Houses were designated.

The trip to Europe was wholly unexpected on the part of all those who made it. It was a mission undertaken with a view to the possible performance of a service to the Congress, to the American people, and to the cause of peace.

On April 20, at about noon, two representatives from the Office of the Chief of Staff called upon the Speaker of the House of Representatives and the majority leader of the Senate, and laid before them a cablegram received by Gen. George C. Marshall from Gen. Dwight D. Eisenhower, Commander in Chief of the Allied Forces in the European theater of the war, which cablegram was as follows:

From: General Eisenhower.
To: General Marshall.

We are constantly finding German camps in which they have placed political prisoners where unspeakable conditions exist. From my own personal observation I can state unequivocally that all written statements up to now do not paint the full horrors.

In view of these facts you may think it advisable to invite about 12 congressional leaders and 12 leading editors to see these camps. If so I shall be glad to take these groups to one of these camps. Such a visit will show them without any trace of doubt the full evidence of the cruelty practiced by the Nazis in such places as normal procedure.

A similar invitation is being sent to similar representative British groups.

General Marshall requested these representatives to contact both Houses, in the manner above mentioned, for the purpose of arranging the designation of their respective Members to make this investigation with all the promptness possible.

In order that they might arrive at the scene of the atrccities which General Eisenhower desired the committee to view in person as soon as possible, it was stated that the group would be expected to leave Washington on Sunday morning, April 22.

These concentration camps had been uncovered by the advancing Allied armies and the conditions were such as to make it compulsory that they be cleaned up as rapidly as possible, and, therefore, such committee as might be designated would of necessity have to arrive on the scene and make such personal investigation as they might think proper while the conditions were as fresh and unchanged as possible following the occupation of these areas by our armed forces.

As will be seen from the cablegram, General Eisenhower also suggested the appointment of a similar committee from among the newspapers and other publishers of the country, in order that they might have a similar opportunity to investigate these conditions which prompted General Eisenhower's request. During our interview with him at his headquarters in Europe, he advised us that when he visited one of these concentration camps, which will be referred to later, he was so horrified at what he found that he felt it incumbent upon him to request that the committee mentioned should come at once and see conditions as they were.

The Speaker of the House of Representatives and the majority leader of the Senate at once set about to consult with the minority leaders of the two respective Houses, with a view of designating a representative committee to respond to General Eisenhower's request with all promptitude. The minority leaders of the House and Senate, respectively, were immediately conferred with, with a view to their cooperation in the selection of such a joint committee.

It was agreed that six Members from each House would be designated, to be equally divided between the majority and minority parties in both Houses. While the Senate was in session for a short period on Friday, the 20th, the matter had been brought to the attention of the two Houses so unexpectedly that it was impossible to do more on that day than discuss the matter informally because of the contemplated week-end recess of both Houses, and because, if the committee were to depart on Sunday, the 22d, as desired, it would be impossible to wait until the following week, either for the purpose of taking formal action in the two Houses of Congress, or to consult more leisurely with respect to the personnel of the joint committee.

Under these circumstances, it was agreed that the membership representing both Houses should be immediately named, in order that the mission might go forward without delay. In appointing the Members of the House of Representatives, the Speaker indicated his desire to have representation from three of the House committees, namely, Foreign Affairs, Military Affairs, and Naval Affairs. But this suggestion was informal and there was no definite agreement as between the two groups as to what committees should be represented. On the whole, however, this arrangement was followed.

During the afternoon and evening of Friday, the 20th, and Saturday morning, the 21st, the majority and minority leaders of the Senate frequently conferred as to the personnel of the Senate portion of the joint committee. During the morning of the 21st, the minority leader of the Senate, the Senator from Maine [Mr. WHITE], advised the majority leader he was ready to recommend, on the part of the minority, the Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. WHERRY], and the Senator from Massachusetts [Mr. SALTONSTALL.]

The majority leader of the Senate asked the Senator from Georgia [Mr. GEORGE], acting chairman of the Committee on Foreign Relations, and the Senator from Utah [Mr. THOMAS], chairman of the Committee on Military Affairs, to become members of the Senate group; and he sought to have the Senator from Massachusetts [Mr. WALSH], chairman of the Committee on Naval Affairs, included as the third member of the group to represent the Senate majority. The Senator from Georgia and the Senator from Utah indicated their willingness to accept this assignment, but the Senator from Massachusetts had left the city for his home in Massachusetts and was not expected to return until the following Monday. It was, therefore, impossible to confer with him about his possible appointment, as a member of the committee. He has since indicated that it would have been impossible for him to have become a member of the committee if he had been in Washington. After the Speaker of the House of Representatives and the minority leader of the Senate advised the majority leader of the Senate on Saturday morning the names of the Members designated by them, respectively, a conference was called of the entire group at 1 o'clock on Saturday afternoon to receive the information necessary from the War Department concerning the hour of departure and the requirements and needs of the various members of the group upon their arrival in Europe. During this conference the members of the group urged the majority leader of the Senate to become a member of the committee and make the trip, which he decided to do, and, therefore, he became a member of the group in lieu of the Senator from Massachusetts, chairman of the Committee on Naval Affairs. This, in brief, is the basis for the appointment of the various Members and the basis for the trip itself. The committee, thus appointed, consisted of the following members:

The Senator from Kentucky, Mr. ALBEN W. BARKLEY.

The Senator from Georgia, Mr. WALTER F. GEORGE.

The Senator from Utah, Mr. ELBERT D. THOMAS.

The Senator from Illinois, Mr. C. WAYLAND BROOKS.

The Senator from Nebraska, Mr. KENNETH S. WHERRY.

The Senator from Massachusetts, Mr. LEVERETT SALTONSTALL.

Representative R. EWING THOMASON from Texas.

Representative JAMES P. RICHARDS from South Carolina.

Representative ED V. IZAC from California.

Representative JOHN M. VORYS from Ohio.

Representative JAMES W. MOTT from Oregon.

Representative DEWEY SHORT from Missouri.

It ought to be stated that nobody in the War Department made any suggestions, directly or indirectly, as to who should be appointed on this joint committee. When the members of the committee were appointed, in the way which has been indicated, the War Department was advised of the personnel and was represented at the conference held on Saturday afternoon to make arrangements for the trip.

The entire group departed at noon on Sunday, the 22d, by air transportation arranged by the War Department, accompanied by representatives of that Department, and arrived in Paris in the late afternoon on Monday, April 23d.

Before setting forth the conditions which the committee found at the three camps which it visited, all of which will be described later, the committee feels that it is advisable to state the general character and purpose of the camps, as well as the character of the evidence which it obtained, and upon which this report is based.

There are more than 100 concentration camps for slave laborers and political prisoners in Germany. No attempt was made to conceal them and all were built in thickly populated areas and many of them along main highways. Your committee visited three of these camps located in widely separated parts of Germany—namely—Buchenwald in Thuringen Province, Nordhausen in Saxony, and Dachau in Bavaria. These 3 camps are typical of all the concentration camps in the Reich and their physical characteristics, functions, management, and

operation furnish an accurate cross-section of the entire German political prisoner camp system and policy.

Before proceeding with detailed statements concerning the several camps visited, we believe a preliminary word as to just what these camps are and just what they are used for would be of value. In the first place, the concentration camps for political prisoners must not be confused with the prisoner-of-war camps. No prisoners of war are confined in any of these political prisoner camps, and there is no relationship whatever between a concentration camp for political prisoners and a camp for prisoners of war.

The concentration camps for political prisoners are precisely what the name implies. They are places of incarceration, punishment, and liquidation of civilians who were opposed to or who were suspected of being opposed to the Hitler regime. A number of them were established at the beginning of that regime. At first these camps contained only German political prisoners. When the Germans overran and occupied the adjacent lands of Poland, Russia, France, Holland, Belgium, Czechoslovakia, and other countries, the camps were expanded both in size and number to accommodate the hundreds of thousands of additional political prisoners brought in from those countries.

During the past month all of these camps have been uncovered by the rapid advance of the Allied armies. At the time of our visit the surviving prisoners were still in the camps and were being cared for by the American military forces. These liberated prisoners will be sent to their home countries when facilities for that purpose are available, and some, in fact, have already been sent home. When we saw the camps, however, they were filled practically to capacity with prisoners. This was especially the case at Dachau, which camp we inspected only 48 hours after the S. S. garrison in charge of it had been driven out by the American troops.

THE THREE CLASSES OF EVIDENCE UPON WHICH THIS REPORT IS BASED

We think it is important, also, to make a statement at this point regarding the character of evidence gathered on our visits to these camps, so that the basis for the detailed recital which follows may be clear and unambiguous.

Three classes or kinds of evidence were presented to us. The first was the visual inspection of the camps themselves freshly freed by the American troops of S. S. supervision. We saw the barracks, the work places, the physical facilities for torture, degradation, and execution. We saw the victims, both dead and alive, of the atrocities practiced at these camps. We saw the process of liquidation by starvation while it was still going on. We saw the indescribable filth and smelled the nauseating stench before it was cleaned up, and we saw a number of victims of this liquidation process actually die.

The second kind of evidence we obtained was the testimony of eyewitnesses among the prisoners themselves to these atrocities. Many of the prisoners had been in the camps we visited as long as 3 and 4 years. Many others had spent long terms as prisoners in several other similar camps. While these prisoners included men from nearly all the countries of central Europe, whose speech, whose station in life, and whose education and previous environment differed widely from one another, yet the testimony of all of these witnesses was substantially the same. Directly and through interpreters we talked to prisoners who had seen the hangings and the beatings and who had themselves experienced the systematic process of starvation, corporal punishment, and human degradation.

The third kind of evidence was what may be called the common knowledge of the camp—that is to say, evidence of things done in the camp which were not done publicly, but which, nevertheless, all prisoners were aware of. This is similar to certain knowledge possessed by prisoners generally in legitimate institutions like State penitentiaries. These prisoners, from custom and experience, from the conversation with the guards and among themselves, and from a very plain and almost mathematical kind of circumstantial evidence, have accurate knowledge of certain things which they have not actually seen with their own eyes. The prisoners at the camps speak about these things as though they had actually seen them. It was the unanimous opinion of our committee, after talking to hundreds of prisoners, that this third kind of evidence was often as accurate and reliable as the two kinds of direct evidence above referred to. An example of this kind of evidence will be found in that part of our report dealing with the torture chamber at Buchenwald, where no one actually saw the strangulations perpetrated in this chamber, but where the circumstantial evidence of it was so complete and clear as to leave no doubt in the mind of anyone.

The three kinds of evidence here referred to constitute the only evidence accepted by this committee in making its report. Rumor, hearsay, and every other form of information or testimony has been carefully excluded so that those reading the report may be assured that everything therein described was either actually seen by us or reported to us by competent and reliable eyewitnesses or that it is based on circumstantial evidence which we have considered to be trustworthy. One further preliminary observation may not be out of place here, and that is that all of the facts here recited are corroborated by the records of the investigation of the military authorities who have made a most minute, careful, and exhaustive examination of all of the prison camps. These authorities, who are specialists in their line, have taken the testimony of hundreds of eyewitnesses and have carefully authenticated and documented the same. The committee has examined some of this documented evidence but it has not used any of it in making this report. The report is based exclusively upon our own personal investigation of these camps.

PART 2. GEOGRAPHY AND STATISTICS—BUCHENWALD

On the morning of April 24, following its arrival in Paris on the afternoon of Monday, the 23d, the committee, accompanied by Brig. Gen. John M. Weir, Col. Robert H. Thompson, Col. John A. Hall, and photographers, left Paris by airplane for Weimar, which is located in the Province of Thuringen, about 120 miles southwest of Berlin, and proceeded from Weimar by automobile to the outskirts of the city where was located the German political concentration camp of Buchenwald.

This camp was founded when the Nazi Party first came into power in 1933 and has been in continuous operation since that time, although its largest population dates from the beginning of the present war. The camp was overrun by the American Army on April 12, 1945. The first appearance of the Americans at Buchenwald was made by a tank spearhead, which briefly engaged the enemy and withdrew. The garrison of S. S. troops at Buchenwald became so alarmed at the rapid approach of United States troops that they fled precipitately, abandoning the camp completely. On Friday, the 13th, the main body of advancing United States troops arrived with supplies and medicine and took over the camp.

The surviving population of the camp, as recorded on April 16, 1945, was about 20,000, divided into nationalities as follows:

French	2,900
Polish	3,800
Hungarians	1,240
Jugoslavs	570
Russians	4,380
Dutch	324
Belgians	622
Austrians	550
Italians	242
Czechs	2,105
Germans	1,800
Dutch	260
Anti-Franco Spanish and miscellaneous	1,207

The character of the surviving population was all male and included a thousand boys under 14 years of age. The prisoners at this camp included the intelligentsia and leadership groups from continental Europe, as well as democratic or anti-Nazi Germans and their relatives. Among the 20,000 survivors were about 4,000 Jews.

The mission of these camps was an extermination factory and the means of extermination were starvation, beatings, tortures, incredibly crowded sleeping conditions, and sickness. The effectiveness of these measures was enhanced by the requirement that the prisoners work in an adjacent armament factory for the manufacture of machine guns, small arms, ammunition, and other matériel for the German Army. The factory operated 24 hours a day, using two 12-hour shifts of prisoners. At the time your committee visited the camp the factories were no longer in operation, having been totally destroyed by remarkably effective precision bombing. The factory area was completely demolished, but not one bomb fell within the camp area, which was immediately adjacent to the factory area and separated from it only by a barbed-wire fence. In addition to those inmates performing slave labor at the munitions factory, other inmates were organized into labor parties to per-

form various kinds of work on farms in the vicinity of Weimar.

The main elements of Buchenwald included the "Little Camp," the regular barracks and the hospital, the medical experimentation building, the body-disposal plant, and the ammunition factory.

THE "LITTLE CAMP"

The prisoners in this camp slept on triple-decked shelves, the clearance between the shelves being little more than 2 feet. They were so crowded into these shelves that the cubic content figured out to about 35 cubic feet per man, as against the minimum for health of 600 cubic feet prescribed by United States Army Regulations. We were informed that after arriving new prisoners were initiated by spending at least 6 weeks here before being "graduated" to the regular barracks. During this initiation prisoners were expected to lose about 40 percent in weight. Jews, however, seldom, if ever, graduated to the regular barracks. Camp disciplinary measures included transferring recalcitrant prisoners back to the "Little Camp." As persons became too feeble to work, they were also sent back to the "Little Camp" or to the hospital. Rations were less than at the regular barracks and the death rate in the "Little Camp" was very high, recently about 50 per day.

REGULAR BARRACKS

The dormitory room here was approximately 42 by 23 feet and about 10 feet high, having a content of about 9,500 cubic feet. In each such room there was installed, triple-decked, 38 stacks of 3 bunks each, or a total of 114 bunks, each bunk 30 by 72 inches outside measurement. Most of these bunks were double—that is, 2 parallel bunks occupying the space of 60 by 72 inches. The aisles were narrow, being less than 24 inches wide, and permitted movement through them only with the body being kept edgewise; 114 bunks placed in 9,500 cubic feet makes less than 85 cubic feet per person. Since the beginning of the war, 250 persons have been made to sleep in each such room, or less than 40 cubic feet per person. There was less than 1 blanket per prisoner. Blankets were thin, shoddy, and undersized. There was substantially no heat in these dormitories.

THE HOSPITAL

This was a building where moribund persons were sent to die. No medicines were available, and, hence, no therapy was possible. Typhus and tuberculosis were rampant in the camp. About half of the wards of the hospital were about 15 feet deep and 5½ feet wide, with one window on the outside end. From 6 to 9 patients occupied each ward, lying crosswise on the floor shoulder to shoulder. The room was too narrow for most of them to extend their legs. The death rate in the hospital was from 5 to 20 persons per day.

MEDICAL EXPERIMENT BUILDING

Block No. 41 in the camp was used for medical experiments and vivisections with prisoners as guinea pigs. Medical scientists came from Berlin periodically to reinforce the experimental staff. In particular, new toxins and antitoxins were tried out on prisoners. Few prisoners who entered this experimental building ever emerged alive. Prisoners were induced to volunteer for experimentation on the representation that living quarters provided there were far superior to those in the barracks and that their rations were far superior to those received by ordinary prisoners.

THE BODY-DISPOSAL PLANT OR CREMATORY

The design of this installation was a striking example of German industrial efficiency. It had a maximum disposal capacity of about 400 bodies per 10-hour day, which is about 2 percent of the camp population at the time of liberation. We were informed that when the death rate exceeded the capacity of the crematory, the bodies were taken out and buried in pits without any means for identification. Teeth having gold fillings were extracted prior to cremating the bodies. We have been advised that on the day following our visit to Buchenwald, a large cache of gold fillings and gold jewelry was discovered in a quarry near the camp. Included were literally thousands of wedding rings alone.

The crematory was entirely enclosed within a high board fence. No one, except a small operating force of S. S. personnel, was allowed even to look inside this fence. No prisoner who passed within it—as a member of a labor party or for any other reason—came out alive. Inside this fence was the incinerator building, centrally located between two yards. This building was of substantial brick construction with cement floors, one story high, with full-size, 12-feet-high basement beneath. The main floor contained an administration office at the front end, a locker and washroom for S. S. personnel at the far end, and the incinerator room in the center. The latter contained, in line, 2 batteries of 3 firebrick incinerators each. Fifteen to twenty minutes were required for the incineration of a total of 18 bodies, each incinerator having a capacity of 3 bodies, or a total charge of 18 bodies. Fifteen to twenty minutes were required for the incineration of a charge.

The floor of each incinerator consisted of a coarse grate, through which the day's accumulation of bone ash was extracted at the end of the operation. The fire came from a furnace room occupying the rear two-thirds of the basement, the flames being deflected downward onto the bodies by baffle plates in the roofs of the furnace. Fuel used in this plant was coal. The front of the basement was occupied by the strangling room.

The method of collecting bodies was as follows: Roll call was held every evening outdoors, outside the dormitory buildings. Internees were required to strip and bring to roll call the naked bodies of all comrades who had died during the previous 24 hours. After roll call, a motor truck drove around the camp, picked up the bodies, and was driven to the front yard of the incinerator plant to await the next day's operation. But this was not the only source of bodies. Emaciated prisoners who had been around too long, or who had committed infractions of discipline, or who knew too much, or who had refused to be broken in mind were arbitrarily condemned to death. For instance, in the little camp, where prisoners slept 16 to a shelf, an infraction of discipline—particularly an attempt to escape—not infrequently resulted in all 16 being condemned. Such persons were immediately marched on foot to a small door in the fence of the back yard at a point immediately adjacent to the incinerator building. This door opened inward until it hit a door-stop which held it in a postion parallel to the building's wall, thus creating a corridor 4 feet wide and 3 feet deep. At the far end was an opening about 4 feet by 4 feet, flush with the ground, the head of a concrete shaft, about 13 feet deep, the bottom floor of which was a continuation of the concrete floor of the room at the front end of the basement. The condemned prisoners, on being hurried and pushed through the door in the fence, inevitably fell into this shaft and crashed 13 feet down to the cement cellar floor. This room, on the floor at one end of which they now found themselves, was the strangling room. As they hit the floor they were garrotted with a short double-end noose by S. S. guards and hung on hooks along the side walls, about 6½ feet above the floor, the row of hooks being 45 or 50 in number. At the time of our visit all of the hooks except 5 had been removed, but we could observe the holes where the other hooks had previously been. When a consignment had been hung up, any who were still struggling were stunned by a wooden mallet, which was exhibited to us in the chamber, still bearing stains of blood. The bodies were left on the hooks until called for by the incinerator crew. An electric elevator, with an estimated capacity of 18 bodies, ran up to the incinerator room, which was on the floor above the strangling room. The day's quota of approximately 200 bodies was made up of from 120 to 140 prisoners who had died (mostly in the "hospital," the medical experimental building, or the "Little Camp"), and from 60 to 80 were supplied by the strangulation room.

For a period of about 10 days in March, the coal supply for the incinerator ran out. The incinerator furnace grates had not been cleared of entirely unconsumed bodies, as we observed portions thereof. Awaiting the arrival of a new supply of coal, bodies to the number of about 1,800 were allowed to collect in the front yard, stacked up like cordwood. The sudden arrival of American armor prevented the S. S. garrison from disposing of the bodies which had accumulated, due to the lack of fuel for the incineration plant. At the time of our visit to the camp we saw a truckload of bodies within the area of the incinerator. It is estimated that there were about 60 bodies in this truck. Near the truck on the ground were piled about 20 or 25 additional bodies. We were advised that the death rate, prior to the liberation, was approximately 200 per day. At the time of our visit the American medical authorities had been able to reduce the death rate to about 20 per day. Upon liberation of the camp, the American authorities provided decent interment

for the unburied dead and for those who died thereafter.

The American surgeon stated that the adult corpses weighed from about 60 to 80 pounds each.

MISCELLANEOUS

Rations: We were advised that the ration allowance for the regular camp was between 600 and 700 calories per day and consisted generally of a very weak soup made from cabbage and other vegetables and a small piece of bread about 3 inches square. This meal was provided only once a day—in the morning—and in the evening another small piece of bread was furnished. The diet was heavily deficient in animal fats and vitamins and contained no meats. In the "little camp" the ration allowance was about 500 calories. About 3,000 to 3,600 calories per day are required for adult health. Red Cross packages were almost entirely appropriated by the S. S. camp commander and distributed to suit himself to S. S. personnel and to citizens of Weimar and even to Nordic German camp prisoners. Meals were prepared and "served" by prisoner personnel under S. S. supervision.

The committee was informed that the S. S. troops had received orders to destroy all the occupants of the camp prior to their departure, but in their haste to flee before the advancing American troops they had been unable to undertake such a large-scale operation.

The administration of the camp and the maintenance of records were carried on by prisoners under the supervision of S. S. troops. The available records at the time of liberation had been examined by the prisoners engaged in the administration of the camp, and the records revealed that 51,000 persons had died in the camp. At the time of our arrival the prisoners, in a pathetic gesture, had erected of flimsy materials a memorial to the dead of Buchenwald. Pictures and descriptions of the conditions at this camp cannot adequately portray what we saw there, and it is only when the stench of the camp is smelled that anyone can have complete appreciation of the depth of degradation to which the German Nazi Government and those responsible for it and its agencies, organizations, and practices had dropped in their treatment of those who had failed to embrace the doctrines of the "master race."

CAMP DORA AT NORDHAUSEN

The group visited the concentration camp at Nordhausen, which is located in the Province of Saxony, about 125 miles southwest of Berlin, on May 1, 1945. This was a political concentration camp and was known as the Dora Camp. It is located on the outskirts of Nordhausen, adjacent to a large underground manufacturing plant which produced V–1 bombs, the V–2's, airplane engines and parts, and other munitions of war. At the time of our visit to Nordhausen the camp had been in American hands about 3 weeks, and, of course, did not portray the filth and operating conditions which existed at the time of its liberation. The prisoners at this camp had been used as slave labor in the underground factory and for work parties in adjacent farms and in smaller munitions factories. The magnitude of the operation at Nordhausen is demonstrated by the fact that there were 31 miles of railroad track in the underground factory. The factory itself contained well organized production lines and enormous quantities of fine machine tools, many of which were new, and all in fine operating condition. The underground factory had also been used as barracks for prisoners until the death rate exceeded that apparently desired and began to affect the efficiency of production. We observed a crematory similar to the one that we saw at Buchenwald. We observed a large cement apron on which we were told by a reliable inmate that 135 prisoners had been executed by hanging, at the rate of 4 at a time, a few days before the camp was overrun by the American forces. This inmate stated that all of the prisoners who were physically able were required to witness the executions. He also told us that the executions had been for violations of camp disciplinary regulations and for alleged sabotage in the underground factory. He further stated that the individuals executed on this occasion were all Russians. At the time of our visit to the camp it was being additionally used by the American authorities as a rendezvous for displaced persons who had been wandering about in the area.

The prisoners had been segregated by our forces after liberation as far as possible by nationalities and every effort was made to alleviate their physical condition by food and medicine. On the whole, we found this camp to have been operated and administered much in the same manner as Buchenwald had been operated and managed. When the efficiency of the workers decreased as a result of the conditions under which they were required to live, their rations were decreased as punishment. This brought about a vicious circle in which the weak became weaker and were ultimately exterminated.

DACHAU

The committee next visited the infamous concentration camp at Dachau, in two groups, on May 2, 1945. Dachau is located in the province of Bavaria, about 325 miles south of Berlin. The groups visited Dachau within 48 hours after its liberation by American forces.

In the drive of General Patch's Seventh Army toward Munich, the Forty-fifth United States Division fought into Dachau 7 miles to the north and surprised and surrounded the concentration camp on the outskirts of the town. The camp was in charge of about 200 storm troopers who resisted as the American Army approached. The camp was occupied after many of the German guards were killed and the remainder captured.

Because of the surprise due to the speed of the American advance, this camp was captured practically intact. By orders of General Patch, the evidences of Germany brutality were left untouched awaiting our inspection. Two days later we arrived. We found a large rectangular-shaped camp filled with numerous barracks or sheds, in which were perhaps 30,000 political prisoners. Two high parallel barbed-wire fences surrounded the camp, the inner one 15 feet from the outside one which was electrically charged. At intervals of about 50 yards, 20-foot towers rose above the outer wire, and from these towers armed guards looked down on the interior of the camp. At one end of the large enclosure was an open space for assembling the prisoners, and at the extreme end was a large administration building.

When we arrived there were many prisoners lying dead between the inner and the outer barbed-wire fences—apparently shot by the guards. The living, Russians, Poles, Dutch, and in fact many nationalities, were being cared for by our army. We found women segregated in another enclosure behind the administration building. An inspection of one of the better barracks for men disclosed 390 jammed into a room built to accommodate 50. Most were suffering from typhus or tuberculosis, and all were living skeletons due to lack of food. The stench was sickening.

Outside, lying in rows, were about 300 bodies of those who had died and had been collected that morning from the various barracks. They were yet to be disposed of, as were those lying between the fences, and others, including the bodies of some of the German guards, which were strewn along the approaches to the entrance.

This camp was apparently built in 1933 or 1934 and we were told the original occupants were those who dared to oppose the Hitler regime. After their liquidation, fresh prisoners in ever-increasing numbers were furnished by the countries overrun by the German armies. The complete break-down by nationalities of the prisoners in the camp at Dachau was being undertaken by the American Army authorities while we were there, but the record has not yet been received in Washington.

Across a canal or moat filled with water which ran between this wire-enclosed camp and the highway, there was what appeared to be an old German Army casern, the buildings of which were scattered throughout an area of considerable size all completely surrounded by a stone wall. Trees lined the driveways in this secluded area in the center of which was a modern brick building where the executions of the prisoners from the camp across the street took place.

As we visited Dachau we saw on a railroad side track paralleling the main highway, and close to the gates of the prison camp, a train of cars which had been used to bring additional civilian prisoners to this camp. These cars were an assortment of odd boxcars, some of which could be locked, and some were the coal-car type. In each of them the floor of the cars was covered with dead, emaciated bodies. In some of the cars there were more than enough to cover the floors. In size, these cars were of the small European type which, when used for the movement of troops, would never accommodate more than 40 men. Nevertheless, the army officials in charge of this camp advised us that there were 50 of these cars in this 1 train and that at least 100 of these civilian prisoners

had been jammed into each car—locked in—and they had been on the road for several days without food or water, and that approximately 3,000 of them were dead upon arrival and most of the others were in a dying condition.

We saw many dead bodies on the ground. These prisoners had apparently crawled out of the cars and had died on the ground. Our officials advised us that many of the others who had survived the trip in the cars, had died since in the camp and many more, although still alive, were starved beyond redemption.

Directly across the road from the cars—near the entrance of this Dachau camp—we saw three dead members of the Nazi S. S. troops. Two had been shot and the skull of one had been crushed. We were advised that these three were members of the S. S. guards at the prison who were captured and killed by Russian inmates of the prison when the camp was liberated by the advancing American Army.

EXECUTIONS AT DACHAU

A distinguishing feature of the Dachau camp was the gas chamber for the execution of prisoners and the somewhat elaborate facilities for execution by shooting.

The gas chamber was located in the center of a large room in the crematory building. It was built of concrete. Its dimensions were about 20 by 20 feet and the ceiling was some 10 feet in height. In two opposite walls of the chamber were airtight doors through which condemned prisoners could be taken into the chamber for execution and removed after execution. The supply of gas into the chamber was controlled by means of two valves on one of the outer walls, and beneath the valves was a small glass-covered peephole through which the operator could watch the victims die. The gas was let into the chamber through pipes terminating in perforated brass fixtures set into the ceiling. The chamber was of size sufficient to execute probably 100 men at one time.

The room in which the gas chamber stood was flanked on both ends by warerooms in which the bodies were placed after execution to await cremation. The size of each room was approximately 30 by 50 feet. At the time we visited the camp these warerooms were piled high with dead bodies. In one of the rooms the bodies were thrown in an irregular heap. In the other room they were neatly stacked like cordwood. The irregular pile of bodies was perhaps 10 feet high, covering most of the floor space. All of them were naked.

It was quite evident that the daily death rate at Dachau, by execution and otherwise, far exceeded the daily capacity of the crematory to dispose of the bodies. The stench indicated that some of them had been there for several days. In the rear of the crematory building was an enclosure where the executions by shooting were carried out. There were three separate places for execution in this yard. One, we were informed, was for common political prisoners; one was for women; and one was for prisoners of distinction, including those who at some time had had military records. The latter were not prisoners of war. As had been stated, no prisoners of war were kept in any of the concentration camps, but all of the camps had political prisoners who had served in the armies of their countries prior to the beginning of the present war, and, particularly, during the First World War.

These three places of execution, which were separated from each other by tight board fences, consisted of banks of earth some twenty feet in length and three feet high. The condemned prisoners knelt down facing the bank and were shot through the back of the head. The only difference between these separate places of execution was that in front of the bank of earth where the distinguished prisoners were shot there was a small boardwalk upon which the prisoners knelt, while the common prisoners and the women knelt on the bare ground. A considerable amount of blood still remained on the ground at two of these execution places.

In the enclosure was a pile of rough wooden coffins. Since we had seen no coffins at the other camps visited, we inquired why coffins were used at Dachau, and were informed that these coffins were reserved for prisoners of distinction. The bodies of ordinary prisoners, if not cremated, were buried without coffins and usually without clothing.

PART 3. CONCLUSION

While the above three camps, which were visited by the joint committee, differed in some details, they were all of the same general pattern and design and administered for the same purpose.

At each of these camps we found four general classifications of prisoners: (1) political prisoners, (2) habitual criminals, (3) conscientious or religious objectors, (4) persons who were imprisoned for failure to work.

Although differing in size, they all carried into effect the same pattern of death by hard labor, starvation, hanging, strangulation, disease, brutality, gas chambers, gallows, and filthy and unsanitary conditions, which meant inevitable death eventually to every imprisoned person.

We found, in each case, that the supervision of the camps was carried out by the criminal tactics of S. S. troops, who, in addition to their own brutality, assigned some of their punitive duties to the prisoners, especially the habitual criminals who had charge of the barracks in which all types of prisoners were subject to their vicious and inhuman methods.

We found that this entire program constituted a systematic form of torture and death administered to intellectuals, political leaders, and all others who would not embrace and support the Nazi philosophy and program. We found the extent, devices, methods, and conditions of torture almost beyond the power of words to describe.

We found, from all the evidence available, that in these camps the Jews and Russians and Poles were treated with a greater degree of severity than other nationalities. We found that a colossal scheme of extermination was planned and put into effect against all those in occupied countries who refused to accept the principles of nazism, or who opposed the saddling of the Nazi yoke on their countries. The Nazi leadership in the pursuit of this policy found especially expedient the use of various forms of terrorism calculated to reduce the opposition and to render futile all efforts to throw off the yoke.

The over-all pattern of the scheme varied but little. First, vast numbers of nationals of overrun countries were abducted and brought into Germany—sometimes whole families, sometimes just the men. The number of these persons is variously estimated at between twelve and twenty million. These people were forced to labor long hours by their Nazi masters, and for slight infractions they were placed in concentration camps.

Likewise, the intelligentsia, college professors, former army generals, business leaders, and professional men of the occupied countries were taken captive and placed in these camps, unless they agreed to spread the doctrines advocated by the Nazis.

The treatment accorded to these prisoners in the concentration camps was generally as follows: They were herded together in some wooden barracks not large enough for one-tenth of their number. They were forced to sleep on wooden frames covered with wooden boards in tiers of two, three, and even four, sometimes with no covering, sometimes with a bundle of dirty rags serving both as pallet and coverlet.

Their food consisted generally of about one-half a pound of black bread per day and a bowl of watery soup for noon and night, and not always that. Owing to the great numbers crowded into a small space and to the lack of adequate sustenance, lice and vermin multiplied, disease became rampant, and those who did not soon die of disease or torture began the long, slow process of starvation. Notwithstanding the deliberate starvation program inflicted upon these prisoners by lack of adequate food, we found no evidence that the people of Germany as a whole were suffering from any lack of sufficient food or clothing. The contrast was so striking that the only conclusion which we could reach was that the starvation of the inmates of these camps was deliberate.

Upon entrance into these camps, newcomers were forced to work either at an adjoining war factory or were placed "in commando" on various jobs in the vicinity, being returned each night to their stalls in the barracks. Generally a German criminal was placed in charge of each "block" or shed in which the prisoners slept. Periodically he would choose the one prisoner of his block who seemed the most alert or intelligent or showed the most leadership qualities. These would report to the guards' room and would never be heard from again. The generally accepted belief of the prisoners was that these were shot or gassed or hanged and then cremated. A refusal to work, or an infraction of the rules, usually meant flogging and other types of torture, such as having the fingernails pulled out, and in each case usually ended in death after extensive suffering. The policies herein described constituted a calculated and diabolical program of planned torture

and extermination on the part of those who were in control of the German Government. These camps, on the whole, were conducted and controlled by the S. S. troops and the Gestapo, who acted under orders from their superiors, or who were given wide discretion in the methods which they were to adopt in perpetrating these hideous and inhuman sufferings.

It is the opinion of your committee that these practices constituted no less than organized crime against civilization and humanity, and that those who were responsible for them should have meted out to them swift, certain, and adequate punishment.

We found that the propagation of the Nazi theories and the practices which were carried forward under those theories created within Germany a disregard for human rights and for the dignity of the individual human being, which not only degraded the life of the people within the German Reich, but which was inevitably calculated to bring about war between Germany and her neighbors, and was calculated also to subject the conquered nations to the brutalities and indignities which struck fear and terror into the hearts of those who might otherwise oppose these policies which we have attempted to describe.

With reference to the punishment of those guilty of war crimes, which an indignant world will expect and demand, we desire to report that at the present time various agencies are actively and comprehensively engaged in the gathering of evidence throughout the regions where these atrocities were committed. The officers of our armies, and of the Allied armies, have been alert for many months to the conditions which prevailed in all Nazi-occupied territories and a very competent corps of investigators in each military area, under the control of our armed forces and those of our allies, has been for months engaged in gathering and documenting testimony which will be available for use when when those guilty of these atrocities are brought to trial. The Army of the United States alone has already gathered testimony and sworn statements that will fill many volumes.

In Paris the French Provisional Government has set up a commission for the investigation of war crimes. The Allied Nations have set up a War Crimes Commission, with its headquarters in London, made up of competent men representing 16 of the Allied Nations, and already specific charges are being made against many of the outstanding leaders of this criminal program.

It was the high privilege of the members of your committee to confer with our military authorities in Europe, with the French Commission in Paris, and the Allied Commission in London, concerning their methods and procedures and the results intended to be obtained by their activities, and the members of this committee were gratified at the thorough way in which this work is being undertaken. It has already been announced by the President that Justice Robert H. Jackson, of the Supreme Court of the United States, has been designated to represent this country in the preparation and presentation of the evidence which will be brought before such tribunals as may be in existence, or may be established, for the trial of major war criminals.

In view of all these activities, the committee does not feel at liberty at this time to recommend the creation of an additional agency for the investigation of these war crimes or for their ultimate disposition, but feels that the agencies now dealing with the problem are approaching the subject from the standpoint of practical justice in every area and in all categories of crimes that may be involved.

The committee is happy to report that each and every member approached the performance of this task with solemnity and with a sense of responsibility which deserves the commendation of our people. It was approached without regard to differences of political affiliation or geographical location. The committee feels that out of it all justice will emerge, and that through the sickening spectacle which we have witnessed of the degradation to which human beings have been subjected, will come ultimately a firmer realization that men of all nations and all tongues must resist encroachments of every theory and every ideology that debases mankind, and that a more just and enduring peace may arise upon the ruins and from the sacrifices which the human race has endured through one of the most crucial periods of its history.

ALBEN W. BARKLEY.
WALTER F. GEORGE.
ELBERT D. THOMAS.
WAYLAND BROOKS.
KENNETH S. WHERRY.
LEVERETT SALTONSTALL.
R. EWING THOMASON.
DEWEY SHORT.
JAMES W. MOTT.
JAS. P. RICHARDS.
JOHN M. VORYS.
ED. V. IZAC.

Mr. President, I ask unanimous consent that the report be referred to the Committee on Foreign Relations and be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, the report will be referred as requested, and will also be printed as a Senate document.

Mr. BARKLEY. Mr. President, in the corner of the Senate Chamber Senators will observe a large map of Germany which has been prepared by the War Department, indicating the location of practically all or most of the concentration camps, as well as the prisoner-of-war camps. Down in the corner of the map is a key which indicates which is which. The map will be left here as long as is necessary to enable Senators to inspect it, to see how generally distributed over Germany were these camps of various kinds.

Mr. O'MAHONEY. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I am glad to yield to the Senator from Wyoming.

Mr. O'MAHONEY. I should like to ask the Senator whether, on this trip through Europe, he had any reason to believe that these camps could have been administered by the Government of Germany without the knowledge and consent of the members of the German General Staff.

Mr. BARKLEY. My answer to the question is that I cannot conceive how these camps could have been constructed and administered by the German Government without the knowledge of the General Staff of the German Army. In the first place, as stated in the report, they were constructed in thickly populated areas, frequently on main highways, so that anyone could see them. While I, of course, have no direct knowledge from which I could state that the German General Staff knew about them, in my judgment it would be trespassing grievously upon the credulity of mankind to assume that they did not know about them. My own belief is that they did.

Mr. O'MAHONEY. I thank the Senator. I felt sure that would be the answer. I think it is an answer which should be broadcast throughout the country, because there have been so many obvious attempts upon the part of the officers of the German General Staff to ingratiate themselves not only among our armies, but in the opinion of all mankind. It seems to me to be an effort which should be condemned to failure from the beginning.

Mr. BARKLEY. I might say that the committee did not include any statement on that subject in its report for the vary obvious reason that we were trying to make a factual report, and so we limited it as nearly as we could to what we saw, and the evidence we obtained in the manner set out in the report. There are many things which we saw in Europe, upon which we might have commented, but we tried to confine our report to the thing which took us to Europe, namely, the investigation of the atrocities in various camps in Germany.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HILL. I wonder if the Senator would advise us whether or not the committee visited any prisoner-of-war camps, and what the committee found with reference to such camps.

Mr. BARKLEY. We did not visit actual prisoner-of-war camps, because they were in the possession of the enemy. As our armies advanced in Germany they liberated those in the prisoner-of-war camps, so that we could not see behind the German lines actual prisoner-of-war camps in operation. But we saw hundreds, if not thousands, of prisoners of war—American, British, and French—who had been liberated and released as our armies marched forward. We talked to them by the hundreds concerning the conditions which they found in prisoner-of-war camps.

Mr. HILL. Would the Senator advise the Senate what those men stated as to conditions in the prisoner-of-war camps?

Mr. BARKLEY. I think the general trend of their comments was that there was some arbitrary treatment, and brutality in some cases, but their greatest complaint was lack of food. They all

testified that if it had not been for the packages sent over by the Red Cross they would have been practically starved to death. They lost weight. Those with whom I conversed—and there were many of them, both English and American, and some few French and some Canadians—advised me about conditions. At one of the camps the released prisoners had been segregated according to States and regions, and I was permitted to visit a large number of Kentuckians who had been captured, some of whom had been in German prison camps for more than a year.

The testimony of this group was that, depending on how long they were in the camps, they lost anywhere from 15 to 55 pounds. I saw a group who had been released and were about to be flown to England from a place in Belgium to which they had been brought out of Germany. They gave testimony as to their own lack of food and their own loss of weight, and the loss ran from 15 pounds up to 55 pounds each. I might say, in that connection, that in this same group of prisoners with whom I conversed—and no other member of the congressional delegation was with me at this time, because it was a group who represented my State, and one or two other States in the region near Kentucky—were some boys who had been captured in Italy, and they told me that they were required to march on foot from Italy into Germany for 19 days, and on the last day they were herded into boxcars, and for 36 hours they had neither food nor water on the trip. Some of them gave statements as to the treatment on the part of the guards on the way from Italy up to Germany. If a prisoner fell out or fell behind and could not keep up with the pace, some of them said the guards prodded him with a bayonet. I do not know how many incidents of that kind may have occurred. I would not say, from the statements I heard, that that was the general practice, but it did happen in some instances.

Mr. O'DANIEL. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. O'DANIEL. According to the report, these concentration camps were located in thickly populated districts. I wonder if the members of the committee interrogated the civilians in those districts to ascertain whether they had knowledge of the atrocities perpetrated in the camps.

Mr. BARKLEY. Mr. President, the committee did not have much opportunity to talk with civilians. The camp which is known as Buchenwald is just outside the city of Weimar. Weimar is the city in which the German Republic, following the last war, was founded. It is the seat of the adoption of what is known as the Weimar Constitution. The Buchenwald Camp is only a short distance outside the city of Weimar. We were told that especially in moving back and forth between the camp to the factory in which many of these prisoners worked there was no attempt made to conceal their movements. Of course it would be obviously impossible for a large camp of that kind, surrounded by a high fence, occupying many acres of land, and containing from twenty to forty thousand prisoners—there were 20,000 in it when our Army got there, but we were told that the peak of the population of that camp had been 48,000—it seems impossible that such a camp could be located in close proximity to a large city like Weimar without the people knowing about it. But we did not have much chance to interrogate those people. We did ask some of the inmates in the camps if the people outside knew about them, and the universal answer was a gesture of assent—"Yes, they knew about them." But we did not have a chance to interrogate the people within the cities.

Mr. O'DANIEL. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield.

Mr. O'DANIEL. Does the Senator know whether other investigating committees are making investigations along that line among the German civilians, to ascertain whether they were acquainted with and knew about these conditions?

Mr. BARKLEY. I am not certain. In response to General Eisenhower's request the House of Commons sent about a dozen members, and some British newspaper publishers and American newspaper publishers were over there at practically the same time. Our Army, through its corps of investigators, is making a minute investigation, and as I said, getting sworn and documented testimony, and some of the leads which are given to these investigators come from civilians who happened to know about some of these things which took place in the vicinity.

Mr. BROOKS. Mr. President, in behalf of the membership of the committee I wish to pay my respects to our majority leader for the splendid manner in which he directed its efforts, and to say that a most cordial and cooperative spirit prevailed.

As the report just read shows, we were invited to visit one camp. When we visited it, it was the consensus of the delegation that we ought to go farther and find more evidence, even more conclusive evidence than that disclosed by the awful atrocities perpetrated in that first camp, which were conclusive within themselves. By reason of the excellent cooperation of the membership of the committee, and with the cooperation of the Army, as the report further shows, we waited and finally saw a camp which was overrun during our stay in Europe. I wish to add that we saw evidence of atrocities other than those which have been reported.

I do not think the report ought to be closed without paying tribute to the exceedingly able leaders of our armed forces, and to the men and women in our Army which overran these camps and set their inmates free, and finally won the war in Europe.

Mr. President, we saw the war close. We heard orders given from general to general when they finally established the last line and the farthest forward movement of our troops. At the conclusion of the war we saw the high spirit that prevailed among all the men and women of our armed forces. We saw the team work that prevailed among the leaders of our armed forces. It was most gratifying to hear the tribute which was paid to our ground forces by the Air Corps. It was most heartening to hear the leaders of the Air Corps say, "We were but a portion of a team," and to hear them praise in the highest terms the men who shouldered the guns, and who marched on the ground.

Then there was the tremendous picture presented to us of the Germans on their retreat blowing up the bridges behind them, and how our Army on the other hand, to stop the retreat of the Germans, blew up the bridges before the retreating Germans. And then there was the inspiring scene of our engineers moving in and within the shortest possible time making repairs and clearing the way for our troops. In the meantime we saw our magnificent Air Force carrying to our troops supplies which, because of broken bridges and blown-out highways, could not otherwise be transported to them.

We were told in one Army headquarters that during one day 700 of our C–47's, which are the counterpart of the transport planes used by the air lines in America, delivered 30,000 tons of gasoline to the advanced units of our mechanized army which were driving forward to overrun the concentration camps the report describes, and the prisoner-of-war camps in which our own sons, our own loved ones, our own American men, were confined.

We heard not a single criticism by any leader of any of the branches of the service. We heard only the highest praise given by members of one service for the members of other services. The same thing is true with respect to our Army equipment. We heard nothing but praise for its excellence and efficiency.

Mr. President, it was a high privilege for us, under the able leadership of our majority leader, to see the closing hour of the war in Europe. We had the duty to make this tragic report of what we found; but it is impossible fully to describe the inhuman and sadistic treatment by the Nazis of their fellow human beings.

Mr. BARKLEY. Mr. President, I wish to add to the words of the Senator from Illinois one word of commendation respecting our military leadership. In that word of commendation I would mention not only the fine spirit shown by the officers who bore the responsibility of direction, but the high spirit of the men in the ranks. It went all the way down to the privates in every division and in every company and in every field of operation. Though we actually saw what our armies had done over there, we found it almost unbelievable that an army of such great size could have been transported 4,000 miles and have accomplished what it did accomplish in such an incredibly short time.

Not only do the Army and the fighting men deserve this commendation, but I am sure that the members of our committee will all agree that the Medical Corps and the medical officers of the

Army, and the nurses, as well, are entitled to similar commendation. Our Army Medical Corps, whose higher officers are largely volunteer doctors, and all their assistants, have done a thing in this war which was never possible to do before. During the Battle of the Bulge in Belgium in December many men who were severely injured in the morning of the fighting and who were taken back to a field hospital or temporary first-aid station in the rear, were before sundown flown into the hospitals in Paris where they could receive the most skillful treatment from the finest medical men ever gathered together in any army in the history of the world.

Then, Mr. President, as to our nurses who are working over there, the women who have gone out from their homes and families and from their schoolrooms to do this work, are likewise performing a duty which cannot be described in words. They are doing it with a spirit and a determination which makes us all proud of every phase of this great accomplishment and of their branch of the service.

I saw in the hospital in Paris men who had been so badly injured that one could not imagine they would ever want to go back into battle or that they would be permitted to go back into battle, but who were impatient for their injuries to heal so they might go back to fight in Japan in the Pacific before the war is concluded.

Mr. President, I feel that these words of commendation should be spoken respecting the different branches of the service, and I am sure the Senator from Illinois meant to include them all in his remarks.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 383) to provide for the further development of cooperative agricultural extension work, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2347. An act to provide and insure a dependable supply of domestic natural rubber, and for other purposes; and

H.R. 2875. An act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department in the District of Columbia."

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 2992) to extend the provisions of the act of July 11, 1941 (Public Law 163, 77th Cong.), and it was signed by the President pro tempore.

REPORT OF WAR PRODUCTION BOARD

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Military Affairs:

To the Congress of the United States:

I transmit herewith for the information of the Congress a report of the War Production Board covering operations under the Property Requisitioning Act of October 16, 1941, as amended, for the period from October 16, 1944, through April 15, 1945.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 15, 1945.*

(NOTE.—The report accompanied a similar message to the House of Representatives.)

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on May 14, 1945, he presented to the President of the United States the following enrolled bills:

S. 62. An act to amend section 3 (b) of the Securities Act of 1933, as amended, so as to permit exemption of security issues not exceeding $300,000 from the provisions of such act;

S. 70. An act for the relief of Maria Manriquez Ruiz;

S. 71. An act for the relief of the legal guardian of Estella Ruiz;

S. 174. An act for the relief of Mary Martha Withers, as trustee; Mary Martha Withers, as administratrix of the estate of Beatrice Withers, deceased; and Mary Martha Withers, individually;

S. 316. An act for the relief of June I. Gradijan;

S. 328. An act for the relief of James A. Kelly;

S. 359. An act for the relief of Mrs. Ellen McCormack;

S. 407. An act for the relief of Pierce William Van Doren and Elmer J. Coates;

S. 467. An act for the relief of Maj. Malcolm K. Beyer;

S. 569. An act to reimburse certain Marine Corps personnel and former Marine Corps personnel for personal property lost or damaged as the result of a fire in the training building at the Marine Corps air station, Cherry Point, N. C., on June 3, 1944;

S. 591. An act for the relief of Chesley Brezil;

S. 655. An act amending the act of June 25, 1938 (52 Stat. 1207), authorizing the Secretary of the Interior to pay salary and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath business committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe, as amended, and for other purposes; and

S. 701. An act to provide a method for the wartime reduction of temporary grades held by general officers of the Army of the United States.

TRIAL PIECES OF COINS

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend section 3539 of the Revised Statutes, relating to taking trial pieces of coins, which, with an accompanying paper, was referred to the Committee on Banking and Currency.

PETITIONS, ETC.

Petitions, etc., were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the General Assembly of the State of Illinois; to the Committee on Foreign Relations:

"House Joint Resolution 32

"Whereas the United Nations are convening in San Francisco, Calif., this April 25 for the purpose of setting up a world-wide international organization to assure the peoples of the world of the greatest degree of security against aggressors; and

"Whereas the President of the United States has appointed delegates from the United States, representing all sections of political life in our country, to represent our country in the coming Conference, and

"Whereas former Secretary of State Cordell Hull, Secretary of State Edward Stettinius, Dean Virginia Gildersleeve, Representative SOL BLOOM, Senators THOMAS CONNALLY and ARTHUR H. VANDENBERG, Lt. Comdr. Harold Stassen, and Representative CHARLES A. EATON are the members of the delegation from the United States to the coming San Francisco Conference; and

"Whereas the elected representatives of the people of the State of Illinois can effectively help in giving vocal support to the delegations from the United States by making known its earnest desire for our country to actively participate in keeping the peace of the world by force, if necessary: Therefore be it

"*Resolved*, That the House of Representatives of the Sixty-fourth General Assembly of Illinois (the Senate concurring herein), call upon the delegation of the United States to the coming United Nations Conference on International Organization to vote for effective world organization for peace giving authority to the proposed international organization to enforce the peace by force, if deemed necessary; and be it further

"*Resolved*, That suitable copies of this preamble and resolution be sent to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, the Governor of the State of Illinois, Lieutenant Governor of the State of Illinois, Cordell Hull, Secretary of State Edward Stettinius, Dean Virginia Gildersleeve, Senators THOMAS CONNALLY and ARTHUR H. VANDENBERG, Lt. Comdr. Harold Stassen, Representatives SOL BLOOM and CHARLES A. EATON, and Members of the United States Senate and the United States House of Representatives."

A joint resolution of the Legislature of the State of California; to the Committee on the Library:

"Assembly Joint Resolution No. 33

"Relative to memorializing Congress to erect a Statue of Freedom on the coast of California.

"Whereas since she was unveiled to the world in 1886, the Statue of Liberty has stood at the Atlantic threshold of our Union as a glorious symbol of American heritage—those four great freedoms: Freedom of speech, freedom of worship, freedom from fear, and freedom from want; and

"Whereas to 'the tired, the poor, the huddled masses,' she has brought hope and inspiration; to 'the homeless and the tempest tost she lifts her lamp beside the golden door,' pointing the way toward the peace and security of freemen; and

"Whereas the torch she bears aloft on Bedloe Island is as a beacon of enlightenment to the troubled lands across the waters, shrouded in darkness, desolution, and despair; and

"Whereas similar darkness reigns across the waters of the Pacific but no such beacon lights the way; and

"Whereas more and more, as the present conflict proceeds toward Allied victory does an awakened Asia look toward our western shores, in search and contemplation of those principles and ideals for which our Nation stands; and

"Whereas in these years of war, California has risen to prodigious heights as the great military and industrial center of the West—where troops embark for the Pacific, where most of the Nation's ships and planes are built, where much of the Nation's food supply is grown; and

"Whereas in the postwar years California will emerge as the great center of Pacific commerce and travel by air and sea—the great link between the east and west; and

"Whereas it is fitting that there be on the California coast a visible symbol of freedom, a sister, as it were, to her who graces New York Harbor, that Asia as well as Europe may view the essence of our great ideal and feel the impact of its promise: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That Congress is hereby respectfully memorialized to erect upon the coast of California a Statue of Freedom similar in import to that upon our Atlantic shore; and, be it further

"Resolved, That the chief clerk of the assembly is directed to transmit a copy of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

PEACETIME UNIVERSAL MILITARY TRAINING

Mr. CAPPER. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference resolutions adopted by Charles Walters Post, No. 8, American Legion, of Fredonia, Kans., taking a stand for peacetime universal military training.

There being no objection, the resolutions were received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the American Legion, in its wisdom appreciates the need and has endorsed a program for peacetime universal military training; and

Whereas Charles Walters Post, No. 8, of the American Legion, Fredonia, Kans., has investigated said program and finds the adoption of universal military training in peacetime a definite need for future peace; and

Whereas Charles Walters Post, No. 8, is proud to commend the national organization upon its action in reference thereto: It is therefore

Resolved by the Charles Walters Post, No. 8, of the American Legion, That it commend the national organization upon its patriotic act in endorsing universal peacetime military training; and be it further

Resolved, That its officers exercise every influence at its command to help write the idea into the law of the land; be it further

Resolved, That a copy of this resolution be forwarded to the national adjutant and copies to each of the members of the National Congress from Kansas and the appropriate congressional committees.

CHARLES WALTERS POST, No. 8,
FREDONIA, KANS.,
LOYD L. STEWART,
Commander,
CHAS. OSBURN,
Adjutant.

MISSOURI VALLEY AUTHORITY

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD resolutions adopted by members of the Great Northern Turkey Cooperatives, Inc., with headquarters at Minot, N. Dak., in annual convention at St. Paul, Minn., relating to the Missouri Valley Authority.

There being no objection, the resolutions were received, referred to the Committee on Irrigation and Reclamation, and ordered to be printed in the RECORD, as follows:

Whereas the harnessing and utilization of the waters and other resources of the Missouri Valley region afford the greatest opportunity of any great region during the postwar era for the development of agriculture, commerce, industry, conservation, and recreation; and

Whereas the urgency of the problems caused by the recurrence of devastating droughts in the upper agricultural area of the valley and disastrous floods in the lower portion of the watershed, together with the related problems of soil erosion and loss of soil fertility, the pressing needs for low-cost transportation and cheap and abundant electric power, and the necessity for the balanced development of the other natural resources of the region, demand that the Missouri River system and its watershed be controlled and utilized for purposes of irrigation, flood control, navigation, electric power, municipal uses, and recreational and other incidental purposes, and that adequate measures for water control on the land and the development of the other natural resources of the region be undertaken, all in such a manner as will promote the balanced agricultural and industrial development of the Missouri Valley region; and

Whereas all of these purposes and measures can be achieved to the most desirable extent for the benefit of the 7,000,000 people who live in the Missouri Valley only through a well-integrated program of unified water control and resource development with responsibility for planning, construction, and administration clearly fixed in a single regional agency that will become intimately acquainted with the needs and desires of the people of the valley; and

Whereas for the past 12 years the Nation has witnessed in the Tennessee Valley region a practical demonstration of the most efficient and democratic method of developing natural resources, where the Tennessee Valley Authority—a Federal regional agency responsible directly to the President and Congress and authorized to deal with the development of all the resources of a great river region as a unified whole in cooperation with the people of the region and their institutions, local, State, and Federal—has successfully provided for the unified control and utilizations of water in the river and on the land, and the integrated development of the other resources of the region, in cooperation with existing Federal agencies, State governments, and local authorities to the great benefit of all people, improving the condition of farmers, stimulating new industries, and making more prosperous existing business enterprises: Now, therefore, be it

Resolved, That the members of the Great Northern Turkey Cooperatives, Inc., with headquarters at Minot, N. Dak., in annual convention in St. Paul, Minn., on April 3, 1945, endorse legislation, such as the pending Senate bill 555, creating a Missouri Valley authority which shall be patterned upon the administrative principles of the Tennessee Valley Authority as a genuine decentralized regional agency directly responsible to the President and Congress and the programs of which shall be designed to meet the particular conditions, problems, and opportunities of water control and resource development of the Missouri Valley region, including responsibility for the formulation and carrying out of a plan for the unified control and development of the waters of the Missouri River system in cooperation with and with due respect for the rights of the various States and local governing authorities of the Missouri region, and utilizing and improving the basic engineering proposals jointly prepared by the Corps of Engineers and the Bureau of Reclamation; and be it further

Resolved, That copies of this resolution be forwarded to Members of the United States Senate and the House of Representatives from the States in which Great Northern Turkey Cooperatives, Inc., operates—namely, Minnesota, North Dakota, South Dakota, Nebraska, Colorado, Wyoming, and Montana—and that this resolution be spread on the minutes of the association.

L. A. JOYCE,
Secretary-Treasurer.

IMPROVEMENT OF JUSTICE BY PRESCRIBING FAIR ADMINISTRATIVE PROCEDURE

Mr. LANGER. Mr. President, I also ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Cass County Bar Association at its meeting held in Fargo, N. Dak., favoring the enactment of legislation to improve the administration of justice by prescribing fair administrative procedure.

There being no objection, the resolution was received, referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Be it resolved by the Cass County Bar Association at its meeting held at Fargo, N. Dak., on April 12, 1945, That this association having studied and carefully considered the McCarran-Sumners bill to improve the administration of justice by prescribing fair administrative procedures, now pending in the Senate and House of Representatives (S. 7 and H. R. 1203), and finding that said bill contains the fundamental requirements for fair hearings and decisions before administrative agencies of the Federal Government, and that its passage now and without waiting for the termination of the present war is essential and in the public interest.

We do hereby approve said bill and recommend its immediate passage by Congress, and urge our Representatives and Senators to actively support said bill and diligently work to secure its prompt passage.

That copies of this resolution be transmitted to Senators LANGER and YOUNG and Representatives LEMKE and ROBERTSON by the officers of this association.

HOSPITAL FACILITIES FOR VETERANS

Mr. WHERRY. Mr. President, I have a communication from a fellow Nebraskan, Mr. Reed O'Hanlon, who is department commander of the American Legion for the State of Nebraska. His letter has to do with the expansion of hospital facilities for veterans in our State. I ask consent to present for printing in the RECORD, as a part of my remarks, and to have appropriately referred the letter which I have received from Mr. O'Hanlon and, following it, the resolution which was adopted by the executive committee of the American Legion, Department of Nebraska, on the 2d day of May 1945. The resolution is self-explanatory.

There being no objection, the letter and resolution were received, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
DEPARTMENT OF NEBRASKA,
May 9, 1945.

Hon. KENNETH S. WHERRY,
United States Senate,
Washington, D. C.

DEAR SENATOR WHERRY: I have been directed by the executive committee of the American Legion, Department of Nebraska, to forward for your consideration a resolution passed at their meeting of May 2, 1945, concerning the urgent need for an additional veterans' hospital in Nebraska. Unless some definite action authorizing the construction of at least one additional hospital in this State is taken in the near future, the delay before actual construction can be completed

is going to cause a serious situation in this State.

The Department of Nebraska has no direct interest in the location of such additional facilities feeling that this should properly be left to proper authority. We are deeply concerned, however, with the delay in the Veterans' Administration, notwithstanding congressional authorization, for additional facilities. It is our hope that you will find time, busy as you are, to personally urge General Hines to make a definite commitment.

Sincerely,

REED O'HANLON.

Whereas it is the belief of war veterans of Nebraska that the construction program for Veterans' Administration hospitals has been conducted along entirely too conservative lines, especially in view of the anticipated need for new hospitals and new beds, which should be in readiness before any emergency occurs; and

Whereas experience in the past has proven that the present veterans' hospital facilities in Nebraska are inadequate even for the veterans of wars prior to World War No. 2, as we have seen long waiting lists of men desiring hospitalization and in need of it; and

Whereas a comparison of Veterans' Administration facilities available to veterans of Midwestern States shows that the Nebraska veterans are the victims of unjust discrimination in respect to the facilities provided for them, as shown by the following table:

State	Men in World War No. 1	Veterans' Administration hospital beds	Beds per 1,000 men
South Dakota	32,017	[1] 2,632	87
Wyoming	12,348	745	62
Kansas	81,724	4,369	53
Colorado	43,421	805	19
Iowa	114,292	1,655	15
Nebraska	57,329	280	5

[1] Does not include 150-bed hospital now authorized.

Therefore be it

Resolved by the department executive committee of the American Legion, Department of Nebraska, in regular session convened this 2d day of May 1945, That we demand that the war veterans of Nebraska be given the consideration to which they are entitled in the way of hospital facilities in their own State, and that the Veterans' Administration be urged to proceed with a construction program, in accordance with the provisions of the G. I. bill of rights, which will provide adequate hospital facilities in Nebraska for the war veterans of this State that the situation may not become a stark tragedy when veterans of World War No. 2 return home; and be it further

Resolved, That copies of this resolution be forwarded to Gen. Frank T. Hines, Administrator of Veterans Affairs, to all members of the Nebraska delegation in the Congress of the United States, and to Edward McKim, chief administrative assistant to President Truman.

The foregoing resolution was adopted unanimously.

REPORT OF COMMITTEE ON MILITARY AFFAIRS

Mr. THOMAS of Utah, from the Committee on Military Affairs, to which was referred the bill (S. 917) to provide for payment and settlement of mileage and other travel allowance accounts of military personnel, reported it without amendment and submitted a report (No. 271) thereon.

INTERIM REPORT OF COMMITTEE ON AGRICULTURE AND FORESTRY ON INVESTIGATION OF PRODUCTION, DISTRIBUTION, AND CONSUMPTION OF FOOD (S. REPT. NO. 270)

Mr. THOMAS of Oklahoma. Mr. President, on March 19, 1945, the Senate adopted Senate Resolution 92, authorizing the Committee on Agriculture and Forestry to make an investigation of the production, distribution, and consumption of food. The committee as a whole held hearings for approximately 5 weeks. Therefore, on behalf of the Committee on Agriculture and Forestry, I ask unanimous consent to submit an interim report. Inasmuch as the Committee on Banking and Currency has jurisdiction of the bill proposing to extend the O. P. A. for another term I ask that a copy of the report be referred to that committee. I also request that the report be printed in full in the RECORD.

The PRESIDENT pro tempore. Without objection, the report will be received, and printed in the RECORD, and a copy thereof referred to the Committee on Banking and Currency.

The report is as follows:

[S. Rept. No. 270, 79th Cong., 1st sess.]

INVESTIGATING CERTAIN MATTERS RELATING TO FOOD PRODUCTION, DISTRIBUTION, AND CONSUMPTION

Mr. Thomas of Oklahoma, from the Committee on Agriculture and Forestry, submitted the following interim report (pursuant to S. Res. 92):

STATEMENT

The Committee on Agriculture, to whom was referred the resolution (S. Res. 92) providing for the investigation of matters relating to food production and consumption, makes the following interim report on the production, distribution, and consumption of meat.

The committee had before it not only representatives of the Office of Price Administration, War Food Administration, and the armed forces but many livestock producers, feeders, meat packers, and others from all parts of the United States. The findings and recommendations herein are based upon the testimony of these witnesses.

HIGHER PRICES FOR TOP GRADES OF CATTLE

It is estimated that there is a record number of about 82,000,000 cattle on farms and ranches in the United States. In 1943 Federal agencies controlling meat production and prices in an effort to best utilize available feed deliberately discouraged the feeding of cattle to the top grades by reducing the normal spread in prices between the top and lower grades. The failure to change this policy in spite of adequate feed supplies during and since the last half of 1944 resulted in discouraging the sending of sufficient numbers of cattle to feed lots. Therefore, it is apparent that the controls now in effect do not give the necessary spread to a cattle feeder to permit him or to encourage him to purchase feeders and adequately finish them in the feed lot.

One quick way to increase the available meat supply is to add to the weight of cattle which are now in the feed lots. The way to stimulate the feeder to place the cattle on feed and hold them until they are finished is to give him a price sufficiently above the market on feeder cattle to permit him to do the job and earn a reasonable profit.

ENCOURAGING MARKETING OF GRASS CATTLE

All estimates indicate that there are sufficient grass and unproductive dairy cattle on farms and on ranges to permit an increased marketing of them during late spring and early summer. Such marketing would aid in relieving to some extent the present shortage of meat, and it would also bring these cattle to market before the usual late summer and autumn rush. The time for grass feeding has now arrived, permitting the carrying of these cattle on the farms and ranges at the minimum cost. Therefore, some incentive is necessary to bring them to market in the next few months. Furthermore, this type of beef is urgently needed now for the canning program of the armed forces.

RAISING AND EXTENDING THE SUPPORT PRICES OF HOGS

Failure of governmental agencies to judge meat requirements resulted in a series of conflicting policies both on hog production and feed supplies. Producers of hogs were confused and discouraged and hog production declined approximately 35 percent in 1945 in comparison to 1944.

To again encourage needed hog production a strong stimulant is necessary. This must take the form of an increase in the support price for best hogs and an establishment of satisfactory support prices of all weights. Further, the hog producer must be assured that there will be no lowering of such support prices or of ceilings before the pig crop which he is about to raise will be marketed.

PROCESSORS NEED A REASONABLE MARGIN FOR PROCESSING

The committee are convinced from the testimony that at the present time substantial losses are being incurred by processors on both beef and pork operations. Many small packers have been forced to close, curtail their operations, go broke, or go "black," because of their inability to continue to take these losses. The Office of Price Administration officials have assured this committee from time to time that they would correct these inequities administratively. In the case of pork an announcement was made which purported to make pork operations profitable. The Office of Price Administration has since admitted that such relief was inadequate. Later they announced their 10-point program for beef which they said made beef operations profitable. Testimony produced before this committee clearly established that this program causes packers greater losses than they were sustaining under the program it superseded. This committee believe processors should have a margin of profit for processing of each species of livestock. In view of the recent court decisions, Congress must amend the Emergency Price Control Act so that it will be unmistakably construed in that manner. This committee, therefore, recommend that the Banking and Currency Committee of the Senate, which now has before it a bill to extend the Price Control Act, incorporate in that bill an amendment that will accomplish this result.

SLAUGHTERING LICENSES AND PERMITS

The War Food Administration set up a permit-and-license program to control slaughterers, and issued to other than farm slaughterers about 26,000 permits against what might be called a normal number of 2,000. Since only meat from plants having Federal inspection can be shipped in interstate commerce, a large percentage of this meat from locally slaughtered animals never reaches normal channels of distribution. The armed forces and lend-lease purchase only federally inspected meat and therefore, the amount of meat which would otherwise be available to civilians from this source is substantially curtailed, thereby accounting for the extreme shortages in urban areas.

The committee recommend that all slaughtering licenses and permits be can-

celed and reissued only to applicants who are in compliance with Office of Price Administration, War Food Administration, and Defense Supplies Corporation regulations, who, except in unusual circumstances, have been in business over an extended period of time, and who contribute to normal channels of distribution. Quotas should be established for all nonfederally inspected slaughterers limiting the amount of meat they distribute.

The committee recommend as a further means of equalizing distribution of meat to civilians and as a means of making a larger portion of meat supply available for the armed forces and other Federal agencies that Federal inspection be required of slaughterers above the farm and retail level and that such slaughterers be required to set aside meat for Government use.

ENFORCEMENT

The committee believe that the Office of Price Administration has failed miserably to enforce price- and ration-control regulations. We recognize that effective enforcement is difficult, but we believe the enforcement staff, to a large extent, is inexperienced and unqualified and that it has failed to obtain the cooperation of the public generally. The committee believe further that the Enforcement Division has concerned itself too much with petty and technical violations of legitimate operators rather than concentrating on an effort to criminally punish those who have been engaged in diverting meat from normal channels in total disregard of price and rationing restrictions.

LEND-LEASE

The committee believe that the reasonable requirements of lend-lease for meat products should be taken care of, but recommend to appropriate governmental agencies that supplies furnished to lend-lease should recognize and be consistent with existing civilian shortages in meat supply.

MISCELLANEOUS

The committee found no evidence that there was any appreciable percentage of meat wasted by reason of incompetent handling by the armed forces or other Federal agencies. The committee find further that reputable livestock producers, feeders, slaughterers, and processors have cooperated in supplying the war needs and in doing as satisfactory a job as possible under wartime restrictions and regulations.

OFFICE OF PRICE ADMINISTRATION'S AND WAR FOOD ADMINISTRATION'S FAILURE TO COOPERATE

The Office of Price Administration was created for the specific purpose of controlling and keeping prices down; hence such Administration is not charged with responsibility of inspiring and increasing production of meat and food products.

Further, the Office of War Food Administration was created for the special purpose of securing the necessary production of meat and food products and in order to secure production the element of price is a necessary adjunct.

The evidence produced before the committee demonstrates that the Office of Price Administration and the Office of War Food Administration have failed to cooperate, thereby failing to secure a real understanding of and a solution of the problems of the producer, feeder, and processor of livestock and to coordinate in the public interest the control of production, distribution, and the price of meat.

FOREIGN ECONOMIC ADMINISTRATION

The Chairman of the Committee on Foreign Shipment recently submitted a food report wherein he said that we already have a shortage in beef, pork, lamb, mutton, fats, oils, and sugar.

The chairman of the said committee is without power either to control prices or to expand production, hence, for his needs, he is at the mercy of the Office of Price Administration and the War Food Administration.

MISMANAGEMENT OF APPLES BY OFFICE OF PRICE ADMINISTRATION

As a concrete example of mistakes made by the Office of Price Administration, we cite the item of apples. Of this commodity there is an admitted surplus, so that the law of supply and demand, if permitted to operate, would have enabled the apply growers to have disposed of their products in the same manner as they have operated heretofore in times of peace.

Notwithstanding the surplus of apples, ceiling prices were placed on the various brands and grades and the retail merchants were restricted by orders limiting the sales of such product. Retail merchants oftentimes construe ceiling prices to be selling prices and in the case of apples such prices were fixed so high as to prevent the apples from moving into consumption. The Office of Price Administration prices and regulatory orders have interfered with the marketing and distribution of the 1944 apple crop and the result is that there will be millions of bushels of apples which will go to the dump pile.

Mr. E. B. Moore, an apple grower of Winchester, Va., testified that on April 1 there were 1,800,000 bushels of apples in Virginia that could not be sold under Office of Price Administration prices and regulations.

Mr. John Peters, of Gardners, Pa., testified that because of Office of Price Administration prices, regulations, and management, some 800,000 bushels of apples would have to be dumped.

The committee are of the opinion that in the case of apples all restrictions should have been removed, thus permitting the 1944 crop to have been sold, without either ceilings or limitations.

Using apples as an example, the committee is of the opinion that when any commodity becomes plentiful so that the law of supply and demand can operate to keep the price of such commodity within reason, all control prices and restrictions with respect to such commodity should be removed.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

The Nation-wide shortage of meat; complaints against the Office of Price Administration by livestock producers, processors, distributors, and consumers; reports of widespread black markets and diversions of livestock from normal channels of slaughter and distribution decided the committee to make an extended inquiry into the question of the supply and distribution of meat.

The armed forces are receiving the meat they actually need for consumption by military personnel for current supplies. Their needs were met first and must continue to receive priority. Lend-lease also receives substantial quantities of meat products. What remains is available to civilian consumption. The amount so remaining is inadequate to provide for the usual per capita civilian consumption. This shortage in civilian supply is accentuated by greatly increased consumer purchasing power.

The committee's findings and recommendations summarized are:

FINDINGS

Causes which have contributed to the shortage of meat for civilian consumption include:

1. The substantial and increasing quantities purchased by the armed forces and lend-lease.

2. A decrease in pork production of over one-third in 1945 compared with 1944 resulting from a decline in the 1944 hog production of approximately 30 percent.

3. The marketing of improperly finished cattle and calves and the failure to market the number of cattle warranted by the record numbers of cattle on farms and ranges.

4. The "squeeze" of processors of livestock between livestock prices and product ceilings resulting in losses and causing many reputable processors to curtail their operations.

5. The diversion of livestock from normal channels of slaughter and distribution into the black market, and the failure of the Office of Price Administration to take effective enforcement measures.

6. The diversion of livestock and meat into local distribution channels and away from interstate distribution.

7. An increased purchasing power resulting in a record civilian demand for meat.

RECOMMENDATIONS

The committee recommend for the purpose of improving the supply and distribution of meat the following:

1. A forthwith increase in the return to the feeders of AA and A grades of cattle through a fair and sufficient subsidy to feeders to encourage them to feed out range cattle to the maximum degree, thereby encouraging the feeding of more cattle and increasing not only the quality but the weight of AA and A grades of cattle.

2. An immediate incentive program to encourage, during the spring and early summer, the marketing of more grass and unproductive dairy cattle.

3. Raising the support price of hogs and extending support prices to cover all weights of hogs.

4. That assurance be given producers that support prices and ceilings for livestock will not be lowered unless adequate notice of such change be given.

5. That the Price Control Act be amended to require and direct the Office of Price Administration to give processors of livestock a reasonable margin of profit for processing each species of livestock.

6. The withdrawal of all slaughtering licenses and permits and a sharp reduction in the number reissued together with restrictions on slaughter by use of quotas so that meat will be directed into the normal interstate channels of distribution. The refusal to issue new slaughtering licenses and permits to known violators of governmental regulations and the concentration of enforcement efforts on fundamental major problems instead of marginal technicalities.

7. The extension of Federal inspection and set-aside orders to small slaughterers above local farm and retail level.

8. The limiting of lend-lease purchases of meat products consistent with domestic civilian supply.

9. That the Price Control Act be further amended to direct the Administrator to proceed without delay to remove all price controls and regulations from any and all commodities just as fast as any such commodity becomes sufficiently plentiful so as to permit the law of supply and demand to operate to keep the price of any such commodity within the range of the cost of production plus a reasonable profit.

10. The committee recommended that a supreme Administrator for Food be created to have supervision and jurisdiction over both the Office of Price Administration and the War Food Administration.

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. TYDINGS (by request):

S. 1002. A bill to provide for the submission to the people of Puerto Rico of alternative forms of political status to the end that, by mutual agreement between the people of Puerto Rico and the Government of the United States, a permanent political status may be established in Puerto Rico mutually satisfactory to both; to the Committee on Territories and Insular Affairs.

By Mr. WALSH:

S. 1003. A bill to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances; to the Committee on Naval Affairs.

By Mr. MAGNUSON:

S. 1004. A bill to authorize the Bloedel Donovan Lumber Mills to cut and remove from certain public lands in Snohomish County, Wash., certain timber purchased and paid for by it; to the Committee on Public Lands and Surveys.

S. 1005. A bill granting a pension to Ezma Areta Perry; to the Committee on Pensions.

By Mr. LANGER:

S. 1006. A bill to provide for the release of certain persons over the age of 38 from military or naval service; to the Committee on Military Affairs.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H. R. 2347. An act to provide and insure a dependable supply of domestic natural rubber, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 2875. An act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department in the District of Columbia"; to the Committee on the District of Columbia.

PRESIDENTIAL SUCCESSION—ADDRESS BY JAMES A. FARLEY

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. James A. Farley before the annual meeting of the Hazleton, Pa., Chamber of Commerce on May 9, 1945, which appears in the Appendix.]

POSTWAR ERA BIG CHALLENGE TO DAILY PRESS—ARTICLE BY AGNES E. MEYER

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an article entitled "Postwar Era Big Challenge to Daily Press," written by Mrs. Agnes E. Meyer and published in the Washington Post, which appears in the Appendix.]

F. E. P. C.—A CHALLENGE TO DEMOCRACY: ARTICLE BY RICHARD J. ROCHE

[Mr. WALSH asked and obtained leave to have printed in the RECORD an article entitled "F. E. P. C.—A Challenge to Democracy," written by Richard J. Roche and published in America, issue of April 14, which appears in the Appendix.]

LABOR-MANAGEMENT AGREEMENT ON BONNEVILLE POWER PROJECT

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a letter from Paul J. Raver, administrator of the Bonneville Power Administration, and certain editorial comments on the labor-management agreement between the Bonneville Power Administration and the Columbia Power Trades Council, which appear in the Appendix.]

DEVELOPMENT OF COOPERATIVE AGRICULTURAL EXTENSION WORK

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 383) to provide for the further development of cooperative agricultural extension work.

Mr. BANKHEAD. Mr. President, I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. BANKHEAD, Mr. BILBO, Mr. ELLENDER, Mr. CAPPER, and Mr. SHIPSTEAD conferees on the part of the Senate

LEAVES OF ABSENCE

Mr. BROOKS. Mr. President, as a result of the investigation conducted on the trip to Europe, the report on which was made today, I have had several invitations to make addresses in different cities, primarily in Seventh War Loan drives. I ask unanimous consent that I may be absent from tomorrow night until the 1st of June.

The PRESIDING OFFICER (Mr. BRIGGS in the chair). Without objection, the leave of absence is granted.

Mr. KILGORE. Mr. President, I ask unanimous consent that members of a subcommittee of the Mead committee, consisting of the junior Senator from Maine [Mr. BREWSTER], the junior Senator from Michigan [Mr. FERGUSON], the junior Senator from Minnesota [Mr. BALL], the junior Senator from Washington [Mr. MITCHELL], the senior Senator from Delaware [Mr. TUNNELL], and myself may have leave of absence from the Senate for a period of 15 days on official business.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and leave of absence is granted.

Mr. McKELLAR. Mr. President, I have an engagement to make a delayed Jefferson Day address in Knoxville, Tenn., on Thursday. I ask unanimous consent to be excused from the Senate from tomorrow afternoon until my return, which will probably be on Friday.

The PRESIDING OFFICER. Without objection, the request of the Senator from Tennessee is granted.

EXTENSION OF PERIOD OF OPERATIONS UNDER SECTION 409 OF THE INTERSTATE COMMERCE ACT

The Senate resumed the consideration of the bill (H. R. 3038) to amend section 409 of the Interstate Commerce Act, as amended.

The PRESIDENT pro tempore. The bill is open to amendment.

LEGISLATIVE PROGRAM

Mr. DOWNEY. Mr. President, I ask unanimous consent to have Senate bill 807, a bill reported from the Committee on Civil Service, dealing with the salaries of workers in the Government, made the unfinished business for next Thursday.

The PRESIDING OFFICER (Mr. BRIGGS in the chair). Is there objection to the request of the Senator from California?

Mr. BARKLEY. Mr. President, the freight forwarders bill is the unfinished business. I would not like to have it interfered with. The law expires on the 16th of May, which is tomorrow. If the bill is to be enacted, it is necessary to enact it at once. I would not like to give consent to take up another bill on Thursday unless consideration of the pending bill were finished. I have no objection to taking up the Senator's bill on Thursday if the pending bill is then out of the way.

Mr. HILL. Mr. President, yesterday the distinguished Senator from Louisiana [Mr. OVERTON], who is in charge of the naval appropriation bill, stated on the floor of the Senate that he was very anxious to obtain consideration for that bill as soon as possible. In fact, he is rather insistent that the Senate consider that bill some time today if possible. The appropriation bill should be considered as soon as it is reasonably possible to do so.

Mr. DOWNEY. Mr. President, I wonder if it would be agreeable to the majority leader to have Senate bill 807 made the unfinished business for Thursday, provided the pending bill is disposed of by that time, and provided also that the naval appropriation bill is disposed of. Would it be agreeable to the majority leader for me to ask unanimous consent for the consideration of Senate bill 807 on Thursday, provided the two measures which have just been mentioned are disposed of before that time?

Mr. BARKLEY. It is a little out of the ordinary to give consent for the consideration of a bill on a certain day in the future, with one or two bills still to be disposed of. What would be the advantage in obtaining unanimous consent today? I anticipate no difficulty about the consideration of the bill of the Senator from California.

Mr. DOWNEY. I am concerned because the time is growing short. The bill must go to the House of Representatives. Action must be taken during the present fiscal year.

Mr. BARKLEY. I shall be glad to cooperate with the Senator on Thursday, or even tomorrow, if we should complete consideration of the pending bill and the naval appropriation bill.

Mr. DOWNEY. Would the Senator prefer not to have me ask unanimous consent for the consideration of the bill on Thursday?

Mr. BARKLEY. I do not like to establish that precedent.

Mr. DOWNEY. Very well. I withdraw the request.

LEAVE OF ABSENCE

Mr. HICKENLOOPER. Mr. President, I have an engagement uptown at 2 o'clock this afternoon. I wonder if I may have consent to be absent.

The PRESIDING OFFICER. Without objection, consent of the Senate is granted.

APPROPRIATIONS FOR THE NAVY DEPARTMENT

Mr. OVERTON. Mr. President, through the courtesy of the Senator from Colorado [Mr. JOHNSON], I am prompted now to make a motion temporarily to lay aside the unfinished business——

Mr. WHITE. Mr. President, I should like to know what is happening over on the majority side. Is the Senator from Colorado proceeding with his bill at this

time, or does the naval appropriation bill have the right of way?

Mr. OVERTON. I was about to make a statement in explanation.

The Senator from Colorado has stated that he has no objection to my now making a motion temporarily to lay aside the unfinished business and to proceed to the consideration of House bill 2907, the Navy Department appropriation bill.

I was about to make a motion to that effect.

Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 2907, the Navy Department appropriation bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana?

There being no objection the Senate proceeded to consider the bill (H. R. 2907) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. OVERTON. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered. The first amendment reported by the Committee on Appropriations will be stated.

The first amendment of the Committee on Appropriations was, under the heading "Naval Establishment—Office of the Secretary—Miscellaneous expenses," on page 3, line 18, after the word "and", to strike out "not to exceed $28,000."

Mr. OVERTON. Mr. President, in presenting the pending bill to the Senate, I wish to say that this is the fourth consecutive annual appropriation bill for the Navy Department that I have submitted to the Senate on behalf of its Appropriations Committee. I consider it quite an honor that I have been privileged to report each of these supply bills since our entrance into the present gigantic conflict. The first bill that I handled on the floor of the Senate was in January 1942, being the annual appropriation bill for the fiscal year 1943. That bill carried a sum total of appropriations of $23,000,000,000, representing an increase of appropriation over the preceding fiscal year of approximately $20,000,000,000.

A dastardly attack on Pearl Harbor had occurred the preceding December. Our Nation leaped promptly to arms. The Congress responded to the recommendations of President Roosevelt and the Navy Department and provided, as rapidly as expenditures could be made, the funds to retrieve the disaster of Pearl Harbor and to build our Navy into the greatest sea force in the annals of history.

Each year since 1942 the Congress of the United States has increased the annual Navy Department appropriations. Last year the bill amounted in cash items to the sum total of $27,569,798,301 and was the largest allocation for the Navy Department in the history of our Nation. It will probably remain the largest during the present war at least. I say this, Mr. President, because we have constructed such a fleet of combatant ships, auxiliaries, and small craft that today we have attained the goal of having steaming across the world's oceans by far the most powerful navy in the history of any nation. In surface vessels we possess today a navy stronger than the combined navies of the rest of the world. We are now at war only with Japan; our naval strength is ten times the strength of the Japanese Navy. Consequently, there will not be in the foreseeable future the necessity to lay down additional tonnage in the vast quantity with which our resources, management, and labor have startled the world. We are well up with our program of construction. We have by naval engagement and aerial bombing depleted the strength of the Japanese Navy by at least 60 percent. Furthermore, we have, for all practical purposes, almost wiped her merchant marine from the high seas. In subsequent appropriations the main item will not be for construction, but it will be for maintenance and operation.

I make the observation unhesitatingly, Mr. President, that the moneys that we have appropriated for our fleet have been well and wisely expended. The results speak for themselves. I congratulate our Secretary of the Navy and the officers and men handling our ships and Navy planes upon the successes, unparalleled in the annals of naval warfare, which they have achieved and are still achieving to the eternal glory of America and American arms. Never before, Mr. President, since the advent of modern arms, and particularly since the rise of aviation, has a fleet, at such tremendous distances from its home bases, been able to assault and carry the bastions of an island empire and defeat its fleets and shore-based aviation in the home waters of the enemy.

TOTAL PROGRAM

It may be interesting to note that since June 30, 1940, the total cash appropriations and contract authorizations for the Navy Department, including the items in the present bill, aggregate the sum total of $139,000,000,000. By the end of the coming fiscal year there will have been obligated against this total amount $134,000,000,000, and there will have been actually disbursed between one hundred and eighteen and one hundred and nineteen billions of dollars. The Navy currently is spending at the rate of approximately two and one-half billions of dollars a month. Of the entire program to date 40 percent is shipbuilding, 17 percent is aviation, 17 percent is military personnel, 9 percent is ordnance, 8 percent is public works, and 9 percent is miscellaneous.

GENERAL ANALYSIS OF 1946 BILL

I now present, Mr. President, a brief summary of the 1946 bill. The largest single item in the pending measure is pay of personnel, including Navy, Marine Corps, and Coast Guard, amounting in round figures to $7,000,000,000 or 29 percent of the total.

The shipbuilding appropriations account for $2,870,000,000, or 12 percent of the bill. This is a marked reduction from the amounts devoted to shipbuilding in the past few years. For example, in 1945 the appropriation for this purpose was $8,000,000,000, and for 1944, $9,000,000,000. No shipbuilding program is initiated in the 1946 estimates.

In this bill is contained a cash appropriation of $2,481,000,000 for aviation, plus $425,000,000 in new contract authority, representing another 12 percent of the total.

The bill makes provision for the matériel for the construction of additional public works, amounting to $1,274,000,000, of which approximately $1,000,000,000 is for off-shore installations, and $288,000,000 for continental construction, a total of 10 percent of the bill.

Eleven percent of the cash appropriations are for maintenance, Bureau of Ships, amounting to $2,790,000,000.

Another 12 percent, or $3,000,000,000, goes for ordnance and ordnance stores.

Nine percent is for subsistence of the Navy, transportation of personnel, freight charges, fuel, and the maintenance activities of the Bureau of Supplies and Accounts, including disbursing and accounting.

The remaining 5 percent of the bill is for miscellaneous items of the Navy, Marine Corps, and Coast Guard.

SUMMARY OF AMENDED BILL

The amount of the bill as passed the House is $23,400,502,133.

This has been increased by the Senate by an additional $203,273,735.

Therefore, the amount of the bill as reported to the Senate is $23,603,775,868.

The total amount of the regular estimates for 1946 and of supplemental estimates for 1945, was $23,899,153,050.

Hence, the bill as reported to the Senate is under the estimates by $295,377,182.

The appropriations for the fiscal year 1946 are under the appropriations for the fiscal year 1945 by $5,110,063,433.

Mr. President, I should like in conclusion to make several concisely phrased observations.

It would, in my humble judgment, be an egregious blunder on the part of our Nation if after the conclusion of hostilities we did not retain the combatant force of the mighty Navy that will have accomplished so much, starting with so little, in bringing, under divine guidance, victory to American arms in the west and the east. I fervently hope that international arrangements that will insure the peace and tranquillity of the world will be agreed to and lived up to. But, Mr. President, if they are not, or if they fail of their sublime purpose, we shall have to rely in the future upon the

strength of our naval and air forces, as well as upon a mighty reserve force trained and equipped to spring to arms upon the sounding of the tocsin of war. To the consummation of this cardinal prerequisite to national safety we should embark upon a program of compulsory military service.

Mr. President, we shall have largely wrought, fought, and won in vain, if we do not retain under our own control and ownership the strategic islands in the Pacific and Southwest Pacific which we have captured from the Japanese Empire through the blood and sacrifice of thousands upon thousands of young Americans, and which are ours by the right of conquest and of occupancy.

The PRESIDING OFFICER. The question is on agreeing to the first amendment of the Committee on Appropriations, on page 3, in line 18.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 3, in line 24, after the words "in all", to strike out "$40,500,000" and insert "$41,750,000."

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. I intend to oppose one of the committee amendments. I could not hear very well whether the question was on agreeing by unanimous consent to all the committee amendments.

The PRESIDING OFFICER. The question was on agreeing to the first amendment of the committee. Without objection, it was agreed to.

The next amendment reported by the committee will be stated again.

The CHIEF CLERK. On page 3, in line 24, after the words "in all", it is proposed to strike out "$40,500,000", and insert "$41,750,000."

Mr. MORSE. Mr. President, I inquire what amendment is now before the Senate. I wish to comment on one of the amendments. I understand that the amendment on page 3 has been agreed to.

The PRESIDING OFFICER. That is correct; the committee amendment on page 3, in lines 18 and 19, has been agreed to.

The question now is on agreeing to the committee amendment on page 3, in line 24, which has been stated.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will proceed to state the other amendments reported by the committee.

The next amendment was on page 3, in line 25, after the amendment just above stated, to strike out the colon and the following proviso:

Provided, That no part of this or any other appropriation contained in this act shall be available for compensation or expenses of persons who engage in the performance of conciliation or kindred services in situations growing out of employment in industries under the national defense program, for dealing with which situations personal services are available, pursuant to law, in or under the Department of Labor.

Mr. MORSE. Mr. President, reserving the right to object, I wish to comment on this particular amendment. I am very happy to see in the report of the committee a memorandum of understanding between the Navy and Labor Departments regarding the performance of conciliation and kindred services in labor disputes, signed by the Acting Secretary of the Navy, Mr. Hensel, and the Secretary of Labor, Miss Perkins.

I think, in view of the memorandum of understanding, that the amendment starting in line 25 on page 3 of the bill, and extending through line 7 on page 4, is a proper one under the circumstances; but, of course, it does not solve the particular problem to which the amendment in the first instance sought to direct our attention. The problem involved in the amendment is an over-all one. It deals, of course, with the proper reorganization of the labor services of the Federal Government. I rise to comment briefly upon it at this time, only for the purpose of future reference.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. OVERTON. In view of the very few Members now present in the Chamber, and in view of the fact that this amendment, as well as others, may be contested, I believe that the argument against at least the pending amendment should be listened to by a majority of the Members of the Senate. Therefore, I suggest the absence of a quorum.

Mr. MORSE. Mr. President, I do not yield for that purpose, for two reasons. First, I shall not object to the amendment, but shall vote for it. Second, I do not ask to have a quorum call in order that Senators may listen to my remarks.

Mr. OVERTON. Mr. President, I withdraw my suggestion of the absence of a quorum.

Mr. MORSE. For the record, I wish to point out that I believe there is a very important principle involved in this amendment. I believe it illustrates the need for a reorganization of the labor services of the Federal Government. We no longer have a Department of Labor as such. We have departments of labor—many of them—in the Federal Government. Agency after agency has its own level of labor service, its group of conciliators, mediators, and administrators of the particular agency's so-called labor policy. The result is that we now have a great duplication of effort and a tremendous waste of funds in connection with the labor services of our Government. We also have something which adds to the cost of government, namely, jurisdictional suits among governmental agencies. When two governmental agencies engage in a jurisdictional suit they put trade-unions to shame, so far as controversies are concerned. So, in agreeing to this amendment I think we should keep in mind the problem which remains unsolved, namely, that of consolidating labor services and agencies of the Federal Government under one Department of Labor in order that we may have something which approaches a uniform policy, and also some degree of labor statesmanship on the part of the Federal Government in solving what will be, of course, one of the major domestic problems of the post-war era, that is to say, the relationship between labor and industry, and the solution of their difficulties by peaceful procedure with the assistance of the Government on a voluntary rather than a compulsory basis.

Mr. President, I think it is also important to keep in mind that the Senate should take cognizance of the fact that the great conciliation and mediation service of the Department of Labor has unquestionably been weakened during the war by the expansion of the conciliation and mediation services of other agencies of the Government. The Department of Labor has a great history and an excellent record. I look forward to the day, which I hope will not be in the far distant future, when both sides of this Chamber will cooperate in the reorganization of the Department of Labor so that once again there will be focused under it all the services, so far as conciliation, mediation, and labor relations under the Federal Government are concerned, instead of continuing the present hodgepodge system by which there now exists a whole series of small departments of labor under the so-called department "secretaries of labor."

So, Mr. President, I shall vote for the amendment, but I want the RECORD to show that I take note of the fact that by striking out this language, as proposed, we will not solve the problem which, apparently, the other House had in mind when it took judicial notice of the fact that, because many of the labor services have been removed from the direct jurisdiction and control of the Secretary of Labor, we now have a serious maladministration of the labor services of the Federal Government.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 3, line 25.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Navy Personnel—Training, education, and welfare, Navy," on page 6, line 15, after the word "discretion", to strike out "$156,269" and insert "$175,000."

The amendment was agreed to.

The next amendment was, on page 6, line 20, after "San Diego, California", to strike out "$2,170,000" and insert "$1,675,000."

The amendment was agreed to.

The next amendment was, on page 6, line 21, after "Newport, Rhode Island", to strike out "$1,036,800" and insert "$1,152,000."

The amendment was agreed to.

The next amendment was, on page 6, line 22, after "Great Lakes, Illinois", to

strike out "$5,700,000" and insert "$5,300,000."

The amendment was agreed to.

The next amendment was, on page 6, line 24, after "Lake Seneca, New York", to strike out "$1,000,000" and insert "$4,000,000."

The amendment was agreed to.

The next amendment was, on page 6, line 25, after "Port Deposit, Md.", to strike out "$4,038,000" and insert "$3,200,000."

The amendment was agreed to.

The next amendment was, on page 8, line 10, after the word "for", to strike out "$2,877,196" and insert "$3,000,000."

The amendment was agreed to.

The next amendment was, on page 9, line 2, after the name "Navy", to strike out "$56,710,265" and insert "$58,234,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Ordnance—ordnance and ordnance stores, Navy", on page 14, after line 10, to insert:

For an additional amount for "Ordnance and ordnance stores, Navy", fiscal year 1945, including the objects and subject to the conditions applicable to the appropriations under this head in the Naval Appropriation Act, 1945, $180,000,000.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Supplies and Accounts", on page 14, line 17, after the word "Pay", to strike out "And Subsistence" and insert "Subsistence, and transportation", and in line 19, after the word "allowances", to strike out "an subsistence" and insert a comma and "subsistence, and transportation."

The amendment was agreed to.

The next amendment was, on page 18, after line 10, to strike out:

In all, for pay and subsistence of naval personnel, $6,736,227,000, and the money herein specifically appropriated for "Pay and subsistence, Navy," shall be disbursed and accounted for in accordance with existing law and shall constitute one fund: *Provided*, That hereafter additional commissioned, warranted, appointed, enlisted, and civilian personnel of the Medical Department of the Navy, required for the care of patients of the United States Veterans' Administration in naval hospitals, may be employed in addition to the numbers annually appropriated for: *Provided further*, That during the present emergency qualified enlisted men of the Navy, Naval Reserve, and Marine Corps may be appointed to the Naval Academy after 9 months of service.

The amendment was agreed to.

The next amendment was, at the top of page 19, line 1, to strike out the following subhead:

Transportation and recruiting naval personnel.

The amendment was agreed to.

The next amendment was, on page 20, line 20, after the word "transportation", to strike out "$242,385,000: *Provided*," and insert "$262,885,000; in all, for pay, subsistence, and transportation of naval personnel, $6,999,112,000, and the money herein specifically appropriated for "Pay, subsistence, and transportation, Navy," shall be disbursed and accounted for in accordance with existing law and shall constitute one fund: *Provided*, That hereafter additional commissioned, warranted, appointed, enlisted, and civilian personnel of the Medical Department of the Navy, required for the care of patients of the United States Veterans' Administration in naval hospitals, may be employed in addition to the numbers annually appropriated for: *Provided further*, That during the present emergency qualified enlisted men of the Navy, Naval Reserve, and Marine Corps may be appointed to the Naval Academy after 9 months of service."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Medicine and Surgery—Medical Department," on page 24, line 25, after the word "patients" to insert "when entitled thereto by law, regulation, or contract."

The amendment was agreed to.

The next amendment was, on page 25, after line 2, to insert:

The appropriation "Medical Department", for the fiscal year 1946 shall be available for the manufacture or production of products by patients in naval hospitals and other naval medical facilities incident to their convalescence and rehabilitation, and ownership thereof shall be vested in the patients manufacturing or producing such products, except that the ownership of such items manufactured or produced specifically for the use of a naval hospital or other naval medical facility shall be vested in the Government and such items shall be accounted for and disposed of accordingly.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Yards and Docks—Public Works, Bureau of Yards and Docks," on page 27, line 21 after "(Public Law 13)", to insert a comma and "$1,500,000 for field house at United States Naval Academy, Annapolis, Md., including acquisition of land and accessories."

Mr. BRIDGES. Mr. President, I was not present at the hearing when this amendment was agreed to. What is meant by the words "field house"?

Mr. WALSH. In this instance, a gymnasium is meant. The resent gymnasium was constructed approximately 40 years ago when the student body comprised approximately only 800. Nearly every Board of Visitors at the Academy has recommended the construction of the field house. The student body at the present time consists of approximately 3,300. We concluded that a field house in the nature of a gymnasium could be used as an assembly hall, and make possible the elimination of an auditorium.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 27, line 21.

The amendment was agreed to.

The next amendment was, under the heading "Increase and replacement of naval vessels," on page 36, after line 24, to insert:

Emergency construction: The unexpended balance on June 30, 1945, of appropriations under this heading shall be available until December 31, 1946, for expenditure only in liquidation of obligations incurred prior to July 1, 1945.

Mr. BRIDGES. Mr. President, the purpose of this amendment, as I understand, is to carry over the current unexpended balance. Is that correct?

Mr. OVERTON. It was originally contemplated that this program would be completed earlier than it has been. It is necessary to carry over the balance until the end of the calendar year 1946. That is the sole purpose of the amendment. It does not increase the appropriation.

Mr. BRIDGES. It merely makes the balance available until December 31, 1946.

Mr. OVERTON. It makes it available until the program is completed.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, under the heading "Navy Department—General provisions," on page 48, after line 3, to strike out:

SEC. 105. No part of the appropriations made in this act shall be available for the salar. or pay of any officer, manager, superintendent, foreman, or other person or persons having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant; and no moneys herein appropriated for the Naval Establishment or made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government, except when the repair, purchase, or acquirement, by or from any private contractor, would, in the opinion of the Secretary, be advantageous to the national defense.

Mr. MAGNUSON. Mr. President, I desire to discuss and to oppose the amendment which has just been stated.

Mr. WALSH. Does not the Senator think it is of such importance that there ought to be a quorum call?

Mr. MAGNUSON. I was going to wait until the Senator from Louisiana moves the adoption of the amendment, and then we can speak on the motion.

Mr. OVERTON. It comes up without a motion, but I presume it is going to be quite controversial, and, if there is no objection on the part of the Senator from Washington, we can pass over this amendment until we finish the other

amendments. I think it is the only controversial amendment.

Mr. MAGNUSON. Very well.

The PRESIDING OFFICER. Without objection, the amendment is passed over.

The next amendment reported by the committee will be stated.

The next amendment was, on page 52, line 17, after the word "salaries", to insert a comma and "and to use such amount (not in excess of $4,000,000) of such appropriations as may be necessary for traveling expenses in connection with the recruitment and placement of civilian personnel in addition to the amount appropriated for such purposes under the Civil Service Commission" and in line 21, after the amendment above stated to strike out the colon and *"Provided,* That the average number of all civil personnel in the Navy Department at the seat of government, excluding the Marine Corps and the Coast Guard, shall not exceed seventeen thousand."

The amendment was agreed to.

The next amendment was, on page 56, line 24, after the word "personnel", to strike out "of such amount,", and in line 25, after the word "quarters", to strike out "as may exceed the rental charge for occupancy of such emergency housing facilities."

The amendment was agreed to.

The PRESIDING OFFICER. Without objection, the amendments renumbering the sections are agreed to.

That completes the amendments reported by the committee with the exception of the amendment passed over.

Mr. OVERTON. Now, Mr. President, we will revert to the amendment which was passed over and which appears on page 48, whereby section 105 is recommended to be stricken. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Bailey	Hayden	Reed
Bankhead	Hickenlooper	Revercomb
Barkley	Hill	Robertson
Bilbo	Hoey	Russell
Bridges	Johnson, Colo.	Saltonstall
Briggs	Johnston, S. C.	Shipstead
Brooks	La Follette	Smith
Buck	Langer	Stewart
Burton	Lucas	Taft
Bushfield	McClellan	Taylor
Butler	McKellar	Thomas, Okla.
Capper	McMahon	Thomas, Utah
Chavez	Magnuson	Tunnell
Cordon	Millikin	Wagner
Donnell	Mitchell	Walsh
Downey	Moore	Wherry
Ellender	Morse	White
Ferguson	Murdock	Wiley
Fulbright	Myers	Wilson
George	O'Daniel	Young
Guffey	O'Mahoney	
Hart	Overton	

The PRESIDING OFFICER. Sixty-four Senators having answered to their names, a quorum is present.

Mr. WALSH. Mr. President, in connection with the pending amendment I ask unanimous consent to have inserted in the RECORD a telegram which I have received from the president of the International Association of Machinists.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 14, 1945.*

Hon. DAVID I. WALSH,
United States Senate,
Washington, D. C.:

The Senate Appropriations Committee, in reporting out the pending Naval Appropriation bill, has stricken out section 105 thereof, which constitutes one of organized labor's cherished safeguards against workshop oppression. The anti-stop-watch part of this section has been incorporated annually since 1915 and the part of the section which requires that the Navy's work shall be performed in the Navy yards and arsenals when time and facilities are available and when the cost will not be appreciably more than when performed by contract, has been law for 20 years. Please remember that it took many years of effort by organized labor to secure the safeguards which the Apppropriations Committee has seen fit to eliminate and that this legislation ranks high in importance among labor's magna carta of rights. Please do not permit this legislation to be scuttled. Vote to restore the legislation stricken out by the committee.

N. P. ALIFAS,
President, District No. 44,
International Association of Machinists.

Mr. MAGNUSON. Mr. President, I understand that the committee amendment is now before the Senate under a unanimous-consent agreement that it be considered. Is that correct?

The PRESIDING OFFICER. The question is on the adoption of the amendment reported by the committee, found on page 48.

Mr. MAGNUSON. Mr. President, reserving the right to object to the unanimous-consent request that this amendment be considered——

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. OVERTON. It was moved, and the motion was agreed to, that the bill be considered for amendment, committee amendments to be first considered. This is a committee amendment, and therefore it is in order to consider it now.

The PRESIDING OFFICER. The committee amendment is automatically before the Senate for consideration.

Mr. WALSH. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. WALSH. In view of the fact that the proponent of the amendment is the junior Senator from Minnesota [Mr. BALL], it seems to me the logical order would be for him to advance the arguments, if he has any, leading to this substantial change in what has been the law for 25 or more years. I notice the Senator from Minnesota is not in the Chamber at this time. I think we should hear from him the reasons why the change recommended by the committee is proposed, and then have the Senator from Washington and others discuss the amendment. The Senator from Minnesota may not desire to press the amendment, except to make an explanation of his position.

Mr. OVERTON. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. OVERTON. In addition to asking for a quorum call, I have had one of the pages try to locate the Senator from Minnesota so that he may be here, advising him that his amendment is now before the Senate for consideration. I do not know where he is.

Mr. WALSH. Did the Senator from Minnesota respond to the last roll call? Is he in the city?

Mr. MAGNUSON. I cannot say. This seems to be the only controversial provision of the bill.

Mr. WALSH. It is my impression that if the Senator from Minnesota is given an opportunity to explain his position, perhaps the purpose the Senator has could be accomplished without much controversy. Does the record show that the Senator from Minnesota was present today?

The PRESIDING OFFICER. The Senator from Minnesota was present today.

Mr. WALSH. My suggestion is that if the Senator from Minnesota will make his statement, probably the matter may be cleared up. Is that the view of the Senator from Louisiana?

Mr. OVERTON. I think that is correct; but I do not know, and I cannot say, for I do not know with what vehemence the Senator from Minnesota is going to insist on his amendment.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. JOHNSON of Colorado. Since there seems to be a sort of deadlock over House bill 2907, I am about to move that the Senate return to the regular order, which would bring up the bill which we were first considering, House bill 3038. The junior Senator from Kansas [Mr. REED] is ready to proceed with House bill 3038. If Senators are not ready to go on with the other bill, we are ready to proceed with our bill.

Mr. OVERTON. Mr. President, the Senator from Colorado has been very courteous, and I hope he will continue to be. This appropriation bill could be disposed of in half an hour at the most. I am advised that the Senator who proposed the amendment expected to be on the floor, but he is not present. I want the bill disposed of today if possible. It is an important measure. We like to get the appropriation bills behind us. It is not being held up at all; we are ready for debate now.

Mr. JOHNSON of Colorado. Will the Senator from Washington yield further?

Mr. MAGNUSON. I yield.

Mr. JOHNSON of Colorado. We can dispose of House bill 3038 in less than an hour, and if Senators are not ready to proceed with House bill 2907, it seems as if they would get out of the way and let those who are ready proceed.

Mr. OVERTON. We are ready; we want to go ahead with the appropriation bill.

Mr. HILL. I understand the Senator from Washington is prepared to discuss the amendment. Is he?

Mr. MAGNUSON. Yes. My discussion will take only 2 or 3 minutes, since it seems to me the matter is so obvious. I was not prepared with facts, figures, or documents as to this amendment, but I am trying to look them up. A similar provision has been a part of every naval appropriation bill for 30 years. It was originally placed in naval appropriation bills at the instance of the very distinguished senior Senator from California [Mr. JOHNSON]. It was placed in naval appropriation bills because navy yards, prior to 1916, indulged the practice of using vicious anti-labor speed-up methods, with stop watches checking on men here and there. That led to the institution in some industries of the so-called Taylor system. The purpose of this amendment, section 105, was to prohibit the Navy Department from using in its navy yards that vicious so-called speed-up system.

I do not know why it is now proposed to eliminate the provision. I for one would be the last to do anything or advocate anything which might result in decreasing naval production; but there is involved the age-old argument of how to get the greatest amount of work out of people. Wise industrialists and other intelligent Americans handling both labor and management have long since agreed that this is not the way to do it. This system has long been antiquated. Of course, striking out section 105 does not mean that the Navy is going to adopt such practices, but the section was designed to prevent the Navy, as well as other Government departments, for the provision is in other bills, from adopting and using such practices.

The committee report states, on page 8, in explanation of its action:

> This section is a prohibition on the Navy Department spending any of its appropriations on efficiency studies in navy yards. Certain members of the Special Committee to Investigate the National Defense Program on a recent trip to Norfolk were not tremendously impressed with the efficiency of that navy yard. It is believed that this section is a hindrance to the Navy Department in its efforts to improve the efficiency of Government navy yards.

I judge from that statement that the Navy has some intention of adopting this vicious antilabor system, which has long been considered as antiquated by all students of labor and management. It is the old Taylor speed-up method, and I should think that if it is proposed to strike out the prohibition because, as the report says, it is a "hindrance to the Navy Department in its efforts to improve the efficiency of Government navy yards," that may be some indication of an intention to adopt some such system.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MAGNUSON. Yes; I am glad to yield to the Senator from North Dakota.

Mr. LANGER. I agree entirely with what the distinguished Senator from Washington has said. It is my understanding that the substance of section 105 was enacted into law at the instance of the late Senator Borah, at the time he was chairman of the Committee on Education and Labor. Hearings which lasted for many weeks were held before that committee. After the hearings were concluded the late Senator Borah prepared a detailed report consisting of about 13½ pages. In that report he considered the very items which are contained in the present section 105 which is proposed to be stricken from the pending bill. When Senator Borah presented the report to the Senate he succeeded in having the substance of section 105 passed by an almost unanimous vote of the Senate.

With the consent of the distinguished Senator from Washington, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the report prepared by the late Senator Borah, and which was made by the Committee on Education and Labor. I am satisfied that it will be a most convincing argument in favor of retaining section 105 in the bill.

There being no objection, the report (No. 930, 62d Cong., 2d sess.), was ordered to be printed in the RECORD, as follows:

(S. Rept. No. 930, 62d Cong., 2d sess.)

SYSTEMS OF SHOP MANAGEMENT

[July 17, 1912.—Ordered to be printed.]

Mr. Borah, from the Committee on Education and Labor, submitted the following report [to accompany S. 6172]:

The Commitee on Education and Labor, having had under consideration Senate bill 6172, report the same favorably with amendments and recommend its passage.

The amendments are as follows:

Page 1, in line 7, after the word "movements", insert the words "between the starting and completion of any job."

Page 1, in line 8, strike out the comma after the word "employee" and insert a period. Then strike out all after the word "employee" on page 1, line 8, down to and including the word "law", on page 1, line 12, and insert in lieu thereof the following: "No premium or bonus or cash reward shall be paid to any employee, except."

The terms of this bill (S. 6172) and the practices which it is intended to prohibit are directed against the excesses of certain systems of shop management which it is the intention of the War Department and the Navy Department to install in their manufacturing establishments and which we believe to be oppressive to workmen, as they have a tendency to reduce the employee to a mere machine, deprive him of his self-reliance, and in the long run would reduce Government employees to a condition of unresisting vassalage.

There are several systems of shop management now upon the market which have been invented by efficiency engineers. They are severally known as the Taylor system, the Stimpson system, the Emerson system, the Gantt system, etc., all of which have practically the same basic principles of operation but which differ somewhat as to details. When spoken of without reference to any one particular system, their authors prefer to have them be known by the generic term of "scientific management."

Many of those systems have much in them that is commendable and proper, since a large portion of their details consists of a compilation of business methods and shop practice which have proven successful and not harmful to the workman; such as the proper grouping of machines; standardizing tools and equipment and methods of doing work, elimination of waste, modern methods of issuing materials and cost keeping, etc. On the other hand, in the effort to get the utmost amount of work out of the employees, excesses are committed which should be curbed.

The Taylor system of shop management being the system decided upon by the War Department as the one to be used in their manufacturing establishments as well as the one originally intended for use by the Navy Department, and since this is the system against which objection has been raised by the employees, it would serve the purpose of outlining the principles of so-called scientific management to have an outline here given of the workings of this particular system of shop management.

The authority from which this outline is compiled is a treatise, Shop Management, by F. W. Taylor, being a paper read before the American Society of Mechanical Engineers; and the author, for the purpose of making the application of his system clear and specific, has taken the class of work done in a machine shop with which to illustrate.

Under the Taylor system the management of the shop is divided into two departments, known as the planning department and the executive department.

The duties of the planning department, which is supposed to do as much of the brain work of the establishment as it is possible to do there, are as follows:

"The following are the leading functions of the planning department:

"A. The complete analysis of all orders for machines or work taken by the company.

"B. Time study for all work done by hand throughout the works, including that done in setting the work in machines, and all bench work, vise work, and transportation, etc.

"C. Time study for all operations done by the various machines.

"D. The balance of all materials, raw materials, stores, and finished parts, and the balance of the work ahead for each class of machines and workmen.

"E. The analysis of all inquiries for new work received in the sales department and promises for time and delivery.

"F. The cost of all items manufactured, with complete expense analysis and complete monthly comparative cost and expense exhibits.

"G. The pay department.

"H. The mnemonic symbol system for identification of parts and for charges.

"I. Information bureau.

"J. Standards.

"K. Maintenance of system and plant and use of the tickler.

"L. Messenger system and post-office delivery.

"M. Employment bureau.

"N. The shop disciplinarian.

"O. A mutual accident-insurance association.

"P. Rush-order department.

"Q. Improvement of system or plant." (Par. 258, p. 1398.)

The duties of the executive department, which is managed by a large supervising force, consists of performing the work of the shop according to the directions of the planning department.

One of the leading features of the Taylor system is functional foremanship.

The employees each are under the direction of eight foremen, who have jurisdiction over different parts of their duties, and are as follows:

In the shop they have the gang boss, speed boss, inspector, and repair boss. Their duties

are sufficiently explained by their designation.

In the planning department there are four bosses who have jurisdiction over the men in the shop as to all questions touching their special duties. They are order of work or route clerk, instruction-card man, time and cost clerk, and shop disciplinarian.

All directions to the workmen as to what work to do, what machines to use, and the details as to methods and time allowed for doing work emanate from the planning department in the form of an instruction card covering these details. A sample instruction card is appended hereto.

Fred. W. Taylor.—Form D. 109

Transactions American Society of Mechanical Engineers. Vol. XXIV.
6733—1-24-'84.—3000.

OBSERVATIONS OF HANDWORK ON MACHINE TOOLS

Observer's name, ---------- Machine, ---------- Workman's name, ----------
Date, ---------- Piece, ----------

TABLE OF CUTS MADE AND CUTS THAT SHOULD HAVE BEEN MADE WITH SODA WATER

Tool	1st		2d		3d		4th		5th		6th		7th		8th		9th		10th		11th		12th	
	Was	Should have been	Was	Should have been	Was	Should have been	Was	Should have been	Was	Should have been	Was	Should have been	Was	Should have been	Was	Should have been	Was	Should have been	Was	Should have been	Was	Should have been	Was	Should have been
Depth of cut																								
Feed—Number of teeth																								
Belt on cone teps																								
Length of cut																								
Inches cut in																								
Tool—Inches out of post																								
Number of cut																								
Rough edge																								
Time																								

Order.----- Billet number.----- TREATMENT.
Weight.----- Carbon.-----
Times reset.----- Tensile strength.-----
Kind of metal.----- Percent of stretch.-----
Heat number.----- Hardness.-----

Operations	Remarks	Time should have taken
GETTING JOB READY TO SET		
Learning what is to be done, when work is sketched, laid out		
Taking work, bogie, to machine, hoist, crane. Distance ----- Helpers		
Getting chain on and tightened. Helpers		
Shifting work on floor with, without, hoist. Helpers		
Lifting by hand, hoist, crane, to table, shears, circular ----, vertical ----, horizontal distance ---- Helpers		
Taking off chain. Helpers		
SETTING WORK	Actual time of getting job ready to set	Getting job ready to set should have taken
Considering how to clamp		
Getting out tools. Number		
Shifting table, toolholder, vertically ----, round ----, parallel to ----, at right angles to machine		
Shifting work, getting work on centers, setting work true, with, without hoist. Helpers		
Drawing down ---- bolts ---- set screws on ---- clamps and ---- wooden supports		
Drawing down ---- set screws on ---- stops		
Putting on ---- knee plate, steady rest, spider, universal chuck		
Putting on ---- parallel blocks		
Putting on ---- V blocks		
Putting on ---- piles ---- pieces, small packing		
Putting on----false table, face plate		
Putting on, taking off, horizontal side		
Laying out, trying with templet, rod		
Leveling		
Squaring with wooden, try, square, plumb bob		
Fixing soda water		
	Actual time of setting work	Setting work should have taken

Operations	Remarks	Time should have taken
SETTING TOOL		
Putting on tool post, drill rest, drill chuck, boring bar		
Adjusting feed		
Adjusting speed		
Adjusting crank, table stops		
Adjusting vertical slide, screw cutting gear		
Adjusting frame, poppet, crosshead		
Setting tool fastened by ---- bolts and ---- set screws		
EXTRA HAND WORK	Actual time of setting tool	Setting tool should have taken
Chipping ---- ---- scale		
Chipping ---- center punching		
Hand turning		
Hand feed		
Filing		
Breaking off		
Stamping		
REMOVING WORK, ETC.	Actual time of extra handwork	Extra handwork should have taken
Taking off ---- bolts ---- set screws on ---- clamps and ---- wooden supports.		
Taking off ---- set crews on ---- stops.		
Taking off ---- knee plate, steady rest, spider, universal chuck.		
Taking off ---- parallel blocks		
Taking off ---- V blocks		
Taking off ---- piles ---- pieces small packing.		
Taking ---- false table, face plate		
Taking off tool post, drill rest, drill chuck, boring bar.		
Putting chain on. Helpers		
Moving work to floor with, without, hoist. Helpers		
Taking chain off. Helpers		
Taking out tool fastened by ---- bolts and ---- set screws		
Turning in tools. Number		
Cleaning necessary to job		
	Actual time of removing work, etc.	Removing work, etc., should have taken
Accidental delays		
Care of machine		

In the selection of a working force it is the purpose of this type of management to displace as rapidly as possible the high class of workmen ordinarily employed on such work with common laborers, who are cheaper and are glad to earn a little more than formerly, even though it is not so much as was earned by the mechanic whom they displace. This desired achievement is not always attainable, however, and depends upon the condition of the labor market.

This principle of the elimination of high-priced help also applies to the bosses.

It is also proposed to stimulate the activity of the employees by offering premiums and bonuses ranging from 30 percent to 100 percent more than was formerly earned by the employees in order to induce them to reach the daily task that is set. That is, if a machinist getting $3 per day is displaced by a laborer getting $1.50 per day, the laborer gets from 30 percent to 100 percent more per day than he formerly received if he succeeds in completing his task.

In setting tasks, the most capable workmen are used. When it is desired to ascertain how long it should take to do a given job, the time-study man takes observations of one of the fastest workmen who has been selected for the purpose, and notes the time it takes by means of a stop watch to do each of the elementary operations of the job. All of these elements or unit times are added, and the resulting time is supposed to be the standard time for that job.

Thus (par. 101 of Shop Management, p. 1358):

"His first step was to place an intelligent, college-educated man in charge of progress in this line. This man had not before handled this class of labor, although he understood managing workmen. He was not familiar with the methods pursued by the writer, but was soon taught the art of determining how much work a first-class man can do in a day. This was done by timing with a stop watch a first-class man while he was working fast. The best way to do this, in fact, almost the only way in which the timing can be done with certainty, is to divide the man's work into its elements and time each element separately. For example, in the case of a man loading pig iron onto a car, the elements should be: Picking up the pig iron from the ground or pile (time in hundredths of a minute). Walking with it on a level (time per foot walked). Walking with it up an incline to car (time per foot walked). Throwing the pig down (time in hundredths of a minute), or laying it on a pile (time in hundredths of a minute). Walking back empty to get a load (time per foot walked)."

The problem of inducing the employees to work at the pace required is solved first by offering a bonus or premium to those who succeed and if this does not get results other more drastic means are used.

It is the business of the shop disciplinarian to see that a system of discipline is in vogue and enforced that is adequate to induce everyone to make sure that his part of the work comes in on schedule time. The system of discipline advocated by Mr. Taylor consists of—

1. Lowering the man's wages.
2. Laying him off for a period of time.
3. Fining him all the way from 1 cent to $60.
4. Discharging him.

It is also regarded as a good plan to continually keep enough men on hand so as to be able to discharge a workman every now and then for failing to continue at the pace required, because of its moral effect on the rest of the workmen.

When the system is first installed the high speed cannot immediately be attained. It must be worked up to gradually, and therefore the kind of bonus system used is as drastic as the degree of perfection to which the system has attained will permit.

The gradual acceleration of the speed at which the workmen labor is accomplished by the premium and bonus above referred to, the system of discipline, and by the gradual elimination of the workmen who are unable to keep up to the rising standards of performance.

The system of bonuses now in vogue at the Watertown Arsenal, where the Taylor system has not yet reached an advanced stage, is as follows (see Annual Report of the Chief of Ordnance for fiscal year ending June 30, 1911, p. 17):

"For example, a workman has been doing a piece of work in 190 minutes. After painstaking study of the job and of all the means of saving time, the man is carefully instructed as to these means, and is told that for every minute saved, within, say, 120 minutes, he will be paid for half a minute at his regular rate, in addition to his regular daily pay; and that it is thought that he can do the work in 72 minutes, for which time the increase over his regular pay will amount to 33½ percent."

When the system has reached an advanced stage of perfection Mr. Taylor advocates the substitution of this kind of bonus plan for another one which is more drastic, wherever possible. This latter is known as the "differential rate," and is illustrated by the following:

If it is discovered that the maximum number of pieces of work which a first-class workman can do in a day is 10, he will receive 35 cents apiece provided he completes all 10 of them. If, however, he should fail to complete the 10 pieces, even if this task is missed by only 10 minutes, he would get only 25 cents apiece for all of them, thus making the workman's wage for the day only $2.50, instead of $3.50, for running behind 10 minutes on his schedule time. This arrangement furnishes him a powerful incentive to work at his utmost.

The Taylor system further insists upon dealing with the workmen individually, and dealing with labor organizations being regarded as inconsistent with the purpose and workings of the system.

To further increase efficiency, the movements of the workmen are closely studied and standardized so as to make every movement on the part of the workman count toward increased production.

In order to further elucidate the basic principles of these systems and to ascertain the motives which have suggested their provisions and the possible extent to which they could be carried out if unrestricted, we give below extracts from the Treatise on Shop Management, by F. W. Taylor, which it appears is regarded as a sort of textbook on the subject, and from which the outline above given was deducted. The substance of this publication, which was written prior to the investigation of these systems by a special committee of the House of Representatives last winter, was defended both in whole and in part by its author at the hearings, no part of it being repudiated. Hence, its aims and purposes shall still be regarded as the essence of "scientific management." Quotations are as follows:

UNIT TIME STUDY NECESSARY

"What the writer wishes particularly to emphasize is that this whole system rests upon an accurate and scientific study of 'unit times,' which is by far the most important element in modern management. With it greater and more permanent results can be attained, even under ordinary daywork or piecework, than can be reached under any of the more elaborate systems without it." (Par. 133, p. 1364.)

QUICKEST TIME IS STANDARD TIME

"For each job there is the quickest time in which it can be done by a first-class man. This time may be called the 'quickest time,' or the 'standard time' for the job.

"Under all the ordinary systems this 'quickest time' is more or less completely shrouded in mist. In most cases, however, the workman is nearer to it and sees it more clearly than the employer." (Par. 136–137, p. 1365.)

ORDINARY SYSTEMS NOT FAST ENOUGH

"The injustice of the very foundation of the system is thus forced upon the workman every day of his life, and no man, however kindly disposed he may be toward his employer, can fail to resent this and be seriously influenced by it in his work. These systems are, therefore, of necessity slow and irregular in their operation in reducing costs. They drift gradually toward an increased output, but under them the attainment of the maximum output of a first-class man is almost impossible." (Par. 90, p. 1355.)

STOP-WATCH TIME STUDY USED

"His first step was to place an intelligent, college-educated man in charge of progress in this line. This man had not before handled this class of labor, although he understood managing workmen. He was not familiar with the methods pursued by the writer, but was soon taught the art of determining how much work a first-class man can do in a day. This was done by timing with a stop watch a first-class man while he was working fast. The best way to do this, in fact almost the only way in which the timing can be done with certainty, is to divide the man's work into its elements and time each element separately. For example, in the case of a man loading pig iron onto a car, the elements should be: Picking up the pig iron from the ground or pile (time in hundredths of a minute). Walking with it on a level (time per foot walked). Walking with it up an incline to car (time per foot walked). Throwing the pig down (time in hundredths of a minute), or laying it on a pile (time in hundredths of a minute). Walking back empty to get a load (time per foot walked)." (Par. 101, p. 1358.)

ONLY ONE OUT OF FIVE CAN KEEP UP TO TASK

"When the writer left the steel works, the Bethlehem piece workers were the finest body of picked laborers that he has ever seen together. They were practically all first-class men because in each case the task which they were called upon to perform was such that only a first-class man could do it. The tasks were all purposely made so severe that not more than one out of five laborers (perhaps even a smaller percentage than this) could keep up." (Par. 125, p. 1361.)

ONLY TEMPERATE WORKMEN COULD STAND PACE

"A careful inquiry into the condition of these men when away from work developed the fact that out of the whole gang only two were said to be drinking men. This does not, of course, imply that many of them did not take an occasional drink. The fact is that a steady drinker would find it almost impossible to keep up with the pace which was set, so that they were practically all sober." (Par. 128, p. 1363.)

A LARGE DAILY TASK SET

"Each man in the establishment, high or low, should daily have a clearly defined task laid out before him. This task should not in the least degree be vague nor indefinite, but should be circumscribed carefully and completely, and should not be easy to accomplish." (Par. 149, p. 1368.)

"When an establishment has reached an advanced state of organization, in many cases a fifth element should be added, namely, the task should be made so difficult that it can only be accomplished by a first-class man." (Par. 153, p. 1368.)

LARGE TASK ENFORCED BY OBJECT LESSON OF LAYING OFF WORKMEN

"Where the labor market is large enough to secure, in a reasonable time, enough strictly first-class men, the piece-work rates should be fixed on such a basis that only a first-class man working at his best can earn the average amount called for. This figure should be, in the case of first-class men, as stated above, from 30 percent to 100 percent beyond the wages usually paid. The task idea is emphasized with this style of piece work by two things: The high wages and the laying off, after a reasonable trial, of incompetent men; and for the success of the system, the number of men employed on practically the same class of work should be large enough for the workmen quite often to have the object lesson of seeing men laid off for failing to earn high wages and others substituted in their places." (Par. 166, p. 1374.)

THE "DIFFERENTIAL-RATE PIECE WORK" IS MOST FORCEFUL, AND SHOULD BE USED WHERE POSSIBLE

"The differential-rate piece work" is rather simpler in its application and is the more forceful of the two. It should be used wherever it is practicable, but in no case until after all the accompanying conditions have been perfected and completely standardized and a thorough time study has been made of all of the elements of the work. This system is particularly useful where the same kind of work is repeated day after day, and also whenever the maximum possible output is desired, which is almost always the case in the operation of expensive machinery or of a plant occupying valuable ground or a large building. It is more forceful than 'task work with a bonus,' because it not only pulls the man up from the top but pushes him equally hard from the bottom." (Par. 170, p. 1375.)

IN ORDER TO MAINTAIN RAPID PACE WORKMEN SHOULD BE ABLE FREQUENTLY TO SEE IF THEY ARE FALLING BEHIND

"In fixing the times for the tasks and the piece-work rates in jobs of this class the job should be subdivided into a number of divisions, and a separate time and price assigned to each division rather than to assign a single time and price for the whole job. This for several reasons, the most important of which is that the average workman, in order to maintain a rapid pace, should be given the opportunity of measuring his performance against the task set him at frequent intervals. Many men are incapable of looking very far ahead, but if they see a definite opportunity of earning so many cents by working hard for so many minutes, they will avail themselves of it." (Par. 189, p. 1380.)

WORKMEN CAN DO TWO OR THREE TIMES AS MUCH WORK AS IN THE PAST

"Second. As a result of this change of feeling such an increase in their determination and physical activity, and such an improvement in the conditions under which the work is done, will result in many cases in their turning out from two to three times as much work as they have done in the past." (Par. 291, p. 1411.)

SOME MEN WILL BE UNABLE TO KEEP UP PACE UNDER SYSTEM; THESE MUST GO

"Second. After the men acquiesce in the new order of things and are willing to do their part toward cheapening production, it will take time for them to change from their old easy-going ways to a higher rate of speed and to learn to stay steadily at their work, think ahead, and make every minute count. A certain percentage of them, with the best of intentions, will fail in this and find that they have no place in the new organization, while still others, and among them some of the best workers, who are, however, either stupid or stubborn, can never be made to see that the new system is as good as the old; and these, too, must drop out." (Par. 293, p. 1412.)

SPEED GRADUALLY ACCELERATED—WORKMEN AT FIRST RESENT INTERFERENCE

"In reaching the final high rate of speed which shall be steadily maintained, the broad fact should be realized that the men must pass through several distinct phases, rising from one plane of efficiency to another until the final level is reached. First they must be taught to work under an improved system of day work. Each man must learn how to give up his own particular way of doing things, adapt his methods to the many new standards, and grow accustomed to receiving and obeying directions covering details large and small which in the past have been left to his individual judgment. At first the workmen can see nothing in all this but red tape and useless and impertinent interference, and time must be allowed them to recover from their irritation, not only at this but at every stage in their upward march." (Par. 295, p. 1413.)

WHAT IS MEANT BY HIGH WAGES

"By high wages he means wages which are high only with relation to the average of the class to which the man belongs and which are paid only to those who do much more or better work than the average of their class. He would not for an instant advocate the use of a high-priced tradesman to do the work which could be done by a trained laborer or a low-priced man." (Par. 37, p. 1347.)

USING HELPERS TO DO MECHANICS' WORK COMMENDED

"As a rule, the fewer the men employed by the contractor and the smaller the variety of the work the greater will be the success under the contract system, the reason for this being that the contractor, under the spur of financial necessity, makes personally so close a study of the quickest time in which the work can be done that soldiering on the part of his men becomes difficult and the best of them teach laborers or low-priced helpers to do the work formerly done by mechanics." (Par. 67, p. 1352.)

"The objections to the contract system are that the machine tools used by the contractor are apt to deteriorate rapidly, his chief interest being to get a large output, whether the tools are properly cared for or not, and that through the ignorance and inexperience of the contractor in handling men, his employees are frequently unjustly treated." (Par. 68, p. 1352.)

"These disadvantages are, however, more than counterbalanced by the comparative absence of soldiering on the part of the men." (Par. 69, p. 1352.)

FUNCTIONAL FOREMANSHIP RESULTS IN CHEAP WORKMEN, AND MEN DESIRED OF SMALL CALIBER AND ATTAINMENTS

"The full possibilities of functional foremanship, however, will not have been realized until almost all of the machines in the shop are run by men who are of smaller caliber and attainments and who are, therefore, cheaper than those required under the old system. The adoption of standard tools, appliances, and methods throughout the shop, the planning done in the planning room, and the detailed instructions sent them from this department, added to the direct help received from the four executive bosses, permit the use of comparatively cheap men even on complicated work. Of the men in the machine shop of the Bethlehem Steel Co. engaged in running the roughing machines, and who were working under the bonus system when the writer left them, about 95 percent were handy men trained up from laborers. And on the finishing machines working on bonus about 25 percent were handy men." (Par. 247, p. 1395.)

DISPLACING SKILLED LABOR WITH UNSKILLED

"It is true, for instance, that the planning room and functional foremanship render it possible for an intelligent laborer or helper in time to do much of the work now done by a machinist. Is not this a good thing for the laborer and helper? He is given a higher class of work, which tends to develop him and gives him better wages. In the sympathy for the machinist the case of the laborer is overlooked." (Par. 319, p. 1421.)

CHANGING FROM ONE BONUS SYSTEM TO ANOTHER AS SYSTEM DEVELOPS

"Mr. Gantt's system is especially useful during the difficult and delicate period of transition from the slow pace of ordinary day work to the high speed which is the leading characteristic of good management. During this period of transition in the past a time was always reached when a sudden long leap was taken from improved day work to some form of piece work, and in making this jump many good men inevitably fell and were lost from the procession. Mr. Gantt's system bridges over this difficult stretch and enables the workman to go smoothly and with gradually accelerated speed from the slower pace of improved day work to the high speed of the new system." (Par. 172, p. 1376.)

"No workman can be expected to do a piece of work the first time as fast as he will later. It should also be recognized that it takes a certain time for men who have worked at the ordinary slow rate of speed to change to high speed. Mr. Gantt's plan can be adapted to meet both of these conditions by allowing the workman to take a longer time to do the job at first and yet earn his bonus, and later compelling him to finish the job in the quickest time in order to get the premium." (Par. 174, p. 1377.)

ALL FOUR SYSTEMS OF PAYING FOR WORK CAN BE USED IN LARGE PLANTS

"It is clear, then, that in carrying out the task idea after the required knowledge has been obtained through a study of 'unit times,' each of the four systems, 'day work,' 'straight piece work,' 'task work with a bonus,' and 'differential piece work,' has its especial field of usefulness, and that in every large establishment doing a variety of work all four of these plans can and should be used at the same time. Three of these systems were in use at the Bethlehem Steel Co. when the writer left there, and the fourth would have soon been started if he had remained." (Par. 177, p. 1378.)

EXAMPLE OF HOW DIFFERENTIAL RATE SYSTEM WORKS

"The first case in which a differential rate was applied during the year 1834 furnishes a good illustration of what can be accomplished by it. A standard steel forging, many thousands of which are used each year, had for several years been turned at the rate of from four to five per day under the ordinary system of piecework, 50 cents per piece being the price paid for the work. After analyzing the job, and determining the shortest time required to do each of the elementary operations of which it was composed, and then summing up the total, the writer became convinced that it was possible to turn 10 pieces a day. To finish the forgings at this rate, however, the machinists were obliged to work at their maximum pace from morning to night, and the lathes were run as fast as the tools would allow, and under a heavy feed. (Ordinary tempered tools 1 inch by 1½ inch, made of carbon tool steel, were used for this work.)" (Par. 180, p. 1379.)

"It will be appreciated that this was a big day's work, both for men and machines, when it is understood that it involved removing with a single 16-inch lathe having two saddles an average of more than 800 pounds of steel chips in 10 hours. In place of the 50-cent rate that they had been paid before they were given 35 cents per piece when they turned them at the speed of 10 per day, and when they produced less than 10 they received only 25 cents per piece." (Par. 181, p. 1379.)

HOW HIGH TASKS SHOULD BE SET AT THE START

"As the writer has said several times, the difference between the best speed of a first-class man and the actual speed of the average man is very great. One of the most difficult pieces of work which must be faced by the man who is to set the daily tasks is to decide just how hard it is wise for him to make the task. Shall it be fixed for a first-class man; and if not, then at what point between the first class and the average?" (Par. 382, p. 1441.)

"One fact is clear, it should always be well above the performance of the average man, since men will invariably do better if a bonus is offered them than they have done without this incentive." (Par. 383, p. 1441.)

"The writer has in almost all cases solved this part of the problem by fixing a task which required a first-class man to do his best and then offering a good round premium. When this high standard is set, it takes longer to raise the men up to it. But it is surprising, after all, how rapidly they develop." (Par. 384, p. 1441.)

EACH SHOP EXISTS, FIRST, LAST, AND ALL THE TIME, TO PAY DIVIDENDS TO OWNERS

"On the other hand, this policy of promoting men and finding them new positions has its limits. No worse mistake can be made than that of allowing the establishment to be looked upon as a training school to be used mainly for the education of many of its employees. All employees should bear in mind that each shop exists, first, last, and all the time for the purpose of paying dividends to its owners. They should have patience and never lose sight of this fact. And no man should expect promotion until after he has trained his successor to take his place." (Par. 312, p. 1419.)

COLLOQUY BETWEEN MR. TAYLOR AND DISSATISFIED CUSTOMER

"Mr. TAYLOR. I think that Mr. Hawkins has also overlooked another important factor, and that is the question of time. If Mr. Hawkins expects large result in 6 months or a year in a very large works, he is looking for the impossible. If he expects to convert union men to a higher rate of production, coupled with high wages, in 6 months or a year, he is expecting next to an impossibility. But if he is patient enough to wait for 2 or 3 years he can go among almost any set of workmen in this country and not find the trouble which he did in Massachusetts.

"Mr HAWKINS. I have waited 6 years now.

"Mr. TAYLOR. Have you tried the incisive plan of centering on one man instead of going at the whole shooting match at once? I think failure is due to a lack of patient persistence on the part of the employers and then to a lack of centering right onto a single man. No workman can long resist the help and persuasion of five foremen over him. He will either do the work as he is told to or leave."

All of the principal systems of "scientific management" were extensively investigated by a special committee of the House of Representatives last winter. Both the efficiency engineers and the departments concerned were heard at such length as they desired. The Government employees who protested against the introduction of the Taylor system in navy yards and arsenals and workmen who had worked under the system in private employ were also heard at length, and their testimony was uniformly against the system.

Then the committee made its report to the House; its findings were against the features of the system, which were designed to stimulate the workmen to extraordinary exertions. This is shown by the following quotation from Report No. 403 of the committee's report to the House on March 9, 1912:

"In an effort to stimulate the workmen to increased activity various methods are used under different systems, such as discharge, fear of discharge, stop-watch time studies, and bonuses. The fear of discharge exists under any system, and no doubt will continue to exist and to act as a stimulus. The establishment of a premium or bonus presupposes the establishment of a task. The bonus system is based upon the establishment of a task large enough for an ordinary day's work and then giving additional compensation as an inducement to a workman to do more than he would ordinarily do.

"The proponents of the Taylor system assert that the workman will be protected against any injustice either in the amount of work required of him or the compensation for that work by a change in the mental attitude brought about by the introduction of the system. A mental attitude which produces a spirit of cooperation between the employer and the employee is much to be desired, but such a spirit is not the result of any particular system of management, but is due almost entirely to the personality of the management and employee and the spirit that prevails in their relations to each other. Your committee is of the opinion that the mere mental attitude of the employer is too variable and unsubstantial a basis upon which to rest the material welfare of the wage worker. Standardizing and systematizing of work can be introduced successfully without any change in mental attitude from that which exists in the ordinary shop, but when it comes to introducing stimulation, a change of mental attitude by which the workman is willing to give a greater amount of energy for the same amount of pay may be very desirable to the employer of labor, but it is not always so desirable to the employee.

"Here is the crux of the difficulty in the introduction of the Taylor or any other system of so-called scientific management. So far as the workmen are concerned, they have not made any serious objections before your committee to standarizing or systematizing of the work, but they have vigorously protested against stimulation on the grounds that it tends to injure their health through overwork, and that while their wages may be temporarily increased, the result is that they are ultimately required to expend the greater amount of energy without receiving any additional pay. In the judgment of your committee, the best and most effective stimulus that can be given to the work in the shop is to secure and hold a fine spirit of cooperation with the management on the part of the workmen. That cannot be secured through timing the operations of the workman with a stop watch when he considers such a procedure an indignity which recognizes him as being in the same class as a beast of burden or a machine, or when he considers such a time study inaccurate, and therefore unjust to him, or when he knows that it is to be used as a basis from which to compute the speed at which he must work and the wages he is to receive, when, in his judgment, the work, speed, and wage rates are being established in order to secure greater profits for the employer at the expense of the workmen."

The employees of the Government, who seem to be unanimous in their opposition to the system, are of the opinion that to carry out a program based upon the principles and methods of the Taylor system above outlined would mean relentless speeding up, destroy harmony among the employees, and would result in various other forms of oppression.

Workmen who have worked under the system in private shops, and who testified before the committee, stated under oath that the system is harsh and oppressive and altogether disagreeable under which to work.

Mr. Taylor does not think that his system is oppressive or relentless, and does not see why workmen should not thrive and be happier under it.

General Crozier, Chief of Ordnance, does not find anything objectionable in the paper, Shop Management, by F. W. Taylor, which has been extensively above quoted. Following is a quotation from a letter of General Crozier to the Secretary of War on the subject, written April 19, 1911, and incorporated in the hearings, page 1162:

"6. Concerning the general protest made by the committee to the effect that the Taylor system is fundamentally based upon overworking and enslaving employees, eliminating the skilled mechanic, and, in general, operating to the disadvantage of employees, I must say that I do not find these features in a persual of Mr. Taylor's paper. In the absence of experience with his method, as affecting workmen, my knowledge must come mainly from his own statements, and I have interrogated mechanics working under his system and have found them satisfied with it. I find nothing in his description leading to doubt of the statement which he makes in paragraph 21 of his paper: 'This paper is written mainly with the object of advocating high wages and low-labor cost as the foundation of the best management, * * *,' and I give him credit for sincerity in his belief that all employees are better satisfied under his system than under the general system which he wants to replace."

The question to determine is, What is harsh treatment? We submit that certain mehods of "scientific management" are harsh and should not be permitted in Government shops.

The War Department is at present working out the details of the Taylor system at the Watertown Arsenal, Watertown, Mass., so as to make them applicable to the manufacture of ordnance materials and the testimony at the hearings also shows that the preliminary features of the system are being installed at the Rock Island Arsenal in the machine shop where gun vehicles, limbers, caissons, etc., are manufactured, and that it is the intention of the Ordnance Department to introduce there the other features of the Taylor system as soon as their application has been perfected at the Watertown Arsenal.

Let us turn for a moment to certain recent testimony of the Chief of Ordnance as to the present efficiency of the plant at Rock Island, Ill., and thereby ascertain if the necessity exists for any drastic change of method, or speeding up. On January 13, 1912, General Crozier said before the special committee of the House of Representatives to investigate the Taylor system, etc., as follows (see p. 1118 of hearings):

"We have recently manufactured gun carriages and are doing it still for 3-inch rifles; that is, field guns, at $2,510.60, the exact cost. We purchased those rifle carriages from experienced manufacturers, who had had preceding orders for the same thing, for $3,398.82, an increase of 35.4 percent over our own price. Our carriages were made at the Rock Island Arsenal.

"We have manufactured there, at the same arsenal, caissons, for $1,128.67, and we have purchased the same caissons from private manufacturers who had had previous orders for them, so that they had experience in the manufacture, for $1,744.10, which is 54.6 percent greater than our own price."

On page 1117 of the same hearings General Crozier stated as follows:

"At the Springfield Armory the principal manufacture is small-arms rifles. We make a few other things, but the manufacture is almost entirely of the small-arms rifle. We manufacture that rifle for about $15, and in doing so I take into account what I think should properly be taken into account in the cost; but the Springfield Armory, like the other arsenals, is maintained as an arsenal of storage and issue, as well as a manufacturing place; and, therefore, in computing these costs, I have subtracted from the total

expense of the Springfield Armory those portions which I consider result from its character as an arsenal of issue and storage. Unless somebody goes into the details quite closely, there may be a question as to whether I subtract quite as much as I ought to.

"Therefore, I, last year, for the purpose of satisfying some persons who might have some doubt, made up what I might call an exaggerated cost of the rifles at the Springfield Armory—that is, I took every cent of money that was sent up to the Springfield Armory and charged it to the rifle. Whether it was for the payment of the clerks that were used in the issue of stores, the payment of the storehouse force, whether it was for the payment of the watchmen—they are the guards and custodians of the valuable property we have up there—I charged all the pay of officers and all the pay of everybody concerned to the rifle, and by that means I arrived at a cost of the rifle of $17.64 instead of $15—that is, I found I had to add to the cost as I had reported it about 17 percent. Now, that then became a statement of an exaggerated cost which, whatever the rifle might cost properly, it could not possibly reach. It must have been below $17.65; and if it were possible to obtain the opinion of an expert, I would be glad to ask him if he thought the Springfield rifle could be produced by anybody else anywhere and purchased for $25. My own opinion is that you could not get it as low as $25 from any manufacturer."

The rifles are also made at the Rock Island Arsenal at practically the same figure.

On April 2, 1912, General Crozier stated as follows before a subcommittee of the Appropriation Committee of the House of Representatives relative to the cost of manufacture at the Rock Island Arsenal (see pp. 637–638 of hearings):

"The CHAIRMAN. Do your figures show the comparative cost of manufacture and purchase?

"General CROZIER. Yes.

"The CHAIRMAN. Put them in the record, please.

"General CROZIER. I will mention a few of them for the record. I think I can mention them more summarily, so they can be better comprehended in the record, than if I put in all of these details. I will take the limbers for the 3-inch rifles. The average of three contracts gave a price of $1,518 apiece for those limbers.

"Mr. CANNON. What is a limber?

"General CROZIER. A limber is the forward portion of the wagon which transports the gun, the forward portion of the gun carriage; and the average of five orders for manufacture at the Rock Island Arsenal was $684 apiece. The arsenal cost was less than half the purchase price.

* * * * *

"General CROZIER. Now, for the 3-inch caisson, the average of five contracts shows a price of $1,708, and the average of six manufacturing orders given to the Rock Island Arsenal is $1,081. The 3-inch gun carriage proper—that is, the vehicle on which the gun rests and from which it is fired—gives as the average price three contracts, $3,268, and the average cost under five manufacturing orders at the arsenal was $2,341.

"Mr. CANNON. Does that include overhead charges?

"General CROZIER. Yes, sir."

These figures, representing the cost of manufacture at the Rock Island Arsenal, include all overhead charges, such as pay of officers, interest on investment (which, for the Ordnance Department, is 3 percent), insurance (allowance set aside for fire losses), and depreciation of plant.

It will be observed that the very shop in which ordnance materials are manufactured at less than half of the cost of purchasing from private contractors is the place where it is proposed to install the Taylor system. We submit that the necessity does not exist for the installation of such a system of intensive production, with its accompanying disregard for the welfare of the employee, in a plant where efficiency has already reached an advanced stage.

What has been said of the comparative cost of production at the Rock Island Arsenal and the Springfield Armory is true to a large degree of many other manufacturing plants of the War Department.

The Ordnance Department is to be commented for its ability to manufacture economically, but this much-desired achievement should not be further augmented by the introduction of any system of shop management so apparently unjust to the employees.

If it should appear that other departments of the Government are unable to show as favorable a comparative cost of manufacture as is the case in the War Department, that condition must of necessity be due to other causes, since these plants of the War Department, at the time the costs above referred to were compiled, were operating under the system of management which had been evolved through years of practical experience in the production of ordnance materials, and which is not subject to the criticisms of the Taylor system.

The clerical force necessary for the maintenance of these elaborate systems makes the overhead charges exceedingly great, and it is a question whether the increased productivity of the workmen in the shop, upon whom the heavy burden falls, is sufficient to pay for all this nonproductive labor which has to be added.

On this point the investigating committee of the House says (see Rept. No. 403):

"The Taylor system undertakes to systematize the work first by the establishment of a planning department; second, by detail study of the shop and the elements of a particular piece of work; third, by a routing system; and out of these grow a multitude of other details, such as job cards, routing cards, time study, and many others. So much of this kind of detail work is needed under this system that it appears to your committee that constant care would have to be exercised in order to prevent the overhead charges thus created from using up all of the benefits which might be derived from the proper systematization of the work."

The machine shop of the Midvale Steel Co., at Philadelphia, Pa., where Mr. Taylor perfected his system, has since his advent there, abandoned most of it as an unprofitable method of management. Some of the features of the system which are obnoxious to workmen are still in vogue there, however. One of the strongest competitors of this concern for Government work is the Washington Navy Yard, where the system is not used.

That the navy yard is a strong competitor is shown in the testimony of Capt. E. H. C. Leutze, commandant of the Washington Navy Yard at Washington, D. C., before the Naval Affairs Committee of the House, February 28, 1906, in which he shows that the cost of manufacture at that yard is less in most cases than by contract.

The purpose of this bill (S. 6172) is to prevent the use of the stop watch and the premium and bonus system of compensation, which together form the basic elements that are responsible for the excesses committed; and their use is not necessary to any proper system of efficiency, which is demonstrated by the absence of these elements in other efficient manufacturing plants.

The employees of the Government agree with Mr. Taylor in regarding these two features of the Taylor system as the foundation of the rest. He says, in Shop Management, regarding his bonus system:

"* * * It is to compel the completion of the daily task, then, that two of the other principles are required, namely, 'high pay for success' and 'loss in case of failure.' The advantage of Mr. Gantt's system of 'task work with a bonus' and the writer's 'differential-rate piecework' over the other systems lies in the fact that with each of these the men automatically and daily receive either an extra reward in case of complete success, or a distinct loss in case they fall off even a little." (Par. 161, p. 1372.)

Regarding the importance of the stop-watch "time study," the author says:

"* * * And first among these comes the study of 'unit times.'

"324. This, as already explained, is the most important element of the system advocated by the writer. Without it the definite, clear-cut directions given to the foreman and the assigning of a full, yet just, daily task, with its premium for success, would be impossible; and the arch without the keystone would fall to the ground."

As long as the departments insist upon holding these features in the background, with the understanding that they are to be used as some future time, it will be impossible to secure the cooperation of the employees as to other changes which might be advantageous, due to the suspicion which now exists.

The passage of this bill will allay fear and suspicion, and for that reason will be for the good of the service.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. OVERTON. The Senator from Washington has stated that probably the Navy Department contemplates putting into effect a system—that is a system of appraising the efforts of labor—which would not be permitted to be put in effect in the event the amendment were not adopted. In order that the position of the Navy Department may be properly placed before the Senate in this connection, I wish to say that the Navy Department made no recommendation. The evidence upon that point is very short, and is to be found on page 17 of the hearings. I will read it:

Senator BALL. My attention has been called to section 105 of this bill, which is a prohibition on the Navy Department spending any of its appropriation on efficiency studies, in navy yards, for example. As you know, the Mead committee went down to Norfolk and we were not tremendously impressed with the efficiency down there. It occurred to me that that section, which I understand has been right there in the bill since 1916, has probably been no asset to the Navy in trying to improve the efficiency in the navy yard. Will you have any objection to striking it out of this bill?

Mr. FORRESTAL. None.

Senator BALL. Is there another statute?

Mr. FORRESTAL. I think that is the case. As far as the question of time studies is concerned, it would be useful if we were able to have them. They are not a cure-all, as you appreciate, but it is one instrument that is available in any normal industrial operation.

Senator BALL. Will you let me know about that?

Mr. FORRESTAL. Yes.

Senator GERRY. It was put in, Mr. Secretary, according to my recollection, in order to prevent this speed-up plan for labor that was being discussed at that time.

Mr. FORRESTAL. I was about to add that it might be objectionable to the labor interests.

Senator BALL. The Bedeaux speed-up plan?

Senator GERRY. It was a speed-up proposition.

Mr. FORRESTAL. In the hands of an unscrupulous man or a man with a grudge against labor it can be an unfair weapon, all right.

Senator BALL. It seems to me with the present administration's attitude toward labor, there isn't much danger in that now.

Mr. FORRESTAL. I would think labor need have no fear of that, particularly by the Navy. We are initiating a study of the whole navy-yard operation and out of that we hope to get, so to speak, a modernization and streamlining of our industrial operations, not merely navy yards, but other industrial plants. In a sense, we are operating, I think, in a slightly archaic system, a view which you hold, I think.

Senator BALL. Yes.

That is the sum and substance of the testimony. The elimination of the section was not recommended by the Navy Department. While the Secretary of the Navy said he had no objection to the elimination of the provision, he made the further statement that it might work a very severe hardship if it were in the hands of some unscrupulous man who was prejudiced against labor. So I do not think the amendment represents any recommendation by the Navy Department.

Mr. MAGNUSON. I thank the Senator from Louisiana. I have not had the opportunity to read the hearings so as to know exactly the source and the origin of the committee amendment to strike out section 105. On the proposal the hearings are short, and, of course, give the opposite indication that possibly the Navy Department has no such intention. But for 30 long years we have tried to prevent labor speed-up of persons employed by the Government. If we now throw down the bars, then, as the Secretary of the Navy himself says in the hearings, there will be no prohibition against the use of the vicious so-called speed-up system; it could again be employed by unscrupulous persons, which would result in setting labor back where it was 30 long years ago.

As I stated previously, all intelligent students of labor, management, and capital have long since abandoned such systems in this country in their dealings with their working people.

Mr. JOHNSTON of South Carolina. Mr. President will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. JOHNSTON of South Carolina. I think the Senator from Washington has already explained what I wanted to bring out by a question. I am and have been very close to the laboring people. I have found that attempts to keep a sharp watch or check on their work, and to speed up their work, or stretch them out, trying to get more work out of them, or attempts to find how many minutes laborers have to spare from actual work during the day, will bring about labor trouble.

I know it to be true that almost half of the strikes in South Carolina in our industrial plants have been brought about by the introduction of so-called stretch-out systems or efficiency systems which manufacturers have tried to put into effect in South Carolina. If such attempts result in labor troubles in industries in South Carolina, it will be found that the same result will be brought about if the Navy tries to inaugurate and put into effect similar practices in our Navy yards throughout the United States.

I simply throw out a word of warning. The retention in the bill of the section under consideration would prevent such a thing. I believe it is for the best interests of the United States that we do not enter into this kind of activity at this late hour.

Mr. MAGNUSON. Mr. President, I may say to the distinguished Senator from Minnesota [Mr. BALL] that the parliamentary situation is that the committee amendment beginning in line 4 on page 48 is before the Senate under a request for unanimous consent, and I have reserved the right to object.

Mr. BALL. Mr. President——

Mr. MAGNUSON. I am glad to yield to the Senator from Minnesota.

Mr. BALL. How does the committee amendment come before the Senate by unanimous consent?

The PRESIDING OFFICER. The committee amendment on page 48, beginning in line 4, is pending.

Mr. BALL. The Senator said something about unanimous consent, and reserved the right to object. I wanted to say something about the amendment. I should like to have a yea-and-nay vote on the amendment, however, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Washington yield for that purpose?

Mr. MAGNUSON. I do not yield for that purpose. I think Senators ought to understand the parliamentary situation. I do not want to give up the floor, because I intend to object to unanimous consent being given.

The PRESIDING OFFICER. The Chair will state that no unanimous consent is being sought. The question before the Senate, under the unanimous-consent agreement that committee amendments be first considered, is on the only remaining committee amendment, which is pending.

Mr. MAGNUSON. Then I shall be glad to yield so the Senator from Minnesota may suggest the absence of a quorum.

Mr. BALL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Bailey	Hayden	O'Mahoney
Ball	Hill	Overton
Barkley	Hoey	Reed
Bilbo	Johnson, Colo.	Robertson
Bridges	Johnston, S. C.	Russell
Briggs	La Follette	Saltonstall
Burton	Lucas	Shipstead
Bushfield	McClellan	Smith
Butler	McKellar	Stewart
Capper	McMahon	Taft
Cordon	Magnuson	Taylor
Donnell	Millikin	Thomas, Okla.
Downey	Mitchell	Tunnell
Ellender	Moore	Walsh
Ferguson	Morse	Wherry
Fulbright	Murdock	White
George	Myers	Wiley
Guffey	O'Daniel	Young

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. A quorum is present.

The question is on agreeing to the committee amendment on page 48, after line 3, striking out section 105.

Mr. BALL. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BALL. Mr. President, I wish to make a brief statement before the roll is called.

I sponsored this amendment in the Appropriations Committee. It strikes out section 105 of the bill. As I understand, that is a legislative rider which has been carried in the appropriation bill since 1915. The provision in which I am particularly interested reads as follows:

SEC. 105. No part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person or persons having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant;

The latter phrase, of course, precludes any chance of an incentive wage system, basing wages on the amount a man produces in any navy yard in the United States. The first part of the provision prevents the Navy from making any time study of any job performed in any navy yard, in the interest of increasing efficiency and eliminating useless movements on the job. It was written into the act back in 1915, when the so-called Bedeaux system was being pushed in the United States. That was a deliberate speed-up, stretch-out system, which organized labor fought. Today, in any modern industrial plant, time studies of specific jobs are made every day in the year, with management and labor cooperating in such studies, in the interest of increasing the efficiency of production. To deny this opportunity to improve efficiency in our navy yards seems to me very short-sighted on the part of Congress.

A couple of months ago a subcommittee of the War Investigating Committee made a visit to the Norfolk Navy Yard. The committee sent investigators to several other navy yards. It was the unanimous conviction of all Members of the Senate who went on those trips that our navy yards urgently needed a real study, and a program to increase their efficiency. This particular provision has prevented any thoroughgoing reform in those yards.

I assume, of course, that the Navy would follow the accepted practice of management, and invite representatives of the employees to observe any time studies made. That is done throughout industry. I believe the proper procedure in this instance would be for the Senate to strike out this provision. Then in conference, if the House objects, we can write a provision under which any such time study must be made with representatives of the employees participating. That is the way it is done in industry. Such a provision is found in literally hundreds of management-union

contracts today. They have specific provisions for such time studies in the interest of increasing production per man.

Mr. President, I think one of the most serious trends in this country, if we are going to maintain our place in this world as the most productive industrial nation on earth, is the tendency to insist on increasing wages, shortening hours, and limiting production per man. We have been able to achieve the production miracles which we have achieved in this war because our production per man per hour is higher than that of any other country in the world. To deliberately freeze the status quo as it relates to production per man seems to me to invite a degeneration in our productive capacity. I hope the Senate will support the amendment.

Mr. REED. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. REED. I wish to confirm what the Senator from Minnesota has said, because in the last 12 months I have discussed the efficiency situation with the personnel officers of the Navy Department, not with the Secretary of the Navy. Those personnel officers have told me that the presence of this restrictive measure in the law has been a serious handicap in the operation of all the Navy Yards. There was no talk about going back to the speed-up system. They talked with me about the advisability of eliminating this very binding restriction. They told me that the navy yards under this provision of the law are practically prohibited from making any kind of efficiency studies. At that time they suggested—it was not in an official conversation; I was discussing with Navy personnel officers the matter of efficiency in the navy yards—that it would be very helpful to them if they could get rid of this restriction.

Mr. BALL. Mr. President, I thank the Senator from Kansas. Let me add that in the manpower bill which the Senate passed, but which died in conference, the Senate specifically provided that the Director of War Mobilization should make utilization studies in Army and Navy industrial establishments. That specific authority had to be contained in the bill, because otherwise, because of this provision, no such utilization studies could be made.

Mr. MAGNUSON. Mr. President, I do not like to disagree with the conclusions of my colleague, the Senator from Minnesota, but I must say that this provision does not prevent the making of efficiency studies by the United States Navy. The Navy has been making them for 30 years. Section 105 would merely prevent the Navy from making a stopwatch study of one man's work and using him as a guinea pig as regards other men. In every union contract of which I know there is a provision similar to the one contained in section 105.

In regard to the efficiency of the navy yards of the United States, the Senator from Minnesota himself said that we get more production per man per hour than is obtained by any other nation of the world. We do it because we treat labor as it should be treated, and we do not drive it.

The only purpose of section 105—and let me say that a similar provision has been contained in every appropriation bill for 30 years—is to prevent unscrupulous persons in the Navy Department or other departments from taking advantage of the vicious stop-watch system.

I may say for the information of the Senate—and the Senator from North Dakota previously stated it for the RECORD—that long hearings were conducted on this matter 30 years ago by the late Senator Borah. I mentioned the distinguished senior Senator from California [Mr. JOHNSON], who was responsible for having the Borah measure included in naval appropriation bills when those bills were handled by the Committee on Naval Affairs, and who has been responsible for having the same thing done since 1923, when the bills were placed under the jurisdiction of the Appropriations Committee.

Mr. BALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BALL. The Senator said that the language proposed to be stricken would prohibit the making of stop-watch studies. The language relates to the making of any study of a job done by an employee. Obviously it is impossible to study a job without studying the person doing it. That is the heart of this matter. It would prevent the making of any time studies of work done by any employee in any navy yard. Obviously someone's work must be studied if such a study is to be made.

Mr. MAGNUSON. Mr. President, I may say that the officials of any navy yard know exactly how long it will take an employee to do a certain job—for instance, a shafting or a tube or a length of chain. The language of section 105 would prohibit them from having someone enter a plant and stand over a man, holding a stop watch, and trying to increase efficiency by playing one man against another man or by playing one shop against another shop. The Navy has made all sorts of efficiency studies.

I understand from the distinguished Senator from Louisiana—although I have not read all the hearings—that the Navy Department itself did not ask for this amendment. I do not know that there is any testimony before this body or before the Appropriations Committee to the effect that this provision would hinder the Navy in the making of its regular efficiency studies.

Mr. WALSH. Mr. President, will the Senator yield to me?

Mr. MAGNUSON. I yield.

Mr. WALSH. I understand that the Navy would like to have every restriction and inhibition removed. Its attitude is that that would leave it freer to perform the work which it is charged to do. The Navy does not advocate this provision.

Mr. BALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BALL. I think the hearings will show that I specifically asked the Secretary of the Navy, when he was before the subcommittee, whether he would have any objection to having the committee strike out section 105, and I told him why I thought it should be stricken out. He said he would have no objection.

Mr. MAGNUSON. But he also said that the Navy is right now initiating a study of all the navy yard operations, and that it hopes to obtain a modernization and a streamlining of its industrial operations, not merely in the navy yards, but in other industrial plants as well.

Under the provisions of the bill with section 105 remaining in it the Navy will—and it has done so far years—conduct efficiency studies of the systems used.

As a matter of fact, the Senator from Massachusetts will tell the Senate that his committee is now in the process of conducting long hearings on the system now in operation by the Navy. I do not know how the committee members will vote on the amendment; but if I correctly sense their feelings about it, I imagine that they consider its adoption would probably hinder or restrict even more the present operation of the so-called Navy efficiency system.

I think this committee amendment would simply take us back 30 years. I hope it will not be adopted.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 48, beginning in line 4, where it is proposed to strike out section 105. On this question the yeas and nays have been demanded and ordered, and the clerk will call the roll.

Mr. BRIDGES. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BRIDGES. In order to support the committee on the amendment sponsored by the Senator from Minnesota, a Senator should vote "yea"; is that correct?

The PRESIDENT pro tempore. That is correct; in such case a Senator should vote "yea."

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WHITE (when Mr. REVERCOMB's name was called). I announce the unavoidable absence of the Senator from West Virgina [Mr. REVERCOMB]. He is at one of the Government departments on official business.

The roll call was concluded.

Mr. BRIDGES (after having voted in the affirmative). I have a general pair with the Senator from Utah [Mr. THOMAS]. Not knowing how he would vote I transfer that pair to the Senator from Idaho [Mr. THOMAS], and let my vote stand.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator

from South Carolina [Mr. MAYBANK], the Senator from Florida [Mr. PEPPER], and the Senator from Maryland [Mr. RADCLIFFE] are absent on public business.

The Senator from West Virginia [Mr. KILGORE] is detained in one of the Government departments on matters pertaining to his State.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from New Mexico [Mr. HATCH] and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Interstate Commerce Committee.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on Territories and Insular Affairs, has been designated to visit the Philippine Islands, and, therefore, is necessarily absent.

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN] is absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco. He has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from South Dakota [Mr. GURNEY] and the Senator from Indiana [Mr. WILLIS] are absent by leave of and on official business of the Senate.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate, and also because of an injury resulting from an accident.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER] is necessarily absent.

The Senators from Iowa [Mr. WILSON and Mr. HICKENLOOPER] are detained on official business.

The result was announced—yeas 21, nays 40, as follows:

YEAS—21

Bailey	Capper	O'Daniel
Ball	Donnell	Overton
Bridges	Ferguson	Reed
Brooks	Hoey	Taft
Burton	McClellan	Wherry
Bushfield	Millikin	White
Butler	Moore	Wiley

NAYS—40

Bankhead	Johnson, Colo.	Robertson
Barkley	Johnston, S. C.	Russell
Bilbo	La Follette	Saltonstall
Briggs	Langer	Shipstead
Buck	Lucas	Smith
Chavez	McKellar	Stewart
Cordon	McMahon	Taylor
Downey	Magnuson	Thomas, Okla.
Ellender	Mitchell	Tunnell
Fulbright	Morse	Wagner
George	Murdock	Walsh
Guffey	Murray	Young
Hayden	Myers	
Hill	O'Mahoney	

NOT VOTING—35

Aiken	Gurney	Radcliffe
Andrews	Hart	Revercomb
Austin	Hatch	Scrugham
Brewster	Hawkes	Thomas, Idaho
Byrd	Hickenlooper	Thomas, Utah
Capehart	Johnson, Calif.	Tobey
Chandler	Kilgore	Tydings
Connally	McCarran	Vandenberg
Eastland	McFarland	Wheeler
Gerry	Maybank	Willis
Glass	Mead	Wilson
Green	Pepper	

So, the amendment was rejected.

The PRESIDENT pro tempore. The bill is before the Senate and open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. OVERTON. Is it in order at this time to make a motion to change the section numbers of the bill?

The PRESIDENT pro tempore. The section numbers have been changed, the Chair is advised by the clerk.

Mr. OVERTON. Section 105 will remain in the bill, and therefore all sections after section 105 will have to be renumbered.

The PRESIDENT pro tempore. The Chair is advised that the section numbers will remain as they originally were.

The amendments having been ordered to be engrossed, and the bill having been read the third time, the question is, shall the bill pass.

The bill (H. R. 2907) was passed.

Mr. OVERTON. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. OVERTON, Mr. GLASS, Mr. THOMAS of Oklahoma, Mr. GREEN, Mr. WALSH, Mr. BRIDGES, Mr. BROOKS, and Mr. WHITE conferees on the part of the Senate.

EXTENSION OF PERIOD OF OPERATIONS UNDER SECTION 409 OF THE INTERSTATE COMMERCE ACT

The Senate resumed the consideration of the bill (H. R. 3038) to amend section 409 of the Interstate Commerce Act, as amended.

Mr. REED. Mr. President, I inquire of the Senator from Colorado [Mr. JOHNSON] whether he desires to make a preliminary statement with regard to the bill.

Mr. JOHNSON of Colorado. No; I do not desire to be heard at this time.

Mr. REED. Mr. President, this bill represents a phase of transportation legislation which has received more or less attention from the Congress, beginning with the passage of what is known as the Transportation Act of 1940. In that act there was provision for an extensive overhauling of various phases of transportation. It was the first overhauling since 1920, when the Transportation Act of 1920 was enacted into law.

Mr. President, the one phase of transportation which was not adequately dealt with in the Transportation Act of 1940 was the handling of less-than-carload freight. For a long period of time that has been a definite inadequacy in our transportation system. The railroads of the country are the most efficient transportation agency for handling heavy traffic long distances known to the world, but when it somes to the handling of package freight as freight—not to be confused with express or parcel post—the railroads labor under a great disadvantage. Because of that fact there has come into existence a transportation agency known as freight forwarders. Their function is to collect from a large number of shippers, as large a number as they can find, packages and consolidate them into carloads lots, thereby obtaining to the extent which such freight can move by carload a very much lower rate than if it moves by individual package. Furthermore, they furnish a very much better and more expeditious service. As to those facts, as I have stated them, there is no controversy.

Now let me say, Mr. President, that the freight forwarders are not the only agency that consolidates package freight into carloads. They are the largest, but the country over there are cooperate organizations engaged in the same work. A few merchants or manufacturers or people engaged in the same kind of business form themselves into a nonprofit organization, consolidate their goods, and put them into carload lots. It is important to keep in mind both those facts, for there is an active controversy as to whether or not the freight forwarders, particularly the gigantic freight forwarders, can close out and put out of business other consolidators.

Mr. President, when the transportation act of 1940 was considered on the floor of the Senate there was an attempt made to deal, although inadequately, with less-than-carload freight. The Senator from Montana [Mr. WHEELER], whom I was assisting in handling the bill later took up the question, a special study was made, and a bill which I prepared was introduced for the Senator from Montana and myself, which undertook to regulate freight forwarders and others in the handling of package business.

By that time the business had grown to a volume of about $200,000,000 a year in revenue. The freight forwarders were operating entirely without any regulation of any kind. The Interstate Commerce Commission conducted an investigation which was described in Interstate Commerce Commission Docket 27365. The Interstate Commerce Commission spent 2 years on the investigation and made a report in 1938.

In 1935 there was passed the Motor Carrier Act which brought motor carriers under regulation. In the investigation by the Interstate Commerce Commission to which I have referred it was discovered that the freight forwarders, who were held to be shippers not carriers, had been making joint rates with motor common carriers and motor contract

carriers. A shipper obviously cannot make a joint rate with a carrier, and the Interstate Commerce Commission found tariffs filed by the freight forwarders in conjunction with the contract and common motor carriers to be unlawful and ordered such tariffs to be stricken from its files.

Mr. President, that finding was made in 1938. In 1940 the Supreme Court of the United States affirmed the finding of the Interstate Commerce Commission. Senate bill 210, which was the result of our efforts to regulate the freight forwarders, passed the Senate in March 1941; it went to the House of Representatives, was amended there, came back to the Senate, and was finally passed by Congress and signed by the President on May 16, 1942.

That act made an important change in the practice of filing rates. The bill passed by the Congress recognized that fact, and allowed a period of 18 months for adjustment. Mr. President, please keep in mind that these tariffs had been found to be unlawful in 1938, and in 1940 the Supreme Court affirmed that finding. In 1942 Congress passed a law which undertook to regulate freight forwarders, but, in recognition of the disturbance that would be caused by the change from the practice of some years, we allowed in that act a period of 18 months in which the freight forwarders who were carrying on these unlawful operations could adjust their practices to the new law.

Mr. President, I handled that bill in the Senate; I was one of the conferees, and I thought at that time that the adjustment could easily be made in 6 months; that no one could reasonably ask for more than a year; but, as a compromise, the bill allowed 18 months. That 18 months expired in 1943, and the freight forwarders not only made no progress but made no effort to file lawful tariffs. They came forward and asked for another extension. Again there was a difference of opinion as to how much of an extension was necessary. Again the bulk of the testimony showed that 6 months would be ample. Yet we gave them an additional 18 months. That brings us up to this time.

Mr. President, I filed a minority report in 1943, as I am filing one in this case, and in that minority report of 1943 I wrote:

> They have made no effort and in all human probability they will not make an effort.

As we approach May 16, 1945, which is tomorrow—

> the Congress will probably be confronted with the present situation unless the statute is changed to meet the views of the freight forwarders. They have no intention of undertaking to comply with the present statute.

The reason why they will not do that is that $200,000,000 of revenue is collected by approximately 100 freight forwarders. Seventy percent of it is collected by three companies. They are big institutions. They have never made any effort to comply with this law. They have no intention of making an effort, as long as they can persuade the Congress to postpone the effective date.

The reason is that they want to put out of business the carload consolidators, operating on a nonprofit basis, or operating as part of a cooperative effort between shippers. This is a contest principally between the three great forwarding companies getting 70 percent of the $200,000,000 of revenue collected annually by the freight forwarders, and merchants or producers or manufacturers who get together and, in cooperation, make a carload out of their several shipments. There are a great many associations—I do not know how many—of these consolidators in this country operating on a nonprofit basis. The freight forwarders operate for profit.

Mr. President, if the hands of the Interstate Commerce Commission had been untied, the Commission, I think would have cured this situation before this, and I shall have some criticism to make of the Commission later.

We froze this thing. We took all power out of the hands of the Interstate Commerce Commission to correct the situation. We first said the freight forwarders should have 18 months in which to change their practice under the tariffs which had been declared unlawful in 1938. Then we extended that, by statue, and gave them 18 months more. Today, Mr. President, it has been 9 years since these unlawful rates were first filed. It has been 7 years since they were found by the Interstate Commerce Commission to be unlawful. It has been 5 years since the Supreme Court affirmed the findings of the Interstate Commerce Commission; but those unlawful practices are being followed today. The tariffs are still on file, protected by action of the Congress, although the freight forwarders have been given at least 7 years from the date of the Interstate Commerce Commission's finding, at least 5 years from the date of the Supreme Court decision affirming the findings of the Interstate Commerce Commission, to correct their unlawful practices; and 3 years from the date of the final passage of the bill.

Mr. President, I do not believe it will be possible to match that record of contined and condoned unlawfulness anywhere in our history.

When this matter came up 18 months ago I protested in the committee very much as I am protesting now on the floor of the Senate, and I made a minority report then, as I am making one now. We had a clear understanding in the Committee on Interstate Commerce of the Senate—at least I though we did; the chairman agreed in the committee that there was such an understanding—that there would be no further extension granted, that the freight forwarders had had more than sufficient time to adjust their practice. So I am protesting in the interest of reasonable integrity in legislation, of reasonable conformance with the law, of reasonable regard for fair practice by these people who are subject to public regulation.

It is a little difficult to describe a more shameful situation. No legislative body that has permitted this, or would permit it, is entitled to take much credit to itself for careful and adequate legislation.

We granted permission to the Interstate Commerce Commission, in the first bill, to reduce the 18 months to a shorter period, if in its judgment the full 18 months were not necessary. We went into the war, and things were upset. It may be urged we are still in the war. While they disapprove of what the freight forwarders are doing, the War Department and the Office of Defense Transportation both are reluctant to have war conditions disturbed. I think their reasons are insufficient to justify the Congress in extending any further a period in which unlawful practices are carried on. I think there has been too much tolerance, too much patience shown, and I am quite sure that until they are required to do so, the freight forwarders have no intention of complying with the law as it now stands.

Mr. President, I wish to advert for a moment to another matter. I can say this with some confidence, because I supervised the writing of the bill which was passed regulating the freight forwarders. There was inserted a special provision for what is known as assembling merchandise and commodities from points beyond the break bulk point for distribution and beyond the assembling point for assembly. But we made those rates applicable to others than freight forwarders, and I want this language noted:

> These rates will be applicable to freight forwarders and others who employ or utilize the instrumentalities or services of such common carriers under like conditions.

Mr. President, that is a fundamental rule of public regulation of transportation agencies. A transportation agency has but one thing to sell, and that is transportation service. Obviously any system of fair regulation must require that anyone who buys transportation service shall receive such service at the same price at which anyone else can get it under the same conditions.

Eighteen months ago I wrote into my minority report that the freight forwarders were in the wrong forum. Instead of coming back to Congress and asking for a further extension when they had had adequate time, I said—and this appears on page 9 of the committee report, which also carries the minority views which I expressed:

> The proper place for the freight forwarders to test the application of the present statute is before the Interstate Commerce Commission. They have such a proceeding now under way in I. and S. Docket No. M-2180.

Since that time, Mr. President, that case has been decided. I called attention to it in my statement made in 1943. The case has now been decided. Please consider that, after all, the heart of this controversy lies between the huge freight forwarders and the car consolidators who load their own goods under cooperative effort on a nonprofit basis.

In the case to which I have just referred, decided last June, the Interstate Commerce Commission made the following finding touching this concrete point:

> The shippers and shippers' associations as described herein employ or utilize the instrumentalities or services of Transamerican—

That was the name of the motor carrier on whose tariffs this case was made—

or services of Transamerican in assembling operations under conditions like those under which forwarders employ or utilize the instrumentalities or services of the same carrier in their assembling operations.

The case was settled by the only tribunal in the United States which can make a finding and which can settle that point. That is the finding of the Interstate Commerce Commission made last June touching this point. That is the heart of the controversy.

I desire to read some excerpts from the letter sent by the Interstate Commerce Commission to the Senator from Montana [Mr. WHEELER], chairman of the Committee on Interstate Commerce, dated April 16, in which the Commission discussed some of these statements to some extent. I shall not take time to read more than those touching the points I am discussing. Here is a controversy the heart of which is between huge freight forwarders and the smaller cooperative nonprofit car consolidators, both of which the Interstate Commerce Commission has found are operating under the same conditions and the same circumstances. On page 20 of the letter from the Interstate Commerce Commission to the Senator from Montana the Commission made this extraordinary reference:

The forwarder in its relation to a railroad apparently is a shipper, but a shipper of a particular kind.

The main reason for enacting the interstate commerce law back in 1887 was because we had too many particular kinds of big shippers. They were giving rebates and favors, and rates to some which were different from those to others. That was the primary reason why Congress passed the Interstate Commerce Act in the first place. If any Senators have any doubt on that point let me read further from the language of the letter from the Interstate Commerce Commission to the Senator from Montana. It proceeds on page 4 further to state:

It was to get away from the undue influence of large shippers in rate making that the act to regulate commerce was originally enacted, and it seems to us—

That is to the Commission—

that the underlying purpose of this bill—

They were discussing then Senate bill 797 introduced by the Senator from Montana, which is not here in issue, but which is related to this question—

that the underlying purpose of this bill would be contrary to the dominant scheme of the Interstate Commerce Act. We are convinced that the only way to eliminate undue preference of the large forwarder is to forbid all joint rates or agreements in whatever form as between forwarders and common carriers subject to the act.

Mr. President, I wish the Commission could always consistently hold to that view. If it would do so it would make the situation much easier. Those of us who have tried to maintain respect for the Commission during many years of contact, as I have, will continue to have such respect, and I will have much higher respect for the Commission than I have now.

Mr. President, I do not like to say this, but there is no Senator on this floor who has had more intimate contact with the Interstate Commerce Commission than I have had for 25 years. I have practiced before the Commission. But I must deplore the decay from that fine strong intelligence which the Commission used to exercise, and which appeared in all its early history. Unfortunately, to my regret, that condition does not apply now.

Mr. President, I think that is a clear summary of the case. I very much regret that the committee saw fit to extend this period. I repeat, it has been 7 years since the first finding of unlawfulness was made respecting this class of rates. It has been 5 years since the Supreme Court of the United States affirmed that finding made by the Interstate Commerce Commission. It has been 3 years—March 1942—since we passed the bill. We have never been able to get rid of these unlawful rates and unlawful practices to this day. The freight forwarders have the effrontery to come back to the Congress and ask for a further 9-months' extension. I do not think the extension ought to be granted. That is all that is contained in the bill.

Mr. JOHNSON of Colorado. Mr. President, I agree with the statement made by the junior Senator from Kansas [Mr. REED] with respect to the bill, that is I agree with his arguments and agree with his statements of fact, but I cannot agree with his conclusions. In stating the facts surrounding the necessity for this extension it seems to me the Senator has not given sufficient weight to the present war in which we are engaged and to the present condition of our transportation, and especially our railroad transportation. There can be no doubt in the mind of any student of transportation that during the next months our railroads face the greatest test of all time. The change that has occurred in the war, making necessary the accelerated movement of freight in the United States from the east to the west, has placed an all-time burden upon the railroads.

Col. J. Monroe Johnson, director of the Office of Defense Transportation, recently issued a statement as follows:

The next 12 to 15 months will be the most critical period in the history of American transportation.

* * * * *

All forms of transportation have for the past 3 years carried the heaviest freight and passenger burden in the country's history. They have been strained to the utmost.

That, of course, is no exaggeration. It is an understatement, if anything.

The Senate now has before it a bill to extend a method which has grown up in this country for handling certain kinds of freight. The Senator from Kansas has opposed granting to forwarders an extension of time in which to put their House in order. He opposed it when we granted the extension 18 months ago, and he is consistently opposing it now. He has stated his reason. As I have said, I agree with his arguments and his logic; but we are still in the war.

The bill now before the Senate would extend the status quo for a period of 9 months, which seems to me to be entirely reasonable. The Office of Defense Transportation has pointed out that unless this bill is enacted, a greater burden will be placed upon railroad transportation. Today railroad transportation has a burden almost beyond its ability to meet. So, of course, it would not be in the interest of the war effort to make a change at the present time, and place any greater burden upon the railroad transportation systems, which are so vital to the war effort.

I believe that the War Department, in one paragraph, summed up all the arguments that can be made for and against this bill. I wish to read that paragraph. This is from a statement by Hon. Henry L. Stimson, Secretary of War, dated May 5, 1945, and addressed to the Senator from Montana [Mr. WHEELER]. The particular paragraph to which I refer reads as follows:

The War Department is opposed to the continuance of a system of joint rates between freight forwarders and motor carriers.

In that statement the War Department is in complete accord with the statement of the Senator from Kansas, and, I might add, with the views of the Senator from Colorado. "The War Department is opposed to the continuance of a system of joint rates between freight forwarders and motor carriers." That is the argument which the Senator from Kansas has made. But the War Department statement continues, and the remainder of the paragraph supports my argument:

However, due to the large volume of traffic resulting from the prosecution of the war, the War Department is also opposed to any action which would interfere with or disrupt the operation of transportation facilities or agencies during the present emergency. Termination of joint rates between forwarders and motor carriers, at this time, in view of the limited publication of assembling and distribution rates by motor carriers, would, in all probability, interfere with the operations of freight forwarders to the detriment of the war effort.

That is my whole argument. There is nothing that I can add to the statement of Secretary of War Stimson on this subject.

I invite the attention of the Senate to this fact: The Senator from Montana [Mr. WHEELER] and Representative LEA introduced legislation to correct the unlawful aspects to which the Senator from Kansas has referred. The bill which the Senator from Montana introduced was referred to the Interstate Commerce Commission for its comment. When the report came back it was a divided report. Some of the Commissioners were opposed to Senate bill 797, and a minority favored the enactment of the bill. So it became apparent to the chairman of the Interstate Commerce Committee that hearings would have to be held on Senate bill 797. For that reason, as I understand, the Senator from Montana favors the extension of 9 months to give the Congress an opportunity to hold hearings on the whole question and decide upon a policy to cover the difficult question of

joint rates between rail and motor carriers.

Mr. REED. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MITCHELL in the chair). Does the Senator from Colorado yield to the Senator from Kansas?

Mr. JOHNSON of Colorado. I yield.

Mr. REED. I am sure the Senator from Colorado did not mean to say that the question of joint rates between rail and motor carriers was involved in this case. It is the question of joint rates between freight forwarders and motor carriers.

Mr. JOHNSON of Colorado. Yes. I misstated it to that extent. I should have said that the question related to joint rates between freight forwarders and motor carriers, rather than between rail and motor carriers. However, there is a dual handling of freight by the railroads and by the motor carriers. Unless Congress acts now and extends this time, in my opinion the result will be far more serious than the Senator from Kansas realizes. It will be disastrous. Because of the war, for the time being the bad practice which he points out should be continued until Congress has an opportunity to act.

I sincerely hope that the bill will be enacted into law and that 9 months will be given to adjust the difficult situation which the Senator from Kansas has pointed out.

Mr. TUNNELL. Mr. President, this question was discussed at great length before the Committee on Interstate Commerce. The Senator from Kansas insists on calling this an illegal rate. The difficulty is that it is not illegal, and that is his objection. The law which it is sought to continue makes the rate legal. If the pending bill were not enacted into law, tomorrow—if that is the day when the law expires—the rate would be illegal.

The question was discussed and argued, and the Senator from Kansas addressed the Committee on Interstate Commerce, making the same arguments which he has made here today. After that discussion the committee, which had a large attendance, voted, with one exception, unanimously in favor of the extension of time.

The chairman of the committee, the Senator from Montana [Mr. WHEELER], stated that there would be a discussion of this matter, and that the whole question would be threshed out in the Committee on Interstate Commerce during the 9 months. The Senator from Kansas reminded the chairman that there had been some kind of agreement heretofore that there would be no extension after tomorrow, or whatever the date is when the law expires. The chairman admitted that there had been such a statement by him; but he said that such a condition had arisen that there must be an extension, or that great confusion in rates would result.

As I understand the situation, the freight forwarder, no matter what criticism there may be as to the legality of his position, has done a great deal of good. There is a demand on the part of thousands of people for the continuance of his work.

The Senator from Kansas insists that there are others who should be in a position equally as good, but who have not been recognized as having the same rights as the forwarders, and that that is one of the things which should be threshed out and should be covered by legislation. As the Senator from Colorado has said, I hope this extension may be granted, and I have full faith that the Interstate Commerce Committee will thresh out the matter before the time of the extension expires.

Mr. REED. Mr. President, I would not want this discussion or debate to close on the statement made by the Senator from Delaware. The Senator from Delaware is not very familiar with the legal terms used in connection with rates for transportation. I did not say at any time that these rates were illegal. I said they were unlawful. There is quite a difference. These rates were found to be unlawful in 1938. In 1940 the Supreme Court confirmed that finding of the Interstate Commerce Commission. They are legal rates. They are the only rates that can be collected so long as the Congress freezes this situation. But they are unlawful. At no place is there to be found any authority, judicial or quasi judicial, to support the position of the Senator from Delaware, as I understand it.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. REED. In just a moment I will yield the floor.

Mr. President, I struggled with this question for a long time. Those of us who have seen this thing go ahead and who have seen it permitted to go ahead with complacency on the part of the Congress have become rather discouraged about it. The situation is unlawful. It is not a credit to anyone. It is a discredit to everyone who has anything to do with it.

There was an understanding, which I had 18 months ago, that there would be no further extension. Always heretofore, the protesting parties have been granted a hearing. I discussed that matter with the chairman of the Interstate Commerce Committee. I urged him to give them a hearing. Numbers of them had complained to me and to him, and I transmitted to him the complaints I received, and I urged him that they should have a hearing. But a hearing was not had.

I wish to say to the Senator from Colorado that I do not think the transportation situation would be seriously affected by whatever may be done in this case. I do not share Colonel Johnson's fears that the railroads would be overburdened or that there would be any great confusion if these rates were stopped now and if no further extension were granted.

What I think would happen, although I cannot be certain about it, is that the freight forwarders would cancel the present tariffs, and then the motor carriers would publish these assembling and distributing rates, once they definitely understood that the Congress was not going to tolerate this situation any longer.

That is what I wish to say to the Senator from Colorado. If a hearing had been granted, an effort would have been made to develop some of the facts and circumstances upon which one could form a judgment. There being no hearing, there has been no possibility to develop such facts and circumstances.

I will now yield the floor; or, if the Senator from Delaware wishes to ask me a question, I will yield to him, if he desires to have that done.

Mr. TUNNELL. Mr. President, I thank the Senator. The Senator from Kansas has said that I am not familiar with some of these terms. I think I shall plead guilty to that, and I hope I shall never be quite so familiar with them that I will attempt to draw the distinction which he has drawn. According to what the Senator from Kansas has said, certain rates which are being charged are legal, but unlawful. There are dictionaries, and I think we can find several authors who consider those terms synonymous in many instances, and I think they are in this case, notwithstanding what the Senator from Kansas has said.

I notice that there was the same disagreement in the Committee on Interstate Commerce between the Senator from Kansas and the Senator from Montana. I do not think the Senator from Kansas has said that the chairman of the committee was unfamiliar either with the railroad rates or railroad language or railroad practice. At any rate, he did not say so, although they themselves disagreed fully. The Senator from Montana finally told the Senator from Kansas that he—the Senator from Kansas—had an idea that he knew more about these rates than anyone else did. I think probably that is a part of the difficulty at this time.

At any rate, the Senator from Kansas was unable to convince any of the large number of members of the committee who were present—both Republicans and Democrats—that he was correct; and when the vote was taken, there was only one vote in the negative, and it came from the Senator from Kansas.

Mr. REED. Mr. President, the ignorance of the Senator from Delaware is more profound than I thought it was. If he will inquire of any authority on the subject, from the Interstate Commerce Commission to the Supreme Court, or if he will refer to any textbook, he will find that there is a very clear distinction—and this is a primary lesson in transportation law—between an illegal rate and an unlawful rate. The carrier cannot collect and the shipper cannot pay any rate except the rate which is published in the tariff, which is the legal rate, but that same rate may have been, and has been found hundreds and thousands of times to be, unlawful.

Mr. TUNNELL. Mr. President, the great difference between the Senator from Kansas and myself is that he thinks he knows, but I do not think he does. That is a very clear distinction. I find that all the other opinions agree with my opinion. So I am satisfied to leave the matter on the basis of the vote which was had in the committee—in other words, approximately 10 or 12 to 1.

The PRESIDING OFFICER. If there be no amendment to be proposed, the

question is on the third reading of the bill.

The bill (H. R. 3038) was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that the President pro tempore be authorized to sign the bill just passed, while the Senate is in recess.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

Subsequently,

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3038) to amend section 409 of the Interstate Commerce Act, as amended, and it was signed by the President pro tempore.

SALARIES AND WAGES OF FEDERAL EMPLOYEES

Mr. BARKLEY. Mr. President, earlier in the day the Senator from California [Mr. DOWNEY] requested that Senate bill 807 be made the unfinished business for Thursday. That was not done at that time, because of pending matters which now have been disposed of.

With the understanding that the Senate will take a recess until Thursday, I ask unanimous consent that Senate bill 807 be made the unfinished business.

Mr. WHITE. Mr. President, in order that the bill may be identified for the benefit of the Members of the Senate, some of whom are now present and some of whom are not present at this time, will the Senator indicate what the bill is?

Mr. BARKLEY. The title of the bill is to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended, and for other purposes.

Mr. WHITE. It is the bill which has been reported by the Committee on Civil Service, is it not?

Mr. BARKLEY. Yes; the bill has been reported by the Committee on Civil Service.

Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Senate bill 807, which is Calendar No. 262. By a misprint of the calendar the bill is shown to be Senate bill 909, but its correct number is 807. It is not my purpose to discuss the bill today, but to ask the Senate to recess until Thursday, at which time we will take it up.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Civil Service with an amendment, to strike out all after the enacting clause and insert:

TITLE I—COMPENSATION FOR OVERTIME, NIGHT, AND HOLIDAY WORK

COVERAGE

SEC. 101. The provisions of this title shall, except as provided in section 401, apply to (a) all civilian officers and employees in or under the executive branch of the United States Government, including Government owned or controlled corporations; (b) all civilian employees of the Library of Congress, the Botanic Garden, or the Office of the Architect of the Capitol, except those covered by section 202 (c); and (c) those employees of the District of Columbia municipal government who occupy positions subject to the Classification Act of 1923, as amended.

OVERTIME PAY

SEC. 102. Officers and employees to whom this title applies shall be compensated for all hours of employment, officially ordered or approved, in excess of 40 hours in any administrative workweek, at one and one-half times their basic rate of compensation: *Provided*, That in determining the overtime compensation of per annum officers and employees the pay for 1 hour shall be considered to be one two-thousand-eight-hundred-and-eightieth of their respective per annum salaries: *And provided further*, That such overtime shall be paid only on such portion of an officer's or employee's basic rate of compensation as is not in excess of a rate of $2,900 per annum.

COMPENSATORY TIME OFF FOR IRREGULAR OR OCCASIONAL OVERTIME WORK

SEC. 103. (a) The heads of departments, establishments, and agencies may by regulation provide for the granting of compensatory time off from duty in lieu of overtime compensation for irregular or occasional duty in excess of 48 hours in any regularly scheduled administrative workweek to those per annum employees requesting such compensatory time off from duty.

(b) The Architect of the Capitol may, in his discretion, grant per annum employees compensatory time off from duty in lieu of overtime compensation for any work in excess of 40 hours in any regularly scheduled administrative workweek.

NIGHT PAY DIFFERENTIAL

SEC. 104. Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which falls between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian, shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate 10 percent in excess of his basic rate of compensation for duty between other hours: *Provided*, That such differential for night duty shall not be included in computing any overtime compensation to which the officer or employee may be entitled: *And provided further*, That this section shall not operate to modify the provisions of the act of July 1, 1944 (Public Law No. 394, 78th Cong.), or any other law authorizing additional compensation for night work.

PAY FOR HOLIDAY WORK

SEC. 105. Officers and employees to whom this title applies who are assigned to duty on a holiday established by Federal statute or Executive order shall be compensated for such duty, excluding periods when they are in leave status, in lieu of their regular pay for that day, at the rate of one and one-half times the regular basic rate of compensation: *Provided*, That extra holiday compensation paid under this section shall not serve to reduce the amount of overtime compensation to which the employee may be entitled under this or any other act during the administrative work-week in which the holiday occurs, but such extra holiday compensation shall not be considered to be a part of the basic compensation for the purpose of computing such overtime compensation: *And provided further*, That this section shall take effect upon the termination of the present war or such earlier time as the Congress by concurrent resolution or the President may designate.

TITLE II—EMPLOYEES OF LEGISLATIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT

COVERAGE

SEC. 201. The provisions of this title shall, except as provided in section 401, apply to officers and employees in or under the judicial branch of the Government whose compensation is not fixed in accordance with the Classification Act of 1923, as amended, to those employees in or under the legislative branch of the Government not provided for under the provisions of title I, and to the official reporters of proceedings and debates of the Senate and their employees.

ADDITIONAL COMPENSATION

SEC. 202. (a) During the period beginning on July 1, 1945, and ending on June 30, 1947, officers and employees to whom this title applies shall, except as provided in subsections (b), (c), and (d), be paid additional compensation at the rate of (1) $360 per annum if their earned basic compensation is at a rate of not more than $1,565 per annum, or (2) 23 percent of so much of their earned basic compensation as does not exceed a rate of $2,900 per annum, if their earned basis compensation is at a rate in excess of $1,565 per annum.

(b) Officers and employees to whom this title applies and whose hours of duty are less than full time, or whose compensation is based upon other than a time-period basis shall be paid, in lieu of additional compensation under subsection (a), additional compensation at a rate of 23 percent of so much of their earned basic compensation as does not exceed a rate of $2,900 per annum.

(c) In lieu of overtime pay under title I, per annum employees under the Office of the Architect of the Capitol who are not compensated in accordance with the Classification Act of 1923, as amended, and intermittent elevator operators under such Office who are paid at hourly rates, shall be paid additional compensation in accordance with the provisions of this section.

(d) In no case shall any officer or employee be paid additional compensation under this section for any pay period amounting to more than 25 percent (or, in the case of employees of the Senate restaurant whose hours of duty are less than full time, more than 15 percent) of his earned basic compensation for such pay period.

TITLE III—AMENDMENTS TO CLASSIFICATION ACT OF 1923, AS AMENDED

COVERAGE

SEC. 301. The provisions of this title shall apply to all officers and employees in or under the United States Government, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia, who occupy positions subject to the Classification Act of 1923, as amended.

ESTABLISHMENT OF RATES FOR CLASSES OF POSITIONS WITHIN GRADES

SEC. 302. Section 3 of the Classification Act of 1923, as amended, is further amended by inserting at the end of such section a paragraph reading as follows:

"In subdividing any grade into classes of positions, as provided in the foregoing paragraph, the Civil Service Commission, whenever it deems such action warranted by the nature of the duties and responsibilities of a class of positions in comparison with other classes in the same grade, and in the interests of good administration, is authorized to establish for any such subdivision or class a minimum rate, which shall be one of the pay rates, but not in excess of the middle rate, of that grade as set forth in section 13 of this act, as amended. Whenever the Commission shall find that within the same Government organization and at the same location gross inequities exist between basic per annum rates of pay fixed for any class

of positions under this act and the compensation of employees whose basic rates of pay are fixed by wage boards or similar administrative authority serving the same purpose, the Commission is hereby empowered, in order to correct or reduce such inequities, to establish as the minimum rate of pay for such class of positions any rate not in excess of the middle rate within the range of pay fixed by this act for the grade to which such class of positions is allocated. For the purposes of this section the fourth rate of a six-rate grade shall be considered to be the middle rate of that grade. Minimum rates established under this section shall be duly published by regulation and may be revised from time to time by the Commission. The Commission shall make a report of such actions or revisions with the reasons therefor to Congress at the end of each fiscal year."

PERIODIC WITHIN-GRADE SALARY ADVANCEMENTS

SEC. 303 Subsection (b) of section 7 of the Classification Act of 1923, as amended, is hereby further amended by substituting "twelve" for "eighteen", "eighteen" for "thirty", and "month" for "quarter"; by substituting "less than $200" for "$60 or $100", and "$200 or more" for "$200 or $250"; by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) That an employee shall not be advanced unless his current efficiency is good or better than good.";

and by renumbering paragraph (4) as paragraph "(3)".

REWARDS FOR SUPERIOR ACCOMPLISHMENTS; AUTHORIZATION AND LIMITATIONS

SEC. 304. Subsection (f) of section 7 of the Classification Act of 1923, as amended, is hereby further amended to read as follows:

"(f) Within the limit of available appropriations, as a reward for superior accomplishment, under standards to be promulgated by the Civil Service Commission, and subject to prior approval by the Civil Service Commission, or delegation of authority as provided in subsection (g), the head of any department or agency is authorized to make additional within-grade compensation advancements, but any such additional advancements shall not exceed one step and no employee shall be eligible for more than one additional advancement hereunder within each of the time periods specified in subsection (b). All actions under this subsection and the reasons therefor, shall be reported to the Civil Service Commission. The Commission shall present an annual consolidated report to the Congress covering the numbers and types of actions taken under this subsection."

REWARDS FOR SUPERIOR ACCOMPLISHMENT; RESPONSIBILITY OF CIVIL SERVICE COMMISSION

SEC. 305. Subsection (g) of section 7 of the Classification Act of 1923, as amended, is hereby further amended to read as follows:

"(g) The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this section. In such regulations the Commission is hereby empowered, in its discretion, to delegate to the head of any department or agency, or his designated representative, the authority to approve additional within-grade compensation advancements provided for in subsection (f), without prior approval in individual cases by the Commission, and to withdraw or suspend such authority from time to time, whenever post-audit of such actions by the Commission indicates that standards promulgated by the Commission have not been observed."

INCREASE IN BASIC RATES OF COMPENSATION

SEC. 306. (a) Each of the existing rates of basic compensation set forth in section 13 of the Classification Act of 1923, as amended, except those affected by subsection (b) of this section, is hereby increased by 20 percent of that part thereof which is not in excess of $1,200 per annum, plus 10 percent of that part thereof which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 percent of that part thereof which is in excess of $4,600 per annum. Such augmented rates shall be considered to be the regular basic rates of compensation provided by such section.

(b) (1) The proviso to the fifth paragraph under the heading "Crafts, protective, and custodial service" in section 13 of the Classification Act of 1923, as amended, is hereby amended to read as follows: "*Provided*, That charwomen working part time be paid at the rate of 78 cents an hour, and head charwomen at the rate of 83 cents an hour."

(2) Such section is amended so as to provide the following rates of compensation for positions in the clerical-mechanical service:

Grade 1, 78 to 85 cents an hour.
Grade 2, 91 to 98 cents an hour.
Grade 3, $1.05 to $1.11 an hour.
Grade 4, $1.18 to $1.31 an hour.

(c) The increase in existing rates of basic compensation provided by this section shall not be construed to be an "equivalent increase" in compensation within the meaning of section 7 (b) (1) of the Classification Act of 1923, as amended.

TITLE IV—GENERAL PROVISIONS

GENERAL EXEMPTIONS

SEC. 401. (a) The provisions of this act shall not apply to elected officials, judges, or heads of departments, independent establishments, and agencies. As used in this subsection the term "elected officials" shall not include officers elected by the Senate or House of Representatives who are not members of either body.

(b) The provisions of this act, except the provisions of section 406, shall not apply to (1) officers and employees in the field service of the Post Office Department; (2) employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose; (3) employees outside the continental limits of the United States, including Alaska, who are paid in accordance with local native prevailing wage rates for the area in which employed; (4) officers and employees of the Inland Waterways Corporation; (5) individuals to whom the provisions of section 1 (a) of the act of March 24, 1943 (Public Law No. 17, 78th Cong.), are applicable; and (6) employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, and vessel employees of the Coast and Geodetic Survey, and such employees may be compensated in accordance with the wage practices of the maritime industry.

EFFECT ON EXISTING LAWS AFFECTING CERTAIN INSPECTIONAL GROUPS

SEC. 402. The provisions of this act shall not operate to prevent payment for overtime services or extra pay for Sunday or holiday work in accordance with any of the following statutes: Act of February 13, 1911, as amended (U. S. C., title 19, secs. 261 and 267); act of July 24, 1919 (U. S. C., title 7, sec. 394); act of June 17, 1930, as amended (U. S. C., title 19, secs. 1450, 1451, and 1452); act of March 2, 1931 (U. S. C., title 8, secs. 109a and 109b); act of May 27, 1936, as amended (U. S. C., title 46, sec. 382b); act of March 23, 1941 (U. S. C., Supp. III, title 47, sec. 154 (f) (2)); act of June 3, 1944 (Public Law No. 328, 78th Cong.): *Provided*, That the overtime, Sunday, or holiday services covered by such payment shall not also form a basis for overtime or extra pay under title I of this act.

INCREASE IN BASIC RATES FOR CUSTOMS EMPLOYEES

SEC. 403. The existing basic rates of pay set forth in the act entitled "An act to adjust the compensation of certain employees in the Customs Service," approved May 29, 1928, as amended, and those set forth in the second paragraph of section 24 of the Immigration Act of 1917, as amended, are hereby increased in the same amount as corresponding rates for positions subject to the Classification Act of 1923, as amended, would be increased under the provisions of section 306 of this act; and each such augmented rate shall be considered to be the regular basic rate of compensation.

ESTABLISHMENT OF BASIC WORKWEEK

SEC. 404. It shall be the duty of the heads of the several executive departments, independent establishments, and agencies, including Government-owned or Government-controlled corporations, and the municipal government of the District of Columbia, to establish for all full-time employees in their respective organizations, in the departmental and the field services, a basic administrative workweek of 40 hours, and to require that the hours of work in such workweek be performed within a period of not more than 6 of any 7 consecutive days. The provisions of the Saturday half-holiday law of March 3, 1931 (46 Stat. 1482; U. S. C., title 5, sec. 26 (a)) shall not be applicable to employees in such organizations. The provisions of so much of section 5 of the act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1894, and for other purposes, as amended (30 Stat. 316; U. S. C., title 5, sec. 29), as precedes the second proviso in such section is hereby repealed.

REGULATIONS

SEC 405. The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of the foregoing provisions of this act, subject to the approval of the President, insofar as this act affects employees in or under the executive branch of the Government.

PERSONNEL CEILINGS

SEC. 406 (a) It is hereby declared to be the sense of the Congress that in the interest of economy and efficiency the heads of departments and agencies in the executive branch of the Government shall terminate the employment of such of the employees thereof as are not required for the proper and efficient performance of the functions of their respective departments and agencies.

(b) The heads of departments and agencies in the executive branch shall present to the Director of the Bureau of the Budget such information as the Director shall from time to time, but at least quarterly, require for the purpose of determining the numbers of full-time civilian employees and the man-months of part-time civilian employment (other than full-time employees of, and part-time employment by, the War and Navy Departments in the Territories and possesseions) required within the United States for the proper and efficient performance of the authorized functions of their respective departments and agencies. The Director shall, within 60 days after the date of enactment of this act and from time to time, but at least quarterly, thereafter, determine the numbers of employees and man-months of employment so required, and any personnel or employment in such department or agency in excess thereof shall be released or terminated at such times as the Director shall order. Such determinations, and any numbers of employees or man-months of employment paid in violation of the orders of the Director, shall be reported quarterly to the Congress. Each such report shall include a statement showing for each department and agency the net increase or decrease in such employees and employment as compared with the corresponding data contained in the next preceding report, together with any suggestions the Director may have for legislation which would

bring about economy and efficiency in the use of Government personnel.

(c) Determinations by the Director of numbers of employees and man-months of employment required shall be by such appropriation units or organization units as he may deem appropriate.

(d) The Director of the Bureau of the Budget shall maintain a continuous study of all appropriations and contract authorizations in relation to personnel employed and shall, under such policies as the President may prescribe, reserve from expenditure any savings in salaries, wages, or other categories of expense which he determines to be possible as a result of reduced personnel requirements. Such reserves may be released by the Director for expenditure only upon a satisfactory showing of necessity.

(e) As used in this section—

(1) the term "United States" shall include the Territories and possessions;

(2) the term "full-time civilian employees" shall include full-time intermittent (when actually employed), $1 per year, without compensation, and casual workers, as defined by the Civil Service Commission; and

(3) the term "part-time civilian employment" shall include part-time employment by intermittent (when actually employed), $1 per year, without compensation, and casual workers, as defined by the Civil Service Commission.

APPROPRIATION AUTHORIZED

SEC. 407. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 408. Amounts payable under the provisions of this act, other than as an increase in the basic rates under title III or under section 403, shall not be considered in determining the amount of a person's annual income or annual rate of compensation for the purposes of paragraph II (a) of part III of Veterans Regulation No. 1 (a), as amended, or section 212 of title II of the act entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes," approved June 30, 1932, as amended.

REPEAL OF CONFLICTING PROVISIONS OF EXISTING LAW

SEC. 409. All laws or parts of laws in conflict with the provisions of this act are hereby repealed.

EFFECTIVE DATE

SEC. 410. This act shall take effect on July 1, 1945.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Vice Admiral Richmond K. Turner, United States Navy, to be an admiral in the Navy, for temporary service, which was referred to the Committee on Naval Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WAGNER, from the Committee on Banking and Currency:

Maury Maverick, of Texas, to be a member of the Smaller War Plants Corporation;

Patrick W. McDonough, of California, to be a member of the Smaller War Plants Corporation;

James T. Howington, of Kentucky, to be a member of the Smaller War Plants Corporation;

Lawrence F. Arnold, of Illinois, to be a member of the Smaller War Plants Corporation; and

C. Edward Rowe, of Massachusetts, to be a member of the Smaller War Plants Corporation.

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

David E. Lilienthal, of Wisconsin, to be a member of the board of directors of the Tennessee Valley Authority for the term expiring 9 years after May 18, 1945 (reappointment).

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Sundry officers for promotion in the Regular Army of the United States;

Several officers for appointment, by transfer, in the Regular Army of the United States; and

Sundry cadets of the United States Military Academy, for appointment as second lieutenants in the Regular Army of the United States.

By Mr. O'MAHONEY, from the Committee on the Judiciary:

Harold H. Young, of Texas, to be Solicitor of the Department of Commerce.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTER AT HOPKINS, MINN.—NOMINATION PASSED OVER

The legislative clerk read the nomination of Thomas J. Kosanda, to be postmaster at Hopkins, Minn.

Mr. BALL. Mr. President, the Senator from California [Mr. DOWNEY] is not present in the Chamber. I have endeavored to reach him by telephone at his office. I ask that the nomination be temporarily passed over.

The PRESIDING OFFICER. The nomination will be temporarily passed over.

The clerk will state the next nomination on the calendar.

POST OFFICE DEPARTMENT

The legislative clerk read the nomination of Joseph J. Lawler to be Third Assistant Postmaster General.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Donnell Gilliam to be United States district judge for the eastern district of North Carolina.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Tobias E. Diamond to be United States attorney for the northern district of Iowa.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Jones Floyd to be United States marshal for the western district of Arkansas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask unanimous consent that the President be notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

With the exception of the nomination passed over, that completes the calendar.

POSTMASTER AT HOPKINS, MINN.

Mr. BALL. Mr. President, I ask to recur to the nomination passed over.

The PRESIDING OFFICER. The clerk will state the nomination passed over.

The legislative clerk read the nomination of Thomas J. Kosanda, to be postmaster at Hopkins, Minn.

Mr. BALL. Mr. President, I discussed this subject in the Senate a week ago Monday, and I shall merely review very briefly what I stated at that time.

The Post Office Department has submitted the name of Thomas J. Kosanda to be postmaster at Hopkins, Minn. It did so after certification by the Civil Service Commission that Kosanda was entitled to veteran's preference. As a result of the civil-service examination held for the post, three persons were certified, namely, Roy M. Kelly, with a grade of 91.8; Einar Jorgenson, with a grade of 84.6; and Thomas J. Kosanda, whose name is before the Senate, with a grade of 75.8. Five percent was added to the score of each of these men for veteran's preference.

Kosanda is acting postmaster at the present time, and has been for approximately a year. Kelly has been employed in the post office at Hopkins for 18 years, and for the past several years he has been assistant postmaster.

As Senators know, there is a requirement that no eligible veteran may be passed over and a nonveteran appointed without giving the reasons in writing for so doing. Therefore, Kosanda could not have been appointed in this case except with the certification of the Civil Service Commission that he was entitled to veteran's preference.

The facts are that Kelly spent 13 months overseas in the First World War, that Kosanda reported for induction on November 11, 1918, and, according to the information which has been given to me, was discharged on December 10, 1918, without ever having been sworn into the Army.

The Senator from California informed me today that he had asked for a report in this case, both from the Army and from the Civil Service Commission. The Army informed him that they had paid Kosanda $1, that he had been discharged on the same day as that on which he reported for induction, and was never actually sworn into the armed forces of the United States. Therefore, in the opinion of the Army he was not entitled to veterans' preference. On checking that information with the Civil Service Commission, after investigation they stated that they had informally informed the Senator from California that they were withdrawing the certification of Kosanda as being entitled to veterans' preference.

I believe it is the clear intent of Congress that only veterans who have served on active duty in the armed forces of the United States during a war are entitled to veterans' preference. I think the certification of Kosanda as being entitled to veterans' preference was clearly a mistake, and a violation of the clear intent of Congress.

In view of the statement made to me this morning by the Senator from California that the Civil Service Commission was withdrawing its certification of Kosanda, I suggest to the distinguished chairman of the Committee on Post Offices and Post Roads [Mr. McKELLAR] that the nomination of Kosanda be recommitted to the committee for a thorough check-up on the facts.

Mr. McKELLAR. Mr. President, this nomination was made by the Post Office Department following a report of the Civil Service Commission that both of the gentlemen involved are veterans. It seems that Mr. Kosanda has been acting as postmaster at Hopkins, Minn., for a long time. I believe Mr. Kelly was employed in the office, also, but Mr. Kosanda has been employed there longer than has Mr. Kelly.

The Democratic authorities in that State recommended the appointment of Mr. Kosanda. They wanted him to be appointed. The Post Office Department wanted him appointed. There is nothing against his character, ability, standing, or efficiency in any respect whatsoever.

The other man, Mr. Kelly, is not before the Senate so far as a nomination is concerned. His name was placed on the eligible list, but there is no reason in the world why the Senate should not confirm the nomination of Mr. Kosanda. Both men were certified by the Civil Service Commission as being war veterans.

This subject was all threshed out in the committee, and I see no reason for further holding up the confirmation of the nomination. I assume that the controversy is merely a political one. I do not know what the politics of these men may be; but I understand that those who are in position to be correctly informed have stated that Mr. Kosanda has the backing of the Democratic organization in the locality in which the post office is located. For that reason I do not see why the nomination should not be confirmed.

I served on the Committee on Post Offices and Post Roads when the Republicans were in charge, and I do not recall ever having suggested that a Democrat be appointed when a Republican had been nominated. I may have done so, but I doubt it.

Mr. BALL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BALL. I may say that I do not know either of these individuals. Mr. Kelly or Mr. Kosanda. My attention was called to this case by the Veterans of Foreign Wars, who protested very vigorously against what they regarded as a gross disregard of the veterans' preference law, and on investigation I was convinced that it was a gross violation of the intent of Congress that veterans who served on active duty should be given preference, and that an individual who reported for induction on November 11, 1918, and discharged on December 11, 1918, and was never sworn into the armed forces certainly was not entitled to that preference. On that basis, I believe the committee should go into this situation, because a hundred thousand veterans a month, most of whom have seen actual combat duty, are being discharged from the armed forces, and if the law passed by Congress saying that they are entitled to preference is not to mean anything, I think we should find it out right now.

Mr. BARKLEY. Will the Senator permit me to ask a question?

Mr. BALL. Certainly.

Mr. BARKLEY. I am wondering to what extent the Senate would feel justified in going beyond the records of the Civil Service Commission and the War Department in determining whether a man is a veteran. Under the law there is no distinction made between a veteran who saw active service and one who did not.

Mr. BALL. Oh, yes.

Mr. BARKLEY. I mean, there is no distinction between overseas veterans, except there may be one of percentage in the grading of the papers. If they are certified as veterans, under the law which has been in force for a long time, such certification is taken from the records of the War Department. I do not know where else it would be gotten. That raises a question. A nomination comes to the Senate. Ordinarily, unless there is something against the nominee by way of character disqualification or other disqualification, the qualifications of other possible nominees whose names might have been sent in are not usually regarded as a reason for denying confirmation to the man nominated. I myself am somewhat bothered about how far behind the War Department records we should go in determining whether a man is actually a veteran, and whether he has been properly certified to the Commission, and by the Commission to the Senate, as having been a veteran of some war.

Mr. BALL. Mr. President, if the Senator from Tennessee will yield, the law passed in the Seventy-eighth Congress, Public Law 359, very clearly states that only those ex-service men and women who have served on active duty in any branch of the armed forces are entitled to preference. As I understand, the Army record shows that this man was never sworn into the armed forces. That was the basis of the protest I received.

Mr. McKELLAR. Mr. President, this is a matter which I know has been back to the committee once, and perhaps twice. I am sure it has been back once. Will the Senator say whether or not it has been back twice?

Mr. BALL. This is the first time it has been before the Senate.

Mr. McKELLAR. It was before the Senate on a previous occasion, and the Senator asked that it be held up, and we have had it before the committee time and time again. After a very careful consideration the last time, the report the Senator has heard of did not materialize. It was found that the Civil Service Commission had certified this man after the War Department had certified him to the Civil Service Commission. I have no objection to the nomination going back to the committee for further examination. Hopkins must be an extremely important town. I did not know it was so important; but we have spent not only hours but days trying to determine whether Mr. Kelly or Mr. Kosanda should be postmaster. I am perfectly willing to spend more time on it. I am merely wondering whether the Senator could ascertain why this matter is so exceedingly important that it should take so much of the time of the committee and of the Senate. It has come up a dozen times and gone over for purposes of examination. I am perfectly willing it should go back to the committee, if the Senator so desires.

Mr. BALL. The committee never had a meeting on this nomination. I held it up in committee, and then I agreed with the chairman that at his request, we would let it go to the Senate, and I would present my case here. There was never a meeting of the committee on this nomination, as I understand.

Mr. McKELLAR. How long has it been before the Senate? It has been before the Senate quite a number of times.

Mr. BALL. It came up a week ago Monday. It was put over at the request of the Senator from California, and not on the request of the Senator from Minnesota. I have no objection to its being acted on at this moment. I move that the nomination be recommitted to the committee.

The PRESIDING OFFICER. The question is on the motion of the Senator from Minnesota.

Mr. BALL. If the chairman wants to take the nomination back to the committee, I should like to have the facts from the Army and the Civil Service Commission, particularly in view of the statement of the Senator from California to me.

Mr. McKELLAR. Will the Senator let us settle it once and for all, within a reasonable time, and not hold up the Senate and the committee? I am perfectly willing to take it back to the committee; I have no objection in the world to doing so; but I hope the Senator will ascertain whether the Civil Service Commission is falsely certifying a nomination to us, or whether the Army is doing it. If either one is doing it, I hope the Senator will find it out and make his proof, and we shall be glad to consider it.

The PRESIDING OFFICER. Without objection, the nomination is recommitted to the committee.

Mr. McKELLAR. Very well.

RECESS TO THURSDAY

Mr. BARKLEY. Mr. President, if there is no further business to be transacted, as in legislative session, I move that the Senate take a recess until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 4 o'clock and 7 minutes p. m.) the Senate took a recess until Thursday, May 17, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nomination received by the Senate May 15 (legislative day of April 16), 1945:

APPOINTMENT IN THE NAVY

Vice Admiral Richmond K. Turner, United States Navy, to be an admiral in the Navy, for temporary service.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 15 (legislative day of April 16), 1945:

POST OFFICE DEPARTMENT

Joseph J. Lawler, to be Third Assistant Postmaster General.

UNITED STATES DISTRICT JUDGE

Donnell Gilliam, to be United States district judge for the eastern district of North Carolina.

UNITED STATES ATTORNEY

Tobias E. Diamond, to be United States attorney for the northern district of Iowa.

UNITED STATES MARSHAL

Jones Floyd, to be United States marshal for the western district of Arkansas.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 15, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, in this moment of worship we would reverently lift our hearts in gratitude and gladness for Thy gift of life, Thy protection, Thy guiding hand, and the many tokens of Thy love.

Thou hast revealed Thyself as the Way, but we humbly confess that we have turned aside from those paths which Thou hast marked out for us. May we be more eager to hear and heed Thy voice, saying, "This is the way, walk ye therein," for Thy ways are ways of pleasantness and Thy paths are paths of peace.

Thou art the Truth, but we penitently acknowledge that we have taken counsel with our own wisdom and have become confused and confounded. We pray that we may now be inspired with such a love to seek Thy truth that we shall come to know the truth of Thy love.

Grant that in all the duties and tasks of this new day we may have the assurance of Thy presence, the fullness of Thy power, and the benediction of Thy peace.

We offer our prayer through the merits and mediation of the Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 2992. An act to extend the provisions of the act of July 11, 1941 (Public Law 163, 77th Cong.).

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 89. An act to provide for the planning of rural electrification projects, to reestablish the Rural Electrification Administration as an independent agency of the Government, and for other purposes.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committe on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Commerce.
2. Department of Justice.
3. Department of the Treasury.
4. Department of War.
5. Administrative Office of United States Courts.
6. Office of Scientific Research and Development.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2603) entitled "An act making appropriations for the Departments of State, Justice, Commerce, the judiciary, and the Federal Loan Agency for the fiscal year ending June 30, 1946, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate No. 40 to the foregoing bill.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of the Navy.
3. Department of War.
4. Office of Defense Transportation.
5. Office of Price Administration.
6. War Manpower Commission.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. THOMASON] may have permission to address the House for 1 hour today before disposition of the legislative business on the Speaker's desk.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TRANSPORTATION HOME OF PERSONS IN THE ARMED FORCES

Mr. MAY. Mr. Speaker, I present a privileged report from the House Committee on Military Affairs on House Resolution 249.

The Clerk read the resolution, as follows:

Resolved, That the Secretary of War and the Secretary of the Navy are directed to transmit to the House of Representatives within 2 days after the adoption of this resolution copies of all plans of the Department of War and of the Department of the Navy, respectively, for providing transportation home to persons in the armed forces returning to the United States on furlough after victory in Europe.

Mr. MAY. Mr. Speaker, I move that the resolution be laid on the table.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Will the gentleman from Kentucky withhold his motion pending the parliamentary inquiry?

Mr. MAY. Yes.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, as I understand, a resolution of this type has to come before the House within 7 legislative days either with a motion to lay it on the table or with a favorable report. May I ask the gentleman from Kentucky if he can throw a little light on the information which I asked for?

Mr. MAY. Mr. Speaker, the information sought by the resolution has been made public by the War and Navy Departments. It has likewise been printed in special reports by the House Committee on Military Affairs, and is available to all Members of the House. We anticipate printing a large number of those reports setting forth what is known as the plan for discharging personnel from the Army, known as the point system. That is in print now and will be available to the House generally.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I shall not ask for a vote on this motion. If I thought I had the votes to put it through, I would ask for it, however. But I fear, in view of the forces of reaction obviously alined against me, I would be entering into a David and Goliath battle. May I ask the gentleman from Kentucky if there is any specific place in the report which deals with furlough transportation as covered by the question in the resolution?

Mr. MAY. Mr. Speaker, I make the point of order that that is not a parliamentary inquiry.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MAY. I decline to yield further, Mr. Speaker, for a parliamentary inquiry.

Mr. EDWIN ARTHUR HALL. That, I presume, is reserved for the Chair to decide. I will say this, if I may, Mr. Speaker, before the motion is finally put to a voice vote. I believe that there should be more publicity given this particular resolution and more opportunity to debate it. The Committee on Military Affairs is dodging the issue by not allowing it to come out and having a free discussion on it. Of course, nothing I can say will change the obstinacy of those who persist to ignore the importance of giving our soldiers a break. But I warn the House there will be a day of reckoning. I have already plenty of evidence from returning servicemen that Congress is being blamed rightly or wrongly for not doing right by our boys. This resolution will at least show the Army that our hearts are friendly toward our fighting men.

Mr. MAY. Mr. Speaker, may I say that on the question of publicity on the matter, the gentleman from New York has during the past 2 years given a great deal of publicity to it. He has spoken on the subject on many occasions and yet he seems wanting information.

Mr. EDWIN ARTHUR HALL. Three years.

Mr. MAY. We have already made a report to the House on it. In addition to that we have printed all the facts, including the operation of the system. I insist upon my motion, Mr. Speaker.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The gentleman from Texas [Mr. THOMASON] is recognized for 1 hour.

GERMAN ATROCITIES

Mr. THOMASON. Mr. Speaker, the committee appointed by you to serve with a like committee from the Senate to investigate the war atrocity camps in Germany herewith submits its report. The report is unanimous and signed by all members of the joint committee. Our special mission was to ascertain the facts and the report is therefore confined to that field. Later in the day, or within the next day or two, when the members of the committee can obtain the floor we will make other observations regarding our interesting trip and also yield for questions. I know there are many things about which you feel deep concern. You will want to know about the attitude of the German people, the treatment accorded American prisoners, the punishment of war criminals and the procedure to be employed. We were in Europe at an exciting and historic time. We visited France, Germany, Belgium, and England. We were there when the Germans surrendered, although the official proclamation was not issued until the night we left Paris for home. We visited General Eisenhower and also most of our high commanders at their respective headquarters at or near the front. We talked with hundreds of G. I.'s, saw many of our boys who had been prisoners and visited our sick and wounded in several hospitals. We were proud of all our men and women in the armed forces, and rejoiced that we are American citizens. Many of the details of our trip we hope to give you at an early date. I request, however, that I not be asked to yield during the reading of the report.

REPORT TO THE SENATE AND HOUSE OF REPRESENTATIVES OF THE JOINT COMMITTEE REPRESENTING THE TWO HOUSES NAMED TO INVESTIGATE ATROCITIES AND OTHER CONDITIONS IN CONCENTRATION CAMPS IN GERMANY, AS REQUESTED BY GEN. DWIGHT D. EISENHOWER THROUGH THE CHIEF OF STAFF, GEN. GEORGE C. MARSHALL

To the Senate and House of Representatives:

Before relating the conditions found by the joint committee which recently visited Germany to investigate atrocities in concentration camps in that country, the committee desires to inform the Senate and House of Representatives the basis upon which the investigation was undertaken and the procedure by which members representing the two Houses were designated.

The trip to Europe was wholly unexpected on the part of all those who made it. It was a mission undertaken with a view to the possible performance of a service to the Congress, to the American people, and to the cause of peace.

On April 20, at about noon, two representatives from the Office of the Chief of Staff called upon the Speaker of the House of Representatives and the majority leader of the Senate, and laid before them a cablegram received by Gen. George C. Marshall from Gen. Dwight D. Eisenhower, Commander in Chief of the Allied forces in the European theater of the war, which cablegram was as follows:

From: General Eisenhower.
To: General Marshall.

We are constantly finding German camps in which they have placed political prisoners where unspeakable conditions exist. From my own personal observation I can state unequivocally that all written statements up to now do not paint the full horrors.

In view of these facts you may think it advisable to invite about 12 congressional leaders and 12 leading editors to see these camps. If so I shall be glad to take these groups to one of these camps. Such a visit will show them without any trace of doubt the full evidence of the cruelty practiced by the Nazis in such places as normal procedure.

A similar invitation is being sent to similar representative British groups.

General Marshall requested these representatives to contact both Houses, in the manner above mentioned, for the purpose of arranging the designation of their respective Members to make this investigation with all the promptness possible.

In order that they might arrive at the scene of the atrocities, which General Eisenhower desired the committee to view in person as soon as possible, it was stated that the group would be expected to leave Washington on Sunday morning, April 22.

These concentration camps had been uncovered by the advancing Allied armies and the conditions were such as to make it compulsory that they be cleaned up as rapidly as possible, and, therefore, such committee as might be designated would of necessity have to arrive on the scene and make such personal investigation as they might think proper while the conditions were as fresh and unchanged as possible following the occupation of these areas by our armed forces.

As will be seen from the cablegram, General Eisenhower also suggested the appointment of a similar committee from among the newspapers and other publishers of the country, in order that they might have a similar opportunity to investigate these conditions which prompted General Eisenhower's request. During our interview with him at his headquarters in Europe, he advised us that when he visited one of these concentration camps, which will be referred to later, he was so horrified at what he found that he felt it incumbent upon him to request that the committee mentioned should come at once and see conditions as they were.

The Speaker of the House of Representatives and the majority leader of the Senate at once set about to consult with the minority leaders of the two respective Houses, with a view of designating a representative committee to respond to General Eisenhower's request with all promptitude. The minority leaders of the House and Senate, respectively, were immediately conferred with, with a view to their cooperation in the selection of such a joint committee.

It was agreed that six Members from each House would be designated, to be equally divided between the majority and minority parties in both Houses. While the Senate was in session for a short period on Friday the 20th, the matter had been brought to the attention of the two Houses so unexpectedly that it was impossible to do more on that day than discuss the matter informally because of the contemplated week end recess of both Houses, and because, if the committee were to depart on Sunday the 22d as desired, it would be impossible to wait until the following week, either for the purpose of taking formal action in the two Houses of Congress, or to consult more leisurely with respect to the personnel of the joint committee.

Under these circumstances, it was agreed that the membership representing both Houses should be immediately named, in order that the mission might go forward without delay. In appointing the Members of the House of Representatives, the Speaker indicated his desire to have representation from three of the House committees, namely, Foreign Affairs, Military Affairs, and Naval Affairs. But this suggestion was informal, and there was no definite agreement as between the two groups as to what committees should be represented. On the whole, however, this arrangement was followed.

During the afternoon and evening of Friday the 20th, and Saturday morning the 21st, the majority and minority leaders of the Senate frequently conferred as

to the personnel of the Senate portion of the joint committee. During the morning of the 21st, the minority leader of the Senate, the Senator from Maine [Mr. WHITE] advised the majority leader he was ready to recommend, on the part of the minority, the Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. WHERRY], and the Senator from Massachusetts [Mr. SALTONSTALL].

The majority leader of the Senate asked the Senator from Georgia [Mr. GEORGE], acting chairman of the Committee on Foreign Relations, and the Senator from Utah [Mr. THOMAS], chairman of the Committee on Military Affairs, to become members of the Senate group; and he sought to have the Senator from Massachusetts [Mr. WALSH], chairman of the Committee on Naval Affairs, included as the third member of the group to represent the Senate majority. The Senator from Georgia and the Senator from Utah indicated their willingness to accept this assignment, but the Senator from Massachusetts had left the city for his home in Massachusetts and was not expected to return until the following Monday. It was, therefore, impossible to confer with him about his possible appointment as a member of the committee. He has since indicated that it would have been impossible for him to have become a member of the committee if he had been in Washington. After the Speaker of the House of Representatives and the minority leader of the Senate advised the majority leader of the Senate on Saturday morning the names of the members designated by them, respectively, a conference was called of the entire group at 1 o'clock on Saturday afternoon to receive the information necessary from the War Department concerning the hour of departure and the requirements and needs of the various members of the group upon their arrival in Europe. During this conference the members of the group urged the majority leader of the Senate to become a member of the committee and make the trip, which he decided to do, and, therefore, he became a member of the group in lieu of the Senator from Massachusetts, chairman of the Committee on Naval Affairs. This, in brief, is the basis for the appointment of the various Members and the basis for the trip itesIf. The committee, thus appointed, consisted of the following members:

The Senator from Kentucky, Mr. ALBEN W. BARKLEY.

The Senator from Georgia, Mr. WALTER F. GEORGE.

The Senator from Utah, Mr. ELBERT D. THOMAS.

The Senator from Illinois, Mr. C. WAYLAND BROOKS.

The Senator from Nebraska, Mr. KENNETH S. WHERRY.

The Senator from Massachusetts, Mr. LEVERETT SALTONSTALL.

Representative R. EWING THOMASON from Texas.

Representative JAMES P. RICHARDS from South Carolina.

Representative ED. V. IZAC from California.

Representative JOHN M. VORYS from Ohio.

Representative JAMES W. MOTT from Oregon.

Representative DEWEY SHORT from Missouri.

It ought to be stated that nobody in the War Department made any suggestions, directly or indirectly, as to who should be appointed on this joint committee. When the members of the committee were appointed, in the way which has been indicated, the War Department was advised of the personnel and was represented at the conference held on Saturday afternoon to make arrangements for the trip.

The entire group departed at noon on Sunday, the 22d, by air transportation arranged by the War Department, accompanied by representatives of that Department, and arrived in Paris in the late afternoon of Monday, April 23.

Before setting forth the conditions which the committee found at the three camps which it visited, all of which will be described later, the committee feels that it is advisable to state the general character and purpose of the camps, as well as the character of the evidence which it obtained, and upon which this report is based.

There are more than 100 concentration camps for slave laborers and political prisoners in Germany. No attempt was made to conceal them and all were built in thickly populated areas and many of them along main highways. Your committee visited three of these camps located in widely separated parts of Germany, namely, Buchenwald in Thüringen Province, Nordhausen in Saxony, and Dachau in Bavaria. These three camps are typical of all the concentration camps in the Reich and their physical characteristics, functions, management, and operation furnish an accurate cross section of the entire German political prisoner camp system and policy.

Before proceeding with detailed statements concerning the several camps visited, we believe a preliminary word as to just what these camps are and, just what they are used for would be of value. In the first place, the concentration camps for political prisoners must not be confused with the prisoner-of-war camps. No prisoners of war are confined in any of these political-prisoner camps, and there is no relationship whatever between a concentration camp for political prisoners and a camp for prisoners of war.

The concentration camps for political prisoners are precisely what the name implies. They are places of incarceration, punishment, and liquidation of civilians who were opposed to or who were suspected of being opposed to the Hitler regime. A number of them were established at the beginning of that regime. At first these camps contained only German political prisoners. When the Germans overran and occupied the adjacent lands of Poland, Russia, France, Holland, Belgium, Czechoslovakia, and other countries, the camps were expanded both in size and number to accommodate the hundreds of thousands of additional political prisoners brought in from those countries.

During the past month all of these camps have been uncovered by the rapid advance of the Allied armies. At the time of our visit the surviving prisoners were still in the camps and were being cared for by the American military forces. These liberated prisoners will be sent to their home countries when facilities for that purpose are available, and some, in fact, have already been sent home. When we saw the camps, however, they were filled practically to capacity with prisoners. This was especially the case at Dachau, which camp we inspected only 48 hours after the S. S. garrison in charge of it had been driven out by the American troops.

THE THREE CLASSES OF EVIDENCE UPON WHICH THIS REPORT IS BASED

We think it is important, also, to make a statement at this point regarding the character of evidence gathered on our visits to these camps, so that the basis for the detailed recital which follows may be clear and unambiguous.

Three classes or kinds of evidence were presented to us. The first was the visual inspection of the camps themselves, freshly freed by the American troops of S. S. supervision. We saw the barracks, the work places, the physical facilities for torture, degradation, and execution. We saw the victims, both dead and alive, of the atrocities practiced at these camps. We saw the process of liquidation by starvation while it was still going on. We saw the indescribable filth and smelled the nauseating stench before it was cleaned up, and we saw a number of victims of this liquidation process actually die.

The second kind of evidence we obtained was the testimony of eyewitnesses among the prisoners themselves to these atrocities. Many of the prisoners had been in the camps we visited as long as 3 and 4 years. Many others had spent long terms as prisoners in several other similar camps. While these prisoners included men from nearly all the countries of central Europe, whose speech, whose station in life and whose education and previous environment differed widely from one another, yet the testimony of all these witnesses was substantially the same. Directly and through interpreters we talked to prisoners who had seen the hangings and the beatings and who had themselves experienced the systematic process of starvation, corporal punishment, and human degradation.

The third kind of evidence was what may be called the common knowledge of the camp, that is to say, evidence of things done in the camp which were not done publicly but which, nevertheless, all prisoners were aware of. This is similar to certain knowledge possessed by prisoners generally in legitimate institutions like State penitentiaries. These prisoners, from custom and experience, from their conversation with the guards and among themselves, and from a very plain and almost mathematical kind of circumstantial evidence, have accurate knowledge of certain things which they have not actually seen with their own eyes. The prisoners at the camps speak about these things as though they had actually seen them. It was the unanimous opinion of our committee after

talking to hundreds of prisoners that this third kind of evidence was often as accurate and reliable as the two kinds of direct evidence above referred to. An example of this kind of evidence will be found in that part of our report dealing with the torture chamber at Buchenwald, where no one actually saw the strangulations perpetrated in this chamber, but where the circumstantial evidence of it was so complete and clear as to leave no doubt in the mind of anyone.

The three kinds of evidence here referred to constitute the only evidence accepted by this committee in making its report. Rumor, hearsay, and every other form of information or testimony has been carefully excluded so that those reading the report may be assured that everything therein described was either actually seen by us or reported to us by competent and reliable eyewitnesses or that it is based on circumstantial evidence which we have considered to be trustworthy.

One further preliminary observation may not be out of place here, and that is that all of the facts here recited are corroborated by the records of the investigation of the military authorities who have made a most minute, careful, and exhaustive examination of all of the prison camps. These authorities, who are specialists in their line, have taken the testimony of hundreds of eyewitnesses and have carefully authenticated and documented the same. The committee has examined some of this documented evidence but it has not used any of it in making this report. The report is based exclusively upon our own personal investigation of these camps.

PART 2. GEOGRAPHY AND STATISTICS, BUCHENWALD

On the morning of April 24, following its arrival in Paris on the afternoon of Monday, the 23d, the committee, accompanied by Brig. Gen. John M. Weir, Col. Robert H. Thompson, Col. John A. Hall, and photographers, left Paris by airplane for Weimar, which is located in the province of Thüringen, Kriese, county of Weimar, about 120 miles southwest of Berlin, and proceeded from Weimar by automobile to the outskirts of the city, where was located the German political concentration camp of Buchenwald.

This camp was founded when the Nazi Party first came into power in 1933 and has been in continuous operation since that time, although its largest population dates from the beginning of the present war. The camp was overrun by the American Army on April 12, 1945. The first appearance of the Americans at Buchenwald was made by a tank spearhead, which briefly engaged the enemy and withdrew. The garrison of SS troops at Buchenwald became so alarmed at the rapid approach of United States troops that they fled precipitately, abandoning the camp completely. On Friday, the 13th, the main body of advancing United States troops arrived with supplies and medicine and took over the camp.

The surviving population of the camp, as recorded on April 16, 1945, was about 20,000, divided into nationalities, as follows:

French	2,900
Polish	3,800
Hungarians	1,240
Yugoslavs	570
Russians	4,380
Dutch	324
Belgians	622
Austrians	550
Italians	242
Czechs	2,105
Germans	1,800
Dutch	260
Anti-Franco Spanish and miscellaneous	1,207
	20,000

The character of the surviving population was all male and included a thousand boys under 14 years of age. The prisoners at this camp included the intelligentsia and leadership groups from continental Europe, as well as democratic or anti-Nazi Germans and their relatives. Among the 20,000 survivors were about 4,000 Jews.

The mission of this camp was an extermination factory and the means of extermination were starvation, beatings, tortures, incredibly crowded sleeping conditions, and sickness. The effectiveness of these measures was enhanced by the requirement that the prisoners work in an adjacent armament factory for the manufacture of machine guns, small arms, ammunition, and other matériel for the German Army. The factory operated 24 hours a day, using two 12-hour shifts of prisoners. At the time your committee visited the camp the factories were no longer in operation, having been totally destroyed by remarkably effective precision bombing. The factory area was completely demolished, but not one bomb fell within the camp area, which was immediately adjacent to the factory area and separated from it only by a barbed-wire fence. In addition to those inmates performing slave labor at the munitions factory, other inmates were organized into labor parties to perform various kinds of work on farms in the vicinity of Weimar.

The main elements of Buchenwald included the "Little Camp," the "regular barracks" and the "hospital," the medical experimentation building, the body-disposal plant, and the ammunition factory.

THE "LITTLE CAMP"

The prisoners in this camp slept on triple-decked shelves, the clearance height between the shelves being little more than 2 feet. They were so crowded into these shelves that the cubic content figured out to about 35 cubic feet per man, as against the minimum for health of 600 cubic feet prescribed by United States Army regulations. We were informed that after arriving, new prisoners were initiated by spending at least six weeks here before being "graduated" to the "regular barracks." During this initiation prisoners were expected to lose about 40 percent in weight. Jews, however, seldom if ever graduated to the regular barracks. Camp disciplinary measures included transferring recalcitrant prisoners back to the "Little Camp." As persons became too feeble to work, they were also sent back to the "Little Camp" or to the "hospital." Rations were less than at the regular barracks, and the death rate in the "Little Camp" was very high, recently about 50 per day.

REGULAR BARRACKS

The dormitory room here was approximately 42 by 23 feet and about 10 feet high, having a content of about 9,500 cubic feet. In each such room there were installed, triple-decked, 38 stacks of 3 bunks each, or a total of 114 bunks, each bunk 30 inches by 72 inches, outside measurement. Most of these bunks were double; that is, 2 parallel bunks occupying the space of 60 inches by 72 inches. The aisles were narrow, being less than 24 inches wide and permitted movement through them only with the body being kept edgewise. One hundred and fourteen bunks placed in 9,500 cubic feet make less than 85 cubic feet per person. Since the beginning of the war, 250 persons have been made to sleep in each such room, or less than 40 cubic feet per person. There was less than 1 blanket per prisoner. Blankets were thin, shoddy, and undersized. There was substantially no heat in these dormitories.

THE HOSPITAL

This was a building where moribund persons were sent to die. No medicines were available and, hence, no therapy was possible. Typhus and tuberculosis were rampant in the camp. About half of the wards of the hospital were about 15 feet deep and 5½ feet wide, with one window on the outside end. From six to nine "patients" occupied each ward, lying crosswise on the floor, shoulder to shoulder. The room was too narrow for most of them to extend their legs. The death rate in the "hospital" was from 5 to 20 persons per day.

MEDICAL EXPERIMENT BUILDING

Block No. 41 in the camp was used for medical experiments and vivisections with prisoners as guinea pigs. Medical scientists came from Berlin periodically to reinforce the experimental staff. In particular new toxins and antitoxins were tried out on prisoners. Few prisoners who entered this experimental building ever emerged alive. Prisoners were induced to volunteer for experimentation on the representation that living quarters provided there were far superior to those in the barracks and that their rations were far superior to those received by ordinary prisoners.

THE BODY DISPOSAL PLANT OR CREMATORY

The design of this installation was a striking example of German industrial efficiency. It had a maximum disposal capacity of about 400 bodies per 10-hour day, which is about 2 percent of the camp population at the time of liberation. We were informed that when the death rate exceeded the capacity of the crematory, the bodies were taken out and buried in pits without any means for identification. Teeth having gold fillings were extracted prior to cremating the bodies. We have been advised that on the day following our visit to Buchenwald, a large cache of gold fillings and gold jewelry was discovered in a quarry near the camp. Included were literally thousands of wedding rings alone.

The crematory was entirely enclosed within a high board fence. No one, except a small operating force of S. S. personnel were allowed even to look inside this fence. No prisoner who passed within it—as a member of a labor party or for any other person—came out alive. Inside this fence was the incinerator building, centrally located between two yards. This building was of substantial brick construction with cement floors, 1 story high, with full-size 12-feet-high basement beneath. The main floor contained an administration office at the front end, a locker and washroom for S. S. personnel at the far end, and the incinerator room in the center. The latter contained, in line, 2 batteries of 3 firebrick incinerators each; 15 to 20 minutes were required for the incineration of a total of 18 bodies, each incinerator having a capacity of 3 bodies, or a total charge of 18 bodies; 15 to 20 minutes were required for the incineration of a charge.

The floor of each incinerator consisted of a coarse grate, through which the day's accumulation of bone ash was extracted at the end of operation. The fire came from a furnace room occupying the rear two-thirds of the basement, the flames being deflected downward onto the bodies by baffle plates in the roofs of the furnace. Fuel used in this plant was coal. The front of the basement was occupied by the strangling room.

The method of collecting bodies was as follows: Roll call was held every evening outdoors outside the dormitory buildings. Internees were required to strip and bring to roll call the naked bodies of all comrades who had died during the previous 24 hours. After roll call a motortruck drove around the camp, picked up the bodies, and was driven to the front yard of the incinerator plant to await the next day's operation. But this was not the only source of bodies. Emaciated prisoners who had been around too long, or who had committed infractions of discipline, or who knew too much, or who had refused to be broken in mind, were arbitrarily condemned to death. For instance, in the "Little Camp," where prisoners slept 16 to a shelf, an infraction of discipline—particularly an attempt to escape—not infrequently resulted in all 16 being condemned. Such persons were immediately marched on foot to a small door in the fence of the back yard at a point immediately adjacent to the incinerator building. This door opened inward until it hit a doorstop which held it in a position parallel to the building's wall, thus creating a corridor 4 feet wide and 3 feet deep. At the far end was an opening about 4 feet by 4 feet, flush with the ground, the head of a concrete shaft, about 13 feet deep, the bottom floor of which was a continuation of the concrete floor of the room at the front end of the basement. The condemned prisoners, on being hurried and pushed through the door in the fence, inevitably fell into this shaft and crashed 13 feet down to the cement cellar floor. This room, on the floor at one end of which they now found themselves, was the strangling room. As they hit the floor they were garrotted with a short, double-end noose by S. S. guards and hung on hooks along the side walls, about 6½ feet above the floor, the row of hooks being 45 or 50 in number. At the time of our visit all of the hooks except 5 had been removed, but we could observe the holes where the other hooks had previously been. When a consignment had been hung up, any who were still struggling were stunned by a wooden mallet, which was exhibited to us in the chamber still bearing stains of blood. The bodies were left on the hooks until called for by the incinerator crew. An electric elevator, with an estimated capacity of 18 bodies, ran up to the incinerator room, which was on the floor above the strangling room. The day's quota of approximately 200 bodies was made up of from 120 to 140 prisoners who had died—mostly in the hospital, the medical experimental building, or the little camp—and from 60 to 80 were supplied by the strangulation room.

For a period of about 10 days in March, the coal supply for the incinerator ran out. The incinerator furnace grates had not been cleared of entirely unconsumed bodies as we observed portions thereof. Awaiting the arrival of a new supply of coal, bodies, to the number of about 1,800, were allowed to collect in the front yard, stacked up like cordwood. The sudden arrival of American armor prevented the S. S. garrison from disposing of the bodies which had accumulated due to the lack of fuel for the incineration plant. At the time of our visit to the camp we saw a truckload of bodies within the area of the incinerator. It is estimated that there were about 60 bodies in this truck. Near the truck, on the ground, were piled about 20 or 25 additional bodies. We were advised that the death rate, prior to the liberation, was approximately 200 per day. At the time of our visit the American medical authorities had been able to reduce the death rate to about 20 per day. Upon liberation of the camp the American authorities provided decent interment for the unburied dead and for those who died thereafter.

The American surgeon stated that the adult corpses weighed from about 60 to 80 pounds each.

MISCELLANEOUS

Rations: We were advised that the ration allowance for the regular camp was between 600 to 700 calories per day and consisted generally of a very weak soup made from cabbage and other vegetables, and a small piece of bread about 3 inches square. This meal was provided only once a day—in the morning and in the evening another small piece of bread was furnished. The diet was heavily deficient in animal fats and vitamins and contained no meats. In the "little camp" the ration allowance was about 500 calories. About 3,000 to 3,600 calories per day is required for adult health. Red Cross packages were almost entirely appropriated by the S. S. camp commander and distributed to suit himself to S. S. personnel and to citizens of Weimar and even to Nordic German camp prisoners. Meals were prepared and served by prisoner personnel under S. S. supervision.

The committee was informed that the S. S. troops had received orders to destroy all of the occupants of the camp prior to their departure, but in their haste to flee before the advancing American troops they had been unable to undertake such a large scale operation.

The administration of the camp and the maintenance of records were carried on by prisoners under the supervision of S. S. troops. The available records at the time of liberation had been examined by the prisoners engaged in the administration of the camp and the records revealed that 51,000 persons had died in the camp. At the time of our arrival the prisoners, in a pathetic gesture, had erected of flimsy materials, a memorial to the dead of Buchenwald. Pictures and descriptions of the conditions at this camp cannot adequately portray what we saw there, and it is only when the stench of the camp is smelled that anyone can have complete appreciation of the depths of degradation to which the German Nazi Government and those responsible for it and its agencies, organizations and practices had dropped in their treatment of those who had failed to embrace the doctrines of the "master race".

CAMP DORA AT NORDHAUSEN

The group visited the concentration camp at Nordhausen, which is located in the province of Saxony, about 125 miles southwest of Berlin, on May 1, 1945. This was a political concentration camp and was known as the Dora Camp. It is located on the outskirts of Nordhausen, adjacent to a large underground manufacturing plant which produced V–1 bombs, the V–2's, airplane engines and parts and other munitions of war. At the time of our visit to Nordhausen the camp had been in American hands about 3 weeks, and, of course, did not portray the filth and operating conditions which existed at the time of its liberation. The prisoners at this camp had been used as slave labor in the underground factory and for work parties on adjacent farms and in smaller munitions factories. The magnitude of the operation at Nordhausen is demonstrated by the fact that there were 31 miles of railroad track in the underground factory. The factory itself contained well organized production lines and enormous quantities of fine machine tools, many of which were new and all in fine operating condition. The underground factory had also been used as barracks for prisoners until the death rate exceeded that apparently desired and began to affect the efficiency of production. We observed a crematory similar to the one that we saw at Buchenwald. We observed a large cement apron on which we were told by a reliable inmate that 135 prisoners had been executed by hanging at the rate of 4 at a time a few days before the camp was overrun by the American forces. This inmate stated that all of the prisoners who were physically able were required to witness the executions. He also told us that the executions had been for violations of camp disciplinary regulations and for alleged sabotage in the underground factory. He further stated that the individuals executed on this occasion were all Russians. At the time of our visit to the camp it was being additionally used by

the American authorities as a rendezvous for displaced persons who had been wandering about in the area.

The prisoners had been segregated by our forces after liberation as far as possible by nationalities and every effort was made to alleviate their physical condition by food and medicine. On the whole, we found this camp to have been operated and administered much in the same manner as Buchenwald had been operated and managed. When the efficiency of the workers decreased as a result of the conditions under which they were required to live, their rations were decreased as punishment. This brought about a vicious circle in which the weak became weaker and were ultimately exterminated.

DACHAU

The committee next visited the infamous concentration camp at Dachau, in two groups, on May 2, 1945. Dachau is located in the province of Bavaria, about 325 miles south of Berlin. The groups visited Dachau within 48 hours after its liberation by American forces.

In the drive of General Patch's Seventh Army toward Munich, the Forty-fifth United States Division fought into Dachau 7 miles to the north and surprised and surrounded the concentration camp on the outskirts of the town. The camp was in charge of about 200 Storm Troopers who resisted as the American Army approached. The camp was occupied after many of the German guards were killed and the remainder captured.

Because of the surprise due to the speed of the American advance, this camp was captured practically intact. By orders of General Patch, the evidences of German brutality were left untouched awaiting our inspection. Two days later we arrived. We found a large rectangular-shaped camp filled with numerous barracks or sheds, in which were perhaps 30,000 political prisoners. Two high parallel barbed-wire fences surrounded the camp, the inner one 15 feet from the outside one which was electrically charged. At intervals of about 50 yards, 20-foot towers rose above the outer wire and from these towers armed guards looked down on the interior of the camp. At one end of the large enclosure was an open space for assembling the prisoners and at the extreme end was a large administration building.

When we arrived there were many prisoners lying dead between the inner and the outer barbed-wire fences—apparently shot by the guards. The living, Russians, Poles, Dutch, and in fact many nationalities, were being cared for by our Army. We found women segregated in another enclosure behind the administration building. An inspection of one of the better barracks for men disclosed 390 jammed into a room built to accommodate 50. Most were suffering from typhus or tuberculosis, and all were living skeletons due to lack of food. The stench was sickening.

Outside, lying in rows, were about 300 bodies of those who had died and had been collected that morning from the various barracks. They were yet to be disposed of, as were those lying between the fences, and others, including the bodies of some of the German guards, which were strewn along the approaches to the entrance.

This camp was apparently built in 1933 or 1934, and we were told the original occupants were those who dared to oppose the Hitler regime. After their liquidation fresh prisoners in ever-increasing numbers were furnished by the countries overrun by the German armies. The complete break-down by nationalities of the prisoners in the camp at Dachau was being undertaken by the American Army authorities while we were there, but the record has not yet been received in Washington.

Across a canal or moat filled with water which ran between this wire-enclosed camp and the highway there was what appeared to be an old German Army caserne, the buildings of which were scattered throughout an area of considerable size, all completely surrounded by a stone wall. Trees lined the driveways in this secluded area in the center of which was a modern brick building, where the executions of the prisoners from the camp across the street took place.

As we visited Dachau we saw on a railroad sidetrack paralleling the main highway, and close to the gates of the prison camp, a train of cars which had been used to bring additional civilian prisoners to this camp. These cars were an assortment of odd boxcars, some of which could be locked, and some were the coal-car type. In each of them the floor of the cars was covered with dead, emaciated bodies. In some of the cars there were more than enough to cover the floors. In size these cars were of the small European type, which, when used for the movement of troops, would never accommodate more than 40 men. Nevertheless the army officials in charge of this camp advised us that there were 50 of these cars in this one train, and that at least 100 of these civilian prisoners had been jammed into each car—locked in—and they had been on the road for several days without food or water, and that approximately 3,000 of them were dead upon arrival and most of the others were in a dying condition.

We saw many dead bodies on the ground. These prisoners had apparently crawled out of the cars and had died on the ground. Our officials advised us that many of the others who had survived the trip in the cars, had died since in the camp and many more, although still alive, were starved beyond redemption.

Directly across the road from the cars—near the entrance of this Dachau Camp—we saw three dead members of the Nazi S. S. troops. Two had been shot and the skull of one had been crushed. We were advised that these three were members of the S. S. guards at the prison who were captured and killed by Russian inmates of the prison when the camp was liberated by the advancing American Army.

EXECUTIONS AT DACHAU

A distinguishing feature of the Dachau camp was the gas chamber for the execution of prisoners and the somewhat elaborate facilities for execution by shooting.

The gas chamber was located in the center of a large room in the crematory building. It was built of concrete. Its dimensions were about 20 by 20 feet and the ceiling was some 10 feet in height. In two opposite walls of the chamber were airtight doors through which condemned prisoners could be taken into the chamber for execution and removed after execution. The supply of gas into the chamber was controlled by means of two valves on one of the outer walls, and beneath the valves was a small glass covered peephole through which the operator could watch the victims die. The gas was let into the chamber through pipes terminating in perforated brass fixtures set into the ceiling. The chamber was of size sufficient to execute probably a hundred men at one time.

The room in which the gas chamber stood was flanked on both ends by warerooms in which the bodies were placed after execution to await cremation. The size of each room was approximately 30 by 50 feet. At the time we visited the camp these warerooms were piled high with dead bodies. In one of the rooms the bodies were thrown in an irregular heap. In the other room they were neatly stacked like cordwood. The irregular pile of bodies was perhaps 10 feet high, covering most of the floor space. All of them were naked.

It was quite evident that the daily death rate at Dachau, by execution and otherwise, far exceeded the daily capacity of the crematory to dispose of the bodies. The stench indicated that some of them had been there for several days.

In the rear of the crematory building was an enclosure where the executions by shooting were carried out. There were three separate places for execution in this yard. One, we were informed, was for common political prisoners, one was for women, and one was for prisoners of distinction, including those who at some time had had military records. The latter were not prisoners of war. As has been stated, no prisoners of war were kept in any of the concentration camps, but all of the camps had political prisoners who had served in the armies of their countries prior to the beginning of the present war, and, particularly, during the First World War.

These three places of execution, which were separated from each other by tight board fences, consisted of banks of earth some 20 feet in length and 3 feet high. The condemned prisoners knelt down facing the bank and were shot through the back of the head. The only difference between these separate places of execution was that in front of the bank of earth where the distinguished prisoners were shot there was a small boardwalk upon which the prisoners knelt, while the common prisoners and the women knelt on the bare ground. A considerable amount of blood still remained on the ground at two of these execution places.

In the enclosure was a pile of rough wooden coffins. Since we had seen no coffins at the other camps visited, we inquired why coffins were used at Dachau and were informed that these coffins were reserved for prisoners of distinc-

tion. The bodies of ordinary prisoners, if not cremated, were buried without coffins and usually without clothing.

PART 3. CONCLUSION

While the above three camps which were visited by the joint committee differed in some details, they were all of the same general pattern and design and administered for the same purpose.

At each of these camps we found four general classifications of prisoners: First, political prisoners; second, habitual criminals; third, conscientious or religious objectors; fourth, persons who were imprisoned for failure to work.

Although differing in size, they all carried into effect the same pattern of death by hard labor, starvation, hanging, strangulation, disease, brutality, gas chambers, gallows, and filthy and insanitary conditions, which meant inevitable death eventually to every imprisoned person.

We found, in each case, that the supervision of the camps was carried out by the criminal tactics of S. S. troops, who, in addition to their own brutality, assigned some of their punitive duties to the prisoners, especially the habitual criminals who had charge of the barracks in which all types of prisoners were subject to their vicious and inhuman methods.

We found that this entire program constituted a systematic form of torture and death administered to intellectuals, political leaders, and all others who would not embrace and support the Nazi philosophy and program. We found the extent, devices, methods, and conditions of torture almost beyond the power of words to describe.

We found, from all the evidence available, that in these camps the Jews and Russians and Poles were treated with a greater degree of severity than other nationalities. We found that a colossal scheme of extermination was planned and put into effect against all those in occupied countries who refused to accept the principles of nazism, or who opposed the saddling of the Nazi yoke on their countries. The Nazi leadership in the pursuit of this policy found especially expedient the use of various forms of terrorism calculated to reduce the opposition and to render futile all efforts to throw off the yoke.

The over-all pattern of the scheme varied but little. First, vast numbers of nationals of overrun countries were abducted and brought into Germany—sometimes whole families, sometimes just the men. The number of these persons is variously estimated at between 12 and 20 million people. These people were forced to labor long hours by their Nazi masters and for slight infractions they were placed in concentration camps.

Likewise, the intelligentsia, college professors, former Army generals, business leaders, and professional men of the occupied countries were taken captive and placed in these camps, unless they agreed to spread the doctrines advocated by the Nazis.

The treatment accorded to these prisoners in the concentration camps was generally as follows: They were herded together in some wooden barracks not large enough for one-tenth of their number. They were forced to sleep on wooden frames covered with wooden boards in tiers of two, three, and even four, sometimes with no covering, sometimes with a bundle of dirty rags serving both as pallet and coverlet.

Their food consisted generally of about one-half a pound of black bread per day and a bowl of watery soup for noon and night, and not always that. Owing to the great numbers crowded into a small space and to the lack of adequate sustenance, lice and vermin multiplied, disease became rampant, and those who did not soon die of disease or torture began the long, slow process of starvation. Notwithstanding the deliberate starvation program inflicted upon these prisoners by lack of adequate food, we found no evidence that the people of Germany as a whole were suffering from any lack of sufficient food or clothing. The contrast was so striking that the only conclusion which we could reach was that the starvation of the inmates of these camps was deliberate.

Upon entrance into these camps, newcomers were forced to work either at an adjoining war factory, or were placed "in commando" on various jobs in the vicinity, being returned each night to their stall in the barracks. Generally a German criminal was placed in charge of each "block" or shed in which the prisoners slept. Periodically he would choose the one prisoner of his block who seemed the most alert or intelligent, or showed the most leadership qualities. These would report to the guards' room and would never be heard from again. The generally accepted belief of the prisoners was that these were shot or gassed or hanged, and then cremated. A refusal to work, or an infraction of the rules, usually meant flogging and other types of torture, such as having the finger nails pulled out, and in each case usually ended in death after extensive suffering. The policies herein described constituted a calculated and diabolical program of planned torture and extermination on the part of those who were in control of the German Government. These camps, on the whole, were conducted and controlled by the S. S. troops and the Gestapo, who acted under orders from their superiors, or who were given wide discretion in the methods which they were to adopt in perpetrating these hideous and inhuman sufferings.

It is the opinion of your committee that these practices constituted no less than organized crime against civilization and humanity, and that those who were responsible for them should have meted out to them swift, certain, and adequate punishment.

We found that the propagation of the Nazi theories and the practices which were carried forward under those theories created within Germany a disregard for human rights, and for the dignity of the individual human being, which not only degraded the life of the people within the German Reich, but which was inevitably calculated to bring about war between Germany and her neighbors and was calculated also to subject the conquered nations to the brutalities and indignities which struck fear and terror into the hearts of those who might otherwise oppose these policies, which we have attempted to describe.

With reference to the punishment of those guilty of war crimes, which an indignant world will expect and demand, we desire to report that at the present time various agencies are actively and comprehensively engaged in the gathering of evidence throughout the regions where these atrocities were committed. The officers of our Armies, and of the Allied armies, have been alert for many months to the conditions which prevailed in all Nazi occupied territories and a very competent corps of investigators in each military area, under the control of our armed forces and those of our allies, has been for months engaged in gathering and documenting testimony which will be available for use when those guilty of these atrocities are brought to trial. The Army of the United States alone has already gathered testimony and sworn statements that will fill many volumes.

In Paris the French Provisional Government has set up a Commission for the investigation of war crimes. The Allied Nations have set up a War Crimes Commission, with its headquarters in London, made up of competent men representing 16 of the Allied Nations, and already specific charges are being made against many of the outstanding leaders of this criminal program.

It was the high privilege of the members of your committee to confer with our military authorities in Europe, with the French Commission in Paris and the Allied Commission in London, concerning their methods and procedures and the results intended to be obtained by their activities, and the members of this committee were gratified at the thorough way in which this work is being undertaken. It has already been announced by the President that Justice Robert H. Jackson of the Supreme Court of the United States has been designated to represent this country in the preparation and representation of the evidence which will be brought before such tribunals as may be in existence, or may be established, for the trial of major war criminals.

In view of all these activities, the committee does not feel at liberty at this time to recommend the creation of an additional agency for the investigation of these war crimes or for their ultimate disposition, but feel that the agencies now dealing with the problem are approaching the subject from the standpoint of practical justice in every area and in all categories of crimes that may be involved.

The committee is happy to report that each and every member approached the performance of this task with solemnity and with a sense of responsibility which deserves the commendation of our people. It was approached without regard to differences of political affiliation or geographical location. The committee feels that out of it all justice will emerge, and that through the sickening spectacle which we have witnessed of the degradation to which human beings have been

subjected, will come ultimately a firmer realization that men of all nations and all tongues must resist encroachments of every theory and every ideology that debases mankind, and that a more just and enduring peace may arise upon the ruins and from the sacrifices which the human race has endured through one of the most crucial periods of its history.

ALBEN W. BARKLEY.
WALTER F. GEORGE.
ELBERT D. THOMAS.
WAYLAND BROOKS.
KENNETH S. WHERRY.
LEVERETT SALTONSTALL.
R. EWING THOMASON.
DEWEY SHORT.
JAMES W. MOTT.
JAS. P. RICHARDS.
JOHN M. VORYS.
ED. V. IZAC.

WAR PRODUCTION BOARD — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Military Affairs, and ordered to be printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress a report of the War Production Board covering operations under the Property Requisitioning Act of October 16, 1941, as amended, for the period from October 16, 1944, through April 15, 1945.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 15, 1945.*

EXTENSION OF REMARKS

Mr. COX asked and was given permission to extend his remarks in the RECORD and include a statement by Hon. Lindsay Warren, Comptroller General of the United States, before the Joint Committee on Organization of the Congress today.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an address delivered yesterday by Archbishop Cushing before the Jewish War Veterans' Auxiliary in Boston, and in the other a resolution adopted recently by the Jewish War Veterans of the Department of Massachusetts.

Mr. SHEPPARD asked and was given permission to extend his remarks in the RECORD and include Assembly Joint Resolution No. 42 passed by the Senate and the Assembly of the State of California.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances, and to include in each a statement made before the Committee on Ways and Means by a witness.

Mr. PLUMLEY asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. MASON, Mr. GAVIN and Mr. O'KONSKI asked and were given permission to extend their remarks in the RECORD.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances, and to include in one a letter and in the other a newspaper article.

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. JONKMAN asked and was given permission to extend his remarks in the RECORD in two instances, and to include in one an editorial and in the other a letter.

Mr. MONRONEY asked and was given permission to extend his remarks in the RECORD and include an article by Peter Edson appearing in the Washington News.

RECLASSIFYING SALARIES IN THE POSTAL SERVICE

Mr. BATES of Kentucky. Mr. Speaker, I call up House Resolution 246 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3035) to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Post Office and Post Roads, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BATES of Kentucky. Mr. Speaker, this resolution makes in order the consideration of the bill (H. R. 3035) to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes. It seems to me much needed and very desirable legislation. Personally, I hope the rule can be adopted and the bill be passed.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

As the gentleman from Kentucky has stated, this is a rule providing for 2 hours of general debate. The bill was prepared by the Post Office Department, especially the currency department of the Post Office Department. The Department favors the bill. The bill was reported unanimously by the Committee on the Post Office and Post Roads. It gives the post-office employees an average of approximately $395 a year over the old basic pay, which was provided for about 20 years ago. It also gives certain justified liberalizations of sick leave.

The additional cost to the Government will be between forty-five and fifty-three millions of dollars.

By reason that I have an important departmental conference this afternoon meaning a great deal to many of my constituents, it is probable that I will not be present on the final roll-call passage of this justifiable legislation. Anyway, it will pass by over 50 to 1. In fact, it should be passed unanimously.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, this rule makes in order H. R. 3035 under which 2 hours of general debate is permitted. I know of no serious opposition to this bill. Therefore, most of this time will be taken up in sort of a testimonial meeting on the part of the members pointing out the necessity, the equity, and the advisability of the changes in the existing law. The best short analysis of the bill that I have seen was made by the gentleman from Illinois [Mr. MASON], a member of the Committee on Post Offices and Post Roads. Mr. MASON said:

First. The bill provides a $400 per year increase over present base pay to practically every person in the Postal Service, in lieu of the $300 per year temporary bonus which expires June 30, 1945.

Second It introduces the principle of longevity pay in many of the branches of the Postal Service.

Third. It removes many of the inequalities and injustices that have existed for a long time between various branches of the Postal Service.

Fourth. It provides for time and one-half pay for overtime work.

Fifth. It provides 10 percent extra over the hourly day rate for postal workers, with some exceptions, who are required to work nights.

Sixth. It grants to all postal employees 15 days' leave of absence each year with pay, and 10 days of sick leave with pay each year.

I can add nothing further other than to say that I am in hearty accord with this rule and predict that the bill will pass by an overwhelming vote.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I am supporting this rule and will support the bill which provides for an equitable adjustment of the pay rates of the postal employees of the Government. This wage adjustment has been long overdue because in all probability the postal employees have been the most poorly paid of all those in the Federal service. Recently, I believe 2 years ago, we passed a measure in this House which would, in a way, have adjusted at least a portion of the postal salaries. But that bill failed to become a law. I believe this measure, which is now before us, is a better one because it takes into consideration the wages and salaries of all the various employees of the Post Office Department and adjusts them on a very fair basis, in relationship to the increases which have come in all other lines of occupation as well as in the cost of living. Therefore, I expect to support both this rule and the bill.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER. Mr. Speaker, this bill will not only give postal workers a pay increase long overdue, as stated by the gentleman from Ohio, it will guarantee the maintenance of high efficiency in the Postal Service.

Post Office Department authorities are already finding it difficult to live up to the motto, "The mails must go through"; because of inadequate pay thousands of experienced postal workers have gone into other fields of employment in recent years. Other thousands will follow them if Congress fails to pass this bill today.

A study of the current and anticipated American standards of living, and in consideration of the qualifications required of postal employees, it is difficult to conceive that a personnel conducive to the required efficiency of the Postal Service can be induced to stay under present salary rates. And at the same time it is difficult to conceive how new capable men can be induced to enter the service.

President William C. Doherty, of the National Association of Letter Carriers, recently testified that manpower shortages within the Postal Service are acute. He said that management is finding it practically impossible to recruit needed personnel on the present outmoded pay schedules:

Existing critical conditions—

He said—

are no longer affecting letter carriers and postal workers alone. * * * Let it be said that the very future of he Postal Service and the fate of its personnel rests with the Seventy-ninth Congress.

I am told reliably that each day witnesses the registration of more and still more complaints of poor service. I firmly believe that if this legislation is not enacted into law there will be such a break-down in morale of those who have been loyal, that poor mail service will be commonplace rather than the exception.

Mr. BATES of Kentucky. Mr. Speaker, I yield to the gentleman from New York [Mr. ROONEY] such time as he may desire.

Mr. ROONEY. Mr. Speaker, I have requested this time of my distinguished colleague the gentleman from Kentucky [Mr. BATES] in order to very briefly stress the importance of immediate adoption of this resolution from the Rules Committee that merely makes in order the consideration of H. R. 3035, which is a bill primarily designed to rectify innumerable injustices which have been done over the years to the loyal, competent, and faithful employees of the Postal Service. I do not propose to usurp the thoughts of most of us who will gladly appreciate and take advantage of the opportunity of voting favorably on this rule and on the bill itself. I feel confident that this worthy and long-needed legislation will shortly receive the unanimous approval of each and every Member of this body.

Every citizen and taxpayer is familiar with the economic plight of the postal workers over these many years. The bill H. R. 3035, if I may say so, is merely an initial step in the direction of remedying a situation which for 20 years has been the bane in the existence of every efficient, faithful postal employee in the country. It seeks to correct a number of inequalities and injustices that have continued for quite some years between various branches of the Postal Service. It grants a permanent increase of $400 per annum in the basic pay of practically all employees of the Department. It provides for time and one-half pay for overtime work; allows 10 percent extra compensation, with some limitations, for night work. It also grants 15 days' leave of absence with pay and 10 days' sick leave with pay each year to all our deserving postal employees.

At last we are attempting to install this most worthy group of public servants upon a basis which is somewhat in line with and comparable to that of employees engaged in private industries. I am one of those who believe that since the cost of bare living has so greatly increased, this Congress must take immediate steps to equitably increase all wage scales in a proportionate amount. The industrial workers of this Nation should have a fair raise in their basic pay and appropriate adjustments should promptly be made for all Government and white-collar workers.

To return to the immediate problem, that of the post-office workers, I respectfully urge you to promptly adopt this rule so that we may as soon as possible consider and pass this extremely meritorious and long overdue legislation to which these competent, faithful men and women of the Postal Service are so justly entitled.

Mr. BATES of Kentucky. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. BURCH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3035) to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3035, with Mr. IZAC in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. BURCH. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, H. R. 3035 comes before the House with the unanimous approval of the Post Office and Post Roads Committee. This is a bill designed to reclassify and make equitable readjustment in the salaries of all officers and employees now in the field service of the Postal Department.

It will remove inequalities and inequities among employees performing like work. It will establish a fair wage scale. It will improve the working and wage conditions of regular and substitute employees and employees in third-class post offices and special-delivery messengers. It is also designed to make the Postal Service a satisfactory and attractive career for young men and women. The bill will provide in part for the greatly increased living costs for which temporary legislation was enacted.

This reclassification of salaries is not war legislation but is a long-range program which primarily will improve our Postal Service and the condition of the faithful people who carry it on.

The Postal Department is a Government-owned public-service organization which reaches every family, every man and woman, and every business in the United States. Its primary purpose is the transmission of social and business correspondence and the dissemination of information. It binds all the people together more than any other institution. Every citizen is a patron and a stockholder.

The magnitude of postal operations may be visualized when we picture some 43,000 post offices scattered throughout every State and Territory employing some 375,000 regular, substitute, and contractual employees. They handle some 35,000,000,000 pieces of mail annually.

It carries on financial operations amounting to $17,000,000,000 anually, including a Postal Savings bank with $2,500,000,000 on deposit with some 3,750,000 depositors; it provides other special services such as registered, special delivery, parcel post, directory, insured mail, money order, postal note, and C. O. D. services. It operates over 9,300 motor vehicles, said to be the largest fleet in the country. It maintains and operates some 3,200 public buildings. Its transportation services of air, rail, motor, wagon, horse, and boat interlace the earth, water, and sky.

It performs a vast amount of work for other Government departments and agencies, such as the sale of War Savings bonds and stamps, migratory bird hunting stamps, internal revenue and motor-vehicle tax stamps. It takes a census of certain kinds of livestock. It aids in censorship activities and assists in the apprehension of criminals. It provides local secretaries for the Civil Service Commission.

These and many other activities make the Postal Service close to the people and necessary to their well-being. It is one of the largest employers of men and women in the country, and in peacetime is the largest, by far, in the Government.

The work of the Postal Service requires a high type of loyal, intelligent, able, and industrious men and women. The science of mail distribution and the transportation, accounting for, and safeguarding the vast amount of mail and money involved requires men and women above the average in ability. The care of the people's confidential papers and messages requires persons of strict fidelity, high reputation and devotion to the public interest.

The last comprehensive postal legislation was enacted in 1925, 20 years ago. Since that time there has been legislation affecting various groups of postal

employees, mainly for the purpose of improving conditions, but many inequalities have crept into the postal salary structure. The basic salaries have not been increased and are wholly inadequate. We cannot hope to continue a good service under such a condition.

One purpose of this legislation is to wipe out inequalities and to bring up to a satisfactory point the pay of thousands of employees in the lower wage brackets commensurate with the importance of their work and the costs of living, which on the whole have steadily increased since the last wage readjustment in 1925.

Public Law 25, which became effective May 1, 1943, did give to postal employees an increase of $300, or in certain cases a 15-percent increase. That, however, is temporary legislation and expires on June 30, 1945.

The expressions of numerous Members of Congress; editorial comment in the press throughout the country; and manifestations of interest from the general public, have convinced the Committee on the Post Office and Post Roads that there is almost unanimous agreement that this legislation is long overdue.

I shall outline briefly some details of what this legislation is intended to do. First of all, it provides that practically all postal field employees now in the Service shall receive an increase over their present wages, and that no employee shall be reduced in pay as a result of this act.

Approximately 85 percent of all postal employees are in automatic grades, the greater number of them, the clerks and carriers, entering the Service at $1,700 and being increased $100 annually until they reach $2,100. Salaries in the Railway Mail Service begin at $1,900 and increase annually, as a rule, to $2,450.

Smaller groups not in the automatic grades, but which this legislation provides be placed therein, such as laborers, mail handlers, charwomen, and others in like employment, receive salaries of from $1,100 to $1,600 a year.

It is proposed that all employees in automatic grades now in the Service be given increases, but that new employees entering the Service shall start at the same grades as at present and be promoted annually $100 until they reach their respective maximum grade.

In the larger offices, and in the Rural Service, and the Railway Mail Service, it is proposed that three additional promotions of $100 each be made at the completion of 3, 5, and 7 years, respectively.

Present employees will receive immediate benefits. Newly appointed employees will start at the same salaries as at present, but if they stay in the Service and develop, they will be able, through annual promotions of $100 each, to attain salaries commensurate with their work and responsibilities.

The proposed legislation, while providing for the lower-paid employees, also provides for the supervisory group, whose compensation has long been inadequate considering their heavy responsibilities.

Difficulty is now found in obtaining suitable persons to accept supervisory positions because the first supervisory step is not sufficiently high to make it worth while. This is because clerical and carrier employees are paid for overtime work and through this oftentimes can earn more than supervisors in their offices. Another inconsistency is the fact that under present legislation, postmasters of the first class receive salaries of from $3,200 to $12,000 a year while their assistants receive salaries of but from $2,600 to $4,900. This inequitable condition exists throughout the entire postal supervisory service and should be corrected.

The bill also provides for uniform procedures for computing base compensation, overtime, night differential, annual and sick leave and hours of duties. These vary in the several branches of the service.

The proposed legislation will place clerks in third-class post offices on a salary basis rather than on allowances given to the postmaster to be distributed as he sees fit. It was found that these clerks now receive an average of 26 cents an hour, some as low as 14 cents, and postmasters of the third class have had to pay from their own pockets additional sums in order to retain suitable employees. It is obvious that this condition should be remedied.

The Special Delivery Service is unsatisfactory because it is difficult to obtain employees to deliver special-delivery articles at 9 cents each unless they are given such a large number as will make it worth while. When this is done, it is impossible to deliver all such mail promptly. The bill provides salaries for this group beginning at $1,600 and increasing $100 annually to $2,400 for employees engaged on a full time basis. It also provides that postmasters may utilize any office employee who is available for Special Delivery Service at his regular rate of pay.

The proposed legislation brings about a rearrangement of the salaries of rural carriers, and while the entrance salary is not quite as high as at present, automatic increases are provided for over a period of years. The plan devised is satisfactory to postal officials and to the rural carriers, and brings about an equalization of salary payments comparable with other branches of the service.

The employment of substitutes in the Postal Service and their compensation has always been a difficult problem. While at the present time there are but approximately 4,600 classified substitutes employed, this is due to war conditions, and after the war the authorized number of substitutes employed will be approximately 25,000. From time to time Congress has enacted legislation endeavoring to better the lot of these employees. In addition to bringing their salaries, which are on an hourly basis, up to those of regular employees, it is proposed that when substitutes are called for duty they shall be given at least 2 hours' employment. At the present time substitutes may be called and required to appear at the post office, and if for any reason there is not sufficient work for them, they are not paid anything.

While it is true that this bill does not meet all of the demands made by postal workers, it does meet with their general approval. It is found that in order to have a well-coordinated reclassification of salaries, it is impossible to meet some demands that may appear just. The bill brings about the greatest good to the greatest number, and it is agreed that to make changes in one part will bring about greater inequalities in other parts of the bill.

As I have said, the proposed legislation is not wartime legislation. Increased salaries are due postal employees because of two principal reasons. First, the standards of living have greatly improved since 1925, when the last basic postal salary readjustment was made. During the intervening years postal salaries have not kept in step with such improvements.

Secondly, it should be understood that the work in the Postal Service is much more intricate and difficult than it was in 1925. The science of mail distribution and its transportation and delivery has become more complex. The great advances in air, rail, and motor vehicle transportation, and the necessity for improved financial and accounting procedures because of new operations and increased business require a wider knowledge on the part of postal clerks to bring about efficient service. In addition, increases in personnel have not kept pace with increased work. In many instances fewer people are doing more work. It is clear postal salaries have not kept in step with the additional duties and added responsibilities of postal employees.

In 1925 we had 50,957 postmasters; now we have but 42,216, a decrease of 17 percent.

In 1925 we had 45,189 rural delivery carriers; now through extensions and consolidations, we have but 32,112 carriers. While the rural force decreased 29 percent, the mileage increased 16 percent.

Where we handled 23,000,000,000 pieces of mail in 1925, we now handle 35,000,000,000 pieces, an increase of about 60 percent.

Postal receipts have in this period increased 85.61 percent; in 1925 they were $599,600,000, in 1944 they were $1,112,800,000.

In 1926 salaries of personnel were $502,297,466. In 1944, $740,217,542, an increase of approximately 40 percent.

Our money-order business has increased 54 percent in items and 196 percent in value.

Annual postal-savings deposits have increased over 1,419 percent, with two and one-half billion dollars on deposit. The increase in depositors is 768 percent.

In our domestic air mail, where we flew approximately 4,834,000,000 pound-miles in 1933, in 1944 we flew 85,802,000,000 pound-miles.

In 1935 our postmasters handled $104,000,000 worth of Savings bonds; in 1944 they handled $1,671,000,000 worth.

This great increase in business seems stupendous, but it has been handled well. While you have the figures of this vast increase in business in mind, I wish to call your particular attention to the fact there has been an increase of only 5½ percent in full-time personnel.

Postmaster General Walker has well said in one of his annual reports that the work of the Postal Service requires skill, expertness, fidelity, and constant study,

and that the science of mail distribution and transportation and the accounting for and safeguarding and transmission of $17,000,000,000 annually calls for a personnel far above the average in ability. He has given the rank and file credit for the good work they have performed. That this work has been performed well is indicated by the fact that without taking credit for some 122 million dollars worth of free services provided by the Post Office Department, there was a surplus in 1943 of $1,334,555. This good record has been kept up in 1944 and a surplus of $37,768,000 has been reported, the first two such surpluses in 25 years. I understand that for the current fiscal year an even better record is being maintained.

The increase to regular and substitute employees will total $49,000,000, but note that this sum includes the cost of authorizing salaries to clerks in third-class offices amounting to over $10,000,000 in excess of the lump sum allowances heretofore granted to postmasters for clerical assistance.

It is thus apparent that the sum of approximately $39,000,000 is the net increase of salary payments, exclusive of overtime, night differential, and so forth made under present laws.

In the estimated cost of this bill there is included $1,345,000 for an increase from $3 to $4 per day in the travel allowances for railway mail clerks.

An increase in rent allowances for fourth-class postmasters is included, amounting to $505,000. This allowance is fixed by existing law at 15 percent of the postmaster's salary. It is not proposed to change this rate.

An increase in night differential pay is also included, amounting to $6,084,000. This increase results from the application of the existing 10-percent rate to the true hourly rates of pay as established by the bill.

The cost of the provision allowing postmasters and supervisors, for the purpose of fixing salaries, 100-percent credit for postal receipts, as compared with 85- and 90-percent credit under present laws, is $8,000,000, which is also included in the total over-all cost of conversion.

The conversion cost of this bill is its greatest cost, inasmuch as continuing the present entrance salaries for new employees and the same automatic grades for the first 5 years of service will offset the higher salaries provided for by additional automatic grades.

Briefly, the purpose of this bill is to do justice to the postal employees, the Post Office Department, and the people they serve.

A large part of the cost is for the purpose of removing inequalities, classifying employees who are not now on a regular salary and who are given allowances which bring about substandard wages, and to provide for additional positions and classifications brought about through the greatly increased volume of business and new services.

The part of the legislation which is designed to compensate employees adequately to meet the higher standards of living which have greatly improved since 1925 is thought to be well within a 15 percent increase.

Mr. HARTLEY. Mr. Chairman, the chairman of the Committee on the Post Office and Post Roads has made a very clear statement outlining the provisions of this bill. The Members on this side of the aisle want to see this bill passed as soon as possible. We have no requests for time. I simply wish to make this announcement: I propose to ask unanimous consent when we get back in the House that all Members may be permitted to extend their remarks at the point of general debate in the RECORD.

Mr. BURCH. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. STARKEY].

Mr. STARKEY. Mr. Chairman, I propose to utilize the time allotted me, to analyze and approach H. R. 3035, in the same manner as if it covered employees of private industry, and was subject to the wage stabilization division of the National War Labor Board. I am thoroughly convinced that the wage increases, reclassifications, and equalization of salaries in this bill come well within the Little Steel formula, intraplant inequalities, new positions, and rare and unusual cases, which are the formulas used by the War Labor Board.

I make this statement based on my past experience in dealing with labor-management problems. Permit me to say, not in a boastful manner, but merely to lay the foundation for some authority to speak on this subject, that for more than 25 years I have represented labor unions, either directly or indirectly, and only once during that period of time was there any stoppage of work on the part of a union I represented, and then for only 1 day.

Let me state further that from the very inception of the War Labor Board it has been my duty to fill out the required forms and submit supporting evidence to the Board for approval. In only one case did the Board refuse approval of wage rates submitted by organizations which I represented.

Based on this experience, let me say it is my opinion that not only would the War Labor Board approve the rates and changes embodied in this bill, but I am convinced this bill does not exhaust all of the limitations of the Board's orders, directives, and rules. I am further of the opinion that if an agency of the Government directs and compels private employers to grant increases, then the responsible agencies of government should apply the same formula in dealing with Government employees.

In considering H. R. 3035, there are four definite directives and orders of the War Labor Board which are applicable to this case.

First. The Little Steel formula, which means 15 percent increase over the total pay roll of January 1, 1941.

Second. Equalization of pay in wage ranges already established.

Third. Intraplant inequities.

Fourth. Equal pay for equal work.

On November 25, 1944, December 7, 1944, and February 20, 1945, the War Labor Board ordered, in cases involving three of the country's largest employers of labor, namely, basic steel, textiles, and meat packing, and used substantially the same language in each case. I quote:

> The company and the union shall negotiate the elimination of existing intraplant wage-rate inequalities. The following guide posts are established for collective bargaining.
>
> 1. The extent of wage adjustments required to eliminate intraplant wage-rate inequities will vary between the companies. From the record, it appears that little or no increase to eliminate intraplant wage-rate inequities will be needed in some plants where wage rates are now in a sound relationship. The largest increases in pay-roll costs may be expected where little or nothing has been done in the past to correct wage-rate inequities.

Permit me to interject at this point that certainly in the Postal Service, little or nothing has been done for the past 20 years to correct wage-rate inequalities.

Further, quoting from the Board's orders:

> 2. The maximum increases for any one company shall not exceed an amount equivalent to an average of 5 cents per hour for all its employees covered by this directive order.

The Postal Service can properly be considered one company and this directive, applied to the Post Office Department, would permit an increase equivalent to 5 cents an hour for all its employees, in addition to the 15 percent.

Applying these directives to the increases and adjustments of postal workers embodied in this bill, after granting the 15-percent increase to the total pay roll of regular employees, and treating wages of employees who are within an established rate range but not receiving the top range to which they are entitled, as intraplant inequities, it requires 4 3/100 cents per hour to make the adjustment, and replace the bonus presently being paid.

Therefore, it is evident that we are within the directives and orders of the War Labor Board in adjusting the salaries of regular employees.

There is another group within the Postal Service referred to as substitutes who receive less than the hourly rate of regular employees for whom they substitute. It is the universal practice in private industry to evaluate the job and set an hourly rate for the job, regardless of who performs the work. It will require $38,139,666 to replace the bonus and equalize substitutes' pay.

On June 5, 1943, the National War Labor Board handed down a decision involving male employees in which it is stated:

> This wage increase is made without regard to the Little Steel formula, but with regard simply for the democratic formula of equal pay for equal work in quantities and qualities in the same classification.

Again in their order of equal pay for equal work, which in the main involved women who were performing duties formerly performed by men, they made it crystal clear that where the quantity and the quality of the work was the same that the wages should be the same, regardless of sex.

The fact that these substitutes do not have regular hours of employment—at least, not in normal times—the Board has gone even further when on August 16, 1944, the National Board upheld the tenth region in its findings, and I quote:

All employees working less than 5 full consecutive days in any calendar week shall be paid 10 cents per hour above the scale in the classification in which they work.

Therefore, it is very obvious that placing substitutes on the same hourly rate as the regular employees does not militate against nor should it be considered in determining the 15 percent general increase and the 4 3/100 cents per hour to correct inequities among regular employees.

There is also included in this figure an amount for placing clerks in third-class post offices on a regular salary basis. At the present time postmasters in these offices are given an allowance for clerk hire, based on receipts of the office; and they may employ clerks on any basis they desire. The difference in the amount now allowed and the salary to be paid is $2,060,800.

Deducting the above amounts from the original total increase of $143,051,990, we arrive at a figure of $102,851,534, which is the amount required to replace the bonus, correct inequities, and grant increases.

Applying the Little Steel formula permits an increase of $80,172,846. There are 271,113 regular employees who work 2,024 hours per year or a total of 548,732,712 hours, collectively. Applying the 4 3/100 cents to the total hours gives us $22,138,678 or a total equal to the increase provided for regular employees under this bill.

Now just a word to explain some of the inequalities existing within the Postal Service among regular employees.

The salary range of first-class postmasters is from $3,200 to $12,000 per annum, and for assistant postmasters from $2,600 to $4,900, depending upon the receipts of the office. This bill does not increase the salary of postmasters receiving $6,000 per year and up. An assistant to a $6,000 postmaster receives $3,700 or only 61.6 percent of the postmaster's salary. The percentage continues to shrink gradually and when we reach the $12,000 postmaster his assistant receives a salary which is only 40.8 percent of that of the postmaster.

This same condition exists among employees who are now performing the functions, but not carrying the title or receiving a salary commensurate with the responsibilities of general superintendent of finance, general superintendent of mail, and superintendent of incoming and outgoing mail, and their assistants, and other supervisors.

The Post Office Department has three grades of clerks doing precisely the same work with maximum salaries under the old law of $2,450, $2,300, and $2,100 per year, respectively. It is common practice throughout the Post Office System that these three grades of clerks work side by side in many instances, or in different locations within the system, doing exactly the same work.

In figuring the amount involved to correct these inequalities we have not taken the highest figures of $2,450 per year, but the middle grade of $2,300 per year. There are at the present time 47,755 post-office clerks who have the required length of service and efficiency rating to permit them to be raised to the $2,300 grade. The present law permits this increase but the appropriation does not. Therefore, very definitely under the rules that govern increase, and the fact that they do precisely the same work as the higher paid employees, there is an intraplant inequality and this bill corrects the situation by placing all clerks on the same salary schedule.

City delivery carriers take the identical examination as clerks and are required to have the same educational and other requisites to qualify for the examination. They are interchangeable, sometimes being assigned as clerks and clerks assigned as carriers. Here again, there is a definite inequality, and this bill makes the adjustment.

There are also inequalities existing among drivers of motor vehicles. Drivers of half-ton trucks now receive a top salary of $2,300, while many drivers of 5-ton trucks are limited to only $2,100 per year. None of these conditions would be tolerated in private industry.

Permit me to add that both the Department of Labor and the Federal Reserve bank made surveys as to the increased rates of pay in private industry. The Labor Department studied wages in mining, manufacturing, and railroads and reached the conclusion that there has been a 20 percent increase in wages from 1925 to 1941. The Federal Reserve bank's study included all private employees and school teachers, but excluded other Government employees and reached the conclusion that the increase was 18 percent during the same period, while the salaries of the postal employees remained the same in 1941 as they were in 1925.

All of these facts most certainly, in my opinion, justify passage of this bill.

We have many charts and a large amount of figures and data indicating the tremendous increase in the volume of business and functions of the postal service which substantiate our contention of increase in responsibilities and duties, and justifies the conclusion reached by your committee. This data is much too voluminous to comment on here.

Mr. HARTLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I am heartily in favor of this bill. For many years the postal employees have been rendering meritorious service in all kinds of weather without just compensation. Simple justice demands that their services be recognized by the speedy passage of this bill.

Mr. McKENZIE. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, the legislation that is being considered by the House this afternoon to bring about a more equitable pay for deserving postal employees, not only of the Government, but of the people of this Nation, is most desirable.

I call attention to several unusual circumstances in connection with mail deliveries:

Several Florida cities have weathered hurricanes without disruption of the mail service. During the severe blows of 1926 and 1928 carriers made collections of letters from street boxes while nearly everybody else in town had sought refuge from the storm.

In the Northwest the rural and star-route carriers have their troubles in winter. One man in northern Wisconsin regularly makes his deliveries on skis. Another carries his mail in an ice boat occasionally. Snowshoes and ice skates have been important factors in making deliveries. Many of the carriers in the Northwest use sleighs.

One rural carrier, Walter R. Blanchard, of Hilbert, Wis., was hopelessly snow-bound one day, but a farmer helped him shovel his sleigh out. He continued on his route, cut through fields, dug his way through snowdrifts, and finally delivered all his mail. When he finished he was so nearly frozen that he was unable to unhitch his team.

Another old-timer, Thomas Connell, has served his patrons by buggy, by cart, with sleighs, afoot, and on horseback, by two- and four-horse teams, and on skis. A carrier in Mississippi who has a long route over very bad roads generally keeps two automobiles, has been known to wear out two cars in 1 year. He has to ford streams, go through sand beds, put on chains to climb a slippery clay hill, drive on muddy roads, and sometimes has to be pulled out of a bog.

One of the most unusual rural routes in the postal service is 300 miles long and extends from Point Barrow along the coast of Alaska to Kotzbue. It is carried by an Eskimo with a sled and dog team and sometimes 2 months are required for a round trip.

The first emergency that confronted Postmaster Hogan, of Chicago, more than a hundred years ago was solved in a unique manner. He made his headquarters in a log cabin and along the wall he nailed a row of boots, each of which became a receptacle for the mail of some regular patron. This was the first delivery system of its kind on record. The balance of the mail he stuck in his tall hat and delivered on foot.

Pioneers in the West were confronted with problems much worse. Letters to people whose whereabouts were not known were simply addressed "In the Boone's Lick Country," or "Out West." Strangely, many of these letters were delivered. A packet of letters so addressed would be passed from one settlement to another, from cabin to cabin, and any deliverable mail extracted. When the letters had gone the rounds of all known settlers they were then tacked onto the walls of the last cabin, where anyone who entered might see them. Many of them were claimed eventually, and those that were not claimed after 6 months were opened and read by the community, all of whom were anxious for news of any sort.

A permanent requisite of postal employees is patience. One day in a small Kansas town a lady presented a money order at the post office window. She was

asked to endorse it and, taking the pen, she wrote on the back of it: "I heartily endorse this money order." When she was told to sign it as she ordinarily would sign a letter, she wrote: "Your loving wife, Mary K. J."

Some of the most illustrious names in American history are linked with the postal service. Benjamin Franklin was the first Postmaster General. Franklin, incidentally, inaugurated the patronage system by appointing his son-in-law Comptroller of the Post Office. Under the crown Franklin had been permitted to frank mail thus: "Free. B. Franklin." When the colonies declared their independence, Franklin changed his frank to this: "B. Free Franklin."

I believe that H. R. 3035 will pass with almost unanimous approval, and I hope the Senate will act promptly on the measure that justice may be done these loyal and efficient workers.

Mr. BURCH. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. WEISS].

Mr. WEISS. Mr. Chairman, exclusive of our fighting men and women, no group has done a better job during this war than the post-office employees. Yet the postal employees are truly the forgotten men of America. Not a single individual in this country can explain our failure to give them proper recognition. Every major newspaper in the Nation has advocated a pay raise and a reclassification bill for the postal employee. Every major public-opinion poll likewise favors a raise in the present basic pay of the postal worker, which has remained unchanged since the Coolidge administration in 1925.

Then who is to blame for this inaction? The Congress of the United States, and only the Congress. It is time we act. It is time we practice the principles we preach. We Congressmen have complained that our salaries are inadequate to make ends meet during this high-cost-of-living era. Well, how about the postal employee, with his family usually larger than ours. How can he make ends meet on his present salary? His working responsibilities have definitely increased. Today the Postal Service is moving an unprecedented volume of mail. It has sold bonds and stamps, helped register aliens, delivered millions of ration books, and assisted with other special wartime services. And on top of all this has been piled the movement of millions upon millions of service letters and packages to and from the far ends of the earth.

The Postal Service has not been exempted from the draft. A very large percentage of clerks, mail carriers, and other postal workers are at the front. It has been difficult and at times impossible to replace them. Therefore, the gigantic job increased by war has been done by a short-handed staff.

Yet, there has not been any postal strike, nor disturbance, nor any high-pressure action to force better pay. It is universally admitted that if any private employer had treated his workers as Uncle Sam has treated the postal employees, there would be 15 alphabetical agencies on his neck with a prompt order for retroactive pay increases—in addition to a fine and penalty—for freezing wage rates at arbitrary levels below the cost of living. As one Member of Congress, I will insist that Uncle Sam no longer remain immune. Where is the equity and justice in allowing Uncle Sam to crack the whip on a private employer in order to force him to maintain a decent standard of living for his employees, yet let Uncle Sam be blinded and ignore his own employees? The faith and loyalty of the postal worker has never been challenged. Let the Congress recognize this faith and loyalty by promptly enacting into law the Burch reclassification bill, now known as H. R. 3035.

Extensive public hearings were held on the original Burch reclassification bill, known as H. R. 2071. Instead of reporting out H. R. 2071 with amendments, it was considered better to introduce H. R. 3035 in order to simplify procedure. All of the postal organizations were represented at the hearings before the committee and strongly urged a favorable report on the bill. Approximately 200 Members of Congress informed the committee, either in person or by written statements, that they considered this proposed legislation extremely meritorious and long overdue. During the hearings, emphasis was placed on rising living costs throughout the Nation within the past few years, and it was shown that postal employees are having a difficult time meeting their essential living expenses on the basis of their present compensation. The committee is thoroughly convinced that postal wages should be increased so that they will be in line with wages and salaries in private industry and the Postal Service will be able to retain competent employees.

The purpose of the bill is to reclassify salaries in the several branches of the field service of the Post Office Department commensurate with the importance and complexity of postal work; to arrange for uniformity in computing compensation and making salary payments; to provide improved working and wage conditions for classified substitute employees and nonclassified clerks in third-class post offices and special-delivery messengers, and, in general, provide such conditions that will attract to the Postal Service men and women of character, loyalty, ability, and industry, and thus bring about improved service to the public. The bill, so far as basic salaries are concerned, is proposed as permanent legislation and not as one to meet wartime conditions. Such conditions are provided for in section 20 of the bill which provides that during the emergency and for 6 months thereafter employees shall be paid overtime for services required on Saturdays. The bill proposes to bring about uniformity in the entire postal salary structure and give each class of work its due relative importance. It is designed to remove inequities and inequalities in the salaries of employees performing like work, and in the bases of their compensation. The necessity for the reclassification and standardization of postal salaries is of long standing. The present basic salary structure was enacted in 1925. While a large number of beneficial laws affecting separate groups of employees have been enacted since, these have been enacted without at all times considering the services as a whole, and the basic salaries have remained the same. It seems recognized generally that basic maximum salaries are too low. Remedial legislation through Public Law 25, effective May 1, 1943, to correct this condition, provided for increases of $300, or 15 percent. This law, however, becomes inoperative July 1, 1945, which points to the need for legislation before that date.

Let us make a career in the Postal Service worth while. For years Government subsidies were necessary to maintain a standard of service to the American people. Today, however, the Postal Department has been operating at a profit—exceeding the sum of $150,000,000 this past year. This profit should and must be shared with the postal employee.

I am happy that Chairman BURCH incorporated into his bill the provisions of my bill for time and one-half for overtime. Time and one-half is enjoyed by all American labor—so why exempt the postal employees?

The provisions of the Burch bill are reasonable and just and this recognition for the postal employee is long overdue. Everyone agrees that today they are decidedly underpaid. The Burch bill corrects this injustice.

I appeal to the Seventy-ninth Congress today to rise to its stature of statesmanship and responsibility by promptly passing this most meritorious measure, H. R. 3035, to reward our faithful postal employees.

Mr. McKENZIE. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. KELLEY].

Mr. KELLEY of Pennsylvania. Mr. Chairman, it is gratifying to see this bill, H. R. 3035, brought out on the floor of the House for consideration. Its objective is to bring about a much-needed salary increase for the loyal employees of our postal system. It provides them their first pay increase since the year 1925, with the exception of the temporary bonus of $300 which they are now receiving and which will expire on June 30.

H. R. 3035 is a worth-while measure and constitutes a basis for further upgrading of postal salaries. The postal workers, one of the most deserving groups in our Government system, have long been due a reward for their tireless public service. In this war, their contribution has been inestimable. An over-all adjustment of postal salaries has been drastically needed for years and has been earnestly advocated by all those interested in postal reform. H. R. 3035 is indeed a step in the right direction, and I hope the House will act favorably on it this afternoon.

Mr. McKENZIE. Mr. Chairman, I yield such time as he may desire to the gentleman from Delaware [Mr. TRAYNOR].

Mr. TRAYNOR. Mr. Chairman, the individual that coined the phrase "the forgotten man" surely had in his mind the postal employees.

For 20 years the employees have maintained a dignified silence as to pay increase and have proven their loyalty to

the Government when other employees of the Government have received substantial increases.

During the Seventy-eighth Congress an increase of $300 was granted until June 30, 1945.

The Post Office Department is one of the most important departments of the Government. In fact, it is the only self-sustaining Department with employees numbering 277,477 regular employees, 57,771 classified substitutes, making a total of 368,504 employees of the Postal Service. The Postal Service is a Nation-wide institution and it is in some respects one of the largest business undertakings in the United States.

In the fiscal year of 1944 its operating revenues were approximately $1,110,-714,000, and its expenditures under appropriation items approximately $1,088,-175,000, leaving a gain of $22,539,000. This year the Department expects to have a surplus of $117,000,000.

No corporate business of this size could for long operate efficiently and expect to remain solvent without a rather complete knowledge of the facts regarding each branch of its activities and in no respect is this need absent in the Postal Service, even though deficits, when they occur, are met readily from the United States Treasury, to give to its owners, the people of the United States, efficient service at minimum costs consistent with high quality, with the burden equitably distributed among users.

I believe the postal workers are the poorest-paid employees of the Federal Government.

The bill H. R. 3035 drawn and recommended by the Postal Department will be, I believe, after being heard and acted upon by the Committees on Post Offices and Post Roads of both Houses of Congress, a good start in correcting most of the discrepancies which are present in the pay envelope of the loyal employees of the Post Office Department. I feel that better times are in sight for the postal employees.

The Government has begun to recognize the value of the postal employees and the contribution made by them to the Nation during the present conflict. I am confident, with the passage of this bill, the Government will, in a small way, compensate them for the splendid work they have been doing.

Mr. BURCH. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I wish to commend the Committee on the Post Office and Post Roads for reporting House bill 3035 favorably. This committee has performed a most constructive service in reporting this bill to the House. They have been very diligent and painstaking in their hearings. I know this because I appeared before this committee on two occasions supporting and asking that this legislation for our postal employees be made a law. On both occasions they accorded me most courteous and kind consideration as well as the others who appeared before them in support of the measure.

This bill should receive the support of every Member of the House whether he be a Republican or a Democrat as this is not a partisan bill but it might be called a humanitarian piece of legislation and a measure to bring "economic justice" to a group of our most loyal and hard-working Government employees—postal workers. In season and out, in bad weather and in good, in snow, rain, storm, the letter carriers deliver the mail regularly and without interruption. Congressmen can feel close to the postal employees for they handle the many pamphlets and books and other literature during a campaign and they do the job efficiently, quickly, and without complaint.

Certainly it is our postal employees that have been the "forgotten" people in this period of increased prices and increased living costs. While we looked upon them for efficient and essential service during all these days, we have forgotten them on pay day. When we realize that for 20 long years these hard-working patriotic employees have not had a raise in salary, we bow our heads in shame for the treatment accorded this fine group of our citizens.

Members of Congress, let us do the honest, right, and just thing by passing this law and granting to the postal employees this additional compensation.

Mr. SMITH of Ohio. Mr. Chairman, I voted against the postal employees permanent pay raise because I do not think this is the time to permanently raise Federal employees' wages. I voted for a temporary raise in the salaries of postal employees as a war measure and would have voted to extend this for the duration. Furthermore, it was the understanding when this temporary pay raise was voted, that no permanent wage increase would be requested until after the conclusion of the war.

Also, it is my understanding that a study is being made of the entire Federal wage schedule with the view of making salary adjustments. I feel that it would be better to have a thorough picture of the over-all situation before attempting to make any change in the wage rates.

Wages and farm prices are fixed by the Government and are not permitted to be raised and they have no assurance these will even be maintained at the present level after the war. I believe we should treat all groups alike.

I voted against increasing my own salary $2,500 just a few days ago. I feel certain that my constituents want me to do everything possible, not only to hold the line against inflation, but to be as fair as I possibly can to all groups.

Mr. ANGELL. Mr. Chairman, I am heartily in accord with the objectives of H. R. 3035 and regret exceedingly that the bill did not become a law during the last Congress. This is a new bill to take the place of H. R. 2071, and includes the committee amendments. I had the opportunity to appear before the Committee on the Post Office and Post Roads in support of this bill and want to congratulate the committee on their early consideration of this measure and favorably reporting it out unanimously, as I understand.

The purpose of the bill is to reclassify salaries in the several branches of the field service of the Post Office Department commensurate with the importance and complexity of postal work; to arrange for uniformity in computing compensation and making salary payments; to provide improved working and wage conditions for classified substitute employees and nonclassified clerks in third-class post offices and special delivery messengers, and, in general, provide such conditions that will attract to the Postal Service men and women of character, loyalty, ability, and industry, and thus bring about improved service to the public. The bill, so far as basic salaries are concerned, is proposed as permanent legislation and not as one to meet wartime conditions. Such conditions are provided for in section 20 of the bill, which provides that during the emergency and for 6 months thereafter employees shall be paid overtime for services required on Saturdays. The bill proposes to bring about uniformity in the entire postal salary structure and give each class of work its due relative importance. It is designed to remove inequities and inequalities in the salaries of employees performing like work, and in the bases of their compensation. The necessity for the reclassification and standardization of postal salaries is of long standing. The present basic salary structure was enacted in 1925. While a large number of beneficial laws affecting separate groups of employees have been enacted since, these have been enacted without at all times considering the service as a whole, and the basic salaries have remained the same. It seems recognized generally that basic maximum salaries are too low. Remedial legislation through Public Law 25, effective May 1, 1943, to correct this condition, provided for increases of $300 or 15 percent. This law, however, becomes inoperative July 1, 1945, which points to the need for legislation before that date.

We all know that these faithful Federal employees have not had raises in salary for 20 years with the exception of the wartime emergency increases which we authorized heretofore and which expires on June 30. Under this bill mail-carriers' pay will range from $1,700 to $2,700. It also provides for an 8-hour day and compensatory time for work on Saturdays, Sundays, or holidays, and overtime in emergencies requiring more than an 8-hour day. It also has a 10-percent differential for night work and a 15-day vacation with pay.

The bill generally provides for increase in salaries of postmasters, clerks, and other postal employees, but the faithful letter carriers are also included, who certainly are entitled to consideration. They have been the forgotten men of the Federal employees' family.

The bill provides 11 grades for city-delivery carriers, clerks, and employees of the Postal Service whose work is comparable to that of clerks and carriers, beginning with grade 1 at $1,700 per annum, with annual promotions to the eleventh grade at $2,700. Existing law provides for 5 grades and the first 5 grades in the proposed bill are the same as at present. For employees at first-class offices, in the Railway Mail Service, and in the Inspection Service 3 addi-

tional grades are provided for those who perform faithful and meritorious service, viz: grade 12 at $2,800 per annum after 3 years; grade 13 at $2,900 per annum after 5 years, and grade 14 at $3,000 per annum after 7 years. This feature provides regular promotions for employees commencing with their first year of work and ending with the twenty-fifth year. Ten of the promotions may be attained within 10 years. During this period an employee is required to progress from comparatively simple duties to work involving considerable special and technical knowledge and skill, combined in many instances with financial responsibility.

I hope that the bill will receive the unanimous approval of the House so that it may go over to the other legislative body and receive early action and be enacted into law without further delay.

Mr. MARTIN of Massachusetts. Mr. Chairman, this legislation to grant a permanent increase in pay for postal carriers and clerks is long overdue. No upward adjustment in the basic pay rates of these fine public servants has been made since 1925. There is no harder working branch of the Federal service than our Post Office employees, and this bill merely provides tardy recognition for the fine, efficient service rendered by these faithful workers. It would be unfair for us to fail to award this measuse of justice, and as a practical matter, it should be done in order to retain many of these experienced men in the Post Office service and maintain a high level of efficiency.

I sincerely hope this legislation will again pass the House, as it did last December, and that at this session it will finally be enacted into law.

Mr. HARTLEY. Mr. Chairman, this bill, H. R. 3035, is probably the most comprehensive salary-increase bill ever to be reported by the House Committee on the Post Office and Post Roads, which represents months of arduous study by our committee, and has been reported with unanimous approval.

In addition to the general salary increase, it provides a basis for the overtime and night differential that will be more equitable among the various branches of the Postal Service and in addition will simplify pay-roll procedures.

Critics of the bill may argue that the additional cost of the $150,000,000-a-year increase is too high. It should be pointed out, however, that over eighty-four million of this amount will be represented by the time-and-a-half-overtime feature alone. Most of this will be eliminated when the manpower situation becomes normal again.

No group in America is more entitled to the consideration of this Congress than our postal employees. This is the first increase to their base pay since 1925. While living costs have increased, their base pay has remained stationary for over 20 years, the only change being the 15-percent reduction which they were given under the Economy Act.

The Post Office Department is a service department that our Government affords its people. Its expansion is interwoven with the history of our great Republic. In many particulars it has been responsible for our expansion westward. It has attracted to itself men and women of high caliber, who have rendered efficient service to the American people.

That this high quality of service is appreciated by the American people is best proved by the widespread and wholehearted approval that has been expressed in favor of this legislation by citizens throughout the land.

This bill, H. R. 3035, which will bring long-delayed justice to these faithful employees of the Post Office Department, has been carefully prepared by our committee, and I sincerely hope that it will be passed without amendment.

Mr. VOORHIS of California. Mr. Chairman, I am for this bill. I believe its passage is overdue. The post office workers of this Nation represent governmental service to the people at its best. They are a credit to our democracy and its institutions. A bill similar to this one passed the House last year with, I believe, but one dissenting vote. This time, I hope it will be unanimous.

Mr. HOPE. Mr. Chairman, I heartily favor this bill, H. R. 3035, which reclassifies salaries in the Postal Service. The unanimity of the support which this bill is receiving from Members of Congress is a great tribute to the Postal Service and its many thousands of employees all over the Nation. Every citizen of this country is in almost daily contact with our postal employees. He sees them in their daily work; he knows them as neighbors and fellow townsmen; and he forms his impression of Government employees and of the efficiency of Government itself from these contacts. The fact that this bill has received such strong support, not only in Congress, but throughout the country, indicates that people generally are pleased with the kind of service which they have been getting through the Post Office Department. It indicates the high regard which they have for postal employees and their appreciation of the splendid service which they render day in and day out through the years.

It has been 20 years since we have had general legislation affecting the Postal Service. During that time the service has expanded and grown tremendously. The character of the service has changed in many instances. New duties have been given postal employees. It is true there have been pay adjustments in certain cases, but the time has now arrived when Congress should pass comprehensive legislation covering the entire field of postal employees.

I do not suppose that anyone would contend that this is a perfect bill. There are no doubt some groups of postal employees who feel that their particular situation has not been fully taken into account. It may be necessary later to make some adjustments. The committee had the job of reconciling many conflicting viewpoints. I think it has done an excellent job. This bill is intended to, and will, benefit every postal employee. I am happy to give it my support.

Mr. WOLVERTON of New Jersey. Mr. Chairman, the bill under consideration is to reclassify the salaries of postmasters, officers, and employees of the Postal Service, and to establish uniform procedures for computing compensation.

This bill has the unqualified endorsement of all postal organizations. It should have the unanimous approval of the membership of this House.

This legislation is highly meritorious. It seeks to correct a condition that has existed too long. The postal employees are the "forgotten men" of the Government service when considered from the standpoint of long-delayed salary adjustments to meet the ever-rising cost of living. Justice to these faithful employees requires that the matter shall no longer be delayed.

During the last few years it has been difficult for postal employees to meet the increased cost of living upon salaries fixed in 1925. Through the years our postal employees have worked faithfully and conscientiously. In recent years they would have been far better off, from a financial standpoint, if they had taken positions in war industries or other private industries that were paying much higher wages. But they have remained at their post of duty in expectation that the justice of their claim would be recogized. This recognition should have come long ago. However, the opportunity is now at hand, and it is the duty of this House to pass the pending legislation and thereby rectify the wrong and unjustice that has prevailed for so many years.

I consider it not only my duty but a privilege to cast my vote in favor of this bill.

Mr. SPRINGER. Mr. Chairman, during this brief time allotted to me, I wish to state at the very outset that I intend to support the pending measure, H. R. 3035, which will give to the postal employees simple justice in the readjustment of their wages and salaries. Throughout the length and breadth of this country the people realize that the postal employees have been long denied an increase in their compensation, and I am happy that this measure is now before the House so this question can be debated, voted upon, and finally decided.

May I say, Mr. Chairman, that many years ago the postal employees were granted a slight raise in their pay. Since that time the cost of living has increased, the standard of living has been enhanced, but the postal employees have had to go forward from year to year with the same wage and salary. Yet their duties have continued, and in many post offices those duties have been more than doubled during the past few years. During the period of this war I am convinced the duties of our postal employees have increased tremendously, yet those faithful employees have carried on—they have faithfully performed their duties in fair and foul weather; they have done a wonderful job for the people of this great Nation.

Mr. Chairman, the report filed with the pending measure indicates that the last readjustment of salaries of postal employees was in the year 1925. That being the case, these people are entitled to an adjustment now. In the face of the increase of salaries and wages of

practically every other class of Government employees—many of those having desk jobs, and in the performance of their work they are not exposed to the inclement weather that many of the postal employees encounter—this is certainly the time and here is the place where this class of our Government employees may be given the slight increase embraced in this bill, and to which I am constrained to believe they are justly entitled.

Mr. Chairman, I will fully support this bill. It is my best judgment that this increase is entirely merited, and it will grant equity where equity is due.

Mr. WELCH. Mr. Chairman, throughout my entire membership in the House of Representatives I have supported legislation to improve both the working conditions and the salaries paid to our conscientious and hard-working postal employees. I have always felt these employees of our Government were underpaid and were justified in their efforts to secure just compensation and better working conditions.

I sincerely hope this just bill, H. R. 3035, will pass the House by a unanimous vote and will speedily be enacted into law, thereby bringing a long-delayed relief to our faithful and deserving postal employees.

Mr. BLACKNEY. Mr. Chairman, I am heartily in favor of H. R. 3035, a bill to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes.

The purpose of this bill is to reclassify salaries in the several branches of the field service of the Post Office Department commensurate with the importance and complexity of postal work; to arrange for uniformity in computing compensation and making salary payments; to provide improved working and wage conditions for classified substitute employees and nonclassified clerks in third-class post offices and special-delivery messengers, and, in general, provide such conditions that will attract to the Postal Service men and women of character, loyalty, ability, and industry, and thus bring about improved service to the public.

I think everybody will concede that our postal employees, before the war and especially during the war, have had an unusually arduous job to perform and that they have performed their duties with an unusual degree of ability and loyalty.

All of the postal organizations were represented at the hearings before the Post Office and Post Roads Committee and strongly urged a favorable report on this bill.

The general purposes accomplished by this bill may be defined as follows:

First. The bill provides a $400 per year increase over present base pay to practically every person in the Postal Service, in lieu of the $300 per year temporary bonus which expires June 30, 1945.

Second. It introduces the principle of longevity pay in many of the branches of the Postal Service.

Third. It removes many of the inequalities and injustices that have existed for a long time between various branches of the Postal Service.

Fourth. It provides for time and one-half pay for overtime work.

Fifth. It provides 10 percent extra over the hourly day rate for postal workers, with some exceptions, who are required to work nights.

Sixth. It grants to all postal employees 15 days leave of absence each year with pay, and 10 days of sick leave with pay each year.

This bill will grant to a great body of worthy postal employees additional advantages over their present situation. Our Postal Service has long been the admiration of our country and I am heartily in favor of this bill for the reasons set forth and for the additional reason that it will bring a ray of hope to those employees of our Postal Service who, by their efficiency and competency, have raised the Post Office Department to its high level of public efficiency.

Mr. GAVIN. Mr. Chairman, I want to take this opportunity to state that I heartily endorse H. R. 3035 and sincerely trust that it will be speedily approved in the House.

I have been interested in the affairs of the postal workers for the past several years and I do not know of any group in the Federal service who are more faithful, loyal, and dependable workers than those in the Postal Service.

Certainly the people of the Nation recognize the excellence of their performance over the years, day in and day out, and they deserve any increases that may be granted to them.

It has been generally recognized increases for this branch of the Federal Government have been neglected for a considerable length of time and I am surprised that more of their number have not sought other occupations.

The people are indeed fortunate that they have been faithful to their work and stayed on despite the fact that this increase should have been granted sometime ago.

They have faith in their job and they have faith in the Post Office Department and I hope this faith will be justified in the action of the Congress today in the rapid approval of this legislation.

Their work has been outstanding and everywhere throughout my district I hear hearty commendations of their performance—a performance that might well be emulated by other branches of the Federal Government.

This legislation is timely and I know this will renew their faith that Congress wants to do the right thing and that the people of the Nation do appreciate the splendid work of the Post Office Department and its thousands of employees.

Mrs. LUCE. Mr. Chairman, I have, of course, repeatedly stated my position with respect to salary adjustments for postal employees. These employees have not had a raise since 1925. They work for the Government of the richest country on earth. Let us not neglect them any further. These employees stuck to their jobs during this war, and saw that the mail got out, while others were seeking war jobs with higher pay. If any employee in the Government service deserves recognition, the postal worker does.

I hope this bill is overwhelmingly passed.

Mr. PRICE of Florida. Mr. Chairman, I favor the passage of H. R. 3035 because the vast majority of the postal employees have remained with the Department through the war when it would have been possible for them to have gone into defense work and doubled their salary. These loyal and efficient employees have not had a raise in pay in over 20 years. It is true that they are now receiving a wartime bonus but this will soon be stopped unless this bill becomes a law.

This bill does more than merely make the wartime bonus permanent. It revises the entire pay schedule and allows a more equitable system of pay increases, thus giving some incentive to the postal employees to stay with the Department and render loyal, efficient service.

In my estimation, this measure is nothing more than a just reward for a group of our citizens who are now, and who have been over many years, rendering an outstanding service to our country.

Mr. DOMENGEAUX. Mr. Chairman, I am very glad that Congress is taking steps to bring about necessary readjustment in the pay of those engaged in the Nation's Postal Service. This legislation has been delayed too long. Twenty years have elapsed since any upward revision was made in the basic salary rates of these loyal and efficient workers upon whose shoulders rest much responsibility and whose duties involve exacting labor. Their work, as we all know, is vital to the successful functioning of Government, to the operation of private enterprise, and to the economic and social welfare of all our people. Yet their salaries have remained below those of large numbers of persons engaged in less essential employment, private and public. This situation should be remedied promptly and I am sure Congress intends to see that this is done.

H. R. 3035, which is now being considered, replaces the original measure, H. R. 2071. The Committee on the Post Office and Post Roads, which considered this legislation most carefully and conducted numerous hearings, had at first intended to report out H. R. 2071, with amendments. In order to simplify the procedure, however, it was decided to introduce H. R. 3035, which includes some changes in provisions of the former bill. These changes are based to a considerable extent upon views expressed by representatives of the various postal branches who appeared before the committee.

H. R. 3035, so far as basic salaries are concerned, is designated as permanent legislation and not as a measure to meet wartime conditions. Such conditions are provided for in a section which states that during the emergency and 6 months thereafter, employees shall be paid overtime for services required on Saturdays.

The bill is intended to bring about uniformity in the entire postal salary structure and give each class of work its due relative importance, to remove inequities and inequalities in the salaries

of employees performing similar work, and in the bases of their compensation.

In the matter of general salary increase, this legislation stipulates that regular employees in automatic grades shall be assigned to the salary of their respective position on the basis of their base salary plus 20 percent, or $400, whichever is the lesser amount, but not less than $300. It provides that nothing in this proposed law shall operate to decrease the pay of any present regular employee to an amount less than annual base pay plus $300.

Under this reclassification program, the salaries of postmasters and supervisors, now based on 85 percent of gross receipts in nondelivery offices and 90 percent at delivery offices, would be changed to a basis of 100 percent of gross receipts. All postmasters of the first-class offices, except those now receiving $6,000 and more, would receive increases of from $300 to $400 over their present base pay. Those of the second-class offices would receive increases of $400 to $600 over their base pay and additional benefits through the 100-percent clause. Postmasters at the third-class offices would be benefited by reason of the 100-percent provision and increases of $300 over their base pay, while those at the fourth-class offices are giving increases of 20 percent in this bill, and they will also benefit through the 100-percent arrangement.

These benefits are gratifying, but in my opinion the increases the postmasters would receive under this bill are not sufficiently large enough in proportion to those granted others connected with the Postal Service, considering the postmasters' duties and responsibilities.

The measure places clerks in third-class offices, employed not less than 40 hours per week, in automatic salary grades of from $1,200 to $1,700, instead of being paid from allowances given the postmasters, a practice which has resulted in inadequate allowances for these clerks and has made it necessary for the postmasters to pay additional compensation out of their own pockets in order to retain satisfactory employees.

Eleven grades are designated for city-delivery carriers, clerks, and employees whose work is comparable to that of clerks and carriers. Grade 1 is put at $1,700 per annum, with annual promotions leading to grade 11 at $2,700. For employees at first-class offices, in the Railway Mail Service, and in the Inspection Service there are three additional grades for those performing faithful and meritorious service. Grade 12 is placed at $2,800 per annum after 3 years, grade 13 at $2,900 after 5 years, and grade 14 at $3,000 after 7 years. This feature provides regular promotions for employees beginning with their first year of employment and ending with the twenty-fifth year. Ten of the promotions may be attained with 10 years.

In preparation of this bill, the principle of regular promotions over a period of several years has been applied to all classifications of employees below the grade of supervisor. Entrance and maximum salaries have been fixed to correspond with the comparative difficulty and importance of the work.

The carriers in the Rural Delivery Service, who in the past have been paid on a mileage basis, are classified in 14 grades, with automatic promotions to and including grade 11 and three additional grades to which promotion can be made for faithful and meritorious service the same as provided for carriers in the City Delivery Service.

Among the other provisions are those pertaining to overtime and night differential. The bill provides that overtime and night differential payments be made on the basis of 253 days, which is 365 days less 52 Sundays, 52 Saturdays and 8 holidays. Under the present system, overtime is paid on a basis of 305, 306, and 360 days. The change is intended to establish equality among the several branches of the Postal Service and also simplify pay-roll procedures.

In emergencies or if the needs of the Service require, an employee working in excess of 8 hours a day would, under the new plan, be paid on a basis of 150 percent of his hourly rate of pay.

The legislation also includes measures for improvement of the Special Delivery Service.

I believe that benefits to the greatest possible extent should be granted to those in the Postal Service. We all appreciate the fact that the readjustments are badly needed. We know that it has been most difficult for these employees, particularly in the lower-salary groups, to meet the increased cost of living. We know also of the loyalty and efficiency with which these workers have stuck to their posts, keeping the mail service up to standard at all times and under all conditions. Their duties have been multiplied because of the war and the fact that 50,000 postal employees are on military leave, making it necessary for the Post Office Department to employ many older persons, and in numerous instances students from the schools, in order to meet this manpower emergency. The success with which the Postal Service is maintained in time of peace or in time of war and in the face of many handicaps is an outstanding tribute to everyone connected with this great agency of our Government.

An added factor which should be taken into consideration is the realization that the Post Office Department is now a paying institution. From this standpoint, as well as from others, increased salaries are in order for those whose services have contributed to the Department's growth and the gain in revenues. No longer are deficits shown by this phase of Federal operations. Reports show a postal surplus of $37,768,028 for the fiscal year of 1944, and those of $117,643,897 and $265,214,280 are predicted for the fiscal years of 1945 and 1946.

The great number of letters received by Members of Congress from those outside the Postal Service urging support for reclassification legislation shows that the general public is greatly interested in the cause of the postal employees. This is natural, for the duties that these employees perform affect the lives of all our citizens. We all depend upon the mail service, to which we are so accustomed, and which is such a part of the American way of life that we cannot conceive what would happen if this part of the Government was to cease functioning.

I am particularly interested in the adoption of H. R. 3035 from the standpoint of benefits to the clerks and other employees in post offices throughout the land and to the carriers who day by day, through the heat of summer and the cold of winter, amid rain or snow or storm, go faithfully and uncomplainingly about their work. To each and every one of us the mailman is more than just an employee—he is our friend through whom, to such a great extent, we maintain our contacts with our fellow men.

I am also especially in sympathy with the needs of the postmasters. Perhaps in this I am somewhat influenced by the fact that my father was for many years a postmaster and I know, from the services he rendered, the labor and the problems involved in that position.

H. R. 3035 is a worthy and comprehensive measure. There has been no more deserving legislation before Congress, and there is no more deserving group of employees than those who are doing such a fine job in the handling of the vast mail system of our Nation. Aside from the very justice of their case, here is an opportunity for Congress and the country to show all those in the Postal Service appreciation for their loyalty and for the efficiency they demonstrate in their various duties.

"The mail must go through" is the daily creed of everyone connected with the Postal Service.

"H. R. 3035 must go through" should be the motto of Congress in working for speedy enactment of this legislation.

Mr. KELLY of Illinois. Mr. Chairman, the Committee on the Post Office and Post Roads is to be highly complimented on the bill (H. R. 3035) to reclassify the salaries of postmasters, officers, and employees of the Postal Service.

Although the history of wages for the past 25 years has been one of ups and downs in most fields, there has been no field which has gone steadily downward, with no ups, than has that of the postal workers.

This fact is rather irreconcilable, since postal works are employees of our Government, which makes every effort to see that employees of private business receive just and fair treatment.

Time and one-half for overtime the Government has considered fair for employees of private business, but not fair, apparently, for their own employees.

Sometime during the past 20 or 25 years, practically every kind of worker has had some pay increase. The postal worker, however, because of increasing living costs and a static income, has seen his standard of living go lower and lower.

Why has he been discriminated against? Is the job of delivering the mail less important than other jobs? Is the intelligence requirement lower than for other jobs? Are his hours shorter and less arduous?

The answer to these questions is an emphatic "No."

There are not many jobs fundamentally more important. Many phases of our life today depend on the prompt

and accurate service of the postal employee.

The intelligence requirements for his job are high. Beginning with a Civil Service examination, he is examined 2 or 3 times a year, over facts used in his work. As many as 2,000 unrelated facts must be learned year after year, for the postal employee, and, particularly, for the railway postal clerk, to hold his job.

Many railway postal clerks work from 10 to 14 hours a day, with a minimum of 8 hours per day for postal workers.

The men in the Railway Postal Service have to stand on their feet for this long period of hours, with only a few hours of sleep.

I have seen the health of these workers ruined, because of long, irregular hours and meals.

The post-office employees in 1943 received a bonus of $300, as a wartime measure. The cost of living has increased to such heights that little can be done on the salaries they now receive, including the bonus.

This bill, so far as basic salaries are concerned, is proposed as permanent legislation and proposes to bring about uniformity in the entire postal salary structure and give each class of work its due relative importance. For this, the committee is to be highly commended.

However, under section 9–U, in the supervisory capacity, many supervisors, under this bill, will receive less than a 10-percent increase and I am anxious to see some change brought about that will place these men in the same category as other employees.

Mr. JENSEN. Mr. Chairman, I will not take much time to voice my approval of this bill, H. R. 3035, because it will not be necessary, as I am sure the bill has almost unanimous support in the House, as the final vote will show.

This is fair and needed legislation which will show our appreciation and to some degree compensate the postal employees for the wonderful, efficient service rendered to all the people of our Nation.

We are especially grateful to them for their untiring, patriotic service during the war in the efficient handling of all-important military mail and mail to and from our fighting men and women all over the world. It has been a difficult job well done.

Now, Mr. Chairman, if the Congress would only do something for the underpaid star-route carriers by passing H. R. 2000, we could then say we have dealt equitably and fairly with all who handle our mail. That bill provides 6 cents per mile equipment allowance plus 75 cents per hour wage. Also it gives permanency to the job, but does not put them under civil service. At the present time star-route carriers receive on an average about 8 cents per mile, which must take care of equipment expense and wages, which has proven to provide a mighty poor existence for these good Americans who dare not bid high enough for fear of losing the contract regardless of pay because it does give them a living, such as it is. I hope the Post Office and Post Roads Committee can induce the Postal Department to recommend the passage of H. R. 2000, for I am sure the Congress and the American taxpayer will approve it when all the facts are properly explained and developed.

Mr. Chairman, no man can say I am too liberal with the taxpayers' dollars, for my record in Congress will prove the exact opposite, but I certainly want the men and women who labor to receive fair and just compensation for their toil, as my record will also prove.

In fact, Mr. Chairman, I am more liberal today with the postal employees than I was with my colleagues and myself last week when I opposed the extra expense allowance for Members of this House because I feel we can squeeze through better than many others during these days of rising living costs.

Mr. HAGEN. Mr. Chairman, today the House of Representatives no doubt will vote overwhelmingly for this bill to reclassify salaries of postmasters, officers, and employees of the Postal Service, and to establish uniform procedures for computing compensation. This bill, known originally as H. R. 2071, came here to the House from our Post Office and Post Roads Committee under the new title of H. R. 3035.

As a member of this committee, I can testify that the job of whipping H. R. 3035 into shape was no easy one. The committee members have worked long hours on this bill. We are indebted to the Post Office Department for the splendid cooperation they have given Chairman THOMAS BURCH, and the rest of the members of our committee. Representatives of the many postal employee groups and postmaster organizations also have been helpful and are supporting the bill.

Because this measure affects so many thousands of Federal employees who have been underpaid for years, it has created Nation-wide interest and support. Thousands of postal workers and other citizens have written to Members of Congress and to the committee members asking for early passage of this bill.

Many newspapers throughout the Nation have editorialized on the need for a measure which would rectify existing inequalities within the service and would bring the salaries of postal employees onto a level comparable to the salaries of other Government agencies and departments.

Although H. R. 3035 represents a great stride forward for the postal employees, there will be times in the future when revision of the legislation will be necessary and desirable. However, we will take a much-needed and long-desired step forward today. I hope every Member votes for this measure.

Mr. HOEVEN. Mr. Chairman, I am very happy to support H. R. 3035, which reclassifies salaries in the Postal Service. It was my privilege to serve on the Committee on the Post Office and Post Roads during the sessions of the Seventy-eighth Congress and during that time became rather well acquainted with the problems of our postal employees.

This bill simply proposes to bring about uniformity in the entire postal salary structure and give each class of work its due relative importance. The fact that it is designed to remove inequities and inequalities in the salaries of employees performing like work, and in the bases of their compensation, is commendable.

The necessity for the reclassification and standardizaton of postal salaries is of long standing and this bill remedies a situation which should have had attention long ago.

Mr. BRUMBAUGH. Mr. Chairman, during the Seventy-eighth Congress it was my privilege to support H. R. 4715, approved by the House, December 14, and providing a permanent increase of $400 in the basic salaries of postal employees. Unfortunately in the closing days of the Seventy-eighth Congress the measure failed to reach a vote in the Senate with the result that the postal workers of the Nation were denied the increase in salaries they so richly deserve.

I am pleased that during the present session of Congress H. R. 3035 has been introduced and discussed at length in an effort to perfect a measure that would reclassify the salaries of post-office personnel. While this measure may not be perfect in every detail it is agreed that it is a meritorious bill and seeks to correct inequities in the pay schedule of postal workers as compared to the pay rolls of other Federal agencies and in private industry.

An effort has been made by the House Committee on the Post Office and Post Roads to give justice to the various groups of post-office employees and to report a bill that will reveal a desire to protect the best interests of them. H. R. 3035 embodies the views of this important House committee and is the result of careful deliberation and therefore is entitled to favorable consideration. It is a well-known fact that the Post Office Department through the aid of loyal postal workers has established an enviable record for loyal and efficient service despite wartime conditions that presented many obstacles to the continuance of the high standard of the United States Postal Service. Then too, the realization that the morale of employees is an important consideration in the success of any business enterprise is an added factor in warranting favorable action on H. R. 3035 as it is over 20 years since any increase has been provided in the basic salaries of postal employees.

There are many additional reasons of compelling force for approval of the provisions of H. R. 3035 and I am hopeful that there will be little time lost in recognizing the Nation's debt to the postal employees and that by a favorable vote on this meritorious measure we will in a tangible manner show our appreciation for the loyalty and service of post-office workers who by their efforts have aided immeasurably in maintaining the speed and efficiency of the United States Post Office Department, which is recognized as a model of perfection in the field of communications.

Mr. TIBBOTT. Mr. Chairman, the employees of our Postal Service have not received the consideration to which they are entitled. The job which they have done and are doing is remarkable. Since the outbreak of this war, the letter carriers and their postal personnel have been shouldering a work load which

greatly exceeds that of normal times. With the manpower shortage and other obstacles facing the postal employees they have managed to perform their difficult tasks with smoothness and efficiency. They have every reason to believe that an increase in salary should be given them. The mail man making his deliveries in the neighborhood is a friend and comforter to families of many boys now serving in the armed forces. This is one group who are justly deserving of an increase of salary. I am happy to give my support to H. R. 3035.

Mr. STEVENSON. Mr. Chairman, I am proud to be a member of the Committee on the Post Office and Post Roads, and to have had a small part in drafting the postal employees pay increase and reclassification bill, known as H. R. 3035, now before the House, and which I trust will be passed by a unanimous vote.

This bill is the first piece of legislation to be considered by the House for 20 years that gives all postal employees and carriers a fair and reasonable increase in pay—which should have been given to them years ago. It provides an average increase of $400 a year to all postal clerks and employees and carriers, with time and one-half pay for overtime work, 10 percent extra pay for night work, 15 days' leave of absence annually with pay, and 10 days sick leave each year with pay; and introduces the principle of longevity pay in several branches of the Postal Service.

Another good feature of this bill is, that for the first time in the history of the Postal Service, the men in this department of service of the United States have a fair and impartial opportunity for advancement and promotion, with resultant pay increases.

In some instances in the reclassification of the various departments of the Postal Service I would like to have seen higher increases provided in the bill for the loyal and faithful work done by those patriotic workers for Uncle Sam who have served their country in this Department of the Government for many years without tangible recognition of their loyalty, and for more and better rewards for the long and many years of faithful service these men have given to the country.

I want to repeat here what I said before the committee and before the House when I appeared in behalf of the Postal Service employees and carriers last fall when H. R. 4715 was before the House for consideration: Postal clerks, employees, and carriers have been working for our Government without an increase in wages for almost 20 years. When it comes to freezing wages at arbitrary levels below the cost of living at pre-war rates, the Government is one of the worst offenders. Freezing wage rates at arbitrary levels below the cost of living and binding men to jobs at pre-war incomes, is destructive of the advancement of a free people and a free government.

Our loyal Postal Service workers have stuck to their jobs early and late, in and out of doors, in the torrid heat of summer and the frigid cold of deep winter, in all forms of weather, under all conditions of climate, in temperatures ranging from 40° below zero in midwinter to 120° in midsummer.

During the years while we have been serving the cause of freedom with our allies bringing the common enemy to their knees, our loyal and faithful postal employees have been serving their country, and have come through 100 percent, in spite of a shortage of manpower, bringing messages of assurance from our fighting men in the service to the folks back home and delivering millions of messages of love and inspiration to the men at the front from their loved ones.

During the past two decades the postal employees have been denied consideration in the adjustment of income in face of the rising cost of living. The people realize what service their postal employees have given them. For the first time in history of pay-increase legislation, the people back home have been writing their Representatives in Congress, exhorting us to draft legislation that will assure the loyal, faithful, and hard-working postal employees an increase in pay which they so well deserve, and to give these men the recognition they have earned, for which they should have been rewarded long ago.

I trust the body at the other side of the Capitol will carry out the wishes of the people, and pass this bill without delay, before the present temporary wage adjustment for postal employees has expired.

Mr. LARCADE. Mr. Chairman, it gives me great pleasure to see the unanimity here for the enactment of this bill, and I think it is a fine tribute and acknowledgment to the fine service and spirit of a group of loyal Government employees who have been and are rendering such splendid work, and who have exhibited their devotion to their important work, many even at a personal and a substantial pecuniary sacrifice, and, to say the least, the increase in remuneration, though belated, is certainly, in my opinion, deserved, and I, therefore, will cast my vote favorably on this legislation.

Mr. BARRETT of Wyoming. Mr. Chairman, I want to commend the committee for its splendid work on this legislation. To my way of thinking, the salaries of postal employees should have been reclassified many years ago. No class of people has rendered more loyal service under all conditions. This country should be a model employer, but its record with the postal employees during the past 20 years certainly does not merit that distinction. In my opinion, this bill will correct that situation. I hope H. R. 3035 passes without a dissenting vote.

Mr. HORAN. Mr. Chairman, I want to thank the committee for this opportunity. I consider this legislation as a just step in the proper adjustment of some of our most faithful of public servants. I feel that this bill should pass unanimously.

Mr. SUNDSTROM. Mr. Chairman, I wish to advise the Members that I am heartily in favor of H. R. 3035, and I am glad that the Committee on the Post Office and Post Roads have acted so promptly in getting this bill before the Seventy-ninth Congress early in the session. I voted for the salary increase for postal employees in the Seventy-eighth Congress and regret that the bill did not become law.

I want to compliment the committee for the fine work they have done and the carefully prepared bill which they have presented. In my opinion, this is a comprehensive bill and eliminates a great many inequities within the service itself and corrects and improves the method on which salary is based.

This is the first increase in the base pay of postal employees in 20 years. I sincerely hope the House will vote unanimously in favor of this group of loyal, hard-working, and efficient Government employees.

Mr. CAMPBELL. Mr. Chairman, I know of no group of men which is more worthy of consideration than the men affected by this bill. They have conscientiously fulfilled their duties regardless of the weather and other conditions which made their work very laborious. Much has been accomplished through them in the way of bringing to the homes from the boys at the front messages that were longingly looked forward to. Regardless of snow, sleet, and rain the mail carrier has performed faithfully the duties assigned to him, and the passage of this bill shall bring to him the much-deserved and too-long-postponed consideration. I heartily favor the passage of H. R. 3035.

Mr. ROE of Maryland. Mr. Chairman, it gives me great pleasure to support the bill now before us, H. R. 3035. Certainly, our postal employees have been woefully underpaid, and the bill before us gives them an increase which they greatly merit and honestly deserve.

I hope there will not be a vote against this bill when the roll call takes place.

Mr. GARY. Mr. Chairman, this is the first time that I have ventured to voice my views on the floor of the House. Some of my constituents will probably think it strange that, although during my campaign, I emphasized the need for economy in Government during the post-war period, I am making my first speech in support of salary increases. I do not consider, however, that there is any inconsistency in the two positions. If we are to maintain a sound fiscal condition, we must curb our expenditures, for no nation can long continue to prosper under a policy of deficit financing.

It is now generally recognized, however, that in view of our large Federal debt and other necessary expenditures, we are faced with the necessity of maintaining our national income at a much higher level than that reached at any time prior to the war. To accomplish this we must encourage production and sustain purchasing power.

The proper encouragement of production must come through adjustments of our tax laws designed to restore the profit incentive to industry and to provide inducement for investment capital. Purchasing power can be sustained only by maintaining a high standard of living. Of course, we must guard against excessive inflation and its attendant evils, but if we attempt to solve our post-war economic problems with unreasonably low level salary and wage scales, in

my humble opinion, we shall create chaos rather than order.

The basic pay scales of the postal employees are at present unreasonably low, and there exist many inequalities between individuals and groups. There has not been a general adjustment for over 20 years. The Committee on the Post Office and Post Roads has labored long and hard to work out a fair and just bill. The House now has this measure before it as H. R. 3035. No one claims that it is a perfect bill, but it is an honest attempt to properly reward a conscientious group of Federal employees who have always maintained a very high standard of service. In the theatrical world there is a tradition that the show must go on; in the Post Office Department there is a tradition that the mail must be delivered. Such service merits adequate compensation. I trust that it will be the pleasure of the House to pass this bill.

Mr. SHARP. Mr. Chairman, I, too, am strongly in favor of this bill. It has long been a mystery to me how the letter carrier has survived, squeezed as he has been between the high cost of living and the low-wage scale.

During the past 20 years the general wage scale has risen but the letter carrier has been the "forgotten man" in public service. He has not had a raise in 20 years.

It is time we adjusted this gross inequity. I urge the unanimous passage of this legislation.

Mr. LATHAM. Mr. Chairman, I believe the discussion here today has made it crystal clear that, in light of the services which they perform, and commensurate with the ever rising cost of living, our postal employees are the most underpaid of any class of citizens performing a vital task in the cause of our war effort.

In peacetime, their duties are tedious and exacting, but in time of war it is obvious even to the casual observer that these duties multiply many times, and become more arduous. Throughout the country, staffs of experienced postal employees have been diminished to a bare minimum by entrance of men into the armed services, necessitating hiring of inexperienced assistants, and throwing the burden of responsibility on the remaining skeleton forces. These employees work a regulation 48-hour week. However, during the extra load on the first of the month and on so-called heavy days, these hours are extended indefinitely, requiring as many hands as can be mustered to keep the mail moving.

Not only do they work long and hard. Few realize that these public servants must have a never-failing, sympathetic understanding of the problems of those they serve. Let me read to you part of a letter from a personal friend, long a member of the Postal Service. I quote from his letter:

> Another factor in our work as letter carriers, which few people understand, is our intimate contact with a war-torn public. People have war nerves; they are frantic with worry about their sons, husbands, sweethearts, and brothers in the service; they stand anxiously before their homes every day, in rain and cold, and wait for us, or they follow us about, sometimes all over our routes, begging for their letter beforehand, or just pleading for knowledge of received mail. "I don't want to bother you, mailman. I know you are busy, and you are working hard, but please tell me—I'm so worried; my boy is in Germany, fighting on the front line—have you got a letter from him? Can you remember? You don't have to give it to me now if it's too much trouble. Just tell me, have you got a letter?" It is hard to refuse such a poignant request; and we try to remember, as we rack hundreds of letters in the morning before we begin our deliveries, the worst cases of hysteria, and we place those letters in the flaps of our mail pouches for ready reference when the mothers and the wives and the sisters come to us for help. There are dozens of urgent cases like that on every block we serve; and they constitute an added burden for us. But we try to smile, to say an understanding word; we try to ease the pain and worry a little. In our small, humble, real way, we minister to the home front.

In order that fair and adequate wages be paid this worthy group, and in some small way to say thanks for a job well done, I believe we should pass this bill unanimously and give these men their long-deserved raise.

Mr. HAVENNER. Mr. Chairman, the people of my congressional district believe that the employees of the Post Office Department deserve a raise in pay. I have heard from them in overwhelming numbers in favor of the passage of this bill, and have not received a single communication in opposition to it. The will of the people is the law of the land, and this measure unmistakably represents the will of my people. It should be enacted by unanimous vote.

Mr. ROBERTSON of North Dakota. Mr. Chairman, there is no question but that this legislation is long overdue. There is no public servant more faithful than the postman, and certainly no public servant who serves every individual in the Nation more directly than the mailman.

I doubt if the average city dweller has any conception of the multitude of services rendered by the small town postmaster of the second and third class, or that fourth class postmaster whose office is located in his store on the four corners. These men are looked up to in their community as the contact between the citizen and his Government. They perform many duties in addition to those connected with postal affairs, such as selling bonds, defense stamps, car stamps, duck stamps. In fact during recent years these postmasters have given almost their entire time to such services for the paltry sum of a few hundred dollars a year.

I feel that members of the committee have given a careful study to this whole postal salary question, and that the bill reported by it is probably the best solution that can be offered at the present time to correct the inequities which have existed for these many years. I commend members of the committee for their diligent work and the result of their labors. I am heartily in accord with their findings and will support the bill.

Mr. ROWAN. Mr. Chairman, while it is quite apparent that there is a unanimity of opinion favorable to H. R. 3035, that is seldom witnessed in the House of Representatives, nevertheless I would feel remiss in my obligations to this great loyal, patient, long-suffering and underpaid band of Federal employees if I did not again raise my voice in their behalf today. It is my hope that this bill will be passed without a dissenting vote so the postal employees of the United States will have a 100-percent endorsement of their plea for wages that will be commensurate with the present high cost of living.

The postal employees' motto is "The mail must be delivered" and so it was that during these years when others were receiving pay increases the postal employee struggled on valiantly to do the best job he could in an emergency, while often his own family suffered greatly because of the meager compensation that was contained in his "take home" pay envelope. Even this bill, in my opinion, does not bring the wage of the postal employees up to a figure comparable to that which the majority of skilled workers in the United States are receiving today. It is, nevertheless, a belated recognition of the spendid service that this vast army at the home front has rendered to the American people during the critical days of the war. I have been particularly impressed by the arguments made by the wives and dependents of the postal employees who have pointed out emphatically that the post-office worker for a long time has been the "forgotten man" in the Government service and that they have been members of the "forgotten family." Seldom in my experience in Congress have I derived as much satisfaction as I know will be mine when, in a few moments, I answer the roll call with a resounding "aye" in favor of the great army of long-suffering, patient, loyal, conscientious employees of the United States Postal Service.

Mr. FULTON. Mr. Chairman, I am in favor of this raise for our good and faithful postal employees and will vote for this bill giving the worthy postal groups increases in pay and other proper recognition which are long overdue.

Previously I have pointed out to Congress and to the various Government departments that members of the Armed Forces feel that it is not too much to ask a Government employee to do a full day's work for a full day's pay. When a group of employees gives that full day's measure of work and more without complaint and efficiently operates their department of the Government at a profit, we should recognize such full day's work by giving them proper increases to make the full day's pay to which they are rightfully entitled. I believe this bill is simply the first step in the right direction.

Mr. DOYLE. Mr. Chairman, the reclassifying of salaries in the United States Postal Service is so sensibly, soundly, and sincerely proposed by the Post Office and Post Roads Committee of this great Congress in its most ably prepared bill now being debated by us that I bespeak for its unanimous approval. Having personally appeared before the committee in support of this bill and having discussed its merits with some of the members of the committee who sat through all the hearings, I believe that the analysis of the needs and desserts

of the splendid men and women of our Postal Service are represented by this bill. Not that every classification of our Postal Service is by it receiving every increase which was asked by every particular group of employees, supervisors, or postmasters, but I am confident that our Postal Committee has most sincerely and capably achieved a meritorious result. This bill, if enacted, will level up the income of the mass of postal employees to a decent level for the necessities of life. I do not believe it is yet as high as it should be, but it is an equitable beginning. It is more than 20 years in arrears now. Let us make the vote for it unanimous.

Mr. JUDD. Mr. Chairman, I am happy to be able to vote for this long overdue increase in salary to the postal employees who have served so faithfully and efficiently under increased burdens and most difficult circumstances during recent years.

Last fall when H. R. 4715 was before us I hesitated to commit myself because it did not seem to me to deal adequately or fairly with all the inequities which had developed in the Postal Service and which could be remedied only by a rather thorough reclassification and general overhauling, dealing with matter of overtime, night work, holidays, length of time in service, and so forth, as well as with an increase in basic compensation. This present bill, H. R. 3035, accomplishes those things in satisfactory fashion, I believe, and goes a long way toward giving the long-overdue recognition and reward which these employees have so worthily earned.

Mr. POAGE. Mr. Chairman, having twice voted against general postal pay raises since the outbreak of war, I feel that I probably should give the House a word of explanation of the vote I expect to cast this afternoon. Today I shall vote for this bill. I shall also vote for an increase in the salary of other employees of the Government when that measure comes before us as it will within a few days.

Ever since this war began, I have feared inflation. I supported the Gore amendment to the first Price Control Act. Had this amendment been adopted and had all elements of costs been controlled at the very beginning, I believe we might have avoided much of the increase that we have observed in the cost of living. I opposed the cost-plus system of letting contracts. I believe that system was and is inflationary. I have felt that it was just as important to maintain the purchasing power of the worker's dollar as to increase the number of his dollars. I think that after making a poor start we have done a very helpful job of price control. Certainly, we have done much better than we did during the last war.

Last December I was the only Member of this House who voted against a general pay raise for postal workers. I am human like all the rest of you. I found no pleasure in voting against the wishes of so many of my friends, but I felt then that the passage of that bill could only be followed with a general pay raise for all Government employees, and as soon as this Congress votes a general pay raise for Government workers, it must of necessity allow private employers to raise private wages—and we will be well started on the ruinous road to inflation. The danger is still with us. The war is not won, but it has progressed to a point where we may at least hope to avoid the worst features of inflation—particularly inasmuch as we can reasonably expect a substantial increase in the volume of goods produced for civilian use. I hope we may avoid the disaster that a general pay raise 6 months ago would have surely brought upon us.

I would not, however, be willing to take this chance even today were it not for the fact that I have always tried, throughout my public life, to accord to the humblest citizen every right or privilege that I claimed for myself. I cannot, therefore, in view of the action of the House last week in voting each Member a $2,500 per year expense account, vote against an increase in the income of other citizens, many of whom undoubtedly need an increase more desperately than do the Members of this body. I fear that these increases may very well bring about such an increase in living costs as to wipe out the benefits to both classes, but I am determined to treat my fellow citizens just as we have treated ourselves.

It is true that I voted against and spoke against the increase for Members of Congress. I was defeated. The majority of this House voted for the increase. If it is approved by the Senate and the President, I will share in its benefits, and even if it never becomes law, the collective will of the House is recorded as favoring an immediate increase in the income of Members of this body. I will not be a party to any procedure that denies to others the same privileges that are extended to me. Therefore, I shall vote for this increase in the income of the postal workers with the sincere hope that it will be of real benefit to them in the way of providing added purchasing power. I want to see the postal workers and all workers enjoy the highest possible standard of living. Possibly my fears of the effect of inflation are exaggerated. I hope they are. I hope that the progress of the war against the Japanese will be so favorable that it will be possible for every citizen, whether Congressman, postal employee, or private worker, who may get a larger income in dollars, to enjoy a higher standard of living. In such an event I will gladly confess that I was unduly alarmed.

Mr. CORBETT. Mr. Chairman, H. R. 3035 is an excellent bill. It deserves and probably will secure the almost unanimous support of the House. The absence of opposition here today is eloquent testimony to the fine cooperative efforts of the postal authorities, the postal employees, and the House Committee on the Post Office and Post Roads. The bill contains a satisfactory increase in basic wages and salaries, it provides advancement for meritorious service, and it establishes proper compensation for overtime work.

But H. R. 3035 is not perfect. It contains a number of necessary compromise provisions. It leaves a number of inequalities still existing which should be speedily corrected. To my mind its chief lack is its failure to properly compensate the veteran employees who have waited up to 20 years for a basic wage adjustment, and who have now reached an age in service that will prevent them from enjoying the benefits of the action. It is my intention to support and sponsor legislation to correct this and other injustices that could not be dealt within the bill.

The introduction and hurried consideration of amendments today might only serve to scramble the salary schedule jig-saw puzzle which has been put in orderly outline. It might also result in the defeat and consequent unfavorable attitude toward adjustments that should be made. No single group of postal employees can be satisfactorily dealt with without consideration of the whole group. Hence I hope the Senate of the United States joins us in passing this bill substantially unaltered, or altered only after diligent study.

Some say that the postal employees should not be given a raise at this time because to do so would be to violate the Little Steel formula. This argument has only a surface foundation. The Little Steel formula was agreed to as a means of preventing runaway wages and subsequent inflation. It was designed to affect workers who had the means of bringing extreme pressure on employers for higher wages. It was not and should not have been intended to include groups like the postal employees and school teachers who do not possess the instrumentalities of the strike, slow-down, work stoppage, and collective bargaining.

Postal employees can only secure a pay raise by appealing to Congress, and it is not their fault that their appeals were not heeded before wage freezes existed. The raises which this bill embodies are raises that have long been deferred. If someone cares to be technical, we could well refer to this legislation as a continued contract negotiation. Consequently, I am satisfied, and I think most of the legislators in the several States and in the Congress are satisfied, that the Little Steel formula does not apply to postal employees, school teachers, and others in an analogous situation.

Over and above all other arguments, however, is the fact that the postal employees have been doing a magnificent job despite inadequate compensation. Now, with more than 52,000 of their group in the armed forces, they are efficiently handling more mail than ever and performing a multitude of additional duties as their part of the war effort. The postal employees have earned the raise here provided. They should have received it long ago.

But that is not the end of the matter. The people of the United States want the best postal service possible. They know its vital importance to business, family relations, and the comfort of loved ones. They want it to continue to improve; and to improve the morale of its personnel must be properly sustained. The people are proud of their postal service and they desire to reward their postal servants. I have received hundreds of communications in support of the bill and I would

have received other hundreds had my favorable position not been known. Likewise I am appending to these remarks editorials from the three papers in my home city of Pittsburgh, Pa., which illustrate the same popular support of the bill.

Mr. Chairman, I sincerely hope that every Member of this House votes for the enactment of H. R. 3035, and I hope the Senate will act just as promptly and just as decisively to give our postal employees adequate and fair compensation.

The following is an editorial appearing in the Pittsburgh (Pa.) Sun-Telegraph:

JUSTICE LONG DELAYED

The Post Office Committee of the House of Representatives, after many weeks of consideration, has finally given favorable and unanimous action to the long-pending measure designed to give the thousands of postal workers in the United States their first basic pay increase in 20 years.

This is an important step in the direction of accorded justice to the postal workers, but of course only a step.

Many times in recent years the postal workers have seen their petition for adequate pay get this far, and no farther.

Committees have reported favorably on the matter before, without achieving the ends of acknowledged justice.

On several occasions, one House or the other of Congress, has actually passed the postal pay increase bill.

But it is no credit to Congress, and none to the country as a whole, that none of these "steps in the right direction" have resulted in upward adjustment of the shamefully low pay of the postal workers.

This time the bill must pass.

This is true because it is no longer only a matter of doing simple justice to the postal workers involved.

President Henry C. Daugherty, of the National Association of Letter Carriers, made this clear in a recent letter to Mr. William Randolph Hearst.

Mr. Daugherty wrote Mr. Hearst because, as he said, "the Hearst newspapers have had a wholesome effect in focusing public attention to the plight of the postal workers."

"The crusade conducted by your newspapers," he continued, "stands out like a beacon light.

"Every citizen should be grateful for the magnificent manner in which you have sounded the warning.

"There still exists a grave danger—the development of an inferior postal system."

That is the real danger in the present situation.

If continued injustices to the postal workers simply meant that these hundreds of thousands of vital workers would be compelled to exist on substandard living wage they have endured for the last 20 years, it would be bad enough.

Mr. Daugherty points out something worse. "The manpower shortages within the Postal Service are already acute," he warns. "Management is finding it practically impossible to recruit needed personnel on the present outmoded pay schedules. Existing critical conditions are no longer a matter affecting letter carriers and postal workers alone. * * * Let it be said that the very future of the Postal Service and the fate of the personnel now rest with the Seventy-ninth Congress."

The future of the Postal Service is at stake because the underpaid postal workers are tired of substandard living, tired after 20 years of futile waiting for the performance and fulfillment of broken promises.

Accordingly, thousands of them have already gone into other fields of employment where they can live the American way, and other thousands will follow them if the present Congress falls down on its promises and duty, as the previous sessions of Congress have been doing for the last 20 years.

If for no other reason than the simple justice of the matter, Congress should approve the postal pay increase bill; but in the vital public interest of preserving our essential and efficient postal system it must do so.

The following is an editorial appearing in the Pittsburgh (Pa.) Press of April 21, 1945:

POSTAL WORKERS NEED AID

Nobody outside the armed services has done a better job during this war than the post office. That goes for the whole of them—carriers and clerks and all the other complicated human mechanism that moves the mails.

The Postal Service has moved an unprecedented volume of mail. It has sold bonds and stamps, helped register aliens, delivered millions of ration books and assisted with other special wartime services—and on top of this has been piled the movement of millions of service letters and packages to the ends of the earth.

The Postal Service has not been exempted from the draft. A very large percentage of clerks and carriers and other postal workers are at the front, and it has been difficult and often impossible to fill their places. Therefore this big job has been done by a shorthanded staff.

There has never been a postal strike nor disturbance nor any high-pressure action to force better pay.

Yet postal employees get the same pay they did in 1925, save for a $300 per year cost-of-living bonus paid each worker regardless of base pay. This is far less increase compared to pay scales as of 1925 than can be found in practically any other class of work. And this bonus has been paid for only 2 years.

Under existing law even this temporary bonus expires next June 30.

To meet this situation the House Post Office and Post Roads Committee, acting upon recommendations from the Post Office Department, and various employee organizations, has introduced a bill known as H. R. 2071, which would extend the present bonus of $300 and make it $100 higher. In other words, a provision of $400 per year increase over the 1925 pay level. Unless it passes, the pay of postal employees next June will revert to what it was in 1925. The measure would also allow time and one-half for overtime, which postal employees do not now enjoy.

The provisions of this bill seem to us reasonable. In fact, if any private employer had treated his workers as Uncle Sam has done in this case they would have been down on his neck like a ton of brick, with the full backing and encouragement of Government agencies.

The postal employees have done a good job and deserve better treatment than they have had. We hope the public will encourage support of H. R. 2071 (now H. R. 3035).

The following is an editorial appearing in the Pittsburgh (Pa.) Post-Gazette of April 17, 1945:

THE POSTMAN KNOCKS AGAIN

When a delegation of postal employees called on us the other day to ask our support for the Burch bill which would increase their pay, we reminded them that we supported such a measure only a year ago. Whereupon, they thanked us but pointed out that they didn't get an increase then and they haven't had their regular pay schedule boosted in the last 20 years.

It is partly because we don't think the public knows the facts in this case that we are handing the information on to our readers. When postal employees say that their regular pay schedule hasn't been increased in 20 years, they don't mean that they are getting just what they did back in 1925. Two years ago an emergency measure was passed granting them a temporary bonus of $300 a year. But that will expire in June of this year unless the Burch bill is passed. If it is passed, the bonus will be increased $100 and made a permanent part of their pay.

But it is partly because of the way the wages of postal employees are handled that we think they are entitled to public consideration. As their spokesman pointed out, they are employees of the Government who don't strike in war or peace. They don't even bargain collectively or individually with their employer. All they can do is petition Congress for the compensation to which they feel entitled while they keep on working. But that is all the more reason, we believe, why the public whom they serve faithfully and courteously, should support them in their reasonable request.

Mr. ALLEN of Louisiana. Mr. Chairman, I am glad to see this bill come to the House for a vote. We passed a bill last Congress dealing with the question of pay adjustment for our postal employees, but it did not become a law. We now have the opportunity presented to us again. This bill will give some relief to our postal employees. They have worked hard. Their work in the war days has been much harder than in normal times. The mail has been heavy. The responsibility has been great. The labor situation has handicapped the Postal Service also.

I am happy to support this measure and I hope it becomes a law soon.

Mr. HARTLEY. Mr. Chairman, may I repeat the announcement that I previously made that when we get back in the House I shall ask unanimous consent that all Members may be permitted to extend their remarks at the conclusion of general debate in the RECORD.

Mr. McKENZIE. Mr. Chairman, I am heartily in accord with that suggestion if the gentlemen on this side will agree to it.

The CHAIRMAN. If there are no further requests for time the Clerk will read.

Mr. MASON. Mr. Chairman, I ask unanimous consent that the bill be considered as read and printed at this point in the RECORD, and that the bill be open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The bill is as follows:

Be it enacted, etc., That the term "employees" wherever used in this act shall include officers, supervisors, special-delivery messengers in offices of the first class, and all other employees paid from field appropriations of the Postal Service, other than postmasters, skilled-trades employees of the mail-equipment shops, job cleaners in first- and second-class post offices, and employees who are paid on a fee or contract basis.

HOURS OF DUTY

SEC. 2. Employees shall be required to work not more than 8 hours a day except as pro-

vided in section 4. The 8 hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duty of the employees shall be regulated accordingly: *Provided*, That the provisions of this section shall not apply to employees of the Railway Mail Service and the Air Mail Service; post-office inspectors; rural carriers; traveling mechanicians; examiners of equipment and supplies; employees in third-class post offices; employees paid on an hourly basis; employees not in the automatic or additional annual salary grades; and carriers in the Village Delivery Service: *Provided further*, That any classified substitute employee who reports for duty at any post office or other postal unit in compliance with an official order shall be employed not less than 2 hours following the hour at which such classified substitute employee is ordered to report. Employment in any branch of the Postal Service will be construed as compliance with the provisions of this section.

COMPENSATORY TIME

SEC. 3. When the needs of the service require employees to perform service on Saturdays, Sundays, or holidays, they shall be allowed compensatory time for such service on 1 day within 5 working days next succeeding the Saturday or Sunday and within 30 days next succeeding the holiday: *Provided*, That the Postmaster General may, if the exigencies of the service require, authorize the payment of overtime to other than supervisory employees whose base salaries are more than $3,200 per annum for services performed on Saturdays, Sundays, and Christmas Day during the month of December in lieu of compensatory time: *Provided further*, That supervisory employees whose base salaries are more than $3,200 per annum shall be allowed compensatory time for services performed on Saturdays, Sundays, and on Christmas Day during the month of December within 180 days from the days such service was performed: *And provided further*, That the provisions of this section shall not apply to employees of the Railway Mail Service and the Air Mail Service; post-office inspectors; rural carriers; traveling mechanicians; examiners of equipment and supplies; clerks in third-class post offices; and employees paid on an hourly basis.

OVERTIME

SEC. 4. In emergencies or if the needs of the service require, employees may be employed in excess of 8 hours per day and for such overtime service they shall be paid on the basis of 150 percent of the annual rate of pay received by such employees. In computing compensation for such overtime employment, the annual salary or compensation for such employees shall be divided by 2,024, the number of working hours in a year. The quotient thus obtained will be the base hourly compensation and one and one-half times that amount will be the hourly rate of overtime pay: *Provided*, That the provisions of this section shall not apply to employees of the Railway Mail Service and the Air Mail Service; post-office inspectors; rural carriers; traveling mechanicians; examiners of equipment and supplies; employees paid on an hourly basis, and supervisory employees.

NIGHT DIFFERENTIAL

SEC. 5. Employees who are required to perform night work shall be paid extra for each hour of such work at the rate of 10 percent of their base hourly compensation, computed by dividing the base annual salary by 2,024. Night work shall be defined as any work performed between the hours of 6 o'clock P. M. and 6 o'clock A. M. The provisions of this section shall not apply to post-office inspectors; traveling mechanicians; examiners of equipment and supplies; officers of the Railway Mail Service and of the Air Mail Service; and rural carriers.

ANNUAL LEAVE

SEC. 6. Employees shall be granted 15 days' leave of absence with pay, exclusive of Saturdays, Sundays, and holidays, each fiscal year and sick leave with pay at the rate of 10 days a year, exclusive of Saturdays, Sundays, and holidays, to be cumulative. Sick leave shall be granted only upon satisfactory evidence of illness in accordance with regulations to be prescribed by the Postmaster General: *Provided*, That the 15 days' leave shall be credited at the rate of one and one-quarter days for each month of actual service: *Provided further*, That classified substitute employees, under such regulations as the Postmaster General may prescribe, shall be granted the same rights and benefits with respect to annual and sick leave that accrue to regular employees in proportion to the time employed in a pay status and 168 hours and 40 minutes of such employment shall entitle the employee to one and one-quarter days' annual leave and 6 hours and 40 minutes' sick leave: *And provided further*, That in no event shall a classified substitute employee be credited during a 12-month period with more than 15 days' annual and 10 days' sick leave.

METHOD OF PAYMENT

SEC. 7. Where the compensation of any postmaster, other officer, or employee is on an annual basis, the following rules for division of time and computation of pay for services rendered are established:

Annual compensation shall be divided into 12 equal installments, one of which shall be the pay for each calendar month and one-half of each such installment shall be paid on the 16th day of the month and the 1st day of the following month, or as soon thereafter as practicable. For the purpose of computing such compensation and for computing time for services rendered during a fractional part of a month, in connection with annual compensation, each and every month shall be held to consist of 30 days, without regard to the actual number of days in any calendar month, thus excluding the 31st day of any calendar month from the computation and treating February as if it actually had 30 days. Any person entering the Postal Service during a 31-day month and serving until the end thereof shall be entitled to pay for that month from the date of entry to the 30th day of said month, both days inclusive; and any person entering said service during the month of February and serving until the end thereof shall be entitled to 1 month's pay, less as many thirtieths thereof as there were days elapsed prior to date of entry. For each day's unauthorized absence on the 31st day of any calendar month, 1 day's pay shall be forfeited.

SEC. 8. (a) The compensation of postmasters shall be annual salaries to be fixed by the Postmaster General from their respective quarterly returns for the calendar year immediately preceding the adjustment, based on gross postal receipts at the following rates: *Provided*, That subsection (c) of section 1001 of the Revenue Act of 1932 (47 Stat. 285), as amended, as hereby repealed, retroactive to January 1, 1944, and thereafter the gross postal receipts shall be counted for the purpose of determining the class of the post office or the compensation or allowances of postmasters or other employees, whose compensation or allowances are based on the annual receipts of such offices: *Provided further*, That in fixing the salaries of the postmaster and supervisory employees in the post office at Washington, D. C., the Postmaster General may, in his discretion, add not to exceed 75 percent to the gross receipts of that office:

First class

$40,000 but less than $50,000	$3,600
$50,000 but less than $60,000	3,700
$60,000 but less than $75,000	3,800
$75,000 but less than $90,000	3,900
$90,000 but less than $120,000	4,000
$120,000 but less than $150,000	4,100
$150,000 but less than $200,000	4,200
$200,000 but less than $250,000	4,300
$250,000 but less than $300,000	4,400
$300,000 but less than $400,000	4,600
$400,000 but less than $500,000	4,800
$500,000 but less than $600,000	5,300
$600,000 but less than $1,000,000	5,600
$1,000,000 but less than $1,500,000	6,000
$1,500,000 but less than $3,000,000	7,000
$3,000,000 but less than $7,000,000	8,000
$7,000,000 but less than $10,000,000	9,000
$10,000,000 but less than $20,000,000	10,000
$20,000,000 but less than $40,000,000	11,000
$40,000,000 and upward	12,000

Second class

$8,000 but less than $12,000	$3,000
$12,000 but less than $15,000	3,000
$15,000 but less than $18,000	3,000
$18,000 but less than $22,000	3,100
$22,000 but less than $27,000	3,200
$27,000 but less than $33,000	3,300
$33,000 but less than $40,000	3,400

Provided, That where the gross postal receipts of a post office of the second class for each of two consecutive calendar years are less than $8,000, or where in any calendar year the gross postal receipts are less than $7,000, it shall be relegated to the third class.

Third class

$1,500 but less than $1,600	$1,400
$1,600 but less than $1,700	1,500
$1,700 but less than $1,900	1,600
$1,900 but less than $2,100	1,700
$2,100 but less than $2,400	1,800
$2,400 but less than $2,700	1,900
$2,700 but less than $3,000	2,000
$3,000 but less than $3,500	2,100
$3,500 but less than $4,200	2,200
$4,200 but less than $5,000	2,300
$5,000 but less than $6,000	2,400
$6,000 but less than $7,000	2,500
$7,000 but less than $8,000	2,500

Fourth class

Less than $100	$168
$100 but less than $150	264
$150 but less than $200	348
$200 but less than $250	432
$250 but less than $300	516
$300 but less than $350	588
$350 but less than $400	636
$400 but less than $450	684
$450 but less than $500	720
$500 but less than $600	804
$600 but less than $700	900
$700 but less than $800	984
$800 but less than $900	1,068
$900 but less than $1,000	1,152
$1,000 but less than $1,100	1,236
$1,100 but less than $1,500	1,320

(b) The base annual compensation of an incumbent postmaster shall not be reduced in the readjustment to conform to the provisions of this act, except for a decrease in gross postal receipts to an amount for which a lower salary grade is provided.

SALARIES OF SUPERVISORS, OFFICES OF THE FIRST CLASS

SEC. 9. (a) At post offices of the first class the annual salaries of supervisory employees shall be based on gross postal receipts for the preceding calendar year as follows:

(b) Receipts of $40,000 but less than $75,000—assistant postmaster, $3,200; superintendent of mails, $3,100.

(c) Receipts of $75,000 but less than $90,000—assistant postmaster, $3,300; superintendent of mails, $3,200.

(d) Receipts of $90,000 but less than $120,000—assistant postmaster, $3,400; superintendent of mails, $3,300; foremen, $3,200; clerks in charge, $3,100.

(e) Receipts of $120,000 but less than $150,000—assistant postmaster, $3,500; superintendent of mails, $3,300; foremen, $3,200; clerks in charge, $3,100.

(f) Receipts of $150,000 but less than $200,000—assistant postmaster, $3,600; superintendent of mails, $3,300; foremen, $3,200; clerks in charge, $3,100.

(g) Receipts of $200,000 but less than $250,000—assistant postmaster, $3,700; superintendent of mails, $3,400; foremen, $3,200; clerks in charge, $3,100.

(h) Receipts of $250,000 but less than $300,000—assistant postmaster, $3,800; superintendent of mails, $3,500; assistant superintendent of mails, $3,300; foremen, $3,200; clerks in charge, $3,100.

(i) Receipts of $300,000 but less than $400,000—assistant postmaster, $3,900; superintendent of mails, $3,600; assistant superintendent of mails, $3,300; foremen, $3,200; clerks in charge, $3,100.

(j) Receipts of $400,000 but less than $500,000—assistant postmaster, $4,000; superintendent of mails, $3,600; assistant superintendent of mails, $3,300; foremen, $3,200; clerks in charge, $3,100.

(k) Receipts of $500,000 but less than $600,000—assistant postmaster, $4,100; superintendent of mails, $3,700; superintendent of postal finance, $3,400; superintendent of money orders, $3,200; assistant superintendent of mails, $3,300; foremen, $3,200; clerks in charge, $3,100.

(l) Receipts of $600,000 but less than $1,000,000—assistant postmaster, $4,200; superintendent of mails, $3,900; superintendent of postal finance, $3,500; superintendent of money orders, $3,300; assistant superintendent of mails, $3,300; foremen, $3,200; clerks in charge, $3,100.

(m) Receipts of $1,000,000 but less than $2,000,000—assistant postmaster, $4,300; superintendent of mails, $4,100; superintendent of postal finance, $3,700; assistant superintendent of postal finance, $3,100; superintendent of money orders, $3,400; assistant superintendent of money orders, $3,100; assistant superintendent of mails, $3,500; auditor, $3,100; station examiners, $3,100; general foremen, $3,300; foremen, $3,200; clerks in charge, $3,100.

(n) Receipts of $2,000,000 but less than $3,000,000—assistant postmaster, $4,400; superintendent of mails, $4,200; superintendent of postal finance, $3,800; assistant superintendent of postal finance, $3,300; superintendent of money orders, $3,500; assistant superintendent of money orders, $3,100; senior assistant superintendent of mails, $3,700; assistant superintendents of mails, $3,500; auditor, $3,100; station examiners, $3,100; general foremen, $3,300; foremen, $3,200; clerks in charge, $3,100.

(o) Receipts of $3,000,000 but less than $5,000,000—assistant postmaster, $4,500; superintendent of mails, $4,300; superintendent of postal finance, $4,000; assistant superintendent of postal finance, $3,500; superintendent of money orders, $3,700; assistant superintendent of money orders, $3,200; senior assistant superintendent of mails, $3,900; assistant superintendents of mails, $3,500; auditor, $3,100; station examiners, $3,200; general foremen, $3,300 foremen, $3,200; clerks in charge, $3,100.

(p) Receipts of $5,000,000 but less than $7,000,000—assistant postmaster, $4,700; superintendent of mails, $4,500; superintendent of postal finance, $4,200; assistant superintendent of postal finance, $3,500; superintendent of money orders, $3,900; assistant superintendent of money orders, $3,300; senior assistant superintendent of mails, $4,100; assistant superintendents of mails, $3,700; auditor, $3,100; station examiners, $3,200; general foremen, $3,500; foremen, $3,200; clerks in charge, $3,100.

(q) Receipts of $7,000,000 but less than $9,000,000—assistant postmaster, $5,100; superintendent of mails, $4,800; superintendent of postal finance, $4,400; assistant superintendent of postal finance, $3,800; superintendent of money orders, $4,000; assistant superintendent of money orders, $3,500; senior assistant superintendent of mails, $4,300; assistant superintendents of mails, $3,900; auditor, $3,100; station examiners, $3,200; general foreman, $3,500; foremen, $3,200; clerks in charge, $3,100.

(r) Receipts of $9,000,000 but less than $14,000,000—assistant postmaster, $5,300; general superintendent of finance, $5,100; general superintendent of mails, $5,100; superintendent of postal finance, $4,500; superintendent of money orders, $4,500; superintendent of incoming mails, $4,500; superintendent of outgoing mails, $4,500; superintendent of carriers, $4,500; superintendent of registry, $4,500; senior assistant superintendents, $4,100; assistant superintendents, $3,900; auditor, $3,200; chief station examiner, $3,600; station examiners, $3,200. general foremen, $3,500; foremen, $3,200; clerks in charge, $3,100.

(s) Receipts of $14,000,000 but less than $20,000,000—assistant postmaster, $5,700; general superintendent of finance, $5,200; general superintendent of mails, $5,200; assistant general superintendent of mails, $4,900; superintendent of postal finance, $4,500; superintendent of money orders, $4,500; superintendent of incoming mails, $4,500; superintendent of outgoing mails, $4,500; superintendent of carriers, $4,500; superintendent of registry, $4,500; senior assistant superintendents, $4,100; assistant superintendents, $3,900; auditor, $3,600; chief station examiner, $3,600; station examiners, $3,200; general foremen, $3,500; foremen, $3,200; clerks in charge, $3,100.

(t) Receipts of $20,000,000 but less than $40,000,000—assistant postmaster, $6,200; general superintendent of finances, $5,500; general superintendent of mails, $5,500; assistant general superintendent of mails, $5,100; superintendent of postal finance, $4,700; superintendent of money orders, $4,700; superintendent of incoming mails, $4,700; superintendent of outgoing mails, $4,700; superintendent of carriers, $4,700; superintendent of registry, $4,700; senior assistant superintendents, $4,500; assistant superintendents, $3,900; auditor, $4,400; assistant auditor, $3,700; chief station examiner, $3,700; station examiners, $3,400; general foremen, $3,600; foremen, $3,200; clerks in charge, $3,100.

(u) Receipts of $40,000,000 and up—assistant postmaster, $6,700; general superintendent of finance, $5,700; general superintendent of mails, $5,700; assistant general superintendent of finance, $5,100; assistant general superintendent of mails, $5,100; superintendent of postal finance, $4,700; superintendent of money orders, $4,700; superintendent of incoming mails, $4,700; superintendent of outgoing mails, $4,700; superintendent of carriers, $4,700; superintendent of registry, $4,700; senior assistant superintendents, $4,500; assistant superintendents, $3,900; auditor, $4,400; assistant auditor, $3,700; chief station examiner, $3,700; station examiners, $3,400; general foremen, $3,600; foremen, $3,200; clerks in charge, $3,100.

(v) The annual salaries of supervisors in the United States Stamped Envelope Agency shall be as follows:

Agent, $4,000; assistant agent, $3,500.

(w) The salary of superintendents of classified stations shall be based on the number of employees assigned thereto and the annual postal receipts. No allowance shall be made for sales of stamps to patrons residing outside of the territory of the stations. At classified station each $25,000 of postal receipts shall be considered equal to one additional employee: *Provided*, That in determining the number of employees at a classified station, credit shall be allowed for service performed by regular employees, substitute employees other than those serving in lieu of regular employees absent from duty for any cause and temporary employees assigned to the station, and for each 2,024 hours of service performed by such employees the station superintendent shall be allowed credit for one employee.

(x) At classified stations the salaries of superintendents, and, where there are more than 50 employees, assistant superintendents, shall be as follows: 1 to 5 employees—superintendent, $3,200; 6 to 15 employees—superintendent, $3,300; 16 to 25 employees—superintendent, $3,400; 26 to 50 employees—superintendent, $3,600; 51 to 75 employees—superintendent, $3,700; assistant superintendents, $3,200; 76 to 100 employees—superintendent, $3,800; assistant superintendents, $3,300; 101 to 150 employees—superintendent, $3,900; assistant superintendents, $3,400; 151 to 200 employees—superintendent, $4,000; assistant superintendents, $3,500; 201 to 300 employees—superintendent, $4,200; assistant superintendents, $3,700; 301 to 400 employees—superintendent, $4,300; assistant superintendents, $3,800; 401 to 500 employees—superintendent, $4,400; assistant superintendents, $3,900; 501 to 1,000 employees—superintendent, $4,600; assistant superintendents, $4,100; 1,001 employees and up—superintendent, $4,700; assistant superintendents, $4,200.

(y) In readjusting supervisory positions at first-class post offices to conform to the provisions of this act, reassignments shall be made as follows:

AT POST OFFICES WITH RECEIPTS OF $9,000,000 AND UP

One of the assistant postmasters shall be the assistant postmaster and the other assistant postmaster shall be one of the general superintendents.

The superintendent of mails, the superintendent of delivery, the postal cashier, superintendent of registry, or the superintendent of money orders shall be the other general superintendent: *Provided*, That the auditor at offices with receipts of $20,000,000 and up, and the money-order cashier at offices with receipts of less than $20,000,000, may be selected for the position of general superintendent and assigned accordingly.

The postal cashier shall be superintendent of postal finance; and at offices with receipts less than $20,000,000 the money-order cashier shall be superintendent of money orders unless otherwise assigned as provided herein.

At offices with receipts of $40,000,000 and up, selections for assistant general superintendent of finance and assistant general superintendent of mails shall be made from the positions of superintendent of mails, superintendent of delivery, superintendent of money orders, superintendent of registry, assistant superintendent of money orders, auditor, and postal cashier; and those selected shall be assigned accordingly: *Provided*, That at offices with receipts less than $40,000,000, the superintendent of mails or the superintendent of delivery shall be the assistant general superintendent of mails.

At offices with receipts of $20,000,000 and up, the assistant superintendent of money orders and the money-order cashier shall be senior assistant superintendents of money orders, unless otherwise assigned as provided herein.

Assistant superintendents whose annual base pay is $3,700 or more who are not otherwise assigned as provided herein shall be senior assistant superintendents. Assistant superintendents whose annual base pay is $3,500 shall be assistant superintendents. Assistant superintendents whose annual base pay is $3,100 or less shall be general foremen.

Foremen whose annual base pay is $2,700 shall be foremen and foremen whose annual

base pay is less than $2,700 shall be clerks in charge.

At offices with receipts less than $20,000,000 the chief bookkeeper or assistant cashier who performs the duties of auditor shall be auditor, and at offices with receipts of $20,000,000 and up a senior salary grade bookkeeper or the employee performing the duties of chief bookkeeper shall be assistant auditor. Other bookkeepers whose annual base pay is $3,300 shall be general foremen; those whose annual base pay is $2,800 shall be foremen, and those whose annual base pay is $2,600 or less shall be clerks in charge.

The station examiner or the assistant cashier performing the duties of chief station examiner shall be chief station examiner. Senior salary grade assistant cashiers shall be senior assistant superintendents of postal finance or money orders, where such positions are authorized by the Postmaster General; assistant cashiers whose annual base pay is $3,200 or $3,300 shall be assistant superintendents; assistant cashiers whose annual base pay is $3,100 shall be general foremen; assistant cashiers whose annual base pay is $2,800 shall be foremen and those whose annual base pay is $2,600 shall be clerks in charge.

AT POST OFFICES WITH RECEIPTS OF $2,000,000 BUT LESS THAN $9,000,000

The postal cashier shall be superintendent of postal finance and the money-order cashier shall be superintendent of money orders. Senior salary grade assistant cashiers shall be assistant superintendents of postal finance and of money orders, respectively, and other assistant cashiers shall be general foremen, foremen, or clerks in charge, based on the title and salary that most nearly approximates their annual base pay plus $400.

At offices with receipts of $2,000,000 but less than $5,000,000 assistant superintendents of mails whose annual base pay is $3,300 or $3,500 shall be senior assistant superintendents of mails, and those whose annual base pay is $3,000 or $3,100 shall be assistant superintendents of mails; those whose annual base pay is less than $3,000 shall be general foremen. At offices with receipts of $5,000,000 but less than $9,000,000 assistant superintendents whose annual base pay is $3,700 or $3,900 shall be senior assistant superintendents of mails, and those whose annual base pay is $3,300 or $3,500 shall be assistant superintendents of mails; those whose annual base pay is less than $3,300 shall be general foremen.

Foremen whose annual base pay is $2,600 shall be foremen and those whose annual base pay is less than $2,600 shall be clerks in charge. The bookkeeper or other supervisor who performs the duties of auditor shall be auditor, and other bookkeepers shall be clerks in charge.

AT POST OFFICES WITH RECEIPTS OF $500,000 BUT LESS THAN $2,000,000

The postal cashier shall be superintendent of postal finance and the money-order cashier shall be superintendent of money orders.

At offices with receipts of $1,000,000, but less than $2,000,000, assistant cashiers shall be assistant superintendents of postal finance and money orders, respectively.

Bookkeepers or employees performing the duties of auditor shall be auditors where such positions are provided; otherwise they shall be clerks in charge.

Station examiners or employees performing the duties of station examiners shall be station examiners where such positions are provided; otherwise they shall be clerks in charge.

At offices with receipts of $1,000,000 but less than $2,000,000, assistant superintendents of mails whose annual base pay is $3,100 shall be assistant superintendents of mails; those whose annual base pay is less than $3,100 shall be general foremen.

At offices with receipts of $1,000,000 but less than $2,000,000, foremen whose annual base pay is $2,600 shall be foremen; those whose annual base pay is less than $2,600 shall be clerks in charge.

(z) At central accounting offices where the gross postal receipts are less than $5,000,000 the superintendent of postal finance, or the employee in charge of such records and adjustments of the accounts, shall be allowed an increase of $200 per annum. At central accounting offices with gross postal receipts of $9,000,000 and up, the auditor shall be allowed a salary equal to that of the senior assistant superintendent; at central accounting offices with receipts of $2,000,000 but less than $9,000,000, the auditor shall be allowed a salary equal to that of the assistant superintendent of postal finance; at central accounting offices with receipts of less than $2,000,000, the employee performing the duties of auditor shall be allowed a salary equal to that of foremen.

SALARIES OF ASSISTANT POSTMASTERS, OFFICES OF THE SECOND CLASS

SEC. 10. At post offices of the second class the annual salaries of assistant postmasters shall be based on gross postal receipts for the preceding calendar year as follows:

$8,000 but less than $10,000	$2,800
$10,000 but less than $12,000	2,800
$12,000 but less than $15,000	2,800
$15,000 but less than $18,000	2,800
$18,000 but less than $22,000	2,800
$22,000 but less than $27,000	2,900
$27,000 but less than $33,000	2,900
$33,000 but less than $40,000	2,900

SEC. 11. (a) The Postmaster General shall determine the supervisory needs at post offices of the first and second classes and shall fix the number of supervisors to be employed in accordance with the salary schedules provided in sections 9 and 10: *Provided*, That not more than one assistant postmaster may be employed at any post office.

(b) Regular clerks and carriers of grade 9 and above in first- and second-class post offices shall be eligible for promotion to the higher positions in their respective offices, and if for any reason such clerks and carriers of grade 9 and above are not available those clerks and carriers in the lower grades in such offices shall be eligible for such promotions.

SALARIES OF CLERICAL AND CARRIER EMPLOYEES AT FIRST-, SECOND-, AND THIRD-CLASS POST OFFICES AND DISPATCHERS AND OPERATORS OF THE PNEUMATIC TUBE SERVICE

SEC. 12. (a) Carriers in the City Delivery Service, clerks in post offices of the first and second classes, clerks in the United States stamped envelope agency, and dispatchers of the pneumatic tube service shall be divided into 11 grades as follows:

Grade 1	$1,700
Grade 2	1,800
Grade 3	1,900
Grade 4	2,000
Grade 5	2,100
Grade 6	2,200
Grade 7	2,300
Grade 8	2,400
Grade 9	2,500
Grade 10	2,600
Grade 11	2,700

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the eleventh grade: *Provided*, That for such employees at post offices of the first class there shall be three additional grades; that is, grade 12—$2,800; grade 13—$2,900; grade 14—$3,000, and that employees who perform faithful and meritorious service shall be promoted to grade 12 after 3 years of such service in grade 11, shall be promoted to grade 13 after 5 years of such service in grade 12, and shall be promoted to grade 14 after 7 years of such service in grade 13: *Provided further*, That marine carriers assigned to the Detroit River Marine Service shall be paid an annual salary of $300 in excess of the highest salary provided for carriers in the automatic grades in the City Delivery Service: *And provided further*, That the annual salary of such marine carriers shall not be in excess of $3,000.

The pay of substitute, temporary, or auxiliary employees in the services named in the preceding paragraph shall be on an hourly basis at the following rates:

Grade 1	$0.84
Grade 2	.89
Grade 3	.94
Grade 4	.99
Grade 5	1.04
Grade 6	1.09
Grade 7	1.14
Grade 8	1.19
Grade 9	1.24
Grade 10	1.29
Grade 11	1.34

(b) Mail handlers, messengers, and watchmen at post offices of the first and second classes paid from appropriations of the First Assistant Postmaster General; and operators of the pneumatic tube service; shall be divided into six grades with annual salaries as follows:

Grade 1	$1,600
Grade 2	1,700
Grade 3	1,800
Grade 4	1,900
Grade 5	2,000
Grade 6	2,100

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the sixth grade.

(c) The pay of substitute, temporary, or auxiliary employees in the services named in the preceding paragraph shall be on an hourly basis at the following rates:

Grade 1	$0.79
Grade 2	.84
Grade 3	.89
Grade 4	.94
Grade 5	.99
Grade 6	1.04

(d) Classified cleaners at post offices of the first and second classes paid from appropriations of the First Assistant Postmaster General shall be divided into seven grades with annual salaries, as follows:

Grade 1	$1,300
Grade 2	1,400
Grade 3	1,500
Grade 4	1,600
Grade 5	1,700
Grade 6	1,800
Grade 7	1,900

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the seventh grade.

(e) Carriers in the village delivery service, and clerks employed not less than 40 hours per week in post offices of the third class, shall be divided into six grades with annual salaries, as follows: *Provided*, That clerks in post offices of the third class shall not be appointed or promoted to a salary grade in excess of $100 less than the salary of the postmaster at the office to which assigned:

Grade 1	$1,200
Grade 2	1,300
Grade 3	1,400
Grade 4	1,500
Grade 5	1,600
Grade 6	1,700

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the sixth grade.

The pay of substitute, temporary, or auxiliary employees in the services named in the preceding paragraph shall be on an hourly basis at the following rates:

Grade 1	$0.59
Grade 2	.64
Grade 3	.69
Grade 4	.74
Grade 5	.79
Grade 6	.84

Provided, That substitute, temporary, or auxiliary clerks in post offices of the third class shall not be paid in excess of 79 cents per hour where the salary of the postmaster is $1,700 per annum; in excess of 74 cents per hour where the salary of the postmaster is $1,600 per annum; in excess of 69 cents per hour where the salary of the postmaster is $1,500 per annum; or in excess of 64 cents per hour where the salary of the postmaster is $1,400 per annum.

(f) Substitute employees listed in this section shall be promoted to the next higher grade at the beginning of the quarter following 2,024 hours' satisfactory service in a pay status, including time served as a special-delivery messenger: *Provided*, That there shall be not more than one increase in the rate of pay of such employee within a period of 12 months: *And provided further*, That when a substitute employee is appointed, such employee shall be assigned to a salary grade corresponding to the salary as a substitute except as provided for clerks at third-class post offices. Any fractional part of a year's substitute service accumulated since the last compensation increase as a substitute shall be included with the regular service of a regular employee in determining eligibility for promotion to the next higher grade following appointment to a regular position.

MOTOR-VEHICLE EMPLOYEES

SEC. 13. Employees in the Motor Vehicle Service shall be classified as follows: Superintendents, $3,100, $3,200, $3,300, $3,400, $3,800, $4,000, $4,200, and $4,400 per annum: *Provided*, That at offices where the receipts are $20,000,000 or more the salaries shall be $4,700; assistant superintendents, $3,100, $3,200, $3,300, and $3,400; chiefs of records and chief mechanics, $2,700, $2,800, $2,900, $3,100, $3,200, and $3,400; route supervisors, chiefs of supplies, chief dispatchers, and mechanics in charge, $2,700, $2,800, $2,900, $3,100, and $3,200; special mechanics, $2,700, $2,800, $2,900, and $3,000: *Provided further*, That assistant superintendents shall not be authorized at offices where the salary of the superintendent is less than $3,800.

(b) Clerks, driver-mechanics, general mechanics, and dispatchers shall be divided into 11 grades, as follows:

Grade 1	$1,700
Grade 2	1,800
Grade 3	1,900
Grade 4	2,000
Grade 5	2,100
Grade 6	2,200
Grade 7	2,300
Grade 8	2,400
Grade 9	2,500
Grade 10	2,600
Grade 11	2,700

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the eleventh grade: *Provided*, That for such motor-vehicle employees at post offices of the first class there shall be 3 additional grades: that is, grade 12, $2,800; grade 13, $2,900; grade 14, $3,000 and that employees who perform faithful and meritorious service shall be promoted to grade 12 after 3 years of such service in grade 11, shall be promoted to grade 13 after 5 years of such service in grade 12, and shall be promoted to grade 14 after 7 years of such service in grade 13.

(c) The pay of substitute, temporary, or auxiliary special mechanics shall be at the rate of $1.25 per hour. The pay of substitute, temporary, or auxiliary clerks, driver-mechanics, general mechanics, and dispatchers shall be on an hourly basis at the following rates:

Grade 1	$0.84 per hour
Grade 2	.89 per hour
Grade 3	.94 per hour
Grade 4	.99 per hour
Grade 5	1.04 per hour
Grade 6	1.09 per hour
Grade 7	1.14 per hour
Grade 8	1.19 per hour
Grade 9	1.24 per hour
Grade 10	1.29 per hour
Grade 11	1.34 per hour

(d) Garagemen-drivers and mechanics' helpers shall be divided into 6 grades with annual salaries as follows:

Grade 1	$1,600
Grade 2	1,700
Grade 3	1,800
Grade 4	1,900
Grade 5	2,000
Grade 6	2,100

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the sixth grade.

The pay of substitute, temporary, or auxiliary garagemen-drivers, and mechanics' helpers shall be on an hourly basis at the following rates:

Grade 1	$0.79 per hour
Grade 2	.84 per hour
Grade 3	.89 per hour
Grade 4	.94 per hour
Grade 5	.99 per hour
Grade 6	1.04 per hour

(e) Substitute employees in the automatic grades listed in this section shall be promoted to the next higher grade at the beginning of the quarter following 2,024 hours' satisfactory service in a pay status, including time served as a special-delivery messenger: *Provided*, That there shall be not more than one increase in the rate of pay of such employee within a period of 12 months: *Provided further*, That, when a substitute employee is appointed to a regular position, such employee shall be assigned to the salary grade corresponding to the salary grade as a substitute. Any fractional part of a year's substitute service accumulated since the last compensation increase as a substitute shall be included with the regular service of a regular employee in determining eligibility for promotion to the next higher grade following appointment to a regular position.

CUSTODIAL SERVICE

SEC. 14. (a) The annual rates of compensation of supervisory employees in the custodial service shall be as follows:

Supervising superintendent of buildings, $5,200.

Superintendent of mechanical unit, $5,000.

Assistant superintendent of mechanical unit, $4,200.

Inspection engineer, $4,200.

Mechanical engineer, $4,200.

Superintendent of buildings; chief engineer: Buildings of 20,000,000 cubic feet and up, $5,000; buildings of 15,000,000 but less than 20,000,000 cubic feet, $4,500; buildings of 10,000,000 but less than 15,000,000 cubic feet, $4,200; buildings of 6,000,000 but not less than 10,000,000 cubic feet, $3,900; buildings of 3,000,000 but less than 6,000,000 cubic feet, $3,600; buildings of 1,000,000 but less than 3,000,000 cubic feet, $3,300.

Superintending engineers: Buildings of 6,000,000 but less than 15,000,000 cubic feet, $4,500; buildings of 3,000,000 but less than 6,000,000 cubic feet, $4,200; buildings of 1,000,000 but less than 3,000,000 cubic feet, $3,600.

Principal elevator mechanics, $3,600.

Foremen of shops: Buildings of 20,000,000 cubic feet and up, $3,600; buildings of less than 20,000,000 cubic feet, $3,200.

Foremen of conveyors: Buildings of less than 20,000,000 cubic feet, $3,200.

Foremen of mechanics, $3,200.

Engineers, watch, $3,200.

Janitors with fewer than 15 subordinates, $2,200; with 15 to 29 subordinates, $2,400; with 30 to 59 subordinates, $2,600; with 60 to 99 subordinates, $2,800; with 100 or more subordinates, $3,000.

Foremen of elevator operators with 100 or more subordinates, $2,700.

Captains of the guard with fewer than 10 subordinates, $2,400; with 10 to 19 subordinates, $2,600; with 20 to 39 subordinates, $2,800; with 40 or more subordinates, $3,000.

Lieutenants of the guard with fewer than 10 subordinates, $2,400; with 10 or more subordinates, $2,600.

Foremen of laborers with fewer than 15 subordinates, $2,200; with 15 to 29 subordinates, $2,400; with 30 or more subordinates, $2,600.

Enginemen-janitors: Buildings of less than 600,000 cubic feet, $2,400; buildings of over 600,000 cubic feet, $2,600.

Chief clerks, $3,100.

(b) Clerks of the custodial service shall be divided into 11 grades as follows:

Grade 1	$1,700
Grade 2	1,800
Grade 3	1,900
Grade 4	2,000
Grade 5	2,100
Grade 6	2,200
Grade 7	2,300
Grade 8	2,400
Grade 9	2,500
Grade 10	2,600
Grade 11	2,700

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the eleventh grade: *Provided*, That for such custodial employees at first-class post offices there shall be 3 additional grades; that is, grade 12, $2,800; grade 13, $2,900; grade 14, $3,000, and that employees who perform faithful and meritorious service shall be promoted to grade 12 after 3 years of such service in grade 11, shall be promoted to grade 13 after 5 years of such service in grade 12, and shall be promoted to grade 14 after 7 years of such service in grade 13.

(c) Elevator mechanics in the custodial service shall be divided into 8 grades as follows:

Grade 1	$2,300
Grade 2	2,400
Grade 3	2,500
Grade 4	2,600
Grade 5	2,700
Grade 6	2,800
Grade 7	2,900
Grade 8	3,000

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the eighth grade: *Provided*, That for such custodial employees at first-class post offices there shall be 2 additional grades; that is, grade 9, $3,100; grade 10, $3,200, and that employees who perform faithful and meritorious service shall be promoted to grade 9 after 3 years of such service in grade 8, and shall be promoted to grade 10 after 5 years of such service in grade 9.

(d) Mechanics in the custodial service shall be divided into 8 grades as follows:

Grade 1	$2,100
Grade 2	2,200
Grade 3	2,300
Grade 4	2,400
Grade 5	2,500
Grade 6	2,600
Grade 7	2,700
Grade 8	2,800

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the eighth grade: *Provided*, That for such custodial employees at post offices of the first class there shall be 2 additional grades; that is, grade 9, $2,900 and grade 10, $3,000, and that employees who perform faithful and meritorious service shall be promoted to grade 9 after 3 years of such service in grade 8, and shall be promoted to grade 10 after 5 years of such service in grade 9.

(e) Assistant enginemen, assistant mechanics, and elevator mechanic-helpers and chief telephone operators shall be divided into 7 grades as follows:

Grade 1	$1,900
Grade 2	2,000
Grade 3	2,100
Grade 4	2,200
Grade 5	2,300
Grade 6	2,400
Grade 7	2,500

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the seventh grade: *Provided*, That for such custodial employees at post offices of the first class there shall be two additional grades; that is, grade 8, $2,600, and grade 9, $2,700; and that employees who perform faithful and meritorious service shall be promoted to grade 8 after 3 years of such service in grade 7, and shall be promoted to grade 9 after 5 years of such service in grade 8.

(f) General mechanics, assistant chief telephone operators, and elevator starters in the custodial service shall be divided into seven grades as follows:

Grade 1	$1,700
Grade 2	1,800
Grade 3	1,900
Grade 4	2,000
Grade 5	2,100
Grade 6	2,200
Grade 7	2,300

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the seventh grade: *Provided*, That for such custodial employees at post offices of the first class there shall be two additional grades: that is, grade 8, $2,400, and grade 9, $2,500, and that such employees who perform faithful and meritorious service shall be promoted to grade 8 after 3 years of such service in grade 7, and shall be promoted to grade 9 after 5 years of such service in grade 8.

(g) Telephone operators, firemen, gardeners, guards, skilled helpers, and marble polishers of the custodial service shall be divided into seven grades, as follows:

Grade 1	$1,600
Grade 2	1,700
Grade 3	1,800
Grade 4	1,900
Grade 5	2,000
Grade 6	2,100
Grade 7	2,200

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the seventh grade.

(h) Firemen-laborers, oilers, window cleaners, elevator operators, and messengers in the custodial service shall be divided into seven grades as follows:

Grade 1	$1,400
Grade 2	1,500
Grade 3	1,600
Grade 4	1,700
Grade 5	1,800
Grade 6	1,900
Grade 7	2,000

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the seventh grade.

(i) Laborers, matrons, head charmen, and head charwomen in the custodial service shall be divided into seven grades with annual salaries, as follows:

Grade 1	$1,300
Grade 2	1,400
Grade 3	1,500
Grade 4	1,600
Grade 5	1,700
Grade 6	1,800
Grade 7	1,900

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the seventh grade.

(j) Charmen and charwomen working part time shall be divided into six grades with hourly rates of compensation as follows:

Grade 1	$0.65 per hour
Grade 2	.70 per hour
Grade 3	.75 per hour
Grade 4	.80 per hour

and shall be promoted successively at the beginning of the quarter following a total of 2,024 hours of satisfactory service in a pay status in each grade to the next higher grade until they reach the sixth grade: *Provided*, That there shall be not more than one increase in the rate of pay of such employees within a period of 12 months. Temporary employees in each group shall be paid at the respective rates of pay of grade 1 provided herein for regular employees.

(k) Examiners of equipment and supplies in the custodial service shall be divided into 10 grades with annual salaries, as follows:

Grade 1	$3,500
Grade 2	3,600
Grade 3	3,700
Grade 4	3,800
Grade 5	3,900
Grade 6	4,000
Grade 7	4,100
Grade 8	4,200
Grade 9	4,300
Grade 10	4,500

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the tenth grade.

POST-OFFICE INSPECTORS AND CLERKS IN THE INSPECTION SERVICE

SEC. 15. (a) The annual salaries of inspectors in charge, assistant inspectors in charge, and supervisory employees at division headquarters of the Inspection Service shall be as follows:

Post-office inspectors in charge, $6,700.

Assistant post-office inspectors in charge, $6,000.

Chief clerks, $4,000.

Assistant chief clerks, $3,500.

Chiefs of sections, $3,400.

(b) Post-office inspectors shall be divided into 10 grades with annual salaries as follows:

Grade 1	$3,200
Grade 2	3,400
Grade 3	3,600
Grade 4	3,800
Grade 5	4,000
Grade 6	4,200
Grade 7	4,600
Grade 8	5,000
Grade 9	5,500
Grade 10	6,000

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade until they reach grade 8: *Provided*, That promotion of not more than 25 percent of the authorized quota of inspectors may be made to grades 9 and 10. The Postmaster General shall assign difficult or complex work to be performed by inspectors in grades 9 and 10 and shall select the inspectors to be assigned to these grades under such rules and regulations as he shall prescribe: *Provided further*, That inspectors will not be selected for promotion to grades 9 and 10 until they have completed at least 1 year's faithful and meritorious service in the next lower grade.

(c) The clerical force of the Post Office Inspection Service shall be classified as clerks and principal review clerks.

(d) Clerks at division headquarters and other posts of duty of post-office inspectors shall be divided into nine grades with annual salaries as follows:

Grade 1	$1,900
Grade 2	2,000
Grade 3	2,100
Grade 4	2,200
Grade 5	2,300
Grade 6	2,400
Grade 7	2,500
Grade 8	2,600
Grade 9	2,700

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach grade 9: *Provided*, That for such clerks there shall be three additional grades; that is, grade 10, $2,800; grade 11, $2,900; grade 12, $3,000; and that clerks who perform faithful and meritorious service shall be promoted to grade 10, after 3 years of such service in grade 9; shall be promoted to grade 11, after 5 years of such service in grade 10; and shall be promoted to grade 12, after 7 years of such service in grade 11.

(e) Principal review clerks at division headquarters of post-office inspectors shall be divided into four grades with annual salaries as follows:

Grade 1	$2,700
Grade 2	2,800
Grade 3	2,900
Grade 4	3,000

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the fourth grade: *Provided*, That for such clerks there shall be two additional grades; that is, grade 5, $3,100; grade 6, $3,200; and that such clerks who perform faithful and meritorious service shall be promoted to grade 5 after 3 years of such service in grade 4, and shall be promoted to grade 6 after 5 years of such service in grade 5.

(f) Whenever in the discretion of the Postmaster General the needs of the service require such action, he is authorized to transfer clerks, or carriers in the City Delivery Service to the position of clerk at division headquarters and other posts of duty of post-office inspectors at a salary not to exceed $2,300 when the salary of the employee being transferred is less than $2,300, and when the salary of the employee being transferred is equal to or greater than $2,300, such employee may be transferred at not less than the salary received in the position from which transferred. After such transfer is made effective, employees so transferred shall be eligible for promotion to the grades of salary provided herein for clerks at division headquarters and other posts of duty of post-office inspectors.

RAILWAY MAIL SERVICE AND AIR MAIL SERVICE

SEC. 16. (a) The annual salaries of officers in the Railway Mail Service and the Air Mail Service shall be as follows: Division superintendents, $6,700; assistant division superintendents, $5,700; assistant superintendents at large, $5,500; chief clerks, $5,000; assistant chief clerks, $4,200; chiefs of sections in offices of division superintendents, Railway Mail Service, $4,200; regional superintendents, Air Mail Service, $5,000; and assistant regional superintendents, Air Mail Service, $4,200.

(b) Railway postal clerks, and clerks assigned to offices of regional superintendents of Air Mail Service, shall be divided into 17 grades with annual salaries as follows:

Grade 1	$1,900
Grade 2	2,000
Grade 3	2,100
Grade 4	2,200
Grade 5	2,300
Grade 6	2,400
Grade 7	2,500
Grade 8	2,600
Grade 9	2,700
Grade 10	2,800
Grade 11	2,900
Grade 12	3,000
Grade 13	3,100
Grade 14	3,200
Grade 15	3,300
Grade 16	3,400
Grade 17	3,500

(c) Railway post-office lines shall be divided into two classes, class A and class B, and clerks assigned to class A lines shall be promoted successively to grade 9, and after 3 years of faithful and meritorious service in grade 9 shall be promoted to grade 10; after 5 years of faithful and meritorious service in grade 10 shall be promoted to grade 11, and after 7 years of faithful and meritorious service in grade 11 shall be promoted to grade 12. Clerks in charge in class A lines shall be of grade 14. Clerks assigned to class B lines shall be promoted successively to grade 11 and shall be promoted to grade 12 after 3 years of faithful and meritorious service in grade 11; to grade 13 after 5 years of faithful and meritorious service in grade 12; and to grade 14 after 7 years of faithful and meritorious service in grade 13. Clerks in charge of class B lines shall be of grade 16: *Provided*, That in trains in which more than 60 feet of distributing car space is authorized in either direction over the entire length of the run not less than 5 days per week in either direction, the clerk in charge may be of grade 17 and in such trains there may be a second clerk in charge, who may be of grade 16. The provisions of this paragraph shall apply to the employees assigned to highway post-office service. Lines in class A existing on the effective date of this act shall be continued in class A and lines in class B existing on that date shall be continued in class B.

(d) Clerks assigned to terminal railway post offices and air-mail field railway post offices shall be promoted successively to grade 9; and after 3 years of faithful and meritorious service in grade 9 shall be promoted to grade 10; after 5 years of faithful and meritorious service in grade 10 shall be promoted to grade 11; and after 7 years of faithful and meritorious service in grade 11 shall be promoted to grade 12. Clerks in charge of terminal railway post offices and air-mail field railway post offices with less than 20 employees shall be of grade 14 and the clerks in charge of tours shall be of grade 13. Clerks in charge of terminal railway post offices and air-mail field railway post offices with 20 to 74 employees shall be of grade 16 and clerks in charge of tours shall be of grade 15 and clerks in charge of crews within tours shall be of grade 14. Clerks in charge of terminal railway post offices and air-mail field railway post offices with 75 or more employees shall be of grade 17, the clerks in charge of tours shall be of grade 16, and the clerks in charge of crews within tours shall be of grade 15: *Provided*, That in terminal railway post offices and air-mail field railway post offices having 20 or more employees there shall be appointed for each clerk in charge, including clerks in charge of tours and crews, a clerk of one grade lower than the lowest-grade clerk in charge of each organization and such clerks shall act as clerks in charge during the absences of the clerk in charge for whom designated: *Provided further*, That in terminal railway post offices and air-mail field railway post offices with fewer than 20 employees a relief clerk in charge may be appointed in grade 13 to be the clerk in charge during absences of the clerks in charge.

(e) Clerks assigned to transfer offices shall be promoted successively to grade 11, and after 3 years of faithful and meritorious service in grade 11 shall be promoted to grade 12; after 5 years of faithful and meritorious service in grade 12 shall be promoted to grade 13; and after 7 years of faithful and meritorious service in grade 13 shall be promoted to grade 14. Clerks in charge of transfer offices with 1 to 4 employees and of tours in such transfer offices shall be of grade 15. Clerks in charge of transfer offices with 5 to 19 employees shall be of grade 16 and clerks in charge of tours shall be of grade 15. Clerks in charge of transfer offices with 20 or more employees shall be of grade 17 and the clerks in charge of tours shall be of grade 16: *Provided*, That in transfer offices having 20 or more employees there shall be appointed for each clerk in charge, including clerks in charge of tours, a clerk of one grade lower than the lowest-grade clerk in charge of each organization and such clerks shall act as clerks in charge during the absences of the clerk in charge for whom designated: *Provided further*, That in transfer offices with 19 or fewer employees and having 2 of more clerks in charge regularly assigned a relief clerk in charge may be appointed in grade 15.

(f) In determining the number of employees in terminal railway post offices, transfer offices, and air mail field railway post offices, credit shall be allowed for service performed by regular employees, substitute employees other than those serving in lieu of regular employees absent for any cause, and temporary employees assigned to such offices, and for each 2,024 hours of service performed by such employee the office shall be allowed credit for one employee.

(g) Clerks assigned to offices of division superintendents, regional superintendents, Air Mail Service, and in chief clerks' offices shall be promoted successively to grade 9 and after 3 years of faithful and meritorious service in grade 9 shall be promoted to grade 10; after 5 years of faithful and meritorious service in grade 10 shall be promoted to grade 11; and after 7 years of faithful and meritorious service in grade 11 shall be promoted to grade 12. Assistant chiefs of sections in offices of division superintendents and clerks in charge of units in offices of regional superintendents of Air Mail Service, and in offices of chief clerks, shall be of grade 16 or 17: *Provided*, That all clerks in charge and those clerks designated to act as clerks in charge during absences of clerks in charge, in offices of division superintendents, regional superintendents Air Mail Service, chief clerks, class A runs, terminal railway post offices, and air mail field railway post offices, shall be required to progress through the automatic grades to and including grade 9 before being eligible to receive the salary provided herein for the various grades of clerks in charge and clerks who will act as clerks in charge: *Provided further*, That clerks in charge and clerks designated to act as clerks in charge during absences of clerks in charge in transfer offices and clerks in charge assigned to class B runs shall be required to progress through the automatic grades to and including grade 11 before being eligible to receive the slary provided herein for the various grades of clerks in charge and clerks who will act as clerks in charge.

(h) Examiners shall be of grade 16 and assistant examiners shall be of grade 15 whether assigned to the offices of division superintendent or chief clerk: *Provided*, That examiners to be eligible to receive the salary provided herein shall first progress through the automatic grades to and including grade 9.

(i) In filling positions below that of clerks in charge no clerk shall be advanced more than one grade in a period of a year.

(j) Operators of highway post-office vehicles shall be entitled to the same rights and benefits that accrue to railway postal clerks assigned to road duty, except no allowance shall be given these employees for service required on lay-off periods as provided herein for railway postal clerks assigned to road duty: *Provided*, That such operators shall be promoted successively to grade 9; after 3 years of faithful and meritorious service in grade 9 shall be promoted to grade 10; after 5 years of faithful and meritorious service in grade 10 shall be promoted to grade 11, and after 7 years of faithful and meritorious service in grade 11 shall be promoted to grade 12.

(k) Substitute railway postal clerks shall be paid, for actual services performed when on other than road duty, and shall be paid for road services performed according to the time value of the trip of such road service including a proper allowance for all services required on lay-off periods, as provided herein for regular employees assigned to road duty, on an hourly basis at the following rates:

Grade 1	$0.94 per hour
Grade 2	.99 per hour
Grade 3	1.04 per hour
Grade 4	1.09 per hour
Grade 5	1.14 per hour
Grade 6	1.19 per hour
Grade 7	1.24 per hour
Grade 8	1.29 per hour
Grade 9	1.34 per hour

and shall be promoted successively to grade 9 following 1 year's satisfactory service in the next lower grade: *Provided*, That not more than one promotion to the next higher grade shall be made during any 12-month period.

(l) Substitute railway postal clerks, when appointed regular clerks, shall be appointed in the salary grade corresponding to their salary grade as a substitute. Any fractional part of a year's service accumulated after the last promotion as a substitute shall be included with his service as a regular clerk in determining eligibility for promotion to the next higher grade following appointment to a regular position.

(m) Substitute railway postal clerks shall be credited with full time while traveling under orders of the Department to and from their designated headquarters to take up assignments, together with actual and necessary travel expenses, not to exceed $4 per day, while on duty away from such headquarters. When a substitute railway postal clerk performs service in a railway post office or highway post office starting from his official headquarters, he shall be allowed travel expenses under the law applying to clerks regularly assigned to the run.

(n) Mail handlers in the Railway Mail Service shall be divided into six grades, with annual salaries as follows:

Grade 1	$1,600
Grade 2	1,700
Grade 3	1,800
Grade 4	1,900
Grade 5	2,000
Grade 6	2,100

and shall be promoted successively to grade 6 following 1 year's satisfactory service in the next lower grade.

(o) Substitute mail handlers in the Railway Mail Service shall be paid hourly rates as follows:

Grade 1	$0.79 per hour
Grade 2	.84 per hour
Grade 3	.89 per hour
Grade 4	.94 per hour
Grade 5	.99 per hour
Grade 6	1.04 per hour

and shall be promoted successively to grade 6 following 1 year's satisfactory service in the next lower grade: *Provided*, That not more than one promotion to the next higher grade shall be made during any 12-month period: *Provided further*, That when a substitute mail handler is appointed to a regular position,

such employee shall be assigned to a salary grade corresponding to the salary grade as a substitute and any fractional part of a year's service accumulated since the last promotion shall be included with the service as a regular employee in determining eligibility for promotion to the next higher grade following appointment to a regular position.

(p) When the needs of the service require employees of the Railway Mail and Air Mail Services, other than railway postal clerks assigned to road duty and officers, to perform service on Saturdays, Sundays, or holidays they shall be allowed compensatory time for such service within 5 working days next succeeding the Saturday or Sunday, and on 1 day within 30 days next succeeding the holiday: *Provided, however,* That the Postmaster General may, if the exigencies of the service require, authorize the payment of overtime for services performed on the Saturdays, Sundays during the month of December, and on Christmas Day in lieu of compensatory time: *Provided further,* That the service of railway postal clerks assigned to road duty shall be based on an average of not exceeding 8 hours daily for 253 days per annum, including allowances for all service required on lay-off periods, and such allowances shall be not less than 50 minutes per day for 253 days per annum for clerks assigned to class A runs and not less than 1 hour and 35 minutes per day for 253 days per annum for clerks assigned to class B runs, and railway postal clerks assigned to road duty required to perform service in excess of an average of 8 hours daily for 253 days shall be paid for such overtime service on the basis of 150 percent of the annual rate of pay received by such employees. In computing compensation for such overtime employment, the annual salary or compensation for such employees shall be divided by 2,0?4, the number of working hours in a year. The quotient thus obtained will be the base hourly compensation and 1½ times that amount will be the hourly rate of overtime pay.

(q) Employees of the Railway Mail and Air Mail Services, other than railway postal clerks assigned to road duty and officers, shall be required to work not more than 8 hours a day, and the 8 hours of service shall not extend over a longer period than 10 consecutive hours, but in cases of emergency, or if the needs of the service require, they may be required to work in excess of 8 hours a day and shall be paid overtime for such additional service on the basis of 150 percent of their annual base pay. In computing compensation for such overtime the annual salary or compensation shall be divided by 2,024, the number of working hours in a year. The quotient thus obtained will be the base hourly compensation, and 1½ times that amount will be the hourly rate of overtime pay.

(r) In addition to the salaries provided by this act, the Postmaster General may make travel allowances in lieu of actual expenses, at fixed rates per annum, not exceeding in the aggregate the sum annually appropriated, to railway postal clerks, and substitute railway postal clerks, assigned to road duty in railway post-office cars, and highway post-office vehicles after 10 hours from the time of beginning their initial run, under such regulations as he may prescribe, and in no case shall such allowance exceed $4 per day.

(s) Promotions to automatic grades shall be made at the beginning of the quarter following 1 year's satisfactory service in the next lower grade. Promotions to additional grades shall be made at the beginning of the quarter following the required periods of faithful and meritorious service as provided herein: *Provided,* That 2,024 hours of service in a pay status shall comprise a year's work for substitute railway postal clerks and substitute mail handlers.

(t) In the readjustment of the service to conform to the provisions of this act, clerks in charge of the Railway Mail Service of grade 5 or higher shall be placed in the grades provided for their assignments. A relief clerk in charge for whom a clerk-in-charge assignment is not provided under this act shall be assigned to one grade lower than the lowest grade clerk in charge in the organization to which such relief clerk in charge is assigned.

RURAL DELIVERY SERVICE

SEC. 17. (a) Carriers in the Rural Delivery Service shall be divided into 11 grades, with salaries based in part on specified rates per mile perannum and in part on fixed compensation per annum, as follows:

For routes 30 miles or less in length served 6 days a week:

Rates per mile	*Fixed compensation*
Grade 1, $54	0
Grade 2, $56	$24
Grade 3, $58	48
Grade 4, $60	72
Grade 5, $62	96
Grade 6, $64	120
Grade 7, $66	144
Grade 8, $68	168
Grade 9, $70	192
Grade 10, $72	216
Grade 11, $74	240

and carriers shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the eleventh grade: *Provided,* That there shall be three additional grades of carriers in the Rural Delivery Service, with rates of pay per mile per annum and fixed compensation per annum, as follows:

Rates per mile	*Fixed compensation*
Grade 12, $76	$264
Grade 13, $78	288
Grade 14, $80	312

and carriers who perform faithful and meritorious service shall be promoted to grade 12 after 3 years of such service in grade 11, and shall be promoted to grade 13 after 5 years of such service in grade 12, and shall be promoted to grade 14 after 7 years of such service in grade 13.

(b) A rural carrier assigned to a route over 30 miles in length served 6 days a week shall be promoted and shall be paid for the first 30 miles at the rates per mile per annum and the fixed compensation per annum, as herein provided for routes 30 miles or less in length, and shall be paid $20 per mile per annum for each mile or major fraction thereof said route is in excess of 30 miles, based on actual mileage.

(c) A rural carrier serving one triweekly route shall be paid a salary on the basis of a route one-half the length of the route served by him. A rural carrier serving two triweekly routes shall be paid a salary on the basis of a route one-half the combined length of the two routes.

(d) The Postmaster General may, in his discretion, allow and pay such additional compensation as he may determine to be fair and reasonable in each individual case to rural carriers serving heavily patronized routes not exceeding 45 miles in length: *Provided,* That the total annual compensation of a rural carrier serving a heavily patronized route of not exceeding 45 miles in length shall not exceed $3,000, exclusive of maintenance allowance: *Provided further,* That a rural carrier below the maximum grade provided herein shall not be granted an additional allowance for serving a heavily patronized route in an amount that would exceed $3,000 when added to the salary he would receive in the maximum grade.

(e) In addition to the salaries provided in this section, each carrier in the Rural Delivery Service shall be paid for equipment maintenance a sum equal to 6 cents per mile per day for each mile or major fraction of a mile scheduled. Payments for equipment and maintenance as provided herein shall be at the same periods and in the same manner as payments for regular compensation to rural carriers.

(f) A substitute rural carrier who performs service for a regular carrier absent with pay shall be paid at the same rate paid the regular carrier for each day's service, exclusive of Sundays and authorized holidays. A temporary rural carrier serving a route in place of a regular carrier absent without pay shall be paid at the same rate paid the regular carrier, Sundays and holidays included except at the beginning or end of the period of employment. A temporary rural carrier serving a route for which there is no regular carrier shall be paid at the rate of salary provided for a carrier of grade 1 for the route on which service is performed, including Sundays and authorized holidays except at the beginning and end of the period of employment.

(g) In the readjustment of the salaries of carriers in the Rural Delivery Service to conform to the provisions of this act, rural carriers assigned to routes 17 miles or more in length shall be placed in grade 8; rural carriers assigned to routes 11 to 16 miles in length, inclusive, shall be placed in grade 9; rural carriers assigned to routes 8 to 10 miles in length, inclusive, shall be placed in grade 10, and rural carriers assigned to routes 7 miles or less in length shall be placed in grade 11: *Provided,* That any carrier in the Rural Mail Delivery Service on June 30, 1945, who serves 6 days a week a rural route of less than 30 miles, or who serves 3 days a week a rural route of less than 60 miles or two routes of a combined length of less than 60 miles, and who is receiving for such service an annual salary in excess of a salary based on the standard rate of $60 per mile per annum for the first 30 miles, and whose annual salary is in excess of such standard rate in conformity with subsection (d) of the first section of the act entitled "An act to adjust the salaries of rural letter carriers, and for other purposes" (48 Stat. 1213), approved June 25, 1934, as amended (U. S. C., 1940 ed., title 39, sec. 197–a), shall be assigned to the lowest grade that will provide an annual salary of not less than his base pay under all provisions of said act, as amended, plus $300.

MAIL EQUIPMENT SHOPS

SEC. 18. (a) The salary of employees in the mail-equipment shops shall be as follows:

Superintendent, $5,700; assistant superintendent, $4,200; general foremen, $3,600; foremen of the clerical-mechanical service, $2,600 and $2,800; cost accounting and purchasing clerks, $3,100, $3,300, and $3,500; engineers in charge, 93,100; draftsmen, $3,100, $3,300, and $3,500; assistant foremen, $2,400.

(b) Clerks, nurses, and painters shall be divided into 11 grades with annual salaries as follows:

Grade 1	$1,700
Grade 2	1,800
Grade 3	1,900
Grade 4	2,000
Grade 5	2,100
Grade 6	2,200
Grade 7	2,300
Grade 8	2,400
Grade 9	2,500
Grade 10	2,600
Grade 11	2,700

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the eleventh grade: *Provided,* That there shall be three additional grades; that is, grade 12, $2,800; grade 13, $2,900; and grade 14, $3,000; and employees who perform faithful and meritorious service shall be promoted to grade 12 after 3 years of such service in grade 11, shall be promoted to grade 13 after 5 years of such service in grade 12, and shall be promoted to grade 14 after 7 years of such service in grade 13.

(c) Pressmen, lock makers, mail-bag repairers, inspectors, mechanics, and postmarking stamp makers shall be divided into seven grades, with annual salaries as follows:

Grade 1	$1,800
Grade 2	1,900
Grade 3	2,000
Grade 4	2,100
Grade 5	2,200
Grade 6	2,300
Grade 7	2,400

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the seventh grade.

(d) Firemen, firemen-guards, skilled laborers, and sewers shall be divided into six grades, with annual salaries as follows:

Grade 1	$1,600
Grade 2	1,700
Grade 3	1,800
Grade 4	1,900
Grade 5	2,000
Grade 6	2,100

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the sixth grade.

(e) Junior mechanics, laborers, and messengers shall be divided into seven grades with annual salaries as follows:

Grade 1	$1,300
Grade 2	1,400
Grade 3	1,500
Grade 4	1,600
Grade 5	1,700
Grade 6	1,800
Grade 7	1,900

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the seventh grade.

(f) Temporary employees in the mail equipment shops shall be paid at the respective rates of pay of grade 1 provided herein for regular employees.

DIVISION OF EQUIPMENT AND SUPPLIES

SEC. 19. (a) Traveling mechanicians shall be divided into 11 grades, with annual salaries as follows:

Grade 1	$3,000
Grade 2	3,100
Grade 3	3,200
Grade 4	3,300
Grade 5	3,400
Grade 6	3,500
Grade 7	3,600
Grade 8	3,700
Grade 9	3,800
Grade 10	3,900
Grade 11	4,000

any shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the ninth grade, shall be promoted to the tenth grade, after 3 years' faithful and meritorious service in grade 9, and shall be promoted to the eleventh grade after 5 years' faithful and meritorious service in grade 10.

(b) Storekeepers shall be paid annual salaries of $3,200 and foremen shall be paid annual salaries of $2,700.

(c) Requisition fillers and packers shall be divided into seven grades, with annual salaries as follows:

Grade 1	$1,800
Grade 2	1,900
Grade 3	2,000
Grade 4	2,100
Grade 5	2,200
Grade 6	2,300
Grade 7	2,400

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the seventh grade.

(d) Laborers shall be divided into seven grades with annual salaries as follows:

Grade 1	$1,300
Grade 2	1,400
Grade 3	1,500
Grade 4	1,600
Grade 5	1,700
Grade 6	1,800
Grade 7	1,900

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the seventh grade.

SEC. 20. During the period of the emergency and for 6 months thereafter, or until such earlier time as the Congress by concurrent resolution may designate, when the needs of the service require postmasters of the first, second, and third classes, post-office inspectors, traveling mechanicians, examiners of equipment and supplies, and officers of the Railway Mail and Air Mail Services, to perform service on Saturday they shall be allowed compensatory time for such service on 1 day within 5 working days next succeeding the Saturday on which the excess service was performed: *Provided*, That postmasters of the first, second, and third classes, post-office inspectors, traveling mechanicians, examiners of equipment and supplies, and officers of the Railway Mail and Air Mail Services, shall be on duty not less than 48 hours per week, and shall be paid for the additional 8 hours, as additional pay for working such additional time, as follows: Those whose salaries are over $5,000 and not over $7,999, 5 percent of their base annual salaries; those whose salaries are over $4,000 and not over $5,000, 10 percent of their base annual salaries; those whose salaries are over $2,000 and not over $4,000, 15 percent of their base annual salaries; those whose salaries are $2,000, or under, 20 per centum of their base annual salaries: *Provided further*, That no postmaster whose base annual salary is $8,000 or over shall receive any additional compensation for such overtime work: *Provided further*, That the Postmaster General may, if the exigencies of the service require, authorize the payment of overtime in lieu of compensatory time for service performed on Saturday by employees included in the provisions of section 3 and subsection q of section 16 of this act. In computing compensation for such overtime employment, the annual salary or compensation for such employees shall be divided by 2,024, the number of working hours in a year. The quotient thus obtained will be the base hourly compensation and one and one-half times that amount will be the hourly rate of overtime pay. Such overtime payments shall not be considered as part of the earned basic compensation.

SEC. 21. All employees provided for in this act in automatic grades who have not reached the maximum grade to which they are entitled to progress automatically, shall be promoted at the beginning of the quarter following the completion of 1 year's satisfactory service since their last promotion, regardless of any increases granted them by the provisions of this act.

SPECIAL-DELIVERY MESSENGERS

SEC. 22. (a) Where special-delivery messengers are employed on a full-time basis in offices of the first class, they shall be divided into nine grades, with annual salaries as follows:

Grade 1	$1,600
Grade 2	1,700
Grade 3	1,800
Grade 4	1,900
Grade 5	2,000
Grade 6	2,100
Grade 7	2,200
Grade 8	2,300
Grade 9	2,400

and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the ninth grade.

(b) The pay of substitute, temporary, or auxiliary special-delivery messengers in offices of the first class shall be on an hourly basis at the following rates:

Grade 1	$0.79
Grade 2	.84
Grade 3	.89
Grade 4	.94
Grade 5	.99
Grade 6	1.04
Grade 7	1.09
Grade 8	1.14
Grade 9	1.19

and shall be promoted to the next higher grade at the beginning of the quarter following 2,024 hours' satisfactory service in a pay status.

(c) Special-delivery messengers in offices of the first class shall, upon the effective date of this act, be entitled to the grade to conform with their years of service, as follows:

Less than 2 years' service	Grade 1
2 years but less than 3 years' service	Grade 2
3 years but less than 4 years' service	Grade 3
4 years but less than 5 years' service	Grade 4
5 years but less than 6 years' service	Grade 5
6 years' service or more	Grade 6

(d) In addition to compensation provided in subsections (a) and (b), each special-delivery messenger in offices of the first class shall be paid for automotive-equipment maintenance at the rate of 6 cents per mile or major fraction thereof for miles traveled under the direction of the Post Office Department in making delivery of special-delivery mail or at the option of the Post Office Department at the rate of 75 cents per hour spent in making delivery of special-delivery mail. Payment for equipment maintenance as provided herein shall be at the same periods and in the same manner as payments for regular compensation to special-delivery messengers.

(e) Special-delivery messengers may be employed at duties other than the delivery of special-delivery mail when their regular duties do not require 8 hours' work in 10; and special-delivery articles may, in the discretion of the Postmaster General, be delivered by regular, substitute, and temporary postal employees, and such employees shall be paid their regular rate of compensation for such delivery service.

(f) The Postmaster General may provide or hire vehicles under an allowance basis for use in the delivery of special-delivery mail whenever the exigencies of the service may require.

(g) For the purposes of section 8 (b), (c), and (g) of the Selective Training and Service Act of 1940, as amended, and of section 3 (b) and (c) of the joint resolution entitled "Joint resolution to strengthen the common defense and to authorize the President to order members and units of reserve components and retired personnel of the Regular Army into active military service," approved August 27, 1940, as amended (relating to reemployment of persons who have served in the armed forces of the United States), services as a special-delivery messenger in the Postal Service shall be considered services as

an employee of the United States in a position other than temporary.

SEC. 23. In the readjustment of salaries to conform to the provisions of this act, regular employees for whom salary steps, automatic and additional grades have been provided in sections 12, 13, 14, 15, 16, 18, and 19 shall be assigned to the salary of their respective positions on the basis of their base salary plus 20 percent, or $400, whichever is the lesser amount, but not less than $300: *Provided*, That when the application of the above formula produces a sum that is not equal to a salary provided for the position, the employee shall be assigned to the next higher salary grade: *Provided further*, That no employee shall be assigned to a salary grade above the maximum automatic or additional grade provided for the position: *And provided further*, That clerks who are employed not less than 40 hours per week at third-class post offices, and who are appointed to regular positions, shall be assigned to the minimum salary rate provided for the position.

SEC. 24. In the readjustment of part-time positions to conform to the provisions of this act, substitute, temporary, auxiliary, and other part-time employees for whom hourly rates of pay have been provided in sections 12, 13, 14, 15, 16, 18, and 19 shall be assigned, respectively, to the hourly rate of pay that most nearly equals their base hourly rate plus 20 percent: *Provided*, That when the base hourly rate plus 20 percent does not equal the hourly rates provided by this act, fractional units of less than 50 percent shall be disregarded and fractional units of 50 percent or more shall be considered as a full unit rate of pay.

SEC. 25. Allowable service under the provisions of this act shall be only such continuous active service as has been rendered and shall not include previous periods or terms of employment: *Provided, however*, That in the case of employees who have been separated or shall hereafter be separated from the field service of the Post Office Department for military duty, the periods or terms of such service immediately preceding entry into the military service as well as the time engaged in military service shall be construed as allowable service and pro rata credit shall be given for the time engaged in military service for each year of such service.

SEC. 26. Nothing contained in this act shall operate to decrease the pay of any present regular employee to an amount less than his annual base pay plus $300.

SEC. 27. The sums appropriated for salaries and compensation of postmasters, officers, and employees of the Postal Service in the act making appropriations for the fiscal year ending June 30, 1946, shall be available for the payment of salaries and compensation of postmasters, officers, and employees of the Postal Service at the rates of compensation herein provided; and such additional sums as may be necessary are hereby authorized to be appropriated to carry out the provisions of this act.

SEC. 28. This act shall take effect on July 1, 1945.

Mr. O'BRIEN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am heartily in favor of this bill. It is well merited and long overdue. It includes in its provisions a change in the situation of special-delivery messengers particularly. Up to now they have been contractors; that is their technical description. This bill changes their situation and puts them in employee status with annual salaries. I think it is a definite improvement in the public interest. Every power the Post Office Department requested in order to improve what it admits is a bad special-delivery service at the present time has been granted.

I wish to read at this time an editorial which I think well expresses the essential things that are in this bill. The editorial comes from the Detroit Labor News, under date of May 11, 1945:

POSTAL WORKERS DESERVE A RAISE

When credit is being given for meritorious deeds performed in helping the war effort don't overlook the post-office worker. Nobody outside the armed services has delivered a better job than they. That goes for all of them—carriers, clerks, and all the other employees of the complex Postal System.

A stupendous volume of mail has been moved by the Postal Service. It has sold bonds and stamps, helped register aliens, delivered millions of ration books, and assisted with other special services. In addition to this has been piled the movement of millions of service letters and packages to all parts of the globe.

This tremendous task has been performed by a staff which has been sorely short-handed due to the introduction of many members in the armed services. A very large percentage of clerks and carriers and other postal workers are at the front. Securing replacements for the positions they vacated has been almost impossible.

Realizing its vital importance, the Postal Service has never called a strike or created any disturbance in an effort to force better pay.

Save for a $300 per year cost-of-living bonus paid to each worker, postal employees receive the same pay they did in 1925. This is far below increases granted in practically any other class of work. And this bonus has been paid for only 2 years.

Under existing law even this temporary bonus expires June 30.

To alleviate this situation, the House of Representatives is now considering a bill, H. R. 3035, which would extend the present $300 bonus and increase it $100. Specifically, a provision of $400 per year increase over the 1925 pay level.

The salary of postal employees next June will revert to the 1925 level if this bill fails to pass.

The measure would also allow time and one-half for overtime, which postal employees do not now enjoy.

Obviously, the provisions of this bill are only reasonable. Postal employees have done a remarkable job and deserve better treatment.

The Mead bill, S. 908, which is similar in most respects to H. R. 3035, is now before the Senate Post Office Committee. Every member of organized labor and their friends should vigorously support these measures. Write your Congressman today.

Mr. BURCH. Mr. Chairman, I offer a number of amendments which are at the Clerk's desk.

The Clerk read as follows:

Amendments offered by Mr. BURCH: Page 3, line 4, after the word "to", insert "employees."

Page 4, line 25, strike out "Employees" and insert the following: "Postmasters and employees."

Page 10, line 11, strike out "foreman" and insert "foremen."

Page 10, line 16, after the word "assistant", strike out "superintendent" and insert "superintendents."

Page 10, line 21, after the word "assistant", strike out "superintendent" and insert "superintendents."

Page 11, line 3, strike out "superintendent" and insert "superintendents."

Page 12, line 15, after the word "general", strike out "foreman" and insert "foremen."

Page 17, line 3, after the word "delivery" insert a comma.

Page 26, line 7, after the word "appointed", add the following: "to a regular position."

Page 26, line 9, after the word "substitute", insert a period and strike out the following: "except as provided for clerks at third-class post offices."

Page 29, line 14, strike out "superintendent" and insert "superintendents."

Page 29, line 15, strike out "Superintendent" and insert "Superintendents" and strike out "unit" and insert "units."

Page 29, line 16, strike out "superintendent" and insert "superintendents" and strike out "unit" and insert "units."

Page 29, line 17, strike out "engineer" and insert "engineers."

Page 29, line 18, strike out "engineer" and insert "engineers."

Page 29, line 19, strike out "Superintendent" and insert "Superintendents" and strike out "engineer" and insert "engineers."

Page 30, line 14, strike out the following: "Engineers, watch" and insert 'Watch engineers."

Page 35, line 15, after the word "into", strike out "six" and insert "four."

Page 36, line 1, strike out "sixth" and insert "fourth."

Page 59, line 23, after the word "subsection', strike out "q" and insert "(p).'

The amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. IZAC, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 3035, pursuant to House Resolution 246, directed him to report the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. HARTLEY. Mr. Speaker, I demand the yeas and nays.

The veas and nays were ordered.

The question was taken; and there were—yeas 361, nays 1, not voting 70, as follows:

[Roll No. 81]

YEAS—361

Abernethy	Auchincloss	Blackney
Adams	Bailey	Bland
Allen, Ill.	Baldwin, Md.	Bonner
Allen, La.	Barrett, Pa.	Boykin
Andersen, H. Carl	Barrett, Wyo.	Brehm
Anderson, Calif.	Barry	Brooks
Anderson, N. Mex.	Bates, Ky.	Brown, Ga.
Andresen, August H.	Beall	Brown, Ohio
Angell	Beckworth	Brumbaugh
Arends	Bell	Bryson
Arnold	Bender	Buck
	Bennet, N. Y.	Buckley
	Bennett, Mo.	Buffett
	Bishop	Bulwinkle

Burch	Hart	O'Toole
Burgin	Hartley	Outland
Butler	Havenner	Pace
Byrne, N. Y.	Hays	Patman
Byrnes, Wis.	Hedrick	Patrick
Camp	Heffernan	Patterson
Campbell	Henry	Peterson, Fla.
Canfield	Herter	Peterson, Ga.
Cannon, Fla.	Heselton	Pfeifer
Cannon, Mo.	Hill	Philbin
Carnahan	Hinshaw	Phillips
Case, N. J.	Hobbs	Pickett
Case, S. Dak.	Hoch	Pittenger
Celler	Hoeven	Ploeser
Chapman	Holifield	Plumley
Chelf	Holmes, Wash.	Poage
Chenoweth	Hope	Price, Fla.
Chiperfield	Horan	Price, Ill.
Church	Howell	Quinn, N. Y.
Clason	Huber	Rabaut
Clements	Hull	Rabin
Clevenger	Izac	Rains
Coffee	Jackson	Ramey
Cole, Kans.	Jarman	Randolph
Cole, Mo.	Jenkins	Rankin
Colmer	Jensen	Rayfiel
Combs	Johnson, Calif.	Reece, Tenn.
Cooper	Johnson, Ill.	Reed, Ill.
Corbett	Johnson, Ind.	Reed, N. Y.
Cox	Johnson, Luther A.	Rees, Kans.
Cravens	Jones	Resa
Crawford	Jonkman	Rich
Crosser	Judd	Richards
Cunningham	Kean	Riley
Curtis	Kearney	Rivers
D'Alesandro	Kee	Rizley
Daughton, Va.	Keefe	Robertson, N. Dak.
Davis	Kefauver	Robertson, Va.
Dawson	Kelley, Pa.	Robinson, Utah
Delaney, James J.	Kelly, Ill.	Robsion, Ky.
Delaney, John J.	Keogh	Rockwell
Dickstein	Kerr	Rodgers, Pa.
Dolliver	Kilburn	Roe, Md.
Domengeaux	Kilday	Rogers, Fla.
Dondero	Kinzer	Rogers, Mass.
Doughton, N. C.	Kirwan	Rogers, N. Y.
Douglas, Calif.	Knutson	Rooney
Doyle	Kopplemann	Rowan
Drewry	Kunkel	Russell
Durham	LaFollette	Ryter
Dworshak	Landis	Sadowski
Eberharter	Lane	Sasscer
Elliott	Lanham	Schwabe, Mo.
Ellis	Larcade	Schwabe, Okla.
Ellsworth	Latham	Scrivner
Elsaesser	LeCompte	Shafer
Elston	LeFevre	Sharp
Engel, Mich.	Lemke	Sheppard
Engle, Calif.	Lesinski	Short
Fallon	Lewis	Sikes
Feighan	Link	Simpson, Ill.
Fellows	Luce	Slaughter
Fenton	Ludlow	Smith, Maine
Fernandez	Lyle	Smith, Va.
Flannagan	Lynch	Smith, Wis.
Flood	McConnell	Somers, N. Y.
Fogarty	McCormack	Sparkman
Forand	McCowen	Spence
Fulton	McDonough	Springer
Gallagher	McGehee	Starkey
Gamble	McGlinchey	Stefan
Gardner	McGregor	Stevenson
Gary	McKenzie	Stigler
Gathings	McMillan, S. C.	Stockman
Gavin	McMillen, Ill.	Sullivan
Gerlach	Mahon	Sumner, Ill.
Gibson	Maloney	Sumners, Tex.
Gillespie	Manasco	Sundstrom
Gillette	Mansfield, Mont.	Taber
Gillie	Mansfield, Tex.	Talle
Goodwin	Marcantonio	Tarver
Gordon	Martin, Iowa	Taylor
Gore	Martin, Mass.	Thom
Gorski	Mason	Thomas, N. J.
Gossett	May	Thomas, Tex.
Graham	Michener	Thomason
Granahan	Miller, Calif.	Tibbott
Grant, Ind.	Miller, Nebr.	Tolan
Green	Monroney	Torrens
Gregory	Morgan	Towe
Griffiths	Morrison	Traynor
Gross	Mott	Trimble
Gwinn, N. Y.	Mundt	Vinson
Gwynne, Iowa	Murphy	Voorhis, Calif.
Hagen	Murray, Tenn.	Vorys, Ohio
Hale	Murray, Wis.	Vursell
Hall, Edwin Arthur	Neely	Wasielewski
Hand	Norrell	Weaver
Hare	O'Brien, Ill.	Weichel
Harless, Ariz.	O'Brien, Mich.	Weiss
Harness, Ind.	O'Hara	Welch
Harris	O'Konski	West
	O'Neal	Whitten
Whittington	Wolcott	Woodruff, Mich.
Wickersham	Wolfenden, Pa.	Woodrum, Va.
Wigglesworth	Wolverton, N. J.	Zimmerman
Winstead	Wood	
Winter	Woodhouse	

NAYS—1

Smith, Ohio

NOT VOTING—70

Andrews, Ala.	Eaton	Johnson, Okla.
Andrews, N. Y.	Ervin	King
Baldwin, N. Y.	Fisher	Lea
Barden	Folger	Madden
Bates, Mass.	Fuller	Merrow
Biemiller	Gearhart	Mills
Bloom	Geelan	Murdock
Bolton	Gifford	Norton
Boren	Granger	Powell
Bradley, Mich.	Grant, Ala.	Powers
Bradley, Pa.	Hall, Leonard W.	Priest
Bunker	Halleck	Ramspeck
Carlson	Hancock	Roe, N. Y.
Clark	Healy	Sabath
Cochran	Hébert	Savage
Cole, N. Y.	Hendricks	Sheridan
Cooley	Hess	Simpson, Pa.
Courtney	Hoffman	Snyder
Curley	Holmes, Mass.	Stewart
De Lacy	Hook	Wadsworth
Dingell	Jennings	Walter
Dirksen	Johnson, Lyndon B.	White
Douglas, Ill.		Wilson
Earthman		Worley

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Cooley with Mr. Fuller.

Mr. Bloom with Mr. Allen of Illinois.

Mr. Curley with Mr. Halleck.

Mr. Bradley of Pennsylvania with Mr. Simpson of Pennsylvania.

Mr. Healy with Mr. Wadsworth.

Mr. Madden with Mr. Jennings.

Mr. Bunker with Mr. Wilson.

Mr. Roe of New York with Mr. Carlson.

Mrs. Norton with Mr. Cole of New York.

Mr. Cannon of Florida with Mr. Holmes of Massachusetts.

Mr. Stewart with Mr. Baldwin of New York.

Mr. Douglas of Illinois with Mr. Gifford.

Mr. Biemiller with Mr. Hoffman.

Mr. Sheridan with Mr. Powers.

Mr. De Lacy with Mr. Hess.

Mr. Fisher with Mrs. Bolton.

Mr. Mills with Mr. Hancock.

Mr. Boren with Mr. Eaton.

Mr. Hook with Mr. Dirksen.

Mr. Powell with Mr. Bradley of Michigan.

Mr. Andrews of Alabama with Mr. Gearhart.

Mr. King with Mr. Bates of Massachusetts.

Mr. Walter with Mr. Leonard W. Hall.

Mr. Dingell with Mr. Merrow.

Mr. Lea with Mr. Andrews of New York.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks on the bill just passed at that point in the RECORD where the general debate was concluded.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BURCH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. KNUTSON asked and was given permission to extend his remarks in the RECORD.

Mr. CURTIS asked and was given permission to extend his own remarks in the Appendix of the RECORD and include therein certain excerpts.

Mr. KEOGH asked and was given permission to extend his remarks and to include an editorial which appeared in the World-Telegram of May 10, 1945.

Mr. LESINSKI asked and was given permission to extend his remarks as to benefits for servicemen, exservicemen, and their dependents.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and to include an order of the War Production Board relaxing the requirements for the building of rural electrification lines.

AMENDING NATIONALITY ACT

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 228 and ask for its present consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 387) to amend section 401 (a) of the Nationality Act of 1940. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereon to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, this resolution makes in order the consideration of the bill H. R. 387 which comes here with the unanimous report of the Committee on Immigration and Naturalization. The bill is an amendment to a section of the Immigration Code. Briefly, this is what it does. In the event that the parents of a child move to a foreign country and become naturalized before that child becomes of age, the child's nationality naturally follows that of its parents. We passed an act which provided that if that child desired to return to this country and resume his citizenship here, he could do so of his own free will up to a certain date in 1945. Before that time had expired, however, the war intervened; therefore, a good many people were stranded in foreign countries, and some unfortunate persons are losing their citizenship which they could have regained except for the fact the war prevented them from returning to the United States, which was their native country. This bill merely extends that time within which they can return, from 1945 to 1947. That is all the bill does. As I said, it is the unanimous report of the Committee on Immigration and Naturalization.

Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, may I ask the gentleman from Virginia [Mr. SMITH] whether or not those persons who were born here of foreign parents, that is, of parents who were not naturalized, while the parents were resident in the United States, are included in this act?

Mr. DICKSTEIN. Most of the children we are speaking about here are born in the United States, some of naturalized parents and some of aliens who took up residence in foreign countries a few years ago before the war and applied for their citizenship and included the child born here as a citizen of that country.

When those children came back they have indicated to the State Department that they want to be American citizens. Under the Nationality Act we have given them the right to return on or before 1945——

Mr. HINSHAW. I understand that part of it, but I have a further question to ask. As the gentleman knows, a great many native-born Japanese came to this country prior to 1924 and had children, born in the United States, and then, under the Exclusion Act of 1924, they returned to Japan with their children. Those children were born in the United States. Does this act include them?

Mr. DICKSTEIN. No. It has nothing to do with the excludable classes at all.

Mr. HINSHAW. But those children were born in the United States and are entitled to claim United States citizenship.

Mr. DICKSTEIN. If they have left the country they stay out, and it is up to them to find a way to get back. We make no provision for them to return to this country. In other words, and stated briefly, all that the bill does is this: Under existing law a citizen-child, whether he acquired citizenship through birth or naturalization—and a great majority of these children did acquire citizenship through birth—loses his citizenship through the naturalization of a parent in a foreign country if the child attains the age of 23 years without acquiring permanent residence in the United States, so that the child might not have lost his citizenship through any fault of his own but through the act of his parent. The law gives him until he is 23 years of age to take up residence in the United States. The present law is adequate for real young folks who can return to the United States when transportation becomes available prior to their twenty-third birthday. The Congress recognizing that a number of American citizens had passed the age of 23 when this law went into effect gave them 2 years after the effective date of the act—January 13, 1941—in which to return to the United States to protect their citizenship. However, the war was on and many of them have lost their citizenship because of the inability to secure transportation on which to return to the United States. All this bill attempts to do is to give these folks until January 13, 1947, in which to return to the United States. Those who question the merits of this bill show a definite inconsistency because the Congress on at least three occasions has extended the time in section 409 of the same Nationality Act in which to permit naturalized citizens who have been caught abroad and have been unable to get back, to return to the United States. If you decline to act favorably on this bill you will be in the position of granting greater favors to naturalized citizens than to native-born citizens.

The SPEAKER. The time of the gentleman from California has expired.

Mr. MICHENER. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I hold in my hand from the San Francisco Call-Bulletin of May 8, 1945, a large picture of Harry Bridges drinking a toast, and Mr. Molotov in the same picture drinking a toast to Harry Bridges.

The caption under the large picture showing Molotov and Harry Bridges drinking a toast to each other, reads as follows:

> Commissar Molotov provided Harry Bridges with a picture last evening that will undoubtedly wind up in the Bridges album, if any. It was at a party in the Borgia Room of the St. Francis and here the Russian and the longshore leader are toasting each other. Left to right are Dr. Holland Roberts, chairman of the American Russian Institute; Molotov; his interpreter, V. Pavlov, and Bridges. Caviar and vodka were plentiful.

We as American citizens must be careful of what the Communists in this country are interested in doing to America. We in the Congress of the United States and those in high places in authority in the United States must be very careful what the Communists are thinking about in the world and how they are trying to drag America into communism or some other ism that is not Americanism. When you look at that picture and see those two gentlemen drinking that toast, I tell you, "America beware," because you do not know what some people are trying to do, which will ultimately be ruinous to the American people and the American form of government.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. AUGUST H. ANDRESEN. Will the gentleman attempt to tell us what Mr. Bridges is saying to Mr. Molotov?

Mr. RICH. I have an idea Mr. Bridges is saying to Mr. Molotov, "Mr. Molotov, you did a good job. If you will keep on you can soon work it out so that we will have communism in America, because that is about what I stand for."

That is what Harry Bridges would say—not I. Do not think that I am for communism, because I do not want to leave that impression in the mind of anybody. America should be vigilant. America should be awake to every transaction that is taking place in America at this time, at the San Francisco Conference or any other place in America. If we are vigilant we will protect the Constitution of the United States and we will protect our form of government. If we do not we will loose our form of government, our freedom, our liberty, our Constitution. Send Harry Bridges back to Australia where he came from.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. MICHENER. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. TALLE].

R. E. A. SHOULD BE REESTABLISHED AS AN INDEPENDENT AGENCY

Mr. TALLE. Mr. Speaker, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. TALLE. Mr. Speaker, I requested time for the purpose of calling the particular attention of my colleagues to what was done in the other body of the Congress on yesterday. I refer to the passage of S. 89, with special reference to section 5 of that bill. That section provides that the R. E. A. be reestablished as an independent agency of the Federal Government. That the evidence in support of the action taken by that body was convincing and conclusive is proved by the fact that when the final vote was taken not a single voice was raised against the bill.

The demand for reestablishing the R. E. A. as an independent agency comes from the "grass roots" of America, from the farmers who borrow the money and pay it back, the farmers who work and toil to produce food for the Nation, the farmers themselves, who, because they know how important rural electrification is, are determined that it shall be administered on a sound, efficient business basis and free from partisan bickering. They do not want the R. E. A. to be a political football.

Moved by that spirit, managers of the rural electric cooperatives in the State of Iowa met in Des Moines on December 9, 1944, to make their position clear. The resolution adopted at that meeting may be found in my remarks under date of December 18, 1944, on page 4821 in the Appendix of the RECORD. Similar resolutions adopted by individual cooperatives have been recorded with me and I have not to this day received a single dissenting opinion. Throughout our country the demand is unmistakable—the people want the R. E. A. reestablished as an independent agency.

Mr. Speaker, in response to this demand I introduced H. R. 1532 on January 16, 1945. On examination it will be found that my bill is like section 5 of the bill approved in the other Chamber on yesterday.

A matter of such great significance should be free from party differences. In keeping with that attitude, on the very day when I dropped my bill in the hopper my colleague the gentleman from Missouri [Mr. CARNAHAN] introduced an identical bill. My purpose and that of my distinguished colleague from Missouri is to

act in response to the will of the American farmer, who rightfully demands that the R. E. A. be kept free from partisan politics. The objective is clear—constructive policy, responsiveness to the Congress, able and efficient administration, and no partisan political activity.

Mr. Speaker, rural electrification is the greatest blessing that has come to the American farmer in this century. Our entire Nation has shared in the benefits. I trust, therefore, and I earnestly hope that the House Interstate and Foreign Commerce Committee, to which my bill (H. R. 1532) and similar bills were referred will take prompt action. I say "similar bills" because my colleague the distinguished gentleman from Georgia [Mr. PACE] introduced a bill with similar purpose on February 8, 1945. Voluminous hearings on the conduct of the R. E. A. were held by a subcommittee of the other Chamber last year. The need for reestablishing the R. E. A. as an independent agency sticks out like a sore thumb on every one of the 2,000 pages of those printed hearings. The time to act is now. Let there be no delay.

CALL OF THE HOUSE

Mr. HARNESS of Indiana. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 82]

Anderson, Calif.	Folger	Madden
Andrews, Ala.	Fuller	Merrow
Barden	Gamble	Miller, Calif.
Bates, Ky.	Gearhart	Mills
Bates, Mass.	Gifford	Murdock
Biemiller	Granger	Norton
Bloom	Grant, Ala.	O'Brien, Mich.
Boren	Hall,	Outland
Bradley, Mich.	Leonard W.	Phillips
Bradley, Pa.	Halleck	Powell
Buckley	Hancock	Powers
Bunker	Harless, Ariz.	Priest
Burgin	Harris	Rains
Byrne, N. Y.	Hart	Rivers
Case, S. Dak.	Hartley	Roe, N. Y.
Celler	Healy	Sabath
Clark	Hébert	Savage
Cochran	Heffernan	Shafer
Cole, Kans.	Hendricks	Simpson, Pa.
Cole, N. Y.	Herter	Snyder
Cooley	Hess	Stewart
Courtney	Hoffman	Sumners, Tex.
Cox	Holmes, Mass.	Thomas, Tex.
Curley	Hook	Vursell
De Lacy	Jackson	Wadsworth
Dirksen	Jennings	Walter
Domengeaux	Johnson,	Weaver
Doughton, N. C.	Lyndon B.	White
Douglas, Ill.	Johnson, Okla.	Wilson
Earthman	Knutson	Worley
Eaton	Lesinski	
Fisher	McKenzie	

The SPEAKER. On this roll call 340 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a report by the editors on the atrocities in Germany.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that I may revise and extend the remarks that I expect to make this afternoon under special order by including therein certain decisions by the Supreme Court of the United States, citations of other authorities, and other quotations.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERSONAL EXPLANATION

Mr. GEELAN. Mr. Speaker, during the calling of the roll on the bill H. R. 3035, a bill to classify the salaries of postmasters and officers and employees of the Postal Service, I was in the library off the floor and I was not recorded as voting. Had I been present I would have voted "aye."

Mr. ANDREWS of New York. Mr. Speaker, I was unavoidably detained in conference when the recent post-office bill was under consideration. I favor its provisions, and had I been present I would have voted "aye."

AMENDING THE NATIONALITY ACT OF 1940

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ELECTION TO COMMITTEE ON IRRIGATION AND RECLAMATION

Mr. MARTIN of Massachusetts. Mr. Speaker, I present a privileged resolution (H. Res. 257) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That Mr. SCHWABE of Oklahoma is appointed to the Committee on Irrigation and Reclamation.

The resolution was agreed to.

AMENDING THE NATIONALITY ACT OF 1940

Mr. DICKSTEIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 387), to amend section 401 (a) of the Nationality Act of 1940.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 387, with Mr. FOGARTY in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from New York [Mr. DICKSTEIN] is recognized for 30 minutes.

Mr. DICKSTEIN. Mr. Chairman, I yield to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I just wish to make this announcement to the House, that H. R. 387 is a bill to amend the Nationality Act of 1940, not the immigration law.

In view of the fact that the gentleman from Kansas [Mr. REES] worked in the preparation of that nationality act, and in all probability knows more about the details of that act than any other member, I am asking the gentleman from Kansas at this time to explain the provisions of this bill and to tell us exactly what it does and also what it does not do.

I yield to the gentleman from Kansas [Mr. REES] such time as he desires to take.

Mr. REES of Kansas. Mr. Chairman, I shall take 5 minutes to begin with.

The CHAIRMAN. The gentleman from Kansas is recognized for 5 minutes.

Mr. REES of Kansas. Mr. Chairman, this legislation, as the distinguished gentleman from Illinois has just told us, is not an immigration measure. It is an amendment to the Nationality Act. Prior to the passage of the Nationality Act of 1940, persons born in the United States who were taken abroad by their parents and whose parents became citizens of a foreign country could retain American citizenship and at the same time claim citizenship in such foreign country. That is, provided they did not renounce American citizenship. It is known as dual citizenship. There were thousands of people who came under this classification of dual citizenship.

Under the Nationality Act of 1940 it was provided among other things that the persons above referred to would lose their rights of citizenship after reaching the age of 23 years if they did not, prior to that time, return to the United States and claim permanent residence, or if they had reached the age of 23 years they would have a right to claim such citizenship if they would return to the United States for permanent residence within 2 years after the act was made effective, which was January 13, 1941. The extension of 2 years gave them until January 13, 1943.

As I have just suggested, it applies only to those persons born in the United States of parents who had become citizens of foreign countries while such persons were under age. It was our contention then and it is our contention now that such child, provided he complies with other laws of our country, ought to have a reasonable time during which to claim his citizenship in America. As stated above, the act went into effect on January 13, 1941, and the two years provided under the act expired on January 13, 1943. The war has been on in the meantime, so in order to be fair to those individuals, we are extending the time until January 1947. A comparatively small group will take advantage of this legislation. I do not know how many. Probably somewhere in the hundreds will really come back and take up citizenship under this law. As I say, the only intention here is to be fair to a group of people who would have returned but could not do so because of war conditions. Among them are people living in France, Great Britain, Italy, Norway, Sweden, Switzerland and other

foreign countries. It has been suggested that Japanese would be affected. I have talked to officials in the Bureau of Immigration with respect to this question. They say this amendment could not possibly affect the Japanese, because no one whether under this act or not, will be permitted to come into this country except by securing visas from the State Department.

Everyone who would come to this country under the terms of the act would have to be admitted by our State Department and the immigration authorities, and do not forget that everyone who applies is an American born person who did not lose citizenship in America through any fault of his own.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. LANHAM. Conditions of course have changed since 1940, and there will be many abroad who by subterfuge will be trying to come to the United States. Among other provisions, I am concerned about this language in the bill: "By his own voluntary act."

The sentence being: "Has not theretofore expatriated himself as a citizen of the United States by his own voluntary act." Suppose a young man's parents had gone to Germany and been naturalized in Germany, that when he had reached the age of 21 he became a national of Germany but contended it was not his voluntary act, that he was forced into it in order to save his life. Could he not make the plea that becoming a national of Germany was not his voluntary act, therefore he would be admissible to enter this country?

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. MASON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. REES of Kansas. Mr. Chairman, I may say to the gentleman from Texas that if he did nothing to cause him to lose his citizenship. He can come back and claim citizenship in the United States because he was born here. He could do that before.

Mr. LANHAM. Suppose he insists his act was involuntary, that it was the result of coercion.

Mr. REES of Kansas. Of course, he would have to go before the representatives of our State Department and show he was a citizen, and had done nothing to lose his right to reclaim citizenship. I may say to the gentleman from Texas again that without this act he could have done it for 40, 50, or 60 years.

Mr. LANHAM. But he could not now under the time limitation of the act.

Mr. REES of Kansas. This provision of the act of 1940 went into effect in 1943 and it is a matter of fairness to the person because he could not come back during the period to 1943. None can exercise this right under the act because the war started soon after the act went into effect.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Indiana.

Mr. HARNESS of Indiana. In the last three or four years there have come into the United States nobody knows exactly how many thousands, perhaps hundreds of thousands of refugees. They are here for the duration of the war, we are told; they were brought in here in violation of the immigration laws. We just winked at them and let them come in here. We let them have refuge until the war is over. The children of those people are citizens of the United States by virtue of having been born on American soil. If they go back to other countries with their parents this would give the children the right to come back to the United States and claim citizenship?

Mr. REES of Kansas. I yield to the gentleman from Illinois [Mr. MASON] to answer that.

Mr. MASON. I will answer the question in this way: Every refugee in the United States today by virtue of having been given refuge is not a United States citizen. He is here temporarily. This does not change our Constitution. Under our Constitution a child born here is an American citizen. This bill does not affect that child one way or the other because those refugees will go back to their own country after the war is over, and we hope they will all go back. They did not take out naturalization papers here, therefore this bill has nothing to do with their children. You would have to change our Constitution in order to take away from that child his citizenship which he acquired by virtue of having been born here.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Tennessee.

Mr. COOPER. How about the provision in this bill that they must exercise this right before January 1947? Would not that child to whom reference has been made have to come back before January 1947 under the explanation given here?

Mr. MASON. Of course, that is true but a child that is born here during the period his parents were refugees would have to come back here before 1947. If his parents took him back to Germany, France, or wherever they came from, the child would have to come back before 1947, therefore he could not be more than 3 years of age. Somebody would have to sponsor him and he would have to leave his parents back there. So, of course, it is a very extreme supposition that a child 2 or 3 years of age would come back here and live here by himself without anyone to support him or to take care of him, leaving his parents back there. That is an exaggerated illustration of what this bill covers.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Michigan.

Mr. DONDERO. Would not that child be in the same position as a child born to a foreign ambassador or minister to this country? He does not become a citizen of this country. He is simply here.

Mr. MASON. Oh, yes.

Mr. DONDERO. When that ambassador goes back to his own country he would become a citizen of the country of his parents.

Mr. REES of Kansas. In any event, this particular measure simply says that unless this individual comes back to this country after his parents have renounced their citizenship in the United States and taken up citizenship in a foreign country, then that individual must get back here before 1947 and claim citizenship here if he is going to become a citizen of the United States. Otherwise he is barred.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Do I understand from what was said here that this would not affect the refugees at all?

Mr. REES of Kansas. That is correct. It does not affect the refugees.

Mr. ROBSION of Kentucky. Unless some of those refugees should have children born to them here, and, then the children would become citizens of the United States; is that the gist of the gentleman's statement?

Mr. REES of Kansas. If it is held that such children are citizens of the United States, you have another problem that does not come under this legislation.

Mr. ROBSION of Kentucky. I would like to know how broad the limits are. How many people is it contemplated that this legislation will cover?

Mr. REES of Kansas. It is rather difficult to estimate, I will say to the gentleman from Kentucky, but it is said that probably a few hundred will take advantage of it. We do not know how many are included in this group.

Mr. ROBSION of Kentucky. Of course, we hear statements made and read them in the press that there are seven or eight hundred thousand refugees in this country.

Mr. REES of Kansas. In this country?

Mr. ROBSION of Kentucky. Yes.

Mr. REES of Kansas. This bill does not affect the refugees in this country at all. That is an immigration question. We are talking about a nationality question now.

Mr. ROBSION of Kentucky. I think the average Member of the House feels as I do about it, that we do not want to break down our immigration laws.

Mr. REES of Kansas. I agree with that. Neither do I. I want to strengthen them and tighten them up.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Louisiana, a member of this committee.

Mr. ALLEN of Louisiana. I do not know how many refugees it covers, but I asked the chairman of our committee a moment ago how many it might cover and he said it might run into the thousands. I think the House ought to have the benefit of that information.

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Texas.

Mr. KILDAY. The Selective Service Act was approved, I believe, on September 16, 1940. At that time it covered boys up to 21 years of age. That was the minimum age. Suppose that a father

and mother who had resided in this country had a 20-year-old boy whom they desired to see escape the draft, and had left the country for that purpose, and found it to their advantage in the country to which they went to become naturalized. I take it that boy would have become naturalized, but under this act he would have until 1947 in which to return to the United States and elect to continue his citizenship.

Mr. REES of Kansas. That is correct. Of course, as I said a moment ago, he would have to appear before our representative abroad and show cause why he is entitled to return before he would be granted a visa to come to this country.

Mr. KILDAY. But that type of individual, one who purposely left the United States to evade service in our armed forces, would be granted an additional period of time in which to come back and take up American citizenship which he refused to defend.

Mr. REES of Kansas. We have a law now with respect to the man who left the United States for the purpose of evading the draft. We take care of him in a manner more severe than depriving him of citizenship. There is no question about him.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Georgia.

Mr. TARVER. It seems to me that the gentleman's committee ought to have at least provided in the bill that this national of another country, before acquiring citizenship in this country, should renounce allegiance to the government of which he had become a national and swear allegiance to the Government of the United States. Under the bill as drafted, all he has to do is to return to this country. He does not have to say to any authority of this Government that he even wants to be an American citizen, but you make him one whether or no, and perhaps whether he desires to be or not.

Mr. REES of Kansas. Oh, no. The persons included under the terms of this legislation have in no way renounced their citizenship in the United States. They are persons who are native-born and have not claimed citizenship abroad.

Mr. TARVER. This is the language of the bill——

Mr. REES of Kansas. If upon his own volition he becomes a citizen of the country abroad, he loses his citizenship here. This legislation does not help that person at all. There is no question about that.

Mr. TARVER. May I point out to the gentleman that the first part of his proviso says:

Provided further, That a person who has acquired foreign nationality,

So that you are unquestionably dealing with people who have become nationals of another country.

Mr. REES of Kansas. To acquire nationality is different. This bill deals only with persons who are American born, and have not on their own volition done anything to renounce that citizenship. They are in a foreign country because their parents, or someone took them there. There is no election involved, except his return is deemed to mean he wants to retain his citizenship on his own account.

Mr. TARVER. You further provide that upon his return to the United States it shall thereafter be "deemed that he has elected to be a citizen of the United States." You do not require him to make an election. You do not even require him to say that he wants to be a citizen of the United States, much less renounce allegiance to the foreign government of which he has become a national or pledge allegiance to the Government of the United States.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. DICKSTEIN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from California.

Mr. HINSHAW. May I ask the gentleman what to me is a very pertinent question? As the gentleman knows, subsequent to the Exclusion Act of 1924 a great many Japanese citizens who were in this country and had children born to them in this country returned to Japan. In the years 1937, 1938, 1939, and 1940 the male children who had been born in the United States came back here and they were known as the Kibei. Practically all of them had been through the various schools in Japan. They constitute for the most part the 7,000 Japanese who have been taken into our relocation centers and separated from the other Japanese because they are considered to be subversive of the best interests of the United States. In addition to these 7,000, a number still remain in Japan who were born here and who were not yet 21 years of age on December 7. Would this permit those children to return to the United States and claim their American citizenship before 1947?

Mr. REES of Kansas. No; for the reason that these individuals were not American citizens. They had not become American citizens.

Mr. HINSHAW. Is there any way in the world to draft an act that will prevent that thing continuing?

Mr. REES of Kansas. This measure does not affect that situation at all.

Mr. HINSHAW. The gentleman means that they cannot come in under this bill?

Mr. REES of Kansas. That is correct.

Mr. HINSHAW. Can they come in under any other act?

Mr. REES of Kansas. I am not so sure whether they can or cannot. This bill does not make provision to bring them in. I hope we can work out some legislation in line with the thought of the gentleman from California that will apply to those individuals. Of course, if I had my way, I would not permit any of them to come into this country for years and years to come.

Mr. HINSHAW. The Department of Justice has found that at least 90 percent of that particular class of Japs are subversive of the best interests of the United States, and they ought to be excluded.

Mr. REES of Kansas. I am in accord with the gentleman's views. If I thought this legislation would ease the situation with respect to Japanese, or would directly or indirectly make it easier for any Japanese to enter this country, I would not support this legislation.

Mr. JENKINS. As I understand, we did not need this law until after the 13th of January 1945. The old law applied up to the 13th of January of this year.

Mr. REES of Kansas. It applied to January 13, 1943.

Mr. JENKINS. 1945; let us have that exactly understood.

Mr. REES of Kansas. The old law provided they could come in any time; that is, before the Nationality Act was passed.

Mr. JENKINS. The old law provided that people could come in any time up to the 13th of January last past. Let us clarify it now so that there will be no misunderstanding about it at all. All these people, whoever they may be, could have come in up to the 13th of January last past, could they not?

Mr. REES of Kansas. If they could get in.

Mr. JENKINS. Nobody has said how many there are. The gentleman has indicated that there are only a few. If there are only a few, why extend the law? If there are very many, who are they? Have there been any hearings before the gentleman's committee to indicate who they are? Who will be benefited by this? If there are only a few, and if nobody knows who they are, what is the use of changing the law? If it is known who they are, why cannot someone tell us how many there are and who will be benefited?

Mr. HINSHAW. Who seeks this law? That is what I want to know.

Mr. REES of Kansas. The reason for extending the time provided in the act is that it was thought to be only fair to the thousands of people abroad who were born in the United States and have not renounced citizenship in the United States and who could not return on account of war conditions, be given a chance to return if they can otherwise qualify to return to the United States and reside permanently. They did not leave on their own volition but were taken abroad by their parents, or someone while they were minors. Before the act of 1940 they could come any time. This says they may have until 1947. The extension is only because of war conditions. They were born in the United States and had not renounced their citizenship by going before a court or by claiming citizenship in some other country.

For years we had that problem of dual citizenship of people all over the world. In order to try to cut that off, we said in the Nationality Act that all persons born in the United States of American parents, either native-born or naturalized, were cut off forevermore from claiming citizenship if they did not come back before January 13, 1943, and claim that citizenship, or they had the right to wait until they were 23 years of age and no longer to decide whether they wanted to continue to claim American citizenship. All this is done is to extend the time on account of war con-

ditions because they could not get here from Italy, Germany, Sweden, Denmark, England, Poland, Holland, or wherever it was. So we thought as a matter of fairness the act ought to be extended until January 1947. Let me repeat this deals only with persons who were born in America and who were taken abroad by their parents, or someone else, and did not go on their own volition. Before the Nationality Act was passed there was no limit. Under this legislation there is a limit to January 13, 1947. I regret this legislation seems to be so much misunderstood.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. MASON. Mr. Chairman, I yield 5 additional minutes to the gentleman from Kansas.

Mr. JENKINS. Let us be as fair as we can about this.

Mr. REES of Kansas. That is what I am trying to do.

Mr. JENKINS. Because this amends the immigration law which will become a part of the permanent law.

Mr. REES of Kansas. We are talking about the nationality law. This is not the immigration law.

Mr. JENKINS. It is a very important law to many people.

Mr. REES of Kansas. Of course it is important.

Mr. JENKINS. If any people were anxious to come back before January 13, 1945, they could have come back before January 13. If the war clouds were coming up, they saw the war clouds coming in 1941, at the time of the attack on Pearl Harbor. They had plenty of time to come back. Now, if they did not come back, what use is it for us to change present law, a law on the basis of which a lot of people have been governed. What is the use of changing that just for fear that somebody, some one or two persons might want to come in; and if you cannot name anybody who does want to come in, we will not know who is interested.

Mr. REES of Kansas. I will say to the gentleman this act did not fix the year 1941. It went into effect in 1941 but gave until January 1943, during which these American-born persons might return and assert their rights of American citizenship before being entirely cut off.

Mr. JENKINS. That is exactly what I brought out a while ago in my first question, that these people you are talking about could have come in until the 13th of January just past. Why did they not come in? If they wanted to come in, they should have been here. If you know anybody who wanted to come in after the 13th of January 1945, you ought to tell us; and if you do not, we ought not to bother to amend this very important law.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. COLE of Missouri. This act pertains to those under 23 years of age, both male and female, is that not correct?

Mr. REES of Kansas. No, it can pertain to older persons than those 23 years of age if they have lived abroad, provided they were minors when they were taken abroad and have not become citizens of a foreign country or have done nothing on their own account to become citizens elsewhere.

Mr. COLE of Missouri. We have had our armies all over this globe in the last 4 years; have we not? There was not a thing to prevent any one of those people from joining up with the Army, whether they were male or female, if they were able-bodied. For that matter, they could have been brought back at Government expense and they could have manifested their citizenship in a good way.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. Yes. I am glad to yield to my colleague from Illinois.

Mr. MASON. Not one of these people who were abroad during these 4 years could have joined up with our forces.

Mr. COLE of Missouri. Why?

Mr. MASON. Because in the first place they were living under the laws of the country in which they were residing.

Mr. COLE of Missouri. They were still American citizens.

Mr. MASON. That does not make any difference whatever.

Mr. COLE of Missouri. Any American citizen can join the armed forces.

Mr. MASON. Well, you now are talking about American citizens 50 years of age living in England, France, and Germany, and saying they could have joined our armed services. Our armed services, in the first place, would not have received them. They would not have received them or acknowledged them because they would be useless for military purposes.

Mr. COLE of Missouri. I do not see how this could apply to a person 50 years of age.

Mr. MASON. It can and does.

Mr. COLE of Missouri. Will the gentleman explain to me how it does apply?

Mr. MASON. The gentleman who now has the floor has explained time and again that any person living abroad, that is, an American citizen born here, could have come at any time whether he is 40, 50, or 60 years of age. This act simply extends that time 2 years.

Mr. ELLIS. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. ELLIS. I would like to know from the gentleman to what extent the public welfare would be served by the passage of this legislation.

Mr. REES of Kansas. It is just a matter of being fair to American citizens who live abroad and who have not had a chance to come back and live in this country and retain their American citizenship. They are in England, Holland, Sweden, Norway, Italy, France, Mexico, Russia, and in various countries of the world. It is hardly fair to cut them off and say, "You do not even have a chance to come back and claim your citizenship because there is a war on and you cannot get here." That is all there is to it. It is just a matter of fair dealing with them. Do not forget these people must comply with every other law and regulation dealing with the subject.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I shall be glad to yield.

Mr. KEEFE. Were any hearings printed in connection with this bill that the gentleman knows of?

Mr. REES of Kansas. No. Not on this amendment to the act.

Mr. KEEFE. Does the gentleman have in mind any specific instance of American citizens who were compelled to live abroad and who wanted to come back to the United States and found that they could not come back to this country? Do you have in mind any of these extreme cases the gentleman is talking about?

Mr. REES of Kansas. I will put it this way, that there are a number of individuals who were born in the United States who have been living abroad for years. If they were born here, they had the right heretofore through all the years from the beginning, since our Constitution was adopted to retain their citizenship. I trust the gentleman listened to the explanation I made with respect to this legislation.

Mr. KEEFE. They had the right but they never saw fit to elect to take that right until the war broke out and their peaceful living in Europe was disturbed.

Mr. REES of Kansas. Oh, yes. I tried to tell the gentleman a while ago there was no time limit at all when they could return until the limit of January 1943 went into effect.

Mr. KEEFE. Now they want to come back to America.

Mr. REES of Kansas. Oh, now, the gentleman ought to understand by this time.

Mr. KEEFE. I can give you some specific cases if you want to know about them.

Mr. REES of Kansas. The specific cases are all persons born in the United States, whose parent or parents may have been either American-born or naturalized citizens. We are not talking about foreigners. They are people who were taken to foreign countries when they were minors. We are not even talking about Americans who went abroad after reaching the age of majority. We do not know how many there are, but they are all American-born. It is my judgment, as I told you, that possibly a few hundred may avail themselves of this legislation. They are Americans who have not in any way taken allegiance to any foreign powers, or have done anything to indicate their interest in a foreign government. Some Members would have you believe some of them are foreign enemies. They do not belong to that class at all.

Someone suggested these Americans had until January 1943 to return to this country. Surely, it has been made plain this act did not even go into effect until January 1941. There was very little travel to this country after that date.

I regret we do not have the number who have been taken abroad through the years past. I only suggest that it is probable that a few hundred may get to come home under this measure. They are, after all, Americans. It is suggested they may be alien enemies. Alien enemies cannot and will not come, whether this legislation is passed. These people live in various countries. They

are in Sweden, Norway, Denmark, Holland, Poland, Australia and in practically all other countries.

Something has been said about Japanese being permitted to come into this country under the terms of this extension to the Nationality Act. It will not make it one bit easier for Japanese to come into this country. Not at all. If I thought so, of course I would not support it. Let me call the attention of some of you who have been talking so much about the Japanese this afternoon, that as far back as 1939, 1940, and in May 1941 I called attention on the floor of this House to the immense amounts of scrap steel and iron that was going to Japan. Even in May 1941 I called attention to a shipment of 800,000 barrels of high octane gas that was consigned to Japan. Of course, I did not forsee a war with Japan, certainly not, but I did not think it could be right that we should furnish Japan with more scrap than all countries, so she could use it for building her arms and munitions. My record with respect to that matter is on a par with any of the Members of this House, I think. Mr. Chairman, this legislation has nothing to do with the Japanese problem, or any problems dealing with Axis Powers. This legislation deals only with American-born Americans.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I had not intended to speak on this bill, but I think there is a great deal of confusion about the measure. I want to make something clear that I do not think is understood.

In the first place, for 50 or more years it has been the habit of many Americans to go abroad, buy a home, a chateau, and live there, and then go to the American consul every year and renew their passport and continue as Americans. We have found the richest ladies of this land who have taken all their millions over there to marry a duke or a count, or whatever he may be. They have lived there in glory and pleasure, drawing upon the pocketbooks of the American people. Then, after a 5-year study of what is known as the Nationality Act, we said to all of the so-called Americans, some of whom avoided the payment of taxes, some of whom never lived here or voted here except that they claimed the protection of our American consul when they were in trouble over there—and they were in trouble almost all of the time. Under the Nationality Act we said, "You are either going to be an American or not. Unless you return to your home country and establish the fact that you owe allegiance to the United States instead of to France or England or Belgium, you are through forever." We said to them, "We will expatriate you forever, irrespective of the fact that you were born in this country." So under the Nationality Act we gave them the right to return on or before the 13th of January 1943. If they did not return, it was presumed, under the law, that they lost their right to claim American citizenship and advised the consuls to that effect.

Many of those people attempted to come back, but a number of them could not get boats because the war was on, and it was humanly impossible to obtain passage. This bill simply provides that those who were unable to return be given an opportunity to extend the statute of limitations from January 13, 1943, until 1947. That is all this bill does. Many Americans lost their citizenship on January 13, 1943, through no fault of their own. In other words, they are now expatriated. What the committee is asking you to do, at the request of the Department of Justice, is to extend the statutory period until January 13, 1947, because of the war and because they were unable to come back here.

Mr. KEEFE. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. KEEFE. May I say to the gentleman that I recall very distinctly the efforts made by our State Department at that very time about which the gentleman is speaking, urging upon United States nationals to get out of those nations and get out of those countries.

Mr. DICKSTEIN. I agree with the gentleman.

Mr. KEEFE. And they were furnished the means of transportation.

Mr. DICKSTEIN. No.

Mr. KEEFE. Well, now, the gentleman says "No." Will the gentleman address himself——

Mr. DICKSTEIN. I am trying to agree with the gentleman, that some stranded Americans were given aid to come back here, but the people I am talking about, the general mass of people did not ask for aid. All they asked was a boat to get back to the United States to repatriate themselves in the country in which they were born. But it was too late—the war was on and only an insignificant few were returned on the steamship *Gripsholm*.

Mr. KEEFE. Has the gentleman any hearings or is there any evidence to which we can turn to show those facts?

Mr. DICKSTEIN. No; but the State Department will verify these statements.

Mr. KEEFE. I do not find any hearings or any evidence, but I have to go back in my recollection of what I saw in the orders of the State Department, and the advice that was given and the pleas that were made for those people to return to America.

Mr. DICKSTEIN. I want to say to the gentleman from Wisconsin that as many as possible returned because of the warning of the State Department.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 5 additional minutes.

But a lot of American citizens who were trying to comply with the very law that was passed and repatriate themselves by returning to their mother country could not possibly get a steamship on which to come back. They did not ask for any financial aid from the State Department.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. MASON. While the State Department did warn these people that they had better get back here, yet that same State Department is asking for the extension of time. These same people whom the State Department warned could not, or in some cases in all probability, did not, take advantage of it. The State Department therefore is asking us to extend this time.

Mr. DICKSTEIN. That is right.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. For a brief question; I wish to make some other observations.

Mr. BREHM. Right along that line, are not shipping facilities more critical now and will they not be until 1947 than they were before?

Mr. DICKSTEIN. No; I believe the gentleman has the situation confused.

Mr. BREHM. They are according to the War Department.

Mr. MASON. We are just asking that the time be extended to 1947. If the war is still going on in 1947 and we cannot get transportation we may even have to ask for a further extension of time.

Mr. DICKSTEIN. I believe the gentleman from Ohio is a little confused about this. Let us at least understand the case as it is. The gentleman said that transportation was better before than after. There has not been any transportation at any time for civilians since the war broke out, and it was pretty hard even before we entered the war after Pearl Harbor for them to get transportation back to this country. I have been assured by the statement of men in the steamship business that no one was able to come in and no one was able to go out.

Mr. BREHM. They were between January 13, 1941, and December 7, 1941.

Mr. DICKSTEIN. A number of them did come but there were thousands who could not in that short time. I am speaking about those who could not possibly get transportation back, who could not get travel priority.

Mr. HINSHAW. Was not that because they were confined within areas occupied by Germany?

Mr. DICKSTEIN. Both—some were interned in enemy countries and could not get out—others in friendly countries could not secure transportation. All we are asking——

Mr. HINSHAW. Would they come under this bill.

Mr. DICKSTEIN. All we asked was that those Americans who claimed to be American citizens and wanted to continue being American citizens return by a certain date. A lot of them came back. A lot of them were helped financially by the State Department to get back; but there were a great many more who could not come back, who could not find any ships, with whom it was not a question of receiving financial aid from the State Department. In the case of a number of the younger men who were able to serve in the armed forces, they enlisted in the Allied forces.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield for one further question?

Mr. DICKSTEIN. I am sorry; I cannot; there are too many others wishing to interrogate me.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. MOTT. The gentleman seems to have been speaking generally about these Americans who were abroad but who were not able to get back. If I read this amendment correctly, it refers only to a person who has acquired foreign nationality through the nationalization of his parents. That is all this bill refers to, is it not? That is the entire subject matter. Am I right or am I wrong?

Mr. DICKSTEIN. I want to emphasize by repetition the explanation I made to the gentleman from California [Mr. HINSHAW]. Under existing law a citizen-child, whether he acquired citizenship through birth or naturalization—and a majority of these children did acquire citizenship through birth—loses his citizenship through the naturalization of a parent in a foreign country if the child attains the age of 23 years without acquiring permanent residence in the United States, so that the child might not have lost his citizenship through any fault of his own but through the act of his parent. The law gives him until he is 23 years of age to take up residence in the United States. The present law is adequate for real young folks, who can return to the United States when transportation becomes available prior to their twenty-third birthday. The Congress, recognizing that a number of American citizens had passed the age of 23 when this law went into effect, gave them 2 years after the effective date of the act—January 13, 1941—in which to return to the United States to protect their citizenship. However, the war was on and many of them have lost their citizenship because of the inability to secure transportation on which to return to the United States. All this bill attempts to do is to give these folks until January 13, 1947, in which to return to the United States. Those who question the merits of this bill show a definite inconsistency because the Congress on at least three occasions has extended the time in section 409 of the same Nationality Act in which to permit naturalized citizens who have been caught abroad and have been unable to get back, to return to the United States. If you decline to act favorably on this bill, you will be in the position of granting greater favors to naturalized citizens than to native-born citizens.

Mr. MOTT. Does the gentleman claim those people are covered by this bill?

Mr. DICKSTEIN. Certainly.

Mr. MOTT. This bill, unless I read it entirely erroneously, pertains only to Americans who have lost their citizenship through the nationalization of their parents in a foreign country.

Mr. DICKSTEIN. That is true, and I am trying to follow that. Suppose the parents came here 20 years ago and children were born to them. These children became naturalized. Their children became naturalized if they were under 21. Also the native-born. Then before the children became 21 they took the children and moved to England and renounced citizenship in the United States in favor of England. They became English citizens. Under Czechoslovakia law or Italian law or any other law that child was expatriated without his consent, even though born in this country.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, these children now want to return here and claim their birthright, but they cannot return although we gave them the right to do so under the Nationality Act. It was impossible to obtain shipping space. This simply asks for a 2-year extension.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Oregon.

Mr. MOTT. They can return if they are under 23 years of age.

Mr. DICKSTEIN. Yes; but this bill takes care of the many who are over 23.

Mr. MOTT. No. The present law says anyone can return before he is 23 years of age without any restriction whatever. This applies only to those over 23 years of age who have lost their American citizenship through the foreign naturalization of their parents. I cannot possibly conceive of anybody coming under this.

Mr. DICKSTEIN. That is right. We simply provided in the Nationality Act they must return before they are 23 years of age, or within 2 years after the effective date of the act January 13, 1941.

Mr. MOTT. So this would involve people over 23.

Mr. DICKSTEIN. Yes. In 1943 they tried to get back, because the State Department is loaded with telegrams and letters asking for permission to return.

Mr. MOTT. How many of those did not come back because their sons were approaching the draft age?

Mr. DICKSTEIN. I do not know and I have no sympathy for that kind of business. The gentleman knows that and I have explained that the Seventy-eighth Congress took care of that.

Mr. MOTT. Nevertheless they would be taken in under this.

Mr. DICKSTEIN. I am not defending those rats who ran away from the defense of their country. They are taken care of.

Mr. MOTT. They would come in here under this.

Mr. DICKSTEIN. I am interested in the legitimate men and women.

Mr. MOTT. Those people would come in.

Mr. DICKSTEIN. We have a State Department and consuls. They can examine those people and they can throw them out under different clauses and refuse them admission or refuse them a passport. They must refuse them under Public Law 431 of the Seventy-eighth Congress.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Ohio.

Mr. ELSTON. It would also include some who have actually fought in the German Army against this country?

Mr. DICKSTEIN. If any individual fought against the United States in this war they lose their citizenship under subsection (c) of the very section we are trying to amend.

Mr. ELSTON. The way this reads now it would permit them to come in.

Mr. DICKSTEIN. No; existing law takes care of that.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I want to make the observation that to cut these individuals off is not cutting off Germans, and Japanese, and all that sort of thing so much as it is cutting off our own friendly allies. That is the trouble. It is unfair to them. The gentleman from Ohio suggested that they should have been able to see this war coming on and therefore should have come in here and should have come back to this country and established their citizenship in the meantime. There are a good many of us who did not see the war coming on, as far as that is concerned. This is a matter of fairness to the individuals themselves who are our friends and our friendly allies. We want to protect them.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Louisiana.

Mr. BROOKS. I want to ask this question in line with another question that has been asked the gentleman. When we got to work and passed the conscription law before the war came on there was a rather heavy exodus of people from the United States to other countries in order to avoid the draft. Since the war has come along lots of those people can plead that boats were not available for them to come back on and to bring their sons back to serve in the Army of our country.

Will this bill allow those people who have gone out of the country to evade the draft to become American citizens again?

Mr. DICKSTEIN. The gentleman makes an excellent contribution because it reminds me that the Seventy-eighth Congress passed an act—Public Law 431, approved September 7, 1944, to the effect that any individual who was subject to the draft and then left the country shall be always and forever barred from entering the country again.

Mr. BROOKS. Without an amendment, that man could return.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 1 more minute in order to answer certain statements.

Statements have been made to the effect that there are thousands of refugees coming in here. I think that is an unfair statement. There was a statement made to the effect that there were thousands of aliens coming in. That is unfair, because in the last 5 or 6 years nine-hundred-and-some-odd thousand were kept out of this country, and instead of the 150,000 or 160,000 quota for last year, only about 28,000 numbers were used up. There are no thousands of refugees coming in, and it is not proper or fair to the lot of these people who are helping us in

this war effort to charge them with being undesirable and not entitled to be here. The people who are here as refugees are here under a permit to come here for business purposes. I think the injection of that bugaboo story of a lot of refugees flooding this country is unfair in considering this legislation.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the first sentence of the second proviso of section 401 (a) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1168; 8 U. S. C. 801 (a)), is hereby amended to read as follows: "*Provided further*, That a person who has acquired foreign nationality through the naturalization of his parent or parents, and who at the same time is a citizen of the United States, shall, if he is abroad and has not theretofore expatriated himself as a citizen of the United States by his own voluntary act, be permitted at any time prior to January 13, 1947, to return to the United States and take up permanent residence therein, and it shall be thereafter deemed that he has elected to be a citizen of the United States."

Mr. ALLEN of Louisiana. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. ALLEN of Louisiana moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. MASON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. May I ask if this motion is debatable?

The CHAIRMAN. Five minutes on each side is allowed.

Mr. MASON. I thank the Chairman.

Mr. ALLEN of Louisiana. Mr. Chairman, I have thought a great deal about this bill. Frankly, I wish it were possible for me to give the bill my wholehearted support. This bill was reported out of committee in the last Congress, but we have a habit of again reporting out most of those bills that die on the calendar in the previous Congress when a new Congress meets, reserving the right to any Member of the committee to favor or oppose in the House any bill brought up for consideration. I am therefore exercising the right I reserved.

Perhaps a mistake was made in bringing this bill to the House. I do not recall whether I was present when the bill was first voted out in the last Congress. We have so many bills in that committee that one cannot keep all of them in mind.

But this debate has brought additional information. For instance, the chairman of our committee now says quite frankly that the bill might cover thousands of persons. It is evident to me that the House would like to have further information as to how far this bill might go, how many persons it might cover, what countries might be involved, and other angles.

This question ought to have further study and consideration. This bill is rather broad, rather inclusive, perhaps too much so. It has been suggested here that it might let in some Japs. I am not certain about that. Maybe it will. The contention is made that if it lets in any Japs, there will only be a "handful." If it lets in one Jap, that is one too many.

It might do this also. It might permit some young men to come to this country to claim this citizenship who actually fought against the American boys on foreign soil. Do not say it could not do that, because it could. Parents who took their children back to Europe before the war and remained there during the war no doubt had sons fighting in the armies against our sons. If this bill gives any possibility of those being able to come back to America and claim citizenship, it ought to be changed. In my mind such is a distinct possibility.

It might also make a very convenient vehicle for draft dodgers, as was pointed out by the gentleman from Texas [Mr. KILDAY]. All sorts of reports have come to us of parents taking their sons to other countries just prior to this war to evade military service for their sons. If this bill makes it possible for such sons to come back here now and claim citizenship, we want it changed.

I recognize that it only extends a right under the 1940 Nationality Act, but I am not certain that we were right in the 1940 Nationality Act in that respect. If we made a mistake by writing that provision into the 1940 act there is no reason why we should perpetuate the mistake and make it even worse here. We have found other things in the 1940 Nationality Act that needed correcting and this may be one also. This bill perhaps indicates the need of further study on that particular point. This phase of the 1940 act should be reviewed in the light of world conditions existing at this time.

One other point: When people come to this country from a foreign land, any child under the age of 21 derives citizenship from its parents. If the aliens, the father and mother, come here and get naturalized, all their children under 21 years of age derive their citizenship from them. The children thus become American citizens. Now, if those same parents go back to their former country and take out citizenship again in their former countries, thus renouncing American citizenship, are we under obligations to receive those children back here as American ctizens, notwithstanding the actions of their parents? This bill would probably bring about just that peculiar situation.

These are only some of the possibilities under this bill which have been revealed by this debate. There may be deserving cases. Some legislation on this question might perhaps be justified. I am not passing on that now. I am simply saying that this bill is too broad, too inclusive, to warrant final passage at this time. We should explore the entire question further. I certainly do not want to do anybody any harm. I have no prejudices in the matter at all. I merely feel that we should call a halt on this procedure at this time. I shall be glad to give consideration to deserving cases in the future, but I am unwilling to proceed further with this very broad and all-inclusive bill. I therefore ask favorable consideration of my motion to strike out the enacting clause.

Mr. MASON. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, this House by a large majority passed the Nationality Act. In that Nationality Act this House sought to correct an evil that had been prevailing for at least 50 years or more, and that was the dual citizenship situation. Up until we passed the 1940 Nationality Act, any citizen of the United States could live in a foreign country as long as he pleased and still claim citizenship here, still return here and be accepted as an American citizen. We felt that that was a bad situation, and the Congress in its wisdom passed the Nationality Act, which stated that that practice could not go on any longer; that an American citizen living outside of the United States, in a foreign country, must before a certain date or before he is 21 years of age state that he wants to retain his citizenship and must come back to this country in order to do that.

We all felt we were accomplishing a great deal at that time, but the war came on, and these people could not get back. They could not state right here in the United States that they wanted to retain their citizenship. Then this Congress in its wisdom extended the time that that could be done until 1943. From 1941 to 1943 we were at war. They could have come back before 1941, perhaps, although it was difficult then, but from 1941 to 1943 we were at war, and they could not come back.

All this bill does is to do justice to those American citizens, and they are American citizens, although under the act the time limit has expired, and automatically they lose their citizenship. The purpose of this act is to extend to them this further time to come here and reclaim their citizenship.

The question has been raised that some of these people might have, if they were in Germany, fought against our boys. That is true; that is possible. But not one of those who have fought in the German Army, even if they are native-born American citizens, can come back here. There are other laws that take care of that situation. Visas are required. Certainly their record, when they apply for a visa, will be scanned to see if that was the case. Therefore, we do not need to worry about that end of it. So far as the Jap is concerned, I am willing to state emphatically right now that not one Jap will be returned to this country from Japan because of being a native-born citizen of the United States. This bill has nothing to do with that type of case anyway because the parents in their case do not become naturalized citizens of Japan again. This bill does not touch that type of citizen anyway. So we have some things raised in connection with this bill which have nothing to do with the bill. We are just seeking to extend the time so that it will be possible for an American citizen who desires to retain his citizenship to come here and state that fact. That is all the bill does.

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired.

Mr. MAY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MAY. Mr. Chairman, where a motion to strike the enacting clause is sustained by a vote of the Committee of the Whole, can the bill then be further considered by the legislative committee from which it came?

The CHAIRMAN. If the motion is adopted, it will be reported back to the House and it will then depend upon the action taken in the House.

Mr. JENKINS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JENKINS. There seems to be some confusion, Mr. Chairman. Those who wish to defeat this measure should vote "aye" on the motion to send it back.

Mr. DICKSTEIN. That is correct.

The CHAIRMAN. The question is on the motion of the gentleman from Louisiana [Mr. ALLEN].

The question was taken; and on a division (demanded by Mr. DICKSTEIN) there were—ayes 90, noes 45.

So the motion was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FOGARTY, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill H. R. 387, directed him to report the same back to the House with the recommendation that the enacting clause be stricken out.

The SPEAKER. Under the rule, the previous question is ordered.

The question is, Shall the enacting clause be stricken out?

The question was taken; and on a division (demanded by Mr. DICKSTEIN) there were ayes 93 and noes 61.

Mr. DICKSTEIN. Mr. Speaker, I object to the vote on the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 177, nays 157, not voting 98, as follows:

[Roll No. 83]

YEAS—177

Abernethy	Brown, Ohio	Daughton, Va.
Allen, La.	Brumbaugh	Davis
Andersen, H. Carl	Bryson	Doughton, N. C.
	Bulwinkle	Drewry
Andresen, August H.	Butler	Durham
	Byrnes, Wis.	Dworshak
Angell	Camp	Elliott
Arnold	Campbell	Ellis
Auchincloss	Carlson	Ellsworth
Baldwin, Md.	Carnahan	Elston
Barrett, Wyo.	Chapman	Engel, Mich.
Bates, Ky.	Chelf	Ervin
Beckworth	Chiperfield	Fallon
Bell	Church	Fellows
Bender	Clements	Fenton
Bennett, Mo.	Clevenger	Gathings
Bishop	Cole, Mo.	Gibson
Blackney	Colmer	Gillespie
Bolton	Combs	Gillette
Bonner	Cooper	Gillie
Brehm	Cravens	Goodwin
Brooks	Crawford	Gore
Brown, Ga.	Cunningham	Graham
Grant, Ind.	McDonough	Robertson, Va.
Gregory	McGregor	Robsion, Ky.
Griffiths	McKenzie	Rockwell
Gross	McMillen, Ill.	Rodgers, Pa.
Gwynne, Iowa	Mahon	Roe, Md.
Hare	Maloney	Rogers, N. Y.
Harness, Ind.	Manasco	Russell
Harris	Mansfield, Mont.	Schwabe, Mo.
Henry		Schwabe, Okla.
Heselton	Martin, Iowa	Scrivner
Hinshaw	Merrow	Shafer
Hobbs	Miller, Nebr.	Sheppard
Hoch	Mills	Short
Holmes, Wash.	Mott	Sikes
Hull	Mundt	Smith, Ohio
Izac	Murdock	Smith, Wis.
Jenkins	Murray, Tenn.	Springer
Jensen	Norrell	Sumner, Ill.
Johnson, Calif.	O'Hara	Taber
Johnson, Ill.	Peterson, Fla.	Talle
Johnson, Ind.	Peterson, Ga.	Tarver
Johnson, Luther A.	Pickett	Thomason
	Pittenger	Tibbott
Jones	Ploeser	Trimble
Jonkman	Poage	Vorys, Ohio
Keefe	Price, Fla.	Weaver
Kerr	Ramey	Weichel
Kilday	Ramspeck	West
Kinzer	Randolph	Whitten
Landis	Rankin	Whittington
Lanham	Reed, N. Y.	Winstead
Larcade	Rich	Winter
Latham	Richards	Wolcott
Lewis	Riley	Wolfenden, Pa.
Ludlow	Rivers	Wood
Lyle	Rizley	Woodruff, Mich.
McConnell	Robertson, N. Dak.	Woodrum, Va.
McCowen		

NAYS—157

Adams	Gossett	Neely
Allen, Ill.	Granahan	O'Brien, Ill.
Anderson, Calif.	Green	O'Brien, Mich.
Anderson, N. Mex.	Hagen	O'Konski
	Hale	O'Toole
Andrews, N. Y.	Hall, Edwin Arthur	Outland
Bailey		Patrick
Baldwin, N. Y.	Hand	Patterson
Barrett, Pa.	Harless, Ariz.	Philbin
Beall	Havenner	Powers
Buck	Hays	Price, Ill.
Byrne, N. Y.	Hedrick	Quinn, N. Y.
Canfield	Herter	Rabin
Cannon, Fla.	Hill	Rayfiel
Cannon, Mo.	Hoeven	Reed, Ill.
Case, N. J.	Holifield	Rees, Kans.
Celler	Hope	Resa
Chenoweth	Horan	Rogers, Fla.
Clason	Howell	Rogers, Mass.
Coffee	Huber	Rooney
Corbett	Jackson	Rowan
Crosser	Jarman	Ryter
Curtis	Judd	Sadowski
D'Alesandro	Kean	Sasscer
Delaney, James J.	Kearney	Sharp
	Kee	Sheridan
Delaney, John J.	Kelley, Pa.	Simpson, Ill.
	Kelly, Ill.	Smith, Maine
Dickstein	Keogh	Somers, N. Y.
Dingell	Kilburn	Sparkman
Dolliver	King	Spence
Dondero	Kirwan	Starkey
Douglas, Calif.	Kopplemann	Stefan
Doyle	Kunkel	Stevenson
Eberharter	LaFollette	Stigler
Elsaesser	Lane	Stockman
Engle, Calif.	LeCompte	Sullivan
Feighan	LeFevre	Sumners, Tex.
Fernandez	Lemke	Sundstrom
Flannagan	Lesinski	Talbot
Flood	Link	Taylor
Fogarty	Luce	Thom
Folger	Lynch	Thomas, Tex.
Forand	McCormack	Torrens
Fulton	McGlinchey	Towe
Gallagher	Marcantonio	Traynor
Gamble	Martin, Mass.	Voorhis, Calif.
Gardner	Mason	Vursell
Gary	May	Wasielewski
Gavin	Michener	Wickersham
Geelan	Miller, Calif.	Wigglesworth
Gerlach	Monroney	Wolverton, N. J.
Gordon	Morgan	Woodhouse
Gorski	Murray, Wis.	

NOT VOTING—98

Andrews, Ala.	Bradley, Pa.	Courtney
Arends	Buckley	Cox
Barden	Buffett	Curley
Barry	Bunker	Dawson
Bates, Mass.	Burch	De Lacy
Bennet, N. Y.	Burgin	Dirksen
Biemiller	Case, S. Dak.	Domengeaux
Bland	Clark	Douglas, Ill.
Bloom	Cochran	Earthman
Boren	Cole, Kans.	Eaton
Boykin	Cole, N. Y.	Fisher
Bradley, Mich.	Cooley	Fuller
Gearhart	Johnson, Okla.	Robinson, Utah
Gifford	Kefauver	Roe, N. Y.
Granger	Knutson	Sabath
Grant, Ala.	Lea	Savage
Gwinn, N. Y.	McGehee	Simpson, Pa.
Hall, Leonard W.	McMillan, S. C.	Slaughter
	Madden	Smith, Va.
Halleck	Mansfield, Tex.	Snyder
Hancock	Morrison	Stewart
Hart	Murphy	Thomas, N. J.
Hartley	Norton	Tolan
Healy	O'Neal	Vinson
Hébert	Pace	Wadsworth
Heffernan	Patman	Walter
Hendricks	Pfeifer	Weiss
Hess	Phillips	Welch
Hoffman	Plumley	White
Holmes, Mass.	Powell	Wilson
Hook	Priest	Worley
Jennings	Rabaut	Zimmerman
Johnson, Lyndon B.	Rains	
	Reece, Tenn.	

So the enacting clause was stricken out.

The Clerk announced the following pairs:

On this vote:

Mr. Simpson of Pennsylvania for, with Mr. Biemiller against.

General pairs:

Mr. Cooley with Mr. Fuller.
Mr. Healy with Mr. Halleck.
Mr. Curley with Mr. Wadsworth.
Mr. Madden with Mr. Jennings.
Mr. Bunker with Mr. Wilson.
Mrs. Norton with Mr. Cole of New York.
Mr. Stewart with Mr. Holmes of Massachusetts.
Mrs. Douglas of Illinois with Mr. Gifford.
Mr. Barry with Mr. Hoffman.
Mr. De Lacy with Mr. Hess.
Mr. Boren with Mr. Eaton.
Mr. Pfeifer with Mr. Hancock.
Mr. Hook with Mr. Dirksen.
Mr. Powell with Mr. Bradley of Michigan.
Mr. Andrews of Alabama with Mr. Gearhart.
Mr. Morrison with Mr. Bates of Massachusetts.
Mr. Walter with Mr. Leonard W. Hall.
Mr. Fisher with Mr. Arends.
Mr. Roe of New York with Mr. Hartley.
Mr. Vinson with Mr. Reece of Tennessee.
Mr. Hart with Mr. Knutson.

Mrs. DOUGLAS of California changed her vote from "aye" to "no."

Mr. CANNON of Florida changed his vote from "aye" to "no."

Mr. RICH changed his vote from "no" to "aye."

The result of the vote was announced as above recorded.

On motion by Mr. RANKIN, a motion to reconsider was laid on the table.

The doors were opened.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 3038. An act to amend section 409 of the Interstate Commerce Act, as amended.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 383) entitled "An act to provide for further development of cooperative agricultural extension work"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BANKHEAD, Mr. BILBO, Mr. ELLENDER, Mr. CAPPER, and Mr. SHIPSTEAD to be the conferees on the part of the Senate.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in

order on Calendar Wednesday may be dispensed with this week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix in two instances and to include therewith statements before the Ways and Means Committee.

Mr. NORRELL asked and was given permission to extend his remarks in the RECORD and include a press release by Secretary Ickes.

Mr. FLANNAGAN asked and was given permission to extend his own remarks in the Appendix.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include a prayer by Dr. O. F. Blackwelder, pastor of the Church of Reformation, Washington, D. C.

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD and include an editorial from the Indianapolis Times.

Mrs. ROGERS of Massachusetts asked and was given permission to revise and extend her remarks and include therein a radio address she made to the WAC's on yesterday, their third birthday.

PERMISSION TO ADDRESS THE HOUSE

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent that on Tuesday next, May 22, after the reading of the Journal and disposition of business on the Speaker's table and all legislative matters, I may be permitted to address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that today after the other special orders I may address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

PERSONAL EXPLANATION

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, I was unavoidably detained this afternoon when the vote was taken on the post office pay bill, H. R. 3035. Had I been present I would have voted "yea."

NEWS BLACK-OUT

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, late editions of Washington newspapers carry the information that President Truman has reversed Elmer Davis' news black-out policy in the Reich. This is a very encouraging sign. By his action, President Truman has made it very clear that he intends to have a free press not only in the United States but in the countries we occupy. He has further indicated that he does not intend to permit power-drunk bureaucrats to form the policies for his administration. His action today will be hailed by ever true American.

The SPEAKER. Under previous order of the House, the gentleman from Alabama [Mr. HOBBS] is recognized for 1 hour.

FAIR EMPLOYMENT PRACTICES COMMISSION

Mr. HOBBS. Mr. Speaker, H. R. 2232 is entitled "A bill to prohibit discrimination in employment because of race, creed, color, national origin or ancestry." But if it were truly and frankly given the title it deserves, it would be this: "A bill to assassinate Abraham Lincoln again; to foment racial and religious hatred, jealousy, dissension, strife, discord, and disunity, while weakening patriotism; also to subvert and prostitute the Constitution of the United States, particularly the Bill of Rights; and to extirpate those rights retained by the people and guaranteed by the ninth amendment; also, to substitute the false and cowardly whine of inferiority complex, for free competition on a basis of honest merit; also, to create a superbureau to dwarf and dominate the rest of Government, provide as many of the 60,000,000 jobs as may be necessary, and enslave everyone but the Commission and its pets."

WHY?

Why is this bill here? The obvious answer is that both of the major political parties in the United States have disgraced themselves by vying with each other in seeking to curry favor with the voters of minority groups whose political support it is thought can be bought by making them beneficiaries of such guaranteed favoritism.

But, while this is true, it does not account for all of those who are pushing this measure. Many of them are just as sincere and honest in their support as we are in our opposition. These are not demagogues and are for the bill because they believe that the members of these groups or some of them are being made the object of unfair and hostile discrimination. They believe in the American principle of fairness, "the square deal," as all good citizens do! The difference between them and us is not too great to be reconciled.

When we think this proposal and its manifest prognosis through, in the light of the Constitution, we are bound to realize that if this theory should become approved practice, our "Bill of Rights" will have become emasculated; the "land of the free" will have lost its freedom; slavery, which we all hoped and prayed was gone forever, will have been reestablished; the United States of America will have become "the home of the brave" only in memory; and while America's heroic millions continue to fight abroad, as bravely as men ever fought, to free the world and to preserve our own freedom, on the home front it is proposed to sell our birthright and theirs for a mess of pottage and establish a Fourth Reich in all but name.

Let us be frank and honest with each other. There is really very little discrimination in employment because of race, creed, color, national origin or ancestry.

To be discriminating is a virtue. It is a characteristic to be sought and acquired. Discrimination in the choice of music, painting, sculpture, or any other art, including the art of the artisan or salesman, is a quality of which one may be proud. To differentiate because of low motives such as prejudice or hatred, is unworthy, to say the least. To eschew the lower and choose because of higher motives is commendable. Rotary teaches its members: "He profits most who serves best." We have never risen to the high level of that business ethic, and still seek to make money only for money's sake. But, whether the business ethic be higher or lower, most of the discrimination in employment is because of the profit motive, and the belief that the applicant employed was better fitted for the job or would be of more financial benefit to the employer than the rejected applicants. The same is true of discharges. Almost every business institution, large or small, is a stadium wherein is played the cruel game of "survival of the fittest." The fittest like it, and pridefully admit the truth. The others do not like it, and nearly always yell: "Kill the umpire." They charge crooked favoritism or any other "alibi" they can frame. Sometimes character, qualifications, and experience being equal, the determining factor in employment, or in replacement, is the family connections or friends of the respective applicants, and their comparative pulling power of business or good will. But as used in the laboratories of personnel procurement, retention, or promotion, the best neutralizer of the acid of prejudice or hatred is the alkali of dollar-value!

Suppose, however, that the profit motive is a myth, the survival of the fittest but a false figment of a diseased imagination, and assuming the truth of the theory of the F. E. P. C. bill, to wit, that hatred because of race, creed, or color caused and causes every failure to get or to keep employment. If hate be the cause, is forcing the hated on the hater the cure?

QUO WARRANTO?

Who are we? And, "Upon what meat doth this our Caesar feed, That he is grown so great?" We are not the sovereign, we are but the representatives of the sovereign; chosen by the sovereign for the shortest term known to our election laws, to use only those legislative powers granted us in the Constitution. This limitation of power is true only of the Congress.

All legislative powers herein granted shall be vested in a Congress (art. I, sec. 1).

The executive power shall be vested in a President (art. II, sec. 1).

The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish (art. III, sec. 1).

So, if you are a man of honor, you cannot vote for a bill, no matter how good you may think it, unless you can point to your authority in the Constitution.

I challenge anyone so to justify this bill or any part of it.

This is a free country. Our freedoms are guaranteed by the Constitution and by the honor of the Congress and the courts. Nor do our rights have to be enumerated—we are free—and have all rights that we have not voluntarily surrendered.

The provision "All legislative powers herein granted shall be vested in a Congress" means that Congress "within the limits of its powers and observing the restrictions imposed by the Constitution may, in its discretion, enact any statute appropriate to accomplish the objects for which the National Government was established." (*Burton* v. *United States* (202 U. S. 344, 367 (1906)).)

The only legislative powers vested in Congress are those "herein granted." "Whenever, therefore, a question arises concerning the constitutionality of a particular power, the first question is whether the power be expressed in the Constitution. If it be, the question is decided. If it be not expressed, the next inquiry must be whether it is properly an incident to an express power and necessary to its execution. If it be, then it may be exercised by Congress. If not, Congress cannot exercise it." (Justice Story, Commentaries on the Constitution, sec. 1243, quoted with approval in *United States* v. *Harris* (106 U. S. 629, 636 (1883)).)

The Government of the United States is one of delegated, limited, and enumerated powers. Therefore, every valid act of Congress must find in the Constitution some warrant for its passage. This is apparent by reference to certain provisions of the Constitution: e. g., (a) article I, section 1 that all legislative powers granted by the Constitution shall be vested in the Congress of the United States; (b) article I, section 8, which enumerates the powers granted to Congress, and concludes the enumeration with a grant of power "to make all laws which shall be necessary and proper to carry into execution the foregoing powers and all other powers vested by the Constitution in the Government of the United States, or in any department or officer thereof"; and (c) the tenth amendment which declares that "the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." (*Martin* v. *Hunter's Lessee* (1 Wheat. 304 (1816)); *McCulloch* v. *Maryland* (4 Wheat. 316 (1819)); *Gibbons* v. *Ogden* (9 Wheat. 1 (1824)); *United States* v. *Harris* (106 U. S. 629, 635 (1883)); *Civil Rights Cases* (109 U. S. 3); *Butts* v. *Merchants Transportation Co.* (230 U. S. 126). (None of these cases has been overruled or qualified on the point now at issue.) *U. S.* v. *Cruikshank* (92 U. S. 545); *Pettibone* v. *U. S.* (149 U. S. 202); *Logan* v. *U. S.* (144 U. S. 263, 286, 293) (wherein is clearly shown the distinction between rights that are "recognized" by the Constitution and those that are so "granted" or "created").)

Nor should it be forgotten that there are other definite and pointed limitations upon the power of Congress.

No bill of attainder or ex post facto law shall be passed (art. I, sec. 9).

A bill of attainder is a legislative act which inflicts punishment without a judicial trial. If punishment be less than death, it is a bill of pains and penalties—*Cummings* v. *Missouri* (4 Wall. 277, 323).

Every law that makes an act done before the passage of such law criminal, which was innocent when done, or that alters rules of evidence, is an ex post facto law—*Calder* v. *Bull* (3 Dall. 386, 390); *Ex parte Garland* (4 Wall. 333, 377); *Cummings* v. *Missouri* (4 Wall. 277, 325–328); *Burgess* v. *Salmon* (97 U. S. 381, 384).

The F. E. P. C. bill, among other things, seeks to regulate private employment by Federal law. This, on the specious and absurd pretext that discrimination in such employment affects interstate or foreign commerce.

This bill also seeks to regulate upon the same theory the membership and privileges of members of labor unions.

The case of *Hodges* v. *U. S.* (203 U. S. 1) clearly shows that any attempt by the Federal Government to regulate such private affairs is unconstitutional and void. This case was decided in 1906 but has not been overruled nor qualified, and has stood the test of time for nearly 40 years. For the convenience of the House, I quote the majority opinion in full:

Mr. Justice Brewer, after making the foregoing statement, delivered the opinion of the court.

While the indictment was founded on sections 1977 and 5508, we have quoted other sections to show the scope of the legislation of Congress on the general question involved.

That prior to three post bellum amendments to the Constitution the National Government had no jurisdiction over a wrong like that charged in this indictment is conceded; that the fourteenth and fifteenth amendments do not justify the legislation is also beyond dispute, for they, as repeatedly held are restrictions upon State action, and no action on the part of the State is complained of. Unless, therefore, the thirteenth amendment vests in the Nation the jurisdiction claimed the remedy must be sought through State action and in State tribunals subject to the supervision of this court by writ of error in proper cases.

In the *Slaughter House cases* (16 Wall. 36, 76), in defining the privileges and immunities of citizens of the several States, this is quoted from the opinion of Mr. Justice Washington in *Corfield* v. *Coryell* (4 Wash. Cir. Ct. 371, 380):

" 'The inquiry,' he says, 'is, what are the privileges and immunities of citizens of the several States? We feel no hesitation in confining these expressions to those privileges and immunities which are, in their nature, fundamental; which belong, of right, to the citizens of all free governments; and which have, at all times, been enjoyed by citizens of the several States which compose this Union, from the time of their becoming free, independent, and sovereign. What these fundamental principles are, it would be more tedious than difficult to enumerate. They may, however, be all comprehended under the following general heads: Protection by the Government, the enjoyment of life and liberty, with the right to acquire and possess property of every kind, and to pursue and obtain happiness and safety; subject, nevertheless, to such restraints as the Government may prescribe for the general good of the whole.' "

And after referring to other cases this court added (p. 77):

"It would be the vainest show of learning to attempt to prove by citations of authority that up to the adoption of the recent amendments no claim or pretense was set up that those rights depended on the Federal Government for their existence or protection, beyond the very few express limitations which the Federal Constitution imposed upon the States—such, for instance, as the prohibition against ex post facto laws, bills of attainder, and laws impairing the obligation of contracts. But with the exception of these and a few other restrictions, the entire domain of the privileges and immunities of citizens of the States, as above defined, lay within the constitutional and legislative power of the States, and without that of the Federal Government."

Notwithstanding the adoption of these three amendments, the National Government still remains one of enumerated powers, and the tenth amendment, which reads "the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people," is not shorn of its vitality. True, the thirteenth amendment grants certain specified and additional power to Congress, but any congressional legislation directed against individual action which was not warranted before the thirteenth amendment must find authority in it. And in interpreting the scope of that amendment it is well to bear in mind the words of Mr. Chief Justice Marshall in *Gibbons* v. *Ogden* (9 Wheat. 1, 188), which, though spoken more than four score years ago, are still the rule of construction of constitutional provisions:

"As men whose intentions require no concealment generally employ the words which most directly and aptly express the ideas they intend to convey, the enlightened patriots who framed our Constitution and the people who adopted it must be understood to have employed words in their natural sense and to have intended what they have said."

The thirteenth amendment reads:

"SEC. 1. Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

"SEC. 2. Congress shall have power to enforce this article by appropriate legislation."

The meaning of this is as clear as language can make it. The things denounced are slavery and involuntary servitude, and Congress is given power to enforce that denunciation. All understand by these terms a condition of enforced compulsory service of one to another. While the inciting cause of the amendment was the emancipation of the colored race, yet it is not an attempt to commit that race to the care of the Nation. It is the denunciation of a condition and not a declaration in favor of a particular people. It reaches every race and every individual, and if in any respect it commits one race to the Nation it commits every race and every individual thereof. Slavery or involuntary servitude of the Chinese, of the Italian, of the Anglo-Saxon are as much within its compass as slavery or involuntary servitude of the African. Of this amendment it was said by Mr. Justice Miller in *Slaughter House cases* (16 Wall. 36, 69), "Its two short sections seem hardly to admit of construction." And again: "To withdraw the mind from the contemplation of this grand yet simple declaration of the personal freedom of all the human race within the jurisdiction of this Government * * * requires an effort, to say the least of it."

A reference to the definitions in the dictionaries of words whose meaning is so thoroughly understood by all seems an affectation, yet in Webster "slavery" is defined as "the state of entire subjection of one person to the will of another." Even the secondary meaning given recognizes the fact of subjection, as "one who has lost the power of resistance; one who surrenders himself to any power whatever; as a slave to passion, to

lust, to strong drink, to ambition," and "servitude" is by the same authority declared to be "the state of voluntary or compulsory subjection to a master."

It is said, however, that one of the disabilities of slavery, one of the indicia of its existence, was a lack of power to make or perform contracts, and that when these defendants, by intimidation and force, compelled the colored men named in the indictment to desist from performing their contract they to that extent reduced those parties to a condition of slavery; that is, of subjection to the will of defendants, and deprived them of a freeman's power to perform his contract. But every wrong done to an individual by another, acting singly or in concert with others, operates pro tanto to abridge some of the freedom to which the individual is entitled. A freeman has a right to be protected in his person from an assault and battery. He is entitled to hold his property safe from trespass or appropriation, but no mere personal assault or trespass or appropriation operates to reduce the individual to a condition of slavery. Indeed, this is conceded by counsel for the Government, for in their brief (after referring to certain decisions of this court) it is said:

"With these decisions, and many others that might be cited, before us, it is vain to contend that the Federal Constitution secures to a citizen of the United States the right to work at a given occupation or particular calling free from injury, oppression, or interference by individual citizens."

"Even though such right be a natural or inalienable right, the duty of protecting the citizen in the enjoyment of such right, free from individual interference, rests alone with the State.

"Unless, therefore, the additional element, to wit, the infliction of an injury upon one individual citizen by another, solely on account of his color, be sufficient ground to redress such injury the individual citizen suffering such injury must be left for redress of his grievance to the State laws."

The logic of this concession points irresistibly to the contention that the thirteenth amendment operates only to protect the African race. This is evident from the fact that nowhere in the record does it appear that the parties charged to have been wronged by the defendants had ever been themselves slaves, or were the descendants of slaves. They took no more from the amendment than any other citizens of the United States. But if, as we have seen, that denounces a condition possible for all races and all individuals, then a like wrong perpetrated by white men upon a Chinese, or by black men upon a white man, or by any men upon any man on account of his race, would come within the jurisdiction of Congress, and that protection of individual rights which prior to the thirteenth amendment was unquestionably within the jurisdiction solely of the States, would by virtue of that amendment be transferred to the Nation, and subject to the legislation of Congress.

But that it was not the intent of the amendment to denounce every act done to an individual which was wrong if done to a free man and yet justified in a condition of slavery, and to give authority to Congress to enforce such denunciation, consider the legislation in respect to the Chinese. In slave times in the slave States not infrequently every free Negro was required to carry with him a copy of a judicial decree or other evidence of his right to freedom or be subject to arrest. That was one of the incidents or badges of slavery. By the act of May 5, 1892, Congress required all Chinese laborers within the limits of the United States to apply for a certificate, and anyone who after 1 year from the passage of the act should be found within the jurisdiction of the United States without such certificate, might be arrested and deported. In *Fong Yue Ting* v. *United States* (149 U. S. 698), the validity of the Chinese Deportation Act was presented, elaborately argued, and fully considered by this court. While there was a division of opinion, yet at no time during the progress of the litigation, and by no individual, counsel, or court connected with it, was it suggested that the requiring of such a certificate was evidence of a condition of slavery or prohibited by the thirteenth amendment.

One thing more: At the close of the Civil War, when the problem of the emancipated slaves was before the Nation, it might have left them in a condition of alienage or established them as wards of the Government like the Indian tribes, and thus retained for the Nation jurisdiction over them, or it might, as it did, give them citizenship. It chose the latter. By the fourteenth amendment it made citizens of all born within the limits of the United States and subject to its jurisdiction. By the fifteenth it prohibited any State from denying the right of suffrage on account of race, color, or previous condition of servitude, and by the thirteenth it forbade slavery or involuntary servitude anywhere within the limits of the land. Whether this was or was not the wiser way to deal with the great problem is not a matter for the courts to consider. It is for us to accept the decision, which declined to constitute them wards of the Nation or leave them in a condition of alienage, where they would be subject to the jurisdiction of Congress, but gave them citizenship, doubtless believing that thereby in the long run their best interests would be served, they taking their chances with other citizens in the States where they should make their homes.

For these reasons we think the United States court had no jurisdiction of the wrong charged in the indictment.

The judgments are reversed and the case remanded with instructions to sustain the demurrer to the indictment.

Mr. Justice Brown concurs in the judgments.

Mr. Justice Harlan, with whom concurs Mr. Justice Day, dissenting.

THE POWER TO REGULATE INTERSTATE COMMERCE

Of course, Congress is given specifically the power "to regulate commerce with foreign Nations, and among the several States, and with the Indian Tribes."

The Supreme Court has held: That industrial disputes involving the intent to affect interstate commerce are within the control power of Congress. If industrial strife presents a reasonable likelihood, if it occurred, that it would involve an intent to affect interstate commerce, it would be within the regulatory power of Congress; if an industrial dispute would have the necessary effect of substantially burdening interstate commerce, such disputes would be within the regulatory power of Congress; where a conspiracy against interstate commerce was proven, Congress could intervene under its power to regulate interstate commerce—*United Mine Workers* v. *Coronado Coal Co.* (259 U. S. 344); *Bedford Cut Stone Co. Case* (274 U. S. 37); *Industrial Association* v. *U. S.* (268 U. S. 64, 81).

But to bring a case within the regulatory power of Congress over interstate commerce, its effect upon interstate commerce must be "direct," not remote or speculative—*Schechter Corporation* v. *United States* (295 U. S. 495).

Again, it was held that where the business of a stockyard or a grain exchange being mere instrumentalities of interstate commerce, they are within the regulatory power of Congress—*Stafford* v. *Wallace* (258 U. S. 495); *Chicago Board of Trade* v. *Olsen* (262 U. S. 1).

The National Labor Relations Act was held constitutional as being within the regulatory power of Congress over interstate commerce, as applied to the fourth largest steel business in the Nation, which included the mining of iron ore, the hauling thereof by ships and rail and its processing, manufacture, and delivery to consumers—*N. L. R. B.* v. *Jones and Laughlin Steel Co.* (301 U. S. 1).

The wage-hour law was held to be within the power of Congress to regulate interstate commerce, the argument in support of the decision running thus:

While manufacture is not of itself interstate commerce, the shipment of manufactured goods interstate is such commerce and the prohibition of such shipment by Congress is a regulation of interstate commerce—(*United States* v. *F. W. Darby Lumber Co., et al.* (312 U. S. 100, 113, headnote 2; *Opp Cotton Mills* v. *Administrator* (312 U. S. 126).

From these and all the other cases construing the power of Congress to regulate interstate commerce, a pattern of thought emerges, which clearly differentiates each of the cases held to be within that power, from any case that might arise under the F. E. P. C. bill.

This pattern establishes limits beyond which the Supreme Court will not go in approving legislation as being within the power of Congress to regulate interstate commerce. These are: That the law so upheld must be truly a regulation of interstate commerce, or must condemn practices engaged in with the intent to affect and which do substantially, necessarily, and directly affect interstate commerce.

It can be seen that violations of the National Labor Relations Act guaranteeing the long-recognized rights of labor to organize and to bargain collectively through representatives of their own choosing, might, in bona fide cases involving interstate commerce, come within the rule laid down by the Supreme Court and bring the act within the power of Congress to regulate interstate commerce because such violations would directly, substantially, necessarily, and intentionally burden interstate commerce.

Similarly it is conceivable that violations of the Wages and Hours Act by employers engaged in interstate commerce or in the production of goods for commerce, might put complying competitors out of business and thereby directly, substantially, necessarily, and intentionally burden interstate commerce.

But it is inconceivable and absurd to contend that the exercise by any employer of the right retained under the ninth amendment to select his own employees could have any such burdening effect upon interstate commerce. For, bear in mind, this right must be exercised under and in accordance with the national labor relations and the wage and hour laws, as well as in accordance with the other Federal laws already safeguarding the rights of employees against injustice or hostile discrimination, and in obedience to the mandates of the fourteenth amendment.

The pending bill is, therefore, but a procrustean bed upon which to stretch

the regulatory power of Congress over interstate commerce to include a foreign field with no other supporting reason than its own foolish ipse dixit?

There is enough law now to protect against any unjust discrimination.

Section 41, title 8, United States Code Annotated:

EQUAL RIGHTS UNDER THE LAW

All persons within the jurisdiction of the United States shall have the same right in every State and Territory to make and enforce contracts, to sue, be parties, give evidence, and to the full and equal benefit of all laws and proceedings for the security of persons and property as is enjoyed by white citizens, and shall be subject to like punishment, pains, penalties, taxes, licenses, and exaction of every kind, and to no other (R. S. 1977).

To deprive one of right to select and follow any lawful occupation—that is, to labor or contract to labor, if he so desires and can find employment—is to deprive him of both liberty and property within meaning of this section—*In re Parrott* (C. C. Cal. 1880, 1 F., 481, 510).

Indenture of apprentice of Negro child, which did not contain provisions for his security and benefit required by general laws of State in indentures of white apprentices, was void under Civil Rights Act of 1866—*In re Turner* (C. C. Md. 1867, Fed. Cas. No. 14,247).

Section 43, title 8, United States Code Annotated:

CIVIL ACTION FOR DEPRIVATION OF RIGHTS

Every person who, under color of any statute, ordinance, regulation, custom, or usage, of any State or Territory, subjects, or causes to be subjected, any citizen of the United States or other person within the jurisdiction thereof to the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, shall be liable to the party injured in an action at law, suit in equity, or other proper proceeding for redress (R. S. 1979).

Whoever, under color of any law, statute, ordinance, regulation, or custom, willfully subjects, or causes to be subjected, any inhabitant of any State, Territory, or District to the deprivation of any rights, privileges, or immunities secured or protected by the Constitution and laws of the United States, or to different punishments, pains, or penalties, on account of such inhabitant being an alien, or by reason of his color, or race, than are prescribed for the punishment of citizens, shall be fined not more than $1,000, or imprisoned not more than 1 year, or both (sec. 20 of the Criminal Code, 18 U. S. C., sec. 52; *Screws et al* v. *U. S.*, decided May 7, 1945).

Persons of African descent have same, but no greater, rights than other citizens in State where they make their home; rights and privileges protected from infringement by this section, and infringement of which creates a cause of action for damages, being common to all citizens—*Brawner* v. *Irvin* (C. C. Ga., 1909, 169 F. 964).

Colored teacher could maintain suit to enjoin salary discrimination between white and colored teachers, as against contention that he could not complain because he was public employee—*Mills* v. *Board of Education of Anne Arundel County* (D. C. Md. 1939, 30 F. Supp. 245).

Action for damages for deprivation of civil rights sounds in tort, and jury may award exemplary or punitive damages—*Hague* v. *Committee for Industrial Organization* (C. C. A. N. J. 1939, 101 F. 2d 774), modifying *Committee for Industrial Organization* v. *Hague* (D. C., 25 F. Supp. 127), certiorari granted *Hague* v. *Committee for Industrial Organization* (1939, 59 S. Ct. 486, 306 U. S. 624, 83 L. Ed. 1028). Modified on other grounds (1939, 59 S. Ct. 954, 307 U. S. 496, 83 L. Ed. 14).

Kerr against the Enoch Pratt Free Library of Baltimore City et al., decided by Fourth Circuit Court of Appeals, April 17, 1945, holds:

We think that the special charter of the library should not be interpreted as endowing it with the power to discriminate between the people of the State on account of race and that if the charter is susceptible of this construction, it violates the fourteenth amendment since the board of trustees must be deemed the representative of the State. The question of interpretation is not unlike that which was before the Supreme Court in *Steele* v. *Louisville & N. R. Co.* (65 S. Ct. 226), where it was held that a labor union which was empowered by the Federal Railway Labor Act to represent a whole craft of employees could not discriminate against Negro members thereof. The Court said (pp. 203, 232):

"If, as the State court has held, the act confers this power on the bargaining representative of a craft or class of employees without any commensurate statutory duty toward its members, constitutional questions arise. For the representative is clothed with power not unlike that of a legislature which is subject to constitutional limitations on its power to deny, restrict, destroy, or discriminate against the rights of those for whom it legislates and which is also under an affirmative constitutional duty equally to protect those rights. If the Railway Labor Act purports to impose on petitioner and the other Negro members of the craft the legal duty to comply with the terms of a contract whereby the representative has discriminatorily restricted their employment for the benefit and advantage of the Brotherhood's own members we must decide the constitutional questions which petitioner raises in his pleading.

* * * * *

"We think that the Railway Labor Act imposes upon the statutory representative of a craft at least as exacting a duty to protect equally the interests of the members of the craft as the Constitution imposes upon a legislature to give equal protection to the interests of those for whom it legislates. Congress has seen fit to clothe the bargaining representative with powers comparable to those possessed by a legislative body both to create and restrict the rights of those whom it represents, cf. *J. I. Case Co.* v. *National Labor Relations Board*, supra (321 U. S. 335, 64 Ct. 579), but it has also imposed on the representative a corresponding duty. We hold that the language of the act to which we have referred, read in the light of the purposes of the act, expresses the aim of Congress to impose on the bargaining representative of a craft or class of employees the duty to exercise fairly the power conferred upon it in behalf of all those for whom it acts, without hostile discrimination against them."

For like reasons we think that the charter of the Library which empowers the Board of Trustees to manage the institution for a benevolent public purpose should not be construed to authorize them to pass a regulation in respect to the appointment of its agents which violates the spirit of the constitutional prohibition against race discrimination. Nor do we assume that the act would be so interpreted by the Court of Appeals of Maryland which in *Mayor, etc.* v. *Radecke* (49 Md. 217) pointed out the duty of the courts to look beneath the language of an act to find the true purpose of a grant of legislative power. In that case the court said:

"While we hold that this power of control by the courts is one to be most cautiously exercised, we are yet of opinion there may be a case in which an ordinance passed under grants of power like those we have cited, is so clearly unreasonable, so arbitrary, oppressive or partial, as to raise the presumption that the legislature never intended to confer the power to pass it, and to justify the courts in interfering and setting it aside as a plain abuse of authority."

REPEALING THE CONSTITUTION

The reason the F. E. P. C. law is so passionately desired by its proponents is—and they virtually admit it—to avoid the necessity of complying with "the supreme law of the land":

This Constitution, and the laws of the United States made in pursuance thereof; and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land; and the judges in every State shall be bound thereby, anything in the constitution or laws of any State to the contrary notwithstanding.

The Senators and Representatives beforementioned, and the members of the several State Legislatures, and all executive and judicial officers, both of the United States and of the several States, shall be bound by oath of affirmation to support this Constitution; but no religious test shall ever be required as a qualification to any office or public trust under the United States (art. VI).

The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish. The judges, both of the Supreme and inferior courts, shall hold their offices during good behavior.

The judicial power shall extend to all cases in law and equity arising under this Constitution, the laws of the United States, and treaties made, or which shall be made, under their authority.

The trial of all crimes, except in cases of impeachment, shall be by jury; and such trial shall be held in the State where the said crimes shall have been committed; but when not committed within any State, the trial shall be at such place or places as the Congress may by law have directed (art. III).

Amendment VI: In all criminal prosecutions the accused shall enjoy the right to a speedy and public trial by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor: and to have the assistance of counsel for his defense.

Amendment VII: In suits at common law, where the value in controversy shall exceed twenty dollars the right of trial by jury shall be preserved, and no fact tried by a jury shall be otherwise reexamined in any court of the United States than according to the rules of the common law.

Amendment IX: The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people.

Amendment X: The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

From these quotations from the Constitution, it is perfectly clear that this bill seeks:

First. To legislate not in pursuance of the Constitution, but in spite of it.

Second. To divest the courts of their judicial power, and to give it, together with legislative and executive powers, to a new bureau created by this bill and by it clothed with omnipotence.

Third. To annul the constitutional guaranties of the right of trial by jury.

Fourth. To annihilate the freedom of choice of private organizations to select their own members.

Practically the only right of the people guaranteed by the Constitution that would not be annihilated if this bill becomes law, is habeas corpus.

This bill proclaims that it is seeking to eliminate only discrimination in employment. Yet, its design to go much further is seen by the provision that no labor union can "deny full membership and privileges to any individual" because of his race, creed, or color. Full membership and privileges means dances and all other social functions, as well as purely business meetings.

Of course, those labor brotherhoods whose memberships have long been built by respecting the color line were perfectly innocent of any wrong in so doing. Now, long after that status has become fixed, it is sought to make it a crime to have or keep the membership of a labor union for white only. This is primarily an ex post facto law which the Constitution expressly prohibits.

Under the terms of this bill is any place of business, office, lodge room or home, safe from unreasonable searches and seizures? The fourth amendment says:

> The right of the people to be secure * * * against unreasonable searches and seizures shall not be violated.

Now read section 9 (a), captioned "Investigatory Powers," beginning on page 10 of the bill.

The sixth amendment of the Constitution of the United States, another part of our Bill of Rights, reads in its pertinent part so far as this point is concerned:

> In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed—

Yet you will search in vain for any word in the F. E. P. C. bill giving any accused thereunder anything resembling a speedy and public judicial trial, much less a trial by jury.

This bill gives him a hearing before a kangaroo court composed of the Commission or some person they may designate, so, therefore, usually just one kangaroo. Such a hearing may be held at any place fixed in the notice of hearing.

They can only punish by the issuance by the Commission of a cease and desist order, plus "such affirmative action, including reinstatement or hiring of employees with or without back pay, as will effectuate the policies of this act."

Of course, such an adjudication of guilt and its accompanying cease and desist order may cause you to close your business or factory, and the affirmative action enjoined may confiscate your entire estate by requiring you to hire 1,000 new employees that you have no vacancies for, do not need, and never have wanted, and not only put them on your pay roll, but also require you to pay them accumulated back pay for the months or years that have elapsed since they applied to you for employment and were not employed.

But, they contend, proceedings under this gentle, sweet, and benevolent bill, should it become law, could never be "criminal prosecutions" within the meaning of the sixth amendment. To use the most appropriate and classic rejoinder of General McAuliffe of Bastogne—the answer is, "Nuts!"

If the proponents of this bill did not concede that this bill includes criminal penalties and that it might entail a criminal case, why do they include section 9 (f) which reads:

> No person shall be excused from attending and testifying or from producing documentary or other evidence in obedience to the subpena of the Commission, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination to testify or produce evidence, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

The only provision in the Constitution guaranteeing an accused against such oppression is contained in the fifth article in our Bill of Rights, which, you will notice, applies only in criminal cases. It reads:

> No person * * * shall be compelled in any criminal case to be a witness against himself.

Just because the promoters of this bill tried to deprive us of judicial trial and trial by jury and do not denominate the money they would take from us as a "fine," the truism is no less true that "a rose by any other name would smell as sweet!"

The F. E. P. C. bill not only denies judicial trial, including trial by jury, it denies also all right of appeal to any court. American jurisprudence gives an appeal as a matter of right even to a self-confessed criminal. A rapist or murderer is not only given "his day in court"—a real court—but a trial by jury, and then an appeal to another court whose sole business it is to see if justice has been done.

What H. R. 2232 calls "Judicial Review" is not an appeal.

It is not even Judicial Review in any true sense of the meaning of those words. It is a mockery, with no review in reality by any judge or court to ascertain if justice had been done, even leaving out of consideration the time-honored, basic principle of criminal law, the presumption of the innocence of the accused until it is removed, if it be removed, by legal evidence which after considering it all, has established guilt beyond a reasonable doubt.

No! Nothing like that! Here the defendant has at least two strikes against him according to the law imposed by us on the umpire, who is required to treat the Commission's findings of fact, if supported by evidence, as conclusive.

In other words, this bill asks us to swallow again the cruel mockery of the same provisions for so-called judicial review rammed down our throats in the National Labor Relations Board Act, after we have seen that scheme in operation.

Notice, please, it does not say how much evidence, nor credible evidence, nor legal evidence. Oh, no! It simply says that the "kangaroo court" of the Bureau is right beyond question, if, according to the record of the proceedings before it, as made up by it, there is some evidence—some substantial evidence it has been held to mean—that supports its finding.

Good night, justice! Here is another black-out!

This bill would give the Commission the right, from time to time, to make all "such regulations as it deems necessary to carry out the provisions of this act, and to amend or rescind, from time to time, any such regulation whenever it deems such amendment or rescission necessary to carry out the provisions of this act."

So, they make the law!

They say who is to be prosecuted!

They prosecute!

They try you, and judge you!

That is as much governmental power in its sphere, as all three branches of our Government have! More than the Executive Branch! More than the Judicial Branch! And, much more than the Legislative!

But, the vaulting ambition of the kangaroos is not easily satiated. The more power they planned for themselves as this bill grew, the more they desired, and the less they could brook opposition. So they finally capped the climax. After they had completed their bill that was to make them almost omnipotent, and had put in everything but the crown, they added section 13 which put in the crown. The same provision is in the National Labor Relations Act, so they try it here. It reads:

> Any person who shall willfully resist, prevent, impede, or interfere with any member of the Commission or any of its referees, agents, or agencies, in the performance of duties pursuant to this Act, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than one year, or both.

Please do not just say: "That's horrible," and quit listening. I want you to realize how horrible section 13 is.

In a former section of the bill, 9 (e), page 11, in case you have been guilty of contumacy toward one of the kangaroos anywhere down the line, or of refusal to obey a subpena issued by any member of the Commission, they may get an order of a real court requiring you to appear before the Commission, its member, agent, or agency, there to give or produce evidence, and failing therein you may be punished for contempt of court.

But here, in section 13, to get fined up to $5,000 and be imprisoned for not more than a year, you do not have to be contumacious, nor refuse to obey a subpena

issued by a bureaucrat; all you have to do is fail to heil Hitler, or give the prescribed equivalent, every time you see, hear, or read about any one of the 60,000,000.

You get on a crowded bus. You willfully impede 1 or several of the 60,000,000, who, though you did not know it, were in the performance of snooping duties pursuant to this act. You are guilty.

Take another case. One of the kangaroos has put you to trial before him because of some alleged violation of section 7 (a) (1). You show him the Constitution of the United States and call his attention to pertinent Supreme Court decisions. He decides the case in your favor. But are you free? Oh, no. As you start out, another kangaroo calls a United States marshal and you are arrested. There is no chance of acquittal this time, for, do you not see, you willfully resisted the first kangaroo and prevented him from punishing you in the first case.

It is doubtful if the kangaroos would contend that where a regular court had freed you on habeas corpus, you could, for that reason, be punished under section 13 for interference with one of them, but if this bill should become law, we shall see.

THE NEW YORK LAW AGAINST DISCRIMINATION

The new Ives-Quinn Act just passed by the Legislature of New York and approved by the Governor is quite similar to the bill, H. R. 2232, now pending in Congress.

While this State statute is much more nearly a sound piece of legislation than is the similar bill in Congress, yet it also denies the accused the right guaranteed him in the fifth amendment of the Constitution of the United States, that no person "shall be compelled in any criminal case to be a witness against himself," as well as the right of trial by jury. But it grants any person aggrieved by the order of the State Commission Against Discrimination the right to go into the local State court by filing a petition, and after the decision of that court, he may appeal to the Appellate Division of the Supreme Court, and thereafter to the Court of Appeals.

While the New York law provides that "the findings of the Commission as to the facts shall be conclusive if supported by sufficient evidence on the record considered as a whole," this is infinitely better than the Federal law that makes the commission's findings of fact conclusive "if supported by evidence."

The main reason that the State statute is more nearly sound is that it is a State statute. The State of New York, just as every other State of the United States, has sovereign legislative power except as certain legislative powers may have been granted by the States to the Congress of the United States, or denied to themselves, in the Constitution of the United States. Therefore, the Congress has only such limited legislative powers as are granted in the Constitution. The several States have all other legislative power, save for the grants or inhibitions they fixed in the Constitution of the United States.

There is no grant of power to the Congress to legislate as is proposed in H. R. 2232, now pending.

There is no general inhibition against a State so legislating. Any State may do so, provided it respects the guaranties of other rights in its own constitution and in the Constitution of the United States.

The law passed by New York is New York's business, except as it throws light upon ours.

There is no adverse criticism of New York in order. That great State is trying what they think is another "noble experiment." We shall see. New York has the right so to legislate for New York. Congress has not.

THE NEW JERSEY LAW AGAINST DISCRIMINATION

The New Jersey statute is not yet available in Washington. From the newspapers it seems very much like the New York law.

ANALYSIS OF H. R. 2232

If you please, let us see what this so-called F. E. P. C. bill is. Let us be specific.

After the enacting clause, and the bill's misnomer, the first section—2 (a)—is captioned "Findings and Declaration of Policy." And what does the first substantive section say. Let me read it paragraph by paragraph, commenting on each seriatim.

SEC. 2 (a) The Congress hereby finds—

(1) That the practice of discriminating in the matter of employment, and in matters relating thereto, against properly qualified persons because of their race, creed, color, national origin, or ancestry leads to domestic and industrial strife and unrest and forces large segments of the population permanently into substandard conditions of living, thereby creating a drain upon the resources of the Nation and a constant threat to the maintenance of industrial peace and of the standard of living necessary to the health, efficiency, and well-being of workers.

This paragraph illustrates an amateurish trick of a specious pleader, who, having a weak case at law, cannot make the simple, essential averment, because if he averred it, he would have to prove it, and he could not possibly do that. So he tries to give the impression that he has said that such discrimination is being practiced. But, if you read carefully, you will see that he studiously avoided making any such statement of fact. No; he says nothing of the kind. He says:

The Congress hereby finds that the practice of discriminating * * * leads to domestic strife—

And so forth.

There is practically no discrimination against properly qualified persons, because of race, creed, color, national origin, ancestry, or anything else.

Another point in this first paragraph is so far from truth as to assure any economist a laugh. It is that discrimination "forces large segments of the population permanently into substandard conditions of living," although they were and are "properly qualified persons" to fill better jobs.

O tempora! O mores! Show me, I pray, any properly qualified person, not in the fighting forces, who cannot get employment at a fair wage, and so is in danger of becoming a public charge or a drain upon the resources of the Nation!

The next paragraph, section 2 (a) (2), reads as follows:

That the existence of such practices in industries engaged in commerce or in the production of goods for commerce causes the means and instrumentalities of commerce to be used to spread and perpetuate such conditions throughout the several States and causes diminution of employment and wages in such volume as substantially to impair and disrupt the market for goods in commerce, and burdens, hinders, and obstructs commerce.

Of course, this paragraph just quoted, cannot be taken seriously. It is a joke, but such a poor one that you must have a perverted sense of humor to get a laugh!

It is absurd—a preposterous attempt to supply a nonexistent constitutional basis for this bill, to wit, the power to regulate interstate commerce.

The next paragraph, section 2 (b), reads as follows:

Individuals shall have the right to work without discrimination against them, because of race, creed, color, national origin, or ancestry.

Notice that the bill here shifts its ground. At first it was hypothesized that the ones for whom the authors' hearts were bleeding were those who were properly qualified persons. Now, we see that all individuals, whether qualified for employment or not, are to be guaranteed the right to work.

And well the proponents may guarantee jobs for all, for if this bill passes the new Bureau created will have just exactly that unlimited power. This bill, if passed, would give the new commission power to appoint "such officers and employees as it deems necessary!" "Sixty million jobs?" Why not?

Of course, if applicants for jobs are qualified for the jobs they seek, economic law has always made such a law as this unnecessary.

But Congress has no semblance of power so to enact even if something of the kind were necessary.

And, if backers of this bill wish to use the money of private employers to pay the down-trodden objects of solicitude wages above their due in the market, they had better consider those freedoms which antedated the Bill of Rights, or even our Constitution, and, yet, which are guaranteed by those immortal documents: Freedom of thought, freedom of contract, freedom to engage in legitimate business, or to refrain therefrom, freedom of peaceable assemblage, freedom to select one's own associates, freedom from unreasonable searches and seizures; and they might take into account the provisions of our Constitution guaranteeing every defendant in any criminal case against being compelled to be a witness against himself and the right of trial by jury; for every one of these nine rights is sought to be outlawed by the terms of this so-called permanent F. E. P. C. bill.

The next paragraph, 2 (c), reads:

It is hereby declared to be the policy of the Congress to protect such right and to eliminate all such discriminations to the

fullest extent permitted by the Constitution. This act shall be construed to effectuate such policy.

Here we have an unexpected and heartening confession: The authors of this bill seem to admit that, in spite of all they can do to write the Constitution of the United States out of existence, it may still stand, and be enforced by the courts of the Nation.

We who have the honor to oppose this bill agree on this one point with the proponents, that the Constitution will weather this storm. We do not lack faith in Congress so far as to think it possible to pass it.

But if enough of us forget our sworn duty to support and defend the Constitution and pass a bill that we are wholly without authority to pass, and which violates nearly every one of the freedoms guaranteed thereby, even then, we have faith in the Courts to observe the oath of office taken by the members of our judiciary faithfully and impartially to discharge and perform their duties agreeably to the Constitution.

Now we come to section 3, which is captioned and contains certain definitions. We shall quarrel with only three.

The term "employer" means a person having in his employ six or more individuals, or any other person acting in the interest of such an employer, directly or indirectly.

Does this mean that if a man is married to a dutiful wife, he is an "employer" whether or not he employs anyone? Read it!

Without questioning the English or the veracity of this definition, may we not submit that an employer is an employer, however small or large the number of his employees may be? And if the crime denounced by this bill be so heinous and horrible, why leave a loophole of escape for any employer of fewer than six? If the employer of six or more must be hanged, drawn, and quartered, why should an employer of even one so sinned against be classed as innocent?

In the second place, we must inveigh against what the framers are pleased to call a definition of "affecting commerce." The very term "affecting commerce" is almost, if not quite, a badge of fraud, plus a confession of guilt!

The very first section of the very first article of the Constitution of the United States warns us that it is only such legislative power as is "herein granted" Congress, and no other, that shall be vested in a Congress.

Where are we authorized to regulate anything but commerce?

What have we to do with anything merely "affecting commerce"?

Why need we a "definition" of something the Constitution says we have no power over?

But here is what this infamous bill says—section 3 (e):

The term "affecting commerce" means in commerce, or burdening or obstructing commerce or the free flow of commerce, or having led or tending to lead to a labor dispute burdening or obstructing commerce or the free flow of commerce.

Now, can you conceive of anything beyond the pale of interstate commerce? (For "commerce" is defined in section 3 (d) as meaning interstate commerce, as usually defined.) Please read section 3 (e), just quoted, and see if you can figure it out.

And now section 4: "Right to freedom from Discrimination in Employment."

It reads:

The right to work and to seek work without discrimination because of race, creed, color, national origin, or ancestry is declared to be an immunity of all citizens of the United States, which shall not be abridged by any State or by an instrumentality or creature of the United States or of any State.

Let us throw the mantle of amused charity over section 4, and say to those inclined to be harsh, "Excuse this inexcusable, if you please; it is too naive to be harmful." They simply must have overlooked repeated holdings of the Supreme Court directly to the contrary!—*U. S.* v. *Wheeler* (254 U. S. 281); *U. S.* v. *Harris* (106 U. S. 629, 643); *Corfield* v. *Coryell* (4 Wash. (U. S.) 371).

Suffice it to say, if the right to work and to seek work without discrimination were an immunity of all citizens, then there is no need of section 4, for article IV and the fourteenth amendment of the Constitution already cover the subject and give full protection. But, if it is not, then saying it is cannot make it so! Hence, again, in either case, there is no need of section 4.

What of section 5? "Unfair Employment Practices Defined."

Somewhere, let us stop, and look, and listen.

Suppose I own a little country store or farm. No matter whether I employ 6 or 60, Congress has no right to strike down my freedom of employment, nor theirs, because nowhere in the Constitution has any such power been granted Congress.

Suppose I am a member of a labor union. I had been working for years at the craft of which I had become a master. But I never could seem to do better than "make ends meet." I talked to the boss. He knew all the answers, while I just knew my job. Finally, I heard about and joined a union. A mighty fine bunch of fellows. It was a fraternity. If a man was all right, straight, clean, honest, and the kind you could depend upon to give your widow and children a square deal, all of us would vote for him and we would make him one of us. It was an honor to be a member. We appreciated our membership and kept it clean. Some of our members studied and learned the answers like the boss. They talked for the rest of us and got us contracts that paid us more, and things were easier and happier.

Neither Congress, nor any other power can force me to vote to take the wrong kind of a man into the membership of our union, as long as this is a free country!

Now section 6—Creating the billion-dollar commission!

A new, permanent bureau. Five members at $10,000 each, plus all now working for the F. E. P. C., plus technical assistants to the public, plus "such officers and employees as it deems necessary to assist it in the performance of its functions!"

Sixty million jobs! Sure! Easy!

Now section 7—Enforcement.

As under section 3 (e), supra, every person, every act, every transaction, as well as frequently the absence thereof, "affects commerce," so, every employer, and every labor union is almost necessarily within the condemnation and the enforcement provisions of this bill.

Only a casual consideration is needed to condemn this bill as a bill of attainder or ex post facto law, either of which is specifically prohibited for Congress to pass by article I, section 9, clause 3 of the Constitution of the United States.

For it is manifest that the very central purpose is to inflict punishment by legislative act without judicial trial, and that countless thousands of past employments which were innocent when made, are by this bill made crimes. It is, of course, true that in other countless thousands of cases employment has been refused, or "full membership rights and privileges" in labor unions have been denied, each one of which may be made the basis of a criminal prosecution if this bill become law, although clearly ex post facto.

What of section 8—Judicial Review?

This section is a delusion and a snare.

It affords neither judicial trial (much less trial by jury) nor judicial review.

What the framers call judicial review is not even a clever "trap for fools." The judicial process is not to be used except to declare that there are five aces in the poker hand of the dealer who admittedly put them there!

Now section 9—"Investigatory Powers."

Subsection (a) of section 9 reads as follows:

For the purpose of all investigations, proceedings, or hearings which the Commission deems necessary or proper for the exercise of the powers vested in it by this act, the Commission, or its authorized agents or agencies, shall at all reasonable times have the right to examine or copy any evidence of any person being investigated or proceeded against relating to any such investigation, proceeding, or hearing.

If this makes sense, I confess my insanity and ask to be committed! If it means to wipe out the fourth amendment of our Bill of Rights, that has been a part of the Constitution of the United States since 1791, let the fight begin!

At least 100,000,000 Americans believe in that amendment and will fight for it to the death!

The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated. * * *

We now come to the inevitable section 10.

RULES AND REGULATIONS

We are creating another bureau and giving it all of the powers of government—legislative, executive, and judicial! Here we give them the power to make all the law they think they may need. Oh! But they say, we give Congress the veto over our lawmaking. So they do. But what a veto power! Even if Congress had nothing else to do but to keep up with the regulations and amendments issued by this Commission, and even if Congress kept up daily with such matters, it would be impossible to get the concurrent veto resolution through

both Houses within the 60 days allowed for such action. There is no limit upon debate in the Senate!

A distinguished, able, and popular Member of the House of Representatives had run on a platform of just one plank: "Get at least one law a day repealed." He stayed in Congress 4 years and worked hard on his self-assigned task. I watched him. If he ever got one repealed in the whole 4 years I cannot remember it, nor the fact. I know he did not average one a day, nor one every 60 days, nor one a year. And those who wrote this bill know it, too!

The bureaucrats of Washington are said to have passed more laws within 10 years than Congress has in more than 150 years!

Section 11 requires the inclusion of an antidiscrimination clause in Government contracts.

Except the ex post facto principle, and the quasi bribery implicit in the practice, there are many other features in this bill more objectionable.

Section 12, "Enforcement Against Government Agencies."

Most respectfully it is submitted that once the policy of this bill be determined upon, the modus operandi of enforcement of this section makes no difference.

Section 13, "Willful Interference With Commission Agents."

Judged by the apparent appraisal of the enormity of the offenses condemned in this bill, the victims are lucky not to have the punishment fixed for each offense at death, at least.

The SPEAKER pro tempore (Mr. GORE). Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 2 minutes.

PROFESSIONAL STATUS FOR NURSES OF VETERANS' ADMINISTRATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have been working for months with the Veterans' Administration and General Hines asking that the nurses be given professional status. At last he has acted. I have a letter from him, dated May 12, reading as follows:

MAY 12, 1945.

Hon. EDITH N. ROGERS,
House of Representatives,
Washington, D. C.

MY DEAR MRS. ROGERS: Knowing of your very keen interest in the status of nurses in the Veterans' Administration and the need for offering every possible inducement to recruit against our present and expanding requirements, I am sure you will be pleased to learn that I have instructed, effective not later than July 1, 1945, all nursing positions within the Veterans' Administration, comprehending some 5,363 presently authorized jobs, be placed in the Professional and Scientific Service, whereas they now are in the subprofessional service.

Not only will this action recognize the professional character of their services, but also will result in the great majority of cases, in increasing the pay of those presently on duty, and raising the entrance salary. Typical of this is the position of staff nurse, where the present basic entrance salary is $1,800, and under the new classification the entrance salary will be $2,000. This rate of pay, of course, excludes overtime.

Similar action is being taken in certain other medical technical positions, such as dietitians, librarians, psychiatric social workers, etc. Pharmacists of the Veterans' Administration are already classified in the professional service.

Very sincerely yours,
FRANK T. HINES,
Administrator.

Mr. Speaker, I hope very much that the House soon will pass a permanent Nurse Corps bill for the Veterans' Administration. That is the only way, in my opinion, that enough nurses will be induced to go into the Veterans' Administration and the nursing service. It is only just also that they should be given the benefit of a permanent corps. They are a thousand nurses short today; they will need a thousand more in the very near future. A permanent Medical Corps ought to be established also.

The SPEAKER pro tempore. The time of the gentlewoman from Massachusetts has expired.

THE BEEF SHORTAGE

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CHENOWETH. Mr. Speaker, if the order establishing slaughter quotas on cattle in all nonfederally inspected packing plants is lifted we will have a more adequate supply of beef on the shelves of the meat markets of this country.

We now have the anomalous situation where there is a surplus of cattle on the western ranges, but no beefsteak. The flow of cattle to the markets has been greater in the first 3 months of this year than last year. Irate customers, eyeing empty meat counters, cannot understand why they cannot purchase beef in areas where the supply of livestock is greater than ever before, the packer is ready to process the same, but still the retailer can get no meat.

This order, as I understand it, established these quotas for the purpose of diverting the flow of cattle from the small local packers to the federally inspected plants in order to increase meat supplies in the industrial centers outside of the meat-producing areas. The theory is beautiful, but it has not worked out in practice. The result has been to cut off supplies of meat in areas where the retail markets get their beef from local packers. It is obvious that this order was a mistake, and it should be canceled immediately.

The SPEAKER pro tempore. The time of the gentleman from Colorado has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. COURTNEY, for 1 day, on account of illness.

INCREASE IN SALARY OF POSTAL EMPLOYEES

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. As a general rule I do not leave Capitol Hill when the House is in session, but today I had the honor and privilege of introducing the next Postmaster General, Hon. Robert E. Hannegan, at a luncheon given by the Advertising Clubs of Washington, and therefore missed the vote on the bill dealing with salaries of employees in the Postal Service. If I had been present I would have voted for the bill but with the reservation that if it is vetoed I will not vote to override the veto. I want to ascertain first if it is within the stabilization program. If it is not, and if it should be vetoed, I am going to vote to sustain the stabilization program. If there is any question about this matter I hope the Senate committee will straighten it out. I am very glad that the bill provides additional grades of salary, thus furnishing employees a real career and proper reward for good service.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 89. An act to provide for the planning of rural electrification projects, to reestablish the Rural Electrification Administration as an independent agency of the Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2992. An act to extend the provisions of the act of July 11, 1941 (Public Law 163, 77th Cong.); and

H. R. 3038. An act to amend section 409 of the Interstate Commerce Act, as amended.

BILL PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 2992. An act to extend the provisions of the act of July 11, 1941 (Public Law 163, 77th Cong.).

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 16, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE OF WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will meet in open hearing at 10 a. m., Wednesday, May 16, 1945, in the committee room 356, House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of Subcommittee No. 2 of the Post Office and Post Roads Committee on Wednesday, May 16, 1945, at 10 a. m., at which time hearings will be had on H. R. 2543, a bill to require weekly newspapers enjoying mailing privileges to make sworn statements with respect to their circulation, and on H. R. 2798, a bill to permit weekly newspapers to suspend publication for not more than two issues in any one calendar year without loss of second-class mail privileges.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Wednesday, May 16, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a hearing at 10 o'clock a. m. on Wednesday, May 16, 1945, on H. R. 714, H. R. 1350, H. R. 2299, and H. R. 2650.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 o'clock a. m. on Wednesday, May 16, 1945, for consideration of H. R. 3187.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will hold an executive session on Thursday, May 17, 1945, at 10:30 a. m., in the committee room 247, Old House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the bridge subcommittee of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m. Thursday, May 17, 1945, to resume public hearings on H. R. 541, a bill authorizing and directing the Commissioners of the District of Columbia to construct two four-lane bridges to replace the existing Fourteenth Street or Highway Bridge across the Potomac River, and for other purposes. (Proponent witnesses.)

COMMITTEE ON THE PUBLIC LANDS

The Committee on the Public Lands will meet at 10:30 a. m. on Thursday, May 17, 1945, for the purpose of hearing testimony and acting upon the following bills: H. R. 1867, H. R. 2416, H. R. 2854, S. 497. The session will be open, to be followed by a short executive session.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

464. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents to occupy certain Government housing facilities on a rental basis without loss of rental allowances; to the Committee on Military Affairs.

465. A letter from the Secretary of War, transmitting a draft of a bill to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended; to the Committee on Military Affairs.

466. A letter from the Secretary of War, transmitting a draft of a bill to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended; to the Committee on Military Affairs.

467. A letter from the Comptroller General of the United States, transmitting a report concerning the claim of A. M. Strauss against the United States; to the Committee on Claims.

468. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill to amend section 3539 of the Revised Statutes, relating to taking trial pieces of coins; to the Committee on Coinage, Weights, and Measures.

469. A letter from the Secretary of War, transmitting a report dated March 15, 1945, from the Chief of Engineers, United States Army, together with accompanying papers and illustrations, on a study of beach erosion of the Ohio shore line of Lake Erie from the Ohio-Michigan State line to Marblehead, Ohio, made under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, and as act of Congress approved on June 26, 1936 (H. Doc. No. 177); to the Committee on Rivers and Harbors and ordered to be printed with illustrations.

470. A letter from the United States Department of the Interior, Bureau of Reclamation, transmitting a report of the negotiation and entering into a compact for division of the waters of the Yellowstone River; to the Committee on Irrigation and Reclamation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTINGTON: Committee on Flood Control. S. 938. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes; with amendment (Rept. No. 581). Referred to the Committe of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CASE of New Jersey: Committee on Claims. S. 93. An act for the relief of Mary G. Marggraf; without amendment (Rept. No. 572). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 1091. A bill for the relief of Harold J. Grim; with amendment (Rept. No. 573). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 1328. A bill for the relief of Mrs. Cecilia M. Tonner; with amendment (Rept. No. 574). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 1548. A bill for the relief of August W. Dietz; with amendment (Rept. No. 575). Referred to the Committe of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 1725. A bill for the relief of Mrs. Mary Surface Shaughnessy; with amendment (Rept. No. 576). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 1975. A bill for the relief of Glassell-Taylor Co., Robinson and Young; with amendment (Rept. No. 577). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 2518. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of Eastern Contracting Co., a corporation against the United States; with amendment (Rept. No. 578). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 2578. A bill for the relief of Rufus A. Hancock; with amendment (Rept. No. 579). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2866. A bill for the relief of Oscar N. McLean; without amendment (Rept. No. 580). Referred to the Committee of the Whole House.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. MAY: Committee on Military Affairs. House Resolution 249. Resolution directing the Secretary of War and the Secretary of the Navy to transmit to the House of Representatives copies of all plans of their respective departments for providing transportation home to persons in the armed forces returning to the United States on furlough after victory in Europe (Rept. No. 571). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STIGLER:

H. R. 3219. A bill to amend the Second Deficiency Appropriation Act of 1935; to the Committee on Indian Affairs.

By Mr. RANDOLPH:

H. R. 3220. A bill to establish a boundary line between the District of Columbia and the Commonwealth of Virginia, and for other purposes; to the Committee on the District of Columbia.

By Mr. FLANNAGAN:

H. R. 3221. A bill to create an Agricultural Credit Agency, to consolidate therein all Federal agricultural lending agencies, to create a public farm-appraisal system, and for other purposes; to the Committee on Agriculture.

By Mr. SOMERS of New York:

H. J. Res. 196. Joint resolution declaring that it is the sense of Congress that the United Nations assume responsibility for the repatriation of the Hebrews in Europe; to the Committee on Foreign Affairs.

By Mr. LARCADE:

H. J. Res. 197. Joint resolution to provide for temporary suspension of the controls affecting the distribution and sale of meat for civilian consumption; to the Committee on Banking and Currency.

By Mr. VINSON:

H. Res. 258. Resolution providing for the consideration of H. R. 2913, a bill authorizing rehabilitation on the island of Guam; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Texas memorializing the President and the Congress of the United

States to include members of the United States Maritime Service, the United States merchant marine, and the United States Merchant Marine Cadet Corps in the class of persons given special income-tax exemptions because of their service in the war; to the Committee on Ways and Means.

Also, memorial of the Egyptian Chamber of Deputies, by President Hamed Gouda, memorializing the President and the Congress of the United States upon the speedy victory of the Allied forces in Europe; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the Republic of Guatemala, by President Jose Granados, memorializing the President and the Congress of the United States upon the Allied victory in Europe; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States to offer no lenient peace terms but rather to make the punishment fit the crime in relation to our war criminals; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to extend certain existing income-tax exemptions to all members of the military and naval personnel of the United States who are serving or have served in any foreign area or in Alaska; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolution were introduced and severally referred as follows:

By Mr. BUFFETT:

H. R. 3222. A bill for the relief of A. F. Crawford; to the Committee on Claims.

By Mr. FALLON:

H. R. 3223. A bill for the relief of James P. Arthur; to the Committee on Claims.

By Mr. HÉBERT:

H. R. 3224. A bill for the relief of Mrs. Lionel Comeaux and New Orleans Public Service, Inc.; to the Committee on Claims.

By Mr. MANSFIELD of Montana:

H. R. 3225. A bill for the relief of Rolla Duncan; to the Committee on Claims.

By Mr. SASSCER:

H. R. 3226. A bill to extend the benefits of the United States Employees' Compensation Act of September 7, 1916, to John J. Arnold; to the Committee on Claims.

By Mr. SMITH of Ohio:

H. R. 3227. A bill for the relief of J. Aron & Co., Inc.; to the Committee on Claims.

By Mr. STIGLER:

H. R. 3228. A bill for the relief of Sam Dishong; to the Committee on Claims.

By Mr. VINSON:

H. R. 3229. A bill for the relief of Mrs. Leslie Price, Mr. Philip C. Price, Mrs. Louise Keyton, Annie Curry, and James Curry; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

652. By Mr. CLASON: Petition of the third annual legislative conference held at Springfield, Mass., on May 6, 1945, asking immediate extension and improvement of the present social-security program; to the Committee on Ways and Means.

653. By Mr. HOPE: Petition by residents of Harper, Kans., regarding House bill 2082; to the Committee on the Judiciary.

654. By Mr. RICH: Petition of Young Ladies Sodality of St. Boniface Church, Williamsport, Pa., opposing legislation concerning peacetime conscription of 18-year-old boys; to the Committee on Military Affairs.

655. By Mrs. ROGERS of Massachusetts: Petition of the General Court of Massachusetts to extend certain existing income-tax exemptions to all Members of the military and naval personnel; to the Committee on Ways and Means.

656. By the SPEAKER: Petition of C. H. R. Hovde, M. D., of San Francisco, Calif., petitioning consideration of his resolution with reference to securing release from his present detention; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 16, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Infinite and eternal God, who art the light of all that is true, the strength of all that is good, and the glory of all that is beautiful, we thank Thee for the joys which cheer us and for the trials which teach us to put our trust in Thee.

We pray that Thou wilt establish within us those loyalties which cannot be shaken and those integrities which shall be our support in every confusion, our guide in every darkness, and our hope when we are discouraged and disillusioned.

Help us to discipline ourselves to do Thy will more perfectly, for we know that in the doing of Thy will we find our peace. Enable us by Thy grave to be fortified against those temptations and influences which assail the citadel of our soul and seek to undermine and corrupt our character.

Grant that our President, our Speaker, and the Members of this legislative branch of our Government may be plenteously endowed with wisdom and understanding as they respond to their high calling of statesmanship to release the hidden splendors of human personality and open for all mankind the way toward the more abundant life.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2907. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. OVERTON, Mr. GLASS, Mr. THOMAS of Oklahoma, Mr. GREEN, Mr. WALSH, Mr. BRIDGES, Mr. BROOKS, and Mr. WHITE to be the conferees on the part of the Senate.

MARLIN-ROCKWELL CORPORATION

Mr. REED of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 1044) for the relief of Marlin-Rockwell Corporation with respect to the jurisdiction of the Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act. This bill has a unanimous report from the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the time within which a petition may be filed with The Tax Court of the United States, by Marlin-Rockwell Corporation, a corporation organized under the laws of Delaware, having its principal place of business in Jamestown, N. Y., for a redetermination under the Renegotiation Act of its excessive profits for its fiscal year ending December 31, 1942, as determined by the Under Secretary of War under date of April 26, 1944, be, and the same is hereby, extended to and including July 27, 1944, and jurisdiction is hereby conferred upon The Tax Court of the United States, and it is hereby authorized and directed to hear and determine on the merits under the Renegotiation Act, such petition as heretofore filed or as hereafter amended, any finding, determination, judgment, rule of law, or statute to the contrary notwithstanding.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT COURTS OF THE UNITED STATES

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 534) to amend the Judicial Code in respect to the original jurisdiction of the district courts of the United States in certain cases, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. SMITH of Virginia. I object, Mr. Speaker.

EXTENSION OF REMARKS

Mr. GALLAGHER. Mr. Speaker, I believe it is time that Americans have faith in America. I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an article by the distinguished columnist, Mr. Lowell Mellett, as published in the Washington Star of May 14.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PUERTO RICO

Mr. PIÑERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the Resident Commissioner from Puerto Rico?

There was no objection.

Mr. PIÑERO. Mr. Speaker, I am very pleased to announce to the Members of this House that I have today introduced a bill to put an end to the colonial regime in the island of Puerto Rico. The measure has also been introduced in the Senate by the Honorable MILLARD E. TYDINGS, at the request of the Puerto Rican Legislature, and has the support of all the political parties, all the leaders of opinion on the island, and the people at large.

It is high time that this colonial problem be solved satisfactorily and that the people in Puerto Rico decide democratically what they want and what course they wish to take. The bill provides for a referendum for the people to decide as to independence, statehood, or a dominion status. It clearly implements each of these solutions so that the people will know exactly what they are voting for.

Gentlemen, I urge your special attention and thought to this bill, as I know that, in the opinion of many of my colleagues, the United States has got to be the spearhead and take the lead among the nations of the world in solving the problem of dependent colonial peoples in a democratic way.

RECIPROCAL TRADE AGREEMENTS

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent that it be in order on Tuesday next to consider the bill H. R. 3240, the reciprocal trade bill, and that there be not to exceed 3 days general debate, one-half of the time to be controlled by myself and one-half by the gentleman from Minnesota [Mr. KNUTSON].

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, the gentleman is aware that Wednesday is memorial day?

Mr. DOUGHTON of North Carolina. Then we can skip over Wednesday and if it is not finished in 2 days—that is, if it is not finished after consideration on Tuesday and Thursday, it can go over to Friday.

Mr. MARTIN of Massachusetts. Mr. Speaker, did the gentleman's request provide for 3 days of general debate?

Mr. DOUGHTON of North Carolina. That was my request—that general debate not exceed 3 days. We hope that we can complete it in 2 days, but general debate is not to exceed 3 days.

Mr. MARTIN of Massachusetts. Is that agreeable to the minority members of the committee?

Mr. DOUGHTON of North Carolina. Yes; the gentleman from Ohio [Mr. JENKINS], who is on his feet, can confirm that.

Mr. JENKINS. Yes.

Mr. McCORMACK. The Members will recall that next Wednesday is Memorial Day. After the memorial exercises, of course, the House will adjourn out of respect to the memory of our departed colleagues.

Mr. MARTIN of Massachusetts. Then we are going to continue the same custom that has been followed heretofore?

Mr. McCORMACK. Yes.

Mr. MARTIN of Massachusetts. Then general debate will be had on Tuesday, Thursday, and possibly Friday?

Mr. McCORMACK. May I advise the House that the strong probabilities are the House will meet on next Saturday and I expect the House to meet on Saturday of this week.

Mr. MARTIN of Massachusetts. If we are going to have 3 days general debate, we will not get to the reading of the bill before Saturday?

Mr. DOUGHTON of North Carolina. That is correct, if 3 days are consumed in general debate.

Mr. MICHENER. Mr. Speaker, reserving the right to object, the only purpose in this procedure is to obviate the necessity of getting a rule, is it not?

Mr. DOUGHTON of North Carolina. That is correct. It obviates the necessity of getting a rule.

Mr. MICHENER. In other words, the Committee on Rules is being bypassed? I am perfectly willing that it be bypassed.

Mr. McCORMACK. I would not put it that way.

Mr. DOUGHTON of North Carolina. I assume the Committee on Rules consents to it. I would say it is with the consent of the Committee on Rules.

Mr. JENKINS. Mr. Speaker, in view of the fact that the gentleman from Michigan has brought up the question of a rule, then, when the bill comes up for consideration I assume that there will be no limitation under the 5-minute rule; so it is in the nature of an open rule providing for the consideration of the bill?

Mr. DOUGHTON of North Carolina. Mr. Speaker, this has been the procedure in the past by agreement between the majority and minority members of the committee.

Mr. HARNESS of Indiana. Mr Speaker, reserving the right to object, I ask the gentleman when a vote is expected on the bill.

Mr. DOUGHTON of North Carolina. We cannot tell. We hope to vote on it on Saturday of next week. We feel that the bill, being a short one, under the 5-minute rule, 1 day ought to be enough. But there will be no limitation on that.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. BECKWORTH asked and was given permission to extend his remarks and include an editorial in one instance, and to extend his remarks and include a letter from the Secretary of Agriculture in another instance.

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein an address delivered last Sunday in the Symphony Hall in Boston.

Mr. RYTER asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an address recently delivered by Rev. Charles J. Chwalek over Station WTHT.

NAVY APPROPRIATIONS, 1946

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2907) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. SHEPPARD, Mr. THOMAS of Texas, Mr. COFFEE, Mr. WHITTEN, Mr. PLUMLEY, Mr. JOHNSON of Indiana, and Mr. PLOESER.

EXTENSION OF REMARKS

Mr. SHEPPARD asked and was given permission to extend his remarks in the Appendix and include an address by the Assistant Secretary of the Navy.

Mr. BEALL asked and was given permission to extend his remarks in the RECORD and include an editorial from the Baltimore Sun.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include two letters.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a table.

Mr. BUFFETT asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. CLEVENGER asked and was given permission to extend his own remarks in the RECORD.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include an editorial from the Daily Oklahoman.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include an editorial from the Tulsa Tribune.

Mr. ROBSION of Kentucky asked and was given permission to extend his remarks in the RECORD and include two letters and a telegram.

Mr. GRANT of Indiana asked and was given permission to extend his remarks in the RECORD and include an article by Lawrence Sullivan from the May issue of Nation's Business.

Mr. RANKIN. Mr. Speaker, yesterday I received permission to extend my remarks in the RECORD and include an order of the War Production Board. I am informed by the Public Printer that it exceeds the requirement by 4 pages, and there will be some extra cost connected with it. I ask unanimous consent that it may be inserted in the RECORD regardless of that extra cost.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances and to insert in each instance a newspaper article.

LEAVE OF ABSENCE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. HOFFMAN] may be excused for 10 days on account of illness.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. COLMER asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. THOMASON asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

THE MEAT SITUATION

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therewith a telegram.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PLOESER. Mr. Speaker, I have here a copy of a wire sent to Chester Bowles, which I shall read at this time:

ST. LOUIS, MO., *May 15, 1945.*

Hon. WALTER C. PLOESER,
Member of Congress,
House Office Building,
Washington, D. C.:

(Copy of wire sent to Chester Bowles.)

Your night letter received by many of the small slaughterers whom we serve. In a conference with Mr. Bryan and Mr. Boyle yesterday we were attempting to make some arrangement whereby these slaughterers could continue operation. We have been serving retailers and slaughterers with a very definite economic service for 23 years, but we cannot show our slaughterers how to comply with present O. P. A. regulations, particularly 574, and we have found no one connected with the O. P. A. who can give us any help. We have an idle plant that we offered to O. P. A. to operate so that we may learn how to be in compliance. Our offer was turned down. We wired you several weeks ago that we would pay the expenses of a practical man to show us how to comply. You failed to answer. We feel that if O. P. A. does not have a practical man who can operate a non-Federal plant under these regulations there must be something wrong with these regulations. We have made every legitimate effort to keep our clients at all times in compliance with O. P. A. regulations. With the slaughterers we have failed to do so, and we are willing to admit we don't know how. Therefore, we cannot encourage any non-Federal slaughterer who is a client of ours to reopen until there is some modification of Regulation 574, or that live cattle prices are lowered. We cannot understand the psychology of naming a $17.90 price to the farmer and then prohibiting the slaughterer from paying over $14 in order to be in compliance with the regulation. No wonder the farmers don't ship cattle at this time.

FOOD RETAILING INSTITUTE.

THE O. W. I.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, from one end of the country to the other the American people are applauding the action of President Truman on yesterday in "sitting down on" the O. W. I.

The time has come when we need to pay more attention to General Eisenhower and our other military leaders in Europe and less to a few left-wing propagandists.

If the President would go one step further and send a message here asking that the O. W. I. be abolished, or issue an Executive order abolishing it, the American people would applaud even more than they did on yesterday.

The SPEAKER. The time of the gentleman from Mississippi has expired.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1945

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3146) making appropriations to supply additional or supplemental appropriations for the fiscal year ending June 30, 1945, and for subsequent fiscal years, and for other purposes.

Pending that I should like to reach an agreement with the gentleman from New York as to time for general debate.

Mr. TABER. Mr. Speaker, I have many requests for time this afternoon. I believe debate should run all day.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent, then, that general debate continue not to exceed 4 hours, half the time to be controlled by the gentleman from New York and half by myself.

Mr. TABER. And with the further understanding that we are going to read only the first paragraph but take no action on that.

Mr. CANNON of Missouri. And that the first paragraph of the bill be read, the general reading of the bill be deferred until tomorrow.

The SPEAKER. The gentleman from Missouri asks unanimous consent that general debate on the bill continue not to exceed 4 hours, the time to be equally divided and controlled by the gentleman from Missouri [Mr. CANNON] and the gentleman from New York [Mr. TABER]; and then that the first paragraph of the bill be read.

Is there objection?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, H. R. 3146, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. CANNON of Missouri. Mr. Chairman, the great question confronting the Nation today is not the war, the war has already been won; it requires only fortitude and sustained effort to the inevitable end.

The great question confronting the Nation today is not the question of the peace, for the fundamental principles of the international cooperation have already been agreed upon and merely await detail and ratification.

Mr. Chairman, the great question confronting the Nation today is not the war, is not the peace; the great question confronting America today is the task of reconversion.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my good friend from Kentucky, the distinguished chairman of the Committee on Military Affairs, who has rendered such eminent service in winning this war.

Mr. MAY. I am sure my colleague, the chairman of the great Committee on Appropriations, does not want it to go out to the country that this war is won or even that the peace is won.

Our military leaders advise us that we have a real war on our hands here, and I believe the gentleman ought to agree that his statement, unvarnished as it is, that the war is over should be explained.

Mr. CANNON of Missouri. Of course, the gentleman from Kentucky will realize that we are not minimizing the importance of the war or the length or difficulties of the battle-barricaded, bloodstained road to Tokyo. We are merely emphasizing the relative difficulties of the arduous task of reconversion and the imperative importance of devoting every effort and attention to its problems. Their solution will require statesmanship of the highest order.

The First World War closed unexpectedly. Its dramatic climax, welcome as it was, found us wholly unprepared to meet the exigencies of the post-war period. We had no plans; we had no blueprints—no graphs, maps, or charts—and no material from which to construct them; we were without data, statistics, or formulas; we were uninformed, unorganized, and unarmed against inflation, deflation, or the run-away markets and labyrinth of blind alleys down which business and industry scurried to be overtaken by the most disastrous collapse in history.

The price of agricultural products declined $3,000,000,000 in one Congress, the Seventy-first Congress. Thousands of farmers were sold out under the sheriff's hammer in all sections of the country, judges were dragged from the bench and sheriffs were manhandled by mobs of desperate men who saw the work of a lifetime swept away. Three-fourths of the rural banks of the Nation closed their doors never to open again. Business was paralyzed. Factories closed, labor was dismissed and capable workmen estimated to number from seven to twelve million men rode the freight cars, walked the highways, and crowded the streets of our cities looking for work.

Begging for bread—in a plentiful land!
Begging for bread—with a trade in his hand!
Sound as a dollar, in heart and in head,
Ready for work, and yet—begging for bread?

Begging for bread—but not begging alone;
Now are they swollen to numbers unknown,
Who weary the highways with heart-breaking tread,
And swarm through our city streets—begging for bread.

Begging for bread—with such stores on our hands
We could feed the unfed of all inhabited lands;
Food rotted to order—starvation widespread—
Organized waste—millions—begging for bread!

This was the situation following the last war. It is a situation that must inevitably follow this war unless we prepare now to meet the situation. It is a situation fraught with potentialities far beyond those which confronted us at the end of the First World War. The number of men in the armed forces, the number of men engaged in war industries, the complete dislocation of business, is far beyond anything ever dreamed of before or seen in World War No. 1.

We have won this war not only by virtue of the sheer numbers of men in our Army and Navy, not merely through the matchless military strategy of our commanders. We have won the war through superior production. It was in fact a war of production. The nation which could put on the firing line the most and the best equipment was predestined to win. We won because we produced equipment superior in quality and in quantity with which to supply our troops. This production superiority was achieved at a great cost. For the first time in the history of any nation there was practically complete cessation of production of peacetime goods and a conversion of every plant and industry in the Nation to the production of munitions of war, with a consequent dislocation of business at the close of this war unparalleled in our economic history. The task now is reconversion. We must get men, materials, and manufactories out of war production and back into peacetime routine. All authorities agree that it will be a more prodigious task than the original change from a peace- to a war-time status. There must be no hiatus. Employment must be maintained. Men returning from the armed forces and men transferring from the implementation of war must be absorbed at the rate of thousands per day in the production of consumer goods. And markets must be found for their products. The national income must be maintained. The American standard of living must be sustained. Prices must be stabilized. And the disastrous extremes of boom and bust must be avoided. That is the problem which confronts the American people today and it is the most formidable problem with which we have had to deal since Pearl Harbor.

There is another consideration. We live in a new day, in a new period. Not only new goods and new markets but new methods of salesmanship and distribution demand our attention and must be incorporated in the new economy. The competition from abroad which American industry must meet in the post-war period is of an entirely different character from that with which we dealt in antebellum days. Henceforth international business will be by nations or cartels rather than by individuals or firms or corporations. There will be but one buyer and one vendor for an entire nation. There will be but one purchaser and one contractor for an entire industry. There is the possibility, as far fetched as it may seem, that in the not far distant future we may reach the point where there will be but one fiscal agency for an entire continent.

Let us briefly analyze our post-war situation. Let us take a quick inventory of our national assets. We have $15,000,000,000 worth of factories—belonging to the United States, the most modern and the most efficient plants ever constructed. The United States Government owns today in its own right, in fee simple, more factories and plants and with greater capacity than were owned by all the nations together prior to the beginning of the war.

Likewise we have today the greatest army of skilled artisans ever assembled. Prior to the war only so many apprentices were admitted every year and the graduation of men into the skilled services was carefully supervised. But in this war we have trained artisans, mechanics, technicians, and engineers without number. We have not only the greatest array of factories and plants in the world—all conditioned and ready to go—but we have the largest number of skilled artisans to operate them ever assembled in any country.

Also during the war we have streamlined the sources of raw material, and we have available today for these artisans and for these factories the greatest continuous and dependable supply of raw materials of every character that has ever been available. We have but to channel them into the factories where these artisans will produce any commodity that world markets demand.

And last, but not least, we have the greatest transportation facilities ever launched on air or sea. We have the largest merchant marine ever floated. We have fleets of cargo planes for the transportation of men and goods by air far beyond anything men ever dreamed of. We have the plants, we have the artisans, we have the raw materials, we have the transportation facilities to supply the world.

But if they cannot operate efficiently and effectively they are so much dead material. They are an incubus upon our hands, unless we are prepared to plan, organize, and administer all of these vast facilities for the prosperity of the American people and the world.

In this post-war period we can reach the highest prosperity, the highest standard of living, the greatest common welfare humanity has ever seen, or we can fail as completely as we failed after the last war. This bill is to provide the material, the data, the statistics, the tools with which to plan for this rapidly approaching post-war period.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Arizona.

Mr. MURDOCK. I take it from the gentleman's well-chosen and well-expressed remarks that he does not intend to sell America short after this war?

Mr. CANNON of Missouri. Right. And in order not to sell America short we must know what we are doing. We must be able to see where we are going. We must plan—if we expect to sell America at par.

Mr. MURDOCK. I take it that the gentleman feels that the great prosperity which he signifies is possible for us if we do the right thing, depends upon good business management, working under private enterprise but organized and controlled for the public by the police powers of the Government in the interest of the American people. Is not that the general philosophy?

Mr. CANNON of Missouri. Absolutely. We must keep the Government out of competition with private business. All of these vast agencies must be operated by private enterprise under Government sponsorship and cooperation.

Mr. MURDOCK. I think the gentleman envisions the right kind of economic future for America. It is the kind I hope to see materialize.

Mr. CANNON of Missouri. I am glad to have the gentleman, who has studied these problems as closely as any Member of this Congress, approve the position of the committee in reporting this bill.

The question that confronts us, therefore, Mr. Chairman, is whether or not we shall go into the solution of this great problem blindfolded or with our eyes open, whether we shall give our people the tools with which to work, or whether we shall require them to make bricks without straw. Whether we shall approach these major issues in a modern world with scientific methods and accuracy or by haphazard, hit-and-miss rule of thumb. Business cannot operate; it cannot plan; it cannot administer, unless it is supplied with facts and data with which to operate. We must know where the markets are, the extent of those markets, and the character of those markets. The only way to secure that information is by taking a census. The census is one of the oldest business institutions. Under divine authority a census was ordered in Israel during the exodus:

As the Lord commanded Moses, so he numbered them in the wilderness of Sinai.

From that day to this, business has demanded accurate information, secured throught the census. One of the first actions taken by the United States Government after its establishment in 1789, the year of the adoption of the Constitution, was the ordering of a decennial census. The first one was taken in 1790, indicating the appreciation even at that early date by the founders of the Republic of the importance of accurate information and the necessity of securing it through a national census.

This bill is in conformity with that principle. It is to provide the information upon which business can formulate its plans for this critical period just ahead of us.

Mr. KOPPLEMANN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my good friend, the gentleman from Connecticut.

Mr. KOPPLEMANN. There was a measure before the Committee on Appropriations for a sum of money to plan

projects for post-war work to suppy jobs. That was considerably reduced. Would the gentleman care to make any statement at this time as to what relationship this matter before the House now of getting a census will have upon future appropriations for planning projects to be developed and built after the war is over?

Mr. CANNON of Missouri. This bill, may I say in response to the gentleman's inquiry, is the foundation stone upon which such planning must be based. It is indispensable. Businessmen cannot make plans if they must work in the dark. It is planned after collaboration by 23 Government agencies. It was worked out under the supervision of the Statistical Standards Division of the Bureau of the Budget and its programs were formulated by the departmental committees of reconversion statistics. They not only consulted these 23 Federal agencies, but they consulted the representatives of agriculture, business, industry, and labor. They met with representatives of the American Federation of Labor, with representatives of the C. I. O., the National Bureau of Economic Research, the National Industrial Conference Board, the National Grange, the Farm Bureau, the National Council of Cooperatives, the Farmers' Union and after this careful and exhaustive study and consultation they present a plan proposed in this bill. It provides for six different studies.

They propose to tabulate information on consumer incomes, consumer expenditures and consumer savings. They propose to take a census of manufactures, a sample census of population and business, and to expand labor-force statistics and reports. They expect to study wage rates by occupation and industrially; differential wage rates; shifts in rates as employment conditions change; wage rates by age and sex.

They expect to study incomes and savings reservoirs and incidental purchasing power. A manufacturer of radios must know whether his market is for $25 radios or $100 radios; whether it is for $1,000 automobiles or $2,500 automobiles. The manufacturer of clothing, shoes, and fabrics must know whether the demand is for utilitarian clothing or for dress clothing. The manufacturer must not only know the purchasing ability of his customer, but he must know the extent and character of the market and the location of the center of demand for his particular product and commodity.

These studies propose to give him that information. On the other hand, and simultaneously the producer, must know where to find his labor; the character of labor available; full data relative to the compensation of labor, and all other factors which enter into his cost of production.

This bill proposes to supply accurately all this information. It cannot be secured in any other way. The bill before the House today is the only avenue of approach to this great problem fraught with such consequences to the American people, so vital to the future of every family in the United States.

This program and the bill providing for it, has not been formulated under a bushel. It has had the attention and study of the most eminent authorities in the Nation. Permit me to submit considered opinions, both official and economic. Here is the letter from President Roosevelt. On August 26, 1944, President Roosevelt addressed an urgent letter to the Bureau of the Budget calling attention to the situation, to the necessity of providing accurate data, and requesting provisions this bill has been formulated to meet. President Roosevelt said:

Statistical information concerning business activities and marketing employment, unemployment, incomes, expenditures, and savings is urgently needed as a guide for economic policies during the remainder of the war and during the reconversion and post-war periods.

Business, agriculture, labor, and the Government need to know the basic economic facts if each is to play its role with maximum effectiveness during the months and years ahead.

I give President Roosevelt's letter in full, as follows:

THE WHITE HOUSE,
Washington, August 26, 1944.

Hon. HAROLD D. SMITH,
Director, Bureau of the Budget,
Washington, D. C.

MY DEAR MR. SMITH: The recent favorable development of the military situation on the world's battle fronts has emphasized the need to speed up preparations for the eventual reconversion of the Nation's productive energies to peaceful pursuits. This will be a huge and intricate task, requiring careful preparations. In addition to legislative action already under consideration it will call for a great deal of accurate and comprehensive information concerning industrial production, the status of industry and well-being of the Nation's workers. Such information should be currently maintained as we move from war to peace.

In particular I believe that the statistical record should include an account of our industrial system while it is geared up for maximum production during 1944. This may well be the peak year of production for many years to come. An intimate knowledge of the main characteristics of the economy during this war year will be important not only as a guide to our steps toward reconversion but as a part of the record which is essential for military preparedness in the future. I should think it would be possible, if production data were obtained for 1944, to avoid the necessity of appropriations for the regular biennial census of manufactures pertaining to 1945.

Again, it is important that we should have a running account of the status of employment, unemployment, and wages in the Nation as a whole and in the principal industrial areas. With this we should know more about the effects of the war on the incomes, expenditures, and savings of the great masses of our people whose work in the factories and mines, in transportation and on the farms, has equipped our armies in the field.

I believe that the costs of obtaining such information for the use of business, large and small, labor, agriculture, the general public, and governmental agencies themselves may properly be regarded as an essential part of the costs of the war emergency. In conjunction with the agencies concerned will you please undertake the preparation of plans for providing these types of information, and report to me at your early convenience upon the ways and means by which these plans can most appropriately be effectuated.

FRANKLIN D. ROOSEVELT.

President Truman following the suggestion of his illustrious predecessor addressed a letter to the Speaker of the House on April 25, 1945, urging the importance of the program and calling attention to the vital importance of equipping the Nation with the basic economic information which would be secured by the proposal of President Roosevelt. He wrote:

Without adequate and accurate facts on which to base business and governmental plans in the days ahead we run serious risks.

The full text of President Truman's letter to the Speaker was as follows:

THE WHITE HOUSE,
Washington, April 25, 1945.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: In a letter of August 26, 1944, President Roosevelt requested the Director of the Budget, in conjunction with the agencies concerned, to undertake the preparation of plans for providing comprehensive information on industrial production, the status of industry, and the well-being of the Nation's workers, needed for the reconversion of the Nation's production energies to peaceful pursuits. The President submitted supplemental estimates for this program in a communication to you of November 11, 1944, but most of the amounts were eliminated in the House on points of order and were not restored in the Senate. With changes made necessary by the intervening lapse of time, estimates were again submitted by the President in a communication of January 31, 1945 (H. Doc. No. 54), and are now pending before the deficiency subcommittee of the House Appropriations Committee.

Meanwhile two items directly related to this program were included among the regular 1946 estimates for the Department of Commerce. These were, first, $3,000,000 for a sample census of population to be taken in April 1946, and, second, $2,235,000 for quarterly surveys of the labor force in the principal production areas. Preparatory work for both of these activities was included in an item of $990,000 which formed a part of the program in House Document No. 54 still pending before the deficiency subcommittee. The House Appropriations Committee eliminated the two items mentioned from the 1946 Commerce bill and a request for their restoration was not granted by the Senate.

It is of vital and immediate importance that the Nation be equipped with the basic economic information which would be secured by the proposals to which I refer. Without adequate and accurate facts on which to base business and governmental plans in the days ahead we run serious risks.

The estimates of which I am speaking include provision for the regular biennial census of manufactures for 1945, which has been omitted since 1939. They also include provision for a sample census of business, covering wholesale and retail trades and services, adequate information concerning which has likewise been unavailable since the census of 1929. There is much demand in business quarters for a complete census of business, and this may be desirable before the next regular enumeration in 1950. However, the estimated cost of such a complete census, $15,000,000, as compared with that of a sample census, $1,200,000, would seem to argue strongly for the latter under existing circumstances. While the sample census would not serve many of the business purposes for which it is desired in connection with the marketing of products, it would provide over-all business facts which will be of great importance in the development of reconversion policies. There is no doubt that information provided by the remaining

items in the program will be crucially needed by government and all segments of the public. This includes a sample census of the Nation's population; surveys of the incomes, expenditures, and savings of the people; and periodic data on the character of employment and unemployment among the Nation's wage earners, particularly in the principal production centers.

In view of the fact that all of the recommendations by my predecessor to which I have referred above are still before the Congress, I beg to suggest that the two estimates of $3,000,000 and $2,235,000 for a sample census of population and a quarterly survey of the labor force, respectively, be added to the program submitted by the President on January 31, 1945, and considered with it as a single supplementary appropriation measure, with the two amounts just named made available until expended.

Respectfully,

HARRY S. TRUMAN.

Supplementing the request of President Roosevelt and President Truman, Judge Vinson, the Administrator of the Office of War Mobilization and Reconversion, in a letter to the chairman of the committee under date of April 21, 1945, goes still more deeply and more urgently into the need for specific information upon which business can predicate its program to meet the post-war situation. I include it in the RECORD, as follows:

OFFICE OF WAR MOBILIZATION
AND RECONVERSION,
OFFICE OF THE DIRECTOR,
Washington, D. C., April 21, 1945.

DEAR CLARENCE: Our recent military successes forecast an earlier end of the war than was thought likely a few months ago. This gratifying prospect compels us to turn an increasing share of our thoughts and energies toward the reconstruction of our national life. Foremost will be the reconversion of our industrial machine from the production of war material to production for civilian use. My office is especially concerned that this process be rapid and orderly, for otherwise we face the possibility of idle factories and manpower.

The effectiveness of the transition will depend upon teamwork by all levels of Government and all segments of the public. This in turn requires a common fund of dependable statistical information regarding the basic factors in our national economic situation. Before we can chart a new course as a Nation we need to know where we are now, from where we have come, and in what direction we are pointed. We cannot justifiably expect American business, labor, agriculture, or the Federal Government itself to make reconversion plans in ignorance of the basic economic facts of which each of them must take account. Decisions taken in ignorance would tend to produce the kind of confusion and cross purposes that we are trying our utmost to avoid.

Nor can we wait until the immediate demand for factual information is upon us. Much time is required to plan for and to assemble comprehensive information upon the economy of a nation as vast and complex as ours. I wish that our Government had equipped the Nation before now with the statistical data which will be so essential as soon as war-production activities begin to diminish. As long ago as August 1944 the President requested that the Bureau of the Budget develop, with the agencies concerned, a coordinated and comprehensive statistical program to provide the body of facts which would be needed by all groups in this period. This Government-wide program was prepared but many circumstances have served to delay congressional action upon it. This very delay increases the urgent need for congressional action. It will soon be too late to prepare for obtaining the facts which business, labor, agriculture, and other groups are looking to the Government to provide.

My own office is deeply concerned that the informational program submitted by the President in his communication of January 31, 1945, and now pending before the subcommittee on deficiencies of the House Appropriations Committee be authorized and put into operation immediately. Specifically, I shall need to know on a comprehensive basis what manufacturing establishments there are, where they are, what they are making, and how many workers are employed. This information is not now available to me, and in fact no such information has been assembled since the 1939 Census of Manufactures. It would be provided by the 1945 Census of Manufactures, which is one item in the pending program. Facts on manufacturing production will be acutely needed if we are to continue present levels of industrial production without costly delays.

Similarly, I will need to know something about the impact of the war upon wholesale and retail trade. There have been tremendous shifts of population which have changed the location and number of business establishments, and in addition the scarcity of civilian goods has greatly affected the mechanism of distribution. We need current information which will show what these changes have been. As in the case of manufactures, there has been no information on wholesale and retail trade since 1939. The amount of money recommended in the pending program will permit only a sample census of business at this time. This sample, however, would be very satisfactory for many broad purposes.

The two parts of the program just mentioned call for information to be provided by business and industry. In addition, we shall need to gage the impact of war and reconversion upon the well-being of individuals. For this purpose the program includes a study of consumer expenditures and savings, and a study of consumer income. These two studies will provide a great deal of information which will be of the utmost importance to me and to business groups in formulating activities and policies affecting reconversion. All public and private groups need to know how much consumer income there is, how it is distributed among segments of the population, and what types of expenditures are being made. It is also necessary to know what savings have been accumulated in the hands of consumers so that we can try to predict what part of the savings will be released for post-war goods and services.

One of the most immediate effects of cutbacks of war contracts will be the effect upon wage earners. It is almost inevitable that contract cut-backs will result initially in pools of unemployment in various localities, industries, occupational groups, and other categories of workers. The program before you includes provision for a quarterly sample survey in the most important war-production centers of the employed and unemployed, according to industry, occupation, sex, age, or other important characteristics bearing upon their status as members of the labor force. The program also includes provision for preparatory work for a sample census of population to be taken early in 1946. I have already mentioned the tremendous shifts in population that have occurred during the war years. It will be essential for many governmental purposes to know what these shifts have been and where our population now is. Business, likewise, will depend upon this information to know where its markets are located.

The program submitted by the President on January 31, 1945—House Document No. 54—and now pending before the committee, includes preparatory funds only for the two projects mentioned in the preceding paragraph. Requests for expenditures in 1946 for the continuance of the same projects were contained in the regular 1946 appropriation bill for the Department of Commerce, but were denied by the House. The Department has requested that the Senate restore these items. If the Senate grants the request, I think it would be most helpful if you could urge the House conferees to accept the Senate amendments. If the items are not restored in the Senate, I suggest that they be added to the bill pending before the House subcommittee on deficiencies.

I urge upon you most seriously the great importance of providing ourselves and the American people with the vital information that is included in this basic statistics program. I do not feel that any of us can take responsibility for the failure of the Government to provide the information that will be needed in order to make intelligent decisions during the reconversion period. As far as my office is concerned, I view this information as of the greatest importance, since it will provide an essential factual basis upon which broad policies can be considered.

Sincerely,

FRED M. VINSON, *Director.*

The minority leader the gentleman from Massachusetts [Mr. MARTIN] in an address which he made before this House on May 8, 1945, said:

We also have the task ahead of planning for post-war days. It is not too early to begin. Millions of our countrymen will be coming back from the fighting front, out of the factories, and out of the shipyards. These men and women will want a job, a job under American conditions and paying American wages.

He insists that we must not only plan but that it is not too early to begin, and we are beginning now today with this bill.

The Committee on Ways and Means reported to the House through its chairman, the gentleman from North Carolina [Mr. DOUGHTON]. He said in reporting the bill:

The reestablishment of a healthy and expanding peacetime economy will require the best efforts of all our people. The achievement of such a goal must be the primary responsibility of the various segments of our economy, agriculture, labor, and industry—and of each individual citizen. The coordination of their efforts so as to make this achievement orderly, rapid, and permanent is a responsibility which should be undertaken by the Government.

That is the viewpoint under which we have proceeded in offering this bill.

Again, the Special Committee on Postwar Economic Policy and Planning headed by the gentleman from Mississippi [Mr. COLMER], in its fourth report embodying an admirable analysis of the interrelated problems where solutions require data of the types we are proposing to give you.

On page 5 of that report the committee said:

The committee considers that the general goal of postwar economic readjustment is the attainment of those conditions in our national life which will enlarge the opportunities for expanding our peacetime production so that the national labor force will be gainfully employed and income will be adequate to sustain an active market for goods and services under improved living standards. This has been the common theme in the views expressed in hearings before the committee by employers, labor representatives, and others.

To give you also statements from the press I include the following admirable

editorial on reconversion data appearing in the Washington Post of April 28, in which is emphasized the need for this data and this bill. No one will charge the Post, and especially this article, with anything but the soundest regard for the general welfare of the people and the Nation.

RECONVERSION DATA

Last August, President Roosevelt instructed the Director of the Budget to make plans for obtaining various types of information in regard to industrial production, employment, and wages, in preparation for reconversion of industry after the war. Accordingly, an integrated program of basic statistics was worked out by an interdepartmental committee and submitted to Congress, only to be torn to pieces on the floor of the House. Because of the urgency of need for basic information a revised program was again submitted to Congress last January. It called for a census of manufactures for 1945; a sample business census; studies of consumer income, expenditures, and savings; a sample 1945 population census; and data on employment and unemployment. But the appropriation needed to carry out this Presidential statistical program, amounting to slightly more than $13,000,000, has not yet been voted. Chairman CANNON, of the House Appropriations Committee, has the request under consideration and is reported to be ready to act if House support for the program can be assured.

Considering the facility with which appropriations running into billions can be secured to further our war effort it is amazing that the House should hesitate to approve requests for the few millions needed to supply vital information about the state of industry and the effect of the war on production, distribution, employment, and investment opportunities. Without such information, brought up to date, no adequate planning can be done. And without such planning, we shall suffer immense losses in misdirected efforts to shift to peacetime operations. Much valuable time has already been lost, and if the delay continues much longer it may be too late to develop a statistical program sufficiently reliable and comprehensive to serve as a guide to reconversion.

We have had from all fields of business and industry urgent requests for data of this character.

Here is a list of some of them:

The American Management Association.

The National Association of Master Plumbers.

The National Association of Miscellaneous and Ornamental Iron Manufacturers.

The National Lumber Manufacturers Association.

The Chamber of Commerce of the United States.

The Model Industry Association.

The National Electrical Manufacturers Association.

The National Boot and Shoe Manufacturers Association.

The American Iron and Steel Institute.

The Toilet Goods Association.

The Aeronautical Chamber of Commerce of America.

The American Newspaper Publishers Association.

The Automotive and Aviation Parts Manufacturers.

The American Paper and Pulp Association.

The Association of American Railroads.

The Brooklyn Chamber of Commerce.

The National Industrial Advertisers Association.

The National Association of Purchasing Agents.

The National Paint, Varnish, and Lacquer Association.

The National Standard Parts Association.

The Society of the Plastics Industry.

The United Typothetae of America.

The Valve Manufacturers Association.

The Structural Clay Products Institute.

The United States Rubber Co.

The Pacific Gas & Electric Co.

The B. F. Goodrich Co., of Akron.

The Lockheed Aircraft Corporation.

The Century Electric Co.

The Cincinnati Gas & Electric Co.

We have also had requests for information relating to distribution from the following:

National Dry Goods Association.

National Coffee Association.

The National Association of Retail Druggists.

National-American Wholesale Grocers' Association.

Milk Industry Foundation.

The Jewelers.

Hardware Age.

General Foods Corporation.

The Coca-Cola Co.

California & Hawaiian Sugar Refining Corporation, Ltd.

Associated Credit Bureaus of America.

United Fresh Fruit & Vegetable Association.

The census advisory committee of the American Statistical Association and the American Marketing Association have also pointed to the need for facts relating to business.

We have had requests for consumer studies from the following:

American Smelting & Refining Co., New York, N. Y.

American Telephone & Telegraph Co., New York, N. Y.

Anchor Hocking Glass Corporation, Lancaster, Ohio.

Armour & Co., Chicago, Ill.

Atlas Corporation, Jersey City, N. J.

Bausch & Lomb Optical Co., Rochester, N. Y.

Bissell Carpet Sweeper Co., Grand Rapids, Mich.

California Packing Corporation, San Francisco, Calif.

Celanese Celluloid Corporation, New York, N. Y.

Central Soya Co., Inc., Fort Wayne, Ind.

Colgate-Palmolive-Peet Co., Jersey City, N. Y.

Consolidated Edison Co. of New York, Inc., New York, N. Y.

Consolidated Vultee Aircraft Corporation, San Diego, Calif.

Douglas Aircraft Co., Inc., Santa Monica, Calif.

Du Pont (E. I.) de Nemours & Co., Wilmington, Del.

Eastman Kodak Co., Rochester, N. Y.

Emerson Drug Co., Baltimore, Md.

Firestone Tire & Rubber Co., Akron, Ohio.

General Electric Co., Schenectady, N. Y.

General Foods Corporation, New York, N. Y.

General Mills, Inc., Minneapolis, Minn.

General Motors Corporation, New York, N. Y.

Gorham Co., Providence, R. I.

Greyhound Corporation, Chicago, Ill.

Heinz (H. J.) Co., Pittsburgh, Pa.

Hercules Powder Co., Inc., Wilmington, Del.

From all classes of industry we have had demands for the data which will be supplied by this program.

Mr. Chairman, time is the essence of this matter. We have already delayed too long. The war in Germany which we thought might last another year has already closed. There are indications, that the war in Asia will be closed earlier than at first anticipated. As an indication of that situation, the Government has already canceled a vast amount of contracts and a large number of plants will close in July. The Government has canceled contracts for the production of wartime aircraft. It has canceled contracts for the production of heavy-service military trucks. Contracts have already been canceled on a 90-day basis. The plants will be closed, the workmen will be out of a job and American industry wil be faced with attending problems within the next few months.

Already reconversion is under way and the Nation's automobile manufacturers will get official approval to start reconversion from wartime to peacetime production in the next 2 months. The situation is upon us. We need the data immediately. We cannot wait for them if we are going to meet the first demand for this information.

The War Production Board that appeared before our committee told us that during the war they had put into effect under the wartime powers given them 400 controls. They informed us further that in view of developments in Europe and in the Orient they had already released 100 of those 400 controls, and they anticipated in the next 6 months they would release another 100.

In other words, the War Production Board, with its finger upon the pulse of the war, is prepared to cancel one-half of all wartime restrictions and controls within the next 6 months. The crisis is already here. We are not preparing for something in the future. We are preparing for something which is staring us in the face today and which must be met and met intelligently if we propose to avoid the debacle which followed World War No. 1,

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Arizona.

Mr. MURDOCK. I recall how the Chairman came in here a few days ago and presented a unique bill, and when he, with his wide parliamentary knowledge, stated that it was unique, in that it broke precedent and canceled appropriations already made to the extent of several billions of dollars, because such expenditures were no longer necessary for the progress of the war. Does the gentleman not feel then that it is just as imperative that we do the one as the other of two things: First. Cancel contracts not needed in the winning of the war; and second renew or write contracts

that will enable us to win the peace? Is that not part and parcel of the very bill that we have before us today?

Mr. CANNON of Missouri. The gentleman is right. The action of the Bureau of the Budget in reporting these surpluses, the action of the President of the United States in calling them to the attention of this Congress, the action of the Committee on Appropriations in reporting them to the House and the action of his House in repealing over $4,000,000,000 worth of war appropriations and authorizations is unmistakable and irrefutable evidence of the immediate need of action to meet postwar problems.

The proposition before us in this bill is to meet a situation that affects directly every American citizen. We must in the postwar period maintain employment. We must provide jobs. Eleven million men are in the armed forces and most of them are coming home at the close of the war. Twenty million men who are in war factories will eventually be out of a job.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. GROSS. Is the object of this bill to create jobs?

Mr. CANNON of Missouri. The object of this bill is to provide industry with information upon which they can open their factories and produce goods. That means jobs, and that is the only way you will get jobs.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. CANNON of Missouri. I yield.

Mr. GROSS. It is true, is it not, that the passage of this bill will create 30,000 jobs for people driving around the country to get information? That is the object of this bill, is it not? I have been trying to follow the gentleman to find out what he is talking about. I am just trying to clear up in my own mind what the gentleman is driving at.

Mr. CANNON of Missouri. I am not talking politics today. I am discussing conditions that will stare the gentleman in the face the next time he gets off the train in his home district.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The chairman of the committee has just stated that industry and business are demanding this information; is that correct?

Mr. CANNON of Missouri. The gentleman can judge for himself from the letters which I have quoted, and those listed. If he desires to see them, they are available.

Mr. REES of Kansas. Did they appear before the committee and testify in support of this particular bill?

Mr. CANNON of Missouri. If the gentleman had listened when I gave the names of industries all over the country, major industries throughout the United States, he would understand there was demand by industry, commerce, labor, and agriculture for this information.

Mr. REES of Kansas. I do not find them testifying in support of this legislation.

Mr. CANNON of Missouri. If the gentleman cares to see the evidence we shall be glad to make it available for his perusal.

Mr. REES of Kansas. They were not included in the hearings?

Mr. CANNON of Missouri. On the contrary some are included in the hearings. A list of others is included in the hearings. There were two or three hearings on this estimate. If the gentleman will get the first supplemental appropriation bill hearings, he will also find many more of them there. If he will get the hearings on this bill he will find such as we had room for there.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I am interested in the amount of work that would be required to get all of these census reports. I think we need some reports. I am also concerned about the amount of newsprint that will be required to get these reports together. The hearings on the independent offices appropriation bill show that we are using 20 carloads of newsprint a day for Government propaganda, which is a 400 percent increase in the last 12 years. I am wondering how much additional paper and other work this bill will require. Will it require more carloads of paper, or can we cut down on the amount of Government propaganda and material that is flooding the country? Twenty carloads a day of paper are being used by the Government Printing Office.

Mr. CANNON of Missouri. I am glad to hear the gentleman say he thinks these reports are necessary. He is on the right track.

As to the amount of paper which will be consumed, we will not consume as much as will be consumed in an ordinary dicennial census. As far as Government propaganda is concerned, the gentleman doubtless refers to the Government propaganda which we have used against the Germans and the Japs. The testimony before our committee shows that has saved the lives of countless American soldiers. Does the gentleman disapprove of that?

Mr. MILLER of Nebraska. The paper used in the propaganda against the Japs and the Germans is not included in these 20 carloads a day. I do not want the gentleman to understand that I am in favor of all of these reports. I think some of them are necessary, but certainly not all of them. Neither do I agree that all of the Government propaganda that has flooded the country is necessary. Every newspaper office in the country receives barrels each week of paper that is thrown away. It shocked me when I found out that the amount of newsprint used by the Government Printing Office had increased 400 percent since the New Deal came in.

Mr. CANNON of Missouri. I may say again, we are in war. The gentleman overlooks that point. In the course of a war we spend a lot more money, necessarily, than we spend in time of peace. We have won the war. As I recall, the gentleman voted for every appropriation the Committee on Appropriations brought in here. He will be glad to testify to that fact when he gets back home.

As far as the use of paper by the newspapers of the country is concerned, it is a well-known fact that approximately 90 percent of all the metropolitan newspapers are Republican newspapers. If they have been using propaganda, I am certain they have been rendering a great service, because we have got good results from them.

Mr. MILLER of Nebraska. The gentleman knows that all of these newspapers have been required to cut down on the amount of newsprint they were using, about 20 percent at one time and 15 percent at another.

Mr. CANNON of Missouri. Certainly, and that is a governmental restriction. It is a very salutary restriction imposed by the Government. The gentleman will find that this Government is always for measures of economy.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. RANKIN. One provision in this bill disturbs me a great deal, and that is the one with reference to the census.

I know of no law to authorize the Bureau of the Census to make estimates. Ever since I have been a Member of Congress, I have been a member of that committee, and for many, many years I have been the ranking member. We have always opposed making a guessing bureau of the Bureau of the Census. In other words, when the Bureau of the Census gathers statistics, they get accurate information capable of proof. We have always, and I have always, opposed the passing of any law that would put the Bureau of the Census into making guesses or estimates.

It seems to me if this work is going to be done it should be done either under the Department of Agriculture or the Department of Labor. We ought not begin to break down the procedure that the Bureau of the Census has followed since the beginning of the Government. I am afraid by starting them out on this program of trying to gather information, analyze it, and make estimates, you are doing the Bureau of the Census an irreparable injury.

Mr. CANNON of Missouri. Both the gentleman and his committee have rendered invaluable service in legislation authorizing census activities. He says this work should be done by the Department of Labor. We provide it shall be done by the Department of Labor.

Mr. RANKIN. It seems to be different if you read on page 4 of the bill.

Mr. CANNON of Missouri. If the gentleman will pardon me, if he will read the report which analyzes the bill, he will see segregated in the report those items which will be handled by the Department of Agriculture, those which will be handled by the Department of Com-

merce, and those which will be handled by the Department of Labor. I will say there is no guessing or surmises authorized by this bill. They take samples, that is, they select certain towns and certain States and certain groups of families and get accurate statistics. They do not guess.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my good friend the gentleman from Wisconsin.

Mr. KEEFE. In order that the distinguished gentleman from Mississippi who has asked a pertinent question, may have the proper information, I assume the gentleman was referring to the census of manufactures for 1945, which is provided by law and is found in page 5 of the report. The objection registered by business of this country to taking that kind of a census was because they proposed under this provision merely to take a spot check census in some 200 industries of the Nation. That census is to be conducted by the Bureau of the Census.

Mr. RANKIN. Yes.

Mr. KEEFE. The Bureau of the Census will carry on the census. It so states in the report. The business people who appeared before the gentleman's subcommittee objected strenuously to that type of census, largely for the very reason expressed by the gentleman from Mississippi, that it would accomplish nothing, that it would be valueless, and that it would not be the type of census that the Census Committee had provided should be taken every 2 years.

Mr. CANNON of Missouri. May I say to my good friend the gentleman from Wisconsin, who is usually accurate, but unfortunately misses the situation at this time in two respects. In the first place, we are not taking a sample census of manufactures. We are taking a complete and full census of manufactures instead of the sample census to which he refers. In the second place, those who appeared before the committee did not object to a census of manufactures. The thing they talked to us about was the sample census of business. My good friend, who is usually right, has confused the situation a little in this case.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. RANKIN. Many years ago when the opposition was in power they brought in a proposition to take a census of the unemployed. Members of the Census Committee at that time suggested that that should be taken by the Department of Labor, because it was largely guessing. They did not propose to show who were unemployed voluntarily and who were unemployed involuntarily. Just let me read from this bill to show the gentleman where he is wrong. The bill reads:

> For all expenses of the Bureau of the Census necessary to collect, compile, analyze, and publish a census of manufactures for 1945, including the employment by the Director, at rates to be fixed by him, of personnel at the seat of Government and elsewhere without regard to the Classification Act—

And so forth. I submit you are getting a Babson report; a corollary of the Babson estimates of the things to come. So I am afraid you are getting the Bureau of the Census entirely away from its base and putting it into the field of trying to analyze the income of the individual and to make an estimate of what those incomes are. I think this kind of work should be left to the Department of Agriculture and the Department of Labor, and that the Bureau of the Census should be left to collecting definite statistics than can be compiled and mathematically determined. When you take it out of that work I am afraid you are going to do irreparable injury to the Bureau of the Census.

Mr. CANNON of Missouri. As the gentleman will note, there is no provision in this bill anywhere for a guess—for a surmise. The gentleman refers to the word "analyze." The word "analyze" is the processing after the data is in, as in the case of the decennial census. After they have visited every family on the schedule and asked. All of those different reports from different families—in this case 37,000 families—are brought in and they analyze them—that is, tabulate them and classify them—as in the regular decennial census.

Mr. Chairman, in conclusion, the purpose of this bill is to avoid deflation and depression following the war. The purpose of it is to provide jobs—millions of jobs. The purpose of it is to maintain the national income. If the national income falls, we cannot save ourselves from a disastrous depression. The purpose of it is to maintain industries which provide jobs, to maintain the national income, to maintain the American standard of living, and to prevent the disaster which followed World War No. 1.

Mr. TABER. Mr. Chairman, I yield myself 20 minutes.

Mr. SPRINGER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently there is no quorum present.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 84]

Adams	Delaney,	Healy
Andrews, N. Y.	John J.	Hébert
Arends	Dingell	Hendricks
Bailey	Dirksen	Hess
Baldwin, Md.	Domengeaux	Hobbs
Baldwin, N. Y.	Doyle	Hoffman
Bates, Mass.	Drewry	Hook
Boren, Okla.	Durham	Howell
Bland	Earthman	Jennings
Bloom	Eaton	Johnson,
Bradley, Mich.	Fisher	Lyndon B.
Biemiller	Flood	Johnson, Okla.
Bradley, Pa.	Folger	Keogh
Buckley	Fuller	Landis
Bunker	Gearhart	Lea
Burgin	Gifford	Link
Cannon, Fla.	Gordon	McGlinchey
Celler	Gorski	Madden
Clark	Granger	Morrison
Clason	Grant, Ala.	Murphy
Cochran	Gwinn, N. Y.	Norton
Cole, N. Y.	Hall,	Pace
Cooley	Leonard W.	Pfeifer
Curley	Halleck	Plumley
Dawson	Hancock	Poage
De Lacy	Hartley	Ramspeck
Randolph	Shafer	Vinson
Reece, Tenn.	Short	Vursell
Rich	Simpson, Pa.	Wadsworth
Roe, N. Y.	Slaughter	Walter
Rooney	Stevenson	Wasielewski
Sabath	Stewart	White
Sadowski	Sumners, Tex.	Wilson
Sasscer	Thomas, N. J.	Woodruff, Mich.
Savage	Torrens	Worley

Accordingly the Committee rose; and, the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 3146, the second supplemental appropriation bill, 1945, finding itself without a quorum, he had directed the roll to be called, when 329 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from New York [Mr. TABER] is recognized for 20 minutes.

Mr. TABER. Mr. Chairman, this bill calls for an appropriation of $18,433,000. Comparatively, it is not a large amount as those things go, but the thing behind it is a very important proposition. The question is whether or not we are fooling away the money or whether we are doing a service to business and industry, or whether we are placing a curse upon them.

The Appropriations Committee was waited upon by the most motley crew of statisticians I have ever seen. There must have been 30 or 40 of them in the room at one time, largely graduates of the W. P. A. Most of those activities that are under consideration here were initiated by the W. P. A.

So that you may get an idea of how some folks tell the truth about something when they make a little slip, I call your attention to the Democratic whip notice for this week: "Wednesday—Reconversion of statistics."

Reconversion of statistics. That is about what this is. You know when you are helping business and helping industry you want to get accurate information that can be of some value to the business people in working things out. Everyone knows that at this time business, manufacturing, agriculture, employment, labor, population, income, and all that sort of thing, are in a state of flux. In other words, they are moving around, moving around from place to place. Industries have been established in places where there were none. A great many of those are going out altogether. Others have been built up and changed over into other things so that they could promote and help the war effort. That was proper. But the value of statistics of that kind on a manufacturers' census, is perfectly apparent—absolutely without value.

Population has moved around. Population has moved around and many people are living in temporary shelters or in boarding houses. Many people are spending their time in places two or there thousand miles away from their homes and usual places of abode, and places they will go back to after the war is over. Of course, there will be some changes in population that will be permanent. On

the other hand, most of them will go back home when this thing is over.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CRAWFORD. On the census of manufactures, is it proposed in this bill that the statistics be gathered on the basis of 1945 performance, or what performance is to be reviewed?

Mr. TABER. The language of the bill does not exactly state, but I assume that that set-up would begin to be operative as of some date in 1945, because the bill reads: "Census of manufactures for 1945."

Mr. CRAWFORD. On page 6 of the report we find this language:

> The manpower requirements to execute a sample census has been reported to be 510.3 man-years. For a complete census 4,087 man-years are estimated. The peak number of individuals would occur between January and June 1946. That number would be 9,764.

What I am wondering about is when will these enumerators approach the manufacturers for information.

Mr. TABER. The enumerators would approach the people not earlier than late in 1945 or early in 1946. That is the earliest they could do it.

Mr. CRAWFORD. The distinguished gentleman has just made the point about shifting population. If one will inquire the number of thousands of people who are moving out of the Michigan area over the Pere Marquette Railway to Cincinnatti and points south thereof he can prove what the gentleman has just pointed out as to the worthlessness of this information when it is once picked up.

Let us assume that these enumerators go to business during the remaining months of this year; does anyone believe that conditions during the remaining months of this year in manufacturing will be worth anything to manufacturers next year on which to base a production budget or a financial budget or an employment budget?

Mr. TABER. It will be worse than that because if we get up these statistics on a false basis—and this is a false basis as to everything—and get them out, say, to the business people and the manufacturers, they not only will not help them, but if they rely on those statistics—and part of them will—they will go broke.

Mr. CRAWFORD. They are misleading as to the whole operation.

Mr. TABER. That is just what it does. Who wants to do business that way?

Mr. CRAWFORD. May I ask the gentleman this question: The gentleman from Missouri mentioned, I think, what business concerns of this country appeared before the committee or wrote the committee demanding that this information be obtained in this manner. Let us get that clearly before us.

Mr. TABER. I know of no business concern that has appeared before us, but I do want to call attention to a letter from the chairman of the economy committee of the National Association of Manufacturers. I have that letter here and am going to read it a little later. I want the membership to know that there are those amongst the manufacturers who realize that this is not the way to do business. I am going to read that letter before I get through telling just exactly why he feels that this is not in aid of business.

Mr. CRAWFORD. May I ask this: Is it not a truth known to all the people of this country who read the billboards that we have a backlog of demand from the families of this country for every conceivable thing, that would take American industry anywhere from 6 months to 6 years to fill once it goes into operation? And tell me one manufacturer who today depends upon census statistics to tell him what to start producing if you let him have the material and employees to do it with. He has a backlog of orders on his books.

Mr. TABER. He has orders on his books.

Mr. CRAWFORD. Of course, he has.

Mr. TABER. He has them stacked up against him in such number that he does not dare put all of them on his books.

Mr. Chairman, I am going to read this letter from the chairman of the economy committee of the National Association of Manufacturers:

> This will acknowledge your letter of May 5 in reference to the President's proposal that an immediate census of manufactures be taken. I presume the object of such a census is to accomulate accurate and useful information.
>
> As you stated, business is in a state of flux and will be more so because VE-day has arrivec. A census taken now would not be typical of either maximum war production or full-time peace production. Therefore, a census started at this time would prove nothing and would be useless.
>
> Moreover, preliminary figuress would not be available for at least 6 months and possibly a year, and there would be a further delay in obtaining detailed figures.
>
> It would seem to me that more accurate and useful information could be obtained at this time from the indicators we now have, such as:
>
> 1. Federal Reserve Board Index of Production. Broken down into durable goods and nondurable goods, war goods and civilian goods.
>
> 2. W. P. B. Monthly Index of Munitions Production.
>
> 3. Bureau of Labor Statistics: Monthly figures on pay rolls, employment, hours of work, average hourly earnings, average weekly earnings, classified according to manufacturing and other industries.
>
> 4. Treasury Department: Monthly figures on war expenditures.
>
> 5. War Manpower Commission: Frequent estimates of labor changes and number employed, classified into manufacturing and other industries.
>
> It is hard to know just what to say or recommend regarding this census when it is not known by whom it is going to be used and for what purpose, but there is one thing certain—it will not tell how many people should be employed after the war or how many actually will be.
>
> The National Association of Manufacturers in response to questionnaires recently sent to their members received enough answers to indicate, if projected for all industry, that industry in the post-war years would employ 14,500,000 against a figure of 10,600,000 in 1939. This, of course, is an estimate, but I am sure it is a thoughtful estimate and one worthy of your consideration. It most certainly is a much more useful figure than any figure of employment that might be projected from a census of actual employment at this time.
>
> Naturally, I cannot give you the opinion of the other 13,500 members of the National Association of Manufacturers, but from talking with our staff in New York who are pretty familiar with our membership's feeling on this subject, I would say that the answer from industry in reference to a census at this time would be the same as mine, which is, that such a census would be misleading and of little nelp to either Government or industry.
>
> If this lettter does not assist you and there is some further information or point of view you would like to obtain through the National Association of Manufacturers, do not hesitate to call upon me. Perhaps I cannot give you the answer, but will see that your request is turned over to someone who can.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Please refer to page 5 of the committee report in which reference is made to a census of manufacturers for 1945. The following is stated:

> This information, replacing obsolete data, is needed to maintain a high level of national production and to avoid, the committee is advised, costly delays and avoidable losses in war production, or in preparing for reconversion. It would give the only picture during the entire war period of the Nation's capacity to produce.

To produce what? From here on we talk in terms of civilian production, the production of civilian goods. We propose here to pick up a lot of statistics which have to do with the production of war goods as turned out in the year 1945.

Now, referring to the bottom of the first paragraph on page 5, reading as follows:

> Plans call for returns from each of the estimated 200,000 manufacturing plants in the country containing detailed information on production of commodities, the cost of raw materials, employment and pay rolls and similar items.

Any man who has labored over these census of manufacturers reports, the forms I am talking about, for hours and days trying to build up this statistical information which they called for, would certainly know that a report based on 1945 war production would be the most misleading material on earth for a man to use in connection with the production of material in 1946.

Mr. TABER. The gentleman is correct. It is proposed to turn this thing over to the Department of Labor under Madam Perkins, the Department of Commerce under Henry Wallace, and the Department of Agriculture under Claude Wickard. Under our present arrangement of carrying things along we have developed a most outrageous and ridiculous situation with reference to the gathering of statistics. We have so many people monkeying around on every single item proposed to be taken up here that it is perfectly ridiculous. For instance, we have two units in the Department of Agriculture on the consumer expenditure and savings study totaling $819,000, and then we have the Bureau of Labor Statistics figure of $1,272,000.

When these people were before us I went after Dr. Rice. He is the so-called representative of the Bureau of the Budget who is trying to coordinate statistics. I told him just what the situation was, and here is what he said:

Mr. TABER, I agree fully with your feeling that general coordination is required. All I would like to interpose here is that coordination is being provided. We are constantly in the process, continuously, of providing such coordination as you say is required.

Yet here we have in all of these items two or three departments of the Government butting in on one job. It is the most ridiculous set-up that I have ever seen. There is no coordination whatever.

Mr. BUCK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. BUCK. We have tens of thousands of employees in these departments, and we annually appropriate astronomical sums to operate them. Can the gentleman explain why every time any special job comes along, we have to appropriate more millions of dollars and more thousands of employees to do the particular new job?

Mr. TABER. The chairman of the Committee on Appropriations the other day stated that this country was close to bankruptcy. We cannot make it completely bankrupt and wipe out the chance of recovery unless we go ahead and continue to make foolish appropriations for things that are not needed.

I hope that the House of Representatives will begin at this point and refuse to appropriate more money for things that are absolutely worthless; that we ought not to do at this time, and that the Government of the United States ought not to get into. I want to do everything I can to help recovery. Every Member of this House wants to do it. But there is absolutely nothing in this bill whatever that will in the slightest degree promote or help recovery or the reconversion of industry. It will just mess the thing up.

Mr. HENRY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. HENRY. Is it not a fact that a census taken during a wartime economy not only is useless but very deceptive during a peacetime economy?

Mr. TABER. The deceptive feature is the worst part of it, because if people depend on it and lay out their business on that basis, they cannot help but go broke. They must go ahead on the things that they know they can go ahead on, and we must have a census, when we get to the point where we know that some of this transition period is over, that will be effective and of value.

I am not one who opposes statistics when they are of any value, but I do not believe in gathering statistics that we know in advance are absolutely worthless and a liability to the Government of the United States, and the business and manufacturing interests of America.

I believe it is time for us to wake up to this situation. It is time for the Congress of the United States to meet its responsibilities and refuse to do those things that absolutely and unconditionally will help to destroy and prevent recovery and reconversion.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I wish to express my appreciation of the very able speech the gentleman has made. I have heard it said that if this measure is passed it will mean that we shall add 30,000 people to the Government pay roll. What has the gentleman to say about that?

Mr. TABER. It is difficult to tell just how many will be added, but I would figure that before they got through with it there would be at least that many given employment of one type or another.

Mr. ROBSION of Kentucky. May I ask the very able and experienced gentleman if he can see anything in this bill that would create or add any job in industry, agriculture, or commerce?

Mr. TABER. The trouble is that it would do the reverse, because we would get statistics that would not represent a true picture of the situation. The businessmen would all be deceived by those figures if they relied on them. The only recourse they would have would be to pay no attention to them. That is the situation it would create.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, as has been pointed out, this bill calls for an expenditure of $18,433,000. While it is not entirely clear from the record, it is my understanding that it also involves an expenditure in terms of manpower of over 30,000 persons as Federal employees.

My views in respect to the bill can be very briefly stated.

I consider that its passage would result in a sheer waste of the dollars and manpower involved. I believe that the desired information is largely available at this time. I believe that any additional information obtained would inevitably be largely unreliable. I believe the sampling method proposed for five out of six of the items included in this bill is of doubtful value. I believe that, insofar as the business census is concerned, from testimony before the committee, it is of little or no value.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Nebraska.

Mr. BUFFETT. Can they not get all the business statistics they want from the chambers of commerce of the various cities throughout the country, without any expense?

Mr. WIGGLESWORTH. I think there are many statistics available from various sources—those which the gentleman suggests and others.

Mr. JONKMAN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Michigan.

Mr. JONKMAN. Is it not true that a person who really wants the facts would rather depend on the statistics of trade associations and similar organizations than on Government statistics, and that when he does so he finds himself right every time?

Mr. WIGGLESWORTH. Certainly he does not want to rely on Government statistics which are necessarily unreliable.

Mr. Chairman, this is not the first time these items have been before your committee. They were considered as late as February of this year. I do not think it is disclosing any confidence to say that at that time the members of the committee were almost unanimously against reporting these items favorably to the House. I believe that today if the members of the committee were to act in accordance with their real individual judgments and were not influenced by the confidence which some of them place in our former colleague, Judge Vinson, this bill would not be here before you for consideration.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. STEFAN. I think the House should be told of the fact that the Committee on State, Justice, and Commerce appropriations had hearings for about 30 days. These items were considered carefully by your subcommittee on appropriations for those items requested by the Department. After careful consideration, we left them out. The Senate left them out. We brought the bill here with these items omitted. The Bureau was able to get these items in by appearing before the Deficiency Committee. I, for one, as ranking minority member of the subcommittee considering these particular items, am very much opposed to their inclusion at this time because they have nothing to do with the war effort and could very well be laid aside until some other time. I think they should not be included at this time.

Mr. WIGGLESWORTH. The gentleman is entirely correct in saying that part of these items were before his subcommittee on the State, Justice, and Commerce Departments' appropriations and that part of them were before the Subcommittee on Deficiency Appropriations, and that both committees turned down the items on a previous occasion.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from New York.

Mr. TABER. I call attention to the fact that, in addition to the money carried in this bill, there would be perhaps two to three million dollars overtime and approximately $3,000,000 of allotments from other agencies included in the cost of this thing. So it would cost $25,000,000 at least and perhaps more.

Mr. WIGGLESWORTH. Mr. Chairman, we have a new President and the war in Europe is over. Under these conditions, I have been hopeful, and am still hopeful, that we are going to see substantial steps in the direction of economy. The President has already taken commendable steps in this direction in

this instance, however, I believe he has been very badly advised, and I think Congress should be guided accordingly.

As late as March 31 last Justice Byrnes, then Director of the Office of War Mobilization, in a report to the President had this to say:

> In authorizing rehabilitation programs throughout the world and postwar projects at home we must give consideration to the people of this country who pay the bills.

He went on further, and I quote:

> In some instances efforts are being made to obtain in the name of the war effort authorizations for expenditures for postwar projects which should be considered on their merits as peacetime projects. These efforts will be continued as measures to provide employment when Germany is defeated.

It is true Justice Byrnes did not use this language in respect to these particular projects, but the warning is clearly applicable, in my judgment, to the request now before the House. The request is not helpful to the war effort. It is not helpful, in my judgment, to the postwar effort. It is merely an attempt to continue unnecessary personnel in respect to activities, including those which Congress as a legislative body has never authorized.

There are items in this bill, I believe, which have never been authorized by law. Only a few weeks ago the chairman of this committee addressed a letter to the Bureau of the Budget in which, as I understand it, he emphasized the criticism which was growing in this House against including in appropriation bills legislation which had not been passed upon by the appropriate legislative committees of the House. In this letter I believe he also requested the Bureau of the Budget to serve notice on all departments and agencies that in the future requests for appropriations not authorized by law would not be considered.

Since that time we have adopted two rules for the purpose of preventing Members of the House from taking exception to items of that character. And again today the attempt is being made to obtain a rule in respect to this bill for the same purpose.

I think the chairman was entirely right in the position which he took in his letter to the Bureau of the Budget. I think we should put an end to the procedure of incorporating legislation in appropriation bills. I am opposed to the rule now under consideration. I think the chairman should stand by his guns.

I am not going into the items in this bill in detail. I think ample opportunity will be afforded under the 5-minute rule.

Running over them rapidly, however, there is, first, the proposed sample census of population, at a cost of $3,209,000. It is to be based on a sampling of 1,250,000 families of this country.

How in the world, Mr. Chairman, can a sample census of population at this time, under the abnormal conditions prevailing in this country, be helpful when we know that no sooner is the job done than it will have to be done over again in the light of changing conditions.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. WIGGLESWORTH. Secondly, Mr. Chairman, there is the proposed expanded labor force statistics and reports. This is also to be based on sampling—a sampling of 1,600,000 households quarterly, in addition to the present sampling of 30,000 households monthly.

We have already not only the monthly reports from the Bureau of Labor Statistics, but frequent reports from other governmental agencies such as the reports from the War Manpower Commission, with its literally thousands of offices throughout the length and breadth of this country, pouring in information almost from day to day. I do not believe that the proposed study will be of any real value under present conditions, or worth the sum which it involves.

In the third place, Mr. Chairman, there is the proposed census of manufactures at a cost of $5,595,000. It is to be based on reports from some 200,000 manufacturing plants. Here again we have abnormal conditions, and suggested evidence which can be of little or no value. Here again we have a situation where, in my judgment there is a great deal of evidence already available.

In this connection, I quote from the hearings in February, a statement by the gentleman from Kentucky [Mr. O'NEAL]:

> Speaking of manufacturers, I have a list right in my office now of every manufacturer in my home town, made by a Government bureau, showing the number employed in each company, including the large concerns, down to concerns employing not over three people, and every one furnished to me by a Government bureau. I do not suppose they singled out my city for that purpose, but they have that. I do not know who made it up, but I have it in my office. * * * It has every employer in it from those who employ from three to five people, up to those who employ 7,000. * * * This is a manufacturers' census. It shows the number of people employed, what concerns they are, large concerns down to a concern that employs three people. * * * This was made up in the last 6 months.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Nebraska.

Mr. STEFAN. I think perhaps all that information has been furnished and can be secured from the Foreign and Domestic Division of the Department of Commerce, which has field offices scattered all over the United States. Mr. Joe Mack, Director of that Division, has furnished me practically all of that information now being sought in these new agencies, for every county and every city in my district, 24 counties.

I believe the House should be told, however, that the activities now being proposed to be set up in this appropriation bill will be permanent and will be continuing each year. It will require thousands and thousands of census enumerators to be taken out of real essential industry. It was for that reason the subcommittee did not include some of these items in the regular appropriation bill.

Mr. WIGGLESWORTH. Mr. Chairman, the fourth item is the proposed sample census of business, at a cost of $1,200,000. Here again the census proposed is to be on a sampling basis. I call your attention particularly to the testimony by several national business organizations which you will find in the committee hearings which makes it perfectly clear that these organizations, if a complete business census cannot be taken at this time, are opposed to taking the proposed sample census. In other words, the sample census in their judgment is of so little value that they prefer to wait until a later date when a complete census can be taken.

The remaining two items, Mr. Chairman, are, first, the proposed consumer expenditures and savings study, at a cost of $2,091,000; and secondly, the proposed consumer income study, at a cost of $3,222,000.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. WIGGLESWORTH. The first is to be by a sampling of 3,500 families in 1945 and 14,000 families in 1946, to be conducted partly by the Department of Agriculture and partly by the Department of Labor. The second is to be by a sampling of 37,000 households in 1945 and 200,000 households in 1946, to be conducted partly by the Department of Agriculture and partly by the Bureau of the Census.

Both will be taken under abnormal conditions. Both will be taken on a sampling basis. Both will be taken in respect to information which should be largely available through the Treasury Department or otherwise.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield for a question?

Mr. WIGGLESWORTH. I yield.

Mr. REES of Kansas. It is rather interesting to observe that under consumer expenditures and savings the cost per family of the sampling will be $120 on an average, but that for the samples on the savings study it is going to cost only about $14 a family. In other words, on the income study the cost is about eight and one-half times as much as on the question of finding out how much people save and how much they spend. I cannot understand it.

Mr. WIGGLESWORTH. I have not checked the gentleman's arithmetic. I cannot explain it to the gentleman.

Mr. Chairman, in conclusion let me say that the record indicates that there were over a hundred statistical agencies in the Federal Government back in 1938. It is not clear how many we have today, but I am sure the number is far in excess of the number at that time.

I cannot begin to name all of those departments and agencies which compile statistics. We know, however, that there is the Treasury Department, with its Bureau of Internal Revenue and the Federal Reserve Board; there is the War Department, the Navy Department, and the Commerce Department with the Bureau of the Census; there is the Agriculture Department with the Bureau of Agricultural Economics; there is the Interior Department, and the Labor Department with the Bureau of Labor Statistics; there is the War Manpower Commission

with its thousands of local offices; there is the Social Security Administration with its Nation-wide set-up; there is W. P. B. and S. W. P. C.; there is O. P. A.; there is I. C. C. and O. D. T.; there is F. P. C. and F. T. C.; there is S. E. C.; and there is the Veterans' Administration—these and many others, Mr. Chairman, all engaged in the compiling of statistics.

All of us know that business and individuals today are deluged with all sorts and kinds of questionnaires, investigations, and other demands for information from a thousand and one Government agencies and employees. Why increase the demand for information which can be of little or no value at this time?

In my judgment, Mr. Chairman, it is a mistake to expend the money and the manpower provided for in this bill. In my judgment, if expended, both will be largely wasted. In my judgment this bill is not in the interest of economy. In my judgment the whole proposition should be postponed until a later date.

I urge the defeat of the bill now under consideration.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I rise to make a few general observations pertinent to this bill, but not to discuss the specific items in the bill because I have yet to study it and I want to consider the individual items before the bill is considered under the 5-minute rule.

These are the general thoughts that are running through my mind: First, a question: Why is it that some persons object to a census of this sort by the Government and at the same time do not object to somebody else making the same count for private reasons?

This is what I mean: About 1922, under a Republican administration, I took a census of cotton in the State of Arizona. It was my business to visit all the cotton gins in our State and find out how many bales of cotton had been ginned up to a specified date; how many bales were in the warehouses and in the yards. A businessman said to me, "Why are you doing this?" I answered, "I am taking the census for the United States Census Bureau." He asked, "Why are they doing it?"

He did not like this business of taking a census and, as I stated, this was back in 1922. He said, "It is a waste of time. You can get the same information from the Arizona Republican, the leading newspaper in the State, or any other daily in the State."

True enough I found that to be the case. I investigated and found that somebody in the State of Arizona was taking a census about every 2 weeks during the cotton-ginning season and whoever was doing it did a mighty good job. My reports were confidential and I wired them to Washington on specified dates. But I compared my notes with these private reports published the very next day after, or even the same day, I sent the report to the Census Bureau of the number of bales ginned. Of course, the published reports I refer to were not obtained from the Census Bureau but collected by a private investigating agency. These private reports were almost identically the same as my figures, which was not strange as they were gotten from the same source. Some business organization was taking this census.

I point this out to you as a waste of time on somebody's part. Was it wrong that Uncle Sam should do that work at that time? However, that is not what I rose for today.

Mr. Chairman, some of us seem to object to Uncle Sam's finding out the truth about himself. Why do we object to that? If there is any one word I have heard used so much in contempt it is in reference to the matter of planned economy. Oh, we must not do any planning, you seem to say. I guess some of you folks who used that term must have read the Bible and have seen the quotation: "Which of you, by taking thought, can add one cubit unto his stature?" Do you have the idea, then, it is wrong to take thought? Our fathers evidently were wrong in the very beginning because they planned this count long before the present administration.

Mr. Chairman, I feel we want to know the truth. Somebody needs to be in possession of facts. I know how hard it is to get questionnaires answered. I know how people are distressed on account of making out too many reports and they are irked by it. We ought to be careful, indeed; but there is some truth you cannot discover except by asking a lot of persons questions. Sociology, economics, and many laws and principles based on facts pertaining to human life and business can be discovered in no other way. Is it best that most of us be ignorant of facts and only a few should know?

We may have our geniuses of industry who can make shrewd estimates and bold guesses, and no doubt some of those very same geniuses of business would like to have us save money now by leaving everything to their guesswork. They want no questions asked. Do not find out how much has been produced, or how much may and can be produced, or how much will probably be consumed, or what the consumer demand is. They say, "Just leave it to us. Let us make the guesses. If we guess right, all is well. If we guess wrong, we, only, are the losers." But, Mr. Chairman, their last "if" is not correct. I am not a businessman. Perhaps that is why I am apprehensive about their guessing. As a member of society, I can, and do, selfishly pray that there may be few wrong guesses. In our complex economic society, the wrong guessers are not the only victims of their wrong guesses. I tell you that if the businessman knows facts and he is shrewd, he will make a go of it. A few shrewd ones will plan well, and society as a whole will profit by their planning, while paying these few handsomely for their shrewdness. But the United States Government is trying to get information here on which many producers can build a substantial postwar economy. If we right now have no thought for the future, no foresight, no planning, we are headed for a tail spin that will make the last depression look like a Sunday-school picnic.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Chairman, I have this day introduced a House resolution which provides for the appointment of a select committee of five Members of the House to be appointed by the Speaker, which shall be charged with investigating the National Labor Relations Board and its record in handling labor disputes, labor elections, and other activities.

Mr. Chairman, there is a widespread feeling throughout the Northwest that the record of the National Labor Relations Board in handling the so-called brewery drivers' strike and more recently an election to permit the employees of the Minnesota Mining & Manufacturing Co., of St. Paul, Minn., to determine their bargaining agency, should be investigated by a committee of Congress.

I call to the attention of the House the flagrant and indefensible decision of the Board to not permit employees of the Minnesota Mining & Manufacturing Co. who are now in the armed service to vote.

In talking with Mr. Millis over the telephone on yesterday he informed me that this has been their policy for several years. If it has, it should be changed at once. It is indefensible, unfair, and un-American. There are probably several million similarly situated employees now in the service and they most assuredly should be permitted to have a voice in determining who is to represent them in bargaining with their employer.

There is a general feeling that the National Labor Relations Board has permitted itself to be used as a catspaw by certain labor interests. Where there is so much smoke there must be some fire. Let us have all the facts.

In support of the resolution introduced by me I desire to read a statement issued on Friday, May 11, by the executive officers of the Minnesota State Federation of Labor, Robert A. Olson, president, and George W. Lawson, secretary, which appeared in the St. Paul Pioneer Press on May 12:

> While we of the American Federation of Labor have never had much confidence in Congressman HAROLD KNUTSON, we agree with him wholeheartedly in his statement that the National Labor Relations Board has twisted the Wagner Act into a C. I. O. recruiting agency and should be investigated.
>
> It has been the contention of the A. F. L. for many months that the N. L. R. B. has ceased to be a fair, impartial Government agency, has favored the C. I. O. and virtually forced employees to accept C. I. O. conditions or else. * * *
>
> Those of us who have been on the labor firing lines are disgusted with the unfairness demonstrated by the N. L. R. B. toward unions affiliated with the A. F. L. The recent regrettable strike involving St. Paul's breweries was a manifestation of N. L. R. B. antagonism toward A. F. L. unions. Had the

N. L. R. B. in that instance been fair and impartial, it would not have tried every means it could to force a group of workmen to join a union in which they had no interest. In this case, the N. L. R. B. had to learn the hard way.

Mr. CANNON of Missouri. Mr. Chair-
SHORT], a member of the special joint committee appointed by the Speaker and man, I yield 30 minutes to the distinguished gentleman from Missouri [Mr. the President pro tempore of the Senate at the request of General Eisenhower to investigate the war atrocities in Germany. The committee has just returned and the gentleman from Missouri [Mr. SHORT] presents an official report on the work of the committee and the results of its observations and investigations.

Mr. TABER. Mr. Chairman, I yield also 30 minutes to the gentlema from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, following the very excellent report—at least, in my opinion it was excellent—read by the gentleman from Texas [Mr. THOMASON], on yesterday, I really feel that I am "carrying coals to Newcastle," and it is with some reluctance that I inflict myself upon you; but I do want to thank sincerely that scholar and gentleman, the very able and distinguished chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], and my good friend, the ranking member on the Committee on Appropriations, the gentleman from New York [Mr. TABER], for graciously and generously yielding me this time.

Only a compelling sense of duty urges me to address you on this occasion. It is out of a perplexed and troubled mind and a heavy and a wounded heart that I speak today, wounded grievously but, I trust, not fatally, in order that through you the American people can hear firsthand something about the unspeakable horrors which your committee witnessed.

When our American armies began liberating the prison camps in Germany, General Eisenhower personally visited a concentration camp near Gotha, and he was so shocked and horrified at the incredible scenes of torture and of misery that he immediately cabled General Marshall, our Chief of Staff, requesting him to invite six Members of the United States Senate and six Members of the House of Representatives—receiving, of course, the approval of both the Secretary of War, Mr. Stimson, and our good President, Harry Truman—to make an immediate inspection of these camps before they were cleaned up and evidence was destroyed. By chance, more than anything else, I happened to be one who was given the opportunity and upon whom was placed the duty of making this unpleasant but necessary pilgrimage.

Most Americans by this time, no doubt, have read of these atrocities in the press or have seen pictures in periodicals and on the screen, but there is no linguist skilled enough to speak, no artist great enough to paint the scenes of unspeakable and indescribable horror that were committed by an infamous, diabolical, and ruthless Nazi regime in the Third Reich.

I read about it; I heard about it; I saw pictures; but I did not believe. Being a Missourian who had to be shown, even now after having looked upon these unspeakable scenes, I pinch myself and ask: "Is it really true? Am I wandering in a dream? Am I having a nightmare? Can I actually believe after seeing with my own eyes, that any people could descend to such a low level of moral depravity?" The official report of our committee was understatement, EWING, rather than exaggeration. Only 3 of these political concentration camps did we visit, at Buchenwald, Nordhausen, and at Dachau.

But there is a common plan. There is a general thread that runs through them all. The whole scheme was conceived in cold blood, with malice aforethought, and was intentionally and cruelly put into effect in order that the Nazi might liquidate and blot out all who dared to oppose their philosophy of government or their ideology of state. Thousands upon thousands we looked upon—men and women and little children from 8 to 14 years of age who had the faces of old men and old women, who had spent their whole lives in prison camps, with hollow eyes, with fevered cheeks, and emaciated bodies, skin drawn to the bone, and all hope dead and gone from their eyes. Oh, they could open their eyes, but they did not see. They had ears, but they could scarcely hear. They tried to smile, but did not have the strength. Some would raise their hands and murmur to us as a dying dog whimpers when you look into his hollow eye and speak a kind word. All this made me sick. I nearly fainted, not on one, but several occasions. These dirty, filthy, shabby barracks, the squalor and stench of bunks where men slept on bare boards, some with tattered rags and lice covering their bodies for a blanket. There were 2,300 in a small barracks sleeping in long rows of three tiers, in bunks about 5 feet by 3 feet where 6 men were literally cramped there like sardines in a can and who could not turn over.

We were told by those who were still able to talk that often they refused or did not report the death of a comrade in their own bunk for several days in order that they might get his small rations. Their diet consisted of one meal a day, a thin slice of black bread about 3 inches square, and thin soup, through which had been drawn a cabbage, a carrot or perhaps a potato. I do not know if you gentlemen have ever seen anyone die of starvation. The cruelest weapon employed by the Nazis was that of starvation. I remember the first person I ever saw die of starvation. It was in India back in 1922; and a little later I saw it in Armenia, after Smyrna had been burned; but here not one or a few, not any isolated cases, but wholesale, mass massacre, literally thousands upon thousands of intelligentsia, college professors, prominent businessmen, generals of armies who had fought in the last war, all of the democratic leaders in any of the countries of Europe were combed with a fine-tooth comb and crammed into these very bowels of hell, demoniacal dens of iniquity, where only the vilest and cruelest instincts of the sadist could dare perpetrate such inexplicable crimes on these unfortunate human wrecks.

My heart cried out, "O God, can it be?"

A high, electrified barbed wire around Buchenwald, a camp that was established in 1933, long before the outbreak of the World War, constructed immediately after Hitler came into power, which is proof positive, prima facie evidence that it was a cold-blooded, deliberate, premeditated scheme by which to liquidate and blot out, if you please, all who dared oppose the Nazi philosophy of the superman, the ideology of stateism—the state everything, the individual nothing.

These prisoners at Buchenwald were compelled to work in these ammunition plants, small-arms factories that made machine guns, munitions, and other weapons.

And the best example of precision bombing by our Eighth Air Force was at Buchenwald, where they literally destroyed that factory, ground it to powder, without killing many of the inmates of that prison. That was a real pleasant sight in the midst of all that carnage.

They would work in the factories. You would think that the Nazis would feed these prisoners well in order to get the maximum amount of work. Any normal, ordinary person would so treat an ox or a slave. Not so the Nazis. They took these people and worked them as long as they had strength, and when they no longer had strength to labor they were left to rot and die in the stench and filth of their pig pen.

The insanitary conditions were indescribable. Only a few crude toilets. Most of the victims were too weak to walk to them. Tuberculosis was rampant. Cholera and typhus widespread. Practically all of the inmates suffering from dysentery, due to undernourishment.

Oh, gentlemen, you cannot get the picture. You have got to move and walk in the midst of all that and touch it, and feel it, and smell it. It will cause you to spend many sleepless nights. Do not talk about humanity, because human beings can be most inhuman. Under Nazi rule the Third Reich has reverted to a thousand years of barbarism; worse than the Dark Ages. Ancient Egypt had their executioners. Babylon had her brutes. Even glorious Greece before the age of Pericles had her tyrants. Rome had her Nero, Caligula, and Caricalla; France had her Louis XIV; Spain had her inquisition, but it was left for Nazi Germany to give to the world and to history the finest example of the most modern, up-to-date, refined methods of cruelty, brutality, and sadism. About 35,000 or 40,000 persons was the maximum strength at Buchenwald. There were 21,000 there the day we arrived. We saw there piles of naked bodies thrown promiscuously outside of the crematory with its 6 furnaces each accommodating 3, 4, or 5 bodies, cremating literally hundreds of people day after day after stringing them up, of course, on iron hooks in those chambers of horror, a den that reached the very bottomless pits of hell; and those who gasped or struggled were conveniently blotted out by some hard-boiled criminal or convict with a shillelagh or a club similar to a ball bat.

Then they were brought up on an electric elevator, 18 bodies at a time, and stuffed into the furnaces. Their ashes dropped through a grate and their bones, skulls, and ashes were used for fertilizer. When they ran short of coal and coke in the wintertime they forced these prisoners to dig their own graves.

Who carried out these executions? No normal human being could possibly carry out the orders of the S. S. the Schutzstaffel or the Gestapo without becoming a madman in a few hours. No; they went to the penitentiaries of the Reich. They got these men who had committed murder, rape, arson, burglary, and the most heinous crimes and they would say: "Now, boys, if you will come in and work in this human slaughter-pen, if you will knock in the head and cut the throats and shoot and stab and burn these bodies that were stacked like cordwood and thrown out promiscuously upon trucks, if you will do that we will give you your freedom." So they would go in. They were pretty well fed, well housed as long as they carried out their diabolical mission. But no man who ever worked in a crematory in any of these camps ever got out alive. After they learned too much, after they had gained some knowledge they were given a new suit of clothes and told: "Now, we promised you your freedom. You can leave." And they left, but before they even got out of the inner pen some Gestapo agent conveniently put a couple of bullets in the back of his head so he could never tell the story to the outside world. A fine lot.

From Buchenwald we went to Nordhausen. That camp was the only one really on our original schedule, but being a Missourian I wanted to be sure; and I want to say of all of the members of the delegation, representing both parties, and I am grateful to our Democratic friends for having such compassion upon lowly Republicans, we all agreed that we should see more than one camp because people would say: "That was an exception, Buchenwald, Weimar, it was all set up for you." All right, we picked a couple of others not even known to the news authorities. There are approximately 100 of these camps in the German Reich itself. So we went from Buchenwald back to Weisbaden where we spent the night with General Bradley, a great fellow Missourian. We Missourians, Jasper, are coming into our own. We gave them Pershing in the last war.

We spent the night with General Bradley. From there we decided to go to Nordhausen, to the Dora camp. That camp was cleaned up very well. The best witness we encountered on all of our visit was a young Dutch doctor there 34 years of age, a graduate of the University of Leyden. Even after he was liberated and could have gone home, he chose to remain to help that unfortunate group of suffering humanity. I believe every word he said. He was even charitable toward the Germans.

He told us that 3 weeks before we liberated that camp 135 Russians were executed out in a sort of public square or parade ground, and all of the other inmates were forced to look upon that ghastly scene. Of course, the weapon of the Nazis is to strike terror and fear into the hearts of people. We know why the Germans fought on and on. They had a pistol to their temple and a bayonet to their back. One hundred and thirty-five Russians were executed there.

Mr. Chairman, may I say right here that the Poles suffered more than any others. Of course, the Jews were blotted out. There were 4,000 of them at Buchenwald. I imagine more Poles perished in Poland and outside of Poland than all the rest of Europe in this war. I talked to the Polish representative on the United Nations War Crimes Commission in London. He could speak good English, but with a heavy accent. He was a brilliant man. He told me that the worst prison camp was at Osowiec in Poland, where over 1,200,000 of these political prisoners were wiped out. They burned 400,000 of them. You can imagine the mental agony, the physical suffering, and torture of separating a man from his wife and his children, marching them off never to return.

Here at Nordhausen 35,000 of these prisoners were in a great underground factory that manufactured these V–1 and V–2 bombs. We seized Nordhausen just in time. They were manufacturing these buzz and rocket bombs on a gigantic scale. There were thousands of them. There were 31 miles of passages in this underground factory. We drove automobiles in there. They brought railway cars in there with material. There were miles of corridors on either side of this main alley. They had the most modern up-to-date machine tools, hydraulic compressors; they had lathes, drills, and dies. That assembly line compared favorably with the assembly line at Willow Run in Detroit, with Boeing out in Seattle, or with Alcoa down in Tennessee. They did not build that overnight. Part of it was built during the last war. It was bomb proof. Thirty-five thousand of these prisoners worked in there. They were fed there, they slept inside this factory, they never saw the light of day and no worker ever came out of there alive. When they became so weak they could not work any longer they were liquidated in order to make sure that no secrets of the manufacture of these bombs would reach the outside world.

That fact, coupled with the fact that these hard-boiled criminals who burned these bodies in the crematories never got out alive, makes me believe, together with one of our lieutenant generals and also with this young Dutch doctor, that many people in Germany were never aware of these enormities, these atrocities, and abominations being committed within these political prison camps. I agree that some of them were unaware, but I am convinced in my own mind that some of the most influential people over there today are professing innocence while knowing all about it. I was amazed, in fact I was a little amused, that so few people in Germany today know anything about Hitler or cared anything about him or his fate. You talk to some of the Germans and they never heard about him.

It is almost funny. No; they are now cowardly squawking and trying to save their own dirty evil hides. They knew about it. They could not miss it, because these camps occupied vast areas and were constructed along modern highways. Certainly the populace must have heard some of the screams, the agonizing groans of people in the throes of death. They must have known.

Of course, there is a difference between the old Germany and Nazi Germany. It struck me as being very ironical. At Buchenwald, near Weimar, the home of Goethe and Schiller, the home of the Goethe and Schiller Theater, in which was drawn up the Constitution of the first German Republic, when they elected Franz Ebert, of Heidelberg, President, here in the midst of culture, if you please, we found this unspeakable and indescribable center of torture and of death. Having studied at Heidelberg and Berlin following the last war, I thought I knew the German people. But, oh, something has been done to them. Back in 1931 I noticed a profound change. Again, in 1939, shortly before Hitler went into Poland, I witnessed the almost complete metamorphosis of a great people. But the inconsistency, the contradictory nature of the German people astounds me. I often marvel how any people can be so smart and so dumb at the same time. Technically they are unsurpassed, but socially and politically they are just about at the bottom of the pit. Only the Japs are below them. The Germans have been regimented, bossed, dictated to. Of course, that is going to help us a little in governing them, I think, if we tighten the screws. No; the Germany of Kant and Luther, or Leibnitz and Wolfe; the Germany, if you please, of Bach and Beethoven and Wagner, of Hegel, of Einstein, of Thomas Mann, was a different Germany than the Nazi-controlled state of Hitler and Himmler, Goering, Goebbels, the Quislings, Seyss-Inquart and Terboven, and their hierarchy, the Potsdam Prussian military clique, who should be treated just the same, I think, as the Nazis. Germany has to pay for these crimes, not only against Poland and Russia, Yugoslavia, Czechoslovakia, Greece, Rumania, and Hungary—no; they have even turned civilization against humanity. What is history going to say about it? Frankly, I do not know. I have not met anyone who has the answer or the solution.

I know we have extremists in this country, unfortunately some Members of Congress. You will find a small group so unbalanced and irrational that they want to shoot every German and burn every house. I frankly confess that is the way I felt after walking out of Buchenwald and Nordhausen and Dachau. That is impossible. It is impractical. You cannot destroy a nation of 70,000,000 people. That is nonsense. Such a position is obviously untenable. I do not think it is even desirable, because I want to see a pretty strong stabilized state in central Europe. That is not out of any sympathy for these unspeakable Nazis, either, that is for our own self-defense. Enough of that. You can elaborate upon it at great length. I want a strong stabilized central state in Europe. We cannot kill them all. That is ridiculous. It is asinine. We cannot accept the Nazi

philosophy and sink to their low level. Two wrongs do not make a right. America is a Christian land. In the words of St. Paul, we have to heap coals of fire upon their head. "Recompense to no man evil for evil; provide things honest in the sight of all men. Be not overcome of evil but overcome evil with good."

On the other hand, you have the extreme view of a lot of sentimentalists and pacifists who want to forget and forgive everything, and that is just as ridiculous a position. We cannot let these archfiends and criminals go unpunished. We are not going to have any Kaisers running off to Holland or any place else.

Personally, I am pretty hard-boiled about it. It is difficult not to grow sour and embittered and cynical. Pray God to give me the light to remain human.

I think every member of the Gestapo should be exterminated. There are 400,000 of them. They occupy the sanctum sanctorum. Every Gestapo is a Storm Trooper but not every Storm Trooper is a Gestapo. There are about 4,000,000 members of the Storm Troopers, the Nazi Party, with 400,000 inner spies. They spy on one another. If I had my way I would rub them all out, complete extermination, and I would not care if there were 1,000,000 or 10,000,000. And I would take the high-ups, the Potsdam Prussian militaristic clique.

Do not think that General Eisenhower ever gave any sanction to the coddling of these prisoners. My colleagues who were with me will tell you that when we were at Rheims we spent the whole afternoon with General Eisenhower and with Maj. Gen. Lucian Clay, who is going to be the military governor over there. He is a pretty hard-boiled, tough cookie. He is the right guy for the job. Eisenhower refused to see any of these German generals who were captured. We saw twenty of them. They were in the plane ready to take off from Rheims when our plane landed. Lt. Gen. Bedell Smith said, "Would you like to see some German generals?" We said, "Yes." He said, "Well, I've got 20 of them over here." He went over and made them unload. They all clicked their heels and saluted, "Heil, Hitler," and "Hoch der Kaiser." They snapped right into it. But before they got back into the plane he let us walk over and we saw them, and they were a sullen lot, haughty and insolent.

We have to keep our eyes on them. The old people and the little children are to be pitied, they are free of guilt, but you had better keep your eyes on the 14-to-30-year-olds, for they have never known anything but Hitler. They are arrogant, they are defiant. While German cities have been blasted to bits and their country laid waste, and she has suffered terribly, more than the outside world will ever know, we have to break the haughty spirit of these people. They are pretty well fed and pretty well clothed. They have been living off the loot of all these conquered countries. But Germany's misery has just begun.

That brings me to this observation.

I cannot describe to you the utter devastation and complete destruction of all the principal cities of Germany. It is as unbelievable as these atrocities committed by the Nazis themselves in their prison camps. You can go from Mannheim and Ludwigshafen, past Darmstadt, Frankfort-on-the-Main, past Remagen, Coblenz, to Cologne, over to Aachen and Düren, and all through the area, Dusseldorf and Essen. We not only flew over it; we rode through it. There was complete devastation, a mass of rubble, rats, and ruins. It was what Hitler promised Germany, and his promise was fulfilled. And it was appropriate and fitting that he should die in the ashes of his own Reich Chancelry in Berlin. That was not the case with just a few cities in isolated spots or certain sections, but cities all over Germany—Bremen, Hamburg, Berlin, Leipzig, Justin, Nordhausen, Schweinfurt, and Hannover. The whole Ruhr was absolutely blasted to bits and burned to the ground. You cannot find a habitable house in Cologne, which was a city as large as Baltimore, Boston, and St. Louis. It is not there. We went to see the largest synthetic oil plant in the world at Leuna. It was just a mass of grotesque twisted iron, steel, pipe, and furnaces. I do not know how in the world these cities will ever be rebuilt. It will be easier to build them some place else. My good friend General Horkan, who is arriving this afternoon from over there, told me when he was in Cologne he just met a few colored M. P.'s. They were feeling pretty good. They had broken into, I think, one of the German wine cellars. He saw just a few crows flying about in the ruins of Cologne Cathedral. He said it was the weirdest sight he ever saw. That is what we saw at Essen, the Krupp works. That is what we saw at the oil plant. That is what you will see everywhere. Even Munich. What a beautiful old city Munich was, with a population of over 800,000, one of the grand old cities, the capital of Bavaria. I said, "Now, that is deep down in the heart of the country near the Austrian border. Surely Munich has been spared." But, no. The Fifteenth Air Force from Italy, as well as our Eighth Air Force from England, completely flattened out Munich. So our Air Force and the R. A. F. have done a splendid job. You must take your hats off to them. I am prouder than ever before that I have a brother, a lieutenant colonel, with the Eighth Air Force, who was 18 months in England.

I want to say just a word about Dachau. When we were at Heidelberg and spent the night with General Devers, we broke up into groups. Some visited the Third Army under General Patton, and others of us went to the Seventh Army under the command of General Patch. We flew from Heidelberg to Gappingen. We rode in automobiles up to his headquarters. At Schwabisch Gmünd, Senator SALTONSTALL and I had the privilege of riding 160 miles in an automobile with General Patch, a quiet, reserved, soft-spoken man—hard as steel, who won his spurs in the South Pacific. We drove all the way from his headquarters down to Dachau. We passed an endless convoy of American jeeps, trucks, automobiles, transports, steam shovels, big tanks, little tanks, and all kinds of equipment imaginable. We traveled 160 miles at the rate of 40 miles an hour and all the cities through which we passed were just a mass of ruins that were standing there agape. This superior race, you know, that taught that democracies were soft. They have been hit so hard they do not know where they hurt the worst. We stood there bewildered, wondering, "Ye gods! Can this be true?" Of course, the 13,000,000 displaced, deslaved laborers that Hitler gathered up all over Europe were at large, roaming all over the countryside. There were 20,000,000 Germans who had been blasted out of their homes in every city. Heidelberg, the old university town, is practically the only city in Germany that has escaped. It had no military value and they had sense enough to surrender. We stayed in the Schloss Hotel on the hill there. But the Germans are still wondering, "Is it possible? Can it be true, all this military might of America?" We are showing them. They are feeling it.

The fathers and mothers want their boys in the service to come home quickly but we are going to have to occupy Europe. We have got to keep them there, not because we want to, but because we have to in self-defense. We cannot be fools; not when we had lunch in London, dinner in Paris, spent 4 hours in the Azores and were here that night for dinner. Time has been conquered. Space has been annihilated. Swift transportation and new methods of communication have reduced this world to a small province, a miniature province. We should have an Air Force superior to that of all the world; the biggest and best Navy and the most highly trained and equipped Army. All of the hate and bitterness that has been engendered in this war makes it more necessary than ever before that we have an adequate national defense. Trust God but keep your powder dry. Speak softly but carry a big stick. We are the prize of the world. A lot of folks, not only the Nazis, but a lot of people would like to get their hands on us. We will mind our own business, we will live peaceably with all men as much as is within us, but we will make ourselves so strong that people will respect us. You would not think of building a great city like Washington, without a police department or a fire department. It costs money. It causes inconvenience and all of that, but it is good insurance. How did this thing ever happen or how did it occur? I am supposed to give a factual report. I do not want to express too many opinions. In fact, I am not old enough to give advice, and I am still too young to follow it. Advice is easily given. It is hard to follow. I have tried to observe, just as a common, ordinary hillbilly from the Ozarks, certain great forces in the world. I saw democracy die in Europe. I saw freedom take wings and fly out the window. I saw liberty surrendered because of glowing promises, because the people were assured of security and safety. They did not want to live dangerously, they were unwilling to take a chance. They had a savior, they had a Lochinvar come along, an Austrian paperhanger, one Adolf Schicklegruber; and he was der Fuehrer. The first thing he did was to do away with the courts of the land.

Then he had to abolish parliament. He thought so much of their congress that he burned the Reichstag. And he set up one-party government, one-man rule. Adolf, whom the people blindly accepted and slavishly followed. The king can do no wrong. Germany became a nation of idolators. I wonder what they think now of their leader. I wonder what they think of their indispensable man. Only one could they follow. There are no indispensable men in this world in any country. Men come and men go but the world goes on; the republic still lives.

I saw the same thing happen in Italy. I was in Rome when Mussolini marched on Rome, dissolved the Italian Parliament, called them every dirty name in the catalog, and set up the Fascist rule of his blackshirts. I have had a rather rare privilege. Few men alive have had the opportunity to have seen and heard Adolf Hitler, whom I heard in Munich, Benito Mussolini in Rome, the late Pilsudski in Warsaw, and Admiral Horthy in Hungary. I have seen them and I have heard them, and I have seen these mighty movements—this reaction following always in the wake of a titanic struggle and a world catastrophe. You cannot blow the brains of millions of men into the mud and blow up billions and billions of dollars worth of wealth without suffering the final upheaval, social chaos, and serious economic dislocations. We are going to face a lot of it before it is over.

Ah! As long as we have our Constitution, as long as we have three coordinate, coequal branches of Government, each to act as a check and balance upon the other two, as long as the people are the supreme sovereign above the courts, above the President, and above the Congress—there is only one power under heaven that can change our Constitution, and that is the power that made it—the people themselves—not by usurpation. As long as we have this Constitution and the three branches of Government, as long as we have free speech and a free press—and, thank God, our good President, Harry Truman, stands for a free press all over the world, not merely here—as long as we have free worship; ah! as long as we have the right of trial by a jury of our own peers, the right of habeas corpus; as long as we maintain this constitutional representative Government in America, we need not fear about our future freedom or the liberties that we so richly enjoy.

Mr. Chairman, it is great to be an American. I felt very much as my buddy who returned from the last war, when he passed the Statue of Liberty in New York Harbor, and often I have come into that harbor from the Old World and from the islands of the sea and have been very much moved, as I have seen foreigners fall on their knees and offer up a supplication and prayer to Almighty God at the sight of this Statue of Liberty and the beacon light of hope and promise to the poor distressed peoples of this earth.

This soldier who returned after the last war doffed his hat as he saw the Statue of Liberty and said, "Sister Liberty, it 'sho' is good to see you, but if you ever look me in the face again you're going to have to turn around to do it."

It is fine to see the Old World, to travel up and down
Among the famous palaces and cities of renown.
To see the crumbling castles and statues of the kings.
Now I think I have enough of antiquated things.
So it is home again, and home again, America for me.
My heart is turning home again, and there I long to be
In the land of youth and freedom beyond the ocean bars,
Where the air is full of sunshine, and the flag is full of stars.

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Chairman, after listening to the brilliant and eloquent address just delivered by the gentleman from Missouri [Mr. SHORT], what I shall say may appear somewhat as an anticlimax. I am glad, however, that I am privileged to speak immediately following the address which you have just heard because, in my opinion, the fundamental truths which I am to discuss this afternoon are closely identified and related to the inevitable hates that will be developed in the hearts and souls of the people of America who are privileged to hear the amazing story that has just been told.

Mr. Chairman, at 9 o'clock on Tuesday morning of May 8, the President of the United States issued a proclamation proclaiming the unconditional surrender of the German Armies. Thereafter, solemn ceremonies were conducted in the House of Representatives recording this great historical event. The Speaker and the minority and majority leaders expressed the sentiment not only of the membership of the House of Representatives but I believe of the entire people of America. In all of the remarks appearing in the CONGRESSIONAL RECORD of that day, one common thought appears, namely, we have achieved a great victory, at tremendous cost, as a result of the efforts of a united people. Men and women of all colors, races, and creeds joined in a common brotherhood to fight for liberty, justice, and human freedom.

Times without number upon other occasions, distinguished Members of this great body have pleaded for unity and have denounced the efforts of those who for puny and petty partisan advantage would seek to array class against class, creed against creed, race against race, or color against color. The victory which we celebrated on May 8 will have been hollow, indeed, unless it shall have instilled in the hearts and souls of the people of America a consuming passion for the elimination of intolerance, bigotry, and class hatred.

United as we have been in the prosecution of the war, may I say, Mr. Chairman, that we have only begun to fight our way back to full enjoyment of the fruits of victory. The monumental problems that confront the Nation in the desperate war in the Pacific and in the solution of the problems of peace will test the intelligence and the united efforts of all of our people. There is no room for cheap, petty, bigoted partisanship in the ranks of those who must unitedly face the great problems of the future.

It is, indeed, unfortunate that there are still men holding high official position who plead for unity out of one side of their mouths and who pour seeds of venom and hate and disunity out of the other side of their mouths. Why is it that in all fundamental proposals we must always have involved the forces of hate, bigotry, and intolerance? No one despises fascism any more than I do. On October 25, 1943, I was privileged to speak to the House at length on the subject of American fascism. In that address I applauded the statement of our late President who on September 17, 1943, said:

> We shall not be able to claim that we have gained total victory in this war if any vestige of fascism in any of its malignant forms is permitted to survive anywhere in the world.

Everyone who has studied the question knows that pure fascism means a centralization of power in the hands of one man or a small group who by their directives and decrees control and rule the lives, liberty, and fortunes of the people. Everyone knows that it is a philosophy based upon the theory that the individual is subservient to the state and as such is willing to exchange his liberty and freedom for a promise of so-called social security. Everyone should know that its tyrannical progress has been obtained either by the quick break of revolution or by an insidious gradualist policy operating through alleged democratic processes. Everyone should know that true fascism, whether of the Italian, German, or Russian brand, involves surrender of human liberty and freedom in exchange for a regimented existence under unlimited state control and direction. Every true American despises fascism, and thousands upon thousands have in the present struggle given their lives and blood to destroy it. Thus, I believe it is quite clear that Americans have learned to despise anyone who subscribes to that political philosophy.

I am fearful, however, that a new political gangsterism has been developed in this country which seeks to include as Fascists all individuals or organizations who dare to express dissent from the existing New Deal order. Today the word "Fascist" is being bandied about by many self-styled liberals in order to cloak and cover their own political bigotry. It will be recalled that only a few years ago the word "Red" or "Bolshevik" was used in much the same way. Certain new political gangsters who seek to import foreign ideologies into our American system have developed what they think is a clever technique. This group is constantly engaged in well-organized and well-financed political intimidation. Because they know that the American people despise fascism and all it stands

for, they seek to pin the label of fascism upon those who disagree with their political and economic philosophy. This tendency, in my humble judgment, is doing more to destroy unity in America than any other single thing. I am convinced that many of those who like to style themselves liberal and who are most vocal in their attempts to designate those with whom they disagree as Fascists are in reality the most reactionary group in the country. They are the ones who while denouncing fascism are constantly planning and urging a program for an American domestic economy that contains all of the elements of true fascism. I believe the time has come to unmask and expose this insidious type of political gangsterism. Why do I feel compelled to make this statement now?

Mr. Chairman, recently charges were made in this House of a character which it seems to me we cannot in the fulfillment of our duties let pass without consideration. On April 19, the gentleman from Illinois [Mr. SABATH] obtained the unanimous consent of this body for an extension of remarks. He made use of their consent by inserting into the Appendix of the RECORD a War Department publication entitled "Text of United States Exposé of Native Fascism." However, it will be obvious to anyone who has read the complete extension of the gentleman's remarks that his prime purpose was not to spread upon the RECORD the document to which I have just referred but to use the privilege granted him for an entirely different purpose. I say this is obvious, for the War Department pamphlet is dated March 24, while the gentleman's extension was not requested until April 19. From this lapse of 26 days it is clearly apparent that the gentleman from Illinois was not so exercised by what he read in the pamphlet, that he felt an irresistible impulse to spread its contents before the eyes of the public. It was only when he determined—possibly upon the sinister suggestion of some of his liberal friends—that this document presented an opportunity, an excuse, and a background for leveling a vicious and scurrilous attack upon reputable citizens of this country that he asked and obtained the consent of this body for an extension of the remarks to which I have referred.

This attack is not found in the publication itself but in the gratuitous remarks which the gentleman from Illinois appended to the insertion of the document. Let me read what he said upon his own responsibility:

> Mr. Speaker, I only regret that the rules and regulations of the War Department precluded the naming of outstanding American Fascists, such as the du Ponts, the Pews, the Girdlers, the Weirs, Van Horn Moseley, H. W. Prentis, Jr., Merwin K. Hart, and others, including the 30 Fascists charged with conspiracy and seditious activities and tried, but due to the untimely death of the trial judge, they are still at large.

Somehow, I hold the thought that these remarks were made in this particular manner because the gentleman from Illinois did not have the courage to make them on the floor of this House where he would have been obliged to substantiate his slander in open debate. But I for one have no intention that he shall avoid the consequences of his statement. The gentleman's remarks have a much more important significance than mere personalities, although there is a complete lack of fairness in one who makes such charges under circumstances where he is personally immune, and the objects of his attack have no opportunity to answer. What I am concerned about is the fact that the gentleman from Illinois has charged those whom he named with adhering to political philosophies which are not only inimical to the purposes of this Government and thus subversive, but which are in sympathy with the enemies of the United States. These charges should therefore be the subject of an investigation by the proper committees of this Congress and the law-enforcement agencies of the Government. I am not informed that any action has been taken in this regard, and I will not presume either our committees or the law-enforcement agencies are lax in carrying out their respective functions. I must, therefore, believe that the gentleman from Illinois will no longer delay—if not in a spirit of fairness, then in the fulfillment of his duty—in substantiating his conclusions by divulging to the proper authorities the facts from which those conclusions were drawn. Certainly he has such facts, for no one—not even the gentleman from Illinois—would charge an American citizen of even the humblest stature with being a Fascist without facts to sustain such a statement.

Certainly such a charge should not be heard in the face of the hate of the people of America for those who might be Fascists as exemplified by the statement of the gentleman from Missouri this afternoon.

Why do I place such importance on the charges made by the gentleman from Illinois? Because the gravity of the charge demands it. I trust the House will bear with me for a few minutes while we scrutinize the gentleman's language. The Members of the House will realize that his statement cannot be disassociated from the War Department's pamphlet. This, you will recall, is entitled "Text of United States Exposé of Native Fascism."

As I will indicate later on in these remarks, I will demonstrate to you that this release by the War Department never had such a title; that the document was entitled, as it was issued by the War Department, by one word only, "Fascism"; and that the gentleman from Illinois [Mr. SABATH], in pretending to put into this RECORD an exact document from the War Department, wrote a title into this bill of his own choosing, because, as I will show later on, there was a purpose in substituting this title for the one used by the War Department.

I will not bother to read this whole document to you, but I think its contents may be fairly summarized by saying that this document is given over to a proper excoriation of fascism and those who profess such a philosophy. It was with this background that the gentleman's statement was made, and I propose to examine his words in that light.

At the outset, he says it is a matter of regret to him "that the rules and regulations of the War Department precluded the naming of outstanding American Fascists, such as the du Ponts, the Pews, the Girdlers, and the Wiers," and others whom he mentioned, including Mr. H. W. Prentis, Jr.

Now what is the import of this language and what did the author want others to understand by the use of those words? The purpose is not only clear but it is highly insidious. He intended to convey to the reader the fact that the War Department had information, oh, yes, more than that—that the War Department had evidence to the effect that those whom he mentioned are in fact Fascists, and their names could properly have been included in the War Department pamphlet, were it not for some rule or regulation of the War Department which seemingly prohibits the naming of individuals in literature of this kind. Thus the gentleman not only hurls the charge of Fascism, but seeks to bolster that charge with the stamp of the War Department.

Now, Mr. Chairman, I discussed this matter with officers and officials of the War Department, and I have before me a letter from the War Department signed by John W. Martin, Administrative Assistant to the Secretary of War. Let me call your attention to what this letter says. I want to quote from it:

> This matter—
>
> Referring to Mr. SABATH's insertion—
>
> purported to include a quotation from War Department publication dated March 24, 1945.
>
> I want you to get this:
>
> A comparison of the purported quotation with Army Talk No. 64, prepared by the Information and Education Division, Army Service Forces, for use in the Army's orientation program, reveals that the matter inserted in the RECORD was not a complete quotation and contained subtitles not appearing in the original.

Now, I checked the original release by the War Department with this material that the gentleman from Illinois [Mr. SABATH] placed in the RECORD, and I find that he has gratuitously inserted into this War Department release the first title, "Text of United States Exposé of Native Fascism."

That was not in the Army release at all. As I said before, it was merely entitled "Fascism."

Now if you take that insertion in the Appendix of the RECORD appearing on page A1821 under date of April 19, 1945, you will see that he added these titles:

"Fascism and Business," "Financial Interests Behind Fascism," "Little Business Betrayed," "Why Fascists Are Anti-Union," "Can It Happen Here?" "United States Has 100 Percent American Fascists," "Can We Spot It?"

I have no desire to comment upon the fact that the gentleman saw fit to insert into the RECORD of this House a document which was not complete. Possibly he had reasons for doing so, and certainly he had reasons for inserting the subtitles which do not appear in the War Department publication. It was, of course, to poison the minds of

those who might read his extension of remarks against the individuals whom he mentioned. The names of most of those gentlemen are associated with industry, finance, and big business. So the gentleman from Illinois puts in his gratuitous titles in order to make it appear that the War Department publication was specifically designed to apply to these people and that the War Department saw fit to charge them with being Fascists.

It is of interest to note that the gentleman did not stop with omissions in the context and the substitution of subtitles, but even went so far, as I have already indicated, as to change the title of the document itself. The gentleman of course wanted the document to apply to the objects of his attack, because he uses in his title the phrase "exposé of native Fascism" in order that the War Department release shall apply to those whom he has so arbitrarily excoriated.

Now, of course, when called to account by some of these people, as appearing in the press, the gentleman resorted to a fine distinction and an evasion, and he attempted to say, and in quote, that the Fascism which he had in mind is:

> A brand of political and economic philosophy which would subvert our democracy to the domination of a chosen few over the heritage of all Americans who have made their contributions regardless of race, religion, or color.

Disregarding the obvious demagogy of that statement, I will agree that the gentleman's words constitute a reasonable definition of the academic meaning of the word "fascism"; but that neither dispels the imputation of his words in their primary sense, nor does it change the record as it was written by the gentleman in the first instance. Neither does it explain what the gentleman charged in his extension.

Further, in addition to what I have already quoted, he said that he regretted that the rules of the War Department precluded the naming of—

> Those whom I have mentioned along with others, including the 30 Fascists charged with conspiracy and seditious utterances and activities and tried, but due to the untimely death of the trial judge are still at large.

So here we find that the fascism that the gentleman from Illinois charges to these men whom he named, is a fascism that cannot be defined merely by some philosophical or academic definition; it is a fascism that is subject to indictment and trial for conspiracy and sedition against the United States of America.

I have said it is not my purpose to seek vindication for these men or any other group of men. I do not know any of these men, but there are times when the position which a person holds makes a charge of crime against him a greater gravity to the Nation than a similar charge would be if made against somebody of lesser importance. I checked up to find out something about these men and for that reason it seems to me this House should consider the charges made by the Member from Illinois in relation to those people and the position they occupy.

Mr. Prentis, I am informed, is the president of the Armstrong Cork Co., which furnishes many items of supplies to our armed forces. Mr. Weir is the chairman of the board of the National Steel Corporation and Mr. Girdler is the president of Republic Steel. The products of these companies find their way into the armaments upon which the lives and safety of millions of Americans depend. It might also be noted that Mr. Girdler was called by his Government to reorganize and manage the Vultee aircraft plant when planes were sorely needed. The Pews are the principal owners and the executives of the Sun Oil Co. and the Sun Ship Co. These companies which are under their control have made it possible to produce 100-octane gas in quantities necessary for us to gain supremacy of the air. The tankers which they have launched in the largest shipyard in the world refuel the American fleets wherever they may be; the cargo ships that have come from their ways have carried supplies and men to every far reach where the cause of democracy is at stake; and the barges which they have constructed have landed our soldiers, sailors, and marines upon the embattled beaches. As to the du Ponts, the plastics, the chemicals, and the explosives which they produce have found their way into every activity in which our armed forces have been engaged. I may be the subject of correction, but I doubt if any group have so much to the success of our arms as the du Ponts. But that is not surprising, for the powder and solid shot that saw our armies through all the wars since the Revolution came from the same source.

Now, Mr. Chairman, bear in mind that when the gentleman from Illinois or anyone else is charging these men indiscriminately with being Fascists that the War and Navy Departments have repeatedly recommended the efficiency, the patriotism and the honor of these men and their employees by constantly awarding Army and Navy E awards to them.

But according to the gentleman from Illinois, these men are Fascists comparable to the 30 who have been indicted and tried for conspiracy and sedition. If that be true, it is time to act, for despite the successes in Germany, there are many months of war ahead and thousands of Americans still have a price to pay for the preservation of democracy. It is inconceivable to me that the efficiency of their weapons, the means of transport not only of themselves but of their supplies upon which they are dependent for their lives and their victories should be left in the hands of Fascists. So I call upon the gentleman from Illinois in the name of 12,000,000 warriors, as well as their kin at home, to place his charges where they belong—not in demagogic statements inserted under the pretense of an extension of remarks—but before the Committee on Un-American Activities of this House, and possibly of more importance, to submit his facts to the law-enforcement agencies of the Government. Nothing less will meet the charges which he has made.

On the other hand, if his words of condemnation were without substance, possibly the gentleman from Illinois will wish to extend an apology to those whom he has slandered. If the gentleman entertains any spirit of fair play, he will appreciate that this is the least he can do under the circumstances. Of course, if the purpose of the gentleman was to undermine the confidence of the American people in American industry, he will neither press his charges nor correct them. He will be content with the thought that he has taken an effective step toward the creation of the very prejudices which he deprecates so eloquently, and, at the same time, has in large measure helped to destroy the possibility of our industry absorbing the millions who will need employment in the post-war period, and thus pave the way for state socialism. It may be that that is the gentleman's objective. If so, he has made a good start.

But the charge of crime still remains, and surely the gentleman from Illinois will not so far forget his duty as to fail to press that charge to a conclusion, if he has the slightest evidence in his possession.

Mr. Chairman, the men and women of America and the men and women of our gallant allies have given their lives and shed their blood in order that we might create a world in which there will be peace among men of good will. Into this symphony of unity of purpose and thought the gentleman from Illinois has injected a sour note of partisanship and hate. As one Member of the House of Representatives, I regret that the columns of the CONGRESSIONAL RECORD have been used for this purpose. I sincerely trust that the distinguished gentleman from Illinois, after sober reflection and in the interests of national unity and harmony, which is so essential if we are to preserve America and the world from chaos, will see fit to expunge his remarks from the permanent RECORD and thus demonstrate that the spirit of the Golden Rule still reigns in the hearts of men.

Mr. CANNON of Missouri. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. GORSKI].

Mr. GORSKI. Mr. Chairman, I asked the gentleman from Wisconsin [Mr. KEEFE] to yield for a question, which he refused to do. I was going to ask him if he notified the gentleman from Illinois [Mr. SABATH] or his office that he was going to make this talk.

Mr. KEEFE. Does the gentleman want me to answer that?

Mr. GORSKI. Just a moment.

Mr. KEEFE. I will be very happy to answer the gentleman. I did notify his office. I notified his secretary yesterday, and I made a special visit up there today to notify him.

Mr. GORSKI. The gentleman from Illinois [Mr. SABATH] is a Member of this House and has been a Member for some 38 or 39 years. He has been in the hospital for the past 10 days or 2 weeks. Of course, he cannot answer the accusations made against him here this afternoon. I am not supporting or denying what the gentleman from Illinois [Mr. SABATH] said on the floor of the House. I am sure he will answer it when he comes back.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Chairman, the bill we have presently under consideration

is a bill for several censuses, reports, and statistical-gathering functions in various departments and agencies of the Government.

The House Committee on Appropriations with reference to this bill and another one this week has revolutionized its proceedure; that is, going to the Committee on Rules seeking a rule so that legislation appearing in the bill may be passed by the House on an appropriations bill. Every time points of order are threatened or promised against legislation in appropriation bills to keep the bureaucrats in their proper places and within their lawful spheres of action, the majority request a special rule to suspend the standing rules of the House which would stop legislation from going into appropriation bills. The effect is that it creates new spending powers and adds additional costs of money, serves to perpetuate the bureaucrats, and adds to the burden of the taxpayers.

The full Committee on Appropriations, in reporting the Department of Labor and Federal Security Agency bill for 1946, has very specifically pointed out a dozen instances wherein the reported bill does violence to the standing rule of the House against putting legislation in appropriation bills; yet when this bill comes to the floor, the majority will ask a rule which will retain and protect these selfsame expressed and admitted violations of the standing rules of the House.

In connection with this situation, when the State, Justice, and Commerce Departments appropriation bill was before the House, the gentleman from Missouri, the chairman of the Committee on Appropriations, made this statement at page 2355 of the RECORD.

> But, Mr. Chairman—and this cannot be emphasized too strongly—the Committee on Appropriations has a strict policy against including major legislation, new legislation, or legislation of any particular significance in any of its bills. It does not legislate in the strict acceptance of the terms. The only provisions without authority of law which are included by the Committee on Appropriations in its bill are provisions which are of minor administrative character, and practically all of them are items which have been carried for many years in the annual bill.

It is true that legislation has been carried in the annual bill for several years, and they have been written, I charge, by the Bureau of the Budget rather than by the Congress; in other words, the Bureau of the Budget is usurping the function of the Congress of the United States that is supposed to write the appropriation bills.

The gentleman from Missouri [Mr. CANNON] had this further to say:

> As the gentleman from Wisconsin [Mr. KEEFE] has said, if they are stricken out on a point of order the Senate usually puts them back, and they are agreed to in conference.

The procedure on last Friday, May 11, 1945, shows:

If legislation is left in the conference report, it may be stricken out in the same manner on a point of order. To get by the standing rules of the House which prohibit legislation on an appropriation bill, the conferees have to return the amendments with legislation in disagreement so the House may vote on each amendment separately. That was done in the case of the State, Justice, and Commerce Departments appropriation bill.

We have before us here a bill that is not a minor matter. It carries an appropriation of $18,433,000. Further, it carries items that have been turned down by several subcommittees of the House. The State, Justice, and Commerce Departments Appropriations Subcommittee turned down the appropriation item for a sample census of population. Originally in the House on a point of order the language for sample surveys was stricken out. And the Senate did not reinsert the language. Now, in the bill that is presently before us all the things that have heretofore been turned down because they did not have legislative authority are included in this bill. Instead of sticking to the principle of no legislation on appropriation bills that add new functions without basic law, as the gentleman from Missouri said we were, the Appropriations Committee and my chairman now are adding major functions for Government departments by legislation in this bill.

If I may have the attention of the chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], and the chairman of the Subcommittee on State, Justice, and Commerce Departments Appropriations, the gentleman from Michigan [Mr. RABAUT], I should like to direct their attention to this language, and I particularly ask the gentleman from Missouri [Mr. CANNON] whether he said this:

> Anent general provisions lacking substantive law support, whether they have been carried heretofore or not, I feel that your Bureau should canvass the several departments and agencies which are or would be affected thereby as to their respective needs as regards the contents of such provisions, and then, where warranted by the circumstances, that a recommendation for legislation should be formally transmitted to the Speaker.

Did the gentleman write that letter to the Bureau of the Budget?

Mr. CANNON of Missouri. Mr. Chairman, I do not know why the gentleman from Indiana [Mr. JOHNSON] draws me into his controversy with the gentleman from Michigan [Mr. RABAUT]. However, as he has addressed his inquiry to me, I am glad to give him the benefit of any information I have on the subject. The gentleman will recall that the Committee on Appropriations authorized the appointment of a committee to confer with the departments and enlist their cooperation in collating material habitually carried for many years in these appropriation bills by both parties, and for which there was no legislative authority, with a view to submitting all data secured to the legislative committees of the House having jurisdiction of the subject matter, and securing legislation in order to avoid such technical points of order. The gentleman says [quoting]: "It is true that legislation has been carried in the bill for several years." Such legislation has not been carried in the supply bills for a mere several years. It has been carried every year. There has never been an annual supply bill of this character since the committee was established on its present basis that did not carry such legislation. It has been carried in the supply bills by common consent, and no one ever dreamed of raising points of order, regardless of which party was in power in the House, with the exception of Congressman Blanton, of Texas, who, many years ago, ran amok on one occasion, as some of the older Members will remember, and did the same thing the gentleman from Ohio did in the instance to which he refers—and with as little result. They were all put back in the Senate, and the only effect was to add to the expense of printing and the labor of the clerks, and the interference with the routine of the House. As Mr. Blanton said at the time, it requires no ability or especial qualification to make a point of order. Anyone can make a point of order, and after that one experience Mr. Blanton, who was really a man of exceptional capacity, seeing how profitless it was, gave his attention to matters of importance to the Congress and the country.

In compliance with the direction of the Committee on Appropriations, the chairman authorized the clerk of the committee to advise the departments of the action of the committee. Th letter to which the gentleman refers was indited by the clerk of the committee and, as a matter of routine, signed by the chairman of the committee and transmitted to the departments. The departments are working on the matter now. It is our expectation when we get reports from all of them sometime this fall, because it will take quite a while to get all the data together, to submit it to the various legislative committees involved in order to enact authorizing legislation and so avoid in the future these technical interferences with the procedure of the committee and House. In the meantime we go to the Committee on Rules instead of to the legislative committees. It is six of one and half a dozen of the other. Either the Rules Committee or other appropriate legislative committee can authorize the House to consider these items and render the gentleman's points of order innocuous.

Mr. JONES. I notice the gentleman said at page 2672 of the CONGRESSIONAL RECORD:

> But I would like to take advantage of the opportunity to add as an individual member of the committee that, in view of the fact points of order have been so persistently raised on this bill, that the Committee on Appropriations should in the future, notwithstanding the needs of the departments in the transaction of their routine business, be like Caesar's wife, innocent of even the implication of any infringement upon any rule or practice of the House.

It seems to me the gentleman has changed his attitude.

Mr. CANNON of Missouri. On the contrary, I have adhered to that attitude. These items have been carried in the bills for years, by both Democratic and Republican committees. Any one of the 435 Members of the House can rise in the consideration of the bills and do what the gentleman has done. The gentleman from Ohio [Mr. JONES], himself has sat here all these years he has been

a Member of the House without raising these technical points of order. Why has he been so remiss if there is any virtue in these points of order? In order to avoid just such scenes as this we now propose to go to the other committees in the future instead of going to the Rules Committee as in this instance. I said I would take the steps indicated in my statement quoted by the gentleman and I have taken that step and by the next Congress we expect to protect these bills against such futile wastes of time.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JONES. Mr. Chairman, will the gentleman yield me more time in view of the fact that he has taken up considerable of my time?

Mr. CANNON of Missouri. I yield 5 additional minutes to the gentleman from Ohio.

Mr. JONES. The gentleman from Missouri says that this is but recently acquired knowledge. I call the attention of the gentleman to the reasons for some of the points of order, and I assume that the chairman of the great Committee on Appropriations has read the Comptroller General's Annual Report for the fiscal year 1944, at page 79, and for 7 pages following where there are listed specific points of extraordinary administrative authority which has been granted in appropriation bills to the various bureaus and departments. I think if the gentleman will read that he will see why there is a concerted effort on the part of the Republican Members to uphold the Comptroller General of the United States and to keep the Government bureaus and the executive branch of the Government honest and to keep them within the bounds of existing legislative authority. These exceptional and extraordinary grants of legislation that are in appropriation bills which have been heretofore passed are deplored by the Comptroller General; at pages 79 et seq. of his 1944 annual report as follows:

APPENDIX A

EXAMPLES OF STATUTES ENACTED DURING THE FISCAL YEAR 1944, CONFERRING UNUSUAL ADMINISTRATIVE AUTHORITY OVER EXPENDITURES

Act of July 1, 1943 (57 Stat. 271):

Foreign Service Building Fund: * * * *Provided*, That expenditures for furnishings made from appropriations granted pursuant to the act of May 7, 1926, and subsequent acts providing funds for buildings for the use of diplomatic and consular establishments of the United States shall not be subject to the provisions of section 3709 of the Revised Statutes. (Department of State, Foreign Intercourse, 57 Stat. 277.)

Salaries and expenses: * * * and the Secretary of State is hereby authorized, in his discretion, to make contracts with, and grants of money or property to, governmental and public or private nonprofit institutions and facilities in the United States and the other American republics, including the free distribution, donation, or loan of publications, phonograph records, radio transcriptions, art works, motion-picture films, educational material, and such other material and equipment as the Secretary may deem necessary and appropriate, and such other gratuitous assistance as the Secretary deems advisable in the fields of the arts and sciences, education and travel, publications, the radio, the press, and the cinema; all without regard to the provisions of section 3709 of the Revised Statutes. (Department of State, Cooperation with the American Republics, 57 Stat. 281.)

Administrative expenses: * * * not to exceed $10,000 for the temporary employment of persons or organizations for special services by contract or otherwise without regard to section 3709 of the Revised Statutes; * * *. (Department of Commerce, Loan Agencies (Commerce), 57 Stat. 291.)

Act of July 1, 1943 (57 Stat. 312):

For necessary expenses, including personal services without regard to the Classification Act of 1923, as amended, for the carrying out, * * * of a "penny milk" program for the school children of the District, including the purchase and distribution of milk under agreements with the United States Department of Agriculture, and for the carrying out of a food-conservation program in the District of Columbia, including the supervision of "Victory" gardens and the canning of the products thereof, $75,000: * * *. (District of Columbia, Public Assistance, 57 Stat. 334.)

For the preparation of plans and specifications for structures and facilities for increasing the water supply for the District of Columbia and environs, including engineering and other professional services by contract or otherwise, without reference to section 3709 of the Revised Statutes, the Classification Act of 1923, as amended, or the civil-service requirements. (District of Columbia, Water Service, Washington Aqueduct, 57 Stat. 343.)

Act of July 1, 1943 (57 Stat. 347):

Military posts: * * * the settlement of claims (not exceeding $500 each) for damages to or loss of private property resulting from the use and occupancy of real estate by the Army, that have accrued or may hereafter accrue, when payment thereof will be accepted by the owners of the property in full satisfaction of such damages, and each claim is substantiated in such manner as the Secretary of War may prescribe by regulations and is approved by the Secretary of War, or by such officer or officers as he may designate, whose action thereon shall be conclusive. (Military Activities, Corps of Engineers, Engineer Service, Army, 57 Stat. 358.)

Act of July 3, 1943 (57 Stat. 372):

That the Secretary of War, and, subject to appeal to the Secretary of War, such other officer or officers as he may designate for such purposes and under such regulations as he may prescribe, are hereby authorized to consider, ascertain, adjust, determine, settle, and pay in an amount not in excess of $500, or in time of war not in excess of $1,000 where accepted by the claimant in full satisfaction and final settlement, any claim against the United States arising on or after May 27, 1941, * * * for damage to or loss or destruction of property, real or personal, or for personal injury or death, caused by military personnel or civilian employees of the War Department or of the Army while acting within the scope of their employment, or otherwise incident to noncombat activities of the War Department or of the Army. * * * Any such settlement made by the Secretary of War, or his designee, under the authority of this act and such regulations as he may prescribe hereunder, shall be final and conclusive for all purposes, notwithstanding any other provision of law to the contrary.

Act of July 9, 1943 (57 Stat. 391):

That, during the present war and for 6 months thereafter, whenever deemed necessary in serving military and naval personnel at military and naval camps, posts, or stations, the Postmaster General is hereby authorized to detail any postal employee from main post offices to postal units, at such camps, posts, or stations, without changing the official station of such postal employee, and to authorize allowances, not exceeding $2.50 per day in lieu of actual expenses, while so detailed, without regard to the Subsistence Expense Act of 1926, * * *.

Act of July 12, 1943 (57 Stat. 392):

Salaries and expenses: For expenses necessary to enable the War Food Administration to perform its functions, * * * including not to exceed $50,000 for the temporary employment of persons or organizations by contract or otherwise without regard to the Classification Act of 1923, as amended; * * *. (Department of Agriculture, War Food Administration, 57 Stat. 415.)

Act of July 12, 1943 (57 Stat. 451.):

Drainage tunnel, Leadville, Colo. (national defense): For all expenses necessary, without regard to section 3709 of the Revised Statutes, * * *. (Department of the Interior, Bureau of Mines, 57 Stat. 484.)

Act of July 12, 1943 (57 Stat. 494):

Training for nurses (national defense): * * * advertising in newspapers, magazines, and periodicals without regard to the act of March 4, 1921 (42 U. S. C. 33); * * * (Federal Security Agency, Public Health Service, 57 Stat. 505.)

Emergency health and sanitation activities (national defense): * * * such expenses to include * * * the purchase of oils, larvicides, and other diluents, without regard to section 3709 of the Revised Statutes. * * * (Federal Security Agency, Office of the Administrator, 57 Stat. 511.)

Act of July 12, 1943 (57 Stat. 522):

Salaries and expenses: * * * procurement of services, supplies, and equipment (1) outside the United States without regard to section * * * 3648, Revised Statutes (31 U. S. C. 529). * * * (Executive Office of the President, Board of Economic Warfare, 57 Stat. 522.)

Salaries and expenses: * * * procurement of necessary services, supplies, and equipment without regard to section 3709, Revised Statutes; travel expenses, including * * * expenses outside the United States without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821–833), and section 901 of the act of June 29, 1936 (46 U. S. C. 1241); * * * exchange of funds without regard to section 3651, Revised Statutes (31 U. S. C. 543); * * * *Provided*, That $23,000,000 of this appropriation may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds or the employment of persons in the Government service, and $21,000,000 of such $23,000,000 may be expended for objects of a confidential nature, such expenditures to be accounted for solely on the certificate of the Director of the Office of Strategic Services and every such certificate shall be deemed a sufficient voucher for the amount therein certified. (Executive Office of the President, Office of Strategic Services, 57 Stat. 526.)

Salaries and expenses: * * * printing and binding (not to exceed $250,000, including not to exceed $10,000 for printing and binding outside the continental limits of the United States without regard to provisions of law governing printing and binding (44 U. S. C. 111)); $14,650,000. (Executive Office of the President—Office for Emergency Management, Office of Defense Transportation, 57 Stat. 529.)

Salaries and expenses: * * * temporary employment (not to exceed $20,020) of persons or organizations by contract or otherwise, without regard to section 3709, Revised Statutes and Classification Act of 1923, as amended; * * *. (Executive Office of the President—Office for Emergency Management, Office of Economic Stabilization, 57 Stat. 530.)

Salaries and expenses: * * * the employment by contract or otherwise, without regard to civil-service or classification laws, at not to exceed $25 per day, of engineers, scientists, civilian analysts, technicians, or

other necessary professional personnel; * * *. (Executive Office of the President—Office for Emergency Management, Office of Scientific Research and Development, 57 Stat. 530.)

Salaries and expenses: * * * purchase, rental, construction, improvement, maintenance, and operation of facilities for radio transmission, including real property, outside the continental limits of the United States, without regard to the provisions of section 355, Revised Statutes (40 U. S. C. 255) and other provisions of law affecting the purchase or rental of land and the construction of buildings thereon; advertising in foreign newspapers without regard to section 3828, Revised Statutes (44 U. S. C. 324;) * * * purchase of 24 motor-propelled passenger-carrying vehicles for use outside the continental limits of the United States, may be acquired without regard to statutory limitations as to price and authority to purchase; * * *. (Executive Office of the President—Office for Emergency Management, Office of War Information, 57 Stat. 531.)

Salaries and expenses: * * * not to exceed $30,000 for the temporary employment of persons or organizations by contract or otherwise without regard to section 3709, Revised Statutes, or the civil-service and classification laws and printing and binding; $138,000. (Executive Office of the President—Office for Emergency Management, Office of War Mobilization, 57 Stat. 532.)

Salaries and expenses: * * * not to exceed $8,000,000 for travel expenses, including travel outside the United States without regard to the Standardized Government Travel Regulations; * * *. (Executive Office of the President—Office for Emergency Management, War Production Board, 57 Stat. 532.)

Smaller War Plants Corporation, administrative expenses: * * * including not to exceed $1,000,000 for the temporary employment of persons or organizations by contract or otherwise without regard to the civil-service and classification laws for special services, including audits notwithstanding section 5 of the act of April 6, 1914 (5 U. S. C. 55); * * *. (Executive Office of the President—Office for Emergency Management, War Production Board, 57 Stat. 533.)

Salaries and expenses: * * * procurement, without regard to section 3709, Revised Statutes, of supplies and equipment; * * *. (Executive Office of the President—Office for Emergency Management, War Relocation Authority, 57 Stat. 533.)

Act of November 28, 1943 (57 Stat. 593):

SEC. 2. Whenever the Chief of Naval Personnel, Commandant of the Marine Corps, Commandant of the Coast Guard, or such subordinates as they may designate, certify that the personnel included in (b) and (c) of section 1 hereof have been transferred to sea duty or to duty at places beyond the continental limits of the United States where their dependents for military reasons are not permitted to join them, the wives of such personnel, or such other responsible persons as may be designated by the officials named above in this section, may execute such certificates as may be required and which are filed with, and relate to, vouchers in connection with the transportation of dependents or household effects: *Provided*, That in lieu of copies of orders of such personnel, the certificate above provided for shall constitute authority for such transportation of dependents, and household effects as may be authorized hereunder and any certificate or certification authorized by this act shall be final and conclusive upon the accounting officers of the Government.

Act of December 23, 1943 (57 Stat. 611):

Census of agriculture: For all necessary expenses incident to preparation for the quinquennial census of agriculture of the United States, to be taken during the fiscal year 1945, including personal services in the District of Columbia and elsewhere without regard to the civil-service and classification laws; * * *. (Department of Commerce, Bureau of the Census, 57 Stat. 620.)

Development of processes for recovery of waste metals (national defense): For all expenses necessary, without regard to section 3709, Revised Statutes, * * *. (Department of the Interior, Bureau of Mines, 57 Stat. 624.)

SEC. 301. Appropriations for the executive departments and independent establishments for the fiscal year 1944 available for travel expenses shall be available for the payment of per diem allowances in lieu of subsistence expenses without regard to the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821–833), to civilian officers and employees of such departments and establishments while traveling on official business outside the continental limits of the United States and away from their designated posts of duty: *Provided*, That the amount of such allowances shall be determined by the head of the department or independent establishment concerned or by such official as he may designate for the purpose, but shall in no case, notwithstanding any other provision of law, exceed the maximum established by regulations prescribed by the President for the locality in which the travel is performed. (First Supplemental National Defense Appropriation Act, 1944, General Provisions, 57 Stat. 642.)

Act of February 3, 1944 (58 Stat. 8):

Sec. 5. * * *.

(b) The Secretary of War and the Secretary of the Navy shall make such regulations not inconsistent with this act as may be necessary effectively to carry out the provisions thereof, and the decisions of the Secretary of War and the Secretary of the Navy shall be final and not subject to review by any court or other Government official. (Mustering-Out Payment Act of 1944, 58 Stat. 10.)

Act of June 22, 1944 (58 Stat. 284):

Sec. 1101. (a) No person designated by the Administrator as a certifying officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to the payment of any allowance certified by him under this title.

(b) No disbursing officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated by the Administrator. (Servicemen's Readjustment Act of 1944, 58 Stat. 299.)

Act of June 27, 1944 (58 Stat. 361):

Salaries and expenses: * * * not to exceed $4,000 for the temporary employment of persons or organizations by contract or otherwise, for special services determined by the Administrator to be necessary, without regard to * * * civil service * * * laws, * * *. (Independent Establishments, Federal Works Agency, Office of the Administrator, 58 Stat. 366.)

* * * and (not exceeding $15,000) for the temporary employment, by contract or otherwise, of technical consultants and experts without regard to * * * civil service * * * laws. (Independent Establishments, Federal Works Agency, Federal-Aid Highway System, 58 Stat. 369.)

Salaries and expenses: * * * not to exceed $5,000 for temporary employment of persons or organizations, by contract or otherwise, for legal or other special services without regard to * * * the civil service * * * laws; * * *. (Independent Establishments, National Housing Agency, Office of the Administrator, 58 Stat. 374.)

Salaries and expenses: * * * temporary employment of persons or organizations, by contract or otherwise, for legal or other special services, without regard to * * * the civil-service * * * laws; * * * (Independent Establishments, National Housing Agency, Federal Public Housing Authority, 58 Stat. 377.)

* * * and not to exceed $469,500 for the employment by contract or otherwise of persons, firms, or corporations for the performance of legal and other special services, without regard to * * * the civil service and classification laws: * * *. (Independent Establishments, United States Maritime Commission, 58 Stat. 380.)

Act of June 28, 1944 (58 Stat. 395):

President's War Relief Control Board: For all expenses necessary * * * and stenographic reporting services by contract, without regard to section 3709 of the Revised Statutes. (Department of State, Office of the Secretary of State, 58 Stat. 397.)

International conferences (emergency): For * * * personal services in the District of Columbia or elsewhere without regard to civil-service and classification laws; * * * travel expenses without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended; * * * stenographic and other services and rent of quarters by contract or otherwise, purchase or rental of equipment; purchase of supplies, books, maps, periodicals, and newspapers, and transportation of things, without regard to section 3709 of the Revised Statutes. (Department of State, International Obligations, 58 Stat. 403.)

Administrative expenses: * * * not to exceed $10,000 for the temporary employment of persons or organizations for special services by contract or otherwise without regard to * * * the civil-service and classification laws. (Department of Commerce, Loan Agencies (Commerce), 58 Stat. 415.)

Act of June 28, 1944 (58 Stat. 425):

* * * these funds may be used for, or to make payments in connection with, the purchase of such agricultural commodities and for exchanging, distributing, disposing, transporting, storing, processing, inspection, commission, and other incidental costs and expenses without regard to the provisions of section 3709 of the Revised Statutes. (Department of Agriculture, Land Utilization and Retirement of Submarginal Land, Exportation and Domestic Consumption of Agricultural Commodities, 58 Stat. 452.)

Act of June 28, 1944 (58 Stat. 463):

Synthetic liquid fuels: For all expenses without regard to section 3709, Revised Statutes, necessary to carry into effect the act authorizing the construction and operation of demonstration plants to produce synthetic liquid fuels from coal, oil shales, agricultural and forestry products. (Department of the Interior, Bureau of Mines, 58 Stat. 494.)

Production of alumina from low-grade bauxite, aluminum clays and alunite (national defense): * * * not to exceed $30,000 for temporary employment of engineers, architects, or firms or corporations thereof, by contract or otherwise, without regard to the civil-service and classification laws. (Department of the Interior, Bureau of Mines, 58 Stat. 497.)

Magnesium pilot plants and research (national defense): * * * not to exceed $30,000 for temporary employment of engineers, architects, or firms, or corporations thereof, by contract or otherwise, without regard to the civil-service and classification laws. (Department of the Interior, Bureau of Mines, 58 Stat. 498.)

Act of June 28, 1944 (58 Stat. 509):

For all expenses necessary to enable the Commissioners of the District of Columbia to maintain public order and protect life and property in said District from January 15 to January 26, 1945, including personal services without regard to the civil-service and classification laws. (District of Columbia, Metropolitan Police, 58 Stat. 516.)

For all expenses necessary for * * * the employment of personal services without regard to civil-service or classification laws.

(District of Columbia, Department of Civilian Defense, 58 Stat. 517.)

Act of June 28, 1944 (58 Stat. 533):

Salaries and expenses: * * * not to exceed $10,000 for scientific research on models, devices, and other items related to the functions of the Office of Censorship without regard to section 3709 of the Revised Statutes; * * * *Provided further*, That not to exceed $10,000 of this appropriation shall be available for expenses of a confidential character, to be expended under the direction of the Director who shall make a certificate of the amount of each such expenditure which he may think it advisable not to specify and every such certificate shall be deemed a sufficient voucher for the amount therein certified. (Executive Office of the President, Office of Censorship, 58 Stat. 534.)

Salaries and expenses: * * * the temporary employment of persons or organizations, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil service and classification laws (not to exceed $15,000). (Executive Office of the President, Committee for Congested Production Areas, 58 Stat. 535.)

* * * temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed $8,900). (Executive Office of the President—Office for Emergency Management, Committee on Fair Employment Practice, 58 Stat. 536.)

War Shipping Administration, revolving fund: * * the employment, on a contract or fee basis, of persons, firms, or corporations for the performance of special services, including legal services, without regard to * * * the civil-service and classification laws. (Executive Office of the President—Office for Emergency Management, War Shipping Administration, 58 Stat. 542.)

Salaries and expenses, Selective Service System: * * * not to exceed $1,000,000 for expenditure through other Federal agencies, and through State agencies without regard to section 3648 of the Revised Statutes, for gathering of medical and social-history information on registrants. (Independent executive agencies, Selective Service System, 58 Stat. 544.)

Act of June 28, 1944 (58 Stat. 547):

Temporary aid to enemy aliens and other restricted persons: * * * *Provided further*, That the Administrator may make expenditures from this appropriation, by advances or grants of funds or otherwise, to such Federal or other agencies as he may designate, expenditures by such other agencies to be without regard to section 3709 of the Revised Statutes or the civil-service and classification laws. (Federal Security Agency, Office of the Administrator, 58 Stat. 564.)

Act of June 28, 1944 (58 Stat. 597):

Salaries and expenses: * * * temporary employment (not to exceed $10,000) of persons or organizations by contract or otherwise, without regard to * * * civil-service * * * laws. (Executive Office of the President, Office for Emergency Management, Office of Economic Stabilization, 58 Stat. 600.)

Salaries and expenses: * * * contract stenographic reporting services without regard to said section 3709; * * *. (Executive Office of the President, Office for Emergency Management, Office of Price Administration, 58 Stat. 600.)

For all expenses necessary for the American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas in performing its functions, * * * not to exceed $15,000 for the temporary employment of persons or organizations by contract or otherwise without regard to the civil-service and classification laws or section 3709 of the Revised Statutes. (Independent Executive Agencies, American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas, 58 Stat. 602.)

For all expenses necessary for the National Capital Park and Planning Commission * * * technical services at rates of pay not to exceed those usual for similar services elsewhere and without regard to the Classification Act of 1923, as amended. (Independent Executive Agencies, National Capital Park and Planning Commission, 58 Stat. 604.)

Act of June 28, 1944 (58 Stat. 624):

That hereafter the appropriations for the subsistence of naval personnel shall be available for any and all expenditures necessary in the management, operation, maintenance, and improvement of any plantation or farm, on land subject to naval jurisdiction outside of the continental United States, for the purpose of furnishing food and food products to the armed forces of the United States: *Provided*, That equipment, material, and supplies required therein may be purchased without regard to section 3709 of the Revised Statutes, and other laws applicable to purchases by governmental agencies.

Act of June 30, 1944 (58 Stat. 627):

Salaries and expenses: * * * temporary employment of persons or organizations by contract or otherwise without regard to the civil-service and classification laws * * * payment, or reimbursement to employees, as determined by the Administrator, for emergency or extraordinary expenses in connection with operations in foreign countries, without regard to the provisions of law regulating the expenditure, accounting for, and audit of Government funds: *Provided further*, That not to exceed $500,000 of the amount herein appropriated shall be available for expenditures of a confidential character to be expended under the direction of the Administrator, who shall make a certificate of the amount of each such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein certified. (Executive Office of the President, Office for Emergency Management, Foreign Economic Administration, 58 Stat. 630.)

I hope we can have the majority Members join with us in upholding the hands of the Comptroller General.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. JONES. I yield.

Mr. CANNON of Missouri. The action which the Committee on Appropriations is taking is not intended to affect legitimate points of order, matters which are brought in to be discussed on their merits. It is merely to avoid the indiscriminate stripping of a bill from the first paragraph to the last paragraph, as has been done in the last few months.

Mr. JONES. What the gentleman refers to as incidental and not legitimate points of order are mentioned specifically in the report of the Comptroller General. One of the things that has been referred to on this floor as being minor and as being small-minded on the part of the Member making the point of order is the question, "Shall not be subject to the provisions of section 3709 of the Revised Statutes." You will note the Comptroller General takes a different view. Although that is a section that was objected to several times, it has been deplored by majority Members as being small-minded.

Another is, "Without regard to the Classification Act of 1923, as amended." That is called small-minded by the majority side, yet the Comptroller General deplores it as being one of unusual administrative authority over expenditures that allows the Bureau of the Budget to appropriate; that allows agencies and departments to run over the Congress with the help of the Bureau of the Budget. I am against it.

Mr. RABAUT. Will the gentleman yield?

Mr. JONES. No; I do not yield. My time is limited.

Now, it has been said that we did not accomplish anything by making these points of order. I want to insert in the RECORD several places where the Senate did go along with us. I will insert the page numbers of the Senate version of the bill and the page number of the House bill where legislative language was not reinserted by the Senate which was ruled out on points of order by Republicans, sustained by the Chair, and condemned by the Comptroller General.

It is to be regretted, of course, that when the remaining language, equally condemned by the Comptroller General, which was added over the prior protest according to the Standing Rules of the House, the steamroller on the majority side rolled over us and put the remaining legislative provisions back in the bill, so that the bureaucrats could run away with the country and with the taxpayers' money and with the Congress. That is to be regretted, but there were six whole points of order and several parts of them that were not reinserted by the Senate, as follows:

Points of order	Senate version	House bill
	Page	*Page*
1	16	15–16
⅛	36	36–37
3/10	38–39	39–40
1	39	40
1	41	42
1	41	43
1	48	49
2/3	49	51
½	52	54
1	54	56

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. JONES. I yield.

Mr. CANNON of Missouri. The gentleman is conceding that his action was entirely futile.

Mr. JONES. Oh, no.

Mr. CANNON of Missouri. Well, the gentleman says the steam roller rolled over him and put back in the bill matter eliminated by his points of order. So the only effect of his marching up the hill and marching down again was to prevent the United States House of Representatives from considering this needed legislation and thereby turning over to the Senate the responsibility of legislating for the country. He mentions half a dozen fragments of legislation which he says the Senate did not put back. If the gentleman has really had a case, and if the legislation was unwise or undesirable, all he had to do was to move that it be modified or stricken out, and then the House could have voted on it. That is what it was elected to do. But the gentleman prevented the House from considering it. And then the Senate puts practically all of it back again. Don Quixote tilting at the windmills.

Mr. JONES. Now, the gentleman has finished his statement. On last Friday you will find in the RECORD where there was debate or could have been debate on every amendment containing legislation reported by the conferees in disagreement. If there was not debate, it was because the chairman of the subcommittee handling the conference did not yield time; but there could have been debate on every single amendment, if the chairman and the majority wanted to debate—you on the majority side had exclusive control of the time. The House chose to join the steam roller on the majority side and defeated the recommendations of the Comptroller General. You did not defeat the minority. You defeated your own Comptroller General, who served with distinction in this House. We are trying to uphold his hands and have honesty in the executive branch of the Government, which has been curbed by statutes of long standing, so that government of the people, by the people, and for the people, controlled by the Congress of the United States, would prevail.

Now with reference to the census item, it may be condemned adequately by a large sheaf of communications from businessmen. I have here a telegram from St. Louis, Mo. For instance, George S. Jones, Jr., telegraphs that he is against the manufactures' census and distribution census. Frederick R. Gamble, president of the American Association of Advertising Agencies of New York is against it. The Milwaukee Advertising Club is against; and yet the majority have persisted in bringing these items into the House after they were defeated originally by the subcommittee, and after they have been discredited.

Then who is it wants them? It is the bureaucracy that wants them. Why? Why does bureaucracy want the Bureau of the Census to out-gallup the Gallup poll? They want to have one gang of screwballs in the W. P. B. write an Executive order to hamstring business. Then they want to send a crew out from the Bureau of the Census to use the American businessman as a guinea pig to see what the effect of that order was; and then when they find the ruinous effect—that they have produced confusion confounded—they will change the order around and use that as the crackpot technique and pattern to change the internal economy of the United States. There is not any other excuse in the world for bringing these items in.

The only activity we on this side of the aisle have engaged in is to try to uphold the hand of the President of the United States who has made an initial step toward cutting down appropriations, uphold his hand until he gets his feet on the ground and finds out the bureaucrats he inherited are doublecrossing him.

The action of the majority speaks louder than words—its action bespeaks the very clear thought and the positive principle that the bureaucrats must carry on, they must be protected, preserved, and their grip on the country and our institutions extended, rightly or wrongly. A little thing like a very positive and long-standing rule of the House is of no consequence. The admonition of the Comptroller General that Congress should reexamine the powers and functions of the agencies, and the blank checks given them, means nothing either to the majority or to the bureaucrats. The battle cry is: Down with all salutary House rules, because they are designed merely to keep the bureaucrats in their proper spheres of performance.

For my part, nevertheless, I am entirely satisfied that my position on the State, Justice, and Commerce bill was right, decidedly in the interest of the taxpayers; and I shall assume the same position in the future on like matters and questions. The action of the minority did effect considerable savings in the State, Justice, and Commerce bill; and this fight must be continued by those of both parties who are interested in economy.

The issues are now clearly drawn on the question of economy, on waiving salutary House Rules to continue waste and extravagance; and the time must, and assuredly will, come when the taxpayers and the voters will demand an accounting of our actions on these important issues.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I shall take a few minutes.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. CANNON of Missouri. Mr. Chairman, I will take just a minute, in view of the fact that the gentleman repeatedly declined to yield to me after I had yielded him 5 additional minutes.

The gentleman complains because debate was under the control of the Member in charge of the bill. He himself was solely responsible for that situation. If he had not interposed his points of order, he and the rest of the House would have had time for debate in their own right if they had desired it. Now the gentleman resorts to name calling—a last resort. He hurls such epithets as "screwballs" and "crackpots" and speaks of double-crossing.

And he reserves to himself the arduous duty of preserving honesty in the Government. Standing like Horatius at the bridge, single-handed and alone he defends the Nation against dishonesty. And standing shoulder to shoulder with Abraham Lincoln at Gettysburg, he preserves "government of the people. by the people, and for the people." If he had just had a flag to wave at that point his argument would have been unanswerable.

I am surprised at being singled out by the gentleman from Ohio. I have not discussed the subject in the consideration of this bill.

Mr. TABER. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I want to preface my statement by quoting from a speech of the able chairman of the Appropriations Committee when he warned us very impressively a few weeks ago that our country is on the verge of bankruptcy, and that every dollar of expenditure made for our Government should be predicated on the question as to whether the expenditure of such funds is absolutely necessary in view of the financial condition of our Treasury.

We have under consideration today a bill providing for the expenditure of $18,000,000 for the Department of Commerce, the Department of Agriculture, and of Labor for making various studies and gathering statistics. I am informed that to this will be added between three and five million dollars, making a total expenditure of between twenty and twenty-five million dollars. It is my contention that the expenditure of this money is unnecessary. It is a duplication of effort of a dozen other agencies that are compiling information similar to that proposed under this measure. It is further my contention that a lot of this information, even if secured by any agency, is of no particular value to the people of this country. I am convinced it is a waste of millions of dollars as well as the waste of time of 30,000 people that would be employed under this measure.

The first item in this bill is described as a "consumer expenditure and savings study." It will cost $2,901,000 for a survey of 17,500 families and individuals. It will cost an average of $120 for each family or individual survey. Now just to show the extravagance of such survey—and I claim it is unnecessary—the Federal Bureau of Investigation investigates the entire life history of any family for less than half of this amount.

The next section provides for a consumer income study to investigate the income or purchasing power of 237,000 households. For this it is proposed to spend $3,222,000. This is a cost of about $14 for the study of each household. It is difficult to understand why it should cost $120 per family to determine their expenditures and savings and $14 to secure information about their inomes. Now, I want to call your attention that with respect to both of these items, the Bureau of Labor Statistics has made and is now making an exhaustive study of that very thing. You can write or call the Labor Department and secure all of the information you need on these subjects. If you do not seem to get it there, you can call one of a dozen other agencies and get it.

This bill further proposes to spend $5,595,000 to make a survey of 200,000 manufacturing plants. That means a cost of $28 per plant. If this information is needed and if there were no other source from which you could get it, the whole thing could be procured by sending a questionnaire to these plants, and then have them analyzed. It is impossible for me to see why you should spend five and a half million dollars for this information. In the first place, it should not cost even one-third of that amount and, secondly, you can secure this information from agencies who already have it. It is proposed also to spend $6,325,000 for a sample census of population to determine the transitional effect and shifts in population due to the war. Since there are about 50,000,000 households in the United States, it would be impossible to secure a study or report that would be very nearly accurate, and yet it is said this report is to provide reliable data concerning total population.

This item is totally unwarranted at this time when population shifts are more unstabilized than they have been in years. According to the bill this information is to determine the sex, color, age, employment, status, and occupation information. By the time this information is assembled and the "experts" have a chance to analyze it, it will be totally meaningless. The population shifts after this census has been taken nullify any results that could possibly be achieved. In any event, we have already spent hundreds of thousands of dollars on the War Manpower Commission to secure this information.

Then a "sample" census of business is proposed that will cost $1,200,000. It overlaps the census of manufacturers provided in this bill. It is a duplication and a further waste of funds. The Department of Commerce has already secured information on this very question. You can call the Department of Commerce in the Census Bureau and get up-to-date information on this subject now, if you want it. Furthermore, if you were going to secure it in a business-like manner, you would not send out hundreds of individuals, but could do it very easily by writing these business concerns. If you will write or talk to any business firm or manufacturer, they will invariably tell you they have furnished this kind of information as much as a half dozen different times to Government agencies in the last 3 years.

Mr. Chairman, the information that would be secured under this legislation after it is assembled could be used as basic data upon which to plan our economy and direct business operation of private industry during the war period. This information will be largely figures and statistics that can be worked out in a manner helpful to those who believe in planning our economy. It could be used to direct shifts of business in accordance with the manner in which they think it should be done. Studies made today will be of little use to the general public when the time comes to use it because of shifts in population and changes in business. We should wait at least until our population has become somewhat stabilized and business has a chance to know what is going to be done with Government-owned war plants, surplus property, and so forth. In any event, we do not want to be placed in a position where the Government can tell an individual or group of individuals they cannot go to Kansas City but may stay in Chicago, or vice versa. The political implications from such procedure are at least worth considering, because I do not believe the time has come when population and business of the United States should be hamstrung for the formation of a planned economy.

Mr. Chairman, I am wondering who really wants to spend this money in an attempt to secure information that is duplicated and multiplied a dozen times, a great deal of which is really unnecessary and will be useless by the time it is compiled. I have no demand from anyone in my part of the country for this legislation.

Mr. Chairman, let me call your attention again to the tremendous amount of money that is now being spent upon agencies of this Government to secure statistics and data nearly all of which is included under this legislation. The Department of Agriculture, Bureau of Agricultural Economics, requires an expenditure of $4,200,000 for statistics on crops, livestock production, farm management, and so forth. We appropriated last year $14,500,000 to the Department of Commerce, Bureau of Census, to pay more than 10,000 people to secure information on statistics on manufacturing and production, retail and wholesale trade and services, foreign trade, etc. The Bureau of Labor statistics required an expenditure this last year of more than $5,000,000 to pay more than 12,000 people to secure statistics on employment earnings, wage rates, wage conditions in industrial establishments, wholesale and retail prices, and cost of living. Besides that, there are many agencies securing and collecting data and information. Among them are the Department of Interior, Department of Agriculture, various divisions of the Department of Commerce, Federal Security Agency, Social Security Board, Federal Works Agency, Securities and Exchange Commission, Foreign Economics Administration, National Housing Agency, War Manpower Commission, and many others.

This legislation is wholly uncalled for and is unnecessary. It is duplication and multiplication of effort, a waste of manpower, and a waste of the people's money. You should not tax the people of this country, or require them to buy bonds to pay for this kind of a proposal.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 3146) making appropriations to supply additional or supplemental appropriations for the fiscal year ending June 30, 1945, and for subsequent fiscal years, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill today may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri asked and was given permission to extend his remarks in the RECORD and include an address delivered by W. L. Nelson, former Member of the House, delivered before the Columbia, Mo., Kiwanis Club on VE-day.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in three instances; to include in one a statement by J. Carson Adkerson before the Committee on Ways and Means; in the second a statement by Charles W. Holman before that same committee; and in the third a brief filed by the Sporting Arms and Ammunition Manufacturers Institute.

Mr. BENDER asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. JONES asked and was given permission to revise and extend the remarks he made in Committee today and include extraneous matter from the Comptroller General's report.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include a radio address delivered last Sunday by Winston Churchill, Prime Minister of Great Britain.

DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY AND RELATED INDEPENDENT AGENCIES APPROPRIATION BILL, 1946

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 260, Rept. No. 583), which was referred to the House Calendar and ordered to be printed:

Resolved, That during the consideration of the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

AMENDING SECTIONS 11 (C) AND 16 OF THE FEDERAL RESERVE ACT

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 259, Rept. No. 582), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution is shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3000) to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. RODGERS of Pennsylvania (at the request of Mr. GRAHAM), for 1 week, on account of official business.

BILL PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on Tuesday, May 15, 1945, present to the President, for his approval, a bill of the House of the following title:

H. R. 3038. An act to amend section 409 of the Interstate Commerce Act, as amended.

ADJOURNMENT

Mr. CANNON of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 34 minutes p. m.) the House adjourned until tomorrow, Thursday, May 17, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will hold an executive session on Thursday, May 17, 1945, at 10:30 a. m., in committee room 247, Old House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Bridge Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Thursday, May 17, 1945, to resume public hearings on H. R. 541, a bill authorizing and directing the Commissioners of the District of Columbia to construct two four-lane bridges to replace the existing Fourteenth Street or Highway Bridge across the Potomac River, and for other purposes. (Proponent witnesses.)

COMMITTEE ON THE PUBLIC LANDS

The Committee on the Public Lands will meet at 10:30 a. m. on Thursday, May 17, 1945, for the purpose of hearing testimony and acting upon the following bills: H. R. 1867, H. R. 2416, H. R. 2854, S. 497. The session will be open, to be followed by a short executive session.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Thursday, May 17, 1945, at 10 a. m., at which time hearings will be had in connection with proposed changes in the rates on books and catalogs.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Tuesday, May 22, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 o'clock a. m. on Tuesday, May 22, 1945, for consideration of housing for veterans' families.

COMMITTEE ON THE JUDICIARY

Subcommittee No. III of the Committee on the Judiciary will begin hearings at 10 a. m., Wednesday, May 23, 1945, on H. R. 2357, to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended (secs. 7 and 11). The hearings will be held in the Judiciary Committee room, 346 House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

471. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill to amend the Civil Service Retirement Act, approved May 29, 1930, as amended; to the Committee on the Civil Service.

472. A letter from the Archivist of the United States, transmitting lists or schedules covering records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

473. A letter from the President of Board of Commissioners, District of Columbia, transmitting a proposed bill entitled "A bill to remove restrictions to the appointment of retired officers of the United States Public Health Service as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

474. A letter from the Postmaster General, transmitting report on the estimated number of pieces of matter mailed free of postage under the penalty privilege during the quarter ended December 31, 1944 (exclusive of V-mail penalty envelopes) was 435,182,417, weighing 80,533,895 pounds. The cost to the Post Office Department for handling such matter was $6,527,736.44; to the Committee on the Post Office and Post Roads.

475. A letter from the Acting Administrator of the Federal Security Agency, transmitting a draft of a proposed bill to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

476. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COLMER: Committee on Rules. House Resolution 259. Resolution providing for the consideration of H. R. 3000, a bill to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes; without amendment (Rept. No. 582). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 260. Resolution waiving points of order against the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 583). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FARRINGTON:

H. R. 3230. A bill to provide for the investigation and conservation of the fishery resources and the development of the fishing industry of the Territory of Hawaii and of adjacent waters of the Pacific Ocean, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. MAY:

H. R. 3231. A bill to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps; to the Committee on Military Affairs.

H. R. 3232. A bill to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect; to the Committee on Military Affairs.

H. R. 3233. A bill to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances; to the Committee on Military Affairs.

H. R. 3234. A bill to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect; to the Committee on Military Affairs.

By Mr. McKENZIE:

H. R. 3235. A bill readjusting the rates of postage on books of fourth-class mail, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. McMILLAN of South Carolina:

H. R. 3236. A bill to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable disease," approved August 11, 1939; to the Committee on the District of Columbia.

By Mr. PIÑERO (by request of the Legislature of Puerto Rico as per its Resolution No. 1 of 1945):

H. R. 3237. A bill to provide for the submission to the people of Puerto Rico of alternative forms of political status to the end that, by mutual agreement between the people of Puerto Rico and the Government of the United States, a permanent political status may be established in Puerto Rico mutually satisfactory to both; to the Committee on Insular Affairs.

By Mr. ROE of Maryland:

H. R. 3238. A bill readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. LYNCH:

H. R. 3239. A bill to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, etc.; to the Committee on Ways and Means.

By Mr. DOUGHTON of North Carolina:

H. R. 3240. A bill to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. MILLS:

H. R. 3241. A bill to extend to articles used or resold for use as equipment or stores for civil aircraft engaged in foreign trade the same privileges with respect to refund of manufacturers' excise taxes as are applicable in the case of articles used or resold for use as equipment or stores for vessels so engaged; to the Committee on Ways and Means.

By Mr. RANKIN:

H. R. 3242. A bill to prohibit un-American activities; to the Committee on un-American Activities.

By Mr. O'TOOLE:

H. R. 3243. A bill to amend the act entitled "An act to establish a National Archives of the United States Government, and for other purposes"; to the Committee on the Library.

By Mr. KNUTSON:

H. Res. 261. Resolution creating a select committee to conduct an investigation with respect to the National War Labor Board; to the Committee on Rules.

By Mr. BUCKLEY:

H. J. Res. 198. Joint resolution for recognition of the Hebrew nation; to the Committee on Foreign Affairs.

By Mr. O'TOOLE:

H. J. Res. 199. Joint resolution to provide for preservation, maintenance, repair, protection, and administration of the home of Franklin D. Roosevelt national historic site during nonoccupancy of the property by life tenants, and for proper guarding of the grave of President Franklin D. Roosevelt; to the Committee on the Library.

By Mr. CANNON of Florida:

H. J. Res. 200. Joint resolution designating the second Thursday of October of each year as Clara Barton Day; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 3244. A bill for the relief of the Alaska Juneau Gold Mining Co. of Juneau, Alaska; to the Committee on Claims.

By Mr. BEALL:

H. R. 3245. A bill for the relief of Clarence H. Mason; to the Committee on Claims.

H. R. 3246. A bill for the relief of Walter G. Hudson; to the Committee on Claims.

H. R. 3247. A bill for the relief of Lofton S. Wesley; to the Committee on Claims.

By Mr. COLMER:

H. R. 3248. A bill for the relief of Robert E. Graham; to the Committee on Claims.

By Mr. GERLACH:

H. R. 3249. A bill for the relief of Stanley J. Lilly; to the Committee on Claims.

By Mr. HOPE:

H. R. 3250. A bill for the relief of Elmer W. Haas; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

657. By Mr. ANDREWS of New York: Resolution adopted in the Polish Union Home in Buffalo, N. Y., regarding continued efforts of the United States delegates at the San Francisco Conference in behalf of Poland; to the Committee on Foreign Affairs.

658. By Mr. COCHRAN: Petition of Mrs. Mary Weber and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

659. Also, petition of Mrs. Elizabeth Heidemann and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

660. Also, petition of Mr. Fred J. Davis and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

661. Also, petition of Mr. James Turner and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

662. Also, petition of Mr. Paul Lungstras and 34 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

663. By Mr. LANE: Petition by the Greater Boston Congress of Industrial Organizations industrial union council at its last meeting, pertaining to conditions at the Charlestown Navy Yard, especially as to labor relations and the lower divisions of management; to the Committee on Labor.

664. By Mr. LYNCH: Petition of the Legislature of the State of New York, urging the passage of House Resolution 448 or other appropriate legislation to establish a commonwealth at Palestine; to the Committee on Foreign Affairs.

SENATE

THURSDAY, MAY 17, 1945

(Legislative day of Monday, April 16, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, to whom vengeance belongeth, our shuddering souls have peered into pits of human horror which but reveal the awful depths to which man falls when he turns utterly from Thee. The abominations which have polluted the good earth, our brothers' blood crying from the ground, warns us of dark forces waiting to lay waste our own lives. Without Thee, Thy life, Thy light, Thy love, our own hearts are deceitful above all things and desperately wicked.

Lead us not into temptation; deliver us from evil. Cast us not away from Thy presence. Take not Thy Holy Spirit from us, O Thou God of our salvation who only redeemeth our life from destruction. In the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
May 17, 1945.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALLEN J. ELLENDER, a Senator from the State of Louisiana, to perform the duties of the Chair during my absence.

KENNETH MCKELLAR,
President pro tempore.

Mr. ELLENDER thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, May 15, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 15, 1945, the President had approved and signed the following acts:

S. 62. An act to amend section 3 (b) of the Securities Act of 1933, as amended, so as to permit exemption of security issues not exceeding $300,000 from the provisions of such act;

S. 70. An act for the relief of Maria Manriquez Ruiz;

S. 71. An act for the relief of the legal guardian of Estella Ruiz;

S. 174. An act for the relief of Mary Martha Withers, as trustee; Mary Martha Withers, as administratrix of the estate of Beatrice Withers, deceased; and Mary Martha Withers, individually;

S. 316. An act for the relief of June I. Gradijan;

S. 328. An act for the relief of James A. Kelly;

S. 359. An act for the relief of Mrs. Ellen McCormack;

S. 407. An act for the relief of Pierce William Van Doren and Elmer J. Coates;

S. 467. An act for the relief of Maj. Malcolm K. Beyer;

S. 569. An act to reimburse certain Marine Corps personnel and former Marine Corps personnel for personal property lost or damaged as the result of a fire in the training building at the Marine Corps air station, Cherry Point, N. C., on June 3, 1944;

S. 591. An act for the relief of Chesley Brazil;

S. 655. An act amending the act of June 25, 1938 (52 Stat. 1207), authorizing the Secretary of the Interior to pay salary and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath business committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe, as amended, and for other purposes; and

S. 701. An act to provide a method for the wartime reduction of temporary grades held by general officers of the Army of the United States.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2907) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHEPPARD, Mr. THOMAS of Texas, Mr. COFFEE, Mr. WHITTEN, Mr. PLUMLEY, Mr. JOHNSON of Indiana, and Mr. PLOESER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1044. An act for the relief of Martin-Rockwell Corporation with respect to the jurisdiction of the Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act; and

H. R. 2035. An act to reclassify the salaries of postmasters, officers, and employees of the Postal Service, to establish uniform procedures for computing compensation; and for other purposes.

NORWAY'S INDEPENDENCE DAY—AID TO NORWAY

Mr. WILEY. Mr. President, there is great rejoicing today in the hearts of 3,000,000 of our gallant allies. The bells are ringing at this very hour in a land which is dear to the liberty-loving peoples of the earth. The good folk of Norway are today celebrating the one hundred and thirty-first anniversary of their constitution.

They are giving thanks to Almighty God for this the first free celebration of their national holiday since April 9, 1940, when Norway was thrust into bondage. The land of my forefathers, which I saw last in 1939, just before the war,

flourishing in democracy and peace, has today come into her heritage once again.

Constitution Day for the freedom-loving Norwegians may be almost as jubilant as was VE-day a week ago. On VE-day there were thrilling scenes of indescribable happiness among the usually calm and restrained Norse people. Merry crowds paraded along fully lighted streets. They alternately wept and sang their national anthem. The flag of their country flew everywhere. Newly released political prisoners were carried triumphantly on the shoulders of the happy throngs. The day of liberation, for which the Vikings have waited, to achieve which they had resisted on the home front and attacked on foreign fronts, had at last arrived.

Today, the 17th of May, is Norway's Fourth of July. It marks that memorable day in 1814 when Norwegian representatives assembled at the little town of Eidsvold and approved a constitution for their people.

That constitution was the last in the long series of liberal constitutions which were enacted during the years between the American Declaration of Independence and the end of the Napoleonic wars. The Norwegian Constitution adopted features from all of its predecessors; yet it possessed a unique Viking flavor. In its general provisions may be found embodied the basic ideas of the American and French declarations of the rights of man. The paragraphs relating to personal liberty were formulated in the spirit of English ideas. The Norwegian Parliament, the Storting, took shape with the British Parliament in mind.

Norway's Constitution has withstood the ravages of time and treason. It has proved an enduring guide to the Norwegian people. That is because from its very inception it has represented the deepest longings of that people. Those longings were for a government based upon the soundest and most workable ideals of orderly and democratic living. Like our own beloved Constitution of the United States, the Norwegian document was built about an inner core that could be readily adapted to changing conditions. Neither the impact of years, nor the impact of new and old antidemocratic philosophies, nor the rifle butt, nor the hobnailed boot of the invader could shake the faith or the love of Norsemen for the righteous law of their land. Throughout the long period of enslavement from 1940 to 1945, King Haakon, his ministers and members of the Parliament, kept in constant touch with the home-front resistance movement. Norway's leaders in exile passed on no single important decision without first finding out the desires and opinions of the homeland folk.

Mr. President, let me say as an aside that one of the members of the Supreme Court of Norway was the head of the underground movement in that little nation. It was he who had much to do with the organization of the underground movement which worked so effectively in the cause of the Allies.

Today Crown Prince Olaf, commander in chief of the Norwegian armed forces, together with members of King Haakon's Council of State, are in Oslo. An order from the King has already been put in effect for the protection of workers' wages. Under an agreement formulated while Norway was still enslaved, her trade-unions and employers have agreed to renounce the right to strike for 1 year. Arbitration will be used to settle all disputes.

What a wholesome thing that would be in this country. We are still at war, but in Pennsylvania some 70,000 coal miners are striking, and the question is whether there will be sufficient coal next year in America.

The Norwegian Ministry of Finance has taken legal steps to block the bank accounts of Nazi collaborators. The Norwegian Supreme Court has met to consider the procedure by which swift and just punishment will be meted out to Vidkun Quisling and his fellow traitors. It is significant that the president of the Norwegian Supreme Court, as I have said, was one of the most prominent leaders of the home-front resistance.

The road ahead for Norway will be hard. The flower of Norwegian manhood lies beneath the waves. Over 10 percent of her seamen have perished in the battle to maintain open the sea lifelines of the United Nations. Her merchant fleet, the fourth largest in the world, has lost 50 percent of its vessels due to enemy action. The flower of Norwegian youth lies, too, in foreign fields where it fell in battles of the land and air. It sleeps forever in the hallowed land of Norway itself, where many a brave heart and stout soul fell under the lash, the bullet, the bomb of the invader.

Norway has suffered grievously under the cruel yoke of her oppressor. Exact figures are as yet unavailable, but preliminary estimates indicate a heartrending toll.

It has been estimated that the percentage of Norwegians who were placed in German concentration camps was so high that were that percentage applied in America, it would mean that 1,000,000 Americans would have been in prison. The German military command alone has drawn at least 12,000,000,000 crowns from the Bank of Norway. Added to that theft are the vast funds requisitioned and looted.

A number of Norwegian cities like Narvik, Steinkjaer, Namsos, Khristianssand, and Boboe, have been wiped off the map by aerial and land bombardments. There has been heavy aerial damage in other cities, and destruction of much land around military establishments.

The northern province of Finnmark was absolutely devastated by the ruthless enemy forces in their retreat before attacking Norwegian and Soviet troops. The city of Hammerfest, the northernmost city in the world, was razed and left with a single house standing.

Norway's food production has been seriously impaired. It is estimated that 75–80 percent of Norway's poultry, 60 percent of her hogs, 50 percent of her fur industry, are gone. We do not know how many of her cattle are gone. This resulted from German plundering, necessary slaughtering by the Norwegians themselves, in order to make up for food supplies confiscated by the Germans and also resulted from loss of necessary fodder imports.

Norway's whaling fleet, once the largest in the world, has been almost completely destroyed. Many of her fish canneries have been blasted to rubble.

This loss of food production and the simultaneous reduction of clothing, shelter, and other needed health items have taken a serious toll of Norway's usually robust health. In 1939, there were 72 cases of diphtheria; none were fatal. In 1943, there were 23,000 cases of diphtheria, with many fatal. In 1938 there were 98 cases of scabies; in 1944 there were 63,000. Epidemics of scarlet fever and tuberculosis have raged.

This is only a small part of the grim story of Norway's sorrow which is available at this early date.

But the Norse will rise beneath their crushing burdens. They will prove adequate to every challenge placed upon them.

These 3,000,000 people have proved a model to the world. They have proved what political, social, and economic balance can do for the happiness and contentment of an entire people.

I was in Norway in 1939. Senators will remember our economic condition at that time; but the Norwegians had a balanced budget, and 500,000,000 kroner to put into their treasury to take care of the aged. In that land of pine-clad hills and great forests, of towering mountains and deep valleys, of lakes and fjords; in that land which is only 125,000 square miles in area, approximately the size of California, they have proved what character, what thrift, industry, and diligent toil can accomplish.

Now they are going to show the world how rapid a recovery a stout-hearted, energetic people can make. They are going to prove how swift and effective a job of human and physical reconstruction a free people can accomplish in spite of suffering, of deprivation, and of sorrow.

The pastors are returning to their churches, the students to their universities, the teachers to their schools, the evicted families to their homesteads, the exiles to their beloved homeland. Sincere political harmony prevails. The Vikings are at work for themselves again and for their nation. They are working freely and breathing freely and worshiping freely.

America knows how splendid are the fruits of Norwegian freedom. We know of the stalwart Vikings who conquered ocean distances to land on our shores 500 years before Columbus and left an imperishable mark of their amazing civilization. We know, too, of the hardy Norse settlers who came centuries later and hewed their homes from the wilderness. We know how these immigrants, schooled in liberty, justice, and independence smoothly assimilated into the life of our Nation. We take the fiercest of pride in names which breathe the spirit of sportsmanship—energy and ingenuity—such as that of Knute Rockne, as American in spirit as it was Norwegian in origin. We take pride in those other sons and daughters which Norway has

given to humanity—Edvard Grieg, Henrik Ibsen, Sigrid Undset, Roald Amundsen, Fridtjof Nansen, Thorstein Veblen, and many others.

America does not forget her friends. In gratitude for what Norway has meant to all democratic peoples, in appreciation of Norway's heroic sacrifices during this war, in sympathy and understanding of the difficulties she now faces, America will help Norway to help herself. Our citizens, particularly those of Norwegian descent, will rally to her side with necessary aid.

I have already called for the immediate shipment of seed for spring planting, to lands such as Norway; for the dispatch of fishing boats an dequipment, livestock and poultry to her; of mine-detector apparatus and mine instructor aides to enable her to clear her waters of mines and thus get back her fisheries into production so as to feed herself and help feed Europe.

America will be proud and honored to be a good samaritan to her good friend Norway.

We know that food must be provided, and it is the next 90-day period that will be crucial. In this country there is a surplus of wheat and in many of the countries like Norway it is the next 90-day period, between now and the harvesting of the next crop, that will be crucial, depending on whether or not surpluses will reach them to take care of their people. That is true of Holland, Belgium, France, and a number of countries in the Balkans.

I repeat, America will be proud and honored to be a good samaritan to her good friend, Norway. The citizens of the United States may in this hour of supreme national effort sing God Bless America, and by their worthy deeds may themselves bless our own land. And the people of Norway may sing today and forever the anthems of their fathers, and by their gallant deeds, too, they shall hallow their motherland. By our deeds shall we both be known.

FOOD FOR EUROPE

Mr. BARKLEY. Mr. President, day before yesterday in reading the report of the congressional delegation on its visit to Germany, I tried to give the Senate some idea of the horrible results in Europe of a people being led by men whose lust for power turned them into beasts. In the system of bestiality which they established food played an important role. They took ample food for themselves, and by keeping it away from their captives, except in tormentingly inadequate quantities, made it an instrument of diabolical torture.

Starvation for their enemies—in one place swift starvation, in another prolonged starvation—became a primary method in their mad design for world conquest. Now, to repair the ravages these people and their leaders in their degradation have brought upon European civilization, food must be made to play an opposite role. It must become the restorer of the spirit and bodies of multitudes, young and old, who have barely escaped extinction in this colossal desecration of humanity's long, evolutionary striving for cultural development.

President Truman has recently written a letter stressing the importance of food in the critical period ahead. The letter was to Mrs. Dwight W. Morrow, chairman of Food for Freedom, Inc., and was made public last Sunday. Mrs. Morrow and her organization are dedicated to the principle that expanding production and better distribution of food to those in need are democracy's most effective weapons in the fight against totalitarian tyranny of whatever form.

The President's letter was in reply to one signed by Mrs. Morrow and 21 other leaders of national religious, farm, civic, and labor organizations. The signers included such leaders as Mrs. La Fell Dickinson, president of the General Federation of Women's Clubs; Mrs. Henry A. Ingraham, president of the national board of the Young Women's Christian Association; and Edward A. O'Neal, president of the American Farm Bureau Federation.

Because I agree that an expanding food production and an improved distribution geared to raise the nutrition and health standards of all peoples are the most essential weapons in democracy's armory in the days ahead, I want the President's letter, as reported in the New York Times of Sunday, May 13, 1945, to appear in the CONGRESSIONAL RECORD. It may thus come to the attention of my colleagues and others who might not have seen it in the press. I also ask that the letter Mrs. Morrow transmitted to the President likewise be published in the RECORD.

There being no objection, the letters referred to were ordered to be printed in the RECORD, as follows:

APRIL 21, 1945.

Hon. HARRY S. TRUMAN,
President of the United States,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: We are writing to assure you, as you assume the burdens and responsibilities of guiding this Nation in its international relations, of our earnest support for a generous policy to our allies which can become the basis for a constructive peace.

Most particularly, we want you to know of the desires of our memberships that the United States shall fulfill its promises of food to relieve hunger in the liberated countries. Each of our organizations, through its democratic procedure, has declared itself in support of the United Nations Relief and Rehabilitation Administration.

We have been deeply distressed by the reports that U. N. R. R. A. has been unable to secure the foods it has sought to buy to supplement starvation diets abroad. Though individuals among us may have been inconvenienced by difficulties in finding the foods we prefer, we all know that we are well fed while the children of our allies are stunted by prolonged malnutrition.

At this time we can find no direct way to express our desire to share our food with the liberated peoples. We must, therefore, turn to you, as the one who can translate this wish into action. For the sake of the future peace and security of this Nation and of the world, we ask you to see to it that our food commitments abroad are faithfully kept.

Very truly yours,

Dr. Kathryn McHale, general director, the American Association of University Women; Edward A. O'Neal, president, the American Farm Bureau Federation; William Green, president, the American Federation of Labor; Miss Lelia Massey, executive secretary, the American Home Economics Association; Elmer L. Marshall, president, American Veterans of World War II (AMVETS); W. O. Lewis, general secretary of the Baptist World Alliance; Ray Gibbons, director, Council for Social Action, the Congregational Christian Churches; Philip Murray, president, the Congress of Industrial Organizations; James G. Patton, president, the Farmers Union; Mrs. Dwight W. Morrow, president, Food for Freedom; Mrs. La Fell Dickinson, president, the General Federation of Women's Clubs; Mrs. Katherine Armatage, president, the League of Women Shoppers; Mrs. Henry A. Ingraham, president, the National Board of the Young Women's Christian Association; Miss Elizabeth Magee, executive secretary, the National Consumers League; Mrs. Joseph M. Welt, president, the National Council of Jewish Women; Mrs. Mary McLeod Bethune, president, the National Council of Negro Women; Willard E. Givens, executive secretary of the National Education Association; Miss Margaret A. Hickey, president, the National Federation of Business and Professional Women; Clyde Murray, president, the National Federation of Settlements; Albert Goss, president, the National Grange; Mrs. Margaret F. Stone, legislative chairman, the National Women's Trade Union League; Mrs. Harper Sibley, president, the United Council of Church Women.

THE WHITE HOUSE,
Washington, May 9, 1945.

Mrs. DWIGHT W. MORROW,
President, Food for Freedom, Inc.,
Washington, D. C.

DEAR MRS. MORROW: I am greatly encouraged by the letter of April 21 which you transmitted to me several days ago signed by the heads of a number of national religious, civic, farm, and labor organizations.

I am sure it must also encourage the United Nations' representatives now meeting at San Francisco. Particularly is this true of the leaders of those nations laid waste by the destruction and brutality of Nazi-Japanese tyranny.

No immediate means of giving hope to the victims of this tyranny can have so great an effect as the sharing with them by the people of our country of the food supplies we have available.

The signers of the letter you forwarded to me express concern over reports that U. N. R. R. A. has been unable to obtain all the food supplies it has sought to relieve starvation abroad. They explain that they speak for their organizations which have each voted support of U. N. R. R. A.

Backed by such spontaneous popular expression we must and can find a way to accomplish their desires to share their food with others so badly in need .

Please accept my thanks for placing the letter in my hands. You and other signers render a public service by giving active attention to the solution of the food problem at home and abroad.

Very sincerely yours,

HARRY S. TRUMAN.

SUGGESTION THAT GENERAL EISENHOWER VISIT AMERICA

Mr. LUCAS. Mr. President, I rise at this time to read into the RECORD an editorial appearing in the Chicago Daily News for May 17, 1945. It is entitled

"Memo to General Marshall," and reads as follows:

MEMO TO GENERAL MARSHALL

How about bringing General Eisenhower home for a visit as a high light to the seventh bond drive?

The country has not had any hurrah or parades since this war began and Ike has not had a night out since the war began, except for a belated VE-day celebration in London. Londoners went wild when they saw him in a theater and night club. We'd like to do the same.

The time would not be lost, because Ike parading down Pennsylvania Avenue, Fifth Avenue, and Michigan Boulevard would be the best spur to the bond drive we could think of. Of course, he would have to take a week end in his home town of Abilene, too.

We know the war isn't over, and that it won't be over until Japan is as thoroughly licked as Ike has beaten Germany. He knows his work in Europe isn't finished and he will probably have to stay over there for some time, to direct the occupation of Germany. But that will take a long time, and meantime he ought to have a little time off.

We believe right now is the time for all of us to show our appreciation of what he and his troops have accomplished.

General Eisenhower's visit would be like a seventh-inning stretch in a critical ball game.

P. S.—We hope it won't be too long before you yourself, along with Admiral King, Admiral Nimitz, and General MacArthur can have a night off.

Mr. President, I agree with the editorial. Never before in our military history have we achieved so many magnificent victories as we have now achieved under the superb leadership of General Eisenhower in Europe. Now is the time to give the general a few days off from his busy life. Now is the time to let the general know our deep appreciation of what he and his troops have accomplished.

I predict that the reception that will be accorded to this distinguished soldier by the American people upon his return will be unparalleled in all our history.

INVITATION TO SENATE TO PARTAKE OF COLUMBIA RIVER SALMON

Mr. MORSE. Mr. President, at the risk of offending the dignity of the Senate, I wish to make an announcement and, at the same time, extend an invitation in behalf of the senior Senator from Oregon [Mr. CORDON] as well as myself. Since coming to the Senate, the Senators from Oregon have heard from other Senators a good many fish stories which have stressed the superiority of eastern fish over western fish. The two Senators from Oregon invite the other Senators to be their guests tomorrow noon in the Senate dining room, when Columbia River salmon, provided by the Columbia River Packers' Association, will be served. It is our purpose to demonstrate, particularly to the eastern Senators, that they simply do not know good fish until they join with us at lunch tomorrow. I hope all Members of the Senate can be with us.

Mr. LANGER. Mr. President, I am certainly glad I heard that interesting announcement.

Mr. HILL. Mr. President, I am happy to be able to say that I accept the invitation of the Senator from Oregon.

CONDOLENCE ON DEATH OF FRANKLIN D. ROOSEVELT

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of State, enclosing a despatch from the American Embassy at Ankara, transmitting text of decision by the Turkish Grand National Assembly expressing the sorrow of the assembly and the Turkish Nation on the death of Franklin D. Roosevelt, which was ordered to lie on the table.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE—LEGISLATIVE BRANCH (S. Doc. No. 48)

A communication from the President of the United States, transmitting an estimate of appropriation for the legislative branch, United States Senate, fiscal year 1945, amounting to $50,000 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

AMENDMENTS OF CIVIL SERVICE RETIREMENT ACT

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to further amend the Civil Service Retirement Act, approved May 29, 1930, as amended (with an accompanying paper); to the Committee on Civil Service.

A letter from the president of the United States Civil Service Commission, transmitting a draft of proposed legislation to amend the Civil Service Retirement Act approved May 29, 1930, as amended, in order to protect the retirement rights of persons who leave the service to enter the armed forces of the United States (with an accompanying paper); to the Committee on Civil Service.

CLAIM OF A. M. STRAUSS AGAINST THE UNITED STATES

A letter from the Comptroller General of the United States, transmitting his report and recommendation concerning the claim of *A. M. Strauss* v. *The United States* (with an accompanying report); to the Committee on Claims.

JANUARY 1945 REPORT OF R. F. C.

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of the Corporation for the month of January 1945 (with an accompanying report); to the Committee on Banking and Currency.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents in the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A memorial of the Legislature of the State of Florida; to the Committee on Finance:

"House Memorial 3

"Memorial to petition Congress to investigate the Veterans' Administration by special committee

"Whereas it has been brought to the attention of the Legislature of the State of Florida that certain unsatisfactory conditions exist in the administration of veterans' affairs by the Veterans' Administration; and

"Whereas the Legislature of the State of Florida is vitally interested in the welfare and well-being of those men and women who have entered the service of the United States from the State of Florida; and

"Whereas the Legislature of the State of Florida is desirous of achieving for the veterans the full benefit of the promises contained in legislation by the Congress of the United States; and

"Whereas the Legislature of the State of Florida is without power to act in the premises except in this manner: Now, therefore, be it

"Resolved by the Legislature of the State of Florida:

"1. That the Congress of the United States be and it is hereby memorialized to make or cause to be made a complete and thorough investigation and survey of the administration of veterans' affairs by the Veterans' Administration, such investigation to be made by a committee specially selected for such purpose, said committee to report its findings to the Congress for such further action as shall be necessary to secure to the veterans the full benefit of such laws as have been enacted, to the end that the returning serviceman and woman may receive those things to which they are justly entitled under such laws.

"2. That the Veterans' Administration be absolved of guilt in connection with those matters over which it has no control and that it be required to correct any evils within its power so to do.

"3. That such action by the Congress is necessary at this time so that immediate changes which may be necessary and possible shall be made at this time in the manner of operation of the Veterans' Administration and so that plans may be prepared for those changes which must of necessity await the end of the war.

"4. That a copy of this memorial be submitted to each member of the Florida delegation in the Congress of the United States and a copy be spread upon the journals of the senate and house of representatives of this State, respectively, and that the secretary of state of this State be and he is hereby directed immediately to transmit, under the great seal of the State of Florida, a certified copy of this memorial to the Chief Clerk of the Senate of the United States and a certified copy of this memorial to the Chief Clerk of the House of Representatives of the United States.

"Became a law without the Governor's approval.

"Filed in office, secretary of state, May 14, 1945."

A memorial of the Legislature of the State of Florida; to the Committee on Post Offices and Post Roads:

"House Memorial 4

"Memorial requesting Congress to pass House Resolution 2071, the purpose of which resolution is to reclassify the salaries of postmasters, officers, and employees of the Postal Service

"Whereas employees of the Postal Service have not had a permanent wage adjustment since 1925; and

"Whereas employees of the Postal Service are today required to perform greater duties than heretofore; and

"Whereas there has been introduced in the United States House of Representatives,

House Resolution No. 2071, being a resolution to reclassify the salaries of postmasters, officers, and employees of the Postal Service: Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That the Congress of the United States be, and it hereby is, requested to immediately pass House Resolution 2071; be it further

"Resolved, That the Secretary of State of Florida be, and he hereby is, directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States, and copies to the Members of the said Senate and House of Representatives from this State.

"Became a law without the Governor's approval.

"Filed in office, secretary of state May 14, 1945."

A resolution adopted by the Utica (N. Y.) Chamber of Commerce, favoring the enactment of legislation to increase the specific exemption from excess-profits tax from $10,000 to $25,000 applicable to corporation earnings for 1945; to the Committee on Finance.

By Mr. THOMAS of Oklahoma:

Two concurrent resolutions of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Senate Concurrent Resolution 19

"Concurrent resolution memorializing Congress to waive payment of interest and authorize refund of interest heretofore paid on deficiencies in income taxes arising out of the Oklahoma community property law being invalidated for Federal income tax purposes by the Supreme Court of the United States

"Whereas on May 10, 1939, the State of Oklahoma in the exercise of its sovereign power adopted a community property law applicable to husbands and wives who irrevocably elected to make the provisions of said law apply to them; and

"Whereas several thousand citizens of the State of Oklahoma did so elect; and

"Whereas the validity of said law for Federal income tax purposes was sustained by the United States Tax Court and by the United States Circuit Court of Appeals for the Tenth Circuit, and

"Whereas the Supreme Court of the United States by a divided court held, in the case of *Commissioner of Internal Revenue* v. *C. C. Harmon*, that the said community property law was ineffective so far as Federal income taxes are concerned: Now, therefore, be it

"Resolved by the Senate of the Twentieth Legislature of the State of Oklahoma (the House of Representatives concurring therein):

"SECTION 1. That the Congress of the United States of America be and it is hereby memorialized to enact a law waiving interest on deficiencies in income taxes arising out of the Oklahoma community property law being invalidated for Federal income tax purposes by the Supreme Court of the United States, and providing for refund of interest paid on account of such deficiencies.

"SEC. 2. That the secretary of the senate be and he is hereby directed to forward a copy of this resolution to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each Senator and Representative from the State of Oklahoma to the Congress of the United States.

"Adopted by the senate the 5th day of April 1945."

"Senate Concurrent Resolution 21

"Concurrent resolution memorializing Congress to pass H. R. 2376 (79th Cong., 1st sess.) establishing a veterans' hospital at Boley, Okla., for Negro veterans

"Whereas there has been introduced in the Congress of the United States a bill (H. R. 2376, 79th Con., 1st sess.) the purpose of which is declared to be 'To provide for the establishment of a veterans' hospital at Boley, Okla., for negro veterans,' which said bill authorizes the sum of $2,000,000 to be appropriated to enable the administrator of Veterans' Affairs to acquire a suitable site in Boley, Okla., and to contract for the erection thereon of a hospital for Negro veterans; and

"Whereas Boley, Okla., is located within approximately 60 miles of the headquarters of the administrator of veterans' affairs in the State of Oklahoma; and

"Whereas Boley, Okla., is the largest incorporated town in the United States inhabited and governed exclusively by Negroes: Now, therefore, be it

"Resolved by the Senate of the Twentieth Oklahoma Legislature (the House of Representatives concurring therein):

"SECTION 1. That the Congress of the United States be, and it is hereby memorialized to pass said bill or such other bill as will establish a veterans' hospital for Negro veterans within the State of Oklahoma.

"SEC. 2. That the secretary of the senate be, and he is hereby directed to forward a copy of this resolution to each member of the Oklahoma delegation in Congress, and that each be requested to use his best efforts to accomplish the purpose to which the bill referred to is directed."

PETITIONS FROM WISCONSIN

Mr. WILEY. Mr. President, I have several petitions from constituents in Wisconsin.

One petition is from citizens of Oshkosh, remonstrating against prohibition legislation.

Another is from constituents in Milwaukee relating to the removal of obstructions to the distribution of margarine and soya butter.

The third petition comes from mothers of Cornell, praying for the enactment of Senate bill 623, relating to the prohibition of advertisements of alcoholic beverages by radio.

The right of petition, Mr. President, is a cherished American right. I ask unanimous consent to present the petitions and that they be appropriately referred and printed in the RECORD without the signatures attached.

The ACTING PRESIDENT pro tempore. Without objection, the petitions will be received, appropriately referred, and printed in the RECORD without the signatures attached.

To the Committee on the Judiciary:

OSHKOSH, WIS.

We, the undersigned, all voting citizens of the State of Wisconsin, hereby protest against the consideration by Congress of any prohibition legislation, and have signed our names in protest of such until the conclusion of the present war, and the termination of mobilization. We further respectfully request that this petition be listed in the CONGRESSIONAL RECORD.

To the Committee on Agriculture and Forestry:

MILWAUKEE, WIS.

TO THE HONORABLE ALEXANDER WILEY:

We, the undersigned, do hereby petition and make known our desire to keep soya butter on the market available for our use. We feel it is in the interest of progress and public welfare that this fine product be kept available. In addition to being an enjoyable, as well as nutritious food, we understand that many persons, because of dietary problems, find this product invaluable, particularly when they are unable to use butter made from animal fat and also for vegetarians, who exclude animal products from their diet.

We respectfully request that you lend your influence and support to certain legislation formerly introduced in the Seventy-eighth Congress. "A bill to regulate the production and distribution of oleomargarine, and/or soya butter, and to remove certain obstructions to the distribution of said products." As citizens of your respective territory, we humbly claim our rights under the Constitution and Bill of Rights and would be heard and recognized without coercion or undue pressure and we respectfully request your cooperation.

To the Committee on Interstate Commerce:

CORNELL, WIS., *May 11, 1945.*

To the Congress of the United States of America:

We, the undersigned, are qualified voters and many of us mothers with sons in the service of our country. Our Government asks us to save fats, paper, tins, and ration our supply of sugar, butter, etc., and we are glad to help in this way. We believe it is no more than justice that we should expect our Government to respect and protect our homes morally by not allowing the advertising of beer and wine over the radio. It is impossible if the radio is used at all but what such advertising will flood the home.

We urge the passage of Senate bill 623, the Johnson bill.

PETITIONS FROM KANSAS REGARDING O. P. A.

Mr. REED. Mr. President, I ask unanimous consent to present for printing in the RECORD, as a part of my remarks, without the signatures attached, several identical petitions I have received from grocery concerns in Kansas regarding the O. P. A.

These concerns and the number of customers signing the petitions are as follows:

The Allen Piat Grocery and Market, Parsons, Kans., signed by 90 customers; the John Duvall Market, Kansas City, Kans., signed by 60 customers, and the Glenn Watson Food Mart, Kansas City, Kans., signed by 60 customers.

I ask for the proper reference of these petitions.

The ACTING PRESIDENT pro tempore. Without objection, the petitions will be received, referred to the Committee on Banking and Currency, and one of the petitions will be printed in the RECORD without the signatures attached.

One of the petitions presented by Mr. REED is as follows:

Senator CLYDE REED,
United States Senate,
Washington, D. C.

DEAR SENATOR: We, the undersigned, hereby respectfully petition you as follows:

1. To support such immediate changes and amendments in the existing price control law and stabilization program as will, in your opinion:

(a) Increase the supply of food available for both military and civilian use;

(b) Eliminate black markets; and

(c) Simplify O. P. A. regulations and lighten the burden of compliance for the overworked retail grocer.

2. In support of our request for a thoroughgoing review of the price-control law at this time, we have only to cite official figures which show that the present meat famine really exists in the midst of plenty—i. e., the present live cattle population of the country is the largest in history.

Respectfully submitted.

ADMINISTRATOR TO CONTROL SUPPLY AND DISTRIBUTION OF FOOD

Mr. CAPPER. Mr. President, I have received a letter from the Betts Baking Co. taking a stand for the appointment of one administrator to control the entire supply and distribution of food. Mr. Betts believes that the public will thereby receive a fair share of foods and supplies during the coming year.

I have also received another letter on the same subject from I. N. Fehr, president of the Manor Baking Co., Kansas City, Mo., and ask unanimous consent to have both letters printed in the body of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD as follows:

MANOR BAKING CO.,
Kansas City, Mo., May 11, 1945.

The Honorable ARTHUR CAPPER,
United States Senator from Kansas,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I wish to call your attention to the growing seriousness of the food situation here in our own country. According to our information the Army, Navy, and various other Federal agencies are taking and storing up a large proportion of all foods except cereals and to the point where it is becoming critical.

It goes without saying that we must send plenty of food to our armed services so they will not want for a single item. Also, we should do everything possible to help feed the hungry peoples of Europe while helping them to take care of themselves. However, we should check up to see just how much food is really needed. Rumors persist that some of this stored food is spoiling. Evidently there is not any definite program or plan of just what to do with all this food after it is obtained.

Federal agencies at present are taking such a large proportion of lard and other shortenings so that bakers on the home front, with their dwindling receipts of shortening, will soon be unable, even with the leanest of formulas, to continue to process enough foods from our plentiful supply of cereals to replace other scarce foods. Palatable baked foods cannot be made from cereals unless we have other supplemental ingredients and among them, shortening is one of the most important.

If the present condition continues to the point where bakers, due to inability to get shortening, must limit their production, it will be equivalent to rationing of our cereal foods, or in other words, we would find ourselves in a position where it would be necessary to ration cereal foods even in the midst of plenty of raw materials.

In closing, we ask that you do everything within your power to find out where all this food is going and whether all the Federal agencies are properly coordinated. Also, just how much food our country can spare to the rest of the world without making ourselves worse off than the people we are trying to help.

We feel you are in a position to help straighten out this serious food problem before it is too late.

Very truly yours,
I. N. FEHR, *President.*

BETTS BAKING CO.,
Hutchinson, Kans., May 10, 1945.

Hon. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: It is my recommendation that you use your good office supporting the appointment of one administrator to control the entire supply and distribution of food, toward the end that civilians, including industrial users, will receive a fair share of foods and supplies during the coming year.

I have so much confidence in what Congress can and will do in this respect that I urge you to take such action as you see fit immediately.

Yours very truly,
B. G. BETTS.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Claims:

H. R. 856. A bill for the relief of Frances Biewer; without amendment (Rept. No. 272);

H. R. 879. A bill for the relief of Ed Williams; without amendment (Rept. No. 273);

H. R. 1054. A bill for the relief of Mrs. Mary Karalis; without amendment (Rept. No. 274);

H. R. 1845. A bill for the relief of Domenico Strangio; without amendment (Rept. No. 275); and

H. R. 2068. A bill to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service; without amendment (Rept. No. 276).

By Mr. WHERRY, from the Committee on Claims:

S. 134. A bill for the relief of Ida E. Laurie and Zella Rickard; without amendment (Rept. No. 277);

S. 301. A bill for the relief of Mr. and Mrs. James E. McGhee; without amendment (Rept. No. 278);

S. 501. A bill for the relief of the Catholic Chancery Office, Inc.; without amendment (Rept. No. 279); and

S. 512. A bill for the relief of Mr. and Mrs. Arthur R. Brooks; with amendments (Rept. No. 280).

By Mr. O'DANIEL, from the Committee on Claims:

H. R. 1566. A bill for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.; with an amendment (Rept. No. 282).

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

S. 833. A bill to authorize the Secretary of War to exchange with the Rosslyn Connecting Railroad Co. certain lands in the vicinity of the War Department Pentagon Building, in Arlington, Va.; with an amendment (Rept. No. 281).

By Mr. JOHNSON of Colorado, from the Committee on Military Affairs:

S. 528. A bill for the relief of Thaddeus C. Knight; without amendment (Rept. No. 283).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon pursuant to law.

PRINTING OF REPORT ON SURVEY OF FISHERY RESOURCES

Mr. HAYDEN. Mr. President, from the Committee on Printing I ask unanimous consent to report favorably Senate Concurrent Resolution 14, authorizing the printing of additional copies of the letter of the Secretary of the Interior, dated February 2, 1945, transmitting a report on a survey of the fishery resources of the United States and its possessions, and I ask consent for the immediate consideration of the concurrent resolution.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be read for the information of the Senate.

The Chief Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the letter of the Secretary of the Interior, dated February 2, 1945, transmitting, pursuant to Public Law No. 302, Seventy-eighth Congress, approved May 14, 1944, a report on a survey of the fishery resources of the United States and its possessions, be printed as a Senate document, and that 33,100 additional copies shall be printed, of which 10,000 copies shall be for the use of the Senate, 22,100 copies for the use of the House of Representatives, 500 copies for the use of the Committee on Commerce of the Senate, and 500 copies for the use of the Committee on the Merchant Marine and Fisheries of the House of Representatives.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

Mr. WHITE. Mr. President, the Senator from Arizona has been good enough to show me the resolution, and I have had an opportunity to look at it, though somewhat hastily.

Our fisheries are of such tremendous consequence to our citizens, and I fear are so little appreciated that I think it altogether worth while that there should be made available to the people, so far as we can properly do it, information concerning our fishery resources, and concerning their preservation and their expansion, all of which I believe is covered by the report.

Mr. HAYDEN. The Senator from North Carolina [Mr. BAILEY], the chairman of the Committee on Commerce, submitted the concurrent resolution on April 12, and the committee has favorably acted on it.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES ON CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH FOR MONTH OF MARCH 1945

Mr. BYRD. Mr. President, from the Joint Committee on Reduction of Nonessential Federal Expenditures, I ask unanimous consent to present a report on civilian employment in the executive branch of the Federal Government for the month of March 1945.

The total number of paid employees for March 1945 is 3,014,019, excluding 429,173 employees of the War Department stationed outside the continental United States as of December 31, 1944. The grand total of employees within and outside the continental United States is 3,443,192 for the month of March this year.

The grand total of employees stationed outside continental United States on March 31, 1945 is 548,542. Of this figure, 429,173 are employees of the War

Department and the remaining 119,369 employees are employed by other departments and agencies.

During the month of March 1945, 32 departments and agencies decreased the number of their employees by 35,682, while 29 departments and agencies increased the number of their employees by 7,216, making a net decrease of 28,466 for this month.

The main reason for the net reduction for March is due to the exclusion of 13,141 employees of a terminal leave status. Due to the enactment of Public Law 525, Seventy-eighth Congress, these terminal leave employees were excluded from the March total. The War and Navy Departments are largely responsible for this reduction, having 12,568 employees in the terminal leave category.

The following departments and agencies reflect the respective reductions: War Department, 22,437; Navy Department, 10,938; Tennessee Valley Authority, 476; National Housing Agency, 412; and Selective Service System, 300.

The departments and agencies which increased in the month of March are as follows: Veterans' Administration, 1,260; Agriculture Department, 1,154; Post Office Department, 997; Commerce Department, 800; Office of Price Administration, 571; and Interior Department, 499.

The committee desires to commend those departments and agencies which have made bona fide reductions during the month of March, and expresses the hope that in the near future other bureaus of the Federal Government will from time to time curtail their functions as they become nonessential, so that a maximum reduction of unnecessary Federal employees may be brought about in the interest of economy in government.

Mr. President, I ask unanimous consent that the report be printed in the body of the RECORD.

There being no objection, the report was received and ordered to be printed in the RECORD, as follows:

REDUCTION IN NONESSENTIAL FEDERAL EXPENDITURES

Civilian employment of the executive branch of the Federal Government, by departments and agencies, for the months of February and March 1945, showing the increases and decreases in number of paid employees

Department or agency	February 1945	March 1945	Increase (+) or decrease (−)
EXECUTIVE OFFICE OF THE PRESIDENT			
Bureau of the Budget	589	588	−1
DEPARTMENTS			
Agriculture Department	77,396	78,550	+1,154
Commerce Department [1]	29,163	29,963	+800
Interior Department	41,350	41,849	+499
Justice Department	27,449	27,257	−192
Labor Department	6,161	6,431	+270
Navy Department [2]	771,541	760,603	−10,938
Post Office Department [3]	375,130	376,127	+997
State Department	10,653	10,042	−11
Treasury Department	96,615	96,365	−250
War Department [4]	1,198,769	1,176,332	−22,437
NATIONAL WAR AGENCIES			
Committee on Fair Employment Practices	137	140	+3
Foreign Economic Administration	6,383	6,419	+36
National War Labor Board	3,486	3,756	+270
Office of Alien Property Custodian	797	784	−13
Office of Censorship	9,525	9,458	−67
Office of Civilian Defense	123	106	−17
Office of Contract Settlement	54	61	+7
Office of Defense Transportation	3,547	3,525	−22
Office of Economic Stabilization	13	12	−1
Office of Inter-American Affairs [5]	1,297	1,273	−24
Office of Price Administration	62,022	62,593	+571
Office of Scientific Research and Development	1,348	1,338	−10
Office of Strategic Services	2,667	2,585	−82
Office of War Information	9,676	9,687	+11
Office of War Mobilization	137	164	+27
Petroleum Administration for War	1,015	1,025	+10
Selective Service System	19,340	19,040	−300
Smaller War Plants Corporation	1,869	1,853	−16
War Manpower Commission	27,870	28,043	+173
War Production Board	12,666	12,677	+11
War Shipping Administration	5,235	5,307	+72
INDEPENDENT AGENCIES			
American Battle Monuments Commission	1	1	
Civil Aeronautics Board	340	348	+8
Civil Service Commission	7,340	7,423	+83
Employees' Compensation Commission	518	512	−6
Export-Import Bank of Washington	58	59	+1
Federal Communications Commission	1,568	1,556	−12
Federal Deposit Insurance Corporation	1,527	1,482	−45
Federal Power Commission	665	657	−8
Federal Security Agency	31,406	31,643	+237
Federal Trade Commission	441	438	−3
Federal Works Agency	20,892	20,730	−162
General Accounting Office	12,947	13,081	+134
Government Printing Office	7,055	7,022	−33
Interstate Commerce Commission	2,010	2,015	+5
Maritime Commission	11,513	11,674	+161
National Advisory Committee for Aeronautics	6,663	6,604	−59
National Archives	344	334	−10
National Capital Housing Authority	236	225	−11
National Capital Park and Planning Commission	17	18	+1
National Gallery of Art	259	258	−1
National Housing Agency	16,485	16,073	−412
National Labor Relations Board	783	789	+6
National Mediation Board	110	107	−3
Panama Canal	29,478	29,516	+38
Railroad Retirement Board	1,959	1,907	−52
Reconstruction Finance Corporation	10,399	10,764	+365
Securities and Exchange Commission	1,152	1,158	+6
Smithsonian Institution	422	414	−8
Tariff Commission	291	291	
Tax Court of the United States	120	120	
Tennessee Valley Authority	13,629	13,153	−476
Veterans' Administration	58,434	59,694	+1,260
Total [6 7]	3,042,485	[8]3,014,019	−35,682 +7,216
Net decrease			−28,466
War Department [9]	429,173	429,173	
Grand total [10]	3,471,658	3,443,192	

[1] Does not include 23,734 piece price employees who are field enumerators on the Census of Agriculture.

[2] Reduction reflected represents employees formerly stationed outside continental United States.

[3] Includes several thousand employees who work only 1 to 3 hours daily.

[4] Does not include employees stationed outside continental United States.

[5] Title changed to Office of Inter-American Affairs on Mar. 23, 1945.

[6] Total includes all employees within and outside the continental United States.

[7] Includes employees stationed outside continental United States as reported by various departments and agencies excepting the War Department; totals, February, 127,797; and March, 119,369.

[8] Does not include 13,141 employees who left the Federal service during March and who, prior to the Lane bill, Public Law 525, would have been in a terminal leave status and included.

[9] Employees stationed outside the continental United States as of Dec. 31, 1944, reported quarterly.

[10] Grand total includes all employees within and outside the continental United States.

NOTE.—Employment figures now reported to the committee include dollar-per-annum and without-compensation employees of the consultant expert type who are authorized to receive per diem in lieu of subsistence.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MORSE:

S. 1007. A bill for the relief of Edward P. Standley; to the Committee on Claims.

By Mr. BILBO:

S. 1008. A bill to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to make regulations to prevent and control the spread of communicable and preventable diseases," approved August 11, 1939; to the Committee on the District of Columbia.

By Mr. THOMAS of Utah:

S. 1009. A bill to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect; and

S. 1010. A bill to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect; to the Committee on Military Affairs.

By Mr. MAYBANK:

S. 1011. A bill to establish an honorary retired list for the reserve components of the Army, and for other purposes; to the Committee on Military Affairs.

By Mr. PEPPER:

S. 1012. A bill to provide fair and just compensation for the use of certain hotels and apartment buildings by the United States and to provide for mutual cancelation rights

between the lessor and the lessee for the use of said hotels and apartment buildings where governed by written leases executed after December 7, 1941; to the Committee on Military Affairs.

(Mr. BUTLER (for himself and Mr. WHERRY) introduced Senate bill 1013, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. BRIGGS:

S. 1014. A bill for the relief of the Cowden Manufacturing Co.; to the Committee on Claims.

S. 1015. A bill for the relief of Margaret Redmond; to the Committee on Pensions.

By Mr. STEWART:

S. 1016. A bill for the relief of Fount West;

S. 1017. A bill for the relief of Charlie B. Rouse, Louetta Rouse, and Rachel Rouse; and

S. 1018. A bill for the relief of Mrs. T. A. Robertson; to the Committee on Claims.

S. 1019. A bill to amend the Railroad Retirement Act of 1937 so as to provide for an annuity for total and permanent disability after 10 years' service; to the Committee on Interstate Commerce.

S. 1020. A bill to deny admittance into the United States to all immigrants while the number of unemployed persons within the United States is 100,000 or more; to the Committee on Immigration.

S. 1021. A bill to amend the Social Security Act, as amended, for the purpose of enabling self-employed individuals to secure coverage under the old-age and survivors insurance provisions of such act; to the Committee on Finance.

S. 1022. A bill to supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, to authorize appropriations for the post-war construction of greatly needed rural local roads, to provide for the creation within the Federal Works Agency of a new Administration to administer the provisions of this act, to provide for the immediate preparation of plants and acquisition of rights-of-way, to cushion the post-war conversion to peacetime economy, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. MAGNUSON:

S. 1023. A bill for the relief of Mr. and Mrs. Ernest L. Barlow; to the Committee on Claims.

By Mr. WALSH:

S. 1024. A bill to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes; to the Committee on Commerce.

S. 1025. A bill further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; to the Committee on Naval Affairs.

LIMITATION FOR BRINGING CERTAIN ACTIONS FOR MONEY DAMAGES

Mr. BUTLER. Mr. President, on behalf of myself and my colleague [Mr. WHERRY], I ask unanimous consent to introduce for appropriate reference a bill to provide a period of limitation for the bringing of actions for money damages in those cases in which no such period is specifically provided.

The bill covers the same subject as a bill introduced by Representative GWYNNE in the other House and explained in considerable detail beginning on page 2926 of the CONGRESSIONAL RECORD of March 28, 1945.

There being no objection, the bill (S. 1013) to provide a period of limitation for the bringing of actions for money damages in those cases in which no such period is specifically provided, was received, read twice by its title, and referred to the Committee on the Judiciary.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 1044. An act for the relief of Marlin-Rockwell Corporation with respect to the jurisdiction of The Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act; to the Committee on Finance.

H. R. 3035. An act to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes; to the Committee on Post Offices and Post Roads.

MEMORIAL SERVICES FOR DECEASED SENATORS

Mr. BARKLEY submitted the following resolution (S. Res. 126), which was considered by unanimous consent and agreed to, as follows:

Resolved, That on Monday, June 25, 1945, at the conclusion of the morning business, the legislative business of the Senate be suspended for the purpose of permitting memorial addresses to be delivered on the life, character, and public service of the Honorable W. Warren Barbour, late a Senator from the State of New Jersey; the Honorable Ellison D. Smith, late a Senator from the State of South Carolina; the Honorable Frederick Van Nuys, late a Senator from the State of Indiana; the Honorable Francis Maloney, late a Senator from the State of Connecticut; and the Honorable John Moses, late a Senator from the State of North Dakota.

ESTABLISHMENT AND MAINTENANCE OF PERPETUAL INVENTORY OF GOVERNMENT-OWNED MACHINE TOOLS

Mr. STEWART submitted the following resolution (S. Res. 127), which was referred to the Committee on Military Affairs:

Resolved, That the President is hereby requested to direct the Surplus Property Board, created by Public Law 457, Seventy-eighth Congress, with the assistance of the owning and other agencies, to establish and maintain a perpetual inventory of machine tools to which the Government has title within the continental limits of the United States in accordance with the standard commodity classification, specifying, among other things, the location, cost, kind, type, and size of each machine tool; it is further

Resolved, That the Surplus Property Board is hereby requested to submit to the Senate in its next report its progress under this resolution.

The President is further requested to direct the owning and disposal agencies to render such assistance as the Surplus Property Board may require for the establishing of such inventory.

THE SAN FRANCISCO CONFERENCE—ADDRESS BY SENATOR CONNALLY

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a radio address on the work of the San Francisco Conference, delivered by Senator CONNALLY, on May 9, 1945, which appears in the Appendix.]

THE MISSOURI VALLEY AUTHORITY—ADDRESS BY SENATOR MURRAY

[Mr. HILL asked and obtained leave to have printed in the RECORD an address on the Missouri Valley Authority delivered by Senator MURRAY, before the first conference of the Friends of the Missouri Valley Authority, on May 11, 1945, at Jefferson City, Mo., which appears in the Appendix.]

OUR FUTURE IN THE PACIFIC—ADDRESS BY SENATOR BUTLER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD a radio address on the subject Our Future in the Pacific, delivered by him on May 15, 1945, which appears in the Appendix.]

MILESTONES ON THE ROAD TO PEACE—ADDRESS BY SENATOR SMITH

[Mr. SMITH asked and obtained leave to have printed in the RECORD an address entitled "Milestones on the Road to Peace," delivered by him before the Schley Street Jewish Congregation of Newark, N. J., May 13, 1945, which appears in the Appendix.]

OUT OF GREAT TRIBULATION—TRIUMPH! EDITORIAL FROM THE NEW YORK SUN

[Mr. SMITH asked and obtained leave to have printed in the RECORD an editorial entitled "Out of Great Tribulation—Triumph!" published in the New York Sun of May 8, 1945, which appears in the Appendix.]

PRESIDENTIAL SUCCESSION—EDITORIAL FROM SAVANNAH EVENING PRESS

[Mr. GEORGE asked and obtained leave to have printed in the RECORD an editorial entitled "Presidential Succession," published in the Savannah Evening Press for May 10, 1945, which appears in the Appendix.]

VICTORY OF THE IDEAL OF DEMOCRACY—EDITORIAL FROM THE RALEIGH NEWS AND OBSERVER

[Mr. HILL asked and obtained leave to have printed in the RECORD an editorial entitled "The Force of an Ideal Proves Stronger Than the Ideal of Force," published in the Raleigh (N. C.) News and Observer, on May 9, 1945, which appears in the Appendix.]

VICTORY IN EUROPE—EDITORIAL FROM THE BIRMINGHAM (ALA.) NEWS

[Mr. HILL asked and obtained leave to have printed in the RECORD an editorial entitled "Victory in Europe," published in the Birmingham (Ala.) News of May 7, 1945, which appears in the Appendix.]

ANTONIO RUIZ

The ACTING PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 72) for the relief of Antonio Ruiz, which were, on page 1, line 5, after the name "Ruiz", to insert "and Paz Ruiz"; in line 6, to strike out "his claim" and insert "all claims"; in line 7, to strike out "his" and insert "their"; and to amend the title so as to read: "An act for the relief of Antonio Ruiz and Paz Ruiz."

Mr. HAYDEN. Mr. President, the House amended this bill by mistake, inserting the name Paz Ruiz. I move that the Senate disagree to the amendments of the House.

The damage in this case was caused by an Army airplane striking a home, and there were a father and son interested. The House of Representatives made a mistake, and inserted the wrong name in the bill. I move that the Senate disagree to the amendments of the House. I am sure the House will not insist on its amendments.

The PRESIDING OFFICER. The question is an agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

ORDER OF BUSINESS

Mr. BARKLEY. Mr. President, it is my hope that at the conclusion of the consideration of the pending bill the Senate will have time to proceed to the call of the calendar for the consideration of bills to which there is no objection, and if the Senate is able to complete the calendar it will be my purpose to move a recess until Monday next.

VISIT OF SUBCOMMITTEE OF MEAD COMMITTEE TO EUROPE—LETTER FROM SENATOR MEAD

Mr. BURTON. Mr. President, this morning the subcommittee of the Special Senate Committee Investigating the National Defense Program, known as the Mead committee, left for Europe. The subcommittee consists of the Senator from West Virginia [Mr. KILGORE], the Senator from Delaware [Mr. TUNNELL], the Senator from Washington [Mr. MITCHELL], the Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON]. The Senator from New York [Mr. MEAD] has asked me to place before the Senate the statement of the purposes for which that subcommittee was sent to Europe. I shall read the seven purposes for which the subcommittee was assigned and then will ask permission to place the full letter in the RECORD at this point.

The purposes of this committee in going to Europe are to investigate and report upon the following matters:

1. The nature and amount of American supplies which have been shipped overseas to the European theater of operations.
2. The nature and cost of installations either erected by the United States or at the expense of the United States in the European theater of operations. In this connection the subcommittee should ascertain in each case the provisions with respect to the use and disposition of these facilities after the cessation of hostilities.
3. The plans for the deployment of matériel now in the European theater of operations to the Pacific theater, and for occupation of conquered countries.
4. The plans for disposition of all matériel which will become surplus.
5. Transportation, shipping, loading, and unloading of American supplies in the European theater of operations.
6. Activities of civilian agencies, and particularly any confusion of function therein.
7. Arrangements for the distribution of American supplies among civilian populations and plans for rehabilitation and reconstruction.

Mr. President, I ask that the full letter from the Senator from New York, chairman of the Special Senate Committee Investigating the National Defense Program, addressed to the Senator from West Virginia, under date of May 11, 1945, may be printed in full in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
SPECIAL COMMITTEE INVESTIGATING,
THE NATIONAL DEFENSE PROGRAM,
May 11, 1945.

Hon. HARLEY M. KILGORE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR KILGORE: The Special Senate Committee Investigating the National Defense Program has heretofore sent subcommittees to visit various theaters of war. This has been done pursuant to the committee's duty to check the war-production program, not only at the beginning of the pipe line, but through the pipe line for the purpose of ascertaining that the weapons, supplies and matérial needed by the armed forces are received by them at the time and in the quantities required.

In this country the committee has traced the production of war matérial from the raw material stage, through the facilities, the plant production and into the pipe line, the depots, and ports of embarkation. We have issued one report bearing on this subject entitled "The Accumulation of Surpluses." However, it was impossible in that report to go into matters pertaining to matériel overseas for the reason that the committee was informed that information on this subject could be obtained only in the particular theaters of operations.

The committee also is interested in the problems growing out of the fact that much of the matériel overseas will become surplus. As you know, we have had numerous hearings on surpluses in this country, and we have issued two reports on this matter.

We have also sent a subcommittee to north Africa which investigated and reported on this subject.

To this end the committee has designated a subcommittee, with you as chairman and including Senators JAMES M. TUNNELL, Democrat, of Delaware; HUGH B. MITCHELL, Democrat, of Washington; OWEN BREWSTER, Republican, of Maine; JOSEPH H. BALL, Republican, of Minnesota; and HOMER FERGUSON, Republican, of Michigan.

As chairman, you are to be responsible for the subcommittee's program and for arranging its itinerary and agenda for the purpose of reporting upon the following matters:

1. The nature and amount of American supplies which have been shipped overseas to the European theater of operations.
2. The nature and cost of installations either erected by the United States or at the expense of the United States in the European theater of operations. In this connection the subcommittee should ascertain in each case the provisions with respect to the use and disposition of these facilities after the cessation of hostilities.
3. The plans for the deployment of matériel now in the European theater of operations to the Pacific theater and for occupation of conquered countries.
4. The plans for disposition of all matériel which will become surplus.
5. Transportation, shipping, loading, and unloading of American supplies in the European theater of operations.
6. Activities of civilian agencies, and particularly any confusion of function therein.
7. Arrangements for the distribution of American supplies among civilian populations and plans for rehabilitation and reconstruction.

I understand that the subcommittee, in accordance with previous committee practice, has held and will continue to hold a series of predeparture hearings for the purpose of accumulating such information as is available in this country, and that you are organized to hold hearings abroad and again on your return to the United States.

The committee has always taken the view that the time to correct mistakes is at their inception. Many of the functions of your subcommittee will have to do with future operations, particularly those investigations pertaining to the disposition of American supplies which are now abroad or which will be shipped abroad. On the other hand, there are some subjects which you will look into which will have mainly historic value, but which will aid us in appraising the supply task to be performed in the Pacific war. You will also be able to obtain a first-hand picture of plans and activities now in the formulative stages, which will make feasible an accurate comparison of objectives with accomplishments.

It is understood that the subcommittee may, at your discretion, be split into smaller subcommittees for the purpose of dividing the work to be performed. It is also understood that upon their return the subcommittee will render a full report upon their investigation to the full committee.

Sincerely yours,

JAMES M. MEAD,
Chairman.

LEAVE OF ABSENCE

Mr. WHERRY. Mr. President, I ask unanimous consent to be absent from the Senate for the next 10 days.

The PRESIDING OFFICER. Without objection, the request of the Senator from Nebraska is granted.

SALARIES AND WAGES OF FEDERAL EMPLOYEES

The Senate resumed the consideration of the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; and for other purposes.

The ACTING PRESIDENT pro tempore. The clerk will state the committee amendment.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

TITLE I—COMPENSATION FOR OVERTIME, NIGHT, AND HOLIDAY WORK

COVERAGE

SEC. 101. The provisions of this title shall, except as provided in section 401, apply to (a) all civilian officers and employees in or under the executive branch of the United States Government, including Government owned or controlled corporations; (b) all civilian employees of the Library of Congress, the Botanic Garden, or the Office of the Architect of the Capitol, except those covered by section 202 (c); and (c) those employees of the District of Columbia municipal government who occupy positions subject to the Classification Act of 1923, as amended.

OVERTIME PAY

SEC. 102. Officers and employees to whom this title applies shall be compensated for all hours of employment, officially ordered or approved, in excess of 40 hours in any administrative workweek, at one and one-half times their basic rate of compensation: *Provided*, That in determining the overtime compensation of per annum officers and employees, the pay for 1 hour shall be considered to be one two-thousand-eight-hundred-and-eightieth of their respective per annum salaries: *And provided further*, That such overtime shall be paid only on such portion of an officer's or employee's basic rate of compensation as is not in excess of a rate of $2,900 per annum.

COMPENSATORY TIME OFF FOR IRREGULAR OR OCCASIONAL OVERTIME WORK

SEC. 103. (a) The heads of departments, establishments, and agencies may by regulation provide for the granting of compensatory time off from duty, in lieu of overtime compensation for irregular or occasional duty in excess of 48 hours in any regularly scheduled administrative workweek, to those per annum employees requesting such compensatory time off from duty.

(b) The Architect of the Capitol may, in his discretion, grant per annum employees compensatory time off from duty in lieu of overtime compensation for any work in excess of 40 hours in any regularly scheduled administrative workweek.

NIGHT PAY DIFFERENTIAL

SEC. 104. Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which falls between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian, shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate 10 percent in excess of his basic rate of compensation for duty between other hours: *Provided*, That such differential for night duty shall not be included in computing any overtime compensation to which the officer or employee may be entitled: *And provided further*, That this section shall not operate to modify the provisions of the act of July 1, 1944 (Public Law No. 394, 78th Cong.), or any other law authorizing additional compensation for night work.

PAY FOR HOLIDAY WORK

SEC. 105. Officers and employees to whom this title applies who are assigned to duty on a holiday established by Federal statute or Executive order shall be compensated for such duty, excluding periods when they are in leave status, in lieu of their regular pay for that day, at the rate of one and one-half times the regular basic rate of compensation: *Provided*, That extra holiday compensation paid under this section shall not serve to reduce the amount of overtime compensation to which the employee may be entitled under this or any other act during the administrative workweek in which the holiday occurs, but such extra holiday compensation shall not be considered to be a part of the basic compensation for the purpose of computing such overtime compensation: *And provided further*, That this section shall take effect upon the termination of the present war or such earlier time as the Congress by concurrent resolution or the President may designate.

TITLE II—EMPLOYEES OF LEGISLATIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT

COVERAGE

SEC. 201. The provisions of this title shall, except as provided in section 401, apply to officers and employees in or under the judicial branch of the Government whose compensation is not fixed in accordance with the Classification Act of 1923, as amended, to those employees in or under the legislative branch of the Government not provided for under the provisions of title I, and to the official reporters of proceedings and debates of the Senate and their employees.

ADDITIONAL COMPENSATION

SEC. 202. (a) During the period beginning on July 1, 1945, and ending on June 30, 1947, officers and employees to whom this title applies shall, except as provided in subsections (b), (c), and (d), be paid additional compensation at the rate of (1) $360 per annum if their earned basic compensation is at a rate of not more than $1,565 per annum, or (2) 23 percent of so much of their earned basic compensation as does not exceed a rate of $2,900 per annum, if their earned basic compensation is at a rate in excess of $1,565 per annum.

(b) Officers and employees to whom this title applies and whose hours of duty are less than full time, or whose compensation is based upon other than a time period basis shall be paid, in lieu of additional compensation under subsection (a), additional compensation at a rate of 23 percent of so much of their earned basic compensation as does not exceed a rate of $2,900 per annum.

(c) In lieu of overtime pay under title I, per annum employees under the Office of the Architect of the Capitol who are not compensated in accordance with the Classification Act of 1923, as amended, and intermittent elevator operators under such Office who are paid at hourly rates, shall be paid additional compensation in accordance with the provisions of this section.

(d) In no case shall any officer or employee be paid additional compensation under this section for any pay period amounting to more than 25 percent (or, in the case of employees of the Senate restaurant whose hours of duty are less than full time, more than 15 percent) of his earned basic compensation for such pay period.

TITLE III—AMENDMENTS TO CLASSIFICATION ACT OF 1923, AS AMENDED

COVERAGE

SEC. 301. The provisions of this title shall apply to all officers and employees in or under the United States Government, including Government-owned or controlled corporations, or of the municipal government of the District of Columbia, who occupy positions subject to the Classification Act of 1923, as amended.

ESTABLISHMENT OF RATES FOR CLASSES OF POSITIONS WITHIN GRADES

SEC. 302. Section 3 of the Classification Act of 1923, as amended, is further amended by inserting at the end of such section a paragraph reading as follows:

"In subdividing any grade into classes of positions, as provided in the foregoing paragraph, the Civil Service Commission, whenever it deems such action warranted by the nature of the duties and responsibilities of a class of positions in comparison with other classes in the same grade, and in the interests of good administration, is authorized to establish for any such subdivision or class a minimum rate, which shall be one of the pay rates, but not in excess of the middle rate, of that grade as set forth in section 13 of this act, as amended. Whenever the Commission shall find that within the same Government organization and at the same location gross inequities exist between basic per annum rates of pay fixed for any class of positions under this act and the compensation of employees whose basic rates of pay are fixed by wage boards or similar administrative authority serving the same purpose, the Commission is hereby empowered, in order to correct or reduce such inequities, to establish as the minimum rate of pay for such class of positions any rate not in excess of the middle rate within the range of pay fixed by this act for the grade to which such class of positions is allocated. For the purposes of this section the fourth rate of a six-rate grade shall be considered to be the middle rate of that grade. Minimum rates established under this section shall be duly published by regulation and may be revised from time to time by the Commission. The Commission shall make a report of such actions or revisions with the reasons therefor to Congress at the end of each fiscal year."

PERIODIC WITHIN-GRADE SALARY ADVANCEMENTS

SEC. 303. Subsection (b) of section 7 of the Classification Act of 1923, as amended, is hereby further amended by substituting "12" for "18," "18" for "30," and "month" for "quarter"; by substituting "less than $200" for "$60 or $100," and "$200 or more" for "$200 or $250"; by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) That an employee shall not be advanced unless his current efficiency is good or better than good.";

and by renumering paragraph (4) as paragraph "(3)."

REWARDS FOR SUPERIOR ACCOMPLISHMENT; AUTHORIZATION AND LIMITATIONS

SEC. 304. Subsection (f) of section 7 of the Classification Act of 1923, as amended, is hereby further amended to read as follows:

"(f) Within the limit of available appropriations, as a reward for superior accomplishment, under standards to be promulgated by the Civil Service Commission, and subject to prior approval by the Civil Service Commission, or delegation of authority as provided in subsection (g), the head of any department or agency is authorized to make additional within-grade compensation advancements, but any such additional advancements shall not exceed one step and no employee shall be eligible for more than one additional advancement hereunder within each of the time periods specified in subsection (b). All actions under this subsection and the reasons therefor shall be reported to the Civil Service Commission. The Commission shall present an annual consolidated report to the Congress covering the numbers and types of actions taken under this subsection."

REWARDS FOR SUPERIOR ACCOMPLISHMENT; RESPONSIBILITY OF CIVIL SERVICE COMMISSION

SEC. 305. Subsection (g) of section 7 of the Classification Act of 1923, as amended, is hereby further amended to read as follows:

"(g) The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this section. In such regulations the Commission is hereby empowered, in its discretion, to delegate to the head of any department or agency, or his designated representative, the authority to approve additional within-grade compensation advancements provided for in subsection (f), without prior approval in individual cases by the Commission, and to withdraw or suspend such authority from time to time, whenever post-audit of such actions by the Commission indicates that standards promulgated by the Commission have not been observed."

INCREASE IN BASIC RATES OF COMPENSATION

SEC. 306. (a) Each of the existing rates of basic compensation set forth in section 13 of the Classification Act of 1923, as amended, except those affected by subsection (b) of this section, is hereby increased by 20 percent of that part thereof which is not in excess of $1,200 per annum, plus 10 percent of that part thereof which is in excess of $1,200 per annum but not in excess of $4,600 per annum, plus 5 percent of that part thereof which is in excess of $4,600 per annum. Such augmented rates shall be considered to be the regular basic rates of compensation provided by such section.

(b) (1) The proviso to the fifth paragraph under the heading "Crafts, protective, and custodial service" in section 13 of the Classification Act of 1923, as amended, is hereby amended to read as follows: "*Provided*, That charwomen working part time be paid at the rate of 78 cents an hour, and head charwomen at the rate of 83 cents an hour."

(2) Such section is amended so as to provide the following rates of compensation for positions in the clerical-mechanical service:

Grade 1, 78 to 85 cents an hour.
Grade 2, 91 to 98 cents an hour.
Grade 3, $1.05 to $1.10 an hour.
Grade 4, $1.18 to $1.31 an hour.

(c) The increase in existing rates of basic compensation provided by this section shall not be construed to be an "equivalent increase" in compensation within the meaning of section 7 (b) (1) of the Classification Act of 1923, as amended.

TITLE IV—GENERAL PROVISIONS

GENERAL EXEMPTIONS

SEC. 401. (a) The provisions of this act shall not apply to elected officials, judges, or heads of departments, independent establishments, and agencies. As used in this subsection the term "elected officials" shall not include officers elected by the Senate or House of Representatives who are not members of either body.

(b) The provisions of this act, except the provisions of section 406, shall not apply to (1) officers and employees in the field service of the Post Office Department; (2) employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same

purpose; (3) employees outside the continental limits of the United States, including Alaska, who are paid in accordance with local native prevailing wage rates for the area in which employed; (4) officers and employees of the Inland Waterways Corporation; (5) individuals to whom the provisions of section 1 (a) of the act of March 24, 1943 (Public Law No. 17, 78th Cong.), are applicable; and (6) employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, and vessel employees of the Coast and Geodetic Survey, and such employees may be compensated in accordance with the wage practices of the maritime industry.

EFFECT ON EXISTING LAWS AFFECTING CERTAIN INSPECTIONAL GROUPS

SEC. 402. The provisions of this act shall not operate to prevent payment for overtime services or extra pay for Sunday or holiday work in accordance with any of the following statutes: Act of February 13, 1911, as amended (U. S. C., title 19, secs. 261 and 267); act of July 24, 1919 (U. S. C., title 7, sec. 394); act of June 17, 1930, as amended (U. S. C., title 19, secs. 1450, 1451, and 1452); act of March 2, 1931 (U. S. C., title 8, secs. 109a and 109b); act of May 27, 1936, as amended (U. S. C., title 46, sec. 382b); act of March 23, 1941 (U. S. C., Supp. III, title 47, sec. 154 (f) (2)); act of June 3, 1944 (Public Law No. 328, 78th Cong.): *Provided*, That the overtime, Sunday, or holiday services covered by such payment shall not also form a basis for overtime or extra pay under title I of this act.

INCREASE IN BASIC RATES FOR CUSTOMS EMPLOYEES

SEC. 403. The existing basic rates of pay set forth in the act entitled "An act to adjust the compensation of certain employees in the Customs Service," approved May 29, 1928, as amended, and those set forth in the second paragraph of section 24 of the Immigration Act of 1917, as amended, are hereby increased in the same amount as corresponding rates for positions subject to the Classification Act of 1923, as amended, would be increased under the provisions of section 306 of this act; and each such augmented rate shall be considered to be the regular basic rate of compensation.

ESTABLISHMENT OF BASIC WORKWEEK

SEC. 404. It shall be the duty of the heads of the several executive departments, independent establishments, and agencies, including Government-owned or Government-controlled corporations, and the municipal government of the District of Columbia, to establish for all full-time employees in their respective organizations, in the departmental and the field services, a basic administrative workweek of 40 hours, and to require that the hours of work in such workweek be performed within a period of not more than 6 of any 7 consecutive days. The provisions of the Saturday half-holiday law of March 3, 1931 (46 Stat. 1482; U. S. C., title 5, sec. 26 (a)) shall not be applicable to employees in such organizations. The provisions of so much of section 5 of the act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1894, and for other purposes, as amended (30 Stat. 316; U. S. C., title 5, sec. 29), as precedes the second proviso in such section is hereby repealed.

REGULATIONS

SEC. 405. The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of the foregoing provisions of this act, subject to the approval of the President, insofar as this act affects employees in or under the executive branch of the Government.

PERSONNEL CEILINGS

SEC. 406. (a) It is hereby declared to be the sense of the Congress that in the interest of economy and efficiency the heads of departments and agencies in the executive branch of the Government shall terminate the employment of such of the employees thereof as are not required for the proper and efficient performance of the functions of their respective departments and agencies.

(b) The heads of departments and agencies in the executive branch shall present to the Director of the Bureau of the Budget such information as the Director shall from time to time, but at least quarterly, require for the purpose of determining the numbers of full-time civilian employees and the man-months of part-time civilian employment (other than full-time employees of, and part-time employment by, the War and Navy Departments in the Territories and possessions) required within the United States for the proper and efficient performance of the authorized functions of their respective departments and agencies. The Director shall, within 60 days after the date of enactment of this act and from time to time, but at least quarterly, thereafter, determine the numbers of employees and man-months of employment so required, and any personnel or employment in such department or agency in excess thereof shall be released or terminated at such times as the Director shall order. Such determinations, and any numbers of employees or man-months of employment paid in violation of the orders of the Director, shall be reported quarterly to the Congress. Each such report shall include a statement showing for each department and agency the net increase or decrease in such employees and employment as compared with the corresponding data contained in the next preceding report, together with any suggestions the Director may have for legislation which would bring about economy and efficiency in the use of Government personnel.

(c) Determinations by the Director of numbers of employees and man-months of employment required shall be by such appropriation units or organization units as he may deem appropriate.

(d) The Director of the Bureau of the Budget shall maintain a continuous study of all appropriations and contract authorizations in relation to personnel employed and shall, under such policies as the President may prescribe, reserve from expenditure any savings in salaries, wages, or other categories of expense which he determines to be possible as a result of reduced personnel requirements. Such reserves may be released by the Director for expenditure only upon a satisfactory showing of necessity.

(e) As used in this section—

(1) the term "United States" shall include the Territories and possessions;

(2) the term "full-time civilian employees" shall include full-time intermittent (when actually employed), $1 per year, without compensation, and casual workers, as defined by the Civil Service Commission; and

(3) the term "part-time civilian employment" shall include part-time employment by intermittent (when actually employed), $1 per year, without compensation, and casual workers, as defined by the Civil Service Commission.

APPROPRIATION AUTHORIZED

SEC. 407. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 408. Amounts payable under the provisions of this act, other than as an increase in the basic rates under title III or under section 403, shall not be considered in determining the amount of a person's annual income or annual rate of compensation for the purposes of paragraph II (a) of part III of Veterans Regulation No. 1 (a), as amended, or section 212 of title II of the act entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes," approved June 30, 1932, as amended.

REPEAL OF CONFLICTING PROVISIONS OF EXISTING LAW

SEC. 409. All laws or parts of laws in conflict with the provisions of this act are hereby repealed.

EFFECTIVE DATE

SEC. 410. This act shall take effect on July 1, 1945.

ANNIVERSARY OF NORWAY'S INDEPENDENCE

Mr. LANGER. Mr. President, today is the anniversary of the independence of Norway. In my State of North Dakota roughly 40 percent of the people are of Scandinavian descent, an overwhelming majority of the 40 percent being Norwegians. They have made an outstanding record in that State. During World War No. 1, when Secretary of the Treasury McAdoo offered a prize to the county in the United States which would buy the most Liberty bonds in the Third Liberty Loan drive, it was Traill County, N. Dak., 95 percent Scandinavian, which won the prize. Today I am happy to congratulate the great Nation of Norway on again having obtained its freedom.

LEAVE OF ABSENCE

Mr. ROBERTSON. Mr. President, the Senate Committee on Public Lands and Surveys is holding hearings in the States of Nevada and Utah during the next ensuing 2 weeks. I am a member of that committee, and I ask permission to absent myself from the Senate from Monday next until June 1.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the request is granted.

AIRPLANE ACCIDENTS

Mr. LANGER. Mr. President, I have referred to the fact that today is the anniversary of the independence of Norway. I am satisfied that the people of Scandinavian descent in my State, who are patriotic and loyal citizens, would like nothing better than to have me take up first the matter of airplane accidents. According to the report of Mr. Arnold, 17,000 pilots have been killed here upon the soil of the United States, 3 times as many as have been killed in all the combat zones.

Before proceeding further, I wish to correct a mistake which I made in one of my former talks, in connection with the Curtiss-Wright Corporation. In speaking at that time I made a mistake in identifying the Mr. Wright to whom I referred. I stated upon the floor at that time, and afterward stated to the Buffalo Evening News correspondent, that I was referring to Burdette S. Wright. The man to whom I intended to refer was Theodore P. Wright, formerly vice president of the Curtiss-Wright Corporation. I do not wish to do any injustice to Mr. Burdette S. Wright, who is now vice president of the Curtiss-Wright Corporation. The man to whom I intended to refer was Theodore P. Wright, formerly vice president, and a man who, until a few days ago, at least, was still in the employ of the United States Government.

Mr. President, if it takes a calamity to awaken the American people to the greatest scandal of this war, then that calamity is already here. I have tried many times to impress upon my distinguished colleagues the urgent need for a thorough congressional investigation of the bewildering factors behind the causes of our numerous service air crashes. Merely a few spasmodic investigations of aircraft plants will not solve this unfortunate predicament; we must have a sweeping investigation of all of our aircraft plants. More than 17,500 of our planes have crashed in the continental United States—more than in combat on all the world battle fronts put together. Only yesterday another Flying Fortress went down, with loss of life, while on a routine training trip here in the United States. Yet, we sit here, some indifferent, other carefree, while our boys die in what appear to be defective planes made in certain American aircraft factories.

Up to now I have discussed amazing conditions that exist within our aircraft plants. Today I shall relate eyewitness accounts of what experienced men conversant with all types of airplanes have witnessed, not only at air bases on the battle fronts, but also at Army air depots here in the United States. For obvious reasons I shall not reveal the names or addresses of some of my informants, particularly those still in uniform. I shall, however, read to the Senate the subject matter of some of their illuminating messages received to date.

Mr. President, the greatest scandal of the last war was the production of dangerous and defective aircraft for use by our armed forces. The factors and conditions that caused that shameful and disgraceful scandal have again appeared on the American scene. We have had not one Pearl Harbor, but thousands of them right here in our American aircraft plants. During the last war Congress appropriated $1,650,000,000 for aircraft, and all that General Pershing received in France was 196 planes—all unfit for war service. I ask every Member of the Senate to read General Pershing's memoirs. It is a shameful commentary on some of the men who are still in control of our aircraft industry. One paragraph of General Pershing's memoirs reads as follows:

> Some of the more sensational newspapers at home are making extravagant claims about the large number of American planes actively engaged in France when in fact up to this moment there is not a single plane of American make on the western front.

Yes; it is of official record that not a single combat plane of American design saw action in the last World War.

Mr. President, the Curtiss-Wright Corporation, which I have discussed on a number of occasions, is the namesake and the offspring of the company that was punished during the last World War for aircraft sabotage. It was then known as the Curtiss Airplane and Motor Corporation, and the plants were located at Hammondsport and North Elmwood, N. Y.

Here is what Justice Hughes, formerly of the United States Supreme Court, reported to the Attorney General in 1918, after his sensational investigation of aircraft production:

> HAMMONDSPORT PLANT OF THE CURTISS CO.
>
> In the course of this inquiry information was received that frequent attempts had been made to conceal defects in motors and their different parts which were in course of manufacture at the plant of the Curtiss Aeroplane & Motor Corporation, at Hammondsport, N. Y. Evidence having been obtained as to specific instances of this practice, there was an investigation in July last before a grand jury in the western district of New York, John W. Ryan, Esq., of Buffalo, being appointed special counsel for the purpose, which resulted in the return of indictments against Lewis Longwell and Hector Bordeau, subforemen in the assembly room of the Hammondsport plant, under section 3 of the Sabotage Act of April 20, 1918. Demurrers to these indictments have been overruled and the cases are awaiting trial.
>
> NORTH ELMWOOD PLANT
>
> In view of the conditions found at the North Elmwood plant of the Curtiss Aeroplane & Motor Corporation, there was a special investigation through special agents of the Department of Justice for the purpose of discovering violations of the Sabotage Act, with the result that evidence was brought before the grand jury in the western district of New York, John W. Ryan, Esq., acting as special counsel, and indictments were obtained in September against Richard Eastman, foreman of the propeller department; Frank Truell, an assistant foreman; and David Rogovan, a workman, under the Sabotage Act. On October 9 these defendants pleaded guilty and were fined $500 each.

It was the Curtiss-Wright Corporation that the late Billy Mitchell charged with making faulty "flying coffins."

Mr. President, America did not know about that tragic production scandal until the war was over and the damage had already been perpetrated. We lost many millions of dollars and thousands of American soldiers because that scandal was allowed to continue, unnoticed, and unhampered.

In this war, World War No. 2, we have lost thousands of planes and as many brave young men because of the greed and selfishness of some of our aircraft officials. The production of defective aircraft must be stopped. It must be stopped immediately. I demand that the administration take immediate action against the officials responsible for allowing these repugnant conditions to flourish and to exist.

At this point I wish to call to the attention of the Senate the experiences of Laurence J. Girault, formerly of the Army Air Forces, and now residing at 941 South Home Avenue, Oak Park, Ill. This man has spent 29 months in a forward Fifth Air Force Service Command Depot. At this Pacific station Mr. Girault witnessed the disheartening effects of defective aircraft production upon the morale of our fighting men. He wanted to diagnose the causes of certain outrageous defects found in war planes that were shipped to the battle fronts. He was in a position to discover many instances of dangerous conditions existing in factory and A. A. F. certified aircraft. He charges that poor workmanship, especially poor inspection, caused needless delay at overseas stations. Aircraft engines and wings, he testified, had to be removed in order to correct a fault in an inaccessible place.

Upon receiving a medical discharge from the armed forces, this man, who had spent 29 months overseas, was determined to secure a position with an aircraft company in the hope of finding out for himself why defective planes were being sent to the battle fronts.

So Mr. Girault became an aircraft inspector, final assembly, at the Douglas Aircraft Co. at Park Ridge, Ill. In this factory this former soldier found the answer to this great scandal. He left the factory in protest because he, too, could not conscientiously approve defective products. I shall let him tell his own story; but, before doing that I wish to read a letter addressed at Fifth Air Force Area Command, Air Depot No. 2, A. P. O. 922, care of postmaster, San Francisco written on the 6th day of June 1944, to whom it may concern. It is a letter explaining who Mr. Girault is.

> Sgt. Laurence J. Girault has served under my command in the Southwest Pacific area at depot No. 2. It has come to my attention that Sergeant Girault is being returned to the United States for possible physical discharge from the United States Army.
>
> This man, during his period of service in this theater, has given excellent performance in repair of military aircraft, and particularly in the overhaul and engine test of Pratt & Whitney and Wright Cyclone engines.
>
> Due to the time he has spent in the service of his country, he has undoubtedly not had the opportunity—

I ask unanimous consent to incorporate in the RECORD later any of the remaining portion of the letter which I choose to indicate.

The PRESIDING OFFICER. Without objection, permission is granted.

Mr. LANGER. The letter is signed, V. E. Bertrandies, Colonel, Air Corps, commanding.

In further proof of what this man, who was overseas for 29 months, and who was disgusted, found in airplanes after he returned to this country and obtained a job in an aircraft factory, I read what he said. On April 27, 1945:

> It should be apparent that what is happening in the factories now, in manslaughter potential, is much more vital than what has already happened. My account given in the following happened in the Southwest Pacific war theater and at the Park Ridge, Ill., plant of Douglas Aircraft Co., Inc., where the C54 "Skymaster" is built.
>
> In general, faults in military airplanes delivered to overseas stations are so common as to make the citing of examples difficult. However, here are several instances which occurred at V. A. F. A. S. C., Depot 2, A. P. O. No. 922:
>
> 1. During a "300-hour inspection" on a Douglas A-20G, wing attachments bolts were checked. One bolt had only three threads entered into the nut. The airplane already had flown many combat hours in New Guinea.
>
> 2. The pilot of a Bell P39N made an emergency landing on the runway wrecking the airplane. Lateral controls were jammed by a bolt carelessly left by factory in this new airplane.
>
> 3. My crew rebuilding a P38F-4 Lockheed and modifying it to P38-C15 fitted new engines, superchargers, and intercoolers. During tests on the engines, one throttle jammed. Investigation found the cause to be loose sheet metal parts and rivets, from the intercooler, in the carburetor throat. This intercooler was received sealed and certified clean by Lockheed and "AAF" inspection. The necessity to closely check P-38 airplanes

called for the removal of countless Phillips head screws resulting in the depletion of Phillips screw drivers in that theater. Subsequent screws were removed by drills and punches. Loose union nuts and fittings frequently prevented these aircraft from climbing to their altitude. Many P–38 airplanes had the engines and superchargers adjusted so poorly that no degree of synchronism was possible. Many instances, in the early stages of the use of this fighter, were found of airplanes, returned from combat, whose turbosuperchargers had never functioned because of frozen linkage.

4. A Lockheed F–5, which was rebuilt under Lockheed's supervision at an Army air depot, was sent overseas with extensive damage still existing in the center section caused by the initial crash landing. Considerable repair was necessary.

5. On Bell P–39Q aircraft, rigging set to Technical Order Instructions caused load conditions, during rolling maneuvers on the aileron control. When the Servo tabs were set to zero instead of the specified 2 degrees, the characteristics of maneuvers were improved. All subsequent airplanes were thus rigged contrary to factory instructions.

Mr. President, in order to use these planes, it was necessary to do exactly the opposite of what the factory had instructed to be done.

I continue reading:

This model airplane commonly had the aileron hinge line as much as ¼-inch out of position, necessitating corrective trimming with consequent loss of cruising speed.

6. On engines of airplanes shipped overseas, there were many evidences of either ignorance or carelessness, such as: plugs safety wired loose; safety wiring backwards; and on four B–24 airplanes, which were flown trans-Pacific, I found on their 16 engines, that out of 32 rocker box to sump seals, only 18 were complete. Corrosion on airplanes exposed to saltwater spray and sea air was accelerated by intimate use of dissimilar metals. This caused delay while corrective action was taken.

7. On a new wing replaced on a Curtiss P–40E, the aileron supplied was defective. The fabric was not secured to the ribs. This caused the aircraft to viciously roll at speeds 270–300 miles per hour endangering the life of the pilot.

So much for overseas items. Reverting to the factory where I subsequently worked from August 7 to December 3, 1944. At this plant I found that there were innumerable misdemeanors which recur on most of their ships:

1. On the integral fuel tanks, the zinc chromate fillets sometimes hid missing rivets which are only sometimes discovered by leak test.

2. Oil cans (or loose skin) occur on all aircraft. No redesign is incorporated to obviate this and "patch up" salvage is prevalent on the line (i. e., rivets are removed and the can is distributed in surrounding panels or the contour of the former or stringer is augmented by addition of sheet-metal shims). In the can condition the stress during flight is concentrated on rivets not so designed.

3. Engine and propeller controls lack a safety device. Pull-off (misaligned pulleys) exists on all aircraft. This is a direct result of poor design and economy of pulleys. Controls have no pedestal stops to prevent excessive spring back and cable riding off engine bay pulleys.

4. Rudder tab controls do not incorporate stops to prevent strain due to over-travel.

5. No fire extinction means is provided for the "hell hole" compartment.

6. Steel tubing of engine mountings is scraped bare of protective priming and bare aluminum clips and steel fokker clamps are attached for alleged electrical bond with resulting deterioration of this vital structure.

7. The main structural joining of the outer wing to the center section is shimmed with U-shims at initial fit. No attempts to truly mate these important faces are made. This is bad engineering practice. The use of any type of shim in structures is to be discredited.

8. Inspection reports ("squawks") of minor nature are encouraged in quantity by the Inspection Department. Chronic "squawks" are not traced to source for correction. Some of these are due to faulty drawing. Reports dealing with the "airworthiness" of the airplane are signed off ("bought") by the inspection supervisor.

Time is the No. 1 factor in the modern warplane factory, everything else is secondary. Time is this prime consideration that governs all the operations during the manufacture of aircraft. If airworthiness is at all secondary it is my purpose to point out that this is indeed putting the cart before the horse.

Airplanes during the process of manufacture must move down the assembly line as scheduled. Each operation takes only so long and no longer—no matter what the difficulty—in order that the factory may keep up its quota.

This is the statement of Mr. Laurence J. Girault, who served 29 months overseas at a forward air service command depot and received an honorable discharge, who saw these faulty planes and came back and got a job so that he could study them. This is his statement, Mr. President, it is not mine.

So something must be sacrificed that the ship might get out of the door into the ramp, and that something is airworthiness.

When the ship is outside, all the inspection records are finalized and the airplane is accepted as ready for flight test. Subsequently the machine is test-flown and an A. A. F. pilot—

Of whom 17,500 have already died—

takes delivery and ferries it to a seaboard air depot. From this point the aircraft is consigned or flown overseas.

At the delivery point overseas the Air Service Command carries out a rigorous inspection that experience has found to be very necessary. Here are found all the faults such as: loose union nuts, hose clamps, bolts, plugs; stripped threads; missing and damaged parts; improperly bucked and missing rivets; improper safetying; wrong size screws in anchor nuts; dissimilar metal in intimate contact; deep scratches in parts of the primary structure; and numerous other defects not forgetting foreign matter lying in inaccessible places, that could contribute to the loss of flying personnel and the airplane. All these things are prevalent on aircraft "bought" by factory and A. A. F. inspection. The writer has seen the loss of life definitely attributed to factory carelessness of this kind.

Apart from the disturbing factor of possible loss of life and aircraft there is also to be considered the loss of performance of these fighting airplanes. In general this condition is hidden and might pass undetected by the G. I. inspector to show up later in the stress of battle when that extra something is demanded of the ship. That loose union nut, hidden from cursory view by paneling or other accessories, that has been keeping seal only by virtue of the flare of the tube, gives up and another of our aircraft is missing.

Getting back to that time factor. Let's look at the time it takes for an airplane to be fit for combat after it has arrived at the theater assembly depot. It should be very apparent that these G. I.'s working in the rigors of extreme climatic discomfiture with makeshift jigs and tools devised by necessity, are working on the factory's time with time much more pressing; yet it is here that the aircraft becomes airworthy.

In my 29 months in a forward Fifth Air Force Air Service Command Depot never have I seen a repair job like I saw made on a damaged nacelle on the assembly line of a factory here recently. The V. A. F. A. S. C. inspectors would have turned down that repair that was "OK Engineering," "OK Stress," "OK Factory Inspection," and "OK A. A. F. Inspection," for appearance, "Bad Workmanship" and poor practice. In all my experience in civil and military aviation I had never seen main structural joining shimmed for fit, yet in this factory there is an assembly line where the outer wing panels of this large airplane are shimmed at initial fit with bare dissimilar metal as a regular practice.

I don't propose that factories should slow down production. On the contrary, it has always been the case that a thing done correctly causes less delay by inspection and gets more attention from the individual worker. That's what counts—the personal interest of the workman. Personal responsibility for each job should be enforced. There is no such thing as a factory workman who is totally unskilled; doing the same work on the same installation on every airplane on the line makes for adept and skilled workmen. All they lack is responsibility and I'm asking you, manager, engineer, inspector, and workman, to arrest this irresponsibility where it exists in your warplane factory and do some real "winning the war" from this end or don't you build 'em to fight with?

LAWRENCE J. GIRAULT,

OAK PARK, ILL.

Mr. President, I have a letter from one of my own constituents in North Dakota, a young soldier, who at the present time is stationed in Texas. I shall not give his name for he is still in the service and I do not want him to get into trouble. What does he say? I read from his letter:

It has come to my attention through a newspaper clipping which I received from home that you have caused the Senate War Investigating Committee to investigate your charge that planes produced by the Buffalo, N. Y., plant of Curtiss-Wright Corporation were defective. According to the clipping, you have a statement from a former inspector of that corporation (Frank R. Hirsch) that the plant produced defective aircraft and forced them through inspection into the armed forces.

Since I am a former employee and inspector of the same corporation—

That is the Curtiss-Wright plant at Buffalo—

this matter is especially interesting to me and I can sympathize with Mr. Hirsch's feelings.

For nearly 2 years prior to entering the service I was employed by the Curtiss-Wright Corporation. During my time there I had ample opportunity to notice such activity. Frankly, I did see just such a thing. It went on for a long time and was still going on when I left. It wouldn't surprise me if I should go back to work there tomorrow to see the same thing being done.

Where I worked they didn't exactly force material through the procurement inspectors of the armed forces, but they did force their own inspectors to accept aircraft parts that didn't meet requirements set up by their own engineering department.

I hope the Mead committee will take note of that, and that 22 months after Senator Truman said there would be a report—22 months during which thousands more of our pilots have died here

in the United States—at last we may have the report.

Then they used very clever methods of camouflage to get the procurement inspectors to accept the blades for use by the armed forces.

I worked in the final inspection department and in salvage, where I had a wonderful chance to see what they were doing. I even tried in my small way to put a stop to it, but failed. My foreman got wind of it and had me transferred to the night shift where I was helpless. Being very much disgusted, I enlisted and tried to forget the whole thing. It still makes me angry every time I think about it. Now I wish I had taken my observations to higher authorities at the proper time.

That is from a North Dakota man, now in the service, who comes from an outstanding family in the State of North Dakota, and who will testify before the Mead committee any time they ask him to appear. He worked for 2 years in the Curtiss-Wright factory at Buffalo.

Here is another letter from a soldier in Missouri:

In regard to your recent action concerning an investigation of the inspection practices of the Curtiss Corporation of Buffalo, N. Y., I would like to advance my observations.

The maintenance program of the Curtiss-Wright type airplane is below standard. The manufacturers and Air Corps are both at fault.

My beliefs are founded on 3 years' experience in aircraft for a large corporation in which I served in many capacities, working up to a foreman's rating. I am at present a crew instructor in the Army Air Forces.

I recommend this man to the Mead committee for investigation. This makes one wonder what the committee has been doing for the last 22 months, while our pilots have been dying by the thousands.

Mr. President, I submit that in the name of justice and righteousness as well as in humble respect, in discharge of an obligation to the boys who have died because of the selfishness and greed of a few of our bankers and stockholders who control our aircraft industry, Congress must rip this degrading scandal wide open. I read into the RECORD a few days ago the names of those who are the stockholders of the Curtiss-Wright Corporation, showing that almost without exception they have Wall Street connections, and are interested in making money out of the war. In a few days I shall give another talk upon this floor, showing how much money they have made—not 10 percent, not 20, not 100 percent, but much more than that. I shall quote the official records.

Mr. President, the causes for the appalling loss of human life in plane accidents are a disgrace to the American people. The officers in the Army and Navy who are paid salaries by the people, and are trusted by the people to see that the Government receives a dollar's worth of material for every dollar expended, undoubtedly have permitted a ring of aircraft manufacturers to outrageously supply Uncle Sam with dangerous and defectively constructed airships. I appeal to Mr. Average Citizen—the fathers and mothers, sisters and sweethearts of G. I. Joes—are you willing to allow your public officials, who are spending your money, to accept these defective and dangerous airships in the name of the United States Government?

Mr. President, are the officials of our aircraft companies so powerful, so entrenched here in Washington, that they can carry on their diabolical activities unmolested? Are these aircraft companies interested only in swelling their enormous profits and dividends in behalf of their stockholders—or are they interested in manufacturing planes that will help America win this war more quickly, and bring our boys home safe and sound. The American people are beginning to show anxiety because their money is being squandered like water. The American people have never been told the amazing secret who the profit-makers are in the production of war aircraft, and the methods by which they benefit financially at the public trough.

Mr. President, who armed Hitler, Mussolini, and the Japs, for this outrageous slaughter of human beings? Imagine the surprise, the indignation, of our gallant airmen after they have shot down or captured enemy aircraft, to find name plates and trade-marks of American manufacturers on these Axis planes.

America will not have complete victory until our "War Trust" is defeated once and for all time. I say to my distinguished colleagues that wars will not be prevented until the profit element is removed from the greedy and inhuman souls who reap huge benefits out of these catastrophes.

LEND-LEASE

Mr. BRIDGES. Mr. President, just a few weeks ago Congress extended the Lend-Lease Act for another year. With all the pressure of new problems upon us, I would be content not to reopen the lend-lease problem after I thought we had properly disposed of it, but recent pronouncements regarding the administration of the act gives me the uneasy feeling that the clear purpose of the act and the clear intention of Congress are either not understood or are intentionally disregarded.

Let me explain this briefly. Lend-lease was an act to promote the defense of the United States. The law was originally passed when Germany and Italy sought to overrun Europe. The prime purpose of the act was to put the economic might of the United States behind the countries resisting Axis aggression. The scope of the act was enlarged when Russia was invaded and after Japan attacked the United States. In successive years thereafter the act was extended as the war continued, and the latest published figures show that to date more than $36,000,000 worth of American materials have been devoted to the purpose of the law, and new figures which will come out will show approximately $40,000,000,000.

All the circumstances under which the proposal to lend-lease arose, every phase of the great debate that took place on it, and the clear intent of Congress in passing the law, affirm the fundamental principle which is the root of the law. That principle is simply that lend-lease is directly concerned with the war against the Axis nations. It was a measure designed to assist the democracies in their effort to stop Axis aggression. The aid which was given the Allied Nations was predicated on the fact that they were actively participating, in one way or another, in the effort to stop Hitler, to stop Mussolini, and later to stop Japan. When the Axis had been defeated, the clear purpose of the act would be ended, and it was to cease. Congress and the American people supported the original act on this assumption. I was one of the stanchest supporters in the Senate of the Lend-Lease Act. As the act came up for successive renewals, the original purpose was reaffirmed, and in each instance, and in the case of each appropriation, I was one of its strongest supporters. On those occasions Congress made it clear beyond question that the act was regarded as a war measure—to cease when hostilities ended.

The most recent renewal of the act was made when the war against Italy and Germany was in its final stages. Aware that the end of the war was at hand, Congress paid special attention to the question of fundamental policy of the act. In the hearings on the most recent renewal of the act pointed questions were asked about its future administration. These questions I may say were not idle ones. They did not come out of the clear sky. They arose because there was considerable ground to believe that lend-lease was to be extended into the future as a general means of serving the post-war economy of foreign nations. There was talk in the air that the United States might lend-lease $5,000,000,000 to Great Britain and $6,000,000,000 to Russia. A French lend-lease agreement gave some substance to this fear by providing, under lend-lease, for shipments of American goods to France on credit terms extending over 38 years. It was in this atmosphere that the hearings in the House and Senate were held. Perhaps the main point of the hearings in both Houses was to make absolutely certain that lend-lease was held to its original conception as a war measure; and to see to it that it did not become the means of post-war foreign trade, reconstruction, credits, or any other device for post-war economic relations.

Responding to the desire of Congress for this assurance, Mr. Leo T. Crowley, Lend-Lease Administrator, declared:

It is our understanding that lend-lease is entirely military aid, mutual aid to our allies in this war, and that after the war lend-lease will cease and will not be used for post-war rehabilitation purposes or have anything to do with post-war economic aid to these governments.

In enacting the renewal bill itself, the House deliberately included a provision to reinforce its understanding that lend-lease was to cease with the war, allowing only such additional time as would be needed to liquidate current operations under the law.

The same problem arose in the Senate hearings and the same assurances were sought. On March 28, 1945, in answer to my direct question, Mr. Crowley repeated in substance his testimony on this point before the House Foreign Affairs Committee. Responding to an ob-

servation made by my colleague the Senator from Michigan [Mr. VANDENBERG], Mr. Crowley became even more emphatic. He said:

I want to make it very definite that lend-lease was not supposed to and will not be used as an economic aid for post-war rehabilitation through any indirect or direct method.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LANGER. Will the Senator give us the date of that interrogation?

Mr. BRIDGES. That was on March 28, 1945.

Mr. TAFT. Mr. President——

The PRESIDING OFFICER (Mr. TAYLOR in the chair). Does the Senator from New Hampshire yield to the Senator from Ohio?

Mr. BRIDGES. I yield.

Mr. TAFT. I think it might be well to call the Senator's attention to the speech made by the senior Senator from Michigan [Mr. VANDENBERG] in support of extension of lend-lease when the question was discussed. I read what the Senator from Michigan said in the Senate on April 9:

Despite all the law we can write upon the subject, however, it is inevitable that the success of observance of the congressional intent is finally dependent upon the discretion of the Lend-Lease Administration. Therefore, the attitudes and interpretations of Administrator Leo T. Crowley become of vital concern. Under such circumstances, I am glad to say that the testimony of Administrator Crowley has repeatedly demonstrated that he totally concurs in this expressed congressional intent, and that it is his repeatedly asserted purpose to live, so far as humanly possible, within the literal text of the law. But we cannot close our eyes to the fact that despite every legislative precaution, we are finally at the mercy of the Administrator, checked solely by the vigilant use of our own appropriating power.

I am glad to assert that I have the greatest confidence in Administrator Crowley in this regard. He was asked many times, and in many different ways, in both the House hearings and the Senate hearings on this bill, how he feels about his authority under the bill. He never failed to make the same unqualified answer. It may be summed up in a quotation of his testimony at page 53 of the House hearings. Mr. Crowley said:

"I do not think we have any right to use lend-lease for post-war economic purposes."

The Senator will remember that we attempted to change the law to make it even more clear, and that proposed amendment was rejected by only one vote. It was rejected only because many Members of the Senate had absolute trust in Mr. Crowley's discretion, and that he would carry out the spirit of the act, without the necessity for writing drastic language into the act to make such action necessary.

Mr. BRIDGES. I thank the Senator for the views he has expressed, in which I concur.

Mr. President, on the assumption that the act was intimately related to the war and was not to be used as a post-war instrument, Congress renewed the authority of the President until June 12, 1946.

It is, therefore, with considerable surprise and with some irritation and regret that I have observed recent developments on the subject. Conflicting statements have come from official sources as to the future operations under the act. Acting Secretary of State Joseph C. Grew is quoted in the Washington Post as saying:

Since 1941 the United States has agreed upon annual programs which have been embodied in protocols. In view of the changed military situation, programs of such duration are not required. Instead it is proposed that lend-lease shipments to the Soviet Union be reviewed and continued where they are justified on the basis of adequate information regarding the essential nature of Soviet military supply requirements, and in the light of competing demands, as is the practice with respect to other lend-lease countries.

I have before me an official news release of the Department of State giving a further statement by Mr. Grew. It is a very carefully worded statement on future policy of lend-lease. When read as a whole it is clearly intended to lay a foundation for an interpretation of lend-lease as the State Department wishes to interpret it and not as Congress intended the act to be used.

It says:

The act makes it clear that the President must determine what supplies and services shall be furnished as vital to the defense of the United States, and he may continue to make this determination during the existence of the Lend-Lease Act.

Mr. President, that is true, but the President must make his determinations within the framework of the law as Congress intended. Congress did not intend the law to be used directly or indirectly for any other purpose than to finish the war which since 1941 we have made our own.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. BUSHFIELD. I have in my hand a copy of the original Lend-Lease Act in which these words are found:

That the President may when he deems it in the interest of national defense—

And so forth. I am sure from what I have heard of the discussion on the Senate floor that it was the intention of Congress that lend-lease aid be granted to those of our allies who are engaged in the conflict with Axis nations.

Mr. BRIDGES. That is correct.

Mr. BUSHFIELD. The Soviet Union is no longer at war with anyone, so far as I know. Mr. Crowley, the Administrator of the lend-lease program and the lend-lease fund—and I wish to digress for a moment to say that there is no administrator in Washington in whom I have greater confidence—issued a statement the other day in which he said that lend-lease was ended so far as the Soviet Union was concerned, or at least I so construed his statement. I understand the Senator from New Hampshire now to say that the State Department has reversed that position.

Mr. BRIDGES. No. In answer to the Senator from South Dakota. I may say first that, as I have indicated, I was very particular to bring out that point, in the hearings before the Foreign Relations Committee, and other Senators brought it out. Mr. Crowley answered without any equivocation whatsoever. Let me say that I share the Senator's high opinion of Mr. Crowley. I think he is an able administrator. I think he means what he says. And he in turn the day before yesterday issued a statement in which he reaffirmed the position which he took before the committee. Then in turn, the State Department, through Mr. Grew, the Acting Secretary, confuses the whole matter, so that any one could gather from Mr. Grew's statement the reverse of what Mr. Crowley testified, and what Congress intended. Therefore what I am seeking, as a very staunch advocate and supporter of lend-lease, is a clarification of the policy that lend-lease be used for war purposes only. If we are to have rehabilitation and aid to foreign countries, let the question come before Congress directly. Let us have an honest request for it, and not try to use lend-lease as a substitute.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. BUSHFIELD. Let me ask the Senator if it is not his interpretation of the discussions on the floor of the Senate in the past couple of years that that was the intent of Congress?

Mr. BRIDGES. Absolutely. If any Member of this body had any other thought in mind than that lend-lease was to be used as a war measure, as an aid in the prosecution of the war against the Nazi and Axis Powers, and for that purpose only, I should be interested to hear it. I do not believe one can find in any speech delivered in the Senate, or in any testimony before a committee, whether the committee was considering appropriations or an extension of the act, the statement by any Senator that he intended lend-lease to be used for anything else than the successful prosecution of the war. If any Senator had a different thought in mind, now is a good time for him to speak up.

Again, Mr. Grew says:

The war we are engaged in is one war, not two separate wars, and the end of organized resistance in Europe is not the end of the war. Occupation and military control in enemy areas are required in Europe and cannot be effectively carried out on an unstable and a disorderly continent. The presence of American forces in war-devastated Europe, their supply, and their redeployment in connection with continuing military operations will almost certainly require lend-lease shipments. If the President determines that lend-lease supplies must continue to move to Europe for an additional period because the prosecution of the war requires it, he is authorized to do so under the act. Of course, he is also authorized to furnish necessary supplies to foreign countries on the basis of continuing hostilities in the Pacific.

Mr. President, apart from minor military necessities of our own armies, this is a studied attempt to continue lend-lease on pretext of a military situation no longer directly connected with the war in Europe.

The war in Europe is over. The post-war phase there has already set in. We have an Allied control, a U. N. R. R. A., and other devices specifically designed to police and to assist Europe in its post-war problems. Lend-lease was not intended to take care of those problems.

And the existence of those problems should not be used as a pretext for continued operations under lend-lease.

We have a hard war yet to win against Japan. It will take a heavy toll of American lives before it is over. The American people want to get on with this war and finish it. American mothers and American wives want their sons and husbands returned home at the earliest possible date. Every ounce of our energy, every item of war material, food and clothing we produce must be devoted to the war in the Pacific until we push it through to a speedy and successful conclusion.

We cannot have any diversions of lend-lease for any purpose except to those countries which are vigorously and openly working with us to defeat Japan, without sacrificing American lives and sacrificing the American effort in the war against Japan. I believe that to be the clear intent of Congress.

I for one intend to insist upon it. I want Mr. Crowley to insist upon it and to administer lend-lease as Congress understands it. I will not stand by and watch the State Department or any other agency of government ignore the fundamental basis of the act or practice a subtle evasion of it for any other purpose. It is not within the intent of the act to extend lend-lease aid to nations merely because they can be connected in some remote relation to the war in the Pacific. The act is designed to promote the defense of the United States, and at this moment the most important thing to the defense of the United States and in the minds of the American people is the speedy defeat of Japan and nothing else.

Any country not actively and vigorously and directly aiding the United State in this life-and-death struggle in the Pacific has, at best, only a secondary claim on our economic resources. No country is entitled to economic aid under lend-lease for post-war purposes or on long-term credits. Aid of that nature must stand on its own merits clearly apart from lend-lease.

Mr. President, I did not rise this afternoon to make idle talk about this matter. I am honestly disturbed, as many other Members of Congress, and many other Americans, are disturbed by this constant attempt to stretch lend-lease beyond its original purposes. As a responsible Member of the United States Senate, I intend to use my influence and my vote to confine lend-lease to its original purposes, which I have always supported. I will not willingly permit the law to be interpreted into something else, no matter what the pretext or how subtly it is presented. To do otherwise is to deceive our people at this fateful moment, and jeopardize the lives of thousands—perhaps hundreds of thousands—more of our American sons and daughters.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LANGER. I am very happy to say that I was the only Senator to vote against lend-lease. I have always been proud of that vote. I am also happy that I voted against confirmation of the nomination of Mr. Grew.

I note that the Senator says he will insist that Mr. Crowley stop lend-lease shipments to certain people. We enacted a law, known as the Tydings amendment, providing that Mr. Hershey could not draft certain of our farm boys, but they were drafted. I should like to have the Senator tell me how he proposes to stop Mr. Crowley from sending lend-lease material to Russia, or any other country which is not at war.

Mr. BRIDGES. In answer to the Senator from North Dakota, let me say that I do not know that I can. However, when the administration comes before the Appropriations Committee, of which I am now the ranking Republican member, for lend-lease appropriations, I intend to explore the situation very carefully, and the next time the issue is before Congress I intend to bring the subject to a head.

Mr. LANGER. A farmer who had 640 acres of land, and a son who had many more units than the law required, wrote to me and asked, "Who is running this Government? Is it Mr. Hershey, or is it the Congress?" When the farmers were told that Congress was in control, the next question was, "Why not get rid of Mr. Hershey?"

I should like to have the distinguished senior Senator from Ohio [Mr. TAFT], who has been a Member of the Senate for a long time, tell us exactly what to do with the heads of some of the Government bureaus who do not follow the law.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. TAFT. I believe that if a majority of the Senate Committee on Appropriations should see fit to do so, the committee could practically force such a person out of office by depriving his organization of appropriations. The difficulty is that Senate committees are usually not willing to go through with insisting upon performance of the law. Whether that is because they happen to be under the control of the same party which operates the Government, I do not know; but that is the difficulty which I have found in trying to obtain action.

Mr. President, will the Senator further yield to me?

Mr. BRIDGES. I yield.

Mr. TAFT. One issue which interests me is the apparent ability of the State Department to overrule Mr. Crowley. Mr. Crowley comes before Congress as the Lend-Lease Administrator. He makes certain pledges to Congress, and carries out those pledges by issuing a public statement as to how he thinks lend-lease to Russia should be limited. There is a question of degree. It is almost impossible to write into the law in detail what we desire to have done. It is a question whether or not particular material which is promised is something which is really necessary for the prosecution of the war, or for post-war rehabilitation. It is difficult to separate the two. In effect we say, "We trust Mr. Crowley. We know that he realizes the spirit of the law, and that he intends to carry it out." Then he issues a statement. The State Department then overrules him, presumably under the provision of the Executive order establishing the Foreign Economic Administration which says:

> The powers and functions of the Administration shall be exercised in conformity with the foreign policy of the United States, as defined by the Secretary of State.

The State Department claims the right to issue directives to the Foreign Economic Administrator in regard to his policy, and it reverses his policy. I think that is a breach of faith. If the administration is going to send Mr. Crowley to Congress to ask for a renewal of the Lend-Lease Act and to tell us what the policy is regarding lend-lease, it should abide by Mr. Crowley's decision, and it should not permit some other department to overrule Mr. Crowley on the vital question of the proper policy to pursue in future lend-lease.

I may say that I am not opposed to some additional loans to Russia. I think the point we should make is that the huge lease-lend funds shall not be available for post-war purposes. If the administration now desires money for post-war aid—and it does, because most of the agreements today are clearly being made toward post-war relief—it should come here and tell us what it wants, and it should submit a program for post-war relief.

So far as I am concerned, I should be glad to support it, in reasonable amounts, with proper restrictions and a proper definition of purposes. But I do not think it should continue to go on, under the Lease-Lend Act; and particularly I think it is a breach of faith for the administration and the State Department to take away from Mr. Crowley the discretion which he himself represented that he had when he appeared before the Foreign Relations Committee.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LA FOLLETTE. I merely wish to add the observation that I believe the administration, when it takes action of this kind, tends to hurt the cause of legitimate rehabilitation, by stretching an authority which was clearly understood in the Committee on Foreign Relations and in the debates on the floor to limit the use of future lend-lease strictly to war purposes. When it does that, when it breaches that agreement or that understanding, and seeks to circumvent the necessity of coming to Congress and asking for funds for rehabilitation, I believe it hurts the cause of rehabilitation, rather than helps it, in the long run.

Mr. TAFT. I fully agree with the Senator.

Mr. LA FOLLETTE. I take that position because in supporting the amendment offered by the Senator from Ohio, I stated that I would be ready and willing to support any properly drawn legislation looking toward a reasonable and fair participation of the United States in the cause of rehabilitation. But when

this sort of procedure is indulged in, I believe that those who do so are hurting the very cause they seek to serve.

THE PROBLEM OF CARTELS—STUDIES OF T. N. E. C.

Mr. O'MAHONEY. Mr. President, our Nation and the whole world are faced with the so-called cartel problem. Some years ago the Temporary National Economic Committee conducted hearings upon this subject. Today the question is again in the forefront of official discussion. I desire to call the attention of Members of Congress and of those who may read the CONGRESSIONAL RECORD to the fact that there are still available some copies of part XXV of the Temporary National Economic Committee's report dealing with the problem of cartels. That hearing was conducted in a scientific and objective manner, and a great deal of important information bearing upon the problem is to be found in the document. I recommend it to the attention of Members of Congress.

Let me also say, Mr. President, that the Superintendent of Documents has reported to me that as of last December that branch of the Government Printing Office has taken in from the public in excess of $80,000 from the sale of copies of the various hearings, monographs, and reports of the Temporary National Economic Committee.

On January 6, last, I introduced Senate bill 11, which has the purpose of providing for the registration of foreign contracts, made by domestic and foreign companies doing business in the United States, which contain certain types of agreements. That measure was the subject this morning of a hearing conducted jointly by a subcommittee of the Committee on the Judiciary, to which Senate bill 11 has been referred, and by the special committee of the Senate which was appointed some months ago to study the national petroleum policy. The hearing this morning was opened by the testimony of the Attorney General, Mr. Francis Biddle, and by a statement by Assistant Secretary of State William L. Clayton. The Secretary of the Interior, Mr. Harold Ickes, and representatives of the Federal Trade Commission were also present. An informative discussion was developed. Additional hearings will be held tomorrow, and on Monday spokesmen for the Standard Oil Co. of New Jersey, the Texas Oil Co., the Socony-Vacuum Co., and some others will appear before the committee. Those companies are naturally interested in any legislation which will affect our foreign trade.

Mr. President, I rise for the purpose of calling the attention of the Senate to the studies made by the committee and also to ask unanimous consent that there may be printed at this point in the RECORD, as a part of my remarks, the full text of the statement which was made this morning by the Attorney General, and also the full text of the statement made by Assistant Secretary of State William L. Clayton.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. FRANCIS BIDDLE, ATTORNEY GENERAL OF THE UNITED STATES

The proposed Foreign Contracts Act, providing for the public disclosure of restrictive contracts which affect our foreign commerce is an attempt to learn from experience. We have had plenty of experience from which to learn. We must remember this experience now, not for the purpose of criticizing any particular transaction or company, but so that we may take steps to protect ourselves in the future.

It is a matter of public importance when an American company enters into an arrangement with a German company under the terms of which the American company promises to stay out of the Latin-American market and to use its best efforts to keep other American firms out of the Latin-American market.

It is important, too, when an American company agrees not to sell aircraft parts in those countries of Europe which the German Government, long before Munich, has decided to make completely dependent upon German supplies.

When an industrial treaty is entered into by the terms of which an American company promises a Germany company that it will produce no more than 5,000 tons of magnesium a year, this is a matter of sufficient importance so that at the very least the American Government and the American people ought to know about it.

It may be that no American company will ever again enter into an arrangement with I. G. Farben whereby I. G. Farben can stop some of the developments of synthetic rubber in this country, but now is the best time to take proper steps to make sure that this will not occur again.

And it is quite possible that no American firm will ever again make an arrangement with a Japanese company whereby the secrets of submarine propellors being tested by the United States Navy, as well as the results of the tests, will be disclosed.

But we must remember that many of the cartel contracts contained terms under which they were to be revived after the war. The examples are too numerous for comfort.

One such contract contained the provision that "the parties should enter into new negotiations in the spirit of the present agreements and endeavor to adapt their relations to the changed conditions which have so arisen." Later the parties entered into what they termed "complete plans for a modus vivendi which would operate through the terms of the war, whether or not the United States came in," possibly, as is also explained in another document, because "technology has to carry on—war or no war * * *."

"Have no fear, whatever I do will be in your interest," telephoned the former head of one American chemical company to the head of I. G. Farben, as the beginning of the war for this country was drawing near.

Many of the arrangements of course concerned the Latin-American market where British, American, and German companies had joint subsidiaries. A report from the foreign-relations department of an American company to its executive committee, dated February 9, 1940, stated "the company informed I. G. that they intended to use their good offices after the war to have the I. G. participation restored." A communication from the company to the British Imperial Chemicals Industries later in 1940 stated, "I think we have all agreed that there is a moral commitment, if and when circumstances permit, for these former shareholders to become shareholders again, but the basis on which they may be done will have to be discussed at that time." I. G. was the former shareholder.

It is not that I believe that these particular contracts necessarily will be revived after the war. Many of the companies involved have publicly renounced them, and others are under court injunction declaring the agreements invalid and prohibiting further performance. We happen to know about these agreements; they have been publicly discussed and in some cases court action has been taken. No doubt in some cases these contracts may be open to unfair interpretations, but these known contracts must serve as the examples for the many other cartel contracts of a similar nature which have never been disclosed.

One contract which we do know about contained this interesting provision, "the existence, the content, and the details of operation of this agreement have to be kept secret by both parties notwithstanding the possible obligation of disclosing it to public officials." There is no doubt that many agreements which have vitally affected the well-being of this country have been successfully kept secret.

And the Department of Justice knows, as a matter of fact, that many cartel arrangements necessarily disrupted during the European phase of the war are now being resumed. Meetings have been held, plans have been laid, and in some cases agreements already entered into. As to some of these agreements my Department will have something to say before long.

Of course the danger inherent in some of these agreements will be considerably diminished if we can rid Europe and the world of the great German cartel structures which, acting for the German Government, entered into these cartel agreements as part of a program to weaken the productive facilities of this country. I hope and believe that we shall do so. At the same time, as we take steps here to protect ourselves, we must seize the opportunity we have won to destroy these German cartels, to open up their patents and industrial research, developed during the war, to all the world, and to place such German industry as is permitted to remain in a position where it can no longer dominate and again control the industry of a considerable portion of Europe. We do not need to be warned by the statement of the manager of Krupp who told an American reporter that he would "be surprised how quickly the plant could be put into operation again."

But we must think of at least 15 years from now, and further we must remember that it was the Versailles Treaty which was circumvented and evaded through the mechanism of secret contracts with American firms. One Germany company, in connection with a cartel agreement as to which the Department of Justice filed an action only yesterday, explained that through the medium of this agreement, it was able to make the most modern storage batteries available to the German Navy. This is how the German company described its success:

"In connection with the production of electric storage batteries for submarines of the new German Navy it was very important that the A. F. A. had never left out of sight the technological progress made in the construction of those batteries. In spite of the greatest difficulties, which existed because of the dictate of Versailles, the A. F. A. [the German company] was enabled through its foreign connections, to remain prepared in that field so that presently modern batteries, with all possible improvements, could be made available for the construction of new submarines."

We look at these agreements today, of course, with the wisdom of hindsight. But we have something more to guide us. We

can see the complete pattern of these arrangements in a way which must have been denied all but a few American companies before this. If it had been necessary to make these agreements public, not only would many have not been entered into, but the web of German activities would have been revealed to American companies who would then have known the greater significance of the restrictions upon them which for one reason or another they felt compelled to accept.

I believe that American industry is entitled to have agreements of this nature open to inspection. I do not subscribe to the view that American companies were willing to participate in a plan to thwart the development of American foreign trade as a whole or were knowingly engaged in a project to build up the industries of the future enemies of this country. Surely these companies are entitled to the guidance which public disclosure would give to them.

There should have been some compulsion for making public the agreement which existed between an American firm and a Japanese company whereby, as late as 1939, the American company felt obligated to turn over to the Japanese some of the secrets and the industrial know-how for making aviation fuel. Today we know of this agreement pursuant to which an official of the American company later wrote, "the information given to the Japanese representatives was as complete, if not more complete, than any information on these processes which we have supplied to anyone." An American company which enters into such an agreement should be entitled to say that it hid nothing and that it let the American public know.

The proposed Foreign Contracts Act will provide this mechanism. It is not a far-reaching statute. It will not by itself solve the cartel problem. It envisages no change in the principle of free and competitive enterprise. It gives to no Government Department or Bureau the right to pass upon the contracts which are filed or to grant exemptions from the antitrust laws. It is not a cartel immunity or a cartel control bill. Its purpose, as I read it, is simple. It is merely intended to provide a mechanism through which the American public can know the terms of those arrangements which affect not only their foreign trade, but the access to foreign technology. Many of these arrangements are more important than treaties publicly debated and approved or disapproved in the Senate of the United States. These agreements are sufficiently important to be made known, not to some official of some government agency, but to the American people.

For this reason I am particularly happy that the proposed bill does not give to the Attorney General much discretion. The contracts are to be filed with the Department of Justice, and will constitute public records, open to public examination. The Attorney General may not withdraw contracts from public inspection except to the extent that this may be necessary to prevent the disclosure of a trade secret. There can be no quiet conversation with some public official and a go-ahead signal for some secret commitment.

Because of the lack of discretion conferred upon the administrator of the act, we must be particularly careful, of course, as to its terms. The Attorney General is not given any power to exempt particular contracts from the requirements of the act no matter whether the financial interest involved or the public aspect of the transaction is relatively unimportant. There is undoubtedly good reason for this because, as for instance in the case of a patent covering a process which may be the basis for some new medical discovery, it may be difficult to tell what the ultimate importance of a given transaction may be, and the financial standing of the companies involved or the pecuniary value of the particular arrangement may be no guide. The Attorney General likewise is not given any power to add to the list of restrictive provisions which when present in a foreign contract will require registration. For these reasons the precise scope of the sections which will legislate as to the contracts to be covered will have to be carefully examined. As these hearings develop, undoubtedly cases will appear where the present wording may not reach contracts which should be covered or where the public interest may not justify the expense and trouble of registration.

The structure of the bill is fairly simple. Before a contract is filed under the terms of this act, two requirements must be met. It must be a foreign contract and it must contain restrictive provisions. Foreign contracts include agreements made with foreign companies or which affect the commerce of this country with foreign nations or prevent any domestic person from engaging in trade outside the United States. The restrictive provisions, which make the act operative upon the foreign contracts which contain them, are five in number. I have some question about one of them.

Four of them seem to me to be appropriate. They include prohibitions upon the type or kind of commodity which may be manufactured or purchased or on industrial processes which may be used. They also include divisions of territories and markets.

The additional two provisions concern patents or trade-marks, whether licensed or assigned. Inasmuch as every patent or trademark is a claim to a monopoly grant, I believe it is proper to require registration.

The fifth provision (Sec. 2 (d)), however, requires the registration of a foreign contract if it contains "an agreement to form or to use, for the purpose of conducting joint operations or a joint venture, a corporation, partnership, unincorporated association, company, or legal person or entity." I believe I understand the purpose of this provision. It was no doubt put in because so many of the broad sweeping cartel arrangements did provide for the formation of joint companies to be owned by the cartel partners. I should not think, however, that it was intended to require registration of every agreement between two American companies to engage in foreign trade and to form a corporation or to have a joint venture for that purpose. It was probably intended to cover only those foreign contracts made with foreign companies and which provide for the joint operation through some legal entity set up for that purpose. If that is so, this provision must be reworded. I mention it as an example of the kind of care which will have to be taken in reexamining the bill particularly in view of the absence of any power in the Attorney General to grant exemptions.

I believe it is paramount to stress the limited nature of this bill. It will not solve the cartel problem. While the bill necessarily provides for the registration of a written account of the terms of unwritten understandings, we will have to expect that many contracts which in practice do contain unwritten restrictive provisions will never be disclosed despite the criminal penalties which are provided. And where agreements are filed, the bill relies on publicity alone. I believe this is the way it should be.

There have been cartel registration statutes all over Europe. Usually they have been the opening wedge to cartel supervision by the government. The European experience is clear. First, cartel registration statutes were passed with the result that many formal documents were filed but the cartel abuses continued. Then some government agency, possibly the agency charged with the administration of the registration act, was given the power to prohibit provisions in cartel agreements whch were thought to be against public policy. Then the government was given the right to insist that certain provisions be put into agreements whether the parties wanted them or not, and the cartel agreement itself might be made compulsory on nonmembers. And finally, the government having assumed the responsibility took over the active management of the cartel. The final stage of the merger between the government and the cartels was of course reached in Germany.

The cartel road is an easy road to follow. The plea that a particular business, which is always thought to have unique problems, should be permitted to make restrictive arrangements, only of course if the government through some official decides that it is in the public interest, is a very appealing plea. The notion that some government official may not have the wisdom to determine the public impact of an agreement which removes the incentive of competition, may retard the development of an industry, raise prices, or keep out small enterprise—dies hard. The pattern of history that government supervision of this character inevitably becomes increasingly severe is easily forgotten. It is ironic but it is true that the people who have proposed some form of governmental supervision and control over cartels, which has inevitably lead to a simultaneous strengthening of the cartels and of absolute government management over business, have most frequently been opposed to cartels and have believed in free and competitive enterprise. We must beware of the pessimist who says "I am opposed to cartels, but if this industry could only make its restrictive agreements public, subject of course to the determination of some government official in the public interest, then we will have removed the bad effects of cartels and will have preserved the good." That is the cartel road and it usually begins by providing for the registration of the cartel agreements with some public agency.

Therefore I think a word of warning is appropriate. In some ways the most important provision of this bill is section 7 which provides that registration will confer no immunity whatsoever from the antitrust laws. The antitrust laws apply to foreign commerce. The Sherman Antitrust Act has grown up by now and this is not a new theory. Not only the wording of the statute but the debates in Congress show that the act was intended to prevent restraints of trade on our foreign commerce. Companies which entered into cartel arrangements of world dimensions restricting American imports to whole areas cannot very well say that they did not know what the policy of this country was as to such agreements. One may be pardoned for believing that perhaps in these cases the wish was the father to the lack of knowledge.

I know why most of these companies entered into those arrangements of course. It seemed relatively simple to agree to stay out of some foreign area or to give up the production of some product if in return one could achieve a guaranteed and protected market. The long-term effect on our domestic economy and the strength of the Nation are easily forgotten in the specific transaction. And this undoubtedly accounts for the willingness, even though reluctant, of some American companies to accept the restrictions placed upon them. I refer, for instance, to the cartel quota system which exists in the electric lamp industry. An official of one American company in writing of this system stated:

"It is perfectly true that we are the second largest lamp manufacturer in the world, but we only have a participation outside of the United States and Canada, of approximately 1.2 percent of the licensed lamp manufacturers' business, which is probably about 0.6 percent of the world business outside the United States and Canada. I agree this is definitely lousy."

But an official of another American company explained it this way:

"You spoke of a possible license from the G. E. to export lamps to certain countries.

I don't know whether I explained the situation to you, but the fact is that in the world at large the more important electrical interests, such as the G. E., Siemens of Germany, Philips of Holland, etc., are closely bound together in a cartel with the result that they have entered into binding agreements, apportioning world markets between the respective companies. Accordingly, you can see that if the G. E. broke their agreement and allowed us to export into a foreign country which was assigned under the cartel agreement to a European manufacturer, that European manufacturer would have a claim to enter the American market in competition with us and probably could not be restrained from doing so. This is something which would probably not be to our advantage."

Our foreign commerce will become increasingly important to us. The world has grown smaller with the extraordinary development of air transport during the war. The development of new processes have made it possible to create new industries. If the barriers to foreign trade can be removed, American industry with its efficiency in mass production will find its way over the entire globe. But the foreign contracts covered by this proposed registration act are even more important to us because they affect American access to foreign research and development and they reach down into the very heart of domestic production. When an American company can't produce magnesium or synthetic rubber, it is not only our foreign commerce which suffers.

There is, of course, only an artificial line between foreign and domestic commerce. That is why it is most important that we be willing to conduct our foreign commerce in accordance with the American tradition of competition. There has been a good deal of talk about the compulsion American companies are under to enter into foreign cartel arrangements. The truth is that in most cases the cartels cannot survive if the American companies do not participate. And it is a myth to believe that a system can be created which will provide for the polite supervision of American companies entering into cartel arrangements in foreign trade, and not have that same system, whether mild or severe, also applicable to their domestic business.

While there are particular reasons why contracts with foreign companies are affecting our foreign commerce should be publicly disclosed, it is therefore important that the Registration Act should be regarded solely as an adjunct to the traditional policy of this country in favor of competition. If we view this act as a partner to the Sherman Act, granting no immunity, we can escape the road which looks pleasant to some of polite government supervision leading to government management of powerful cartel business groups.

This is a first step. Other measures will have to follow. We must reform our patent system which has so frequently been abused and thwarted by these very cartel contracts. We will have to join with other countries as best we can in gaining such measures as will be possible to remove trade barriers all over the world. But joined with a vigilant enforcement of a free and competitive enterprise program, this act should prove helpful to the national security and to the elimination of artificial handicaps to business and trade.

STATEMENT BY THE HONORABLE WILLIAM L. CLAYTON, ASSISTANT SECRETARY OF STATE

For nearly a month the House Ways and Means Committee has been considering a bill which would renew and strengthen the Reciprocal Trade Agreements Act. This bill would grant to the President the necessary authority to get ahead with the important task of negotiating reductions in excessive governmental barriers to international trade, both here and abroad.

I am glad to appear before your committees to discuss the other side of the question—the urgent problem of dealing effectively with private barriers to international trade.

The O'Mahoney bill, S. 11, is principally designed to bring to light the facts about international business arrangements. Such arrangements as restrict trade and limit competition are commonly called cartels. I should like, in the time available to me, to discuss:

1. The nature of international cartel practices and some suggestions which have been developed in the executive branch of the Government for dealing with these practices.

2. The bill before this committee and its relation to a broader anti-cartel program.

3. Various suggestions, currently proposed, for making immunity from antitrust prosecution a condition for the registration of international business agreements.

I

A cartel is a kind of treaty of alliance between economic rivals. Cartels arise from a desire to avoid competition which tends to lower prices, reduce profit margins, threaten the existence of high-cost producers, and diminish established capital values. The cartel may not completely eliminate rivalry, but it does suppress certain forms of rivalry, chiefly those which result in price competition. Individual firms may continue to seek their own expansion and preferment, but typically do so through striving for larger relative production quotas, control over patents and technological superiority, and through securing political support for extending their respective spheres of influence and control.

In their attempts to maintain or increase profits, cartels engage in a variety of practices. The most frequent of these practices are the partitioning of exclusive fields of industrial activity (e. g., the Standard Oil-I. G. Farben division of fields agreement of 1929); division of markets through agreement to allocate trade territory (e. g., Dupont-Imperial Chemical industries' agreement for sharing world markets); allocation of production or export quotas through agreement to set absolute or relative limits on amounts of goods produced, sold, or exported (a standard device of the international tin cartel); restrictions upon new productive capacity (characteristic of the cartel arrangements among nitrogen producers); and fixing of prices and terms of sale (well illustrated by the international aluminum cartel).

These devices may be implemented by some form of direct agreement, by the terms of patent-licensing contracts, or by stock participations and joint control of subsidiary firms.

Cartels have enjoyed, moreover, some degree of Government protection or support. Sometimes, indeed, Government assistance seems to have been an essential requisite to the formation and continued existence or effectiveness of international cartel agreements. Both the tin and the rubber cartels clearly belong in this category. Tacit Government assent was given, furthermore, to master agreements of a cartel character made in the interwar period among the top manufacturing associations of Germany and France and of Germany and England, followed after the outbreak of the present war by a similar agreement involving associations in England and France.

To avoid having to disclose their dealings to Government inquiry and to escape prosecution in the country of operation, parent companies have frequently sought to be domiciled under the protecting laws of countries in which regulation is lax and surveillance slight. Thus the efforts of a single country to control restrictive trade practices by an international combine may, in the absence of intergovernmental cooperation, be severely handicapped.

Cartelization of an industry typically results in reduced output, higher selling prices, higher profit margins, reduced employment, protection of high-cost producer members, and more stable prices for cartel members.

In the international field, cartels impose by private treaty artificial barriers to international trade which give rise to international frictions and disputes, disturb the course of multilateral trade, and restrict opportunities for additional investment. By reserving the markets of colonies and mandates to producers situated in the imperial country, cartels also constitute a form of trade discrimination. For these reasons cartel practices are in conflict with measures to liberalize international trade policy.

International cartels also affect the balance of trade and the balance of payments of the various countries which are concerned either as buyers or as sellers of cartelized products. This influence is exercised through both price and quota allocation policies, and is most significant in a few cases in which a national economy rests heavily upon the exportation of one or two commodities. For example, on the one hand, Bolivia depends to a considerable extent upon tin exports for foreign exchange and public revenue. The maintenance of the tin cartel is therefore a matter of national interest to Bolivians. On the other hand, cartels in the chemical and other industries aggravate Bolivia's balance-of-trade difficulties by maintaining high prices upon imported commodities and by preventing, so far as possible, the development of manufacture in Latin America. Since various countries will probably be in urgent need of foreign exchange after the war, it is reasonable to expect that unless more constructive methods of cartel control are adopted, there will be pressure from some governments for cartelization of their principal exports, and that such pressure will be more vigorous when imports into such countries are also cartelized.

The political effects of cartels are subject to heated controversy, but four points at any rate seem beyond dispute. First, cartels necessarily imply the organization of producers, and organized groups exercise more political influence than unorganized groups. Hence cartels necessarily strengthen the political position of cartelized business as against unorganized business and the rest of the community. Second, the national interest is frequently asserted to be, and sometimes actually is, significantly involved in the success of a national group in an international cartel. Governments find themselves, therefore, under pressure to come to the support of their own business groups. Third, cartel policy often runs contrary to the policy of a national state, and under such circumstances may, in some cases, even circumvent or nullify national policies. Fourth, when an aggressive government undertakes political and industrial penetration of other countries, cartels often afford a convenient means.

This is what cartels do. What do we propose to do about them?

The cartel problem has been the subject of intensive study by a number of government agencies, through the mechanism of the Executive Committee on Economic Foreign Policy. I shall attempt to summarize briefly the major features of the cartel program which have emerged from this lengthy and exhaustive investigation.

Uncoordinated national action is not wholly satisfactory in meeting the problems raised by international cartels. The trade of every nation is affected by the operation of some international cartels which are beyond the reach of the laws of that nation. The United States, for example, has an important import interest in a number of commodities, the production and sale of which

are controlled by international cartels which are immune to prosecution under our antitrust laws. Many Latin-American countries and others as well are wholly at the mercy of international cartels in broad fields of business activity.

Moreover, the ability of cartel participants to choose a domicile which is especially favorable to the conduct of cartel activities means that other countries are seriously limited in their efforts to protect their own interests. Cartels which foresee difficulties in one jurisdiction are able to move to another whose laws protect the secrecy of business records and offer other facilities for the efficient conduct of cartel affairs.

Lastly, nations which are forced by the operations of foreign cartels to pay excessive prices for their imports are likely to be tempted to retaliate by encouraging the cartelization of industries in which they have an export interest. In this, as in so many other fields, uncoordinated national policies tend to multiply evils without really solving the underlying problems.

Accordingly, it has become clear to us that the international coordination of national policies is the most desirable means of meeting the problems raised by international cartels.

A cartel program of this character could take the form either of an international agreement to prohibit restrictive business practices in international trade, or, alternatively, the establishment of a body or bodies to supervise and control in the public interest the activities of international cartels. We have found very strong reasons for rejecting the latter alternative.

In some circles there is a tendency to believe that, under governmental supervision, international cartels might be converted into useful instruments of public policy capable of dealing effectively with the industrial maladjustments under consideration. The European experience of cartel regulation has been both extensive and unhappy. Attempts in various countries at governmental control of business policies with respect to production and price have revealed a strong tendency for the principles and aims of the regulated group to become those of the regulating authority. In the international field, where the added possibility exists of playing governments off against each other, there can be little doubt that government regulation would be even less effective. It does not, therefore, appear practicable to set up a cartel program in terms of regulating certain practices while encouraging cartels to proceed along constructive lines.

Our preference runs very strongly in the other direction—that of seeking the concurrence of other countries in an agreement prohibiting the participation of commercial enterprises in contracts and combinations which restrain international trade, restrict access to international markets, or foster monopolistic control in international trade.

We are under no illusions, I might say, as regards the difficulties of obtaining general assent to such a program. The traditions of many other countries in these matters are certainly very different from ours, and old habits of thought and action die hard. At the same time, there are signs from abroad of a growing popular realization that such international business practices as price fixing, division of markets, limitation of production, and suppression of technology, have no place in an international effort to expand the trade of the world and to increase productivity and well-being. The information about the activities of international cartels which has been brought to light in this country has played a large part in increasing popular understanding of the problem the world over. Thus, while we are prepared to encounter obstacles to the acceptance of this cartel program, we do not for a moment believe that the principles of free competition are dead beyond resurrection everywhere in the world except the United States.

It is not proposed to establish an international agency to enforce such an agreement on cartels. Rather, each government participating in the program would undertake to enforce the provisions of the agreement within its own sphere of jurisdiction. As a part of this responsibility each government might agree to provide for the mandatory filing with a suitable governmental agency of appropriate information relating to contracts and relationships affecting international trade.

Finally, the suggested program would recommend the establishment of an international office for business practices, tied into the United Nations organization through the economic and social council, to facilitate intergovernmental cooperation in the cartel field.

Such an organization could assist in the prevention of undesirable cartel practices by serving as a central depository of information and reports from participating governments and other sources; by initiating the study of problems relating to the activities of private international business organizations and the application of the agreement on restrictive trade practices, with a view to making recommendations to participating governments; and by furnishing information or undertaking such investigations as may be feasible to aid participating governments in matters falling within the scope of the proposed convention.

This, very briefly, is the program we should like to see adopted to deal with the problems of international cartels. International action along these lines is felt to be imperative if private restrictions on international trade are not to counteract the expensive effects of the Bretton Woods agreements and the reciprocal trade agreements mechanism. It would seem very shortsighted, indeed, to work for the expansion of world trade by reducing exchange restrictions, stabilizing exchange rates, creating a fund of credit for the financing of reconstruction and development projects, and reducing tariffs and other governmental trade barriers, while at the same time permitting private restrictive agreements to handicap international trade.

We plan to use every forthright means of persuasion to convince other countries of the anomaly of such a situation, and to work for the acceptance of a cartel program which will contribute to the achievement of those goals which are shared by people everywhere—increased trade, increased productivity, and greater material well-being.

II

We regard the O'Mahoney bill, S. 11, as a useful element in this program to prohibit private agreements in restraint of international trade. This bill if passed would substantially discharge the obligations of the United States under the section of the proposed convention on restrictive trade practices which would call upon each signatory nation to require registration of appropriate information relating to international business agreements.

In providing that the types of contracts mentioned shall be registered with the Attorney General and thrown open to public inspection, the O'Mahoney bill would serve three purposes:

1. It would provide information on the basis of which the Attorney General could determine whether the contracts so registered where in conformity with the antitrust laws. In view of the great secrecy which has surrounded many such agreements in the past, registration might make possible a higher degree of effectiveness in the application of the antitrust laws.

2. The bill would remedy a serious deficiency in public knowledge, which, until very recently, accounted for the inadequate public understanding of the importance of private international business agreements.

3. The bill would act as an automatic policeman in deterring companies and individuals from entering into restrictive agreements which could not stand the light of day.

It is important, I believe, that the registration requirements of the bill should not be overinclusive. The definitions of the types of contracts required to be registered should be drawn very carefully in order to assure that agreements not involving an important public interest remain outside of the definitions. The bill would in any case place a considerable burden upon both the companies and the Department of Justice, and it would seem important that this burden should be no heavier than is absolutely necessary.

The Department of State has several technical suggestions relating to matters of drafting and phraseology. I do not wish to burden this committee with technical matters at this time. If the committee so desires, however, I shall be glad to prepare a letter to the chairman embodying these suggestions.

III

Section 7 of the O'Mahoney bill makes it clear that the antitrust laws are not modified or weakened in any way by the terms of the bill and that registration of any foreign contract pursuant to the bill does not confer any immunity from the enforcement of the antitrust laws.

We regard section 7 as basic to the bill and as a declaration that the bill is intended to implement and strengthen the antitrust laws. We would have great misgivings about S. 11 if section 7 were amended to limit the scope of the antitrust laws or confer any type of immunity upon a foreign contract registered with the Attorney General.

I emphasize this matter out of concern lest S. 11 be amended along the lines of several proposals which have recently been brought forward. The proposals to which I refer all employ registration as a part of a broader plan to relax our antitrust laws as they affect our foreign trade.

The argument for applying the antitrust laws less vigorously in foreign trade than in domestic trade is difficult to analyze because it rests on shifting grounds. Sometimes it is contended that American firms cannot do business abroad unless they are permitted to join international cartels, since the cartels control foreign markets for the products in question. At other times, however, it is asserted that American export industries are so strong relative to their foreign competitors that they must voluntarily restrain their competitive behavior through the mechanism of international cartels in the interests of international good will.

Obviously, both of these positions cannot be correct. If we are so strong that we must hold our competitive power in check, we cannot, at the same time, be so weak that we must join international cartels in order to obtain access to foreign markets.

So much for the basic assumption underlying this position. It is sometimes argued that the application of the antitrust laws to companies operating in foreign trade places such companies in an impossible position. It is contended that American companies operating in foreign countries are often required by foreign law to become parties to cartel agreements. Thus, it is claimed, if they refuse to join the cartel, they are subject to prosecution for violating the law of a foreign country, while if they join the cartel, they are subject to prosecution for violation of our antitrust laws.

I am not greatly impressed by this argument, since the number of cases in which such a conflict has actually arisen would seem to have been very small, indeed. It is true that there have been cited a number of specific instances in which American com-

panies were required under foreign law to join foreign cartels. However—and this is the point which is usually overlooked—the antitrust laws do not mean, and have never been interpreted to mean, that American companies are prohibited from joining foreign cartels under any and all circumstances. The test which the antitrust laws imposes is restraint of the domestic and foreign commerce of the United States. However, in nearly every specific case which has come to my attention, the cartel which the American company was required to join under the laws of a foreign country related entirely to the market of the foreign country and did not affect the domestic or foreign commerce of the United States. Hence, the participation of the company in such a cartel would not come within the purview of the Sherman Act.

I do not know a single case in which a company was penalized under the antitrust laws as the direct result of an act which the company was required to perform by the law of a foreign country. I do not mean to imply, of course, that the company would be immune to prosecution under the antitrust laws simply because the act in question was performed pursuant to the law of a foreign country. Since it is this situation for which a remedy is sought, however, I think it is very significant that the Government has never brought an antitrust suit in a case hinged on this question. It is difficult to believe that the conflict between the antitrust laws and foreign laws is a serious handicap to American business operating abroad, if more than half a century of enforcement of the antitrust laws has not produced a single such case.

In view of the fact that we shall advocate the adoption of an international convention for the prohibition of restrictive private business practices in international trade, the proposals to which I have referred would seem in any case to be premature. Most of those who argue for a relaxation of the antitrust laws as they affect our foreign trade assert that they advocate a change in our laws only because other countries do not play the game as we do. The central thesis in these proposals is the contention that American companies must be given greater freedom to do business in a world in which cartelization is the rule rather than the exception. It is usually stated, however, that the relaxation of the antitrust laws is advocated with reluctance since the system of free and open competition is greatly to be preferred over a system of private control of markets.

With this last view we are in full agreement. We believe that the control of international trade by private cartels is a dangerous thing and that it is inconsistent with the economic philosophy which best serves the cause of peace and human well-being. It is for this reason that we plan to propose to the nations of the world an international agreement to banish the restrictive practices of international cartels.

If we are successful in this purpose, it will no longer be possible to argue for the weakening of the antitrust laws on the grounds of contrary economic systems abroad. Indeed, many of those who have advocated the loosening of the antitrust laws as they affect foreign trade seem obliged to favor the solution which we advocate, since they have declared their strong preference for the competitive system.

At this moment no one can say whether we shall be successful in obtaining widespread acceptance of our program for dealing with international cartels. It would seem to be unwise, however, to advocate the loosening of our antitrust laws before we have had a fair chance to obtain the assent of other countries to this program.

The various proposals for advance clearance of international business agreements all have in common the idea that specified types of agreements shall be registered with a Government agency, which shall be empowered to grant or deny immunity under the antitrust laws. Some of the proposals would also establish to guide the administrative agency a special set of standards of reasonableness to be applied in judging the legality of agreements in international trade.

To the best of my knowledge, there has been no clear formulation of such a set of standards of reasonableness. In the absence of a specific proposal, it is difficult to speak with assurance. However, it would seem improbable that any language more acceptable to the Congress than the general language of the antitrust laws would be found. Unless the Congress were willing to endow an administrative agency with an unusually large measure of discretion in determining reasonable standards of restraint in foreign trade, the language of the proposed legislation would have to be more precise than it has been found possible to attain in existing statutes relating to monopoly and competition.

Other proposals simply embody the ideas of registration and revocable advance clearance without revision of the basic antitrust legislation. The proposal in this form rests principally on the view that there are large areas of uncertainty in the applicability of the antitrust laws to international agreements and that companies could determine where they stood if they were enabled to submit proposed agreements to an administrative agency which could grant or deny approval.

There is no doubt that, at the present juncture, the application of the antitrust laws in foreign trade is quite uncertain. The principal reason, of course, is that international business agreements and Webb-Pomerene activities, long unchallenged by enforcement authorities, are now subject to active investigation and prosecution by both the Department of Justice and the Federal Trade Commission. It will clearly require several years of active adjudication before the law regarding foreign trade practices is as well established as the law regarding domestic trade practice.

While export trade may, perhaps, be somewhat handicapped by this uncertainty, it is difficult to see how advance clearance could, under these circumstances, remove the uncertainty. While the administrative agency would have wide initial discretion in the discharge of its responsibilities, ultimate determinations as to the meaning of the antitrust laws would continue to be made by the courts. Neither the Congress nor the advocates of advance clearance would accept any proposal which denied to the individuals affected their right to a judicial hearing.

Consequently the Government could be required to go to court to enforce its decision to deny approval to a proposed agreement. Likewise, if it approved an agreement and then revoked its approval in the light of new knowledge or circumstances, it could also be required to go to court to enforce its revocation. Thus under revocable advance clearance, the right of ultimate determination as to the applicability of the antitrust laws to foreign trade would rest with the courts, exactly where it rests today. Consequently it is difficult to see how this proposal would reduce the present uncertainty which admittedly surrounds some types of foreign trade agreements. The only way to reduce this uncertainty is to bring to court cases involving new questions. I hope that we shall continue to pursue this course.

The agency empowered to grant or deny clearance would be placed in a most awkward position. It would often be required to sit in judgment on a new agreement without a complete knowledge of what the effects of the agreement are likely to be; yet the reasonableness or unreasonableness of the agreement is clearly a question of its effects. Furthermore many international cartel agreements leave important questions open for continuing determination by representatives of the parties—for example, the periodic meetings to adjust prices and quotas. Since the administrative agency could not reasonably give advance approval to future administrative decisions under the agreement, it would have to review each new decision individually. This would involve the Government so intimately in the administration of the agreement that its role would be little different from that of a party to the agreement. This is a consequence which the proponents of the plan seem to have overlooked and which they certainly would not welcome.

SALARIES AND WAGES OF FEDERAL EMPLOYEES

The Senate resumed the consideration of the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; and for other purposes.

Mr. DOWNEY. Mr. President, it is now my intention briefly to explain to the Senate the civil-service pay bill, Senate bill 807, which is presently the unfinished business before the Senate. The bill is entitled "To improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; and for other purposes."

I may say to the Senate that the bill was reported by the Committee on the Civil Service without any adverse votes, although there were certain members of the committee who on certain points desired to be more generous or to give to the employees greater concessions than those which were finally embodied in the bill.

The total cost of the bill, as it is now before the Senate, would be approximately $487,000,000 a year. The bill, as it was introduced, and likewise as it is reported to the Senate, has had the approval of the President of the United States, the War Labor Board, the Civil Service Commission, the Army, the Navy, and all other governmental agencies concerned.

There is provided in the bill a basic increase averaging 15.8 percent, in the wages of the civil-service workers under the classisfied service. It is the statement and agreement of the appropriate governmental agencies that this raise in the basic compensation of the classified workers is within the Little Steel formula.

The most important phase of the bill, Mr. President, provides for an increase of salaries averaging, as I have stated, 15.8 percent. That general average, or percent, is arrived at by giving a greater advantage to the workers in the lower categories than in the higher categories. The specific formula finally worked out by the committee members is as follows:

The bill allows a 20-percent increase in the basic wages of the workers in question on all salaries up to $1,200 a year; a 10-percent increase for those persons whose salaries range from $1,200 to $4,600; and 5 percent on that portion of all salaries greater than $4,600.

The lowest salary which receives an increase is now $1,200 a year. That salary, under this bill, will be increased

by 20 percent, or to $1,440. At the present time, under the overtime pay features of the existing law, which is continued in effect, a worker having such a salary will receive approximately 20 percent more upon his wage of $1,440. Of course, we anticipate, and we reported the bill on the basis of such expectation, that within the next year or two overtime compensation will rapidly decrease because of the elimination of overtime work.

All the members of the committee were anxious to increase compensation in the lower categories to at least a minimum basic wage of $1,500, not including overtime compensation; but, due to technical difficulties involving the necessity of keeping within the Little Steel formula, that could not be accomplished at this time.

I believe it was generally thought by many members of the Civil Service Committee—certainly it is the opinion of the chairman of the committee—that the increase which we have recommended should be subject to review during the next year or two, as conditions gradually settle back to normal, particularly after the end of the Japanese war, with the idea of ascertaining if it will not be possible to grant, and if we shall not be justified in granting, a larger increase in the basic compensation paid to Federal workers.

Mr. President, the bill which was introduced by the chairman of the committee, and which followed the desires of many if not all the labor groups, the President, and the Civil Service Commission, provided for a change in computing overtime compensation of the Federal workers in the classified lists. The committee did not accept that provision of the suggested bill, and, as the bill has been reported, the workers will continue to receive compensation for overtime pay under the same rule which now prevails. Under that Federal rule the worker is compensated for the time he works more than 40 hours a week, but is compensated at the rate of only 1½ percent of his normal salary, while in private industry compensation for overtime, as we all know, is at the rate of 1½ percent.

I believe that most of the members of the Civil Service Committee felt that, in looking ahead a year or two, the Senate should very seriously consider bringing into Federal payments the same overtime pay formula that is now used in private industry. In view of the fact that overtime work will probably rapidly decrease, and because of the very heavy expense involved under this particular bill, it was not felt advisable by a majority of the members of the committee to change the overtime pay formula at this particular time. Incidentally, if we had shifted the payment so as to bring it under the overtime pay formula now existing generally in private industry, it would have increased the cost under this bill by an additional $292,000,000. The majority of the committee felt that under existing circumstances that would not be advisable.

Mr. President, in addition to the two major phases which I have been discussing—namely, the increase in the basic pay of the workers in the selective lists of civil servants, and the question of the overtime pay formula—the committee also dealt separately with a very modest increase in the present compensation to workers in the legislative and judicial branches. Such workers constitute only a few thousand in number. As I recall, the total amount which will be required in order to meet the increased obligations under this bill because of those increased payments, is approximately $900,000 a year.

A rather anomalous situation exists among the legislative employees at the present time. Of course, the House and the Senate fix the amount of money which each Senator and each Representative may spend for their employees. Senators and Representatives are allowed to distribute that money among their employees, generally as they desire, perhaps with a ceiling which once existed of $5,000. Whether that ceiling still exists I do not know; but I am informed that it does. Consequently, it is always within the power of the House and the Senate to increase or diminish the compensation of congressional employees. However, in the last civil service bill which was passed there was placed a provision for a 15-percent increase in the basic compensation of legislative and judicial employees. That increase, however, only affected the first $2,900 of the salary paid to the workers. In the pending bill we have increased that 15 percent to 23 percent, so under the bill if enacted there will be paid an additional sum presumably to the workers in the legislative and judicial branches—although there are numerous exceptions—of approximately 8 percent more than is now being paid them. The reason we have recommended an increase of 23 percent to the legislative and judicial workers, as against an average of 15 percent to the workers in the administrative branches of the Government, is that we provide no allowance among our legislative employees, or the judicial employees, for overtime compensation. The workers in the administrative branch presently receive approximately 20 percent additional to their basic compensation because of overtime work. Indeed, we have no way of knowing to what extent, if at all, any employees on Capitol Hill, for instance, do work overtime. I am referring now to employees in the offices of Senators and Members of the House of Representatives. We feel that from time to time in many offices there is overtime work; we feel that in certain offices overtime work may be rather common. In other offices, in which the work load may not be so heavy, overtime may not exist. We had to work out a general law, and consequently about one-twelfth, or 8 percent, was added to the 15 percent, bringing the compensation up to 23 percent.

Mr. President, I must frankly admit to the Senate—and I regret to do it—that the committee itself is not at all satisfied with the way the bill works out as to certain of the more lowly paid workers on Capitol Hill, including elevator men, guards, and workers in the Secretary's office. I shall not even attempt to explain the situation further than to say that it is highly complicated, highly technical, and the members of the Civil Service Committee are contemplating meetings after the passage of the pending bill for the purpose of seeing if the whole employment schedule may not be simplified and adjusted.

I say we are not satisfied with the provisions of the bill as they are now, but we do not know, because of certain complications and uncertainties, just how to change it for the better. We had a meeting just before noon today and could not reach any conclusion. We are hopeful that in the other House there may be a more extensive consideration of this particular class of workers, who are only a few hundred in number, and perhaps some solution may be worked out there and then written into this bill in conference. If that is not done, and we do reach the conclusion that the pending bill may be improved in certain features, it is the intention of the committee to proceed before July 1 with an additional bill dealing wholly with the workers in the legislative and perhaps in the judicial branch.

Mr. President, there are several technical and minor changes in the civil-service law provided for by this bill. As they are several in number and I desire to cover them as quickly as possible, I am taking advantage of a very brief summary of these points which appeared in the Washington Post of Thursday, May 10, under the byline of Jerry Kluttz, to express the other objectives of the pending bill. His article reads as follows:

1. Approved a speed-up of automatic ingrade promotions to be made every 12 to 18 months, depending on salary, instead of every 18 and 30 months.

2. Endorsed a provision which would permit employees with "good" efficiency ratings to be promoted beyond the middle of their grade. The present law freezes "good" employees at the middle of the grade.

3. Voted to give the Civil Service Commission authority to fix starting salaries up to and including the middle of the grade. New employees must now be started at the minimum salary.

4. Agreed to raise the bonus of Capitol Hill and judicial employees to 21.6 percent on the first $2,900 in salary and 21.6 percent on $2,900, which is $625.50, for employees who are paid over that figure.

5. Suspended the Saturday half-holiday law and wrote in a new provision which sets the base Government workweek at 40 hours, which must be worked in not more than 6 days in a calendar week. This provision can be used to put the Government on a 5-day, 40-hour week after the war.

6. Approved holiday pay at overtime rates after the war.

7. Voted a 10-percent differential for night work except in such agencies as the Bureau of Engraving and Printing where the present rate is 15 percent.

8. Gave the Budget Bureau authority to fix personnel ceilings for all types of employees in all agencies within the United States and its territories. Further, the Budget Director would be empowered to recapture funds of overstaffed agencies.

Mr. President, that sums up the bill. As I have said, it is satisfactory to all branches of the administration, and was satisfactory to all members of the committee, except, as I have said, it did not go as far as some of the members wanted.

With that explanation, I shall conclude, unless Senators desire to ask me questions about specific provisions of the bill, which I shall be glad to attempt to answer.

Mr. ELLENDER. Mr. President——

Mr. DOWNEY. Does the Senator desire to ask me a question?

Mr. ELLENDER. I thought the Senator had yielded the floor.

Mr. DOWNEY. I have.

PRODUCTION, DISTRIBUTION, AND CONSUMPTION OF FOOD—COMMENT ON THE INTERIM REPORT OF THE COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. ELLENDER. Mr. President, on last Tuesday, May 15, the distinguished chairman of the Senate Committee on Agriculture and Forestry [Mr. THOMAS of Oklahoma] submitted an interim report on the investigation of certain matters relating to food production, distribution, and consumption. After considerable discussion of the report in the committee, a vote was taken, and of those present, only two Senators voted against it. The distinguished Senator from Illinois [Mr. LUCAS] and I voted against the report.

Some parts of the report were not objectionable, but as a whole it is my considered judgment that, if the Committee on Banking and Currency should adopt the recommendations made by the Committee on Agriculture and Forestry, it would mean the beginning of the end of price control in this country. I doubt that anyone will argue that price control as a whole has not been a success, and I do not believe that we should attempt at this time to bore in and cripple the act by amendments so as to make it inoperative.

One of the unkindest cuts of all made by the majority report was this statement:

> The committee believes that the Office of Price Administration has failed miserably to enforce price- and ration-control regulations.

I know of no testimony in the hearings held before the committee that would justify such a charge. This accusation is leveled not only against those in charge of administering price control but against thousands of volunteers, men and women, who have made efforts to make price control a mechanism to save our economy. I know that thousands of volunteers took an active part in the fight and made every attempt, as they continue to make every attempt, to see to it that the rules and regulations of the Office of Price Administration are adhered to, and to make a blanket charge that O. P. A. has failed in its control is not justified. I believe that the Congress itself is somewhat to blame. The Price Administrator has on numerous occasions appealed to the Congress for adequate appropriations for enforcement of these regulations. These appeals were made long before the present alleged food shortage, yet it was only very recently that favorable action was taken on this request for additional funds with which to attack the black market. It will be recalled that only 4 weeks ago an appropriation of a little over half a million dollars was set aside in order to aid in enforcement.

In 1944 Mr. Bowles sought an appropriation which would permit the employment of about 5,000 investigators to handle every price, rationing, and rent regulation. The Bureau of the Budget approved a figure of about 4,100. Congress would not appropriate a dollar for additional enforcement personnel, but suggested that the Price Administrator cut down on other crucial activities in order to get more investigators.

The result was that at the peak in 1944, O. P. A. could put only 250 investigators at work on meat throughout the Nation—a handfull of men to deal with a gigantic problem. Yet this group was responsible for the institution of 6,966 cases which were brought to court, and many more investigations. In 1944, recoveries in meat cases under the treble-damage provision amounted to about $3,000,000. In the first quarter of 1945, O. P. A. commenced court action in 2,320 cases.

Competent meat investigators are not born. They must not only be intelligent, alert, and fearless, but they must be trained. Meat production and distribution is a vast and complicated business. An investigator must know meat, and must know the intricacies of production and distribution, and the financial operations of the business.

It is little wonder that the black market in meat has grown. The greater wonder is that so few have done so much to keep prices at reasonable levels for so long. To the extent of its limited manpower, and the willingness of the courts and the public to support it, the O. P. A. has sought out violators and attempt to invoke the sanctions of the law.

Mr. President, let me consider a few of the findings made by the committee, beginning on page 5 of the report. It is stated by the committee:

> Causes which have contributed to the shortage of meat for civilian consumption include:
>
> 1. The substantial and increasing quantities purchased by the armed forces and lend-lease.

Of course, no one questions that; that is the truth. Heavy purchasing by the Army during periods of short supply has undoubtedly contributed to the present meat shortage. Inability of the Government procurement agencies to absorb greater quantities of processed meat when meat was plentiful has likewise aggravated the situation. The fact that we had insufficient storage facilities to take care of the huge pork supplies in the latter part of 1943 and in the early part of 1944 was distressing to say the least.

Let me point out to the Senate what portion of our meat supply has found its way to the Army. I have here some interesting figures which show the average for 1935–39, and on through 1945, the figures for 1945 being a forecast. For 1935–39, of our entire meat production through federally inspected plants, less than 1 percent of it went to our armed forces, and over 99 percent went to civilian uses.

In 1940, of the entire production of 12,638,000,000 pounds, 12,417,000,000 went to civilians, and 221,000,000 went to the armed forces.

In 1941, of the entire production of 13,511,000,000 pounds, a little over 12,000,000,000 pounds went to civilians, and to the armed forces a little over 1,000,000,000.

In 1942, with a production of 15,419,000,000 pounds, 11,734,000,000 went to civilians, and 3,685,000,000 went to the armed forces.

In 1943, of the enormous production of 16,322,000,000, 10,135,000,000 only went to civilians, and 6,187,000,000 to the armed forces.

In 1944, last year, of the 18,594,000,000 pounds produced, 35 percent, or 6,382,000,000, went to the armed forces, and the rest, amounting to 12,212,000,000, went to civilians.

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Louisiana yield to the Senator from Illinois?

Mr. ELLENDER. I yield for a question.

Mr. LUCAS. Is the Senator talking about federally inspected meat?

Mr. ELLENDER. Yes; I am sorry I did not make my statement clear. In my opening remarks on the subject I referred to the production of federally inspected plants for the period, 1935 to 1939. All the figures given above refer to the production of federally inspected plants.

Mr. LUCAS. That is not all of the meat, of course, that went to civilians.

Mr. ELLENDER. Not at all. I am glad the Senator has pointed that out. I probably would have done so before I concluded the subject. As the distinguished Senator from Illinois has just stated, these figures include federally inspected meat only. May I state that from the year 1935 to 1944 from 66 to 72 percent of our entire meat production was federally inspected. The rest of it came from non-federally inspected plants and farm slaughter, the former producing about 21 percent and the latter from 10 to 13 percent.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. BUSHFIELD. Does the Senator mean to imply that the civilian population of the country is getting more meat today than it got 2 or 3 years ago?

Mr. ELLENDER. I have stated the figures. The meat may not have been distributed as equitably as it should have been, but the supply was as great.

Mr. BUSHFIELD. Ask any housewife in America; she can tell.

Mr. ELLENDER. I do not intend to go into the details as to other reasons why meat has not been properly distributed, but 4 or 5 years ago the per capita consumption of meat in this country was about 142 pounds, in round figures, as I recall. At that time every one was not financially able to buy meat, and the 142 pounds that was available to a person who could not buy was purchased by a person who had the money to buy. But today, with everyone having money, although the consumption is down to about 122 or 123 pounds per person, practically everybody has the money to buy and each one attempts to buy what his point system allows. That

is one of the changes in conditions that has caused the difference.

Mr. BUSHFIELD. Will the Senator yield again?

Mr. ELLENDER. I yield.

Mr. BUSHFIELD. I assume that the figures I have are the same the Senator has, and in 1944 there were 33,000,000 or 34,000,000 head of cattle slaughtered in this country, as against 27,000,000 only 2 or 3 years ago.

Mr. ELLENDER. I do not know where the Senator got his figures.

Mr. BUSHFIELD. I got them from the Department of Agriculture.

Mr. ELLENDER. That is where the figures I have were obtained. But instead of being cattle on the hoof, as the Senator has indicated his figures refer to, these I have reflect meat production. Our entire meat production.

Mr. BUSHFIELD. I am not talking about cattle on the hoof, I am talking about cattle that were slaughtered in 1944. About four or five million more head were slaughtered that year than prior to that.

Mr. ELLENDER. I think the figures I have just indicated reflect that situation. Meat production has been on the upgrade from 1940 to 1944. As I have just stated, $12,638,000,000 pounds were produced in 1940 with a gradual increase each year until 1944, when the figure of 18,594,000,000 pounds was reached. Those figures refer to federally inspected meat, and almost the same proportion is attained as to meats produced from nonfederally and farm slaughter plants.

Mr. TAYLOR. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. TAYLOR. The discrepancy would seem to be that the Senator from Louisiana is quoting figures on federally inspected slaughtering, whereas the Senator from South Dakota was quoting figures as to total animals killed.

Mr. ELLENDER. That may be true, but heretofore I attempted to show the difference. The point I intend to demonstrate is that with the supply now available of federally inspected meat, the civilian population can expect to receive as much as it consumed in 1935–39. As I stated a while ago although our supply may be as great we have been unable to cause an equitable distribution thereof.

To continue from this chart showing figures as to federally inspected meat, the forecast of production for 1945 is 15,855,000,000 pounds. Of that amount, 35 percent, or 5,490,000,000 pounds, will go to the armed forces, and 10,365,000,000, or 65 percent will find its way to civilian use.

Aside from that, we have substantial production from independent slaughterers, and with the addition of cattle slaughtered on the farm, all of which added together will show that as much meat is being produced for civilian use as we had prior to the war.

The second finding is:

> A decrease in pork production of over one-third in 1945 compared with 1944 resulting from a decline in the 1944 hog production of approximately 30 percent.

There is no doubt there has been a decline in hog production, but the figure of a 30-percent decrease is erroneous. I called the Department of Agriculture and received information that shows that the decline is not as great as stated.

The decline in pork production is the major factor in the present meat shortage. It is due to a combination of causes, some dating back to the fall of 1943—overproduction, short feed supplies—which to my way of thinking was the principal reason for a shortage of hogs this year—failure of the support program, and timing of military procurement.

The finding of a decrease in pork production, as I just stated, of over one-third in 1945 compared with 1944, is inaccurate as a year-round estimate in the light of the most recent Department of Agriculture report, and I quote:

> Production of pork for the year is now estimated at around 10,300,000,000 pounds, about 20 percent less than the large production in 1944 and 23 percent less than the record production in 1943.

In other words, the figure of 30 percent is considerably higher than the figure for the actual decline.

As to meat production for 1945, the figures show that the entire meat production will be 38 percent above the average for the years 1935–39, with beef 36 percent above and pork 43 percent above the average for 1935–36.

The third finding is:

> The marketing of improperly finished cattle and calves and the failure to market the number of cattle warranted by the record numbers of cattle on farms and ranges.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BUSHFIELD. I simply wanted to be sure of the correctness of my own impression of what the Senator was saying. He was giving 1945 figures upon pork. I assume they are estimates, are they not?

Mr. ELLENDER. Yes; surely. The Department very seldom fails in its estimates, I am sure the Senator will agree.

Mr. BUSHFIELD. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. BUSHFIELD. Does the Senator raise any hogs himself?

Mr. ELLENDER. No; except for my own consumption.

Mr. BUSHFIELD. If the Senator raised hogs he would soon learn that his estimate of his year's crop seldom agrees with what the real crop is.

Mr. ELLENDER. If the distinguished Senator will study the estimates which have been made by the Department of Agriculture for the past 5 years respecting hog production, cattle production, chicken production, and the production of other livestock, he will find that the percentage differences between estimates and actual production are so small as to be hardly worth mentioning. As the Senator knows, estimates are made frequently during the year, and, depending on weather conditions, estimates are raised or lowered.

The third finding is:

> The marketing of improperly finished cattle and calves and the failure to market the number of cattle warranted by the record numbers of cattle on farms and ranges.

I do not believe the facts justify such a charge. The Department of Agriculture report as of May 11, 1945, states:

> Slaughter of cattle and calves may be around 35,000,000 head, compared with the previous record of 33,700,000 in 1944 and 24,700,000, the average for 1935–39. Slaughter of cattle and calves ran ahead of last year through March, and is expected to continue relatively large throughout the spring and summer.

There is no indication from the weights of cattle sold at the principal markets of the country that "improperly finished cattle" are being marketed. Weights are close to normal for the period. They exceed the 10-year prewar average.

Let me give you the average weight of cattle sold from the range during certain periods to show that, generally speaking there is very little difference in weight as to those slaughtered now in contrast to those slaughtered before the war. The figures really demonstrate that those sold now are a little heavier than those sold prior to the war.

This report is from the Department of Agriculture, and it refers to federally inspected cattle only. It is not from the Chicago market, but from all markets. It is an average from all federally inspected plants.

The 1931–40 April average of cattle in pounds was 936. The monthly average for April 1944 was 972, which is considerably greater than the average from 1931 to 1940. For May it was 953 pounds. For June the average was 925 pounds. For July the average was 900 pounds. For August it was 892 pounds. For September 889 pounds. For October 882 pounds. For November 888 pounds. For December 910 pounds. For January of 1945, 940 pounds. For February 968 pounds. For March 972 pounds. For April 1945, 963 pounds.

I have the averages by weeks in 1945. For the week ending March 31, 967 pounds. For the week ending April 7, 965 pounds. For the week ending April 14, 963 pounds. For the week ending April 21, 962 pounds, and for the week ending April 28, 960 pounds.

The mere fact that the cattle are being marketed from the range, apparently in the usual manner as prevailed before the war, does not indicate that such marketing is in any manner affecting meat production. In my opinion, therefore, the charge with respect to the marketing of improperly finished cattle and calves is not justified.

The fourth finding is:

> The "squeeze" of processors of livestock between livestock prices and product ceilings resulting in losses and causing many reputable processors to curtail their operations.

This is a very interesting finding in the light of the facts. I ask Senators for their attention to the table I expect to produce to show what the earnings of packers have been, from 1936 to 1939 on to 1944. Then I ask that they determine for themselves whether or not the "squeeze" of processors of livestock between livestock prices and product ceilings, and so forth, accounts for the

shortage to civilians, as was indicated in this report.

The reports from individual slaughterers as to operations in recent months vary widely. Pork operations during certain months from the summer of 1944 through February of 1945 have shown losses, due to the decline in hogs slaughtered and the resulting competition for live animals and increase in unit costs.

The fiscal year 1944 was, nevertheless, a period of very high profits for the packing industry generally. Most packers increased aggregate earnings before taxes many times over their average peacetime profits. Recent curtailment in operation by reputable slaughterers has been due to no single factor, such as a "squeeze." Competition for live animals has been active, and the availability of supplies of cattle and hogs has been a strong limiting factor upon production.

Mr. President, listen to how the packers of our Nation fared during the past 10 or 12 years. These figures take into account from 70 to 75 percent of the meat-packing volume, that is, of the entire amount of meat packed and processed.

During the period from 1936 to 1939 the percentage on net sales before taxes was 1 percent; after taxes, 0.8 percent. In 1939 the percentage before taxes was 1.6 percent on net sales; after taxes, 1.3 percent. In 1940 the percentage on net sales before taxes was 1.8; after taxes, 1.4. In 1941 the percentage on net sales before taxes was 2.4; after taxes, 1.7. In 1942 the percentage on net sales before taxes was 2.4; and after taxes, 1.2. In 1943 the percentage on net sales was 2.7 before taxes, and 1.1 after taxes. In 1944, when much of the complaint started, from July of that year on into 1945, the percentage on net sales was 3.3 before taxes, and the percentage after taxes, with the enormous taxes now being levied, was 1 percent.

Listen to the contrast in the figures showing the percentage of profits on net worth. The average for 1936 to 1939, before taxes, was 4 percent; after taxes, 3.1 percent. In 1939 the percentage before taxes was 6.2; and after taxes, 5 percent. In 1940 the percentage on net worth was 7.3 before taxes, and 5.7 after taxes.

Listen to this: In 1941, when the war really started for us, the percentage on net worth was 12.2 before taxes, and 8.6 after taxes. In 1942, the percentage before taxes was 16.7, and after taxes 8.4. In 1943 the percentage on net worth was 20 percent before taxes, and 8.1 percent after taxes.

In 1944, according to the testimony of some of those who appeared before us, there was supposed to have been a considerable loss. I remember one witness who showed that his losses on beef slaughtering were half a million dollars; but when he took into consideration his entire operations for the whole year, he had made a profit. We had one witness who testified that with an investment of $900,000, he made a net profit last year of $300,000, and yet he was complaining because he had suffered a little loss in the early part of this year, and thought we should do something to help him now without further delay.

The percentage on net worth in 1944 was 25.2 before taxes, and 7.6 after taxes; yet we find many complaints. It is my information that O. P. A. has been at work continuously on this problem, trying to adjust prices so that the packers will make profits and not losses, as is now said to be the case. The dfficulty recently has been that cattle and hogs have been hitting the ceiling prices, something which never occurred in the past. Of course, if that continues to prevail, it will be necessary for O. P. A. to increase the subsidies, so as to take care of the situation.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. Does the Senator believe that it is the function of O. P. A. to regulate profits?

Mr. ELLENDER. I do not believe that the O. P. A. does regulate profits. That charge has often been made, but I deny it.

Mr. JOHNSON of Colorado. The Senator himself has just made the statement.

Mr. ELLENDER. To hear some persons talk, one would assume that under O. P. A. regulations the O. P. A. is cutting the throat of business by decreasing profits; but the figures which I have just given show that among the packers who process from 70 to 75 percent in value of all meats have fared better under O. P. A. than they ever did before in their history.

Mr. JOHNSON of Colorado. Did they fare better because of O. P. A., or in spite of O. P. A.?

Mr. ELLENDER. I will let the Senator decide that.

Mr. JOHNSON of Colorado. If the Senator leaves the decision up to me, I say that it was in spite of O. P. A.

Mr. ELLENDER. I do not believe that O. P. A. has at any time tried to curtail profits; but I presume that in arriving at ceiling prices O. P. A. has taken into consideration prices which prevailed before the war, and certain conditions which may have existed since the war, until now. The records of the packers themselves do not indicate that O. P. A. has at any time done anything to decrease their profits, because their financial statements show that their profits have been on the increase since before the war. There are, of course, no doubt that O. P. A. has found it necessary to curtail their profits in line with other business throughout the country. The point that I desire to emphasize is that in spite of O. P. A., as my good friend from Colorado [Mr. JOHNSON] would say, packers have made very substantial profits since and during the war, in contrast to their prewar operations.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BUTLER. I heard the colloquy between the Senator from Colorado and the Senator from Louisiana with reference to the profits of packers. I have been hearing from a great number of small packers—not from the large packers, but from the small packers who are going out of business. Perhaps that question was brought into the debate before I entered the Chamber. I wonder how the Senator from Louisiana explains the situation of the packers making so much money, and still being forced out of business.

Mr. ELLENDER. As I indicated a while ago, there is no doubt that the margin of profit today, even for large packers, is much smaller than it was during 1944. That is due to the fact that prices of hogs on the hoof and cattle on the hoof are hitting the ceiling. It is also because there are fewer hogs. I believe that that factor in itself is causing some of the difficulty. But wait until the hogs now being grown begin to come to the market. I do not suppose it will be very long—probably 90 or 120 days. My guess is that our meat supply will be considerably increased. We may have a rush on the market of cattle now being held back. As I indicated a few weeks ago, the average cattle production for 1935 to 1939 was approximately 66,400,000 head, as I recall the figures. For 1944 it reached the enormous total of 82,000,000 head, and I think on January 1 we had almost that number on the range.

Findings 5 and 6 read as follows:

5. The diversion of livestock from normal channels of slaughter and distribution into the black market, and the failure of the Office of Price Administration to take effective enforcement measures.

6. The diversion of livestock and meat into local distribution channels and away from interstate distribution.

Of course, Mr. President, that is a problem which all of us admit is very difficult to cope with. I am sure that if it were possible to put all meat slaughterers under Federal inspection, we would not have that difficulty; and I am satisfied that the Members of the Senate do not desire at this time to lessen the vigilence of Federal inspection. On the contrary, it may be that we would want to make it more stringent. But it is very difficult for the O. P. A. with the facilities it has to investigate and follow through with respect to all the small slaughterers here and there over the country, and all those who slaughter livestock on the farms. The trouble has been that when the small meat slaughterers found an opportunity to make local sales by which they could dispose of their meat, they did so. Because of that situation and because of the fact that the armed forces have taken so much of the federally inspected meat, the centers of our population which are far removed from the production centers, such as Washington, New York, and other large cities, have been deprived. That, to my way of thinking, causes the sore spot in the present situation.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BUSHFIELD. Does the Senator believe that putting every slaughterer under Federal inspection—which would include every little slaughterhouse in every little town and every farmer who slaughters a beef or two or a hog or two—would reduce the price of meat to consumers?

Mr. ELLENDER. I did not quite understand the Senator's question.

Mr. BUSHFIELD. I will put it in another way. Does the Senator believe that if every slaughterer in the country were put under Federal license and were required to have Federal inspection, that would reduce the cost of meat to consumers?

Mr. ELLENDER. I do not know what it would do. But we could keep better account of the meat. We could better find out where it goes. It strikes me that we could probably force the federally inspected slaughterhouses to keep records of the number of cattle they kill and of where the meat goes, and thus we would be better able to fight the black market. However, I am not advocating that all slaughterers be forced into Federal inspection regulations. I am somewhat familiar with the rules and regulations and I know that many small, independent slaughterers could not afford to qualify. Aside from all of that, as the Senator knows, we could not force, under existing laws, Federal inspection as to those slaughterers who do not engage in interstate business.

Mr. BUSHFIELD. It would take an army of inspectors, would it not, to inspect every farm slaughterer and every little slaughterhouse?

Mr. ELLENDER. Probably so. I am not advocating that we do away with all of them, but I believe that something should be done to enable us to determine the number of cattle that are killed among so-called small slaughterers so as to enable us to determine what becomes of the meat. If that is done my guess is that probably we shall be able to shift a little of the meat to some of the consuming centers that are not getting enough now.

Mr. BUSHFIELD. Will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. BUSHFIELD. Testimony that was taken before our committee indicated—and so far it has not been controverted—that in the city of Pittsburgh there has been a black market with respect to about 80 percent of the meat consumed there, and that in New York City it has involved anywhere from 30 percent to 90 percent of the meat, and that here in Washington it has involved at least 50 percent of the meat. If the small slaughterhouses and the farm slaughterers all over the country were placed under Federal license, and if Federal inspectors, to inspect them were provided. I wonder whether the Senator thinks that would bring more meat to the metropolitan centers.

Mr. ELLENDER. I reaffirm what I have just stated. I will add that so far as I am concerned, I would not vote to abolish Federal inspection.

Mr. BUSHFIELD. Neither would I.

Mr. ELLENDER. I would perfer to let it remain optional with the slaughterer. If he desires to ship meat into another State and if he wishes it to be federally inspected, that is his business. But I believe that if the O. P. A. can carry through with its recent ruling—which I expect to put in the RECORD in a few minutes—whereby slaughterers are to be put on a quota, we should be able to follow through and to find out where the meat goes and how many cattle are killed, and trace the meat in some way and arrange for a more equitable distribution among the consumers of the Nation.

Mr. BUSHFIELD. Mr. President, will the Senator yield again?

Mr. ELLENDER. I yield for a question.

Mr. BUSHFIELD. I wish to say that I am in complete agreement with the Senator from Louisiana in his wish to find out where the meat goes, because the people are not getting the meat. I should like to find out where it goes, and I should like to stop the black market. But I cannot agree with the Senator that putting all the small slaughterers over the country under Federal license would get the meat to the consumers.

Mr. ELLENDER. I made no such a suggestion. They now operate under a permit but without much restriction.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. The Senator from South Dakota has said that he wishes to know where the meat is going as the people are not getting it. I should like to know who is getting it.

Mr. ELLENDER. Perhaps the dogs or the lions or other meat-eating animals are getting it. [Laughter.]

But, Mr. President, to speak seriously, I am sure the people are getting it. At every banquet I have attended in Washington chicken or steak or other meat has been served. I suppose those operators are getting it legitimately; I do not suppose the Washington hotels would flagrantly violate the law and expose themselves to prosecution.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. I should like to make a few observations on the subject of enforcement of O. P. A. regulations. Everyone knows how difficult it is to enforce regulations of this kind. Everyone knows that the O. P. A. does not have a sufficient force of competent workers to enforce the regulations and to suppress the black market.

Mr. ELLENDER. It does not have a sufficient number of trained workers.

Mr. LUCAS. The report complains about the lack of workers who are properly trained to enforce the O. P. A.'s regulations, so far as the distribution of meat is concerned, but the report does not take into consideration the question of the shortage of manpower in the country and the difficulty of obtaining competent workers to provide for proper enforcement.

As I recall, in the last appropriation bill, providing for the O. P. A., Congress cut the appropriation for enforcement. Now this report condemns the O. P. A. for its failure to enforce its regulations, and the report places the entire blame for the black market on the O. P. A.

I do not say the O. P. A. is perfect. I have taken sharp issue with the O. P. A. upon many questions. But, as I said the other day, I think this report is too far reaching, too drastic, and too severe. If there has ever been an agency of government which has had a difficult job, it has been the O. P. A. The real responsibility with respect to the present meat situation rests primarily upon the patriotism of the American people.

I recall the testimony of Mr. Kennedy, a law-enforcement agent in the District of Columbia. The Senator will recall, for he was there, that Mr. Kennedy told the committee that at the present time 10 percent of the stores in the District of Columbia are short weighting their customers. That is a plain cheat and a steal, of course. He said that had been going on before the war, and that it is the normal situation. I presume that is true all over the country.

Mr. Kennedy said that 50 percent of the stores here were charging more than ceiling prices. That is black marketing. Giving underweight is a form of black-market operation. Purchasers of meat cannot tell whether it is A grade, AA, C or what it may be. The result is that they pay whatever the merchant asks.

However it was testified that there were no real black-market rings in the District in the sense that they used to exist in prohibition days.

Then Mr. Kennedy proceeded to say that it was possible to buy meat in the District of Columbia if one knew where to go. I said, "Mr. Kennedy, where is that place?" That officer of the law, who is presumed to cooperate with the O. P. A. and help enforce the law, said that he declined to answer and tell the Senate of the United States where the meat could be obtained. I mention that in order to show the attitude of a law-enforcing officer here in the District of Columbia. He himself said that he knew where he could get meat, and yet he would not tell the committee where.

Then later, much to my surprise, the Senator from South Dakota [Mr. BUSHFIELD] stated in answer to a question propounded to him as I recall by Mr. Emerson, the attorney for O. P. A., that if his family needed meat he would get it for them. Those were substantially his words. Then Mr. Emerson asked "Would you violate the O. P. A. law in getting meat?" The Senator answered "Draw your own conclusions."

If a Senator of the United States makes that kind of a remark and it is broadcast to the country, and a law-enforcing agent in the District of Columbia refuses to tell a Senate investigating committee where he can obtain black-market meat when he knows I find it somewhat difficult to condemn other persons in the United States for adopting a similar attitude? And certainly I would not under such circumstances place the total responsibility upon the O. P. A.

Mr. ELLENDER. Mr. President, I may say to the Senator that approximately 4 weeks ago I participated at New Orleans in a program known as the Town Meeting of the Air. The subject under discussion was food shortage. One person who was sitting in the audience asked me, "Why should you, Senator ELLENDER, object to us violating O. P. A. meat regulations when one of your own Members of the Senate said that he would do so?" That shows how widespread is the situation to which the Senator has referred.

Mr. DOWNEY. Mr. President, I wonder if the Senator will bear with me while I make this comment: There is pending before the Senate a bill which is

of major importance, and which is the unfinished business of the Senate. It would be most helpful if we could get it passed today. It is a bill which must go to the House in order to be acted upon there, and it involves the pay schedules of certain workers. I think that we could complete action upon it within 30 minutes if we were allowed to proceed. I know of no opposition to it. Of course, the discussion which is now taking place might continue for the greater portion of the day, and then we would have to hold a session tomorrow, or let the bill go over until Monday. If we were to let the bill over until Monday I believe that such action would be injurious to the public welfare.

Mr. ELLENDER. Mr. President, it is now only 3 o'clock. I shall not consume very much more of the time of the Senate unless I am interrupted. I should like to continue and finish with my remarks.

Mr. DOWNEY. Of course, the Senator knows there are other Senators who will wish to reply to him.

Mr. ELLENDER. I agreed to postpone a speech which I was attempting to make on the 7th of May. I had obtained the floor, was in position to deliver my speech, and at approximately 1 o'clock I agreed to postpone delivery of it until later in the day. When I subsequently obtained the floor it was after 6 o'clock in the evening. I do not want to get myself into a similar situation again. I should rather proceed at this time.

Mr. President, I shall now leave the question of findings and revert to the matter of recommendations of the committee.

The committee recommended for the purpose of improving the supply and distribution of meat the following:

1. A forthwith increase in the return to the feeders of AA and A grades of cattle through a fair and sufficient subsidy to feeders to encourage them to feed out range cattle to the maximum degree, thereby encouraging the feeding of more cattle and increasing not only the quality but the weight of AA and A grades of cattle.

I asked an official of the O. P. A. to summarize for me what had been done in that direction during recent weeks. I wish to repeat again that the O. P. A. has been constantly at work in order to solve these problems as they arise. I am sure that if the condition develops whereby the packers must continue to do business at a loss after the most recent regulations are put into effect, O. P. A. will be ready to amend those regulations so as to make it possible for the packers to do business at a profit.

O. P. A. has consistently sought to encourage the feeding of cattle to finish so long as feed supplies are adequate for the purpose. It has specifically recommended a direct feeder subsidy, to be provided with proper safeguards to assure that the subsidy actually reaches the cattle feeder, and not the speculator. In January 1945, O. P. A. issued its price regulation on cattle which increased the stabilization range maximum prices $1 per hundredweight on choice cattle, and 50 cents per hundredweight on good cattle. Slaughterers were paid an increased subsidy on choice and good cattle in the same amount. By increasing the maximum prices which slaughterers could pay for cattle of choice and good grades, the increased subsidy to slaughterers was designed to be passed on to feeders in the form of the higher prices. The January 1945 action of increasing the stabilization range maximum prices and subsidy to slaughterers on choice and good-grade cattle was, therefore, an indirect feeder subsidy. As a part of the January 1945, action, an overriding ceiling price was placed upon cattle at $1 per hundredweight over the stabilization range maximum price for choice cattle. The overriding ceiling price fixes a top limit in the price at which any animal or lot of animals may be sold. More recently O. P. A. proposed the 25-cent additional subsidy on good, choice, and commercial grades, and the cancelation of the 50-cent reduction in subsidy which was to go into effect on July 2, 1945. Both proposals became part of the joint agency 10-point program.

It is fair to state that the direct feeder subsidy would not have an immediate effect upon the condition of cattle going to market. The subsidy would, however, encourage cattle feeding and the maximum utilization of the country's meat supply.

Our committee heard considerable testimony with respect to the number of cattle now being fed in contrast with prior years. Judging from the testimony which our committee heard, one would assume that in many instances no cattle were being fed, that cattle feeders had quit the business, and that they did not intend to reenter it. But here are the figures:

Cattle and calves on feed as of January 1 of each of the following years was: Year 1930, 3,113,000; 1935—lowest year—2,215,000.

The average from 1930 to 1939 was 2,980,000 head; in 1940 the aggregate was 3,633,000 head; in 1941 it was 4,065,000 head; in 1942 it was 4,185,000 head; in 1943, which was the banner year, it was 4,445,000 head; in 1944 it was 3,967,000 head, and the estimate for the year 1945 is 4,173,000 head.

To my way of thinking that does not show that the cattle feeders are not feeding cattle. It certainly sows an increase from year to year, except the year following 1943, which was the banner year, the enormous number of 4,445,000 head of cattle were in the feeding lots. That huge number for 1943 was due to the fact that the ever normal granary program which had been operating in prior years had resulted in an enormous quantity of corn, oats, and wheat being on hand which could be fed to the cattle, and so 1943 was the year when there was the largest number of cattle in the feeding lots.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Illinois?

Mr. ELLENDER. I yield.

Mr. LUCAS. In the testimony before the committee was there any evidence showing that a single cattle feeder during the last 5 years has gone bankrupt?

Mr. ELLENDER. I never heard of any. Some threatened to quit.

Mr. LUCAS. Was there any testimony at any time before the committee that the cattle feeders were in such a dire financial plight that they had to borrow money from the Government or from the banks in order to keep going? There was not a single statement to that effect, so far as I can remember.

Mr. ELLENDER. There were some complaints not only from feeders but from producers and processors, all of which leads me to conclude that there seems to be a concerted move by many groups, I would say, to destroy price control. If we start amending the law now, giving in here and giving in there, the first thing we know we will not have any price control. In other words, if we should once accede to the wishes of one group, then other groups will pile in for relief and Congress will become helpless.

Mr. LUCAS. As the Senator knows, about a year ago we had a meeting with the cattle feeders in the Southwest and with the West when the late Senator Smith, of South Carolina, was chairman of the Committee on Agriculture and Forestry, at which time a gentleman by the name of Montague, as I remember, representing the cattle producers of the Southwest, advocated before the meeting the repeal of the price control law insofar as cattle were concerned.

Mr. ELLENDER. And unless it was repealed there would be no cattle grown; in other words, we would have a famine.

Mr. LUCAS. That is correct.

Mr. ELLENDER. Yet we find ourselves now with more cattle on the range than at any other time in our history. The same thing is true of milk production. I do not remember the exact number, but five or six of them appeared before the committee and said unless this and that were done there would be no milk, and yet we find ourselves with 15 percent more milk than we had in prewar days.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. LUCAS. I want to say to the Senator that, in my opinion, that is the movement back of this whole investigation with respect to price control. There are certain people in this country who are never satisfied with a fair margin of profit. They are selfish and greedy. They want to keep piling the money higher and higher. That is primarily the premise back of all this agitation. As I recall, some members of the Agricultural Committee and some others who attended, indicated they favor repealing the price-control law. That is the position of many special groups in the Nation. They want to wreck the price-control law, which the Congress put on the statute books some 3 years ago and which, in my humble opinion, has definitely saved the financial structure of America. So they are beginning to tamper with it. The war in Europe is over. It is a propitious time to start the working of pressure groups. That is what they think, and they want to get in while the getting is good.

Mr. ELLENDER. If we once open the door, we shall not be able to close it.

Mr. LUCAS. Exactly. I well remember, after the last war, as the American housewives cannot fail to remember, when, without a price-control law, sugar was 37 cents a pound. We know that the price of sugar today is around 7 cents a pound, but once we take the price control off the statute books no one can tell where sugar and other necessities of life will go The sky may be the limit.

Mr. BUTLER. Mr. President——

Mr. LUCAS Just a moment. The Senator from Louisiana yielded to me.

Mr. ELLENDER. I yielded for a question.

Mr. LUCAS. Once we take the price-control law off the statute books, we will see start in this country a spiral of inflation which will ultimately wreck the economic stability for us all. That is what I am afraid of, and that is why I could not go along with this report. The report itself does not recommend that, of course, but it is a beginning; it is an aid to the special groups that have sought continuously to wreck the price-control program for their own selfish purposes. I am referring primarily as the basis of my statement to what happened when the committee met 1 year ago, and Mr. Montague, the attorney for the cattle interests, said he was definitely in favor of taking price control off all cattle, but he wanted to leave it on all other commodities. Of course, any man who knows anything at all realizes that if price control is taken off of one commodity it must be taken off of all. On a proposition of that kind one cannot have his cake and eat it, too.

I wish to say, furthermore, while I am on my feet that there are numerous cattle feeders in Illinois, and I know some of the problems they confront and I know the problems they have had in the past 15 years, but I also know that the cattle feeders there have been better off in the last 5 years than during any previous 5 years, notwithstanding O. P. A. If there is one group in the agricultural line that has its ups and downs, it is the feeder of cattle. That is true of the cattle feeders everywhere because with them it is a gambling proposition every time they buy a carload of cattle, but I do not know of any of them who has gone bankrupt during the past 5 years. Bankruptcy was not uncommon among them in the depression days. I happen to know, for as attorney for the receivers of banks I saw in my section of the country plenty of notes of cattle feeders which were absolutely worthless.

I say, Mr. President, this is an important proposition, and I hope the country will not go along with the group who today are attempting indirectly to wreck the price-control law which was placed upon the statute books by Congress a few years ago.

In one part of the report I note the statement that some incentive should be given in order to get the cattle to market. What is the incentive? It has to be another subsidy, I take it, and, although the producers in the South and Southwest are getting far above the parity price, yet they want more.

That is one reason, I presume, why they are not sending the cattle to market; they are holding them for higher prices. Some day, as the Senator from Louisiana says, when hogs again glut the market they will wish they had sold their cattle instead of holding them for higher prices.

Mr. President, this is an important question; it is one of the most important questions before the Congress, and I hope the Banking and Currency Committee will not tamper with the O. P. A. law. No man has been more critical of or has more sharply condemned the O. P. A. for certain things under certain circumstances than has the Senator from Illinois; I have taken issue with them many times; I shall do so in the future if I think they are wrong; but I am not going to be a party to any report or movement here to do, as some Senators on the other side of the aisle want to do, namely repeal the price-control law. I am not going to use the O. P. A. as a guinea pig for home consumption. I will not be responsible for wrecking a program the destruction of which will bring in its wake the evil spiral of inflation. I know exactly what happened during the last war, and I know what happened after the war was over. I saw people in my section of the country who had worked from 16 to 20 years as farmers eking out enough from the soil to enable them to own a 160-acre farm. Then, when the great boom came along, wheat soared to $2.50 a bushel, corn was worth $1.50, and so forth. Money was plentiful. They wanted to invest in something. They bought, at an exorbitant price, the 160 acres right next to the 160 acres they owned. They mortgaged the 320 acres, in order to buy the last 160 acres. When the boom was over and the crash came, they lost it all, and they were in the courts through foreclosure, and the holder of the mortgage was compelled to take over the farm. That was the situation throughout the Midwest. That is what I fear again will happen once we tamper with the price control law. I care not how slight the change may be, it will be the beginning of movement that will prove disastrous for the people of the Nation as a whole. I sincerely hope we will not do it. I hope the Committee on Banking and Currency, of which the junior Senator from Maryland [Mr. RADCLIFFE], who sits before me, is a member, will seriously consider the report that was given to the committee by the Committee on Agriculture and Forestry along the line the Senator from Illinois is discussing, notwithstanding the Senator from Louisiana and I are the only two members in the minority.

Mr. BUTLER and Mr. RADCLIFFE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Louisiana yield, and if so, to whom?

Mr. ELLENDER. I shall be glad to yield for questions only hereafter.

Mr. BUTLER. I guarantee not to take very much time.

Mr. ELLENDER. It is now after 3 and I have not had anything to eat since last night, and I am getting a little hungry and tired.

Mr. BUTLER. I think the Senator from Louisiana should yield for me to reply to the Senator from Illinois, who seems to think there is a concerted movement on the part of some to repeal the price-control law. I do not know of a single Member of the Senate who has in mind the repeal of the Price Control Act. I know there is no concerted movement, so far as I am concerned, and I am a member of the Committee on Banking and Currency. So far as I am concerned, if the chairman decides to call a committee meeting to consider that question, I shall vote for an extension of the Price Control Act, with clarifying amendments which will tell the O. P. A. what the Members of Congress want them to do in a certain respect.

The Senator from Illinois also made a statement which certainly is true, that the cattle feeders for many years have had their ups and downs. The trouble under O. P. A. regulation has been that it has all been downs, with no ups.

Mr. LUCAS rose.

Mr. BUTLER. Just a moment. The Senator from Louisiana has repeatedly made the statement that there can be positively no give whatsoever in the law as it controls O. P. A., but that once we open the door, the whole thing is wrecked.

I should like to remind the Senator that no such rigid rule has been followed with respect to the establishment of wages or any other commodity except the products of the farm, dairy products, meat, and the grain from which bread is made. I admit that those commodities have been held rigidly. The Senator from Louisiana will admit, too, as every other Senator must admit, that the costs of the producers of those commodities have advanced as rapidly as have the costs of the producers of other commodities advanced, if not more rapidly, and still there can be not one ounce of give.

I can say that the farmers of Nebraska, and I think the farmers of America, want to go along patriotically with the war program and the price-control program until the war is finally concluded, but I think they should be treated fairly, in accordance with the way others have been treated.

There is the Little Steel formula, under which a 15-percent rise in wages is permitted. I am not objecting to that; but the farmers of America, those who produce meat, who buy the range cattle and put the beef upon them for the consumer, are entitled to some consideration, a 5-percent, a 10-percent, or possibly a 15-percent rise in the price of their product, in order to meet the costs of production.

Mr. LUCAS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. For a question.

Mr. LUCAS. I should like to ask the Senator from Nebraska one question.

Mr. ELLENDER. I yield for a question.

Mr. LUCAS. The Senator from Nebraska has said the cattle feeders have had all downs and no ups under O. P. A. That is what I understood him to say.

Mr. BUTLER. I will say this to the Senator from Illinois——

Mr. LUCAS. Did the Senator say that?

Mr. BUTLER. Prices today are not as high as they were in March 1942 when the price-control law said prices should be frozen, but they have been rolled back. What is a roll-back except to take it off the farmer?

Mr. LUCAS. Of course, the Senator qualifies when we pin him down, he evades. The Senator cannot name a single cattle feeder who has gone bankrupt in the past 5 years, not even himself. He has made money feeding cattle in Nebraska.

Mr. BUTLER. I will say to the Senator from Illinois that I have not gone broke, but I have greatly reduced my program, and I know feeders who have gone broke.

Mr. RADCLIFFE. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield for a question.

Mr. RADCLIFFE. I was very glad to hear the Senator from Nebraska say a moment ago that he did not desire anything done which would strike at the roots of the O. P. A. I think one of the greatest catastrophes that could happen to this country would be to get rid of O. P. A. It is very easy for us, and really natural for anyone, when considering a grievance, actual or imaginary, to feel that it overshadows the rest of the situation. Many difficulties of the O. P. A. can be worked over and ironed out in the light of experience, which certainly teaches us something worth while in this matter. It would certainly be most unfortunate indeed if we allowed consideration of some particular difficulties and imperfections of the O. P. A. to obscure the obvious merits of the rest of the program generally speaking. We cannot afford to get rid of O. P. A., and we should not do anything which would impair seriously its usefulness.

Mr. ELLENDER. The second recommendation of the committee is as follows:

2. An immediate incentive program to encourage, during the spring and early summer, the marketing of more grass and unproductive dairy cattle.

The Senator from Illinois mentioned that recommendation a while ago, and I am in agreement with what he said, that no incentive is presently needed to encourage the marketing of more grass and unproductive dairy cattle. The market for the low grades of cattle is favorable and there is every indication that it will remain so during the remainder of the spring and early summer.

Any incentive, direct or indirect, would have a dangerous tendency to stimulate current demands for low grades of cattle which could more usefully be grass fed and later channeled to the feed lots or the stockyards. It would likewise accentuate the problem of acquisition of range cattle by the feeder at prices which would permit profitable feeding.

The third recommendation of the committee is as follows:

3. Raising the support price of hogs and extending support prices to cover all weights of hogs.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. ELLENDER. For a question.

Mr. WILEY. The Senator will have to admit I have not bothered him. I am interested in getting what I hope will be a solution of this problem. Here in the Senate we have been eating ox tongue and ox tail, and we do not know what has become of the rest of the carcass. This is my question: Of the total poundage produced in 1944, how much went to the armed forces?

Mr. ELLENDER. Of the federally inspected, 35 percent, or 6,382,000,000 pounds.

Mr. WILEY. From listening to the discussion I understand that the problem is to be simplified in this way. It is claimed that the young stock, when produced on the ranges, is allowed to be sold to the feeder lot; that is, to the farmers farther east, who take them and feed them. Right there is the crux of the whole situation. If they get adequate compensation for the feed they put in, there will then be additional poundage for the rest of us in America. What is the answer of the distinguished Senator for that situation?

Mr. ELLENDER. There would be some added poundage, there is no doubt, but we had an Army specialist who testified before us say that he found that in using AA grade for the Army there was considerable loss because of excessive fat, and the same condition prevails among civilians. Today, the Army is taking most of its meat from the A grade and high B grade, and I believe they are eliminating to a large extent any AA meat for overseas feeding of soldiers.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. ELLENDER. Gladly.

Mr. WILEY. If I remember correctly, the Senator said that something like 4,000,000 head of cattle were born and raised on the ranges and were ready for the feed lots. Am I correct?

Mr. ELLENDER. No. I stated that the estimated number of feeders for 1945 is four-million-one-hundred-and-some-odd-thousand head, in contrast to an average of a little under 3,000,000 head for the 1930–39 period, as I recall the figures.

Mr. WILEY. I thank the Senator.

Mr. ELLENDER. The reason I cited those figures was to demonstrate that with all the criticism which is being lodged against O. P. A. for making it impossible for feeders to feed cattle, still there are actually more cattle being fed now than in prewar years.

Mr. WILEY. Yes; but we are not getting the beef here, nor are people getting beef elsewhere in the country. I heard the Senator say that he was fed up with chicken being served when he went to a hotel to a banquet. Let me give an illustration of the situation in the markets. The other day my good wife went down to the grocery store in the Westchester where we live—2,000 people live in that apartment building—and there were some seven chickens there for 2,000 people. Senators can imagine what most of the people got. They did not get even the tail or the neck.

Mr. ELLENDER. Some must have gotten the feathers.

Mr. WILEY. The Senator spoke of the feed situation. We are interested in getting good beef into the stomachs of the American people. Does the Senator disagree with the conclusion—I am seeking nothing but light, I will say to the Senator—that if the Government were to pay, let us say, 1 cent a pound more for prime beef that that would result in more poundage, in a tremendously increased poundage?

Mr. ELLENDER. Does the Senator mean as a result of permitting the cattle to be fed?

Mr. WILEY. Yes. With that increase of 1 cent a pound could not the feeders feed an additional amount to the cattle?

Mr. ELLENDER. I imagine that would be the result, but one of the problems that would have to be met is the feed itself. In other words would there be enough feed to accomplish that purpose? The Senator must not forget that in the past 10 years, or, I would say since the period before the war, we have had an increase in cattle population.

Mr. WILEY. I realize that.

Mr. ELLENDER. An increase of from 66,000,000 to 82,000,000. We have had an increase of one-hundred-and-fifty-some-odd percent in chickens, and a large percentage of increase in the number of hogs. But the production of feed has not increased in line with the increase in the population of cattle and other feed consuming animals. So that in making its regulations O. P. A. must be careful not to go too far and thereby endanger the beef supply and the supply of other livestock. If more hogs, cattle, and chickens are provided than we have feed to maintain them, some might starve or become so poor that they will not be edible. That is the problem.

Mr. WILEY. I thank the Senator.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. ELLENDER. I have not had lunch yet. I should be glad—

Mr. WHERRY. The Senator is making statements on the floor of the United States Senate which I think should be challenged.

Mr. ELLENDER. The Senator can take the floor in his own time after I am through.

Mr. WHERRY. I should like to ask the Senator a question with respect to some of the remarks he has made. Will the Senator yield?

Mr. ELLENDER. Yes.

Mr. WHERRY. I should like to ask the Senator if he made the statement that there are more cattle in the feed lots being fed today than there were a year ago or 2 years ago?

Mr. ELLENDER. Not exactly. I did give the figures a while ago which show four - million - one - hundred-and-some-odd thousand estimated for 1945, a little under 4,000,000 in 1944 and almost 4,500,000 for 1943, our banner year.

Mr. WHERRY. Then I should like to ask the Senator if there is more beef in the country now than there was a year ago?

Mr. ELLENDER. I gave a table a moment ago——

Mr. WHERRY. Is that the Brownlee table?

Mr. ELLENDER. Yes. Does the Senator disagree with that table?

Mr. WHERRY. Yes.

Mr. ELLENDER. I wish to say that the Senator in his own time can challenge the statement, and he will have ample opportunity to do so.

Mr. WHERRY. I want to ask the Senator a question. I will answer the Senator's statement in my own time, but I should like to ask him a question now. The Senator said the reason we must be careful is that we do not have enough grain at present to feed the cattle.

Mr. ELLENDER. That is one of the main items that must be taken into consideration before we venture too far in livestock production.

Mr. WHERRY. Is that what the Senator said?

Mr. ELLENDER. Yes.

Mr. WHERRY. I want to tell the Senator that in Nebraska we have 100,000,000 bushels of wet corn.

Mr. ELLENDER. That is a temporary situation.

Mr. WHERRY. What are we going to do with that corn?

Mr. ELLENDER. I do not know whether the Senator has attended all the meetings of the committee——

Mr. WHERRY. I have attended the greater number of them.

Mr. ELLENDER. But the testimony shows, as I recall it, that the larger part of that corn has been moved out of Nebraska to be used immediately.

Mr. WHERRY. If the Senator from Louisiana will permit me in his time I will tell him that that is absolutely not the fact. I have the testimony of the Department which shows that there are 65,000,000 bushels of that corn in cribs on the farms which is going to spoil if we do not feed it to the cattle and the hogs.

Mr. ELLENDER. No; I am speaking of the corn that is actually going to spoil, and not the corn which is properly stored in the State of Nebraska. I am speaking of that part of corn which is wet, which must be consumed immediately. We were told by an official of the Department of Agriculture that every effort was being made to remove that corn to places where it could be used at once. I am not speaking of all the corn produced in Nebraska.

Mr. WHERRY. Will the Senator permit me to ask him another question? Is it not true that the directive under which O. P. A. is now operating was put into effect a year ago when there was a smaller corn crop than there is now?

Mr. ELLENDER. Which directive is the Senator speaking of?

Mr. WHERRY. I am speaking of the one by which Director Vinson and Mr. Hudson, in connection with the Commodity Credit Corporation, dropped the floor on the price of hogs, and dropped the floor on the price of cattle, with the idea that it would drive the cattle into the market without feeding corn, and that it would drive the hogs into the market without feeding grain. Is that not true? And we are still operating under that directive, are we not?

Mr. ELLENDER. I do not know what directive the distinguished Senator has in mind, but I do know that O. P. A. made some rulings, I think in the early part of last year or probably the latter part of 1943——

Mr. WHERRY. Mr. President, will the Senator permit a correction? It was in October 1943.

Mr. ELLENDER. So as to preserve feed an order was issued making it obligatory on hog owners to ship their hogs to market whose weight was, I think, 270 pounds, or under, else they would lose a certain percentage of the ceiling price.

Mr. WHERRY. Two hundred and twenty pounds.

Mr. ELLENDER. Whatever the weight was. Unless hogs within a certain range were shipped the owners would lose a certain——

Mr. WHERRY. Would lose the floor price.

Mr. ELLENDER. Yes, a certain fixed price. I am sorry that I do not recall the details at the moment. That ruling was put into effect in order, I believe as I stated a while ago, to force farmers to ship their hogs to the market, and thereby conserve feed.

Mr. WHERRY. That is correct.

Mr. ELLENDER. It seems evident that if the farmers of the country had continued to feed some of their hogs until they weighed 400 pounds or 500 pounds or 600 pounds, other hogs might starve.

Mr. WHERRY. If the Senator will further yield I will say that, as he will recall, in the same testimony it was shown that we had 123,000,000 pigs, and because of that order, which was not changed, the production of hogs has dropped to 88,000,000. The order was not changed, though we have plenty of corn. Yet we are still operating under the directive which was issued in an attempt to force the hogs to market at light weight at a time when the grain was not in sight. Will not the Senator agree with that statement?

Mr. ELLENDER. I predict that the Senator will rise on the Senate floor within the next 120 days and express wonder why the cattle producers of this country did not ship more of their cattle now while the market is strong. I am confident that within the next 4 months we are going to have more hogs on the market than we will know what to do with, provided weather conditions permit and our feed supply is maintained.

Mr. WHERRY. Will the Senator please permit me to answer that statement now?

Mr. ELLENDER. I would prefer to conclude my remarks.

Mr. WHERRY. The Senator will find that in 4 months there will be less hogs and less cattle, and if the O. P. A. continues its present operations Senators will find that we will have more black-market operations than we have ever had, and we will never get rid of such operations until we get increased production of cattle and hogs in the feed lots. That can be obtained under proper price levels. The O. P. A. knows that and has finally admitted it. The report which has come from the Senate Committee on Agriculture and Forestry is a constructive report attempting to show not only O. P. A. but all the Government agencies and the Members of the Senate that such a course as that recommended by the committee must be followed if we expect to get sufficient meat on the counters of the United States of America and get to the boys in the military service the meat which they need.

Mr. ELLENDER. That same statement was made, perhaps not by the distinguished Senator from Nebraska, but by Mr. Montague and others. That statement has been made by a good many Senators. It was said that we would have a hog famine, a beef famine, a milk famine, and all kinds of famines; but the books show that none of those predictions came true. My own view is that the estimates made by W. F. A. will again come true.

Mr. WHERRY. I offer as evidence in refutation of that statement the fact that one cannot go to a meat counter anywhere today and get pork of all classes. Every housewife in America knows that there is no meat on the counters, and that it is becoming scarcer every day. The only place it can be obtained, for the most part, is in the black market. There was not a bit of evidence to challenge my statement; 90 percent of the meat shipped to New York City is black-market meat.

Mr. ELLENDER. I heard that ridiculous statement.

Mr. WHERRY. That is the evidence.

Mr. ELLENDER. I know the statement is in the evidence. The Senator from Montana [Mr. WHEELER] received a telegram from someone in New York, as I recall, but there was not one scintilla of evidence produced before the committee to sustain that contention. A few days after that statement was made Mayor LaGuardia testified before our committee and——

Mr. WHERRY. He said that between 60 and 90 percent of the meat in New York City was black-market meat.

Mr. ELLENDER. Oh, no. Mayor LaGuardia stated that in his opinion very little, if any, of the federally inspected meat which came into the city of New York was black marketed.

Mr. WHERRY. How much?

Mr. ELLENDER. He stated that very little of the federally inspected meat which came into New York City was black marketed; and federally inspected meat comprises from 30 to 36 percent, as I read, of the supply to the city of New York.

Mr. WHERRY. His statement was that of all the meat that came to New York City, between 60 and 90 percent was black-market meat.

Mr. ELLENDER. The Senator is in error.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield. Perhaps I shall be able to eat my lunch at 7 p. m.

Mr. LUCAS. I hope the Senator will get one of the steaks that comes from the farm of the Senator from Nebraska.

Mr. ELLENDER. If I have made any misstatements in the RECORD, I wish the distinguished Senator from Nebraska or some other Senator to rise and correct them.

Mr. LUCAS. Mr. President, I know that every Senator is patriotic, and I know that Senators are not buying black-market meat. I have just been observing Senators on the floor. I find none of them pale, thin, or emaciated. It is

apparent they are getting enough meat to eat.

I know that those in the galleries are patriotic Americans. I have heard no complaint about any of them having trouble getting up and down, from one floor to another. There is no charge that these interested folk are poor, lean, and emaciated from lack of meat.

Of course there is not enough meat in this country. Of course, there is not an equitable distribution of meat; but I do not know of anyone in this country who is really suffering, unless it be the Senator from Nebraska. The truth of the matter is that more people, including our boys in the service, are eating meat today than any other time in our national life. The reason for that is that people have more money.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. ELLENDER. I hesitate to yield further. I do not desire to be discourteous.

Mr. WHERRY. I wish to tell the Senator that meat does not make one fat. Meat furnishes the red blood and vitamins of life.

Mr. LUCAS. The Senator certainly has them. [Laughter.]

Mr. WHERRY. I am glad I have them. I am glad that I come from a State which produces them. The cattlemen who stand in the feed lots and get manure on their shoes are the men who testify that there will not be enough cattle in the feed lots until price levels are established which will allow a profit for the man who feeds cattle. Production will be necessary to eliminate the black market. We must have production, and the Senator from Illinois knows it. That is the only way to solve this problem.

Mr. ELLENDER. Mr. President, I do not mind yielding for a question, but hereafter I wish that Senators would confine themselves to questions and not make speeches. I shall be glad to answer questions if I am able to do so. As I indicated a while ago, I have not had anything to eat since last night and I am growing hungry. I do not know that I will go to a beefsteak supper, but I will get something. I do not wish to be discourteous to any Senator. I have never been so and I do not intend to start now.

The third recommendation involves raising the support price for hogs, and extending support prices to cover all weights of hogs. I do not believe that any Senator will deny that the O. P. A. has taken that factor into consideration all along. It has been making a study of the problem. Only 3 weeks ago the support price was raised from $12.50 a hundred to $13. I am told that if perchance a higher support price than that is necessary to get more hogs it will be established.

Further increases in support prices of a long-term character would involve speculation on future feed conditions and the demand for pork and pork products, which the Government could not properly undertake. An increase terminable on proper notice would not involve such speculation. Such an increase is unnecessary, however, in view of the existing favorable feed ratio and the price incentive furnished by the demand for hogs.

As I pointed out a while ago, effective April 29, 1945, the support price for hogs was increased from $12.50 to $13 a hundredweight, Chicago basis. The proposed action was announced on April 23, as applicable to weights up to 270 pounds. The new support price is to continue in effect until September 1, 1946. The support price applies to good and choice farrows and gilts weighing more than 300 pounds.

The fourth recommendation is that assurance be given producers that support prices and ceilings for livestock will not be lowered unless adequate notice of such change be given. I inquired from the O. P. A. what its attitude was on that question, and this, in substance, is the reply:

On March 21, 1945, the Price Administrator, in his statement to the Senate Committee on Banking and Currency, gave this assurance to producers of livestock with reference to the ceilings. He specified the conditions which might compel changes in maximum prices, and undertook to give adequate advance notice of necessary changes. It may be that the statement has not received adequate publicity. Announcement will be made that there will be no general downward revision of overriding ceilings or of the tops of the stabilization ranges without 6 months' notice.

The fifth recommendation is that the Price Control Act be amended to require and direct the Office of Price Administration to give processors of livestock a reasonable margin of profit for processing each species of livestock. My guess is that if a recommendation of that kind is adopted by the Senate Committee on Banking and Currency, it will be a most serious blow to price control. I would not be at all surprised, if such an amendment were adopted, if we were soon confronted with other such proposals, until price control would become ineffective. I asked the Administrator to give me a résumé of the recent decision in the Armour case, as well as the Heinz case, in respect to the fixing of ceilings. This is the information which I received from him:

The law, as interpreted by the Emergency Court of Appeals, requires the maintenance of ceilings which will permit the recovery of out-of-pocket costs by the slaughterers for processing each species of livestock. Furthermore, maximum prices must allow over-all profitable operation for each segment of the industry, which is characterized by distinctive economic problems and is significant in numbers and volume.

In the Armour case, decided March 29, 1945, the Emergency Court said:

We think that it would be reasonable to apply the secondary product standard upheld by us in the Gillespie case to cattle operations as an entirety, treated either as a single product or as a closely related group of products. Such treatment would take into account the integrated nature of these operations as a general characteristic of the industry. Thus, where, as in the present case, the industry earnings are above their normal peacetime level, no adjustment of maximum prices is required if, at present established ceilings, the cattle operations are producing enough to recover out-of-pocket costs in respect thereto.

In the Heinz case, decided on the same day, the Court said:

If the maximum pricess in R. M. P. R. 169, in conjunction with the subsidy payments, do not make adequate provision for the nonprocessing slaughterers as a group, do not afford a sufficient margin for profitable operation by this the most numerous group in the industry, then the regulation is invalid as to the nonprocessing slaughterers, despite the fact that the regulation is, as we held in the Armour case, generally fair and equitable as applied to the processing slaughterers who constitute the greater part of the industry by volume of business.

Mr. President, there is no necessity for more liberal standards in order to assure that reputable slaughterers will be able to continue profitable operations.

The proposed amendment would be inflationary in the extreme, and would impose impossible accounting burdens upon industry and the Government. Every slaughterer with combined operations would be forced to segregate accounts, allocate overheads, and make complicated reports. The expense of this type of price control would not justify the results to be accomplished.

The inflationary danger lies in the fact that price increases would be required over and above ceilings which reflect out-of-pocket costs on the products of a species of livestock, even though the combined operations of the industry were far in excess of peacetime amounts.

Let me say at this point that a large packer who testified before us admitted that there were tremendous losses to his company on the slaughtering of cattle and hogs, but that for the over-all picture they were going to make money this year.

The sixth recommendation reads as follows:

6. The withdrawal of all slaughtering licenses and permits and a sharp reduction in the number reissued together with restrictions on slaughter by use of quotas so that meat will be directed into the normal interstate channels of distribution. The refusal to issue new slaughtering licenses and permits to known violators of governmental regulations and the concentration of enforcement efforts on fundamental major problems instead of marginal technicalities.

The O. P. A. has advocated this method of channeling livestock into federally inspecting plants. Delegation of authority from W. F. A. to establish slaughtering quotas for nonfederally inspected plants was necessary. Now that authority has been delegated to it, O. P. A. has put the quota system into effect. Both the number of slaughterers and the volume of nonfederally inspected meat will be sharply reduced. Violators will become ineligible for quotas or for subsidy.

In that connection I asked the O. P. A. to summarize for me the recent Control Order No. 1. This is the summary which I received from the O. P. A. today:

SUMMARY OF SALIENT FEATURES OF LIVESTOCK SLAUGHTER PROGRAM

Control Order 1 covering livestock slaughter and meat distribution became effective April 30, 1945. Under that order all livestock slaughterers except Federally inspected slaughterers are given quotas for livestock slaughter or sale of meat derived from such slaughter.

Non-federally inspected slaughterers are divided under the order into two groups: Class 2 slaughterers which include all non-Federally inspected slaughterers except farm slaughterers and class 3 slaughterers which include all farm slaughterers.

Class 2 slaughterers are given permits or quota bases which consist of the live weights of livestock slaughtered by them during each of their accounting periods of 1944. (Accounting periods are either calendar months or 4 or 5 week periods, according to the way the books of the slaughterers are kept.) These quota bases, however, are limited in quantity by the requirement that a slaughterer may include in his quota base only that slaughter for which he gave up to the Office of Price Administration the points required to be surrendered under the meat-rationing program. In other words, a class 2 slaughterer receives a quota base or permit only to the extent to which his operations during 1944 were in compliance with the meat-rationing program. These quota bases are determined by the slaughterer himself for the months of May and June and by the Office of Price Administration for all periods beginning July 1, 1945. The interim period of 2 months was designed to give the Office of Price Administration field offices a reasonable opportunity to check the slaughterer's reported figures with his point surrenders to the Office of Price Administration for 1944 and with the figures reported by him to the War Food Administration and to Defense Supplies Corporation in connection with subsidy claims. When quota bases have been so determined, the slaughterer determines the amount he is permitted to slaughter by multiplying his base for any particular species of livestock by a quota percentage set out in the control order. At present these percentages are: Cattle 75 percent, calves 75 percent, sheep and lamb 100 percent, swine 50 percent. By reducing in this way the amount of permissible slaughter by a non-federally inspected plant it is contemplated that federally inspected slaughterers will receive a more equitable proportion of the available livestock and will, in that way, be able to produce more meat to satisfy Government requirements and for interstate civilian distribution. It should be pointed out that although the slaughterer is permitted to determine for himself his quota base and slaughter quota for the months of May and June, any excessive slaughter by him during those periods and during any subsequent periods for that matter will be charged against his permissible slaughter thereafter.

Class 3, or farm slaughterers, are also given quotas limiting the amount of meat they may sell to 100 percent of the amount they sold in corresponding quarterly periods of 1944 to the extent to which they surrendered to the Office of Price Administration all points required with respect to such sales. However, because of the existence of widespread misunderstanding on the part of farmers as to the requirements for point surrender, in view particularly of the fact that substantial quantities of meat of various types were ration free during a major portion of 1944, farm slaughterers will be permitted to continue to operate even though they did not surrender all required ration points during 1944, if they sign a prepared statement containing a promise to comply in the future with all rationing and control order regulations.

In connection with the operation of the new control order, the following supplementary steps designed to achieve more effective control of and compliance with these regulations should be noted. First, the Office of Price Administration by directive just issued by the Office of Economic Stabilization will certify to Defense Supplies Corporation the permissible quantities of slaughter upon which subsidy payments may be made. These permissible quantities will, of course, be the same as those permitted to be slaughtered under the provisions of control order 1. Furthermore, arrangements have been made for furnishing by Office of Price Administration and Defense Supplies Corporation respectively to each other of slaughter quota bases and quantities of slaughter reported in connection with claim for subsidy so that the Office of Price Administration and Defense Supplies Corporation will be in a position to assure refusal of subsidy with respect to any slaughter in excess of quota. Second, we are increasing substantially our investigative staff specifically directed to the end of achieving more effective enforcement and control of the meat-rationing and slaughter-restriction orders.

I believe that Control Order No. 1 covers to a large extent, or at any rate in part, the recommendations made by the Committee on Agriculture and Forestry.

The seventh recommendation is as follows:

7. The extension of Federal inspection and set-aside orders to small slaughterers above local farm and retail level.

The Government is pledged to carry out this recommendation through procurement of meat to the greatest possible extent from plants which up till now have not been federally inspected. It is hoped that more plants will voluntarily become federally inspected. My view as expressed a while ago is that slaughterers should be left free to comply with Federal inspection regulations. No action should be taken by O. P. A. or any other agency of the Government to coerce slaughterers to convert their plants into federally inspected ones.

The ninth recommendation is:

That the Price Control Act be further amended to direct the Administrator to proceed without delay to remove all price controls and regulations from any and all commodities just as fast as any such commodity becomes sufficiently plentiful so as to permit the law of supply and demand to operate to keep the price of any such commodity within the range of the cost of production plus a reasonable profit.

As I understand the established policy of O. P. A. is to remove price controls at the earliest point at which supply and demand for a commodity have become stabilized. No legislation is needed. Administrative flexibility is necessary in situations where rapid changes might take place, and the appearance of stability is unreliable.

It will be recalled that last June when it appeared that certain truck crops—peppers, eggplant, snapbeans, and spinach—would be in plentiful supply, price control was withheld for the summer season. Control on red sour cherries for processing, also plentiful, was removed at the grower level at about the same time. Studies were made as to the possibility of suspension of price control on food commodities, which, in the fall of 1944, appeared to be abundant. Changed conditions, however, never made it possible to suspend controls.

It will also be recalled that in 1943 rationing was removed from coffee, certain meats, and a variety of canned goods. It was all accomplished under the law as now written. To now amend it strikes me forcibly as being a mistake. Let us leave it flexible.

The tenth recommendation of the committee is:

The committee recommend that a supreme administrator for food be created to have supervision and jurisdiction over both the Office of Price Administration and the War Food Administration.

The operation of the W. F. A. and O. P. A. in the control of prices, and the encouragement of production of food, has called for the creation of national and field organizations which, on the whole, have done an outstanding job in both increasing agricultural production and holding the price line.

It would be disastrous to attempt at this time to change the organization. Both agencies are subject to direction in food matters by the Office of Economic Stabilization, which provides the necessary coordinating authority. Creation of another authority would be mere duplication and would complicate rather than simplify the administrative problem.

Mr. President, I should regret seeing a so-called food czar appointed. Imagine a food dictator or a food czar in America telling the farmers what they should do.

The Office of Price Administration, and the Office of War Food Administration, are separate and distinct. War food has to do with production. War food offers an incentive to farmers for greater production, and makes it possible that certain required foods be produced, and the production of others discontinued. That program is carried out through incentive payments. I am impressed by the fact that in this country, at a time when the energy of our working people is taxed to the limit, and with 6,000,000 fewer farmers than in pre-war days, we have produced one-third more food. Would a food czar have accomplished the same result in a more efficient way?

As I have just indicated, the Office of Price Control is a separate, a distinct office from the department which attempts to produce all the necessary food. The function of the O. P. A. is to distribute among the civilian population of our country that part of the food produced which is available after our armed forces, lend-lease, and a few others have been taken care of. The functions of the two departments are not closely related as some would have you believe. It would be a serious mistake now to change that situation. If it were to be done we would have to appoint a new director to administer our food production and our food distribution. We doubtless would have to change many rules and regulations. The rules and regulations which have been inaugurated by O. P. A. fit somewhat into the pattern of W. F. A. The O. P. A. has absolutely no jurisdiction over the W. F. A. The W. F. A. simply tells the O. P. A., "Here is so much food for the civilians." O. P. A. then proceeds to distribute it in the best way in which it can be distributed at prices commensurate with the time, taking into consideration what the prices were before the war, and what legitimate profits should be provided now. To combine the two offices under one czar, as some would advocate being

done, would not mean more food. I believe it would decrease rather than increase food production. Just as sure as I am speaking today, if we should adopt any one of the provisions recommended in the committee report, and open up the door, other groups would come before Congress and make similar demands. The first thing we would be doing would be amending the act in such a way as to make it ineffective. May God help the country if that occurs.

Mr. President, I could say more on the subject, but I will stop for today. My hope is that Senators will study the problem, particularly the members of the Banking and Currency Committee. Let us make certain that the Price Control Act is renewed or extended for another year or two—I would suggest that it be extended for 2 years—without any amendments which would destroy its effect.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. THOMAS of Oklahoma. I should like to ask the Senator from Louisiana the source of the material from which he is reading. I noted that he read a recommendation from the committee report, and then from what he was holding in his other hand he read an answer. I should like to know if the answer was that of the O. P. A. or the Senator's.

Mr. ELLENDER. It was the answer of the junior Senator from Louisiana. I obtained much data from the hearings, from the O. P. A., and from the Department of Agriculture.

Mr. THOMAS of Oklahoma. That is what I wished to know.

Mr. LANGER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TAYLOR in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hart	Overton
Bankhead	Hayden	Radcliffe
Barkley	Hickenlooper	Robertson
Bridges	Hill	Saltonstall
Briggs	Hoey	Shipstead
Butler	Johnson, Colo.	Smith
Byrd	Johnston, S. C.	Stewart
Capper	La Follette	Taft
Chavez	Langer	Taylor
Cordon	Lucas	Thomas, Okla.
Donnell	McClellan	Thomas, Utah
Downey	McMahon	Walsh
Ellender	Magnuson	Wherry
Fulbright	Maybank	White
George	Morse	Wiley
Green	Murdock	Young
Guffey	O'Daniel	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GERRY], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], and the Senator from New York [Mr. WAGNER] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from New Mexico [Mr. HATCH] and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent on official business as members of the Special Committee to Investigate the National Defense Program.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business as members of the Interstate Commerce Committee.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on Territories and Insular Affairs, has been designated to visit the Philippine Islands, and therefore, is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Florida [Mr. PEPPER], and the Senator from Georgia [Mr. RUSSELL] are absent attending committee meetings and public business pertaining to their respective States.

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN] and the Senator from Illinois [Mr. BROOKS] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from South Dakota [Mr. GURNEY] and the Senator from Indiana [Mr. WILLIS] are absent by leave of and on official business of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON] are absent on official business of the Senate as members of the Mead committee.

The Senator from Ohio [Mr. BURTON] is necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Delaware [Mr. BUCK], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Oklahoma [Mr. MOORE], the Senator from Kansas [Mr. REED], the Senator from West Virginia [Mr. REVERCOMB], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are detained on official business.

The Senator from Colorado [Mr. MILLIKIN] is absent because of illness.

The PRESIDING OFFICER. Fifty Senators having answered to their names, a quorum is present.

Mr. THOMAS of Oklahoma. Mr. President, the Senate has heard a report from one of the two members of the Senate Committee on Agriculture and Forestry who did not join in the committee's report to the Senate filed a few days ago. For an hour and a half we have heard objections made to that report. The report of the Senate committee followed very closely the report of the House committee, except that the Senate committee report made more detailed and specific recommendations. The House committee report was not so specific. So when the Senator attacks the Senate committee report he at the same time must attack the House committee report.

Mr. President, these two reports are the results of investigations made by two committees, one of the House and one of the Senate. Hearings have been held for a month to 6 weeks, not only in Washington but in many other parts of the country, and the main subject under investigation was meat. After the testimony was taken by the Senate committee I obtained leave of absence from the Senate and spent 2 weeks in the South and West looking into the matter. I traveled a few thousand miles, not at public expense but at my own expense. On those thousands of miles I covered I found one beggar, an elderly man, who asked me for 10 cents with which to buy a cup of coffee. In a western State I saw one tramp, and only one. He was typical of his tribe, uncouth, unkempt, emaciated, and no doubt had all that he possessed on his back.

Then, Mr. President, I had to return to Washington, and here this afternoon I find one man who is hungry. He is the distinguished junior Senator from Louisiana [Mr. ELLENDER].

Mr. President, this distinguished Senator is not hungry because he does not have the means with which to buy his dinner or his lunch. He told our committee—and I think it is a part of the record—that he was one of the greatest producers of potatoes in the country, and I know he told the truth. He told of the production of potatoes running into the hundreds of bushels an acre. While he did not say so, he left the inference that he had made so much money in potato production that he did not know what to do with it. So he is not hungry because he does not have the means with which to buy his dinner.

Mr. President, I wonder why this particular Senator is hungry? If we may believe the Senator, he, tonight, can have his choice, I am sure, of any kind of beef. He can have a juicy porterhouse; he can have a fine sirloin; he can have a filet mignon or a choice cut of roast beef—if he can find them. He can have his choice of any of those meats—if he can find them. He can have pork chops—if he can find them. He can have lamb chops—if he can find the lamb chops. He can have a fried chicken—if he can find the fried chicken.

Mr. President, in answer to the remarks of the Senator from Louisiana I am going to place in the RECORD exhibit No. 1. Exhibit No. 1 will be the tables in the millions of homes throughout America tonight at dinnertime. Many of those tables will be minus meat.

I will place in the RECORD exhibit No. 2.

Exhibit No. 2 will consist of the millions of American citizens who will be sitting around those tables. Some of them may have on them meat of one kind or another; but, Mr. President, from the testimony produced before our committee, if these tables do have meat on them, the chances are that that meat comes from the black market.

Mr. President, my State is a great meat-producing State. I think I never saw so many cattle in my State heretofore as I saw there last week and the week before. Yet, the butcher shops in my State are closed. The packing houses in my State are closed. There will be waiting for me in my office at 5 o'clock a representative of the Turvey Packing Co. of Blackwell, Okla., one of the leading packing houses in northern Oklahoma. This packing concern sent two men here some time ago to put their case before their Senators. They are here now in the hope of having something done so that this particular packing company can reopen its doors and begin to process meat.

In going through the State I met a lady—and I can give her name, and the town in which she lives—who told me that she had solved her meat problem. I was interested in meat, so I, as best I could, asked some questions to develop the facts, and here are the facts she gave me: She had just bought a quarter of beef which she had placed in what she called a deep freezer. That is a gadget which looks something like a barrel, with a cold-storage arrangement all around on the inside, and the goods to be frozen are put down in the center. Then the lid is put on. This particular deep freezer could be made so cold as to freeze products almost instantly; I was told that it could be made to reflect a temperature of 20 degrees below zero.

This lady said, "I have my quarter of beef in my deep freezer. I am not going to go hungry for meat." I asked her how much the quarter of beef weighed. She said it weighed 105 pounds—a rather sizable quarter of beef. I waited a few moments. I did not want to appear to be too inquisitive. Then I said, "By the way, what did you pay for that quarter of beef?" Before she thought—and I do not think she knows yet what she said, she stated, "I paid $77 for that quarter of beef." Make the calculation, Senators. Divide $77 by 105 pounds and the result is 73 cents-plus, which was what this lady paid for her quarter of beef in that little town in the West surrounded by herds of cattle ready for the feed lots. Does any Senator believe that that lady would have paid 73 cents a pound for a quarter of beef if she could have gone to her meat market and bought the meat she wanted? It is self-evident that she would not. The meat is not at the markets in that locality; the meat is not at the markets here.

Before my committee there appeared representatives of the Safeway Stores, a very large merchandising institution dealing in groceries and meats, who testified that they had a great number of stores throughout the United States, and that they retailed meat to the consumer. In the past few months it could not obtain meat to sell to its customers, and, not desiring to lose its meat customers, the Safeway Co. has gone into the market and purchased packing houses. It now buys the animals, slaughters them, processes the meat in its own slaughtering houses, and distributes the processed meat at retail through its stores. There are two chances for profit. First, there is the possible profit on the slaughtering of the animal, but there is really no profit in that, and that is the trouble. Secondly, there is the profit on the retailing of the meat. Under O. P. A. ceilings, the slaughterer should pay a certain amount for the animal; but the spread between the amount which he must pay for the animal and the amount he can get for the meat when it is processed is so narrow that the testimony was universally to the effect that slaughterers cannot buy the animals, kill them, process them, and get their money back.

We complained about that. There is no particular complaint from the retailers as to the spread under which they operate. If they could buy the meat at the ceiling price, and sell it at retail at the ceiling price, the spread between what they would have to pay for the meat and what they would receive at retail would be sufficient, but they cannot get the meat. It does not exist for them.

Mr. President, there are three points to the meat situation, which were developed before the committee. There is no complaint from those who produce the animals. The farmers and ranchers who breed the animals and feed them on grass so far as they can have practically no complaint. But there is complaint from the feeders. The feeders cannot buy the animals from the farms and ranches, pay the prices which they must pay, and then put the animals into feed lots, buy the corn, cake, meal, and what not to feed the animals until they are fattened and then sell them. They cannot make enough money on that process to pay the cost of feed. As a result, the feed lots are not being operated. As I have said, in my State there are many cattle, and there is much feed. I saw feed lot after feed lot grown up in weeds. There had not been an animal in the feed lots this spring to date.

Mr. President, I do not desire at this time to take any great amount of the time of the Senate to make reply to the Senator from Louisiana. The Senate committee report is a reply, and the House committee report is a reply.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. McMAHON. The Senator has stated that he has seen feed lots empty. Where is the black-market meat, about which we hear so much, being fattened?

Mr. THOMAS of Oklahoma. This is what has happened, as I understand—and I think I am correct: The War Food Administration has issued approximately 26,000 permits to slaughterers. They are not issued to the large packers, the average-sized packers, or even the small packers. They are issued to individuals who have a place where they can kill an animal, string the animal up to a tree, perhaps, take off the hide, and then proceed to process the animal, put it in a truck, and go out and sell it. There are approximately 26,000 of such permits in existence throughout the United States. That, in the main, is where the animals are going. They are not going to the large packers; they are not going to the average-sized packers; they are not even going to the small packers; but they are being slaughtered by individuals, and the men who slaughter those animals are selling them for what they can get. The lady of whom I spoke, no doubt, bought a quarter of beef slaughtered in that manner.

The Senator from Louisiana made a statement a while ago which is 100-percent true; but because he did not state the whole fact, his statement as a whole was not correct. He stated that the large packers are not making any money on their beef slaughtering, but that, considering the over-all picture, they are making money and getting by. That is true. Mr. Wilson, the head of the Wilson Co., one of the large packing companies of the country, testified that in the over-all picture he was able to get by. He was not making money on hogs or cattle. However, he has a sporting-goods department. He has a large factory, or a series of factories, making sporting goods to sell to the people of America and the world. On the sporting-goods sales he is making money, and he is forced to draw on the profits which he makes in his sporting-goods department to offset the losses in his meat department.

Who can justify that procedure? If he raises the prices of baseballs, bats, mitts, suits, uniforms, and what not, sufficiently high to pay his losses on the meat business, who can justify that kind of a procedure? He is charging more to the boy or man who buys sporting goods than he should pay, in order to offset his losses on meat.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. Those conditions exist in the case of the larger packers. They do not deal exclusively in meat. Many of them handle other commodities, such as butter, cheese, and even poultry, eggs, and so forth. Many of them are interested in various other industries, on which they make money. What the Senator from Oklahoma says is absolutely correct. They lose money on hogs and cattle, and make it up on other commodities which they handle. The small packer, who deals exclusively in slaughtering hogs and cattle, is the one who has suffered, because he has no other income from which to make up his losses on hogs and cattle.

Mr. THOMAS of Oklahoma. The Senator is exactly correct. I am not appealing for relief for anyone except those who have testified and convinced me that they are suffering loss. I refer to the packing concerns which buy beef cattle, hogs, and sheep, kill them, process them, and sell the finished products. They cannot get enough money for the finished products to pay the cost of production plus the purchase price of the animals.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HICKENLOOPER. I am not prepared to develop this subject at the present time, but I have a tremendous mass of sworn and written statistical matter which bears out what the Senator from Oklahoma has said about this situation.

This morning I received a telegram from the Rath Packing Co., of Waterloo, Iowa, which I believe is the largest independent packing company in the United States. There is another one in my State of almost equal size, and I know that their experience is substantially the same. I should like to read this telegram, if I may.

Mr. THOMAS of Oklahoma. I yield for that purpose.

Mr. HICKENLOOPER. The telegram is addressed to me, and reads as follows:

WATERLOO, IOWA, *May 16, 1945.*

Senator BOURKE B. HICKENLOOPER,
United States Senate Building,
Washington, D. C.:

Unable to buy enough cattle complying with regulations forcing us greatly curtail our slaughter. Last weeks' slaughter 1,617 cattle compared with 2,718 same week year ago resulting in corresponding large reduction in amount of beef for the Army. Also creating bad labor situation making it difficult to retain labor. Imperative that slaughter controls be enforced so that cattle come to normal channels for slaughtering and that any other relief measures be provided that will correct the situation. Duplicate telegram sent to Bowles, Madigan, Brownlee, and Major General Hardigg.

THE RATH PACKING CO.

Furthermore, Mr. President, I have a substantial amount of data showing their operations. I also have an oral statement from one of the responsible officials of one of the largest packing groups in the United States, to the effect that about 10 days or 2 weeks ago, in their whole system—and they operate a good many plants—they processed only 48 cattle of AA or A grade beef, because they were unable to buy the animals within the ceiling prices and under the restrictions under which they must operate.

Mr. THOMAS of Oklahoma. I thank the Senator from Iowa.

Mr. President, the evidence before the committee justifies its recommendations which are 10 in number.

The first is that some subsidy should be provided for the feeders. We are not asking that any relief be given the men who produce the cattle; that is, the farmers or the range men who produce the cattle on the farms and who feed them mainly grass or hay; but when the cattle are ready for the feed lots, they do not get there, as of today, because the feeders will not take them; they will not engage in that activity. When we recognize that fact, we must recognize that the animals which go from the farms or the range directly to the slaughter houses go there light in weight. They do not have the weight which is customarily placed upon them in the feed lots. By feeding an animal, if it is ready for the feed lot, for 90 or 120 days, a few hundred pounds can be added to its weight, and the added weight will range anywhere from 150 to 350 pounds. That is the meat we are not getting. It is the meat that produces the fat; it is the fat part of the beef. The cattle which come from the range are rangy; they are called range cattle. They are not fat cattle, or not as fat as they should be. So we are not getting the meat of that class or the weight of meat which can be produced in the feed lots, with the result that we are losing that much of our meat production. So, the first recommendation the committee made was to provide a subsidy for the feeders.

Mr. President, we are not asking that the ceiling price be changed. Let me say that I know of no member of my committee who is in favor of repealing the O. P. A. law. I receive some letters, as perhaps other Senators do, from persons who are in favor of a repeal of the O. P. A. law; but I am not in favor of repealing the O. P. A. law, and there is no member of the committee who is in favor of repealing it. We may be in favor of some modifications.

Recommendation No. 2 is to provide a sufficient subsidy to the meat slaughterers to enable them to open their slaughter houses and to resume operations, and to enable those now operating at a loss to continue in operation, to the end that the animals which we have may be slaughtered and placed on the legitimate market. Those two recommendations have to do with the supply of meat.

A recommendation which I think should also be given consideration is one for the establishment of a policy for the liquidation of the O. P. A. Of course, Mr. President, the time will come when the O. P. A. will be liquidated. One of our recommendations suggests a policy for controlling that liquidation. The policy is that from this time on, when any commodity becomes so plentiful that there is a surplus of it, and so that if left alone the law of supply and demand will control its price, the O. P. A. then will step out of the picture insofar as control of such commodity is concerned.

That situation is illustrated today by the supply of apples. We had testimony from Virginia that as of April 1 there were 1,800,000 bushels of apples in Virginia. They were being sold only in small quantities, and the fear was expressed that they would not be sold and that hundreds of thousands of bushels of apples in Virginia would have to go to the dump pile. We had testimony from Pennyslvania that several hundred thousand bushels of apples were in storage there and that they were not being sold and could not be sold under the ceilings and the rules and regulations adopted by the O. P. A. We had testimony from New York State that 300,000 bushels of New York apples would go on the dump pile. That shows that there is a surplus of apples in at least those three States. Our people like apples; they would buy those apples if they could; but, because of the ceiling price and the rules and regulations governing the ceilings, the apples are not moving through the markets to the consumers.

Some distributors and merchants seem to think that the ceiling price of a particular commodity is its selling price, and that if the ceiling price for a certain brand of apples is 19 cents a pound, that is the price at which the apples must be sold. Merchants and distributors seem to think that is the situation. They buy the apples. If they are not sold—and they are not being sold at that price—they become a dreg upon the market, because the demand for apples at the ceiling price is not sufficient to keep the available supply of apples moving into consumption. We had testimony which convinced the committee that there was mismanagement by the O. P. A. in connection with the handling of apples, and that when any commodity becomes so plentiful that the law of supply and demand will control the price, both to the consumer and to the retailer and producer, the O. P. A. should step out of the picture and should let the law of supply and demand take its course.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. MAGNUSON. Am I correct in understanding that the ceiling price was too high, and therefore the consumers did not buy the apples, and thus the loading up of the market was caused?

Mr. THOMAS of Oklahoma. That was the force of the testimony, but that is not the worst feature of the matter. The testimony was that a merchant dealing in apples has had to govern his sales this week according to his sales last week, and that he cannot suddenly lower his price and begin to dump his apples on the market under the ceiling price. The testimony was that the regulations will not permit such a practice.

Mr. MAGNUSON. I should like to ask a question in that connection. I have been receiving a number of letters of complaint from persons living in the border States, from housewives or others who might wander into Canada during the period of the meat shortage and up and down the streets of Vancouver, for instance, or Victoria or some other Canadian city see the butcher shops filled with meat. They cannot understand why we in this country should not have any relief from the meat shortage. Let me inquire whether there was any testimony which would explain why the situation in Canada differs from that in the United States.

Mr. THOMAS of Oklahoma. The committee made no investigation as to the Canadian system, so we can give no information which would be reliable.

Mr. MAGNUSON. The second complaint I have received—and I suppose other Senators have received similar ones—has come from people who are prone to criticize the Government because of the sending of meat in connection with lend-lease. They say, "Why don't you stop sending all the meat under lend-lease? Why don't you let the American housewives have some meat?"

Is there any testimony relative to the amount of meat being shipped under lend-lease? When commodities are scarce, rumors begin to be heard that such commodities are being shipped under lend-lease. I wonder whether there has been any testimony in that connection.

Mr. THOMAS of Oklahoma. The lend-lease authorities are not obtaining

the meat they have requested, so they are suffering from the same shortage from which the American people are suffering.

Mr. President, it is obvious that when the O. P. A. extension bill comes before the Senate, numerous changes or modifications to the act will be suggested. Opportunity will be afforded to those who are interested to submit suggested changes to the Senate. I would hesitate to say how many letters, protests, criticisms, and so forth, will be available to the Senate if it cares to go through them.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. MORSE. I wish to ask a question in regard to the apple situation. My mail seems to indicate that the apples are not moving from the warehouses of the producers or from the warehouses of the first purchasers from the producers, for the reason that the retail establishments are not buying them from the producers because of the ceiling price, and that the surplus is to be found, really, back in the great orchards or, at least, in the first warehouses from the orchards, not in the retail establishments themselves. Can the Senator tell me whether that is the actual situation?

Mr. THOMAS of Oklahoma. Yes; that was the testimony throughout the entire country, so far as the committee was able to obtain the testimony.

Mr. President, inasmuch as this matter will come up for consideration in the Senate in regular order, I shall not now take further time of the Senate to discuss it.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HICKENLOOPER. In connection with the matter of price and scarcity and regulations, I should like to call the Senator's attention to the fact that several days ago I placed in the RECORD some clippings from newspapers indicating that butter is now becoming rancid in storage and on the shelves of the dealers, and that 24 red points are still required for each pound of butter, with the result that butter is spoiling because of lack of purchasers because of the exceedingly high point value on butter. That situation does not necessarily have a bearing on the price of butter, but it does have a bearing on the matter of the regulation of the sale of butter by the O. P. A.

Mr. THOMAS of Oklahoma. I thank the Senator for his contribution.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me?

Mr. THOMAS of Oklahoma. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. SHIPSTEAD. Mr. President, to substantiate what the Senator from Oklahoma has said, I desire to state that I have received from a packer in my State—not one of the large packers—a letter containing the following statement:

When I was in Washington 6 weeks ago, I attended the congressional hearings on the distressed economic condition of our industry and I felt that some good would come from these hearings. I thought that the O. P. A. was definitely committed to grant us some kind of relief from the price squeeze on hogs and cattle, and that the livestock control regulations which they were considering would channel livestock away from the farm and retail slaughterers into federally inspected plants.

Not one of these expectations has materialized. The situation has become increasingly critical for us. The O. P. A. has done nothing about the price squeeze on hogs. Over a month ago they sent their accountant to our plant to examine our books, ostensibly for the purpose of finding out how much money we were losing. We have not heard from the O. P. A. since that examination. Meanwhile, hog prices continue at ceiling levels and current losses are substantial. Furthermore, there is no relief in prospect since it is not expected that hog prices will decline before September.

And so forth. I shall not have the whole letter appear in the RECORD. I wish merely to substantiate from a reliable source the statements made by the Senator from Oklahoma.

Mr. JOHNSON of Colorado. Mr. President, I had an opportunity of appearing before the Senate Committee on Agriculture and Forestry when it was considering this subject and holding hearings. I was treated with great courtesy.

I am greatly pleased that the first recommendation which the committee made is as follows:

1. A forthwith increase in the returns to the feeders of AA and A grades of cattle through a fair and sufficient subsidy to feeders to encourage them to feed out range cattle to the maximum degree, thereby encouraging the feeding of more cattle and increasing not only the quality but the weight of AA and A grades of cattle.

I am extremely pleased that the committee made that recommendation. That was the point upon which I testified before the committee.

At this point I should like to have inserted in the RECORD as a part of my remarks the statement which I made to the committee on April 13, 1945.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Senator JOHNSON. Now, the statement that I am about to make is not sponsored by any feeder or any producer or anyone else. I am speaking for myself and expressing my own viewpoint on this whole question.

I have been a producer of beef on the range; I have fed beef in the feed lot, and while I do not know or profess to know all there is about it, I do know some of the difficulties that the producer and the feeder is facing.

I noticed in the newspaper comments on these hearings that have been held that great emphasis has been placed upon the plight of the packer. Perhaps because of my experience on the other end of meat production, I have never been able to develop very much alarm over the packers' position. I know that they have an important place in the livestock cycle, but I don't know of any livestock at the present time needing to be slaughtered that is not being slaughtered, and I doubt whether such an event is likely to occur.

The evidence indicates that the rancher has been doing an effective job. When the war started, as I understand it, the cattle population of the country was about 66,000,000, and now it has grown to above 80,000,000, which would indicate that the cattle breeder has been effectively meeting the demand for more beef.

My own observations lead me to believe that the weak link in this cattle-producing chain is the feeder, and my recommendation has to do with correcting that particular situation. I made my recommendations to Prentiss Brown when he was the head of the O. P. A., and to Marvin Jones in 1942, and I thought that I had convinced them that there was something to the argument that I presented, but apparently I was a little optimistic because nothing was done about it. Later, I took the matter up with Mr. Fred Vinson, and I thought I had convinced that gentleman also, but results wouldn't prove that my arguments had very much effect. I hope that my statement may receive more attention by this committee, because I am thoroughly convinced that I am touching upon a vital matter.

I do not favor subsidies. In common with everyone else, I don't like them. I think they are obnoxious. But the subsidy route is the plan which has been adopted by the Congress and the administration for meeting the situation—a situation that is extremely complex when you take into consideration the consumer angle, the producer angle, and all the other angles. The administration and the Congress have agreed upon subsidies as the solution, instead of price advances. So I don't know how we are going to accomplish very much unless we fall in line with that program and make that program work out in the best way possible.

The suggestions which I am offering, therefore, contemplate a subsidy program, a program not determined by me, but determined by the Congress and by the administration.

I think that the subsidies have been paid in the wrong places. I think that subsidies should be paid at the weak point in the meat production chain. Subsidies should be paid to the feeder. The feeder in my opinion, throughout the country, should be licensed and registered, and a subsidy should be paid to them on a graduated scale, and if that were done, such a situation as we faced last year, when there was a shortage of feed, might have been adjusted. Such a situation as we face right today, when there is an oversupply of feed, might also be adjusted. Under my plan, the War Food Administration would be in control at all times and could lengthen or shorten the feeding period as necessity required, but instead of such a plan subsidies have been paid to the packers. It had been expected that these subsidies would seep back down to the feeder and to the producer and it just hasn't done so.

Senator WHEELER. Senator, you recall that when the subsidy bill was before the Senate the statement was made by some of the administration leaders that the subsidy was to be paid to the producers; that the packer was simply to act as the agent for the Government to pass the subsidy on to the producer.

Senator JOHNSON. Yes, I recall that that statement was made on the floor of the Senate when the bill was pending, and I recall those assurances.

I am not charging bad faith or anything of the kind. I think that the technique and the formula were in error. I do not think that it was possible, and I don't think that it is possible now for these subsidies to flow back to the producer and to the feeder.

Senator SHIPSTEAD. Senator, the idea was, was it not, to keep the prices down to the consumer?

Senator JOHNSON. That is right. The subsidy, of course, is a consumer subsidy. It is not a subsidy to the livestock industry in any sense. However, it is usually considered to be a producers' subsidy by persons who do not study the matter, but these subsidies are consumer subsidies.

Senator SHIPSTEAD. It has been estimated here, by representatives of the O. P. A., that there is going to be spent $560,000,000 for subsidies next year. That is so that the consumer generally can buy meat at lower prices than he would if there were no subsidy.

Senator JOHNSON. Yes, of course. I am not trying to defend subsidies as such. I say that that is a policy that the administration and that the Congress determined upon, and I do not believe we are going to get any place by attacking the policy of paying subsidies at this late hour. I think that we have got to work something out and make the subsidies that are paid effective, just as effective as they can be made and get the best results we can from the subsidy program; and that is why I say that the subsidy ought to be paid to the feeder.

Senator SHIPSTEAD. Yes; and the producer of the raw material.

Senator JOHNSON. Of course, the producer of range cattle is dependent upon the market that is furnished him by the feeder. That is where he disposes of his cattle. He cannot sell his cattle to anybody except a feeder, unless they are ready for slaughter. The feeder is his only outlet.

Senator SHIPSTEAD. I do not mean to attack subsidies as such. I wanted to call to your attention the way they operate. It is an attempted dole to the consumer. It has been said that we have to do that because there are so many people suffering. But why should we give a dole to everybody?

Senator JOHNSON. Of course, there are complexities in the subsidy program. For instance, organized labor gave a pledge to the administration that there would be no strikes, and I think they have attempted to live up to the pledge, but they understood at the time they made the pledge that there would be rigid price controls. Then, there is the famous line that must be held as to wage increases and as to price increases, which we have all heard about. We should not break that line. Price controls and wage controls are closely related.

Senator SHIPSTEAD. Is it related in the right way?

Senator JOHNSON. I don't know as to that.

Senator SHIPSTEAD. It has been testified that an increase of 2 cents a pound would bring enough production to eliminate the black market. If that were done, then subsidies should be given to the people who need them. Here we are buying meat on a deferred payment plan, to be paid after the war. Does anybody think these people will have larger income when the war is over, larger than they have now?

Senator JOHNSON. Of course, what we have tried to do, Senator, is to repeal the law of supply and demand, or at least temporarily set it aside, and whenever you manipulate economic laws you get into trouble. That is exactly what we do when we have a subsidy program and a price-control program. If we are going to set aside the law of supply and demand, and if we are going to pay consumer subsidies in the production of beef, it seems to me that we ought to pay it at the point where it will be most effective, and that is the only point I am trying to make. I am convinced that if we pay our subsidies at the feeder level; if we would license these feeders and pay them the subsidy on a graduated scale, we would have the feeder lots as full of cattle as the supply of feed would warrant.

Feeding cattle is an exact science, as you men know. There is no more exact science in all agriculture. Feeders measure out the different feeds by the ounce, and they can count the gain almost by the ounce that a normal animal should make from day to day. They know exactly what weight a good healthy steer will put on in a certain number of days.

Last year there was a shortage of feed and it was in the interest of everybody to cut down the length of time that beef spent on the feed lot. That had to be because there just wasn't feed enough.

My argument is that if the subsidy were paid to the feeder, the War Food Administration, charged with the responsibility of paying this subsidy, could control the length of time that livestock was kept on the feed lot by increasing or decreasing the time the animal should remain on the feed lot to earn a specified subsidy payment, and thereby adjust the length of feeding to the supply of feed.

Now, last year we had an oversupply of pork, and, of course, the hogs ate the corn and there wasn't corn left to feed cattle. We don't have that situation this year. We have exactly the reverse.

Senator SHIPSTEAD. The price was fixed so that we got an overproduction and then it was cut down.

Senator JOHNSON. Yes, the Senator is correct. The Senator, and a good many of us Senators from the hog States, met and discussed the matter with O. P. A., and we warned them that in 1944 and 1945 there would be a pork shortage, but they didn't pay very much attention to us and the inevitable has happened.

Now, I only refer to the pork situation as an element in this whole thing. This year, we have a shortage of pork. Supplies of lamb and mutton have been decreasing for several years, slowly decreasing. The supply of poultry has decreased about 20 percent. And all that has placed a greater burden upon the beef producer.

A great many folks argue that the beef producer has fallen down, that we have more cattle and less beef. The truth is that we have more cattle and we have more beef, but there is much more beef consumed. People that didn't have beef formerly are eating beef today, when they can get beef. There is more beef being produced and there is more beef being consumed, but the quality of beef has been going down rapidly. The feeder has not been in the picture to the extent that he should have been in it.

Take this example, for instance. It takes about 3 years on the range to produce an 800-pound steer. That steer goes to the feeder. In 120 days the feeder can put 300 to 350 pounds on that steer. He can produce in 120 days half as much beef as was produced in the 3 years on the range. So the feeder is an extremely important link in the chain of producing beef.

Senator HOEY. Senator, I realize the importance of what you say about the feeder having a subsidy. Do you think it would also be necessary for the packer to have a subsidy? The evidence before the committee has been that if the packers pay anything like the ceiling price, anywhere near the highest range, then they need a subsidy. What do you think about that, Senator?

Senator JOHNSON. Of course, that is just a matter of arithmetic. If the packer has to pay more for the beef on the hoof than he can get for that beef after it is processed, why, he is going to lose money. He has to have a margin between the price he pays for the beef and the price at which he sells it. But I refuse to worry about the packer.

Senator WHEELER. Let me interrupt there. I refuse to ordinarily worry about them, but every little packer, every small packer, in this country that has come before the committee has produced figures showing he is losing money at the present time on beef, and the O. P. A. admits that their figures are correct; they haven't disputed the figures. Now, they were making money on hogs when hogs were plentiful. They bought them below the ceiling and consequently did make money. They did make money on hogs for the first 6 months of last year. But the testimony has been that the small packers have all lost money on beef, that they made it up on hogs for the first 6 months of last year, but are losing money on beef. I venture to say that all the small packers are losing money at the present time. They brought the figures in to show how much they are losing.

Senator JOHNSON. I know that that is true. I know that the small packers have been put out of business in many instances, and that the larger packers are in distress. But that isn't caused by a lack of subsidy.

Senator WHEELER. No.

Senator JOHNSON. That is caused by the fact that the price of beef on the hoof is higher than the price of beef in the shop. That is a situation that you can't cure by subsidies. The way to cure that is to make such a differential between the price of beef on the hoof and the price of beef in the shop, so the packer can live.

Senator WHEELER. That is right.

Senator HOEY. That will result in raising the price of beef to the consumer, will it not, Senator?

Senator JOHNSON. It might result in raising the price at the retail level, that might be the cure, but, nevertheless, it is a pure matter of arithmetic.

Senator WHEELER. Senator, let me call your attention to the testimony before this committee. There is a tremendous amount of beef, everybody admits, going into the black market. When meat is bought on the black market, whether pork or beef or mutton, the purchaser has to pay above the ceiling price. So that on the whole, the people today, considering the black market prices and the prices that they have to pay in the legitimate stores, it is costing the people of the country more money for their beef, their meat, the meat that the housewives get; the people as a whole are paying more for their meat than they ever did before. What the ceiling price has done is to drive the meat into the black market. It is because there is a black market that the housewife who wants to live up to the law can't get meat today. She can get meat if she wants to go into the black market. You can find out very easily where the black market is. In the old days you used to go to a policeman if you wanted to find out where to get whiskey. So today you can go to most any policeman and he will tell you where to get your meat in the black market.

Senator SHIPSTEAD. Everybody knows where the black market is except the O. P. A.

Senator JOHNSON. The only cure for the black market is patriotism plus a sound buying and selling price level. The packer is in a squeeze.

Senator WHEELER. That is right.

Senator JOHNSON. The packer is in a squeeze between the price on the hoof and the price in the shop.

Senator WHEELER. That is right. And your legitimate packer can't get the meat because of the fact that it is going into the black market. The testimony has been that although there is more beef being killed today the legitimate packer is not getting beef, he is getting less beef to kill than he got a year ago. The thing that is happening is the only thing that could happen. The meat is going into the black market where the packer can get more for it. The farmer, if he sells to the black market, can get more money. And the purchaser, if he buys in the black market can get meat, providing he is willing to pay above the ceiling. That is the story.

Senator JOHNSON. Of course, it has always seemed to me that a subsidy ought to at least control, among other things, black-market operations. It is inconsistent and unbelievable and unreasonable for the Government to be paying a subsidy and at the same time have the person who receives that subsidy to be selling in the black market. It seems to me that a system of bookkeeping and accounting could be set up so that such a thing could not possibly happen.

Now, the Senator from North Carolina, Mr. HOEY, suggests that the only alternative under my plan would be to raise the price to the consumer. That is not necessarily so. If you pay a subsidy to the feeder, the feeder is going to get his profit out of his subsidy and he is not so much concerned about the price that he gets from the packer. The

O. P. A. has got to recognize that there must not be a squeeze between the packer and the consumer. They have got to eliminate that. But that is a problem in arithmetic.

Senator HOEY. Yes. I don't believe you will get by without also paying the packer a subsidy.

Senator JOHNSON. If you are going to squeeze him you have got to pay him a subsidy. What I want you to do is to pay the feeder a subsidy, so that you will increase the amount of beef; so that the feeder, who is an important link in this chain, will stay in the game and operate at the fullest possible capacity, dependent upon the supply of feed. That is the point I am trying to make.

Senator HOEY. I think you are quite right, but I think you have to pay the packer a subsidy as well as the feeder, or you have got to raise the price of beef.

Senator JOHNSON. I won't argue that, because it is, as I said, strictly a matter of arithmetic. The packer has to have a certain margin, and if the ceilings are placed at such a level that he cannot realize that profit, why, he has got to have a subsidy or take a loss. But the feeder is squeezed, too. The feeder is squeezed between the producer on the range and the price that he gets from the packer.

Senator HOEY. That is true.

Senator JOHNSON. And what is the result? The result is that the feeder doesn't stay in business.

Senator HOEY. That is right.

Senator JOHNSON. He is squeezed out of business. That is the thing that has happened. And as a result, millions of pounds of beef which would otherwise be available to the American people are not available. Millions of bushels of corn are rotting on the ground, not being used. That is the result of that squeeze.

Senator CORDON. What is your thought, Senator, about applying your arithmetic to this problem; are you going to apply it by making a higher price to the consumer, or are you going to apply it by making up the difference by computing a higher subsidy?

Senator JOHNSON. The subsidy program is to get away from the higher prices. That is the objective. You have either got to take all restrictions off and open up your price ceilings, go back to the law of supply and demand, or you have to work the thing out on a mathematical basis and keep the people who are producing the beef in business with specific subsidies.

I thank you, Mr. Chairman, for this opportunity to appear before the committee.

The CHAIRMAN. Thank you, Senator JOHNSON.

Senator SHIPSTEAD has a question.

Senator SHIPSTEAD. Senator, if you take care of the feeder so that he can put cattle in the feed lots and feed up all of this corn, do you think that you can increase production enough that way to eliminate the black market?

Senator JOHNSON. No. I think the black market is something else. Patriotism and a few jails will eliminate the black market, once you get the meat industry on a sound price or subsidy basis.

Senator SHIPSTEAD. Don't you think it is due to the lack of supply?

If legitimate channels could furnish enough beef, do you think there would be any black market?

Senator JOHNSON. No; I don't. Of course, the black market is caused primarily by there being a greater demand than there is a supply.

Senator SHIPSTEAD. The whisky black market was put out of business by increasing the supply.

Senator JOHNSON. Yes; that is the way you have put it out of business, to the extent that it is out of business.

But, as I pointed out, the feeder will take an 800-pound steer and put 350 pounds on him in 120 days. Don't forget the significance of that statement. It is important. And by keeping the feeder in business you are going to increase the supply of beef, and to the extent that you increase the supply of beef you should eliminate black markets if there be effective enforcement.

The CHAIRMAN. Thank you, Senator JOHNSON.

Mr. TAFT. Mr. President, in substantiating the statement of the Senator from Oklahoma [Mr. THOMAS] with regard to the meat situation, I may say that yesterday I received a telephone call from a representative of a hospital in Salem, Ohio. It was said that the patients in the hospital had failed to receive any meat within the past 2 weeks because the slaughterer in that community who had always supplied the hospital had closed his business because he was losing money on every head of cattle he bought. There is no doubt that a similar condition exists all over the United States.

Mr. President, the meat situation is not unique. It is evidence only of the result of the price-fixing policy which the O. P. A. is pursuing today in the United States in connection with many commodities. The O. P. A. is dominated by the one thought that they must absolutely maintain the ceiling on retail prices. Regardless of increases in cost of production, the O. P. A. has insisted on maintaining this policy, and consequently they have squeezed the legitimate distributors and manufacturers until today, in many industries, the point has been reached where business can be done only at a loss. Representatives of at least 10 separate industries have come to me within the past month and said that they were merely hanging onto the edge and could not go much further.

The doctrine of the O. P. A. in freezing retail prices has dominated all their policies. It has become a fetish with them. Considerations of securing production and allowing small-business men to continue doing business have been swept aside as a sacrifice to that fetish.

As long as war was a predominant factor I was not disposed to advocate changing the policy, although I thought it was unjust. If a person goes to the O. P. A. with facts and figures on increased costs, they do not listen to him. They find some way in which to rule out the cost elements. They have been dominated by the belief that there can be no increase in prices.

Mr. President, all the figures have shown that during the past 24 months, when the average price level went up only 2 percent, the figures in respect to wages have increased 10 percent. Today we have a level of prices below the proper level of wages, with the inevitable result of all kinds of distortions.

The practice described by the Senator from Oklahoma of a large industry counting the profits of all its varied activities, results in selling many products at a loss. A little fellow who has only one product to sell cannot conduct business at all except at a complete loss.

During the past month representatives of small steel companies, those that are making only one product, not what we call Little Steel because they are really Big Steel, although selling only a single product, have told me that they have been forced to operate practically at an even basis. I refer to such commodities as vacuum cleaners and electric irons. Some of the manufacturers of women's shoes have been selling shoes absolutely at cost.

The policy which has been followed by the O. P. A. has resulted in prices getting out of line with wages. If the policy continues, it will absolutely check and prevent reconversion of industry in the United States. Businessmen will not expand their plants. Thousands and thousands of people desire to go into business on a new basis. We want them to start operating new plants. We want present manufacturers to expand their old plants.

Yesterday the Senator from Wisconsin sent to me a man who manufactures woodworking machinery. He is about to close his plant because, now that the war business is about over, he cannot sell woodworking machinery under the present ceiling prices without suffering a loss. The O. P. A. officials say that they will permit new products to be made and sold at 1942 prices. They will require them to be sold at 1942 price levels, and then any firm which comes in and states that it is losing money at those prices, will be allowed to sell its product at a slight increase in price if it can get anyone to buy it. In other words, the O. P. A. are proposing a policy of fixing profits during the postwar period. I have not felt, as I have already said, like trying to upset the whole price-fixing system, although I do not think that the present policy of the O. P. A. conforms to the purpose of the O. P. A. law. I do not believe its present policy was ever contemplated as being the proper one to follow during the war However, we are now getting into the reconversion period and I believe the whole philosophy of the O. P. A. must be changed. It will not do any good to question Mr. Vinson, because his attitude with reference to the matter is the same as that of Mr. Bowles.

The whole administration in the price-fixing field is obsessed with the one thought that they must under no circumstances increase prices for anybody unless they are forced to do so after perhaps 2 years of litigation. I believe that the only thing which Congress can do is to legislate for the reconversion period. Whether we have quite reached that point I do not know, but unless proper legislation is enacted we shall have unemployment. I think we must continue the O. P. A. for perhaps 2 years following the war, but it should be continued only to prevent "blowing off the roof." If some reasonable changes are not made in the present policy we may find ourselves in the deepest depression the country has ever experienced.

SALARIES AND WAGES OF FEDERAL EMPLOYEES

The Senate resumed the consideration of the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; and for other purposes.

Mr. BARKLEY. Mr. President, I wonder if we might not get back to the pending business, with a view of attempting to dispose of it.

Mr. LANGER. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LANGER. Have the committee amendments all been adopted?

The PRESIDING OFFICER. There is one amendment open, which is a committee amendment.

Mr. DOWNEY. Mr. President, an amendment was offered in the nature of a substitute on behalf of the committee. Does that require action on the part of the Senate at this time?

The PRESIDING OFFICER. Any amendment should be proposed to the substitute before it is acted upon.

Mr. LANGER. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. After section 408 it is proposed to insert a new section, as follows:

"MATERNITY LEAVE

"SEC. —. Any married female civilian officer or employee of the United States or of the municipal government of the District of Columbia who shall have been such an officer or employee for a continuous period of not less than 10 months, immediately prior to making application for leave under the provisions of this section, shall be entitled to maternity leave with pay upon making application therefor accompanied by a certificate of a licensed physician that she is incapacitated for performance of her duties by reason of pregnancy or confinement. No person shall be entitled to receive more than 60 days of such leave within any period of 12 consecutive calendar months. No application for leave under the provisions of this section shall be denied because of the availability to the applicant of sick leave or annual leave. The Civil Service Commission is authorized to prepare and promulgate regulations for the uniform administration of the provisions of this section."

Change succeeding section numbers.

Mr. LANGER. Mr. President, as the ranking minority member of the committee, I wish to state that we are supporting the bill, which was reported by the committee by unanimous vote. Every single member of the committee, Republican and Democrat, was for the bill. Nevertheless, in the committee itself five different amendments were rejected, and I wish to state in a general way what they covered.

There was no night differential up to the time this bill came along. Up to the time the committee reported the bill, Federal workers were the only large group of workers in the country who received no base-pay increases. They are the only ones who have been receiving overtime pay at one and one-twelfth instead of one and one-half. If we read the bill, we find it says time and a half, and one would get the impression that it provided time and a half for overtime, when, as a matter of fact, it provides only one and one-twelfth. Up to this time, as I have said, there has been no night differential and no pay for holidays, and there have been very few increases.

Mr. President, I offered various amendments to the bill, and, as I have stated, they were rejected. One provided that there should be a minimum for every worker of $1,500 a year. Another provided double pay for Sunday. Another provided for real time and a half for overtime.

There were some other amendments, but the understanding is that after the bill is passed the Civil Service Committee will proceed to take up the matter of formulating a new bill, and that is entirely satisfactory to me, with one exception.

I quote from the findings in a report of the Department of Labor of the United States Government, sent out by the Women's Bureau and the Children's Bureau:

For a certain period of time before and after childbirth it is not advisable for any woman to be employed. This period is about 6 weeks before confinement and about 8 weeks after the birth of the baby. Fourteen weeks, then, should be considered a minimum of time for prenatal and postpartum leave. Extension of the leave period should be decided upon as the individual need requires. Many women may wish to leave their work earlier than 6 weeks before confinement. Similarly, after their babies have been born, many mothers may wish to remain at home longer than the minimum leave period so that they may take care of their children themselves. From the point of view of protection of mother and child, and from the standpoint of the efficiency and conscientiousness of the mother as a worker, it would seem reasonable to extend this postpartum leave as the need arises.

That, as I say, is what the Children's Bureau and the Women's Bureau of the Department of Labor tell us. The testimony of Mr. Flemming, of the Civil Service Commission, shows that the amount of pay required by a worker in order to maintain the minimum standard of living is $1,925 a year. The records show that one-third of all those employed as Federal workers do not get $1,925 a year. An amendment was proposed, which was not agreed to by a majority of the committee, under which to the 41 days already allowed an employee of the Government—the 26 days of vacation and the 15 days' other leave—there would be added 60 days provided for in my amendment, so that a married lady, working for the Federal Government having a child would have a total, including that already allowed by law, plus my amendment, of something more than 90 days altogether, as is recommended by the Department of Labor.

I have statistics prepared to show how many persons would be affected and what the cost would be, and I find that altogether in the Government there is a total of 326,700 married women under 45 years of age. It is estimated that if 1 out of 10 of those had a child, the total cost to the Government would be somewhere in the neighborhood of $7,000,000, and on a bill which involves four or five hundred million dollars I think that amount is really very, very small.

I might add that the testimony given by various witnesses who appeared before the Committee on Civil Service was that those working for the Government either have no families at all or that their families are very small indeed.

Mr. President, on the amendment I should like to have the yeas and nays.

The yeas and nays were not ordered.

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the folowing Senators answered to their names:

Aiken	Guffey	Morse
Bankhead	Hart	O'Daniel
Barkley	Hickenlooper	Shipstead
Bilbo	Hill	Smith
Briggs	Hoey	Taft
Butler	Johnston, S. C.	Taylor
Byrd	La Follette	Walsh
Cordon	Langer	White
Donnell	Lucas	Wiley
Downey	McClellan	Young
George	McMahon	
Green	Magnuson	

The PRESIDING OFFICER. Thirty-four Senators having answered to their names, a quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators; and Mr. BAILEY, Mr. BRIDGES, Mr. CAPPER, Mr. CHAVEZ, Mr. JOHNSON of Colorado, Mr. MAYBANK, Mr. MURDOCK, Mr. OVERTON, Mr. RADCLIFFE, Mr. ROBERTSON, Mr. SALTONSTALL, and Mr. WHERRY answered to their names when called.

The PRESIDING OFFICER. Forty-six Senators have answered to their names. A quorum is not present.

Mr. BARKLEY. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Mr. DOWNEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOWNEY. Would it be according to the due processes of the Senate to have a unanimous-consent agreement that there should be a yea-and-nay vote on the pending amendment, upon condition that further proceedings in connection with the quorum call be dispensed with?

The PRESIDING OFFICER. No business can be transacted in the absence of a quorum.

After a little delay, Mr. FULBRIGHT and Mr. THOMAS of Oklahoma entered the Chamber and answered to their names.

After a little further delay, Mr. STEWART entered the Chamber and answered to his name.

The PRESIDING OFFICER. Forty-nine Senators have answered to their names. A quorum is present.

Mr. RUSSELL subsequently said: Mr. President, this afternoon the junior Senator from Florida [Mr. PEPPER], the senior Senator from Mississippi [Mr. BILBO], and I have been spending the greater part of the afternoon in conference with the Director of Economic Stabilization, Mr. William H. Davis, on very important matters affecting the naval stores industry in the Southeast. For that reason we missed the quorum calls which were had.

Mr. DOWNEY. Mr. President, I wish to ask unanimous consent that at the conclusion of consideration of the pending bill I may absent myself on official business in the State of California for not to exceed 2 weeks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the request of the Senator from California is granted.

Mr. DOWNEY. Mr. President, the pending amendment on which the Senator from North Dakota [Mr. LANGER] has asked a record vote provides that a married woman who is an employee of the Federal Government and has been in the Federal employment for 10 months, shall be entitled at the time a baby is born to her to a vacation with pay for not to exceed 60 days.

Personally, the chairman of the committee was favorable to the amendment, and it was acceptable to him. However, it was not presented during the committee hearings, and upon a poll of the committee the majority of the committee members refused to agree to the amendment, partly because there had not been sufficient consideration and investigation made. The committee expects to be in session again to consider many questions, when undoubtedly the matter will again be presented.

The Senator from North Dakota has another amendment to present, I am assured, but he desires to have a record vote on the amendment now before the Senate. Therefore, as chairman of the committee, I join with the Senator from North Dakota in requesting a yea-and-nay vote.

I may also say that there are two other routine or technical amendments to be presented, one by the junior Senator from Virginia [Mr. BYRD] and one by the junior Senator from Alabama [Mr. HILL], both of which will be acceptable to the committee and its chairman.

Mr. BARKLEY. Mr. President, was a yea-and-nay vote asked for earlier in the proceedings and was it refused?

The PRESIDING OFFICER. It was asked for before the request for a quorum call.

Mr. DOWNEY. And it was refused. I ask for a record vote on the pending amendment.

The PRESIDING OFFICER. The yeas and nays have been demanded. Is the demand sufficiently seconded?

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota to the committee amendment.

The amendment to the amendment was rejected.

Mr. BARKLEY. Mr. President, I hope that Senators will remain until we finish consideration of the pending bill. If we complete action on the bill today, we will adjourn until Monday.

Mr. BYRD. On behalf of the committee, I offer an amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 20, line 3, it is proposed to strike out "and"; and before the period at the end of the line, to insert a semicolon and the following: "and by inserting at the end of such subsection a new section as follows: 'The Commission shall present an annual report to the Congress covering, by departments and agencies, the compensation advancements effectuated under the provisions of this section.'"

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BYRD. Mr. President, with the approval of the committee I offer another amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 26, beginning with the parenthesis in line 24, it is proposed to strike out down to and including the parenthesis in line 1 on page 27, and on page 28, after line 19, to insert a new subsection, as follows:

(f) until the cessation of hostilities in the present war as proclaimed by the President, the provisions of this section shall not be applicable to employees of the War and Navy Departments except those who are subject to the provisions of title I of this act.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia to the committee amendment.

Mr. DOWNEY. Mr. President, I may say that the amendment is acceptable to the committee and has been passed upon by it.

The amendment to the amendment was agreed to.

Mr. HILL. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 23, line 19, before the semicolon, it is proposed to insert the following:

and officers and employees of the Tennessee Valley Authority.

Mr. DOWNEY. Mr. President, as chairman of the Civil Service Committee, I am agreeable to accepting the amendment. I am assured by our committee, who helped with the drafting of the bill, that the amendment does not change the meaning of the bill in its present form, and that is also the opinion of the chairman of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the amendment reported by the committee, as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes."

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. TAYLOR in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of committees were submitted:

By Mr. GEORGE:

From the Committee on Finance:

Howell Cone, of Stateboro, Ga., to be collector of customs for customs collection district No. 17, with headquarters at Savannah, Ga. (reappointment);

Neal H. Callaghan, of San Francisco, Calif., to be Superintendent of the Mint of the United States at San Francisco, Calif., to fill an existing vacancy; and

A. Raymond Raff, of Philadelphia, Pa., to be collector of customs for customs collection district No. 11, with headquarters at Philadelphia, Pa. (reappointment).

From the Committee on Foreign Relations:

R. Henry Norweb, of Ohio, now Ambassador Extraordinary and Plenipotentiary to Panama, to be Ambassador Extraordinary and Plenipotentiary to Cuba; and

Sundry promotions in the Diplomatic and Foreign Service.

By Mr. ELLENDER, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. THOMAS of Utah, from the Committee on Foreign Relations:

Executive B, Seventy-ninth Congress, the International Sanitary Convention of 1944, modifying the International Sanitary Convention of June 21, 1926, which was signed for the United States of America at Washington on January 5, 1945; without amendment (Ex. Rept. No. 3); and

Executive C, Seventy-ninth Congress, the International Sanitary Convention for Aerial Navigation, 1944, modifying the International Sanitary Convention for Aerial Navigation of April 12, 1933, which was signed for the United States of America, at Washington on January 5, 1945; without amendment (Ex. Rept. No. 4).

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

TENNESSEE VALLEY AUTHORITY

The legislative clerk read the nomination of David E. Lilienthal to be a member of the board of directors.

Mr. BARKLEY. Mr. President, because of the absence of the senior Senator from Tennessee [Mr. McKELLAR], this nomination should go over.

The PRESIDING OFFICER. The nomination will be passed over.

Mr. STEWART. With respect to the nomination of Mr. Lilienthal, which will go over on account of the absence of my colleague, I should like to state that, in all probability, I shall be absent on Monday, when my colleague will be here. I have talked to the majority leader about this, and I should like to have the nomination go over until next Thursday.

Mr. BARKLEY. We will take care of that when the time comes.

Mr. STEWART. I thank the Senator.

DEPARTMENT OF COMMERCE

The legislative clerk read the nomination of Harold H. Young to be solicitor.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

SMALLER WAR PLANTS CORPORATION

The legislative clerk proceeded to read sundry nominations in the Smaller War Plants Corporation.

Mr. BARKLEY. I ask unanimous consent that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask unanimous consent that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc. That completes the calendar.

Mr. BARKLEY. I ask unanimous consent that the President be immediately notified of all confirmations of today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

NOTICE OF JOINT SESSION OF THE TWO HOUSES—BESTOWAL OF CONGRESSIONAL MEDAL OF HONOR

As in legislative session,

Mr. BARKLEY. Mr. President, a few days ago there was some discussion of the matter of holding a joint session of the two Houses on Monday to witness the bestowal of the Congressional Medal of Honor to the one hundredth infantryman to whom it has been awarded. Word has just been received that the House of Representatives has invited the Senate to meet with them on Monday, but the formal message has not been received, and probably cannot be received until the Senate meets Monday. I should like to give notice that if we do receive the invitation the first thing Monday, it will be the desire that the Senate accept the invitation and that the two Houses meet in joint session, when the President of the United States will award the Congressional Medal of Honor to the one hundredth infantryman to achieve that distinction as a symbol of all those who have been awarded the medal up to this time. The meeting will be about 1 o'clock.

ADJOURNMENT TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until Monday at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 50 minutes p. m.) the Senate adjourned until Monday, May 21, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 17 (legislative day of April 16), 1945:

DIPLOMATIC AND FOREIGN SERVICE

Avery F. Peterson, of Idaho, now a Foreign Service officer of class 6, to be a Foreign Service officer of class 4, effective as of May 16, 1945.

IN THE NAVY

Capt. Dixwell Ketcham, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 29th day of November 1943.

Commodore Houston L. Maples, United States Navy, to be a rear admiral in the Navy, for temporary service, to continue while serving as senior naval member, United States military mission to the Union of Soviet Socialist Republics.

Capt. William M. Callaghan, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 11th day of August 1943.

Chaplain William N. Thomas, United States Navy, to have the rank of rear admiral in the Navy, while serving as Chief of Chaplains under the Chief of Naval Personnel.

Commodore James E. Boak, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander, United States naval repair base, San Diego, Calif., and until reporting for other permanent duty.

Commodore Merrill Comstock, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving in the submarine forces, United States Fleet, and until reporting for other permanent duty.

Capt. Charles F. Martin, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander of an advanced naval base, and until reporting for other permanent duty.

Capt. James E. Maher, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander of a transport squadron, and until reporting for other permanent duty.

Capt. William S. Popham, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander of a transport squadron, and until reporting for other permanent duty.

Capt. Dennis L. Ryan, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander of a transport squadron, and until reporting for other permanent duty.

Capt. Dixie Kiefer, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander, naval air bases, First Naval District, and until reporting for other permanent duty.

Capt. George C. Crawford, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as chief of staff to commander, submarine force, United States Pacific Fleet, and until reporting for other permanent duty.

IN THE MARINE CORPS

Brig. Gen. Thomas E. Bourke to be a major general in the Marine Corps, for temporary service, from the 1st day of February 1944.

Brig. Gen. LeRoy P. Hunt to be a major general in the Marine Corps, for temporary service, from the 1st day of February 1944.

Col. Joseph T. Smith to be a brigadier general in the Marine Corps, for temporary service, from the 3d day of April 1943.

Col. Andrew E. Creesy to be a brigadier general in the Marine Corps, for temporary service, from the 4th day of May 1944.

Col. Evans O. Ames to be a brigadier general in the Marine Corps, for temporary service, from the 9th day of May 1945.

POSTMASTERS

The following-named persons to be postmasters:

CALIFORNIA

James Chester Bowman, Desert Hot Springs, Calif. Office became Presidential January 1, 1945.

Jesse A. Coil, Lockeford, Calif. Office became Presidential July 1, 1944.

COLORADO

Nell B. Daulton, Ignacio, Colo., in place of S. P. Aspaas, retired.

Irene B. McClain, Manzanola, Colo., in place of J. W. McClain, deceased.

GEORGIA

Elizabeth C. Brock, Adairsville, Ga., in place of C. H. Price, resigned.

E. Vivian Harris, Winder, Ga., in place of W. H. Maxwell, resigned.

INDIANA

Ruth S. Roberts, La Fontaine, Ind., in place of Homer Stephens, retired.

IOWA

Ruth C. Ratliff, Lynnville, Iowa, in place of F. L. Ratliff, deceased.

KANSAS

Samuel A. Dennis, Neosho Falls, Kans. Office became Presidential July 1, 1944.

MAINE

William L. Jordan, West Peru, Maine. Office became Presidential July 1, 1944.

MINNESOTA

Magdeline Giefer, Hampton, Minn. Office became Presidential July 1, 1944.

Fannie S. Ronkainen, Kettle River, Minn., in place of J. H. Michaelson, resigned.

MISSOURI

Napoleon A. King, Des Arc, Mo. Office became Presidential July 1, 1944.

MONTANA

Pearl C. Flinders, Alberton, Mont., in place of I. G. Nichols, resigned.

NEBRASKA

Jessie McMillan, Fort Calhoun, Nebr. Office became Presidential July 1, 1944.

Kenneth C. Baugh, Oakland, Nebr., in place of William Vogt, Jr., removed.

NEW YORK

Myron D. Taylor, Laurens, N. Y. Office became Presidential July 1, 1944.

NORTH CAROLINA

Betty S. Meliski, Chimney Rock, N. C. Office became Presidential July 1, 1944.

Verdie Davenport, Deep Run, N. C. Office became Presidential July 1, 1944.

PENNSYLVANIA

Elma V. Ross, Eau Claire, Pa. Office became Presidential July 1, 1944.

Virginia R. Nosik, Pulaski, Pa. Office became Presidential July 1, 1944.

Neil Kunselman, Tionesta, Pa., in place of O. W. Rumbaugh, resigned.

John T. Friend, Acosta, Pa. Office became Presidential July 1, 1944.

LeRoy E. Strawbridge, Felton, Pa. Office became Presidential July 1, 1944.

PUERTO RICO

Katherine R. Perez, Mercedia, P. R., in place of M. P. Grau, transferred.

SOUTH CAROLINA

Pauline E. Harmon, Myers, S. C., in place of P. F. W. Waller, retired.

VIRGINIA

Milton L. Gladstone, Exmore, Va., in place of J. H. Ashby, resigned.

WEST VIRGINIA

Goldie M. Farmer, Anmoore, W. Va. Office became Presidential July 1, 1944.

C. Leslie Hall, Morgantown, W. Va., in place of J. R. Fortney, deceased.

William Wheeler Green, Richwood, W. Va., in place of Hugh Dunn, retired.

John M. Herold, Webster Springs, W. Va., in place of C. B. McCray, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 17 (legislative day of April 16), 1945:

DEPARTMENT OF COMMERCE

Harold H. Young to be Solicitor of the Department of Commerce.

SMALLER WAR PLANTS CORPORATION

TO BE MEMBERS

Maury Maverick
Patrick W. McDonough
James T. Howington
Lawrence F. Arnold
C. Edward Rowe

IN THE ARMY

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

To Quartermaster Corps

Lt. Col. Boyce Manly James

To Cavalry

Lt. Col. Fred William Makinney

To Infantry

Maj. Reynolds Condon

To Air Corps

Maj. Charles Loomis Booth

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

Basil Dennis Spalding to be colonel, Infantry.

Robert Sherman Barr to be colonel, Ordnance Department.

Charles Joseph Herzer to be colonel, Coast Artillery Corps.

William Hieatt Cureton to be colonel, Field Artillery.

George A. Pollin to be colonel, Field Artillery, subject to examination required by law.

Claud Edward Stadtman to be colonel, Infantry.

APPOINTMENTS IN THE REGULAR ARMY

To be second lieutenants in the Regular Army of the United States

Carroll Edward Adams, Jr., and 839 other cadets, United States Military Academy, scheduled for graduation on June 5, 6, or 7, 1945.

(NOTE.—A complete list of the names of the persons whose nominations to be second lieutenants in the Regular Army were confirmed today may be found at the end of the Senate proceedings in the CONGRESSIONAL RECORD for May 14, 1945, under the caption "Nominations," beginning on p. 4614 with the name of Carroll Edward Adams, Jr., and ending on p. 4617, with the name of Jesse Henry Johnson.)

POSTMASTERS

ALABAMA

Dan Carroll, Ozark.

CALIFORNIA

Faith R. Dotters, Daggett.
Edith A. Knudsen, Klamath.
John Thomas Ward, Olivehurst.
Erdman Petz, Olive View.

IOWA

George E. Bowers, Alton.
George W. Oelke, Audubon.
Glen W. Irwin, Bedford.
Gerald L. Fickel, Glenwood.
Glenn W. Brammer, Grand River.
J. Burnham Silsly, Lamoni.
Homer L. Casey, Lineville.

NEW JERSEY

Joseph Bearlepp, Bernardsville.
John J. McMinn, Butler.
Louis E. Burkhardt, East Millstone.
Lealutard L. Bignell, Elmer.
Laura L. Ware, Glassboro.
Anna M. Bryant, Lumberton.
Walter C. Battle, Monroeville.
Helen M. Phelan, Wayne.

NEW YORK

Fred R. Chandler, East Williamson.
Mildred E. Hermanns, Holbrook.
John J. Bennett, Westbury.

NORTH DAKOTA

Oline O. Moe, Galesburg.

SOUTH CAROLINA

William A. Richbourg, Liberty.

WISCONSIN

Gerrit J. Vredeveld, Friesland.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 17, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who hast made us for Thyself and in whom alone we find satisfaction for our deepest longings, we pray that our spirits may now meet with Thy Spirit in the fellowship of prayer. May everything that mars or hinders the privilege, the assurance, and the enjoyment of an intimate communion be taken away.

Grant that this day may be rich in the realization of Thy presence, Thy peace, and Thy power, and radiant with a joyful confidence in Thy loving kindness. May we use all its hours in such a way that Thou canst follow and glorify them with these blessings. May there be nothing in our life and work of which we shall be ashamed when the evening shadows gather round about us or at the eventide of life when Thou dost call us to Thyself.

We pray that Thou wilt make us sensitive and responsive to the voice of Thy Spirit calling us to meet the needs of humanity with hearts of compassion and hands of helpfulness. May we be eager to have a larger part in hastening that day when, by the Spirit of the Christ, men and nations shall be mingled in an alchemy of friendship and good will.

Hear us for the sake of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read, and, with the accompanying papers, referred to the Committee on Elections No. 1 and ordered to be printed:

MAY 17, 1945.

The Honorable the SPEAKER,
House of Representatives.

SIR: That there is in progress an attempt under the provisions of the statutes to contest the election of 79 returned Members of the House from districts of various States in the Seventy-ninth Congress, growing out of the election held November 7, 1944, is made apparent by the filing in the Clerk's Office of 4 sealed packets of testimony taken on behalf of Moss A. Plunkett. The indorsement on the face of these packets carries the said Plunkett as the sole contestant in all districts.

It is quite clear that one person could not legally have been a party to the election in all of the districts in which it is attempted to contest the election, and it appears further that the said Plunkett was not a party to the election in any one of the said districts.

The Clerk does not regard the said Moss A. Plunkett as a person competent to bring a contest for a seat in the House under the provisions of the laws governing contested elections in the House of Representatives, and therefore transmits all papers in his possession to the House for its disposal.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

REPORT OF JOINT COMMITTEE TO INVESTIGATE CONCENTRATION CAMPS IN GERMANY

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I present a concurrent resolution (H. Con. Res. 57) and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the 50,000 copies for the use of the House of Representatives go into the folding room for distribution among the Members?

Mr. JARMAN. Yes.

Mr. MARTIN of Massachusetts. That is, for equal distribution among the Members, and each Member will have his or her quota?

Mr. JARMAN. Yes; the committee felt this particular document would be in sufficient demand to warrant its printing.

Mr. MARTIN of Massachusetts. But each Member will have his quota?

Mr. JARMAN. That is correct.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be

printed 70,000 additional copies of Senate Document No. 47, current session, entitled "Atrocities and Other Conditions in Concentration Camps in Germany," being a report of the joint committee which visited Germany to investigate concentration camps, of which 50,000 copies shall be for the use of the House of Representatives and 20,000 copies for the Senate document room.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include therein an item from the Salisbury Times.

Mr. ROGERS of Florida asked and was given permission to extend his remarks in the Appendix of the Record and to include therein an article on the subject Ex-Soldier Wallows in Red Tape.

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein a very timely and constructive editorial which appeared in the Christian Science Monitor.

Mr. PRICE of Illinois asked and was given permission to extend his remarks on two different subjects and to include with each newspaper articles.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and to include a petition which was sent to the President of the United States by the Polish Roman Catholic Union of America.

Mr. COCHRAN (at the request of Mr. SULLIVAN) was given permission to extend his own remarks in the RECORD.

Mr. HART asked and was given permission to extend his remarks in the RECORD and to include an editorial and a news release.

Mr. KELLY of Illinois asked and was given permission to extend his remarks in the RECORD and to include therein an article from the Army-Navy Journal.

Mr. WASIELEWSKI asked and was given permission to extend his remarks on three separate matters; one, to include an editorial from the Milwaukee Journal; two, to include an article from the Washington Post; and, three, to include an article from the Evening Star.

Mr. LYNCH asked and was given permission to extend his remarks in the RECORD in two instances, to include in one an article from the New York Post, and in the other an open letter to the delegates of the San Francisco Conference.

JAP RELOCATION CENTERS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Speaker, my people down in Louisiana are very much concerned about the possibility of a Jap Relocation Center being established in the State. For several weeks I have received one resolution after another from the governing bodies of the various parishes in the State of Louisiana, all asking that the Federal Government not bring any Japanese into the State of Louisiana. The Japs in this country constitute, I realize, a very difficult problem. But in Louisiana we also have another difficult racial problem there already. Our people do not want the Japs brought in. I take this opportunity of saying this so that it will get back to the proper agencies of Government. I urge that they respect the wishes of the people of the State of Louisiana and that they not bring into our State a Jap relocation center or Japs in any way whatsoever.

The SPEAKER. The time of the gentleman from Louisiana has expired.

AIR POWER DOOMED REICH

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therewith two editorials.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. HINSHAW addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BEALL asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Minnesota [Mr. PITTENGER] may be allowed to extend his own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SHARP. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a VE-day prayer delivered by Rev. Charles Fredericks, of St. Paul's Lutheran Church, East Northport, Long Island, N. Y., on the occasion of the VE-day services held by this church on May 9.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'KONSKI asked and was given permission to extend his remarks on two subjects and in each to include an editorial.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mrs. LUCE asked and was given permission to extend her remarks in the RECORD and include therein a memorandum by the American Relief for India Committee, Inc.

Mr. ANGELL asked and was given permission to extend his remarks and include a short editorial.

MEDICAL AND HOSPITAL TREATMENT OF VETERANS

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I am introducing a bill today to amend section 6 of the act of March 20, 1933, to authorize the furnishing in private facilities of medical and hospital treatment to veterans of all wars.

Mr. Speaker, it is my opinion that if the veterans of all wars had the opportunity of receiving medical and surgical treatment for both service- and non-service-connected disabilities in their own community hospitals and have their own physicians, they would receive not only a better quality of care but it would be cheaper for the taxpayers in America.

There are many veterans several hundred miles from veterans' hospitals. When these veterans develop an acute appendix, pneumonia, or other emergencies it is not possible to get them into a veterans' hospital for prompt and efficient medical care. The delay caused by the present red tape is dangerous to the health of the veteran whom we all want to help. This bill directs the Administrator of Veterans' Affairs to broaden the scope of his regulations and provide for medical and surgical care of both service- and non-service-connected disabilities in civilian hospitals. There are many advantages to such an arrangement. The disadvantages will be few. I hope the committee handling veterans' affairs will see fit to give this bill which broadens the scope of services to our veterans their early considerate attention.

WAIVING OF POINTS OF ORDER AGAINST APPROPRIATION BILLS IS A BAD PRECEDENT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I see we are bringing in House Resolution 260 permitting the consideration of the bill (H. R. 3199) waiving points against any item in the Labor Department appropriation bill.

Mr. Speaker, it seems to me we are establishing a very dangerous precedent. It is dangerous because of the fact that bureaucrats can come to members of the Appropriations Committee and ask for certain things to be inserted in appropriation bills. This subcommittee of the Committee on Appropriations is permitted to go to the Rules Committee and ask for rules prohibiting the items from being stricken out on points of order. That constitutes legislation by a very small minority group of the House of Representatives. It is dangerous procedure and should not be permitted by the party presently in power or any other party. I am for majority rule—legislation by a majority—and a free voice by legislators in accordance with our Constitution.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

SURPLUS CREAM SHOULD BE USED, NOT ALLOWED TO SPOIL

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, the War Food Administration has issued a statement saying that there is more milk on the eastern markets than there ever has been in history. There are great quantities of cream accumulating in these eastern markets at this time and many dairy companies have all their cans filled and their storage places overflowing with cream. What should be done is to allow this cream to be made into butter, then reduce the point value on butter so that it would be possible for people to buy this butter. When we cannot get all the meat we need we certainly should be allowed to make this cream into butter.

What will happen is that a lot of this cream will go the way of the four to ten million bushels of apples, it will go down the sewer.

It has recently been learned that there are 400,000 cases of evaporated milk purchased in 1941 still in Government storage unfit for human consumption. This same thing is likely to happen to the tremendous volume of cream now being stored.

War Food Administrator Jones has recently released 20,000,000 pounds of off-conditioned lard to soap manufacturers, another example of over purchasing by the War Food Administration.

Much of the cream now being stored is likely to spoil just as the vast quantities of lard and condensed milk are now spoiling.

A small quantity of cream has been released to be used for ice-cream manufacture during June, but this cream should be made into butter immediately. Our diet calls for it, particularly in view of the fact that meat is becoming scarcer daily.

This morning while visiting a food shop here in the Capital I observed that the meat refrigerator was empty of everything in the way of meat except hog rinds tied in bundles, selling for 10 cents a pound. I am quite sure that there are few people in Washington who would purchase it even for dog food. It is too bad that this condition exists as the result of interference and mismanagement on the part of several governmental agencies.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, from numerous statements coming to me I have heard there has been a change in the program for today. I do not know anything about it and have not had a chance to prepare for any change. If there is to be one I ask the majority leader what we have scheduled for consideration today.

Mr. McCORMACK. Mr. Speaker, I intended to advise the gentleman and I am sorry I did not. I assumed it was understood and I accept full responsibility. The rule did not come out yesterday in connection with the census bill and because of that fact it would be useless to consider it under the 5-minute rule. That has therefore been displaced of necessity. The Social Security-Labor Department appropriation bill will come up for consideration today.

Mr. MARTIN of Massachusetts. Could we not proceed with the bill without the rule?

Mr. McCORMACK. I do not think that would be advisable.

Mr. MARTIN of Massachusetts. Or are the jobs so necessary that we must go on?

Mr. McCORMACK. I beg the gentleman's pardon?

Mr. MARTIN of Massachusetts. Are the jobs that are in the offing so necessary that we must delay the business of Congress?

Mr. McCORMACK. I have no knowledge as to what the decision of the occupant of the Chair might be if a point of order were raised, but from the information I have received, I am inclined to the opinion that if we proceeded and considered the bill under the 5-minute rule, the only thing we would ultimately consider would be the enacting clause.

Mr. MARTIN of Massachusetts. I am advised that you can send a postal card to any of the labor bureaus of the various States and get the information desired.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and to include an address by Mr. Nicholson, general counsel of the Rural Electrification Administration.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address by Thomas E. Lyons, secretary, Foreign Trade Zone Board, Department of Commerce, on the subject Vital in War and Peace. I am advised by the Government Printer that this exceeds the allowable amount and will cost $86.80. I ask unanimous consent that this may be included as a part of my extension of remarks without regard to the additional cost.

The SPEAKER. It there objection to the request of the gentleman from New York?

There was no objection.

Mrs. DOUGLAS of California asked and was given permission to extend her own remarks in the RECORD and include an article from the New York Times.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

VETERANS OF WORLD WAR NO. 2

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. It there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, within the past few day I have had called to my attention a situation in relation to the veterans of the present war which requires early correction.

A veteran of this war formerly employed by the Federal Government in a civil-service position, subject to the retirement or annuity law, discharged from the service for disability, and because of that disability is unable to assume the former Federal position he had prior to his entry or induction into the armed forces, is, therefore, unable to obtain retirement annuity provided for by our retirement law because the Comptroller General has ruled that he had to be back in a civil-service position again before he could apply for retirement benefits.

As a result of that matter being called to my attention, I have taken it up with the Civil Service Commission. They were looking into the matter and have informed me they are sending a letter either today or tomorrow to the Speaker of the House and the President of the Senate recommending legislation that will immediately take care of this situation.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kentucky.

Mr. MAY. A bill is pending in the Committee on Military Affairs of the House on that subject now which will get early attention.

Mr. McCORMACK. I understand the Civil Service Commission is favorably disposed to this matter. I am glad to get the observation of the gentleman from Kentucky. Whichever bill comes out of committee should be reoprted immediately and the situation corrected.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EMPLOYMENT FOR OUR EX-SERVICEMEN

Mr. RANKIN. Mr. Speaker, we promised our young men who went to war that they would get their jobs back when they came home.

It is our duty now to see that that promise is carried out. There are large numbers of aliens on the Federal pay roll as well as on our industrial pay rolls. They are holding positions that should go to our battle-scarred veterans. Let us give them their passports and make room for our boys who have faced the firing line and who are entitled to those positions.

While we are at it, let us call on every business establishment, on every industry and on every labor union in this country to carry out their promises to keep faith with these men who have done our fighting for us in this war.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I do not desire to take issue with the gentleman from Mississippi about what he said, but I do desire to point out that what the gentleman from Massachusetts is talking about is a different situation. I have a case in my own district of a postal employee who went into the Army and came back a mental case. He is unable to go back to work. Whether he ever will be or not nobody knows. But the Comptroller General has held that he cannot get his disability retirement under the Civil Service Retirement Act. Of course, it takes legislation to cure that situation, and certainly if the bill to which the gentleman referred comes to the Committee on the Civil Service, it will have prompt attention, as it should have. That situation should be remedied, and that type of veteran should be taken care of. They should get everything they are entitled to under the Retirement Act.

EXTENSION OF REMARKS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article by Admiral Waesche, Commandant of the Coast Guard, on legislation and administration matters pertaining to the merchant marine. I am informed by the Public Printer that this will embrace three and one-seventh pages of the RECORD and will cost $182, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. EBERHARTER asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the New York Times.

Mr. HARNESS of Indiana asked and was given permission to extend his remarks in the RECORD and include an affidavit.

CALL OF THE HOUSE

Mr. KEEFE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 85]

Adams	Bell	Bradley, Mich.
Baldwin, N. Y.	Bloom	Bradley, Pa.
Bates, Mass.	Boren	Buckley
Bunker	Halleck	Norton
Cannon, Fla.	Hancock	Pfeifer
Clark	Harless, Ariz.	Plumley
Clements	Hart	Price, Fla.
Cochran	Healy	Rains
Cole, Kans.	Hébert	Randolph
Cole, N. Y.	Heffernan	Reece, Tenn.
Curley	Hendricks	Rodgers, Pa.
Dawson	Hess	Roe, N. Y.
De Lacy	Hoffman	Sabath
Dirksen	Hook	Sadowski
Earthman	Howell	Savage
Eaton	Jennings	Shafer
Fellows	Jensen	Short
Fisher	Johnson,	Simpson, Pa.
Fuller	Lyndon B.	Stevenson
Gamble	Johnson, Okla.	Stewart
Gifford	Keogh	Sumner, Ill.
Gillespie	Lea	Talbot
Gore	Lewis	Thomas, N. J.
Granger	McCowen	Torrens
Grant, Ala.	Madden	Wadsworth
Hall,	Mansfield, Tex.	Walter
Edwin Arthur	Michener	White
Hall,	Morrison	Wilson
Leonard W.	Murphy	Worley

The SPEAKER. On this roll call 347 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REPORT ON H. R. 3240

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that I may have until midnight Saturday night to file a report on the bill H. R. 3240 and that the minority may have the same time to file minority views.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY AND RELATED INDEPENDENT AGENCIES APPROPRIATION BILL, 1946

Mr. COLMER. Mr. Speaker, I call up House Resolution 260 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 3199) making appropriations for Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois, and at this time I yield myself 1 minute.

Mr. Speaker, this rule speaks for itself. It waives all points of order so far as the bill H. R. 3199, the Department of Labor, the Federal Security Agency and related independent agencies appropriation bill is concerned.

As is generally known, there are a number of items in this bill affecting war agencies. I do not think there will be any substantial opposition to the rule and I shall not take any further time to discuss it.

Mr. ALLEN of Illinois. Mr. Speaker, I concur in the remarks of the gentleman from Mississippi. All this rule does is to waive points of order. When members of the Appropriations Committee appeared before the Rules Committee, in this instance they were justified in requesting this rule waiving all points of order.

I hope the rule will be agreed to.

Mr. Speaker, at this time I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Speaker, today marks the one hundred and thirty-first anniversary of Norway's freedom. It is known in Norway as 17de Mai—17th of May—and is comparable to our Fourth of July. I am sure that liberty-loving people all over the world rejoice over the evacuation of Norway, which had been overrun by a cruel and ruthless invader. Since April 1941, the people of Norway have endured humiliation and suffering such as accompanied Nazi invasion into all the countries that they raped. A new Norway will arise following her liberation from the ruthless invader, a Norway that will be dedicated anew to freedom and opportunity. The Norwegian people have never been slaves. Indeed, democracy, as we understand the term, had its birth in that country, and the hardy sons of Norway carried the love of liberty and equality to all the parts of the then known world during those centuries when Norway was considered one of the mightiest nations on the face of the globe. In the new world that we will organize when the Japanese have met just retribution, we hope that there will be no room for dictators, persecutions, and repressions. We also hope that in the new world which is taking shape at San Francisco the human family will have full and free opportunity to live their lives as the Almighty intended, which is the desire of every individual from whose heart springs aspirations for love, liberty, equality, and opportunity. In this new world there can be neither persecution, repression, nor enslavement if it is to endure down through the ages.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 7 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Speaker, I am against this rule, and I do not care whether anybody else in the House agrees with me or not. I am against legislation on appropriation bills as a matter of principle.

Let us examine the effect of what we are doing here. In the first place, the subcommittee reporting the bill has referred to and pointed out 12 specific instances throughout the bill where there are 12 separate legislative items. At pages 20 and 21 of the subcommittee report you will find those legislative provisions. There is no opportunity on the part of the membership of the House to amend that legislation or perfect it; in other words, if there is an amendment offered to this appropriation bill, very likely the chairman of the subcommittee or the members of the subcommittee reporting the bill will make a point of order that the amendment is legislation on an appropriation bill and therefore not in order. It is not proper to legislate in this manner if the committee is going to be an appropriations committee and a legislative committee, too. The

rest of the House is hamstrung and hogtied. On any legislation 7 subcommittee members have written in the bill, 428 Members cannot add one perfecting amendment, if the subcommittee makes a point of order.

If the function of the Committee on Appropriations is to be expanded to include appropriations and legislation, it ought to be fair to include a waiver of points of order on all amendments to the legislative language in the appropriation bill. So much for point No. 1.

With reference to the other objections to the bill, on pages 20 and 21 of the subcommittee report only the new matter that is inserted in this appropriation bill is mentioned and described. There are many, many items of legislation that have appeared in prior years and appear again in this bill. Whether or not we should include legislation on appropriation bills has not been a finding or invention of mine. The standing rules of the House provide against legislation appearing in appropriation bills. For years the Committee on Appropriations has abided by the standing rules of the House. Only in the last three bills this year have I known that the Committee on Appropriations has sought to legislate, too. It sought and got a rule on the agricultural appropriation bill. Why? Because many major functions handled by the Department of Agriculture have no basic authority in law, such as the Farm Security Administration, which spends millions of dollars of the taxpayers' money. The next is the bill now under consideration, on which this rule would waive points of order. The third is the bill for statistics-gathering and census-taking, for which it is contended by the minority Members there is no authority in law. The Committee on Appropriations met on yesterday to authorize the committee to seek and get a rule on that bill, which carries an $18,300,000 appropriation for major functions in several departments of the Government. When the majority did not get a rule, they withdrew the bill from consideration on the floor and have brought to the House the labor Federal security bill now under consideration, on which they do have a rule.

You are not fighting with me about legislation appearing in this bill, not one bit. You are not fighting with the minority Members. You are going to do your fighting and make your record for or against the Comptroller General of the United States, Lindsay Warren. He has made a distinguished record in the House of Representatives, representing North Carolina. I am proud of the record he made as a Member of the opposite party, the Democratic Party, the party of the majority here, which seeks to set aside the standing rules of the House.

As you will see by reference to pages 4679, 4680, and 4681 of the CONGRESSIONAL RECORD of yesterday, Lindsay Warren has made findings and reported them to the Congress in the following language. Appendix A of his annual report for the fiscal year 1944 is titled this way:

Examples of statutes enacted during the fiscal year 1944 conferring unusual administrative authority over expenditures.

The legislation that is listed in appendix A affects many agencies of the Government. Some of the things have been called picayune in the past, things against which we made points of order in appropriation bills, such as language which would do away with section 3709 of the Revised Statutes, which is the public-bidding statute, and another that sets aside the Classification Act of 1923, as amended. It is the Comptroller General who deplores these actions now, not a minority Member.

On page 4679 of the RECORD you will find a reference to a provision in the 1944 appropriation for the agencies presently under consideration, and it reads as follows:

Training for nurses (national defense): * * * advertising in newspapers, magazines, and periodicals without regard to the act of March 4, 1921 (42 U. S. C. 33);

Emergency health and sanitation activities (national defense): * * * such expenses to include * * * the purchase of oils, larvicides, and other diluents, without regard to section 3709 of the Revised Statutes.

All three of these pages of the CONGRESSIONAL RECORD are the studied report of the Comptroller General of the United States. Is the Congress going to uphold the hands of the Comptroller General or is it going to help the bureaucrats get lump-sum appropriations and give them authority without regard to the old, salutary statutes, to spend money as they see fit? Is it going to abide by the standing rules of the House?

I for one am going to fight to the last breath as long as I am a Member here to uphold the standing rules of the House and the statutes of the United States covering money and finance.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, the city I am privileged to represent is said to be the second largest Norwegian city in the world, because next to Oslo in Norway, there are more Norwegians in Minneapolis than in any other city in the world. It had not been my privilege to know many Norwegians until I moved to that city in 1941. During these years I have had opportunity to get to know a great many Americans who came from Norway or who are descended from Norwegians; and to appreciate the extraordinary contribution that they have made to this country. I rise on this anniversary of Norway's independence to pay tribute to them and even more at this particular moment to pay tribute to their fathers and mothers and their brothers and sisters who have been for 5 long years under the heel of Hitler's tyranny, and are emerging weakened in possessions but stronger in spirit than ever before. Norway was the first country in western Europe to go down under Hitler's sudden attack. The nation was stunned and confused for a brief moment but it did not take very long for these people who for a thousand years have had their roots in the rugged mountains of the Land of the Midnight Sun, to get back to the essentials, the things that endure.

You remember Kipling in the Recessional said:

The tumult and the shouting dies,
The captains and the kings depart,
Still stands thine ancient sacrifice,
An humble and a contrite heart.

Norway went down temporarily; but the Norwegians did not go down. They still stand. In fact they rose to new heights of valor and courage; and they are going to rebuild a better and finer Norway because of the great struggle through which they have gone.

I came home last fall from a trip through Europe and Asia with the profound feeling that the people of Europe and Asia out of their very agony and suffering may emerge the new world, and we in America find ourselves the Old World.

We honor today the dauntless people of Norway and from their example take increased devotion to the cause of freedom for which they have so nobly given their devotion in fullest measure.

Mr. KEEFE. Mr. Speaker, I do not disagree in principle with the statement made by the distinguished gentleman from Ohio [Mr. JONES].

As a matter of principle, I have opposed the granting of rules waiving points of order against legislation appearing on appropriation bills. But when it is said that a person will die fighting for one rule of the House, I think we must have in mind that the rules of this House make provision for the establishment and maintenance of a Rules Committee, and give to the Rules Committee, upon a proper showing, the right and authority to take the very action which has been taken with respect to the pending bill. So we are not proceeding in violation of the rules of the House, and that distinction should be clearly noted. We are proceeding directly in accordance with the rules of the House.

I draw a clear line of distinction between the types of legislation on appropriation bills that have been discussed by the distinguished gentleman from Ohio [Mr. JONES] and certain other wording appearing in appropriation language that might make it subject to a point of order. Now here is a bill coming before this House, making appropriations for very necessary and essential activities of the Government. This Congress has repeatedly made appropriations for the War Manpower Commission, which is functioning throughout the entire United States. The entire activities of the War Manpower Commission were set up by Executive order, with the possible exception of one or two of its subsidiary organizations, such as the Apprenticeship and Training Service, which does find authority in organic law. Any person who is so disposed could make a point of order against practically the entire appropriation for the War Manpower Commission and would strike that appropriation out of this bill. I do not believe there is anybody who would intelli-

gently want to do that thing. The entire maternal and infant care program, which is a program that I personally am very proud of, having offered the first amendment to the supplemental deficiency bill which put it into action, and a program that has found acceptance in this country as no other program I have known about since I have been in Congress, has absolutely no legislative authority upon which it may rest. Any person could stand up on the floor of this House when that appropriation is reached and make a point of order against it, and thus it would be thrown out. Word would go to the world that the House of Representatives has kicked this program out into the discard. It may be that nobody would rise to make such a point of order, but I have understood there are people who would indiscriminately make points of order against language in this appropriation bill that might be considered legislative in character.

Let me give you an illustration of why I think there are cases when you must waive points of order and do it with some thought and some care. You will observe in this bill St. Elizabeths Hospital has been provided with funds to take care of a situation which is a stench in the nostrils of every person who has ever had the opportunity to see the manner and method under which they are compelled to take care of the unfortunates who are committed there. This committee went out and made a minute inspection and we came back determined that we would not let a single day elapse before doing something to correct these intolerable conditions.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. COX. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. KEEFE. So we placed in this bill funds with which to tear down those abominable old structures and to provide fireproof housing for these nonambulatory old people who are out there in a place where if there was a fire today three or four hundred lives might be destroyed. That entire provision is subject to a point of order and it would go out on a point of order.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. ROBSION of Kentucky. As I recall, unless it has been changed recently there are hundreds and hundreds of disabled veterans out there, mental cases.

Mr. KEEFE. There are a great many.

There is an illustration that if we do not have a rule covering that particular situation any Member of this House could stand here and object to it because it is not authorized by law; and then we would be under the necessity of waiting and waiting and struggling again to try to get the funds to remove that eyesore that I am sorry to say exists at St. Elizabeths, do as well as they can with the facilities that are made available to them.

Now, may I say to my colleagues that while I have appeared before the Rules Committee and vigorously opposed the granting of rules on bills that would set up new functions of Government, I appeared in favor of this bill with full knowledge of the position that I had taken. A sense of fairness impels me to the conclusion that you cannot effectively legislate to provide for the public interest if you are going to have every single item in an appropriation bill scratched out on the ground that it is legislation on an appropriation bill.

So I take the position that as far as this rule is concerned I am going to support it; and the distinguished minority member of the committee, the gentleman from Michigan [Mr. ENGEL] is likewise supporting this rule.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. COX. Mr. Speaker, I move the previous question on the resolution.

The previous question was agreed to.

Mr. HARE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes; and pending that motion I ask unanimous consent that general debate continue not to exceed 3 hours, to be equally divided and controlled by myself and the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL of Michigan. Mr. Speaker, reserving the right to object, is it the intention of the chairman of the subcommittee to start reading the bill this afternoon?

Mr. HARE. I believe that if we finish within the time limit we can start reading the bill; yes.

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, in view of an announcement that has been put out that concerns a great many of the Members of a possible meeting the latter part of this afternoon I am wondering if the chairman of the committee could give any indication as to when he expects to move that the Committee rise, regardless of whether general debate has been finished or the reading of the bill under the 5-minute rule has commenced. Has the gentleman any idea that the Committee might rise at 4 o'clock?

Mr. HARE. I should not think 4 o'clock; no.

Mr. CASE of South Dakota. Has the gentleman any thought as to when he may move that the Committee rise?

Mr. HARE. I think probably along about 5 o'clock; but the gentleman in charge would not mind accommodating himself to meet the wishes of his colleagues.

Mr. CASE of South Dakota. I was just trying to get information for the benefit of Members who received the announcement that there would be a meeting following adjournment of the House this afternoon.

The SPEAKER. The gentleman from South Carolina asks unanimous consent that general debate on the bill continue not to exceed 3 hours to be equally divided, and controlled by the gentleman from South Carolina [Mr. HARE] and the gentleman from Michigan [Mr. ENGEL].

Is there objection?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from South Carolina.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3199) with Mr. THOMASON, of Texas, in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HARE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, I have requested this time in order to make an announcement which I think will be of general interest to the Members of the House. I am sure that many of you have had correspondence with reference to the situation that exists in the matter of temporary housing of the families of servicemen overseas and of returning veterans and their families. The suggestion has been made, and to that effect in the last Congress and in this Congress I have introduced a bill, that for a reasonable rental the families of these men overseas who could not otherwise be housed might use temporarily the vacant war housing. Six bills, I think, have been introduced with reference to various features of this subject.

The situation has arisen that some of the wives of these men overseas who have had employment in defense plants have had their employment terminated by reason of decreased production of such plants and then were evicted from these houses because no longer eligible under the law to occupy them, and have had no place to go. In order to keep up the morale of the boys overseas and to take proper care of their families here, certainly they should have a reasonable opportunity for a fair rental to live in any vacant war housing.

I want to give notice that at 10 o'clock next Tuesday morning the Committee on Public Buildings and Grounds will hold hearings on this subject. Perhaps some of the vacant housing at projects where the work of production has been completed or greatly retarded may be moved to various other centers which will help accommodate the families of these veterans and the veterans who are returning.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARE. Mr. Chairman, I yield myself 30 minutes.

APPROPRIATION BILL FOR DEPARTMENT OF LABOR

Mr. Chairman, this is the fourth time within the past 5 years I have appeared to submit for your consideration appropriations for the Department of Labor, the Federal Security Agency, and related agencies. During this time much has been said here and elsewhere relative to Federal expenditures, insisting that a reduction of such expenditures be made. I am satisfied that Members of the Congress generally feel and have felt that

all appropriations for administrative purposes should be reduced or kept at a minimum.

Therefore, before submitting the actions of your committee recommending appropriations for this coming fiscal year for the agencies referred to, I think it appropriate to review the appropriations carried in the bill for the last 4 years. Beginning with the fiscal year 1943 the appropriation as it passed both Houses and signed by the President was, in round numbers $1,261,000,000, or a decrease of $141,000,000 as compared with the appropriation for the previous year. In 1944 the appropriation was $1,200,000,000 or $61,000,000 less than the appropriation for 1943. The appropriation for 1945 was $1,135,000,000, or a decrease of $65,000,000 as compared with the appropriation for the previous year 1944.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield to the gentleman from Pennsylvania.

Mr. RICH. Has the gentleman made a comparison of these appropriations with the appropriations for the Department back, we will say, in 1930, to show how in the 10 or 12 years of the New Deal all these appropriations were raised 20 percent, 50 percent, 100 percent, 150 percent, 200 percent, and 300 and 400 percent during that time? Now you have come to the point where you have put this country on the skids. We now have the greatest national debt in all our history, and yet you are only decreasing appropriations by ten, fifteen, and twenty million dollars. You should knock off one hundred million, two hundred million, yes, five hundred million dollars of these appropriation bills if you want to get any place and save this Nation of ours.

Mr. HARE. The gentleman has propounded an inquiry and I shall be glad to answer it. He spoke of appropriations in 1933, 1934, and later years, when the Congress was making enormous increases in expenditures. My reply to the gentleman is this: I did not happen to be a Member of Congress at that time, but the gentleman from Pennsylvania, I understand, was. He was here when these increased appropriations were made. But I am here now and am trying to give my good friend from Pennsylvania an account of my stewardship as chairman of a small subcommittee for the last 4 years. I am not responsible in any way for the appropriations that were made before that date.

Mr. RICH. Mr. Chairman, will the gentleman yield further?

Mr. HARE. I cannot yield further at this time, I regret. But I do want the House and the country to know that some efforts are being made, and seriously made, by various Members of Congress to reduce appropriations.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. HARE. I decline to yield. I do not want to get into a debate with the gentleman on that question.

I go back to where I left off. For 1946 the appropriation carried in this bill is $1,086,000,000, in round numbers. That is $49,000,000 less than the appropriation for 1945; in other words, the appropriations carried in this bill have been reduced within the last 4 years by a total of $316,000,000.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield.

Mr. RICH. I was not trying to imply that the gentleman from South Carolina who now has the floor is not trying his best to cut down many of these appropriations. That was not in my mind, because I know the gentleman does work in that direction. I was on the Committee on Appropriations and served with him, and admire him for many of the things he has done. Today, however, we are coming to an impasse in the Government we are serving. It is up to us to do as Lindsay Warren, the Comptroller General, and formerly a Member of Congress from North Carolina, said the other day; we have to come in here with a meat ax and a pruning hook and cut these Government agencies and bureaus down. We have to consolidate them. If we do what Lindsay Warren and the gentleman from South Carolina who now has the floor think we ought to do, we will do a lot more than the Department of Labor or any of the departments want us to do. It is the duty of Members of Congress to do that. I think we have a duty to perform to the taxpayers of America, and unless we do it we are going to rue the day.

Mr. HARE. After the gentleman has examined the items in this bill carefully and gone into them in detail, if he thinks any of them have not been reduced enough he will have the privilege of offering amendments to strike them out.

I may say that it was unnecessary to admonish the gentleman from South Carolina as to his desire to reduce appropriations from time to time.

Mr. RICH. Let me ask the gentleman a fair question. Is there anything in the bill that the gentleman thinks ought to be reduced any more than it is?

Mr. HARE. Yes. I think there are a few cases where they could be reduced, and there are some that I think could be increased a little bit, too, particularly some items in Labor Department and War Manpower Commission.

Mr. RICH. If we offer some amendments later, will the gentleman from South Carolina help us to cut down these items?

Mr. HARE. No.

Mr. RICH. That is the point. Now the gentleman has spoiled it all.

Mr. HARE. No. The gentleman from Pennsylvania knows the reason. He served on the Committee on Appropriations for several years, and it was my pleasure to serve with him. I have always admired him for his tenacity. He knows it is a rule that when a bill is reported out from that committee, the chairman of the subcommittee is honor bound to defend the actions of that committee regardless of his personal or individual opinion. Therefore I shall insist that the gentlemen of the committee have not made a mistake, if I am called upon to defend the bill.

Mr. Chairman, the personnel of the subcommittee that has conducted the hearings and given detailed consideration to each item contained in this bill is the same, with one exception, as those who reported a similar bill for the past 2 years; they are the gentleman from Georgia, Judge TARVER, the gentleman from Texas [Mr. THOMAS], the gentleman from Ohio [Mr. KIRWAN], the gentleman from Michigan [Mr. ENGEL], the gentleman from Wisconsin [Mr. KEEFE], and the gentleman from Minnesota [Mr. H. CARL ANDERSEN]. It has been a privilege and a pleasure to work with these gentlemen. I am grateful for the interest and cooperation of each one of them, and I want to emphasize how well they have demonstrated their individual responsibilities.

The bill carries approximately 100 appropriation items. A number of the items probably do not have the full and complete endorsement of each member, but the amounts recommended reflect the practical wisdom, cooperative and combined judgment of the entire membership of the committee.

I am convinced that if you will read the hearings, consisting of upward of 1,300 pages of printed matter, you will conclude that the committee endeavored to obtain all the facts and exercise its best judgment in reaching a proper determination of all matters before it for consideration. Reductions in some of the items may seem rather drastic, and in others it may appear that further economies could have been effected, but the committee feels that no irreparable loss to the public will follow the reductions made and there will be little opportunity for waste or useless expenditure of funds by the failure of the committee to make further reductions. The committee is fully conscious of the necessity at this time to reduce appropriations in nondefense activities as much as possible, and it has not been unmindful of the many demands occasioned by the necessity of the defense program, but, regardless of what these latter demands may be, they do not relieve the committee of the necessity of making thorough inquiry into all justifications for appropriations for defense purposes, and we have, therefore, acted upon the theory that a dollar misspent in a defense activity is just as burdensome to the taxpayer as a dollar wasted or misspent for nondefense purposes.

The original estimates submitted to us were made and presented upon the theory that both the war in Europe and in the Pacific would continue through the fiscal year 1946, but in passing upon the estimates a few months later members of the committee marking up the bill proceeded on the theory the war in Europe would be over by July 1, the beginning of the fiscal year 1946. They overestimated the time just a little less than 2 months. How well they have performed their work is reflected in the reductions and liquidation of activities recommended.

The subcommittee completed its work on marking up the bill and arriving at the amounts to be recommended to the House for appropriation on April 30. On May 2 there was received from the President of the United States, upon recommendation of the Bureau of the Budget, revised estimates as to numerous items carried in this bill; namely, items under

the War Manpower Commission, the Office of Education, and the Social Security Board.

WAR MANPOWER COMMISSION

Original Budget estimate for "General administration," War Manpower Commission, was $15,598,000, the revised estimate is $14,000,000, a reduction of $1,598,000. The amount recommended in the bill is $10,598,000, a reduction of $5,000,000 from the original Budget estimate.

For the item of expenditure "Training within industry" the original Budget estimate was $1,778,000, the revised estimate was $1,200,000, a reduction of $578,000. The committee recommended the elimination of this expenditure.

For the item of expenditure "Migration of workers" the original Budget estimate was $9,349,900, the revised estimate is $1,600,000, a reduction of $7,749,900. The committee recommended the elimination of this item.

OFFICE OF EDUCATION

The original estimate for the item of expenditure "Education and training, defense workers (national defense)" was $44,845,300, the revised estimate is $1,134,900, a reduction of $43,710,400. The committee recommended $384,900 to liquidate the program.

SOCIAL SECURITY BOARD

In the item "Grants to States for old-age assistance, aid to dependent children, and aid to the blind" the original estimate was $416,000,000, the revised estimate is $431,000,000, an increase of $15,000,000. The committee recommended $416,000,000 .

Not taking into consideration the increase recommended in the Budget estimate for "Grants to States for old-age assistance," and so forth, the reductions effected in the estimates submitted on May 2 over the annual Budget estimates total $54,049,400. The reductions from the original Budget estimates effected by the committee after several weeks of hearings and consideration total $60,853,300.

Mr. Chairman, coming to the provisions of the bill I shall first attempt to give an over-all picture of its contents and then present in more detail information relating to the various items. The total of the Budget estimates submitted to the committee was $1,163,412,283, as compared with appropriations for 1945 of $1,135,398,472. The committee has recommended in its report $1,086,210,357, a reduction of $77,201,946 below the estimates and $49,188,135 below the appropriations for 1945.

Many of the services supported by appropriations in this bill are normal operating agencies of the Government, but are, nevertheless, charged in many cases with heavy wartime burdens, and must, therefore, be implemented with sufficient funds to adequately discharge these responsibilities. Others have no additional duties imposed by the war but have found their normal operations enlarged to a more or less extent because of increased industrial and business activities.

A number of items carried in the bill are for the support of national-defense activities, a detailed statement of which will be found on page 22 of our report. The total carried for national-defense purposes, $260,372,013, is $32,461,587 less than the Budget estimates for 1946 and a decrease of $2,361,587 under the appropriations for 1945.

Many of the items in the bill are for grants to States for cooperation in programs which have been established under law and for other purposes, costs of which are determined by operation of the various statutes involved and are, therefore, more or less mandatory. The committee has studied these items carefully and made reductions wherever possible. Severe cuts, however, cannot be made unless the Congress should determine to amend the basic statutes. The amount for such items carried in the bill, $789,761,000, is a reduction of $7,821,000 below the Budget estimate, and a decrease of $1,742,000 below the appropriations for 1945.

Eliminating the funds for national defense and grants-in-aid, or a total of $1,050,133,013, from the aggregate of the bill, there remains a net of $36,077,324, which represents the funds appropriated for general administrative expenses and for the cost of directing Federal activities which are subject to control.

In considering the estimates here presented the amount of overtime pay provided in the War Overtime Pay Act of 1943, was eliminated since that act expires on June 30, 1945, just prior to the effective date of this appropriation act. Therefore any compensation provided after July 1, 1945, in addition to that provided in regular compensation statutes, will be in addition to funds provided in this bill.

DEPARTMENT OF LABOR

The Department of Labor has jurisdiction over matters pertaining to fostering, promoting, and developing the welfare of American wage earners, improving their working conditions, and advancing their opportunities for profitable employment. It also directs investigation of matters pertaining to child welfare. It has conducted many important activities of Government during the wartime years and has been confronted with many problems of major importance. Under its direction and in cooperation with other Government agencies, the problems have been met. The production of needed munitions and materials of war for our armed forces and the many essential civilian needs reflects the effectiveness of the over-all management and the efficiency and loyalty of American labor.

The Budget estimate for this Department for fiscal 1946 was $70,529,300. The amount recommended in the bill to be appropriated is $68,391,085, a reduction of $2,138,215 from the Budget estimate, and a reduction of $997,728 below the present year's appropriation.

OFFICE OF THE SECRETARY

The office of the Secretary provides the administrative and over-all management for the performance of all functions of the Department. Funds provided in this bill are comparable in amount to the funds appropriated each year since the start of the war, less overtime, to wit, $448,342. Increased requests for funds at this time are not looked upon with favor, although members of the committee thoroughly understand that an agency performing a useful and necessary service constantly find new fields into which their activities and services might be extended, and wish to extend them there. An agency of Government that seeks to extend its services is not to be criticized for such desire, even though it is the function of the Congress to establish the policies that are to be carried out.

An item for $87,900 for exchange of employees with foreign countries was eliminated by your committee for the reason that it had not been authorized by legislative enactment.

During the emergency years, perhaps to a greater extent than during former years, there has been presented in the estimates for appropriations matters legislative in character and should have the consideration of a legislative committee before being presented to the Congress for passage and for the appropriation of funds to carry out the program suggested. Such matters when presented in an appropriation bill are subject to a point of order and may be stricken from the bill without discussion if a point of order is raised against it. When a proposal is handled in this manner it is often late in a session when the appropriation bill carrying it reaches the House for consideration and if the over-all program seems desirable, although it has not been worked into the most desirable form, a Member hesitates to raise a point of order against it, and a desirable program may be inaugurated under an insufficiently-considered statute and for that reason suffer in its administration.

It is suggested, therefore, that when a department or agency of Government desides to inaugurate a program not presently authorized by law, that such agency present its thoughts on the matter to the appropriate legislative committee for consideration. It is further suggested that the Bureau of the Budget might screen from estimates for appropriation items that have no legislative authority for funds.

OFFICE OF THE SOLICITOR

The committee has recommended for the Office of the Solicitor the same appropriation for salaries and expenses that it had for the present fiscal year, to wit, $714,177. However, for printing and binding the recommendation is for an increase of $12,780. In its litigation work briefs in the appellate courts must be printed and the printing costs have gone up to such an extent that it was found necessary to increase the amount of funds for this purpose. Accordingly in the appropriate place in the bill there is included the requested increase of $12,780.

DIVISION OF LABOR STANDARDS

The amount recommended in the bill for salaries and expenses of the Division of Labor Standards is the same as provided for the activity, less overtime, for the present fiscal year. For a number of years this Division has been conducting safety work in the interest of employees of the Federal Government, and no

doubt has done a very effective job in respect thereto. However, it would appear that this is an activity that by legislative enactment has been specifically placed under the jurisdiction of the Employees' Compensation Commission (see sec. 41, Longshoremen's and Harbor Workers' Act (33 U. S. C., sec. 941)). In its report the committee has suggested that the Secretary of Labor cause a thorough study and survey to be made to determine to what extent there may be duplication in the authorized activities of this Division and the Employees' Compensation Commission.

CONCILIATION SERVICE

Regular expenses, $445,300, the same as recommended by Bureau of the Budget, expenses—national defense—$1,786,200, the same as recommended by Budget Bureau.

BUREAU OF LABOR STATISTICS

Appropriations for salaries and expenses of the Bureau of Labor Statistics, as in many other agencies, have been divided into two items—one for the regularly established functions of the Bureau and the other for additional duties that have been imposed upon the Bureau due to war activities. In addition to its regular and national defense activities, the Bureau of Labor Statistics has been called upon to perform statistical work for other Government agencies, being paid from funds made available to such other agencies. In this manner it is difficult for this committee to evaluate with much accuracy the needs of the Bureau.

In submitting its estimates for the next fiscal year this Bureau proposed to increase its regular appropriation for salaries and expenses and to decrease the appropriation for national defense. The justifications did not indicate to the committee that the regular work of the Bureau had been or would be increased during the next fiscal year, and for that reason the committee has recommended for the regular item the same amount provided for fiscal year 1946, exclusive of overtime.

In the national-defense item the committee has recommended that an amount of $585,913 be allocated to the Price and Cost of Living Branch for a study of the cost of living. There is perhaps a greater need for this type of study based upon present conditions than most any other study this Bureau could make, and it is hoped that it may be made with dispatch.

NATIONAL LABOR RELATIONS BOARD

The total amount recommended for this Board is $2,945,930, which is approximately $400,000 less than the appropriation for last year. The decrease was based largely upon the theory that the war in Europe would end by the beginning of the fiscal year 1946 and that the duties of the Board would be decreased to some extent this next year. However, members of the Board felt that a cessation of hostilities in Europe and any appreciable cut-back in war production would have the effect of increasing the work of the Board, but it should be remembered that $825,000, nearly one-third of the appropriation for last year, was for salaries and expenses due to national-defense activities and adjustments of war labor disputes. We think it certain that the work of the Board from the standpoint of national defense and war disputes would certainly decrease following the break-down in Germany and the reduction was made largely upon that theory. Of course, we can see the possibility of the work of the Board increasing due to reconversion, but that would be a part of the regular work of the Board and there was no increase in the appropriation requested for salaries for regular work. You will note from reading the bill that no additional limitations are placed on the use of the funds appropriated, although I am sure you have received many letters and telegrams to the contrary.

Mr. KELLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield to the gentleman from Pennsylvania.

Mr. KELLEY of Pennsylvania. The gentleman from Pennsylvania has been talking about reducing items. May I ask the distinguished gentleman from South Carolina to explain why in the light of coming events the appropriation for the National Labor Relations Board was reduced over $400,000? They are far behind in their work now, and when the war is over their duties will be multiplied. How can they get along with less money than they have had?

Mr. HARE. I cannot concede the gentleman's premises. His conclusions probably are good. The gentleman wants to know why the appropriation for the National Labor Relations Board was decreased $400,000.

Mr. KELLEY of Pennsylvania. Why it was decreased in the light of coming events, because after the war their duties will be multiplied, and they do not have sufficient personnel now to carry on their work.

Mr. HARE. The gentleman is giving his own opinion and not reflecting the testimony that was given to our committee. According to the records the committee had before it, the National Labor Relations Board last year had $3,664,373. The Board went to the Bureau of the Budget and presented its claim, and the Bureau of the Budget reduced that to $3,348,300 for the next fiscal year.

They had $2,125,000 last year for salaries as applied to the regular work of the Board. The Bureau of the Budget reduced it to $1,830,000. In this appropriation last year $781,000 was appropriated for salaries and expenses in national defense and war-labor disputes. Now, mark you, this $781,000 was marked by the Congress to be used only in connection with national defense and war-labor disputes. The estimates submitted to the committee this year were based upon the theory that we were in a two-front war, over in Europe and in the Pacific. The war in Europe is now ended. We think half of the burdens at least have been removed. If they have, then there will be no need for increased activity on the part of this Board for national defense and war-labor disputes. I agree with the gentleman, there is a possibility of an increased activity in the reconversion from war to peacetime, but that is a new idea with the Labor Board. They did not come before our committee and ask the committee for an increase for its regular activities. Now, simply because we did what was the logical deduction to make, that if the war is over some of the expenses incident to carrying on the war should be reduced, which I submit is perfectly logical, perfectly reasonable and the committee cannot be criticized on that score. I submit further that the Labor Board may have an increased regular duty in the reconversion. I agree with the gentleman as to that. But the Labor Board did not submit any estimates for that prospective increase. I hope the gentleman will give the committee credit for having sufficient judgment not to proceed on its own initiative without evidence to go ahead and increase the appropriations.

Mr. KELLEY of Pennsylvania. Mr. Chairman, will the gentleman yield for a question?

Mr. HARE. Yes.

Mr. KELLEY of Pennsylvania. I do not impugn the judgment of the committee. I am just curious to know why it was reduced.

Mr. HARE. I hope we have been able to furnish the information.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield for a question?

Mr. HARE. Yes.

Mr. HOLIFIELD. The explanation of the gentleman was devoted mostly to the item of salaries and expenses of the national defense and war-labor disputes. But I refer to item No. 1 on the table to which the gentleman has referred with reference to the National Labor Relations Board where you have cut the salaries, which I understand are for the normal peacetime disputes of the National Labor Relations Board, minus $395,000 under 1945 appropriations or minus $100,000 under the Budget estimates for 1946. Now, conceding, as I think we all do in all fairness, that there will be less of a load in the defense part of the disputes, it seems to me your cut on the other part, on the peacetime part for salaries for peacetime activity, is rather severe due to the fact that I have quite a few cases at the present time which are being delayed because they cannot get to them. Elections which are clearly provided for by the National Labor Relations Act are not being held in my district because of necessary postponements on account of lack of personnel to handle these elections at the present time.

Mr. HARE. I am sorry the gentleman did not come before our committee where he could have been cross-examined and could have told the committee just exactly where that work was, because I can say this committee had no idea of reducing this appropriation $1 below what was necessary for this Board to carry on its functions normally and efficiently and successfully. But we could not go beyond the evidence before us. A $100,000 reduction may be a few dollars too much. I do not know. It may lack a few dollars of being enough. I do not know. But I do want to assure the gentleman that the committee went into it in considerable detail. I know there has been a lot of propaganda about this. I

assume the gentleman has received letters and commmunications that this committee placed inhibitions on the use of this fund for preventing organization of foremen and organization of agricultural workers, saying that was in this bill.

Mr. HOLIFIELD. I have not received information that it was in the bill. I have received information that possibly amendments might be offered along that line, but not that it was included in the bill.

Mr. HARE. Oh, yes; I have a hundred telegrams which said they were in the bill and therefore we should not have reduced the appropriation, because those organizations were being perfected and there would be need of additional funds for them. The committee did not have any evidence to that effect. There may be some organizations which may be planning to unionize the farm workers and the foremen. I do not know. I cannot see that far in advance. We could not appropriate money for contemplated action. They should have come before our committee and said, "Here is what we are going to need for this particular purpose," and I assure you they would have been heard with pleasure and would have received every possible consideration.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. HARE. Mr. Chairman, I yield myself 10 additional minutes.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield.

Mr. KEEFE. With respect to the item which has just been discussed by the gentleman from Pennsylvania [Mr. KELLEY], and the gentleman from California [Mr. HOLIFIELD], I believe it is proper to remark that although estimates for the National Labor Relations Board are set up in three distinct budgetary estimates, the National Disputes Act appropriation, the national defense appropriation, and the regular appropriation, in the utilization of these funds which are thus broken down, they use the funds as though it was one entire fund. So that while the actual decrease is $402,000, you will find the decreases are to be applied all along the line, and it represents the judgment of the committee as to the total amount of funds they should be entitled to, in order to carry on their job, because they do not specifically allocate these funds for the national-defense activities alone, segregated from their other ordinary activities or activities under the War Labor Disputes Act. So if you give minute consideration to this bill as the committee tried to, I believe you will find that the National Labor Relations Board will have sufficient money for it to function. We cannot anticipate that they are going to have another great strike that will cost $165,000 to conduct, such as the last strike of the coal miners—that cost $165,000. Perhaps that is why you have not had some people out there conducting strike elections in your district, because they had them all at work on that one job.

WAGE AND HOUR AND PUBLIC CONTRACTS DIVISION

Mr. HARE. Mr. Chairman, the amount of $3,543,470 recommended by the committee is the same as appropriated for the salaries for this Division for fiscal year 1945. In addition to the amount recommended to be appropriated it is estimated that more than $3,000,000 appropriated by other agencies, principally the War Labor Board and the War Manpower Commission will be transferred to this Division to be spent in performing services for such agencies. Justifications for these additional amounts are not before the committee, which makes it difficult to properly evaluate the needs and efficiency with which the expenditures are made. When appropriations are made to other agencies for transfer purposes it is not possible for the committee considering the present estimates to intelligently evaluate the needs of the Division and recommend a proper amount for appropriation.

Testimony presented to the committee disclosed that more than 100,000 employees had been found who were being paid less than the statutory minimum rate of wage. In such cases the statute provides that the employer shall be liable to such employees in the amount of the unpaid minimum wages and, in addition thereto, an amount equal to the unpaid minimum wage as liquidated damages. In instances where there is an intentional withholding of wages or the payment of less than the minimum wage such a provision may be justified, but there are many instances where employers, and perhaps the employees, are not advised as to the minimum wage. Later, when the employee is advised as to the minimum wage and his rights to claim the minimum wage plus liquidated damages, it places a temptation before the employee to withhold his claim for a period of time before asserting his right, and permit the liquidated damages to accumulate.

In view of such situations, the proper legislative committee might give consideration to whether or not an amendment to the statute would be advisable to the effect that before the mandatory provision of the statute becomes effective the employee shall give notice to the employer that he—the employee—is not receiving the minimum wage and expects to make claim for the legal amount, which would put the employer on notice that thereafter he might be subject to the liquidated-damage penalty.

Considerable interest has been manifest in the decision of the Supreme Court of the United States in the case *Addison v. Holly Hill Fruit Products, Inc.* (322 U. S. 607), wherein there was under consideration section 13 (a) (10) of the Fair Labor Standards Act, administered by this Division. The act exempts from the minimum wage and overtime requirements persons employed "within the area of production, as defined by the Administrator," in canning agricultural commodities for market. The Administrator's definition of "area of production" brought within the exemption employees of canneries which obtained "all" of their farm products from within 10 miles and had not more than seven employees. The Court held that the Administrator's discrimination between canneries having seven or less employees and those having more was unauthorized and invalid, and further, that since "all" of the fruit did not come from within 10 miles of the cannery, the definition of the Administrator that all of its products must be obtained from within 10 miles of the establishment has not been satisfied.

Furthermore, the Court indicated that the Administrator might be required to exercise his discretion and define the area of production and that his definition would spring retroactively into force, making employers liable for failure to comply with a definition which has not as yet been written. This appears to be a rather anomalous situation that may be corrected only through proper legislative enactment.

FOOD AND DRUG ADMINISTRATION

For the enforcement operations of the Food and Drug Administration the committee has recommended an increase of $250,390 over the amount of appropriation provided for fiscal 1945. This agency is performing an outstanding service in a most important work. It has the responsibility of enforcing five laws, the Federal Food, Drug, and Cosmetic Act; the Tea Importation Act; the Import Milk Act; the Federal Caustic Poison Act; and the Filled Milk Act. It is in constant contact with American manufacturers in its operations and enjoys the greatest respect and cooperation from this large group of American businessmen. Food and drug manufacturers and processors have been called upon to do an ever-increasing production job during the past 4 years, and it is much to their credit that they have processed more foods and drugs than ever before. They have suffered the loss of experienced employees, have found it increasingly difficult to replace obsolete or worn-out equipment, and have been faced with numerous handicaps due to emergency conditions, but throughout the emergency and much to the credit of the Food and Drug Administration, the manufacturers have maintained an attitude that the American public and the armed forces are entitled to pure, clean and uncontaminated foods and to potent, pure and uncontaminated drugs. The enforcement operations of this administration gives the American public an assurance that manufactured or processed foods are pure, wholesome, clean, and uncontaminated. Such assurance is an asset to the manufacturers or processors and it has occurred to members of the committee that perhaps a reasonable charge sufficient to pay the cost of making periodic inspections should be made for the service. There is nothing new or novel in the suggestion that fees be charged for this type of service as fees are now charged for sea-food inspections and labeling.

OFFICE OF EDUCATION

The Office of Education has proposed a rather ambitious program of reorganization that when fully accomplished

would entail the expenditure annually of several times the amount of funds heretofore appropriated. The committee has been painstaking in its consideration of the proposed reorganization and is of the opinion that it covers, in some respects at least, matter that is not presently authorized.

The subject of education is one in which the American public has the deepest concern and when sweeping changes in this Office are proposed they should have widespread publication and consideration.

Upon full consideration of all the facts the committee recommended that an appropriation in the amounts provided for the present fiscal year should be sufficient to permit the continuation of the work of the organization until it might present its plans and program to the proper legislative committee and through it to the Congress for a determination as to whether it is the will of the Congress that the activities of the Office should be enlarged and if so enlarged in the manner proposed.

EDUCATION AND TRAINING, DEFENSE WORKERS, NATIONAL DEFENSE

The committee has recommended an amount of $384,900 for the liquidation of this program, and has provided language for placing title to equipment and supplies purchased under the program in the agency of the State, county, or municipality which was authorized to purchase such equipment and supplies.

The training of defense workers and war-production workers was inaugurated in 1940 and there has been appropriated some $341,000,000 plus. It has performed a very useful service in quickly training workers to perform certain war-production jobs in industrial work, training technical people in engineering colleges and in chemistry and physics, and in the field of production management, food production, and visual aids.

The committee was informed that when hearings were held on Budget estimates in the fall of 1944 it was decided not to recommend to the Congress any appropriations other than a small amount to liquidate the program after July 1, 1945. When the course of the war changed temporarily in December of 1944 the estimates were revived and estimates in the amount of $44,845,300 were submitted. By the time of our hearings the course of the war had again changed much in our favor and the committee, following the same logic as that manifest last fall by the Bureau of the Budget, determined to liquidate the program. The Commissioner, realizing that the need for this program has largely been met, has advised State executive officers and directors, war-training programs, that war-training courses, as we understand, should be closed as expeditiously as possible, but not later than May 31, except in case of some extreme emergency, when the training might be continued, but not beyond June 30. He has directed that all existing contracts or agreements for the purchase of equipment, and so forth, be canceled and that no new contracts be made, and that every effort should be made to speed up the processes of closing and of accounting for the operation of war-training courses. He has pointed out the importance of vacating leased property, paying bills, securing refunds, closing accounts, auditing local accounts, and making reports promptly in order that the program may be completely liquidated as soon as possible. The Commissioner of Education is to be congratulated for his prompt action in this matter in view of current events.

PUBLIC HEALTH SERVICE

On July 1, 1944, there was approved an act of Congress reorganizing the Public Health Service. It was the purpose of that act to bring into a compact and orderly arrangement all existing law on the subject of public health, eliminating obsolete provisions, clarifying ambiguities, and adding a number of provisions which operating experience had shown to be necessary and desirable in making prior law more workable.

The present Budget was prepared and the estimates have been considered under the new law. There is no experience under the new provisions of law to guide the committee in the exact amounts that should be provided for each activity, but realizing the importance of the work to be performed by the Public Health Service, the committee has determined, in large part, to approve Budget recommendations for this Service. Conditions were, however, called to the attention of the committee relative to insect-borne diseases, the spread and the need to combat them, that it has recommended an increase of $684,000 to meet the urgent need and has especially called attention to the spread of typhus in the hope that it may be checked before it reaches epidemic proportions. Recent experience has disclosed that the use of the relatively new insecticide DDT has been very effective in combating the spread of the disease, as well as the spread of other insect-borne diseases and it was felt it would be expensive economy to deny a proper appropriation to proceed as rapidly as possible with such preventive measures. The typhus program parallels in many ways the program to combat malaria and other tropical diseases, and it is the intent of the committee that the program to control insect-borne diseases will include work to prevent typhus and its spread.

Service and supply fund: This appropriation of $250,000 recommended by the committee is to establish a revolving or working capital fund for the operation of a central supply depot to service the 11 operating agencies of the Public Health Service. At the present time each agency in the Public Health Service has its own procurement authority and negotiates its purchases independently of the other agencies. This is an inefficient and wasteful means of procurement that has been corrected in other departments of the Government. The establishment of this fund will authorize centralized purchasing and storage, will require less personnel to procure and handle supplies, and will permit the keeping on hand at all times an inventory of needed supplies. The total appropriation for Public Health Service is $129,270,500, an increase of $2,329,427 over 1945.

ST. ELIZABETHS HOSPITAL

The committee has recommended the Budget estimate of $2,114,000 for salaries and expenses of St. Elizabeths Hospital, an increase of $1,400 over the appropriation for the present fiscal year.

Many of the facilities at this hospital are overcrowded and from the best sources of information will remain overcrowded for years to come unless some remedial steps are taken. On the strength of information as to conditions at this hospital several members of the committee made personal visits of inspection and are convinced that conditions are such as to demand correction. Accordingly in addition to the regular appropriation for salaries and expenses the committee has recommended an additional amount of $1,900,000 for the construction of a 5-story fireproof building of approximately 500-bed capacity to relieve overcrowding and to care for patients now being housed in temporary and dangerous buildings.

There is also recommended an appropriation of $681,665 which added to $1,080,000 already appropriated will permit the construction of a building for storeroom, warehouse, laundry, industrial shops, and other utility needs. The committee has recommended that these two structures be erected without delay.

SOCIAL SECURITY BOARD

The committee has recommended the Budget estimate of $416,000,000 for grants to States for old-age assistance, aid to dependent children, and aid to the blind, broken down as follows: old-age assistance $350,000,000; aid to dependent children $55,550,000; and aid to the blind $10,450,000, total increase for all over 1945 being $6,200,000.

The estimates of the amount of Federal funds needed for grants to the States are based on the assumption that increased family incomes and opportunities for employment resulting from war conditions will be maintained and that the numbers in each category entitled to assistance will remain at about the same level during fiscal year 1946.

Some reductions are recommended in the administrative costs of conducting the various programs under this Board.

OFFICE OF THE ADMINISTRATOR

As the name implies the Office of the Administrator is the over-all administrative authority of the numerous agencies constituting the Federal Security Agency. Directly under this Office were found the Office of Community War Services and Physical Fitness, both of which have been eliminated for the fiscal year 1946. The physical-fitness program was not recommended for continuance in the Budget estimates and the committee recommends the elimination of the Community War Services. The need for services set up to answer conditions resulting from war dislocations are becoming less with the passage of each month, and while there may never come a time when some services such as rendered by this agency would not be beneficial to communities, there should be sufficient character, pride, energy, and talent in each community to provide, plan, and direct such

community activities and relieve the Federal Government of such responsibility.

EMPLOYEES' COMPENSATION COMMISSION

The United States Employees' Compensation Commission is charged with the duty of administering several laws which provide workmen's compensation benefits for between five and six million employees in certain employments within Federal jurisdiction. It is responsible also for administering statutory benefits authorized in the case of certain civilian workmen employed outside the United States for disability, death, or detention caused by war-risk hazards. During the past year there has been a large increase in the number of cases of injury and death of civilian employees of the Government engaged in war work, largely originating in the War and Navy Establishments and their activities.

The act of December 22, 1944 (Public Law 533, 78th Cong.) directs the Commission to make studies and investigations of the causes of injury to employees in Federal services. This, while a new activity, may be consolidated with the regular activities of the Commission and carried on expeditiously and with little increased cost.

WAR MANPOWER COMMISSION

The committee has recommended for the War Manpower Commission an appropriation of $62,099,000, a reduction of $31,773,900 from the amount approved by the Budget and $26,036,136 below the appropriation for the present fiscal year.

The Budget estimate was made, as I understand it, in the early part of this year or shortly after the German counterattack in Belgium and at a time when prospects for an early victory in the European theater of operations were not so promising as later. Hearings on the estimates were held during the latter part of April, or at a time when victory in Europe seemed assured, which accounts for the reductions that appear drastic but in the light of events subsequent to the time of the Budget estimates make them appear quite reasonable. Subsequent to the time the committee marked up the bill revised estimates were submitted in which there was shown a reduction of $10,339,900 below the Budget estimates originally submitted.

It is the recommendation of the committee that the program of training with-industry and migration of workers be discontinued, as those activities insofar as they have served the war effort have served their purpose or have made sufficient contribution that those trained in industry can carry on and accomplish the original purposes.

In the Budget estimates submitted there was an item of $9,349,900 for migration of workers which reflected an increase over the present year's appropriation of $6,891,000. The increase was for the purpose of recruiting and transporting foreign laborers from their homes to the borders of the United States, there to be turned over to the railroads and carried by them to points on their lines where track laborers were needed. Testimony disclosed facts already well known to the committee that the War Manpower Commission had not heretofore used any of the funds appropriated for the migration of workers for bringing track workers for railroads to United States boundary lines. It is common knowledge that for many years the railroads have recruited such workers and made all arrangements for transporting them from their homes to their places of employment with the railroads. The committee is not in sympathy with the proposal at this time to relieve the railroads from a practice of long-standing and place the cost of the service upon the taxpayers of the Nation. If there was ever a time when the railroads could well afford to do this service for themselves it is now, and their excellent financial condition is due to the public use of their facilities.

Other labor to be performed by persons brought in under this program was stated to be foundry labor, some jobs in food processing, logging and lumber camps, and it was indicated that the work was so arduous that American labor would not do it. I do not subscribe to that theory at all. In the case of the railroads, they have brought in Mexican labor for many years for the reason they could get it at a cheaper rate than they could employ American labor. The railroad worker has an 8-hour day, and 8 hours on a section gang is no harder work than that of a farmer in planting, cultivating, and harvesting his crops, food crops that are most important. It is not a question of hard work, or how arduous or difficult the job may be; it has been the question of how cheaply the railroads could get the job done, and it is a question with the railroads now as to whether or not they can prevail upon the taxpayers of this Nation to pay a part of the transportation costs to enable them to get a cheaper labor in competition with our labor here at home.

The apprentice training service under the War Manpower Commission has made a splendid contribution toward the war effort. It is essentially a matter that requires a definite period of time, although in the emergency years the contribution of the apprentice worker has developed from the first day of his employment, and became more important from month to month. With the prospects that war demands will decrease during the next fiscal year, the demand for this training for war purposes will decrease. There is, however, a new program that will be coming into effect, to aid returning servicemen in learning a trade. While the War Manpower Commission is basing a large part of its justification on providing this service for the returning veteran, it is a wartime agency and when victory on both fronts has been accomplished may be discontinued. The funds here recommended, while less than the original Budget estimate, are in excess of the latest Budget estimate submitted by the President and it is believed will be sufficient to continue the program through the next year and until such time as peacetime needs thereunder are more fully understood.

CHILDREN'S BUREAU

The amounts recommended in the bill for the 4 items of salaries and expenses, Children's Bureau, is approximately the same as appropriated for the present fiscal year, less overtime, and approximately $250,000 less than Budget estimates of $56,603,000. The recommendation has included, however, sufficient amounts to provide for within-grade promotions under the Mead-Ramspeck Act, and an amount of $12,978 for a "study of effect of guardianship laws and procedures on children." It was represented that after the First World War the Veterans' Administration had 150,000 minors under guardianship and that after the present war there will be four or five times that number.

The Children's Bureau is charged, under the Fair Labor Standards Act of 1938, to investigate and report upon all matters pertaining to the employment of minors, and, subject to the direction of the Attorney General, to bring all actions to enjoin any act or practice which is unlawful by reason of the existence of oppressive child labor. Other provisions of the Fair Labor Standards Act are investigated and prosecuted by the Wage and Hour and Public Contracts Division of the Department of Labor, and in fact many of the investigations concerning the employment of minors are made by the Wage and Hour Division in connection with their other investigations and where violations are found effecting children such violations are transmitted to the Children's Bureau for prosecution. It is suggested that as a matter of proper and efficient procedure the agency of government actually making the investigation and finding an unlawful act or practice should be authorized to bring any action necessary to enjoin such act or practice. Such change in procedure would require a change in the Fair Labor Standards Act.

Grants to States for emergency maternity and infant care—national defense: The Budget estimate of $44,189,500 is recommended to provide medical, nursing, and hospital maternity and infant care for wives and infants of enlisted men in the armed forces. This program, since its inception in March 1943, has grown by leaps and bounds and has received in appropriated funds the sum of $67,000,000. The program was originally extended to wives and infants of enlisted men in the armed forces of the United States of the fourth, fifth, sixth, and seventh grades. Some 4 months after the inauguration of the program, in a supplemental appropriation, the benefits were extended to wives and infants of all enlisted men, thus including the wives and infants of enlisted men in the first, second, and third grades, as well as those in the four lower grades. The demand for the benefits was so great that some 3 months later an additional amount was appropriated, but the benefits were again restricted to the wives and infants of the four lower grades of enlisted men. In view of this history, the committee has not recommended a wider coverage, believing that if a wider coverage is desired the appropriate legislative committee should give consideration to the entire subject matter.

Questions, however, are arising as to whether application must be made by or on behalf of the beneficiary entitled to care while the enlisted man is a member of the armed forces or whether the pregnancy of the wife during the period of

such membership in the armed forces may be considered as fixing the right of the beneficiaries—both the wife and infant—to receive care even though, in the meantime, the enlisted man has, through death or discharge, ceased to be an actual member of the armed forces at the time the care is required.

In recommending this appropriation it was the intent of the committee to provide the same care for the wives and infants of enlisted men in the grades covered by the statute who, after the pregnancy of the wife, die or are discharged from the service under honorable conditions, as is provided in other cases, and if application for such care has not been made prior to death or discharge such application may be received and accepted, and that only one application need be made to cover care for both the wife and the infant. The requirement that an application be made for the wife for maternity care and then later another application or treatment for the infant would appear to be a useless procedure.

Mr. DOYLE. Mr. Chairman, will the gentleman yield for one question in connection with the Children's Bureau? He has not discussed that yet and I wish to ask him a question before his time expires.

Mr. HARE. I am sure I will not be able to discuss all of the items in this bill.

Mr. DOYLE. I have one question with reference to that and I can refer the gentleman to the evidence before his committee. It seems to me that his reduction for salaries and expenses for maternal care and child welfare of $74,035 is perhaps contrary to the evidence before his committee. I call the gentleman's attention to pages 300 and 301 of the hearings, the testimony of Miss Lenroot. No doubt the committee had other evidence before it, but I find no evidence in the hearings which justifies the elimination of the eight regional offices asked for by Katharine Lenroot. Can the gentleman tell me why such a cut was made?

Mr. HARE. I will give the gentleman my own individual opinion on that.

They asked for eight additional offices, and in addition to that they asked for 19 employees of one type and 14 of another. My memory may not be clear in the matter, but that is what I recall now. The committee had this thought, and I can illustrate it by taking one item. In that group of 14 additional employees there was to be an additional nutritionist in this office, 1 additional nutritionist, and then there were to be additional minor nutritionists in these regional offices in assisting in enlarging the work of the Bureau. The committee was very sympathetic, and I think the committee would be willing to follow any recommendation if it felt the circumstances justified it; but the committee did not feel that there was any great necessity at this time for 8 additional regional offices. For instance, here in Washington, where they have the main office, they have nutritionists, 3 or 4 of them. They work out formulas, they work out recipes, they work out this, that, and the other thing that will be helpful and aid to anyone in taking care of a baby, a child, an older infant, or an adult. Then they carry this information from this point to a regional office; from the regional office it goes to the State office; and then from the State office to the county office, and from the county office possibly it gets out to where the baby is.

The committee felt that this information in Washington had been obtained as a result of the research work of the Bureau or the Public Health Service and that there is no necessity for sending that information out to St. Louis or Atlanta and from there back down to my State—Columbia, S. C., and then from Columbia, S. C., up to the upper part of the State to a county in my district. Why could it not come straight to Columbia from Washington? The trains run down there, the planes run there, the telephones run there, and eliminate this cost of maintaining 8 additional regional offices.

Mr. DOYLE. May I just ask this question? I thank the gentleman for his explanation, but I submit he is not sticking to the evidence which was before the committee and which is set out in the committee hearings at page 301. It does not refer to information, it refers to eight regional offices. They are asking for additional positions of public-health nurse, and a social worker, and an administrative assistant. I submit that is not information; that is service. I think it is very unfortunate that in a bill of this size there would be deleted from the physical welfare of the children of our Nation the insignificant sum of $74,000 that has been asked by the Department.

Mr. HARE. The gentleman has referred to one additional person or two or three additional persons. This is for eight regional offices.

Mr. DOYLE. Yes.

Mr. HARE. The gentleman knows and I know that you cannot run eight regional offices with three people.

Mr. DOYLE. But that is all they asked for.

Mr. HARE. The gentleman should read the report further.

Mr. DOYLE. I read the whole report.

Mr. HARE. There are 19 in one place and 14 in another. If they had asked for only three why should they want $74,000? That is too much for three.

Mr. DOYLE. That is for eight regional offices and affects the child health of this Nation. I regret very much that the insignificant sum of $74,000 is deleted, when it appears to me there was no evidence before the gentleman's committee controverting the fact that it is necessary. If the gentleman has the evidence I would like him to call my attention to it; otherwise I would like to see this amount inserted in the bill.

Mr. HARE. I do not concede to the gentleman any greater interest in the children of this country than I have. I know by own experience. I do not have to go around like a lot of people who do not have children and look for it. I have children and I know what it means to bring up a child. I am sympathetic toward this program and I want to do everything possible to promote the work, but I do not want to go outside and build up a machine, an organization, if you please, that will be as a millstone around our neck in our effort to serve the people and not be able to give them the information.

Mr. DOYLE. I respect the gentleman's interest in this great work and compliment him. I submit only that I find no evidence in the record.

Mr. HARE. The gentleman from South Carolina cannot yield further.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. HARE. For a short question.

Mr. RICH. When Members of Congress who are desirous of increasing items in the bill make these demands, would it not be a good thing if the gentleman would ask the question, "Where are you going to get the money?" and see if any of them might be able to answer.

Mr. HARE. The gentleman from Pennsylvania I am sure can ask that question but I might suggest to the members that we are going to read this bill under the 5-minute rule. If anyone wants to increase the appropriations or if anyone wants to decrease them, they are at liberty to offer amendments to that effect.

CONCLUSION

Mr. Chairman, we have not discussed the provisions of this bill in great detail for the reason that time will not permit. Our report, containing 36 pages, will show discussion in more detail and we, therefore, invite your attention to the report, as well as the hearings before our committee, which are printed in three volumes. Your committee, as I have stated, has given careful consideration to the evidence submitted in support of the estimates. Our recommendations are now before you. If a majority of you think the reductions made are too much or that we have erred in our judgment, there is nothing to prevent you from offering amendments and adjusting the appropriations to meet the will of a majority of the Members of the House. On the other hand, if you think we have failed to make the necessary reductions and still maintain that degree of efficiency desired in all of the agencies involved you will have the same opportunity to make further reductions.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. ENGEL of Michigan. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I became a member of this subcommittee in January 1939. The only member of the subcommittee who has been on it longer than I, is my good and very dear friend, Judge TARVER, from Georgia. He was chairman of this subcommittee until he took the chairmanship of the Subcommittee on Agriculture several years ago. Since that time the gentleman from South Carolina [Mr. HARE] has been chairman.

This is the seventh annual appropriation which I have had the privilege to act upon. During those years, Mr. Chairman, there has never been a time when our subcommittee differed on political grounds. I have never worked with a group of men who were less selfish, worked harder and more conscientiously than the members of this sub-

committee on both sides of the aisle. I want to express my appreciation for the many courtesies shown me by the chairman and the majority members.

Every item in this bill was gone over carefully. It was discussed in subcommittee meetings before cuts were made. The most encouraging thing that I have seen during the years I have been a Member of the House has been the fact that we have actually had Members on the floor today questioning cuts made by our committee.

I have talked many, many times on the subject of finances, and I am not going to burden the House today with more talk along that line. However, when I see 21,600,000 individuals with annual incomes of a thousand dollars or under, who paid, in 1944, $500,000,000 in taxes; when I find that over 9,000,000 of those are heads of families; when I find that it is costing those people today $1.31 to $1.48 to buy what a dollar bought in 1939, I believe it is time for us to cut appropriations and ease the tax burden on these millions of people in the low-income group.

Sixty percent of all the national income last year went to individuals with incomes of $3,000 a year or under, and 80 percent to people with incomes of $5,000 a year or under. They are the people we are going to have to tax, and they are the people who are paying for the waste and extravagance in government. They are the people who are going to bear the additional burden of taxation if we appropriate too much money. I would rather see us cut a little too deep right now than to continue the burden upon this great number in the low-income group in our country.

And these conditions exist at a time of the greatest prosperity in the history of our Nation. These figures were taken from the records of the Treasury Department, given me by Randolph Paul, Treasury Department tax and financial expert.

This bill was marked up before President Truman sent down his revised Budget. I am with him in the cuts he has recommended. The committee was below the President in every item except one, and that was on the apprentice training item. After reconsidering that item, together with others in the bill, the committee decided to leave the apprentice-training item where it was even though it was in excess of the amount fixed by the President of the United States.

According to the figures I have here, this bill is still more than $23,000,000 below the revised Budget estimates of President Truman. When one takes into consideration the fact that the larger part of this bill is grants-in-aid to States, or money which it is mandatory upon this committee to provide, one can appreciate better the work of the committee.

There are some items in the bill which in my judgment should have been cut still further. There are other items which some members of the committee felt were cut too deep. The differences of opinion were compromised and the committee is coming before the House unanimously in favor of the bill. I want that clearly understood.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. ENGEL of Michigan. I yield to the gentleman from Pennsylvania.

Mr. RICH. Will the gentleman tell us why it was necessary to go to the Committee on Rules and ask for a rule waiving points of order, in order to pass this bill?

Mr. ENGEL of Michigan. I will tell the gentleman why, and why I voted for the rule. The argument of those who are opposing the rule is that we should go to the legislative committee for permanent legislation. There are items in this bill which I for one do not want to see as permanent legislation. I want the House to control it. When we ask for a rule, the House can cut out any of these programs at the end of any fiscal year. However, if you pass permanent legislation and it is signed by the President, then you must pass legislation to repeal the law if you desire to discontinue the program. If the President vetoes the repeal bill, then it takes a two-thirds vote of this House to pass the bill over his veto. I do not see why any minority Member should want to vote in favor of a policy which will make it more difficult to abolish these temporary agencies or bureaus.

The second reason is, I feel there is a great deal of that legislation ought to remain in the bill. There is 1 item, Mr. Chairman, on the cost-of-living index which I myself asked the committee to place in the bill. According to letters I have from the Bureau of Labor Statistics, we are using the 1935 W. P. A. figures as a base on the cost-of-living index. They were the only figures available for a typical family of 4, according to a break-down given me by Dr. Hinrich. They had taken the lowest 30 percent of the rental figures of a certain type of dwellings in 33 cities and averaged them up and used that as a base. They then added the percentage of increase. They called it a budget for a typical worker in overalls who had a wife, a child, 13, and a child 8 years old. They said he lived in a 4- or 5-room dwelling or apartment with 1 toilet, 1 bathroom, gas, heat, and lights. What do you suppose they allowed him in that budget for rent in the District of Columbia? Twenty-nine dollars and thirty cents a month. In the city of Detroit they allowed him $27 a month. These were the only Government cost-of-living figures available upon which we could base a wage scale. Mr. Chairman, the committee tried to do something about it. We earmarked $586,000 and made it mandatory for the Bureau of Labor Statistics to expend that amount in compiling honest-to-God, up-to-date, living-cost figures. That is another reason why I supported the rule. I did not want to see that item knocked out by a point of order by 1 man when I knew this House was for that program.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. ENGEL of Michigan. Mr. Chairman, I yield 30 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

NORWAY'S INDEPENDENCE DAY

Mr. TALLE. Mr. Chairman, this is Norway's Independence Day. It is the Norwegian people's Fourth of July. In their native tongue they call this day "den syttende Mai"—the seventeenth of May. From the time of its origin on May 17, 1814, when Norway's national constitution was adopted, this day was celebrated publicly until the ruthless invader brought terror and oppression on April 9, 1940.

People of Norwegian birth and extraction have performed notable service in many lands. Norwegian immigrants have always found it easy to adjust themselves to conditions in the United States because for centuries their forebears had been intensely devoted to personal liberty. Who can read Norwegian history and literature without feeling the deep-rooted love of personal liberty which made the ruthless invader's attempt to crush the Norwegian spirit a hopeless task. Neither the honeyed words of the betrayer in 1940 nor bloody bayonets thereafter could do that.

Ten days ago the heels of the oppressor stalked about in Norway. Today freedom reigns again. There is thankfulness in the hearts of the Norwegian people, and as surely as night follows day the Norwegian people are thankful to the people of the United States for the decisive part we have played in their liberation.

People everywhere who know and love personal liberty rejoice with the Norwegian people. But who should speak on such a day. The people in the land that produced Leif Erikson, Roald Amundsen Fridtjof Nansen, Björnstjerne Björnson, Johan Welhaven, Henrik Wergeland, Henrik Ibsen, Ivar Aasen, Edvard Grieg, Sigrid Undset, Kirsten Flagstad. Indeed where may he stop who begins to call the roll of famous men and women in the Land of the Midnight Sun?

Who should speak, Mr. Chairman, on this memorable day? The citizens of Norway should speak. In their public halls, in their churches, in their homes, on the streets of their cities and on their scenic highways there is rejoicing in old Norway. Old, yes; and yet young, for as the poet Wildenwey said in verse written for display in Norway's building at the New York World's Fair in 1939, "The spirit of Norway is youthful."

But most meaningful of all will be the unspoken words, the numberless silent prayers of thanksgiving to God for deliverance. May the tragedy which befell innocent Norway never come to her again or to any other peace-loving nation.

Lenge leve Norge!—Long live Norway.

Mr. KEEFE. Mr. Chairman, I am very happy to have had the privilege of yielding to the distinguished gentleman from Iowa to make the remarks he has just made. May I say to the gentleman and to my colleagues of the House, Mr. Chairman, that I have a very great interest in the people of Norway and in

the problems that confront the Norwegian people today. On two separate occasions in the past, I called the attention of this House to the problem that faces that gallant people because of the loss of the very vital shipping which is necessary to maintain their nation. In a few days, as soon as the opportunity presents itself, I hope to be privileged to make a statement on the floor of the House and paint a picture of the contribution Norway has made to the war effort and the contribution that its people have made in the past, and the necessity which faces that country today in securing from our War Shipping Administration an allocation of shipping which will enable them to rebuild their economy which will be impossible unless they are provided maritime facilities for so doing.

Mr. Chairman, referring to the bill which is being considered by the committee, I have spent about 2½ months, a pretty vigorous and rigorous time, along with the other members of this subcommittee, in handling the particular bill which in total appropriates over $1,000,000,000. Necessarily, because of limitation of time, none of us can discuss all of the items in this bill. Some things have been developed in the course of the hearings which I think should be brought to the attention of the Congress. I want to discuss a few of those things with you this afternoon and call your attention to them.

I wish to say to the gentleman from California [Mr. HOLIFIELD], who asked some questions of the chairman a few minutes ago, and to anybody else who cares to make similar statements, that I will not take a back seat to any of them in my interest in the welfare of the children of this Nation. I think the record which I have made in this Congress since I have been here, in promoting and providing for the efforts of the Children's Bureau and the United States Public Health Service will be proof of that. I do not need to say that I have raised a family of children and know what children and grandchildren are and what their problems are and the interest that the Federal Government should take in the welfare in the children of this Nation. But I want to say to the gentleman from California this subcommittee is not bound by the mere statement of Katharine Lenroot or Dr. Eliot as to the necessity of the expansion of their program, Merely because they came before the committee and stated that they wanted to establish eight more regional offices and staff and equip those offices with additional personnel, that is not binding of the subcommittee to the extent that we must take their word for it and make the appropriation that they request without further ado. The fact of the matter is the committee has some knowledge of that situation because of its long experience in dealing with the appropriation for the Children's Bureau. We have some knowledge of the situation because of our experience in dealing with the problems of the Social Security Board and the United States Public Health Service. I think it comes with rather poor grace from any person to criticize of our experience in dealing with the to maintain the budget of the Children's Bureau on a fair level and a fair basis that will enable it to perform and do the work for which it was set up. It is the constant, ceaseless attempt to expand, expand, expand, which causes alarm in the hearts of many people of America who wonder where the money is ultimately going to come from to pay for all this expansion of the Federal service.

I like the Children's Bureau. I like and admire Katharine Lenroot and Dr. Eliot and the people who are operating the Children's Bureau. Personally I want to see it do a good job, and in my opinion it has done and is doing a good job and rendering real service, but my enthusiasm for the Children's Bureau and my high regard for those in charge of it does not justify me going to the extent that I must not even question a request for an appropriation that Miss Lenroot might make or that Dr. Eliot might make. The gentleman from California seems to indicate that it was the duty of this committee to read the record. Here is the only testimony there is, a statement by Katharine Lenroot as to what she wanted. That being the only testimony in the record, therefore the committtee is bound to follow it and give her what she asks. I think any of you will say that if your Appropriations Committee proceeded upon that basis you would want to change its personnel very quickly.

There is one thing about this situation involving the Children's Bureau that I think should be brought to your attention. I wish each and every Member of the Congress would read the Social Security Act in its entirety, where the Congress attempted to set up a broad system of social security, involved in a number of titles. When you are speaking about reduction of Federal expenditures and consolidation of activities, I think one of the places you can start is right there. If you will examine those things you will find that title I of the Social Security Act places in the hands of the Social Security Board the administration or allocation of funds under title I to the States for old-age assistance, which are matching funds up to $20 paid by the Federal Government matched by an amount up to $20 raised in the States, thus enabling the payment of a $40 a month pension. That is the problem submitted to the Social Security Board.

Then in title II you have the great program of old age and survivors insurance, that is administered by the Social Security Board; and in that program of old age and survivors insurance it touches the survivors of those who are covered, the widows and children, and they are involved clearly within the jurisdiction of the Social Security Board. Then you have in title IV grants to the States for aid to dependent children. You set that up and placed the administration of that grant-in-aid program, (grants to the States for aid to dependent children,) with the Social Security Board. Then you turn right around and in grants to the States for maternal and child welfare, promoting the health of mothers and children, title V, and place the administration of that title and grant in the hands of the Children's Bureau under the Social Security Act.

Then you have the allocation of funds for crippled children's services on a 50–50 matching basis, and that is put in the hands of the Children's Bureau. Then you have the child-welfare services for homeless, neglected, and dependent children which authorizes an appropriation to be allocated to the States which likewise is administered by the Children's Bureau. Then the public-health program, which is all-inclusive. That is found in title VI of the Social Security Act. That is administered by the Public Health Service. Then you have the grants to the States for aid to the blind, and you put that back in the hands of the Social Security Board.

Thus you have two agencies of government, or three if you please: the Social Security Board, the Children's Bureau, and the United States Public Health Service, that are in charge of various parts of the functions set up in the Social Security Act. I want to ask the Ways and Means Committee that drew this bill and that is going to consider amendments to this bill, Why is it that we cannot have an integrated program where the agency that is dealing with this matter of child and maternal welfare will be one organization, without having two organizations having administration expenses that are duplications? Why is it that we have three organizations dealing with this subject of public health and welfare under the Social Security Act itself? Why should not there be a consolidation of those services? If the Social Security Board has the facilities to take care of the old-age and survivors' insurance fund and grants to the States for old-age assistance, if they have the facilities to administer the Federal funds allocated for crippled children or for the blind, why are they not in a position to take care of the allocation of funds for crippled children or for maternal and child-welfare aid?

I am bringing this to the attention of the Congress because it indicates to me that there is a fundamental question that should be dealt with by one of the legislative committees of this House. If you are interested in streamlining your Government and saving some money and putting your Government upon a more effective basis why should you have an agency set up under the Public Works Agency going out and establishing child nurseries and engaging in the business of child welfare, building and maintaining nurseries throughout the country? Why should the Public Works Agency be engaged in fighting venereal disease? If the Children's Bureau is the proper department in which to place child-welfare activities, why is the Public Works Agency engaged in a competitive field of operation? If the United States Public Health Service is equipped, and I believe it is, to handle the matter of fighting venereal disease in this country, why is the Public Works Agency involved in the same proposition of maintaining rapid-treatment centers throughout the country?

As to the latter situation, I have had the matter up repeatedly with the authorities in charge and I am happy to

say that from July 1 on I believe the Public Works Agency is out of the field of venereal-disease control, that matter being concentrated in the hands of the United States Public Health Service where it belongs.

Let me refer you to another thing. In the Walsh-Healey Act you wrote a Federal charter for labor in which you said that every contractor engaged in the performance of a public contract involving $10,000 or more shall comply with certain requirements set forth in that act as to wages, as to hours, as to the utilization of child labor, as to sanitation, health, and safety. You set up a division under the then direction of Mr. Walling to make inspections and to enforce the provisions of the Walsh-Healey Act. Mr. Walling then developed an inspection service that was designed to go throughout the country and inspect the plants that were engaged in the prosecution of so-called Walsh-Healey contracts. A large inspection force was organized, it cost a lot of money, and it did a good job.

Then the Congress passed the Wages and Hours Act and you set up in the Wages and Hours Division another inspection force to inspect factories throughout the country to see whether they were violating the wage-hour law. Hundreds of inspectors were thus put to work under the Wage and Hour Division.

You had two, the Walsh-Healey group here and the wage-hour group there. I fought that thing for several years, and I am glad to say that the Secretary of Labor finally saw the wisdom of the situation and consolidated the inspection forces of the Wage and Hour Division and the Walsh-Healey division, placing Mr. Walling at the head of the consolidated force. So we now have one force going out to make these inspections in the plants. But here is the peculiar thing I want to call attention to:

There are anti-child-labor provisions to be found in the Fair Labor Standards Act. The same provisions are found in the Walsh-Healey Act. Is it not strange that as Congress has legislated it says to Mr. Walling, head of the wage-hour inspection force: "You go out, make your inspection of a plant which is engaged in the performance of a public contract, and if you find child-labor violations there, you handle the whole job. You carry it right through to final prosecution and the assessment of penalty." But if Mr. Walling's same inspector goes across the street and inspects a plant engaged in the production of civilian goods that is not engaged in the performance of a war contract or public contract, and he finds violations of the child-labor provisions of the Fair Labor Standards Act, what can he do about it? It is the same inspector in each case. He has to take that information and funnel it over to the Children's Bureau, because under the Fair Labor Standards Act enforcement of the anti-child-labor provisions is delegated to the Children's Bureau.

Thus we have to have another group in the Children's Bureau handle that particular set-up with greatly increased administrative costs and expenses. When Mr. Walling was before the committee he very definitely conceded and admitted that he could do the whole job. He does do the whole job to the point where it becomes necessary to take some action. Then under the present law he cannot do anything about it. He has to refer the whole file down here to Washington to the Children's Bureau.

I think the proper legislative committee of this House ought to take note of that situation and clear up that very obvious inconsistency that exists in the present administration of the Walsh-Healey Act and the Fair Labor Standards Act. There is no reason why there should be a whole lot of these inspectors running around.

Now you have another thing. Down in the Labor Department you have the Labor Standards Division, designed to encourage safety and sanitation in industry. As I understand, Mr. Walling, head of the Wage and Hour Division, has a trained crew of inspectors. I asked him this question: "Are those inspectors trained to make inspections for safety and sanitation in those plants that you inspect?" He said, "Yes; of course, they are." Yet we have to maintain down here in the Department of Labor a Division of Labor Standards that is, in my judgment, involving itself in the same field of operations. The committee has whittled its appropriation down so that it is not such a big organization as it used to be, but so far as I am concerned, I am going to continue to try to consolidate those functions and wipe out those agencies that are not performing any real effective service either to labor or to anyone else.

May I call your attention to a few other things in connection with this bill? In the Fair Labor Standards Act we set up provisions for the payment of hourly wages, and provided that anybody who violates that act and pays substandard wages, not in accord with the law, shall be penalized 100 percent of the wage underpayment.

All right. Now what happens? Mr. Walling's inspectors go into a plant. Here is a manufacturer or a plant owner who, through ignorance or otherwise—it makes no difference—with a large number of employees, after a meticulous examination of his wage records, finds that he has underpaid his employees half a cent or a quarter of a cent or a cent an hour below the standards fixed by the Fair Labor Standards Act. So Mr. Walling's representatives call that man in and say, "You have underpaid your employees. We recommend that you make a payment to these employees of the amount that you have underpaid them." So, on the recommendation of the Wage and Hour Division the employer makes up this underpayment and pays the employees, many of whom, I would say, did not even know that they were being underpaid. The employer pays it and takes a release and a statement that he has complied with the wishes of the Wage and Hour Division that called it to his attention.

Immediately, or within a few days, some lawyer gets hold of the news. It leaks out that that situation has developed. This lawyer gets hold of these cases on a contingent-fee basis. He gets the employees in and says, "Now, here, the employer has paid you everything that you are entitled to under the law normally, but here is a provision of the law that says you can collect 100-percent penalty. If you will give me the case I will collect it on a 50–50 basis with you." So he starts suit against the employer and compels that employer under those circumstances to pay another 100-percent penalty, most of which goes into the hands of the lawyer who digs up the case.

That matter was brought to the attention of our committee by Mr. Walling. I discussed it at length. You will find the discussion in the hearings. He believes that is an unfortunate situation, and said so without any question. That provision of the law that indiscriminately and without exception, under all circumstances, permits an employee to receive a 100-percent penalty payment even after the matter has been closed by the Wage and Hour Division and the settlement has been made pursuant to the agreement with the Wage and Hour Division, Mr. Walling himself says should be corrected legislatively and that in those proper cases where the situation is justified discretion should be permitted as to whether the assessment of that penalty should be imposed. If the matter is deliberate, if it is the case of an employer who is deliberately trying to cheat his employees, the tribunal that is determining the case should have the discretion to say whether the penalty should be imposed, and if so, how much.

I have called this matter to the attention of the Congress and its proper legislative committee pursuant to what I believe to be my responsibility as a member of this subcommittee which brought out this matter in the hearings.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from California.

Mr. HINSHAW. Will the gentleman likewise bring out the participation of the Treasury Department and perhaps some other agencies in connection with wage standards, increases, and so forth, under an Executive order?

Mr. KEEFE. I do not know that I have in mind exactly what the gentleman has in mind. I am fairly familiar with the regulations of the Treasury Department by which they enforce the collection of the tax on employment for the unemployment-compensation reserve.

Mr. HINSHAW. No; I was thinking of that portion of the Treasury function which places the limitation on wages under the Stabilization Act.

Mr. KEEFE. The gentleman is talking about the situation where the War Labor Board and the agencies set up to fight inflation have denied wage increases and the employer, without proper certification and authority to pay increases, has paid the employees over and above the amount of the wage as frozen by the War Labor Board. The Treasury Department has ruled that not only will the amount of overpayment be denied as a deduction for income-tax purposes but the entire wages paid such employee will be denied deduction. Is that what the gentleman has in mind?

Mr. HINSHAW. Yes; and in connection with that the proposition whereby certain agencies of Government may have agreed to allow the increases and then those agreements were nullified by the Treasury Department.

Mr. KEEFE. I do not have time now to go into a discussion of that because it is not involved in this bill.

There are one or two other things I want to call to the attention of the members of the committee.

I cannot fail to pay a compliment to some of the agencies of government. I would live in mortal fear day after day if I did not know that the Federal Government has a pure food and drug agency that is out protecting you through its efforts day and night and doing a remarkable job in the preservation and protection of the health and welfare of the people of this country. This committee has given to the Pure Food and Drug Administration a very much increased appropriation. We are doing it because they are doing a grand job and because it is particularly necessary now. If all the avenues open to importation of foreign items of food, liquor, cosmetics, and everything else were not very carefully inspected, we would have the most terrible situation in this country we have ever seen.

I think the United States Public Health Service is doing one of the grandest jobs any public-service agency could possibly do. If you examine the estimates here, you will see that this committee has been very fair to the United States Public Health Service. We have done that deliberately. They are dealing with health, they are dealing with public welfare, they are dealing with lives and fortunes of the people of this country as reflected in public health.

As bearing on this question, they came in with an emergency program and demonstrated to us that a typhus epidemic is sweeping the South, typhus starting over in Texas and going through the Southern States. They gave us data showing the tremendous spread of typhus fever in that area. It came up like a flare. What are you going to do about it? Are you going to sit down and say, "Congress is not responsive to that situation and we cannot do anything about it because we have no authority in law. We have to wait for some legislative committee to provide the authority." There is not a Member of the Congress who would want us to do that. It is an emergency situation. They had to go to work at once with this new dusting material that is so effective and carry on a program over that whole area to stamp out the typhus fever. We gave them the money to do it in this bill.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 10 additional minutes to the gentleman from Wisconsin.

Mr. KEEFE. We gave them the money. It could not be made available until July 1, but the committee took it upon itself to tell the United States Public Health Service to go to work on that job immediately, stamp out that fever, put their people to work down there, and save the health of this Nation. We told them we would try to see that they got their money. Do you think we did right? There is not a person in this House who would say that that program ought not to have been undertaken right away.

We went out to St. Elizabeths Hospital. Oh, what an amazing situation exists out there, parts of it that are splendid as far as its physical equipment is concerned and parts of it that reek back to the Dark Ages. There are places over there that would compare with the prison holds of the prison ships of old. The darkest, dankest, dirtiest, foulest, and most evil place I was ever in is the laundry over there, and they are compelled to ask people to work in it. Those in charge of the institution and the employees are doing a splendid job even in the face of tremendous handicaps—no criticism is leveled at the personnel of the institution—I complain of the physical properties which this Congress can change through replacement.

It amazes me that we could even get the superintendents and the civilian personnel to stay there under such circumstances. We found three or four hundred nonambulatory patients who could not get around, in bed in an old building with the beds in row after row, with the head of the beds six inches below the foot because the sills have rotted away and the floors have dropped down. Here in Washington with a situation of that kind, if a fire ever started in that building, three-quarters of them would never get out. Here are buildings, many of which were constructed in the early fifties, which are still being occupied. Dr. Overholser and his people are doing a grand job with what they have, but they have been asking for assistance for years to get rid of this situation. They have not gotten it. Therefore, when we went out there and saw the situation, we came back just as amazed as were DEWEY SHORT and EWING THOMASON and the other Members who went to Europe and saw the horrors of the concentration camps. I was just as much impressed as though I had been over there and had seen some of the things which they described to us. We decided, so far as we were concerned, and the entire membership of the committee concurred, that we were not going to wait but were going to bring this to the floor of the House and let the Members say whether they will tolerate that situation. We provide the money in this bill to build some new buildings.

We provided money in this bill to build a new laundry and to tear down some of these old rookeries and replace them with modern fireproof structures. I, as one Member of Congress, do not want it on my conscience that I have not done everything I could do to try to rectify such abominable conditions as exist in that great institution, an institution that is caring for thousands of your veterans, if you please. While they are housed in better conditions in some of the newer places, many of them, on account of the crowded conditions, cannot of necessity be given the care to which they are entitled. So this committee has acted in a manner that is compatible with the interests of this whole Nation.

One other thing: No Member of this House has expressed greater interest in the apprenticeship training systems in this country than the gentleman who is speaking to you. Some of you will recall that it was by virtue of an amendment which I offered to the G. I. bill and which was accepted by the committee that the apprenticeship training system was included within the educational facilities provided under the terms of that bill. I am interested because my State has pioneered in that field, and because they have done a remarkable job in the field of apprenticeship training. I believe some 28 States have apprenticeship training systems under State laws. There are any number of States of this Union that do not even have apprenticeship training laws on their statute books. Many of the States that do not now have State laws providing for apprenticeship training have designated the United States Apprenticeship Training Division of the War Manpower Commission as their agent in order to carry out the provisions of the G. I. bill.

With that background, let it be understood that I would not cut the appropriation for the Apprenticeship Training Division below what I honestly believed was necessary to have the matter function at the Federal level on a proper basis. But the President, in his supplementary estimate, suggests a tremendous cut in this item. We cut it some, but he suggests a cut of nearly three times as much as the committee cut from this item. He eliminated a large portion of their so-called wartime national defense activities. The committee took that matter up after the President's supplementary budget came down, and we thoroughly discussed it, going over the record, and after noticing what has been done we decided that our action in the matter was proper, and we decided to let it stand. We believe that what we have allowed is enough to allow this function to continue on a fair basis.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. HOLIFIELD. I have been listening to the gentleman and I have been very much interested in what he has had to say. I hope he will ask for a few minutes' additional time to elaborate on the National Labor Relations Board cut, so that the House may understand it. I ask this not in a spirit of criticism, but in a spirit of obtaining information which I know the gentleman has.

Mr. KEEFE. I will be very happy to do that, to the best of my ability. This is a big bill and contains a great many agencies. I cannot possibly go through all of it, but in view of the fact that that appears to be the principal source of contention, I will be glad to discuss it from what I conceive to be my own viewpoint and also that of the committee, unanimously. If you observe the Budget estimates of the National Labor Relations Board you will see that it is broken down into several categories; first, salaries; second, miscellaneous expenses; third, cost of handling mail; fourth, printing and binding; fifth, salaries and expenses, national defense; and, sixth, salaries and expenses, War Labor Dispute Act; total,

$3,664,373. That was the amount of their 1945 appropriation. Included in that amount was the overtime for the personnel that was employed under that appropriation.

You will observe that we recommend in the bill this year $2,945,930. This is a reduction of $718,000 as compared with the appropriation for 1945; but the bill this year does not contain any provision for overtime. If the overtime law is passed you will have to restore the overtime to $2,945,000 to put it on a basis comparable with last year.

Mr. RABAUT. How much would that add?

Mr. KEEFE. I do not have the amount of overtime in mind.

Mr. RABAUT. Could the gentleman estimate it? Would it be about $278,000?

Mr. KEEFE. About $278,000.

The actual cut we have made as compared with the Budget estimate is $402,000.

People have become confused about this thing in this manner: These items of estimate for national defense for the regular program and for carrying out the provisions of the Smith-Connally Act are all thrown into one lump sum; they are not segregated. They are handled so administratively; although they are set up budget-wise in three sums, they are not isolated, and administratively they are treated as though they were one sum.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. ENGEL of Michigan. Mr. Chairman, I yield 5 additional minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Now I wish to answer the question which the gentleman asked of the Chairman. He called attention very properly to the fact that the committee cut $100,000 off the salary item for regular appropriations. We could just as well have cut it off of the national-defense item and made the national-defense cut $246,000 instead of $146,000; it would not have made any difference. It perhaps would have appealed to the people more if we had left the first item as requested and made the cuts down below. As far as the effect of it is concerned, it would not have made a particle of difference because the money all goes into one fund. They spent $165,000 of the $221,000 they had last year for administration of the Smith-Connally Act—just for one election, for John Lewis' mine workers' election. We do not conceive there is going to be any such election as that coming up in the next fiscal year, so we felt in a spirit of fairness in line with the President's ideas of economy, that we ought to reduce that appropriation in line with what they really figured they were entitled to. When the original Budget estimate was made on the national-defense item every single one of them admitted that the Budget estimates were made on the basis that there would be a continuing war going on during the entire fiscal year 1946. The national-defense budget of $600,000 is supposed to cover expenses of the National Labor Relations Board incident to the war effort. Now that the war with Germany is over, who in this Congress will say that the appropriations should not be reduced? The committee acted in good faith in view of the situation as it exists now and made the cut indicated.

Let me give you a little history. The gentleman was not here. You have had a lot of bombardment, and so have I, about this item.

I have a little history I can remember in the form of the appropriation bill for 1943 when this same committee cut the appropriation of the National Labor Relations Board $343,000.

Certain uninformed labor leaders had a caricature of members of the committee showing them with a big dagger, stabbing labor in the back. That propaganda went all through my district. But here is the sequel they did not tell you about. The next year when the National Labor Relations Board came back, do you know what they showed? A $20,000 unexpended balance. They could not spend within $20,000 of the amount we gave them. Yet the members of this committee were described as a bunch of labor haters with daggers in their hands, ready to stab labor in the back.

I call that to your attention for the reason that these same people are all up in arms now thinking we are going to destroy the National Labor Relations Board. We have had some experience with that Board covering a period of years. We know all about this talk in reference to their work load and how they are back here, over there and all that sort of thing. We also know some of the reasons why that is true. There is not a member of this subcommittee who would take a single dollar away from the National Labor Relations Board if it could be demonstrated that it is necessary for them to carry on an efficient piece of work.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from South Carolina.

Mr. HARE. I think the gentleman is absolutely correct in his last statement. It may be stated further that the committee will not be goaded into any other action by inspired propaganda which has evidently come from the National Labor Relations Board.

Mr. KEEFE. That is right. You have all received letters on this subject. The C. I. O. sent out a bulletin—I suppose everybody got one—I did—in which they called attention to the fact that this committee was going to insert two riders in this bill, one of which would prevent the utilization of any funds in order to have recognition by the National Labor Relations Board of canneries and agricultural workers.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. ENGEL of Michigan. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. KEEFE. Mr. Chairman, the other one was to the effect that we were going to take away funds that dealt with union foremen organizations. There never was anything that was so misleading to the Members of Congress as that statement. Some of you got all worked up about it because you thought, "here is a committee that is going to pinion the arms of the National Labor Relations Board in those two particulars and the cut that has been made is because of that situation." I want to say to you and, I think I can say it in all fairness, that this committee did not have any such thing before it at all. You will not find anything in the bill to that effect. I am going to oppose it if anybody tries to put it in the bill on the floor of the House and I believe that is the attitude of most of the members of our committee. You ought to have confidence in the membership of this committee who have worked diligently and hard to do a good job. We think we know what the score is because we have been dealing with it for a number of years and we are not going to be influenced by inflammatory propaganda that is coming from the agencies themselves soliciting these funds.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from California.

Mr. HOLIFIELD. May I say to the gentleman that I appreciate the information he has given me and I am glad to note that the committee is not thinking of introducing such amendments. I hope no Member of the House will introduce them. The thing that has alarmed many of us who believe in arbitration and mediation of labor disputes rather than settling them through stoppages and strikes is due to the fact that at the present time the National Labor Relations Board has a 30 percent overload of cases.

Mr. KEEFE. Do not go off on to a limb there that somebody might saw off, in the parlance of the street. Do not discuss mediation and conciliation in the same breath with the work of the National Labor Relation Board. If you will look at the Budget for the conciliation and mediation service you will see that this committee has been lavish in granting them funds to do the work of conciliation and mediation. We believe in that, and we have given them every dollar that they possibly can expend in the field of conciliation and mediation.

Mr. HOLIFIELD. I am glad the committee has done that particular thing, but I still say that the National Labor Relations Board has 30 percent more cases than it had at the same time last year, and that is why I was asking for information regarding the cuts in appropriations.

Mr. KEEFE. I assume the gentleman has had some experience in the courts. I used to get out a report showing the number of cases tried before the court each year. They built up into a great number. But when you come to break it down and see what the cases were, you find that out of the total a lot of them were cases of very little importance, and I think you will find that some of this background that they are talking about falls in that same category. I want to thank the Members who have given such courteous attention to these rather fragmentary remarks. I trust that the House

will accept the work of the subcommittee and pass this bill without substantial amendment.

Mr. HARE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Chairman, we all appreciate to the highest degree the report rendered to the House and the Senate by the Special Joint Committee on War Atrocities. But personally I was rather disappointed in one phase of that report which impliedly or directly stated that there was no need for further inquiry or supervision relative to the trial and punishment of those charged with these atrocities.

I believe that the Congress, either the House or the Senate, or both, should be constantly on the alert, ever vigilant to see to it that those placed in authority to ferret out these war criminals and to amass evidence relative to these criminals are constantly prodded into action. Some sort of supervision by the Congress is essential to see to it that there is no diplomatic fumbling, no ineptitude, no indecision, no hesitancy.

In the New York Times of today I read the following:

> British opposition in the past to trials before an international tribunal was based on the position that international law does not provide for the trial of heads of state. Another theory advanced here, however, was that evidence that could be produced by the Germans at such a trial might be embarassing in view of the favorable nature of some British pre-Munich comment about the Axis leaders.

I can very well understand the embarrassment that would accrue to some high British authorities if we were to have a trial of the heads of state or assistant heads of state of Axis countries before some international tribunal. I think our present Ambassador to this country, Lord Halifax, and Sir Samuel Hoar, and Lady Astor, and others of the Cliveden set who abetted the Munich pact and patted Mussolini on the back, might be grievously embarrassed if these Axis jackals were to give in advance a mere recording of the views of the members of the Cliveden set. I see a pattern being woven today as was woven back in 1918. For example, our own representative on the Versailles Commission, then dealing with the Hun atrocities, made the reservation—the Japanese representative joined him therein—to the effect that there could not be an international tribunal of any kind to try the Krauts and Huns and Junkers because there was no such thing as an international crime.

Look up the records and you will see what our representatives said at that time. For that reason, these heads of states and their assistants, like von Hindenburg and von Tripitz and the Kaiser and their ilk, were not tried.

Now I see evidences that the British do not want the set-up of international tribunals. I say that despite the fact that President Truman in his wisdom said there should be international courts to try these Axis jackals for their fiendishness, for their cruelties that outrival Attila the Hun and Genghis Khan.

I think there should be sort sort of a committee in this House to act as a picador. A picador is a man who has a spear and who prods the bull in the ring. I want a picador in this House to prod some of the inept, shall I say—and I say this with all due regard to some of the members of the State Department—some of the members of the State Department who may be inept. I want them prodded into action.

There are and will be the Japanese war criminals to be dealt with. There are those who will want their own way in exempting Emperor Hirohito and the baron clique, claiming that they will be needed for purposes of stability in Japan when it is defeated. This sacrosanct attitude toward the Emperor and the baron clique may lead to the establishment of a policy which I, for one, emphatically deplore, that is a policy of retaining Hirohito and his comrades in crime in office after the defeat of Japan.

The very nature of the problem of the trial and punishment of war criminals ought to, if it does not already, make us realize that the way it is handled is of far-reaching importance. The Members of Congress should not stay out out of the picture. I repeat, Congress must be authorized to watch and prod and to constantly guard against the apathy that always threatens to descend when the emotional tension lessens.

Mr. TARVER. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. STIGLER].

Mr. STIGLER. Mr. Chairman, I have asked for time to discuss a subject which has for more than 25 years been very near and very dear to me. During my brief membership in this House we have voted appropriations for many billions of dollars to provide for our valiant warriors and cur brave allies, the necessary implements of war to wipe from the face of the earth the pestilence which has come upon us. So far as I am concerned, I shall continue to support such measures wholeheartedly until the last of our enemies has been forced to his knees in unconditional surrender.

However, we have before us today an appropriation measure which contains an item of equal importance, and which, in the years to come, may transcend in its accomplishment any other benefit we attempt to provide for the populace of this Nation. I refer to the section providing funds for the maintenance and operation of a job-placement service for our returning war veterans.

It is with great pleasure that I recall an active interest more than 12 years ago in a bill introduced by the distinguished senior Senator from New York. That measure was known as the Wagner-Peyser Act, and contained a mandate for the United States Employment Service to "maintain a veterans' service to be devoted to securing employment for veterans." We have all heard the stories—and many of us have seen with our own eyes—the returning victors of the last war selling apples and pencils on the street, if they could get them to sell. Although upon their return they marched down the main streets of our cities to the roll of drums, 'midst the waving of flags and showers of confetti as a victorious army, their later reward was to suffer greater ignominy at the hands of a short-sighted administration than did the vanquished soldiers of the defeated nations. Never in the history of nations has a group of victorious veterans been so neglected by their Government as were those men for almost a decade following World War No. 1. This Nation owed them a debt of gratitude which it could never hope to repay, and we rewarded them with soup lines, apple peddling, and tear gas. The American Legion—and the only reason I speak of the American Legion first is because it has been my privilege to serve as State commander of the American Legion of my State—and the other great veterans' organizations fought an uphill fight during that decade—but we were able to gain little from the Federal Government beyond lip service and empty promises.

But times and conditions have changed during the past 12 years. We are looking ahead now and are enacting progressive laws to protect and preserve for our soldier citizenry the freedom and equality of opportunity for which they have so readily given their blood and even their lives. So different now from last World War. I have wondered many times during the last 25 years what the still, cold lips of those heroes who lie in soldiers' graves on the battlefields of France would say if they could only speak. Knowing many of them as I did, it is doubtful if they ever lost confidence in us, but I am sure that if they could have spoken they would have cried out many—yes, many—times that we had not kept the faith with them. Surely their souls must have known torture and torment when they saw the sacrifices they and their comrades had made, so quickly forgotten.

However, as I have said, times have changed, and as we progressively enact laws which are designed to restore the dignity of man in his relationship to his fellow men, those restless souls will know the peaceful sleep for which they so valiantly fought and died. And the shot and shell that rings out over their graves today will not disturb them, for they will have come to the realization that their supreme sacrifice is finally to be rewarded.

In the enactment of the veterans' so-called G. I. bill of rights, Congress declared as its intent and purpose that there shall be an effective job-counseling and employment-placement service for veterans to provide for them the maximum of job opportunity in the field of gainful employment. For that purpose we created to cooperate with and assist the United States Employment Service, a Veterans' Placement Service Board consisting of the Administrator of Veterans' Affairs as Chairman, the Director of the National Selective Service System, and the Administrator of the Federal Security Agency, or whoever may have the responsibility of administering the functions of the United States Em-

ployment Service. In so doing Congress clearly indicated its realization of the supreme importance of a specialized job-placement service for our war veterans.

Although man knows many sentiments and emotions, his greatest desire is for security. And what can add more to a man's feeling of security than the knowledge that he has a job? What can contribute more to a victorious warrior's homecoming than the knowledge that his Government will help him find a job? Mr. Chairman, one of the most painful experiences I have ever known was to see my comrade in arms, with some of whom I had served in the defense of my country, aimlessly walking the streets, without design or direction, in search of a job—any kind of a job which would provide the bare necessities of life for themselves and their dependents. They were not looking or asking for gifts of charity, and God forbid that our youth shall return today from this greatest of all wars to face such conditions. By passing this section of this bill you and I can prevent that. The hope and future of America revolves around a program that will provide jobs, not only for our heroes but for everyone.

In providing for them an employment service that will bring their qualifications to the attention of prospective employers, and which will inform them of job opportunities to which they may aspire, we are doing for them the least that they could expect. I have every confidence that Gen. Frank T. Hines, chairman of the Veterans' Placement Service Board, and the other members of that Board, will promulgate policies and procedures which, effectively administered, will provide for our veterans the maximum job opportunity in the field of gainful employment.

General Hines has appointed a Mr. Perry Faulkner, a past department commander of the American Legion of Indiana, as executive secretary of the Board and chief of the Veterans' Employment Service. Mr. Faulkner's record is well known in veterans' circles, and let me say for the RECORD that he is a man whose heart and soul is in his work and he and his staff of State veterans' employment representatives will sympathetically and vigorously execute the policy of their trust, thereby making the return to jobs of World War No. 2 more easily.

At the present time the departmental staff of the Veterans' Employment Service is as follows:

In 1944 there were 10 positions costing $36,666.

This year, 1945, they have 14 positions costing $49,020.

Overtime, $7,283.

Total, $56,303.

In 1946 they want 26 positions costing $88,360. Overtime not added as that act expires end of June. Making 12 additional jobs in headquarters office.

In the field staff for 1944 they had 109 positions costing $328,302.

This year, 1945, they have the same number, but only at a cost of $332,680.

Overtime, $54,053.

Total, $386,733.

Next year, 1946, they wish 300 positions, which will cost $830,536, no overtime added, which will mean 191 additional jobs. However, 159 of this number are provided for by War Manpower Commission funds during last half of this fiscal year.

This means only 32 additional positions are provided for 1946 over those allowed at end of the fiscal year 1945.

These additional field employees will be distributed throughout all of the States on the basis of size and population of such States and requirements for additional personnel, to provide adequate coverage of all of the local United States Employment Service offices in each State.

By the end of the war some twelve to fifteen million men and women will have served in the armed forces. Over 1,600,000 men and women already have been released and now that VE-day has arrived this number will increase rapidly. I should like to repeat the words of Governor McNutt, which appear on page 13, part 3, of the hearings:

> The Employment Service has a legal obligation to provide these returning veterans with job information, placement assistance, or counseling they require.

We have just recently approved an appropriation of something like $2,607,119,250 for the Veterans' Administration, and of this sum $295,000,000 has been made available for the effectuation of the education, loan guaranty, and readjustment allowance provisions of the Servicemen's Readjustment Act of 1944. Let us not delude ourselves; our war veterans do not want unemployment compensation or readjustment allowances in lieu of jobs. There can be no substitute; they want jobs. I have received hundreds of letters from G. I.'s throughout our armed forces and from their relatives at home, and virtually all of them either inquire about job possibilities or training opportunities which will prepare them for such jobs as might be available. To them I have made this personal pledge: "I shall fight with all that is in me to gain for them the opportunities to equip themselves for gainful employment at their highest skill level, and then I shall do everything within my power to assist them in obtaining the jobs for which they are qualified." And that is the reason I am raising my voice this afternoon, Mr. Chairman.

I have been informed that during the week ending April 28, approximately 28,992 veterans drew readjustment allowances amounting to $647,074. From September 1, 1944 through March 31, 1945, approximately 110,439 veterans drew $12,965,628. This number included 4,648 self-employed who drew $854,833. This figure is really alarming when you consider the manpower shortage and the fact that the great bulk of our veterans are yet to return. If there are no jobs for them, we want them to have this allowance to assist in their economic readjustment as civilians. However, if there are jobs available, I know that they would prefer to work—and we would rather see them working. The bill we are considering today provides $1,235,410 for the administration of the Veterans' Employment Service, which is the agency charged with the responsibility for carrying out the provisions of title IV of the G. I. bill. You will note that this is less than the amount expended in a 2-week period for readjustment allowances. We are not only heartily in favor of granting them this money, but it might be greater wisdom to double the grant, to assist veterans in getting jobs; for it will be of great advantage for every veteran who is physically capable of holding a job to do so at this time and thus preserve his entitlement to readjustment allowance until such time as he may have greater need for it.

Blushing in our generation has been said to be a lost art, but most of us know that is not so when we think of Pershing's Legions sleeping in parks, empty boxcars, and other similar places, their faces blue with cold and their feet covered with old newspapers. It was not callousness on the part of our Government that seemed to indicate a forgetfulness; it was lack of forethought; it was lack of preparation. I thank God, Mr. Chairman, we now have the machinery set up that will assist greatly in seeing that the men of Eisenhower, MacArthur, Nimitz, and our other great generals and admirals, get jobs. No one will ever be able to praise these men sufficiently nor to reward them for services rendered. Nor can we too energetically prepare effectively to serve those who have so effectively served us.

With the certain knowledge that we are mingling in the market place among the saviors of our democratic civilization and standing in awe at this appalling significance, we can reassure ourselves, if we pass this appropriation item, that we are doing everything possible to bring them back into the stream of our American way of life with the feeling that America is ever ready to recognize the debt we owe.

Mr. Chairman, they sensed their duties as soldiers and performed after the manner of full and understanding men. Let us, "Go thou and do likewise." We cannot compromise—we must accept this responsibility.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 10 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I listened with a great deal of interest to the excellent discussion by the honorable gentleman from Wisconsin [Mr. KEEFE]. I was particularly interested because I have had occasion to know the meticulous care with which the committee studies each bill brought before it and the interest which is shown by the various Members in the different projects which are under fire. In the past I have had occasion to be exceedingly glad as an American for the broadness of point of view and the fine attitude which they have taken relative to matters which come under this particular agency of Government. It interests me greatly to find that there is consideration being given by the gentleman from Wisconsin and the other members of the committee to the possible value of streamlining, as an economy measure, a number of our Government agencies. We have them in rather multiple quantities in all phases of our national life. I

think it would be one of the moves Congress would do well to make in the coming years. Certainly it would help very materially to have only one agency so that the overhead can be cut down to the greatest possible degree. However, that change has not taken place as yet. We still have various agencies, each trying to do a good job.

May I speak of one or two projects involved in this bill? I was relieved to have assurance that the venereal program which has been carried under Public Works is apparently going to have adequate funds given it under the Public Health Service. It is my understanding that the work which has been carried on under the Public Works Division has now been put under this appropriation. Having followed this particular program exceedingly carefully, inasmuch as I am the vice chairman of the National Social Hygiene Association, I was disturbed because the May bill, if it is to function, must have the help of such services as that carried under the Public Works organization.

I trust I have not misunderstood what the gentleman from Wisconsin [Mr. KEEFE] has said, that there will be adequate funds given to the Public Health group to do that work as adequately as it has been done in the past.

Mr. KEEFE. Will the gentlewoman yield?

Mrs. BOLTON. I yield gladly.

Mr. KEEFE. I want the RECORD to show in connection with the remarks the gentlewoman has just made that our subcommittee, through inadvertence, because of the multifarious character of the Public Health Service appropriation bill, failed to include in the appropriation estimate here an amount to provide for carrying out the venereal-disease rapid-treatment clinics which they are taking over and which formerly were operated by the Public Health Service. As one member of the committee, I have discussed that matter with Mr. Harlow, the Budget officer. He was kind enough to call it to my attention. As far as the committee is concerned, I am satisfied it was an oversight, pure and simple, and before we get through with this matter it will be corrected here by action of the committee, or I believe the correction will be taken in the Senate and these funds will be provided, because I know no member of the committee but what wants to see that these funds are provided to take care of the maintenance of the rapid-treatment centers that are being taken over by the Public Health Service from the Public Works Agency.

Mrs. BOLTON. I thank the gentleman very much for the information.

In addition to the subject under discussion at the moment, I want to say just a word about the cut in the Children's Bureau appropriation.

The last thing that would occur to me would be to suggest that there are any members of the committee who are not intensely interested in child welfare and in the carrying out of these programs which would really protect the children. However, it seems to me at this particular moment, when there has been no streamlining of the processes, that it is unfortunate to have cut out the additional appropriation asked for by the Children's Bureau, which does not set up eight new bureaus, but which simply provides additional staff to insure good work being done.

May I give the facts as I have them from the Children's Bureau? At the present time the regional staff of the Division of Health Services includes 7 physicians, 5 nurses, 6 medical-social workers, 2 nutrition consultants, and 11 clerical workers. The proposal is to add 1 physician, 3 public-health nurses, 2 medical-social consultants to provide for a minimum team of professional workers in each of the 8 regional offices.

In order to allow physicians and other professional workers to devote their time to professional work, which after all is good economy, the Children's Bureau has requested funds to provide 1 administrative assistant for each regional office, and 5 clerical workers. The total of the new workers asked for for this purpose was 19.

May I call to the attention of the committee that since the emergency maternity and infant-care program was added to the responsibilities of the Children's Bureau, no additional professional staff has been added for field work. To carry satisfactorily the work so imposed was part of the reason for the request for this additional budget. In the wisdom of the committee they have not seen fit to grant it. May I take a moment to speak of what I hope will be our manner of approach to all questions having to do with the welfare of children and the health of our country.

We have just heard some very eloquent words spoken of the need for health care in this country and we would do well to listen to them, because unless we do provide facilities and unless we do provide adequate care for our people we are going to reap a very bad harvest. It will not come immediately, but it will come later. To stop a typhus epidemic is most imperative, to build buildings for a hospital is a most necessary thing; but, Mr. Chairman, the children of this Nation are its future, and unless we do provide in every conceivable way adequately, and I will say economically, we shall rue the day. I am not one of those who believe in socialized medicine or in Federal controls, not at all; but I do believe that there is a very definite national responsibility for the situations which have arisen because of the war. I have been very proud that we have taken steps that have attempted to cover them. I trust most sincerely that in every consideration of all problems having to do with our future citizens we will look upon them in very broad ways and that we will have the good sense to be both economical and wise in our appropriation of funds and in the planning of our programs.

Mr. HARE. Mr. Chairman, I yield 5 minutes to the gentlewoman from Illinois [Mrs. DOUGLAS].

Mrs. DOUGLAS of Illinois. Mr. Chairman, while I deeply appreciate the thoughtful report of the committee, I regret that the appropriation asked for by the Department of Labor for the Children's Bureau and approved by the Bureau of the Budget was cut by $74,000. I do not think it is necessary to take the word of one or more experts as has been suggested, although I do believe that the word of Miss Lenroot and Dr. Eliot should carry considerable weight, since they are experts in this field; but it does happen that great national organizations which are most closely concerned with this subject do support the higher appropriations. Among those organizations I happen to remember are the Association of Childhood Education, the National Woman's Christian Temperance Union, the auxiliary of the C. I. O., and the National Board of the Y. W. C. A.

The administrative cost to the Children's Bureau for the administration of the grants-in-aid to the States for child health and crippled children's programs, including the emergency and maternity care program for the wives and infants of servicemen, is only some $402,365 or seven-tenths of 1 percent of the grant to the States. This is an unusually small percentage. In contrast, the administrative cost for vocational rehabilitation is approximately 4 percent.

Babies and mothers have no vocal or strong pressure groups behind them. Funds for them are usually small and rather grudgingly given; but because they are inarticulate is a particular reason why we should speak for them.

The once shockingly high maternal and infancy mortality has been strikingly cut since the Children's Bureau first launched a program in this field. I believe the Children's Bureau has always functioned very efficiently on a small budget, and their request should be granted.

Mr. Chairman, I yield back the balance of my time.

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Chairman, I have listened with great interest to the remarks of the two splendid women who have just spoken on this bill. The gentlewoman from Ohio [Mrs. BOLTON] has again shown her deep interest in child welfare and all of those things that pertain to the home. Having served with Mrs. BOLTON on a committee and having noted her attitude on legislation in the House, I could have guessed beforehand concerning her generous thought and action in this particular. We have not heard many speeches from the gentlewoman from Illinois [Mrs. DOUGLAS] but we were not at all surprised at her eloquent and ringing appeal for those who are not vocal in Congress and who cannot send powerful lobbyists to Washington, but must depend upon us, their Representatives, to plead their cause for them.

There are so many provisions in this bill that call for a combination of generosity and wisdom on our part that I have trouble in singling out one or two. Before going to the Public Health Service matter, I want to say a word concerning the work of the Children's Bureau, even though I may not have time to touch on the significance of the Office of

Education, which is likewise very near to my heart. I know that especially during the strenuous days of this war the literature furnished through the Members of Congress to young parents, especially young mothers, has been very helpful. This literature is of various kinds of child care and training and I feel that furnishing it free is a very significant service. I am constantly reminded by the thanks and gratitude of young parents that it has done the good work for which it was intended.

The chief matter about which I want to speak is the appropriation on page 21, lines 17 to 20, inclusive. I will not take the time now to say what I might say with regard to the provisions for education, for labor, nor for public health as it has been emphasized in wartimes, important as all these are. There is a health problem which has been aggravated but did not grow out of war conditions. I refer to the noticeable spread of tuberculosis in certain western communities and to the efforts made to combat it. On line 20, of page 21, I note an appropriation of about $12,000,000 which I am assured is to be used in conjunction with State health departments in fighting the ravages of tuberculosis.

In the summer of 1943 I went before Congressman BULWINKLE'S committee to join with my colleagues from the Southwestern States in asking for help to take care of the very poor victims of tuberculosis who had migrated into the land of sunshine, hoping for a cure. Such States, as Arizona, had long been getting increasing number of poor families afflicted with tuberculosis who could not support themselves and they became a heavy load upon the local health authorities. This appropriation is a fulfillment of the authorization provided by Congressman BULWINKLE'S measure.

I do not know whether this amount is sufficient or ample. I do know of its pressing need in Arizona, and I have recently been told that the Federal Government is furnishing needed equipment and competent personnel to work with the public health authorities of the State of Arizona in fighting the ravages of this dread disease. This is but one of the many items in the measure before us calling for generosity and wisdom on the part of lawmakers. Although there are some items I think should be larger on other matters, I congratulate the committee and commend it on this appropriation for public health in cooperation with the States.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I take this time to call the committee's attention to certain phases of this bill, particularly the Children's Bureau. The Children's Bureau was set up in 1912 for the purpose of studying the mortality rate in this country and the hours of labor among children. That is a fine function and it ought to continue. The reduction in the infant mortality rate and the study of the labor conditions existing so far as children are concerned must be continued.

The Children's Bureau has gone far beyond the original intent of Congress. Let us take a look at their growth. They now have an expanding maternity and child-health program, they have a crippled children's division, they have a maternal-care program for the wives of soldiers of the first four grades, they have a venereal-disease program, they have an industrial hygiene division, they have a nutritional division, and they have a program of vaccination and immunization against contagious diseases. Many of these health programs are being carried on by the United States Public Health Service and that is where that function belongs. Their activities duplicate the United States Public Health Service's.

I recently made a study of health activities in the Government. I found that there were 32 Federal agencies, outside of the Army and Navy, dealing with some phase of public health. I introduced a bill with the thought of having a Cabinet officer appointed who would have jurisdiction over all of the health activities of our country. I feel that this should come about. This will eliminate the duplications which now exist.

I speak from an experience of a year and a half as State health director of Nebraska. In the State of Nebraska we found it necessary to keep two sets of books. We had two groups of nurses, one for the Children's Bureau and one for the Public Health Service. We had consultants coming out competing with the United States Public Health Service and the Children's Bureau, both offering duplicating services. Both Bureaus dangled money before the State department of health offering the same services.

Mr. Chairman, I submit that sooner or later we will have to look into the problem of the overlapping and duplications that now occur in connection with public health. I am sure if we would unite all health activities under one umbrella, it would give to the people a better service and less money would be taken from the pockets of the taxpayers.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, there is not a Member of the House that I know of who would begrudge giving every dollar that is really required for the protection of children, for children's health and related necessities when proper justification can be given by the governmental agency in charge. All of us who are parents place the health of our children paramount in our considerations. At the same time, Mr. Chairman, it might well be stated here that in this bill we are giving practically the same amount to the Children's Bureau, yes, as a matter of fact, a slight addition to what that Bureau received for the present fiscal year. Therefore, I would not want the RECORD to show, as some have hinted, that our committee had been anything but very generous to this particular Bureau. Every request that can be backed up by convincing evidence have been met sympathetically. There are a very few Members, who do not have the facts, that are inclined to jump at unwarranted conclusions. Our subcommittee will always approve any necessary appropriations needed to take care of the great work performed by the Children's Bureau. Furthermore, may I call to your attention that this is one of the few items that we have not decreased in this particular bill. We must remember that the future of the children of this Nation is woven even more inextricably than those of our generation with the ability in the future years to come to take care of the obligations of this Nation. Perhaps there are some Members in the House who are unintentionally forgetting that we on the Appropriations Committee must guard our children's financial future as American citizens and are doing a disservice to these children by continuously urging appropriations along certain lines for which no real justification has been made. We, of the subcommittee, certainly do not apologize at all to anyone for the consideration we have given to public health and especially to the health of the children of the Nation. They will always be our first consideration, regardless of the very few who for some reasons might say otherwise.

May I in closing call this fact to the attention of the House: This subcommittee took it upon itself to place in the bill approximately $2,000,000 to construct the buildings referred to by the gentleman from Wisconsin [Mr. KEEFE] in his splendid speceh here today for the insane at St. Elizabeths, even though that sum had not been passed on by the Bureau of the Budget; in other words, we of this subcommittee are looking ahead of the Bureau of the Budget along that line as far as public health is concerned. I, for one, do not consider the Bureau of the Budget infallible. Generally speaking, the Budget is far too lavish in its estimates. We, as a subcommittee, do not intend to ever have it said that we are lacking in consideration for the welfare of any group of our people who depend upon this annual supply bill for their chance of a decent living.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Nebraska. His many years of work in the medical field qualify him as an authority on this subject, and I respect him as such.

Mr. MILLER of Nebraska. I feel that the committee has been more generous to the Public Health Service now than ever before. I think we should also realize that the best dividends that the country can reap are made possible by the money we spend on public-health facilities for the prevention of disease. Smallpox, diphtheria, malaria, and typhus fever, all of which strike terror in the hearts of people, are being eliminated through the Public Health Service.

Mr. H. CARL ANDERSEN. I can assure the gentleman from Nebraska who has always shown much interest in public health, that since I have been a member of this subcommittee we have always given the Public Health Service practically every cent they have asked for,

and perhaps more in certain instances. We are proud of our Public Health Service. They hove our confidence and we know they will not spend unwisely whatever sums we appropriate for them.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Michigan. His work on this subcommittee has been outstanding.

Mr. ENGEL of Michigan. The reason for that was because the committee had complete confidence in Dr. Parran and his staff. I know of no group that has ever come before our subcommittee or any committee that has made a better impression than has Dr. Parran and his staff, or who have justified the expenditure of their appropriations in a better way.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Salaries and expenses, maternal and child welfare: For all authorized and necessary administrative expenses of the Children's Bureau in performing the duties imposed upon it by title V of the Social Security Act, approved August 14, 1935, as amended, including personal services, in the District of Columbia and elsewhere; supplies; services; equipment; newspapers, books of reference, and periodicals; $364,365: *Provided*, That no part of any appropriation contained in this title shall be used to promulgate or carry out any instruction, order, or regulation relating to the care of obstetrical cases which discriminates between persons licensed under State law to practice obstetrics: *Provided further*, That the foregoing proviso shall not be so construed as to prevent any patient from having the services of any practitioner of her own choice, paid for out of this fund, so long as State laws are complied with: *Provided further*, That a State plan shall include standards for professional services prescribed by the State health agency within the limitations contained in this title and such standards so prescribed shall be approved by the Chief of the Children's Bureau.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 8, line 24, after the colon strike out the remainder of the paragraph and substitute in lieu thereof the following: "*Provided further*, That any State plan which provides standards for professional obstetrical services in accordance with the laws of the State shall be approved by the Chief of the Children's Bureau."

Mr. HARE. Mr. Chairman, the committee accepts the amendment.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The Clerk read as follows:

This title may be cited as the "National Labor Relations Board Appropriation Act, 1946."

Mr. KNUTSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: On page 44, line 17, strike out "$1,730,000" and insert "$730,000."

Mr. KNUTSON. Mr. Chairman, I do not know what the experience of the rest of the country has been with reference to the National Labor Relations Board, but up in Minnesota it has been very unfortunate. For instance, I want to cite the case of the Minnesota Mining & Manufacturing Co. of St. Paul, where they held an election a while back to determine who was to be the bargaining agency for the employees of that company. An independent union carried the election, but through some technicality the Labor Board ordered another election.

In the election that was held, the employees who are in the service were not permitted to vote. Certainly a policy laid down that would bar a man in uniform from voting when their own jobs and their own welfare as employees depended on the outcome, cannot be defended.

I believe they are holding another election today. Since introducing a resolution to investigate the National Labor Relations Board, I have received communications from employees of other unions, urging me to use my utmost endeavors to secure an investigation of the manner in which the National Labor Relations Board is functioning.

Personally I cannot see much sense in continuing it in operation the way it is now being operated. The president and secretary of the American Federation of Labor in the State of Minnesota on Tuesday of this week charged that the National Labor Relations Board was merely an instrumentality for another group of organized labor and was not functioning in a fair and impartial manner. It seems to me that the sum of $1,730,000, the amount carried in this bill, is much too great for an inefficient, partial organization such as the National Labor Relations Board to have to play with, and I have therefore offered my amendment to reduce the appropriation by $1,000,000.

I appeal to the House to put the amendment into effect.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mrs. DOUGLAS of California. The cut of $402,370 out of the appropriations for N. L. R. B. at this time is simply astonishing. It surprises me more because some of the people who advocate the cut are the very people whom I have heard on the floor of this House condemn organized labor because of its conduct during the war. They have charged labor with deliberately creating disorder in this country and have said that we should crack down on labor.

Now I find that these gentlemen want to reduce the effectiveness of N. L. R. B. As I understand it the Board is responsible for providing orderly methods by which employers and employees can put into the law of the land the law which enables labor to organize and bargain collectively. The alternative to collective bargaining seems to me to be disorder. The N. L. R. B. representatives here before the Appropriations Committee testified that it now requires 227 days for a case to be processed by N. L. R. B. and that in the case of elections held by the Board, the average time elapse between request and time of election is 42 days. Both of these periods are too long. Some delay is understandable because of the necessary stages through which the case must move by orderly procedure, but it is generally believed that both these time periods are excessive. And now comes the Appropriations Committee and proposes extending this time to perhaps 1 year in the processing of the average case and 2 months before an election can be held. If this is not calculated to destroy the effectiveness of organized and collective bargaining, I do not know what is.

I hope that when the conferees from this House sit down with the Senate conferees, they will have before them an increase in this appropriation recommended by the Senate. I hope that these House conferees will concur in the Senate recommendation, and I hope when this matter comes before this House we shall support our conferees in providing adequate amounts for the work of this Board.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. DINGELL. Mr. Chairman, I move to strike out the last word and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Chairman, I want to read into the RECORD here and now a challenging memorandum addressed to the Honorable Edward R. Stettinius, Jr., Secretary of State, dated at San Francisco May 11. It defies the appeasers of Joseph Stalin as it must confound the pro-Russians, Communists, and errant anti-Polish elements here and abroad. It is an authoritative and an unimpeachable statement, the clearest, most exact and concise of any I have ever read on the subject covered. It is a veritable fountain of truthful information. It is an encyclopedic concentrate of facts. I commend it to you my fellow Members as I congratulate the Polish-American Congress. Refer to this masterpiece for fundamental information on the Polish problem created by our Russian ally.

The memorandum follows:

MEMORANDUM OF POLISH AMERICAN CONGRESS, INC.

HON. EDWARD R. STETTINIUS, JR.,
Secretary of State,
Hotel Fairmont, San Francisco, Calif.

DEAR MR. SECRETARY: Absence of Poland, a charter member of the United Nations, from the San Francisco Conference, indicates that the International Organization intended for the preservation of future world peace is being constructed on a very shaky foundation. Such a structure, with the tomb of Poland as its cornerstone, cannot endure. "Pax Americana," the only hope of mankind, must not be based upon injustice. Victory, achieved through sacrifice of our sons on the battlefields of the world, dare not be rendered futile by a new policy of appeasement at this Conference.

It is evident to all that the fate of the heroic Polish Nation has become a test case of the sincerity and strength of our American policy. For that reason, the silence of the United States delegation on the absence of legal representatives of Poland at this Conference has aroused our apprehensions. This silence permitted the delegate of Soviet Russia to take upon himself the role of a false defender of Poland. With unequaled cynicism, Mr. Molotov praised the merits and sacrifices of the Polish Nation, recalling the

appalling losses suffered by Poland in her struggle with our common enemy. The only purpose of his oratory was to obtain an invitation for a fictitious Polish delegation, composed of Russian puppets. There is no doubt that the Lublin-Warsaw Provisional Government of Poland is an agency of the Soviet Government and therefore committed to the destruction of the independence of the Polish Nation through ruthless persecution of her people.

Because no voice has been raised at the San Francisco Conference which would tell the world the whole truth about the methods employed by Soviet Russia in those parts of Europe occupied by the Red Army, and particularly in Poland, we consider it our duty to restate certain basic facts which are well known to the American and British Governments, but which, unfortunately, have not been sufficiently emphasized to the general public.

In September 1939 by stabbing Poland in the back and thus invading the first country to resist Hitler's aggression, Soviet Russia violated the following treaties, both bilateral and multilateral, which she had voluntarily concluded:

1. The peace treaty signed with Poland at Riga on March 18, 1921.

2. The Briand-Kellogg Pact of 1928.

3. The nonaggression pact between Poland and the Soviet Union, signed on July 25, 1932.

4. The convention concerning definition of aggressor, signed in London July 3, 1933.

5. The agreement prolonging the pact of nonaggression until December 31, 1945, signed on May 5, 1934.

6. The Covenant of the League of Nations which the Soviet Union entered in September 1934.

In the later course of events, Soviet Russia also violated:

7. The Soviet-Polish Agreement of July 30, 1941, which annulled the fourth partition of Poland performed by Messrs. Molotov and Ribbentrop on September 28, 1939.

8. The Soviet-Polish protocol of friendship and alliance signed in Moscow on December 4, 1941.

9. The declaration by the United Nations of January 1, 1942, embodying the principles of the Atlantic Charter as common aims of the United Nations in the war against the Axis.

The present conduct of Soviet Russia on the territory of occupied Poland constitutes a further violation of international law and particularly of the conventions of The Hague and of Geneva. By a sequence of unilateral actions the Soviet Russian Government:

1. Incorporated into the Soviet Union almost one-half of Poland's territory;

2. Forcibly deprived the constitutional Government of Poland of any possibility of performing administrative duties on Polish territory, applying to the representatives of this Government rules and methods usually applied not to allies but to enemies or common criminals;

3. Refused to grant the Polish Home Army the rights of combatants which, upon the request of the United States and Great Britain, was granted to them even by the Germans;

4. Barred the way to Poland to representatives of recognized international organizations such as the Red Cross, U. N. R. R. A., and Polish War Relief, Inc.

In further disregard of international law, Russia installed in Poland a group of Soviet citizens and Comintern officials, labeling them the Government of Poland and appointed a Soviet citizen and Comintern official as acting president of Poland. The Government of the Soviet Union and also the Government of the White Russian and Ukrainian Soviet Republics signed with this group of Soviet and Communist officials, several treaties, including an agreement establishing the eastern boundary of Poland almost entirely along the line originally drawn by Messrs. Molotov and Ribbentrop on September 28, 1939, and an agreement for an exchange of population on both sides of that line which simply means the expulsion of about 5,000,000 Poles from the territory east of the new frontier.

Never were the words of President Woodrow Wilson, spoken in the United States Senate on January 22, 1917, in relation to Poland, more worth reading than they are today. We quote them: "No right anywhere exists to hand peoples about from sovereignty to sovereignty as if they were property."

There are many other facts which prove that Soviet Russia's aim to destroy the independence of the Polish state and finally to include the enslaved Polish Nation into the Soviet Union is being gradually achieved.

While access to "liberated" Poland is still denied to representatives of the governments, armies, relief organizations and the press of the United Nations, it is known that:

1. Enlisted men and officers of the Polish Home Army are daily arrested and deported inside Russia, sent to concentration camps, in many instances shot or hanged, always according to Soviet rules—without trial.

2. The same treatment is being inflicted on representatives of all Polish political parties except the Communist Party and those who, under terror, accepted Communist control.

3. Mass deportations and arrests are being applied to entire groups of the population. In addition to the estimated 2,000,000 Poles deported into the interior of Russia during the period of 1939–41, according to very conservative estimates 300,000 persons were recently deported into Russia from the eastern part of Poland, with 200,000 persons deported to unknown destinations from western Poland.

4. A shift of population prepared and partially commenced in the eastern part of Poland will deprive several million of Poles of their homes.

5. The population of Poland has been completely deprived of all rights guaranteed to them by the Polish Constitution, i. e., freedom of speech, freedom of the press, freedom of worship, freedom of assembly, freedom of association and of the right which is accorded in civilized countries even to common criminals—the right to a fair trial.

6. Economic and social laws applied by Soviet authorities, directly or through officials forming the so-called provisional government, tend toward complete annihilation of free enterprise and business; all sums of money over $5 per person and $40 per business enterprise have been confiscated; farm land has been divided into small holdings of approximately 5 acres per family, a size which is inadequate even for the bare maintenance of life. Erection of buildings of any kind upon these new farm holdings is forbidden, a ban which proves that the so-called land reform in Poland constitutes a first step toward early collectivization.

7. Polish industry is being dismantled and industrial machinery shipped daily to Soviet Russia.

8. Action to deprive Poland of its age-old Christian and western culture is underway, with children being forcibly taken from their parents and sent to special schools inside Russia for "re-education."

The above facts give only a partial picture of conditions prevailing in Poland. Though incomplete, they show incontrovertibly that, contrary to the Yalta declaration, Poland and other countries of eastern and central Europe have not been liberated by the Red army, but that they are occupied by Soviet Russia. If it were not for the complete blackout under which Soviet Russia keeps the territories occupied by the Red army, conditions prevailing there would be revealed as still more appalling.

Even this incomplete information, however, permits the statement that Soviet Russian forces now occupying Poland, using methods similar to those employed for over 5 years by the Germans, tend toward the same aim as that of their predecessors, which is the enslavement and eventual extermination of the Polish people. This analogy becomes more poignant by consideration of the fact that ruthless treatment is being inflicted on those same groups and individuals which for nearly 6 years relentlessly fought the Germans.

It is not by coincidence that the commander in chief of the Polish Home Army, General Bor-Komorowski, who led the heroic Warsaw uprising and was granted full combatant rights by the United States and British Governments, is considered by the Soviet authorities and by their Lublin-Warsaw agency as a Fascist and a criminal.

It is now clear that the Battle of Warsaw, which lasted for 63 days, played a decisive role in the success of the Soviet-Russian operations in Rumania. Despite this fact, during the whole period of the Battle of Warsaw the Red army stood motionless a few miles away from the fighting and bleeding city, not only denying any help to the Polish Home Army but also successfully preventing any efficient help from American and British air forces from reaching the Poles.

Since the occupation of Warsaw by the Red Army, all leaders of the Polish underground, as well as soldiers and officers of the home army, have been persecuted by the Soviet secret police with a zeal equaling that of the Gestapo.

At the same time the Yalta commitments, which constitute a death sentence for Poland, deprived the Polish people of their sovereign right to choose freely their government, a right constitutionally exercised through the legal president of Poland. On the contrary, the commitments invested Mr. Molotov, assisted by two ambassadors to the Soviet Union, with the mission to exercise these rights by creating a Polish government which would be ready to accept that death sentence.

We are strongly convinced that the Yalta decisions concerning Poland, flatly contradictory to the Atlantic Charter and to the practice of international law, are responsible for the tragedy now being enacted in Poland. We regret that the American delegation to the San Francisco Conference does nothing to remedy this condition, despite official statements that the aim of the Conference is to insure right and justice and that it is not being held in order to justify acts of power politics and violations of law.

It is obvious to every American that no free and independent government, truly representative of the Polish people, can be constituted and be able to function under hostile Soviet occupation. Any act of setting up a government in Poland in disregard to the authority of the President of the Republic and while the Soviet occupying forces exercise authority over any portion of Polish territory, could not be granted recognition by the United States Government. Such a recognition would amount to a complete disregard of our and other United Nations' duties toward the people of Poland and it would cast a shadow over the hitherto magnificent conduct of Americans in international relations. The Yalta agreements concerning Poland are irreconcilable with our international obligations.

When informing the American people of the Yalta decisions, President Roosevelt called them "a compromise," thus indirectly stating that he did not regard these decisions as just and that he was compelled to accept them. He even added, quite frankly, that he was by no means satisfied with all of them. No effort to make Russia fulfill the Yalta agreements makes them any better or more just.

In consideration of all of the above, the Polish American Congress, representing

6,000,000 Americans of Polish descent, declares that it stands firmly by the principles of the Atlantic Charter and those expressed by President Roosevelt on January 17, 1943:

"American foreign policy must uphold the sanctity of international treaties. This is a cornerstone on which all relations between nations must depend."

Therefore, the Polish American Congress emphatically restates the principles embodied in its resolution of March 9, 1945:

1. Only the constitutional Polish Government in London today represents the Polish Nation and people, and only the constitutional government of Poland can and should take part in the Conference in San Francisco.

2. Any government brought into being by a foreign power will not be representative of the will and rights of the Polish Nation and as such cannot be recognized by the United States without violation of the elementary principles of law and justice.

3. Any elections held on Polish soil under Soviet occupation are in the nature of things a distortion and falsification of the will of the Polish Nation, a violation of a free conscience and as such are lawless and illegal.

Since the day when this resolution was passed, the Soviet Government has not only continued persecutions in the occupied country and the sabotage of all negotiations regarding Poland, but finally has been forced to admit the arrest of the democratic Polish underground leaders who, under a pledge of safe conduct, had accepted an invitation to confer with the Russians.

That outrageous breach of faith, accompanied by absurd accusations against the victims—the very men who had directed Poland's underground resistance against the Germans and thus contributed to the present victory—is more than just another crime intended to suppress the voice of free Poland. It is also an insult to our own United States, whose Government had encouraged, during all these years, Polish-Russian negotiations and accepted the Yalta compromise, contrary to the opinion of millions of Americans.

The Polish American Congress, therefore, requests that in view of these new developments:

1. The Yalta decisions regarding Poland be denounced by the United States Government.

2. The only legal Polish Government—which conducted the war against Germany from the beginning to the end and also declared war upon Japan—which is recognized by all United Nations with the exception only of the Soviet Union and of one or two of its satellites, which never ceased to be loyally supported by the Polish armed forces and by practically all Poles free to express their opinion—should be invited to send an official delegation to the San Francisco Conference.

3. The arrested Polish underground leaders should be liberated immediately.

4. The fate of the two American citizens of Polish descent, whose execution was reported in the British Parliament, and the status of all American citizens in occupied Poland should be at once fully investigated.

5. Finally, we request that in view of the unconditional surrender of Germany and the end of the war in Europe, article VI of the Moscow declaration of October 30, 1943, should be carried out, and since the four powers promised in this article that after the termination of the hostilities they will not employ their military forces within the boundaries of other states, the forces of the Soviet Union should be withdrawn from Polish territory.

POLISH AMERICAN CONGRESS,
CHARLES ROZMAREK,
President, Chicago.
FRANK JANUSZEWSKI,
Vice President, Detroit.
IGNATIUS NURKIEWICZ,
Director, New York.

SAN FRANCISCO, *May 11, 1945.*

The Clerk concluded the reading of the bill.

Mr. HARE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. THOMASON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 3199) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. HARE. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to insert in the RECORD as part of my speech a few moments ago in the Committee of the Whole a memorandum which was delivered to the Honorable Edward R. Stettinius, Jr., at San Francisco.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mrs. DOUGLAS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD immediately following the remarks made by the gentleman from Minnesota [Mr. KNUTSON] in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD pertaining to judges' salaries in the State of California.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from New York [Mr. REED], may extend his own remarks in the Appendix of the RECORD and include therein certain tables.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr McDONOUGH asked and was given permission to extend his remarks in the Appendix and include therein an article from the Industrial and Engineering Chemistry magazine.

Mr. JUDD asked and was given permission to revise and extend his remarks; and to extend his remarks in the Appendix and include therein an article.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. H. CARL ANDERSEN and Mr. KEEFE asked and were given permission to revise and extend the remarks they made in Committee of the Whole today.

NATIONAL MARITIME DAY

Mr. BLAND. Mr. Speaker, I ask unanimous consent that on Tuesday, May 22, 1945, which has been designated by proclamation of the President of the United States as National Maritime Day, immediately after the reading and approval of the Journal, I may be permitted to address the House for 1 hour and to yield to such Members as I may desire within that time.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. COCHRAN (at the request of Mr. SULLIVAN) for 2 weeks, on account of illness.

ADJOURNMENT

Mr. BLAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 3 o'clock and 51 minutes p. m.) the House adjourned until tomorrow, Friday, May 18, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

Committee on World War Veterans' Legislation will meet in open session on Friday, May 18, 1945, in the committee room, 356 House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE (BRIDGE SUBCOMMITTEE)

There will be a meeting of the Bridge Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., Friday, May 18, 1945, to resume public hearings on H. R. 541, a bill authorizing and directing the Commissioners of the District of Columbia to construct 2 four-lane bridges to replace the existing Fourteenth Street or Highway Bridge across the Potomac River, and for other purposes. (Proponent witnesses.)

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Tuesday, May 22, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 o'clock a. m. on Tuesday, May 22, 1945, for consideration of housing for veterans' families.

COMMITTEE ON THE JUDICIARY

Subcommittee No. III of the Committee on the Judiciary will begin hearings at 10 a. m., Wednesday, May 23, 1945, on H. R. 2357, to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended (secs. 7 and 11). The hearings will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 o'clock on Wednesday, May 23, 1945.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Hearings on H. R. 2177 will be held starting Wednesday, May 23, 1945, at 10 a. m., to continue until completed.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

477. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; to the Committee on Naval Affairs.

478. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1945, in the amount of $29,577.94, together with drafts of proposed provisions pertaining to existing appropriations, for the Department of the Interior (H. Doc. No. 179); to the Committee on Appropriations and ordered to be printed.

479. A communication from the President of the United States, transmitting a supplemental estimate of appropriations for the Federal Works Agency for the fiscal year 1945, in the amount of $640,000 (H. Doc. No. 180); to the Committee on Appropriations and ordered to be printed.

480. A letter from the President of the United States Civil Service Commission, transmitting a draft of a proposed amendment to the Civil Service Retirement Act of May 29, 1930, as amended, designed to protect the retirement rights of persons who leave the civil service to enter the armed forces of the United States; to the Committee on the Civil Service.

481. A letter from the Clerk, South Trimble, House of Representatives, transmitting the evidence with regard to 79 contested elections filed on behalf of Moss A. Plunkett (H. Doc. No. 181), was taken from the Speaker's table, referred to the Committee on Elections No. 1, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAY: Committee on Military Affairs. S. 612. An act to amend the National Defense Act, as amended, so as to eliminate provisions for retirement of wing commanders of the Air Corps; without amendment (Rept. No. 584). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 889. An act to amend section 47c of the National Defense Act of June 3, 1916, as amended, so as to authorize credit to students now or hereafter enrolled in the senior division of the Reserve Officer Training Corps for military training received while on active duty in the Army, Navy, Marine Corps, or Coast Guard, or while pursuing a course of instruction in the Naval Reserve Officers' Training Corps; without amendment (Rept. No. 585). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. House Joint Resolution 132. Joint resolution to limit the operation of sections 109 and 113 of the Criminal Code, and sections 361, 365, and 366 of the Revised Statutes, and certain other provisions of law; with amendment (Rept. No. 586). Referred to the House Calendar.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 587. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. KEE: Committee on Foreign Affairs. House Resolution 215. Resolution urging the formation of an organization to be known as the International Office of Education; with amendments (Rept. No. 588). Referred to the House Calendar.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 3196) granting an increase of pension to Mrs. Lizzie Johnson, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LESINSKI:

H. R. 3251. A bill to extend pension benefits under the laws reenacted by Public Law 269, Seventy-fourth Congress, August 13, 1935, as now or hereafter amended, to certain persons who served with the United States military or naval forces engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, after July 4, 1902, and prior to January 1, 1914, and to their unremarried widows, child, or children; to the Committee on Invalid Pensions.

By Mr. BENNET of New York:

H. R. 3252. A bill to authorize a preliminary examination and survey of Susquehanna River and its tributaries at, and in the vicinity of, Sidney, N. Y., for flood control, for run-off and waterflow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. HOLIFIELD:

H. R. 3253. A bill to facilitate the receipt of hospital treatment and domiciliary care by former members of the armed forces at institutions nearest to their places of residence; to the Committee on World War Veterans' Legislation.

By Mr. MILLER of Nebraska:

H. R. 3254. A bill to amend section 6 of the act of March 20, 1933, to authorize the furnishing in private facilities of medical and hospital treatment to certain veterans; to the Committee on World War Veterans' Legislation.

By Mr. ROGERS of Florida:

H. R. 3255. A bill conferring jurisdiction upon the District Court of the United States for the Southern District of Florida to hear, determine, and render judgment in favor of all persons for damages or losses arising or resulting from the construction, further development, and improvement of the Intracoastal Waterway, from Jacksonville, Fla., to Miami, Fla., and for other purposes; to the Committee on Claims.

By Mr. RAMSPECK:

H. R. 3256. A bill to amend the Civil Service Retirement Act approved May 29, 1930, as amended, in order to protect the retirement rights of persons who leave the service to enter the armed forces of the United States; to the Committee on the Civil Service.

By Mr. RANDOLPH:

H. R. 3257. A bill to remove restrictions to the appointment of retired officers of the United States Public Health Service as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. STARKEY:

H. R. 3258. A bill providing for additional pay to military and naval personnel, and for other purposes; to the Committee on Military Affairs.

By Mr. McGEHEE:

H. Res. 262. Resolution providing for an additional clerk to the Committee on Claims; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Turkish Grand National Assembly, memorializing the President and the Congress of the United States by an expression of its sorrow at the death of President Roosevelt; to the Committee on Foreign Affairs.

Also, memorial of Dr. Ivan Ribar, president of the Anti-Fascist Council of National Liberation of Yugoslavia, memorializing the President and the Congress of the United States by an expression of sincere sympathy in regard to the death of our late President, Franklin D. Roosevelt; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. POWELL:

H. R. 3259. A bill granting a pension to Matthew Henson; to the Committee on Pensions.

By Mr. McGEHEE:

H. R. 3260. A bill confirming the claim of Miss Lucille Romano to certain lands in the State of Mississippi, county of Warren; to the Committee on the Public Lands.

By Mr. O'BRIEN of Illinois:

H. R. 3261. A bill for the relief of Gen. William J. Williamson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

665. By Mr. BARRETT of Wyoming: Petition of Mrs. Thomas L. Birch and 26 other citizens of Lucerne, Wyo., and vicinity, requesting passage of House bill 2082; to the Committee on the Judiciary.

666. By Mr. BURGIN: Petition of citizens of Lexington, N. C., to pass House bill 2082, prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war, and the period of demobilization; to the Committee on the Judiciary.

667. By Mr. COCHRAN: Petition of James A. Lewis and 27 other citizens of St. Louis, Mo., protesting against the passage of any

prohibition legislation by the Congress; to the Committee on the Judiciary.

668. Also, petition of Jesse F. Cherry and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

669. Also, petition of Julius G. Meyer and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

670. Also, petition of Victor Regna and 27 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

671. Also, petition of Frank Cilufo and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

672. By Mr. GEELAN: Petition passed by both the House and Senate of the State of Connecticut, known as House Joint Resolution 265, memorializing the Congress to pass universal military training legislation at the present session of Congress, submitted by the Honorable Charles J. Prestia, secretary of state of Connecticut, and introduced by Mr. Russell, of Lyme, Conn.; to the Committee on Military Affairs.

673. By Mr. GOODWIN: Petition of Greater Boston C. I. O. Industrial Union Council regarding conditions at the Boston Navy Yard; to the Committee on Labor.

674. By Mr. KEARNEY: Petition containing the signatures of 97 citizens of Brooklyn, New York City, Flushing, and nearby communities, State of New York, advocating the enactment of a merchant seamen's bill of rights; to the Committee on the Merchant Marine and Fisheries.

675. By the SPEAKER: Petition of Amarillo Credit Association, Amarillo, Tex., petitioning consideration of their resolution with reference to securing amendments to the present Emergency Price Control Act; to the Committee on Banking and Currency.

676. Also, petition of Utica Chamber of Commerce, Utica, N. Y., petitioning consideration of their resolution with reference to increasing specific exemption from excess-profits tax from $10,000 to $25,000 to assist small business; to the Committee on Ways and Means.

677. Also, petition of Syngman Rhee, chairman of the Korean delegation, petitioning consideration of their resolution with reference to the admission of the provisional government of the Republic of Korea as a member of the San Francisco Conference on International Security Organization; to the Committee on Foreign Affairs.

678. Also, petition of Edward Martin, Governor of the Commonwealth of Pennsylvania, and others, petitioning consideration of their resolution with reference to the establishment of the headquarters of the Peace Conference in the city of Philadelphia; to the Committee on Foreign Affairs.

679. Also, petition of Harry E. Thur, of Milwaukee, Wis., petitioning consideration of his resolution with reference to requesting impeachment of F. Ryan Duffy, judge of District Court of the United States for the Eastern District of Wisconsin; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 18, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who art man's unfailing friend, we pray that in all our thoughts and toils during this day we may have the constant inspiration of Thy divine companionship to counsel and encourage us.

We thank Thee for the revelation which Thou hast made of Thyself in the Christ, the friend who sticketh closer than a brother. Grant that we may gladly accept His overtures of friendship and may He create within our hearts a capacity for a more friendly feeling toward all mankind.

We pray that the social order which we are seeking to build may be a beautiful friendship. May the blessings which Thou hast bestowed upon us so bountifully become contributions with which we shall minister to the welfare and happiness of the needy.

Humbly and confidently we would continue to labor and pray for the coming of the kingdom when men everywhere shall live together in brotherhood and peace.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 807. An act to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes; and

S. Con. Res. 14. Concurrent resolution authorizing that the letter of the Secretary of the Interior, dated February 2, 1945, transmitting a report on a survey of the fishery resources of the United States and its possessions be printed as a Senate document, and providing for the printing of additional copies thereof.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 72) entitled "An act for the relief of Antonio Ruiz."

The message also announced that the Acting President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Commerce.
2. Department of the Navy.
3. Department of War.
4. Federal Security Agency.
5. Federal Works Agency.
6. National Archives.
7. National Housing Agency.
8. Office of Price Administration.
9. Railroad Retirement Board.
10. War Manpower Commission.

THE LATE HARRY PILLEN

The SPEAKER. The Chair will recognize first those Members who desire to make some remarks about our late friend, Harry Pillen.

The Chair recognizes the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Speaker, it is with a very sad heart that I rise to inform the House that Harry Pillen, cashier of the Office of Sergeant at Arms of the House of Representatives, passed away at Doctors' Hospital in the city of Washington at 4:25 o'clock this morning.

Mr. Pillen was born in Cincinnati 66 years ago and he came to Washington as an appointee of the late Representative Alfred G. Allen, of Cincinnati, to accept a position as a clerk in the disbursing office of the House of Representatives in January 1914. He had been continuously employed at the House wing of the Capitol since that time. His connection with the Office of Sergeant at Arms dated back to January 1918, when he became assistant cashier, and on December 7, 1931, he became cashier to take the place vacated by Kenneth Romney, who had been promoted to be Sergeant at Arms.

Surviving Mr. Pillen are Mrs. Pillen and two fine sons, Herbert and Joseph. Herbert formerly was secretary of Senator Robert J. Bulkley, of Ohio, and is now associated with Mr. Bulkley in the practice of law. Joseph is a director of the War Finance Division of the Treasury Department, located at Chicago. Both sons were with their father when he died.

Mr. Pillen's death is a great personal loss to me, as it will be to many others who were the beneficiaries of his unfailing kindness. It was my privilege to know him and to enjoy his friendship from the time of his arrival in Washington 31 years ago. He had a wonderful personality—a personality that was the embodiment of kindness and good will. He held no college degree, but he had marvelous efficiency, born of good sense and sound judgment. He did not have an enemy on earth. He would walk a mile to avoid hurting the feelings of anyone. He was a beautiful character with a fine sense of responsibility to his fellow beings and to his Maker.

He had only one hobby, but it was very dear to his soul and commanded his passionate devotion. His hobby was the growing of flowers, in which his splendid helpmate ardently shared his interest. Visitors came from far and wide to the home of Mr. and Mrs. Pillen at 511 Webster Street, this city, to view the lovely flowers for which their garden was famous. It has always seemed to me that there is a close association between lovely flowers and lovely people and that thought becomes a conviction when I think of Mr. Pillen and his affectionate nature and the many kind acts he performed to help others over the rough places of life. Of him it might be said as was said of another, that if every person to whom he has done a kindness were to place a flower on his tomb his body would rest beneath a wilderness of roses.

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Speaker, the death of no man connected with the service of the House during my more than 30 years in Washington has grieved me more deeply tha nthe passing of Harry Pillen, cashier of the Office of the Sergeant at Arms. I have known him ever since I came to Washington. Not only was he a highly efficient public officer but he was a man possessing every quality which we admire in a human being. He was always kind, considerate, and thoughtful. Every Member of the House is indebted to his fine spirit of accommodation and helpfulness. He had no enemies and every person who knew him on Capitol Hill, whether a Member of the House or an employee, was his friend. He was possessed of a gentle spirit and a noble soul, and I sincerely mourn his passing.

The SPEAKER. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Harry Pillen is gone. His spirit will linger long in the Capitol of this Nation. I was attracted to him almost from the day of my coming here, by his soft voice, his kindly manner, and his deep interest in everyone. He seemed to be the embodiment of that phrase which is known to us from the time we stood at our mother's knee, "Do unto others as you would have them do unto you." His whole life was one of devoted service. He was a lover of the souls of men. Harry Pillen was a religious man. I say for him that he was a living expression of the words, "What does it profit a man to gain the whole world and lose his immortal soul."

The SPEAKER. The Chair recognizes the gentleman from California [Mr. TOLAN].

Mr. TOLAN. Mr. Speaker, when I came here in 1934 I first became acquainted with Harry Pillen through Sergeant at Arms Kenneth Romney, whom I have known for nearly 40 years, one of my closest and most valued friends, being a former resident of Montana. Scarcely a day would go by but I would have to talk with Harry Pillen. He carried on his work for many years, and if any single Member of Congress ever received a discourteous word from him, I have never heard of it. He was a kindly soul. I think there is no Member of Congress who has not felt his kindness, whether he wanted to have some paper notarized or whether he wanted to ask some other favor, Harry always kindly complied.

His wife was taken to the hospital with pneumonia. Then Harry was stricken. He was married nearly half a century and had two wonderful sons. I do not know when Harry would ever leave his office but to go straight home to his lovely wife and family. He was one of the finest, cleanest, kindliest, sweetest characters I have ever known in my life.

In passing may I say the House of Representatives has not only a large bank, but the only one of its kind in the world. About $12,000,000 yearly passes through our bank under the direct control of the Sergeant at Arms, our dear friend, Kenneth Romney and his able assistants, Harry, John, and Bert. No one has ever heard of a single word of criticism, of rumor, or taint against the administration of this fine and courteous office. Seldom do I take the floor, but I do so now to say that, in my humble opinion, Harry Pillen was a saint in every action he took and every word he uttered. Harry had his own philosophy of life and he carried it in his golden heart every day of his life, and it was—you cannot conquer sickness or death, but you can be kind.

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I also wish to join my colleagues in paying my respects to Harry Pillen. I, too, have known him for over 12 years. There could be no one who could give and did give better service and be more conscientious. Harry had those attributes of service, and I am sure every Member, irrespective of party, is greatly stunned by his departure.

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, it was my privilege and pleasure to know Harry Pillen for almost a quarter of a century. I do not know anything about his church affiliations. Whatever they may be, he certainly lived according to the faith. I think I know from my acquaintance with him that his true religion was the art of being kind.

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Speaker, in paying tribute to the memory of Harry Pillen we but follow the natural promptings of our hearts. A sweeter or more genial spirit never graced the Capitol corridors. He was able. He was faithful. He was modest. He was unostentatious, but extraordinarily efficient. His religious convictions bring again forcefully to our attention the belief which we all cherish that "it is not all of life to live nor all of death to die."

So as we extend our sincere condolence to his bereaved family we join with them in this message to Harry who has gone to his reward:

Good bye, good friend.
In God's good time,
In God's good clime,
We'll meet again.
And in that land,
Where we shall know
No pain or woe,
We'll understand.

The SPEAKER. The chair recognizes the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Speaker, somebody has said that the way to have friends is to be one. Judged by that standard, Harry Pillen had unlimited friendship in this body among the people who knew him, because he was always courteous and friendly; he was competent and efficient. We are all going to miss him.

We say, "Godspeed, Harry. God bless those you left behind."

The SPEAKER. The Chair recognizes the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON of North Carolina. Mr. Speaker, I was saddened—in fact, pained—to learn this morning of the passing of our friend, Harry Pillen, who has served this House so faithfully and so efficiently for so long a time.

I have known Harry Pillen since he first began his service in the office of the Sergeant at Arms. During my long service here I have known no one who has discharged his duties more efficiently, more faithfully, more conscientiously, or in a manner to render outstanding service at all times to the Members of the House. I have often thought of his accommodating and thoughtful disposition. He never let an opportunity pass to be of service to each Member of the House.

I am sure the House has lost one of the most useful and most faithful servants it has ever had. To me, his passing is a very great personal loss.

EXTENSION OF REMARKS

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. McGEHEE asked and was given permission to extend his remarks in the RECORD and include an editorial from the Parkersburg (W. Va.) News.

NATIONALIZATION OF ALIENS WHO SERVED IN ARMED FORCES

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GOSSETT. Mr. Speaker, I am today introducing a bill which will be referred to the House Committee on Immigration and Naturalization and upon which I shall ask early action. The bill is entitled: "A bill to amend the immigration and naturalization laws and to deny admission to the United States to aliens who have served in the armed forces of any country at war with the United States, and to deny naturalization to such persons."

Mr. Speaker, I favor drastic curbs upon immigration to this land of ours. Charity begins at home and we must not become a land of refuge for the oppressed of the earth, or a land of adventure for those who may wish to leave their own countries. We must be very selective as to the few who may be permitted immigration to America. Our present laws theoretically exclude Japanese and Communists. But under immigration quotas that will soon open to Germany and Italy, thousands of Nazis and Fascist can and will, unless appropriate action is taken, come to America. Many of them will come with diseased minds and hearts. We might have absorbed such poison in our youth. We cannot take such chances now. No person should be admitted to this country about whose loyalty to America there can be any question. Certainly we cannot undertake to assimilate any Nazis and Fascists. While not all members of the armed forces of Germany and Italy were Nazis or Fascists, most all of the Nazis and Fascists were members of such armed forces. The only safe and

sane action for us is to close our doors to all who bore arms against us.

READJUSTING RATES OF POSTAGE ON FOURTH CLASS MAIL MATTER

Mr. SLAUGHTER, from the Committee on Rules, reported the following privileged resolution (H. Res. 263, Rept. No. 590), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2502 readjusting the rates of postage on fourth-class mail matter, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Post Office and Post Roads, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CONTINUATION OF CERTAIN SUBSIDY PAYMENTS AND CERTAIN PURCHASE AND SALE OPERATIONS BY CORPORATIONS CREATED UNDER THE RECONSTRUCTION FINANCE CORPORATION ACT

Mr. SLAUGHTER, from the Committee on Rules, reported the following privileged resolution (H. Res. 264, Rept. No. 591), which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 502 to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

STATEMENT OF LEGISLATIVE POLICY IN FREE COMPETITIVE POLICY

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAVENNER. Mr. Speaker, all of the Members of the California delegation in this House—16 Democrats and 7 Republicans—have signed the following joint statement of legislative policy and purpose:

The undersigned Members of the House of Representatives believe that immediate steps should be taken to establish a national policy and program for assuring full employment in a free competitive economy, through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government.

We pledge our individual and united support for the enactment of legislation by the Seventy-ninth Congress which will establish such a national policy and program.

CLARENCE F. LEA, CLAIR ENGLE, J. LEROY JOHNSON, FRANCK R. HAVENNER, RICHARD J. WELCH, GEORGE P. MILLER, JOHN H. TOLAN, JACK Z. ANDERSON, BERTRAND W. GEARHART, ALFRED J. ELLIOTT, GEORGE E. OUTLAND, JERRY VOORHIS, NED R. HEALY, HELEN GAHAGAN DOUGLAS, GORDON L. MCDONOUGH, ELLIS E. PATTERSON, CECIL R. KING, CLYDE DOYLE, CHET HOLIFIELD, CARL HINSHAW, HARRY R. SHEPPARD, JOHN PHILLIPS, ED. V. IZAC.

EXTENSION OF REMARKS

Mr. McKENZIE asked and was given permission to extend his remarks in the RECORD.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the Toronto Globe and Mail concerning our colleague the gentleman from Pennsylvania [Mr. GAVIN].

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in two instances, to include in one a set of resolutions protesting the Missouri Valley Authority now pending before the United States Congress; and in the other to include a set of resolutions passed by the North Dakota Bar Association in favor of legislation before this House today.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BREHM. Mr. Speaker, I ask unanimous consent to extend in the Appendix of the RECORD a statement showing the necessity for passing House Concurrent Resolution 50 if we are to maintain equity regarding oil production in America.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. GOODWIN asked and was given permission to extend his remarks in the Appendix and include an editorial.

TREATMENT OF GERMAN SOLDIERS

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and to include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. SPRINGER addressed the House. His remarks appear in the Appendix.]

OFFICE OF WAR INFORMATION

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks in the RECORD and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. GAVIN addressed the House. His remarks appear in the Appendix.]

SECOND LT. ROBERT E. FEMOYER

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

[Mr. ELLIS addressed the House. His remarks appear in the Appendix.]

THE MEAT SHORTAGE

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, no part of the country is suffering more from the present meat shortage than New England. The O. P. A. confirms this statement.

Letters after letters come to my desk protesting against existing conditions and urging immediate steps to assure a fair distribution of available meat supplies.

Under leave to extend my remarks, I shall include two letters recently received, the first signed by several hundred workers in one of our war plants, the second signed on behalf of the taxpayers association of the city of Quincy, Mass., which has made a tremendous contribution to the war effort.

Within the last few days the Senate committee investigating matters relating to food production, distribution, and consumption has placed responsibility for the meat shortage largely on the shoulders of the O. P. A. and W. F. A. It has made specific findings as well as specific recommendations including the recommendation that a supreme administrator for food be created to have supervision and jurisdiction over both the O. P. A. and W. F. A.

Mr. Speaker, I urge that immediate steps be taken in the light of this report and of the investigation by our own committee in the House to bring about fair distribution and increased production at the earliest possible moment.

The letters speak for themselves:

PNEUMATIC SCALE CORPORATION, LTD.,
Quincy, Mass., May 10, 1945.

Hon. RICHARD B. WIGGLESWORTH,
United States Congress,
Washington, D. C.

DEAR SIR: We, the undersigned employees of the Pneumatic Scale Corporation, Ltd., of North Quincy, Mass., beg to call your attention to the intolerable food situation here in Quincy, particularly as to meats and poultry.

For the past few weeks it has been practically impossible to purchase either meat or poultry in the local stores and during the current week there are absolutely no supplies for purchasers at retail.

We would like to mention that we, like many other plants in this section, have made a substantial contribution to the war effort in the manufacture of small arms and ammunition, submarine parts, and radar equipment. For the past several years our plant has been operating 52 hours and more per week. We are still working a minimum of 52 hours (48 hours in the office and engineering departments) and many of us are working much longer.

We appreciate the need for all of us to make sacrifices and this would include a reduction in the amount of food items such as meat, poultry, and dairy products. However, it does seem unnecessary that we in this section of the country be denied the opportunity of buying the minimum requirements on these items because the stores have none for sale.

We feel that this situation demands immediate attention.

Respectfully yours,

(Signed by several hundred employees, Pneumatic Scale Corporation, Ltd.)

QUINCY TAXPAYERS ASSOCIATION, INC.,
Quincy, Mass., May 12, 1945.

Congressman RICHARD B. WIGGLESWORTH,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: The officers of the Quincy Taxpayers Association, the largest organization on the South Shore, believing that the conditions that exist call for drastic measures to alleviate the meat situation in Quincy.

We strenuously object to having the women and merchants of Quincy hunt for their rightful share of the necessities of life. Why should the citizens of New England pay for a system of regulation that consistently starves this part of the country under the guise of patriotism?

Quincy through its workers in industry has written a wonderful page of achievements, and are endeavoring to live up to the demands made on them during this war period, and are meeting every request of the Government for the success of the war effort.

But we strenuously object to the spending of money on a system of regulation that is consistently growing worse. The present condition is an example of its ineffectiveness. Instead of a fair and equal distribution of commodities we are now confronted with a thriving black market and a definite lack of foodstuffs for legitimate storekeepers.

The situation is serious in Quincy and has been for some time. We therefore respectfully appeal to you in your official capacity to rectify this situation now.

Yours respectfully,

JOHN M. QUIN,
President.
ALLEN W. COLE,
Vice President.
WM. M. EDMONSTON,
Executive Secretary.
EDWIN F. HENNESSY,
Clerk.

EXTENSION OF REMARKS

Mr. MERROW asked and was given permission to extend his own remarks in the Appendix of the RECORD and include an editorial from the Manchester Union, Manchester, N. H., entitled "Crisis in Coal."

TRANSPORTATION RESTRICTIONS

Mr. HAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

[Mr. HAND addressed the House. His remarks appear in the Appendix.]

NATIONAL HOUSING ADMINISTRATION

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, along about the 1st of March, the Bureau of the Budget sent up an estimate of about $100,000,000 for the National Housing Administration. The House passed the bill on the basis of $84,000,000, and it finally went through Congress at $66,000,000. It was apparent at the time that it was a total waste. There appeared in the Evening Star the other night an article indicating that they were trying to waste $14,000,000 in the vicinity of the city of Detroit, and that Henry Ford was protesting against it. I have called the attention of the Director of the Budget to this matter. I have also called the attention of the Committee on Public Buildings and Grounds of the House to it. This committee was supposed to investigate this situation.

I have asked that the Bureau of the Budget withdraw all funds from that agency.

EXTENSION OF REMARKS

Mr. CARLSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HALE asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Northeastern States Development Agencies Conference.

Mr. GEARHART asked and was given permission to extend his remarks in the RECORD in two instances; to include in one statistics from the League of Nations, and in the other a Department of Commerce statistical chart.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an article from the Los Angeles Times, and in the other an article from the Christian Science Monitor.

Mr. REED of New York (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD in two instances.

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement concerning a good friend of mine, a great American scholar, a man who has done much to cement good relations with other American countries, the Reverend Dr. Joseph F. Thorning.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

"WE PSYCHOS ARE NOT CRAZY"

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, in this week's Saturday Evening Post there appeared an article entitled "We Psychos Are Not Crazy." It was written by Henry T. Gorrell, a veteran, a newspaper correspondent, who is described at the beginning of the article as follows:

A veteran correspondent, four times afflicted by this war's most unfortunately labeled ailment, describes its tortures and asks understanding for returning victims.

Mr. Speaker, this veteran war correspondent endured much hardship and was taken prisoner. Many of our war correspondents have had very hazardous service and have been under great strain.

Mr. Speaker, there is nothing more cruel in the world than to call men suffering from psychoneurosis crazy, to describe men who have been in psychiatric hospitals as being insane or even psychoneurotics. In many instances there is hope for complete recovery even in cases of real mental illness. I wish every school child, every man and woman in the United States, would read this article. It would be very beneficial. There are many service persons who have been hospitalized in veterans' and Army and Navy hospitals who are only nervously tired. The World War Veterans' Committee has succeeded in having the term "psychoneurosis" stricken from the service persons' discharges and that has been helpful. Let us give those who served a bit of understanding and help and protection that we can. Untrue statements do untold harm.

PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to inquire of the majority leader what the program for next week will be.

Mr. McCORMACK. On Monday it is the intention to hold a joint meeting of the Congress, which meeting will probably be held in the House at 1 o'clock, in connection with conferring the Congressional Medal on the one-hundredth member of our armed forces to receive it. In the event of such a joint meeting, the President of the United States will be present.

Mr. MARTIN of Massachusetts. It is generally the custom, when we confer Congressional Medals, to have it done by the President in an exercise like this?

Mr. McCORMACK. No; I do not think that it is the custom.

Mr. MARTIN of Massachusetts. I do not know how these medals have been awarded in the past. Has it ever been customary for the President to be here and do it?

Mr. McCORMACK. No. That is my understanding. This is based on the fact that this is the one-hundredth member of our armed forces who has received it.

Mr. MARTIN of Massachusetts. The one-hundredth in this particular war?

Mr. McCORMACK. Yes. It is felt that the occasion would justify a joint meeting for that purpose. Of course, the honor that will be conferred upon this man directly will inure indirectly to every man who has received the Congressional Medal of Honor.

Mr. MARTIN of Massachusetts. It will probably be difficult to make the other 99 think so.

Mr. McCORMACK. That is probably so, but I am sure they will appreciate the situation.

On Monday the Consent and Private Calendars will be called, and there may be some suspensions in the event that certain bills on the Consent Calendar are objected to. On that day also the bill (H. R. 3000) to amend certain sections of the Federal Reserve Act will be considered. I doubt if the consideration of that bill can be completed on Monday, and if it is not, it will be postponed until some later date.

On Tuesday under the consent agreement already entered into the reciprocal trade agreements bill will come up for consideration, with 3 days of general debate. Since Wednesday is the day set aside for the memorial services, immediately after which the House will adjourn, the general debate on the reciprocal trade agreements bill will be resumed on Thursday and continued on Friday if all the time is consumed. In the event the 3 days are used for general debate, the House will meet on Saturday of next week to try to dispose finally of that bill.

Mr. MARTIN of Massachusetts. The gentleman is trying to have a vote on Saturday?

Mr. McCORMACK. It is hoped to have the vote a week from tomorrow.

Mr. MARTIN of Massachusetts. May I volunteer the information that I rather think 3 full days of debate will be taken, because, as we have found heretofore in connection with bills from the Committee on Ways and Means, when 2 days of general debate are allowed the members of the committee use all the time, and that does not leave much time for the rest of the Members of the House.

Mr. McCORMACK. I am inclined to think the gentleman is correct that the consideration of the bill will go into Saturday of next week. If 3 full days are used for general debate, of course, we shall meet a week from tomorrow.

I understand that the gentleman from Virginia [Mr. BLAND] has been granted permission to address the House for 1 hour before the legislative business of the day on Tuesday next, and I intend to ask that the House meet at 11 o'clock that day so that a full day may be devoted to general debate on the reciprocal trade agreements bill.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HOUR OF MEETING ON TUESDAY, MAY 22

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday next it adjourn to meet at 11 o'clock on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ANTONIO RUIZ

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 72) for the relief of Antonio Ruiz, with House amendments thereto, and recede from the House amendments.

The Clerk read the title of the bill.

The Clerk read the House amendments as follows:

Page 1, line 5, after "Ruiz", insert "and Paz Ruiz." Line 6, strike out "his claim" and insert "all claims." Line 8, strike out "his" and insert "their."

Amend the title so as to read: "A bill for the relief of Antonio Ruiz and Paz Ruiz."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Mississippi explain the situation?

Mr. McGEHEE. Mr. Speaker, the Committee on Claims of the House is asking that the House recede from the amendments placed in this bill for the relief of Mr. Ruiz. The House committee was under the impression that Mr. Ruiz's wife was living, and, this bill relating to the death of two of their minor children, we thought she should share in the amount which was being allowed. But after we placed the amendments on the bill and it went to the Senate, the author of the bill advised us Mrs. Ruiz is dead and hence only the father is living. This merely is to strike out the name of Mrs. Ruiz, who died some time ago.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The House receded from its amendments.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WASIELEWSKI asked and was given permission to extend his remarks on two subject matters; one, to include a talk given by a constituent of his over radio station WISM; and, two, to include an editorial on the rehabilitation of returning veterans.

AMENDING FEDERAL FARM LOAN ACT

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 247 and ask for its present consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2113) to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading the bill for amendment, the committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution provides for the consideration of the bill H. R. 2113, which is a bill revising the Federal Land Bank Act. A number of years of experience with the act demonstrates the need for some minor provisions which have been effected by the Committee on Agriculture of the House. The bill comes here with the unanimous report of the Committee on Agriculture. The rule provides for 1 hour's general debate. I know of no opposition to the bill.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, there is no objection to the adoption of the rule on this side. But I understand there are some amendments to be offered by members of the Committee on Agriculture on the minority side when we consider the bill itself.

Mr. SMITH of Virginia. Mr. Speaker, I have no request for time on this side. If the gentleman has no request for time, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. FLANNAGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2113) to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2113, with Mr. NORRELL in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Virginia [Mr. FLANNAGAN] is recognized.

H. R. 2113

Mr. FLANNAGAN. Mr. Chairman, the general object of this legislation is to improve our Federal Land Bank System and pave the way to bring all Federal Mortgage Corporation loans, commonly known as commissioner loans, under the system.

The land-bank system was set up in the year 1916 and has been of inestimable service to the farmers in financing agricultural loans at a reasonable rate of interest. Had it served no other purpose than a yardstick by which to measure the interest rate on farm loans it would stand out as being one of the most beneficial pieces of farm legislation ever enacted. It has, of course, other accomplishments to its credit.

It is, as you know, a cooperative undertaking. All of the stock is owned by the farmer-borrowers except the stock subscribed for by the Government, which latter stock is being retired as rapidly as possible, and when this is done the system will be farmer-owned and farmer-controlled. There are 12 land banks in the system and 11 of these banks will be in position to retire all Government funds by May 31, 1946, and the remaining bank, which is the St. Paul land bank, will be able to begin retiring Government funds by 1947, and thereafter will retire same as rapidly as possible.

In 1931 the Federal land banks had practically retired all Government capital, and had it not been for the depression would have long since retired all Government funds, and reached its ultimate goal of being farmer-owned and farmer-controlled. At that time the loans in the land-bank system comprised approximately 12 percent of the mortgage loans of the country.

In 1932 and 1933 and subsequent years the Government, in order to keep thousands of farmers from being sold out of house and home, and in order to bail out the banks, insurance companies, and other loaning agencies that were carrying farm mortgage notes, put $125,000,000 into the capital account and $189,000,000 into the paid-in surplus account of the Federal land banks. Hence by 1935 the land-bank system was carrying 40 percent of the mortgage loans of the country.

Moreover, the Government set up what is known as the Federal Farm Mortgage Corporation in 1933, and placed at the disposal of the corporation $200,000,000, which, added to the $314,000,000 put into the land banks, made a total of $514,000,000, to further assist in rehabilitating the farmers, banks, insurance companies and other loaning agencies. The $200,000,000 fund was used to make direct loans, that is, the borrower did not have to purchase stock in order to secure a loan, and the loans were made upon a 75 percent valuation and at an interest rate of 5 percent. These loans were commonly known as Commissioner loans. All of these loans were processed through the Federal Land Bank System.

As of December 31, 1939, the loan picture of the system was as follows:

	Number of loans	Amount
Land-bank loans	618,456	$1,904,455,014
Commissioner loans	439,076	690,879,811
Total	1,057,532	2,594,534,825

The same picture as of December 31, 1944, is as follows:

	Number of loans	Amount
Land bank loans	202,339	$767,726,963
Commissioner loans	170,726	361,179,885
Total	373,065	1,128,906,848

And for the 4-year period ending December 31, 1944, 459,563 borrowers paid their loans, totaling $699,797,000, in full.

This great reduction was made possible, of course, due to the remarkable change in economic conditions, with greatly increased farm income and the debt-paying abilities of the farmers, and clearly shows that the farmers pay their debts when they have the money, and this great decrease is in line with the policy of the administration of the land-bank system to make every possible effort to induce borrowers to reduce their mortgage indebtedness as rapidly as their increased farm income will permit, and from 1941 through 1944 the Federal land bank collected $4 for every $1 loaned.

Of the $189,000,000 the Government placed to the credit of the paid-in surplus account of the land banks, as of December 31, 1944, the land banks have paid back $102,106,688, and of the $125,000,000 the Government put into the capital account of the land banks, as of December 31, 1944, the land banks had paid back $7,133,540.

The handicaps under which the Federal Land Bank System is operating, especially the length of time necessary to process loans and the low loan value of farm lands at which it can make loans, are crippling the system to the danger point, as indicated by the small percentage of farm-mortgage loans the land banks are making today. The best information obtainable indicates that loans on farm mortgages throughout the United States in 1944 were made by the different classes of lenders approximately as follows:

	Percent
Federal land banks	6.9
Commissioner loans	3.4
Individuals	38.5
Banks	26.3
Insurance companies	17.8
Miscellaneous	7.1
Total	100.0

Now, just a few words about the Federal Farm Mortgage Corporation. This Corporation, as I have stated, was created in 1933. The Corporation operates entirely upon Government funds. Of the $200,000,000 the Government put into the Corporation, $100,000,000 has already been paid back, and under section 14 of this bill another $50,000,000 will be paid back at once, and section 6 of the bill would give the Federal land banks, under certain conditions, the authority to purchase Federal Farm Mortgage Corporation bonds, mortgages, and contracts for the sale of farms. This authority is granted with the end in view that the Federal Farm Mortgage Corporation will be absorbed, in an orderly way by the Federal Land Bank System.

ANALYSIS OF BILL

Now let me give you an analysis of the bill.

SECTIONS 1 AND 2

Sections 1 and 2 of the bill are designed to simplify the processing of loans. Under the present law it takes from 70 to 80 days for a farmer to get his loan through. Now everyone realizes that the farmer who applies for a loan should be given an answer within a reasonable time. If the loan cannot be made, he should be promptly informed so he can make arrangements for his financial needs elsewhere. I simply could not believe my ears when I heard the presidents of some of the Federal land banks testify that it took from 70 to 80 days to get a loan through. No financial institution operating with such antiquated, outmoded machinery can stay in business very long, and if we preserve the land-bank system we have got to put in operation machinery that will afford the land banks to render service comparable to other financial institutions.

Under the law as now written the board of directors of a local farm-loan association elects a secretary-treasurer of the association and a loan committee consisting of three or more members. As a matter of fact, the secretary-treasurer does most of the work from his office which is usually located at the county seat. The board of directors and members of the loan committee are, of course, all farmers and usually live in different sections of the county, or adjoining counties, where the local association takes in more than one country. Now as to the procedure in obtaining a loan: The farmer files his application for membership in the local farm-loan association, and if he is elected a member by the majority vote of the directors, he is required to subscribe for stock in the association equal to 5 percent of the loan applied for, and at the same time he files with the secretary-treasurer his application for a loan. You see the farmer has to wait until the board meets before he can be elected to membership, and, of course, nothing can be done until he is elected. This is delay No. 1. The application, having been filed, is referred to the loan committee, which makes, or causes to be made, an investigation as to the character and solvency of the applicant, and the sufficiency of the security offered. The committee, after making the investigation, is required to file a report in writing and no further consideration is given to the application for the loan unless the report is not only favorable but unanimous.

Delay No. 2, of course, is getting the committee together and getting the report filed. You must remember, the committee members are all farmers, probably live far removed from each

other, and, like most farmers, are pretty busy. The committee having made the investigation and filed their unanimous and favorable report, the next step is this, which is delay No. 3: The application and report are then sent to the Federal land bank. The directors of the Federal land bank examine the application and report, but cannot take action until they receive a report from one of the Federal land-bank appraisers as to the value of the land. Delay No. 4 is this: The Federal land bank, after examining the application and report, refers same to one of the land-bank appraisers, who makes a trip to the farm, appraises same, and reports back in writing to the land bank his valuation.

Now the changes desired are these: Make the secretary-treasurer a member of the loan committee, give the loan committee the right to elect applicants to membership, give the loan committee the right to request the Federal land bank to send an appraiser as soon as the application has been filed and the applicant elected to membership, and require the appraiser to furnish the loan committee with a copy of his appraisal. The committee then would send to the Federal land bank, along with the application, the report of the land-bank appraiser and its own report, and would also be in position to tell the applicant that his loan had been approved, subject, of course, as to terms and amount, to the final approval of the Federal land bank. When the papers aforesaid are received by the Federal land bank, the bank will have before it all necessary information to pass upon the loan. This change in mechanics, it is thought, would cut the time from 70 to 80 days to 10 days or 2 weeks, and would not in any way weaken the safeguards thrown around the making of a loan. It would simply put a little common sense into the processing of a loan.

Making the secretary-treasurer a member of the loan committee, giving the loan committee the authority to elect applicants to membership, and giving the loan committee authority to call upon the land bank for an immediate appraisal will go a long way toward shortening the time required to process a loan. The secretary-treasurer, who, of course, handles most of the business of the local association, could get in his car, probably pick up the members of the loan committee, or, at least, the member living the closest to the farm under consideration, make the investigation and appraisal, and write up the report by the time the land-bank appraiser made his report, and thus be in position to send all papers to the Federal land bank in a few days. These changes are imperative if we wish to preserve the Federal Land Bank System.

SECTION 3

The only change in the present law that this section makes is to lift the $25,000 restriction on loans made in Puerto Rico, and permit loans up to $50,000, which, at present, is the restriction as to the amount of any loans that can be made in other jurisdictions.

SECTION 4

(a) Under the law at present the Federal land bank is required to give the borrower the right at any installment date after 5 years from the beginning of the loan to make advance payments even to paying off the obligation in full. The change would give the borrower the right to make such payments during the first 5 years of the loan. It is thought wise to encourage the farmer to pay when he is able.

(b) In 1937 the land-bank law was amended so as to make loans to farmers to liquidate nonagricultural indebtedness incurred prior to January 1, 1937. This date was set, of course, to keep farmers who desired a loan for an ineligible purpose from incurring a debt for such purpose with intent of then obtaining a farm loan to take care of same. It is thought that this practice can be broken up by providing that the bank cannot make a loan for the purpose of refinancing a nonagricultural purpose incurred within 2 years. Oftimes, in order to realy help a farmer, it becomes necessary to refinance nonagricultural indebtedness contracted in good faith.

Let me give you at this point, the purposes for which a farm loan can be made:

(a) To provide for the purchase of land for agricultural uses.

(b) To provide for the purchase of equipment, fertilizers, and livestock necessary for the proper and reasonable operation of the mortgaged farm; the term "equipment" to be defined by the Farm Credit Administration.

(c) To provide buildings and for the improvement of farm lands; the term "improvement" to be defined by the Farm Credit Administration.

(d) To liquidate indebtedness of the owner of the land mortgaged incurred for agricultural purposes, or incurred prior to January 1, 1937.

(e) To provide the owner of the land mortgaged with funds for general agricultural uses.

(c) Sections 1 and 2 and this section are, in my opinion, the heart of this legislation. Sections 1 and 2 simplify the procedure whereby the loan is obtained, cutting the time down from 70 to 80 days to 10 days or 2 weeks. This section would make it possible for the Federal land banks to make loans up to 65 percent of the appraised normal value.

Under the law at present loans are limited to 50 percent of the appraised value of the land and 20 percent of the appraised value of the permanent insured improvements. In making the appraisals, however, the normal value of the farm has been used, that is, in making the appraisal the value of the farm for agricultural purposes has been the basis and the normal earning power of the farm has been the principal factor in arriving at the value. This has resulted in Federal farm loans averaging about 43 percent of the appraised value of the farm. Now, the normal earning power of the farm is arrived at on the basis of what the farm will produce over a period of years and applying to that production the normal prices that may be expected for the crops produced. In arriving at the income which might be expected from the farm over a period of years, the following normal prices of selected commodities are used:

Commodity	Unit	Adjusted normal price
Hogs	Hundredweight	$6.23
Veal calves	Hundredweight	6.61
Sheep	Hundredweight	4.43
Lambs	Hundredweight	7.19
Wool	Pound	.22
Butterfat	Pound	.285
Chickens	Pound	.139
Eggs	Dozen	.19
Wheat	Bushel	.77
Corn	Bushel	.58
Oats	Bushel	.30
Rye	Bushel	.58
Barley	Bushel	.43
Hay	Ton	8.89
Cotton	Pound	.10
Potatoes	Bushel	.73
Sweetpotatoes	Bushel	.86

Now it is apparent that when values are so figured that raising the loan value up to 65 percent only means a 50 or 55 percent loan that the farmer can obtain. If the commercial banks, insurance companies, and other loaning institutions followed the same formula in arriving at values, you would find that they are today making loans ranging from 75 to 90 percent of the appraised farm value. The land-bank system, unless it is permitted to increase the loan value, simply cannot meet the needs of thousands of farmers, and many of these farmers at present are being forced to secure loans from other credit sources. In my opinion, unless this change is made, the Federal Land Bank System will be put out of business.

This change has the approval not only of the 12 land-bank presidents, the Governor of the Farm Credit Administration, the leading farm organizations, but likewise the approval of the American Bankers Association.

(d) This section relates to penalty interests. Under the present law the borrower is forced to contract to pay interest at the rate of 8 percent upon indebtedness in default. This provision was written into the law when the interest rate on land-bank loans was 6 percent. For years the land banks have not collected penalty interest at the rate of 8 percent. The change would simply permit the land bank to provide in its mortgage a lower penalty rate, not to exceed 6 percent.

SECTION 5

Federal land banks are authorized by the Federal Farm Loan Act to make loans to each other (12 U. S. C. 781, Seventeenth) and to issue consolidated Federal farm loan bonds which are the joint and several obligation of all the banks (12 U. S. C. 875 et seq.). In view of these express powers and the community of interest among the 12 banks, the law has been construed to authorize them under their incidental powers to borrow money from commercial banks on a joint and several note. While this construction has been accepted by commercial banks, at least one of them has raised some question and suggested that the construction be confirmed by statute. Section 5 of the bill will serve this purpose and avoid

any difficulty which the Federal land banks might otherwise incur on this score in the future.

SECTION 6

Federal land banks are now authorized (12 U. S. C., 781, Eighth) to buy and sell United States bonds and Federal Farm Mortgage Corporation bonds. Section 6 of the bill will extend this authority to include the purchase and sale of other fully guaranteed Government obligations. Since fully guaranteed Government obligations are safe investments for the banks, no purpose is served by limiting the banks in this respect to Federal Farm Mortgage Corporation bonds. Section 6 also adds authority for the banks to buy mortgages, and contracts for the sale of farms, from the Federal Farm Mortgage Corporation, subject to requirements as to security, and membership in a national farm-loan association, which are substantially the same as those applicable to Federal land bank loans. This will make it possible for the banks to take over items of this character from the Federal Farm Mortgage Corporation by direct purchase and avoid much of the expense, particularly the expense of title examination, which would be involved if the banks were forced to follow the ordinary refinancing procedure. It is also desirable to grant this authority in order to facilitate the transfer of all eligible credit out of the field of direct Government lending and into the cooperative Federal land-bank system.

This section specifically provides, however, that Federal Farm Mortgage Cooperative notes and mortgages, and purchase money mortgages and contracts, cannot be purchased unless:

First. The unpaid balance of the indebtedness to the Federal Mortgage Cooperative plus any indebtedness to the Federal land bank does not exceed 65 percent of the normal value of the farm.

Second. The borrower acquired stock in a local national farm association equal to 5 percent of the loan purchased.

Third. The local national farm-loan association elects the borrower to membership.

Fourth. The land bank takes necessary action to reduce the interest rate on the loan purchased so same will be the same rate charged by the land bank.

SECTION 7

The Federal land banks presently have implied power to permit borrowers to defer the payment of principal installments on their loans in distress cases; but the law has not been construed to authorize them to permit deferments for the purpose of making payments on a junior indebtedness. In many cases in which the Federal land-bank loan is entirely sound it is consistent with the bank's best interest to permit the borrower to defer the payment of principal installments for the time being in order that he may get rid of a second-mortgage debt in full. Section 7 will confer this authority upon the banks and enable them to meet the needs of their borrowers in these cases.

SECTION 8

At the present time the Federal land banks are authorized to deposit United States Government bonds, Federal Farm Mortgage Corporation bonds, cash, qualified first mortgages, and purchase money mortgages as collateral for Federal farm-loan bonds (12 U. S. C., 841, 853–857, 897). It is necessary to broaden this authority in order to permit the banks to pledge other fully guaranteed Government obligations, mortgages, and contracts for the sale of farms, acquired by the bank pursuant to section 6 of the bill. Section 8 of the bill carries out this purpose.

SECTION 9

Under the present law (12 U. S. C. 861) the maximum call period which may be inserted in Federal farm-loan bonds is 10 years; the bonds are required to be issued in denominations of $40, $100, $500, and $1,000, and such larger denominations as the Farm Credit Administration may authorize; and they are required to be issued in series of not less than $50,000. These restrictions are not necessarily adapted to the needs of the banks. For instance, it may become advisable to issue a certain amount of bonds with a longer call period. In order to give the needed flexibility, section 9 removes these restrictions.

SECTION 10

The Federal Farm Loan Act requires that bonds issued by individual Federal land banks (12 U. S. C. 874), and consolidated bonds of the 12 Federal land banks (12 U. S. C. 880), carry a certificate signed by the Land Bank Commissioner as to certain features, including the type of collateral securing the bonds. The present law requires these certificates to describe the collateral as "consisting of obligations of the United States Government, or first mortgages on farm lands." In view of the broadened authority which the banks will have in pledging other types of collateral under section 8 of the bill, it is necessary to authorize a change in the form of these certificates. Subsections (a) and (b) of section 10 of the bill accomplish this purpose by requiring the certificates to describe the collateral as "prescribed by the Federal Farm Loan Act, as amended."

SECTION 11

This is a new provision.

The present law (12 U. S. C. 1016 (c)) fixes only a maximum limit, 5 percent, on the interest rate on Land Bank Commissioner loans. The rate should be above the rate on Federal land-bank loans in order to recognize the higher-risk character of Land Bank Commissioner loans and to encourage the handling of the credit through the cooperative Federal Land Bank System wherever practicable, rather than through Land Bank Commissioner loans, which are direct Government loans. Section 11 of the bill has been added in order to make a positive requirement that, with one exception, the rate on Land Bank Commissioner loans shall be 1 percent higher than the rate on Federal land-bank loans. The exception is for those cases in which a lower rate is necessary in order to qualify loans to veterans for guaranty under the Servicemen's Readjustment Act of 1944.

SECTION 12

This is a new section.

This section will require hereafter that borrowers from the Land Bank Commissioner agree to apply for Federal land-bank loans to refinance their Commissioner loans if and when Federal land-bank credit becomes available to them. Section 12 of the bill is a new provision which has been inserted by the committee as another means of having Land Bank Commissioner loans taken over by the Federal land-bank system wherever practicable.

SECTION 13

The authority for the making of Land Bank Commissioner loans will expire under the present law on June 30, 1945. The bill as introduced would have extended this lending authority for an additional period of 2 years. This has been reduced by the committee to an extension of 1 year as provided by section 13 of the bill as reported. This will be sufficient time to observe the extent to which the change in the lending power of the Federal land banks under section 4 (c) of the bill will make it possible for them to make loans which have heretofore required credit from the Land Bank Commissioner.

SECTION 14

This is a new section.

The original capital stock of the Federal Farm Mortgage Corporation was $200,000,000, of which $100,000,000 was authorized to be repaid by an act of June 25, 1940. The Corporation is now in a position to repay an additional $50,000,000, and section 14 will authorize it to do so. The repaid capital will be available in the Treasury of the United States for further subscription, when necessary, to stock of the Corporation upon approval of the Secretary of the Treasury.

SECTION 15

The Federal Farm Mortgage Corporation does not have general authority to sell mortgages, purchase-money mortgages, and contracts for the sale of farms. Section 15 authorizes the Corporation to make such sales to the Federal land banks and is a counterpart to section 6 of the bill authorizing Federal land banks to purchase assets of this character from the Corporation.

SECTION 16

Section 502 of title III of the Servicemen's Readjustment Act of 1944 does not authorize the guaranty of a loan to a veteran unless the proceeds are used for purposes specified in the act. The statutory statement of the purposes is not broad enough to include the purchase of stock in a national farm-loan association. Normally, borrowers from the Federal land banks include the cost of the necessary stock in the amount of the loans which they obtain. Section 16 of

the bill will permit this to be done without making the loan ineligible for guaranty under the Servicemen's Readjustment Act of 1944.

SECTION 17

This is the usual separability clause.

SECTION 18

This section reserves the usual right to alter, amend, or repeal the bill in whole or in part.

SECTION 19

This section provides that the bill shall become effective on July 1, 1945.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, the farm-credit situation is rather complicated; in fact, we have nearly a dozen lending agencies when they are all taken into consideration. Last year after the price of farm products in this country had been frozen, we allowed the interest rate to be raised from 3½ to 4 percent. As our distinguished chairman said, an amendment will be offered providing for 4 percent on Commissioner loans.

Contrary to the conception of many people, Commissioner loans may be just as good or better loans than Federal Land Bank Loans. The last time I checked up 40 percent of them were first-mortgage loans. I might say that in sections of this country like northern Minnesota, northern Wisconsin, northern Michigan, and all through that territory, most of the loans made were Commissioner loans. In this particular case we are in a rather embarrassing position. When the agricultural bill was up on March 24, and they had a rule waiving all points of order, the bill went through without the crossing of a "t" or the dotting of an "i." In that bill sums were provided so that people could get money for 40 years at 3 percent interest, even if they did not pay one dollar down.

I would just like to ask when the same Government provides 100-percent loans for 40 years at 3 percent interest, if I am very far out of line when I say that a man who can pay 25 percent down on his farm should be entitled to receive his money at 4 percent. That is what my amendment will do.

We are in a more embarrassing position. The distinguished gentleman from Iowa [Mr. CUNNINGHAM], the gentlewoman from Massachusetts [Mrs. ROGERS], and several other people, have brought the matter up in the form of a bill known as the Cunningham bill which tries to adjust these loans as far as veterans are concerned. This bill, if I can read it at all, means that if a veteran pays down 25 percent on a farm, he will be compelled to pay at least 4 percent interest. I would just like to have some people tell me how in the name of common sense we can provide millions and millions of dollars to people who are nonveterans, give them 100-percent loans for 40 years at 3 percent interest, and at this late date come in here and say that we should not provide veterans 75 percent valuation loans at least at 3 percent.

May I also call your attention to the fact that in these other loans—and they are direct loans—not only is the interest rate 3 percent for the 100-percent valuation for 40 years, but we also provide by law that 5-percent overhead is spent to go out and look the farm up for a fellow. It is the nonveteran's part that I am talking about at the present time. We have been doing that for several years. While we have been finding farms for people that never owned one—and there were some 35,000 the last time I checked it up—we have driven more than twice that many people off of their farms through the Federal land bank. In 1939 they foreclosed more farms than in any 1 year in the history of the Federal land bank because they could not pay 3½ to 5 percent interest on their loans. At the same time we went over to our city cousins and built them 165,000 houses that cost from $5,000 to $6,800 each. The homes on the farms might not have been very good, but if a man has no other place to go, that is a pretty good kind of a home. I believe that we have foreclosed thousands of farms that we never should have foreclosed.

That is the substance of the two amendments. I do not want to say anything about the Federal land bank or farm-credit loan, but I do not think it should be the purpose of any governmental agency to go into business. I believe that these agencies should be set up on a service basis.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HOPE. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. MURRAY of Wisconsin. In many places the banks do not care about having to do with any farm loans. That can happen in any district in the United States, and therefore the farm people of this country are entitled to a chance on a service basis.

There is no reason for anyone to be in conflict and say he does not want the Government in business. I will just call your attention once more to the fact that when you go down to the Reconstruction Finance Corporation and borrow a billion or two you do not have to form an organizatin in order to get it, you borrow it direct from the governmental agency; so I do not see anything very sinful in having a farmer make a direct loan.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Indiana.

Mr. SPRINGER. As I understand, the gentleman proposes to offer an amendment which will establish a positive rate of interest as far as veterans are concerned, at 3 percent.

Mr. MURRAY of Wisconsin. I do not see any other position we can take as a Congress as long as we are providing 100-percent loans at 3 percent interest for 40 years to nonveterans.

Mr. SPRINGER. As I understand, at the same time some nonservicemen's loans are made at a rate of 3 percent, while veterans' loans are now being made in some instances as high as 4 percent.

Mr. MURRAY of Wisconsin. The rule came in waiving all points of order on March 24, or we could have corrected it at that time

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. I have seen conflicting reports on figures as to the number of veterans who have taken advantage of these loans. Can the gentleman give my any recent figure?

Mr. MURRAY of Wisconsin. I cannot give them, as far as the farm loans are concerned. My impression is that comparatively few G. I. farm loans have been made. I heard here on the floor on March 24, that 12,000 personal-property loans had been made, but I do not know that to be a fact.

Mr. EDWIN ARTHUR HALL. An amendment of this kind would definitely help the returning servicemen?

Mr. MURRAY of Wisconsin. At least it will put him on an equality with these other people. All he is getting under this is somewhat near equality. One must remember that according to the press we are lending billions around the world at 2½-percent interest. I do not want to get in here on this veteran's business because the gentleman from Iowa [Mr. CUNNINGHAM] has for several months been trying to iron this out, as has the gentlewoman from Massachusetts [Mrs. ROGERS] and a dozen other Members of the House, but they have not got it ironed out yet. Why should we pass legislation putting ourselves in this position?

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from California.

Mr. VOORHIS of California. I wonder whether the gentleman would not be willing to include in his amendment a reduced rate of interest on land-bank loans as well as the reduction in the rate of interest on Commissioner loans. A good many members of the committee, as the gentleman knows, feel that there ought to be a differential. I should like to support an amendment to make the land-bank loan rate 3 or 3½ percent, let us say, and keep the Commissioner loan rate at not more than 4 percent. I agree very heartily with the gentleman's position about the veterans' loans.

Mr. MURRAY of Wisconsin. I have two amendments, both of which I know will meet with the gentleman's approval and take care of the situation he brings up. I thank him very much.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. Is it not true that if the bill to which the gentleman from Wisconsin referred, which the gentleman from Iowa introduced, were enacted it would do for the veteran in regard to farm loans what it was the intention of the Congress to do for him by the G. I. bill of rights?

Mr. MURRAY of Wisconsin. Yes.

Mr. CUNNINGHAM. The gentleman from Wisconsin has given the gentleman from Iowa much support on that measure.

Mr. MURRAY of Wisconsin. It has not been enough support so that we have

got anything done about it yet. I think the time has come when we should get some action on this.

Mrs. ROGERS of Massachusetts. The gentleman from Wisconsin was working on this matter last year when we had the matter up on the floor.

Mr. MURRAY of Wisconsin. That was when we had up the G. I. bill, but I did not carry enough water around here. Either I did not have the ability or I could not convince enough of my colleagues to do anything about it.

Mrs. ROGERS of Massachusetts. People see the light about it today.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON of California. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ANDERSON of California. Mr. Chairman, I have here an item which I think will be of extreme interest to the Members of the House who have so faithfully supported the emergency guayule-rubber program.

As most of you know, we have had our troubles in carrying out this program as a war-emergency program. May I read for the benefit of the Members of the House a news release which was issued by the War Production Board, Office of the Special Director of Rubber Programs, last Tuesday. The statement is as follows:

To meet a critical shortage, which makes it necessary to consider natural rubber "in pounds, not tons, from now on," all the guayule crop in the continental United States will be harvested and processed within the next 2 years, it was announced today by John L. Collyer, special director of rubber programs of the War Production Board.

This action was recommended by a special committee, which has just completed a survey. The committee is headed by Dr. H. L. Trumbull, assistant director of research of the B. F. Goodrich Co., and includes Dr. John McGavack and Dr. C. E Bradley of the United States Rubber Co., and John Ingle, of the Goodyear Tire & Rubber Co. It is expected to yield 12,000 long tons of natural rubber, which will be mixed with GR–S, the general-purpose synthetic, for certain uses.

The emergency rubber project, as the guayule-planting program is known, was authorized by Congress in 1942 to obtain an emergency supply of natural rubber during the war The shrub grew wild in the plateau areas of Mexico and in parts of our Southwest. While the natural rubber obtained from it is not, according to rubber experts, the equivalent for all uses of that produced on rubber plantations, it is of great value in certain products.

"Our stock pile of natural rubber is in the danger zone—95,000 tons at the end of 1944 and estimated to fall to 55,000 by the end of this year—due to the demand for large combat airplane, and bus, truck, and implement tires," Mr. Collyer said. "By contrast, the natural rubber supply in 1942 was more than 600,000 long tons.

"In 1942 Congress authorized the Department of Agriculture to undertake the cultivation of a rubber-bearing shrub, guayule, within our continental limits as war emergency insurance to augment our supply of natural rubber. We are now going to cash in this insurance. Guayule shrubs increase in rubber content each year; therefore more natural rubber was being accumulated the longer it was left in the field. Because the need for more natural rubber is acute, a survey was made to determine the amount available from this source within 2 years.

"As we must consider natural rubber in pounds, not tons, from now on, the Rubber Reserve Company has undertaken the task of processing all existing shrub during a time when it will be most useful to the war effort.

"Dr. Trumbull's committee has reported that four new processing units will be needed to turn out maximum tonnage by April 1947. Present plans call for two of the new plants at Bakersfield, Calif., and the other two new units at Patterson, Calif. The sites were chosen to obtain the most efficient use of manpower and construction materials.

"Rubber Reserve Company has contracted with the Firestone Tire & Rubber Co. to construct and operate the mills.

"The program will have the benefit of the extensive work of the Forest Service and other bureaus of the Department of Agriculture."

The Poage bill to make the cultivation of guayule a postwar agricultural project in our Southwest is awaiting action by the Senate. It passed the House of Representatives yesterday, Monday.

Now, as most Members of the House know, on last Tuesday we passed a bill setting up the production of guayule rubber as a postwar agricultural program, a new crop for our farmers. The bill followed the recommendations made by then Major Eisenhower in 1930. It contemplates the eventual production of approximately 400,000 acres of guayule as an insurance policy for the United States against ever again encountering such a shortage as we faced when the Japs took the East Indies and the Malay Peninsula. I heartily support that bill. I know all Members of the House do, because it passed the House by unanimous consent and is now under consideration in the Senate. We had to guarantee a floor price for the rubber in order to insure the fact that our farmers would go into this program. I think we have taken a very forward step.

I yield gladly to the distinguished gentleman from New York, who is on his feet.

Mr. EDWIN ARTHUR HALL. As one who voted in the Committee on Agriculture originally to report out the gentleman's first guayule-rubber bill, I ask the gentleman what evidence he has that guayule is being used in the present war?

Mr. ANDERSON of California. Guayule rubber is being used just as rapidly as it can be processed and refined.

Mr. EDWIN ARTHUR HALL. I so understood.

Mr. ANDERSON of California. As the gentleman well knows, guayule is not only equal to the imported hevea rubber for certain purposes but it is far superior for other purposes. The Navy finds it particularly useful in the construction of many important items that require rubber in battleships, cruisers, and other types of combat vessels.

Mr. EDWIN ARTHUR HALL. I am glad to learn that.

Mr. HOPE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill, as has been explained by the chairman of the committee, makes certain changes in the law governing the loans made by the Federal land bank and by the Land Bank Commissioners. The changes are very largely technical and are explained fully and clearly in the report. Therefore, I shall not go into any detailed discussion of the changes at this time except to say that the most important change is a provision that hereafter Federal land-bank loans shall be made upon the basis of 65 percent of the normal value of the security rather than upon 50 percent of the value of the land and 20 percent of the insured improvements, as has previously been the case.

There is also another provision which I want to mention because it, perhaps, is a little unusual. That is, we are returning some money to the Federal Treasury. Under the provisions of this bill $50,000,000 which has been accumulated as a surplus by the Federal Farm Mortgage Corporation will be returned to the Treasury.

This is in addition to $100,000,000 already returned to the Treasury since the Federal Farm Mortgage Corporation began doing business.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. As I understand it, the increase in the loanable value upon farms has been raised to 65 percent, but under the old formula the average loan was on the basis of approximately 42 percent, and therefore increasing this to 65 percent of the overall value on buildings and land is a material increase in the amount of loan that can be made if the bill is enacted into law. I just wanted to point this out: I believe primarily it was the purpose of the committee to try to eliminate the Commissioner loans. I thought at the time the proposal was made to increase the loanable rate up to 65 percent, that we could accomplish that, because giving that large loanable value, it was my understanding that would take care of most of the needs for agriculture, in making loans on land in the country. But of course this bill also continues the Commissioner loans. I would like to have the gentleman's comment on what I have had to say, to see whether or not he agrees with my ideas.

Mr. HOPE. I had the same understanding that the gentleman did when the legislation was brought in. That is, that one of the purposes of increasing the amount to 65 percent was to do away with the need for Commissioner loans. The gentleman will recall that about a year ago the heads of the Federal land banks appeared before the Committee on Agriculture and stated that they themselves desired to do away with Commissioner loans, and urged that this increase be adopted for that reason.

The gentleman also knows that when the same group came back to the committee this year they had changed their opinion, and they asked that the Commissioner loans be extended for 2 years. My viewpoint has been very largely the same as that of the gentleman from Minnesota. I had thought it would be a wise thing to get rid of the Commissioner loans, because I did not feel we needed them at this time. In the committee we

compromised the matter by agreeing to extend the Commissioner loans for 1 year. One of the reasons advanced by those who are advocating a continuation of Commissioner loans was that there are some areas in the country where Federal land bank loans are not made, where only Commissioner loans are made. Another reason was that it was thought that the Federal land bank loans would perhaps fit into the G. I. program pretty well, and for that reason we should keep them going for another year.

Personally I feel that as soon as we can we should get rid of the Commissioner loans. They were put in as an emergency loan. The emergency has passed, and I would like to feel that in this case, at least, when the emergency is over, the remedy is also ended.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HOPE. Mr. Chairman, I yield myself 2 additional minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield further?

Mr. HOPE. I yield.

Mr. AUGUST H. ANDRESEN. I would like to point out another matter in connection with the Farm Credit System. As the gentleman knows, our committee has undertaken a study of the farm-credit structure of the country in an effort to consolidate all farm credit into one agency and to revamp it and put it on a more businesslike basis. It was my hope that this legislation would be a part of that reorganization picture, but it was quite apparent that our committee could not get around to preparing legislation to bring about a reorganization and consolidation of the Farm Credit System. Does not the gentleman feel that our committee should do everything as quickly as we can to bring about that reorganization and consolidation of all of the credit agencies into one institution?

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I am always glad to yield to the chairman of my committee.

Mr. FLANNAGAN. I just wanted to tell the gentleman that I introduced such a bill day before yesterday. I feel confident I will have the support of the gentleman.

Mr. AUGUST H. ANDRESEN. I may say that the gentleman from Virginia will have the support of the gentleman from Minnesota for any piece of constructive legislation that will eliminate many of these agencies outside of the Farm Credit Administration that are now making loans, and for any effort that will seek to consolidate and make more businesslike and efficient one credit agency here in this country.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HOPE. Mr. Chairman, I yield myself 3 additional minutes.

Mr. AUGUST H. ANDRESEN. I should like to have the dean of my delegation express his opinion about this legislation for consolidation.

Mr. HOPE. The gentleman from Minnesota has very well expressed my own views on the matter. I agree with what he says 100 percent. In view of the fact, however, that the legislation may take some time I feel that we ought not delay this legislation pending that. I join with the gentleman from Minnesota in hoping that we can at the earliest possible date enact consolidation legislation.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. MILLER of Nebraska. I wish to inquire of the gentleman from Kansas about the $50,000,000 that is being returned to the Treasury. Does that represent excess interest charges that have been paid by the borrowers from Federal land banks?

Mr. HOPE. I would not put it that way. It represents savings and profits which have accrued in the Federal Farm Mortgage Corporation.

Mr. MILLER of Nebraska. Then, part of that could well be interest charges.

Mr. HOPE. The only income that the Federal Farm Mortgage Corporation has is interest which is received upon its loans.

Mr. MILLER of Nebraska. Another question: Is there anything in the hearings relative to the Commissioner loans, as to the loss or gain that may have been sustained from Commissioner loans?

Mr. HOPE. I think there is but I cannot tell the gentleman exactly where he will find it. I am sure there is information in the hearings, but I am sorry I cannot give the gentleman definite information as to that right now. If it is not in the hearings I am sure he can get it from the Farm Credit Administration.

Mr. MILLER of Nebraska. Another question I wish to ask is whether there is any evidence that the loans now being made by the Federal land banks could not be made by the local banks in the communities where there are loans being made?

Mr. HOPE. I do not believe there was any evidence either way on the matter. About the only thing that I recall on that point is that in the last quarter of 1944—and this will be found in the hearings on page 103—the statement was put in the record that during that period 10.6 percent of the mortgage loans in the country were made by the land banks and Land Bank Commissioner, 39.1 percent were made by individuals, 27.7 percent by banks, 15.2 percent by insurance companies, and 7.4 percent were miscellaneous. I do not believe that the fact that the land banks made only a small proportion of the loans should be taken as any indication that they are not needed. They may not be needed as greatly at this time as at certain times in the past, but the land banks have been set up as permanent institutions, so that they will be available if the time comes that loans may not be readily made by private lending institutions. There have been such times and they may come again.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. FLANNAGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Chairman, I think what the farmers of this Nation want more than anything else is some feeling of security out on the farm. They have never had that. There are some uncertainties, of course, that they cannot be rid of, such as the weather and the insects.

But I know they would like to have a credit system that is not dependent upon the uncertainties of Federal appropriations and Federal subsidies. As a matter of fact, that was the original idea of the Congress in 1916, when it established the Federal Land Bank System.

It is proposed here to encourage a farmer-owned and a farmer-controlled long-term land-bank credit system. The thoughtful farmers of this Nation long to see the time when they will have a credit system that cannot be destroyed, either by a change in the times or a change in the attitude of the Congress. There are provisions in this bill, therefore, that should be looked upon favorably by every Member of the Congress. We have raised the lending power of the Federal land bank from approximately 43 percent of the value of the land to 65 percent of the normal value.

I call particular attention to the fact, Mr. Chairman, that this is 65 percent of the normal value, not the market value. It is 65 percent of the normal value of the land and in determining value the bill provides:

> In making said appraisal the value of the farm for agricultural purposes shall be the basis of appraisal and the normal earning power of said farm shall be a principal factor.

That is a very helpful provision. It is going to be helpful to the farmers and it is going to be helpful to the soundness of the whole system. Second, we provide the machinery whereby the Federal land banks may purchase the mortgages held by the Federal Farm Mortgage Corporation which, in my judgment, is a step in the right direction. I have felt that the time has come when the Congress should discontinue Commissioner loans, but I am submitting to the views of the majority of the committee that such loans should be continued for another 12 months, under the statement of the chairman and under the views of a majority of the members of the committee that before another 12 months have expired the entire farm-credit structure will be reviewed, the Commissioner loans will be eliminated, and we will in fact set up one sound, strong, constructive, long-term land-bank system which will in fact as well as in theory be owned and controlled by the farmers of this Nation. That is what they are entitled to and will bring them some sense of security with regard to their credit needs in the future.

I understand it is the purpose of the distinguished chairman of the committee to ask no further continuance of the Commissioner loans after this extension but will bring in a bill to reconstruct and revise the entire farm-credit system.

Mr. FLANNAGAN. That is the immediate thought and the only reason the committee agreed to the extension of 1

year was to bring about an orderly liquidation so the system could be brought up to the land-bank system in a proper way.

Mr. PACE. I am glad to have that assurance.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, I am interested in this bill and I am for it, but I feel that there should be at least three amendments added. I see no reason why veterans should be charged 4 percent interest. They have received $50 a month while those who stayed at home made at least $150 and up to $300, $400, and $500 a month.

The time has come when we should give the veterans something more than lip service. I say that, and I do not care who challenges the statement. That is all we have been giving the veterans. We are going to give them a whole lot more if the veterans do not return in sufficient numbers and make us sit up and take notice.

I feel that the amendment suggested by the gentleman from Wisconsin [Mr. MURRAY] should be adopted. I shall offer that amendment. He did not expect me to be here when he said he would offer it. He will offer another amendment, which I shall support, and that is to make the Commissioner loans not to exceed 4 percent.

May I say right here that in all my experience since I have been a Member of Congress, the Committee on Agriculture has had no chairman that has labored more diligently and harder for the interests of agriculture than the gentleman from Virginia [Mr. FLANNAGAN]. I hope that he will accept this amendment in behalf of the veterans and also one or two of the other amendments which will make the bill more liberal.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield to the gentleman from Virginia.

Mr. FLANNAGAN. The bill gives the veterans the benefit of the interest rate provided for in the G. I. bill at not to exceed 4 percent.

Mr. LEMKE. That is correct.

Mr. FLANNAGAN. Why should the gentleman ask for more?

Mr. LEMKE. Simply because the maximum in the G. I. bill as passed in the House was 6 percent for the coupon interest. The Senate reduced it to 4 percent; they made the maximum 4 percent. Let us now redeem ourselves for the mistakes we made when we tried to make it 6 percent for the G. I. boys and 4 percent for the farmers who stayed at home.

Mr. FLANNAGAN. I do not think the gentleman would be in favor of a system that charged one rate of interest to one class and another rate of interest to another class.

Mr. LEMKE. I am satisfied that the Federal land bank can reduce the rate of interest at the present time to less than 3 percent if they proctice a little more economy in their set-up.

Mr. FLANNAGAN. I think that the Federal land bank has been able to market their bonds in a wonderful way. Remember, these land-bank bonds are not guaranteed by the Government. This is a cooperative undertaking. It is ultimately supposed to be farmer-owned and farmer-controlled. They are only charging interest at 4 percent today. They have yet some 4-percent bonds outstanding. It is true that the last sale went at 2¼, which shows the confidence that the public has in the Federal Land Bank System. I do not want to do anything that will cripple a cooperative loaning agency set up by the farmers themselves.

Mr. LEMKE. I agree with the chairman, but I still say that it will not endanger it. The reason these bonds are selling is because the cooperatives are taking care of them now, and during the crisis, there were a lot of losses.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. For my own information, may I ask the gentleman which of Mr. MURRAY'S amendments he is planing to introduce?

Mr. LEMKE. The one reducing the rate to the veterans to 3 percent.

Another amendment that I propose to offer and that I feel should be adopted is on page 6, line 7. It would strike out the figure "6" and substitute 5 percent in place of 6 percent after due date. They made the rate 8 percent, but the chairman tells me that they did not pay that. Well, if they did not pay it, why should we leave the farmer at their mercy? Why not fix the penalty rate at 1 percent?

Mr. FLANNAGAN. If the gentleman will yield further, there is an explanation for that, and I think the gentleman will agree that the explanation is a satisfactory one. When the land-bank system was set up, the interest rate was fixed at 6 percent and the penalty rate at 8 percent. The land-bank interest rate has been reduced to 4 percent, and I say that the penalty rate should accordingly be brought down.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield to the gentleman from Nebraska.

Mr. STEFAN. The amendment which the gentleman is going to offer would reduce the interest rate to the veteran to 3 percent, would it not?

Mr. LEMKE. It would.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield to the gentleman from Nebraska.

Mr. STEFAN. Would that include the veterans of the First World War?

Mr. LEMKE. No, because it would include only those covered by the G. I. bill, the veterans of World War No. 2. Whatever rights the veterans of other wars have, they do not get them under the G. I. bill, so there is no guaranty about that.

Mr. STEFAN. Several Members have requested that I ask that question, because they are very much worried about what would happen to the veterans of the First World War.

Mr. LEMKE. I am perfectly willing to make it for all of them.

Mr. STEFAN. There are the Spanish-American War veterans to be considered, too.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I understood the chairman of the committee in replying to the suggestion of the gentleman from North Dakota, who was discussing the so-called Murray amendment which would reduce the interest charge on loans made to veterans to 3 percent, to make the statement that he did not think the gentleman from North Dakota would want to put these people in a separate class. Did I correctly understand the gentleman?

Mr. FLANNAGAN. Yes.

Mr. KEEFE. The thing that is bothering me is this. Are not the beneficiaries under loans made pursuant to the Bankhead-Jones Act getting loans for 40 years at 3 percent interest?

Mr. FLANNAGAN. That is right.

Mr. KEEFE. As to the loans to veterans under the G. I. bill, those are 20-year loans, and it is proposed to charge them 4 percent. Is that the fact?

Mr. FLANNAGAN. That is the fact.

Mr. KEEFE. If that is the fact, then is it not true that there is being extended to a class of nonveterans who are placed on farms and given loans under the provisions of the Bankhead-Jones Act an interest rate of 3 percent, yet the veterans, another class, are being charged interest at 4 percent. I am unable to see the gentleman's position and should like to have it explained.

Mr. FLANNAGAN. Under the Bankhead-Jones Tenant Act the veterans are eligible for loans at 3 percent. Here we are dealing with an entirely different act, with the Land-Bank Act, and with the land-bank system. We should not bring in the Tenant Purchase Act or any other act and confuse it with this great system known as the land-bank system, that has been so beneficial to the farmers.

Mr. FLANNAGAN. Mr. Chairman, I yield myself 1 minute.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. Is it not a fact that if a veteran is going to get a loan under the Bankhead-Jones Act he must sign two or three different things? One is practically a pauper's oath, the second is a pledge that he will farm the way the Secretary of Agriculture tells him to, and, third, a promise that he will raise the crops the Secretary of Agriculture asks him to raise?

Mr. FLANNAGAN. I do not think that is true.

Mr. MURRAY of Wisconsin. Has the gentleman read the Bankhead-Jones Act?

Mr. FLANNAGAN. I helped pass it, but I do not think all those provisions

are in it. Under the Bankhead-Jones Act the veteran, if he qualifies for a loan, would stand on the same footing as any other person.

Mr. MURRAY of Wisconsin. Yes; he has a sign a contract embodying these provisions.

Mr. FLANNAGAN. Let us not confuse the Bankhead-Jones Act with the land-bank system. There is no connection between the two.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) the second paragraph of section 7 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 712), is further amended by inserting between the words "three" and "members" in the last sentence thereof the words "or more", and by adding at the end thereof three new sentences as follows: "This secretary-treasurer shall be eligible for membership on the loan committee. The board of directors may empower (a) the loan committee to elect applicants to membership and (b) any two members of said committee to act as the loan committee in approving loans on behalf of the association and in electing applicants to membership in the association. No action by the loan committee shall be valid where the full committee is acting unless unanimously approved by all members or where any two of its members are acting as herein provided unless approved by both such members."

(b) The first sentence of the fifth paragraph of section 9 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 745), is further amended by inserting after the words "by a majority vote of the directors" the following: ", or by the loan committee where said committee has been empowered to elect applicants to membership, and".

With the following committee amendments:

Page 2, line 3, strike out the word "two" and insert the word "three."

Page 2, line 8, strike out the word "two" and insert the word "three."

Page 2, line 10, strike out the word "both" and insert "all."

The committee amendments were agreed to.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I move to strike out the last word. Mr. Chairman, early in January I introduced a resolution in this House calling for an investigation to find out just what was being done in the administration of the G. I. bill of rights. Not only did I touch upon the medical and hospital care of veterans, but I also intended to have it inquire how the educational features of the bill were being carried out. More properly here today I intended that some attention be given to the adjustment of veterans' loans, whether they be for acquiring farms, starting in business, or building homes, or anything else that might be of benefit to them. I think the time has come when the House of Representatives has to face the real issue. That is, we have to ask the question, What are you doing for the veterans? What are you doing for the boys who are coming home before long and who are going to take their places once more among us? A lot of them are going to ask, What has Congress been doing while we have been away? So the question is posed at this time. It is time we did something about making loans available to veterans at just as reasonable a rate of interest as we possibly can. I think today is the time to take the right step forward and reduce that loan rate from 4 percent to 3 percent, as it should be. Not only is it the duty of the committee on Agriculture, but it is the duty of the Committee on World War Veterans Legislation to look into this matter and see if the G. I. bill of rights is being carried out as it should be. It is their duty to see if the administration of the G. I. bill of rights is being taken care of so that it is benefiting, not just a few veterans here and there, not just a few soldiers who happen to be coming home now, but to see that it applies to everybody who will be discharged from the armed forces. I think it is time we took that into consideration. I know when I introduced my resolution on the floor, I was challenged by the majority leader who said, "What are you trying to do, investigate General Hines? Are you trying to investigate the Veterans' Administration?" My answer to him was, "I think Congress should be continually investigating every phase of legislation which had to do with the returning veterans."

So for that reason, Mr. Chairman, I am entirely in accord with the amendment which the gentleman from Wisconsin originally said he was going to introduce, but through some agreement has passed on to the gentleman from North Dakota [Mr. LEMKE]. They seem to be working together pretty well.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. AUGUST H. ANDRESEN. I was very much interested in the resolution which the gentleman had presented in January for the investigation. I was wondering what progress he has made in getting a hearing on it and in being able to have the investigation made.

Mr. EDWIN ARTHUR HALL. The gentleman will recall that on that same day I was challenged by the majority leader and also by the chairman of the Committee on World War Veterans' Legislation, the gentleman from Mississippi [Mr. RANKIN], who said he felt that any investigation which would take place, the committee could conduct itself. I have been looking forward to having that Committee on World War Veterans' Legislation do just that.

Mr. AUGUST H. ANDRESEN. If the gentleman will let the membership of the House know when he goes before the veterans' committee to testify, I am sure we will join with him.

Mr. EDWIN ARTHUR HALL. As soon as I can get a hearing I will do so.

Mr. BENNETT of Missouri. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. BENNETT of Missouri. For the gentleman's information, I am sure he will be glad to know that the Committee on World War Veterans' Legislation is conducting a searching investigation now of all veterans' problems and the operation of the G. I. bill of rights. We had hearings this morning. We will have hearings again next Tuesday morning. Any Member of the House who has anything he desires to contribute can appear there as a witness.

Mr. EDWIN ARTHUR HALL. I thank the gentleman. I know the gentleman is doing a good job.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Clerk read as follows:

SEC. 2. The first, second, and third paragraphs of section 10 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 751, 752, and 753), are further amended to read as follows:

"Whenever an application for a mortgage loan is made to a national farm-loan association, the loan committee provided for in section 7 of this act shall forthwith make, or cause to be made, such investigation as it may deem necessary as to the character and solvency of the applicant, and the sufficiency of the land offered as security. The committee may request a report on the value of the land by a land bank appraiser appointed under the authority of section 3 of this act, in which event such an appraiser shall investigate and make a written report to the association upon the land offered as security. The committee shall cause written report to be made of the results of such investigation or investigations as it has required to be made and shall, if it concurs in such report, approve the same in writing. No loan shall be made unless the report is favorable. After the investigation required in this paragraph has been made, the association has requested and received a report upon the value of the land by a land bank appraiser, and the loan committee has reached an agreement as to the amount and terms of the loan which may be offered to the applicant, if such amount is not in excess of 65 percent of the normal value of the farm offered as security as determined by said appraiser the secretary-treasurer may notify the applicant of the amount and terms of the loan approved by the loan committee: *Provided*, That any such notice shall contain a statement that the amount and terms of the loan offered to the applicant are subject to and conditioned upon subsequent approval or disapproval by the Federal land bank.

"The written report required in the preceding paragraph, together with any report made by a land bank appraiser, shall be submitted to the Federal land bank with the application for the loan, and the land bank shall examine said written report when it passes on the loan application which it accompanies, but it shall not be bound by the value placed upon the property by the loan committee.

"Before any mortgage loan is made by any Federal land bank, or joint-stock land bank, it shall refer the application to one or more of the land bank appraisers appointed under the authority of section 3 of this act, and such appraiser or appraisers shall investigate and make a written report on the land offered as security for said loan: *Provided*, That if a land bank appraiser has made a report on said land to the national farm-loan association, the Federal land bank need not request an additional report. No such loan shall be made by said land bank unless the written report of the land bank appraiser is favorable."

With the following committee amendments:

On page 3, line 1, strike out "land offered as" and after the word "security", insert the word "offered."

Page 3, line 2, strike out the word "land" and insert the word "security."

Page 3, line 6, strike out "land offered as" and after the word "security", insert the word "offered."

Page 3, line 10, after the word "report", insert "of the committee."

Page 3, line 13, after the word "the", strike out the word "land" and insert the word "security."

Page 3, line 17, strike out "farm offered as", and in line 18 insert the word "offered."

Page 4, line 12, strike out the word "land" and insert the word "security," and strike out the words "as security."

Page 4, line 13, strike out the word "land"; and in line 14, the first word insert the word "security."

The committee amendments were agreed to.

Mr. MURRAY of Wisconsin. Mr. Chairman, I move to strike out the last two words.

Mr. MURRAY of Wisconsin. Mr. Chairman, reference has been made to what appears on the face of these contracts and it might be a good thing to look over some of the old Federal land-bank loans and see what the contract provides. If we operate on the basis of what the contracts stated, many of them provided 5 percent interest. That is the answer to our distinguished chairman as far as Federal land bank interest rates are concerned.

I do not see one reason in the world why a certain part of the country should pay 5 percent when a man pays down 25 percent on the farm. There may be a reason, but I do not know it. All of the loans made up in our part of the country, in northern Wisconsin and Minnesota, are Commissioner loans. You are going to tell those people that on July 1 we are getting a little hard up down here in Washington, we have thrown these billions of dollars around on a lot of things that had nothing to do with the war; now we have to reach a little further down in your pocket and get an additional interest rate, therefore we are going to raise you to 5 percent. You will put that interest rate at 5 percent on farms. If you do that you will have every other interest rate go up. Now, a mortgage on a good piece of land in this country is the best mortgage there is.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Pennsylvania.

Mr. GROSS. When they cut those interest rates down we fellows who had the Federal loans lost our stock because they made the interest rate too low. I know a lot of farmers who lost $500 apiece on the stock they had in the land bank.

Mr. MURRAY of Wisconsin. The answer to the gentleman is he lives in the wrong part of the country. He would have received 100 cents on the dollar if the loans had been properly made.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield

Mr. MURRAY of Wisconsin. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. The gentleman refers to the rate on the Commissioner loans in his section of the country. What is the interest rate that the contract provided?

Mr. MURRAY of Wisconsin. I have not seen one of them lately.

Mr. RIZLEY. It was 5 percent, was it not?

Mr. MURRAY of Wisconsin. Formerly it was. The Federal land loan contracts were also 5 percent.

Mr. RIZLEY. Then we are not asking to increase the rate in this bill, are we?

Mr. MURRAY of Wisconsin. Yes; you are raising the interest rate from 4 percent to 5 percent on Commissioner loans.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 4, line 18, insert a new section as follows:

"SEC. 3. The last sentence of the first paragraph of section 4 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 672), is further amended to read as follows:

" 'Loans made by each such branch bank shall be subject to the restrictions and provisions of this act, except that each such branch bank may loan direct to borrowers, and, subject to such regulations as the Farm Credit Administration may prescribe, the rate charged borrowers may be 1½ percent in excess of the rate borne by the last preceding issue of farm loan bonds of the Federal land bank with which such branch bank is connected: *Provided*, That no loan shall be made in Puerto Rico or Alaska by such branch bank for a longer term than 20 years.' "

The committee amendment was agreed to.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word, and I would like to have the attention of the chairman of the committee. This is important legislation and I want to understand some of the provisions in this bill before being asked to vote on it.

May I ask the gentleman to advise whether I am correct or not in this assumption: Assume I am a returning war veteran and I go out and try to get a loan under the provisions of the G. I. bill. I have in mind a farm which I think is a good bargain at $10,000. I may go to the Federal land bank or to any loaning authority who may see fit to make a loan. If I went to the Federal land bank under the existing law they would loan me up to 65 percent of the amount of the purchase price of that farm, or $6,500; is that correct?

Mr. FLANNAGAN. Under the present law the valuation is a 50–20 valuation; 50 percent of the normal value of the land, and 20 percent of the insurable buildings, which makes about a 43-percent average.

Mr. KEEFE. Then how much can I borrow from the Federal land bank? What percent of the $10,000 could I, as a veteran, ask them to loan me, without going into all the details?

Mr. FLANNAGAN. Under the amendment, 65 percent.

Mr. KEEFE. That is, as I understand it. The bill provides I can borrow up to 65 percent. So they give me $6,500, and if they make that loan then the Veterans' Administration, through their regulations under the G. I. bill will guarantee up to $2,000 of that $6,500 loan that I get from the Federal land bank; that is correct, is it not?

Mr. FLANNAGAN. That is correct.

Mr. KEEFE. Upon that loan that the Federal land bank thus makes to me under the provisions of this bill, it will require me to pay an interest rate of 4 percent, maximum of 4 percent, not because the Federal land bank placed a maximum of 4 percent, but because the G. I. bill says they will not guarantee a loan in which the interest rate is greater than 4 percent; is that correct?

Mr. FLANNAGAN. This bill does not affect in any way the interest rate charged by the land banks.

Mr. KEEFE. I am asking the gentleman for information. I did not ask him that. I am asking him whether or not I am correct in my assumption that when they make a loan to me at $6,500 in the situation that I have described, they would make the loan to me at 4 percent or less; otherwise they could not secure its guaranty under the G. I. bill. That is true, is it not?

Mr. FLANNAGAN. That is right.

Mr. KEEFE. So that the chances are that the loan would be made at 4 percent, which is the maximum to be charged under the terms of the G. I. bill, and I would be paying 4 percent on a $6,500 mortgage, on a $10,000 purchase, where I paid 35 percent of the purchase money down in order to make the deal. That would be a pretty good loan.

Mr. FLANNAGAN. That is right.

Mr. KEEFE. That is where we place the veteran, so far as the Federal land bank is concerned if this bill is enacted into law, or as it is today; that is correct, is it not?

Mr. FLANNAGAN. The gentleman is correct.

Mr. KEEFE. If I am a veteran and I do not have the $3,500 to pay down, and I pick out a $10,000 farm, and I want to buy that farm, I go in and talk to the land-bank officials, and they say, "Well, sir, we cannot make you this loan, because we can only give you 65 percent of this $10,000 loan, and you do not have the $3,500. The place for you to go is over to the Farm Security Administration and see if they cannot figure out a way for you." And they figure it out. If he is the right type of man, they will make him a loan for 100 percent for 40 years at 3 percent under the provisions of the Bankhead-Jones Act; is that right?

Mr. FLANNAGAN. That is right.

Mr. KEEFE. If he succeeds in getting the loan under the provisions of the Federal Land Bank Act, he will get the loan for only 20 years at 4 percent and is required to pay at least 35 percent down in cash.

Mr. FLANNAGAN. Forty years under the Federal Land Bank Act.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. The question in my mind, may I say to my distinguished friend, the chairman of this committee, is this: I am seeking to get it straightened out, so that I will understand it, not being a member of the committee and not professing to be an expert in matters pertaining to agriculture.

This veteran who gets the loan from the Federal land bank will have paid 35 percent of the purchase price in cash or he cannot get it on a $10,000 loan or any other amount.

Mr. FLANNAGAN. That is right.

Mr. KEEFE. Then that puts one class of veteran over here that can get benefits under the Federal land-bank system of loans. He may go to a bank, a normal bank, and make that kind of a loan. Any bank would be very glad to make that kind of a loan without the Federal land bank in the picture at all. So legislatively you have not done anything for that veteran that I can see when you just say to him, "We will make it possible for you to make a loan that any bank in the country would be glad to make." You say to him, "All right, we are going to give you a little additional benefit, because we will let you go, as anybody else can go, over here to the Farm Security Administration and get yourself fixed up with a Bankhead-Jones loan, and we will loan you the whole $10,000 for 40 years at 3 percent interest, but as a condition of our doing that you must subscribe to certain controls, you must abide by the decision of the inspectors of the Farm Security Administration, and you must agree to do certain things."

Will the gentleman say whether or not there are any controls placed over a man who secures a 100 percent loan for 40 years at 3 percent under the Bankhead-Jones Act?

Mr. FLANNAGAN. There is certain supervision provided for, and rightly so, in the Bankhead-Jones law.

Mr. KEEFE. If you really want to do something for the veteran, why is it that you do not provide in this bill that loans may be made at 3 percent by the Federal land bank? I want to get that information not in a demagogic sense; I simply want to get the information in the interest of sound business judgment.

Mr. FLANNAGAN. Let me answer as one businessman to another.

Mr. KEEFE. That is what I am asking for.

Mr. FLANNAGAN. The gentleman would not want to do anything to wreck the Federal Land Bank System. It is owned by the farmers of this country. They have put their money into it. Every time they get a loan they put 5 percent of that loan into stock. It is their bank. We want to preserve it. We do not want to bring in any class that will wreck this bank. The Federal Land Bank System cannot be operated today on a 3-percent interest rate.

Mr. KEEFE. May I inject at that point that a borrower who borrows money under the Federal land-bank plan is required to pay for stock in the Federal land bank.

Mr. FLANNAGAN. Yes.

Mr. KEEFE. Is there any provision in this bill that will permit any portion of the proceeds of a loan made to a veteran that is guaranteed by the Veterans' Administration under the provisions of the G. I. bill to be used to pay for the stock in the Federal land bank?

Mr. FLANNAGAN. Yes. We changed the G. I. bill in that respect so that he can use part of those funds and become qualified for a loan under the Federal Land Bank System.

Mr. KEEFE. Therefore, this bill amends the G. I. bill to the extent that it permits the utilization of the proceeds of loans made pursuant to the terms of the G. I. bill to be used for payment for the stock necessary to be acquired if a loan is made from the Federal land bank?

Mr. FLANNAGAN. Yes.

Mr. KEEFE. Then I think the gentleman has enlightened me, and I have the information I wanted. I thank the gentleman.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Ohio.

Mr. BREHM. In other words, the veteran who can pay one-fourth down is being penalized for his thrift by being compelled to pay 4 percent interest on the balance of the amount, while the individual who makes no down payment gets the full loan at 3 percent.

Mr. HOPE. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, it seems to me we are getting a little far afield from this bill in the course of this discussion.

This bill is brought in by the Committee on Agriculture. We have another committee, of course, which deals with veterans' affairs. The statement was made on the floor by a member of that committee—the gentleman from Missouri [Mr. BENNETT]—that the Committee on World War Veterans' Legislation is at this time considering amendments to the G. I. bill. I take it that if there are any changes which should be made in the bill, including the loan provisions, that full consideration will be given by the committee on veterans' affairs to that matter.

However, in this bill we have not ignored the veterans. We have tried to fit the veterans' purchase program in with this bill, in that we have provided that loans made under the Land Bank Commissioner loan set-up shall be made at whatever rate is necessary to enable the veteran to qualify under the G. I. bill.

So we have done what we could in this bill to harmonize the two types of loans.

It may be that the interest rate on loans to veterans should be reduced. I do not think that is a question which is really pertinent to this discussion, because if we adopt the amendment which has been discussed, it will, of course, apply only to these loans which are made by the Federal Farm Mortgage Corporation, which, after all, will only be a very small percentage of the loans that are made to veterans.

Something has been said about the fact that the veteran could go to the Farm Security Administration and, under the farm-tenant program, get a better loan than he can get from the Federal land bank or from the Federal Farm Mortgage Corporation. I call attention to the fact that while he may get better terms there, he is placed under certain restrictions and has to meet certain conditions which will not appeal to the average veteran who will want a loan. He will probably prefer not to make that kind of loan. However, we have made some provision for veterans who do want to make that kind of loan, because in the Department of Agriculture appropriation bill there is a provision which includes $25,000,000 for loans to veterans under the G. I. bill, and that money is not to be distributed under the provisions of section 4 of the Bankhead-Jones Farm Tenant Act.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. WHITTINGTON. In that connection and in connection with this bill, as I understand, the maximum loan is 50 percent of the normal value of the land and 25 percent of the buildings on the land?

Mr. HOPE. Under the present law.

Mr. WHITTINGTON. Yes, under existing law. That would make the maximum loan 43 percent of the value of both the land and buildings. Am I correct?

Mr. HOPE. That is what the average has been over a period of years.

Mr. WHITTINGTON. I have high regard for the gentleman's views. Under this bill it is proposed to increase that to 65 percent, assuming that is the average value; or there is an increase of substantially 50 percent in the maximum loan that may be made.

Mr. HOPE. That is correct.

Mr. WHITTINGTON. I am wondering if that will not tend to cause further inflation in the prices of land, which I think will be most unfortunate for the farmers of the country. I would like to have the gentleman's views and what was developed before the committee with regard to inflation caused by increased loans on land. The best way to increase the value of land is to provide for an increase in the loans on that land.

Mr. HOPE. I agree 100 percent with the gentleman as to the dangers of inflation.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent that the gentleman may have 2 additional minutes. I want to know what appeared before the committee and what facts were presented.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. I would like to know what facts were presented with respect to inflation resulting from this 50-percent increase in the amount of loans allowed on the land.

Mr. HOPE. I do not believe anything could happen to agriculture in this country that would be any more disastrous than inflation in land values. The committee did give thorough consideration to this question of the effect which increasing the loan value might have upon inflation of land values; and that might be serious if it were not for the fact that this loan value is based upon the normal value of the land, not upon the market value. That means according to the definition which the Farm Credit Administration uses, the productive value of the land over a period of years based upon average prices and average production. While I do not want to trust my memory as to the exact figures that were given, I think they were based on about 75-cent wheat and 12-cent cotton. So the gentleman can see that 65 percent of the valuation based upon the earning power

of the land, or farm products at the prices I have mentioned, is not likely to cause any severe inflation.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Yes; gladly.

Mr. FLANNAGAN. Those values are fixed on 10-cent cotton, 6-cent hogs, 77-cent wheat, 58-cent corn, and so forth.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes. This is a very important matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. If normal value is based upon the price of agricultural products—and while I have high regard for the views of this committee, with all due deference, if I may say so, if we did not use a higher value than that, it would not be of much value to them.

Mr. FLANNAGAN. The 75-percent loan based on normal values would be around a 55-percent loan based on the market value.

Mr. WHITTINGTON. And 55 percent as contrasted with 43 percent is an increase of approximately 25 percent in the lending value.

Mr. FLANNAGAN. Yes; and insurance companies and local banks are making loans ranging from 75 percent to 90 percent of the market value. Those valuations are not based on normal values.

Mr. WHITTINGTON. And I prefer them to continue giving them and keeping the Government out of the business as long as they can.

Mr. HOPE. I will say further to the gentleman if I have any more time, that I am sure it is the consensus of the committee that a loan value based upon normal values as has been described by the chairman of the committee is not inflationary. I would say that there was danger of bringing about inflation if we should increase the valuation and base it upon market values of the land.

Mr. WHITTINGTON. I am very glad to have that statement from the chairman of the committee and the gentleman from Kansas. The word "normal" does not appear in existing law and I am glad to know it does not increase the loan value 50 percent.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. FLANNAGAN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I know the gentleman does not want to do anything that would permit the insurance companies and the banks today making loans at from 75 to 80 and 90 percent of the farm value to put the land bank out of the lending business.

Let me call attention to the fact that the Government is not in the land-bank business; the farmers of this country are in that business. It is farmer-owned and we ultimately hope it will be a farmer-controlled lending system. If you kill it, let me tell you what is going to happen: You are going to have 10 and 15 percent land interest rates right here in America when the land-bank system goes under. If the land-bank system had not done anything but serve as a yardstick by which to judge interest rates on farm loans, it would have served a very useful purpose.

Mr. WHITTINGTON. I do not want to be misunderstood. With all deference, I meant to say in response to the statement that the banks and insurance companies were making loans, I thought that was a good sign, I thought that was a sign that our farm-credit structure had been sound heretofore, because one reason that we established and enlarged that structure was due to the fact that the loans were not being made by existing insurance companies and other agencies.

Mr. FLANNAGAN. To show how sound the Federal land-banking system has been, it was used to bail out the insurance companies and the banks during the depression.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Pennsylvania.

Mr. GROSS. It is quite correct to say it is a farmer-owned and farmer-controlled bank. But that is why the Government sholud not fix the interest rate. It was because the Government fixed the interest rate and because they hooked on certain associations, such as districts like Puerto Rico and the drought-stricken areas of the West, that certain land banks in the East lost their stock. Now they come along and tell us it is Government-owned and Government-controlled, it is a farmers' bank, but in this farmers' bank every farmer is a debtor. He is never a creditor. In these banks that he deals with, sometimes he has money in the bank and he feels better. We might as well be fair about these matters.

Mr. FLANNAGAN. We do not have a land bank in Puerto Rico. The Puerto Rica land bank is a branch of the Federal Land Bank of Baltimore.

Mr. GROSS. It was hooked onto your county association, we paid the loss and lost our stock.

Mr. FLANNAGAN. You may have lost the stock in a local association, because the local association had made and guaranteed some bad loans, but the Federal land bank in Baltimore, to which that association belongs, is in a healthy condition.

Mr. GROSS. When we inquired as to why Puerto Rico was hooked onto our association they said it was because they were a poor section and we were better off.

Mr. FLANNAGAN. Let me set the gentleman straight. Your county association did not lose one penny by reason of the fact that we set up a branch bank in Puerto Rico. There is no connection. You lost it because your association made some bad loans.

Mr. GROSS. Oh, no; not in that county. There were no bad loans. We paid the losses in the West and we paid them in Puerto Rico.

Mr. FLANNAGAN. Your local association did not pay one penny of loss in the West and you did not pay one penny of loss in Puerto Rico because the bank in Puerto Rico has been very successful.

Mr. GROSS. There is no use telling me that because I know better.

Mr. FLANNAGAN. Under the system it is impossible for the local land-bank association to lose one penny by reason of anything that happened in the West or down in Puerto Rico. It just could not happen. The only way it could happen was by the local association making some bad loans that they had guaranteed to the Federal land bank in Baltimore.

Mr. COLMER. Mr. Chairman, I move to strike out the last five words, and I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Chairman, this morning the press carried a story announcing that Technical Sgt. Jake W. Lindsey, of Lucedale, Miss., and a constituent of mine, would be signally and unusually honored by having conferred on him by the President of the United States in a joint assembly of the Congress on next Monday the Congressional Medal of Honor.

And while this announcement might have been a bit premature, nevertheless, I am advised by the War Department that this distinguished young Mississippian is now in process of being returned to this country by air, and unless unforeseen developments occur he will be here, in time for the occasion next Monday, as announced, and in this connection I want to take this occasion to thank the Speaker of the House on behalf of all concerned, for had it not been for his cooperation in arranging the joint assembly, this splendid tribute to this Mississippi infantryman and our American soldiers generally would not have been possible. Mr. Chairman, in honoring this Mississippi boy, the Nation, through its President and its Congress, is honoring the entire American Infantry, which has played and is playing such a wonderful role in the subjection of our enemies.

Sergeant Lindsey is the one hundredth doughboy to win the Medal of Honor. Like so many of our American heroes, he comes from a small local community in south Mississippi and is the emblem of American patriotism. He is the son of Mr. and Mrs. Jake L. Lindsey, of Lucedale, and his brother, Bob Lindsey, is presently serving as a seaman in the United States Navy.

The War Department, in announcing the award to Sergeant Lindsey, stated, in part:

The action in which Sergeant Lindsey participated and which won for him the citation occurred on November 16, 1944, near Hamich, Germany. During a counterattack by the enemy, the full force of a fresh company of German infantrymen, with the support of 5 tanks, concentrated its attack on the remnants of his platoon. Only 6 men remained in the platoon of an original 40 who had participated in the attack on a strong German position.

Although he had received a painful shrapnel wound in the knee, Sergeant Lindsey refused to be evacuated and was consolidating his platoon's position when the enemy counterattacked.

As the fresh company of enemy infantrymen and tanks advanced, Sergeant Lindsey time and again repulsed the advance with accurate rifle fire. When he exhausted his ammunition, he affixed his bayonet, exposed himself to enemy fire, and met the advance of a group of enemy infantrymen in open terrain. Closing in, he slashed and stabbed at the enemy, accounting for three killed and three captured. Two of the group retreated.

During the entire action, Sergeant Lindsey personally accounted for 20 enemy killed, an untold number wounded, and 3 captured, in addition to knocking out 2 machine guns and capturing 2 other machine guns.

This was the feat for which the Congressional Medal of Honor is awarded this small-town boy, and it is only fitting and proper, since it is the Congressional Medal of Honor, that the Congress of the United States should have some part in bestowing that coveted honor upon this boy.

But it must also be borne in mind that there are other circumstances which warrant this unusual action and this unusual honor. First, that he is the one hundredth of that large class of our Army known as the Infantry to receive it, second, that this will be the first award to be made by President Truman, and, third, that it is the desire of the War Department to give to that large class of our soldiers known as the doughboys that honor to which they are so justly entitled.

So while this boy happens to be from Mississippi—and he could just as well have been from Utah, or the Dakotas or West Virginia or any other State—in honoring him, he is being honored as an emblem of the Infantry. All honor and all glory to the boys who fight the battles of the country in the muck and in the mire, in the fox holes and the hell of modern warfare.

The Clerk read as follows:

SEC. 3. Section 12 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 771), is further amended as follows:

"(a) Paragraph 'Second' thereof is amended by inserting immediately after the second colon the following: '*And provided further,* That under the rules and regulations of the Farm Credit Administration any land bank may agree, at the time a loan is made or thereafter, that the mortgagor may make such payments or portions of payments in advance or pay the entire principal of such loan during the first 5 years the loan is in effect:'.

"(b) Subparagraph (d) of paragraph 'Fourth' thereof is amended by striking out 'incurred prior to January 1, 1937' and inserting in lieu thereof 'incurred at least 2 years prior to the date of the application for the loan.'

"(c) The first paragraph of subparagraph 'Fifth' thereof is amended to read as follows:

" 'No such loan shall exceed 65 percent of the normal value of the farm mortgaged, said value to be ascertained by appraisal, as provided in section 10 of this act. In making said appraisal the value of the farm for agricultural purposes shall be the basis of appraisal and the normal earning power of said farm shall be a principal factor.'

"(d) Paragraph 'Ninth' thereof is amended by striking out 'the rate of 8 percent per annum' in the first and second sentences of said paragraph and inserting in lieu thereof 'a rate not exceeding 6 percent per annum'."

Mr. LEMKE. Mr. Chairman, I have an amendment I wish to offer to this section, but I prefer to offer it later. I ask unanimous consent that I may defer offering the amendment now and that the section be returned to later so that I may offer my amendment then.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

Mr. FLANNAGAN. Mr. Chairman, I hate to object, but I would like to have us complete the bill as we go along.

Mr. LEMKE. I would prefer to offer my amendment a little later because there are some other matters that will come up in connection with it. It is a very short amendment and will not take very long to dispose of one way or the other.

Mr. FLANNAGAN. Why not dispose of it at this time?

Mr. LEMKE. I feel that it should not be disposed of at this time because it would not be fair to the amendment or to the proposition that I shall discuss later in connection with another amendment. I hope the chairman will not object.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 5, line 6, strike out "3" and insert "4."

Page 6, line 2, after "and the" insert "normal."

The committee amendments were agreed to.

The Clerk read as follows:

SEC. 4. Paragraph 'Seventh" of section 13 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 781) is further amended to read as follows:

"To borrow money severally, or jointly and severally with one or more other Federal land banks, to give security therefor, and to pay interest thereon."

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 8, strike out "4" and insert "5."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 5. Paragraph "Eighth" of section 13 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 781), is amended to read as follows:

"To buy and sell United States Government obligations direct or fully guaranteed; and to purchase and acquire from the Federal Farm Mortgage Corporation notes and mortgages representing loans made by the Land Bank Commissioner pursuant to section 32 of the Emergency Farm Mortgage Act of 1933, as amended (title 12, U. S. C. 1016), upon farm property situated in the farm credit district in which said bank is located, and purchase money mortgages and contracts for the sale of farms held by the Federal Farm Mortgage Corporation in connection with the sale of farm property situated in such district:

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 6, line 14, strike out "5" and insert "6."

Page 7, line 2, after "district" insert a colon and the following: "*Provided,* That no such note and mortgage, purchase-money mortgage, or contract shall be purchased pursuant hereto unless (1) the unpaid balance of the indebtedness represented or secured thereby, together with any indebtedness to the Federal land bank secured by a prior mortgage on the property, does not exceed 65 percent of the normal value of the farm as determined upon appraisal made pursuant to the Federal Farm Loan Act; (2) the borrower acquires such stock in a national farm-loan association, in addition to any available stock which he may already own, as may be necessary to constitute an amount equal to one share of stock for each $100 of the unpaid balance of the indebtedness represented or secured by the note and mortgage, purchase-money mortgage, or contract being purchased and acquired, together with the indebtedness secured by any prior lien on the property in favor of the Federal land bank; (3) the national farm-loan association in which such stock is held elects the borrower to membership, if not already a member, and agrees to be liable for the indebtedness secured by the note and mortgage, purchase-money mortgage, or contract being purchased and acquired; and (4) the land bank takes such action, if any, as may be necessary to reduce the rate of interest on the indebtedness secured by the mortgage, purchase-money mortgage, or contract acquired or purchased to the same rate of interest the bank is charging on first-mortgage loans which it is then making."

The committee amendments were agreed to.

The Clerk read as follows:

SEC. 6. Section 13 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 781), is further amended by adding at the end thereof the following new paragraphs:

"Nineteenth. To establish and maintain a paid-in surplus revolving fund, to be created from subscriptions thereto by the Secretary of the Treasury on behalf of the United States, as herein provided. The stock of any Federal land bank held by the United States shall be surrendered and retired in exchange for certificates of subscription to the paid-in surplus revolving fund of such bank in like amount. The amount of paid-in surplus subscribed by the United States in such bank shall be transferred to the paid-in surplus revolving fund of the bank, and certificates of subscription to said fund in like amount shall be issued to the Secretary of the Treasury. All sums held in the Treasury of the United States pursuant to section 5 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 698), and paragraph "Tenth" of section 13 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 781), shall, on and after the effective date of this paragraph, be held in the Treasury of the United States and shall be available for subscriptions made pursuant to this paragraph to the paid-in surplus revolving funds of the Federal land banks. It shall be the duty of the Secretary of the Treasury, on behalf of the United States, upon the request of a Federal land bank approved by the Farm Credit Administration or upon the sole request of the Farm Credit Administration for subscriptions to the paid-in surplus revolving fund of a Federal land bank, to subscribe to said fund of such bank in such amounts and at such times as shall be specified in such request or requests, such subscriptions to be subject to call, in whole or in part, by the board of directors of said bank with the approval of the Farm Credit Administration, or by the Farm Credit Administration, upon not less than 30 days' notice. Upon payment to any

Federal land bank of the amount of any such subscription, such bank shall execute and deliver to the Secretary of the Treasury a certificate of subscription to its paid-in surplus revolving fund, in like amount, in form prescribed by the Farm Credit Administration. The amount of any subscriptions to said fund of any such bank may be repaid, in whole, or in part, at any time in the discretion of the bank and with the approval of the Farm Credit Administration, and the Farm Credit Administration may at any time require such subscriptions to be repaid, in whole or in part, if in its opinion the bank has resources available therefor. The proceeds of all repayments on account of such subscriptions shall be held in the Treasury of the United States as a revolving fund, and shall be available for subscription to the paid-in surplus revolving funds of said banks pursuant hereto. The Farm Credit Administration shall consult with the bond committee of the Federal land banks before approval or disapproval of a request of any such bank for any subscription to its paid-in surplus revolving fund and before requiring any such bank to repay any such subscription in whole or in part.

"Twentieth. To permit any borrower to defer payment of the principal portions of installments on his loan in order that he may pay, in whole or in part, any indebtedness which is secured by a lien junior to the lien of the bank upon the farm land mortgaged to secure his loan."

With the following committee amendment:

On page 8, line 3, strike out "6" and insert "7."

Page 8, strike out line 6 to 25, inclusive, page 9, and lines 1 to 8, inclusive on page 10.

On page 10, line 9, strike out "Twentieth" and insert "Nineteenth."

The committee amendments were agreed to.

The Clerk read as follows:

SEC. 7. Section 19 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 851–857), is further amended by striking out the last paragraph and substituting in lieu thereof the following:

"Notwithstanding any other provisions of this act to the contrary, on and after the effective date of this paragraph, subject to the approval of the Farm Credit Administration, any Federal land bank may deposit with the farm-loan registrar of the district, and it shall be the duty of said registrar to accept, as collateral security for farm-loan bonds, either originally or by substitution, (a) United States Government obligations direct or fully guaranteed, and (b) notes secured by mortgages or purchase money mortgages on farms, or contracts for the sale of farms; provided any such mortgage, purchase money mortgage, or contract constitutes a first lien on the farm, or its equivalent from a security standpoint as determined by the Farm Credit Administration, and the unpaid balance thereof at the time of acceptance is not in excess of 65 percent of the normal value of the farm, as determined upon appraisal made pursuant to the Federal Farm Loan Act."

With the following committee amendment:

On page 10, line 14, strike out "7" and insert "8."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 8. The first paragraph of section 20 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 861), is further amended by striking out the first two sentences thereof and substituting in lieu thereof the following:

"Bonds provided for in this act shall be issued in such amounts, denominations, and bear such terms as the Farm Credit Administration may authorize; they shall have a specified maturity, but may, in addition, when stated in the bonds, be redeemable, at the option of the land bank, at an earlier specified date or dates."

With the following committee amendment:

On page 11, line 10, strike out "8" and insert "9."

The Clerk read as follows:

SEC. 9. (a) The fourth paragraph of section 21 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 874), is further amended by striking out the following: "of United States Government bonds, or first mortgages on farm lands" and substituting in lieu thereof the following: "prescribed by the Federal Farm Loan Act, as amended."

(b) The tenth paragraph of section 21 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 880), is further amended by striking out the following: "consisting of obligations of the United States Government, or first mortgages on farm lands" and substituting in lieu thereof the following: "prescribed by the Federal Farm Loan Act, as amended."

With the following committee amendment:

Page 11, line 20, strike out "9" and insert "10."

The committee amendment was agreed to.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have asked for this time for a very specific purpose. The next section which will be read is the section to which the gentleman from Wisconsin [Mr. MURRAY] will offer his amendment. I understand the gentleman from North Dakota [Mr. LEMKE], also. I am in agreement with the position taken by those gentlemen who believe that the rate of interest on these loans ought not be allowed to be increased. Certain it is, also, that rates to veterans ought to be kept as low as possible.

But there have been sound arguments advanced by members of the committee to the effect that there ought to be a differential between Federal land-bank loans, on the one hand, and Commissioner loans, on the other. I have been impressed by those arguments. I am also impressed by the fact that the cost of money to the Farm Credit Administration today is only a little in excess of 2 percent.

It seems to me, therefore, that it ought to be entirely practical to make the rate of interest on Federal land-bank loans not to exceed 3½ percent, under which circumstance there could still be a one-half percent differential between those loans and the Land Bank Commissioner loans, without raising the rate of interest on the Land Bank Commissioner loans at all.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. FLANNAGAN. The gentleman realizes that we are not dealing here with an institution that belongs to the Government. This is a cooperative institution. The only way it can raise money is through the sale of its stock and the sale of its bonds.

Mr. VOORHIS of California. That is right.

Mr. FLANNAGAN. The bonds are not guaranteed by the Government. Of course, naturally, they carry a higher rate of interest. Some of the Federal land-bank bonds outstanding today bear 4 percent.

Mr. VOORHIS of California. I understand that.

Mr. FLANNAGAN. Recently we sold $114,000,000 for 2¼, which shows the faith which the public generally has in the Federal Land Bank System. Now, this is a farmer-owned and farmer-controlled institution. We certainly should leave the interest rate in the hands of those who own the system. That is all we do under the law, except that we provide that the interest rate shall be at least 1 percent above the last interest rate charged on bonds that are sold.

Mr. VOORHIS of California. I understand that.

Mr. Chairman, what I want to do is this: I have prepared a couple of amendments, one of which provides to strike out the figure "1" in section 11 as prepared, and insert in lieu thereof the figure "½." That is to say, the land-bank Commissioner loans shall be made at one-half percent higher than the Federal land-bank loans.

I am going to support the amendment of the gentleman from Wisconsin [Mr. MURRAY]. I will not offer my amendment until after his has been acted upon, but should his amendment fail, I intend to offer that amendment. Thereafter if my first amendment is adopted, I intend to offer an amendment to the bill which would provide that the rate of interest on Federal land-bank loans should not be in excess of 3½ percent. I believe that is entirely feasible. I think that the cost of money to the system is such as to make it feasible, and I see no reason why that solution to the problem should not obtain. I do not believe it will weaken in any way the cooperative feature of the system, nor do I have any such intention. I do believe that it can be done on that basis, and I agree with those Members who contend that for us to permit an increase in these rates at the present time would be a mistake.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 12, line 8:

"SEC. 11. The fourth sentence of section 32 of the Emergency Farm Mortgage Act of 1933, as amended (title 12, U. S. C. 1016 (c)), is further amended by striking out the following words: 'interest on unpaid principal at a rate of not to exceed 5 percent per annum' and substituting therefor the following words 'interest on unpaid principal at a rate of 1 percent per annum higher than the rate on loans through national farm loan associations made at the same time by the Federal land bank in the farm credit district in which the security for the loan under this section is located: *Provided, however*, That loans guaranteed under title III of the Servicemen's Readjustment Act of 1944 may be made at such lower rate as may be necessary to qualify them for such guaranty.'"

Mr. LEMKE. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. LEMKE to the committee amendment: Strike out all of lines 20 and 21 and insert "the rate of 3 percent per annum."

Mr. LEMKE. Mr. Chairman, I shall now temporarily discuss the situation as I see it; and I wish to say that we are making loans of billions of dollars to foreign nations at a rate of interest far lower than 3 percent; in fact, under lend-lease we are giving away billions to foreign nations.

When it comes to the veterans it seems to me the least we can do is to permit them to make a loan, which I feel is safe and will be self-sustaining under present conditions; and I wish to say further that the only way a veteran can make a loan under this bill is to take advantage, if he wishes, of the G. I. bill under which the loan is guaranteed up to $2,000.

If he makes a loan of $2,000, that is guaranteed by the United States Government, from the Federal land bank, then such a loan is a safe loan. In addition to that he will have to buy 5 percent of stock in the local association the same as any other individual. So whether he borrows that $2,000 on his note or offers it as security to the Federal land bank he has to pay that 5 percent, and in addition 4 percent interest on the loan.

As I recall the G. I. bill, it provided that any veteran could make a loan and give security to a local bank or institution, and if the Government had to pay that loan it would be subrogated to the security. I believe you will find that provision in the G. I. bill. So, as a matter of fact, when the veteran makes that loan he has to go to the Federal land bank in the first instance and tell them he has a guaranty of $2,000 of this loan by the Federal Government.

That is the safest guaranty you can imagine. Then he will tell him that he wants an additional loan to bring it up to 65 percent of the value of the land he is purchasing. He must get the other 35 percent elsewhere.

There is going to be a serious situation in this Nation directly. We are experiencing unemployment already; industry is now discharging people who cannot find reemployment. When the war is over you will have something like 12,000,000 veterans asking employment.

You will have 15,000,000 civilians replaced from one place to another. The time has come when we must give an opportunity to a great number of these people to engage in some industry of their own so that they will not have to ask for employment or positions or jobs that do not exist. Let us not fool ourselves that we are going to continue high prices, full employment, and prosperity.

I hear a great deal about inflation. I want to say that you have inflation, and you know that as well as I do. You had inflation when you printed $26,000,000,000 of money for the cost-plus system and the lend-lease. That is where your inflation is. It came, it is here, and the only way to save the day is to taper it off and permit these men who return from foreign battlefields to invest in a home and make a living for themselves and to employ others as well as themselves, rather than have them ask for employment where it does not exist.

You have that situation to face, and you will have to face it unless the time has come when we are going to close our eyes and again run into another depression. You are $300,000,000,000 in the red now, a great amount of it wasted or given away. That $300,000,000,000 will have to be paid off; it will have to be taken care of and refunded from time to time. You will have to pay interest on it, and you cannot do it unless some of the boys who return are given an opportunity to get on their own feet, support themselves, make money, which we can tax and pay off this indebtedness that we have created while they were fighting the Nation's battles.

I feel that we are justified in giving them an advantage of 1 percent, if that is necessary, although I agree with the gentleman from California that you can make these loans for 3½ percent, even for 3 percent, and be perfectly safe in the loan.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. FLANNAGAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from North Dakota.

Mr. Chairman, I hope the Committee is not confused over this amendment. We are dealing with the Federal Land Bank System, which is a system owned by the farmers of America. It has been a successful system and it has been of inestimable value to the farmers of our Nation. If it had only accomplished one purpose, namely, the reduction of interest rates to farmers, it would go down in history as being one of the most valuable pieces of farm legislation ever passed by the Congress of the United States.

What are they trying to do here? They are trying to get the farmers of America to subsidize the soldiers. We are, remember, dealing with a private institution. You are not dealing with a Government institution and remember that the pending bill provides that the Federal Mortgage Corporation will last only 1 year longer when it will expire. We extended its life for 1 year in order to bring about its orderly liquidation so it could come in under the Federal Land Bank System. When these loans would come under the Federal Land Bank System at 3 percent interest, what will happen? The farmers of America will be called upon to subsidize the soldiers to the extent of 1 percent in interest. I have no objection to the Government doing that, I think the Government should deal generously with our fighting men, but place that responsibility where it belongs, upon the Government of the United States and do not by adopting this amendment saddle that subsidy on the backs of the farmers of America.

That is just what you are doing here if you adopt this amendment. It is a poor proposition to write legislation upon the floor of the House. This legislation has been well thought out. We spent weeks and weeks working out the provisions of this act.

It has the endorsement, as I said, of the 12 land-bank presidents and the Governor of the Farm Credit Administration. Do not do anything here that will destroy this great system that has brought the interest rates down from 8, 10, and 15 percent to 4 percent to the farmer. If the Federal land bank sets the interest rate at 4 percent, then the insurance companies and the commercial banks have got to come down to meet it in order to meet competition. I plead with you. Do not do anything hastily that will destroy this great system that has meant so much to the American farmer. Let us preserve it. I know that there are certain interests in America that would like to tear it down. Why? Because they would like to see farm interest rates go back to 8, 10, and 15 percent. The amount that they were charging the farmers before they got together, and through cooperative effort, brought this system into being and set up a yardstick whereby the interest rates on farm mortgages could be judged.

I ask you to vote down this amendment, and in doing so you will be sustaining the farmers who have their money invested in this system and who are doing everything they can to preserve it.

Mr. MURRAY of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I surely was surprised to hear the presentation made by our distinguished chairman. If I am wrong in any of these statements I want to be corrected. The gentleman from North Dakota offered an amendment which comes under the Federal Farm Mortgage Corporation, which is not owned or controlled by the farmers of the United States. It provides for a direct Government loan. Therefore, in talking about what it is doing to the farmers, it does not coincide with the remarks that were made here by our distinguished chairman.

They may have been handled by the Federal land bank in cooperation with the Land Bank Commissioner as Commissioner loans. They are two separate institutions. The amendment offered by the gentleman from North Dakota refers to direct Government loans, the same as most of the other loans like seed loans, feed loans, and are direct Government loans. It does not in any way affect the Federal land bank.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Virginia.

Mr. FLANNAGAN. I know the gentleman does not want to mislead the membership of the House. It is true that you are only dealing in this section with Commissioner loans, but you are reducing the interest rates on those loans to veterans to 3 percent. The gentleman knows, as we all know, that the Commissioner loans will expire on the

30th of June unless extended. We extend those loans for 1 year under this bill for the purpose of bringing about an orderly liquidation and bringing those loans within the Federal Land Bank System. If you bring them in at 3 percent interest, when the farmers are paying 4 percent, you are calling upon the farmers of America to subsidize the soldiers to the extent of 1 percent.

Mr. MURRAY of Wisconsin. We are not calling on the farmers to subsidize anybody. The gentleman from North Dakota is trying to provide that the veterans can get a 75 percent direct Government loan at 3 percent interest. That is what the gentleman's amendment does. It has nothing to do with the farmers, and the farmers organization has nothing to do with it as far as legislation is concerned.

I maintain—and if I am wrong I am willing to be corrected—that this is a direct loan. It does not affect the farmers. The farmers are not being asked to subsidize the veterans or anybody else. The veterans are being given the opportunity to secure money somewhere near the same rate that nonveterans have been given year after year, and year after year.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. If I understand the purpose of the gentleman, it is to help and encourage the veterans of this war to acquire farms and homes and to enter business.

Mr. MURRAY of Wisconsin. That is in the G. I. bill. The amendment offered by the gentleman from North Dakota applies only to farmers.

Mr. ROBSION of Kentucky. I was thinking of the 3 percent. That is to encourage them to acquire farms and become home owners and home builders.

Mr. MURRAY of Wisconsin. I think the purpose of the gentleman from North Dakota, from conversations I have had with him, is to give the veterans at least somewhere near the same opportunity that has been given a lot of these other darlings that are getting farms, and who have been getting them for the last several years.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had not thought I would have anything to say on this subject because I am in full accord with the hope of every Member of this House that can be helpful as possible to the veterans who want to go into farming, but I think if the Government is going to subsidize anybody it should be frank enough to do it and take the money out of the Treasury and tell the world what we are doing.

In the committee there was a long, long fight on this question of whether we are going to bring the Commissioner loans to an end or whether we are going to continue them as a permanent policy. The basic question here now, the fundamental question that is behind the smoke screen that is raised, is whether you want to establish a firm and a sound land-bank system in the United States to provide sound farm credit in this country such as our cooperative land banks have provided for more than 30 years, or whether you want to continue one of these emergency agencies that most of the very men who are proposing this thing profess to want to destroy.

The Commissioner loan is one of the rankest kind of emergency relief measures that was established by this Government to combat depression. It was established, and the act that established it stated that it was established to take care of the emergency, to take care of the destitution that walked through the streets of the country. If there ever is going to be a time in the history of the United States when we shall be able to put our land-bank system on a business-like basis, we have reached that time. I hope we do not reach the land prices of 1920, but it looks very much as if we are headed toward a period of inflationary land speculation.

Every thinking person knows that we should at least halt this threatened inflation yet the advocates of easy money for land speculation come running to the fire with a bucket of kerosene in each hand. They seem to be totally unimpressed with the fact that inflation will destroy the veteran just as truly as it will destroy everyone else. You cannot destroy inflation by providing cheap, easy, unsound credit to everybody who wants to go into business, and that is exactly what is proposed both by this amendment and by the fundamental objective to continue the Commissioner loans. Those loans were never set up as sound credit, they were set up as unsound credit, to take care of bad risks that we thought the Government should take care of as a social obligation.

Those of you who want to continue these social loans, those of you who want to continue relief during a period of high income, those of you who want to continue to pour out the Government's money on what you know to be unsound loans, just vote for this kind of an amendment and vote to make the Commissioner loans permanent. That is the objective of the proponents of this amendment. That is what they have sought from the beginning.

If you want to establish a sound banking system in this country, where those farmers who are real farmers and those who really need the money can get it, then make the land-bank system at least reasonably safe. A safe land-bank system means more to our farmers over a long period of years and means more to the returning veterans than any hand-out you can give for the next 2 or 3 years.

You must make the choice today of whether you are looking to the long-run benefit of agriculture or are looking to how many votes you can get in the next election from the boys coming back and that you can fool into taking a loan at low interest but on an inflated price level that must inevitably result in foreclosure. It is not helping a veteran to give him something that he cannot possibly pay out. You keep these loans sound and you will have the next generation thanking you, but make these loans a hand-out and you will have done no one any good.

Mr. PACE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I hope no one has the idea that you are now amending the G. I. bill. Some questions that have been asked me might indicate that some think that is what is being done. Section 500, title III, of the G. I. bill of rights provides that none of these loans for farms, businesses, and homes shall be at a rate exceeding 4 percent.

I am prepared to support an amendment to that section reducing that rate to 3 percent. But we are far from doing that in supporting the amendment now before the committee. First, this amendment relates only to loans made by the Federal Farm Mortgage Corporation. The testimony before the committee was that there would be only two or three thousand of such loans made in the coming year. The chairman has referred to the figures showing that the number of Commissioner loans has decreased almost 50 percent and very few of them are being made. If the G. I. loans are made at 3 percent or if they are made at 1 percent then, under the committee amendment, that is what the Federal Farm Mortgage Corporation will charge. But if the gentleman's amendment is adopted, you would be in this position: Regardless of how cheaply the G. I. bill rate of interest should become, you would still have to charge 3 percent on farm loans made by the Federal Farm Mortgage Corporation. If the G. I. bill interest rate is not changed, then you would be in this position: The veteran would get a loan from the Federal Farm Mortgage Corporation, if he could get one, at 3 percent. But if he wants to buy a home, he would have to pay 4 percent; and if he goes into business, he would have to pay 4 percent. Therefore, my objection to the gentleman's amendment, while I am ready to support an amendment to the G. I. bill stating that the rate of interest on all of these loans shall not exceed 3 percent, is that I do not think this is the proper approach. I think it would put the House in a singular position to say to a veteran, "If you want to get a loan from the Federal Farm Mortgage Corporation, not from a bank—not from the Federal Land Bank System—not from an individual—but if you happen to be able to get one from the Federal Farm Mortgage Corporation, you can get it at 3 percent. But no other kind, character, or type of loan can be secured at that rate." It is an indirect approach. It is an inadequate approach. Those who are interested in reducing the interest rate on the veteran's loan should approach it directly, and we should reduce the interest they pay on all types of credit they need and not merely on what may prove to be less than 1 percent of the loans they secure.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. LEMKE] to the committee amendment.

The question was taken; and on a division (demanded by Mr. LEMKE) there were—ayes 17, noes 45.

So the amendment was rejected.

Mr. LEMKE. Mr. Chairman, I make a point of order no quorum is present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and nineteen Members are present, a quorum.

Mr. MURRAY of Wisconsin. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read, as follows:

Amendment offered by Mr. MURRAY of Wisconsin: On page 12, line 13, after the semicolon, following the word "words", strike out the remainder of line 13, all of lines 14, 15, 16, and 17, and insert "Interest on unpaid principal at a rate of not to exceed 4 percent per annum."

Mr. MURRAY of Wisconsin. Mr. Chairman, I may say in answer to the distinguished gentleman from Texas that in such time as I have been here I have tried to keep my arguments on this floor purely on the basis of the issue. I would like to ask him who put the veterans' part into that bill if it was not done in the Committee on Agriculture. The gentleman from North Dakota had nothing to do with putting the veterans' loans of 75 valuation at a 4 percent interest rate.

Regardless of votes or where you get them or whether you do not, I want it to be in the RECORD right now that I am not going to sit here year after year and see the gentleman from Texas, and other people, get up here and figure out a plan whereby they get 3 percent interest loans by the thousands, when at this very time you want to make people pay 5 percent interest even when they can pay 25 percent down on their farms.

Mr. LEMKE. Will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. LEMKE. Will the gentleman concede that a loan is not sound unless it is made in Texas?

Mr. MURRAY of Wisconsin. Well, I do not get personal. If you want to look it up you will find that 40 percent of the 3 percent loans are made in a few States, which are not anywhere near Wisconsin or North Dakota. I will put it that way. North Dakota, Minnesota, Wisconsin, Michigan have had plenty of the commissioner loans that were first mortgage loans and were just as good loans as the Federal land bank loans were and are.

Now, this amendment has merit. If the committee does not want to adopt it, there is no one it will hurt more than those who vote against it, because you are telling the people of this country, after you have asked them to produce this food for you that now when the war is about over you want to add 1 percent interest to the commissioner loans. I see Members get up here who come from States that cannot produce enough to feed themselves. I think everyone here understands what the issue is. If they want to be misled they can be, for all of me, but I am sure I am not going to be misled on this interest rate proposition. I think we have been misled aplenty already as far as agricultural programs are concerned.

I yield back the remainder of my time.

Mr. FLANNAGAN. Mr. Chairman, I rise in opposition to the amendment.

Now, let us get this issue straight. The gentleman from Wisconsin is trying to reduce the interest rate on what is known as Commissioner loans, 1 percent.

Back in 1933 the Federal Mortgage Corporation was set up by the Government. It was a relief measure, purely a relief measure, to save the farmer from being sold out; to save the banks in farming areas, and many of our insurance companies, and many mortgage-loan companies from going through bankruptcy. The Commissioner loans were not made solely for the purpose of assisting the farmers. They were also made to take farm-mortgage paper out of the vaults of the insurance companies and mortgage companies and local banks in order to save those companies and banks. We wrote into every one of the Commissioner loans a 5-percent interest rate. Every borrower who obtained a Commissioner loan agreed to pay 5 percent.

What else do we do? We raise the farm-loan value from 50–20 up to 75 percent so we could do a good job of bailing out these banks and insurance companies.

Remember, the men who get Commissioner loans are not members of the cooperative land-bank system, they do not have to buy stock, invest 5 percent of the loan in stock; they get a direct loan from the Government of 75 percent of the value of the land; and they are charged 5 percent for it. Most of them got right down on their knees and thanked the Lord for the Federal Mortgage Corporation when it was set up. It saved them. It looks like when we come to the relief of people and pass emergency legislation to take care of people in distress they think we have set up something permanent and that they are entitled to the same relief after they get back on their feet.

It is not right to those cooperative farmers who have set up the Federal Land Bank System, and who have invested 5 percent of their loans in stock, it is not right to them to make 4-percent loans to another class of farmers and raise the loan value up to 75 percent, thus assuming an additional risk. The reason we made the differential was that they did not have to buy stock and, then, the risk is greater because you are raising the risk from a 43-percent risk to a 75-percent risk.

We have dealt fairly with the farmers when it comes to finances. Another thing that should not be overlooked is that you took the institution that the farmer has set up, the Federal land bank, this cooperative institution, and used that machinery to get these Commissioner loans back to the people. You used the same machinery that the farmers had set up themselves. The Government did not have to go to the extra expense of setting up machinery to process loans under the Federal Mortgage Loan Act; they used the farm-land-bank system to do it.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. LEMKE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I feel that we ought to keep the record straight and should not try to pettifog or fool the public. When we raised the rates from 3½ to 4 percent for the Federal land-bank loans we were told that 4 percent was the uniform rate being charged and we insisted that we would make that the uniform rate.

This was not so very many months ago. The argument then was that since the Commissioner loan was 4 percent the Federal land-bank loan should be 4 percent. Now they come in and say: "You have raised the Federal land-bank loans up from 3½ to 4 percent so now we will boost the Commissioner loans up to 5 percent." The truth is that the Commissioner loans are 4 percent today. But now we are going to raise it on June 30 to 5 percent by this bill.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield to the gentleman from Virginia.

Mr. FLANNAGAN. The Commissioner loans in the act itself creating them carries 5 percent and every mortgage in connection with a Commissioner loan provides on its face for 5 percent interest. That is the contract rate and it cannot be changed because that is the law. During the depression by special act we subsidized those mortgages to the extent of 1 percent and brought down the interest rate for 1 year to 4 percent. That will expire this year. It goes back then to the contract rate stated in the original act which is the rate that has been written into every mortgage.

Mr. LEMKE. Do I understand the gentleman to say that anything was said about subsidizing the farmer when we fixed the rate at 4 percent? Did we not fix the rate at 4 percent and is that not the rate the bank charges? Again does the gentleman mean to tell me there was a depression in 1943? There was no depression when this rate was reduced from 5 to 4 percent.

Mr. FLANNAGAN. I mean to tell the gentleman that the contract rate so far as Commissioner loans are concerned is 5 percent. From year to year by special act we have reduced it to 4 percent and we have had to go before the Appropriations Committee and get an appropriation for the difference.

Mr. LEMKE. I agree with the gentleman and it is correct to say that we got an appropriation for the difference, but that was because we wanted the farmer to keep on feeding the Nation without taking his farm away from him. We realized that 4 percent was all he could stand, all the traffic would bear, and I say that at the present time and until June 30, 1945, the rate is 4 percent. If this bill passes it will go up and be 5 percent permanently.

Mr. FLANNAGAN. Just what he agreed to pay when he signed the contract.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. This 5 percent, the proposed rate, applies to the loans of people who were least able to pay it?

Mr. LEMKE. That is true. You want to put them in the position of being able to pay it by raising the interest on the loans. That is nonsense. If he cannot pay 4 percent he cannot pay 5 percent. If the loan is not safe at 4 percent, and

I have heard much about soundness, then it is not sound at 5 or 10 percent. Then it is impossible for him ever to get out of debt.

Mr. H. CARL ANDERSEN. Is it not a fact that just the day before yesterday certain Members of this House wanted to spend $25,000,000 for taking censuses that are not worth the paper they are written on?

Mr. LEMKE. Those same gentlemen voted for another census. They voted for a farm census and the money could have been more intelligently spent by making loans to the farmers. The farmers did not want the census and they have been interrupted in their work by the taking of the census.

The present rate until June 30 is 4 percent. This bill proposes to raise it to 5 percent. After it becomes effective, or say after June 30, there will be an increase of 1 percent on Commissioner loans.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. LEMKE. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. LEMKE. Mr. Chairman, I agree that the commissioners loans should be liquidated, but you cannot liquidate those which are already made faster than they are paid. If you will accept the rate of 4 percent and continue your liquidation you will soon get them all liquidated.

Mr. FLANNAGAN. We provide for an extension on commissioner loans for 1 year. For what purpose? One purpose only and that is to bring about an orderly liquidation and to bring them back under the land-bank system. We provide when they come back under the land-bank system they shall carry the same rate of interest that the land-bank loans carry, which is the interest rate they agreed to pay when they obtained the loan. This will have a tendency to bring them back into the land-bank system and that is where they should be. They took their stock in this cooperative system.

The CHAIRMAN. The time of the gentleman from North Dakota has again expired.

Mr. POAGE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise for the purpose of keeping the record straight. A few moments ago I called attention to the fact that the proponents of certain amendments were also proponents of the continuation of these Commissioner loans. I think you will find that exactly the same proponents of the amendment that was under discussion a few moments ago are now the proponents of another amendment to make it more difficult to do away with these Commissioner loans. Every time you try to dress these Commissioner loans up in attractive clothing and make it something that carries with it relief, subsidy, gift, or any other hand-out to the public, you make it that much more difficult to get rid of that type of farm credit. It had a place in our credit structure at the time it was passed. It rendered a splendid service. I am not criticizing the establishment of the Commissioner loans, but I am criticizing carrying the emergency on and on forever.

The Commissioner loans were established to try to combat deflation. At the time we inaugurated the Commissioner loans we were faced with a terrible depression, deflation, and low prices. What are we faced with now? We are faced with the threat of the most terrible inflation that this Nation has ever known. And what is feeding the flames of that inflation? We all know what feeds inflation. We know that cheap money, easy money, unsound credit, is one of the best ways in the world to encourage inflation.

These gentlemen who fought a losing fight in the Committee on Agriculture to continue the Commissioner loans as a permanent policy of this Government now come before you and forget all about the fact that if it were not for this bill you would not have any Commissioner loans next year. They say, "Oh, we are going to raise the farmer's interest rate." Why if you did not pass this bill you would not have any Commissioner loans at all next year. Instead of having 5-percent money you would not have any Commissioner loans at any rate. I do not know but what that would be a good thing. I doubt very much if we should continue these loans for even 1 year. But the committee felt that we did not want to be too severe or too harsh, and if there was any merit to the contention of the proponents of these amendments that people were still in a desperate and deflationary condition, well, we would continue the commissioner loans for a year. But we made as one of the requisites of continuing these loans for another year the proviso that the Commissioner loans might not be so operated as to destroy the successful operation of a sound land-bank system; that land-bank system which is owned by the farmers of the United States and not by the Government; that land-bank system which has rendered such valuable service throughout all these years. We sought to have it removed from the inflationary competition of unsound loans even during the remaining year of liquidation, and we provided that there should be at least 1 percent differential in the interest rates between the sound loans and the inadequately secured ones. Is that an unreasonable differential? You would pay a greater differential in any bank of the land between a good, sound loan, the kind that the land banks make and the kind of inadequately secured kind of second lien that the commissioners take. Yet they complain that we bring them within 1 percent, and in all probability there would be in the money markets of this country a 5-percent differential in that type of loan. The one is the soundest credit in America—first liens on conservatively valued farm land. The other is one of the most unstable relief schemes that has ever been proposed; a purely inflationary proposition, so proproposed, so created—intentionally inflationary—to offset the dangers of deflation that existed at that time. Yet there are those who tell us that today, when faced with inflation, we should continue that kind of a policy.

Mr. RIZLEY. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, there seems to be some confusion as to just what we are attempting to do as far as Land Bank Commissioner loans are concerned. It has been intimated, at least by some of the gentlemen who propose this amendment, that the committee is attempting to discriminate against certain people in certain sections of the country. Nothing could be further from the facts than that statement. The facts are that these Land Bank Commissioner loans expire by operation of law on July 31 this year. There was considerable evidence presented to our committee that we should not even extend the Land Bank Commissioner loans, because the emergency which created the necessity for that sort of loan does not now exist. However, in order to be fair about the matter to some of these gentlemen who represent districts where the Land Bank Commissioner loans have prevailed, we agreed in the committee to extend those loans for a period of 1 year, having in mind that perhaps the Federal land bank, with the changed methods of appraisement provided in this bill, would absorb most of those Land Bank Commissioner loans within the next year, everyone having in mind, of course, getting rid of that class of loans as soon as we could.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Kansas.

Mr. HOPE. Is it not a fact that the reason we are increasing the loan value to 65 percent for Federal land bank loans is to enable us to get rid of the Commissioner loans?

Mr. RIZLEY. That is the primary reason, of course.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. As I recall, the gentleman from Oklahoma was a member of the committee to investigate the Farm Security Administration last year.

Mr. RIZLEY. The gentleman is correct. I was on that committee.

Mr. MURRAY of Wisconsin. I wonder if the gentleman will propose, due to the imaginary things he is bringing up at this time, that those loans be eliminated, where they loan 100 percent for 40 years at 3 percent interest.

Mr. RIZLEY. The special committee that was appointed to investigate the Farm Security Administration filed what I think was a very thorough and a very fine report, and it included many recommendations to get rid of some of the things that I am afraid that some of the proponents of this amendment are now advocating. Some of the credit which may have been so necessary at one time is not necessary now at all.

Mr. MURRAY of Wisconsin. Did the gentleman recommend the elimination of the Bankhead-Jones loans?

Mr. RIZLEY. The report will speak for itself.

Mr. MURRAY of Wisconsin. I do not mean the report. What did the gentleman propose?

Mr. RIZLEY. The report includes many recommendations. We made a very thorough study of it. I cannot remember all of the recommendations now.

Mr. MURRAY of Wisconsin. Is it not a fact that the bill which that committee brought out after its consideration of the question increased the loan rate on the farm-tenant loans to 4 percent from 3 percent?

Mr. RIZLEY. That is correct.

I think there is much ado about nothing here. I am very glad to let our friends have a field day here talking about the increase in rates. The facts are this bill does not increase the interest rates on Land Bank Commissioner loans; the present contract rate is 5 percent.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Do I correctly understand the gentleman to say that one of the purposes of this proposed bill is to so place the differential between the Federal land-bank loan at 4 percent and the Commissioner loan at 5 percent that the tendency will be for those who have Commissioner loans on which they are required to pay 5 percent to convert them into straight land-bank loans, and by so doing get the benefit of a 4-percent rate?

Mr. RIZLEY. That is exactly correct.

Mr. KEEFE. Then do I correctly understand the situation to be that if there is a farmer who now has a Commissioner loan upon which he is paying 5 percent, the tendency will be to compel or to offer the inducement to that farmer to take that loan and transfer it into a land-bank loan, and if he does it he may get his loan at 4 percent? Is that in this picture?

Mr. RIZLEY. That is the picture. The gentleman is absolutely correct. It is to get that class of farmers away from this 100 percent Government money back into a sound farm land-bank institution where they will be borrowing private funds.

I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. It was inferred a little while ago on the other side of the aisle that veterans' loans, which we are considering today, are social loans. By any stretch of the imagination does the gentleman consider that a veterans' loan is a social loan?

Mr. RIZLEY. I do not think anyone intended that veterans' loans should be considered as social loans.

Mr. EDWIN ARTHUR HALL. I think it is an insult to our veterans.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. MURRAY of Wisconsin. Mr. Chairman, I ask unanimous consent that the gentleman from Oklahoma may have 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. May I inquire of the gentleman if he is sure he has given our distinguished colleague from Wisconsin the correct information? I take it for granted that the gentleman is familiar with the Federal land-bank loan and the Commissioner loans.

Mr. RIZLEY. Yes; I think so.

Mr. MURRAY of Wisconsin. It depends on when the Commissioner loans were made. I would like to ask if that means 5 percent on the loans that have already been made too. But the difference is in the location of the farm. It may not have anything to do with the earning power of the farm. The farm may be at the end of a road, and you have to write off that Commissioner loan as a loss if you paid 5 percent but you will have good credit if you get it for 4 percent.

Mr. RIZLEY. The gentleman is only partly correct. Some of the Land Bank Commissioner loans are first mortgage loans. I can and do appreciate the vigilance of my good friend from Wisconsin. No one could be more diligent in behalf of the good people he represents. I think he is just unduly alarmed.

Mr. MURRAY of Wisconsin. Forty percent.

Mr. RIZLEY. Many of them are second mortgage loans. I will say the gentleman is half correct.

Mr. MURRAY of Wisconsin. Well, that is close enough.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The question is on the amendment offered by the gentleman from Wisconsin [Mr. MURRAY] to the committee amendment.

The amendment was rejected.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 12, line 14, after the words "at a rate of" strike out "1" and insert in lieu thereof "½."

Mr. VOORHIS of California. Mr. Chairman, I already have addressed the House and explained the purpose of this amendment. I believe this bill represents a decided forward step in the development of a coordinated farm credit system. But I also believe it possible under present conditions to accomplish its purposes without permitting an increase in interest rates as to any borrowers. That is what I am aiming to accomplish. The purpose of this amendment taken together with another amendment which I will offer if the present amendment is adopted, would be to provide for a differential between these two rates of interest on land-bank loans on the one hand and Commissioner loans on the other of one-half percent, and to accomplish that purpose by having the land-bank loans made at 3½ percent and keeping the Commissioner loans at their present rate of 4 percent. On the basis of figures which I have seen and studied on the present rate of interest which is carried on the outstanding bonds of the system, it would be altogether sound and possible to do this. The purpose of these amendments is to prevent any increase in interest rates. If this amendment is agreed to, I shall offer the other amendment. If it is not agreed to, I shall not offer the other one.

Mr. FLANNAGAN. Mr. Chairman, I just want to express the hope that this amendment will not be agreed to. It is just another way of bringing up the amendment we have just voted down. I hope it will be the pleasure of the committee to reject the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. VOORHIS] to the committee amendment.

The amendment to the committee amendment was rejected.

The CHAIRMAN. The question recurs on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 12, line 22, insert a new section, as follows:

"SEC. 12. Section 32 of the Emergency Farm Mortgage Act of 1933, as amended (title 12, U. S. C. 1016), is further amended by adding after the fourth sentence thereof a new sentence reading as follows: 'The instruments under which each loan under this section is made and security given therefor shall provide that if at any time it shall appear to the lender that the borrower may be able to obtain a Federal land-bank loan on the mortgaged property, the borrower shall, on request of the lender, apply for a Federal land-bank loan to pay off the loan under this section, and shall accept such loan as may be offered to him by the Federal land bank, if sufficient in amount to pay the loan under this section and pay for any stock which it is necessary for him to purchase in obtaining the loan from the Federal land bank.'"

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 10. The tenth sentence of section 32 of the Emergency Farm Mortgage Act of 1933, as amended (title 12, U. S. C. 1016), is amended by striking out "July 1, 1945" wherever it appears therein and inserting in lieu thereof "July 1, 1947."

With the following committee amendment:

Page 13, line 12, strike out "10" and insert "13."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 13, line 16, strike out "1947" and insert "1946."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 13, line 17, insert a new section, as follows:

"SEC. 14. The last two sentences of section 3 of the Federal Farm Mortgage Corporation Act (title 12, U. S. C. 1020b) are hereby amended to read as follows:

"'The Federal Farm Mortgage Corporation is authorized to repay to the Secretary of the Treasury on behalf of the United States all amounts in excess of $50,000,000 heretofore subscribed to the capital stock of the Corporation. The proceeds of such repayment shall be held in the Treasury of the United States as a fund available for subscription, by the Governor on behalf of the United States with the approval of the Secretary of the Treasury, to the capital of the Corporation when, in the judgment of the directors of the Corporation, additional subscriptions to its capital are necessary.'"

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 11. Section 4 (b) of the Federal Farm Mortgage Corporation Act, as amended (title 12 U. S. C. 1020d), is further amended by adding at the end thereof the following:

"The Corporation is authorized and empowered to sell and assign, without recourse and without warranty, its notes and mortgages representing loans made by the Land Bank Commissioner pursuant to section 32 of the Emergency Farm Mortgage Act of 1933, as amended (title 12 U. S. C. 1016), to the Federal land bank located in the farm credit district in which the mortgaged farm properties are situated and to sell and assign in like manner purchase-money mortgages and contracts for the sale of farms held by the Federal Farm Mortgage Corporation in connection with the sale of farm property situated in such district."

With the following committee amendment:

Page 14, line 6, strike out "11" and insert "15."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 12. Section 502 of title III of the Servicemen's Readjustment Act of 1944 is amended by inserting after the comma following the word "applicant" and before the words "may be approved" the following: "or to purchase stock in a cooperative association where the purchase of such stock is required by Federal statute as an incident to obtaining a loan on which a guaranty is sought."

With the following committee amendment:

Page 14, line 21, strike out "12" and insert "16."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 13. The sections, subsections, paragraphs, and provisos of this act are hereby declared to be separable; and if any one or more of the sections, subsections, paragraphs, or provisos of this act, or the application thereof to any person or circumstance, should be held to be unconstitutional or invalid for any other reason, the validity of other sections, subsections, paragraphs, and provisos of this act, and the application thereof to other persons or circumstances, shall not be affected thereby.

With the following committee amendment:

Page 15, line 3, strike out "13" and insert "17."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 14. The right to alter, amend, or repeal this act, or any part thereof, is expressly reserved.

With the following committee amendment:

Page 15, line 12, strike out "14" and insert "18."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 15. This act shall become effective on July 1, 1945.

With the following committee amendment:

Page 15, line 14, strike out "15" and insert "19."

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NORRELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 2113) to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes, pursuant to House Resolution 247, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a statement made before the Ways and Means Committee; and I also ask unanimous consent to extend my own remarks in the RECORD, and include a table.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ANDERSON] may extend the remarks he made in the Committee of the Whole this afternoon and include a release by the War Production Board.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a recent Mother's Day speech I made.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement made before the Board of Engineers on a river and harbor project.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the Appendix of the RECORD.

NAVY DEPARTMENT APPROPRIATION BILL, 1946—CONFERENCE REPORT

Mr. SHEPPARD submitted a conference report and statement on the bill (H. R. 2907) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes.

FRANCES PILLEN

Mr. BONNER. Mr. Speaker, from the Committee on Accounts, I offer a privileged resolution (H. Res. 266) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Frances Pillen, widow of Harry Pillen, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed $250 toward defraying the funeral expenses of the said Harry Pillen.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mrs. LUCE (at the request of Mr. MARTIN of Massachusetts), for Monday, May 21, on account of official business.

To Mr. LAFOLLETTE, from May 18, 1945, to May 23, 1945, on account of necessary business.

To Mr. STEFAN, indefinitely, on account of official business in connection with the San Francisco Security Conference.

To Mr. RABAUT, indefinitely, on account of official business in connection with the United Nations Conference at San Francisco.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 807. An act to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes; to the Committee on the Civil Service.

S. Con. Res. 14. Concurrent resolution authorizing that the letter of the Secretary of the Interior, dated February 2, 1945, transmitting a report on a survey of the fishery resources of the United States and its possessions be printed as a Senate document, and providing for the printing of additional copies thereof; to the Committee on Printing.

ENROLLED BILL SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2603. An act making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and the Federal Loan Agency for the fiscal year ending June 30, 1946, and for other purposes.

ADJOURNMENT

Mr. FLANNAGAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 55 minutes p. m.), pursuant to its previous order, the House adjourned until Monday, May 21, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Tuesday, May 22, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 o'clock a. m., on Tuesday, May 22, 1945, for consideration of housing for veterans' families.

COMMITTEE ON THE JUDICIARY

Subcommittee No. III of the Committee on the Judiciary will begin hearings at 10 a. m., Wednesday, May 23, 1945, on H. R. 2357, to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended (secs. 7 and 11). The hearings will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 o'clock on Wednesday, May 23, 1945.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Hearings on H. R. 2177 will be held starting Wednesday, May 23, 1945, at 10 a. m., to continue until completed.

EXECUTIVE COMMUNICATIONS, ETC.

482. Under clause 2 of rule XXIV a letter from the adjutant general of the Veterans of Foreign Wars of the United States, transmitting the proceedings of the Forty-fifth National Encampment of the Veterans of Foreign Wars of the United States, held in Chicago, Ill., August 22 to 24, 1944 (H. Doc. No. 182), was taken from the Speaker's table, referred to the Committee on Military Affairs, and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VINSON: Committee on Naval Affairs. H. R. 3180. A bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes; without amendment (Rept. No. 589). Referred to the Committee of the Whole House on the state of the Union.

Mr. SLAUGHTER: Committee on Rules. House Resolution 263. Resolution providing for the consideration of H. R. 2502, a bill relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; to the Committee on Naval Affairs.

By Mr. STEFAN:

H. J. Res. 201. Joint resolution to provide for designation and appointment of June 10 as Lidice Day; to the Committee on the Judiciary.

By Mr. HARTLEY:

H. Res. 265. Resolution to establish Palestine as a Hebrew nation; to the Committee on Foreign Affairs.

By Mr. VINSON:

H. Res. 267. Resolution providing for the consideration of H. R. 3180, a bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States of the State's confidence in the Honorable Fred Vinson, in his present responsible position as head of National War Mobilization and Demobilization; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to pass House bill 2071, to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to investigate the Veterans' Administration by special committee; to the Committee on World War Veterans' Legislation.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of Missouri:

H. R. 3262. A bill to amend part II of the Interstate Commerce Act, in relation to the effect upon interstate or foreign commerce of exercises of State rate-making authority; to the Committee on Interstate and Foreign Commerce.

By Mr. GOSSETT:

H. R. 3263. A bill to amend the immigration and naturalization laws to deny admission to the United States of aliens who have served in armed forces of countries at war with the United States and to deny naturalization to such persons; to the Committee on Immigration and Naturalization.

By Mr. HAGEN:

H. R. 3264. A bill authorizing the village of Baudette, State of Minnesota, its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at Baudette, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of California:

H. R. 3265. A bill to release reversionary rights of the United States to certain property in Stockton, Calif.; to the Committee on Public Buildings and Grounds.

By Mr. LEA:

H. R. 3266. A bill to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND:

H. R. 3267. A bill to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. NEELY:

H. R. 3268. A bill to authorize a preliminary examination and survey of Buffalo Creek, in the States of West Virginia and Pennsylvania, for flood control; to the Committee on Flood Control.

By Mr. VINSON:

H. R. 3269. A bill further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; to the Committee on Naval Affairs.

By Mr. STEFAN:

H. J. Res. 201. Joint resolution to provide for designation and appointment of June 10 as Lidice Day; to the Committee on the Judiciary.

By Mr. HARTLEY:

H. Res. 265. Resolution to establish Palestine as a Hebrew nation; to the Committee on Foreign Affairs.

By Mr. VINSON:

H. Res. 267. Resolution providing for the consideration of H. R. 3180, a bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Louisiana:

H. R. 3270. A bill for the relief of James B. McCarty; to the Committee on Claims.

By Mr. HAGEN:

H. R. 3271. A bill for the relief of Peter Winter; to the Committee on Military Affairs.

By Mr. LECOMPTE:

H. R. 3272. A bill for the relief of Rubert W. Alexander; to the Committee on Claims.

By Mr. LINK:

H. R. 3273. A bill for the relief of Eric Fischer and Else Fischer; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 3274. A bill for the relief of the guardian of Betty Ann Sherwood; to the Committee on Claims.

H. R. 3275. A bill for the relief of the guardian of Betty Ann Sherwood; to the Committee on Claims.

By Mr. ROBINSON of Utah:

H. R. 3276. A bill for the relief of Rulon T. Hinckley and Arza A. Hinckley; to the Committee on Claims.

By Mr. SHORT:

H. R. 3277. A bill for the relief of Mrs. Katie Sanders; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

680. By Mr. ANDREWS of New York: Petition of Polish-American Citizens' Committee

of Buffalo, N. Y., asking support of House Joint Resolution 110; to the Committee on Immigration and Naturalization.

681. Also, petition of Federation of Labor of Buffalo and vicinity, urging enactment of legislation providing for adequate housing in the United States; to the Committee on Banking and Currency.

682. By Mr. BRYSON: Petition of Mrs. C. C. McGintz and 384 other citizens of Augusta, Ga., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

683. Also, petition of Lula M. Garman and 41 other citizens of Springfield, Ohio, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

684. Also, petition of Sophia E. Koch and 32 other citizens of Lewistown, Mont., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

685. Also, petition of Harriet W. Small and 20 other citizens of Brockton, Mass., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

686. Also, petition of Mrs. J. B. Nichols and 628 other citizens of Georgiana, Ala., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

687. Also, petition of Darrinda Martin and 78 other citizens of Smyrna, Ga., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

688. Also, petition of Marie L. Keepler and 156 other citizens of Spokane, Wash., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

689. Also, petition of Mrs. D. S. Craig and 59 other citizens of Chester, W. Va., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

690. Also, petition of Mrs. F. T. McCurdy and 374 other citizens of Ocala, Fla., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

691. Also, petition of Mrs. L. E. Keilman and 252 other citizens of Pleasureville, Ky., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

692. Also, petition of Mabel Springman and 149 other citizens of Montoursville, Pa., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

693. Also, petition of Mrs. E. A. Shoemaker and 67 other citizens of Cumberland, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

694. Also, petition of Mary E. Southwick and 59 other citizens of Roseburg, Oreg., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

695. Also, petition of Rev. C. Morrison and 29 other citizens of Shelbyville, Ind., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

696. Also, petition of Alice M. Dunham and 303 other citizens of San Fernando, Calif., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

697. By Mr. MERROW: Petition by Laurel Lodge, No. 78, Independent Order of Odd Fellows, believing that the rebirth of the world toward a lasting peace is at the bottom a moral rather than a material matter; that the acts of the United Nations must be based on the principles of friendship, love, tolerance, and universal justice, or the Second World War will be only a breeder of another world catastrophe; to the Committee on Foreign Affairs.

698. By Mrs. ROGERS of Massachusetts: Petition of the General Court of Massachusetts, commending Congress for its affirmance of the principles of the freedom of speech and press, and recommending to the Peace Conference the adoption of an international compact in accordance with the mandate of Congress; to the Committee on Foreign Affairs.

699. By Mr. WELCH: California Assembly bill No. 1350, an act to add chapter 2.5, comprising sections 619 to 648, inclusive, to division 1 of Streets and Highways Code, providing for a system of limited access urban-rural highways in this State, and allocating and directing the expenditure of funds for the acquisition, construction, maintenance, and improvement of such system of limited access highways; to the Committee on Appropriations.

700. Also, California State Senate Resolution No. 91, urgently requesting that the Congress and the Director of Selective Service take cognizance of the pressing need for conserving the existing supply of dairy labor in the State of California; to the Committee on Military Affairs.

701. Also, Assembly Joint Resolution No. 33 of the Legislature of California, relating to memorializing Congress to erect a Statue of Freedom on the coast of California; to the Committee on the Library.

SENATE

MONDAY, MAY 21, 1945

Chaplain Cecil E. Harvey, Second Ferrying Group, Air Transport Command, Wilmington, Del., offered the following prayer:

O Almighty God, in whose hands are the reins of government, we beseech Thee to direct and bless all who are in lawful authority. Let Thy fatherly favor so preserve them, and Thy Holy Spirit so govern their hearts, that religion may be purely maintained and our land abide in righteousness.

We offer a prayer for this Nation in general, so especially for their Senate and Representatives in Congress assembled: Wilt Thou be pleased to direct and prosper all their consultations, to the advancement of Thy glory, the good of Thy church, the safety, honor, and welfare of the people; that all things may be so ordered and settled by their endeavors, upon the best and surest foundations, that peace and happiness, truth and justice, virtue and piety may be established among us.

So guide and bless whatsoever may be devised and enacted that it may redound to the honor and welfare of this Commonwealth, to the peace and prosperity of the whole Union, and to the glory of Thy name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 17, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had receded from its amendments to the bill (S. 72) for the relief of Antonio Ruiz.

The message also announced that the House had passed the following bills,

in which it requested the concurrence of the Senate:

H. R. 2113. An act to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes; and

H. R. 3199. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1946, and for other purposes; and

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 57) authorizing the printing of additional copies of Senate Document No. 47, current session, entitled "Atrocities and Other Conditions in Concentration Camps in Germany," being a report of the joint committee which visited Germany to investigate concentration camps, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 2603) making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and the Federal Loan Agency for the fiscal year ending June 30, 1946, and for other purposes, and it was signed by the President pro tempore.

PRODUCTION AND DISTRIBUTION OF MEAT—PRESS RELEASE BY DIRECTOR OF WAR MOBILIZATION AND RECONVERSION

Mr. BARKLEY. Mr. President, on May 18, Hon. Fred M. Vinson, Director of the Office of War Mobilization and Reconversion, issued a release to the press in regard to a Government program designed to increase the feeding of beef cattle, to encourage maximum slaughter of cattle and hogs, and to improve the distribution of meat. I ask unanimous consent that that release be printed at this point in the RECORD.

There being no objection, the release was ordered to be printed, as follows:

Government action designed to increase the feeding of beef cattle, to encourage maximum slaughter of cattle and hogs, and to improve the distribution of meat was announced today by Fred M. Vinson, Director of the Office of War Mobilization and Reconversion.

The program, which is based on recommendations made by the Office of Price Administration, was developed during discussions in Director Vinson's office with representatives of the Office of Economic Stabilization, the Office of Price Administration, the War Food Administration, the Army, and the Defense Supplies Corporation. The recommendations of the House and Senate committees investigating the food situation have been carefully considered.

While the new program is expected to improve distribution and to make more meat available in areas of the country where relative shortages have been most pronounced, it will take some time for the effects of the program to be felt. Consumers should not expect any immediate increase in retail meat supplies as a result of the program.

The action announced falls into three main groups:

I. TO ENCOURAGE INCREASED FEEDING OF BEEF CATTLE

A. Director Vinson announced that there will be no downward revision in the over-riding ceiling prices or in the maximum of the stabilization ranges for beef cattle, except bulls, without at least 6 months' advance notice to producers. This announcement is made to assure cattle feeders as much protection as possible against price changes, and should encourage the movement of cattle into feed lots. The action is in line with the April 11 announcement that hog ceiling prices will not be reduced before September 1, 1946.

B. Effective May 19, 1945, the Commodity Credit Corporation will make a payment to the seller of 50 cents per hundred pounds on AA and A grade cattle sold for slaughter (sold for $14.25 or more per hundred pounds, Chicago basis) weighing 800 pounds or more, which have been owned by the seller for 30 days or more. In addition to the larger margin, this will encourage the feeding of cattle to heavier weights, and in the long run will make more and better beef available.

II. TO INCREASE THE MARGINS FOR PROCESSORS OF MEAT

A. The Defense Supplies Corporation will increase the pork subsidy payment 40 cents per live hundredweight, retractive to April 1, 1945. This rate will be continued in effect only until completion of a more thorough accounting study, following which the payment rate will be adjusted (not retroactively), and a provision will be included for reduction of the subsidy as hog prices decline. Effective as of April 1, 1945, the total pork subsidy will be $1.70 per live hundredweight, as compared with the previous rate of $1.30. This action on hog subsidy rates is in accordance with the April 23 announcement of the Office of Economic Stabilization (the "10-point" meat program). At that time it was announced that unless determined otherwise before May 10 the subsidy rate on hogs would be increased 40 cents per hundredweight, effective retroactively to April 1, subject to later upward or downward adjustments.

B. Subsidy payments on all grades of cattle will be increased by the Defense Supplies Corporation 25 cents per live hundredweight, effective June 4, 1945. The subsidy payments are subject to the withdrawal of 4 cents of the subsidy for each 5 cents decline in the average drove costs, from the maximum to the minimum of the stabilization range, with a minimum subsidy payment of 25 cents per hundredweight. The new subsidy rates, which are effective as of June 4, are as follows:

	Per hundredweight
Grade AA	$3.00
Grade A	2.95
Grade B	1.90
All other grades	1.25

Payments under the above rates will be reduced, from the maximum to the minimum, by 4 cents for each 5-cent decline in the average drove cost below the maximum. As long as the average drove cost is at or above the minimum of the stabilization rate, the minimum subsidy payment will be 25 cents per hundredweight for any grade.

C. The above rates are applicable to both processing and nonprocessing slaughterers. Effective June 4, 1945, the additional subsidy for nonprocessing slaughterers of cattle will be 40 cents per hundredweight. This rate for nonprocessing slaughterers is based upon studies made by the Office of Price Administration.

III. TO IMPROVE THE DISTRIBUTION OF BEEF AND PORK

A. Set-aside orders for Government purchases of meat will be adjusted by the War Food Administration so that a greater proportion of the Government requirements will be drawn from those federally inspected plants which are slaughtering more than their normal proportion of the total slaughter. In effect this will mean that there will be a differential set aside, based upon the quantity of meat slaughtered in relation to the quantity slaughtered during a representative past period. In filling governmental requirements, more meat will be taken from the plants with a heavy slaughter and less from the plants with light slaughter. This will result in more uniform distribution of available supplies for civilian use.

B. To make it possible to keep livestock in the hands of those operators who comply with Office of Price Administration price ceiling regulations, and to eliminate black market operations, the Office of Price Administration and the War Food Administration will develop a plan by June 15 to show the movement of all livestock through public stockyards and public sales yards, so that information as to the destination of all such livestock will be available. Record-keeping requirements which are needed to effectuate slaughter-control programs already announced and meat distribution program now being prepared by the Office of Price Administration, will be developed. Representatives of stockyard operators and livestock sales agencies will be consulted in the preparation of the general plan.

REPORT OF ALIEN PROPERTY CUSTODIAN

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Alien Property Custodian on proceedings had under the Trading with the Enemy Act, as amended, for the period beginning June 30, 1943, and ending June 30, 1944.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 21, 1945.*

FELICITATIONS ON THE OCCASION OF VE-DAY

The PRESIDENT pro tempore laid before the Senate a letter from Jorge Hazera, Chargé d'Affaires, Embassy of Costa Rica, Washington, D. C., transmitting a cablegram from Dr. Rafael Angel Grillo, President of the National Congress of Costa Rica, extending felicitations on the occasion of VE-day, which were referred to the Committee on Military Affairs.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUMMARY OF REPORT OF TARIFF COMMISSION CONCERNING CERTAIN PRODUCTS AND THE RATIO OF IMPORTS IN RELATION THERETO (S. DOC. NO. 38)

A letter from the Chairman of the United States Tariff Commission, transmitting, in further response to Senate Resolution 341 (78th Cong.), a summary of the Commission's report on import trade of the United States and production of related items (with an accompanying paper); to the Committee on Finance, and printed under the order heretofore agreed to.

PERSONNEL REQUIREMENTS

A letter from the executive assistant to the Secretary of Commerce, transmitting, pursuant to law, a revised estimate of personnel requirements for the Office of the Secretary of Commerce, for the quarter ending June 30, 1945 (with accompanying papers); to the Committee on Civil Service.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their dispositon (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Education and Labor:

"Assembly Joint Resolution 30

"Joint resolution relative to memorializing Congress to provide educational opportunities for war widows

"Whereas among the most sorrowful and tragic results of war is the plight of those widows whose husbands have given their lives for their country; and

"Whereas as fatalities mount and time elapses, their plight becomes more apparent and their need for assistance more pressing; and

"Whereas often young and untrained, these widows, unless their husbands were insured, receive only a small monthly pension inadequate to support themselves or their children or to prepare for the responsibilities which lie ahead; and

"Whereas moral encouragement and vocational rehabilitation is their just due: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That Congress is hereby memorialized to give serious consideration to this immediate and continuing problem and to take steps to provide educational opportunities to war widows similar to those contained in the GI bill of rights, which opportunities their husbands would have received had they lived; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Legislature of the State of California; to the Committee on Public Lands and Surveys:

"House Resolution 208

"Resolution relative to memorializing the Congress of the United States to study the need for postwar recreational facilities on Government-owned properties in California and to earmark an adequate portion of postwar construction funds for the purpose of providing such recreational facilities

"Whereas the population of California has increased from 6,907,000 as of April 1, 1940, to an estimated 8,450,000 as of November 1, 1944, and is estimated to reach a total permanent population of between 8,300,000 and 9,225,000 by 1950; and

"Whereas this increase in population will place a tremendous burden upon California in providing permanent employment in the postwar period; and

"Whereas out-of-State tourist travel and vacation recreation of Californians produced an estimated annual revenue of $600,000,000 before the war, which revenue was exceeded only by manufacturing of all kinds and by agriculture, and can be greatly expanded during the postwar period; and

"Whereas approximately 25 percent of the area of the State of California, in which is located our finest recreation areas, is owned by the Federal Government and administered by the United States Forest Service and the National Park Service; and it is the responsibility of the Federal Government to develop and administer federally owned lands; and

"Whereas recreational facilities in these areas were entirely inadequate before the war to provide even proper sanitary facilities and, unless developed in the postwar period to take care of additional needs caused by the tremendous increase in population and the anticipated large influx of tourists, may cause serious loss to the economy of the State of California and the Nation; and

"Whereas the provision of adequate recreational facilities in national parks and forests is a matter of national responsibility: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California (jointly), That the Congress of the United States be memorialized to recognize recreation as a proper and desirable function of Government in the national forests and parks, and to undertake a survey to determine what basic facilities, such as camp and picnic grounds, water and sanitation, are necessary to permit the fullest use and enjoyment of these areas by the public; that both the Department of Agriculture and the Department of the Interior be requested to review their postwar plans involving facilities for the use and enjoyment of tourists and vacationists in the national forests and national parks and monuments located in California in order that they may be brought up-to-date to meet present and future demands; and be it further

"Resolved, That a copy of this resolution be sent to the President and Vice President of the United States, the Speaker of the House of Representatives, to each Senator and to each Member of the House of Representatives from California in Congress, to the heads of the Bureau of the Budget, the Public Roads Administration, the Department of Agriculture, the Department of the Interior, commanding officers of the Army and Navy, and the Surgeons General of the United States Army and the United States Navy."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Territories and Insular Affairs.

"Joint resolution memorializing the Congress of the United States of America to make available as Hawaiian homelands a certain parcel of land situated on the island of Maui, T. H.

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America be and it is hereby respectfully requested to amend section 203 of title 2 of the Hawaiian Homes Commission Act, 1920, as amended, so as to include as available Hawaiian homelands a certain parcel of government land situate in the District of Wailuku, island and county of Maui, T. H., comprising 12,455 acres of the Ili of Kou and being a portion of the land covered by general lease No. 2286 to Wailuku Sugar Co., Ltd., notwithstanding the fact that said parcel is cultivated sugarcane land, subject, however, to the term of said lease.

"SEC. 2. That duly authenticated copies of this joint resolution be forwarded to the Delegate to Congress from Hawaii, the Secretary of the Interior and to each of the two Houses of the Congress of the United States of America.

"Approved this 28th day of April A. D. 1945.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Public Lands and Surveys:

"Senate Concurrent Resolution 23

"Whereas the costs of health and policing measures, upkeep and construction of schools, and the multitudinous provisions for the health, welfare, and government of a civilized community are dependent in the Territory of Hawaii in large measure on the taxes received from the real property tax; and

"Whereas in each year there is in Hawaii a progressive withdrawal of lands subject to taxation by the condemnation of large areas by the United States Government, acting through the Army and Navy and other branches of Government; and

"Whereas it is necessary to increase the tax rate upon the diminishing areas held in private ownership in order to meet the charges of Government; and

"Whereas the lands on these islands are limited within narrower boundaries than can be appreciated by any State of the Union, inasmuch as the islands and their area are small for the population sustained; and

"Whereas on the island of Oahu alone the gress valuations of real property amounted to $267,048,666 in 1940 and increased to $407,270,296 in 1944, an increase of 53 percent, the gross valuations of real property owned by the Federal Government amounted to $60,894,296 in 1940 and increased to $162,689,622 in 1944, an increase of 171 percent, Federal real property owned in 1940 represented 23 percent of the total valuations, and Federal real property owned in 1944 represented 40 percent of the total valuations: Now, therefore, be it

"Resolved by the Senate of the Twenty-third session of the Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States be, and it is hereby urgently implored to pass legislation rendering subject to taxation lands in the Territory of Hawaii acquired and owned by the United States, to the end that the civilian economy may not be entirely disrupted or destroyed; and be it further

"Resolved, That copies of this concurrent resolution be forwarded to the President of the United States of America, to the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior and to the Delegate to Congress from Hawaii."

Two concurrent resolutions of the Legislature of the Territory of Hawaii; to the Committee on Commerce:

"Senate Concurrent Resolution 10

"Concurrent resolution memorializing Congress to construct a breakwater wing on the west side of Hilo Harbor and to dredge the inside Hilo Harbor areas

"Be it resolved by the Senate of the Twenty-third session of the Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States of America be, and it is hereby, requested to provide for the construction of a breakwater wing on the west side of Hilo Harbor and for the dredging of inside Hilo Harbor areas; and be it further

"Resolved, That copies of this concurrent resolution be forwarded to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States of America, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii."

"Senate Concurrent Resolution 22

"Whereas prior to the outbreak of the present war Pan American Airways offered commercial service for passengers between Honolulu, Hawaii, and San Francisco, Calif.; and

"Whereas after the outbreak of the war the operation of Pan American Airways in regard to Hawaii-mainland services was taken over by the United States Navy and the equipment of said Airways used in the Hawaii-mainland service was acquired by the United States Navy and the operations of said Airways in regard to its service to other territories of the United States were taken over by the military services and the equipment of said Airways used in its service to the other territories was acquired by the military services; and

"Whereas on or before the first of the year 1945 a portion of the equipment of Pan American Airways used by it in its service to the other territories of the United States was returned to it and it now operates a commercial service to said territories under Civil Aeronautics Board certificates and offers commercial service for passengers subject to governmental regulation; and

"Whereas commercial air service for passengers and air express is now being operated by American civilian organizations between America and European, African, and South American communities; and

"Whereas the civilian community of Hawaii is greatly in need of transportation by air between the mainland and Hawaii for use by those who of necessity must travel to the mainland but whose presence in Hawaii is needed and who consequently should not be required to spend the time nor be subject to the uncertain delays involved in surface travel; and

"Whereas Pan American Airways now holds an approved certificate of convenience and necessity permitting the carrying of passengers, mail and goods to and through Hawaii: Now, therefore, be it

"Resolved by the Senate of the Twenty-third Legislature of the Territory of Hawaii (the House of Representative of said legislature concurring), That it hereby goes on record as requesting the allocation of suitable flight equipment to be used in the mainland-Hawaii run to Pan American Airways and the return of the operation of said Airways to civilian control and the offering by said Airways of commercial services for civilian passengers, subject to such governmental regulation as may be necessary for internal security purposes; and be it further

"Resolved, That a certified copy of this resolution be forwarded to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the Secretary of the Navy, the Governor of Hawaii, the Delegate to Congress from Hawaii, the Civil Aeronautics Board, Administrator of Civil Aeronautics, the Director of Aviation Division, Surplus Property Board, and Aircraft Production Board."

Two concurrent resolutions of the Legislature of the Territory of Hawaii; to the Committee on Territories and Insular Affairs:

"Senate Concurrent Resolution 9

"Be it resolved by the Senate of the Twenty-third session of the Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States of America be, and it is hereby, requested to amend section 73 of the Hawaiian Organic Act to provide that whenever 25 or more persons who are disabled veterans holding an honorable discharge from service during the present war, in the armed forces of the United States, or in the merchant marine of the United States, or who are widows of members of said armed forces or merchant marine who have died in such service and all of such persons were residents of Hawaii for a continuous period of not less than 5 years immediately prior to entry into such service, who have not theretofore made application under such organic act, shall make written application to the Commissioner of Public Lands for the opening of lands for settlement in any locality or district, it shall be the duty of said Commissioner to proceed expeditiously to survey and open for entry lands, whether unoccupied or under lease with the right of withdrawal, sufficient in area to provide lands for use and occupancy upon 99-year lease by such persons together with all persons of like qualification who shall have filed with such Commissioner prior to the survey of such lands written application for lands for occupancy in the district designated in said application, of not more than 1 acre each. The lands, to be so opened by said Commissioner, shall be either the specific tract or tracts applied for or other suitable and available lands in the same geographical district, and, as far as possible, in the immediate locality of and as nearly equal to that applied for as may be available: *Provided, however,* That no leased land, under cultivation, shall be taken for such purposes until any crops growing thereon shall have been harvested: *And provided further,* That each lease made hereunder shall be deemed subject to the following conditions, whether or not stipulated in the lease:

"(1) The lessee shall pay a rental of $1 a year for the land and the lease shall be for a term of 99 years;

"(2) The lessee shall occupy and commence to use and cultivate the land as his home or farm within 1 year after the lease is made, and shall continuously so use and cultivate said land during the entire term of the lease;

"(3) The lessee shall not in any manner transfer to, nor mortgage, pledge, or otherwise hold for the benefit of any other person, or agree so to transfer, mortgage, pledge, or otherwise hold, his interest in the land, except to a person qualified to be an original lessee. Such interest shall not be subject to attachment, levy, or sale upon court process. Upon the death of the lessee his interest in the land and improvements thereon shall vest as follows:

"(a) In the surviving spouse, if there be such;

"(b) If there be no surviving spouse, in such child or children as he may designate by will, or upon failure of such designation, in his children in joint tenancy;

"(c) In the event that he leave no spouse or children, the right to the use and occupany of said land shall thereupon revest in the Territory;

"(4) The lessee shall pay all taxes assessed upon the land and improvements thereon, and if he fails to pay the same within 60 days after they become delinquent the Land Commissioner may thereupon pay the taxes and declare the lease upon same to be forfeited and canceled, and evict the lessee therefrom.

"Upon failure to comply with any of said conditions the lease shall be forfeited and canceled and the right to the use and occupancy of said land shall thereupon revest in the Territory and the Land Commissioner may take possession of the same and of all improvements thereon.

"Upon the death of a lessee leaving no spouse or children, or upon the cancelation or surrender of a lease, the Commissioner of Public Lands shall appraise the value of all improvements and growing crops upon the leasehold and shall pay to the legal representative of the deceased lessee, or to the lessee, if he be living, the value thereof, less any indebtedness to any Government agency or secured by any Government agency, or for taxes, and the Territory of Hawaii shall make provision for such payment; and be it further

"Resolved, That copies of this concurrent resolution be forwarded to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the Secretary of the Interior, and the Delegate to Congress from Hawaii."

"Senate Concurrent Resolution 20

"Concurrent resolution requesting Congress to ratify and confirm Act 33 of the Session Laws of Hawaii, 1945, amending chapter 118, Revised Laws of Hawaii, 1945, relating to revenue bonds

"Be it resolved by the Senate of the Twenty-third Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States is hereby respectfully requested to ratify and confirm Act 33 of the Session Laws of Hawaii, 1945, amending section 6095 of chapter 118, Revised Laws of Hawaii, 1945, by extending the time within which revenue bonds may be issued and delivered to June 30, 1947; and be it further

"Resolved, That copies of this concurrent resolution shall be forwarded to the President of the United States, to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to the Secretary of the Interior, and to the Delegate to Congress from the Territory of Hawaii."

A letter in the nature of a petition from Frederick Dorsch, of the Insular Democratic Committee of the Virgin Islands, Charlotte Amalie, St. Thomas, V. I., praying that the position of government secretary for the Virgin Islands be restored in the Interior Department appropriation bill for the fiscal year 1946; to the Committee on Appropriations.

By Mr. WALSH (for himself and Mr. SALTONSTALL):

Resolution of the General Court of Massachusetts; to the Committee on Foreign Relations:

"Resolution commending Congress for its affirmance of the principles of the freedom of speech and press, and recommending to the peace conference the adoption of an international compact in accordance with the mandate of Congress

"Whereas it is the firm conviction of the members of the General Court of Massachusetts that future peace and friendly relations among the peoples of all nations will be advanced by the extension of the principle of free interchange of news throughout the world; and

"Whereas the Congress of the United States, by unanimous, concurrent action, has adopted Senate Resolution No. 53, September 21, 1944, which reads as follows:

" 'That the Congress of the United States expresses its belief in the world-wide right of interchange of news by newsgatherings and distributing agencies, individual or associate, by any means, without discrimination as to sources, distribution, rates, or charges; and that this right should be perfected by international compact'· Therefore be it

"Resolved. That the General Court of Massachusetts hereby extends its commendation to the Congress of the United States for its affirmance of the principles of the freedom of speech and press, as guaranteed in this country, and recommends to the peace conference the adoption of an international compact in accordance with the mandate of the Congress of the United States; and be it further

"Resolved, That a copy of these resolutions be sent by the state secretary to the Secretary of State of the United States, to the chairman of the committee on foreign affairs of the United States Senate, to the chairman on foreign affairs of the House of Representatives of the United States, to the presiding officer of each branch of the Congress and to the Members thereof from this Commonwealth."

(The PRESIDENT pro tempore laid before the Senate resolutions of the General Court of Massachusetts identical with the foregoing, which were referred to the Committee on Foreign Relations.)

PRESENCE OF A GI AT THE PEACE TABLE—CONCURRENT RESOLUTION OF FLORIDA LEGISLATURE

Mr. PEPPER. I present for appropriate reference and printing in the RECORD a concurrent resolution adopted by the Legislature of the State of Florida, the sponsor of which was Hon. Holmes Melton, Jr., State representative from Lafayette County, Fla., relative to a GI being present at the peace table.

The concurrent resolution was referred to the Committee on Foreign Relations and, under the rule, ordered to be printed in the RECORD, as follows:

House Concurrent Resolution 1

Whereas this brutal war in Europe is nearing an end, and the conflict against the enemy in the Pacific is being speeded to an inevitable victory; and

Whereas the greatest sacrifices of this most terrible and destructive of all wars are being made by the men in the armed forces of our country; and

Whereas the highest motive of these men in action is to insure not only for themselves but their countrymen, and for their children, and ours, too, and for all of our children's children, a permanent and enduring peace; and

Whereas a great conference of all the Allies and associated nations is being held in San Francisco beginning April 25, 1945, to formulate plans for an organization to insure this future peace; and

Whereas there is no direct representative of the enlisted men in the American delegation as at present constituted: Now, therefore, be it

Resolved by the House of Representatives of the State of Florida (the Senate concurring):

SECTION 1. That in our considered judgment, a fitting representative or representatives from among those who have shared the hardships and sufferings of battle with the common fighting men of our country should be appointed to serve on the American delegation to the San Francisco Conference on permanent world organization, and that such a representative or representatives should also serve on the American delegation at the final peace conference.

SEC. 2. That the representative or representatives should be selected by the Commander in Chief of the armed forces of the United States, and should not be above the rank of sergeant if from the Army or Marine Corps, or not above the rank of chief petty officer if from the naval forces.

SEC. 3. That a copy of this resolution, under the great seal of Florida, be transmitted by the secretary of state to the Honorable Franklin D. Roosevelt, President of the United States.

Approved by the Governor, April 12, 1945.

PETITION FROM KANSAS RELATING TO PEACETIME MILITARY CONSCRIPTION

Mr. REED. Mr. President, I present a petition bearing 278 names, from the student political effectiveness commission of YWCA, Kansas State College, Manhattan, Kans., which read as follows:

KANSAS STATE COLLEGE,
Manhattan, Kans., April 12, 1945.

We, the undersigned students of Kansas State College, Manhattan, Kans., urge that legislative action on the May bill, the Wadsworth bill, or any other bills pertaining to peacetime military conscription be postponed until the issues involved are known to the American public and until the opinions of those now in the armed services may be considered.

DOROTHY COCHRAN,
Chairman.

I ask that the petition be appropriately referred.

The PRESIDENT pro tempore. The petition will be referred to the Committee on Military Affairs.

PETITIONS FROM KANSAS REGARDING OPA

Mr. REED. Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a copy of several identical petitions I have received from grocery concerns in Kansas regarding the OPA, and which are similar to petitions I offered on May 17.

These concerns and the number of customers signing the petitions are as follows:

Jakes Market, Independence, Kans., signed by 22 customers; Branscun Grocery, Parsons, Kans., 22 signatures; Wards Grocery, Kansas City, Kans., 22 signatures; Dunzer Grocery, Kansas City, Kans., 29 signatures; North End Grocery, Independence, Kans., 46 signatures; Gorup Grocery, Kansas City, Kans., 51 signatures; M. R. Johnson Grocery, Kansas City, Kans., 60 signatures; and L. R. Hoagland Grocery, Kansas City, Kans., 60 signatures.

I ask for proper reference of these petitions.

There being no objection, the petitions were referred to the Committee on Banking and Currency, and a copy of one of the petitions was ordered to be printed in the RECORD, as follows:

Senator CLYDE REED,
United States Senate,
Washington, D. C.

DEAR SENATOR: We, the undersigned, hereby respectfully petition you as follows:

1. To support such immediate changes and amendments in the existing price-control law and stabilization program as will, in your opinion—

(a) Increase the supply of food available for both military and civilian use;

(b) Eliminate black markets; and

(c) Simplify OPA regulations and lighten the burden of compliance for overworked retail grocers.

2. In support of our request for a thoroughgoing review of the price-control law at this time, we have only to cite official figures which show that the present meat famine really exists in the midst of plenty—i. e., the present live-cattle population of the country is the largest in history.

Respectfully submitted.

PETITION FROM KANSAS AGAINST PEACETIME MILITARY CONSCRIPTION

Mr. CAPPER. Mr. President, I have received a petition signed by 278 students of the Kansas State College, at Manhattan, taking a stand against peacetime military conscription, which reads as follows:

We, the undersigned students of Kansas State College, Manhattan, Kans., urge that legislative action on the May bill, the Wadsworth bill, or any other bills pertaining to peacetime military conscription, be postponed until the issues involved are known to the American public and until the opinions of those now in the armed services may be considered.

I ask that the petition be referred to the Committee on Military Affairs.

The PRESIDENT pro tempore. The petition presented by the Senator from Kansas will be referred to the Committee on Military Affairs.

VOCATIONAL EDUCATION AND TRAINING, ETC., FOR YOUTH AND ADULT—PETITIONS FROM KANSAS

Mr. CAPPER. Mr. President, I have also received a large number of letters and petitions from farmers and other citizens of Kansas, urging Congress to take favorable action on Senate bill 619, to provide vocational education and retraining, including part-time training and work-experience programs for the occupational adjustment and readjustment of youth and adults. I am supporting this legislation and ask unanimous consent to have some of these letters and petitions, praying for the measure now pending before the Senate Committee on Education and Labor, printed in the RECORD and referred to that committee.

There being no objection, the letters and petitions were referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

NILES, KANS., *May 16, 1945.*

Senator ARTHUR CAPPER.

DEAR SIR: I wish you would give your consideration to Senate bill No. 619 for the continuation of the Government-sponsored farm repair shops.

If we lose the shops and their equipment, there is likely to be a break-down in farm production because there are not enough men doing that type of work to keep the farm machinery in repair to allow us to do our farm work.

Yours truly,

D. W. REHBERG.

ST. JOHNS, KANS., *May 15, 1945.*

Senator CAPPER,
Care of United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: I, as a farmer of Stafford County, am interested in the vocational education bill, S. 619.

There has been a farm machinery repair center in St. Johns the last 28 months; it has been a great help to the farmers.

It is almost impossible to get anyone to repair your machinery during the rush season, so with the aid of the shop one can go there and do his own repair work. We have even made pieces we could not get at all.

I urge you to help keep the shops open to help the farmer so that he will be able to produce the food which is very vital in winning the war.

Yours truly,

BERT MASTIN.

BELLEVILLE PUBLIC SCHOOLS,
Belleville, Kans., May 14, 1945.

Senator ARTHUR CAPPER,
United States Senate,
Washington, D. C.

HONORABLE SENATOR: It is my understanding that there is pending in the Senate at this time, Senate bill No. 619, pertaining to the war food production program. This program has been in operation in our school, and we have a large number of farmers throughout the winter months who attend school 4 nights per week 5 hours per night.

Tractors, all descriptions of farm machinery and automobiles have been repaired. Wagon boxes and hay racks have been built. These and many services rendered here are vital to the welfare of our community.

We urge you to support this measure.

Sincerely yours,

WILLIAM HODGES,
Superintendent.

PETITION TO HON. ARTHUR CAPPER, UNITED STATES SENATE

We, the undersigned, are hereby asking you to favorably support the bill S. 619, vocational education bill, providing for continuation of the work under the food production war training program. The work we have been able to do in our shop here, under the F. P. W. T. program has been so very essential to the continuation of our farming operations and this program provides the only shop in the community to which farmers may take their machinery for repair. There is no blacksmith in town, and no lathes, and other such equipment available in the community otherwise. Our machinery is getting older as the war continues and being unable to secure new, we must keep it in good repair. This can be done only through the facilities of the F. P. W. T. program. Therefore, we, being of lawful age, ask for immediate and favorable enactment of this bill.

THE POLISH CRISIS

Mr. WALSH. Mr. President, I ask unanimous consent to have inserted in the RECORD a copy of a communication sent to the President on the 8th of this month by the Coordinating Committee of American Polish Associations in the East on the Polish problem.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

MAY 8, 1945.

The Honorable HARRY S. TRUMAN,
President of the United States,
White House, Washington, D. C.

MR. PRESIDENT: On this momentous day, with deep gratitude in our hearts and with renewed dedication to the great unfinished task of winning this war we assure you, Mr. President, of our loyalty and support. We will heed ourselves and we will urge our members to heed your appeal to work unremittingly until final victory is won.

But on this of all days when the war in Europe is finally won we feel it appropriate to remember the cause of Poland, country of our forefathers where the United Nations war against aggression began and whose faith is now still in jeopardy.

Therefore on behalf of 177 American Polish councils, organizations, parishes, church societies, branches of national fraternal organizations, etc., in the eight Eastern States Connecticut, Delaware Maryland, Massachusetts, New Jersey, New York, Pennsylvania, and Rhode Island—we respectfully present our view on the present Polish crisis.

On May 4 Mr. Molotov quite casually announced to the United States delegation in San Francisco that the 16 Polish underground leaders invited as plenipotentiaries by the Soviet Government for negotiations were imprisioned under the rediculous charge of anti-Soviet diversionist activities. As you well know, Mr. President, this accusation defies the whole record of the Polish underground's 5-year struggle against the Nazis and of the full assistance it extended to the Soviet Armies in every phase of their operation in Poland. Yet, it is precisely against the members of this underground that the main effort of Soviet authorities and of their Polish puppets is directed for many months, with tens of thoustands Polish officers and soldiers of the Home Army arrested, tortured and deported under the charge of collaboration with the United States, British, and Polish Governments. Thus the accusation against the 16 plenipotentiaries is but a symbol of the general method of Red terror in Poland and can only be judged as part of the Soviet campaign to create a cover-up and excuse for their policy of violence and gradual sovietization imposed on the Polish people.

The action of arresting duly authorized plenipotentiaries of a foreign power, who trusted the good faith and safe conduct of the Soviet Government must be regarded as an outrageous violation of all principles of international conduct accepted by every civilized nation for centuries. Mr. Molotov's brazen announcement about it in front of all representatives of the United Nations public opinion at San Francisco constitutes not only a challenge to all of them, but also to the new organization to preserve peace which the United States and the other countries are laboring to establish. It is a replica of the Nazi defiance of the League of Nations assembly in the matter of Danzig and of the Italian action in the matter of Abyssinia.

It has been quite clear to us from the beginning, Mr. President, that this very incident and its arrogant presentation by Mr. Molotov was designed as a provocation in order to test the power of reaction of the United Nations and of the United States in particular. In fact what it amounts to is that—

1. Russia ceases to feel committed by the Yalta agreement:

2. That she definitely and unilaterally closes all discussion on the Polish question and has decided to settle it by herself;

3. That she will not only refuse any democratic elements enjoying British and American support to collaborate in Poland, but that she will destroy them physically; and

4. That she is doing this in disregard and in defiance of public opinion in this country and in all countries represented at San Francisco without fearing any consequences or reaction on their behalf whatever. Judging from the attitude of the democratic nations, the Soviet Union will decide whether she can continue to violate with impunity all signed agreements and international principles or to retreat.

We are afraid, Mr. President, that Mr. Stettinius step of interrupting negotiations with Russia on the Polish problem, as the United States delegation's sole reaction to Mr. Molotov's provocative announcement, although diplomatically correct, in the political sense serves rather to help than to prevent the achievement of the Soviet goal. This goal we are convinced is to have all discussion on the Polish question completely stopped on Soviet initiative and eliminated from San Francisco without any negative consequences for the Soviet Union.

Were no truly strong reaction to follow, we fear that the Soviet challenge to the United Nations would end in a complete Russian political victory not only over the assembled nations but also over the very organization that is designed to save the world from precisely such crimes as these. What possible confidence could humanity place in this organization at the very birth of which and in the eyes of its assemble founders, a defiance of all rules of civilized humanity is committed and no definite opposition to this appears. It would be, Mr. President, a stillborn organization indeed.

There is another reason why merely breaking off the Polish discussions and allowing Russia to keep exclusive control over Poland serves the Russian purpose. Every day the present situation in Poland continues permits the Lublin puppets backed by the Soviet Army and the NKVD to carry on their war of extermination against the leaders of the Polish people. Not only the 16 plenipotentiaries but tens of thousands of others will perish unless these crimes are stopped now.

In the name of those millions who died in this war for freedom and Christian civilization, in the name of the success of the organization to preserve peace your noble predecessor and yourself are so laboriously striving to establish, we appeal to you, Mr. President, that the Soviet violence and provocation be vigorously opposed by every measure at your command. The chief measures the United Nations, and especially the United States, can take are:

1. To prevent a mock trial of the 16 plenipotentiaries taking place and to obtain their immediate release. Such mock trials are a well-known institution in Russia for 25 years and one of their first models was the well-known trial of the Polish Catholic Bishop Cieplak. We would condone the crime if we were to recognize the Soviet right to try those men at all.

2. The veil of secrecy over Poland must be lifted and the black-out at last be pierced by sending interallied military missions and representatives of the free press to end persecution in Poland.

3. As the United Nations Conference at San Francisco is to set up an organization to keep the peace and as Russia's aggression in Poland threatens future peace, let the Russian act be presented to the assembled delegates at San Francisco for their joint discussion and appraisal.

4. Russia having unilaterally violated the Yalta decisions, we must declare also our part of the agreement null and void. The legal Polish Government in London should immediately be invited to represent Poland at San Francisco and all delegates at the Conference asked to vote on this question.

Indeed, Mr. President, if Russia is permitted to get away unpunished with her crimes, sad is the future of peace for our United States and little hope for the rescue of our civilization.

For Coordinating Committee of American-Polish Associations in the East:

JOSEPH S. KASZUBOWSKI,
President, Buffalo, N. Y.
Rev. A. A. SKONIECKI,
Executive Secretary, Turners Falls, Mass.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

Mr. THOMAS of Utah, from the Committee on Military Affairs:

S. 524. A bill to provide for one national cemetery in every State and Territory and such other national cemeteries in the States, Territories, and possessions as may be needed for the burial of war veterans; with amendments (Rept. No. 284).

By Mr. WAGNER, from the Committee on Banking and Currency:

S. J. Res. 65. Joint resolution to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations; with amendments (Rept. No. 285).

FANNIE C. FARR

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably without amendment Senate Resolution 125, submitted by the junior Senator from Pennsylvania [Mr. MYERS] on May 10 last, and I ask unanimous consent for its present consideration.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the resolution was read, considered, and agreed to as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Fannie C. Farr, widow of O. H. Farr, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

INTERNATIONAL OFFICE OF EDUCATION—REPORT OF COMMITTEE ON EDUCATION AND LABOR

Mr. FULBRIGHT. Mr. President, from the Committee on Education and Labor I report with amendments Senate Resolution 122, relative to participation by the Government of the United States in the organization by the nations of the world of an International Office of Education, and I submit a report (No. 286) thereon. The resolution has been unanimously approved by the committee. The senior Senator from Ohio [Mr. TAFT] and I are joint sponsors, and I want to give notice of my intention to call it up on next Thursday.

The PRESIDENT pro tempore. The report will be received and the resolution placed on the calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOEY:

S. 1026. A bill for the relief of Harry Daniels; to the Committee on Claims.

By Mr. McKELLAR:

S. 1027. A bill for the relief of Mrs. Hibernia I. Conners; to the Committee on Claims.

By Mr. LUCAS:

S. 1028. A bill for the relief of B. Constantino & Sons, a partnership; to the Committee on Claims.

S. 1029. A bill for the relief of Charles N. Cooper; to the Committee on Immigration.

By Mr. OVERTON (for Mr. ANDREWS):

S. 1030. A bill for the extension of admiralty jurisdiction; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 1031. A bill to amend paragraph 3 of part VII of Veterans Regulations No. 1 (a), as amended, so as to increase the basic monthly allowance to handicapped veterans while receiving vocational training and to provide uniform increases of pension or compensation for veterans with service-connected disabilities who have dependents; to the Committee on Finance.

By Mr. CORDON (for himself and Mr. MORSE):

S. 1032. A bill to amend section 102 of the act of Congress of March 3, 1911 (36 Stat. 1122, title 28, U. S. C., sec. 183), to fix a term of the United States district court at Klamath Falls, Oreg., on the first Tuesday in June; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1033. A bill designating the birthday of Abraham Lincoln as a legal holiday; to the Committee on the Judiciary.

S. 1034. A bill to authorize the Secretary of the Interior to make certain mining and geological data available to the several States; to the Committee on Mines and Mining.

By Mr. JOHNSON of Colorado (for Mr. MEAD):

S. 1035. A bill authorizing the Secretary of War to bestow the Silver Star upon Michael J. Quinn; to the Committee on Military Affairs.

By Mr. BARKLEY (for Mr. DOWNEY):

S. 1036. A bill to provide for the payment of accumulated or accrued to certain members of the military nad naval forces of the United States, who enter or reenter civilian employment of the United States, its Territories, or possessions, or of the District of Columbia, before the expiration of such leave; to the Committee on Civil Service.

By Mr. BARKLEY:

S. 1037. A bill to provide for water pollution control activities in the United States Public Health Service, and for other purposes; to the Committee on Commerce.

S. 1038. A bill for the relief of Marion O. Cassady; to the Committee on Claims.

By Mr. PEPPER:

S. 1039. A bill for the relief of Doris D. Chrisman; to the Committee on Claims.

S. 1040. A bill to permit the issuance of certificate of lawful entry to foreign seamen who serve on American-owned vessels for a period of at least 1 year while the United States is at war; to the Committee on Immigration.

By Mr. GURNEY (for himself, Mr. BUSHFIELD, Mr. LANGER, and Mr. YOUNG):

S. J. Res. 67. Joint resolution to supplement the act of June 3, 1920 (41 Stat. 738), and to provide for a full accounting in the pending claims of the Sioux Tribe of Indians; to the Committee on Indian Affairs.

NOTICE OF INTRODUCTION OF BILL AND REMARKS THEREON

Mr. WAGNER. Mr. President, I ask unanimous consent that I may be permitted on Thursday next at the opening of the session to introduce a bill which proposes to amend the social security law in some very important respects, and I also ask unanimous consent that in connection with the introduction of the bill I may have 10 or 15 minutes to present views to the Senate regarding it.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

AMENDMENT OF RAILROAD RETIREMENT ACTS—AMENDMENT

Mr. LANGER submitted an amendment intended to be proposed by him to the bill (S. 293) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code; and for other purposes, which was referred to the Committee on Interstate Commerce and ordered to be printed.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—AMENDMENT

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, which was referred to the Committee on Banking and Currency and ordered to be printed.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 2113. An act to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes; to the Committee on Banking and Currency.

H. R. 3199. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes; to the Committee on Appropriations.

ATROCITIES AND OTHER CONDITIONS IN CONCENTRATION CAMPS IN GERMANY—PRINTING OF ADDITIONAL COPIES OF S. DOC. NO. 47

The PRESIDENT pro tempore laid before the Senate House Concurrent Resolution 57, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 70,000 additional copies of Senate Document No. 47, current session, entitled "Atrocities and Other Conditions in Concentration Camps in Germany," being a report of the joint committee which visited Germany to investigate concentration camps, of which 50,000 copies shall be for the use of the House of Representatives and 20,000 copies for the Senate document room.

Mr. HAYDEN. I move that the Senate concur in the House concurrent resolution.

Mr. WHITE. The concurrent resolution, as I understand, provides for the printing of additional copies of a Senate document of the report of German atrocities.

Mr. HAYDEN. The Senator's statement is correct.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

ADDRESS BY SENATOR McKELLAR AT THOMAS JEFFERSON DAY CELEBRATION, KNOXVILLE, TENN.

[Mr. STEWART asked and obtained leave to have printed in the RECORD the address delivered by Senator McKELLAR on May 17, 1945, at a delayed Thomas Jefferson Day celebration at Knoxville, Tenn., which appears in the Appendix.]

ADDRESS BY SENATOR TAFT BEFORE THE AMERICAN-POLISH ASSOCIATION IN THE EAST

[Mr. TAFT asked and obtained leave to have printed in the RECORD an address entitled "The Hope for World Peace", delivered by him in New York City on May 20, 1945, before the American-Polish Association in the East, which appears in the Appendix.]

TRIBUTE TO FRANKLIN D. ROOSEVELT BY REV. JOSEPH I. GULICK

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a tribute to Franklin D. Roosevelt by Rev. Joseph I. Gulick, delivered in Trinity Methodist Church, Idaho Falls, Idaho, April 14, 1945, which appears in the Appendix.]

TRIBUTE TO SENATOR BORAH BY PAUL MALLON

[Mr. WALSH asked and obtained leave to have printed in the RECORD a tribute to the late Senator Borah by Paul Mallon, which appears in the Appendix.]

THE DODECANESE AND SAN FRANCISCO—ARTICLE BY DR. N. G. MAVRIS

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article entitled "The Dodecanese and San Francisco," written by Dr. N. G. Mavris, and published in the New Leader for April 28, 1945, which appears in the Appendix.]

ORDER DISPENSING TEMPORARILY WITH CALL OF THE CALENDAR

The PRESIDENT pro tempore. Morning business is closed. The calendar under rule VIII is in order.

Mr. GEORGE. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with to a later hour during the day.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the call of the calendar is dispensed with for the time being.

THE PRESERVATION OF SMALL BUSINESS IN THE RECONVERSION PROGRAM

Mr. GUFFEY. Mr. President, on the home front this war has taken the combined energies, resources, and abilities of all the American people.

Young and old, skilled and unskilled, from every walk of life have been called upon in the struggle for victory.

At the beginning of this war "too little and too late" was as much our foe as was the Nazi-Fascist enemy we were fighting, and this "too little and too late" cost dearly in precious life, limb, and blood.

History will record that "too little and too late" was with us much too long.

We, a mass-production nation, allowed ourselves the economic luxury of harnessing the big producing facilities of this country to the neglect of smaller business which began to die out as a result of its failure to obtain war orders in the midst of the most gigantic Government buying program the world has ever known.

In the beginning the Army, Navy, and Air Forces had not only harnessed the huge production facilities of big business, and properly so, but had expanded at a cost of billions of dollars of public moneys those already huge facilities.

America's smaller business was allowed to starve to death.

It is true that much of our existing facilities needed this expanding, but it took an act of Congress to establish the Smaller War Plants Corporation—an act that saved America's smaller business from complete extinction or ruin.

It did not come soon enough to save thousands of businesses that died for want of war orders.

With the total harnessing into the war effort of America's smaller producing companies, "enough and on time" became the reality which finally enabled our glorious fighters and our allies to give us victory in Europe.

Now we are faced with an emerging conversion problem.

It is vitally important to the American people and to our returning fighting men and women that in this reconversion program America's small business should not find itself destroyed for lack of raw materials and equipment.

Unless we do something about it now, the reconversion for civilian production will become a process through which big companies will grow bigger, owing to their ability to control or secure raw materials and equipment on a prior-claim basis.

The smaller companies will have their very lives threatened and squeezed out of them.

Anyone can understand this when he stops to consider the power of huge purchasing facilities and the intimate and interlocking trade contacts of big business.

Let there be no misunderstanding on this point—reconversion is here—and the squeeze for raw materials and equipment is on.

If we do not do something about it immediately, the talk of full employment will be just talk and nothing more.

Right now Mr. J. A. Krug, chairman of the War Production Board, expects to lift controls on steel, copper, and aluminum on July 1, in quantities that will be left over after our military requirements are met.

I should like to ask Mr. Krug whether there willl be a fair and equitable distribution of these metals to all producing companies in America, regardless of size.

Will they be thrown on the market by the producers of these metals on a so-called basis of "first come, first served"? The crux of the whole situation, the life or death sentence to a great section of small business in America, will be found in Mr. Krug's procedures.

If he permits the throwing of any of our raw materials or equipment on the market on a "first come, first served" basis, big business will be the first served.

They will, therefore, be the first ones to start producing—their's will be the first goods on the market—and the first advertised and sold to the American people.

Small business will sit waiting and starving for raw materials and equipment.

Today this is true of scores of raw materials, metals, textiles, leathers, and lumber included.

Tomorrow it will be the same with natural rubber and a score of other scarce and imported raw materials.

A national disaster is in the making unless the War Production Board uses its existing controls in releasing raw materials and equipment above and beyond our war needs so that the requirements of America's converting business, little as well as big, are met on an equitably apportioned basis.

This need not be difficult or involved if we approach the problem with fairness and with honesty.

I am not arguing for endlessly continued War Production Board controls. I am simply asking that controls of all raw materials and equipment be continued until the time when such materials and equipment are sufficiently plentiful to enable all businesses to get their fair share, regardless of their size or power.

I recommend that War Mobilization Director Vinson adopt some simple formula whereby raw materials and equipment would be apportioned to business, big and little. For his consideration I suggest an apportionment based upon quantities used in production during the years 1939, 1940, and 1941.

I believe this represents, not the perfect, but a very practical yardstick for civilian raw-material apportionment that would be fair to the broadest section of American business, both small and big.

An equitable provision could be made in the controlled apportionment of these raw materials for such new businesses as have been born since 1941 and which are now or soon will be reconverting for civilian production.

However, regardless of the formula employed we must remember that the controls already exist, as in the War Production Board.

The mechanisms of these controls are well grooved and born of war experience. We have but to use them in reconversion. What happens to America's smaller business in the first few months of reconversion is all important and determining. After that, it will be a case of "too little and too late" on the home front for the small business of this Nation.

We are already being told that America will have a glut of steel, aluminum, copper, synthetic resins and other raw materials. I submit that unless small business gets its share on a controlled apportionment basis from the very beginning, big business will take the markets away from America's smaller producers, an advantage to the big from which these smaller companies will never recover.

For the last 4 years a special committee of the Senate has been giving earnest attention to the problems of small business.

Mr. Krug and Mr. Vinson are aware of the intent of Congress with respect to small business. I ask them to see that small business receives through allocation its fair share of raw materials and equipment beginning with reconversion—not 3 months or more after reconversion has started.

For the past 40 years this Government has combatted monopoly by prosecutions under the Federal antitrust laws.

Unless the handling of this vital reconversion program protects small business, the work of two generations of organized effort of keeping the doors of opportunity open to American enterprise will be undone.

I leave with my colleagues the thought that this Nation will need the combined energies, the resources, and opportunities for all enterprise, big and little, if we are to attain the postwar objective of full employment—if we are to make full employment a living reality and not a paper myth.

A REALISTIC APPROACH TO WORLD AFFAIRS

Mr. WILEY. Mr. President, history deals roughly with synthetic thinkers. For a while they may be in the saddle. Their ersatz mentalities may blind and deceive their own eyes and other peoples' eyes with wishful thinking and unrealistic notions. But sooner or later history shows them up. It debunks them and their unsound ideas.

This morning's newspapers, with their reports about the stormy state of Allied negotiations, prove the above all too clearly. The synthetic thinkers had practically told us that at San Francisco the millennium would be ushered in amidst scenes of universal harmony, faith, and good will. Instead, we read of Poland and Trieste. We read of other ancient, intense, and deep disputes. We read of deadlocks, compromises, and then of new serious clashes of national

ideas. To be sure, many enheartening agreements have been reached at the Golden Gate, and we are thankful for them. But the Conference has brought to focus a thousand and one still unresolved and bitter disagreements.

Are we discouraged? Are we defeatist? The answer is "No." We cannot afford to be discouraged or defeatist in this critical hour. Unlike the synthetic thinkers, we foresaw in part what would take place in San Francisco. We visualized the enormous difficulties, because we recognized the condition that humanity is still in. Wars do not make for peace. We expected no magic performance, and none has been forthcoming. Solutions to the Polish and Trieste problems, for example, will not come out of the hat.

Our difficulties with Russia could well have been foreseen. We might have taken realistic steps to prevent those difficulties had many of us not been under the spell of the synthetic thinkers. Now that we find ourselves in disagreement with the Russians, we must start out on a new, realistic approach to all of our foreign relations.

We must not become fed up because there is a lack of mutual understanding between the Russians and ourselves. We must not work ourselves into a frame of mind that will prevent fruitful negotiations.

The Soviets have a right to their viewpoint, and we have a right to ours. We must meet our mutual problems head-on around the conference table and thresh out our differences.

Every difficulty we have in understanding any one of our allies is magnified manyfold in the case of Russia. Our perspectives differ tremendously. We Americans have lived on a blessed continent, with a democratic background, in plenty and almost continuously in peace.

Russia, in Eurasia, to the contrary, has an undemocratic background. She has known centuries of internal and external hatreds, suspicions, and blood conflicts.

Not only is there a vast historical gulf between us, but language is an obstacle. A different religious approach is another. A different political and social approach are still others.

Lastly, we have an entirely different spiritual approach, which causes perhaps the widest chasm of all between us. Russia has felt the impact of Karl Marx's philosophy—the materialist conception of history. Here in America that narrow view, I trust, is on its way out. But there are still many "leaders" here in high places who make a fetish of "economic man." They mistakenly construe economic conditions as the primary cause of everything. They ignore man's mental and spiritual longings which condition his economic, political, and social environment.

All these barriers between Russia's way of thinking and ours are not insurmountable, but they existed before San Francisco, and we did not see them. They are high and broad and will require time, patience, and realism to breach.

Russia, with her vast material resources stretching from the Atlantic to the Pacific, with her vast manpower resources, with her more than 70 nationalities amalgamated as never before by war, understandably has an independent viewpoint at this time. She has accomplished that for which she has longed for centuries, and which other nations stopped her from accomplishing.

She has suffered grievous human and physical losses. She cannot be unmindful of the fact that the world has grown smaller. The robot bomb, the airplane, and man's other inventions have brought her to the realization of the need of some sort of international mechanism for the elimination of war.

But she knows that for the first time in history she is in a dominant position, and she is going to utilize that position for her advantage. A few years back, when she and Britain were on their knees, we who were aiding them lost our opportunity to lay down to them both the plan for the highway of peace which we humbly and unselfishly conceive as best for the nations. We were asleep at the switch then.

Now, Russia, with her background and her perspective, will utilize her advantageous position to maintain her power, to industrialize her economy, to control her neighboring countries as satellites. She will do this over and against our own pious democratic ideals which we feel are the only true solvent which can eradicate the scourge of war. Russia bluntly implies that the world is not ready for our pious principles, that she wants a free hand in Europe.

What are we to do? Are we to ignore these hard facts as the synthetic thinkers would have us do?

No. We must take accurate account of them and act accordingly. We must pursue a program of straight-thinking, straight-talking, straight-acting Americanism.

First. Self-interest: Let us begin by setting our own house in order—economically, politically, and militarily. Let us strive for a prosperous, balanced postwar economy. Let us strive for an agreement by both parties on the absolute necessity of America maintaining at the highest modern efficiency her armed forces, her old bases, and the strategic bases in the Pacific which she has so dearly won with her blood and treasure. Since 1943, I have advocated America's retention of security rights to these strategic Pacific bases.

Second. Cooperation: Let us continue the international conferences with America playing a continuing, constructive, forthright, leading role. No one conference can be expected to solve all problems once and for all. A whole series of conferences will have to be held. Let us agree wherever agreement can possibly be reached. Let us see if we can create a workable "fire department" that will be available to put out incipient international fires. In the meanwhile, let the Allies collaborate as much as they can; do as much justice as they can; help reconstruct and rehabilitate jointly wherever they can, and separately where joint action cannot be brought about. But let such separate action be kept to an irreducible minimum, be open, and be known in advance by all parties concerned.

Mr. President, the people all over America realize the need for world cooperation. The people would like to see come into being an organization which would help insure against a third world holocaust. This organization, through its many auxiliaries, would assist all peoples in realizing economic, political, and social health through their own efforts. Let us strive for such a workable organization.

Third. Information: Let us have the truth about the world picture. Let all existent secret commitments be aired and then let the practice of making them be banned forever as an international policy. Let the veil of nonmilitary censorship be lifted throughout the world by the Allies. Let us have the truth about an area such as the Balkans which have been and will be a powder keg because conflicting imperial meddling has made it such.

America has been precipitated to the top of world leadership with resulting duties and obligations. But her first obligation is to alert her own people and make them aware of the facts in the world picture, so as to be doubly sure that our Nation is not sold a fake bill of goods in relation to her own security.

She has still another related obligation. It is to impress upon her allies the absolute necessity of keeping their own people informed of the true facts in the world picture. An international free press is indispensable to a just and enduring peace.

Fourth. Spirit: Let us emphasize in our international negotiations the necessity of living up to the spirit of our agreements more so than to the letter. The finest mechanism for peace will be as naught unless there is back of it the high will, intent, and purpose of the contracting parties to act faithfully in accordance with its spirit.

If the Golden Gate Conference were to write into its charter the Ten Commandments and the Sermon on the Mount, that fact would not of itself insure peace. The Prince of Peace must reign at the peace table in the hearts of all the conferees but His eternal principles must be realized in actuality once the Conference is over. In other words, there must be back of this written instrument the intent and the purpose and the will to carry through.

Horace Mann once said:

> I have never heard much of the resolutions of the Apostles, but a great deal about their acts.

"Ye shall know them by their works," by the true spirit of their deeds.

Spiritual force can be as powerful as material force, or more so, in spite of all superficial appearances to the contrary. The great American, the great inventive genius, Charles P. Steinmetz, said:

> Here is a force which history clearly teaches has been the greatest power in the development of men. Yet we have merely been playing with it and we have never seriously studied it as we have the physical forces. Some day people will learn that material things do not bring happiness and are of

little use in making men and women creative and powerful. Then the scientists of the world will turn their laboratories over to the study of God and prayer and the spiritual forces which as yet have hardly been scratched.

Just the other day Pastor Martin Niemoeller, that great German whom Hitler had incarcerated, said upon his liberation that the Church holds Germany's only hope for the future. I quote his words:

> Our people now know that all false idealisms are worthless. * * * There is only one way in the future. * * * It is a tremendous challenge both to Catholicism and Protestantism not to let our people down at this moment.

Our people know that all false idealisms are worthless. Let us, therefore, mobilize the full might of spiritual force in our crusade for a just and enduring peace.

Fifth. Self-discipline: In all of the preceding steps—in pursuing our self-interest, in taking the path of cooperation, in demanding full information, in mobilizing spiritual force, we shall have to practice mental discipline upon ourselves. There will be countless doubts, envies, grudges, fears, welling within us. We must curb these little foxes within our breasts, lest they devour the tender young grapes of Allied friendship.

Some time ago, I wrote an article on this theme, entitled "The Allied Little Foxes." In it, I offered my humble suggestions on how we might restrain destructively critical feelings which may be within us and which are directed against other United Nations. These little foxes are little antagonisms, but they are harmful ones. They are most frequently sincere, but they are misguided. They serve only to aggravate inter-Allied differences, even while our respective boys are dying in the common combat.

The article has been published in the June 1945 issue of the magazine, The Chaplain. This periodical is published cooperatively by the General Commission on Army and Navy Chaplains and the National Council of the Servicemen's Christian League. It goes out as spiritual leaven to the noble men who are ministering at first hand to the spiritual needs of our armed forces. It has been a deep pleasure to me to have contributed my humble thoughts to so worthy a publication and readership.

Mr. President, I ask unanimous consent that the text of the article be reprinted in the RECORD at this point. I submit its contents on self-discipline as the fifth and final step to a realistic approach to world affairs.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ALLIED "LITTLE FOXES"

(By Senator ALEXANDER WILEY, United States Senator from Wisconsin; member, Foreign Relations Committee)

In the Song of Solomon, there are the words: "Take us the foxes, the little foxes, that spoil the vines; for our vines have tender grapes." These ancient words are particularly applicable today to international relations. While millions of Allied soldiers are still in fox holes, "little foxes" abroad and at home are gnawing at the infant vines and devouring the embryonic grapes of Allied friendship. They have only begun to bite. Their snarls of recrimination can be heard in the air with ever-increasing harshness.

It matters little as to the sincerity of the intentions of the misguided "little foxes." What does matter is the obvious and hidden harm that they do.

It is sheer folly to assume that the United Nations are "out of the woods" so far as the future peace is concerned because of the promising results of Casablanca, Tehran, Dumbarton Oaks, and Yalta. Instead, we and our allies are actually still stumbling through the deep woods of historic suspicions and distrust.

Remember, we have scarcely begun in our efforts to prove that our own sacrifices, let alone those of our allies, have not been in vain. We have already sustained over 800,000 American war casualties—killed, wounded, prisoners, and missing. Infinitely less important but also of great significance: the war has already cost us more than a quarter of a trillion dollars. This expenditure in blood and treasure is thus three times the toll of American casualties in World War No. 1 and seven times the financial cost of our participation in that relatively futile war.

Remember that the Dumbarton Oaks proposals for world security and organization, even after they are confirmed, with or without amendment, must still undergo a long and difficult period of trial-and-error experimentation.

Remember that not one of the 44 attending nations at the Bretton Woods Monetary Conference last July has as yet entered into the proposed International Bank of Reconstruction and Development, and International Stabilization Fund. Our own Congress has barely begun to consider our possible entrance into them.

Remember that successful world cooperation is a delicate and growing thing. It cannot retrogress or be content with a static status, for it must evolve as dynamically as the world conditions require.

Remember that Europe and Asia will, for a long time after the guns have ceased firing, still erupt with minor and major explosions of border disputes, revolutions, cabinet crises, and even possibly assassinations. These disturbances will sorely try the patient and unswerving determination of Allied unity of those who are experiencing them and observing them.

Remember that peace may not die because of one major assault by rival powers upon it, but rather because of a long series of minor wounds that do not heal.

In view of all this, we can ill afford the "little foxes" who will seize upon each of these vulnerable points in the structure of world peace. We must all do some sane, straight, and cool thinking on these matters.

We and our allies must act to destroy the "little foxes" which are lurking in so many of our citizens' breasts. We must do so not in a manner that will further arouse the beast in them, but through the approach of bringing light to them and appealing to the best that is within them.

But we must not miss the mote that is in our own eye while we try to spot the beam that is in our brothers'. We must watch our own speech and thoughts lest we unwittingly join the ranks of the "little foxes."

It is easy enough to become a "little fox." It is easy enough to let an old grudge against an ally pour out like hot lava upon the slightest provocation. It is easy enough to hurl back through the window of an allied neighbor nation's house a verbal brick thrown by some hothead abroad which has smashed our own glass pane. It is easy enough to allow our hair-trigger temper, on edge after 3½ years of war, to explode when some touchy ally, whose nerves are infinitely worse on edge, lets loose an irresponsible tirade against us.

It is easy enough to "go off the deep end," misinterpret events and speak unsoundly, thanks both to an insufficient study of the situation and to the ridiculous censorship that veils even innocuous nonmilitary matters. After the war it will be especially easy to lose our heads in what may prove to be the fury of economic competition with our allies, and, as a result, to unleash outbursts against them.

But we must avoid such behavior like a plague.

This does not mean that we must not indulge in constructve criticism of our allies as often as the spirit of justice moves us. On the contrary, we like our allies, must stand up and be counted for our principles. We must make our position abundantly clear even if, before conciliation, it be diametrically opposite to the position taken by our allies. We must not become a silent partner to international injustice or a "yes man" to arbitrary strong-arm tactics by one or more of the United Nations. We must not go around with a silly Pollyanna-like, all's-well-with-the-world smile on our faces. We must neither ignore nor do violence to our own interests. We must be realists, hard realists.

But realism demands now that we and our allies make whatever criticism we have in an honest, fair, and nonhysterical manner. Realism demands that we keep our sleeves rolled up to finish this war quickly and decisively rather than to cuff our partners. Realism demands that we and our allies take the chip off our shoulders, the blood look from our eyes, and the venom from our tongues. Realism demands that we discipline ourselves mentally.

Here, as a possible aid to such mental discipline, are 10 rules which we might remember whenever we get the urge to take a nip out of the vines of Allied unity:

1. Keep first things first in our eyes and in our actions. Unity and victory in war and peace are our primary goals. They are two sides of the same coin.

2. Keep our perspective. Don't magnify molehills into mountains or minimize mountains into molehills.

3. Hold on to our patience and continue to wrestle with the problems before us. Don't throw up our hands and mentally stalk out in a fury. We and our allies are in the war-and-peace business for keeps, and we dare not behave like prima donnas with each other.

4. Consider issues from the other nation's point of view before criticizing. Put ourselves into the other fellow's shoes and feel what is causing his complaint.

5. First find the common ground between curselves and our allies and then the contested grounds, rather than vice versa. Seek out first the things which unite us rather than divide us, that strengthen rather than weaken the bond between us.

6. Iron out disagreements in a rational manner. When we have found an issue on which there is genuine and honest difference of opinion, discuss it calmly and logically in a mutually satisfactory give and take. An allied conference room is no place for table-pounding or breast beating.

7. As individuals, so with nations, develop poise not poison within ourselves—humility, not bravado, restraint, not rashness. Every last United Nations' citizen will have to possess the stature of statesman, insofar as possible.

8. Maintain undiminished the hope for a just and lasting peace. It will do little good for our statesmen to sign treaties and for us to assent to their signatures if we do so in a mood of cynicism. When hope for the peace is lost, all else is lost—the will, the intent, the purpose, the ingenuity.

9. Trace ideas to their lair and discover their origins and potential implications. Be alert to the news from abroad as never before. Be so well informed, so wide awake, that we

will discern trends and spot developments as soon as possible.

10. Think of things through the eyes of our soldiers fighting in the line. They are watching our actions. They will demand an accounting if, when they return, they find that we have botched the foundations for a just and lasting peace.

DATE FOR COMMENCEMENT OF HEARINGS ON SAVANNAH RIVER AUTHORITY BILL

Mr. OVERTON. Mr. President, there was assigned for hearing before the Committee on Commerce the bill with reference to the creation of a Savannah River Authority. The two authors of the bill, the Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. RUSSELL] will be unable to be present upon the date previously fixed by unanimous consent. They have requested me to ask unanimous consent to set aside the date fixed, so that a later date may be agreed upon for the hearing. I therefore ask unanimous consent that the date set for hearings before the subcommittee of the Senate Committee on Commerce on the Savannah River Authority bill be postponed, the date for the commencement of hearings to be later determined.

The PRESIDENT pro tempore. The Chair is advised that that means that a previous order of the Senate will have to be rescinded.

Mr. OVERTON. That is correct.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Louisiana?

Mr. O'MAHONEY. Mr. President, I did not understand the purport of the Senator's request.

Mr. OVERTON. We are postponing the hearings on the Savannah River Authority bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

DATE FOR COMMENCEMENT OF HEARINGS ON MISSOURI VALLEY AUTHORITY BILL

Mr. OVERTON. Mr. President, I have been designated as chairman of a subcommittee of the Committee on Irrigation and Reclamation to conduct hearings on the Missouri Valley Authority bill. I had determined to begin hearings on June 4, because a time limit had been set for hearings before that committee.

I took the matter up with the Senator from Montana [Mr. MURRAY] by long-distance telephone, he being absent, and advised him of the date which I wished to fix. The Senator from Montana advised me that he could not be present on that date. He said that he could not very well return to the Senate until June 15. So it was determined that, with the consent of the senior Senator from Alabama [Mr. BANKHEAD], the chairman of the Committee on Irrigation and Reclamation, we would ask unanimous consent to postpone the hearings on that bill in the Committee on Irrigation and Reclamation, and fix a date mutually agreeable upon the return of the Senator from Montana.

I therefore ask unanimous consent that the time fixed under the Bailey resolution for hearings before the Committee on Irrigation and Reclamation on the Missouri Valley Authority bill be postponed without date, with the understanding that a later date will be assigned upon the return of the junior Senator from Montana.

Mr. JOHNSON of Colorado and Mr. LANGER addressed the chair.

The PRESIDENT pro tempore. Does the Senator from Louisiana yield, and if so, to whom?

Mr. OVERTON. I yield first to the Senator from Colorado.

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object, I understand that the committee has only 60 days from the time it received the bill to finish the hearings. I presume that that fact will be kept in mind, and that a date will not be set so late that full hearings cannot be held on the measure.

Mr. OVERTON. The purpose of my unanimous consent request is to remove the 60-day limitation.

Mr. JOHNSON of Colorado. That is very satisfactory.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Louisiana?

Mr. WHITE. Mr. President, I understand that the Senator's request is to postpone the hearings without date.

Mr. OVERTON. That is correct.

Mr. WHITE. I was concerned, because I have had some intimation that other Senators besides the Senator from Montana might be interested in the hearings, and might be concerned about the time fixed for them. I hope there will be some consultation with minority Members, and other Senators who may be interested, before a date is finally fixed for the commencement of the hearings.

Mr. OVERTON. I shall be very glad indeed to accede to that suggestion.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. LANGER. Can it be arranged so that we may have a week's notice? I wish to bring some witnesses from my State.

Mr. OVERTON. Indeed, the Senator will have a week's notice. I think he should have 2 weeks' notice.

Mr. LANGER. A week's notice would be sufficient.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Louisiana is agreed to.

JOINT MEETING OF THE TWO HOUSES—PRESENTATION OF CONGRESSIONAL MEDAL OF HONOR BY THE PRESIDENT

Mr. BARKLEY. Mr. President, at 1 o'clock the President of the United States will be in the Hall of the House of Representatives, where he is to present the Congressional Medal of Honor to the one hundredth American infantryman to receive it. The Senate has been invited informally by the House of Representatives to attend the ceremony. My information is that it will be very brief.

Following the proceedings in the House, the Senate will return to its Chamber for the transaction of legislative and other business during the afternoon. It is my purpose to ask that the calendar be called for the consideration of bills to which there is no objection. Following that, it is desired that the Senate go into executive session to consider the nomination of David E. Lilienthal to be a Director of the Tennessee Valley Authority. If consideration and action on that nomination are concluded today, it will be my purpose to move that the Senate adjourn or take a recess until Thursday.

Following the ceremony in the House of Representatives Chamber, I hope the Members of the Senate will not return to the Senate until the President pro tempore has been able to leave the rostrum in the Hall of the House and head the procession back to this Chamber, and that Senators will march back in a body, rather than straggle along, as has sometimes occurred in the past. It is more in keeping with the dignity of the Senate, as I am sure all of us realize, to have Senators return in a body in an orderly way.

It is desired that we depart from this Chamber at a quarter to one, in order to arrive at the Hall of the House of Representatives at the proper time.

We still have 4 or 5 minutes remaining before it will be time for us to leave for the Hall of the House of Representatives. If any Senator has "on his chest" anything which cannot wait until we return, this would be a very appropriate occasion to get rid of it.

The PRESIDENT pro tempore. What is the pleasure of the Senate?

[After a little delay.]

Mr. TOBEY. Mr. President, in view of the remarks of the distinguished majority leader and the dead calm which prevails in the Senate at this time this afternoon, I think it should be pointed out for the sake of posterity that there was an opportunity, albeit a brief one, when no Senator had anything "on his chest!" [Laughter.]

Mr. BARKLEY. The Senator means, I am sure, that no Senator has anything "on his chest" which he is willing to divulge. [Laughter.]

Mr. President, I now move that the Senate proceed to the Hall of the House of Representatives.

The motion was agreed to; and (at 12 o'clock and 43 minutes p. m.) the Senate, preceded by the Secretary (Leslie L. Biffle) and the Sergeant at Arms (Wall Doxey), and headed by the President pro tempore, proceeded to the Hall of the House of Representatives for the purpose of attending the ceremony in connection with the presentation by the President of the Congressional Medal of Honor to the one hundredth American infantryman to whom it has been awarded.

(The proceedings in the House of Representatives and the address delivered by the President of the United States at the joint meeting of the two Houses of Congress appear on p. 4817 of the House proceedings in today's CONGRESSIONAL RECORD.)

The Senate returned to its Chamber at 1 o'clock and 20 minutes p. m., and the President pro tempore resumed the chair.

FROZEN-FOOD LOCKERS

Mr. AIKEN. Mr. President, I have received a statement from Mr. R. R. Farquhar, secretary of the Frozen Food Locker Manufacturers & Supply Association, protesting against what he claims to be unfair, prejudiced, and unwarranted accusations against the industry which he represents.

I hold no brief for the manufacturers who are members of this association. I believe it to be a highly reputable business, and most of those engaged in it have the dual objective of serving their country and making a good living for themselves by doing so.

Mr. Farquhar has asked me to bring this statement to the attention of my colleagues and I am glad to do so. It deals with the campaign of the OPA against community-locker plants in the Midwest. I ask unanimous consent that it may be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD as follows:

In the light of recent accusations against the frozen-food-locker industry, which we believe to be unfair, prejudiced, and unwarranted, the Frozen Food Locker Manufacturers and Supplier Association desires to make the following statement:

This association is composed of the majority of the Nation's leading manufacturers, suppliers and builders serving the frozen-food locker industry—reputable business concerns of importance in this field. It is concerned with the advancement of the industry and with supplying food to the American people at the lowest possible cost. It is as interested as any Government agency in holding down the cost of living; in avoiding inflation and black markets; in providing needed storage facilities for the products of the Nation's farms and gardens near the source of production to save transportation; manpower in critical areas; save food which might otherwise be wasted; and in encouraging the production of more food to feed the peoples of America and the world.

It does not condone black markets, nor the use of locker-storage facilities for hoarding. When locker facilities are used by nonproducers, it believes that ration points should be surrendered for the meats so stored. But it does object to and resent, in the strongest possible terms, the irresponsible statements of those who do or should know better that the use of lockers has contributed in more than the slightest degree to the present food shortage or the widespread black markets in many kinds of food. Blame for such conditions rests, we are convinced, on those agencies and overlapping controls which have discouraged the farmer from making the greatest possible contribution to food production, and in attempting to enforce price ceilings which do not permit a fair margin of profit to producers and processors.

It is well known that for the past 2 years the frozen-food-locker industry has operated under stringent controls laid down by the War Food Administration and the War Production Board following extensive hearings held in Washington in May of 1943. Under these controls new plants could not be installed within 10 miles of an existing plant. Sixty percent of the space in any proposed new plant had to be rented in advance to food producers and that fact certified by the county AAA committee, which had in all cases an intimate, first-hand knowledge of who were and who were not food producers. In large cities only used equipment was permitted to be installed, and 75 percent of the proposed facilities had to be rented in advance to food producers. In the great majority of plants installed in the past 2 years these restrictions were rigidly adhered to.

Latest Department of Agriculture figures reveal that 94.2 percent of the Nation's locker plants are located in cities of less than 25,000; 72 percent of all such plants are in towns of less than 5,000. The same figures reveal that 71 percent of all locker patrons are farmers, legally entitled to store point-free meat which they have produced. Three-fourths of the remaining 29 percent of locker patrons live in towns of less than 5,000. Actually, therefore, according to the Department of Agriculture figures, only 7 percent of the Nation's approximately 2,000,000 locker renters are residents of urban centers.

The Department of Agriculture further estimates that while the families of locker renters presently constitute approximately 6 percent of the national population, they actually consume only 3½ percent of the Nation's meat. Contrary to the usual belief, farm families actually consume less meat per capita than do the residents of urban areas.

Present Government regulations respecting the slaughter, grading, and storage of meat are so confusing that not even the top Government officials charged with their enforcement can agree on some of the provisions of the various orders. They cannot agree on what actually constitutes the "breaking" of a carcass. They insist that all meat, even where no sale is involved and where title never passes from the producer, shall be graded and have obtained injunctions and restraining orders against locker operators, with sensational publicity. We submit that the enforcement of such a regulation against a farmer's own meat brought to a locker plant for processing and storage is ridiculous in the extreme, and many officials of OPA and WFA agree. While it is hoped that this regulation will shortly be changed, its present enforcement by those who might be employed to far better advantage is, we believe, a waste of manpower which contributes less than nothing to the stamping out of black markets or to holding down food prices.

In what has been called one of the most outstanding reports ever presented to Congress, the House Committee to Investigate Food Shortages has just given a clear-cut picture of the reasons for the critical food situation throughout the Nation. The investigations of your own committee have, of course, produced the same testimony and conclusions. Nowhere in the House report is there one shred of evidence to indicate that frozen-food-locker plants have contributed in any way to the increase in meat prices, nor been responsible for meat shortages and black-market operations. It, therefore, seems strange that for almost a month, 90 percent of the OPA investigators in one Midwestern district have been engaged exclusively in a witch hunt for locker violators. The evidence they have thus far uncovered has been so flimsy that they are themselves beginning to question the wisdom of their efforts. Headline stories proclaim their investigations; brief notes announce that locker operators were restrained from further violations of regulations which are not even clear or sensible to those who try to enforce them.

One of the specific recommendations of the House report is that storage facilities of this country should be increased, so that it will not again be necessary to reduce production so urgently needed to feed hundreds of millions of people. The frozen-food-locker industry urges the soundness of this recommendation because it is convinced that by feeding well our own food producers, we can increase their production and service to this and foreign nations. With the end of the war in Germany, restrictive controls on materials and manpower are already being relaxed. Thousands of communities have indicated their desire for frozen-food-locker plants, and their installation will make these communities largely self-sufficient in supplying their own food needs. These communities, the individuals interested in providing such facilities and the reputable firms who manufacture the necessary equipment, do not regard frozen-food-locker plants and those who use them as unpatriotic, law violators, or black-market operators. They strongly resent such implications by Government employees and their thirst for headlines in the press. They are unanimous in urging that your committee make every effort to have them stopped.

This association respectfully suggests that ceiling prices for meat be raised to provide a fair margin of profit to food producers and processors as the only certain way to wipe out black markets and actually decrease the present cost of meat to the ultimate consumer. It suggests the institution of sensible regulations with respect to slaughtering, sales by farm slaughterers, grading, etc., which can be enforced with the support of the public. It suggests that as fast as conditions permit, present restrictions on the construction of additional storage facilities be lifted, so that surpluses may be preserved without waste or loss. Above all, it suggests that you immediately call to the attention of responsible officials the unfair and untruthful attacks on an industry and its individual members who have worked diligently in support of the war effort; and made every possible effort to cooperate in the enforcement of reasonable regulations, and played an important part in supplying civilian food needs in the areas they serve.

FROZEN FOOD LOCKER MANUFACTURERS AND SUPPLIERS ASSOCIATION,
R. R. FARQUHAR, *Secretary.*
MAY 16, 1945.

Mr. AIKEN. I desire, Mr. President, to make a few remarks of my own in this connection.

According to press dispatches from Chicago and Sioux Falls, S. Dak., OPA officials are conducting an intensive investigation of community food-locker plants in those areas, ostensibly to determine whether meat may be stored illegally by renters of lockers in such plants. I am in receipt of many such press reports, none of which show conclusive evidence that locker plants are being used for wrongful storage of meat, or that there hase been any intent to violate the law by the renters of the lockers in those areas.

According to an article in the Daily Argus-Leader, of Sioux Falls, S. Dak., OPA officials are insisting "that locker-plant operators request patrons to remove stored meat not bearing Government grade markings at once."

In other words, if they have meat in their lockers which has not been federally graded and inspected, they are to dispose of it and remove it from the lockers at once.

There is an old ruling of the War Food Administration which, according to this newspaper article, provides:

That no person, group, partnership, or corporation shall sell, ship, deliver, store, or retain in his possession, or buy or receive in the course of trade or business, any beef, lamb, veal, or mutton unless it has been graded and grade marked.

So far as I know that regulation has never been enforced against renters of locker plants, and the effect of insisting

on enforcing such a regulation at this time would be—

First. To prevent direct farm-to-consumer sales;

Second. To require consumers to purchase only meat which has been processed by packing plants having Federal inspection and which has passed through the hands of several handlers, each of whom would collect his profit in the proceeding; and

Third. To discourage the production of meat by rural community dwellers, by people who live in the villages throughout the Nation where locker plants have become established.

Such a procedure as enforcing this program would, of course, be most agreeable to those who have always sought to control the market for meat and other foods, but it would be most disastrous to our national welfare and the pocketbooks of several million consumers.

I do not question that some meat may have been hoarded in community locker plants; it has been hoarded to a certain extent, I suppose, in a good many other places; but I seriously question the wisdom of OPA engaging in any campaign which will result in a lower production of meat and higher costs to the consumer at a time when the world needs every pound of meat which can be produced.

I do not believe that the OPA under the direction of Mr. Bowles, will lend itself to such a purpose or permit its regional officials to do so.

The quick-freezing process and its applicability to community use through the community food-locker plants has played a vital part in the production, processing, and storage of food during this war.

Hundreds of millions of pounds of food have been saved which otherwise might not have been produced or processed. Thousands of families have produced pork or other meats almost in their back yards, it might be said, who would not have done so unless locker space were available for the storage of such meat.

In the article published in the Sioux Falls Daily Argus-Leader, it is stated that the OPA is making a great point of the fact that in this locker plant, which I presume has 400 to 600 lockers, there were found 58 lockers which contained an average of 155 pounds of meat. That, in my opinion, does not constitute hoarding. It means that the renter of a locker raised a hog and killed it and put it in the locker. If the OPA can tell us how to kill 50 pounds of a hog at a time or 20 pounds of a hog at a time without injuring the rest of the hog I should like to have the OPA tell us how to do it. One hundred and fifty-five pounds was evidently the average weight of the hog when dressed.

It is true that the quick-freezing process bids fair to revolutionize not only diets, but processing and merchandising methods. It is equally true that when expanded to its logical proportions the quick-freezing industry will greatly reduce costs of living and will undoubtedly force many large food processors, including meat packers, to change their ways of doing business.

We can ill afford, however, to permit either private or public agencies to handicap a trend toward greater production and lower cost of any food product.

I feel sure that neither the OPA nor any other Government agency will permit overzealous or misguided regional officials to pursue a course not beneficial to our national welfare.

MARITIME DAY

Mr. BAILEY. Mr. President, tomorrow, the 22d of May, was designated by our late honored and beloved President as Maritime Day. By way of designating it he issued a proclamation on April 5. Inasmuch as it is not contemplated that there will be a session tomorrow, I believe the Senate will consider it appropriate that those who are minded to make remarks may today make them on the subject of this great arm of our Government in peace and in war.

Mr. President, I ask unanimous consent that the proclamation may be printed at this point in the RECORD in connection with my remarks.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

NATIONAL MARITIME DAY, 1945—BY THE PRESIDENT OF THE UNITED STATES OF AMERICA—A PROCLAMATION

Whereas a notable contribution was made in the history of ocean transportation when the steamship the *Savannah* set sail from the United States on May 22, 1819, and made the first successful voyage across the Atlantic Ocean under steam propulsion; and

Whereas in commemoration of this achievement the Congress, by a joint resolution approved May 20, 1933 (48 Stat. 73), designated May 22 of each year as National Maritime Day and requested the President to issue annually a proclamation calling upon the people of the United States to observe that day; and

Whereas many thousands of patriotic men and women are toiling through the long hours of the day and night in the construction of the great fleets of vessels that carry the goods of victory to the distant battle fronts of the United Nations; and

Whereas our ships, sailing every ocean, have been manned by courageous officers and seamen all of whom have left the security of their firesides and many of whom have given their lives for the land of their allegiance; and

Whereas the American people are looking forward to the days of lasting peace when the merchant fleets of the Nation, wisely used and vigilantly maintained, shall sail the seas freed from the perils of war: Now therefore

I, Franklin D. Roosevelt, President of the United States of America, do hereby call upon the people of the United States to observe May 22, 1945, as National Maritime Day by displaying the flag at their homes or other suitable places, and I direct that the flag be displayed on all Government buildings on that day.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 4th day of April in the year of our Lord 1945, and of the independence of the United States of America the one hundred and sixty-ninth.

[SEAL] FRANKLIN D. ROOSEVELT.

By the President:

E. R. STETTINIUS,
Secretary of State.

Mr. BAILEY. Mr. President, I think this country from its earliest days has had a considerable appreciation of the meaning and value in peace and in war of its merchant seamen and its merchant ships. I believe I can say with perfect conservatism that recent experiences, the experiences of these three and a half years of war, have placed that whole subject beyond controversy. Everyone in America knows the value of the merchant fleet. I think practically all in America know of the admirable and heroic services rendered by the merchant seamen and their captains. It is probable, Mr. President, that very few of us realize to what extent this country has developed within itself and in the estimation of all nations—probably in the estimation of all historians that are to come—a sense of its inherent might. On the fields of battle, on the high seas, and in the air, the sons of our country—your blood and mine—have given not only to us, but to all the ages, immortal testimony of their valor, their patriotism, and their fighting capacity.

Here at home we have shown to ourselves and to all men, not only in this generation, but in the generations to come, a capacity for war and its sacrifices, for the outpouring of energy and the concentration of effort required by modern war, which leaves nothing whatever to be desired in comparison with the achievements of other nations, in the present or in times past, and which gives to every one of us a sense of confidence as well as of pride in the capacity of the country under whose flag we live.

In all these activities, and in all these revelations to ourselves of the might of our country and our people, the achievements of the merchant marine deserve to be compared honorably and favorably with all other achievements around the broad earth, throughout the whole war-stirred globe.

We began this war with a very modest merchant marine—only 11,000,000 deadweight tons of shipping. We ranked second to Great Britain, but a very poor second. She was able to muster in her merchant marine between 27,000,000 and 37,000,000 deadweight tons, and we only 11,000,000. But now that the European phase of the war is finished—I hope for good—we stand here knowing that, whereas Great Britain was the mistress of the seas in merchant ships as well as in Navy ships, at this hour the merchant marine of the United States represents two-thirds of the merchant marine of the whole world, friendly and unfriendly. To put it in the plainest language, the United States of America now owns, and our flag flies over, two-thirds of all the merchant ships that ply the seven seas.

Sometimes we are disposed to take things for granted. We have done it, and there it is. But look back behind it and compare it with any other achievement in human history. In 3½ years we have built, and we now have, a merchant fleet nearly 50 percent greater than the merchant fleet of Great Britain, who was mistress of the seas in December 1941. That is an achievement in building; and I intend to say something about it at this point, because something deserves to be said.

When the President of the United States called upon the War Shipping Administration and the Maritime Commission to build 16,000,000 dead-weight tons of ships in a year, some were inclined to scoff. Many were inclined to talk about the inherent and incurable optimism of the President; and very many were inclined to doubt. But when the 12 months had ended, we had produced 19,000,000 dead-weight tons of shipping, and the ships were carrying food and munitions of war on all the seas, not only for our own soldiers but for the soldiers of other nations. Great convoys moved across the North Atlantic to Murmansk. Other great convoys moved around the Cape of Good Hope to the Persian Gulf, still others to the Philippines, and still others to Australia. We supplied our allies with what was necessary; and when the time came to supply our own soldiers, to the number of 3,000,000 or 4,000,000 men in Europe, and great numbers in the Orient, in India, in Australia, and in the islands of Oceania, we produced the ships, filled them with goods, and delivered the goods. In consequence the whole world bears witness that the American soldier was and is the best-equipped, the best-supplied, and the best-fed soldier who ever fought in any war in any age.

Mr. President, that strikes me as an achievement. I know it is beyond compare with anything in past history. When we compare it with our own history in the World War, it far surpasses anything that was done 25 years ago in that conflict. Compare it with the achievements of other nations. When before was there a peaceful and unprepared nation, such as ours was, which could in the space of 3 years fill the oceans with cargoes borne in the holds of the mightiest merchant fleet the ages have ever seen? We produced 4,000 of those ships, and we have them now; we have that number net today. They were able to carry, in 1 year, more than 77,000,000 tons of food, clothing, and munitions.

However, we are not to be boastful.

For frantic boast and foolish word,
Thy Mercy on Thy People, Lord.

When we survey the achievements of our people—not of ourselves—and the achievements, under our flag, of our fighting men—sailors, workers, operators, captains, and the members of the common lot—we may not boast, but we may say in all confidence to ourselves that here are achievements unsurpassed in all the history of mankind, unequalled and unmatched in all the stories of armed conflict.

Sometimes, Mr. President, I am inclined to yield to my early impression, namely, to think of the great wars as the wars of antiquity, to give them a great place in my thoughts and in their influence upon my life, and sometimes I have been inclined to think that all the great men lived in the days of the Persians, the Egyptians, the Greeks, and the Romans. But, Mr. President, I begin to suspect that you and I live in the great age of the world's achievements, and that, after all, there never was such a conflict as the one in which we have been and are yet engaged, and I know that in all the story of men there has been nothing to compare with what your country and mine has done in the short space of 3½ years. I suspect, with the poet Schiller, that "Greater men than ever lived before now walk the earth," and that you and I have the honor to be their companions and their fellow workers.

I should like to give praise to our late President in this connection. We were not altogether unprepared in the matter of shipping. It is true that our merchant marine had been languishing for years; our merchant shipping trade had not flourished; but it must be said that under his leadership and by reason of an act—the act of 1936—which he urged the Congress to pass, we were enabled to get things on foot, and by 1939 we had made a beginning, by way of the production of approximately 100 first-class freighters, known as the C–1, C–2, and C–3 ships—modern ships, far superior to any ships previously produced, all of them 10,000 tons or more, and all of them faster than any ships we had had before. We also had built the *America*, the finest first-class passenger ship in the whole history of our country. We had organized the Maritime Commission. We had gotten the shipyards in order; and, strange to say, the Congress had not only provided for the money but it had given a general authorization, as if it knew that unlimited funds would be required.

So, Mr. President, when the hour came when we were in the war, we had 100 ships more than we previously had had; we were prepared to that extent. They were excellent ships, and fast; but we were also ready to go into the most amazing production in all the history of nations—to such an extent that, as I have said before, the dead-weight tonnage built from January 1, 1942, to May 1, 1945, was 47,554,000. The number of ships built during the same period was 4,803; and of those, 2,661 were Liberty ships and 362 were Victory ships. I think we built, in addition, approximately 360 of the C-class ships—the highest type of freighters.

So our late President did foresee somewhat of the need; and it must be said that in the matter of merchantmen he had taken steps and he had framed measures which prepared us to go forward at an infinitely superior rate, as compared to what we could have done otherwise.

Another matter that amazes me is that in the First World War it took us approximately 9 months to build a 10,000-ton ship, whereas it is a fact that in this war we built one Liberty ship in 7 days. That is almost inconceivable, when we consider the size of such ships. A Liberty ship will carry as cargo the equivalent of what can be carried by three freight trains of 75 cars each. One of those immense vessels was built in 7 days, and there are abundant instances of the building of such ships in less than 35 days. If we consider the statistics involved, we may say that we were turning them out at the rate of from three to five a day, having erected 60 great ship-construction yards, and having organized them on the mass-production basis.

Mr. President, the Senate will not be greatly interested in the statistics involved. What I wish to say now is that those ships have been well conducted, from the captains on the upper decks to the seamen down in the holds and the engineers. We have brought forth 200,000 seamen on a volunteer basis in our country. They have manned the ships. If there is virtue and glory in the achievement of supplying our men and the men of other nations as we have supplied them, in a very great measure the virtue and the glory belong, not merely to those who built the ships nor yet to those who captained the ships but to the seamen who manned the ships and who faced the perils of the sea. The ordinary perils are bad enough, but they faced with high courage the perils of the seven seas in a period of global war, in passing through mine fields, under enemy bombers, before the guns of Nazi battleships and destroyers, under the constant threat of attack of 500 or 600 or 700 or 800 undersea boats, and delivered the cargoes which provided our men and the men of Russia and the men of England and some of the men of China with the weapons of their warfare, and provided them with the essentials of the victory which has been won in Germany, and are providing them with the essentials of the victory yet to be won in the Orient.

I think we may say great things of those men. They proved equal to their task. They proved themselves genuine patriots. They did all that was necessary in order to make this vast enterprise and undertaking the great success which it has been. All honor to them. I wish to make one remark which I hope will be long remembered. Those men went through a long period of war. They undertook a great task, and they brought forth a great achievement without any labor trouble, without any strikes.

Without reflecting on those who felt that they had a right to strike, and without intending to be invidious in the slightest degree, I am proud of, I am pleased with, and I am grateful—I always shall be—to the 200,000 seamen of America who manned our ships, did the work, never flinched, never failed, and never faltered.

I may say, Mr. President, that in 1938, by reason of the death of former Senator Copeland, I became chairman of a special committee of the Senate to investigate conditions in the maritime industry. At that time there were serious difficulties and conflicts within the industry. It was beset with no end of every kind of friction. There was some possibility of a real disturbance and break-down taking place. Let me say that in all our progress we have not progressed more in any respect than we have in the case of the maritime industry. There was trouble back in those days, and there was reason for it. I am not trying to assess the blame. But during the past 3½ years of war all that trouble seems to have been eliminated. I know of no quarrel between the Government and the seamen, no quarrel between the operators and the seamen, no quarrel between the War Shipping Administration and the seamen, and no quarrel between the Maritime Administration and the seamen. They

have all been working together in a great achievement. Pay tribute where you may, Mr. President, but do not fail to pay it to the humble men who have done the work, stood by their guns and their tasks, and who saw their country's ships and their ships' flags through to their goals.

So far during the war we have lost in dead and missing 6,000 of our seamen. I believe that we may say of each one of them that he rendered a patriotic service, that he died a heroic and patriotic death.

I like to dwell in times like the present on what Pericles said thousands of years ago in his great funeral oration for the Athenian dead. I do not know that these considerations are the source of any great comfort to grieving mothers and fathers, but they have a meaning in the general consolations of life. Pericles said that the dead who died in battle for their country become the possession of all the ages; that they did not die. He said in effect: "You may bury them on the battlefield, but their sepulcher is the whole earth, and the hearts and minds of men in all the generations to come. They live in a vitality far surpassing the poor vitality of flesh and blood, and they live to inspire, lead, and be an example uplifting all generations."

Pericles was right. There can be no doubt about it. Otherwise there could be no justification for the sacrifices which men have endured.

Mr. President, when we consider the seamen who went down to the sea in ships, never to return, I think we may share in some degree the honor about which Pericles spoke. The bones of those men may be bleached on the ocean floor, but their sepulcher is the hearts and minds of the men and women whom they served. Their names will be an inspiration to seamen in this age, and in all ages to come. Their example will serve as witness, not merely to their deeds, but as an inspiration of faith to all men who find themselves placed where they must endure and carry on in order that others may have a better life.

Mr. President, I have not filed the report which I was in duty bound to file with the Senate. I may say that I have written it and that I have it. There has been no time during the past 4 years when I could not have filed it. However, I have seen no reason to file a report on this subject while things were progressing so well. I shall file it in due time. All that we have said in the report and all that I have thought of saying will be revised in the light of what we now know of the seamen and their officers. I hope to file it at a more appropriate time. But I should like to say that we have greatly improved the conditions under which seamen perform their duties. We owe that to the fine work of the Maritime Commission. The seamen now have better places in which to sleep. They have more time for leisure and more proper uses of their leisure. I think the Senate would be pleased to know that I took great pains to look into the bills of fare provided for breakfast, dinner, and lunch to the seamen, and I may say that they now have better food to eat and are given better treatment than they formerly received. I think that is an achievement to be considered along with the building of the ships. It is in part a source of the good feeling which now exists between the seamen, the operators, and their Government.

I will take my seat, Mr. President, with one further word. I do not feel that I can afford to mention names here. I am afraid if I mentioned one that I would do injustice to others. Yet I do not think I could complete my remarks without a candid word.

I do believe we owe a great deal to the leadership of the Maritime Commission as a whole; I do believe that we owe a great deal to the tremendous energy and fine intelligence and patriotic spirit of our shipping administrator, Admiral Land, who is also chairman of the Maritime Commission; I do think that we could pay tribute to Edward Macauley, the designer and leader in the building branch; I do think we could say a good deal in favor by way of gratitude to Lew Douglass as assistant to Admiral Land; but having just mentioned those names by way of honor, I would much rather say that the whole thing is entirely creditable to every man and women connected with it here in Washington, at sea, on the docks, and in the far ends of the earth. So I celebrate Maritime Day today with a glad, a proud, and a grateful heart.

I do not know what we are going to do with such a wealth of ships, indeed, such an embarrassment of riches. Careful men estimate that the shipping of this country will require 15,000,000, 16,000,000, or 17,000,000 tons of ships, and here we are with nearly 50,000,000 tons. Well, we have the ship surplus sales bill now pending before the Commerce Committee and a similar bill pending before the appropriate House committee. I hope the hearings will bring us light on the subject. I can indulge in one generality by way of an objective. We must pay our obligations to the other countries. We took their ships. I said here when we took the ships from Denmark that I would stand on this floor and demand that she get ton for ton and as good ships as we took at any rate; and the same thing goes for every other nation whose ships we acquired. But after we have cleared those matters, we will still have a great surplus of ships.

I hope we will build up our foreign merchant trade; I hope that we will become a great factor in the trade of all nations and in all parts of the earth. I am sure we will have an abundance of fast ships; I am sure we will have a great abundance of accomplished and skilled seamen and captains; I am sure we will have all the operators we will need, and we will have an excellent administration here. Beyond that I would be reluctant to make a statement, because I think there are many matters in controversy which are to be brought out.

But I can conclude with one statement: Due to our Maritime Commission, under the leadership of our late President, due to the Shipping Administrator and his assistants, due to the fine work of the operators, who willingly placed their ships at the disposal of our Government, due to the shipyards and the shipbuilders, and due to the great host of seamen who have manned the ships in sunshine and in storm, who mastered the seas and faced all the perils of war; who proved themselves equal to every demand; and who have not been surpassed by the seamen of any fleet of any land or time—due to those factors the time will never come again when the Senate and the House of Representatives and the American people will not be mindful of the absolute indispensable importance of a merchant fleet to the Nation, whether in war or in peace, and all the more in peace, because there can be no assurance in a world like this that war will not come.

Mr. BARKLEY. Mr. President, I desire to comment briefly on the subject which has just been discussed by the senior Senator from North Carolina [Mr. BAILEY]. I wish to associate myself with him at this time in celebrating Maritime Day, because in all likelihood the Senate will not be in session tomorrow, and therefore we will not be able to discuss it or comment upon it on the day set aside and authorized by the Congress and proclaimed by President Roosevelt in dedication to the "many thousands of patriotic men and women * * * toiling through the long hours of the day and night in the construction of the great fleets of vessels that carry the goods of victory to the distant battlefronts of the United Nations," to the "courageous officers and seamen, all of whom have left the security of their firesides and many of whom have given their lives for the land of their allegiance," and to the American people who "are looking forward to the days of lasting peace, when the merchant fleets of the Nation, wisely used and vigilantly maintained, shall sail the seas freed from the perils of war."

Behind the American merchant marine is a record of outstanding and glorious achievement. Ahead of it is a mammoth task, tough and full of danger.

Less than 3 years ago the survival of the United Nations hinged on the battle of the Atlantic. Nazi wolf packs were sinking Allied vessels faster than our shipyards could construct them. In the first year of war the losses in the merchant marine were proportionally higher than in any other branch of the armed forces.

But America was at work. Fortunately the Merchant Marine Act of 1936 had revived the American shipbuilding industry, giving us a head start in the construction of a merchant marine. Whereas between 1922 and 1937 we had built only 2 ocean-going freighters, in 1939 we sent 28 down the ways, the first of a new fleet of fast, modern vessels. In 1940 we added another 46, and in 1941, 50 more.

President Roosevelt asked for 8,000,000 dead-weight tons in 1942 and we surpassed that mark. In 1943 the goal was doubled, and yet we surpassed it again. We turned out more than 19,000,000 dead-weight tons in that year. In 1944 we put the emphasis on better ships, and

turned out in excess of 16,000,000 deadweight tons.

The tide of battle in Europe was, in large measure, turned within the shipyards and factories of America. American ingenuity, American determination, and American perspiration won that battle.

We built the ships, but we needed an average of 50 skilled and brave men to man each one. We had about 60,000 active seamen when we entered this war and in the early days they carried the burden. We now have about 220,000, including 25,000 officers. About 40,000 of these men were experienced seamen who had left the industry because of the pitiful wages and miserable conditions that prevailed in the period following World War I. The other 125,000 were trained by us. We have trained thousands of boys below draft age, and they have acquitted themselves with honor and distinction. Other thousands, too old to serve in the armed forces, are doing their share in the merchant marine.

Our merchant seamen are in this war up to the hilt. A year ago last March the late Secretary of the Navy, Frank Knox, made the following statement:

> The Navy and the merchant marine fight this war side by side. The entire structure of lend-lease was predicated upon the ability of the merchant marine to deliver supplies to our allies. The job of the Navy was to protect those sea lanes of supply. In the opening months of this war the merchant marine suffered more casualties than the Marine Corps. Nevertheless, these men showed the stalwart determination that will win this conflict, and got the materials and tools of war to England, Russia, and our other allies. Today our mighty Navy has tremendously reduced the dangers they must face, but danger sails ever with them. When peace finally comes, the merchant marine will be strong in skilled, experienced seamen. Their ships will fly the American flag in the lanes of trade, as today these gallant seamen serve that flag in war.

In the first 10 weeks of the Leyte campaign, teamwork between Navy gun crews and merchant seamen brought down 107 Japanese planes. Here is what a Navy commander of an armed guard aboard a Liberty ship, the only one of four to survive a recent Jap attack, had to say:

> If it hadn't been for the unceasing alertness of my men and wonderful cooperation from the merchant crew we could never have made it. We fired an awful lot of ammunition, about 10 tons, all of which the merchant seamen passed to us.

Many merchant seamen have been awarded the Purple Heart by the United States Army for wounds received in enemy action. Although the first Mariner's Medal, the merchant marine equivalent to the Purple Heart, was awarded 1 year ago today, more than 3,400 men have earned this award. More than 80,000 seamen wear the War Shipping Administration's combat bar.

Slightly more than 100 seamen have been singled out for the award of the Merchant Marine Distinguished Service Medal. There is certainly no example of greater heroism or of more selfless devotion to duty than Oscar Chappell, able seaman, awarded the Merchant Marine Distinguished Service Medal posthumously.

Chappell served aboard a tanker. His vessel was struck by three torpedoes in 1 minute. Within seconds the ship and the sea around her were engulfed in flames. Chappell was at the helm. Although injured in the various explosions which shook the vessel and surrounded by flames, he stuck to his post.

Chappell sighted seven of his shipmates trapped by flames moving rapidly across the deck and by a sea ablaze. Oscar Chappell put the wheel hard right, holding the ship into the wind. He had cleared a path in the burning seas for his seven shipmates by turning the flames on himself.

General Vandegrift, commandant of the Marine Corps, salutes the men of the merchant marine as follows:

> The men and ships of the merchant marine have participated in every landing operation by the United States Marine Corps from Guadalcanal to Iwo Jima—and we know they will be at hand with supplies and equipment when American amphibious forces hit the beaches of Japan itself.

With victory in Europe, all segments of the maritime industry turned their energies to the Pacific war. Our operators who have husbanded a fleet five times larger than 5 years ago stand ready to service this fleet and speed its work. Our longshoremen, lacking gear and called upon to train new men, have nevertheless loaded our vessels in record time, and are prepared for the shift. Our maritime unions which have manned the ships without delay recruited and trained thousands of seamen, and attended to their needs, have pledged redoubled efforts.

At the beginning of the year, approximately 25 percent of all the industrial production of the United States was going to the Pacific theater. Now that percentage will be stepped up. It is 3,000 miles from New York to Europe. From San Francisco to Manila is 6,750 miles. From New York to Manila it is twice that distance, and many a ship will leave New York for the Pacific via the canal because railroad and West coast port facilities cannot adequately meet the demand.

Furthermore, there is the task of redeployment, a simple word but one connoting a tremendous task. We have to move enough men and women to populate 10 cities the size of Denver or Atlanta out of Europe 14,000 miles via the Panama Canal or 17,500 miles via the Suez to the Asiatic theater. And each man means tons of equipment. For the quarter of a million men who hit the various Philippine beaches it took more than a million and a half tons of supplies initially and a third of a million tons more were needed for maintenance in the first 30 days. One of our Liberty ships will carry just 10,000 tons and it takes months to make the round trip.

Will our merchant marine meet the test? Admiral King says:

> The armed forces, with the help of the merchant marine, have pushed the fighting 5,000 miles west. Together, they'll go the rest of the way.

While total victory is still a long way off it is necessary to begin now to plan for the peace toward which we are looking. The transition to peacetime operations in the maritime industry will be difficult. We must make adequate preparation to guarantee that our merchant marine remains strong.

Nearly a half century ago, Admiral Mahan told the world that sea power was the sum of naval vessels, merchant vessels, and bases. We have learned that lesson the hard way in this war. Commensurate with our great responsibilities in maintenance of the peace we must have far-flung naval bases and a strong merchant marine. If we take the proper steps toward restoration of the world's commerce on expanded levels our merchant fleet can serve the peaceful commerce of the world while remaining in constant preparedness as an auxiliary to the armed forces.

Mr. President, Congress must adopt an all-inclusive program for the ultimate conversion of our fleet to peacetime use. We must act promptly on a ship disposal policy, bringing stability to the industry, and establishing the facts by which our shipping industry can plan its future operations.

We must formulate an international policy in regard to shipping that will be fair to both ourselves and our allies. We must proceed with dispatch to bring the various international conventions in the field of safety at sea and maritime labor standards up to date.

We must take steps to assure that we have proficient seamen to man our ships. The first step in this regard must be the enactment of a measure to meet the wartime problems of our gallant seafarers. Last year, Admiral Land, War Shipping Administrator, proposed legislation providing benefits for war service seamen, eligibility to be based solely on war performance.

Outlining a minimum program the Admiral said that it must—

> protect the health, aid in the employment, provide educational and minimum business opportunities, and alleviate insofar as possible the contingencies of death and disability resulting from war service in the merchant marine.

This program has since been incorporated in a measure generally known as the seamen's bill of rights which is currently pending in the House. A similar measure will shortly be before this body. It has the support of more than a dozen governors, of hundreds of mayors, and other State and local officials. The State Legislatures of California and of Washington have memorialized Congress to pass this bill. The States of Maryland and Connecticut have written into their laws similar benefits for maritime veterans and for veterans of the armed forces.

I am sure the Senate will give prompt action to this problem when the bill is brought before it.

Today our merchant marine is manned by resolute seamen. If we allow the conditions of employment to slip back to pitiful levels, as we did following the last war, we shall perforce make the ships a haven for the shiftless and irresponsible. We cannot build a powerful merchant marine on low wages, poor food, dirty fo'c'sles and archaic employment practices.

For the first time in the history of the American merchant marine, the earnings of American seamen have, during the course of the war, approached the standards of American industrial workers. This has enabled our seamen to marry and have homes. Today the majority of our seamen have dependents. They must be assured continued adequate compensation for their difficult and hazardous work.

Nearly a decade ago the Maritime Commission suggested that replacement of the centuries-old system of ship's articles with a continuous wage plan was long overdue. Ship's articles and other archaic employment prac ces must go. We must bring our maritime laws and maritime employment practices up to the twentieth century.

The training program which has served us so well in war must be continued and improved. During the war thousands of capable officers have come up from the ratings. There must be continued opportunity for advancement in our merchant marine.

Although the need has been recognized for many years, seamen to this day are not protected against the uncertainties of their industry. We must soon establish a permanent system of unemployment insurance for seamen. Most certainly if Congress acts first upon emergency legislation to reinforce our present unemployment-compensation system for the transitional postwar years, coverage should be extended, at least temporarily, to our merchant seamen.

Last December the American Merchant Marine Institute and the National Maritime Union joined in the following statement:

> In the maritime industry management and labor have shown their capabilities under the stress of wartime conditions. The goods have been delivered on time to all fronts throughout the world.
>
> Important factors in this successful operation has been adherence to the agreement by the management and the union; the efficiency, sobriety, and strict obedience to orders by the ship's personnel, plus operator and union cooperation ashore and aboard ship. Continuance of this policy will not only assure prompt delivery of the goods in the trying months ahead, but will contribute to the maintenance of a large and efficient American merchant marine in the postwar period.

Mr. President, we have the ships, we have the men, and we have the teamwork to keep the American merchant marine strong. This combination will carry us to victory in the Pacific. "Wisely used and vigilantly maintained," our merchant fleet will contribute to the peace and well-being of the world.

Mr. THOMAS of Utah. Mr. President, I do not wish to say a word which might in any way mar the splendid tributes which have been paid our merchant marine and its personnel by the Senator from North Carolina [Mr. BAILEY] and the Senator from Kentucky [Mr. BARKLEY]. While I am loath at this time to add anything to what has been said, I think it is my duty to call the attention of the Senate to one or two facts which in the course of time are easily forgotten, facts in connection with the bringing into existence of our modern merchant marine.

First of all, tribute should be paid to the late Senator Copeland, of New York, for the valiant fight he waged. It may be said that he actually died for the Merchant Marine Act, because it was the labor which he performed in bringing that act to fulfillment that weakened him to such an extent that he was unable to recover from the illness which overtook him. It will be remembered that there was great controversy in regard to that act, especially in relation to the title dealing with labor. I wish to add my word to the tribute which has been paid by the Senator from North Carolina to the labor elements in the merchant marine. Furthermore, by way of pointing out an optimistic outlook when we are sometimes pessimistic, let me say that the Committee on Commerce handed over the labor section in that bill to the Committee on Education and Labor, and that committee drafted a satisfactory labor section, which in reality has been the foundation stone upon which our modern merchant marine has been built.

I also believe that tribute should be paid to the representatives and leaders of the merchant marine unions, because they fought valiantly for the no-strike, no-lockout resolution which I presented to the Industrial Labor Conference in December 1941, and which became the guide and the foundation stone on which that conference was able to accomplish its purposes.

Mr. President, there is another reason why I think I should rise at this time and call attention to one or two facts in regard to the merchant marine. Our energies and thoughts are definitely upon the Pacific. I do not wish to cite exact history or exact numbers of ships, but in order that our enemy in the Pacific may see what is ultimately his doom unless he recognizes what is coming, I should like to call the attention of the Senate to the almighty power behind the irresistible merchant marine which we have developed.

In round numbers, when our first invasion in northern Africa took place, we had approximately 600 ships to support that effort. When we moved into Italy we had approximately 800 ships to support that attack. When we moved on to the beaches in Normandy we had approximately 1,000 ships to support that undertaking. When we moved into Iwo Jima there were more than 1,000 ships to support that offensive; and when our army moved into Okinawa, there were approximately 1,400 ships to support that action. Under those circumstances, if I were the enemy, I should be thoughtful concerning this power. With the progressively growing energy which we have been able to display in one offensive after another, does not the next offensive surely spell doom to our enemy?

I trust that the remarks of the Senator from North Carolina and those of the Senator from Kentucky, together with my own remarks in regard to our growing power upon the sea, may become a part of the psychological warfare program of the OWI, and that the fact of this growing might may be brought home to our enemies in the Pacific, so that they may see that it is time for them to reconsider, to begin to understand the inevitable outcome of that which they so foolishly started, and to realize that unless they experience a change of idea and method, they are facing certain doom.

Mr. BURTON. Mr. President, it is with great pleasure that I have heard voices raised from North Carolina, Kentucky, and Utah in praise of our merchant marine. I wish to add a voice from Ohio at this time in recognition of that merchant marine, its history, the part it has played and the opportunity that is ahead of it. Our merchant marine is a national institution, one in which the entire Nation is interested. It is of interest to every portion of the United States.

Only yesterday there was celebrated in America what is known as I Am an American Day. This was at the request of the Congress, which has asked that the third Sunday in May of each year be so observed, and it was in accordance with the proclamation of the President of the United States. So yesterday throughout the country we were paying honor to our new citizens, those who had become citizens during the past year by naturalization or by reaching the age of 21, thus enabling them to vote.

At the same time, we were bringing before these new citizens a picture of America at home, a picture of America doing business with the world, and a picture of America's responsibility in the world of tomorrow. So I believe it likewise is fitting that all over the Nation we recognize tomorrow as Merchant Marine Day. Inasmuch as there will be no session of the Senate tomorrow, we may well pause to pay tribute today to those in the merchant marine who have been helping us to win this war and who will be the mainstay of the merchant marine after the war. The ships of our merchant marine certainly have been a major factor in helping to win the war. We pay tribute to those who designed the ships, those who built them, and those who manned them. They include not only combat ships, but auxiliary ships, and all types of cargo ships upon which members of the merchant marine have served.

It is recognized that those who serve in the merchant marine do not serve as members of our armed forces, but they take great risks. As has been pointed out, 6,000 of those men already have lost their lives in the service of our Nation in this war.

We have now reached the point in this war where the service of the merchant marine probably is more essential than it has been at any other period in the course of the war. From now on we deal entirely with an enemy across the Pacific. We must have the Navy; but the Navy is impotent without auxiliary ships; and in the auxiliary service I am including the merchant marine. So as we proceed from this point on, we give notice to the world, and particularly to Japan, of the determination of America, through its Navy and through its merchant marine, to use its full force in winning the war.

But we also appropriately look beyond the war as we consider this subject. Before the war our merchant marine had shrunk to a small estate; and yet today

we have the largest navy and the largest merchant marine in the world. As has been well said, when the war comes to an end we shall have the ships, the men, and the training schools, and we shall have free seamen. We shall have the shipbuilding industry and its related industries. If we lose our merchant marine, or if it returns to its prewar status, it will be a blow to our shipbuilding industry and related industries, to the training schools, and to the many officers and men who are anxious to sail the ships as their permanent employment.

In facing international competition in the merchant marine field we always have a problem, because of the high standard of wages which we pay, and the comparatively high standard of conditions under which our men work. I believe that now is the time to make up our minds to maintain our position in this field, and also to maintain the high standards under which we operate. Congress has participated in setting those standards. The McGuire Act of 1895, the White Act of 1898, the La Follette Act of 1915, the Jones Act of 1920, and undoubtedly other acts have brought about the present status of our merchant seamen, and put them on a plane where they are free men. We may well be proud of that status.

In March, I placed in the CONGRESSIONAL RECORD, a reference to Andrew Furuseth, who was a leader in much of the work for our merchant-marine sailors and for this legislation. I quote one paragraph from that article:

> The principal accomplishment of Mr. Furuseth can be said to be that in an entirely unselfish manner he has, almost single handed, been responsible for changing the legal status of seamen in the United States from that of a comparative serf or peon to that of a free-born American citizen. This reform he has accomplished in a lawful manner. He has addressed himself to the agencies of law and order that are in existence in the United States. He has convinced Members of the House and Senate of the justice of the seamen's cause and, accordingly, the statutes of the United States have been amended so as to provide for the freedom which the seaman of today has.

We, as a Nation, should not permit ourselves to be driven from the seas, merely, for the reason that we have recognized the rights of our seamen to serve as freemen on the seas.

After the war we shall have a great Navy. A great Navy cannot exist without a great auxiliary; and in order to have a great auxiliary available in time of emergency, there must be a great merchant marine in existence, ready for that time.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. AIKEN. Does the Senator believe that our merchant marine is used as an auxiliary of the Navy, especially?

It is my understanding that approximately 80 or 90 percent of the merchant marine is used by the Army. I have often wondered why in discussing the merchant marine so much emphasis has been placed upon the Navy, and why the merchant marine is largely composed of naval men, when it is used by the Army, rather than by the Navy, in times of war. I have forgotten for the moment the figure for the percentage, which was furnished to me by the War Department at my request; but I am sure the merchant marine is chiefly used by the Army.

In considering the merchant marine, I think we should consider the part it plays in our Army operations; because the Navy, as I understand, has auxiliaries of its own.

I am sure the Senator from Connecticut [Mr. HART] can put both of us aright on that matter, but I am sure the Army uses most of the merchant marine in times of war.

Mr. BURTON. Mr. President, I shall be happy to have the Senator from Vermont place in the RECORD the figures which will bring out the fact that, of course, the merchant marine does serve the entire Nation, both the Army and the Navy. Peacetime-cargo ships of the chant marine in time of war carries into strictly naval ships which serve as auxiliaries to the Navy, but the merchant marine in time of war carries cargo for everyone—and the Army is its No. 1 customer.

Mr. AIKEN. I shall be glad to send to my office for the letter, and have it inserted in the RECORD at this point.

The PRESIDENT pro tempore. Without objection, the letter will be printed at this point in the RECORD.

Mr. AIKEN subsequently said: Mr. President, a short time ago while the junior Senator from Ohio was speaking I raised a question as to the percentage of our merchant marine which was being used by the Army during this war. I have since obtained a copy of the letter which I received from the War Department under date of March 7, 1945, which indicates that 59 percent of the ships under the War Shipping Administration is being used by the Army. The other 41 percent I understand is used largely by lend-lease for the transportation of strategic materials necessary to the prosecution of the war. I believe a very small percentage of the ships is used by the Navy.

I have brought this matter up at this time because there has already been introduced a bill, which will later come before the Senate, looking to the disposal of surplus shipping after the war. As I recall, one provision of the bill is that the Navy shall be consulted before any ships are disposed of. No mention is made of consulting the Army. Inasmuch as the Navy uses only a very small percentage of the merchant marine in time of war, and the Army uses most of it, I hope the chairman of the Committee on Military Affairs and the chairman of the Committee on Commerce, whom I see present, will make sure that proper recognition is given to the needs of the Army in the disposal of these ships. I do not recall the percentage used by the Navy, but it seems to me it is less than 5 percent, compared with 59 percent used by the Army.

I ask unanimous consent that the letter from the War Department be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 7, 1945.

Hon. GEORGE D. AIKEN,
United States Senate.

DEAR SENATOR AIKEN: Mr. Stimson has asked me to reply to your letter of February 24 requesting information concerning the percentage of WSA controlled merchant vessels employed by the Army during the past 5 or 6 months.

I find that during the period in question this percentage figure has varied only slightly between upper and lower limits of 60 and 58. The average, according to War Shipping Administration records, is 59 percent.

I hope this will adequately serve your purposes.

Sincerely yours,

JOHN W. MARTYN,
Administrative Assistant.

Mr. BURTON. Mr. President, it is highly appropriate to have this letter printed in the RECORD. Of course, the merchant marine does serve the Army and the Navy, but its ships are commanded by men of the sea, and many of them are officers in the Navy, as well as in the merchant marine.

In looking forward to the time, following the war, when it will become necessary to stabilize our operations and to reduce our combat Navy, it has been estimated as an approximation that at that time we may reduce our operative Navy by some 50 percent, primarily among the smaller and auxiliary ships, and in a lesser degree among the combat ships. However, even if our Navy is reduced to that extent, we shall have a far larger Navy and a far larger merchant marine and auxiliary force than we have ever had before in all our history.

It is clear that we cannot take a primary part in maintaining the peace and security of the world in proportion to the quota of the armed forces of the world which undoubtedly will be assigned to us through the United Nations unless we do maintain such a Navy and an adequate supporting force to go with it. We look forward to a larger Navy and a larger auxiliary force, after the war, than we had before the war. It will serve as a peace-keeping and peace-enforcing agency in accordance with our obligation as one of the United Nations.

Furthermore, as a primary factor in connection with maintaining our part of the commerce of the world, it is obvious that if we are to maintain prosperity in our country we must maintain a large merchant marine under the American flag. There is no more important link in the commerce of the world than the ships which sail the seas. We realize the risk we would be running if a large portion of that link were not in our hands, but were entirely in the hands of other nations. We realized that risk and we felt the consequences resulting from it when we started to fight this war in Europe and in the Pacific. We realized that our interests are global interests but that we did not have a global fleet.

If we can carry in our merchant marine a far larger proportion of the world's cargoes than we have in the past—not primarily for purposes of war, but for the purpose of maintaining peace and doing

the commerce of the world—we shall be able to maintain a full opportunity, for those who wish to do so, to sail our ships or to use our ships to send goods to or from the United States.

It has been suggested that perhaps because of the advent of aviation, less emphasis might be placed on the merchant marine. It is purely a coincidence that yesterday was the anniversary—I believe the eighteenth—of the day when Charles Lindbergh flew the *Spirit of St. Louis* across the ocean on the first flight made by one man alone in an airplane across the ocean. Today transoceanic flying is routine. But it is likewise clear to those who have studied the matter that the airplane has not displaced the use of ships on the surface of the sea. Much freight will be carried in the air, but much bulky and heavy freight will also be carried on the surface of the seas. Increased trade will mean increased transportation both by air and by sea. So the maintenance of our merchant marine will be a great factor in our future activity and welfare. If we measure up to our opportunities we shall maintain a larger ship-cargo force, as well as a larger air-cargo force, than we have had at any time in our history.

I must mention also the shipping on the Great Lakes, because one-fourth of our tonnage is carried on those Lakes, as compared with our shipping from all our coasts. We have merchant-marine shipping on our lakes, in the coastwise trade, and across the seas. It is important, Mr. President, to give encouragement to those who are building ships, manning ships, and are engaged in international trade, if the Congress of the United States is interested in maintaining a merchant marine which will meet our needs both in time of war and as a great instrumentality of peace and commerce.

As we turn toward the greater mechanization of ships which will occur in the years which lie ahead, we realize that our merchant marine will offer not only an opportunity for those who build and sail ships, but which will call for the mechanics and engineers to operate and care for the engines and electrical machinery in the ships. The modern ship is a machine shop and electrical plant that calls for the same skills that have been the secret of America's successful international competition on land.

As we look back at our history I cannot help but think, as I see before me the senior Senator from Maine [Mr. WHITE], of the great history our country has had in connection with its merchant shipping. I hope the Senator from Maine will add today some remarks which will remind us of the great history of our American clipper ships, as well as the great problems which lie ahead for our country in connection with commerce on the seas.

Mr. WHITE obtained the floor.

Mr. CHANDLER. Mr. President, will the Senator from Maine yield to me for a few minutes? I should like to make a brief observation at this time.

Mr. WHITE. I yield.

Mr. CHANDLER. I thank the Senator from Maine for his courtesy.

Mr. President, I have been greatly impressed by the statements made by Senators on the floor of the Senate regarding the magnificent production of the American people during these critical and tragic years. It must be remembered by the American people that all these things were done by the voluntary methods of free men and women in this great country. When the history of this war is written, it will show what freemen can do without compulsion, as compared to what has been done by men who were slaves, men who were not free, men who were driven.

The magnificent accomplishments of free men and women in this war delight those of us who insisted in other days that the rules not be changed, that America be permitted to remain a free country where free people, working voluntarily, could make this magnificent contribution to the peace of the world.

Mr. WHITE. Mr. President, as one representing the State of Maine, I cannot remain silent on a day commemorating the American merchant marine. Today we have a great merchant marine. It is serving the Nation in manifold ways, and it is making great contribution to its welfare.

I sometimes feel that one cannot contemplate the problems of today or see clearly those which lie ahead unless he has some knowledge of the history of his country in connection with the subject matter about which he is thinking. The Senator from Ohio [Mr. BURTON] has suggested that I say something about the history our merchant marine; and I am glad to turn from what I was about to say, in order to respond to his suggestion that I speak a few words about the history of the American merchant marine.

Mr. President, long years ago Sir Walter Raleigh, one of the great navigators of England, who made his contribution to the downfall of Spain upon the seas and to the beginnings of the great British Empire which we know of today, said in substance that the nation which controls the seas, controls the trade of the world and so, the wealth of the world.

Whether Raleigh was fully justified in that observation I do not pretend to say; but I think as one turns the pages of history he finds so many instances in which sea power has meant national greatness and international domination, that one is justified in substantially accepting Raleigh's observation. In any event, I think we may accept it as true that the nation which has a merchant marine is in turn assured of substantial commercial and industrial independence and national security.

Mr. President, in the earlier life of this Republic our forefathers fully understood the value of a merchant marine to the farmer, the factory, the forest, and the entire life of our country. In those early days they gave great thought and constant care to the nurturing of our merchant marine which today we honor. I recall that on the very first Fourth of July day under the new Constitution Washington signed an act in behalf of the American ship, and that of the first 11 acts passed by the Congress, 5 related to our ships and the trade carried on by them.

I believe we know, too, Mr. President, that it was the merchant vessel of 1812, converted to the purposes of war, which won the war of 1812 on the part of our struggling young country.

Mr. President, the clipper ship carried the American flag to every sea and to every major port of the world. Here in America we were great upon the sea up to the time of the beginning of the Civil War. That war was a tragic event for the shipping of our country. During that war hundreds of thousands of tons of American ships of both the North and the South were destroyed. Hundreds of thousands of additional tons of shipping were converted from peacetime purposes to purposes of war and an even greater tonnage was sold to foreign-flag nations.

By the end of the war our merchant marine was in the saddest condition that it had ever been in during almost a century of time. At the beginning of the Civil War we carried in American flag ships overseas 66 percent of everything which America sold abroad, and of that which was brought from the foreign markets to the ports of our country. In 1792 the American ship carried to and brought to us from the markets of the world 92 percent of all American products sold abroad, and of American purchases in foreign markets.

Following the Civil War the thoughts of America were turned from the sea. Our people thought in terms of the development of the great West. The thoughts of the youth of our country turned to the West, and there was developed that great area which lies between the Alleghenies and the Rocky Mountains and, indeed, to the Pacific coast itself.

When the First World War started we carried not 92 percent of our exports and imports; but we carried in the American ship less than 10 percent of the goods which America wished to sell, and the goods which America desired to buy. Practically all such commodities, if they moved at all, moved in foreign flag ships. To an alarming degree we are bound by the shackles of commercial slavery.

Mr. President, the First World War brought a new interest in the American ship. We had to have ships, and in order to get them we had to build them. We embarked upon a vast shipbuilding program. At that time we built approximately 2,500 ships. We produced more than 10,000,000 tons of shipping at a cost of approximately three and a half billion dollars. The United States Shipping Board, as it was then known, established 38 trade routes to the principal markets of the world over which to carry our goods. There were brought to us over those routes the products of other nations. Mr. President, that aroused a new interest in our American shipping life and in our shipping accomplishments.

When the war was over, again the thoughts of our people turned away from the sea. In 1921 we carried on the American ship approximately 51 percent of our overseas commerce. By 1927 that tonnage had dropped to approximately 32 percent. In 1926 we carried in the American ship only 19 percent of the goods of this country moving overseas. Foreign-flag vessels carried 81 percent of

our products. The situation marked, to a substantial degree, the dependence of America, in a commercial sense, upon interests which were alien and hostile to us.

Mr. President, that is not all there was to the situation. I have sketched briefly the story of the development and decline of our trade, our cargoes, and our purchases. As we lost in the percentage of our goods carried, other disasters came upon us. In 1927 American shipyards were building 3½ percent of the total of newly constructed world tonnage. By March 1928 we were building in American yards approximately only 2 percent of the total tonnage being built in all the world.

Between 1922 and 1928, a period of 6 years, 800 new foreign ships were built and put into the American trade. But during that time not a single ship for overseas trade was built upon the Atlantic coast, upon the Gulf, or upon the Pacific coast of the United States. Eight hundred foreign-built ships entered our trade, and all the shipyards of America produced not a single vessel for overseas trade of the United States.

Mr. President, we were told then that, in the light of what had been taking place, we faced a disappearance of the capacity of America to build a modern ship. Our shipyards were going into decay, our ways were disappearing. No construction whatsoever was being done for overseas service. The physical capacity here in America to build ships was disappearing. Perhaps worse than that, we were losing in this Nation of ours the technical skill required in the building of a modern ship. We were told these things over and over again. We were fast approaching the day when in all the United States there could not be summoned the technical skill to build a modern ship. I remember, as no doubt some of my colleagues remember, that when we built the old *Texas*, the first battleship of our new Navy, we did not have in America the capacity to draw the plans and the specifications for it, and so the old *Texas*, a great fighting ship, was built according to plans and specifications furnished by an Englishman. We faced in 1926 and 1927 a similar condition with respect to the merchant marine.

Then Congress passed the Merchant Marine Act of 1928. That act had its merits, and it had its defects. I am familiar, I think, with most of both of them. But, Mr. President, while the Merchant Marine Act of 1928, as a whole, remained on the statute books for 8 years, it ceased to be a vital instrument in behalf of American ships after about 2½ years. As against the 6 years when not a single American ship was built for the oversea trade, I set the fact that during that 2½ years, under that act, there were let 43 contracts calling for the building of 54 new American ships and the complete reconversion of 58 other ships. Whatever may have been the deficiencies of the act of 1928, however it may have been administered, that act represented the only legislation in three-quarters of a century that held any promise for the American-built and American privately operated ship, save, perhaps, the Ocean Mail Act of 1891, which accomplished almost nothing, but was an effort to do something for our shipping. In the Merchant Marine Act of 1928, however, Congress did enact a piece of legislation that held a promise and that had a measure and degree of effectiveness.

That act in the process of time was superseded by the act of 1936, by which new methods of assistance were invoked, and new methods were put into effect. Between the time of the passage of that act, however, and the beginning of the war and the movement of ships built elsewhere between the ports of this country and foreign ports in the carrying of cargo there was hardly time fully to appraise the value of the 1936 act. But I still have confidence in it, and I have given it loyal support.

Then came the war, and with it there was born an effective instrument in behalf of the ships of our country. We have gone on during this period of war and built the greatest fleet the world has ever seen. No nation in all the span of time has had under its flag such a number and such a quality of ships as we have today as the result of the shipbuilding programs to which I have referred, all a result of the demands of war.

Mr. President, what are we going to do with it? I hope we will persist in our efforts in behalf of the American ship. What has been accomplished is a tribute to the genius of our management, to the skill of our workers, and the heroism and loyalty of those who go down to the sea in ships.

A grateful Nation pauses to remember these gallant merchant seamen. Two hundred thousand of them are upon the seven seas, maintaining a huge conveyor belt that feeds the production of our factories to the battlefields of the world. They are at their posts in the wheelhouses, engine rooms, and galleys of 4,000 ships working for total victory; and, when necessary, they are at their gun stations fighting for total victory.

Technically, these men are civilians; actually, they are fighters in a hazardous service. Hand in hand with Navy gun crews they have earned a reputation for marksmanship equal to their skill in seamanship. They have taken the worst the Nazis and the Japs have been able to give, and have come back for more. They will not rest until Japan shares the fate of Nazi Germany, and the seas are once more safe for peaceful commerce.

My own State of Maine has sent more than 1,600 of her sons to man our great fleet in this war, and 56, as of this time, will never return. Each State has contributed men, and each has had its share of losses. More than 5,700 seamen have been lost in the war; nearly 600 others have suffered in Nazi and Jap prison camps, and in excess of 5,000 more have been permanently disabled. It comes as a shock to realize that no comprehensive program of protection for the dependents of deceased seamen, of care and rehabilitation for the war-disabled, and of readjustment for the more fortunate has, as yet, been adopted. The Congress of the United States must take immediate steps to mitigate, insofar as possible, the adversities of war which have been visited upon American seamen.

We have learned that our democracy must be defended 3,000 miles from Nazi Germany and 7,000 miles away from fanatical Japan. Our merchant marine is a strong arm of this defense. Without a powerful merchant fleet the striking power of our Navy and our Army would be severely limited.

I hope, Mr. President, the American people have finished the course of vacillation toward our merchant marine. America wants a merchant marine composed of the best ships that can be built. It wants a merchant marine that will constantly be abreast of the latest advances. It wants a sizable shipbuilding industry behind its merchant marine. It wants decent conditions for our seamen who cover the lanes of the seas in their ships.

Our seamen and our ships have made a great contribution to victory in Europe. Together with the armed forces they will carry the war to Japan and to a certain conclusion. The most fitting memorial to our seamen who have given their lives in this cause would be the maintenance of a strong merchant marine.

EFFECT OF OPA MEAT ORDER ON SOUTH CAROLINA

Mr. JOHNSTON of South Carolina. Mr. President, due to the seriousness of the meat situation in the Nation, particularly in my State, South Carolina, I wish to bring to the attention of the United States Senate a report from Hon. J. Roy Jones, commissioner of agriculture of South Carolina. This report is a result of a resolution adopted by the General Assembly of South Carolina which authorized the commissioner of agriculture to make an investigation of the meat situation in South Carolina.

I wish further to make public my protest against the recent meat-control order which was issued by the OPA. This order cuts the quotas of the nonfederally inspected meat packers to 50 percent on pork, and 75 percent on beef of last year's quota, the purpose, or at least the effect, being to divert the meat to the federally inspected meat-packing plants. This works a great hardship on the South due to the fact that in the South there are very few federally inspected plants. To give the Senate an illustration, let me say that in South Carolina we have only one federally inspected packer, and at the same time we produce in that State sufficient meat, pork, to feed the people of South Carolina.

This being true, it is also causing widespread operations in the black market, as well as a general break-down of the OPA.

The meat packers in my State think that the real purpose behind this order is that the larger packers wish to eliminate them as competitors by having most of the meat diverted to the federally inspected meat packers.

My State, like many other States, is an importer of meat, and it is difficult to understand why a program must be put

into effect which would force meat to be shipped out of my State and then shipped back under the guise of equalizing meat distribution.

As I said a few moments ago, we raise enough pork in South Carolina to supply the people of the State, but we do not have federally inspected packing houses in the State.

The packers of my State feel that they are about to be put out of business. They have offered a sane and workable plan to the OPA and have offered to cooperate and enforce it.

Let us see to it that proper action is taken by this Senate to solve situations such as this and at the same time to keep down inflation, the real purpose for which the OPA was created.

In order to save the time of the Senate I ask that there be printed following my remarks the report of the commissioner of agriculture of South Carolina, and I hope that the OPA will see fit to change its ruling and do justice to all the people of this Nation.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF J. ROY JONES, COMMISSIONER OF AGRICULTURE, TO THE GENERAL ASSEMBLY OF SOUTH CAROLINA

In getting data for this report a questionnaire was submitted to all of the wholesale grocers and packers of the State, numbers of them were interviewed, as were retail dealers and small slaughterers. A sample of the questionnare is attached. The response to this questionnaire was remarkable. Four days after it was mailed 84 percent made reply.

Replies were received from 33 counties of the 46 counties of the State which indicates a good coverage and a tabulation of results gives a good picture of conditions in the State. Many of these distributors serve several counties. See attached map; the letter X indicates location of a wholesaler from whom a reply was received. These counties are: Abbeville, Aiken, Allendale, Anderson, Beaufort, Calhoun, Charleston, Cherokee, Chester, Colleton, Darlington, Edgefield, Florence, Georgetown, Greenville, Greenwood, Horry, Kershaw, Lancaster, Laurens, Lexington, Marion, Marlboro, Newberry, Oconee, Orangeburg, Pickens, Richland, Saluda, Spartanburg, Sumter, Union, York.

Several who handled salt meats in previous years are not handling any this year because they are unable to get it. All who are handling salt meat in 1945 say they are receiving supplies from 50 to 99 percent less than they handled in 1944. Only 20 percent report less than 90 percent reduction in supplies so far this year over last year.

All of those reporting serve mainly small towns and rural areas with the exception of two; one of these serves a city while the other declares his distribution about equally divided between cities and rural areas.

All report that the small towns and rural areas are experiencing much difficulty in obtaining sufficient supplies of salt meat and all report substantial shortages.

Transportation difficulties do not seem to be much of a factor although some report they are having a little trouble along this line.

Perhaps quotations from the remarks of some of the questionnaires will give a more comprehensive picture of the situation. Here is what some of them say:

"We ordinarily handle three to five thousand pounds dry salt meat per week at this season of the year. This year so far I don't think we have had 2,000 pounds. * * * local people are running around trying in vain to find salt meat to cook vegetables with."

"We have only had 150 pounds of meat in 4 months."

"Have OPA to raise price and let the small packers buy some."

"In our opinion this shortage will not be improved until the OPA allows a reasonable profit to the producers of meat and also to the packers to allow both a reasonable return on their work and investments."

"Last week we had less than 100 pounds of meat for a trade area of 75,000 population. We can deliver if the OPA will release more to the areas affected. * * * We have been out of any fats or oils for the past week and none to mention in sight."

"We had our first shipments of salt meats this week during 1945, total weight less than 500 pounds. We cover several counties."

"The salt meat in this area is critical at this time."

One large wholesaler who previously handled salt meat but has discontinued suggests, "Have Government divert part of packing houses' output to retail trade for the consumers."

"We find that the large packers have discontinued a lot of small towns and territories that they would cover in normal times. This causes an unusual demand on us."

"Our purchases last year about this time average four to five thousand pounds per week. We have invoice received this morning from same packer * * * from whom we have purchased for years, for 400 pounds dry salt meat. They state this is as much as they can give us at this time * * * our overage shipments (this year) being about 500 to 700 pounds."

"Last year we were getting 2,000 to 2,500 pounds salt meat per week. * * * This year we are only getting 200 pounds and most of the sections we serve have no other sources of supply. * * * Situation here is really desperate because with small amounts we get we can only give our customers 1 piece of fat back every 2 or 3 weeks and this is all they are getting."

"Where we usually bought about 1,000 pounds each week we get 50 to 100 now. * * * The farmer is urgently in need of meat at present to make a crop. There are a few of them that raise enough to do them. I kill a hog or two so I am not needing any for my own use. If the armed forces are really needing the meat let them have it but if it is not being distributed properly think it should be changed. See if you can get us some fat back to work a crop on."

"Wholesale houses such as ours formerly distributed salt meats through the rural areas. * * * Since wartime restrictions and shortages have developed, packers of necessity have curtailed deliveries. * * * It has caused many small rural stores that supply farm people with meats to be out of salt meats greater portion of the time."

"Larger packers pulling out of markets and territories in rural sections.

"In 1944 we had several cars of salt meat shipped in * * * but this year we are unable to buy any for our customers.

"We do not know what the trouble is but we have not been able to buy a single pound of fat back in 1945.

"Due to the new slaughtering regulations which have cut the non-Federal-inspected plants 50 percent on hogs and because South Carolina has only one Federal inspected plant, it is my opinion why we have a serious salt meat shortage. My suggestions would be for the OPA to give relief to the non-Federal-inspected processing plants in South Carolina and other States.

"It is well known by all of us the laborers in the rural sections of South Carolina consume large quantities of salt meat in their diet. It is certainly for them a basic and important food. In recent months the supply available has been pitiful, and if a record could have been made of all the farmers in this section who have appealed to us to secure for them sufficient meat for their farm hands it would show quite a volume, and even though we are exclusively in the wholesale business many, many farmers in attempting to get meat for their hands are making every effort, and we might say unsuccessfully.

"To an old veteran meat distributor * * * it appears to me it will be a miracle to produce farm crops on the meager allotment. The Government should realize that the Southeast has consumed a large percentage of the fat backs for over 75 years. It is false economy and totally unfair to divert this food to new areas where it is unsuited and possibly wasted.

"We have only two cars in 1945, we usually sell two cars per month. * * * Can't buy a car anywhere. Salt meat is very important in this territory for the help on farms and the laborers."

"Farmers in this section are in serious need of fat back for their farm labor."

"Our last shipment came in the early part of January and we have been unable to get any further supply since that time * * * and have been so many rules and regulations in reference to the slaughterers of fresh meats until our local butchers are paralyzed. They were formerly able to send their butcher out who would buy and slaughter cattle and hogs right on the farms and bring them in to the cooler. All of this is now prohibited and they are unable to procure stock."

"I run a country store out in a rural community and I know that you are aware of the fact that most Negroes and a large majority of whites depend on salt meat as their main staff of life."

"I haven't been able to buy a pound of meat of any kind for my store since January 1, 1945. The situation is, in my opinion, critical. I have had customers come in and tears nearly come in their eyes when you tell them there is no meat to be had."

"If there is anything in your power that you can do or say that might help get meat for the working people of our country, the people that are furnishing the foodstuff for the world, it will be a godsend to them."

COLUMBIA, S. C., *May 18, 1945.*

THE CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar to which there is no objection.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. BARKLEY. I think we should have a larger attendance, and I therefore suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Donnell	Johnston, S. C.
Bailey	Eastland	La Follette
Bankhead	Ellender	Langer
Barkley	Fulbright	Lucas
Bilbo	George	McClellan
Bridges	Gerry	McKellar
Briggs	Green	Magnuson
Buck	Guffey	Moore
Burton	Gurney	Morse
Bushfield	Hart	Murdock
Butler	Hatch	O'Daniel
Capper	Hayden	O'Mahoney
Chandler	Hickenlooper	Overton
Chavez	Hoey	Pepper
Cordon	Johnson, Colo.	Reed

Russell	Taylor	White
Saltonstall	Thomas, Okla.	Wiley
Shipstead	Thomas, Utah	Willis
Smith	Tobey	Wilson
Stewart	Wagner	Young
Taft	Walsh	

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from California [Mr. DOWNEY], the Senator from Connecticut [Mr. MCMAHON], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Maryland [Mr. RADCLIFFE] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from Alabama [Mr HILL] is absent because of illness in his family.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from South Carolina [Mr. MAYBANK] is absent because of a death in his family.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Interstate Commerce Committee.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on Territories and Insular Affairs, has been designated to visit the Philippine Islands and, therefore, is necessarily absent.

Mr. WHITE. The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], and the Senator from Nebraska [Mr. WHERRY] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON] are absent on official business of the Senate as members of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Wyoming [Mr. ROBERTSON] is absent by leave of the Senate on official business of the Committee on Public Lands and Surveys.

The Senator from West Virginia [Mr. REVERCOMB] is necessarily absent.

The PRESIDENT pro tempore. Sixty-two Senators having answered to their names, a quorum im present. The clerk will state the first order of business on the calendar.

Mr. THOMAS of Utah. Mr. President, it was my request that the Senate start at the beginning of the calendar and not with No. 200, which was the point where the Senate concluded the last call. Starting at the beginning will mean, of course, that H. R. 2388, providing for enlistments in the Regular Army, will be reached.

Mr. BARKLEY. We are starting at the beginning of the calendar, not where we left off when it was last called.

Mr. THOMAS of Utah. I think that out of fairness to Senators who have objected to bills on the calendar we should be on the alert as we proceed. I felt that I should say this, because I made this special request.

BILLS AND RESOLUTION PASSED OVER

The bill (47) to amend the Interstate Commerce Act, as amended, was announced as in order.

Mr. BARKLEY. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 1793) to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of the board of trustees of the Saunders Memorial Hospital, was announced as next in order.

Mr. JOHNSTON of South Carolina. I want that bill passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 461) authorizing the acquisition for park purposes of certain land adjacent to Rock Creek Park in the District of Columbia was announced as next in order.

Mr. LANGER. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 83) to change the reference of Senate bill 541, to amend the Civil Aeronautics Act, as amended, from the Committee on Interstate Commerce to the Committee on Commerce was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

INSANE CRIMINALS IN THE DISTRICT OF COLUMBIA

The bill (S. 463) to amend section 927 of the Code of Laws of the District of Columbia, relating to insane criminals, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 927 of an act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended, relating to insane criminals, be, and the same is hereby, amended to read as follows:

"SEC. 927. Insane criminals: When any person tried upon an indictment or information for an offense or tried in the juvenile court of the District of Columbia for an offense, is acquitted on the sole ground that he was insane at the time of its commission, that fact shall be set forth by the jury in their verdict; and whenever a person is indicted or is charged by an information for an offense, or is charged in the juvenile court of the District of Columbia with an offense, and before trial or after a verdict of guilty, it shall appear to the court, from prima facie evidence submitted to the court or from the evidence adduced at the trial, that the accused is then of unsound mind, the court may order the accused committed to the Gallinger Municipal Hospital for a period not exceeding 30 days, which period may be extended by the court for good cause shown, for examination and observation by the psychiatric staff of said hospital. If, after examination and observation, the said psychiatric staff shall report that in their opinion the accused is insane, the court may cause a jury to be impaneled from the jurors then in attendance on the court or, if the regular jurors have been discharged, may cause a sufficient number of jurors to be drawn to inquire into the sanity of the accused, and said inquiry shall be conducted in the presence and under the direction of the court. If the jury shall find the accused to be then insane, or if an accused person shall be acquitted by the jury solely on the ground of insanity, the court may certify the fact to the Federal Security Administrator, who may order such person to be confined in the hospital for the insane, and said person and his estate shall be charged with the expense of his support in the said hospital. The person whose sanity is in question shall be entitled to his bill of exceptions and an appeal as in other cases."

CONGRESSIONAL AUTOMOBILE TAGS

The Senate proceeded to consider the bill (H. R. 2552) to amend paragraph (c) of section 6 of the District of Columbia Traffic Act as amended by the act approved February 27, 1931, which had been reported by the Committee on the District of Columbia with an amendment, on page 2, to strike out lines 1 to 4, inclusive, as follows:

> At the expiration of the said 30-day period it shall be unlawful to display such tags and the Commissioners shall be authorized and empowered to order removal of any such tags from any motor vehicle so displayed.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 2277) to insure adequate nursing care for the armed forces was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 2284) to eliminate the practice by subcontractors under cost-plus-a-fixed-fee or cost-reimbursable contracts of the United States of paying fees or kick-backs was announced as next in order.

Mr. BARKLEY. That bill should be passed over. I ask that it be passed over.

The PRESIDENT pro tempore. Under objection, the bill will be passed over.

ENLISTMENTS IN THE REGULAR ARMY DURING THE WAR

The Senate proceeded to consider the bill (H. R. 2388) to provide for enlistments in the Regular Army during the period of the war, and for other purposes, which had been reported from the Committee on Military Affairs with an amendment, on page 2, line 3, after the word "reenlistment", to insert *"Provided*, That the number of original enlistments or reenlistments in force pur-

suant to this act shall not exceed the total enlisted peacetime strength of the Regular Army now or hereafter authorized by law."

Mr. TAFT. Mr. President, may we have an explanation of the bill?

Mr. THOMAS of Utah. Mr. President, the Army has lost its Regular Army enlisted organization completely as a result of the war; that is, all the men who went into the Regular Army went in for the duration, and they cannot reenlist in the Regular Army. The bill merely gives those who wish to become members of the Regular Army of the United States a chance to enlist or reenlist in exactly the same way they could in peacetime until the emergency began.

Mr. President, it is necessary, of course, to maintain our Regular Army status, and it is necessary that we should not lose hundreds of Regular Army men. The amendment provides that only the number which is allowed in peacetime shall be allowed in wartime. Of course, nothing like that number will reenlist.

Mr. TAFT. The amendment provides:

That the number of original enlistments or reenlistments in force pursuant to this act shall not exceed the total enlisted peacetime strength of the Regular Army.

Do those words permit the building up of the Regular Army to that strength regardless of the question of appropriations, for instance?

Mr. THOMAS of Utah. No. I think the questions of appropriations would be involved. The amendment was put in the bill so that the Regular Army could not be enlarged from among the men who are now in the Army above its peacetime strength of 280,000, if they should want to become members of the Regular Army.

Mr. TAFT. Can the Senator tell us what the present authorized peacetime strength of the Regular Army is?

Mr. THOMAS of Utah. The peacetime strength of the Regular Army was 280,000 men before the emergency. The present law providing for that strength would prevail.

Mr. TAFT. That is the figure that applies to the Army as soon as the war ends.

Mr. THOMAS of Utah. Yes. I am confident that nothing like that number will enlist at the present time. The prospects are against it.

Mr. TAFT. As I understand, this is a bill to accept not only reenlistments but also original enlistments. This is a general bill authorizing the enlistment of a peacetime army after the war.

Mr. THOMAS of Utah. The Army is greatly disturbed for fear it may lose its opportunity to gain its regular quota of enlistments as years pass on in the wartime. It may find itself at the end of the war without its authorized enlisted personnel. The term of enlistment, as the Senator knows, is for 3 years.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 2388) was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 2348) to provide for the coverage of certain drugs under the Federal narcotic laws was announced as next in order.

Mr. LA FOLLETTE. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

THOMAS C. LOCKE

The bill (S. 75) for the relief of Thomas C. Locke was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Thomas C. Locke, lieutenant colonel, United States Army, retired, is hereby relieved of liability for all charges entered against him as post quartermaster at Chanute Field, Rantoul, Ill., for the loss of public funds and property which were stolen from the commissary at Chanute Field on or about December 2, 1924, and for losses alleged to have been sustained in the operation of such commissary during the period from December 1926 to April 1927.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Thomas C. Locke the sum of $1,037.99, in full satisfaction of his claim against the United States for reimbursement of amounts paid by him in settlement of such charges.

BLANCHE H. KARSCH, ADMINISTRATRIX OF THE ESTATE OF KATE E. HAMILTON

The Senate proceeded to consider the bill (H. R. 1711) for the relief of Blanche H. Karsch, administratrix of the estate of Kate E. Hamilton, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after "$7,025.60", to strike out "together with interest on such sum at the rate of 6 percent per annum from November 23, 1939, until the date of payment by the Secretary under the provisions of this act."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

MRS. ALMA MALLETTE AND ANSEL ADKINS

The bill (H. R. 1558) for the relief of Mrs. Alma Mallette and Ansel Adkins was considered, ordered to a third reading, read the third time, and passed.

BOYD B. BLACK

The bill (H. R. 2006) for the relief of Boyd B. Black was considered, ordered to a third reading, read the third time, and passed.

DR. WALTER L. JACKSON AND CITY-COUNTY HOSPITAL

The bill (H. R. 1260) for the relief of Dr. Walter L. Jackson and City-County Hospital was considered, ordered to a third reading, read the third time, and passed.

LEE GRAHAM

The bill (H. R. 1347) for the relief of Lee Graham was considered, ordered to a third reading, read the third time, and passed.

ROBERT LEE SLADE

The bill (H. R. 1602) for the relief of Robert Lee Slade, was considered, ordered to a third reading, read the third time, and passed.

HATTIE BOWERS

The Senate proceeded to consider the bill (H. R. 2007) for the relief of Hattie Bowers, which had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert "$4,000."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

FRED A. LOWER

The bill (H. R. 904) for the relief of Fred A. Lower, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 57) to confer jurisdiction upon the United States District Court for the Eastern District of Virginia, was announced as next in order.

Mr. LANGER. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

MRS. JAMES ARTHUR WILSON

The Senate proceeded to consider the bill (S. 592) for the relief of Mrs. James Arthur Wilson, which had been reported from the Committee on Claims with an amendment on page 1, line 5, after the word "appropriated" to strike out "to Mrs. James Arthur Wilson, Greensboro, N. C., the sum of $25,000. Such sum is paid to her both for her benefit and for the benefit of her two minor children, and such payment shall be in full settlement of all claims of the said Mrs. James Arthur Wilson, and all claims of her two minor children, against the United States on account of the death of James Arthur Wilson, husband of the said Mrs. James Arthur Wilson and father of such children, as a result of a collision on July 20, 1944, at the intersection of Gorrell and Bennett Streets in Greensboro, N. C., between the vehicle in which the said James Arthur Wilson was riding and a vehicle in the service of the Army of the United States" and insert "to the estate of James Arthur Wilson, deceased, the sum of $5,000, in full settlement of all claims against the United States on account of the death of the said James Arthur Wilson, which resulted from an accident, involving an Army truck in Greensboro, N. C., on July 20, 1944: *Provided*, That no part of the amount appropriated by this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this

act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of James Arthur Wilson, deceased, the sum of $5,000, in full settlement of all claims against the United States on account of the death of the said James Arthur Wilson, which resulted from an accident involving an Army truck in Greensboro, N. C., on July 20, 1944: *Provided*, That no part of the amount appropriated by this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the estate of James Arthur Wilson, deceased."

PAYMENT FOR DAMAGES CAUSED BY WAR DEPARTMENT OR ARMY

The Senate proceeded to consider the bill (H. R. 981) to authorize payment of certain claims for damage to or loss or destruction of property arising prior to May 27, 1941, out of activities of the War Department or of the Army, which had been reported from the Committee on Claims with an amendment on page 1, line 9, after "$343.95;" to strike out "C. W. Elsea, $555."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

MRS. GLADYS STOUT

The bill (H. R. 980) for the relief of Mrs. Gladys Stout was considered, ordered to a third reading, read the third time, and passed.

MAJ. WILLIAM PEYTON TIDWELL

The bill (H. R. 1377) for the relief of Maj. William Peyton Tidwell was considered, ordered to a third reading, read the third time, and passed.

CAPT. MILLARD L. TREADWELL

The bill (H. R. 1016) for the relief of Capt. Millard L. Treadwell was considered, ordered to a third reading, read the third time, and passed.

RUBY DORIS CALVERT, AS ADMINISTRATRIX OF THE ESTATE OF FREDERICK CALVERT, DECEASED

The bill (S. 867) for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased, was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased, the sum of $2,421, in full settlement of all claims against the United States on account of the death of the said Frederick Calvert as the result of an accident involving a vehicle of the United States Army in Reykjavik, Iceland, on November 14, 1942: *Provided*, That the claimant accepts such sum in full settlement of all claims against the United States on account of the death of the said Frederick Calvert: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

JOSEPH BRUNETTE

The bill (H. R. 1952) for the relief of Joseph Brunette was considered, ordered to a third reading, read the third time, and passed.

MARGARET J. POW

The bill (H. R. 2701) for the relief of Margaret J. Pow was considered, ordered to a third reading, read the third time, and passed.

MARGARET M. MEERSMAN

The bill (H. R. 1241) for the relief of Margaret M. Meersman was considered, ordered to a third reading, read the third time, and passed.

NITA RODLUN

The bill (S. 748) for the relief of Nita Rodlun was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nita Rodlun, of Portland, Oreg., the sum of $83.48, in full satisfaction of her claim against the United States for compensation for personal injuries sustained by her when the automobile in which she was riding collided with a United States Army vehicle at the intersection of Southwest Sixteenth Avenue and Southwest Morrison Street, in Portland, Oreg., on September 26, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

BILL PASSED OVER

The bill (S. 2) to provide for Federal aid for the development, construction, improvement, and repair of public airports in the United States, and for other purposes, was announced as next in order.

Mr. TAFT. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

PUNISHMENT FOR INJURING CERTAIN PERSONS IN CONNECTION WITH CRIMINAL CASES

The bill (S. 633) to amend the Criminal Code so as to punish anyone injuring a party, witness, or juror on account of his having acted as such, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 135 of the Criminal Code (35 Stat. 1113; 18 U. S. C. 241) be, and it hereby is, amended to read as follows:

"SEC. 135. Whoever corruptly, or by threats or force, or by any threatening letter or communication, shall endeavor to influence, intimidate, or impede any party or witness, in any court of the United States or before any United States commissioner or officer acting as such commissioner, or any grand or petit juror, or officer in or of any court of the United States, or officer who may be serving at any examination or other proceeding before any United States commissioner or officer acting as such commissioner, or who shall injure any party or witness in his person or property on account of his attending or having attended such court or examination before such commissioner or officer, or on account of his testifying or having testified to any matter pending therein, or who shall injure any such grand or petit juror in his person or property on account of any verdict, presentment, or indictment assented to by him, or on account of his being or having been such juror, or who shall injure any such commissioner or officer in his person or property on account of the performance of his official duties, or who corruptly or by threats or force, or by any threatening letter or communication, shall influence, obstruct, or impede, or endeavor to influence, obstruct, or impede, the due administration of justice therein, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both."

SEC. 2. Section 135a of the Criminal Code (54 Stat. 13; 18 U. S. C. 241a) is hereby amended to read as follows:

"SEC. 135a. Whoever corruptly, or by threats or force, or by any threatening letter or communication, shall endeavor to influence, intimidate, or impede any party or witness in any proceeding pending before any department, independent establishment, board, commission, or other agency of the United States, or in connection with any inquiry or investigation being had by either House, or any committee of either House, or any joint committee of the Congress of the United States, or who shall injure any party or witness in his person or property on account of his attending or having attended such proceeding, inquiry, or investigation, or on account of his testifying or having testified to any matter pending therein, or who corruptly or by threats or force, or by any threatening letter or communcation shall influence, obstruct, or impede, or endeavor to influence, obstruct, or impede the due and proper administration of the law under which such proceeding is being had before such department, independent establishment, board, commission, or other agency of the United States, or the due and proper exercise of the power of inquiry under which such inquiry or investigation is being had by either House, or any committee of either House or any joint committee of the Congress of the United States shall be fined not more than $5,000 or imprisoned not more than 5 years or both."

SEC. 3. Section 136 of the Criminal Code (35 Stat. 1113; 18 U. S. C. 242) is amended to read as follows:

"SEC. 136. If two or more persons conspire to violate any provision of section 135 or 135a of the Criminal Code, as amended, and one or more of such persons does any act to effect the object of the conspiracy, each of the parties to such conspiracy shall be punished in like manner as provided by sections 135 and 135a of the Criminal Code, as amended."

TRUCKEE-CARSON IRRIGATION DISTRICT

The Senate proceeded to consider the bill (S. 24) for the relief of the Truckee-Carson Irrigation District, which had been reported from the Committee on Irrigation and Reclamation, with an amendment to strike out all after the enacting clause and to insert:

That the proposed contract approved as to form by the Secretary of the Interior on January 9, 1945, between the United States of America and the Truckee-Carson Irrigation District is approved and, after said contract shall have been duly executed for and in behalf of the Truckee-Carson Irrigation District, the said Secretary is hereby authorized to execute it on behalf of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LOUIS CINIGLIO

The bill (H. R. 1561) for the relief of the legal guardian of Louis Ciniglio was considered, ordered to a third reading, read the third time, and passed.

LEGAL GUARDIAN OF VONNIE JONES, A MINOR

The bill (H. R. 780) for the relief of the legal guardian of Vonnie Jones, a minor, was considered, ordered to a third reading, read the third time, and passed.

FRANK LORE AND ELIZABETH VIDOTTO

The bill (H. R. 1910) for the relief of Frank Lore and Elizabeth Vidotto was considered, ordered to a third reading, read the third time, and passed.

EDWARD LAWRENCE KUNZE

The bill (H. R. 2129) for the relief of Edward Lawrence Kunze was considered, ordered to a third reading, read the third time, and passed.

ADELL BROWN AND ALICE BROWN

The bill (H. R. 244) for the relief of Adell Brown and Alice Brown was considered, ordered to a third reading, read the third time, and passed.

ALEXANDER SAWYER

The bill (H. R. 2361) for the relief of Alexander Sawyer was considered, ordered to a third reading, read the third time, and passed.

MRS. GERTRUDE WIER LILLIS

The Senate proceeded to consider the bill (S. 672) for the relief of Mrs. Gertrude Wier Lillis, which had been reported from the Committee on Claims with an amendment on page 1, line 5, after the words "appropriate, to," to strike out: "Mrs. Gertrude Weir Lillis, of Brunswick, Ga., the sum of $3,000, in full satisfaction of her claim against the United States for compensation for personal injuries sustained by her minor son, Clifton Weir, on May 24, 1944, at Brunswick, Ga., when he dropped a live grenade which had been found outside a United States Army rifle range, and had come into the possession of Clifton Weir" and insert "the legal guardian of Clifton R. Weir, a minor, the sum of $1,500, in full settlement of all claims against the United States for compensation for personal injuries sustained by said Clifton R. Weir, on May 24, 1944, at Brunswick, Ga., when he dropped an unexploded rifle grenade which had been found outside a United States Army rifle range and had come into the possession of said Clifton R. Weir", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Clifton R. Weir, a minor, the sum of $1,500, in full settlement of all claims against the United States for compensation for personal injuries sustained by said Clifton R. Weir, on May 24, 1944, at Brunswick, Ga., when he dropped an unexploded rifle grenade which had been found outside a United States Army rifle range and had come into the possession of said Clifton R. Weir: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the legal guardian of Clifton R. Weir."

MR. AND MRS. JOHN T. WEBB, SR.

The Senate proceeded to consider the bill (S. 784) for the relief of Mr. and Mrs. John T. Webb, Sr., which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "$10,519.95" and insert "$7,519.95", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. John T. Webb, Sr., of Delaware City, Del., the sum of $7,519.95, in full satisfaction of their claims against the United States (1) for compensation for the deaths of their minor sons, John T. Webb, Jr., and Henry P. Webb, due to personal injuries resulting from the explosion of a rocket projectile which had come into their possession through the negligence of United States military personnel, and (2) for reimbursement of funeral expenses incurred by them on account of such deaths: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MYLES PERZ

The bill (H. R. 903) for the relief of Myles Perz was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read "An act for the relief of the estate of Myles Perz."

MATTHEW MATTAS

The Senate proceeded to consider the bill (H. R. 1031) for the relief of Matthew Mattas, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "$12,500" and insert "$7,924."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

YELLOWSTONE RIVER BRIDGE, FAIRVIEW, MONT.

The bill (S. 234) authorizing the construction of a free highway bridge across the Yellowstone River near Fairview, Mont., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the States of North Dakota and Montana, jointly or severally, are hereby authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Yellowstone River, at a point suitable to the interests of navigation, near Fairview, Mont., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There are hereby conferred upon the States of North Dakota and Montana all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

MISSISSIPPI RIVER BRIDGE, FRIAR POINT, MISS., AND HELENA, ARK.

The Senate proceeded to consider the bill (S. 454) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

That the act approved May 17, 1939, heretofore extended by acts of Congress approved May 27, 1940, and July 14, 1941, and February 12, 1944, creating the Arkansas-Mississippi Bridge Commission and authorizing such Commission to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at or near Friar Point, Miss., and Helena, Ark., be, and is hereby, revived and reenacted: *Provided,* That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 1 year and completed within 3 years from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to revive and reenact the act entitled 'An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes,' approved May 17, 1939."

COLUMBIA RIVER TOLL BRIDGE, ASTORIA, OREG.

The bill (S. 574) to revive and reenact the act entitled "An act authorizing the Oregon-Washington Bridge Board of Trustees to construct, maintain, and operate a toll bridge across the Columbia River at Astoria, Clatsop County, Oreg.", approved June 13, 1934, was announced as next in order.

Mr. LANGER. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. LANGER subsequently said: Mr. President, when Senate bill 574, Calendar No. 238, was reached on the call of the calendar a short while ago, I objected to its consideration. I objected to it not because of any objection to this particular bill, but because I am opposed to all toll bridges. It seems to me that if the Government can build a bridge over the Peace River in Canada, costing more than $1,000,000, and donate it to Canada, certainly we ought not to have any toll bridges in the United States.

However, the Senator from Oregon [Mr. CORDON], the author of the bill, has stated to me that there is no chance of obtaining a free bridge in that particular place. Therefore I withdraw all objection, and ask that the bill be passed.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 574) to revive and reenact the act entitled "An act authorizing the Oregon-Washington Bridge Board of Trustees to construct, maintain, and operate a toll bridge across the Columbia River at Astoria, Clatsop County, Oreg." approved June 13, 1934.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, with an amendment, to strike out all after the enacting clause and insert:

That the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg., authorized to be built by the Oregon-Washington Bridge Board of Trustees by an act of Congress approved June 13, 1934, as amended, as heretofore extended by acts of Congress approved August 30, 1935, January 27, 1936, August 5, 1937, May 26, 1938, August 5, 1939, December 16, 1940, and May 3, 1945, are further extended 2 and 4 years, respectively, from May 3, 1945.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to extend the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg."

PIGEON RIVER BRIDGE, MINNESOTA

The bill (H. R. 1659) authorizing the Department of Highways of the State of Minnesota to construct, maintain, and operate a bridge across the Pigeon River was considered, ordered to a third reading, read the third time, and passed.

MISSOURI RIVER HIGHWAY BRIDGE, NORTH DAKOTA

The bill (S. 233) granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a fee highway bridge across the Missouri River, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of North Dakota to construct, maintain, and operate a free highway bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, from McLean County to either Mercer County or Oliver County, N. Dak., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

ST. CROIX RIVER BRIDGE, HUDSON, WIS.

The bill (S. 527) to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis., authorized to be built by the States of Minnesota and Wisconsin, jointly or separately, by an act of Congress approved July 17, 1942, as extended by the act of Congress approved June 22, 1943, are hereby extended until the end of 1 and 3 years, respectively, after the date of the termination of the unlimited national emergency proclaimed by the President on May 27, 1941.

SAUNDERS MEMORIAL HOSPITAL

The bill (S. 693) for the relief of the Saunders Memorial Hospital was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Saunders Memorial Hospital, Florence, S. C., the sum of $25,000. The payment of such sum shall be in full settlement of all claims against the United States on account of losses sustained by such hospital as the result of the failure of the United States Army Engineer Corps to carry out a contract to lease or purchase such hospital to the United States, for the duration of the present war, and 6 months thereafter: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

BRIDGE ACROSS TUG FORK OF THE BIG SANDY RIVER, NEAR WILLIAMSON, W. VA.

The bill (H. R. 1184) to authorize Slater Branch Bridge and Road Club to construct, maintain, and operate a free suspension bridge across the Tug Fork of the Big Sandy River at or near Williamson, W. Va., was considered, ordered to a third reading, read the third time, and passed.

MISSISSIPPI RIVER HIGHWAY BRIDGE, NEW ORLEANS, LA.

The bill (H. R. 1652) granting the consent of Congress to the State of Louisiana to construct, maintain, and operate a free highway bridge across the Mississippi River at or near New Orleans, La., was considered, ordered to a third reading, read the third time, and passed.

SIDNEY B. WALTON

The bill (H. R. 1069) for the relief of Sidney B. Walton was considered, ordered to a third reading, read the third time, and passed.

M. E. CAFFERATA AND JOHN GRANATA

The Senate proceeded to consider the bill (S. 144) for the relief of M. E. Cafferata and John Granata, which had been reported from the Committee on Claims with an amendment on page 1, line 9, after the word "colony", to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $250 to M. E. Cafferata and John Granata, Reno, Nev., as payment for damages done to property owned by them near Reno, Nev., by children of various Indian parents living on the Reno-Sparks Indian colony: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

IDA F. BRAUN AND OTHERS

The Senate proceeded to consider the bill (S. 642) for the relief of Ida F. Braun, Alice Braun Menges, and Carl J. Braun, individually and as executors of the estate of Hedwig W. Braun, deceased, and as legatees and beneficiaries of the will of Hedwig W. Braun, deceased, and as the sole parties in interest by succession under the last will and testament of Hedwig W. Braun, deceased, and under the last will and testament of Her-

man W. Braun, deceased, which had been reported from the Committee on Claims with an amendment on page 2, line 6, after the numerals "$25,094.20", to strike out "with interest thereon from November 18, 1920", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ida F. Braun, Alice Braun Menges, and Carl J. Braun, individually and as executors of the estate of Hedwig W. Braun, deceased, and as legatees and beneficiaries of the will of Hedwig W. Braun, deceased, and as the sole parties in interest by succession under the last will and testament of Hedwig W. Braun, deceased, and under the last will and testament of Herman W. Braun, deceased, the sum of $25,094.20. Such sum represents the amount of overpayment of estate tax made on November 18, 1920, with respect to the value of certain insurance policies on the life of Herman W. Braun who died testate on May 24, 1919. A claim was filed with the Commissioner of Internal Revenue on November 10, 1925, for refund of such tax, and rejected because of the lapse of the statutory period of limitations governing the institution of such claims. Two suits were brought during 1932 and 1933 for refund of such tax but in both cases relief was denied.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WIDOW OF JOSEPH C. AKIN

The bill (S. 620) for the relief of the widow of Joseph C. Akin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Joseph C. Akin, of Dolores, Montezuma County, Colo., widow of Joseph C. Akin, who, while in the discharge of his duty as a deputy United States marshal, was killed by a band of renegade Ute Indians while he was attempting to arrest one Tse-Ne-Gat, a Ute Indian charged with murder, on the 21st day of February 1915, the sum of $3,905, in addition to the sum paid to her under the act of March 1, 1921, on account of the murder of her said husband while in the regular discharge of his duties in the service of the Government of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ELMIRA AREA SOARING CORP.

The bill (S. 842) for the relief of the Elmira Area Soaring Corp. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Elmira Area Soaring Corp., a nonprofit organization, of Elmira, N. Y., the sum of $39,397.21, in full satisfaction of its claim against the United States for compensation for losses arising from a contract (No. W 535 ac-28134 (8147)) made with the Army Air Forces for the training of glider pilot personnel: *Provided*, That the money paid to such corporation under this act shall be used by it for making a pro rata distribution to its creditors on account of outstanding indebtedness which was incurred by such corporation between April 18, 1942, and January 14, 1943, the period during which such contract was in effect, and payment shall be made to such corporation under this act only upon condition that it file with the Secretary of the Treasury a written agreement to use such money for such purpose: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

PAUL T. THOMPSON

The Senate proceeded to consider the bill (H. R. 905) for the relief of Paul T. Thompson, which had been reported from the Committee on Claims with an amendment on page 1, line 5, after the words "the sum of" to strike out "$2,750" and insert "$1,500."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

MR. AND MRS. STEPHEN E. SANDERS

The Senate proceeded to consider the bill (S. 956) for the relief of Mr. and Mrs. Stephen E. Sanders, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "the sum of", to strike out "$2,000" and insert "$1,000"; in line 8, after the word "sustained", to insert "and for medical and hospital expenses incurred"; and on page 2, line 2, after the words "the sum of", to strike out "$335.67" and insert "$50."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to Mrs. Stephen E. Sanders, of Kittery Point, Maine, the sum of $1,000, in full satisfaction of her claim against the United States for compensation for personal injuries sustained and for medical and hospital expenses incurred by her as the result of an accident which occurred when the automobile which she was driving was struck by a United States Army vehicle in Kittery Point, Maine, on September 3, 1942, and (2) to Stephen E. Sanders of Kittery Point, Maine, the sum of $50, in full satisfaction of his claim against the United States for compensation for damages to his automobile not covered by insurance as a result of such accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

WILLIAM B. SCOTT

The bill (S. 712) for the relief of William B. Scott was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Civil Aeronautics is authorized and directed to provide for the transportation from Norfolk, Va., to Jacksonville, Fla., of the furniture and other household effects of William B. Scott, which were transported by the Navy Department to Norfolk, Va., from the naval operating base at Guantanamo Bay, Cuba, where the said William B. Scott was formerly stationed as an employee of the Civil Aeronautics Administration, and (1) to pay the cost of transporting such furniture and other household effects from Norfolk, Va., to Jacksonville, Fla., and (2) to reimburse the said William B. Scott for expenses incurred by him in providing for the storage of such furniture and other household effects from the date of arrival thereof in Norfolk, Va., to the date of transportation thereof to Jacksonville, Fla., as herein provided, from any appropriation available for paying traveling expenses of employees of the Civil Aeronautics Administration.

FRANCIS X. SERVAITES

The bill (H. R. 1847) for the relief of Francis X. Servaites, was considered, ordered to a third reading, read the third time, and passed.

MRS. BESSIE I. CLAY

The bill (H. R. 1598) for the relief of Mrs. Bessie I. Clay, was considered, ordered to a third reading, read the third time, and passed.

RIGHT TO COMMAND OF OFFICERS OF THE DENTAL CORPS OF THE ARMY

The bill (S. 916) to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act making appropriation for the support of the Army for the fiscal year ending June 30, 1912," approved March 3, 1911, is amended by striking out from the fourth paragraph under the heading "Medical Department" the sentence which reads: "Their right to command shall be limited to the dental corps" (36 Stat. 1054; 10 U. S. C. 130).

INCREASE IN PAY OF CHAPLAIN, UNITED STATES MILITARY ACADEMY

The bill (S. 967) to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to amend section 1309, Revised Statutes, providing a chaplain for the Military Academy," approved February 18, 1896 (29 Stat. 8), as amended by the act entitled "An act to fix the pay and allowances of chaplain at the United States Military Academy," approved May 16, 1928 (45 Stat. 573), is amended by deleting the period at the end thereof and substituting therefor a colon and adding the following: "*Provided*, That the said chaplain shall, while so serving under any reappointment for an additional term or terms, receive a salary of $5,000 per annum

and be entitled to the same allowances as herein provided."

INTERSTATE PETROLEUM PIPE LINES RELATED TO NATIONAL DEFENSE

The Senate proceeded to consider the bill (H. R. 2600) to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended, which had been reported from the Committee on Interstate Commerce, with an amendment, on page 2, line 2, after the word "thereof", to strike out " 'June 30, 1947' ", and insert " 'June 30, 1946.' "

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

REPEAL OF PORTION OF APPROPRIATION AND CONTRACT AUTHORIZATION OF MARITIME COMMISSION

The joint resolution (H. J. Res. 177) repealing a portion of the appropriation and contract authorization available to the Maritime Commission, was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF CERTAIN LANDS IN RAPIDES PARISH, LA.

The bill (S. 660) to transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, upon the written consent of the majority of directors of the Louisiana Rural Rehabilitation Corporation, the Secretary of Agriculture is hereby directed to convey, grant, transfer, and quitclaim forthwith to the board of supervisors of Louisiana State University and Agricultural and Mechanical College, subject to a covenant on the part of such board to use such property for the establishment and maintenance of an agricultural and vocational school, all right, title, claim, interest, equity, and estate in and to the following-described lands administered by the Secretary as trustee under an agreement of transfer, dated March 31, 1937, with the Louisiana Rural Rehabilitation Corporation and situated in the parish of Rapides, State of Louisiana, together with the improvements thereon and the rights and the appurtenances thereunto belonging or appertaining to wit:

Three thousand one hundred and thirteen acres, more or less, located in Rapides Parish, La., and known as the Boeuf Bayou Farms project of the Farm Security Administration of the War Food Administration, within the United States Department of Agriculture.

SEC. 2. Until such time as the functions, powers, and duties of the War Food Administrator or the War Food Administration are terminated, the authority vested in the Secretary of Agriculture by this act shall be exercised by the War Food Administrator.

SEC. 3. The transfer of such lands under this act is hereby found to be in the general interest of rural rehabilitation and shall not be deemed to impose any liability upon the Secretary of Agriculture (or War Food Administrator, as the case may be) with respect to his obligations under such agreement of transfer of March 31, 1937.

MISSISSIPPI RIVER HIGHWAY BRIDGE, HASTINGS, MINN.

The bill (H. R. 533) authorizing the State of Minnesota Department of Highways to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Hastings, Minn., was considered, ordered to a third reading, read the third time, and passed.

SETTLEMENT OF MILEAGE AND TRAVEL ALLOWANCES OF MILITARY PERSONNEL

The bill (S. 917) to provide for payment and settlement of mileage and other travel-allowance accounts of military personnel was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That payment and settlement of mileage and other travel-allowance accounts of all military personnel, when such accounts are authorized to be based on distances between given points, shall be made in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. 870).

FRANCES BIEWER

The bill (H. R. 856) for the relief of Frances Biewer, was considered, ordered to a third reading, read the third time, and passed.

MRS. MARY KARALIS

The bill (H. R. 1054) for the relief of Mrs. Mary Karalis was considered, ordered to a third reading, read the third time, and passed.

DOMENICO STRANGIO

The bill (H. R. 1845) for the relief of Domenico Strangio was considered, ordered to a third reading, read the third time, and passed.

SETTLEMENT OF CLAIMS OF MILITARY PERSONNEL FOR LOSS, ETC., OF PERSONAL PROPERTY

The bill (H. R. 2068) to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service was considered, ordered to a third reading, read the third time, and passed.

ED WILLIAMS

The bill (H. R. 879) for the relief of Ed Williams was considered, ordered to a third reading, read the third time, and passed.

IDA E. LAURIE AND ZELLA RICKARD

The bill (S. 134) for the relief of Ida E. Laurie and Zella Rickard was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ida E. Laurie, of Marshfield, Oreg., the sum of $1,000, in full satisfaction of her claims against the United States, and to Zella Rickard, of Marshfield, Oreg., the sum of $250, in full satisfaction of her claims against the United States, for compensation for personal injuries sustained by them as a result of an accident which occurred when the Army vehicle in which they were riding as passengers collided with another Army vehicle near Marshfield, Oreg., on or about May 7, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

CATHOLIC CHANCERY OFFICE, INC.

The bill (S. 501) for the relief of the Catholic Chancery Office, Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Catholic Chancery Office, Inc., of Sioux Falls, S. Dak., the sum of $11,980.33, in full satisfaction of its claims against the United States (1) for compensation for the use by the War Department of a building owned by it, possession of which was taken by the War Department under an option to purchase which the War Department subsequently failed to exercise, and for losses sustained by it as a result of the occupancy of such building by the War Department, and (2) for reimbursement of expenses incurred by it in vacating and making such building available for use by the War Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MR. AND MRS. JAMES E. McGHEE

The bill (S. 301) for the relief of Mr. and Mrs. James E. McGhee was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. James E. McGhee, of Jacksonville, Fla., the sum of $5,760, in full satisfaction of their claim against the United States for compensation for the death of their son, Millard E. McGhee, who was killed when he was struck by the motor falling from a United States Army aircraft which crashed at Jacksonville, Fla., on July 20, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MR. AND MRS. ARTHUR R. BROOKS

The Senate proceeded to consider the bill (S. 512) for the relief of Mr. and Mrs. Arthur R. Brooks, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "the sum of", to strike out

"$5,000" and insert "$827"; and in line 7, after the words "the sum of", to strike out "$10,000" and insert "$6,679", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur R. Brooks, of Hampton, N. H., the sum of $827, and to Sara H. Brooks, of Hampton, N. H., the sum of $6,679, in full satisfaction of their respective claims against the United States for compensation for personal injuries and property damage sustained by them, and for reimbursement of medical, hospital, and other expenses incurred by them, as a result of an accident which occurred when they were struck by a United States Army vehicle while crossing a street in North Hampton Beach, N. H., on September 22, 1942: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXCHANGE OF CERTAIN LANDS IN THE VICINITY OF THE PENTAGON BUILDING—BILL PASSED OVER

The bill (S. 888) to authorize the Secretary of War to exchange with the Rosslyn Connecting Railroad Co. certain land in the vicinity of the War Department Pentagon Building in Arlington, Va., was announced as next in order.

Mr. LANGER. Mr. President, may we have an explanation of the bill?

Mr. THOMAS of Utah. Mr. President, this bill merely provides for working out in law an arrangement which is already functioning in practice. In connection with the construction of the Pentagon Building it is necessary to build some roads and to make certain changes in rights-of-way. In connection with the exchange of property between the Pennsylvania Railroad and the Government, this bill becomes necessary in order to legalize that which has already been accomplished.

Mr. LANGER. Does the trade even up, or does the Government pay some money?

Mr. THOMAS of Utah. The Government comes out a little ahead, in acreage.

Mr. TAFT. Mr. President, my recollection is that the Pentagon Building was handled by the Committee on Public Buildings and Grounds. I wonder whether that committee had anything to do with this bill, or what the jurisdiction of the Committee on Military Affairs is over some arrangement with respect to the Pentagon Building? I do not believe the Committee on Military Affairs handled the War Department buildings in the District of Columbia, or the Pentagon Building across the river.

Mr. THOMAS of Utah. I do not know. The bill was referred to our committee.

Mr. AIKEN. Let the bill go over.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). The bill will be passed over.

SIGFRIED OLSEN

The Senate proceeded to consider the bill (H. R. 1566) for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co., which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "the sum of", to strike out "$43,562.35, as just compensation for actual cash losses necessarily incurred by him in the operation of two vessels to South America and return in the fall of 1941 in compliance with specific directions of the United States Maritime Commission, carrying in the interest of national defense cargoes specified and at rates designated by the Commission, outbound and return" and insert "$32,287.39, in full settlement of all claims against the United States on account of alleged losses in the operation of the vessels *Stanley Griffith*, *James Griffith*, and *Lake Frances* to South America and Panama Canal Zone and return in the summer and fall of 1941."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

THADDEUS C. KNIGHT

The bill (S. 528) for the relief of Thaddeus C. Knight was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, the said Thaddeus C. Knight a captain in the Quartermaster Corps, United States Army, and to retire him and place him on the retired list of the Army as a captain with the retirement pay and allowances of that grade; and in the administration of any laws conferring rights, privileges, or benefits upon persons who have served in the military service of the United States and who have been honorably discharged therefrom, the said Thaddeus C. Knight shall be held and considered to have been honorably discharged from such service as of the date of his separation therefrom; but no back pay or allowance shall be held to have accrued by reason of this act prior to its passage.

The preamble was agreed to.

The PRESIDING OFFICER. That completes the calendar.

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO REPORT LEGISLATIVE APPROPRIATION BILL

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the recess of the Senate the Committee on Appropriations may have authority to report the legislative appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2907) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes; that the House had receded from its disagreement to the amendment of the Senate numbered 19 to the bill, and concurred therein, and that the House receded from its disagreement to the amendment of the Senate numbered 18 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate.

APPROPRIATIONS FOR THE NAVY

Mr. OVERTON submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2907) making appropriations for the Navy Department and the naval service, for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 5, 7, 8, 9, 10, 13, 14, 15, 16, 22, and 23.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 6, 12, 21, 24, and 25 and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$56,844,196"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "$262,885,000: *Provided*"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment, before the period, insert ", as authorized by law"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 18 and 19.

JOHN H. OVERTON,
ELMER THOMAS,
THEODORE FRANCIS GREEN,
DAVID I. WALSH,
WALLACE H. WHITE, Jr.,
STYLES BRIDGES,
Managers on the Part of the Senate.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. PLOESER,
Managers on the Part of the Senate.

The report was agreed to.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 2907, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES,
May 21, 1945.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19 to the bill (H. R. 2907) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes, and concur therein; and

That the House recede from its disagreement to the amendment of the Senate numbered 18 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, after "hospitals" in line 3, page 24, of the House engrossed bill insert a comma and "as provided by regulation."

Mr. OVERTON. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 18.

The motion was agreed to.

LEAVE OF ABSENCE

Mr. MAGNUSON. Mr. President, I ask unanimous consent to be excused from the sessions of the Senate for the next 4 days, because of official business.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Without objection, leave is granted.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Vice Admiral Richmond K. Turner, United States Navy, to be an admiral in the Navy, for temporary service;

Capt. Dixwell Ketcham, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from November 29, 1943; and

Sundry other officers for appointment in the Navy and Marine Corps, for temporary service.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

SMALLER WAR PLANTS CORPORATION—NOMINATION OF LAURENCE F. ARNOLD

Mr. BARKLEY. Mr. President, a few days ago the Senate confirmed the nomination of Laurence F. Arnold to be a member of the Board of Directors of the Smaller War Plants Corporation. In the appointment at that time the name "Laurence" was misspelled. The proper spelling is "L-a-u-r-e-n-c-e." The confirmation took place under the spelling of "L-a-w-r-e-n-c-e." The President has submitted a new appointment, for the purpose of correcting the spelling of the name "Laurence." I ask unanimous consent that the nomination may be now considered without reference to a committee. The correction is merely technical.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none. Without objection, the nomination is confirmed.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

TENNESSEE VALLEY AUTHORITY

The legislative clerk read the nomination of David E. Lilienthal to be a member of the board of directors of the Tennessee Valley Authority.

Mr. McKELLAR. Mr. President, before action is taken on this nomination, I desire to make a statement.

The junior Senator from Tennessee [Mr. STEWART] and I oppose the confirmation of Lilienthal as Administrator of the Tennessee Valley Authority. He was first appointed without consultation with us, and has been against us ever since.

We have tried in every way to get along with him, but without rhyme, reason, or excuse he has refused, and has subtly and adroitly made and published untruthful statements against us and concerning our connection with the dams on the Tennessee River.

We have thus been compelled to oppose his vacillating, cunning, unscrupulous double-dealing and his false methods, policies, and practices in the Tennessee Valley Authority.

We have likewise been forced to oppose his political activities and his putting and keeping the Tennessee Valley Authority in politics. We do not want the Tennessee Valley Authority in politics. It can serve the people best only if kept entirely out of politics. Lilienthal is making it a political machine for his own personal advancement and for the furtherance of controversial, social, and other experiments.

We oppose his claiming and publishing that we oppose him because we want to use his organization and employees as political patronage. This claim is absolutely false, and he knows it is false. In his last testimony before the Senate Appropriations Committee he admitted it was false.

We oppose his continuous efforts to advertise and sell himself with funds belonging to the Federal Government.

We oppose the joining up and political fellowship and combination existing now between Lilienthal and the publisher of the Nashville Tennesseean, Silliman Evans, in their campaigns of indecency, untruthfulness, and dishonor in every matter that pertains to the Tennessee Valley dams and to Tennessee. They are the would-be Hitler and Mussolini of Tennessee politics and Tennessee affairs.

Since that was written Mr. Aubrey Williams has entered the fold with these two nonresident worthies; he has joined the other two in a political fight on me.

I read further from the statement:

We oppose Lilienthal's continuous propaganda that in opposing him as Administrator we are opposed to the Tennessee Valley Authority. This is patently and infamously false. The Tennessee Valley Authority is a splendid institution. If we had not thought so it would never have been built. If we had not thought so we could have stopped the appropriations for the dams at any time.

That is the case, because in the Appropriations Committee the votes were virtually even, as a rule; there was a virtual tie vote, with only a difference of one vote either way.

I continue to read the statement:

Instead, we have constantly fought for these appropriations ofttimes over the active opposition and even lobbying of Lilienthal.

The older members of the committee know that.

I continue to read:

The men under Lilienthal are doing a fine job. Many of them are experts in their chosen field. Lilienthal claims he was a lawyer once; certainly he is not an engineer; but he has become an expert propagandist in claiming credit for all the good works of the Tennessee Valley Authority. The Tennessee Valley Authority officials for the most part were not chosen by Lilienthal and Lilienthal is not entitled to credit for their good work even though he tries to take credit for their good work. As to the other men under him, the United States civil-service laws do not apply. He has set up a so-called merit system of his own which gives him full control of all patronage in the Tennessee Valley Authority which he exercises while calling others patronage mongers.

I call especial attention to this part of the statement:

Lilienthal is personally and politically obnoxious, offensive, and objectionable to each of us.

But, the President, who has just taken office, and upon whose successful administration at this critical time the success of our beloved country depends, and whom we like, has sent in his nomination for reappointment.

We have, therefore, concluded simply to make this statement and to vote against his confirmation and leave the matter there.

KENNETH McKELLAR.
TOM STEWART.

So, Mr. President, I leave the matter to the Senate. It is up to the Senate. Whatever the Senate may do will be satisfactory to me.

Mr. STEWART. Mr. President, the other day I made a statement concerning the nomination of Mr. Lilienthal. At that time I said I would probably have a few more words to say about the nomination when it came before the Senate. I then expressed my opposition to the confirmation of his nomination.

I do not care to say much more, except to add a few words to the statement I read into the RECORD a few days ago. It was a joint statement issued to the press by my colleague, the senior Senator from Tennessee [Mr. McKELLAR], and myself, and my colleague has just referred to it in his statement.

Since the nomination of Mr. Lilienthal has been sent to the Senate, there has been some comment about it in the press. There have been dire predictions that my colleague, the senior Senator from Tennessee, will be in an exceedingly bad situation politically next year on that account. Of course, that is not correct. I do not care to enter into a campaign discussion at this moment, but Senator McKELLAR will be reelected next year by the people of that State by probably a larger majority than he has ever before received, Mr. Lilienthal to the contrary notwithstanding. I do not doubt that Mr. Lilienthal will be active against him, as he would be against me if I should again run for public office. He would act in a capacity, no doubt, as campaign manager for the opponents of either or both of us.

I think it was a sour day not only for Tennessee but for the whole South when

this man was selected again to serve the Tennessee Valley Authority as one of its directors.

On the 7th of May a man by the name of White wrote from Nashville, Tenn., a special article labeled "Special to the New York Times," in which he predicted great trouble for Senator McKELLAR because of the Lilienthal situation. Apparently Mr. White went to Tennessee and spent several hours there and during that time learned more about the situation in that State than Senator McKELLAR has learned in his 30-year tenure in public office, as Mr. White refers to it. Mr. White said that there already are four possible contenders against Senator McKELLAR on account of the appointment of Mr. Lilienthal, and he named them in the article in the New York Times. He said, however, that he interviewed Mr. Crump, and that Mr. Crump said that Senator McKELLAR would receive a tremendous vote and would be reelected next year beyond any question. He praised Senator McKELLAR, so the article relates, and said that he is energetic, honest, intelligent, and the peer of all; and the article further states that Mr. Crump said he knows that Senator McKELLAR feels he is right in his stand in connection with the fight on the TVA situation, in spite of the fact that others might differ with him, and that he has made Tennessee a great Senator, and that it would be an impossibility to defeat him.

Despite what Mr. Crump said—and he himself has been about in politics in Tennessee, of course—this man White, who spent a few hours in the State, wrote that perhaps Mr. Crump does not know what he is talking about. I will not pay any more attention to that article.

On the 11th of May there appeared in the Times-Herald, a newspaper published in the city of Washington, in the column known as Broadway Barometer, written by Dan Walker, the following statement, which is not a quotation:

David Lilienthal will give active support to the movement by Aubrey Williams to defeat Senator McKELLAR in 1946, once his confirmation as TVA head is approved by the Senate.

I think that is a correct statement. I think he will be active in his opposition, just as he was actively opposed to me 2 years ago. He operates from behind the doors in dark-lantern fashion, but nevertheless he operates.

In that connection, Mr. Aubrey Williams, one of Mr. Lilienthal's friends, whose nomination to be head of the REA was recently defeated in the Senate, went to Nashville, Tenn., and made a speech there. According to an article in one of the Nashville newspapers, he predicted that he would organize the farmers of middle Tennessee and stated that middle Tennessee was a fertile territory for an organization of the kind and type which he had in mind, namely, a political form of organization. He said that he expected to make use of this organization, and I have been advised that he made statements on the side, so to speak, of a very critical nature, with regard to my colleague, the senior Senator from Tennessee. Aubrey Williams is the man whom the Broadway barometer predicts Mr. Lilienthal will join in an effort to defeat the senior Senator from Tennessee.

In the Knoxville-Journal—I believe that is the name of the newspaper which published the article to which I have referred—there appeared on May 8 an account of an interview credited to the Associated Press, in which it was stated:

The "craftsman in public affairs" is the way David Ely Lilienthal describes himself.

The chairman of the Tennessee Valley Authority, recently reappointed by President Truman for a 9-year term at the post, says he hopes he is "one of a new era of men in Government life trained to get things done."

The article quotes him as saying that he knows more about the Valley than does anyone else; that he has been there for 12 years, and professes great love for it. It states that he once visited 19 towns, made 11 speeches, and met thousands of people during a 4-day trip.

That must have been back in about 1942, when I was running for reelection to the Senate. He was speaking almost every day during that time, at Kiwanis Clubs and chambers of commerce. He was warning the people against TVA getting into politics. He was very much afraid that TVA would get into politics. Politics and politicians are quite obnoxious to him.

Only recently, within the past few months, he made a speech at Nashville, Tenn., at a State meeting of the Tennessee Farm Bureau. I attended the meeting, and was on the program. Mr. Lilienthal made a speech, and devoted most of his time to warning the people of Tennessee to keep the TVA out of politics. Who had said anything about politics, I do not know. I had not heard anything about the TVA getting into politics. However, he said it was the business of the people to keep the TVA out of politics. The God's truth is that the best way to keep the TVA out of politics is to keep Lilienthal out of the TVA. The TVA has been in politics, especially within the past 3 or 4 years, ever since Lilienthal has been chairman of the TVA board. I ask Senators to believe that the TVA has been in politics. I felt the sting of it 3 years ago.

Yes; Lilienthal made speeches, although he was perhaps subject to the terms of the Hatch Act, or to the provisions of the TVA Act itself. Perhaps he violated both laws. Neverthless, he carried on. I have been asked why he was not prosecuted. I do not believe in prosecuting persons for violating the Hatch Act, with all due respect to my friend, the Senator from New Mexico [Mr. HATCH], because I am opposed to the law which bears his name. I do not believe in it. Nevertheless, Mr. Lilienthal made speeches. That was the important thing to me. He made many speeches in 1943, and no doubt the occasions when he visited 19 towns and made 11 speeches in a period of 4 days were when I was running for reelection.

Mr. President, in those days persons who worked for the TVA would almost run from me when I approached them on the sidewalks and merely spoke to them. It may be recalled that President Roosevelt wanted to abolish fear. Fear was being pretty well instilled into the minds of many TVA employees in 1943. They had a fear of losing their jobs if they were seen talking on the streets to me, because I was obnoxious to Lilienthal. I was merely a politician. No doubt that was true. It is also true that I was not more obnoxious to him than he was and is to me.

The newspaper article to which I have referred speaks of Lilienthal making 11 speeches to thousands of people in 4 days. He has an airplane for use when traveling to Washington or elsewhere. The TVA has two or three airplanes. He has at least one in which he travels. I think he was riding in it in 1943 during the time when he was traveling from one end of Tennessee to the other. As Senators know, Tennessee is a very long State. The distance from Bristol to Memphis is five or six hundred miles, and Lilienthal covered quite a lot of territory.

The newspaper article sets forth that Lilienthal had made so much money that making it became boring to him. In his own words he said that as a lawyer he had made a great deal of money, and found out how boring it could be. That is a new light on the gentleman. I never heard of anyone who had made so much money that it had become boresome to him; but, according to the AP article from which I have read, that is what Lilienthal said. The article continues:

During this time when he "had no intention of getting into politics"—

Or, according to the information which I have, when he was practicing law—

he was special counsel for the city of Chicago in a rate controversy—

And so forth.

But in 1931 he accepted Gov. Philip La Follette's appointment to the Wisconsin Public Service Commission and from there President Roosevelt named him to the TVA Board of Directors in 1933.

"I read a lot," he said, "Everything from Peter Arno cartoons to world finance and politics."

He makes a special study of politics.

Mr. President, I do not care to continue discussing this situation. I am deeply regretful of the fact that this very unnecessary man has been reappointed to the chairmanship of the Board of Directors of the TVA. If the situation were a Nation-wide one, it would be different. Theoretically, of course, it is a Nation-wide situation, but always, physically, the heart of the TVA will be in Tennessee. I am advised that by reason of the nature of the laws on the subject it is impossible to carry over high tension transmission lines the power which is generated at the dams on the Tennessee for distances greater than approximately 350 miles. If my memory is correct, that is the maximum distance. So always the TVA will peculiarly serve Tennessee, and the fringe of the surrounding States.

Therefore we will always have the problem in Tennessee. I think he testified before the committee a few days ago that there are about twelve or fifteen thousand employees in the Authority. When I ran for the Senate 3 years ago, there

were about thirty-five or forty thousand employees, because there were 3 dams under construction. Those people were voters in Tennessee. Perhaps it was more serious for me before than it might be now. But the major portion of those twelve or fifteen thousand employees are in Tennessee. They are there because of the 14 or 15 dams—I do not recall the exact number at the moment—all except about 4 or 5 are in the State of Tennessee; so most of the physical properties are peculiarly in our State, and therefore this is chiefly a problem peculiar to Tennessee. We have to put up with it, we have to deal with it.

If the power generated were transmitted to the State of Washington, or to Maine, or to Oregon, the situation would be different, but these employees are in Tennessee, they are subject to the dictation and the whims of the chairman of the Board, they face the fact that he wants to inject the belief that they might lose their jobs, if he sees fit to dismiss them, and I think he did it in my campaign, as I have told the Senate before.

Certainly on one occasion he made a speech at Knoxville, about three weeks or a little more before the election, in the heat of my campaign, in which he said, "We whipped them on the Washington front, and I warn you people of the Tennessee Valley against the establishment of a political front here." He aimed that at me, and I knew it. I accepted it, in a public speech I made, as a challenge from him, and repeatedly referred to it during the remainder of the campaign.

Mr. President, that is what we have to put up with in Tennessee, and because it is peculiarly restricted to Tennessee, I have felt that these words should be said.

Mr. BARKLEY. Mr. President, I had not intended to consume any time in discussing the pending nomination, and I do not intend now to consume much time, but in the absence of the junior Senator from Alabama [Mr. HILL] who is away because of illness in his family, and who intended to comment upon Mr. Lilienthal's nomination and urge its confirmation, as did also his colleague, the senior Senator from Alabama [Mr. BANKHEAD] I feel that I should say just a word in regard to the nomination.

I have no desire or purpose to enter into any controversy with my good friend the senior Senator from Tennessee [Mr. MCKELLAR] concerning Mr. Lilienthal. I think it is extremely unfortunate that there is any quarrel or disagreement or controversy, or any lack of confidence on either side, in regard to Mr. Lilienthal's activities in Tennessee.

The senior Senator from Tennessee and I have worked shoulder to shoulder from the very beginning, and even before the inception of the Tennessee Valley Authority, in 1933 or 1934, to bring about the development of that valley. I have worked with him with great pleasure. I have helped him in his fights to secure the development of that portion of the river which is in Tennessee, and he has helped me in the development of the portion of it which is in Kentucky. He likewise assisted the Senator from Alabama in the development of that portion of it which is in Alabama, as he cooperated with the Senator from Nebraska (Mr. Norris) and all those who were urging and fighting for the development of the Tennessee Valley, and the creation of the Tennessee Valley Authority.

It was not an easy fight to win. As a matter of fact, the fight had been going on ever since World War I, when the Government inaugurated a program at Muscle Shoals, in Alabama, for the manufacture of nitrates by the fixation process, and the manufacture of fertilizer as a result. For a long time this project lay dormant, during World War I, and until 1933.

Mr. MCKELLAR. Mr. President, the Senator from Kentucky is mistaken about that. The Muscle Shoals Dam was built under an amendment I offered.

Mr. BARKLEY. I am coming to that. I meant that the development of the whole valley was dormant. There was a fight going on constantly in each Congress, and in each session of Congress, in the House and in the Senate, and in the House I recall that Judge Almon, a Member of the House from Alabama, was always urging the completion of the Wilson Dam and the other dams at Muscle Shoals, and the Senator from Tennessee and others were doing the same in the Senate; so there is no difference about that.

The development of the over-all valley really became an accomplishment in 1933 or 1934. I have forgotten whether the law was passed in 1933 or 1934, and it does not matter. So, the Tennessee Valley Authority was created, and the development of the valley was inaugurated, dams were authorized and constructed, and now they are about completed. The dam in Kentucky, which is at Gilbertsville, known as the Kentucky Dam, I think is the largest dam in the Tennessee Valley.

The influence of the Tennessee Valley Authority extends beyond any one State. It extends beyond the States in which there are any dams. It has its effects in South Carolina, Georgia, Alabama, and Kentucky, and I think in all likelihood it would extend across the Ohio River to Illinois, perhaps to Indiana, and across into Missouri and Arkansas.

The largest number of these dams of course is in Tennessee, and the headquarters, the home office, is at Knoxville. Of course that creates a percentage of interest in Tennessee which would be larger than in the case of any other State.

I have no information or knowledge in any way as to the beginning of any controversy, or the controversy which seems to have arisen between Mr. Lilienthal and the Senators from Tennessee. I regret that controversy. I do not know what has happened in Tennessee from a political standpoint. I do know that there has been no politics in Kentucky in connection with the Tennessee Valley Authority, and my information from the Senators from Alabama has been that there has been no political controversy waged or carried on in Alabama on account of it.

Mr. MCKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Tennessee?

Mr. BARKLEY. I yield.

Mr. MCKELLAR. In Alabama the Tennessee Valley Authority comprehends only a few counties in the northern part of the State. The Alabama Power Co. is the great power-producing activity of Alabama, and that is a private company.

I wish to say that Lilienthal has been in politics from the moment he became connected with the Tennessee Valley Authority, and he has gotten to be probably the leading politician in Tennessee. He and Silliman Evans have joined forces and they are the leading politicians in Tennessee.

The Senator from Kentucky says we have gotten along excellently heretofore, and we have, but perhaps the Senator knows Mr. Lilienthal is looking to take my place, through the Senate's action and the Senator's action. Perhaps the Senator will find him a better colleague than I have been.

Mr. BARKLEY. Let me say to the Senator from Tennessee that I have no anticipation that either Mr. Lilienthal or anyone under his influence will take the place of the senior Senator from Tennessee.

Mr. MCKELLAR. The Senator from Kentucky is doing all he can to bring that about.

Mr. BARKLEY. Mr. President, the Senator is mistaken about that.

Mr. MCKELLAR. Oh, no; I am not mistaken about it. I come from Tennessee. I have lived there for more than half a century, and I know something about the situation there. I wish to say that this man, who I have said is personally and politically obnoxious and objectionable to me, is doing everything in his power to defeat me for reelection. If the Senator from Kentucky wants to take the part of this man, he is perfectly welcome to do so.

Mr. BARKLEY. I do not know whether the Senator from Tennessee accords to me any degree of sincerity when I say that I not only do not anticipate that Mr. Lilienthal will supplant him but that I do not anticipate that Mr. Lilienthal will elect anyone else to supplant the Senator from Tennessee. I certainly have no desire to see that done, and I would not knowingly lend any influence to bring it about, although I am supporting Mr. Lilienthal on his merits as an administrator and as a nominee of the President of the United States, who appointed him.

Mr. MCKELLAR. The Senator is mistaken. Will the Senator yield.

Mr. BARKLEY. Yes; I yield.

Mr. MCKELLAR. If the Senator will examine Mr. Lilienthal's record, he will certainly not find that he is supporting Mr. Lilienthal on his merits, because Mr. Lilienthal is taking all the credit for what the officers and agents of the Tennessee Valley Authority are doing without regard to Mr. Lilienthal.

Mr. BARKLEY. Mr. President, the President of the United States has appointed Mr. Lilienthal, and I would hate to think that President Harry S. Truman, who so lately was a Member of this body, who I think enjoys the respect and

admiration of all of us, and to a remarkable degree the confidence of the country at this time, would reappoint Mr. Lilienthal, or that he would appoint anyone except upon his merits. I think we all have the right to assume that the President of the United States has made this reappointment because he thinks Mr. Lilienthal merits it.

So far as the political end of the matter is concerned, I recall that we wrote into the law itself a provision that political considerations should be given no attention whatever and political affiliation should not have any consideration in the appointment of men or women who were to work for the Tennessee Valley Authority.

When the dam was begun at Gilbertsville, Ky., which, I think, ultimately employed about 6,000 individuals, at the peak of the construction work, that dam being 20 miles from my home city of Paducah, and there then being widespread unemployment there, as there was all over the country, many of my neighbors and friends, some of them lifelong friends, besought me to secure appointments and employment for them at the Gilbertsville Dam by my recommendations. I recall that on one of my visits to my home at Paducah, in a period of 2 weeks more than 700 men, by actual count, came to my home and asked me to recommend them for positions in the Tennessee Valley Authority, and especially at the Gilbertsville Dam. I tried to explain to them that Congress had provided in the law that politics should not be considered in appointing men to this work, and that I felt that recommendations from me would do them more harm than good, because Dr. Arthur E. Morgan, who was the chairman of the board of the Tennessee Valley Authority in the beginning, and who presided over it at that time, and the other Dr. Morgan, who I believe is still a member, both took the position that if the recommendations of Senators and Representatives should be given any more weight than the recommendations of any one else they would be in spirit if not in fact violating the law which we had written in which we said that political considerations should be given no weight in considering appointments.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. I wish to say to the Senator that I knew of that law and never made a recommendation to the TVA. I forced Lilienthal on the stand in April to admit that I had never made any recommendation of any kind, although he had constantly, directly or indirectly, given out the statement that that was the trouble; that I wanted to get patronage, which is as infamously false a statement as could be made.

Mr. BARKLEY. Mr. President, I did not cite the law to infer that the Senator from Tennessee had made any such recommendation.

Mr. McKELLAR. I was wondering why it was done.

Mr. BARKLEY. I cited it because I wanted to emphasize the fact that Congress itself in the beginning prohibited the use of or the consideration of political affiliations in determining who should be appointed under the Tennessee Valley Authority. I was living almost in the front door of the Kentucky dam. There was widespread unemployment at the time. With seven or eight hundred people coming to me and requesting me to recommend them within a period of 2 weeks, Senators may well understand how difficult it was for me to explain to them why I did not think it wise to do so, and why I did not think a recommendation from me would accomplish their employment. I explained that it seemed to me the Tennessee Valley Authority was leaning backward in its attitude toward political recommendations in order that they might not be accused of allowing them to have weight in determining who should be employed. At the time I felt, and I still feel, that I offended many of my personal friends in my home town, because I would not give them a recommendation to the authorities who were constructing the dam at Gilbertsville.

I mention that because at least at that time I had a feeling that the Tennessee Valley Authority was attempting to live up to the law which Congress itself had laid down for its guidance.

Mr. President, I think the people of the Tennessee Valley generally regard Mr. Lilienthal as an able administrator. I have no knowledge of any speeches he made. He made a speech in my home town at the joint invitation of the Kiwanis Club, the Lions Club and the Rotary Club. I imagine it would be difficult for a man who is head of the TVA, in the great Tennessee Valley, to avoid invitations to make speeches before service organizations or commercial clubs, or other organizations. Of course he ought to make speeches on the subject of his work. He ought to make speeches in regard to the work of the Tennessee Valley Authority, but it would be inexcusable of him to take advantage of invitations of that sort to make partisan political speeches, or to indulge in campaigns directly or indirectly involving the nomination or election of men either to the Senate or to the House; and if he has done so I would condemn his action as promptly as anyone else possibly could.

Mr. President, I think that by and large in the Tennessee Valley, as is evidenced by the resolutions adopted and the attitudes taken by organizations of men interested in the development of the valley, Mr. Lilienthal is regarded as an able administrator. I do not think any of us can doubt or dispute the fact that he is a man of ability. Certainly, as a defender of his nomination here and in harmony with the President of the United States, who feels that Mr. Lilienthal merits renomination and reconfirmation, not only would I be the last man to condone any political activities on his part, but I would be the first to condemn them. If Mr. Lilienthal does indulge in any activity that could be regarded as political or partisan, seeking to use the influence of the Tennessee Valley Authority to control elections, I myself would feel it my duty to condemn it in the future as I do even now.

Of course, there is always an equation that enters into such things as that. Sometimes we may feel—and we may be mistaken about it—that we are goaded into reply by something someone said about us, simply as a matter of defense of our records. Men do such things and in the heat of debate they sometimes go beyond the bounds of propriety. I have certainly no desire and no intention, remotely or directly, by insinuation, inuendo, or by any other means, to make any contribution, by my vote here or by anything that I may say, to any opposition which may exist either to the senior Senator from Tennessee [Mr. McKELLAR], or the junior Senator from Tennessee [Mr. STEWART], both of whom I admire, and for both of whom I have a deep affection, of long standing in the case of the senior Senator, and of intensity, if not quite such long standing, in the case of the junior Senator from Tennessee.

I entertain the hope that the nomination of Mr. Lilienthal may be confirmed, and that in the future there may exist harmony and accord and understanding between him and the people whom he will be called upon to serve in the great work which we have inaugurated here and fostered to its conclusion.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of David E. Lilienthal to be a member of the board of directors of the Tennessee Valley Authority?

The nomination was confirmed.

Mr. STEWART. Mr. President, although there was not a roll call, I desire to have the RECORD show that I voted "No."

Mr. McKELLAR. Mr. President, I desire to have the same record made as to my vote.

The PRESIDING OFFICER. Without objection, the RECORD will so show.

Mr. HATCH. Mr. president, I wish to make one comment. The discussion which occurred here today about the alleged political activity of an employee of an official governmental agency only emphasizes the fact that the law which prohibits the political activity of Government employees should be enforced.

The PRESIDING OFFICER. The clerk will proceed to state the remaining nominations on the executive calendar.

SUPERINTENDENT OF THE MINT AT SAN FRANSISCO

The legislative clerk read the nomination of Neal H. Callaghan to be Superintendent of the Mint of the United States at San Francisco, Calif.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COLLECTORS OF CUSTOMS

The legislative clerk read the nomination of Howell Cone to be Collector of Customs for customs collection district No. 17, with headquarters at Savannah, Ga.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of A. Raymond Raff to be collector

of customs for customs collection district No. 11 with headquarters at Philadelphia, Pa.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the foreign service.

The PRESIDING OFFICER. Without objection, the nominations in the foreign service are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask unanimous consent that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection the President will be notified forthwith.

INTERNATIONAL SANITARY CONVENTION OF 1944, MODIFYING CONVENTION OF JUNE 21, 1926

The Senate, as in Committee of the Whole, proceeded to consider the convention, Executive B (79th Cong., 1st sess.), the International Sanitary Convention of 1944, modifying the International Sanitary Convention of June 21, 1926, which was signed for the United States of America at Washington on January 5, 1945, which was read the second time, as follows:

INTERNATIONAL SANITARY CONVENTION, 1944—MODIFYING THE INTERNATIONAL SANITARY CONVENTION OF JUNE 21, 1926

The Governments signatory hereto,

Considering that the International Office of Public Health created by the Agreement signed at Rome on December 9, 1907, is unable for the time being to carry out effectively all of the duties and functions assigned to it in the Annex to that Agreement; in the International Sanitary Convention, 1926; in the International Sanitary Convention for Aerial Navigation, 1933; and in other Conventions or Agreements relating to the public health;

Having entrusted the task of solving this temporary problem by the preparation of emergency agreements and arrangements for the notification of epidemic diseases and for uniformity in quarantine regulations to the United Nations Relief and Rehabilitation Administration (hereinafter referred to as UNRRA), in accordance with Resolution No. 8 (2) adopted by the Council of UNRRA at its First Session, without prejudice however to the status of the International Office of Public Health which it is hoped will be able at the expiry of the present Convention to resume the above-mentioned duties and functions; and having received the recommendations of UNRRA in this connection:

Having agreed that, in regard to the American Republics, the Pan American Sanitary Bureau shall continue to act as the general coordinating sanitary agency, including the general collection and distribution of sanitary information to and from the said Republics, as specified in the Pan American Sanitary Code and recognized heretofore by the International Office of Public Health;

Desiring also to modify as between themselves the provisions of the International Sanitary Convention signed in Paris on June 21, 1926, as modified by the Sanitary Convention signed in Paris in 1938, insofar as the provisions of the Convention of 1938 may be in force between the respective Governments (hereinafter referred to as the 1926 Convention), in the light of the present-day conditions which call for special measures to prevent the spread by land and sea across frontiers of epidemic or other communicable diseases;

Have decided to conclude a Convention for these purposes, have agreed that, whereas the authentic text of the 1926 Convention is in the French language, the present Convention shall be in English and in French, both texts being equally authentic, and have accordingly appointed the undersigned plenipotentiaries who, having communicated their full powers, found in good and due form, have agreed that the 1926 Convention shall be amended as follows:

ARTICLE I

All references in the 1926 Convention to the International Office of Public Health shall be read as references to UNRRA.

ARTICLE II

The second paragraph of Preliminary Provisions (2) shall be deleted and the following substituted:

"The word surveillance means that persons are not isolated, that they may move about freely, but that the sanitary authorities of the place or places to which they are proceeding are notified of their coming. They may be subjected in the places of arrival to a medical examination and such inquiries as are necessary with a view to ascertaining their state of health; and, in any territory where the competent Contracting Party thinks fit, surveillance may include requirement to report on arrival and afterwards at such intervals during continuance of surveillance as may be specified, to the Health Officer of the city, town, district, or place to which they proceed."

ARTICLE III

The following definitions shall be added to the Preliminary Provisions:

"(5) The term typhus, typhus fever, or exanthematous typhus in the 1926 Convention and in the present Convention shall be deemed to relate only to epidemic louse-borne typhus.

"(6) The term Stegomyia, Stegomyia (Aëdes aegypti), or Stegomyia calopus (Aëdes aegypti) shall be deemed to include Aëdes aegypti and any potential mosquito vectors of yellow fever."

ARTICLE IV

To Article 1 the following shall be added:

"Every Contracting Party shall, in addition to the diseases specifically mentioned in this Article, to wit, plague, cholera, yellow fever, typhus, and smallpox, notify to UNRRA outbreaks of such other communicable diseases as, in the opinion of that Party or in the opinion of UNRRA, constitute a menace to other countries by their spread or potential spread across frontiers, and shall keep UNRRA regularly informed of the course of the disease and the measures taken to prevent its spread. The provisions of the 1926 Convention as amended or supplemented by the present Convention shall, unless clearly inapplicable, apply to the above-mentioned other communicable diseases."

ARTICLE V

In Article 3 the word "Paris" in the second paragraph shall be deleted and the words "London or Washington" shall be substituted.

To Article 3 the following shall be added:

"In order to facilitate the prompt and scrupulous fulfilment of the foregoing provisions, the Contracting Parties shall ensure priority for all communications which may enable UNRRA rapidly to appraise the situation concerning the outbreak of a disease and to inform governments in order that they may take appropriate measures against the spread of the disease across their frontiers."

ARTICLE VI

After Article 5 the following shall be inserted:

"Article 5A. In addition to carrying out the system of notification and intelligence prescribed in Part I, Chapter I of the 1926 Convention, which remains in full force, the Parties to the present Convention shall transmit promptly to UNRRA the notifications and other information prescribed in Part I of the 1926 Convention.

"Article 5B (1). In addition to the formal notification required above, the Contracting Parties shall, so far as possible, send to the Health Organization of UNRRA at regular intervals notifications of communicable diseases notified in their countries.

"(2). The Contracting Parties shall make the necessary arrangements with UNRRA for giving prompt information to all the governments concerned of the outbreak in their respective countries of a disease which, in the opinion of UNRRA, constitutes a menace to other countries and of the measures which are being taken to prevent the spread of the disease across frontiers."

ARTICLE VII

To Article 13 the following shall be added:

"In a country where there exists a communicable disease, the subject of a formal notification under any international sanitary or quarantine convention for the time being in force, the Sanitary Authority in that country may prohibit the embarkation on board a ship on international voyage of persons suffering from the disease, and of persons in such relations to the sick as to render them liable to transmit the disease, unless the Medical Officer of the port of embarkation is satisfied that measures can be taken on board the ship to prevent the spread of the disease to the other persons on board. The Medical Officer of the port of embarkation, or other authorized officer of the sanitary authority, if he has reason to suspect any clothing, bedding, or other article of personal use which belongs to or is intended for use by persons embarking to be infected, may examine and require the disinfection of any such clothing, bedding, or other article of personal use before it is taken on board.

"The measures enumerated in this Article shall be taken as far in advance of the sailing date of the ship as possible in order not unduly to delay the ship's departure.

"Nothing in this Article shall affect the power of the Master of the ship to refuse to embark sick persons."

ARTICLE VIII

In Article 15 the following shall be inserted between the third and fourth paragraphs:

"If on the call or arrival of any ship at a port there is on board a case of infectious disease duly verified by the port medical officer, not being a case of plague, cholera, yellow fever, typhus, or smallpox, the usual measures in force in the country in which the port is situated shall be applied subject always to the provisions of Article 54 of the 1926 Convention.

"In carrying out measures for control of the spread of communicable disease across frontiers, particularly in regard to the movement of displaced populations conveyed by international maritime transport, the Contracting Parties will not delay any ship at any point of her voyage longer than is necessary for the medical examination of crew and passengers, for the disembarkation (if such is considered necessary) of persons suffering from communicable disease, and of their bedding and personal effects, and for the disinfection of the accommodation they occupied. The ship shall not be employed as a means of isolation of the sick, or of their contacts, unless such isolation can be effected without delay or unduly interfering with her movements."

ARTICLE IX

The footnote to Article 25 shall be deleted and the following substituted:

"In all cases where this Convention provides for surveillance, surveillance may not be replaced by observation except—

"(a) in circumstances in which it would not be practicable to carry out surveillance with sufficient thoroughness; or

"(b) if the risk of the introduction of infection into the country is considered to be exceptionally serious; or

"(c) if the person who would be subject to surveillance cannot furnish adequate sanitary guarantees.

"Persons under observation or surveillance shall submit themselves to any examination which the competent sanitary authority may consider necessary."

ARTICLE X

In Articles 35 (a), 36 (4), and 47 the words "200 meters" shall be deleted and the words "400 meters" shall be substituted.

ARTICLE XI

To Article 40 the following shall be added:

"With a view to the elimination of Stegomyia (Aëdes aegypti) as an important step in the control of the spread of yellow fever, the Contracting Parties shall, in the light of their knowledge and experience of the control of the yellow fever vector, render and maintain free from Stegomyia (Aëdes aegypti) (a) ports and their surroundings in endemic areas, and (b) ports not situated in endemic areas but exposed to the risk of the introduction of the disease. They shall also use their best endeavors to secure that personnel employed in the handling of ship in ports in endemic areas and in ports specially exposed to risk shall be inoculated against yellow fever.

"The Contracting Parties agree that all persons inoculated in compliance with the provisions of the preceding paragraph of this Article shall be furnished with and carry an inoculation certificate signed by the officer carrying out the inoculation. This certificate shall conform to the International Form of Certificate of Inoculation against yellow fever annexed hereto.

"Persons in possession of a valid anti-yellow fever inoculation certificate shall not for the purpose of the control of yellow fever be subjected to quarantine restrictions.

"In place of a valid anti-yellow fever inoculation certificate, a certificate that the bearer has recovered from an attack of yellow fever and that his blood contains immune bodies against yellow fever, as proved by a test carried out by an institute regularly carrying out biological tests for yellow fever and approved for this purpose by the government of the country concerned, will be accepted."

ARTICLE XII

In Article 41 (4) and (5), before the word "disinsected" the words "disinfected and" shall be inserted.

To Article 41 the following shall be added:

"The Contracting Parties will use their best endeavors to secure that ships trading with areas infected with typhus shall carry a sufficient quantity of an effective insecticide for the personal protection of the crew and passengers, and will give favorable consideration to the inoculation against typhus of all persons on board exposed to risk."

ARTICLE XIII

Article 42 (3) shall be deleted and the following substituted:

"(3) Other persons reasonably suspected to have been exposed to infection on board, and who, in the opinion of the sanitary authority, are not sufficiently protected by recent vaccination, or by a previous attack of smallpox, may be subjected to vaccination or to observation or to surveillance, or to vaccination followed by observation or surveillance, the period of observation or surveillance being specified according to the circumstances, but in any event not exceeding 14 days, reckoned from the date of arrival of the ship."

In Article 42 the following shall be inserted as the penultimate paragraph:

"For the purpose of this Article 'recent vaccination' shall be taken as meaning evidence of successful vaccination not more than 3 years or less than 14 days previously, or evidence of an immune reaction."

To Article 42 shall be added "Vaccination of such persons may be performed."

ARTICLE XIV

In Article 43 after the word "crew" in the first paragraph shall be added the words "and passengers."

ARTICLE XV

Article 49 shall be deleted and the following substituted:

"The Contracting Parties agree that bills of health and consular visas shall be abolished as soon as the conditions of hostilities permit the establishment of effective epidemiological communications. The Master of every foreign-going vessel approaching the first port in a territory shall ascertain the state of health of all persons on board and shall prepare and sign a Declaration of Health which shall be countersigned by the ship's surgeon, if one is carried, to be handed to the appropriate authority."

ARTICLE XVI

To Article 57 the following shall be added:

"The Contracting Parties will, so far as possible, adopt the International Form of Declaration of Health and the International Forms of Certificates of Inoculation or Vaccination against cholera, typhus, and smallpox, respectively, annexed hereto.[1]

"For the purposes of the present Convention the period of incubation is reckoned as 6 days in the case of plague, 5 days in the case of cholera, 6 days in the case of yellow fever, 12 days in the case of typhus, and 14 days in the case of smallpox."

ARTICLE XVII

Article 58 shall be deleted and the following substituted:

"Observation may, if considered necessary, be enforced at land frontiers. Persons may be directed to the places which have been designated for frontier traffic, and sanitary stations, equipped in accordance with the terms of Article 22 of the 1926 Convention, shall be set up at such places. These places and the measures taken shall be notified immediately to the countries concerned and to UNRRA. Indviduals who have been in contact with a person suffering from a disease referred to in Article 1 of the 1926 Convention, and their bedding and effects, may be subjected to the appropriate sanitary measures. In the case of persons suffering from a communicable disease not referred to in Article 1, the measures in force in the country of arrival shall be applied."

ARTICLE XVIII

Article 63 shall be deleted and the following substituted:

"Railway carriages for mails or luggage and goods trains may not be detained at the frontier longer than is necessary to apply the necessary sanitary measures for the prevention of the entry of communicable diseases into the country concerned."

ARTICLE XIX

To Article 65 the following shall be added:

"In framing regulations under this Article, the Contracting Parties will consult UNRRA and will inform UNRRA of the regulations and of the date of their entry into force."

[1] With regard to yellow fever see Article XI. communicable disease not referred to in Article 1, the measures in force in the country of arrival shall be applied."

ARTICLE XX

To Article 66 the following shall be added:

"In the application of Articles 58 to 66 inclusive of the 1926 Convention, as amended by the present Convention, to any persons coming within the category of 'displaced persons', the Contracting Parties shall be entitled to make such modifications as may be required by any special international arrangements under schemes to be organized by governments and by UNRRA for dealing with such persons."

And the Contracting Parties have further agreed as follows:

ARTICLE XXI

The present Convention shall come into force as soon as it has been signed or acceded to on behalf of ten or more governments.

ARTICLE XXII

The present Convention shall supplement and be read as one with the 1926 Convention, which as hereby amended remains in full force between the Contracting Parties, and whenever any provision of the 1926 Convention contains a reference to another provision, the reference shall be deemed to be a reference to that provision as modified by any amendments effected thereto by the present Convention.

ARTICLE XXIII

After January 15, 1945 the present Convention shall be open to accession by any government not a signatory. Accessions shall be notified in writing to the Government of the United States of America.

Accessions notified after the entry into force of the present Convention shall become effective with respect to each government upon the notification of its accession.

ARTICLE XXIV

Any Contracting Party may on signature or accession declare that the present Convention does not apply to all or any of its colonies, overseas territories, territories under its protection, suzerainty, or authority, or territories in respect of which it exercises a mandate. The present Convention may at any time thereafter be applied to any such territory by notification in writing to the Government of the United States of America, and the Convention shall apply to the territory concerned from the date of the receipt of the notification by the Government of the United States of America.

ARTICLE XXV

The Government of the United States of America shall give notice in writing to governments parties to the 1926 Convention and to governments parties to the present Convention, of all signatures and accessions to the present Convention and of all notifications regarding the territories to which the present Convention is to be applied.

ARTICLE XXVI

The present Convention shall remain in force as to each Contracting Party until either

(1) such Party shall become bound by a further convention amending or superseding the 1926 Convention, or

(2) the expiration of eighteen months from the date on which the present Convention enters into force,

whichever shall be the earlier.

ARTICLE XXVII

The original of the present Convention shall be deposited in the archives of the Government of the United States of America and shall be opened for signature at Washington on December 15, 1944, where it shall remain open for signature until January 15, 1945. Certified copies hereof shall be furnished by the Government of the United States of America to each of the governments on behalf of which this Convention is

signed or acceded to and to each of the governments parties to the 1926 Convention.

In witness whereof, the undersigned plenipotentiaries, having deposited their full powers, found to be in due and proper form, sign the present Convention in the English and French languages, both texts being equally authentic, on behalf of their respective governments, on the dates appearing opposite their signatures.

For the French Republic:
ANDRÉ MAYER. January 5, 1945.

For Poland:
JAN CIECHANOWSKI. January 5, 1945.

For the United Kingdom of Great Britain and Northern Ireland:

At the time of signing the present Convention I declare that my signature does not cover any of the territories referred to in Article Twenty-Four of the International Sanitary Convention, 1944.
HALIFAX. January 5, 1945.

For the United States of America (subject to ratification):
E R STETTINIUS Jr. January 5, 1945.

For China:
J. HENG LIU. January 11, 1945.

For the Union of South Africa:
S. F. N. GIE. January 13, 1945.

For Egypt (with the following reservations):

1. That this signature does not affect in any way the relations of the Egyptian Government with the International Office of Public Health, Paris, or its obligations toward the Regional Office at Alexandria;

2. That this convention is subject to ratification by the Egyptian Parliament.
M HASSAN. January 15, 1945.

For Czechoslovakia (subject to ratification):
V. S. HURBAN. January 15, 1945.

For Canada (subject to ratification):
L B PEARSON. January 15, 1945.

For Cuba:

Esta Convención, previa la aprobación del Senado de la República, será ratificada por el Ejecutivo. [2]
GMO BELT. January 15, 1945.

For the Dominican Republic:

Con la reserva de que la República Dominicana no podrá ratificar esta Convención sin adherirse, al mismo tiempo, a las Convenciones de París y de La Haya, y que por virtud de disposiciones constitucionales de la República, estos procesos estarán subordinados a la previa sanción del Congreso Nacional. [3]
EMILIO G GODOY. January 15, 1945.

For Nicaragua:
GUILLERMO SEVILLA SACASA.
January 15, 1945.

For Peru (with the following reservations):

1. That this Convention is signed ad referendum;

2. That if the execution of the said Convention would not conform with the regulations contained in the Pan American Sanitary Code of Havana, Perú will give preference to the latter.
P. G. BELTRAN. January 15, 1945.

For Luxembourg:
HUGHES LE GALLAIS. January 15, 1945.

For Ecuador:
S. E. DURÁN-BALLÉN. January 15, 1945.

For Greece:
C. P. DIAMANTOPOULOS. January 15, 1945,

For Honduras:
JULIAN R. CÁCERES. January 15, 1945.

For Haiti:
J. THÉBAUD. January 15, 1945.

[2] [Translation: This Convention, after approval by the Senate of the Republic, shall be ratified by the Executive.]

[3] [Translation: With the reservation that the Dominican Republic will not be able to ratify this Convention without adhering, at the same time, to the Paris and Hague Conventions, and that by virtue of Constitutional principles of the Republic, these processes shall be subject to the prior approval of the National Congress.]

The PRESIDING OFFICER. The Convention is before the Senate as in Committee of the Whole, and open to amendment. If there be no amendment to be proposed, the Convention will be reported to the Senate.

The Convention was reported to the Senate without amendment.

THE PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of (Executive B, Seventy-ninth Congress, first session) the International Sanitary Convention of 1944, modifying the International Sanitary Convention of June 21, 1926, which was signed for the United States of America at Washington on January 5, 1945.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. (Putting the question.) Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the Convention is ratified.

INTERNATIONAL SANITARY CONVENTION FOR AERIAL NAVIGATION OF 1944 MODIFYING THE CONVENTION FOR AERIAL NAVIGATION OF APRIL 12, 1933

The Senate, as in Committee of the Whole, proceeded to consider the Convention, Executive C (79th Cong., 1st sess.), the International Sanitary Convention for Aerial Navigation, 1944, modifying the International Sanitary Convention for Aerial Navigation of April 12, 1933, which was signed for the United States of America, at Washington on January 5, 1945, which was read the second time, as follows:

INTERNATIONAL SANITARY CONVENTION FOR AERIAL NAVIGATION, 1944—MODIFYING THE INTERNATIONAL SANITARY CONVENTION FOR AERIAL NAVIGATION OF APRIL 12, 1933

The Governments signatory hereto.

Considering that the International Office of Public Health created by the Agreement signed at Rome on December 9, 1907, is unable for the time being to carry out effectively all of the duties and functions assigned to it in the Annex to that Agreement; in the International Sanitary Convention, 1926; in the International Sanitary Convention for Aerial Navigation, 1933; and in other Conventions or Agreements relating to the public health;

Having entrusted the task of solving this temporary problem by the preparation of emergency agreements and arrangements for the notification of epidemic diseases and for uniformity in quarantine regulations to the United Nations Relief and Rehabilitation Administration (hereinafter referred to as UNRRA), in accordance with Resolution No. 8 (2) adopted by the Council of UNRRA at its First Session, without prejudice however to the status of the International Office of Public Health which it is hoped will be able at the expiry of the present Convention to resume the above-mentioned duties and functions; and having received the recommendations of UNRRA in this connection;

Having agreed that, in regard to the American Republics, the Pan American Sanitary Bureau shall continue to act as the general coordinating sanitary agency, including the general collection and distribution of sanitary information to and from the said Republics, as specified in the Pan American Sanitary Code and recognized heretofore by the International Office of Public Health;

Desiring also to modify as between themselves the provisions of the International Sanitary Convention for Aerial Navigation signed at The Hague on April 12, 1933 (hereinafter referred to as the 1933 Convention) in the light of the present-day conditions which call for special measures to prevent the spread by air across frontiers of epidemic or other communicable diseases;

Have decided to conclude a Convention for these purposes, have agreed that, whereas the authentic text of the 1933 Convention is in the French language, the present Convention shall be in English and in French, both texts being equally authentic, and have accordingly appointed the undersigned plenipotentiaries who, having communicated their full powers, found in good and due form, have agreed that the 1933 Convention shall be amended as follows:

ARTICLE I

All references in the 1933 Convention to the International Office of Public Health shall be read as references to UNRRA.

ARTICLE II

The second paragraph of Article 1, subparagraph VI, shall be deleted and the following substituted:

"The word surveillance means that persons are not isolated, that they may move about freely, but that the sanitary authorities of the place or places to which they are proceeding are notified of their coming. They may be subjected in the places of arrival to a medical examination and such inquiries as are necessary with a view to ascertaining their state of health; and, in any territory where the competent Contracting Party thinks fit, surveillance may include requirement to report on arrival and afterwards at such intervals during continuance of surveillance as may be specified, to the Health Office of the city, town, district, or place to which they proceed."

ARTICLE III

To Article 1 the following definitions shall be added:

"VIII. The term typhus, typhus fever, or exanthematous typhus shall be deemed to relate only to epidemic louse-borne typhus.

"IX. An endemic yellow fever area is a region in which yellow fever exists in a form recognizable clinically, biologically, or pathologically.

"X. A valid anti-yellow fever inoculation certificate is one certifying that the bearer has been inoculated against yellow fever, with a vaccine and by a method approved by UNRRA, if there have elapsed:

"(1) More than 10 days and less than 4 years from the date of the inoculation.

"(2) Less than 4 years from the date of a re-inoculation performed within 4 years of the previous inoculation.

"(3) More than 10 days and less than 4 years from the date of re-inoculation performed after an interval of more than 4 years.

"XI. The term Stegomyia (Aëdes aegypti) shall be deemed to include Aëdes aegypti and any potential mosquito vectors of yellow fever."

ARTICLE IV

Article 9 shall be deleted and the following substituted:

"(1) All passengers traveling by aircraft on international flight shall, on or just before arrival at the point of final disembarkation, or, if required, at any aerodrome where the journey is broken, complete a Personal Declaration of Origin and Health.

"(2) The Commander of an aircraft on international flight shall, on or just before the arrival of the aircraft at the first authorized aerodrome in the country of entry, complete an Aircraft Declaration of Health to be handed to the aerodrome authority on arrival, and may be required to produce certificates concerning sanitary measures which such Declaration states were undergone by the aircraft before departure or at stopping places in ap-

plication of the 1933 Convention as hereby amended.

"(3) Aircraft shall not be required to carry Bills of Health.

"(4) The Contracting Parties will, so far as possible, adopt the International Forms of Aircraft Declaration of Health, Personal Declaration of Origin and Health, and Certificates of Inoculation or Vaccination against cholera, typhus, and smallpox, respectively, annexed hereto.[1]

ARTICLE V

To Article 13 the following shall be added:

"Further, the embarkation of persons who do not present adequate sanitary guarantees may be prohibited, until the sanitary measures—delousing, disinfection of clothing, etc., or any other measures that are, in the opinion of the sanitary authority, necessary to prevent the carriage of the disease by aircraft, have been carried out."

ARTICLE VI

To Article 16 after "sanitary measures" at the end of the first paragraph the words "including cleansing" shall be added.

ARTICLE VII

Article 20 shall be deleted and the following substituted:

"(1) Each Contracting Party shall immediately notify, by the most rapid means, the other Contracting Parties and UNRRA of:

"(a) The first recognized case of plague, cholera, or yellow fever discovered in its territory.

"(b) The first recognized case of plague, cholera, or yellow fever which occurs outside the limits of local areas already affected.

"(c) The existence of an epidemic of typhus or of smallpox.

"(2) Every notification prescribed above shall be accompanied, or very promptly followed, by detailed information as to:

"(a) The place where the disease has appeared.

"(b) The date of its appearance, its source, and its type (including reports of pathological examinations as soon as available).

"(c) The number of recognized cases and the number of deaths.

"(d) The extent of the local area or areas affected.

"(e) In the case of plague, the existence of that disease, or of an unusual mortality, among rodents (including reports of bacteriological examinations as soon as available).

"(f) In the case of cholera, the number of germ carriers when any have been discovered.

"(g) In the case of yellow fever, the presence and relative prevalence (index) of Stegomyia (Aëdes aegypti).

"(h) The measures taken.

"(3) Each Contracting Party shall, in addition to the diseases specifically mentioned in Article 18 of the 1933 Convention, to wit, plague, cholera, yellow fever, typhus, and smallpox, notify outbreaks of such other communicable diseases as, in the opinion of UNRRA, constitute a menace to other countries by their spread or potential spread across frontiers and shall keep UNRRA regularly informed of the course of the disease.

"(4) In addition to the formal notification required by paragraphs (1), (2), and (3) above, the Contracting Parties shall, so far as possible, send to UNRRA at regular intervals notifications of other communicable diseases notified in their countries.

"(5) The Contracting Parties shall make the necessary arrangements with UNRRA for giving prompt information to all the governments concerned of the outbreak in any country of a disease which, in the opinion of UNRRA, constitutes a menace to other countries and of the measures which are being taken to prevent the spread of the disease across frontiers by aircraft.

"(6) The notifications contemplated in paragraphs (1) and (2) of this Article are to be addressed to the diplomatic missions, or, failing them, to consular offices in the capital of the infected country and shall be held at the disposition of consular offices established in its territory.

"(7) These notifications shall also be addressed to UNRRA which shall communicate them immeditaely to all diplomatic missions, or, failing them, to the consulates in London or Washington as well as to the principal public health authorities of the participating countries. Those prescribed under paragraphs (1) and (2) of this Article shall be transmitted by telegraph or radio.

"(8) The appropriate health authority of each Contracting Party shall transmit to the sanitary and authorized aerodromes of its country or within its jurisdiction all information contained in the epidemiological notifications and communications received from UNRRA (and the regional bureaus with which it has made agreements for this purpose) in execution of the provisions of the International Sanitary Convention of June 21, 1926, which may affect the exercise of sanitary control in those aerodromes.

"(9) In order to facilitate the prompt and scrupulous fulfilment of the foregoing provisions, the Contracting Parties shall ensure priority for all communications which may enable UNRRA rapidly to appraise the situation concerning the outbreak of a disease and to inform governments in order that they may take appropriate measures against the spread of the disease across their frontiers."

ARTICLE VIII

The second paragraph of Article 32 shall be deleted.

ARTICLE IX

In Article 34, paragraph (b), the following shall be inserted after sub-paragraph (3):

"(4) The Contracting Parties shall give favorable consideration to the inoculation against typhus of all persons on board exposed to risk."

Sub-paragraphs (4) and (5) of Article 34 shall be renumbered (5) and (6) respectively.

ARTICLE X

Article 35 (b) (3) shall be deleted and the following substituted:

"(3) Other persons reasonably suspected to have been exposed to infection and who, in the opinion of the sanitary authority, are not sufficiently protected by recent vaccination, or by a previous attack of smallpox, may be subjected to vaccination or to observation or to surveillance, or to vaccination followed by observation or surveillance, the period of observation or surveillance being specified according to the circumstances, but in any event not exceeding 14 days, reckoned from the date of arrival of the aircraft."

The final paragraph of Article 35 shall be deleted and the following substituted:

"For the purpose of this Article 'recent vaccination' shall be taken as meaning evidence of successful vaccination not more than 3 years or less than 14 days previously, or evidence of an immune reaction."

ARTICLE XI

Article 36 shall be deleted and the following substituted:

"The Contracting Parties agree:

"(1) That persons suffering, or suspected to be suffering, from yellow fever shall not be allowed to embark on aircraft on international flight.

"(2) That they will take all possible measures to establish the existence or non-existence of yellow fever within their territories. For this purpose, in territories where endemicity of yellow fever is suspected, in cases where the person dies within 10 days from the onset of any undiagnosed febrile illness, it is important that a specimen of liver tissue be taken, if necessary by viscerotome, for histopathological examination. In endemic areas a sample of blood for a yellow fever immunity test should, in addition, wherever possible, be taken from all persons suffering from an undiagnosed fever, and, if the cause of the fever remains doubtful and the patient recovers, a second sample should be collected at the end of the third week from the onset of illness.

"(3) For the purpose of quarantine control, UNRRA in consultation with the governments concerned and, as regards the Western Hemisphere, with the Pan American Sanitary Bureau, shall define the boundaries of endemic yellow fever areas.

"(4) That they shall use their best endeavors to secure that all persons who are likely to land in an endemic yellow fever area shall be inoculated against yellow fever 10 days before arrival in the area and that, so long as such persons remains in the area, they shall be re-inoculated every 4 years.

"(5) (a) That inoculation against yellow fever shall be required for all regular staff employees and crews using authorized aerodromes situated in endemic yellow fever areas.

"(b) That in areas in which yellow fever does not exist, but in which there may be conditions permitting of its development, inoculation of such personnel is recommended.

"(6) That all persons inoculated in compliance with the provisions of paragraphs (4) and (5) of this Article shall be furnished with and carry an Inoculation Certificate signed by the officer carrying out the inoculation. This certificate shall conform to the International Form of Certificate of Inoculation against yellow fever annexed hereto.

"(7) That persons in possession of a valid anti-yellow fever inoculation certificate shall not for the purpose of the control of yellow fever be subjected to quarantine restrictions.

"(8) That in place of a valid anti-yellow fever inoculation certificate, a certificate that the bearer has recovered from an attack of yellow fever and that his blood contains immune bodies against yellow fever, as proved by a test carried out by an institute regularly carrying out biological tests for yellow fever and approved for this purpose by the government of the country concerned, will be accepted.

"(9) That any person not in possession of a valid anti-yellow fever inoculation certificate shall be considered to have been exposed to the risk of contracting yellow fever during the period of his stay in an endemic yellow fever area.

"(10) That UNRRA shall lay down standards with which yellow fever vaccine shall conform.

(11) That they will make arrangements to test at frequent intervals the activity of the yellow fever immunizing vaccine in use in order to ensure that its immunizing properties are satisfactory, and for this purpose agree that UNRRA in consultation with the governments concerned and, as regards the Western Hemisphere, with the Pan American Sanitary Bureau, shall designate from time to time institutes which are approved for the carrying out of such tests."

ARTICLE XII

Article 38 shall be deleted and the following substituted:

"Notwithstanding Article 4 of the 1933 Convention, every aerodrome which receives aircraft to which the 1933 Convention as amended applies (Article 1, I, second paragraph) and which is situated in a region, that is to say, a part of a territory, in which yellow fever exists in a form clinically, biologically, or pathologically recognizable shall be made a sanitary aerodrome as defined in the 1933 Convention, and in addition, shall be:

[1] With regard to yellow fever see Article XI (6).

"(1) situated at an adequate distance from the nearest inhabited center; [2]

"(2) provided with arrangements for a water supply completely protected against mosquitoes, and kept as free as possible from mosquitoes by systematic measures for the suppression of breeding places and the destruction of the insects in all stages of development;

"(3) provided with mosquito-proofed dwellings for the crews of the aircraft and for the staff of the aerodrome;

"(4) provided with a mosquito-proofed dwelling in which passengers can be accommodated or hospitalized.

"With a view to the elimination of insect vectors of yellow fever, the Contracting Parties will render and maintain free from such vectors (a) aerodromes and their surroundings in endemic yellow fever areas, and (b) aerodromes not situated in endemic yellow fever areas but exposed to the risk of the introduction of the disease.

"As an immediate precaution against the carriage of vectors of yellow fever, disinsectization of aircraft shall be carried out at each aerodrome within an endemic yellow fever area, particularly on departure from the last aerodrome in an endemic yellow fever area.

"Health authorities in any territory within an endemic yellow fever area shall be at liberty to impose such quarantine restrictions against other territories within that area as may be authorized by the 1933 Convention as hereby amended. Detention of healthy passengers and crews not carrying valid Inoculation Certificates shall not be carried out at the aerodrome of departure. They shall be permitted to depart, the necessary quarantine measures being carried out at the first aerodrome of arrival in an area at risk."

ARTICLE XIII

Articles 39 to 46 inclusive shall be deleted.[3]

ARTICLE XIV

Article 47 shall be deleted, and the following substituted:

"(1) In territories in which yellow fever does not exist, but in which there may be conditions which permit of its development:

"(a) authorized aerodromes shall conform to the requirements set forth in Article 38 of the 1933 Convention as hereby amended;

"(b) upon arrival at the first aerodrome of call aircraft which have proceeded from endemic yellow fever areas shall be disinsected.

"(2) All persons traveling by air from an endemic yellow fever area to one in which yellow fever does not exist but in which there may be conditions which permit of its development, shall be dealt with in the following manner, at the first stopping place in the latter area:

"(a) if they are in possession of a valid anti-yellow fever inoculation certificate they shall be allowed to proceed without any quarantine restrictions with respect to yellow fever;

"(b) if they are not in possession of a valid anti-yellow fever inoculation certificate, they may be isolated in properly screened quarters until the certificate becomes valid or until 6 days have elapsed, whichever is the lesser.

"(3) Notwithstanding the preceding provisions of this Article, the Contracting Parties may (but only in the most exceptional cases) issue Certificates of Urgency to non-inoculated persons whose unobstructed passage is absolutely and immediately essential on grounds of high policy, certifying that a passage without hindrance to the bearer of the Certificate is urgently necessary.

"The precise form and method of issue of the Certificate and the nature of the certifying authority shall be a matter for arrangement and communication between governments concerned.

"The Contracting Parties undertake to grant unimpeded passage to bearers of such Certificates but the movements of such Certificate holders will, whenever possible, be restricted during stops on air routes to adequately screened quarters which will not be left except to re-enter the aircraft."

ARTICLE XV

The first line of Article 51 shall be altered to read "The following measures may be taken on arrival:".

ARTICLE XVI

Article 53 shall be deleted, and the following substituted:

"Persons who, on their arrival at an aerodrome, are considered, under the terms of Part III of the 1933 Convention as hereby amended, liable to surveillance [4] up to the expiration of the period of incubation of the disease, may nevertheless continue the voyage, on condition that the fact is notified to the authorities of subsequent landing places and of the place of arrival by some method sufficient to secure that they can be subjected to medical inspection in any subsequent aerodromes on the route.

"Persons who are liable to observations [4] under the terms of Article 26 of the 1933 Convention shall not be authorized, until the expiration of the period of incubation, to continue their voyage except, in the case of diseases other than yellow fever, with the approval of the sanitary authorities of the next stopping place."

ARTICLE XVII

The first paragraph of Article 54 shall be deleted and the following substituted:

"In applying sanitary measures to an aircraft coming from an infected local area, the sanitary authority of each aerodrome shall, to the greatest possible extent, take into account all measures which have already been applied to the aircraft, in another sanitary aerodrome abroad or in the same country, and which are duly noted in the Aircraft Declaration of Health referred to in Article IV of the present Convention."

To Article 54 the following paragraph shall be added:

"In view of the special risk of conveying insect vectors of malaria and other diseases by aircraft on international flight, all such aircraft leaving affected areas will be disinsected. Notwithstanding the terms of Article 54 of the 1933 Convention as hereby amended, further disinsectization of the aircraft on or before arrival may be required if there is reason to suspect the importation of insect vectors."

And the Contracting Parties have further agreed as follows:

ARTICLE XVIII

The present Convention shall come into force as soon as it has been signed or acceded to on behalf of ten or more governments.

ARTICLE XIX

The present Convention shall supplement and be read as one with the 1933 Convention, which as hereby amended remains in full force between the Contracting Parties, and whenever any provision of the 1933 Convention contains a reference to another provision, the reference shall be deemed to be a reference to that provision as modified by any amendments effected thereto by the present Convention.

ARTICLE XX

After January 15, 1945 the present Convention shall be open to accession by any government not a signatory. Accessions shall be notified in writing to the Government of the United States of America.

Accessions notified after the entry into force of the present Convention shall become effective with respect to each government upon the notification of its accession.

ARTICLE XXI

Any Contracting Party may on signature or accession declare that the present Convention does not apply to all or any of its colonies, overseas territories, territories under its protection, suzerainty, or authority, or territories in respect of which it exercises a mandate. The present Convention may at any time thereafter be applied to any such territory by notification in writing to the Government of the United States of America, and the Convention shall apply to the territory concerned from the date of the receipt of the notification by the Government of the United States of America.

ARTICLE XXII

The Government of the United States of America shall give notice in writing to governments parties to the 1933 Convention and to governments parties to the present Convention, of all signatures and accessions to the present Convention and of all notification regarding the territories to which the present Convention is to be applied.

ARTICLE XXIII

The present Convention shall remain in force as to each Contracting Party until either

(1) such Party shall become bound by a further Convention amending or superseding the 1933 Convention, or

(2) the expiration of eighteen months from the date on which the present Convention enters into force,

whichever shall be the earlier.

ARTICLE XXIV

The original of the present Convention shall be deposited in the archives of the Government of the United States of America and shall be opened for signature at Washington on December 15, 1944, where it shall remain open for signature until January 15, 1945. Certified copies hereof shall be furnished by the Government of the United States of America to each of the governments on behalf of which this Convention is signed or acceded to and to each of the governments parties to the 1933 Convention.

In witness whereof, the undersigned plenipotentiaries, having deposited their full powers, found to be in due and proper form, sign the present Convention in the English and French languages, both texts being equally authentic, on behalf of their re-

[2] For the purpose of mosquito control the perimeter of the aerodrome should be defined as the line enclosing the area containing the aerodrome buildings and any land used or intended to be used for the parking of aircraft. A building-free zone of 400 meters should be maintained around the perimeter of all areodromes on main air lines of communications within endemic yellow fever areas.

[3] In view of the deletion of Article 40, compliance with the requirements of Article 38 as amended shall no longer cause aerodromes situated in an endemic yellow fever area to be regarded as "antiamaril aerodromes" and separate local areas. Passengers landing at such aerodromes shall submit to the measures laid down in Article 38 as required.

[4] In all cases where this Convention provides for surveillance, surveillance may not be replaced by observation except

(a) in circumstances in which it would not be practicable to carry out surveillance with sufficient thoroughness; or

(b) if the risk of the introduction of infection into the country is considered to be exceptionally serious; or

(c) if the person who would be subject to surveillance cannot furnish adequate sanitary guarantees.

Persons under observation or surveillance shall submit themselves to any examination which the competent sanitary authority may consider necessary.

spective governments, on the dates appearing opposite their signatures.

For the French Republic:

ANDRÉ MAYER. January 5, 1945.

For Poland:

JAN CIECHANOWSKI. January 5, 1945.

For the United Kingdom of Great Britain and Northern Ireland:

At the time of signing the present Convention I declare that my signature does not cover any of the territories referred to in Article Twenty-One of the International Sanitary Convention for Aerial Navigation, 1944.

HALIFAX. January 5, 1945.

For the United States of America (subject to ratification):

E. R. STETTINIUS Jr. January, 5, 1945.

For China:

J. HENG LIU. January 11, 1945.

For the Union of South Africa:

S. F N. GIE. January 13, 1945.

For Egypt (with the following reservations):

1. That this signature does not affect in any way the relations of the Egyptian Government with the International Office of Public Health, Paris, or its obligations toward the Regional Office at Alexandria.

2. That this convention is subject to ratification by the Egyptian Parliament

M HASSAN. January 15, 1945.

For Canada (subject to ratification):

L B PEARSON. January 15, 1945.

For Cuba:

Esta Convención, previa la aprobación del Senado de la República, será ratificada por el Ejecutivo.[5]

GMO BELT. January 15, 1945.

For the Dominican Republic:

Con la reserva de que la República Dominicana no podrá ratificar esta Convención sin adherirse, al mismo tiempo, a las Convenciones de París y de La Haya, y que por virtud de disposiciones constitucionales de la Republica, estos procesos estarán subordinados a la previa sanción del Congreso Nacional.[6]

EMILO G. GODOY. January 15, 1945.

For Bolivia (sujeto a ratificación):[7]

V. ANDRADE. January 15, 1945.

For Nicaragua:

GUILLLERMO SEVILLA SACASA.

January 15, 1945.

For Peru (with the following reservations):

1. That this Convention is signed ad referendum;

2. That if the execution of the said Convention would not conform with the regulations contained in the Pan American Sanitary Code of Havana, Peru will give preference to the latter.

P. G. BELTRAN. January 15, 1945.

For Luxembourg:

HUGUES LE GALLAIS. January 15, 1945.

For Ecuador:

S. E. DURAN-BALLEN. January 15, 1945.

For Greece:

C. P. DIAMANTOPOULOS. January 15, 1945.

For Honduras:

JULIÁN R. CÁCERES. January 15, 1945.

For Haiti:

J. THÉBAUD. January 15, 1945.

The PRESIDING OFFICER. The Convention is before the Senate as in Committee of the Whole, and open to amendment. If there be no amendment to be proposed, the Convention will be reported to the Senate.

The Convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of (Executive C, 79th Cong., 1st sess.) the International Convention for Aerial Navigation, 1944, modifying the International Sanitary Convention for Aerial Navigation of April 12, 1933, which was signed for the United States of America at Washington on January 5, 1945.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. (Putting the question.)

Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the Convention is ratified.

ADJOURNMENT TO THURSDAY

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until Thursday next.

The motion was agreed to; and (at 4 o'clock and 28 minutes p. m.) the Senate adjourned until Thursday, May 24, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 21, 1945:

DIPLOMATIC AND FOREIGN SERVICE

Monnett B. Davis, of Colorado, now my personal representative to Denmark, with the rank of Minister, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Denmark.

SMALLER WAR PLANTS CORPORATION

Laurence F. Arnold, of Illinois, to be a member of the Board of Directors of the Smaller War Plants Corporation. (This nomination is submitted for the purpose of correcting the nominee's name as submitted to the Senate May 3, 1945, and confirmed May 17, 1945.)

SELECTIVE SERVICE SYSTEM

Ronald M. Holmes for appointment as an administrative officer, National Headquarters, Selective Service System, under the provisions of section 10 (a) (3) of the Selective Training and Service Act of 1940, as amended. (Compensation for the position of administrative officer, National Headquarters, Selective Service System, will be at the rate of $5,600 per annum.)

IN THE NAVY

Rear Admiral Harold B. Sallada to be Chief of the Bureau of Aeronautics in the Department of the Navy, with the rank of rear admiral, for a term of 4 years.

IN THE MARINE CORPS

The following-named midshipmen to be second lieutenants in the Marine Corps from the 6th day of June 1945, in lieu of appointment as ensign in the Navy as previously nominated and confirmed:

Lee A. Kirstein
William C. Stack

CONFIRMATIONS

Executive nominations confirmed by the Senate May 21, 1945:

TENNESSEE VALLEY AUTHORITY

David E. Lilienthal to be a member of the board of directors of the Tennessee Valley Authority for the term expiring 9 years after May 18, 1945.

SMALLER WAR PLANTS CORPORATION

Laurence F. Arnold to be a member of the Smaller War Plants Corporation. [A correction in name as previously nominated and confirmed.]

MINT OF THE UNITED STATES

Neal H. Callaghan to be superintendent of the mint of the United States at San Francisco, Calif.

COLLECTOR OF CUSTOMS

Howell Cone to be collector of customs for customs collection district No. 17, with headquarters at Savannah, Ga.

A. Raymond Raff to be collector of customs for customs collection district No. 11, with headquarters at Philadelphia, Pa.

FOREIGN SERVICE

R. Henry Norweb to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Cuba.

To be consuls of the United States of America:

Gordon H. Mattison	George F. Scherer
Ivan B. White	John C. Fuess
Harold Sims	Howard Elting, Jr.
Theodore J. Hohenthal	

To be consuls general of the United States of America:

Robert B. Macatee
Hiram A. Boucher
Harry E. Carlson

Charles W. Yost to be a Foreign Service officer of class 5, a secretary in the Diplomatic Service, and a consul of the United States of America.

John E. Peurifoy to be a Foreign Service officer of class 6, a secretary in the Diplomatic Service, and a consul of the United States of America.

Avra M. Warren to be a Foreign Service officer of class 1, a secretary in the Diplomatic Service, and a consul general of the United States of America.

To be Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service of the United States of America:

William C. George
Robert K. Peyton

PROMOTIONS IN THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, EFFECTIVE AS OF MAY 16, 1945

From Foreign Service officer of class 2 to Foreign Service officer of class 1:

George Atcheson, Jr.	Carol H. Foster
Herbert S. Bursley	Hugh S. Fullerton
Selden Chapin	Waldemar J. Gallman
Cecil M. P. Cross	Raymond H. Geist
William E. DeCourcy	George F. Kennan
Walter J. Donnelly	Samuel Reber
William E. Dunn	Howard K. Travers
Joseph Flack	

From Foreign Service officer of class 3 to Foreign Service officer of class 2:

William H. Beck	Dayle C. McDonough
George H. Butler	George R. Merrell
Edward S. Crocker 2d	Paul G. Minneman
Howard Donovan	John J. Muccio
Albert M. Doyle	Jefferson Patterson
Curtis T. Everett	Edwin A. Plitt
Samuel J. Fletcher	Karl L. Rankin
Richard Ford	Christian M. Ravndal
Homer S. Fox	Lester L. Schnare
Julian F. Harrington	George Tait
George C. Howard	Angus Ward

From Foreign Service officer of class 4 to Foreign Service officer of class 2:

Charles E. Bohlen	W. Perry George
John M. Cabot	Edward B. Lawson
Lewis Clark	James W. Riddleberger

From Foreign Service officer of class 4 to Foreign Service officer of class 3:

William H. Beach	Leo J. Callanan
H. Merrell Benninghoff	Vinton Chapin
David C. Berger	Archie W. Childs
Richard F. Boyce	Prescott Childs
John H. Bruins	James Orr Denby
A. Bland Calder	Hasell H. Dick

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[5] [Translation: This Convention, after approval by the Senate of the Republic, shall be ratified by the Executive.]

[6] [Translation: With the reservation that the Dominican Republic will not be able to ratify this Convention without adhering, at the same time, to the Paris and Hague Conventions, and that by virtue of Constitutional principles of the Republic, these processes shall be subject to the prior approval of the National Congress.]

[7] [Translation: Subject to ratification.]

Walton C. Ferris
Harold D. Finley
C. Paul Fletcher
Lynn W. Franklin
Robert G. Glover
Franklin C. Gowen
Winthrop S. Greene
William M. Gwynn
Curtis C. Jordan
Erwin P. Keeler
Gerald Keith
C. Porter Kuykendall
Charles W. Lewis, Jr.
James P. Moffitt
Walter H. Sholes
Edward J. Sparks
Paul C. Squire
Maurice L. Stafford
Alan N. Steyne
Henry S. Waterman

From Foreign Service officer of class 5 to Foreign Service officer of class 3:

James C. H. Bonbright
Daniel M. Braddock
Homer M. Byington, Jr.
Cavendish W. Cannon
William P. Cochran, Jr.
Gerald A. Drew
Everett F. Drumright
Elbridge Durbrow
Cloyce K. Huston
Herve J. L'Heureux
John H. Madonne
James K. Penfield
Guy W. Ray
Llewellyn E. Thompson, Jr.
Edward T. Wailes
Walter N. Walmsley, Jr.
Thomas C. Wasson

From Foreign Service officer of class 5 to Foreign Service officer of class 4:

Ware Adams
LaVerne Baldwin
Sidney A. Belovsky
Burton Y. Berry
James E. Brown, Jr.
Sidney H. Browne
J. Holbrook Chapman
Augustus S. Chase
DuWayne G. Clark
William W. Corcoran
Basil D. Dahl
Robert F. Fernald
Bernard Gotlieb
Knowlton V. Hicks
Malcolm P. Hooper
John F. Huddleston
Perry N. Jester
Kenneth C. Krentz
John H. Lord
Walter H. McKinney
Dale W. Maher
John H. Morgan
Sidney E. O'Donoghue
Nelson R. Park
Walter S. Reineck
Thomas H. Robinson
William A. Smale
Sheldon Thomas
Edward G. Trueblood
George P. Waller
Carlos J. Warner

From Foreign Service officer of class 6 to Foreign Service officer of class 4:

Theodore C. Achilles
Garret G. Ackerson, Jr.
John M. Allison
Walworth Barbour
Jacob D. Beam
Max Waldo Bishop
C. Burke Elbrick
R. Horton Henry
Heyward G. Hill
J. Wesley Jones
Charles F. Knox, Jr.
Foy D. Kohler
Edward D. McLaughlin
John J. Macdonald
Edward Page, Jr.
Avery F. Peterson
John S. Service
Henry E. Stebbins
Francis Bowden Stevens
Laurence W. Taylor
William C. Trimble
Robert F. Woodward
James H. Wright

From Foreign Service officer of class 6 to Foreign Service officer of class 5:

George Alexander Armstrong
J. Kenly Bacon
Barry T. Benson
Ralph A. Boernstein
Roy E. B. Bower
Robert Y. Brown
Robert L. Buell
John S. Calvert
Robert D. Coe
Montgomery H. Colladay
John Davies, Jr.
Henry B. Day
Edmund J. Dorsz
John A. Embry
Robert English
John B. Faust
Dorsey Gassaway Fisher
Wilson C. Flake
Gerhard Gade
Willard Galbraith
James W. Gantenbein
George M. Graves
Bernard Gufler
John N. Hamlin
Randolph Harrison
Thomas A. Hickok
Frederick W. Hinke
Thomas S. Horn
Morris N. Hughes
J. Winsor Ives
Henry P. Leverich
Raymond P. Ludden
Cecil B. Lyon
Robert Mills McClintock
Walter P. McConaughy
Stewart E. McMillin
Thomas J. Maleady
Patrick Mallon
Edward S. Maney
Gerald A. Mokma
John B. Ocheltree
William L. Peck
Troy L. Perkins
Joseph P. Ragland
R. Borden Reams
Charles S. Reed 2d
George W. Renchard
John S. Richardson, Jr.
Arthur R. Ringwalt
Willard Quincy Stanton
John F. Stone
Tyler Thompson
William Clarke Vyse
Gilbert R. Willson
Whitney Young

From Foreign Service officer of class 7 to Foreign Service officer of class 5:

Edward Anderson
E. Tomlin Bailey
John Willard Carrigan
Norris B. Chipman
Herbert P. Fales
Andrew B. Foster
Norris S. Haselton
L. Randolph Higgs
John D. Jernegan
George Lewis Jones, Jr.
Andrew G. Lynch
Edward P. Maffitt
Brewster H. Morris
Walter W. Orebaugh
J. Graham Parsons
John C. Pool
G. Frederick Reinhardt
Arthur L. Richards
Livingston Satterthwaite
George F. Scherer
Donald W. Smith
Philip D. Sprouse
Ivan B. White

From Foreign Service officer of class 7 to Foreign Service officer of class 6:

R. Austin Acly
Stephen E. Aguirre
William K. Ailshie
Daniel V. Anderson
John L. Bankhead
Carl H. Boehringer
Howard A. Bowman
Reginald Bragonier, Jr.
Glen W. Bruner
Gordon L. Burke
Richard W. Byrd
Thomas S. Campen
Carl E. Christopherson
David M. Clark
Mulford A. Colebrook
Glion Curtis, Jr.
Sherburne Dillingham
Howard Elting, Jr.
James Espy
Douglas Flood
T. Muldrup Forsyth
John L. Goshie
Paul S. Guinn
James E. Henderson
Theodore J. Hohenthal
Phil H. Hubbard
Richard S. Huestis
Carlton Hurst
Paul C. Hutton
Douglas Jenkins, Jr.
Beppo R. Johansen
U. Alexis Johnson
Nathaniel Lancaster, Jr.
E. Allan Lightner, Jr.
F. Ridgway Lineaweaver
Douglas MacArthur 2d
Elbert G. Mathews
Ernest de W. Mayer
Miss Kathleen Molesworth
Alton T. Murray
Robert Newbegin
Carmel Offie
John Ordway
John Peabody Palmer
Marselis C. Parsons, Jr.
Archibald R. Randolph
Edward E. Rice
W. Garland Richardson
Halleck L. Rose
John C. Shillock, Jr.
Stanley G. Slavens
Jule B. Smith
William P. Snow
Francis L. Spalding
Carl W. Strom
Robert M. Taylor
Cyril L. F. Thiel
Charles O. Thompson
Jay Walker
T. Eliot Weil
Rolland Welch
H. Bartlett Wells
Arthur R. Williams
Philip P. Williams
Robert E. Wilson
William P. Wright
William E. Yuni

From Foreign Service officer of class 8 to Foreign Service officer of class 6:

Charles R. Burrows
Robert T. Cowan
Leon L. Cowles
Edward A. Dow, Jr.
Robert F. Hale
Richard H. Post

From Foreign Service officer of class 8 to Foreign Service officer of class 7:

William Belton
Niles W. Bond
William O. Boswell
Robert P. Chalker
Thomas J. Cory
H. Francis Cunningham, Jr.
Philip M. Davenport
Richard H. Davis
Arthur B. Emmons 3d
Nicholas Feld
William N. Fraleigh
Fulton Freeman
John Goodyear
Robert Grinnell
Theodore J. Hadraba
Boies C. Hart, Jr.
Parker T. Hart
Richard H. Hawkins, Jr.
Franklin Hawley
George D. Henderson
Martin J. Hillenbrand
Outerbridge Horsey
Francis C. Jordan
Randolph A. Kidder
William L. Krieg
Joseph Palmer 2d
David T. Ray
Robert W. Rinden
M. Robert Rutherford
Robert C. Strong
Alfred T. Wellborn

POSTMASTERS

ARIZONA

Herman J. Kielhorn, Williams.
Iva W. Hedworth, Winkelman.

ILLINOIS

Albert E. Born, Jr., Bensenville.
Margaret Barnett, Indianola.

TEXAS

Richard J. Meskill, Texas City.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 21, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, our Father, with pensive minds and penitent hearts, we call upon Thy great and holy name.

We pray that we may seek to be worthy comrades of all who are struggling so valiantly to preserve and perpetuate our national heritage. Enable us by Thy grace to carry on in the gallant spirit of those who did not fear or falter or fail and whom on this day are to be honored by a grateful Nation and lifted into the blessed sanctuary of everlasting remembrance.

Grant that we may never feel that this ideal of world peace, for which vast multitudes have given themselves so sacrificially, is merely an illusion and that it lies beyond the sphere of practical realization. Take away those cynical tempers of mind which seek to persuade us that the Gospel of the Prince of Peace is too beautiful and fair to have been true in the past and too frail and fanciful to become true in our own day or in the future.

May we have the courage to believe that the prospects of its complete fulfillment and final triumph are as glorious as the promises of the Lord God Omnipotent.

Humbly and confidently we offer our prayer. Amen.

The Journal of the proceedings of Friday, May 18, 1945, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 15, 1945:

H. R. 2992. An act to extend the provisions of the act of July 11, 1941 (Public Law 163, 77th Cong.); and

H. R. 3070. An act to extend the provisions of the act of November 29, 1940 (Public Law 884, 76th Cong.).

On May 16, 1945:

H. R. 3038. An act to amend section 409 of the Interstate Commerce Act, as amended.

RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it be in order for the Speaker to declare a recess at any time during the day, subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The Chair declares the House in recess until 2 o'clock this afternoon.

Accordingly (at 12 o'clock and 8 minutes p. m.) the House stood in recess until 2 o'clock.

JOINT SESSION OF THE HOUSE AND SENATE

At 12 o'clock and 52 minutes p. m., the Doorkeeper announced the President pro tempore and the Members of the United States Senate.

The Senate, preceded by the President pro tempore and its Secretary and Sergeant at Arms, entered the Hall of the House of Representatives.

The PRESIDENT pro tempore of the Senate took the chair at the right of the Speaker, and the Members of the Senate took the seats reserved for them.

The SPEAKER. On the part of the House, the Chair appoints the following members of the committee to escort the President of the United States into the Chamber: The gentleman from Massachusetts [Mr. McCORMACK]; the gentleman from Mississippi [Mr. COLMER], and the gentleman from Massachusetts [Mr. MARTIN].

The PRESIDENT pro tempore of the Senate. On the part of the Senate, the Chair appoints as members of the committee to escort the President of the United States into the Chamber: The Senator from Kentucky [Mr. BARKLEY], the Senator from Maine [Mr. WHITE], and the Senator from Utah [Mr. THOMAS].

At 12 o'clock and 57 minutes p. m., the Doorkeeper announced the Cabinet of the President of the United States.

At 1 o'clock and 1 minute p. m., the Doorkeeper announced the Chief of Staff, Gen. George C. Marshall, and Technical Sgt. Jake William Lindsey, of Lucedale, Miss.

General Marshall and Sergeant Lindsey were escorted to the Clerk's desk.

At 1 o'clock and 3 minutes p. m., the Doorkeeper announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk.

The SPEAKER. The Chair presents the Chief of Staff, the General of the Armies, George C. Marshall.

General MARSHALL. I will read the citation:

Technical Sgt. Jake W. Lindsey, Sixteenth Infantry, led a platoon reduced to 6 of its original strength of 40 in the attack on an enemy position near Hamich, Germany, on the 16th of November, 1944.

His men had captured their objective and were digging in when counterattacked by a German infantry company and five tanks. Armed with a rifle and grenades, Sergeant Lindsey took position on the left and in advance of the remainder of his platoon and although exposed to heavy rifle, machine gun, and tank fire beat off repeated enemy attacks. Tanks moved to within 50 yards of him but were forced to withdraw because of his accurate rifle and grenade fire.

After driving off the tanks he knocked out two machine guns to his front. Although painfully wounded, he continued firing and throwing grenades until his ammunition was expended.

An enemy squad attempted to set up a machine gun 50 yards from him. Unmindful of his wounds and enemy fire he rushed these 8 German soldiers, single-handedly closed with them, killed 3 with his bayonet and captured 3. Two others escaped.

In his fearlessness, inspiring courage, and superb leadership, Sergeant Lindsey carried on a brilliant defense of his platoon's hard-won ground, securing the position and inflicting heavy casualties on the numerically superior enemy.

[Applause, the Members standing during reading of citation.]

Thereupon the President of the United States bestowed the Congressional Medal of Honor on Technical Sgt. Jake William Lindsey.

The PRESIDENT of the United States. Mr. Speaker, Mr. President, Members of the Congress, we are assembled here today to confer the Nation's highest decoration on a young American soldier. It so happens that Technical Sgt. Jake W. Lindsey, of Lucedale, Miss., is the one hundredth infantryman to receive the Medal of Honor in this war for bravery above and beyond the call of duty. Through him we pay a grateful Nation's tribute to the courage of all our fighting men.

The history of this war is filled with countless acts of valor by our soldiers and sailors and marines under fire. Those who win the Medal of Honor have displayed the highest quality of courage.

We have heard in the citation what Sergeant Lindsey did. His inspiring deeds on the battlefield require no further praise from any man. They stand—with the deeds of the others on whom this decoration has been conferred—in the finest tradition of American heroism.

This medal, to repeat, is given for gallantry at the risk of life beyond the call of duty. No officer ordered Sergeant Lindsey to stand alone against a company of the enemy. No officer ordered him when wounded to engage eight Germans in hand-to-hand combat. Those decisions came from his own heart. They were a flash of the nobility which we like to think is a part of every American. They were the unselfish valor which can triumph over terrible odds. They were the very essence of victory.

Since the beginning of this war, 223 Medals of Honor have been awarded to members of the armed forces. Of these, 162 have gone to the Army, 33 to the Navy, 27 to the Marine Corps, and 1 to the Coast Guard. One hundred of the men so decorated have been infantrymen, and of them 50 died in performing the acts for which they were honored.

It seems fitting that in this symbolic ceremony we should honor an infantryman. There is little glamor in his service. He faces not only the enemy before him, but the cold and heat, the rain and snow, the dust and mud, which so often make his life miserable. These things he endures, and rises above them to such valorous deeds as those we celebrate today.

This is a proud and moving occasion for every American. It follows the complete victory of the Allied forces over a powerful enemy in Europe. It finds us striking devastating blows in the Pacific. We are preparing to strike them later in overwhelming force.

Before the battle against Japan is won, we shall have other men to honor—men whose deeds, like those we celebrate today, will have brought closer our inevitable victory.

I hope that every man and woman in our Nation today will reverently thank God that we have produced such sons as these. With their high courage as inspiration, we cannot fail in the task we have set ourselves.

It is with gratitude and pride that as President of the United States, and in the name of the Congress, I have presented the Medal of Honor to Technical Sgt. Jake W. Lindsey. [Applause.]

At 1 o'clock and 13 minutes p. m., the President retired from the Hall of the House of Representatives.

At 1 o'clock and 14 minutes p. m., the members of the President's Cabinet retired from the Hall of the House of Representatives.

At 1 o'clock and 14½ minutes p. m., the Chief of Staff, Gen. George C. Marshall, and Technical Sgt. Jake William Lindsey retired from the Hall of the House of Representatives.

At 1 o'clock and 15 minutes p. m., the Speaker announced that the joint session was dissolved.

Thereupon, the President pro tempore of the Senate and the Members of the Senate returned to their Chamber.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock p. m.

The SPEAKER. Without objection, the proceedings had during the recess will be printed in the RECORD, and the President's message will be referred to the Committee on Military Affairs and ordered printed.

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication which was read:

WASHINGTON, D. C., *May 21, 1945.*

The Honorable The SPEAKER,
House of Representatives.

SIR: Desiring to be temporarily absent from my office, I hereby designate Mr. Newlin Megill, an official in my office, to sign any and all papers and do all other acts for me which he would be authorized to do by virtue of this designation and of clause 4, rule III, of the House.

Respectfully yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—ALIEN PROPERTY CUSTODIAN REPORT

The SPEAKER laid before the House the following message from the President of the United States which was read and with the accompanying report referred to the Committee on Interstate and Foreign Commerce and ordered printed:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Alien Property Custodian on proceedings had under the Trading with the Enemy Act, as amended, for the period beginning June 30, 1943, and ending June 30, 1944.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 21, 1945.*

NAVAL APPROPRIATION BILL, 1946

Mr. SHEPPARD. Mr. Speaker, I call up the conference report on the bill (H. R. 2907) making appropriations for the Navy Department and the naval service

for the fiscal year ending June 30, 1946, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the full report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2907) making appropriations for the Navy Department and the naval service, for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 5, 7, 8, 9, 10, 13, 14, 15, 16, 22, and 23.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 6, 12, 21, 24, and 25 and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$56,844,196"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "$262,885,000: *Provided,*"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment, before the period, insert ", as authorized by law"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 18 and 19.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. PLOESER,
Managers on the part of the House.

JOHN H. OVERTON,
ELMER THOMAS,
THEODORE FRANCIS GREEN,
DAVID I. WALSH,
WALLACE H. WHITE, JR.,
STYLES BRIDGES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2907) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 1, 2, and 3, relating to the appropriation "Miscellaneous expenses": Strike out the limitation proposed by the House of $28,000 upon expenditures for payment of authorized claims of civilian employees of the Naval Establishment, as proposed by the Senate; appropriate $40,500,000, as proposed by the House, instead of $41,750,000, as proposed by the Senate; and strike out, as proposed by the Senate, the provision proposed by the House barring expenditures for compensation of persons who engage in the performance of conciliation or kindred services in fields under the cognizance of the Department of Labor.

Amendment No. 4, relating to the Naval War College: Appropriates $175,000, as proposed by the Senate, instead of $156,269, as proposed by the House.

Amendments Nos. 5, 6, 7, 8, and 9, relating to naval training stations: Appropriate for the naval training stations, San Diego, Calif., Great Lakes, Ill., Lake Seneca, N. Y., and Port Deposit, Md., $12,908,000, as proposed by the House, instead of $14,175,000, as proposed by the Senate, in conformity with the House proposal that the temporary training station at Seneca Lake, N. Y., be discontinued as such on or before October 1, 1945; and appropriate $1,152,000 for the naval training station, Newport, R. I., as proposed by the Senate, instead of $1,036,800, as proposed by the House.

Amendment No. 10, relating to the subappropriation "Libraries": Appropriates $2,877,196, as proposed by the House, instead of $3,000,000, as proposed by the Senate.

Amendment No. 11: Adjusts a total.

Amendment No. 12: Appropriates an additional amount of $180,000,000 for the fiscal year 1945 for "Ordnance and ordnance stores, Navy", pursuant to a Budget estimate, as proposed by the Senate.

Amendments Nos. 13, 14, 15, 16, and 17, relating to the appropriation "Pay, subsistence, and transportation, Navy": Provide for setting up the "Transportation and recruiting" subhead as a separate appropriation, as proposed by the House, and appropriate for "Transportation and recruiting", as a separate appropriation, $262,885,000, as proposed by the Senate, instead of $242,385,000, as proposed by the House.

Amendment No. 20, relating to Public Works, Bureau of Yards and Docks: Includes specific provision for providing a field house at the Naval Academy, at a cost of $1,500,000, chargeable to the amount in the bill proposed by the House for public works projects within the continental limits of the United States, as proposed by the Senate.

Amendment No. 21: Makes the appropriation "Emergency construction", applying to ship construction, available until December 31, 1946, for expenditure only in liquidation of obligations incurred prior to July 1, 1945, as proposed by the Senate.

Amendment No. 22: Strikes out the authorization proposed by the Senate for the incurrence of traveling expenses in connection with the recruitment and placement of civilian personnel.

Amendment No. 23: Restores the House provision limiting to 17,000 the average number of all civil personnel in the Navy Department at the seat of Goverment, excluding the Marine Corps and the Coast Guard.

Amendments Nos. 24 and 25: Amend section 120 of the bill, dealing with allowances for quarters of personnel occupying emergency housing facilities under the jurisdiction of the Navy Department or the National Housing Agency, to conform with the provisions of current law, as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT PURSUANT TO CLAUSE 2, RULE XX

Amendment No. 18, amending the text of the appropriation "Medical Department".

Amendment No. 19, relating to ownership of articles manufactured or produced by patients in naval hospitals incident to their convalescence and rehabilitation.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. PLOESER,
Statement of managers on the part of the House.

Mr. SHEPPARD. Mr. Speaker, the bill as passed by the House carried $23,400,000,000 plus. As passed by the Senate it carried $23,603,000,000 plus, or a Senate increase of $203,373,735.

Of the Senate increase, $180,000,000 is for the fiscal year 1945, for ordnance purposes, in pursuance of a supplemental estimate contained in House Document 144.

The remainder of the increase, namely, $23,273,735 relates to a number of projects, but mostly is made of an increase under the head of "Transportation and recruiting."

Of such amount of increase, the Senate has receded from $2,639,804.

The bill as we bring it from conference carries $23,601,136,064.

Such sum is $298,016,986 below the estimates, and it is $4,932,703,237 less than appropriations thus far made for the current fiscal year.

At this time, Mr. Speaker, I wonder if my colleague, the ranking member on the minority side, has some statement he wishes to make?

Mr. PLUMLEY. Mr. Speaker, I have no statement to make at this time.

Mr. SHEPPARD. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 25, line 1, after the word "patients", insert the following: "when entitled thereto by law, regulation, or contract."

Mr. SHEPPARD. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. SHEPPARD moves that the House recede from its disagreement to the amendment of the Senate No. 18 and concur in the same with an amendment as follows: In lieu of the matter inserted by said amendment, after the word "hospitals", in line 2, page 25, insert ", as provided by regulation."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows.

Senate amendment No. 19: On page 25, after line 3 insert the following:

"The appropriation 'Medical Department,' for the fiscal year 1946 shall be available for the manufacture or production of products by patients in naval hospitals and other naval medical facilities incident to their convalescence and rehabilitation, and ownership thereof shall be vested in the patients manufacturing or producing such products, except that the ownership of such items manufactured or produced specifically for the use of a naval hospital or other naval medical facility shall be vested in the

Government and such items shall be accounted for and disposed of accordingly."

Mr. SHEPPARD. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

UNITED STATES CODE

The Clerk called the bill (H. R. 2200) to revise, codify, and enact into positive law, title 18 of the United States Code, entitled "Crimes and Criminal Procedure."

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PRESERVING THE RESIDENCE FOR NATURALIZATION PURPOSES OF CERTAIN ALIENS

The Clerk called the bill (H. R. 513) to amend the Nationality Act of 1940 to preserve the residence for naturalization purposes of certain aliens who serve in the military or naval forces of one of the Allied countries during the Second World War or otherwise assist in the Allied war effort, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BARDEN. Reserving the right to object, Mr. Speaker, I do this to bring to the attention of the House the nature of this bill. The bill provides for the waiving of requirements as to the period of residence required before making application for citizenship in this country when a person leaves this country and goes to an Allied Nation and serves in the armed forces. There does not seem to be much question about the merits of that, and that would not be a bad hurdle, but the bill reads further:

or who during the Second World War departs from the United States for the purpose of taking employment in war work of any such country and does engage in such work shall, upon establishing to the satisfaction of the Commissioner—

And so forth. I think that is going rather far, especially in view of the fact that virtually every country on earth except Japan now has declared war on Germany. That throws the door wide open and presents a question that I certainly do not think should be passed on by this House by unanimous consent and without debate. There is too much question as to what is "war work" and how much "war work" the person did, and similar questions.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Illinois.

Mr. MASON. The full explanation is not that these aliens who are required to reside here for 5 years go into war work in the other nations but that they serve the governments of these other nations in particular capacities, as technical experts, and so forth, and by so doing are contributing to the war effort.

Mr. BARDEN. I am sorry, but I do not get that impression from the bill. May I call the gentleman's attention to another thing. There are plenty of good reasons for the establishment of the 5-year period of residence in this country. I think a man ought to stay in this country long enough to become an American before we give him the privilege of being an American.

Mr. MASON. We all agree to that. This does not waive the 5-year requirement for anybody. It simply waives the 5-year requirement under certain conditions for an alien who has departed from this country in order to serve the armed forces of our allies or to serve the government of an Allied country in particular work.

Mr. BARDEN. Yes; but the gentleman will readily admit that this waives the time that he is out of the country and gives him credit for it.

Mr. MASON. Yes. The bill states that the time he is absent while contributing to the war effort, either by serving in the armed forces or by serving one of our Allied Governments as an expert or in some other capacity, shall be credited to him.

Mr. BARDEN. The gentleman's words are more attractive than the bill. But I have to go by what is written in the bill. I am sure the gentleman is giving a good explanation, but I feel the language of the bill would not quite measure up to the gentleman's explanation.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I am glad to yield.

Mr. HINSHAW. I have a specific case in point, of a young man who had come to this country from Canada who was a flier. Of course, we did not permit aliens to join our Air Force. So as soon as he had received that notice, he immediately went to Canada and joined the Royal Canadian Air Force where he served for 2 years and was then discharged. He had taken out his first papers before he left here and, of course, wants to come back and become a full-fledged citizen now because his services have been dispensed with in the Royal Canadian Air Force. It is hoped that this bill can be passed so that a person in his position could become a citizen without having lost that time.

Mr. BARDEN. We all feel very kindly toward our neighbors the Canadians and probably feel they are our kind of folks and understand our customs, and so forth. It may not be altogether advisable at times to keep them waiting for 5 years. But, I think the gentleman would admit that as a general practice it is pretty sound to continue our present policy. We must pass laws based on the general rule rather than on exceptions. I feel very kindly about the particular case which the gentleman has explained but there are perhaps thousands or hundreds of thousands that would not be quite so meritorious as the one to which the gentleman referred.

Mr. HINSHAW. I hope the bill can be brought up under a rule and then passed on by the House.

Mr. BARDEN. That would be the proper way.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BARDEN, Mr. NORRELL, Mr. TRIMBLE, and Mr. CLEVENGER objected.

DISCONTINUING CERTAIN REPORTS NOW REQUIRED BY LAW

The Clerk called the bill (H. R. 2504) to discontinue certain reports now required by law.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

FOURTH-CLASS MAIL MATTER

The Clerk called the bill (H. R. 2502) readjusting the rates of postage on fourth-class mail matter and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, a rule has been granted on this bill. Therefore, I think it ought to be passed over without prejudice.

Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

IMMIGRATION AND NATURALIZATION SERVICE

The Clerk called the bill (H. R. 386) to amend the law relating to the authority of certain employees of the Immigration and Naturalization Service to make arrests without warrants in certain cases and to search vehicles within certain areas.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BARDEN. Mr. Speaker, reserving the right to object, I am seriously of the opinion this bill should be considered by the Committee on the Judiciary. When we begin to waive the requirements of arrests and permit certain seizures without warrant and arrests without warrant, I think it is a matter that should be considered by the Committee on the Judiciary.

Mr. ALLEN of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. ALLEN of Louisiana. As I recall, it was presented to the Committee on Immigration and Naturalization by the Department of Justice, with the request that action be taken. It was a matter of great concern and immediate necessity.

Mr. BARDEN. Unquestionably it is a matter of great concern and a matter of great importance. But we must remember that while the Justice Department had the right to call this to our

attention, it is nevertheless our responsibility to legislate cautiously and when you begin to waive the requirements of a warrant in the matter of arrests and search and seizure, we are dealing with serious and dangerous subjects.

Mr. ALLEN of Louisiana. It involves only a question of immigrants, and I think the Committee on Immigration and Naturalization certainly had jurisdiction. Of course, if the gentleman wants to object, that is his privilege.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. CUNNINGHAM. Regardless of whether it went to the Committee on Immigration, as I understand the subject matter, it should be considered by the Committee on the Judiciary.

Mr. BARDEN. Mr. Speaker, I present that question to the House for its consideration. I do not propose to object to the bill. I simply want the House to know what is in the bill and for the membership to act on it.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PAYMENT TO CERTAIN SIOUX INDIANS

The Clerk called the bill (H. R. 378), authorizing an appropriation to carry out the provisions of the act May 3, 1928 (45 Stat. 484), and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $101,630 for payment to certain individual Sioux Indians, their heirs, or devisees, in full settlement and satisfaction of their claims against the United States for personal property losses as found and determined by the Secretary of the Interior on November 4, 1944, pursuant to the Act of May 3, 1928 (45 Stat. 484): *Provided*, That the Secretary may make corrections in his findings to eliminate awards or such other modifications as he may deem necessary: *Provided further*, That the Secretary is authorized and directed to determine what attorney or attorneys have rendered services of value on behalf of the said Indian claimants as a class, and to pay such attorney or attorneys the reasonable value of such services not to exceed 10 percent of the amount appropriated above, which payment shall be in full for all services rendered by such attorney or attorneys to said claimants.

SEC. 2. The Secretary, or his duly authorized representative, under such rules and regulations as the Secretary may prescribe, is authorized and directed to distribute the amounts awarded to said claimants and to ascertain the heirs or devisees of deceased claimants.

With the following committee amendments:

Page 2, line 2, after the word "eliminate", strike out "awards of such other modifications as he may deem necessary" and insert "or modify awards where overlapping or duplications exist."

Page 2, line 17, after the word "claimants", insert "in addition, an additional $10,000 is hereby authorized to be appropriated to be available until expended.

SEC. 3. Every claim or demand for payment of the individual awards made pursuant to said act of May 3, 1928, shall be forever barred unless such claim or demand shall be filed with the Office of Indian Affairs within 10 years after the date of the approval of this act. The Secretary of the Interior shall cause diligent investigation and inquiry to be made for the purpose of identifying all persons entitled to share in the distribution of any such award, including the heirs or devisees of deceased claimants. As soon as possible after the termination of the time allowed by this section, the Secretary shall certify to the Department of the Treasury the amounts of the individual awards made pursuant to said act of May 3, 1928, which remain unpaid by reason of no claim or demand having been filed, or by reason of the death of the claimant intestate and without heirs, or by reason of inability to identify any person entitled to receive distribution of the award. All amounts so certified shall revert to the United States and be covered into the surplus fund of the Treasury."

Mr. CASE of South Dakota. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, these amendments offered by the committee were amendments recommended by the Secretary of the Interior in his comment on the bill, which I placed in the Appendix of the RECORD on May 3, 1945, at page A2049. All the committee amendments are designed to meet those recommendations.

Mr. Speaker, the passage of this legislation will be a real step toward justice for thousands of Sioux Indians who have waited lo, these many years, for settlement of the so-called pony claims. The act of May 3, 1928, authorized the Secretary of the Interior to investigate and determine the claims of individual Indians enrolled at various Sioux agencies for the loss of personal property and land allotments to which they were entitled. The land claims were adjudicated and settled under prior acts of the Congress. Also, some personal-property losses, but few of the so-called pony claims.

After I was first elected to Congress in 1936, at a meeting in Wamblee on the Pine Ridge Reservation, the Sioux called my attention to the large number of claims which had been disallowed, they said, without fair investigation or full consideration. They asked me to reintroduce a bill by my predecessor for a further investigation. That I did, but no action had been taken thereon when the Seventy-fifth Congress adjourned in 1938.

In the meantime, my study of the act of May 3, 1928, convinced me that its intent and direction had never been fully carried out. Thereupon, early in the Seventy-sixth Congress, I asked the Secretary and the Commissioner of Indian Affairs to review their action in the light of that belief, and I was happy to receive a letter under date of March 14, 1939, agreeing to a reexamination of the personal-property claims if additional evidence was submitted.

Thereupon, as the Secretary of the Interior in his letter of comment upon this bill, March 30, 1945, says, "Over a period of almost 5 years a thorough and exhaustive study of all available information and evidence gleaned from all sources was made." In that, the Secretary's staff was aided by a representative of the Sioux Tribe, Maj. Ralph Hoyt Case, whose knowledge of evidence bearing on the claims was of great value.

It was found that an additional sum of $101,630 should be awarded the claimants, chiefly for ponies taken by the military forces without compensation from Indians who were on reservations where they had been directed to go, and who were not engaged in hostile acts against the Government. The bill now approved by the House authorizes an appropriation to carry out the finding and award of this reinvestigation, made in response to my request. None of the individual claims are large but they mean a great deal to the individual claimants or their heirs.

Final passage of this bill and subsequent appropriation of the amount herein authorized will mean a measure of justice long delayed. This action of the House of Representatives today will be appreciated by the Sioux Indians of North and South Dakota.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEDAL OF HONOR FOR THE LATE PRESIDENT FRANKLIN DELANO ROOSEVELT

The Clerk called the bill (H. R. 2966), authorizing the President of the United States to award posthumously a Congressional Medal of Honor to Franklin Delano Roosevelt.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, when this bill came up 2 days ago, among other things, the gentleman from Kentucky [Mr. ROBSION] said, and I quote from page 4271 of the RECORD——

Mr. ROBSION of Kentucky. Mr. Speaker, is this matter to be debated?

Mr. McCORMACK. Well, does the gentleman want the regular order? I am reserving the right to object. The gentleman may take me off the floor by demanding the regular order. I will assist the gentleman in his knowledge of parliamentary law. The gentleman made quite lengthy remarks 2 weeks ago and nobody tried to take him off his feet, but the gentleman has the right to do it.

Mr. ROBSION of Kentucky. No. It is not my purpose to take the gentleman off his feet, but I would like to know if something develops——

Mr. McCORMACK. I have yet to take any man off his feet in the 17 years I have been a Member of this House.

The SPEAKER. The gentleman from Massachusetts has reserved the right to object. The gentleman from Massachusetts may proceed.

Mr. McCORMACK. Mr. Speaker, among other things, the gentleman from Kentucky [Mr. ROBSION] said, and I quote:

For 84 years this medal, under the law, could be awarded only to those who go far beyond their duty and perform extraordinary services at the risk of their lives in actual combat or conflict with the enemy.

He further said:

But I would not feel justified in changing this general law and breaking the precedents of 84 years—

And mark you the emphasis he had on "breaking the precedents"—

and thereby detracting from the honor of those who have won this medal through heroic achievement at the risk of their lives above and beyond the call of duty in actual combat with the enemy.

I was very much impressed with what the gentleman said 2 weeks ago. I sat there, and I did not answer because I felt the gentleman was stating what he thought were the true circumstances. I am sure on that occasion the gentleman was expressing what he thought were the facts.

However, I have looked into the matter. Ever since the passage of the organic law in 1862, to which the gentleman referred, there have been a number of acts of Congress, some coming down to recent years, which certainly constitute a precedent.

For example, I have before me a copy of Public Statute 538 of the Sixty-ninth Congress, approved January 5, 1927:

The President of the United States is hereby authorized to present in the name of Congress a medal of honor—

The same language as is in my bill—

to the said Richard E. Byrd for distinguishing himself conspicuously by courage and intrepidity at the risk of his life in demonstrating that it is possible for aircraft to travel in continuous flight from a now inhabited portion of the earth over the North Pole and return.

Certainly that was not in actual combat.

I have before me an item showing that on the same day another bill was approved by the then President carrying the same language with reference to Floyd Bennett, who accompanied Lieutenant Commander Byrd on that famous and historic trip.

I have here a bill approved December 14, 1927, conferring in the name of Congress a Medal of Honor on Col. Charles A. Lindbergh, United States Army Air Corps Reserves, for displaying heroic courage and skill as a navigator, at the risk of his life, by his nonstop flight in his plane, and so forth, from New York to Paris.

I have another bill here approved March 21, 1935, conferring a Medal of Honor in the name of Congress on Maj. Gen. Adolphus Washington Greeley, United States Army, retired, for his life of splendid public service begun on March 27, 1844, having enlisted as a private in the Army on July 26, 1861, and by successive promotions was commissioned a major general February 10, 1906, and retired, and so forth.

I assume the gentleman from Kentucky was a Member of this House or of the Senate when all these bills passed.

Again, for example, in 1867 a medal was presented to Cyrus W. Field after the organic act with reference to the Army was passed, a medal to be presented in the name of the people of the United States for laying the Atlantic cable.

On January 8, 1864, a Medal of Honor was awarded to Cornelius Vanderbilt for the gift of a steamship to the United States during the Civil War. And so on right down through a long list.

But these citations I have given are of bills passed within recent years conferring the Medal of Honor in the name of the Congress.

I have had called to my attention, however, that the word "Congressional" is used in the title of the bill. That was an oversight, because the body of the bill calls for a Medal of Honor; and if consideration of the bill is not objected to it is my attention to move to amend the title by striking out the word "Congressional" because its insertion was an oversight, something that was never intended; and, as I say, the body of the bill calls for a straight Medal of Honor in the name of the Congress, the same as these other bills.

Mr. ANDREWS of New York. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. ANDREWS of New York. I think the gentleman is quite correct in the list of names he read. It has always been my understanding that these medals justly awarded were awarded in the name of the Congress; that the bills called for a Medal of Honor by the Congress as distinguished from the Congressional Medal of Honor as so well exemplified in the beautiful exercises this afternoon.

Mr. McCORMACK. Yes; and I can assure my friend from Kentucky—and I have no personal conflict with him; I respect my friend very much; I was impressed with the sincerity of his position. If I did not answer him then it was because my remarks would of necessity have been somewhat different than they are today and I wanted to be sure of my evidence. I have therefore had a careful survey made—I made it myself—and the result is that I found plenty of precedent. I want to emphasize the fact that my very good friend who called my attention to the fact that the insertion of the word "Congressional" in the title of the bill was unintentional and that it is my purpose, and I will, if the bill is considered, move at the right time that the word "Congressional" be stricken from the title.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. JENKINS. Then what the gentleman is seeking now to give the President is not what was given to this gallant young man this morning.

Mr. McCORMACK. It is the same kind of medal that was given to Lindbergh and these other distinguished men. Certainly I recognize the objection to the breaking of precedent, and there was no intention of doing that.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. BREHM. Has this recognition ever been awarded to any President before?

Mr. McCORMACK. I do not think so.

Mr. BREHM. Then it is breaking precedent, is it not?

Mr. McCORMACK. If you want to consider it a precedent in that respect.

Mr. BREHM. It is establishing a precedent?

Mr. McCORMACK. If in that connection the man to whom the medal is to be awarded was President, yes, but on the question of the Congress having conferred in the name of Congress a medal of honor, which seems to be the basic question, there is plenty of precedent.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Louisiana.

Mr. BROOKS. I heartily agree with what the gentleman said as to the awarding of the medal and I may say further that a subcommittee of the House Military Affairs Committee is now considering the question whether or not a similar medal should be awarded to Billy Mitchell, not for the fighting which General Mitchell did, but for the progress which he made and the influence he gave to the progress of aviation in the United States.

Mr. McCORMACK. I am glad to hear that because in a previous Congress I introduced a bill wiping out the court martial record of General Mitchell. I have read the life and history and court martial proceedings of General Mitchell and without entering into the critical stage I think as we look back, necessary, affirmative action should be taken which will enable that great American to take the place he properly occupies in the history of our country. I am glad the gentleman made that observation so that I could briefly express myself on this great American.

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. ANDREWS of New York. If the gentleman will yield to me, the Congressional Medal of Honor, such as was awarded here this morning, has never been awarded to any soldier or sailor in the armed services except for combat service?

Mr. McCORMACK. My examination shows that the gentleman's statement is correct. These are special acts of Congress, and the bill is drafted along the lines I have referred to with the exception that the title did contain the word "Congressional." I will be frank and say that that particular fact was only called to my attention by a distinguished Member of the House today, and immediately I said that that was unintentional and at the proper time when the bill is considered today I shall make a motion to strike the word "Congressional" out of the title.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ROBSION of Kentucky. Mr. Speaker, reserving the right to object——

The SPEAKER. Does the gentleman from Massachusetts [Mr. McCORMACK] withdraw his reservation of objection?

Mr. McCORMACK. Mr. Speaker, I withdraw my reservation of objection.

Mr. ROBSION of Kentucky. Mr. Speaker, I have listened with interest to the distinguished majority leader, the

gentleman from Massachusetts [Mr. McCORMACK] for whom I have the kindest regards. I contend that my speech of a few days ago was absolutely correct in that under the law no one is entitled to receive the Congressional Medal of Honor unless such individual was in the armed services and at the risk of his life, went above and beyond the call of duty in actual combat with the enemy. That is the law and it has been the law for about 84 years. A very fine young man, Sgt. Jake W. Lindsey, of Mississippi, received the Congressional Medal of Honor here today at the hands of President Truman in joint session of the House and Senate, and we were told by the citation why he received it. It was for heroic action in actual combat with the enemy. He showed great heroism. He killed and captured about 25 Germans. He won his medal and it was awarded him under the law. How we were all thrilled.

I had occasion a few days ago when I spoke to refer to a young miner, Wilburn K. Ross, in my district, who had a wonderful record. He killed 40 Germans and wounded badly more than 18 more. Fifty-eight or more Germans piled up around his shallow fox hole. To this date, 221 others of the Army, Navy, Marines, and Coast Guard in this war have earned and been awarded the Medal of Honor that belongs to our fighting men who go above and beyond the call of duty, risking their lives in combat with the enemy.

They do not get these medals by any special act of Congress. The commanding officer sees the individual soldier's performance. He must report it favorably, as I understand, to the area commander. Then a board which has been set up goes over the man's achievements for which a medal is sought, and must approve. Then it goes to the ranking officer of the entire operations, like General Eisenhower, say, in Europe, and be approved by him. Then it must come to the General Staff of the Army or Navy as the case may be, here in Washington. They must review and approve it. Then it goes to the Secretary of War, and he must review and approve. Then it goes to the President of the United States and he must approve and award the Medal of Honor. That is the way they get the Congressional Medal of Honor, and that is the way I want every Congressional Medal of Honor bestowed in this country.

ACTION APPROVED

I have never had so many favorable responses to anything I have ever said or done in the House or the Senate as I have received since objecting to granting the Medal of Honor to former President Roosevelt 2 weeks ago today. They came from Democrats, Republicans, Independents, and people from all walks of life and from all sections of our Nation.

Mr. Speaker, I include some excerpts from letters and telegrams which I have received.

Philadelphia:

Congratulations. Our great President does not wish to encroach on these young men who were slaughtered in war.

ONE HUNDRED AND FIVE VETERANS.

The men who died and their buddies stand with you. You are a man. God bless you.

MARINE.

The National Tribune and the Stars and Stripes of Washington, D. C., express strong opposition to granting this medal.

Mr. and Mrs. John J. Kennedy, Philadelphia:

As parents of three killed sons, we thank you for reserving to our heroes the only reward they get. God bless you.

Cheers for having the courage to stand up and block the award of the Congressional Medal of Honor to the late lamented Franklin D. Roosevelt. Thanks a million.

Boston Herald, May 6, 1945, Sunday editorial sent to me by Miss Susan G. Macomber.

Editorial commends my action and points out that bills have been introduced in behalf of Gen. William Mitchell and Ernie Pyle.

Colonel, St. Louis, Mo.:

You have no idea how proud I am of you for getting up and fighting the giving of a Medal of Honor to the late President. For many years thousands of us have fought to win it. It was not given to Lincoln.

Metropolitan News, Hartford, Conn., May 3, 1945:

We have no objection to anyone naming anything after our late President. It is only fitting that he receive the honor due him; but we do not believe the Medal of Honor should be awarded.

Colonel, San Antonio, Tex., expresses approval of my action. His son was killed on Corregidor in 1942.

Hon. James Gould, Andover, Mass., commends my action. He insists that this award should go to those who earn it in battle. But he also says that he appreciates the high quality of service in their particular fields of President Roosevelt and Ernie Pyle.

Mr. Belle P. Woolridge, Pittsburgh:

Permit me to heartily commend you on your recent action preventing the passage of a bill to posthumously award the Congressional Medal of Honor to the late President.

Harry Lataner, Vinton, Va.:

As a Democrat who voted for Roosevelt up to and including a fourth term, your action seems to me to be thoroughly reasoned and soundly American.

Florence Montgomery, Casey, Ill.:

I commend your action on the bill to award the Congressional Medal of Honor to President Roosevelt. You are to be congratulated on the stand you took. Thank you.

Terry Point, N. Y.:

Heartily approve your action regarding Medal of Honor.

Mrs. C. G. Snook, Troy, Ohio:

Approve your sane, sensible statement, also your courage.

M. O. Mafe, Boston:

I appreciate your courage in making a stand. Mr. Truman is making a good President.

H. M. Maybright, Boston:

I congratulate you on your stand.

Mrs. Edwin M. Luckenbach, Philadelphia, Pa.:

Three cheers and a tiger for you. You had the courage of your convictions. My father received the Congressional Medal for three acts of bravery in the United States Army during the Civil War.

A. W. Priestley, Brooklyn, N. Y.:

It does my heart good to see that you are blocking the action on the bill to award the Congressional Medal of Honor posthumously to the late President.

M. S. Holmes, Chicago, Ill.:

We commend you warmly for your objection to the latest Congressional Medal award.

M. R. Inman, Chicago, Ill.:

I am very glad of your action. It should be awarded for real combat.

H. D. Kissinger, Kansas City, Mo.:

I approve heartily the sentiment expressed and object to the congressional award to Franklin D. Roosevelt. Thank God, at least one Congressman retains his equilibrium. More power to you.

Walter H. McKinney, Washington, D. C.:

Having a son who has just lost his right foot and part of his left hand on the Italian front, I find myself somewhat medal conscious. Let us reserve the highest decoration of our land for those who have rendered service above and beyond the call of duty with the daily and hourly risk of their lives. To do otherwise would cheapen the medal.

James Lovatelli, New York City:

Your stand in opposing award of the Congressional Medal to Franklin Roosevelt meets with the approval of millions of citizens and especially veterans. I hope that more Congressmen will have your wisdom.

Senator W. C. Farmer, Albany, Ky.:

I want to very heartily commend you for your action.

Christian W. Correll, New York, N. Y.:

It is heartening to read in the newspaper today of your objection. It is encouraging to know that we still have men who can speak up and who are not fearful of criticism.

Ellis S. Smith, Ithaca, N. Y.:

I understand your proper objection. As a medal-winner in World War No. 1, I know how indiscriminate awards of the medal make it an empty honor. Let us keep the award on its present rare and deserved citation.

Reed P. Black, Johnson City, Tenn., Spanish War veteran:

I read with pride the speech you delivered before the House on H. R. 2966. We need more courageous, fearless, unafraid men like yourself.

T. J. Ward, Cincinnati, Ohio:

In my opinion your position is sound and merits the full support of every man who has received the Medal of Honor and of every man who has given his service in the Army, Navy, or Marine Corps, and every sound-thinking citizen. My sincere congratulations.

E. E. Maccrome:

I send a word of warm commendation for your stand against granting this Congressional Medal to the President. To give the Medal to persons who have not seen active duty or been in active combat would dilute its value and change its meaning.

F. B. Sherman, San Francisco:

President Roosevelt will doubtless rank as a great President. I agree with you that it would be most inappropriate to award the Congressional Medal to him posthumously.

Stuart H. Patton, Alhambra, Calif.:

I am a veteran of the Spanish War, also of World War No. 1. More power to you. Do all you can to prevent the crucifying of the Congressional Medal of Honor.

Forrest Callico, Lancaster, Ky.:

It was with pleasure that I read of your opposition to the posthumous award of the Congressional Medal of Honor to our late President. It takes moral courage, of which we see so little in this age.

William Davis, Crestline, Ohio:

I am sincerely thankful that you are one Congressman who has the guts to oppose the bill awarding the Medal of Honor to President Roosevelt.

Arthur Hines, Fort Benning, Ga.:

I agree with you heartily and am sure millions of others do. It makes me feel good to know that we still have men like you who have the courage to do what they think is right.

Mr. Richard Derby, Oyster Bay, N. Y.:

I am so entirely in accord with you that I want to send you a few lines of congratulation on the courage you showed. It would seem to me that his friends are doing him a real disservice.

C. F. Huebotter, Long Beach, Calif.:

Out of respect for the Congressional Medal of Honorees, stand by your honorable position and hold the line on eligibility.

W. G. Phelps, Somerset, Ky.:

We need more men like you.

E. M. Bailey, Pittsburgh, Pa.:

Permit me to heartily commend you for your recent action.

Miss Florence Cummings, Housatonic, Mass.:

Thank you for your action re medal.

M. T. Sculler, Pittsburgh, Pa.:

Allow me to heartily commend you re medal Ernie Pyle and the late President Roosevelt.

Henry Bryant, Waukesha, Wis.:

I cannot refrain from expressing my admiration for your courage. Indeed it takes courage to stand up and express your convictions as you did.

E. S. Walter, Flushing, L. I., N. Y.:

Congratulations on your stand. I have had two very personal letters from the late President. I wish to say in all sincerity you sound like a fellow who has the courage of his convictions—and I don't mean maybe.

F. Churchill, New York:

I want to congratulate you on taking your stand. I am glad you had the courage of your convictions. Your reason is well taken and I hope you will not weaken.

Dr. S. K. Faucett, Philadelphia:

Why not issue a commemorative half dollar in memory of F. D. R. and in that way everyone could share in it rather than a medal of the favored few.

Mr. ROBSION of Kentucky. The President of the United States is a civilian under the Constitution. He has never been a member of our armed forces. He cannot, under the law, wear the uniform of the Army, the Navy, the Marine Corps, the Air Forces, or the Coast Guard. He is a civilian. In granting honors, the President should be treated as a civilian.

There are many ways in which you can honor the President of the United States in his field of endeavor as a civilian, as a statesman, and in many other respects. In many of these letters received from Democrats they stated, "We voted for Mr. Roosevelt four times, but we are against him having this Congressional Medal of Honor." It cannot be done for the late President without disturbing the integrity of the Congressional Medal of Honor which under the law must go to members of the armed forces.

May I say to the distinguished Majority Leader that I think Congress should pass a general law whereby men who have achieved great success in statesmanship, medicine, surgery, in matters pertaining to invention, industry, and exploration aiding our war effort and in services to this country and the world, the Ernie Pyles and others, may receive proper recognition for their wonderful services. I would support a measure like that. Then we would not have this question coming up when men, like Commander Byrd, Lindbergh, and others who have rendered great services to our country although they were not in the armed services and not in actual combat. Colonel Lindbergh of the Air Forces got a medal, and it squints at this medal of honor, but he was not entitled to that under the law. That should be given only to those who in combat with the enemy risk their lives above and beyond the call of duty.

We have so many great American men and women who achieve so much in peacetime and have been such a wonderful blessing to this country and to the world in peacetime in their endeavors that I should like to see a law passed under which they might be recognized, as well as those in our armed forces, having a board to pass on their claims. It is wonderful to die for our country but I think the day is coming when we want to impress the fact that it is also a fine thing to live for our country and help achieve in the paths of peace.

I wonder if my distinguished friend from Massachusetts would be willing to write into this bill an amendment that would award a medal to President Roosevelt as a civilian. He was a civilian, and what he achieved was as a civilian. Why not say so, and take away this disturbing thought expressed, by servicemen, their wives, widows, parents, to me from practically every State in the Union, who charge we are trying to weaken and destroy the integrity of this great medal?

Only today a colonel called me up from the Walter Reed hospital. He had his arm torn off in Europe. He said, "I thank you, Mr. ROBSION." He also said, "All a certain man over in Hawaii did was to carry powder. He received no wound at all, but he had enough influence to get the Purple Heart." I think one of the committees of the House is investigating the granting of the Purple Heart to those who do not come under the law.

Let us confer these priceless medals, these honors, only on those who fight the enemy and win our victories, and let this priceless decoration be a beacon light to our fighting men.

This is not political. I never was more sincere or more dead in earnest than I am about preserving all the decorations, medals and honors granted by law to our defenders.

A gentleman on the radio last night said I did not know about George Cohan getting this medal of honor. Yes, I know about George Cohan's getting a medal, but it was not a Congressional Medal of Honor. The act granting him a medal clearly shows it was not the Medal of Honor.

Mr. McCORMACK. There are several bills of this character that contain the same language as my bill, "In the name of Congress."

Mr. ROBSION of Kentucky. Yes, but George Cohan's was not the Congressional Medal of Honor.

Mr. McCORMACK. I did not mention the Cohan bill because the language of the Cohan bill is different from this. It was an act of Congress, however. I have quoted bills in recent years where the language is identical with this. I may say that when, what I will admit was a mistake, was called to my attention by a distinguished Member, at whom I am looking now, and I am indebted to him for doing it, I immediately saw the word "Congressional" in the title, and I am prepared to offer an amendment to strike out that word if the bill reaches the stage of amendment.

On the question of civilians, everybody knows that the President of the United States is a civilian, but the title of Commander in Chief is a constitutional title. The Constitution provides that the President in time of war is the Commander in Chief. Certainly the term "Commander in Chief" in the bill is consistent with the Constitution because that term is a part of the Constitution. Everybody who knows our history understands that while whoever is President in wartime is Commander in Chief by reason of the express provision of the Constitution, he is also a civilian.

Mr. ROBSION of Kentucky. But as a civilian, he is not a member of our armed forces.

The Constitution also provides that the military is subordinate to the civil authority. While the President is Commander in Chief, he still is a civilian officer of the United States and not a military officer.

Mr. McCORMACK. I concede that. So far as the record is concerned, the gentleman ought to be satisfied with that. The statement here "Commander in Chief" certainly is a statement which is consistent with the office established by the Constitution.

Mr. ROBSION of Kentucky. That is right. I thank the majority leader for his admission the President is a civilian official. On line 5, if it says, "That the President of the United States is authorized to award posthumously in the name of Congress a Medal of Honor to

the late Franklin D. Roosevelt as a civilian," "As a civilian"—I can see no objection to that.

Mr. McCORMACK. There is no necessity of that language being there because everybody knows the President of the United States is a civilian.

Mr. ROBSION of Kentucky. A lot of folks do not know it. This resolution attempts to give him a medal that belongs under the law to our soldiers and sailors.

Mr. McCORMACK. Oh, well, certainly the insertion of that language is unnecessary because I will admit he is a civilian. Everybody knows or ought to know that the President of the United States is a civilian. The insertion of those words there is unnecessary.

Mr. ROBSION of Kentucky. Let us put it this way then. This medal is granted to the President as a civilian; is it not?

Mr. McCORMACK. To the President of the United States, the Commander in Chief of the Army and Navy, who is a civilian. Naturally, he is a civilian.

Mr. ROBSION of Kentucky. He is a civilian. Anything he has done as President is done as a civilian. Now, aside from the particular language, I want to understand the situation. Therefore, it has no relation whatsoever and does not transgress in any respect on the law granting the Congressional Medal of Honor?

Mr. McCORMACK. I am glad the gentleman brought that up because those are given as the result of the organic law. Congress, instead of passing a specific bill in each case, has passed an organic act. These awards are granted as a result of specific acts of Congress. I think that is clear. That ought to satisfy my friend.

Mr. HANCOCK. Mr. Speaker will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. HANCOCK. My recollection is that the statute makes no reference to the "Congressional Medal of Honor." It merely provides that the President may, in the name of Congress, present the Medal of Honor to a member of the armed forces who distinguishes himself on the field of battle in actual conflict with the enemy. The statute does not describe this medal as the Congressional Medal of Honor. That is the common term for it, but it is not the legal name of it. Since the act before us authorizes the awarding of a Medal of Honor, we are providing for the identical medal that the President gave to the heroic Sergeant Lindsey here today. It is the same thing. What we have done, according to my recollection, on several occasions in the past, is to authorize the mint or the Secretary of the Treasury to design and strike off a special medal to honor in a very high degree some of our great citizens for distinguished accomplishments of, or services as, civilians.

Mr. McCORMACK. Does the gentleman bear in mind the remarks I made a few minutes ago?

Mr. HANCOCK. Yes; and if we gave the Medal of Honor to Byrd and Lindbergh we made a mistake because I think we all want to preserve the distinctive character of the Medal of Honor. It is a soldier's medal and ought never be anything else.

Mr. McCORMACK. The fact remains that these acts have been passed by Congress and the language, so far as the name "Medal of Honor" is concerned, is identical with the bill pending before the House.

Mr. HANCOCK. I do not think we should have done it.

I know I personally have objected several times to such bills. I remember very well that the similar bills have been objected to by others. The gentleman from Massachusetts was here—he and I came to Congress in the same year.

Mr. McCORMACK. One was passed in 1935.

Mr. HANCOCK. Objection was made on the floor to such a bill to honor the late beloved Will Rogers. A bill was introduced to award the medal to J. Edgar Hoover. We killed that in Committee of the Judiciary.

Mr. ROBSION of Kentucky. And Ernie Pyle might be included also.

The gentleman from Massachusetts [Mr. McCORMACK] informs the House that the bill, as amended, does not award a serviceman's Medal of Honor.

Mr. HANCOCK. And Ernie Pyle and various others. Let us pay them every honor possible, but let us preserve the integrity, dignity, and distinctive character of the Medal of Honor. It is a military decoration, the highest honor any member of the armed forces can win.

Mr. ROBSION of Kentucky. May I say in peacetime Congress did get away from the fundamental principle, more or less, but this is wartime. I will confess I never made a careful study of the Medal of Honor and its implications until we had two young men from my own district awarded the medal and I have been looking into the law and how it is earned and I realize what a wonderful honor it is, and I am very anxious that its dignity, integrity, and distinctive character be preserved. It is very precious. It has been sanctified by the blood and heroism of our brave defenders. The gentleman from Massachusetts [Mr. McCORMACK] keeps insisting the medal proposed for President Roosevelt is not the same kind of medal awarded today to Sergeant Lindsey, and other war heroes.

Mr. JENKINS. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. JENKINS. I wonder if the gentleman from Massachusetts [Mr. McCORMACK] would not agree to this language. I think it would clear up the situation and allow this measure to be passed. Instead of inserting "Commander in Chief" or instead of inserting the word "civilian," just leave out both "civilian" and "Commander in Chief." The bill would read:

> In recognition of his peerless leadership, his heroic courage as a pioneer of new frontiers of freedom, his gallant and unselfish devotion to the service of his country.

That removes the language "Commander in Chief" and also obviates the necessity of inserting the word "civilian." It does everything you ask to be done, and takes it out of the class of this distinguished sergeant who was here today and puts it back in the class of Admiral Byrd and the man who laid the cable and all those men about whom the gentleman read.

Mr. McCORMACK. It seems to me the bill is brief and concise and it is noncontroversial. It does seem to me, however, that where it says down below "the late Franklin Delano Roosevelt, in recognition of his fearless leadership, his heroic courage as a pioneer of new frontiers of freedom, his gallant and unselfish devotion to the service of his country," that the "service of his country" would include all, and that he is both President and Commander in Chief.

Mr. JENKINS. Just leave out "Commander in Chief."

Mr. McCORMACK. Personally I think the language in the bill includes that.

Mr. JENKINS. Certainly.

Mr. McCORMACK. And he is referred to as President up above.

Mr. JENKINS. Yes.

Mr. McCORMACK. As far as I am concerned, I have no objection.

Mr. ROBSION of Kentucky. And take out the word "Congressional."

Mr. McCORMACK. Oh, that is going out anyway.

Mr. ROBSION of Kentucky. Of course, my colleagues know I have not always agreed with some of the policies of President Roosevelt in his lifetime. I have not changed my mind. I regret exceedingly that the President could not have lived out the term for which he was elected.

Mr. McCORMACK. I want the RECORD to show the suggestion of the gentleman from Ohio [Mr. JENKINS] that the language down below includes that anyway.

Mr. JENKINS. Exactly.

Mr. McCORMACK. It includes not only Commander in Chief but the language is broad enough to include the late President in his capacity as President of the United States. I think the suggestion is a good one, which I am glad to adopt, and I shall make such a motion myself.

Mr. ROBSION of Kentucky. The gentleman from Massachusetts [Mr. McCORMACK] strikes out the words "Congressional" and "Commander in Chief." This in my opinion would make it a civilian medal to President Roosevelt and does not conflict with Congressional Medal awarded to members of our armed forces.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. SPRINGER. Just for the benefit of the distinguished majority leader, this bill as drawn provides for a medal of honor. I wonder if it would not be entirely proper to distinguish this as a special medal of honor for a civilian, rather than to permit it to stand as it now is, "a medal of honor in the name of Congress." It is my desire that any medal of honor awarded to any civilian be entirely distinguished from the medal of honor, known as the Congressional

Medal of Honor, which is now awarded for combat duty, by our soldiers, and for valor beyond the call of duty. Will the gentleman accept that suggestion as an amendment?

Mr. McCORMACK. I would gladly accept that amendment, because then we are conferring even more honor on the late President Roosevelt. I gladly accept that, a special medal of honor, because then it is even stronger than my bill.

Mr. ROBSION of Kentucky. Well, let us not make these changes until we see where we are going. I want merely to preserve the medal of honor for our fighting men.

Mr. BREHM. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. BREHM. I am not objecting to this legislation but I would like to make some remarks on the subject of memorials.

Mr. Speaker, I hesitate to make these remarks for fear there will be some who intentionally or otherwise might put a different construction on my remarks from that which is honestly intended.

In the first place, there has been much propaganda put out during recent years which had as its objective to smear and catalogue as Roosevelt haters anyone who dared, even minutely, to differ with any of the policies of our late President. I have differed at times with some of the policies of Mr. Roosevelt, but I believe the RECORD will show that my criticism was directed more toward the methods employed in attempting to put those policies into operation and the administration of those policies rather than a direct attack upon the ideals which motivated those policies. I have never by word or deed on the floor of this House attacked our late President as an individual. Personally I feel that it is an indication of extreme weakness for anyone to resort to personalities in an attempt to win a debate.

The problems facing our Nation today are of such tremendous importance to the future life of the entire world that I hope no one will accuse me of resorting to personalities in these remarks.

I have no intention of entering into any discussion as to whether our Republic has advanced or been retarded during Mr. Roosevelt's 12 consecutive years in office. Historians are already in violent disagreement regarding this question and that disagreement will continue as long as historians live.

I do know that no man ever occupied the White House who was more reverently loved and violently hated at one and the same time than Franklin Delano Roosevelt.

The closeness of the popular vote cast in the last general election—25,000,000 for and 23,000,000 against—indicates how evenly divided the American people were on Mr. Roosevelt. It would therefore serve no useful purpose to debate an issue on which the American people were so closely divided by popular vote as they were on Mr. Roosevelt. Those who believe that he was the savior of mankind will continue to believe it, while those who believe that he was instrumental in creating disunity in our Republic will continue to believe that. Each side can advance plausible arguments to prove their point, but in the final analysis each will still believe what he wants to believe. Time alone will provide the true answer to this question.

Now, with that as a background, I would like to discuss the thought which I have in mind regarding the creation of a national memorial.

It seems to me, therefore, that a study of the data relating to national monuments is apropos at this time:

GEORGE WASHINGTON

Died December 14, 1799. On January 31, 1848, a joint resolution authorized the Washington National Monument Society to erect a monument on public grounds in the city of Washington. This was 49 years after the death of Washington.

On February 26, 1859, the Washington National Monument Society was incorporated. This was 60 years after Washington's death.

On August 2, 1876, Congress appropriated the first $200,000 to continue construction of Washington's Monument. This was 77 years after Washington's death.

The Monument was completed on December 6, 1884, dedicated February 21, 1885, and opened to the public October 9, 1888.

In other words, 89 years elapsed after Washington's death before a national monument was finally completed to his memory.

THOMAS JEFFERSON

Jefferson died July 4, 1826. On June 26, 1934, a joint resolution authorizing the creation of a commission to provide for a permanent memorial building was passed by Congress. This was 108 years after Jefferson's death.

On December 15, 1938, ground-breaking ceremonies were held. This was 112 years after his death

On November 15, 1939, the cornerstone was laid. This was 113 years after his death.

On April 13, 1943, the monument was dedicated. You see, therefore, that 117 years elapsed after Jefferson's death before a monument was completed to his memory.

ABRAHAM LINCOLN

Lincoln died April 15, 1865. On March 29, 1867, 2 years after his death, incorporation of the Lincoln Monument Association was enacted by Congress, but because of political difficulties plans of this association fell through.

On February 9, 1911, the Lincoln Memorial Commission was created to secure plans for a monument or a memorial. This was 46 years after Lincoln's death.

On February 12, 1915, the cornerstone was laid. This was 50 years after his death.

On May 30, 1922, the monument was dedicated. Here we see that 57 years elapsed after Lincoln's death before a monument was erected to his memory.

Now the point I want to make is that time is the great leveler—the great stabilizer.

The works and deeds of Washington, Jefferson, and Lincoln stood the test of time. All of these men were criticized, and actually damned by some, in their day. Others felt that they were immortal men. All knew then, just as all know now, that time alone will determine whether or not a man will go down in history as one of the truly great.

I feel that it would be tragic not only to America but also to the memory of Mr. Roosevelt to attempt now during the hysteria of war, and during the conflicting emotions which the American people have regarding this man, to pass a resolution creating a National Monument to his memory.

By their works ye shall know them—and I feel certain that Mr. Roosevelt would much prefer that his case be received and dealt with by Father Time than he would to have some of his admirers attempt to force his greatness upon our Republic.

Mr. ROBSION of Kentucky. History will determine the place of President Roosevelt in the country and in the world.

Mr. HANCOCK. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. HANCOCK. I would like to get this point clear. I know the gentleman has given careful scrutiny to the statute. Am I not right in saying that when we authorize the presentation of a Medal of Honor, capitalizing the words "Medal" and "Honor," in the name of Congress, we are authorizing the granting of what is known in common parlance as the Congressional Medal of Honor?

Mr. ROBSION of Kentucky. I believe that is substantially the language used in the statute and the general law, but this resolution has or will be amended as agreed to by the gentleman from Massachusetts [Mr. McCORMACK], the author of this bill. He and others agree that President Roosevelt was a civilian officer. He was never a member of our armed forces, and the medal to be granted by this bill is not the same kind of medal granted under the law to our servicemen who showed great courage and risked their lives above and beyond the call of duty in actual combat or conflict with the enemy. President Roosevelt never was in actual combat or conflict with the enemy and, of course, he could not secure the soldiers' and sailors' medal of honor.

I said in my speech on this subject on Monday, May 7, that in view of the fact that President Roosevelt had been Assistant Secretary of the Navy, Governor of the great State of New York, and elected President of the United States four terms, and had other honors conferred upon him, the medal that Congress might confer upon him would have very little meaning. In fact, if it should be claimed that Congress was attempting to give him the same Congressional Medal of Honor awarded to our soldiers and sailors, it would detract from his honors rather than add to them. His record has been made. Historians and the American people in years to come and when more detached from the acts and records of the late lamented President will determine his place in history. This was true of Washington, Jefferson,

Madison, Jackson, Lincoln, Grant, Garfield, McKinley, "Teddy" Roosevelt, Wilson, Coolidge, and others. What we say and do in this resolution will have very little bearing on the verdict of history or mankind.

According to my investigations, such a resolution was never introduced or acted upon in Congress in behalf of Washington, Jefferson, William Henry Harrison, Lincoln, Grant, Hayes, McKinley, or Teddy Roosevelt. All of these men won honors on the battlefield except Jefferson. William Henry Harrison died in office, and so did President Zachary Taylor. Abraham Lincoln, James Garfield, and William McKinley all were assassinated while in office in line of duty, and each of them had been soldiers and had worn their country's uniform.

It is claimed that President Wilson lost his life because of the great burden and worries of the Presidential office. I have failed to find where any bill was passed by Congress granting the medal of honor to any American President, and our good friend the Democratic leader, the gentleman from Massachusetts [Mr. McCORMACK] states that he knows of no such action taken on behalf of any of our Presidents heretofore. If President Roosevelt should secure any sort of medal it would have to be by a special act of Congress. Literally thousands of special bills were passed during his terms of office for veterans and their dependents, and it is generally stated that he vetoed them all on the basis that he was opposed to showing partiality to a few thousand veterans who might be able to secure special acts as against the many other veterans and their dependents who had to stand or fall under the general law. I am wondering if President Roosevelt was living, if he would favor any special bill, as is being proposed here in Congress for himself. Would he want to secure a medal by special act of Congress when many other men have achieved on the battlefield but are denied the medal because they do not meet the requirements of the general law? One of the reasons assigned by President Roosevelt for vetoing the bonus bill was that those who entered the armed services were performing their duty to their country, and there was little difference between those who remained at home and worked. We know that President Roosevelt could not secure a medal of honor under any general law that Congress has passed in all the years of its history.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States is authorized to award posthumously, in the name of Congress, a Medal of Honor to the late Franklin Delano Roosevelt, in recognition of his peerless leadership as Commander in Chief, his heroic courage as a pioneer of new frontiers of freedom, his gallant and unselfish devotion to the service of his country, and his everlasting contribution to the cause of world peace.

Mr. McCORMACK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Page 1, line 4, before the word "Medal", insert the word "Special."

Page 1, line 6, strike out the words "as Commander in Chief."

The amendment was agreed to.

Mr. McCORMACK. Mr. Speaker, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Amend the title of the bill by striking out the word "Congressional" and inserting in lieu thereof the word "Special."

The amendment was agreed to.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent that the bill as amended be read.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read as follows:

Authorizing the President of the United States to award posthumously a Special Medal of Honor to Franklin Delano Roosevelt

Be it enacted, etc., That the President of the United States is authorized to award posthumously, in the name of Congress, a Special Medal of Honor to the late Franklin Delano Roosevelt, in recognition of his peerless leadership, his heroic courage as a pioneer of new frontiers of freedom, his gallant and unselfish devotion to the service of his country, and his everlasting contribution to the cause of world peace.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "Authorizing the President of the United States to award posthumously a Special Medal of Honor to Franklin Delano Roosevelt."

AMENDING SECTION 342 (b) OF THE NATIONALITY ACT OF 1940, WAIVING CERTAIN FEES FOR MEMBERS OF THE ARMED FORCES

The Clerk called the bill (H. R. 391) to amend section 342 (b) of the Nationality Act of 1940.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, this is one of those bills which tries to state that the war started September 1, 1939, as far as the United States is concerned.

I have previously given notice that I would object to that provision in any legislation.

If any member of the Committee on Immigration is present who can accept an amendment to strike out September 1, 1939, and insert in lieu thereof "After September 16, 1940," which is the date of the draft, I will be glad to offer such an amendment and withdraw my objection to the passage of the bill. It would change the wording to make it coincident with the draft.

Mr. MASON. Mr. Speaker, I feel that the committee as a committee has no objection to the amendment the gentleman wishes to offer setting the regular time for the beginning of this war as far as America is concerned. Inasmuch as we accepted a similar amendment in connection with another bill I would say the committee would gladly accept it.

Mr. KEAN. I may say to the gentleman that I am not in my amendment stating that the war commenced on the date of the draft, but that this act becomes effective as of that date, which I believe is September 16, 1940.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (b) of section 342 of the Nationality Act of 1940 (54 Stat. 1161; 8 U. S. C. 742) is hereby amended by adding the following paragraph at the end thereof:

"Notwithstanding the preceding provisions of this subsection, no fee shall be charged or collected for an application for a declaration of intention in lieu of a declaration alleged to have been lost, mutilated, or destroyed or for an application for a certificate of naturalization in lieu of a certificate alleged to have been lost, mutilated, or destroyed, submitted by a person who was a member of the military or naval forces of the United States at any time after April 20, 1898, and before July 5, 1902; or at any time after April 5, 1917, and before November 12, 1918; or who served on the Mexican border as a member of the Regular Army or National Guard between June 1916 and April 1917; or who has served or hereafter serves in the military or naval forces of the United States during the present war, which, for the purpose of this proviso, shall be deemed to have commenced on September 1, 1939, and to have continued until the termination of hostilities; and who was not at any time during such period or thereafter separated from such forces under other than honorable conditions, who was not a conscientious objector who performed no military duty whatever or refused to wear the uniform, or who was not at any time during such period or thereafter discharged from such military or naval forces on account of alienage."

Mr. KEAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Page 2, line 9, after the words "United States", strike out "during the present war, which for the purposes of this proviso shall be deemed to have commenced on September 1, 1939, and to have continued until the termination of hostilities" and insert in lieu thereof: "after September 16, 1940, and before the termination of hostilities in the present war."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN NATIVES AND INHABITANTS OF THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 712) relating to the status of certain natives and inhabitants of the Virgin Islands.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CLEVENGER. Mr. Speaker, reserving the right to object, may we have a statement as to what this bill is all about?

Mr. LESINSKI. Mr. Speaker, the purpose of this bill is to clarify the law relating to the status of various natives and inhabitants of the Virgin Islands.

The section of the law which is to be amended declares the classes of persons referred to in subdivisions (a), (b), (c), and (d) to be citizens of the United States. Subdivision (e) will declare an additional class of persons to be citizens, said class being the natives of the Virgin Islands who on the effective date of this subdivision (e) are residing in the con-

tinental United States or any territory or insular possession of the United States and who are not citizens or subjects of any foreign country, regardless of their place of residence on January 17, 1917.

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AMENDMENT TO SECTION 28 (C) OF THE IMMIGRATION ACT OF 1924

The Clerk called the bill (H. R. 390) to amend section 28 (C) of the Immigration Act of 1924.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXEMPTING CERTAIN MEMBERS OF THE ECONOMIC STABILIZATION BOARD FROM CERTAIN PROVISIONS OF CRIMINAL CODE

The Clerk called the next bill, H. R. 2951, to exempt certain members of the Economic Stabilization Board from certain provisions of the Criminal Code.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEEFE. Mr. Speaker, reserving the right to object, may I inquire as to the purpose of this bill?

Mr. WEAVER. Mr. Speaker, may I say to the gentleman that this is one of probably a dozen or more similar bills already enacted into law during the present session of Congress and applies only to those persons who are serving without compensation. It provides they shall not be covered by the criminal and other provisions of two certain sections of the code. They are very anxious to get this legislation through.

Mr. KEEFE. If that is the explanation and we all understand what it is, that is all I want. I understand, then, this simply waives the provisions of law as applied to the members of the Economic Stabilization Board who are serving without pay but who, if they dealt with the Government in connection with their business, might be subjected to the penal provisions of the law?

Mr. WEAVER. Yes.

Mr. KEEFE. We are removing them from the coverage of this penal provision in order to obtain their services on this economic board?

Mr. WEAVER. That is correct.

Mr. KEEFE. Then I have no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That nothing contained in sections 109 and 113 of the Criminal Code (U. S. C., title 18, secs. 198 and 203) shall be deemed to apply to any person because he has heretofore been or may hereafter be appointed by the President to the Economic Stabilization Board provided for by title I, section 2 of Executive Order 9250, issued October 3, 1942, as a representative of labor, management, farmers, or the public.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTER-AMERICAN STATISTICAL INSTITUTE

The Clerk called the bill (H. R. 688) amending the joint resolution entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. JONES. Mr. Speaker, reserving the right to object, the bill, H. R. 688, now before the House on the Consent Calendar was passed over by unanimous consent at my instance on March 7, 1945. The existing law which H. R. 688 would amend provides for adhering membership of the United States Government in the Inter-American Statistical Institute, which is an autonomous organization; that is, its status is independent of the control of the Government, which contributes to its support, with the following limitation in the present law. The first proviso reads:

Provided, That the share of the United States each year after the second year shall not exceed 50 percent of the total contribution made for the same purposes by all adhering member governments during the year preceding the one for which payment is made.

According to the first proviso in existing law, I have made a tabulation which I would like to put in the RECORD, showing the population of each adhering member figured at the rate of 20 cents per 1,000 and the total amount contributed to the Inter-American Statistical Institute is the sum of $51,515.

Adhering members (countries)	Population	Contribution at 20 cents per 1,000 population
Dominican Republic	1,768,000	$353.60
Bolivia	3,426,000	685.20
Mexico	19,473,741	3,894.60
Costa Rica	656,129	131.20
United States	130,000,000	26,000.00
Brazil	41,356,605	8,271.00
Peru	7,023,111	1,404.60
Panama	635,836	127.16
Canada	11,506,055	2,301.20
Colombia	9,523,200	1,904.60
Cuba	4,199,952	839.80
Argentina	13,518,239	2,703.60
El Salvador	1,829,816	365.80
Ecuador	3,085,000	617.10
Chili	5,782,000	1,156.40
Venezuela	3,839,747	767.80
Total (16 countries)	6,257,623,431	51,515.86

As the table will show, the share of the United States is $26,000 at 20 cents per 1,000 population, and the limitation of the proviso makes it about $25,750.

That is not the objection that I am presenting or posing in reserving the right to object to this bill. I oppose the amendment that would repeal the second proviso, which is another limitation in the existing law, and is as follows:

Provided further, That the total cost to the United States Government shall not exceed $35,000 in any one year.

Let us see how the new proviso would change that. The new proviso reads "the total cost to the United States for any fiscal year for adhering membership shall not exceed $35,000."

The words added in the new proviso in H. R. 688 mean that the limitation of $35,000 applies to membership of the United States only. If H. R. 688 is adopted, United States expense will have no limitation upon the amount that any and all Government agencies may spend for the services of this Inter-American Statistical Institute; in other words, if U. N. R. R. A. wants to spend $25,000 or $30,000 for services, they can do it. In existing law $35,000 is the ceiling for the United States Government or any agency thereof.

I object to the fact that here we have about $51,515. The committee report says that this Inter-American Statistical Institute collects about $50,000 annually from governments of the Western Hemisphere. This $50,000 contributed by adhering member governments is providing the capital investment for this organization to set up shop, to buy the desks, and the paper, and the pencils, and hire personnel to do the statistical jobs it chooses for a price per job. Then we let the United States Government agencies, or any of them, or all of them that can get money, with language in an appropriation bill allowing them to contract with private and public agencies, buy the services of Inter-American Statistical Institute and spend money with this organization. The organization is autonomous; that is it is independent. Its operation is independent of the United States Government and beyond the control of the United States Government.

In order to get into the Inter-American Statistical Institute you have to be recommended by three people.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. As I understand, the gentleman does not object to that portion of the bill which strikes out the 50-percent contribution, but his objection is based upon the $35,000 limitation on the ground that he says there would be no limit to what might be spent in a transfer of services from other funds; is that right?

Mr. JONES. Yes. I particularly object to the language added in the new proviso for adhering membership. I might say in explanation that I would not object to the bill on the ground of the first proviso being eliminated.

Mr. LUTHER A. JOHNSON. I understand that.

Mr. JONES. I still think the United States is paying plenty when it has the authority to pay $35,000 out of a total income from all adhering member countries of $51,515.

Mr. LUTHER A. JOHNSON. The second limitation, which the gentleman questions, would not cost the Government of the United States any more money, for this reason. The purpose of having this amendment is that the Institute may serve other Government agencies. This is the way that would be done. Other Government agencies would not call upon the Institute to serve them if they could do it for less money. It is

only where they could not do it for less money that they would call upon the Institute. The gentleman is a member of the Committee on Appropriations. These other agencies that call upon the Institute to serve them and furnish them figures cannot spend more money than the gentleman's committee and the House appropriates; therefore, it would not cost the Government of the United States one cent.

Let me illustrate: Suppose an agency of the Government says to the Institute, "We want statistics on this. We want you to do this for us." That would have to be done under an appropriation that would be made for the agency that made the request, and it would be made under the limitations that Congress placed on it. Also, that would all be subject to the General Accounting Office. So while the Institute would spend the money itself, it would not spend one dime more than the gentleman's committee and the House had appropriated for the agency making the request.

Mr. JONES. If I may disagree with the gentleman, we are setting in motion here a private organization with $51,515 of capital stock. It is just the same as if it were a private corporation.

Mr. LUTHER A. JOHNSON. No; this is not a private corporation. It is a Government agency. Under the Economy Act of 1932 one agency may purchase services from another Federal Government agency when this is in the interest of efficiency. Although the Institute is not an agency of the Federal Government of the United States, since it is international in character, the same principle would apply to the utilization of its services by any Federal agency which had received appropriated funds for purposes which could best be served by purchasing services of the Institute.

Mr. JONES. This is not a Government agency.

Mr. LUTHER A. JOHNSON. It is the same principle.

Mr. JONES. No; it is not; because the United States loses control entirely. I can show the gentleman from their own statistics where they claim they are an autonomous organization. It is just the same as if it were a private organization.

Mr. LUTHER A. JOHNSON. I can appreciate that, but as far as dollars and cents are concerned, the gentleman is bound to be wrong, it could not be any more. Suppose the Bureau of the Census should want this Institute to furnish some statistics. It would transfer from it to this Institute the funds which have been appropriated to the Bureau of the Census. The Institute could not spend more than had been appropriated, so it would not cost 1 cent more.

Mr. JONES. Yes; it would. It seems to me, if this is a cooperative venture, that with the $26,000 we are putting into it to help own the organization we ought to get everything out of it free, and all agencies and all governments ought to get it free.

Let me read to the gentleman the committee report at page 2, which states:

> The total annual cost of $35,000 to the United States for adhering membership has been maintained. The words "for adhering membership" have been added to the new legislation so as to make it possible for United States Government agencies to purchase, from time to time, special services from the Institute.

Mr. LUTHER A. JOHNSON. That is right.

Mr. JONES. That means that UNRRA can so purchase, and Dr. Rice tells me that UNRRA is going to be one of the agencies to purchase from this organization.

Mr. LUTHER A. JOHNSON. UNRRA has called upon them to furnish a report as to what the incomes of these various nations are so that they may know what their assessments shall be in meeting the cost. Where the gentleman is making his mistake is that he assumes that this is going to cost our Government more. When UNRRA calls upon the Institute for work to be done, UNRRA has to transfer funds that have been appropriated to it to do this work. UNRRA can do the work or have the Institute do it. It is not going to cost us one cent more.

Mr. JONES. There is no mistake about that, but when UNRRA spends money with this American Statistical Institute it is costing the Government more money.

Mr. LUTHER A. JOHNSON. No.

Mr. JONES. The only thing that is happening is that the Government agency instead of paying for the services and making a request to the Congress for so much personnel to do this job, says to Congress "I want contract authorization or I want transfer power to give money to this private agency which is controlled by Government officials," Dr. Hauser and Dr. Dunn, of the Census Bureau, and Dr. Rice of the Bureau of the Budget. It is a private corporation or agency which they can operate and do a they please without limitation of Federal law.

Mr. LUTHER A. JOHNSON. It is not a private agency, it is an agency of this Government in connection with the Pan American countries and Canada, by which they set up this agency to try to secure these statistics that are badly needed in commerce and trade. It is nothing but a cold business proposition which is worth a lot to the country and worth a lot to our people in our trade with South America.

Mr. JONES. That is the reason I am quite willing for the organization to go along with the present law so that we can get from them value received for what we are contributing to them as members.

Mr. LUTHER A. JOHNSON. We are paying 15 cents per 100,000 of population, whereas the other countries are paying 20 cents. This simply permits us to pay our equitable share, whatever it is. I do not see why the gentleman should object to it.

The SPEAKER. Is there objection to the present consideration of the bill?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

CHAPLAIN—UNITED STATES MILITARY ACADEMY

The Clerk called the bill (H. R. 1947) to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms.

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That the act entitled "An act to amend section 1309, Revised Statutes, providing a chaplain for the Military Academy," approved February 18, 1896 (29 Stat. 8), as amended by the act entitled "An act to fix the pay and allowances of chaplain at the United States Military Academy," approved May 16, 1928 (45 Stat. 573), is amended by deleting the period at the end thereof and substituting therefor a colon and adding the following: *"Provided,* That the said chaplain shall, while so serving under any reappointment for an additional term or terms, receive a salary of $5,000 per annum and be entitled to the same allowances as herein provided."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KEETOOWAH INDIANS OF THE CHEROKEE NATION IN OKLAHOMA

The Clerk called the bill (H. R. 341) relating to the status of Keetoowah Indians of the Cherokee Nation in Oklahoma, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That the Keetoowah Indians of the Cherokee Nation of Oklahoma shall be recognized as a band of Indians residing in Oklahoma within the meaning of section 3 of the act of June 26, 1936 (49 Stat. 1967).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FIVE CIVILIZED TRIBES

The Clerk called the bill (H. R. 2754) to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma," approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States District Courts of the State of Oklahoma.

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That no conveyance made by an Indian of the Five Civilized Tribes on or after April 26, 1931, and prior to the date of enactment of this act, of lands purchased, prior to April 26, 1931, for the use and benefit of such Indian with funds derived from the sale of, or as income from, restricted allotted lands and conveyed to him by deed containing restrictions on alienation without the consent and approval of the Secretary of the Interior prior to April 26, 1931, shall be invalid because such conveyance was made without the consent and approval of the Secretary of the Interior: *Provided,* That all conveyances made after the date of the enactment of this act must have the consent and approval of the Secretary of the Interior: *Provided further,* That if any such conveyances are subject to attack upon grounds other than the insufficiency of

approval or lack of approval such conveyances shall not be affected by this section.

SEC. 2. That nothing contained in the act of January 27, 1933 (47 Stat. 777), shall be construed to impose restrictions on the alienation of lands or interests in lands acquired by inheritance, device, or in any other manner, by Indians of the Five Civilized Tribes, where such lands, or interest therein, were not restricted against alienation at the time of acquisition, and all conveyances executed by Indians of the Five Civilized Tribes after January 27, 1933, and before the date of approval of this section, of lands, or interests in lands, which, at the time of acquisition by them, were free from restrictions, are hereby confirmed and declared to be valid, irrespective of whether such conveyances were or were not approved by the Secretary of the Interior, or by any county court of the State of Oklahoma: *Provided*, That if any such conveyances are subject to attack upon grounds other than the insufficieney of approval or lack of approval such conveyances shall not be affected by this section: *Provided further*, That the provisions of this section shall not be construed to validate or confirm any conveyance made in violation of restrictions recited in any deed to lands purchased with the restricted or trust funds belonging to any Indian of the Five Civilized Tribes.

SEC. 3. That no order, judgment, or decree in partition made, entered, or rendered subsequent to the effective date of the act of June 14, 1918 (40 Stat. 606), and prior to the effective date of this act, and involving inherited lands of enrolled and unenrolled members of the Five Civilized Tribes, shall be held null, void, invalid, or inoperative, nor shall any conveyance of any land pursuant to such order, judgment, or decree be held null, void, invalid, or inoperative because the United States was not a party to such order, judgment, or decree, or to any of the proceedings in connection therewith, or because the United States, its agents, or officers, or any of them, was not served with any notice or process in connection therewith, and all such orders, judgments, decrees, and conveyances, which are subject to attack solely by reason of any of the infirmities enumerated by this section, are hereby confirmed, approved, and declared valid.

SEC. 4. If any provision of this act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

Mr. BARDEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN:

Page 2, line 7, insert the word "such" after the word "all."

On page 2, line 16, change the word "device" after the word "inheritance" and before the word "or" to the word "devise."

Insert the word "restricted" after the word "inherited" and before the word "lands," in line 14 on page 3.

Mr. KEAN. Mr. Speaker, I move to strike out the last word in order to ask the gentleman whether these are just clarifying amendments. I do not think it is good order to bring a bill up on the Consent Calendar and then have somebody offer some amendments which we have never seen.

Mr. BARDEN. The amendments are strictly clarifying amendments although they can hardly have that dignity. For instance, one amendment changes the word "device" to "devise." The amendments do not add anything to the purport of the bill but are just for the purpose of clarification.

Mr. KEAN. The gentleman agrees with me that it is not good policy to have someone offer amendments to a bill on the Consent Calendar, which amendments have not been brought to the attention of the members of the objectors' committee.

Mr. BARDEN. I would not quarrel with any Member with respect to that, but these amendments in no way change the purport of the bill. I saw no reason why we should not use just as good English as we possibly could.

The SPEAKER. The question is on the amendments offered by the gentleman from North Carolina.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL SERVICE LIFE INSURANCE ACT OF 1940

The Clerk called the bill (H. R. 2949), to amend the National Service Life Insurance Act of 1940 to provide for the automatic extension for a second 5-year period of 5-year-level-premium-term policies.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McDONOUGH. Mr. Speaker, reserving the right to object, and I shall not object, as I favor the bill.

Mr. Speaker, I call the attention of the Members of this body to Consent Calendar No. 111, H. R. 2949, titled: "To amend the National Service Life Insurance Act of 1940 to provide for the automatic extension for a 3-year period of 5-year-level-premium-term policies."

I would like to say a few words regarding this measure.

The need for the passage of this bill is pressing. Nearly 5 years ago the first contingents of National Guardsmen and of Selective Service inductees were called into active service and the National Service Life Insurance Act of 1940 was enacted to provide these men and those who were to follow them into the armed forces with low-cost life insurance. As a result of this farsighted act of Congress, our servicemen and their families—and now in many cases their widows and fatherless children—are benefiting from the protection of this low-cost insurance provided for them by Congress. They are benefiting or receiving the protection of these policies because the cost of the insurance is within the means of men who are having allotments deducted from their service pay, in most cases—their pay—amounts to $50 a month, including deductions.

Under the terms of the act, United States Government service life-insurance policies have a life of 5 years. By the end of this period these policies must either be converted to other forms of life insurance or they lapse. Since the cost of the other forms of insurance would require—in many cases—more than twice the allotment for this low-cost insurance, it would work a hardship on the men of our armed forces who have families dependent upon them. On the other hand, if these policies were to be allowed to lapse, the families of these men would be deprived of protection that they deserve, and in all too many cases shall have need for before the war is ended. We must not fail them.

Mr. Speaker, on March 2 I had the honor of introducing the first bill to extend the force of national service life-insurance policies—H. R. 2441—and I want to acknowledge now my full and wholehearted support of the bill now on the calendar, H. R. 2949.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the second sentence of section 602 (f) of the National Service Life Insurance Act of 1940, as amended (U. S. C., 1940 edition, title 38, sec. 802 (f)), is amended to read as follows: "Every 5-year-level-premium-term policy shall be automatically extended without medical examination at the expiration of the 5-year term period for a second 5-year period at the same rate of premium which was in effect with respect to such policy for the first 5-year period."

SEC. 2. The Administrator of Veterans' Affairs is authorized and directed to transfer from time to time from the national life insurance appropriation to the national service life insurance fund such sums as may be necessary to cover any losses incurred by reason of the extension, without any increase in the rate of premium, for a second 5-year period of 5-year-level-premium-term policies.

With the following committee amendment:

Page 1, after line 2, strike out all down to and including line 11 on page 2, and insert "That the 5-year-term period under which all national service life insurance issued on or before December 31, 1934, and not exchanged or converted prior to that date to a plan other than 5-year-level-premium-term insurance is hereby extended for an additional period of 3 years. The premiums actually chargeable for such additional period shall be the same as during the original five-year period notwithstanding that the premiums due under section 602 (e) of the National Service Life Insurance Act of 1940 are those for a 3-year-level-premium-term insurance at the attained age of the insured at the commencement date of such 3-year period: *Provided*, That the Administrator of Veteran's Affairs is authorized to make such adjustments as he may determine to be proper in reserves and any dividends."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to extend 5-year-level-premium-term policies for an additional 3 years."

TO FACILITATE EMPLOYMENT OF NECESSARY PERSONNEL IN THE VETERANS' ADMINISTRATION

The Clerk called the bill (H. R. 3102) to facilitate employment of necessary personnel in the Veterans' Administration.

THE SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That until 1 year after termination of the present war, the Administrator of Veterans' Affairs, when he shall determine that such course is necessary in order to recruit persons for employment in the

Veterans' Administration or any of its field offices or facilities, is authorized and directed, with concurrence of the Civil Service Commission, to pay, from the appropriations for the Veterans' Administration available for traveling expenses, and in accordance with the Subsistence Expense Act and Standardized Government Travel Regulations, the travel expenses of such persons from the place of their recruitment to the first post of duty.

With the following committee amendment:

Strike out all after the enacting clause down to and including line 4, on page 2, and insert "That the Administrator of Veterans' Affairs is authorized, when he deems it necessary, during the period of the present war, in the interest of expediting benefits to veterans and dependents, to employ on part-time clerks, stenographers, typists, and machine operators holding positions in other Federal departments and agencies; to fix compensation for such extra work on an hourly basis; and to pay such compensation notwithstanding the provisions of Revised Statutes 1763, 1764, 1765 (secs. 58, 69, and 70, title 5, U. S. C.)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to authorize the Administrator of Veterans' Affairs to employ on part-time clerks, stenographers, typists, and machine operators holding positions in other Federal departments and agencies, and for other purposes."

GRANTING CERTAIN PRIORITIES TO FACILITATE EMPLOYMENT IN VETERANS' ADMINISTRATION

The Clerk called the bill (H. R. 3118) to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RAMSPECK. Mr. Speaker, reserving the right to object, in my opinion, this bill ought not to pass. In the first place, the question of priorities, raised in the first part of the bill, was attended to about a year ago by an order of the War Production Board and the Bureau of the Budget.

In the second place, the bill undertakes to take out from under the Classification Act which fixes salaries in the departments in Washington, additional personnel and permits the appointment of new people at the top of the grade. So that what the bill would do, in effect, would be this: You would have a clerk or stenographer who had been in the Veterans' Administration for years working at $1,440 or $1,500 or $1,560, and then you would employ a new person seated at the next desk at $1,800, $1,860, or $1,920 doing exactly the same work. Of course, it would wreck the entire structure of pay scales in the departments in Washington. I do not think it ought to be done. The present employees in the Veterans' Administration would resent this discrimination and no doubt many would resign.

In addition to that, of course, I am opposed to the exemption of the Veterans' Administration from the Civil Service. I notice the committee put in an amendment to observe the veterans' preference, but you cannot enforce veterans' preference unless you go through the Civil-Service procedure. I am surprised that the veterans' organizations have not protested against this bill. Perhaps they do not know about it. I am therefore going to ask unanimous consent that the bill be passed over without prejudice.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I should like to answer the gentleman from Georgia [Mr. RAMSPECK].

The gentleman from Georgia shows up a little late. If he were going to enter such an objection it should have been done to previous bill which was designed to aid the Veterans' Administration in employing additional help in the District of Columbia.

We had all these questions before the Veterans' Committee. We found an organized drive to discredit the Veterans' Administration. We sent members of the committee to every section of the country to go through veterans' hospitals and find out as best they could what was necessary in order to relieve the situation. The main complaints we found were, first, crowded facilities.

There are, of course, a great many hospitals that have been built by the Army that will later be taken over by the Veterans' Administration, but there are some facilities that can be acquired if this bill passes that will relieve the strain temporarily and enable the Veterans' Administration to discharge its duty in that respect.

Again, we found wherever we went one other thing, and that was a shortage of help of almost every kind. Under the other bill we have taken care of the clerical help in the District of Columbia, but we found that they were short of help of almost every kind in many of these facilities. The Veterans' Committee went over this proposition carefully and decided that this was the only way we could relieve that shortage at this time, and provided for these temporary employments. It refers not only to the class of help to which the gentleman from Georgia alluded, but it goes down to the most menial labor connected with the veterans' hospitals.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. HINSHAW. Being thoroughly acquainted with the Veterans' Administration and the Army hospital situation, having two of one and one of the other in my district, I can say with full confidence that the Army is able to outbid the Veterans' Administration for the type of help necessary for the handling of a veterans' facility, and consequently dragged a lot of help out of the veterans' facility into the Army facility.

Mr. RANKIN. Yes; and then we have certain communistic propagandists writing for communistic papers over the country abusing the Veterans' Administration for not doing the very thing this bill would enable it to do. What we are trying to do is to take care of these ex-servicemen. There are not just a few, there are hundreds of thousands. In fact, millions have passed through these veterans' facilities. They come from every State in the Union. There are men in them from every county in the United States. The burden of taking care of them rests upon the Veterans' Administration. They are not veterans as long as they are in the Army, the Navy, and the Marine Corps. As long as they are in the Army or the Marine Corps they are under the jurisdiction of Army hospitals; as long as they are in the Navy they are under the jurisdiction of the naval hospitals; but the moment they are discharged and seek hospitalization they must secure it, if at all, in a veterans' hospital.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RAMSPECK. In response to what the gentleman from California said, this bill does not deal with the salaries of the employees in hospitals outside of Washington. The salaries of the employees in the veterans' hospitals out in the States in either the Army or the Veterans' Administration do not come under the Classification Act.

Mr. HINSHAW. I assume, Mr. Speaker, that the large veterans' facilities in Washington are having the same sort of difficulty in obtaining and keeping help as we are having in my district.

Mr. RAMSPECK. That may be true, but the Classification Act applies only to departmental employees in Washington; that is, to the office of the Veterans' Administration. What I am trying to get over to the House is that you are proposing to pay a stenographer, a new employee, under this bill, $1,800 or $1,900 when you cannot give an old one an increase under the bill. The same thing would be true in the other departments in Washington. You are upsetting the whole wage scale of the Government as proposed by this bill.

Mr. RANKIN. The old one who is on the pay roll you might say for life is entitled to retirement and has a steady job. Now you are faced with the situation of having to secure employees temporarily. In order to get employees to go into these places and do this work you may have to pay them above the average standard paid permanent employees in the agency. These employees are temporary and they are necessary, as brought out by the Veterans' Administration.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the lady from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, it seems to me that the real way to remedy the evil is to raise the salaries of the employees of the Veterans' Administration. They are admittedly very low paid. We should put the hospital in the position where it could automatically raise the salaries—such as the creation of a permanent medical corps.

Mr. RANKIN. Of course, that question is not before the House. As Grover Cleveland said, "We are confronted with a condition, not a theory."

It is virtually impossible in some of these veterans' facilities to take care of the vast load that has been piled upon those facilities by this war. Later on, when the war closes, which we trust will not be long, the Veterans' Administration will probably take over some of the new Army hospitals. These temporary employees can come in, stand examination, and take their place along with the other employees, or else go off the pay roll.

I am sick and tired of having some flannel-mouth agitator who is lined up with a gang that is dedicated to the overthrow of this Government, go on the radio, as was done last night, or go into the press, and malign and misrepresent the people who are trying to take care of the disabled veterans. The Veterans' Committee is doing everything it can to bring in legislation that will cure the situation and enable the Administration to go out and employ men and women to do the necessary work to meet the present emergency.

Mr. Speaker, I hope the gentleman will not object to the immediate consideration of this bill. I must object to its going over without prejudice. We need this legislation now.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RAMSPECK. Mr. Speaker, I make a point of order against the report.

Mr. RANKIN. Mr. Speaker, that point of order is out of order until the bill is up for consideration.

The SPEAKER. The gentleman from Mississippi is correct.

Mr. RAMSPECK. Mr. Speaker, I object to the present consideration of the bill.

SUSPENSION OF PRESENT WARS SECTION 2 OF THE ACT OF MARCH 3, 1883, AS AMENDED

The Clerk called the bill (S. 645) to suspend until 6 months after the termination of the present wars section 2 of the act of March 3, 1883 (22 Stat. 481), as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of March 3, 1883 (22 Stat. 481), as amended, is hereby suspended until 6 months after the termination of the present wars as determined by the proclamation of the President or concurrent resolution of the Congress, whichever is earlier.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SECRETARY OF STATE TO CONVEY TO THE STATE OF RHODE ISLAND CERTAIN LAND AT NORTH KINGSTOWN, R. I.

The Clerk called the bill (S. 647) to authorize the Secretary of the Navy to convey to the State of Rhode Island, for highway purposes only, a strip of land within the naval advance base depot at North Kingstown, R. I.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to convey (subject to section 2 of this act) to the State of Rhode Island, for highway purposes only, upon such terms and conditions as he may prescribe, all right, title, and interest of the United States in and to a strip or parcel of land, the metes and bounds description of which is on file in the Navy Department, consisting of two and five hundred eighty-three one-thousandths acres, more or less, situated within the boundaries of the United States Naval Advance Base Depot, North Kingtown, Washington County, R. I.

SEC. 2. If any part of the land conveyed pursuant to this act is used for other than highway purposes, or ceases to be used for highway purposes, such part shall revert to the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMERGENCY REPAIRS TO FLOOD-CONTROL WORKS

The Clerk called the bill (S. 938) to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, at the commencement of the present session, the gentleman from New York [Mr. COLE] made a statement as to what type of bill the objectors on this side of the aisle would object to and among them were bills carrying amounts of money such as carried by the present bill. The chairman of the committee evidently has not read that part of the record. For that reason I object.

RECONSTRUCTION FINANCE CORPORATION ACT

The Clerk called the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PATMAN. Mr. Speaker, reserving the right to object, the RFC has a lot to do with surplus property. I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

"MOUNTAINS OUT OF MOLEHILLS"—SURPLUS PROPERTY BOARD USING COMPLICATED AND UNWORKABLE PROCEDURES TO DO A COMPARATIVELY SIMPLE JOB—TASK ADMITTEDLY INVOLVES HUGE AMOUNTS OF SURPLUSES, BUT NO EVIDENCE VISIBLE THAT USE OF NORMAL MERCHANDISING TECHNIQUES BEING ENCOURAGED—SMALL BUSINESS NOT BEING AFFORDED EQUITABLE TREATMENT YET—CHAINS, MAIL-ORDER HOUSES, AND LARGE DISTRIBUTION OUTLETS REPORTEDLY OPPOSING PROGRAMS WHICH WOULD PERMIT SMALL RETAILS TO SELL AT SAME PRICES GRANTED LARGER INTERESTS—25-POINT PROGRAM FOR HANDLING SURPLUS DISPOSALS RECOMMENDED TO PROVIDE EQUITABLE TREATMENT TO ALL TYPES OF BUSINESSES

Mr. PATMAN. Mr. Speaker, the disposal of surplus Government-owned property has been correctly described as "the greatest merchandising job in history." Congress, in adopting Public Law No. 457—the Surplus Property Act of 1944—gave early evidence of its awareness of this job and its attendant problems.

In the debates which preceded the adoption of this law and in the terms of the act itself Congress did at least three very constructive things:

First. It gave free rein to the composite congressional imagination and wrote into the bill a statement of policies which showed that—

(a) It is definitely the intent of Congress to discourage unwarranted speculative activities; and

(b) It is also the intent of Congress to see to it that small-business men, farmers, veterans, States, counties, cities, charitable institutions, and the various agencies of the Federal Government are all given a fair opportunity to participate in the acquisition of this multi-billion dollar stock of merchandise.

Second. It so worded the act that it gave free rein to the ingenuity and integrity of the members of the Surplus Property Board to see to it that procedures will be developed by that Board and its subsidiary disposal agencies which will result in the most equitable distribution to the above-described group of deserving claimants.

Third. By considering the subject in many separate committees, by holding lengthy debates on the problems likely to arise, and, finally, by accepting the congressional responsibility through the adoption of Public Law No. 457, Congress itself created the "goldfish bowl atmosphere" so wisely recommended by Messrs. Baruch and Hancock in the report of February 1944.

SURPLUS PROPERTY BOARD HAS FINAL RESPONSIBILITY

However, by the very latitude allowed the Surplus Property Board in the act, Congress definitely passed along the responsibility for the success or failure of this great task to three men, the members of the board. Already the terms of this act have been publicly criticized by one of the members of this board as they were previously criticized by Mr. Clayton, the original Administrator.

With the arrival of VE–day and the inevitable cut-backs in war contracts, renewed awareness of the magnitude of this great merchandising task is coming to the general public, the agencies concerned, and to the Congress. It is generally conceded, I believe, that the skill or lack of skill with which this job is administered may well affect the economic welfare of this and other nations for a number of years to come. I shall not touch upon the international aspect of this problem in these few remarks. I understand that our able colleague the gentleman from Alabama [Mr. MANASCO] the chairman of the committee which reported out this very bill, has been covering the international situation himself through a personal inspection in Europe. His report to the House on this phase will cover that subject fully, I am sure.

My principal concern is with the question of just how is small business faring under this bill. As chairman of the Small Business Committee, I have maintained a continuing interest in this particular phase of the surplus program ever since the Small Business Committee first held hearings on this subject in September 1943.

SMALL BUSINESS UNPROTECTED UNDER PRESENT REGULATIONS

I regret to report to the Members that I am far from satisfied personally with the manner in which this program is being handled on behalf of small business up until this time.

My disappointment lies not so much in the fact that there have been obvious discriminations against small business in a number of disposals already effected because those offenses have apparently stemmed more from over-eagerness to move the goods rapidly than from deliberate disregard of the intent of Congress.

My disappointment is based primarily upon the inertia which seems to characterize the work of the top Board itself, the Surplus Property Board. Although the Board has held office for several months now, it has only just now gotten around to issuing its first regulations and I am frank to confess that these first regulations do not give me a very clear idea of just what the Board's policies and procedures are in respect to small business.

It may be that my own thinking on the subject of surplus disposal is not sufficiently penetrating to be of any value. It may be that I over-simplify the questions when I say that the Board is failing to see the forest for the trees. Maybe this is a complicated job beyond the comprehension of the average Congressman and that, possibly, is why we gave this Board so much latitude when we passed the act last fall.

JOB TREMENDOUS, BUT NOT TOO COMPLICATED

I really do not believe this disposal job is so complicated and need not become so unless the Board, through its own confusion of thinking, makes it that way.

Let us admit that it is a job on a tremendous scale, but Americans have tackled big jobs before and licked them. This war is a witness to that fact.

PRIMARILY "A MERCHANDISING JOB"

Let us admit that this is primarily a merchandising job, one that requires the use of the best qualified merchandising talent in the country, with the members of the Board at the top of the organization furnishing the leaven of good judgment and the minimum of directional influence in accordance with the admirable broad statement of policies laid down by Congress for the Board in the act.

PRIORITY RATINGS MUST BE ESTABLISHED

In the beginning, I think the Board should have issued a clear-cut list of priority ratings similar to those used by the War Production Board except that these surplus priorities ratings should be issued on behalf of those groups which Congress intended should have either preferential or equal treatment instead of being issued for the war effort exclusively.

It may be that the three regulations issued by the Board to date do contain such a simple list of priority ratings, but, with all my legal experience going back many years, I am frank to confess that I cannot detect any such list in those regulations.

As I understand Public Law 457, Congress intended that Federal agencies should be the first claimants of surplus. Other political subdivisions, charitable institutions, farmers, small businessmen, and veterans followed next, not necessarily in that exact order. It seems to me that it would be helpful to all concerned with this problem if the Board would record this fact through the issuance of a simple list of the groups in question, giving to each group the priority rating to which it is entitled.

It is true that no priorities should be awarded which could be abused beyond the intent of Congress. By this statement, I mean that no priority should be given to a small businessman which would permit him to expand operations beyond his normal capacity to absorb surpluses so that he might be tempted to act as a "front man" for either large speculative or monopolistic interests. That could be avoided, however, if the proper system of merchandising controls and inspection of operations were also authorized.

SIX EXAMPLES OF INEFFICIENT MERCHANDISING

Let us review the picture as it exists today and see if the following analysis has any merit. I have no right to criticize publicly the Surplus Property Board, as I am now doing, unless I am prepared to submit for similar criticism some ideas of my own which I believe to be constructive. Therefore, I suggest the following:

First. I question the ultimate effectiveness of the present program which has resulted in the delegation of disposal responsibility to a number of separate Federal agencies. Why should footwear and small leather goods be assigned for disposal to the Department of Commerce while boot and shoe cut stock and leather is assigned to Reconstruction Finance Corporation for disposal? Why should a man interested in these related items have to visit separate and often widely separated regional offices of separate agencies in his search for goods needed in a single-purpose business? Why should not a centralized disposal agency be authorized with regional offices of the various agencies consolidated for efficiency and economy's sake? We talk about Federal economy on the one hand and we admit the need for more trained personnel for the respective disposal agencies at the same time. Could we not consolidate the work of these related agencies and procure our needed additional personnel through such a consolidation?

Second. I question the wisdom of letting the armed services or the Maritime Commission sell any type of declared surplus unless it be ships and boats, even when these items have been classified by the agencies as "scrap, waste, or salvage," as is permitted under the terms of the act. When I learn, as I have just been advised, that a man can buy new, unused valves and fittings in their original packing boxes from these particular agencies at a price of 22 cents on the dollar because they have been declared excess to the needs of the agency, I wonder just what supervision the Surplus Property Board is exercising over the agencies it has delegated to act for it in this program. When I find that both RFC and the Department of Commerce each have been granted authority to dispose of these same standard items, I wonder just how the small businessman or the farmer is going to go about locating such items and just what chance he has of getting them without paying three or four profits to the man who has the inside track. If this is one of the end results of Surplus Property Board Regulation No. 1, which designated the respective disposal agencies, I say that said regulation needs immediate review and tightening up.

Third. I question the wisdom of selling surplus goods on such short notice as is now the custom in most instances. Too many cases have been reported to me of retailers or wholesalers who are on the mailing list to receive the Surplus Reporter, official publication of the Office of Surplus Property, Department of Commerce, where the notice of sale is received by the interested customer within less than a week before the sale is scheduled to take place. If he is interested in the goods in question, he must often travel several hundred miles to make a personal inspection and must then secure a proper bid form from the agency upon which to record his bid. The bid, in turn, is often sent to an office of the agency which is located several hundred miles from the place in which the surplus goods are stored. This arrangement is neither practical nor economical for the Government or the customer.

Fourth. I question the wisdom of selling any surplus goods upon which OPA has not yet placed its maximum price ceilings. I have been advised of several cases where goods were purchased in good faith on sealed bids by either retailers or wholesalers for resale only to have the OPA later come through with a price ceiling on said goods which caused the purchaser to choose between selling them at a loss or being in violation of OPA regulations.

Fifth. I deplore the policy of the armed services which permits one of these agencies to overlook the claiming of certain surpluses such as machine tools when notice of the availability of these machines is recorded with the agency; only, later, to come in to a public sale of these same machines to which the public has been invited and then claim the same machines which were overlooked and refused in the first instance. When the small-business man, especially the manufacturer or his authorized representative, has been notified by wide-scale newspaper advertising that such and such a machine tool for which he has great need in his own manufacturing operations is to be offered at public sale on a definite date, and when this man travels hunreds of miles to make a bid on this particular piece of equipment, it is indeed bad public relations for that man to learn upon arrival that the machine in question is not going to be offered for sale after all just because some official of the armed services overlooked claiming it when it was first offered to him in regular fashion several weeks prior. Such practices do not lend credit to the selling agency which, in all fairness in such

cases, it must be admitted acted in good faith in advertising the item.

Sixth. I deplore the inaccuracy of description or the lack of description given to the surpluses which are offered for sale in the catalogs of the respective disposal agencies. When a qualified customer takes a chance and submits his bid to the disposal agency on the strength of the description given him by the agency and later finds that he has bought a piece of equipment that either has essential parts missing or does not conform otherwise to the description given him, I am advised that he has no recourse for his money. This is also an example of poor public relations.

There are other, possibly less important, examples which I could record to show you the reasons for my dissatisfaction with the handling of this program to date, but, as promised, I should prefer to devote the remainder of my time to offering what I believe to be a constructive program upon which I think the Surplus Property Board could well afford to act. My own program is as follows:

RECOMMENDATIONS: 25-POINT PROGRAM TO PROVIDE EQUITABLE TREATMENT FOR ALL TYPES OF BUSINESS

(a) Surpluses, in which there is a general and continuing consumer interest, should be sold only at fixed prices.

(b) The ultimate consumer should not be prohibited from participating in any surplus sale.

(c) A fixed price should be set on merchandise sold direct to the consumer.

(d) A discount off the consumer price should be established for retailers.

(e) An additional discount should be established for wholesalers. (There should be a clear-cut definition of what constitutes a "wholesaler.")

(f) A further discount should be established for a manufacturer if the merchandise is of a sort that it must be reworked substantially before it is suitable for reoffering to the trade or the public.

(g) No concessions, other than those listed above, should be granted because of quantity purchases.

(h) When determining fixed prices, which presupposes different prices for the several selling levels, the precentages of the total declaration to be sold to each class of buyer should also be determined. This could be ascertained by and predicated upon the normal prewar methods using in merchandising each particular type of merchandise; that is, how much was sold direct by manufacturer to ultimate consumer, how much by wholesaler, how much by retailer, how much by manufacturer to wholesaler, how much by manufacturer to retailer, and so forth. War Production Board and other agency files now contain essential data in this regard. In making such a determination, the role held by the disposal agency would be substituted for that held normally by the manufacturer in peacetime.

(i) The disposal of each type of surplus property should be concentrated in a single agency.

(j) The practice of permitting the salvage officers of the Army, the Navy, or the Maritime Commission to dispose of usable consumer goods, or to determine what is "waste, scrap, or salvage" should be discontinued.

(k) Samples of surpluses should be made available for inspection at strategic points.

(l) More time should be allowed between issuance of notice of sale and time of sale.

(m) Better descriptions of surpluses to be offered should be made available to interested purchasers.

(n) Credit departments should be established in the disposal agencies so that: (1) merchandise may be billed in the ordinary commercial manner and (2) the required time may be allowed for payment by the purchaser.

(o) A procedure should be established which would allow retailers or wholesalers to order merchandise on their own order blanks.

(p) The disposal agency should pack and ship goods bought by merchants.

(q) No surpluses should be offered for sale upon which OPA price ceilings have not been established.

(r) The armed services should be required to exercise greater diligence in examining the lists of declared surpluses at the time this information is routed to them prior to the announcement of public sale.

(s) Consideration should be given to the use of surplus war plants as storage depots in those cases where a ready market for the plant in question does not exist.

(t) When a retailer, a wholesaler—acting upon behalf of his small retail outlets—or a consumer, feels that the percentage of the total declaration allocated to be sold to his class of buyer—see (h) above—is unfair, or when he fears that large or monopolistic interests have been favored in such original allocation, he shall have the right to request the Smaller War Plants Corporation to review the terms of the allocation determination with a view to having the Smaller War Plants Corporation exercise the purchase powers granted it in Public Law 457 on his behalf if his claim seems justified to that agency.

(u) Before discounts are granted to any buyer, that buyer must have previously submitted evidence of a satisfactory nature to the disposal agency to warrant his being classified in the particular group whose discount privileges he is requesting.

(v) Special discounts should be granted by retailers to veterans who make purchases of surpluses for their own personal use. It might be desirable to limit the total amount that any one veteran could purchase and still receive the discount, both as to dollars and items. The same formula might be used in the case of a veteran who desired to exercise his rights as a consumer and make direct purchase from the Government.

(w) Consideration should be given to use of a similar formula in the case of a veteran who wished to purchase certain types of surplus durable or capital goods to establish himself in a small business, in agriculture, or in a profession. In the case of a veteran desiring to engage in business on his own account, it is assumed that he would probably prefer to do business with a wholesaler who could supply him with other items from his balanced stock, items which might not be readily available as surplus.

(x) Industry advisory committees should be established for each class of surplus property and should be consulted freely. In order to establish policy for the most equitable distribution, these committees should include representatives of retailers and wholesalers and manufacturers where manufacturer interest exists. Small business should be given an equitable representation on such committees in proportion to the role which small business normally plays in the distribution of the items in question. This type of assistance is available at no cost to Government and could include the services of the best merchandising brains in the country.

(y) Surpluses, in which there is no general or continuing consumer interest because of prior use, military adaptability only, or general lack of salability, shall not be disposed of under the above program. These surpluses shall be held off of the market until some agency, such as the Bureau of Standards, shall have done sufficient research to determine if they could be converted to other than original intended usage, except in the case of those items for which there is an apparent ready sale for export. In the case of export, these surpluses shall not be reimported to this country. When offered at public sale, these surpluses may be sold in odd lots at public auction or under a sealed-bid system. They should not then be reoffered at retail or otherwise as "government surpluses."

SURPLUS PROPERTY BOARD SHOULD EITHER ADOPT SUCH A PROGRAM OR STATE WHY IT IS NOT WORKABLE

In offering the foregoing recommendations, I do so in the sincere belief that only through the adoption of some such clear-cut program will the Surplus Property Board be offering to small business the fair and equitable treatment which the Congress intends for small business to receive at the hands of the Government in this great task of surplus disposal. As I stated in the beginning of these remarks, this is the greatest merchandising job in history. My program is devised to use the merchants of this Nation to do this job, wherever possible. It also makes adequate provision for the use of the smaller merchants from whose shelves the customers of this Nation are preponderantly served.

CHAINS AND MAIL-ORDER HOUSES REPORTED SEEKING SPECIAL CONCESSIONS—WILL BOARD RESIST THEIR PRESSURE?

It is reliably reported to me ahat representatives of the chains, mail-order houses, and large distribution outlets are now urging upon the Surplus Board the adoption of regulations which will permit their type of concern to acquire surpluses in larger quantities at prices which will enable them to undersell the small retailers who might handle identical surplus items. Quantity discounts are permissible, under the law, only where the manufacturer can effect large savings through dealing in such a manner. There are no manufacturers involved in transactions like these and I am hopeful that the Board will not be swayed by

specious arguments from this special-interest group.

Congress gave the Board a mandate to protect small business. It will be interesting to note just how the Board carries out that mandate in the weeks to come.

Mr. BARDEN. Mr. Speaker, I understand a rule has been granted on this bill. I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first individual bill on the Private Calendar.

CHARLES A. STRAKA

The Clerk called the bill (S. 519) for the relief of the estate of Charles A. Straka.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General is authorized and directed to credit the accounts of the late Charles A. Straka, former postmaster at Milledgeville, Ill., with the sum of $1,149.35, representing the total of the amounts claimed by him in his quarterly reports as compensation for the period May 1, 1940, to December 5, 1940, but disallowed by the General Accounting Office.

The bill was ordered to be read a third tim, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ZELMA INEZ CHEEK

The Clerk called the bill (H. R. 1671) for the relief of Mrs. Zelma Inez Cheek.

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DR. J. D. WHITESIDE AND ST. LUKE'S HOSPITAL

The Clerk called the bill (H. R. 2930) for the relief of Dr. J. D. Whiteside and St. Luke's Hospital.

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

W. A. SMOOT, INC.

The Clerk called the bill (H. R. 1058) for the relief of W. A. Smoot, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. A. Smoot, Inc., Alexandria, Va., the sum of $2,397.19. The payment of such sum shall be in full settlement of all claims of the said W. A. Smoot, Inc., against the United States for damages caused to its lumber and millwork plant located at Cameron and Union Streets, Alexandria, Va., as the result of an explosion on March 2, 1944, in a nearby building used and occupied by the Records Division of The Adjutant General's Office of the Department of War: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

L. S. STRICKLAND AND MRS. MARGUERITE BOGGS

The Clerk called the bill (H. R. 246) for the relief of L. S. Strickland and Mrs. Marguerite Boggs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sums of $242.26 to L. S. Strickland, of Buchanan, Ga., and $150 to Mrs. Marguerite Boggs in full settlement of all claims against the United States on account of injury and damage sustained in a collision with a United States Army truck which occurred 3 miles south of Rome, Ga., on United States Highway No. 27, on April 17, 1943.

With the following committee amendments:

Page 1, line 5, strike out "$242.26" and insert "$120."

Page 1, line 6, strike out "and $150 to Mrs. Marguerite Boggs."

Page 1, line 8, strike out "injury and."

At the end of the bill insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of L. S. Strickland."

MARIE A. ATANASIO

The Clerk called the bill (H. R. 795) for the relief of Marie A. Atanasio.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

MRS. C. J. RHEA, SR.

The Clerk called the bill (H. R. 1243) for the relief of Mrs. C. J. Rhea, Sr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. C. J. Rhea, Sr., of Windsor, N. C., the sum of $800, in full full satisfaction of her claim against the United States for compensation for property damage sustained by her as the result of the demolition of her automobile which occurred when the automobile, parked at the curb within legal lines in front of her dwelling, was struck by a United States Army command car at Windsor, N. C., on October 24, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$800" and insert "700."

Page 1, line 6, strike out "satisfaction of her claim" and insert "satisfaction of all claims."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NORFOLK-PORTSMOUTH BRIDGE, INC.

The Clerk called the bill (H. R. 1599) to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc., a corporation, its successors and assigns, against the United States for damages sustained by it or them, resulting from the alleged negligent operation of the steamship *John M Moorehead* in causing the said steamship to collide with the Norfolk Portsmouth Bridge over the southern branch of the Elizabeth River, between the city of South Norfolk, Va., and the county of Norfolk, Va. The court shall have such jurisdiction if suit is instituted within 4 months after the date of enactment of this act, and the liability of the United States in such suit shall be determined upon the same principles and measures of liability as in like cases between private individuals.

With the following committee amendment:

Strike out all after the enacting clause and insert "that jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc., a corporation, its successors and assigns, against the United States for damages sustained by it or them, and resulting from alleged negligent operation of the steamship *John M. Morehead*, causing the said steamship to collide with the Norfolk-Portsmouth Bridge over the southern branch of the Elizabeth River, between the city of South Norfolk, Va., and the county of Norfolk, Va. In the determination of said claim the United States shall be held liable only to the extent to which a private person would be liable under like circumstances. Proceedings for the determination of said claim shall be had in the same manner as in cases of which said court has jurisdiction under the provisions of paragraph 20 of section 24 of the Judicial Code (36 Stat. 1093; U. S. C., title 28, sec. 41 (20)): *Provided*, That suit hereunder shall be instituted at any time

within 4 months after the enactment of this act.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time was read the third time, and passed, and a motion to reconsider was laid on the table.

WHITE VAN LINE, INC.

The Clerk called the bill (H. R. 1792) for the relief of the White Van Line, Inc., of South Bend, Ind.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the White Van Line, Inc., of South Bend, Ind., the sum of $2,893.28. The payment of such sum shall be in full settlement of all claims of the said White Van Line, Inc., against the United States for the damages sustained by it resulting from a collision, on October 12, 1935, approximately 7 miles west of Galeton, Pa., on U. S. Highway No. 6, between one of its moving vans and a vehicle in the service of the Civilian Conservation Corps.

With the following committee amendments:

Page 1, line 6, strike out "$2,893.28" and insert "$1,693.28."

At the end of the bill insert *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. G. BAILEY

The Clerk called the bill (H. R. 1838) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of A. G. Bailey against the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of A. G. Bailey, Norfolk, Va., against the United States for damages caused by the negligent allowance by the United States Army authorities in charge of Camp Ashby, Va., of the flow of sewage from said camp over and across certain oyster grounds situated in the Western Branch or Lynnhaven River in Princess Anne County, Va., which grounds had been leased by the said A. G. Bailey adjacent to certain real property owned by him.

SEC. 2. Proceedings for the determination of said claim shall be had in the same manner as in cases of which said court has jurisdiction under the provisions of section 145 of the Judicial Code, as amended: *Provided*, That suit hereunder shall be instituted within 4 months after the enactment of this act: *And provided further*, That this act shall be construed only to waive the immunity from suit of the Government of the United States with respect to the claim of the said A. G. Bailey and not otherwise to affect any substantive rights of the parties.

With the following committee amendment:

Page 1, line 6, after "for", insert "alleged", and after "the", insert "alleged."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COWDEN MANUFACTURING CO.

The Clerk called the bill (H. R. 2158) for the relief of the Cowden Manufacturing Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Cowden Manufacturing Co., Kansas City, Mo., the sum of $4,469.98. Such sum represents the amount of payments made by said company, pursuant to the provisions of subcontracts, to reimburse certain subcontractors for cotton-processing taxes which such subcontractors were required under the Agricultural Adjustment Act to pay on goods furnished said company and used by it in the manufacture of mechanics' suits under a contract with the United States, executed June 24, 1933, in compliance with a bid previously submitted to the War Department.

With the following committee amendments:

Page 1, line 6, after "$4,469.98" strike out the period and "Such sum represents" and insert a comma and the following 'in full settlement of all claims against the United States representing".

At the end of the bill insert the following: *"Provided*, That no port of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. JABEZ FENTON JACKSON AND MRS. NARCISSA WILMANS JACKSON

The Clerk called the bill (H. R. 2699) for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Jabez Fenton Jackson, of Newport, Ark., the sum of $525.30; and to Mrs. Narcissa Wilmans Jackson, of Newport, Ark., the sum of $5,000, in full satisfaction of all claims against the United States for property damage and personal injuries sustained by them in the collision of an automobile, owned and operated by them, and a United States Army command car in Columbus, Ga., on April 2, 1942: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent shall be paid to or received by any agent or agents, attorney, or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney, or attorneys, to exact or collect, withhold, or receive any sum of the amounts appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 8, strike out "$5,000" and insert "$3,500".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. LILLIAN ADAMS AND PLEAS BAKER

The Clerk called the bill (H. R. 2727) for the relief of Mrs. Lillian Adams and Pleas Baker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Lillian Adams, Gallatin, Tenn., the sum of $5,000, and to Pleas Baker, Gallatin, Tenn., the sum of $3,000. The payment of such sum of $5,000 shall be in full settlement of all claims of the said Mrs. Lillian Adams against the United States on account of the death of her husband, Herschel Adams, and the payment of such sum of $3,000 shall be in full settlement of all claims of the said Pleas Baker against the United States on account of personal injuries sustained by him, both such death and personal injuries being the result of an accident on February 9, 1944, when the said Herschel Adams and Pleas Baker were struck by a United States Army jeep in Gallatin, Tenn.

With the following committee amendment:

Page 1, after "appropriated", strike out the remainder of the bill and insert the following: "the sum of $5,000 to the estate of Herschel Adams, deceased, and the sum of $3,000 to Pleas Baker, of Gallatin, Tenn., in full settlement of all claims against the United States for the death of Herschel Adams, and personal injuries, medical and hospital expenses incurred by Mr. Baker as the result of an accident involving an Army vehicle on February 9, 1944, in Gallatin, Tenn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of the estate of Herschel Adams, deceased, and Pleas Baker."

MRS. JANE STRANG

The Clerk called the bill (H. R. 2730) for the relief of Mrs. Jane Strang.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Jane Strang, Atlantic City, N. J., the sum of $1,000. The payment of such sum shall be in full settlement of all claims against the United States on account of personal injuries and medical expenses sustained on April 19, 1942, when the automobile which she was driving was struck by a United States Army truck at Fort Dix, N. J.

With the following committee amendments:

Page 1, line 6, strike out "$1,000" and insert "$300."

Line 10, strike out "which she was driving" and insert "in which she was riding."

At the end of the bill insert the following: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BETTY ELLEN EDWARDS

The Clerk called the bill (H. R. 2001) for the relief of Betty Ellen Edwards.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Betty Ellen Edwards, of 17 Mariners Place, Plainfield, N. J., the sum of $98.73, in full settlement of all claims against the United States for reimbursement of the cost of travel from Plainfield, N. J., to Sweetwater, Tex., while under official orders to report for Women's Airforce Service Pilot training, which training was terminated while the claimant was en route to Sweetwater, Tex., as a result of administrative action based on recommendations by Members of the House of Representatives: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF JOE MANIER

The Clerk called the bill (H. R. 2725) for the relief of the estate of Joe Manier.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Lucile Manier, of Buffalo Valley, Tenn., as administratrix of the estate of Joe Manier, the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States on account of the death of the said Joe Manier who was struck and instantly killed by a United States Army truck on August 7, 1943, while he was crossing United States Highway No. 70N, at a point approximately 14 miles southwest of Cookeville, Tenn.

With the following committee amendment:

At the end of the bill insert the following: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, and contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Mrs. Lucile Mainer, as administratrix of the estate of Joe Mainer."

EAST COAST SHIP AND YACHT CORPORATION, OF NOANK, CONN.

The Clerk called the bill (H. R. 3053) for the relief of the East Coast Ship and Yacht Corporation, of Noank, Conn.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McGREGOR and Mr. SPRINGER objected, and, under the rule, the bill was recommitted to the Committee on Claims.

HEIRS OF HENRY B. TUCKER, DECEASED

The Clerk called the bill (H. R. 3074) for the relief of the heirs of Henry B. Tucker, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the limitations in time in sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of the heirs of Henry B. Tucker, deceased, of Vicksburg, Miss., and the Employees' Compensation Commission is hereby authorized and directed to receive and consider under the remaining provisions of said act their claim on account of injury and disability alleged to have been incurred on or about April 8, 1940, while said Henry B. Tucker was performing his duties as an employee of the United States Engineer Office, Vicksburg, Miss.: *Provided*, That claim hereunder shall be filed within 6 months from the approval of this act: *Provided further*, That no benefits shall accrue prior to the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUGUST SVELUND

The Clerk called the bill (H. R. 3081) for the relief of August Svelund.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to August Svelund, of Puyallup, Wash., the sum of $2,500, in full satisfaction of all claims against the United States for personal injuries sustained and medical expenses incurred resulting from a collision on or about the 15th day of January 1932, in which the car being driven by August Svelund collided with a United States Army truck in Tacoma, Wash.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HASSLER-PONDER TOY MANUFACTURING CO.

The Clerk called the bill (H. R. 3084) for the relief of Hassler-Ponder Toy Manufacturing Co., Inc.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McGREGOR and Mr. SPRINGER objected, and, under the rule, the bill was recommitted to the Committee on Claims.

MRS. GLENN T. BOYLSTON

The Clerk called the bill (S. 194) for the relief of Mrs. Glenn T. Boylston.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Glenn T. Boylston, of North Charleston, S. C., the sum of $5,000, in full satisfaction of her claim against the United States for compensation on account of the death of her husband, Glenn T. Boylston, who died as a result of injuries sustained by him when he was struck by a United States Army truck at Charleston, S. C., on July 2, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. C. WORNHOFF

The Clerk called the bill (S. 493) for the relief of W. C. Wornhoff and Josephine Wornhoff.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to W. C. Wornhoff, of Forest Park, Ill., the sum of $1,100, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him for reimbursement of medical expenses incurred by him, and loss of earnings as the result of an accident which occurred when the automobile which he was driving was struck by a United States mail truck, in Riverside, Ill., on July 4, 1943; and (2) to Josephine Wornhoff, of Forest Park, Ill., the sum of $1,000, in full satisfaction of her claims against the United States for compensation for personal injuries sustained by her as a passenger in such automobile, and for reimbursement of medical, hospital, and other expenses incurred by her, as a result of such accident: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. FREDA GULLIKSON

The Clerk called the bill (S. 567) for the relief of Mrs. Freda Gullikson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in the case of Frederick H. Gullikson, formerly employed by the United States Indian Irrigation Service as a drag-line operator at the Fort Belknap Indian Agency, who died as a result of an injury alleged to have been sustained by him on May 18, 1940, in the course of such employment; and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim filed with the Commission within 1 year after the date of enactment of this act, by or on behalf of Mrs. Freda Gullikson, widow of the said Frederick H. Gullikson, for compensation or other benefits under the provisions of such act of September 7, 1916, as amended, on account of such death: *Provided*, That no benefits hereunder shall accrue prior to the approval of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. LAURA MAY RYAN

The Clerk called the bill (H. R. 1393) for the relief of Mrs. Laura May Ryan.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

W. H. BAKER

The Clerk called the bill (H. R. 1547) for the relief of W. H. Baker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. H. Baker, of Williams, Ariz., the sum of $5,000 in full settlement of all claims against the United States for the death of his son, Clinton Baker: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$5,000" and insert "$1,000; to pay the sum of $81.55 to Walter Baker."

On page 1, line 8, strike out the words "of his son" and insert "and funeral expenses of."

Line 9, page 1, after the comma insert, "who was killed as the result of an airplane accident on October 23, 1942, near Palm Springs, Calif."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES E. SURMONT

The Clerk called the bill (H. R. 1611) for the relief of Charles E. Surmont.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles E. Surmont, the sum of $347.78, in full settlement of all claims against the United States for time lost from work, medical, and other expenses incident thereto, sustained on July 22, 1943, as a result of a collision on the Golden Gate Bridge, San Francisco, between the automobile in which he was riding and a car driven by William A. Gilbert, who at the time was a sergeant in the United States Army, and driving said car in the performance of duty and under orders: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HIRES TURNER GLASS CO.

The Clerk called the bill (H. R. 1677) for the relief of Hires Turner Glass Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hires Turner Glass Co., Washington, District of Columbia, the sum of $460.67. The payment of such sum shall be in full settlement of all claims of the said company against the United States for damage to one of its trucks and a portion of the steel fence surrounding its property as a result of being struck in February 15, 1943, near Arlington Ridge Road and Arlington Street North, Arlington, Va., by a vehicle in the service of the Army of the United States.

With the following committee amendments:

On page 1, line 6, strike out "$460.67" and insert "$405.67."

Page 1, line 8, after the word "claims", strike out all of that line down to and including the words "United States" on page 2, line 3, and insert the following: "Against the United States for damage to one of its trucks, its glass rack, and a portion of the wire Cyclone fence surrounding its property as a result of being struck by a United States Army truck, on February 15, 1943, near Arlington Ridge Road and Nineteenth Street North, Arlington County, Va.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MONA MAE MILLER

The Clerk called the bill (H. R. 1857) for the relief of the legal guardian of Mona Mae Miller, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Mona Mae Miller, a minor, Houston, Tex., the sum of $20,000. The payment of such sum shall be in full settlement of all claims against the United States on account of personal injuries sustained by the said Mona Mae Miller on June 20, 1944, when she was struck while crossing Bellaire Boulevard near its intersection with Annapolis Street, in or near the city of Houston, Tex., by a motor vehicle in the service of the United States Navy.

With the following committee amendments:

On page 1, line 6, strike out "$20,000" and insert "$12,000."

Line 9, page 1, after the first comma, insert the words "medical, hospital, and other expenses."

On page 2, line 4, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be

unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. SPRINGER. Mr. Speaker, I offer the following amendment to the first committee amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER to first committee amendment: On page 1, line 6, strike out "$12,000" and insert "$5,000."

The amendment to the committee amendment was agreed to.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH WYZYNSKI

The Clerk called the bill (H. R. 2002) for the relief of Joseph Wyzynski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph Wyzynski, of 4 Harold Avenue, Clark Township, N. J., the sum of $925. The payment of such sum shall be in full settlement of all claims against the United States on account of damage to real property owned by the said Josephy Wyzynski when his building located at 2137 State Highway No. 25, Rahway, N. J., was damaged on November 5, 1943, by a United States Army motor vehicle: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NELSON R. PARK

The Clerk called the bill (H. R. 2925), for the relief of Nelson R. Park.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Nelson R. Park, American Foreign Service officer, formerly assigned as consul at Barranquilla, Colombia, is hereby relieved from accounting for 2,023 pesos, the equivalent of $1,191.77, which were stolen from the safe in the consulate at Barranquilla during the night of June 3, 1942.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LEWIS E. MAGWOOD

The Clerk called the bill (H. R. 3175), to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CAPT. EDWARD MACAULEY

The Clerk called the bill (S. 646), to provide for the advancement of Capt. Edward Macauley, United States Navy, retired, to the rank of rear admiral.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

VICE ADMIRAL EMORY S. LAND

The Clerk called the bill (H. R. 2896) to provide for the advancement of Vice Admiral Emory S. Land, Construction Corps, United States Navy, retired, to the rank of admiral.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MARY G. MARGGRAF

The Clerk called the bill (S. 93) for the relief of Mary G. Marggraf.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary G. Marggraf, of Chicago, Ill., the sum of $1,900, in full satisfaction of all claims against the United States for compensation for personal injuries sustained by her when she was struck by a United States mail truck at Cicero Avenue and Gladys Avenue, Chicago, Ill., on December 17, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAROLD J. GRIM

The Clerk called the bill (H. R. 1091), for the relief of Harold J. Grim.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harold J. Grim, Upper Darby, Pa., the sum of $2,437.40. The payment of such sum shall be in full settlement of all claims against the United States for property damage resulting from the destruction of the Piper coupe airplane NC-37977, on May 21, 1944, when it was struck where it was parked on Wing's Field, Ambler, Pa., by a landing United States Navy airplane, model F-4U-1, bureau number 02438.

With the following committee amendments:

Page 1, line 6, strike out "$2,437.40" and insert "$2,087.40."

Page 2, line 3, insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwthstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. CECILIA M. TONNER

The Clerk called the bill (H. R. 1328), for the relief of Mrs. Cecilia M. Tonner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Cecilia M. Tonner, the sum of $5,000, in full settlement of all claims against the United States for personal injuries and medical and hospital expenses, resulting from the injuries sustained by Mrs. Tonner, on January 18, 1944, when hit by a United States mail truck at Old Tappan, N. J.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$5,000" and insert "$1,792.80."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUGUST W. DIETZ

The Clerk called the bill (H. R. 1543) for the relief of August W. Dietz.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MRS. MARY SURFACE SHAUGHNESSY

The Clerk called the bill (H. R. 1725) for the relief of Mrs. Mary Surface Shaughnessy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Mary Surface Shaughnessy, Neosho, Mo., the sum of $6,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Mary Surface Shaughnessy against the United States on account of the loss of vision in her right eye and other permanent injuries and disfigurement suffered by her on July 8, 1944, when she was struck, in a restaurant known as Wolfenbarger's Cafe, Neosho, Mo., with a pop bottle thrown by an enlisted man of the Army stationed at Camp Crowder, Mo.

With the following committee amendments:

Page 1, line 6, strike out "$6,000" and insert $4,143.80." Page 2, line 4, insert *"Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. And person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. DOLLIVER. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. DOLLIVER: Page 1, line 6, strike out $4,143.80" and insert "$2,183.80."

The amendment to the committee amendment was agreed to.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GLASSELL-TAYLOR CO., ROBINSON & YOUNG

The Clerk called the bill (H. R. 1975) for the relief of Glassell-Taylor Co., Robinson & Young.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $217,940.31, to Glassell-Taylor Co., Robinson & Young, in full satisfaction of their claim against the United States under contract No. DAW-257-ENG-22, dated April 1942, entered into by Glassell-Taylor Co., Robinson & Young, with the United States Government through the United States engineers and providing for certain construction work at Karnack, Tex. Such claim arising from a change of orders, failure of the United States Government through its engineers to carry out provisions of the contract and the cancelation of agreements made with claimants: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$217,940.31" and insert "$221,275.79."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EASTERN CONTRACTING CO.

The Clerk called the bill (H. R. 2518) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of Eastern Contracting Co., a corporation, against the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon, notwithstanding the lapse of time or any prior determination or any provision of law to the contrary, the claim of Eastern Contracting Co., a corporation, of Quincy, Mass., against the United States (if such claim is filed in such court within 6 months from the date of the enactment of this act) for damages occasioned by delays of the Government in connection with the contract awarded the company on June 8, 1934, for the construction of highway approaches to the Bourne Bridge, Cape Cod Canal, Bourne, Mass., subject to the following provisions and in the manner herein set forth:

(a) The period of delay is hereby established at 192 working days.

(b) The release executed by the company on or about March 21, 1936, shall be disregarded.

(c) The equipment belonging to the company and brought to the locus of the performance of the contract shall be considered as having been kept idle during the entire period of delay, except to the extent that the United States sustains the burden (which is hereby imposed upon the United States as defendant) of submitting and establishing evidence of the extent of mitigation of the damages by such equipment having been utilized elsewhere during such period of delay.

(d) The company's overhead expenses with respect to the period of delay shall first be established by the company without regard to the two contracts with the Commonwealth of Massachusetts, known as the Bourne-Plymouth and the Bourne-Wareham contracts, performed by the company during the period of delay, and after such expenses have been so established the United States as defendant shall have the burden of submitting and establishing evidence of the extent to which such expenses were attributable to such two contracts.

(e) The fair value of any fill furnished and put in place by the company may be considered by the court as a portion of the damages to the company as a result of the delays, notwithstanding such fill was furnished without a written order from the contracting officer.

(f) The court shall consider as evidence any evidence applicable heretofore presented by either party in the case of Eastern Contracting Co., a corporation, against the United States, No. 44226, decided by such court October 5, 1942, together with any additional evidence which may be submitted.

(g) The judgment of the Court of Claims shall be final.

With the following committee amendment:

Page 1, after the enacting clause, strike out the remainder of the bill and insert in lieu thereof the following:

"SECTION 1. That jurisdiction is hereby conferred upon the Court of Claims of the United States, notwithstanding any prior determination, any statute of limitations, release, extension of time, waiver of liquidated damages, or prior acceptance of partial allowance, to hear, determine and render judgment upon the claim of the Eastern Contracting Co., a corporation, of Quincy, Mass., against the United States, for damages occasioned by reason of delays caused by the United States Government in carrying out the terms of a certain contract entered into by the said company and the United States Government on June 8, 1934, for the construction of highway approaches to the Bourne Bridge, Cape Cod Canal, Bourne, Mass.

"SEC. 2. The Court of Claims is hereby directed to determine and render judgment upon the claim of the said Eastern Contracting Co. for damages sustained because of certain equipment being idle, and for overhead expenses during the same period, which damages were caused by the Government in preventing the company from keeping said contract as per schedule. The period of delay is hereby established at 192 working days, between January 23, 1935, and September 9, 1935. In rendering judgment the court shall take into consideration the fact that this equipment was used on other contracts during a portion of this period, and reduce the amount of damages accordingly.

"SEC. 3. The Court of Claims is further directed to determine and render judgment upon the claims of the Eastern Contracting Co. for the fair value of furnishing 43,869 cubic yards of borrow material in making the north fill. The damages awarded shall be the difference between the contract price without the delay and the extra cost to which plaintiff was put due to double hauling and handling, as a result of the delay caused by the United States Government, and over which the said company had no control. Such damages shall be awarded notwithstanding the fact that such additional fill was furnished without a written order from the contracting officer as provided under the terms of the contract.

"SEC. 4. Any suit brought under the provisions of this act shall be instituted within 1 year from the date of the approval hereof, and the court shall consider as evidence in such suit any or all evidence heretofore presented by either party in the case of the Eastern Contracting Co., a corporation, against the United States, No. 44226, decided by the Court of Claims on October 5, 1942, together with any additional evidence which may be submitted.

"SEC. 5. From any decision or judgment rendered in any suit presented under the authority of this act, a writ of certiorari to the Supreme Court of the United States may be applied for by either party thereto, as is provided by law in other cases."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUFUS A. HANCOCK

The Clerk called the bill (H. R. 2573) for the relief of Rufus A. Hancock.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rufus A. Hancock, of Howard County, Md., the sum of $7,500, in full settlement of all claims against the United States for personal injuries sustained on July 1, 1941, when he collided with a United States Army motorcycle on the Baltimore-Washington Boulevard in Howard County, Md.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, beginning in line 6 with the figure $7,500, strike out the balance of line 6 and all of lines 7 and 8, and insert in lieu thereof "$2,500 in full settlement of all claims against the United States for personal injuries, medical, and hospital expenses, and loss of earnings sustained as the result of an accident which occurred on July 1, 1941, when the car which he was driving."

Mr. SPRINGER. Mr. Speaker, I offer an amendment to the amendment.

The Clerk read as follows:

Page 1, line 8, strike out "$2,500" and insert "$1,000."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OSCAR N. McLEAN

The Clerk called the bill (H. R. 2666) for the relief of Oscar N. McLean.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. BARDEN. Mr. Speaker, that completes the call of the Private Calendar.

EMERGENCY REPAIRS TO FLOOD-CONTROL WORKS

Mr. WHITTINGTON. Mr. Speaker, I move to suspend the rules and pass the bill (S. 938), to provide for emergency flood-control work made necessary by recent floods, and for other purposes, with the two committee amendments recommended by the Committee on Flood Control.

The SPEAKER. The Clerk will report the bill as amended.

The Clerk read as follows:

Be it enacted, etc., That the sum of $12,000,000 is hereby authorized to be appropriated as an emergency fund to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers for the repair, restoration, and strengthening of levees and other flood-control works which have been threatened or destroyed by the recent floods, or which may be threatened or destroyed by later floods, and for completion of work begun under the acts entitled "An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes," approved respectively July 12, 1943, and May 29, 1944: *Provided*, That pending the appropriation of said sum the Secretary of War may allot from existing flood-control appropriations such sums as may be necessary for the immediate prosecution of the work herein authorized, such appropriations to be reimbursed from the appropriation herein authorized when made.

SEC. 2. The provisions of section 1 shall be deemed to be additional and supplemental to, and not in lieu of existing general legislation authorizing allocation of flood-control funds for restoration of flood-control works threatened or destroyed by flood.

SEC. 3. The War Production Board, and every other governmental agency which has jurisdiction over allocations and priorities relating to farm machinery and equipment, are authorized and directed immediately to take such steps as may be necessary to provide for the necessary allocations and priorities to enable farmers in the areas affected by floods in 1944 and 1945 to replace and repair their farm machinery and equipment which was destroyed or damaged by such floods, or windstorms, or fire caused by lightning, and to continue farming operations.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make a point of order a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. WHITTINGTON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 86]

Adams	Fogarty	Mason
Andrews, Ala.	Forand	Michener
Baldwin, Md.	Fuller	Morrison
Baldwin, N. Y.	Fulton	Murphy
Barrett, Pa.	Gerlach	Norton
Barry	Gillie	O'Brien, Mich.
Bell	Goodwin	O'Neal
Bender	Granahan	O'Toole
Bloom	Granger	Pace
Boren	Grant, Ala.	Peterson, Fla.
Boykin	Green	Pfeifer
Bradley, Mich	Gross	Philbin
Bradley, Pa.	Gwinn, N. Y.	Ploeser
Brown, Ohio	Hand	Powell
Brumbaugh	Hare	Quinn, N. Y.
Buckley	Harless, Ariz.	Rabaut
Bunker	Hart	Rabin
Butler	Hartley	Rains
Camp	Healy	Reece, Tenn.
Campbell	Hébert	Reed, Ill.
Canfield	Heffernan	Rich
Celler	Hess	Richards
Chelf	Hinshaw	Rodgers, Pa.
Cochran	Hobbs	Roe, N. Y.
Cole, Kans.	Hoffman	Rogers, N. Y.
Cole, N. Y.	Holmes, Mass.	Rooney
Cooley	Hook	Rowan
Corbett	Jennings	Sabath
Crawford	Johnson, Okla.	Savage
Curley	Johnson, Lyndon B.	Sharp
Daughton, Va.	Judd	Sheridan
Davis	Keefe	Short
Dawson	Kefauver	Simpson, Pa.
Delaney, James J.	Kelley, Pa.	Smith, Va.
Delaney, John J.	Keogh	Stewart
Dickstein	Kilburn	Sumners, Tex.
Dingell	King	Talbot
Domengeaux	Kirwan	Thomas, N. J.
Douglas, Calif.	LaFollette	Torrens
Earthman	Lane	Traynor
Eaton	Latham	Vorys, Ohio
Ellis	Luce	Wadsworth
Ellsworth	Lynch	Welchel
Elsaesser	McConnell	Weiss
Engel, Mich.	McCormack	West
Feighan	McGlinchey	White
Fisher	McMillen, Ill.	Wilson
Flood	Madden	Wolverton, N. J.
	Marcantonio	Worley

The SPEAKER. On this roll call 286 Members have answered to their names, a quorum.

On motion of Mr. WHITTINGTON, further proceedings under the call were dispensed with.

EMERGENCY REPAIRS TO FLOOD-CONTROL WORKS

The SPEAKER. Is a second demanded?

Mr. CLASON. Mr. Speaker, I demand a second.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The gentleman from Mississippi is recognized for 20 minutes; and the gentleman from Massachusetts is recognized for 20 minutes.

Mr. WHITTINGTON. Mr. Speaker, I shall use a part of my time and desire to be notified when I have consumed 5 minutes.

The SPEAKER. The gentleman from Mississippi is recognized.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield for a consent request?

Mr. WHITTINGTON. I yield.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to make three extensions of remarks and include certain papers and tables.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, the bill under consideration is a bill to authorize the sum of $12,000,000 to be appropriated for emergency flood-control work, to repair levees, and other flood-control structures on rivers and streams where the Federal Government has done the construction or where the local people have done the construction, including works built by individuals, where those works have been damaged or destroyed by recent floods. During the current year, 1945, there have been excessive floods on several of the principal rivers of the United States, including among others the upper Mississippi, that stretch of the Mississippi between Cairo and St. Louis, the Ohio, the Missouri, the St. Francis, the Arkansas, the White, and the Atchafalaya, and the Trinity River in Texas. Approximately 15,000,000 acres of land were overflowed. Damages to agricultural interests aggregating $45,000,000 were reported by the Chief of Engineers. Other damages were reported aggregating $53,000,000. It is estimated by the Chief of Engineers that the total damages aggregate more than $103,000,000. Fifty-eight lives were lost.

The purpose of this bill is to authorize the appropriation of $12,000,000, the amount to be, of course, carefully scruti-

nized by the Committee on Appropriations for the purpose of making these emergency repairs. It is essential that these repairs be made immediately so that crops in some cases may be grown for the current year.

I wish to say in this connection that in 1943 we had great floods, particularly in the Midwest, and on July 12, 1943, an authorization of $10,000,000 was passed by unanimous consent in this House in the exact language of sections 1, 2, and 3 of the pending bill. There was inserted in the consideration by the Senate the language that now appears in section 3 of the pending bill which provides for priorities to be given to farmers in the flood-control area. I may say that the Flood Control Committee has included that provision in the Senate bill which we have reported.

I have moved to suspend the rules and pass the bill with the two committee amendments recommended by the Committee on Flood Control. One amendment corrects a typographical error in line 4 of section 1, making the word "expanded" read "expended." The second amendment of the committee strikes out section 4 involving the reappropriation of $12,000,000. The gentleman from Missouri [Mr. CANNON] has introduced a resolution for reappropriating this amount. The Committee on Flood Control has no jurisdiction, and hence my motion to suspend the rules and pass the bill as reported by the House Flood Control Committee. Under the rules the bill cannot now be amended.

We conducted hearings, we submitted a report, and the hearings are available to members.

We considered the Senate bill, there being a number of House bills before us. We thought that inasmuch as the Senate bill had passed, it would facilitate matters by considering and reporting the Senate bill.

Section 4 of this bill is a reappropriation of some $13,000,000 of an appropriation made in 1943 to relieve flood sufferers. This amount was reappropriated by the Committee on Appropriations in 1944. The item was included in this Senate bill, but the Committee on Flood Control eliminated it, and it is eliminated in the pending motion to suspend the rules and pass the bill, because I followed the instructions of the committee. That reappropriation is a matter for the Committee on Appropriations. We did not want to infringe on the prerogatives of that committee, so we struck out section 4, making this reappropriation.

As I stated, sections 1 and 2 of this bill are in identical language with Public Law 318, Seventy-eighth Congress, second session, approved May 29, 1944, authorizing $12,000,000. That is the language carried in this bill and the only authorization language carried in the bill. Again, as I stated a few moments ago, sections 1, 2, and 3 are identical in language, the amount in the pending bill being $12,000,000 and, in the act approved in 1943, $10,000,000. That is Public Law 138, Seventy-eighth Congress, first session, The bill was passed by unanimous consent without a dissenting voice, in each case.

The purpose of this legislation is to repair the damages wherever they have occurred in all the river basins in the United States during the current year.

The Senate Committee on Commerce conducted hearings and submitted a report. The House Committee on Flood Control conducted hearings, we submitted a report and we invite your attention to that report. It shows that the Chief of Engineers submitted a written statement to the committee, in addition to appearing before the committee and submitting his testimony, that $12,000,000 would be required in order to provide for the emergency work, damaged flood-control works, in Kansas, Missouri, Iowa, Illinois, California, Texas, and other States and particularly in Louisiana, where they were damaged or destroyed during the current year. The estimated damages are set out in the table on page 5 of the committee report. The amounts are set out there, with the estimated damage in the Ohio Valley and elsewhere. I believe in the Ohio Valley they had more lives lost than elsewhere, 24 lives having been lost.

Mr. ELSTON. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Ohio.

Mr. ELSTON. I notice that notwithstanding the large loss of life in the Ohio Valley only $44,000 is estimated to be the cost of making emergency repairs as against a total of $7,000,000 for all the other rivers. Can the gentleman indicate why that is so?

Mr. WHITTINGTON. I will be glad to answer that. Fortunately, because of the works that have been constructed the damages were not more in Ohio, the principal damage being at Portsmouth. It will only require $44,000 as against $193,000 that they have expended in rescue work, in getting people from the tops of houses and from overflowed areas. It is essential that the language as carried in section 1 be just as written so that in the event a flood occurs next December or January, temporarily the Chief of Engineers may use available funds for rescue work and repairs.

Mr. TALLE. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Iowa.

Mr. TALLE. May I inquire whether this bill would authorize improvements along the Mississippi River between St. Louis and the Twin Cities?

Mr. WHITTINGTON. If there are any levees or other works constructed by your local people or by the Federal Government that were damaged or destroyed, then this bill authorizes them to be repaired. No new works are authorized. No flood-control works have been generally built during the last 2 or 3 years, national flood works having been suspended for the duration.

Mr. TALLE. I have five counties bordering on the Mississippi River. There is a little town in one county where the levees were threatened not long ago. There were overflows at other points.

Mr. WHITTINGTON. If the people in that town constructed the levee or wall or any sort of improvement and it has been damaged or destroyed, this bill covers it. If there is no improvement there, there is no provision for new works in this bill.

As I have stated, Public, 138, Seventy-eighth Congress, first session, dated July 12, 1943, is identical in language and substance with the pending bill, and as shown by the CONGRESSIONAL RECORD of June 30, 1943, page 6847, it passed the House by unanimous consent. It will be kept in mind that as passed by the Senate the pending bill embraced section 4 whch reappropriates the unexpended balance of the appropriation of $15,000,000 in the Second Deficiency Appropriation Act, 1943. The Committee on Flood Control amended the Senate bill by striking out said section 4, inasmuch as it is an appropriation in an authorization bill and is thus subject to a point of order. Moreover, the reappropriation is for the Committee on Appropriations.

I repeat that Public 318, Seventy-eighth Congress, second session, is an exact copy in language and in substance of sections 1 and 2 of the pending bill, and as shown by the CONGRESSIONAL RECORD of May 15, 1944, page 4581, it passed by unanimous consent.

In neither case was the bill passed on the unanimous consent calendar, but the Speaker recognized me, and in one case I was recognized on Monday, May 15, 1944, to pass the said Public 318 by unanimous consent, and in the case of Public 138 I was recognized on Wednesday, June 30, 1943, to pass the bill by unanimous consent.

It will be kept in mind that the pending bill is a Senate bill. Personally I see no occasion for section 3, but inasmuch as the War Production Board has advised me that priorities have been given for farm machinery in flood areas, there is no objection to including Section 3. This section does not involve an appropriation. It merely restates the policy that is now followed by the War Production Board. It was included in said Public 138 in July 12, 1943, as a compromise covering a number of amendments inserted by the Senate, this provision having been inserted by the Senate. Inasmuch as Congress approved section 3 in 1943 by unanimous consent, there was not enough involved to make a controversy by striking out section 3 of the Senate bill which we are considering.

Since 1938 it has been the policy to make annual appropriations to provide for emergency flood relief. The annual authorization has been increased to $1,000,000 in the act of December 22, 1944. It is estimated that this amount is sufficient for ordinary damages to flood works, but in 1945 as testified by the Chief of Engineers and as disclosed by the hearings, there was a record flood along the lower Mississippi River between the mouth of the Red and the Gulf, and along the Atchafalaya and along the Red River. There were maximum floods along the Arkansas, the the White, and the Mississippi north of Cairo, and especially between Cairo and St. Louis.

Section 1 really involves a reappropriation of existing flood-control appropriations. As I have previously stated, the provision that enables the Secretary of War, pending the appropriation of the authorization carried in the bill, to allot from existing flood-control appropriations emergency funds has been carried in the said two previous emergency acts in 1943 and 1944.

This is substantially the language that is carried in river and harbor acts where existing appropriations may be used and reimbursed for making preliminary examinations and surveys. A similar provision is contained in practically every flood-control bill that has been passed for examinations and surveys. There is no loss to the Public Treasury. The provision is in the public interest. If a flood occurs and if it is necessary to repair, funds should be available for immediate repairs. There will be no increased appropriation. The funds when appropriated will reimburse for emergency repairs that are made within the limit of the appropriation.

The pending bill does not provide for new construction. It provides for emergency work on flood-control works, including levees and flood walls, whether they were constructed by the Federal Government or by the local interests, or whether they were constructed by individuals. Provision is made for works that have been threatened or destroyed or that may be threatened or destroyed by later floods in 1945. The whole purpose of the authorization is in line with the policy heretofore adopted by Congress to make repairs to flood-control works damaged or destroyed by floods. If a portion of a levee is washed away and it is rebuilt, it may be rebuilt and relocated to a larger grade and section than the remainder of the existing levee, so that when the existing levee is enlarged in the future the stretch or segment repaired and strengthened will be utilized in the permanent flood-control works.

It is necessary for works that have been damaged or destroyed to be repaired immediately. Food was never more important. Crops are to be planted. They should be protected. The bill should pass by unanimous consent.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. CLASON. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this bill is of a type which I believe commands the sympathy and the respect of the House. I believe that it is legislation which ought to be passed to give relief to a large group of citizens of this country who have suffered from flood disaster. This bill is limited so far as funds are concerned in section 1, as the gentleman from Mississippi [Mr. WHITTINGTON] has so well pointed out, to repairs of Government and local levees which have actually been breached or damaged. Undoubtedly there will be some extension work necessary on some of these levees in order to give the proper protection until the final work is carried out.

There is a provision in section 1 which on the face of it is subject to a point of order on the ground that it is an appropriation on a legislative bill. On the other hand it has been the custom for years past to allow such a provision to go through on emergency legislation, and I hope that no one will see fit to raise that point of order. Section 2 has already been explained.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Is it the intention of the committee to strike out the final section of this bill?

Mr. CLASON. Section 4 is not in the bill as it was reported by the committee. It was in the bill as it passed the Senate, but as it came out of the House Committee on Flood Control section 4 was stricken.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. This is a motion to suspend, and I stated that section 4 was eliminated in the motion to suspend.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Michigan.

Mr. DONDERO. Did the gentleman's committee hold hearings on this bill?

Mr. CLASON. We did.

Mr. DONDERO. Did the committee find that $12,000,000 would be adequate to repair the damage that was done?

Mr. CLASON. That is the figure that was reported to us by the Chief of Engineers, General Reybold. It covers not only work with reference to the great flood on the Red River down south but also, as shown in the report, on other rivers. It is true that most of the money is going to be spent down in the lower Mississippi and on neighboring tributaries, but nevertheless that just happens to be the place where the floods did the most damage to these particular works.

Mr. HAGEN. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Minnesota.

Mr. HAGEN. Does it also include the Red River of the North in Minnesota and North Dakota?

Mr. CLASON. The list of those rivers is mentioned in General Reybold's testimony as contained on page 5 of the report, but if there is any damage done anywhere this language is broad enough to permit the work to be done. You see, the type of work that is to be done is the repairing of public works or local works, and if the damage which has been suffered has not been either to public or private flood-control works it does not provide for furnishing money to fix up farmhouses or farm lands or anything of that sort.

Mr. HAGEN. Section 3 applies to our farmers in Minnesota and North Dakota concerning priorities for farm machinery.

Mr. CLASON. It does. I intended to clear that up later.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Iowa.

Mr. JENSEN. Is this $12,000,000 appropriation to be spent in the fiscal year 1946?

Mr. CLASON. If it is provided. Presumably it will be spent immediately; in other words, these levees have been breached or washed away and it is necessary to give immediate protection to these localities and prevent further flood damage due to the fact that there are no levees or breached levees at the present time, to repair them at once, not only on the Mississippi, but wherever they may be.

Mr. JENSEN. So as soon as the appropriation is made, the work of repairing these levees can proceed even before 1946.

Mr. CLASON. Yes. It would be done immediately. The purpose of the legislation is to have this emergency work done at once. That is the purpose of bringing the legislation up today in this manner.

Mr. JENSEN. I am happy that that is the case, because we need a lot of this work in many sections of the country, especially in mine.

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. May I say to the gentleman from Iowa that the purpose of this legislation is to repair these levees before the June rise on the Missouri River comes down and does the usual damage so that the crops grown in these areas will be protected.

Mr. JENSEN. I am glad to know that.

Mr. CLASON. The testimony shows that floods are expected on the upper tributaries of the Mississippi in June.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Michigan.

Mr. DONDERO. In answer to the gentleman from Iowa, I think there is a provision on page 2 of the bill which authorizes the Secretary of War to allot from existing flood money sufficient to proceed with the work immediately, and then reimburse those funds from the proceeds of this bill.

Mr. CLASON. No. This is not an appropriation bill. Therefore, as I understand, the chairman of the Committee on Appropriation [Mr. CANNON] has a resolution which he will bring up later which contains what was section 4 of this bill as it passed the Senate, and that will have to be passed by the House in order to furnish them with the $15,000,000.

Mr. DONDERO. Will the gentleman explain the meaning of lines 4 to 9 on page 2?

Mr. CLASON. That is an appropriation, as I said previously. There is money available at the present time which has been appropriated and can be used. Nevertheless, to reimburse the funds out of which that money will be used, it will be necessary at a later date

to pass in some other form section 4 of this bill as it passed the Senate.

Mr. DONDERO. And take money out of this bill to do it, which would be proper?

Mr. CLASON. That money out of the so-called Cannon resolution in order to reimburse the money which will be spent under this bill.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. So in no event would the amount exceed $12,000,000, the amount authorized in this bill.

Mr. DONDERO. That is the way I understand it.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. Is it the gentleman's understanding that the use of these funds now, while the levees are not having the impact of floods against them, would ultimately reduce the cost, because ultimately we would have to do this job in any event?

Mr. CLASON. It is true in regard to some of them that it is just going to replace the levees which will continue as part of the general scheme for flood protection in the Mississippi, but it is my understanding that later, in some instances, some of the levees which will now be repaired will not be a part of the main system of flood control in the Mississippi, and they will have to build additional levees, perhaps larger and behind where these now are. This is just an emergency measure to prevent losses from June floods or subsequent floods, before we can carry on after the war our big flood-control program.

Mr. RANDOLPH. Then the money spent upon these emergency levees will not be a lost sum?

Mr. CLASON. No, it will not.

Mr. RANDOLPH. The gentleman thinks it fits into the program of the development of new flood-control walls?

Mr. CLASON. For the most part it will entirely fit in. Only a small part at most will be used for emergency work.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Louisiana.

Mr. BROOKS. I have just clipped from the newspaper an Associated Press article indicating that on some of these rivers the flood warnings already have been sent out, thus indicating the approach of the June rise at the present time. Therefore, it is very important that the bill receive immediate attention in order that the levees be repaired and put back into shape to do the job of protecting those areas.

Mr. CLASON. I thank the gentleman for his contribution.

Mr. TALLE. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Iowa.

Mr. TALLE. Will the gentleman inform me whether a breakage in a dike that protects a little town on a bank of the Mississippi would come within the scope of the provisions of this bill?

Mr. CLASON. It is my understanding that if it is a public dike owned either by the Federal Government or by some local group which is a public group, they will repair it.

Mr. TALLE. I have appealed for repairs on dikes among other things and the War Department has said that such work is a postwar matter, but flood protection is an emergency job now, and I should like to be assured that the work will be done.

Mr. CLASON. I cannot assure the gentleman that his interpretation will be accepted by the Army engineers. They are the last word. If they say it is not an emergency repair but a permanent repair that the gentleman is asking, of course, I suppose he will have to wait until after the war.

Mr. TALLE. But the committee has in mind broken dikes, and so on?

Mr. CLASON. Yes; those broken dikes which require immediate attention to prevent emergency damage.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I am glad to note that there is an estimate here for the upper Mississippi of $570,000. I presume that work will start on all these projects as soon as the money is made available.

Mr. CLASON. The purpose of course is to make it available for immediate use. It will then be up to the Army engineers to use the money as soon as they can profitably do so.

The SPEAKER. The time of the gentleman has expired.

Mr. CLASON. Mr. Speaker, I yield myself 2 additional minutes.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield.

Mr. HARRIS. As indicated by the gentleman from Mississippi, is not this purely an emergency provision or authorization in order to take care of the existing levees that have been destroyed or broken so that the farmers may proceed to plant their crops this year and have protection without their crops being destroyed when the June and July rains come along?

Mr. CLASON. That is the purpose, certainly, so far as the farmers are concerned. So far as the cities are concerned, they are going to protect them also against any floods.

Mr. Speaker, turning to section 3, we have a proposition which requires a little study, and which to my mind has never been satisfactorily explained. As a matter of fact, we have not had any testimony, so far as I know, in the committee to indicate the need for section 3. It was contained in the Senate bill. It is my understanding at the present time in order for a farmer or any person to buy farm machinery now, it is not necessary for him to secure a priority from the War Production Board. Likewise, the question has been raised as to whether or not if you pass section 3 in this bill you are not going to require the War Production Board to set up a system of priorities. In other words, you may make the position of the farmers throughout the country worse by passing this bill containing section 3. I personally have not seen and never have had explained to my satisfaction any need for section 3 of this bill.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. CLASON. Yes.

Mr. WHITTINGTON. Is it not true our information is that the War Production Board has already done just what section 3 provides? We included it because the Senate had it in their bill.

Mr. CLASON. The committee included it in the bill over my motion to strike it out. I intend to offer an amendment to strike it out now that the bill is under consideration in this form because as I see it, I do not know and it has never been explained by any testimony given by any Government official or any other person, what effect section 3 would have. The Senate put it in the bill and there was no testimony in the Senate hearings as to what section 3 means. So far as I know, we would be a good deal better off if we do not tamper with it for today without section 3 our farmers can buy any farm machinery they can find without a priority.

If we put section 3 in the bill and make it law it may be necessary for the War Production Board to set up some sort of system of priorities which will tie up the farmers worse than they are at present.

The SPEAKER. The time of the gentleman has again expired.

Mr. CLASON. Mr. Speaker, I yield myself 3 additional minutes.

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield.

Mr. ZIMMERMAN. Of course, until a few days ago the farmers did have to get priorities for certain types of farm machinery, and that is the reason this language was placed in the bill. It was done to get away from that requirement of the War Production Board. Now, since they have removed that restriction I cannot see any reason why this should be stricken from the bill, because they might change that order and the farmers would be freed from it. It seems to me it is wise to keep it in the bill so that the farmers can get this machinery without priorities. I think it would be a wise thing to keep it in the bill for the protection of the farmers in case somebody did change their mind.

Mr. CLASON. I do not agree with the gentleman. There are several reasons in addition to those I have already stated. This will require the War Production Board to allocate farm machinery to these very farmers, and it is quite possible that farmers in other sections who have gone without machinery for 2 or 3 years can produce more if they can get the same farm machinery than can be produced in these districts. Therefore without any testimony having been offered in the committee on the subject, I feel, in fairness to all the farmers, this section 3 should be stricken.

Mr. ELSTON. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield.

Mr. ELSTON. This section as now written would give preference to farmers whose machinery has been destroyed

by a windstorm, regardless of where the windstorm occurred?

Mr. CLASON. That is correct.

Mr. Speaker, I reserve the balance of my time.

Mr. WHITTINGTON. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. ELLIOTT.].

Mr. ELLIOTT. Mr. Speaker, I want to call attention to the fact that on July 12, 1943, what is section 3 in this bill was passed as section 4 in another bill. It was the identical section dealing with farm machinery and equipment. It is practically the same language, word for word, as appears in the bill we are talking about at this time.

I want to say to the Members of the Western States that this legislation is very much needed for the reason if we would have flash floods we would find ourselves in a position where no funds would be available for the Corps of Army Engineers to assist our local or State governments in protecting the levees or dams that might be damaged by the run-off of heavy snow, such as we have in some of the Western States.

This bill is no different than any other emergency flood-control bill that has passed this House during the 8 years I have been a Member of this body. As I pointed out, this provision set forth in section 3 is identical with section 4, which became a law in 1943. I feel it is very important that that section remain in this bill. A farmer might have all of his farm machinery destroyed, including tractors and plows, by a flood. With this provision in the bill as it is at present, the War Production Board could allocate new farm machinery to that farmer who had lost all of his farm machinery in a flood. That might come to any of us in a Flood Belt. For that reason, it is a very important item to retain in the present bill.

I hope the membership of the House will pass this bill, because it is much-needed legislation.

I yield the remainder of my time, Mr. Speaker.

Mr. CLASON. Mr. Speaker, I yield myself a half minute.

Mr. Speaker, I said I was going to offer an amendment to strike out section 3. I am rather inclined to the belief that even if I wanted to perhaps I could not; but in view of the fact that several Members have told me they feel this might be an advantage in the bill I do not intend to offer that amendment even though it might be possible to do so.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. CLASON. Mr. Speaker, I yield the balance of the time on this side, 3 minutes, to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Speaker, I yield 3½ minutes to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, in many areas of the country this bill is a most important. In certain parts of the United States this year there have been record-breaking floods. On numerous rivers in different sections of the country all-time flood records have been established. For instance, the Army engineers, testifying before the Flood Control Committee, stated that 15,700,000 acres of land throughout the United States have been inundated in the floods of this spring. They testified that damages had run up to $103,000,000. They have come before the Flood Control Committee and asked for this small sum of money, $15,000,000, to repair the levees, build up again the dikes, put things in readiness to take care of a rise which may come later during the year.

To show you the seriousness of this matter, Mr. Speaker, as I mentioned heretofore during the course of this debate, I have just clipped out of the local edition of the press a long article covering the possibilities of a flood within the next few weeks on some of these same rivers. This article refers to numerous rivers. Among them are streams in Texas and in Arkansas. The flood warnings sent out by the Weather Bureau have already been hoisted in some of these areas, and it is vitally necessary, Mr. Speaker, that the engineers get in and repair the damages done by the early spring flood to prevent the water from coming through the same breaks through which it came before.

Mr. Speaker, personally, I regret very much that the committee decided to delete section 4 from the bill. I understand that under the parliamentary situation at the present time an amendment to this bill is not in order. I have such an amendment to restore section 4 of the bill in my hand; and, were it in order, I would offer it for a vote now. It also is vitally needed, and I hope that the Committee on Appropriations, in considering this matter within the near future, will give it prompt and urgent attention so as to reappropriate the funds provided for in section 4, which were deleted from the bill at the time it was considered by the committee.

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. WHITTINGTON. Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Speaker, I was very glad to hear the gentleman from Massachusetts [Mr. CLASON] say that he would withdraw his objection to section 3 of the bill.

Section 3 of the bill undertakes to direct the War Production Board to allocate to the farmers, farm machinery to meet this situation. Someone argued that it is not necessary. I respectfully submit that it will not do any harm and it might do a lot of good.

We ought to be willing and ready to tell some of these boards and agencies in Washington to do certain things.

Mr. Speaker, as has been said, this is purely an emergency proposition. It ought to pass unanimously. Red River runs through the congressional district which I represent. We experienced one of the worst floods in all history during the present year. The water was so high that in going over the country in a motorboat, over highways and over railroads, I had to duck my head a number of times when we went under telephone wires. You could not tell where the railroad was or where the highway was except by the telephone poles and that was in a country that old people never saw under water before. I spent considerable time down there in the mud and water doing my best to help the people in every way possible. This personal contact gave me information which I could not have gained in any other way.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield briefly to the gentleman from Texas.

Mr. POAGE. The tabulation in the hearings shows an estimate of the amount of money to be spent on various river basins. In order to get the facts, I simply want to ask the gentleman if that tabulation is intended to be confined to money that will be spent upon those river basins or will the funds be available for any area that has suffered floods during the year 1945?

Mr. ALLEN of Louisiana. Oh, no; the tabulation in the hearing is not restrictive. It does not mean that the money is going to be used on that list alone. We simply provide this money so that the engineers can repair the damage where they find it in the United States in connection with 1945 floods.

Mr. Speaker, I want to say a word with reference to the parliamentary situation. This is a Senate bill. I insisted in the Flood Control Committee of the House that we give consideraton to the Senate bill because it would expedite this legislation. The House Flood Control Committee voted to strike out section 4 of the bill. I deeply regret that action. I deplore that section 4 has been taken from the bill. I voted in the committee to keep it in the bill and I wish I had an opportunity here again to vote for section 4. This comes before the House on a motion to suspend the rules and pass the bill as reported out by the House. The bill will, therefore, have to be voted up or down. Under the parliamentary situation, there is no chance to offer an amendment to get section 4 back into the bill. I have such an amendment in my pocket which I would offer if it could be done, but the Parliamentarian says there is absolutely no way to do it. The only thing that can be done, therefore, under the parliamentary situation is to pass this bill as it is and then seek an appropriation through the Appropriations Committee. The gentleman from Missouri, Chairman CANNON, of the Appropriations Committee, has a resolution pending to do that, and I shall urge him to get it to the floor at the earliest minute possible. I have been diligent in working on this matter since the flood happened and I hope for immediate action by the Appropriations Committee.

Mr. Speaker, in 1943 when we had a situation in the Missouri River Valley that was bad I fought as a member of the conference committee on that bill to get the money for the people in that section of the country. I was glad to do that. Now we in Louisiana are facing a bad situation, a situation in which many of our people have been driven from their homes, their stock drowned in many cases, their crops destroyed and delayed, their barns damaged or destroyed, and in some cases even their homes have been destroyed and many badly damaged.

The unprecedented rains on Red River and its tributaries brought a deluge of water down on us far surpassing anything the Army engineers had ever expected. We had the levees, and the levees had been built to withstand the highest waters which the Army engineers thought possible. But the water came much higher than the engineers had ever expected, and the result was that the levees were topped or broken in many places. Now the Army engineers are having to reexamine all of their flood-control plans on Red River and that whole matter is now under consideration by the engineers and we hope to have a further report from them later this year. I have urged that they present us a plan that will give us protection even against the greatest possible flood. I have requested the Chief of Engineers to see if he could find more sites for additional dams like Denison Dam. That dam evidently held down the crest of the water around a foot and a half.

If we could find one or more similar sites for dams upstream on the Red River or its tributaries, it would greatly help. I am hoping very much that the engineers will be able to work out a complete system of protective works on Red River so that we shall never again have a major flood. Of course, the war has handicapped our flood-control program. The President impounded all flood-control money early in the war. That could not be helped. But I hope the Army engineers will within a reasonable time be able to work out plans for complete protection on Red River in the light of this new flood so that when the war is over we can go forward with our plans. Of course, I am interested in the Mississippi River, the Ouachita River, and all other rivers, and as a member of the committee I have always sought to help wherever possible.

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Louisiana [Mr. LARCADE].

Mr. LARCADE. Mr. Speaker, notwithstanding two of my colleagues from Louisiana have preceded me, I wish to call to your attention the fact that the legislation under consideration is not for the sole benefit of Louisiana.

On the contrary, this bill is for the authorization of appropriations for the entire United States for the year 1945 to meet the necessary expenses of flood-fighting activities and emergency repairs and restoration of flood-control works damaged or destroyed, and reference to the hearings before the Flood Control Committee on the bill under consideration will disclose that approximately $2,850,000 have already been expended by the Chief of Engineers for rescue work and flood fighting in the recent severe floods on the Sacramento-San Joaquin, Gulf coastal streams and the Mississippi River system, including such major tributaries as the Ohio, Missouri, Arkansas, and White Rivers and their tributaries.

I come from the southern portion of the State of Louisiana, and we were fortunate in the recent floods, through the efforts of the United States engineers, the damage in the southern portion of the State was not as great as in the northern part of the State of Louisiana.

Most of the damage in the recent floods in the South were in the Red River Valley, especially in the States of Arkansas, Louisiana and Texas. The southern part of Arkansas suffered great damage. In north Louisiana that section from Shreveport south to Alexandria had millions of acres of the finest agricultural lands inundated, and thousands of homes were destroyed, and the loss of life and property was extensive.

I wonder how many Members of this House have seen these floods and the damage suffered by those affected? How many of you have seen thousands of homes and barns under water with only the roofs out.

Mr. Speaker, water from 31 States drains through the State of Louisiana, and it is not a local problem, and when great damage is done to our flood-control system as a result of these floods the least that can be done is to rebuild our defensive system of levees, when damaged, to control and protect us from recurring floods.

Mr. Speaker, I do not think it necessary for me to discuss the merits of this bill any further, as I think the chairman, the gentleman from Mississippi [Mr. WHITTINGTON], of the Flood Control Committee has made a full and able presentation of the legislation, and as a member of the Flood Control Committee I wish to say that having experienced five major floods in my State I am most sympathetic to the other States who are similarly affected from time to time, and I have consistently supported legislation to give relief and protection to those sections of the country affected by floodwaters as well as for their protection in the future.

Mr. Speaker, in conclusion, I might say that I and the entire Louisiana delegation supported and worked for similar legislation and appropriations during the years 1943 and 1944 for the Missouri River Valley, and the legislation under consideration is for the same purpose as covered in that legislation.

The committee considers it urgent that the repairs to the levees and flood-control works recently damaged be made as soon as possible so that the structures will provide effective flood protection as soon as possible in the areas affected, for it is possible that there will be further damaging floods during this year, and therefore immediate relief should be provided.

Mr. Speaker, I trust that this bill will be enacted unanimously.

Mr. WHITTINGTON. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Speaker, I trust that the committee will keep section 3 in this bill. May I say that the people who farm in my district are greatly in need of farm machinery. There is a serious shortage of farm labor all over the country. Such a condition can only be remedied by making available sufficient farm implements for the use of the farmers. Especially is this true in the flooded areas of the country. About one-fourth of my district has lately been covered by water. Many thousands of acres have been inundated, and this land is the most fertile to be found anywhere in America. Those farmers are in distress. They need tractors, they need farm machinery, they need equipment. I hope that when you cast your vote on the amendment that will be offered by the gentleman from Massachusetts that you will keep section 3 in this bill. To do so means that these farmers from the flooded areas can make a crop this year. I also want to commend the Committee on Flood Control for bringing this bill to the House with such dispatch. It passed the Senate on May 10, and hearings were held in the committee on the following Monday. This is urgent legislation as these levees must be repaired without delay.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. GATHINGS. I yield to my colleague from Arkansas.

Mr. HARRIS. I understand the gentleman from Massachusetts made an announcement a moment ago that he would not offer an amendment to strike out section 3. He therefore will, so far as he is concerned, permit it to remain in the bill.

Mr. GATHINGS. I hope that he does not offer such an amendment. The farmers in the areas affected by the recent flood waters should be given every inducement and encouragement to meet the farm goals in order to produce the expanded needs of foods and fibers for a Nation at war, for the armed forces, the civilian population, and the starving peoples of liberated countries.

Mr. WHITTINGTON. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would like to say in conclusion, as I said in the beginning, that the language in sections 1 and 2 is identical with the language passed in 1943 and 1944. This bill covers emergency work for the floods that occurred in 1945 or that will occur hereafter during this year. The language with reference to the use of funds previously appropriated is the language that occurs in the river and harbor bill where we make provision for preliminary surveys in connection with those works; in other words, the language concerning the use of emergency funds to be reimbursed out of the appropriations made as authorized in this bill is language that obtains in flood control emergency bills.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Arkansas.

Mr. HAYS. Is it the opinion that this language with reference to the strengthening of levees is broad enough to cover the raising of levees?

Mr. WHITTINGTON. The gentleman is correct, where the levees were damaged or destroyed and have to be rebuilt.

The SPEAKER. All time has expired.

Mr. CLASON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CLASON. Several persons have asked me if it is in order to offer amendments to the bill on the floor. It is my understanding that it is not.

The SPEAKER. No amendments are in order unless they were included in the motion, and such amendments are now pending.

The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. JOHNSON of Indiana) there were—ayes 127, noes 1.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 244. An act for the relief of Adell Brown and Alice Brown;

H. R. 533. An act authorizing the State of Minnesota Department of Highways to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Hastings, Minn.;

H. R. 780. An act for the relief of the legal guardian of Vonnie Jones, a minor;

H. R. 856. An act for the relief of Frances Biewer;

H. R. 879. An act for the relief of Ed Williams;

H. R. 904. An act for the relief of Fred A. Lower;

H. R. 980. An act for the relief of Mrs. Gladys Stout;

H. R. 1016. An act for the relief of Capt. Millard L. Treadwell;

H. R. 1054. An act for the relief of Mrs. Mary Karalis;

H. R. 1069. An act for the relief of Sidney B. Walton;

H. R. 1184. An act to authorize Slater Branch Bridge and Road Club to construct, maintain, and operate a free suspension bridge across the Tug Fork of the Big Sandy River at or near Williamson, W. Va.;

H. R. 1241. An act for the relief of Margaret M. Meersman;

H. R. 1260. An act for the relief of Dr. Walter L. Jackson and City-County Hospital;

H. R. 1347. An act for the relief of Lee Graham;

H. R. 1558. An act for the relief of Mrs. Alma Mallette and Ansel Adkins;

H. R. 1561. An act for the relief of the legal guardian of Louis Ciniglio;

H. R. 1598. An act for the relief of Mrs. Bessie I. Clay;

H. R. 1602. An act for the relief of Robert Lee Slade;

H. R. 1652. An act granting the consent of Congress to the State of Louisiana to construct, maintain, and operate a free highway bridge across the Mississippi River at or near New Orleans, La.;

H. R. 1659. An act authorizing the Department of Highways of the State of Minnesota to construct, maintain, and operate a bridge across the Pigeon River;

H. R. 1845. An act for the relief of Domenico Strangio;

H. R. 1847. An act for the relief of Francis X. Servaites;

H. R. 1877. An act for the relief of Major William Peyton Tidwell;

H. R. 1910. An act for the relief of Frank Lore and Elizabeth Vidotto;

H. R. 1952. An act for the relief of Joseph Brunette;

H. R. 2006. An act for the relief of Boyd B. Black.

H. R. 2068. An act to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service;

H. R. 2129. An act for the relief of Edward Lawrence Kunze;

H. R. 2361. An act for the relief of Alexander Sawyer;

H. R. 2701. An act for the relief of Margaret J. Pow;

H. J. Res. 177. Joint resolution repealing a portion of the appropriation and contract authorization available to the Maritime Commission; and

H. Con. Res. 57. Concurrent resolution authorizing the printing of additional copies of Senate Document No. 47, current session, entitled "Atrocities and Other Conditions in Concentration Camps in Germany," being a report of the joint committee which visited Germany to investigate concentration camps.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2907) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate numbered 18 to the foregoing bill.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of Labor.
4. Department of the Navy.
5. Department of the Treasury.
6. Federal Security Agency.
7. Office of Censorship.

EXTENSION OF REMARKS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill just passed may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. RANKIN. Mr. Speaker, on May 15 I was granted permission to extend my remarks in the RECORD and include a certain document. I am informed that it exceeds two pages of the RECORD and that the cost will be $121.40. I ask unanimous consent that it be printed in the RECORD notwithstanding that fact.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MILLS asked and was given permission to extend his remarks in the RECORD and include certain charts.

Mr. CARNAHAN asked and was given permission to extend his remarks in the RECORD in two instances and include in one a radio address he delivered yesterday afternoon and in the other an editorial from the St. Louis Post-Dispatch.

Mr. MILLER of California asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MURDOCK asked and was given permission to extend his remarks in the RECORD.

Mr. GEARHART asked and was given permission to extend his remarks in the RECORD in two instances, and to include in one a paper by Dr. John Lee Coulter entitled "Unfortunate Use of Statistics," and in another certain reports and tabulations by the Tariff Commission and the Department of Commerce.

Mr. ELSTON asked and was given permission to extend his remarks in the RECORD and include an editorial from the Cincinnati Enquirer.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include a radio address delivered over the NBC system on Friday, the 18th, with regard to a department of Veterans' Affairs.

Mr. ELLIS (at the request of Mrs. ROGERS of Massachusetts) was given permission to extend his remarks in the RECORD and include two telegrams.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD in two instances and include in one a letter from a constituent and in the other an editorial from the Washington Times-Herald.

Mr. HOPE asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. GAVIN asked and was given permission to extend his remarks in the RECORD and include an article from the Times-Herald.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a set of resolutions asking for the continuation of the Price Control Act with certain reforms.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD and include a report by the Republican Congressional Food Study Committee to the gentleman from Massachusetts, Hon. JOSEPH W. MARTIN, Jr.

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include the language of the citation in connection with the conferring of a Distinguished Service Cross on a very distinguished soldier from my home town who lost his life recently.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SPECIAL COMMITTEE TO INVESTIGATE FOOD SHORTAGES

Mr. ANDERSON of New Mexico. Mr. Speaker, I ask unanimous consent that the House Special Committee to Investigate Food Shortages have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

THE DEUTSCH CASE

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. KOPPLEMANN. Mr. Speaker, during the week end I received numerous telegrams and letters from my district urging that I vote against the contempt action contemplated against Albert Deutsch. Of course, I am going to vote against it.

I was one of four Members of the House who voted against the original resolution for a House investigation of the Veterans' Administration. I feared at the time that the investigation might result in exactly what has happened.

There is no perfection in Government administration. There is bound to be lack of understanding and incompetence in human being and those shortcomings are bound to be reflected in the administration of public projects. The miracle is that so much good work is done so well. When inefficiency creates widespread public resentment an investigation is in order, but the investigation must be fair, thorough, and pointed at eliminating the causes of criticism.

It was apparent from the beginning that House investigation of the Veterans' Administration would suffer from lack of a fair attempt to get down to the rock-bottom facts and really correct the conditions causing criticism. It is obvious from this Deutsch incident that the real issues were to be clouded by an attempt to indict the people who had the courage to offer evidence.

The result is that Congress is being made the butt of ridicule.

It is a great comfort to the American people to know that so many Members of Congress, members of the investigating committee included, have announced that they will not support the contempt action should it reach the House for a vote.

It should be voted down so emphatically that no Member of the American Congress will ever attempt it again. It should be voted down so emphatically that every member of a congressional investigation committee will always hold before him the real issues at stake and not seek an opportunity to get personally even with some newspaper news reporter or person who differs with him in principle or in method.

COOPERATIVE AGRICULTURAL EXTENSION WORK

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 383) to provide for the further development of cooperative agricultural extension work, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. FLANNAGAN, ZIMMERMAN, PACE, HOPE, and KINZER.

FREIGHT RATES

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, every fair-minded citizen of the United States, and I am sure by far the greater number of our people fall into that classification, rejoices to learn of the progress being made in the elimination of the age-old policy of freight-rate discrimination against the South and West.

Long before I came to Congress I began studying freight rates as they applied to our section of the country as compared with those applicable to other sections. At each session of the Congress in which I have been permitted to serve I have introduced bills seeking to correct this unjustified policy of freight-rate discrimination.

It was good to learn the Supreme Court some weeks ago assumed jurisdiction of the controversy, and now it is of special interest that the Interstate Commerce Commission has rendered what is referred to as "the most important decision in its history," which will lift this unjustified burden from southern and western sections of our great country.

I hope the decision will make unnecessary further consideration of my bill now pending in the Seventy-ninth Congress as H. R. 1272.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. HAVENNER asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein a letter he received from the California Wine Institute.

FREIGHT RATES

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. PATRICK. Mr. Speaker, the South is pouring out its gratitude, and many from my district have asked that I express the profound appreciation of the people of that entire area in the elimination of the internal tariff wall which has been established for so long as an inequality of transportation rates throughout the Nation.

This long-awaited adjustment was made possible by the Transportation Act of 1940, coauthored by Senator LISTER HILL of Alabama and the gentleman from Georgia, Congressman ROBERT RAMSPECK. Section 5–B of that act directed the Interstate Commerce Commission to study the rate between the rate territories and take action against unfair inequalities. Section A was amended so as to make it unlawful to discriminate between regions.

The first speech made by me after my arrival here as a part of the Seventy-fifth Congress was on the subject of unjust transportation rate discriminations, and, of course, it is now a great joy for me to report that it was my committee through which Mr. HILL and the gentleman from Georgia [Mr. RAMSPECK] brought this legislation into the House and I helped to get it to the floor and helped to pass it into law. It is so good to see that we did not labor in vain.

The discrimination removal was announced last Saturday and this action of high authority has come as the answer to a long and sincere prayer from the Southland.

We are supremely thankful to Governor Arnall and other Governors, along with the Governor of our State, Governor Sparks, whose work was so important in getting justice done under this legislation.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 1 hour.

PEACE OR ONLY AN ARMISTICE

Mr. VOORHIS of California. Mr. Speaker, on May 8, 1945, I introduced House Concurrent Resolution 55. That resolution reads as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that it shall be the policy of the Government and its agencies and representatives (a) to employ such means as may be necessary to prevent the economic, financial, or technical resources of nations which are or have been at war with the United States in the Second World War from finding a haven or an opportunity for the direct or indirect rebuilding of the future war potential of such enemy nations in any neutral nation or any other nation; (b) to take such means as may be necessary to prevent any citizens, organizations, or corporations of the United States taking any action which would contribute, through cartel agreements or otherwise, to the rebuilding of the future war potential of such enemy nations.

I have asked for this time in order to explain to the House the urgent reasons which prompted me to introduce this resolution and which led me to urge with all of the earnestness and vigor at my command that the Foreign Affairs Committee act promptly and favorably upon it.

JUST IN TIME

Mr. Speaker, from several sources I have heard the report that VE-day came just in the nick of time that Germany was on the point of developing a new and yet more terrible weapon which even at the last hour might conceivably have turned our victory into defeat had General Eisenhower not pressed every advantage, thrown all his resources into the fight and brought about the defeat of Nazi Germany when he did.

Whether or not these reports are accurate in every detail, we know that German science, devoted as it was to devising ever more terrible weapons of destruction, was making terrifying progress all through the war period. We also know that in the period between the First World War and the Second World War, the one most important development which led to World War II was the growth of German war industries and the extension of the control of German cartels over the economies of other nations. For without these things Hitler might

have shouted all he pleased and still his power to make war would have been insufficient to enable him to embark upon a career of aggression. We know also that in the building up of this war potential of Germany the German industrialists did not have to work alone. To our shame be it said that they had plenty of help, some of it no doubt inadvertent, from banking houses, monopolies, and the huge industries of France, Britain, and the United States, and a number of other countries.

At the outset of this speech I want to make my own general position clear. I have stated in previous speeches that in my judgment the only circumstance under which the breaking up of Germany into a number of small states would make sense would be if a general European federation were going to be formed. Neither would I advocate any policy which would deliberately impose want and destitution upon the common people of Germany, although I certainly believe that Germany should be required to the extent of her ability to rebuild what has been destroyed in other countries and in the period of rehabilitation the needs of the people whom the Nazis have conquered and oppressed should certainly come ahead of the needs of Germany itself. I do not think it is possible or practical to render Germany merely an agricultural nation nor do I want my speech to be interpreted as proposing to take from Germany the means of support or a balanced economic order. I simply believe that the revival of German military power must be prevented by every means at our command. And certainly it is going to be impossible to accomplish this purpose unless the Allied Powers know what they are dealing with—unless German industry is prevented from utilizing its old methods to spread itself all over the continent of Europe and beyond the seas, thus leaving an utterly uncontrolable task confronting the Allied occupation authorities and later the Allied bodies which must seek to prevent the rearmament of Germany. Furthermore, there is all the difference in the world between a balanced domestic economy in Germany on the one hand and the fantastic power which German cartels exerted over the economies of most of the nations of the world in the period between the two World Wars. I am not speaking today against the first of these things, but I am speaking with all the emphasis at my command against the second one.

WHAT MADE HITLER POSSIBLE?

For the second time in a generation the world has been drenched in blood by German political and military ambition. But neither Hitler nor any other would-be superman would have dared bring on World War II had he not been effectively backed by and had his military power not been based upon German industrial, scientific, technical, and financial genius. Even this would not, in all probability, have been sufficient to launch Germany on her course of attempted world conquest had German war preparations not been aided and abetted by the almost insane desire on the part of powerful interests in the United States, England, and other countries to fortify their monopolistic positions. In a recent column in the Washington Post, Paul Winkler accurately sets forth the role of the German industrialists:

> But the fact is that the entire history of the Nazi regime is closely interwoven with the activities of the leading industrialists, who put the Nazis into power and cooperated closely with them thereafter, not only as individuals, but particularly through their official industrial organizations. It would be less accurate to describe their relations afterward as having been characterized by the acceptance of Nazi objectives on the part of the industrialists as by the acceptance of the industrialists' objectives by the Nazis. For in the blood purge of June 1943, carried out after Hitler had gone to the Rhineland to consult with his industrialist backers, he cleaned out of his movement the elements which had begun to worry the industrialists, and thereafter he followed faithfully the path of nationalistic aggrandizement which had distinguished these industrialists long before any Nazi movement existed.

The question that confronts us today and the question that we must answer correctly if World War III is to be avoided is whether we are going to permit history to repeat itself. Those in many countries who believe in "business as usual," even with the late enemy, are already busily at work, and have been for a long time. It will take, in my judgment, all the earnestness and determination of patriotic Americans to prevent another throttling of world commerce by German-dominated cartels and another building up of Germany's power to make war by the very same methods that were employed after World War I.

TWO MEETINGS

Out in San Francisco, representatives of the nations of the world are at this very hour wrestling with the problems of world peace, attempting to form an organization which can be depended upon to prevent aggression and war in the future. But over against the San Francisco meeting we must, unfortunately, put the story of another meeting held in Lisbon, Portugal, not so long ago. This meeting took place in May and June of 1944. One of the moving figures behind the Lisbon meeting was, it appears, one Daniel Heineman, an American citizen and chief representative in the United States of the Sofina Co. (Societe Financiere de Transports et D'Enterprises Industrielles). A huge public-utility holding company founded in Brussels in 1928, registered at present in Panama, keeping its books in Cuba, its managerial offices in New York, its technical staff in Lisbon. There is substantial, if not controlling, German interest in most of the public utility concerns which belong to the Sofina group. They are scattered over Europe, South America, and other parts of the world.

There were in attendance at this Lisbon meeting representatives of British, French, German, American, Italian, Spanish, and Swiss manufacturers. Some of the most outstanding industrial firms in these countries were represented there. Among the German companies which were represented are I. G. Farben, Rhein Metall, Roechling, and Krupp. In some instances Portuguese, Spanish, and Swiss agents represented these German companies. Some of the largest of American concerns were presented probably by their European agents. From Spain came Juan March, whose extensive holdings in Spain are now controlled by I. G. Farbenindustrie. Generally speaking, the Spanish representatives who attended the meeting are connected with Daniel Heineman and Sofina, which for many years has been managing and protecting German-owned or at least partially German-owned companies located all over the world. Just before the war Heineman was living in Brussels. For a number of years he was closely connected with the Deutsche Bank and the German electrical trust. One week before the invasion of Brussels, Hitler himself provided a special guard to enable Heineman to get away from Brussels carrying important documents, securities, and large amounts of cash. The ostensible purpose of this Lisbon meeting was to get the affairs of the Sofina Co. in proper order, particularly its subsidiaries located in western Europe and Latin-America, but another very evident purpose of the meeting was to facilitate the protection of German interests in neutral countries or even in Allied countries outside the borders of Germany. For it is significant that the Lisbon meeting was held just prior to General Eisenhower's landing on the Normandy beaches and therefore just in the nick of time to enable the Germans to complete their arrangements for operation from such a vantage point as Spain and to keep their cartel agreements intact. For as I shall show as I go along in this speech those cartel agreements have in most instances been only suspended for the duration of the war, not denounced or nullified by the fact that a world of human beings has been engaged in a life-and-death struggle around the globe. Neither political boundaries, nor battle lines, nor declarations of war, nor peace treaties, nor national governments have affected in the past or are affecting today this world-wide struggle for economic monopoly power.

STEPS TO WAR

We have sworn that it shall not happen again. But it is happening and apparently it is happening according to plan. The Junker generals have already, judging from press dispatches, succeeded in shifting almost completely blame for the war onto the Nazis and have emerged as the only coherent powerful group in all Germany. Not only that but the German General Staff may even succeed in making itself the liaison between the Allies and the German people. General Eisenhower's sharp rebuke of a few days ago with regard to the treatment accorded Hermann Goering and other high-ranking German officers was indication that the general sees clearly the danger in this regard.

I cannot believe that our memories are going to prove so short that we will fail to recognize the real war danger of the future. On November 16, 1944, the Subcommittee on War Mobilization of the Senate Committee on Military Affairs issued its report, No. 4. In that report we can read the story of what happened to turn apparent military defeat of Ger-

many in the First World War into industrial, economic, and technical victory and to make Hitler's mad career possible. The report tells of the plans of the German cartelists after World War I. To quote one paragraph:

The industrial and military renascence of Germany which the cartelists promoted involved related objectives. The cartel groups were vitally interested in resuming international relationships in order to recapture profitable world markets in such industries as dyestuffs, pharmaceuticals, and military optical goods. They wished to consolidate their position at home by cutting out their domestic competitors from any share of international trade and by strengthening their monopoly hold on production and employment. The munitions industries which had built up profitable and efficient methods of production during the war desired to preserve their techniques, know-how, and skilled personnel by resuming immediately military production. And, finally, the cartelists sought to prepare Germany for a war of aggression which would ultimately give them world-wide industrial dominion.

The worst of it was that these plans came within an ace of succeeding and that the only thing that ultimately kept them from succeeding was the united, all-out, sacrificial effort of our own country and all of the other most powerful countries of the world with the exception of Japan. The Senate committee report points out at least one reason why the German plans were so successful. It says:

The trends toward monopoly domination of industry in the United States, Great Britain, France, and other countries produced an environment in which German cartel groups could conduct negotiations for the division of world markets in an auspicious climate of opinion. The emergence of consolidated and powerful monopolistic interests in American, French, and British industry made it possible for Germany's cartel groups to strike a series of bargains and cartel agreements which resulted in virtual elimination of competition in vast segments of world industry while at the same time fortifying the spheres of influence which the German groups had regained.

Protected in this way German industrialists were able to evade the disarmament provisions of the Treaty of Versailles and to establish plant after plant in neutral countries for the rebuilding of the war potential of Germany. Zeiss & Co., the monopolist in Germany of optical glass manufacture established a factory in Holland known as Nedinsco. To quote from the Senate report again:

In order to evade the restrictive provisions of the Versailles Treaty, Zeiss established a factory in Holland, known as Nedinsco, to which Bausch & Lomb agreed to refer foreign orders.

The Senate report refers to Bausch & Lomb as "the American cartel partner" of Zeiss & Co. The Krupp Co., suppliers of the bulk of German heavy armament during both World Wars was able to nullify the restrictions of the Treaty of Versailles by transferring its patents, its licenses, and its secret processes of manufacture to a Swedish armament firm, Bofors, in exchange for shares of stock in that company. Thus Krupp never stopped its manufacture and research into new types of armaments. Where it was not convenient or possible to physically transfer activities to other countries, the Germans accomplished the same purpose by financial means. Indeed it was not until a short time ago that it was revealed that the shares of stock in the Berlin to Bagdad Railroad which were owned by the German Government at the time of the First World War, had been placed with the notorious Schroeder Bank in London. This same bank has been, to say the least, not only a mouthpiece of Nazi finance, but during the present war has continued right along to do a tremendous business both in England and the United States.

I could go on and further document this story, but I believe it to be unnecessary. The outstanding fact is that Germany was never disarmed after the First World War because German armament industries, technical skill, patents, and financial resources were successfully transferred to neutral and other countries and because under the cartel agreements entered into even with corporations in Britain and America, these German plans received substantial protection, if not positive help. The hearings before the Truman committee of the Senate produced the following document dated April 20, 1938, setting forth a point of view of the Standard Oil Co. of New Jersey concerning its agreement with I. G. Farbenindustrie, with particular reference to synthetic rubber and other patents held exclusively by Standard under its agreement with I. G. Farbenindustrie:

Until we have this permission (from Germany), there is absolutely nothing we can do, and we must be especially careful not to make any move whatsoever, even on a purely informal, personal, or friendly basis, without the consent of our friends. We know some of the difficulties they have, both from business complications and interrelation with the rubber and chemical trade in the United States, and from a national standpoint in Germany, but we do not know the whole situation, and since under the agreement they have full control over the exploitation of this process, the only thing we can do is to continue to press for authority to act, but in the meantime loyally preserve the restrictions they have put on us.

May I say, Mr. Speaker, that on this very day, after my speech was all prepared for delivery and all typed and ready to be given, in my mail which I read for this day I received enough evidence on this subject to make another whole speech. Part of it was evidence to the effect that only a few days ago there walked into the American Embassy at Madrid representatives of the Spanish subsidiary of the German Schering Corp., the biggest drug company in Germany, with a proposition that the Spanish subsidiary of Schering A. G. Berlin and the American Schering Co., of Bloomfield, N. J., should merge in order that relationships with the German company might be closer. I do not mean to say this proposition was accepted or anything of the kind. But I merely give you that to indicate in some degree what is going on. Only a fraction of it will be in this speech.

I have here a little leaflet published in New York City. It carries the title "Between the Lines. The Christian Layman's Information Service." It came to my attention only a few moments ago. At the top of the second column it contains this paragraph:

"Don't fraternize" is the order hammered at our troops in Germany. At the same time in Wall Street, Washington, London, and Paris the cartel monopoly groups, which control the world's supply of rubber, tin, oil, and chemicals, are meeting and making plans to cooperate with German industry as soon as hostilities cease. "Don't fraternize" is the slogan plastered all around the tired, dust-covered GI, who is glad to see any face that smiles and doesn't wear an iron hat. "Don't fraternize"—that is for the doughboy who is so exhausted and sick of blood and war that he could weep at the sight of any open-faced youngster with clean yellow hair and blue eyes. But "don't fraternize" is not for the old fellows who made the guns, sold the oil, and exchanged the secrets on patents and powders, for theirs is the sacred fraternity of power and profits.

That little paragraph might well be the text of my speech.

"BUSINESS AS USUAL"

On March 15 and 16, 1939, a conference occurred at Dusseldorf immediately following the invasion of Czechoslovakia by Germany on March 14.

In effect, this conference was the economic counterpart of the Munich agreement. The delegates present represented the Federation of British Industries and the Reichsgruppe Industrie, the official organization of German industry under the Nazis. The Federation of British Industries, a voluntary organization, is reported to be the largest association of manufacturers in the world. The delegates to this conference issued a joint communiqué, the principal provisions of which were as follows:

The Reichsgruppe Industrie and the Federation of British Industries, having concluded a general discussion on Anglo-German trade relations, issue the following agreed statement:

1. The two organizations welcome the opportunity which these discussions have given of developing still further the friendly relations which have existed between the two bodies for so many years.

* * * * *

4. The two bodies are agreed that the objective to be attained is that the export of all countries should be conducted in such a way as to insure a fair return for the producers of those countries. Hence it is agreed that it is essential to replace destructive competition wherever it may be found by constructive cooperation, designed to foster the expansion of world trade, to the mutual benefit of Great Britain, Germany, and all other countries.

5. The two organizations are agreed that it is desirable that individual industries in both countries should endeavor to arrive at industrial agreements which will eliminate destructive competition, wherever occurring, but prices must be fixed at such a level as not to diminish the buying power of the consumers.

6. The two organizations realize that agreements upon prices or other factors between Germany and Great Britain are only a step, although a most important step, toward a more ordered system of world trade. They would welcome the participation of other nations in such agreements.

* * * * *

8. The two organizations realize that in certain cases the advantages of agreements between the industries of two countries or of a group of countries may be nullified by competition from the industry in some other country that refuses to become a party to

the agreement. In such circumstances it may be necessary for the organizations to obtain the help of their governments and the two organizations agree to collaborate in seeking that help.

9. The two organizations agree that it is their objective to ensure that as a result of an agreement between their industries unhealthy competition shall be removed. Their aim is to secure as complete cooperation as possible throughout the industrial structure of their respective countries.

10. The two organizations have agreed to use their best endeavors to promote and foster negotiations between individual industries in their respective countries. They are encouraged in this task owing to the fact that a considerable number of agreements between individual German and British industrial groups are already in existence. There is thus available a large body of experience which inspires confidence that an immediate extension of this policy is both practicable and advantageous.

They are glad to state that approximately a further 50 industrial groups have already signified their willingness in principle to negotiate at an early date.

They also report with satisfaction that negotiations have already been started and are now taking place between 10 industrial groups.

The outbreak of the war prevented the ultimate execution of the terms of this agreement. Recent events indicate, however, that the point of view which made such an agreement possible is very much alive despite the knowledge which we have gained concerning German aims and despite the many exposures which have been made of German methods of warfare.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from California.

Mr. PHILLIPS. The gentleman is making a very interesting statement. Is it the gentleman's contention that this organization in Germany was only the German industries or were there other nations involved in this meeting and agreement to which the gentleman refers?

Mr. VOORHIS of California. What I am referring to now is a meeting between the Reichsgruppe Industrie, which was like a manufacturers' association of Germany, under the Nazis and the British Federation of Industries, just those two, meeting at Dusseldorf in 1939.

Mr. PHILLIPS. This meeting to which the gentleman referred a moment ago, or conference, were those United States groups or were they groups which had previously had high German ownership?

Mr. VOORHIS of California. No. I understand that some of those were purely American industries.

Mr. PHILLIPS. And the gentleman thinks there is a recurrence of this situation, that is a redevelopment of the situation?

Mr. VOORHIS of California. Yes. There is a pretty feverish operation going on among the people who have participated in cartels heretofore to get the machinery reestablished in order to protect their own monopoly position as quickly as they can.

Mr. PHILLIPS. The gentleman does well to bring that out.

Mr. VOORHIS of California. I am much obliged to the gentleman. May I merely point out that in testifying before a Senate committee only 2 days ago the Attorney General made this statement:

The Justice Department knows, as a matter of fact, that many cartel agreements necessarily disrupted during the European phase of the war are now being resumed. Meetings have been held, plans have been laid and in some cases agreements already entered into. As to some of these agreements my department will have something to say before long.

I have no doubt the Lisbon meeting I referred to was one of the meetings the Attorney General referred to. I want to read one more of these agreements between the Germans and British at Dusseldorf.

THE GERMAN PLAN

There has been no hesitation on the part of the Germans in making their plans to turn surrender into preparation for the next war this time just as they did in 1918. Indeed in August of last year meetings were held at Strassburg attended by representatives of the Nazi Party and leading German industrial concerns, such as Krupp, Messerschmitt, Rhein Metals, and others. At these meetings various plans were made. It was admitted that the war could not be won by Germany and therefore it was planned that contracts and alliances be made at once with foreign firms, that the groundwork be laid for borrowing large sums of money from foreign countries after the war, that German industry thus reestablished be prepared to finance a German underground movement and that the Nazi Government at once allocate considerable sums to German industries to enable them to establish a secure postwar foundation in foreign countries. At this meeting it was decided that the previously existing prohibition against capital exports from Germany should be lifted. The fact that this was done will be clear as I go ahead. As a result of this and other German activities which I shall describe in a moment our own State Department issued on March 30, 1945, the following solemn warning:

The Department of State announced today that reliable information collected by Allied Governments clearly indicates that the Nazi regime in Germany has developed well arranged postwar plans for the perpetuation of Nazi doctrines and domination. Some of these plans have already been put into operation and others are ready to be launched on a widespread scale immediately upon termination of hostilities in Europe.

Nazi Party members, German industrialists, and the German military, realizing that victory can no longer be attained, are now developing postwar commercial projects, are endeavoring to renew and cement friendships in foreign commercial circles and are planning for renewals of prewar cartel agreements. An appeal to the courts of various countries will be made early in the postwar period through dummies for "unlawful" seizure of industrial plants and other properties taken over by Allied Governments at the outbreak of war. In cases where this method fails German repurchase will be attempted through "cloaks" who meet the necessary citizenship requirements. The object in every instance will be to reestablish German control at the earliest possible date. German attempts to continue to share in the control and development of technological change in the immediate postwar period is reflected in the phenomenal increase in German patent registrations in foreign countries during the past 2 years. These registrations reached an all-time high in 1944. The prohibition against exporting capital from Germany was withdrawn several months ago, and a substantial outflow of capital has followed to foreign countries.

German technicians, cultural experts, and undercover agents have well-laid plans to infiltrate foreign countries with the object of developing economic, cultural, and political ties. German technicians and scientific research experts will be made available at low cost to industrial firms and technical schools in foreign countries. German capital and plans for the construction of ultramodern technical schools and research laboratories will be offered at extremely favorable terms, since they will afford the Germans an excellent opportunity to design and perfect new weapons. This Government is now in possession of photostatic copies of several volumes of German plans on this subject. The German propaganda program is to be an integral part of the over-all postwar program. The immediate aim of the propaganda program will be directed at removing Allied control measures by softening up the Allies through a subtle plea for fair treatment of Germans, and later the program will be expanded and intensified with the object of giving rebirth to all Nazi doctrines and furthering German ambitions for world domination. Unless these plans are checked they will present a constant menace to postwar peace and security.

It seems to me that there has been a strange lack of interest so far in the "several volumes of German plans" which the State Department mentions.

It would be utterly impossible for me to deal in 1 brief hour with the ramifications of all these plans for the reestablishment of the cartel empires and the rebuilding of the war powers of the enemy that has just surrendered, supposedly unconditionally. The best I can do is touch some of the high spots.

GERMAN ASSETS IN NEUTRAL COUNTRIES

For the past 2 years at least the Germans have been busily engaged in establishing enterprises under their own direct control in Spain, Sweden, and other countries. Some of these have been set up as ostensibly independent enterprises and some as branches of German home industries. Most of them are either metallurgical industries, steel industries or chemical plants. It appears that as much as 40 percent of the entire industry of Spain is at present in the hands of Germans. Some of the products of this industry at any rate have found their way to such countries as Argentina. In some instances the Germans have ostensibly sold these enterprises and have retained abroad in the form of foreign exchange most of the capital obtained from these sales with the obvious purpose of utilizing this capital at some auspicious time for the rebuilding of German industry either abroad or at home.

The magnitude of German economic penetration in neutral countries is indicated by certain reports which reveal that German industry owns or controls approximately 500 subsidiaries and affiliates in the four European countries—Portugal, Spain, Sweden, and Switzerland—and this is in addition to vast amounts of securities, bank deposits, patent rights, and other forms of assets which the Germans are known to be

holding in these countries. Our Government is in possession of information to the effect that during the war Germans in Spain were in the habit of sending in diplomatic pouches to Lisbon somewhere between 50,000 to 100,000 French francs a day. These francs had been seized by Germany in France during the occupation. In Lisbon they were changed into pesetas and brought back again to Spain.

Again beginning in 1942 there are indications that the Germans and their collaborators began to build up merchandise stocks with firms in Spain, Portugal, Sweden, Switzerland, Turkey, and Egypt consisting mainly of chemical apparatus, light metallurgical machinery and electro-technical material. Many of these supplies eventually found their way to Turkey. To a lesser extent, but important in aggregate, these foreign stock piles included typewriters, adding machines, all types of motors and other items looted in the Protectorate and Slovakia. It appears that these stocks were turned into foreign exchange whenever necessary. The Czechoslovak authorities believe that one purpose of these commissary stocks was to render more difficult American and British exports to these countries in the post-war period. The over-all fact is that some form of German industrial or financial penetration since the outbreak of the war in 1939 has extended to practically all the Allied countries as well as to the occupied countries and the neutrals. In the occupied countries, particularly, the situation regarding property ownership has become so confused that only the greatest vigilance will be able to prevent the eventuality which I am warning against in this speech. I will illustrate this fact more fully a little later on.

"AMERICAN" COMPANIES?

Another device which will no doubt be employed in every possible way by the Germans will be to try to represent industries within Germany as well as German-controlled industries in other countries, including our own, as being "American owned" or "British owned," when as a matter of fact the real control is in German hands. For example, in the New York Times, May 13, 1945, there was printed an article by John MacCormac entitled "German Industry Poses a Dilemma." Permit me to quote from that article:

The problem of what to do with German industry presents other complications. It was closely integrated by the Nazis with the industry of France, Belgium, Czechoslovakia, and Austria. Is it to be completely disentangled?

A substantial fraction of it is owned or partly owned by American and British capital or has close affiliations with American and British groups. When the public utilities officer of the Nuremberg Military Government tried to explain to the manager of the S. A. & F. factory (the Suddeutschen Apparaten Fabrik) that it would probably not be allowed to manufacture cables and electrical equipment for the outside world as it had been doing for the Wehrmacht, the manager grew indignant.

"I shall report this to Major General ——," he threatened.

S. A. & F., he asserted, was an International Telephone & Telegraph factory and Major General ——— of the United States Army had been a director. That was enough for him.

Can it be that the manager of this factory in Nuremberg which has been producing for Germany all through the war, is correct in what he says? It would be difficult to believe so. Certain, however, we ought to find out, for the American people have a right to know it if American and British capital have continued to be invested in factories producing for the Nazi military machine. Especially is this true since we know that the International Telephone & Telegraph received loans amounting to almost $50,000,000 from the Export and Import Bank of this country and that a high official of that bank, having resigned his governmental post now occupied an important position with one of the subsidiaries of International Telephone & Telegraph.

Somewhat different is the case of the so-called American Bosch Co., established in 1906 as a subsidiary of the German Bosch Co., of Stuttgart, Germany. This is a long and complex story of the sale by the German company of stock in the so-called American Bosch Co. to a bank in Holland, of the appointment of American directors for the American company, of the failure of the Dutch bank, of the sale by the German Reichsbank to the Wallenbergs, of the Enskilda Bank of Stockholm, Sweden, of the stock of the American Bosch Co. It is a story of how this Enskilda Bank of Stockholm owns and controls three holding companies in the United States, one of them known as the Providentia, Ltd., a Delaware corporation. In this allegedly American holding company the Enskilda Bank placed the stock of the American Bosch Co. and Marcus Wallenberg made arrangements for the appointment of an American citizen as the sole voting trustee of all of the outstanding shares of stock in Providentia. The final chapter, however, was the discovery of the real truth by the office of Alien Property Custodian in 1942 and the vesting of the shares of the so-called American Bosch Co. by the Alien Property Custodian upon the basis of conclusive proof developed by our Government to the effect that the real control was still in the hands of the German Bosch Co.

CHEMISTRY: BLESSING OR TERRIBLE DANGER?

It is altogether probable that the great industrial frontier of the future is the field of chemistry. The handful of huge chemical corporations of the world are the major producers of all types of synthetics, including fibers, fuel, rubber, and manifold other products which may well revolutionize human life. These corporations control the production of plastics, explosives, insulation materials, dyestuffs, fertilizers, and enough other products to almost run the entire gamut of human needs. It is no wonder, therefore, that the most powerful single German monopoly and the most active of all German agencies in the cartel field has been the gigantic I. G. Farbenindustrie. Certainly, however, it should give us pause when we realize that this whole field of chemistry was before the war held in the tight control of three corporations which dominated the entire world in this field and had a working cartel agreement between them which superseded national boundaries and national laws. These three corporations are the Imperial Chemical Industry of Great Britain, the du Pont Co. of the United States, and I. G. Farbenindustrie of Germany.

On April 25, 1944, I addressed the House on the subject of monopoly, and in the course of that speech I reviewed the indictment brought by the Department of Justice for the violation of American antitrust laws against the Imperial Chemical Industry of Great Britain and the du Pont Corporation of the United States. In the course of those remarks I stated, among other things, the following:

The cartel agreement further provides, according to the Department of Justice, that if either of the two giant corporations develops any products, these products would be included in the agreement. But most serious of all perhaps in the complaint of the Department of Justice is correspondence between Lord McGowan, the head of Imperial Chemical, and Mr. Lammot du Pont which indicates that neither of these corporations has the slightest intention of permitting governmental action by either the British or the American Government to interfere with their cartel arrangements. This correspondence as quoted in the Department of Justice complaint is worth reproducing here.

In July 1933, Lord McGowan wrote to Lammot du Pont as follows:

"I have warned my people that no fiscal alterations in the United States of America must be allowed to affect the interpretation to be placed on our patents and processes agreement, and the working out of the cooperation for which the agreement provides. * * * I find it is a good thing to issue such warnings. * * * so that everything possible is done to insure that no prospective political or legislative action on the part of governments is permitted to influence relations between du Pont and I. C. I."

To this letter Mr. du Pont replied in part:

"I feel the same. * * * If any legislation or international agreements are brought about which affect these I. C. I.-du Pont relations, I am sure we will be able to adjust ourselves so as to get the continued benefit of our agreement."

In order to control the Argentine market, Imperial Chemical and du Pont organized a company known as Duperial. Through this company competition between Imperial Chemical and du Pont was eliminated so far as Argentina was concerned, and it was agreed that every effort should be made to prevent other American manufacturers from exporting chemical products or manufacturing such products in Argentina. It became apparent, however, that German I. G. Farben was attempting to make arrangements with an Argentine company whereby it might enter the field in that nation. On this point the Department of Justice complaint contains this language: "To prevent such competition from developing I. C. I. acting on behalf of itself and du Pont entered into an agreement with I. G. Farben whereby the latter agreed to withdraw from its negotiations with La Celulosa (the Argentine company) in return for a promised participation in any cooperative arrangements made with La Celulosa."

This was in 1938, only 1 year before British and German soldiers began fighting one another on the European Continent. In consequence of this agreement a corporation was organized and became known as Electroclor which was in effect given monopoly of the chemical industry in Argentina and also control over paper-pulp manufacturing. With the outbreak of the present war, arrangements made to allocate to I. G. Farben a certain percentage of stock in Electroclor

were not finally consummated, but the Department of Justice charges that the foreign-relations department of the du Pont Corporation reported to the executive committee on February 9, 1940, as follows:

"The du Pont Co. informed I. G. Farben that they intended to use their good offices after the war to have the I. G. Farben participation restored."

This, it is true, occurred prior to the time that the United States went to war with Germany, but it was less than a year before that time, and it was at a time when the American Congress was passing legislation to aid the nations resisting German aggression.

The Department of Justice suit is at the present time before the Supreme Court of the United States, but there is strong reason to believe that this cartel agreement has been only suspended during the war period and that the American and British partners feel themselves bound to take up their agreement with I. G. Farben, as soon as peace is concluded, where they left it at the outbreak of hostilities. Indeed, so far as South America is concerned, there is no evidence that the German interest in Duperial has been discontinued or interfered with. And it is, therefore, at least possible that other German companies located in South America have been in a position to obtain patents and the know-how from the du Pont Co. by virtue of the fact that I. G. Farben was allowed to retain its interest in the tripartite control of Duperial Corporation.

The extent to which cartel agreements sometimes go is further illustrated on page 217 of Wendell Berge's book entitled "Cartels—Challenge to a Free World," where he quotes a letter written by the patent attorney for the Remington Arms Co., a subsidiary of du Pont, on January 23, 1941, stating:

The further sale of tetrazene-primed ammunition to the British Purchasing Commission or to the Government of the Union of South Africa or to the Government of Canada is most undesirable by reason of our Tetrazene contract with the Rheinische Westfalische Sprengstoff.

Article III, paragraph D of the original contract of November 14, 1929, reads as follows: "Remington shall not sell military ammunition containing any tetrazene in Germany and in any or all of the countries in the British Empire."

Reinische Westfalische Sprengstoff is a wholly owned subsidiary of I. G. Farben.

In testifying before the Judiciary Committee of the Senate on May 17 of this year the Attorney General stated:

And the Department of Justice knows, as a matter of fact, that many cartel arrangements necessarily disrupted during the European phase of the war, are now being resumed. Meetings have been held, plans have been laid, and in some cases agreements already entered into. As to some of these agreements my Department will have something to say before long.

Mr. Speaker, this leads me to take just a moment to appeal once again for favorable consideration by the House of my bill, H. R. 98, which would require the registration with the United States Government of every single cartel agreement entered into by every American corporation, both now and in the future.

I. G. FARBENINDUSTRIE

As one studies this tremendous problem he is literally staggered at the extent of the power of the I. G. Farbenindustrie of Germany. I can only begin to tell the story of its industrial penetration program. At the present moment there are 3 subsidiaries of I. G. Farben operating in Portugal, 4 in Sweden, 6 in Switzerland, and 14 in Spain. One of the largest stockholders of the A. B. Astra Corp., the Chemical and Dye Trust of Sweden, has recently sold his major control in that concern to I. G. Farben, according to reports which can hardly be questioned. What are we going to do about these holdings of this gigantic German corporation in these neutral countries? For unless we have some answer to this problem, the power of I. G. Farben is already on its way back toward world control. The Chemical Industry of Basle, Switzerland, one of the outstanding chemical firms in Switzerland, comprises three huge plants located in that city. This combine is financially connected with the Swiss Banking Corp., of which I will have more to say later. This chemical trust of Basle, commonly known as Ciba, has operated all through the war in the United States, Italy, and England. It is closely connected with I. G. Farben, with which it has had a cartel agreement for many years. Under that cartel agreement the South American market for chemicals has been reserved to I. G. Farben and since the Ciba company has scrupulously respected its agreements with I. G. Farben during the war, it certainly stands to reason to expect that they will continue to do so after the war. Incidentally, the Ciba company has been actively attempting here in the United States to acquire German properties vested by the Alien Property Custodian.

Most serious and difficult of all, however, may be the manner in which I. G. Farben as well as other German monopoly concerns have succeeded in acquiring the assets of other nations during the period of German occupation of that continent. In the period of the twenties, a series of agreements was made between formerly competing French chemical companies which formed these companies into a single French chemical trust. The name of this trust was the Establissements Kuhlmann. In 1928 this French chemical trust and the I. G. Farbenindustrie entered into a series of cartel agreements, under the terms of which it was agreed that in case of war the agreement should simply be suspended until the cessation of hostilities but should not be annulled. In other words, the mere fact that French and German soldiers started killing one another should be no cause of the breaking off of worth-while business connections. Indeed, on December 10, 1941, a merger of the entire French chemical industry with I. G. Farben was accomplished with the consent of the Vichy French Government under a most interesting arrangement whereby the I. G. Farbenindustrie acquired 51 percent of the shares of the French company now known as Francolor and gave in exchange exactly 1 percent of the stock in I. G. Farben & Co. So far as we know nothing has yet been done since the liberation of France to declare null and void this transaction of December 10, 1941, and since Francolor owns extensive interests in Latin America as well as other parts of the world, we have here an evident opportunity for I. G. Farben to resume again its penetration of the whole chemical field and to take full advantage of the fruits of German victory over France in 1941 in spite of Germany's final defeat.

Still another case is the rayon industry in Europe. The German interests in the rayon industry in Europe have been extensive for a number of years. Up to 1940 Germany was the dominating partner in the rayon cartel trust which comprised the producers of Britain, France, and Belgium. After 1940, the I. G. Farben and Dynamit Nobel companies of Germany succeeded in establishing the control of the entire industry in occupied Europe. To this end new companies were established in which a considerable amount of German capital was invested. In France, for instance, the I. G. Farben succeeded in acquiring one-third of the capital of 500,000,000 French francs of the Societe France Rayonne. Other companies in which the Germans have an interest are located in the following countries: Slovakia, Hungary, Rumania, Sweden, Norway, Finland, Holland, and Belgium. In addition the Germans have acquired an interest in the Swedish Cellulosa Co.

Mr. Speaker, these are not mere statements by a Member of Congress made upon his own responsibility or as a result of his own research. They are facts which should be known as widely as possible throughout the entire Allied world. Perhaps it is worth while in order to bring this fabulous story about I. G. Farbenindustrie to focus, for me to include at this point the text of an article appearing in the Statist, a venerable British publication of unimpeachable authority. This article was published May 6, 1944, and was entitled "I. G. Farben and Postwar":

I. G. FARBEN AND POSTWAR

Following the interest aroused by the Statist's article entitled "Krupp Camouflage" (the Statist, January 29), it seems worth while devoting some attention to I. G. Farben, in view of the recent House of Lords debate on possible Allied postwar control of German war industries, and for the reason that the leading Germany dyestuffs combine, second in size only to the Hermann Goering Works, is following the example of other German industrial undertakings in endeavoring to "transfer" into so-called neutral ownership assets and shareholdings in undertakings outside Germany. In so doing, the I. G. Farben is, to a certain extent, continuing measures and practices which it followed even before the war. As far back as 1928 the I. G. Farben formed in Switzerland a company under the title of Internationale Gesellschaft fuer chemische Unternehmungen A. G. and transferred to it the holdings in its American subsidiary, the American I. G. It was then frequently—though untruthfully—stated officially that the American I. G. was Swiss-owned and had no German connections. The same tactics have recently been followed.

If Krupps had been frequently called the arsenal of Prussian militarism, the I. G. Farben has been fairly described as "the acme of pan-Germanism in the economic sphere" and the "chief advance agent of the Third Reich." Set up in its present form in 1925 as the outcome of a merger of the Badische Anilin and Soda-Fabrik, Ludwigschafen am Rhein, the Farbenfabriken vormals Friedrich Bayer & Co., Leverkusen, the Hoechster Farbwerke, the A. G. fuer Anilin-Fabriken, Berlin, and several other firms, I. G. Farben was at the time of its formation the largest single industrial concern in Germany, with an original share capital of 646,000,000 reichsmark. In the years preceding Hitler's accession to power it took part in the financing of nazism and subsequently became a natural instrument for the execution of Government policy, occupying an important role in the 4-year plan and also in the Government's program for attaining self-sufficiency in certain raw materials. Its achievements in the latter respect were impressive enough, and as far back as 1937 more than 250 synthetics were put on show by I. G. Farben at the Frankfurt exhibition, including synthetic rubber, gasoline, oil, fabrics for clothes, and synthetic foods and vitamins. The Leuna Works in Saxony, the largest single chemical works in the world, were the first to develop on a large scale production of synthetic petrol, the Leuna benzine. It is reported that at the outbreak of war the I. G. Farben was operating 11 hydrogenation plants in Germany, 1 in Austria, and 1 in Czechoslovakia. A new rubber plant was built near Schkopau in 1939, a second near Huels, and a third one on Czech territory. Huge plants for the production of staple fiber were built by I. G. Farben in various parts of the Reich. Without giving anything like an exhaustive survey of the combine's products, the I. G. Farben's wide range of activities is sufficiently indicated by the fact that its output includes dyestuffs, mineral coburs, all kinds of pharmaceutical products, photographic equipment, celluloid, rayon, staple fiber, plastics, synthetic petrol and rubber, nitrates, and fertilizers.

The policy of international expansion is by no means a new policy for I. G. Farben. But it has been pursued in striking manner during the war when German industrial strategy blatantly revealed itself after successive German military conquests. The expansionist program pursued at first within the Reich and in the immediate prewar years embracing within its orbit Austria and Czechoslovakia, was later made to apply to all occupied countries. The underlying idea was the establishment of an undisputed monopoly for the whole of Europe, and on the longer view, the attainment of a high degree of self-sufficiency for the Continent in products of the chemical industry, regardless of any disparity between the prices of synthetic substitutes and those of natural products. A good instance of the combine's readiness to take advantage of the German Army's victories was the opening of negotiations as early as the autumn of 1940, shortly after the fall of France, with the leading French Chemical concern, Etablissements Kuhlmann. German military authorities took part in these discussions, and after a preliminary exchange of views a final agreement was signed in December 1941. A new chemical concern was formed in France, the S. A. des Matieres Colorantes et Produits Chemiques "Francolor," with a total share capital of 800,000,000 francs. Fifty-one percent of the shares went to the I. G. Farben. In addition to financial and technical concessions, the French groups had to surrender all their interest in Alsace-Lorraine to the German group, which, inter alia, acquired control of Societe des Produits Chimiques et Matieres Colorantes de Mullhouse and S. A. pour l'Industrie Chimique, now called the Chemische Werke Dornach, G. m. b. H. The I. G. Farben has since also gained control of the electric-chemical group "Ugine," which, in turn, controls the whole French aluminum industry. In 1942 was founded a synthetic-rubber concern, with a capital of 80,000,000 francs, which is working on I. G. Farben patents. Similar tactics were applied to industries in Holland, where Dr. Posse, managing director of I. G. Farben, was at an early stage appointed state commissioner, with full powers over the Lever Bros. and Unilever N. V. undertakings, and also presumably the Royal Dutch Shell. Through its domination of the Belgian Solvay Co., I. G. Farben automatically got control of the Croatian plant of the Yugoslav company and of the Rumanian Solvay Co.

As to the combine's activities in southeastern Europe, it is a well-known fact that long before the war Germany was supplying the Balkan countries with aspirins and other drugs among the miscellaneous means of payment for the agricultural supplies obtained from these sources. Military alliances as well as conquests made other measures possible, and it is not surprising to find that I. G. Farben has gained a firm foothold in, for instance, Hungary's chemical industry. In conjunction with the Hungarian State Eisen Stahl u. Maschinenfabriken A. G., it has founded the Ungarische Magnesium und Elektron A. G. for the production of magnesium on I. G. Farben patents. By taking over part of the functions of the Hungarian wholesale cooperative "Hangya," it has established indirect relations with Hungary's agriculture. Through its interest in the Pester Ungarische Commerzialbank, I. G. Farben is playing an important part in the latest developments in the Hungarian chemical industry at large. In Rumania, I. G. Farben has gained a very firm foothold in the oil industry, partly by taking over French interests there. It has a controlling interest in the Erste Rumanische Sprengtoffgesellschaft Fajares, which enjoys a degree of monopoly for the manufacture of explosives. It is reported that of the share capital of some 220,000,000 lei, 10 percent belongs to the Rumanian State, while majority interests are held by Dynamit Nobel-A. G. Vienna and Dynamit Nobel A. G., Britislava, both I. G. Farben affiliates. I. G. Farben has founded in Rumania the Remigefa A. G. as a selling agency for pharmaceutical products. The Rumanian aluminum industry is also reported to be under control of the I. G. Farben Industrie. In Bulgaria a subsidiary company of I. G. Farben, Verkaufsgesellschaft Deutscher Anilin Farben, has established a plant for the production of carbon disulfide, to mention only one instance. In Yugoslavia two representatives of I. G. Farben, in September 1941, were elected to the board of the Bosnian Electric Power Co., in which Dynamit Nobel had an interest. This company owns large electric and water power plants in Yugoslavia and manufactures calcium chloride and other heavy chemicals. Another acquisition by the I. G. Farben is the Yuganil Co. in Yugoslavia, which produces chemical products, including anilin dyestuffs. A further subsidiary, the Theseus A. G. in Zagreb, holds a monopoly for the distribution of pharmaceutical products in Croatia. In Slovakia the Slovak branch of Dynamit Nobel has been used by the I. G. Farben as a medium for absorption activities. It should be added that, by taking over the Sudeten territory, the Reich, and through it the I. G. Farben, at one stroke gained control of some 40 percent of Czechoslovakia's chemical industry, and thus also of that industry's considerable participation in chemical undertakings in southeastern Europe.

In eastern Europe, too, I. G. Farben has stretched out its tentacles. The combine took over, among other interests, 51 percent of the share capital of the Fuerstengrube G. m. b. H., Katowice, and requisitioned without payment the former Polish State chemical works of Moscics and the Polish chemical works Borata A. G., now known as Teerfarbenwerk Litzmannstadt, which supplies the textile industry at Lodz with dyes and textile chemical requirements. In Norway, I. G. Farben acquired control of the Norsk Hydro Electrisck Kvaelstof A. S., which produced nitrogen, potassium, and aluminium, and it is noteworthy that the Swiss subsidiary I. G. Chemie, Bale, was associated with the controlling concern in this acquisition. Together with the Nordic A. G., I. G. Farben formed, among other offshoots, the Nordisk Latmetall Co. with a capital of 45,000,000 kroner. In Denmark it has an interest in the Danish sulfuric acid and superphosphate companies. In Finland it has, e. g., controlling interest in a company formed to work nickel deposits at Levituntuti in the Petsamo Province.

This is by no means a complete survey of even the latest acquisitions by the I. G. Farben in Europe, but it is at least a pointer to the scope of the combine's activities and the thoroughness of its industrial penetration program. From this even neutral countries have not been excluded. Spain, for instance, provides a particularly striking example of penetration by the I. G. Farben, for the combine's interest in that country has widened considerably since Franco's accession. Activities in Switzerland have already been mentioned. To these must be added I. G. Farben interests in Turkey and some also in Sweden, not to mention the far-reaching penetration in South American republics, where, as in many other countries, the combine has in the past been largely connected with wider German political plans and aspirations.

What makes this domination by the I. G. Farben more comprehensive and more dangerous than simple transactions by way of share purchases is that it is based not only on financial interests but on actual technical control and dependence. By adapting entire plants and production processes to its requirements and methods, the I. G. Farben has systematically aimed at tying whole plants, and in fact branches of production in other countries, to the I. G. Farben proper, in the hope of rendering it impossible for the undertakings affected to regain their independence. In many cases the granting of licenses and patents was sufficient to secure I. G. Farben complete control. These and other complicated ways for extending Germany's economic interests will have to be borne in mind when the difficult task of unscrambling the present scrambled European industrial structure arises, for I. G. Farben, whatever its importance to peacetime activities in the German economy, has been proved to occupy a role in relation to the preparations for war and to Reich's war aims and activities which it would be foolish to ignore.

THE PROBLEM FACED BY FRANCE

The problem of France is further complicated by the situation of the Rhone-Poulenc Co. in which during the period of the occupation, the Germans acquired a very extensive interest. This Franch company has been operating extensively in Latin America through its affiliates and subsidiaries in Switzerland and by this means has been supplying Latin-American firms which were on the proclaimed list. Most serious, however, it holds the extensive patent on sulfa drugs in many of the Latin-American countries. Up to the present time the Rhone-Poulenc Co. has not purged itself from the German influence nor eliminated the German interests. Unless some action is taken the net result will be that sulfa-drug patents in many Latin-American countries may actually be controlled by I. G. Farben and other German firms in the postwar years.

Again the position of German interests in connection with the international aluminum cartel has been vastly strengthened during the war period, primarily through the acquisition of a substantial share in the Alais Froges, the French Aluminum Trust. The central company in this cartel prior to the war was the Alliance Aluminum, Inc., of Switzerland, in which the Germans held a 20-percent interest. Alliance Aluminum was place on the black list in 1941 on the ground that it was German-dominated. Certain it is that it is more nearly German-dominated today than it was then and that some 35,000,000 francs of the stock in this huge aluminum cartel are owned by the Vereinigte Aluminumwerke, the German Aluminum Trust. Perhaps I have said enough to indicate the terribly complex problem which France faces.

That she intends to do the best she can is indicated by the forthright statement of General de Gaulle to the National Assembly, the present government of France. The General said that the heavy weight of cartels must be lifted from the French economy. What we must do is to lend every possible assistance to the French in accomplishing this instead of attending meetings in Lisbon, Madrid, and other places, which can hardly have any other effect than to strengthen the German position. We have got to have a policy, Mr. Speaker, with regard to cartels which will help General De Gaulle to lift this weight from the French economy and to remove this tremendously complicated incubus of German control which has been fastened upon France during the period of the occupation. It is unfortunate, indeed, as I have already pointed out, that the French Trading With the Enemy Act does not nullify cartel agreements or other arrangements with the enemy, but merely suspends them for the duration of hostilities, so that there is at present no law upon the statute books which would cancel these agreements.

Otherwise the French are putting forth great effort to track down enemy-held property in that country and to sequester it and proceed to free themselves from this German domination. Apparently there are somewhat too many agencies that are working upon this problem in France and there are also at work the same sort of influences in the minds of big French companies which made it possible for the German cartelists to do such decisive work in the period before the war in tying up the economies of the democracies and in strengthening Germany's war position. For example, Mr. Auguste Gillot, speaking before the Consultative Assembly of France on February 20, listed seven cases of economic collaboration between French and German corporations which he alleged were up to that date not being punished and about which he charged nothing effective was being done. Those seven cases are as follows:

First. Formation with the Germans of the Inter-European Automobile Committee—involving the French firms Peugeot, Hotchkiss, saurer-Latil, Unic, Delahaye, and La Licorne.

Second. Formation with the Germans by the French chemical industry of the Francolor Co.

Third. Reinsurance agreements negotiated with the Germans by M. Guerard, secretary of Laval, and president of the Comite d'Organization of the insurance companies.

Fourth. Cession by the Banque de Paris et Pay Bas of the shares in the company, Norvegienne de l'Azote; cession of the shares of the Bor Mines in Yugoslavia by the Mirabaud bank; cession of the shares of Skoda and armament factories in Polish Silesia by the Union European of the Schneider interests; cession of bauxite and aluminum properties by the Pechiney Co. and the Credit Lyonnais Bank; transfer to the Germans by the Solvay Co. of interests in sodium manufacture.

Fifth. Cartel arrangements made between the French artificial silk trust and the German trust.

Sixth. A Franco-German electric-power cartel capitalized at 120,000,000,000 francs.

Seventh. Other cartel agreements in the glass, ceramic, motion picture, and refrigerating industries.

Certainly we may rely upon General De Gaulle to do the best he can but we have got to recognize also that unless he can show to the people of France that the United States is going to pursue a corresponding policy with the utmost vigor and unless he can absolutely demonstrate to his fellow countrymen that American and British firms will not attempt to take advantage of the breaking of these agreements by the French he will have a most difficult time of it. In other words the whole task of preventing the rebuilding of the German cartel empire and hence the task of preventing the rebuilding of Germany's war powers must be undertaken by all the Allied Governments with the clear understanding that in so doing they will be combatting one of the most powerful special interests of modern times, namely, the interest of monopoly corporations to further strengthen their monopoly position by cartel agreements with huge corporations in other countries, even in enemy countries.

FINANCES

As long ago as March 26, 1943, I introduced a resolution in the House for an investigation of the Bank for International Settlements located at Basle, Switzerland. It seemed to me strange that British, American, German, Japanese, and Italian bankers should continue to compose the board of directors of an institution which went right on with business as usual while the young men of these same nations were compelled to attempt to destroy one another's lives. Indeed the full story of how this bank was used by the Nazi Reich will some day I hope be told. It will not, I believe, make a pretty story. It will be remembered how the report of the Bank for International Settlements on postwar reconstruction was over-enthusiastically received throughout Germany, whereas in England and elsewhere it was regarded with general suspicion. I am only glad that one of the acts of the Bretton Woods Conference was to recommend the immediate liquidation of the Bank for International Settlements, and that since 1941 the BIS has been blocked under the foreign-funds control of the United States.

Since the outbreak of the war the Germans have employed banks in Switzerland as well as the Bank for International Settlements to try to carry out their general program. Approximately a half billion dollars of gold looted from occupied countries has been sold through Swiss banks by the Germans. The proceeds obtained from this sale have provided Germany with the necessary Swiss francs to finance her purchase of critical war materials from the neutral countries and to pay for propaganda activities abroad. The Swiss banks with their highly developed international connections were well equipped of course to be used for these purposes. Through these banks currencies of other countries were made available to the Germans to pay for critical war materials. Apparently also a good many of the top Nazis and other German officials deposited under fictitious names their ill-gotten gains in the banks of Switzerland. Holding companies interlocking German industrial and commercial interests abroad which had been established in Switzerland before the outbreak of the war for cartel or tax evasion purposes have continued through the war, thus enabling the Germans to continue the business of the foreign subsidiaries of large German industrial firms during the war and after the war in case of German defeat. Thus, to a considerable extent at least, the financial methods employed by the Germans in this process of attempting to escape Allied controls becomes clear.

One of the largest companies in Germany has for many years been the Schering Co., which has world-wide ramifications and which virtually controls the supply of certain vitamins, hormones, and fine laboratory chemicals. This company has ramifications all over the world, but the important problem is the fact that it masks under the pretense of being owned by a subsidiary of the Swiss Banking Corporation. If the truth with regard to the real ownership of this Shering Co. is not developed and made clear, whatever that exact truth may be, there is a strong possibility that this German company will continue to dominate the trade of the entire world in the particular lines in which it deals. Attempts have been made by a number of American companies to purchase the Schering interests in this country from the Alien Property Custodian, but so far without success and the Schering interests continue to be held together as a unit. In 1939 the Schering Co. was represented as one of the most prominent members of the European Drug Manufacturers cartel at a meeting in Paris where members of the cartel included British and French manufacturers and also German-controlled companies located in Switzerland and Holland. These members were brought together to parcel out respective territory under a revised agreement for the purpose of governing trade during the impending war. Apparently the signators of this cartel have respected the war-

time agreement and the German companies are at present actively engaged in working out new methods whereby they can continue to expand their control with the return of peace. It should be said, I believe, Mr. Speaker, that one can hardly blame small and defenseless countries like Switzerland or Sweden for not taking more effective action in these matters against an all-powerful Germany. However, today the situation is different and now is the time when, if ever, action must be taken to prevent a repetition of the tragic series of events which cost the lives of so many American men and such untold suffering in almost all the nations of the world.

PATENTS AND THE PROBLEM IN SWEDEN

The Swedish Patent Office figures disclose the fact that in 1944 the Germans registered twice as many patents in that country as they did in 1938. This can only mean that the Germans are taking steps to conceal valuable patents from possible Allied control and confiscation. I. G. Farben, the Schering Co., and other German firms have been trying to sell their patents to Swedish firms.

On December 18, 1932, the New York Times reported that the Stinnes family which has dominated much of the heavy industry in Germany, had bought a major interest in the three most important coal and steel companies in Sweden. And for similar purposes, no doubt, Hugo Stinnes, Jr., is reported to have taken some 35,000,000 marks to Sweden in late 1944.

Just how extensive this German control of Swedish industry is we do not know with exactness, but there have been official reports to the effect that certain Swedish companies have participated in German-sponsored monopolies and cartels in Europe during the last 5 years. One such company was said to have taken the initiative in lining up Swedish wood pulp producers in a cartel in all European countries, and that this same company is trying to create a complete monopoly of this trade in Sweden itself. Up to the beginning of the war Swedish companies were required by a cartel agreement to get the main part of their steel supplies from Germany or Belgium. And we may be sure that every effort is being made to perpetuate this cartel agreement into the postwar period.

BRITISH CORPORATION LAW

One of the most common methods of building up concealed German assets in other countries is, of course, for Germans to buy up interests in foreign countries and then register them in the name of companies or individuals who are resident in those other nations. In order to prevent this the Allied Governments have declared that the acquisition of securities or other property in German-occupied countries by German or neutral interests was to be considered null and void. It is to be assumed that the governments of the liberated countries will be ready to cooperate with the victorious Allies in such a program, but it is necessary to point out that under British law itself there is at present no means of compelling a British company to disclose the names of the beneficial owners of its shares. Thus in attempting to ferret out the facts regarding German control of properties in liberated nations the Allies may well be confronted with the embarrassing situation that it is in Great Britain itself that the best opportunity for this use of "dummy" owners by the Germans exists.

It was only by the most fortunate chance that we finally discovered here in the United States that since 1929 the American Potash Co. has been owned by the Deutsche Kaliwerke, the German potash trust. For years we have been permitting this company to get potash from our own lands. The Department of Justice filed an antitrust suit against it, because the company was fixing prices and a consent decree was signed; still neither the Department of the Interior nor the Department of Justice knew the company was German-controlled. They believed it to be British-owned. The fact finally came out that in 1929 the British had sold their interest to the Germans through a Dutch holding company. But it was only by the employment of all the war powers of the United States that the truth about this matter was discovered.

Mr. Speaker, the House need not rely upon my statements on this matter, and I ask consent to have printed at this point an article appearing in the Financial News of London on the 29th of January 1945 entitled "Will Nominee Shareholders Shield German Assets?":

WILL NOMINEE SHAREHOLDERS SHIELD GERMAN ASSETS?

The report of the Cohen Committee on Company Law Reform is now overdue. It has been unofficially suggested that this may be due, in part, to technical difficulties over the drafting of provisions relating to compulsory disclosure of the beneficial ownership of shares held in the name of nominees. This question has been widely discussed in the press, but one aspect of it deserves special attention. Unless the disclosure of beneficial ownership is made compulsory, there will be every opportunity for Nazi leaders after the defeat of Germany to conceal German assets by registering them in the name of companies or individuals resident in the United Kingdom.

The Allied Governments passed a resolution some time ago, declaring the acquisition of securities or other property in German-occupied countries by German or neutral interests null and void. The governments of the liberated countries will find it difficult, however, to enforce this decision effectively if German assets are allowed to appear under the disguise of British holdings, registered in the name of some British nominee. It is of the utmost importance to prevent this as far as possible. Otherwise, the Nazi underground movement may retain possession of very substantial assets, capable of being used for destructive ends.

NO LEGAL DIFFICULTY

A decision of the committee in favor of compulsory disclosure of beneficial ownership might be opposed in some quarters on the ground that to enforce the law would be very difficult. But that is true of almost any law. There will always be people who will break the law or circumvent it. If noncompliance with the disclosure of beneficial ownership is made a criminal offense with grave penalties (confiscation, a heavy fine, or terms of imprisonment) attached to it, the number of people who would risk such penalties would be a mere fraction of the number using the nominee device at present.

It would be correct to say that only dishonest people would break the law by failing to disclose beneficial ownership. For any outside owner to rely on such dishonest people would be risky; for there would be nothing to prevent them converting the securities to their own use. The beneficial owners would then be unable to prosecute without exposing themselves to grave penalties. That would deter the Nazis from entrusting their assets to shady individuals prepared to act as stooges.

THE BRITISH EXAMPLE

It may be argued that, after all, Great Britain is only one country among many, and that, even if she put an end to the nominee racket, there would be plenty of others where the Nazis could conceal their holdings. After the last war, the shares of certain Turkish companies, which Germany was to hand over to the Reparations Commission by virtue of the peace treaty, suddenly became Swiss holdings. But unless this country does its utmost to prevent such abuses at home, it will hardly be in a position to urge other countries to collaborate in hunting down disguised German assets. The example must come from Great Britain herself.

There is, in fact, a good reason why the Nazis would prefer British nominees to those of other countries. Business secrets are guarded more carefully in Great Britain than in any other country. Even Parliament is powerless to penetrate behind the screen of business secrecy; there are no inquiries similar to those conducted by Congress in the United States to obtain inside information. That makes it doubly important for the Government to take steps to prevent an influx of German funds by putting an end to abuses of the nominee system.

AMERICA'S CLEAR DUTY

Mr. Speaker, since I have been speaking about British law and French law and the laws of some other countries in connection with this huge problem, I want to conclude with some remarks about our own need for legislation. An antitrust suit brought on May 16, 1945, against the Electric Storage Battery Co., of Philadelphia, world's largest manufacturers of electric storage batteries, and the Willard Storage Battery Co., of Cleveland, charges that they conspired with a Canadian firm—Exide Batteries of Canada, Ltd., Toronto—an English firm—Chloride Electrical Storage Co., Ltd., London—and a German firm—Accumalatoren-Fabrik Aktiengesellschaft, Berlin—in a series of agreements and acts dating back to 1891, to eliminate competition between themselves in world markets by allocating to each exclusive sales territories and by fixing prices in nonexclusive territories.

The Justice Department, in its investigation, found a publication by the German company stating that its "foreign connections enabled it in spite of the greatest difficulties, which existed because of the dictate of Versailles, to remain prepared in that field so that presently modern batteries with all possible improvements could be made available for the construction of new submarines."

What is referred to here is the fact that cadmium batteries—lasting 10 years as opposed to the 18 months to 3 years product our armed forces have to use—were made available for the German submarines. Thus they could stay under water much longer and escape detection. Not only should we pass House Concurrent Resolution 55 to set forth general

policy, but at the very least we should enact at once H. R. 98, which would require the disclosure to the United States Government of all information regarding any cartel agreements entered into by American corporations at any time. Had we been in possession of this information in the period before this war, the war certainly would have been shortened and thousands of American lives could have been saved. We now know that these things I have been talking about are but a part of a general program of economic warfare which forms the basis of an entire volume by Joseph Borkin and Charles Welsh, entitled "Germany's Master Plan," the story of industrial offensive. This master plan must not be allowed to succeed.

Mr. Speaker, if the cartel structure is allowed to stand, Germany's war potential will be rebuilt and her Junker general staff that has been so far rather well treated on the whole and in many instances rather generously pictured by the American press, will be ready in another generation to make war upon the world again. There will be those in our own country and in England and elsewhere who will feel that "business as usual" with the German cartels after this war will be to our interest. They will tell us that, since the Russian dictatorship owns and controls completely all the industries of that nation, since Russian industries are state monopolies, therefore cartels and monopolies on our part constitute the only answer to that situation. To my mind this is an outright confession of defeat before we start. Unless we have sufficient faith in a system of freedom to remove the war-making incubus of these cartels from our economy, as General de Gaulle has sworn to do with regards to France, we shall certainly be giving evidence of basic lack of faith in things in which we profess to believe. Americans believe that we can solve our problems without the sacrifice of liberty. We believe that we can offer to our people a better life than can be offered under any other system that mankind has yet devised. We know the task will be hard but we believe that we can succeed. It is high time we were about the doing of that task, Mr. Speaker, for it will not be enough for us to profess belief in America. It will only be enough if we can demonstrate the downright superiority of the methods in which we have faith. In any event we should have learned by this time the effect that cartels have had on the world, and we should have the courage to stop them before they get started. The control of Germany by Allied armies for a period of time is a foregone conclusion but unless we take steps to prevent the rebuilding of Germany's war potential in places outside of Germany, we will fail to keep faith with the men who have given their lives for the peace and safety of the world.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Arizona.

Mr. MURDOCK. I hope the gentleman will extend his remarks so as to include as much material as he can. It has been tremendously interesting to me and I think vital to the safety of our country. I should like to ask the gentleman a question which he need not take the time to answer now but in his own time, because I would like to have his views on it. The gentleman contends that these cartels are usually secret agreements between great business interests crossing international lines, without regard to the welfare of the respective countries but with a view to profits?

Mr. VOORHIS of California. They are private treaties and they do not have to be ratified by two-thirds of the Senate or by a simple majority of both Houses of the Congress, or by any other public body or responsible agency.

Mr. MURDOCK. Is it possible for nations to have legitimate trade arrangements so as to encourage and increase and stabilize world commerce?

Mr. VOORHIS of California. Decidedly, I think.

Mr. MURDOCK. That is the objective toward which we ought to work, is it not?

Mr. VOORHIS of California. That is right, and above all, to turn the light of day on what is going on. Hearings are being held in the Senate now on the O'Mahoney bill. I have introduced an identical bill in this House. The provisions of the O'Mahoney bill in substance are that every cartel agreement entered into by any American corporation must be registered and become a public matter in this country. Had we simply known the facts about these agreements beforehand, the things that happened to retard our war effort would not have been possible.

Mr. MURDOCK. The gentleman is doing his country a great service by turning on the searchlight of publicity, in my judgment.

Mr. VOORHIS of California. I appreciate what the gentleman said.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Alabama.

Mr. PATRICK. I think the gentleman is one of the most valuable and industrious Members in this House, and we should appreciate his efforts in bringing that kind of light in the open.

Has the gentleman reached any conclusion from fragmentary evidence he has been able to get since the capitulation of Germany as to the general attitude prevailing at this time in internal Germany, and as to what this defeat will mean to Germany?

Mr. VOORHIS of California. No. I thank the gentleman very much. Obviously he ought to ask some of the people who have been to Germany and just returned from there.

Mr. PATRICK. I assumed the gentleman had been there also.

Mr. VOORHIS of California. No. My impression, I will say to the gentleman, is this: There are two groups of people that live in two entirely different worlds. One group of people are the people who live in the cities and on the farms in Germany and whose sons were called into the Army. You can ask the people who have been in Germany about that. I think I know from the evidence that I have what is the attitude of the people who have been the leaders of the great German monopoly trusts that were so successful in tying up industry in other countries in cartel agreements to control the commerce of the world and the production of the world, and to tell America, for example, how many tons of magnesium a year we could produce.

I think I know what their attitude is; not one of contrition, not one of feeling of defeat, but a feeling that they can now begin again the same process in which they were so successful between the First World War and the second one.

Mr. PATRICK. They are as arrogant at heart as ever.

Mr. VOORHIS of California. May I refer the gentleman to something in my speech here very briefly, please, because I quoted from an article that appeared in the New York Times, May 13, of this year, which told about the manager of the factory in Nuremberg, Germany, who, when the American Army came in there, told them that they could not control the output of his factory because, forsooth, it was American and British owned. I do not know whether or not it was America nor British owned, but I think it is significant that this man thought for one moment that he was going to escape the control. I think it is both alarming and revealing to have him make such a statement. I think we ought to know whether it was American or British owned or whether there was any American or British capital at all in a place like that at a time like this. The only point I want to make is that here is an attempt to say, "You can't touch me. Yes; you have conquered Germany, but I am protected although I am right in Nuremberg and this plant has been producing stuff for the Nazi Army all during the war. You can't touch me."

Mr. PATRICK. The gentleman will recall that the Franco-German potash cartel was operating successfully by 1925, that soon after the war it was going in strong force, and that its roots were found to reach across the sea, even then.

Mr. VOORHIS of California. That is right.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. Does the gentleman recall a news dispatch to the effect that when the American Army entered Cologne the town itself was but ruins and rubble, but just outside the town the Ford Motor works remained intact? Evidently it had not been bombed at all during the course of the numerous raids which had been made on Cologne and vicinity.

Mr. VOORHIS of California. May I say to the gentleman that I have heard that report. I do not know of my own knowledge about it.

Mr. MANSFIELD of Montana. Has the gentleman seen any reports lately to the effect that that same factory is today producing trucks for the American Army in occupied Germany?

Mr. VOORHIS of California. I have heard that report, but I cannot speak from my own knowledge about it.

Mr. MANSFIELD of Montana. It seems that a short while ago there was

a good deal of conflict over the make-up of the American membership of the War Crimes Commission, and that the leader resigned because certain Germans were evidently not included in the list of war criminals. I am wondering if there is any connection between those omissions and political and business philosophies that run together on the part of people in different countries.

Mr. VOORHIS of California. I do not know, but I want to find out. That is the reason I am making this speech this afternoon. I believe it is all-important that the American people obtain all the facts about those very things.

Mr. DOYLE. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from California.

Mr. DOYLE. First, may I compliment the gentleman on his very splendid treatise, and then ask this question: Does the gentleman find that there is any tendency on the part of great combinations of trade in American industry to resist any affiliation presently as between German cartels and American trade and commerce groups?

Mr. VOORHIS of California. I am glad the gentleman asked that question because I want to make this statement with all the vigor at my command. I am not talking about American industry in this speech. I think American industry has done a tremendous job in this war and without it, of course, we would not be winning the war.

I am not talking about American industry as a whole at all. I am talking about certain people who are so steeped in monopoly positions that their minds are conditioned toward one first and primary objective, the continuation and the strengthening of the monopolistic position. They are people who do not know the real principles of American industry. I think some of those people, victims, I would say, of a certain form of megalomania find it very difficult to think of anything without reference to the monopolistic position they try to attain. Perhaps that is a charitable way to put it.

There are, as you know, American industrialists and manufacturers who still believe in the American method of economic freedom and increased production at lower and lower prices and a wider market and an attempt to meet the needs of the people. There are lots of them, and I thank God for them. But I want them to be protected against those in all countries, including our own, who believe exactly the opposite, who believe in a totalitarian philosophy of industry, except that they insist that they shall be the totalitarians. I want the real American businessman to be protected against that philosophy.

EXTENSION OF REMARKS

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include two short editorials from a Long Beach paper.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech on farmers and cooperation.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two particulars, in one to include a brief editorial from the Washington Post of yesterday regarding I-Am-an-American Day, together with an address I delivered when it was initiated; and in the other to extend in the RECORD my own remarks and include two short letters with regard to the pollution of streams.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 2603. An act making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and the Federal Loan Agency for the fiscal year ending June 30, 1946, and for other purposes.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 52 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Tuesday, May 22, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Tuesday, May 22, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 o'clock a. m., on Tuesday, May 22, 1945, for consideration of housing for veterans' families.

COMMITTEE ON THE JUDICIARY

Subcommittee No. III of the Committee on the Judiciary will begin hearings at 10 a. m., Wednesday, May 23, 1945, on H. R. 2357, to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended (secs. 7 and 11). The hearings will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 o'clock on Wednesday, May 23, 1945.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Hearings on H. R. 2177 will be held starting Wednesday, May 23, 1945, at 10 a. m., to continue until completed.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Tuesday, May 29, 1945, at 10 o'clock a. m., to consider H. R. 2631.

There will be a meeting of the Committee on Patents on Thursday, May 31, 1945, at 10 o'clock a. m., to consider H. R. 2632.

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

483. A letter from the Executive Assistant to the Secretary of the Department of Commerce, transmitting revision No. 1 of the estimate of personnel requirements for the quarter ending June 30, 1945, for the ceiling unit working capital fund; to the Committee on the Civil Service.

484. A letter from the Executive Assistant to the Secretary of the Department of Commerce, transmitting revision No. 1 of the estimate of personnel requirements for the quarter ending June 30, 1945, for the ceiling unit miscellaneous researches, National Bureau of Standards; to the Committee on the Civil Service.

485. A letter from the Archivist of the United States, transmitting lists or schedules covering records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

486. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation for the fiscal year 1945 for the Foreign Economic Administration (H. Doc. No. 185); to the Committee on Appropriations and ordered to be printed.

487. A communication from the President of the United States, transmitting proposed rescissions of portions of several war and war-related appropriations available for the fiscal year 1945. These rescissions total $92,119,000 and apply to the appropriations of a number of departments and agencies (H. Doc. No. 186); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3220. A bill to establish a boundary line between the District of Columbia and the Commonwealth of Virginia, and for other purposes; without amendment (Rept. No. 595). Referred to the Committee of the Whole House on the State of the Union.

Mr. WEAVER: Committee on the Judiciary. H. R. 2668. A bill to transfer Ben Hill County, Ga., from the Waycross division of the southern judicial district of Georgia to the Americus division of the middle judicial

district of Georgia; without amendment (Rept. No. 596). Referred to the House Calendar.

Mr. HOBBS: Committee on the Judiciary. H. R. 2709. A bill to amend the Criminal Code so as to punish anyone injuring a party, witness, or juror on account of his having acted as such; without amendment (Rept. No. 597). Referred to the House Calendar.

Mr. WEAVER: Committee on the Judiciary. H. J. Res. 23. Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week; with amendment (Rept. No. 598). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOBBS: Committee on the Judiciary. H. R. 1196. A bill to make permanent the judgeship provided for by the act entitled "An act to provide for the appointment of an additional district judge for the eastern and western districts of Missouri," approved December 24, 1942; without amendment (Rept. No. 599). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURDOCK: Committee on the Public Lands. S. 118. An act authorizing the Secretary of the Interior to convey certain lands in the Gila reclamation project, Arizona, to the University of Arizona; without amendment (Rept. No. 600). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 2416. A bill authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819; with amendment (Rept. No. 601). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDERSON of New Mexico: Select Committee to Investigate Food Shortages. Submitting its report on food shortages pursuant to House Resolution 195. (Rept. No. 602.) Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LANHAM:

H. R. 3278. A bill to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. LESINSKI:

H. R. 3279. A bill to amend section 1545, title 42, United States Code Annotated, to require approval by incorporated cities as political subdivisions of the States prior to expenditure of any appropriations for national defense housing; to the Committee on Public Buildings and Grounds.

By Mr. McDONOUGH:

H. R. 3280. A bill to provide that a veteran's compensation, pension, or retirement pay shall not be reduced during his hospitalization or domiciliary care; to the Committee on World War Veterans' Legislation.

By Mr. STOCKMAN:

H. R. 3281. A bill to amend section 102 of the act of Congress of March 3, 1911 (36 Stat. 1122; title 28, U. S. C., sec. 183), to fix a term of the United States district court at Klamath Falls, Oreg., on the first Tuesday in June; to the Committee on the Judiciary.

By Mr. VOORHIS of California:

H. R. 3282. A bill to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

By Mr. SMITH of Maine:

H. R. 3283. A bill to provide for maintaining the regiment of midshipmen at the United States Naval Academy at authorized strength; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of New Mexico:

H. R. 3284. A bill for the relief of Robert Caven; to the Committee on Claims.

By Mr. RUSSELL:

H. R. 3285. A bill for the relief of Capt. Wayne E. Meisenheimer; to the Committee on Claims.

By Mr. HOLIFIELD:

H. Res. 268. Resolution to establish a free Palestine for homeless people of the Jewish race; to the Committee on Foreign Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

702. By Mr. ANGELL: Petition of Mrs. Hazel Cornelius and other citizens of Portland, Oreg., petitioning the Congress of the United States; to the Committee on the Judiciary.

703. Also, petition of Thomas L. Ingram and other citizens of Portland, Oreg., petitioning the Congress of the United States; to the Committee on the Judiciary.

704. By Mr. COCHRAN: Petition of Mr. Brennan and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

705. Also, petition of Mr. William J. Ebeler and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

706. Also petition of Mr. John M. Cain and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

707. Also, petition of Mr. Victor Regna and 26 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

708. Also, petition of Mr. Dan E. Lavin and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

709. By Mr. LUTHER A. JOHNSON: Petition of retail trade committee of the Corsicana Chamber of Commerce, Corsicana, Tex., with reference to the Emergency Price Control Act; to the Committee on Banking and Currency.

710. Also, petition of Mr. N. R. Harkins, president of Southwestern Presbyterian Home and School for Orphans, Itasca, Tex., opposing H. R. 3143; to the Committee on Agriculture.

711. By Mr. JONKMAN: Petition of sundry citizens of Kent County, Mich., endorsing H. R. 2211; to the Committee on Banking and Currency.

712. By Mr. TORRENS: Petition of a United Nations rally and sent to members of the American delegation of the United Nations Conference on International Organization at San Francisco; to the Committee on Foreign Affairs.

713. By Mr. WELCH: Petition adopted by the United Brotherhood of Telephone Workers of Northern California and Nevada urging that a bronze statute of the late President Franklin Delano Roosevelt be erected at Washington, D. C., and that a similar statute be erected at Warm Springs, Ga., and that Warm Springs, Ga., be created as a Roosevelt memorial; to the Committee on the Library.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 22, 1945

The House met at 11 o'clock a. m., and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, offered the following prayer:

Almighty God, the source of all wisdom and strength, from whom to turn away is to fall, but in whom to abide is to stand fast forever, grant that we may keep inviolate our trust in the Lord and respond more eagerly to the leading of Thy Spirit and the pulsations of the higher life.

We pray that Thou wilt expand our minds and hearts that they may be large enough to comprehend the revelations of Thy truth, Thy will, and Thy love. Help us to be victorious over everything that would eclipse our spiritual vision, blur our sense of honor, and tempt us to break faith with our better self.

May we resolutely declare by our character and conduct that we have enlisted under the banner of righteousness and justice and that we are seeking to build a civilization in which the fear of the Lord and the brotherhood of man are the deepest concerns.

Hear us in the name of the Christ in whom we find our inspiration to make our life a quest for the true, the beautiful, and the good. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on Monday, May 21, 1945, the President approved and signed a bill of the House of the following title:

On May 21, 1945.

H. R. 2603. An act making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and the Federal Loan Agency for the fiscal year ending June 30, 1946, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 903. An act for the relief of Myles Perz;

H. R. 905. An act for the relief of Paul T. Thompson;

H. R. 981. An act to authorize payment of certain claims for damage to or loss or destruction of property arising prior to May 27, 1941, out of activities of the War Department or of the Army;

H. R. 1031. An act for the relief of Matthew Mattas;

H. R. 1566. An act for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.;

H. R. 1711. An act for the relief of Blanche H. Karsch, administratrix of the estate of Kate E. Hamilton;

H. R. 2007. An act for the relief of Hattie Bowers;

H. R. 2388. An act to provide for enlistments in the Regular Army during the period of the war, and for other purposes;

H. R. 2552. An act to amend paragraph (c) of section 6 of the District of Columbia Traffic Act, as amended by act approved February 27, 1931; and

H. R. 2600. An act to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 24. An act for the relief of the Truckee-Carson Irrigation District;

S. 75. An act for the relief of Thomas C. Locke;

S. 134. An act for the relief of Ida E. Laurie and Zella Rickard;

S. 144. An act for the relief of M. E. Cafferata and John Granata;

S. 233. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River;

S. 234. An act authorizing the construction of a free highway bridge across the Yellowstone River near Fairview, Mont.;

S. 301. An act for the relief of Mr. and Mrs. James E. McGhee;

S. 454. An act to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939;

S. 463. An act to amend section 927 of the Code of Law of the District of Columbia, relating to insane criminals;

S. 501. An act for the relief of the Catholic Chancery Office, Inc.;

S. 512. An act for the relief of Mr. and Mrs. Arthur R. Brooks;

S. 527. An act to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.;

S. 528. An act for the relief of Thaddeus C. Knight;

S. 574. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg.;

S. 592. An act for the relief of the estate of James Arthur Wilson, deceased;

S. 620. An act for the relief of the widow of Joseph C. Akin;

S. 633. An act to amend the Criminal Code so as to punish anyone injuring a party, witness, or juror on account of his having acted as such;

S. 642. An act for the relief of Ida F. Braun, Alice Braun Menges, and Carl J. Braun, individually and as executors of the estate of Hedwig W. Braun, deceased, and as legatees and beneficiaries of the will of Hedwig W. Braun, deceased, and as the sole parties in interest by succession under the last will and testament of Hedwig W. Braun, deceased, and under the last will and testament of Herman W. Braun, deceased;

S. 660. An act to transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College;

S. 672. An act for the relief of the legal guardian of Clifton R. Weir;

S. 693. An act for the relief of the Saunders Memorial Hospital;

S. 712. An act for the relief of William B. Scott;

S. 748. An act for the relief of Nita Rodlun;

S. 784. An act for the relief of Mr. and Mrs. John T. Webb, Sr.;

S. 842. An act for the relief of the Elmira Area Soaring Corporation;

S. 867. An act for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased;

S. 916. An act to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps;

S. 917. An act to provide for payment and settlement of mileage and other travel allowance accounts of military personnel;

S. 956. An act for the relief of Mr. and Mrs. Stephen E. Sanders; and

S. 967. An act to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms.

INVESTIGATION OF VETERANS' FACILITIES

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'TOOLE. Mr. Speaker, it has been called to my attention that certain members of the World War Veterans' Legislation Committee of this House have endeavored to cite for contempt a member of the newspaper profession for failing to divulge the source of certain information.

I believe this to be a gross mistake. More than that, I believe it is a most dangerous precedent to establish. Information which is accurate is always more important than its source. The first duty of the committee is to determine the truthfulness of Mr. Deutsch's statements and, if they are accurate, to take the proper action to protect the veterans of this country. The press in the United States has on many occasions supplied information to State and national legislative bodies that has served to bring about sweeping reforms, and in some cases assisted in unearthing disgraceful scandals. To compel a member of the newspaper profession to expose the source of his information would, in many instances, revolt against the public good. It might prevent industrious and hard-working newspapermen, who had discovered from other sources facts that were material to the national good, from giving such information to the proper legislative bodies.

The press itself owes an obligation to the public to expose those things which are fundamentally wrong and in the performance of this duty the press must be given the same degree of protection that is given to the medical and legal professions.

I further believe that an investigation of the veterans' hospitals of this country is too large a task for any standing committee of this House to take upon itself. To assign this work to the Veterans' Committee does not leave a good taste in the mouths of the people. They are conscious of the fact that there is too close an affinity between the Veterans' Administration and the Veterans' Committee. Too often have both groups worked together in an effort to accomplish that which they believed would assist the veteran. The viewpoint of the Veterans' Affairs Committee would not be a fresh one, nor would it have the clarity of vision with which a specially established committee would approach the scene.

If an effort is made to cite Mr. Deutsch for contempt, I shall certainly vote against it. Further, it is my sincere hope that this body within a short time will establish a special committee to investigate the entire veterans' situation.

LEND-LEASE OPERATIONS — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed, with illustrations:

To the Congress of the United States of America:

I am transmitting herewith the nineteenth report of operations under the Lend-Lease Act for the period ending March 31, 1945.

On May 6, 1945, Nazi Germany capitulated to the combined forces of the United Nations. Lend-Lease and reverse lend-lease as the basic mechanisms of combined Allied war supply made a vital contribution to that victory.

The defeat of Germany was the first objective of Allied military strategy. There remains, in the Pacific, another powerful and fanatical foe, the Japanese, who, in the never-to-be-forgotten and fateful Sunday of December 7, 1941, struck at Pearl Harbor in a treacherous blow against the peace and security of the world. They, too, must be taught that the peace and security of the world are sacred and not to be broken by any aggressor nation.

While the bulk of the United Nations forces were engaging the Nazis in Europe, Allied forces succeeded in piercing the perimeter of Japanese defenses and established the bases from which decisive offensives can be launched. Now all of the might and power of the United States, the British Empire, France, the Netherlands, and our other allies can be brought to bear, together with the Chinese forces, against Japan.

Long and costly as the struggle ahead may be, it has been immeasurably shortened by the system of lend-lease and reverse lend-lease. To crush Nazi and Japanese tyranny, we have sent overseas to join our allies on the battle front American fighting men equipped with the best weapons American ingenuity and skill can produce. They have been further strengthened through reverse lend-lease with all that they needed which our fighting allies could provide. Our fighting partners at the front had more men for the battle than they could supply, and, through lend-lease, we sent the weapons, the food, and the material with which they could bear fully their burden of the battle.

We cannot measure the sacrifice and heroism of our American forces on the war front or the efforts of the men and women on the production front here at home. Nor can we measure the contribution to victory of those Allied fighting

men who, with their own and lend-lease weapons, fought and fell, or the courage and valor of their people behind the lines who, steadfastly through long years under attack, produced the food and tools needed for victory. Each of the United Nations has contributed to the pool of fighting power in accordance with its abilities and capacities.

Adjustments and reductions in Allied war production and in the lend-lease program will be possible even as we and our allies throw augmented forces into the decisive offensives against the Japanese. The task of reconversion and reconstruction is commencing. At the same time lend-lease and reverse lend-lease must continue as a military necessity on the scale required to build the overwhelming power which alone can save American and Allied lives and bring an early and complete end to this terrible war.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 22, 1945.*

NATIONAL MARITIME DAY

The SPEAKER. Under previous order of the House, the gentleman from Virginia [Mr. BLAND] is recognized for 1 hour.

Mr. BLAND. Mr. Speaker, I yield 30 minutes of that time to the ranking Republican minority member of my committee, to be disposed of as he sees fit, and I ask that I be notified when I have proceeded for 2 minutes.

Mr. Speaker, on April 5, 1945, President Roosevelt issued his proclamation calling upon the people of the United States to observe May 22, 1945, as National Maritime Day. This was done pursuant to an act of Congress approved May 20, 1933, which designated May 22 of each year as National Maritime Day and requested the President to issue annually a proclamation calling upon the people of the United States to observe that day.

Mr. Speaker, I ask unanimous consent that the proclamation designating May 22, 1945, as National Maritime Day may be incorporated in my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The proclamation is as follows:

NATIONAL MARITIME DAY, 1945

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA, A PROCLAMATION

Whereas a notable contribution was made in the history of ocean transportation when the steamship *The Savannah* set sail from the United States on May 22, 1819, and made the first successful voyage across the Atlantic Ocean under steam propulsion; and

Whereas in commemoration of this achievement the Congress by a joint resolution approved May 20, 1933 (48 Stat. 73), designated May 22 of each year as National Maritime Day and requested the President to issue annually a proclamation calling upon the people of the United States to observe that day; and

Whereas many thousands of patriotic men and women are toiling through the long hours of the day and night in the construction of the great fleets of vessels that carry the goods of victory to the distant battle fronts of the United Nations; and

Whereas our ships, sailing every ocean, have been manned by courageous officers and seamen all of whom have left the security of their firesides and many of whom have given their lives for the land of their allegiance; and

Whereas the American people are looking forward to the days of lasting peace when the merchant fleets of the Nation, wisely used and vigilantly maintained, shall sail the seas freed from the perils of war: Now, therefore,

I, Franklin D. Roosevelt, President of the United States of America, do hereby call upon the people of the United States to observe May 22, 1945, as National Maritime Day by displaying the flag at their homes or other suitable places, and I direct that the flag be displayed on all Government buildings on that day.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 4th day of April in the year of our Lord 1945, and of the Independence of the United States of America the one hundred and sixty-ninth.

[SEAL] FRANKLIN D. ROOSEVELT.

By the PRESIDENT:

E. R STETTINIUS, Jr.,
Secretary of State.

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, the President of the United States has by official proclamation designated Tuesday, the 22d of May, as National Maritime Day. I rise to pay tribute to the genius of our master shipbuilders, the skill and devotion of American labor, and the heroism of the men who go down to the sea in ships—to all of whom the highest tribute is due for the building and operation of the greatest merchant fleet in recorded history.

Since January 1, 1942, the shipbuilders of this free country have built more than 47,000,000 dead-weight tons of shipping and delivered 4,903 merchant vessels of all descriptions. Some idea of the magnitude of this accomplishment may be gleaned from the fact that in 1939, when the world was plunged into this bloody war, still raging, all the merchant ships of the world combined totaled only 70,000,000 dead-weight tons. In less than 2½ years the free management and the free labor of the shipbuilding industries of the United States have built a fleet which represents more than 67 percent of the combined fleets of the world prior to war. This production miracle is, I maintain, striking proof of the strength of our free economy. As practical men we can judge a system only by the results that system produces. Certainly this miraculous result in the building of ships provides ample reason for upholding the rights of free men both of management and of labor.

As a Representative from the Bay State of Massachusetts, I am naturally steeped in the tradition of the mariners who sail our ships. Men from New England have for more than a century sailed to the farthest ports and risked the hazards of the seven seas. The people of this country can fully appreciate and esteem the heroism of the men of the merchant marine who have sailed this great merchant fleet of more than 4,000 ships over the great sea routes of the world. Facing not only the normal dangers of the sea, they have braved the deadly torpedoes of our enemies. They have been bombed and strafed from the air. They have fought the terrifying destruction of fire at sea; they have been plunged into seas of flaming oil; they have risked death in the frozen waters of the north; they have been cast adrift in small boats and on tiny life rafts, often without food and water, and stretched out the interminable days under blazing suns, enduring awful agonies, yet bravely clinging to even the last faint hope of rescue.

In these days in which we have witnessed the fall of Germany and in which we look to the men of our Army and Navy to accomplish the destruction of Japan, we may well recall that during the early days of this war the percentage of casualties in the merchant marine was higher than that in any other service. To the 774 known dead, to the 4,805 listed as missing, to the 487 who endured the privations of prisoners of war we may pay homage. To the 225,000 men manning our merchant marine we now look to carry the sons of America and the supplies of war across the submarine infested waters of the Pacific. The final defeat of Japan is not only a matter of sacrifice on the battlefields, it is vitally a matter of shipping. The part these men will play in transporting and supplying our armies is vital to victory. So again the success of our arms depends in large part on these men who endure the rigors of the sea and the attacks of a brutal and determined enemy.

It has been brought home to the American people how essential to the strength of America is a strong and numerous merchant fleet. In war it is a vital necessity. What has not been emphasized is the fact that this is the third time America has led the world in merchant shipping. Twice in my generation this country has been forced to spend billions to provide the bottoms for cargoes of war.

As a New Englander I may appropriately recall the traditions of the great sailing fleets of New England, the fast clipper ships, which carried the cargoes of the world, the tea of China, the spices of the East Indies, the hides and tallows, the materials and the manufactures of many countries to all ports of the world. This great clipper fleet made possible the development of industry in this country, the industry which has made our country unique in history and the arsenal of the world. I call to mind the fact that America lost this leadership so completely that during the latter part of the nineteenth century the merchant marine of the United States practically vanished from the seas.

I call to mind the construction of great ships during the last World War. Again the United States was master of a fleet capable of carrying the cargoes of the nations. I vividly recall as well the rusting hulks of those ships rotting in our ports, useless derelicts fated to be junked for scrap.

Today, as we pay tribute to the genius and skill of the men who have built our present great fleet and as we memorialize the traditions of those who sail the ships,

let us take heed lest this great fleet again be permitted to rot in our harbors and the fine traditions of our merchant marine pass once more into oblivion. The peace of the world will depend upon the preservation of a strong America. To maintain a strong America we must likewise maintain a strong merchant marine.

Mr. BLAND. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, our Nation owes a debt of gratitude on this Maritime Day to millions of Americans. One among them has passed on but our mighty merchant fleet stands as a monument to his foresight. He is our late President, Franklin Roosevelt. In a large measure, it was his vision which recreated the American merchant marine. It was under his leadership that the American shipbuilding industry was reborn.

Franklin Roosevelt knew well that men and not ships alone make a merchant marine. Through all of his days in public office he fought to improve the lot of our mariners. He brought hope and progress to a thousand foc'sles.

Shortly before his death, President Roosevelt called for a bold and daring plan to assure the American people that this Nation will continue as a great maritime power. Today the attention of the entire Nation, from my own State of Massachusetts with its long tradition of seafaring, to the inland States of North Dakota and Nevada which have contributed production and men to build our present fleet, is focused upon this problem.

We are grateful to our shipyard and production workers, dispersed throughout the land, building seagoing vessels in Alabama, Colorado, and Iowa, and sending them down to sea by rail and river, as well as in our great ports. These workers have endured hardship, discomfort, and long hours of toil, uprooting themselves from farm and home, to move to overcrowded shipyard areas. In the short space of 4 years, they have built the mightiest merchant fleet the world has ever seen.

We are grateful to the thousands of longshoremen who loaded seventy-seven and one-half million long tons in 1944, an increase of 27 percent over 1943. That is 5 to 6 tons for every fighting man overseas. Our longshoremen have worked around the clock, and by their skill and determination have, through better loading and faster turn-around, added the equivalent of hundreds of ships a month to back up our fighting men.

More than any other group we are indebted to our 225,000 merchant seamen who, in the words of General Eisenhower, "by their devotion to duty in the face of enemy action, as well as natural dangers of the sea, have brought us the tools to finish the job. Their contribution to final victory will be long remembered."

There is no more outstanding example of American teamwork in the face of insuperable difficulty than that set by the maritime industry. This Nation has accomplished a mighty task of building and operating ships through the cooperation of Government, labor, and industry that has enabled us to carry through to victory 3,000 miles away in the heart of Nazi Germany and that will bring us total victory 6,000 miles from our shores in the heart of imperial Japan.

The challenge before our American merchant marine today is that of moving an army larger than the entire prewar Norwegian nation more than halfway around the globe from Europe to the Pacific. And for each man, five to six tons of vital equipment must be transported. The men of our maritime industries will continue to subordinate their need for well-earned rest, and their desires to be with their families and friends again until total victory. Though faced with sharp reductions in take-home pay through readjustments in the war bonuses, a problem which must be met with the establishment of an adequate minimum wage for seamen, though faced with longer periods away from home than ever before and with Japanese savagery and ferocity, every ship will be manned and our fighting men shall not want for supplies.

During the first 10 weeks of the Leyte campaign, merchant marine and Navy gun crew members, working together as a team, shot down 107 Japanese planes. The story of the *Floyd W. Spencer* is a typical example of the skill and valor of our mariners. A Jap plane circled a convoy participating in the Philippine invasion and started toward the *Spencer* at high speed. At 1,800 yards the Jap dropped his torpedo. Skillful maneuvering caused the torpedo to miss the vessel's stern by a bare 10 feet. The Liberty ship's 20-millimeter guns held their fire until the plane was at point-blank range. Courage and good marksmanship brought the Jap plane down within 100 yards of the starboard beam. The commander of the Navy armed guard aboard the *Spencer* had this to say:

> The merchant marine personnel that were assigned to gun stations performed in a splendid manner. The clear, cool thinking and prompt action of the master in ordering full speed ahead and hard over is the probable cause of the torpedo missing this ship.

VE-day did not bring even a momentary relaxation in our merchant marine. Our merchant seamen have a job to do. They have a score to settle with the Japs. They know what has happened to their buddies in Japanese concentration camps after being caught in Pacific harbors in December 1941. They know of Jap submarines which have surfaced, picked up survivors of American vessels, and made them run the gantlet along the deck between brutal and armed Japanese sailors, only to be finally bayoneted and tossed into the sea.

We have a job to do here in Congress that will assist these heroic seamen to finish the job they are doing out there. We must assure three seamen who by unconquerable spirit, survived the Japanese submarine torture treatment and the thousands of others who have suffered merciless treatment at the hands of Nazi U-boats and planes as well as Japanese craft, that they will receive necessary medical and hospital care for life. We must assure them that there will be adequate compensation for their disabilities and that the reward for the thousands who have given their lives will not be poverty and charity for their dependent loved ones. We must assure these men that they will not be forgotten with victory. We must plan for their readjustment into peacetime life and, in particular, for the mere youths who have shouldered more than man-sized jobs we must provide the opportunity for continuation of interrupted educations.

The seamen's bill of rights, which will shortly be before the House, embodies such benefits. It is as much a war measure as the authority and funds to build the very ships in which these men serve. It will enable our seamen to carry on free of the burden of anxiety over the fortunes of war.

The House should make adequate preparation for affording the protection of unemployment compensation to our merchant seamen. Time and again, since the passage of the Social Security Act, hope was given our seamen that their homes and lives would not be dashed on the rocks in what has been an uncertain and casual industry. The House should enact within a short time an unemployment compensation measure that will meet the unique conditions of this industry and give the seamen this most elementary form of insurance. It is to our shame that virtually every other maritime power in the world has long since had the most advanced forms of social insurance for their merchant seamen while our seamen are denied all security.

This Nation has learned at great expense of life and energy that we must never allow ourselves to be without a powerful merchant fleet. We should have learned that lesson back in 1912 when Teddy Roosevelt's Great White Fleet had to be coaled by Norwegian merchant ships on her good will tour of the world. We should have learned that lesson in the First World War. It has since been indelibly impressed upon American bodies and American homes. We face the new world of tomorrow determined to carry forth our great responsibilities for world peace and prosperity. We have the ships and the men to meet that test.

We are determined that the deplorable maritime history which followed the First World War will not be repeated. We are determined that our shipbuilding industry be preserved, that our shipping be established on a sound footing, and that our skilled maritime manpower resources be encouraged to make seafaring their life's work.

It is also fitting that the hardy seamen should be given recognition by the Congress for their heroic service and their contribution to the success of this war. All credit to them. We pay them the honor today to which they are so richly entitled.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. WELCH. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, from the very beginning of our country's history the American

merchant marine has played a most important part both in the defensive security of our Nation and our national peacetime economy. In every war in which we have been engaged it has been the important supply arm of both our Army and Navy. Nearly a century ago the historic clipper ships carried over 90 percent of our produce to foreign markets. Gradually the American merchant marine was neglected until just prior to World War I it carried only 8 or 9 percent of our foreign commerce. At its lowest ebb the toilers of the sea were reduced almost to the level of galley slaves. They slept and practically lived in the foul-smelling forecastle. It was not until the passage of the La Follette Act, for which the late Andrew Furuseth fought and spent the best years of his life, that these conditions were changed.

Recognizing the tragedy of the lack of a proper merchant marine, extensive hearings and investigations were undertaken by the House Committee on the Merchant Marine and Fisheries under the able leadership of its distinguished chairman the gentleman from Virginia, the Honorable SCHUYLER OTIS BLAND. As a result Congress enacted the Merchant Marine Act of 1936.

This act established a permanent merchant-marine policy that encouraged American businessmen to bring it to its present high level. They have given of their enterprise and means to encourage the development of foreign markets for our surplus products.

This act likewise raised the standard of working conditions for the men who man the ships. These merchant seamen, of whom some 6,000 are dead or missing in the present conflict, have won a place in the heart of every American. This is demonstrated by the fact that on this day the Chamber of Commerce of Kansas City, Mo., over a thousand miles from the seacoast, in the heart of our country—is celebrating Maritime Day.

When the history of this war is written, the story of the devotion, patriotism, and loyalty of the men of our merchant marine, will fill many glorious pages.

Mr. BLAND. Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. JACKSON].

Mr. JACKSON. Mr. Speaker, on the occasion of this Maritime Day I should like to address my remarks to the great job done by our merchant seamen.

I should also like to say at the outset that the maritime industry and the great progress that has been made by our merchant marine can be attributed in large part to our distinguished and able chairman, the gentleman from Virginia [Mr. BLAND].

Today the energies and skill of our shipping and allied industries and the valor of our merchant seamen are fully in the fight against our powerful and ruthless Japanese enemy. We have learned our lesson in this war and are determined to preserve the striking power necessary to crush aggressors before they rise. We have learned that an efficient merchant marine is no less a weapon for peace than a mighty Navy.

Congress is presently concerned with establishing a ship disposal policy which will foster the growth and continued vitalization of our merchant fleet. The theme of this Maritime Day is "It's Your Merchant Fleet," and throughout the Nation forums are being held on the future of our merchant fleet.

Far too little attention has been paid to the men who sail the ships. A huge merchant fleet without a trained and satisfied labor force is of no use. We have trained at expense of many millions of dollars good officers and good seamen. Every military and naval leader from General Marshall and Admiral King down have praised their ability and spirit. We must not waste this storehouse of ability.

The questions of adequate wages, working conditions, health standards, and social-security protection, the maintenance of training and upgrading facilities, the establishment of orderly methods of entrance and exit to the industry are all of as grave importance in the future of the American merchant marine as ship sale policy.

In 1937 the newly established United States Maritime Commission made an economic survey of the American merchant marine. Referring to the last World War, the survey said:

> During the war thousands of fine young Americans were brought from every section of the country to man the vessels acquired by the Shipping Board. They learned quickly, demonstrating that American seamen, given decent working conditions and proper encouragement, are the equal of any.

The experience of the last few years has closely paralleled previous history. Entering the war with a maritime labor force of approximately 55,000, less than 4 years later, we have over 225,000 skilled and courageous merchant seamen delivering the goods in time.

Referring to the postwar World War I period again, the Maritime Commission's Economic Survey continued:

> Then came the era of liquidation when the Government began to withdraw from shipping. Lines were one by one discontinued or turned over to private enterprise. Wages fell and working conditions grew steadily worse until at the depth of the depression some American seamen were receiving as little at $25 a month, living under wretched conditions, eating unpalatable food, and working 12 hours or more a day. The result of such conditions was bound to be disastrous. Many of our young men left the sea, never to return. Questionable elements filtered into the ranks of our seafarers. The men grew bitter and desperate. An explosion was bound to occur.

That explosion did occur and the maritime industry was in constant eruption for a number of years. We want no repetition of such history. We have learned at sorrowful loss to the Nation of the imperative need for an adequate, modern, and efficient merchant fleet and for the skilled manpower to operate that fleet.

The American seamen, through the maritime unions, have established an excellent wartime record of manning the vessels without delay, of speeding turnaround, and of solving in orderly and cooperative fashion the many difficulties confronting them. They have advanced as their goal a minimum program which I am sure has the wholehearted support of the American people. The American seaman is asking for wages and working standards which are comparable to those afforded shore-side workers who have generally fared better during the war period, have been exposed to none of the grave risks of the maritime profession, and have suffered none of the unpleasantness of separation from home and family.

Admiral Land, War Shipping Administrator, in recent testimony before a Senate subcommittee, outlined the four basic demands of American merchant seamen. They are:

First. An adequate wage.

Second. Continuous employment.

Third. Enactment of the seamen's bill of rights.

Fourth. Revision of the various social security laws to give coverage to merchant seamen.

The merchant seamen are not asking for revoluntary changes. The bulk of their demands have long been considered the essence of American working standards.

Let us take the question of wages first. The experienced able-bodied seaman who steers the ship and must be capable of rigging, painting, splicing, and performing a hundred and one other functions, receives a base pay of $100 a month. For that pay, he works 7 days a week, 8 hours a day. The experienced oiler, who must have a full knowledge of the complicated engines and who bears the responsibility for a very expensive piece of machinery, receives a similar monthly wage. The experienced cook aboard a merchant vessel who is comparable to a restaurant chef but who works under added difficulties receives but slightly more. Thus the first problem which must be met if we are to be assured of the continuation of a strong merchant marine, is the establishment of an adequate wage standard for American merchant seamen. Section 301 of the Merchant Marine Act of 1936 authorizes the United States Maritime Commission to investigate the employment and wage conditions in the industry and to incorporate into contracts for operating differentials, subsidies, or for chartering of Government-owned vessels, provisions for minimum manning and minimum wage scales and for minimum working conditions. After the cancelation of the ocean-mail contracts in June 1937, the Commission made an investigation of labor conditions in the industry and, as a result, set a minimum scale for such vessels. The result was an increase from a wage scale of $55 to $65 a month for skilled able-bodied seamen to a minimum of $72.50 per month. At that time many felt that the advance was still totally inadequate, and it was the recommendation of one of the Maritime Commissioners that the minimum be set at $100 a month. Today the merchant seaman face, with the elimination of the war bonus, a return to a basic wage of $100 a month for skilled men. By far the largest group numerically, the messmen, the ordinary seamen, and the wipers face a return to a basic wage of $82.50 a month. It has been stated that the rise in the cost of living between 1937 and today is at least 50 percent. It is obvious that we cannot expect the new class of merchant

seamen we have sailing our ships today, capable and disciplined men, sober men, men with family responsibilities, to continue in this industry and to make the American merchant marine what we all want it to be, unless wage standards are adjusted accordingly.

In regard to the question of continuous employment, the maritime industry is decades, if not centuries, behind current American shore-side practice. In 1937 the Commission recommended a change in the system of ship's articles which for some reason persists until this day. The Commissior said:

> Whatever justification there may have been for this archaic system in the days of the sailing ship, there seems to be no reason for its perpetuation. Continuous employment is the rule in most industries—it should be the rule for shipping.

It is significant to note that not only is the American merchant marine backward in this respect in comparison with the shore-side industry, but that it is lagging behind current practices in the merchant fleets of most of the great maritime nations of the world. During this war virtually all of our allies have installed continuous employment systems.

It would seem particularly appropriate for the Maritime Commission to undertake investigations immediately with the view toward establishing adequate minimum wage standards for the postwar maritime industry and further to formulate plans for the introduction of a continuous employment system into the field of shipping. Both of these measures will pay off well not only in the maintenance of a skilled personnel so necessary to national defense, but in actual dollars-and-cents terms in better upkeep of vessels, lower insurance rates, more patronage for American flag ships, and quicker turn-arounds.

Our merchant seamen are asking that Congress enact the bill of rights. This bill, in brief, is a minimum number of benefits designed to give continued care and continued protection to the valiant merchant seamen who have been maimed in the war and to the dependents of the six-thousand-odd seamen who have given their lives. It also aims to provide for the ordinary readjustment into civilian life for those men who have made service in the merchant marine a patriotic wartime duty and who ultimately plan to return to shore-side life. It would also assure us that the boys who have been inducted into the merchant marine during the war period would return to school to complete their education and to make themselves more useful American citizens.

The provisions incorporated in the seamen's bill of rights, H. R. 2346, which is currently pending before the House Merchant Marine and Fisheries Committee, are very fair. I hope that Congress will see fit to enact this bill by an overwhelming vote within the immediate future. I am sure its effect would be salutary in reinforcing the determination of our merchant seamen to carry the war against Japan to a speedy conclusion.

Lastly the merchant seamen look forward to the protection of unemployment insurance which has long since been afforded shore-side industrial workers, in industries which have been far less chaotic, but which is still denied merchant seamen despite a 7-year-long battle for such protection.

I have introduced a bill—H. R. 1899—establishing a Federal system of unemployment insurance for our merchant seamen, who were originally excluded from the State-administered system because of difficulties in administering such coverage. Various bills have been before the House in the past 7 years, none of which have yet reached the floor. My bill is now before the House Ways and Means Committee which is currently investigating the ability of our social insurance system to meet the impact of the postwar years. It can be said now without any further investigation that the merchant seamen have no protection against the uncertainties and frictional disturbances which will undoubtedly arise in the transitional period to a peacetime economy. I hope the House Ways and Means Committee will see fit, because of the long history of the maritime unemployment insurance legislation and because the problem is, by and large, separate from the other unemployment compensation problems facing the committee, to turn its attention immediately to the drafting of a satisfactory system of protection for our merchant seamen.

I see no conflict between this course of procedure and the extension of at least temporary coverage to maritime workers in whatever emergency reconversion legislation may be brought before Congress in the coming weeks and months. We cannot countenance elimination of maritime workers from such emergency legislation under the guise that their problem must be dealt with separately until such time as this Congress has taken action accordingly and an unemployment compensation system for maritime workers enacted into law.

This program then is a modest one, indeed, a program designed to raise the industrial status of the American seamen not to an advanced position but merely to the position which is today recognized by all Americans as a minimum American standard of living. We owe these gains to the merchant seamen for the inestimable contribution they have made to victory, for their indomitable will to fight on despite heavy odds, and for their valor and courage. We owe these advances to all people of America who desire a continuation of a strong American merchant marine to assure that we have the forces at hand to quell any threat of future aggression and who look upon their merchant marine as an instrument of good will and as a builder of commerce between nations.

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Speaker, on this day when we do honor to the men who serve so gallantly in our merchant marine, it is worth while to pause for a few minutes to trace the history of our maritime efforts during this war period. That maritime effort was a miracle of a type that even our greatest admirers, those who felt we had tremendous industrial genius, thought we could never achieve. It had its genius in the Merchant Marine Act of 1936, which was so ably steered through the Congress by the distinguished gentleman from Virginia [Mr. BLAND], chairman of the Committee on Merchant Marine and Fisheries. In 1941, just before Pearl Harbor, our own construction program of new ships was being carried on at the rate of about 5,000,000 tons a year. Immediately after Pearl Harbor, plans were instituted and a goal was set, an arbitrary goal at a figure, as I recall it, of 16,000,000 tons for the following year. No one believed we could achieve that goal. Not alone did the marine service have to compete with the Navy from the point of view of facilities and from the point of view of steel but it had to compete for manpower, it had to compete for transportation; yet in the year 1942 our construction program very nearly reached the goal of 16,000,000 tons, and in 1943 it went over 19,000,000 tons, a miracle of the first order in construction. The men who planned and the men who carried out that construction program are deserving of the gratitude and the admiration of every single American citizen as well as every member of the United Nations.

During the course of construction entirely new facilities had to be developed for the operation of the ships. New men had to be trained and new staffs had to be appointed. Part of the operation of that new merchant tonnage was directed by the Army and part by the Navy. It is interesting to note that the Army of the United States actually operated a merchant fleet very much greater than did the Navy of the United States; but the great bulk of the cargo-carrying ships were operated through American agency agreements with American ship operators who had to direct the destinies of those ships all over the globe. This at a time when every man that could be spared was still needed for the Navy and when we were constructing a seven-ocean fleet. Those operators are also deserving of the gratitude of this Nation.

Finally, when we are paying tribute, we cannot forget the men who manned those ships. You will recall early in 1942 the photographs of men swimming, drowning, and being burned to death in boiling oil. Perhaps no more terrible fate had to be faced by any courageous seaman than the merchant sailor on our tankers and on our ships carrying high explosives. During those early days of the war and our participation in the war the casualty rate of those men was very much higher than that of either branch of our armed services, and even today the total casualty rate of the merchant seamen who carry our goods all over the world and supply our troops is greater than that of the United States Navy and almost on a par with that of the United States Army.

This being the case, Mr. Speaker, I hope that on this day we will resolve not to forget those men in the future.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. BLAND. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Speaker, as one of the Representatives from the great State of Georgia, I am particularly happy to participate in this day known as Maritime Day, because May 22 was selected as the anniversary of the sailing of the first steamship from the shores of this great Nation of ours to Europe.

The *City of Savannah* was the first steamship to make that voyage. It left the city on the coast of Georgia whose name it bore on May 22, 1819. Of course, we have come a long, long way since those early days, and, therefore, I am glad today to pay tribute to the leadership of that great and fine gentleman from Virginia, the Honorable OTIS BLAND, chairman of the Committee on the Merchant Marine and Fisheries. It was under his leadership, with the cooperation of that similiarly great gentleman from California [Mr. WELCH], who is the ranking minority member of that committee, that in the year 1936 this Congress by a majority of only eight votes passed the present Merchant Marine Act, which is the foundation upon which we have been able to build a great merchant fleet that aids us now in carrying our fight to the enemy, and without which we would not have found it possible to invade the shores of France and to maintain our Army in Europe which has won victory there. That was the foundation upon which all this shipbuilding program has rested. Before we got into this emergency the Maritime Commission created by that act had employed engineers and other experts to lay out a building program. It was small, it is true, but it was sufficient to furnish the foundation, which has been expanded to meet this urgent necessity, and has been the basis upon which this building program, which is the marvel of the world, has been carried on.

May I pay tribute also to the shipbuilders of this Nation without whom we could not have had this building program, and to the loyal workers in those plants. I think there is hardly anybody in this country who 4 or 5 years ago would have believed that it was possible to construct as many merchant vessels as have been constructed during this program. I want to join others here who have paid tribute to the officers and men of the merchant marine without whom it would have been utterly impossible to have won the victory in Europe, and certainly without whom we cannot carry out our fight against Japan. It is to the discredit of our Nation that we have not properly evaluated their services, and we certainly should pass legislation for the benefit of those men and their families. They are just as much a part of the fighting forces of this great Nation as are the men who wear the uniforms of the Army, the Navy, the Marines and the Coast Guard.

I had the privilege last summer of visiting the Merchant Marine Academy at Kings Point, Long Island, N. Y. They are doing a great work up there in training officers for the merchant marine. They deserve the backing of this Congress, and I am sure they have it, but we must not neglect the heroic men who are engaged in this hazardous occupation without much glory, without much recognition from the country. We should also remember the necessity today for maintaining this merchant fleet when the war is over. It is going to be a great problem. There are going to be many difficulties incident to it, but we must not again let our merchant fleet be scrapped, and we must not find ourselves if another emergency arises without the ships to carry the supplies to our fighting men. We have the ships today and we ought to keep them or, at least, keep a sufficient number of them to be able to carry the products of industry of this country throughout the world.

I am glad to join in this remembrance of National Maritime Day.

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Speaker, today we commemorate the one hundred and twenty-sixth anniversary of the sailing of the small American ship *Savannah* on a trans-Atlantic voyage. She had the hardihood to undertake the crossing under the new motive power of steam. Thus humbly began the new era on the seas.

I am glad of the opportunity to say my small word of appreciation for what ships and shipbuilders and mariners have done for my country and for the State of Maine, part of which I have the honor to represent. Through all the years of sail and steam, Maine has built ships and sent them all over the world, navigated by Maine captains and manned by Maine crews. I think there have never been any better sailors. I take especial pride in the record of the Bath Iron Works for nearly a century, and in the record of the New England Shipbuilding Corp., at South Portland, Maine, established less than 5 years ago, which last year alone launched more than a million tons of ships.

Since early in 1942 the United States has built 4,903 ships of over 47,000,000 tons to take war materials out of this country at a rate of more than 8,000 tons an hour. In 1942 our ships were sunk as fast as we could launch them. But our ships and our seamen conquered the submarine. Surely the war has no greater heroes than the men who have manned our merchant ship in these last 4 terrible years. Seven hundred and seventy-four of them are known to have given their lives; and of 4,805 reported missing nearly all must have died. There was no single instant of safety in the incessant voyaging of the merchant seamen. Death was their steady companion. To them as much as to any single group of people we owe the colossal victory that we have won in Europe. But for them we might have had camps like Buchenwald and Dachau in this country.

It is the duty of this Congress to make appropriate provision for our mariners and to pass legislation which will keep as many as possible of our war-built ships, profitably employed in the Nation's commerce. We mean as rapidly as possible after the end of the war to transfer these ships to private ownership and private operation. Though the problems involved in this connection are difficult there is happily complete unanimity on the question of policy. I urge the membership of the House to be giving thought to the problems involved and to the bill on which your committee is working industriously, and which it hopes presently to be able to report.

Mr. BLAND. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. PATTERSON].

Mr. PATTERSON. Mr. Speaker, we have put aside a few hours in this House as Maritime Day. Today we will pause and give our heartfelt thanks to the members of the American merchant marine who have done such a magnificent job in this war. Today we will pause to think of the future of the American merchant marine—its stake in the final defeat of fascism the world over, its stake in international cooperation, and its place in a world at peace.

The American merchant marine has fought the battle against fascism long and well. It has sustained attack from sea and air, on the Atlantic and the Pacific. American seamen have, for years, run hell's gauntlet to Murmansk, they were in the invasion of north Africa, Sicily, Anzio, Normandy, and the Pacific Islands. Over 6,000 American merchant seamen are dead or missing. Five hundred are prisoners of war. This merchant marine casualty list is proportionately higher than that of any one of the armed forces.

American seamen deserve more than our gratitude. They deserve the very concrete fact of our passage of the seamen's bill of rights and the seamen's unemployment insurance measure. This is our first and most fitting duty on Maritime Day.

The men of the American merchant marine have a personal stake in the defeat of fascism. The years that American seamen have been fighting in this war, the 6,000 separate memories of their 6,000 dead or missing comrades, the wounds of body and mind they themselves have received, give these men a very personal score to settle with Fascists.

Admiral Doenitz, commander of the German U-boats, alone, for instance, is partially responsible for the death of over 15,000 merchant seamen of all the United Nations. Said Doenitz to his men:

> The deed is everything. Kill, kill, kill. Have no humanity in your deeds. Humanity means weakness.

His men would not rescue their victims.

Families and survivors will not let this criminal go unpunished.

The Japanese Fascists have been just as ruthless as the Germans in their murderous actions. Yet in the face of the greatest difficulties our American seamen have been doing an outstanding job in the South Pacific. Now that Germany is beaten the shipping job is larger than ever before. A huge portion of our armed forces in Europe and millions of tons of equipment and supplies must be moved to the Pacific theater. New shiploads of equipment from this country, particu-

larly from the west coast, must be taken to our armed forces fighting against Japan.

In the huge job ahead our complete confidence lies with our American merchant marine. American seamen will continue on their jobs in the South Pacific until the war is won, until the unconditional surrender of Fascist Japan.

Because of this war, the American merchant marine is the strongest and largest in the world. Its leadership is implicit. This means two things: First, security. A strong merchant marine will serve to prevent, by very threat of its strength, as well as to prosecute, wars. Second, a large merchant marine means prosperity. As an industry in itself, supported by American business, it can be responsible for one-half million jobs in operations, shipbuilding, and attendant industries. And it can, as the tool of expanded foreign trade, form a very bridge of ships between ourselves and the rest of the world with whom we trade.

This is not the place to elaborate at length upon the vital necessity of foreign trade to our future national welfare and prosperity. Suffice it to make a few basic statements:

A minimum of 5,000,000 of the 60,000,000-job goal, jobs for those returning from the battle front as well as for those now on the production lines, depends on foreign trade. For trade between nations is the only way in which this Nation can take full advantage of its productive capacity.

World markets must be recreated and expanded, for only a prosperous world can purchase from us. A large part of the materials needed for restoration and expansion will be purchased here. These purchases will mean jobs and weekly pay checks for us.

The prosperous Nation is the peaceful Nation. It was that partial break-down of foreign trade which helped lead to the severe depression of the thirties, to economic chaos, to unemployed men and hungry children. Hitler's influence in Germany grew, in the beginning, directly in proportion to the number of unemployed.

Only a large merchant marine can make this essential foreign trade possible. There must be ships to carry the goods. For if we maintain full production and employment at home, we will need more raw materials and other goods than ever before.

There are still frontiers in the world. China, India, and Africa remain to be developed. There are roads to be built, factories to be equipped, and a market of millions of persons whose living standards can be raised with American products. The business is there for whoever goes after it. We must have a fully integrated merchant marine to serve us.

But the race for international trade should not be a free for all between all contenders. Lord Halifax has stated this well:

> We have two alternative policies from which to choose: We can spend some feverish years of jungle life, in a cutthroat war for international trade, until another Hitler arises to exploit the miseries of the people and multiply them tenfold by another war. On the other hand, if we can handle these large matters with sufficient foresight, there will be enough on the plate for everybody.

Unless, however, we in cooperation with other nations take vigorous action to reduce the network of trade barriers which clogged and impeded the flow of international trade in the period between the two world wars, we shall again find our vast production backing up in surpluses, creating unemployment and forcing down our living standards and those of the whole world. Tariff barriers must be lowered. The Reciprocal Trade Act must be extended.

International cartels, too, must be nonexistent after this war. They are restrictive of a large merchant marine because they are restrictive of trade.

If—

Says Capt. Edward Macauley, Deputy War Shipping Administrator and United States Maritime Commissioner—

> If we have the best ships in the world to take the best products in the world to the peoples of the world and sell them to those peoples at a price they can pay, then American participation in international cartels should become undesirable. It is not smart business to restrict the availability of our products to a small field, nor just, from a humanitarian point of view.

To the farmer an established, strong merchant marine means markets, to the businessman profits, and to the worker, jobs.

Let us, therefore, on this Maritime Day, dedicate ourselves to two propositions: The defeat of fascism the world over; and international cooperation for peace and prosperity, in which peace and prosperity the American merchant marine will of necessity be of major importance.

Mr. BLAND. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HAVENNER].

Mr. HAVENNER. Mr. Speaker, the United States of America is today the greatest maritime power in the world. This proud position has been attained in the past few years through the miracle of American productive genius.

Prior to our entry into this war an inadequate national merchant marine was one of our weaknesses. Following the First World War we disposed of the greater part of our merchant ships and committed the further error of permitting our shipbuilding facilities to become idle and gradually almost obsolete.

As a result of these grave blunders in national policy we found ourselves unprepared at the outbreak of the present war to send the necessary men and supplies to battle grounds in far parts of the world where our armies had to engage in combat. Consequently we were compelled to construct a tremendous tonnage of cargo ships so swiftly and so successfully that history will gasp at our achievement. But so great was the demand and so large were our losses in the early days of the war that even our unprecedented feats of construction could not keep pace with our national needs. For a long time after Pearl Harbor we were engaged in a breathless race to fulfill our shipping requirements and at the same time meet the demands for offensive and productive operations both in the Atlantic and Pacific.

Today we celebrate the magnificent accomplishments of our almost superhuman shipbuilders and the heroic records of our merchant-marine seamen who sailed these new American ships throughout the length and breadth of the seven seas as fast as they could be brought off the ways of our great shipbuilding plants. The saga of our maritime accomplishments in this global war will be repeated with pride and awe by future generations of American citizens.

Now that we have acquired the greatest armada of shipping vessels in the history of the world, and have achieved final victory in perhaps the most crucial phase of our global struggle, we are confronted with the critical problem of how much shipping should be retained in order to preserve our peacetime commerce and to meet the requirements of national defense against the possibility of future wars.

I believe that we must never again risk the danger of total war without an adequate merchant marine to deliver the tremendous amounts of materials needed by our own forces and those of our future allies. Nor do I believe that we should ever again allow our American products to be carried abroad in foreign bottoms to the detriment of our own maritime preparedness in the event of an emergency.

At this moment, when we are at the peak of our naval greatness and in possession of a merchant fleet far greater than any nation ever owned before, it would be unthinkable that we should permit these great assets to be squandered or bartered away thoughtlessly. Our seapower must be maintained, in peace as in war, for the security and well being of our people and for the maintenance of peaceful relations with all the other nations of the world. The mistakes of the past must teach us wisdom for the future. The penalty of forgetfulness, if another war should occur in the future, might be the loss of the America we all love so well.

On this Maritime Day in 1945 we pay grateful tribute not only to the courageous mariners who have sailed our ships through all the dangerous waters of the world during this great war, and to the captains of industry whose genius has produced the ships for them to sail but, as well, to the men ashore who have rendered such splendid service in the construction of these ships and to the members and employees of the Maritime Commission who have worked so faithfully for the supremacy of American shipping.

Mr. BLAND. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, about this time at the Bethlehem-Fairfield Shipbuilding Co. of Baltimore, Mrs. Snyder, wife of our colleague the gentleman from Pennsylvania, the Honorable J. BUELL SNYDER, is christening the four hundred and thirty-fifth Victory or Liberty ship turned out by that company since 1941.

Mr. Speaker, I ask unanimous consent to include in the RECORD at this point the address the gentleman from Pennsylvania [Mr. SNYDER] is delivering this afternoon at the Maritime Day exercises at Baltimore.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

ADDRESS BY HON. J. BUELL SNYDER, MEMBER OF CONGRESS FROM PENNSYLVANIA, AT THE LAUNCHING OF THE VICTORY SHIP "MARITIME VICTORY," AT BALTIMORE, MD., MAY 22, 1945

Mr. Chairman, President Willis, ladies and gentlemen, we meet here today, May 22, the day set aside by Congress as Maritime Day, to christen another mighty pack horse of the seven seas.

Today this ship will join 435 other Victory and Liberty ships which the Bethlehem-Fairfield Shipbuilding Co. has turned over to the Government since 1941. Our records in Washington show that we the people of the United States have built more than 5,000 merchant ships since January 1, 1941, with a total of more than 48,000,000 dead-weight tons.

Perhaps the Bethlehem-Fairfield Shipbuilding Co. has made the greatest single contribution to this program.

You launched the *Patrick Henry* on September 27, 1941, and today you launch the four hundred and thirty-fifth ship of the same type, the *Maritime Victory*.

As chairman of the War Department Appropriations Subcommittee in the Lower House of Congress since 1937, I have taken much pride in following the activities of the merchant marine.

My committee, with the approval of Congress, since January 1, 1941, has set up more than $140,000,000,000 to purchase the planes, the tanks, the guns, the munitions, the food, the clothes, the medicine, and what not for our Army of more than 8,000,000 men and women located on battle fronts all over the world.

But it takes the merchant marine—my friends, the pack horse of the seven seas, to get these planes, tanks, guns, munitions, food, shelter, clothing, and medicine, to the many far flung battle zones in this all-out Global War.

All congratulations to labor, to industry, and to Admiral Land and his force for such stupendous accomplishments.

Hitler in 1939, said we couldn't do it. Labor and industry said, "We can do it." The President and Congress said, "We can do it." The people of the United States said, "We will do it."

Yes, the men and women, the boys and girls, of this free democracy fooled Hitler and we will fool the brutal Japs also.

You the management—and you the labor—of the Bethlehem-Fairfield Shipbuilding Co. played a very big part, an indispensaable part, in crushing Hitler and his ruthless followers in such a relative short space of time.

Yes, we know that the men of the merchant marine, willingly take their vessels into the very heart of the enemy waters; that they have faced death from the sky, on the sea, and below the surface—bombs, shells, and torpedoes—to deliver their goods to our fighting forces all over the world.

Yes, we know that some 7,000 members of the merchant marine are listed as dead, wounded, or prisoners of war.

Today the United States has the greatest modern merchant marine in the world. After the shooting stops in World War II we should keep it, we should use it.

As a member of the House Select Committee on Postwar Military Policy, I contend, and I shall continue to advocate, that for a good space of years, after Tojo throws his dirty towel in the Pacific Ocean, that we, the United States maintain a modern navy, second to none. That we maintain a modern air force, second to none. That we maintain a modern strategic army sufficiently large to see that the peace provisions are carried out. And that we maintain and use in world trade and world rebuilding, the largest merchant marine that sails the seas.

Mr. BLAND. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Speaker, it has been a pleasure to me since becoming a Member of Congress to serve under the distinguished leadership of the gentleman from Virginia, Mr. OTIS BLAND, and the able minority member of the Merchant Marine Committee, the gentleman from California, Mr. DICK WELCH. Much credit can be claimed by these gentlemen for the splendid fleet we so proudly own at this time.

Naturally, I am interested in the merchant marine, as I come from the historic coast of North Carolina, where seafaring has been the ambition and pride of men for generations. In my district we have Cape Hatteras, which is known as the graveyard of the Atlantic.

At Edenton lived Joseph Hewes, merchant-statesman and father of the American Navy. It was at Edenton John Paul Jones first put his foot on American soil. For years since men first came to America, the people of my district have participated in seafaring. There is glory and credit sufficient in all the deeds of valor and honor by our American seamen from Maine to Florida, from California across the Nation, to satisfy and bring glory to every part of America. Naturally, I am proud of the great shipconstruction program which has been carried on at Wilmington, N. C., where a record has been set which is envied by the shipbuilders of America on both coasts. It is a great pleasure to me and a privilege to have from my district in the merchant marine men who have served faithfully and honorably in carrying the supplies of war to the Russians through Murmansk, to England, and France. I remember with horror prior to our entrance into the war how sturdy, strong men were found thrown up on the shores of North Carolina with their clothes and flesh destroyed by fire, mariners of every nationality their ship destroyed by German subs. I am proud of the fact that the sturdy people on the coast of North Carolina held out their hands and opened the doors of their homes and brought in the suffering American mariner, as well as those of all nations.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I certainly yield to the distinguished gentleman from Texas.

Mr. LUTHER A. JOHNSON. I have had the pleasure of visiting the gentleman's district and I have seen evidence of what he says about that ocean area being the graveyard of the sea. I might say also from my experience that it is a very delightful place to spend a little vacation for those with fishing proclivities.

Mr. BONNER. I thank the gentleman for his contribution. It gives me pleasure to call the attention of the House to the fact that John Allen Midgett off the coast of North Carolina in the last war rescued 42 merchant seamen from a burning sea of oil with the aid of a few additional men and received for that great deed the Gold Medal from the British Government for gallantry and humanity for saving life at sea; received the Silver Cup from the Board of Trade in London; received the Gold Lifesaving Medal from the United States Treasury Department. The rescue was made August 16, 1918. He entered the service in 1898. The awards were made in 1921. I could name a long list of men from my State who have played a great part in the merchant marine and the history of the seafaring world. It gives me pleasure to pay tribute to our merchant mariners and to those who have built up the merchant fleet of America, Admiral Land, and his associates.

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BUCK].

Mr. BUCK. Mr. Speaker, never before this war have the American people, as a whole, so fully recognized the vital importance of an adequate merchant marine. Americans living in seaport areas have always appreciated the importance of ocean shipping because ships bring business to their shipyards, their supply industries, their truckmen, their longshoremen. They know that American ships mean jobs for their merchant seamen. The people of Kokomo and Tulsa and Knoxville and Denver, however, have sometimes wondered in the past why Federal money should be spent in the upbuilding of American shipping. But now the situation is different. They all have boys in the armed services. They want the war won quickly that their boys may come home. And when they hear General Marshall and Admiral King, and General Eisenhower and Admiral Nimitz and General MacArthur repeat that the bottleneck to the quick winning of the war is ships to carry the men and ships to carry war material, they understand that ships are important to them even though they may live hundreds of miles from the seacoast. They know that ships—American ships—are an essential factor in our national defense.

American people as a whole, therefore, now favor an adequate peacetime merchant marine which in time of emergency is available for national defense. They agree, as a peacetime program, that the aim should be to carry 50 percent of our foreign trade in American bottoms. That is the aim of the Merchant Marine Act of 1936. That is the aim of the ship-disposal bill now being written in the Committee on Merchant Marine and Fisheries. Those bills, therefore, will have country-wide support.

I have an especial interest in the merchant marine. The congressional district I have the honor to represent doubtless carries on more foreign trade than any other district in the country. Foreign shipping is the lifeblood of Staten Island and the west side of Manhattan. On this Maritime Day I want to offer my respects to Admiral Land and his associates, Admiral Vickery and Cap-

tain Conway. Their wisdom, knowledge, and drive are in substantial measure responsible for our merchant fleet accomplishments since Pearl Harbor. And the workers in the shipyards, too, have played their able part.

In closing, I wish to pay tribute to the merchant seamen who are, generally speaking, the unsung heroes of this war. They have delivered and are delivering what it takes to win a war. Neither storms, nor bombs, nor shells, nor submarines have deterred them. An adequate merchant seamen bill of rights should be promptly enacted as the "thank you" of a grateful Nation.

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, I think it is entirely fitting that we pause in our labors to pay tribute to the American merchant marine. It is not so many years ago that the American flag was rarely seen at high sea. The Congress in its wisdom determined to embark on a policy of subsidies for shipbuilding and ship operation. As a result of the adoption of this policy of paying subsidies for building and operating, we have been able to build up a merchant marine that is the pride of the American people and the envy of the mercantile nations of the world.

The amount of subsidies that we have paid runs into hundreds and hundreds of millions of dollars. What is a subsidy? A subsidy is merely a differential in price that will cover the difference in cost of labor abroad and labor here at home. We have no shipbuilding yards out in Minnesota, but I have voted for ship subsidies because I believe the United States of America should be self-sufficient, not only on land but on the high seas. The only way in which we could make ourselves self-sufficient was by granting subsidies and grants.

A subsidy is merely another name for tariff. If a tariff is good for the shipbuilding industry it is also good for the textile industry. It is good for the watch industry. It is good for the thousand and one other industries that are competing against pauperized labor of the world. I take the stand that American labor should not be compelled to compete with the pauperized labor of other countries, whether they be shipbuilders, textile workers, or what. All Americans are entitled to the best of wages and the best of working conditions.

I congratulate the Congress upon its wisdom in having promulgated the policy of paying subsidies to the merchant marine so that we could build our ships in our own shipyards.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. BLAND. Mr. Speaker, I yield one-half minute to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Speaker, first, I thank the distinguished chairman of the committee in charge of this very appropriate observation, for permitting me to participate by speaking.

No doubt, he recognized that it was proper that I, as Congressman from the great Eighteenth California District do so, because of the startling growth and development of maritime shipping and trade and the important harbor and port of Long Beach, Calif., together with the part of the other great harbors of my native State.

He did not know, however, that I had a special interest on this day of emphasizing the achievements of our great merchant marine, which is because my own distinguished nephew, Robert Doyle, has sailed the seas of the world as a merchant-marine volunteer for a considerable period. He informs me frequently of the patriotism and industry of all these boys of ours.

I agree with our distinguished majority leader that these fine lads are entitled to at least the same degree of security as is had by others at work in hazardous industry and trades; they are entitled to the prompt and thorough consideration according to their just deserts upon all the facts being known to us.

You surely know of the great achievements in our Long Beach Harbor area of our shipbuilding industry. Theirs has been a record of success in every assignment made to them.

Permit me to state with a sense of pride which I know you will see as justified when I remind you of the following facts about the Long Beach Harbor. It is municipally owned and managed by a harbor commission through a port manager. A steady stream of foreign and coastwise commerce swiftly and safely sails in and out of this port which has a depth of at least 35 feet at low tide and so the dockage accommodates the largest seagoing ships.

During 1940 the cargoes aggregated over 3,000,000 shipping tons at an actual commercial value of over $86,000,000. In peacetime shipping, this harbor so strategically located on the North American Continent, as the ports of all the world come closer and closer together, as a result of speed in air and water and rail transportation, Long Beach Harbor handled tons upon tons of crude rubber, Philippine sisal, copra, vegetable oils, coffee, tea, raw silk, newsprint, cotton, oil, lumber, as well as tons of many manufactured goods.

The shipbuilding industries there have had, and honorably and with dispatch, contracts for over $300,000,000 worth of merchant and Navy ships, while the harbor and the industrial zones are the vantage point of a converging highway and rail web of transportation, emanating from the world-famous agricultural areas of southern California.

Huge modern terminal buildings and warehouses accommodate rapidly increasing passenger and freight traffic. Long Beach Harbor, on account of the income from oil royalties on leased tidelands, is being improved and maintained by oil-well revenues. It has already over 100 producing oil wells and area in which to drill at least 100 more wells. This continuing income, has permitted a planned harbor development not dependent upon tax or bond issues upon taxable property.

As total peace comes to this war-torn world, this great Long Beach harbor and the other great harbors of California will have open docks, wharves, warehouses, and shipping facilities second to none on the shores of any land.

As the population figures of our last census show the peoples of our Nation moving from the East to the West, so the shores of the Pacific will come closer to each other and the peoples of all nations will know each other better, because they will travel through the air and over the seas more than air or sea travel was ever witnessed before.

I am happy to compliment and felicitate the great merchant marine of our Nation upon their achievement in war and upon their place which seems assured in world peace and plenty, as an indispensable arm of American security and contribution to world trade and world understanding.

Mr. BLAND. Mr. Speaker, I yield one-half minute to the gentleman from Texas [Mr. COMBS].

Mr. COMBS. Mr. Speaker, I desire to join in this recognition of Maritime Day as the representative of the Second District of Texas, whose port system is second only to New York in the tonnage carried by its ships, more than 41,000,000 tons annually.

I am conscious of the fact that the press of important legislation and the desire of a large number of the Members to pay tribute to the American merchant marine make it necessary to limit greatly the time of each speaker. Even so, the fact that my district contains the great port and waterway system of the Neches-Sabine, serving the cities of Port Arthur, Beaumont, Orange, and Port Neches, I cannot permit the opportunity to pass to join with others of my colleagues in paying brief tribute to the men and the women who build the ships of the American merchant marine, and the men who go down to the sea in ships to sail them all over the earth. I, therefore, ask unanimous consent to extend my remarks in the Appendix.

First of all, as a citizen and as a Member of the Congress, I recognize the vital part which the merchant marine has played in the conduct of the war, and how vital it is that we shall continue to maintain a great merchant marine for the service of this country in peace when the war is finished.

From the great shipyards of Orange, Beaumont, and Port Arthur have poured a great stream of merchant and naval vessels since before Pearl Harbor. More than 30,000 men and women have been working faithfully in those great yards to produce these ships, without a strike or a threat of a strike. I personally know that a very great number of the men and women who build these ships have not had a vacation of any kind in more than 3 years. Many have not taken so much as a holiday from their work station.

When the final story of this war is written, the great service rendered this Nation by those who have built the ships to carry the men, munitions, and supplies to the battle fronts all over the world will be a bright page in that history.

However, the ships alone could not do the job. It takes brave and capable seamen to operate the ships.

Along the Neches-Sabine ship channel in southeast Texas are located six great oil refineries, which produce approximately one-fifth of the entire high-octane gasoline of this Nation. On that same channel is located the largest butadiene plant in the world, producing more than 120,000 tons of synthetic rubber per year. In that same area are converged 31 great oil pipe lines, which radiate into the oil fields all over Texas, Louisiana, Oklahoma, and Arkansas, and a great fleet of tankers ply our waterways to take crude petroleum and finished petroleum products to the eastern seaboard, and also to carry the refined products of our great refineries to the battle fronts across the seven seas. The men who man those ships as merchant seamen, as officers and crew, have faithfully done their job, have dared enemy torpedoes and shells and bombs, and many have given their lives. In that connection I might point out that high-octane gasoline and other petroleum products carried from our area, are dangerous cargoes to transport. Many of our brave lads who manned the great tankers have lost their lives at sea in the flaming oil that marked the spot where the ship went down.

So today I join with you in paying tribute to the men and the women who build the ships, and to those who go down to the sea in ships to sail them. Our Nation owes them much for the faithfulness with which they have done their job, and it is a privilege and a pleasure to express to them in this manner this tribute of grateful appreciation for their services and their sacrifices.

Mr. BLAND. Mr. Speaker, I yield such time as he may desire to the gentleman from Louisiana [Mr. MORRISON].

Mr. MORRISON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BLAND. Mr. Speaker, I yield one-half minute to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Speaker, I am honored to pay tribute to the gallant men of the American merchant marine. I feel sure that the personal gratitude that I feel in my heart is representative of the millions of soldiers who have been chauffeured, supplied, and sustained throughout the world by the courageous and efficient work of this great army of men.

I cannot forget, and would be ungrateful if I did not mention that only yesterday the Atlantic Ocean and the Mediterranean Sea were unpleasant places in which to work and travel. And not so long ago in that beautiful Mediterranean my fine unit of American soldiers and the gallant merchant marine had a nasty rendezvous with Hitler's supermen from under the sea and out of the sky. It was an unpleasant affair, and lasted longer than the mental, physical, and emotional strength of men should have to endure. The merchant marine came through with courage, determination, and gallantry. That is only one of the thousands and thousands of necessary and difficult tasks they have ably performed.

At times they must feel that they are the forgotten men of this united struggle for freedom. They are cloaked in anonymity, wearing no uniforms to distinguish their service. They have formed a human life line to the armed forces all over the world, braving storms, submarines, sea and air attacks. When they come home no bands will play for them, nor will the greatness of their service be noticed by the passers-by when they walk down the street.

Nevertheless, they have "kept on sailing" when the dangers which confronted them on every cruise in peacetime have been intensified by a thousand times in war.

I am confident that men serve in the merchant marine for no other reason than service. It is not an attractive or profitable or safe way of life. It is an unselfish service of which all America is grateful and proud.

I am pleased that the War Shipping Administration has recently recognized their singular service, and has announced that 100 of the new Liberty and Victory ships are to be named after merchant seamen. I hope soon that the American Congress will honor them with more material and lasting benefits.

Sgt. Frederick Ebright is the author of a poem, Sailor and the Star, which is apropos:

Polaris burns blue-white above the rocking mast,
Aloof and changeless through the changing years;
Steadfast bright star by which the course is set
Through chaos of dark hemispheres.

Let, then, this star be compass for your hope,
You, sailor, who will chart tonight its gleam;
Let its blue fire keep alive for you
The time, the word, the promise and the dream.

I am hopeful, Mr. Speaker, that the star will not be an empty one, that their hope of a decent and peaceful world where men may live honorably with one another will be realized.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the subject of Maritime Day today may have the right to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLAND. Mr. Speaker, I yield the remainder of the time to myself.

The SPEAKER. The gentleman from Virginia is recognized for 5 minutes.

Mr. BLAND. Mr. Speaker, shortly after the President issued his proclamation for the day, he left to our hands the great tasks he had begun, and no task is greater than the maintenance of a virile American merchant marine. We shall be true to that task.

In 1935 the President was perplexed with the problem of the American merchant marine and troubled about the means by which it might be restored. On March 4, 1935—that is a little over 10 years ago—he sent a letter to the Congress of the United States, in which he said:

To me there are three reasons for answering this question of whether the United States should have an adequate merchant marine. The first is that, in times of peace, subsidies granted by other nations, shipping combines, and other restrictive or rebating methods may well be used to the detriment of American shippers. The maintenance of fair competition alone calls for American-flag ships of sufficient tonnage to carry a reasonable portion of our foreign commerce.

Second, in the event of a major war in which the United States is not involved, our commerce, in the absence of an adequate merchant marine, might find itself seriously crippled because of its inability to secure bottoms for neutral, peaceful, foreign trade.

Third, in the event of a war in which the United States itself might be engaged, American-flag ships are obviously needed, not only for naval auxiliaries, but also for the maintenance of a reasonable and necessary commercial intercourse with other nations. We should remember lessons learned in the last war.

He then mentioned various efforts to provide aid by legislation, and said:

I propose that we end this subterfuge. If the Congress decides that it will maintain a reasonably adequate American merchant marine, I believe that it can well afford honestly to call a subsidy by its right name.

Under the inspiration and guidance of the President's leadership, there was passed the Merchant Marine Act, 1936. The work of rebuilding and restoring the American merchant marine was begun, slowly at first it is true, but begun nevertheless, and on August 31, 1939, the day before Germany invaded Poland, on the last day of world peace, the *America*, which was the largest ship we had ever built was launched.

On August 31, 1939, on the occasion of the launching, President Roosevelt wrote Admiral Land as follows:

MY DEAR ADMIRAL LAND: The launching of the *America* gives me the greatest personal gratification. It is one of the most important events to take place in the world this year. It signifies an early return of the merchant fleet of the United States to a dominant position on the oceans of the world.

When the Maritime Commission was created in 1936 our merchant fleet had lapsed into a lamentable state. New construction of oceangoing vessels had virtually ceased, following the war, and the average remaining economic life of the merchant fleet was less than 5 years. Now, that situation is changed. Contracts will have been let for approximately 100 ships by the end of this year. Eighteen other ships have been launched.

The program of 500 ships within 10 years which has been developed by the Commission and approved by the Executive with consideration of our national defense as well as our commercial needs, is one of which the Nation can fairly be proud and in which every citizen has a direct interest. It is not an extravagant program. It is a modest program which will give this country a fleet competitive, if not superior, in speed, efficiency, and safety to those of other nations. It will place 3,950,000 gross tons of new ships on the high seas.

I am particularly thankful for this good work by the Maritime Commission at the present moment. The tense state of the international situation makes it particularly desirable that we have a merchant fleet capa-

ble of carrying our commerce if and when foreign ships are withdrawn, and, should the unfortunate necessity arise, of serving as the necessary supply force for naval vessels. You and I know, from our work during the war, the disabilities of a navy which lacks an adequate merchant fleet. With all its enormous potential combat power, such a navy is tied to its land bases.

When the *America* goes into service on the North Atlantic next spring she should be filled to capacity on every voyage. The largest ship ever to be built in an American shipyard. I am glad also to be advised that when this ship puts to sea she will be the safest ship in the world—an attribute of which we may all justly be proud.

It is pleasing to know that the United States Lines have given the Commission such fine cooperation in the design, construction, and fitting out of the *America* and to know that this splendid cooperation will produce the last word in efficiency and comfort.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

The importance of the action taken in 1936 is evidenced by the contribution by that act to the glorious victory which we have already won and the victorious war we are now conducting against Japan. The *America* is now the United States Navy transport *West Point*.

By the glorious, unrelenting cooperation of shipbuilders, ship operators, ship owners, and merchant-marine labor of all kinds, officers and seamen, and all kinds of maritime personnel, the victory in Europe has been won, and victory over Japan is on its way. In 1939 the first of a modern fleet of cargo ships was delivered. At the end of 1940, 46 of these were at work.

By the time of Pearl Harbor 50 more had been added, and shortly thereafter the first Liberty ship, the *Patrick Henry*, was delivered for war service.

The Commission was directed by the President in 1942 to build 8,000,000 deadweight tons of shipping. The goal was exceeded. Sixteen million tons was the mark set for 1943. More than 19,000,000 tons were delivered.

By the time we were back in the Philippines more than 4,000 cargo ships built in the wartime period in United States shipyards were at work for the United Nations. Officers and men of the merchant marine numbered about 55,000 in 1941, and more than 200,000 were sailing in December 1944.

On January 1, 1942, we had 11,000,000 dead-weight tons of ships, and on May 1, 1945, 47,554,000.

In round figures, there was shipped from the United States on all flag vessels in 1944, 56,600,000 tons in dry cargo ships and 29,900,000 tons in tankers, or a total of 77,500,000 long-tons.

The number of men in merchant-marine labor force was 225,000, with merchant seamen dead 774, missing 4,805, prisoners of war 487, as of April 20, 1945, or a total of 6,066.

Awards made by the committee on merchant-marine medals award from the beginning of the war to April 1 total 104 distinguished service medals, 5 meritorious service medals, 3,405 mariner's medals, 32 congratulatory letters, 174,982 merchant-marine emblems, 80,379 combat bars, 3,682 defense bars, 325,504 war-zone bars for service in the Atlantic, Pacific, or Mediterranean-Middle East war zones. These medals are authorized by Congress under Public Law 524 and Public Law 52.

The heroic services these medals typify are illustrated by two issued in April 1945, as follows:

Ensign Harry V. Quibell, whose home address is 180 West Eighty-eighth Street, New York City, was awarded the meritorious service medal following services as purser of the steamship *Grace Abbott*, operated by Calmar Steamship Corp., 25 Broadway, New York City. The ship was in a harbor only a few miles behind the actual battle front when the entire area was hit by a devastating air attack, which fired or sank several ships. Though the harbor waters were ablaze with burning oil, Quibell volunteered to man a lifeboat which effected the rescue of two survivors of a sunken British ship who were in danger of being burned by the floating oil fires. A few days later, when the harbor suffered another prolonged enemy attack, he set up an emergency station aboard his own ship and tirelessly rendered medical and surgical assistance for several days and nights to many seamen from other ships wrecked in the disaster.

Third Mate Edward J. Connor, 209 Underwood Street NW., Washington, D. C., received the medal following action on the steamship *John Calhoun*, also operated by Calmar Steamship Corp. While the vessel was moored on the outboard side of a heavily laden ammunition ship, the steamship *John Calhoun* was set afire by an internal explosion. Though the fire was raging toward the engine room and there was danger of new explosions from high-octane gasoline, Connor with the chief engineer, and his three assistants, and a fireman, refused to abandon ship, and remained aboard throughout the night fighting the fire until it was extinguished.

These men have shown the spirit that never yields, that never surrenders, that has made America glorious in the past and immortal for the future. It is the spirit that sounded the stirring call, "Don't give up the ship."

It was the spirit of the Alamo, where the call to surrender was answered with a shot, and where the brave defenders died to the last man.

That was the spirit of Lexington. It was the spirit of Yorktown. It was the spirit of 1776. It has been the spirit of all the intervening years between 1776 and the present time. I hope and predict it will be the spirit of America in all the years that are to come.

We have labored hard and returned the American flag to a position of prominence on the high seas. We shall keep it there.

We have built a great fleet surpassing the combined tonnage of all other merchant fleets of the world. Our shipping industry has expanded its organization to operate this new fleet efficiently in the cause of victory. We have quadrupled our number of trained seamen. We have knit a smooth functioning team between our armed forces and our merchant marine, and between Government, maritime labor, and management. This team has helped to bring us victory in Europe.

The job of the merchant marine is just begun. For our merchant seamen, there will be no rest until Japan is reduced to the status of Nazi Germany, until the world is repaired, and until the mechanism of preserving the peace is completed.

We have still to realize the magnitude of the task that awaits us in the Pacific. Three ships will be needed to do the job that one ship did in the Atlantic. Supply lines that extended 3,000 miles in the war against Germany are now stretched into 7,000 miles, and 14,000 miles the long way around. Whereas in the European war we were able to capture, in varying stages of repair, harbors and port facilities, in the Pacific we will have to build them. Unloading and turnaround of ships will inevitably be more time consuming than in the European war. Yet, in the face of all these difficulties we can say confidently that the American merchant marine will meet the test.

We have much to be thankful for today and many who are worthy of recognition. Admiral Land and his capable staffs in the Maritime Commission and in the War Shipping Administration have done a tremendous job. From the inception of the war until the first day of this month they have produced over 4,900 ships, aggregating 47,554,000 deadweight tons. The fleet we had at the outbreak of the war has been requisitioned, armed, and, where necessary, converted. The War Shipping Administration has supervised the loading and unloading of this huge armada and directed its movement throughout the world. It has recruited and trained the personnel to do this job in the short space of little more than 3 years.

Throughout the war the maritime industry and unions have lent their talent and resources to the accomplishment of this task.

The story of the American merchant marine at war is symbolized by the *Patrick Henry*, which was delivered soon after Pearl Harbor, and was the first of our great fleet of 2,700 Liberty ships. Despite the constant peril of undersea craft, air attack, and mines the *Patrick Henry* has traveled 90,000 miles, delivering 110,000 tons of war cargo, feeding the north African, Italian, and Normandy campaigns, and delivering supplies to our Russian allies. In all her travels the *Patrick Henry* has carried the supplies necessary for one army division. Multiply the demands of our millions of men overseas, of lend-lease for our gallant allies, of our war industries for strategic imports, and of the war-wrecked nations for relief supplies and you will get some idea of what our merchant marine has done and must do.

As chairman of the Merchant Marine and Fisheries Committee I have two aims in the months ahead which I am certain are shared by the entire committee. One is to do something about the ships and the other is to do something for the men who sail them.

This Congress must bring forth a measure to facilitate the transfer of the war-built, Government-owned fleet to capable private hands in a manner which will foster the long-run growth of American foreign commerce and American shipping. We must carry forth the good beginnings made in the Merchant Marine Act of 1936 toward returning America to

the seas. We must encourage an orderly program of replacement, thereby keeping our merchant marine modern and efficient. We must build many new vessels to give us a well-balanced fleet and in particular many passenger vesels for the postwar years. How important to our future security and to peace for the entire world is the construction of an adequate American passenger fleet can be seen from the fact that in this war, the two great British liners, the Queen Elizabeth and the Queen Mary, have carried over a million troops without convoy protection and without loss.

In the hearing room of the House Merchant Marine and Fisheries Committee we have a painting of several torpedoed seamen on a raft. The raft is little more than a wooden crate. It has served as a constant reminder to me that the men who went down to the sea in ships, particularly in the early days of this war, unarmed, must be assured that they will not be forgotten. Our merchant seaman did not hesitate despite great hardship and risk. There was a job to be done and they did it.

Now they are asking little enough. They want assurance that those who become war casualties will be cared for and protected and that provision will be made for their families. They want a chance for further education and I hope that this Congress will shortly enact the Seamen's Bill of Rights.

What will victory bring? Will we allow our ships to rot? Will our shipyards close and fall into disrepair? Will our technical shipbuilding and ship operating resources be dissipated? Will our trained seamen return to shoreside? The American people will render the verdict. That verdict must be: Preserve the American merchant marine. The American people have learned that our Army and Navy will not be able to keep the peace of the world without the backing of a strong merchant marine. It is our responsibility to translate the demands of the American people for the maintenance of our position as a major maritime power into reality.

God grant that we may have the strength, the vision, the patience, the knowledge, and the tenacity to make our dreams come true.

The SPEAKER. The time of the gentleman from Virginia has expired. All time has expired.

The Chair will recognize Members to extend their remarks and the Chair desires to make the statement that on Thursday, Friday, and Saturday of this week the Chair prefers that no Member ask to proceed for 1 minute before the legislative program of the day.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent that after disposition of the business on the Speaker's desk today and at the conclusion of any special orders heretofore entered I may be permitted to address the House for 2 hours.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and to include a statement made by himself before the Committee on Appropriations yesterday dealing with the Bureau of Reclamation.

Mr. JARMAN asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mrs. DOUGLAS of Illinois asked and was given permission to extend her own remarks in the RECORD and include an article by Oscar Vogl of Chicago entitled "Black Markets Are Treasonable."

LITTLE STEEL FORMULA

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEARHART. Mr. Speaker, I am today introducing a resolution, the purpose of which is to expand the Little Steel formula so as to permit wage increases up to 30 percent of the wages prevailing on January 1, 1941.

My resolution, seeking to reflect the opinion of the Congress, would petition the President, the National War Labor Board, the Director of War Mobilization and Reconversion, the Director of Economic Stabilization, and other officers of the Government having authority over the subject matter to effect the necessary changes in the Little Steel formula immediately.

Mr. Speaker, there is no doubt in the world but that the cost of living has risen far above the compensating increase in pay which my resolution recommends. Even the most conservative economists, economists who ignore the impact of war taxes, admit that the cost of living has increased 29.4 percent over January 1, 1941.

In fact, the Congress is already on record in respect to this compelling subject. Already considerable legislation granting substantial pay increases—some, I admit, so inadequate as to require immediate revision—has passed one or the other or both of the Houses of the Congress.

On the list of those who are to be accorded pay increases are the postal workers, the Federal employees, United States judges, their clerks and attachés. The House has not even overlooked the pay of its own Members. The granting of a tax-free expense allowance of $2,500 represents far more than the pay increase in wages up to 30 percent which my resolution provides for. Can we, of all people, say nay to the workingman?

In view of this developing situation, to deny to the workingman who has suffered the most as a consequence of the War Labor Board's stubborn policy of "stand pat" indifference to their plight would constitute a discrimination with which I will have no part. Simple justice requires the increases in wages I propose.

Mr. Speaker, I beseech the prompt and favorable consideration of my resolution.

OFFICE OF PRICE ADMINISTRATION

Mr. GARDNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. GARDNER addressed the House. His remarks appear in the Appendix.]

HOME-FRONT SACRIFICES

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, we have all been reading in the papers the accounts of the bitter fighting on Okinawa. We also know that the Seventh War Loan drive is at present under way. One of the biggest race tracks in America is right in the middle of my district, but I cannot refrain, as I contemplate the suffering of those men on Okinawa, from raising my voice in protest against the reopening of race tracks. Time, money, and transportation will all three be poured out not only attending races but in wagering on their outcome. It just seems to me that the kind of attitude toward our continuing great war effort that is generated by that sort of thing is the very opposite from the one that we ought to preserve, even at some sacrifice in our country, until the last American soldier is free from the danger of enemy action.

PERMISSION TO ADDRESS THE HOUSE

Mr. LARCADE. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

EXTENSION OF REMARKS

Mr. TRIMBLE asked and was given permission to extend his remarks in the RECORD.

FOREIGN TRADE AGREEMENTS

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3240, with Mr. WOODRUM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield myself 40 minutes.

PREVIEW

Mr. DOUGHTON of North Carolina. Mr. Chairman, our committee held hearings on the proposed extension of the Reciprocal Trade Agreements Act, H. R. 3240, now under consideration, for almost 4 weeks, including several night sessions. The record is so voluminous, something like 3,000 pages, that I doubt if all the members of the committee have had time to read in full these hearings, and, of course, few, if any, of the Members of the House have or ever will read these thousands of pages of material. However, I urge the Members of the House who are soon to vote on this important legislation to read the committee report, which is a summary of the testimony. In some respects these hearings were most unique in that a large part of the testimony was given by members of the committee, mostly the minority members, who, on several occasions, interrupted the witnesses to make lengthy stump speeches and state and restate over and over again their own views on the bill.

EXPLANATION OF BILL

The bill under consideration has as its purpose the extension and strengthening of the reciprocal trade agreement program. * Section 1 extends for an additional 3 years the authority of the President to enter into foreign trade agreements. Under existing law the authority will expire June 12. Section 2 of the bill further broadens the authority of the President in connection with making such agreements. It provides that a further reduction or increase in tariff rates of 50 percent on duties existing January 1, 1945, may be made in order to strengthen our position in making trade agreements with other nations. This authority, contrary to widespread belief, is not an automatic reduction in tariff rates but is to be utilized only in securing favorable trade agreements for the United States. The present authority to change tariff rates has never been employed in whole or in part, except in cases where it was found to be to the advantage of our country, and we may expect in the future the same discriminate and cautious handling of this authority.

Sections 3 and 4 are simply clarifying amendments incorporated in the bill to more clearly express the intention of the original act. The committee felt that it was advisable to insert section 3 to make it clear that wartime reductions in duty are not to be used as a basis for the application of the increased authority extended in section 2.

Section 4 further strengthens the trade agreement program and safeguards the bargains formulated in the application of the act by providing that the War and Navy Departments must be consulted in connection with the making of foreign trade agreements. The original law provided that in negotiating these agreements the President must consult the Tariff Commission, the Departments of State, Commerce, and Agriculture. Thus with the addition of the War and Navy Departments to the consultation list, we have assurance that our strategic and critical materials relating to national defense will be thoroughly safeguarded.

REASONS FOR ORIGINAL ACT

It will be recalled that regardless of what may be said of the cause, the country was on the brink of economic ruin when the Democrats took over the affairs of the National Government in March 1933. When I opened the debate on the original reciprocal trade agreements bill in March 1934, I pointed out that a year earlier millions of our people were unemployed and walking the streets and highways vainly seeking jobs; banks were closing daily in every section of the country; starvation and destitution were lurking in every nook and corner of the land. Justified fear had seized the minds of the people. Farmers were losing their homes and being forced to dispose of their crops at ruinously low prices. The economic conditions of the country had no parallel in history. These conditions were described as "an economic pestilence" and "an unparalleled calamity." Many relief measures, such as NRA, WPA, Youth Administration, and others, were enacted.

Much of the blame for our country's condition at that time can be attributed, as was foretold by more than 1,000 economists, to the almost insurmountable tariff barriers culminating in the Hawley-Smoot Act in 1930. It certainly contributed to, deepened and prolonged the depression, if it did not cause it. You will recall that President Hoover, when urged to do something to relieve the economic conditions, in reply tried to belittle the situation by saying that prosperity was just around the corner; but did not say around which corner, or whether it was coming or going. Evidently he must have meant around the corner of the world as it certainly was not to be found in the United States. It didn't show itself again either until it was gone after and brought back by a determined and capable Democratic administration and Democratic Congress. When a depression occurs under a Republican administration it is always attributed, by them, to some cause other than Republican laws or policies, but when a depression occurs under Democratic administration it is invariably charged to Democratic laws and policies.

In order to round out the domestic recovery program the Congress gave the President authority in the original Reciprocal Trade Agreements Act to deal with matters of international trade. The act was for the purpose of reopening the markets of the world which had been lost by our high-tariff policy to the surplus products of American farms, mines, and factories. It provided for the exchange of the surpluses produced by the United States for the needed surplus products of foreign countries. I now maintain, and the record will bear me out, that this act has played a major part in the recovery of our foreign trade since those dark days.

ACCOMPLISHMENTS

The United States has negotiated mutually beneficial trade agreements with 28 countries. We find that trade with agreement countries has increased by a much greater percentage than with nonagreement countries. For example, between the years 1934–35 and 1938–39 our exports to agreement countries rose by 63 percent, while our exports to nonagreement countries rose by only 32 percent. The imports from agreement countries rose by 22 percent, while the imports from nonagreement countries rose by only 13 percent. This favorable record speaks for itself in spite of attempts made to place a different interpretation upon it.

This record was accomplished in an era of world disarrangement. World War II has prevented the reciprocal-trade-agreements law from proving its full value. The program has not yet had a fair and full test in a normal period.

REASONS FOR EXTENSION OF THE ACT

After World War II we will find ourselves in a world of economic dislocation and confusion. By the nature of things, exaggerated and oppressive barriers to international trade will spring up unless some country takes the leadership in a world organized on a policy and program of cooperation both politically and economically. The act, if extended as reinforced by this bill, will place this country in the role of such leadership.

We are the world's greatest producer nation and also the world's greatest consumer nation. We must find an outlet for the enormous amounts of surplus goods and farm products which will eventually pile up when this country has gone back to full peace-time production under new and improved technological development.

We have moved from a position as a debtor nation to that of a creditor nation. In order to get pay for exports we must accept imports from other nations, and this must be done through reciprocal agreements, whereby we grant concessions and receive concessions in return to the mutual advantage of both parties.

The whole idea of the Reciprocal Trade Agreements Act is to find a better market for our surplus products in a world freer from economic barriers which means fuller employment, larger profits, and a higher standard of living.

In a recent press release by the minority members of the committee in an attempt to justify their opposition to this bill they took occasion to quote from the Epistle from St. Paul to Timothy, as follows:

> But if any provide not for his own and especially for those of his own house, he hath denied the faith and is worse than an infidel.

I accept the philosophy of this quotation and by my vote on this bill shall endeavor to keep that faith with our national household. This is the definite purpose and intent of the reciprocal trade program, that is, to find a profitable and expanding market for the surpluses produced on our farms, in our factories, and in our mines, resulting in higher wages, fuller employment, and a more abundant life for all segments of our population, which materially

strengthens our social and economic structure, thereby fulfilling the Scripture quoted by our friends of the minority. I remind them further that the Bible also says that some wrest the Scriptures to their own destruction. My friends of the minority on our committee are honest, sincere, and patriotic. However, on the subject of a high protective tariff they are like Ephraim of Bible fame, "Joined to their idols, a cake not turned," which undoubtedly means burnt on one side and raw on the other.

GOSPEL OF FEAR

Opponents of the bill admitted that they had not been hurt by the reductions in tariff rates already made, but expressed fear that sometime in the distant and uncertain future they might suffer because of duties lowered under trade agreements. Fear was the text, the sermon and the song of the opposition. The American Tariff League, the spearhead of the opposition, has been working overtime creating fear, fear, and more fear. The future of the United States was painted in very dark and somber colors. Apparently this nightmare of fear had so overwhelmed the opponents that the favorable experience of 11 years could not dispel it. Based on the fear motive a number of crippling and destructive amendments will be offered to the bill. I warn Members of the House against the dangers concealed in these innocent looking amendments.

As one example of fear, we heard about the low wages of foreign countries which allegedly will ruin the workers of the United States. This low-wage fear of foreign competition reached an all-time high when a witness, with a perfectly straight face stated that sometime, somewhere in the jungles the wages being paid workers in mining amounted to 5 cents a week. That was even too absurd for my genial colleague the gentleman from Minnesota [Mr. KNUTSON] who thought that the witness must have meant 5 cents a day, but the witness held on to the absurdity of his 5 cents a week wage; he had heard it some place—and it must be true. That is just one illustration of the extremes one reaches when he is obsessed with fear. The same keynote of fear, and in desperation to find an excuse for opposing this bill when no sound reason could be found, was struck in 1934, in 1937, in 1940, and again in 1943, and by some of the same opposition witnesses who are still seeing the road full of ghosts. The Hawley-Smoot high protectionist cry is repeated every time the trade-agreements bills come before the House.

Economic warfare had developed so far by the time the Democratic administration came into power in March 1933 that a unilateral reduction of the Hawley-Smoot Act would not have served the obvious necessity of getting foreign tariffs and other trade restrictions lowered. The Hawley-Smoot Act was not repealed outright because lowering our own tariffs would not have brought the necessary inducement to other countries to cause them to drop the retaliatory barriers which they had erected against our exports. The extraordinary conditions called for a new approach to the tariff problem. A program along the lines of the Trade Agreements Act seemed the only practical and feasible way of restoring to the United States a normal amount of world trade. It was necessary to provide the Executive with authority to negotiate reciprocal trade agreements and furnish the machinery to meet the ever-changing economic and trade conditions, then demanding immediate attention. That power was granted for a period of 3 years. The authority granted was administered in keeping with President Roosevelt's message of March 2, 1934, when he asked the Congress for the enabling legislation, stating, in part:

> I would emphasize that quick results are not to be expected. The successful building up of trade without injury to American producers depends upon a cautious and gradual evolution of plans.

That was the consistent philosophy and constant practice behind the program as administered by the great Secretary of State Cordell Hull. It is the intent of the committee that this will continue to be the case under this additional grant of authority to be administered by Hon. Will Clayton, the Assistant Secretary of State, in charge of Economic Affairs. Those who feel that the program has moved too slowly have asked why, after 11 years, all the original authority has not been utilized. For one thing it has not been possible to negotiate agreements with certain countries which are the prime suppliers of some of the important imports. In spite of the criticism, the principal supplier procedure has been a controlling factor. Another important reason is that after careful study by the responsible interdepartmental committees it was not found feasible to make the full 50 percent reduction on account of possible injury to American producers.

Certainly that caution should give comfort to those who have charged that irresponsible bureaucrats were determined to destroy American industry. As was the case in the passage of the original act, I reemphasize that what we are doing here is extending an enabling act, which grants permissive power only. It is not a directive, nor has it been so administered during the past decade.

Many will say, "If you grant it, it will be utilized." The full 50 percent has not been utilized, except to about 42 percent on certain imports into this country. The very fact that it has not been utilized demonstrates with what caution those who are administering the act have proceeded.

Use of the power is only permissive, not directive. It was clearly brought out at the hearings that scrupulous care has been exercised in the administration of the Trade Agreements Act to insure that all interests in our national economy are adequately safeguarded, both with respect to the situation existing at the time a particular trade agreement is entered into and with respect to various contingencies which might arise thereafter.

Pursuant to this act there has been set up an interdepartmental organization known as the Committee on Reciprocity Information, composed of responsible officials of the Tariff Commission, the Departments of State, Commerce, Agriculture, and Treasury. It is through this organization that private interests present their views and information relating to any item or items which are under consideration. Before any attempt is made to negotiate a trade agreement with any foreign country, notice is published in the Federal Register and other governmental publications, and in the press. All interested parties are given the same opportunity to file briefs with, or to appear in person before, the Committee on Reciprocity Information, as is given to interested witnesses who appear before any standing committee of Congress and are given the same consideration. This testimony of witnesses is thoroughly organized and briefed by specialists on the staff of the Tariff Commission and then made available to the Trade Agreements Committee, which is also an interdepartmental committee which coordinates the work of all the Government agencies in the administration of the trade-agreements program.

SAFEGUARDS

Note how this law is safeguarded in every possible way.

In addition to the safeguards provided by the character of the procedure and organization under which trade agreements are negotiated, specific provisions have been included in the trade agreements themselves which insure that the public interest will be protected and that the interests of our domestic producers will be properly safeguarded.

One example of an escape clause is the provision, included in most of the agreements signed since 1940, providing for consultation with the foreign government should any circumstance arise which is considered to prejudice domestic industry or commerce. If the two Governments do not arrive at a mutually satisfactory adjustment, the agreement may be terminated, either entirely or in part, on short notice.

That is the escape clause, so that if it is found that the country is being overrun with an unusual or an undue amount of imports which might injure any major domestic industry, then there is an escape clause where the agreement may be modified or terminated on short notice. I am assured that a similar provision will be included in all agreements negotiated under the new authority.

Still another provision found generally in trade agreements permits the imposition, after consultation with the other government, of quotas on the importation or sale of products on which concessions have been granted, in conjunction with governmental measures operating to regulate the production, market, supply, quality, or price of like domestic products, or tending to increase the labor costs of production of the like domestic products or to maintain the exchange value of currency of the country.

A good deal has been said about concessions that other countries have given us being of no effect because the other countries have depreciated their currency. That is all fully replied to and thoroughly explained by Mr. Taft, who

appeared before our committee and refuted all these absurd statements. There was no foundation for the statements in the first place.

The foregoing are some of the more usual provisions to be found in our trade agreements and illustrate the care which has been taken in their negotiation to provide safeguards in the event that unusual or special developments make adjustment desirable after a trade agreement has been entered into.

If some unusual development arises or if there is something unforeseen at the time the trade agreement is entered into it can be taken care of under the escape clause. I do not see how it would be possible to provide any greater safeguards than are provided in the act and the provisions under which the act operates.

As Cordell Hull has said, these safeguarding provisions are in accordance with the general policy of the trade-agreements program of providing flexibility in order to protect the interest of domestic producers whenever necessary. These safeguarding provisions are in keeping with the purpose of the law as written, and follow the intent of the committee in the administration of the act.

TESTIMONY OF WITNESSES

The Trade Agreements Act was one of the main pillars in the foundation for a better and sounder structure for economic peace and cooperation as was first envisioned by our late President, Franklin D. Roosevelt, who, before his untimely death, endorsed the pending legislation. In one of his last messages to Congress he stated that the act should be renewed in order that the great work of Secretary Hull might be continued. President Truman also expressed his strong approval when in his message to Congress on April 16 he stated:

> We have learned to fight with other nations in common defense of our freedom; we must learn to live with other nations for our mutual good; we must learn to trade more with other nations so that there might be—for our mutual advantage—increased production, increased employment, and better standards of living throughout the world.

Our distinguished former colleague and ex-Secretary of State, the Honorable Cordell Hull, sent a message emphasizing the importance of this legislation, stating that he had complete confidence that the act would continue to be carried out wholly in the best national interest and in the same careful and scientific manner in which it had been carried out for the last 11 years.

The Secretary of State, the Honorable Edward R. Stettinius, in his statement pointed out in vivid terms the close relationship between the trade agreements program and the discussions now going on in San Francisco.

The Honorable James A. Farley, an outstanding citizen, gave his wholehearted endorsement to this program.

These are only a few of the many outstanding individuals of the country who are urging that this legislation be speedily adopted.

During the course of the hearings many important groups representing business, labor, agriculture, and consumers generally appeared endorsing the principle of the bill before us.

Mr. R. E. Short, president of the Arkansas Farm Bureau Federation, appeared as a designated spokesman of the American Farm Bureau Federation, whose membership includes some 830,000 farm families in 45 States; the United States Chamber of Commerce; the Business Advisory Council of the Department of Commerce; Mr. Ralph Flanders, president of the Federal Reserve Bank of Boston, and Mr. Ernest Kanzler, chairman of the board of the Universal C. I. T. Credit Corporation, on behalf of the Committee for Economic Development; chambers of commerce and boards of trade in many cities throughout the country; the National Foreign Trade Council; the Commerce and Industry Association of New York, representing the views of some 600 businessmen in that State; the Millers' National Federation and Flour Millers' Export Association; Mr. James B. Carey, secretary-treasurer, Congress of Industrial Organizations, in behalf of 6,000,000 workers in that organization; Mr. Emil Rieve, general president of the Textile Workers Union of America, in behalf of 450,000 members of that union; Mr. Reid Robinson, president of the International Union of Mine, Mill, and Smelter Workers, representing the majority of the workers employed in the mining, milling, smelting, and refining of nonferrous metals and brass mill fabrics; Mr. Irving Richter, representing the United Automobile and Aircraft Workers, Congress of Industrial Organizations, the largest single labor union in the country; Mr. Byrl Whitney, on behalf of the Brotherhood of Railroad Trainmen; Mr. George Harrison, representing the Railway Clerks' Union, A. F. of L.; and numerous other representatives of important labor and business groups strongly endorsed the pending measure.

Mrs. Harvey W. Wiley, representing the General Federation of Women's Clubs, consisting of 2,500,000 members in 16,500 clubs throughout the country; Miss Anna Lord Strauss, representing the National League of Women Voters and its 550 affiliated leagues; and Miss Caroline F. Ware, in behalf of the American Association of University Women, an organization of approximately 80,000 college and university graduates throughout the country, appeared before the committee in behalf of the bill.

These are only a few of the many who appeared in support of this legislation.

Among the Government witnesses making important contributions to our hearings were Secretary of Agriculture, the Honorable Claude Wickard; Secretary of Commerce, the Honorable Henry A. Wallace; the Assistant Secretaries of State, Hon. Will Clayton and Hon. Nelson Rockefeller; Judge Vinson, a former Member of this House and the Committee on Ways and Means, and now Director of War Mobilization and Reconversion; Hon. Oscar Ryder, Chairman of the United States Tariff Commission; and Mr. Charles P. Taft, special assistant to Mr. Clayton in the State Department and son of a great Republican President. Mr. Taft convincingly refuted a number of points frequently raised by the opposition. I recommend that every Member of the House read his testimony.

The bill had the endorsement of some 1,300 economists of the country, some of whom were among those who warned President Hoover and the country in 1930 as to what would, and unfortunately did, happen after he signed the Hawley-Smoot Tariff Act. About two-thirds of the newspaper editorial writers of the country support the extension and enlargement of the act, in spite of the very determined opposition of the American Tariff League, which has gone into various sections of the country, making local issues of the tariff question, encouraging representatives of industry to write their Congressmen in opposition to trade agreements. The tactics of the American Tariff League were exposed in the course of the committee hearings when their own witness, Mr. Wycliff Rose, got himself and the minority membership entangled in his own maze of figures and statistical manipulation, and reluctantly admitted, under cross-examination, that his own business had never been hurt in the least by reciprocal trade agreements.

The question of the constitutionality of the act came up repeatedly during the hearings. The committee report goes into this phase and I do not wish to spend much time on it. I note that my minority colleagues seem willing to swallow, at one gulp, their constitutional objections for at least 1 or 2 years. I am just wondering how the constitutional question can differ so much as between 2 or 3 years. Apparently they did not want to be placed in the position of opposing every semblance of reciprocity, a respectable Republican doctrine as indicated by their last Republican candidate for President, Mr. Thomas E. Dewey, who replied as follows, after his nomination last June, to a question by the press:

> You mean the Republican reciprocal trade agreement program which Secretary Hull has been carrying out. That has always been a Republican policy, which Secretary Hull has carried out ably, and which I hope the Republicans will continue to carry out.

Some of my friends on the left assumed the role of the defenders of labor, as if this administration had not been solicitous of the welfare of wage earners.

Listening to the hearings, one might gather the impression that our friends on the other side of the aisle were wholly responsible for the numerous labor laws, such as social-security, wage-and-hour, and other measures sponsored by the Democrats, and that the minority members of the committee were making a last-ditch fight for labor, protecting workers from the wily foreigners and untrustworthy Democrats who were ready to ruin this country by imported products. This administration is willing to stand on and is proud of its record as far as its aid to workers is concerned.

The careful procedure worked out for the negotiation of trade agreements came in for much criticism during our hearings. The reciprocity hearings were referred to as star-chamber proceedings. It was charged that employees of the State Department retired to dark and secret chambers with foreigners to damage and destroy American producers. In contrast, the statement was made that

congressional committees worked as openly as in a gold-fish bowl where everyone could see what goes on. It is pretty obvious that anyone making any such statement could not have witnessed a congressional tariff revision, especially of the Hawley-Smoot vintage. Certainly the sessions of the Ways and Means Committee during the consideration of the Hawley-Smoot bill could hardly be said to have been held in a gold-fish bowl. I was a member of the committee at that time and I, as well as the other nine Democratic members of the committee—two-fifths of the elected Representatives of the people—was excluded from the committee's executive sessions on the bill. Instead, I am reliably informed that the Democratic members' seats were occupied by tariff lobbyists, who were kept well informed and who were prompting the Republicans in their formulation of the Hawley-Smoot bill. Furthermore, when the bill reached the floor a special gag rule was brought in to permit amendments offered only by the majority members of the committee. Is that the sort of gold-fish bowl procedure the minority wants when they now complain of star-chamber methods? They must mean a gold-fish bowl with the sides painted over and a lid on top. Our minority friends should really keep quiet about star-chamber actions on trade-agreements procedure.

The trade agreements program is a program for economic disarmament built on well-tested procedure. Reestablishment of international commerce on a sound basis after this war, so that the greatest possible benefits of an expanding world trade are secured to the national economy and to the world economy, will demand the widest reasonable reduction of excessive barriers to trade and the elimination of discriminatory trade practices. Eliminating these weapons of economic warfare is just as important to permanent peace as limiting military armaments among aggressor nations. Economic and political isolation go hand in hand. If you have the one, of necessity you will have the other.

As soon as victory is won, a large proportion of the present enormous war production must be transformed into peacetime industry. If we fail to give employment to the great majority of American workmen we have not learned much from the experience of the past. The returning soldiers have a right to expect jobs; this is the challenge we must face. In order to have jobs we must maintain a maximum production and exchange between regions, States, and nations. We cannot afford to let local and regional unjustified and shortsighted prejudices prevent us from obtaining production and exchange at the highest possible level. Proper and necessary exchange cannot take place if we permit impassable economic barriers to be raised and maintained. Political nationalism tends to spread war; economic nationalism tends to spread poverty. War and poverty are twin plagues and plans must be made to avoid both when this war is over.

We at least know some things which must not be done if we are to avoid such plagues. For one thing we must avoid the policy of economic isolation that we followed after World War I. By proper safeguards now we can steer clear of some of the mistakes of the past. It seems obvious that economic cooperation with the countries which are to help us at the peace table is essential if we are to have that help.

One of the prime causes of international and civil conflict today is economic insecurity. The insecurity results in no small measure when men in different countries are prevented from exchanging their products because of excessive duties and other restrictions on trade. To the extent that such restrictions can be lightened and trade increased, security will be enhanced and the danger of war lessened. No one, of course, believes that a trade agreement will turn militarists from their march to war, irrespective of the causes.

I challenge here and now the charge made during the hearings that advocates of the trade-agreements program stated at any time that trade agreements would keep us out of war. That is one of the many straw men set up as easy targets. I was surprised to hear one of my colleagues on the committee state that he could prove "beyond reasonable doubt" that the Trade Agreements Act brought on the present war. I challenged the statement at that time, and I now deny any semblance of proof of the statement. That is just a sample of the inordinate language used in opposition to this bill. To the extent that trade between nations eliminates discriminations and makes its basis fair and equal, international friction can be reduced. That was the essence of Cordell Hull's statement in relation to trade and peace. I hope we can keep the record straight on that point. A comprehensive trade-agreements program undertaken, say, 25 years ago, immediately after World War I, might have prevented much of the ill will that pervades the world today and helped to bring on World War II.

The United Nations are now organized for and engaged in war against a common enemy. Half of that victory has been won through cooperative effort. The same spirit of cooperation should be continued after the war is over, if we are to hope for a secure and lasting peace. If this war has taught us anything worth while it ought to be that no nation is, or can be, isolated, self-contained, or set apart from the world in fancied security either in peacetime or wartime.

I am older than most of you in this House, but I am proud to stand here today for a program that has in it, courage, youth, and vitality, the kind that made this Nation great, instead of the cringing, fearful, bogeyman attitude of some of my good friends who really show their age by their timidity.

Neither economic nor political isolation is possible for any country which hopes to take its proper place as a first-class world power. To try to depend on such isolation is to defeat the trends of modern industrial forces which bring the world closer together. We might well ponder the words of Cordell Hull when he said in his broadcast of July 23, 1942:

> After the last war too many nations, including our own, tolerated, or participated in, attempts to advance their own interests at the expense of any system of collective security and of opportunity for all. Too many of us were blind to the evils which, thus loosed, created growing cancers within and among nations—political suspicions and hatreds; the race of armaments, first stealthy and then the subject of flagrant boasts; economic nationalism and its train of economic depression and misery; and, finally, the emergence from their dark places of the looters and thugs who found their opportunity in disorder and disaster.

The philosophy of the trade-agreements program is to fight to the death the conditions thus explained by Mr. Hull. The basic practice of the program encourages closer economic relations with foreign countries and no one dares to say that the program has not established more friendly relations with other countries. It is a significant fact that the United States did not go to war with any nation with which it concluded a trade agreement under the act of 1934. This point goes to the very heart of the question of collaboration with other countries.

We know that the trade-agreements program represents an important phase of the peaceful economic cooperation which has been useful in wartime and which should be continued as a basis for peaceful cooperation with the other United Nations. It is the application of an intelligent and enlightened protective principle whereby the maximum opportunity of employment, production, and consumption may be assured to all American citizens. This legislation, by its nature and success, has become the key-arch in our postwar economic policy. We can talk our heads off about world cooperation at Dumbarton Oaks, at San Francisco or other points of the compass, but an inclination for action is a lot more convincing to our allies with whom we must work out a more permanent and secure peace. The trade-agreements program has become a symbol of cooperation in one phase of the postwar peace plans. In this new postwar situation we need to indicate, in a positive manner that we are sincere in our efforts to work out with foreign nations, as far as can be done without injury to any substantial domestic industry, a sound approach to the solution of some of our economic problems. Our vote on this bill will be the first real test as to whether or not we are willing to participate in international cooperation or revert to a policy of economic and political isolation.

In conclusion let me say to you, my colleagues, this is a choice between a safe, sane, tested, practical, successful method of dealing with the tariff—a method that is provided in the present reciprocal trade law and pending bill—on one hand and the log-rolling, monopoly breeding and monopoly perpetuating method in the Hawley-Smoot monstrosity on the other; the effect of which policy was to paralyze industry, pauperize labor, and sow the seeds of international ill will and discord. We must follow one of the two roads—there is no neutral ground.

Mr. COX. Mr. Chairman, will the gentleman yield for an observation and a question?

Mr. DOUGHTON of North Carolina. I yield to my distinguished friend from Georgia.

Mr. COX. I have heretofore labored under the impression that there was little organized opposition to reciprocity as represented by the law which, I think, has been wisely administered. What is there in the pending bill that constitutes a departure from the original law to cause people to look upon it as an instrument to be used to equalize social and economic conditions all over the world and at the expense of our own nationals?

Mr. DOUGHTON of North Carolina. If I thought there was anything in the bill that would do that, I would not support it myself.

Mr. COX. What is there in the pending measure so different from the original law that makes it politically controversial or makes it a political issue?

Mr. DOUGHTON of North Carolina. It should not be made a political issue; I do not think it can in right be made a political issue. The difference of opinion on this legislation is not divided by party lines. While our friends on the minority have always been opposed to the whole reciprocal trade policy yet, they have made some progress, and after having experienced the fine administration of the law they are willing to extend it for 1 year.

Mr. COX. In the gentleman's very able discussion of the question he stated that outstanding Republican leaders now claim they have heretofore applied this method of handling trade relations with foreign countries and claim it as a Republican philosophy.

Mr. DOUGHTON of North Carolina. Mr. Dewey claimed that it was a Republican policy. He said that Mr. Hull was ably carrying out a Republican policy of reciprocity.

I see nothing in the proposed bill that should cause anyone who believes in reciprocity at all to be in any way fearful; but, of course, as the gentleman knows, one can always be fearful about anything and everything.

Mr. COX. But it enlarges the power of the Executive, as I understand. To what extent does that go?

Mr. DOUGHTON of North Carolina. He is authorized under this bill to lower or increase the tariff rates. The original act provided that the President could lower or raise rates. He could not transfer any item from the dutiable to the free list or from the free list to the protected list but he could increase or decrease, raise or lower, tariff rates by as much as 50 percent. Section 2 of this bill provides that the President's authority is enlarged to make reductions or increases up to 50 percent of what the rates were January 1, 1945.

Mr. COX. Wherein does the enlargement of the power of the Executive constitute a threat to the security of private enterprise?

Mr. DOUGHTON of North Carolina. I do not see where it does at all. You will hear that from the other side. I do not see where it does at all.

Mr. COX. I am agreeing with the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, the gentleman from Georgia [Mr. Cox] propounded an inquiry of the chairman of the Committee on Ways and Means just before he brought his address to a close and asked wherein this measure differed from any preceding bill to extend the life of the reciprocal trade law and why so much fear was expressed as to the consequences that might follow enactment of the so-called Doughton bill.

Let me say to my good friend from Georgia that the original bill provided for a 50-percent cut. The first bill to extend the Reciprocal Trade Act merely extended it, the second was merely an extension and the third was merely an extension; but now the State Department is asking for what? An extension for 3 years plus an additional 50-percent bargaining power on everything except those things as have been readjusted as a result of the war emergency.

Do you wonder, sir, that American industry, labor, and agriculture are exercised over the possible prospect that if the Doughton bill becomes law it will be possible for the State Department to negotiate trade agreements in the future which will place us on an almost free-trade basis? I hope I have answered the gentleman's query.

The able chairman, for whom I have the most profound respect and deep affection, and I hope it is reciprocated, went on to elaborate on the character of the witnesses who appeared in support of this legislation. May I say at the outset that we held hearings for exactly 4 weeks, including a number of evenings, and in that time we heard 89 witnesses. Of these 33 appeared for the bill. There were 7 administration officials, 1 Member of Congress, and 25 other witnesses, many of whom represented export activities and who profit by foreign trade rather than promoting domestic commerce. Against the bill, in whole or in part, appeared 4 Members of Congress and 52 American citizens to voice their opposition to the Doughton bill.

Among those who appeared in opposition to the bill now before us were men representing industries that are the great backbone of industrial America and the foundation upon which the prosperity of the Republic rests. In view of the fact that the chairman has inserted the names of those who appeared in support of the legislation, I shall insert as a part of my remarks the names of those who appeared in opposition and the activities they represent. They are as follows:

LINE-UP

(Total number of witnesses, 89)

FOR THE BILL

Administration officials	7
Member of Congress	1
Export industries and industries dependant on export trade, other witnesses [1]	25
Total	33

[1] Includes individuals, representatives of industry, labor, agriculture, and various organizations.

AGAINST THE BILL (IN WHOLE OR IN PART)

Members of Congress	4
Backbone of American industry, other witnesses [1]	52
Total	56

[1] Includes individuals, representatives of industry, labor, agriculture, and various organizations.

LINE-UP OF WITNESSES AGAINST THE DOUGHTON BILL, H. R. 2652 (IN WHOLE OR IN PART)

(Members of Congress, 4)

HINSHAW, CARL, Republican, California.
LEWIS, EARL R., Republican, Ohio.
MURRAY, REID F., Republican, Wisconsin.
RANDOLPH, JENNINGS, Democrat, West Virginia.

(Others, 52)

Adkerson, J. Carson, president, American Manganese Producers Association.

Angney, D. H., Rhode Island Textile Association.

Bates, Kenneth O., Armstrong Cork Co., linoleum and felt-base floor covering industry.

Benjamin, Edward B., president, Bay Chemical Co. and Myles Salt Co.

Besse, Arthur, president, National Association of Wool Manufacturers.

Bilharz, O. W., Bilharz Mining Co.

Blunt, Irene, secretary-treasurer, National Federation of Textiles, Inc.

Brown, D. K., American Paper and Pulp Association.

Brown, Millard D., president, Continental Mills, Inc., Philadelphia Textile Manufacturers' Association.

Brown, Russell B., general counsel, Independent Petroleum Association of America.

Burns, John, Amalgamated Lace Operatives of America.

Carlson, C. W., president, United States Glass Co., American Glassware Association, hand-made glassware section.

Cenerazzo, Walter W., national president, American Watchmakers Union.

Christensen, Dr. Leo M., University of Nebraska.

Coe, H. L., Bicycle Institute of America.

Cook, Harry H., international president, American Flint Glass Workers Union of North America.

Dixon, Frederick, Amalgamated Lace Operatives of America.

Duffey, James, National Brotherhood of Operative Potters (A. F. of L.).

Garcia, Alvardo M., president, Cigar Manufacturers' Association of America.

Gaunt, Alfred C., Merrimac Mills.

Gent, Ernest V., secretary, American Zinc Institute, Inc.

Herbert, Wilwyn, secretary, Narrow Fabrics Institute.

Herres, Otto, Combined Metal Reduction Co.

Holman, Charles W., secretary, National Cooperative Milk Producers' Federation.

Jones, J. M., National Wyoming Wool Growers' Association.

Lerch, John G., attorney, Toy Manufacturers of United States of America, and Industrial Wire Cloth Institute.

Linder, Tom, Georgia Commissioner of Agriculture.

Love, James K., Shenango Pottery Co.

Mahony, Joseph C., Soft Fibres Manufacturers Institute.

Molitor, Charles B. J., American Lace Manufacturers Association.

Mollin, F. E., American National Livestock Association.

Mowry, Don E., Fountain Pen & Mechanical Pencil Manufacturers.

Murchison, Claudius T., president, Cotton Textile Institute, (also: American Cotton Manufacturers Association, National Association of Cotton Manufacturers.)

Payan, Frank, French Worsted Co.

Palmer, Robert S., manager, Colorado Mining Association.

Phillips, Norris E., vice president, Olean Tile Co., Tile Council of America.

Potter, T. Albert, president, Elgin National Watch Co., American Watch Industry.

Rose, H. Wickliffe, American Tariff League, Inc.

Taylor, Fred G., vice president, United States Beet Sugar Association, (also: American Sugar Cane League, Farmers & Manufacturers Beet Sugar Association, Hawaiian Sugar Planters Association.)

Thatcher, H. K., Arkansas commissioner of agriculture.

Torbert, E. L., vice president, Onondaga Pottery Co.

Trostel, Albert O., Jr., Tanners' Council of America.

Turner, Charles A., president, Chester Lace Mills, National Association of Lace Curtain Manufacturers.

Uhrmann, C. J., vice president, Imperial Glass Corp.

Van Dorn, H. B., Joseph Dixon Crucible Co.

Van Vliet, E. R., vice president, Tubize Rayon Corp., Rayon Yarn Industry.

Wells, J. M., Homer Laughlin China Co.

Welsh, J. L., Farm Crops Processing Co.

Wilken, Carl H., National Association of Commissioners, Secretaries and Directors of Agriculture.

Wilson, J. B., National Wool Growers Manfacturers.

Woll, Matthew, president, American Wage Earners Protective Conference, A. F. of L.

Wormser, Felix Edgar, secretary-treasury, Lead Industries Association.

Let us analyze some of the witnesses who appeared for this legislation. One high Government official who said that the extension of this legislation was absolutely vital to our future well-being admitted under cross examination that his company has $6,000,000 invested in Brazil—not exactly a disinterested witness, I would say. Then there was another witness closely affiliated with the Standard Oil Co. We know that the Standard Oil Co. has interests all over the world, with the possible exception of Russia, Germany, and Japan, so I would not exactly classify him as a disinterested witness. Another witness volunteered the information that his wife was a stockholder in a Swiss watch factory. I would not term him exactly a disinterested witness either, because the Swiss watch industry has taken over the American trade while the American watchmakers have been patriotically producing precision instruments for the prosecution of the war. So much for that.

They tell us that if we do not import we cannot hope to export. That is true. We are not against the principle of reciprocity, and when I say "We" I mean the Republican Party. We have always stood for genuine reciprocity, but we do not believe in one-way dealing such as this has proved to be. At the outset be it understood that under the policy followed by the State Department whenever we make a trade agreement with one country wherein we make certain concessions, those concessions automatically are extended to all other countries except Germany and Japan, whether they give us anything in return or not. That is known as a multilateral trade agreement. We do not believe in that kind of economic philosophy. We believe in bilateral agreements where we sit down with each country separately and negotiate a treaty with that country, and when the negotiations are closed and the agreement entered into, no other country will benefit until they come up to the council table and sit down and enter into an agreement with us. There is the difference.

I might perhaps illustrate that by comparing it to a pie counter, where one nation comes up to the counter and gets a piece of pie. The others do not come around because they know that Uncle Sap will be passing the pie around to them all in a few minutes. Members of the House, we are opposed to this legislation because we know from experience of the past that it is going to create widespread unemployment. Once peace has been restored the countries of the world will begin the mad scramble for the American market. It has happened before, and history has a way of repeating itself.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. When the most-favored-nation policy is followed, and in the absence of the bilateral reciprocal trade-agreement policy, what protection does the United States have against the agreement's being upset by the other countries engaging in currency depreciation?

Mr. KNUTSON. None whatever. Witnesses appearing in support of this legislation tried to laugh off the statement made by the gentleman from California [Mr. GEARHART] who proved conclusively that whenever we had made a trade agreement with any country that country had proceeded to nullify the benefits that we were to receive by depreciation of their currency, through the imposition of quotas on imports, and through the British sterling bloc and the Empire Preference Act. Representatives of the State Department deny that this is being done.

Let me read to you a London dispatch written by Don Cook, whom many of you remember when he sat for years up in the Press Gallery. He is an exceptionally keen young man. On May 18, on page 7 of the New York Herald Tribune, appeared this story, and I want some of you free traders to listen to this:

Britain blocks United States plane sales in Middle East.

Nations planning purchases are told pound sterling balances will be tied up.

Mr. Cook says :

LONDON, May 17, 1945.—Efforts by American manufacturers to sell transport airplanes to South Africa, Egypt, and countries of the Middle East have been temporarily blocked by British threats to withhold pound sterling balances from these countries when such purchases are involved, it was established today.

Although no such action actually has been taken, the threat, delivered specifically to Egypt, has been sufficient to bring American sales programs in the entire area to a standstill. The South African Government, although interested in American planes which were demonstrated at Johannesburg in March, has told the American representative, in effect, that its hands are tied.

PURCHASE OF OC-2'S BLOCKED

In the case of Egypt, it was learned authoritatively, the crack-down came during the visit of Viscount Swinton, British Minister of Civil Aviation to Cairo, in April. The Egyptian National Airline, MISA, had discussed the purchase of five DS-2 transports, forerunners of the standard DC-3, from the Douglas Aircraft Co.

Although Douglas would normally be responsible for the maintenance of the planes under such a contract, Egypt was told that no pounds sterling would be released from its blocked balance held by the Bank of England for such maintenance work unless the job were handed over to the British Overseas Airways Corp. The British, meanwhile, offered for delivery late this year a transport going into production next fall, which qualified designers describe as a stopgap model, "not as good as a DC-3."

Holding blocked balances for most countries of the Middle East, Britain thus is in a position virtually to dictate sales of its own planes, while placing an embargo on American aircraft of better design and engineering.

THREAT WAS VERBAL

So far as can be determined, the threat by the British has been verbal. Sources directly involved stated, however, that it was scarcely necessary to reduce the threat to formal language, much less to carry it into effect. To all the governments concerned, even a hint would have been sufficient.

The situation still is fluid, with hints that American representations may bring a change. If not, then long-term credits to improve the dollar balances of the countries involved may be offered from the United States to establish the American trade position.

The disclosure, nevertheless, carries serious implications for other Americans trading in the area, especially, as one business source pointed out, at a time when the United States is moving to reduce the tariff barriers still further in harmony with the reciprocal trade agreements program.

The sterling bloc was organized way back in 1919 by Britain. The purpose of organizing the bloc was to bring as many nations as possible within the economic orbit of Great Britain. A nation joining the bloc had to agree that it would not buy anything from any nation not a member of the bloc which it could buy within the select circle. That has been going on since 1919. They cannot buy American automobiles, American airplanes, or anything else American, which any member of the bloc is able to furnish. The article which I just read, of course, proves they are still at it. How is Britain able to tie up these nations and forbid them to buy from the United States? Well, all their balances are carried in London and Britain will not release any part of those balances to buy American made planes, automobiles, or anything else which Britain can produce. Don Cook, later in his article goes on to say, "if they cannot buy Douglas planes, they will have to buy British planes." I do not blame Britain. But I think we ought to have our heads examined if we vote for this bill, which will virtually put the stamp of approval on this kind of dealing.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes.

Mr. JENKINS. Is it not true Great Britain has carried that principle into every agreement she has made with us at any time?

Mr. KNUTSON. Why, certainly.

Mr. JENKINS. Further, may I say that the Bretton Woods program carries that very same principle. Great Britain looks after herself on all occasions.

Mr. KNUTSON. And if it did not have it, Britain would not be for it.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes.

Mr. GALLAGHER. Is not the policy which Britain pursues the very one which the gentleman is asking the United States to pursue?

Mr. KNUTSON. Yes, sir. That is the reason I do not condemn it. The gentleman from Minnesota claims to be a great friend of labor. Does the gentleman from Minnesota approve that policy?

Mr. GALLAGHER. No.

Mr. KNUTSON. I assume the gentleman prefers the WPA.

The gentleman from Virginia kept asking every witness who appeared in opposition to this legislation, "Have you been hurt?" Well, of course, a lot of them had to answer, "No," because the war is acting as an embargo and there are no imports to speak of at the present time. I often wondered why some witness did not turn around and ask him, "Are you opposed to installing a fire department until we have a fire?" It would have been just as logical. Let me repeat, what we are afraid of is that this legislation will bring about widespread unemployment in the industrial sections, and, sir, down in your section in New Mexico and Arizona, you are going to see the bottom drop out of the cattle market when Mexico and Canada begin flooding our markets. The same is true of wool and sheep.

Now, understand, on the face of it, it looks as though there were 14 Members of the majority in favor of this legislation because they voted to report it out. That is not just exactly accurate. There were 4 who did not want to go along. If any member of the committee asks me to name the 4, I will be glad to do so—but for no one else. I see some of them here now. Well, they had to have this bill, apparently—I do not know why. God knows I would have been tickled to death to drop it if I had been in on it because it is, to say the least, a hot potato.

They held a sort of a seance on Saturday, and this son of a former President, about whom the chairman spoke so eulogistically—and I have great respect for the name of Taft. I voted for William Howard Taft for President in 1908. I tried to go as a delegate to vote for his renomination in 1912, and it took me 4 days to dig myself out. I voted for him that fall. He was a great American and a fine Republican. You know the old saying, "It is only three generations from shirt sleeves to shirt sleeves." The first generation makes the money; the second generation spends it, and the third generation have to take their coats off in order to eat.

Yes, I voted for his son in Philadelphia, Senator TAFT, another great American. I hope to live to see the day when he will be President of the United States.

I was telling you about this seance they had last Saturday. They gathered all the brethren together and they started working on them. Some call it "pouring on the heat." I will not use that term because it is not parliamentary. When they started in we had 14 votes. When they got through with them late Saturday night we only had 11. There was one member they could not budge. I do not know what legerdemain they used in order to line up the three who had said they could not go along with the program. Far be it from me to intimate there are any judgeships or collectors or marshals involved.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes. Do not ask me to name those men, because the gentleman is not a member of the committee. However, I will answer any other question.

Mr. FERNANDEZ. The gentleman pointed to me a while ago and told me what would happen to the New Mexico cattle. What was the price of New Mexico cattle and wool in 1932 when we did not have these reciprocal trade agreements and when we had the Smoot-Hawley Tariff Act?

Mr. KNUTSON. I am very glad the gentleman asked that question, because I was going to bring it up a little later. Of course, the gentleman is aware of the fact that the depression broke out in Great Britain in 1926 or 1927; is he not? The gentleman knows that, I presume. He reads the papers.

Mr. FERNANDEZ. I know it broke out here in those good Republican days.

Mr. KNUTSON. Now just wait a minute. The depression, of course, was the result of the war. As I recall, it seems to me somebody promised to keep us out of that war back in 1916. Anyway, the depression broke out in Europe in the middle twenties, and it struck this country last. We were also the last to come out of it. I know we were away down, just like we are going to be away down again as the result of this war.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Not just now, because I want to protect the gentleman.

The gentleman knows that for every action there is a reaction. The gentleman further knows that every war the world has ever suffered from has been followed by a depression. Usually the depression was in proportion to the severity of the war and to the manner in which it upset the economy of the world.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes; if the gentleman from New Mexico is satisfied with my explanation, I will yield.

Mr. HALLECK. I should like to supplement the very splendid answer the gentleman has made by suggesting that while the gentleman from New Mexico has referred to certain farm prices in 1932, that after the New Deal came to power in 1933 and put this and a lot of other acts into force, and spent a lot of money, in 1938 the farmers in Indiana sold corn for 33 cents, wheat for 53 cents, and oats for 17 cents, which was just about down to the lowest point they hit in the depression. In other words, after all those years and the spending of all that money and the operation of the reciprocal trade agreements, we were right back where we started.

Mr. KNUTSON. There are many things, of course, that enter into a depression. I do not lay it to the New Deal, I do not lay it to the Reciprocal Trade Agreements Act. Those things come in cycles.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from California.

Mr. GEARHART. Mention has been made of recovery from the days when we were in the depths of the depression up to 1938 and 1939. I believe that when this subject is under consideration we should point out that the Reciprocal Trade Agreements Act did not get under way until 1936. We were, therefore, recovering under the Hawley-Smoot Act from 1932 to and including 1935 on our way on to 1938 and 1939, the last years preceding war economy. It will be interesting to note that, on an average, better than 50 percent of the recovery which was achieved up to 1938 was achieved before the end of 1935; for instance, in general imports more than all of the recovery was achieved, 113 percent to be exact, before the end of 1935; in agriculture, 99.6 percent of the recovery was attained before the reciprocal trade agreement program became operative. As between the recovery that was achieved between 1932 and 1935, inclusive, under the Smoot-Hawley Tariff Act, and the recovery that was achieved between 1936–39, inclusive, the honors must go to the Smoot-Hawley days.

Mr. KNUTSON. Where do these figures come from?

Mr. GEARHART. This is entitled "United States Foreign Trade: National Income by Industrial Divisions and Distributive Shares, and Farm Income, Actual and Percentage Increases in Selected Years"; and the sources are: Statistical Abstract of the United States, Agricultural Statistics, and Bureau of Labor Statistics.

Mr. KNUTSON. That should be authentic.

The Chairman had a lot to say about the Hawley-Smoot bill; and you Democrats ought to rear a monument to it. Your constant attacks on that measure have kept you in office—that and the dole. No measure ever passed by Congress has been so severely criticized as the Hawley-Smoot Act was in 1932; yet, strange to say, after the country has been under the complete domination of the New Deal for 12 long years both in the executive and legislative branches—and now in the judiciary—the Hawley-Smoot bill is still on the statute books.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. Mr. Chairman, I yield myself an additional 30 minutes.

It could not have been so bad, or else you fellows are a bunch of humbuggers; I do not know which. You have done piecemeal what you did not dare to do outright and openly. Oh, yes; it is all right for the chairman to get up here and hold his hands up in holy horror, but I

would advise him to wash his hands before he does so.

Now let me get back to the labor angle, because primarily this is a labor issue.

I have heard members of the Ways and Means Committee indicate that the representative of a union may only represent, we will say, 10,000 or 20,000 employees. Of course, as some of the big industries go 10,000 or 20,000 is not very much. But if you are going to provide the 60,000,000 jobs that the late President Roosevelt promised us in Chicago you will have to look after these five, ten, and twenty thousand lots.

Let me illustrate what I mean. One of the outstanding witnesses who appeared before our committee was Mr. Edward Benjamin, president, Myles Salt Co., and Bay Chemical Co., New Orleans, La., and notwithstanding the fact that he is from Louisiana he was plenty vocal in his opposition against the continuance of this present trade arrangement program, Mr. Benjamin brought out a very interesting phase of this labor problem to which I would like to call your attention. He said:

> Gentlemen, will you give me your attention a minute? This is what employment means:
>
> Here is a cotton handkerchief. You think of that handkerchief as containing two things—cotton and labor. Here is what went into that handkerchief in its manufacture: Lubricating oil of 12 different varieties; fuel oil; little steel appliances for spinning rings; leather specialties on looms; wooden shuttles; humidifiers; about 12 different kinds of brushes, from the tiniest little whisk broom you ever saw to great big brushes, for sweeping mill floors; starches; gums, detergents, etc.

All of those activities which he mentioned undoubtedly gave employment to thousands of others. So when you propose to destroy one industry, perhaps, you destroy a half dozen or a dozen other industries along with it that were dependent for existence on the one industry destroyed.

When Secretary Wallace came before our committee back in 1934 to advocate the passage of the original bill, he gave it as his opinion that any industry that was inefficient should be—I think he used the word "laid down" or "abolished." I do not remember just what term he used. Any small industry, or large industry, that was inefficient should be abolished, he maintained.

Mr. BARRETT of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Wyoming.

Mr. BARRETT of Wyoming. As I recall, Secretary Wallace at that time referred particularly to the sugar-beet industry. May I ask the gentleman to express his opinion as to where we would be in this country today if we had followed his advices.

Mr. KNUTSON. I do not know where we would be today, but I know where we were back in 1917 and 1918 when we put the American sugar-beet industry out of business so that they could not apply the necessary balancing. The Cuban crowd in full control ran the price of sugar to the American housewife up to 35 cents a pound. That is what happened back in 1917 and 1918 when we destroyed the American beet-sugar industry, and the same goes for the cane-sugar industry down in Louisiana. If it were not for the American beet and cane industry the Cubans would have us absolutely at their mercy, and we would have to pay several times the price we are now paying for sugar.

There is another thing that is often overlooked by these people who love to experiment and take things apart to see what makes them tick, which is that 64 percent of everything listed in the Hawley-Smoot Act is on the free list, and now that we are trying to protect the jobs of the other 36 percent we are called isolationists and un-American.

What is an isolationist? An isolationist is one who believes in looking after his own country and his own people first. Churchill is one the biggest isolationists of the day, and so is Stalin, and I hope to God I am, because I believe in looking after the American people. I believe in the full dinner pail just as I believed in it 40 years ago. Oh, yes; some of you who come from the Cotton Belt may be smiling, but let me call your attention to the fact that it will not be long before you will be here asking for protection against importations of short-staple cotton from Brazil. In fact, you have an embargo on it now; did you know that? You have an embargo on cotton. You can only import about 30,000 bales of short-staple cotton. Some operate pretty much like the members who represent districts where they have shipyards. We cannot build a ship in this country without a Government subsidy, because the labor costs are anywhere from 40 to 100 percent lower in competing countries. So what does Congress do? We vote hundreds of millions of dollars for ship subsidies so that they build ships down in Virginia and North Carolina, and up in Pennsylvania, and Rhode Island, and Connecticut, and up in Maine. I hope no member from Maine will vote against this bill because we have shoveled millions of dollars in subsidies up there. I voted for these subsidies, although I live 1,500 miles from the nearest shipyard. Now why did I vote for subsidies? Because I wanted to see the American shipbuilder gainfully employed. I want to see that money stay at home when it would act as a revolving fund; whereas, when it goes abroad we bid it good-bye because we know we may never see it again.

How any man who is in favor of ship subsidy—and they have shipyards down in North Carolina, Brother DOUGHTON—how any man who believes we should have free trade and buy where we can buy the cheapest, can bring himself to vote for a ship subsidy is beyond my understanding. It shows that he has a mighty adjustable reasoning power.

I tell you who come from the shipyard districts that you had better wake up to the fact that we are going to be on the same footing or you will join us. We will take your subsidies away. If a tariff is not good for the interior of the country then subsidies are not good for the two coasts. That is not a threat, that is a promise.

Out of a total of 1,190 tariff rates that have been adjusted downward—and none have gone up, all down, down, down—how I admire the ingenuity of the chairman when the gentleman from Georgia [Mr. COX] asked him wherein this bill differs from its predecessors, the ingenuity with which he skated around the hole and never once fell in, which of course would indicate that he is an adept at evading and keeping out of holes. Out of a total of 1,190 items that have been reduced up to January 1, 254 have been agricultural and some of them were cut the full 50 percent.

We could go along for an extension of this act as long as the war endures because the war is acting as an embargo. There is nothing coming in, or at any rate very little, and there probably will not be much of a pick-up in imports until the warring countries of Europe and Asia have had time to readjust themselves to peacetime production. But when that hour comes and the hungry, pauperized labor of all the world clamor at the American door for entry for their products, those of you who by your vote make it possible for them to enter will have a lot to answer for, and you will not be able to plead that you did not realize what you were doing. Yet I want to be kind and believe that that is true, because this subject is going to be very thoroughly discussed in the next 3 days. We are going to have roll calls and everybody will be given an opportunity to put themselves on record. The Republicans will welcome the opportunity of showing the country the fate that is in store for it.

To you who plead for the underfed, and the underprivileged of foreign lands, first you will have a chance to show the faith that is in you. Oh, the chairman spoke eloquently about wanting to provide jobs for the returning veterans. Please tell me how you are going to provide jobs if you transfer our pay rolls to Czechoslovakia, France, the United Kingdom, China, Germany, Russia, and India? How are you going to do it? You know they will not be able to feed and clothe themselves on promises. If they could, of course, they would be in the seventh heaven of plenty. I asked many of those who met with the committee to advocate the extension to name a single article on which they would reduce the duty. The State Department said they did not know. I suppose they figured Congress has been so easy in the past, it would be possible for them to again come up and sell us a pig in the poke.

The Farm Bureau was represented in its position by a gentleman named Short from Arkansas. He was well named because he could not remember so much. It seemed that the Farm Bureau met last September and went on record for this bill. Well, the bill was not introduced until the 16th of March. Up to that time, the chairman, as well as myself, thought the request would be confined solely to an extension and I am sure the chairman was just as much surprised as I when the State Department asked for another 50-percent bargaining power. Well, Brother Short could not tell us how come they went on record in favor of this bill last September when the bill was only introduced on the 16th

of March. Therefore, we could only conclude that the Farm Bureau had borrowed Brother Wallace's crystal. This bill should be entitled "A Bill To Promote Unemployment." That is precisely what it is. How many of you Members of the House know that the original reciprocal trade bill was amended in the Senate so that an American citizen who feels he is aggrieved under any of the negotiations or agreements which have been entered into cannot go into court. You cannot get into court under the law as it now stands. Does that square with your repeated political protestations?

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield to answer a question?

Mr. KNUTSON. Yes; what is it?

Mr. GALLAGHER. If the Government decided to do away with the dole to a charity client, do you think that the charity client could go into court? What would be the difference?

Mr. KNUTSON. I would say the question answers itself. Not being the seventh son of a seventh son, I do not know what the gentleman is referring to or what he means. Therefore, I cannot answer his question.

We tried to amend the bill so as to give aggrieved Americans the right to go into court. That was voted down 11 to 14. I am not telling how individual Members voted, so I cannot be accused of violating the rules with reference to executive sessions.

We also tried to put in an amendment that would have given American-produced goods a fair chance at the home market as against competitive goods produced in countries where they only pay a fraction of our pay roll. Again, the vote was 11 to 14 for rejection.

I cannot, for the life of me, figure out why the State Department should ask for a 50-percent additional bargaining power at this time when the world is unsettled and no one knows what kind of a world we are going to have after the war is over. No one knows. All we can do is to hope for the best. There is no haste. We are legislating in the dark. As a matter of fact, there is no need for it now because there is no commerce. This bill cannot get through the Congress by the 12th of June. There is not a chance in the world, but that will not make any difference because every treaty that has been made heretofore will continue on and on and on until one or the other of the contracting nations serves notice that it wishes to terminate it. So there is nothing to be lost by putting the matter off until we know more about what this world is going to be like when the war is over.

Mr. Chairman, I ask unanimous consent to proceed for 25 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Chairman, does anyone within the sound of my voice believe for a minute that this country became great and prosperous by giving our home markets to the foreigners? Everybody knows better. We heard the late President Roosevelt time and time again refer to America as the arsenal of democracy. What made America the arsenal of democracy? It was our Pittsburghs, our Chicagos, our Youngstowns, our Birminghams, all with their smoking stacks and their humming wheels, every one made possible by the Republican policy of giving protection to American industry down through the years. Deny it if you will. You may deny it, but you cannot disprove the fact that it is the Republican tariff policy that developed industry in America, and it was the industries of America that won the First World War and is winning this war. So in the final analysis the Republican Party has saved the world on two occasions.

We are the only country in the world that generalizes trade agreements. We are the only country in the world that gives to all countries all the benefits we give to one country whether they give us anything in return or not. We are smart. What? Very smart. I imagine that is going to be a hard nut to crack either in the campaign of 1946 or 1948. If the war continues another year, of course, we are going to have good times in 1946, but the storm will burst in all its fury later. Make no mistake about it, because that has been the experience of all nations in all the years that have gone before.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield for a question?

Mr. KNUTSON. I yield.

Mr. ROBSION of Kentucky. I wish the gentleman would develop more fully this matter of the favored-nation clause in these treaties wherein all the countries except Japan and Germany got the benefits we extended to any one of them. I wish the gentleman would develop that, because it is rather complicated.

Mr. KNUTSON. Yes. For instance, if we make a treaty with Mexico, then, under the so-called favored-nations policy, the benefits we give to Mexico are automatically extended to all other countries except Germany and Japan, whether they had made a treaty with us or not and whether they give us anything in return or not.

Mr. ROBSION of Kentucky. So all the other nations get the benefits that we extend to Mexico in that treaty with her, yet the other countries do not have to contribute, as Mexico would have to, to us.

Mr. KNUTSON. They do not give us anything in return. Mexico had to come up to the pie counter. Uncle Sam passes the pie to the rest of them.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. JENKINS. Carrying out further the gentleman's thought that when we make an agreement with Mexico, Great Britain will get the benefit of every provision of the agreement.

Mr. KNUTSON. Exactly.

Mr. JENKINS. But when Great Britain makes an agreement with Mexico we do not get any benefit from that.

Mr. KNUTSON. Not at all; neither does Great Britain get the benefit that Mexico gives us. So we are the only country that gets the benefits from Mexico, but the benefits we give to Mexico are automatically extended to all other countries except Germany and Japan.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. GEARHART. As an example, prior to Pearl Harbor we had entered into some 28 or 29 agreements but not one with Japan; yet Japan nevertheless got the benefit of all those 28 or 29 agreements. In other words, she jumped right on the gravy wagon and did not pay a nickel for the ride.

Mr. KNUTSON. That is where she belonged under the policy. The "Do-gooders" would have been broken-hearted if Japan had not gotten on the gravy train.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. DONDERO. There has come to my desk and I suppose likewise to other Members of Congress the statement that one of our allies now is taking orders for the delivery of goods in South America upon a 4 to 5 months' delivery date after this war.

Mr. KNUTSON. That is Great Britain.

Mr. DONDERO. Does that come under the reciprocal trade agreements policy that is involved in this bill?

Mr. KNUTSON. The gentleman is referring to Great Britain.

Mr. DONDERO. Yes; that is correct.

Mr. KNUTSON. There are a number of South American countries that belong to the so-called sterling bloc. Under the operation of that bloc which was organized by Great Britain in 1919 in order to surround herself with an orbit of satellite nations, members of the bloc must buy from other members of the bloc providing they can supply what is wanted.

Mr. DONDERO. Does the question of price or competition with Great Britain enter into that particular situation?

Mr. KNUTSON. No; I think not.

Mr. DONDERO. Nor does not involve the question of the reciprocal trade agreements?

Mr. KNUTSON. That is right. We can send salesmen into the sterling bloc countries, but it is just throwing money away, because they have got to buy from a member of that bloc.

Mr. DONDERO. Mr. Chairman, will the gentleman yield further?

Mr. KNUTSON. I do not know whether the gentleman was here when I read a very interesting news story from London, dated May 17, by Don Cook, of the New York Herald Tribune, which is headed "Britain blocks United States plane sales in Middle East." She would not release the money with which they could buy the planes if they bought them from the United States, but they could buy them from Britain. Britain has no objection to their buying them from Britain.

Mr. DONDERO. It has come to my attention that the watch industry of this Nation has been practically put into bankruptcy because of foreign competition. Is that situation in this country the result of the reciprocal trade agreements?

Mr. KNUTSON. The watch industry was in a very precarious situation until

the war broke out when all the American watch factories went into the production of precision material, then the Swiss came over and as an act of good neighborliness they took over the American market for Swiss-made watches.

Mr. DONDERO. Is there a tariff on foreign-made watches?

Mr. KNUTSON. Yes; but not anywhere near enough to keep them out. You see it makes a big difference. In Switzerland watches are assembled in the home. The children assemble the cheap watches and the elders assemble the better watches. A watch is something that probably calls for 80 or 90 percent labor and if you can put the children to work at assembling them the American working men who are paid about $1.25 an hour cannot compete, so the American watch factories are driven out of business. Will that help to provide the 60,000,000 jobs we were promised recently.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from California.

Mr. GEARHART. As a consequence of the New Deal's refusal to deal with the tariff question in reference to watches and because of their unwise policy, the following companies are now out of business:

South Bend Watch Co., South Bend, Ind.

Rockford Watch Co., Rockford, Ill.

Dueber-Hampden Watch Co., Canton, Ohio.

Illinois Watch Co., Springfield, Ill.

New York Standard Watch Co., Riverside, N. J.

Trenton Watch Co., Trenton, N. J.

United States Watch Co., Waltham, Mass.

New England Watch Co., Waterbury, Conn.

Mr. KNUTSON. Yes; and there will be a lot more out of business when the Doughton bill gets to operating.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Tennessee.

Mr. COOPER. The gentleman from California very carefully refrained from telling when these watch companies went out of business. The facts will show that most of them or perhaps all of them went out of business before the reciprocal trade agreements program went into effect. May I ask the gentleman from Minnesota, in all fairness to him, whether he wants to let his statement stand that the countries of South America are in the British sterling bloc?

Mr. KNUTSON. Several of them are.

Mr. COOPER. I invite the gentleman's attention to page 0388 and 0389 which will enlighten the gentleman on that subject.

Mr. GEARHART. If the gentleman will read the correction of my cross-examination of Charlie Taft he will find a list of the South American countries that are in the sterling bloc now.

Mr. KNUTSON. I object to the gentleman introducing evidence from the majority report as being incompetent and irrelevant.

Mr. COOPER. I have in my hand the hearings by the committee.

Mr. KNUTSON. I thought the gentleman was reading from the report.

Mr. COOPER. The hearings before the committee show the gentleman is mistaken, as is the gentleman from California.

Mr. KNUTSON. The gentleman knows that Argentina is a member of the bloc, does he not?

Mr. COOPER. No; I do not.

Mr. KNUTSON. I think Chile also is, and Uruguay.

Mr. GEARHART. Uruguay and Brazil.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. It is my privilege to represent one of the largest shoe manufacturing districts in the country. May I ask the gentleman if he has any figures or any information on what plans other countries have to import shoes?

Mr. KNUTSON. There has been very few importations of shoes since the war broke out. Before that time cheap shoes were imported from Czechoslovakia, Japan, and the United Kingdom. But what we had in the way of competition before the war will be like a Sunday school picnic compared to what we are going to have if you give the State Department the power to make another 50 percent reduction.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. The gentleman speaks of cheap shoes being imported from Czechoslovakia and other countries. The gentleman, I am sure, means cheap in price. The quality is all right, but the wages are so much lower than ours that it means cheap cost of production.

Mr. KNUTSON. I am speaking, of course, of price.

Mr. ROBSION of Kentucky. An amendment will be offered not only applying to shoes but to other articles, so that a tariff will be placed upon imports which will equalize reasonably the cost of production in this country and foreign countries.

Mr. KNUTSON. Yes; I know.

I wish every Member of the House would read the testimony of Mr. Rose, who is connected with the American Viscose Co., makers of rayon. Mr. Rose testified that the first rayon factories came to this country back about 1905, when the Dingley tariff law was in effect. Why did they come over? They came because they could not jump over the hurdle that the Dingley law set up. So they said, "We want to get into the American market," and they picked up their mills over in Britain and in France and in Belgium and came over here, and some of them are now down in the district represented by the gentleman from Virginia [Mr. ROBERTSON], some are down in North Carolina, some in Pennsylvania, some in Ohio, Indiana, and Georgia—scattered all over the country. It is now one of the big industries in the country, and the tariff brought them here—a Republican tariff.

The same is true of the chemical industry. When the First World War broke out we were absolutely at the mercy of the German synthetic chemical industry, and when we passed the Fordney-McCumber bill we imposed such rates as would encourage an American chemical industry to start, and today, I guess, we lead the world.

You can go back further than that. Prior to 1889 this country imported all their tinware from Wales. Wales was the great tinware center of the world. We then had as a Member of Congress a gentleman from Ohio named William McKinley. He was chairman of the Committee on Ways and Means. In bringing out the McKinley bill, which succeeded the Mills bill, he put a stiff import tariff on tinware. What happened? Why, the Welsh picked up their tin factories and tin mills and came to the United States, and the American tin industry was developed to a point where it went out and captured the markets of the world, and it has been on the free list for I do not know how long.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Michigan.

Mr. DINGELL. The gentleman was corrected on that statement in the hearings to the effect that there was only one tin mill in the United States located down in Texas, and it came in only recently during this war.

Mr. KNUTSON. Oh, we have been making American tinware for years and years and years.

Mr. DINGELL. That is not a tin mill.

Mr. KNUTSON. I am standing by my statement.

Mr. DINGELL. Not tin mills. The gentleman cannot stand on it.

Mr. KNUTSON. I am talking about the manufacture of tinware.

Mr. DINGELL. That is a different story, tinware and tin mills.

Mr. KNUTSON. If the gentleman wants to argue the difference between tweedledee and tweedledum, I will be glad to yield some time to him later.

Mr. DINGELL. There is no such difference here now. A tin mill is different from tinware.

Mr. KNUTSON. I am too busy to argue the difference.

Mr. DINGELL. I am sorry the gentleman cannot differentiate. If that is the kind of discourse he is delivering here, he is just deluding his friends on his side of the House, and they are in a daze now.

Mr. KNUTSON. Sit down, and I will handle this.

Mr. DINGELL. I will sit down when I am good and ready.

Mr. KNUTSON. Sometimes the gentleman's manners are as faulty as his lack of information.

Mr. DINGELL. I have more information than the gentleman has.

Mr. KNUTSON. Let us see what we will have to import if we want to export. They say exports make jobs but they never tell you that imports displace jobs.

I call your attention to the fact that under the operation of the Fordney-McCumber Act the value of our foreign trade, exports and imports, averaged almost $10,000,000,000 annually. Under this so-called reciprocal trade law which has been in operation since 1934, the average is a shade under $5,000,000,000, almost one-half. That is also something to think about.

Let me read briefly, if I may, from the minority report, on page 4:

In addition to the regimentation of society which this policy demands, the following results would be inevitable:

1. The loss of a diversified economy which is essential to our national defense and as an outlet for the diversified talents of our people.

2. The destruction of incentives to pioneer and to launch new industries which means, of course, the drying up of new markets for American labor.

No one is going to launch a new industry if he is fearful that he will be thrown into competition with foreign cheap labor. That is a self-evident fact.

3. The establishment of even greater and more powerful bureaucratic controls over the movement of men and goods.

4. The encouragement of great industrial monopolies and monopolistic practices under Government subsidies.

All the Government witnesses said they did not like tariffs but they would be for an export subsidy. Of course, they had to invent a word for "tariff" for the benefit of those who do not like the word, so someone hit on the word "subsidy." There is no difference. There is not a particle of difference whether you call it a tariff or a subsidy.

I should like to see the day when the nations of all the earth have the same living standards, the same educational facilities, the same wage levels, and the same working conditions. All that would be fine, and how it would please the "do-gooders" to see the dawn of the millenium. But unfortunately some of us are going to live a few years yet, and then there are other generations coming after us. Two or three hundred years hence it may be possible that China and India and other low-wage countries will have raised themselves up to our level, but until they do, if we want to do business with them we will either have to get down to their level or pull them up to our level. We know we cannot pull them up to our level, so we will have to get down to their level, and that is unthinkable.

Special concern was expressed by the textile people. What has been the history of the textile industry? As you know, the textile industry started in New England where it attained very considerable proportions. In fact, New England largely supplied the American market with cotton textiles. Then the New England mill owner decided he would pick up and move down South. His equipment was worn out. His plant establishment was antiquated and out of date, and he decided he would move his plant down South where they had cheaper labor, and not all of this expensive uplift legislation which New England had been indulging in. So he went down into North Carolina, Virginia, South Carolina, Georgia, Alabama, and also to Tennessee and Kentucky, because he could hire labor down there for a fraction of what he had to pay in New England. In addition, he did not have those long expensive hauls of raw material and fuel. So he had every reason for moving South. If the State Department, assuming that the Doughton bill becomes law, sees fit to take another whack at cotton textiles, the American textile mill owner will say to himself, "Well, I guess America has embarked on a free-trade basis. Why should I stay here where I have to pay 60 cents and better for labor; where I have to pay unemployment-insurance tax; where I have to observe the wage-hour law, the American Fair Labor Standards Act, and all these other expensive brakes we have put on American industry?" He will say, in addition to that, "the Government takes nearly all that I make, so why stay here any longer? I am going to take my mills and go down to Brazil." If you will read Mr. Rose's statement, you will see that is precisely what they are planning to do. The American Viscose Co. and others have been invited to move their plants to Mexico, Colombia, Brazil, and other South American countries. How about that? Suppose they move from the South down to Brazil and Mexico, and other cheap-labor countries the same way that they moved from New England to the South? Where are you going to get those 60,000,000 jobs?

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes; I am glad to yield.

Mr. PATRICK. Of course, we in the South are interested in these things. How many of those who testified before the Committee on Ways and Means stated that if this reciprocal trade agreement permitted the 50 percent additional that they will move out of the United States? How many testified to that?

Mr. KNUTSON. Mr. Rose testified, for one.

Mr. PATRICK. Is that all?

Mr. KNUTSON. He is a pretty big man. Read all the testimony and I am sure you will find others. I cannot remember all those who testified. There were 83 all told. But I do know they testified American textiles would move down to Brazil.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes.

Mr. CARLSON. I think it might be well to mention under the 11 years of the reciprocal trade agreements, tariffs have been reduced 31 percent. In other words, from 48 percent under the act of 1930 to 33 percent. And if we authorize 50 percent additional and the negotiators take advantage of it, we will be down to 23 percent, which is 1.8 percent lower than the old Underwood tariff. I think it might be well to consider seriously the effect of the Underwood tariff on the economy of this Nation and the legislation which was required some years later to protect the industry of this Nation.

Mr. KNUTSON. The Chairman of the Tariff Commission testified that if the Doughton bill is enacted it will place us among the lowest tariff countries of the world. I am glad the gentleman from Kansas [Mr. CARLSON] raised that point, because I want to put into the RECORD at this point just exactly how we line up on the tariff.

The study entitled, "How High Are United States Tariffs?" published by the American Tariff League, reveals that the level of American import duties, contrary to the general misunderstanding, is among the lowest of the world's great trading nations.

Of 19 nations whose tariffs were studied the United States was found to rank seventh from the bottom. The United Kingdom, popularly considered a free-trade nation, was ninth from the bottom—two above this country. Comparative averages—taking the United States as 100—were as follows:

1.	Spain	465.0
2.	Turkey	359.6
3.	Germany	279.0
4.	Brazil	239.4
5.	Greece	166.0
6.	Hungary	160.0
7.	Italy	150.5
8.	Mexico	149.0
9.	Egypt	130.0
10.	Switzerland	128.0
11.	United Kingdom	118.3
12.	Argentina	110.0
13.	United States	100.0
14.	Japan	98.0
15.	Belgium	96.8
16.	France	85.0
17.	Canada	76.3
18.	Netherlands	37.4
19.	Sweden	32.8

Compared were import duties on 10 separate groups of commodities: Farm products, foods, hides, and leather, textiles, fuels, metals and metal products, building materials, chemicals and drugs, house furnishings, and miscellaneous.

In five groups—food, fuels, metals, building materials, and chemicals—the United States ranked among the bottom six. In two groups, textiles and house furnishings, it ranked tenth. In only one, farm products, was it in the upper half.

In all, 170 commodities figured in the study. They were selected in accordance with their relative importance in consumption in the United States. Amounts and prices of each were based on the total quantity and value of each in the combined exports and imports of both the United States and the United Kingdom.

Figures used were for 1937, last full year before World War II for which statistics were available. The Soviet Union was omitted because it operates under a closed economy and the necessary data were not obtainable.

Under the reciprocal trade agreements, of course, many rates have been reduced since 1937. Inasmuch as the study was based on figures for 1937, it does not reflect the real status of our tariffs. Today they are even lower than shown in the report. Furthermore, the duty collected by the United States on all imports, free and dutiable, was only equal to an average of 15.6 percent in

1937, and has fallen every year since—so that in 1940 the figure was 12.51 percent.

Three years were spent on the study. Only fully qualified experts participated, and every precaution was taken to make it thoroughly objective. With tables and appendixes, it runs to 65 pages.

The American Tariff League is a nonpartisan, fact-finding organization founded in 1885 to carry on continuous research into all the facts and forces brought into play in trade between the nations. It makes these facts available in an educational effort designed to provide a better understanding of the effect of these forces on the prosperity of American labor, agriculture, and industry.

Following is a list of the commodities considered in the study How High Are United States Tariffs.

Farm products: Apples, barley, calves, corn, cotton, eggs, hogs, oranges, potatoes, steers, tobacco, wheat, wool.

Foods: Bacon; bananas; beef; butter; canned peaches; canned asparagus; canned peas; canned tomatoes; cheese; cocoa beans; cocoa, powdered; coffee, raw; corn starch; dried apricots; dried prunes; dried raisins; flour; ham; lard; milk, condensed; milk, evaporated; pork; poultry; salt; sugar, granulated; sugar, raw; tea.

Textile products: Burlap, cotton cloth, not bleached; cotton cloth, bleached; cotton cloth, dyed; cotton collars; cotton hosiery; cotton overalls; cotton shirts; cotton underwear; cotton yarn; linen handkerchiefs; raw silk; rayon staple; rayon piece goods; rayon yarn; silk hosiery; wool overcoats; wool piece goods; wool suits; wool underwear; wool yarn.

Chemicals: Alcohol, ethyl; alcohol, methyl; aluminum sulfate; ammonium sulfate; camphor; caustic soda; citric acid; coconut oil; copra; creosote oil; dyes, indigo; dyes, direct black; dyes, sulfur black; dyes, vat blue; fertilizer; glycerin; nitrate of soda; phosphate rock; potash, crude; potash, muriate; potash, sulfate; salt; soda ash; sulfur; superphosphate; tallow; tankage.

Building materials: Brick, common; cement; doors, wood; lime; linseed oil; lumber; paint; plate glass; rosin; shingles; turpentine; varnish; window glass.

Metals: Aluminum, barbed wire; copper; copper wire; cultivators; harrows; lead; manganese ore; motor vehicles; pipe, black steel; pipe, cast iron; pipe, galvanized; pig iron; plows; shovels; steel billets; steel plates; steel rails; steel sheets; steel sheets, galvanized; steel, structural; tin; typewriters; wire nails; woven-wire fencing; zinc.

Fuel: Coal, anthracite; coal, bituminous; fuel oil; gasoline; petroleum, crude.

House furnishings: Carpets; chinaware; electric refrigerators; furniture, wood; linoleum; pillow cases; sewing machines; sheets; wool blankets.

Miscellaneous: Cameras; cigarettes; cigars; diamonds, cut, but not mounted; films; furs, undressed; matches; newsprint; perfumery; radios; rubber; rubber tires; soap, laundry; soap, toilet; starch, cassava; starch, corn; starch, potato; whisky, Scotch; wine, champagne; wine, still; wood pulp, chemical; wood pulp, mechanical; wrapping paper.

Hides and leather products: Gloves, women's; hides; leather, calf upper; leather, sole; shoes, men's.

Chart below shows the comparative treatment accorded various groups of commodities by the 19 nations figuring in the study, How High Are United States Tariffs? All percentage figures are equivalent ad valorem rates:

Farm products:	Percent
Egypt	119.8
United States	95.8
Turkey	91.8
United Kingdom	89.0
Spain	80.5
Japan	65.1
Brazil	64.0
Greece	50.0
Mexico	50.0
Switzerland	46.2
Germany	37.9
Canada	33.0
Argentina	24.9
France	24.2
Italy	17.9
Hungary	9.1
Sweden	8.8
Netherlands	6.7
Belgium	6.4
Fuels:	
Germany	308.0
Spain	269.3
Belgium	149.5
Switzerland	124.8
Turkey	122.8
Greece	111.0
United Kingdom	88.6
Hungary	82.1
Brazil	59.2
France	55.6
Argentina	53.4
Netherlands	33.0
Mexico	31.6
Japan	29.8
Egypt	26.8
Italy	23.0
Canada	12.2
Sweden	.5
United States	0
Textile products:	
Spain	316.1
Turkey	163.0
Brazil	117.6
Mexico	86.8
Greece	58.8
Germany	55.2
Switzerland	40.0
Canada	39.8
Hungary	37.4
United States	32.3
Argentina	31.2
Japan	30.0
France	22.7
United Kingdom	21.2
Belgium	19.3
Egypt	19.1
Sweden	18.9
Italy	15.3
Netherlands	7.6
Chemicals:	
Mexico	295.8
Spain	143.4
Turkey	85.0
Greece	74.5
Germany	73.2
Brazil	30.3
Argentina	24.4
Japan	16.7
France	15.9
Egypt	15.0
Canada	13.7
United Kingdom	13.3
Hungary	13.2
United States	12.1
Italy	11.4
Switzerland	10.1
Netherlands	7.8
Sweden	2.8
Belgium	1.3

Hides and leather products:	Percent
Turkey	308.5
Spain	254.0
Argentina	228.0
Brazil	94.0
Greece	93.7
Mexico	85.0
Japan	75.4
Hungary	64.5
Italy	52.8
Germany	30.5
Switzerland	22.8
Egypt	21.0
United States	17.0
United Kingdom	15.5
Sweden	14.2
Canada	11.6
Belgium	7.6
France	7.2
Netherlands	6.4
Building materials:	
Spain	182.0
Greece	179.1
Brazil	129.2
Germany	98.5
Argentina	74.2
Hungary	72.8
Turkey	71.8
Switzerland	62.1
France	52.5
Mexico	48.2
Egypt	38.5
Italy	38.2
Japan	35.5
Sweden	33.6
Canada	16.2
United Kingdom	12.8
Belgium	11.1
United States	10.6
Netherlands	5.5
Miscellaneous:	
Germany	168.5
Italy	119.2
Turkey	108.7
Brazil	87.2
Spain	78.5
Greece	77.3
Switzerland	63.0
Mexico	55.2
United Kingdom	52.5
Argentina	50.5
Japan	45.5
Canada	44.5
United States	34.2
Hungary	31.0
Egypt	26.2
Belgium	15.3
Sweden	8.4
France	7.9
Netherlands	6.6
Foods:	
Spain	354.0
Turkey	346.0
Brazil	228.0
Hungary	212.0
Germany	172.3
Italy	121.0
Greece	98.2
Belgium	92.8
Mexico	87.8
France	79.2
Argentina	64.4
Switzerland	62.2
Egypt	60.8
Japan	48.6
Canada	47.5
Netherlands	41.1
United States	37.0
United Kingdom	33.7
Sweden	32.4
Metals and products:	
Spain	229.0
Italy	87.5
Germany	79.6
Turkey	49.5
Argentina	43.0
Brazil	31.8
Hungary	30.3
France	30.2
Switzerland	22.8
Belgium	18.7

Metals and products—Continued	*Percent*
Mexico	17.3
Japan	16.3
Greece	15.5
Canada	12.7
United Kingdom	11.7
United States	10.7
Egypt	10.4
Sweden	7.2
Netherlands	4.0
House furnishing goods:	
Spain	253.5
Mexico	123.0
Turkey	112.0
Greece	70.5
Italy	58.7
Japan	54.4
Germany	53.4
Canada	51.0
Argentina	43.8
United States	43.3
Brazil	42.6
Hungary	37.7
Switzerland	33.0
United Kingdom	30.3
France	20.3
Egypt	19.1
Sweden	18.0
Netherlands	10.8
Belgium	10.7

Now, get this: The United Kingdom is 118.3. The gentleman from Virginia [Mr. ROBERTSON] tried to ride herd on one of his witnesses by warning him against this "trick example," as he termed it. Witnesses would come and say, "America's tariffs are too high. They must be lowered." This man Short from Arkansas in his statement said they were too high. So I said, "How high are they?" He did not know. I said, "I didn't think you did or you would not make that statement because you look like an honest man to me." So he was rather surprised when I showed him we were No. 13 from the top in point of percentage ad valorem rates. Of the 19 leading nations there are 6 which are lower than we are. I will read them to you:

Japan, Belgium, France, Canada, the Netherlands, and Sweden. Sweden is the lowest, with 32.8 percent average ad valorem.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. BREHM. I have in my district the largest glass-manufacturing corporation in the world, the Anchor-Hocking Glass Corp., of Lancaster. I also have pottery manufacturers at Roseville and Crooksville. They are all organized, union men and women. They are all unalterably opposed to this legislation. Perhaps the gentleman has not seen this; perhaps he has. It is entitled "Two Little Goblets Went to Market." Just let me give you these figures:

They took their trip to our American market in 1937 and they were identical cut lead-glass table goblets.

The American-made goblet, total wages paid to produce this goblet in America, 60 cents. The American manufacturer got 75 cents for this goblet and spent all of this income in the United States.

The total wages paid to produce the goblet abroad was 10½ cents. The foreign manufacturer got about 13½ cents for his goblet. A total of only about 7½ cents duty was paid to enter the item.

The retailer used the same percentage of mark-up on both goblets.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. KNUTSON. Mr. Chairman, I yield myself 15 additional minutes.

The CHAIRMAN. Without objection, the gentleman is recognized for 15 additional minutes.

There was no objection.

The American-made goblet sold in this country at retail for $1.50 or nearly three times the price of the import. The imported article sold in this country at retail for only 49 cents each, or about one-third of the price of the same American-made goblet. Surely this situation proves that even in 1937 the tariff was inadequate to protect the American hand-made glass industry, and yet Washington now wants to further reduce duties.

The 1937 production of hand-made glass in the United States was valued at $13,000,000, factory cost. The American workers were paid $3,000,000, or 62 percent of the total. In 1937 the importation of hand-made glassware in the United States had a total value of $4,000,000. The workers abroad were paid $600,000 or only about 15 percent of the total value. You just cannot compete with that sort of importation, at least not in the Eleventh Ohio Congressional District, and still keep living standards up the way we want them kept for our laboring men and women. The passage of this legislation will in my opinion work a difficult hardship not only upon labor but on industry and agriculture as well.

Mr. KNUTSON. A few years ago a survey was made that showed that the workingmen in the city of Milwaukee owned more automobiles than all the workingmen of Europe combined. It was not necessarily because we were smarter or knew how better than our competitors across the seas; it was because we had a tariff that enabled the American workingman to live the way God intended he should live.

I am not a spot protectionist; there are certain things that I am vitally interested in, such as butter, corn, rye, potatoes, and similar farm products; but I know that we will not be able to sell our butter at good prices unless the people down East are profitably employed; I know they are not going to eat butter when they are compelled to compete with Czechoslovakia, and China, and Japan. So, perhaps I am selfish all along the line; but I have never been guilty of going down to the State Department and asking the State Department to make an exception of something in my district.

We are told that these reciprocal-trade agreements promote trade. That is not true. We have not been holding our percentage of increase in any country's trade. While it is true that our trade has increased, it has not increased in proportion to the country's percentage increase. Let us take the countries of Sweden and Norway. Sweden is a treaty country, Norway is a nontreaty country. In 1934 we exported to Norway $11,000,000; in 1938, $22,000,000, or just twice as much. To Sweden we exported in 1934 $33,000,000; in 1938, only 68 percent more, not twice as much, as was the case with Norway.

Mr. DINGELL. Mr. Chairman, will the gentleman yield at that point?

Mr. KNUTSON. Only for a question.

Mr. DINGELL. I just want to call the gentleman's attention——

Mr. KNUTSON. I did not yield for a speech. Mr. Chairman, I do not yield for a speech. If the gentleman wants to ask a question, I will yield.

Mr. DINGELL. I wanted to call the gentleman's attention to the fact that a little while ago he said Sweden had a lower tariff than we did.

Mr. KNUTSON. Yes; and because of that lower tariff our exports to Sweden should have been much greater than they are. If Sweden had had a high tariff the gentleman's point would be well taken. Now we will go from Sweden and Norway to Argentina and Brazil.

Argentina is a nontreaty country while Brazil is a treaty country. See how much greater our exports are on this glass to Argentine than to Brazil; let me give you the figures: In 1934 we exported $42,000,000 worth of products of all kinds to Argentina, and in 1938, $86,000,000 worth. To Brazil, a treaty country, in 1934, we exported $40,000,000 worth and in 1938 only $61,000,000 worth. So the claims do not hold water and they have had the best jugglers in the world juggling with these figures; yet they cannot make them rotate. They, therefore, fall under their own weight.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Arkansas.

Mr. MILLS. Is my friend overlooking the fact that the United States completed a trade agreement with Argentina in 1943?

Mr. KNUTSON. I was giving the figures from 1934, when we passed the act, up to 1938, which was the last peace year.

Mr. MILLS. I misunderstood the gentleman. I thought he said 1944.

Mr. KNUTSON. No. 1938. I could go on and give other figures. I will give you two more. I hate to do this because it shows up the State Department. They are clever down there and I hate to show a clever person up when they work so hard at it.

Denmark was a nontreaty country and Holland a treaty country. The black line is the nontreaty country, Denmark, and the dotted line is Holland, a treaty country. Our exports to Denmark, the nontreaty country, were $14,500,000 in 1934 and $24,000,000 in 1938. To Holland $50,000,000 in 1934 and $96,000,000 in 1938.

Their claim as to what this reciprocal law is doing so far as building up our commerce is concerned does not stand analysis. Of course, they can take a set of tables and if they eliminate certain countries like the United Kingdom and several others, they can make a showing, but if they take them all together and add them up they cannot make out much of a case.

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Ohio.

Mr. THOM. I was a little puzzled a little while ago when the gentleman said that if an American shipped in a foreign ship a certain consignment of goods the money he paid to the foreign shipping company was lost. What did he mean by that?

Mr. KNUTSON. I did not make that statement at all.

Mr. THOM. What was it the gentleman said?

Mr. KNUTSON. I do not know what the gentleman is driving at. I merely said that I have supported every subsidy proposal for ship building that has come before the Congress because it is necessary that we pay a subsidy which represents the difference between the cost of labor in this country and abroad; therefor, we must pay a subsidy if we are going to build the ships over here, and I am for it, as against buying the ships abroad and having them built abroad, because when the money goes abroad we can bid it good-by. We may not see it again.

Mr. THOM. That is what I want to ask the gentleman about. Suppose you build a ship in England and you pay for it in American dollars. What becomes of the American dollars?

Mr. KNUTSON. They go to England.

Mr. THOM. What does England do with them?

Mr. KNUTSON. Search me.

Mr. THOM. Anybody who knows the first principle of foreign trade knows that when England receives those dollars she cannot pay her workmen with them, she cannot buy raw material with them in her own country; she must buy goods from the United States where that dollar is good.

Mr. KNUTSON. Not necessarily. She might buy raw materials which would not benefit our labor. If they are frozen you can move them.

Mr. THOM. So the dollar comes back here.

Mr. KNUTSON. Not necessarily.

Mr. THOM. Absolutely. That is the only thing you can do with the dollar. You have got to buy American goods.

Mr. KNUTSON. They want our dollars in order to establish these credits.

Mr. THOM. Absolutely, to buy American goods, because you cannot dispose of an American dollar except in an American market.

Mr. KNUTSON. They may expect us to buy back things we are producing in this country.

Mr. THOM. That is all right, if they buy our goods why they expect us to buy theirs; certainly.

Mr. KNUTSON. Would it not be better if we would confine our foreign commerce to the sale of those things of which we have an exportable surplus and import only such things as we do not produce ourselves or in sufficient quantities?

Mr. THOM. I think probably that is true, but when we send a dollar over to the British for building a ship that dollar comes back to us in payment for American goods.

Mr. KNUTSON. Maybe it does.

Mr. THOM. That is true, and I hope the gentleman sees it that way.

Mr. KNUTSON. Well, I have not been able to see it yet. But then we are learning so much in economics these days; things that our forefathers never knew. You know what we are learning today reminds me of the depression. The worst part of the depression was that we had to do without so many things that our forefathers never had.

Mr. Chairman, briefly summarized, the measure before us to extend the life of the trade law for another 3 years, is untimely. No one can foretell with any degree of accuracy what sort of a world we are going to have after the war. Let us wait till we know where we are and what we have to face.

There has been very little normal commerce since Pearl Harbor. The war is acting as embargo on normal imports so the American laboring man and farmer has not felt the impact of competition from lands where they pay but a fraction of the American wage scale. Once the war is over and the struggle for world trade breaks, our producers will find that they will have the fight of their lives to hang onto their their share of the home market.

Give to the State Department power to cut tariff rates an additional 50 percent? It is unthinkable. Already we are among the lowest of tariff nations. Even the United Kingdom ranks higher in percentage rates than we. To effect yet lower rates is to place us on a free-trade basis and at the same time invite economic chaos in America. With a $300,000,000,000 debt load to service, thousands of disabled veterans to provide for, our aged to maintain, not to mention the ordinary expenses of government, the proposal to lower rates yet furthur, would be farcical, were it not so serious.

They tell us we must import if we would export. True, but our exports should be confined to such articles and commodities as we have a surplus of and we should only import the things we need but do not ourselves produce. That is genuine reciprocity. I challenge anyone within the sound of my voice to name just one other country that does not live up to that sound principle of international trade.

Republicans believe in and are committed to that sort of reciprocity but not the tumbleweed variety practiced by the State Department, which makes Uncle Sam a glorified Santa Claus. This is how it now operates. We enter into a trade agreement with one country and all other countries, save Germany and Japan, automatically are given the same benefits, whether or not they give us any trade advantages in return. In other words, where one nation steps up to the pie counter, 60 will keep their seats knowing that "Uncle Sap" will be along shortly with their share of the pie.

Name me one country that has in good faith kept its commitments. Every country that we made a trade agreement with has nullified the benefits we were to receive, by depreciating their currency, imposing quota restrictions, or joining some organization like the sterling bloc, the members of which only trade with each other. Such nations are inside looking out; we are outside looking in, with all doors locked.

This measure is being high-pressured through Congress, and in the campaign to bamboozle the American people its proponents have enlisted the aid of internationalists, women's organizations, luncheon clubs, and others who have been made the unwitting instruments to take the bread out of our mouths. If the Doughton bill becomes law, industries whose products are largely labor will pick up stakes and move to South America, India, and China. Why not? Why pay $1 per hour, with time and one-half for overtime, with the unemployment tax, wage-and-hour law, the Fair Labor Standards Act, 40-hour week, and so on and so on, when they can have all the labor they want or need for 25 cents to 50 cents per day, and none of the expenses and inconveniences I have named, yet retaining their hold on the great American market? The Doughton bill would enable them to eat their cake and have it.

New England has lost much of her textile industries to the Carolinas, Georgia, and other Southern States because they offered cheaper labor and saved freight on long hauls of raw material and fuel. Passage of the Doughton bill will start another industrial migration—make no mistake.

To those benighted who yet claim that the Hawley-Smoot tariff brought on the depression by raising trade barriers against us let me remind them the depression started in Britain 2 or 3 years before the law was enacted, and finally became world-wide. As a matter of fact, it hit us last. Anyone with as much brains as God gave geese knows the depression was a sequence of War I.

Proponents of the "give away our markets" program told us back in 1934, when they first proposed this imbecilic and fantastic one-way trade program, that it would solve our unemployment problem. It did nothing of the kind. Six years later we yet had 10,000,000 out of work. In 1937, when they asked for its renewal they told us it would help preserve peace; 2 years later the war burst upon us with all the fury of hell turned loose. Now they tell us it will restore peace. I wonder who thinks up all these gems of asininity?

We are told by advocates of the Doughton bill that we must open our trade doors wide to other nations or we will break the faith reposed in us by a war-weary world; that renewal is necessary to save the world. To the peddlers of these banalities let me say that America can best help the world by being prosperous and strong and we can remain neither if we surrender our home mar-

kets to the pauperized labor of all the world.

The time has come for the Congress and the American people to be realistic, to face cold facts, and to get their heads out of the clouds. The era of wishful thinking is over. This is the morning after the night before.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 30 minutes to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON of Virginia. Mr. Chairman, I favor the passage of the Doughton bill (H. R. 3240).

The action that this Congress takes on that bill to renew and strengthen the Trade Agreements Act will be interpreted by the country—indeed by the whole world—as an indication of the degree of international economic leadership that can actually be expected from this Nation. Hostilities in Europe have ceased and we are rapidly approaching VJ-day. It is imperative, therefore, that we face squarely and courageously the world economic issues that confront us.

We are, as it were, at a fork in the path of economic foreign policy and we cannot avoid making a choice. The one path leads to an expanding world economy, where men and women will have job opportunities to produce in abundance the things that they need to eat and wear. This is the path of liberal trade policy and of full employment under the free-enterprise system. It is the path of international cooperation and the path that gives some promise of leading toward world peace.

The other path is that of isolationism and economic restrictionism. It is the path that we followed after the last war and it led us to economic depression and an international trade war.

Hesitation on our part now, at this critical juncture, would be little short of tragic. Let us not overlook for one instant that we are economically the most powerful country in the world. Let us be ever mindful of our responsibility for world leadership. Judge Vinson, in supporting this bill, expressed himself well when he said:

> The most powerful Nation on earth must, in the postwar period, maintain a high level of prosperity and employment here at home if our free way of life is to prosper and bear its share of responsibility in maintaining world peace. America must not, and in my opinion will not, break faith with its sons who have given their lives in order that our children and grandchildren might live in freedom.

The renewal and strengthening of the Trade Agreements Act is an integral part of this country's economic foreign policy. Other parts are now also before this Congress. Among these are the Bretton Woods proposals for an international monetary fund and an international bank for reconstruction, the constitution of the food and agriculture organization of the United Nations—which has already been approved by this House by the overwhelming vote of 291 to 25—extension of the authority of the Export-Import Bank, and repeal of the Johnson Act.

The Conference now in progress at San Francisco is planning to set up an economic and social council to assist the member nations in coordinating their economic and social policies. High on the agenda of any such body will necessarily be the problem of international trade barriers.

No international body, however, is going to supersede national governments. No international body can actually lower trade barriers. Such a group can study and recommend, but definitive action can be taken only by national governments themselves. When it comes to the lowering of trade barriers, experience shows that the only feasible way of accomplishing anything is by international negotiation and agreement. Unilateral action almost universally results in heightened, rather than lowered, barriers.

The reciprocal-trade agreements program has been the keystone of this country's foreign-trade policy for the past 11 years and it has been successful. Other countries have known that this country is ready at all times to work with them for trade expansion. They look to the United States for a continuation of leadership in this field, leadership which for so long was identified with the name of Cordell Hull.

Continuation of the reciprocal-trade agreements program requires that the powers of the President be extended beyond those specified in the original Trade Agreements Act. Mere renewal of the present law, which now even our opponents pretend not to find distasteful, would be a hollow gesture.

It is essential that the hand of the President be strengthened by giving him the bargaining power provided for in section 2 of the bill. This section would not empower him to cut duties 75 percent, as has been frequently said by some of those in opposition to the measure. It would modernize the program by authorizing him, in bargaining with other countries, to reduce our tariffs to 50 percent of their level on January 1, 1945. It is an enabling bill, designed to confer bargaining power upon the President. It would not, in and of itself, lower any tariff rate.

Unless this power is granted, the trade agreements program for all practical purposes will die and it will no longer be an instrument for reducing trade barriers, either here or abroad. For, the simple truth of the matter is that most of the effective bargaining power originally granted to the President 11 years ago has been exhausted, except on items of a highly competitive character.

Since 1934, when the original law was enacted, duties have been reduced by one-half on 42 percent of our dutiable imports. Duties have been reduced by less than 50 percent on an additional 20 percent of dutiable imports. On the remaining 38 percent rates have not been cut, either because the products involved are highly competitive or because they were normally imported principally from Germany or Japan.

Mere extension of the present law would be equivalent to telling the President that from now on, in bargaining with foreign countries, he will have to confine reductions to those items on which rates have not already been cut by the full 50 percent; namely, the more competitive items. He would have to concentrate, that is, on the very items where, because of stiff competition between imports and domestic production—such as hand-made glass and lower-priced cotton and woolen fabrics—the duty reductions that have been made were for less than 50 percent.

The caution that has been exercised for the last 11 years in lowing tariffs certainly is not going to be relaxed now. Mere extension of the present act, therefore, would be tantamount to rejection of the program. Such action would inevitably be interpreted by the rest of the world as notice that the United States is not prepared to carry out the principles of trade expansion to which it is so thoroughly committed.

All of the fine pronouncements of principle by our statesmen—at international conferences and elsewhere—will mean very little if the Congress turns its back on the action necessary to give them effect. Failure to enact this bill would expose us to the same pitfalls that befell us after the First World War, when we replaced the moderate Underwood tariff with the restrictive Fordney-McCumber tariff of 1922 and later on, in 1930, with the embargo Hawley-Smoot tariff. If we allow ourselves again to be swayed by that type of restrictionist reasoning we shall in the postwar era find ourselves in the grip of another period of production stagnation. When that occurred in 1932 Government employment and deficit financing was the answer. That answer was better than bread lines but it involved social unrest, regimentation, and an unsound fiscal policy.

To listen to some of the arguments of the opposition one might suppose that trade agreements are prepared and negotiated by persons in the Government departments who are not at all interested in the welfare of the United States. Charges have been made that the United States has received nothing from foreign countries in return for the concessions that it has granted, that foreign countries continue to discriminate against our commerce to their heart's content, that low-wage countries have "flooded" us with their products at the expense of American labor, and even that the trade-agreements program brought on the war. Specious statistics have been produced in attempts to prove that recovery was more rapid before the trade-agreements program was inaugurated than afterward and even to show that United States tariffs are so low relative to those of other countries as to be negligible.

Allegations that have no foundation in fact have been repeated over and over again to witnesses who appeared to testify in favor of this bill in order to discredit the program in the minds of the unwary.

One of these is the assertion that there was a greater degree of recovery between 1932 and 1935, before the trade-agreements program got under way, than between 1935 and 1938, when the program was in full swing. In their attempt to prove it they cite figures for exports, imports, and national income. Exports, they observe, increased from $1,576,000,000 in 1932, to $2,243,000,000 in 1935, and to $3,057,000,000 in 1938. By citing these figures fast enough, and by completely ignoring the fact that 1938 was a year of temporary recession in the general economic upswing that started in 1932, it is made to appear that somehow or other we would have been better off without the trade-agreements program than with it. The same trick was used with regard to imports, national income, and manufacturing pay rolls.

Official Government statistics show that with regard to exports, imports, national income, industrial production, manufacturing pay rolls, and factory employment the average annual increase from 1935 to 1937 was substantially greater than the average annual increase from 1932 to 1935—just the opposite conclusion from that so loudly proclaimed by the opposition. In most cases, furthermore, the increases between 1938 and 1939 were considerably greater than the average annual increases from 1932 to 1935. The only apparent exception is exports, but, since they receded less in 1938 than did imports, national income, industrial production, manufacturing pay rolls, or factory employment, they had less ground to recover. In fact, even for the hand-picked period 1935–38 annual average exports increased more than in the 1932–35 period.

The following tabulation shows the indexes for all of the periods mentioned:

Selected indexes of economic recovery

	1932	1935	1937	1938	1939	Annual average change				
						1932–35	1935–37	1935–38	1937–38	1938–39
Exports (in millions)	$1,576	$2,243	$3,299	$3,057	$3,123	+$222	+$528	+$271	−$242	+$66
Imports (in millions)	1,325	2,029	3,010	1,950	2,276	+238	+486	−30	−1,060	+326
INDEX NUMBERS (1935–39=100)										
Imports (quantity)	71	95	118	85	97	+8	+12	−3	−33	+12
National income	61	85	109	98	108	+8	+12	−4	−11	+10
Industrial production	58	87	113	89	108	+10	+13	−1	−24	+19
Manufacturing pay rolls	54	86	118	91	106	+11	+16	+2	−27	+15
Factory employment	68	93	111	93	102	+8	+9	0	−18	+9

All of which proves only that statistics are not foolproof and that by showing certain periods only, it is possible to give a completely erroneous picture. The opposition is apparently determined, now as in 1940 and 1943, to befuddle honest-minded people by their statistical machinations.

Of course, not all of the rapid recovery since 1934 is to be attributed to the trade-agreements program. No one has ever made such an extravagant claim. It cannot be denied, however, that the program has made an important contribution to that recovery.

Another favorite argument is that we are cutting our tariff duties in exchange for nothing on the part of foreign countries but continued and intensified discrimination on their part against our exports.

For nearly three centuries we have traded in world markets. Our opponents seem to feel that American skill, American resourcefulness, and American energy have lost the ability to hold their own in a competitive world and that henceforth we must take dreary refuge behind a Chinese wall of economic protectionism. The opposition seems to have lost faith in American private enterprise. I have not.

In each of the 28 trade agreements we have received many important concessions. The number of countries granting us concessions on some of our important exports is shown in the following tabulation:

	Number of countries granting—	
	Reduced duties, larger quotas, etc.	Concessions of any kind, including bindings of existing treatment
	(Possible maximum is 26)	
Fresh fruit	17	24
Canned or prepared fruits	21	24
Dried and evaporated fruits	21	25
Nuts	5	9
Fresh vegetables	5	5
Canned vegetables and preparations	18	20
Dried vegetables	2	2
Grains and preparations	18	21
Meats and meat products	16	18
Dairy products	8	11
Raw hides and skins, except furs	2	4
Unmanufactured leaf tobacco	4	11
Raw cotton		7
Fish	19	21
Leather and leather products	10	22
Tobacco manufactures	5	11
Rubber and rubber products	16	23
Textile manufactures	11	17
Paper and paper products	12	14
Wood and wood products	13	18
Naval stores	3	9
Petroleum and petroleum products	5	14
Glass and glass products	3	6
Cement	3	5
Iron and steel products except machinery and vehicles	13	20
Copper and manufactures	4	8
Lead and manufactures (including solder)	2	2
Zinc and manufactures	4	4
Silver and manufactures	2	2
Aluminum and aluminum products	3	3
Automobiles (including chassis), accessories and parts	14	23
Trucks and busses (including chassis), accessories and parts	11	20
Agricultural machinery and parts	6	16
Industrial machinery	15	24
Office appliances	13	22
Electrical machinery and apparatus	16	22
Paints, varnishes, and pigments	14	17
Medicinal and pharmaceutical preparations	6	12
Soaps and toilet preparations	14	14
Films and other photographic equipment	5	14
Surgical implements and appliances	1	3
Musical instruments and parts	5	6

The charge that foreign countries have intensified their discrimination against our commerce is not true. Foreign countries have been accused of depreciating their currencies immediately after signing trade agreements with us solely for the purpose of nullifying the concessions that they granted. The United Kingdom has been selected for particular criticism for having established a sterling area dollar pool which, it is charged, enables them to limit our exports to Empire countries.

Let us look first at currency devaluation.

Most of the trade agreements contain a specific clause permitting the United States to terminate the agreement if variations in the exchange rate between the currencies of the two countries becomes so substantial as to prejudice the industries or commerce of the United States. The devaluation of certain European currencies occurred at about the same time that France was forced to depreciate the franc at the end of September 1936 because of a political and financial situation which caused a flight of capital from that country. France went off the gold standard in July 1937, which was more than a year after the trade agreement with the United States became effective.

Netherland, Swiss, and Czechoslovakian currencies were devaluated during September–October 1936, about 9 months after the effective dates of the agreements with the Netherlands and Switzerland and prior to the agreement with Czechoslovakia. Swedish currency remained relatively stable from 1934 to the outbreak of the war, as did Finnish currency. The British pound remained stable from January 1, 1939, when the agreements became effective, until the outbreak of the war in Europe. Belgium is the only country where the signature and the effective date of the agreement occurred almost simultaneously with devaluation of the currency. Because of difficult economic and financial conditions, that country devaluated its currency at the end of March 1935, and the trade agreement became effective on May 1 of the same year.

Depreciation or devaluation of currencies does not mean that the concessions which we obtained are permanently canceled, or, as has sometimes been claimed, that exports of the depreciated-currency country are necessarily stimulated and imports retarded, even for a temporary period. In fact, currency depreciation has been much overrated as a means of stimulating exports by the country embarking on depreciation. At the very most the advantages gained are temporary and accrue principally to the first few countries to devaluate. Internal prices of goods in international trade soon rise, in the country engaged in devaluation, to an amount which brings them into the same relation as before to prices of the same goods in other countries. The countries which devalued their currencies after the time when trade agreements were concluded with the United States were not the first, but the last, to take this step. To say that currency devaluation has been used to nullify concessions granted in trade agreements is a plain distortion of the facts.

The sterling area dollar pool is an arrangement that has been necessitated by the war and which is definitely temporary.

The countries participating in this arrangement—the United Kingdom and all other British countries—except Canada and Newfoundland—and Egypt, Iraq, and Iceland—have found it necessary to "pool" their United States dollars for the purpose of buying military and civilian goods which are essential to the prosecution of the war. Dollars to these countries, in other words, are scarce and have had to be rationed for wartime purposes like all other scarce commodities. The net effect, so far as the United States is concerned, has been to change the composition and the destination of our exports but not to decrease the total number of dollars spent for our goods. On the other hand, the resulting conservation of dollars has resulted in a smaller drain on lend-lease assistance than would otherwise have been the case.

The uniformity of tone of many of the letters received and of much of the testimony heard is presumptive evidence that much of it was inspired by a common source. Almost invariably the testimony was based on fear of what might happen if tariff rates were reduced. Such fears were expressed in 1934 when the original act was passed. They were expressed again when it was renewed in 1937. They were expressed still again in 1940 and again in 1943. And they are still with us in 1945. Again and again we are told that the trade-agreements program is going to wreck the country. Only this time the opposition is willing to renew the act in its original form for 1 year, despite its alleged unconstitutionality and their fears.

The fact is that no one has been able to show that any industry or producing interest has suffered any substantial damage as a result of reductions in duties. In numerous cases where there have been increases in imports there have been even greater increases in domestic production. The opponents of the program are usually so absorbed in watching percentage increases in imports that they neglect altogether the usually small ratio of imports to domestic production.

A favorite argument is that American workers are unable to compete with the low-paid workers of foreign countries. If this were true, American industry and agriculture would have perished long ago, since wages—and profits, too, for that matter—are higher in this country than in almost every other country in the world.

What these critics overlook is that the ability to compete does not depend upon wage rates. The significant thing is cost per unit of output, and this depends only partly upon labor cost. The technological and managerial efficiency of American industry is so great that unit costs in most lines are far lower than in foreign countries. Not infrequently, because of this, foreign industrialists and labor complain to their governments that they are unable to compete with the highly efficient and highly paid labor of the United States.

If this reasoning seems too theoretical it is only necessary to refer to the testimony of labor itself on the point. Mr. James B. Carey, secretary-treasurer of the CIO, and Mr. Emil Rieve, general president of the Textile Workers Union of America, both appeared as witnesses in favor of this bill and gave strong support to it. Mr. Carey said, in part:

> There are those who contend that the American standard of living would be lowered by admitting foreign imports into this country; that American workers would be thrown out of jobs and that we could not compete with the low-priced foreign goods produced under low-wage conditions. Here are the facts: The principal industries affected by imports are textiles, wood, paper and pulp industries, fishing, mining, and glass manufacture. Only a relatively small proportion of American workers is in these industries, and of these only a limited number are directly affected by imports.
>
> The census of 1940 listed 45,000,000 persons as gainfully employed in construction and transportation, wholesale and retail trade, personal and professional services, finance, real estate, etc. Foreign competition cannot and does not touch them. Tariffs give them no protection whatever. On the contrary, tariffs hurt them by reducing the stream of commodities which they handle and increasing the cost of the goods which they buy as consumers.
>
> Eight million of the remaining 20,000,000 workers were listed as farmers. The vast majority of these 8,000,000 produce cotton, tobacco, rice, wheat, hogs, fruit, etc. All of them produce crops partially dependent upon foreign markets. The other thousands of farmers producing food which cannot be exported are injured by the increased price which protective tariffs place upon the goods which they buy.
>
> Twelve million workers of the 45,000,000 are employed in manufacturing, mining, forestry, and fishing. Six million of these 12,000,000 workers are employed in automotive and aircraft industry, steel, electrical equipment, and other consumer durable goods—all of them efficient export industries.
>
> Of the remaining 6,000,000 workers, the great majority are independent of tariff protection. In the flat-glass industry, foreign competition is limited principally to certain types of glass; in textiles much of the foreign competition affects goods in the luxury class. In iron and steel, foreign competition is limited in the main to certain alloy products. In all of these lines, advances in American technology are reducing the potential competition.
>
> Many foreign goods are at a competitive disadvantage with domestic goods. In addition to overseas freight to the United States, they must pay the cost of transportation to interior points; they must meet consumer preference as to style and quality; they must comply with sanitary pure food and other regulations, in addition to meeting competition of domestic goods which are advantageously located. And, above all, the machinery of the Tariff Commission under the Reciprocal Trade Agreements Act is designed to forestall destructive competition.
>
> The maximum number of workers employed in industries whose goods compete with similar goods produced abroad is little more than 2,000,000. American workers thus are affected to a very limited degree by tariffs whereas all workers as consumers are injured by high tariffs.

Nor have American farmers suffered from trade agreements. Rather have they benefited from the concessions obtained for their exports.

As shown in a recent study by the American Farm Bureau Federation, the total acreage equivalent of imports of competitive agricultural products during the period 1928–29 to 1933–34 decreased 2,900,000 acres as compared with a decline of 21,000,000 acres for agricultural exports. In the crop year 1937–38 the acreage equivalent of competitive agricultural imports was 531,000 acres less than in 1933–34, while that of agricultural exports was 7,014,000 acres greater than 1933–34. In the crop year 1938–39 the acreage equivalent of the principal agricultural exports of the United States was 28,375,000 acres, which was nearly four times the acreage equivalent of the principal competitive agricultural imports in that year.

In 1938 and 1939, United States agricultural exports to nontrade-agreement countries averaged 15 percent less than in 1934 and 1935, as compared with an increase of 50 percent in agricultural exports to trade-agreement countries. Concessions have been obtained by the United States on industrial products which accounted for 48 percent of the total value of United States agricultural exports in that year. Concessions have been obtained by the United States from agreement countries on 73 percent of their agricultural imports from this country as compared with 48 percent of their nonagricultural imports.

Normally, almost half of all of our exports are agricultural products. That producers of many major agricultural products are heavily dependent upon export markets is shown by the following percentages showing the share of domestic production normally exported: Wheat, 20 percent; tobacco, 40 percent; dried apricot, 60 percent; cotton, 50 percent; prunes, 50 percent; pears, 20 percent; lard, 40 percent; raisins, 35 percent; and apples, 15 percent.

It would be disastrous if we were to go back to the old system of embargo tariffs and trade wars. Foreign outlets

of surplus agricultural products would be lost and there would be enormous surpluses or drastic restrictions on production of such commodities. Producers of these surplus commodities would shift to the production of other commodities such as dairy products, beef cattle, and fruits and vegetables, producers of which would then encounter stiff competition. The loss of export markets would react on industrial production and reduce industrial employment, and American farmers would suffer by reason of the smaller purchasing power of American laborers.

Agricultural production in the United States has been increasing, but unless the export market for many basic farm products is enlarged after the present war there will be a permanent reduction in farm output and a permanent reduction in income for millions of farmers. It is more important for the American farmer to have profitable markets for his total production than to have exclusive access to a domestic market too restricted to give him an income sufficient to maintain a decent standard of living.

The opponents of the Doughton bill have not been able to present a single sound argument against it. Such arguments as they have given have been based upon fear of what might happen and upon statistics that are largely specious and seemingly devised more to confuse the issue than to clarify it.

President Truman has made clear the need for the additional authority which section 2 of the bill calls for. Without such authority, the renewal of the act as it now stands would be mere window-dressing. Were it not so the opponents, who deep down in their heart of hearts are unalterably opposed to tariff reductions, would not agree to a simple renewal for 1 year.

This issue cuts deep into our postwar planning. The trade-agreements program is a symbol—a symbol of international economic cooperation—and if its renewal on an active basis is rejected it will be taken to mean that this country is determined to repeat its mistakes of the 1920's. The Christian Science Monitor, speaking editorially on May 17, expertly summarized the issues as follows:

The American people are being treated to a weird spectacle of political contortion by the Republican Party's leadership in Congress. Its chieftains met with President Truman shortly after his nomination and pledged their cooperation in efforts to obtain permanent peace. Yet Republican members of the House Ways and Means Committee have just voted solidly against renewal of the Hull Trade Agreements Act. Thus the GOP leadership is in the impossible position of smiling on efforts to encourage friendly world relations and turning its back on them at the same time.

For the reciprocal trade policy is important to world peace. This is recognized in the United States Chamber of Commerce's endorsement of the present bill. * * * Most students of government recall how American tariffs hampered Europe's payment of its war debts with manufactured goods and raw materials. The tariffs shut off Europe's chief market and helped to bring on the world depression. Europe retaliated with prohibitive import duties of its own—and economic warfare fostered the war we have been fighting.

Congress has only until June 12 to renew the Trade Agreements Act. Can a Congressman hope to promote world prosperity—consequently peace—by maintaining forbidding tariff walls about his own country? Can he be a cooperationist for peace and a tariff isolationist at the same moment?

The high-tariff proponents are economic isolationists. They say, "We want to sell to the world, but we won't buy anything we can produce ourselves." One might think that the lesson of the twenties and the thirties, when America drained the world of most of its gold and buried it in the ground, would have been sufficient. When Europe had no more gold to pay out, it could buy no more American products—and the factories began to close. The United States, in a modern, close-knit world, found it could not be self-sufficient.

Must America, and the world, go through new tariff wars? Do the tariff isolationists in Congress realize that the effect of another set of prohibitive import duties might furnish an excuse for future fanatic nationalists to sow the dragon's teeth of hatred and war? The Republican Party leaders in Washington should awaken. The Republicans in Congress would do well to resume the wise stand they took in 1943, when a majority of them voted to renew the reciprocal agreements.

The Reciprocal Trade Agreements Act has proved itself of real benefit in promoting international commerce. It can help to strengthen the foundations of the new peace structure being laid at San Francisco. The 14-to-11 vote of the Ways and Means Committee indicates that the administration may be able to push through the renewal—including increased tariff-reduction powers for the President—even without Republican support and despite certain Democratic high-tariff recalcitrants. But the Republican leadership will enhance its reputation and serve the public well if it brings its followers into line. Those of both parties whose hearts are in the effort to promote world amity will join in extending the life of the Hull Act.

Because I believe that economic security is the handmaiden of peace; because I believe that freer international trade will mean an expanding world economy, and because I believe that our own economic well-being is definitely linked with foreign commerce, I am giving my wholehearted support to the Doughton bill.

I was elected to the Congress on the Democratic platform of 1932, which promised a reciprocal trade agreements program. The Democratic Party lived up to that campaign promise. In January 1940, in requesting the Congress to renew the Reciprocal Trade Agreements Act, President Roosevelt said:

The social and economic forces which have been mismanaged abroad until they have resulted in revolution, dictatorship, and war are the same as those which we here are struggling to adjust peacefully at home.

It was with far-sighted wisdom that the framers of the Constitution brought together in one magnificent phrase three great concepts—common defense, general welfare, and domestic tranquillity.

To say that the domestic well-being of 130,000,000 Americans is deeply affected by the well-being or the ill-being of the populations of other nations is only to recognize in world affairs the truth we all accept in home affairs.

If in any local unit—a city, county, State, or region—low standards of living are permitted to continue, the level of the civilization of the entire Nation will be pulled downward.

The identical principle extends to the rest of a civilized world. But there are those who wishfully insist, in innocence or ignorance, or both, that the United States of America as a self-contained unit can live happily and prosperously, its future secure, inside a high wall of isolation while, outside, the rest of civilization and the commerce and culture of mankind are shattered.

We must look ahead and see the effect on our future generations if world trade is controlled by any nation or group of nations which sets up that control through military force.

For many years after the World War blind economic selfishness in most countries, including our own, resulted in a destructive mine field of trade restrictions which blocked the channels of commerce among nations. This policy was one of the contributing causes of existing wars. It dammed up vast unsalable surpluses, helping to bring about unemployment and suffering in the United States and everywhere else.

The old conditions of world trade made for no enduring peace; and when the time comes, the United States must use its influence to open up the trade channels of the world in order that no nation need feel compelled in later days to seek by force of arms what it can well gain by peaceful conference. For this purpose we need the Trade Agreements Act even more than when it was passed.

I emphasize the leadership which this Nation can take when the time comes for a renewal of world peace. Such an influence will be greatly weakened if this Government becomes a dog in the manger of trade selfishness.

In asking last fall to be placed in charge of the destinies of our Nation, the Republican candidate for the Presidency not only endorsed the reciprocal trade agreements program, but he termed it a Republican program that had been ably carried out by Mr. Hull. He pointed with pride to the Republican platform of 1944, which said:

We believe, however, that peace and security do not depend upon the sanction of force alone, but should prevail by virtue of reciprocal interests and spiritual values recognized in these security agreements. * * *

We shall seek, in our relations with other nations, conditions calculated to promote world-wide economic stability, not only for the sake of the world, but also to the end that our own people may enjoy a high level of employment in an increasingly prosperous world. * * *

If the postwar world is to be properly organized, a great extension of world trade will be necessary to repair the wastes of war and build an enduring peace. The Republican Party, always remembering that its primary obligation, which must be fulfilled, is to our own workers, our own farmers, and our own industry, pledges that it will join with others in leadership in every cooperative effort to remove unnecessary and destructive barriers to international trade.

Far be it from me to attempt to tell my Republican colleagues how they should vote on the pending bill. It is for them to judge whether or not they are bound to their platform promises of 1944. I can merely add that if they feel that they are not bound they will be wasting their time to insert another plank on the subject of cooperative effort to remove unnecessary and destructive barriers to international trade in their 1948 platform.

"By their fruits ye shall know them."

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Why did the State Department ask for an additional 50-percent bargaining power if they are not going to use it?

Mr. ROBERTSON of Virginia. The reason the State Department asked for the additional 50 percent is they expect to use some of it. They told us they did not expect to use all of it, but if they do not get the additional bargaining power in the event any future trade agreement was negotiated, the cut would have to be made on the highly competitive items which they did not want to cut and which in previous agreements have not been cut to the point where anyone was injured. My friend, the gentleman from Minnesota, said that every time a witness came before the committee complaining of the reciprocal trade agreement, the gentleman from Virginia would ask him, "Have you been hurt?" and each time the witness would have to answer "No." That is true. But the gentleman from Minnesota did not give you the real reason why the witness had to answer "No," because the witness knew if he did not answer in the negative I would insert in the record the truth of the fact that "no" was the only correct answer that could be given. No, they have not been hurt. All through the testimony in opposition to the bill and in all the correspondence we have had on the bill, like a silver thread among the gold there runs this thought, "We are afraid of what you are going to do to us in the future." No, they have not been hurt yet. They say, "No, we are not economic isolationists." They say, "Yes, we are for freer world trade. But we want to tie your hands down for fear of what you may do to us in the future."

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Colorado.

Mr. GILLESPIE. I have a great many letters from the A. F. of L. and they are very much opposed to this measure.

Mr. ROBERTSON of Virginia. I did not mean to say they were unanimously for it.

Mr. GILLESPIE. They are unanimously against it in my district.

Mr. ROBERTSON of Virginia. There are many units of the A. F. of L. for it. Two of the best witnesses we had before our committee were A. F. of L. men. The railroad workers want to haul the goods. We had another witness from the A. F. of L. who gave very strong testimony. Mr. Matthew Woll is vice president of the A. F. of L. He came before us in opposition to the bill but he distinctly said he did not speak for the A. F. of L., that he spoke for the American Wage Earners Protection Conference, which appears to be a small organization of his own. We asked him how many members that organization had and we never could find out. He said he had so many in the printing union, to which he belonged, but we never could find out how many there were.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Ohio.

Mr. BREHM. I wonder if the gentleman testifying for the CIO referred in any way to the shoe industry in America, which I understand are practically all CIO union controlled. A short time back the shoe factories in my district were down and the workers blamed it primarily upon the fact that shoes came in from Czechoslovakia all complete except for the tacking on of the heel.

Mr. ROBERTSON of Virginia. I do not know who testified about shoes; however, it was brought out that at no time has the importation of shoes ever amounted to 2 percent of the domestic production. There were some fancy ladies' shoes brought in from Czechoslovakia, but the war soon put an end to that. We always exported in dollars 10 to 15 times the value of the imports. During the time that much complaint was made about the imports from Czechoslovakia the domestic consumption of shoes rose from about 300,000,000 pair to over 400,000,000 pair. With our present national income we could possibly consume five or six hundred million pair if we did not have given an airplane stamp to get them.

Mr. BREHM. The thing that prompted my question was that during the time the shoe factory was down in my own home town, I saw and cashed many of their pay checks which were as low as $3.61 for 2 weeks' work and the shoe-factory workers at that time were blaming the shoes that came in from foreign countries in competition to our American-made shoes, for their low wages and lack of work.

Mr. ROBERTSON of Virginia. The position of the CIO was that it was unanimously for this measure, even so far as the textile industry was concerned which had complained the most. It was unanimously for this bill. Various big units like the Railroad Brotherhood, for which Mr. Harrison spoke, was for the bill. He made one of the best witnesses we had before us. Although he said he left school when he was in the 6th grade, he is a man that made good use of his time since he left school. And he was pommeled from one end of that committee table to the other by the opponents of this bill but they did not make any headway with him.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 15 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, in formulating a tariff policy, we have to contend with a problem peculiarly our own—the high standard of American life—which, expressed in terms of any money in comparison to an ounce of gold, shows we are willing to pay more for services and merchandise than any other country in the world.

Such a status, Mr. Chairman, is an invitation for the rest of the world to sell its goods, produced by means of cheaper labor, in our higher-priced markets, and of necessity, for the protection of our industry and our labor, we must adopt a tariff plan to cope with that situation.

We have endured the consequences of two World Wars, both having as their basic cause unsatisfactory economic and trade relations among the most civilized nations of the world. We do not have to look far for the cause of World War II. It is fully described in Hitler's book, Mein Kampf, in which the allegedly now dead Fuehrer openly exposed his plan to make Germany the only industrial nation in Europe, if not in the entire world.

Our attitude on the tariff will, therefore, be highly instrumental in the future, as it has been in the past, in causing or preventing future wars. We are now enjoying a type of wartime prosperity—but at what price? It would be indeed unfortunate if in the future our ingenuity were capable of producing only a system of international trade in which prosperity could be enjoyed in its highest degree under wartime conditions.

Immediately after this war unsettled periods of trading with any given nation can be foreseen. The acuteness of the disturbances in the trading will necessarily be the most severe we have ever experienced. There will be devaluation and repudiation of the value of existing moneys in foreign nations; there is now and will be misery of an indescribable nature, making for a still lower standard of living than the one experienced before the war: there will be an accumulation and concentration of all possible and imaginary trade disturbances; there will be trade hindrances for longer or shorter periods of time, according to the time needed by each country to put itself on a basis which has a semblance of normalcy.

It will be necessary not only for the foreign countries but also for us to work on a budget, regulating our imports and exports, our debts and credits, so that we know at all times what we are doing and where we stand, and so that we, too, will be able, sooner or later, to come back to somewhat normal conditions.

Under our present tariff system there has grown up in this country mass production in many lines of industry. Whether this system is beneficial or not I am not discussing, but it must be apparent that under this system, with our present economic set-up, we will be impotent to provide necessary employment for all returning war veterans and other workers who will be out of employment when the war emergency passes. Particularly will this be true if we sacrifice one American industry in an effort to give other nations buying power to enable them to purchase the exported products of some other American industry. My native State of West Virginia, now the leading glass producing State in the Union, protests being made the guinea pig for such an experiment.

The present trade agreements do not limit the amounts of any given article that can be imported, and in many cases we have observed that, due to this fact, we are uncertain regarding the quantity a foreign exporter of a given commodity will throw on our markets. Very often as little as 10 percent or less of an imported competitive article ruins the price structure of both the imported and the domestically produced equivalent article.

HAND-GLASS INDUSTRY

United States manufacturers of handmade glassware are fully cognizant of the necessity of stimulating foreign trade. They are not interested in creating tariff barriers just for the purpose of

eliminating competition. All they are seeking is the equal opportunity of selling ware made by American workmen at American labor rates as is provided foreign manufacturers using foreign labor at low foreign wage rates.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. KNUTSON. The gentleman is making a very fine statement. Does the gentleman know of a single country that does not give all necessary protection to its own industries?

Mr. BAILEY. I think the gentleman's question will be answered as I proceed.

In 1944 the hand-made glass table, ornamental, and stemware industry was estimated at $19,400,000 at factory selling-price levels. The illuminating glassware business for the same year was about $11,000,000, making in all a total of approximately $30,000,000 during the war years for the hand-made group for which I plead. In normal times—for instance, in 1939—the United States biennial census of manufacturers record this business as $20,700,000. This represents a 50-percent wartime expansion, with added workers.

Manufacturers of this ware are located—in order of their importance—in West Virginia, Ohio, Pennsylvania, Indiana, New York, Oklahoma, and California. There are a few factories in other States. These plants, numbering 76, are predominantly in small towns and cities, as follows:

Companies:	*Towns or cities with a population*
21	5,000 and under
14	5,001 to 10,000
21	10,001 to 25,000
10	25,001 to 50,000
10	over 50,000

Fifty-six of these plants are located in cities and towns having a population of 25,000 and under. Most of the factories practically support the community, and if they do not operate, local retailers and service establishments immediately are in distress. If the plants are shut down for any reason, disaster overtakes these small communities, because in many instances the glass plant is the sole manufacturing establishment in the area. My congressional district alone has 9 such plants and West Virginia has a total of 19.

Glass working is an art. A glass worker only becomes skilled after years of arduous training. The development of skilled and expert workers in the manual arts is fundamentally intelligent.

What would our own military have done during the war without skilled glassworkers? Where would we have obtained tubes for radar and radio, lenses for range finders, battery jars for telephone units, and the innumerable other complex instruments used in the prosecution of the war? No ship could have sailed safely without fresenal lenses and other glass parts for signal apparatus. Our Medical Corps could not have functioned without the hundreds of glass units required by them.

Shall we permit this industry to die because of its inability to compete with low foreign wages? Shall we discontinue the training of skilled workmen? Shall we discontinue technological research which has been of such great value to our Army and Navy? If we do so, where will the hundreds of glass parts used by the Army and Navy and the Coast Guard come from? How then, can we properly meet our national-defense problem?

There always has been a hand-made glassware industry in this country. Since 1878 the great majority of the skilled handworkers have bargained collectively with their employers, building mutual understanding of the needs of their industry and a cooperative policy for its welfare. The glass worker, being an intelligent person and a good citizen generally, has endeavored to negotiate and establish wage scales which will permit him to live and rear his family on that standard of living in which we Americans express pride so frequently. These wages are the largest single factor in the cost of our product. The industry, in its long record of collective bargaining, has voluntarily built standards which the Government has been seeking for the past decade to establish by law.

The greatest menace over the years to the maintenance of that living standard to which the glassworker aspires has been the importation of hand-made glassware into our markets from the low-wage, foreign factories. The importation of low-priced wares need supply but a comparatively small percentage of the domestic market to set a price standard which becomes destructive of jobs for the employees and of production and profit of the employers. The Tariff Commission reports for 1940, covering the period immediately preceding World War II, shows foreign imports averaged approximately 23 percent of the gross domestic production.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield at that point?

Mr. BAILEY. I yield.

Mr. KNUTSON. I believe it was Mr. Clayton who gave his opinion to the committee that where an industry was inefficient and could not compete they could go into something else. Will the gentleman tell me where the glass workers who are 40, 50, and 60 years of age, who have been working at that trade all their lives, can go to seek employment in some other industry?

Mr. BAILEY. Frankly, I cannot inform the gentleman, because I do not know myself.

Mr. KNUTSON. I do not believe they know either. Furthermore it would turn those towns into ghost towns.

Mr. BAILEY. The average pay in 1944 for the hand-made glassware industry was approximately 80 cents per hour, having increased from an industry average of 65 cents in 1939. This 23-percent increase has been necessary in order to keep the industry in line with increases made in competitive occupations. These wage rates are justified in view of the years of training required to develop the unusual skill needed to make glassware. Our labor costs in this country are a large percentage of total cost and we know it is impossible to sell hand-made glassware in this country in competition with foreign-made ware unless our wages are equalized in some way with the low wages paid in foreign countries.

The latest information available on wages paid in foreign countries is from the international labor reports. They were the average totals for the clay, pottery, and glass industries. The years varied.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. BATES of Massachusetts. Czechoslovakia, under the tariff regulations, was shipping their shoes into this country in great volume, particularly women's novelty shoes. Eighteen factories out of the 28 in one of the cities in my district were closed down because they could not compete, could not even produce a shoe in the factory for what it was sold for on the market having been made in Czechoslovakia.

Mr. BAILEY. I am interested in the glass industry, not particularly in the shoe industry, and I trust I will not be interrupted again, because I only have 15 minutes.

The information secured is as follows:

Country	Year	Average rate
Czechoslovakia	1937	14.73 cents per hour.
Italy	1939	13.93 cents per hour.
Great Britain	1941	Male, $17.02; female, $7.66 per week.
Sweden (estimate)	1938	About 27 cents per hour.
Japan	1939	Male, 62.7 cents; female, 26.8 cents per day.
United States	1939	65 cents per hour.
	1944	80 cents per hour.

Most foreign factories work 45 hours per week in normal times, and some more than that. In this country, we average about 37 hours per week in normal times, and some more than that. These increased hours of operation in foreign factories cut down their unit cost as compared with United States factories.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman an additional 10 minutes.

Mr. BAILEY. Mr. Chairman, we compete not only with the organized glass manufacturer abroad, but also with hundreds of workers who produce or decorate glassware in their own homes. It is not uncommon to find an entire family, including young children, working on glass in their own homes. Obviously, we cannot meet the competition of this "sweatshop" labor and pay wages to maintain the American standard of living. Unless, of course, the Government wants to go in for a plan of subsidies representing the difference in labor costs at home and those of our foreign competitors.

In the matter of subsidies it might be well to point out at this time that this was a part of the Japanese economic set-up. In the early 1930's the Imperial Government subsidized the Japanese glass industry through their merchant marine by paying the entire freight cost from Japan to our western sea coast ports. By this scheme they were able to practically drive the American hand-glass industry out of business. When

Japan invaded Manchuria and seized Shanghai they were forced to divert their shipping facilities to wartime activities and the American hand-glass industry made a remarkable recovery just prior to the outbreak of World War II.

These startling facts forces one to wonder whether in future years we contemplate the enactment of reciprocal trade relations with Japan, especially if the schedules are to cover glassware.

There now exist three active trade agreements in which the tariff rates on hand-made glassware have been reduced. They are the trade agreement with Sweden, made on August 5, 1935, in which the tariff on glass having a value of $4 or more in the country of origin was cut from 60 to 30 percent; the United Kingdom trade agreement, effective January 1, 1939, in which table and ornamental glassware, cut or engraved, having a value of $1 or more in country of origin, was cut from 60 to 45 percent; and in the recent Mexican trade agreement, effective January 30, 1943, bubble glass, which is not made to any extent by manufacturers in this country, the tariff rate was cut from 60 to 30 percent. Under bill H. R. 2652, now H. R. 3240, these trade-agreement rates could be cut in half if the negotiating committee found it advisable to do so. In addition to the now active trade agreements, many types of glassware were reduced in the Czechoslovakian trade agreement which became effective April 16, 1938, and was terminated by the President on April 22, 1939, due to German aggression. In that trade agreement, the following glass tariffs were reduced insofar as they apply to the table and illuminating glassware industry:

	1930 tariff rates	Cuts made in Czechoslovakian trade agreement
Hand-made polished glass table, kitchen, stemware, tumblers, etc.	*Percent ad valorem* 60	*Percent ad valorem* 50
Automatic machine-made unpolished glass table, kitchen, stemware, tumblers, etc.	50	25
Illuminating glassware:		
Shades and reflectors	70	45
Lamp chimneys	55	30
Prisms, glass chandeliers, etc.	60	30
Cased glass	60	45

The subcommittee is to be commended for its efforts to relieve the hand-glass industry by writing into the proposed legislation a provision that in future reciprocal treaties with Czechoslovakia, affecting glassware, the negotiations shall be predicated on the schedule of the 1930 Tariff Act and not on the adjusted rates contained in the treaty of 1938 with the Czechs, which was abrogated by President Roosevelt in 1939 when Hitler took over their country. This means that if H. R. 2652—now H. R. 3240—is approved by Congress the glassware schedule, so far as competition from Czechoslovakia is concerned, could not be reduced below 50 percent of the 60 percent ad valorem rate in the 1930 act; if the negotiators allow the full 50 percent, it would be exactly the same as the reduced rate in the abrogated treaty of 1939.

In addition to the four above-mentioned trade agreements, the reduction on tariff in hand-made glassware has been considered in negotiating the agreements with Argentina and Belgium, but no reductions were made in them. You can readily see that glassware has been under discussion quite frequently in past trade agreements.

If H. R. 2652—now H. R. 3240—is approved, carrying the added 50 percent differentials, the negotiating committee, if they desire, could cut three rates on glassware, as follows:

Thirty percent in the Swedish trade agreement to 15 percent.

Forty-five percent in the United Kingdom trade agreement to 22½ percent.

Thirty percent in the Mexican trade agreement to 15 percent.

If trade agreements reduce tariffs and encourage foreign manufacturers to sell large quantities of hand-made glassware in this country, the United States manufacturers are denied a large portion of the domestic market and have no way of making up the losses in export trade. Such a procedure eventually would lead to the ruin of a large number of United States hand-made glassware manufacturers.

Should the Congress deem it advisable and necessary to extend the present Trade Agreements Act as it now is written, I submit the following suggestions for amending it:

(a) Make it mandatory to include in all future agreements an injury clause similar to that contained in the Mexican trade agreement, article XI. This article provides for the withdrawal of any tariff concessions, in whole or in part, by either party, if injury to either party results. This amendment would provide a procedure for rectifying injuries to industries, an important deficiency which now exists in the Trade Agreements Act.

(b) Another amendment: The act should designate an unbiased agency before which an injured industry can state its grievances and, if substantiated, it should be mandatory for the President to change the trade agreement which has caused the injury, in accordance with article XI of the Mexican trade agreement.

SHEET-GLASS INDUSTRY

Sheet glass, commonly known as window glass, is the glass generally used throughout the world for glazing dwelling-house windows, factory skylights, conservatories, and greenhouses. It is also used for picture frames, in small mirrors, for watch crystals, and in substantial quantities in the manufacture of safety glass for automobiles and airplanes.

The great bulk of the world's sheet glass is produced in a few countries—the United States, Belgium, Czechoslovakia, the Soviet Union, Japan, Germany, the United Kingdom, and France. Exports from these eight countries, which averaged about one-half billion pounds annually during the decade before World War II, comprise virtually the total international trade in sheet glass.

The world's capacity for producing sheet glass is estimated at five to six billion pounds annually. About one-fifth of this capacity is in the United States, which leads in production. United States exports of sheet glass, however, have been of minor importance, amounting customarily to less than 1 percent of its output. In contrast, Belgium and Czechoslovakia, which count heavily on the exportation of glass to obtain foreign exchange, usually export over 75 percent of their total production. Of the total exports of sheet glass during the 10 years preceding the present war, these two countries supplied about 70 percent.

Cost-of-production differentials, tariffs and barter agreements, patents and cartels, all had a part in determining the prewar international trade in sheet glass. For several years before the war European producers had maintained associations or cartels which exercised strict control over production, price policies, and sales in both domestic and export markets. Some of the members of the cartels had financial and patent connections with certain producers in the United States. Foreign producers sometimes received licenses to use American manufacturing processes on condition that they would not export glass to the United States. Similar restrictions may have been imposed upon United States exports by foreign holders of patents used in this country. Partly by means of such agreements, a large part of the world's production and an even larger part of the world trade in sheet glass in recent prewar years was controlled by six interrelated companies—two in the United States, two in Belgium, one in France, and one in England. This control may have had more effect on international trade than that exerted by customs tariffs.

The sheet-glass industry of the United States comprises 7 companies having 12 mechanically equipped plants in Pennsylvania, West Virginia, Ohio, Indiana, Oklahoma, Arkansas, and Louisiana; it represents an investment of twenty-five to thirty million dollars and furnishes employment for 8,000 workers. Three companies, the Pittsburgh Plate Glass Co., the Libbey-Owens-Ford Glass Co., and the American Window Glass Co., operating 8 plants, account for over 75 percent of the total output. The first two named companies produce over half of the total output in 5 plants. They are also large producers of plate glass, chemicals, plastics, paints, cement, and other building materials.

Since 1930 sheet glass has been produced in Belgium almost exclusively by the three different sheet-drawing machine methods of manufacture now used generally throughout the world. The productive capacity of one large plant at Moll in northern Belgium, employing the American Libbey-Owens or Colburn process, is more than sufficient to supply the domestic requirements of Belgium. Another plant located at Zeebrugge in western Belgium uses the American Pittsburgh plate process, and 10 or more plants in the southern section of the

country between Namur and Mons use the Fourcault process.

The introduction into Belgium of the Libbey-Owens method of producing sheet glass was brought about in the early 1920's by the formation of the Compagnie Internationale Pour la Fabrication Mecanique du Verre—Mecaniver. This corporation was established by a group of Belgian financiers—Solvay interests, also manufacturers of chemicals—in collaboration with the Libbey-Owens-Ford Glass Co., of the United States, and was given the exclusive right of exploiting in Europe the Libbey-Owens process of manufacture. A large number of subsidiary companies were organized and plants were erected by them in France, Germany, Spain, Italy, and Switzerland. The parent company in Belgium shipped to all markets except the United States. It had been agreed with the American Libbey-Owens-Ford Co., that neither the main Belgium company nor any of its subsidiaries would export to the United States any sheet glass produced by this process.

The decrease in exports resulting from the world depression in the 1930's led to further centralized control in the Belgium sheet-glass industry. The Fourcault plants, which already had a common sales organization, were amalgamated in 1930 into the Union des Verreries Mecaniques Belges, embracing 13 plants. In 1932 these two groups of Belgian producers—Union and Mecaniver—reached an agreement whereby the Union was allocated 70 percent of the Belgian output and Mecaniver 30 percent.

Members of Congress will remember I am supporting legislation aimed at the destruction of the dangerous cartel system. Here is one of many instances in which these international monopolies have so changed and altered normal trade relations that statistics compiled by the Tariff Commission are more or less worthless.

In the years just prior to World War II, the average gross domestic production of sheet glass was $130,000,000 annually. The imports were less than one and a half millions annually. This small volume of imports is not an immediate hazard to their industry which is fully mechanized and able to withstand competition even if their cartel arrangements are broken up.

POTTERY TABLEWARE

Pottery table and kitchen articles, used in preparing, serving, and storing food and drink, fall roughly into two groups: Opaque pottery known as earthenware, and translucent pottery known as chinaware. Chinaware is of two types, hotel china and household china. Before the war practically the entire hotel china market in this country was supplied by domestic production, but nearly all the household china was imported. The bulk of the household earthenware consumed in the United States was produced here. Although earthenware imports were substantial, the greater volume of competition with domestic earthenware came from imported chinaware, especially the cheap chinaware imported from Japan. In the 1920's, taking all types and grades together, imports came chiefly from Germany and other central European countries; in the 1930's chiefly from Japan. In both decades, the United Kingdom was the principal source of imports of the expensive grades of household china and earthenware.

Pottery production is technically more efficient—that is, owing to the use of improved mechanical equipment, fewer over-all man-hours are required per unit produced—in the United States than in any other country, although in all countries such efficiency has increased in recent years. So far as costs are concerned, however, the greater efficiency in the United States has continued to be more than offset by the lower wages in the pottery industries in foreign countries. In 1939 hourly pottery wage rates in Great Britain, Germany, and Japan—including perquisites in addition to direct wages—were about 40, 30, and 10 percent, respectively, of those in the United States. Domestic producers, however, may gain some advantage from their nearness to the market, and ordinarily the delivery time from United States factories is shorter than from those abroad.

Commodity: Earthenware, stoneware, china, and porcelain table and kitchen articles. Rate of duty: From 30 percent plus 5 cents per dozen pieces to equal ad valorem 69 percent; 70 percent plus 10 cents per dozen pieces to equal ad valorem 69 percent.

NOTE.—The rates fixed in the Tariff Act of 1930 on earthenware and stoneware covered by this report were 10 cents per dozen pieces plus 45 or 50 percent ad valorem, depending upon whether undecorated or decorated. The rates fixed in the act on china and porcelain ware covered by this report were 60 percent on the undecorated and 70 percent on the decorated, with an additional duty of 10 cents per dozen on all such ware. Duties on various items were reduced pursuant to the Czechoslovak, United Kingdom, and Mexican trade agreements, effective April 16, 1938, January 1, 1939, and January 30, 1943, respectively. The original tariff act rates on the Czechoslovak items were restored April 22, 1939, upon the suspension of that agreement.

Of the estimated 15,000 workers in the pottery industry, based on statistics of 1939, several hundred of these workmen are employed in a larger plant in the city of Clarksburg in my district.

I submit, Mr. Chairman, that when the percentages of imports in any one industry vary from 15 to 66 percent in the past two decades, that industry is indeed an unstable one. The protection afforded this industry in the 1930 Tariff Act—ad valorem duty of 69 percent—is meager enough and I suggest Congress take steps to stabilize rather than to confuse the future economic status of these 15,000 American workers.

In addition to protests of some 12 or 15 industrial concerns and scores of labor groups and individual laborers which I filed with the Ways and Means Committee and had inserted in the record of the hearing, I am still being deluged with telegrams and letters protesting any added differentials above those in the present Reciprocal Trade Agreements Act.

Many of these protestants are not aware of the committee's action with reference to the Czechoslovak reciprocal agreement. Others know about this and they still protest that if the present H. R. 3240 is approved, they will be no better off than of the Czechoslovak treaty were now in existence. I happen to know many of these protestants personally. They are among our highest type of workingmen. Most of them are family men and home owners—the very class that we are proud to call real Americans. I trust it not be the sense of the Congress to offer this particular group upon the altar of sacrifice in order to benefit some other American industry.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. D'ALESANDRO].

Mr. D'ALESANDRO. Mr. Chairman, trade makes for the material well-being of our Nation and the other nations of the world. By the restoration of world trade we point the way to the reestablishment of world peace. I have always supported the Reciprocal Trade Treaties Act and will vote for the continuance of this act.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I am at the foot of the class of the Committee on Ways and Means. Those who really know this subject will not be ready to address you until Thursday. It will be worth your while to listen to them. They care not to speak until they are properly ready. I have no reputation on this subject to lose so it does not matter if I proceed at this time, although I had not expected to do so.

I will present such argument as I can. I have read the hearings fairly carefully and tried to store up knowledge on the subject. You might have good things in the upper story of your house if you have common sense on the ground floor. I have been here a long time and I hope I have acquired a little common sense and a little understanding of the influences brought to bear to get legislation.

When I came here, these were the low-tariff fellows over here and we were the protectionists on this side. Now the low-tariff people are the trade-agreement people, but I recognize them. They cannot hide their views under a different title. They are the same old boys. They do not like high tariffs; they want to buy the products of industry cheap. They used to tell New England, "We have had to pay tribute to you New Englanders all these years, when we could buy these things so much cheaper if we could buy them from abroad." They did not worry much about our industries.

After the last war, when I came here, who were the boys who were on their knees here for a tariff? They were the farmers. The first thing we did was to give them a tariff on many farm products; they have been on their knees ever since, seeking and receiving many forms of direct aid. We have voted millions and billions to try to solve the farm

problem. They seem to have the viewpoint of the exporter. This is really an exporter's bill, if you please.

I do not like the way and the manner in which these tariff rates are made. It should not be a diplomatic problem. It is a matter of economies. We were called logrollers when we made the tariff laws. However, we were sent here for the express purpose of looking after our people and protecting their industries. Because we were styled logrollers it was thought better that it be done some other way. We have our Tariff Commission which gathers the facts. They do a pretty good job. Both sides quote them and they can quote them in such ways that the arguments cancel each other. An appointing power generally gets the sort of information or suggestion that he wants. One very prominent member of the Tariff Commission once stated that openly. It would seem to be easy for the State Department and the President to get a report colored to appear to approve their predetermined action. But the Tariff Commission works laboriously to get all the information they can. But they seem to make no recommendation. It appears that the powers-that-be make these decisions in secret and they do not want their hands tied by any definite recommendation from that interdepartmental committee on which the Tariff Commission is represented. Do you like that way of making tariffs? Have you been before that interdepartmental committee, as I have? All they apparently want is facts. Nobody loves a "fact man." You do not know who makes the final decision, so you are not able even to plead your cause with them.

I have now been on this committee several weeks. I was astounded at the lack of knowledge of those who appeared before us advocating the extension of the trade agreements. Our Republican Members had to do the actual testifying in their questioning. Who came before us? Mr. Clayton first came before the committee. Mr. Clayton is now more fully in charge than anyone else, and I must excuse him because he has not been on that job very long. He has not had time to familiarize himself fully with the problem. He could not defend himself under the questioning. These men on the committee have been here a long time. They knew the facts. They will give them to you on Thursday. It will astound you. Who came next? Mr. Rockefeller. Mr. Rockefeller was asked, "What do you know about trade agreements?" He had to confess, as I remember it, that it was not his particular field. He is cultivating good will at a great deal of expense down in South America. I do not know whether he is getting results, but I think he feels that he is. But he was not well enough informed about the results of the trade agreements to help us to any extent. Then the third man of great importance—Mr. Wallace, the great humanitarian. Was he competent, and did he show any competency in developing trade markets? I can "hear" a smile on the face of the gentleman from California. How helpless he was under your treatment. But he is a great humanitarian. He wants peace in the world. Now keep your "sober, contemplative" eye on this debate. Gentlemen, let them not sway your hearts as the gentleman from Virginia tried to do in referring to the events on yesterday: "Nine out of ten times your heart controls your judgment." This peace argument appeals to the women's organizations all over the country. The proponents resort to the argument that these trade agreements will bring peace and good will in the world. After having been in effect several years, the most dreadful war came upon us, so that argument does not stand up. You might say that it ought to be a lever for peace, but we would be unable to prove that assertion.

Mr. KNUTSON. Will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. KNUTSON. One good lady who appeared before us in behalf of some woman's organization said they had gone on record last year for the Doughton bill, when, as a matter of fact, no one knew what the Doughton bill was going to contain until the middle of March of this year. When that was called to her attention she said very naively, as the gentleman will recall, that she was speaking about the broad general principle and rates did not enter into it very much. The gentleman recalls that?

Mr. GIFFORD. In these days when you tell a woman that this will tend toward peace, while her boy is in the war, that would greatly influence her. Why do the proponents not care to show the actual results to date? The minority will do so. Mr. Wallace did not want to discuss figures, because he said that figures could be so arranged as to be inconclusive and not dependable. So they can. Each side could take these hearings—I could and you could—and prove several phases that would bolster our case. Take one particular year, or take a particular term of years, and the statistics can be so distorted that they could be presented to this diplomatic department in a favorable light. Such distortion of figures and statistics is common. The more I see of statistics and figures the more I distrust them, although they might help to prove my case.

The economics of these days! As has been suggested here today, and as our late President once told that body of scientists in Baltimore, our economics as practiced today are not found in any of the books. Indeed, they are not.

Even Mr. Clayton told us, with emphasis, that he wished these trade agreements had not already been in effect; he wished, because of the new world we are to have in the future, that the trade agreements could be regarded as a new instrument. He seemed to wish the record was not there. But it is.

Then with great joy the gentleman from Virginia [Mr. ROBERTSON] said: "Can you tell us if you have been hurt? How much have you been hurt?" He knows the trade agreements have not been in effect long enough to hurt much, but they have a great potential danger, and if the war had not changed conditions, many industries would have been hurt plenty. The war saved them. Let us not forget that. I want to thank the gentleman from West Virginia, who preceded me, for his history of the glass-manufacturing industry. I visited a glass-manufacturing plant in my district 2 or 3 months ago. I realized what skillful artisans they had to be to manufacture such beautiful things by hand. They said, "We were put out of business a year or 2 before the war came along." Then when the war came it stopped importations and saved the plant. They were middle-aged and elderly men. They looked very soberly at me. They asked, "You would not vote for trade agreements that would put us out of business?" Should I have told them, as Mr. Wallace and Mr. Clayton suggested: "You are inefficient. You are inefficient if you cannot compete with the artisans of other nations. If you are inefficient, reconvert." Contemplate those elderly men who understood that work, and that work only. Reconvert to what?

Of course, they cannot reconvert, and, of course, they are not inefficient. But they know that people do work even for 20 cents a day in some parts of this world, who are just as good artisans and can make just as wonderful things as they do. Well do they know that. In backward countries people can by handiwork do the marvelous things. Why should not the lace manufacturer, like the one who came before our committee, plead with us when laces can be made into such intricate patterns in countries where cheap labor is available? I have protested against the Congress delegating its tariff responsibility to another agency of Government, with but little limitation or statement of policy. I agree with the argument that under the Constitution we should not and could not do it. It seems, however, that that is debatable. Why do we not give up our taxing authority? That is a highly difficult and technical problem. Why does not this Committe on Ways and Means divest itself of this problem, and give it to some department down town, and let them actually write the tax laws? Our people certainly intended for Congress to keep these powers so that their Congressmen whom they elected could be held responsible.

After this war we may have a severe condition of unemployment. The CIO leadership claim to represent 6,000,000 workers favoring this legislation. Strange, is it not, how some of these speakers here present the CIO viewpoint with apparent pleasure, when we know in their hearts they have little use for the CIO.

The strange thing to me is that the CIO having gathered to themselves the highest wage rate in history, will now advocate something to admit products produced by cheap labor abroad against which they cannot possibly compete. I cannot understand that. Do they want to keep high wages in this country? If so will they vote for something which means absolutely to cut those wages if they are to meet the competition? However, there are a few firms—and I will agree that there are strange bedfellows in this thing—there are certain manufacturers who favor this legislation because they have most efficient machinery, and highly trained men

and mass production. Some can compete because of high efficiency; yes.

Mr. Clayton is an exporter. He wants to export, therefore he must let people sell to this country so they will have our dollars to pay him. Of course, the exporter favors this measure.

Great Britain declared when she devalued her currency 17 percent that she did so in order that other nations might get more of her money to unable them to buy her goods.

This is a most important matter. Under the trade-agreements tariffs have been lowered to such extent that they are now on about the same level as they were under the Underwood bill of 1913.

Why give them the authority if they do not intend to use it? Would you as a businessman, knowing they had that authority, not be fearful lest they might use it? Would you want to invest your money under this diplomatic control especially if the diplomatic control were exporters? Of course, these exporters are for it. Let other nations sell to us, then they will have the money to buy from the exporters.

I have pledged myself to protect as far as I can those glass blowers and particularly that great textile industry, which is more frightened probably than any other and which has twice as many employees as the automobile industry. The textile and woolen industry, I believe, employs 20 percent of the persons employed in all our manufacturing activities. They are fearful and they have reason to be fearful of what would be done to them under trade agreements made by diplomats, who might use them for political purposes.

I did not expect to speak on this matter at all today, and would have spoken at greater length about the textile industry, which is so highly important to my section, like the glass industry is to the preceding speaker.

But I like to look backward to my friends from the southern part of the country who always did want a Democratic low tariff. They used to talk much against subsidies. How they raved against subsidies. Why not buy our ships from other nations? They can build them abroad for half the price. Are we not to be classed as inefficient? If we are inefficient should we not go out of the shipping business? Shall these industries that are building ships reconvert? That is a comfort we can take home to our people. We can tell them, "If you are inefficient, get out or reconvert." Let cheap foreign labor take over. Not with my help.

Mr. Chairman, as long as I am here, and I have been sent back fairly regularly, I shall fight for my people and protect my industries against cheap-labor-produced goods, even though an attempt is made to tell my womenfolk that it should bring about peace.

In closing I urge you to listen to these men who know the effect of trade agreements. We were saved from its unfortunate results by the war, but we will soon begin to feel the results and another road must speedily be traveled. I believe in protecting my people from the cheap labor abroad. It takes two to make a bargain, but usually only one gets it. We seem to have been the one that did not get it.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The gentleman lives in New England.

Mr. GIFFORD. I always have, and I hope I always will be able to do so.

Mr. KNUTSON. The gentleman saw the cotton textile industry move south, did he not?

Mr. GIFFORD. Did I see it? Half of my city's industries moved South, largely to North Carolina. Why? Because they approved of cheap labor down there. They went because of that cheap labor. Now they seem to want us to move again. Do they want us to go to Brazil? Do they want us to go to Mexico?

Mr. KNUTSON. Evidently.

Mr. GIFFORD. Mr. Clayton is going to Brazil, is he not?

Mr. KNUTSON. If we open the door wide enough for exports.

Mr. GIFFORD. We elect our leaders here, and then they lead us the way the executive department wants us to go. Let us hesitate in this instance. Yes; I come from New England. Do not make us move to Brazil or to other cheap labor countries. Let us keep America American.

Have I made myself clear? The minority Members are willing to extend this for 1 year because war conditions will protect us. A new party will not be able to take over for another year anyhow. But we do not approve the 50 percent additional authority. Whether used or not, both capital and labor would be frightened for fear that it would be used. Let this House refuse to grant that extra demand.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from California.

Mr. GEARHART. I have been intrigued by their repetition of the idea of bargaining power. When we make an agreement with a country, that is just one of the 56 countries on this earth that benefit from the agreement. What bargaining power have we exerted over the other 55 countries for the benefits they receive?

Mr. GIFFORD. None. I want to close by saying this. If all peoples were alike, all nations agreed to proper living standards and fair dealings, very well. But there is an old saying "that no two people are alike and they are both glad of it." I imagine "no two nations are alike, and they are both glad of it."

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. KING].

Mr. KING. Mr. Chairman, I had always been under the impression that the main purpose of public hearings was for those persons primarily outside the Congress, who wished to present evidence for or against a proposed measure, to appear and have their say. As a new member of the Committee on Ways and Means, I did not take much time in questioning witnesses or offering testimony before my committee, during the consideration of the bill to extend and broaden the trade-agreements program.

As our chairman has pointed out, I found that certain members of the committee, though not appearing as witnesses, were supplying, for better or for worse, a large part of the testimony. They consumed a large part of the time during the sittings of the committee. It would have saved much time if these members had placed their names on the calendar and told their stories once and for all, without repeating it several times a day. While I do not wish to lecture my seniors on the committee, after this experience I can well understand and sympathize with those who are attempting to overhaul congressional procedure. It certainly needs streamlining.

Foreign countries have, no doubt, closely followed the hearings before our committee. They are probably not aware of the political heat engendered by tariff discussions in the United States. From the many inordinate statements, innuendoes, and charges of bad faith in agreements already concluded foreign countries must have gained the wrong impression of our postwar intentions. Representatives of the United Nations at San Francisco are following our proceedings on this measure. Whether we like it or not the trade-agreements program has become a symbol—a symbol of economic cooperation. We are serving our own interest when this symbol is strengthened and given continuity.

I favor extension and strengthening of the trade-agreements program because I believe that such action will help to expand international trade and thus benefit our national economy and build a more permanent basis for world peace and security. An enlarged foreign trade will help to provide full employment for workers and make business more profitable. Full employment means jobs at producing, as effectively as possible, goods and services demanded by other people either here or abroad. The way to provide such jobs is to make the most efficient use of human and natural resources of the world. The best use of such resources can be made only if international trade is widened and expanded. The record shows that the trade-agreements program is a well-tested measure for encouraging and expanding foreign trade.

In one of his last messages to this Congress our beloved late President Roosevelt spoke of his hopes for the meeting of San Francisco, which he labored so long to bring about, and related it to the present bill. He said in this connection:

> At the same time we know that we cannot succeed in building a peaceful world unless we build an economically healthy world. We are already taking decisive steps to this end. The efforts to improve currency relationships by the International Monetary Fund, to encourage international investments and make them more secure by the International Bank for Reconstruction and Development, to free the air for peaceful flight by the Chicago civil aviation arrangements, are part of that endeavor. So, too, is the proposed Food and Agriculture Organization of the United Nations. * * * * * * if the economic foundations of the peace are to be secure as the political

foundations, it is clear that this effort (trade agreements) must be continued vigorously and effectively.

The late President specifically recommended passage of such legislation as is now under consideration, to extend and strengthen the trade agreements program.

The postwar productive capacity of the United States will be enormously greater than that of the period before the war. In many lines the capacity will be far in excess of the ability of the United States to consume, at prices profitable to the producers. Our efficient industries which are able to meet the world in competition should receive some assurance that they will have a chance to do so. To be specific, I have in mind such industries as the manufacture of aircraft, which incidentally has greatly expanded in California during the war. If I desired to make a local issue of the tariff question, I might point out the tremendous importance of foreign trade to my State. I can state positively that after studying the data on foreign trade as it relates to California and the benefits obtained for the State in trade agreements, I cannot understand why anyone in that State should oppose the extension of this act. We have an enormous productive capacity and there is no reason why the United States should not have a large share in world markets for machines of air transport which have made tremendous technological strides during the war.

In considering the proper postwar commercial policy for the United States we ought to bear in mind that the situations of some of our chief competitors have been greatly impaired as a result of the war and we are in a favorable position of leadership. We can assume an aggressive and positive role in world trade, without taking undue advantage of other countries, or we can take a timid defensive position behind high tariff and other barriers and lose great opportunities. As I see it, such is the choice which will have to be made by this House in this bill and in a number of other measures before adjournment.

I feel that the world will need a more secure economic as well as a more secure political peace when the other half of this war is over. Through such measures as the one before us we help to lay a firm foundation for the edifice of lasting peace. I do not know of any other country which has economic strength enough to be better able to assume leadership in developing a liberal and progressive commercial policy. The demand for American products seems unlimited and the producers do not have to cringe behind a tariff wall in fear of foreign competition. We ought to set the pace. It would be turning the hands of the clock back not to take every forward and positive step which gives promise of success.

During the hearings several opposition witnesses stated that they had not been hurt in the agreements thus far negotiated, but feared of injury in the future, especially if the additional authority should be granted. They seemed to forget that this legislation is merely an enabling and permissive act. This sort of a measure will give much needed assurance to the world that we believe in cooperation. The passage of this act, whether any immediate action should be taken under it or not, would be a great psychological gain. The passage of this measure will indicate to the other nations of the world that we are willing to sit down with them and talk over trade problems. The spirit of trade rivalry, experienced in all sorts of protectionist devices, will be lessened by such measures.

As you know, some of us in California are nominated on both Democratic and Republican tickets and I regret that this bill has become a party issue. The late President Roosevelt, in the letter heretofore referred to, stated:

> This is no longer a question on which Republicans and Democrats should divide. The logic of events and our clear and pressing national interest must override our old party controversies.

I found at the hearings that the last three Republican candidates for the Presidency have favored the principles of reciprocity as expressed in the bill before us; statements were inserted in the record of the hearings indicating Republican origins for the main points of the Hull-Roosevelt type of reciprocity. President McKinley's last public statement made in October 1901, should be "must" reading for all interested in reciprocity. Among the splendid Republican statements, placed in the record, were some made by the present Members of this House. I wish both sides of the aisle would examine the able statements, such as were placed in our hearings, made by a long line of Republicans.

I close my remarks by quoting from a letter of Cordell Hull to the chairman of our committee on this bill. He said, in part:

> We shall soon have a chance to make another peace. This time we propose to make one that will last. We know that it cannot be lasting unless it embraces not only political and military affairs but also arrangements to provide the essential prerequisites to economic prosperity and to maintaining and improving standards of living in our own, and in all countries. The trade-agreements program is one of these essentials. * * * The action of the Congress on your bill is therefore one of the decisive tests of whether the United States is prepared to assume its share of the responsibility for creating the basic conditions upon which enduring peace depends.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 15 minutes to the gentleman from Minnesota [Mr. GALLAGHER].

Mr. GALLAGHER. Mr. Chairman, I received from the Gideon Society a very fine Bible, for which I am very grateful. In the first book of that Bible, the word of God, in the Book of Genesis, it is stated that the Lord created the earth in 6 days and on the seventh, rested. He created a wonderful earth that satisfies all the wants of man. With the help of the sun and the air and the moon and the earth, every conceivable want has been wrought up to the present time. Buildings, clothing, and all those things practically come from one-fourth of the earth which He gave to the children of man. That is, the land part of it. Three-fourths of this earth is water. It seems to me that when the Almighty created the land and made it so productive and so abundantly able to satisfy the wants of mankind, He must have had some such plan for the use of the water also.

Some of our isolationists, little Americans, if you please, seem to think that the only use we should make of water is as a barrier over which to take some of our industrialists who have gotten purse-proud and ashamed of their Americas and want to loaf around the thrones of Europe, men who say that America has no style, that she smells too much of the odor of common labor.

Mr. Chairman, the minority leader stated today when speaking on Merchant Marine Day that we had the biggest merchant marine in the history of ours or any other country. Today we pay tribute to the boys who run the merchant marine, and it was shown what sacrifices they have made for their country. After the last World War these mariners were given a very bad deal because the merchant marine was not kept up. I hope we will utilize this wonderful merchant marine which we have at the present time and see that it sails the seven seas and give us plenty, plenty of labor employment. It can be done. There are other things that can be done. It is said by those who have little faith in America and American standards that we cannot compete with cheap foreign labor. In reply let me say that cheap foreign labor cannot compete with efficient American labor when our American labor is supervised by efficient leaders and they are given the best machinery in the world. The Bible says the laborer is worthy of his hire. We of the labor movement have had experience. Statistics will show that the laborer is worthy of his hire, and that the higher priced the laborer is the bigger the profits his boss makes off of his labor.

Why should we be afraid? They are even afraid of the men we chose to make treaties. My friend from the home State, the ranking minority member of the Committee on Ways and Means, seemed to have such little faith in the ability of Americans to hold their own that in place of calling America "Uncle Sam" he called her "Uncle Sack"; and he stated that he believed we were going to have an after-the-war panic, that we were going to have unemployment. Let us consider what occurred after the last war. There was a little unemployment after the last war in 1920. It lasted about 4 months, I believe, and then it was all over. You see American labor, American businessmen and everybody had made good profits and it did not take long to adjust themselves. It did not take long to adjust itself.

At the present time we have a great program that we can work on. The railroads need larger use. As I stated, I want the ships in our merchant marine used and used effectively.

Mr. Chairman, it is easy enough to criticize things that have been done. For instance, our Army has been criticized for spending money in Canada for the development of oil and for the building of a road. I do not know whether that investment was actually necessary or not, but I know that the money has been

spent, and I believe that the Alcan Highway can be utilized for the benefit of America and that the trade lines in all directions should be utilized, whether it be the railroads and their development, the Alcan Highway, or any place that we can put labor and the returning soldiers to work.

I am for these trade treaties, and the only amendment I will support is an amendment giving more effective power to the President of these United States of America. I have faith and believe in America, its industrial efficiency, and that it is bound to progress and prosper, and that America is the land of know-how.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Chairman, I have read the report and the hearings on this bill to extend reciprocal trade treaties for 3 years, but for a few moments I am going to speak out of the depths of my own personal experience covering almost 40 years in the merchandising business and textile business in the United States of America. I am going to make two statements. First, that with our wage standards and hours of work it is impossible to compete in Europe; and, second, hopeless to try to compete in Asia. When the gentleman from Massachusetts [Mr. GIFFORD] was speaking I almost wished he could see once more the list of great Massachusetts textile concerns that during the first 30 years of the present century came to my mind, like Galey & Lord, Aberfoyle Manufacturing Co., Nashua Manufacturing Co., Everett Manufacturing Co., Amoskeag Mills, and York Manufacturing Co., to name a few.

I was with a committee up in New England 5 years ago and we passed miles of these mills in Lowell, Mass., and in New Hampshire, that were abandoned. It was a pretty sad picture to see this industry lost to New England and to America. When my good friend from Virginia was speaking a moment ago and asked, "Who is hurt?" it came to my mind that I had over in my office an awfully good example of who is hurt. So I went across and got it. I have made no preparation for this talk, and it will be somewhat disunited. But here is the product of a Massachusetts mill, one of the few linen industries that the United States had. The earliest recollection that I have is seeing Stevens crashes in every store. With every jobber in America that I ever visited that was one of the big items. Since 1939 it is no longer an industry. It is one of those things that was not heard before the Committee on Ways and Means, for the dead send no witnesses to Washington. The last price that this sold for, the unbleached that you see on this side, was 16½ cents; on the bleached side 17½ cents. Here is the article that put it out of business. This is a finer piece of goods. It is all linen. This unbleached article was sold at 11½ cents and the bleached at 14½ cents. That is the story of the death of a Massachusetts textile mill. Who made this? The Soviet Republic, where they have no wage hours and they have no wage scale.

It is all very well to talk about the efficiency of American labor, but if you talk with almost any American manufacturer today under the stimulus of cost-plus, producing for the United States Government, you will find that most of them are employing three men to do what ordinarily is the output of two men. Soon that condition is going to end and competition is coming back into the markets, quicker than we have any idea.

This last week an official of the State Department reported before a committee of which I happen to be a member that the textile industry in France is intact 85 percent, 95 percent in Holland and Belgium, and almost as much in Germany. It is going to be a matter of a short time until this competition is felt.

Once before, in 1939, I showed this House this piece of goods. Somebody will probably rise and tell me that we did not have a reciprocal trade agreement with Japan. I do not know, but we had a quota arrangement with Japan that allowed them to ship 90,000,000 yards a year of this article into this country. I have invoices, and they should be particularly interesting to you, Mr. DOUGHTON, because this piece of goods was delivered for 7½ cents. There was not a mill in North Carolina in 1939 that could make that piece of goods for less than 12½ cents.

You cannot compete with Asiatic hands without machines, and no American can compete with an Asiatic with machine tools in his hands. I want some of you to remember that the biggest steel mill in all the British Empire is not in Great Britain; it is in India. Britain's own textile industry has largely been lost through the efficiency of the nimble fingers in India.

I could recite other industries. Some pass it off lightly and say, "That is just six or seven thousand glass workers." Let me tell you that 137,000 Americans lost their jobs in the wash-rug industry alone. The gentlemen from Wisconsin will remember when their grass-rug industry shut down and the great marshes up there cut no fiber and no rugs to speak of were produced in that State. I remember when a dozen Japanese plates could not be piled one on top of the other without falling over, yet when this war broke out they were making some of the finest tableware in this world, copying the patterns of France and other countries.

As I said when I started this talk, European competition is impossible. Asiatic competition is hopeless for America. I want some of you to remember the promise that the late President of the United States made to us that he would do some Yankee horse trading. Do you remember? If he ever did on reciprocal trade treaties, that horse has long since gone to the fox farm, because I have not found one thing that has prospered under a trade agreement.

There are Members here from Milwaukee. I want some of you to remember the condition of the knit-glove industry in your city in 1937 and 1938, when with the depreciated yen Japan suddenly filled this country with gloves at $4.50 a dozen that cost $9 to manufacture in Milwaukee. The only thing we could sell that was made in America was some high novelty. The great bulk of the stuff had to be Japanese.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from Colorado.

Mr. GILLESPIE. Does the gentleman believe the trade arrangement from which Japan benefited helped any to keep us out of war with Japan?

Mr. CLEVENGER. This very cotton here is payment in kind for the 10,000,000 tons of scrap iron that the doctors are picking out of the backs of our sons in the Orient.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from California.

Mr. GEARHART. I think we should always remember that it was the nation that considered us its best customer that plunged a knife in our back at Pearl Harbor and plunged us into war.

Mr. CLEVENGER. We paid them more than $1,000,000 a day for raw silk right up to the time they stuck a dagger into our back.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Can the gentleman name any one single agricultural product that has received any benefits that the gentleman knows of through the operation of the reciprocal trade-agreements program?

Mr. CLEVENGER. I cannot.

Today I went back to the price of vegetable oils in the spring of 1940. That is the thing that touches the whole Mississippi Valley, the whole Corn Belt, the marketing of the greatest crop of all, corn, and it is not sold as corn. On that day 100 pounds of steam-rendered leaf lard sold at $4.40. You could bring cocoanut and palm oil in here and pay the duty of 2 cents that this committee took off here some time ago with no time limit and you could deliver it in Cincinnati for $4.40 a hundred to the soapmakers. The fate of every corn farmer, the fate of every pound of lard, of every pound of soybean oil, of cottonseed oil, and of peanut oil, a big industry that has been built up in the South, is directly affected by these trade agreements, and nearly 85 percent of them have been made as against the products of agriculture.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. KNUTSON. Mr. Chairman, I yield 5 additional minutes to the gentleman from Ohio.

Mr. CLEVENGER. Because of the policy of this Government in destroying the sugar-beet industry, many of my people, who did not want to overproduce corn, went into soy beans, because they required less cultivation and less labor during the times that their farms were denuded of labor. A great soybean industry was built up. Every bit of that is already facing the competition of the tankers bringing in oil at 3⅜ cents a

pound. When its use for explosives falls off, when the soap counters of the world are restocked again, then you will feel the impact of these treaties, and then there will come the time when you men who talk so blithely of what they will do, will face the responsibility with your people, with these idle textile workers who walk the street and look for work. You will see the impact of all of this great rayon industry. Japan in the short space of 4 or 5 years passed and eclipsed the whole world in the production of rayon. They produced rayon tablecloths and sold them in America at $6 a dozen when they could not be produced in America for $13.50.

I have a picture of the fabric-glove industry in the State of New York. Three times in my lifetime have I seen that industry built up and twice have I seen it destroyed through the tariff or the removal of some artificial barrier that gave those people work. You simply cannot compete with them. You cannot have a fine social-security program or a 40-hour week and easy working conditions in industry and open the markets of America to the competition of the world. Once you put machine tools in the hands of these people, it will mean too much competition for American industry and American workers. Let me tell you what these little Japs did with the machine invented by someone in the district of the gentleman from Michigan [Mr. SHAFER]. This machine was used to make seamless golf gloves. They took the machine to Japan and produced these wool gloves which I told you about at one-half the American price. Then they took those same machines and ran them on three 8-hour shifts a day and went into the manufacture of gloves made of cotton. They were just coming into this country a year before the war broke out. Those gloves were sold at 85 cents a dozen. Women bought them in the 10-cent stores. Then there was a little suggestion that came along that if you take a pair of those natural-color cotton gloves at 85 cents a dozen, which price, mind you, would not be one-half of the cost of producing them in Milwaukee, you could dip them into a pan of Rit and make a pair of gloves to match any dress you had at 10 cents for a pair of gloves and 10 cents for the package of dye.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield.

Mr. JENNINGS. The gentleman is making a very forceful, clear, and informative statement on the matter. Would the gentleman mind telling the Committee under what conditions these Japanese workers live and whether or not they are slave labor?

Mr. CLEVENGER. I would be glad to do that. I read about it only yesterday in the 1937 report from the Department of Commerce. Those people were paid 20 cents a day, approximately, in American money. They lived in the Mitsui factory and other big factories in compounds with just a few feet of space for each person to sleep on a little cot 3 or 4 inches off the floor with little boxes at one end to keep their belongings in. They were daughters of peasants who were signed up for 4 years at that sort of labor, living in and being boarded. That is the thing, may I say to the gentleman from North Carolina [Mr. DOUGHTON] that your people in North Carolina were competing with when you passed a $16-a-week minimum-wage bill and put in the 40-hour week. You shut off your own people from an opportunity to work. My God, all the Scotch blood in me cries out at that sort of thing. There is too much Scotch in me to want to expose the people of my blood to competition with that kind of labor; and once you put machines in the hands of Indians, Chinese, and all these workers of the Orient, they will give you competition that will be even greater than we have had from Japan.

Mr. KNUTSON. I yield 15 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, rather briefly I would like in this debate to approach the question of the extension of the reciprocal trade agreements, having in mind for a change the interests of the people of our country.

Rather than to approach it from a technical manner, giving many statistics which are hard to follow, I think we can approach it in a very plain and common-sense understandable manner. I think we ought to approach the extension of these treaties in the interest of conserving our resources and our American market, in the interest of our people and try to protect their interests rather than to worry too much about the interest of people of the other nations. Let us put the interest of America first. Churchill and Stalin look out for their people first—we should do likewise here.

If we refuse to grant the State Department the right to reduce tariffs by an additional 50 percent, as we should, and if we extend this act for only 1 year, which is long enough, if it should be extended at all, it will have absolutely no effect on what kind of a peace we write. The argument that the refusal to pass this bill the way it is brought to us by the State Department may affect our peace negotiations, is an unfair and fallacious argument that should not mislead anyone. If, when we have shipped and shot away our resources, and have spent $300,000,000,000 of our money to win the war and have made the tremendous sacrifice to date of losing almost a million men, killed and wounded on the battle fronts all over the world, when we have sacrificed the lives of so many of our fine young men to defeat the Axis Powers and prevent them from enslaving the rest of the world, certainly we have a right now to refuse to give away the great American industrial and farm markets of this country without giving such offense to our allies which might impede the conclusion of a satisfactory world-peace program for the future.

And at this point it might be well to turn back the pages of history to the administration of President McKinley when the protective-tariff policy became the predominant policy of Government which helped more than any other national policy to develop and build up this country as the most powerful force for peace and liberty the world has ever known. That policy was and has been to protect the businessmen, the industrial worker, and the farmer by laying a duty or protective tariff on imports from abroad, a duty at the ports of this country equivalent to the differences between the cost of production abroad and the cost of production here at home. On such a policy we industrialized this Nation, made it possible for millions of laboring men to have steady employment at high wages and made it possible for the farmer to have protection against the importation of livestock, meats, eggs, butter, wool, and hundreds of other products of the farm. It helped to develop this great agricultural Nation at the same time which became a tremendous purchasing power force for the products made by the laboring men, with a profit to the business concerns, which permitted their continued tremendous expansion.

Under that policy we developed the highest standard of living in the world. Our prosperity and development helped the world more than any other force in history, particularly during the past 30 years. How did it do it? Let me explain. It developed an industrial Nation so rich, so powerful and strong a Nation with a scientific skill and "know-how" which threw its industrial, financial, and manpower forces into the First World War, which defeated the German Empire and its Allies, saved France, the United Kingdom, and all of Europe from being conquered and ruled by the tyranny of the German Empire. It financed the First World War to a large extent, and left the nations of Europe owing this Government billions of dollars which we never really attempted to collect. It helped to rebuild Europe, poured millions of tons of food and medicine into those countries after the First World War and saved millions of people from starvation. And in this war this powerful Nation was again called upon to do the job all over again. And again these same forces, with the power, treasure, and manpower of this country, have played the most substantial part in liberating Europe at a colossal cost and drain against the resources of this country financially and otherwise.

I think it can be truthfully said that the most important policy of government that has made it possible for this country twice to prevent the conquering of Europe by the totalitarian powers, has been because of the great development of this country during the past 50 years by the protection of the American businessmen, the American laboring men, and the American farmer through our protective-tariff policy.

Our Government stands now committed to help feed the starving people of Europe and to help rebuild, to a certain extent, some of its industrial life. With a debt approaching $300,000,000,000, our policy must now be one that will protect the financial solvency of our own Nation. We must now look to our own internal welfare first if we are to extend our greatest influence and effort in the building of a peace structure to prevent wars in the future. We must maintain our

solvency; we must try to keep this country prosperous if we are to benefit the rest of the world. It is admitted that wages must be kept at a high level in this country and that the farmers of this country must be kept in a prosperous condition if we are to have an income sufficient to pay the running expenses of the Government with something at the end of each year to apply on the reduction of our national debt. This matter concerns every American citizen first and the people of the other nations of the world secondly. We cannot help them unless we have something left over after we have helped ourselves. If we allow the importation of farm products into this country on such a scale as will reduce the market of our farmers here, we will plunge this country into another depression, and if we allow manufactured products to come into this country, produced by cheap foreign labor at a price that is less than the wholesale price of such manufactured products here in America we will bring about a depression by throwing millions of workingmen out of jobs. We will reduce the national income and will not have that great volume of income against which we must lay high taxes to pay the running expenses of this Government with something left over for the retirement of the national debt. If we import manufactured goods at a lower level than they can be produced here, we will, in fact, be exporting the jobs to people of other countries, throwing our laboring men out of jobs and into the bread lines and soup kitchens here in America.

When we passed the last reciprocal trade agreements with other nations we gave the Chief Executive the right to reduce the tariffs by 50 percent. Since we started with the reciprocal trade agreements we have reduced tariffs 1,226 times. We have never raised our tariffs once. Other nations with whom we have made these agreements have not reduced their tariffs in such agreements with us. It has been a one-way street from America out with no return ticket in reduction in tariffs.

The figures show that out of the nations with which we have effected reciprocal tariffs, 12 of them have tariffs higher than we have. We are seventh from the bottom of the list.

Mr. Chairman, now we are asked to give the President power to reduce our tariff rates an additional 50 percent. Those of us who oppose reciprocal trade treaties think the least that should be done would be to extend them for 1 year only, rather than for 3 years with the present 50-percent reduction power as they now exist. It seems to me that the only reason we should be willing to preserve the status quo is in the fact that these treaties cannot hurt much now because of the war. Certainly, with the war in its present condition the American Congress cannot afford to give the State Department and President the power to further reduce tariffs by an additional 50 percent and for a 3-year period. If the Congress continues to give away the industrial and agricultural markets of this country, many of us are fearful that it will mean the financial wreck and ruin of the Nation. Now, who are the people who oppose the further reduction of the tariff in this act? The National Wool Growers Association, the National Livestock Association of America, the National Farmers' Grange, thousands upon thousands of the little and big businessmen of America; thousands of local labor organizations throughout America—the National Cooperative Milk Producers' Federation and thousands of other organizations. There are over 2,500,000 dairymen who are against the extension of this act as it is now written. They know it will seriously reduce their dairy income.

Millions of farmers, from the small farmer up, who produce beef cattle, do not want their local beef market beaten down by wiping out the tariff against the importation of cattle and beef products from across the line in Canada to the north, or Mexico to the south, and from the vast meat-producing Argentina. Canada has greatly expanded its agricultural and livestock industries due to the war. They can consume but a small part of such farm production. Without a tariff their threat to the American market is of first importance on everything from wheat, dairy products, livestock, and so forth.

Now, who are some of the forces who are insisting on the further reduction of tariffs as written in this act? One of the outstanding proponents is the Honorable William Clayton, of the State Department, the fine gentleman that he is, who prospered here in America until he became one of the outstanding cotton brokers and businessmen of the Southern States. Some few years ago he pioneered, along with other business associates from the South, the development of the cotton industry in Brazil, shipping to that country machinery for processing the cotton. It is said that he owns large cotton interests there now. In fact, under the guiding development of him and others from the United States, with the abundance of fertile land and cheap labor the cotton industry has developed in Brazil until it is a large competitor in the world markets to the detriment of the cotton business in the United States.

Mr. Nelson Rockefeller, also of the State Department, has been pleading for the enactment of this legislation as it is written. The Rockefeller interests own substantial oil and other investments in South America and other countries. Some of the big industrialists of the United States and some of the big international bankers are in favor of the enactment of the bill now before us reducing tariffs by 50 percent. If this bill is passed, and I am fearful it will be passed, in my judgment, many of the Members on the floor of this House will see a great migration and expansion of industry in foreign countries built by American engineers and American capital with American machinery where they will produce manufactured products with cheap labor paid less than one-fifth of what American labor will cost, and such organizations will take advantage of this act by shipping their products back into America for consumption, evading in their new locations the heavy tax load that will be pressing down on the American people here at home and reaping rich rewards because of the incredulity of this Congress.

With air transportation it will discommode the heads of industry in our great cities here very little to take a transport plane and take a little vacation trip down to South America to attend board meetings, look over their plants, and plan for a few months in the future.

These men know that air transportation has made the world much smaller. The American farmer, the little businessman of America, the American working man, all of whom must struggle throughout the next quarter of a century to pay the crushing tax burden caused by this war, and the soldiers returning home by the millions who will have to struggle along with the rest of us to pay this debt, will begin to realize when their labor market and farm market is traded out from under them on a free trade basis that the Congress of the United States has not kept faith with them. With what light I have been able to get on this question and with what thought I have been able to give to it I am convinced that this Congress cannot safely afford to go further than to maintain the status quo of reciprocal trade agreements for a period of only 1 year.

If this act is passed further reducing tariffs, when Europe gets back into manufacturing production again the importation of shoes from Czechoslovakia will help to throw the shoe workers of the Nation and of my particular district out of many days and months of work with a condition worse than we experienced a few years ago when shoes from Czechoslovakia were coming into the American market and being sold at retail for less than the cost at wholesale of American shoes made by high salaried American shoe workers. I do not want to contribute to such a situation again. I want to keep the American shoe workers steadily employed at good wages.

Mr. Chairman, if we had been on a free trade basis to which we are swiftly going under these reciprocal agreements, our oil development of the Nation would have been held back to a point where, when this war broke out, we would not have had the local production to carry on and win this war. You will recall we were cut off from the importation of oil by the German submarines in the Caribbean area. Yet, because of the protective tariff working through the years we had found it profitable to develop the production of oil and oil products in this country to the point where we were able to continue with the war regardless of the submarine menace.

It is entirely possible that England and Europe would have fallen under the crushing and conquering power of the Axis countries had it not been for the foresight of those who insisted on and did protect the development of the American industries and particularly the oil industry.

If a further cut of 50 percent in the importation of oil is made it will benefit the great major oil companies and the investments of the Rockefellers and others in South America to the detriment of the independent oil operators

of the Nation and to the detriment of the people generally.

When the State Department in 1937, under the reciprocal trade agreements, announced its intention to put the oil agreements into effect in Venezuela which were concluded in 1939, reducing the taxes 50 percent or 10½ cents per barrel, the price of domestic crude oil in this country immediately thereafter dropped to $1.02 a barrel, a drop of 16 cents from the 1937 average. The importation of petroleum in the 2 years following increased by 62 percent displacing that much of the American market with a drop of 16 cents a barrel forcing the price of oil to a point where those who produced it had to produce it at a loss.

Let me repeat, if we are going to maintain this Nation for the future benefit of our own people and the world, sound and strong financially and economically, you can never do it if you continue to give away and throw open to the world the American market which is the one and only basis from which our people can develop their financial and economic strength.

The Congress should be taking back its powers rather than giving more of its powers to the State Department or the Chief Executive as is being done in this bill.

If the American people understood what the passage of this act will do they would overwhelmingly oppose such action if they had a chance to speak. It is our responsibility, as their representatives, to speak and vote for their protection.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MONRONEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 3240, to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, had come to no resolution thereon.

INTERNATIONAL OFFICE OF EDUCATION

Mr. KEE. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 215.

The Clerk read the resolution, as follows:

Whereas the achievement of a peaceful and orderly life among the peoples of the world has become critical as a result of the war; and

Whereas the future peace and security of the American and of all other peoples rest upon the achievement of mutual understanding among the peoples of the world, the universal application of the principles of the Golden Rule, the application of reason and knowledge to the solution of domestic as well as international problems, and effective education at all levels; and

Whereas the Axis countries have pursued a deliberate policy of destroying the technical, professional, and teaching personnel of the countries they have conquered, and have encouraged hatred and misunderstanding between nations, peoples, and cultural groups; and

Whereas these circumstances present a persisting problem which, if not solved, will result in the perpetuation of conditions of life most likely to cause peoples to resort to violence and war; and

Whereas it is essential to collaborate with other nations to promote educational advancement and at the same time to direct education toward the achievement of mutual understanding among the nations: Now, therefore, be it

Resolved, That the House of Representatives of the United States urges the participation by the Government of the United States in the organization of an International Office of Education by the nations of the world for the purpose of advising together and to consider problems of international educational and cultural relations throughout the world and more particularly to organize a permanent international agency to promote educational and cultural relations, the exchange of students and scholars, and the encouragement within each country of friendly relations among nations, peoples, and cultural groups: *Provided, however*, That such agency shall not interfere with educational systems or programs within the several nations, or their administration.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. JENKINS. Mr. Speaker, reserving the right to object, I think this matter ought to be explained. I understand that there is no opposition on this side of the aisle. The gentleman from South Dakota [Mr. MUNDT], understands this very thoroughly, and I should like to ask him to explain it, especially from the standpoint of the Republican membership on this committee.

Mr. MUNDT. I will be glad to do so. Hearings on House Resolution 215, which I introduced on April 9, were held by the House Committee on Foreign Affairs for over a week, and my resolution has the unanimous approval of the committee. We heard many witnesses from the State Department, the National Education Association, the American Federation of Teachers, the United States Chamber of Commerce, the CIO, the A. F. of L. and numerous other bodies. All witnesses supported my resolution and the printed hearings are available. A companion measure has been introduced in the other body by Senators TAFT and FULBRIGHT. I do not believe the Senate has yet held hearings but it expects to take action soon. This resolution simply expresses the attitude of the House. We feel that educational and cultural relationship should have their due place in the postwar era and should be given consideration by the establishment in the postwar world of an International Office of Educational and Cultural Affairs. This resolution conveys our conviction to San Francisco and to the world.

Mr. JENKINS. As I understand, this calls for no expenditure of money?

Mr. MUNDT. No expenditure of money is involved, and it sets up no organization. It urges the creation by future action of the agency it proposes. Beginning on page 3935 of the RECORD for last April 27, I discussed this resolution in complete detail.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 2, lines 3 and 4, strike out "organization of an International Office of Education" and insert "creation of an international educational and cultural organization."

Page 2, line 10, strike out "students and scholars" and insert "students, scholars, and other educational and cultural leaders and materials."

Page 2, at the beginning of line 14, insert, "*Provided, however.*"

The committee amendments were agreed to.

The resolution was agreed to.

Mr. KEE. Mr. Speaker, I ask unanimous consent that the title be amended so as to read, "A resolution urging the creation of an international educational and cultural organization."

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

A motion to reconsider was laid on the table.

Mr. MUNDT. Mr. Speaker, a number of gentlemen have expressed a desire to speak on this bill. I ask unanimous consent that any Member desiring to comment on the resolution be permitted to extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CHIPERFIELD. Mr. Speaker, I strongly favor the passage of House Resolution 215, a resolution favoring international cooperation in the fields of cultural and educational relations. This resolution is unique in that it has nothing to do with the winning of the war. It is unique in that it costs no money. It is unique in that it is merely an expression of the House on this subject without even the binding effect of law. It is unique in that it leaves the Congress entirely free to determine at a later date whether we should join in any specific international organization for such purposes which may be presented.

So far as I have knowledge, there has been no demand that this resolution be passed at this time by the President, either in his capacity as President or as Commander in Chief. Apparently the late President Roosevelt did not commit us to it at any of his famous international conferences. Even Dumbarton Oaks failed to deal with this problem specifically.

It is true the State Department sent a delegation last fall to London to meet with a number of foreign ministers of education, mostly from refugee governments, to study the problems of reconstruction and rehabilitation of the educational systems in their respective areas, and also gave consideration to the subject of reeducation of our enemies. As a result of these studies a tentative charter has been drawn up which is now being given consideration by the various governments concerned. However, since it has not been ratified by the attending countries or even given formal approval by our State Department, being only in tentative form, this charter is at least at

present considered a semisecret document—not because there is anything to conceal, but until a unanimous agreement can be reached it is thought best not to disclose the details.

However, Assistant Secretary of State, Mr. MacLeish, appearing before our committee in behalf of this resolution, clearly pointed out its purposes are entirely divorced from the main problems studied at the London conference. The question of reconstruction and rehabilitation of educational systems in devastated areas and the problems of education in enemy countries are separate and distinct from the problems embodied in this resolution, and do not come within its province. Therefore any question of becoming a permanent member of the international organization, as proposed in the tentative charter to which I have referred, is not an issue at the present time. At a later date we will have opportunity to study the specific provisions of any new organization, the extent of our participation, the cost to ourselves, the desirability of its functions, and so forth, and then we can determine if we should participate in view of the facts presented.

It was not until the Chinese, whose cultural background predates our own by thousands of years, suggested the San Francisco Conference should adopt such a program as embodied in this resolution and include it in the agenda of the Dumbarton Oaks agreement, that the State Department suddenly found there was merit in this resolution. Belatedly the State Department now believes the passage by the House of this resolution will in some way give a moral uplift to the conference.

But I do not base my argument for this resolution on its immediate effect on the San Francisco Conference. Let us concede its passage by the House would have a good effect. But to my mind it is vastly more important that this resolution stand on its own merits, its own bottom, its own long-range future. Its success or failure, in my judgment, does not depend on rushing it through the Congress before the completion of the San Francisco Conference. The real contribution which this resolution might accomplish, and the permanent benefits which might accrue in the future will be the result of years of studied effort in working out the many problems which will necessarily be presented. These problems will take much time to solve. Only then can we hope for such an organization to make a real contribution to peace by the removal of some of the causes and irritants of war.

Let me make it clear. I have no objection to the San Francisco Conference, including such an international organization within its framework if, after careful consideration, it finds it is best to do so. I have simply attempted to point out the success or failure of this resolution is not dependent upon its immediate passage by Congress or by its objectives being adopted immediately by the San Francisco Conference.

One of the pillars of strength of the resolution is its concluding proviso:

> That such agency shall not interfere with educational systems or programs within the several nations, or their administration.

I sincerely believe the chances for success of such an organization depends upon the strict adherence to this proviso. The further we can keep the administration of such an organization from the pitfalls of regulation by States, propaganda, and pressure groups, power politics and political ideologies, and just plain left-wing reformers and "do-gooders" the better off such an organization will be. If it is administered as an advisory and analytical organization, placing at the disposal of the nations of the world the combined knowledge of the world in education and cultural fields, it can accomplish great good.

In the fields of education and cultural relations there is no reason why such knowledge should stop at a country's borders. Thought transcends all boundaries. The intellectual thinking, knowledge of the sciences, knowledge in the fields of literature and music extend far beyond the frontiers of any country.

As I pointed out in the hearings, I have personally seen the benefits which have been brought about by closer educational and cultural interrelationship between the nations in the Western Hemisphere. It is my hope such relations will not only be improved in this hemisphere but in the world.

I want to commend the farsightedness of our distinguished colleague on the Foreign Affairs Committee the gentleman from South Dakota [Mr. MUNDT] in introducing this resolution before it had the pat of approval by the State Department. If the situation had been other than I have indicated by these remarks, you may rest assured the introduction of this resolution would not have been left to a Republican Member but would have been adopted as the administration's own child. This is just another outstanding example of Republican Members of Congress taking affirmative and progressive action in attempting to bring about a permanent peace so much desired by all.

I believe this resolution seeks a goal that is worthy and I am therefore glad to lend it my support.

EXTENSION OF REMARKS

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD and include a report by the Republican Congressional Food Study Committee to Hon. JOSEPH W. MARTIN, Jr.

Mr. LEONARD W. HALL (at the request of Mr. JENKINS) was given permission to extend his remarks in the RECORD and include certain comment.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include the Grange attitude toward trade agreements, and further to extend his remarks and include an article from Printers Ink entitled "England to Pay Advertising Subsidy to the American Press."

Mr. GAVIN asked and was given permission to extend his remarks in the RECORD in two instances and include in one a news story and in the other an editorial from the Oil City Derrick.

Mr. REES of Kansas asked and was given permission to extend his remarks in the RECORD and include an article entitled "The Cattle Industry Looks at a Further Reduction in the Tariff."

Mr. MURDOCK asked and was given permission to extend his remarks in the RECORD and include a release from the Department of the Interior.

Mr. THOM asked and was given permission to extend his remarks in the RECORD and include a report of the Office of Price Administration on the meat situation in Canton, Ohio, and further to extend his remarks and include a speech he delivered at American University.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The SPEAKER. Under a previous order of the House, the gentleman from Montana [Mr. MANSFIELD] is recognized for 25 minutes.

THE SOVIET UNION AND CHINA

Mr. MANSFIELD of Montana. Mr. Speaker, students of geopolitics have stressed the importance of the great land mass of Eurasia, comprising the continents of Europe and Asia. The continental dividing line, based on the arbitrary action of early map makers, is artificial. The Big Four of the present war include two countries located in the land mass of Eurasia. The Soviet Union extends east and west of the Urals, while the Chinese Republic occupies a vast area from the Pacific to inner Asia.

China and the Soviet Union have many similarities. Both are primarily land powers and both have failed to develop sea power to any marked extent. The Soviet Union, with its historic drive for warm-water ports, has been more interested in the development of sea power than China. Both countries have a vast continental base; the Soviet Union has 8,000,000 square miles and China 4,000,000 square miles. The events of the Second World War have clearly indicated the advantages of a country that can sell space to gain time and that has defense in depth.

Both the Soviet Union and the Chinese Republic have rising birth rates, but the Chinese population at present outnumbers the Russian by roughly 5 to 2. Both countries face growing problems of industrialization, although the Soviet Union has a substantial lead as an in-

dustrial power. Since the turn of the century the Chinese and Russians have abandoned the monarchial form of government and have experienced marked political changes.

The Soviet Union and China meet in areas of Asia that are relatively unknown to the American people. A land frontier of 3,000 miles exists between the two countries. Four of the sixteen republics of the Soviet Union face the frontiers of Greater China. The Russian Soviet Federated Socialist Republic, which includes Siberia, is by far the largest. In Soviet Central Asia the republics of Kazakh, Kirgiz, and Tadzhik meet Sinkiang.

Mongolia, Sinkiang, and Tibet in outer China cover 2,000,000 square miles. This is a dry area of less than 10 inches of rainfall. Mongolia includes the Gobi Desert and neighboring steppelands, while barren mountains rise to the northwest. Sinkiang or Chinese Turkestan is an area characterized by oases. Sinkiang commands the only low-level entrances between the Orient and the Occident. Tibet forms a vast plateau extending from the Himalayas to the Altyn Tagh. Tibet does not actually border the Soviet Union.

Most of the modern trade between the Russians and Chinese before 1931 passed through Manchuria by the Chinese Eastern Railway. A little trade went by ship from Vladivostok and Odessa to Chinese ports. The leading land routes in the west were from Soviet Central Asia through Sinkiang or from south of Lake Baikal through Kiakhta into Outer Mongolia. Peacetime Russian trade with China has been negligible while only a small part of the total Chinese trade has been with the Russians. The trade of the Soviet Union with the Mongolian People's Republic is more extensive than with China proper. Before the war the German Lufthansa sought to establish an air route between Europe and China across the Soviet Union and Sinkiang. However, the Soviets refused permission for flying across their territory.

The rapid advance of Russia to the Pacific in the 1600's served to limit the isolation of the Middle Kingdom of China. After border clashes, a treaty was made between the two countries in 1689, only 82 years after the British settlement of Jamestown, Va. The boundary between the two countries was to run along the watershed north of the Amur River. The Treaty of Nerchinsk was the first which China concluded with a western country. This was one of the few treaties in which China imposed her desires upon a European state. The Chinese and the Latin texts include in the preamble the statement:

> In order to suppress the insolence of certain rascals who cross the frontier to hunt, plunder, and kill, and who give rise to much trouble and disturbance.

For more than 150 years relations between Russia and China were friendly. Caravans followed trading stations in Mongolia, bringing back tea to Russia and taking furs to China. Kiakhta became a trading center on the route to Urga in Mongolia and to Peking in China proper. Russian students studied Chinese in the Middle Kingdom and Chinese students studied Russian in the land of the czars.

After 1850 the Russian leaders became more interested in the vast area of Siberia. During the Crimean War the Russian expansionist Count Nikolas Muraviev, governor-general of eastern Siberia, sent expeditions down the Amur with soldiers and colonists to settle along the banks of the river. In the Treaty of Aigun, in 1858, Russia acquired from China the left bank of the Amur. In the Treaty of Peking, in 1860, all the Manchurian seacoast from the Korean border to the Amur River went into Russian hands. The western frontier of China would be defined to Kokand. In the same year Muraviev, Count of the Amur, founded Vladivostok or "dominion of the east."

Russian success in acquiring about 350,000 square miles of territory from China by the treaty settlements was due to a number of factors. The advances of France and Great Britain upon China from the Pacific coincided with the push of Russia by land from the north. British and French military pressure on the Manchus served to aid czarist diplomacy since the Russians pretended friendship for China in the face of Anglo-French force. It is noticeable that contacts between Russia and China have been from the east to the west along the Chinese frontier—first in the Amur Valley, then around Kiakhta, and later at Kuldja.

After the Sino-Japanese War of 1894–95 the Russians again posed as the friend of China. Russia, Germany, and France forced Japan to return the Liaotung Peninsula with the ice-free port of Port Arthur. The identic note of the powers to Japan significantly stated:

> The possession of the peninsula of Liaotung, claimed by Japan, would be a constant menace to the capital of China, would at the same time render illusory the independence of Korea, and would henceforth be a perpetual obstacle to the peace of the Far East.

In 1896 a secret alliance was signed between China and Russia against Japanese aggression in which the Chinese practically gave the Russians the right to construct a railway across Manchuria. The railroad became known as the Chinese Eastern Railway. Two years later Russia acquired a 25-year lease on Port Arthur, Talien-wan, and adjacent waters—an area of 1,300 square miles. A branch railway could be constructed from the Chinese Eastern to Port Arthur and Talien-wan. This became known as the South Manchuria Railway. Russian influence in Manchuria became paramount. Mukden was a Russian armed camp and Port Arthur a naval base of the Czar's fleet. Emigration was encouraged and branch railroads were built to exploit the coal and iron.

During the Boxer uprising the Russians seized the opportunity to occupy the entire area of Manchuria. In the Russo-Japanese War of 1904–5 much of the fighting was done in Manchuria. In the Treaty of Portsmouth, ending the war in 1905, both Russia and Japan agreed to evacuate Manchuria. However, Japan secured the Russian lease on Port Arthur and the neighboring area as well as the lease on the South Manchuria Railroad, with the subsequent approval of China. Shortly after the Russo-Japanese War the Russians and Japanese proceeded to divide Manchuria into spheres of influence in which the northern part was Russian and the southern part was Japanese.

Following the establishment of the Soviet Government, relations between the Chinese and Russians underwent a change. Dr. Sun Yat-sen on his death bed sent a letter to Moscow urging cooperation between China and the Soviet Union "in the great struggle for the liberation of the oppressed peoples of the world." Russian-Chinese friendship was due to two factors: First, the renunciation by an agreement in 1924 of the exceptional privileges of the czar in China, and second, the aid rendered by the Soviets and their representatives to the Kuomintang or the Nationalist Party of China. In 1919 the Communists in the Soviet Union had even offered to surrender to China every exceptional privilege in exchange for recognition. However, the Chinese delayed action until 1924 when an agreement was made with the Russians. In this accord the Soviet Union promised to abolish extraterritoriality in China for Russian citizens, to give up its share in the Boxer indemnity, and to recognize Outer Mongolia as a part of China. Both agreed to establish diplomatic and consular relations, to forego propaganda activities; to decide the future status of the Chinese Eastern Railway, and to make new treaties on the basis of equality and reciprocity.

For a while Chiang Kai-shek, leader of the Nationalists in China, and Stalin, emerging as the strong man in the Soviet Union, cooperated. The Chinese received the aid of Borodin as a civil organizer and Galens or "Marshal Bluecher" as a military commander. Soviet influence was very strong from 1925 to the early part of 1927. By the summer of 1927 many of the Kuomintang leaders became afraid that the Russians were trying to get control of the government. At that time the leaders of China broke diplomatic relations with the Soviet Union, expelled the Russian advisers, and tried a party purge to eradicate all Communists in the Kuomintang. In Manchuria, Marshall Chank Tso-lin, who possessed autonomy in the area, tried to take over the administration of the Chinese Eastern Railway which was Russian owned. The Soviet Union sent forces to the area, defeated the Chinese, and forced a truce.

After the Japanese invasion of Manchuria in 1931, diplomatic relations were restored between China and the Soviet Union in 1932. From that time the two countries cooperated to a great extent

in the Far East. The Russians approved the truce between the Kuomintang and the Chinese Communists after the famous kidnaping of Chiang Kai-shek in 1936. In August 1937, the month after the Japanese attack on China at the Marco Polo Bridge, the Soviet Union and China concluded a nonaggression pact. Soon Chinese purchasing missions were entertained in Moscow and more and more supplies were sent to the Chinese battle lines. A supply route of 3,000 miles ran from the Turksib railroad in Soviet Central Asia to Chungking. Russian planes and Russian pilots went to China as volunteers. The Soviets negotiated trade agreements with the Chinese in 1939, 1940, and 1941. By the summer of 1944 the Russians had extended to China credits amounting to $300,000,000. However, the German attack on the Soviet Union in June 1941 drastically reduced the flow of supplies to China.

In the League of Nations the Russians championed the cause of the Chinese. In September 1937 Litvinov at Geneva advocated a strong resolution of condemnation against Japan and in the next month he urged the League under article 16 to give material and moral aid to China. Although not a signer of the Nine Power Treaty, the Soviet Union attended the Brussels Conference that met in late 1937 to consider the Japanese aggression in China. Litvinov opposed both the weak resolution of the conference and the weak resolution of the Council of the League of Nations relative to Japanese aggression.

In September 1938 the Chinese Ambassador, in presenting his credentials in Moscow, said:

> The striving of the Chinese people toward the good of humanity is identical with the desires of the people of the Soviet Union.

When Molotov replaced Litvinov as Foreign Commissar, he said, on May 31, 1939:

> There is no need for me to deal with our attitude toward China. You are well acquainted with Comrade Stalin's statement about giving support to nations which have become victims of aggression and are fighting for the independence of their countries. This fully applies to China and her struggle for national independence. We are consistently pursuing this policy in practice.

The border provinces of China, facing the territory of the Soviet Union, create many issues. Sinkiang and Outer Mongolia are problems in themselves. In Manchuria one of the differences of opinion centers around the Chinese Eastern Railway. In the agreement of 1924 the Soviets and the Chinese stated that both countries should "determine the future of the Chinese Eastern Railway to the exclusion of third parties." After the abortive attempt of the Chinese to seize the railway in 1929, they were forced to accept a temporary arrangement in which the Russians had the predominating influence. A conference of Chinese and Russians was in session in Moscow when the Japanese marched into Manchuria. Tokyo proclaimed succession to the Chinese rights in the railroad. In 1935 Manchoukuo, a puppet of Japan, purchased the Russian residual share of the railroad, but China emphatically rejected the transaction.

The Chinese Communists or the Kungchantang—share-in-production party—are also an important factor affecting relations between the Soviet Union and China. The Chinese Communists number about 90,000,000 in the 15 autonomous areas under their control. They are, at the present time, more reformists than revolutionists and they represent the peasant revolt that has often characterized the long years of Chinese history. They have made many reforms in agricultural areas relative to the reduction of rents, taxes, and interest rates. Local democracy is practiced and many cooperatives have been organized. The Chinese Communists collect their own taxes, make their laws, and issue their paper money. They maintain a separate state economically, politically, and militarily, and they have rendered valiant service in the war against the Japanese. Possibly 16 divisions of Nationalist troops of Chiang Kai-shek, under Hu Tsang-nan, have been used to blockade the Communist area. The Soviet Union does not send aid to these regions of China. However, the future policy of the Soviets toward the Chinese Communists is problematical. It may be that the divide between Kuomintang and Communist China may have repercussions in the relations between Chiang Kai-shek and Stalin.

The question of Chinese disunity is very important to us. If China can achieve unity—and the prospects at present are doubtful—she can then be in a strong position at the final peace conference and eventually in fact as well as in theory, become a great power and thus powerful enough to maintain the peace in her part of the world.

If, on the other hand, this unity is not soon achieved, the position of China and ourselves will become extremely difficult. The U. S. S. R. will, in my opinion, enter the war against Japan. When that happens the Soviets will, as a matter of geographical propinquity, depend on and render such aid as is necessary to the Chinese Communists because they will be in a good position to attack Japanese concentrations and because there has been and will be in the future—unless Chinese unity is achieved—ideological sympathies which will draw the two together. Should this happen it is quite possible that there would exist in China two separate and distinct states in the postwar period. One would be allied to and, in a sense, dependent on Russia; the other would be, in a sense, anti-Russian but would be dependent on itself for survival and not on any outside power. I cannot envisage, if this comes to pass, the United States maintaining more than a passive interest in Chinese affairs because to do otherwise would place us in an extremely embarrassing position.

Changes are taking place in Sino-Soviet relations today as can be seen in simultaneous statements from Moscow and Yenan earlier this year to the effect that the Kuomintang was a dictatorship and that Chiang Kai-shek should be replaced. This marked a significant change for the U. S. S. R. which for the past few years has been silent on China's internal affairs, and for Yenan because prior to this time—during the course of the war against Japan—no such demand had been made by the Communists. We, of course, and rightly, have pledged our full support to the Generalissimo, Chiang Kai-shek and his Government, but we are hoping that China will settle its own internal affairs and achieve a degree of real unity. Should this not be brought about in the near future it is quite possible that we will shift our plans for beachheads on the China coast to a direct assault on the Japanese home islands themselves. Not that this would be the best move at this time but due solely to the fact that it would be better policy for us to carry on in an area where there would be no complications rather than in one—China—where the internal difficulties would be added to the military objectives.

The attack on Japan's home islands will, I believe, be a costlier operation than an attack on the Chinese mainland because the possibilities of a blockade against Japan, as I pointed out to the House on April 1, 1944, and March 9, 1945, are extremely good. However, an attack against Japanese armies by way of China presents more than a mere military operation and because of the added complications of Chinese disunity and Russian participation much careful planning is necessary. Even when the home islands are conquered and Japan is forced to accept peace the Japanese armies on the Asiatic Continent—especially the Kwantung Army—will have to be met and defeated. This army has on many occasions acted directly against, and sometimes without advising the Japanese Government and can be looked upon as an absolutely independent unit. Its headquarters are in Manchukuo and there a strong industrial nucleus exists as well as in north and central China. What Russia's aims are in re: Manchuria, the Chinese Eastern Railway, and Korea we do not know, but if she desires to establish a series of buffer areas, as she has in Europe, these areas must be watched.

I make this statement with no thought of criticizing the Russians in advance as to their aims in Asia but only because it is up to us to be just as realistic and practical as they are. Russia, as a matter of necessity, has an interest in China comparable to no other country in the world. The two countries have the longest adjoining land frontier on the face of the globe. Russia has economic interests in Manchuria, political and economic stakes in outer Mongolia, Sinkiang, and possibly Tibet. Korea, despite the Cairo Declaration, is a country with an unsettled political future. China has an interest in Tanu Tuva, an autonomous Soviet Republic, though in reality a part of outer Mongolia. The Chinese

Communists, who comprise a state within a state, are a Chinese problem today; tomorrow they may be a Russo-Chinese problem.

Compared to Russia our interests are very limited. Our main interest now is getting China to use as much of her resources and manpower as possible to defeat our common enemy Japan. We have no territorial problems and, as yet, no political problems there. In the postwar period we hope, of course, to help develop China, to use our capital for loans, and to enter into the Chinese market. These are laudable aims but, by comparison, they do not measure up to the U. S. S. R.'s practical interests there. Necessarily, therefore, the status of Russo-Chinese relations will be tremendously important not only to the two countries concerned but, based on that relationship, important to the rest of the world as well.

The problems which confront Russia and China are not incapable of solution. Now is the time—before Russia enters the war against Japan—for the first meeting of the Big Four—United States, Britain, U. S. S. R., and China—in order to define policy and disposition of Allied forces against the enemy. We are fighting the war in China to help defeat Japan and to maintain China's sovereignty. We want to see a completely unified and strong China with its sovereignty intact. Out of this meeting, I hope, would come an agreement by all the Allied Powers to withdraw their forces as soon as Japan is defeated. This might save future embarrassment.

Perhaps the basis for some agreement has already been laid. It is to be hoped that, as a result of Ambassador Patrick Hurley's recent visit to Washington, London, and Moscow that some formula will have been discussed which will help to unite the different groups in China so that the outcome of the war in that area will become more certain and our hope for permanent peace in Asia strengthened. Both China and the Soviet Union have suffered heavily in the present war and both will have a vital stake in the peace to come. The future of the world may depend to a great extent upon the cooperation of the two great land powers of the Eastern Hemisphere—the Soviet Union and the Chinese Republic.

The sooner we realize that these Asiatic nations are our next door neighbors and that what they do affects us—and vice versa—the better off we will all be. Both China and Russia are major Allies of the United States in this war and it is our hope and wish that they will continue to be our Allies in the peace.

EXTENSION OF REMARKS

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include two prayers by constituents.

Mr. MURDOCK asked and was given permission to extend his remarks in the Appendix on House Resolution 215.

The SPEAKER. Under previous order of the House the gentleman from Ohio [Mr. SMITH] is recognized for 2 hours.

WHO DEVISED THE SO-CALLED BRETTON WOODS PROPOSAL FOR AN INTERNATIONAL MONETARY FUND?

Mr. SMITH of Ohio. Mr. Speaker, was the proposal for the establishment of an International Monetary Fund written by delegates of 44 nations assembled at Bretton Woods, N. H., or was it contrived by Lord John Maynard Keynes, director of the Bank of England and consultant to the British Exchequer? It is of the most vital concern to the American people to have the correct answer to this question.

This scheme is fraught with the gravest danger to our Nation and people, and we had better stop, look, and listen, before we act, lest we permit ourselves to be led into something which will cause us to be sorry. Lord Keynes himself has sensed among our people a sufficient amount of unsavory criticism of this international monetary scheme to elicit from him a public denial of bad faith on his part in its projection.

In an address before the House of Lords, May 18, 1943, he took pains to point out the similarities of his International Clearing Union Plan and Mr. Morgenthau's proposal for an International Stabilization Fund. He said:

> Most critics, in my judgment, have overstated the differences between the two plans, plans which are born of the same climate of opinion and which have identical purpose. It may be said with justice that the United States Treasury has tried to pour its new wine into what looks like an old bottle, whereas our bottle and its label are as contemporary as the contents; but the new wine is there all the same.

With the similarity of his and Mr. Morgenthau's plans in mind, Lord Keynes in the same speech said:

> There is one important respect in which the British proposals seem to be gravely misunderstood in some quarters in the United States. There is no foundation whatever for the idea that the object of the proposals is to make the United States the milch cow of the world in general and of this country in particular. In fact the best hope for the lasting success of the plan is the precise contrary.
>
> I cannot emphasize this too strongly. This is not a Red Cross philanthropic relief scheme, by which the rich countries came to the rescue of the poor.

Accordingly, we may properly and fittingly raise the question as to the true source of this international monetary scheme without being suspected of being either provincially minded or motivated by anything other than a desire to find out just what the facts are.

Indeed, in view of Lord Keynes' philosophy and the baneful influence he has already wielded in our country, it is incumbent upon us to find out just what part he is playing in this movement.

During his frequent and sometimes extended sojourns in the United States since 1933, he was a most welcome guest of the late President, Treasury, and other high Government officials, with whom he held many long conferences. He is credited with being the father of the Government's policy of making our children and their descendants bail us out of the depression.

Lord Keynes is, in my judgment, the most effective exponent of fiat money outside Russia. The essence of his whole congeries of monetary theories is that prices should not be made in a free market, but by the only other existent mechanism for making prices, namely, authoritarian edict.

Lord Keynes is an apostle of John Law. The monetary theories Law advocated Lord Keynes advocates. The difference between their ideas is one of degree and extent of application, not of kind. Law, however, limited his monetary and financial thaumaturgy to a single country, that within which he operated, while Lord Keynes would perform his monetary and financial wonders in nearly every country on earth but particularly in the United States of America.

He calls those who believe in a free market, that is, competition, "worshippers of the calf." He would abolish competition, that is, liberty, and make us kneel at the feet of the state.

Method aside, he seems not to be reticent in telling us what he is aiming at. For one thing, London must be made secure as the world's financial master. This he made clear when in an address before the House of Lords, May 23, 1943, he said:

> So far from an international plan endangering the long tradition, by which most empire countries, and many other countries, too, have centered their financial systems in London, the plan is, in my judgment, an indispensable means of maintaining this tradition.

Apropos of this statement by Lord Keynes, Mr. Pethick-Lawrence, member of the House of Commons, in an address before that body May 12, 1943, made some interesting observations respecting this scheme when he said:

> If not a despotism, what shall it be? Shall it be a condominium? Shall the United States and the British Empire combine to rule the financial world? We are now out of dreamland, and facing a quite practicable possibility. Many arguments can be adduced in favor of this form of financial government. Many people on both sides of the Atlantic may rejoice in the thought that it may become an accomplished fact. I am not of their number. I see many dangers in an attempt by the Anglo-Saxon bloc to dominate the financial and economic life of the rest of the world. It would be certain to cause resentment, and every failure of a people to secure well-being in the future would be laid at our door.

To which he significantly added:

> If I may say so without offense, that great Nation (the United States) has much to learn before it can successfully and benevolently maintain the hegemony of the financial world.

Great Britain might do well to give careful consideration to this proposal before permitting it to go too far, for, in

my opinion, it is fraught with potentialities of the gravest sort, not only for doing serious damage to our good relations, but, in the long run, to her economy as well as ours.

No one is more desirous than I am to maintain the most cordial relations between England and the United States. Nor is there any doubt that we are united in a sincere desire to render all possible aid to her, as well as the other countries with whom we have fought in this war. But in the light of this international monetary proposal, we are constrained to believe that it would be in the best interest of Great Britain, as well as the United States, for her to present face up whatever proposition she may wish to make to us for financial or other aid so that both of us may see what we are signing.

On March 29, 1943, the New York Times carried a story with a London date line telling of an ambitious plan for a postwar clearing union, prepared by Lord John Maynard Keynes, Economic Adviser to the British Exchequer.

In the morning of April 5, 1943, 7 days after the New York Times article appeared, a London broadcast informed the United States that another postwar monetary program had been prepared by Mr. Henry Morgenthau, Secretary of the United States Treasury. The next day Mr. Morgenthau met in secret session with certain congressional committees and presented to them the plan mentioned in the broadcast. The title of that proposal was "United and Associated Nations Stabilization Fund."

July 10, 1943, Mr. Morthenthau released a revised draft of his previous proposal. On April 21, 1944, he made public a re-revised draft in which he changed the name from United and Associated Nations Stabilization Fund to Joint Statement of Experts on the Establishment of an International Monetary Fund.

Morgenthau's plan was made public subsequent to that of Lord Keynes'. It would appear reasonably certain that, on its face alone, Lord Keynes did not obtain any of the provisions of his clearing union scheme from Mr. Morgenthau and his experts, as will be noted in the following statement which he made in a speech before the House of Lords on May 18, 1943, when he said:

> The proposals for an international clearing union have been brought before Parliament at an early but not too early a stage of their evolution. The procedure adopted is somewhat novel. I hope your lordships will approve it for, if it is an innovation, it appears to me to be a happy one. This paper has been the subject of long preparation. To associate it too closely with a particular name is, I venture to say, to do it an injustice. It has been the subject of intensive criticism and progressive amendment and the final result is the embodiment of the collective wisdom of Whitehall and of experts and officials throughout the Commonwealth.

A reading of Lord Keynes' proposal for an international clearing union and Morgenthau's first draft proposal for an international stabilization fund showed to others besides Lord Keynes that the basic provisions in the two proposals were very similar. This was noted by such outstanding authorities as Dr. Benjamin M. Anderson who said: "Both the plans are British plans," and Dr. Melchior Palyi who stated: "The two plans are identical in almost everything except technicalities."

Sir Kingsley Wood, a member of the British Parliament, spokesman for the group promoting the scheme in Britain, in addressing the House of Commons, May 12, 1943, stated what he considered differences between the two plans. He said:

> There would appear to be differences of approach between this scheme (Morgenthau's first draft proposal for an international stabilization fund) and the international credit account to be opened under the Clearing Union, but though the method of approach is different the objectives and principles and to a large extent the practical results are similar.

However, as will be noted in the course of the discussion, such differences as Sir Kingsley Wood thought existed were to all intents and purposes eliminated in favor of the Lord Keynes' plan.

Morgenthau's revised draft proposal for an international monetary fund furnished additional evidence that there were not two plans but only one plan. In a speech before the House on November 1, 1943, I presented a study showing that in preparing this proposal our Treasury officials had hardly done more than set up Lord Keynes' scheme in legislative draft form. After about 1½ years that finding has not been challenged. We shall see whether Bretton Woods has changed this.

EXHIBIT A

The first item under "Objects of the plan" in the British white paper containing Lord Keynes' clearing union plan deals with blocked balances. The provision relating to blocked balances was dropped from Morgenthau's third draft proposal and is not contained in the Bretton Woods proposal. Nevertheless, a brief explanation of this provision is given here to show the extraordinary influence Lord Keynes must have exercised over our Treasury officials in promulgating this international monetary scheme.

That provision reads:

> We need an instrument of international currency having general acceptability between nations, so that blocked balances * * * are unnecessary.

Mr. Morgenthau in his two proposals for an international stabilization fund lists as the fourth item under "Purposes of the fund":

> To facilitate the effective utilization of the abnormal foreign balances (first draft) (or) blocked foreign balances (second draft) accumulating in some countries as a consequence of the war situation.

Lord Keynes was very much concerned about the blocked balances, as will be noted by referring to article VII, section 34, of his clearing union plan. Just what are these blocked foreign balances and who owns them? The term "blocked foreign balances" referred to sterling balances which are held in London and represent debts which Great Britain owes to her dominions and colonies, Egypt, Latin American and Scandinavian countries, principally for imports of war goods. These balances are referred to as blocked balances, because England is unable to pay them either in goods or gold for the time being. The United States has no blocked foreign balances. The reference which Lord Keynes makes to these balances in the British white paper and that which Morgenthau makes in his draft proposals both relate to the sterling balances held in London.

Article III, section 9 of Morgenthau's first draft, and article V, section 8 of his second draft deal with the blocked balances. The language in this provision is so technical and devious that it caused Dr. Benjamin M. Anderson to refer to it as embodying "Another Hidden Purpose."

It is unnecessary to go into a detailed explanation of this provision. For our purposes it is essential to know only the substantiative part of it. In substance this provision dealing with blocked balances provides that the fund shall purchase from Great Britain blocked sterling balances which she holds. Next, by a complicated arrangement, both the debtor and creditor countries agree to repurchase from the fund over a period of years 80 percent of the blocked balances bought by the fund. Nothing is said as to what is to be done with the remaining 20 percent.

The United States would contribute much the greater portion of the lendable assets of the fund, perhaps 70 percent to 75 percent, or even more. Accordingly, the scheme would have operated in such a way as to cause the United States to assume a substantial amount of British foreign debts which were involved in the blocked balances. The amount of blocked balances held in Londone at the time Morgenthau's two first drafts were released was in the neighborhood of four or five billion dollars. Lord Keynes has given a figure of more recent date showing that the amount has risen to $12,000,000,000.

This provision for having the United States assume British foreign debts was severely criticized. I think it is fair to say that this was an attempt by devious means to unload British debts upon the United States.

EXHIBIT B—BRETTON WOODS PROVISIONS GIVING LEGAL STATUS TO AND PROVIDING FOR A SYSTEM OF POLITICALLY MANAGED CURRENCY DEBASEMENT BY INDIVIDUAL COUNTRIES COMPARED TO A SIMILAR PROVISION IN LORD KEYNES' PROPOSAL FOR AN INTERNATIONAL CLEARING UNION

One of the amazing things about this international monetary scheme is that its American proponents proclaim it to be a mechanism for giving intrinsic stability to currency values. How possibly could this politically conceived device be intended to intrinsically stabilize world currencies when it starts out by legalizing debasement, making it easy of accomplishment and placing no limit on the amount that may be effected? Certainly there is no precedent for this anomalous proposal.

Be it clearly understood that the making of currency debasement, what in practice would amount to giving it legal status, is basic to the scheme. Coin clip-

ping by the State, for currency depreciation is simply a disguised form of coin clipping, which throughout the ages has been universally condemned as one of the greatest evils with which mankind has had to contend, is to be made a common practice and given respectability.

There is no slightest hint given anywhere in the scheme definitely looking toward a correction of the basic causes of unstable, or to be more specific, depreciating currencies, namely, unbalanced national budgets, governments spending more than they collect in taxes, paying the difference in funds derived from forced loans and government printed "money" in one or other form.

Indeed, as we shall see, instead of encouraging the governments of member countries to put their financial houses in order, the proposal, if adopted, would have the effect of encouraging deficit financing, and, in fact, making this procedure a permanent policy.

FIGURE 1 (a) KEYNES' CLEARING UNION	FIGURE 2 (a) BRETTON WOODS AGREEMENT
Article II, section 6 (8)–(a): "* * * it (a member State) shall be entitled to reduce the value of its currency in terms of bancor provided that the reduction shall not exceed 5 percent without the consent of the governing board.	Article IV, sec. 5 (c), (i), (ii), and sec. 5 (f): A member may depreciate its currency if it "does not exceed a further 10 percent of the initial par value," without the concurrence of the Fund. It can depreciate it an additional 10 percent with the concurrence of the Fund.
FIGURE 1 (b) "* * * but it shall not be entitled to repeat this procedure unless the board is satisfied that this procedure is appropriate." (b) A further "reduction in the value of the member's currency if it (governing board) deems that to be the suitable remedy."	FIGURE 2 (b) "* * * in particular, provided it (the Fund) is so satisfied, it shall not object to a proposed change because of the domestic social or political policies of the member proposing the change."

Lord Keynes provides—figure 1 (a)—that a country may depreciate, that is, debase, the value of its currency 5 percent without the concurrence of the governing board of the clearing union. The Bretton Woods agreement provides—figure 2 (a)—that a member country may depreciate the par value of its currency 10 percent without the concurrence of the fund.

Lord Keynes provides—figure 1 (b)—for permitting countries to further depreciate their currencies and places no limit on the amount or the number of times this may be done. The Bretton Woods agreement provides—figure 2 (b)—that a country may depreciate its currency by any amount so long as the fund is satisfied that the depreciation is predicated on domestic social or political policies. Since there is nothing else to predicate a depreciation on but some disordered condition of domestic social or political policies the Bretton Woods provisions, like those of Lord Keynes', open the door to unlimited debasement.

Further proof that Morgenthau adopted Lord Keynes' idea of managed debasement is seen when it is noted that Morgenthau's first draft proposal, published April 6, 1943, made no provision for permitting members to depreciate their currencies in any amount except with the approval of the fund. But in Morgenthau's second draft, published July 10, 1943, 3 months after the first, he provided for permitting individual members to depreciate their currencies 10 percent without the concurrence of the fund, thus going directly over to Lord Keynes' idea.

Because of the great importance of bringing out the truth in respect of this provision relating to the legalizing of currency debasement, it is deemed desirable to give rather extensive quotations, first, from a speech made by Lord Keynes in the House of Lords May 23, 1944, and, second, from a Bretton Woods memorandum released July 21, 1944.

Lord Keynes in his speech after discussing at some length five advantages the scheme would afford Great Britain, elaborated the currency depreciation provisions as follows:

We are determined that, in the future, the external value of sterling shall conform to its internal value as set by our own domestic policies, and not the other way round.

The gold standard, as I understand it, means a system under which the external value of a national currency is rigidly tied to a fixed quantity of gold which can only honorably be broken under force majure; and it involves a financial policy which compels the internal value of the domestic currency to conform to this external value as fixed in terms of gold. On the other hand, the use of gold merely as a convenient common denominator by means of which the relative values of national currencies, these being free to change, are expressed from time to time, is obviously quite another matter.

My noble friend Lord Addison asks who fixes the value of gold. If he means, as I assume he does, the sterling value of gold, it is we ourselves who fix it initially in consultation with the fund; and this value is subject to change at any time on our initiative, changes in excess of 10 percent requiring the approval of the fund, which must not withhold approval if our domestic equilibrium requires it.

For instead of maintaining the principle that the internal value of a national currency should conform to a prescribed de jure external value, it provides that its external value should be altered if necessary so as to conform to whatever de facto internal value results from domestic policies, which themselves shall be immune from criticism by the fund. Indeed, it is made the duty of the fund to approve changes which will have this effect. That is why I say that these proposals are the exact opposite of the gold standard. They lay down by international agreement the essence of the new doctrine, far removed from the old orthodoxy. If they do so in terms as inoffensive as possible to the former faith, need we complain?

Certainly from these statements of Lord Keynes there should be no doubt in the mind of anyone that the so-called Bretton Woods fund proposal fully carries out the provisions of his clearing union plan for legalizing currency debasement by individual members, authorizing them to carry on debasement as a systematic procedure with the sky as the limit. "That is why I say that these proposals are the exact opposite of the gold standard."

It should be borne in mind that legalizing debasement also makes it lawful for members to welsh on both their international and national debts, for eventually debasement must bring about both of these results. To which Lord Keynes, if he wishes to be consistent, might also say, "That is why I say that these proposals are the exact opposite of the gold standard."

Indeed, it was the announced policy of the Bretton Woods Conference to make currency debasement by individual countries from time to time in unlimited amounts a right. This was set forth in a memorandum which was prepared for use of the Conference and released for publication July 21, 1944. Under the heading "International monetary fund (purposes, methods, consequences,)" we read:

More specifically, the fund proposes to limit the right of member countries to change their exchange rates without going through a certain procedure.

While the fund looks to exchange stability as the principal means for the restoration of world trade, it recognizes limitations on stability that are necessary in order to meet the internal conditions of different countries.

Furthermore, the proposal provides that a country which after having made a 10-percent change finds itself under the necessity of making another change without delay may request the fund's concurrence in such a change and a reply must be given within 72 hours. Other changes can be obtained with the fund's concurrence and there are no prescribed limitations on such authorized changes.

Stability does not mean rigidity, and rigidity, in the past has resulted in extreme instability. A country which finds that its domestic economy is suffering greatly from inability to sell abroad, because of an inappropriate rate of exchange and also finds it impossible to make other adjustments to correct the situation, has no alternative but to change the rate.

In order to protect the economies of the country from any untoward influences resulting from excess rigidity of the rate, there is an explicit provision that the fund shall not reject a requested change that is necessary to restore equilibrium, on the ground that it does not approve of the domestic social or political policies of the member country proposing the change.

And finally this:

To sumarize, the fund attempts to provide the greatest degree of exchange stability that is consistent with the economic necessities of the members. It introduces stability without rigidity and elasticity without looseness.

Not one word have I found by Lord Keynes, or in the Bretton Woods deliberations, or by our Treasury officials or other movers of this scheme even hinting at placing a time limit on permitting members to debase their currencies. Lord Keynes provides for—"Transitional arrangements," and Bretton Woods for a "Transitional period," neither of which mentions any time limit.

More by innuendo it is made to appear to the Congress and public that there is prospect of the transitional period mentioned in the Bretton Woods agreement terminating in 5 years. But this point will be further elucidated later in a discussion of the so-called transitional period.

Certainly the statements of Lord Keynes and the avowed purposes of the Bretton Woods conferees, as above quoted, should leave no doubt in the mind of anyone that the so-called Bretton Woods agreement for an International Monetary Fund fully carries out the provisions of Keynes' Clearing Union Plan for legalizing currency debasement by individual countries and authorizing them to engage in such coin clipping to any extent desired.

As a matter of fact, this provision for systematic coinage debasement was proposed by Lord Keynes in an article published in Lloyds Bank Limited Monthly Review, September 9, 1935. However, the procedure he then recommended for carrying out such debasement contradicts that provided in his clearing union plan, as reflected in Bretton Woods. In that article he said:

> It is improbable that the initial set of rates could be settled, right off, at a conference, which in present circumstances would merely offer an exhibition of horse-dealing without any horse changing hands. It will have to be reached, in the first instance, by a process of trial and error, conducted in good faith but without prior undertakings. The test of success will be found in the voluntary removal of all those exchange restrictions, import quotas, exceptional tariffs, etc., which are not desired for their own sake as a permanent feature of national policy, but are acts of desperation and an expression of the extreme anxiety of the authorities either to make both ends meet or to alleviate the unemployment inflicted by deflation.

EXHIBIT C—MORGENTHAU'S AND BRETTON WOODS PROVISIONS GIVING LEGAL STATUS TO AND PROVIDING FOR A SYSTEM OF POLITICALLY MANAGED UNIFORM DEBASEMENT OF ALL CURRENCIES OF MEMBER COUNTRIES COMPARED TO A SIMILAR PROVISION IN LORD KEYNES' PROPOSAL FOR AN INTERNATIONAL CLEARING UNION

Here, as in the case of debasement by individual countries, giving what amounts to legal status to universal debasement of member countries is basic. Perhaps nothing in the Bretton Woods agreement shows more clearly the servility of our Treasury officials in succumbing to the influence of Lord Keynes than is revealed in the study of the development of the provision here under consideration.

FIGURE 3	FIGURE 4
KEYNES' CLEARING UNION	MORGENTHAU'S STABILIZATION FUND, SECOND DRAFT
Article 1, section 4:	Article III, section 1:
"The proposal is to establish a currency union, here designated an International Clearing Union, based on international bank money, called (let us say) bancor, fixed (but not unalterably) in terms of gold and accepted as the equivalent of gold by the British Commonwealth and the United States and all the other members of the union for the purpose of settling international balances."	"The monetary unit of the fund shall be the Unitas (UN), equal in value to 137⅓ grains of fine gold (equivalent to $10 U. S.). No change in the gold value of the Unitas shall be made except with the approval of 85 percent of the member votes."

Figures 3 and 4 above relate to Lord Keynes' international monetary unit which he called bancor, and to Morgenthau's monetary unit which he termed "unitas." Under Lord Keynes' plan, as shown in figure 3, bancor would have been given a certain gold value. In turn, the currencies of member countries would have been tied to and valued in terms of bancor. Since bancor was subject to alteration, a reduction in its gold value would have effected a general reduction in the gold value of the currencies of all members.

Morgenthau's unitas would have been given a gold value. In turn, the currencies of member countries would have been tied to and valued in terms of unitas. Since unitas was subject to alteration, a reduction in its gold content would have effected a general reduction in the gold value of the currencies of all members.

It is significant that although Morgenthau's first draft provided for an international monetary unit, which he designated unitas, it was not subject to being depreciated. Morgenthau adopted Lord Keynes' idea of an alterable unitas in his second draft proposal. His last draft proposal, where he changed the name of stabilization fund to monetary fund, says nothing about unitas. Also, no mention is made of unitas in the Bretton Woods agreement. Nevertheless, both Morgenthau's last draft and the Bretton Woods agreement contain provisions which would accomplish identically the same end as Lord Keynes' and Morgenthau's provisions for an alterable international monetary unit respectively called bancor and unitas. I refer to the provision which would permit the fund to make uniform changes in the par value of currencies:

FIGURE 5	FIGURE 6
MORGENTHAU'S THIRD DRAFT	BRETTON WOODS AGREEMENT
Article IV, section 5:	Article IV, section 7:
"An agreed uniform change may be made in the gold value of member currencies, provided every member country having 10 percent or more of the aggregate quotas approves."	"* * * The Fund, by a majority of the total voting power, may make uniform proportionate changes in the par values of the currencies of all members," etc.

Figures 5 and 6 above show the provisions in Morgenthau's third draft and in the Bretton Woods agreement respectively which provide for making uniform changes in the par value of the currencies of all members. The point is that reducing the gold value of Lord Keynes' bancor, or Morgenthau's unitas would be the same as making uniform reductions in the par value of currencies, as provided for in Morgenthau's third draft and the Bretton Woods Fund agreement.

Legalizing uniform debasement of the currencies of all member countries would in effect also legalize, or at least give respectability to, uniform repudiation of international as well as national debts, since such debasement would ultimately produce those results.

Section 5 (b) of H. R. 2211, the bill before us which would establish the international monetary fund, provides that:

> Unless Congress by law authorizes such action, the President nor any person or agency shall on behalf of the United States * * * approve any general change in par values under article IV, section 7.

The practical interpretation of this provision would read something like this:

"Unless Congress by law authorizes such action, the President nor any person or agency shall on behalf of the United States propose or agree to effectuate world-wide inflation and universal welshing on international and national debts as provided in article IV, section 7, of the Bretton Woods Fund Agreement."

The United States has no external debts she cannot meet. Great Britain has. Why should we join in a plan to make it respectable throughout the world to repudiate international debts?

EXHIBIT D—MORGENTHAU'S AND BRETTON WOODS PROVISIONS FOR ESTABLISHING QUOTAS COMPARED TO A SIMILAR PROVISION FOR SETTING UP QUOTAS IN LORD KEYNES' CLEARING UNION PLAN

FIGURE 7	FIGURE 8
KEYNES' CLEARING UNION	BRETTON WOODS AGREEMENT
Article I, (e):	Article III, section 1:
"We need an agreed plan for starting off every country after the war with a stock of reserves appropriate to its importance in world commerce."	"Each member shall be assigned a quota." Quota largely determines voting power. Quotas alterable. Borrowing limited to amount of quota and member cannot borrow more than 25% of quota in any year. Both of latter subject to waiver. Collateral may be required.
Article II, section 6 (5):	
"Each member state shall have assigned to it a quota, which shall determine the measure of its responsibility in the management of the Union and of its right to enjoy the credit facilities provided by the Union." Quotas are alterable.	
Measures provided to limit size of quota.	
"(8)–(a) A member state may not increase its debit balance by more than a quarter of its quota within a year without the permission of the Governing Board."	
Suitable collateral required to limit amount a member can borrow.	

Both the Lord Keynes and Bretton Woods proposals, as seen in figures 7 and 8 above, provide for assigning quotas

which shall determine the measure of a member's responsibility in the management of the scheme and its right to enjoy the credit facilities provided by it. Quotas in both proposals are also alterable. Both proposals would place an uncertain limit on the amount a debtor country can borrow, but would confine the borrowing power largely to the size of the quotas. Both also provide for waiving such limitation. Both proposals provide that a debtor country may not borrow more than 25 percent of its quota in any one year, but here again both provide waiver provisions. Both contain provisions for requiring collateral under certain conditions but neither makes this mandatory.

The quota given under Bretton Woods to each country is referred to as its subscription to the fund. The quotas or subscriptions would consist of a comparatively small amount of gold on the one hand and a large amount of currency on the other. The quotas would be divided into two categories. To one group of countries a quota would mean an amount of borrowing power. To the other group a quota would mean an amount of lending power.

The lending group would represent the creditor countries, and the borrowing group the debtor countries. The arrangement is essentially one by which debtor countries could borrow from creditor countries.

The arrangement is basically similar to the procedure which Keynes, in his plan for a clearing union, proposes for establishing borrowing quotas. Lord Keynes' scheme would have started operations without any capital, whereas Morgenthau's and the Bretton Woods plan would require each country to pay into the fund a specified amount of capital before it could start operations. Lord Keynes' provided for building up debits by means of overdrafts by importing countries and credits by exporting countries.

In a speech before the House of Lords on May 18, 1943, he pointed out the basic similarity of the two procedures. He said:

> The American plan requires the member states to provide so-called security against their overdrafts, a requirement which could certainly be met if it is thought useful; but the security in question only to a very small extent consists in an outside security in the shape of gold. It consists mainly of an I O U engraved on superior notepaper, better than would be the case, perhaps, under our own scheme. I have said that if that is thought useful and worth while, it does not involve any particular problem.

Lord Keynes, therefore, regards the currencies paid into the fund as being the same as the overdrafts provided for in his plan and designates them as overdrafts, which, of course, is correct. And if the Bretton Woods and Keynes' gold provisions are examined it will be found that they are similar. Lord Keynes provided, article II, section 6 (10), that:

> A member state shall be entitled to obtain a credit balance in terms of bancor by paying in gold to the clearing union for the credit of its clearing account. But no one is entitled to demand gold from the union against a balance of bancor.

The Bretton Woods agreement provides that members shall pay in gold to the fund, which is estimated at about 20 percent of the total subscriptions. It also provides, as seen in article V, section 6 (a) below, that:

> Any member desiring to obtain, directly or indirectly, the currency of another member for gold shall, provided that it can do so with equal advantage, acquire it by the sale of gold to the fund.

The Bretton Woods proposal, therefore, provides for paying in gold to the international monetary authority the same as Lord Keynes' clearing union plan. The only difference is that the former requires that a certain amount of gold be paid in to the fund when it starts operations, while the latter does not. But even this difference is more apparent than real, since the gold subscription of each member could actually remain in its own government vault.

Lord Keynes provides for one-way convertibility. Members can pay gold into the union, but may not draw any out. Bretton Woods provides for the same thing, except in case a currency should become scarce it is optional with the fund to require the member concerned to buy gold from the fund with its currency.

The quota arrangement may well anticipate permanent rationing among the members of world trade, as we shall see later when we consider article VII of the Bretton Woods fund proposal.

EXHIBIT E—MORGENTHAU'S AND BRETTON WOODS PROVISIONS FOR VESTING IN THE FUND CONTROL OVER THE PRICE OF GOLD COMPARED TO A SIMILAR PROVISION IN LORD KEYNES' PROPOSAL FOR AN INTERNATIONAL CLEARING UNION

FIGURE 9 KEYNES' CLEARING UNION	FIGURE 10 MORGENTHAU'S SECOND DRAFT
Article II, section 6 (4): "Member States shall not purchase or acquire gold, directly or indirectly, at a price in terms of their national currencies in excess of the parity which corresponds to the value of their currency in terms of Bancor and to the value of Bancor in terms of gold."	Article III, section 2: "No member country shall purchase or acquire gold ,directly or indirectly, at a price in terms of its national currency in excess of the parity which corresponds to the value of its currency in terms of Unitas and to the value of Unitas in terms of gold."

FIGURE 11
BRETTON WOODS

Article IV, section 2:

"The fund shall prescribe a margin above and below par value for transactions in gold by members, and no member shall buy gold at a price above par value plus the prescribed margin, or sell gold at a price below par value minus the prescribed margin."

As shown in figure 9, Lord Keynes provided in his proposal for a clearing union a specific provision for controlling the price of gold. Morgenthau's first draft, though it provided in a general way for the control of the price of gold, contained no specific provision dealing with it. However, in his second draft proposal, 3 months after publication of his first draft, he copied, practically verbatim, Lord Keynes' provision for the control of the price of gold. This is shown by comparing the language of figure 10 with that of figure 9 in exhibit E above.

By referring to figure 11 it will be seen that the section in the Bretton Woods proposal relating to the control of the price of gold is in substance the same as that of Lord Keynes, with the exception that it provides for permitting flexibility to members of the price at which they must buy and sell gold. Morgenthau's third draft proposal contained a provision similar to that in the Bretton Woods proposal.

EXHIBIT F—MORGENTHAU'S AND BRETTON WOODS PROPOSALS FOR VESTING IN FOREIGN POWERS CONTROL OVER UNITED STATES FOREIGN TRADE INVOLVING HER TARIFFS COMPARED TO A SIMILAR PROPOSAL IN LORD KEYNES' INTERNATIONAL CLEARING UNION PLAN

We are here dealing with one of the most basic provisions of this whole international scheme. Lord Keynes in his proposal for establishing an international clearing union greatly elaborates and stresses the importance of this provision, at least to himself and his countrymen for whom he presumes to speak. In article I of his scheme he says:

> We need a system possessed of an internal stabilizing mechanism, by which pressure is exercised on any country whose balance of payments with the rest of the world is departing from equilibrium in either direction, so as to prevent movements which must create for its neighbors an equal but opposite want of balance.
>
> Measures would be necessary to prevent the piling up of credit and debit balances without limit, and the system would have failed in the long run if it did not possess sufficient capacity for self-equilibrium to secure this.

The language "We need a system possessed of an internal stabilizing mechanism, by which pressure is exercised on any country," and "the system would have failed in the long run if it did not possess sufficient capacity for self-equilibrium to secure this," is especially significant in showing the importance Lord Keynes attaches to this part of his scheme. When he suggests the use of a "sanction" as a part of the machinery for exercising the desired pressure, as he did in connection with a speech he delivered to the House of Lords May 23, 1944, his proposal takes on an omnious aspect. But pressure and penalties to do what? On this point Lord Keynes, in article III of his scheme, says:

> In the case of credit balances no rigid maximum has been proposed. For the appropriate provision might be to require the eventual concelation or compulsory investment of persistent bancor credit balances accumulating in excess of a member's quota.

"The appropriate provision might be to require the eventual cancelation or compulsory investment" of persistent credit balances. That is, a country with a persistent credit balance might be required by the threat of a sanction to

invest such balance or to give its exports away.

To which country is the sanction to be applied? Lord Keynes is brutally frank in telling us. In a speech before the House of Lords May 23, 1944, he said:

A proper share of responsibility for maintaining equilibrium in the balance of international payments is squarely placed on the creditor countries. * * * The Americans, who are the most likely to be affected by this, have, of their own free will and honest purpose, offered us a far-reaching formula of protection against a recurrence of the main cause of deflation during the interwar years, namely, the draining of reserves out of the rest of the world to pay a country which was obstinately borrowing and exporting on a scale immensely greater than it was lending and importing.

So it is the United States that has been the offender and it is against her that a sanction is to be imposed, should she misbehave in the future. And what is more, "the Americans have, of their own free will and honest purpose, offered us—the British and other countries—a far-reaching formula" containing a penalty provision by which we, the people of the United States, can, in the future, be made to behave in our international trade relations with them. We should be interested, indeed, in knowing just where in the scheme this far-reaching formula is to be found, and of just what it consists.

Here again Lord Keynes leaves no one in doubt. He tells us precisely where to find his formula. In the speech just referred to he said:

Under clause VI of the plan a country—meaning the United States—engages itself, in effect, to prevent such a situation—draining of reserves out of the rest of the world to pay a country which was obstinately borrowing and exporting on a scale immensely greater than it was lending and importing—from arising again, by promising, should it fail, to release other countries from any obligation to take its exports, or, if taken, to pay for them. I cannot imagine that this sanction would ever be allowed to come into effect. If by no other means, than by lending, the creditor country will always have to find a way to square the account on imperative grounds of its own self-interest. For it will no longer be entitled to square the account by squeezing gold out of the rest of us. Here we have a voluntary undertaking, genuinely offered in the spirit both of a good neighbor and, I should add, of enlightened self-interest, not to allow a repetition of a chain of events which between the wars did more than any other single factor to destroy the world's economic balance and to prepare a seedbed for foul growths. This is a tremendous extension of international cooperation to good ends. I pray your lordships to pay heed to its importance.

Clause VI here referred to by Lord Keynes deals with the problem of scarce currencies, and is contained in Morgenthau's third draft proposal where he changed the title from United and Associated Nations Stabilization Fund to Joint Statement of Experts on the Establishment of an International Monetary Fund, which was published April 21, 1944. In accordance with President Roosevelt's instructions to the American and foreign delegations at Bretton Woods to adhere to the Joint Statement of Experts, clause VI, referred to by Lord Keynes was inserted in the Bretton Woods proposal, where it appears as article VII.

Mr. Harry D. White, technical adviser to Mr. Morgenthau, testifying before the House Committee on Banking and Currency on Bretton Woods, when asked by me whether article VII in the Fund Agreement contained the provision as indicated by Lord Keynes, replied as follows:

The Bretton Woods Agreement contains the provision which in effect accomplishes specifically what he refers to and that is contained in article VII under Scarce Currencies.

It may be well at this point to insert a copy of the instructions given by President Roosevelt to the delegates at Bretton Woods:

In formulating a definite proposal for an International Monetary Fund, both you and the other delegates will be expected to adhere to the joint statement of principles of an International Monetary Fund, announced April 21, 1944. You, as head of the delegation, are authorized, however, after consultation with the other delegates, to agree to modifications which, in your opinion, are essential to the effectuation of an agreement and provided that such modifications do not fundamentally alter the principles set forth in the joint statement.

You will apply the same principles in your discussions and negotiations with respect to the proposed Bank for Reconstruction and Development, except that you will be governed by the principles agreed upon by the American Technical Committee.

It should be said that the delegates at Bretton Woods in all essentials complied with President Roosevelt's instructions. This alone should be sufficient to successfully counter the claims that are being made by State, Treasury and other Government department officials, as well as the proponents of the scheme in general, that the delegates of 44 nations assembled at Bretton Woods wrote the agreements which bear the name of that summer resort.

Section 3 (a) of article VII provides that:

If it becomes evident to the fund that the demand for a member's currency seriously threatens the fund's ability to supply that currency, the fund, whether or not it has issued a report under section 1 of this article, shall formally declare such currency scarce and shall thenceforth apportion its existing and accruing supply of the scarce currency with due regard to the relative needs of members, the general international economic situation, and any other pertinent considerations. The fund shall also issue a report concerning its action.

Therefore, if the directors found that their ability to supply a particular currency was threatened whether or not they had issued a report indicating that such scarcity was developing, it would be mandatory for them to declare such currency scarce. It would also be mandatory for them to thenceforth apportion or ration such currency as remained available to the fund. The rationing of a scarce currency would mean the rationing of exports of the country issuing such currency.

Section 3 (b) of article VII provides:

A formal declaration under (a) above shall operate as an authorization to any member, after consultation with the fund, temporarily to impose limitations on the freedom of exchange operations in the scarce currency.

Subject to the provisions of article IV, sections 3 and 4, the member shall have complete jurisdiction in determining the nature of such limitations, but they shall be no more restrictive than is necessary to limit the demand for the scarce currency to the supply held by, or accruing to, the member in question; and they shall be relaxed and removed as rapidly as conditions permit.

Accordingly, when once the directors had declared a particular currency scarce, any member of the fund, after consultation with the fund, would be authorized to restrict the use of such currency, and boycott American exports.

Section 1 of article VII provides that:

If the fund finds that a general scarcity of a particular currency is developing, the fund may so inform members and may issue a report setting forth the causes of the scarcity and containing recommendations designed to bring it to an end. A representative of the member whose currency is involved shall participate in the preparation of the report.

It is to be noted that this is a permissive and not a mandatory provision. According to testimony submitted to the committee by Mr. Harry D. White, the executive directors would be vested with the responsibility of determining when a general scarcity of a particular currency was developing. Therefore, when the directors saw that a currency was becoming scarce it would be optional with them as to whether or not they would issue a report showing the causes of the scarcity and making recommendations to bring it to an end. If a report were made it would presumably be made not to the public but only to the members, which means the representatives of the countries belonging to the scheme.

Let us suppose Congress approves the proposal and the United States contributes $2,750,000,000 to the fund. Let us further suppose that the promises of the advocates of the scheme have come true, that the dollars we put into it caused a great increase in our export trade, correspondingly raised the general level of prosperity, and provided the many jobs they claim would be provided. Industrial enterprises and the millions employed, directly or indirectly, in the production of goods for export would be ignorant of the fact that the dollars upon which they have been depending to support their endeavors were about to become exhausted. By and large, those people so engaged would feel confident that the prosperity they were enjoying was based on sound principles and manage their affairs accordingly. The fact that dollars were becoming exhausted would be known only to the executive directors of the fund. The first inkling those concerned with the production of export goods would have that the dollars in the fund were running out would be when the order to ration exports had actually been put into effect, for otherwise rationing of our exports would have to start from the beginning of the fund's operation or certainly long before any serious shortage developed.

Insofar as our export trade was dependent upon the available supply of dollars in the fund, the moment the directors declared the existence of scarce

dollars and issued an order rationing our exports there would of necessity take place a sudden slowing down of the whole export industry.

The provision for making it permissive and not mandatory for the directors to issue a report to the representatives of member countries indicating that dollars were becoming scarce and stating the causes thereof may be intended to prevent them from hoarding dollars. However, with 12 directors on the fund it is difficult to see how hoarding of dollars could be prevented.

To base our export trade on a politically improvised arrangement of this sort is a complete departure from all tried and proven principles upon which such trade has heretofore been conducted. Once our exports had been subjected to rationing this might well be expected to become permanent in some measure. The process would inevitably call for additional and more restrictive measures ad infinitum. Indeed, the procedure of rationing our exports would be an authoritarian procedure and like all authoritarianism would ever tend to crush out, wherever it might touch, all voluntary cooperation, in the domestic as well as in the international sphere, between private citizens of the same country and of one country with another.

Let us now consider the remedies which would be available "to bring scarce dollars to an end." Section 2 of article VII relates to measures for replenishing the fund's holdings of scarce currencies. It provides that:

> The fund may, if it deems such action appropriate to replenish its holdings of any member's currency, take either or both of the following steps:
>
> (i) Propose to the member that, on terms and conditions agreed between the fund and the member, the latter lend its currency to the fund or that, with the approval of the member, the fund borrow such currency from some other source either within or outside the territories of the member, but no member shall be under any obligation to make such loans to the fund or to approve the borrowing of its currency by the fund from any other source.
>
> (ii) Require the member to sell its currency to the fund for gold.

Note that it would be permissive on the part of the fund to resort to any of these means for replenishing a scarce currency. Another means not mentioned in this article by which dollars could be replenished in the fund would be to raise our quota as provided in section 2 of article III.

However, H. R. 2211 provides that neither our quota can be raised nor the fund borrow dollars from the United States without specific authorization from the Congress.

But the fund could without congressional authority borrow dollars from some other source, say, certain private banking institutions in the United States, and private banking as well as government institutions in foreign countries without congressional authorization. It would require only 51 percent of the votes of the executive directors to carry out this provision. The United States would have only 28 percent of the voting power when the fund was set up and considerably less after other countries not included in the original membership had been admitted.

By a 51-percent vote of the executive directors a member could be required to sell its currency to the fund for gold. Thus, the United States could be made to sell its currency for any gold the fund might have to offer.

Let us again suppose the fund to be in operation. The level of prosperity has been appreciably elevated through increased export trade as result of the dollars put into the scheme. The fund has declared dollars to be scarce and rationed our exports. All the industrial processes pertaining to our export trade have suddenly been slowed down. Suppose under these conditions the fund comes to the Congress of the United States and asks for more dollars, either in the form of a loan or an outright grant by the raising of our quota. How possibly could Congress refuse such a request? Manufacturers, farmers, wage earners, and others would undoubtedly bring great pressure to bear upon Congress to approve the request.

And we should be prepared to deal with pressure from the borrowing members whenever they deem it advisable to have us pour additional dollars into the international credit pool. Lord Keynes apparently takes it for granted that the United States is by the terms of the agreement obligated to replenish the fund's holding of dollars whenever it decides this is needed.

In his May 23, 1944, speech to the House of Lords he said:

> The quotas for drawing on the fund's resources are an iron ration.

Note that quotas mean to Britain credits which she can draw on, not assets she can contribute.

> The quotas are not so large as under the Clearing Union. * * * But they are substantial and can be increased.

Could not this replenishing of the fund's holding of dollars become a regular and long-drawn-out repetitious process?

However, as previously stated, it is permissive and not mandatory on the part of the executive directors to ask the United States to replenish an exhausting supply of dollars in the fund. The executive directors could elect not to ask the United States to put more dollars into the fund. Should they decide to do this Congress would be helpless in the matter. Regardless of how willing it might be to advance more dollars or how desirable it might be on the part of industry to have it do so, Congress would be entirely estopped from voting more dollars to the fund if the foreign nations so decided. They would be in complete control since only a 51 percent vote would be required to produce this situation. Thus it would be within the power of foreign countries to temporarily or permanently ration our export trade.

It is this particular arrangement which constitutes Lord Keynes' "internal stabilizing mechanism, by which pressure is exercised on a country whose balance of payments with the rest of the world is departing from equilibrium." Here is the "far-reaching formula of protection against a recurrence of the main cause of deflation during the inter-war years, namely the draining of reserves out of the world to pay" the United States "which was obstinately borrowing and exporting on a scale immensely greater than it was lending and importing." It is through this arrangement that Lord Keynes says the United States "engages itself, in effect, to prevent such a situation from arising again, by promising, should it fail, to release other countries from any obligation to take its exports, or, if taken, to pay for them," and which penalty he says he cannot imagine would ever be allowed to come into effect.

Here is provided, as Lord Keynes tells us, the prohibition against the United States squaring her international account by squeezing gold out of Great Britain and other countries, and the barrier against "a repetition of a chain of events which between the wars did more than any other single factor to destroy the world's economic balance and to prepare a seedbed for foul growths."

In case dollars had been declared scarce in the fund, foreign countries might say to the United States, and they would have the power to do so, "We will permit you to put more dollars into the fund on condition that we need not repay you in dollars, goods or services."

Or, they might say to the United States, "We prefer replenishing the fund's holding of dollars by increasing our exports to the United States. Therefore, remove your tariff barriers and permit free entry into your country of our goods."

To both of these propositions the United States could demur. But the foreign countries in control of the fund could then elect to temporarily or permanently ration our export trade.

Here is the crux and modus operandi of Lord Keynes' "pressure mechanism," the "far-reaching formula" contained in article VII of the Bretton Woods proposal for an International Monetary Fund, by which Great Britain and other countries could force the United States to maintain equilibrium in her balance of payments with the rest of the world, or failing in this, penalize her by compelling her to give her goods away, or peradventure compel her to lower or abrogate her tariffs.

In this connection it may be well to quote from Ragnar Nurkse—Conditions of International Monetary Equilibrim, Ragnar Nurkse, Economic, Financial, and Transit Department, League of Nations, Princeton, N. J., Essays in International Finance No. 4, spring 1945, page 19—who, it should be mentioned, apparently favors the scheme. He says:

> Besides, the Bretton Woods scheme is not strictly confined to monetary policy. That part of it which provides for the apportionment of any currency declared by the fund to be "scarce" represents essentially a measure of commercial policy. A hypothetical example will make this clear. If the dollar were to become a scarce currency under the fund arrangement, the rationing of dollars which would then come into operation would discriminate against the exports of the United States. Such rationing would, for example, divert Britain's demand for cotton from the United States to, say, Brazil, even if cotton were cheaper in the United States;

and it would similarly divert Brazil's purchases of automobiles from the United States to England, even if automobiles were cheaper in the United States. In sum, it would divert the effective demand of the outside world away from United States' products in order to make it equal to the United States' demand for the products of the outside world. In monetary terms, this would mean cutting down the international demand for dollars so as to make it fit the available supply. The same result of equating demand and supply could be achieved if, in the circumstances considered, the United States were to lower its tariff. The only difference would be that in this case demand and supply would be equated by increasing the supply of dollars rather than by cutting down the demand for them."

Mr. Harry White, Assistant Secretary and chief monetary expert of the Treasury, is quoted as having said:

The fund might find that the causes of the scarcity were high trade barriers in the country whose currency was scarce, or a failure to undertake adequate international investment, and it (the fund) would propose appropriate remedies.

This whole arrangement is an integral part of the terms of the contract to which the proponents of this scheme are asking the United States to permanently bind herself.

Are we to believe that "the Americans * * * have, of their own free will and honest purpose offered" Great Britain and other foreign countries this artifice to thus place our export trade in their control?

EXHIBIT G

Lord Keynes' clearing union plan, article IV, provides that:

The plan aims at the substitution of an expansionist, in place of a contractionist, pressure on world trade.

It effects this by allowing to each member state overdraft facilities of a defined amount.

The quota arrangement of the fund providing as it does automatic loans, or subject to being made completely automatic by a majority vote of the fund, of specified amounts, and also the means for further advances as provided in articles III and VII would certainly supply the instrumentality to produce "expansionist pressure on world trade."

It has been estimated that Keynes' scheme provides an aggregate for all quotas of $25,000,000,000. The fund would have a "capitalization" of $8,800,000,000. This is being interpreted by some as representing something in the nature of a basic differencee between the two plans. But it should be borne in mind that the figure for the clearing union is purely theoretical and represents a maximum. Members of the British Parliament in considering the clearing-union plan looked upon the $25,000,000,000 figure as being in excess of actual needs—see address by Mr. Kingsley Wood in the House of Commons, May 12, 1943.

Furthermore, it should not be overlooked that the $8,800,000,000 represents but the initial amount that would be involved. Judging from the nature and objects of the scheme, and the experience we have had with other Government financial agencies, such as Commodity Credit, Reconstruction Finance Corporation, Lend-Lease, and so forth, we should expect the capitalization of the fund to be increased from time to time and not be surprised if ultimately we came to an expansion of credit equal to or even exceeding that provided by Lord Keynes in his proposal.

Quoting again from Lord Keynes' May 23, 1944, speech:

The quotas are not so large as under the clearing union * * *. But they are substantial and can be increased subsequently if the need is shown. The aggregate for the world is put provisionally at £2,500,000,000. Our own share of this—for ourselves and the Crown Colonies * * * is £325,000,000.

Parenthetically we might mention that is the amount of the quota which was allotted Great Britain at Bretton Woods. How did it happen that Lord Keynes knew what his country's quota would be before the Bretton Woods Conference was held?

There is at the moment nothing to indicate that world-wide inflation of credit with consequent loss of purchasing power of the dollar and other monetary units would be less under the Bretton Woods proposal than the Lord Keynes' plan.

EXHIBIT H—BRETTON WOODS AND LORD KEYNES' PLANS FOR SELECTING EXECUTIVE DIRECTORS AND GOVERNING BOARD RESPECTIVELY COMPARED

FIGURE 12 KEYNES' CLEARING UNION	FIGURE 13 BRETTON WOODS
Article II, section 6 (12): "The Governing Board shall be appointed by the Governments of the member states, those with the larger quotas being entitled to appoint a member individually, and those with smaller quotas appointing in convenient political or geographical groups, so that the members would not exceed (say) 12 or 15 in number."	Article XII, section 3: "There shall be no less than twelve directors * * *. "Five shall be appointed by the five members having the largest quotas; "Five shall be elected by the members not entitled to appoint directors, other than the American Republics; * * * "Two shall be elected by the American Republics not entitled to appoint directors."

The United States' member on the Board of Directors would have the same proportion of voting power as the member on the Board of Governors, 28 percent as now projected and less later if new members are taken in.

John Francis Neylan in "Analysis of the Bretton Woods Agreement" states:

In all likelihood the board of 12 executive directors will consist of one United States director, a minimum of 2 and probably 3 British, a minimum of 1 Soviet and probably a Soviet sponsored director, 1 representing each of the Belgian, Dutch, and French Empires, 2 representing American republics, and 1 representing China.

This is the board which will govern the fund and select the managing director, who will hire and fire the staff of the fund, conduct the ordinary business of the fund, and hold office at the pleasure of the board of executive directors.

Let us not speculate on the nationality of the Managing Director, but is it not permissible to speculate on what Lord Keynes meant when in addressing the House of Lords on the subject of management of the fund he said "that is perhaps a little better than appears?"

EXHIBIT I.—MORGENTHAU'S AND BRETTON WOODS' PROPOSALS FOR APPORTIONING VOTING POWER AMONG MEMBER COUNTRIES COMPARED TO A SIMILAR PROVISION IN LORD KEYNES' CLEARING UNION

FIGURE 14 KEYNES' CLEARING UNION (PREFACE)	FIGURE 15 BRETTON WOODS
"Management of the institution must be genuinely international, without preponderent power of veto or enforcement lying with any country or group."	The United States would have 28 percent of the voting power, the British Empire 25 percent, the Soviet Union 12.25 percent, etc.

It should be mentioned in connection with this exhibit that the relative proportions of voting power between the United States and the United Kingdom, as provided in the proposals, should not be taken as representing the same proportionate amounts of influence the two countries would have in formulating policies.

Lord Keynes in setting up the formula no doubt had in mind the preponderately greater influence which the British would exert in the fund's operations by virtue of their richer experience in and more abundant facilities for the handling of international trade and finances which they possess.

Debtor countries would be in overwhelming control of the resources of the fund. Great Britain being by far the most important debtor country, from the standpoint of world trade, would largely dominate the policies having to do with their disposition.

Furthermore, the very close tie-in which Great Britain has with many other countries through the sterling bloc and her bilateral trade agreements, and, because of the common interest in foreign trade such arrangements engender, would place her in an advantageous position to influence the conduct as well as votes of those countries.

The United Kingdom has bilateral trade and currency agreements with Sweden, Brazil, Argentina, Turkey, Spain, Hungary, Portugal, Egypt, Belgium, Defense Committee of National Liberation, Bolivia, Peru, Norway, Uruguay, Rumania, Chile, Paraguay, and Greece.

Robert H. Patchin in "Dissenting Statement on a Statement by the Committee on International Policy, National Planning Association," throws much light on the amount of power over the fund's operations Britain would likely wield through her bilateral trade and currency agreements and her sterling area set-up. He says:

In general, the other parties to these agreements agreed to accept payment for their exports to Britain or other countries in the sterling area in pounds sterling which can be expended only within the sterling area and cannot be converted into dollars or the currency of any other countries outside the sterling area except by special permission.

Quite recently new agreements have been made by Great Britain with some of the foregoing, including Sweden, and additional agreements made by Great Britain with France, Belgium, Holland, and Egypt while negotiations are reported with Turkey and others. Full details are lacking but it ap-

pears that in varying degrees they limit sterling balances to use in the sterling area except by special permission.

The sterling area consists of the British Dominions (except Canada and Newfoundland), the Empire and British mandates and protectorates. With the bilateral agreements there has thus been created a network of managed exchange control covering about 40 percent of the earth's surface cutting across the multilateral channels in which international commerce formerly moved on a nondiscriminatory basis which it is the professed purpose of the fund to restore. As a wartime policy little objection has been offered but, apparently, this network of exchange control or exchange controls under any flag can be continued for so long a transitional period as possible to become an established order tending to draw other nations into similar practices for their own protection.

The sterling area is not a policy which may hereafter be adopted. It exists today and is being extended and the exchange restrictions thereunder are being increased and diversified. As a postwar policy it would substitute a vast regional management of exchange for multilateral trade relations, and controlled bilateral barter for free multilateral commerce. It would apparently work against exports of the United States to countries which habitually had sterling balances which in part they converted into dollars needed to pay for their purchases in the United States.

Still another important factor relating to the control of the fund should be taken into consideration, namely, the blocked sterling balances, twelve to fourteen billion dollars owned by Britain's dominions and colonies, Egypt, European and South American countries. This would become an additional powerful means for alining those countries on her side in the shaping of the policies of the fund.

Need we specially give thought to the great amount of control Great Britain would likely wield in the operations of this one-sided scheme when we reflect upon the powerful influence she is already exercising over our Government?

EXHIBIT J—BRETTON WOODS PROPOSAL FOR AUTHORITARIAN CONTROL OF CAPITAL TRANSFERS AND CURRENCY TRANSACTIONS COMPARED TO SIMILAR PROPOSALS BY LORD KEYNES IN HIS CLEARING UNION SCHEME

Authoritarian restrictionism of capital movements and currency transactions is of the essence of Lord Keynes' clearing union plan and also of the so-called Bretton Woods fund proposal. Let us consider first the proposals in the two plans for the control of capital transfers. In Lord Keynes' clearing union plan we read:

> For these reasons it is widely held that control of capital movements, both inward and outward, should be a permanent feature of the postwar system (art. vii, sec. 33).

The Bretton Woods proposal provides that—

> A member may not make net use of the fund's resources to meet a large or sustained outflow of capital, and the fund may request a member to exercise controls to prevent such use of the resources of the fund (art. VI, sec. 1 (a)).
>
> Members may exercise such controls as are necessary to regulate international capital movements, but no member may exercise these controls in a manner which will restrict payment for current transactions, article VI, section 3.

Lord Keynes, in his clearing union plan, devotes an entire chapter to controlling capital movements. The Government of the United States is now pursuing a policy of consciously encouraging the export of capital. So this cannot be an American problem.

To make this control effective would require "the machinery of exchange control for all transactions, even though a general permission is given to all remittances in respect of current trade." Not only is this machinery necessary in the country desiring it but in that not desiring it as well. Unilateral action would be inadequate. Only by the control of capital movements "at both ends." Lord Keynes here suggests that the United States should set up exchange control machinery similar to that of the British exchange control, which "has now gone a long way toward perfecting."

Capital transfers may be effected by exporting gold, currency, commodities, or services. To effectively prevent outward movement of capital requires total control of all international transactions whatsoever, censorship of mails, telegrams, telephone calls, cablegrams. Foreign travel must be restricted. Persons wishing to travel abroad must be searched. Restrictions on exports through licensing must be required.

Would the United States provide the bureaucratic machinery that would be necessary "at both ends" to successfully prevent the importation of capital from Britain and other countries which might be able to evade their authoritarian guards? Would not the United States be morally obliged to provide the army of supervisors, inspectors, and policemen to accommodate those countries, and Great Britain in particular? And if she failed to do this, what would become of the much-vaunted international cooperation of which we hear so much from the proponents of the scheme?

Lord Keynes' Clearing Union Plan provides for "transitional arrangements" and contemplates unlimited control by member governments of all "dealings in foreign exchange after the war for a period sufficient to ensure that foreign-exchange resources are devoted primarily to imports which this country—Great Britain—requires in the national interest, and probably for a longer period (article X, Clearing Union Plan, and Sir K. Wood's speech in the House of Commons May 12, 1943).

Government overvaluation of currencies, discriminatory currency arrangements, multiple currency practices, blocking of currencies, indeed every irregular currency device used by Nazi Germany is part and parcel of Lord Keynes' plan. Legal color and respectability would be given to all of these illicit arrangements and procedures for an indefinite period of time.

Bretton Woods provides for identically the same things—complete control by member governments of foreign-exchange transactions—blocking and rationing of currencies (article VII, sections 3, 4); discriminatory currency arrangements or multiple currency practices (article VIII, section 3); restrictions on payments and transfers for current transactions (article XIV, section 2); and rigid control of foreign-exchange rates (article IV, section 3).

To maintain an arbitrarily fixed rate of exchange and suppress black market operations in privately operated foreign exchange markets the scheme proposes to abolish these and substitute therefor political ownership and control of such markets. This is what is planned. The New York Times of February 10, 1945, quotes Mr. Henry Morgenthau, Secretary of the United States Treasury, as saying that—

> It has been proved, as far as I am concerned, that people in the international banking business cannot run successfully foreign-exchange markets. It is up to the governments to do it. We propose to do this if and when the legislative bodies approve Bretton Woods.

As has already been shown, the fund is not intended to give any currency intrinsic stability. This was frankly admitted before the committee by Prof. O. M. Sprague, undoubtedly by far the best informed witness favoring Bretton Woods. What the fund would actually do, if it operated according to plan, would be, not to stabilize currencies, but by authoritarian means peg some foreign exchange, principally in terms of the United States dollar, at a greatly overvalued rate.

The par value of the currency of each country would be that which prevailed on the sixtieth day before entry into force of the agreement. It is provided that the fund may go into operation any time after May 1, 1945. It is expected that, should the Congress pass H. R. 2211, it will begin functioning soon thereafter.

This means that the par value of the currency of each country would probably be that which prevailed before the close of hostilities or not long thereafter. What this would signify can be realized only by considering the weakness of most of the currencies throughout the world during the years following the other World War. As is well known, there were but few currencies which did not appreciably decline in value and some became wholly worthless during the first few years after the war. A glance at the exchange rates of the currencies commonly listed will show that there has been a more or less general depreciation, in many cases to a marked degree, during the entire period from the close of World War No. 1 until the outbreak of the present war.

The United States would be obligated to enforce compliance with the official ceiling price on the dollar, as provided in article IV, section 3. Assuming that American prices were to remain somewhere at their present level, good dollars, dollars whose purchasing power in terms of American goods was stable, would sell for foreign currencies which had been overvalued in the first place and whose value was constantly declining. To the extent that foreign currencies were overvalued the procedure would be one of giving our goods away, for we should constantly bear in mind that the

dollars we lent would not be paid back to us. Only by taking the goods of foreign countries could we receive any compensation for the goods they bought with the dollars we supplied them.

Now the maintenance of the value of the pound sterling in terms of, say, the dollar, as the war comes to a close and for an indefinite period thereafter, will most likely present to the British a problem of the first magnitude. The rate of exchange between dollars and pounds has been about $4 equals 1 pound since 1942. But this is a government fixed rate and is, therefore, wholly artificial. What the pound sterling would fetch in a free market is, of course, impossible to say, but certainly considerably less, as experience has shown.

So it would be a pretty nice thing for Great Britain to have a "Fund" which she could use to keep the pound sterling overvalued in the dollar exchange market, while at the same time retaining all of her wartime currency restrictions and special arrangements with the sterling area and the many countries with which she has bilateral trade agreements. As though giving to such procedure legal color could alter their irregularity.

Lord Keynes in his speech before the House of Lords, May 23, 1944, gave a summary of the concrete benefits that would accrue to his country from the scheme.

I can best occupy the time available—

He said—

by examining the major benefits this country may hope to gain from the plan; and whether there are adequate safeguards against possible disadvantages. What, then—

He asks—

are these major advantages that I hope from the plan to the advantage of this country?

He then elaborates the following:

First. Retention of wartime restrictions and special arrangements with the sterling area which are helpful to Great Britain without being open to the charge of acting contrary to any general engagements into which we have entered.

Second. Restoration and maintenance of London as the world's financial center.

Third. Provide a great addition to the world's stock of monetary reserves, distributed in a reasonable way in the form of quotas not so large as under the Clearing Union but substantial in amount and subject to being increased subsequently if the need is shown. The aggregate of the world is put provisionally at 2,500,000,000 pounds. Britain's share of this is to be 325,000,000 pounds, a sum which may easily double, or more than double, the reserves which we shall otherwise hold at the end of the transitional period.

Fourth. Give Great Britain under article VII of the fund proposal a large measure of control over our foreign trade and tariff policies.

Fifth. The voting power of the British Commonwealth and that of the management will be in three tiers—a body of experts, whole-time officials who will be responsible for the routine; a small board of management which will make all decisions of policy subject to any overriding instructions from the assembly, an assembly of all the member governments meeting less often and retaining a supervisory but not an executive control. That is perhaps even a little better than appears.

Here—

Said Lord Keynes—

are five advantages of major importance. The proposals go far beyond what, even a short time ago, anyone could have conceived of as a possible basis of general international agreement. What alternative is open to us which gives comparable aid, or better, more hopeful opportunities for the future?

But—

Said Lord Keynes in his speech before the House of Lords May 18, 1943—

if, in the event, our trust should prove to be misplaced and our hopes mistaken, we can, nevertheless, escape from all obligations and recover our full freedom with a year's notice. I do not think that we can reasonably ask any completer safeguards than that.

Indeed. By shrewdly remaining debtor Great Britain could withdraw from the fund at any time and, of course, escape from all obligations and recover her full freedom. But what about the United States? She, too, could withdraw, but could she do so without heavy loss? Since she would contribute the vast bulk of the valid assets, how would her account stand if she were to do so? Great Britain could withdraw without hardly causing a ripple in the fund's operation.

But if the United States were to withdraw, the whole ship would sink, we would be branded as "Uncle Shylock" and blamed for whatever troubles, wars and rumors of wars not excluded, the member countries individually and severly might be experiencing at the time and perhaps long thereafter.

Just a few words respecting the so-called postwar or transition stage.

Lord Keynes, in his clearing union plan, provides for the "Transitional Arrangements," and Bretton Woods for a "Transitional Period." Neither places any time limit on what this would be. That would be left to the fund to determine.

How long did the transitional period last following the other war? Did it ever end, or are we still in it? Surely it has not ended if the condition of world currencies and trade practices is any criterion by which to judge the case. Have these not progressively deteriorated since the end of the other war until this very moment?

Government printing presses all over the world have been running in high gear since 1918 turning out irredeemable or fiat currency. Almost every conceivable sort of currency debauchment has progressively increased since the other war with a corresponding loss of property, that is, human rights, everywhere.

To Lord Keynes the transitional period, which he says is "of uncertain duration," means the retention by his country of the devices for manipulating currency transactions, sterling area arrangements and bilateral trade agreements and other discriminatory practices. It is folly to assume that if Great Britain needs these contrivances to live in the postwar period that she would give them up later. Being authoritarian procedures they would feed upon themselves, become intensified and permanent. The idea of a transitional period is illusory.

Lord Keynes contrived every substantive provision of this international monetary scheme. The evidence to that effect is complete. Mr. Henry Morgenthau and his experts are a front, and Bretton Woods is a show.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LARCADE, for 4 days, on account of official business in his district.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 24. An act for the relief of the Truckee-Carson Irrigation District; to the Committee on Irrigation and Reclamation.

S. 75. An act for the relief of Thomas C. Locke; to the Committee on Claims.

S. 134. An act for the relief of Ida E. Laurie and Zella Rickard; to the Committee on Claims.

S. 144. An act for the relief of M. E. Caffe-rata and John Granata; to the Committee on Claims.

S. 233. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River; to the Committee on Interstate and Foreign Commerce.

S. 234. An act authorizing the construction of a free highway bridge across the Yellowstone River near Fairview, Mont.; to the Committee on Interstate and Foreign Commerce.

S. 301. An act for the relief of Mr. and Mrs. James E. McGhee; to the Committee on Claims.

S. 454. An act to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission: defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939; to the Committee on Interstate and Foreign Commerce.

S. 463. An act to amend section 927 of the Code of Law of the District of Columbia, relating to insane criminals; to the Committee on the District of Columbia.

S. 501. An act for the relief of the Catholic Chancery Office, Inc.; to the Committee on Claims.

S. 512. An act for the relief of Mr. and Mrs. Arthur R. Brooks; to the Committee on Claims.

S. 527. An act to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.; to the Committee on Interstate and Foreign Commerce.

S. 528. An act for the relief of Thaddeus C. Knight; to the Committee on Military Affairs.

S. 574. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg.; to the Committee on Interstate and Foreign Commerce.

S. 592. An act for the relief of the estate of James Arthur Wilson, deceased; to the Committee on Claims.

S. 620. An act for the relief of the widow of Joseph C. Akin; to the Committee on Claims.

S. 642. An act for the relief of Ida F. Braun, Alice Braun Menges, and Carl J. Braun, individually and as executors of the estate of Hedwig W. Braun, deceased, and as legatees and beneficiaries of the will of Hedwig W. Braun, deceased, and as the sole parties in interest by succession under the last will and testament of Hedwig W. Braun, deceased,

and under the last will and testament of Herman W. Braun, deceased; to the Committee on Ways and Means.

S. 660. An act to transfer certain lands situated in Rapides Parish, La., to Board of Supervisors of Louisiana State University and Agricultural and Mechanical College; to the Committee on Agriculture.

S. 672. An act for the relief of the legal guardian of Clifton R. Weir; to the Committee on Claims.

S. 693. An act for the relief of the Saunders Memorial Hospital; to the Committee on Claims.

S. 712. An act for the relief of William B. Scott; to the Committee on Claims.

S. 748. An act for the relief of Nita Rodlun; to the Committee on Claims.

S. 784. An act for the relief of Mr. and Mrs. John T. Webb, Sr.; to the Committee on Claims.

S. 842. An act for the relief of the Elmira Area Soaring Corp.; to the Committee on Claims.

S. 867. An act for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased; to the Committee on Claims.

S. 916. An act to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps; to the Committee on Military Affairs.

S. 917. An act to provide for payment and settlement of mileage and other travel allowance accounts of military personnel; to the Committee on Military Affairs.

S. 956. An act for the relief of Mr. and Mrs. Stephen E. Sanders; to the Committee on Claims.

S. 967. An act to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms; to the Committee on Military Affairs.

ADJOURNMENT

Mr. KEE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 23 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 23, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Wednesday, May 23, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Wednesday, May 23, 1945, at 10 o'clock a. m., in room 356, Old House Office Building.

COMMITTEE ON THE JUDICIARY

Subcommittee No. III of the Committee on the Judiciary will begin hearings at 10 a. m., Wednesday, May 23, 1945, on H. R. 2357, to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended (secs. 7 and 11). The hearings will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 o'clock on Wednesday, May 23, 1945.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Hearings on H. R. 2177 will be held starting Wednesday, May 23, 1945, at 10 a. m., to continue until completed.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 o'clock a. m., on Thursday, May 24 1945, for consideration of housing for veterans' families.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Tuesday, May 29, 1945, at 10 o'clock a. m., to consider H. R. 2631.

There will be a meeting of the Committee on Patents on Thursday, May 31, 1945, at 10 o'clock a. m., to consider H. R. 2632.

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

488. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to amend the act entitled, "An act authorizing the use of the funds of any tribe of Indians for payments of insurance premiums for protection of the property of the tribe against fire, theft, tornado, and hail," approved April 13, 1926 (44 Stat. 242), so as to authorize the payment of premiums for personal injury and property damage insurance and for other forms of public liability insurance; to the Committee on Indian Affairs.

489. A letter from the Attorney General, transmitting a report stating all of the facts and pertinent provisions of law in the cases of 643 individuals whose deportation has been suspended for more than 6 months under the authority vested in me by the said statute together with a statement of the reason for such suspension; to the Committee on Immigration and Naturalization.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committee were delivered to the Clerk for printing and reference to the proper calendar, as follows.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 603. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 604. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 605. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 606. Report on the disposition of certain papers in sundry executive departments. Ordered to be printed.

Mr. LANHAM: Committee on Public Buildings and Grounds. H. R. 3278. A bill to amend section 204 of the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes; without amendment (Rept. No. 607). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANKIN:

H. R. 3286. A bill to deny admittance into the United States to all immigrants while the number of unemployed persons within the United States is 100,000 or more; to the Committee on Immigration and Naturalization.

By Mr. VORYS of Ohio:

H. R. 3287. A bill to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 10 to 14, inclusive, 1945; to the Committee on Naval Affairs.

By Mr. MURDOCK:

H. R. 3288. A bill to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes; to the Committee on Indian Affairs.

By Mr. REES of Kansas:

H. R. 3289. A bill to amend the act of May 29, 1884, as amended; the act of February 2, 1903; and the act of March 3, 1905, as amended; to include domestic animals within their provisions; to the Committee on Agriculture.

By Mr. GEARHART:

H. Con. Res. 58. Concurrent resolution requesting the President, the National War Labor Board, and others, to permit increases in wages to the extent of an additional 15 percent over those prevailing on January 1, 1941; to the Committee on Banking and Currency.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New Hampshire, memorializing the President and the Congress of the United States on afterwar policies affecting the national Military Establishment, particularly its civilian components; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States by commending Congress for its affirmance of the principles of the freedom of speech and press, and recommending to the Peace Conference the adoption of an international compact in accordance with the mandate of Congress; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to make available as Hawaiian homelands a certain parcel of land situate on the island

of Maui, T. H.; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to amend section 73 of the Hawaiian Organic Act to provide for the opening of public lands for members of the armed forces under certain conditions; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to ratify and confirm Act 33 of the Session Laws of Hawaii, 1945, amending chapter 118, Revised Laws of Hawaii, 1945, relating to revenue bonds; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to construct a breakwater wing on the west side of Hilo Harbor and to dredge the inside Hilo Harbor areas; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to pass legislation rendering subject to taxation lands in the Territory of Hawaii acquired and owned by the United States, to the end that civilian economy may not be entirely disrupted or destroyed; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States by requesting the appropriate Federal authorities to afford transportation by air between Hawaii and the mainland of the United States for civilians by allocation of space for such purpose with due regard to the needs of military and naval personnel traveling on priority; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the San Francisco Conference of the United Nations and the World Security Organization; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States by urging the immediate activating of the provisions of the Surplus Property Act of 1944, to secure the benefits as intended in said act to States and political subdivisions and their instrumentalities; to the Committee on Expenditures in the Executive Departments.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to study the need for postwar recreational facilities on Government-owned properties in California and to provide funds for such facilities; to the Committee on Public Buildings and Grounds.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to provide education opportunities for war widows; to the Committee on Education.

Also, memorial of the Legislature of Puerto Rico, memorializing the President and the Congress of the United States to increase the Federal grants for the relief of Puerto Rico, and for other purposes; to the Committee on Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MORRISON introduced a bill (H. R. 3290) to authorize the induction into the Army of the United States of C. Paul Phelps, which was referred to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

714. By Mr. BRYSON: Petition of Mrs. W. A. Stanbury and 1,154 citizens of Winston-Salem, N. C., urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

715. Also, petition of Mrs. J. B. Nichols and 202 citizens of Frisco City, Ala., urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

716. Also, petition of Eleanor M. Clark and 43 citizens of Ontario, Calif., urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

717. Also, petition of Miss A. Virginia Grosh and 170 citizens of Lititz, Pa., urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

718. Also, petition of C. Wallis and 100 citizens of Phoenix, Ariz., urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

719. Also, petition of Mrs. T. W. Phillips and 64 citizens of Calhoun, Ga., urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

720. Also, petition of Wesley Sheppard and 180 citizens of Salem, N. J., urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

721. Also, petition of Mrs. Hunter Barrow and 2,337 members of the Methodist Church in the State of Virginia urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

722. Also, petition of C. E. Pare and 43 citizens of Williamstown, Ohio, urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

723. Also, petition of Carl J. Freeborn and 40 citizens of Selah, Wash., urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

724. Also, petition of Daisy Comstock and 51 citizens of Penn Yan, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

725. Also, petition of Mrs. William C. White and 739 members of the Methodist Churches in Florida, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

726. By Mr. COCHRAN: Petition of Mr. August Meier and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

727. Also, petition of Mr. Mike Collins and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

728. Also, petition of Mr. J. Steiner and 27 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

729. Also, petition of Miss Frances Boveri and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

730. Also, petition of Mr. Lloyd D. Lathy and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

731. By Mrs. SMITH of Maine: Petition of approximately 100 citizens of Augusta, Maine, urging that all sale of alcoholic beverages be stopped; to the Committee on the Judiciary.

732. By the SPEAKER: Petition of the San Francisco Labor Council, petitioning consideration of their resolution with reference to adoption of the time-tested, orderly, and economically sound program of the United States Bureau of Reclamation for the development of our lands, water, and power resources; to the Committee on Irrigation and Reclamation.

733. Also, petition of Mission Indian Federation of California, San Jacinto, Calif., petitioning consideration of their resolution with reference to opposing Inter-American Indian Institute and National Indian Institutes; to the Committee on Indian Affairs.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 23, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Let us pray: O Thou God of all majesty and of mercy, with bowed heads and

uncovered hearts, we come into Thy presence. May every thought of our minds be brought into captivity to the mind of Christ. And in His name we pray. Amen.

THE JOURNAL

The reading of the Journal of the proceedings of Tuesday, May 22, 1945, was dispensed with, and the Journal was approved.

RECESS

The SPEAKER. Pursuant to House Resolution 234, the Chair declares the House to be in recess for the purpose of holding memorial services as arranged by the Committee on Memorials.

Accordingly the House stood in recess to meet at the call of the Speaker.

MEMORIAL SERVICE PROGRAM

MAY 23, 1945

Prelude, sacred selections (11: 30 to 12)---
U. S. Navy Band Orchestra
Presiding officer----------The Speaker
Hon. SAM RAYBURN
Invocation---------- The Acting Chaplain
Dr. Bernard Braskamp
Solo, There's a Beautiful Land on High (by Taylor)---------- Hon. HARVE TIBBOTT
Representative from the State of Pennsylvania
Hon. FRANCES P. BOLTON, Representative from the State of Ohio, accompanist
Scripture reading and prayer----------
The Acting Chaplain
Roll of deceased Members----------
The Clerk of the House of Representatives
Devotional silence.
Address---------- Hon. ALFRED L. BULWINKLE
Representative from the State of North Carolina
Solo, Open the Gates of the Temple (by Knapp)---------- Hon. HARVE TIBBOTT
Hon. FRANCES P. BOLTON, accompanist
Address---------- Hon. PAUL CUNNINGHAM
Representative from the State of Iowa
Taps---------- Francis Dale Stevens
Musician, first class, U. S. Navy
Benediction---------- The Acting Chaplain

The Members of the House rose and stood while the relatives of the deceased Members were escorted to seats in the House Chamber by the Committee on Memorials.

MEMORIAL SERVICES

The SPEAKER presided.

The ACTING CHAPLAIN. Most merciful and gracious God, who art found by those who truly seek Thee, known by those who love, and seen by all whose hearts are pure, we pray that this hour of high and holy memory may be full of blessedness unto our souls. To Thy name, Father, Son, and Holy Spirit, we shall ascribe all the praise. Amen.

Hon. HARVE TIBBOTT, accompanied by Hon. FRANCES P. BOLTON, sang There's a Beautiful Land on High.

SCRIPTURE READING AND PRAYER

The ACTING CHAPLAIN. The Scripture readings, which are taken from the Old and New Testaments, have been written for our consolation and our comfort.

Psalm 85: "I will hear what God the Lord will say, for He will speak peace unto His people and to His saints."

Psalm 90: "Lord, Thou hast been our dwelling place in all generations.

"Before the mountains were brought forth, or ever Thou hast formed the earth and the world, even from everlasting to everlasting, Thou art God.

"So teach us to number our days, that we may apply our hearts unto wisdom."

Psalm 23: "The Lord is my shepherd; I shall not want.

"He maketh me to lie down in green pastures; He leadeth me beside the still waters,

"He restoreth my soul; He leadeth me in the paths of righteousness for His name's sake.

"Yea, though I walk through the valley of the shadow of death, I will fear no evil; for Thou art with me; Thy rod and Thy staff they comfort me.

"Thou preparest a table before me in the presence of mine enemies; Thou anointest my head with oil; my cup runneth over.

"Surely goodness and mercy shall follow me all the days of my life, and I will dwell in the house of the Lord forever."

Then from the New Testament these gracious words which came from the lips of our blessed Lord:

John 14: "Let not your heart be troubled; ye believe in God, believe also in me.

"In my Father's house are many mansions; if it were not so, I would have told you. I go to prepare a place for you.

"And if I go and prepare a place for you, I will come again, and receive you unto myself, that where I am, there ye may be also.

"Peace I leave with you, my peace I give unto you: not as the world giveth, give I unto you. Let not your heart be troubled, neither let it be afraid."

In St. Paul's great chapter on the resurrection, the fifteenth of First Corinthians we find these words:

"Now is Christ risen from the dead, and become the first fruits of them that slept.

"For since by man came death, by man came also the resurrection of the dead.

"For as in Adam all die, even so in Christ shall all be made alive.

"Therefore, my beloved brethren, be ye steadfast, unmovable, always abounding the work of the Lord, for as much as ye know that your labor is not in vain in the Lord."

May God add His blessing to these readings from His holy word.

"Death is only an old door,
Set in a garden wall.
On quiet hinges, it gives at dusk
When the thrushes call.

"Along the lintel are green leaves,
Beyond, the light lies still.
Very willing and weary feet
Go over that sill.

"There is nothing to trouble any heart,
Nothing to hurt at all.
Death is only an old door
In a garden wall."

O Thou who wert the God of our fathers, we rejoice that Thou art also the God of their succeeding generations. Through Thy word Thou hast spoken and in our own hearts Thy voice has been heard. Thou art the author and disposer of human life, from whom our spirits have come and unto whom they return.

We thank Thee for Thy servants who walked and worked with us for a little while upon this earth and who now dwell with Thee in heavenly blessedness, having received as the reward of their faith and their fidelity the salvation of their souls.

We rejoice that whatever was beautiful in their life, in Thy sight and in our sight, abides forever. They sought to serve their generation according to Thy holy will and were numbered among those who do justly, who love mercy, and who walk humbly with the Lord. We have not said farewell, but only goodnight, hoping on some blessed morn to meet and dwell with them in hallowed union in that land whose language is music and where joys are unceasing.

We pray that Thou wilt bless all who have been called upon to mourn the loss of loved ones. Sustain them by Thy grace for Thou art the support of the weary and the consolation of the sorrowing. May they yield themselves without murmur or complaint and in due resignation to the dispensations of Thy providence for Thou dost give and Thou dost take away, and blessed is Thy name forevermore. May they avail themselves of the eternal companionship of the Christ and have within their hearts that peace which the world cannot give and which the world cannot take away.

We pray that Thou wilt also so teach us to number our days that we may apply our hearts unto wisdom. May we carry on in faith and in faithfulness. Hear us in the name of the Christ, our risen Lord. Amen.

ROLL OF DECEASED MEMBERS

Mr. Alney E. Chaffee, reading clerk of the House of Representatives, read the following roll:

ELLISON DURANT SMITH, a Senator from the State of South Carolina: Born August 1, 1866; merchant; farmer, student Stewart's School, Charleston, and the University of South Carolina; graduate of Wofford College in 1899; member of the State house of representatives, 1896–1900; field agent and general organizer in the cotton protective movement, 1905–08; elected to the United States Senate, 1908 and five succeeding terms; died November 17, 1944.

FRANCIS THOMAS MALONEY, a Senator from the State of Connecticut: Born March 31, 1894; seaman; businessman; student public and parochial schools; newspaper reporter, 1914–21; served in the United States Navy 1917 and 1918; mayor of Meriden, 1929–33; Member of the House of Representatives Seventy-third Congress; elected to the United States Senate, 1934 and 1940; died January 16, 1945.

JOHN MOSES, a Senator from the State of North Dakota: Born June 12, 1885; farmer; banker; lawyer; graduate of Junior College, Oslo, Norway, and of the law school of the University of North Dakota; secretary, State Teachers College, Valley City, 1911–13; State's attorney of Mercer County, 1919–23, 1927–33; elected Governor of North Dakota, 1938, 1940, and 1942; elected United States Senator 1944; died March 3, 1945.

HAMPTON PITTS FULMER, Second Congressional District of South Carolina: Born June 23, 1875; farmer; merchant; banker; graduate Massey's Business College, Columbus, Ga., 1897; member of the State house of representatives, 1917–20; Member of the Sixty-seventh and 11 succeeding Congresses; died October 19, 1944.

JAMES FRANCIS O'CONNOR, Second Congressional District of Montana: Born May 7, 1879; lawyer; rancher; banker; graduate in law, University of Nebraska, 1904; judge of the sixth judicial district of Montana, 1912;

member State house of representatives, 1917–18, serving as speaker; Member of the Seventy-fifth and four succeeding Congresses; died January 15, 1945.

JAMES VANDAVEER HEIDINGER, Twenty-fourth Congressional District of Illinois; Born July 17, 1882; teacher; lawyer; student Northern Illinois Normal School and Valparaiso University; graduate, Northern Illinois College of Law, 1908; county judge of Wayne County, 1914–26; delegate to the Republican National Convention at Kansas City, Mo., 1928; Member of the Seventy-seventh and two succeeding Congresses; died March 22, 1945.

Mrs. NORTON, a Representative from the State of New Jersey, standing in front of the Speaker's rostrum, and aided by Duane Bender, a page of the House of Representatives, placed a memorial rose in a vase as the name of each deceased Member was read by the Clerk.

Then followed 1 minute of devotional silence.

The SPEAKER. The Chair recognizes the gentleman from North Carolina [Mr. BULWINKLE].

Hon. ALFRED L. BULWINKLE, a Representative from the State of North Carolina, delivered the following address:

ADDRESS BY HON. ALFRED L. BULWINKLE

Mr. BULWINKLE. Mr. Speaker, since the last memorial services were held in the House of Representatives, just about a year ago, divine providence called six of our close friends and colleagues into eternity:

Senator ELLISON D. SMITH, of South Carolina.

Senator FRANCIS T. MALONEY, of Connecticut.

Senator JOHN MOSES, of North Dakota.

Representative HAMPTON P. FULMER, of South Carolina.

Representative FRANCIS O'CONNOR, of Montana.

Representative JAMES V. HEIDINGER, of Illinois.

Words are inadequate to fully express, on occasions of this kind, the thoughts and emotions we feel. When one is associated day after day and year after year with friends who become very near and dear to you—friends whom you admired and respected—it is difficult to use words which fully and completely express sorrow at the loss that is suffered.

Realizing this, and everyone here knowing this, may it not be said that we, the Members of the House of Representatives, who are assembled here today, cherish and honor the memory of our colleagues who have gone to meet their Maker.

The comradeship which exists on Capitol Hill between Members has few parallels in life. Whether a man is here just a short time or for many sessions, each one soon learns to know the other and to love and admire him, and respect the sterling qualities of character and devotion to duty which he possesses. You cannot associate with men in legislative work from time to time in the committees, or in the cloakroom, or on the floor of the House, and not make friends. On the questions that arise, differences of opinions may exist. Even heated debate may be engaged in, but regardless of these differences, or the words that may be used in debate, the ability, honesty, and sincerity of another Member is respected and admired. There is no better place to judge another, and it may be truly said that the Congress of the United States is a proving or testing ground for men.

Homage to the memory of these Members of the Senate and the House of Representatives is paid today by their colleagues in this service. Each one of the living recognized in those that we pay tribute to, as exemplified by their lives and their daily work, their faithful service to the Republic and their States, that they were true public servants and noble American citizens who gave their all for their country in one of the most critical periods of history.

The war and the preparation for national defense prior to Pearl Harbor caused the enactment of legislation which was broad in its scope and carried with it tremendous potentialities for mankind—both in the United States and the world. Every legislator knew the results which would follow the proposed legislation which was to be considered. Every legislator knew the responsibility which he had to assume, and the duties, burdens, and sorrows which would have to be endured by his constituency. These colleagues of ours may not have agreed with all that was proposed, but they and their fellow Members met the situation bravely as men would meet it.

The war came—the greatest in history—brutal, savage, worse than any war that one could read of in the Dark Ages. Every man and woman in the Congress knew that civilization was at stake the world over and that the freedom of liberty-loving people everywhere was threatened by the domination of the dictators.

Without faltering, the Congress met the issues. It was theirs to initiate and pass the legislation calling the men and women of the United States into the armed forces to serve in the uttermost parts of the earth, on the sea, under the sea, on land, and in the air. Knowing full well the casualties that would inevitably result from war, this of itself weighed heavily upon the mind and heart of each. Measures were proposed and passed changing the country over from a peacetime status to a wartime status—production in every line was necessary, whether in the fields, in the factories, or the manufacture of military and naval equipment. As a result of these laws, it can well be said that never in the history of mankind has any one nation accomplished so much in so short a time.

When our large Army, Navy, and Air Force went into action on many fields of battle, victory came. Since the last memorial services were held, the forces of nazism have been defeated, crushed, and it is hoped forever annihilated. Today, Europe as well as the world, with the exception of Japan, is freed from fascism and nazism. Day after day our forces in the Pacific have defeated the treacherous, barbarous, and uncivilized Japanese, time and time again. The prayers and the hopes of the people of the Nation are for an early victory—a complete and smashing victory on the Asiatic front and the Pacific.

These victories, magnificent and glorious as they are, were not won without the loss of many lives. Day by day the casualty lists are seen by each Member. These lives that are lost, and the sacrifices that are made, cannot but leave scars upon the mind of each representative of the people.

Standing before this historic desk, paying allegiance to the memory of the deceased Members of the Congress, I feel the presence of another public servant who was a casualty of the war. Without effort, one can visualize President Roosevelt standing here and addressing the joint sessions of Congress as was done on numerous occasions in connection with the war, and the war effort, or when delivering an address upon the state of the Nation. During all of these weary, heart-rendering years, heavy obligations were exacted of him. Burdens were placed upon him that no one else could aid in carrying. With a courage and a devotion to duty, and a love of country never surpassed in the pages of history by any executive, or ruler, he met the responsibilities and never shrunk from them. The Nation was taken into his confidence, and in this Chamber at an early date he warned of dangers from across the seas. The powerful and mighty German Army could not be defeated unless the freedom-loving nations could be united, and it was his successful efforts which welded these nations into the United Nations and assured the victories which have, are now, and will come to pass in all theaters of operation. In addition to the objective of victory, he had another magnificent objective always in mind: Even as nations were united to defeat the tyrants who had brought on a terrible war—so nations could be united together to preserve the peace in order that the world would be freed from the curse of war. This was, and is, evidenced by conference after conference, commencing with the Atlantic Charter, and culminating in the San Francisco Conference which is now in progress. May the final achievement of the San Francisco Conference meet fully the requirements of a civilized world, and his magnificent objective.

Somehow today, in some way, which cannot be described, the influence and lives of our former President and our colleagues, and those who have made the supreme sacrifice in the armed services seem to be very near. If this is true, and I think that it is, then may not we, the living, holding places of trust and confidence, honored by our fellow countrymen, dedicate and rededicate our lives to the service of the Nation. At this time, it must be remembered that our armed forces must have an early, full, complete, and decisive victory in the Pacific and in Asia over our enemy. Even now, and when victory is achieved, many far-reaching and important laws will have to be enacted—reconstruction, of itself, will entail much legislation. Many vexatious questions will arise from time to time for the Congress to settle. New responsibilities will be placed upon each and every Member. Legislation must be deliberated, devoid of partisanship, devoid of sectionalism, and devoid of self-

ish interest, and be placed upon the statute books for the benefit of all. Each legislator must efficiently, honestly, and courageously meet any situation which may arise. Thus, if so met, then in the United States, there will be nothing to fear.

Clearly the part that this, and each succeeding Congress, has to play is to aid in every way possible in bringing about a just and lasting peace in order that those who have been sacrificed upon the Nation's altar, may not have fought for a lost cause. "Lord God of Hosts, be with us yet, lest we forget—lest we forget."

"They died in vain." Will that be said of the soldiers of this war? It was said of those of our armed forces who died during 1917 and 1918 that they "died in vain." The Seventy-ninth Congress, and each succeeding Congress will not, with the help of God, permit it to be said of those who suffered disabilities or gave their lives in this terrible conflict.

Search wherever you will for more appropriate words to be used in this memorial service, but it is doubtful if there can be found more proper quotations than those from the Second Inaugural Address of President Lincoln, delivered from the east front of the Capitol, 80 years ago. These should be repeated again and again:

Fondly do we hope—fervently do we pray—that this mighty scourge of war may speedily pass away.

With malice toward none, with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the Nation's wounds; to care for him who shall have borne the battle and for his widow, and his orphan—to do all which may achieve and cherish a just and a lasting peace among ourselves, and with all nations.

Hon. HARVE TIBBOTT, accompanied by Hon. FRANCES P. BOLTON, sang Open the Gates of the Temple.

The SPEAKER. The Chair recognizes the gentleman from Iowa [Mr. CUNNINGHAM].

Hon. PAUL CUNNINGHAM, a Representative from the State of Iowa, delivered the following address:

ADDRESS BY HON. PAUL CUNNINGHAM

Mr. CUNNINGHAM. Mr. Speaker, when we assemble to pay tribute to our departed and honored colleagues, it is always a solemn occasion. It is a sad time for all of us, including the relatives of those who have passed to the Great Beyond during the last 12 months.

In another sense, it is not a solemn occasion, nor is it a sad day; rather it is a time of love and sweet remembrance, because we know "They are not dead, they are just away." No, we believe they are now among those who are preparing a place for us so all will be ready when the day comes for a happy reunion. "O Death, where is thy sting? Death is swallowed up in victory." Death is but the place at which the little stream of life merges into the ocean of eternity. Death is but the turning point in the endless path of existence.

Were we to believe otherwise, then this sad but sweet occasion would be but a hollow mockery and our tears of love, coupled with the fragrance of sweet remembrance, would be only dust and ashes. Milton has said, "Death is the golden key that opens the palace of eternity." No, we are not come in a spirit of mourning and sorrow, but rather to plant a few flowers in the fertile soil of our faith in a blessed immortality. Our dear departed colleagues would not have it otherwise.

At such a time, regardless of race, color, or belief, there are few, if any, who do not cling to a definite confidence that death is not the end, but only another, a greater and more wonderful, beginning. Although it is a graduation from the toils, joys, worries, and sorrows of this world, it is also the commencement of a fuller and more beautiful life. Yes, they have gone to another world, the beauty and solemnity of which is not given mortal man to understand, yet we definitely feel and know that all is well.

Some years ago I read an article which told of the experience of an American missionary in Africa. He had made friends with a savage tribe, the chief of which had just died. The tribal custom required that the personal servants of the chief be put to death on a certain day, amidst feasting and rejoicing. The missionary was invited to attend and did. Just before the torch was applied to the fagots at the stake of the chief's head servant, the chief's son walked over and spoke to him. The missionary saw the happy smile that came to the servant's face when he nodded in reply. Later, the missionary inquired of the chief's son what he had said to the servant just before he was put to death and the answer was, "I told him to tell my father the canoe he gave me just before he died is a good one and he said he would." These primitive people had no doubt but that death opens the door to a life beyond. A belief in immortality that extends to savage tribes is one that gives to those here assembled a serene peace on this sad day that passeth all understanding.

As Bacon said, "It is as natural to man to die as to be born." The evidences coming out of this war, now so near a victorious end, are legion that the veil, separating this life from the next and our departed loved ones from those of us left behind, is very thin. "Each departed friend is a magnet that attracts us to the next world."

Certain as we are that this is not the end, but only the beginning for our departed colleagues and loved ones, equally certain is the fact that all, rich and poor, high and low, must answer the call sooner or later—certain is this fact—time only is the uncertain equation.

As mortal men they worked and played; they struggled and served for themselves, their families, their neighbors, their Nation. They were united in the common cause of Americanism. They made life easier for all people. They helped to improve systems of government whereby other men have been better able to serve their Nation. They have aided in creating and fostering a spirit of generous consideration among the peoples of the world through a study of the problems of international relationships. They were always interested in the civic, commercial, social, and moral welfare of their communities. They helped make democracy work. They were just and fair in their attention to duty; reliable and trustworthy in their dealings. They valued our friendship and our smiles. They were always ready to extend a helping hand; were careful of their criticisms and liberal with their praise. They built without destroying—the best friends we ever had.

However more we plan and have planned for ourselves, God knows the end of our days. They have all died in response to a greater democracy. What puppets of providence we would be if the great, the prominent, the world figures lived on forever. Let every youth, every lovely girl, every strong boy, every robust man and woman lay it to heart—death is no respecter of persons. It invades the hovels of the poor and it also reaches up and claims the great of the world. The sword of the general and the rifle of the soldier shall lie side by side.

Let us now transplant ourselves from the hurry and rush of the present to the loving remembrances of yesterday. Scarcely one of us but who at some time sits and meditates on the blessings and priceless benefits received from being associated with those we honor today. We see the fine courtesies extended to all; their gentlemanly demeanor; and we ponder over the words of wisdom that fell from their lips. "Death stamps the characters and conditions of men for eternity. As death finds them in this world, so they will be in the next."

As we listened to this roll call and as the rose of life was placed in the urn for each, we remember them for the good they did; for the influence they had on others. Yes, we rejoice at a time of sorrow all because of them; yes, all of them, our colleagues of yesterday.

We know they are walking straight forward in their present environment just as they did while here—head erect and on a firm foundation. "Yea, though I walk through the valley of the shadow of death, I will fear no evil, for Thou art with me. Thy rod and Thy staff they comfort me."

The Nation is deeply indebted to these men. They have unselfishly given their all to a devoted cause and we, their colleagues, feel keenly the loss to ourselves and our country in their passing. They so lived that others can well follow the examples they set. They were proud of the country in which they lived and the country may well be proud they lived in it.

They have done what countless others have done before them and countless more will do in the future. They have lived and worked, fought and struggled, loved and died, that others might have a better world in which to carry on, and carry on we must—a tear today, a smile to morrow, a heartache the next, and joy the next, and so on until we receive the last call as they have; and when that day comes, may we receive it with a smile and an assurance of a life well lived and a foundation well set for others to build upon.

This is a peaceful occasion, and we know our departed colleagues are resting in peace. But they did not at this time seek the peace they now enjoy. They wanted to remain a while longer, particularly that they might aid and assist in securing everlasting peace on earth. Their hearts were ever with our fighting men and women. They accepted their full share of our responsibility to see that the soldier and his descendants have a better world in which to live; and that the soldiers, both living and dead, will be pleased with our efforts. God decreed this was not to be their privilege. Willingly they accepted the final summons just as they courageously carried on in life. It is for us, the living, to pick up their uncompleted task and give the utmost of our energy in securing a peace that will last for all time. We must not, we will not fail them.

One could go on indefinitely philosophizing on the lives of these our departed colleagues and the high standards they set for us by their daily deeds and conduct; but, as time marches on, nothing that is said by us can pay proper and just tribute to their deeds and our memory of their sterling characters and steadfastness of purpose. We have only memories, but what sweet memories; yea, we have even more, the firm knowledge that "they are not dead, but just away."

You cannot say, you must not say,
That he is dead; he is just away.
With a cheery smile and a wave of the hand
He has wandered into an unknown land,
And left us dreaming how very fair
It needs must be, since he lingers there;
So think of him faring on, as dear
In the love of There as the love of Here;
Think of him still as the same, and say,
"He is not dead, he is just away."

Over the triple doorways of the cathedral of Milan there are three inscriptions spanning the splendid arches. Over one are the words, "All that pleases is but for a moment"; over another, "All that troubles is but for a moment"; while over the central arch are these significant words, "That only is important which is eternal."

Let us so live and conduct ourselves that when the day comes for us again to greet our colleagues whom we honor today, they will be glad to greet us with the genuine smile we knew and loved so well. They have passed to life eternal, whether it be near or far, and for aught we know they are here with us today in this self-same chamber.

Francis Dale Stevens, musician, first class, United States Navy, sounded taps.

The Acting Chaplain pronounced the following benediction:

The Lord bless you and keep you; the Lord make His face to shine upon you and be gracious unto you; the Lord lift upon you the light of His countenance and give you peace. Amen.

AFTER RECESS

At the conclusion of the recess, at 12 o'clock and 55 minutes p. m., the Speaker called the House to order.

The SPEAKER. Pursuant to the provisions of House Resolution 234, as a further mark of respect to the memory of the deceased Members, the Chair declares the House adjourned until 12 o'clock noon tomorrow.

Thereupon (at 12 o'clock and 56 minutes p. m.) the House adjourned until tomorrow, Thursday, May 24, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Thursday, May 24, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Thursday, May 24, 1945, at 10 a. m., at which time further hearings will be had on H. R. 3235 and H. R. 3238, bills readjusting the rates of postage on books and catalogs.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 o'clock a. m., on Thursday, May 24, 1945, for consideration of housing for veterans' families.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments on Thursday, May 24, 1945, at 10 o'clock a. m., to continue hearings on H. R. 2177.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Tuesday, May 29, 1945, at 10 o'clock a. m., to consider H. R. 2631.

There will be a meeting of the Committee on Patents on Thursday, May 31, 1945, at 10 o'clock a. m., to consider H. R. 2632.

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

490. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Labor for the fiscal year 1945, amounting to $2,300,000 (H. Doc. No. 190); to the Committee on Appropriations and ordered to be printed.

491. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal year 1943, amounting to $5,050,000, and supplemental estimates of appropriations for the fiscal year 1945, amounting to $836,569,000, for the Navy Department and naval service, together with proposed provisions affecting certain existing naval appropriations (H. Doc. No. 191); to the Committee on Appropriations and ordered to be printed.

492. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the fiscal year 1943 of $30,000, and supplemental estimates of appropriation for the fiscal year 1945 of $57,534,030, in all $57,564,030, together with provisions affecting existing appropriations for the fiscal years 1945 and 1946, for the Post Office Department (H. Doc. No. 192); to the Committee on Appropriations and ordered to be printed.

493. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation for the fiscal year 1945 for the Office of Inter-American Affairs (H. Doc. No. 193); to the Committee on Appropriations and ordered to be printed.

494. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the fiscal year 1945 in the amount of $300 for the Federal Power Commission (H. Doc. No. 194); to the Committee on Appropriations and ordered to be printed.

495. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the fiscal year 1942 in the sum of $4,690.33, and supplemental estimates of appropriations for the fiscal year 1945 in the sum of $825,000, amounting in all to $829,690.33, for the Department of Justice (H. Doc. No. 195); to the Committee on Appropriations and ordered to be printed.

496. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Commerce for the fiscal year 1946, amounting to $4,239,000 (H. Doc. No. 196); to the Committee on Appropriations and ordered to be printed.

497. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department for the fiscal years 1945 and 1946, amounting to $16,654,860 (H. Doc. No. 197); to the Committee on Appropriations and ordered to be printed.

498. A communication from the President of the United States, transmitting supplemental estimates for appropriations for the fiscal years 1945 and 1946, amounting to $7,677.45 and $10,137,777.45, respectively, and drafts of proposed provisions pertaining to existing appropriations, for the Department of State (H. Doc. No. 198); to the Committee on Appropriations and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McMILLAN of South Carolina:

H. R. 3291. A bill to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia; to the Committee on the District of Columbia.

By Mr. CANNON of Missouri:

H. J. Res. 202. Joint resolution reducing certain appropriations available in the fiscal year ending June 30, 1945; to the Committee on Appropriations.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: A memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress

of the United States in favor of a Federal-State plan of establishing and developing a national system of airports; to the Committee on Interstate and Foreign Commerce.

Also, memorial of Mohammed Kubba, President of the Iraqi Chamber of Deputies, memorializing the President and the Congress of the United States in regard to the attitude France displays at the present time to influence small nations contrary to the principles of the Atlantic Charter; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MILLS introduced a bill (H. R. 3292) for the relief of Mr. and Mrs. E. E. Butler, which was referred to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

734. By Mr. LUTHER A. JOHNSON: Petition of Corsicana Chamber of Commerce, Corsicana, Tex., favoring H. R. 538; to the Committee on Agriculture.

735. Also, petition of Retail Merchants Association of Waxahachie, Tex., suggesting amendments to the Emergency Price Control Act; to the Committee on Banking and Currency.

736. By Mr. KEOGH: Petition sponsored by the National Maritime Union in support of H. R. 2346, the merchant seamen's bill of rights; to the Committee on the Merchant Marine and Fisheries.

737. By Mr. LEFEVRE: Petition of various citizens of the State of New York, favoring enactment of H. R. 2082; to the Committee on the Judiciary.

738. By the SPEAKER: Petition of the Lompoc Filipino Association of Lompoc, Calif., petitioning consideration of their resolution with reference to securing favorable enactment of legislation to allow Filipinos to become American citizens; to the Committee on Immigration and Naturalization.

SENATE

THURSDAY, MAY 24, 1945

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, who art sifting out the souls of men before Thy judgment seat, before whom the long travail of the centuries is wrought out, who hast ushered us into this strange world where no good thing comes save as we fulfill the conditions of its coming, strengthen us for the high enterprise of building here a more decent world, where Thy children may dwell in plenty and fraternity and liberty.

Though the road to peace in our time and for our children's children be tedious and toilsome, still lead us on, following the gleam of Thy guidance, with clean hands and pure hearts, worthy of the trust the Nation has committed to our hands. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. THOMAS of Utah, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 21, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

The PRESIDENT pro tempore. Under the unanimous-consent agreement entered into on Thursday last, it was arranged that the Senator from New York [Mr. WAGNER] should have the floor at the opening of the session today. Will the Senator from New York defer his remarks so that the Chair may lay before the Senate and have read a message from the President of the United States?

Mr. WAGNER. Certainly.

The PRESIDENT pro tempore. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read as follows:

To the Congress of the United States:

The Congress has repeatedly manifested interest in an orderly transition from war to peace. It has legislated extensively on the subject, with foresight and wisdom.

I wish to draw the attention of the Congress to one aspect of that transition for which adequate provision has not as yet been made. I refer to the conversion of the executive branch of the Government.

Immediately after the declaration of war, the Congress in title I of the First War Powers Act, 1941, empowered the President to make necessary adjustments in the organization of the executive branch with respect to those matters which relate to the conduct of the present war. This authority has been extremely valuable in furthering the prosecution of the war. It is difficult to conceive how the executive agencies could have been kept continuously attuned to the needs of the war without legislation of this type.

The First War Powers Act expires by its own terms 6 months after the termination of the present war. Pending that time, title I will be of very substantial further value in enabling the President to make such additional temporary improvements in the organization of the Government as are currently required for the more effective conduct of the war.

However, further legislative action is required in the near future, because the First War Powers Act is temporary and because, as matters now stand, every step taken under title I will automatically revert, upon the termination of the title, to the preexisting status.

Such automatic reversion is not workable. I think that the Congress has recognized that fact, particularly in certain provisions of section 101 of the War Mobilization and Reconversion Act of 1944. In some instances it will be necessary to delay reversion beyond the period now provided by law or to stay it permanently. In other instances it will be necessary to modify actions heretofore taken under title I and to continue the resulting arrangement beyond the date of expiration of the title. Automatic reversion will result in the reestablishment of some agencies that should not be reestablished. Some adjustments of a permanent character need to be made, as exemplified by the current proposal before the Congress with respect to the subsidiary corporations of the Reconstruction Finance Corporation. Some improvements heretofore made in the Government under the First War Powers Act, as exemplified by the reorganization of the Army under Executive Order No. 9082, should not be allowed to revert automatically or at an inopportune time.

I believe it is realized by everyone—in view of the very large number of matters involved and the expedition required in their disposition—that the problems I have mentioned will not be met satisfactorily unless the Congress provides for them along the general lines indicated in this message.

Quite aside from the disposition of the war organization of the Government, other adjustments need to be made currently and continuously in the Government establishment. From my experience in the Congress, and from a review of the pertinent developments for a period of 40 years preceding that experience, I know it to be a positive fact that, by and large, the Congress cannot deal effectively with numerous organizational problems on an individual-item basis. The CONGRESSIONAL RECORD is replete with expressions of Members of the Congress, themselves, to this effect. Yet, it is imperative that these matters be dealt with continuously if the Government structure is to be reasonably wieldy and manageable, and be responsive to proper direction by the Congress and the President on behalf of the people of this country. The question is one that goes directly to the adequacy and effectiveness of our Government as an instrument of democracy.

Suitable reshaping of those parts of the executive branch of the Government which require it from time to time is necessary and desirable from every point of view. A well-organized executive branch will be more efficient than a poorly organized one. It will help materially in making manageable the Government of this great Nation. A number of my predecessors have urged the Congress to take steps to make the executive branch more businesslike and efficient. I welcome and urge the cooperation of Congress to the end that these objectives may be attained.

Experience has demonstrated that if substantial progress is to be made in these regards, it must be done through action initiated or taken by the President. The results achieved under the Economy Act—1932—as amended, the Reorganization Act of 1939, and title I of the First War Powers Act, 1941, testify to the value of Presidential initiative in this field.

Congressional criticisms are heard, not infrequently, concerning deficiencies in the executive branch of the Government. I should be less than frank if I failed to point out that the Congress cannot consistently advance such criticisms and at the same time deny the President

the means of removing the causes at the root of such criticisms.

Accordingly, I ask the Congress to enact legislation which will make it possible to do what we all know needs to be done continuously and expeditiously with respect to improving the organization of the executive branch of the Government. In order that the purposes which I have in mind may be understood, the following features are suggested: (a) the legislation should be generally similar to the Reorganization Act of 1939, and part 2 of title I of that act should be utilized intact, (b) the legislation should be of permanent duration, (c) no agency of the executive branch should be exempted from the scope of the legislation, and (d) the legislation should be sufficiently broad and flexible to permit of any form of organizational adjustment, large or small, for which necessity may arise.

It is scarcely necessary to point out that under the foregoing arrangement (a) necessary action is facilitated because initiative is placed in the hands of the President, and (b) necessary control is reserved to the Congress since it may, by simple majority vote of the two houses, nullify any action of the President which does not meet with its approval. I think, further, that the Congress recognizes that particular arrangement as its own creation, evolved within the Congress out of vigorous efforts and debate extending over a period of 2 years and culminating in the enactment of the Reorganization Act of 1939.

Therefore, bearing in mind what the future demands of all of us, I earnestly ask the Congress to enact legislation along the foregoing lines without delay.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 24, 1945.*

The PRESIDENT pro tempore. The message will be referred to the Committee on the Judiciary.

SOCIAL SECURITY

Mr. WAGNER. Mr. President, I introduce jointly with the distinguished chairman of the Committee on Education and Labor, the Senator from Montana [Mr. MURRAY], a bill broadening the social-security program, strengthening the employment service, and extending health services and facilities. Representative DINGELL is introducing a companion bill in the House of Representatives. I ask that the bill be appropriately referred.

The PRESIDENT pro tempore. The bill introduced by the Senator from New York will be received and appropriately referred.

The bill (S. 1050) to provide for the national security, health, and public welfare, introduced by Mr. WAGNER (for himself and Mr. MURRAY) was read twice by its title and referred to the Committee on Finance.

Mr. WAGNER. I desire to speak on the bill just introduced by me. As the Chair has stated, unanimous consent was granted on Monday last that I might introduce the bill and make some remarks concerning it at the opening of today's session.

Mr. President, by hard work and brilliant leadership we have defeated Germany and her satellites. We shall do the same thing to Japan. We have done—and will continue to do—a magnificent job in winning the war. We must now begin to win and preserve the peace.

ROLE OF SOCIAL SECURITY IN READJUSTING OUR ECONOMY

I approach the postwar problem on the basis of hard facts. As a nation we are just beginning to come to grips with the fundamental economic problems which will become increasingly more pressing with the approach of total victory.

I believe in the American system of free enterprise. I am confident that if the Congress does its part our American system of free enterprise will enter the postwar period stronger, with greater opportunities for a higher standard of living, for useful work, for production, for full employment, and with greater vistas of new markets and new products than ever before.

The help and cooperation of the Federal Government will be most needed and most effective in the first stages of postwar adjustment. But with the best of cooperation and intentions, we must recognize that full employment—such as we have had during the war—still does not solve the economic problems of widows and orphans, the aged, the sick, and disabled. Ten years of experience with the Social Security Act have demonstrated that we can insure people against the major causes of want. Social insurance has not interfered with our system of free enterprise. On the contrary, it has helped to make our system of free enterprise operate more smoothly and effectively.

PUBLIC SUPPORT FOR SOCIAL SECURITY LEGISLATION

The social-security bill which I have introduced today improves and extends our social-security system. The bill incorporates the constructive suggestions of many organizations and persons, including the American Federation of Labor, the Congress of Industrial Organizations, the Physicians Forum, the Committee of Physicians for the Improvement of Medical Care, the National Catholic Welfare Conference, the American Hospital Association, the American Public Health Association, the National Lawyers Guild, the American Public Welfare Association, the American Nurses' Association, the National Organization for Public Health Nursing, the National Farmers Union, and the American Foundation for the Blind. Other organizations and individuals, too numerous to mention, also made constructive suggestions.

The proposals for extension of coverage and inclusion of extended disability benefits were recommended to the Congress over 6 years ago by an Advisory Council on Social Security composed of 25 leading representatives of employers, employees and the public.

The broad principles underlying the bill were endorsed in a report of the National Planning Association by 57 representatives of business, agriculture, and labor.

The objectives of particular provisions of the bill have been advocated by numerous groups and public-spirited citizens, by life insurance companies, small businessmen, the American Legion, the Veterans of Foreign Wars, the Military Order of the Purple Heart, the American Farm Bureau Federation, the National Grange, State public-welfare administrators, the American Association of Social Workers, and by numerous State legislatures.

Many of the provisions in the bill were recently endorsed in principle in a poll taken by the United States Chamber of Commerce. The social security committees of three leading life insurance associations also have come out in favor of many of the provisions of the bill.

I am authorized to say that the bill has the strong endorsement of the responsible and patriotic American labor leadership, organized in the American Federation of Labor and the Congress of Industrial Organizations, and of the National Farmers Union.

The health provisions of the bill have the endorsements of many persons and organizations working in medical care and related fields. Legislation providing grants for hospital construction has been endorsed by the American Medical Association, the American Hospital Association, the American Public Health Association and various labor, welfare, farm and other public organizations. Most of these organizations are in favor of provisions for additional Federal funds for public health and for maternal and child health activities.

GENERAL PROVISIONS OF THE BILL

The bill establishes on a permanent basis a national system of public employment offices, to help war workers, war veterans, and all other workers to avail themselves of job opportunities, wherever they exist throughout the entire Nation, whether in industry or on farms.

It provides protection against the major economic hazards besetting American families—the costs of medical and hospital care, and loss of income in case of unemployment, sickness, disability, retirement, or death of the breadwinner.

Coverage of the basic social insurance system is extended to about 15,000,000 persons now excluded, such as farm workers and domestic employees, seamen, employees of nonprofit institutions, and the independent farmer, professional person and small businessman.

All these changes are accomplished under a national system of social insurance, with one set of contributions, one set of records and reports, and one set of local offices for all the programs that provide cash benefits.

The bill gives the war veteran and his family wage credits for periods of service in the armed forces for every phase of this insurance protection.

Also, an improved system for Federal grants to the States for public assistance is set up on a matching basis which provides special aid to low-income States in addition to the flat 50–50 matching under present law.

HEALTH PROVISIONS

The bill which I have introduced includes six provisions which will make available basic health services to all the

people wherever they live and whatever their income.

First. There is a program of Federal grants and loans to the States for the construction of needed hospitals.

It should therefore be possible, over a period of years, to assure that essential hospital and related services are available in all parts of the country, especially the rural areas which are so sadly in need of these services. The most urgently needed hospitals should be built first.

Second. The present Federal grants-in-aid to the States for public health services are broadened and increased to speed up the progress of preventive and community-wide health services.

Third. The community-wide maternal and child health and welfare services, aided by Federal grants to the States, are similarly broadened and strengthened.

Fourth. Health insurance is made available to 135,000,000 persons.

All four of the provisions which I have just mentioned will greatly help to round out the health services of the Nation. By preventing sickness, disability and premature death, they will pay vast dividends in human welfare and, at the same time, reduce the costs of other parts of the social-security program. However, unless we provide a method of spreading the cost of medical and hospital care through social insurance, people will still not obtain the treatment they need.

Fifth. The funds are set aside from the social-insurance contributions to aid in the rehabilitation of persons who are disabled.

Sixth. Grants-in-aid are provided from social-insurance funds to nonprofit institutions engaging in research or in professional education.

The financial barrier to adequate hospital and medical care is the basic reason for the unequal distribution of doctors and hospitals as between urban and rural areas, and as between prosperous and underprivileged communities. It is the basic reason for the failure of low-income families to receive as much medical care as the well-to-do, although they have more sickness. It is an important cause of the shockingly high rate of rejections under selective service.

HEALTH INSURANCE

A health-insurance system will go a long way toward breaking down this financial barrier. Such a system will enable the people to obtain all needed medical care through small, regular prepayments based on their earnings, and will give them security against catastrophic costs for which they cannot budget individually. It will encourage doctors to settle in rural areas, and communities to construct needed hospitals and health centers, by assuring adequate incomes, equipment, and facilities for modern medical practice. It will benefit patients, doctors, and hospitals.

HEALTH INSURANCE IS NOT SOCIALIZED MEDICINE

Propagandists against health insurance shout "regimentation of doctors and patients," "lowered standards," "political" and "socialized medicine," and so on. But health insurance is not socialized medicine; it is not state medicine. Health insurance is simply a method of paying medical costs in advance and in small convenient amounts.

It is simply a method of assuring a person ready access to the medical care that he or she needs by eliminating the financial barrier between the patient and doctor or the hospital. Therefore, it should be obvious that health insurance does not involve regimentation of doctors or patients. Neither do I believe that the doctors of this country will lower the standards of medical care simply because they are guaranteed payment for their services.

There are many individuals, honest and sincere in their desire for improved conditions, who nevertheless fear any change, and distrust all new social legislation. Those of us who have sponsored social legislation have faced similar opposition against many proposals for social betterment, but we have persevered and succeeded, and we have seen these new programs accepted as part of our basic system of American freedom and democracy. Over 30 years ago in the New York Legislature I fought for workmen's accident compensation and most of the arguments which are being made against health insurance were made against workmen's compensation then. Now all the States but one have workmen's compensation laws—all include medical benefits, which is health insurance for industrial accidents and disease. The time has come for us to extend the principle of health insurance to cover nonindustrial accidents and diseases as well.

The fears and doubts expressed about workmen's compensation, unemployment insurance, and other measures for social security have proved to be without foundation. In the future, when we have succeeded in our struggle for a comprehensive health program for the entire country, we will be able to say about health insurance, too, that present day apprehensions and misgivings were groundless.

FREEDOM OF CHOICE

The health insurance provisions of the bill provide that each insured person has the right to choose his own family doctor from among all doctors in the community who participate; each participating doctor has the right to accept or reject a patient, just as he does now. Every legally qualified physician and every qualified hospital has the right to participate. The same is true for groups of physicians; and the same is true for dentists. Hospitals are guaranteed protection against interference in the management of their own affairs. Physicians, dentists, and hospitals are specifically given the right to select the method by which they are to be paid for the services they furnish. Every effort has been made similarly to protect the professional position of nurses and nursing organizations. Throughout the health insurance provisions of the bill, the basic policy has been to provide medical and related services through arrangements that are worked out so that they will be satisfactory to the public and to those who furnish the services. Mutual agreements, reached through negotiations and contracts, are specified in the bill as the method to be used, and that is the democratic way of doing things.

VOLUNTARY PLANS AIDED

There has been much misunderstanding about the part that voluntary hospitals, group service organizations, existing voluntary insurance or prepayment plans and similar agencies may play in the social-insurance system. Let me emphasize that our bill makes a place for them, so that they can continue their good work. All qualified hospitals, all qualified medical groups or organizations, will be able to participate in the program as organizations that will furnish services to the insured persons who choose them; they will receive fair payments for the services they furnish as insurance benefits; and they will have enlarged opportunities to be service agencies for particular groups or for their communities. This applies to service organizations created by trade unions, consumer groups, employers, nonprofit community groups, churches, fraternal associations, groups of doctors or individual doctors, medical societies, or many other kinds of sponsors, or groups of sponsors. The bill not only provides for utilizing existing service organizations, but it also encourages the creation of new ones.

The groups operating under the Blue Cross hospital insurance plans will be able to continue to act as representatives of the participating hospitals and the community groups that own or manage the hospitals, and they will have large opportunities to be important public organizations that facilitate the administration of vital parts of the insurance system. The same will be true for many other community and public organizations.

Medical service groups—private clinics, salaried staffs of hospitals, group-service plans such as the Kaiser or the Ross-Loos plan—furnishing service under the social-insurance system would be as free as they are today to select their own staffs and their own method of paying physicians and others on their staffs, irrespective of the method of payment which prevailed among the individually practicing physicians or dentists of the local area.

DECENTRALIZED ADMINISTRATION

Every effort has been made to keep a fair balance in the bill between the principles of administrative responsibility and democratic administration. The administrative officers are given duties to perform and the necessary authority so that they can carry out their duties efficiently and promptly. But their authority is carefully limited through checks and balances. Limitations are carefully specified in the bill; for example, the rights of insured persons and of physicians, and hospitals, are set down. Also, the administrative officers are required to consult with a national advisory council on all important questions of policy and administration, and this council must contain representatives of both the public and those who furnish health services. Provision also is made for advisory bodies at the local level as well.

Moreover, the administration is to be decentralized to the maximum extent possible, and administration through the

States and localities is given preference and priority wherever the State and local authorities wish to take over the responsibility.

HIGH MEDICAL STANDARDS ENCOURAGED

High standards of medical care are protected and encouraged through incentives for the professional advancement of doctors, post-graduate study, professional education, research, and the availability—regardless of the patient's ability to pay—of consultant and specialist services, hospital and similar facilities, laboratory services and X-ray services. Provision is made for the addition of dental and home-nursing services as rapidly as practical. The bill is clear in requiring that the arrangements to provide the medical and related services shall be worked out so that they are mutually agreeable to the administrative officers and to those who agree to furnish the services.

FAMILY INSURANCE PROTECTION

All of the insurance provisions of the bill provide for taking into account the wife and children of each insured person. In health insurance the wife and children of an insured person are assured all of the medical services provided any insured person. Old age, disability, and unemployment insurance benefits in the bill also take into account the number of dependents. Survivors insurance benefits—that is, benefits to the family of a deceased individual—are provided, as in the present law, in relation to the number of such dependents. This is in accord not only with principles established in workmen's accident compensation laws and the 1939 amendments to the Social Security Act, but also with tested worldwide experience in social insurance.

THE NEED FOR A NATIONAL SYSTEM OF UNEMPLOYMENT INSURANCE

The bill provides for a national system of unemployment insurance. The benefits provided under the present State unemployment insurance laws are completely inadequate to serve as a strong first line of defense against reconversion and postwar unemployment. The weekly maximum limits are so low that on the average, workers are paid benefits representing only about one-third of their wage loss when they become unemployed. In 1940, the last prewar year, one-half of the workers exhausted their benefits before they found another job. The disqualification provisions are becoming increasingly stringent. The coverage of these State unemployment compensation laws fails to provide any protection whatsoever to over 10,000,000 workers. The net result of all these defects was that in 1940, a fairly good year, the benefits received by workers unemployed through no fault of their own represented less than 10 percent of the total wage loss suffered in this country. The failure to pay adequate benefits is not due to any lack of funds, since the State unemployment reserves at the present time amount to six and one-half billion dollars. The fundamental cause is interstate competition, each State fearing to expose its employers to unfair competition if they are required to pay more adequate benefits than their competitors in other States.

The disastrous effects of interstate competition can only be overcome by a national system. It is not possible to make certain under a State-by-State system that workers with the same wage loss will receive the same benefits wherever they happen to be located. Nor can a State-by-State system make certain that workers who move from one State to another will receive their benefits fully and promptly.

Nor is it possible to relieve employers operating in more than one State from the necessity of making an intolerable number of reports under a State-by-State system. A national system of unemployment insurance is the only solution to these problems.

THE NEED FOR A NATIONAL SYSTEM OF EMPLOYMENT SERVICE

The need for a national system of public employment offices has become more and more evident during the war years. Without national operation of these public employment offices it would have been completely impossible to mobilize the manpower of this country. During the postwar years we will have the manpower problem in reverse arising out of the tremendous geographical shifting of workers that is taking place. Our paramount manpower problem will be to facilitate the relocation of workers now in congested war-industry areas. Local public employment offices under State control could not possibly carry out this task because they are unable to appraise the entire national labor market and are not able to carry out a single coordinated Nation-wide relocation policy. But a national system of public employment offices is in a position to keep unemployment down to a minimum during the postwar period by bringing together manless jobs and jobless men wherever they exist throughout the Nation.

FINANCING SOCIAL SECURITY

The Wagner-Murray-Dingell bill of 1943, like several other bills I have introduced on the subject of social security in recent years, died in the Finance Committee because social-security contributions were unfortunately called taxes in the original legislation of 1935 and under the Constitution all tax bills must originate in the House of Representatives. No general hearings on social security have been held by the Ways and Means Committee in the House for 6 years. Because of the failure of the House to take action, the Senate has been deprived of the opportunity to translate its views on social security into legislation.

As the Senate well knows, many programs which are now included under the general term "social security" are handled by various committees in the Senate. Thus, legislation relating to public employment offices, hospital construction, and health—all of which are included in the bill which I have introduced today—have been handled by the Committee on Education and Labor.

The national health bill which I introduced in 1939 provided for amending the Social Security Act to include provisions on health; this bill was handled by the Committee on Education and Labor. As a matter of fact, there is ample precedent in the Senate for recognizing that revenue features of bills are not the sole determinant of public policy.

Right at the present time, social-insurance legislation which I have introduced jointly with the senior Senator from Montana [Mr. WHEELER] relating to railroad retirement and unemployment insurance—including both contributions and benefits—is in the hands of the Senate Committee on Interstate Commerce.

SOCIAL SECURITY PREMIUMS

I do not believe that social security and health legislation should be considered as a tax matter. I think that social security legislation should be handled on its merits as social legislation. Social insurance contributions are premiums for insurance protection—not general taxes for paying the expenses of Government.

Congress will undoubtedly take some action on social security this year. The contribution rate for old-age and survivors insurance is automatically scheduled to increase from 1 percent each on employers and employees to 2½ percent each. This increase is provided in existing law and will become effective January 1, 1946, unless Congress enacts specific legislation to the contrary. I strongly urge that Congress consider the benefit provisions of social security at the same time it considers the tax provisions.

COMPARISON WITH EXISTING CONTRIBUTION RATES

The rates of contribution specified in this bill to finance all of the insurance benefits that are provided total 8 percent, of which 4 percent is payable by employers and 4 percent by employees on wages up to $3,600 a year. Employers are now subject to a 3 percent Federal unemployment contribution. However, because of the operation of so-called "experience rating" employers are actually paying an average of 2¼ percent for unemployment insurance. Employers are also paying a contribution of 1 percent to finance the Federal old-age and survivors insurance system which present legislation provides for being increased to 2½ percent beginning January 1, 1946. Therefore, employers generally would be paying only three-fourths of 1 percent more under this bill than they are already paying and less than they will be required to pay under existing law beginning next year.

Employees are already paying a 1 percent Federal contribution to finance the old-age and survivors insurance system (which is scheduled to go up to 2½ percent in 1946), and they are also paying contributions in four States to finance unemployment and temporary disability insurance. Therefore, employees under this bill for the most part would be paying 3 percent more than they are paying at the present time but only 1½ percent more than they are already scheduled to pay beginning next year. However, in return for this increased payment they would be receiving protection against wage loss due to temporary disability and extended disability, protection

against the cost of hospital and medical care, and increased retirement, survivors, and unemployment insurance benefits. Since employers would be paying a part of the cost of the increased protection provided, the value of this increased protection would be considerably in excess of the increased contribution which employees would pay under this bill. The workers of the country, speaking through their great national organizations, are willing to pay increased contributions for increased insurance protection. This is justified, because they will get their full money's worth in increased security.

It would have been possible, of course, to vary the proportion that employers and employees, respectively, would bear of the cost of providing each specific type of protection included in this bill. This bill, however, provides for equal sharing between employers and employees without distinction as to the specific type of risk insured.

This is not only simpler, but the principle of equal sharing is sounder for a system of social insurance, which I believe should be founded upon the basis of a mutual sharing of a risk.

COMPARISON WITH CONTRIBUTIONS IN PREVIOUS BILL

The fact that the total contribution rate provided in this bill is 8 percent as compared with 12 percent in the Wagner-Murray-Dingell bill introduced in the last Congress does not mean that any of the proposed benefits have been reduced. On the contrary, the benefits have been increased. There are two reasons for the reduction in the contribution rate. First, the proposed total unemployment insurance contribution rate has been reduced from 4 to 2 percent and, second, the combined retirement, survivors and extended disability contribution rate has been reduced from 4 to 2 percent. It has been possible to reduce the unemployment insurance contribution rate because the unemployment trust fund being built up under existing legislation has continued to grow, so that it is now much larger than it was when the previous bill was introduced. By January 1, 1946, the unemployment reserves will total about $7,000,000,000. Therefore, there is no longer any question that there will be ample funds to finance unployment insurance benefits during the immediate post-war period. Moreover, for the long-run, taking the assumptions as to the amount of frictional unemployment we are likely to experience with reasonably full employment in the future, a 2-percent unemployment insurance rate, instead of a 4-percent unemployment insurance rate as provided in the previous bill, will be ample to pay adequate unemployment insurance benefits.

Second. The total contribution rate to finance retirement, extended disability and survivors benefits has been reduced from 4 percent to 2 percent, in accordance with the recent act of Congress in freezing for the fourth time the existing contribution rate of 2 percent. The 2 percent rate will cover current disbursements for all these benefits for several years after the end of the war. At that time, it will be necessary either to increase the contribution rate or provide a Government subsidy to the insurance system out of general revenues.

I have long been in favor of a substantial Government contribution to the social insurance fund. The bill provides, therefore, as does the present Federal old-age and survivors insurance law, for authorizing appropriations to the trust fund out of general revenues, whenever the Congress deems necessary. I have consistently opposed in the past freezing the old-age and survivors insurance contribution at 1 percent each on the employer and on the employee because the Congress has not clearly committed itself to a long-run financial policy under the present law. Moreover, I repeatedly stated that there are difficult problems involved in providing a governmental contribution under an insurance system which covers only part of the population.

Extension of the coverage of the insurance system, and provisions for systematic financial review as specified in the present bill makes a Government contribution more equitable and makes it possible to pay the benefits under the retirement, survivors and extended disability insurance provisions with a contribution of 1 percent each on employers and employees for the next several years.

TRIPARTITE SYSTEM OF FINANCING

I believe that it is sound for employees and employers and the Government to share in the costs of a comprehensive social-insurance plan. Contributions by the employees are necessary and desirable to assure that benefits will be paid as a matter of right. Contributions by employers are a recognition of the employer's interest in maintaining healthy and secure employees and of taking the human factor into consideration in determining costs of production.

GOVERNMENT CONTRIBUTION

A government contribution is desirable because social insurance has a social purpose. It protects society as a whole as well as the individual and his family. Moreover, a social insurance system reduces relief costs of the Government and the general taxpayer, and a contribution out of general revenues is a recognition of the social obligation of the community to meet the needs of aged, disabled, and unemployed individuals, widows, and orphans.

I hope that as the total disbursements for retirement benefits increase because of present population trends, the Government will contribute to the insurance fund until eventually its share will represent about one-third of the total disbursements. I also hope that such governmental contributions will come from general revenues raised by progressive taxation. In this way we can assure the development of a financially sound social insurance system.

The Government, of course, must make contributions to the insurance system for the insurance protection afforded to veterans. Where benefits are provided to needy individuals or on behalf of persons already retired or disabled, it is reasonable also to expect the Government to meet these costs.

Two additional insurance benefits have been added in our present bill—dental and home nursing. It is uncertain how rapidly these additional benefits can be furnished, and the provisions of the bill are therefore very flexible. The additional costs may be small at first and may rise gradually for 5 or 10 years. These additional benefits are to be financed from general-revenue funds as needed.

The funds required for grants and loans to construct needed hospitals, for grants for public health, for maternal and child health and welfare services, and for public assistance are to be derived from general revenues, not from social insurance contributions. Since these expenditures are intended for general community-wide programs, as in the past for the same or similar programs, this is a sound method of financing.

REVIEW OF FINANCING BY ADVISORY COUNCIL

While I believe that the financial aspects of the bill are sound, I recognize that we cannot construct the financial set-up of social insurance for all time without frequent review and provision for possible change. To preserve this flexibility, the bill provides that the Advisory Council created under the bill study the entire problem of financing social insurance in the post-war years.

NECESSITY FOR IMMEDIATE ACTION

Countries all over the world, large and small—Great Britain, Venezuela, Uruguay, and our neighbors, Canada and Mexico—have improved their social security legislation, even during the war. Is the United States to lag behind other nations? We should have started long ago to expand, extend, and improve our social security program. We must move forward now before it is too late.

With full employment and full production, we can have a complete and adequate social security system at a modest cost.

If we do not achieve full employment, it is all the more imperative that we have a complete and adequate social security program.

The plan embodied in this bill is an American plan—geared to the wage scales and standards of living of the individual families in various sections of the country. The plan provides for a practical program within our ability to pay.

The program is a practical one in a much higher sense. Our democracy could provide no better bulwark against the troubled times which may be ahead than to develop this dignified, all-embracing plan for social security upon which each family can build its own future by its own efforts.

Mr. President, I have prepared a summary of the provisions of the bill for the information of Senators who wish to study the bill in detail. I ask unanimous consent that this summary be included in the RECORD immediately following my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit A.)

Mr. WAGNER. Mr. President, this bill is not put forward as the final solution to all social-security problems. It is proposed merely as a desirable next step that can be put into operation now. As our national income increases, Congress can and should consider further improvements in the benefits. As experience is gained in the administration of the program, further simplifications can

be adopted. But we need not wait for a perfect social security plan to improve the present program.

This bill is not proposed on the assumption that social security is an end in itself. In a democracy where human values depend basically on the dignity and freedom of the individual and the family, social security is only a means toward this end.

Mr. President, the distinguished chairman of the Committee on Education and Labor, Mr. MURRAY, who has joined me in sponsoring this bill, is absent on public business. I, therefore, ask unanimous consent to have printed in the RECORD immediately following my remarks a statement prepared by him on the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit B.)

EXHIBIT A

SUMMARY OF MAJOR PROVISIONS OF WAGNER-MURRAY-DINGELL BILL—THE SOCIAL SECURITY AMENDMENTS OF 1945

The social security bill contains 10 sections. The general outline of these 10 sections is as follows:

BRIEF OUTLINE OF BILL

Section 1. Short title: Social security amendments of 1945.

Sections 2 and 3. Grants and loans for construction of health facilities: Provides a 10-year program of Federal grants and loans for construction and expansion of hospitals, health centers and related facilities to be financed out of general revenues. The Federal Government will pay at least 25 percent of the cost of a project and up to 50 percent in accordance with a State's per capita income. Loans may not exceed an additional 25 percent of the cost of the project.

Section 4. Grants to States for public health services: Provides Federal grants to States from general revenues for expansion of public health services. The Federal Government will pay at least 25 percent of the amounts expended by a State and up to 75 percent in accordance with a State's per capita income.

Section 5. Grants to States for maternal and child health and welfare services: Provides Federal grants to States from general revenues for maternal and child health and welfare services. The Federal Government will pay at least 25 percent of amounts expended by a State and up to 75 percent in accordance with a State's per capita income.

Section 6. Comprehensive public assistance program: Provides for Federal grants to the States for public assistance to needy individuals—aged, blind, dependent children, or others. Federal Government will pay at least 50 percent of amounts spent by States and up to 75 percent for States in accordance with a State's per capita income.

Sections 7 and 8. A national system of public employment offices: Provides for a continuation of Federal operation of the United States Employment Service.

Section 9. National social insurance system: Consisting of health insurance, unemployment insurance, temporary disability insurance, and retirement, survivors, and extended disability insurance.

Part A. Prepaid personal health service insurance: Provides for insurance of medical care costs; not State medicine.

Part B. Unemployment and temporary disability insurance benefits: On a Federal basis. Benefits of $5 to $30 per week up to 26 weeks; if funds are adequate, up to 52 weeks for unemployment.

Part C. Retirement, survivors, and extended disability insurance benefits: Provides for more liberal benefits than existing law. Minimum, $20 per month; maximum, $120.

Part D. National social insurance trust fund: All funds invested in United States Government bonds.

Part E. Credit for military service: One hundred and sixty dollars wages credited under the insurance system for each month of military service.

Part F. Coverage provisions and definitions: Extends coverage to about 15,000,000 additional persons.

Part G. Social insurance contributions: Four percent each on employers and employees. Government contribution authorized when necessary.

Part H. General provisions: Judicial review, national advisory council and rehabilitation of disabled persons.

Section 10. Definitions.

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SECTION 1. SHORT TITLE: "SOCIAL SECURITY AMENDMENTS OF 1945"

SECTIONS 2 AND 3. GRANTS AND LOANS FOR HOSPITAL AND HEALTH CENTER CONSTRUCTION

Section 2: This section provides for a 10-year program to build, improve, and enlarge hospitals and health centers as needed, especially in rural communities, and areas where facilities are overtaxed as a consequence of the war and where the need for additional facilities is likely to continue. In order that the facilities shall be built most advantageously where they are needed, surveys are to be made by the States. A total of $5,000,000 is authorized to be appropriated, to provide grants to the States to assist them (with their own funds) to make the surveys. The Surgeon General of the Public Health Service is authorized to make such surveys in the event a State does not do so.

A total of $950,000,000 is authorized to be appropriated over a 10-year period for construction grants and loans, of which $50,000,000 is for the fiscal year 1946 and $100,000,000 for each of the 9 succeeding years. The program is to be administered by the Surgeon General of the Public Health Service, with the assistance of the Federal Works Agency, on construction matters.

Grants, or grants and loans, may be made to States, their political subdivisions, and to nonprofit organizations for hospitals and health centers. All amounts appropriated are to be available until spent, except that balances at the end of the tenth year, and loans as they are repaid, revert to the Treasury. Loans are to be repaid within 20 years and are limited to hospitals which receive grants. The grants shall be for not less than 25 percent nor more than 50 percent of the cost of the project, exclusive of the cost of the site. Loans may not exceed 25 percent of the cost of the project.

Grants for construction projects are adjusted according to a formula specified in the bill and based upon the per capita income of each State compared to the average for the United States. The same formula applies to grants toward the cost of administering the State construction plans.

Applications for grants and loans are to be made to the Surgeon General and shall include the information necessary to establish the need for the hospital project, to show that the project is in accordance with the State construction program and is approved by the State agency, to show that the applicant needs a grant or a grant and loan, and that the hospital will be used so as to furnish services of satisfactory quality in accordance with standards prescribed by the State.

In the event a State has not developed a construction program by January 1, 1948, the Surgeon General may make State surveys of needed facilities, and may approve applications that are in accord with the results of such surveys. Prior to that date, he may not approve an application for projects in States that have no approved plan unless the application is for an urgently needed facility in a rural, semirural, or a war-distressed area, for an existing hospital that cannot continue to operate without the new project, or for a health center approved by the State health agency.

A National Advisory Hospital Construction Council is established to advise the Surgeon General in the administration of this program, particularly with respect to standards for determining the need for additional hospital facilities, for assuring proper construction and equipment, and adequate maintenance and use. The Council is to have nine members—the Surgeon General ex officio, and eight members appointed by him after consultation with the National Advisory Medical Policy Council and with the approval of the Federal Security Administrator. The eight appointed members shall be selected from leading medical and other authorities and from among persons who are concerned with the need for hospitals in urban and rural areas. The Council is to review and to make a recommendation upon each application for grants. Specific provision is made to assure that hospitals assisted under this program will remain free from control by the Federal Government.

Section 3: This section merely provides for changing the section numbers of the Public Health Service Act because of the addition of the new title on hospital construction in that act.

SECTION 4. INCREASED GRANTS TO STATES FOR PUBLIC HEALTH SERVICES

This section amends section 314 of the Public Health Service Act. The subsections concerned with grants for the venereal disease and for the tuberculosis programs are unchanged. The subsections dealing with general public health work are revised so as to strengthen the program and pledge complete Federal cooperation to the States in moving as rapidly as practicable toward the development of adequate public health services in all parts of the country. The present authorization of $20,000,000 a year for grants to States is replaced by an authorization to appropriate a sum sufficient to carry out the purposes. Also, the annual amount available to the Surgeon General of the Public Health Service for demonstrations, training of personnel, and administrative expenses is increased from $3,000,000 to $5,000,000 a year.

In order to receive the Federal grants the States are required to develop their own plans in accordance with their own needs, and to submit these plans for approval. They must be approved by the Surgeon General if they meet the requirements that are specified. An orderly system of arrangements is laid down, ensuring reasonable standards and systematic financial participation by the States (and by the localities cooperating under the State plans). This is the same general pattern as has been followed for public assistance since the original Social Security Act of 1935. The amounts of the grants to States are determined by an explicit formula, designed to give relatively more aid to the poorer States and relatively less to the richer States. The variable Federal grants would range from 25 to 75 percent of the total public funds expended under the approved State programs.

SECTION 5. INCREASED GRANTS TO STATES FOR MATERNAL AND CHILD HEALTH AND WELFARE SERVICES

This section amends title V of the Social Security Act relating to Federal cooperation with the States to provide health and welfare services for mothers and children. A common plan is followed in each of the three parts, dealing respectively with maternal and child health, crippled children, and child welfare. In order to receive Federal grants, the States are to develop their own plans, in accordance with their own needs. If these plans meet the requirements specified, they must be approved by the Chief of the Children's Bureau. The requirements are those that are essential to insure reasonable standards, systematic financing and administration, and reasonably rapid extension of the

services to all parts of the States and on an adequate basis. Administration by the Federal authorities shall be in close consultation with the State authorities.

As in the case of grants for public-health work and public assistance, the Federal grants would be on a variable basis, so as to give special aid to the poorer States. The variable Federal grants would range from 25 to 75 percent of the total public funds expended under the approved State programs, the amount in each case being determined by a specific formula written into the law. The Federal Government would be entering into full partnership with the States in providing services for mothers and children, leaving wide latitude to the States as to the scope and content of the programs.

SECTION 6. COMFREHENSIVE PUBLIC-ASSISTANCE PROGRAM

This section provides Federal grants to States for assistance to all needy persons. It provides variable Federal grants to the States, ranging from 50 percent to 75 percent of the total expended, depending upon the State's per capita income. The higher rates apply to the States with the lower per capita incomes. The program authorizes Federal matching, on this variable grant basis, of money payments to any aged person, dependent child, blind person, or other needy individual (without the rigid maxima provided by existing law); and where so provided in an approved State plan, medical services to needy individuals, payments for the care of children in foster homes, and such services as may assist in making needy individuals self-supporting.

These Federal grants, like the similar provisions of the present law, are made out of general revenues. As under existing law, State plans must meet various requirements, including maintenance of civil-service merit standards for administrative personnel. In determining need, the State must take into consideration any other income of any individual claiming assistance except that the State may, in its discretion, not take into consideration any amounts of current income received by an individual up to $20 per month, as the State may determine.

The bill provides that States may choose to provide assistance to the needy aged, blind and dependent children included under the present law or that States may choose to add additional groups or provide assistance to all needy persons. The limitations in the existing Federal law are removed so that States may obtain Federal funds for a wide variety of purposes designed not only to provide assistance to persons already needy but to help persons to be restored to self-support. Most States are already providing such services under existing public-welfare laws. By providing Federal financial participation toward meeting part of such costs, States will be encouraged to broaden the scope and improve the quality of such services.

In view of the fact that the proposed legislation would make additional Federal funds available to every State in the Union, it is essential that the State programs provide more adequate assistance and improved and simplified administration. The bill requires that as a condition for receiving Federal grants States must not impose as a condition of eligibility for assistance under the plan any citizenship or residence requirements. Since under the revised program the largest part of the total cost will come from Federal funds, it is reasonable that all persons in the United States who are actually determined to be needy by State agencies be given assistance irrespective of State or county residence or inability to prove citizenship. The bill also provides that as a condition for obtaining Federal funds the State public assistance plan must provide for distribution of funds so as to assure meeting in full the need of individuals throughout the State as determined in accordance with standards established by the State. This provision would not modify the existing law which places upon the State the responsibility for determining who is a needy individual and the amount of assistance to be granted such individual. It is designed, however, to assure that needy individuals in a particular county will not be denied assistance because of the lack of adequate local financial participation by such county.

In the interests of economy and efficiency of operation the bill provides that there be one State agency and also only one local agency to administer all assistance in each locality.

The bill also provides that special consideration should be given to the special needs of individuals. The bill specifically provides that where an individual has special needs because of illness, disability, or special costs due to employment, education, or the like, such persons shall have these factors taken into account in the determination of the individual's need.

SECTIONS 7 AND 8. A NATIONAL SYSTEM OF EMPLOYMENT OFFICES

SEC. 7. This section provides for an expanded and strengthened national system of public employment offices established in the Social Security Board, to assist war workers, war veterans, and all others to avail themselves of civilian employment opportunities throughout the Nation, to promote employment in private industry and on farms, and, generally, to bring together available workers and available jobs in the maximum use of the Nation's productive facilities and manpower. Among other duties, the expanded Employment Service is directed to provide facilities in cooperation with the administration of unemployment insurance.

Provision is made for the establishment of a National Advisory Employment Service Policy Council for the purpose of formulating policies, reviewing administrative operations, and discussing problems relating to the Employment Service.

Six months after the termination of hostilities in the present war, the present Employment Service and all related activities of the War Manpower Commission are transferred to the new United States Employment Service created by the bill.

SEC. 8. This section provides for the repeal of the Wagner-Peyser Act under which the Federal-State Employment Service was originally established.

SECTION 9. NATIONAL SOCIAL INSURANCE SYSTEM
PART A. PREPAID MEDICAL CARE INSURANCE

Part A of this section provides for medical and hospital insurance.

Freedom of medical practice is carefully safeguarded. Each insured person is entitled to choose his own doctor from among all physicians or groups of physicians in the community who have voluntarily agreed to go into the insurance system. Each doctor or group of doctors is free to go in or stay out of the insurance system. These doctors who participate are free to accept or reject patients who may wish to select them as their family doctor, and the participating doctors are likewise free to choose the method through which they are to be paid from the insurance fund. Patients and doctors may change the arrangements after they have been made if they become dissatisfied. Doctors practicing as specialists, individually or in groups, would be entitled to special rates of payment if they meet professional standards for specialists. Thus, existing arrangements for choosing a doctor and obtaining medical, laboratory, or hospital care would not be disturbed.

The bill contains various provisions to assure that medical benefits will be the highest quality that can be made generally available, will promote personal relations between doctor and patient, will emphasize prevention of disease, and will be adapted to the needs and practices of the community, in both rural and urban areas.

The Surgeon General of the United States Public Health Service—a doctor—would administer the technical and professional aspects of the program. The Surgeon General would also be authorized to work out the closest possible coordination between the medical and hospital services and the public health services of the Federal, State, and local governments.

Hospital care is limited to 60 days per year, with a possible maximum of 120 days if experience proves that the insurance fund can afford it. All qualified hospitals are eligible to participate. The Surgeon General is forbidden from exercising supervision or control over the management of hospitals that participate in the insurance system.

The Surgeon General is directed to establish a National Advisory Policy Council. Members of this advisory council would be appointed from panels of names submitted by professional and other organizations concerned with medical services, education, hospitals, etc. The advisory council must also include representatives of the public.

Specific provision is included for hearings and appeals on any disputed issues between practitioners, hospitals, and insured persons. Specific provision is made for the judicial review of any disputed issues arising under the plan.

The Surgeon General is directed to decentralize the administration of the program by giving priority and preference to the use of existing State and local agencies. Where no such arrangements have been made, the Surgeon General is directed to establish committees in each locality to aid in the administration of the program and to assure that the program will be adapted to local needs. Such committees shall include representatives of the insured population, doctors, hospitals, other agencies furnishing service under the program, and other persons informed on the need for, or provision of, health benefits. The Surgeon General is authorized to negotiate cooperative working arrangements with Federal, State, or local governmental agencies, and with private groups or individuals, to provide the benefits by utilizing their services and facilities on payment of fair and reasonable compensation. The health insurance benefits may be furnished to noninsured persons such as needy persons receiving public assistance, if appropriate arrangements are made to pay on their behalf the cost of services furnished to them.

The Surgeon General and the Social Security Board are directed to make studies and to report to Congress on dental, nursing, or other services not provided under the insurance system, and on services and facilities needed for the care of the chronic sick and for persons afflicted with mental diseases.

The Surgeon General is directed, with the advice of the National Advisory Medical Policy Council, to administer grants-in-aid to nonprofit institutions and agencies engaging in research or in undergraduate or postgraduate professional education. Such grants would be made for projects showing promise of making valuable contributions to the education, and training of persons in furnishing health insurance benefits, or of making valuable contributions, with respect to the cause, prevention, or methods of diagnosis or treatment of disease or disability. Provision is made for giving preference to educational projects for returning servicemen seeking postgraduate education or training in medical, dental, and related fields. The sum available each year for such grants-in-aid would be 1 percent of the total expended for all social-insurance benefits exclusive of unemployment insurance or 2 percent of the amount expended for health insurance, whichever is less.

PART B. UNEMPLOYMENT AND TEMPORARY DISABILITY INSURANCE

Part B establishes a new Federal unemployment insurance system administered by the Social Security Board. Unemployment benefits are payable for 26 weeks. If the funds available are deemed adequate, the duration of benefits may be extended to a

maximum total of 52 weeks, but the Board may require attendance at a training course as a condition for receiving such extended benefits. Weekly benefits are payable from $5 to $20 per week for single individuals. As in the case of old-age insurance, benefits are increased for workers with dependents. The maximum benefit payable is $30 per week in contrast to most existing State laws in which the maximum is between $15 and $20 per week. The waiting period is 1 week. Benefits will be paid to eligible persons upon registration and continued reporting for work at the public employment office or at training courses approved by the Board. Failure to report or to accept suitable work when offered is a ground for disqualification.

Insured workers who are certified as temporarily disabled, through illness or injury, are likewise eligible for the same benefits, after 1 week's waiting period, for a maximum duration of 26 weeks. In addition to the maximum duration for disability benefits, married women workers are entitled to weekly benefits, in the same amounts, for 12 weeks of maternity leave.

TABLE 1.—*Illustrative weekly unemployment and temporary disability insurance benefits under the bill*

Average weekly wage	Worker	Worker and wife	Worker, wife, and 1 child	Worker, wife, and 2 or more children
$10 or less	$5	$6.50	$7.50	$8
$20	10	13.00	15.00	16
$30	15	19.50	22.50	24
$40 or more	20	26.00	30.00	30

PART C. RETIREMENT, SURVIVORS AND EXTENDED DISABILITY INSURANCE

Under this part of the bill, the present Federal old-age and survivors insurance system is broadened to include monthly cash benefits where the insured worker is totally disabled for 6 months or more before he reaches the retirement age. These benefits would be equal to those paid under old-age insurance, and in the same way would be increased for the worker who has a dependent wife, dependent children, or dependent parents.

Effective January 1, 1946, the bill changes the benefit formula and the method for calculating an individual's average wage. In addition, the maximum family insurance benefit is increased from $85 under present law, to $120. The minimum benefit also is increased from $10 under present law to $20 for a single worker and $30 for a worker with a dependent wife age 60 or over. Thus the bill provides an assured minimum of $30 a month for an insured couple, and higher payments up to a maximum of 80 percent of average wages or $120, whichever is smaller, the exact amount depending on prior wages and years of employment. The same minimum and maximum provisions would apply in the case of extended disability.

TABLE 2.—*Illustrative monthly old-age retirement or extended disability benefits under the bill*

Number of years of coverage	Insured person	Insured person and wife	Insured person, wife, and 1 child	Insured person, wife, and 2 children
	Average monthly wage $100			
10 years' coverage	$36.00	$54.00	$72.00	$80.00
20 years' coverage	39.00	58.50	78.00	80.00
30 years' coverage	43.00	64.50	80.00	80.00
40 years' coverage	46.00	69.00	80.00	80.00
	Average monthly wage $200			
10 years' coverage	$47.00	$70.50	$94.00	$117.50
20 years' coverage	51.00	76.50	102.00	120.00
30 years' coverage	56.00	84.00	112.00	120.00
40 years' coverage	60.00	90.00	120.00	120.00

The bill also reduces from 65 to 60 years the age when women become eligible for retirement and widow's benefits.

Upon the death of any insured worker, the bill provides for a lump-sum death payment to the surviving spouse equal to six times the primary old-age benefit of that worker. If there is no surviving spouse, this lump-sum benefit will be paid to any other person equitably entitled, to the extent that he has paid the burial expenses of the deceased worker.

TABLE 3.—*Illustrative monthly survivors benefits under the bill*

Number of years of coverage	Widow	Widow and 1 child	Widow and 2 children	2 parents
	Average monthly wage $100			
10 years' coverage	$27.00	$45.00	$80.00	$36.00
20 years' coverage	29.25	48.75	80.00	39.00
30 years' coverage	32.25	53.75	80.00	43.00
40 years' coverage	34.50	57.50	80.00	46.00
	Average monthly wage $200			
10 years' coverage	$35.25	$58.75	$105.75	$47.00
20 years' coverage	38.25	63.75	114.75	51.00
30 years' coverage	42.00	70.00	120.00	56.00
40 years' coverage	45.00	75.00	120.00	60.00

The bill also changes the provisions for determining the insured status of an individual so that all persons engaged in governmental arsenals, or any other type of war work not covered by the social-insurance system, will not have the period prior to 1946 count against them in determining their eligibility for retirement, survivors, and extended disability insurance benefits.

This section of the bill also liberalizes the existing provision of law which permits an individual to earn up to $15 per month and still draw his insurance benefit. The amended provision increases this amount to $25 per month. For blind persons this amount is increased to $50 per month.

PART D. TRUST FUND

The bill creates a social insurance trust fund to which is transferred existing funds credited to the Federal old-age and survivors insurance system. The bill provides that all contributions are to be deposited directly in the trust fund. A board of trustees, composed as at present of the Secretary of Labor, the Secretary of the Treasury, and the Chairman of the Social Security Board, is established to hold the trust fund and make annual reports to Congress on the benefit payments and the status of the fund. The Secretary of the Treasury, as managing trustee, is authorized to invest the trust fund in United States bonds.

Provision is made, as under the present Federal old-age and survivors insurance law, for authorizing appropriations to the trust fund, out of general revenues, whenever the Congress deems necessary. Appropriations would be required to pay the cost of covering the insurance rights of war veterans, the cost of medical and hospital benefits provided to old-age, survivors, disabled beneficiaries, and for meeting the costs of medical and hospital benefits to needy persons for whom arrangements are made under section 209, and for dental and home-nursing benefits.

These contributions provided in the bill will be sufficient to pay all insurance benefits for several years after the end of the war, depending primarily upon employment condtions. Before that time it will be necessary to decide whether the contributions should be increased or the Government should contribute to the insurance system out of general revenues, or some combination of both.

PART E. CREDIT FOR MILITARY SERVICE

The bill gives wage credits of $160 per month to men and women in the armed forces for the entire period of their military service. The individual war veteran and his family would thus be insured for all social-insurance benefits provided in the bill, without deductions from his pay during military service. The cost of this protection is borne by the Federal Government out of general revenue.

PART F. COVERAGE OF INSURANCE SYSTEM

This section extends coverage to all persons in industry and commerce (except railroad workers) under the entire social insuance system, including agricultural and domestic workers, seamen, and employees of nonprofit institutions (except ministers and members of religious orders). Self-employed persons (small businessmen, farmers, and professional persons) are covered under all insurance programs except unemployment and temporary disability insurance.

Present or future employees of State or local governments who are covered by existing pension systems specifically continue to be exempt, as under the present law. Employees of State or local governments who are not under existing pension systems may be covered (under retirement, survivors, extended disability, and medical insurance) by a voluntary compact between the Social Security Board and the appropriate State or local governmental unit.

Federal employees are not covered by the bill except hourly employees of the Tennessee Valley Authority.

PART G. SOCIAL INSURANCE CONTRIBUTIONS

The bill provides for insurance contributions of 4 prcent on employees and 4 percent on employers. The following table shows the allocation of contributions for each of the four insurance programs.

TABLE 4.—*Proposed social-insurance contributions under the bill*

[As a percent of pay roll]

Program	Employer	Employee	Total
	Percent	*Percent*	*Percent*
1. Retirement, survivors' and extended disability insurance	1.0	1.0	2.0
2. Medical care and hospitalization insurance	1.5	1.5	3.0
3. Unemployment insurance	1.0	1.0	2.0
4. Temporary disability insurance	.5	.5	1.0
Total contributions	4.0	4.0	8.0

Since the self-employed and employees of States and localities are not covered for unemployment and temporary disability insurance, but are covered only for retirement, survivors and extended disability benefits (for which 2 percent is charged) and medical care and hospitalization insurance (3 percent), their total contribution is 5 percent; in the case of the employees of States and localities (who may be covered on an optional basis if not already covered by their own pension systems) half of this contribution is payable by their employer.

PART H—GENERAL PROVISIONS

The bill establishes a National Social Security Advisory Council, representing employers, employees, and the general public, to formulate policies on legislation and administration, and to investigate and make recommendations concerning coverage of various groups; the adequacy of benefits in relation to wage levels, cost of living, and other factors; methods of financing of the insurance system, and methods of providing incentives to beneficiaries for rehabilitation and employment.

The Social Security Board is directed to make provision, after consultation with the

the Surgeon General and the Office of Vocational Rehabilitation, for determination and certification of disability, and for the rehabilitation (medical and vocational) of disabled persons who are entitled to disability benefits and who may be assisted by such services so that they can return to gainful work. For these rehabilitation services, a sum equal to 2 percent of disability benefits is set aside from the trust fund.

SECTION 10. DEFINITIONS

Section 10 contains general definitions.

EXHIBIT B

STATEMENT OF SENATOR JAMES E. MURRAY, OF MONTANA, ON INTRODUCTION OF THE SOCIAL SECURITY BILL OF 1945

I am proud to have the opportunity of joining with my distinguished colleague, the senior Senator from New York [Mr. WAGNER] in introducing in the Senate of the United States a bill designed to make our limited system of social security comprehensive and to extend it to practically all of our population.

The Congress already has before it, in the full employment bill, a plan to stabilize our economy and to control those violent fluctuations that in the past have contributed greatly to international evils. Today, Senator WAGNER and I lay before the Congress a plan to bring a full measure of social security to our people. By enacting this bill, the Congress will be giving reality to a large part of the economic bill of rights that our people need to protect them against the perils of the future; and the Congress will take an important and practical step toward achieving all the "four freedoms" by assuring to the American people freedom from want.

There is widespread demand for a comprehensive system of social security. This has been shown, again and again, by polls of public opinion. Both political parties are committed to it.

In the minds of the American people, the results that can be achieved by a comprehensive system of social security are among the main goals of the war. The social and economic problems of our modern industrial life become greater, not smaller; they may be expected to be extremely secrious in the years ahead. We must have orderly, secure, and adequate plans to meet the uncertainties of our industrial life. We must act, and act rapidly, if our social-security system is to be ready for the strains that will come with the end of the war and the adjustments that will be required by the transition to peace.

In view of these circumstances, it is important that the Congress should give immediate consideration to the proposals my colleague and I submit for the extension of our existing social-security program.

In asking that the Congress act promptly on our social security bill we are not proposing hasty or intemperate action. We have behind us nearly 10 years of actual experience under the Social Security Act. We have had nearly 2 years of intensive discussion of the bill which Senator WAGNER and I introduced in the Senate, and which Representative DINGELL, of Michigan, introduced in the House, on June 3, 1943. I join with Senator WAGNER in requesting, most earnestly, that our present bill be made the subject of prompt and full hearings in the Senate.

Mr. LANGER. Mr. President, I ask unanimous consent that the bill introduced by the distinguished senior Senator from New York and the distinguished junior Senator from Montana and the remarks of the distinguished senior Senator from New York be printed as a Senate document, and that 25,000 copies be printed, so that Senators may be able to mail them all over the country in response to requests from their constituents.

The PRESIDENT pro tempore. The Chair is advised by the acting parliamentarian that such a request requires action by the Committee on Printing. The request should be referred to that committee.

Mr. LANGER. Will not that procedure be avoided, Mr. President, if unanimous consent is obtained?

The PRESIDENT pro tempore. The law requires reference of such a request. The Chair is advised that compliance with the Senator's request would violate the law.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LANGER. Can we not, by obtaining unanimous consent, avoid that?

The PRESIDENT pro tempore. Only by ignoring the law. The Chair will state to the Senator that the request should go to the Committee on Printing, and an estimate of the cost will have to be secured.

Mr. LANGER. Mr. President, a further parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LANGER. Am I to understand that before the Senate can take such action, the request must first be referred to the Committee on Printing?

The PRESIDENT pro tempore. Yes—for the reason that a law on the subject has been passed by the Congress, and the Senate cannot by unanimous consent overrule that law or disregard it.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 93. An act for the relief of Mary G. Marggraf;

S. 194. An act for the relief of Mrs. Glenn T. Boylston;

S. 498. An act for the relief of W. C. Wornhoff and Josephine Wornhoff;

S. 519. An act for the relief of the estate of Charles A. Straka;

S. 567. An act for the relief of Mrs. Freda Gullikson;

S. 645. An act to suspend until 6 months after the termination of the present wars section 2 of the act of March 3, 1883 (22 Stat. 481), as amended; and

S. 647. An act to authorize the Secretary of the Navy to convey to the State of Rhode Island, for highway purposes only, a strip of land within the naval advance base depot at North Kingstown, R. I.

The message also announced that the House had passed the bill (S. 938) to provide for emergency flood-control work made necessary by recent floods, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House insisted upon its amendment to the bill (S. 383) to provide for the further development of cooperative agricultural extension work, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FLANNAGAN, Mr. ZIMMERMAN, Mr. PACE, Mr. HOPE, and Mr. KINZER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 246. An act for the relief of L. S. Strickland;

H. R. 341. An act relating to the status of Keetoowah Indians of the Cherokee Nation in Oklahoma, and for other purposes;

H. R. 378. An act authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes;

H. R. 391. An act to amend section 342 (b) of the Nationality Act of 1940;

H. R. 1058. An act for the relief of W. A. Smoot, Inc.;

H. R. 1091. An act for the relief of Harold J. Grim;

H. R. 1243. An act for the relief of Mrs. C. J. Rhea, Sr.;

H. R. 1328. An act for the relief of Mrs. Cecilia M. Tonner;

H. R. 1547. An act for the relief of W. H. Baker;

H. R. 1599. An act to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.;

H. R. 1611. An act for the relief of Charles E. Surmont;

H. R. 1677. An act for the relief of Hires Turner Glass Co.;

H. R. 1725. An act for the relief of Mrs. Mary Surface Shaughnessy;

H. R. 1792. An act for the relief of the White Van Line, Inc., of South Bend, Ind.;

H. R. 1838. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of A. G. Bailey against the United States;

H. R. 1857. An act for the relief of the legal guardian of Mona Mae Miller, a minor;

H. R. 1947. An act to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms;

H. R. 1975. An act for the relief of Glassell-Taylor Co., Robinson and Young;

H. R. 2001. An act for the relief of Betty Ellen Edwards;

H. R. 2002. An act for the relief of Joseph Wyzynski;

H. R. 2158. An act for the relief of the Cowden Manufacturing Co.;

H. R. 2518. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of Eastern Contracting Co., a corporation, against the United States;

H. R. 2578. An act for the relief of Rufus A. Hancock;

H. R. 2699. An act for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson;

H. R. 2725. An act for the relief of Mrs. Lucile Manier, as administratrix of the estate of Joe Manier;

H. R. 2727. An act for the relief of the estate of Herschel Adams, deceased, and Pleas Baker;

H. R. 2730. An act for the relief of Mrs. Jane Strang;

H. R. 2754. An act to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma," approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States District Courts of the State of Oklahoma;

H. R. 2925. An act for the relief of Nelson R. Park;

H. R. 2949. An act to extend 5-year-level-premium-term policies for an additional 3 years;

H. R. 2951. An act to exempt certain members of the Economic Stabilization Board from certain provisions of the Criminal Code;

H. R. 2966. An act authorizing the President of the United States to award posthumously a special medal of honor to Franklin Delano Roosevelt;

H. R. 3074. An act for the relief of the heirs of Henry B. Tucker, deceased;

H. R. 3081. An act for the relief of August Svelund; and

H. R. 3102. An act to authorize the Administrator of Veterans' Affairs to employ on part time, clerks, stenographers, typists, and machine operators holding positions in other Federal departments and agencies, and for other purposes.

REPORT OF A COMMITTEE DURING THE ADJOURNMENT

Under authority of the order of the 21st instant,

Mr. OVERTON (for Mr. TYDINGS), from the Committee on Appropriations, to which was referred the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, reported it on May 22, 1945, with amendments, and submitted a report (No. 287) thereon.

CONDOLENCES ON DEATH OF FRANKLIN D. ROOSEVELT

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of State, enclosing copy of a despatch from the American Embassy at Quito, Ecuador, transmitting a resolution of the Ecuadoran Permanent Legislative Commission, expressing condolences on the death of Franklin D. Roosevelt, former President of the United States, which, with the accompanying papers, was ordered to lie on the table.

NINETEENTH REPORT OF LEND-LEASE OPERATIONS

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States of America:

I am transmitting herewith the nineteenth report of operations under the Lend-Lease Act for the period ending March 31, 1945.

On May 6, 1945, Nazi Germany capitulated to the combined forces of the United Nations. Lend-lease and reverse lend-lease as the basic mechanisms of combined Allied war supply made a vital contribution to that victory.

The defeat of Germany was the first objective of Allied military strategy. There remains, in the Pacific, another powerful and fanatical foe, the Japanese, who, in the never-to-be-forgotten and fateful Sunday of December 7, 1941, struck at Pearl Harbor in a treacherous blow against the peace and security of the world. They, too, must be taught that the peace and security of the world are sacred and not to be broken by any aggressor nation.

While the bulk of the United Nations forces were engaging the Nazis in Europe, Allied forces succeeded in piercing the perimeter of Japanese defenses and established the bases from which decisive offensives can be launched. Now all of the might and power of the United States, the British Empire, France, the Netherlands, and our other allies can be brought to bear, together with the Chinese forces, against Japan.

Long and costly as the struggle ahead may be, it has been immeasurably shortened by the system of lend-lease and reverse lend-lease. To crush Nazi and Japanese tyranny, we have sent overseas to join our allies on the battle front American fighting men equipped with the best weapons American ingenuity and skill can produce. They have been further strengthened through reverse lend-lease with all that they needed which our fighting allies could provide. Our fighting partners at the front had more men for the battle than they could supply and, through lend-lease, we sent the weapons, the food, and the material with which they could bear fully their burden of the battle.

We cannot measure the sacrifice and heroism of our American forces on the war front or the efforts of the men and women on the production front here at home. Nor can we measure the contribution to victory of those Allied fighting men who, with their own and lend-lease weapons, fought and fell, or the courage and valor of their people behind the lines who, steadfastly through long years under attack, produced the food and tools needed for victory. Each of the United Nations has contributed to the pool of fighting power in accordance with its abilities and capacities.

Adjustments and reductions in Allied war production and in the lend-lease program will be possible even as we and our allies throw augmented forces into the decisive offensives against the Japanese. The task of reconversion and reconstruction is commencing. At the same time lend-lease and reverse lend-lease must continue as a military necessity on the scale required to build the overwhelming power which alone can save American and Allied lives and bring an early and complete end to this terrible war.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 22, 1945.*

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, FEDERAL SECURITY AGENCY (S. DOC. NO. 49)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Security Agency, fiscal year 1946, amounting to $746,600, in the form of an amendment to the Budget for said fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

RESCISSIONS OF PORTION OF SEVERAL WAR AND WAR-RELATED APPROPRIATIONS

A communication from the President of the United States, transmitting for the consideration of the Congress proposed rescissions of portions of several war and war-related appropriations available for the fiscal year 1945, amounting to $92,119,000, and applying to the appropriations for a number of departments and agencies (with accompanying papers); to the Committee on Appropriations.

SUSPENSION OF THE DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report with a list of 643 individuals whose deportation has been suspended for more than 6 months under the authority vested in him (with an accompanying paper); to the Committee on Immigration.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT OF JUNE 25, 1938

A letter from the Acting Administrator of the Federal Security Agency, transmitting a draft of proposed legislation to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes (with an accompanying paper); to the Committee on Commerce.

PERSONNEL REQUIREMENTS

A letter from the executive assistant to the Secretary of Commerce, transmitting, pursuant to law, a revised estimate of personnel requirements for the ceiling unit "Miscellaneous Researches," National Bureau of Standards, for the quarter ending June 30, 1945 (with an accompanying paper); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Legislature of the State of New York; to the Committee on Education and Labor:

"Whereas it is vital to the successful prosecution of the war that maximum war production be maintained; and

"Whereas our wartime economy has demonstrated that the great bottleneck in our productive capacity is manpower and it is imperative that the use of all available manpower, regardless of race, color, or creed, should be promoted and guaranteed; and

"Whereas it is also of the greatest importance to provide and insure the fullest possible opportunities for employment to all discharged war veterans and displaced war workers throughout the war and postwar periods, without discrimination because of race, color, or creed; and

"Whereas to preserve and maintain our fundamental democratic principles and to assure the fullest possible utilization of our manpower resources, the President of the United States, by Executive Order No. 882, established Fair Employment Practice Committee which has greatly contributed to the reduction and elimination of discrimination in employment in war industries; and

"Whereas it is the sense of the people of the State of New York, manifested by the considered judgment of their duly elected representatives in the legislature, that the said committee could be made an even more effective instrumentality for the establishment and maintenance of sound, democratic employment practices and policies if it were made a permanent governmental agency, given legal status, and endowed with full power and authority in law to make and enforce its decisions; and

"Whereas the Congress of the United States has before it for consideration the Chavez bill, bearing Senate 101, which authorizes and provides for the establishment and operation of such a governmental agency: Now, therefore, be it

"*Resolved* (*if the senate concur*), That the Congress of the United States be and it is hereby respectfully memorialized to enact with all convenient speed appropriate legislation to establish a Fair Employment Practice Committee as a permanent governmental agency with adequate power and authority to accomplish the purposes of this resolution, and be it further

"*Resolved* (*if the senate concur*), That copies of this resolution be transmitted to the President of the United States, the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, and to each Member of the Congress of the United States duly elected from the State of New York, and that the latter be urged to devote themselves to the task of expediting and supporting the consideration and enactment of such legislation."

A concurrent resolution of the Legislature of Puerto Rico; to the Committee on Naval Affairs:

"House Concurrent Resolution 8

"Concurrent resolution to instruct the Resident Commissioner for Puerto Rico in Washington to request of the Congress of the United States the extension to Puerto Rico of various acts of Congress, and for other purposes

"Whereas the circumstance of Puerto Rico being an island constitutes a sufficiently powerful factor for the Legislature of Puerto Rico to wish to establish a School of Navigation for Officers of the Merchant Marine in Puerto Rico;

"Whereas the occupational possibilities that the establishment of a school of this kind would offer a part of our youth vocationally inclined, are obvious and unquestionable;

"Whereas it is reasonable that a school of navigation should enjoy, from the moment of its establishment in Puerto Rico, all such benefits as schools of the same order existing in continental United States, its possessions and territories, now enjoy by virtue of certain acts of Congress: Now, therefore, be it

"*Resolved by the House of Representatives of Puerto Rico* (*the Senate of Puerto Rico concurring*):

"First. To instruct the Resident Commissioner for Puerto Rico in Washington, as he is hereby instructed, to request of the Congress of the United States of America, in behalf of the Legislature of Puerto Rico, the extension to Puerto Rico of the following acts of Congress: 34 U. S. C. 1128, of March 3, 1901; 34 U. S. C. 1121, of March 4, 1911; 34 U. S. C. 1122, of March 4, 1911; 34 U. S. C. 1123, of March 4, 1911; in order to obtain for Puerto Rico the same benefits obtained by the Government of the Philippine Islands on June 30, 1906, through the act of Congress 34 U. S. C. 1124.

"Second. That a copy of this resolution be transmitted to the President of the United States of America, the presiding officers of both Houses of Congress, the Secretary of the Interior, and the Resident Commissioner for Puerto Rico in Washington."

A resolution of the Assembly of the State of California; to the Committee on Immigration:

"House Resolution 230

"Resolution relative to memorializing the President and the United States Senate to approve H. R. 776, authorizing the naturalization of Filipinos

"Whereas the blood and suffering of the past 4 years have evidenced, at great price, the unwavering loyalty of the Philippines to the United States; and

"Whereas for four long months on the peninsula of Bataan 75,000 Philippine troops, fighting side by side with Americans, held at bay a ruthless enemy which was fully equipped and four times their number, defending to the bitter end the flag and ideals of this country and rendering up 21,000 of their brave men to unidentified death; and

"Whereas, by this heroic stand, the United States was given time to prepare in Australia; and

"Whereas through the bitter years following the fall of Corregidor 18,000,000 Filipinos maintained their loyalty and devotion to this country in the face of untold destruction and suffering; and

"Whereas now, once again, Americans and Filipinos are fighting side by side with profound realization of their common bonds and ideals, grimly bent toward final victory; and

"Whereas as a token of this country's appreciation and in tribute to the people of the Philippines there has been passed by the House of Representatives, and is now before the Senate of the United States, H. R. 776, by Representative McGEHEE, to authorize the naturalization of Filipinos: Now, therefore, be it

"*Resolved by the Assembly of the State of California*, That the President and the Senate of the United States are hereby respectfully memorialized to approve H. R. 776 of the Seventy-ninth Congress, first session; and be it further

"*Resolved*, That the chief clerk is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, and to the two Senators from California in the Congress of the United States."

A memorial of the Legislature of the State of Florida; to the Committee on Military Affairs:

"House Memorial 5

"Memorial to the President and the Congress of the United States urging the immediate activating of the provisions of the Surplus Property Act of 1944, to secure the benefits as intended in said act to States and political subdivisions and their instrumentalities

"Whereas the Seventy-eighth Congress passed Public Law 457, the same being known as the Surplus Property Act of 1944; and

"Whereas it is provided in said act for the establishment of a Surplus Property Board; and

"Whereas section 13 of said act gives priorities to States and political subdivisions and instrumentalities thereof over all other disposals of property except transfers to Federal agencies; and

"Whereas there has been no material compliance made with the provisions of section 13 aforesaid for the benefit of the local governments, but on the contrary there has been evidence that the Board and Federal agencies charged with the administration of the Surplus Property Act are neglecting, failing, and refusing to discharge their duties as required by said act and, further, are discriminating against said local governments, has has been disclosed by recent investigations and events; and

"Whereas there have been disclosures of deliberate violations of the act pursuant to investigations by a special Senate committee of Congress, of the Board and of its activities; and

"Whereas it has been disclosed that the Board and its administrative agencies, in their refusal and failure to extend the priorities and benefits to States and political subdivisions and their instrumentalities, have deliberately and intentionally committed acts in violation and disregard of the Surplus Property Act and to the loss and injury of many local governments. Included among the violative acts of the Board and its administrative agencies was the enforcement of restrictive provisions that precluded the city of New York from making bids on a great deal of material that it wished to purchase. Certain surpluses were offered to local governmental agencies at prices above current market prices and then, after having been turned down, were sold at lower prices to private bidders, and other such instances of disposals whereby local governmental agencies were not given proper chance to purchase; and

"Whereas a Senate subcommittee has failed to find evidence that any procedure has been established to get a coordinated statement of the requirements of State and local governments, and this subcommittee has determined that the demands of the local government units are certain to be large; and

"Whereas there has been no system provided by the Board for establishing priorities to local governments as intended by said act, nor has there been set up any reasonable means whereby local governments can regularly receive information as to surplus properties that may be bought; and

"Whereas local governments should have, and were intended by the Surplus Property Act to have, priorities and first opportunity except as to Federal agencies to buy surplus properties; and

"Whereas the Surplus Property Act contemplated that pursuant to its provisions a system should be devised and put into operation that would permit local governments to secure the priorities and maximum benefits intended by said act; and

"Whereas the true intent of the act has been completely ignored to the disadvantage, loss, and injury of the States and political subdivisions and instrumentalities thereof: Now, therefore, be it

"*Resolved by the Legislature of the State of Florida:* 1. That the President of the United States is hereby petitioned to lend his Executive powers in requiring that the Surplus Property Board, as provided to be appointed by the President under the Surplus Property Act of 1944, take immediate action to correct the evils now practiced by said Board in its discrimination against the States and political subdivisions and instrumentalities thereof, and in its persistent refusal to comply with the requirements of the said act.

"2. That the Congress of the United States is hereby petitioned to make such further investigations of the administration of the Surplus Property Act of 1944, that may be necessary to determine the action by the Congress to correct the discriminations against the States and political subdivisions and instrumentalities thereof and to insure the priorities and benefits to these local governments and their agencies that were intended for them under the provisions of the said Surplus Property Act of 1944.

"3. That copies of this memorial be transmitted to the President of the United States, to the Speaker of the House, and President of the Senate in Congress and to each of Florida's representatives in both the House and Senate in Congress.

"4. That a copy of this memorial be spread upon the Journal of both the Senate and the House of Representatives of the State of Florida and that sufficient copies thereof be furnished to the press.

"Became a law without the Governor's approval.

"Filed in office, secretary of state, May 17, 1945.

QUIETING OF TITLES OF CERTAIN STATES TO LANDS BENEATH TIDE WATERS AND NAVIGABLE WATERS

Mr. MORSE. Mr. President, I present a resolution adopted by the State Land Board of the State of Oregon, relating to legislation quieting titles of certain States to lands beneath tide waters and navigable waters, and ask that it be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, as follows:

SALEM, OREG., *May 15, 1945.*

The State Land Board met in special session in the conference room of the executive office at 10:45 a. m.

"Whereas the State of Oregon, since its admission to the Union in 1859, has always claimed title and does now claim title to all of the tide land and submerged land along the coast of the State of Oregon and in the bays and harbors thereof and three nautical miles westward from the coast line in the bed of the ocean; also from the banks of any navigable stream from the point of mean high water along said banks; and

"Whereas the courts of this State and of the United States, through all of this period, have held the title to all tide and overflow lands below mean high water belonging to the State of Oregon; and

"Whereas the courts of the Nation and of the respective States which have passed upon this question have held, with complete uniformity, that each State, upon its admission to the Union, became vested by its sovereignty with the absolute ownership of all tide and overflow lands, unless any of such lands had been granted prior to Statehood into other ownership by a sovereign then having dominion over said tide and overflow lands prior to the acquisition of that territory by the United States; and

"Whereas there has been introduced into the Seventy-ninth Congress, first session, in the House of Representatives a joint resolution known as 'A joint resolution quieting titles of the States to lands beneath tidewaters and navigable waters': Now therefore, be it

"Resolved, That the State land board in special session, petitions its representatives in the Senate and the House of Representatives in the Congress of the United States to give their full support to the passage of the above-mentioned resolution quieting the title of all tide and overflow lands in the respective States to the States in which said lands are located; and be it further

"Resolved, That a certified copy of this resolution be sent to each Member of the Oregon delegation in the Congress of the United States."

No further business appearing, upon motion, the meeting was adjourned.

EARL SNELL, *Governor.*

By Mr. THOMAS of Oklahoma:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Agriculture and Forestry:

"House Concurrent Resolution 10

"Concurrent resolution directing the attention of the Agricultural Adjustment Administration to the construction of farm ponds on small farms, and asking a change of policy in their program so as to equalize this work and build ponds on small farm units in the same manner as they do on larger farms

"Whereas at the present time the Agricultural Adjustment Administration in carrying out its farm-pond program, seems to be and is building farm ponds on large farms and ranches and neglecting, failing, and refusing to build farm ponds on small farm units; and

"Whereas this program should extend to farm units of all sizes: Now, therefore, be it

"Resolved by the House of Representatives of the Twentieth Legislature of the State of Oklahoma (the honorable Senate concurring therein), That we demand of the Agricultural Adjustment Administration a modification of their farm-pond program so as to include small-farm units in a like manner as larger units and build ponds thereon in equal proportions; be it further

"Resolved, That the clerk of the house of representatives shall mail a certified copy of this resolution to the Agricultural Adjustment Administration, Washington, D. C., and to each member of the Oklahoma delegation in Congress."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"House Concurrent Resolution 17

"Concurrent resolution memorializing the Federal Government and its Veterans' Rehabilitation Administration to avail itself of the efficacy of mineral waters, known by the trade name of radium water, in the city of Claremore, Okla., in the treatment of our returning soldiers of this World War II who are returning as casualties of the conflict and who require hospitalization and treatment for wounds and nervous disorders.

"Be it resolved by the House of Representatives of the State of Oklahoma (the Senate concurring therein) that:

"Whereas our returning soldiers from the present conflict in World War II brings to us a great number of casualties and a great number of men who are suffering from wounds of various and sundry kinds received in the service, and an enormous number suffering from nervous disorders on account of such service; and

"Whereas there is in the city of Claremore, Okla., a certain mineral water the efficacy of which has been proven for nervous disorders and for the treatment of various and sundry disorders caused by long service and wounds received as a result thereof; and

"Whereas it has been established beyond the peradventure of a doubt that the use of such waters, together with such treatments as hydrotherapy and physiotherapy, would go far toward rehabilitating these men from the conditions which they have present; and

"Whereas the efficacy of such in such cases has gone beyond the speculative or experimental stages and are recognized by the leaders of the medical profession and are known to be a wonderful relief for such; and

"Whereas the said waters at the said city of Claremore flows in abundance and would be available for such purposes; and

"Whereas the Federal Government already has located at the city of Claremore a fine hospital under Government control and supervision, known as the United States Indian Hospital, and around and near which is an abundance of room for many other units for the hospitalization of returned soldiers; and

"Whereas the city of Claremore is located at the intersection of two main trunk-line railroads, the Missouri Pacific leading from Kansas City Mo., to Little Rock, Ark., and the St. Louis & San Francisco, leading from St. Louis, Mo., to Oklahoma City, Okla., and Texas, and located on the main street of America, U. S. Highway No. 66, and is easily accessible to all sections of the country: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oklahoma (the Senate concurring therein) That the Federal Government and its agencies having charge of such be and they are hereby memorialized to use such waters and their kindred treatments at the city of Claremore, within the State of Oklahoma, and to erect and maintain suitable quarters for such purposes adjacent to the said city as will enable the use of such waters for such purposes; be it further

"Resolved, That certified copies of this resolution be forwarded to the Veterans' Rehabilitation Administration of the Federal Government, to the War and Navy Departments of the United States, and a certified copy to each of the United States Senators and Congressmen of the State of Oklahoma at the Capitol of the United States."

By Mr. WHITE:

A petition of sundry citizens of Portland, Maine, praying for the enactment of legislation to prohibit the sale of alcoholic beverages of whatever content; to the Committee on Military Affairs.

By Mr. SALTONSTALL (for himself and Mr. WALSH):

Resolutions of the General Court of the State of Massachusetts; ordered to lie on the table:

"Resolution memorializing the Congress of the United States in favor of a Federal-State plan of establishing and developing a national system of airports

"Whereas there are now pending in the Congress of the United States certain bills intended to establish a national system of airports; and

"Whereas certain of these bills, particularly the Bailey bill, so-called (S. 34), and the McCarran bill, so-called (S. 2), in the Senate, and the Randolph bill, so-called (H. R. 4), in the House of Representatives, provide for the allotment of 25 to 50 percent of Federal appropriations for establishment and development of a national system of airports as direct aid to large municipalities for establishing and developing airports without regard to the interests of the States in which such communities are situated; and

"Whereas the States would have no control over such sums as might be allotted to municipalities for these purposes from the total of Federal appropriations but would be forced into competition with their larger municipalities for allotments of such funds to airports under State control; and

"Whereas the proposed direct allocation of large percentages of Federal appropriations for these purposes to municipalities is a departure from the established practice of allocating all grants-in-aid through the States, successfully followed since 1916 in the distribution of Federal appropriations in aid of highways and for other purposes; and

"Whereas the Council of State Governments, the Governors Conference, and the officers of the National Association of State Aviation Officials have joined in opposing the projected method of allocation on the ground that it is unnecessary, that it would complicate any sound plan for a national airport system, and would be likely to result in many abuses, particularly in the direction of increasing friction between the Commonwealth and such of its municipalities as might be eligible for direct aid under any of the proposed bills that might be enacted: Therefore be it

"Resolved, That the General Court of Massachusetts, believing that the proposals specified are unnecessary, unsound, and undesirable, hereby urges the Congress of the United States to provide, in any plan that it may adopt in aid of the establishment and development of a national airport system, that grants-in-aid shall be made only to and through the several States, and that no part of such grants shall be made direct to municipalities, no matter how large, in derogation of State interests and authority; and be it further

"Resolved, That the state secretary forthwith send copies of these resolutions to the President of the United States, to the Presiding Officers of both branches of Congress, and to all Members of Congress from Massachusetts."

PETITIONS FROM MARYLAND

Mr. BARKLEY. Mr. President, the senior Senator from Maryland [Mr. TYDINGS], who is absent on official business, has asked that certain petitions from citizens of Maryland be presented to the Senate and appropriately referred. In his name I present the petitions and ask that they be properly referred.

The PRESIDENT pro tempore. Without objection, the petitions will be received and appropriately referred.

By Mr. BARKLEY (for Mr. TYDINGS):
A resolution adopted by the city council of Baltimore, Md., commending the plan for a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history; to the Committee on the Library.

A resolution adopted by the board of directors of the Council of Churches and Christian Education of Maryland-Delaware, Inc., favoring adoption of the so-called Bretton Woods peace proposals; to the Commitee on Banking and Currency.

A resolution adopted by the Graphic Arts Association of Washington, D. C., protesting against the enactment of Senate bill 17, to prohibit the issuance of alcoholic beverage licenses in certain localities in the District of Columbia, to prohibit advertising the price of such beverages, and for other purposes; to the Committee on the District of Columbia.

Resolutions adopted by IWO Lodge No. 3871, Baltimore, Md., protesting the enactment of House bill 414, to reduce immigration quotas 50 percent; House bill 545, to end all immigration for 5 years after the termination of the present war, and House bill 677, to suspend immigration until the number of unemployed in the United States is less than 1,000,000; to the Committee on Immigration.

Resolutions adopted by IWO Lodge No. 3871, Baltimore, Mr., protesting the enactment of House bill 511, to eliminate the educational and literacy requirements for applicants for citizenship who are 50 years of age or older and who have lived here since before July 1, 1924; House bill 173, to permit the naturalization of natives of India, and House bill 776, to permit the naturalization of Filipinos; to the Committee on Immigration.

A memorial of sundry citizens of Baltimore, Md., remonstrating against the enactment of any prohibition legislation affecting the manufacture and sale of all fermented malt beverages; to the Committee on the Judiciary.

ST. LAWRENCE WATERWAY

Mr. WILEY. Mr. President, I present for appropirate reference and printing in the RECORD a resolution adopted by the mayor and common council of the city of Manitowoc, Wis., favoring the enactment of legislation to complete the St. Lawrence waterway between the Great Lakes and the Atlantic Ocean.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas the Wisconsin Legislature has adopted a resolution memorializing the President and the Congress of the United States to take such steps as are necessary to develop the Great Lakes-St. Lawrence waterway immediately upon termination of the war, and

Whereas the city of Manitowoc, having the finest harbor on the Great Lakes, is vitally interested in having the St. Lawrence waterway completed as soon as possible so that our city will receive all the benefits of increased shipping from our harbor: Now, therefore, be it

Resolved by the mayor and Common Council of the City of Manitowoc, That we urge our representatives in Congress to do all within their power to expedite the passage of necessary legislation to complete the St. Lawrence waterway between the Great Lakes and the Atlantic Ocean; be it further

Resolved, That copies of this resolution be sent to our Congressman from this district and to our United States Senators from the State of Wisconsin.

DEVELOPMENT OF RESOURCES OF THE MISSOURI RIVER—RESOLUTION OF NEBRASKA RECLAMATION ASSOCIATION

Mr. BUTLER. Mr. President, I present and ask to have printed in the body of the RECORD and appropriately referred a resolution adopted by the board of directors of the Nebraska Reclamation Association.

The resolution was referred to the Committee on Irrigation and Reclamation and ordered to be printed in the RECORD, as follows:

The board of directors of Nebraska Reclamation Association at its meeting at Lincoln, Nebr., this 11th day of May 1945, resolve as follows:

1. We note with interest, satisfaction, and approval the coordinated program projected jointly by the Army engineers and the Bureau of Reclamation for the development of the resources of the Missouri River area, and we favor prompt action by Congress for carrying those plans into effect.

2. We appreciate the evidence so far indicated that these agencies in the further development of detailed plans, propose to consult with organizations in the various States whose primary interest is in the development of these resources in conformity with the best interests of the various localities within the valley. By such consultation we believe there can be established a well coordinated program for the most effective beneficial use of our soil and water resources.

3. We anticipate that when the operational stage is reached means will necessarily have to be developed for the effective coordination of the various activities and the avoidance of conflict with State laws and vested irrigation rights thereunder.

4. We urge that in the development of future plans for the operation of the various facilities now in contemplation adequate representation on behalf of the people domiciled in the Missouri Valley be provided for and the greatest possible home-rule powers be reserved to the people in the valley consistent with the efficient functioning of the facilities developed.

THE PINE RIDGE INDIAN AGENCY, S. DAK.—LETTER FROM RUSHVILLE CHAMBER OF COMMERCE

Mr. BUTLER. Mr. President, I present and ask to have printed in the RECORD and appropriately referred a statement adopted by the Chamber of Commerce of Rushville, Nebr., relating to the Pine Ridge Indian Agency, of Pine Ridge, S. Dak.

The statement was referred to the Committee on Indian Affairs and ordered to be printed in the RECORD, as follows:

RUSHVILLE CHAMBER OF COMMERCE,
Rushville, Nebr., May 14, 1945.

To Whom It May Concern:

South Dakota residents have recently called it to our attention that a movement is on foot to displace certain Government officials, or personnel, including the Superintendent of Indian Affairs, Pine Ridge Agency, Pine Ridge, S. Dak., and to replace them with certain Indians.

This movement does not in any sense represent the sentiments of the majority; on the contrary, it seems to be promoted by a few self-seekers, ambitious for personal power and gain.

Observations of informants is to the effect that everyone concerned would be better off under the present set-up, with present officials, rather than risk the future of all in the hands of those unqualified few who are agitating this drastic movement.

The Rushville Chamber of Commerce desires to go on record with the statement that we feel that Superintendent W. O. Roberts, of the Pine Ridge Agency, and his very able fellow officials, are a definite asset not only to the agency but to the entire surrounding territory, including Rushville. He has proved to be the most cooperative agent in the history of the agency, ever willing to lend aid, both with advice and participation, in all community activities, and the citizens of Rushville feel deeply indebted to him for such aid in the past. The loss of Mr. Roberts would be felt in the entire territory, as well as within the agency, and to replace him, and others, with untried and unqualified personnel would defeat the very purpose of the Office of Indian Affairs, setting that department back 50 years in their endeavors.

The Rushville Chamber of Commerce feels that the proper procedure is to inform the various delegations of this movement, voicing our disapproval of it, requesting that these delegations then bring the matter to the attention of those in charge of Indian Affairs.

Respectfully yours,

RICHARD DAVID, O. D.,
President.
GENE M. LEAHY,
Secretary.

SUGGESTED CHANGES IN PRICE CONTROL ACT—RESOLUTION OF NORFOLK (NEBRASKA) CHAMBER OF COMMERCE

Mr. BUTLER. Mr. President, I present for printing in the RECORD and appropriate reference a resolution adopted by the Retail Trade Committee of the Norfolk (Nebraska) Chamber of Commerce, suggesting certain changes in the Price Control Act.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

Be it resolved by the retail trade committee of the Norfolk Chamber of Commerce, Norfolk, Nebr., That—

Whereas the present Price Control Act is now being studied by the House Committee on Banking and Currency of the United States Congress, and will be considered by the appropriate committee of the Senate of the United States Congress; and

Whereas certain provisions in said Price Control Act, and certain interpretations of said act work injustices and hardships upon retail merchants which in many instances are unfair and inequitable and should be corrected: Now, therefore, be it

Resolved by this body, That the following changes in the extension of the Price Control Act be made in order to assist in eliminating said injustices and inequalities:

1. The law provides that price ceilings shall be "generally fair and equitable." In administering the law OPA has "squeezed" the normal gross margins of retailers by forcing them to absorb increases in production costs while maintaining retail prices. Congress should define the term "generally fair and equitable" to prevent the present "squeeze" and insure price ceilings that are fair to all retailers under whatever business conditions may develop.

2. Permit the courts to use discretion as to granting injunctions in cases of purely technical or nonwillful violations that inevitably occur among billions of transactions.

3. Grant to the United States district and circuit courts, nearest the point of business of the petitioner, the right to review OPA decisions.

4. Extend the act to allow proper control over commercial rents in war emergency areas.

5. Renew the act for a 12-month period, not 18 months as proposed by others; be it further

Resolved, That a copy of this resolution be sent to Hon. HUGH BUTLER, and Hon. KENNETH S. WHERRY, United States Senators from Nebraska, and to Hon. KARL STEFAN, Member of Congress from the Third Congressional District of the State of Nebraska, urging their support for these proposed changes.

NATIONAL REPRESENTATION FOR THE PEOPLE OF THE DISTRICT OF COLUMBIA

Mr. CAPPER. Mr. President, I present and ask unanimous consent to have printed in the RECORD, with the signatures, and referred to the Committee on the Judiciary, a petition signed by officers of 37 organizations of the District of Columbia, including many of the principal business, labor, civic, educational, political, and social groups supporting Senate Joint Resolution 9, proposing an amendment to the Constitution of the United States granting a new power to the Congress with respect to the people of the District of Columbia. Under this new power the Congress, by subsequent legislation, would be enabled to grant to the people of the National Capital voting representation in the Congress and among the electors of President and Vice President.

In plain language, it would make it possible for these people to participate in the government of their country, just as truly as the Government of that country now requires them to fight, bleed, and die on its fields of battle and to bear all the civic burdens precisely as if they had a part in the Government.

The amendment for which these petitioners pray is a brief, clear-cut proposal which is strictly in harmony with the language and spirit of the Constitution. It opens the way for the United States to prove the sincerity of its demand that the people of all lands shall participate in the Government of their own country.

Adoption of this amendment is the first required step toward affording an opportunity to my friends on the other side of this Chamber to show their adherence to the plank in the Democratic Party national platform promising suffrage for the District of Columbia.

These petitioners are not asking that the control of the Congress over the seat of the National Government be taken away from Congress or in any way diminished. They are simply asking that the Congress through the amendment give to itself the power to make participating American citizens of our fellow countrymen marooned in this voteless and unrepresented realm. Congress would continue to hold and exercise every power over the District which it now possesses, the only difference being that after the exercise by Congress of the new power, the people here, through their duly elected Representatives and Senators, would be a part of that Congress.

Mr. President, this is a fundamental American proposal to grant to Congress a power over the Federal district which it should have possessed from the very beginning. Now, with the participation of nearly 100,000 from the District in the armed forces of our country in the greatest of all wars, it is time that we pause and ask ourselves if it is right, if it is American, to deny to those who fight our battles, who leave their homes and undergo hardships, are wounded and die, the same participation in the government of our country as possessed by those who serve from the States. They are all comrades in arms, comrades in danger and many are comrades in death—why should they not be comrades in exercise of peaceful participation in the government of their country?

The strangest experience in my long membership in the Senate is that I have never heard anyone give what could be considered as a valid reason for depriving these fine fellow Americans of our National Capital of their natural-born right of participation in the Government of our country. I ask Senators what reason or excuse can we give for prolonging this condition which is a contradiction of the most cherished principles of our government?

What an example to the people of all nations—the greatest democratic republic of all time preaching the doctrine of participation in government by all peoples of all lands and all the while maintaining a contradiction of that belief at its very heart. Senators, it is time that we match our practice with our preaching and remove this blot from the national escutcheon.

The PRESIDENT pro tempore. The petition presented by the Senator from Kansas will be received and appropriately referred.

The petition, with the signatures attached, was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

To the Congress of the United States:

Your petitioners, the Citizens' Joint Committee on National Representation for the District of Columbia, and the presidents of its constituent and cooperating organizations, whose names are subscribed below, hereby reaffirm the principles proclaimed by the founders of our Republic that "Taxation without representation is tyranny"; that "Governments derive their just powers from the consent of the governed"; and in order that "Government of the people, by the people, and for the people" may become an accomplished fact for all the people of the United States, respectfully represent:

"That the over one-half million totally disfranchised and unrepresented citizens of the United States resident in the District of Columbia, obey national laws, outnumber the residents of each of 12 States, and pay more national taxes than each of 29 of the States.

"That over two decades ago, when they outnumbered only six States, they supplied to the Army and Navy of the United States, a larger number of men than any one of seven of the States, and oversubscribed their quotas of all wartime funds.

"That again in the present war for the preservation of the principles of democracy and civilization as against depotism and barbarism thousands of these voteless and unrepresented Americans of the District of Columbia are now by voluntary enrollment and by draft serving in the armed forces of our country.

"That these, your fellow Americans, now have no voice in their National Government which requires them to fight, to bleed, and perhaps, to die.

"That as a fundamental right they are as justly entitled as are other Americans, to voting representation in the Congress and among the electors of President and Vice President.

"That the only sound reason which can be offered for any departure, in the case of the District of Columbia, from the fundamental American concepts of representative government is for protection of the national interest in the Nation's seat of Government, and then only to the extent required for such effective protection.

"That this protection of the national interest—coupled with recognition of the interest and rights of the people of the District—is provided in our proposed constitutional amendment which confirms in Congress continuing control of District representation so that both the Nation's and the District's interest may always be equitably protected.

"We, therefore, respectfully petition the adoption of House Joint Resolution 62 and the identical Senate Joint Resolution 9, which propose an amendment to the Constitution of the United States empowering Congress to grant the above sought relief to the citizens of the United States resident in the District of Columbia.

"THE PROPOSED AMENDMENT

"The Congress shall have power to provide that there shall be in the Congress and among the electors of President and Vice President members elected by the people of the District constituting the seat of Government of the United States, in such numbers and with such powers as the Congress shall determine. All legislation hereunder shall be subject to amendment and repeal."

Theodore W. Noyes, chairman, Citizens' Joint Committee on District of Columbia National Representation; E. Barrett Prettyman, president, Board of Trade; Wilbur S. Finch, president, Federation of Citizens' Associations (68 member groups); John Locher, president, Central Labor Union (151 local unions); Gertrude Parks, president, Federation of Women's Clubs (31 clubs); Alice B. Duffield, president, Voteless District of Columbia League of Women Voters; J. G. Bell, president, Merchants' and Manufacturers' Association; Clarence E. Kefauver, president, District of Columbia Building and Loan League; John J. Carmody, president, Bar Association; Nadine Lane Gallagher, president, Women's Bar Association; Raymond G. Dunne, president, Federation of Business Men's Associations (24 associations); Robert J. Buxbaum, president, Maryland State and District of Columbia Federation of Labor (293 local unions); Harry N. Stull, chairman, Inter-Federation Conference; Theodore W. Noyes, president, Association of Oldest Inhabitants; Roscoe Jenkins, president, Northeast Washington Citizens' Association; Lewis T. Breuninger, president, Washington Real Estate Board; Matt Meyer, president, Advertising Club of Washington; Mrs. Howard G. Nichols, president, Twentieth Century Club; Marguerite McD. Lucker (Mrs. John T.), president Women's City Club; Etta L. Taggart, president, Society of Natives of the District of Columbia; Elizabeth M. Cox, president Washington Zonta Club; Lillian Detre, president, Washington Section, National Council of Jewish Women; A. Julian Brylawski, president, Motion Picture Theater Owners of the District of Columbia; Jack Morton, president, Junior Board of Commerce; Abe Coonin, president, Associated Retail Credit Men of Washington, D. C.; E. B. Simms, president, Hotel Greeters of America, Charter 31; Neil Baird, president, Newcomers Club; Florence M. Meara, president, Soroptimist

Club; Etta L. Taggart, president, The Washingtonians; Hazel Fenning (Mrs. Karl), president, American Association of University Women, Washington branch; Leolin H. Neville-Thompson, department commander, Department of District of Columbia Veterans of Foreign Wars (15 posts); Lee R. Pennington, department commander, Department of District of Columbia American Legion (44 posts); John J. Saunders, president, District of Columbia Chapter, Rainbow Division of Veterans; Malcolm S. McConihe, Democratic National Committeeman for the District of Columbia; E. F. Colladay, Republican National Committeeman for the District of Columbia; Mrs. M. B. Fetzer, president, District of Columbia Congress of Parent-Teacher Associations (70 associations); Wilbur S. Finch, president, District of Columbia Suffrage Association.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAVEZ, from the Committee on Education and Labor:

S. 101. A bill to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry; without amendment (Rept. No. 290).

By Mr. BILBO, from the Committee on the District of Columbia:

H. R. 2875. A bill to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia"; with amendments (Rept. No. 288).

By Mr. JOHNSTON of South Carolina, from the Committee on the District of Columbia:

H. R. 2839. A bill to increase the salary of the executive secretary of the Nurses' Examining Board of the District of Columbia; without amendment (Rept. No. 289).

By Mr. WALSH, from the Committee on Naval Affairs:

S. 130. A bill to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia; with amendments (Rept. No. 291).

S. 716. A bill to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942; without amendment (Rept. No. 293).

S. 732. A bill for the relief of Ensign Elmer H. Beckmann, United States Naval Reserve; without amendment (Rept. No. 294).

S. 761. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset Hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944; without amendment (Rept. No. 295).

S. 822. A bill to reimburse certain Navy personnel for personal property lost or damaged in a fire at Naval Base Two, Rosneath, Scotland, on October 12, 1944; without amendment (Rept. No. 296).

S. 823. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944; without amendment (Rept. No. 297).

S. 824. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset Hut E-172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945; without amendment (Rept. No. 298).

S. 984. A bill to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes; without amendment (Rept. No. 292).

S. 1003. A bill to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances; without amendment (Rept. No. 299).

By Mr. JOHNSON of Colorado, from the Committee on Military Affairs:

S. 626. A bill for the relief of William D. Warren; without amendment (Rept. No. 300).

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

S. 1009. A bill to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect; without amendment (Rept. No. 301).

S. 1010. A bill to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect; without amendment (Rept. No. 302).

H. R. 1812. A bill to authorize an award of merit for uncompensated personnel of the Selective Service System; without amendment (Rept. No. 303).

H. R. 2322. A bill to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve forces of the Army on active duty in 1916 and 1917; without amendment (Rept. No. 304).

H. J. Res. 136. A joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt Fund; without amendment (Rept. No. 305).

By Mr. MYERS, from the Committee on Naval Affairs:

S. 727. A bill for the relief of the commissioned officers of the United States ship *St. Louis* during the Spanish-American War, May 18, 1898, to September 2, 1898; with an amendment (Rept. No. 306).

By Mr. GEORGE, from the Committee on Finance:

H. R. 1044. A bill for the relief of Marlin-Rockwell Corporation with respect to the jurisdiction of The Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act; without amendment (Rept. No. 307).

By Mr. STEWART, from the Committee on Interoceanic Canals:

H. R. 2125. A bill to amend the Canal Zone Code; without amendment (Rept. No. 308).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon pursuant to law.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—EMPLOYMENT IN EXECUTIVE BRANCH OF GOVERNMENT

Mr. BYRD. Mr. President, from the Joint Committee on Reduction of Nonessential Federal Expenditures, I present a report on civilian employment in the executive branch of the Federal Government for the month of April 1945.

The total number of paid employees for April 1945 is 3,002,258, excluding 429,173 employees of the War Department stationed outside the continental United States as of December 31, 1944. The grand total of employees within and outside the continental United States is 3,431,431 as of April 30, 1945.

The grand total of employees stationed outside continental United States reported for April 1945 is 548,577. Of this figure, 429,173 are employees of the War Department and the remaining 119,404 are reported by other departments and agencies.

During the month of April 1945, 40 departments and agencies decreased by 21,844 employees, while 22 departments and agencies increased by 10,083, making a net decrease of 11,761 for the month of April.

The following departments and agencies show the greatest reductions: War Department, 11,691; Navy Department, 6,830; Commerce Department, 696; and Office of Censorship, 477.

Those departments and agencies which increased during the month of April are as follows: Post Office Department, 2,880; Agriculture Department, 1,891; Veterans' Administration, 1,751; and Office of Price Administration, 788.

It is worth noting that the national war agencies alone show a net increase of 917. This added to the net increase of 639 shown in the March report amount to 1,556 additional employees being placed on the already overburdened Federal pay roll, in the last 60 days. The committee feels that such increases are not essential toward the war effort.

The increases in such agencies as Office of Price Administration which is a total of 1,359 for the months of March and April should be noted. This increase is more than the total employment of the Securities and Exchange Commission—1,158—and is equivalent to adding another agency to the spreading bulk of existing Government. That is not all. The increase for the War Manpower Commission for the same 2 months amounted to 523 and the Office of Strategic Services, though it showed a decrease of 82 for March now comes up with an increase of 340 employees for April.

This amounts to a net increase in the war agencies, for 2 months, of 2,222. On the basis of the average per annum salary of Federal employees the cost of employment for this increase in personnel would equal the purchase of 272,565 War bonds of the $25 denomination which would supply funds enough to secure 567,844 "Mae Wests" for use in fighting the Japanese war.

The above figures show that steps should be taken to bring about the elimination of all nonessential civilian employees. However, those emergency war agencies that have succeeded in reducing personnel are to be commended. This commendation is further extended to those departments that reduced personnel. Since these departments, as regular established organizations, not only perform wartime duties but must also perform the regular nonwar activities as well, should serve as an example to the war agencies.

I ask unanimous consent that the report be printed in the body of the RECORD.

There being no objection, the report submitted by Mr. BYRD was ordered to be printed in the RECORD, as follows:

REDUCTION IN NONESSENTIAL FEDERAL EXPENDITURES

Civilian employment of the executive branch of the Federal Government, by departments and agencies, for the months of March and April 1945, showing the increases and decreases in number of paid employees

Department or agency	March 1945	April 1945	Increase (+) or decrease (−)
EXECUTIVE OFFICE OF THE PRESIDENT			
Bureau of the Budget	588	581	−7
DEPARTMENTS			
Agriculture Department	78,550	80,441	+1,891
Commerce Department	29,963	29,267	−696
Interior Department	41,849	42,259	+410
Justice Department	27,257	27,004	−253
Labor Department	6,431	6,135	−296
Navy Department	760,603	753,773	−6,830
Post Office Department [1]	376,127	379,007	+2,880
State Department	10,042	10,291	+249
Treasury Department	96,365	96,037	−328
War Department [2]	1,176,332	1,164,641	−11,691
NATIONAL WAR AGENCIES			
Committee on Fair Employment Practice	140	140	
Foreign Economic Administration	6,419	6,457	+38
National War Labor Board	3,756	3,703	−53
Office of Alien Property Custodian	784	773	−11
Office of Censorship	9,458	8,981	−477
Office of Civilian Defense	106	102	−4
Office of Contract Settlement	61	66	+5
Office of Defense Transportation	3,525	3,462	−63
Office of Economic Stabilization	12	13	+1
Office of Inter-American Affairs	1,273	1,262	−11
Office of Price Administration	62,593	63,381	+788
Office of Scientific Research and Development	1,338	1,326	−12
Office of Strategic Services	2,585	2,925	+340
Office of War Information	9,687	9,679	−8
Office of War Mobilization	164	188	+24
Petroleum Administration for War	1,025	1,008	−17
Selective Service System	19,040	18,980	−60
Smaller War Plants Corporation	1,853	1,874	+21
War Manpower Commission	28,043	28,393	+350
War Production Board	12,677	12,667	−10
War Shipping Administration	5,307	5,383	+76
INDEPENDENT AGENCIES			
American Battle Monuments Commission	1	1	
Civil Aeronautics Board	348	336	−12
Civil Service Commission	7,423	7,696	+273
Employees' Compensation Commission	512	507	−5
Export-Import Bank of Washington	59	58	−1
Federal Communications Commission	1,556	1,539	−17
Federal Deposit Insurance Corporation	1,482	1,438	−44
Federal Power Commission	657	648	−9
Federal Security Agency	31,643	31,850	+207
Federal Trade Commission	438	436	−2
Federal Works Agency	20,730	20,485	−245
General Accounting Office	13,081	13,143	+62
Government Printing Office	7,022	6,976	−46
Interstate Commerce Commission	2,015	1,991	−24
Maritime Commission	11,674	11,464	−210
National Advisory Committee for Aeronautics	6,604	6,646	+42
National Archives	334	323	−11
National Capital Housing Authority	225	225	+1
National Capital Park and Planning Commission	18	17	−1
National Gallery of Art	258	254	−4
National Housing Agency	16,073	15,769	−304
National Labor Relations Board	789	792	+3
National Mediation Board	107	97	−10
Panama Canal	29,516	29,693	+177
Railroad Retirement Board	1,907	1,886	−21
Reconstruction Finance Corporation	10,764	11,258	+494
Securities and Exchange Commission	1,158	1,154	−4
Smithsonian Institution	414	412	−2
Tariff Commission	291	288	−3
Tax Court of the United States	120	119	−1
Tennessee Valley Authority	13,153	13,112	−41
Veterans' Administration	59,694	61,445	+1,751
Total [3 4]	3,014,019	3,002,258	−21,844 / +10,083
Net decrease			−11,761
War Department [5]	429,173	429,173	
Grand total	3,443,192	3,431,431	

[1] Includes several thousand employees who work only a few hours daily.

[2] Does not include employees stationed outside continental United States.

Civilian employment of the executive branch of the Federal Government—Continued

[3] Includes employees stationed outside continental United States as reported by various departments and agencies excepting the War Department; totals, March, 119,369; and April, 119,404.

[4] Does not include such employees formerly reported in a terminal leave status.

[5] Employees stationed outside continental United States reported quarterly as of Dec. 31, 1944.

NOTE.—Employment figures now reported to the committee include dollar-per-annum and without-compensation employees of the consultant-expert type who are authorized to receive per diem in lieu of subsistence.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

S. 1041. A bill conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claim of Mrs. Velma G. Turner, as successor trustee to Allen W. Turner, for the uses and benefit of Allen W. Turner, Jr., under deed executed October 13, 1931, recorded in book 401, page 368, clerk's office, Bibb Superior Court, and/or Allen W. Turner, Jr., of Macon, Georgia; to the Committee on Claims.

By Mr. BAILEY:

S. 1042. A bill to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes; to the Committee on Commerce.

By Mr. THOMAS of Oklahoma:

S. 1043. A bill to set aside certain lands in Oklahoma in trust for the Indians of the Kiowa, Comanche, and Apache Indian Reservation; to the Committee on Indian Affairs.

By Mr. THOMAS of Oklahoma (by request):

S. 1044. A bill to authorize the use of certain lands of the United States for flowage in connection with providing additional storage space in the Pensacola Reservoir of the Grand River Dam project in Oklahoma, and for other purposes; to the Committee on Indian Affairs.

By Mr. WALSH:

S. 1045. A bill to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of underage at the time of enlistment, and for other purposes; and

S. 1046. A bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. MORSE:

S. 1047. A bill conferring jurisdiction upon the United States Court of Claims with respect to suit numbered E–344 entitled "Klamath and Modoc Tribes and Yahooskin Band of Snake Indians versus United States," and for other purposes; to the Committee on Indian Affairs.

By Mr. ELLENDER (by request):

S. 1048. A bill for the relief of A. M. Strauss; to the Committee on Claims.

(Mr. McCLELLAN introduced Senate bill 1049, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

(Mr. WAGNER (for himself and Mr. MURRAY) introduced Senate bill 1050, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. BARKLEY (for Mr. TUNNELL):

S. 1051. A bill for the relief of William J. Simpson;

S. 1052. A bill for the relief of John E. McBride; and

S. 1053. A bill for the relief of John R. Rogers, Sr.; to the Committee on Claims.

By Mr. STEWART:

S. 1054. A bill to amend the Emergency Price Control Act of 1942, as amended, with respect to maximum prices for foodstuffs; to the Committee on Banking and Currency.

S. 1055. A bill for the relief of the estate of Charlie South and Mrs. Charlie South; to the Committee on Claims.

S. 1056. A bill to prohibit the naturalization of aliens until 6 months after the termination of the war; and

S. 1057. A bill to establish a Bureau of Immigration and Naturalization as an independent agency of the United States, and for other purposes; to the Committee on Immigration.

By Mr. WILEY:

S. J. Res. 68. A joint resolution to provide for designation and appointment of June 10 as Lidice Day; to the Committee on the Judiciary.

By Mr. STEWART:

S. J. Res. 69. A joint resolution to provide for the preparation and publication as an official document of railroad cost scales or tables and related information; to the Committee on Interstate Commerce.

TERMS OF OFFICE OF CERTAIN GOVERNMENT OFFICERS

Mr. McCLELLAN. Mr. President, I introduce a bill to fix the terms of office of all officers of the Federal Government other than Cabinet members, judges, and officers of the uniformed services and postmasters, at a term of 2 years.

If the bill is enacted into law I think it will bring the administrative departments of government under closer supervision and control of the Congress, in that each 2 years all appointive administrative officers of the Government will come up for reappointment, and for reconfirmation by the Senate of the United States, and thus the legislative branch of the Government, the Congress, will be able to keep better supervision and control of the administrative agencies of the Government.

Mr. President, in view of the subject matter dealt with by the bill, I think the

Committee on the Judiciary is the appropriate committee to which to have it referred.

There being no objection, the bill (S. 1049) to fix the terms of office of all officers of the Federal Government, other than Cabinet members, judges, and officers of the uniformed services, and postmasters at 2 years, was read twice by its title and referred to the Committee on the Judiciary.

AMENDMENTS TO LEGISLATIVE APPROPRIATION BILL

Mr. HATCH submitted an amendment intended to be proposed by him to the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, which was ordered to lie on the table and to be printed, as follows:

There shall be paid to each Senator, after January 2, 1945, an allowance of $2,500 per annum for the purpose of increasing the compensation of Senators; to defray expenses incurred in the discharge of official duties and until a general readjustment of salaries and expenses can be made. Actual expenses of Senators related to or resulting from the discharge of their official duties (including expenses for travel, lodging, and subsistence while away from their State domiciles in the performance of their official duties) shall be deductible for income-tax purposes. For making such payments through June 30, 1946, $358,667, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

Mr. McKELLAR submitted amendments intended to be proposed by him to House bill 3109, the legislative appropriation bill, which were ordered to lie on the table and to be printed, as follows:

On page 3, line 19, strike out "$3,600" and insert "$4,500"; and

On page 3, line 21, strike out "$3,120" and insert "$3,800"; and

On page 3, line 9, strike out "$5,000 and $1,500 additional" and insert "$8,500."

Mr. BURTON submitted amendments intended to be proposed by him to House bill 3109, the legislative appropriation bill, which were ordered to lie on the table and to be printed, as follows:

On page 14, line 6, strike out "$4 per day" and insert "$5 per day."

On page 14, line 7, strike out "$15,204" and insert "$19,005."

On page 14, line 7, strike out "$279,494" and insert "$283,295."

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT

Mr. BURTON submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraphs 1 and 4 of rule XVI for the purpose of proposing to the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, the following amendment, namely: On page 14, line 6, to strike out "$4 per day" and insert "$5 per day"; in line 7, to strike out "$15,204" and insert "$19,005", and strike out "$279,494" and insert "$283,295."

Mr. BURTON also submitted an amendment intended to be proposed by him to House bill 3109, the legislative appropriation bill, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

PARTICIPATION OF UNITED STATES IN INTERNATIONAL MONETARY FUND, ETC.—AMENDMENTS

Mr. THOMAS of Oklahoma. Mr. President, I submit two amendments intended to be proposed by me to the bill (S. 540) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development. I ask that they be referred to the Committee on Banking and Currency and printed in the RECORD.

There being no objection, the amendments were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

On page 4, line 7, before the period, insert a colon and the following: *"Provided*, That the Secretary of the Treasury is authorized to coin coins containing an ounce of gold, such coins to contain 480 grains of pure gold (Troy weight) and to contain sufficient alloy to make them nine-tenths fine and to weigh 35 times the weight of a gold dollar containing 15 5/21 grains of gold nine-tenths fine."

On page 4, line 23, before the period, insert a colon and the following: *"Provided*, That the Secretary of the Treasury is directed to use all silver in the Treasury not held as security for outstanding currency of the United States and all silver which may from time to time come into the Treasury to pay that part of the subscription of the United States to such International Monetary Fund which is not required to be paid in gold under the provisions of the Articles of Agreement of the International Monetary Fund: *Provided further*, That all silver which may be paid into such International Monetary Fund shall be valued in terms of gold from day to day on the basis of the commercial or fair world value per ounce of such silver and on such basis such silver shall be regarded as the full equivalent of gold: *Provided further*, That nothing herein shall be deemed to affect the obligation of the United States to pay in gold to such International Monetary Fund that portion of its subscription thereto required under the terms of such agreement to be paid in gold."

CHANGE OF REFERENCE—ANNIE L. NESBITT AND OTHERS

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Committee on Interoceanic Canals be discharged from the further consideration of the bill (S. 96) for the relief of Annie L. Nesbitt and others, and that it be referred to the Committee on Claims. I have conferred with the chairman of the Committee on Interoceanic Canals and the proposed change is perfectly satisfactory to him.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the change of reference will be made as requested by the Senator from Louisiana.

REQUEST FOR RETURN OF A BILL FROM THE HOUSE

Mr. ELLENDER. Mr. President, on the 21st instant, the Senate passed the bill (H. R. 1260) for the relief of Dr. Walter L. Jackson and City-County Hospital. I understand that the matter involved in the measure has been settled, and instead of passing the bill the Senate should have indefinitely postponed it. Therefore, I ask unanimous consent that the House be requested to return the bill to the Senate, and I desire to enter a motion to reconsider the vote by which the bill was passed.

The PRESIDENT pro tempore. Without objection, the House will be requested to return the bill to the Senate, and the motion to reconsider the bill will be entered.

PRINTING OF REVIEW OF REPORT ON MONTEREY BAY, CALIF. (S. DOC. NO. 50)

Mr. BAILEY. Mr. President, I present a letter from the Secretary of War, transmitting a report dated January 25, 1944, from the Chief of Engineers, United States Army, together with accompanying papers and an illustration, on a review of report on Monterey Bay, Calif., with a view to improvement of Moss Landing, and I ask unanimous consent that it may be referred to the Committee on Commerce and printed as a Senate document, with an illustration.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DAYLIGHT-SAVING TIME

Mr. WILSON (for himself and Mr. HICKENLOOPER) submitted the following concurrent resolution (S. Con. Res. 18), which was referred to the Committee on Interstate Commerce:

Resolved by the Senate (the House of Representatives concurring), That in accordance with the provisions of section 2 of the act entitled "An act to promote the national security and defense by establishing daylight-saving time," approved January 20, 1942, the Congress hereby designates the date on which the two Houses of the Congress concur in the provisions of this concurrent resolution as the date on which such act shall cease to be in effect.

HOUSE BILLS REFERRED OR ORDERED PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred or ordered to be placed on the calendar, as indicated:

H. R. 246. An act for the relief of L. S. Strickland;

H. R. 1058. An act for the relief of W. A. Smoot, Inc.;

H. R. 1091. An act for the relief of Harold J. Grim;

H. R. 1243. An act for the relief of Mrs. C. J. Rhea, Sr.;

H. R. 1328. An act for the relief of Mrs. Cecilia M. Tonner;

H. R. 1547. An act for the relief of W. H. Baker;

H. R. 1611. An act for the relief of Charles E. Surmont;

H. R. 1677. An act for the relief of Hires-Turner Glass Co.;

H. R. 1725. An act for the relief of Mrs. Mary Surface Shaughnessy;

H. R. 1792. An act for the relief of the White Van Line, Inc., of South Bend, Ind.;

H. R. 1828. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of A. G. Bailey against the United States;

H. R. 1857. An act for the relief of the legal guardian of Mona Mae Miller, a minor;

H. R. 1975. An act for the relief of Glassell-Taylor Co., Robinson and Young;

H. R. 2001. An act for the relief of Betty Ellen Edwards;

H. R. 2002. An act for the relief of Joseph Wyzynski;

H. R. 2158. An act for the relief of the Cowden Manufacturing Co.;

H. R. 2518. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of Eastern Contracting Co., a corporation, against the United States;

H. R. 2578. An act for the relief of Rufus A. Hancock;

H. R. 2699. An act for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson;

H. R. 2725. An act for the relief of Mrs. Lucile Manier, as administratrix of the estate of Joe Manier;

H. R. 2727. An act for the relief of the estate of Herschel Adams, deceased, and Pleas Baker;

H. R. 2730. An act for the relief of Mrs. Jane Strang;

H. R. 2925. An act for the relief of Nelson R. Park;

H. R. 3074. An act for the relief of the heirs of Henry B. Tucker, deceased; and

H. R. 3081. An act for the relief of August Svelund; to the Committee on Claims.

H. R. 341. An act relating to the status of Keetoowah Indians of the Cherokee Nation in Oklahoma, and for other purposes;

H. R. 378. An act authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes; and

H. R. 2754. A bill to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma", approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States District Courts of the State of Oklahoma; to the Committee on Indian Affairs.

H. R. 391. A bill to amend section 342 (b) of the Nationality Act of 1940; to the Committee on Immigration.

H. R. 1599. A bill to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.; ordered to be placed on the calendar.

H. R. 2949. A bill to extend 5-year-level-premium-term policies for an additional 3 years; to the Committee on Finance.

H. R. 2951. A bill to exempt certain members of the Economic Stabilization Board from certain provisions of the Criminal Code; to the Committee on the Judiciary.

H. R. 2966. A bill authorizing the President of the United States to award posthumously a special medal of honor to Franklin Delano Roosevelt; to the Committee on the Library.

H. R. 3102. A bill to authorize the Administrator of Veterans Affairs to employ on part time, clerks, stenographers, typists, and machine operators holding positions in other Federal departments and agencies, and for other purposes; to the Committee on Civil Service.

THE PURPLE HEART—LETTER TO GENERAL MACARTHUR

Mr. MOORE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed to Gen. Douglas MacArthur by John W. Anderson, which has been reprinted from the Gen. Douglas MacArthur edition of the Purple Heart, the official organ of the Military Order of the Purple Heart, and adopted as a creed by that organization. It represents a fine expression of my own philosophy of the American Government.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR GENERAL MACARTHUR: The world knows you not only as a skillful militarist but also as a devout humanitarian. Out of these and other commanding qualities has come your greatness as a general.

Those who have served America and humanity at your command know well that nothing within your resources will ever be left undone to heal and help those wounded in any cause for which you fight.

But neither the warmth of your great heart, nor hatred for the beasts that seek to break it, will alone suffice to bring to bearers of the Purple Heart that comfort and security their sacrifice has won for them their right to earn.

That millions of grateful hearts may bleed for him, sincerely and in deepest sympathy, can never satisfy the longing of the bearer of the Purple Heart for the proud right to feel a part of what goes on in our America—and, too, the prouder right to know that what he gives to neighbors measures, according to his strength, a fair return for what those neighbors give to him.

All must return to civil life—to renew such hopes and to resume such helpful tasks as their remaining years and strengths permit. That these honored casualties of war may not become the hopeless wreckage of a helpless industrial economy, confused by false doctrines and bedeviled by an entrenched bureaucracy, is a responsibility of no one man—but of our entire citizenry.

The sacrificial heart that conquers seething jungles and its venomous Japs is the same stout heart that learned its sportsmanship—and built its strengths and skills—in the eager competitions of the sandlots and the open enterprises of our free America.

America was born in the blood of productive peoples made desperate by prolonged extortions. Men fought and died that children might go free.

As your brave soldiers fight today they learn again, the bitter way, the ruthless crimes of men gone wild with overmuch authority—as petty men so often do.

The children of America today are the controlling citizens of its tomorrow. What they believe, today, shapes the America to come.

For America lies not in her waters and her fields—not in her mines and factories. Those are but the workshops and the playgrounds of America.

America lies instead in the minds and hearts of her people. As their faith endures, her traditions hold fast. As their courage lives, there is sustained her will to fight aggression—whether from without, and armed with guns, or from within, and armed with false philosophies.

Our America will survive only through the determination of succeeding generations of her people to permit, along her road to higher destiny, no meddlesome hitchhikers, eager to grab the steering wheel of government and throw away the maps that brought her safely where she is today.

There are among us deluded men who teach that we should shackle now, at home, that courage which, inspired by the inducements of our open enterprise, has built that tough creative and productive muscle which, twice now in less than half a century, has helped free men to turn the tide against enslaving tyrannies.

There are among us faltering men who teach that the peacetime tasks of our citizens, tomorrow, will exceed their understanding—and their strength. They plead for acquiescence in their witless plans, by which all citizens would share alike, and eat, what cake there is—while those among us skilled in failure mix and bake another batch by history's repeatedly discarded recipes.

Thus is defined, for our returning champions, a task no less important than today's defense by them against armed foreign gangsters bent upon destruction of all liberty, wherever found.

May the contagious courage of returning bearers of the Purple Heart, and of their comrades, so inspire our faltering people as to lift them far above the deadly teachings of fanatical impracticals. May that same courage, by example, set our Nation firmly on the road to new and limitless frontiers unveiled for us from day to day by patient men of science and invention.

Our debt to you, Stout General, is measured not alone in lands reconquered and in enemies destroyed. Just as your courage and resourcefulness inspire your soldiers to heroic deeds so you, and your companion immortals leading our fight at other battlefronts, lift to new heights the courage of our people to achieve all things which strengthen our America.

And may she be full strong to meet that sacrificial hour which comes again as there is ended, in stupidity and greed of unredeemed humanity, the next long armistice.

May your strength endure—and may your tribe increase.

JNO. W. ANDERSON.

GARY, IND., *December 1944.*

STATE-WIDE PLANNING OF VETERANS' EDUCATION

Mr. CHAVEZ. Mr. President, I present for printing in the RECORD and appropriate reference a digest with comments on "Data for State-Wide Planning of Veterans' Education," prepared by Ernest V. Hollis at the request of the chairman of the Senate Committee on Education and Labor.

There being no objection, the matter was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

VETERANS WILL STUDY TO UP-GRADE EMPLOYABILITY

(A digest with comments on Data for State-Wide Planning of Veterans' Education, (United States Office of Education Bulletin 1945, No. 4, by Ernest V. Hollis), prepared by the author at the request of the chairman of the Senate Committee on Education and Labor. The bulletin is based on data supplied by the War Department and on published material from other agencies.)

Most veterans will want new or better jobs when they return to the civilian labor force. Fortunately situated men have worked to that end while in the armed forces. Many of these and their comrades expect to give full or part time to preparing for a career when they are eligible for benefits under the GI bill of rights or Public Law 16. Without this aid most veterans would have to return to their old jobs or seek one in a labor market in which they never had a place and for which they likely are not prepared.

According to the War Manpower Commission less than one-fourth of the 1,500,000 men and women who have been separated from the armed forces have returned to their old jobs. The proportion is expected to decline as the younger men and women who never had a permanent job are demobilized. In fact, it must be remembered, the provision in the Selective Service Act which guarantees the veteran his old job was enacted before we entered the war and on the assumption that after a year of military training the individual would return to civilian life. It would be unrealistic to expect ambitious young men who had their feet no higher than the first rung of the employment ladder when they entered the armed forces to return willingly

to jobs as farm hands, messengers, clerks, waiters, filling station attendants, and the like. In 4 or 5 years of war many of them have attained recognition for the technical or leadership qualifications they possess. They are, of course, ambitious to have comparable status in postwar civilian life and many are willing to pay the price in additional education and training that is required for the careers they envision.

A poll of 20,000 soldiers in every major theater of the war, made by the Research Branch of the War Department's Information and Education Division, shows two-thirds of the white troops have definite plans for a better postwar career, and that an additional 17 percent have tentative plans. About half of the Negro troops have definite career plans. Immediately or after further education and training, it is estimated that of an expected veteran population of fourteen or fifteen million men and women approximately a million men (7 percent) will enter or return to business for themselves, most of them taking advantage of the loan provision of the GI bill of rights; in a like manner, 850,000 men (6 percent) plan to own and operate farms. In round numbers, 750,000 (5 percent) say they expect to secure or return to jobs in National, State, and local government. The nearly four-fifths remaining are planning careers in the professions, return to private business as employees, and careers in the armed forces.

In preparation for these careers, the Army poll indicates that roughly a million (7 percent) of the fourteen to fifteen million men and women mentioned in the preceding paragraph may be expected to return to school and college full time for some period of education and training. An additional two and a half million (18 percent) servicemen are expected to study part time. Age and previous education are the important considerations in predicting who actually will resume formal schooling. Over 90 percent of the men who said they definitely plan to return to school and college full time were under 25 years of age, 90 percent had the formal requirements to enter or resume college work, 93 percent were unmarried. Four-fifths of the men had all three characteristics, and all but 3 percent had at least two of them.

However, one-third of the men who were eligible to return to college said they expected to take vocational training without regard for whether it was college-level work. Servicemen who plan to upgrade their employability through attending school part time while holding a job, follow a different pattern from that just described. Two-thirds of this group were under 25 years of age and unmarried, and half of them were eligible for college work. Two-thirds of those eligible for college work said they also intended to take vocational courses.

What would the national education and training picture be like if all men and women in the armed forces should distribute themselves after the fashion of the sample of 20,000 men? Even the outline of an answer is of crucial importance to those groups in each State who are responsible for planning education, training, and employment for veterans. Moreover, it is a matter of concern to all laymen who assume that the postwar economic and cultural program of the United States will be influenced significantly by veterans.

Through the cooperation of the War Department it has been possible to prepare for planning bodies a series of tables that show by States and regions the age and education of 7,144,401 enlisted men. These tables also show the education of 729,193 officers. At the end of 1944 the national distribution shows 47 percent of the enlisted men were 26 years of age and older. If they follow the sample polled, this group will not furnish more than 10 percent of the men who return for schooling. Therefore, the nature, size, and incidence of veterans in the school population is more likely to be learned from a study of the previous education of the 53 percent 25 years of age and under who, according to the poll, are likely to furnish 90 percent of the men returning for full-time schooling and two-thirds of those who expect to study part time.

One of the first jobs of planning groups and interested spectators is to estimate how many of the veterans who plan to come back for training will have completed elementary school, high school, and college. This will need to be done by States as well as for the Nation as a whole, because the responsibility for providing education rests with the States individually. After that, planners can make a calculated guess as to what veterans will want to study and can begin to develop and coordinate facilities for that purpose. Table 1 (from U. S. Office of Education Bulletin, 1945, No. 4), which accompanies these comments, shows a considerable variation among the States in the proportion of men at the several levels of education. Table 2 provides a key for estimating the number from each category who are likely to want further schooling. In general, table 2 shows that up to college graduation the more education the men had when they entered the Army the greater the likelihood of their returning to school. It is, of course, recognized that academic credit for military courses and experience will enable many of the men to return to school at levels higher than their preservice formal education indicates. It is also probable that a greater percentage than is indicated of the men with less than high-school education will return to school; men at these levels of education often do not make up their minds very far in advance of events.

Once the size and incidence of veteran enrollment is foreshadowed, the next job is to make some calculated guesses as to what program of studies will be in demand. While the educational choices of veterans who have already resumed schooling may not be representative of the choices all veterans will make, they at least are straws in the wind. According to reports compiled by the Veterans' Administration, four-fifths of the men receiving educational benefits under the GI bill of rights are studying in colleges, and one-fifth of them are pursuing vocational courses of less than college grade. Approximately one-fifth of the men in college are studying an arts and sciences program, and four-fifths of them are enrolled in professional and technical curricula. The distribution of men with service-connected disabilities who are being rehabilitated to employability under the financially more liberal provisions of Public Law 16, is not essentially different from that of men studying under the educational provisions of the GI bill.

There is a wide variation among the States in the proportion of Army personnel they have at each of the levels of education already mentioned. The variations shown in table 1 are, of course, due largely to the quality and variety of educational opportunities the States were able to provide for their youth in the decade before the outbreak of World War II. No judgment should be entered against a State or invidious comparison be made without taking into account relative financial ability to provide education and the effort made to do so. For example, it is not very meaningful to say that California has done a better job than Mississippi of educating its soldiers—unless it is also shown that its relative taxable wealth is so much greater that with one-third less tax rate it each year collects $122 per child 5–17 years of age as compared to $24 per child in Mississippi. The real marvel may be that Mississippi has done so much with so little.

In planning for the education and training of veterans it must never be forgotten that while the Federal Government pays the bill of the individual veteran, each State is responsible for the quality and variety of schooling provided within its borders. Available information indicates that each State may expect to provide programs for the number of men it sent to the armed forces, and of a level and variety suited to their civic and vocational needs. Polls indicate that each State may expect at least 80 percent of its native sons to return home for education and employment, and that States with superior opportunities may expect up to one-fifth more veterans than they sent into the armed forces.

TABLE 1.—*Distribution of Army enlisted men to show the educational level of men 25 years of age and under*[1]

State, by region	Total	Percent 26 and over	Percent 25 and under	Number and percent of enlisted men 25 years and under at four educational levels								
				Total	Grades 1–8		1, 2, 3 years of high school		4 years of high school and 1, 2, 3 years of college		4 years of college and up	
					Number	Percent	Number	Percent	Number	Percent	Number	Percent
1	2	3	4	5	6	7	8	9	10	11	12	13
Continental United States	7,144,401	47.0	53.0	3,789,545	899,127	23.7	1,233,304	32.5	1,551,800	41.0	105,314	2.8
New England:												
Maine	43,130	47.8	52.2	22,499	6,422	28.5	7,920	35.2	8,044	35.8	113	.5
New Hampshire	23,931	46.8	53.2	12,721	3,094	24.3	3,623	28.5	5,851	46.0	153	1.2
Vermont	16,369	50.0	50.0	8,194	1,760	21.5	2,234	27.2	3,998	48.8	202	2.5
Massachusetts	227,809	50.8	49.2	112,137	20,667	18.4	39,761	35.5	49,560	44.2	2,149	1.9
Rhode Island	39,204	50.8	49.2	19,271	3,792	19.7	9,123	47.3	5,882	30.5	474	2.5
Connecticut	104,672	47.1	52.9	55,371	9,489	17.1	20,466	37.0	24,130	43.6	1,286	2.3
Middle Atlantic:												
New York	807,137	52.3	47.7	385,223	48,098	12.5	152,729	39.7	173,474	45.0	10,922	2.8
New Jersey	262,123	50.5	49.5	129,789	23,740	18.3	49,541	38.2	53,618	41.3	2,890	2.2
Pennsylvania	596,196	44.1	55.9	333,338	61,114	18.4	116,764	35.0	149,788	44.9	5,672	1.7

[1]Compiled from data supplied by The Adjutant General of the Army.

TABLE 1.—*Distribution of Army enlisted men to show the educational level of men 25 years of age and under*—Continued

State, by region	Total	Percent 26 and over	Percent 25 and under	Number and percent of enlisted men 25 years and under at four educational levels								
				Total	Grades 1-8		1, 2, 3 years of high school		4 years of high school and 1, 2, 3 years of college		4 years of college and up	
					Number	Percent	Number	Percent	Number	Percent	Number	Percent
1	2	3	4	5	6	7	8	9	10	11	12	13
East North Central:												
Ohio	386,404	46.5	53.5	206,856	31,442	15.2	73,892	35.7	98,627	47.7	2,895	1.4
Indiana	185,833	45.1	54.9	101,975	15,036	14.7	31,454	30.9	53,369	52.3	2,116	2.1
Illinois	452,823	50.5	49.5	224,030	38,334	17.1	81,003	36.2	101,254	45.2	3,439	1.5
Michigan	288,339	43.0	57.0	164,237	28,465	17.3	60,758	37.0	72,772	44.3	2,242	1.4
Wisconsin	145,032	46.7	53.3	77,255	13,713	17.7	23,614	30.6	38,710	50.1	1,218	1.6
West North Central:												
Minnesota	136,886	52.1	47.9	65,518	14,146	21.6	17,869	27.3	32,487	49.6	1,016	1.5
Iowa	114,910	49.4	50.6	58,108	10,694	18.4	13,989	24.1	32,298	55.6	1,127	1.9
Missouri:												
White	180,688	47.0	53.0	95,760	26,454	27.6	25,609	26.8	41,939	43.8	1,758	1.8
Negro	14,236	49.9	50.1	7,134	2,086	29.2	2,826	39.6	2,222	31.2	----------	0
North Dakota	29,394	53.1	46.9	13,790	4,134	31.3	2,978	21.6	6,092	44.2	406	2.9
South Dakota	27,519	51.5	48.5	13,337	3,871	29.0	3,348	25.1	5,888	44.2	230	1.7
Nebraska	58,799	51.3	48.7	28,654	4,646	16.2	6,575	22.9	16,891	59.0	542	1.9
Kansas	90,448	49.1	50.9	46,034	8,552	18.6	11,190	24.3	25,954	56.4	338	.7
South Atlantic:												
Delaware:												
White	13,131	42.3	57.7	7,581	2,031	26.8	3,113	41.1	2,437	32.1	----------	0
Negro	2,254	31.9	68.1	1,535	409	26.6	509	33.2	617	40.2	----------	0
Maryland:												
White	85,837	43.9	56.1	48,155	12,724	26.4	15,364	31.9	17,829	37.0	2,238	4.7
Negro	22,562	50.2	49.8	11,246	6,482	57.6	3,267	29.1	1,497	13.3	----------	0
District of Columbia:												
White	29,976	56.4	43.6	13,083	1,015	7.8	3,655	27.9	7,977	61.0	436	3.3
Negro	17,651	52.8	47.2	8,332	2,733	32.8	3,418	41.0	2,181	26.2	----------	0
Virginia:												
White	103,680	46.1	53.9	55,922	19,527	34.9	16,593	29.7	18,651	33.4	1,151	2.0
Negro	34,222	43.9	56.1	19,201	11,055	57.6	5,342	27.8	2,524	13.1	280	1.5
West Virginia:												
White	97,525	43.2	56.8	55,383	19,967	36.1	15,364	27.7	19,360	35.0	692	1.2
Negro	6,006	34.6	65.4	3,930	1,092	27.8	1,706	43.4	1,132	28.8	----------	0
North Carolina:												
White	127,767	42.7	57.3	73,174	24,307	33.2	24,787	33.9	22,794	31.2	1,286	1.7
Negro	39,935	42.9	57.1	22,822	12,965	56.8	7,322	32.1	2,216	9.7	319	1.4
South Carolina:												
White	54,600	42.8	57.2	31,259	10,209	32.7	10,356	33.1	10,220	32.7	474	1.5
Negro	27,846	39.4	60.6	16,890	9,963	59.0	4,981	29.5	1,809	10.7	137	.8
Georgia:												
White	104,418	47.0	53.0	55,341	15,847	28.6	18,038	32.6	20,373	36.8	1,083	2.0
Negro	41,102	39.8	60.2	24,751	18,046	72.9	4,486	18.1	1,949	7.9	270	1.1
Florida:												
White	65,954	53.1	46.9	30,917	7,716	24.9	8,122	26.3	14,458	46.8	621	2.0
Negro	27,929	47.8	52.2	14,591	8,417	57.7	4,263	29.2	1,911	13.1	----------	0
East South Central:												
Kentucky:												
White	131,957	42.8	57.2	75,430	33,723	44.7	19,914	26.4	20,507	27.2	1,286	1.7
Negro	13,757	56.6	43.4	5,975	2,749	46.1	1,998	33.4	1,160	19.4	68	1.1
Tennessee:												
White	130,494	45.2	54.8	71,481	31,405	44.0	18,817	26.3	20,670	28.9	589	.8
Negro	22,125	44.4	55.6	12,292	7,339	59.7	3,343	27.2	1,473	12.0	137	1.1
Alabama:												
White	96,646	44.2	55.8	53,983	18,749	34.7	18,048	33.4	16,510	30.6	676	1.3
Negro	39,893	39.6	60.4	24,105	15,064	62.5	6,662	27.6	2,311	9.6	68	.3
Mississippi:												
White	62,989	45.0	55.0	34,637	9,205	26.6	11,574	33.4	12,868	37.0	990	3.0
Negro	51,584	42.4	57.6	29,743	22,244	74.8	5,707	19.2	1,792	6.0	----------	0
West South Central:												
Arkansas:												
White	77,711	46.9	53.1	41,275	14,906	36.1	11,781	28.6	14,047	34.0	541	1.3
Negro	19,438	42.5	57.5	11,176	7,119	63.7	3,282	29.4	707	6.3	68	.6
Louisiana:												
White	82,244	45.9	54.1	44,481	15,220	34.2	12,367	27.8	16,104	36.0	880	2.0
Negro	44,599	44.8	55.2	24,642	15,420	62.6	5,879	23.8	3,275	13.3	68	.3
Oklahoma:												
White	101,099	44.8	55.2	55,828	15,067	27.0	17,763	31.8	21,848	39.1	1,150	2.1
Negro	8,164	36.8	63.2	5,161	1,774	34.4	1,855	35.9	1,464	28.4	68	1.3
Texas:												
White	301,622	48.3	51.7	156,066	46,848	30.0	49,776	31.9	57,406	36.8	2,036	1.3
Negro	51,926	44.7	55.3	28,727	13,442	46.8	10,303	35.9	4,845	16.8	137	.5
Mountain:												
Montana	26,574	51.5	48.5	12,888	2,234	17.3	3,046	23.6	7,201	55.9	407	3.2
Idaho	24,567	47.1	52.9	12,993	2,442	18.8	3,286	25.3	7,010	53.9	255	2.0
Wyoming	12,042	47.4	52.6	6,337	1,422	22.4	1,151	18.2	3,696	58.3	68	1.1
Colorado	50,281	49.9	50.1	25,194	4,673	18.5	7,147	28.4	12,888	51.2	486	1.9
New Mexico	28,838	43.7	56.3	16,235	5,416	33.4	4,408	27.1	5,746	35.4	665	4.1
Arizona	24,180	45.8	54.2	13,113	4,808	36.7	3,500	26.7	4,737	36.1	68	.5
Utah	30,018	40.7	59.3	17,801	920	5.2	5,391	30.3	11,168	62.7	322	1.8
Nevada	8,598	56.6	43.4	3,728	474	12.7	1,198	32.1	1,853	49.7	203	5.5
Pacific:												
Washington	81,814	49.4	50.6	41,425	4,554	11.0	12,692	30.6	23,705	57.2	474	1.2
Oregon	51,590	49.4	50.6	26,080	4,116	15.8	8,739	33.5	13,089	50.2	136	.5
California	385,279	51.7	48.3	186,185	20,529	11.0	57,376	30.8	103,887	55.8	4,393	2.4

TABLE 2.—*Educational plans of Negro and white enlisted men, classified by previous education, summer, 1944*[1]

Plans	Percent among men who have—									
	Grade school 1–8		High school				College			
			1, 2, 3 years		4 years		1, 2, 3 years		4 years and over	
	Negro	White	Negro	White	Negro	White	Negro	White	Negro	White
1	2	3	4	5	6	7	8	9	10	11
Plans for full-time school:										
Definite	0.6	0.4	3.6	2.2	10.9	7.7	26.0	25.5	16.0	6.8
Tentative	6.8	1.6	5.6	2.2	10.7	5.0	10.6	6.9	16.0	5.8
Plans for part-time school:										
Would prefer full-time school, but planning part-time only	7.7	3.6	10.8	4.8	10.8	8.0	10.9	8.6	13.5	9.1
Want part-time school only	23.7	8.8	22.7	12.5	19.0	12.4	18.3	10.6	15.4	9.5
No plans for further education	61.2	85.6	57.3	78.3	48.6	66.9	34.2	48.4	39.1	68.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1] Reproduced from Report No. B–133, Post-War Educational Plans for Soldiers, Army Service Forces 1944.

DEPORTATION OF HARRY BRIDGES

Mr. WILLIS. Mr. President, several weeks ago I made an address before the Senate on the subject of the deportation of Harry Bridges. I desire to have inserted at this point in the RECORD, as a part of my remarks, a letter which I received from a longshoreman at Long Beach, Calif., touching upon this subject.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

See where you attacked Harry Bridges. You are right. I am a longshoreman, but I also have two sons in the service, one in the Navy in the Pacific and one in Europe with Patton. I want to get the goods to them. Bridges got a rule which limits a load on a sling board to 2,100 pounds. That is what is called the Pacific-coast agreement with employers. He calls it safety, but it is not that. It is slow-down that we were taught before the war. There are many other slow-down practices. We can lift only 2,100 pounds but soldier gangs working the same equipment pick up 4,500 pounds and I know the Army wouldn't do anything unsafe with them. This is pure bosh. It seems if Bridges wants to be so patriotic as he pretends he would enter into an agreement with the employers for the duration of the war to lift more on the pallets and to discontinue other slow-down methods under the agreement. The agreement is all we hear about in the union hall and other places. It makes me sick just as it does every waterfront worker with a son, brother, or father out there battling. We are for getting the goods to them and getting it there fast. Thanks for calling attention to this very bad situation. I wish I could sign my name but if I did the union officials would hound me to eternity. I wouldn't get anything but crap jobs and would be put in a crap gang. They have their ways. I think those in the water-front work here are just about even for and against Bridges. All the commies are for him though and that is about one out of three in the union. Then the paid officials are for him. But not the men with interest in servicemen. Why doesn't he agree to call off load-limit during the war if he is trying to do best for our boys? That's a shame, and I know it, for I lift them measly loads every day and if you get a pound more on there you are skinned for breaking the agreement. Yet the soldier gangs come right behind us and put on twice as much on one pallet load.

ADDRESS BY SENATOR BAILEY AT COMMENCEMENT OF MEREDITH COLLEGE, JUNE 3, 1940

[Mr. HOEY asked and obtained leave to have printed in the RECORD an address delivered by Senator BAILEY at the commencement exercies at Meredith College, Raleigh, N. C., June 3, 1940, which appears in the Appendix.]

THE LIGHT METALS INDUSTRY IN THE WEST—ADDRESS BY THE GOVERNOR OF OREGON

[Mr. MORSE asked and obtained leave to have printed in the RECORD an address entitled "The Light Metals Industry in the West," delivered by Governor Earl Snell, of Oregon, at the Western Governors' conference, at Reno, Nev., on April 20, 1945, which appears in the Appendix.]

ERNIE PYLE—ADDRESS BY WILLIAM E. KELLEHER

[Mr. WILLIS asked and obtained leave to have printed in the RECORD a memorial address on the late Ernie Pyle, delivered by William E. Kelleher at a memorial service held at Albuquerque, N. Mex., on May 13, 1945, which appears in the Appendix.]

PRAYER OF THANKSGIVING ON NATIONAL PRAYER DAY BY ARCHBISHOP FRANCIS J. SPELLMAN

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a Prayer of Thanksgiving After Victory, offered by Archbishop Francis J. Spellman at St. Patrick's Cathedral, New York, May 13, 1945, National Prayer Day, which appears in the Appendix.]

POSTWAR ECONOMIC PLANNING—FULL EMPLOYMENT

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a memorandum prepared by the Department of Commerce on the developments in Canada with respect to postwar full employment, which appears in the Appendix.]

RACIAL DISCRIMINATIONS IN GOVERNMENT POLICY IN FOREIGN COUNTRIES

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD the outline of contents and an abstract of the report prepared by the Legislative Reference Service on Racial Discriminations and Governmental Policy in Foreign Countries, which appear in the Appendix.]

DATA FOR STATE-WIDE PLANNING OF VETERANS' EDUCATION

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD excerpts from Education Bulletin 4 of the Office of Education entitled "Data for State-Wide Planning of Veterans' Education," and comments thereon by Dr. Ernest V. Hollis, who prepared the report, which appear in the Appendix.]

ST. LAWRENCE SEAWAY AND POWER DEVELOPMENT

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an article entitled "Union Council Backing Seaway—Philadelphia (Pa.) Labor Group Asks CIO to Make Fight for Project Developments," published in the Watertown (N. Y.) Times of May 11, 1945, which appears in the Appendix.]

ATTITUDE OF THE SOUTH ON THE FEPC BILL—ARTICLE BY THURMAN SENSING

[Mr. BILBO asked and obtained leave to have printed in the RECORD an article on the subject of the FEPC entitled "The South Takes a Stand," by Thurman Sensing, which appears in the Appendix.]

CABINET CHANGES—EDITORIAL COMMENT

[Mr. HATCH asked and obtained leave to have printed in the RECORD editorials commenting on recent changes in the President's Cabinet, published in the Washington News, the Washington Star, the Washington Post, and the Baltimore Sun, which appear in the Appendix.]

CENSORSHIP OF NEWS PUBLISHED IN GERMANY—ARTICLE BY JOHN W. HILLMAN

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an article relative to the censorship of news in Germany, written by John W. Hillman and published in the Indianapolis Times, which appears in the Appendix.]

LEAVES OF ABSENCE

Mr. HART. Mr. President, I ask unanimous consent that I may be excused for most of the session today to enable me to keep a speaking engagement in New York.

The PRESIDENT pro tempore. Without objection, the request is granted.

Mr. MURDOCK. Mr. President, beginning Monday of the coming week a subcommittee of the Committee on Public Lands and Surveys will hold hearings at Salt Lake City. I am a member of that subcommittee. It is quite urgent that I attend the hearings. Therefore, I ask unanimous consent to be excused from attendance on the Senate during the period when the hearing will be held.

The PRESIDENT pro tempore. Is their objection? The Chair hears none, and consent is granted.

Mr. GUFFEY. Mr. President, I ask consent of the Senate to be absent next week. I shall be away on business, but, at my own expense.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and consent is granted.

Mr. REED. Mr. President, I ask unanimous consent to be absent from the Senate on a trip to Europe which is to be taken by certain members of the subcommittee on the War Department of the Appropriations Committee, of which I am a member. I am uncertain how many days the trip will require.

The PRESIDENT pro tempore. Is their objection to the request of the Senator from Kansas? The Chair hears none, and the request is granted.

CONGRESSIONAL EXPENSE ALLOWANCE

The PRESIDENT pro tempore. Morning business is concluded.

Mr. WILEY. Mr. President, I understand that this afternoon the Senate will take up for consideration House bill 3109, and on page 2 thereof is found an amendment proposed by the Senate Committee on Appropriations. I shall have to be absent from the Senate a part of the time today, and therefore refer to the matter now.

The issue before the Senate is raised by the amendment of the Senate Committee on Appropriations to which I have referred, as well as by House bill 3109 itself, providing for a $2,500 tax-exempt expense allowance for Senators and Representatives.

The issue is a simple one. Should there be added to the compensaton which each Senator and Representative receives an additional amount of $2,500 per annum?

The arguments for the measure, as they have already been stated in the House debate, are briefly as follows:

First. Each Representative and Senator pays out of his own salary a considerable amount of money for expenses which, if he were in private business or in any other public position, he would be allowed to take credit for in his income-tax return.

Second. Each is required to bear the expense incident to maintaining two homes. Until the last 6 or 7 years, a Representative or Senator would spend a great deal of his time at home, because Congress would only remain in session some 4 to 6 months. But now he is away from his home the entire year, with the result that he is put to large additional travel expense and the maintenance of two homes.

Third. As has already been indicated, men in business, when they are away from home, have their expenses paid. This is true also of Government officials who travel on Government business. Their transportation, hotel bills, and other necessary expenses are paid. This also applies to Army officers and Navy officers when they travel on Government business. They receive subsistence and other expense allowances. Practically every Governor and mayor likewise has an expense account when he is looking after public business.

Fourth. In the office, any businessman or Government official, except a Representative or Senator, can charge telephone calls to his expense account. A Senator has the right of only 10 long distance calls a month. This provision for 10 calls only went into effect in July 1944.

Fifth. Since businessmen have had to come to Washington during the war period, every Senator and Representative is called upon to entertain his constituents in the dining rooms of the respective Houses. This amounts to no inconsiderable amount in a year's time. In business this would be a deductible expense, and it is really part of the service that the Senator and Representative renders to his district and his constituency. In fact, during the luncheon hour, the constituent is given an opportunity to air his problem with his Representative.

Sixth. Because of the above, it is contended that the $2,500 provided for in this bill is not a salary increase, but rather an appropriate provision for those expenses incidental to the service rendered by a Representative and Senator.

Over against these arguments in favor of the bill, it has been clearly contended that:

First. This is a very inappropriate time for such a measure. We are at war and passage of this bill would only increase the pressure for wage increases of every group which feels that it is not adequately paid. Moreover, the proposed 25-percent increase, if it be considered a salary increase, is larger than that authorized under the Little Steel formula.

For some years past, we have been trying to avoid inflation. We have placed ceilings on commodity prices and wages. The danger of inflation is greater now than ever and we should not join in the slightest degree in any move that would break the Little Steel formula. If we vote this sum, what argument have we in the locker to meet the argument of certain labor groups for increased wages?

Shortly, we will be called upon to pass upon the extension of the Emergency Price Control Act. Faulty as that act has been administered in many directions, it seems to be the consensus among the Members that to repeal it now would open the floodgates. What is needed there is competent administrators, not so much at the top as in the various divisions and subdivisions. Many instances of square pegs in round holes in this great agency have come to the attention of every Senator.

But although injustice has been done on occasions, everyone seems to sense the imperative need to hold the general line. Doesn't that same argument apply to this matter now before us? With the war only half over, should we not resist every pressure which would make for higher prices and higher wages?

I fought last year to get the Congress to pass a bill that would permit salary increases to the white-collar workers where the workers and the employer could agree, when the increase would not involve wages higher than $37.50 a week. The Senate passed that bill but the House turned it down. I cannot see how Congress can increase its own salary and not do likewise with the white-collar worker. It is the function of Congress to help hold the line. This sum of $1,642,500, while inconsequential in amount to the total appropriations, does, in my opinion, make a breach of more signifieance than the sum involved.

Second. With our national debt approaching $300,000,000,000, should we not be thinking of cutting corners wherever we can? This proposal would increase governmental overhead by only $1,642,500, but should we not make every attempt, however small, to curtail nonwar appropriations?

Third. In Wisconsin and other States there is a constitutional prohibition against increasing (and that means directly or indirectly) the compensation paid to members of the State legislature.

Fourth. Our United States Constitution wisely provides that the President's compensation "shall neither be increased nor diminished during the period for which he shall have been elected." Should not this provision apply in spirit to our Congress? As it now stands, the proposal would make the expense allowance retroactive to January 1945.

Fifth. This is not a matter of urgency and should be referred to the Joint Committee on Congressional Reorganization to take up.

Sixth. The argument has been advanced in support of this tax-free allowance that in 1929 a married person having a salary of $10,000 and one dependent, paid a tax of $415. Now on the same salary, he pays a tax of $2,585—an increased tax voted by the Congress. This is not a valid argument for the expense increase. We all recognize the enormous financial obligations that have been placed on our Treasury because of the war. These obligations have required higher taxes to meet them.

Mr. President, when I ran for office and was reelected last fall, after almost 6 years in Washington, I had full knowledge of the situation, the amount of income tax I would pay, the sums that I would have to expend for travel, living expenses, and so forth, in Washington; the cost resulting from entertaining my constituents, and the maintenance of two homes—one in Wisconsin and one in the District of Columbia. I realized that if I had to educate my children, I could not have made ends meet on a Senator's salary. But I ran for reelection, knowing all those facts. I was re-

elected, and I do not feel that I can, under the present circumstances, vote for any direct or indirect increase of my compensation as Senator.

Therefore, I shall vote against the amendment reported by the committee.

DATE FOR COMMENCEMENT OF HEARINGS AND TIME LIMIT FOR REPORT ON MISSOURI VALLEY AUTHORITY BILL

Mr. BILBO obtained the floor.

Mr. OVERTON. Mr. President, will the Senator yield to me, so that I may undertake to correct the RECORD in one respect.

Mr. BILBO. I am glad to yield.

Mr. OVERTON. The other day, Mr. President, I requested unanimous consent to abrogate the rule in reference to the time limit which was placed upon consideration of the Missouri Valley Authority bill by the Committee on Irrigation and Reclamation. I find that although I proposed the unanimous-consent request, no action was taken upon it. I think that was due to the fact that I was interrupted by a number of Senators who desired information, and unfortunately the Chair did not ask whether there was objection. So the request was not agreed to.

The PRESIDENT pro tempore. Does the Senator desire that the permanent RECORD be corrected?

Mr. OVERTON. I desire to propose another request, which I think will better cover the subject matter.

Mr. President, I propose the following unanimous-consent request: With respect to Senate bill 555, to provide for a Missouri Valley Authority, I ask unanimous consent that the provision in Senate Resolution 97, agreed to on March 15, 1945, requiring, in effect, that the Committee on Irrigation and Reclamation shall report on said bill within 60 days from the date of its reference to said committee, be abrogated.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. Without objection——

Mr. LANGER. Mr. President, I should like to ask a question. When would the hearings be held and a report be made?

Mr. OVERTON. The author of the bill said that when he returned from Montana, which would be about the middle of June, he and I would confer with regard to the matter and undertake to fix a time for hearings on the bill.

Mr. LANGER. Was it the plan to have the matter go over for the summer?

Mr. OVERTON. There was no plan whatever. The Senator from Montana desired that there be a postponement of the consideration of the bill by the Committee on Irrigation and Reclamation.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Louisiana?

Mr. LANGER. Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. OVERTON. Then, Mr. President, I notify everyone concerned beginning on June 4, 1945, hearings will be held by a subcommittee of the Committee on Irrigation and Reclamation on the proposed Missouri Valley Authority. All witnesses, including the Governors of the various States who may be interested, must be present on that date in order to be heard.

Mr. LANGER. Very well.

Mr. OVERTON. The author of the bill will be absent when the hearings are held. I regret it very much. I have endeavored to extend to him the courtesy for which he asked, and I regret that the Senator from North Dakota is taking the position which he has assumed.

Mr. OVERTON subsequently said: Mr. President, I rose to make a motion to take up a bill, but before doing so I desire to withdraw the announcement I previously made that on June 4 the Committee on Irrigation and Reclamation will begin the conduct of hearings on the Missouri Valley Authority. I am advised by the Journal clerk that the unanimous-consent request was granted on Monday last, and that it is not necessary that it should appear in the RECORD. Of course, the entry in the Journal has precedence over any omission in the RECORD.

The PRESIDENT pro tempore. The Chair has a copy of the Journal before him, and will say that that statement is correct.

Mr. OVERTON. So then it is understood that the hearings will not be conducted beginning June 4. I will state for the benefit of Senators who are interested that the hearings will be held at some later date which may hereafter be agreed upon between the able Senator from Montana [Mr. MURRAY] and myself.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LANGER. Do I correctly understand that the ruling was that unanimous consent was granted?

The PRESIDENT pro tempore. Unanimous consent was granted on last Monday.

TIME LIMIT TO REPORT ON SAVANNAH VALLEY AUTHORITY BILL

Mr. OVERTON. Mr. President, these authority bills are so tangled up with requirements as to time limit on filing reports that it is utterly impossible for them all to be considered simultaneously. I find it necessary to make another unanimous consent request with reference to the Savannah Valley Authority.

I ask unanimous consent that the time limit fixed heretofore by unanimous consent for the report on Senate bill 737, to establish a Savannah Valley Authority, be abrogated. That is the bill in which the junior Senator from Georgia [Mr. RUSSELL] and the Senator from South Carolina are interested. I have understood from them that there will be no objection to the request.

The PRESIDENT pro tempore. The Chair is informed that a similar unanimous request was made a few days ago, and granted.

Mr. OVERTON. The request was not in the precise language of the present request. It was that the hearings on the bill be postponed. I am now asking consent that the time limit on filing a report, as fixed heretofore by unanimous consent, be abrogated.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

PROPOSED PERMANENT FAIR EMPLOYMENT PRACTICE COMMISSION

Mr. BILBO. Mr. President, a few days ago I read into the RECORD correspondence between the Reverend Louis L. Scott of Savannah, Ga., and myself. In that connection I wish to read a letter which I have just received from him together with a letter which he directed to the Manuscript, post office box 6666, Washington, D. C. The first letter to which I have referred is as follows:

Senator THEODORE G. BILBO,
United States Senate Building,
Washington, D. C.

DEAR SIR: Enclosed herewith is a copy of a letter I am today sending to a Negro paper known as the Manuscript. Under its May 14 issue, it took exceptions to my letter sent you, and of which you read into the Senate RECORD. I do appreciate your doing that, for every truth, causes just such reaction, but this is no reason to let up, and believe me, I shall never do so until our aims are accomplished. I have received many letters of congratulation for my position. Therefore, again I want to thank you.

Very truly yours,

LEWIS L. SCOTT.

The second letter which I wish to read into the RECORD is as follows:

SAVANNAH, GA., *May 15, 1945.*

The MANUSCRIPT,
Washington, D. C.

DEAR EDITORS: The immortal Wendell Phillips in his tribute to the gallantry of the great statesman and soldier, Touissant L'Ouverture, had this to say: "You think me a fanatic tonight, for you read history, not with your eyes, but with your prejudices." If Phillips lived today and knew the facts, all the facts about which your Manuscript so miserably distorted, he would have said again, "* * * you read * * * not with your eyes, but with your prejudices." For it is very obvious you have never seen the speech of Senator BILBO, and it is a certainty you have never read it. Why not read it?

There never has been a measure proposed in the United States Congress to send Negroes back to Africa or anywhere else. I can see surprise register on your face. You did not know that. Negroes born or naturalized in the United States are citizens and are not subject to be "sent" anywhere, and are as much so as the Hon. THEODORE G. BILBO, who knows this as well as any person alive. If you don't know the facts relative to this proposed measure, you have only to ask me. I have them before me, and will send them to you at once, for you do need them.

Your article dares take issue with me on what I said, you simply starts and stops, calling names. I would ask an apology, when you say I am a Quisling, but I am too sure you don't know the meaning of the word. If taking the position that Africa should be in the hands of Negroes, from one side to the other, and from top to bottom, makes me a Quisling, then you do me honor by calling me such. In that sense George Washington, Abraham Lincoln, Booker T. Washington, and Franklin D. Roosevelt were the greatest of Quislings, for they, too, believed in liberty and independence for all people.

Too many Negroes are dreamers and wishful thinkers, and unfortunately some of them operate what we are to understand is the "press," where they are in position to broadcast their distortions and inconsistencies to Negro children and their parents who are too busy to study and know the whole truth beyond what they read. The freedom

of speech and press are privileges which can prove themselves equally as dangerous, for they may misguide thousands.

Your Manuscript, in its reference to me, concludes by saying that Senator BILBO used my letter in his argument against the FEPC, and then you further say that I was "tricked" by the Senator in his revealing the contents of my letter on the floor of the Senate. What doubtless stirred your "fungus" was the fact that Senator BILBO opposed the FEPC, and, of course, my letter was merely an incident. I would say, "You know," but that would be an error, for you don't know; therefore I shall tell you.

This is the opinion of the Reverend Scott, of Savannah, Ga., who is one of the leading Negro preachers of the South. His letter continues:

The FEPC is a meaningless gesture on the part of a few politicians to divert the attention of Negroes from their basic needs, and the most good it will ever do is give a few dollars out to those who run around the country and talk about it. It is as impractical as perpetual motion, and as long as it is alive and wherever it is alive it will always provoke the race question, and introduce race consciousness and embitter the otherwise good relationship that could exist. If I had known Senator BILBO desired to use my letter in his fight against this measure I would have made it stronger, and may do so yet.

The race question is as deep rooted in this country as cancer, and any M. D. will tell you that annointing the spot with vaseline and covering it with a clean cloth will not cure it. So bring out your FEPC, your PEFC, or whatever you may wish it to be called, and the problem will remain * * * until the condition is struck at its source.

I close with an analysis of the proceedings in question occurring in the Senate relative to Senator THEODORE G. BILBO's speech and proposed measure on April 24, 1939. It is headed "Voluntary resettlement of American Negroes in Africa," and after quoting Abraham Lincoln who said, "* * * favorable to our interest to transfer the African to his native clime."

Here I desire to digress to remark that there are not many people who know that when Abraham Lincoln wrote the Emancipation Proclamation he made a part of it the proposition to resettle the Negro in some country other than the United States. That part of the proclamation is forgotten:

Then the speech gave vivid reasons and manner by which this may be done, leaving the matter of the Negroes' transfer to him and placing the burden of making the Negro secure in his native land upon the shoulders of the United States Government. Suppose the Big Three placed Africa in its entirety in the hands of Negroes; and Africa with all of its natural resources were placed under the direct supervision of Negroes, with the necessary help toward making that country into what it can and should be, coming from the great powers of the earth. Did you not know, with an educational program throughout that country with its vast millions of human beings, that Africa could and would rank among the leading powers of the earth? Then our position all over the earth would be different. Nation would dare not make laws and ordinances denying us of certain rights because we were Negroes, for we would be in position to retaliate in kind.

Ignorance and poverty will forever be the object of disrespect. A good illustration comes from this city. A Negro woman known for years as "Aunt Mandy" was called this by everybody, white and colored, with no disrespect to her. Her husband was accidentally killed and the company settled with her for $5,000. No sooner had this information gotten out before an automobile salesman went out to see her. But not once in the course of his sales talk did he call her "Aunt Mandy," but instead "Mrs. Johnson," to which she replied, "Just listen at my money talk."

No, Senator BILBO has not proposed sending Negroes back to Africa, nor have I pledged my help in doing so, but remember this: As long as one people or nation has that which belongs to another, the world will never be at peace. But when India shall be given back to the Indians, and China to the Chinese, and last but not least, Africa to the Negroes, then, and not until then, shall the "lamb and the lion lie down together," and a little child can lead them.

Now, if Manuscript is honest, it will retract what it has said of me, in which case I shall appreciate receiving a copy.

Very truly yours,

Rev. L. LLEWELLYN SCOTT.

Mr. President, I desire to make a brief observation in connection with this excellent contribution by the Reverend L. Llewellyn Scott.

I have been accused of injecting the question of race relations into public discussions at a time when our country is at war. I think my colleagues will appreciate the fact that I have enough of genuine American patriotism not to want to do anything that would detract from or lessen our efforts to bring to a successful conclusion the second part of this World War; but I have been forced to do what I have done because it is evident to any observant mind that the principal minority group in this country—the Negroes—and I sometimes think there are a few other groups joining hands with them—are seeking to take advantage of the war situation to try to force upon the Congress and to propagandize through the press, over the radio, and on the hustings everywhere, ideas and conceptions which are utterly foreign to the people whom I represent in part on the floor of the United States Senate. So I have been compelled to speak out my opposition, even if we are in a war. They propose to take advantage of the situation. For instance, they demand the enactment of the FEPC legislation. We all know that that is sponsored by minority groups, and largely by the Negro group, and it is sponsored for no other purpose on earth except to destroy what they are pleased to call discrimination, because it is the philosophy, it is the contention of all the intelligentsia among the Negroes of the United States that any form, kind, or suggestion of segregation is discrimination. There never was a greater mistake made or a greater untruth uttered than to say that segregation is discrimination. If segregation is discrimination, we Democrats on this side of the aisle are guilty of discrimination, because we ask the gentlemen representing the Republican Party to sit on the othe. side. They are segregated on the other side. That is not discrimination.

Mr. CHAVEZ. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from New Mexico?

Mr. BILBO. I yield.

Mr. CHAVEZ. With due respect to the merits or demerits of the FEPC bill, political thought is largely motivated and political action is taken by political parties. If the question of a Fair Employment Practice Committee were not a matter that deserved attention, why was it that the two major political parties, the Republicans at their convention in Chicago, and the Democrats at their convention in Chicago, declared themselves in favor, and both Presidential candidates spoke in favor of a permanent Fair Employment Practice Committee. Can the Senator tell us that?

Mr. BILBO. I shall be glad to answer the question.

Mr. CHAVEZ. Or was it a question of political expediency?

Mr. BILBO. I shall be glad to answer the question; but I am surprised that the Senator should ask such a simple question, because we all understood and we all understand now, indeed we know, that this kind of legislation, un-American, unconstitutional, violative of every concept of the American way of life, legislation which is destined to bring almost a revolution in this country, was sponsored both by my party and by the other party and is being advocated today by Senators on this side of the Chamber and possibly on the other side for no other purpose except to satisfy the pressure of a group whose votes they want in the elections, just as has always been the case of political parties. Delegations representing these minority groups were there, demanding that the parties do something about discrimination.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. CHAVEZ. Of course, I do not doubt the sincerity of purpose behind the answer of the Senator from Mississippi——

Mr. BILBO. The Senator from New Mexico knows it is true.

Mr. CHAVEZ. No; I do not know whether it is true or not.

Mr. BILBO. Some people hesitate to admit the truth.

Mr. CHAVEZ. No; I have too much faith in the integrity of the Democratic Party to feel that the Senator might be correct.

Mr. BILBO. I will say that I have faith enough in the Democratic Party, in its ability and sagacity and ingenuity, to believe that it would put in the platform things which will appeal to the voters of the country; and that is what they were doing.

Mr. CHAVEZ. I disagree with the Senator. I do not think that the Democratic Party and I do not believe that the Republican Party are so disloyal, so naive, as to make a pronouncement of political policy, a pronouncement of party pledges, in order to get a few votes.

Mr. BILBO. Mr. President, behind the scenes, and under cover, and in the cloak rooms, the Senator will find that the advocates of this measure do not hesitate to say, "We have to pass this in order to control, in order to get the votes of a certain minority." They do not make any bones about it, and why fool ourselves, and why be insincere about a thing? We know what this is intended for.

I say that if this bill shall ever become a law—and I pray to God it never will—if it shall ever become a law and there is an honest attempt to put it into force, it is not going to be considered a law against southern people in the interest of the Negro, but there will be found opposition springing up against it in every nook and corner of the United States, because when under the proposed law an agent goes out to California and tells every businessman or private enterprise that has six employees or more that a Japanese will have to be hired, hell is going to break loose, and we know what will happen if they go to other sections and say that a member of this nationality or that nationality must be employed. Yet that will be done, because the bill provides that there must be respect for ancestry. It is race, creed, color, religion, and ancestry.

Mr. CHAVEZ. That is correct.

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from New Mexico?

Mr. BILBO. I yield.

Mr. CHAVEZ. It says just that very thing, for the same reason that Congress has passed legislation which says to a selective service board, "Take this man, irrespective of his nationality or ancestry, and send him to feel the bayonet of a Japanese." If the Congress can do that, if it can take the little boy from the South, if it can pick up one of Polish ancestry, in Cleveland, and say, "Go into the Army and face all the damnation of the Germans, or go to Iwo Jima and feel all the dirt of the Japanese," how can it be said we cannot pass a law which shall say, "There shall be no discrimination against a person in the way of getting employment, or in having decent working conditions, or in being the recipient of what he fought for with the spirit of 1776?" The Senator from Mississippi can never convince the majority of American people by his argument.

Let me add, further, from the political standpoint, we, the Democrats, made a solemn pledge at Chicago, and either the Democrats stand behind that pledge, or I predict that it will not be long before many chairmen of committees in this body will be changed.

Mr. BILBO. The proponents are saying by this bill, "Good-by America, good-by freedom, good-by freedom of action on the part of the citizens of this country. We have the power in Washington, and we are going to the State where someone has a little business of seven employees, and tell him whom he shall employ in his business."

At Nashville, Tenn., there is a great Baptist publishing concern. I foresee the day when the head of the FEPC will go to Nashville and say to the Baptist brethren, "Look here; you are a kind of a close corporation, and you are printing books and papers that circulate throughout the country. That is interstate commerce, and we want you to employ this Catholic, we want you to employ this Negro, we want you to employ this Chinese, we want you to employ this Japanese, we want you to do this and that." Or he will go up to Boston, Mass., where the Christian Science Monitor and other publications of the Christian Science Church are published. The adherents of that religious denomination are very enthusiastic about it. And they want no one there working with the outfit except those who believe in the Christian Science doctrine, or denomination. The FEPC says "Yes, sir, we are going to break up this outfit. We are going to put some people in here, perhaps Catholics, or those who belong to the Jewish religion," and so on. That is what it means.

Mr. CHAVEZ. Will the Senator yield?

Mr. BILBO. I yield.

Mr. CHAVEZ. The statement of the Senator from Mississippi indicates that possibly when he read the bill he did not do so very carefully, because there is nothing in the bill which provides for anything of that kind. It does not provide that one has to employ Catholics, or has to give a job to a Baptist, or to a Jew, or to a Negro, or to anyone else. All it says is that there shall be no discrimination because one does happen to be a Catholic or happens to be a Jew. That is all it says.

Mr. BILBO. That is the same thing. The Senator is admitting my statement, he is admitting my argument .

Of course, Mr. President, I did not mean to take up the time of the Senate with this out-of-line argument this morning, but I wish again to ask my colleagues to read the article by Mr. Sensing, which sets forth what is going to happen in the South if there is an attempt made to enforce the proposed law. This is a free country, and every man engaged in private enterprise should have some say-so about whom he shall employ in his place of business, and not have little autocrats or bureaucrats from the banks of the Potomac River tell him that he has to employ Mr. Jones because Mr. Jones has applied for a job, "and we think he is qualified, but you have turned him down because he happens to be a Catholic, or happens to be a Jew, or happens to be a Negro, or happens to be a Pole, or something else." I think a man should be permitted to organize his own affairs.

Mr. CHAVEZ. Mr. President—

Mr. BILBO. I shall yield, but I wish to make one further statement. The Senator says I have not read the bill. If it ever comes up for discussion, he will find that I have read it. The bill even proposes—and I am sure the Senator will desire to amend it when it is thoroughly exposed—to tell private enterprise whom they shall put into their places of business to carry on their industry or work, and it provides that this agency in Washington shall have the power to establish a thousand or ten thousand headquarters or agencies from which to operate, and then it is proposed to let them appoint a million agents to go forth and tantalize the American people, to see that the political party gets votes. That is what the proponents of the bill are after.

Mr. CHAVEZ. Mr. President, will the Senator yield to me to make a short observation?

Mr. BILBO. I have yielded the floor.

Mr. CHAVEZ. The Senator from Mississippi can put any interpretation on the bill he deems proper. He has talked about the rights of industry and the rights of business men to manage their own affairs and provide for their own protection, but he forgets the inalienable rights of the citizens of this country. Those should also be considered; and the time will come when we can consider those things.

STATEMENT OF MATTERS TO BE INVESTIGATED IN EUROPE BY A GROUP OF SENATORS

Mr. RUSSELL. Mr. President, a group of Senators representing the Committee on Military Affairs, the Committee on Naval Affairs, and the Committee on Appropriations, propose to go to Europe the latter part of this week to investigate matters which will later be the subject of legislation by Congress. I ask unanimous consent that a brief statement of some of the matters which the committee has in mind to investigate be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The committee proposes to look into the vast redeployment program now in process of transferring men and equipment from Europe to this country and to the Pacific theater. They will visit redeployment centers to study the effectiveness of the plan for the discharge of men from the Army and get the views of men of all ranks and all branches of the service as to the fairness of this program and the efficiency of its operation. They intend to visit the centers where American soldiers released from German prisons are stationed and see how these men are being provided for and the steps being taken to repatriate them.

The committee will endeavor to get information as to the nature and extent of the properties and supplies which the Army does not propose to move to the Pacific theater or bring home. The administration of the military government in Germany and Italy and the methods being used by the Army and UNRRA to furnish food and clothing, as well as the extent and merits of future demands likely to be made upon this country for these supplies, will also be a subject of inquiry.

The members of the Naval Affairs Committee will be particularly interested in the operations of the great ports of Bremen and Bremerhaven, the administration of which has recently been taken over by the United States Navy. The committee will also view the scenes of some of the great decisive battles for a thorough understanding of the difficulties overcome by fighting our men and the efficiency of the equipment furnished them.

LEAVE OF ABSENCE

Mr. RUSSELL. Mr. President, I ask unanimous consent that leave of absence be granted to the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Mississippi [Mr. EASTLAND,] the Senator from Tennessee [Mr. STEWART], the Senator from South Carolina [Mr. MAYBANK], the Senator from South Dakota [Mr. GURNEY], the Senator from West Virginia [Mr. REVERCOMB], and the Senator from Georgia [Mr. RUSSELL], to make the trip to Europe to which I have just alluded.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and leave of absence is granted.

ST. LAWRENCE SEAWAY AND POWER PROJECT—ACTIVITIES OF G. E. MACE

Mr. AIKEN. Mr. President, about a month ago, many Members of the Senate received a pamphlet bearing the name of the Commerce and Industry Association of New York City and which was critical of the St. Lawrence seaway and power project.

In the pamphlet was reiterated the opposition to the project which this organization had maintained for 25 years or so.

In 1933 representatives of this association appeared before the Foreign Relations Committee of the Senate and argued against the St. Lawrence development on the basis that it was uneconomical and unnecessary.

The pamphlet, which has been sent to Members of the Senate, is signed by G. E. Mace, manager of the transportation bureau of this association. It is my understanding now that Mr. Mace distributed this booklet after the executive committee of the association had unanimously voted to take no further action with respect to the seaway, even though the association had consistently opposed it for 25 years.

Whether that is true or not is perhaps immaterial. The fact remains that this pamphlet, issued by Mr. Mace with or without the instructions of his executive committee, is literally reeking with false statements and misrepresentations.

I will mention only one of them here, and I mention that only because he makes reference to myself in it.

On page 6 of the pamphlet, it is stated that on March 17, 1944, the Legislature of the State of Vermont by a vote of 123 to 69 defeated a resolution to introduce the St. Lawrence project and that action was taken following an active campaign conducted by Senator AIKEN of Vermont in his home State in favor of the project.

This is a sample of the false statements contained in this pamphlet.

The facts are that on March 15, 1944, the Vermont Legislature was called into special session for the express purpose of enacting a soldiers' vote law. It was understood that nothing but emergency matters would be taken up at that session, yet someone, whose enthusiasm undoubtedly exceeded his better judgment, undertook to interject the St. Lawrence project into this special session of the legislature.

The matter was introduced without my knowledge and certainly any campaign on my part, and the legislature rightfuly voted not to consider it at that time. If I had been a member of the legislature and had been present, I would have voted likewise.

As a matter of fact, more than 10 years ago, the Vermont Legislature created a commission to work for the development of the St. Lawrence seaway and power project. It is only fair to say that this commission has not functioned for several years and that work in behalf of the St. Lawrence is now carried on principally by agricultural and labor organizations and industrial associations in my State.

I give this illustration as a sample of the plain, unadulterated fallacies which saturate this pamphlet prepared and distributed by an employee of the Commerce and Industry Association of New York.

Other misrepresentations are pointed out in a letter which I have received from a member of the association itself, Mr. Julius H. Barnes, one of the most highly respected businessmen in America. I understand that Mr. Barnes is not the only member of this association who has repudiated Mr. Mace's false statements.

On the second page of this pamphlet are printed the names of the board of directors of the association. All of them are prominent business leaders in New York, and I hope for their own sake and for the sake of the reputation of the association for veracity, that they do not subscribe to such falsehoods as are perpetrated in this pamphlet.

I ask unanimous consent to have the letter to me from Julius H. Barnes printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *May 10, 1945.*

Hon. GEORGE D. AIKEN,

Senate Office Building, Washington, D. C.

MY DEAR SENATOR: Recently, the Commerce and Industry Association of New York sent to every Member of Congress, a pamphlet signed by G. E. Mace, manager of their transportation bureau, attacking the St. Lawrence seaway and power project.

I have been a member of this association for a quarter century and have also been president of the United States Chamber of Commerce three terms, and later also chairman for an additional three terms, believing always in business organizations and their expressions on public policy, rising above any local or selfish interest.

In all my experience with such organizations, there has never been issued a more inaccurate statement on any issue of public interest, than this particular pronouncement. It does a distinct disservice to public enlightenment on a great national question and an injury to public confidence in business organizations. This is particularly regrettable because in that association are many proven national business leaders of unquestioned public spirit who, if informed of such unfair statements, would not subscribe to such methods, reflecting little honor on an organization allowing thus an employee to use the association name.

Please point out to your colleagues some of the misstatements in this bulletin which violate American standards of accuracy and fairness.

For example, on the very first page, Mr. Mace says:

"The voyage from Montreal to Duluth entails 1,334 miles, much of which is difficult navigation."

This absurd statement is made although the Great Lakes constitute the greatest inland waterway system in the world. It handles in its 9 months season more than half the 12 months total tonnage of all the other three seacoasts of the United States. The far-western city of Duluth, although in winter latitude, ranks second in tonnage to the great port of New York. The single Lake Superior passes through the Soo locks each year three times the total tonnage of the whole Volga system serving all of Russia.

Is that "difficult navigation"?

Again, the pamphlet states (p. 4):

"It is proposed to construct 21 locks between Montreal and Duluth. These locks would constitute 21 physical barriers to navigation."

This is completely inaccurate. The whole St. Lawrence seaway from Montreal to Duluth would need only 16 locks, 8 of which are already constructed. Seven of these finished locks at the Welland Canal, built by Canada, costing $130,000,000 wait today ready with ocean-size locks and depths for the great ships still blocked at Montreal by the outmoded locks and channels, half a century old. There are only three additional locks yet to be built by the United States, and five by Canada, all in the single stretch of 48 miles above Montreal. The association could have verified this easily by consulting the factual reports of the Department of Commerce completed under Secretary Jesse Jones. Only ignorance or intellectual dishonesty would have stated "21 physical barriers" to be constructed.

The pamphlet states (p. 4):

"The distance from the source of the St. Lawrence River (Lake Ontario) to the open sea is 1,182 miles. Navigation would be restricted for the entire distance."

Another completely inaccurate statement. Navigation from the Atlantic to Montreal (1,000 miles) is free and unhindered today for oceangoing vessels, even of 30-foot draft, until they are stopped by the 14-foot draft of the 50-year-old St. Lawrence locks at Montreal. In Document 110, Seventy-third Congress, the Interdepartmental Board stated, "The completed seaway from Duluth to the Atlantic Ocean will provide a waterway in which vessels may move with unrestricted speed over approximately 97 percent of the total distance."

The restriction seems to be only in Mr. Mace's anxiety to make a case.

The pamphlet states (p. 8):

"Throughout the years such steamship lines have either maintained an eloquent silence or have actively opposed the proposition."

On the contrary, in the Senate Committee on Foreign Relations hearings of 1932–33 (p. 706), Robert Dollar, president of Dollar Steamship Lines, a great figure in placing the American flag on American ships all over the world, stated:

"Ships will certainly go to the Lakes for cargo * * * When the canal is finished there is no more reason for doubting that ships will go from the ocean to the Great Lakes than there is that ships will go to any port on the Atlantic seaboard. The fact that they can get nearer the center of the great producing country of the United States would be a great inducement in using the canal. Looking at the question from the shipowner's viewpoint, I am positive that it will be a great benefit to the shipowner, but more especially to the producers in the Pacific Northwest."

Take your choice between Mr. Mace and Capt. Robert Dollar.

In this record of omissions, evasions, and misst..tements, please read page 5, citing the following questionable statements:

"In 1921 the International Joint High Commission reported in favor of the project * * * Congress declined to authoriz the construction of the seaway."

"In 1932 * * * the treaty again failed of ratification."

"In 1934 the Senate * * * again withheld ratification."

"In 1941 * * * again Congress did not pass the requested legislation * * *."

The facts are that over all those years, the only action by Congress was a Senate vote of 1934, 49 in favor to 43 against. This followed the 1933 approval of the Senate Foreign Relations Committee, 15 to 5. In 1941 the only congressional action was the

approval by the House Committee on Rivers and Harbors, 17 to 8, and just two weeks before Pearl Harbor deferred consideration. Is the Mace statement an honest presentation of the record between 1921 and 1941?

The pamphlet states (page 6):

"New York never has approved this project in its entirety."

The facts are that under Governor Franklin D. Roosevelt, the New York Legislature passed unanimously the Power Authority Act directing that organization to promote both navigation and power on the St. Lawrence River. Through the succeeding administrations of Governor Lehman and the present Governor Dewey, repeated efforts to repeal or amend the Power Authority Act or to oppose the St. Lawrence seaway have been defeated. The State of New York through its legislature and its Governors, both Republican and Democratic, has steadfastly favored the development of both navigation and power on the St. Lawrence Only last January 3, Governor Dewey, addressing the assembly stated: "For years I have advocated the completion of the St. Lawrence seaway and power project." The association's statement does not square with the facts.

Without burdening this letter with repetition of other inaccuracies and fallacies in that pamphlet, may I point out one important omission emphasizing its unfair methods and argument. On pages 12 to 15 is reproduced a letter from Mr James Norris, of Chicago addressed to you, Senator, criticizing the seaway and claiming it would be of no benefit to the grain trade That letter was from the CONGRESSIONAL RECORD of March 12 last, where you, yourself, introduced it together with a detailed factual reply which Mr. Mace does not reproduce or even mention. To my mind your reply was an accurate and adequate refutation, and I speak on this point with a lifetime of grain exporting myself, and with a unique experience of World War I as President Wilson's and Herbert Hoover's head of the United States Grain Corporation.

If the deeper St. Lawrence had been open in that World War I, American and Canadian grain would have more nearly approximated the European price.

This pamphlet exhibits a curious history perspective. On pages 3 and 12 it goes back to 1900 to find the only unfavorable official report ever made on the St. Lawrence project. Even that report was immediately followed by the construction in 1903 of the present outmoded locks built for ships of 250 feet instead of today's 800, and for ships requiring 14 feet draft instead of today's 27 feet. The commerce of 1900 was handled in ships of 2,000 tons instead of today's 20,000. Turn back the clock.

In this pamphlet sent to every Member of Congress and widely to the press, the final paragraph is a striking example of selfish impudence. It reads:

"Having failed of justification on every point upon which support has been advanced, the project should permanently be abandoned. After approximately half a century of studies, estimates and discussion, it warrants no further expenditure of time, money, or consideration."

Your colleague should read that advice in the light of the approvals of five Presidents of the United States, including President Truman, three New York State Governors, including Governor Dewey, two New York State Legislatures, five Boards of Engineers, two committees of Congress, a majority vote of the United States Senate in favor, the Maritime Commission, building and operating the world's wonder fleet, the Department of State, War, Navy, Commerce, and Agriculture. These judgments expressed by national and State agencies invested with a wide public interest can be measured against this individual employee of a commercial body in a single port. The Federal Government has already properly spent in the improvement of New York harbor more than half the total cost to our Government of operating the St. Lawrence now with its score of great cities waiting for it. Sounds selfish, doesn't it?

This Association has always been backward on the St. Lawrence project. Let us see what has happened on this half century.

On power, even 30 years ago, the total generated power of America was 14,000,000,000 kilwatt-hours. In 1934 when this Association opposed the project before Congress, America used 90,000,000,000 kilowatt-hours. In 1941 when this Association again opposed this project and stated that power was not needed, America generated 160,000,000,000 kilowatt-hours. Last year, America used 240,000,000,000 kilowatt-hours. The greatest power-operated industrial Nation, because of such opposition, sees today, flowing unused to the sea, the cheapest source of power remaining in America, more than the T. V. A. total improvement. In the 4 years since 1941 association opposition, the population of the Northeastern United Statess has actually shrunken almost 5 percent. At what stage would this association change its views?

In these same 4 years more than half the national expenditure in new plants and plant expansion has centered around the Great Lakes cities. From the management genius and the swelling pool of skilled labor flowed the miracle industrial production that saved the world.

If the St. Lawrence had in 1934 been approved by only 15 additional Senators there would have been saved untold lives and unnumbered ships over the protected St. Lawrence route during the critical years since Pearl Harbor.

America was not built by men who oppose and object, but by men of courage and faith in America's growth, magnificently justified especially in these last 4 years of war. Men in this National St. Lawrence Association like Owen D. Young, Edward P. Noble, John Cowles, Cyrus Eaton, Henry Ford II, Marshall Field, Jay N. Darling, C. B. Thomas, Bernard Ridder, Murray Van Wagoner will continue to ask of Congress fair play in presenting the weighty reasons for congressional approval and firm in the faith that opening a fourth seacoast in the war industry heart of America will not so much divert tonnage and commerce from other ports and railroads, but rather create a great upsurge in industry, employment, and earnings, marking a new and brilliant chapter in America's world leadership.

Sincerely,

JULIUS H. BARNES,
Member of Commerce and Industry Association of New York.

APPROPRIATIONS FOR THE LEGISLATIVE BRANCH

Mr. OVERTON. Mr. President, I move that the Senate proceed to consider House bill 3109, making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. OVERTON. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the amendments of the committee.

The first amendment of the Committee on Appropriations was, under the heading "Senate," at the top of page 2, to insert:

There shall be paid to each Senator, after January 2, 1945, an expense allowance of $2,500 per annum, to assist in defraying expenses related to or resulting from the discharge of his official duties (including expenses for travel, lodging, and subsistence while away from his State domicile in the performance of his official duties) to be paid in equal monthly installments. Such allowance shall not be considered as income for the purposes of Federal, State, or other law, and such expenses, to the extent that they exceed such allowance, shall be deductible for income-tax purposes if otherwise authorized by law. For making such payments through June 30, 1946, $353,667, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

Mr. OVERTON. Mr. President, this amendment will require some time for explanation, and it is a controversial amendment. Therefore I suggest that it be passed over for the time being.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the amendment will be passed over.

The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Office of the Secretary," on page 3, line 7, after the word "and", to strike out "$1,000" and insert "$2,000"; in line 22, after the word "clerks" and the dash to insert "one at $3,900"; on page 4, line 6, after the word "each", to insert "additional clerical assistance and readjustment of salaries in the disbursing office, "$4,020;"; in line 8, after the amendment just above stated, to strike out "assistant in library, $1,440" and insert "two assistants in library at $1,800 each"; in line 11, after the word "messenger", to strike out "$1,260" and insert "$1,320"; in the same line, after the words "one at" where they occur the first time to strike out "$1,980" and insert "$2,040"; in line 12, before the word "five", to strike out "$1,620" and insert "$1,680"; in the same line, after the words "five at", to strike out "$1,440" and insert "$1,500"; in the same line, after the words "one at", to strike out "$1,380" and insert "$1,440"; in line 13, after the words "Secretary's office", to strike out "$1,680" and insert "$1,740"; in the same line after the word "one" where it occurs the second time, to strike out "$1,560" and insert "$1,620"; in line 14, after the word "one", to strike out "$1,260" and insert "$1,320"; and in the same line, after the words "in all", to strike out "$153,920" and insert "$165,720."

The amendment was agreed to.

Mr. AIKEN. Mr. President, may we know on what page the amendments appear which are now being agreed to? The amendments are read so fast I have not been able to find where they are.

The PRESIDENT pro tempore. The last amendment agreed to appears on page 4.

The next amendment was, under the subhead "Document Room," on page 4, line 19, after the word "laborer", to strike out "$1,380" and insert "$1,440"; and in the same line, after the words "in all", to strike out "$19,220" and insert "$19,280."

The amendment was agreed to.

The next amendment was, under the subhead "Committee Employees," on page 5, line 4, after the figures "$4,800", to insert "assistant clerk, $3,600 for the office of the ranking minority member of the Committee on Appropriations, to be appointed by him;"

The amendment was agreed to.

The next amendment was, in line 13, after the figures "$2,220", to insert a semicolon and "additional clerical assistance at rates of compensation to be fixed by the chairman of said committee, $6,000."

The amendment was agreed to.

The next amendment was, in line 15, after the figures "3,900", to insert "assistant clerk, $3,180."

The amendment was agreed to.

The next amendment was, in line 18, after the figures "3,900", to insert "assistant clerk, $3,600."

The amendment was agreed to.

The next amendment was, in line 24, after the figures "2,220", to insert a semicolon and "additional clerical assistance at rates of compensation to be fixed by the chairman of said committee, $6,000."

Mr. AIKEN. Mr. President, at this time I should like to ask what is the purpose of these appropriations which it is proposed to make to the majority and the minority conferences of the Senate? For what purpose is that money supposed to be used? What are the clerks and assistant clerks supposed to do? Is it simply the setting up of political organizations within the Senate itself? And why should public money be expended for that purpose, if that is the purpose?

Mr. OVERTON. That is the question which is before the Senate. The amendment was offered by the able Senator from Ohio [Mr. TAFT]. Perhaps he would prefer to explain it.

Mr. TAFT. Of course, it is to be understood, first, that the regular minority conference clerks described in the bill are the personal clerks who are assigned to the Senator from Michigan [Mr. VANDENBERG]. As the Senator from Michigan he receives his allowances just as if he were a committee chairman instead of receiving them as an individual Senator. So, most of these clerks in this list are his personal office force. The additional $6,000 is sought for the purpose of the direct clerical assistance to the minority conference. I think it does not provide for any more than are now there, but I have assigned one of my clerks and the Senator from Kansas [Mr. REED] has assigned one of his clerks. I think there are now one research clerk and two stenographers. They are to be covered by the $6,000. It seems proper that the cost should be charged directly to the minority conference.

Mr. AIKEN. Are these extra clerks and assistants additional to the regular clerks which the chairmen of the majority and minority conferences are allowed as Senators?

Mr. TAFT. Yes, as Senators.

Mr. AIKEN. They are additional?

Mr. TAFT. The Senator from Michigan, by reason of being the chairman of the minority conference receives $3,840 more than he would receive if he were merely a Senator from Michigan and not the chairman of the conference. That $3,840 he is willing to assign plus the $6,000, which would bring the total altogether to about $9,800, which covers I think about four clerks who are assisting the research assistant.

Mr. AIKEN. Then the Senator from Michigan, and the majority chairman, who I presume is the Senator from Kentucky [Mr. BARKLEY]——

Mr. TAFT. Yes.

Mr. AIKEN. Would receive about $18,000 a year more for clerk hire because of being chairman.

Mr. TAFT. Not $18,000. To be exact, the Senator from Michigan would receive $9,840, in addition to what he receives by virtue of the fact that he is a Senator from Michigan. The $9,840 would be for additional clerical assistance.

The same condition exists in every committee of the Senate. I think the existing system is a very poor way to handle the problem; but every committee chairman is assigned a certain number of clerks, and no distinction is made between his personal office force and those who serve the committee. It is up to the chairman to decide how much clerical assistance he will assign to the committee, and how much he will keep in his office. I think it is a poor system.

Mr. AIKEN. I agree with the Senator.

Mr. TAFT. We discussed that question with the committee. We felt that if we were to undertake any general reform, the two activities should be separated. Every Senator should have his individual clerks, and each committee should have the clerks necessary to do the committee work. But so long as the present system exists, this seemed to me to be the best way to handle this particular situation.

So far as the Senator from Michigan is concerned, he will receive exactly what he receives as a Senator from Michigan, and the $9,840 which he would receive in addition would be used to provide an office force for the minority conference.

Mr. AIKEN. Is the additional money proposed to be assigned to the majority and the minority to hire clerks to keep up with their politics?

Mr. TAFT. No; to keep up with the research work, which is very valuable. This work is being done continuously, and is of great value to the minority. In some cases the results of the work are placed in the CONGRESSIONAL RECORD and made available to all Senators. As a matter of fact, much of the research work done is available to any Democratic Senators who wish to have it. So far as I know, there has been nothing secret about it up to this time. It has been something that we could get directly and quickly, and from the point of view from which we wished to have the particular problem studied.

Mr. AIKEN. What research work is done that the Library of Congress would not willingly do?

Mr. TAFT. A Senator can call up the Library of Congress and have certain formal research work done. I should say that this particular research work is done very much better, and very much more reliably. It is approached from the particular point of view of the members of the minority conference. I have heard no criticism whatever of the work done, and I have heard nothing but praise for the assistance which has been rendered to Senators who have availed themselves of it.

Mr. AIKEN. The research work should be on a wholly impartial basis. Otherwise, public funds may be used for partisan or propaganda purposes.

Mr. TAFT. Does not the Senator believe that all research work is done from a particular standpoint? A Senator may say "I want to get the arguments on this side of the problem, or on that side of the problem, or on both sides." Those who are asked to do the research work are usually willing to do it, no matter from what point of view the work is approached. Suppose the Senator's charge were true. I do not know how many Government bureau research workers are approaching the thing solely from a political standpoint. There are probably a thousand times as many as the three clerks who might be assigned to the minority conference.

Mr. AIKEN. Mr. President, I have made no charges that I am aware of. I am simply questioning the advisability of adding $6,000 each to the appropriations for the majority and minority leaders, without having a pretty good idea that the money is to be well spent, and in the public interest. I do not see why it should be spent for any other purpose than in the public interest. I hope the amendment will not prevail.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. LANGER. How does this amount compare with the amount which the late Senator McNary had available?

Mr. TAFT. The amount is exactly the same as the amount which Senator McNary had, except for the additional $6,000. As the Senator knows, the work now covers a somewhat broader field. As I say, we have actually used these clerks. I have assigned one to the minority conference, which I cannot afford to do permanently. The Senator from Kansas [Mr. REED] has assigned one clerk, which he cannot afford to do permanently. It seemed proper that they should be paid for directly by the Senate, instead of by individual Senators.

Mr. LANGER. Is it proposed to appropriate $6,000 additional for the majority leader as well?

Mr. TAFT. Yes.

Mr. AIKEN. Suppose the Senator from Ohio should tell one of the research assistants that he desired data to substantiate one side of a question, and the Senator from North Dakota should tell the same clerk that he desires data to support an argument on the other side

of the question. Would both Senators be entitled to make their requests?

Mr. TAFT. Both of them would receive what they requested; and if the research worker were asked for his opinion, undoubtedly he would give his opinion, which might be either way. He would be likely to be a man of very set opinions of his own. However, it would be clear that his opinions were his own, and not those of anyone else.

Mr. AIKEN. Mr. President, I have no objection to leaving the appropriation as it is at present, but I do not think we should appropriate $6,000 additional of public money for this purpose. The majority leader could use his allotment to promote the cause of the majority party, and the minority leader could use his to promote the cause of the minority party, and the public would pay the bill.

Mr. OVERTON. Mr. President, it depends very largely on the viewpoint. Year after year we appropriate, not a few thousand dollars, but millions of dollars, for clerical help in the executive agencies and departments in Washington, and not a single objection is raised. But when an effort is made to assist the United States Senate and United States Senators in the discharge of their legislative duties, and a small appropriation is asked for that purpose, very frequently objection is heard.

So far as I am individually concerned, I believe that we ought to be better equipped than we are with able clerical help. I see no reason why the majority conference and the minority conference should not have the small sum of $6,000 each for additional clerical help.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Louisiana yield to the Senator from Vermont?

Mr. OVERTON. I yield.

Mr. AIKEN. I should like to ask the Senator from Ohio [Mr. TAFT] a question. Did I correctly understand the Senator from Ohio to say that the information gathered by these research assistants is available to any Senator?

Mr. TAFT. I do not think I would say that, because one of the purposes of asking for such information, and one reason for having a minority force, is to obtain a confidential report which is not available to everyone unless it is desired to make it available. Most of the information which has been obtained has been available to all Senators. Every committee chairman in the Senate can use one of his clerks to make a partisan research study, and can keep it confidential if he wishes to do so. If he can do so, why should not the chairman of the minority conference and the chairman of the majority conference have the same privilege? I do not understand the Senator's point of view. I do not understand his criticism of this proposal.

Mr. AIKEN. I know that every Senator can have his clerks do research work for his own political benefit. He has an appropriation for that purpose. If every Senator, including the majority and minority leaders, has an appropriation for clerks and can use it for that purpose, what is the sense of having an additional appropriation for that purpose?

Mr. TAFT. Because we can have better work done, especially if our own clerks are busy. Incidentally, Senators are not given any allowance for a real research clerk. The clerks in his office are so busy with his own work that he cannot always afford to assign them to research work. At least, he cannot afford to employ an individual or a force with sufficient breadth of knowledge and ability to study all kinds of problems, which we can do if we combine in an effort to get the work done.

Mr. AIKEN. Has there been any complaint on the part of Senators that they could not get that work done by their own office forces?

Mr. TAFT. Yes; and there has been great satisfaction with the work which has been done.

Mr. AIKEN. There is some dissatisfaction with some of the work that has been done, or is going to be done.

Mr. TAFT. I do not know what the Senator can tell about what is going to be done.

Mr. AIKEN. Too much of this money has been used for propaganda purposes.

Mr. President, I have nothing further to say. I will vote against the proposed appropriation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, beginning in line 24.

Mr. AIKEN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is the request sufficiently seconded?

Mr. AIKEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Bailey	Guffey	O'Mahoney
Bankhead	Gurney	Overton
Barkley	Hart	Pepper
Bilbo	Hatch	Revercomb
Bridges	Hayden	Russell
Briggs	Hickenlooper	Saltonstall
Burton	Hoey	Shipstead
Bushfield	Johnson, Colo.	Smith
Butler	Johnston, S. C.	Stewart
Byrd	La Follette	Taft
Capper	Langer	Thomas, Okla.
Chandler	Lucas	Thomas, Utah
Chavez	McClellan	Tobey
Cordon	McKellar	Wagner
Donnell	McMahon	Walsh
Eastland	Maybank	White
Ellender	Moore	Wiley
Fulbright	Morse	Willis
George	Murdock	Wilson
Gerry	Myers	Young

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from California [Mr. DOWNEY], the Senator from Montana [Mr. MURRAY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Alabama [Mr. HILL] is absent because of illness in his family.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent on official business for the Special Committee Investigating the National Defense Program.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Committee on Interstate Commerce.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on Territories and Insular Affairs, has been designated to visit the Philippine Islands and, therefore, is necessarily absent.

Mr. WHITE. The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], and the Senator from Nebraska [Mr. WHERRY] are absent, by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at Sant Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business, by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON] are absent on official business of the Senate, as members of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Wyoming [Mr. ROBERTSON] is absent by leave of the Senate, on official business of the Committee on Public Lands and Surveys.

The Senator from Kansas [Mr. REED] is detained in committee meeting, and the Senator from Delaware [Mr. BUCK] is necessarily absent.

The PRESIDING OFFICER. Sixty-three Senators have answered to their names. A quorum is present.

Mr. AIKEN. Mr. President, I suggested the absence of a quorum because I should like to have a record vote on this amendment, which proposes to give $6,000 a year to the majority and minority leaders for clerk hire, in addition to the $9,000 or $10,000 they now have for that purpose. It looks to me as if the additional $6,000 asked for is simply for political purposes. I do not think it should come out of the public funds, when it would be used for party political purposes. I have no objection to leaving the appropriation as it now is, but I do not believe we should allow the extra $6,000. I hope the Members of the Senate will be willing to go on record regarding how they feel about the additional appropriation. Therefore, I have asked for the yeas and nays.

The PRESIDENT pro tempore. The yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. AIKEN. Mr. President, I wish to call attention to the fact that the Senator from Massachusetts [Mr. WALSH], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from North Dakota [Mr. LANGER], and I were willing to have our positions on this amendment recorded.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 5, in line 24.

The amendment was agreed to.

The PRESIDENT pro tempore. The next committee amendment will be stated.

The next amendment was, on page 6, in line 4, after the figures "$2,220", to insert a semicolon and "additional clerical assistance at rates of compensation to be fixed by the chairman of said committee, $6,000"; in line 10, after the figures "$3,900", to insert "assistant clerk, $2,880"; in line 11, after the figures "$2,220", to strike out "additional clerk, $1,800" and insert "two additional clerks at $1,800 each"; in line 16, after the figures "$3,900", to insert "assistant clerk, $3,600"; in line 17, after the figures $2,220", to strike out "additional clerk, $1,800" and insert "two additional clerks at $1,800 each"; in line 25, after the figures "$3,900", to insert "assistant clerk, $3,600"; on page 7, line 3, after the figures "$2,580", to insert "assistant clerk, $2,400"; in line 4, after the figures "$2,220", to strike out "additional clerk, $1,800" and insert "two additional clerks at $1,800 each"; in line 11, after the figures "$2,220", to insert "assistant clerk, $2,040"; in line 22, after the figures "$2,220", to insert "assistant clerk, $2,040"; in line 23, after the figures "$3,900", to insert "special assistant, $3,300"; on page 8, line 2, after the figures "$2,220", to insert "two assistant clerks at $1,800 each"; in line 6, after the figures "$3,900", to strike out "assistant clerk, $2,400" and insert "two assistant clerks at $2,400 each"; in line 15, after the figures "$2,400", to strike out "assistant clerk, $2,220" and insert "two assistant clerks at $2,220 each"; in line 18, after the figures "$2,000", to insert "assistant clerk, $1,800"; in line 20, after the figures "$3,900", to insert "assistant clerk, $1,800 and $1,500 additional so long as the position is held by the present incumbent"; on page 9, in line 3, after the figures "$1,800", to insert "Special Committee on Conservation of Wildlife Resources—clerk, $3,900; assistant clerk, $1,800"; and in line 8, after the words "in all", to strike out "$515,140" and insert "$587,800."

The amendment was agreed to.

The next amendment was, under the subhead "Clerical assistance to Senators," on page 9, line 14, after the word "each" where it occurs the second time, to strike out "such clerks and assistant clerks shall be ex officio clerks and assistant clerks of any committee of which their Senator is chairman."

Mr. OVERTON. Mr. President, for the purpose of the RECORD, I desire to make a statement in respect to the additional clerks to whom the Senate is now addressing itself.

As Senators know, these additional clerks are not new clerks; they have been on the Senate roll, but they have been paid out of the contingent fund of the Senate in accordance with a resolution which was reported by the Comittee to Audit and Control the Contingent Expenses of the Senate. At the opening of the present session that committee reported resolutions with respect to these additional clerks and provided that the period of their employment should expire on June 30 of this year. The committee did so for the express purpose of having such additional clerks carried as permanent clerks in the appropriation bill now being considered, if the Senate desired that to be done.

I make that explanation in order that Senators may understand that no additional offices are being created.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 9 in line 14.

The amendment was agreed to.

The next amendment was, on page 10, line 15, after the word "Senator", to strike out "from each State having a population of 4,000,000 or more inhabitants, $90,720; and $4,020 per annum for each Senator from each State having a population of less than 4,000,000, $315,560 in all, $404,280" and insert "$483,840."

The amendment was agreed to.

Mr. BYRD subsequently said: Mr. President, I ask the Senator from Louisiana to refer back to the amendment beginning in line 15 on page 10. Am I to understand that the plan of affording ex officio clerks to Senators representing the larger States is to be changed?

Mr. OVERTON. No; that is not correct. We have left undisturbed the additional clerical help furnished to Senators representing the larger States; but it will be remembered that when the Senate originally made that provision at the last session of Congress we added certain clerks for the remaining Senators. For the purpose of supplying additional clerks we made a distinction between clerks of Senators who represented the larger States and clerks of Senators who represented the smaller States. We see no reason why there should be a distinction between those additional clerks in respect to their salaries.

Mr. BYRD. The Senators representing the larger States receive additional clerical assistance, as I think they should.

Mr. OVERTON. They receive such assistance.

Mr. BYRD. The provision to which I have referred on page 10 would not disturb that situation?

Mr. OVERTON. No.

Mr. BARKLEY. Mr. President, if the Senator from Louisiana will yield let me say that, as I understand, this amendment eliminates the ceiling which may be observed with respect to the compensation paid to clerks so that their compensation does not depend upon the population of any State.

Mr. OVERTON. That is correct. After providing for additional clerks to Senators from the larger States, the Senate last year provided an additional clerk for each Senator regardless of the population of the State which he represented, whether it be a State of large population or a State of small population. We are now fixing the compensation of those additional clerks from all States, large and small, at the same rate.

Mr. BARKLEY. That is what I mean.

Mr. OVERTON. Yes.

The next amendment was, on page 12, line 3, after the word "Senators", to strike out "$1,567,080" and insert "$1,646,640: *Provided*, That all clerks, assistant clerks, and additional clerks under this heading shall be ex officio clerks, assistant clerks, and additional clerks of any committee of which their Senator is chairman."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Sergeant at Arms and Doorkeeper", on page 12, line 20, after the word "majority", to strike out "$2,280 and $120 additional so long as the position is held by the present incumbent" and insert "$2,640"; in line 23, after the word "minority", to strike out "$2,280 and $120 additional so long as the position is held by the present incumbent", and insert "$2,640"; on page 13, line 7, after the word "one", to strike out "$2,040" and insert "$2,220"; in the same line, after the word "upholsterer", to strike out "$2,040" and insert "$2,220"; in line 11, after the word "passage", to strike out "$1,740" and insert "$1,800"; in line 13, after the word "at", to strike out "$1,500" and insert "$1,560"; in line 15, after the word "at", to strike out "$1,500" and insert "$1,560"; in line 16, after the word "chief", to strike out "$2,460 and $280 additional so long as the position is held by present incumbent" and insert "$3,000"; in line 17, after the amendment last stated, to strike out "fourteen at $1,620 each" and insert "assistant chief, $2,400; thirteen at $1,800 each; longevity pay of operators as authorized by Public Law No. 2, Seventy-ninth Congress, $1,350"; in line 21, after the word "space", to strike out "$1,200" and insert "$1,260"; in line 25, before the word "each" where it occurs the first time, to strike out "$1,560" and insert "$1,620"; in the same line, after the words "two at", to strike out "$1,440" and insert "$1,500"; on page 14, after the words "two at", to strike out "$1,440" and insert "$1,500"; in line 3, after the words "one at", to strike out "$1,320" and insert "$1,380"; in the same line, after the amendment last stated, to strike out "twenty-seven at $1,260 each" and insert "twenty-six at $1,320 each"; in line 4, after the words "three at", to strike out "$480" and insert "$540"; and in line 7, after the words "in all", to strike out "$272,484" and insert "$279,494."

The amendment was agreed to.

Mr. BYRD. Mr. President, are all these employees under the classified civil service?

Mr. OVERTON. To what item is the Senator referring?

Mr. BYRD. I was referring to the laborers provided for on page 13.

Mr. OVERTON. No; the employees under the Sergeant-at-Arms are not under civil service.

Mr. BYRD. Are any of them affected by the bill which was passed last week increasing the salaries in the classified civil service? I know that janitors and others were affected.

Mr. OVERTON. Those employees whose salaries are to be increased in this bill were not taken care of in the bill passed a few days ago.

Mr. BYRD. We are not being asked to change any salaries which were affected by the bill which was passed last week covering employees of the legislative branch of the Government; are we?

Mr. OVERTON. No.

The PRESIDENT pro tempore. The next committee amendment will be stated.

The next amendment was, on page 14, line 9, after the word "Captain", to strike out "$2,700" and insert "$3,000"; in the same line, after the word "at", to strike out "$1,740" and insert "$2,000"; in line 10, after the word "at", to strike out "$1,740" and insert "$2,000"; in line 11, after the word "at" where it occurs the first time, to strike out "$1,680" and insert "$1,920"; in line 12, before the word "each", to strike out "$1,620" and insert "$1,800"; and in the same line, after the words "in all", to strike out "$105,480" and insert "$117,680."

The amendment was agreed to.

The next amendment was, under the subhead "Post Office," on page 14, line 15, after the figures "$2,280", to insert "assistant, $1,740"; and in line 17, after the words "in all", to strike out "$56,460" and insert "$58,200."

The amendment was agreed to.

The next amendment was, under the subhead "Folding room," on page 14, line 20, after the word "incumbent", to strike out "clerk, $2,400; clerk, $1,740" and insert "clerks—one at $2,400, two at $1,740 each"; in line 22, after the figures "$2,040", to strike out "fourteen" and insert "thirteen"; and in line 23, after the words "in all", to strike out "$29,340" and insert "$29,640."

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses of the Senate," on page 16, line 15, after the word "labor", to strike out "$372,962" and insert "$401,762."

The amendment was agreed to.

The next amendment was, on page 16, line 21, after the words "by law", to strike out "$9,376.66" and insert "$10,249.66, and the maximum allowance per capita of $96.66 is increased to $105.66 for the fiscal year 1946 and thereafter."

The amendment was agreed to.

Mr. LUCAS. Mr. President, I should like to ask the Senator from Louisiana a question with respect to the amendment in line 8, on page 14, in fact the entire paragraph beginning in line 8, dealing with the salaries of the Capitol Police force. I should like to know how the salaries of the Capitol Police force compare with the salaries of the police force here in the District of Columbia.

Mr. OVERTON. The salaries of the Capitol Police are substantially lower than the salaries of the Metropolitan Police, to such an extent that it has been very difficult to obtain policemen and officers for the Capitol Police, and the salary is so low that the right of patronage exercised by Senators with respect to members of the Capitol Police force is now very rarely taken advantage of, because men from the different States are unwilling to come to Washington and work at so meager a compensation.

We have done the best we could. We have provided a rather slight increase, not so large an increase as was suggested, but we felt that, on the whole, we were doing substantial justice or at least we were improving the situation.

Mr. LUCAS. I am glad to have that explanation. I hope that at some time we can have a police force for the Capitol which will be in keeping with the dignity of the Congress and that money may be provided to pay them compensation to which a good police officer is entitled. Some day, as a member of the Rules Committee, I hope to make some kind of a report dealing with that subject. As I have observed from time to time the workings and operations of the police force in the Capitol, it has sometimes occurred to me that they perform public service commensurate with the pay received.

I am not speaking in any disrespect of any man on the Capitol Police force; but I definitely feel that they are all underpaid and that there should be established a more rigid and efficient system that would make the Capitol Police force an enforcement agency that would receive the commendation of all visitors who come to the Capitol.

Mr. OVERTON. I wish to say now with respect to the observation made by the Senator from Illinois concerning the Capitol Police that the Sergeant at Arms of the Senate stated to the committee that he has a very efficient police force; that he has no criticism to make of it; and that they are very attentive to their duties. I may say in this connection that their duties are not so light as might be indicated by the observations made by the able Senator from Illinois. They have a great responsibility and they have considerable territory to cover, including all the buildings and grounds around the Capitol, and they are constantly vigilant and on the alert. Mr. Romney, the Sergeant at Arms of the House of Representatives, intimated that if the compensation of the Capitol Police could be increased he thought he could obtain more efficient policemen on the House side.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. OVERTON. I yield.

Mr. LUCAS. I am not complaining so much about the manner in which the Capitol Police perform their duties; in fact, one of the members of the police force is from Illinois. I know he is a capable and competent officer. I am complaining primarily, more than anything else, about the salaries these men are now paid in comparison with the salaries paid members of the Metropolitan Police force of this city and other cities. I think that the duties of the Capitol Police force around the Capitol, so far as responsibility is concerned, are just as heavy as and more important in many cases than the responsibilities of policemen on regular beats here in the city.

Mr. OVERTON. I quite agree with the Senator. However, I did not feel personally like urging too great an increase, because in acting as chairman of the subcommittee I was acting in a substitute capacity. The regular chairman of the subcommittee was absent, and I did not wish to advocate too many and too large increases in the salary rates.

The PRESIDENT pro tempore. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 17, line 6, after the word "resolution", to insert a colon and the following proviso: "*Provided,* That whenever any person has left or leaves any civilian position in any department or agency in the executive branch of the Government in order to accept employment by the Senate Committee on Appropriations, he shall be carried on the rolls of such committee and shall be solely employed by such committee, and responsible only to it; but he shall be entitled upon making application to the Civil Service Commission within 30 days after the termination of his employment by such committee (unless such employment is terminted for cause) to be restored to a position in the same or any other department or agency where an opening exists, comparable to the position which, according to the records of the department or agency which he left to accept employment by the Senate Committee on Appropriations or in the judgment of the Civil Service Commission, such person would be occupying if he had remained in the employ of such department or agency during the time he was employed by such committee; and such person shall be restored to such position with the same seniority, status, and pay as if he had remained in the employ of the department or agency which he left, during such time. This section shall not be construed to require any person to be restored to a position in any department or agency after the expiration of the time for which he was appointed to the position which he left to accept employment by such committee."

The amendment was agreed to.

The next amendment was, on page 18, line 11, after the name "Senate", to strike out "the initial 3-minute toll charges on not to exceed 10 strictly official long-distance telephone calls from Washington, District of Columbia, per month for each Senator", and insert: "toll charges on not to exceed 26 strictly official long-distance telephone calls, aggregating per month for each Senator not more than 130 minutes, to and from Washington, District of Columbia."

The amendment was agreed to.

The next amendment was, on page 18, after line 17, to insert:

There shall be paid from the contingent fund of the Senate, in accordance with rules and regulations prescribed by the Committee

to Audit and Control the Contingent Expenses of the Senate, toll charges on strictly official long-distance telephone calls originating and terminating outside of Washington, District of Columbia, not to exceed $300 per year for each Senator.

The amendment was agreed to.

The next amendment was, on page 19, line 2, after the name "Senate", to strike out "$26,900" and insert "$46,300: *Provided*, That commencing with the fiscal year 1946 the allowance for stationery for each Senator and for the President of the Senate shall be $400 per annum."

The amendment was agreed to.

The next amendment was, under the heading "Architect of the Capitol—Capitol Buildings and Grounds," on page 38, line 22, after the numerals "1941", to strike out "$317,200" and insert "$331,000."

The amendment was agreed to.

Mr. JOHNSON of Colorado. Mr. President, I desire to reserve the right to offer an amendment on page 19, lines 16 to 25, inclusive. I desire to reserve the right to move to amend that provision.

The PRESIDENT pro tempore. The amendment of the Senator from Colorado will be in order after the committee amendments shall have been disposed of.

Mr. JOHNSON of Colorado. I merely wanted that to be understood.

The PRESIDENT pro tempore. The Senator from Colorado will have the opportunity to offer an amendment.

The clerk will state the next amendment reported by the committee.

The next amendment was, on page 39, line 24, after the words "in all", to strike out $349,500" and insert "$339,500."

The amendment was agreed to.

The next amendment was, under the heading "Library of Congress," on page 43, after the word "Librarian", to strike out "$1,777,000" and insert "$1,783,310."

The amendment was agreed to.

The PRESIDENT pro tempore. That concludes the committee amendments except the first committee amendment on page 2, which will be stated.

The CHIEF CLERK. Beginning at the top of page 2 it is proposed to insert the following:

There shall be paid to each Senator, after January 2, 1945, an expense allowance of $2,500 per annum, to assist in defraying expenses related to or resulting from the discharge of his official duties (including expenses for travel, lodging, and subsistence while away from his State domicile in the performance of his official duties) to be paid in equal monthly installments. Such allowances shall not be considered as income for the purposes of Federal, State, or other law, and such expenses, to the extent that they exceed such allowance, shall be deductible for income-tax purposes if otherwise authorized by law. For making such payments through June 30, 1946, $358,667, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

Mr. OVERTON. Mr. President, a number of Senators desired to know when this amendment, relative to the congressional expense allowance, would come up. I stated to them that I would suggest the absence of a quorum. Although there is a very full attendance of the Senate at this time, in order that other Senators may be present——

Mr. HATCH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to the Senator from New Mexico?

Mr. OVERTON. I yield.

Mr. HATCH. Is it the intention of the Senator to proceed with this amendment this afternoon?

Mr. OVERTON. Yes, indeed. Therefore, Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Bailey	Guffey	O'Mahoney
Bankhead	Gurney	Overton
Barkley	Hart	Pepper
Bilbo	Hatch	Revercomb
Bridges	Hayden	Russell
Briggs	Hickenlooper	Saltonstall
Burton	Hoey	Shipstead
Bushfield	Johnson, Colo.	Smith
Butler	Johnston, S. C.	Stewart
Byrd	La Follette	Taft
Capper	Langer	Thomas, Okla.
Chandler	Lucas	Thomas, Utah
Chavez	McClellan	Tobey
Cordon	McKellar	Wagner
Donnell	McMahon	Walsh
Eastland	Maybank	White
Ellender	Moore	Wiley
Fulbright	Morse	Willis
George	Murdock	Wilson
Gerry	Myers	Young

Mr. WHITE. Mr. President, I announce again the unavoidable absence of the Senator from Oregon [Mr. MORSE] in attendance upon public business.

The PRESIDENT pro tempore. Sixty-three Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment beginning at the top of page 2.

Mr. OVERTON obtained the floor.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. LUCAS. I should like to call the attention of the able Senator to the last two paragraphs on page 18. The first paragraph deals with toll charges for telephone calls made by Senators to be paid from the contingent fund of the Senate, under the control of the Committee to Audit and Control the Contingent Expenses of the Senate, of which the Senator from Illinois is chairman. I think I thoroughly understand the change which has been made in paragraph 1 with respect to toll charges which each Senator may incur, but with respect to paragraph 2 I am not certain. Paragraph 2 reads:

There shall be paid from the contingent fund of the Senate, in accordance with rules and regulations prescribed by the Committee to Audit and Control the Contingent Expenses of the Senate, toll charges on strictly official long-distance telephone calls originating and terminating outside of Washington, D. C., not to exceed $300 per year for each Senator.

In paragraph 1 it is provided that each Senator may make "not to exceed 26 strictly official long-distance telephone calls" from his home to Washington, if official business, or from Washington to his home, if official business. It is stated that in addition to those telephone calls there shall be paid from the contingent fund "toll charges on strictly official long-distance calls" terminating outside of Washington, D. C.," "not to exceed $300 per year."

That paragraph provides that the Committee to Audit and Control the Contingent Expenses of the Senate shall lay down the rules controlling the expenditure of the $300. Am I to understand that each Senator must keep an itemized account of each and every telephone call that is made, or at the end of the year will the Committee to Audit and Control the Contingent Expenses of the Senate be directed to pay each Senator the sum of $300?

Mr. OVERTON. I do not understand it would work that way. I think it would operate just as the present system does, a practice with which the Senator is familiar, that is, that the telephone company would make note of the charges, and when the $300 was exhausted then, of course, that would end the Senator's allowance with respect to telephone calls outside of Washington.

Mr. LUCAS. In other words, the telephone company is to keep the books for each Senator with respect to these telephone calls?

Mr. OVERTON. That is my understanding, and if that be found, after consultation by the Committee to Audit and Control the Contingent Expenses of the Senate with the representatives of the telephone company, to be a burden that is unbearable, then the other alternative would be for the Committee to Audit and Control to establish, by rules and regulations, the requirement that each Senator keep an itemized statement of his long-distance telephone calls outside of Washington, and not directed to his office in Washington.

Mr. LUCAS. I thank the Senator for the explanation, but there is still some doubt in my mind, under the wording of the amendment, whether at the end of the year a Senator would not be entitled to the difference between $200, let us say, charged for long-distance calls he has made, and the $300, which would mean $100, which would have to go to him.

It is obvious to me that telephone companies cannot keep the records as suggested by the Senator from Louisiana. I am certain each Member will have to keep an itemized report and submit it to the Committee to Audit and Control the Contingent Expenses of the Senate for approval. That is, providing Senators are not entitled to the maximum amount of $300.

Mr. OVERTON. No; a Senator would not be entitled to withdraw any money whatsoever; in fact, it is not contemplated that he would pay any money. It is contemplated that the charge would be made against the Government. But if that be found to be too impracticable, then another arrangement can be effected by the Committee to Audit and Control the Contingent Expenses of the Senate, and whatever arrangement may be effected will of course be agreeable to the Senate, and must be agreeable, under the provisions of the amendment.

Mr. President, we have for consideration now that provision of the bill which may be designated as the congressional expense allowance provision. A similar provision originated in the House of Rep-

resentatives, and it may be well, before beginning a presentation of the merits of the amendment and some of the reasons which actuated the committee to recommend its adoption, that I should point out the differences which exist between the House provision and the proposed Senate amendment.

The House provision is to be found on page 19 of the bill, and reads as follows:

> There shall be paid to each Representative and Delegate, and to the Resident Commissioner from Puerto Rico, after January 2, 1945, an expense allowance of $2,500 per annum to assist in defraying expenses related to or resulting from the discharge of his official duties to be paid in equal monthly installments.

Then follows the necessary appropriation. The Senate committee provision carries the language contained in the House provision, with the changes necessary with respect to the designation of Representatives and Delegates and the Resident Commissioner from Puerto Rico, substituting the word "Senators."

Mr. BYRD. Mr. President, will the Senator yield for a question?

Mr. OVERTON. Certainly.

Mr. BYRD. Does the House provision require the submission of an itemized statement of expenses and an explanation of the same?

Mr. OVERTON. Yes. That is my personal interpretation of it. Of course, the House would be in better position to give an interpretation of the provision than I am. It is a congressional allowance for the House, and the House legislatively determined that the average congressional expenditure which would be allowable under this provision would amount to the sum of $2,500.

Mr. BYRD. Does the Senator regard that as being nontaxable?

Mr. OVERTON. In my opinion it is not nontaxable. In my opinion the language of the House provision makes the $2,500 taxable.

Mr. BYRD. The language in the Senate provision corrects that, and makes it nontaxable?

Mr. OVERTON. Yes.

Mr. BYRD. The Senator thinks that is a correction?

Mr. OVERTON. The Senate did not undertake to interfere at all with whatever the House desired inserted with respect to its own membership. That is a rule of comity which, so far as I know, invariably has existed between the two Houses. The House is not disturbed at what the Senate does with reference to its own employees or its own body. The Senate, on the other hand, does not interfere with such provisions peculiarly applicable to the House which are made by the House.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BANKHEAD. Is there any evidence other than the language used in the amendment to indicate whether the House thought it was making this item nontaxable?

Mr. OVERTON. There is a statement in the report made by the House committee. The House committee took no evidence. The Senate committee, on the other hand, had evidence before it concerning which I shall make observations later on.

Mr. BANKHEAD. In view of the language contained in the report the House was informed and believed that it was passing a nontaxable item?

Mr. OVERTON. It did. The House Appropriations Committee stated in its report:

> Since this item is entirely for expenses incidental to office it would not be income, therefore not taxable.

In addition to retaining the House language the Senate committee in its suggested amendment specifically includes among the expenses relating to or resulting from the discharge of a Senator's duties, the following:

> Expenses for travel, lodging, and subsistence while away from his State domicile in the performance of his official duties.

And then it contains the following additional language which is not found in the House provision:

> Such allowance shall not be considered as income for the purposes of Federal, State, or other law, and such expenses, to the extent that they exceed such allowance, shall be deductible for income-tax purposes if otherwise authorized by law.

Then follows the necessary appropriation which, insofar as the Senate is concerned, amounts for 18 months to the sum of $358,667.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BARKLEY. What is meant by the phrase "if otherwise authorized by law"? I do not know of any law which authorizes a Senator or a Member of the House to engage in any particular expenditure to the extent that it is authorized by law, and I do not understand that phrase. In other words, if an individual Senator spends more money than the $2,500 provided for, it is deductible if it is authorized by law. Under what law is that?

Mr. OVERTON. Under the revenue law. The revenue law provides for certain deductions, as the Senator well knows.

Mr. BARKLEY. It does not provide for any deductions on the part of Members of Congress. It provides for deductions on the part of everybody else, but——

Mr. OVERTON. I think that in the main the Senator is correct, but not altogether so.

Mr. BARKLEY. Does the phrase "if authorized by law" mean that the deductions are authorized by law or that the expenditures exceeding $2,500 are authorized by law?

Mr. OVERTON. Deductible expenditures are allowed. The deductions from the income tax of certain expenditures are allowed by law.

Mr. BARKLEY. As we all know, the Treasury Department has never been willing to make any deductible allowance for expenditures incurred by Members of Congress in the performance of their duties, even in connection with matters that are directly in line with their duties. For instance, if we travel to various places to make speeches for or otherwise engage in Government bond sales, and in behalf of the Government to urge people to buy bonds, which most of us are probably going to do in the next few days at our own expense, that is in line with our duties, and we are glad to do it, but we get no deduction for income-tax purposes for that expenditure, whereas if anyone from the Treasury Department goes out to do that he is given the deduction. He also has his expenses paid. I wonder whether the phrase to which the Senator has referred "if authorized by law" means if the deduction is authorized in the revenue laws, or whether the expenditure is itself authorized by law.

Mr. OVERTON. The deduction is authorized by law.

Mr. BARKLEY. It refers to the deduction

Mr. OVERTON. Yes. I now read from the report submitted by the Senate committee:

> The allowance will not be considered as income for income-tax purposes and if expenditures are made in excess of the allowance for items otherwise deductible under the law these items will still be deductible.

I thoroughly and heartily agree with the able Senator from Kentucky that, according to the rules of the Bureau of Internal Revenue, there are very few items which they recognize as deductible insofar as Representatives and Senators are concerned. I shall give as an illustration, long distance telephone calls. All long distance telephone calls made in the discharge of a Senator's duties are not covered by the provision now existing, but under the provision adopted by the committee they will be considered deductible. I say they will be considered deductible, but the vagaries of the Bureau of Internal Revenue are many when it comes to applying the law to Senators and Representatives, as I shall undertake to show shortly. The Bureau did allow a deduction to be made because when Senator REED, of Pennsylvania, was in the Senate he had inserted in the revenue law a provision to the effect that expenditures made in the discharge of the official duties of a Senator should be regarded as deductible. So, the Bureau has heretofore been allowing a deduction for certain telephone charges.

I give that as an illustration. But in order to point out their inconsistency and, I think the severity of their ruling, it developed in the course of the hearing that they now hold that if Senators make any additional calls they cannot deduct them because the Congress has in effect declared that only a certain number of telephone calls may be made by a Senator.

I agree with the Senator from Kentucky; and I shall undertake to show in the course of my remarks that I think the rulings of the Bureau of Internal Revenue have been rather harsh when it comes to Senators and Representatives.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. TAFT. I do not quite understand the effect of the language "and such expenses, to the extent that they exceed

such allowance, shall be deductible for income-tax purposes if otherwise authorized by law." If they were otherwise authorized by law to be deducted, they would be deductible. Why do we have to say it again? Is that language intended to change what may be deducted? What is the purpose of inserting that language?

Mr. OVERTON. The purpose is this: Under the present rulings of the Bureau of Internal Revenue, no expenses for travel, maintenance, and subsistence are deductible so far as a Senator or Representative is concerned. So if we allow the $2,500 and provide that such allowance shall not be considered as income, then if the expenditures which we make for maintenance, travel, and subsistence are in excess of $2,500, they will not be deductible. Therefore, in order to make them deductible, we must legislately declare that they are deductible.

Mr. TAFT. Yes; but as I understand the present law as interpreted—and presumably correctly—they may not be deducted.

Mr. OVERTON. That is correct.

Mr. TAFT. Therefore they are not "otherwise authorized by law." So I do not see that this sentence changes the situation in any way. This language seems to me to say that they can be deducted if they can be deducted; and I do not understand how the language would change the present law.

Mr. OVERTON. I understand the Senator's point. Unless we were to say "if otherwise authorized by law" we could then deduct expenses which would not be deductible under the law, and could deduct them ad libitum. We would then far exceed what is contemplated, namely, an allowance of $2,500 for senatorial official expenditures. Then, when we enter the realm of uncontrolled deductions, we would probably be doing something which, as legislators, we would not want to do.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. PEPPER. Does the Senator mean, then, that if the expenses referred to are the type of expenses which would ordinarily be regarded as a business expense if incurred by others, they may be deducted? For example, I refer to such things as telephone calls, traveling expenses, and similar items. Is that what the Senator means to imply by saying "if otherwise authorized by law"?

Mr. OVERTON. As I interpret the amendment, by the language "if otherwise authorized by law" the committee means as the law is interpreted by the Bureau of Internal Revenue.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. GEORGE. It seems to me that the very clear meaning is that the deductible expenses of a Member of Congress are not necessarily limited to $2,500.

Mr. OVERTON. That is correct.

Mr. GEORGE. But if the actual expenditures exceed $2,500, and are of such character as are now deductible, there may be a deduction in addition to the $2,500.

Mr. OVERTON. I think that is perfectly clear; but what the Senator from Ohio wished to know was the reason for inserting the restrictive phrase "if otherwise authorized by law."

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. PEPPER. If I correctly understood the Senator, according to my recollection there are no expenses now deductible except, perhaps, telephone expenses. I do not know of any other congressional expenses which are deductible under the present law.

Mr. OVERTON. There may be others. None occurs to me now. For example, a Senator is granted a certain allowance for stationery. Suppose he should exceed the stationery allowance and had to buy more stationery, over and above the amount allowed for stationery. That expense would be deductible. A Senator is allowed certain other items. For example, he is allowed mileage in traveling to and from a regular session of the Congress once a year. If a Senator's expenditures should exceed the mileage allowance in traveling to and from Washington in attendance upon a regular session of the Congress, the excess could be deducted.

Mr. PEPPER. Yes; but suppose a Senator's expenditures for travel should exceed the amount which he now receives; namely, the regular mileage allowance for traveling to and from a regular session of the Congress. Although it might be necessary travel, he would not be entitled to a deduction for the additional expenditure. If he were to hire more clerks in his office to handle his mail than the allowance now authorizes——

Mr. OVERTON. He would be entitled to a deduction.

Mr. PEPPER. He would not be entitled to a deduction for that expenditure.

Mr. OVERTON. Yes; he would. I beg the Senator's pardon.

Mr. PEPPER. I never heard of such a deduction.

Mr. OVERTON. I did not know that such expenditures were deductible until I made an inquiry into the matter. We brought experts before the subcommittee and learned that there were little items here and there that were deductible. I think we have mentioned them all—additional clerical assistance, additional telephone calls, additional mileage, additional stamps, and additional stationery.

Mr. PEPPER. The Senator is now speaking only of the mileage allowance to cover expenses incurred in traveling once to and from a regular session of the Congress, is he not?

Mr. OVERTON. That is all that is allowed.

Mr. PEPPER. However, many Members of Congress of necessity travel between Washington and their homes a greater number of times during a session of the Congress.

Mr. OVERTON. That expense would be taken care of under the $2,500 provision.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BARKLEY. In view of what seems to be a difference in construction of the phrase "if otherwise authorized by law" I offer this suggestion: The language "if otherwise authorized by law" refers to deductions of expenses. The Senator might give consideration to the substitution of the language "if incurred in the performance of officia duty" in lieu of the language now in the bill, so that if a Senator should expend more than the amount allowed in the performance of official duties, such additional expenses could be deducted. I offer that suggestion to the Senator.

Mr. OVERTON. I would not object to such an amendment, except that then we would have an unlimited expense account which would be deductible. If we wish to take the position—and I believe we would be perfectly justified in doing so—that all expenses which Senators incur in the discharge of their official duties should be deductible, as they are in the case of every other employee of the Federal Government, then the suggested amendment would be entirely proper.

On the other hand, the committee did not feel that it should go quite that far. The committee amendment still makes a discrimination against Members of Congress, because it places a limit upon the deductible expenses which may be incurred in the discharge of official duties. That limit is $2,500. However, if a Senator spends more than that, he can deduct the additional expense from his income-tax return, provided that the expenses are incurred in the discharge of his official duties, and provided also that the deduction of such items is authorized by law. The phrase "if otherwise authorized by law" simply means as the Bureau of Internal Revenue or The Tax Court may interpret the law.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BYRD. As I understand, what this amendment proposes to do is to exempt entirely from the Internal Revenue regulations a lump sum of $2,500.

Mr. OVERTON. That is correct.

Mr. BYRD. And to say that $2,500 shall be deducted, regardless of what it is spent for. There would be no itemized statement. There would be nothing upon which the Bureau of Internal Revenue could pass. Is not that a new departure in taxation? Has that ever been done before? If so, I have never heard of it. We are allowed only certain deductible and itemized expenses. If the Senator desires to proceed along the line of this amendment, it seems to me that the amendment ought to state what are deductible items.

Mr. OVERTON. I will tell the Senator the reason. If we were to follow his suggestion it would make the Senator from Virginia an accountant. He would have to keep an itemized account of every nickel and dime.

Mr. BYRD. Does not everyone have to do that for his income-tax returns?

Mr. OVERTON. He can do it or not, as he wishes. But if he is entrusted with $2,500, it is his obligation to keep an itemized account of it.

Mr. BYRD. But the Senator knows that one cannot make a deduction for purposes of income tax unless an itemized account or statement is kept.

Mr. OVERTON. I do not keep an itemized account of all such matters, but that is optional with me. When, however, I receive a fund as a trust, I must make an accounting of it.

Mr. BYRD. If, as the Senator says, we would not be compelled to keep itemized statements, and if we provided that we would be able to make lump-sum deductions, the income-tax law would be completely destroyed; would it not?

Mr. OVERTON. I think not. The Federal judges are allowed per diem and mileage allowances. Does the Senator think they make itemized statements of their expenditures, and that they return such statements? So far as I know, they do not.

Let us consider the situation as it would apply to a Senator from California. He is allowed mileage to California and mileage from California to Washington. Does he keep an itemized statement of all of his expenditures under it?

Mr. BYRD. Mr. President, the Senator is discussing an entirely different thing. In the instance to which the Senator from Louisiana has referred, a Senator is not expected to keep an itemized statement. He is allowed that as a flat allowance. But he is expected to make an itemized statement when he makes deductions from his taxable income.

Mr. OVERTON. Exactly, and that is what we would do. We would give a flat allowance of $2,500, to represent the expenditures of a Senator. If he wishes to make any deductions, for purposes of his income tax, for an excess over and above the $2,500—which is entirely optional with him—then he should submit an itemized statement of what he expended.

Mr. BYRD. Then, Mr. President, in reality the Senator proposes to increase the salaries of Senators by $2,500 and to make the $2,500 exempt from taxation, because it would not be subject to any regulations of the Bureau of Internal Revenue, and no one would know whether the deductions were allowable.

Mr. OVERTON. That is a very strange interpretation, but it is not the purpose in any way whatever.

Mr. BYRD. I will say to the Senator that it is the effect of the amendment, regardless of whether it is the purpose.

Mr. OVERTON. Mr. President, I refuse to yield further until I can at least clarify the Senator's own mind. Then I shall be glad to yield.

What we would do would simply be to allow the $2,500. We would not require an itemized statement to be kept. But if a Senator anticipated that he would use more than the $2,500 in the discharge of his official duties and in expenditures which would be deductible items, then he would keep an itemized statement of the $2,500 and of any excess expenditures he might make, and when the deputy collectors of the Bureau of Internal Revenue called upon him, to look over his income-tax return he would say, "Here they are; here are all the expenditures I made." But he would not have to do it unless he wanted to make deductions for the excess.

I hope I make myself clear.

Mr. BYRD. Mr. President, the Senator hoped he would clarify the mind of the Senator from Virginia, but what he has said is exactly what the Senator from Virginia believed in the beginning.

Mr. OVERTON. Very well.

Mr. FULBRIGHT. Mr. President, would the amendment make deductible anything which is not now deductible?

Mr. OVERTON. Indeed, it would.

Mr. FULBRIGHT. I mean in addition to the $2,500. Suppose my rent is $3,000 a year. Would I be able to deduct the $500 in excess of the $2,500?

Mr. OVERTON. Not under this amendment. The Senator would be allowed the $2,500 to assist in paying the expenses relating to the discharge of his official duties.

Mr. FULBRIGHT. But the mendment would not change or make deductible any item which is not now deductible—that is, leaving out the $2,500?

Mr. OVERTON. That is my understanding.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BUTLER. The general purport of the amendment is, of course, to increase the income of a Senator by $2,500.

Mr. OVERTON. I do not so interpret it.

Mr. BUTLER. Then, let us put it this way: Under the present rules and regulations of the Bureau of Internal Revenue the legitimate traveling expenses of a Senator are not deductible; they are not deductible under the present arrangement.

Mr. OVERTON. That depends; there is some qualification to that rule.

Mr. BUTLER. But if the pending amendment is adopted, we will be providing what the rule of the Bureau of Internal Revenue shall be with reference to the $2,500.

Mr. OVERTON. We would be providing what the law would be.

Mr. BUTLER. I wonder whether it would not be more consistent with good business rules to provide by law that the Bureau of Internal Revenue should look upon the expenses of a Senator in the same way as it does the expenses of a traveling salesman for a flour mill or for any other business concern. We would thereby place ourselves in the same category as that which legitimate business is in, instead of trying to increase our income by a scheme of this kind.

Mr. OVERTON. The Senator has expressed an opinion. Is he asking me for a reply?

Mr. BUTLER. Could we not just as well provide that the expenses would be deductible?

Mr. OVERTON. I think I can answer that question and a number of other questions if I am able to proceed for a little while without interruption, and thus undertake to present my view of the situation. Of course, I am glad to yield at any time. I do not think the pending question is so important, but it excites considerable interest, politically and otherwise. Consequently, I shall be very glad indeed to answer any questions which may be asked.

The amendment would place United States Senators in the same category and classification as other Government employees and the judges of the Federal courts. All the employees in the executive departments have their expenses which are incurred in the discharge of their official duties paid. If an employee of an executive department goes to Colorado and back again in the discharge of his official duties, compensation is paid to him for the expenditures he makes. If a subordinate in the Office of Price Administration desires to telephone to San Francisco, Calif., he picks up the telephone and engages in a 15- or 20-minute conversation, and the Government pays for it, regardless of the number of calls he may make.

I am indebted to the very able Senator from Virginia [Mr. BYRD] for the very careful study he has made of the uncontrolled expenditures made by executive agencies and departments of our Government. He submitted an illuminating report on May 20, 1943; and if it is not the last word, at least it will suffice for what I am about to say. Let us consider traveling expenses. For the 6-month period between July 1 and December 31, 1942, the Department of Agriculture spent for traveling expenses $5,175,796, or more than $10,000,000 a year.

The Department of Justice spent three - million -four-hundred-thousand-and-some-odd dollars, or at the rate of approximately $7,000,000 a year; the War Production Board, at a similar rate of approximately $7,000,000 a year; the Federal Security Agency, at the rate of approximately $4,000,000 a year; the Office of Price Administration, at the rate of more than $3,500,000 a year. That is to be found on page 5 of the committee report submitted by the chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, the distinguished Senator from Virginia [Mr. BYRD]. On page 4 of that report will be found a long list of the various agencies within the Government, together with the amounts which they expended for travel during 1941 and 1942.

I summarize the situation in the language of the Senator from Virginia:

> According to the figures submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures by the various departments and agencies of the Federal Government, a total of approximately $35,672,000 of a nonmilitary nature—

Nothing whatsoever to do with the bill—

> was spent on travel expenditures in the 6-month period between July 1 to December 31, 1942.

That is at the rate of more than $70,000,000 a year. Yet a suggestion has been made that a United States Senator should be asked to make a trip in the discharge of his official duties to Baltimore, Md., for instance, employ a conveyance for that purpose, and that he may make no reduction in his income-tax return, and that he may receive no remuneration from the Federal Government to reimburse him for the expenses to which he has been put.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BYRD. Does the Senator contend that no Senator has ever been allowed remuneration for expenses while traveling on official business?

Mr. OVERTON. I do.

Mr. BYRD. Many Senators are reimbursed for their expenses while on official business. All members of committees who have been traveling to various places have been reimbursed for their expenses.

Mr. OVERTON. That is true; but only in connection with special appropriations for that purpose.

Mr. BYRD. I care not whether it be by a special appropriation or what it may be. The Senator is giving the impression that no Member of the Senate is ever repaid for his expenses in connection with official business.

Mr. OVERTON. That is the general rule. Every Senator is subject to the general rule unless the Senate graciously, thorugh its Committee to Audit and Control the Contingent Expenses of the Senate, allows some amount for the payment of expenses of committee members in the discharge of certain official duties.

Mr. BYRD. Standing appropriations are available from which Senators may be reimbursed for expenses incurred in the performance of their official duties. There can be no question about that.

Mr. OVERTON. That is true; and from time to time money has been appropriated for such purpose. But I am thinking, for example, of this situation: I went home 2 or 3 weeks ago when the flood in my State was at a terrific height, and the people were calling upon me to come there and look at the flood and undertake to help them. I went there. I could not be reimbursed for the expenses to which I was put, and the expenses were not deductible from my income-tax return. When the people who are interested in the apple-growing business in Virginia perhaps hold a convention and ask the junior Senator from Virginia to come and address them in reference to some particular regulation of the Federal Government, for example, and he accepts the invitation, he can make no deduction in his income-tax return for the expenses to which he has been put. However, if a subordinate in a branch of the executive department of the Government goes on a trip in connection with his duties he is reimbursed for his expenses. As the Senator from Kentucky pointed out a few minutes ago, there may be a problem connected with tobacco growing, or a problem which is vital to the agricultural interests of his State; but, if he goes to his State in connection with such problem he must pay his expenses out of his own pocket. Yet, according to the report of the Senator from Virginia, more than $70,000,000 has been spent by various executive agencies, and the Senator is objecting to $380,000 being spent by Senators in connection with their official duties.

Mr. BYRD. I object to the method which the Senator is suggesting. I object to the fact that he has not provided for itemized statements to be filed by the Senators. He is suggesting an innovation in the tax laws. The Senator also knows that he cannot make a flat deduction in his income-tax report without itemizing for what the money was spent.

Mr. OVERTON. I do not care whether it is an innovation or not. I shall never vote that a Senator must make a detailed and itemized statement of the $2,500 expense allowance.

Mr. BYRD. Why should a Senator be superior to anyone else? Every other taxpayer in the United States must make itemized statements in connection with deductions which he claims when he files his income-tax return?

Mr. HATCH. Mr. President, will the Senator yield in order that I may propound a question to the Senator from Virginia?

Mr. OVERTON. I yield.

Mr. HATCH. Would the Senator from Virginia object to the actual expenses incurred by Senators or Members of the House of Representatives in the discharge of their official duties being properly deductible from their income-tax returns?

Mr. BYRD. I may say to the Senator from New Mexico that I would not object to it. I think it would be entirely proper if the expenses were clearly defined, properly deductible, and itemized in accordance with the usual procedure in connection with the income-tax laws.

Mr. HATCH. If the Senator from Louisiana will further yield to me, I may say that I propose shortly to offer a substitute which will provide that the actual expenses incurred in the discharge of official duties shall be deductible items.

Mr. BYRD. And itemized, so that a statement of the expenses will be presented?

Mr. HATCH. Yes. The expenses would have to be shown, of course, as having been incurred in connection with the discharge of a Senator's official duties.

Mr. BYRD. I perhaps would be in favor of that.

Mr. HATCH. I also propose to vote for the language of the committee authorizing an allowance of $2,500. I think the necessary expenses should be paid.

Mr. BYRD. I am opposed to increasing the allowance greater than 15 percent, which has been the effect of the wage-control program. I am opposed to increasing compensation of Senators more than we have increased the compensation of hundreds of thousands of civilian employees by the bill which was passed last week.

Mr. HATCH. Mr. President, will the Senator further yield to me?

Mr. OVERTON. No; I would rather not yield. We are becoming diverted to a discussion of an amendment which has not yet been offered, and I have not yet had an opportunity to present the committee amendment completely to the Senate.

The Senator from Virginia has said that we are getting away from the Little Steel formula. The Little Steel formula has nothing more to do with the subject which we are discussing than has the meat on the Senate restaurant tables. Compensation of Senators and Representatives——

Mr. BYRD. Mr. President, if the Senator will yield, let me say that according to the morning newspapers, there is no meat on Senate restaurant tables. [Laughter.]

Mr. OVERTON. Mr. President, may we have order? This matter is important. If we want to make a joke out of it, very well; but if we wish to consider it seriously, I think we should proceed to do so.

The present compensation of $10,000 to Senators was fixed in 1925. It has not been increased since. According to the record of the hearings held at the time, in 1925 the average weekly earnings for factory or industrial workers was $25.71. In the month of February of this year, 1945, it had increased to $47.33, or an increase of more than 84 percent. Therefore there is absolutely no relation between the expense allowance for Senators and the Little Steel formula.

Mr. TAFT. Mr. President, will the Senator yield at that point?

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to the Senator from Ohio?

Mr. OVERTON. I yield.

Mr. TAFT. In the case of the white-collar workers there was no increase to speak of before the 1st of January of 1941, and from that time on it has been frozen to 15 percent. Very few of the millions of white-collar workers are permitted by the Senate today to get more than a 15-percent increase. I cannot defend myself justly to the people of my State that I today am holding them down to 15 percent—and there are hundreds of thousands of them in Ohio who are particularly under the salary clause; not so much the industrial workers, for they did not have the early increase the others had—I cannot defend giving myself a larger increase than those people have had, and I do not see how we can reconcile one situation with the other.

Mr. OVERTON. The Senator from Ohio, I think, is making an erroneous argument. The white-collar workers are allowed their expenses; they are reimbursed their expenses. We are not by this amendment asking for an out-and-out increase of $2,500.

Mr. TAFT. Mr. President——

Mr. OVERTON. Allow me for a moment to say something about this amendment which the committee has charged me with the duty of presenting to the Senate. In this amendment we undertake to reimburse Senators for what we legislatively undertake to declare is an average expenditure for travel, maintenance, and lodging. That is all we do except that if we spend more than $2,500 and if we desire to do so, we can deduct the excess from our income taxes. But the white-collar workers have been having their expenses paid all the time and are still having their expenses paid; Senators have not.

Mr. TAFT. I should like to ask the Senator the meaning of a provision of the amendment. I assume when it says "including expenses for travel, lodging, and subsistence" it does not mean the expenses of a Senator's family, for instance?

Mr. OVERTON. It does not.

Mr. TAFT. Therefore a Senator would have to separate his rent and liv-

ing expenses from those items incurred by members of his family and charge only that portion that could be attributed to him as an individual. Is that a correct interpretation of the provision?

Mr. OVERTON. It is not necessarily a correct interpretation at all. I think that where there are besides the Senator other members of the family he should make a calculation and so far, for instance, as subsistence is concerned, that is the meals served, he should obtain credit for his proportion of the cost. Suppose there were three in the family; then the Senator would make for his subsistence a deduction of one-third of the expense; but if there are, say, two in the family, he and his wife, and they occupy a modest room with a little kitchenette, he would deduct for the total rent, for if the Senator were a bachelor he would occupy the same quarters or if he left his wife at home he would still occupy the same quarters.

Mr. TAFT. Mr. President, will the Senator yield for a moment in order that I may ask him one other question?

Mr. OVERTON. I yield.

Mr. TAFT. Suppose a Senator owns his house here—and today it is necessary for some Senators to buy houses in order to have a place in which to live—I do not suppose he could charge anything for lodging under those circumstances, unless the language of the section were changed. Is that a correct view?

Mr. OVERTON. I have given some thought to that. I think he could in that case. It is not his regular home; his home is back in the State, and that is property that he uses in furtherance of his business, and so he could make a deduction for taxes, depreciation, and repairs and the usual deductions that are allowed in the case of other property not occupied as a home by the taxpayer.

Mr. TAFT. Mr. President, will the Senator yield for the last time?

Mr. OVERTON. I yield.

Mr. TAFT. I myself only feel as to the deduction of expenses, that, if there is to be one, I should much prefer a provision permitting the deduction of a per diem for the time spent in Washington. It is not quite fair to say for one thing that all the expenses in Washington are additional expenses. A Senator has to keep up some of his expenses at home, but he certainly saves a very large amount by reason of being here 6 months at a time. His house at home is closed; he has probably no food expenses and no family expenses at home. Therefore the principle of deducting every cent of expenses incurred in Washington is not sound and just. I think it is fair to make some allowances for that, but I do not think it ought to be the entire expenses, and I certainly do not think it ought to include directly or indirectly any family expenses. I think the provision as it is drawn is open to that interpretation or at least to doubt.

Mr. OVERTON. Mr. President, I desire to comment on the situation which has arisen because of which Senators—and I am dealing now only with Senators but it applies to Members of the House of Representatives as well—cannot make any deduction for rent, subsistence, or maintenance in the District of Columbia, when any businessman or any professional man who comes from his home to the District of Columbia can make deductions for travel expenses, for his maintenance, his subsistence, and his lodging. I may say that some such persons occupy very palatial quarters in the magnificent hotels that adorn our Capital City. Some of them reserve large suites at high prices, but the Internal Revenue Department permits them to deduct every dollar which they spend. Some of them live when they are here on the very best the hotels and restaurants can afford. They eat the finest meals—caviar, oysters a la Rockefeller, poulet en Rochambeau, and every conceivable kind of magnificent dish served in course dinners, that can be served. All such expenses are deductible in the case of others, but not one cent may be deducted by a Senator. That is a strange circumstance, is it not? Why is it? It is because the Internal Revenue Bureau place the most remarkable interpretation on the law which the Congress has enacted. Here is what the Internal Revenue Code declares:

> Section 23. Deductions from gross income. In computing net income there shall be allowed as deductions:
>
> (a) Expenses.
>
> (1) In general.
>
> All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal services actually rendered; traveling expenses (including the entire amount expended for meals and lodging) while away from home in pursuit of a trade or business.

The Internal Revenue Code declares that the term "trade or business" includes the performance of the functions of a public office. Therefore, within the intendment of the law, while we are here in the Senate, we are conducting a trade or business, that is, we are in the performance of the functions of a public office.

Mr. BANKHEAD. Mr. President, while on that point, I understand that deductions are given businessmen for the expense of maintaining boats on rivers and upon the sea merely for the purpose of entertaining their business guests.

Mr. OVERTON. For anything spent in the furtherance of their business. They can give parties, and, if they are advertising parties, deduct the expenses. As the Senator says, they can have boats and take boat trips and excursions, and deduct the expenses. They can pay fabulous sums for advertising over the radio, in newspapers, and deduct them. But if a Senator engaged in a campaign should dare to deduct one cent of his campaign expenses, they would not be allowed. Let a Senator undertake to make any other deduction in connection with his official duties, except the few paltry items I have mentioned, and the Bureau of Internal Revenue says, "Nay, nay, that cannot be done." Yet, according to the report of the Senator from Virginia, they allow more than $70,000,000 a year for the different executive departments.

Mr. BYRD. Mr. President——

Mr. OVERTON. One minute. I have not quite finished with the Senator's report. Let me say to the Senator it is one of the most illuminating reports—

Mr. BYRD. Mr. President——

Mr. OVERTON. I refuse to yield.

Mr. BYRD. Mr. President——

Mr. OVERTON. I ask for order. [Laughter.] Let me quote from the able Senator from Virginia, who has made such an intense study of economy in government, and yet, so far as I know, has accomplished nothing, because the millions upon millions of dollars we appropriate for the different departments and agencies continue to pile up, and the Senator does not, in connection with any appropriation bill I have heard of——

Mr. BYRD. Mr. President, will the Senator yield?

Mr. OVERTON. No; not until I give the Senator this quotation from the report. The Senator from Virginia does not raise his strong and able voice in order to strike down the appropriations which are made for traveling and subsistence expenses for various executive agencies.

Mr. BYRD. I think the Senator should yield to me on that subject.

Mr. OVERTON. I refuse to yield.

Mr. BYRD. If the Senator wants to misrepresent the Senator from Virginia——

Mr. OVERTON. I shall give the Senator ample opportunity to correct himself.

This is what the Senator says on page 1 of his report, to which I have referred. I have not said anything about communications, a subject into which the Senator goes—that is, in connection with telegrams and long-distance calls. The Senator starts out with this statement:

> Based on totals of the 6 months' period between July 1, 1942, and January 1, 1943, it is possible to estimate that the total travel and communication expenditures—

He itemizes the travel expenditures to be more than $70,000,000. Now he brings in the communications.

> The total travel and communication expenditures for the executive branch of the Federal Government in the fiscal year 1943 will exceed $100,000,000, excluding the War and Navy Departments.

Now I yield to the Senator.

Mr. BYRD. Mr. President, I realize fully that any man who has stood for economy in the Senate is often the subject of ridicule, as the Senator from Louisiana has tried to ridicule me today, but when he says that I have not offered amendments to reduce these appropriations he speaks without a knowledge of the facts. It is true I have not had the assistance of the Senator from Louisiana, as powerful as that assistance would be, because he is a member of the great Committee on Appropriations, of which I am not a member. I have repeatedly offered amendments to reduce traveling expenses and I have offered amendments whenever I thought they stood one ghost of a show of being adopted, and I expect to continue to do so, even though they might not meet the approval of my beloved friend—and he still is and always will be—the Senator from Louisiana. I think we should cut down these expenditures in Washington, and I do not care who derides me in my effort to do it.

Mr. OVERTON. I should like to interrupt the able Senator a moment. It was never my intent to ridicule the Senator. I have too high a regard and affection for him. I thought the shoe was on the other foot, not that he is trying to ridicule me, but he twitted me about this amendment the committee has reported.

Mr. BYRD. I assure the Senator the affection is reciprocated, and always will be.

Mr. OVERTON. I thank the Senator.

Mr. BYRD. I merely wish to make clear the point that in reading the report made by the Senator from Virginia for the economy committee, and made for the purpose of calling attention to the fact that too much money is spent for travel, the Senator is taking the position that that is deductible from the income taxes of these employees. That is a perfect absurdity. These expenditures——

Mr. OVERTON. I did not say they were deductible.

Mr. BYRD. Yes; the Senator did, and the RECORD will show that he mentioned it as a deduction from their income taxes.

Mr. OVERTON. If so, I certainly will retract the statement. I never would make the absurd statement that when an employee is reimbursed for his expenses he can likewise deduct them.

Mr. BYRD. I wish to interrupt the Senator only briefly, because while I am opposed to his amendment, I have not made any statement which would reflect in any way on the distinguished Senator. I am opposed to the amendment for what seem to me to be good and sufficient reasons. I cannot imagine a greater mistake on the part of the Senate of the United States than to increase the salaries of Senators, and then make the increase tax exempt.

The Senator says he is putting Senators on an equality with the departmental heads, or the departmental officers and employees who travel. Is that correct?

Mr. OVERTON. In the same category; yes.

Mr. BYRD. What the Senator's amendment says is this, "including expenses for travel, lodging, and subsistence while away from his State domicile."

Mr. OVERTON. I have not been able to present that matter yet, and I would rather the Senator should not anticipate me, but let me present it, because I have never reached that point.

Mr. BYRD. Let me finish my question. The Senator said his amendment places them on an equality. The Senator inserted the words "State domicile" to protect Senators, because there are thousands and hundreds of thousands of employees throughout the Nation who have State domiciles outside of the place where they do their work. Does the Senator contend that the expenses of a department head should be paid here in Washington by the Federal Government if he has a State domicile, let us say, in Louisiana?

Mr. OVERTON. I shall reach that point directly. I have not gotten to it yet.

Mr. BYRD. The Senator has just said, has he not, that the amendment he proposes puts the departmental heads, the department bureau chiefs, whatever we may call them, on an equality with Senators?

Mr. OVERTON. That it puts Senators on an equality with them.

Mr. BYRD. It puts Senators on an equality with the Government officials. In order to do that, we would have to allow such officials and employees expenses while they are in Washington.

Mr. OVERTON. I have not yet reached that point. I shall answer the question.

Mr. BYRD. The Senator has not reached it, but it is in the Senator's amendment, and I should like to have him explain that, because it is a very important point.

Mr. OVERTON. I was about to reach that when I was interrupted.

Mr. BYRD. The Senator uses the words "State domicile" because he wants to protect Senators. He knows the domicile of Senators must be in the States, because they cannot be elected if they are not in the States. Then he wants to pay their expenses while they are away from their domicile.

Mr. OVERTON. Let me proceed in regular order.

Mr. BYRD. I shall not interrupt the Senator further.

Mr. OVERTON. I want the Senator to make his argument in his own time.

Mr. BYRD. If the Senator does not desire to be interrupted, I shall not interrupt him further.

Mr. OVERTON. I shall reach the points suggested by the Senator from Virginia, but I should like to make my statement in my own way. I am perfectly willing to yield to any Senator who desires to ask a question for information, but I should like to have the Senator state his opposition in his own time.

Mr. CHANDLER. Mr. President, will the Senator from Louisiana yield?

Mr. OVERTON. I yield.

Mr. CHANDLER. I wish to know where a United States Senator lives. I have been informed by the Revenue Department that a Senator lives in Washington.

Mr. OVERTON. That is his home.

Mr. CHANDLER. I do not believe any such thing. I do not think he could be elected if he lived in Washington. I do not believe he could continue to have membership in the Senate if that were a fact. We are not permitted to deduct any of our expenses in making up our income tax returns because, I understand, the revenue department says we live here.

Mr. OVERTON. The Senator is correct. The statute declares very clearly that what are deductible are "travel expenses—including the entire amount expended for meals and lodging—while away from home in pursuit of a trade or business," or in the discharge of a public function or office.

"While away from home." What interpretation does the Bureau of Internal Revenue put on the words "away from home"? When a businessman comes to Washington from his State, he is away from home; when he goes into another State, he is away from home; when he goes 10 miles away, he is away from home; but when a Senator comes to Washington from the State which has elected him, it is said, "You have come home, Mr. Senator." When he goes back to his own State which elected him, he finds himself, under the ruling of the Bureau of Internal Revenue, a stranger in his own State.

I want to show the Senate how ridiculous that ruling is. The ruling is based on this proposition: The Bureau says that the United States Code Annotated contains this provision:

> All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere, except as otherwise expressly provided by law.

Since, therefore, Members of the legislative branch cannot enact measures into law except in Washington, their home is in Washington, and when they are away from Washington they are away from home, and when they are here in the District of Columbia they are back at home.

The Bureau of Internal Revenue and the Tax Court, as it is now called, have overlooked a provision of the Constitution of the United States. Perhaps that is customary these days; perhaps it is strictly a la mode. Not only those in the Bureau of Internal Revenue but a great many others overlook the Constitution of the United States, which has fallen somewhat into decadence. But the Constitution of the United States in the second paragraph of section 2 of article I, provides:

> No person shall be a Representative who shall not * * * when elected, be an inhabitant of that State in which he shall be chosen.

The Constitution with meticulous care, made provision with reference to the domicile of a Senator, when it provided:

> No person shall be a Senator who shall not * * * when elected, be an inhabitant of that State for which he has been chosen.

So the Constitution fixes the home of the Senator in the State from which he is elected. Yet it is said that that provision is not correct, and that when a Senator leaves his State and comes here to Washington he is not incurring any expense in the discharge of his official duties, but he is going to home sweet home. That is the ruling of the Bureau.

Although I believe it had nothing at all to do with Senators or Representatives, I think a ruling made by the Fifth Circuit Court of Appeals is a correct one. A lawyer has his home in Jackson, Miss. He spends most of his time in Mobile, Ala., where he conducts his law practice and where he largely receives his income because he is employed by a client there from whom he receives a lucrative income. His obligation to his client requires him to stay most of the time in Mobile, Ala. The Fifth Circuit Court of Appeals declared that his expenses while going to his law office in Mobile, Ala., and his travel and his maintenance and his subsistence were deductible from his gross income.

On the other hand, the Fourth Circuit Court of Appeals decided the very oppo-

site in a North Carolina case. In North Carolina there is a judge who lives some distance from Raleigh, the State capital. He is obliged to go to Raleigh twice a year to hold a term of court. The circuit court of appeals in that case, following the rulings of the Bureau of Internal Revenue, held that when he left his home, where he had his family, where he lived, and went to Raleigh, N. C., to hold court, he was, in the language of the statute, going home because that was the place for him to discharge his official duties.

Mr. President, I have undertaken to present the main points in connection with this matter. It is not a salary amendment at all. If it were a salary amendment, it would simply provide that the salary of a Senator shall be $12,500 a year, and there would be nothing in reference to income-tax provisions contained in the amendment. It is intended as an expense allowance amendment, and the Senate, as did the House, concluded that most, if not all, Senators do spend in Washington during these long sessions extending throughout the year as much as $2,500 a year for rent, for meals, and for travel. If they do not spend that much, they are leading a life of stern economy, shall I say? I think they ought to be encouraged to live with sufficient dignity here in the Nation's Capital City to spend $2,500 a year for their lodging, their maintenance, and there must be considered also under this item their travel expenses, except such as are paid to them by the Federal Government under the mileage allowance.

It is therefore, Mr. President, an expense allowance, and it places, as best the committee could resolve the problem, Senators in the same category and classification with all other employees of the Federal Government, including the white-collar employees whom the Senator from Ohio mentioned, as well as the judges of the courts.

Mr. President, there is no reason why we should not do this. There is no reason why there should be such rank discrimination against Senators and Representatives. There is no reason, at least none exists to my mind, why the Bureau of Internal Revenue or any court should hold that the home of a United States Senator or Representative is in Washington, D. C., instead of in the State from which he is elected. Their entire ruling which establishes us in a place entirely by ourselves, and makes us bear all our expenses, derives from their interpretation of the phrase "away from home" as it appears in the revenue law.

Mr. HATCH. Mr. President, I am about to offer a substitute for the committee amendment. I understood that the Senator from Maine [Mr. WHITE] had promised to have a quorum call. Would he rather have it now, or wait until I have finished?

Mr. WHITE. Mr. President, I do not wish a quorum call unless a vote is imminent. I have thought that this matter might be considered, and that some compromise might be effected, and that perhaps we would not reach the voting stage on any phase of it this afternoon.

Mr. BARKLEY. Mr. President, I can assure the Senator from Maine and other Senators that there will be no vote this afternoon on the amendment or on the substitute, because I think it is a matter of such importance that we ought to give it a little further study, in the hope that at least an effort will be made to draft language which will be more acceptable than apparently the language of the committee amendment is. So I hope we can continue to debate the question, but I do not think we shall be able to vote on it today.

Mr. WHITE. In those circumstances, I have no purpose of making the point of no quorum.

Mr. BANKHEAD. Mr. President, I believe there should be a greater attendance of Senators to hear the substitute about to be proposed by a very able Senator. Therefore I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Daniel
Bailey	Green	O'Mahoney
Bankhead	Guffey	Overton
Barkley	Gurney	Pepper
Bilbo	Hatch	Revercomb
Bridges	Hayden	Russell
Briggs	Hickenlooper	Saltonstall
Burton	Hoey	Shipstead
Bushfield	Johnson, Colo.	Taft
Butler	Johnston, S. C.	Thomas, Okla.
Byrd	La Follette	Thomas, Utah
Capper	Langer	Tobey
Chandler	Lucas	Walsh
Chavez	McClellan	White
Cordon	McKellar	Wiley
Donnell	McMahon	Willis
Eastland	Moore	Wilson
Ellender	Morse	Young
Fulbright	Murdock	
George	Myers	

The PRESIDENT pro tempore. Fifty-eight Senators have answered to their names. A quorum is present.

Mr. McCLELLAN. Mr. President, will the Senator from New Mexico yield to me for a few minutes?

Mr. HATCH. I yield.

Mr. McCLELLAN. I thank the Senator from New Mexico for his courtesy in yielding to me at this time.

Mr. President, I find that I must leave the Chamber for the remainder of the afternoon. I had thought that the Senate would reach a vote on the pending amendment this afternoon, and I had hoped that I might cast my vote on it; but I shall have to be away from the Senate tomorrow and for several days. Inasmuch as the Senate will not vote on this amendment until tomorrow, I will not have an opportunity to cast my vote on it.

Mr. President, a great deal can be said in favor of the pending amendment. There is much merit in the proposal. We all know that today it is most difficult for Members of the Congress to meet their necessary expenses and their cost of living out of their present salaries. Particularly is that true in view of the present income-tax rates.

Mr. President, I assume that no Member of the United States Senate is in greater need of the benefits of the proposed legislation than I am. I am ready now to vote for an increase in salary for myself and for my colleagues, to take effect at the time when the Stabilization Act expires. In other words, I recognize, and I believe the people of the Nation recognize, that there is justification for the Congress to adjust upwards the salaries of its Members. I do not think the majority of the people would object; I think they expect it; but so long as we have the present wage restrictions remain in effect, whereby the so-called white-collar workers—the clerks in the stores, the bookkeepers, the accountants, and other clerical workers cannot receive an increase in salary by reason of laws which the Congress has enacted, I believe that we, as Members of the Congress, should not, either by subterfuge or directly, pass any measure which would increase our salaries or our incomes or inure to our benefit insofar as a salary increase is concerned, until such time as we can make the same law or the same rule applicable to every citizen alike.

Certainly, Mr. President, sacrifices have been made during the period of the war, and every one of us knows that the white-collar workers and the wage earners in such capacities have suffered more than anyone else. Therefore, I am not willing, by means of an expense account or otherwise, to increase my salary until we can accord to them the same adjustment. When that time comes, I shall be ready to join with my colleagues, and to face the issue squarely, and to vote for an increase in salary appropriate and commensurate with the positions we hold and the economic conditions of the country. I am ready to do that and ready to have my vote recorded.

As I have said, Mr. President, there is merit in the proposal. It is justified from every standpoint except one, namely, the one I have just pointed out, for by this amendment we would be taking care of ourselves but we would leave without benefit of an increase millions of wage earners—workers who are just as deserving and who are suffering under present conditions just as much as we ourselves are. Until we can carry them along with us, I do not believe we are justified in taking this course of action.

Therefore, Mr. President, if I were present tomorrow I would vote against the pending amendment.

I thank the Senator from New Mexico for his courtesy in yielding to me.

Mr. HATCH. Mr. President, there is much in what the Senator from Arkansas has just said. However, we are not confronted with a theoretical situation whereby we may postpone meeting the issue until some future date. The issue is here today; we must meet it today. We cannot postpone it until some future time, and we might just as well face it.

As a matter of fact, the House of Representatives has already met the issue. Regardless of what the Senate may do, under the provisions of the bill which have not been changed, which have not been amended, and which will not even go to conference unless we make some amendment here, Members of the House of Representatives will receive an increase of $2,500 a year. If the pending amendment is rejected, Senators will not receive that increase. That is the reason why I say the issue is before us and we cannot avoid it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. BARKLEY. I myself do not regard the question of comity between the two Houses as going so far as to permit the Members of one House to draw larger salaries than the Members of the other House draw, no matter under whatever guise it might be proposed. My feeling is that if the amendment is rejected—and probably I shall vote against it—I should also vote to strike ou the provision for the House of Representatives, which would make the same allowance for the House, because the comity between the two Houses has always required that their Members draw the same salaries.

I am ready to adjust the salaries, not only Members of Congress, but of the judiciary and others, but I will not vote to have the Members of one House draw more salary than the Members of the other House draw. I would not do it for the Senate, and I would not do it for the House of Representatives.

Mr. HATCH. Mr. President, I agree with the Senator from Kentucky, and the question of comity does not disturb me at all. If the substitute which I am about to offer is adopted by the Senate, I propose to offer a similar substitute for the House of Representatives and put both the Senate and the House on exactly the same basis. Assuming that what the Senator from Kentucky has said is correct, namely, that the amendment offered by the committee relating to Senators will be voted down, very well. Then the Senator from Kentucky may move to strike cut the House provision, and perhaps the motion will be agreed to. The Senate would thereby overrule the House in that regard.

Mr. President, it is not a very pleasant situation in which we find ourselves. Because it is not pleasant, on yesterday I tried hurriedly to draft a measure which I thought might meet some of the objections which have been not only raised in the Senate but in my own mind as well. First of all, I do not wish to be critical of the Senate committee. I think the committee did its best to meet the situation with which it was confronted, and that it did a very good job. I certainly do not want to be placed in the position of criticizing the committee, or casting any reflection of any kind upon the committee for the purposes which it had in mind. However, we might just as well be frank and honest. That is exactly what I am trying to do by the substitute which I am about to offer.

I do not know why, but for some reason I think the country has the definite idea that the Congress of the United States is trying to increase salaries of Senators and Representatives by subterfuge, disguise, and back-door methods. Whether that be true or not, I think that to adopt a provision which would substantiate the already-formed opinion to which I have referred, would give the Congress of the United States, deservedly or undeservedly, a very black eye. That is something which I wish to avoid.

Mr. President, long before the present emergency existed——

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. OVERTON. Does the Senator from New Mexico place the interpretation which he has given on the amendment suggested by the committee?

Mr. HATCH. I do not place that interpretation upon it, but others do.

Mr. OVERTON. I know that; but I do not think we should be yielding to misinformed public opinion. I do not think that politically, if the Senator will pardon me, so much importance should be attached to the influence of misinformed public opinion. I recall that when the "Bundles for Congress" movement attracted notice and the suggestion was made that we should beat a retreat because of the outcry and hullabaloo which had been raised with regard to it, I had the temerity to stand on this floor and suggest that nothing of the kind be done. Last fall I was engaged in a campaign for reelection and my stand, as publicized all over my State, and in my broadcasts, was to pay no attention to the position which I had taken, except to say to those who mentioned it to me, "Yes; I assumed such position, and if you reelect me I will assume it again as soon as the opportunity arises." I lost no votes.

Mr. HATCH. Mr. President, the Senator from Louisiana has spoken today as he did at the time the "bundles for Congress" suggestion was made; namely, in a forthright, straightforward manner. I think that is what Congress should do today. I will join the Senator from Louisiana in making any kind of a straightforward declaration with regard to the situation of increasing salaries of Senators, and set aside specific amounts for expenses, or whatever they may be called. But let us call them by name, and say what they are, and then we can go forth and face the people regardless of any misinformed public opinion which may exist. However, I doubt very much whether the Senator from Louisiana or I can go before the country under the guise of an expense account and thereby increase our own compensation. I know that that is not the purpose of the Senator from Louisiana; but I also know that that is the thought throughout the country at the present time.

So, Mr. President, I have prepared the substitute amendment, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The amendment in the nature of a substitute offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. In lieu of the committee amendment on page 2, line 1, it is proposed to insert the following:

> There shall be paid to each Senator after January 2, 1945, an allowance of $2,500 per annum for the purpose of increasing the compensation of Senators; to defray expenses incurred in the discharge of official duties and until a general readjustment of salaries and expenses can be made. Actual expenditures of Senators related to or resulting from the discharge of their official duties (including expenses for travel, lodging, and subsistence while away from their State domiciles in the performance of their official duties) shall be deductible for income tax purposes. For making such payments through June 30, 1946, $358,667, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

Mr. HATCH. Mr. President, in explanation of the substitute I wish to say that it frankly declares, in the first instance, that the $2,500 is for the purpose of increasing compensation of Senators and defraying their expenses.

It was said by the able Senator from Louisiana that expenses of Senators would equal $2,500, or more. Possibly that is true. I do not know. In that case there would be no increase in the compensation of a Senator. But, while some Senators might spend $2,500 or $3,500, and it would be a legitimate item deductible from his tax income, others might spend only $1,000. In the case of a Senator who had spent only $1,000 he would have $1,500 left, which would be clearly an increase in his compensation.

The substitute removes the provision which makes the allowance tax exempt. I assert, Mr. President, that I could never support the committee amendment which provides that the allowance shall not be subject to taxation. We in the Congress are charged with the responsibility of placing upon the people of this country a heavy burden of war taxation. We cannot escape, and we should not escape that responsibility. But, by the same token, when we place tax burdens upon every man and woman in this country, we certainly must bear our own share of the burdens, whatever they may be. Whether the increase in compensation be $500, $1,000, or $2,500, that part which represents an increase in compensation ought certainly to bear its part of the tax burden of the country. Under my substitute it is proposed to assure that such shall be done.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. PEPPER. I think the Senator from New Mexico has made some progress in approaching this matter, but I wonder what he would think about another method of approach, which is slightly different from the one he suggests.

Mr. HATCH. I do not like any of the methods of approach at all, either that of the House, that of the committee, or my own. If the Senator has a better one, I should like to have him state it.

Mr. PEPPER. I was about to make a proposal which is a sort of consensus or deduction from what has been said here this afternoon by those who have commented upon the subject. Generally speaking, I think all of us feel that Members of Congress are entitled to some increase in compensation, because an increase has not been made since 1925. A great many people in private employment have received some increase, which has been legitimatized by a directive of the War Labor Board, and the Congress has provided for a percentage increase for all governmental employees.

Suppose we provided an outright salary increase for Members of Congress of 15

percent of their salaries. I cannot see how anyone could properly object to that. I do not know how the able Senator from Virginia might feel, but I inferred from his remarks a while ago that he did not think it would be objectionable if Congress merely increased its own compensation the amount allowed under the Little Steel formula, a figure comparable to what we have already provided for Federal employees. I do not see how anyone could criticize Congress for providing for itself the same percentage of increase which has been allowed private employees, and which has been allowed governmental employees. Let that be in one category.

Furthermore, I see no reason why we should not clarify the law relative to a Member of Congress being entitled to a deduction for what we might call a business expense, anything that is properly related to or arises out of the performance of the duties of the office of Senator or Representative.

If we clarified the law and the rulings of the Bureau of Internal Revenue on that subject, and allowed ourselves deductions for what might be called business expenses, that would be a great boon to all of us, because we do not now, as a matter of fact, get such deductions. In my last income-tax report—if I may be personal—I did not claim any deduction whatever for any item associated with the performance of the duties of my office.

I think the able Senator from Virginia is absolutely correct in stating that every deduction we took should be corroborated by an itemized statement. If one traveled to his State on official business, he should put down transportation to Tallahassee, Fla., so much, Pullman so much, and meals so much, or travel expenses to and from Washington and Tallahassee, Fla., so much. A few days ago I went to Florida and addressed a joint session of the Florida Legislature at a memorial service for President Roosevelt. No one paid my expenses. Yet I am sure that no one would object to that being called an official expense.

Mr. HATCH. With all due regard to the ability of the Senator from Florida as an eloquent orator, which he is, would he have been invited to make that address if he had not been a Senator?

Mr. PEPPER. No; I would not. I say, I think that is absolutely an official expense, because I went for the reason that I was a Senator. The legislature invited me because it was a legislative body. When $150, the amount it cost to make a trip such as that, is taken out of a monthly salary of something over $600, the amount we have left after taxes, it can be seen what it does to the family budget.

I cannot see how anyone could honestly criticize the Congress for doing the two things I suggest, yet if we did those two things it would mean to all of us a considerable boon, and I respectfully suggest to the able Senator the consideration of those two approaches to the subject.

Mr. HATCH. I am grateful to the Senator from Florida. I think he has made a valuable contribution. As I stated. I have not been satisfied with the approach to this question either by the House, by the Senate committee, or my own. I have been perturbed myself. It is very likely that when the expenses are deducted—and I think this is what the Senator from Louisiana has in mind—there would not be an increase of salary which would amount to 15 percent. Is not that correct?

Mr. OVERTON. That is correct; it would not amount to 10 percent.

Mr. HATCH. And there would be no violation of what is called the Little Steel formula.

Mr. OVERTON. What the Senate committee was trying to do was to avoid requiring Senators to make an itemized statement with reference to their expenses.

I suggested to the committee with reference to allowing these deductions, an amendment providing that not to exceed $2,500 could be deducted upon a certification made to the Secretary of the Senate. But there was objection to that. Senators seemed to think that if there were any difference between $2,500 and what was actually expended, the difference would be so small there would not be any profit in it.

Mr. BANKHEAD. A point of order, Mr. President. We cannot hear what is being said.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. OVERTON. I was stating that the committee felt that if there were any difference between the actual expenditures of a Senator—and when I say expenditures, I mean such as those contemplated by the amendment—and $2,500, the profit which any Senator would make out of the difference would be so insignificant that there would be no necessity of requiring him to render an itemized statement about the matter, and that it would be best to fix a modest lump sum, say $2,500. That is the reason why we have done it.

Mr. PEPPER. Mr. President, will the Senator from New Mexico yield?

Mr. HATCH. I wish to make one further observation.

Mr. OVERTON. On the other hand, the amendment of the Senator from New Mexico would require that an itemized statement of all expenses be kept. I think the other solution is an easier one.

The suggestion made by the able Senator from Florida is subject to objection for a very different reason, that is, it might make the drain on the Treasury much higher than it would be under the amendment offered by the committee and the amendment suggested by the Senator from New Mexico, because in addition to giving the increase of $2,500 he would allow all expenditures for maintenance, subsistence, and travel to be deducted from the income-tax return. So, a Senator might spend a thousand dollars a month on his lodging, and it would be deductible. No one could say to him, "You should have spent only $200. You should not have spent a thousand dollars." He may live much more sumptuously than he would otherwise, because the item would be deductible.

Mr. PEPPER. That objection, which might be made, could easily be met by fixing a maximum that could be deductible, inserting some such language as this, *"Provided, however,* That total deductions shall not exceed $2,500 a year." Will the Senator from New Mexico allow one further observation?

Mr. HATCH. Certainly.

Mr. PEPPER. As the Senator from Arkansas [Mr. McCLELLAN] has pointed out, we must consider sometimes not only what we do, but what the natural inference is from what we do. Yesterday afternoon I was meeting with the executives of 21 standard railroad brotherhoods, and when I started to leave one of those gentlemen said to me, "When you gentlemen start to increase your salaries tomorrow, I want you to remember whether or not you tried to put John L. Lewis in jail for getting some more money for the miners." He may or may not have been logical in the comment he made, but he made it, and he was honest in making it.

What I was about to say was that we are, however, entitled to deduct business expenses, that is to say, expenses which are correctly and naturally appropriate to the duties of our offices, and no one has a right to deny us that. We are entitled to the same percentage of increase others have had, which the Little Steel formula makes possible for them.

If there is a desire to limit the amount of the deduction, we could say, *"Provided,* That the total deduction shall not exceed $2,500, or $2,700, or $3,000 a year," and that would be all right, but if we should do the two things I have suggested, we would meet the problem in a way which would be helpful to Members of Congress, and it seems to me it would stand the scrutiny of any fair criticism.

Mr. HATCH. Mr. President, before I yield further I wish to say that I have been very desirous of obtaining a vote and completing action on the bill this afternoon, but when the Senator from Kentucky [Mr. BARKLEY] and other Senators stated that there was no chance to obtain a vote today the plans which I had made of course went out the window.

Several Senators have expressed a desire to have me yield, and I am perfectly willing to yield and let them make such contributions to the discussion as they wish to make and perhaps work out some reasonable and intelligent solution to this problem on tomorrow.

Mr. BARKLEY. Mr. President, I was induced to make the statement about not voting today because many Senators felt that if we could study the question overnight we might frame a provision which would apply to both Houses and be acceptable. Personally I should like very much to dispose of the matter today, but in view of that feeling I thought it might not be amiss to work on the problem during the time between now and tomorrow's session. Perhaps by tomorrow we can work out something which is acceptable.

Mr. HATCH. I hope the Senator did not think I was censoring him.

Mr. BARKLEY. Not at all.

Mr. HATCH. I personally have a little engagement I wanted to keep; that is all.

Mr. BARKLEY. I want to compliment the Senator on the effort he has made to solve this problem. I think that our difficulty in part grows out of the fact that the matter is being dealt with separately by both Houses.

Mr. HATCH. There is no question about that.

Mr. BARKLEY. There ought to be uniform legislation applying to all Members of Congress alike. We are injected into a situation where we must deal with the matter separately when it ought to be dealt with as a whole. We have a parliamentary situation which may result in the Members of one House getting what is equivalent to a $2,500 increase in their salaries without the Members of the other House getting it, which would be something that has never before happened in the history of the United States and ought not to happen.

Mr. HATCH. I want to interrupt the Senator to say one word. As the Senator from Louisiana said, I think this is a serious matter. It is not a frivolous matter. We ought to devote our best efforts to working the problem out with the other branch of the Congress.

Mr. BARKLEY. I think so, too. The House undoubtedly felt that this was not a matter of salary; that it was purely a matter of expense, and on the same basis as that of clerk hire, in which one House has not interfered with what the other House thought it should do respecting clerk hire for Members. Personally, I do not believe that is the sound basis for action which would justify each House dealing by itself. If it were, the Senate might even conceivably reduce the allowance for expenses to Senators, or increase the expense allowance, and leave the House provision as it is. So the Members of the two Houses would be upon a totally different basis in regard to compensation. That would be most unfortunate. If anything is to be done—and the House has injected this matter into the bill—I was hoping we might do something which would be acceptable to both Houses. I hope something can be done with the item one way or the other, or else that it be eliminated altogether. Perhaps by a little consultation and cooperation we can settle upon a plan by which the difficulty can be solved.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Does the Senator from New Mexico yield to the Senator from Tennessee?

Mr. HATCH. I yield.

Mr. McKELLAR. I want to say that in the committee this amendment gave me a great deal of concern. I voted against the amendment which was reported. In trying to work the matter out along the lines we have been trying to follow in the case of the salaries of government employees generally, with an increase of about 15 percent, it occurred to me that the proper thing for us to do would be to take similar action for ourselves; and so my idea of the amendment which ought to be adopted is as follows:

There shall be paid to each Senator, after January 1, 1945, a salary of $11,500 a year.

I realize that there is objection to such a proposal; that is that the House would probably not be willing to accept it. It would make a difference between what the House has voted to its Members and what the Senate would vote for Senators. There would be that objection.

It seems to me we might reach a compromise respecting the first phrase of the amendment proposed by the Senator from New Mexico.

Mr. HATCH. I wish to say to the Senator from Tennessee that I am not tied to my own particular amendment.

Mr. McKELLAR. I know that, and that is why I am addressing myself now to the Senator from New Mexico. I am inclined to think it would be better if the Senator were to frame his amendment so as to read:

There shall be paid to each Senator, after January 1, 1945, a salary of $12,500 a year.

If the Senator were to stop right there, and say nothing about expenses, and use no words in an attempt to legislate about the question of deductions from income, or anything else, but simply make the salary $12,500 a year, and amend the House provision to that effect also, it would be better. If the Senator will further yield, I will give my reason for that suggestion.

Mr. HATCH. I am glad to yield to the Senator from Tennessee.

Mr. McKELLAR. I think it would be a serious mistake, and I so stated before the committee, for the Senate to provide that a part of the salary of a Senator shall not be subject to income tax. I simply cannot vote for such legislation. Then, when we come to the question of making deductions for expenses, we find it to be very involved. Expenses are different with almost each and every Senator. Therefore, there is a very great objection to such a provision.

So I make the suggestion to the Senator from New Mexico for whatever he may think it to be worth. I hope the Senator will change the language of his amendment so it will read:

There shall be paid to each Senator, after January 1, 1945, a salary of $12,500 a year.

Leave the language of the amendment with those words. Then we would not be subject to the charge of increasing our salaries by indirection. We could not be subjected to the charge of trying to escape income taxes which we ourselves have imposed. For that reason I believe an amendment such as that which the Senator from New Mexico has suggested, providing for an increase in salary of $2,500, in view of the fact that the House has fixed upon that base sum, would probably be better, and I hope he and other Senators will consider what I have stated.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. WHITE. I want to say a very brief word about the situation. It troubles me greatly. I am perplexed by the substantive provisions of the House draft of the amendment reported by the committee, and of the substitute offered by the Senator from New Mexico [Mr. HATCH]. I am concerned also because of the parliamentary situation which was presented to us, and which still is with us through the action of the House of Representatives.

I feel strongly opposed to any provision which exempts us as Senators of the United States from the general provisions of the tax laws of the United States. I do not myself want to vote and I do not want to see the Senate of the United States vote to put Senators in an exempted or an excepted or a preferred class under the tax laws of the United States.

Mr. President, I do feel that there ought to be some adjustment in the pay which is afforded Senators of the United States. I remember very well a good many years ago in the House, and I suspect it was in 1925, the year to which the Senator from Louisiana referred, that an able Member of that body laid down the rule, which I have always remembered, as to the pay of Members of the Congress of the United States. It was Ogden Mills, reputed to be a wealthy man, who said that the pay of a Member of Congress ought not to be so large that men would seek to come to the Congress of the United States because of the salary alone; that salary ought not to be the attraction which brings men into public life. Then he added that, on the other hand, the salary ought not to be so low that only men of independent means and wealth would be able to devote their lives to the service of the Nation in the legislative bodies.

I have always believed that this was a sound rule. Under the present circumstances, with all the demands made upon Members of the Senate and Members of the House, I do not believe that a salary of $10,000 is an adequate payment to Members of Congress. I am perfectly willing to vote for an increase in the salary of both Senators and Representatives. That is not my first choice. If I could do as I pleased I would provide, first of all, for a sound retirement law for Members of Congress, a retirement law under which the beneficiaries would make contributions to the fund out of which payments were made to them. That would be the first thing I would do if I could have my will.

Next, I would meet the question of salary head-on, with no collateral questions of taxes or tax exemptions. I would meet it directly, pay adequate salaries, and then let Senators meet their tax obligations from their salaries, precisely as every other citizen does.

Coming to what I really had in mind to say when I rose, I believe that the suggestion of a recess, and conferences upon this question, is altogether wise. I believe that the majority leader should have an opportunity to confer with others who are interested in this subject, and who have given study and thought to the question. I hope there will be included in such conference the ranking minority member of the Committee on Appropriations, the Senator from New Hampshire [Mr. BRIDGES]. I have a real faith that something can be worked out which will at least obviate some of the difficulties, and bring before us a legislative proposal for which we can vote in good conscience, and which we can incorporate into the law of the land. I hope the recess will be arranged, and that conferences will follow.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. MORSE. I appreciate the Senator's yielding to me. I wish to make a few comments for about 5 or 10 minutes on the proposed amendment.

Mr. HATCH. The Senator proposes to discuss the pending proposal, does he not?

Mr. MORSE. That is correct.

Mr. HATCH. I am glad to yield.

Mr. MORSE. Mr. President, I would prefer not to become involved in this controversy. However, this particular proposal involves issues which, for 2 years as a public member of the War Labor Board, I found it necessary to pass upon, so far as the wage-stabilization principles are concerned.

In my judgment, the proposal before the Senate constitutes a violation of the wage-stabilization policy of the Government, imposed upon industry and workers. I believe that the same wage-stabilization principles should apply to Members of Congress which they in turn expect the War Labor Board to apply to the population as a whole. It is only basic fairness that the same rules apply to the salaries of Congress as are applied to workers and salaried people generally.

I believe it is perfectly clear, no matter what language we use for terminology, that this proposal constitutes a salary increase for Members of the Senate. I agreed with the distinguished Senator from New Mexico when he refers to it as being clothed in language of subterfuge and indirection. I think it is a clear example of a subterfuge and an indirect means of increasing the "take-home" money, so to speak, of Members of the United States Senate. Later in my remarks I shall make a statement of my opinion as to the desirability of a salary increase for Members of the Senate at the close of the war; but for the duration of the war I believe that Members of the Senate should adjust themselves to the same wage policies which we call upon American employers and employees to adjust themselves to.

I believe that we should keep in mind the basic principles of the wage-stabilization policy as those principles relate to the Little Steel formula. I think we need to keep in mind the fact that it has been the policy of the War Labor Board, and still is the policy of the War Labor Board, to look at the rates of pay as of January 1, 1941, and compare those rates with the rates as of May 1, 1942. As the comparison shows that the workers concerned received a pay increase of 15 percent during that period of time, then they are not entitled to any further increase under the Little Steel formula.

Moreover, the War Labor Board has always sought to prevent evasions of the wage-stabilization program by voiding hidden or indirect wage increases granted after May 1, 1942, when such increases exceeded the Little Steel formula. I have sat through a great many cases and I am sure that Senators would be interested in knowing some of the various devices which employers and representatives of workers have attempted to use in obtaining wage increases by indirection and subterfuge.

One of the most common devices was by way of the introduction into the plant for the first time of an expense account not theretofore paid or by way of paying bonuses. Sometimes these so-called bonuses were offered in the form of war bonds or free housing or other gratuities which had the effect of increasing the income of the worker or salaried official concerned.

I remember one case, which was somewhat humorous, in which we found that at Christmas time the employer proposed a substantial gift by way of subsistence, paying for a considerable food outlay. It would have amounted, of course, to a substantial increase in dollars and cents and amounted to a Christmas bonus. However before the war this employer was never so moved by the Christmas spirit. There was even one case in which the Board went so far as to say that gifts of turkeys at Thanksgiving and Christmas constituted a bonus and was recognized as a device to obtain manpower by way of an unauthorized wage increase. The Board ruled in such cases that the bonus was in violation of the wage stabilization program of the Government. It ordered that the employer should not be allowed to make such subterfuge wage increases. If prior to May 1, 1942, the granting of bonuses, expenses, and other gratuities was an established and fixed part of the wage structure of a given employer then he could continue to pay them after that date. However in a whole series of cases the Board has denied wage increases in the form of expense accounts which were not paid by the employers at the time the wage stabilization program went into effect.

In my judgment, what the Congress is attempting to do in this instance is to increase the income of individual Members of Congress by way of an expense account not paid by the Government at the time the wage-stabilization program became effective. Hence, I say that I think the amendment is an outright violation of the wage-stabilization program of the Government; and if the same rules were to be applied to Congress by the War Labor Board as Congress in turn expects the War Labor Board to apply to industry as a whole, the increase would have to be denied.

One of the most recent cases of the Board was a case with which I am sure many Senators are familiar. I refer to the Ohio telephone case. You will recall that in that case a telephone company struck upon the device of hiring girls in various towns and moving them to town Y and paying their living expenses in town Y. The War Labor Board held that when the company paid the living expenses of girls moved from town X to town Y, for example, it was guilty of violating the wage stabilization policies of the Government. The War Labor Board rightly called such an expense allowance a wage increase by way of subterfuge, and an attempt by indirection to undermine the wage stabilization program. Hence it ordered the company to cease paying the expense account allowance.

I invite the attention of the Senate to Executive Order 9250, of October 3, 1942. That order followed President Roosevelt's great stabilization speech on April 27, 1942. I do not pretend to quote him exactly, but it will be recalled that in that speech his meaning and intent was to this effect: He said to every American citizen, "If you work for wages, those wages shall not be increased for the duration of the war, save and except under certain exceptional criteria." This criteria were set out in the speech. They related primarily to substandard wages, gross inequities, and wage increases necessary to aid in a more effective prosecution of the war.

Executive Order 9250 is so broad that it makes it perfectly clear that wage increases by way of bonuses, or by way of indirection through the payment of expense accounts not theretofore paid, would constitute improper wage increases within the meaning of the order and would be in violation of it if paid.

So I say that it is my sober judgment that when we test this amendment against the Executive orders now being applied by this Government under our wartime wage-stabilization program, it is a clear violation of them and if the War Labor Board had jurisdiction over the amendment, it would have to decree that the amendment provides for an improper wage increase by way of subterfuge.

The next point I wish to make, Mr. President, is with respect to the relation of the amendment, if adopted, to the whole problem of economic stabilization for the remaining period of the war. Certainly it should be unnecessary for me to plead at any great length for our doing everything which we as a Congress can do to maintain and protect the value of the American dollar. It would be a calamity for that dollar to become a cheapened dollar. We must not commit any act which will increase the danger of inflation in this country. Is it a stretch of logic to say that the adoption of this amendment by the Senate of the United States would start an inflationary spiral? I think not. I think not, if we will keep in mind how these great wage movements work; I think not, if we will recognize that those who are seeking to increase wages are always making use of arguments based upon precedents. What a great argument we would give them in their wage hearings before the War Labor Board if we were to put them in a position where they could say, "Well, the Congress of the United States, by indirection, by way of an expense account which this Board in specific cases has disallowed when it has involved private employers and private employees, has voted itself a wage increase of $2,500, an amount far in excess of the 15 percent allowed by the Little Steel formula. We think we are entitled to at least as good treatment as Congress gives itself."

It would be a very persuasive argument, and I think it would be an argument to which members of the War Labor Board would have to give great heed. I know of no greater act of cruelty which we could commit against the workers

of this country than to take a step which would result in the cheapening of the American dollar. That is exactly what will happen if we do not succeed in the fight on the home front against inflation. I have said in a great many War Labor Board decisions—I said it for the first time in 1940, in the San Francisco ship clerks case, during the defense days, long before we went into the war, that "The time has come to make clear to the American people that pockets bulging with cheap money are always pockets close to empty stomachs." I repeated that statement in several decisions of the War Labor Board, because it is a statement of a principle of which we must not lose sight. If we permit the American dollar to become cheapened through inflation in this country, we shall be headed for the most disastrous depression, with resulting widespread unemployment and economic chaos, in the history of our country. I think that we, as the Congress, are guardians of the value of the American dollar. I do not think we should take any action in connection with the pending appropriation bill which could possibly provide a basis for an argument for a general wage increase in this country, because following such an increase there would be bound to be a corresponding increase in prices, and the old spiral would work in its historical cycle form, as it has throughout our economic history. Labor and farmers would be the greatest sufferers.

A very fine job of economic control has been done during this war. There have been weaknesses in it, and I have been critical of them; but by and large, I think, the stabilization boards which we have set up have done a magnificent job in protecting the real income of the American workers and consumers. There still are many wage injustices which need to be corrected, but I am confident that the War Labor Board can best do its job if we the Congress do not adopt a policy relating to our own salaries which violates the policies of the Board. If and when a general wage increase in excess of the Little Steel formula is needed to meet cost-of-living problems in the country as a whole, then I think the Board should be directed to make it universally applicable. However, I think that before we resort to such a wage policy a greater effort should be made to check and roll back prices, because I think that is the best way to protect the value of the consumer's and worker's dollar. In any event, we as guardians of the value of the dollar, should not grab an increase for ourselves and then expect the War Labor Board, Economic Stabilizer Davis and War Mobilizer Vinson to hold down the lid on the economic kettle already boiling with inflation pressure.

The third and last major point I wish to make in these extemporaneous remarks, Mr. President, is that I think we have presented here a problem which requires us, as Members of the Senate, to proceed to educate the American people in regard to the financial obligations and the financial costs which face the Members of the Senate. It is going to be a sad day for America if the Senate of the United States becomes just a rich man's club. Yet, in view of my economic resources, I must confess that today a man has to have more wealth than I have, to serve in the Senate and do more than just break even. We need to inform the American people and give them evidence and facts as to the financial outlays inherent in service in the Senate. We need to make clear to them—as I am sure they will recognize, once they get the facts—that it is in the interest of American democratic government that we see to it that poor men can come to the Senate and can at least have reasonable security in their old age, after service in the Senate.

That is not the case today. I do not have to make an argument to you gentlemen to substantiate the point that service in the Senate, on the basis of the salary now paid, and in view of the costs and expenses which Members of the Senate suffer, makes it impossible for a Senator to develop any security for his own old age or any economic security for his family. Democratic government in this country will not remain healthy if that condition continues to exist.

However, Mr. President, our obligation, as I see it, is to collect the facts and frankly go before the American people, educate them to a better understanding of what is entailed in service in the Senate from the standpoint of expenses, and give them an opportunity, through public discussion, to pass judgment upon it. Then, when the war is over, we should come forward frankly, directly, and openly with a bill which provides that Members of the House of Representatives and Members of the Senate be paid a salary commensurate with the responsibilities and in keeping with the duties and obligations of the office. A bill which will make it possible for them to retire from the House of Representatives or from the Senate with some decent security in their old age.

Let us be frank about it: Congress has suffered severe criticisms from public opinion in recent years because, rightly or wrongly—and I think rightly—the public has formed the impression that the Congress has sought to face its financial problem by indirection and subterfuge; and they do not like it. I do not think it is good for government in this country to have public opinion of the frame of mind that we are not willing to come to the public directly and openly and to say to the public, "Yes; on the basis of the obligations and expenses of the office, we need, we deserve, we are entitled to a salary which is decent and which will permit us to meet our expenses." My faith in the fairness of the people is such that I think they will insist that we raise our salaries after the war once they know the facts about our expenses.

I would suggest that when the war is over we ought to defend and we can defend a salary for the Members of both branches of the Congress equal to that of a Cabinet officer.

But until the war is over, as guardians of the value of the American dollar, as the ones who, after all, have a primary responsibility in protecting this country from inflation, as a Congress, we owe it to the people, in my judgment, to maintain strict controls over the economic life of this country until the supply of civilian goods balances the purchasing power of America. Until that time is reached, we owe an obligation to protect our people from the ravages of inflation. We must not be guilty of voting ourselves a wage increase by way of indirection and subterfuge which will violate the Little Steel formula, which will violate Executive Order 9250, and which, in my opinion, will be conducive to inflation in America. Hence, I am unalterably opposed to the amendment.

Mr. BARKLEY. Mr. President, it is obvious that we cannot conclude consideration of this bill today. I had hoped that we might be able to finish it tomorrow, and then adjourn over until Monday. If there is to be any effort made to perfect an agreeable and workable plan among ourselves, or with the Members of the other House, I doubt very much if it can be done by tomorrow. For that reason I intend to move that the Senate recess until Monday.

I wish merely to make this observation in connection with the entire situation: I feel very deeply that it is most unfortunate that this issue has come to us in the way in which it has come. I felt that way about it when it was put into the bill by the other House. I do not say that with any criticism in mind. I know that it is a hard situation with which to deal. I am acutely aware of the difficulties which beset Members of Congress who have no independent income beyond their salaries. I belong to that category. Since I became a Member of the Senate the income taxes have been increased by both the Government and the State from which I come, until last year, out of my salary I paid $3,000 more in income taxes to the Federal Government and to the State than I had ever before paid at one time. I make no complaint about that because I voted for those taxes, and I voted for them to be withheld from my salary, as I also voted that taxes be withheld from salaries of other people throughout the country.

Mr. President, the number of people in the United States who have the impression that Members of Congress pay no taxes whatever is amazing. Frequently I have become aware of that misinformation in my talks with persons who were surprised when they were told that we pay taxes. How they could have thought that we could have avoided paying taxes, or have the temerity to excuse ourselves from paying taxes, I do not know. But many persons honestly believe that we exempted ourselves from taxation, and especially from the payment of income taxes.

Of course, we know that we are not exempt, and, so far as I am concerned, I shall not vote for any provision which would exempt Members of Congress from paying taxes, whether it be by way of a direct or an indirect increase in a Member's salary. That is one reason why I do not like the provision reported by the committee which was in the appropriation bill now before us. I do not like the indirection by which the objective is sought to be gained. I do not mean by that statement any offense to anyone in any branch of the Govern-

ment. But what the provision in the House bill would do, and what the amendment offered by the committee would do, would be to give Members of Congress an allowance for expenses which we had theretofore been paying out of our own salaries. There can be no doubt about that. That is what either provision would do. It would mean an increase in salary no matter what Senators may call it. If we are going to do that, I would infinitely rather do it directly, and say so in broad open daylight, so that everyone would understand what we were doing.

The parliamentary situation is such, Mr. President, that it embarrasses me, and I feel sure that it embarrasses other Members of the Senate as well. If this proposal is intended as an increase in salary it should have applied to the salaries of Members of both Houses. It should not have been left to one House to increase its salaries, and to the other House to determine whether it, in turn, would also increase its salaries. That has never been done heretofore. I was a Member of the House when the last increase in congressional salaries was made. It was made applicable to the Members of both Houses. It has always been that way during the entire history of the country. There has never been any discrimination between the compensation of Members of the two Houses. From a parliamentary standpoint it is possible that we might find ourselves in such a situation that the Members of one House would receive the increase and the Members of the other House would not receive it. I hope that whatever can be worked out will be applied to both Houses.

Mr. President, I think that the Members of Congress have frequently been unfair to themselves in regard to these matters. I recall a very amusing experience which I had after the increase in salaries from $7,500 to $10,000 was granted. I was then a Member of the other House. Approximately 2 weeks before that time I had voted against an increase in the salaries of Government employees. When the salary increase for Members of Congress came before the House I felt that I could not consistently vote to increase my salary after having voted against increasing the salaries of Government employees, and therefore I voted against the proposal. The newspapers in my district carried articles about my having voted against the increase in salaries. They said in effect, "Old BARKLEY stood by the people. He didn't believe in any robbing of the Treasury." Congress adjourned within approximately a week thereafter and I went home. I thought that I would be the hero in my home town. I spent a week going up and down Broadway thinking that everyone whom I met would pat me on the back and say, "Old fellow, you certainly stood by us." I was at home a week before any one even mentioned the matter to me. Finally a farmer who lived 15 miles in the country, who had been a devoted friend of mine for many years, and who always came into town to see me when he heard that I was home from Congress, met me. We backed ourselves up against a brick wall near the street and talked for approximately an hour about what had been taking place. After talking for about that length of time my farmer friend said, "Well, I see you fellows increased your salaries up there." I said, "Yes, they did it, but I voted against it." He looked at me for about 2 minutes, right in the eye, and finally said, "Well, you are just a damned fool." [Laughter]. That is the only comment I ever heard from that day to this in my district with regard to my having voted against the increase in salaries.

So we are often prone to underestimate the intelligence of the people. We are prone to underestimate their understanding of a situation, and we sometimes magnify our timidity in dealing with our own problems. But when we deal with them I want to deal with them face to face, open and above board, and in broad daylight. I want everybody to know what we are doing. It is for that reason that I do not like the way this proposal has been put into the appropriation bill. I do not much more like the way in which it has been reported by the committee.

I appreciate what the Senator from Oregon [Mr. MORSE] has said about increasing the wages of other people and whatever may be done about the matter. I am not sure that I shall vote now for any increase in congressional salaries. My mind is open on that subject. But when I do it I want to know I am doing it so that everybody will understand it, so that there will be no subterfuge about it, no thought that I have gone around through the back yard and come in the kitchen door in order to get into the living room for more salary than I enjoy. That is the way I feel about it. In the attempt to reach a solution I think all those in charge of the proposed legislation should be consulted, and I include those in the House, too, because, from the parliamentary standpoint, as I see it, if the Senate amendment should be rejected and the House language should be retained, there would be nothing in conference, the conferees could not change the provision, because the provision of the bill as it passed the House would be in the bill unchanged, and there would be nothing in the bill with respect to the Senate, so that the question would not be in conference, and the result would be that one House would get the increase and the other would not. I think all of that should be taken into consideration.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. OVERTON. I merely wish to make the observation that I think it is rather a harsh criticism of the committee amendment to say that we are trying to come in through a back door. The committee amendment spells out clearly just what we are doing. We are providing an expense account, and we have made a finding that it would amount to about $2,500. I think in pretty nearly every case it would amount to about $2,500. Anyone who reads the provision is bound to understand it. There cannot be any misconception about it.

Mr. BARKLEY. I do not want my remarks to be regarded as harsh. What has made me feel the way I do about it is what was done elsewhere. I do not desire to be harsh about that, even, but there is this to be said about it. I do not think any of us can deny that the language of the bill as it passed the House and the language of the Senate committee amendment cover expenses we are now bearing ourselves out of our salaries. There is no question about that. To that extent it is an increase in our net income.

Mr. OVERTON. Expenses which no other employee is bearing, and it is all due to a misinterpretation of the language "away from home."

Mr. BARKLEY. I agree no other employee is bearing it, yet we have been doing it all this time.

Mr. OVERTON. It is due to a misterpretation of the phrase "away from home."

Mr. BARKLEY. I do not think it is altogether due to a misinterpretation by the Bureau of Internal Revenue, because the disallowance of what we might regard as our expenses on the part of the Internal Revenue Bureau would not be as much as the amount by which we are asked to increase the expense allowance, because if we got all the deductions to which we might think we were entitled, in my judgment, the tax would not amount to as much as the $2,500 a year.

What gnaws at my conscience is the difference between doing this thing directly, by a straight-out increase in salary, and calling it that, and not exempting it from taxation, and providing an allowance for expenses. It is not subject to taxes, if the expense is a legitimate expense. We do not have to exempt it if it is a legitimate expense. As applied to anyone in the United States, it would be allowed, and there can be no question that there is a discrimination.

Anyone in business or in a profession is entitled to deduct all he spends in order to get business. A lawyer, a doctor, a dentist, or anyone else is entitled to deduct from his income whatever it costs him to get business.

We have always assumed that being a Member of Congress is not business, that there is an element of honor and distinction that goes along with it which is supposed to compensate us for the disadvantages of which we complain, but no one was ever able to pay a grocery bill or house rent with a distinction or with an honorable title, and especially is that true in the District of Columbia. I had a feeling the last time we increased our salaries that our expenses here were increased enough to absorb the increase, and we really had no more net money than we had before.

Mr. BANKHEAD. It helped when we were away.

Mr. BARKLEY. It helped us when we were away. I hope that before we meet Monday, something can be worked out which we can defend, and that it will be made to apply to both Houses alike, because I think it would cheapen either House for the other one to have what in effect is an increase in salary, and have it made inapplicable to the other House.

Mr. JOHNSON of Colorado. Mr. President, it has been suggested several times this evening that efforts be made to work

out some sort of a compromise on the pending amendment. I think it is incumbent upon me, therefore, to let the Senate know that I intend to make the point of order that the pending committee amendment is legislation on an appropriation bill, and when the substitute offered by the Senator from New Mexico [Mr. HATCH] comes before the Senate I shall make the same point of order against the substitute.

I have discovered in the Senate that if I sit around long enough I do not have to make a speech, that others who are far more eloquent and forceful will make my speech for me. Today that has happened; indeed, it has happened twice. The Senator from Oregon [Mr. MORSE] made the speech I should have liked to make, and the Senator from Kentucky [Mr. BARKLEY] has just made a statement which fits me to a "t," and exactly expresses my own feeling regarding this whole situation.

Mr. President, it seems to me that the integrity of the Congress is at stake in this matter, and I cannot think of anything that is more valuable in this country today than the integrity of Congress. We must maintain that integrity; we must maintain it at all costs in this day of sacrifice. When boys are dying everywhere for the flag, it is not too much to ask us to maintain and support and uphold the integrity of the Congress. That is the thing we must do.

I know it causes sacrifice, of course. The salaries of Senators and the salaries of Representatives have been reduced during the war by extra expenses and by heavy taxes we have laid upon ourselves. Nevertheless, that is a part of the job, that is a part of our duty in this wartime, and we must accept it in the spirit of the present-day situation.

Mr. BANKHEAD. Mr. President, recently I requested the Bureau of Labor Statistics to furnish me a statement relating to the need for higher congressional salaries to meet the rise in living costs. I was furnished with the statement, and in view of the fact that this matter is to go over the week end, I ask that immediately following my remarks the statement be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT RELATING TO THE NEED FOR HIGHER CONGRESSIONAL SALARIES TO MEET THE RISE IN LIVING COSTS

1. FEDERAL SALARIES NOT ADJUSTED TO MEET CHANGING CONDITIONS

The Federal service includes the largest, and indeed, almost the only substantial segment of the Nation's employed population, in which salary and wage scales have not been revised as a result of the changing economic conditions of wartime. Despite the excellent record of the program designed to control potential inflationary forces, especially by comparison with the experience of World War I, the cost of living has increased. The need for higher income taxes and the patriotic duty of making substantial purchases of War bonds have imposed further strains on available funds for all of us. In this situation, the Members of Congress occupy a position which, in many respects, is unique.

2. SHARP DECLINE IN REAL SALARIES OF MEMBERS OF CONGRESS

Congressional salaries were fixed at $10,000 per annum in March 1925; there have been no adjustments since that date. Between 1925 and 1939 there was an increase in the real income of the average person employed for wages or on salary. This represented a continuation of long-term trends in the United States, where rising productivity has made possible a gradual rise in living standards. In this period, though congressional salaries were unchanged in amount, the purchasing power increased because prices were somewhat lower in 1939 than in 1925.

Since 1939, with rising wartime prices and higher income taxes there has been a drastic cut in the buying power of congressional salaries. The typical Member of the Senate or the House of Representatives, in 1939, paid $304 in Federal income taxes, assuming that he supported a wife and two children and claimed a 10-percent deduction for contributions and had no other source of income than his congressional salary. The portion of his salary available for expenditures and savings thus amounted to $9,696 a year. By 1944, his income taxes, computed on the basis of the same assumptions, had risen to $1,915, leaving $8,085 of his $10,000 salary available for expenditures and savings. But $8,085 will not buy nearly as much now as in 1939. Because prices for everyday necessities have increased by about 30 percent since 1939, the purchasing power of $8,085 after taxes in 1944 was equal to only $6,326 in 1939. This is according to the figures of the Bureau of Labor Statistics and the President's Committee on the Cost of Living. Put another way, a Member of Congress with a family of two children, by 1944, had suffered a decline in effective purchasing and saving power of almost 35 percent so far as his salary income was concerned.

3. INCOMES OF OTHER GROUPS HAVE RISEN

The gross earnings of Federal employees in the classified service increased from an average of about $1,929 in January 1941 to $2,448 per year. The bulk of this increase resulted from the lengthening of the scheduled work week from 40 to 48 hours. There has been virtually no change in basic salary scales since 1930. After allowance for higher taxes and the rise in the cost of living of about 30 percent from January 1941, the purchasing power of their earnings (after allowance for the tax paid by a worker supporting a wife and two children) was almost 5 percent lower in December 1944 than in January 1941. The pay of Members of Congress, of course, cannot possibly be based on the length of the work week, and there has, therefore, been no such basis for offsetting rising living costs, even though there has been an immeasurable increase in the wartime workload of the Congress.

In private industry there are no comprehensive reports on salaried workers in the higher-income brackets. Most of the information available is on wage earners who, however, form the bulk of the working population and whose earnings are of the utmost importance in the general economic situation of the country. Increases in basic wage rates have been granted quite generally in private industry, and the total of these raises approximates the 15 percent set forth in the Little Steel formula of the War Labor Board. For total earnings, as opposed to wage rates, the increase is much greater. In manufacturing, for example, weekly gross earnings of wage earners have risen by 78 percent as a result of the lengthened work week and increased premiums for overtime and night work, as well as the revisions made in basic rates. Their income from wages, after allowance for higher taxes, for increases in Social Security deductions, and for the rise in living costs, are consequently nearly 36 percent higher than in January 1941, according to the Bureau of Labor Statistics.

This is in contrast to the decrease of about 35 percent in salary income available for expenditures and savings experienced by Members of Congress.

4. MEMBERS OF CONGRESS SUBJECT TO HEAVY SPECIAL EXPENSES

There are, however, certain differences which must be taken into account. The effect of price increases since January 1941 on the proportions of income available for expenditure and savings has been measured in terms of the Government's official cost of living index as compiled by the Bureau of Labor Statistics plus allowances made by the President's Committee on the Cost of Living.[1] This index is designed to trace the price changes of the more or less standard or average bill of commodities and services purchased by the typical family of moderate means—those whose 1934–36 incomes averaged about $1,500. It is obvious that the essentials of living such as food, clothing, rent, and the like constitute a larger share of the total expenditures or living costs of such families than they do in the case of those with incomes of $10,000. Thus the increase, since 1939, of some 45 percent in the average cost of food is more important to the moderate income groups than it is to those with higher salaries.

It is undoubtedly true, therefore, that the effect of the 30-percent increase in the cost of living index since January 1941 is less serious in the case of the average Member of Congress than it is among the lower-income groups.

There are, however, offsetting factors that are of considerable importance. Members of Congress find it necessary either to incur the expense of moving their households or to maintain their families at home and depend on hotels for their own accommodations. In both cases, the increases in costs are considerable.

If their households are moved to Washington, they must compete for very scarce housing, and, moreover, pay rents which are in general, higher than those in the cities from which they came. The 1940 census indicates that residential rentals in the Washington area were exceeded by only 8 of the Nation's 204 cities of 50,000 or more population. Only one of the 55 cities of 100,000 or more had higher rents than Washington. The problem of finding adequate quarters is emphasized by the fact that, since 1943, at least 13 percent of the single-family dwellings formerly rented in Washington and its suburbs have been removed from the rental market and been occupied by owners. The lack of housing frequently makes it necessary for Members of Congress and their families to live in hotels and eat in restaurants, and that is always an expensive way to live.

While no precise measurement of such factors is possible, it is undeniable that the costs of entertaining and similar items have increased markedly. In the typical family budget, such expenditures are ordinarily classified as luxuries. In the case of Members of Congress, they are essential standards that must, for obvious reasons, be maintained.

This fact has a further important implication. The budget of the typical family with a $10,000 income usually includes a substantial item for savings—about $2,500 in 1941. Unanticipated outlays, such as those that result from increased prices, can, there-

[1] The actual increase according to the official index amounted to 25.8 percent. The remainder is an adjustment, arrived at by the President's Committee on the Cost of Living as an allowance for quality deterioration and other conditions inherent in the present seller's market that do not lend themselves to precise statistical measurement.

fore, often be met only by a cut in savings. The special situation of Members of Congress with respect to extra expenses means that the amounts available for savings have probably always been somewhat smaller than those of the typical family in the same income class. There was, consequently, much less leeway in the Congressman's prewar budget for adjustment to wartime changes in prices and in income taxes.

5. EFFECT OF SALARY REVISIONS

If full allowance were made for higher retail prices since 1941, salaries would have to be at least $13,000. But wage and salary revisions made in recognition of increased living costs have been limited by the War Labor Board to an average of 15 percent under the wage stabilization program. An increase of 15 percent in Congressional salaries would raise the total salary to $11,500; and the average income after taxes to $9,125 in 1944 dollars and to $7,146 in 1939 dollars, that is, if allowance is made for increased living costs.

Mr. BYRD. Mr. President, I am very much opposed to the pending amendment, but I do not desire to delay the Senate with any further remarks, and I ask unanimous consent to insert in the body of the RECORD a statement prepared by me giving my reasons for my opposition to the amendment. I make this request because of the fact that I am leaving town tomorrow on official business, and may not be here when the amendment is brought up for disposition.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The action of the House and of the Senate Appropriations Committee in making a flat allowance of $2,500 for expenses of the Members of the House and Senate, which will be exempt from taxation, is, in my judgment, very ill-advised. I know of no similar instance wherein a lump sum is given to any Government official for expenses.

What this in reality means is that the salaries of Senators will be increased by $2,500, and this increase will be exempt from taxation.

A Representative or Senator who is married, without other dependents, now pays $2,400 in taxes on a $10,000 salary. If his salary were increased to $12,500, he would pay $3,365. Therefore, by this method of giving a lump sum for expenses, the amount of $965 is saved to the individual Senator in taxation. This means that instead of the increase in salary being 25 percent, it is actually 35 percent net, taking into consideration the tax exemption on the $2,500 increase.

Since 1941, all wages have been controlled on a basis of 15 percent increase as applied to January 1941. Representatives and Senators are, of course, entitled to this increase, but, if an increase is made to the Members of Congress in excess of the Little Steel formula, in my judgment, it will inevitably follow that the War Labor Board will be forced to abandon this formula and to make increases throughout the country on a basis of the increase given to Representatives and Senators.

The next few months ahead of us may determine whether we will go from the disasters of war to the disasters of inflation. There could be no more inappropriate time for the Members of Congress to put themselves in a special class and receive special benefits than at this time. For the first time in the history of our country, the Government itself has been attempting to control wage increases for the purpose of preventing inflation. What Congress does for its own membership will be taken as a criterion and a basis for increases to be made by the various Government boards that have charge of such matters.

In the form in which this increase is submitted to the Senate it presents two vital questions. The first is: Should the salaries of the Representatives and Senators be increased 25 percent? The second is: Should that increase be exempt from taxation?

So far as my knowledge goes, there is not a single Government official who is not compelled to furnish an accounting and exact statements of all expenses incurred before he can be reimbursed out of the Federal Treasury. But, in this case, a lump sum is given, and there is no requirement to furnish an itemized account.

This is not only the wrong time to make an increase as large as this, but it is being done in the wrong way. Neither should this increase be made retroactive back to January 1, as this will establish a precedent for all other wage increases to be retroactive also.

I am perfectly willing, and, in fact, anxious, to see the salaries of the Representatives and Senators increased in proportion to the increases made to all other Government workers which was 15 percent, and in accordance with the wage control policies of the War Labor Board, but let us recognize that when we go beyond this we are inviting a situation which may mean disaster to the country. The amount concerned may not be so great, but the policy may be very far-reaching in its effects.

The Congress of the United States is growing in public esteem. Every day that I remain in the Senate I am more and more impressed with the diligence, hard work, and capacity of the individual Senator, but it is just such a thing as this that will bring discredit upon the Congress. I think it would be far better to defer any increase in salaries until the termination of wage controls, unless such increase is given in accordance with the wage formula of 15 percent increase.

DAVID B. SMITH

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 209) for the relief of David B. Smith, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the figures "$3,267.10" insert the figures "$2,667.10," and agree to the same.

ALLEN J. ELLENDER,
W. LEE O'DANIEL,
WAYNE MORSE,
Managers on the Part of the Senate.
DAN R. MCGEHEE,
EUGENE J. KEOGH,
JOHN JENNINGS, Jr.,
Managers on the Part of the House.

Mr. WHITE. Mr. President, is this a bill which came originally from the Committee on Claims?

Mr. ELLENDER. It is.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

KATHERINE SMITH

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1567) for the relief of Katherine Smith, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the figures "$4,772" insert the figures "$4,272," and agree to the same.

OLIN D. JOHNSTON,
JAMES M. TUNNELL,
GEORGE A. WILSON,
Managers on the Part of the Senate.
DAN R. MCGEHEE,
EUGENE J. KEOGH,
JOHN JENNINGS, Jr.,
Managers on the Part of the House.

The report was agreed to.

PROPOSED CONSTITUTIONAL AMENDMENT RELATING TO THE MAKING OF TREATIES

Mr. PEPPER. Mr. President, on the 1st of May the senate of the State of Florida and on the 2d of May the house of representatives of the State of Florida adopted a resolution which I believe will have historic significance. It was an application to the Congress under article v of the Constitution. It is very brief and reads as follows:

Be it resolved by the Legislature of the State of Florida:

SECTION 1. That in accordance with article 5 of the Constitution of the United States of America the legislature of the State of Florida does hereby make application to the Congress of the United States to call a Constitutional Convention for proposing an amendment to the Constitution of the United States by adding thereto an article providing substantially as follows:

"ARTICLE —

"Hereafter treaties shall be made by the President by and with the advice and consent of both Houses of the Congress."

SEC. 2. That a duly authenticated copy of this resolution be transmitted by the secretary of state of the State of Florida to the President pro tempore of the United States Senate, and to the Speaker of the House of Representatives of the United States.

Mr. President, I issued a public release in comment upon the adoption of the resolution by the Florida Legislature, which I ask unanimous consent to have incorporated in the body of the RECORD at this point in my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

The Legislature of Florida, upon my recommendation, has just done something historic; something to help prevent War III.

By a resolution passed last week the legislature made Florida the first State in the Union to set in motion the machinery to change the Constitution of the United States so that treaties may be made by agreement of both Houses of Congress rather than by two-thirds of the Senate.

At present the House of Representatives, the body in the Congress closest to the people, is necessary to a declaration of war. But it has no part in making a treaty of peace or in our joining an international organization to keep the peace. Only the Senate has anything to say about that.

But even the Senate cannot agree to a treaty or to any organization like the United Nations unless two-thirds of the Members of the Senate present when such a matter is considered agree to such proposal. That provision defeated the League of Nations and contributed to the present awful war. For there is no doubt that a majority of the

Senate and the House of Representatives would have agreed to the League of Nations as recommended by President Wilson if they had had the power to do so.

This two-thirds rule gives as few as 17 Senators the power to defeat a treaty. Thirty-three Senators could do it at any time.

That means that after the United Nations organization is set up at San Francisco by representatives of all the United Nations a third plus one of the Senate can keep us out of that organization. A third plus one of the Senate could keep us out in spite of the people overwhelmingly favoring our getting in and helping to keep world peace. This third, plus one, of the Senate could keep us out of the United Nations in spite of as many as 63 of the Members of the Senate favoring our taking an honorable part in that effort to prevent war.

The time has come, therefore, to modernize our peace-making and peace-keeping machinery.

Both Houses of Congress represent the people; both Houses declare war; both Houses have to pass legislation which is usually necessary to carry out any treaty we make; both Houses have to make any appropriations necessary to carry out any treaty. Both Houses, therefore, should speak for the people in making agreements with other nations, not just two-thirds of the Senate, whose Members are not answerable to the people except every 6 years.

And both Houses of Congress should act in making treaties as they act in declaring war or in passing all legislation, by a majority vote in each House. That is democracy. Then no other little group of willful men can throw away another peace as they did after the last war.

The Florida resolution is in the exact language of the resolution passed by the House in Washington, of which Chairman HATTON SUMNERS, of Texas, of the House Judiciary Committee is author.

It provides:

"Hereafter treaties shall be made by the President by and with the advice and consent of both Houses of the Congress."

The House resolution of Mr. SUMNERS cannot be submitted to the States by the Congress without the concurrence of the Senate by a two-thirds vote, and I doubt if the Senate will, of its own accord, give up its exclusive power to ratify treaties.

Hence the only way we can hope to strike down the two-thirds rule of the Senate is for 32 States to ask Congress to call a convention for proposing this amendment to permit both Houses of the Congress to ratify treaties.

Florida has shown the way and now if 31 other States will follow her lead we can enable our Government to keep faith with our honored dead and to help to save the peace for which he gave "the last full measure of devotion."

All honor to the vision of the Florida Legislature. The Nation will expect other legislatures, most of which are meeting this year, to follow Florida.

INTERNATIONAL OFFICE OF EDUCATION

Mr. FULBRIGHT. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 281, Senate Resolution 122, relative to participation by the Government of the United States in the organization by the nations of the world of an International Office of Education.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas?

There being no objection, the Senate proceeded to consider the resolution, which had been submitted by Mr. FULBRIGHT (for himself and Mr. TAFT) on April 30, 1945, and which had been reported from the Committee on Education and Labor with amendments, on page 1, line 3, after the words "world of", to strike out "an International Office of Education" and insert "a permanent international organization for educational and cultural affairs"; and on page 2, after the word "cultural", to strike out "relation, the exchange of students and scholars" and insert "relations", so as to make the resolution read:

Resolved, That the Senate of the United States urges the participation by the Government of the United States in the organization by the nations of the world of a permanent international organization for educational and cultural affairs, for the purpose of advising together and considering problems of international educational and cultural relations throughout the world, and more particularly for the purpose of organizing a permanent international agency to promote educational and cultural relations and the encouragement within each country of friendly relations among nations, peoples, and cultural groups; provided that such agency shall not interfere with educational systems or programs within the several nations, or their administration.

The amendments were agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the resolution as amended.

Mr. WHITE. Mr. President, may I ask if this is the resolution concerning which the Senator from Arkansas spoke to me earlier in the day, in which he and the Senator from Ohio [Mr. TAFT] are interested?

Mr. FULBRIGHT. Yes.

The PRESIDING OFFICER. The question is on agreeing to the resolution as amended.

The resolution, as amended, was agreed to.

The title was amended so as to read: "Resolution relative to participation by the Government of the United States in the organization by the nations of the world of a permanent international organization for educational and cultural affairs."

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the RECORD in connection with the resolution a number of letters addressed to me which are representative of others I have received. One is from the Federal Council of the Churches of Christ in America. One from the Educational Policies Commission, one from the American Federation of Labor, one from the American Association for the United Nations, Inc., and one from the American Council on Education.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE FEDERAL COUNCIL OF THE CHURCHES OF CHRIST IN AMERICA,
New York, N. Y., May 18, 1945.

Hon. J. WILLIAM FULBRIGHT,
United States Senate, Washington, D. C.

MY DEAR SENATOR FULBRIGHT: I have the honor to communicate to you the following resolution, unanimously adopted by the Executive Committee of the Federal Council of the Churches of Christ in America on May 15, 1945:

"Believing that the development of a world order of peace and justice requires continuous educational efforts among all peoples, the Executive Committee of the Federal Council of the Churches of Christ in America urges the Government of the United States to take an active part in the organization and support of an International Office of Education by the nations of the world for the purpose of promoting educational and cultural interests."

I am confident that there is a widespread and growing interest throughout the 26 national denominations which comprise the Federal Council of the Churches of Christ in America in the movement for establishing an International Office of Education and that prompt action by the Congress of the United States along this line would be heartily welcomed.

With high regard, I remain

Very sincerely yours,

SAMUEL MCCREA CAVERT,
General Secretary.

THE EDUCATIONAL POLICIES COMMISSION,
Washington, D. C., May 18, 1945.

The Honorable JAMES WILLIAM FULBRIGHT,
Senate Office Building,
Washington, D. C.

DEAR SENATOR FULBRIGHT: I am authorized to put the National Education Association on record as enthusiastically endorsing Senate Resolution 122. For years our association has been committed to this idea, and we sincerely hope that the Senate will pass your resolution. Doing so at this time will have a profound influence on the delegates assembled at San Francisco. We feel that education must have a place in the organization designed to provide for international security, for the peace of the world depends upon mutual understanding and cooperation among peoples.

The National Education Association wishes to congratulate you on your vision and wishes you success in the passing of this resolution.

Cordially yours,

RALPH F. STREBEL,
Assistant Secretary.

AMERICAN FEDERATION OF LABOR,
Washington, D. C., May 18, 1945.

Hon. J. WILLIAM FULBRIGHT,
United States Senate Office,
Washington, D. C.

MY DEAR SENATOR: The American Federation of Labor is on record as approving an International Office of Education. At our last convention held in New Orleans last November, the executive council of the American Federation of Labor reported to the convention on this subject as follows:

"We submit that the reconstruction of the cultural life of nations now at war is certainly as important as their economic reconstruction.

"Above all the principle of cultural autonomy for all nations must be adhered to in every phase of reconstruction. We believe that every possible form of material help must be given the victimized nations in rebuilding their cultural life.

"We believe that in helping the nations which have been laid in ruin by the Axis Powers to reconstruct themselves, we must recognize the right of these people to govern themselves; that while we offer material help to enable these victimized nations to rebuild themselves, the giving of such material help, no matter how vast the amount, must in no instance deny these people complete political and cultural autonomy. On the other hand, we recognize that the treatment afforded the Axis nations must be neither sentimentally indulgent nor dominated by any vengeance. We would treat the people in the Axis nations humanely and seek to afford them the opportunities through which they may regain a sense of moral and social values. We hold, however, that the Axis nations must prove by their deeds that they are worthy of sharing in the common life of the peace-loving world.

"We would particularly urge that every possible aid be given to enable the victimized nations to rebuild their cultural life as quickly as possible, with only such direction from other nations as any nation may ask for from the UNRRA, or from any nation.

"The Boston convention in 1943 endorsed the principle of an International Office of Education. * * *

"Reaffirming convention action of last year, and amplifying it further, we recommend that in the new world institutions there be established an International Office of Education, coordinated with the general international political organization, but free from domination by it, which office shall serve as a medium for exchange of teachers, students, and as a center of investigation and research in any and all fields of education. If and when any nation or people solicits the advice or help of the International Office of Education such advice and help shall be given. The office should also undertake such cooperative projects which are mutually deemed desirable.

"We hold that in this new world educational organization there should be a definite recognition of the role of the free teacher organization."

I sincerely hope the Congress of the United States will approve participation in an Internal Office of Education organized along the above lines.

Very truly yours,

WM. F. GREEN,
President, American Federation of Labor.

AMERICAN ASSOCIATION FOR THE UNITED NATIONS, INC.,
New York, N. Y., May 8, 1945.

The Honorable J. WILLIAM FULBRIGHT,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR FULBRIGHT: I have the honor to send you the following resolution adopted at a meeting of the Education Committee of the American Association for the United Nations:

"The Education Committee of the American Association for the United Nations expresses its hearty approval of participation by the Government of the United States in an International Office of Education to be set up as an autonomous agency of the United Nations Organization. The functions of such an Office should be to promote educational and cultural relations among the nations of the world, in particular the exchange of students and scholars, and the encouragement of friendly relations among nations, peoples, and cultural groups.

"Even in normal times such an agency could be of the greatest usefulness in promoting those relations among nations upon which peace depends. In the postwar world, with educational institutions in many countries destroyed, intellectual leaders murdered and millions of youth deprived of normal educational opportunities, such an office becomes of first-rank importance. Cooperation among educational leaders of all the United Nations can assure that positive approach to peace which will be necessary, if peoples of all nations are to understand each other and if youth are to be trained in their responsibilities as citizens of the United Nations.

"It is our considered opinion that adequate provision should be made in the United Nations Charter now being formulated at San Francisco for an International Office of Education which can discharge the above functions."

Members of the committee endorsing the resolution are as follows: Mrs. Dana Converse Backus, chairman; Dr. Harry J. Carman, Dean, Columbia University; Mrs. Harvey N. Davis, Dr. Stephen P. Duggan, director, Institute of International Education; William A. Hamm, Assistant Superintendent of Schools, New York City; Dr. Erling Hunt, Teachers College, Columbia University; Dr. Quincy Wright, University of Chicago; Mrs. Harrison Thomas, Secretary to the Committee.

We trust the adoption of this resolution will be of interest to you in connection with the bill which you have recently introduced in the Senate.

Yours sincerely,

MRS. HARRISON THOMAS.

AMERICAN COUNCIL ON EDUCATION,
Washington, D. C., May 18, 1945.

The Honorable J. WILLIAM FULBRIGHT,
United States Senate,
Washington, D. C.

DEAR SENATOR FULBRIGHT: I am sending you herewith a copy of a resolution adopted by the executive committee of the American Council on Education, signed by Mr. Julius E. Warren, Commissioner of Education for the State of Massachusetts and acting chairman of the council. Copies of this resolution were sent to each member of the American delegation to the San Francisco Conference.

The resolution calls for the formation of an international education and cultural relations agency within the structure of the world security organization. It is my understanding that a copy of this resolution will be included in a report which you will make to the Senate on Senate Resolution 122.

I am also attaching a tabulation of replies from the constituent members of the American Council on Education to a question which was recently submitted to them individually regarding the setting up of an international office of education and cultural relations.

The membership of the American Council on Education includes nearly 700 leading colleges, universities, and school systems, public and private, and approximately 110 national organizations in the field of education and in allied fields. For your information I am enclosing a list of our membership as of November 1, 1944.

In the absence of Dr. George F. Zook, president of the council, who is now at San Francisco serving as a consultant to the American delegation, I shall be glad to confer with you if it seems necessary to clarify any of the points in the enclosed resolution.

In closing, let me say that the action of the executive committee of the American Council on Education leads me to believe that it strongly endorses the reporting and passage of Senate Resolution 122.

Yours very truly,

A. J. BRUMBAUGH,
Vice President.

MAY 4, 1945.

In accordance with opinions expressed in ballots from representatives of 59 constituent organizations belonging to the American Council on Education, the executive committee of the council, meeting in Washington May 4, 1945, strongly urges the American delegation at the San Francisco Conference to support specific provision for an international office of education and cultural relations as an integral part of an international organization. Provision for this office will give due recognition both to the importance of cultural interchange in the maintenance of world peace and to the role of education in promoting this interchange. It will, moreover, avoid the great confusion which for 20 years prior to the outbreak of the present war has resulted from the division between two international organizations of responsibilities for the closely related fields of education and intellectual cooperation.

JULIUS E. WARREN,
Acting Chairman, American Council on Education.

MAY 18, 1945.

The American Council on Education recently submitted to the representatives of the 59 constituent organizations which make up the council the following question:

"Do you personally favor or oppose the setting up of an international office of education and cultural relations?"

Although only a short time has elapsed, favorable replies have already been received from the delegates of the following organizations:

American Association of Colleges of Pharmacy (B. V. Christensen and Wortley F. Rudd).

American Association of Collegiate Schools of Business (R. P. Brooks).

American Association of Physics Teachers (K. Lark-Horovitz and Richard M. Sutton).

American Association of Teachers Colleges (Frank E. Baker).

American Association of University Women (Kathryn McHale).

American Education Fellowship (Frank E. Baker).

American Film Center (J. C. Wardlaw).

American Library Association (Carl H. Milam).

Association of American Colleges (Goodrich C. White and Guy E. Snavely).

Association of American Law Schools (Ernest Fraser and F. G. D. Ribble).

Association of American Medical Colleges (W. T. Sanger).

Association of Collegiate Schools of Nursing (Marion G. Howell, Isabel M. Stewart, and Sister M. Olivia Gowan).

Board of Education of the Methodist Church (John O. Gross).

Boy Scouts of America (E. Urner Goodman and Ray O. Wyland).

Council on Dental Education (William N. Hodgkin, Harlan H. Horner, and John T. O'Rourke).

Council on Medical Education and Hospitals, American Medical Association (Victor Johnson).

Educational Records Bureau (Eugene R. Smith, Arthur E. Traxler, and Ben D. Wood).

Institute of International Education (Stephen Duggan).

International Council on Religious Education (Roy G. Ross).

Jesuit Educational Association (Edward B. Rooney, S. J.).

Middle States Association of Colleges and Secondary Schools (Karl G. Miller).

National Association of Colleges and Departments of Education (M. R. Trabue).

National Association of Secondary-School Principals (Paul E. Elicker).

National Association of Schools of Music (D. M. Swarthout).

National Association of Teachers of Speech (W. Hayes Yeager and Joseph F. Smith).

National Collegiate Athletic Association (K. L. Wilson).

National Council of Independent Schools (Edward B. Rooney, S. J.).

National Council for the Social Studies (Merrill F. Hartshorn).

National Council of Teachers of English (Harold A. Anderson).

National Education Association (Joseph H. Saunders).

National League of Nursing Education (Adelaide A. Mayo).

National University Extension Association (George B. Zehmer).

North Central Association of Colleges and Secondary Schools (G. D. Humphrey, G. W. Rosenlof, and John Dale Russell).

Society for the Promotion of Engineering Education (Donald B. Prentice).

Mr. TAFT. Mr. President, I ask unanimous consent that a statement which I have prepared relating to Senate Resolution 122 may be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The resolution before the Senate proposes that we urge upon the President the participation by the Government of the United States in the formation of a permanent international organization for educational and cultural affairs to promote educational and cultural relations and the encouragement within each country of friendly relations among nations, peoples, and cultural groups.

It is perhaps important to point out what the organization is not. The resolution expressly provides that the proposed agency shall not interfere with educational systems or programs within the several nations or with their administration. The character of education given in each country is entirely the affair of that country. Nor has it anything to do with the education of Germany. If any deliberate program is undertaken in Germany to try to eliminate the Nazi philosophy, it is a matter for the forces of occupation and the governments of the occupying powers and not of the proposed international organization.

This organization is more on the order of the International Labor Office established under the League of Nations. Its purposes are to stimulate throughout the world an interest in education and bring home to all the importance of education, both in raising the standard of living and maintaining a world peace. It is to be a forum in which representatives of the different nations may meet, discuss systems of education, and develop ideas for its promotion. In the past there has been such cooperation among those interested in politics, in business, in finance, and in labor, but there has been no such meeting place for those concerned with education.

We are proposing an economic council of the nations, and proposing to concern ourselves with creating a world prosperity. I venture to suggest that no single element can increase the standard of living of a people as much as universal education. It teaches the people the standards of the rest of the world to which they can aspire. Many nations cannot hope for economic prosperity if they go on increasing the population as they have in recent years. I do not think there is any solution to this problem except much wider education in these countries. Furthermore, an education which includes complete knowledge of other peoples and their viewpoint is almost the only hope of peace, and any educational system which is not based on freedom of communications is hardly worth the name of education.

In the immediate future, the proposed organization can give advice and encouragement to the various nations in reconstructing their systems of education destroyed by the war. It can propose methods for the rebuilding and reestablishment of colleges and universities. It can assist in building up a new teacher force. It can arrange for the exchange of standards between different nations in order to remove misunderstandings and causes of war. It can fix standards of education so that nations can judge the quality of the education they are giving.

It may be desirable to set up this organization in connection with the Economic and Social Council provided by the San Francisco agreement, but I believe it could also stand on its own feet if it seems to our Government more desirable to handle it in that way. In any event, and in any form, I believe it will contribute to the cause of peace and prosperity throughout the world.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

NOMINATION OF JUDGE LEWIS B. SCHWELLENBACH TO BE SECRETARY OF LABOR

Mr. BARKLEY. Mr. President, in connection with the messages from the President submitting sundry nominations, which have just been laid before the Senate, I ask unanimous consent to have printed in the body of the RECORD at this point a statement issued by President William Green of the American Federation of Labor relative to the appointment by President Truman of Judge Lewis B. Schwellenbach to be Secretary of Labor.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MAY 23, 1945.

President William Green, of the American Federation of Labor, today issued the following comment on the appointment by President Truman of Lewis B. Schwellenbach as Secretary of Labor:

"We regard Judge Schwellenbach as a most capable and well-qualified man to serve. He showed that he possessed a very clear understanding of labor and labor's problems when he served in the United States Senate. His record there was excellent from a labor point of view. We look forward to his service as Secretary of Labor with a feeling of confidence and satisfaction and will gladly cooperate with him as fully and completely as possible.

"In addition to that, we are going to urge that he take steps to consolidate within the Labor Department all the agencies of the Government that deal with labor problems and labor questions and in that way to expand the service of the Labor Department.

"We hope that he may set up an advisory committee so that we may serve with him and cooperate with him in his work as Secretary of Labor."

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Ronald M. Holmes for appointment as an administrative officer, national headquarters, Selective Service System, under the provisions of law.

By Mr. McKELLAR, from the Commitee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. WALSH, from the Committee on Naval Affairs:

Rear Adm. Harold B. Sallada to be Chief of the Bureau of Aeronautics in the Department of the Navy, with the rank of rear admiral, for a term of 4 years; and

The following-named midshipmen to be second lieutenants in the Marine Corps from the 6th day of June 1945, in lieu of appointments as ensign in the Navy as previously nominated and confirmed:

Lee A. Kirstein; and

William C. Stack

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. The Chair suggests to the Senator from Kentucky that he except from his request the three nominations of postmasters in New York. One of the Senators from that State asked that the New York nominations of postmasters go over.

Mr. BARKLEY. With the exceptions just referred to, I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters in Arkansas, Ohio, and Oklahoma are confirmed en bloc, and, without objection, the President will be immediately notified.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask that the nominations in the Navy be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc, and, without objection, the President will be immediately notified.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc, and, without objection, the President will be immediately notified.

That completes the Executive Calendar.

RECESS TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 7 minutes p. m.) the Senate took a recess until Monday, May 28, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 24, 1945:

DEPARTMENT OF JUSTICE

Tom C. Clark, of Texas, to be Attorney General, vice Francis Biddle, resigned.

DEPARTMENT OF AGRICULTURE

Clinton P. Anderson, of New Mexico, to be Secretary of Agriculture, vice Claude R. Wickard, nominated to be Administrator, Rural Electrification Administration.

DEPARTMENT OF LABOR

Lewis B. Schwellenbach, of Washington, to be Secretary of Labor, vice Frances Perkins, resigned.

RURAL ELECTRIFICATION ADMINISTRATION

Claude R. Wickard, of Indiana, to be Administrator of the Rural Electrification Administration for a term of 10 years.

SELECTIVE SERVICE SYSTEM

Austin S. Imirie for appointment as an administrative officer, National Headquarters, Selective Service System, under the provisions of section 10 (a) (3) of the Selective Training and Service Act of 1940, as amended. Compensation for the position of administrative officer, National Headquarters, Selective Service System, will be at the rate of $6,500 per annum.

PUERTO RICO

Rafael Pico, of Puerto Rico, to be commissioner of education for Puerto Rico, vice José M. Gallardo.

COAST AND GEODETIC SURVEY

The following-named employees of the Coast and Geodetic Survey to the positions indicated:

Walter J. Chovan to be hydrographic and geodetic engineer with rank of lieutenant commander in the Coast and Geodetic Survey, from the 1st day of May 1945.

V. Ralph Sobieralski to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from the 26th day of March 1945.

Robert H. Randall to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from the 26th day of March 1945.

Lorin F. Woodcock to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from the 3d day of February 1945.

A. Gordon Anderson to be aide, with rank of ensign in the Coast and Geodetic Survey, from the 1st day of May 1945.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

To be lieutenant colonels with rank from June 13, 1945

Maj. Charles Joseph Barrett, Field Artillery (temporary brigadier general).

Maj. Maxwell Davenport Taylor, Field Artillery (temporary major general).

Maj. Henry James Woodbury, Corps of Engineers (temporary colonel).

Maj. Louis Jacob Rumaggi, Corps of Engineers (temporary colonel).

Maj. Edmund Clayton Lynch, Air Corps (temporary brigadier general).

Maj. Francis Jennings Wilson, Corps of Engineers (temporary colonel).

Maj. Alfred August Kessler, Jr., Air Corps (temporary brigadier general).

Maj. Paschal Neilson Strong, Jr., Corps of Engineers (temporary colonel).

Maj. Cortlandt Van Rensselaer Schuyler, Coast Artillery Corps (temporary brigadier general).

Maj. Lawrence Coy Leonard, Ordnance Department (temporary colonel).

Maj. Mervin Eugene Gross, Air Corps (temporary brigadier general).

Maj. Robert Wayne Raynsford, Signal Corps (temporary colonel).

Maj. LeRoy Judson Stewart, Field Artillery (temporary brigadier general).

Maj. John Francis Uncles, Field Artillery (temporary brigadier general), subject to examination required by law.

Maj. Giles Richard Carpenter, Field Artillery (temporary colonel).

Maj. David James Crawford, Ordnance Department (temporary colonel).

Maj. William Field Sadtler, Ordnance Department (temporary colonel).

Maj. Earl Foster Thomson, Cavalry (temporary colonel).

Maj. Charles Newsom Branham, Coast Artillery Corps (temporary colonel), subject to examination required by law.

Maj. Francis Borgia Kane, Coast Artillery Corps (temporary colonel), subject to examination required by law.

Maj. William Stevens Lawton, Coast Artillery Corps (temporary brigadier general), subject to examination required by law.

Maj. Albert Svihra, Judge Advocate General's Department (temporary lieutenant colonel), subject to examination required by law.

Maj. Granger Anderson, Coast Artillery Corps (temporary colonel).

Maj. Alfred Eugene Kastner, Field Artillery (temporary colonel).

Maj. Edwin Paul Crandell, Adjutant General's Department (temporary colonel), subject to examination required by law.

Maj. Mark McClure, Field Artillery (temporary brigadier general).

Maj. Benjamin Wiley Chidlaw, Air Corps (temporary major general).

Maj. Myron Leedy, Ordnance Department (temporary colonel).

Maj. Alba Carlton Spalding, Coast Artillery Corps (temporary colonel).

Maj. Robert Landon Taylor, Field Artillery (temporary colonel).

Maj. Stephen Cecil Lombard, Field Artillery (temporary colonel).

Maj. Fred James Woods, Coast Artillery Corps (temporary colonel).

Maj. Kenneth Francis Pughe, Infantry (temporary lieutenant colonel).

Maj. Robert Smith McClenaghan, Field Artillery (temporary lieutenant colonel).

Maj. Charles Hancock Reed, Cavalry (temporary colonel).

Maj. Walter Russell Hensey, Jr., Field Artillery (temporary colonel).

Maj. Orval Ray Cook, Air Corps (temporary brigadier general), subject to examination required by law.

Maj. Perry McCoy Smith, Coast Artillery Corps (temporary colonel).

Maj. James Wrathall Spry, Air Corps (temporary brigadier general).

Maj. Gordon Sherman Armes, Adjutant General's Department (temporary colonel).

Maj. Frederick William Hein, Infantry (temporary colonel).

Maj. Charles Rufus Smith, Infantry (temporary colonel).

Maj. Harold Alfred Meyer, Infantry (temporary colonel).

Maj. Robert Earle Blair, Quartermaster Corps (temporary colonel).

Maj. James Dunne O'Connell, Signal Corps (temporary colonel).

Maj. Gilman Clifford Mudgett, Cavalry (temporary colonel).

Maj. Numa Augustin Watson, Infantry (temporary colonel), subject to examination required by law.

Maj. Wesley Woodworth Yale, Cavalry (temporary colonel).

Maj. Robert Wilkins Douglass, Jr., Air Corps (temporary major general).

Maj. Oliver Wendell Hughes, Infantry (temporary colonel).

Maj. Melville Fuller Grant, Infantry (temporary colonel).

Maj. James Robinson Pierce, Infantry (temporary colonel), subject to examination required by law.

Maj. Lemuel Mathewson, Field Artillery (temporary brigadier general).

Maj. Thomas Varon Webb, Infantry (temporary colonel).

Maj. George Arthur Taylor, Infantry (temporary brigadier general), subject to examination required by law.

Maj. Alfred Lawrence Price, Field Artillery (temporary colonel).

To be lieutenant colonels with rank from June 14, 1945

Maj. Frank Llewellyn Beadle, Corps of Engineers (temporary colonel).

Maj. Gilbert Hayden, Signal Corps (temporary colonel).

Maj. Thomas Herbert Maddocks, Signal Corps (temporary colonel).

Maj. David Marion Fowler, Infantry (temporary colonel).

Maj. Edward Arthur Kleinman, Coast Artillery Corps (temporary colonel), subject to examination required by law.

Maj. Blackshear Morrison Bryan, Jr., Field Artillery (temporary brigadier general), subject to examination required by law.

Maj. John Lawson Ballantyne, Cavalry (temporary colonel).

Maj. Hilbert Milton Wittkop, Air Corps (temporary colonel).

Maj. Donald Quitman Harris, Field Artillery (temporary colonel).

Maj. John Percy Kennedy, Jr., Field Artillery (temporary colonel).

Maj. William Andrew Wedemeyer, Field Artillery (temporary colonel).

Maj Edwin Carlo Greiner, Cavalry (temporary colonel).

Maj. Oliver Perry Newman, Infantry (temporary colonel).

Maj. Ronald Gorrie MacDonald, Infantry (temporary lieutenant colonel), subject to examination required by law.

Maj. John Hughes Stodter, Cavalry (temporary colonel).

Maj. Thomas Edward Lewis, Field Artillery (temporary brigadier general).

Maj. Stewart Tiffany Vincent, Infantry (temporary colonel).

Maj. Paul Henry Mahoney, Infantry (temporary colonel), subject to examination required by law.

Maj. James Clyde Fry, Infantry (temporary colonel).

Maj. Austin Folger Gilmartin, Infantry (temporary lieutenant colonel).

To be lieutenant colonel with rank from June 26, 1945

Maj. James Harrison Dickie, Finance Department (temporary colonel).

To be major with rank from June 6, 1945

Capt. Elmer Perry Rose, Air Corps (temporary colonel).

To be majors with rank from June 7, 1945

Capt. Ford J. Lauer, Air Corps (temporary colonel).

Capt. Fay Oliver Dice, Air Corps (temporary colonel).

Capt. Herbert Everett Rice, Air Corps (temporary colonel).

Capt. Edward Harold Porter, Air Corps (temporary colonel).

Capt. Joseph Hampton Atkinson, Air Corps (temporary brigadier general).

Capt. Robert Leonard Schoenlein, Air Corps (temporary colonel).

Capt. Frederick William Ott, Air Corps (temporary colonel).

Capt. Wentworth Goss, Air Corps (temporary brigadier general).

Capt. James Leslie Daniel, Jr., Air Corps (temporary colonel).

Capt. Budd John Peaslee, Air Corps (temporary colonel).

Capt. John Franklin Egan, Air Corps (temporary brigadier general).

Capt. Donald Dewey Arnold, Air Corps (temporary colonel).

Capt. Clarence Thomas Mower, Air Corps (temporary lieutenant colonel).

Capt. Louie Percy Turner, Air Corps (temporary colonel).

To be majors with rank from June 9, 1945

Capt. James Laffeter Green, Corps of Engineers (temporary colonel).

Capt. Thomas Alphonsus Lane, Corps of Engineers (temporary colonel).

Capt. Theodore Scott Riggs, Cavalry (temporary colonel).

Capt. Frederick Jensen Dau, Corps of Engineers (temporary colonel).

Capt. William Tell Hefley, Air Corps (temporary colonel).

Capt. Roland Clough Brown, Corps of Engineers (temporary colonel).

Capt. Samuel Roberts Browning, Field Artillery (temporary colonel).

Capt. Lyle Edward Seeman, Corps of Engineers (temporary colonel).
Capt. William Dixon Smith, Corps of Engineers (temporary colonel).
Capt. Thomas Fraley Van Natta 3d, Cavalry (temporary colonel).
Capt. Robert Scott Israel, Jr., Air Corps (temporary brigadier general).
Capt. David Andrew Watt, Jr., Cavalry (temporary colonel).
Capt. Donald Bertrand Smith, Air Corps (temporary colonel).
Capt. Rudolph Ethelbert Smyser, Jr., Corps of Engineers (temporary colonel).
Capt. Francis Howard Falkner, Corps of Engineers (temporary colonel).
Capt. Alan Johnstone McCutchen, Corps of Engineers (temporary colonel).
Capt. David William Heiman, Corps of Engineers (temporary colonel).
Capt. Robert John Fleming, Jr., Corps of Engineers (temporary colonel).
Capt. Benjamin Smith Shute, Corps of Engineers (temporary colonel).
Capt. William Everett Potter, Corps of Engineers (temporary colonel).
Capt. Edmund Koehler Daley, Corps of Engineers (temporary colonel).
Capt. Webster Anderson, Quartermaster Corps (temporary colonel).
Capt. James Elbert Briggs, Air Corps (temporary colonel).
Capt. John Stewart Mills, Air Corps (temporary colonel).
Capt. George Morris Cole, Field Artillery (temporary lieutenant colonel).
Capt. Duncan Sloan Somerville, Field Artillery (temporary colonel).
Capt. David William Traub, Field Artillery (temporary colonel).
Capt. Thomas Jennings Wells, Infantry (temporary colonel).
Capt. George Warren Mundy, Air Corps (temporary colonel).
Capt. Alfred Rockwood Maxwell, Air Corps (temporary brigadier general).
Capt. Paul Harold Johnston, Air Corps (temporary colonel).
Capt. William Ross Currie, Infantry (temporary colonel).
Capt. Peter Duryea Calyer, Infantry (temporary colonel), subject to examination required by law.
Capt. Walter Godley Donald, Ordnance Department (temporary colonel).
Capt. Roscoe Charles Wilson, Air Corps (temporary colonel), subject to examination required by law.
Capt. Walter Edwin Todd, Air Corps (temporary brigadier general).
Capt. William Henry Hennig, Coast Artillery Corps (temporary colonel).
Capt. Bryant LeMaire Boatner, Air Corps (temporary colonel).
Capt. Robert Frederick Tate, Air Corps (temporary colonel), subject to examination required by law.
Capt. Richard Jerome Handy, Field Artillery (temporary lieutenant colonel).
Capt. Samuel Robert Brentnall, Air Corps (temporary colonel), subject to examination required by law.
Capt. John Blanchard Grinstead, Infantry (temporary colonel).
Capt. John Paul Breden, Cavalry (temporary colonel).
Capt. Harvey Weston Wilkinson, Field Artillery (temporary colonel).
Capt. Walter Edgerton Johns, Field Artillery (temporary colonel).
Capt. Charles Franklin Born, Air Corps (temporary brigadier general).
Capt. Daniel McCoy Wilson, Coast Artillery Corps (temporary lieutenant colonel).
Capt. Frank Fort Everest, Air Corps (temporary brigadier general).
Capt. Frank Quincy Goodell, Field Artillery (temporary colonel).
Capt. Garrison Barkley Coverdale, Field Artillery (temporary colonel).
Capt. Leslie Haynes Wyman, Field Artillery (temporary lieutenant colonel).
Capt. John Jordan Morrow, Air Corps (temporary colonel).
Capt. Mercer Christie Walter, Field Artillery (temporary colonel).
Capt. Theodore John Dayharsh, Coast Artillery Corps (temporary colonel).
Capt. Frank Jerdone Coleman, Air Corps (temporary colonel).
Capt. Robert Loyal Easton, Air Corps (temporary colonel).
Capt. Elmer Briant Thayer, Field Artillery (temporary colonel).
Capt. James Stewart Neary, Ordnance Department (temporary major), subject to examination required by law.
Capt. Norris Brown Harbold, Air Corps (temporary brigadier general).
Capt. John Cogswell Oakes, Field Artillery (temporary colonel), subject to examination required by law.
Capt. Leslie George Ross, Coast Artillery Corps (temporary major), subject to examination required by law.
Capt. George Raymond Bienfang, Air Corps (temporary colonel).
Capt. Roger Woodhull Goldsmith, Field Artillery (temporary colonel), subject to examination required by law.
Capt. Russell Alger Wilson, Air Corps (temporary brigadier general), subject to examination required by law.
Capt. Charles Grant Goodrich, Air Corps (temporary colonel), subject to examination required by law.
Capt. Elmo Stewart Mathews, Ordnance Department (temporary colonel).
Capt. Paul Amos Gavan, Field Artillery (temporary colonel).
Capt. Alvord Van Patten Anderson, Jr., Air Corps (temporary colonel).
Capt. John Honeycutt Hinrichs, Ordnance Department (temporary colonel).
Capt. Frederick Lewis Anderson, Air Corps (temporary major general).
Capt. Marion George Pohl, Coast Artillery Corps (temporary lieutenant colonel).
Capt. John Archibald Sawyer, Coast Artillery Corps (temporary colonel).
Capt. John Southworth Upham, Jr., Infantry (temporary lieutenant colonel).
Capt. Thayer Stevens Olds, Air Corps (temporary colonel).
Capt. Samuel Leslie Myers, Cavalry (temporary colonel).
Capt. Robert Albert Howard, Jr., Infantry (temporary colonel).
Capt. Thomas Joseph Counihan, Field Artillery (temporary lieutenant colonel).
Capt. Ephraim Hester McLemore, Field Artillery (temporary colonel).
Capt. James Easton Holley, Field Artillery (temporary lieutenant colonel).
Capt. Frederick G. Stritzinger 4th, Field Artillery (temporary lieutenant colonel).
Capt. Robert Falligant Travis, Air Corps (temporary brigadier general).
Capt. John Dabney Billingsley, Ordnance Department (temporary colonel).
Capt. Thomas Joseph Cody, Signal Corps (temporary colonel), subject to examination required by law.
Capt. Robert George Butler, Jr., Ordnance Department (temporary colonel).
Capt. Carl Herman Sturies, Signal Corps (temporary lieutenant colonel).
Capt. Joseph Anthony Michela, Cavalry (temporary colonel).
Capt. William Henry Tunner, Air Corps (temporary brigadier general).
Capt. Robert Tryon Frederick, Coast Artillery Corps (temporary major general).
Capt. Ralph Edward Koon, Air Corps (temporary colonel).
Capt. Verdi Beethoven Barnes, Field Artillery (temporary colonel), subject to examination required by law.
Capt. Howard Graham Bunker, Air Corps (temporary colonel).
Capt. Edward Cassel Reber, Ordnance Department (temporary colonel).
Capt. Allison Richard Hartman, Coast Artillery Corps (temporary colonel).
Capt. John Alexander Samford, Air Corps (temporary brigadier general).
Capt. Douglas Glen Ludlam, Ordnance Department (temporary colonel).
Capt. Legare Kilgore Tarrant, Coast Artillery Corps (temporary colonel).
Capt. Harry Warren Halterman, Infantry (temporary lieutenant colonel).
Capt. William Mattingly Breckinridge, Infantry (temporary lieutenant colonel).
Capt. James Lowman Hathaway, Cavalry (temporary colonel).
Capt. Fred Obediah Tally, Air Corps (temporary lieutenant colonel), subject to examination required by law.
Capt. Walter Emerson Finnegan, Cavalry (temporary colonel).
Capt. Russell Blair, Infantry (temporary major).
Capt. Charles Ralph Pinkerton, Ordnance Department (temporary colonel).
Capt. Edwin Augustus Cummings, Infantry (temporary lieutenant colonel), subject to examination required by law.
Capt. Lionel Charles McGarr, Infantry (temporary colonel).
Capt. James Melvin Lamont, Quartermaster Corps (temporary colonel).
Capt. Montgomery Breck Raymond, Coast Artillery Corps (temporary colonel).
Capt. Noble James Wiley, Jr., Infantry (temporary colonel).
Capt. Wilhelm Paul Johnson, Infantry (temporary colonel).
Capt. Roger Maxwell Ramey, Air Corps (temporary brigadier general).
Capt. Carl Ferdinand Fritzsche, Infantry (temporary colonel).
Capt. John Peter Doidge, Infantry (temporary lieutenant colonel).
Capt. Forrest Gordon Allen, Air Corps (temporary colonel).
Capt. Ralph Joseph Butchers, Infantry (temporary colonel).
Capt. Samuel Egbert Anderson, Air Corps (temporary major general).
Capt. Everett Davenport Peddicord, Coast Artillery Corps (temporary colonel).
Capt. James Gallagher Bain, Coast Artillery Corps (temporary lieutenant colonel).
Capt. August William Schermacher, Coast Artillery Corps (temporary lieutenant colonel).
Capt. Robert Franklin Tomlin, Coast Artillery Corps (temporary colonel).
Capt. Louis Test Vickers, Coast Artillery Corps (temporary colonel).
Capt. Joseph Arthur Bulger, Air Corps (temporary colonel).
Capt. Kilbourne Johnston, Infantry (temporary colonel).
Capt. Ralph Harold Sievers, Quartermaster Corps (temporary lieutenant colonel).
Capt. John Raymond Gilchrist, Finance Department (temporary colonel).
Capt. Frank Rudolph Maerdian, Infantry (temporary colonel).
Capt. George Ferrow Smith, Air Corps (temporary colonel).
Capt. Allen Wilson Reed, Air Corps (temporary colonel).
Capt. Arthur William Meehan, Air Corps (temporary colonel), subject to examination required by law.
Capt. Frank Leonard Bock, Infantry (temporary lieutenant colonel), subject to examination required by law.
Capt. Thomas Joseph Moran, Infantry (temporary lieutenant colonel).
Capt. James Elmer Totten, Signal Corps (temporary colonel).
Capt. Truman Hempel Landon, Air Corps (temporary brigadier general).
Capt. Charles Frank Howard, Infantry (temporary colonel).
Capt. Hampden Eugene Montgomery, Infantry (temporary lieutenant colonel), subject to examination required by law.
Capt. Elmer Wentworth Gude, Finance Department (temporary lieutenant colonel).
Capt. Harry Edgar Wilson, Air Corps (temporary colonel).

Capt. Robert Williams Warren, Air Corps (temporary colonel).
Capt. John Francis Wadman, Air Corps (temporary colonel).
Capt. Delmar Taft Spivey, Air Corps (temporary colonel), subject to examination required by law.
Capt. Maury Spotswood Crallé, Infantry (temporary colonel).
Capt. Ramon Antonio Nadal, Infantry (temporary colonel).
Capt. Carroll Huston Prunty, Cavalry (temporary lieutenant colonel), subject to examination required by law.
Capt. August Walter Kissner, Air Corps (temporary brigadier general).
Capt. Edgar Elliott Enger, Finance Department (temporary colonel).
Capt. LaVerne George Saunders, Air Corps (temporary brigadier general), subject to examination required by law.
Capt. Tito George Moscatelli, Infantry (temporary lieutenant colonel), subject to examinatior required by law.
Capt. Louis Russell Delmonico, Infantry (temporary lieutenant colonel).
Capt. George Henry Lawrence, Infantry (temporary lieutenant colonel).
Capt. George Clinton Willette, Infantry (temporary lieutenant colonel).
Capt. Francis Henry Boos, Infantry (temporary colonel).
Capt. Gaulden McIntosh Watkins, Infantry (temporary lieutenant colonel), subject to examination required by law.
Capt. Thomas Lilley Sherburne, Jr., Field Artillery (temporary colonel).
Capt. Stanhope Brasfield Mason, Infantry (temporary colonel).
Capt. Eugene Thomas Lewis, Infantry (temporary lieutenant colonel), subject to examination required by law.
Capt. Allen Thayer, Infantry (temporary lieutenant colonel), subject to examination required by law.
Capt. Emmett O'Donnell, Jr., Air Corps (temporary brigadier general).
Capt. Richard Wetherill, Infantry (temporary major).
Capt. Donald Winston Titus, Air Corps (temporary colonel).
Capt. Emmett Felix Yost, Air Corps (temporary colonel).
Capt. James William Lockett, Infantry (temporary lieutenant colonel), subject to examination required by law.
Capt. Paul DeWitt Adams, Infantry (temporary brigadier general).
Capt. Evan McLaren Houseman, Infantry (temporary lieutenant colonel).
Capt. Ralph Thomas Nelson, Infantry (temporary lieutenant colonel).
Capt. Robert Kinder Taylor, Air Corps (temporary colonel).
Capt. James Morrow Ivy, Infantry (temporary lieutenant colonel), subject to examination required by law.
Capt. William Grant Caldwell, Infantry (temporary colonel).
Capt. William Thomas Moore, Infantry (temporary colonel).
Capt. Paul Jones Mitchell, Infantry (temporary colonel), subject to examination required by law.
Capt. Alfred Benjamin Denniston, Quartermaster Corps (temporary colonel).
Capt. James Wilson Brown, Jr., Air Corps (temporary colonel), subject to examination required by law.
Capt. William Columbus Sams, Air Corps (temporary colonel).
Capt. Joseph Franklin Trent, Field Artillery (temporary lieutenant colonel).
Capt. Andrew Thomas McNamara, Quartermaster Corps (temporary colonel).
Capt. Thomas Mason Tarpley, Jr., Infantry (temporary lieutenant colonel), subject to examination required by law.
Capt. James Francis Olive, Jr., Air Corps (temporary colonel), subject to examination required by law.
Capt. Edgar Alexander Sirmyer, Jr., Air Corps (temporary colonel), subject to examination required by law.
Capt. Thomas Webster Steed, Air Corps (temporary colonel).
Capt. Paul Elliott MacLaughlin, Infantry (temporary lieutenant colonel).

To be captains with rank from June 12, 1945

First Lt. John Drake Bristor, Corps of Engineers (temporary lieutenant colonel).
First Lt. Donald Abeel Phelan, Corps of Engineers (temporary colonel).
First Lt. Aaron Evan Harris, Corps of Engineers (temporary colonel).
First Lt. David Hamilton Gregg, Corps of Engineers (temporary lieutenant colonel), subject to examination required by law.
First Lt. Albert Joseph Shower, Air Corps (temporary colonel).
First Lt. David Campbell Wallace, Corps of Engineers (temporary colonel), subject to examination required by law.
First Lt. Arthur Houston Frye, Jr., Corps of Engineers (temporary colonel).
First Lt. Herbert Caran Gee, Corps of Engineers (temporary colonel).
First Lt. Jack Wallis Hickman, Air Corps (temporary colonel).
First Lt. Donald Allen Elliget, Corps of Engineers (temporary colonel).
First Lt. Clyde Calhoun Zeigler, Corps of Engineers (temporary colonel).
First Lt. Leighton Ira Davis, Air Corps (temporary colonel).
First Lt. Charles Bernard Rynearson, Corps of Engineers (temporary lieutenant colonel).
First Lt. Oliver Joseph Pickard, Corps of Engineers (temporary colonel).
First Lt. Otto Jacob Rohde, Corps of Engineers (temporary lieutenant colonel).
First Lt. John Somers Buist Dick, Corps of Engineers (temporary lieutenant colonel).
First Lt. William Winston Lapsley, Corps of Engineers (temporary colonel).
First Lt. James De Vore Lang, Corps of Engineers (temporary colonel).
First Lt. Charles Jephthiah Jeffus, Corps of Engineers (temporary colonel).
First Lt. Henry Lewis Hille, Jr., Corps of Engineers (temporary colonel).
First Lt. John Lathrop Throckmorton, Infantry (temporary lieutenant colonel).
First Lt. George Ruhlen, Field Artillery (temporary lieutenant colonel).
First Lt. Cornelis DeWitt Willcox Lang, Field Artillery (temporary colonel).
First Lt. John Richards Parker, Corps of Engineers (temporary lieutenant colonel).
First Lt. Clarence Carl Haug, Corps of Engineers (temporary colonel).
First Lt. John Sutton Growdon, Cavalry (temporary lieutenant colonel).
First Lt. John Joseph Duffy, Field Artillery (temporary lieutenant colonel), subject to examination required by law.
First Lt. Warren Sylvester Everett, Corps of Engineers (temporary lieutenant colonel).
First Lt. Carl Watkins Miller, Field Artillery (temporary lieutenant colonel).
First Lt. Salvatore Andrew Armogida, Corps of Engineers (temporary colonel).
First Lt. William Paulding Grieves, Field Artillery (temporary lieutenant colonel), subject to examination required by law.
First Lt. Stanley Tage Birger Johnson, Corps of Engineers (temporary lieutenant colonel).
First Lt. James Van Gorder Wilson, Air Corps (temporary lieutenant colonel).
First Lt. Frank Alexander Osmanski, Field Artillery (temporary colonel), subject to examination required by law.
First Lt. Bernard Sanders Waterman, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Frederick Benjamin Hall, Jr., Corps of Engineers (temporary colonel).
First Lt. Langfitt Bowditch Wilby, Corps of Engineers (temporary lieutenant colonel).
First Lt. John Dudley Cole, Jr., Corps of Engineers (temporary colonel).
First Lt. George Raymond Wilkins, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Harry James Lewis, Signal Corps (temporary lieutenant colonel).
First Lt. Charles Albert Symroski, Field Artillery (temporary lieutenant colonel).
First Lt. Henry Chaffee Thayer, Ordnance Department (temporary colonel).
First Lt. James Yeates Adams, Infantry (temporary lieutenant colonel), subject to examination required by law.
First Lt. Harry Jacob Lemley, Jr., Field Artillery (temporary colonel), subject to examination required by law.
First Lt. Duncan Sinclair, Field Artillery (temporary colonel).
First Lt. John Kimball Brown, Jr., Air Corps (temporary colonel).
First Lt. Goeffrey Dixon Ellerson, Field Artillery (temporary lieutenant colonel).
First Lt. Robert Morris Stillman, Air Corps (temporary lieutenant colonel), subject to examination required by law.
First Lt. Ray Allen Pillivant, Ordnance Department (temporary lieutenant colonel).
First Lt. Ellery Willis Niles, Corps of Engineers (temporary lieutenant colonel).
First Lt. Robert Rigby Glass, Infantry (temporary lieutenant colonel).
First Lt. George Stafford Eckhardt, Field Artillery (temporary colonel).
First Lt. Richard Elmer Ellsworth, Air Corps (temporary colonel).
First Lt. Alvin Dolliver Robbins, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Sidney George Spring, Corps of Engineers (temporary lieutenant colonel), subject to examination required by law.
First Lt. Edward Stephen Bechtold, Field Artillery (temporary lieutenant colonel).
First Lt. Seth Lathrop Weld, Jr., Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Ivan Clare Rumsey, Corps of Engineers (temporary lieutenant colonel).
First Lt. Daniel John Murphy, Ordnance Department (temporary lieutenant colonel).
First Lt. Clarence Bidgood, Corps of Engineers (temporary major), subject to examination required by law.
First Lt. Walter Albert Simpson, Signal Corps (temporary colonel).
First Lt. Edward Gray, Ordnance Department (temporary lieutenant colonel).
First Lt. Hugh McClellan Exton, Field Artillery (temporary colonel).
First Lt. Durward Ellsworth Breakefield, Ordnance Department (temporary lieutenant colonel).
First Lt. Sanford Welsh Horstman, Field Artillery (temporary lieutenant colonel).
First Lt. Kelso Gordon Clow, Cavalry (temporary lieutenant colonel), subject to examination required by law.
First Lt. Harry Herndon Critz, Field Artillery (temporary colonel).
First Lt. Henry Porter van Ormer, Coast Artillery Corps (temporary colonel).
First Lt. Edward Kraus, Field Artillery (temporary colonel).
First Lt. Kenneth Irwin Curtis, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Joseph Charles Moore, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Earl Leo Barr, Field Artillery (temporary lieutenant colonel).
First Lt. John Alexis Gloriod, Field Artillery (temporary lieutenant colonel), subject to examination required by law.
First Lt. Nathaniel Macon Martin, Corps of Engineers (temporary colonel).
First Lt. Joseph Gordon Russell, Air Corps (temporary lieutenant colonel).
First Lt. Salathiel Fred Cummings, Jr., Infantry (temporary lieutenant colonel).
First Lt. James Martin Worthington, Field Artillery (temporary lieutenant colonel).

First Lt. James Michael Donohue, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Robert Clarence McDonald, Jr., Field Artillery (temporary lieutenant colonel).

First Lt. Joseph Waters Keating, Field Artillery (temporary lieutenant colonel).

First Lt. Halford Robert Greenlee, Jr., Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Kenneth Paul Bergquist, Air Corps (temporary colonel).

First Lt. Richard Marvin Bauer, Signal Corps (temporary lieutenant colonel).

First Lt. Lawrence Robert St. John, Corps of Engineers (temporary lieutenant colonel).

First Lt. Gerald Frederick Brown, Field Artillery (temporary lieutenant colonel).

First Lt. Willard George Root, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Robert Van Roo, Ordnance Department (temporary lieutenant colonel).

First Lt. Arthur Allison Fickel, Air Corps (temporary colonel).

First Lt. Charles Naclean Peeke, Field Artillery (temporary lieutenant colonel).

First Lt. Horace Wilson Hinkle, Infantry (temporary lieutenant colonel).

First Lt. Raymond Boyd Firehock, Field Artillery (temporary lieutenant colonel).

First Lt. Downs Eugene Ingram, Air Corps (temporary colonel).

First Lt. Milton Lawrence Rosen, Infantry (temporary lieutenant colonel).

First Lt. Edgar Allan Clarke, Field Artillery (temporary lieutenant colonel), subject to examination required by law.

First Lt. James Mobley Kimbrough, Jr., Signal Corps (temporary lieutenant colonel).

First Lt. John Ralph Wright, Jr., Infantry (temporary lieutenant colonel), subject to examination required by law.

First Lt. Harrison Barnwell Harden, Jr., Field Artillery (temporary major).

First Lt. Edward Moseley Harris, Infantry (temporary lieutenant colonel).

First Lt. James Luke Frink, Jr., Field Artillery (temporary lieutenant colonel).

First Lt. Elmer John Gibson, Ordnance Department (temporary colonel).

First Lt. Julius Desmond Stanton, Infantry (temporary lieutenant colonel).

First Lt. James Howard Walsh, Air Corps (temporary colonel).

First Lt. Walter Joseph Bryde, Field Artillery (temporary lieutenant colonel).

First Lt. Thomas Washington Woodyard, Jr., Infantry (temporary lieutenant colonel).

First Lt. Stuart Gilbert Fries, Infantry (temporary lieutenant colonel).

First Lt. Harry Rich Hale, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Charles Frederick Leonard, Jr., Infantry (temporary lieutenant colonel).

First Lt. James Frank Skells, Infantry (temporary lieutenant colonel), subject to examination required by law.

First Lt. Willis Fred Chapman, Air Corps (temporary colonel).

First Lt. Seneca Wilbur Foote, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. James Willoughby Totten, Field Artillery (temporary lieutenant colonel), subject to examination required by law.

First Lt. William Henderson Baynes, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Eugene Henry Walter, Coast Artillery Corps (temporary colonel).

First Lt. Albert Curtis Wells, Jr., Ordnance Department (temporary colonel).

First Lt. Russell Melroy Miner, Infantry (temporary lieutenant colonel), subject to examination required by law.

First Lt. John Nevin Howell, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. John Mason Kemper, Infantry (temporary colonel).

First Lt. Maynard Denzil Pedersen, Cavalry (temporary lieutenant colonel).

First Lt. Hamilton Austin Twitchell, Infantry (temporary colonel).

First Lt. Thomas Wildes, Air Corps (temporary lieutenant colonel).

First Lt. Alfred Ashman, Coast Artillery Corps (temporary colonel).

First Lt. Aaron Warner Tyer, Air Corps (temporary colonel).

First Lt. James Dyce Alger, Cavalry (temporary lieutenant colonel), subject to examination required by law.

First Lt. Ralph Edward Haines, Jr., Cavalry (temporary lieutenant colonel).

First Lt. Franklin Bell Reybold, Coast Artillery Corps (temporary colonel).

First Lt. Ewing Chase Johnson, Cavalry (temporary lieutenant colonel).

First Lt. Robert Monroe Hardy, Coast Artillery Corps (temporary colonel), subject to examination required by law.

First Lt. Francis Johnstone Murdoch, Jr., Cavalry (temporary lieutenant colonel).

First Lt. Pennock Hoyt Wollaston, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. German Pierce Culver, Air Corps (temporary colonel).

First Lt. Carl Theodore Isham, Infantry (temporary lieutenant colonel), subject to examination required by law.

First Lt. Francis Mark McGoldrick, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Wilhelm Cunliffe Freudenthal, Air Corps (temporary lieutenant colonel), subject to examination required by law.

First Lt. John Alfrey, Coast Artillery Corps (temporary colonel).

First Lt. Joseph Rieber Russ, Infantry (temporary lieutenant colonel).

First Lt. John Henry Dilley, Infantry (temporary lieutenant colonel).

First Lt. Kermit Richard Schweidel, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Eugene Charles Orth, Jr., Infantry (temporary lieutenant colonel).

First Lt. Thomas Duncan Gillis, Cavalry (temporary lieutenant colonel).

First Lt. Autrey Joseph Maroun, Infantry (temporary lieutenant colonel)

First Lt. Milton Clay Taylor, Infantry (temporary lieutenant colonel).

First Lt. Robert Morris, Air Corps (temporary colonel).

First Lt. Joseph Cobb Stancook, Infantry (temporary lieutenant colonel).

First Lt. John Brown Morgan, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. William Robert Murrin, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Joseph Henry Wiechmann, Finance Department (temporary lieutenant colonel).

First Lt. John Foster Rhoades, Cavalry (temporary lieutenant colonel).

First Lt. Richard Carlton Boys, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. George Robert Oglesby, Chemical Warfare Service (temporary lieutenant colonel), subject to examination required by law.

First Lt. John Calvin Stapleton, Infantry (temporary lieutenant colonel), subject to examination required by law.

First Lt. William Vincent Martz, Cavalry (temporary lieutenant colonel), subject to examination required by law.

First Lt. Robert Edward Frith, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Norman Arvid Skinrood, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Noel Maurice Cox, Infantry (temporary lieutenant colonel).

First Lt. Joseph Crook Anderson, Infantry (temporary colonel).

First Lt. John Hart Caughey, Infantry (temporary colonel).

First Lt. Lawrence Edward Schlanser, Cavalry (temporary lieutenant colonel).

First Lt. Henry Thomas Cherry, Jr., Cavalry (temporary lieutenant colonel).

First Lt. LeRoy William Austin, Infantry (temporary lieutenant colonel).

First Lt. Charles Jordan Daly, Air Corps (temporary colonel).

First Lt. Edgar Joseph Treacy, Jr., Cavalry (temporary colonel).

First Lt. Paul Montgomery Jones, Cavalry (temporary captain), subject to examination required by law.

First Lt. Reuben Henry Tucker 3d, Infantry (temporary colonel).

First Lt. William Genier Proctor, Infantry (temporary lieutenant colonel).

First Lt. Lamont Saxton, Air Corps (temporary colonel).

First Lt. Caesar Frank Fiore, Cavalry (temporary lieutenant colonel).

First Lt. Elmer Hardic Walker, Infantry (temporary lieutenant colonel).

First Lt. Clair Beverly Mitchell, Infantry (temporary lieutenant colonel), subject to examination required by law.

First Lt. John Williamson, Infantry (temporary lieutenant colonel).

First Lt. John Pearson Sherden, Jr., Ordnance Department (temporary lieutenant colonel).

First Lt. Charles Phelps Walker, Cavalry (temporary lieutenant colonel).

First Lt. Louis Duzzette Farnsworth, Jr., Infantry (temporary lieutenant colonel).

First Lt. Charles Joseph Hoy, Cavalry (temporary lieutenant colonel).

First Lt. Vernon Price Mock, Infantry (temporary lieutenant colonel).

First Lt. John Allen Beall, Jr., Infantry (temporary lieutenant colonel).

First Lt. Orin Houston Moore, Infantry (temporary colonel).

First Lt. Charles Wythe Gleaves Rich, Infantry (temporary colonel).

First Lt. Donald William Bernier, Infantry (temporary colonel).

First Lt. Harvey Bower, Ordnance Department (temporary colonel).

First Lt. Allen Harvey Foreman, Infantry (temporary lieutenant colonel).

First Lt. Floyd Garfield Pratt, Infantry (temporary colonel).

First Lt. Thomas Cebern Musgrave, Jr., Air Corps (temporary colonel).

First Lt. Glenn Cole, Infantry (temporary lieutenant colonel).

First Lt. Edward William Sawyer, Cavalry (temporary colonel), subject to examination required by law.

First Lt. William Bradford Means, Infantry (temporary lieutenant colonel).

First Lt. John Eidell Slaughter, Field Artillery (temporary lieutenant colonel).

First Lt. Robert Gibson Sherrard, Jr., Infantry (temporary lieutenant colonel), subject to examination required by law.

First Lt. Andrew Jackson Boyle, Cavalry (temporary lieutenant colonel).

First Lt. Stephen Disbrow Cocheu, Infantry (temporary major).

First Lt. John Neiger, Infantry (temporary major), subject to examination required by law.

First Lt. Thomas Joseph Gent, Jr., Air Corps (temporary colonel), subject to examination required by law.

First Lt. Albert Ambrose Matyas, Cavalry (temporary lieutenant colonel).

First Lt. Benjamin Walker Hawes, Infantry (temporary lieutenant colonel), subject to examination required by law.

First Lt. Benjamin White Heckemeyer, Cavalry (temporary colonel).

First Lt. Nassieb George Bassitt, Infantry (temporary lieutenant colonel).

First Lt. Ducat McEntee, Infantry (temporary colonel).

First Lt. William Robert Patterson, Infantry (temporary colonel), subject to examination required by law.

First Lt. Oscar Rawles Bowyer, Finance Department (temporary lieutenant colonel), subject to examination required by law.

First Lt. John James Davis, Cavalry (temporary lieutenant colonel).
First Lt. Norman Basil Edwards, Infantry (temporary lieutenant colonel).
First Lt. Pelham Davis Glassford, Jr., Air Corps (temporary colonel).
First Lt. Robert Eugene Tucker, Infantry (temporary lieutenant colonel).
First Lt. Robert Hollis Strauss, Air Corps (temporary colonel).
First Lt. Maurice Monroe Simons, Coast Artillery Corps (temporary lieutenant colonel), subject to examination required by law.
First Lt. Alfred Kirk duMoulin, Infantry (temporary lieutenant colonel).
First Lt. Walter Edward Bare, Jr., Infantry (temporary lieutenant colonel), subject to examination required by law.
First Lt. Ralph Shaffer Harper, Cavalry (temporary lieutenant colonel), subject to examination required by law.
First Lt. Paul James Bryer, Infantry (temporary lieutenant colonel).
First Lt. Raymond Clarence Adkisson, Cavalry (temporary lieutenant colonel).
First Lt. Burnis Mayo Kelly, Signal Corps (temporary lieutenant colonel), subject to examination required by law.
First Lt. Lester Lewes Wheeler, Infantry (temporary lieutenant colonel).
First Lt. Carmon Ambrose Rogers, Quartermaster Corps (temporary colonel).
First Lt. Russell Batch Smith, Infantry (temporary lieutenant colonel).
First Lt. Marcus Samuel Griffin, Infantry (temporary lieutenant colonel).
First Lt. James George Balluff, Infantry (temporary lieutenant colonel), subject to examination required by law.
First Lt. Richard Hayden Agnew, Infantry (temporary lieutenant colonel).
First Lt. John Leroy Thomas, Infantry (temporary lieutenant colonel).
First Lt. George Brendan O'Connor, Field Artillery (temporary captain).
First Lt. Russell Lynn Hawkins, Infantry (temporary colonel).
First Lt. Eric Per Ramee, Infantry (temporary lieutenant colonel), subject to examination required by law.
First Lt. Edwin Hood Ferris, Infantry (temporary lieutenant colonel), subject to examination required by law.
First Lt. Jack Roberts, Air Corps (temporary colonel).
First Lt. Robert Middleton Booth, Infantry (temporary lieutenant colonel), subject to examination required by law.
First Lt. George Madison Jones, Infantry (temporary colonel).
First Lt. James Louis McGehee, Ordnance Department (temporary lieutenant colonel), subject to examination required by law.
First Lt. William Graham Barnwell, Jr., Infantry (temporary major).
First Lt. Walter Albert Riemenschneider, Infantry (temporary lieutenant colonel).
First Lt. William Pierce O'Neal, Jr., Infantry (temporary major).
First Lt. George Place Hill, Jr., Infantry (temporary colonel).
First Lt. Melville Brown Coburn, Field Artillery (temporary lieutenant colonel), subject to examination required by law.
First Lt. Alvin Louis Mente, Jr., Infantry (temporary lieutenant colonel), subject to examination required by law.
First Lt. David Bonesteel Stone, Infantry (temporary lieutenant colonel).
First Lt. Roland Joseph Rutte, Infantry (temporary captain).
First Lt. Glenn Curtis Thompson, Air Corps (temporary colonel).
First Lt. Samuel Barcus Knowles, Jr., Air Corps (temporary colonel).
First Lt. James Baird Buck, Air Corps (temporary colonel).
First Lt. Ralph Osborn Lashley, Infantry (temporary lieutenant colonel).
First Lt. Thomas Robert Clarkin, Infantry (temporary lieutenant colonel).
First Lt. John Pope Blackshear, Infantry (temporary lieutenant colonel).

To be captains with rank from June 30, 1945

First Lt. Ray Willard Clifton, Air Corps (temporary colonel).
First Lt. Randolph Lowry Wood, Air Corps (temporary colonel).
First Lt. Arnold Theodore Johnson, Air Corps (temporary colonel).
First Lt. Marvin Frederick Stalder, Air Corps (temporary colonel).
First Lt. Noel Francis Parrish, Air Corps (temporary colonel).
First Lt. Dolf Edward Muehleisen, Air Corps (temporary colonel).
First Lt. Carl Swyter, Air Corps (temporary lieutenant colonel).
First Lt. Richard Cole Weller, Air Corps (temporary colonel).
First Lt. Edward Morris Gavin, Air Corps (temporary colonel).
First Lt. Robert Edward Jarmon, Air Corps (temporary colonel).
First Lt. Harry Crutcher, Jr., Air Corps (temporary colonel).
First Lt. Frank Neff Moyers, Air Corps (temporary colonel).
First Lt. Joseph Bynum Stanley, Air Corps (temporary colonel).
First Lt. Clarence Morice Sartain, Air Corps (temporary colonel).
First Lt. James Hughes Price, Air Corps (temporary colonel).
First Lt. Joseph Caruthers Moore, Air Corps (temporary colonel).
First Lt. Lawrence Scott Fulwider, Air Corps (temporary colonel).
First Lt. Lester Standford Harris, Air Corps (temporary colonel).
First Lt. Donald Newman Wackwitz, Air Corps (temporary colonel).
First Lt. Charles Henry Leitner, Jr., Air Corps (temporary colonel).
First Lt. Clair Lawrence Wood, Air Corps (temporary colonel).
First Lt. Charles Bennett Harvin, Air Corps (temporary colonel).
First Lt. George Henry Macintyre, Air Corps (temporary colonel).
First Lt. Bob Arnold, Air Corps (temporary colonel).
First Lt. Burton Wilmot Armstrong, Jr., Air Corps (temporary colonel).
First Lt. Harold Lee Neely, Air Corps (temporary colonel).
First Lt. Erickson Snowden Nichols, Air Corps (temporary colonel).
First Lt. Jasper Newton Bell, Air Corps (temporary colonel).
First Lt. Russell Lee Waldron, Air Corps (temporary colonel).
First Lt. William Foster Day, Jr., Air Corps (temporary lieutenant colonel).
First Lt. Harry Coursey, Air Corps (temporary lieutenant colonel).
First Lt. Daniel Edwin Hooks, Air Corps (temporary colonel).
First Lt. Raymond Patten Todd, Air Corps (temporary colonel).

IN THE NAVY

Capt. Roscoe F. Good, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 22d day of September 1943.

IN THE COAST GUARD

The following-named cadets to be ensigns in the Coast Guard, to rank from the 6th day of June 1945:

Frank Charles Anderson
James Einar Anderson
William DeForest Ball, Jr.
William Raymond Banks
Winford Welborn Barrow
John Joseph Barry
Glenn Carroll Bartoo
Donald Joseph Benolken
Charles William Berkman
Hobart Millard Bird
Meindert Peter Boon
Gerald Graham Brown, Jr.
Samuel Thomas Brown, Jr.
William Charles Brown
Mario Joseph Cataffo
Philip Norman Chance
Christopher Stephen Changaris
Douglas Hoyt Clifton
William Jacob Cloues II
Hubert Wilbur Cocklin
James Arthur Dillian
William George Donaldson
Morgan Lee Dring
William Davidson Ebright
Martin William Flesh
James Alexander Ford
David Daniel Fritts
Walter Richard Goat
Leslie MacLachlan Greig
Ralph Eldon Grosjean
William Allen Gross, Jr.
Robert Raymond Hagan, Jr.
Carl Finley Hanna, Jr.
Paul Anthony Hansen
Oliver Willard Harrison
Bruce Donald Hartel
Robert Joseph Healy
James Charles Heffernan
Spencer Maltby Higley
Philip Merrill Hildebrandt
James Joseph Hill, Jr.
Clarence Richard Howard
James Richard Iversen
Robert Leslie Kallin
Harry James Kolkebeck
Frederic Newcomb Lattin
Sam Anthony Lombardo
Robert Burney Long, Jr.
Charles William Lotz
Herbert James Lynch
Jack Drage Lyon
Jesse Gilbert Magee, Jr.
Risto Antero Mattila
Eugene Edward McCrory
Edward Perry McMahon
Julian Paul Mendelsohn
George William Miller
Mark Fowlkes Mitchell
James Hamilton Bates Morton
Kevin Leo Moser
Laurence Milton Newkirk
Ralph Winge Niesz
Charles Husler Nixon
John Paul Obarski
Joseph Brian O'Hara
Allen Childress Pearce
Clifford Francis Peistrup
David Claflin Porter
Robert Ira Price
Robert Naylor Rea
George Thomas Richardson
Edgar Clark Ritchie
Casimir Stephen Rojeski
David Robertson Rondestvedt
Stanley Bruce Russell
William Oscar Schach
Norman Lee Scherer
Stanley Schilling
Jack Wilbur Schwarze
Robert George Schwing
Willis Neil Seehorn
Abe Harold Siemens
Reuel Floyd Stratton
Peter Alexander Thistle
Francis Andrew Tubeck
Donald Eugene Ullery
Carl William Vogelsang, Jr.
David Carl Walker
Alvin Norman Ward
Paul William Welker
Marc Welliver II
Robert Erving Williams
Leslie John Williamson
Francis Calvin Wilson
James MacQuaid Wilson
Robert Douglas Winship
Robert Arnold Worsing

CONFIRMATIONS

Executive nominations confirmed by the Senate May 24, 1945:

IN THE NAVY

APPOINTMENTS IN THE NAVY FOR TEMPORARY SERVICE

To be an admiral

Richmond K. Turner

To be rear admirals

Dixwell Ketcham
Houston L. Maples
William M. Callaghan
William N. Thomas

To be commodores

James E. Boak
Merrill Comstock
Charles F. Martin
James E. Maher
William S. Popham
Dennis L. Ryan
Dixie Kiefer
George C. Crawford

IN THE MARINE CORPS

APPOINTMENTS FOR TEMPORARY SERVICE

To be major generals

Thomas E. Bourke
LeRoy P. Hunt

To be brigadier generals

Joseph T. Smith
Andrew E. Creesy
Evans O. Ames

POSTMASTERS

ARKANSAS

Corynne Warren, Brickeys.

OHIO

Viola Smathers, Buchtel.
Anna M. Krug, Spring Valley.

OKLAHOMA

Henry R. Hare, Keota.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 24, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou God of all grace and goodness, who art ever standing with outstretched arms waiting to welcome us to Thyself, at this noon hour of another beautiful day, we are again coming unto Thee with many needs.

We pray that our sinful hearts may be cleansed by Thy forgiving love; may our troubled and restless minds be quieted by Thy peace; may our insurgent and inordinate impulses be rebuked and restrained by the divine holiness of our blessed Lord; may our proud and haughty spirits be disciplined by His humility and obedience; may our selfish and ambitious wills be transformed by the remembrance of His sufferings and sacrifices.

Grant that during these days of strain and stress our President and all the chosen leaders and representatives of our beloved country may have Thy wisdom to guide them in the affairs of government and Thy love to cheer them. May all the barriers of misunderstanding and suspicion in the realm of international relationships be broken down and may men and nations be led by Thy spirit to find the way of peace and good will.

In the name of the Prince of Peace we offer our prayer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

ENLISTMENTS IN THE REGULAR ARMY

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2388) to provide for enlistments in the Regular Army during the period of the war, and for other purposes, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 2, after "reenlistment", insert ": *Provided*, That the number of original enlistments or reenlistments in force pursuant to this act shall not exceed the total enlisted peacetime strength of the Regular Army now or hereafter authorized by law."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. COOPER. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make in the Committee of the Whole today on the bill H. R. 3240, and to include certain tables, excerpts, and other material.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

APPOINTMENT OF HON. CLINTON P. ANDERSON AS SECRETARY OF AGRICULTURE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I know all the Members of the House were proud to read and to hear yesterday of the appointment of one of our distinguished Members of the House the gentleman from New Mexico [Mr. ANDERSON] as Secretary of Agriculture.

The House, I know, is pleased with the selection of the gentleman from New Mexico [Mr. ANDERSON] by President Truman. I know that all Members of the House will join with me in expressing our congratulations to the President in his choice of the gentleman from New Mexico, and also in extending to the gentleman from New Mexico [Mr. ANDERSON] our sincere congratulations and our best wishes for the greatest success possible in his new responsible position and of our assurances of cooperation with him in carrying out his plans and his policies and his programs, which we know will be for the best interest of our country.

EXTENSION OF REMARKS

Mr. LYNCH asked and was given permission to extend his remarks in the RECORD and include an article from the New York Post.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Lawrence Evening Tribune, Lawrence, Mass.

Mr. MANSFIELD of Texas asked and was given permission to extend his remarks in the RECORD and include correspondence between Mr. R. B. Creager and Mr. Roy Miller.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Milwaukee Journal, May 17, entitled "Action on Trade Pacts."

Mr. ANDERSON of New Mexico (at the request of Mr. SIKES) was given permission to extend his remarks in the RECORD.

Mr. SIKES asked and was given permission to extend his remarks in the RECORD in two instances and include certain material.

Mr. FORAND asked and was given permission to extend his remarks in the RECORD on the subject of the effects of trade agreements on industries in Rhode Island, and include certain tables.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a joint statement signed by Democratic Members of the Michigan delegation relative to our views as to the present industrial situation in Michigan in its relation to the war and reconversion.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a short article entitled "WLB Reconversion Wage Policy," which appeared in the May edition of the Research Report issued by the International Research Department, United Automobile, Aircraft and Agricultural Implement Workers of America—UAW–CIO.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a brief article written by a former Member of the House, the Honorable Sam B. Pettengill, of Indiana. The article is entitled "Poland," and has appeared in approximately 60 newspapers in this country. It is one of the most concise and fair releases I have read on the Polish-Russian situation.

The SPEAKER. Is there objection to the request of the gentleman from Michigan.

There was no objection.

Mr. COFFEE asked and was given permission to extend his remarks in the RECORD in five instances and include excerpts from newspapers and letters.

Mr. FEIGHAN asked and was given permission to extend his remarks in the RECORD and include a radio broadcast delivered on May 16, by Prime Minister De Valera, of Ireland.

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an address delivered by the gentleman from Massachusetts, the Honorable JOHN W. MCCORMACK, in Wilmington, Del., May 21, and in the other a resolution adopted by the One Hundred and Tenth General Assembly of the State of Delaware.

Mr. ANDREWS of Alabama asked and was given permission to extend his remarks in the RECORD and include a letter from Hon. William B. Oliver, former Member of the House from Alabama, and also a sermon delivered by the Reverend Robert E. Sherrill.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD in two instances, and in one to include a poem, Report From the Aleutian Islands.

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include a resolution by a Michigan association relative to States' rights.

Mr. GEARHART asked and was given permission to extend his remarks in the RECORD and include a resolution from the Fig Garden Farm Bureau Center, and further to extend his remarks and include a statement of the Pattern Makers League of North America, an affiliate of the American Federation of Labor, in opposition to the extension of the Reciprocal Trade Agreements Act.

Mr. JOHNSON of Illinois asked and was given permission to extend his remarks in the RECORD and include a table on ice cream.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD and include an editorial by Mr. A. M. Piper, editor of the Council Bluffs Nonpareil.

Mr. RIZLEY asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include an editorial from the magazine Labor.

Mr. GWYNNE of Iowa asked and was given permission to extend his remarks in the RECORD.

Mr. GAVIN asked and was given permission to extend his remarks in the RECORD and include a short story and an editorial, both on the same subject.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a statement by the Association of Southern Commissioners of Agriculture with reference to cotton.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Common Council of the City of Milwaukee.

HEARINGS OF COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rep. No. 608) back favorably without amendment a privileged resolution (H. Res. 232) authorizing the printing of additional copies of part 1 of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives, current session, on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Interstate and Foreign Commerce of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of part 1 of the hearings held before said committee during the current session on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 609) back favorably without amendment a privileged resolution (H. Con. Res. 49) authorizing the printing of additional copies of part 2 of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives, current session, on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Interstate and Foreign Commerce of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of part 2 of the hearings held before said committee during the current session on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SURVEY OF THE FISHERY RESOURCES OF THE UNITED STATES AND ITS POSSESSIONS

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 610) back favorably, without amendment, a privileged concurrent resolution (S. Con. Res. 14) authorizing that the letter of the Secretary of the Interior, dated February 2, 1945, transmitting a report on a survey of the fishery resources of the United States and its possessions be printed as a Senate document, and providing for the printing of additional copies thereof, and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the letter of the Secretary of the Interior, dated February 2, 1945, transmitting, pursuant to Public Law No. 302, Seventy-eighth Congress, approved May 14, 1944, a report on a survey of the fishery resources of the United States and its possessions, be printed as a Senate document, and that 33,100 additional copies shall be printed, of which 10,000 copies shall be for the use of the Senate, 22,100 copies for the use of the House of Representatives, 500 copies for the use of the Committee on Commerce of the Senate, and 500 copies for the use of the Committee on the Merchant Marine and Fisheries of the House of Representatives.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SIGFRIED OLSEN SHIPPING CO.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1566) for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co., with a Senate amendment thereto, and concurr in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out all after "of", over to and including "return" in line 2, page 2, and insert "$32,287.39, in full settlement of all claims against the United States on account of alleged losses in the operation of the vessels *Stanley Griffith*, *James Griffith*, and *Lake Frances* to South America and Panama Canal Zone and return in the summer and fall of 1941."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SAM SWAN AND AILY SWAN

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1308) for the relief of Sam Swan and Aily Swan, with a Senate amendment thereto, disagree to the Senate amendment and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none and appoints the following conferees: Mr. MCGEHEE, Mr. KEOGH, and Mr. CASE of New Jersey.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet tomorrow at 11 o'clock a. m.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

EXTENSION OF REMARKS

Mr. JUDD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, in one to include a letter and in one to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—ORGANIZATION OF EXECUTIVE BRANCH OF GOVERNMENT

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and referred to the Committee on Expenditures in Executive Departments, and ordered to be printed:

To the Congress of the United States:

The Congress has repeatedly manifested interest in an orderly transition from war to peace. It has legislated extensively on the subject, with foresight and wisdom.

I wish to draw the attention of the Congress to one aspect of that transition for which adequate provision has not as yet been made. I refer to the conversion of the executive branch of the Government.

Immediately after the declaration of war the Congress, in title I of the First War Powers Act, 1941, empowered the President to make necessary adjustments in the organization of the executive branch with respect to those matters which relate to the conduct of the present war. This authority has been extremely valuable in furthering the prosecution of the war. It is difficult to conceive how the executive agencies could have been kept continuously attuned to the needs of the war without legislation of this type.

The First War Powers Act expires by its own terms 6 months after the termination of the present war. Pending that time, title I will be of very substantial further value in enabling the President to make such additional temporary improvements in the organization of the Government as are currently required for the more effective conduct of the war.

However, further legislative action is required in the near future, because the First War Powers Act is temporary, and because, as matters now stand, every step taken under title I will automatically revert, upon the termination of the title, to the preexisting status.

Such automatic reversion is not workable. I think that the Congress has recognized that fact, particularly in certain provisions of section 101 of the War Mobilization and Reconversion Act of 1944. In some instances it will be necessary to delay reversion beyond the period now provided by law, or to stay it permanently. In other instances it will be necessary to modify actions heretofore taken under title I and to continue the resulting arrangement beyond the date of expiration of the title. Automatic reversion will result in the reestablishment of some agencies that should not be reestablished. Some adjustments of a permanent character need to be made, as exemplified by the current proposal before the Congress with respect to the subsidiary corporations of the Reconstruction Finance Corporation. Some improvements heretofore made in the Government under the First War Powers Act, as exemplified by the reorganization of the Army under Executive Order No. 9082, should not be allowed to revert automatically or at an inopportune time.

I believe it is realized by everyone—in view of the very large number of matters involved and the expedition required in their disposition—that the problems I have mentioned will not be met satisfactorily unless the Congress provides for them along the general lines indicated in this message.

Quite aside from the disposition of the war organization of the Government, other adjustments need to be made currently and continuously in the Government establishment. From my experience in the Congress, and from a review of the pertinent developments for a period of 40 years preceding that experience, I know it to be a positive fact that, by and large, the Congress cannot deal effectively with numerous organizational problems on an individual item basis. The CONGRESSIONAL RECORD is replete with expressions of Members of the Congress, themselves, to this effect. Yet it is imperative that these matters be dealt with continuously if the Government structure is to be reasonably wieldy and manageable, and be responsive to proper direction by the Congress and the President on behalf of the people of this country. The question is one that goes directly to the adequacy and effectiveness of our Government as an instrument of democracy.

Suitable reshaping of those parts of the executive branch of the Government which require it from time to time is necessary and desirable from every point of view. A well-organized executive branch will be more efficient than a poorly organized one. It will help materially in making manageable the Government of this great Nation. A number of my predecessors have urged the Congress to take steps to make the executive branch more businesslike and efficient. I welcome and urge the cooperation of Congress to the end that these objectives may be attained.

Experience has demonstrated that if substantial progress is to be made in these regards, it must be done through action initiated or taken by the President. The results achieved under the Economy Act, 1932, as amended, the Reorganization Act of 1939, and title I of the First War Powers Act, 1941, testify to the value of Presidential initiative in this field.

Congressional criticisms are heard, not infrequently, concerning deficiencies in the executive branch of the Government. I should be less than frank if I failed to point out that the Congress cannot consistently advance such criticisms and at the same time deny the President the means of removing the causes at the root of such criticisms.

Accordingly, I ask the Congress to enact legislation which will make it possible to do what we all know needs to be done continuously and expeditiously with respect to improving the organization of the executive branch of the Government. In order that the purposes which I have in mind may be understood, the following features are suggested: (a) the legislation should be generally similar to the Reorganization Act of 1939, and part 2 of title I of that act should be utilized intact; (b) the legislation should be of permanent duration; (c) no agency of the executive branch should be exempted from the scope of the legislation; and (d) the legislation should be sufficiently broad and flexible to permit of any form of organizational adjustment, large or small, for which necessity may arise.

It is scarcely necessary to point out that under the foregoing arrangement (a) necessary action is facilitated because initiative is placed in the hands of the President, and (b) necessary control is reserved to the Congress, since it may, by simple majority vote of the two Houses, nullify any action of the President which does not meet with its approval. I think, further, that the Congress recognizes that particular arrangement as its own creation, evolved within the Congress out of vigorous efforts and debate extending over a period of 2 years and culminating in the enactment of the Reorganization Act of 1939.

Therefore, bearing in mind what the future demands of all of us, I earnestly ask the Congress to enact legislation along the foregoing lines without delay.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 24, 1945.*

EXTENSION OF REMARKS

Mr. HILL asked and was given permission to extend his own remarks in the RECORD and include a radio address which he made.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and include therein an editorial.

Mr. CARLSON asked and was given permission to revise and extend the remarks which he will make on the reciprocal trade agreement bill and insert certain tables.

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein an address delivered by Ernest Wilkinson. This address exceeds the limit set by the Joint Committee on Printing and I am advised by the Public Printer that it will cost $260. Notwithstanding the cost I ask unanimous consent that it may be extended in the RECORD.

The SPEAKER. Notwithstanding the cost, without objection the extension may be made.

There was no objection.

FOREIGN TRADE AGREEMENTS

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for further consideration of the bill (H. R. 3240) to extend the authority of the

President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself in the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 3240, with Mr. WOODRUM of Virginia in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. At the end of the debate on Tuesday, the gentleman from North Carolina [Mr. DOUGHTON] had consumed 2 hours and 11 minutes, the gentleman from Minnesota [Mr. KNUTSON] 2 hours and 48 minutes.

The gentleman from North Carolina is recognized.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 40 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, in this critical period of the history of our country and the world I had hoped that we could approach the consideration of this important subject from a broad and constructive viewpoint in the interest of our whole country and all of our people, and free from any narrow or partisan consideration. It soon developed in the committee, however, that the minority members were determined to exert every possible effort to renew the old partisan fight on the tariff issue that had for so long a time divided the two major political parties.

This bill is one of several very important steps that must be taken for the welfare of this country and our people, especially in the postwar period. I wonder if we realize the tremendous problem that is immediately facing us as far as the employment of our people is concerned and the welfare of the business of this Nation?

The pending bill, H. R. 3240, has been given most careful and thorough consideration by your Committee on Ways and Means and was favorably reported by a vote of 14 to 11, 14 majority members voting for the bill and 10 minority members and 1 majority member voting against it. The bill provides in section 1 for the extension of the reciprocal trade-agreements program for a period of 3 years, from June 12, 1945, the date of the expiration of the present law. This period of extension is deemed vital and necessary for a proper operation of the program and is the customary period of time provided by Congress in the past.

Section 2 of the bill modifies one of the limitations on the President's authority in connection with foreign-trade agreements. Under the present law the President is limited to a reduction of 50 percent in existing rates, which means the tariff rates of the 1930 Tariff Act.

Section 2 of this bill would authorize the President to make reductions in duties up to 50 percent of the rates existing on January 1, 1945.

Sections 3 and 4 of the bill are clarifying provisions included by the committee to avoid any future misunderstanding as to its intention. Section 3 adds a new subsection (d) to section 350 of the Tariff Act of 1930 and makes it clear that emergency or wartime reductions in rates of duty are not to be used as the basis for the increased authority.

Subsection (d) (1) will apply where a return to a higher rate is automatic at the end of the emergency and subsection (d) (2) will apply where the return to a higher rate is optional with the United States.

Section 3 also forbids the restoration of trade agreements suspended by the President. This applies to the first trade agreement with Canada and to the trade agreement with Czechoslovakia.

Section 4 adds the War and Navy Departments to the departments listed in the present law with which the President must consult before entering into trade agreements.

In 1934, when the reciprocal trade-agreement program was first enacted, we were just beginning to emerge from the great depression. Our national income stood at $49,500,000,000, the gainfully employed was estimated at 40,000,000, our exports amounted to $2,000,000,000, and our imports to $1,700,000,000. In 1937, when the Congress first extended the Trade Agreements Act, our national income had risen to $71,500,000,000, employment to 45,000,000, our exports to $3,300,000,000, and our imports to $3,000,000,000.

In 1940, when we again extended the Trade Agreements Act, the war in Europe had begun to distort international trade relations; however, our national income had reached $77,600,000,000, the employment figure stood at 46,300,000, our exports amounted to $4,000,000,000, and our imports to $2,600,000,000.

In 1943, when the Congress considered trade-agreement legislation for the fourth time, we were at war and had been since the attack on Pearl Harbor on December 7, 1941. The national income had increased to $149,400,000,000, employment to almost 52,400,000, our exports to $12,700,000,000, and our imports to $3,400,000,000.

I do not claim that all these remarkable gains were due entirely to trade agreements, but the evidence clearly indicates that the program played a substantial part in the improvement of our foreign trade between 1934 and 1939. In the Trade Agreements Act a direct approach was made to the trade-barrier problem. Foreign trade increased, and the increase was on a sound basis.

The Congress has carefully reviewed the program periodically and has approved it by extending the act. Between the years 1934–35 and 1938–39 our exports to trade-agreement countries rose by 63 percent, while our exports to non-trade-agreement countries rose by only 32 percent, practically double to the trade-agreement countries to what it was to non-trade-agreement countries.

Our imports from these trade-agreement countries increased by 22 percent, and imports from nonagreement countries by only 13 percent. Trade agreements have been negotiated with 28 countries, and 26 of them are still in effect. Hundreds of concessions have been obtained, and, of course, some have been given. Over 65 percent of our normal foreign trade is carried on with trade-agreement countries. These countries have made concessions on 73 percent of their agricultural imports from us and on 48 percent of their nonagricultural imports from us. Concessions were obtained on thousands of individual products which enter into the export trade of the United States. For example, over 1,400 concessions were made in our favor in the agreement with the United Kingdom, while over 1,000 were made by Canada, 400 by Cuba, 200 by Mexico, and 200 by Colombia. Every State in the Union produces some of the products on which concessions were obtained.

I will insert a table showing some of the products and the number of countries making concessions to us:

Groups of products	Number of countries granting (in the 26 agreements in force)—	
	Reduced duties, larger quotas, etc.	Concessions of any kind, including bindings of existing treatment
Fresh fruit	17	24
Canned or prepared fruits	21	24
Dried and evaporated fruits	21	25
Nuts	5	9
Fresh vegetables	5	5
Canned vegetables and preparations	18	20
Dried vegetables	2	2
Wheat and other grains and preparations	18	21
Meats and meat products	16	18
Dairy products	8	11
Raw hides and skins, except furs	2	4
Tobacco	4	11
Raw cotton		7
Fish	19	21
Leather and leather products	10	22
Tobacco manufactures	5	11
Rubber and rubber products	16	23
Textile manufactures	11	17
Paper and paper products	12	14
Wood and wood products	13	18
Naval stores	3	9
Petroleum and petroleum products	5	14
Glass and glass products	3	6
Cement	3	5
Iron and steel products except machinery and vehicles	13	20
Copper and manufactures	4	8
Lead and manufactures (including solder)	2	2
Zinc and manufactures	4	4
Silver and manufactures	2	2
Aluminum and aluminum products	3	3
Automobiles (including chassis), accessories and parts	14	23
Trucks and busses (including chassis), accessories and parts	11	20
Agricultural machinery and parts	6	16
Industrial machinery	15	24
Office appliances	13	22
Electrical machinery and apparatus	16	22
Paints, varnishes, and pigments	14	17
Medicinal and pharmaceutical preparations	6	12
Soaps and toilet preparations	14	14
Films and other photographic equipment	5	14
Surgical implements and appliances	1	3
Musical instruments and parts	5	6

We have heard considerable discussion here about the value of the trade-agreements program to agriculture. Coming from an agricultural district I am intensely interested in the welfare of our farmers, and have worked for and supported all agricultural legislation since I have been here. It is my conviction that this program is of greater value to agriculture than most any part of the life of this country.

I invite your attention to the hearings, and especially to the statements of the

Secretary of Agriculture and the American Farm Bureau Federation. I quote from Mr. Wickard, who appeared in support of this bill:

Trade agreements are in force with 26 countries. Of these, 15 have granted duty reductions or larger quotas on pork and pork products and three others have agreed not to increase their duties. Dairy products have received concessions from 11 countries; leaf tobacco from 11; fresh, dried, and canned fruits from 26; vegetables and preparations thereof from 20; wheat flour from 12; rice and rice flour from 10. If all the concessions on farm products now in effect had been in effect in 1937, they would have applied to 48 percent of the total value of our exports of agricultural products in that year. These do not include the concessions on industrial products which use farm products as raw materials.

Provision has been made by Congress for the maintenance of farm prices, particularly in the years of transition from a war to a peacetime economy. Far from being in conflict with such legislation the trade-agreements program will supplement price supports by expanding foreign markets. If foreign markets should be restricted by increased trade barriers, the problem of maintaining domestic prices would be far more serious. Imports of agricultural products can never seriously endanger the domestic market for our own farm products. Even in those years in which we had the greatest imports of farm products counted as competitive, such imports never supplied more than 10 or 11 percent of the domestic market. These were years of prosperity for the farmer. In the years of the depression the share of imports fell to 7 percent. Of course, the farmer was much better off in the years of prosperity when he had 90 percent of a $12,000,000,000 market, than he was in the depression years when he had 93 percent of a $6,000,000,000 market.

I would next like to invite attention to parts of the statement of the American Farm Bureau Federation, which has always supported this program, and appeared in support of its extension during the hearings on this bill:

IMPORTANCE OF FOREIGN TRADE TO AGRICULTURE

The total volume of agricultural production in 1944 was 33 percent above the prewar average, and nearly 50 percent greater than during World War I. Records show that in 1944 approximately 25 percent of our domestic food production was used for military and lend-lease purposes. Although we now have legislation designed to aid the farmer during the reconversion period, we know that once agricultural production has been expanded, it is very difficult to contract. While it is realized that the domestic market is the most important market for agricultural products, the importance of the foreign market, however, as an outlet for farm surpluses cannot be overemphasized. During the 1930's approximately 50 percent of our cotton production, 9 percent of our wheat crop, and 31 percent of our tobacco were exported. We all know that cotton is the basic agricultural industry of the South, upon which the well-being of millions of our citizens depends.

In a study made at Iowa State College by Prof. T. W. Schultz, it has been estimated that in the crop year 1938–39, imports of farm products that theoretically could have been grown in this country would have occupied not more than seven and one-half million acres, while 28,000,000 acres of United States cropland were used in producing crops for export to foreign markets. It was estimated that the increase in the exports of farm machinery, automobiles, rubber products, and iron and steel between 1935 and 1937 was of such a magnitude that American workers had from $8,600,000 to $11,100,000 more to spend for food than they would have had without this increase in foreign trade. At the same time the concessions which the United States has made on the imports from other countries helped alleviate the situation of the American farmer and consumer. Excessive tariffs in the past have been a big factor in keeping the American farmer at an economic disparity with other groups in the country. His goods have been sold on a buyer's market at home and abroad. High tariffs cannot protect a product which is exported and which must meet competition in world markets. No United States tariffs can protect the prices and incomes received by farmers when exports dwindle and excessive supplies are thrown upon a weak home market. On the other hand, prices of many things the farmer buys have been held up by tariffs, which increases the prices he has to pay for his equipment and supplies.

The charge is often made that agriculture has been discriminated against under the trade-agreements program. A careful analysis of the facts does not bear out this contention. Between 1934–35 and 1938–39, the total volume of our agricultural exports remained practically the same. However, the agricultural exports to the countries with which we had trade agreements increased 50 p rcent, while agricultural exports to the non-trade-agreement countries declined about 26 percent. During this same period total exports of nonagricultural products increased 64 percent (68 percent with the trade-agreements countries, and 60 percent with non-trade-agreement countries.) It would thus appear that agriculture has benefited very materially from the trade-agreements program.

Under the trade-agreements program, concessions from foreign countries have been obtained on about 33 percent of our total exports, expressed on the basis of the value of our exports in 1937. About half of these agreements have been to actually lower trade barriers, while the other half have been agreements not to increase barriers above existing levels. Concessions from other countries were obtained on about 48 percent of our agricultural exports, and on about 29 percent of our nonagricultural exports. However, many of the concessions for agriculture were agreements not to increase existing barriers.

The concessions obtained from other countries on agricultural exports cover a wide variety of products. Through the trade-agreements program, reductions in barriers against the export of our fruits and vegetables have been obtained from 23 nations, reductions on meat and meat products from 16 countries, reductions in barriers on grains and grain preparations have been obtained from 18 nations, and on dairy products from 8 countries.

No actual reductions in tariffs have been obtained for raw cotton, largely because present barriers are not burdensome. However, 7 countries have guaranteed not to raise their existing barriers, or not to impose any tariffs on raw cotton from the United States. Eight countries have agreed to lower their barriers against our manufactured cotton products, and 13 have agreed not to increase existing barriers. In view of existing world conditions in cotton, these concessions may become increasingly important in the future. It is evident from the foregoing information that the trade-agreements program has not been confined to obtaining trade concessions for a few of our agricultural products, but has covered a wide list of agricultural commodities.

Considerable reference has been made here to reductions in certain tariff rates. I submit that a careful consideration of the hearings on this bill will convince any fair-minded person that no domestic industry has been seriously injured by any of these reductions in tariff rates. The cuts in rates of duty have been gradual under the trade-agreements program.

In 1937 when it came up for its first renewal after it had been in effect for 3 years, the 50-percent cut had actually been applied to only 12.5 percent of the value of our dutiable imports. Another 15 percent had by that time been cut less than 50 percent. By 1940, after 6 years, the 50-percent cut had been applied to only 24 percent of our dutiable imports. A cut of less than 50 percent had been made in a total of 18 percent. And now in 1945, 11 years after the act was first passed, we find that cuts of 50 percent had been made in a total of 42 percent of our dutiable imports, and cuts of less than 50 percent in 20 percent of our dutiable imports. We must know as a practical matter that the 50-percent additional authority provided in section 2 of this bill will not all be used during the extension of the act. I would like to invite attention to a safeguard which should be definitely borne in mind, that is the so-called escape clause which is included in some of these trade agreements. We have the definite assurance from the Department of State that the escape clause will be included in all trade agreements negotiated from now on.

This escape clause provides:

If as a result of unforeseen developments and of the concession granted on any article enumerated and described in the schedules annexed to this agreement, such article is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, the government of either country shall be free to withdraw the concession, in whole or in part, or to modify it to the extent and for such time as may be necessary to prevent such injury.

I submit with that type of escape clause there can be no doubt that American industry will be amply protected under this program.

A great deal has been said about foreign wage scales, but it should be remembered that unit costs and not wages determine the competitive position of manufacturers. Information from our Department of Commerce shows that the output per man-hour in our factories is more than 50 percent greater than in Canada and more than twice that in the United Kingdom and Russia. It is genrally conceded that in many industries we have the lowest production costs in the world. This is confirmed by the volume and diversity of our exports to markets in which we compete on an equal basis with other manufacturing nations throughout the world.

American businessmen support this program. Some of the strongest testimony presented to your committee was from outstanding business leaders of this Nation. Among them was the United States Chamber of Commerce, speaking for the business interests of the country.

I will quote from the statement of Mr. Clark H. Minor, representing the United States Chamber of Commerce, who stated that he was a Republican:

The directors of the United States Chamber at their meeting held on May 4, 1945, unanimously endorsed the Doughton bill and authorized the officers of the chamber to pre-

sent these views to the members of the Ways and Means Committee in furtherance and effectuation of the chamber's policy. Due to the unfortunate illness of President Eric Johnston I have been asked by the officers of the chamber to appear in his place and inform you of the views of the United States Chamber of Commerce with reference to the extension and modification of the Reciprocal Trade Agreements Act.

The basic policy of the chamber has been reasonable protection for American industry and agriculture that may be subject to destructive competition from abroad. It realizes, however, the importance of having available the machinery for adjusting our tariff policy by reciprocal negotiation to meet changing world economic conditions. It believes this can best be accomplished by the enactment of H. R. 2652 (now H. R. 3240). All trade agreements include escape clauses providing for modification or withdrawal of concessions in order to prevent serious injury to domestic interests if unforeseen developments should arise.

No change is contemplated in the present procedure of the negotiation and effectuation of trade agreements. That procedure now includes public notice and open hearings, in addition to filing briefs and statements.

Whether selected tariff rates may be advantageously reduced 50 percent, 75 percent, or 2 percent, and still give adequate protection to American industries and agriculture from destructive foreign competition can best be determined by the interested Government departments, with the benefit of technical advice of the experts of the Tariff Commission after public hearings and full consultation with the representatives of industry and agriculture. This is the procedure that has been in effect since 1934 under the provisions of the act.

I will quote next from the statement of Mr. Ralph E. Flanders, president of the Federal Reserve Bank of Boston, an outstanding businessman from Springfield, Vt., and at one time president of the New England Council, an organization of businessmen:

I am chairman of the Research Committee of the Committee for Economic Development, commonly known as CED. The Research Committee is a group of businessmen formed for the study of problems relating to attaining and maintaining a high level of productive employment in the United States. We work with an advisory committee of economists and other social scientists, and through a staff of experts in the various fields concerned with our central problem.

The membership of the Research Committee is as follows: Ralph E. Flanders, chairman, president Federal Reserve Bank, Boston, Mass.; Chester C. Davis, vice chairman, president, Federal Reserve Bank, St. Louis, Mo.; William Benton, vice chairman, chairman of the board, Encyclopedia Britannica, Inc., New York, N. Y.; Gardner Cowles, president and publisher, Des Moines Register & Tribune, Des Moines, Iowa; Harry Scherman, president, Book-of-the-Month Club, New York, N. Y.; Donald David, dean, Graduate School of Business Administration, Harvard University, Cambridge, Mass.; John Fennelly, partner, Glore, Forgan & Co., Chicago, Ill.; William C. Foster, vice president, Pressed and Welded Steel Products Co., Inc., Long Island City, N. Y.; Paul G. Hoffman, ex officio president, Studebaker Corp., South Bend, Ind.; Eric A. Johnston, president, Brown-Johnston Co., care of Chamber of Commerce of the United States, Washington, D. C.; Ernest Kanzler, chairman of the board, Universal Credit Corp., Detroit, Mich.; Raymond Rubicam, 444 Madison Avenue, New York, N. Y.; Beardsley Ruml, treasurer, R. H. Macy & Co., Inc., New York, N. Y.; R. Gordon Wasson, vice president, J. P. Morgan & Co., Inc., New York, N. Y.

I will now read that section of our forthcoming policy statement: "Reduce and eliminate when practicable, artificial barriers to world trade. The United States should take the lead in its own interest in a program to bring about a great reduction in the artificial barriers to trade between nations, whether they take the form of tariffs, import quotas, rstrictive exchange practices, subsidies, or restrictive business agreements. Such a program should include:

"a. The removal of wartime controls over foreign trade at the earliest moment consistent with military necessity and the immediate economic after-effects of war. The large foreign balances held in the United States and the unsettled conditions created by the war are likely to necessitate trade controls in the transition from the war economy to an orderly peace economy.

"b. The protective tariff of the United States should be lowered.

"To this end:

"1. The Reciprocal Trade Agreements Act should be renewed and strengthened by making the 50 percent limit to reductions apply to the rates existing in 1945.

"2. Negotiations under the act should be pressed vigorously so as to bring about substantial rate reductions.

"We feel that a prompt reduction in the American tariff barrier is of the utmost importance, as crucial evidence that the American people are prepared to take practical steps needed to heal a devastated world, attain high and profitable employment, and erase the economic obstacles to political peace. There is need to undo the Hawley-Smoot Act of 1930 and to go much further progressively toward a freer movement of trade. Nothing less than the extension of the power under the act to allow a negotiated reduction up to 50 percent from the 1945 rate in exchange for foreign concessions will give sufficient latitude to allow further substantial reduction in this barrier to trade.

"In the Research Committee there is sentiment for recommendations that go further than the above: Some members would favor a unilateral reduction of tariff rates. The advantage in the reciprocal treaty arrangement is that our reductions can serve as a lever for bringing about corresponding reductions elsewhere, to our advantage and the world's. We strongly favor continuing to lodge the authority for negotiating reductions where it now lies, as the only way to avoid objectionable past practices and to achieve results. We hope that Congress will act promptly in renewing and strengthening the Reciprocal Trade Agreements Act, as suggested, because further reductions in rate in the near future will cause less dislocation than if made later. Reductions in the near future will be only one of many transition problems, and would be by no means a large one against the general background of all our problems. It will mean that in the transition period American industry will work toward a more productive pattern by stimulating the expansion of those industries in which American labor and management are most productive. We shall receive more abundantly those goods and services from other countries which are superior to our own quality, design, and price."

There has been some reference made here, and I think it is one of the most important questions in connection with this program, with relation to the most-favored-nation clause. I should like to take a few moments, if I may, to try to state clearly that policy and its application to this program.

The most-favored-nation clause is the natural policy for the United States whose whole fabric of Government centers around the proposition of "equal rights for all; special privileges for none." Briefly, it means that we impose identical rates of duty on like products from all foreign sources; when we reduce a duty the lower rate applies to all imports, and when we increase a duty the higher rate applies to all imports, regardless of origin. In other words, we neither grant special privileges to nations nor discriminate against nations in assessing our tariff duties.

For many years the United States followed the conditional most-favored-nation policy, under which we offered special reductions in our duty to third countries only if they extended to us special concessions in duty approximately equal to those extended by the country with which we made the agreement. However, during our entire history up to 1923 these special agreements affected only a small part of our foreign trade and were in effect for only relatively short periods. It follows that with minor exceptions the United States has always had a single-column tariff, that is, one rate of duty applicable to a particular product regardless of its origin.

In 1923, under the leadership of Secretary of State Charles Evans Hughes, the United States abandoned the conditional policy and adopted the unconditional most-favored-nation policy. The unconditional policy means that we extend tariff favors to all nations without requiring any special reduction in their rates on American products. However, we do require that all nations extend to products of the United States the same unconditional most-favored-nation treatment; that is to say, when the United States makes an agreement with country A in which the two nations reduce their tariffs, the United States immediately grants the reduced rates to country B. However, we insist that when country A and country B make an agreement reducing their tariff rates that they shall immediately grant to us such reduced rates.

The unconditional most-favored-nation clause was enacted by Congress as a part of the Trade Agreements Act of 1934, the pertinent language being in section 350 (a) (2), as follows:

The proclaimed (i. e., reduced) duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly.

Immediately following is a proviso authorizing the denial of reduced duties to countries which discriminate against our trade—that is, countries which deny us most-favored-nation treatment. The report of the Ways and Means Committee on the trade agreements bill in 1934—report No. 1000, Seventy-third Congress, pages 15 and 16—clearly explained this proposition in the following language:

The bill provides that the duties and other important restrictions which the President may proclaim in accordance with agreements which he may enter into shall apply uniformly to articles brought into the United States whether from the country with which the particular agreement is made or any other country.

It would be necessary that this rule should apply in the case of countries to which the United States is, by treaty or agreement, pledged to accord equality of treatment by virtue of the most-favored-nation clause.

There are 48 such treaties and agreements in existence and others may be added. It is desirable that the rule of uniformity be maintained for its own sake, and for the general atmosphere of good feeling which it creates.

Because of the fact that, as trade is actually carried on, there is a wide differentiation between the commodities which are important as between one country and other separate countries, this generalization of rates does not operate to reduce seriously the bargaining power of a country which, having made one or more agreements, proceeds to negotiate with still other countries. A survey of the situation indicates that almost every important commercial country is the principal supplier of certain articles to the United States. The reciprocity agreements will deal primarily with the articles of which the other parties to them are respectively the principal supplier to this country. The result is that from the point of view of both sound policy and practical procedure, the rule of equality should prevail.

The practice of extending reduced trade-agreement rates to third countries has been called generalization.

It has been charged that by virtue of generalizing trade-agreement rates to countries with whom we have no agreements, the United States has granted great privileges to such countries and gotten in return nothing in the way of trade benefits. Particular point was made in the hearings on May 5, 1945, by domestic pottery interests who opposed the enactment of a similar bill of the Seventy-eighth Congress. They asserted that although Japan was the principal supplier of pottery tableware, we reduced the duty on some of such ware in a trade agreement with the United Kingdom, and by generalizing the reduced duty to Japan gave Japan a great benefit. It is true that for several years before the agreement with the United Kingdom became effective in 1939, and also for 2 years after the agreement was in effect, Japan was the principal source of our total imports of pottery tableware. However, the duties were not reduced on all kinds of pottery tableware but only on the kinds coming chiefly from the United Kingdom. Thus, in 1940, of the imports of bone china tableware on which duties were reduced, the United Kingdom supplied $588,000 worth and Japan only $10,000 worth; of the imports of decorated earthenware on which duties were reduced, $864,000 worth were from the United Kingdom and only $3,000 worth were from Japan. Other countries shipped us in 1940, $36,000 worth of tableware on which duties were reduced under the agreement with the United Kingdom.

It is clear that the policy of generalization of trade-agreement rates results in a general reduction in tariffs, but the point to be remembered is that the reduction applies only to the items included in the trade agreements, and of these items the country to whom the concession is specifically made is ordinarily the chief supplier.

A study prepared by the United States Tariff Commission in February 1943 and inserted in the record of the hearings before the Ways and Means Committee on May 4, 1945, included all articles of which imports were valued at one-half million dollars or more each in 1939 on which duties had been reduced by trade agreements up to February 1, 1943. It was shown that of the 160 articles included in the study 130 concessions were granted to the principal supplier. The 130 commodities represented 91 percent of all articles included in the study, and since the study covered about 90 percent of the total imports of trade-agreement articles in 1939, it is clear that more than 80 percent of the concessions were granted to the country which was the first supplier of the article.

While third countries with which we have no trade agreements do obtain important benefits from our trade-agreements program, the lion's share of the benefits of reductions in duty obviously goes to the countries signing the agreements.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. KNUTSON. That would not be exactly correct as applies to our treaties with Cuba, would it, I ask the gentleman from Tennessee?

Mr. COOPER. The gentleman knows that Cuba has always been in a special classification since 1902.

Mr. KNUTSON. Yes; I understand that.

Mr. COOPER. We have had commercial treaties with Cuba for many years and we know that it is in a special class.

Mr. KNUTSON. But that is special treatment.

Mr. COOPER. I would like to call attention to the fact that some time ago a special study was made by the State Department and the Tariff Commission of the generalization of concessions and also the other side of the question. Those investigations showed that the generalizations which we made with all the other countries amounted to $30,000,000 in trade. On the other hand, by that generalization policy we have protected $250,000,000 worth of our export trade. The ratio has been $9 of benefits we have received for every $1 of concessions that we have granted. In my part of the country when you trade on a basis of getting benefits 9 to 1 it is considered pretty good trading.

Mr. Chairman, I would like to briefly call attention in the few remaining moments to another important thing that I think should be borne in mind in connection with this program aside from any technical discussion of the trade-agreements program and the benefits that have thus far come to American business, agriculture, and labor. Bear in mind this program has the overwhelming support of organized labor. Many witnesses representing labor appeared and made some of the strongest statements that were presented during the hearings. Also outstanding business leaders from all over the country appeared in support of the program. I believe in the capitalist system, in individual initiative, and in free enterprise. I am sure we all do.

Let us consider the tremendous value of this program from that aspect, which, I believe, is one of the main reasons that these business leaders throughout the country are strongly supporting this program. It is directly in support of free enterprise. If we go back to the old method of tariff making and find that other countries of the world have raised all kinds of barriers against the trade of this country, and if those nations have to resort to all types of control and restrictions, what is going to happen to us here in this country when we maintain a system of free enterprise and are hedged in all around by other countries of the world having Government control of various types and kinds?

Let us bear in mind that after this war is over we will have over one-half of the industrial capacity of the world. With agriculture and industry geared up to the highest production point in all our history, what are we going to do with all of these products? We know how difficult it will be during the postwar period to get back to normal civilian production. We must realize that we may have enormous unemployment. We may have business failures and have a depression unless we have some sources throughout the world to which we can send these surplus products of ours. We know that these enormous surpluses, if they are allowed to pile up in this country, can only beat down the domestic price.

Therefore, I feel that this program is of vital importance to the protection of the free-enterprise system that we all support and cherish in this country.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Vermont [Mr. PLUMLEY].

GOLD DOLLARS AND COMMON SENSE—RECIPROCITY BEGINS AT HOME

Mr. PLUMLEY. Mr. Chairman, 7 years ago the 28th day of last January I made a speech on the floor of this House in opposition to the enactment of the law permitting the negotiation of trade agreements because, I said, they were trade treaties, and were provocative of and not panaceas for war.

Since that date I have had no occasion to change my mind with respect to the matter. I received a good many letters from people all over the country with reference to that speech, some commendatory and others critical. The criticisms were not justified by what has happened.

I am going to include a portion of that speech, although I realize that to do so is perhaps something of an imposition on those who have already read it, but there are certain things in it which ought to be informative in view of what has transpired and which will perhaps help to sustain the position of those who are opposed to the renewal of the act.

NOT RECIPROCAL

The truth is, Mr. Chairman, these agreements, or whatever they may be called, are not reciprocal. The benefits derived have been at the expense of the American people.

The agreements will be dead before any bill to resurrect them will become a law. No trade treaties of any importance will be or can be negotiated or consummated while the war is in progress.

GOOD NEIGHBORS FOREVER

What is more in point is the fact that all of these agreements will have to be

submitted to whatever high council finally undertakes to draft proposals for peace to be incorporated in that grand treaty of peace which will eventually have to be submitted to the Congress of the United States for ratification.

That is the story briefly, and there is no occasion just now for all this heat without light respecting the extension of these agreements the renewal of which can serve no good purpose, permanently at any rate, for they will not be and cannot be operative and will be subject to such revision as I have suggested when the terms of the final treaty are agreed upon between and among the nations which undertake to keep the peace in order that we may all be good neighbors.

FALLACIOUS ARGUMENTS

Of course, I am familiar with the contents of the testimony adduced by one Mr. Short, of Arkansas, who represented Mr. Ed O'Neal, of the American Farm Bureau Federation, before the House Ways and Means Committee. Now, I am too good a Republican to follow the New Deal rhapsodies in which my friend O'Neal indulges with respect to the beneficial effects of the treaties if, indeed, such beneficial effects can be believed to exist—which I doubt if figures of the Department of Agriculture are to be relied upon as against wishful thinking.

It was the quite general opinion of those of both parties who listened to Mr. Short's presentment that it was not effective and would fail to justify its presentation. His admissions were damaging rather than helpful to the cause which he undertook to espouse, or so it is commonly asserted by both friends and foes of the trade treaties.

Representatives of the dirt farmers of this country have advised me that the possibility of losing what protection has been afforded us is fraught with dire consequences. They insist that it is not necessary to reduce the tariff on butter below 14 cents in order for the Doughton bill to affect the price of butter. They insist that our whole dairy set-up would be prejudicially affected by the Canadian amendment to the trade agreements reducing the price of imported Cheddar cheese to 2 cents per pound, and that dairy farmers would suffer.

I have heard from a good many people outside the Agricultural Belt who insist that agreements are not reciprocal, that they do not protect American industry or American labor or American agriculture or the American standard of living. They support their contentions with practical, conclusive arguments, and facts and figures which cannot be ignored by a realist.

POSITION OF THE GRANGE

I am heartily in accord with the position taken by the National Grange and its presentation made before the Ways and Means Committee. I agree with them that if the Trade Agreements Act were to be renewed, which it should not be, its renewal should be limited to 1 year.

Back in 1934 the farmers were told that by virtue of the authority delegated to the President under this measure, it would be possible to find new markets or restore old foreign markets for surplus farm products but that it would not result in any increase of imports of competitive farm products. It did not happen.

The figures furnished by the Department of Agriculture prove that the value of competitive farm imports considerably more than doubled from 1932 to 1940, while physical quantity increased from an index number of 60 in 1932 to an index number of 104 in 1940. It is generally agreed that reductions in tariffs on competitive farm products let in more imports and made it more difficult to build a sound farm program. Incidentally this reduced the ability of the farmer to buy the products of labor and industry.

As to exports, the data furnished by the Department of Agriculture discloses the fact that foreign concessions resulted in no increase in volume of farm products sold abroad. Back in 1910–14 exports of farm products accounted for an even 50 percent of total exports. By 1932 farm exports were down to 41.7 percent of total exports. It was to rebuild the export market that farmers were asked to support the trade-agreements bill.

While the dollar value of exports of farm products was about the same in 1938 and 1939 as during 1932 to 1935, they were held there only because unit prices were higher and through the paying of huge export subsidies, and not because of foreign concessions to us.

There is neither proof nor indication that exports were stimulated as a result of the trade agreements. Imports may have been substantially the same. We must be practical or starve to death. We have had too much "theoretical agriculture."

I am in most hearty accord with the Grange which wholly disapproves of the proposal that the President be empowered to slash to the extent of 50 percent rates that were in effect on January 1, 1945. This is a perfectly preposterous proposal and one that should defeat the measure. Just think it over. In the case of rates that have already been reduced 50 percent under the provisions of the act of 1934, this added power would enable the President, or the State Department, to bring about a 75-percent reduction of the rates contained in the Tariff Act of 1930.

DELEGATED ALTOGETHER TOO MUCH POWER

We have delegated altogether too much power. Why continue such un-American policies to sacrifice American farmers? I will not vote for any such program.

As I have indicated before, I say again I am still opposed to the delegation of our constitutional congressional prerogatives and responsibilities to a group of theorists, to the Executive, or to any other department of the Government. I am not in favor of a 1-year extension, although it is to be admitted for argument that perhaps in that time Congress might be able to work out a plan to cover real reciprocity in world trade. Even such a plan would be involved in the final treaty to which I have referred. It is not worth the experiment, now. We can cross that bridge when we come to it.

A TIGHT FENCE MAKES GOOD NEIGHBORS

I am not a high protectionist. I do think a good tight fence helps maintain the status of good neighbors. I am for reasonable protection for American industry and agriculture. I believe in protection. I am for the maintenance of American standards of living, American wages, American prices for American laborers, and a square deal for the American farmer. I feel very strongly that now more than ever the United States needs reasonable barriers in the nature of protective tariffs against the flood of goods from destitute and devastated areas, manufactured and produced at starvation wages supporting a standard of living we will not tolerate and with which we cannot compete.

I am inserting such portions of my speech of January 28, 1938, as I think might well be reiterated at this time. Should any of you be interested to read the speech in its entirety, it may be found in the permanent RECORD of the Seventy-fifth Congress, third session, volume 83, part 2, on page 1223:

TRADE TREATIES PROVOCATIVE OF, NOT PANACEAS FOR, WAR

Mr. PLUMLEY. Mr. Chairman, the high-minded purpose which actuated men like the late Newton D. Baker and Frank B. Kellogg to dare to think and to plan in terms that lay outside political platforms and programs, a new formula for international relationships and the eventual establishment of an irrevocable policy that involves the abolition of war as a method of settling international disputes entitles them to the commendation of everybody, and with their policy a program, idealistic as it is, none of us can quarrel.

They were dreamers of dreams. The failure of the attainment of which and of whose ideals in their day and generation, though a bitter disappointment, and though their hope did not end in fruition, nevertheless was worth striving for; and the ends which they sought to accomplish and the heights which they attempted to reach will be attained if, when, and only when, the world catches up with them and men like them—these idealists, these men of vision, these dreamers of dreams.

A REALISTIC AGE

On the other hand, we live in a very realistic age, and whether we like it or not we must be reasonable and of the earth earthy.

* * * * *

It is perfectly all right to be striving to reach that star of good neighborliness, but we must not be swept off both feet or off the ground by the fantasia of idealism and sentiment. We must keep at least one foot on the ground as we try to "hitch our wagon to a star."

EUROPE OR ASIA?

I do not need to refer to the fact that there is not a well-informed person in the United States who does not fear that war-torn Europe may eventually have to submit to triumphant Asia. There is not one of us who does not dread the day when the eventual struggle between the white and the yellow races will come, as come it will, and the result of which will spell either the triumph and the everlasting establishment or the end of our civilization.

That is a blunt and brutal way of stating a fact, which many of us know to be the truth, the while we smile and smile, and with our laissez faire attitude make lip service obeisance to those who lead us, or undertake to lead us in that realm of dreams and idealism which our own cold-blooded reason tells us can only end in a nightmare, with

such a startled awakening as can only be appreciated or conjectured by those who answered in France to a call to advance at the zero hour.

Peace? Yes; it is the desideratum of the ages, the aspiration of all right-thinking people. Peace. But a peace not bought, nor paid for by trade treaties, based on arguments of economists or of cloistered theorists.

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THE ROAD TO WAR

As Dean Donham, of Harvard Graduate School of Business Administration, said in 1933:

"Our primary obligation is to put our own national house in order and by restoring our own balance to reestablish our great social groups. By so doing we shall make our best contribution to a sane and realistic internationalism. * * * A host of intelligent and idealistic men and women, in spite of the disillusionment of the last 15 years, still believe the only way to prevent another world war is the road of international cooperation, leading to gradual creation of a superstate. These lend their powerful support to current theories. I think this is the one sure road to war. * * *

"There are bad times ahead in the international markets, and we shall do Europe a disservice if we seek as powerful competitors to secure an increasing share in these markets. We shall not succeed, for Europe must win such a competitive race or be lost. No international trade plan that involves our active efforts to expand foreign trade can be sound for Europe nor can any such plan, even if sound for Europe, be a safe basis on which to rebuild our industry. We should look afresh at our relations to foreign trade."

EUROPE'S MADMEN

Europe today is a seething, boiling pot of war, a maelstrom of diplomatic intrigue and connivance, a center of secret treaties and negotiations, self-serving and self-saving, and "the devil take the hindmost." It is the home of the maddest men of all the ages. Why should we undertake to make contracts with them? Why should we dare to enter into alliances with these maniacs? Has not experience taught us that any contract we may enter into with them is not worth the paper on which it is written, if to break it seems to serve their selfish purpose?

* * * * *

TRADE FOLLOWS THE FLAG

It is a trite but true saying that "trade follows the flag." And that "trade's unfailing train usurps the land and dispossesses the swain" is a familiar quotation. Both furnish food for thought. There is, Mr. Chairman, no use in fooling ourselves. Whatever the theories and the idealism of the proponents of these trade treaties may be, it nevertheless is incontrovertibly true that the quest for national power and prestige is inseparably involved in, and tied up to, the material gain and profit which it is hoped may result from usurpation and conquest and occupation of territory. Were this not so there would be no quests.

You and I know that the loss of blood and lives and treasure incident to the attempts of colonial expansion and these quests of Italy, Japan, and Germany, and other countries is the price which these countries are willing to pay in anticipation of what they hope to get out of it. That is the cold-blooded, unsentimental truth.

Do not be misled. Hitler and Mussolini certainly have no inferiority complex. They are after territory and raw materials and the consequent revenue they hope and expect will be derived from such trade as follows the flag. Trade always has been, is, and always will be one of the economic factors and causes of war, an underlying and impelling motive for the quest for power and prestige, despite all the theories of those idealists—those who come from the reveries of a cloistered speculation, with their idle and perilous diplomacy and pedantic dogmatism, and new maxims, and great ideas, born since the last change of the moon—to the contrary notwithstanding.

Now, my position with respect to ricprocity and the tariff is very well known to my own constituents. Back in November 1933, when I was first a candidate for nomination for Congress, I said:

"I am for a protective tariff. I believe to admit foreign goods indiscriminately would further depress the economic situation in these United States."

NOT AN ISOLATIONIST

Practically speaking, I have repeatedly said that I was not a high protectionist; that I stood for a tariff policy that would reasonably protect the Vermont farmer, American industry, and American labor. I am not an isolationist, but I am for America first.

Over and over again I have asserted that reciprocity was an old tariff principle, which was first advocated by a Republican President, when Benjamin Harrison said in 1890 that the reciprocity clause of the Tariff Act wisely and effectively points the way to secure a large reciprocal trade.

* * * * *

NOT RECIPROCAL

Again the trouble with these so-called reciprocal trade agreements which have been negotiated is that in a majority of the cases they are not reciprocal and, therefore, as a result permit well-established American industries to be injured by unfair competition.

* * * * *

NO REAL RECIPROCITY

I reiterate the statement that there is no real reciprocity in the program, and I shall continue to object and protest and to vote against—if I had a chance to vote—the negotiation of any of these agreements or the continuance of any law which permits the negotiation of agreements which put the products of any foreign country free from duty into direct competition with those which are raised and manufactured by the people of my State and country at such a price that my people cannot compete therewith and live. Such a policy, mistakenly called a good-neighbor policy, goes too far, in that it asks one to approve an agreement which deliberately and directly injures industry, destroys initiative, and robs the American people of their property and forces them involuntarily and without fault of their own onto the relief rolls and into the millions of unemployed.

Reciprocity, as the layman understands it, means that I will let you bring apples because I do not raise them, if you will let me take pumpkins into your country because you do not raise them.

Theoretically, "reciprocity" means a mutual advantage grows out of mutual concessions to each of the parties. You will supply what I cannot produce and have not, and I will supply you with those things you have not and cannot produce, and we will make the pact right because of mutual consideration for each other's needs.

Reciprocity, as the layman understands it, does not mean that I will let you bring in apples to compete with my home-grown apples, because you can raise apples cheaper than I can raise them.

Reciprocity does not mean that I will let you put my apple growers out of business because they cannot compete with your price on apples, your price being made possible because it costs you less to raise and pick and pack—that is to say, I pay my laborers more, and they live better than yours do.

It is not reciprocity, decidedly not, to destroy our industries, put our employees out of work, increase the number of unemployed, and the burden of taxes on our own just to be a good fellow and a good neighbor. That is not reciprocity, but that is just what these trade treaties so far have done to us Americans who have been hit, and just what it will do to the constituents of some of my friends who favor these trade treaties, if and when the industries of their districts and their products are hit as ours have been. I believe in being a good fellow and a good neighbor, but why should my constituents have to be the whole burnt offering to make a Roman holiday?

* * * * *

It is brutally and frankly true that the policy of this administration which has been followed, while it is gloriously idealistic insofar as its negotiation of trade treaties is concerned, has served only to worry business—big and little—to block initiative and stop the expansion of industry, and has contributed to the unemployment situation. And with its resultant ruinous competition with other nations has been the breeder of hate and war, contrary to the expectation of its proponents, for the theories and ideals are as vain as they are dangerous. Vain, because it is axiomatic that no nation can sell more than it buys, unless, of course, it wishes to accumulate a needless surplus of gold, which accumulation would add nothing to the standard of living of the possessor; and dangerous because it is the genesis of armed conflict.

GREED, GOLD, AND GLORY

Every attempt which has ever been made for territorial acquisition and expansion has had its original principally, or in part at least, in the greedy grasping for trade that was to follow and the profits which were to ensue.

Greed for territory, for gold, for gain, and for glory is at the bottom of this war-torn world's troubles.

These nations involved in the European embroglio will have to fight in order to maintain their national unity and integrity. Self-interest always has been and always will be the deciding factor. Self-preservation is the first law of nature, and it is the same today as when Napoleon racked the monarchies of Europe and Caesar massacred 25,000 Germans in a day and left the melancholy memorandum, "Caesar's legions killed them all."

"Human nature of today," says Hudson Maxim, "will be the human nature of tomorrow, and the human nature of tomorrow will be in all essentials the same as it was in ancient Rome, Persia, Egypt, and even in the palmy days of sea-sunk Atlantis."

HUMAN NATURE

No plan has been promulgated which will change human nature or bring about the millenium by contract. No covenant which has ever been made or will ever be entered into between and among nations will prove a perfect panacea for, or perfect preventive of, war.

In trade agreements heretofore negotiated since the beginning of time and in trade agreements hereafter to be negotiated with their concomitant ramifications will always be involved man's irrepressible greed and the cause for most of the ills which the world has suffered and will have to endure.

CUT A MAN'S THROAT TO STOP A NOSEBLEED

As a panacea for and preventive of war trade treaties work out just as efficaciously as between nations as does the idealism and good intent as between individuals when it is deemed best to cut a man's throat in order to stop his nosebleed.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the distinguished gentleman from Massachusetts, the minority leader [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, I wish to clarify my position in regard to this bill to extend the recip-

rocal trade agreements and to increase the power of the President further to reduce tariffs affecting our American industries. Some of those rates have already been drastically reduced.

I would like to make my position crystal clear.

I do not object to the extension of the present act for a year, or even two. I am unwilling, however, to authorize the President to delegate to some person in a governmental bureau the power to reduce existing tariffs by an additional 50 percent—which, in fact, could mean a total reduction of 75 percent from those prevailing in 1934.

The paramount objection to granting the power to make such large reductions is that inherent in it is a very grave danger of sapping the economic strength of this Nation. That is a power we should not give to a few men.

We have heard it said here repeatedly that this country is the arsenal of democracy. Beyond question the production miracle wrought by free American management, labor, and agriculture in producing weapons of war, and the food for our armies as well as for starving civilians in other nations has been the prime reason for the destruction of Germany and for the coming destruction of Japan. In modern war we find it is the power to produce weapons and food, and all the vast quantities of machines, instruments, and devices and articles used by armies which determines a Nation's ability to defend itself against aggression.

We have seen the many kinds of plants needed for the production of these materials of war. It is not only an arsenal which makes weapons. It may be a factory which in peacetime produces pots and pans. We have seen whole industries converted from the manufacture of peacetime articles to the production of machines of war. We know now that industrial capacity to wage war does not lie in a few factories especially designed for war but in the factories, farms, mills, shipyards, and all other establishments which can turn their hands and their machine tools to the forging of the matériel of war. We have seen automobile dealers—put out of business by lack of cars to sell—set up small machine shops on their premises, manufacture cartridges, turn out machine-gun parts and other necessities. It means that all American industry of every kind, big and little, comprises the arsenal of democracy—and that a sound, prosperous American industry is the major hope and insurance for the future of this world.

Let me say here that the small businesses of these United States have made a tremendous contribution to the manufacture of weapons and war supplies. By so doing they have proved their importance in war to be as great as their importance in peace. These small businesses will be the most seriously affected by haphazard or reckless reductions in the tariff. They have no means of dealing with central bureaus in Washington, no effective way of presenting their problems. Therefore all these small businesses, so vitally important to the Nation in war, so important to the Nation in providing jobs in peace, might easily be made the victims of foreign competition and thus fatally weaken our national economy.

The proponents of this bill who would characterize as narrow nationalism any desire to maintain the soundness and vigor of American industry seem to overlook the necessity for keeping this Nation strong.

The bulwark of any practical peace plan, and the preservation of world harmony, largely depend upon a strong America, an America untainted by any schemes of conquest but kept amply capable of defending its principles, its rights, and its ideals anywhere on the globe. Only a sound, solvent, free America can command the respect and deserve the leadership of the world.

If those who would serve the world, recklessly weaken this Republic, the best hope for enduring peace and the future freedom and progress of man will come to naught.

Therefore, because a free, prosperous, sound economy, and a free society constitute the essence of America's strength, it is of vital importance not alone to our Nation but to the world that our strong economy be maintained.

To wreck the tariff protection of American wage earners, farmers, and industrial management would wreck our economy and our capacity to help the world or ourselves. Let us not recklessly consume the "seed corn" of our economy. I insist that we should proceed with the utmost care and caution in this matter until the pattern of the postwar world has evolved; until the strains and stresses which will remain from the war are more clearly defined; until we know to what extent we can expect the cooperation of other nations between themselves as well as with us.

It is idle to talk of a stable foreign trade, and hold out to the people of this country the prospects of world-wide commerce at a time when its is apparent that no country is in a position to pay for its imports. All that is left of foreign commerce is at present under the direct control of this Government through lend-lease. Of course, the stimulation of sound world commerce is a desirable goal. Everything this Congress can do to promote sound world commerce without weakening the foundations of our domestic economy should be done. I insist world conditions are so uncertain that Congress cannot possibly know at this time what conflicting economic and social forces will be at work in the world, and what measures may finally become apparent as being best for the welfare of the American people and of other peoples in the world. Neither the State Department itself nor any of the other bureaus and departments involved in trade agreements can possibly judge at this time what tariffs are in our best interests. The economic conditions of the world are admittedly in a state of flux—of violent and unpredictable change at this time, and will be for the next 2 or 3 years or longer.

Therefore, in the face of these extremely uncertain and unprecedented conditions, without any yardstick of measurement, the Congress must not, through passage of this bill, abdicate its constitutional responsibility to the American people.

I shall not object to the extension of the present act. The concessions already made on the basis of that act are known. I cannot agree with any further increase in the power of the President to reduce still more the protective tariffs.

Let us frankly look this situation in the face and appraise it without emotional distortion.

Sixty-four percent of all our imports which are noncompetitive with our own domestic production are on the free list. They are frozen now on the free list.

The possible effects of drastic reductions in the tariff are dangerous; let us analyze what the results of such drastic reductions might mean. It will be possible, as it always has been, for the American market to be flooded with foreign goods, competing against American products manufactured by highly paid labor. It may be possible that the prices of these foreign products may be destructively competitive, not only because of cheap labor, but because they may be produced by subsidized industries. There is ample evidence that the efforts of some countries to rehabilitate themselves will lead them into the socialization of their industries. We may face cartels, subsidies, and the other forms of governmentally controlled manufacture.

It is maintained that to forestall this we should still further lower our tariff rates on foreign products. The reckless release of such products in our home markets, however, would disrupt and weaken American industries, and render permanent dislocations already caused by war. American labor would then face unemployment; American agriculture would suffer fatal loss of revenues, and the arsenal of democracy would lose its potency.

These questions, it is argued, can best be settled by the executive branch of Government sitting at the conference table with representatives of other nations. It is argued that bargaining power is essential in effecting agreements stimulating foreign trade. I maintain the Congress has already yielded up to the Executive many more powers than were ever contemplated by the founding fathers.

I do not feel that any further grants of power would be wise. Frankly, the people are now demanding that Congress recapture some powers already granted.

In the case of tariff questions, the Congress is as fully able to employ experts in the solution of technical questions of foreign trade as is the executive branch. It is also more alert to the needs of the people and more responsive to public opinion.

It was a common criticism in by-gone days that the settlement of such questions as tariff matters by the Congress was always subject to the activities of pressure groups. Any person with experience in the administrative agencies of Government will readily vouch for the statement that these bureaus are more subject to pressures than is the Congress. The difference mainly lies in the fact

that such pressure is applied openly in the case of Congress and is applied secretly in the case of the executive bureau. Few people realize that the influence of a variety of groups, and even of nations, can be brought to bear in many ways on the men who by the passage of this act would be empowered to reduce tariffs so drastically that they might practically obliterate entire American industries.

It certainly is not obstructive, then, to ask that the Congress discharge its constitutional responsibility to the people. It is not obstructive to ask that the critical problems involving the future of American industry and labor and agriculture be treated with the greatest caution. It is not obstructive to request that the industrial and, therefore, the military power of this great Nation be carefully preserved?

This body cannot evade its solemn responsibility under the Constitution to settle questions pertaining to our economic life. The proposal to place in other hands the execution of this obligation cannot be construed as a shifting of it. The responsibility remains in the Congress.

It is argued the reciprocal trade agreements have been in force for 11 years; that the proposal of permitting the State Department and other agencies involved to determine tariff rates has been tried and has worked. It is asserted that the exercise of this discretion in the past 11 years has not materially affected American industry adversely in any way.

Let us face the inescapable fact that the power to reduce tariffs by a total of 75 percent is approaching dangerously close to the power to eliminate the tariff entirely.

I am convinced that to grant this additional tariff-slashing authority in these critical and uncertain times would be a dangerous and reckless abdication of responsibility by the Congress. We should encourage investment, expansion, and confidence on the part of wage earners, of farmers, and of industrial management so as to create the opportunities for the jobs we must have when the war is over.

What about the claim that the negotiations thus far conducted under the present act have in no way seriously damaged American industry? Let me place in the record the fact that the woolen industry of this country was badly hurt by the treaty with England in 1938. Reducing the tariff by 50 percent on English woolens increased imports of these textiles by 350 percent in the year 1939. Had it not been for the outbreak of war, the import of English woolens would have increased even beyond that figure. As it was, however, the competition was sufficient to cause several mills to close.

When a woolen mill closes that automatically means the loss of jobs for American labor and the loss of revenue to sheep growers, not to mention all the other suppliers of that mill. So the losses spread in an ever-widening circle.

Reduction of the tariff on woolens by another 50 percent would very probably destroy the entire industry. Thus, the circle widens still further.

Cut the tariff on cotton textiles, on silverware and jewelry, on chemicals, and you can ruin all of those industries and destroy all of those jobs.

Shall we obliterate all these industries or would you sacrifice just one? If you would sacrifice just one, which one will it be and who will make the decision?

I hope my colleagues will mark my words. We cannot individually or collectively evade the task of carving out the destiny of this country in the world of the future. No one sitting here today is unaware of the vast forces—the great conflicting influences abroad in the world. No one who has even casually followed the progress of the World Conference at San Francisco can have failed to observe the difficulties, the obstacles, and the differences which have marked those discussions.

We are dealing today with trends and influences which affect whole peoples and vast continents. We are engaged in a war to the death with a determined and powerful enemy. We are facing a postwar world of unknown patterns and horizons.

Of only one fact are we sure: The fact of America; the fact that we, of all the peoples of the earth, have both the common philosophy and the strength to uphold the freedom and the dignity of man.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to he gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Chairman, Tito's threats to the peace of the world in Italy, Austria, and Yugoslavia is just a bitter example of future things to come when the chickens come home to roost. The Allies had a leader in Yugoslavia by the name of Mihailovich—a gallant and righteous leader. His freeing of 500 American Air Force men is just a sprinkle of the help he gave the Allies. But the United States of America and Britain allies double-crossed this great leader and even refused to tell the world how Mihailovich and his patriots saved 500 American airmen. For some reason it has been kept a secret.

These 500 United States of America airmen had their lips sealed by higher authorities in Britain and the United States of America. These 500 American airmen know the real story of Yugoslavia—Mihailovich and traitor Tito. These 500 American airmen know what is taking place in Yugoslavia. They know what traitor Tito is doing and who he is. That is why their lips were sealed and they were told not to talk.

Tito is nothing but a Communist stooge. When the world knows why he was given help by the Allies and why Mihailovich was double-crossed by the Allies they will not be surprised at recent developments around Trieste. Recently Tito threatened American troops by parading through the streets of Trieste. Ironically, Tito the traitor had more American tanks to stage a parade with than our own boys had. Of necessity, our own troops had to fall back due to lack of supplies. But Tito had all the supplies he needed — supplies from America.

The story of how the Allies double-crossed great and gallant Mihailovich for a traitor and Communist stooge like Tito is as sad as it is disgusting. I want to tell that true story today so that the people of America will know how in Europe the chickens are coming home to roost. In other words, we asked for that trouble and we are now getting it. Here are the cold blunt facts concerning how Tito got that way and who made him what he is—a traitor and a trouble-maker and nothing but a Communist stooge—aided by American lend-lease.

GENERAL MIHAILOVICH'S APPEAL TO BE PLACED UNDER THE ALLIED COMMAND

Under Secretary of War Robert P. Patterson, speaking to the country over the radio last Sunday night, urged the immediate adoption of the labor draft bill, arguing that it was needed to back our fighters to the limit and to shorten the war.

I propose to demostrate here that the War Department and the administration, in their latest attempt to railroad the Nation into compulsory labor service, have not come here with clean hands. I propose to prove that for more than 8 months the War Department and the administration have had at their disposal a reservoir of combatant manpower, situated close to the battle fronts, comprising hundreds of thousands of fighters eager to shorten the war and to back our boys to the limit, and that this forgotten army of a recognized and honorable ally has been waiting in vain for even a word of encouragement from our War Department and administration.

Ever since October 28, 1944, General Mihailovich, who first raised an army in the Balkans to resist and to fight the Nazi hordes and who is now in control of a large part of his native Serbia, has been sending frantic appeals to the Allied commanders and Governments offering to place himself under their supreme orders and asking for arms to enable him to fight the Germans. General Mihailovich has 80,000 warriors with him in the mountains, but is sorely in need of modern equipment and ammunition. It is conservatively estimated that he can within a short time mobilize an additional quarter of a million men, if only we could spare for him some of the lend-lease material we are shipping all over the world.

On November 8, 1944, General Mihailovich addressed a formal appeal to General Maitland-Wilson, then Allied commander in the Mediterranean and now with the Combined Chiefs of Staff in Washington, copies of which went to our Government and War Department. After giving details of the situation in Yugoslavia and after declaring that the Russians accept only the cooperation of the Communists, General Mihailovich stated:

> We have decided, dear General, to forward you our following request: (1) To be myself, together with the entire forces of the Yugoslav Army in the country, placed under your command and that I may receive from you direct orders and directives for action in order to be included in the general offensive scheme of the Anglo-American Armies which shall operate in Yugoslavia. * * * (2) For such actions which you would order us to execute it would be necessary that you supply us with ammunition for which we are

in great need. Besides that, all our units are in great necessity of equipment, shoes, uniforms, and food. (3) It would be necessary that you send to my headquarters and to all my commanding officers in the field your military missions, in order to coordinate our actions according to your plans. (4) It is of the utmost importance and urgency that by your authority and orders the Communists be prevented from attacking our units and from murdering the innocent population. * * * I beg you to give me your reply most urgently.

GENERAL MIHAILOVICH.

INSTEAD OF HELPING THE CHETNIKS WE HELPED TITO, THE RAT AND KILLER OF HIS OWN PEOPLE

No answer was ever received by Mihailovich or his authorized representatives abroad to this appeal and offer of services. Since then repeated representations have been made by Yugoslav officials in Washington, and further desperate pleas from Mihailovich have been conveyed to our Government. All of these have gone unanswered. There, in the middle of the Balkans, within each reach of the Mediterranean, stands a forgotten army of veteran and loyal Allied soldiers who cry for an opportunity to shorten the war and to liberate their country from terrorists and invaders, and their cry remains a voice in the wilderness.

How loyal to the cause of the Allies and how true in their friendship for America are these soldiers of General Mihailovich has been revealed to the people of this country only the other day. On Wednesday, January 31, most of the leading newspapers of the Nation published an official United States Army Air Forces photograph, showing three American airmen forced down in Mihailovich territory, wearing blankets given them by his Chetniks who aided them in making good their escape. The three Americans were Lt. Carl H. Voss, of Philadelphia; Sgt. Harold Sykes, of Stelton, N. J.; and Sgt. Fred A. Dodge, of Westpoint, Pa.

Now it can be told that nearly 500 American airmen, who had been forced down earlier in the war on hazardous missions against the Rumanian oil fields of Ploesti which the Soviets seem to have appropriated, were rescued by Chetniks and enabled by them to be repatriated in recent months. Without exception these 500 Americans bear unanimous testimony, from their first-hand experience, to the unflagging loyalty of the Mihailovich forces to the Allied cause.

The people sacrificed and went without food so we could live—

Declared Sgt. Leon W. Carver, according to the Salt Lake City Deseret News, upon his return home after spending 17 months within the Mihailovich country.

When we hit the ground, which was in Serbia, we were picked up by the Chetniks—

Reported another airman, Staff Sgt. Douglas Poland, Jr., to the Seattle Daily Times. Sergeant Poland came down with his left leg riddled with bullet wounds.

The wounded were separated from the others—

His account continues—

and we were taken to a Chetnik hospital up in the hills where I stayed for 38 days. We never saw the other members of the crew after we were separated. I heard later that my pilot, First Lt. Charles L. Sevenson, whose home is in Snohomish, is safe, and his wife expects him to return home.

Among the hundreds of eyewitnesses, all American heroes of the air, coming from different parts of our country, who have had direct contact with what I have called the forgotten army of General Mihailovich, perhaps Lt. John N. Scroggs, of Kansas City, has voiced their sentiments best.

Those of us who know the real circumstances in Serbia—

Writes Lieutenant Scroggs—

are enraged at the unfair attacks against the Chetniks and their leaders. If only someone could open the poor blind eyes of the spoiled American public, a wonderful group of people might receive their due recognition. Unfortunately, those of us who lived with these people are few and far between, but believe you me, never will we forget how the men and women of Serbia unquestioningly risked their very lives for us, fed us, clothed us, and gave us shelter when they themselves were ill-clad, cold, and hungry. * * * I vowed to myself that if I could ever possibly repay those people for all they had done for me I wouldn't hesitate to do so. I suffer with them in their present plight and in the injustice rendered to them by the American press as well as the American and British Governments.

There is no blinking at the fact that a state of civil war exists in Yugoslavia. That gallant land which was the first in southeastern Europe to challenge the monstrous power of Hitler's war machine is now torn in two camps. There is the Communist domain, ruled over by Tito, who has just refused the request of the British and American Governments to allow British and American correspondents to see for themselves what he and his people stand for.

Above all, we owe it to the American people to let them know what the 500 American airmen have found out, what has long been known but buried in certain high bureaus in Washington, namely, that in southern Europe there stands ready an army of over 300,000 men, eager to join the fight against the common enemy and to shorten the war, if only we would give them guns and ammunition and perhaps some food rations. And let us remember that this forgotten army is fighting not for communism, but for self-government and for freedom.

RADIO SIGNAL LEADS TO RESCUE OF 250 STRANDED ALLIED FLIERS

ROME, February 16.—A mystery radio message, picked up and recorded by RAF radio operators in Italy, led to the rescue recently of 250 Allied airmen, mostly American, who had bailed out over the Balkans.

One afternoon an operator attached to an RAF heavy bomber wing received a call sign which he could not identify. For 2 hours he struggled with signals, trying to determine the location of the caller.

The next day the mystery station called again and the sender used a commercial rather than a service procedure. RAF operators suspected that the mysterious calls came from Yugoslavia.

Gradually a procedure was worked out. The mystery station used ingenious phrases, there was no code, which were at first unintelligible. Translation of the messages indicated that a large number of Americans, some of whom were sick, were stranded in Yugoslavia. They were awaiting rescue anxiously, for enemy troops were not far distant.

The Balkan air force dropped a parachutist at a spot indicated by the unknown wireless operator. Full arrangements were soon completed and the airmen congregated at a secret airfield. There they were all picked up and brought back to their bases.

LETTERS TO THE EDITOR—CREDIT WHERE DUE

In the Post of February 20 you published a story about a mystery radio message picked up by RAF radio operators in Italy, which led to the rescue of 250 Allied airmen, mostly Americans, who had bailed out over the Balkans.

Now that there seems to be no reason for keeping this matter secret, I should like to bring to light the full story of the action which led to the rescue of more than 600 American airmen plus scores of British and other Allied airmen from Yugoslavia.

In the course of the year 1944, when the Allied Air Force from Italy launched heavy bombardment operations over the Balkans and Central Europe, many of the Allied and especially American airmen, while returning to their bases, were forced to bail out from their damaged ships in the territory which was under the control of the army of General Mihailovich. General Mihailovich's men were given strict orders that whenever Allied airmen were forced down over their territory, those detachments which were close by must go at once to their rescue, and bring them to his headquarters for further evacuation. In several instances these rescues were effected only after severe fighting with the Bulgarian and German troops of occupation.

Almost daily report came from General Mihailovich giving the names of the rescued Allied aviators with their serial numbers and the number of the plane assigned to each of them, so that the American authorities were promptly and fully informed about many of their airmen who had been missing in action. I have in my possession many touching letters which I received from the families of these airmen, expressing their gratitude and telling of the great comfort that this information was to them.

By the middle of this summer the number of airmen gathered around Mihailovich's headquarters amounted to several hundred, and the problem for the general was how to return them safely back to their respective units in Italy. As it was practically impossible to reach the seacoast through the occupied country, General Mihailovich's men built an airfield in southwestern Serbia, near the village of Pr———, on which the American planes could land in order to evacuate their comrades. With no bulldozers and modern equipment at their disposal, Mihailovich's men built this airfield by the use of their bare hands and what primitive equipment they possessed.

On July 17 I was informed by General Mihailovich that the airfield was completed and that they were ready to receive the American transport planes. He stated that his army would take full protection of the landing and evacuation operations. The next day I conveyed this information to the proper authorities in Washington, who in turn made the further necessary arrangements with General Mihailovich. In one single day, on August 10, 17 American Liberators landed on Mihailovich's airfield and evacuated the first group of 254 airmen. Further evacuation continued, until all were brought safely home.

Even this action did not prevent a continuation of slanderous accusations against General Mihailovich, and I am not aware what recognition was given him for this contribution to the Allied cause. Probably the general did not expect any recognition, because he felt that he was merely carrying out his duties as an ally. Nevertheless, today, when the story of this rescue is disclosed, credit

should be given to those who deserve it and should not be presented as an anonymous action which occurred somewhere in the Balkans.

CONSTANTIN FOTTICH,
Former Ambassador of Yugoslavia.
WASHINGTON, *February 20.*

The betrayal of the decent Yugoslavs, who helped the Allies, will go down in history as a blot on civilization. To think that the United States of America and Britain double-crossed these gallant people for a traitor like Tito is almost unbelievable. Is it any wonder that decent people the world over are losing respect for the United States of America and Britain?

THE YUGOSLAV NATIONAL MOVEMENT UNDER THE LEADERSHIP OF GENERAL MIHAILOVICH

The national movement of the Minister of War, General Mihailovich, has gathered around it the entire Serbian population, the greater part of the Slovenian population and, lately, Croats have begun to join it also. General Mihailovich has organized the Yugoslav Army as the fighting element of this movement, and as the political element for aiding the fighting organizations of the Yugoslav Army General Mihailovich has formed the following:

First. The Central National Committee composed of Serbs from all parts of the country and Slovenes.

Second. The Slovenian Union, a national committee in Slovenia, in which are gathered all parties except the Communist Party, with the aim of aiding the units of the Yugoslav Army in Slovenia.

Third. The Mohammedan Revolutionary Military Organization headed by the most prominent Mohammedans, with the aim of aiding the units of the Yugoslav Army in Bosnia.

Fourth. Through delegates in Split, he maintained contact with the party of Dr. Machek in Croatia.

Aside from these purely national political organizations whose main aim is to aid the Yugoslav Army in the struggle for the liberation of Serbs, Croats, and Slovenes, the War Minister, General Mihailovich, maintained contact with the Bulgarian, Albanian, Rumanian, and Greek guerrillas.

Accordingly, the national movement of the Minister of War, General Mihailovich, is Yugoslav and even Balkan in its scope with the one and only aim to fight against the Axis Powers, and to aid the Allies to the fullest extent and liberate Yugoslavia.

(A) THE YUGOSLAV ARMY

In the homeland the Yugoslav Army enjoyed the special devotion of the population. It was the common property of the entire nation. It had never betrayed the democratic ideals and common interests of that nation. Therefore, the army executed the people's will: it overtherw the tripartite pact and returned the power to true representatives of the people. This time, too, the army remained outside of politics even in such a predominantly political act. In the homeland the army never mixed in politics and therefore it enjoyed the undivided love of the people. That is why the people in the Serbian and Slovenian regions have accepted the organization of the Yugoslav Army with the greatest devotion and deepest trust. Never before were the Yugoslav Army and the people so closely united.

This undivided confidence in the Army and General Mihailovich came into existence, aside from the great love for the Army at all times, because of the manner of operation in the occupied Homeland and because of the personalities who lead this national movement.

The tasks which General Mihailovich set for himself, together with the regular active officers of our Army were: To organize the entire Nation and prepare it for an uprising at the moment when it could be of the greatest benefit to the Allies and the people. It was seen that not even the completely armed Yugoslav Army in that short-lived war was able to oppose the Axis forces because of the lack of planes and tanks as well as antitank weapons. After the ruin of Yugoslavia, the waging of an open fight would have meant a complete physical annihilation of the Serbian population especially. General Mihailovich with his best young regular and reserve officers, as well as the entire nation, knew this very well. Therefore they set as their main task the organization of the people for a general uprising of the decisive hour, and for sabotage of communications with small units.

At the head of the Yugoslav Army came the best and most able sons of the nation and the most brave young general staff officers and others. These capable leaders, in a short time, completed the organization of entire Serbia and went over to the organization of Montenegro and eastern Bosnia, taking in later Voivodina, Western Bosnia, Dalmatia, and completely organizing even Slovenia.

In the summer of 1941, the Yugoslav Army in Bosnia and Herzegovina entered into the fight against the Croat Ustashi who had begun a mass killing of the Serbian population in those regions. This fight has been hard and bloody. The Ustashi have killed over 600,000 Serbians, men, women, and children. The units of General Mihailovich have succeeded in saving 400,000 Serbians who crossed into Serbia. The fight which was begun then against the bloodthirsty Ustashi is still being continued uninterruptedly.

This fight against the criminal Ustashi has made a great impression not only in Serbian regions but even as far as Dalmatia and Slovenia. The people left in mass for the forests and the units of the Yugoslav Army, to fight against the Ustashi, and for the protection of the Serbian population.

Up until June 22, 1941, the Communists in Yugoslavia worked against the Yugoslav Army and fraternized with the Axis Powers. In the war they were the fifth column and in the rear they, the same as the Croatian Ustashi, stuck the knife into the back of the Yugoslav Army, which was attacked from the front by the Axis Powers on April 6, 1941. Only the German attack on Russia broke the Communists' fraternization with the Germans and they entered the fight against the Germans and collaborated with the Yugoslav Army under General Mihailovich, which had already a solid organization in Serbia.

The Communist partisans wanted immediately to lead the people into an open fight against the forces of occupation although the people were completely barehanded and the fight could not have benefited anybody. General Mihailovich, a soldier of high qualities and a great patriot, thought that the uprising was premature and that, without any gain in prospect, it would have brought disproportionately great sacrifices. He was not able to convince the Communist partisans that an open fight could have only one result, namely, the annihilation of the population. That was the main reason why the Communists attacked him in November 1941. General Mihailovich, for the purpose of self-defense and the salvation of the Serbian people from annihilation, was forced to accept the fight imposed upon him.

All the efforts of General Mihailovich, the Yugoslav Government in London and the British Government, to bring about cooperation between the partisans and the Yugoslav Army remained without success. The partisans, contrary to the vital interests of the people, entered into the fight against the Germans without any benefit to the Allies. Punitive German expeditions in Serbia, because of the premature uprisings, annihilated 78,000 Serbians from 16 to 50 years of age.

General Mihailovich, with the Yugoslav Army, remained on the side of the people who rose in mass against the Communist partisans led by foreigners and adventurers, who had nothing in common with the Serbian people.

Just as the Yugoslav Army fought against the Ustashi for the protection of the Serbian population, it was forced to take the side of the people in the fight the population itself started against the Communist partisans in order to save themselves from a complete physical annihilation. I shall bring out the details of the work of the Communist partisans in a separate section on partisans.

After the beginning of the fight against all those who endeavored to annihilate the Serbian people, the Yugoslav Army strengthened even more the people's confidence and the entire Serbian nation may be said to belong to the units of the Yugoslav Army.

GUERRILLA TACTICS OF THE YUGOSLAV ARMY

The Yugoslav Army did not have enough weapons to enter into large-scale fights against the forces of occupation. Abandoned by the Allies and left to itself, it organized and prepared for the decisive moment, doing only sabotage of communications and protecting the Serbian population from the Ustashi, the forces of occupation and the partisans.

Upon the request of the British Middle East Supreme Command, the Yugoslav Army sabotaged all communications and especially on the railroad line Belgrade-Nish-Salonika, which was used for the transport of supplies to the German troops in Africa who had come almost as

far as Alexandria. The consequence of this sabotage was a clean-up of eastern and western Serbia and the Novipazar Sandzhak by German punitive expeditions. Several thousand inhabitants along the railroad line and several hundred railroad men were executed, aside from the crimes which the punitive expeditions committed in the interior of Serbia. General Mihailovich went into action and the people did not mind the sacrifices when they could benefit the Allies.

In the telegram No. 1383 of March 3, 1943, General Mihailovich reported on the work of the Yugoslav Army, as follows:

The Yugoslav Army in the homeland is left to its own resources both in regard to aid in planes and to supply in arms. For this reason we use special tactics:

1. We are not able to attack at the same time both our internal and external enemies. We are forced to fit our fighting tactics to special circumstances in each individual region. Yugoslavia is occupied by the Italians, Germans, the Bulgarians, the Hungarians, and the Ustashi along with other Quisling units.

2. A simultaneous attack against all of them would be doomed to failure in advance. Aside from hard and bloody defensive battles we are forced to attack the enemies and beat them one by one. This is the basic principle of warfare.

3. As for the Italian, in August 1942 we crushed the Ustashi and the Italian-Mohammedan Militia in the county of Focha. In the beginning of January 1943 we dispersed and alomost completely annihilated the Italian-Albanian Militia which committed crimes on our people in the county of Bjelo Polje. In the beginning of February we broke up and, to a large extent, annihilated the Ustashi and the Italo-Mohammendan Militia in the counties of Chajnice and Plevlje.

4. In Serbia, sabotage is being done on railways and only later will it be possible to estimate the contribution to the common Allied cause. Units of the Yugoslav Army in Serbia are carrying out general civil disobedience which demands numerous sacrifices and in open fighting we have been destroying smaller German groups, Ljotich's and Nedich's units.

5. In south Serbia, we have been preparing armed attacks on railway communications south of Skoplje.

6. In Bosnia, we are continuing the fight against every one of our external and internal foes. We have shaken seriously the Ustashi ranks in Bosnia.

7. In Voivodina, we have continued the defense of the people whose suffering, under the Germans, the Hungarians, and the Ustashi and their terror, is indescribable.

The people are healthy and know what they want. We are guided by their common sense and their infallible judgment. The people are completely on our side in spite of propaganda from all sides.

As for the tactics which General Mihailovich has been applying in his struggle against the forces of occupation, it is quite different from the Communist tactics. In the telegram No. 1400 of March 20, 1943, General Mihailovich says:

Our tactics consists in the following: To hold the mountains and from them to carry out attacks against the forces of occupation and their servants or against important objectives grouping our units according to need.

As soon as the units carry out their tasks, they disband and withdraw to their bases. When we held the liberated territory in western Serbia, neither Chetnik units nor my staff remained in the cities. We attempted to control the entire national territory, and not only certain regions. Because of this, in the fall of 1941 and on the eve of the German attack on Ravna Gora in Suvobor where our units were gathered, I sent them all to their counties with the task of carrying out attacks from the snow-covered mountains and completing organization in the counties.

In this manner the Germans, with five divisions, carried out their attack against nothing.

We are not going to open free zones until we are able to defend such zones and to protect the people from reprisals. But already we are in a position to command the entire state territory from the mountains.

ORGANIZATION OF THE YUGOSLAV ARMY

Thanks to the expert leadership, headed by the Minister of War, Army General Drazha Mihailovich, the Yugoslav Army represented an extraordinary military organization in Yugoslavia, in which were gathered the entire Serbian nation, the greater part of the Slovenian population, and a part of the Croats in Dalmatia.

Regarding the strength of the Yugoslav Army, General Mihailovich in his telegrams No. 1400 of March 20, 1943, says the following:

Our organization has been carried out territorially by counties. Every county gives at least one brigade of at least 1,000 men, while the counties with a larger population give even 2 to 3 brigades. Aside from territorial units, of about 338 counties, 180 counties are under complete military organization. Taking only the lowest number, this represents 180,000 fighters already organized in operative units.

In the remaining 158 counties we are working more on a secret conspiratory basis for several reasons. These counties are located in the provinces of Banat, Bachka, and Baranja, where there is a great pressure on the part of the Germans and the Hungarians and where the conditions of the terrain are not favorable; then in Slovenia and in Zagorje where there is Machek's organization with which I have already made contact; and finally, in Stajer County from where the Germans have evacuated the Slovenians, and in western Bosnia where, up till now, the Communists have been located.

MIHAILOVICH'S REFUSAL TO COLLABORATE WITH THE ENEMY

General Mihailovich has constantly refused cooperation with enemies. The National Central Committee in its telegram No. 1398 of March 1943 says:

As soldiers we are giving our word of honor: First, that we shall remain loyal to our Yugoslavia, the Yugoslav Government in London, to our allies and to General Mihailovich, as the only authorized commander in the country. Second, we shall organize for the fight against the enemy by collecting arms and ammunition and by preparing for liberation. Third, we shall fight against anyone who, in whatever manner, helps the enemy.

All enemy attempts to gain the collaboration of General Mihailovich were spurned by him. In his telegram No. 1382 of March 2, 1943, Mihailovich stated:

One of our commanders reported on February 26 the following: "The German commandant in Gornji Milanovac, First Lieutenant Krueger, wrote me a letter and asked for a meeting under the conditions set by me regarding the place and security. The aim of the meeting was not stated. Please instruct me what to do."

I answered: "I do not approve of, nor do I accept any meeting with German commandants." I replied to him: "As long as you are shooting and arresting innocent Serbians and as long as you are in our homeland there can be no negotiations of any kind."

On March 1, I received from another source, through one of my trusted agents, the following:

"The chief of the German Gestapo in Yugoslavia asked whether you would be willing to receive a special emissary from Hitler for a conference. This conference would deal mainly with the proposition that you take full command in Yugoslavia and that the Germans and the Bulgarians evacuate it. The only thing asked is free railway communications to the south and to Bulgaria, which would be guarded by our troops."

Not even verifying the authenticity of this second offer, I sent over the radio the following answer: "Loyal to the common Allied cause of the United Nations, I refuse all negotiations."

Then in the telegram 1399 of March 10, 1943, General Mihailovich reported:

The attempts of the enemy to get in contact with me continue. This time the offer came both from the Germans and the Italians together, asking to get in touch with one of my collaborators at least. This attempt I also refused emphatically and I shall continue to do so in the future. The constant attempts of the enemy to establish contact with me, I am convinced, come from a desire to take advantage of the campaign which is being waged in the Allied countries against the national movement which is headed by the Central National Committee. I do not exclude the possibility of an intrigue on the part of the Germans and the Italians directed against the national movement and its integrity. Please be careful.

In connection with the campaign which was being waged in the Allied press against General Mihailovich to the effect that he collaborated with the Italians, upon the request of the Royal Yugoslav Government, General Mihailovich sent the telegram No. 1181 of December 22, 1942, which says:

I do not permit any collaboration with the Italians. We are exterminating the Ustashi wherever we find them. We shall destroy everything that is of the Ustashi mercilessly because of the 600,000 Serbians massacred by them. At present, the Ustashi are maintaining contact with the Communists. My collaborators, Bircanin and Jevdjevic, have never worked for the Italians and are always ready to attack them on my orders, but, for the present, my first aim is to annihilate the Ustashi and their creation, the Croatia of Pavelich.

Have confidence in us. We shall never do anything that could harm the Allied cause. Because of the large numbers of the enemy we strive to beat one by one. A fight against all of them at the same time would be useless and unsuccessful. In the course of the winter I shall reach Karlovac and Zagreb with my units. By annihilating Pavelich's Croatia I shall strike at the nerve center of our greatest enemies, the Germans.

Then, in the telegram No. 1381 of March 1943, General Mihailovich says:

It is absolutely untrue that Jevdjevich concluded an agreement with the Italians toward the end of September 1942. Therefore he could not have destroyed Croat villages. It is true that, with the greatest difficulty, he is keeping our people from revenge over the Ustashi elements in Herzegovina,

which elements supplied the most bloodthirsty members of the Black Legion and who are now being settled in the burned ruins of the Serbian homes in Bosanska Krajina.

Incidentally, I wish to mention the fact that since August 1942 up to the present day the English Major Hudson has been constantly with me. I was with him far from the Mostar region. The aim of these low lies is clear to me. The Soviet Union is constantly repeating its solemn decision not to meddle in the internal affairs of small nations, but secretly it is doing everything possible to weaken the national movement and to strengthen the bankrupt movement of foreign adventures which has been forever condemned by the people and through which it hopes to attain its aims and at the same time appear not to be interfering.

The truth is that only the Gestapo and the Communists have been holding meetings and their united action is raging against us. It is interesting that the Soviet Union should care so much about the Croats whose troops it faces on its own front and that the Italian Roman Catholics should aid the Orthodax Serbs against the Croat Roman Catholics. In our difficult struggle and superhuman self-defense it seems that our allies are on the side of the enemy while we have been left completely to ourselves. Yet we remain undaunted and loyal to our allies and our national cause, deeply convinced that we shall endure until the final victory, because the entire population is with us.

This telegram clearly shows that General Mihailovich not only did not collaborate with the Italians but refutes all accusations that his collaborators were destroying Croatian villages.

The facts which fully corroborate the statements of General Mihailovich and refute, in a convincing manner, all accusations of his collaboration with the Axis Powers are:

Families of General Mihailovich and the majority of his officers are held as hostages by the enemy;

Execution of Drazha's followers in Belgrade, especially that on Christmas Eve and on Catholic Christmas, when 1,400 men were shot;

The order and call of General Nedich to chase and annihilate by all means Drazha's followers; and the order of the commandant of Serbia, General Bader, to annihilate by all possible means the followers of General Mihailovich.

The Yugoslav Army under the command of General Mihailovich in occupied Yugoslavia was fully prepared to bring about the uprising of the entire Serbian people, the entire Slovenian people, and a part of the Croatian people at the moment of the landing of the Allies in the Balkans. But the Allies double-crossed Yugoslavia in favor of Communist "rat"—Tito.

In his telegram No. 1,500 of April 24, 1943, addressed to the Premier of the Royal Government, General Mihailovich says:

> All of us, down to the last man, are impatiently awaiting the day when we shall be able to extend our most enthusiastic contribution to victory over our Fascist and Nazi enemies in the greatest and most sincere loyalty to our allies.

CONCLUSION CONCERNING THE NATIONAL MOVEMENT OF GENERAL MIHAILOVICH

First. The national movement of the Minister of War, General Mihailovich, has gathered around it the entire Serbian and Slovenian people, and the nationally minded Croats have begun joining it. This movement was a Yugoslav movement, and, with regard to contacts maintained with the neighboring nations, it was a Balkan movement also.

General Mihailovich should rather be called the savior of the Yugoslav state idea among the Serbian people than a great Serbian.

Second. The center of the national movement was made up of the Serbian people, known throughout its entire history by its democratic sentiments and ideals as well as by its great patriotism and love for the homeland and freedom. The entire movement was democratic, with the aim of restoring Yugoslavia on the basis of broadest democracy headed by the Karageorgevich dynasty.

General Mihailovich is at the head of this movement, which is national, democratic, and dynastic.

Third. The Yugoslav Army in the homeland represents an organized force of over 200,000 fighters led by a most capable staff of young officers. This army alone was capable of bringing about an uprising of the entire population, of uniting the entire resistance, and of seriously aiding our allies when they landed in the Balkans. Only the Yugoslav Army under General Mihailovich was capable of attracting also a large part of nationally minded Croats who are now in the Pavelich's home-guard units.

These are the gallant soldiers of freedom who were double-crossed by the United States of America and Britain for a worthless rat—Tito—who was killing his own people to make Yugoslavia safe for communism.

GENERAL MIHAILOVICH'S PART IN ALLIED VICTORY IN AFRICA

By disrupting communications and supply lines in the Balkans at a time when the late Marshal Erwin Rommel and the Afrika Korps were marching on Alexandria, the Nile, and Suez, the soldiers of General Mihailovich and the Serbian people gave conclusive proof of their loyalty to the allied cause. They had already shown their colors on March 27, 1941, when they entered the war against Germany on the side of Great Britain which, at that time, stood alone.

Serbian efforts in the African campaign were recognized by Adolf Hitler when in his New Year's speech of 1943, he said the war in Africa was lost because communications with Africa were severed by sabotage in Italy and the Balkans.

As soon as Rommel launched his offensive on Tobruk, General Mihailovich, not waiting for orders from the English command in the Near East nor from the Royal Yugoslav Government, commanded Chetnik units to attack the communication lines because at that time German war material for Africa was being shipped on the Belgrade-Salonika railway. On all sides railroad lines were blown up, bridges were demolished, railway yards were destroyed, transportation convoys and German garrisons were attacked with the aim of creating as much confusion as possible in the enemy rear and on their communication lines.

General Mihailovich knew what the loss of Africa would mean to Yugoslavia, too, and therefore, without consideration for the great and bloody sacrifices and the terrible reprisals sure to come on the civilian population, he attacked enemy positions. Because of this action, the enemy was forced to retain 40 divisions in Yugoslavia. Had they been available to Rommel before Alexandria, the Germans would have determined the African campaign to the disadvantage of the Allies.

EFFORTS RECOGNIZED

Recognizing the value of General Mihailovich's initiative and the great sufferings that the Serbian people had endured, Admiral Sir Henry Hardwood, commander of the Mediterranean Fleet; Gen. Claude Auchinleck, commander of British troops in the Near East, and Marshal Tedder, Commandant of the Air Forces in the Near East, sent the following telegram to General Mihailovich on August 16, 1942:

> With admiration we are following your directed operations, which are of inestimable value to our Allied cause.

During the battle in Yugoslavia, General Mihailovich sent the following telegram on September 4, 1942, to the supreme commander, King Peter:

> The Yugoslav Army, faithful to its glorious traditions, is fighting under the most difficult conditions for the liberty of its people under the command of your majesty. Our army will bravely and decisively persevere, together with the United Nations, in this bloody battle until final victory and the liberation of our homeland.

With such morale and such enthusiasm, the Chetnik units of the Yugoslav Army continued to fight in Yugoslavia, thereby aiding the Allies in Africa. The Germans brought in new divisions, they stirred the Bulgarians, Hungarians, and the Ustashi together with the Partisans—into battle against the Yugoslav Army and the Serbian people who completely comprehended the difficult situation of the Allies at Alexandria. In this difficult struggle—tattered, hungry, barefooted, and without sufficient arms and ammunition—the best officers were killed, the civilian population fell en masse under enemy machine guns, hundreds of villages were demolished, but the bloody and difficult struggle was prolonged with the same fierceness, for Rommel was near Alexandria.

On September 20, 1942, the Premier of the Royal Yugoslav Government issued the following order to General Mihailovich:

> The British Government advised that General Alexander sent you instructions for the carrying out of attacks on communication lines in Yugoslavia. The enemy communication lines are extremely overburdened and with continuous attacks you could do our allies a new favor.

Because of the civilian disobedience in Serbia, southern Serbia, Voyvodina, Montenegro, Bosnia, Hercegovina, and southern Dalmatia, ordered by General Mihailovich to incite disorder among the occupational army and as much confusion as possible, the President of the

so-called Serbian Government, Milan Nedich, issued the following order in the Belgrade newspaper Novo Vreme of January 3, 1943:

ORDER NO. 2 OF THE PRESIDENT OF THE COUNCIL OF MINISTERS

Some kind of a command army in the homeland began on September 9, 1942, to give orders throughout Serbia to the mayors of towns to leave their posts and go to the mountains, and to all others to refuse to accept the abandoned posts recommending disobedience to our Serbians as well as to the occupational authorities.

The command of the Yugoslav Army in the homeland is nothing but a small band of outlaws and desperadoes who, like bloodthirsty Communists and often together with them, endeavor to defame completely the Serbian people by means of blunders and ordinary acts of sabotage unworthy of officers and honest men.

To this handful of wretched non-Serbs, servants of cursed London and Moscow, I say: Keep your hands to yourselves, lunatics, and I order all Government and local authorities in the country, to persecute and annihilate this band by all means, thus carrying out their duty to the Serbian people and the homeland.

PRESIDENT OF THE COUNCIL OF MINISTERS.

Following this German order signed by Milan Nedich, General Bader issued another order that all mayors and sheriffs of towns must remain at their posts. He proclaimed:

That for every sheriff killed a hundred Serbs will be executed and for every mayor, 10 Serbs; for every military objective destroyed a hundred Serbs will be executed.

Many mayors were brought into Belgrade and shot because they did not wish to remain further at their posts.

GERMAN ISSUES PROCLAMATION

As the order issued by Milan Nedich was not obeyed, the Commandant of Serbia, General Bader, announced the following order in the Belgrade newspaper, Novo Vreme, of January 19, 1943:

A small group of rebels under the leadership of the former Col. Drazha Mihailovich is fighting against the legal Serbian Government of the Prime Minister, General Nedich. These rebels consider themselves regulars of the Yugoslav Army and are inspired by a criminal thirst for glory. They are trying to continue a state of war between the German and Serbian nations, which ceased to exist on April 17, 1941, with the signing of the armistice. According to the articles of the International War Agreement recognized by the Hague Conference they are no longer considered regular soldiers, and thereby fall under the war laws.

The activities of these ambitious and blind fanatics, who in their criminal thoughtlessness will not take into consideration reality, constantly demand new and heavy sacrifices of the whole Serbian nation.

I call upon all the Serbs to cooperate in destroying this nest of troublemakers. Whoever fails to assist in the persecution of these rebels within the limits of his power and is in the position to do so, becomes thereby their accomplice and falls under the jurisdiction of the war law.

Serbs, preserve peace and order.

GENERAL BADER,
Commandant of Serbia.

BLOODY REPRISALS START

What the Serbian people endured during this period of Rommel's offensive against Alexandria is difficult to describe. The entire year of 1942 will remain as the bloodiest year in Serbian history. The Germans stirred the Bulgarians, the Hungarians, the Albanians, the Ustashi, and the partisans to fight against the Serbian people. They all endeavored by severe reprisals against the innocent inhabitants, to stop General Mihailovich's action. The Serbian people bravely endured all the suffering and thereby made a sacrifice of great value to the Allies.

VICTORY IN AFRICA

The actions of the Chetnik units of the Yugoslav Army—carried on under orders of the British Supreme Command in the Near East, and of the Royal Yugoslav Government in London—as well as the enormous sacrifices which the Serbian people suffered, enabled the Allies to win the Battle of El Alamein. Not only Suez and the Nile but all of Africa was saved.

On November 11, 1942, pursuant to the victory over Rommel at El Alamein, General Mihailovich sent the following telegram to the British Supreme Command in the Near East:

To Admiral Hardwood, General Alexander, and Marshal Tedder. For the Yugoslav Army and myself I sincerely congratulate you on the victory of the Navy, Army, and Air Force under your commands in the Near East. The complete victory which you brought about by destroying the joint German and Italian forces means the beginning of one of the most glorious periods in history. The Yugoslav Army of King Peter II is enraptured with this victory and follows your every move with intense interest, awaiting in the further development, the moment for its full and immolated endeavor for final victory.

The Chief of the British Imperial General Staff, pursuant to Yugoslavia's Unity Day, December 1, 1942, sent the following greeting to the War Minister and the Chief of Staff of the Supreme Command of King Peter II to Army Gen. Dragoljub M. Mihailovich:

In the name of the British Imperial General Staff, I cannot let the twenty-fourth anniversary of the unification of the Serbs, Croats, and Slovenes into one kingdom, pass without expressing my felicitation for the wonderful undertaking of the Yugoslav Army. I am not thinking only of the forces which have joined the ranks of our Army in the Near East in the triumphant hour, but also of your undefeatable Chetniks under your command, who are fighting night and day under the most difficult war conditions. I am convinced, your excellency, that the day will soon come when all your forces will be able to be united in a free and victorious Yugoslavia; the day when the enemy, against whom we are jointly fighting, shoulder to shoulder, will be crushed forever.

SHOWS VALUE OF AID

This greeting is the best proof of how much the British people and the British military leaders valued the endeavors of the Chetnik units of the Yugoslav Army.

King Peter, in his speech of December 1 on the London radio, gave full recognition to General Mihailovich and his fighters. He said:

My War Minister, Gen. Drazha Mihailovich, your pride and mine, with his supreme command, represents, before the world today and before history tomorrow, the nucleus around which our entire people should assemble without regard to ideologies which otherwise might segregate them. It is to the interest of us all, especially to you there who are bloody and wounded, that the possibility of further confusion be erased with the greatest possible speed and with as few hardships as possible.

Lastly, on January 25, General Mihailovich sent the following telegram:

To Great Britain's commanders in the Near East, Admiral Hardwood, General Alexander, and Marshal Tedder: Under the forceful attacks of the three branches of the armed forces of Great Britain, the last action of the so-called Italian Empire has disappeared. The Yugoslav Army in the homeland followed with admiration the course and speed of these operations. This gives it hope and a firm belief that the Allied forces in the Middle East and in northern Africa will not be held up long before Tunis and that it will soon continue its victorious march on Europe in connection with the great embracing Allied offensive. The Yugoslav Army in the homeland will once again show the entire world who the Yugoslavs are and how they know how to fight for liberty. To Great Britain's commanders in the Near East, pursuant to this great victory, from our mountains, the Yugoslav Army and I send greetings and sincerest congratulations for this great triumph.

Gen. Dwight D. Eisenhower, the supreme commander of the Allied forces in north Africa, gave recognition to the fighting of the Chetnik units of the Yugoslav Army in the following telegram:

The American Armed Forces in Europe and Africa greet their brothers in arms, the eminent and gallant military units under your resolute command. These brave men who joined your ranks in their birthplaces in order to expel the enemy from your homeland are fighting with complete devotion and sacrifice for the mutual cause of the United Nations. May this struggle bring them complete success.

EISENHOWER.

At the time when the Ustashi-Partisan campaign endeavored to present General Mihailovich and the Yugoslav Army as collaborators with the Axis he and his immortal fighters received recognition, not only from King Peter II but also from all the Allied commanders with whom General Mihailovich cooperated and whose orders he carried out.

DE GAULLE SENDS DECORATION

By way of recognition for these heroic struggles in Yugoslavia at the moment that French North Africa was being liberated, General Charles De Gaulle decorated General Mihailovich with the Croix de Guerre with red palm. On this occasion General De Gaulle issued the following proclamation of praise to all the forces of the Fighting French on land, on sea, and in the air:

The legendary hero, the symbol of the purest patriotism and the highest Yugoslav military virtues, this general never ceased fighting on the soil of his occupied homeland. With thanks to the aid which the Yugoslav patriots are giving him, he unceasingly fought against the occupational army, preparing in this way the final charge which will bring about the liberation of his homeland and the entire world, fighting shoulder to shoulder with those who never recognized that a great country could succumb to a brutal conqueror.

This proclamation of praise carries the decoration of the Croix de Guerre with palm leaf.

CHARLES DE GAULLE.

King Peter, in this period of heavy and bloody fighting of the Chetnik units of the Yugoslav Army, decorated more than 500 officers and soldiers with the Karageorge Star with Swords. Ninety-five percent of these men fell on the field of glory.

THE COMMUNIST PARTISAN MOVEMENT UNDER THE LEADERSHIP OF JOSIP BROZ-TITO

Compare the leadership of Mihailovich and his men with traitor Tito and his killing Communists. The movement of the Communist partisans in Yugoslavia under Tito represents a collection of not only Communists in Yugoslavia but also Communists from the Balkans and other regions of Europe. Until the attack of Germany against Russia in June 22, 1941, the Communists in Yugoslavia were the best friends with the forces of occupation and collaborated with them, because the Soviet Russia was friendly with Germany. Aside from the treachery of the Croatian Ustashi, in the course of the war, the Communists, with their activities, stabbed in the back the Yugoslav Army which had come to grips with the Axis Powers on April 6, 1941.

PARTISAN TACTICS ARE CATASTROPHIC FOR THE PEOPLE

Just how little the Communist partisans cared for the national interests of the Serbian people can be seen from the consequences of the premature uprising into which the Communists pushed the people. The national committee has clearly pointed out the consequences of the German punitive expedition in Serbia during which 78,000 Serbians were killed in 1941.

In their flight from the Bihac Republic the Communists forced the entire population to flee with them before the Germans and the Ustashi, in order to protect the Communists from the attack. Because of this Communist terror, masses of people are fleeing from Mihac toward Glamoc. As soon as the Germans approach, the Communists abandon these unprotected masses and leave them to the mercy of the Germans and the Ustashi, who massacre them mercilessly.

Those who succeeded in escaping, died of cold in the snow and ice. Between Drvar and Glamoc, there were over 500 frozen bodies of women and children. All this is more than horrible. That is the fight which the Communists waged, a fight which was directed by foreign propaganda with the aim of systematically annihilating the nation.

In the course of two and a half years the Communist partisans have killed a large number of General Mihailovich's officers and the best nationalists and men in the Serbian population. Their only aim has been to leave the Serbian nation leaderless by killing off the prominent men.

The Serbian people have bitterly experienced the partisan "democratic" methods. Up till now the partisans have shown their "democratic" methods only in the merciless fight for power, and the bloodthirsty killing of the Serbians and even the helpless and innocent old men and women in villages. Thousands of graves of the most prominent men, burned schools, desecrated churches and monasteries and plundered and burned homes in Serbia, Montenegro, and now in Bosanska Krajina, Lika, and Kordun are the best proof of their conception of democracy.

It is significant that they applied all these "democratic" methods only in Serbian regions, in Serbia and Montenegro, as if the people in these regions did not have enough of the bloodthirstiness of the forces of occupation, and in Bosanska Krajina, in order to annihilate a few Serbians who escaped the Ustashi knives. In that regard Tito only complimented both the forces of occupation and Pavelich.

In Montenegro "the partisan army of liberation" killed hardly 200 men, noncommissioned officers, and officers. The Italians showed a much larger number in order to prove that their presence in the Balkans was needed and thus to avoid going to the eastern front. But the partisan army has made devastation among the people, on the other hand. It has killed cowardly over 2,000 men, mostly farmers, householders, and, in only three counties, about 40 women.

In western Bosnia, where there are some Croats and Mohammedans, only Serbians were killed. In Kljuc, only the Serbian part of the town was burned, and in Jajco were burned the buildings of the Institute of Hygiene, the Parish home, the Sokol home, and the Serbian bank, while not one Ustashi home, either Croat of Mohammedan, was even touched. In the Serbian counties, Bosanski Petrovac, Glamoc, Grahovo, and so forth, the homes were burned, the cattle destroyed and the partisans, in flight, drove the people with them. On the road between Drvar and Glamoc, 500 frozen women and children were left. The graves, strewn along their way, will be an eternal momento of the partisan rule in these regions.

These bloodthirsty killers of the Serbian people should not dare even to mention the word democracy, for they are the same people who at the beginning of the war, in Kragujevac, while the enemy was entering the city, shot into the backs of Yugoslav officers. They are those who, in the entire country, persuaded the soldiers to kill their officers and to throw away their arms. They are those who, during the siege of Kraljevo and Valjevo, gathered their units in order to take with their aid the power by force in the regions which Drazha's men had liberated, and they left Drazha's units to fight alone against the Germans. They are those who killed Drazha's officers and messengers while Drazha fought the forces of occupation. They are those who in Uzice, their first republic, caused by their criminal inability a horrible catastrophe in the treasury of the national bank, where they placed shelters from the German planes for the people, and the work shop for the dismounting of shrapnel which caused an explosion and over 600 men, women, and children, hidden from German air attacks were killed so that human bodies fell all over the town. On the first day after the catastrophe, over 370 coffins into which were placed pieces of the dead victims, were sadly and silently escorted by thousands of mothers, sisters, fathers, brothers, husbands, and wives dressed in black. No one dared to cry for that would have been an insult to the prestige of the regime of bloody Tito, who in this manner made the Serbian people unhappy wherever he passed. The Communists were those who having run away from Uzice with the treasury of the National Bank, formed another republic at Zabljak and during their short-lived terror rule they made out of Montenegro a black grave.

Tito—the rat-traitor, like the occupational forces of the Germans and the Italians undertook everything to divide the Serbian people and make them quarrel, building up on one side the Serbians, on the other the Montenegrins, on the third the Macedonians, on the fourth the Mohammedans, and so forth, all like separate nations. Were not the Communists those who, like the forces of occupation of the Germans and the Italians, specially searched for and selected Serbian nationalists and intellectuals and killed them off in order to leave the people without leadership. It is no wonder that today so many Communists in Serbia entered the service of the German Gestapo to denounce and kill Drazha's men and in Montenegro the Communists joined the Montenegrin Usurers, the most miserable Italian servants.

Should then these same rats carry out the national rebirth and introduce democracy? They have no right to speak about democracy; neither they nor anyone else in their name. They have no right to call anyone reactionary, and least of all, the national movement of Drazha Mihailovich, around which is gathered the entire Serbian nation, which has found through General Mihailovich, after 20 years of wandering and suffering, its road again to which its national genius has lead it. For the United States of America and Britain to accept a killer like Tito as an ally is shameful beyond words.

PARTISANS KILL ONLY SERBS

It is a strange coincidence that Tito, the rat, killed only Serbians and he burned only Serbian villages. General Mihailovich has sent on this a series of telegrams.

No. 739 of October 4, 1942:

Because of the killings which the Communists perpetrated secretly in the Province of Srem, 50 Serbians were executed. The Communists are intentionally committing murders near the Serbian villages in order that the innocent Serbian heads should pay for them. All this is done according to a plan to annihilate the Serbian nation. The Croatian authorities seize every opportunity to kill as many Serbians as possible. The Communists are even worse toward the Serbians.

No. 1109 of December 11, 1942:

An eyewitness reports that toward the end of October the Partisan radio station, Free Yugoslavia, in its transmission represented as one of their greatest successes the attack on Bosnian Grahovo, in which there was stationed one Italian battalion. But the truth is that the partisans attacked a Serbian village near Grahovo, set it afire, and killed 200 persons, among whom were women and children. They plundered whatever they could

reach in the entire environment, and because of their terror 3,000 persons remained homeless and without anything in these winter days. They inflicted no losses upon the Italian soldiers.

On the burned houses the Communists had written out: "There are the remains of Dugo Polje." Dugo Polje is the place where earlier the Chetniks attacked the Ustashi. Among the killed partisans a large number of Ustashi were found from Janka Puszta with tattooed insignia.

Telegram No. 1111 of December 11, 1942:

Crimes similar to those which they perpetrated near Grahovo the Communists perpetrated on the Serbians in the village of Prokike, county of Brinjski, and the village of Licka Jasenica, county of Plaski, as well as in the villages Gomirje, and Srpska Moravica, in the county of Moravicki, and in the village of Raduc, county of Gospic. In the vicinity of Gracac, where only Serbians live, a large part of the population remained homeless and deprived of everything. In the village Velike Popine, county of Lapac, they plundered everything and set fire to 40 houses.

Telegram No. 1112 of December 11, 1942:

If any of the Serbians in the partisan ranks objects to the crimes, plunder, and burning, the Communists immediately shoot him. Toward the end of November, a partisan, Professor Sinobad, was shot because he protested against the burning of Serbian villages in the vicinity of Bosanko Grahovo. On November 23, in the village of Kievo, county of Vrlika, three Serb partisans were shot because they refused to plunder and burn Serbian villages. On November 18 the Communists took prisoner Chetnik Milorad Djuric and skinned him alive; during the torture the partisans danced around him. Near Grahovo the Communists did not shoot the old men but killed them with dull weapons and then massacred them in the Ustashi manner.

Telegram No. 1115 of December 11, 1942:

The Communists are burning churches and schools in all Serbian settlements where they come. All this is done according to the Ustashi plan to make impossible further cultural and educational progress of Serbians. The schools and the churches were burned in the Serbian villages: Pidumza, Luznica, Glavace, and Brlog in the county of Otocac; Dreznica and Jasenak in the county of Brinje; Plava Draga, Licka Jasenica in the county of Plaski; Gomirje County of Moravice; Papoca County of Gospic, Topolja County of Knin, etc.

Telegram No. 1483 of April 1943:

The Communists are collaborating with the Ustashi from whom they receive arms. The desire of the Ustashi is that the Communists as their advance guard and the Germans clear the territory which the Ustashi are occupying after the Communists leave it. The Communists, therefore, fight only in Serbian regions and according to plan are systematically exterminating only the Serbians. This will be easily established after the war by the burned remains of our settlements.

In the Communist ranks, as the chief of staff of one of their units, is the father-in-law of Mile Budak. On the bodies of the Ustashi who fought in Communist ranks, the Ustashi stamp on the hand has been found. The Communists are even not fighting the Germans, and they abandon without fight their republic which they had set up, after which they attacked eastern Hezzegoviana

Later General Mihailovich requested an Allied commission to witness the crimes committed by the partisans. With this object in mind, he sent the following telegrams to the Yugoslav Government in London:

No. 1597 of June 1, 1943:

The Communists and not I, are to blame for the civil war in our country. They are the attackers and I resist in justified self-defense. In Montenegro and Hercegovina they have killed, in the most atrocious manner, about 5,000 men and women nationalists. They have been killing and are still killing our best officers and patriots. I have sent more than sufficient proof regarding this matter and it is not necessary that I repeat. The people have already passed judgment on their actions, therefore it is not for me to pass judgment.

It is over a year ago that I requested that they be persuaded to cease their destructive actions but I received an answer that all attempts have failed. It is over a year ago that I requested that an investigation be made of the communistic atrocities but nothing was done in regard to this. All this is evidence of m endeavors to reconcile the mutual struggle. But even in this respect I received no support, rather to the contrary, via the radio propaganda even greater confusion was created and the civil war was intensified.

No. 1640 of June 11, 1943:

In the last 10 days 5,000 Serbs have been rounded up in eastern Srem. They were put into sealed railway cars and sent to Germany. Beside our units in Srem there are also some communistic units who are working together with the Ustashis on a systematic extermination of the Serbs. In these communistic units there are no Serbian leaders, only Croatian and Hungarian. Their activity consists of the following: During the night the Communists carry out smaller acts of sabotage on the railways and that only near Serbian villages; then the Ustashi units attack these villages and shoot the inhabitants and set fire to their property. The evident agreement between the Ustashis and the Communists for the extermination of the Serbs can best be seen from their mutual action in Srem.

No. 1759 of July 1, 1943:

Our commandant from western Bosnia reports that the Communists burned the Serbian villages of Savica and Glavica near Glamoch. First of all they plundered everything and also killed many Serbian peasants.

No. 1796 of July 7, 1943:

The Moslems are organizing groups under the mask of the Communists. They are not doing this because of communistic convictions but because they think that they can exterminate the small remaining number of Serbs in Bosnia and Hercegovina in this manner.

No. 1802 of July 8, 1943:

Thirty-six Moslem officers have gone over to the Communists. They are leading the organization of the Moslems. Their aim is to exterminate—under the mask of communism—the Serbian elements. This report from the commandant on Majevica.

PARTISAN COLLABORATION WITH THE ENEMY

The Communist partisans in Serbia with the Germans and, in Bosnia, with the Ustashi maintain contacts and are fighting together with the forces of occupation against the national movement of General Mihailovich, which can be seen from the following telegrams of General Mihailovich:

No. 999 of November 21, 1942:

All Communists are released from the camps with the aim of preparing the terrain for the creation of a European International in case of Germany's fall.

No. 1074 of December 11, 1942:

The Communists whom the former Yugoslav reserve Captain Bauman sent to Pozarevac in order to denounce our men receive 15,000 dinars monthly remuneration.

No. 1107 of December 11, 1942:

Recently the Ustashi have begun to collaborate greatly with the partisans with the aim of annihilating as many Serbians as possible and of finding refuge from the inescapable punishment which awaits them because of their horrible massacres on the Serbians. I have many concrete proofs.

No. 1124 of December 13, 1943:

The Communists and followers of Ljotic dress in civilian clothes and German uniforms, they take with them men, and carry away food and cattle. The Germans continue plundering and searching villages for our units.

No. 1285 of January 22, 1943:

The German, First Lieutenant Bauman, in Pozarevac has about 200 Communist agents, which were released from the prison. These Communists serve by denouncing our collaborators in cities and villages.

Telegram No. 1257 of January 14, 1943:

The Communist leader, Bulsan, in Dalmatia sent the former county chief in Sinj to the Commander of the Ustashi to negotiate regarding the common action against the Chetniks. Several Ustashi have already joined the Communists.

Telegram No. 1297 of February 2, 1943:

Communists in Belgrade have connection with the Gestapo through one Simic, who denounces our men in all possible ways.

Telegram No. 1199 of February 2, 1943:

Ljubomir Zarkovich, a Communist, reported on January 27 to the Germans in Cacak and led Bulgarians and Germans into the village of Krstac and Dragacevo. The Germans and the Bulgarians shot six men and burned alive Milivoje Stojic from Krstac.

Telegram No. 1300, of February 2, 1943:

On January 27 the Communists in the service of the Gestapo brought the Germans and the Bulgarians into the village of Jezevica, county of Cavak. The Chetniks retreated under fight. The Germans and the Bulgarians killed the farmers Andrija Recevic, Milan Recevic, and Branko Jasic. They burned the houses of Recevic and Milan Sretenovic.

Telegram No. 1368, of February 25, 1943:

Sixty percent of the men in Ljotich's ranks are Communists. In the county of Pozarevac, Ljotich's men invited young men to join their ranks, and if they did not wish that, to join the ranks of the partisans for fight against us.

Telegram No. 1431, of March 21, 1943:

From the most reliable and most certain source I have received the following report: "The Communists have entered into negotiations with the Germans. In the night of March 18 to 19 Dr. Milos Markovich, professor of technology in Zagreb, arrived in

Konjic as the delegate of the Communist staff and continued his trip to Sarajevo."

PARTISAN PROPAGANDA AGAINST THE WESTERN DEMOCRACIES

The Communist partisans work not only against the Yugoslav Army and the National Movement of General Mihailovich collaborating closely with the Axis Powers, but they openly come out among the people also against our allies, the Anglo-Saxons. On this matter General Mihailovich sent the following telegrams:

No. 1266 of January 17, 1943:

The Communist radio station Free Yugoslavia in its morning broadcast said the following: "If an Anglo-American Army should land in the Balkans with the aim of establishing a pro-National Yugoslav Government in London, the Yugoslav people would resist it with force." The intentions of the Communists are clear. Not in the least will the radio London propaganda mollify them who hate London from the bottom of their souls and consider it as the center of the greatest capitalism and as as their greatest enemy. They have been spreading much propaganda in this sense. The British radio station will have an opportunity to convince itself even more of this sense. I repeat: The main aim of the Communists in Yugoslavia is the fight against the Serbian Nation which wants democracy.

No. 1359, of February 22, 1943:

A commander from Slovenia, Major Novak, sent the following telegram: "The Communists are spreading propaganda among our people in Trieste inviting them to resist an English landing, and together with the Italians, to hold the English until the Bolshevik paratroops should arrive. In Slovenia, in the littoral region and in Dalmatia the Communists are spreading propaganda against England and America."

No. 1379, of February 26, 1943:

According to reports coming lately from Serbia, the Communists have been spreading propaganda inviting the people to fight against the English and Americans if they land in the Balkans. The Communists are likewise working in Slovenia and Istria. However, the disposition of the people is quite the opposite.

POLITICAL PROGRAM OF THE COMMUNIST PARTISAN MOVEMENT

The political program of the Communist partisian movement is as follows: The creation of a series of Soviet republics and the sovietization of entire Yugoslavia. In this regard, General Mihailovich sent the following telegrams:

Telegram No. 1183 of Decemb : 23, 1942:

After Serbia, Montenegro, Bosnia, and Hercegovina and part of Lika around Bihac will seal the fate of the Communists.

The meeting in Mihac and the resolution brought there are not the first of this kind. All this took place once in the Ostrog Monastery about the beginning of this year and is forgotten just as the Republic in Uzice of the last year. No one alive among our people gives any importance to these decisions nor does he take them seriously at all. The people have become used to Communist republics. Significance is not given to these decisions, much more because Tito, whom no one knows who he is or what he is, placed himself at the head of this movement. The entire comedy in Bihac is only a propagandist trick.

This is the best proof of the aim of the Communists' struggle; it is not a fight against the forces of occupation but a fight to take over power and establish a world Communist revolution.

No. 1446 of March 37, 1943:

At their so-called meeting in Bihac the Communists overthrew the king and the dynasty and proclaimed a republic, whose fatherland is not this holy land which so often has been soaked with the blood of its best sons. The homeland of the Communists is the entire world. When one makes the objection to Communists, that they will exterminate the entire Serbian people with their deeds and attitude in Yugoslavia, they answer that the Serbian people are in their way and that the partisans will settle the land with the Chinese, for their main object is to change the entire system.

No 1460 of April 5, 1943:

The Communists in Yugoslavia are fighting against us only with the aim of sovietizing our country. They will not succeed in this but their activity has had a harmful effect upon the national organization because they control the entire fight against the forces of occupation. Because of this, the entire work is reduced to mutual fighting which will continue as long as the partisans exist, because we are fighting for a pure democracy.

The support which the Communists receive through propaganda from abroad only sharpens the conflict and aids only the forces of occupation. Had there been no Communists and their harmful work we would have been able to offer the greatest aid in the fight against the forces of occupation at the time of the Allied attack on Europe. In this way we shall have to fight at that time both against the Communist criminals and against the forces of occupation.

The partisans in our homeland fight exclusively for power and against the Yugoslav Army and our democratic aims. Should thousands of killed nationalists not be enough proof of the aims of the partisans? Are we not believed when we say that the partisans fight against the Yugoslav Army and not against the forces of occupation?

Can a convict like Josip Broz, who is listed with the Zagreb police under No. 10434, alias leader of the Communists under the name of Tito, be compared with the Yugoslav Army as a national fighter? In the future, when you build up Josip Broz as a nation fighter, please keep him away from us because we have no contacts with the band of convicts and criminals.

In all his pamphlets and speeches, Josip Broz, as well as the radio Free Yugoslavia from Moscow, attack the King and as they say, the traitorous government in London with the ugliest terms. Thereby, they create confusion among the people and give a greater swing to ideological conflicts in the country. In place of all this, you should invite the people to join the Yugoslav Army and to rally round the flag of King Peter II. The Communists represent the partisan army.

The Serbian people are unable to comprehend that in the same breath can be mentioned the Minister of War and the Chief of Staff of the Yugoslav Army, the only people's force today and tomorrow, and his movement around which are gathered all the Serbians and the Slovenians, and which the Croats have begun to join, with him and everything that represents the national movement on the same footing with the plunderer of churches and convict, Josip Broz, a locksmith's assistant from the county of Klanjec in Croatia with his handful of adventurers at the head of whom he placed himself, hiding intentionally under the false and mysterious name of Tito in order to bring mourning to the Serbian people in Serbia, Montenegro, Herzegovina, eastern Bosnia, Bosanska Krajina, and Lika. And in order to increase their power, they have taken into their ranks the worst criminals and killers.

No. 1242 of January 10, 1943:

The Communists in Croatia represent us as the great Serbian movement and that we are in alliance with the Germans and the Italians, and also that I was seen in Dubrovnik and Split in company with Italian generals and many other lies. Please announce that those are low lies, because for me the Germans, the Ustashi, and the Italians are the greatest enemies.

Because of the terrible terror which the Communist partisans spread in carrying out forced mobilization among the people; because of the burning and destruction of state property, churches, national homes; because of the bestialities which they have committed on the Serbian people, killing the best nationalists; because of the creation of Soviet Republics in all regions where they came temporarily; because of the cooperation with the forces of the Axis and because of the fight against the Yugoslav Army, the people themselves rose against them and entered into open battle and chase.

Because the people realized the criminal work of the Communist partisans, they were forced to flee from Serbia to Montenegro, eastern Bosnia, and Herzegovina, to group themselves around Bihac, whence on January 20, 1943, they were again driven out by the Axis forces.

THE STRENGTH OF THE COMMUNIST PARTISANS

Regarding the strength of the Communist partisans, and the territory held by them, General Mihailovich sent the following:

Telegram No. 1183, of December 23, 1943, says:

The Communists are holding now only a certain region in the vicinity of Bihac, under the darkest terror. Our forces are in Lika, in the counties of Gracac and Otocac, on the Western Mountains south of Banja Luka and on the Dinaric Plateau, as well as in all other Serbian regions from which the entire population has been completely removed. The Communists are applying terrible terror in this region. The consequence of the Communist terror will be the final annihilation of the population in the entire territory where it has existed so far.

No. 1341, of February 9, 1943:

Completely frustrated among our people, the Communists have crowded into the small region of Kapela and Dinara, in the circumference of Bihac-Donji Lapac-Livno-Bosanski Petrovac-Krupa, where they are holding out only through the terror which they have been perpetrating by a maximum of 4,000 Communists. Everything else in their ranks is maintained by force. Northwest of this region there are dispersed but insignificant Communist groups.

No. 1400, of March 20, 1943:

In the Republic of Bihac the Communists have succeeded in mobilizing forcefully a certain number of men, and with the forces which they already had they succeeded in forming a total of 3 divisions. Every division has 3 to 4 brigades; every brigade has 3 to 4 battalions; every battalion has 3 to 4 troops; and every troop has 100 men. According to this, the Communist force amounts from ten to twelve thousand men. Of this number one-third, at the most, are Communists from all parts of Yugoslavia. That was the army of 200,000 fighters of which the Communists boasted abroad.

CONCLUSION CONCERNING THE COMMUNIST PARTISAN MOVEMENT UNDER TITO

First. The Communist partisan movement in Yugoslavia is founded on an international and social basis with the aim of sovietizing Yugoslavia by introduction of soviet republics.

It is fundamentally antinational, anti-Serbian, and anti-Yugoslav. According to the methods of operation, it is antidemocratic and terroristic.

Second. The entire population in Yugoslavia is against the Communist Partisans because of their political international aims, their collaboration with the forces of occupation, their tactics which they apply, and the bestialities which they have committed among the Serbian people.

In strength, this movement is completely insignificant and it represents the element of disorder, anarchy, and terrorism.

Third. Led by foreigners, adventurers, and terrorists, the Communists partisan movement did not take into account the enormous sacrifices of our people. They destroyed only the Serbian people. They have perpetrated unheard-of bestialities among the Serbian people, killing prominent nationalists with the aim of leaving the people leaderless.

Fourth. Collaborators with the Germans and the Ustashi, the Partisan movement is not only anti-Yugoslav but also anti-Allied because it invited the people to resist the English and the Americans.

When the Allies double-crossed Mihailovich for a Communist traitor—Tito—they put a stamp of approval on his butchering more than a million gallant Serbs who could have killed a lot of Nazis if we had given them arms. It is incredible that America had a hand in this filthy deal. While the Serbs under Mihailovich were helping us, Tito was helping Hitler. Later when Hitler attacked Russia Tito was killing Serbs—our allies—not Nazis. Tito was the best friend Hitler had. Tito killed more Serbs than Hitler. How disgraceful for America to choose such shameful company. America invited Tito, the rat traitor and killer, to San Francisco. As an American, I blush with shame. America never until now chose to be in league with a killer of decent people equaled only by Hitler himself. So when we read of Tito's threats in Europe today, let us put the blame on America's leadership, who chose such a shameful company and double-crossed a gallant leader like Mihailovich.

CONCERNING THE SITUATION IN YUGOSLAVIA IN THE AUTUMN OF 1944

The Yugoslav Army under the command of General Mihailovich was mobilized in Serbia, Bosnia, and Montenegro on September 1, 1944, with the purpose of supporting the operations of the Red army then approaching Yugoslavia through Rumania and Bulgaria.

At this time, General Mihailovich sent a mission to Turn Severin to establish contact with the Red army in order to coordinate the action of the Yugoslav Army with the operations of the Red army.

After the Russian refusal to enter negotiations, the mission was forced to leave.

All repeated efforts of General Mihailovich to establish contact with the Red army have failed.

According to the Tehran agreement, the Allies must support Tito's movement not only by propaganda, but by the necessary arms in order to facilitate its occupation of Yugoslavia, under condition that no ally should enter Yugoslavia by force.

Despite a year and a half of propaganda and arms furnished by the Allies; despite the terror and crimes committed by the partisans, and despite the entry of masses of Ustashis, Croats, Albanians, and Bulgars into Tito's movement, Tito has not succeeded in occupying a large part of Yugoslavia and has been forced to remain between the rivers Una and Vrbas and in small regions south of the Morava River in Montenegro. In the region of Una his army of 300,000 fighters was completely destroyed by three companies of German paratroopers on May 25, 1944. Tito, together with seven Englishmen and six Yugoslavs, had to flee to Bari, from where he was transported by the British to the island of Vis, which had been captured by British troops.

Tito, forced to remain on that island, his army nonexistent and consisting of only a few scattered groups of partisans, left Vis on a Russian plane in September to join the Red army.

The Russian troops then stopped for a month on the Yugoslav frontiers with the hope that Tito would be able to cross Serbian regions and succeed in making contact with the Red army. Tito's troops, composed of Ustashi-Croats who have massacred 600,000 Serbs, of Albanian partisans who have massacred 20,000 Serbs, of Italian partisans who have killed 30,000 Serbs in Montenegro, and Bulgarian partisans who have massacred 10,000 Serbs, attempted vicious attacks in the south, west, and north, but all were repulsed by the regular Yugoslav Army, which has maintained its positions in Serbia, Montenegro, Bosnia, and Hercegovina.

Then began the greatest tragedy that the Serbian people have suffered in all their history. The Regular Yugoslav Army, which had fought for 3½ years against the Germans, was disarmed by the Russian troops in the regions occupied by them. The officers and men of the Regular Army have been sent to concentration camps in Paracin and Mladenovac. Tito authorized the Red army to enter Yugoslavia because he was unable to cross the regions occupied by the Serbs.

Russian troops occupying east Serbia executed several dozens of active Serbian officers, who had fought for 3½ years under the command of General Mihailovich.

General Mihailovich then ordered the Yugoslav Army, under penalty of death, not to fight against the Russian Army and to withdraw to the west; he tried in every possible way to establish contact with the Red army, but his efforts were met with failure.

However, in the valley of west Morava, the Russians accepted the collaboration of the Yugoslav Army. And thus an army corps under the command of Colonel Keserovich captured, with the support of the Red army, Krusevac and Kragujevac, but during the night they were disarmed by the Russians, who imprisoned also the American Mission, which was part of that army corps.

General Mihailovich, seeing that the Serbian people were going from the Gestapo concentration camps to the concentration camps of the Red army, and that the Russians were refusing all collaboration with the Yugoslav Army, gave the order for demobilization to avoid fighting against an ally. However, he authorized those wishing to remain with him to withdraw to the west. Now, 70,000 officers and men of the Yugoslav Army, who combatted the Germans for almost 4 years, and 30,000 intellectuals are withdrawing with Mihailovich in the middle of winter across mountains toward the west. The second Albania of 1915 has started without hope of any help from the Allies.

The Bulgarian Minister of War, Colonel Velcev, has given orders to the First Bulgarian Army, occupying southern Serbia to join the partisans and to march toward the north of the Morava Valley "for the liberation of Serbia and the liaison with the Red army." Thus, all those who have massacred the Serbian people for 4 years—the Bulgarians, Albanians, Ustashis, Croats, and Italians, wearing the red star on their caps, have begun the fight for the liberation of Serbia by massacring some of the troops of the Yugoslav Army which have not succeeded to withdraw to the west.

Tito's partisans in their march toward Belgrade, through Serbia, evacuated by Mihailovich's troops, have killed all officers, intellectuals, and the elite in villages, hoping in that way to provoke despair and disorganization among the people. The Russian troops entered Belgrade accompanied by small groups of Tito's partisans whose commanders were transported by British planes from Montenegro.

In the meantime, Tito asked the Allies to withdraw all Anglo-American military missions from the above-mentioned territories in order to eliminate embarrassing witnesses. Due to the British hesitation, Tito succeeded in eliminating these missions.

To complete the tragedy, the supreme commander of the Yugoslav Army, King Peter II of Yugoslavia, gave orders to all Serbs, Croats, and Slovenes to enter the National Liberation Army of Tito. The King concluded an agreement with that army specifying that those who refused to place themselves under the command of Tito would be regarded at traitors of their country.

After the liberation of Belgrade, Tito's partisans have established lists of persons who had to be liquidated. During the night they seized officers and intellectuals and executed them. To facilitate their task, they ordered a curfew at 8 p. m. instead of 10 p. m., as it was under

German occupation. Part of the Yugoslav Army, which has been in the Russian concentration camp, was directed to Russia.

Purges are becoming more and more numerous, and more and more cruel.

Since the liberation of Belgrade not a single bit of news has leaked out of that city, and even Tito's partisan press does not mention the reception given to the troops of the Red army by the Serbian people. During that time, the King of Yugoslavia and the royal government have given orders for the liquidation of the Yugoslav Army: All officers and men have to enter Tito's Army of National Liberation, the only way to enter the country. Those refusing to do so must be imprisoned in British concentration camps. The British have unofficially notified: That all those who would not enter immediately Tito's Army of National Liberation would be delivered to Tito after the liberation of Yugoslavia to be tried by the people.

The Allied press has published reports that the Yugoslav problem has been solved by the creation of a Yugoslav Government composed of members of the present royal government and members designated by Tito.

General Mihailovich has asked to be placed under Allied command with the regular Yugoslav Army. His demand has not been accepted.

In short, the situation of the Serbian people is as follows:

One hundred and forty thousand Serbs, officers and men, are prisoners of war in Germany; 300,000 Serbs have been sent to forced labor in Germany; 70,000 fighters and 30,000 intellectuals under the command of General Mihailovich are withdrawing toward the west before the advance of the Red army. In cities and villages Russian troops and Tito's partisans have set up a rhythm of purges over officers and intellectuals, under the pretext of collaboration with the enemy. A large number of Serbs have been sent to concentration camps under the guard of the Red army. By a decree, Tito has automatically pensioned all officers and government officials; those who have less than 10 years of service were dismissed.

The Yugoslav Army outside the country is in a state of liquidation.

After the Serbian people had repudiated the Tripartite Pact on March 27, 1941, and brought Yugoslavia on the Allied side; after the Yugoslav Army of General Mihailovich had resisted for more than 4 years in occupied Yugoslavia, and a million Serbs gave their lives on the field of honor for liberty and democracy, today the Serbian people are exposed to the terror of the Red army and Tito's partisans.

The Yugoslav Army which, by the coup d'état of March 27, and by its resistance to the Germans, has gained the admiration of the entire world, finds itself deprived of its commander in chief, King Peter II, who betrayed it, deprived of a national government—because the present government is composed of Croats, Ustashis, and a few Serbian Communists and obscure politicians—is forced to leave the soil of their fatherland, or be sent to Allied concentration camps, or to remain in Yugoslavia and be annihilated by the Red army.

The Serbian people, after all these untold sacrifices, are without allies, without friends, without their government, without their commander in chief at the moment when final victory approaches, and instead of much-deserved liberty go from Gestapo concentration camps to those of the Red army and Tito's partisans.

It is urgently necessary, for humanitarian reasons, to save the Serbian people from massacres which are continually committed by Tito's partisans on liberated territory.

Second. Participation and sacrifices of the Serbian people in the war.

(a) The repudiation of the Tripartite Pact of March 17, 1941.

In March 1941 the situation in Europe was as follows:

Great Britain was facing Hitler's war machine alone and unarmed; an invasion of England itself was expected. Europe was overrun. Rumania, Hungary, and Bulgaria joined the Tripartite Pact in order to avoid war with Germany.

The Axis Powers were surrounding Yugoslavia from all sides except from the direction of Greece. In North Africa, the Italians were preparing an offensive toward the Suez Canal. The German Army was carrying out a secret concentration directed at Russia and Turkey, by bringing 30 divisions for action against the Suez Canal and the Caucasus, through Turkey.

Hitler demanded that Yugoslavia join the Tripartite Pact. The Croats and the Slovenes, together with Prince Paul, were unanimously for the pact. Rejection of the pact meant war and rapid ruin of the country at the expense of great sacrifices. The Serbian people were decidedly against the pact. For 40 years the Serbian people had fought against the Germans, always on the side of the western democracies; following that tradition the Serbs this time too joined the side of the western democracies at a price of a temporary loss of the state and enormous sacrifices of the people. The Serbs alone were certain of the final victory of the western democracies.

The British Minister of Colonies, Mr. Amery, sent his last appeal to the Serbs on the eve of the signing of the pact with Germany. He appealed to the Serbs alone in Yugoslavia for he knew their heroism, their love of freedom and democracy. All imaginable aid was promised together with a restoration of a democratic Yugoslavia.

The dictatorial regime of Prince Paul and Dr. Machek signed the pact on March 25, 1941, in Vienna. Barely 48 hours later the Serbian people overthrew the traitorous regime and repudiated the pact. The masses of the Serbian population, with an indescribable enthusiasm through Serbia, Montenegro, Bosnia, and Herzegovina, Southern Dalmatia, Srem, Banat, and Backa, shouted: "Rather war than pact, rather grave than slave." Unconditional freedom and life in a democracy have been the credo of the Serbian Nation for centuries.

Hitler was surprised and stupefied. Was it possible that a mere 8,000,000 Serbs should refuse to accept the "new order?" He ordered the concentration of 36 German divisions, of which 6 were armored, he withdrew German troops from the Turkish border, he ordered the Italians, the Hungarians, and the Bulgarians to drive concentrically toward Yugoslavia. There it was 120,000,000 Axis peoples against only 8,000,000 Serbs. That meant for the Serbs a state and national suicide, but it also meant the saving of the honor and dignity of the Serbian nation.

Hitler ordered that Belgrade, that hearth of conspirators, be leveled to the ground. On April 6, 1941, 2,000 German planes attacked Yugoslavia and destroyed Belgrade, killing 24,000 persons. On all Yugoslav borders Axis troops attacked. Yugoslavia awaited all this force with 10 Serbian divisions not mobilized, with 100 fighter planes and 200 obsolete bombers, 50 12-ton tanks, and without a single antitank weapon on the eastern border, where the main blow of the German war machine fell. The Croats threw away their arms; they killed and disarmed Serbian officers; they opened up the northern borders of Yugoslavia, and on April 10 proclaimed the independent Croatian state. Yugoslavia was crushed in 12 days through the superiority of enemy forces and through Croatian betrayal.

The results for the Allies were the following: A German attack on Turkey was revoked. The Suez Canal was saved. The attack against the Soviet Union was postponed for two full months. Yugoslavia tied down about 40 Axis divisions which perhaps would have decided the fate of both Moscow and the Suez Canal had they been thrown against them in time. The morale of the entire world improved together with the faith of all nations in the victory of the Allies.

Only Serbs, of whom about 340,000 of them were taken to German prisons, opposed Germany and brought Yugoslavia to the side of the Allies. The number of 340,000 war prisoners was reduced in 3½ years to 200,000, due to starvation, torture, and death in Germany.

THE FLIGHT OF GENERAL MIHAILOVICH IN THE OCCUPIED FATHERLAND

On May 4, 1941, Hitler proclaimed to the whole world that Yugoslavia no longer existed. However, already on May 10, General Mihailovich had gathered the remnants of the Yugoslav Army in the hills; the people were organized and they carried out guerrilla warfare and sabotage, hindering thus a rapid withdrawal of German troops from Yugoslavia and their departure to the Russian front. General Mihailovich had organized the Yugoslav Army.

In the course of the war the Communist Party, headed by Broz-Tito, a Croat, carried out sabotage and killed the officers "because this is a war of plutocracies." Until the attack on the Soviet Union on June 22, 1941, the Communists

never had come in conflict with German troops anywhere, and they even cooperated with the Germans and thereby hindered the organization of the people which at that time General Mihailovich had undertaken with the remnants of the Yugoslav Army.

On June 22, 1941, Mr. Tito changed his tactics overnight, and with false national slogans started a general uprising in Serbia, in the fall of 1941. The German front was far from Serbia, about 3,000 kilometers away. General Mihailovich at that time worked actively against the Germans. The Germans carried out terrible reprisals. For 1 German killed, 100 Serbs had to die; for the demolition of a small bridge 50 Serbian lives were taken. German punitive expeditions in the fall of the same year killed 78,000 Serbs and destroyed 250 villages and 7 cities in western Serbia. All the efforts of General Mihailovich to keep the people from waging large scale operations without arms in the vicinity of populated places had been unsuccessful. He insisted upon waging guerrilla warfare and sabotage in order to tie down the largest possible number of German divisions in Yugoslavia. On the territory of Serbia, international brigades sprang up and the entire Balkan and central European Communist apparatus landed in Serbia to exploit the Serbs for their ideas. At the same time, about 200,000 Serbs were killed by the Ustashi. Upon General Mihailovich's remark that the sacrifices of the Serbian nation were disproportionate in comparison with the results of the Allies, Tito stated: "If there are no Serbs, I shall bring Chinese; the main thing is that the idea wins out."

All of a sudden partisan units dropped their fight against the Germans and began attacking the Yugoslav Army under the command of General Mihailovich. Immediately afterward the first Soviet Socialist Republics—at Uzice, Raca, near Kraguyevac—sprang up. The people began to wake up. They saw that it was not a fight for liberation, but for the bolshevization of the country. The people rose against Tito's international brigades, which escaped into Montenegro whence they drove them to western Bosnia. In this latter region the Partisans remained as late as the spring of 1943 on the territory held by the Croatian Ustashi. So far, the partisans had killed off several tens of thousands of the best national element. I reported their atrocities to the War Department in my capacity as military attaché.

Until the spring of 1943, the Yugoslav Army under the command of General Mihailovich fought continuously against the Germans; it united and led all Serbian and Slovenian peoples and democratic elements of the Croatian people. By this fight, General Mihailovich tied down permanently about 30 Axis divisions in Yugoslavia. Over the London radio, the King, the Yugoslav Government and British propaganda fully and with great enthusiasm supported the activity of this army. All Allied commanders gave full recognition to General Mihailovich and publicly congratulated him on his great successes in the fight against the Germans. In 1 year, General Mihailovich was promoted three ranks and decorated with the highest Yugoslav and Allied decorations for his resistance and aid to the Allies, especially during the African campaign. During the fighting at El Alamein, the Serbian people under General Mihailovich suffered 20,000 casualties. After the capitulation of Italy, Hitler announced: That he lost the war in Africa "because of sabotage in Italy and the Balkans."

During the 3 years of General Mihailovich's fight, the Germans shot 110,000 Serbs of whom 40,000 were from Belgrade alone. During the visit of King Peter to the United States, the United States Congress gave full recognition to the fighters of General Mihailovich, and the American press publicized extensively the heroic deeds of the Serbian people.

The result of this recognition on the part of the King, the Yugoslav Government, and the Allies was that the entire Serbian, Slovenian, and the democratic element of the Croatian people rallied around the Yugoslav Army under the command of General Mihailovich, whose Commander in Chief was King Peter II.

THE CONSEQUENCES OF THE BRITISH-SOVIET PACT AND THE TEHRAN AGREEMENT TO YUGOSLAVIA

After the British-Soviet pact and the meeting in Tehran, the entire British policy toward Yugoslavia had undergone a radical change.

First. They began to build up Tito and the partisans, who at that time were squeezed in a small area in western Bosnia. The greatest propaganda ever known in the history of wars had begun. They spoke about "Tito's 300,000 fighters, about the liberated territory, and so forth." Documentation of this absolutely inaccurate propaganda was submitted by me to the War Department in my capacity as military attaché.

Second. A British mission, headed by Major MacLean and Churchill's son, was sent to Tito. Major MacLean proposed the annihilation of the Yugoslav Army under the leadership of General Mihailovich as the only way to unite all forces in Yugoslavia in the fight against the Germans. Around this army were gathered, at that time, 85 percent of the Serbs, Slovenians, and 10 percent of the Croats. The British sent arms only to the Partisans.

Third. Terrific attacks were made against General Mihailovich and the Yugoslav Army through radio and press, and the people were asked to joint the ranks of Tito's partisans. There were no attacks even against the chief of the Croatian State, pro-Nazi Pavelich, those Ustachi had killed over 600,000 Serbs. Mihailovich was attacked because he was the only one to succeed in gathering around him all national elements of the Serbs, Slovenes, and Croats, and because he represented the greatest handicap to the Bolshevization of Yugoslavia.

Fourth. Since General Mihailovich had already been a member of the revolutionary democratic government, on August 10, 1943, the entire regime of March 1941, the regime which waged war against Germany, was liquidated, and all this only in order to throw General Mihailovich out of the government in which he was minister of war. The King carried out the coup d'etat, set up the transitional government of Dr. Rozhider Purich in order to form on July 8, 1944, a new anti-Serbian and anti-Yugoslav Government, headed by Dr. Subasich. The government of Dr. Subasich was supposed to impose upon Yugoslavia the dictatorship of Tito's Ustashi-Partisans, and that is why not one of the chief of the Serbian political parties joined the government.

Fifth. The anti-Serbian and anti-Yugoslav Government of Dr. Subasich made an agreement with Tito on June 16 of this year. Through this agreement the Croat Subasich recognized all the decisions of the political organs of the Croat Tito in Yugoslavia, and agreed to the introduction of Tito's administration after the liberation of the country.

Sixth. The Supreme Commander of the Yugoslav Army, King Peter II, on September 12 of this year, in his radio speech, denounced the Yugoslav Army under the command of General Mihailovich and ordered all men to enter the ranks of the "Army of National Liberation of Marshal Tito."

The King said at the end of his speech that all those who refused to go under the command of Marshal Tito would not escape the stamp of traitors of the Fatherland.

CONCLUSION

First. Through the action of the King and the government of Dr. Subasich, and by handing over Yugoslavia to the Ustashi-partisans of Marshal Tito, Yugoslavia has been liquidated in reality. Yet the Allies had given most solemn promises to free Yugoslavia and restore it as a democracy.

Second. The Serbian people so far liberated by the Allies have been subjected to the most horrible terror of the Ustashi-partisan units of Broz-Tito, and now they are being transferred from the concentration camps of the Gestapo to the concentration camps of the Allies. A purge of Serbs, on the patterns of the revolutionary-Communist methods, is now going on. Intellectuals are being exterminated along with officers and village householders, with the aim of depriving the people of their leaders. All civil-service employees are to pass through Tito's people's courts.

This terror will befall the Croats nd the Slovenes as the Russian armies free the territory of Yugoslavia.

Third. The Yugoslav Army in the fatherland, now amounting to about 100,000 men; the army in German prisoner-of-war camps, now about 140,000 men; has to choose between joining the Tito's Ustashi-partisan Army where they will be tried and judged by people's courts and going to concentration camps of the Allies. Officers and soldiers now in Italy and Egypt have already been placed in Allied concentration camps, because they refused to join Tito's army. After almost 4 years of untold suffering, misery, and fighting against the Germans, the officers and soldiers have now to choose between

partisan people's courts and again concentration camps, this time those of the Allies. The Serbian people, who alone have given about 1,000,000 victims in dead, are now forced to live under the terror of Ustashi-partisans whose crimes are well known to the Allies.

Fourth. Just how terroristic, anti-Yugoslav, and antinational Tito's regime is, may be proved by the following:

(a) Not one of the chiefs of the Serbian political parties was willing to join the government of Dr. Subasich.

(b) About 100,000 Serbs have left their hearths and are at this time retreating westward before the liberating Russian forces.

(c) Officers and soldiers who have been almost 4 years out of the fatherland are going to Allied concentration camps rather than joining the ranks of Tito's army.

Just to what extent this regime is anti-Serbian is best shown by the following:

(a) The political division of Yugoslavia by Tito, according to which the Serbian people are to be divided into five small states would reduce to nothing the results of all the wars of the Serbian people during the last 140 years. Serbia is to be returned to the state of the Belgrade Pashaluk of 1804, when the struggle for liberation and union began.

(b) The Croatian Ustashi, the Crotian civilian and military emigration are joining the army of the Croat Tito. The Germans in 1941, after the fall of Yugoslavia, led to prisoner-of-war camps only Serbs, while they released Croats and others.

(c) Tito's army is made up today of Croat Ustashi, Italian, Albanian, and Bulgarian partisans, all those elements which for full 3½ years had been exterminating the Serbs with German support. They are the ones who today are bringing "liberation" and are continuing their old trade of extermination of Serbs.

(d) In Serbia, only women, children, and old men remain at home; everyone else is retreating westward.

Fifth. After almost 4 years of fighting and untold suffering of the Serbian and Slovenian peoples, during which years over 200,000 Slovenes have been killed or deported, and about 1,000,000 Serbs killed, at the moment of Allied victory for which our people have suffered these horrible sacrifices. Yugoslavia is being liquidated and the people are being placed under the blackest terror of Ustashi-partisan bands.

This is the truth about Yugoslavia and the fate of the Serbian people. This is how Communists prolonged the war in Europe. Tito and his crowd were not interested in smashing Hitler. They were only interested in killing Serbs so that he could deliver Yugoslavia to his pal Stalin. Tito accomplished this. What is shameful, America and Britain helped him do it. Wake up America! Many crimes are being committed with your name.

Today Tito the killer feels his oats. He is parading American lend-lease materials of war to back him up. It is shameful to note that Tito has more American tanks than our own Army left in that area to watch him. America, the home of the brave and the land of the free, shamefully chooses such company. We shall soon pay in blood, sweat, and tears for that decision.

Mr. KNUTSON. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. REED], a member of the committee.

Mr. REED of New York. Mr. Chairman, in a speech delivered in the United States Senate, February 16, 1833, replying to an attack upon the protective administration of Andrew Jackson, Daniel Webster said:

> I defy the man in any degree conversant with the history, in any degree acquainted with the annals of this country from 1787 to 1789, when the Constitution was adopted, to say that protection of American labor and industry was not a leading, I might almost say the leading motive, South as well as North, for the formation of a new government.

Webster knew that Andrew Jackson was a strong protectionist. He also knew that George Washington, Thomas Jefferson, James Madison, and James Monroe had each advocated protection. Webster knew also that President Thomas Jefferson in his message to Congress in 1802 had said:

> To cultivate peace, maintain commerce and navigation, to foster our fisheries and protect manufacturers adapted to our circumstances, are the land marks by which to guide ourselves in all our relations.

History shows, too, that even before the Constitution was formulated Thomas Jefferson vigorously urged measures of protection directed against England. He announced in 1789 that he had been "thoroughly converted" to the policy of protection. It is also a recorded fact that Mr. Jefferson wrote to J. B. Say, a French economist and said this:

> The prohibiting duties we lay on all articles of foreign manufacture which prudence requires us to establish at home, with the patriotic determination of every good citizen to use no foreign article which can be made within ourselves, without regard to difference in cost, secure us against a relapse into foreign dependency.

James Monroe in his message to Congress, December 2, 1817, proclaimed:

> Our manufacturers will require the continued attention of Congress. * * * Their preservation, which depends on due encouragement, is connected with the high interest of the Nation.

The economic structure of this Republic rests upon the firm foundation of a protective tariff. We cannot depart from the principle of protection without weakening our economic stability. This is the verdict of our national experience.

A LETTER FROM ANDREW JACKSON TO L. H. COLEMAN

There was no man of our early history more keenly aware of the importance of the protective-tariff principle than Andrew Jackson. A letter written by Andrew Jackson to L. H. Coleman, under date of April 26, 1824, is a revealing and timely document:

WASHINGTON, *April 26, 1824.*

SIR: I had the honor this day to receive your letter of the 21st instant and with candor shall reply to it. My name has been brought before the Nation by the people themselves without any agency of mine; for I wish it not to be forgotten that I have never solicited office, nor when called upon by the constituted authorities have ever declined where I conceived my services would be beneficial to my country. But as my name has been brought before the Nation for the first office in the gift of the people, it is incumbent on me, when asked, frankly to declare my opinion upon any political or national question pending before and about which the country feels an interest.

You ask my opinion on the tariff. I answer, that I am in favor of a judicious examination and revision of it; and so far as the tariff before us embraces the design of fostering, protecting, and preserving within ourselves the means of national defense and independence, particularly in a state of war, I would advocate and support it. The experience of the late war ought to teach us a lesson; and one never to be forgotten. If our liberty and republican form of government, procured for us by our Revolutionary fathers, are worth the blood and treasure at which they were obtained, it surely is our duty to protect and defend them. Can there be an American patriot who saw the privations, dangers, and difficulties experienced for the want of a proper means of defense during the last war, who would be willing again to hazard the safety of our country if embroiled; or rest it for defense on the precarious means of national resources to be derived from commerce, in a state of war with a maritime power which might destroy that commerce to prevent our obtaining the means of defense, and thereby subdue us? I hope there is not; and if there is, I am sure he does not deserve to enjoy the blessing of freedom.

Heaven smiled upon and gave us liberty and independence. That same Providence has blessed us with the means of national independence and national defense. If we omit or refuse to use the gifts which He has extended to us, we deserve not the continuation of His blessings. He has filled our mountains and our plains with minerals—with lead, iron, and copper—and given us a climate and soil for the growing of hemp and wool. These being the grand materials of our national defense, they ought to have extended to them adequate and fair protection, that our own manufactories and laborers may be placed on a fair competition with those of Europe and that we may have within our own country a supply of those leading and important articles so essential to war. Beyond this, I look at the tariff with an eye to the proper distribution of labor and revenue, and with a view to discharge our national debt. I am one of those who do not believe that a national debt is a national blessing, but, rather, a curse to a republic, inasmuch as it is calculated to raise around the administration a moneyed aristocracy dangerous to the liberties of the country.

This tariff—I mean a judicious one—possesses more fanciful than real dangers. I will ask what is the real situation of the agriculturalist? Where has the American farmer a market for his surplus products? Except for cotton, he has neither a foreign nor a home market. Does not this clearly prove, when there is no market either at home or abroad, that there is too much labor employed in agriculture, and that the channels of labor should be multiplied? Common sense points out at once the remedy. Draw from agriculture the superabundant labor, employ it in mechanism and manufactures,

thereby creating a home market for your breadstuffs, and distributing labor to a most profitable account, and benefits to the country will result. Take from agriculture in the United States 600,000 men, women, and children and you at once give a home market for more breadstuffs than all Europe now furnishes us. In short, sir, we have been too long subject to the policy of the British merchants. It is time we should become a little more Americanized, and instead of feeding the paupers and laborers of Europe, feed our own, or else in a short time, by continuing our present policy, we shall all be paupers ourselves.

It is, therefore, my opinion that a careful tariff is much wanted to pay our national debt and afford us the means of that defense within ourselves on which the safety and liberty of the country depend; and, last, though not least, give a proper distribution to our labor, which must prove beneficial to the happiness, independence, and wealth of the community.

This is a short outline of my opinions, generally, on the subject of your inquiry; and believing them correct and calculated to further the prosperity and happiness of my country, I declare to you I would not barter them for any office or situation of a temporal character that could be given me.

I have presented you my opinions freely, because I am without concealment, and should, indeed, despise myself if I could believe myself capable of acquiring the confidence of any by means so ignoble.

I am, sir, very respectfully, your obedient servant.

I referred to this as a timely and revealing document. Why? The Congress had passed a low tariff act in 1816 and Andrew Jackson writing to L. H. Coleman knew the crushing and demoralizing effect the deluge of foreign imports had had upon the country. The low tariff act of 1816 evoked an indictment of its devastating effect by Senator Tom H. Benton of Missouri in these graphic words:

No price for property, no sales except those of the sheriff and the marshal; no employment for industry; no demand for labor; no sales for the products of the farmer. Distress was the universal cry of the people.

Henry Clay also had this to say of the years that followed the reduction of the tariff in 1816:

If one desires to find the 7 years of greatest adversity in this country since the adoption of the Constitution, let him examine the 7 years before 1824.

Then came the act of 1824 on the tariff duties. Andrew Jackson speaking of the benefits derived from the 1824 Tariff Act, used these words:

Our country presents on every side marks of prosperity unequalled perhaps in any other portion of the world.

Then, ignoring the teachings of experience, as our international minded State Department would have us do now, there was placed upon the statute books, March 2, 1833, a compromise. This bill, the famous compromise bill of Henry Clay, provided for a gradual reduction in duties, the purpose of which was to pacify South Carolina. The lowered duties brought the usual destructive consequences to industries and labor in the form of huge imports of foreign competitive products. Business was prostrate and despair reigned on every hand. This distress continued until duties were again raised high enough to replace adversity with prosperity under protection.

Then impelled by a blighted national credit and paralyzed industries under low-tariff duties, Congress enacted the Tariff Act of 1842 carrying real protective duties. Again, as always, the reviving effect of adequate tariff protection to labor, industry and agriculture was like the restorative effect of blood plazma to a wounded and weakened soldier. National recovery was prompt and complete.

Hon. John M. Berrin, United States Senator from Georgia, speaking of the recovery under the Tariff Act of 1842, declared:

The credit of the Government was prostrate and has been redeemed. The Treasury was empty, it is now replenished. The commerce and navigation of the country have increased. Its agricultural condition has improved.

There can be no doubt whatever as to the revitalization of business under the tariff bill of 1842 with its really protective rates. This was admitted and proclaimed in 1846 by President Polk in his message to Congress, in which he declared:

Abundance has crowned the toil of the husbandman, and labor in all its branches is receiving an ample reward. * * * The progress of our country in her career of greatness, not only in the vast extension of our territorial limits and the rapid increase of our population, but in resources and wealth, and in the happy condition of our people, is without an example in the history of nations.

But again there arose the cry from the Tory element for low tariffs. The propaganda from foreign exporters aided and abetted by importers and seaboard merchants for the privilege of buying in the cheapest market made itself felt in Congress. The Walker bill of 1846, with lower tariff rates, was passed. This abject surrender to foreign interests was opposed by many Members of Congress because of the disastrous consequence of previous low tariff measures. It was so contrary to sound American principle, so foreign in its conception and purpose that Hon. William Haywood, Jr., a very able Senator of South Carolina, declared that it would deliberately assassinate the manufacturing industries of the country. He resigned his seat in Congress rather than betray his country by voting for the bill.

Three events intervened, however, to defer the day of the low-tariff doom, but not for long: the Mexican War, the discovery of gold in California, and the Crimean struggle which involved Great Britain, France, Germany, and Turkey. But when peace returned to the Old World every foreign ship flew the importer's flag and into our open ports came the foreign goods that brought idle factories, unemployment, sorrow, and destitution. It was the history of every low-tariff measure repeating itself. It was the inevitable price this Nation had to pay for permitting foreign propaganda and a Tory element to blot from the minds of the people what experience with low tariffs had so painfully taught.

Blind to the teachings of past experience, the Congress passed another low-tariff bill in 1857. What were the consequences which followed? Let President Buchanan, in his message to Congress the following year, answer:

With all the elements of national wealth in abundance our manufacturers were suspended, our useful public enterprises were arrested, and thousands of laborers were deprived of employment and reduced to want. Universal distress prevailed among the commercial manufacturing and mechanical classes.

Conditions under the low-tariff rates in the Walker bill grew steadily worse until President Buchanan said, regarding the widespread disaster which came in the wake of duties that were too low:

Indeed all hope seems to have deserted the minds of men.

I am reviewing in some detail the experiences of the United States under low-tariff measure, because each time the Congress has surrendered to the pressure of the internationalists the people have been the victims. Never in our entire history of the United States has there been such an invasion of our country by foreign propagandists arrogantly insisting upon a free-trade program for their benefit. Has the time again arrived when the Congress will blow the bugle call of retreat from the principles that have made our country great and strong? I trust that in the light of past experience with the ghastly consequences of low-tariff rates it will neither retreat nor compromise with its traditional position of national strength and security.

Do I hear the question asked: "Did not all this disaster from low tariffs occur long ago?"

Let me in answer proceed to bring the history of our country under low tariffs down through the years to the present. There was a period of 14 years before the War Between the States that Congress made no effort to protect enterprises of an industrial nature. The consequence was that labor and agriculture suffered.

Again came the revitalization of our whole economic structure through the enactment of the Morriel tariff bill with its protective rates. This bill restored the country to health, vigor, and prosperity. This transfusion of protection into the arteries of a debilitated and sick economy caused by low tariff rates brought almost uninterrupted prosperity to the Nation until the passage of the Wilson-Gorman low-tariff law. This was another victory for the Internationalists and a bitter defeat for those who sought to protect the Nation from the inevitable and devastating consequences of low-tariff rates.

Yes; it was the Wilson bill, placing all raw materials on the free list, that completely checked the progress that had been proceeding steadily since the War Between the States. The devastation to business that followed the passage of the Wilson bill was such as might well follow in the wake of an invading army.

Is there doubt in the mind of any Member of Congress as to the prosperous

condition of our country prior to the enactment of the Wilson low-tariff bill? President Harrison said, in December 1892, relative to conditions:

> There never has been a time in our history when work was so abundant or wages so high, whether measured by the currency in which they are paid or by their own power to supply the necessities and comforts of life.

This was the usual prosperity of our people under adequate protection from the invasion of our market by the products of low-paid foreign labor. Then came the threat of a low-tariff program. What was the result? On August 8, 1893, when it became definitely known that a low tariff measure with all raw materials on the free list would soon be put in operation, President Cleveland had this to say:

> With plenteous crops, with abundant promise of remunerative production and manufacture, with unusual invitation to safe investment, and with satisfactory assurance to business enterprise, suddenly financial distress and fear have sprung up on every side. * * * Values supposed to be fixed are fast becoming conjectural and loss and failure have invaded every branch of business.

It will be recalled that in the election in 1888 the British Minister, Sir Lionel Sackville-West, advised an American citizen of British origin to vote for Cleveland, because a lower tariff would be more favorable to British interest. This advice was given in writing, and when this ill-considered letter was published, the United States promptly requested the imprudent and meddling diplomat be recalled.

The army of foreign propagandists now operating throughout this Nation in an effort to force down our tariff rates to a free trade basis is an economic invasion, which, if successful, will be devastating in its consequences. The distress caused by low tariff rates so vividly described by President Cleveland was relieved by the enactment of the Dingley tariff bill under the administration of William McKinley. I may say at this point that the recovery under the Dingley Tariff Act was the fulfillment of a prophecy made by Hon. Jonathan P. Dolliver during the debate on the Wilson low-tariff measure. He said:

> I, for one, am not discouraged even if Congress should enact this into law, because I know that the people of the United States, having learned their lesson in the midst of broken fortunes and impoverished industries, will come back speedily to historic standards of American common sense.

True to the prophecy, the McKinley tariff bill was passed, which again restored the American market to American labor, industry and agriculture.

The trade agreement policy as laid down in H. R. 3240 is a device and a highly dangerous one by which it is sought to open wide our markets to the competitive products of cheap foreign labor. It is to grant further power to a group of international-minded officials to meet in secret conclave and independently of the will of a sovereign people under constitutional procedure to sacrifice the very foundation of our economic structure and stability to foreign interests. The American people who suffer injury or threatened ruin from lowered rates of duty are deprived of access to the courts, or access to the unknown persons who lower the tariff rates.

H. R. 3240 grants power of life and death over large segments of our economy, such as certain industries, certain branches of agriculture and above all the power to transfer domestic pay rolls to foreign lands. Under the trade-agreement policy under which rates granted to one country are generalized to all countries, the tariff rates have finally reached the point that brought disaster to our country following World War No. 1.

The adoption of the Underwood low-tariff bill of 1913 was a rebellion against logic and reason. It was a revolt against common sense. The reaction to this bill was sudden and tragic. By the middle of 1914 the inevitable consequences of a low-tariff policy swept across the country like a prairie fire. Four million men were idle and walking the streets unable to find employment. Business was prostrate. Want and suffering stalked the land. War came as an embargo and prevented the entry of foreign goods.

This World War No. 2 is acting as a partial embargo which is temporarily preventing the flooding of our market with low-cost competitive goods from abroad. The devastating consequences of low-tariff rates came after World War No. 1, and now the stage is set to repeat the debacle following the last war. It may be appropriate to paraphrase the prophecy of Benjamin Disraeli, when those who were guiding the destiny of the English Empire refused to listen to the voice of reason or to the teachings of experience, "It may be in vain now, in the midnight of their intoxication, to tell them that there will be an awakening of bitterness. It may be idle now in the springtide of their economic frenzy, to warn them there will be an ebbtide of trouble. But the dark and inevitable hour will arrive; then—when their spirit is softened by misfortune—they will recur to those principles which made this nation great."

Yes, they will, if the internationalists who are granted the power, further reduce tariff rates by 50 percent from the rates existing January 1, 1945.

I recall conditions that prevailed after World War I. Veterans and idle war workers numbering millions were walking the streets. Foreign products had closed our mills, factories, and industries. Foreign shipments of the agricultural products glutted the farmers' home market. A prostrate and discouraged people asked for protection from the deluge of foreign goods that were engulfing them. Then came the Fordney-McCumber tariff bill. It was passed in September 1922. Business revived. It revived quickly. Five million idle men returned to their jobs to produce goods for their protected market. They had pay rolls to spend, and this revitalized every community and brought cheer to every home.

In May 1923, following the passage of the Fordney-McCumber tariff bill in 1922, a commission of southern gentlemen and commissioners of agriculture journeyed to Washington to thank President Harding and to tell him they were doing well since a duty had been placed on vegetable oils; they asked that the schedules as they then existed be not disturbed.

I maintain that the internationalists who have at last become entrenched in our Government and clothed with power of life and death over our economy have used every weapon of propaganda at the taxpayers' expense to deceive and mislead the citizens of this Nation.

The public were told in 1934, again in 1937, and again in 1940 that each of the trade agreements should keep us out of war. Did these trade agreements do so? No; of course not. Now this new bargaining power requested is to keep us out of the next war. It was a program, so these international-minded men said, would increase our exports. The attempt to make good on these assurances cost the Nation a ghastly price in lives, blood, and heartaches. It contributed to the worst defeat our Navy ever suffered. In an effort to build up exports, the aggressors proved to be good customers of scrap iron, copper, tin, gasoline, steel scrap, airplane engines, and other essential war materials. There could have been no Pearl Harbor without the shipment of war materials to Japan in an effort to build up our exports in an attempt to justify the trade-agreement export policy.

The result of such deception in an effort to mislead the public, presents an unwholesome spectacle. Think of creating a situation which required the Congress to suspend tariff duties on the scrap iron and materials to replace the huge amount sent to Japan. We did this so we could bring into this country the material to enable us to produce the ships and weapons for our own defense and for the prosecution of the war.

The trade agreements did not keep us out of war; they will never keep us out of war, but we do know now that in an effort to build up a fake export record, the internationalists did catapult this country into war. What about the trade barriers the internationalists promised to remove if only Congress would grant them bargaining power to the extent of reducing by 50 percent the then existing tariff rates?

Eleven years now, the crew of tariff saboteurs have granted concessions to the extent of 1,226 tariff reductions to 26 foreign nations. Yet, with all these concessions made to foreign competitors to the ultimate and inevitable detriment to our domestic trade, very few of the innumerable trade barriers have been removed.

Not only have we made concessions throughout these 11 years and have received no relief from the many barriers thrown up against our trade, but other nations have deliberately nullified many of the concessions we have made in order to increase their own revenues. In many

cases, for example, after we have reduced our duties, other countries have then imposed export taxes on commodities shipped to the United States. In effect this nullifies the reduction we have made and merely transfers revenue, that we could have obtained, to the treasury of the foreign country. In other words, it would have been better not to have made the duty reductions in the first place because we have thereby been deprived of the revenue and the trade flows in spite of the agreement and the export taxes imposed.

It would seem that any group of officials interested in the welfare of the United States, clothed with bargaining powers, would have insisted long ago that the coffee consumers of our Nation be relieved of the burden of seven-tenths of a cent a pound or an aggregate burden of $8,000,000 annually to pay for the coffee thrown into the ocean by the Brazilians in an effort to maintain the price of coffee.

There is a long list of trade barriers in operation against the interest of the people of the United States.

The one nation that ought to be forthright in its dealing with the people of the United States is England, yet under her system of imperial preferences, established at Ottawa, which runs contrary to our most-favored-nation clause under which the United States gives to all nations any tariff concessions it grants to a particular nation, and this regardless of whether or not the nations thus benefited give us anything in return. It was declared at Ottawa that the grant of imperial preference must override all considerations of the most-favored-nation treatment and that any such treaties that stand in the way of it should be denounced forthwith. This trade barrier—imperial preference—brings a population of nearly 400,000,000 persons within her exclusive trade orbit. Here is discrimination with a vengeance, yet our internationalists continue to make concessions to England and to other countries which are grossly discriminating against us.

We have heard in season and out of season that trade agreements were to be used to eliminate trade barriers. What a deliberate piece of deception to come from men supposed to be interested in the welfare of the United States!

May I interpolate at this point, if you have read the very exhaustive and well-prepared report of the Special Committee on Postwar Economic Policy and Planning, the chairman of which is the gentleman from Mississippi [Mr. COLMER] you will find one of the great recommendations they make is for an international conference to remove trade barriers. Yet, after they have been operating for 11 years and giving all kinds of concessions to other countries, there is an admission by an able committee that the trade barriers still exist.

Let me repeat that after 11 years of trade-agreement manipulation by the State Department officials, I call attention to 29 trade barriers which have been used against us and are now being used against us to defeat our concessions to other nations.

List of methods of discriminating against American trade that have been employed in recent years:

Quotas, unofficial quotas, cartel arrangements, exchange clearing, exchange control, export credits and insurance, tie-ups with banks, currency depreciation, import licenses, exchange agreements, sterling bloc, bilateral agreements, barter agreements, depreciation of currency, reduced interest rates, transportation differentials, shipping regulations, sanitary regulations, multitudes of customs regulations, subsidies, restriction on investment, internal taxation, unofficial restrictions, political favoritism, stamp taxes, milling regulations, state control of trade, boycotts, patent requirements.

We have heard much from our internationalist trade-agreement advocates about possible postwar imports. I have examined the general summary of the Tariff Commission which came to my desk May 22, 1945.

It is a summary of the report of the United States Tariff Commission under Senate Resolution 341 which shows what might be the greatest amount of imports expected in the postwar long term under the most favorable condition imagined. Under the resolution the Commission has assumed that the United States per capita income might be 75 percent above 1939 and that tariffs might be reduced the full 50 percent as provided in H. R. 3240 and what does the Commission show the imports might possibly be under those most favorable assumed circumstances? We find that the total foreign value of imports that might be expected is $4,407,000,000. Now Mr. William Clayton of the State Department and Secretary Henry Wallace of the Commerce Department have been telling us that under those conditions we would have at least ten to twelve billion dollars worth of imports which we have all said was perfectly silly and which the Tariff Commission figures prove that such a figure is at least double what may be expected under the most favorable circumstances imaginable.

Furthermore, when you add up the foreign value of imports and the value of domestic production under the various assumed conditions we find that in every case this total value is greatest both with the assumed United States per capita income as in 1939 when the duties are increased by 50 percent and also assuming the per capita income as 75 percent above 1939 when the duties are increased by 50 percent. Eliminating the duplication in value as the Tariff Commission does by estimating that the net value of production is about 75 percent of the gross value shown in the summary table, the figures in each case are as follows:

If duties should remain the same as on July 1, 1939, the sum of the value of domestic production plus imports—consumption—is $39,648,000,000; the sum of those two values if the duties are reduced by 50 percent is $39,470,000,000; and the sum of the two if the duties are increased by 50 percent is $39,727,000,000. In other words, the value of domestic production plus the foreign value of all imports would be $257,000,000 more if the duties were increased by 50 percent than if the duties were decreased by 50 percent. And if the duties were left as they were on July 1, 1939, or prior to the war, the total value of domestic production plus the foreign value of imports would be $178,000,000 more than if the duties were reduced 50 percent.

In other words, the passage of this bill H. R. 3240 if the duties were decreased by 50 percent as permitted under it, would mean that the value of domestic production would be reduced by $649,000,000 and this loss in trade would not be compensated for by an increase in imports nor in any other way, which is to say that there would be just that much loss of domestic employment without being compensated under the proposals of this bill. The same situation is true even if you use the estimated landed value of imports, which the Tariff Commission did not use in calculating the percentage imports are of consumption. In each case the greatest value is found if the duties are increased 50 percent; next to that the values are greatest if the duties remain as in 1939; and the lowest value of all under both income situations, is when duties are reduced by 50 percent.

This is true and the conclusion is unavoidable since in nearly every case the Tariff Commission shows that very little if any increase in exports may be expected after the war. The information on exports is very incomplete and inadequate but where it is shown for individual items, little if any increase in exports is expected even under the most favorable conditions.

The talk of ten to twelve billion dollars of imports annually is a wild and reckless adventure in the field of imagination, and if such a volume of imports were to enter this country in any one year it would assassinate the jobs of our laborers and our farmers from coast to coast.

I hope that American labor will take note that the Supreme Court of the United States handed down a decision in the case of Gemeco, Inc., and others against Walling, February 26, 1945, sustaining the authority of the Administration of the Wage and Hour Division of the United States Department of Labor under the Fair Labor Standard Act to prohibit homework as a necessary means of making effective a minimum wage order for the embroideries industry.

Mr. Justice Rutledge delivered the opinion of the court. He observed that "One of the act's primary objectives was 'a universal minimum wage of 40 cents an hour in each industry engaged in commerce or in the production of goods for commerce' and to reach this level as rapidly as was 'economically feasible without substantially curtailing employment'."

What about this admirable humanitarian decision to prevent the exploitation of labor? Does labor approve of it?

Of course labor does and should approve of it. But what about the importation of foreign goods made in private homes by sweated, under-fed parents and under-nourished little children working 12 to 14 hours a day for a mere pittance compared with the 40 cents an hour, and time and a half for overtime, guaranteed to our laboring people.

Will lower tariff rates—say a further 50-percent reduction in the rates as they existed January 1, 1945, strengthen or weaken the 40-hour week and time and a half for overtime, open to attack only by sweated, underpaid labor from abroad, aided and abetted by our low-tariff internationalists?

During the past 75 years there have been literally dozens of steps taken by individual States or the National Government for the promotion of protection and security of the great mass of individuals privately employed. This has taken the form of anti-child-labor legislation, elimination of sweat shops, prescribing of sanitary and other health conditions, both in places of employment and residential areas, and a long line of programs having to do with illness, accidents, old age, unemployment, and an ever expanding social service.

Costs of maintaining this entire program must be recognized as a part of the tax structure and a part of the cost of production of goods and services and, in turn, a charge upon the consuming or using public. In competition with the products of foreign areas this item must at all times be kept in mind.

There are areas in the world, so investigation shows, where as many as a billion people reside where the average age at time of death is probably no more than 25 years. In contrast the normal average span of life in the United States has now been increased to something like double that figure.

Surely it must be recognized that a very large part of this accomplishment is due to the sanitary and health programs developed in the United States. These are vitally affected by sanitary and health conditions in other parts of the world, for disease does not recognize boundary lines. China may be the nation of longest historic greatness and yet individuals without the slightest consideration for the general welfare or the health of the people of the United States may gather millions of dozens of eggs in China and after selling for local consumption all of those which are edible, they may process the cloudies, musties, dries, rots, and other spoiled eggs in such a manner as to make it possible to ship them into the markets of the United States for human consumption through innocent purchasers operating the highest priced delicatessen establishments. Protective legislation against such imports is in the interest of not only the United States but in the interest of world welfare.

And, again, considering the long stretch of years far back into the last century, the two great Governments of Argentina and the United States have been mutually helpful to each other and considerate of each other's welfare. Surely this friendship should continue and neither government would want to do, or cause to be done, anything clearly injurious to the welfare of the people of the other. Yet, there is a great scourge in the Argentine Republic known as the foot and mouth disease of cattle and other domesticated animals. While it is true that the livestock of Argentina have, over the period of 75 years, become more or less immune to this disease so that it does not attack in a virulent manner, nonetheless when it is introduced into the United States under entirely different climatic conditions and with livestock never exposed to the disease it is most virulent. Whether regulations are prescribed under sanitary or tariff statutes or whether one supplements the other is immaterial. The great task confronting both countries is to spend every ounce of human effort on the problem of developing immunity to this disease and/or methods of treatment of animals when infected. When that happy day comes, then there can be a much more free interchange of products. In the meantime, it just does not make sense for the Government of the United States, in order to influence Argentina to yield to American foreign policy programs, to propose modification of sanitary laws or tariff laws intended to protect our country from this dangerous animal disease. Yet it is a fact that pending at the moment before the Senate of the United States is a proposed agreement which has for its purpose to encourage deceit and evasion of presently existing legislation on this subject.

Parity programs to establish equitable price relationships for the products of agriculture must not be omitted from this discussion. During the last 25 years—since 1919—it has been widely recognized that there is a close interdependence between prices and income of those engaged in agricultural activities on the one hand and the National income and general welfare of all people in the country on the other. Various experimental programs have been proposed and devised for the purpose of bringing about this parity or equitable relationship. The Federal Bond Act of 1929, although not adequate to meet the problems of the world-wide depression of 1930–33, was a move in that direction. Without delving into the details of the various experiments and pointing out reasons for failure, it will be sufficient here to note that prices of farm products cannot be brought up to an equitable relationship without exposing the American market to lower-priced products from all over the world. No program therefore can hope to be effective unless suitable provision is made for supervision, regulation, and control of imports of competitive or substitute products which would be effective in breaking down domestic prices and destroying all efforts to establish sound national economic policies.

I wish to call attention to the fact that the reciprocal trade agreements during the past decade has become nothing more nor less than a poorly concealed device for the revision of tariff acts and customs duties provided by legislation within the United States. It is significant that during the last 5-year prewar peacetime period of prosperity in the United States—1925–29—national revenue from customs duties averaged almost $600,000,000 per annum—$580,748,055. In contrast, during the recent 5-year period under reciprocal trade agreements preceding World War II—1935–39—national revenue from customs duties averaged considerably less than $400,000,000 annually—$378,909,157. Thus the decrease in national revenue exceeded $200,000,000 annually or the equivalent of $2,000,000,000 in a 10-year period. This is a considerable sacrifice in national revenue incident to an experimental change in national economic policy which has failed in every other one of its goals. When the year 1939 is compared with 1929 the decrease in revenue is from $600,000,000 to $300,000,000, a decrease of 50 percent.

It will be said by some that the decrease in revenue just referred to must have been due to a substantial falling off in the quantity of imports, contrasting the prosperous 5-year period —1925–29— with the recent 5-year period—1935–39. This is just not true. The physical quantity of imports in 1937 was exactly the same as the physical quantity of imports during the most prosperous year of all—1929—and the average physical quantity of imports during the two 5-year periods did not vary more than 5 percent.

Is there any citizen of the United States so naive as not to realize that it was the fostering hand of our tariff system that built up our national defense? Our mass production of armaments came from those industries and mines and farms which prospered and developed under tariff protection. What would have been the outcome of World War I and World War II had it not been for the stalwart advocates of protection who in their wisdom realized, and in their vision saw the mighty, self-reliant Nation that adequate tariff protection would bring forth?

The United States could not have become the arsenal of democracy without the tariff protection given throughout the years to our essential war industries. Shall we let the internationalists sabotage the system that has made the Nation great and strong?

Mr. MILLS. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. PATMAN].

A. & P., LARGEST FOOD CORPORATION IN UNITED STATES, GETS ONE-THIRD OF ITS NET PROFITS VIOLATING ROBINSON-PATMAN ACT THROUGH PRICE DISCRIMINATIONS AND SHORT-WEIGHTING, OVERCHARGING, BOOSTING PRICES AT CHECK-OUT COUNTERS, ETC.

Mr. PATMAN. Mr. Chairman, may I direct the attention of Members of the Congress to the charges made by the Department of Justice in the trial that is now going on in Danville, Ill., in the United States District Court before Judge

Walter C. Lindley, in the case of the United States against the New York Great Atlantic & Pacific Tea Co., Inc., involving 11 subsidiaries and 17 officers of these companies. This involves a sordid story of monopoly to destroy competition through the employment of unscrupulous methods, much of it at the expense of housewives though professing to be public benefactors.

In this presentation I shall treat only one phase—that of the source of illicit profits which shows this gigantic integrated corporation operating as manufacturers, wholesalers, and retailers. This one angle, however, proves the need of legislation along the lines of H. R. 135 which I have introduced in the House to prevent manufacturers of consumer goods from offering for sale and selling the same at retail in certain cases, and for other purposes, if monopoly in food is to be avoided.

CONSUMERS TO EAT ON A. & P. TERMS

This giant among chain-store corporations with sales totaling $1,379,000,000 in 1941, controls 13.5 percent of the total retail grocery business of this country through something like 6,400 supermarkets strategically located. This leaves the balance for 345,631 independent grocers and 36,950 other chain-grocery stores. This company is charged by the Department of Justice with operating its stores with practically no profit but realizes its profits through allowances, stock gains—short-weighting, overcharging, and boosting of prices at check-out counters, and so forth—through allowances forced from manufacturers and other sources of revenue foreign to operating such stores.

In his statement to the Court, Horace L. Flurry, special assistant to the Attorney General and chief of Government counsel, emphasized the point that "even integrated competitors whose operations have not yet reached the same level as those of A. & P. cannot compete." Also under the A. & P. policy of operations, it is charged, "no competition can survive in any retail area in which A. & P. decided to occupy either a part or the entire area." Moreover, the Government's attorney charged in his presentation to the Court that "if such practices are continued consumers of food in the United States will eat on terms imposed by the A. & P."

LARGEST FOOD ORGANIZATION IN COUNTRY

The A. & P. group constitutes the largest organization in the food industry. Its manufacturing units manufacture a substantial part of the packed and processed foods sold in the United States, including several hundred items. These are distributed and sold through A. & P. stores. It also buys manufactured products from others, and as such is the largest single buyer of such food products in the United States. Its produce-buying unit is the largest in the United States. This unit dominates cooperative associations of produce growers and shippers in handling for their members substantial portions of the annual fresh fruit and vegetable crops of the United States.

A. & P. is the largest baker, the largest salmon canner, the largest milk canner, and the largest buyer of green coffee, as well as the largest coffee roaster in the United States. Its meat, egg, butter, and cheese buying departments are the largest buyers of those products in the United States. It is the largest retail grocery concern in the United States operating stores in 38 States and in the District of Columbia, with sales totaling $1,379,000,000 in 1941, or 13.5 percent of the national total.

OPERATES STORES WITHOUT PROFIT

This large food corporation operates its business on an over-all basis; that is, as a retail organization, but it obtains its profits from other than retail operations. It has 13 sources of profit from which A. & P. received $26,025,000 net in 1941 after all other charges, including taxes. Yet only $4,199,347.82 were derived from store operations, which just about covered store-operating costs, or as the Government pointed out, to be exact, one-third of 1 percent profit. No going retail business can exist on that margin indefinitely unless there are other sources of revenue.

$21,825,652 PROFITS COME FROM OTHER SOURCES

In other words, $21,825,652 profit had to come from other than retail-store avenues to attain a profit of 0.22998 percent per dollar of retail sales, whereas the actual profit derived from stores was only $4,199,347.82. If it were not for juggling profits from other sources of operations and applying them to the retail stores the A. & P. could not exist. Through this integration process, however, the business as a whole becomes highly profitable though the stores themselves would be a losing venture. Low-priced store operations without profit are used to destroy independent competitors, including chains, to force rebates or allowances from manufacturers to gain control of food production and distribution.

ALLOWANCES TOTAL $6,400,000, OR 24.59 PERCENT OF PROFIT

The Department of Justice in presenting its statement to the Federal District Court, submitted a table of these various sources of profits together with the percentages they represented to the profits as a whole, as follows:

Source	Amount	Percent of total
Headquarters allowances (preferences secured from suppliers)	$4,984,000.00	19.15
Quaker Maid	3,474,131.82	13.35
American Coffee Corp.	3,274,347.57	12.58
Atlantic Commission Co.	1,862,351.18	7.16
White House Milk Co.	1,609,365.05	6.18
Nakat Packing Corp.	1,275,515.37	4.91
Bakery	943,000.00	3.62
Miscellaneous	837,269.02	3.22
Stores Publishing Co.	65,561.23	.25
Great American Tea Co.	131,110.94	.50
Stock gains	1,953,000.00	7.50
Local allowances	1,416,000.00	5.44
Remaining profit for stores	4,199,347.82	16.14
Total net profit	26,025,000.00	100.00

These figures show that $4,984,000 were allowances exacted at the main office from manufacturers declared by the Government attorney to be violations of the Robinson-Patman Act, and another $1,416,606,000 from seven division offices in 1941, or a total of $6,400,000. The Robinson-Patman Act became a law June 10, 1936. These allowances represented 24.59 percent of the total net profits of 1941.

SHORT-WEIGHTS, OVERCHARGING $1,953,000, OR 7.5 PERCENT PROFIT

In addition to this, Judge Lindley was informed, $1,953,000 or 7.5 percent of the profits came from stock gains which Mr. Flurry explained are secured by such practices in the retail stores as short-weighting, short-changing, boosting of prices at the check-out counters, and so forth. This money came out of the pockets of housewives who were cheated out of that much money in 1 year, and totaled almost $2,000,000. Combining the allowances wrung from manufacturers, who had to charge other buyers that much more, with stock gains, they amounted to a total of $8,353,000 in the 1 year, or 32.19 percent of all profits.

Viewed from another angle these illicit profits represented an average of $1,305 per store based on the 6,400 units A. & P. operates in 3,436 cities in 38 States.

The total net profit per store in 1941 was $4,066.

The profit outside of store operations was $3,410.

The profit from store operations was $656.

WHERE STORE PROFITS CAME FROM

Of these profits per store, there was received, in 1941, from allowances in violation of the Robinson-Patman Act, $1,000; stock gains, short-weighting, overcharging, and so forth, $305; from other sources, $2,761; total, $4,066.

$21,714,000 SHORT-WEIGHTS, ETC., IN 7 YEARS

Almost a third of the $26,025,000 net profits realized in 1941, therefore, came from violation of the Robinson-Patman Act, or illegitimately from consumers through stock gains. Yet this largest food corporation in the United States professes to be a public benefactor through allegedly selling at low prices. In his statement to the court at Danville, Ill., the Government attorney further pointed out that "A. & P. secured a total stock gain of $21,714,000 for its entire retail system during the period 1935 to 1941, inclusive." This is at the rate of $3,393 per unit a year in the 7 years. In 1935, the Government charges, "the total stock gains were $4,723,000."

EMBARRASSED BY PROSECUTIONS

Continuing its charges against this chain corporation, the Department of Justice maintains that—

During the period of 1930 to 1935 the A. & P. group was embarrassed by prosecutions of its employees for short-weights and measures. Headquarters agreed that such stock gains could be achieved only through conduct which was unjustified. Hence headquarters decided that no store could consistently have stock gains in excess of 2 percent. This was reduced later to 1 percent. Thereafter many stores continued to enjoy stock gains of 2 to 3 percent. Such gains continued to be treated by headquarters as a part of operating store profit.

STOCK GAINS 46 PERCENT OF STORE PROFITS

After supermarkets were developed headquarters agreed that no legitimate stock gains could be had from such operations. Such gains were made, however, and headquarters accepted them. In 1940 A. & P. received retail stock gains of $2,168,000. In 1941 stock gains totaled $1,953,000, or 46 percent of the retail store operating profit.

In 1940, it is charged by the Department of Justice—

such stock gains were 56 percent of retail store operating profits and in 1939 were 100.15 percent of retail store operating profits.

MANAGERS SHOWING STOCK GAIN LOSSES FIRED, THOSE WITH GAINS RETAINED

Until about 1930, the Department's statement relates, stock gains as high as 3 percent of sale in A. & P. stores—

were accepted without condemnation of store managers. These gains represented profits after absorbing losses resulting from shrinkage, spoilage, stealing, and wastage. Hence, the actual stock gain was sufficient to take care of these items of loss and still show a net gain of 3 percent. Some stores experienced net retail stock losses. Reasonable stock losses result from many causes inherent in the operation of A. & P. stores, as in all retail grocery stores. Store managers were not told the stock results in the stores, but managers sustaining successive stock losses were fired. Those experiencing consistent stock gains were retained. In many years these stock gains have constituted a substantial part of the retail store operating profit.

HOW STOCK GAINS ARE OBTAINED

The statement to the court further asserted that stock gains are achieved in the following manner:

Grocery items are billed to the retail stores by the warehouse at the retail price. No allowance is made for shrinkage, spoilage, or wastage, etc. Any sums secured on the sale of these items over and above the price billed by the warehouse are stock gains. They are secured by such practices in the retail stores as short-weighting, short-changing, boosting of prices at check-out counters, etc.

Such gains—

It is stated—

became an integral part of the rate on which the final earnings of the total A. & P. system operations are based. Stock gains become a part of the integrated rate which is manipulated as among different areas to produce lower gross-profit rates in favored stores.

A SHOCKING OPERATION

Here we have a shocking statement of how this chain corporation operated through millions of dollars of ill-gotten gains at the expense of store customers, forced tribute from manufacturers through price discriminations in violation of the Robinson-Patman law, used tactics through integrated corporation profits which competition cannot meet, regardless of efficiency, and of creating a monoply that will ultimately give it control of production and distribution and make consumers subservient to its demands.

A monopoly of this type must be crushed in the interest of public welfare and common decency in business dealing. The free-enterprise system is being destroyed by the A. & P.

Mr. MILLS. Mr. Chairman, I yield 30 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, the attitude of the minority party in the House, particularly the attitude of the spearhead of the opposition, the Republican members of the House Ways and Means Committee, strikes me as serious and suicidal in its blindness and determined resistance in the face of a tide of unimpeachable and impartial facts which not only sustain the trade agreements policy, which has been followed for the past 11 years, but on the strength of that record compels the Congress to broaden and to extend the present act for the benefit of all of the people of the United States.

Even more than that, Mr. Chairman, the benefits thus far derived and the resulting good will bodes well for the future of world trade and of world peace. The principle of reciprocal tariff concessions has been the desire and the objective of many Presidents, Republican and Democratic, from McKinley to and including our late and beloved President Roosevelt, and his successor, President Truman. I shall allude more specifically to this phase further along in my discourse. It is not humorous, it is really pathetic that the minority Members have undertaken to stampede themselves into oblivion.

They have been wailing, yes, more than that, they have been howling about the deficiencies of the Trade Agreements Act and the sins of omission and commission on the part of our Government agencies, which have been charged with the responsibility of bargaining with other nations toward the end that, primarily, America should have a reasonable advantage, but along with that, that the deal should be of mutual benefit. The minority Members are determined to point out and to prove that the entire world is out of step, that America's greatest industrial leaders do not know what it is all about. The National Chamber of Commerce and its spokesmen, it is contended, are in error. All of the favorable statistics in support of the Trade Agreements Act, which were a compelling force for the insertion of a plank covering the subject in the Republican platform of the last campaign, and the attitude of Tom Dewey, the Republican standard bearer, are being ignored as though nonexistent.

Mr. Chairman, the Trade Agreements Act as proposed under the Doughton bill has the endorsement of influential newspapers and magazines, merchants, millers, manufacturers, consumers' leagues, women's organizations, labor unions, chambers of commerce, importers, exporters, steamship lines, and other groups and associations too great to enumerate.

Facts and figures seemingly are meaningless to the minority. The expressions of leaders in industry are given no consideration, and everybody seems to be out of step except the minority which issued this pathetic report.

In my State, and in fact throughout the entire Nation, in the great industrial centers, there seems to be an attitude of united support for the trade agreements, and this attitude is not predicated upon any love for the New Deal or for the Democratic Party. I should say that quite the contrary is true. These people, however, are practical. They know what effect the Smoot-Hawley Tariff Act produced on their business, and some of them who were for a high tariff to the extent of excluding all outside competition, having learned through bitter experience, are today among the foremost supporters of the trade agreements. Moreover, they know that there is a better chance to get a fair deal under the set-up which has been created under the Trade Agreements Act than there was during the old logrolling days under vicious political maneuverings when the matter was handled in a slipshod, unscientific manner by star-chamber proceedings in the Committee on Ways and Means. On that point there is no argument. That question is not even debatable.

STAR-CHAMBER TARIFFS

The legislative history of the Hawley-Smoot Tariff Act established a new high in star-chamber proceedings.

After devoting 7 weeks for public hearings, the 15 Republican members of the Ways and Means Committee unceremoniously ejected the 10 Democratic committee members from participation in executive sessions. Following the expulsion of the Democratic members, the 15 Republican members devoted 2 months and 10 days of labor, with the help of experts of the Tariff Commission, and according to some rumors, they also had the assistance of a Mr. Grundy and others, who contributed their services to improve theirs and the public welfare. Their combined labors brought forth a bill of 434 pages consisting of 183 sections. The first 2 sections alone contained 727 paragraphs. There were 10,681 lines in this bill. Not satisfied with the results of their star-chamber methods in committee, the "four horsemen"—Longworth, Snell, Tilson, Hawley—then in control of the House, brought the bill up under a special gag rule for consideration by the other 420 Members on Friday, May 24, 1930, May 25, May 27, and May 28, devoting in all 19 hours and 6 minutes, consideration to the bill, during which time the 420 Members were permitted to consider only 82 of the 10,681 lines and only 4 of the 434 pages to the bill.

With such a record of star-chamber methods resorted to by our Republican friends in the past, it is hard to reconcile their present position with respect to the manner in which the State Department conducts their negotiations of trade agreements.

It might be stated here that the distinguished chairman of our committee, the gentleman from North Carolina [Mr. DOUGHTON] was one of those who was not permitted to sit in executive sessions with his Republican colleagues when the Hawley-Smoot tariff bill was being considered. If you want to go back to that method of license and predatory exploitation of the interests of the people

of the United States you may try to justify that with the voters, but you will never succeed.

Under the trade agreements heretofore four departments of the Government, presided over by a Cabinet member, plus one independent agency created by the Congress and acting on behalf of the Congress of the United States, passed upon and negotiated every phase of an agreement with a foreign nation. These are the State Department, the Agriculture Department, the Commerce Department, the Treasury Department, and the Tariff Commission. Under the bill now before you there has been added a further safeguard in that the Army and Navy shall henceforth be consulted under the law. Heretofore they were consulted but there was no legal basis for such consultation. This proves that those charged with the responsibility did not overlook our national safety, which was placed even ahead of the welfare of industry and commerce. Elastic provisions giving the executive branches of the Government authority to increase or decrease tariffs were inserted in tariff laws heretofore enacted by the Congress.

It will be recalled that the late President Calvin Coolidge, after a so-called cost-of-production investigation, ordered a slash of 50 percent in the duty on bobwhite quail. That case was supposed to have proven the worth of the elastic clause in the Tariff Act of 1922. That is the kind of elasticity that some Republicans still believe in.

Our industries have suffered tremendously as a result of the plundering robber tariffs enacted under the Republican administration, which not only excluded needed articles produced in other countries but exposed our own people to unconscionable price rises in domestically produced commodities which needed no additional protection. In other words, the tariff was an instrumentality for gouging the people at home for the benefit of a few who demanded a pay-off for their contributions in the previous campaign. No one can deny that these Republican tariff schedules in many instances were written and approved by the officers of certain corporations which were to be benefited by their adoption. It was charged and never refuted that the tariff schedule on aluminum was written in Andrew Mellon's office in Pittsburgh. The tariff on plate glass and other items was calculated and recommended by interested parties. It is amusing to note, too, that local industries, for sentimental or other unknown reasons, have frequently been singled out for unwarranted tariff protection. I have two in mind. One was the filbert industry of the Northwest. This specie of nuts, as an industry, I daresay, does not employ any appreciable number of workers and we have to import a certain amount of these from Turkey in order to supply our demand, tariff or no tariff. Tulip bulbs which come from Holland, for some reason or other, like the filberts, have been put on the high-tariff list. The result was that we lost our automobile export business in Turkey and almost all of our export wheat flour business in Holland.

The Netherlands was an important market for United States wheat and flour, but by 1933 it had become neglible. The decline from $16,000,000 in 1930 to $400,000 in 1933 was partially due to a decline in world prices, but if the Netherlands had bought from the United States in 1933 the same percentage of our total exports of wheat and flour as in 1930, the figure would have been about $8,000,000 instead of $400,000. In the years preceding the Smoot-Hawley tariffs, United States exports of flour to Holland averaged approximately 1,200,000 barrels a year. Because of adverse tariff action on Dutch bulbs, flour to that country dropped to 81,000 barrels in 1934. After the trade agreement was negotiated these imports gradually increased until in 1938 they totaled 476,000 barrels. To the processors of wheat, and to the farmer, there is no question as to the value of reciprocal trade agreements in promoting American foreign trade.

We assumed an uncompromising attitude toward France and Italy with regard to hand-made lace, which I believe did not even come in competition with machine-made lace which we produce in America, but the ruling clique among the high-tariff barons seeking exclusion had to have their way. As a result we lost the export automobile business in both of those countries.

I remember only too well that the Canadian Government protested the proposed schedules of the Smoot-Hawley Tariff Act and their protests were, as I recall, delivered to our Government through the British Ambassador at Washington. These were ignored and the warning unheeded. An order in council was entered within 24 or 48 hours after this unfriendly American action. This was the means of retaliation by the Canadian Government and it was of such tremendous force that our American industrialists will never forget its effect. As a result of the Canadian action, it was virtually impossible to ship not only automobiles but hundreds of other items produced in the United States, and record and figures will show that in order to produce certain well-known American items for Canada, it became necessary to finance and build American branch manufacturing plants north of the Canadian-American line. Figures will show that an average of two plants per week were built in Canada for an indefinite period. I have not had the time to refer to the record but I recall distinctly that the number of industry branches built went on for several years. Quoting from memory, I believe we lost $750,000,000 worth of Canadian business per year, to gain $500,000,000 worth, with a net loss of $250,000,000.

This bungling tariff policy is precisely what this administration seeks to correct by putting it on a scientific basis by producing a freer two-way trade and it must be understood even by the most obtuse that business between two countries, like the business between two enterprises operating across the street from one another, cannot continue unless the one buys from the other. You cannot send a shipload of goods to a foreign country and expect that steamer to return in ballast. You will not only lose the business but you will lose the steamship line for the reason that no government could afford to subsidize a merchant marine on the basis of a one-way pay load.

The result of political tampering with tariffs and granting unwarranted concessions to the producer of filberts, tulip bulbs, and many other relatively unimportant items invariably brought about disastrous retaliation against some of our most substantial and important industries. The net result was that we lost employment in industry among men and women who would, in the natural course of events, eat more American filberts and buy more American tulip bulbs if they were employed, but having lost that opportunity, they could not purchase these little luxuries. Thus we lose in two ways; among the intended beneficiaries of the tariff, and among those who lost their jobs as a result of it.

It is an interesting thing to note that not only the producers of automobiles and manufactured products endorse the Trade Agreements Act and its extension, but similar and strong endorsement has been given by the flour milling industry of the United States. There has not been any stronger expression on this point than that which appears in the record of hearings, and why should not they insist upon an enlightened program of trade negotiations instead of the old method of blundering and plundering tariff rates which almost wiped out the export flour business. Following the Smoot-Hawley Tariff Act, our exports of flour fell from 14,395,000 barrels a year to a low of 3,963,000 barrels. These people know exactly when they were hurt and precisely what caused the injury. They know, too, what brought about recovery. The last figures quoted for 1938 indicated that under the Trade Agreements our export flour business slowly but surely was being restored until we sold 5,227,000 barrels. These figures are significant in that they represent mills which are doing 98 percent of the export volume now being milled by the flour trade.

Is it any wonder that some of the shrewdest and smartest spokesmen for the farm interests favor the trade agreements? They remember that our exportable wheat became a drug on the market and at one time reached the volume of 269,000,000 bushels. This remnant of high protectionists on our committee beating their heads against an immovable wall of support for the trade agreements, continues to wail, to rant against, and misrepresent the Trade Agreements Act.

They are of the same strain, entertain the same dogmatic and dangerous philosophy as that which prompted a spokesman of the high-tariff element in the United States to come forward and advocate the imposition of a tariff upon bananas. This spokesman admitted that

he knew that bananas were not grown in the United States but he insisted that we ought to levy an exclusive tariff against Nicaraguan and Central American bananas in order to force our people to eat apples. Seemingly, he was a producer of apples or had some selfish connection with packing or marketing this valuable farm product. That brings to my mind a little humorous but factual occurrence in one of the Eastern States. I believe it was in one of the States of the New England area. One of our enterprising American citizens sought to prove that he could produce pineapples in a hothouse and he was, of course, successful. When he calculated his costs, he found that the pineapples were produced at the rate of $13 each. He told friends and neighbors that if he could now induce the Congress of the United States to levy a high enough tariff on pineapples that a new and a flourishing industry could be established—the difference between the cost of production at home and abroad was all that was needed. There is no limit to the extremes which the high-tariff proponents will undertake to reach and they always try to make it appear that the benefit is intended for the American workmen or the American farmer. Nothing could be further from the truth.

Take the question of sugar. An everlasting and ever-increasing howl comes from those who feign to speak for the sugar industry, and they try to make it appear that all tariff benefits are intended for the workingman in the sugar mill and engaged in the production and farming of sugar beets and sugarcane. The fact of the matter is that employment in the sugar mills is limited to 60 or 90, possibly 120 days a year. At best employment is seasonal, temporary, and of benefit quite properly to the farm element residing near the refinery. Let us take the sugar-beet pickers. What I know of the sugar-beet farming and gathering of this root is that it has been for the large part in the hands of imported cheap Mexican labor which was exploited to the point of near peonage. Conditions were so bad that in certain western areas socially minded citizens, churchmen, and trade unionists banded together to force a correction in the employment of these people which had been unhealthful and demoralizing. Beet producers and sugar-mill owners, anxious to correct the situation, admitted that tariffs could not be of much help, if any.

Throughout the hearings the minority failed to make out a case. Such witnesses as appeared against the extension of the trade agreements were, for the most part, trying to reinforce the minority with arguments which were based upon unfounded fears. Repeatedly they admitted that thus far they have not been hurt, but they insisted that they could not be sure about the future. I think the record of the State Department and of the cooperating Government agencies and departments, built up during the period of the existing law, proves that they are reliable and can be trusted to protect the best interests of the people of the United States. Any industry, whether in the field of manufacture or agriculture, can and does get an opportunity to present its case, and every factor is carefully considered before a decision is made and an agreement entered into.

People of the United States have a better opportunity to invoke the use of the established machinery which is now in effect than they ever had under the old logrolling system. You will remember that when the Smoot-Hawley tariff bill was written the minority members were not even consulted. Only two schedules were read as I recall my friend, Mr. COOPER from Tennessee, saying one time. The only member of the Committee on Ways and Means at that time, who is still a member, is our distinguished chairman. He was not even permitted to sit in on the discussions in executive session. That is the kind of tariff consideration Congress gave the people, or I should say, that the Republican Congress gave the people. Talk about steam rollers, it was a Gargantuan steam roller which the Republicans employed and which brazenly and mercilessly crushed all opposition.

If the Congress grants the additional authority, it will only be used where all authority under existing law has been expended, to our advantage.

The proof that the authority is used judiciously, conservatively and advantageously can be found in the fact that in ever so many items, rates were reduced to the extent of only a fraction of the original 50 percent authorized.

Consult the record of the State Department; it is available and shows in detail many such products.

It is intended that the additional authority shall be used only where additional advantages might accrue to the people of the United States and reciprocally to the other contracting parties. In my estimation, it is puerile and senseless to propose the seven amendments which the Republicans have agreed to support.

President Taft had the tactics of the opposition to this measure figured out a good many years ago when, in submitting the Canadian reciprocity agreement to the Senate, he warned:

> It is not for me to question the good faith of those who propose to introduce and adopt amendments, but it is appropriate to say that the use of amendments is a very common method of defeating legislation when the responsibility for its defeat is one that the movers of such amendments do not desire openly to assume.

Defeat by amendment and reservation, it may be recalled, was the game played against the League of Nations following World War No. 1. The American people, I am sure, will be on the look-out for those tactics in the various parts of this Administration's farsighted postwar legislation, including this.

The proposed amendments are as follows:

First. That Congress by majority vote should have the right to veto any trade treaties which may be negotiated under the act, such right to be exercised within 90 legislative days of their submission.

Second. The act should provide that no reductions in duty on foreign imports should be made which would weaken the competitive position of American products in the American market.

Third. That proclaimed reductions of rates shall not apply with respect to any country found to be discriminating against the exports of the United States.

Fourth. That concessions made by the United States shall not be extended to third countries except in return for concessions which the President finds to be reciprocally equal and equivalent.

Fifth. That the importation of certain products, materials, and items certified to be essential to the national defense by the Joint Chiefs of Staff of the Army and Navy shall be limited by a quota in order to preserve and maintain those industries in the United States which are essential to our national defense.

Sixth. That any citizen, if he deems himself aggrieved by virtue of the negotiation or operation of any trade treaty, shall have the right to appeal to the courts of the United States for a determination of his claim or a review of the action of the Government in negotiating such treaties.

Seventh. That no reduction in duty under the Tariff Act of 1930 shall be made on imports competing directly with articles produced by handicraft industries in the United States.

These amendments are intended to frustrate by nullification the will of the people for the benefit of that element which would exploit industry at the expense of the workers, of small business, and of the farmer.

The first suggestion, that, Congress should have the right to veto any trade agreement which may be negotiated under the act, within 90 legislative days of its submission means we should spend 90 legislative days out of the year in the same sort of argument which the Ways and Means Committee has just witnessed. One might pause to inquire how long is a legislative day? A legislative day may and has run into weeks, or possibly months. After a few agreements had been subjected to the inevitable death or delay foreign countries would reluctantly waste time of their officials in negotiation of an agreement whose ultimate outcome was so uncertain. Such an amendment could not be seriously offered except to destroy the program.

The second suggested amendment in the minority report, that no reductions in duties should be made which would weaken the competitive position of American products in the American market, is either meaningless or else it is, as I suspect, a cover for the old, discredited cost-of-production idea. All I care to say on that is that if we are going to start taking the profits out of foreign trade, why should we stop there? Why not stop all trade, both domestic and foreign, by allowing no one to underbid the highest bidded in any form of exchange? That would completely end all competition, all progress, and all trade everywhere. What has become of the business cry: "Competition is the life of trade"?

Third. The opponents would like to have reductions of duties not apply to any country found to be even nominally discriminating against the exports of the United States. That may sound all right, but it just does not happen to be the best way of stopping discriminations which should be the objective of such an amendment. The President already has the power, under the existing act, to proceed in that manner if he thinks it is for the best interest of the country. Under the present act and agreements, I am told that almost daily matters relating to some aspect of apparent discrimination calls for attention of the State Department. Since the whole objective of the program is to work, as fast as possible, toward precisely that goal, I think we had better leave it to the Executive Department to decide when the withholding of reduced rates will, and when it will not, improve trade relations.

The opposition has apparently overlooked the fact that two can play at the game of reprisals and retaliation, as was the case following the Hawley-Smoot days. If other countries started to blacklist the United States, on the basis of the wartime controls and restrictions which we have at the present moment, and which may seem to be discriminations, we might well find ourselves in an embarrassing position.

Fourth. This amendment suggests that we return to a policy which a Republican administration under President Harding voluntarily abandoned because it was unsuited to our interests—the conditional most-favored-nation policy. That conditional principle was definitely abandoned under the flexible provisions of the Tariff Acts of 1922 and 1930, although some countries called it the "least-favored-nation principle," because the duty increases, as well as the minor decreases, were applied to the imports of all countries alike not just to the principal suppliers. The most-favored principle is too important a principle in our whole structure of commercial agreements and treaties to abandon in such an off-hand manner.

Fifth. In this amendment the minority recommends that the importation of certain defense items be passed upon by the Joint Chiefs of Staff of the Army and Navy. Definite limits by quotas would be provided to materials deemed essential to our national defense. In committee the Republicans proposed a quota of 40 percent of our total consumption as the limit which might be supplied by imports. Everybody agrees that we should not be caught short of needed defense materials in case another war comes, and it will surely come if we do not do a better job in making peace than we did before; and the act before us is just one of the measures which may help to prevent World War III.

But whether or not we want to go so far as to maintain domestic production to supply 60 percent of our needs is quite a different question. I do not see how we can produce 60 percent of our tin here at home at any price, since we have practically no domestic tin ore; I do not see how we can produce 60 percent of our manganese, essential to steel production, when we never have produced as much as half our consumption. Our supplies are now so low and so much more expensive to mine than imports that even the high war prices have not brought domestic production up to as much as 15 percent of our total consumption. The same could be said of chrome, tungsten, and certain other metals.

We cannot now form final opinion on the subject of rubber—we do not know when we shall be able to get natural rubber again nor what either natural or domestic synthetic rubber will eventually cost. I do know this; we cannot decide this momentous question by gazing into the future and guessing. This is also an important conversion problem and we are not here and now deciding all the tremendous conversion problems. Since the factors of cost, relative quality and supply are unknown, and promise to continue so for a few years, any decisions regarding protection to the synthetic-rubber industry should be postponed until all the pertinent facts can be determined. When and if assistance should in the future and in the light of the existing situation appear necessary or desirable in our national interest, the method of granting it can then be determined.

The clarifying committee amendment formally adding the Army and Navy to the governmental bodies to be consulted by the President before an agreement is entered into is safeguard enough for our national security.

Sixth. This is another old favorite. Any citizen, deeming himself aggrieved by virtue of the operation of a trade agreement is given the right to go to court about it according to this proposed amendment. As Mr. Taft pointed out in his testimony before the committee this provision—section 516 (b)—of the Tariff Act of 1930—was originally inserted in the Tariff Act of 1922 as a protectionist measure—that is tariff protection by administration. The practice has existed only for a short time, and then as an extraordinary privilege. The courts have held time and again that private parties have no vested right in any tariff rate. No one's rights have been abrogated by the repeal of section 516 (b). The Bill of Rights in our Constitution does not guarantee every man freedom to obtain sky-high tariff protection. It would be more nearly correct to give a consumer the right for protection against tariff robbery.

Seventh. This amendment is innocent looking; it proposes to prevent reductions on imports competing directly with articles produced by handicraft industries in the United States.

You may not understand why the minority considers handicrafts a subject important enough in the economy of the United States to constitute one of its proposed amendments. According to the criterion set forth, industry with direct and indirect labor costs constituting 50 percent or more of total costs of production, and producing by recognized handicraft methods, can qualify as a handicraft industry. This is a tricky definition. Suppose a craftsman is producing handmade silver jewelry, some of which is perhaps set with a few semiprecious stones; if you think he would qualify even if he does all of his work by hand, the materials may make up more than 50 percent of his total cost of production unless he is making something pretty fancy. It is fairly obvious that what the minority is seeking is to cover by this label "handicraft" protection of a few industries producing things we never think of as "handicrafts."

I now yield to my friend from Minnesota if he seeks to ask a question.

The CHAIRMAN. The gentleman is not present.

Mr. DINGELL. The other day—and I am sorry he left the Chamber—he rambled around a great deal here on the floor and gave expression to his uncontrolled feelings, uttered some very uncomplimentary remarks whenever anyone asked him to yield. I want the RECORD to show just what some of the newspapers in Minnesota think about his views and proposals.

I read from the St. Paul Pioneer Press of March 19, 1945:

> If this tariff proposal is defeated, there is little hope, indeed, for freeing postwar international trade from the obstructions that dried it up after the last war and from the restraints that helped provoke war-making economic crises after 1930.

I next wish to quote from the St. Cloud (Minn.) Times of April 19, 1945. I believe this is from the gentleman's own district:

> Our own Sixth District Representative * * * declares, "it would mean lowering of the American living standard, would close factories, and probably put all farmers but grain growers out of business." Bosh!

Next I wish to quote from the Minneapolis Tribune of March 1945, as follows:

> Congress is confronted with making a decision on the fundamental domestic problems involved in realistic economic cooperation on a world level. * * * Bretton Woods and Dumbarton Oaks now represent an attempt on the part of the nations of the world, led by our own Government, to reverse this policy of economic isolationism. * * * Unless Bretton Woods is accompanied by sound domestic policies encouraging freer trade and fuller employment of available manpower in the postwar period, ratification of a high-sounding international agreement means nothing.

Mr. Chairman, I now yield to the gentleman from Minnesota [Mr. KNUTSON], if he cares to ask me a question.

Mr. KNUTSON. In the first place, the editorial that the gentleman quoted from a St. Cloud, Minn., paper was written by a former Democratic postmaster there.

Mr. DINGELL. It does not make any difference who it is written by. It makes sense and it repudiates the gentleman's stand in his own district.

Mr. KNUTSON. I will take my chances on the editorial support of the papers of the State of Minnesota.

Mr. DINGELL. I will take mine on the sensibleness of the statement in the St. Cloud paper.

Mr. KNUTSON. Of course, the gentleman is never wrong.

Mr. DINGELL. Is the gentleman going to ask me a question now?

Mr. KNUTSON. I guess I will not.

Mr. DINGELL. I did not think the gentleman had a question in the first place.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF of Michigan. Mr. Chairman, there is a singular fact in connection with the whole question now under consideration, and it is that almost 90 percent of the items imported from foreign countries are items in competition with products of the soil, while the leading exports from the United States to every one of these countries is, first, automobiles; second, iron and steel-mill products; and, third, electrical machinery.

If it is established, Mr. Chairman, and it is established, that we cannot possibly use enough products from other countries which we do not, or cannot produce in this country, to maintain a proper economic balance of trade with those countries, and if this law is ever to be operative, then we will have to buy from those other countries products which are produced in this country in quantities sufficient to supply our needs.

In that even, if we are to nurture the manufacturing industry at the expense of agriculture, the manufacturer then must give up a part of his domestic market here at home in exchange for uncertain foreign markets abroad.

If we are going to nurture agriculture at the expense of the manufacturing industry, the agriculturist then must give up a part of his market here at home for a likewise uncertain market abroad.

Let us see if this is true. Beginning before the year of 1900 to as late as 1932, and I assume from then on, not only was American capital being expatriated and put into foreign manufacturing to serve foreign markets, but American industry was establishing foreign branch factories. It was because the American industrialist found that he could produce for his foreign market at a cheaper cost by using cheap foreign labor and cheap foreign materials in the countries in which they exist, by avoiding the long haul with its consequent costs of carriage, and by avoiding frozen capital invested in transit, and insurance charges in transit, could thereby meet foreign competition on its own ground. This is exactly the reason behind the phenomenal flight of American manufactures to foreign countries. It was not because of the American tariff walls, although it is true that foreign tariff walls set up further obstacles; but if there was not a vestige of tariff existing either here or elsewhere, if the whole world were today on a basis of free trade, the American industrialist, if he would serve his foreign markets at a price which could compete with producers in those foreign markets, would, because of that cheap labor market, be compelled to maintain foreign branch factories. That fact is so apparent that, I think, no intelligent person would for a moment assume to contradict it.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUFF of Michigan. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I think the gentleman should state at this point that several who testified before the committee stated that they were being urged by foreign countries to move their factories to Latin America, for instance.

Mr. WOODRUFF of Michigan. I may say to the gentleman from Minnesota that I am well aware of that fact. What I am dealing with at the moment is what has been done in past years by American manufacturers to get what they considered was their fair share of the foreign market by moving into those foreign markets and pursuing their business there.

Mr. Chairman, I now present for the RECORD a tabulation of branch manufacturing plants established in foreign countries by American manufacturers prior to 1933. Since that time no itemized report of subsequent establishments are available, but there must be many of them.

Present investment and employment in foreign producing units by years in which established, all countries

[The investment and employment figures are for 1932]

Year	Manufacturing				Raw materials and special classes			
	United States companies	Labor	Foreign units	Investment	United States companies	Labor	Foreign units	Investment
1860	1	12	1	$75,905				
1862	1	600	1	1,158,899				
1879	1	14	1	58,273				
1880	2	600	7	65,370,510				
1881	2	6,009	2	2,578,409				
1882	1	7,809	1	6,948,888				
1883	1	6,000	3	328,000				
1884	1	103	1	562,285				
1885	1		3					
1887	1	143	1	387,285				
1888	2		2	13,468,000				
1889	2	174	2	1,287,000				
1890	1		1	26,000,000				
1891	2	813	2	859,713				
1892	5	3,806	7	18,094,428				
1893	1	536	1	613,875				
1895	1	100	1	127,629	1	34	1	
1896	4	797	9	5,390,118				
1897	2	903	2	2,045,532				
1898	1	2,000	1	6,295,980				
1899	3	2,348	3	13,041,378	2	1,036	3	$4,413,000
1900	6	653	14	4,778,000	2	160	2	7,026,994
1901	4	449	6	8,905,010	4	7,784	11	18,502,825
1902	3	2,782	3	4,612,914	6	6,219	18	44,338,000
1903	8	1,820	8	6,163,606				
1904	9	6,090	13	66,803,786	3	8,318	3	59,409,033
1905	16	13,095	29	16,864,429	3	2,572	8	8,010,500
1906	10	2,172	33	8,446,377	5	5,783	5	31,173,394
1907	14	600	15	5,129,546	3		5	37,280,600
1908	15	6,164	21	21,796,557	1	258	1	272,348
1909	10	2,317	18	3,200,282	3	3,736	3	20,304,743
1910	21	11,118	46	33,482,926	1		1	4,000,000
1911	16	17,001	19	51,662,057	3	19,208	4	13,387,678
1912	22	2,140	29	16,924,018	2	5,001	3	39,285,223
1913	14	5,966	15	14,385,725	2	615	2	3,800,000
1914	19	3,252	20	27,347,130	3	2,873	2	24,195,124
1915	11	3,624	13	6,360,366	4	6,404	6	45,380,766
1916	23	3,702	25	21,721,750	3	5,659	4	86,017,936
1917	20	8,311	22	7,676,820	5	2,500	6	16,407,107
1918	14	2,623	34	23,982,055	1	9,414	4	12,055,000
1919	27	8,742	34	42,577,557	11	10,759	13	46,892,183
1920	43	9,487	52	54,189,586	8	9,511	14	42,408,392
1921	29	4,646	37	14,366,211	8	3,090	13	30,151,159
1922	22	3,761	22	24,701,095	5	9,341	7	5,900,000
1923	25	4,784	34	14,675,255	7	9,398	8	171,225,528
1924	28	6,417	39	22,653,758	9	1,877	13	12,854,866
1925	33	11,504	49	29,236,145	11	15,920	16	112,599,954
1926	35	16,559	49	26,921,127	6	19,791	8	3,940,588
1927	43	11,438	54	44,129,498	9	3,279	11	15,854,867
1928	45	6,956	64	35,761,070	6	6,886	13	86,873,493
1929	70	16,553	99	78,094,191	10	1,854	11	3,697,658
1930	64	15,185	81	55,559,953	6	1,098	12	37,404,000
1931	49	3,762	55	29,717,504	5	629	5	2,192,390
1932	43	2,399	53	11,302,399	1		2	
No date given	185	18,605	363	34,237,314	23	2,111	61	91,108,094
Total		267,345	1,520	1,033,259,808		183,118	299	1,144,433,436

This table is taken from Senate Document 120, which is a report from the Department of Commerce in response to Senate Resolution 139, Seventy-second Congress, on American branch factories abroad, together with an analysis of returns from United States producers with investments of $50,000 or more in foreign plants in 1932. This shows that a total of approximately $2,177,693,244 was at that time invested by American industry in foreign branch plants. The number of such approximated 1,800. Please keep in mind, ladies and gentlemen, that this list is wholly incomplete, because, in the first place, it embraces only plants in which more than $50,000 per plant was invested, and, secondly, it does not include any plant established and maintained by American capital which operates no American plant; and, third, it does not include many plants upon which American firms refused to report. And, further, it does not include those American investments and activities in foreign countries which do not provide competition for American production.

This is the whole and complete answer to the charge that American tariff walls are responsible for the flight of American capital and American plants into foreign countries. This is absolute proof that

American producers cannot produce in America and ship abroad as cheaply as producers can produce and serve their markets at home in foreign countries. This will be doubly true now that our costs of labor and production have increased far beyond anything we have known, and especially that we now are supplying our foreign competitors with the most up-to-date mass-production machinery with which they can more successfully manufacture and invade our markets with competitive goods.

It must be equally true that we cannot hope to compete in these foreign markets with American-made goods unless we reduce the cost of production to a point where we not only can compete with lower foreign wages, cheaper foreign materials, but also be able to absorb other costs incident to such transactions.

It must be patent to every thinking person that this act cannot be effective except at the expense of the American workingman and the American farmer and the American standard of living.

Now, Mr. Chairman, there is one salient fact not heretofore mentioned, which I wish to call to your attention. The facts I have just quoted from this Senate document show that the manufacturing industry can and does, when deemed necessary, jump across the oceans and establish branch factories in the markets abroad which it wishes to serve. But—mark well this fact—the American farmer cannot do likewise. His base of operations is irrevocably and irremovably fixed in the soil of this country. He cannot at will move a portion of his factory—the farm—to Canada, or to Argentina, to Brazil or to England, to Germany or to Poland, or to any other country. He is destined by the very nature of his calling to remain fixed, and yet we are here seriously considering further sacrificing his interests, taking advantage of his helplessness, crucifying him under some theory that we are going to benefit America by so doing.

It has been argued time and time again that the reason for our decrease in imports has been the high tariff barriers, and yet my study of the reports covering exports and imports for the unusual years 1922 to 1932, inclusive—the years when the Fordney-McCumber and the Hawley-Smoot Tariff Acts were the law of the land—show this significant fact, that of all the fluctuating imports into this country during these years, the years when the purchasing power of our people was declining with theretofore unknown rapidity, 67 percent of all imports remained on the free list. That portion of the import totals shrank exactly in ratio with the portion which covered dutiable items. That means just one thing, namely, that it was not the tariffs, but the loss of American purchasing power that caused the reduction in imports.

Mr. Chairman, I will insert that table at this point in my remarks:

Imports for consumption

Year	Value			Percent free
	Total	Free	Dutiable	
1922	$3,073,773,000	$1,888,240,000	$1,185,533,000	61
1923	3,731,769,000	2,165,148,000	1,566,621,000	58
1924	3,575,111,000	2,118,168,000	1,456,943,000	59
1925	4,176,218,000	2,708,828,000	1,467,391,000	65
1926	4,408,076,000	2,908,107,000	1,499,969,000	66
1927	4,163,090,000	2,680,059,000	1,483,031,000	64
1928	4,077,937,000	2,678,633,000	1,399,304,000	66
1929	4,338,572,000	2,880,128,000	1,458,444,000	66
1930	3,114,077,000	2,081,123,000	1,032,954,000	67
1931	2,088,455,000	1,391,693,000	696,762,000	67
1932	1,325,093,000	885,536,000	439,557,000	67
Total	38,072,171,000	24,385,663,000	13,686,509,000	

What items, Mr. Chairman, will continue to be affected if this bill is enacted? It cannot affect the items on the free list. The President cannot increase or reduce the tariff on those; neither can he take those items from the free list, although he has the power to freeze such items. Therefore, he can reduce the tariff only on those items which must be in competition with American products, otherwise they would not have had a tariff imposed on them in the first place.

It will be recalled that the Smoot-Hawley bill of 1930 included what was known as the flexible provision, under which reduction of 50 percent in existing tariff rates could be brought about. If, after investigation by the Tariff Commission, it appeared that a reduction or an increase on any item was necessary or desirable, a recommendation to that effect was made to the President, who could, if he desired, put the same into effect by Executive order. This flexible provision worked, and worked equitably. Many reductions, and some increases, were brought about.

The original Trade Agreements Act permitted the President to reduce tariffs by not more than 50 percent. It is proposed in the measure now before us to authorize the President to reduce tariffs existing as of the date it becomes the law, by another 50 percent. Thus we find ourselves in a position where, if this resolution becomes the law, it will be possible to reduce tariffs on competitive products a total of 87½ percent.

We know, of course, that wages in this country for many, many years have been much higher than in other countries. We know also that in recent years wages here have increased very rapidly. Further, we know that rising costs of labor means rising costs of production, 80 percent of which is labor. So far as I am informed, no other country has in recent years experienced a marked increase of labor costs. Today there is a larger discrepancy between wages here and abroad than ever before in our history. Consequently we find ourselves now in a far more disadvantageous position in meeting the competition of imports from foreign countries, where wages are but a small fraction of wages here. There has been no time in our history when a further lowering of our tariffs would carry such a degree of potential disaster as now. By all means section II should be stricken from the resolution.

Mr. Chairman, Secretary of State Hull declared before the Ways and Means Committee as long ago as 1937 that one of the prime purposes of the act was to "soften the mind of the world toward peace." Let me take the time to give you the details of that declaration.

Whenever a resolution, similar to the one now under consideration, has at different times in the past been before the Ways and Means Committee, the Secretary of State and certain other representatives of his Department appeared and asked the committee to approve the resolution extending the act. The most significant fact apparent in the hearings at those times was the utter indifference of both the Secretary and his assistants to our rapidly diminishing trade balances. These gentlemen endeavored to convince the committee that great benefits had been reaped by the people of this country through the operations of the act.

A very natural curiosity prompted some of the minority members to ask these witnesses for a bill of particulars as to what those benefits might be.

After much insistence, Secretary Hull finally stated that the policy had resulted in "softening the mind of the world toward peace"; and I will say, in addition, that he gave no other accomplishment as a result of the operation of the act. Turning back every economic question asked him, the Secretary invariably replied that the question was "not revelant to the larger purposes involved," which, he repeated, was to "soften the mind of the world toward peace."

The principal theme of argument then, as now, was that through lowering our tariff barriers, and thus, in effect, throwing our markets open to foreign producers and allowing them to undersell our products in this country in devastating competition for our own producers, we could bring about a "softening of the mind of the world toward peace," and establish a reign of brotherly love throughout the world; also, that we could develop in the nations of the Old World a spirit of unselfishness—not to say generosity—which, in their dealings with each other and with us, has been a motive utterly unknown in years gone by.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUFF of Michigan. Yes, indeed.

Mr. KNUTSON. The gentleman is making a very interesting and informative speech. As a member of the Committee on Ways and Means who attended the 4 weeks of hearings we had on this

bill, the gentleman will recall that members of the committee on the Republican side repeatedly asked proponents of this legislation what items they would lower, what items they would favor bringing in free, and none of them gave a satisfactory answer.

Mr. WOODRUFF of Michigan. That is entirely correct. Nothing they said during the hearings, which I heard, could possibly justify them in asking authority to reduce the tariff on any products of this country another 50 percent.

Mr. KNUTSON. The gentleman will further recall that several of the State Department witnesses intimated several times it was not proposed to use this additional bargaining power; and they could not tell us why they were asking for it.

Mr. WOODRUFF of Michigan. They either could not tell or would not tell. I have an idea it is the latter.

Mr. KNUTSON. Let us be charitable and believe it to be the former.

Mr. WOODRUFF of Michigan. Mr. Chairman, for 11 years this law has been on the statute books. The Secretary of State has, during this time, negotiated 28 trade agreements with foreign countries. In each agreement we granted certain reduction of tariffs on competitive imports, and they, in return, granted certain concessions to us. In every instance the United States has immediately extended to every other nation in the world, except Germany—and Australia for a short time—every reduction of tariffs, and every benefit we granted to the nation with which we entered into an agreement. But, as you know, we asked from these nonagreement nations nothing except that they should not discriminate against our commerce.

It was upon this theory that the Congress passed the act originally. In 1937 it was extended for another period of 3 years. In 1940 it was extended for 2 years. These extensions were made with the understanding that the Executive would follow the law both in letter and spirit, and that when we extended benefits to nonagreement nations we should immediately receive from them every privilege and benefit which either had granted to any other nation.

This, Mr. Chairman, was the intent and the definite understanding of the committee and the Congress. That this is to be expected is indicated by the provision in the law giving to the President the power to withhold from any nation the benefits when such nations fail to grant us most-favored-nation treatment.

Inasmuch as the resolution now before us provides another 3-year extension of the act, and grants authority to further reduce the tariffs by another 50 percent, it is vitally important that we examine the facts disclosed during the recent hearings on the resolution to learn for ourselves whether the administration of the law has been what Congress was led to believe it would be; what progress, if any, has been made toward reaching the declared objectives, these basic assumptions, upon which every argument in favor of the act and its extension must be based.

It is important that we determine for ourselves how foreign nations have reacted to this attempt to eradicate misunderstandings and wars between nations, and to eliminate discriminations and barriers in international trade.

The utter futility of this idealistic undertaking is abundantly proved by our experiences during and following the years 1917, 1918, and 1919 when we then attempted to achieve the objectives which the Secretary of State in 1940 again declared inspired his endeavor to bring peace to the peoples of the world by this process.

We tried it then by contributing the lives and the health of nearly half a million American boys. We are trying it again in the present war. Our casualties in this one are already more than 1,000,000, the dead reaching almost the total number of all casualties in the previous war. We tried it then, and we try it now, by bringing agony and suffering to the hearts of millions of relatives of these American boys. We tried it then by spending and lending more than $40,000,000,000 in our total war effort; we try it now by spending and giving more than $385,000,000,000 of the American taxpayers' money—the amount appropriated by Congress for war purposes since July 1940—in our attempt to "soften the mind of the world toward peace."

The figures and facts concerning our efforts reduce to a tragic absurdity the present contention that trade agreements will accomplish that which we have failed to accomplish by our monumental sacrifices.

Another thing, Mr. Chairman, which we Americans should never forget is this: When the First World War ended, and the victors and the vanquished gathered around the conference table at Versailles, there was no dove of peace hovering over that assembly. There was no soft and gentle attitude toward the brotherhood of man in that mirrored palace. There was none of sympathy, none of unselfishness, not a thought or desire to build for future peace among those representing the nations of the Old World. In all that solemn and historic conclave the only voice raised in behalf of the future peace of the world, the only one who came there with hands clean, and heart free of greed and hatred, was the United States of America. Every other nation among the victors was there literally sweating with a fever of greed, of selfishness, of a desire to outdo the others in clutching the spoils of victory.

Now, Mr. Chairman, let us have no illusions. Had the Central Powers, instead of the Allies, won that great conflict, the conditions—and the results—at Versailles would have been exactly the same. The victors would have been utterly without mercy, regardless of what group they might be.

Into that conclave strode the President of the United States. He laid upon the altar of future peace all of our killed and wounded; all those of broken bodies; all those of shattered minds; all the widows and the orphans; all the dependent fathers and mothers; all the sum of that incalculable human agony; and all those billions of American money, which we are still paying and must continue to pay for generations to come. All of these, I say—the whole of this dreadful sacrifice—he laid upon the table at Versailles, and he asked for—what? Money reparations? No. Additional territory? No. Not $1 of money, not 1 foot of additional territory did he seek in return for America's supreme sacrifice. He asked only that the nations of the world live at peace with us, and with one another.

Mr. Chairman, there are perhaps few of us in this Congress who, in greater or less degree have not contributed to the sacrifices we made either in service or through ties of blood.

Not only did we lend money while the conflict was raging, but after the peace of Versailles was signed these other nations came to us and with pleading, outstretched hands asked for and received more and still more of our billions of money. Eighteen of these nations, Mr. Chairman, borrowed money from us during the conflict and after the conflict was ended. They borrowed this money, not only while their house was burning, not only after it was in ashes, but they came to us and borrowed the money to rebuild. And then what happened? Almost from the day they got the last dollar, every one of these nations, with one magnificent exception, began to plan and plot and whine that they ought not have to repay their honest debt to us. With a strange—an amazingly strange—similarity to individuals, those debtor nations, with one exception, began to justify to themselves the nonpayment of their debts by beginning to abuse and to hate their creditor. We were Uncle Shylock. It had not been their war, but our war. They were preventing the enemy from crossing the sea to destroy us. They were preserving our democracy. These were some of the rationalizations they adopted to justify in their own minds their repudiation of their honest debts to us. Do you find this reminiscent of the attitude of our present allies who are demanding more and more from us through lend-lease? Yes, even after the war shall end.

Those earlier debts are unpaid to this hour. Those debts stand repudiated to this day.

Now, Mr. Chairman, in view of all this, it is, of course, to challenge the common sense of the Nation by a grotesque absurdity to say that these trade agreements, being achieved and conducted as they are, have had, or will have, the slightest effect in "softening the mind of the world toward peace."

The amazing effrontery is that some of the spokesmen of the administration still continue to claim that these trade agreements will aid in bringing about permanent peace. In other words, having failed to prevent the malady, its proponents now bring forth the utterly illogical argument that their remedy will cure the disease it has so signally failed to prevent.

Before I leave this point of world peace, let me remind my colleagues that the conditions under which European nations live, their very geographical jux-

taposition, have given them the habit of armed conflicts. That habit of war has persisted among those peoples since before the dawn of recorded history. It is not trade agreements, but intelligence, enlightenment, unselfishness, and the spirit of the Redeemer—that, and nothing else—that will ever bring universal peace among the nations of the world, if it should be achieved.

Now, Mr. Chairman, I come to the question of discrimination against our foreign commerce. It will interest the Members of the House to know there is not a nation in the world that is not discriminating against our commerce.

It does not require a State Department protocol expert or an administration economist to tell us that if neighbors living side by side, and endeavoring to establish community good will, were busy discriminating against each other, and injuring each other in their everyday associations, there would not be a vestige of community good will possible.

I have pointed out that the major reason for the failure of the New Deal trade agreements program lies within the New Deal itself. It negotiates treaties in an atmosphere of sweetness, wishful thinking, and foolish disregard of the needs of our own people. It assumes that foreign nations are looking to our interest before protecting their own interest. It, in fact, holds out the hand of brotherly love, at the same time permitting foreign nations to discriminate against our trade while holding in our hands unused the power with which to end this discrimination. By the act itself the President is authorized to withhold from all nations discriminating against our commerce every benefit or concession granted to other nations in these agreements. In only one has he done this. I contend that is no way to secure respect for us, for our commerce, or to increase our trade.

Trade is competitive, and I know of no merchant on any of the main streets in this country who attempts to increase his volume of trade by encouraging his competitors to gain and keep an unfair advantage.

Now, Mr. Chairman, let me remind you that the bilateral agreements set forth in the table which I mentioned earlier and which I now introduce are only those which have been entered into between countries of the world since January 1, 1935. These do not include such agreements as have been entered into since 1940, because information concerning them is not available. They do not include bilateral agreements in existence prior to January 1, 1935.

COMMERCIAL AGREEMENTS SIGNED SINCE JANUARY 1, 1935

The tabulation attached is based on a preliminary examination of the commercial treaties and agreements signed since January 1, 1935, of all the countries of the world with all other countries. The tabulation is accurate with regard to Latin-American countries, because for some months the Tariff Commission has been making an intensive examination of the texts of these agreements in connection with its Latin-American study. For the other countries the list is made up from readily available sources. A careful check of the latter by the Tariff Commission both for purposes of tabulation and substantive material is now in progress.

This tabulation covers bilateral agreements; multilateral agreements are not included. In listing commercial agreements the following types of instruments are regularly included: Those which contain provisions affecting tariff rates, trade restrictions, customs regulations, and all types of clearing, compensation, payments, and exchange agreements. These instruments vary considerably both in their length and their formality. Those dealing with such matters as double taxation, trade-marks, navigation, commercial travelers, plant inspection, traffic agreements, and agreements for the payment of noncommercial debts have not been included.

Basic agreements include all agreements which do not supplement, modify, or renew other agreements. Subsidiary agreements cover all those which modify or supplement the basic agreements here listed and also any agreements that renew the basic agreements or agreements signed prior to January 1, 1935.

Commercial agreements signed since Jan. 1, 1935

Country	Basic agreements	Subsidiary agreements	Total
Afghanistan	2		2
Albania	3	2	5
Argentina	28	12	40
Australia	9	1	10
Austria	21	14	35
Belgium	55	35	90
Bolivia	9		9
Brazil	29	34	63
Bulgaria	28	3	31
Burma	1		1
Canada	19	9	28
Chile	31	36	67
China	2	2	4
Colombia	10	11	21
Costa Rica	8		8
Cuba	6	4	10
Czechoslovakia	24	36	70
Danzig	4		4
Denmark	26	14	40
Dominican Republic	1	2	3
Ecuador	9	13	22
Egypt	5	9	14
Estonia	25	26	51
Ethiopia	2		2
Finland	24	34	58
France	127	82	209
Syria and Lebanon	3		3
Germany	132	145	277
Slovakia	4		4
Greece	48	27	75
Guatemala	7	3	10
Haiti	10	5	15
Honduras	1		1
Hungary	35	25	60
Iceland	4	2	6
India	4	3	7
Iran	6		6
Iraq	7		7
Ireland	10	9	19
Italy	132	91	223
Japan	17	3	20
Manchukuo	3	2	5
Latvia	25	16	41
Liberia	4		4
Lithuania	27	9	36
Luxemburg	4	1	5
Mexico	3	3	6
Monaco		1	1
Muscat	1	1	2
Netherlands	59	27	86
New Zealand	3	2	5
Nicaragua	2	2	4
Norway	41	12	53
Panama	1		1
Paraguay	5		5
Peru	5	5	10
Poland	57	50	107
Portugal	19	3	22
Mozambique		1	1
Rumania	62	57	119
Salvador	7	8	15
Siam	15	2	17
Spain	38	7	45
Sweden	52	16	68
Switzerland	44	36	80
Turkey	73	51	124
Union of South Africa	22	16	38
Union of Soviet Socialist Republics	35	13	48

Commercial agreements signed since Jan. 1, 1935—Con.

Country	Basic agreements	Subsidiary agreements	Total
United Kingdom	67	57	124
Bechuanaland	2		2
Newfoundland	1		1
Northern Rhodesia		1	1
Palestine	2		2
Southern Rhodesia	3	2	5
United States	36	14	50
Uruguay	25	1	26
Venezuela	11	17	28
Yemen	2	1	3
Yugoslavia	32	20	52
79 countries (including 9 colonies or dependencies)	858	573	1,426

NOTE.—Because each bilateral agreement involves 2 countries and in order to avoid counting any such agreement twice, the above totals are one-half the figures that would be obtained by adding the individual country figures. Thus, in terms of the world, the 79 countries as listed have, as the result of negotiations since the beginning of 1935, undertaken commercial commitments with respect to tariffs and trade representing 2,852 engagements by individual countries, equivalent to 1,426 bilateral agreements.

We all know there is no such thing as a one-way good-neighbor policy. Any individual or any nation foolish enough to attempt to carry on such a policy—who attempts to exercise trust and generosity toward another who does not intend to do so—will eventually and inevitably find himself minus his possessions or his markets, as the case may be. To argue otherwise is to defy all logic known to human philosophy.

Unless there is an about face in the administration of the act, unless the new President exercises the authority given him to protect American producers by compelling reciprocal treatment from other nations, or unless this act is allowed to lapse and these trade agreements are discontinued, then the regaining of these markets will not be postponed—the markets will be perpetually lost to us.

Now, Mr. Chairman, it is difficult for me to understand how any man can reconcile in his mind the futile sacrifices we have made during and since the First World War, and especially during the later years under this act, and including our sacrifices growing out of the present war, with the welfare of this country. It is difficult for me to understand how any fair-minded person could even ask that we continue to lay upon the altar of peace and good will, more and more of our own people's welfare and security as proposed in section II of the resolution in the face of the plain and overwhelming evidence that we are not "softening the mind of the world," and the attitude of other nations toward peace, or even a good-neighbor policy with this Nation.

We might just as well now face the fact that world commercial policy among the other nations is every nation for itself and "the devil take the hindermost."

If we, through the monumental sacrifices we have made for the benefit of other nations during the past quarter of a century, have not impressed them with our complete unselfishness, certainly

they will not be impressed by the surrender of our home markets to the products of their poorly paid labor.

It serves no good purpose for us to blind ourselves with platitudes and sentimental phrases. The Golden Rule, whether between nations or individuals, must work two ways. A good-neighbor policy; to be a good-neighbor policy, whether between nations or individuals, must work both ways. A reciprocity policy, to be a reciprocity policy, involves the inescapable correlative act of reciprocity on both sides, not merely on one side.

In view of the irrefutable facts disclosed all during the hearings, Mr. Chairman, I do not see how this body can do other than to defeat this resolution to extend this pseudo Reciprocal Trade Agreements Act for another 3 years with the power to grant further and devastating tariff reductions by another 50 percent.

In closing, permit me to remind all of you that we have appropriated more than $385,000,000,000 for the war effort since July 1, 1940. Let me remind you also that our national debt, before we cease spending for the war and the things growing out of the war, will exceed the sum of three hundred billions. I doubt if the combined debts of all other nations approach this staggering amount. To service and to pay this debt will require a high level of economy with high wages and accompanying high costs of production. These cannot be maintained if we tear down our tariff walls to the unlimited and devastating competition of low-paid labor all over the world.

Let me remind you again, also, that those low-paid laborers will be equipped with the most efficient automatic machines and methods. To those who argue that the efficiency of the American worker is such as to offset all advantages accruing to the foreign producer through low wages, low cost of materials, and so forth, I would say that the automatic machine operates as efficiently in Britain, in France, or in any other country in the world, as it does in Detroit, in Pittsburgh, or any other industrial center in this country. Further, I would remind them that learning to run such machines is a matter of a few weeks only. There is not a Member of this House who does not know women, young girls, many of them who, all during our war-production program, have been doing highly technical and most efficient work in our war plants. Such work was foreign to nearly all these splendid patriotic women. Most of them had had no previous experience to fit them to do this work. Yet had it not been for their splendid contribution, we would still be fighting in Germany. Certainly if our women who, during our national life, have not been trained for such work, could make the contribution they made in our war-production program, we cannot doubt the ability of the workers of other countries to properly and quickly master the technique of modern industrial production. Let those who persist in wishful thinking and permit such thinking to control their judgment ponder these facts before they vote to open wide the gates to imports from all over the world.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. ROE].

Mr. ROE of Maryland. Mr. Chairman, it gives me great pleasure to support H. R. 3240 to continue the Trade Agreements Act of 1934 for a further 3-year period. There is greater need of this legislation now than ever before in the history of the world. Science has made the whole world neighbors, has annihilated distance and time. I am sure I would not have to argue with any Member of Congress that it would be foolish to have trade barriers between different towns and communities in any county in America. Equally, it would be foolish to have trade barriers between the counties of our States. It would also be ridiculous to have trade barriers between the States of our Nation, and if we want to preserve world peace, promote prosperity and the well-being of all the people in the world, we must remove international barriers and do all in our power to promote international commerce and international trade and communications with all of the people of all the world.

So it gives me great pleasure to support this bill, believing as I do that it will promote peace, prosperity, and understanding among all peoples and all nations.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. ROE of Maryland. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The record shows that there were twice as many imports and exports back in the twenties as there had been under the operations of the act. When the gentleman speaks about raising barriers between States there would not be any object in it because the living standards are the same in all the States. The reason we ask for a tariff is to equalize the living conditions in India and China and other competing countries, where they are very low. Consequently the production costs are low accordingly as against our high standards of living and high wages.

Mr. ROE of Maryland. Is the gentleman asking a question or making a speech? As I see it, the thing that caused the depression after the First World War was the Smoot-Hawley Tariff Act. What that did was to prevent the rest of the world from selling us anything. We sold them our merchandise and loaned them the money to pay for it. The Hoover depression was caused by the fact that they had our merchandise, they had our money, and we had their I O U's.

Mr. KNUTSON. Does the gentleman know that the depression in England broke out in 1926 and did not strike this country until 1930?

Mr. ROE of Maryland. I have heard that statement. I was not in England in 1926; I do not know about that. I do know what happened in America in 1928, 1929, 1930, and 1931, when we had the great engineer, Hoover, in the White House. I repeat the prediction I have made a great many times, that until the Republican Party ditches Hoover the American people will always ditch the Republican Party.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LYNCH].

Mr. LYNCH. Mr. Chairman, I am thoroughly in favor of H. R. 3240, which is presently before us for consideration. It is a most progressive piece of legislation and highly essential if the United States is to assume the leadership in world affairs. In and of itself it will not prevent war, but in my opinion, it will be one of the strongest forces for the removal of the causes of war. We have learned from the bitter experience of the past the futility of political isolationism. I think that we have also learned, or at least a majority of us, that there can be no such thing as economic isolationism. The interests of all countries are entwined with one another. We have commodities which we produce and manufacture which other countries need. Those same other countries have commodities which they produce and manufacture which we need. It has long been the policy of the United States to treat all nations equally in trade, as far as we are able to do so, and it has also been our experience that where we have raised trade barriers against other countries they in turn have retaliated against us.

We have learned also that those industries in our own country which have benefited by protective tariffs have, for the most part, paid the lowest wages. We know that we must have markets for our surplus products, especially our agricultural products, or we must resort to the regimentation of agriculture and industry. To my mind regimentation is the antithesis to the free enterprise system. I have heard people say that reciprocal trade agreements will cause unemployment in this country by reason of the fact that we shall import products which have been produced through low wages paid in foreign lands. I can see no ground for this statement. I think that the attitude of the United States should be one not only of a producer, but also of a consumer. We cannot hope to sell to foreign nations unless we buy from foreign nations. That is a fundamental principle of foreign trade and it has been recognized not only by the Democratic Party but by the agricultural, industrial, and economic minds of the country. I cannot understand the opposition of the Members of the Republican Party in the House to this bill. In the report of the committee it is set forth that both parties were in agreement upon the extension of the present Reciprocal Trade Agreements Act for the period of 1 year. This, in my opinion, is clear and convincing testimony that the act, in principle, is sound. It ill behooves the minority, if they are in accord with the extension of the act at all, to favor an extension for only 1 year and to oppose the extension for 3 years, which is necessary to make the act really effective. The principle is either right or wrong. If right, we should extend it for a workable period of

3 years; if wrong, it should not be extended at all.

Let us look at the national platform of the Republican Party and ascertain whether or not the present opposition of the Republicans to this bill is justified. The Republican platform of 1936 states:

> We will repeal the present reciprocal trade agreement law. It is futile and dangerous. Its effect on agriculture and industry has been destructive. Its continuation would work to the detriment of the wage earner and the farmer.

In 1936, therefore, the Republicans were against reciprocal trade agreements—they called them "futile, destructive, and dangerous," today they are willing to extend the Reciprocal Trade Agreements Act for 1 year. If their condemning plank in the 1936 platform had been justified by subsequent events they would not have issued their news release of May 15 last wherein they said:

> The Republican members of the Ways and Means Committee have no objection to extending the present trade-agreement law for another year providing section 2 is eliminated.

In 1940 the Republican attitude toward reciprocal trade agreements changed. They accepted reciprocal trade agreements in principle but objected to the manner in which they were effected. The Republican platform of 1940 reads as follows:

> We condemn the manner in which the so-called reciprocal trade agreements of the New Deal have been put into effect without adequate hearings, with undue haste, without proper consideration of our domestic producers, and without congressional approval. These defects we shall correct.

The fact of the matter is that the uncontradicted and overwhelming testimony before our committee has shown that no reciprocal trade agreement was entered into without the fullest and most complete hearing. Every opportunity is given to business and industry to appear before the Committee for Reciprocity Information. This committee is composed of responsible officers of the Tariff Commission and the Departments of State, Commerce, Agriculture, and Treasury. Before any attempt is made to negotiate a trade agreement, notice of intention is published in the Federal Register, other governmental publications, and in the press. The notice names not only the country with which negotiations are to be opened, but also publishes a list of products on which concessions will be considered. No concession is considered on any product which is not included in this list. Thirty days are allowed to elapse before a public hearing is called and oral and written statements may be offered to the committee and full opportunity is presented to everyone concerned to state his views. This is the American way; this is the scientific way; this is the way which nullifies the old-time log-rolling methods of legislating a tariff, when Representatives from one section of the country would vote for a high tariff on a particular product in order to secure in return support for tariffs on products in which their districts were particularly interested. Instead of the old log-rolling, horse-trading, vote-swapping method of legislating tariffs which characterized the Republican Hawley-Smoot Tariff Act, the Democratic administration, through the Reciprocal Trade Agreements Act, has developed a scientific approach to the whole tariff question. Strangely enough, this is in accord with the professed Republican policy as set forth in the Republican platform of 1940, which reads as follows:

> The measure of the protection shall be determined by scientific methods with due regard to the interest of the consumer.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield at that point?

Mr. LYNCH. I will be glad to yield to the gentleman for a question.

Mr. KNUTSON. The gentleman's desire for a better understanding among the nations of the world is very laudable and understandable. Since 1935——

Mr. LYNCH. I said I would yield for a question. Does the gentleman have a question to ask me?

Mr. KNUTSON. Would the gentleman be in favor of building our ships abroad and thereby saving about $10,000,000,000 in 10 years?

Mr. LYNCH. I think that is about the most foolish question that could be asked, because we know there are no facilities for building our ships abroad. We know that in our own country we have shipyards and that we are employing thousands and thousands of our men. There is no such thing as shipbuilding under a reciprocal trade agreement, but, of course, I did not expect the gentleman would know that. Now, I am certain he does not know what is in the bill at all, or what the bill purposes to do.

The Republican minority are so anxious to oppose the administration that they do not even recognize that this procedure is in accordance with their own platform. The Reciprocal Trade Agreements Act is an integral part of the whole security plan and it is about time that the Republicans recognized that they cannot go forth into the highways and byways proclaiming their ardent zeal for world peace and at the same time oppose the destruction of trade barriers.

Let us see now what was the position of the Republican Party on reciprocal trade agreements in 1944. The Republican platform of 1944 stated, in part, and I quote:

> The Republican Party, always remembering that its primary obligation, which must be fulfilled, is to our own workers, our own farmers and our own industry, pledges that it will join with others in leadership in every cooperative effort to remove unnecessary and destructive barriers to international trade.

You will note that the Republican attitude is somewhat changed. They were, in 1944, ready and willing to join with others in leadership in every cooperative effort to remove unnecessary and destructive barriers to international trade. There is no doubt that there are even today destructive barriers to international trade, and the Democratic administration is endeavoring to remove those destructive barriers through this bill which is now before us and if the Republicans meant what they said in their platform of 1944 they will join in that leadership which would do away with these destructive barriers.

I am not alone in calling upon the Republican Members of Congress to join in this leadership. I venture to say that the greater portion of the press of the country has editorially espoused this bill. The New York Journal of Commerce, which is decidedly Republican in its leanings, stated on March 19, 1945:

> The unsettled economic conditions that will prevail after the war will doubtless cause many countries to set up new trade barriers. But as the situation becomes more settled many of these obstacles to international commerce may prove temporary, particularly if this country will exert active leadership in promoting freer trade. Adoption of the Doughton Act would provide such leadership.

The New York Herald Tribune, one of the stanchest Republican publications of the country, on March 28, 1945, said:

> No one who favors the general objectives of the Bretton Woods Conference can logically challenge the desirability of a continuance of the Hull reciprocal-trade program. More than any other single measure enacted by the present administration this is genuinely symbolic of economic cooperation in world affairs. * * * The Hull trade-agreements measure should by all means be extended.

In a recent editorial commenting upon the action of the Ways and Means Committee in approving this bill to continue and to broaden the reciprocal trade agreements the New York World-Telegram in an editorial said:

> We hope the bill, as reported, will be passed by resounding votes in both branches of Congress. For if the American people want peace in the world, and prosperity, high employment, and a rising living standard here at home, they must cooperate with the people of other nations in promoting the exchange of goods and services.

And again:

> We're glad the 14 wiser Democrats stood firmly. And we think the Republicans who tried to turn the clock back toward economic isolation did a disservice to their party.

These are a few of the editorials commenting favorably upon this bill, but there are legions.

When my colleague from Tennessee was discussing this subject the ranking member of the minority interrogated him somewhat on the most-favored-nation clause. I believe the best answer to the gentleman from Minnesota is contained in an editorial of the Baltimore Evening Sun of yesterday, May 23. It is entitled "Not a Give-Away," and reads as follows:

> NOT A GIVE-AWAY
>
> Not only do the Republican leaders of the House want to reject the bill to make possible a continuance of the Hull trade-agreements program but they also want to do away with the most-favored-nation policy initiated in the early twenties by Mr. Charles Evans Hughes, a Republican Secretary of State. At least, that is indicated by the speech which Representative KNUTSON, the ranking Republican on the Ways and Means Committee, made yesterday in opening the attack on the trade-agreements bill.
>
> Mr. KNUTSON criticized the trade agreements already negotiated, because they have all included most-favored-nation provisions. Under such provisions, the tariff concessions we make to any one country are generalized to all. That is to say, if we reduce the tariff

rate on champagne in an agreement with France, we reduce it for all other countries with which we have most-favored-nations agreements. France bargains for the reduction, but other countries get the benefit of it. Mr. KNUTSON insisted that such a policy is bad.

To Republican tariff spokesmen, it looks like a give-away, but actually it isn't any such thing. The fact is that, while reduction in the tariff on champagne in the French agreement did result in a reduction to other countries, the French are the only people who send us champagne. The reduction is generalized, but its principal effect, indeed almost its only effect, is in our trade with France. Similarly with the reduction on watch movements in the agreement with Switzerland.

Other countries having most-favored-nation treaties with us got the benefit of that reduction too, but since Switzerland is almost the only foreign country that exports watch movements, Switzerland is the only country to derive any large benefits.

This does not just happen. Those who negotiate trade agreements plan things that way. They know that any concessions they make to one country are generalized; hence they are careful to make concessions only on products supplied principally by the country with which they are negotiating. If there are several countries which export the article, the concession is not made.

There is another point to be noted. When a country having a most-favored-nation treaty with us makes a tariff concession to some third country, we get the benefit of that. Suppose, for example, that France makes a concession on imports of cotton textiles to the British. Under the most-favored-nation policy, that French reduction has to be extended to us as well as the British. Thus we get the benefit of whatever reductions may be made to other countries which operate within the most-favored-nation framework.

It was these considerations which led Mr. Hughes, when Secretary of State, to adopt the most-favored-nation policy. It is a good thing, and it actually originated in their own party, but Mr. KNUTSON and his Republican colleagues on the Ways and Means Committee are too prejudiced to know it.

The press, industry, agriculture, labor, civic organizations, and independent groups are in favor of this bill. As a matter of fact the Republican minority are compelled to go back over the centuries to find an excuse for their opposition. That excuse is set forth in a press release by the Republican members of the Ways and Means Committee some days ago, which reads, in part, as follows:

The time has come to be realistic, to be forthright, to be American. We say with the Apostle Paul in his epistle to Timothy: "But if any provide not for his own, and especially for those of his own house, he hath denied the faith, and is worse than an infidel."

At this point I might repeat the old proverb, "The devil doth quote Scripture to his will."

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Oregon.

Mr. MOTT. What the gentleman said about the concession to France on champagne or the concession to Switzerland on Swiss watches may possibly be true, but I want to ask the gentleman what he thinks of an example like the following, and I will take a profitable article in my own State: That is a nut called the filbert. A few years ago we made a trade agreement with Turkey, which produces a very small portion of the filberts produced in the world. Other nations produce filberts and as soon as this war is over and they are in position to import those nuts into this country, that Turkish agreement will accrue to the benefit of Italy, southern France, and Spain, which, taken all together, produce 75 percent of all the filberts grown in the world and in each of those countries the cost of production of this product is less than one-half what it is in the United States. What does the gentleman say about that?

Mr. LYNCH. In the first place, that has already been answered by the gentleman from Michigan [Mr. DINGELL].

Mr. MOTT. I certainly did not hear him answer it.

Mr. DINGELL. The answer to that question is that in the first place what little amount of filberts came to the United States came from Turkey. I may say to the gentleman, as I said in my remarks, for the benefit of the filbert producers, an industry which does not amount to very much in our economy, that when we raised the tariff on filberts we lost a great volume of automobile exports to Turkey and when we lost automobile exports the reduction in jobs at Detroit reduced the consumption of filberts, so we lose two ways.

Mr. MOTT. We did not lose the automobile business in the first place.

Mr. DINGELL. You lost the automobile business all over Europe as the result of the Smoot-Hawley tariff.

Mr. MOTT. If we lost any sales of automobiles it certainly would not be on account of filberts.

Mr. DINGELL. We lost the automobile business in Turkey for an insignificant amount of filberts.

Mr. MOTT. The gentleman is completely mistaken. We gave the filbert concession to Turkey. What I am saying is that because we gave it to Turkey we let in all the filberts in the world.

Mr. LYNCH. Mr. Chairman, I do not yield any further.

Mr. MOTT. We lowered the duty on filberts. These gentlemen should get a little better informed about these tariff rates.

Mr. LYNCH. Mr. Chairman, I refuse to yield further. May I answer the gentleman by saying that as far as I can see and understand the position of those who are opposed to this bill, it is a bill which they fear without any reason for that fear.

There is not a business that can be shown to have been substantially harmed by the trade agreements bill, as the gentleman from Michigan has pointed out; as a result of the high tariff on these filbert nuts we were not shipping our automobiles to Turkey.

Mr. MOTT. Mr. Chairman, will the gentleman yield further?

Mr. LYNCH. I cannot yield now.

Mr. MOTT. The gentleman admitted that he made a mistake.

Mr. LYNCH. The gentleman has asked me a question and I am trying to answer it. If the gentleman wishes me to answer it, I shall proceed.

Mr. MOTT. I will be glad to have the gentleman answer.

Mr. LYNCH. The gentleman is talking about a matter of fear. No business has been ruined or damaged materially by these trade agreements. Furthermore, when you speak about these products coming from other countries, such as Italy and others, may I say that we have no trade agreements with Italy.

Mr. MOTT. They come in without it.

Mr. LYNCH. We have no trade agreement with Italy.

Mr. MOTT. We do not need it.

Mr. LYNCH. May I say that we have had no trade agreement with any country that has gone to war with us; not one trade agreement.

Mr. MOTT. Of course, the war is going to be over in a short time——

Mr. LYNCH. And when the war is over, under the law, we will have a quota system which can be invoked. We have an escape clause so that if any great damage is done to any particular business the State Department has the authority to make different arrangements. The gentleman need not fear that there will be any dumping of foreign products in our domestic markets.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Michigan.

Mr. DINGELL. I want to clarify this matter. Evidently our minds have not yet met. The gentleman from Oregon was speaking of the time in 1939 when the tariff on filberts was lowered.

Mr. MOTT. That is right.

Mr. DINGELL. I was speaking of the time when we lost the automobile business in 1930, when the tariff on filberts was increased.

Mr. MOTT. The tariff on filberts was never increased.

Mr. DINGELL. It was put on or increased in 1930.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Tennessee.

Mr. COOPER. It shows very clearly that the gentleman from Oregon does not know what he is talking about.

Mr. MOTT. All right; tell me.

Mr. COOPER. The tariff on filbert nuts was doubled under the Smoot-Hawley Act. Why? Mr. Hawley, from Oregon, the gentleman's predecessor, was chairman of the Committee on Ways and Means. The tariff was increased, and immediately thereafter Turkey, one of our good customers for automobiles, retaliated. They erected a tariff wall on filberts and cut off the export of our automobiles to Turkey. They traded a little handful of nuts for automobile imports in the country of Turkey.

Mr. LYNCH. I think that is all we will have on nuts this afternoon.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from California for a question.

Mr. JOHNSON of California. Is it not a fact that when you make a trade agreement with a country—and I am talking about another kind of a nut, almonds—the effect is that it depresses the market for that particular year even though the agreement is not made because, as was the case in 1942 when they proposed to make a treaty with Iran, they were afraid of the Spanish almonds coming in and wrecking the American market, and the

almond growers lost thousands and thousands of dollars that year by the mere activity of the State Department proposing such a treaty.

Mr. LYNCH. May I say that what the gentleman has just stated might be true. But if it is true, then we might just as well do away with all kinds of protective tariffs or ever talk about writing a tariff, because apparently at the mere mention of even a possible discussion of tariff rates the market will go down before the people know whether there is even a contemplated change of tariff rates. Surely it cannot be reasonably maintained that the Government should never hint at a change of rates, lest the mere mention of such a change would depress the market. We would never get anywhere under such a theory.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield for a question.

Mr. GIFFORD. Yes, but prefacing the question, the gentleman has claimed today with great joy that the Democrats are wiser than the Republicans, and I hesitated to ask, but according to that the gentleman might wish to instruct us. In view of the fact that after concessions have been made many barriers have been erected by these other nations, even after they get the concessions, do you really need that 50 percent bait so they will break down the barriers they have made after the concessions have been made? What is going to be the end of it? How much do we have to give away? The gentleman recalls the testimony before the committee that these foreign nations have set up many types of barriers even after we have made concessions.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COOPER. Mr. Chairman, I yield five additional minutes to the gentleman from New York.

Mr. GIFFORD. I hope I have asked the question intelligently. I have been told today that I lack wisdom. I am seeking it.

Mr. LYNCH. Of course the gentleman knows there was no particular reference to him in my statements, although probably all Republicans come under the same generalization.

Mr. GIFFORD. I want to hang with them. I do not want to hang separately.

Mr. LYNCH. In reply to the gentleman's question, may I say that I think he knows as well as I do the reason that was given before our committee for this increase of the 50 percent. Some reductions have already been exercised to the full 50 percent. Other reductions have not been utilized to that extent. It seems to me if we are to negotiate a trade we must have something to trade. It may be good trading to reduce the rates further on some commodities already reduced 50 percent and it may be unwise to reduce rates further on commodities that have only been reduced 10 or 20 percent thus far.

Mr. GIFFORD. That was not my question.

Mr. LYNCH. Then I misunderstood the gentleman's question.

Mr. GIFFORD. Do you need 50 percent more to bait them to break down barriers recently erected?

Mr. LYNCH. I have only 5 minutes more and I cannot yield further.

Mr. GIFFORD. I did not think the gentleman would answer my question.

Mr. LYNCH. I thought I did and plainly.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. Will the gentleman explain to the House why it was that it was impossible for any of us to get from any representative of the State Department or any other official of the Government the name of a single item upon which they wanted to reduce the tariff another 50 percent?

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield.

Mr. COOPER. I commend to the gentleman for his very profitable and helpful reading the statement of Mr. Charles P. Taft, a distinguished member of his own party, who thoroughly and completely answered that question. It is in the hearings.

Mr. LYNCH. I think I shall let the testimony of Mr. Taft stand as my answer, for time does not permit me to elaborate.

In all the testimony before our committee there was little or no evidence of any harm caused to American industry by the reciprocal trade agreements. The whole theme of those who testified against the extension of the act was that of fear. They were fearful that their business would be injured, but they could not point to any substantiation for that fear. Certainly up to the present time they have not sustained injury traceable to the reciprocal trade agreements act. They were not able to establish, nor did labor contend, that by reason of the Reciprocal Trade Agreements Act unemployment throughout the country had been caused. On the contrary, the leaders of labor, with a progressive view, that might well be emulated, realized that only by developing foreign markets for our surplus products will we be able to achieve the goal of full employment. In placing before our committee the view of labor, Mr. James B. Carey, secretary-treasurer of the Congress of Industrial Organizations, appeared on behalf of 6,000,000 workers in that organization. His testimony is illuminating. He said:

> There are those who contend that the American standard of living would be lowered by admitting foreign imports into this country, that American workers would be thrown out of jobs and that we could not compete with the low-priced foreign goods produced under the low-wage conditions. Here are the facts: The principal industries affected by imports are textiles, wood, paper, and pulp industries, fishing, mining, and glass manufacture. Only a relatively small proportion of American workers is in these industries, and of these only a limited number are directly affected by imports.

And again:

> The maximum number of workers employed in industries whose goods compete with similar goods produced abroad is little more than 2,000,000. American workers thus are affected to a very limited degree by tariffs, whereas all workers as consumers are injured by high tariffs.

Mr. Emil Rieve, the general president of the Textile Workers' Union of America, speaking on behalf of 450,000 members of that union, stated:

> We of the Textile Workers' Union of America are not prepared to shoulder the responsibility of telling the world that we are not going to aid them; that we will isolate ourselves; and that the plans for economic cooperation between the nations of the world cannot be undertaken. We must extend and strengthen the act and announce our willingness to be part of the family of nations. We must formulate a realistic international trade program for our own guidance. The Reciprocal Trade Agreements Act permits such a conscious formulation of policy.

The president of the International Union of Mine, Mill, and Smelter Workers, Mr. Reid Robinson, testified as follows:

> We have heard for centuries the argument that tariffs prevent the products of low-paid foreign workers from taking away the jobs of our high-paid American workers. This argument is based on the fallacious notion that high tariffs bring high wages and low tariffs create low wages and low standards of living.

And again:

> Low wages are the result of a lack of sufficient jobs for all workers who are seeking employment; and to argue that a lowering of tariffs will create unemployment just does not jibe with our own experience As I have indicated earlier, lower tariffs will encourage an expansion of foreign trade which will in turn permit a high level of operations for our domestic industries so that no workers who want a job need go unemployed. What we are after is full employment.

In conclusion let me say, I do not believe that trade barriers are the only causes of war, but I do believe that they lay the seeds of war. They cause discrimination in trade; they arouse ill will and jealousies amongst nations that lead into war and I am firmly convinced that if these destructive trade barriers were removed one of the fundamental causes of modern war would be removed. Therefore, I am heartily in favor of the passage of this bill.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 20 minutes to the gentleman from Wisconsin [Mr. WASIELEWSKI].

Mr. BENNETT of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WASIELEWSKI. I yield.

Mr. BENNETT of Missouri. Mr. Chairman, I ask unanimous consent to extend my remarks following those of the gentleman from Wisconsin [Mr. WASIELEWSKI].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WASIELEWSKI. Mr. Chairman, the Reciprocal Trade Agreements Act having been considered so many times by the Congress, the arguments pro and con are well known to us all. During the first 5 years of its operation, even its most bitter opponents must concede that it promoted economic recovery, as well as better understanding with the nations with whom we had trade agreements. During the past 6 years, however, we have passed through abnormal times, and it

has therefore been difficult to appraise the full effect of the most recent trade agreements we have made, particularly with our best customers, the United Kingdom and Canada. Besides, the war has created practically a total embargo on imports, and many of the industries that expressed most alarm about the effects the act might have upon them in the future are those who suspended their normal production and engaged wholly in filling wartime needs.

It is significant that none of the witnesses who appeared before the committee in opposition to the bill claimed to have been materially hurt by the reciprocal trade-agreements program. Many of them felt they could get by with the present tariff rates in the postwar era. All of them, however, were fearful that in the future they might suffer from indiscriminatory wholesale cutting of the tariff. As is generally true, it is safe to predicate the future upon what has happened in the past. The facts clearly bear out that in the past great care, discrimination, and discretion were exercised by the administrators of the Reciprocal Trade Agreements Act in effecting their authority since 1934. In 1937, when the act came up for its first renewal after it had been in effect for 3 years, the 50-percent cut had actually been applied to only 12½ percent by value of our dutiable imports. Another 15 percent by value of dutiable imports had by that time been cut by less than 50 percent. By 1940, after 6 years, the 50-percent cut had been applied to only 24 percent of the dutiable imports, while a cut of less than 50 percent had been made in a total of 18 percent; and now, in 1945, 11 years after the act was first passed, we find that cuts of 50 percent have been made in a total of 42 percent of our dutiable imports and cuts of less than 50 percent in 20 percent of the dutiable imports, leaving a balance of 38 percent of our imports without any reduction to date. Certainly this evidence should demonstrate conclusively that we can have complete confidence that the authority conferred by this extending act will be exercised with similar caution and wisdom.

Let us briefly review the steps that must be taken before a trade agreement can be entered into. On page 5 of the majority report is a detailed account of the manner in which the Reciprocal Trade Agreements Act is administered. Briefly, the act did not create a special new bureau to advise the President, but instead directed him to utilize the specified existing departments and agencies for advice and information in the administration of the act. This agency is called the Committee on Reciprocity Information and is composed of responsible officers of the Tariff Commission and the Departments of State, Commerce, Agriculture, and Treasury, and when the act currently under consideration is adopted, the War and Navy Departments will likewise be included.

When it is determined to attempt to negotiate a trade agreement with any country, and before negotiations start, notice of intention to negotiate is published in the Federal Register, other Government publications, and in the press. The notice names the country, and along with it is published a list of products on which concessions in the American rates will be considered. No concession is considered of any product which is not in this list. Upon the announcement by the Secretary of State that a trade agreement is to be negotiated with a particular country, the Committee on Reciprocity Information sets a date, usually more than 30 days after the Secretary's announcement, for a public hearing before the committee and a date for the filing of briefs, usually a week or more before the date of the hearing. Both oral and written statements may be offered before the committee, and there are no restrictions on the character of the considerations that may be heard. Full opportunity is given to everyone concerned to present whatever facts or views he wishes. In addition to the holding of such regular hearings prior to the commencement of negotiations the committee stands ready at all times to hear interested parties on a formal or informal basis whenever they desire to present additional facts or arguments bearing on possible concessions. The committee has been informed that many such informal meetings with interested private groups have been held after the formal meetings were concluded. The information so presented to the Committee for Reciprocity Information is thoroughly organized and briefed for convenient use of the trade agreements organization by the specialists on the staff of the Tariff Commission. Exact copies of formal briefs submitted and full transcripts of the hearings are available to and are carefully studied by each agency concerned.

As each of the agencies specified by the act is represented at every level of the preparatory work, all of the resources of each are utilized. The care with which this work is done is illustrated by the digests which the Tariff Commission has made public following the completion of each agreement. The Department of State acts as the coordinating agency through which the findings and recommendations of the Trade Agreements Committee are presented to the Secretary of State and the President for consideration and approval. The international negotiations involved are carried out by the Department of State, assisted by the interested agencies of the interdepartmental organization. All negotiations are confined to and based on the approved findings and recommendations of the Trade Agreements Commitee. Your committee was advised that the interdepartmental organization does not shut itself off from contacts with private interests even after a trade agreement has been signed and has entered into force. The Committee for Reciprocity Information stands ready at all times to receive the views of interested persons or organizations concerning any aspects of the operation of agreements. Informal conferences or hearings are arranged whenever anyone has a complaint to make. Such complaints have been remarkably few, attesting to the care with which the agreements have been formulated. In several cases, adjustments have been made either through supplementary agreements or pursuant to escape-clauses in the agreements. Under this procedure, any necessary future adjustments can be made. Mr. Taft, as well as Mr. Clayton, has assured the Ways and Means Committee that it is the intention of the trade-agreements organization to recommend to the President the inclusion of broad, safeguarding provisions along the lines of article 11 of the Mexican agreement in all future trade agreements. The witnesses favoring the continuation of the act as well as some of those in opposition testified that they were granted a full opportunity to present their cases.

Though to date trade agreements have been concluded with 28 countries, over 65 percent of our normal trade is carried on with trade-agreement countries. The agreement countries have made concessions on 73 percent of their agricultural imports from us and on 48 percent of their nonagricultural imports from us. Concessions were obtained on thousands of individual products which enter into the export trade of the United States. For example, over 1,400 rates of duty were involved on the United Kingdom side of the agreement with that country while over 1,000 Canadian statistical classifications, 400 Cuban tariff items, 200 Mexican rates of duty, and 200 Colombian rates of duty were covered in the respective trade agreements with those countries. Every State in the Union produced some of the products on which concessions were obtained.

It was interesting to note that many persons opposing the Trade Agreements Act take the position that we are mere babes in the woods in the matter of international dealings and that all foreign countries are bad wolves ready to gobble us up. Nowhere else have I witnessed such an utter defeatist and helpless attitude. Nowhere have I witnessed such lack of self-confidence, such a feeling of inferiority. Apparently, they did not know that since our early history, the Yankee trader has always managed to strike a good bargain in any market. With such a veteran and experienced trader like the Assistant Secretary of State, Mr. Clayton, in charge of this program, there should be no fear in anyone's heart that someone might take advantage of us.

Trade agreements should play an important part in the postwar era to eliminate economic warfare and prevent tariff wars. As pointed out by the Colmer committee:

> The principal advantage of the trade-agreements program is its flexibility; tariff reductions can be made both at home and abroad under the authority of a single general act. This means that tariff adjustments and individual commodities can be made quickly to meet rapidly changing economic conditions. Since the governments of almost all countries with which we deal have the authority to make tariff changes by agreement, the act simply gives our negotiators a bargaining power equivalent to that of other countries.

The testimony of witnesses appearing before the committee leads to the conclusion that under the Reciprocal Trade Agreements Act, considerable progress has been achieved in a reduction of the

barriers without serious harm to anyone and with beneficial results to the whole of our national economy and our foreign relations, but it should be emphasized in this connection that the trade-agreement program was launched in 1934 when the tariff rates, in the United States and in general everywhere, had been raised to the highest level in history. It is not surprising, therefore, that the peacetime barriers to trade are still formidable. It is therefore necessary to have section 2 of House Resolution 3240 in the future legislation. Simple renewal of the act without the added authority will fall short of equipping the United States in the establishment of trade relations designed to expand world trade on a mutually advantageous basis. The President needs additional bargaining power to perform this task. Our failure to increase the authority under this act will be interpreted by the rest of the world as a notice that the United States is unwilling to cooperate with the other countries in carrying out the principles of trade expansion it has so frequently proclaimed.

Whether or not we shall have a lasting peace after VJ-day will depend in a large measure on our ability to cooperate and obtain the cooperation of other nations of the world, not only in the field of politics, but likewise in economics. The Reciprocal Trade Agreements Act is probably one of the most important elements in our postwar world economic cooperation and collaboration program. If we fail to follow through, we have no choice but to fall back into the economic isolationism and nationalism of the twenties. It is clear that if after the war the nations are again persuaded by the urging of minority interests, or are deceived by the false doctrines of economic nationalism into following shortsighted economic policies, dividing them economically and politically as after the last war, the economies of all nations will suffer and the political unity essential to world security will be in danger.

From bitter past experience we know that these policies and acts destroy what they were meant to create. These policies are not only futile as a means of promoting the economic welfare but actually destroy the economic welfare and the political structure of the community of nations. Nations cannot long maintain close harmony in the political field, which is so essential for the prompt and concerted action in the face of military aggression, if they are at each other's throats in the economic field. It has never been contended by the supporters of the Reciprocal Trade Agreements Act that it was a panacea for world peace, but no one can deny that it can play an important role to that end.

During the course of the present war, more people than ever have been gainfully employed in our shops and war plants. We have made considerable technical progress in our production methods. Our national income has reached a new high level. Our national debt has risen to a new apex. Our big problem in the postwar era will be to maintain the high employment we are now enjoying and likewise to maintain a high national income in order that we may be able to liquidate the national debt as quickly as possible. With the transfer of our new developments and technical advances to civilian production, we shall produce materially more than we can hope to consume, and it is therefore important that we find new markets for our surplus. Though it is plain that the Reciprocal Trade Agreements Act of itself will not guarantee full employment, maintenance of our national income, or disposition of our surpluses, no one can deny that it can play an important role to that end. We know that we cannot maintain full employment on a productive and self-sustaining basis without greatly expanding our exports and imports beyond their pre-war levels. Since we are today the largest creditor nation in the world, we cannot expect that many nations will be in a position to pay cash for our exports. We will of necessity have to accept imports in exchange for our exports.

It is interesting to note the parallel that exists between our present situation and the one at the end of the last war. Secretary Hull, then a Member of Congress, urged that we embrace a liberal commercial policy, but his plea, as well as that of others, was rejected—with the disastrous results known to us all. Instead, we made large loans to a few countries amounting to some nine or eleven billion dollars, thereby stimulating large export trade throughout the twenties and impeding imports by replacing the moderate Underwood tariff of 1913 with the Fordney-McCumber tariff of 1922 and later with the still more restrictive tariff of Hawley-Smoot in 1930. As a result, we suffered the most disastrous economic depression in our history when the false structure crashed.

Mr. Chairman, I am not a believer in free trade. I appreciate, however, that our tariffs have not been designed for revenue, but for protection, or exclusion, if you so please. I believe in a protective tariff for those industries that need it, either because of their infancy or some other extenuating circumstances. Certain industries which are critical to our national defense also may require protection. However, I am opposed to tariffs which are set up purely for the purpose of excluding competition. As a believer in free enterprise, I am opposed to any measure that might lock out healthy competition.

Foreign trade, after all, like any international intercourse, must be reciprocal to be healthy and lasting. If we hope to sell abroad, we must buy abroad. Foreign trade cannot be a one-way street. It is definitely a policy of give and take.

We have the opportunity of a lifetime to be the leaders in the world of tomorrow—a world of lasting peace, collaboration, and prosperity. On the other hand, we may fall into our old ways of nationalism and economic isolationism and reap chaos and war and a bankruptcy of our civilization. Mr. Chairman, the choice rests with us.

Mr. BENNETT of Missouri. Mr. Chairman, I want to take a few minutes to discuss a subject even more important to the future security of this country than the tariff bill we have been debating all week.

Every day that victory is nearer brings us closer to the great decisions which involve the expanded future and security of the United States. When the treacherous enemy has been finally crushed we shall survey the world and get our bearings. But we should be considering now what our place is to be in the great concourse of nations who, we hope, will join in promoting the peace of mankind. And though we are on the eve of deciding to form a partnership with all the peace-loving nations, we still cannot shrink from facing the stark realities of our country's defenses and its natural and inevitable expansion. We have the sacred duty to make the new era safe for the United States, safe to reach its own destiny.

Our past has been marked by bold and decisive steps to find our way to greatness. Even in our earliest days and when we had little military power we used what power we had to defend the heritage of the Nation. Thomas Jefferson was bold enough to send our small but gallant fleet to destroy the Barbary pirates in the Mediterranean. To protect our frontier to the south and west he sought to buy Florida, but bought the vast Louisiana territory instead. To defend our eastern shores against aggressors President Monroe formulated the doctrine which bears his name and thus kept every foreign invader from this hemisphere from almost the very beginning of our Republic. We took Texas, California, and the Northwest, and then, and not until then, did we think our frontiers safe.

Today we are facing just as great a decision as that faced by President Monroe or any of his daring successors. Today, we are planning the future so that our land in all its extent, with its far-flung commerce, its ships on the seas, and its craft in the air, will be protected and safeguarded from any attack or interference in its peaceful pursuits. We have pushed the enemy back from the lands and the seas he had overrun. Now we shall decide whether he shall ever be in a position to overrun them again.

Many of the strategic spots on continents and in islands, big and small, are in our hands. It would be foolhardy, indeed, to allow them ever to fall into other hands again. We have it in our power, with that victory which is being so gallantly delivered into our hands by our soldiers, sailors, marines, and their commanders, to dictate what we regard as our necessary outposts all over the world—for the defense of the United States. We have got to examine our position from the view that this country shall be unassailable for all the years to come. We have got to hold those strategic points from which we can repel any threatening invader, before he can even start on his predatory expedition against us. We must build an impenetrable wall of fortresses on the decisive stretches of soil and the islands which guard the approaches to our land, so that this Nation will remain safe behind what we hope to make an impassable barrier. It shall be our first line of defense.

EXPERIENCE

We have learned in this war the great role which bases have played in the ebb and flow of victory. We have seen how Great Britain had protected herself with bases all over the world. The bases where the British flag has flown have served in other wars as well as this one to stay the onward march of the invader.

Throughout this war the priceless value of bases has been eloquently portrayed by events. The British, woefully unprepared on the land and almost destitute in the air, were able to retire to base after base. The successive retreats of British arms in East Africa, in Libya, from the eastern Mediterranean, and then in that predatory drive of the Japanese toward Hongkong, Burma, Singapore, and even the islands of the Coral Sea, tell a vivid story of despair turned to hope by having places to go. On the sea and in the air they were able to trade space for time just as the Russians did on land when the Germans drove them from the borders of Poland clear to the banks of the Volga and the mountains of the Caucasus.

Had not the British possessed these bases, had they not had these stepping stones to other positions, the Germans would have reached the gates of India; the Japanese would have overrun the Continent of Australia. Victory then for Allied arms would have reposed in a precarious balance.

And we see it with enduring vividness in our own house. We were forced to a combat spirit near desperation after the attack on Pearl Harbor. But, were it not for the retreat of General MacArthur from Manila to Bataan and then to Corregidor, the Japanese may well have landed in California and Alaska.

We should long ago have possessed all the bases we needed in the Pacific. Think that in 1900, 2 years after we had fought the Spanish-American War, that Germany bought all the Caroline Islands and all the Marianas from Spain for a mere $4,000,000. Last year, 44 years after that event, we went to the assault to possess these islands at a terrific cost in blood. For 27 islands we have taken from the Japanese, starting with Guadalcanal and including the fighting on Okinawa up to May 9, we have suffered 163,081 casualties. In addition, we have expended treasure amounting to seven or eight billion dollars—2,000 times as much as what Germany paid Spain, an enemy we had defeated.

After having fought the last World War, we renounced for a second time all claim to these and other strategic German possessions in that vast ocean so vital for our defense. We allowed the British and the Japanese to divide up the whole of the spoils. Shall we repeat such an error a third time? Friends of today may be enemies tomorrow. President Wilson went so far as to proclaim a policy of erroneous American resignation when he said, in his war message:

> We have no selfish ends to serve. We desire no conquest, no dominion. We seek no indemnities for ourselves. We are but one of the champions of the rights of mankind.

The beauty of the words and the loftiness of the thought may be commendable. But in that spirit of renunciation, we have had to fight for the possession of those former Spanish and German islands which fell into the hands of the Japanese. Just think of what it would have saved us in the flower of our manhood had we held the Marianas, the Carolines, and the Marshalls when this war started. We have had instead to fight on bloody beaches, sacrificing the lives of hundreds of thousands of young Americans and giving up billions of our treasure. We would have been safe in the Pacific had we stepped forward in 1919 and claimed our rights, as I insist we must do now.

REQUIREMENTS OF THE AIR AGE

The coming air age has made it incumbent upon us to secure bases for the traffic of the air just as England secured them for the sea. Her power on the sea was built because she had set out to possess the keys to the commerce of the world. Our power in the air now requires that we also go out and seek those bits of land, reefs, atolls, and even volcanic wastes where our air defenses and our air commerce of the future will have their ports and their stations for haven and repair.

Just as we are facing a new era in deciding our future defenses, we are facing a new era in the method by which defense is maintained. We have passed from land-borne and sea-borne armies to those air-borne. The progress in every branch of air warfare will be so stupendous in the not distant future that we will have to adjust all our military thinking on the basis of the overwhelming striking power of the armed airplane.

It has been considered that the blitz was a new technique in warfare when it aimed at the destruction of the enemy's communications and factories and used the treasured element of surprise. This is only one of the elementary principles in the air war of today. In the future the principle of the blitz and of surprise will still be used, but the weapons will be far stronger and far more deadly in their annihilating destruction.

Powerful rocket bombs launched under their own power or dropped from self-propelled airplanes will be so perfect that they will strike their targets with deadly accuracy. I have seen damage done by the present buzz bomb and rocket, and shudder to contemplate its progeny. Chemical science, too, has already evolved new and terrifying gases by which whole populations could be rendered helpless when the aggressor decides to strike.

We are to see much bigger and more powerful planes. Light metals will enhance their lifting power. The science of electronics will increase their efficiency as a devastating force. In the naval sense, they would be called dreadnoughts. Dreadnoughts they could also be called in the aerial sense, for their destructive power will be greater than anything yet contemplated in the field of armed conflict. What had been projected by the German blitz of 1939 in its march through Poland, Holland, and the Balkans, will seem like an Ozarks opossum hunt in comparison with the material destruction and the human massacre by the air armadas of the future.

We will witness an era in the air which will revolutionize even the great and speedy planes of today. With the new jet-propulsion motor a plane will travel 1,000 miles an hour. At the beginning of this war a plane was doing well to travel 400 miles an hour. Technical experts declare that a man will be able to leave New York at noon and arrive in Los Angeles at the same time. The 3 hours difference on the clock between these two cities will give him the margin necessary to traverse the 3,000 miles which separate them.

AIR COMMERCE

And with the coming of great military power by means of the airplane, there will also be great commercial power. We will build planes as transport planes to carry not only passengers but vast tonnage in freight. Cargoes will go through the air just as they are going over the seas and on the railroads today. It is quite within the reaches of early accomplishment—and not many years after the war—that the United States will be able to muster a commercial airplane fleet of some 500,000 planes.

If we are to engage in the commerce of the world and our planes are to enjoy the freedom of the air, we must see to it with clear decision and firm will that we have ports for refueling and for forced landings all over the world. Since the airplane will be the most favored means of transportation in the future, we must be prepared for all that that involves—namely, the possession, and especially in our own right, of bases wherever our commerce extends. The progress in that age as compared to this could be likened to the revolutionary change from the horse-and-buggy era to that of the automobile.

And while it was necessary for us to keep great naval fleets to protect the sea commerce of the United States, so then it will be necessary for us to maintain great fighting armadas of the air to protect our air fleets and commerce.

In that recent study of the peace that is to come, and contained in the book, The Gentlemen Talk of Peace, by William B. Ziff, the noted air strategist, the opportunities which will surround us are given deep and careful thought. Ziff pays particular attention to the forward march of commercial air power, but insists, nevertheless, that this progress must be accompanied by an equal advance in our military air power as well.

In the flight paths of the commercial planes ultimately would follow powerful fighter squadrons—

Says Ziff:

> There has never been a great mercantile fleet in history which was not finally backed up by a powerful war fleet. The two have always coexisted since the days of the earliest trading powers.

Now, along with the air age will come notable changes in the distance from one center to another. The fact that the airplane can use the Arctic Circle will reduce the distance from widely separated cities. The frozen North has been a tra-

ditional obstacle to navigation. Ships must go around it for they cannot cross it. But by air, the North Cape in Norway is the same distance from Oregon as it is from Washington, D. C., because the airplane can jump the North Pole, flying above the weather.

In an air route and using the great circle, Montreal, which is a thousand miles up the St. Lawrence River from the ocean, is nearer to Liverpool than New York by 300 miles. We can also judge the difference that flights over the Arctic Circle would mean, when we realize that a distance of 4,000 miles is saved between Washington and Chungking, China. That is to say, to fly west from Washington along a given latitude would require 11,718 miles of flight, whereas by hopping over the Pole, it is but 7,500 miles. London is 7,000 miles from Tokyo over the Arctic Circle but 17,000 miles by way of the Suez Canal and the Indian Ocean. New York is 11,190 miles from Tokyo by surface but only 6,735 by air.

These distances are staring at us all over the world in their astonishing change through the geography of the air. A city which was once several thousand miles away from another can be brought to half that distance from it by the air route of the Arctic Circle. This creates a new relation between all the continents and seas, and in a like way influences the commerce and even the defenses of nations.

What is more, since the airplane does not depend for its harbors and havens upon a calm and peaceful inlet along the sea coast, inland cities are brought along the air highways of commerce simply by creating a place where planes can land and take off. Chicago will suffer nothing by being inland in the air age. Stalingrad will rise to great commercial potentiality. The far reaches of the Asiatic interior will be able to carry on their commerce in the air age unhampered by the fact that they are so far from the sea or have no outlet at all.

FULL OWNERSHIP

From this inevitable plunge forward into the air age, we can see very easily why it is necessary for us to build and possess airports of call for our commerce of the future, whether they are in the islands of the Pacific or the vast stretches of the African or Asiatic deserts. In this new air age, an island in the Pacific would serve us far more than a great stretch of territory attached to a continent because it would be the only place to land on a long and melancholy stretch of ocean.

We should own and control outright those places where our planes can land, seek refuge in bad weather or repair a weakened part when necessary. We need an unbroken string of these bases protecting the approaches to the United States from the north, south, east, and west.

Hence, it is of supreme importance that those islands which have fallen into our hands, especially by our conquests in the Pacific, shall remain in our hands. We have taken over Iceland and Greenland, parts of Newfoundland, and other outposts in the North Atlantic. I have visited the great air bases we have built in those places for our trans-Atlantic traffic and protection. It is unthinkable that they should now be abandoned. We have built the most modern military installations on many islands in the Caribbean and even on the mainland of South America. These we should not allow to pass out of our control. We have spent scores of billions of dollars in their construction. They shall serve us as the great guardian of our continental abode if we are to remain protected from outside attack, as well as help us on our commercial expansion of the future.

Our Army and our Navy has constructed airports with vast storing and repair equipment and the most modern landing and launching facilities in every part of the world. These airports run into the scores. Besides the West Indies, Greenland, Iceland, and the Pacific there are extensive American installations in Morocco, in Libya, in Egypt, in Iran, in Iraq, in West Africa, in East Africa, in India and Burma and China and all over southeast Asia and Australia. Our installations in the Bermudas cost us some $42,000,000; those in Iceland ran up to $50,000,000, while those of the Persian command reached $60,000,000. And why should we not become the possessor of these decisive bits of soil which have cost us so much and are so vital to our security?

Our armed forces drove into the various islands of the Pacific held by the Japanese and there, with incomparable skill and courage, they seized the strategic territories which were to lead to the present favorable position we occupy in the war against Japan.

PAID FOR WITH LIVES

We are to remember on pain of mortal shame that at Kwajalein, in the Marshall group, nearly 2,000 marines either suffered wounds or death to win that powerful outpost. For Tarawa, 3,000 marines spilled their blood to wrest it from the enemy. On Palau, in the Pelelius, nearly 7,000 American Yanks fell and suffered in the assault. At Saipan, the casualties went up to 15,000, and at Iwo Jimo the toll reached the enormous total of 19,497. Our conquest of the Marianas cost us 25,427 casualties.

We all know that it had to be, to drive the invader back, but now we want to make it possible that the invader shall never be able to catch us again. We need all these outposts. We need them as a prime necessity in the new air age. We need them in the military defense of the United States.

Not alone in the Pacific, but also in the Atlantic, we should demand the possession of bases which we have created with our skill, our ingenuity, and our riches. It may be true that we have not sacrificed in blood as heavily in the Altantic as we have in the Pacific, but we have constructed colossal enterprises there to protect this hemisphere.

And when I talk of protection I mean protection of our very homes and our very lives. European powers control a number of the strategic islands of the Caribbean and yet what they hold there has no relation to the defense of their own homeland. It does with us. They are squatting in the Caribbean and the islands of the Atlantic as interlopers. We are willing to put the civil possessions of the islands into the hands of the inhabitants, but we should insist on our right to use the islands as suitable bases for our naval and air protection. I would be willing to insist that these properties be turned over to us as reverse lend-lease or as payment of the sums owing to us from our allies in the last war.

Our capacity to develop these islands would be in contrast with that of the European powers which now hold them. We would seek to develop them for the good of their inhabitants whereas European powers seek to exploit them as markets for their textiles, their kitchen utensils, and other industrial products. We would not be going to the Caribbean, the West Indies, or the Arctic to deprive the people there of any of their rights or of any of their riches. We would go as benefactors as well as protectors.

The strategic frontiers of this hemisphere—

Says Ziff, who is regarded by our air staff as an advocate of sound principles in air warfare—

are the Cape Verde Islands, the Azores, Iceland, and Greenland in the east and a line running from Seward Peninsula (in Alaska) and Attu Island (in the Aleutians) * * * to Luzon Island (in the Philippines) and including * * * all the islands as far south as the Australian mainland thence east to the shores of the Americas.

In other words, in this new era into which we are about to enter—an era when our power is being felt as the most supreme in all the world—we need a cordon of impregnable bases for our continental defense in this new and fast-traveling air age with its as yet undreamed of possibilities. A string of places where planes can seek refuge from storm or land for repairs or for refueling must be transferred to us to protect our heritage in greatness and in material resources. As far as the Atlantic is concerned, we should possess what we have built up—in the Caribbean, in the West Indies, on the coasts of South America, in Newfoundland, in Iceland, and in Greenland. We should negotiate with Portugal for the purchase of the Cape Verde Islands, just as we negotiated for the purchase of the Virgin Islands from Denmark in 1917. With these outposts under our flag we would establish a protective fence about the Western Hemisphere. As long as we remained in possession of these bases no enemy could ever make his way across the ocean to attack our coasts or to set foot upon our soil.

PACIFIC OCEAN DEFENSE

In the Pacific, our outer wall starts on the Seward Peninsula in Alaska and passes down through the Aleutians to Luzon in the Philippines. All land and sea within that frontier we should regard as inviolable. With the unconditional surrender of Japan—the Bonins, the Marianas, the Carolines, and the Marshalls should pass directly and without any reservations whatever into our untrammeled possession. And for the sacrifices we have made in the Gilberts,

the Bismarck Archipelago, and the Solomons, we should demand Tarawa, Bougainville, and Guadalcanal. It is only when these are in our hands can we rest assured that our honored dead on those blood-soaked shores will be truly honored and truly revered. In their name and through their sacrifices we would become the undisputed masters of the Pacific.

If the future and destiny of the United States is to be assured to succeeding generations and for the centuries to come, this we must achieve. The responsibility we share for the eternal greatness of this republic demands that we shall prepare for its defense to the end of time. This we all owe.

I quote the words of Admiral Ernest J. King:

> These atolls, these island harbors, will have been paid for by the sacrifice of American blood. They will have been scooped out of sand and rock, coral and volcanic ash, by a generation of Americans giving their sacrifice, ingenuity, and money.
>
> Failure to maintain these bases essential to our defense raises the fundamental questions, How long can the United States afford to continue a cycle of fighting and building and winning and giving away, only to fight and build and win and give away again?

And we shall not be content with any trusteeship or mandate given us by some other powers. It would not be serving our own purpose and the purposes of peace to be subject to the whims of any international organization which may at some future time say that these bases did not belong to us. We want title to all the islands we have captured in the Pacific and to a great many of those in the Atlantic. We want title without any strings being tied to it, so that we can build up our defenses in a manner worthy of our industrial and military power.

I can see this Nation protected with a circle of forts about it so far from our continental abode that we will be able to stop a threatening aggressor before he gets started across the seas. We want to stop him dead in his tracks that he may never approach the sacred soil of this American Continent. It is for us to so order the defenses of the United States that this Nation will be impenetrable from attack for all time and ready for its mission of commercial expansion in the future.

OUR RESPONSIBILITY

This is where destiny has led us. We face the momentous decision of whether we desire to be strong and great or whether we wish to live only in the accomplishments of our past. If we are to endure carrying the burden of a glorious civilization, we must accept the challenge of a strenuous national life.

The country has been consigned to our hands by the daring and toil of those before us. The victories of our arms earned by the courage of our youth on the land, on the sea, and in the air demand that we take on the duty of our greatness. This is our moment for unreserved decision, uncompromising action, and a firm and determined will. It is now in our power to bequeath to succeeding generations an America destined to live for all eternity by its achievements and its faith. We are today the masters of our Atlantic approaches and of all the Pacific. We must continue to be the masters and thus to hand down to our children an America great and secure until the end of time. Let us, therefore, keep permanent and unclouded title to island bases we have bought with our blood, sweat, tears, and dollars.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. MURRAY].

FAIR QUESTIONS THAT DESERVE FAIR ANSWERS

Mr. MURRAY of Wisconsin. Mr. Chairman, in regard to our foreign agricultural commerce I would like to ask three fair questions.

First. Is there a Member of Congress that would vote to place one man in complete control of the agricultural prices in the United States?

I can and do approach this from a nonpartisan standpoint. The Price Control Act was approached from a nonpartisan standpoint. What was the procedure followed when this act was passed? Effort was made to place safeguards in the act for the purpose of protecting each group. The producer was guaranteed a 90-percent parity floor price and a 110-percent parity ceiling price in accordance with this and other provisions of the Steagall amendment. The consumer was to be protected by the establishment of ceiling prices—dated or fixed ceiling prices. The processor and the food distributor were given certain protection by the insertion of many clauses. All groups were provided some kind of tribunal from which they could obtain redress for their difficulties. The meat inquiry by the Congress, and the many other changes that have resulted from the appeals to the OPA and WFA and to the Congress itself, is conclusive evidence that difficulties arise that cannot be foreseen.

I doubt if any Member would vote, "Yes, he would give this authority to any one man."

Second. Since the Congress then would not even in wartime delegate this power to any one man to have control of the domestic agricultural prices, by what stretch of the imagination can anyone expect the Congress to delegate its power to any one man in peacetime to have complete control over our foreign agricultural program, when everyone knows that the domestic farm program and the foreign agricultural program are so very closely interwoven that whoever controls the foreign agricultural program also controls the domestic agricultural program. What redress has any group of people under this act?

If as a part of the domestic as well as the foreign agricultural program this administration has followed a plan of establishing export subsidies to capture world markets, a plan whereby they put an export embargo in operation on tobacco seed, a plan that places a near embargo on imports such as on wheat, cotton, and milk; a plan whereby the world wheat market has already been divided under section 22 of the Agricultural Adjustment Act; together with the plan of subsidies to domestic producers, processors, and consumers, how can we approach this problem only on the basis of reciprocal trade treaties? Some of these devices may be more objectionable to other countries. Embargoes surely can be more objectionable than high duties.

We have been drifting away from government by law and adopting a plan of government by men. While under the act this power is delegated to the President, it appears that the State Department has taken over and that these problems enter into the field of diplomacy rather than in the field of economics.

We hear much about how Mr. William Clayton is going to have a large part in these foreign agricultural business plans. I do not know Mr. Clayton, but I do know that if one would not vote to give him or any other one man the power and authority to have complete control of agricultural prices in the United States even during wartime, there is no valid reason that can be advanced as to why one should be expected to delegate the power to him or any other one man to have absolute control over both the domestic and the foreign agricultural commerce of our Nation during peacetime.

The United States has already lost its foreign agricultural market. While about 50 percent of our total exports were agricultural products for many years, these agricultural exports have gradually dwindled until, according to the testimony of Mr. Fred Brenckman, of the National Grange, before the Ways and Means Committee, the agricultural exports were only 8.8 percent of the total exports by 1940. He used the United States Department of Agriculture figures. Reports of the Commerce Department I received show a little larger volume of agricultural exports. Anyway, to obtain these exports in 1940 many products had the benefit of an export subsidy. The products provided a subsidized export according to the United States Tariff Commission on May 21, 1945, were wheat, cotton, flour, pears, and walnuts.

This domestic and foreign agricultural commerce of our Nation has been so confused by the trade treaties; the export embargo, the near embargo on imports; the subsidized exports; the quota of world markets established under section 22 of the AAA; the "gentlemen's agreement" quota, that when we include the domestic agricultural program it appears that the best plan would be to extend these various devices for 1 more year as they are and take a little time in adjusting our foreign agricultural program as well as our domestic agricultural program and see that they are properly coordinated.

Third. Do you believe in fulfilling the commitments embodied in the Steagall amendment?

We must remember that the domestic agricultural program is being operated on over a billion dollars annual appropriation. We must remember that, if the 90 percent parity floor price is maintained in accordance with the Steagall amendment for 2 years after the war, this is the time to be thinking and doing something about it. The world

price plus the proposed duty that could be put in effect under H. R. 3140 would be less than the 90 percent guaranteed floor price on every agricultural product of importance. Is the Steagall amendment to be cast aside as a broken promise?

It has been said that the duties may not be lowered. I think they can say that with assurance to some groups of producers, as many of them have not been lowered during the present operation of the treaties.

If the State Department does not intend to lower duties, why do they ask for the power? We surely should not pass the legislation just to deceive other countries into believing the United States intends to lower the duties if they do not intend to lower them.

The following official table indicates the crops wherein the world price plus the proposed duty would not equal the 90 percent parity guaranteed floor for leading agricultural products:

Agricultural prices: Actual and parity for January 1945 for selected commodities and indicated parities under pending bills compared with foreign prices and United States import duties

Commodity	Unit	Parity prices			Actual prices			Import duty rate	
		Present formula	Pace bill, H. R. 754	Thomas bill, S. 507	United States		Foreign[1]	Present[3]	H. R. 2652[4]
					Farm	Market[2]	Market		
*Wheat	Bushel	$1.52	$1.99	$1.84	$1.46	$1.63	$1.02	[5]$0.42	$0.21
*Corn	Bushel	1.10	1.44	1.24	1.07	1.15	.63	.25	.12½
*Oats	Bushel	.69	.90	.66	.72	.73	.30	.08	.04
*Barley	Bushel	1.06	1.39	.96	1.02	1.11	.40	.15	.07½
*Rye	Bushel	1.24	1.62	1.32	1.09	1.23	.60	.12	.06
*Flaxseed	Bushel	2.91	3.80	3.25	2.91	3.12	1.57	.32½	.16¼
Rice (rough)	Bushel	1.40	1.83	1.75	1.75		1.60	.56	.28
Soybeans	Bushel	[6]1.65	[6]2.16	3.03	2.06	2.19		1.20	.60
Beans	Hundredweight	5.80	7.58	8.02	6.23	6.85	4.25	3.00	1.50
*Cotton	Pound	.21	.28	.30	.20	.22	.14	[7].03½	.01¾
Cottonseed	Ton	38.80	50.70	50.30	52.80			6.67	3.33½
*Peanuts	Pound	.08	.11	.08	.08	.14	.04	.04¼	.02⅛
*Hay	Ton	20.40	26.70	18.80	17.10	45.00	16.36	2.50	1.25
*Potatoes	Bushel	1.25	1.56	1.56	1.58	1.80	1.25	[8][9].37½	.18¾
Sweetpotatoes	Bushel	1.51	1.98	1.86	1.90	2.50		[8][9]50%	[9]25%
*Apples	Bushel	1.65	2.16	2.03	2.46	3.32	2.25	.15	.07½
*Oranges, on tree	Box	[6]2.03	3.18	3.18	1.98	4.74	.90	.70	.35
*Grapefruit, on tree	Box	[6].91	1.74	1.74	1.35	3.75	3.20	.48	.24
*Hogs	Hundredweight	12.50	16.40	13.60	13.80	14.66	11.90	1.00	.50
*Beef cattle	Hundredweight	9.32	12.20	9.98	11.70	14.71	11.00	[9]1.50	.75
*Veal calves	Hundredweight	11.60	15.20	12.30	13.20	15.00	13.00	1.50	.75
*Lambs	Hundredweight	10.10	13.20	15.50	13.00	15.18	12.60	[10]1.50	.75
Butterfat	Pound	[11].47	[11].57	[11].59	.51	.42	.35	.14	.07
*Milk, wholesale	Hundredweight	[11]2.91	[11]3.40	[11]3.32	3.35	3.70	2.25	[9].38	.19
*Chickens (live)	Pound	.20	.26	.29	.24	.28	.24	.04	.02
*Eggs	Dozen	[11].48	[11].48	[11].46	.41	.44	.35	.05	.02½
*Wool	Pound	.32	.41	.47	.40	.47	.19	[12].13	.06½
Tobacco:									
Flue-cured	Pound	.33	.45	.33	.45		.30	.30	.15
Burley	Pound	.32	.44	.31	.45		.23	.30	.15
Fire-cured	Pound	.15	.19	.19	.24		.16	.30	.15

*Commodities on an import price basis, i. e., United States price exceeds foreign price plus duty.

[1] Prices in country of origin—mostly Canada, Argentina, or Brazil.

[2] Representative commercial markets.

[3] Specific rates adjusted to unit shown when not expressed in the same unit, unless otherwise indicated.

NOTE.—Cuba has preferential rate of 20 percent. This is not shown except for grapefruit.

[4] Possible rate is 50 percent of current rate.

[5] Quantitative import quotas are in effect for part or all of the import classification.

[6] Comparable price.

[7] Basic rate is 7 cents. The reduced trade agreement rate applies to cotton 1⅛-inch staple and longer from Egypt and Peru.

[8] White or Irish potatoes entered during the period Mar. 1 to Nov. 30—full duty 75 cents.

[9] Ad valorem rate.

[10] Per head.

[11] Adjusted for seasonal variation.

[12] In the grease, 16 cents scoured.

EXPLANATORY NOTE

This table combines 3 sets of data: (1) The farm parity price position for selected agricultural products as computed under the present formula and as indicated under H. R. 754 and S. 507; (2) actual prices as reported on farms and in specified markets in the United States compared with market prices (converted to United States money) in foreign countries of surplus and (3) the United States import duty rate currently in force and the possible rate under H. R. 2652.

It will be noted that practically all of the prices, either current or under the proposed parity legislation, exceed the prices of similar products in foreign countries by more than the amount of the prevailing import duty. Commodities on such an indicated import price basis are marked with an asterisk.

The reasons that one should oppose the duty juggling as practiced by the present administration under the guise of reciprocal trade are: First, it smacks too much of dictatorship; second, it gives one man control of the hourly income of every group of producers in the United States that does not protect itself by a domestic formula favorable to itself; third, it does not provide the producer proper safeguards that he is entitled to have in a country of democratic processes.

Fourth. Other devices have been put in operation that may have been helpful though the trade treaties are being given the credit for any price advance and the treaties are never blamed for price declines.

Fifth. Because we should not be delegating the rights of the people to any one man, whoever he may be.

Sixth. Agricultural exports have been reduced to nil.

The following table indicates the agricultural imports and exports:

	Total agricultural exports	Total agricultural imports	Noncompetitive agricultural imports	Competitive agricultural imports
1936	$709,000,000	$1,242,000,000	$547,000,000	$695,000,000
1937	797,000,000	1,579,000,000	711,000,000	868,000,000
1938	828,000,000	956,000,000	479,000,000	477,000,000
1939	655,000,000	1,118,000,000	592,000,000	526,000,000
1940	517,000,000	1,285,000,000	742,000,000	543,000,000
Total	3,506,000,000	6,180,000,000	3,071,000,000	3,109,000,000

Is there anything in this picture to justify the conclusion that these treaties with the duty juggling incident to them have been beneficial to agriculture? I am still looking for a man that can show where American agriculture has been benefited by the duty juggling as practiced by the present administration.

It is evident from this table that, so far as agricultural products are concerned, the United States had gradually lost its agricultural exports, although the agricultural imports have been rather well maintained. When the total United States exports are examined in relation to the agricultural exports, and when the total United States imports are examined in relation to the agricultural imports, it should be evident to any fair-minded person that we are fostering agricultural imports to maintain nonagricultural exports.

This table shows that our agricultural exports from 1936 to 1940 are about the same as the imports of competitive agricultural products. We then export about the same as we import of competitive agricultural products. This, in other words, shows that the American people consumed about $3,000,000,000 worth of

noncompetitive agricultural products, and that our agricultural exports are in fact only our agricultural imports. This is one more indication that agricultural imports may be maintained so that non-agricultural exports can be obtained. The American farmer is entitled to first consideration of the American market for his products.

The following official table from the BAE shows the net income per farm in 1939:

Net income per farm, 1939

Alabama	$459
Arizona	1,080
Arkansas	597
California	1,399
Colorado	825
Connecticut	1,109
Delaware	761
Florida	978
Georgia	589
Idaho	882
Illinois	1,050
Indiana	719
Iowa	1,305
Kansas	621
Kentucky	471
Louisiana	617
Maine	638
Maryland	669
Massachusetts	800
Michigan	661
Minnesota	906
Mississippi	482
Missouri	610
Montana	786
Nebraska	698
Nevada	1,318
New Hampshire	565
New Jersey	1,492
New Mexico	763
New York	855
North Carolina	701
North Dakota	668
Ohio	796
Oklahoma	643
Oregon	741
Pennsylvania	720
Rhode Island	1,104
South Carolina	606
South Dakota	684
Tennessee	431
Texas	779
Utah	912
Vermont	787
Virginia	485
Washington	813
West Virginia	436
Wisconsin	741
Wyoming	1,580
United States average	718

Do you realize that in some States one-half of this income came from Government payments?

When one considers this table he must keep in mind that though in some States only $50–$60 of the income came from Government payments, yet in some of these States one-half this net farm income was obtained through Government payment checks under the domestic agricultural program.

Nineteen hundred and thirty-nine was the seventh year of this administration, and there is nothing in the table to show that even with the billions poured into the domestic agricultural program, any permanent benefit is apparent.

There is nothing in this table to indicate that the American farmer needs to be desirous of finding any new devices in order to give away his domestic market for his own products. What do you think? Do you think $718 is a sufficient annual farm income? Broken down to an hourly wage, Dr. Wiley Goodsell's study shows that in Wisconsin in 1939 the gross hourly income per hour on a typical Wisconsin dairy farm was 14 cents per hour, and the net hourly income was only 4 cents per hour.

Let us keep this always in mind. There are more competitive agricultural imports in pounds, bushels, and tons than are our whole agricultural exports. In other words, with the greatest agricultural country in the world, we do not even furnish our own food in peacetime. Additional steps down this pathway should not be encouraged.

THE TOBACCO OX WILL NOT BE GORED EVEN UNDER H. R. 2652

Mr. Chairman, while talking about tariffs with one of the leading Members of the majority when I first became a Member of this distinguished body, he stated that "The tariff question is a local issue." I have become more convinced of the import of this statement every day since. There is also the old axiom, "That it depends on whose ox is being gored." My observations and study have convinced me that regardless of the present treaties or proposed trade treaties certain farm products will not be subjected to a duty-reduction program even under H. R. 2652.

Let us take a look at the tobacco situation. This crop had one of the highest duty rates in the Tariff Act of 1930. It was surely able to obtain a duty much higher in proportion to the price at the market place or the parity price than any farm commodity I find listed. I have often wondered how these tobacco interests could obtain such a high duty rate on their product in the act of 1930.

I insert at this point two official tables as follows:

First. Comparison of average seasonal prices paid to farmers in 1939 by class and type of tobacco, with rates of duty. Source: United States Tariff Commission.

Second. Parity prices for 1939 of the several classes and types of tobacco grown in the United States. Source: Bureau of Agricultural Economics, United States Department of Agriculture.

Tobacco: Comparison of average seasonal prices paid to farmers in 1939, by class and type, with rates of duty, as specified [1]

Classes and types	Average seasonal price paid to farmers, 1939	Rates of duty					
		Act of 1930		Applicable in 1939		May 1945	
		Product, other than of Cuba	Product of Cuba	Product, other than of Cuba	Product of Cuba	Product, other than of Cuba	Product of Cuba
		Cents per pound	*Cents per pound*	*Cents per pound*	*Cents per pound*	*Cents per pound*	*Cents per pound*
Light—classes 1 and 3A (cigarette types)	15.6	35	28	[2] 35	[2] 28	[2] 30	[2] 24
Flue cured, types 11-14	14.9						
Burley, type 31	17.3						
Maryland, type 32	21.1						
Dark—classes 2 and 3	9.5	35	28	35	28	35	28
Fire cured, types 21-24	10.6						
Dark air cured, types 35-37	7.3						
Cigar filler—class 4	12.8	35	28	35	[4] 28	35	[5] 14
Pennsylvania Seed leaf, type 41	12.9						
Miami (Ohio) Valley, types 42-44	8.4						
Georgia and Florida, sun-grown, type 45	15.5						
Puerto Rico, type 46	18.0						
Cigar binder—class 5	16.6	35	28	35	[4] 28	35	[5] 14
Connecticut Broadleaf, type 51	22.0						
Connecticut Havana Seed, type 52	24.0						
New York and Pennsylvania, Havana Seed, type 53	10.9						
Southern Wisconsin, type 54	10.8						
Northern Wisconsin, type 55	13.8						
Georgia and Florida, sun-grown, type 56	11.9						
Cigar wrapper—class 6	67.7	227½	182	[6] 150	[6] 120	[6] 150	[7] 91
Connecticut Valley, shade-grown, type 61	66.0						
Georgia and Florida, shade-grown, type 62	73.0						

[1] Rates apply to only unstemmed leaf.
[2] Reduced to 30 cents per pound by trade agreement with Turkey, effective May 5, 1939, for product other than Cuba; to 24 cents per pound for product of Cuba.
[3] Rates established by trade agreement with Turkey, effective May 5, 1939.
[4] Rate reduced to 17½ cents per pound, effective Dec. 23, 1939, by trade agreement with Cuba. Rates subject to tariff quota of 22,000,000 pounds, unstemmed equivalent.
[5] Rate reduced to 14 cents per pound, effective Jan. 5, 1942, by trade agreement with Cuba. Rates subject to quota of 22,000,000 pounds, unstemmed equivalent.
[6] Rates established by trade agreement with Netherlands, 1936.
[7] Rates established by trade agreement with Cuba, 1942.

Source: Price data from agricultural statistics, U. S. Department of Agriculture.

NOTE.—The rate of duty on imports of stemmed cigar filler tobacco, practically all from Cuba, was reduced from 40 cents per pound in the act of 1930 to 20 cents per pound in trade agreements with Cuba. Similarly scrap tobacco was reduced from 28 cents per pound to 14 cents per pound. Product of Philippine Islands entered free of duty.

The table below gives the parity prices for 1939 of the several classes and types of tobacco grown in the United States:

	Parity prices [1] *Cents per pound*
Types:	
Flue-cured, types 11–14	22.3
Fire-cured, types 21–24	10.4
Burley, type 31	21.8
Maryland, type 32	17.5
Dark air-cured, types 35–36	8.3
Sun-cured, type 37	11.1
Cigar filler:	
Pennsylvania seedleaf, type 41	10.8
Miami Valley, types 42–44	10.7
Georgia and Florida sun-cured, type 45	13.8
Puerto Rican, type 46	20.8
Cigar binder:	
Connecticut broadleaf, type 51	21.1
Havana seed, type 52	20.0
New York and Pennsylvania Havana seed, type 53	16.4
Southern Wisconsin, type 54	9.4
Northern Wisconsin, type 55	12.2
Cigar wrapper:	
Connecticut Valley, type 61	74.1
Georgia and Florida, type 62	45.8

[1] 12-month average for crop-year for each class or type.

There is a quota of 22,000,000 pounds on tobacco from Cuba. After this amount is imported Cuba must pay the additional duties. The domestic production of tobacco is from 1,200,000,000 to 1,800,000,000 pounds.

What do these tables indicate?

First. That the duty on most every type of tobacco is much higher even than the 1939 seasonal price or the parity price of the product.

Second. That the only duty that has been lowered—except Cuba, with a quota—is the duty on light classes 1 and 3a where the duty was reduced from 35 cents to 30 cents per pound, and on class 6 where the duty was reduced from $2.27½ to $1.50 per pound.

Third. That the duties on tobacco are twice the selling price received by farmers, and twice the parity price of the product in a large percentage of the types of tobacco in most instances.

Fourth. That the Tariff Act of 1930 must be very satisfactory to the tobacco people because they have been able and willing to maintain the rate of duty in all but a few classes of the product.

Fifth. That all the crocodile tears shed by proponents of the present trade treaties on the proposed H. R. 2652 comes in poor grace from anyone from a tobacco district that is enjoying the benefits of the Tariff Act of 1930, so completely and so willingly. The duty on tobacco surely affords the American market to the American tobacco farm, but it is so sinful and so war provoking to ask that the dairy farmers be given somewhere near equal consideration with other countries for the American market for the American dairy farmer.

Sixth. That while the Wisconsin tobacco farmer was provided a duty protection which was two to three times what his tobacco brought him at the market place and a protective duty and a duty that was over three times the parity price, this same Wisconsin farmer if he produced milk for cheese had to see the duty on his cheese lowered to a small percentage of parity and a small percentage of the cost of producing the cheese. That is one advantage of being able to raise a crop that comes under the chosen few.

Seventh. That a fair question would be to ask "If it is desirable to lower duties to attain a good-neighbor policy and to have friendly relations, why would it be desirable lowering the duty on tobacco the same as some of the other farm products? Just who was Secretary of State and the master mind behind these trade treaties? It was Mr. Cordell Hull from the tobacco State of Tennessee. Why has not Henry A. Wallace given this crop some consideration and promoted some duty lowering on a crop that really had a high tariff?

Since the duty on tobacco has not up to this very time been reduced enough to jeopardize the American market for the American tobacco grower, what is there in the picture to make one believe that any duty reduction on this product would be put into effect even if H. R. 2652 is passed, wherein duties can be cut another 50 or by 75 percent.

So long as peanuts have a 7-cent-per-pound duty which is more duty in cents than the crop brought in cents in the last 25 years, and since cotton has been catered to by putting an import quota of 95,000 bales or less than one-tenth of 1 percent of the annual production, and since that this very time cotton exports are being subsidized at $20 per bale from money provided and authorized under the Surplus Disposal Act, there is not much evidence to show that tobacco will suffer from any lowering of the duties.

Think of the deceit. Think of the deception. Think of all the women's clubs that have been led or misled rather to believe that the New Deal was sincere with them, and honest with them when they were being told the wonders of the New Deal reciprocal trade treaties.

I have stated, and no one has yet disproved the statement, that not a single farm product in America has yet been benefited by the New Deal brand of trade treaties. The tobacco growers have not been harmed by them for the reason that they have had the duty on their product maintained at a point where they are assured the American market.

No, my colleagues, the tobacco ox has not been gored, and it is not liable to be gored, so long as the New Dealers make their glittering generalities and issue their half truths and propaganda about the trade treaties, but at the same time insist on maintaining a duty on the products of their districts that are two or three times the parity price or the market price.

People of foreign countries are already catching on the export subsidy device, and the American people are also finding out that the propaganda and the facts do not coincide in regard to the New Deal brand of reciprocal trade treaties.

The people of America want to bring the Government back to the people. They do not want to delegate any more power and most of them think too much has already been delegated. They do not want anything arrived at by any reciprocity committee, secret in nature, hush-hush in their operation, who were never elected to anything by anyone.

The export subsidies, the embargoes, the near embargoes, the governmental quotas, the gentleman's quota agreement are all a part of the present foreign and domestic agricultural policy as well as the trade treaties, and I for one am not voting any additional power to anyone to continue their unscientific, unfair duty-juggling procedures.

I ask each Member to answer two questions: First, would you vote to give one man the power to dictate the price of every agricultural product in our domestic economy? I presume your answer is "No," unless you have sipped too frequently from the New Deal fountain of philosophy. At least, the Congress tried to put enough safeguards to protect both consumer and producer when the OPA legislation was passed. The Congress tried to write innumerable safeguards around and in the Price Control Act to protect the producer, the consumer, and the businessmen. If one believes in one-man government, why were these protective clauses added to this act creating the OPA?

The second question then is why should any person in America ask their representative in Congress to delegate the power to one man to have complete control and dictate our foreign agricultural policy when everyone knows that the foreign agricultural policy and the domestic agricultural policy are so interwoven that whoever controls the foreign agricultural policy controls the domestic agricultural policy and prices as well?

Formerly agricultural exports were about half our total exports. By 1940 the agricultural exports had dwindled to 8.8 percent of our total exports, according to Mr. Fred Brenchman, of the National Grange, when he testified before the Ways and Means Committee. This 8.8 percent agricultural export was obtained only by spending millions upon millions on export subsidies and the agricultural exports would have been practically nil if they had not been subsidized.

The conclusions are that many people and many groups condemn the Tariff Act of 1930 but keep its provisions to give the American farmer the American market for the products of their State and their district. The other conclusion is that the export embargo, the export quotas, the import embargo, the import quotas, the gentleman's agreement quota have so confused the foreign agricultural program that before any additional powers are granted we had better find out just exactly what type of an agricultural economic mess we are in both domestically and from a foreign agricultural commerce standpoint.

The people that pay taxes, and that includes most of them, may not care to see public funds used to pay someone for not growing or growing some crop, then see public funds paid out because the crop did not bring enough in the market place, and then see public funds to be paying still additional funds used for export subsidies for the same crop.

The tobacco ox will not be gored.

Tobacco: Acreage, production, value, and foreign trade, United States, 1929–40

Year	Acreage harvested	Production [1]	Season average price per pound received by farmers	Farm value	Foreign trade, year beginning July [2]		
					Domestic exports	Imports	Net exports [3]
	Acres	*1,000 pounds*	*Cents*	*1,000 dollars*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
1929	1,980,000	1,532,676	18.3	280,966	600,181	63,181	541,312
1930	2,124,200	1,648,037	12.8	210,852	591,035	75,425	517,388
1931	1,988,100	1,565,088	8.2	128,582	432,361	73,375	359,374
1932	1,404,600	1,018,011	10.5	107,356	399,967	59,545	341,455
1933	1,739,400	1,371,965	13.0	178,418	472,630	[4] 55,784	416,846
1934	1,273,100	1,084,589	21.3	225,084	374,658	58,270	316,388
1935	1,439,100	1,302,041	18.4	238,966	432,668	67,895	364,773
1936	1,440,900	1,162,838	23.6	273,944	416,884	69,309	347,575
1937	1,752,800	1,569,023	20.4	320,111	459,564	68,021	391,543
1938	1,600,700	1,385,573	19.6	270,492	473,757	76,085	397,672
1939	1,909,900	1,880,793	15.4	288,918	342,153	80,731	261,422
1940	1,411,300	1,462,080	16.0	234,457	179,626	77,843	101,783

[1] Production, exports, and imports are not comparable; i. e., production figures are on a farm-sales-weight basis, whereas exports and imports are on a declared-weight basis.
[2] Compiled from Monthly Summary of Foreign Commerce of the United States, January and June issues, and official records of the Bureau of Foreign and Domestic Commerce.
[3] Total exports (domestic plus foreign) minus imports. Beginning 1933 domestic exports minus imports for consumption.
[4] Beginning 1933, imports for consumption.

Bureau of Agricultural Economics. Revised December 1942.

There is nothing in this table to show that the trade treaties have increased tobacco exports. This table should indicate that a product with the guaranteed American market to itself, plus domestic subsidies, can be provided a price in the market place that is relatively a high price when compared to the prices of previous years. However, it is surely fair to ask, What would the farmer have received for his tobacco per pound from 1934 to 1940 if he had not had the American market, if he had not had loans plans, if he had not had the domestic payments? If the duty on tobacco had been reduced on class 6 from $1.50 to 205 of parity or less as it was on some livestock products or from $1.50 per pound down to 15 cents per pound, what do you think the price of tobacco would have been? A comparable duty would be 90 cents per pound on butter, and 45 cents per pound on cheese instead of 4 cents per pound.

THE TOBACCO-SEED-EXPORT EMBARGO

In addition to the above, I wish to call your attention to the fact that during the 8 years of this Administration there was passed the tobacco-seed-embargo bill.

It was as follows:

[Public, No. 543, 76th Cong., ch. 222, 3d sess.]

S. 3530

An act to prohibit the exportation of tobacco seed and plants, except for experimental purposes

Be it enacted, etc., That it shall be unlawful to export any tobacco seed and/or live tobacco plants from the United States or any Territory subject to the jurisdiction thereof, to any foreign country, port, or place, unless such exportation and/or transportation is in pursuance of a written permit granted by the Secretary of Agriculture. Such permit shall be granted by the Secretary only upon application therefor, and after proof satisfactory to him that such seed or plants are to be used for experimental purposes only.

SEC. 2. Any persons violating any of the provisions of this act shall be guilty of a misdemeanor and shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 1 year, or both such fine and imprisonment.

Listen to the explanation in a letter from the office of the present Secretary of Agriculture regarding this embargo:

JANUARY 22, 1945.

Hon. REID F. MURRAY,
House of Representatives.

DEAR MR. MURRAY: This is in reply to your letter of January 2, inquiring about the act of Congress prohibiting the exportation of tobacco seed and live plants. This law was enacted to protect the foreign market for American tobacco growers. It was felt that the large quantities of tobacco seed being exported annually to China and other countries which normally imported large quantities of tobacco from our flue-cured districts were contributing to the decrease in these tobacco exports.

The act forbids the exportation of tobacco seed except for experimental purposes, and the officials of the Department concerned with plant breeding stated that one-half ounce of seed is more than ample for planting a regulation-size experimental plot. This, therefore, was adopted as the maximum quantity of seed that could be exported for any one variety. However, under an approved application, a permit may be issued to cover several varieties. Permits are issued only for seed to be used in the course of scientific experiments as conducted by governmental agencies. During the past 4 years the total quantity of seed authorized to be exported has been slightly under 11 pounds. A copy of the regulations governing the administration of this act is enclosed.

Congressman KERR, of North Carolina, was instrumental in securing the enactment of this law, and you may wish to discuss it further with him.

Sincerely yours,

CHARLES F. BRANNAN,
Assistant Secretary.

Does this indicate an interest in a good-neighbor policy?

To sum up the tobacco situation then we find a crop where for all practical purposes the high duty of the act of 1930 is preserved; we find a falling off of tobacco exports and in fact more tobacco was shipped through lease-lend than by normal exports in 1943; we find the domestic loan and other programs of evident benefit to this group; and to finish it up we find an embargo put on tobacco seed for the purpose of preventing growers in China and other countries from raising the crop to compete with United States tobacco producers.

We here witness a crop assured the America market for the American tobacco grower not only by maintaining a high duty but also by putting an embargo on the seed to prevent other countries from raising it. Did someone say something about a good-neighbor policy and is this the method to obtain one?

DOMESTIC AND FOREIGN AGRICULTURAL COMMERCE

Mr. Chairman, some people may say and some people may think that the trade treaties have been beneficial to the apple producer. The commercial apple crop of the Nation is less than 1 percent of the national farm income. However, it is an important crop in some sections of our country. I insert at this point an official table from the United States Tariff Commission:

Apples, green or ripe: United States production, imports, computed duty, exports, and net exports, 1920–40

Year	Total production		Imports		Computed duty [1]	Exports		Net exports
	Quantity	Value	Quantity	Value		Quantity	Value	
	1,000 bushels	*1,000 dollars*	*1,000 bushels*	*1,000 dollars*	*1,000 dollars*	*1,000 bushels*	*1,000 dollars*	*1,000 bushels*
1920	206,688	256,175	382	397	38	5,393	14,089	5,011
1921	95,638	154,895	[2] 1,198	2,328	358	5,809	13,982	4,611
1922	189,425	186,674	[3] 187	359	49	4,945	9,996	4,758
1923	180,915	196,777	75	130	19	8,876	16,212	8,801
1924	160,457	195,723	161	321	40	10,261	24,287	10,100
1925	152,424	189,198	85	177	21	10,043	21,063	9,958
1926	229,656	193,912	37	67	9	16,170	30,474	16,133
1927	115,708	169,011	177	351	44	15,534	30,188	15,357
1928	177,813	192,479	115	211	29	16,635	26,663	16,520
1929	135,102	187,598	268	481	67	16,856	33,138	16,588
1930	156,623	161,789	137	264	34	15,850	28,664	15,713
1931	205,404	129,736	44	73	11	17,785	29,160	17,741
1932	146,809	86,690	55	101	14	16,919	22,417	16,864
1933	148,640	114,642	7	7	2	11,029	13,097	11,022
1934	128,203	112,229	16	17	4	10,070	14,001	10,054
1935	174,407	121,339	24	21	6	11,736	17,277	11,712
1936	116,827	121,410	19	33	3	8,897	13,093	8,878
1937	201,459	123,818	23	39	3	7,901	11,565	7,878
1938	125,440	100,808	26	44	4	11,793	14,701	11,767
1939	[4] 167,096	108,612	46	72	7	8,379	10,592	8,333
1940	[4] 133,727	108,319	603	715	90	1,325	2,054	722

[1] Under the Tariff Act of 1913 apples were dutiable at 10 cents per bushel. This rate was increased to 30 cents per bushel under the Emergency Tariff Act of 1921. The Tariff Act of 1922 reduced the rate to 25 cents per bushel, which rate was continued in the Tariff Act of 1930. Pursuant to the trade agreement with Canada, effective Jan. 1, 1936, the rate of duty was reduced to 15 cents per bushel, which rate was continued pursuant to the second trade agreement with Canada, effective Jan. 1, 1939.
[2] 1,191,000 bushels dutiable at 30 cents per bushel.
[3] 145,000 bushels dutiable at 25 cents per bushel.
[4] Total production figures since 1938 are not published by the U. S. Department of Agriculture. Statistics of production for 1939 and 1940 were obtained by increasing the commercial production by one-fifth for those years which approximate the quantity not reported by official statistics.

Source: Crop Reporting Board, U. S. Department of Agriculture; official statistics, U. S. Department of Commerce, U. S. Tariff Commission, May 1945.

Just exactly what does this table indicate? First, that from fifteen to seventeen million bushels were the United States net exports each year from 1926 to 1933. Second, that the average net export from 1936 to 1941 and not including 1941, has been only 9,000,000 bushels per year. Third, that even in 1932 16,919,000 bushels were exported with a value of $22,417,000. This is a higher bushel export and a higher dollar export than any year since. Fourth, that there is nothing in this table to indicate that the trade treaties have been of benefit to the apple growers of America.

Report No. 143 of the United States Tariff Commission shows the concessions and lowering of duties by other countries, but evidently they were not lowered enough to stimulate the import of American apples.

Table 278 of the 1942 agricultural statistics shows that the average price per bushel for apples received by farmers is as follows:

	Per bushel
1930	$1.02
1931	.66
1932	.60
1933	.78
1934	.89
1935	.72
1936 (with only a 117,000,000-bushel crop)	1.05
1937	.67
1938	.82

From information received from the Bureau of Agricultural Economics the price for apples for 1939 and 1940 were as follows:

	Per bushel
1939	$0.64
1940	.80

This should be sufficient evidence that the trade treaties had not been of any apparent benefit to the apple business. The imports, largely from Canada, that rose to over 600,000 bushels in 1940 no doubt was due to the fact that ships were needed more for transporting materials and food directly connected with the war.

Mr. Lynn R. Edminster, Acting Chairman, United States Tariff Commission, in a letter to me dated May 19, stated in part:

> Concerning apples, green or ripe, the table shows the United States production, imports, computed duty, exports, and net exports from 1920 to 1940. The so-called gentlemen's agreement to which you referred was initiated in October 1940, when two representatives of the United States Department of Agriculture were sent to Ottawa. Out of their discussions with Canadian officials came an understanding that Canadian exports of apples to the United States would not exceed a maximum of around 650,000 boxes during the 1940–41 season. Although similar agreements were made during each of the following 3 years, short crops and war demands kept imports from reaching the quota. This arrangement has been respected by Canadian shipping within limits satisfactory to the United States.

From other sources I am advised that the Canadian growers plan to discontinue the gentlemen's agreement when it terminates.

The reciprocal trade treaties of this administration cannot be properly and fairly considered unless we take the other trade devices that have sprung up during the past 12 years. There is not much sense and less fairness to criticize the high rates of the Tariff Act of 1930, and then turn around and use domestic subsidies, export subsidies, export embargoes, import embargoes, export quotas, import quotas, gentlemen's agreement quotas. In fact some of these devices have been used to make additional agricultural commerce more difficult than the rates of duties prevailing under the Tariff Act of 1930. The American people are beginning to see through these procedures. At least two foreign countries protested at the Mexico Conference the export subsidy device.

Let us examine just some of the procedures or programs in connection with apples that may have helped the apple grower. These have nothing to do with the reciprocal trade treaties. One can be found in the United States Department of Agriculture official table on page A2221 of the Appendix of the RECORD. This table shows that as much as $6,500,000 were expended in a year for free distribution of apples in the domestic-food program. This table also shows that the funds were secured by the distributing agency from the 30 percent of import duties as provided in section 32 of the AAA. In other words, duties have been reduced on livestock and livestock products which invites imports, and then the section 32 funds are obtained and used to distribute apples and other food products that are and have been on an export basis.

Second are the lend-lease shipments, which have been as much as 3,000,000 bushels in a year.

Many people feel that extravagant statements have been made about the effects of the Tariff Act of 1930. The duty on apples under the act of 1913 was 10 cents per bushel, raised to 30 cents per bushel under the act of 1921, reduced to 25 cents per bushel under the act of 1922, and continued at 25 cents per bushel in the act of 1930; in the Trade Agreement Act with Canada in 1936, it was reduced by 40 percent, or to 15 cents per bushel, and this rate was continued in the second trade agreement with Canada.

There are so many factors affecting the prices of farm products that one must be careful in trying to prove a point that does not exist. World economic conditions, such as in 1932 and the prewar years, the size of the domestic crop and the domestic economic situation are a few of them. Many people feel that if the FAO lives up to its possibilities that it can be helpful to the food producers of all countries.

When a foreign producer ships to the United States market and breaks the market he is doing harm, not only to the United States producer but indirectly to himself as well. A shipper may buy a product as cheap as he can in any country and put the product on the market of some other country to his advantage. He may profit by the transaction, but the producers of the country he buys the product in may receive a very unsatisfactory price. The producers of this product in the country to which the product is shipped may see their domestic price lowered and they may be injured in the process. The producers of both countries may be harmed, and the only ones benefited are the few that are engaged in the transfer of the product from one country to another. Just because we import so many pounds or bushels or dollars' worth of a product is no definite indication that the producers of that country have really been benefited. The world market on some crops such as wheat has already been put under an export quota. This is done under section 32 of the Agricultural Adjustment Act. If our exports are to be controlled by a quota and any agency has the power to tell the American producer how much he can have of the world market for his product, why, in fairness, is not the American producer entitled to a procedure that gives him some consideration as to the amount of imports of farm products? Otherwise who controls the domestic program?

These are economic questions. The many trade devices of the present administration, if continued, will make this situation more rather than less complicated. The Colmer report, if followed, would put all producers on an equal basis. Whether or not it is a desirable basis is a different question. It would be a more fair and honest approach than it is to have the foreign agricultural commerce of our Nation controlled by subsidies, embargoes, near quotas, and so-called reciprocal trade that is not reciprocal. All the producers would have to compete with the world under the Colmer plan, while under H. R. 2652 certain groups can keep the American market wholly to themselves, and give the American market away for other groups of producers. The strong have the advantage over the weak under H. R. 2652. Take two examples: There are 145,000 rye growers and 1,400,000 wheat growers in the United States.

When rye was 32 cents per bushel and 38 percent of parity the duty was reduced to 12 cents per bushel. It could be reduced to 6 cents per bushel under H. R. 2652. Wheat not only had the 42-cent duty provided in the act of 1930 preserved, but has been able to obtain an import quota that limits the imports to 800,000 bushels or one-tenth of 1 percent of the national production. In addition year after year export subsidies of 25 cents to 33 cents per bushel are paid to get rid of the alleged surplus.

The second example is that milk is produced on 2,500,000 farms. A quota of 3,000,000 gallons on milk imports annually is in operation. This is a rather definite barrier or embargo when one considers that the United States milk production is one hundred and fifteen to one hundred and nineteen billion pounds a year. Now let us take farmers producing milk for cheese. There are only a few thousand of them—over half of them in Wisconsin—that saw the duty on their product reduced by 42 percent.

Then we have the milk marketing agreements to protect certain markets for certain producers and thus refuse other United States milk producers a chance even at the domestic milk market.

In other words such groups are willing and able to put in operation a program that says a 42 percent duty reduction is

fine for you, but we will keep our own market to ourselves.

Even the Colmer report would not affect this type of domestic plan which operates on the basis of "cream for the few, but skim milk for the many."

THE CASE OF LARD

Mr. Chairman, the statement that lard and pork products have been benefited by the trade treaties has been made. What are the facts?

The information about these agricultural products is a matter of public record in the Agricultural Department, Tariff Commission, Commerce Department, and other agencies.

The United States production and exports of lard from 1920 to 1940 are shown on the following official table of the Tariff Commission:

Lard: United States production and exports, 1920–40

[In thousands of pounds]

Year	Production	Exports including neutral lard
1920	1,958,000	635,488
1921	2,108,000	892,893
1922	2,302,000	787,447
1923	2,718,000	1,059,511
1924	2,660,000	971,460
1925	2,153,000	707,683
1926	2,206,000	717,077
1927	2,263,000	701,700
1928	2,458,000	783,472
1929	2,461,000	847,867
1930	2,227,000	656,017
1931	2,307,000	578,296
1932	2,380,000	552,153
1933	2,475,000	584,239
1934	2,091,000	434,891
1935	1,276,000	97,360
1936	1,679,000	112,169
1937	1,431,000	136,778
1938	1,728,000	204,603
1939	2,037,000	277,272
1940	2,343,000	201,314

Source: Livestock, Meats, and Wool, Market Statistics, War Food Administration, U. S. Department of Agriculture; trade data compiled from official statistics of the Department of Commerce.

What does this table indicate?

First. It shows that our national lard production has been from 2,000,000,000 to two and one-half billion most of the years from 1930 to 1940 except in 1935, 1936, 1937, and 1938 when the country experienced a drought and when the present administration already had destroyed many hogs.

Second. The exports of lard were from 600,000,000 pounds to a billion pounds from 1924 to 1931, from five hundred and fifty-two to five hundred and seventy-eight from 1931 to 1933, and from 95,000,000 to 277,000,000 pounds from 1935 to 1940.

Third. The table shows that we have gradually lost our lard exports. By no stretch of imagination can any fair-minded person read in this table any supporting evidence to show that the trade treaties have increased lard exports. Do you agree? Exports to some countries may have been increased but the total amount of exports is the fair basis to approach this subject.

You will also note that in 1932—a year so frequently mentioned by the New Dealers—exports were twice as much as during the trade treaty years.

A SECOND APPROACH

Table 7, page 10 of the United States Tariff Commission Report 143, gives a comparison of United States production, imports and exports on pork and lard.

TABLE 7.—*Pork and lard: Summary of United States production, imports, and exports, 5-year averages, 1920–34, and in specified years, 1935–40*

Item	1920–24	1925–29	1930–34	1935	1937	1938	1939	1940 [1]
	Quantity in 1,000 pounds							
Pork (excluding lard):								
Production [2]	8,424,000	8,480,000	8,735,000	5,968,000	6,986,000	7,721,000	8,627,000	9,920,000
Imports [3]	2,509	12,780	3,699	40,155	74,683	52,233	40,938	5,694
Exports [2]	793,710	369,906	169,217	88,680	63,488	95,633	129,543	93,834
	Value in 1,000 dollars							
Production [4]								
Imports	584	3,280	1,023	2,100	17,803	13,374	10,671	1,201
Exports	141,192	70,911	24,482	16,780	13,205	17,353	20,184	11,771
	Quantity in 1,000 pounds							
Lard:								
Production [5]	2,329,000	2,285,000	2,270,000	1,270,000	1,417,000	1,713,000	1,998,000	2,297,000
Imports	7	3	3	16	247	2	1	
Exports	869,360	751,560	561,119	97,360	136,778	204,603	277,272	201,314
	Value in 1,000 dollars							
Production [4]								
Imports	1.3	0.5	0.6	1.6	14.4	0.2	0.1	
Exports	124,461	107,645	44,021	12,006	16,103	18,295	20,222	12,724

[1] Preliminary for imports and exports.
[2] Estimated total production of pork includes slaughter of small imported live swine.
[3] Does not include live swine.
[4] No data available for value of production.
[5] Estimated total production of lard, includes lard from imported swine.

Source: See tables 19, 29–31, and 96 in appendix A. Statistics of imports and exports from official statistics of the Department of Commerce; production data from Market Statistics, 1940, p. 100, U. S. Department of Agriculture.

What does this table indicate?

First. That in 1937 the United States imported more pork than it exported for the first time in the history of the United States.

Second. There was an increase in pork exports in 1939 but that the exports dropped in volume in 1940.

Third. That although the 1939 exports increased in amount the imports also increased, as well, in 1937, 1938, and 1939 to many times the former imports.

Fourth. That in 1939 $9,500,000 worth more of pork was exported than was imported. This is really a weak export situation when it is compared to the $140,000,000 worth of pork exported from 1920 to 1924, or compared with the $67,000,000 worth of net exports, 1925 to 1929, or even when compared to the $23,000,000 worth of net exports from 1930 to 1934.

THE PRICE ANGLE

The following official table indicates the wholesale lard prices:

Lard: Average wholesale price in Chicago, 1921–40

Year	Per 100 pounds
1921	$13.21
1922	13.07
1923	13.90
1924	14.65
1925	17.90
1926	16.91
1927	13.66
1928	13.30

Lard: Average wholesale price in Chicago, 1921–40—Continued

Year	Per 100 pounds
1929	$12.97
1930	12.02
1931	9.02
1932	6.25
1933	6.42
1934	8.84
1935	15.07
1936	12.21
1937	12.67
1938	9.20
1939	7.46
1940	6.39

Source: Livestock, Meats, and Wool, Market Statistics, War Food Administration, U. S. Department of Agriculture.

What does this table indicate?

First. That lard averaged 13 cents per pound from 1920 to 1933 and averaged 9.7 cents from 1933 to 1940.

Second. It shows that although the prices in 1935, 1936, and 1937 were relatively high due to the drought and the man-made shortage, the price by 1940 had descended $6.39 per hundredweight and was comparable to the 1932 price of $6.25 per hundredweight. Can you see anything in this table that would justify one to conclude that the trade treaties had been beneficial to the lard industry?

Third. That there are many factors involved in prices of farm products because in 1940 after 8 years of this administration and after millions were spent on a hog program the price was only $6.39 per hundredweight.

Let us analyze this one:

Lard: Domestic exports of lard, including neutral lard, to countries from which tariff concessions on lard were obtained by the United States

[In thousands of pounds]

Country	Date of trade agreement	1929	1931	1937	1939	1940
Cuba	Sept. 3, 1934	80,541	45,003	41,363	55,431	64,401
Belgium	May 1, 1935	20,679	8,273	625	8,037	4,157
Haiti	June 3, 1935	3,113	1,665	512	972	1,004
Switzerland	Feb. 15, 1936	343	353	184	652	936
Colombia	May 20, 1936	22,521	9,758	32	15,379	9,591
Guatemala	June 15, 1936	3,271	1,904	294	687	324
France	....do....	10,959	2,007	----------	29	680
Finland	Nov. 2, 1936	7,200	2,938	271	732	17,602
Ecuador	Oct. 23, 1938	4,388	4,198	288	2,516	2,195
Canada	Jan. 1, 1939	17,815	8,588	2,193	3,172	595
United Kingdom	....do....	245,242	252,116	75,302	150,221	51,365
Total, United States	----------	847,868	578,296	136,778	277,272	201,314

Source: Compiled from official statistics of the Department of Commerce.

This table indicates that the treaties did not increase our lard exports to countries from which tariff concessions on lard were obtained by the United States.

Can you visualize how any lard exports were increased in amounts as a result of the trade treaties with this group of nations?

DUTIES UNDER DIFFERENT TARIFF ACTS

On page 11 of the Tariff Commission Report No. 143, table 8, you will find the duties on hogs and hog products:

TABLE 8.—*Hogs and hog products: Duties provided in Tariff Acts of 1909, 1913, 1921, 1922, 1930, and in the trade agreement with Canada, with ad valorem equivalents of these duties*

Product	Act of 1909		Act of 1913	Emergency Act of 1921		Act of 1922		Act of 1930		Trade agreement with Canada, effective Jan. 1, 1939	
	Rate prescribed	Ad valorem equivalent rate	Rate prescribed	Rate prescribed	Ad valorem equivalent rate	Rate prescribed	Ad valorem equivalent rate	Rate prescribed	Ad valorem equivalent rate	Rate prescribed	Ad valorem equivalent rate
		Percent			*Percent*	*Cents per pound*	*Percent*	*Cents per pound*	*Percent*	*Cents per pound*	*Percent*
Live hogs	$1.50 per head	12	Free	Free		½	5	2	24	1	16.3
Pork:											
Fresh, chilled, or frozen	1½ cents per pound	8.7	Free	2 cents per pound	10.6	¾	3.8	2½	18	[1] 1¼	6.4
Prepared or preserved:											
Bacon, hams, and shoulders	4 cents per pound on bacon and hams; 25 percent ad valorem on shoulders.	17	Free	25 percent ad valorem.	25	2	5.6	3¼	12.3	[2] 2	5.7
Other	25 percent ad valorem	25	Free	....do....	25	2	5.1	3¼	10.6	[2] 2	5.9
Lard	1½ cents per pound	12	Free	Free		1	5.7	3	14.6	----------	----------

[1] Does not include frozen.
[2] Does not include cooked, boned, packed in air-tight container, or made into sausage of any kind.

Source: Ad valorem equivalents compiled from official statistics of the U. S. Department of Commerce.

You can find on pages 184–187 of Report No. 143, the concessions the United States was supposed to obtain from other countries in their reduction of duties on imports of pork and pork products. One fact is evident. They might have lowered their import duties on pork, but it did not appear to be enough to stimulate United States exports of pork products, whatever the concessions might have been. The concessions did not result in increased exports on our part.

We must remember that the foreign agricultural policy of this administration is not only a question of duties, but we must keep in mind the domestic subsidies, the export subsidies, the export embargo, the import near embargoes, the "gentlemen's agreements" quotas, and the administration quotas on imports as well as on exports. These are the devices that are used to deceive the people. Let us remember who was Secretary of Agriculture when these devices were put into effect.

Let us examine a couple of these deceiving devices. Take tobacco seed for example. In 1940, after 8 years of the more abundant life, an embargo was put on tobacco seed. The Secretary of Agriculture's office states that this legislation was passed to keep China and other countries from obtaining seed to compete with United States tobacco. Just imagine this procedure after telling the ladies of the land about a good-neighbor policy? Who was Secretary of Agriculture when this type of legislation was passed?

Then take wheat. The 42-cent duty of the Tariff Act of 1930 has never been changed. Think of all the boasting one has heard about the high duties in the Tariff Act of 1930. But what did this administration do about it? In 1940 this administration put on a near embargo, allowing only 800,000 bushels of wheat to be imported, or one-tenth of 1 percent of our national production.

When one thinks of the many export subsidies, the import and export embargoes and the way quotas are arranged, one fact is evident and that is that the propaganda in regard to these New Deal trade treaties are dovetailed with deceit and are dripping with deception.

If it is a desirable public policy to further industrialize the United States and import more agricultural products, why should not this administration or any other administration say so openly and not try to make the rural people of America believe something that is not so. The rural people can so conduct their operations and would not be mislead by people who claim to be doing something for them when in fact they are doing something against and to them.

I maintain that no man regardless of his position in agriculture or out can offer evidence to prove that these trade treaties are beneficial to a single agricultural product. I hope someone will name just one and prove the statement by facts.

The following information from pages 10–12 of the United States Tariff Commission Report No. 143 should be of interest to every pork producer:

All tariff acts passed since 1790 except those of 1857 and 1913 have provided for duties on imports of hogs or hog products. The rates prescribed under the last four acts and the recent trade agreement with Canada, together with the ad valorem equivalents of the duties levied under each, are shown in table 8.

Imports have been substantial only at times when the domestic supply was short or when domestic prices were high. Although unusually large in volume in recent years, owing chiefly to conditions resulting from the droughts of 1934 and 1936, imports have never been equivalent to more than 1 percent of United States production.

There have always been some imports of pork, for there is a limited but continuing demand for certain foreign pork specialties, and when domestic prices have risen such

products have entered in increased volume and in more varied forms. In addition, there have been minor imports of live hogs and of chilled and frozen pork along the Canadian border, and smaller imports of live hogs along the Mexican border. The increase in imports during the period 1936–39, however, must be considered altogether abnormal. In common with other producing nations, this country in 1932 and 1933 raised an excess of hogs and had a surplus of pork. But in 1934 there occcurred a severe drought after hog supplies had already been somewhat reduced by a Government-control program. The result was an acute shortage of hogs and of pork products and materially higher prices. Exports shrank to negligible proportions and imports increased. In 1936 there was another drought. As a consequence of this series of events several countries, particularly Poland, were able during the 5-year period 1935–39 to increase substantially their shipments to this market.

Following the imposition by the United Kingdom in 1932 of a quota on cured pork, Poland tried to develop new outlets for pork rather than make drastic reductions in production. Great emphasis was placed on developing a trade in canned pork, especially hams and shoulders. Thus in 1935, when the prices of hogs in the United States were 100 percent higher than they had been the preceding year, Poland was in a peculiarly advantageous position to export her newly developed products to United States consumers. It was for the most part of excellent quality and with clever salesmanship was readily accepted in this country. Its popularity was such that even in 1939, after domestic production had practically regained its former level and domestic prices of pork had appreciably declined, Polish hams and shoulders were being imported at about their same volume and continued so until German occupation of Poland. Also during the post-drought period there were moderate increases in imports of "other pickled or salted pork," principally sausage from Poland, Canada, and Italy.

The duty on hogs has been cut from 2 cents to 1 cent per pound and now under H. R. 2652 the administration wants the power to cut it to one-half cent per pound. I oppose H. R. 2652 and do not favor delegating any more power to anyone to juggle duty rates as they see fit. These men that arrange the duty schedules were never elected by anyone to anything. The American people who do the work and pay the taxes are entitled to consideration. H. R. 2652 does not give them fair or proper consideration.

Everyone in Wisconsin is familiar with what these treaties did to the cheese industry. When the first treaty was made effective January 11, 1936, the price of cheese immediately fell 2 cents per pound, or the amount of the duty reduction. This year 14 times as much cheese was imported. In 1938 the duty was reduced another 1 cent per pound and the price immediately dropped the exact amount the duty was reduced. Over three times as much cheese was imported the following year. The price of cheese was over 20 cents per pound and was only 13 cents the first 10 years this administration had control of the purse strings of the Nation.

In 1939, after 7 years of the more abundant life, Wisconsin milk for cheese brought $1.14 per hundredweight, or less than half the price received by States that had a local tariff set up for their milk. Why were agricultural prices in 1939 similar to those of 1932? Why was the price of pork 6 cents per pound in 1939 and 6 cents in 1932? This economic question should be approached from a standpoint of the greatest good for the greatest number.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, the American petroleum industry was born 85 years ago at the north edge of the district which I represent. It has gone along, giving a better account of itself year after year. Probably it has been too good in its performance, for there is a disposition to take it for granted and assume that it never needs anything by way of encouragement.

There is, in fact, a disposition among some of the top-flight policy makers to take away the opportunities which made it possible for this industry to succeed. This bill is a proposal to put into the care of a few men the power to throw the oil industry of the United States into an international grab bag.

A committee of the Senate is now holding hearings on oil and gas. Senator O'MAHONEY, the chairman of that committee, made a statement on May 21. In it are these words:

> Petroleum is power and wealth. It is industry. It is politics. There is nothing that men and nations will not do to gain control of it. They have been known to bribe kings and potentates, to foment revolutions, to overthrow governments.

When I read those words I was struck with the forcefulness of their application to the subject we are debating here. The proposal to confer additional power on a handful of men to make whatever kind of agreements they choose is one to confer power to make us dependent on foreign nations for our petroleum.

Is national security to depend on our ability to keep some potentate, sheik, or satrap successfully bribed? Will we risk national defense on victory in some far-away revolution—some uprising inspired by a power that is preparing to make war on us? If we stake our welfare on the existence of a government in a country which has great oil resources and that government falls, what then is our security? Do we not all remember that American interests in Russia disappeared forever? That the same thing happened in Mexico?

The only security on which we can count is that which comes from an assured supply at home. Here the discovery of oil and its development and use does not rest upon bribery, revolutions, cajolery, or war. The oil man makes a deal with the owner of land and drills a well. If he is unlucky, he takes his loss, and if he succeeds, both he and the public gain.

Some years ago certain of the more powerful oil companies in this country turned their attention abroad. They led in the development of many foreign fields, using profits made here to pay for the ventures. They have consistently brought part of their oil into the markets of the United States and nobody objected to imports of a reasonable amount.

But now we are faced with the possibility of imports so great that the domestic oil producer and the refiner in this country who has no foreign supply can be driven from business. These producers and refiners cannot compete. Their costs are too much greater to enable them to fight a flood of foreign oil. It will be a flood if it gets started. With the potential producing capacity that is in sight, it could easily amount to 25 percent of our national requirements. The prices that would be established here under such a flood would end the independent industry in the United States and many of the large companies as well, for just a few have foreign production.

Who would determine the policy? The State Department would, of course, just as it has under the Trade Agreements Act for the past 11 years. It made an agreement with Venezuela in 1939 and cut the protection to the oil industry of the United States in half. This bill would let it make another 50-percent cut—to an eighth of a cent a gallon on crude oil and fuel oil. That would be almost the same as no tariff at all.

In other words, as I understand it, in 1932 there was a tariff of one-half cent per gallon on crude oil and fuel oil, or approximately 21 cents per barrel.

The Venezuelan trade agreement in 1939 cut the tariff 50 percent to make a quarter of a cent or a tariff of 10½ cents per barrel.

Now, I might state that a further reduction of 50 percent would bring the original one-half cent per gallon down to one-eighth of original tariff or about 5½ cents per barrel, which would bring a tremendous flood of cheap oil into the Nation and practically put the small producers and refiners and marketers out of business, affecting thousands of employees and the economic life of whole sections of the stripper-oil-field areas.

Into whose hands would we place this authority to dispose of the domestic oil industry? Well, there is a young man named Rockefeller, who is Assistant Secretary of State. His economic background is Standard Oil. It is the largest of the American groups producing abroad. Its interests are in Venezuela, Colombia, Peru, Argentina, Canada—in this hemisphere. The several companies bearing the Standard name operate in the Middle East, in Europe, in the East Indies. Standard has many places to get oil. Standard of New Jersey today produces more oil outside the United States than it does at home.

Mr. Rockefeller, of course, does not dominate oil policy in the State Department.

Then there is a most estimable gentleman named Charles Rayner, who is the State Department's oil consultant. He is popular and everyone who knows him like him. He is an oil man. He represented Standard for many years in foreign service. He was an independent producer for a few years, but his economic training was in big business.

There seems to be no spokesman for small business, oil or anything else, in that Department. I have not located

one. The genial Secretary of State is a big businessman. Assistant Secretary of State Clayton is another. International businessmen speak a common language. They belong to the same club. They possess a power which cannot be countered by little business. The little oil man cannot get his costs down to those which the big fellows pay in Venezuela. He has to pay too much for his labor and taxes and all the other things which make up our standard of living.

I do not think these big international operators would consciously do anything to imperil the national security. I merely say that they are out to do business on a big scale and if the little fellow is run over, why that is just an unfortunate casualty.

There must be a check-rein kept on big business and if it is in charge of foreign policy today, then it is the duty and the responsibility of Congress to temper its activities to the needs of the American people.

We have several million American boys coming back to civilian life, beginning now. They are looking for opportunities here. The oil industry here can use thousands of them—there were thousands who left the industry and put on uniforms. They want to work here, not in Venezuela or Arabia.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, while the legislation under debate at this time deals with figures and combinations of figures and complicated statistics, there are some historical facts that might be discussed with propriety and profit; and there are some well recognized philosophies of government that could be considered with interest.

Protective tariff is as old as the Government itself. Historically, the agricultural South was predominantly in favor of free trade because their principal commodity was cotton and cotton needed no protection. Up to a few years ago the South produced 65 percent of the cotton in the world and exported about 50 percent of the amount produced.

The North early in the development of the country engaged in industry and manufacturing. Soon after the establishment of the first Congress, plans and legislation were perfected that would protect local industry against importations from foreign countries. In practically every national campaign from the foundation of the Republic down to 1944 some phase of the tariff was up for discussion. By reason of the protective tariff, the United States has grown to be the greatest manufacturing Nation in the world.

The southern cotton growers naturally espoused free trade because they could not see why they should pay more for articles manufactured in the North when they could procure the same commodities cheaper from foreign countries.

Historically the Republican Party advocated protection and the Democratic Party took the free trade side of it. The Republican Party has been more persistent in its advocacy than the Democratic Party because, as time went along, the Democrats abandoned their free-trade position and adopted what they called a program of tariff for revenue only. The Democrats were forced to this position because, for instance, Texas wanted a tariff on cattle and Louisiana wanted a tariff on sugar, and so forth, with a result that protection became somewhat of a local issue. This situation has gradually developed until now every section wants protection for its specific industry. Even the South is now demanding and is getting protection on long-staple cotton. Practically every State in the Union gets protection for its basic industries. Agriculture is protected, industry is protected, and labor is protected.

The protective-tariff policy of the Republican Party proved its worth and value because it is yet one of the great policies of the Nation. As the Nation grew and as business became more complex, the administration of the policy of protection became a serious problem. More than 40 years ago the Republican Party advocated encouraging commerce with foreign countries by accepting free of duty those commodities which our country could not produce. Later the Republican Party advocated reciprocity between our country and other nations. The Republican Party also advocated what is known as the flexible tariff plan. During this gradual evolution in the administration of the tariff laws, the Republican Party always maintained that the levying of tariffs was a matter for the Congress as provided in the Constitution. When the flexible-tariff provision was brought forth, this right of Congress was recognized. The Republican Party has always maintained that Congress should not be required to give up its control over the levy of tariffs and that Congress itself should be jealous of this constitutional privilege and responsibility.

Never until the New Deal came into power has the right of Congress to levy and collect duties been in any way infringed upon. Early in the New Deal administration it became evident that one of the principal purposes and objects of the New Deal was to strengthen the Executive by usurpation of the powers of the legislative and judicial branches of the Government. The attempted packing of the Supreme Court and the notorious attempt to reorganize the Government so that all agencies would be subservient to the Executive, both of which failed, and many other attempts which were successful are proof of my assertion as to the principal purpose of the New Deal.

The New Deal was running true to form when the reciprocal trade-agreements program was advanced for consideration in Congress. That legislation was passed when the New Deal Party was in the majority in the House and in the Senate. It was passed only after a hard battle because there were many in Congress who realized then what the program was. They realize it much more now. Cordell Hull had only been Secretary of State a year when in 1934 the first Reciprocal Trade Agreements Act was passed. When he was a Member of Congress he was always considered as one of the leading free traders of the country. It was only natural that he would welcome an opportunity to put his free-trade policies into effect. His party had advanced far ahead of him, for his party could probably then have been considered as a tariff-for-revenue party because since the Houston convention, which nominated Al Smith, it had been considered a party that believed in tariff for revenue and tariff for sectional purposes.

It is interesting to note the different arguments used by New Dealers when this reciprocal trade agreements legislation has been up for consideration. In 1934 Cordell Hull appeared before the Ways and Means Committee and in a colloquy between himself and Mr. McCORMACK, our present majority leader, he stated in effect that the first Reciprocal Trade Agreements Act was a temporary piece of legislation. The following is the colloquy as it appears in the hearings:

Mr. McCORMACK. I understand the President deems this as absolutely necessary as a part of the recovery program.

Mr. HULL. Absolutely; otherwise I do not think there would have been the slightest disposition to propose such a measure.

Mr. McCORMACK. I think we ought to have that in the record.

Mr. HULL. Yes; I think so.

It was not temporary; for when the act came on for renewal in 1937, Mr. Hull said:

From the foregoing statement it is manifest that, while genuine progress has been made, the emergency in the field of international relations with which we were confronted 3 years is not over.

The joint resolution now before this committee, extending the President's authority under the Trade Agreements Act for a further period of 3 years, provides an opportunity for this vital accomplishment. It ensures that our country will continue to have adequate means of action in favor of peace at a time when the world hesitates perilously at the crossroads of peace and war.

Mr. Hull on his appearance before the committee in 1940 laid special stress on the message which the President just recently sent to Congress, in which he had the following to say with reference to the reciprocal trade agreements, and their pretended potency to insure peace:

But what is more important, the Trade Agreements Act should be extended as an indispensable part of the foundation of any stable and durable peace.

The old conditions of world trade made for no enduring peace; and when the time comes the United States must use its influence to open up the trade channels of the world in order that no nation need feel compelled in later days to seek by force of arms what it can well gain by peaceful conference. For this purpose we need the Trade Agreements Act even more than when it was passed.

Mr. Hull himself in his 1940 statement still pretended to stress the importance of the trade treaties as a preventive of war. The following colloquy took place between him and our distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK]:

Mr. McCORMACK. I think I understand your state of mind, but for the record, is it your opinion that if Congress does not extend the present law it is a message to the world that the United States is on the road to isolation?

Secretary HULL. Well, I don't know of anything that we could do—there would be enough isolationists on the ground to drag the other parts of the world in that direction,

and if we went in for that sort of policy, our interest in any peace conference would be of no concern.

Could it be possible that Mr. Hull was relying upon these trade agreements to prevent war on Pearl Harbor morning when he was placidly listening to the prattle of the Japanese Ambassador who was assuring Mr. Hull of the peaceful attitude of the Japanese Government when he knew at that very moment our Navy was being destroyed at Pearl Harbor? No, I would prefer to think that Mr. Hull was too smart for that and that all his protestations with reference to the potency of the trade agreements to prevent war were simply arguments to induce the Congress to give him and his Department the power to give his free-trade theories a chance to be demonstrated.

Mr. Clayton, who is now to take over and be the chief administrator of the reciprocal trade agreements, although he has never had any experience in making trade agreements, comes forward with another beautiful theory as to why these trade agreements should be continued. Apparently, he has found out that the old excuses of war and emergency have been outmoded. Let me quote his recent statement before the Ways and Means Committee because it is much more eloquent than mine can be:

> Today, with the end of the great holocaust finally within sight, this same instrument is transformed into a powerful device for shaping a better world. This, I believe, is the new meaning of the trade-agreements program as it comes before the Congress for its fourth renewal.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. Yes; I shall be glad to yield.

Mr. KNUTSON. If Congress should extend this law for another 3 years, they will probably be up here 3 years from now to say that another renewal would be necessary to our salvation.

Mr. JENKINS. Most assuredly.

Mr. Chairman, I maintain that there is grave doubt as to the constitutionality of this bill. Section 8 of article I of the Constitution provides that Congress shall have the power to lay and collect taxes, duties, and imports—to regulate commerce with foreign nations.

From this language it must appear clearly that the full and complete power to collect duties and to regulate commerce has been reposed exclusively in the Congress of the United States.

How then does the President and the State Department derive power to operate under the Reciprocal Trade Agreements Act? They derive it from the fact that Congress may delegate to the Executive the power and duty to administratively collect these duties when Congress has laid them. The Supreme Court upheld the Flexible Tariff Act passed in 1922 because in that law Congress held to itself the power to levy duties and to regulate commerce. It only gave the President the power to raise or lower duties within certain specified limitations. The Congress laid down a yardstick by which the President was bound. The President had no discretion except to act when the Tariff Commission, after proper investigations, found certain facts.

In this bill the President has been given full power by reason of the fact that the Secretary of State is a part of the President in that he is selected and appointed by the President. The Tariff Commission is an independent agency of the Government and is a creature of Congress, and an agent of Congress and not an arm of the President.

At present the trade agreements are entered into as a diplomatic matter and not as a business or economic matter. If you could have seen the swarm of State Department attachés that infested the Ways and Means Committee room during the hearings on this bill you would have thought that the State Department must have some very peculiar interest in the passage of this bill.

So I repeat that the Reciprocal Trade Agreements Act does not come to the specifications that the Supreme Court laid down when it upheld the flexible tariff provisions. At present the President has effectively taken over all tariff matters. Many people think, and I am about to agree with them, that if we extend this act for 3 years with the 50-percent increased authority to cut rates that the tariff question will never be heard of again as a public issue. It will be another case of where the Executive has swallowed another of the legislative functions of Congress. Just to test my sincerity in this statement, I should like to ask any Member of this House what more is left for Congress to do when you have given the President the right to reduce tariffs on any commodities 75 percent straight. I repeat that when you do this and make this law permanent, you have closed the book on all tariff considerations as far as Congress is concerned.

Another reason that I have for thinking that this bill is unconstitutional is that the New Deal itself must believe that it is unconstitutional for they have studiously worded this law so as to prevent any chance for an aggrieved party to test its constitutionality in a court of competent jurisdiction. That has been done in typical New Deal fashion. Much of the modern New Deal legislation is worded to give the Executive full authority and to take away from all persons any right to appeal to the courts. I think this system is tyrannical and these tyrants will be sure to reap the whirlwind when the people fully appreciate the situation.

Many witnesses before the committee testified to their failure to secure redress in the courts. Their only relief is that they must come to Congress. I for one have heard their cry and I am ready to give them relief.

The circumstances under which these restrictions to permit an aggrieved person from securing redress in the courts smack of tyranny also. The provision was placed in the law by an amendment offered from the floor of the Senate. There was no such provision in the bill when it passed this House. This body was never given a chance to consider it. The Ways and Means Committee was never given a chance to consider it. The Senate Finance Committee was never given a chance to consider it. It was offered by Senator Harrison, the chairman of the Finance Committee of the Senate. Why he had not presented it to the Senate Committee has never been explained unless the explanation can be drawn from his language and his demeanor when he presented the amendment. This is what he said when it was called to his attention that the effect would be to divest American producers of their right to litigate matters arising out of these trade treaties--"that is what we intend to do since we want no interference or delay from domestic interests."

If you go back in history, you will find that the Republican Party has stood consistently by its principles and policies. The Democratic Party by stress of the progress of the country had to yield because nobody could long support free-trade doctrine. Mr. Hull stayed with it longer than anybody else. Of all of those who came before the Ways and Means Committee to testify not one admitted he was a free-trader. Forty years ago many would have admitted that they were free-traders. They have given that up. But this reciprocal trade-agreement program is not free-trade doctrine; it is not Democratic doctrine. It is New Deal doctrine.

Now, what is the most predominating characteristic of the New Deal? Without saying anything derogatory of it, what is the most predominant characteristic. It is the disposition to arrogate to the Chief Executive all possible power. What was the first act of the first New Deal Chief Executive? It was his attempt to pack the Supreme Court. I could point out many other legislative attempts, some of which were successful and some failed.

This matter before us now is a serious matter. When we lay down the Constitution of the United States and walk over it, when we take away from the Congress of the United States a prerogative and responsibility that has been given to it by the Constitution, I say to you we must be careful. That is exactly what is happening in this case.

Let me show you what I mean. All during the growth of the protective tariff program under the Republican administration, Congress at no time ever gave up its power to legislate concerning or its power to control tariffs. Let me ask you who makes these trade agreements now? Who negotiates them? Who writes them? What man in the Office of Secretary of State does it. I want to let you Republicans in on a committee situation that is singular to say the least. Here it is—nobody testifying before our committee has ever yet seen or can tell you who the men are who write these agreements. Who are they? I ask any Member here present, who are they? Name them. Do you know, Mr. KNUTSON? Do you know, Mr. REED? Do you know, Mr. CARLSON? My colleagues do not you think this a matter that might have serious consequences. Here we are, the great Congress of the United States that has surrendered its right to levy tariffs and transferred the right to somebody, we know not whom. I challenge anyone

here on either side of the aisle to name the men who make the studies and who prepare and who write these trade agreements.

I get no response.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from New York.

Mr. REED of New York. I agree with the gentleman that nobody knows.

Mr. DOUGHTON of North Carolina. Mr. Chairman will the gentleman yield?

Mr. JENKINS. Just a minute. I have yielded to the gentleman from New York.

Mr. DOUGHTON of North Carolina. The gentleman from New York probably can give you an answer that will suit you better than mine.

Mr. JENKINS. Now just be courteous a moment and I will get around to the gentleman from North Carolina. I have yielded to the gentleman from New York [Mr. REED]. When Mr. REED is through I shall be glad to yield to the gentleman.

Mr. REED of New York. The testimony shows that not once do they ever call upon the Tariff Commission as such to advise them as to the wisdom of lowering or raising the tariff, not once.

Mr. JENKINS. And the law specifically provides that they must do that.

Mr. REED of New York. Exactly.

Mr. JENKINS. And also the law specifically provides that the Secretary of Agriculture shall be a party to these agreements, and the Secretary of Commerce likewise; but never so far as any testimony before our committee shows have either the Secretary of Commerce or the Secretary of Agriculture been called in.

My colleagues, I think it is a serious situation when the State Department, that great Department to which we have looked with pride, will lower itself to lobby for the passage or extension of legislation.

Now, I gladly yield to the gentleman from Minnesota [Mr. KNUTSON] who has been patiently waiting to ask me a question.

Mr. KNUTSON. The gentleman was speaking about the little select group that negotiates these treaties. I attended 4 weeks of hearings. Although we asked several witnesses who constituted this inner group I have yet to learn who they are. I have no more idea who they are than who constitutes the inner circle of the Ku Klux Klan.

Mr. DOUGHTON of North Carolina. The gentleman does know that in the last analysis the President of the United States has the responsibility; and it is up to him to keep men in charge of this work who will do it right, because if there is a mistake the responsibility will fall on him. He knows that the President has to O. K. every line and word of it.

Mr. JENKINS. I will be glad to answer the gentleman.

Mr. DOUGHTON of North Carolina. Is that not so?

Mr. JENKINS. No, sir; it is not so.

Mr. DOUGHTON of North Carolina. I say it is so. I say he is the man who under the law does do it.

Mr. JENKINS. The gentleman knows that the President could not possibly hear witnesses and make investigations necessary to the making of all of these trade agreements. What is the use to quibble about that. Somebody writes these contracts. Somebody sits in long conferences. I want to know who they are. Nobody answers me. The law does not require the President to do these numerous details. The law provides that the President must consult with the Tariff Commission, and the President must find some of these facts.

Mr. Chairman, I would call to the attention of the House the fact that there is a very essential difference between the flexible tariff policy of the Republicans and the New Deal policy of reciprocal trade agreements. Under the Republican plan for reciprocal trade the Congress laid down a yardstick by which the President and the Tariff Commission were bound to abide. Congress gave to no one any right to exercise official discretion. Congress kept the power in its own hands. Congress was the final arbiter, the Congress had the final decision; and Congress never did turn the power over to the President. If we were to do what my good friend, the gentleman from North Carolina [Mr. DOUGHTON], the chairman, says, turn it over to the President, we would be violating our oaths and surrendering rights and responsibilities that the Constitution gives us.

That is our power, our privilege, and it is our responsibility. You probably wonder whether a court passed on the constitutionality of this law. No court has ever passed on it because in framing the act they were so artful with their manipulation of words that they provided that the complainant could not get into court.

Now my good friend from Arkansas has been standing. I will be glad to yield to him.

Mr. MILLS. On the point raised by the chairman of the committee my good friend from Ohio recognized that the original act passed in 1934, and the law as it now exists, imposes the responsibility for the program under consideration upon the President of the United States.

Mr. DOUGHTON of North Carolina. Which the gentleman says is not so. That is what the law says.

Mr MILLS. I wish to call the gentleman's attention to the act, which I have before me.

Mr. DOUGHTON of North Carolina. Let us clear that up now because the gentleman said that I said it was not so. Let us see what the language of the act says.

Mr. JENKINS. But, Mr. Chairman, let us not be too petulant.

Mr. DOUGHTON of North Carolina. As long as the gentleman said that what I said was not so the gentleman should be fair enough to yield long enough to let us show what the law is.

Mr. JENKINS. I have been fair. I did not yield to two Members at the same time. Did I yield to the gentleman?

Mr. DOUGHTON of North Carolina. You yielded to me.

Mr. JENKINS. All right. The RECORD shows I did not, but if the gentleman thinks I did, it is all right with me. It is a small matter.

Mr. DOUGHTON of North Carolina. I say that in the last analysis the final responsibility for what is done will be on the President of the United States. He is negotiating these agreements. The gentleman said that what I stated was not so, and I am giving him what the law states. Be fair about that and say whether what I said was so or not.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. What I have heretofore said answers the gentleman from North Carolina. What I want to know from him is, Does he know who prepares and writes these trade agreements? And now I yield to the gentleman from Minnesota.

Mr. KNUTSON. There is a little misunderstanding. I think both gentlemen were right.

Mr. JENKINS. I do not care to discuss the matter further unless someone can tell me who are the men who sit in and hear the evidence and make the investigations for framing and writing these agreements.

Mr. DOUGHTON of North Carolina. No. I said that the final responsibility is on the President of the United States, and that is the law we are going to extend.

Mr. MILLS. Mr. Chairman, will the gentleman yield further?

Mr. JENKINS. Yes I shall be glad to yield to the gentleman from Arkansas.

Mr. MILLS. On the question raised by the gentleman from Ohio as to the people who are involved in the negotiations, as my good friend knows, Mr. Will Clayton informed the committee that the responsibility insofar as the State Department is concerned rests on his shoulders.

Mr. JENKINS. Yes, that is what he said but he also said that he had never had anything to do with writing any of these trade agreements.

Mr. MILLS. Mr. Taft came before the committee and said he had been appointed by Mr. Clayton to assist him in that responsibility and that he also had a hand in the making of trade agreements under this act.

Mr. JENKINS. Is the gentleman through?

Mr. MILLS. Yes.

Mr. JENKINS. I will answer the gentleman by saying that Mr. Clayton said he never participated in writing a contract in his life. He is the man who is going to head the department that will have to do with making future trade treaties, and modify those already made.

Mr. MILLS. He has been there 4 months.

Mr. JENKINS. He said he had not participated in a single contract and I think Mr. Charles Taft said that he had not participated in the making of any of these trade contracts. Who is it that has had anything to do with the contracts? Both of those gentlemen admitted they did not have any experience in them. Why does not the gentleman

tell me if he knows or else admit that he does not know?

Mr. MILLS. The gentleman is endeavoring to obtain information as to who is going to have authority in the program under this bill.

Mr. JENKINS. I want you to tell me who down in that Department makes and writes these contracts.

Mr. MILLS. I assume the law is correct and that the law is being followed. If so, the President of the United States assumes that responsibility.

Mr. JENKINS. Does the gentleman say the President writes them?

Mr. MILLS. I did not say. He assumes that responsibility.

Mr. JENKINS. Then tell me who does write them?

Mr. MILLS. Those whom the President selects.

Mr. JENKINS. It is evident that the gentleman does not know. That illustrates my point. I feel sorry for you.

Mr. MILLS. Does the gentleman want me to be more specific?

Mr. JENKINS. I want the gentleman to answer that question if he can. If he cannot answer then he should say so.

Mr. MILLS. The gentleman well knows that the Committee on Reciprocity Information and the interdepartmental committees are made up of representatives of the departments mentioned in the law that are responsible to the President of the United States.

Mr. JENKINS. Is that the gentleman's answer?

Mr. MILLS. Certainly. That is what the law says.

Mr. JENKINS. Now, let me talk a minute.

Mr. WASIELEWSKI. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman.

Mr. WASIELEWSKI. Mr. Ryder, in his testimony before the committee, stated he had been a member of the Committee on Reciprocity since the law went into effect.

Mr. JENKINS. But he is not in the State Department.

Mr. WASIELEWSKI. No. He is a member of that committee.

Mr. JENKINS. He is a member of the Tariff Commission and no doubt was appointed by Mr. Roosevelt. The question is not answered yet. Now, my colleagues, I will bring this fiasco to a close by answering it myself. The State Department being steeped in diplomacy and secrecy keeps the names of these persons secret. They claim that they must do this, otherwise they might be subjected to pressure. In other words they are afraid that their men will be so weak as not to be able to do justice if there is any danger of pressure. What a shameful confession. That surely proves that Congress made a terrible mistake to turn over such an important matter to a department of the Government. Do our judges run and hide when they have a tough case to decide? Does a juryman sworn to do his duty ask to go and secrete himself when he must decide an important case? Taking refuge in secrecy is not consistent with the courage that should mark the performance of any man who has a duty to perform.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from New York.

Mr. REED of New York. They have become so imbued with bureaucratic government and control they forget that the Congress is responsible in the final analysis for every bit of legislation.

Mr. JENKINS. The gentleman is right. I think I have made my point.

The proponents of this bill maintain that no injury has resulted to any person or industry by reason of these trade agreements. I am wondering if they would agree to terminate them if such a showing were to be made.

Mr. MILLS. Mr. Chairman, will the gentleman yield further?

Mr. JENKINS. I yield to the gentleman from Arkansas.

Mr. MILLS. I think the gentleman from Ohio must say in all fairness that witnesses who came before our committee did not show specific injury; only a fear of the future.

Mr. JENKINS. Oh, yes, they did; plenty of them. I shall cite instances. In 1940 they did also.

Mr. Hull in his testimony before the Ways and Means Committee in 1940 when the bill was up for the third extension of this program said:

> Before I finish, I should like to say this: If there were any suspicion in my mind that the trade-agreements program hurts rather than benefits our people, I would be the first to abandon it. I have searched diligently and painstakingly the mass of evidence on all phases of this vital question, and I am firmly convinced that it proves overwhelmingly the beneficial nature of the trade-agreements program and points unmistakably to the dangers inherent in an abandonment or weakening of that program.

My colleagues, I am afraid that was not a sincere statement. The record of the hearings in 1940 were replete with the testimony of many persons which indicated more than a mere suspicion. I propose to show you that there is much more than a suspicion in the testimony adduced at the present hearing on this bill now under consideration.

You probably heard the distinguished gentleman from Virginia [Mr. ROBERTSON] when he spoke on Monday and rather slightingly referred to those who were claiming to have been injured as being just a few small employers. Mr. Chairman, the proponents of this system mean to sacrifice many small businesses on the block of free trade. They tell the pottery and glass workers and the textile workers that if their industries cannot compete with the cheap labor of Europe, Asia, and Africa that they had better get jobs in some other industries. They apparently do not know just how powerful the little business industries of our nation are and how many men they employ.

Government statistics show that there are 214,000 manufacturing companies employing labor in the United States, 200,000 of these manufacturing companies employ less than 100 men.

Mr. Chairman, the small businessman is the life of America. He it is that buys the automobiles and telephones and refrigerators; he it is that buys the finished products made from the products of the big steel and iron mills of the nation; he it is that buys the products of the farm and factory. All the big industries were once small and they are big today because of the protection given them through the tariff when they were small.

Who are the business concerns that favor these agreements? They are the automobile manufacturers and the manufacturers of business machines and farm implements and others who are able to produce under mass production systems. I hope they will wake up before they find the commodities designed after their own products coming in as imports as a result of cheap labor in other countries.

Who are opposed to this legislation and who have been aggrieved by reason of it? Let me read you the story of only a few of them. They have more than a mere suspicion of what has already happened to them and what is yet to come.

AGRICULTURE

Mr. Charles W. Holman, secretary, National Cooperative Milk Producers Federation, says:

PROPOSED CHANGES IN THE TRADE AGREEMENTS ACT

1. We are opposed to continuation of the act, but if it is the intention of Congress to extend it, it should not be extended beyond June 12, 1946. Changing world conditions within another year will require reappraisal of the trade-agreement program.

2. Application of the concessions written into trade agreements should be limited to the nation which is signatory to an agreement. Concessions made by us should be commensurate only with concessions made to us by the other nation. Concessions should be made only to nations which are the principal producers of the commodities covered in any agreement.

3. Trade agreements should be ratified by the Senate of the United States.

4. The right of court review should be restored.

5. The act should be amended to change the public-hearing procedure from a farcical pretension to an important, integral part of the negotiations. The right of witnesses to discuss the subject matter of their briefs should be made statutory. Those actually negotiating trade agreements should be present and conduct the public hearings.

6. A congressional rule to determine modification of import duties and the making of commodity concessions should be inserted into the legislation. We suggest the reincorporation of section 336 of the Tariff Act of 1930 as a sound method of testing the need of tariff changes or any given commodity.

7. The act should prohibit lowering of any duties when landed costs of an imported article, plus the duties, are less than the American wholesale selling price of the article.

Mr. Fred Brenckman, Washington representative of the National Grange, says:

> We wholly disapprove of the proposal that the President be empowered to slash to the extent of 50 percent rates that were in effect on January 1, 1945. As we see it, this is a perfectly preposterous proposal. In the case of rates that have already been reduced 50 percent under the provisions of the act of 1934, this added power would enable the President, or the State Department, to bring about a 75 percent reduction of the rates contained in the Tariff Act of 1930. We sincerely trust that Congress will not agree to such a proposition.

Mr. Mollin, executive secretary, National Livestock Association, says:

We have been opposed to the reciprocal trade agreement program from the beginning, because we do not believe that it provides adequate safeguards for the protection of those industries in this country which cannot compete on an even basis with foreign countries where costs of production are far below those existing in this country.

We do not believe that Congress should delegate the authority to set the tariffs to any bureau or any other branch of the Government. We think that there is no way in which the individual industries, scattered throughout the country, with different conditions in so many different places, can be adequately protected except by the diligent efforts of the Congressmen from the districts which they represent.

We are opposed to further tariff cuts. We do not believe that there has been any demonstrated need for further cuts in the tariff. As a matter of fact, we do not feel that, so far as our industry is concerned, and so far as most industries are concerned, that we have ever had a real true test of the reciprocal trade program.

WATCHES

Mr. Walter W. Cenerazzo, national president of the American Watch Workers' Union, says:

I now wish to present to you a petition which we call the ghost-town petition. Thousands of American citizens are petitioning for protection of our industry because it is essential to national defense and because it can create 60,000 new jobs in America. House bill No. 2652 can make ghost towns out of any industrial community in this country where labor costs represent more than half the factory costs. Included in this petition are the fathers, mothers, sisters, and daughters of those now serving in the armed forces overseas and other interested Americans.

The CHAIRMAN. What is that?

Mr. CENERAZZO. A petition, containing 35,000 names.

I wish to present separately and as an indication of the intelligence and interest which those in our armed forces have in what is going on here, a sheet of this ghost-town petition signed by some of those serving on the U. S. S. *Hermitage*, appealing to this committee to protect their job opportunities while they sacrifice their lives if necessary to preserve democracy.

"We, the undersigned citizens of the United States, hereby protest the enactment of House bill No. 2652, now before the Ways and Means Committee, which would extend to June 12, 1948, the authority of the President to enter into foreign trade agreements and to authorize him to reduce the import duties in effect on January 1, 1945, by 50 percent.

"As citizens vitally interested in the future of the American jeweled-watch industry, we urge our elected Representatives in Congress to defeat this bill, or make provisions in this bill to give adequate protection to the American jeweled-watch industry against further inroads in the American market by unfair foreign competition.

"We believe the American jeweled-watch industry is essential to national defense and to the welfare of our country. We urge the elected representatives of the people to protect the jobs of the American watch workers."

This is what Mr. H. Wickliffe Rose, one of the greatest experts of rayon in the country, and one of the most capable men who testified before the Ways and Means Committee, had to say:

I know that that threat is actually operating as a deterrent. I know of instances where mills have been deterred. For instance, the Crompton-Shenandoah Co. owned a site at Hendersonville, N. C. They went to see Mr. Clayton about the prospects of building a plant on that site under this policy after the war. Mr. Clayton told them that they could not count on protection on the type of goods that they make. That has the effect of making a company pause before building in Hendersonville, N. C., and of looking around the world to see where they can get a supply of the lowest-cost labor and still get good, skilled production, and manufacture the goods in that country. It might be Brazil, it might be China, as both of them are inviting the United States to bring capital and machinery in. If it does go to one of those countries, not only Hendersonville loses the pay roll, but the production of that mill abroad can come in under this low tariff program that we are discussing here and replace other pay rolls in this country. We lose one pay roll, and then the imported goods compete with the goods from our other pay rolls.

GLASS

Mr. Harry H. Cook of the Flint Glass Workers' Union of Toledo, Ohio, says:

We ask this committee and the Congress to reject the legislation now before you, which, if enacted, will permit officials of the State Department to negotiate such reductions in tariff rates as will, we believe, deprive our workers of their opportunities of employment, will nullify the benefits which the Congress has voted to American workers in the enactment of the Fair Labor Standards Act, the restrictive immigration laws, and will jeopardize the continuance of the merchant marine.

Mr. C. W. Carlson, on behalf of American Glassware Association and National Association of Manufacturers of Pressed and Blown Glassware, says:

Mr. JENKINS. Well, then, I take it on your page 8, there is plenty of conclusive proof as to what these reciprocal trade agreements have done to your business.

Now, if application of the additional 25 percent or additional 50 percent which amounts to a total of 25, if that should be exercised, what would become of your industry?

Mr. CARLSON. We would definitely go out of business, and the real proof is in the Government survey which shows that the industry made about 5 percent in 1937; and in 1938, when the Czech treaty came in, it lost 3.58 percent; and in 1939, when the Czechs were cut out again, the industry was able to go back and make a little money, about 1.74 percent; and, of course, when the imports were cut off still further, they made more money.

Mr. C. J. Uhrmann, vice president, plant manager, Imperial Glass Corp., Bellaire, Ohio, says:

Mr. JENKINS. Were you familiar with the conditions in the glass industry of the United States when the Czechoslovakian trade agreement was drawn?

Mr. UHRMANN. Yes.

Mr. JENKINS. And were you in position then to know what effect that had, if any, on your industry?

Mr. UHRMANN. I was; yes.

Mr. JENKINS. What effect did it have on your industry?

Mr. UHRMANN. We have almost completely lost a third of our normal production on actually hand-blown glassware. I would like to explain that we make a complete line of table glassware, which means that in addition to hand-blown glassware, we also make hand-pressed glassware, and the combined product, or the combined production is glass tableware. To make it fully clear, I would like to explain further, that in the tableware line, for instance, a salad plate alone is not sufficient for a complete line. You have to have the blown items together with it, such as tumblers, goblets, jugs, decanters, and items which are naturally blown.

The pressed items are plates, sugars and creams, and bowls and candlesticks and things of that sort.

POTTERY

Mr. Joseph M. Wells, representing United States Potters Association, says:

With the administration's demand for 60,000,000 American peacetime jobs, the request for an additional 50 percent tariff reduction is simply fantastic. I want to go on record with the prophecy that history will prove the reciprocal-trading treaties, as set up, negotiated, and administered by the present State Department were the greatest economic mistakes of our generation.

Mr. James M. Duffy, national president, National Brotherhood of Operative Potters, East Liverpool, Ohio, says:

Mr. Chairman and members of the committee, on behalf of the National Brotherhood of Operative Potters, affiliated with the American Federation of Labor, of which I have the honor of being its national president, I wish to state that we are opposed to the further extension of the trade treaty program, and especially to the authority requested that present tariff rates may be reduced another 50 percent.

MANGANESE

Mr. J. Carson Adkerson, president, American Manganese Producers Association, says:

One of the greatest set-backs to the domestic industry was the cut in the duty. The manganese ore tariff was cut 50 percent by the trade agreement with Brazil, a minor supplier. This was done in 1935 without notice or any consideration whatsoever to manganese producers and without regard to national defense.

As a result, United States has paid a severe penalty. After the cut in the tariff a number of manganese operations in this country were abandoned and the mines allowed to collapse. Our total known reserves of low-grade manganese ore in 25 States exceeds 200,000,000 tons and further work discloses additional reserves. It simply takes time for development of underground ore bodies.

Assistant Secretary of State W. L. Clayton, testifying before this committee, recently stated:

"Of course, the things that we lacked principally were the metals and minerals which, of course, we did not have. They were not stored in the earth here, and we had to go elsewhere to get them. Principally, that is the thing."

Secretary of the Interior Harold Ickes, before the Small Business Committee of the Senate, in 1943, stated:

"We still have here, 15 months after Pearl Harbor, an anomalous situation, in which, on the one hand, there is a serious need for raw materials to feed our war plants, and, on the other hand, there are large numbers of small entrepreneurs—owners and operators of small mining and milling properties—begging for an opportunity to produce for war.

* * * * *

"We are, furthermore, under a moral obligation to sustain small enterprise if we wish to rebuild and retain the America that we have known, with its concepts of individual freedom and opportunity."

Mr. E. L. Torbert, vice president, Onondaga Pottery Co., Syracuse, N. Y., says:

In the light of conditions heretofore stated, we oppose any further grant of powers to

reduce the now-existing tariff rates, and suggest that the agreement be extended for a period not to exceed 1 year. We make this suggestion because we believe this time of abnormal conditions is not the time to alter fundamental policy.

We further propose that any new treaties negotiated under this act be made subject to congressional approval.

Regardless of whether the act is continued, we do specifically propose that the original rates of the Tariff Act of 1930 be restored on china and earthenware as covered in paragraphs 211, 212 of the Tariff Act of 1930. Perhaps this could best be accomplished by providing that there shall be no reduction in duty under the 1930 rates on imports competing directly with articles produced by handicraft industries in the United States.

WOOL

Mr. J. B. Wilson, on behalf of the National Wool Growers' Association, says:

Mr. JENKINS. Despite the fact we raise this in Ohio, some of the finest wool raised in the world, the wool raisers in Ohio are dissatisfied with the present tariff, are they not?

Mr. WILSON. Every wool grower in the country, so far as I know, is, Congressman Jenkins.

Mr. J. M. Jones, secretary, National Wool Growers' Association, says:

Our people of the West urge that the Congress of the United States assume again its responsibilities by not passing this bill to extend the authority of the President under section 350 of the Tariff Act of 1930.

Mr. Arthur Besse, president of the National Association of Wool Manufacturers, says:

Mr. BESSE. The wool-textile industry is opposed to H. R. 2652 and opposed to the extension of the reciprocal trade-agreements amendment in any form.

Mr. Chairman, this legislation through which Congress has abdicated its constitutional powers should be repealed. Especially should Congress assert itself and prevent further encroachment on the rights of the people by giving to the Executive the uncontrolled power to further reduce the protection of many industries by 50 percent. It must be remembered that this legislation goes a long way further than the present legislation. No one who votes for this legislation can honestly go back to his constituents and say that he is opposed to the further surrender of constitutional powers by the Congress. This is a grand opportunity for Congress to regain one of the powers which it gave up under the spell of the magic words—this is an emergency and this will insure peace.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, in the minority report of the House Ways and Means Committee on H. R. 3240, a bill for the extension and strengthening of the reciprocal trade-agreements program, the authors pay lip service to every principle embodied in the Trade Agreements Act of 1934, and implemented through the trade-agreements program; then they turn and by extraordinary and chameleon-like evasions and twists, they seek to discredit and to destroy, by crippling amendments, the only instrument yet devised by the United States Government to put into effect the principles which they pretend to espouse.

Not only is the report full of misrepresentations and faulty reasoning, but it is shot through with spiteful, trifling, but irritating mosquito-like jabs at the program itself, at the manner in which it is carried on, and at American citizens who have exercised their rights as American citizens to support the program.

In this document the authors declare themselves in favor of expanding our foreign trade as a means of increasing employment and raising living standards in this country. But they are violently opposed to any reduction of the excessive barriers which are preventing this expansion. They believe in reciprocity and in fair dealings among nations, but they urge discrimination among our foreign customers. They recognize that the United States and the world are facing a terrific economic emergency, but they are opposed to doing anything to meet it. They quote the Apostle Paul in favor of providing for those of our own house first, but they are unwilling for those of our own house to have adequate and remunerative markets for the fruits of their labors.

They cringe in fear lest some foreign country, all but prostrated by war, shall outstrip and outdo American enterprise and ingenuity and resources and take away our foreign—even our domestic—markets; they tremble, along with the protagonists of a few highly protected industries who have not ceased to tremble since 1934, lest American markets sometime, somehow, be flooded with the products of foreign slave labor. They look back yearningly to the lush 1920's when American taxpayers and investors were giving away, to foreign consumers, the products of American farms and factories and when our tariff policy was making it impossible for foreign consumers to pay for those products. They look back to the false and artificial prosperity that was building up in those days and that was paid for at so high a price in the early 1930's, and would like to go back and take the country back with them.

The minority report strikes the pitch and sets the tone of the arguments which are heard and will be heard here on the floor against the passage of the bill. Only for that reason is it worthy of close examination.

One of the first misrepresentations encountered is in that section of the report entitled "The Underlying Theory of the Bill." It is the statement that the proponents of the bill regard it as a "badge of American generosity." It is not such a badge and none of its friends has ever so described it. These friends, and its enemies too, know very well that by its very terms the law requires its administrators to get as much through trade agreements as they give, and that they have done so. Neither Americans nor foreign countries regard the program as a relief or a charity program, but as a straight business proposition whereby neither side gives anything except in order to get something.

Americans and foreigners alike do regard the program, however, as a symbol and an instrument of American willingness to face realities and the necessity for cooperation with other countries for the benefit of all—emphatically including the United States of America.

The authors of the minority report indignantly disclaim their title to the label of "economic isolationists," and insist that they fully realize the necessity of expanding foreign trade. Yet they stand foursquare against the only practical means yet worked out to achieve that purpose, and they have no alternative suggestion as to how it can be done. They want jobs in this country and the maintenance of domestic wage and price levels, but they are terribly afraid that if we take measures to enable the products of American industry and agriculture to find foreign markets "our shores will become the dumping grounds for the surplus products of the world."

They charge that the proponents of the trade-agreements legislation are demanding subsidies from the Federal Treasury for export industries. This is a far cry from the truth and would delude no one familiar with the course of the trade agreements program during past years. The fact is that most of the export industries of the United States get on without subsidies and that it is the so-called domestic industries which are nourished and fostered behind tariff walls that are really the recipients of subsidies, subsidies extracted from American consumers.

Again, the opponents of the program worry about the regimentation of American industry and agriculture which they allege would result from a lowering of excessive tariff barriers. They are entirely indifferent to the infinitely more severe regimentation and control which are inevitable if large and important segments of American industry and agriculture are deprived of their foreign markets and must have their production held down to the volume that the domestic market alone can absorb.

Notwithstanding the desire they assert for the expansion of American foreign trade, the authors of this minority report are convinced that such expansion means economic warfare. They say in so many words that if we propose to export $10,000,000,000 worth of American products in postwar years we might as well "drop all talk of economic peace." They visualize the United States embarked upon a ruthless drive to wrest away from Great Britain that country's export markets and thereby so irritating the British that, in retaliation, Great Britain will "place an embargo upon the products of American workmen." The minority Members would keep the products of American workmen at home so that the British will not be impatient and make us keep those products at home. Complicated reasoning, to say the least.

The fact that Britain herself might again, as in the past, be our best foreign customer, if she has an opportunity to pay with exports needed, and wanted, by other countries, including the United States, completely escapes the attention of the authors of this report. They profess to believe that, by giving concessions in return for concessions obtained, the United States will be "the first to disarm

herself on the economic front" and will "make her domestic market vulnerable to invasion by low-cost foreign goods produced by labor at a fraction of the American wage scale."

Over and over again the "fear" note creeps into the report. Its authors quote from three spokesmen for three highly protected industries who aver that they have been frightened out of making any postwar plans merely by the introduction of legislation for renewal of the trade-agreements program. All three of these industries have been progressively prosperous during the 11 years that the program has been in operation.

The minority members of the committee are devoted to principles. They regard it as "a travesty upon the principles of free, representative government that the American Congress surrendered" its right to fix tariffs in 1934. But on the same page of the report they propose an amendment which would enable the Executive to go on exercising this function if the Congress did not, by majority vote "in 90 legislative days" repudiate the Executive's action. They admit that since—they say—most of the power to adjust tariffs under the original act has been exhausted, it does not make so much difference about the principle of the thing now. There they disclose their real purpose, which is to hamstring the program and make it unworkable by any possible device, not to defend a constitutional principle which the Supreme Court has held again and again is not in jeopardy because of Executive agreements such as the reciprocal trade agreements.

The insidious attack goes on and on. The authors of the report deplore the idea that the United States should face up to and do something about the most serious economic crisis the world has ever confronted. They are all for maintaining the status quo ante. After all the faults they have found with the program they come to the astonishing conclusion that, everything considered, it might not be a bad idea to continue it until something better turns up from somewhere. But as for improving it and adapting it to present-day conditions, "there is no need to act now, as in a panic."

There is no need now, they say, in the face of the conditions confronting this country and the world, to strengthen the only workable implement of international cooperation available for attacking world economic problems. They are against having the United States—most powerful economically of all nations—take any measure on its own initiative. Let things ride, say the authors of this report, and maybe "the economic council of the new United Nations organization will be able to furnish a guide to all nations in the matter of removing restrictions on foreign trade and otherwise arrive at a sound basis for a permanent postwar solution to the problem of foreign commerce."

It is not to be easily believed that they honestly want to wait and take a blueprint and a program drawn up by the economic council of the United Nations. Their real hope is that if, as, and when the economic council of the United Nations does propose such a plan, they will be able to block its adoption as they would like to block continuation of the reciprocal trade-agreements program.

In the section entitled "The Minority Position" the authors affirm their faith in the principle of reciprocity, but are horrified at the thought of its being contaminated by "world politics." Turning their backs on the 11-year record of the administration of the trade-agreements program, they convince themselves, if no one else, that the economic welfare of American workers and farmers is to be traded off for unspecified diplomatic advantages and secret political prizes. This is all of a piece with the reiterated and untruthful implication that the diplomats in the State Department are the only persons who have anything to say about the management of the program.

They do not mention the partisan, log-rolling, political maneuvering which has made congressional tariff making in the past a sour economic joke with disastrous consequences. They say nothing about the long record of congressional failure and refusal to ratify and put into effect reciprocal tariff agreements negotiated by the Executive under previous tariff acts.

It would, of course, be difficult for Republicans with the strong sense of party loyalty displayed by the minority members of the Ways and Means Committee to repudiate the principle of reciprocity for which great Republicans are justly entitled to so much credit, and which is the basic principle of the trade agreements program. They—like the proponents of the bill—quote President McKinley on the subject, but they carefully lift from their context certain sentences from his last public address.

I am going to read from the same passage of that address some of the sentences which they omitted:

> A system which provides a mutual exchange of commodities is manifestly essential to the continued and healthful growth of our export trade. Reciprocity is the natural outgrowth of our wonderful industrial development under the domestic policy now firmly established. What we produce beyond our domestic consumption must have a vent abroad. The excess must be relieved through a foreign outlet and we shall sell wherever we can and buy wherever the buying will enlarge our sales and production, and thereby make a greater demand for home labor.
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> * * * * *
>
> The expansion of our trade and commerce is the pressing problem. Commercial wars are unprofitable. A policy of good will and friendly trade relations will prevent reprisals.

The minority's reasons for omitting these pertinent sentences are abundantly clear without being spelled out here.

But we come immediately to a most astounding departure from party loyalty in the minority ranks. They, in their own words, "reject absolutely the notion that reciprocity can exist at all in company with the unconditional most-favored-nation rule." The minority members of the committee are well aware that the unconditional most-favored-nation principle owes as much of its origin to foresighted Republicans as does the reciprocity principle which they extol. They faced a difficult dilemma in their search for something about the program to attack. So they threw overboard the principle of nondiscrimination and equality in commercial relations, which was enunciated more than 20 years ago by a Republican Vice Chairman of the United States Tariff Commission, William S. Culbertson; approved by a Republican President, Warren G. Harding; and put into effect by a Republican Secretary of State, Charles Evans Hughes. This is the principle which the minority members of the committee now label a "notion" that they "absolutely reject."

Throughout the recent hearings and in the hearings in 1943 the minority members of the committee spoke at length and with fervor about imaginary injuries to which American interests have been exposed through adherence to the most-favored-nation principle. Again and again they have been faced with the fact that innumerable discriminations against United States commerce have been removed or averted through the application of this principle or through reciprocal trade agreements. The facts made no impression on them and this particular red-herring trail lopes and doubles back and forth across the whole course of the hearings.

Under the heading "How the program has operated" the minority members dismiss very curtly the testimony of witnesses who appeared at the hearing in support of extension of the program. The record of the hearings shows that in their questioning and lecturing of such witnesses at times their behavior was considerably short of courteous.

While, according to the minority report, "the great preponderance of the testimony was in opposition to the continuance of the program," there was admittedly some exceptions who are described as "witnesses representing the large export industries and diversified industries connected directly or indirectly with export trade, free-trade academicians, and women's clubs."

These exceptions, of course, were the representatives of the United States Chamber of Commerce, the National Foreign Trade Council, the National Council of American Importers, an affiliate of the American Federation of Labor, the Congress of Industrial Organizations, the American Farm Bureau Federation, the Farmers' Union, 1,300 of the country's leading economists, the General Federation of Women's Clubs, the National League of Women Voters, the American Association of University Women, and many other trade associations, labor organizations, and other groups as well as individuals. The exceptions, in other words, were a complete cross section of American business, industrial, labor, agricultural, and civil life. The views of the millions of American citizens who spoke through these representatives made no impression on the minority members of the committee. A deaf ear and a rough tongue were all they had for Americans whose opinions differed from their own on a matter in which the welfare of every American worker and farmer is concerned.

The minority, noting with apprehension that the law contains no yardstick with which to measure the validity of the claims of protected industries that

they have been injured by the reciprocal trade-agreements program, provide in their report such a yardstick, of a unique design, indeed.

Their formula is that when for any given commodity the ratio of imports to total domestic consumption begins to rise, the increase is clearly indicative of injury to the domestic industry. The members of the minority would apply this formula without regard to whether the industry in question was flourishing, prospering, and expanding, or not; without regard to whether the domestic market is expanding and able to absorb, at good prices, more than the domestic industry could provide. They would apply the formula to commodities of which domestic production has never been adequate to meet domestic requirements—such commodities as wool, flaxseed, hides, beef, manganese, and many others. There could not be a less accurate index to the extent of competitive effect or a more complete disregard of the interests of American consumers.

The report expresses the concern of the minority members about the future of the synthetic-rubber industry in the United States—a most proper concern for every American. But the report is devoted largely to baseless and unfounded assertions that proponents of the trade-agreements program dismiss the whole subject with the argument that synthetic rubber will never replace natural rubber. This contradicts the existence of expert and informed testimony, reported in the hearings, of one Assistant Secretary of State, and the considered opinion of another, that if national defense considerations require the maintenance of synthetic-rubber facilities after the war at public expense, it would be cheaper and more honest to subsidize these facilities directly, so that taxpayers may know what they are paying for, rather than forcing consumers to pay exorbitant prices, by means of a tariff, for every pound of either synthetic or natural rubber they use.

In the section devoted to synthetic rubber the report reaches a new high of inconsistency. In one paragraph it forebodes that the foreign rubber monopoly will undersell the synthetic product after the war, no matter how low the price of the synthetic. In the next paragraph it cites technicians who anticipate that after the war the price of synthetic rubber will be as low as 15 cents a pound. Either way, the rosy outlook for millions of tire-hungry Americans will be turned into a mirage if the minority has its way and there is imposed a drastic tariff which will run up the prices of all kinds of rubber.

The heading "Trade-agreements program has failed to achieve its objectives" is justified by the minority members of the committee by the fact that some recovery from the depths of the 1932 depression had already been made in 1934 and 1935 when the trade-agreements program was getting under way. During the hearings the minority members were profuse in their charges about extravagent promises which they alleged had been made about what the program would accomplish in the way of ending the depression, preventing war, and generally performing miracles. Such promises, of course, never had been made and the minority, when invited to cite chapter and verse, could not do so. No one ever claimed that the trade agreements alone would, could, or did account for the whole recovery from the depression low when a multitude of factors, both here and abroad, were designed to and did contribute to the same end. Some very potent medicines other than the trade-agreements program were administered to the desperately sick United States economy after—not before—1932. To say that the program of vigorous but cautious reduction and removal of obstructions to our foreign trade and the expansion of our foreign markets did not contribute to our recovery is, on the face of it, ridiculous.

What was true of recovery in foreign trade in the early 1930's is, of course, equally true about the changes that took place in that trade as World War II drew nearer and nearer. Had the principles of the trade-agreements program been adopted earlier and had the mechanism been made more nearly adequate to its task, as is now proposed, the whole economic history of the interwar years might well have been different. If the views of the minority of the Ways and Means Committee, as expressed in this report, prevail after this war, that history will repeat itself.

The minority report, with all its exaggerations, misrepresentations, evasions, and inconsistencies, arrives at last, however, at some surprisingly sound conclusions, none of which is based upon the substance of the report. It stresses the necessity of a sound domestic economy. The trade-agreements program, by helping to provide adequate and remunerative markets, both foreign and domestic, for the products of efficient United States enterprise, can and will help to create that sound economy. The report deplores the "exportation of unemployment" as a factor in causing nations to raise their tariffs and to impose quotas and other trade barriers. The trade-agreements program, by helping to clear away those barriers, will help to stop the exportation of unemployment. Adequate foreign markets mean increased domestic economic activity. Lowering our own barriers against needed and desirable imports helps to make those markets possible.

The minority report expresses concern about unforeseeable, chaotic, economic conditions in the postwar period. That concern should by all means inspire support for a sound and workable system of assurances and safeguards such as the agreements now in effect and the principles of the trade-agreements program provide. Extension and enlargement of the program as contemplated under H. R. 3240, far from involving the United States in any possible disadvantageous commitment, offers the only possible opportunity available to the United States to hold the guaranties it now has and to bargain effectively for others as they may become necessary.

The trade-agreements program, in short, offers the most feasible and surest means of fulfilling the closing sentence of the minority report, which is:

> Let us ever remember that we must keep America free, strong, and prosperous if we would be the hope and salvation of the world.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, this is a peculiar time, an ominous juncture in our life, to question the wisdom or the validity of the operation of our country under reciprocal-trade agreements. Not surrendering any of our domestic rights or benefits but holding that these are also best protected by a continuation of the reciprocal trade-agreements policy and law, we have the further concern that we are to show to the world either that we are sincere in our protestations of a desire for a world peace and a world security or that we are not sincere in them. This consideration impels me as a Member of the House to say a few words in regard to the situation in which we find ourselves today.

I do not want my children or my grandchildren to be able to read in the years or the cycles of years that are to come that I have failed to take a part in undertaking to symbolize the declaration we made earlier that we proposed to devote all that we had, our fortunes, and with them our sacred honor, to the accomplishment of a just and lasting peace in the world. I cannot for the life of me reconcile opposition to the continuation of this Reciprocal Trade Agreements Act and its policy with sincerity in the protestations and promises that we as a Congress have made looking to the maintaining of a just and lasting peace.

Mr. Chairman, the road that is paved with isolationism or selfishness—and these terms are almost interchangeable—can lead to but one end. The person, or the party, or the nation which travels this road can reach but one destination. It is strange that some people have never learned the truth or the force in the statement that "No man liveth unto himself, and no man dieth unto himself."

For a long, long time the tariff, a designation familiar to everyone, was the football of politics. On this, as an issue, men staked their fortunes in the seeking of public office or preferment. Circumstances, which one need not now advert to, often brought the result that we had what we knew to be, and know to have been, high protective preferential tariff rates; often advocated in the name of infant industry, but continued in so long that the effects became unbearable to the great body of the American people. These grew to a size beyond common sense or good judgment. No one profited by this "protection" except those who were permitted to grow from a state of infancy to giants of industry, with complete control of the economies of our country. It may be true that there was a vast accumulation of wealth, but there was an unconscionable distribution, so that neither labor nor agriculture participated but were reduced to a state of impoverishment from year to

year. I remember the plight of labor and agriculture in those days, and I remember that it was accepted as a truth that our labor status and our agricultural condition reached such a stage as to result in the destruction of both.

One man appealed to the country in these words:

> Destroy your cities and leave your farms, and your cities will spring up again as if by magic; destroy your farms and the grass will grow in the streets of every city in this country.

I am not old, but I saw this prophecy literally fulfilled. Not until 1934 was there actual departure from the unhappy state in which and through which we had undertaken, for years, to struggle. We remember that in 1930 a tariff law of terrible proportions was enacted, through the assurance of some that this would aid in lifting us from a most terrible depression. It did not, of course, have that effect, but the opposite. In 1934 the reciprocal trade-agreements policy was adopted, and at this point I wish to quote to you from the words of a man who had labored long to correct this tariff evil and to deliver the people of our country from the awful effects of a continued policy of enriching a few at the expense of the many. I quote from the words of our former Secretary of State, Hon. Cordell Hull:

> In 1934 the United States decided to go the other way, and to use its influence to persuade other countries to take the same new course. Under the Trade Agreements Act we have succeeded in reaching agreements with 28 countries, to our advantage and theirs. But international relations had already deteriorated to such an extent, against the setting of trade wars and depressions, that Hitler had come into power in Germany and the Japs were in Manchuria. We shall soon have another chance to make a peace. This time we propose to make one that will last. We know that it cannot last unless it embraces not only political and military affairs, but also arrangements to provide the essential prerequisites to economic prosperity, and to maintaining and improving standards of living in our own and all other countries. The trade agreements program is one of these essentials.

It is possibly remarkable that we find some of our friends in the Congress professing a willingness to extend the Reciprocal Trade Agreements Act for a year, but at the same time—what can you do in a year?—when we read the RECORD of yesterday we find that their laboring has been to go back to the days of the Hawley-Smoot or the Smoot-Hawley tariff policy. Figures are given which were prepared by the old Tariff League, which has not had a new transfusion of blood since 1896. The proposal in the Doughton bill, which we have for consideration, cannot be dismissed with the idea that it is purely an altruistic effort.

While it is designed to establish a working trade agreement among the countries of the world, the 28 with others to be included, and to contribute to the establishment of a just and lasting peace among nations, it is not without its definite benefits to our own country. I quote from the testimony of Hon. William L. Clayton, recently made Assistant Secretary of State, but for many years thoroughly familiar with tariffs and the results of tariff laws. He says:

> I wish to convey to the committee my complete satisfaction with the existing machinery of administration, which we have taken over intact from Secretary Hull. I shall be happy to work with it, for I believe that it is designed to provide every necessary safeguard to avoid injustice and to assure that the final decisions in each case are in accord with the weight of the evidence. We are very fortunate to have at hand, at a time when we are uniquely endowed with all the power and influence necessary to lead the world toward economic reconstruction, an instrument which has been tested and improved over the years and in which the American people have great confidence. It has been used with caution and with wisdom, and it will continue to be used that way.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield.

Mr. PATRICK. Does the gentleman remember the time when, under the protection they have been discussing here today, money became so short among the poor folks of this country that President Hoover issued an order to bring all the gold and silver out of hiding, and called it in from the tobacco pouches and socks, and that the banks promptly locked it up behind closed doors?

Mr. FOLGER. I remember most of the things that happened, but I would like to forget some of them.

The Committee of Reciprocity Information is composed of responsible officers of the Tariff Commission and the Departments of State, Commerce, Agriculture, and the Treasury. Through these, private interests may present their views, and to them give information. Most of the members of this committee serve as members of the Trade Agreements Committee, which coordinates the work of all the interested Government agencies in the administration of the trade-agreements program. Due notice is given of any and every intention to negotiate a trade agreement. As an instance of the care provided for the operation of these committees, reference is made to the escape clause or provision of article XI of the trade agreement with Mexico, to which both Mr. Ryder and Mr. Charles P. Taft have directed the committee's attention; reminding that these provisions have evolved from long experience in the operation of the trade-agreements program. They state that in the committee's view they represent a perfected instrument through which trade barrier reduction can be achieved, with full scope for flexibility where flexibility is needed, and that the provision gives assurance that if, as a result of unforeseen developments and of the concession granted on a product, the product is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar products, then this Government or the other government concerned, as the case may be, shall be free to withdraw the concession, or to modify it so as to prevent such injury.

I wish to quote one sentence from the language so pertinently, I think, used by Secretary Stettinius in his statement regarding this legislation. He says:

> A resolute attack on restrictive trade barriers throughout the world—an attack such as would be made possible by enactment of the legislation proposed herein, would give the rest of the world a symbol, and a tangible proof that we mean what we say about joining with other nations in working toward a more prosperous and a more secure world, and that we are determined not to repeat the mistakes that were made after the last war.

Let me quote also from the language of Mr. Nelson A. Rockefeller, Assistant Secretary of State, in charge of American Republics affairs:

> The hemisphere unity which has been achieved in this war is a priceless asset, not only to us but to each one of the other republics. This unity is not the product of mere words. It is made up of countless instances of doing things together, of working out problems to our mutual best interest through joint efforts and common agreement. That is the essence of international cooperation in action. The record shows not only that it works, but perhaps even more importantly, the record here in the hemisphere shows that in reality it is the only policy that does work. You simply cannot get unity by either force or purchase—you work it out together, or you just do not get it.

This is but to recognize the value of cooperation, and to assure the willingness of this Government that the standard of living in other lands may be raised, which, withal, will contribute to our own well-being. People without means do not purchase things. The poverty of the peoples of other nations will certainly reflect itself in an unhappy effect upon our own economy and well-being.

We have in our Government, or as our Government, 48 separate States. There can be no trade barriers as between these States, for that is prohibited by the Constitution. It is no doubt the result of the knowledge of the framers of our Constitution that we, as States, must trade and commune with each other, and one helpful to all.

There is no danger in the provision in this bill that in the adjustment of tariffs an additional leeway, through the provision that where found advisable and necessary an additional margin of increase or reduction in tariff rates may be employed. Some may not have been decreased or increased at all; the provision is provided to the end that the Tariff Commission, the Committee for Reciprocity Information, with all the machinery provided for safeguarding, may have room to make needed amendments as circumstances and time may seem to require.

Cooperation among peoples, nations, and individuals is one of the great methods by which the common good can be arrived at. I make reference to the formation of the Apple Blossom Club in the State of Michigan. In Michigan there is an area of barren, cut-over pine land, occupied by farmers, many of them foreign-born, who eke out a meager living on marginal land. Yet this impoverished country has 75 of the best consolidated rural schools in the United States. It was not always so.

Less than 20 years ago the rural schools here were as marginal as the land. They are flourishing today, however, thanks to the cooperation of the peoples of that

community—urged to the course by the cooperation of Dock Smith and his students at Central Michigan College. He, with his students, went to that community and interested the people there in cooperating in the establishment of better schools, better churches, and a better life. Cooperation was obtained and the result indicated followed. The Apple Blossom Club did not content itself with this accomplishment, but continued throughout other territories, enjoying, through cooperation, the success of their coordinate efforts. Today there is an Apple Blossom Club on Luzon Island—that part of the territory from which the Japs have been expelled. In writing about this, Mr. Nelson A. Crawford makes this observation:

Tolerance and cooperation have been born. Previously there were jealousies among the people, but they have learned to work together. The work of this club has reached and benefited all phases of community life. Recently educators from Guatemala, Nicaragua, and Honduras visited Michigan Central College and invited the Apple Blossom Club to come to Central America after the war. They said, "We desire you shall inspect our education, and we promise you thereafter there will be Apple Blossom Clubs blooming in every school."

The fearful and the doubting will never accomplish anything. We will make a great contribution to the peace of the world by the enactment of this bill as it is written, and without danger but with benefit to ourselves. In this connection I feel impelled to quote again from the language of Mr. Clayton:

I wish to convey to the committee my complete satisfaction with the existing machinery of the administration, which we have taken over intact from Secretary Hull. * * * We are very fortunate to have at hand, at a time when we are uniquely endowed with all the power and influence necessary to lead the world toward economic reconstruction, an instrument which has been tested and improved over the years, and in which the American people have great confidence. It has been used with caution and with wisdom, and it will continue to be used that way.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SHEPPARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3204) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD on two subjects and to include therein certain items.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HAYS (at the request of Mr. MILLS) was given permission to extend his remarks in the RECORD and include a speech made by Mr. Chester Bowles.

Mr. STARKEY asked and was given permission to extend his remarks in the RECORD.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include a letter received from the San Francisco Chamber of Commerce.

Mr. REED of New York and Mr. SIMPSON of Pennsylvania (at the request of Mr. CARLSON) were given permission to extend their remarks in the RECORD.

Mr. O'KONSKI asked and was given permission to extend his remarks in the RECORD.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. STIGLER, until June 4, 1945, on account of official business.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent that the House may stand in recess until 7:30 this evening.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. KEEFE. Mr. Speaker, reserving the right to object, may I ask the gentleman just what the purpose is of having the House recess until this evening when we have only had 7, 8, or 10 Members present most of the afternoon in connection with this debate? What is the purpose of recessing until 7:30 tonight?

Mr. DOUGHTON of North Carolina. As far as the gentleman from North Carolina is concerned it is to keep an agreement he had with the minority leader and the ranking minority member of the Ways and Means Committee in charge of the bill on the gentleman's side in order that Members on that side primarily may have an opportunity to make speeches. I am deferring to their request and I am keeping faith with them.

Mr. KEEFE. Mr. Speaker, I do not know as I have any objection to Members making speeches. I have been sitting here all afternoon and have not had a chance to say anything. I do not know as I care to make a speech to a lot of empty seats any way. It seems to me that it is an idle gesture to ask Members to come back here at 7:30 in the evening when we have not had more than 8 or 10 Members on the floor all afternoon to hear the speeches delivered by members of the committee. In my opinion it is unfair to call the Members of the House back here at 7:30 this evening when there is not any expectation there will be more than a handful here to listen to speeches. Mr. Speaker, I therefore object.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 244. An act for the relief of Adell Brown and Alice Brown;

H. R. 533. An act authorizing the State of Minnesota Department of Highways to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Hastings, Minn.;

H. R. 780. An act for the relief of the legal guardian of Vonnie Jones, a minor;

H. R. 856. An act for the relief of Frances Biewer;

H. R. 879. An act for the relief of Ed Williams;

H. R. 904. An act for the relief of Fred A. Lower;

H. R. 980. An act for the relief of Mrs. Gladys Stout;

H. R. 1016. An act for the relief of Capt. Millard L. Treadwell;

H. R. 1054. An act for the relief of Mrs. Mary Karalis;

H. R. 1069. An act for the relief of Sidney B. Walton;

H. R. 1184. An act to authorize Slater Branch Bridge and Road Club to construct, maintain, and operate a free suspension bridge across the Tug Fork of the Big Sandy River at or near Williamson, W. Va.;

H. R. 1241. An act for the relief of Margaret M. Meersman;

H. R. 1347. An act for the relief of Lee Graham;

H. R. 1558. An act for the relief of Mrs. Alma Mallette and Ansel Adkins;

H. R. 1561. An act for the relief of the legal guardian of Louis Ciniglio;

H. R. 1598. An act for the relief of Mrs. Bessie I. Clay;

H. R. 1602. An act for the relief of Robert Lee Slade;

H. R. 1652. An act granting the consent of Congress to the State of Louisiana to construct, maintain, and operate a free highway bridge across the Mississippi River at or near New Orleans, La.;

H. R. 1659. An act authorizing the Department of Highways of the State of Minnesota to construct, maintain, and operate a bridge across the Pigeon River;

H. R. 1845. An act for the relief of Domenico Strangio;

H. R. 1847. An act for the relief of Francis X. Servaites;

H. R. 1877. An act for the relief of Maj. William Peyton Tidwell;

H. R. 1910. An act for the relief of Frank Lore and Elizabeth Vidotto;

H. R. 1952. An act for the relief of Joseph Brunette;

H. R. 2006. An act for the relief of Boyd B. Black;

H. R. 2068. An act to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service;

H. R. 2129. An act for the relief of Edward Lawrence Kunze;

H. R. 2361. An act for the relief of Alexander Sawyer;

H. R. 2701. An act for the relief of Margaret J. Pow;

H. R. 2907. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes; and

H. J. Res. 177. Joint resolution repealing a portion of the appropriation and contract authorization available to the Maritime Commission.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 72. An act for the relief of Antonio Ruiz;

S. 93. An act for the relief of Mary G. Marggraf;

S. 194. An act for the relief of Mrs. Glenn T. Boylston;

S. 498. An act for the relief of W. C. Wornhoff and Josephine Wornhoff;

S. 519. An act for the relief of Charles A. Straka;

S. 567. An act for the relief of Mrs. Freda Gullikson;

S. 645. An act to suspend until 6 months after the termination of the present wars section 2 of the act of March 3, 1883 (22 Stat. 481), as amended; and

S. 647. An act to authorize the Secretary of the Navy to convey to the State of Rhode Island, for highway purposes only, a strip of land within the naval advance base depot at North Kingstown, R. I.

ADJOURNMENT

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 33 minutes p. m.), pursuant to its previous order, the House adjourned until 11 o'clock a. m. tomorrow, Friday, May 25, 1945.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Friday, May 25, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Friday, May 25, 1945, at 10 a. m., at which time further hearings will be had on H. R. 3235 and H. R. 3238, bills readjusting the rates of postage on books and catalogs.

COMMITTEE ON THE JUDICIARY

Subcommittee No. III of the Committee on the Judiciary will begin hearings at 10 a. m., Friday, May 25, 1945, on H. R. 2357, to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended (secs. 7 and 11). The hearings will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Tuesday, May 29, 1945, at 10 o'clock a. m., to consider H. R. 2631.

There will be a meeting of the Committee on Patents on Thursday, May 31, 1945, at 10 o'clock a. m., to consider H. R. 2632.

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 o'clock a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

499. A letter from the Chairman of the Board of the Reconstruction Finance Corporation, transmitting a report of the Reconstruction Finance Corporation for the month of February 1945; to the Committee on Banking and Currency.

500. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of under age at the time of enlistment, and for other purposes; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JARMAN: Committee on Printing. House Resolution 232. Resolution authorizing the printing of additional copies of part 1 of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives, current session, on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes; without amendment (Rept. No. 608). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. House Concurrent Resolution 49. Concurrent resolution authorizing the printing of additional copies of part 2 of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives, current session, on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes; without amendment (Rept. No. 609). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. Senate Concurrent Resolution 14. Concurrent resolution authorizing that the letter of the Secretary of the Interior, dated February 2, 1945, transmitting a report on a survey of the fishery resources of the United States and its possessions be printed as a Senate document, and providing for the printing of additional copies thereof; without amendment (Rept. No. 610). Referred to the House Calendar.

Mr. KEFAUVER: Committee on the Judiciary. House Joint Resolution 180. Joint resolution giving official recognition to the pledge of allegiance to the flag of the United States, with amendment (Rept. No. 611). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DINGELL:

H. R. 3293. A bill to provide for the national security, health, and public welfare; to the Committee on Ways and Means.

By Mr. RODGERS of Pennsylvania:

H. R. 3294. A bill to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania, relating to Pymatuning Lake; to the Committee on the Judiciary.

By Mr. ROE of Maryland:

H. R. 3295. A bill to authorize a preliminary examination and survey with a view to the construction of a breakwater in the harbor at Betterton, Md.; to the Committee on Rivers and Harbors.

H. R. 3296. A bill to authorize a preliminary examination and survey with a view to the construction of a boat basin in Johnsons Creek, in Somerset County, Md.; to the Committee on Rivers and Harbors.

By Mr. FOGARTY:

H. R. 3297. A bill to provide for advancement in rank for certain World War I veterans; to the Committee on Military Affairs.

By Mr. LANE:

H. R. 3298. A bill amending Stabilization Act of 1942, stabilizing the price of sea foods; to the Committee on Banking and Currency.

By Mr. REES of Kansas:

H. R. 3299. A bill to establish a Division of Printing Control in the office of the Bureau of the Budget, and for other purposes; to the Committee on Printing.

By Mr. SIKES:

H. R. 3300. A bill for preliminary examination and survey of waterway from St. Mary De Galvez Bay to Sound Bay, Fla.; to the Committee on Rivers and Harbors.

By Mr. GEARHART:

H. J. Res. 203. Joint resolution to provide for reciprocal trade agreements to expand the foreign commerce of the United States; to the Committee on Ways and Means.

By Mr. MARCANTONIO:

H. J. Res. 204. Joint resolution requesting the President to use his good offices to the end that the United Nations invite Italy to be a signatory to the United Nations agreement; to the Committee on Foreign Affairs.

H. J. Res. 205. Joint resolution requesting the President to use his good offices to the end that the United Nations recognize Italy as a full and equal ally; to the Committee on Foreign Affairs.

By Mr. GWYNNE of Iowa:

H. Con. Res. 59. Concurrent resolution fixing the time for the return to standard time; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of New Mexico:

H. Res. 269. Resolution providing for the printing of additional copies of House Report No. 504, of the Seventy-ninth Congress; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to call a constitutional convention to propose an amendment to the Constitution of the United States relating to the making of treaties; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLEMENTS:

H. R. 3301. A bill for the relief of the legal guardian of James Herbert Keith, a minor; to the Committee on Claims.

By Mr. LYLE:

H. R. 3302. A bill for the relief of Christian H. Kreusler; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 3303. A bill for the relief of A. M. Strauss; to the Committee on Claims

H. R. 3304. A bill for the relief of Lt. (jg) William Augustus White, United States Naval Reserve; to the Committee on Claims.

By Mr. WEAVER:

H. R. 3305. A bill for the relief of Edgar B. Grier; to the Committee on Claims

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

739. By Mr. BRUMBAUGH: Petition of 77 Townsend Clubs of the Twenty-second Congressional District of Pennsylvania in convention at Tyrone, Pa., April 28, 1945, urging immediate and favorable consideration of House bill 2229 or 2230; to the Committee on Ways and Means.

740. By Mr. CLASON: Petition of the General Court of Massachusetts, commending Congress for its affirmance of the principles of freedom of speech and press and recommending to the Peace Conference the adoption of an international compact in accordance with the mandate of Congress; to the Committee on Foreign Affairs.

741. By Mr. COCHRAN: Petition of August Meier and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

742. Also, petition of George Hornberger and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

743. Also, petition of L. D. Lathy and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

744. Also, petition of J. Wilhelm and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

745. Also, petition of N. Hummel and 26 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

746. By Mr. JOHNSON of Illinois: Petition of J. D. Gunter, commander, and J. G. Johnson, adjutant, Monmouth Camp No. 78, United Spanish War Veterans, Monmouth, Ill., for the increase of pensions of veterans and widows of veterans who are entitled to an increase and who are not included in Public Law No. 242; to the Committee on Pensions.

747. Also, petition of Nellie A. Peterson and 56 others of Moline, Ill., to prevent the alcoholic-beverage industry from directing high-pressure campaigns to increase its profits at the expense of the home and of youth, by prohibiting it the use of the air, periodicals, newspapers, motion pictures, or any other form of advertising; to the Committee on the Judiciary.

748. By Mr. LANE: Petition adopted by the House of Representatives and the Senate of the Commonwealth of Massachusetts, on May 9 and 15, respectively, urging the Congress of the United States to adopt a Federal-State plan of establishing and developing a national system of airports; to the Committee on Interstate and Foreign Commerce.

749. By the SPEAKER: Petition of Washington Industrial Union Council, Washington, D. C., petitioning consideration of their resolution with reference to urging the passage of the Bretton Woods agreement without amendment; to the Committee on Banking and Currency.

750. Also, petition of the Toilet Goods Association, Inc., of New York, petitioning consideration of their resolution with reference to vesting sole jurisdiction of both the labeling and advertising of foods, drugs, and cosmetics in the Food and Drug Administration; to the Committee on Interstate and Foreign Commerce.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 25, 1945

The House met at 11 o'clock a. m.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, whose resources transcend our greatest needs, may our lives during this day be brought under the sovereignty of Thy divine will and be touched to those finer issues of truth, beauty, and love.

We pray that Thou wilt enlarge our souls with a more vivid sense of our kinship with Thee and with all mankind. Create within us a desire to achieve a fuller measure of that deeper unity of spirit which will inspire us to walk with the members of the human family in the ways of brotherhood and mutual responsibility.

Grant that we may be empowered by Thy holy spirit to bring to fulfillment and fruition our noblest aspirations for a world order in which justice and righteousness, peace and good will shall be blessed realities.

Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had ordered that the Secretary of the Senate be directed to request the House of Representatives to return to the Senate the bill (H. R. 1260) entitled "An act for the relief of Dr. Walter L. Jackson and City-County Hospital."

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 209. An act for the relief of David B. Smith; and

H. R. 1567. An act for the relief of Katherine Smith.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. MILLS asked and was given permission to revise and extend the remarks he expected to make in the Committee of the Whole today and include certain tables, excerpts, and other extraneous matter.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include newspaper items.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD in connection with the benefits of the Bretton Woods agreements, and further to extend his remarks and include memorials from the State of California in regard to certain legislation.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mrs. WOODHOUSE asked and was given permission to extend her remarks in the RECORD and include a statement on the Bretton Woods agreements from the Americans United for World Organization, Inc.

Mr. AUCHINCLOSS, Mr. KEARNEY, and Mr. PHILLIPS asked and were given permission to extend their remarks in the RECORD.

Mr. BISHOP asked and was given permission to extend his remarks in the RECORD and include an editorial from the Carbondale (Ill.) Free Press on the question of Government-sponsored medical care.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a tabulation.

Mr. GEARHART asked and was given permission to revise and extend the remarks he expected to make in the Committee of the Whole today and include certain tabulations and quotations, and further to extend his remarks and include a statement from the Contra Costa County Walnut Growers' Association.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. AUGUST H. ANDRESEN asked and was given permission to revise and extend the remarks he expected to make in the Committee of the Whole today and include certain extracts and figures.

Mr. RICH asked and was given permission to extend the remarks he expected to make in the Committee of the Whole today and include certain extraneous matter.

Mr. FOLGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address by Hon. Sumner Wells. It may exceed by a small amount the space allowed under the rule, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

FOREIGN TRADE AGREEMENTS

Mr. LOUGHTON of North Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 3240, with Mr. WOODRUM of Virginia in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. At the conclusion of the debate on yesterday the gentleman from North Carolina [Mr. DOUGHTON] had consumed 5 hours and 12 minutes, and the gentleman from Minnesota [Mr. KNUTSON] 4 hours and 40 minutes.

Mr. KNUTSON. Mr. Chairman, I yield myself such time as I may require for the purpose of making an announcement.

Mr. Chairman, late yesterday afternoon we sought to recess over the dinner hour and meet in the evening in order to take care of a large number of Members who had asked for time. The gentleman from Wisconsin [Mr. KEEFE] saw fit to object to the request. I am sorry he is not on the floor at the moment. I want to inform those to whom we promised time that it probably will not be possible for us to fulfill all the promises which have been made.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. AUGUST H. ANDRESEN. Is it the understanding that many of us who have been promised time will not have the opportunity to present our views on this legislation?

Mr. KNUTSON. I am sorry, I am afraid that will be the case. But I trust the gentleman will not blame any of the members of the Committee on Ways and Means for the unfortunate situation which has arisen.

Mr. AUGUST H. ANDRESEN. The gentleman knows we are living in a changing world and that we have these people who want to change, not only our economic policies, but also our religion. It seems to me even though we have to go over into next week, the Members should be given a chance to discuss all features of this changing world.

Mr. KNUTSON. That cannot be done because we entered into an agreement on Tuesday that the general debate would be concluded today.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. RICH. I suppose if we did have the opportunity to make statements on the floor it would not convince any of the Members to change their minds in voting on this bill. Does the gentleman think so?

Mr. KNUTSON. The gentleman knows as much about that as I do. I do not suppose very many Members change their minds once they have taken a position.

Mr. RICH. I understand that everybody has decided on how they want to vote.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield briefly.

Mr. DOUGHTON of North Carolina. I know the gentleman intends the Members to understand that no blame attaches on this side on account of Members not having an opportunity to talk yesterday evening. I tried to explain very fully that the night session was for the purpose of accommodating those gentlemen who perhaps would not have an opportunity to speak unless a night session was held. In accordance with that agreement with the gentleman from Minnesota, I did everything I could to give them that opportunity.

Mr. KNUTSON. I thought I had absolved all members of the Committee on Ways and Means of any blame. It was the objection of the gentleman from Wisconsin which made it impossible to sit last evening. I am sorry the gentleman is not here.

Mr. DOUGHTON of North Carolina. I tried my very best to be helpful.

Mr. KNUTSON. Mr. Chairman, I yield 30 minutes to the gentleman from California [Mr. GEARHART].

Mr. GEARHART. Mr. Chairman, there has been a great deal of misrepresentation, willful misrepresentation as I see it, of the purposes and motives of those of us who are opposed to the adoption of the Doughton bill without modification.

May I say in the first place that those who are critical of the reciprocal trade agreements program as it has been administered during the last several years and who are proposing changes and improvements for the modernization of the program are not opposed to the principle of reciprocity and are not opposed to the consummation of reciprocal trade agreements. On the contrary, we are earnest advocates of reciprocal trade agreements, of reciprocity, by whatever method it may be achieved.

But, unlike the proponents of the Hull "give away" formula, we believe that reciprocity is a two-way street. We are just "Scotch" enough as to believe that when we grant concessions in the American market to foreign nations, that those foreign nations should likewise grant concessions in their markets to us. In other words, we believe that concessions in the American market should only be granted on compensation. We believe it is absurd, and certainly nothing less than folly, to persist in a policy of extending privileges in the American market to nations that give us absolutely nothing in return.

Those who are of my particular school of thought feel that President McKinley in 1897 gave a complete explanation of the kind of reciprocal trading that this Government of ours should indulge in. Let me quote a few lines from the then President of the United States. These are his words:

> The end in view is always to be the opening up of new markets for the products of our country by granting concessions to the products of other lands that we need and cannot produce ourselves, and which do not involve any loss of labor to our own people but tend rather to increase their employment.

If our international trading had been truly reciprocal under this formula as announced by former President McKinley, rather than under the Hull method of extending concessions in our markets, without compensation, to the entire world, save Germany, I am quite sure there would be no voices raised today in criticism of his fantastically absurd program. It might be well to give some thought to the historical background, to analyze sketchily the motivating influences, under which the program came into being.

Anyone who will make a careful study of the Trade Agreements Act of 1934, a careful study of the results which have been achieved in the 11 years of its administration, will reach the conclusion, I am quite sure, that the bill was proposed as a sham and that, like all things born in the shadows of misrepresentation are destined, it is a complete failure. Though tariffs have been lowered all across the board under the procedure it authorized, it has not expanded foreign markets for the products of the United States.

Why did they ask for this unprecedented authority in 1934, the year of the enactment of the Trade Agreements Act? To answer that question it is necessary to know just who it was that was asking for it. It was none other than the then Secretary of State, the Honorable Cordell Hull, a gentleman who had been a Member of the Congress of the United States for a great many years, most of which were spent in this Chamber. While he was serving here, day after day he took the floor to plead for lower tariffs, to advocate the elimination of tariff schedules upon almost every item that might be mentioned, to extoll the principle of free trade among the nations of the world.

Until 1921 he used to point to Great Britain as proof of his contention that free trade and tariff for revenue only was the true policy which the United States should pursue. Up until that time England had been a free-trade country, then, as now, one of the dominant trading nations of the world. But in 1922 the United Kingdom, realizing the folly of its course, abandoned the policy of free trade and embraced the protective policy under which America had been the richest and most powerful country the world had ever known. Though the United Kingdom changed, not so with Mr. Hull. Though he no longer pointed to the United Kingdom as proof of his free-trade ideas, Mr. Hull, despite England's unceremonial desertion of his cause, stood by his guns, remaining to this day the unregenerate free-trader of free-traders that he had always been.

Determined to some day wipe the principle of the protective tariff from our statute books, his chance finally came with the Democratic landslide in 1932. Though the majority control of his party in the Congress was very great,

he asked for no tariff legislation. He wanted to approach free trade in his own way. He did not want to be bothered by any congressional hearings or any congressional interference of any kind. So he concocted this scheme of so-called reciprocal trading, a scheme which clothed him, as Secretary of State, acting in the name of the President of the United States, with plenary authority to rewrite the tariff laws of our country by the simple device of a so-called reciprocal trade agreement, this as a substitute for a congressional bill, and then generalizing by most-favored-nation treatment his agreement-fixed schedules to all the world. All this in accordance with his whim and without consulting the representatives of the people as assembled in the Congress of the United States.

Never before in the history of the Republic had any official of our Government been able to arrogate unto himself such power. Under the guise of a trade agreement, he had seized the legislative power of the Nation, the purse strings of our country.

I say that in asking for the privilege to make reciprocal trade agreements he was using the policy as a cloak to cover up what he wanted most of all, the right to lower the tariff himself; and that he obtained, and that is the program against which I am today protesting.

To obtain this unprecedented power what promises did they make the American people in 1934? They promised, these advocates of reciprocal treaties, that if the Congress would but enact this legislation that American opportunities in foreign markets would be expanded; that it would restore the American standard of living; that it would overcome domestic unemployment; that it would end economic depression; that it would increase the purchasing power of the American people. Not one of those promises has been kept to date; every one of them has been broken.

Instead of expanding our share of the markets beyond our borders, our share in all of the markets of the world has been constantly growing smaller and smaller, dwindling constantly under the administration of the Trade Agreements Act. Instead of restoring the American standard of living the national per capita income has dropped from $635 in 1929 down to $500 in 1938, while England's income—England which ignored this principle of trading—came up from $417 to match the American standard of living of $500 in 1938.

Did it overcome domestic unemployment? During all of the time we were administering the reciprocal trade agreements law we never were able to reduce unemployment in this Nation to less than 10,000,000. During some of the trade-agreement years unemployment rose as high as 13,000,000. That is as close as the free traders came to ending unemployment—of keeping their promise to provide jobs for everyone through the administration of this act. But unemployment persisted until war economy intervened and provided what is in effect an embargo against all foreign goods.

With a reduced national income, with a reduced per capita income, it is absurd to say that they kept their promise to increase the purchasing power of the American people. Oh, these in 1934 were inspiring promises—alluring promises, indeed. But were any of them kept? Echo answers "No."

Having failed miserably to keep the promises of 1934, what do we find them promising in 1937? Brushing gaily aside the flop of 1934, they burst forth with a new and inspiring promise—one which swept the opposition into a cocked hat. It was: To maintain world peace and stamp out the little wars—an appealing assurance, indeed. But the World War commenced on September 1, 1939. It looked like Old Nick was working against the promisers.

In 1940 they again appeared to ask for a continuance of this program. This time they promised they would restore peace—promote the good-neighbor policy throughout the world—and the United States was precipitated into World War II—stabbed in the back at Pearl Harbor on that day in December of 1941 which will live in infamy as long as the memory of man lasts. A glorious opportunity was this, but that promise went glimmering like all the others that have been made from time to time by the advocates of this ill-fated program.

Undaunted by their failures in the past, in 1943 they appeared again before the Congress to ask for a further extension of the Trade Agreements Act. This time the free traders promised: "If you will but extend the act, we will win the peace"—a delicious dream also blasted, for, indeed, all we have gotten up to date is Yalta with the veto power for possible aggressors, multiple voting for those who have the temerity to demand it, and, if you please, the independence of small nations bartered away.

In 1945 they made promises too, so many, too many to record herein, all of them sweet-scented, all of them alluring, but none of them any more possible of fulfillment than the impossible promises they made so glibly in 1934, in 1937, in 1940, and 1943.

What is the reciprocal program that has been set up by this particular act? Is it reciprocal at all? Is there any bargaining power involved? Keep those questions in mind. Where is there reciprocity when you make a treaty with a single nation and then extend its benefits to all the nations of the world? When you make an agreement with, say France, and extend the same benefits we give France to Portugal and the other nations of the world, what is the consideration moving to us from Portugal, from the other nations to which we generalized the concessions we granted France? The answer is none whatsoever. Then I ask you, wherein is to be found the bargaining power of which we hear so much? What do they mean when they prate of bargaining power as they toss away concessions in the American market without asking anything in return. Why kid ourselves? There simply is not any bargaining power in the one-sided situation which the indiscriminate application of most-favored-nation treatment creates that can be exercised over any of the nations of the world with the one exception of the one nation with which the agreement is consummated.

We who oppose the extension of the Trade Agreements Act without modification say that that is absurd. We reiterate that we are willing to bargain with any nation, but we are not willing to "give away" the American market to any people who are unwilling to give us anything in return. This absurd position in which we find ourselves is the consequence of the indiscriminate application of the so-called most-favored-nation principle to all of the agreements we make. To anyone who contemplates the situation which results from this lavish wastage of our resources and substance we must appear to be a nation which is determined to out-Santa Claus Santa Claus; to make Lady Bountiful, of cartoon fame, look like a bum.

When they come in and ask you for more bargaining power, ask them how they are going to bargain as long as they insist upon applying the most-favored-nation principle. It is absurd. I will offer an amendment at the proper time to end this silly policy insofar as trade agreements are concerned. All of the rest of the countries of the world, after watching our performances under it for 11 years, have turned their backs upon this one-sided "give away" policy. Is it not strangely significant that after 11 years of administration of the Trade Agreements Act we have not been able to make a single convert of this Hullish fetish? Every other nation is following the William McKinley policy, a policy of trading concession for concession and doing it on a bilateral basis, each nation to its material advantage.

That brings me to another point.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield to the distinguished gentleman from New York.

Mr. REED of New York. Most of them have to be approved by their legislative bodies?

Mr. GEARHART. That is even true of Britain. No trade agreement entered into by the United Kingdom becomes valid until it has been submitted to the Parliament for approval. At the proper time, I will offer an amendment to this bill which will require the submission of our trade agreements to the representatives of the people, assembled, as our Constitution requires, in the Congress of the United States. According to my amendment the Congress will have 60 days in which to disapprove a particular agreement, if it should desire to do so.

I repeat, Mr. Chairman, this business of giving away concessions in the American market to nations that give us not a single concession in return is absurd. The practice ought to be abolished. It is because of absurdities such as this that I denounced this program at the outset of my remarks as a sham, a fraud, as others less kindly would call it. It was the power to lower tariffs all across the board which the State Department in the name of the President was seeking. And, hav-

ing been granted this plenary authority, they have administered the act in that spirit. They have given away our markets and have not even tried to get concessions in foreign markets in return. All this in the name of tariff for revenue only.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield to the gentleman from California.

Mr. PHILLIPS. Was this most-favored-nation clause in the original intent of Congress or was that an Executive or administrative addition?

Mr. GEARHART. There is a line in the original Trade Agreements Act which I will say is the most perfect example of obfuscation that I have encountered during my service in the Congress which the State Department has construed as conferring upon the President the power to generalize the concessions we have granted in so-called reciprccal agreements to all the world through the application of the principle of most-favored-nation treatment. In glancing through the debates upon the original bill, I fail to note that any person in Congress at that time was impressed with the dynamite that was contained in that particular section. I will offer an amendment in due time to take that sentence cut of the bill, an amendment that will place our trade agreements upon a bilateral basis. This, as every other nation deals with its neighbors.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I am pleased to yield to the distinguished gentleman from Iowa.

Mr. CUNNINGHAM. I come from a State that fattens more cattle for the market, I am advised, than any other State in the Union. The farmer who sells his cattle today receives, I am informed, about $18 a hundred. The rancher in South America, I am informed, receives about $3 per hundred, because his costs of tending cattle and getting them to market and feeding them is much less than it is in this country. If this 50 percent further reduction in the tariff goes into effect, would it not have a tendency to take from the Midwest farmer and the cattle rancher his present market, and the only alternative for this Government then would be to take care of him by a subsidy?

Mr. GEARHART. I think the gentleman is entirely justified in answering that question in the affirmative; that all the livestock people in the United States share the gentleman's concern is evidenced by the fact that they have sent their representatives to Washington in great numbers to protest the extension of the Trade Agreements Act in the form the Doughton bill would re-enact it, for they believe just as you believe, that it will destroy their market opportunities in the country of which they are citizens, and in which they think, naturally enough, that they have a first right.

Mr. CUNNINGHAM. That would apply, if the gentleman will yield further, to livestock, but would it not also apply to other agricultural products as well as labor?

Mr. GEARHART. There is no question about that. As a consequence of the maladministration of this Act, some subsidies have already been provided by Executive orders, subsidies which had to be offset by import quotas which, in effect amount to embargoes. Such a system will in time destroy itself along with its advocates who were formerly its beneficiaries.

Mr. CUNNINGHAM. I am informed and have understood that the main reason for the extension of the reciprocal trade agreements, together with the further reduction in tariffs, is for world peace, which we are all for. But is it not possible, if that goes through and we have this reaction in the American market, including the labor market, that we would have internal trouble that would far outdistance and overshadow any external trouble? Are there not two ways to looks at the peace angle?

Mr. GEARHART. There is no doubt in the world about that. There is great doubt, however, whether or not trade has any particular influence on peace or war, as such.

Mr. CUNNINGHAM. I say, assuming that that is the question.

Mr. GEARHART. Very well, for the purposes of our discussion, let us assume it. But while we assume it, let us not forget that Japan long considered us its very best customer. That fact did not stop Japan from sticking the dagger into our back at Pearl Harbor on December 7, 1941.

It is also interesting to note, while we are discussing peace and war, that England for many, many years, for some 83 years, as a matter of fact, was a free-trade nation, and that during the time she was a free-trade nation she was at war all of those 83 years, save 17. The answer is, of course, that wars are made by the ambitions of men and not by their trade propensities. They may make the most of trade discriminations, imaginary or real, in argument but it is a deep-seated craving for power that "fires the first shot." I am a little weary from listening to the Marxists prate to the contrary.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield to the gentleman from Tennessee.

Mr. PRIEST. I understood the gentleman to say in effect—and I am not attempting to quote his words—that this program had in it the element of fraud and deception, because nobody ever knew that any changes in duties would affect shipments from countries with which there were no agreements. I just want to cite this one brief paragraph from the committee report.

Mr. GEARHART. I did not yield to the gentleman to misrepresent what I said. Of course, I do not mean that he would intentionally do so. I said that the fraud and the sham which was involved in this bill and its presentation to the Congress is to be found in the purposes to which the act is put, to wit, the leveling of tariff standards all across the board, though the authority to negotiate trade argeements is asked on the pious ground of promoting peace, brotherly love, good will among men. Asking power for one purpose and using it for another is a practice which never commends itself to right-thinking men. The power to tax, the power to fix tariffs, is reposed by the Constitution in the Congress, not the Chief Executive. But the Trade Agreements Act, yielded by the Congress under promises never fulfilled, takes that power to tax from the people's representatives and confers it upon the President, who now, in his own name, decrees the tariff laws of our country.

Mr. PRIEST. If I have misunderstood the gentleman I am sorry; I would not want to misquote him.

Mr. GEARHART. I do not want to be drawn into discussion of extraneous matters, especially at this moment when my remaining time grows short. I would be glad to yield to my distinguished friend from Tennessee for questioning upon any subject that I have touched upon whenever he may desire to interpose.

There is another matter I would like to briefly discuss. As Americans we pride ourselves on the fact that when we give our word we keep it. Not only do we keep our word to the letter but we keep it in good faith. In respect to these 29 reciprocal trade agreements we have entered into, in each one of which we have granted concessions to a particular nation, we have never in bad faith done anything after the agreement was consummated that would interfere in the slightest degree with the full enjoyment of those concessions by the nation or nations to which we granted them. I do not think that anyone in this room will raise his voice to say that America, after granting concessions in its markets, has ever taken any steps to prevent any nation to which our concessions had been granted from fully enjoying them. Such deportment is not in our book of good sportsmanship. That is as opposite to our character as anything could be.

We pride ourselves on keeping all of our agreements, and let it be said to the greater glory of our country that we have kept all of the trade agreements we have made to the letter and in the spirit in which they were written. But are other nations which contract with us as meticulous in keeping the faith with us?

Do they in good faith give us concessions in their markets and then in good faith see to it that those concessions are kept available to us? Unfortunately, they do not. Many have made agreements with us and got their consessions in our markets and then, even before the ink is dry upon the contracts they signed with us, have set up barriers to our trade and discriminations against our commerce, barriers and discriminations which, in most instances, wipe out all the concessions they have given us before we have had a chance to avail ourselves with any of them. The methods, the tricks, the ingenious devices they have arrayed to prevent our goods from going into their markets in accordance with our agreements have been so many that you will be astounded at their number as I count them off to you.

Mr. BALDWIN of New York. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield to the gentleman from New York.

Mr. BALDWIN of New York. I am very much interested in what the gentleman says, but I do not understand how it applies to the gentleman's thesis, because he has just told us that they are not reciprocal trade treaties, that the other countries have not granted us anything. Therefore, how can they be failing on their bond when under the gentleman's own theory they have not granted us anything anyway?

Mr. GEARHART. The gentleman has not been listening very carefully or he has not been reading the newspapers, I do not know which. We have made 29 trade agreements with individual countries and 29 countries have made agreements granting concessions to us which they have immediately taken steps to defeat, hardly waiting until the ink was dry upon the papers they had signed. The nations from which we have received no concessions are the nations to which we have generalized concessions in the American market under most-favored-nation treatment.

Let me give you an example of one of the good old tricks which some of the nations have used, and every one of the nations I shall read off to you now is a nation with which we have an agreement granting concessions to us in their markets. France, immediately after signing an agreement with us, depreciated her currency 66 percent. Belgium immediately after making its agreement with us depreciated her currency 29 percent; Switzerland, 31 percent; the Netherlands, 22 percent; the United Kingdom, 17 percent; Finland, 9 percent; and Sweden, 6 percent. The effect of this was immediately to wipe out all the concessions America had obtained in the markets of the countries under the agreements we had signed with them. The up-shot of it all is, they still have the concessions in our market we granted them and we are done out of all of the concessions they had theretofore granted us. Simple!

That is only one of the ways they beat us. There are many, many others—as many as the ingenuity of man can conjure up. In their bag of tricks you will find these, among others: Import quotas, licensing requirements, manipulation of exchange controls, export tariffs, cartels, maximum-minimum tariffs, multiple-level tariffs, sliding tariffs, bilateral agreements, and many others too numerous to be listed herein. But they are effective, so effective that, after 11 years of the Hull administered trade agreements program we have not been able to enlarge our percentage share in the total out-of-country purchases of any important trading nation of the world. Everywhere, under this silly program of ours, our share grows smaller and smaller.

Because my time is growing short I am going to hurry on to a discussion of but two of the worst of all the discriminations against our commerce which have been devised for the purpose of preventing us from enjoying the concessions foreign governments have granted us in agreements, in good faith, we thought.

The two barriers which operate against us to our greatest discomfort and disadvantage are, first, the empire preference agreements to which the British dominions, the United Kingdom, its crown colonies, protectorates, and mandated areas are parties, and, second, the so-called sterling area, an international arrangement to which nations encircling the earth have adhered.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I am pleased to yield again to the learned gentleman from Iowa.

Mr. CUNNINGHAM. Is not the word "reciprocal" in these agreements just another word for free trade?

Mr. GEARHART. That is all it is, especially so in reference to generalized concessions. The word "reciprocity" is simply a silken garment to hide a very ugly form. To say the least, it is a grossly inadequate descriptive term.

Now, what are the Empire preference agreements which the British Commonwealth of Nations have entered into between themselves and to which they have adhered consistently ever since 1905, long before we embarked upon the so-called reciprocal trade-agreement system of international trading. Well, they are simply a set of agreements in which they agree, each nation with the other, to discriminate against the commerce of the outside world, including the United States.

It is interesting to note that after 11 years of our so-called reciprocal trade-agreement program, neither Mr. Hull nor Mr. Stettinius, his successor, has been able to break down a single Empire preference discrimination against our trade even though we have been negotiating reciprocal trade agreements with 29 of the more important nations of the world, among them being the more prominent members of the British Commonwealth of Nations, their crown colonies, protectorates, and mandates. What is the system? How do they make this thing work so perfectly against us?

Simple. The preference agreements ingeniously set up three levels of tariffs. It sets up a top tariff to keep the United States out; an intermediate tariff which applies to their crown colonies, protectorates, and mandates; and a low tariff which applies to the members of the Commonwealth of Nations. True, we have entered into trade agreements with some of these nations which are embraced within the Empire preferential group and they have lowered the top tariff for us a little bit, but never down as low as the intermediate tariff which applies to their middle favorites, certainly not so low as to reach the bottom tariff-rate levels which apply only to the United Kingdom and its self-governing dominions beyond the seas. That is why we do not get into the British Empire group of nations with our trade. In the Empire preference agreements they have built a wall to keep us out. How well is it working? If you are curious enough to want to know, study carefully the statistical tabulation with which I shall close these remarks. In brief, American trade is losing out everywhere.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield.

Mr. REED of New York. Under the Empire preference agreements, they have swept 400,000,000 people into the orbit of their trade with the wall which the gentleman refers to.

Mr. GEARHART. The gentleman from New York placed a list of the nations which are members of the Empire preference group in the RECORD the other day and it is indeed impressive. Almost one-fourth of all the people in the world are living behind the Empire preference wall. It constitutes the most impressive trading area on the face of the earth. It is erected for no other purpose than to prevent our goods from flowing into their markets.

American goods are accepted only when no member of the Empire preference group can supply them, which leaves us with a market so restricted as to be almost worthless.

But that is not all. Was England satisfied in organizing one-fourth of all the people on this globe under a system of preference to British dominions and discrimination against the United States? Oh, not at all. She went on with her great work.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. KNUTSON. I yield 10 additional minutes to the gentleman.

Mr. GEARHART. She set out to organizing what is known as the British sterling bloc. What is that? That is a system of bilateral agreements which ties together the currencies of certain nations of this world sufficient in number to cover 40 percent of the entire earth's surface. Think of that. What nations have been embraced within the new doctrine of preferences for each other and discrimination against the commerce of the United States? I have in my hand the testimony of Professor Kemmerer, of Princeton University, one of the greatest living experts on international finance in the world. What does he have to say in his testimony? He says:

> Since January 1, 1940, Great Britain had made bilateral trade and exchange agreements with 20 countries outside of the British Empire, a few of which have been rendered ineffective by war, but most of which are still in operation. In addition to these agreements with foreign countries, England still retains her earlier preferential agreements with countries within the British Empire.
>
> The total area covered by all these British discriminatory agreements is estimated to cover today about 40 percent of the earth's land surface and is rapidly growing. Broadly speaking the parties to these agreements agree in connection with their export trade to discriminate in payments in pounds sterling which can be spent freely only within the sterling area.
>
> Just prior to the outbreak of the war the London funds of 15 sterling area countries were said to amount to about two hundred and sixteen millions. Today the figure is around three thousand million. That shows how your preferential agreements are growing.

Every nation in the sterling bloc makes a solemn agreement with every other nation in the bloc not to buy anything outside of the bloc which any member within the bloc can supply.

No wonder that we find we are losing our share of every important market on the face of the earth. Let us take a quick look at the record. Under the old protective tariff system we enjoyed 16.6 percent of the total out-of-country purchases of the United Kingdom, but under the reciprocal trade agreements program, hobbled by our application of the most-favored-nation principle and outsmarted by Empire preference agreements and the sterling bloc, we find that our share in the United Kingdom's total out-of-country purchases has dwindled to a new low of 11.6 percent and the tendency is still downward.

Not only is that true of the United Kingdom, but it is true of Italy, it is true of France, it is true of Canada, it is true of the Netherlands, and so on down the list of the nations of the world which, under permission secured earlier in the day, I will insert at this point in the RECORD.

We are losing out everywhere because of the discriminations against our commerce in which other countries are deliberately indulging, even though they, with tongue in cheek, have entered into so-called reciprocal agreements with us. They are able to do it simply because we stubbornly insist upon applying the absurd and ridiculous principle of most-favored-nation treatment to the agreements we make which no other country on the face of the earth will apply to theirs.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield.

Mr. DWORSHAK. Does that affect the status of the United Kingdom bloc insofar as lend-lease is concerned?

Mr. GEARHART. The contrast your question suggests is intriguing. Britain and America are allies in a mighty military effort. Our soldiers and sailors are fighting and dying together gloriously in defense of world freedom. At San Francisco, which is the hope of the world, the English and Americans are allies still, working for an international arrangement which will insure peace to the world. But England, in the economic field, England with her Empire preference group and sterling bloc, are at this very moment conducting a most successful economic warfare against America. As long as there is free enterprise, competition in trade, and the profit motive in commerce there will be no economic peace.

If we will but be realists, we will understand all this. They are merely protecting their markets; they are protecting their wage levels; they are protecting their standard of living by the use of what they call intelligent self-interest. And why not?

I do not blame them as much as my words may have indicated. All I want is for Uncle Sam to exercise the same intelligent self-interest in the protection of his own market. I want him to be diligent in the maintenance of our wage levels, in the promotion of our standard of living, and intelligent in the building up of our purchasing power. Am I asking anything unreasonable when I ask the American people to take care of their own just as Stalin takes care of his, just as Churchill takes care of his, just as the head of every other government on the face of the earth is taking care of the markets which it is theirs to protect?

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Is there any other nation in the world today which maintains a so-called reciprocal-trade policy with one hand, and with the other hand the most-favored nation clause policy?

Mr. GEARHART. As far as I have been able to find there is no nation other than our own that has applied unconditional most-favored-nation treatment to its trade agreements. We are the only Nation in the world that does it. Though every nation on the face of the earth is aggressively discriminating against our commerce, constantly raising barriers to our trade, we have only one nation on our black list—and that is Germany.

Mr. Chairman, at this time and in accordance with the permission granted me in the House before we resolved ourselves into the Committee of the Whole on the State of the Union, I will now offer for inclusion in the RECORD a tabulation which was prepared for me by Dr. John Lee Coulter, an eminent economist, from figures obtained from the League of Nations.

The table is as follows:

America's share in the total out-of-country purchases of all of the principal trading nations of the world grows smaller under the so-called reciprocal trade-agreements program—Instead of expanding, our foreign trade is now threatened with extinction

[Value of figures in thousands of dollars—old gold, 1926–32, inclusive; currency, 1933–38]

	Value of total imports	Percent	Imports from United States	Percent
UNITED KINGDOM				
Protective-tariff years:				
1926	6,030,825	100	1,112,005	18.4
1927	5,929,057	100	974,208	16.4
1928	5,818,380	100	917,080	15.7
1929	5,944,873	100	952,083	16.0
Average				16.6
The depression years:				
1930	5,080,506	100	748,131	14.7
1931	3,901,130	100	472,689	12.1
1932	2,465,254	100	293,772	11.9
1933	3,784,324	100	425,716	11.2
1934	3,685,815	100	413,001	11.2
Average				12.2
Trade-agreement years:				
1935	3,705,962	100	429,015	11.5
1936	4,219,976	100	463,785	10.9
1937	5,081,564	100	564,137	11.1
1938	4,495,847	100	576,854	12.8
Average				11.5

America's share in the total out-of-country purchases of all of the principal trading nations of the world—Continued

[Value of figures in thousands of dollars—old gold, 1926–32, inclusive; currency, 1933–38]

	Value of total imports	Percent	Imports from United States	Percent
ITALY				
Protective-tariff years:				
1926	1,006,688	100	218,141	21.6
1927	1,051,340	100	204,237	19.4
1928	1,153,015	100	211,198	18.3
1929	1,120,381	100	187,259	16.7
Average				19.0
The depression years:				
1930	912,432	100	133,497	14.6
1931	606,603	100	69,137	11.3
1932	424,126	100	56,850	13.4
1933	655,136	100	98,267	14.9
1934	657,146	100	82,092	12.4
Average				13.3
Trade-agreement years:				
1935	642,446	100	72,607	11.3
1936	440,361	100	65,270	14.8
1937	733,520	100	80,966	11.0
1938	593,021	100	70,405	11.8
Average				12.2
FRANCE				
Protective-tariff years:				
1926	1,931,917	100	253,359	13.1
1927	2,077,444	100	266,853	12.8
1928	2,094,674	100	243,083	11.6
1929	2,284,757	100	281,371	12.3
Average				12.2
The depression years:				
1930	2,058,424	100	241,007	11.7
1931	1,654,469	100	148,979	9.0
1932	1,168,488	100	113,664	9.7
1933	1,885,715	100	194,666	10.3
1934	1,517,210	100	143,872	9.4
Average				10.0
Trade-agreement years:				
1935	1,384,554	100	118,032	8.5
1936	1,520,194	100	151,123	9.9
1937	1,701,782	100	161,914	9.5
1938	1,336,600	100	153,126	11.4
Average				9.8
CANADA				
Protective-tariff years:				
1926	927,329	100	609,720	65.7
1927	1,030,893	100	687,023	66.6
1928	1,108,956	100	719,436	64.8
1929	1,265,679	100	868,012	68.5
Average				67.4
The depression years:				
1930	1,248,274	100	847,442	67.8
1931	906,613	100	584,407	64.4
1932	452,614	100	263,549	58.2
1933	401,214	100	217,291	54.1
1934	511,275	100	291,775	57.0
Average				60.3
Trade-agreement years:				
1935	544,730	100	308,509	56.6
1936	632,801	100	368,127	58.1
1937	808,058	100	490,000	60.6
1938	672,670	100	421,521	62.6
Average				59.4
NETHERLANDS				
Protective-tariff years:				
1926	979,220	100	103,445	10.5
1927	1,022,346	100	107,673	10.5
1928	1,078,929	100	106,796	9.8
1929	1,106,424	100	109,409	9.8
Average				10.1

America's share in the total out-of-country purchases of all of the principal trading nations of the world—Continued

[Value of figures in thousands of dollars—old gold, 1926–32, inclusive; currency, 1933–38]

	Value of total imports	Percent	Imports from United States	Percent
NETHERLANDS—continued				
The depression years:				
1930	972,139	100	84,943	8.7
1931	760,879	100	59,547	7.8
1932	552,370	100	34,459	6.2
1933	822,156	100	52,849	6.4
1934	699,623	100	46,633	6.6
Average				7.1
Trade-agreement years:				
1935	633,753	100	43,883	6.9
1936	647,394	100	46,015	7.1
1937	853,265	100	75,052	8.7
1938	778,250	100	84,367	10.8
Average				8.3
BELGIUM				
Protective-tariff years:				
1926	751,284	100	85,575	11.3
1927	808,286	100	88,971	11.0
1928	888,932	100	86,119	9.6
1929	990,341	100	94,702	9.5
Average				10.3
The depression years:				
1930	864,420	100	86,347	9.9
1931	666,385	100	58,447	8.7
1932	456,898	100	39,543	8.6
1933	716,988	100	67,208	9.3
1934	638,194	100	46,529	7.2
Average				10.7
Trade-agreement years:				
1935	630,532	100	47,756	7.5
1936	720,641	100	49,912	6.9
1937	927,752	100	79,916	8.6
1938	763,518	100	84,084	11.0
Average				8.5
DENMARK				
Protective-tariff years:				
1926	424,959	100	68,923	16.2
1927	444,162	100	67,221	15.1
1928	465,234	100	60,860	13.0
1929	480,677	100	64,071	13.3
Average				14.4
The depression years:				
1930	463,409	100	52,059	11.2
1931	367,961	100	38,708	10.5
1932	214,829	100	16,479	7.6
1933	320,187	100	19,226	6.0
1934	304,697	100	18,509	6.0
Average				8.2
Trade-agreement years:				
1935	291,082	100	15,283	5.2
1936	329,736	100	17,532	5.3
1937	369,385	100	19,247	5.2
1938	354,728	100	27,920	7.8
Average				5.8
SWEDEN				
Protective tariff years:				
1926	398,673	100	53,354	13.3
1927	424,768	100	53,628	12.6
1928	457,732	100	67,474	14.7
1929	477,784	100	70,057	14.6
Average				13.8
The depression years:				
1930	445,463	100	61,439	13.7
1931	363,448	100	44,977	12.3
1932	213,303	100	23,058	10.8
1933	320,141	100	32,953	10.2
1934	339,000	100	39,912	11.7
Average				11.7

America's share in the total out-of-country purchases of all of the principal trading nations of the world—Continued

Value of figures in thousands of dollars—old gold, 1926–32, inclusive; currency, 1933–38]

	Value of total imports	Percent	Imports from United States	Percent
SWEDEN—con.				
Trade-agreement years:				
1935	373,080	100	47,729	12.7
1936	418,388	100	54,064	12.9
1937	541,205	100	74,932	13.8
1938	524,579	100	85,294	16.2
Average				13.9
SWITZERLAND				
Protective-tariff years:				
1926	455,636	100	36,252	7.9
1927	482,490	100	42,429	8.7
1928	512,171	100	47,062	9.1
1929	515,785	100	46,173	8.9
Average				8.6
The depression years:				
1930	487,527	100	39,528	8.1
1931	427,458	100	31,370	7.3
1932	330,047	100	22,183	6.7
1933	506,458	100	29,483	5.8
1934	457,166	100	24,574	5.3
Average				6.6
Trade-agreement years:				
1935	408,336	100	22,592	5.5
1936	368,965	100	20,952	5.6
1937	412,227	100	28,944	7.0
1938	363,322	100	28,648	7.8
Average				6.4
ARGENTINA				
Protective-tariff years:				
1926	757,931	100	186,886	24.6
1927	825,103	100	209,757	25.4
1928	807,256	100	187,439	23.2
1929	820,018	100	216,112	26.3
Average				29.7
The depression years:				
1930	618,217	100	136,204	22.0
1931	344,702	100	54,420	15.7
1932	215,034	100	28,968	13.4
1933	484,911	100	61,537	12.6
1934	502,360	100	44,782	14.8
Average				15.7
Trade-agreement years:				
1935	324,099	100	46,564	14.3
1936	388,197	100	56,512	14.5
1937	469,082	100	76,824	16.3
1938	430,374	100	75,960	17.6
Average				15.6
BRAZIL				
Protective-tariff years:				
1926	390,682	100	114,626	29.3
1927	387,542	100	111,186	28.6
1928	442,290	100	117,511	26.5
1929	416,626	100	125,552	30.1
Average				28.6
The depression years:				
1930	251,011	100	60,638	24.1
1931	132,230	100	33,212	25.1
1932	108,131	100	32,532	30.0
1933	313,970	100	66,034	21.0
1934	207,738	100	49,045	23.6
Average				24.7
Trade-agreement years:				
1935	224,796	100	52,328	23.2
1936	246,718	100	54,661	22.1
1937	330,554	100	76,410	23.1
1938	295,369	100	71,518	24.2
Average				23.1

America's share in the total out-of-country purchases of all of the principal trading nations of the world—Continued

[Value of figures in thousands of dollars—old gold, 1926–32, inclusive; currency, 1933–38]

	Value of total imports	Percent	Imports from United States	Percent
GERMANY				
Protective-tariff years:				
1926	2,380,336	100	381,528	16.0
1927	3,380,387	100	492,645	14.5
1928	3,340,700	100	483,452	14.4
1929	3,201,681	100	425,676	13.2
The depression years:				
1930	2,475,648	100	311,272	12.5
1931	1,602,390	100	188,520	11.7
1932	1,111,560	100	140,968	12.6
1933	1,694,199	100	194,573	11.4
1934	1,752,600	100	146,743	8.3
Trade-agreement years:				
1935	1,674,187	100	96,891	5.7
1936	1,699,707	100	93,581	5.5
1937	2,198,506	100	113,506	5.1
1938	2,430,602	100	182,562	7.5
JAPAN				
Protective-tariff years:				
1926	1,120,271	100	320,504	28.6
1927	1,033,137	100	319,394	30.9
1928	1,019,310	100	290,311	28.4
1929	1,021,687	100	310,519	29.5
Average				29.3
The depression years:				
1930	763,595	100	218,739	28.6
1931	609,929	100	168,954	27.7
1932	402,384	100	143,325	35.6
1933	652,355	100	211,276	32.3
1934	678,282	100	228,663	33.7
Average				31.7
Trade-agreement years:				
1935	709,697	100	232,507	32.7
1936	802,076	100	246,062	30.6
1937	1,088,344	100	365,502	33.5
1938	757,775	100	260,667	34.3
Average				32.7

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 30 minutes to the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Chairman, it would be utterly impossible within the 30 minutes assigned to me to answer in detail the various charges made by the gentleman from California. I do propose to answer some of those charges in part. I respectfully submit that the charges have been answered in detail and to the complete satisfaction, I believe, of every Member who will read the testimony by Mr. Charles Taft, who is presently employed by the State Department, and who is the son of a former Republican President of the United States.

Since other members of the committee have discussed in detail the past record of the reciprocal trade-agreements program and have explained the amendments adopted in the committee, I propose to discuss the amendments to H. R. 3240, which the Republicans offered in committee and which will, according to press releases, be offered again on the floor. The House should know the reasons justifying the defeat of these amendments by your committee and why they should be defeated by Members.

The general purpose of these amendments is to make the authority contained in the bill unworkable. I will take them up in order and show why this is true.

The first two Republican amendments would shorten the period of renewal to

1 or 2 years. It will be claimed by the opposition that it is dangerous to renew the authority for as long as 3 years in view of the great uncertainties which lie ahead. This argument can be made equally to renewal of the act for 1 year and to the increase of authority which section 2 provides.

The fact is that these uncertainties, which all of us know exist, are one of the best reasons why the renewal must carry adequate authority and be for an adequate period.

The greatest uncertainties facing American business from abroad are what foreign countries are going to do about trade barriers and how far they are going to go in the direction of government trading and government control of trade. We are in favor of free enterprise in this country, but we do not know how many other countries are going to be with us on that question. In all of devastated Europe the pressure is very strong to say that only the state, only the government, is big enough and strong enough to do what has to be done to get factories and mines repaired, production started, and people back to work. There is the closest balance in many of those countries between those people who want government to take over everything, and those who want to return to private enterprise, private trade, and a sound international economic situation. If we want them to come out on the side of private trading and an international relationship that will permit our surpluses to find markets abroad, we must give our representatives something to offer to them, and we must give them enough time within which to accomplish the desired results.

It takes many, many days of labor to make a trade agreement. The careful study which has been described in the hearings and the debate, and the working out of safeguards to fit all the special cases that arise, and the process of negotiation all take much time. If we want anything done, we must extend the law sufficiently to afford an opportunity for action. The last 6 months of whatever time we fix is lost, anyway, because no one is going to start negotiations with us when the act is almost ready to expire. Three years is the shortest period we should consider for the renewal of this program.

The peoples of devastated Europe, who think as we do and desire our way of life, need leadership as no other peoples in all history needed statesmanlike guidance. Will we quibble over whether we will afford them economic leadership? Should our ability to lead be jeopardized by fear to place in the President's hands an instrument of sufficient life to do the needed work? Next year may be too late, in the economic field, for us to awaken with the desire to aid those longing for free enterprise in Europe. By then they may have lost their desire to carry on if given no cooperation now by us.

Let us, in considering H. R. 3240, be motivated by the lofty opportunities of tomorrow and not be deluded by the fears of the pessimist whose vision is limited by the boundaries of yesterday.

Another proposed Republican amendment provides for congressional review of trade agreements. But such review is neither necessary constitutionally nor desirable from a policy viewpoint.

Five times, beginning in 1934, the Ways and Means Committee has carefully considered the so-called constitutional objections to the program. Its conclusion remains, as always before, on the basis of precedents and authority, going back to the early days of the Republic, that no constitutional or other legal considerations require Senate ratification of trade agreements, and the Trade Agreements Act involves no improper delegation of legislative power.

The question of whether individual trade agreements should be submitted to Congress or the Senate is purely one of policy. We know what would happen if they were submitted. We would have long hearings, we would take up every item, and we would very seldom ratify what was proposed. The Senate has ratified three effective trade treaties in all our past history. That is the record of the past on tariff treaties, and it would be the record of the future. The only way we can successfully get action, through international agreement, on trade barriers is to give the President a carefully guarded authority to make agreements on his own responsibility and with the best advice that he can get. We should lay down the standards, as we do in this law, and we should make clear what we want. Then we should let the President operate, just as we let the Interstate Commerce Commission operate on freight rates; and we should carefully review what has been done each time renewal of the act comes up, just as we are doing now.

If we hog-tie this program with a requirement of Senate ratification or congressional approval, we may as well forget the program. Certainly the world will.

Another Republican amendment would strike out section 2. That would leave the program a nice memory but not much else.

When Congress first considered and passed this bill, back in 1934, the proposition was to let the President reduce individual rates by not more than 50 percent of what they were then. The bill with section 2 proposes to let him do the same thing now. It lets him start from the rates as they were on January 1, 1945, and make new agreements on that basis.

That does not mean he is going to cut every rate tomorrow, or next year. When President Roosevelt was operating under the original authority he made 50 percent cuts in the first 3 years on 12½ percent by value of our dutiable imports, and in the first 6 years on 24 percent. In the first 11 years, that is down to now, the full cut has been applied on 42 percent of our dutiable imports.

Unless someone thinks that President Truman is going to operate much more rapidly and recklessly than President Roosevelt did, he need not worry about too rapid use of this authority. What section 2 proposes is an enabling act, not a tariff cut tomorrow.

The reason for the change of the base date is to relate the authority to present facts, and give our representatives something to bargain with.

In the course of the last 11 years the original authority has been completely exhausted in respect to 42 percent of our dutiable imports on the basis of 1939 values; that is, duties have been reduced on this percentage of our dutiable import trade by the full 50 percent permitted under the existing law. The authority has been partially exhausted, and in some cases almost fully exhausted, in respect to an additional 20 percent of our dutiable imports. Of the remaining authority, which has not been used at all and which covers about 38 percent of our dutiable imports, a considerable portion relates to products of Germany and Japan.

If we want to have authority to deal with our chief allies and best customers, we must leave section 2 in the bill.

Should you be asked whether you desire barriers and discriminations to our trade reduced or removed, all would answer yes. Yet when you are given the privilege of adhering to the only plan so far advocated which offers hope of accomplishing your desires, many of you stand in awe of complaints from protected industries and avoid the possible means of correcting many of the economic evils we see arising in the postwar period to confound us. Dispel this awe, for the complaints are unfounded. No industry has been injured. No industry will be injured under this program by greater world trade. Be not misled by false predictions of what may happen. Be convinced by the record of what has happened.

Two other Republican amendments would require the President, in absolute terms, to withhold all trade-agreement rates of duty from any country which discriminated at all against United States trade, or would require each country to give us compensating concessions for receiving trade-agreement concessions granted by us to other countries.

The act as now worded provides that the trade-agreement concessions shall, as a general rule and in accordance with the unconditional most-favored-nation policy formally adopted in the early 1920's by a Republican administration and adhered to ever since, be applied to like products imported from all countries; however, the President is authorized to suspend the application of such concessions to products of countries found by him to be discriminating against American commerce. Thus, some Republican members urge the rejection of a wise policy adopted by a Republican administration and for which they voted in 1922 and 1930.

These provisions of the law as it stands represents a realistic approach to the problem of foreign discrimination. Under these provisions, and with the gradual spread of the whole program, many foreign discriminations previously existing have been removed, many more have been greatly reduced, and an untold number have been prevented from occurring. The record of accomplishment on this score is impressive. It could not

have been as impressive as it is if the punitive power to suspend or to require special concessions in exchange for extension of concessions on our part had been used automatically and blindly whenever any discrimination, no matter how small or indirect, had been discovered.

The mandatory provision proposed by the Republicans overlooks a number of practical considerations. For one thing, we have many commercial treaties and agreements which obligate this country to accord unconditional most-favored-nation treatment to the commerce of the foreign countries concerned. Would the opposition have the President ignore these obligations whenever any evidence of discrimination, however small and possibly unintentional, could be dug up?

For another thing, there are a number of small countries which have been practically forced in the past through no great fault of their own but under strong economic pressure from abroad, particularly from Germany, to enter into bilateral trade arrangements which have in some cases had an adverse effect on American export trade in certain articles. Being short of dollars and under the practical necessity of using blocked marks, such countries have sometimes restricted imports of some things from the United States while permitting imports of like articles from Germany. Would the minority have wanted to force the President against his better judgment, in such a case, to suspend the application of trade-agreement rates of duty to products of the victim of Nazi economic aggression? Would it have wanted to do so regardless of the cost in terms not only of trade but also of international friendship? In such a case the practical effect would have been to impair the ability of the victim country to sell its products in this country, and so to reduce further its supply of dollars and force it to restrict its imports from this country even further.

Punitive power in foreign relations should be permissive rather than mandatory. There are frequently mitigating circumstances which ought to be considered. There ought to be, in any event, the possibility of weighing the pros and cons of using the punitive power in a given set of circumstances. Without such reasonable flexibility the result is likely to be to defeat the main purpose that we all agree on, namely, the promotion of American trade on a fair basis, as free as possible from discriminations.

Another Republican amendment provides that no proclamation shall be made reducing duties below amounts necessary to equalize conditions of competition in the domestic market. That is another form of the cost-of-production idea—section 336 of the Republican Smoot-Hawley Tariff Act in disguise.

On that one I want to quote a good Republican, the former Chairman of the Tariff Commission, Mr. Robert Lincoln O'Brien. Here is what Mr. O'Brien said before the Committee on Ways and Means way back in 1934:

> The notion that you can obtain costs of production; the notion that you ought to obtain them; the notion that tariffs between countries should rest upon differences in costs of production, even if omniscience should give us the power to determine them, is all wrong. The tariff is a question of national policy; on some things you ought to have a tariff greater than the difference in the cost of production; other things less than the difference in cost of production.

Comparative costs, when they can be ascertained, are, of course, important elements in any decision about tariff rates. In the administration of the trade-agreements program available cost data have been supplied by the Tariff Commission and have been given considerable weight, along with other factors. Among these factors are the following: First, rank of the foreign country as a supplier; second, present duty and tariff history; third, effectiveness of the duty, including its relation to other duties; fourth, domestic consumption and markets; fifth, localization of foreign competition; sixth, competitive factors other than cost of production, such as methods of production, comparability as to quality, and technological changes; seventh, importance of the United States market to foreign suppliers; eighth, foreign controls of prices and markets, including cartel operations; ninth, exports from and imports into the United States; tenth, competitive conditions under the existing duty and probable effects thereon of a concession; and, eleventh, ability to supply quickly changing needs of a market.

It would be quite wrong to substitute a single arbitrary rule for the flexibility which the present law permits. The escape clause so carefully worked out permits action to offset any excessive competition, whether due to cost advantage or other factors.

Those who favor an arbitrary cost of production formula argue that after the war United States costs will be higher than foreign costs and that domestic producers will therefore be at a great disadvantage. The fact is, however, that all the available evidence points to a further advance in the competitive efficiency of American industries in world trade. The United States will emerge from this war with its productive machine intact, and with many of its industries and farms at a peak of efficiency as a result of rapid technological advances. In contrast, the productive efficiency of many foreign countries will have been gravely impaired by the war, not only because of direct war damage to industrial and transportation systems, but also because so many people have been killed or driven from their homes and starved.

The danger is not that private enterprise in the arsenal of democracy will be unable to compete on an equal footing with enterprise elsewhere, but that it may be denied the opportunity to compete because of the failure of this and other countries to adopt reasonable commercial policies under which private enterprise can flourish.

Another Republican amendment would delete the provision in the law which makes section 516 (b) of the Tariff Act of 1930 not applicable to trade agreements items.

Section 516 (b) is the section which lets a domestic producer institute a lawsuit to question the classification of an imported article. This is a most extraordinary proposition. The domestic producer, who has no direct interest in the transaction between the importer and the Government, is nevertheless given the privilege of litigating it. This procedure was never known to our common law nor to our statutory law until it was introduced in the Tariff Act of 1922 and continued in 1930. This privilege has no relation to any legal rights of the protected producers. The Supreme Court has expressly recognized that no one has a legal right to any particular rate of duty. In *Norwegian Nitrogen Co.* v. *United States* (288 U. S. 294), the Supreme Court states specifically that no one has a legal right to the maintenance of an existing rate of duty. It is simply wrong to assert that he has.

The reason why section 516 (b) was made inapplicable to trade-agreement matters was because that section was incompatible with the purpose of the Trade Agreements Act to free international trade from excessive and unnecessary restrictions and obstructions. In practice, section 516 (b) had resulted in obstructing American businessmen who were trying to do a legitimate import business; it had caused long delays in clearing goods through the customs, while protected interests litigated rates of duty over periods extending up to several years.

There is no reason for now changing the law so as to extend this extraordinary privilege. Its introduction in 1922 was a radical departure from the customary and long-established procedures and precedents which had been known to our courts and to Congress for many years, and it ought not to be expanded beyond its present limits.

Another Republican amendment would exempt from duty reduction articles competing directly with the products of domestic handicraft industries. Handicraft industries are described as those in which the salaries and wages of direct or indirect labor constitute 50 percent or more of the cost of production and on which the Census Bureau can obtain and publish industrial statistics.

Special privileges of this sort for one group of producers would be out of harmony with the general spirit of equal treatment, as regards safeguards from possible injury and on other matters, to all components of American economy. This has been a basic principle in the Trade Agreements Act and its operation. In negotiating and administering trade agreements great care has been given to avoiding tariff reductions of a sort which would seriously injure any domestic industry, but no privileged class of exempt producers has ever been set up. If we start setting up special exempt and privileged classes there is no telling where we will stop. I suggest that we should not begin.

Amendments may be proposed to deny the benefit of trade-agreement rates to countries where wage rates are low. Or it may be proposed to deny entry altogether to goods produced in such countries. To do that would be a tragic blunder.

The idea back of such amendments is, of course, that low wages mean low costs. It is claimed that our markets will be flooded by the cheap products of cheap foreign labor, and that American producers will be forced to cut their costs by cutting wages in order to compete. The inference is that no tariff should be cut.

This is an old argument, and represents an old fear. But there is nothing in it. If there were, this act would have been repealed long since by unanimous consent.

The quickest proof that there is nothing in the argument lies in the fact that the historical record is against it. This act has been in force for 11 years. Many American tariff rates have been reduced by operations under it—a large part of them by half of their original amount. But wage rates have not come down. On the contrary there has been a substantial movement upward, throughout the country and over the whole period, not only of hourly wages but of weekly take-home pay.

Obviously the gain in general prosperity, from 1934 to 1939, was not caused solely by this law. But this law helped; and the record shows that numerous and substantial reductions in the rates of duty did not depress wages.

The plain fact is that costs do not depend on hourly wages only, but on productivity per labor hour. Henry Ford is only one of many American businessmen who have demonstrated by example that high wages and low costs are possible together. The superiority of American manufacturing methods, of which high wages are a part, rests upon that demonstration. If it were not true, we could not sell abroad at all. For American wages, in almost all lines, are higher than the wages paid for corresponding work abroad.

What are the reasons for the extremely low-labor standards of a country like China? Clearly not the desires of the Chinese people. The fundamental trouble is that under the conditions of production there prevailing, both in industry and agriculture, the production of wealth per man-hour is not great enough to pay a decent wage. As one witness for a leading labor union put it to the committee:

> High wages result from high productivity, imaginative and progressive managerial leadership, and good union organization—and not from tariffs.

That same witness, Jacob S. Potofsky, the secretary-treasurer of the Amalgamated Clothing Workers and the chairman of the Latin-American Affairs Committee of the CIO, went on to say:

> Moreover, we think that real standards of living depend not only on what is in the pay envelope but on what we can buy with it. The only effective protection the American worker has against so-called foreign competition is not a tariff barrier against foreign goods but efficient production at home and a decent standard of living abroad.

No; our friends on the other side cannot pose as the only friends of the American workingman. All of us want to give laborers a fair deal, on both sides of the aisle, but on this proposition the people who really speak for them are on our side of the argument. Read the testimony before the committee and see whether working people think this law is good for them or not.

Our friends on the Republican side did not propose in the committee any amendment relating specially to farm products. But it has been urged here on the floor that this whole program is bad for farmers, and that imports of farm products under a continuation of the program will ruin domestic agriculture.

We import a lot of agricultural products into the United States and always have. Most of them are things we do not produce in the United States at all—coffee, tea, cocoa, bananas, and so on. They are on the free list. Another big import is sugar, and if a lot of sugar did not come in it would be necessary to have rationing all the time, because we have never produced in this country anywhere near what we consume. The tariff on sugar is not the main protection of domestic producers; their real protection is in the quota system under the Sugar Act. This trade-agreements legislation gives no one any authority to change that act in any way. The future of that act will be strictly up to us in Congress when the time comes. It has nothing to do with the present legislation.

The trade-agreements program directly benefits farmers in three ways:

First. It improves foreign markets for the crops we normally export—wheat and flour, tobacco, cotton, pork products, apples, and so on.

Second. It improves pay rolls in industry in the United States, and makes a better market here for all farm products.

Third. It brings in more cheaply some of the things that farmers need to buy.

The best proof that this is true is that the American Farm Bureau and National Farmers Union say so after very careful study. Look at their testimony in the record and see what farmers really think. Let me read you a short passage from that testimony:

> The proposed legislation, H. R. 2652 (now H. R. 3240) grants the President authority to change our tariff duties 50 percent of the rates existing January 1, 1945, rather 50 percent of the rates existing in 1934, as provided in the present legislation. We believe that this additional authority to be used on a selective basis is essential to the successful operation of the trade agreements program.
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> * * * * *
>
> In closing, I would like again to state that the American Farm Bureau Federation favors the extension of the Trade Agreements Act until June 1948, with the granting of permissible authority to change our tariff duties in such a manner as to permit an expansion of the trade agreements program. It has been demonstrated that this program has made a significant contribution to the welfare of this Nation; that it has had an influence on increasing our foreign trade; and that it has been intelligently and fairly administered, without causing undue hardships upon any segment of our economy. We believe that it is absolutely essential to continue this program in order to fulfill our hopes of maintaining international peace, and as a vital instrumentality in aiding national prosperity and maintaining a prosperous agriculture.

My next witness in point is the President of the United States. In a signed statement inserted in the RECORD by Senator THOMAS of Utah on March 26, 1940, and appearing at page A1647, Mr. Truman said:

> During the recent debate in connection with House Joint Resolution 407, to extend the Reciprocal Trade Agreements Act for an additional 3-year period, charges were made by opponents of the measure that domestic agriculture has been injured by the operation of the act. It seems self-evident that if the trade agreements program has been in fact injurious to American agriculture as claimed, opponents of the proposal to extend its operation another 3 years would produce facts and figures to support their charges. None have been produced. Why? it may be asked. The answer is simple, because in reality, throughout the entire trade-agreements period domestic agriculture has been substantially aided by the trade agreements program.

It is my judgment, therefore, that such amendments as have been discussed should be defeated so that our President may be given the greatest possible freedom within the limits of the bill as written to work toward the accomplishment of our goals of more liberal world trade, prosperity, and peace.

PROCEDURE UNDER THE TRADE AGREEMENTS PROGRAM

Because actual negotiations cannot, in the nature of the case, be open to the public, some opponents of the trade agreements program have tried to make it appear that this Government has entered into agreements with foreign countries without affording opportunity to interested groups of domestic producers to be heard or to know what is to be done.

It is but natural that each domestic industry would like to know ahead of time what duty reductions to expect. However, the proposal that interested parties be given a second opportunity to appear and present their case, after the terms of an agreement have been tentatively arrived at, would add no information that could be presented at any time before the Committee for Reciprocity Information. That committee stands ready at all times to hear interested parties on a formal or informal basis whenever they desire to present additional facts or arguments bearing on possible concessions. Many such informal meetings with various industrial groups have been held after the formal hearings have been concluded.

The Committee for Reciprocity Information is composed of representatives of the Tariff Commission and the Departments of State, Commerce, Agriculture, and Treasury. Upon the announcement by the Secretary of State that a trade agreement is to be negotiated with a particular country, the Committee for Reciprocity Information sets a date—usually 30 or more days after the Secretary's announcement—for a public hearing before the committee and a date for the filing of briefs, usually a week or more before the date of the hearing. No interested party has ever been denied the privilege of appearing before the committee nor has anyone ever been cut

short in his testimony when testifying before it.

Once the tentative decisions as to concessions have been made by the Secretary of State and the President, however, absolute secrecy is imperative. For when our negotiators face the negotiators from the foreign country both sides are armed with instructions from their respective Governments as to how far they may go, and it is then that the "poker game" of negotiating starts. One can well imagine what kind of game it would be if the other party, right at the start, were shown our full hand. Very seldom, in fact, does the trade agreement that finally emerges coincide with the tentative draft decided upon before actual negotiations began.

THE POSITION OF THE TARIFF COMMISSION IN THE TRADE-AGREEMENTS PROGRAM

Section 4 of the Trade Agreements Act provides that the President, before concluding a trade agreement, "shall seek information and advice with respect thereto from the United States Tariff Commission, the Departments of State, Agriculture, and Commerce, and from such other sources as he may deem appropriate." Manifestly, the intent of this section is to assure that agreements are not entered into hastily by requiring that the President seek the fullest possible information. It is not the intent of the law to give formal veto power to each of the designated agencies.

Under the interdepartmental trade-agreements organization that has been functioning since 1934, the Tariff Commission and the other departments and agencies represented play an important role, through their membership on all of the interdepartmental committees, in every trade agreement from the very beginning. On some of the more important of the country committees, notably those on Canada and the United Kingdom, the Tariff Commission has been represented by Commissioners themselves. On all other country committees the Commission makes its services available through senior members of its professional staff. On the central Interdepartmental Committee on Trade Agreements, the Tariff Commission is represented by its Chairman, Mr. Oscar B. Ryder. The Vice Chairman of the Commission, Mr. Lynn Edminster, is also a member, representing the Committee for Reciprocity Information, of which he is the chairman.

To require all or any of the departments or agencies to approve formally each prospective trade agreement, after they have been in close touch with and have contributed to all of the research and deliberation that has gone into the preparation of an agreement on an interdepartmental basis would only delay action under the program and allow the judgment of individual groups, acting separately, to displace the combined judgment of all the departments and agencies acting together.

The proposal has been made that the administration of the Trade Agreements Act be placed exclusively in the hands of the United States Tariff Commission, which is one of the agencies to be consulted by the President. The provision that the President shall seek information and advice from certain agencies has been the basis and authorization in the law for the setting up of the interdepartmental trade-agreements organization which has set an excellent example of functional coordination in government in the use of already established Government units in carrying out a new policy.

Even now as the trade-agreements machinery operates, the Tariff Commission has functions of greatest importance and its facilities are fully employed in the various processes involved in bringing a trade agreement to successful fruition. Why then should the administration of the Trade Agreements Act be turned over entirely to the Tariff Commission? It would be to ignore the important part of the State Department in acting as the initiator of the agreements with foreign governments through its trained negotiators and its function as coordinator. It would dispense with the important services of the Department of Commerce in its studies of the requirements of our export trade, of the part of the Department of Agriculture in making sure of coordination between the trade agreements and our agricultural policies, and of the functions of the Treasury Department in customs administration. It should further be pointed out that the administration of the Trade Agreements Act differs from that of the flexible tariff provisions in that the latter involve negotiations with foreign governments, which is an important feature of the former.

The State Department, organized for the purpose of conducting relations of all sorts with foreign governments and having a skilled and experienced staff in this country and abroad trained in that work, is the appropriate agency to conduct actual negotiations. Thus the successful continuance of the trade-agreements program requires the efforts of not just one Government agency but the efforts of all of the Government agencies that have worked together so effectively up to the present time.

ARE THE ESCAPE CLAUSES AND OTHER SAFEGUARDS ADEQUATE?

All of the trade agreements contain provisions for modification or termination in certain contingencies. Tariff quotas, for example, have been used in some instances, whereby the reduced rate applies to only a specified volume of imports, and imports in excess of that amount must pay higher rates. Quota limitations have been applied to imports of cattle, milk and cream, cheese, silver fox furs, petroleum, and cedar shingles, to mention only a few from an extensive list.

In addition, every agreement contains various "escape" clauses to provide for unpredictable developments. The main escape clause in the Mexican agreement, for example, shows the extreme caution with which these agreements have been negotiated. The clause is as follows:

If, as a result of unforeseen developments and of the concession granted on any article enumerated and described in the schedules annexed to this agreement such article is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, the Government of either country shall be free to withdraw the concession, in whole or in part, or to modify it to the extent and for such time as may be necessary to prevent such injury. Accordingly, if the President of the United States of America finds as a fact that imports of any article enumerated and described in schedule II or schedule III are entering the United States of America under the circumstances specified in the preceding sentence, he shall determine whether the withdrawal, in whole or in part, of the concession with regard to the article, or any modification of the concession, by the imposition of quantitative regulations or otherwise, is necessary to prevent such injury, and he shall, if he finds that the public interest will be served thereby, proclaim such finding and determination, and on and after the effective date specified in such proclamation, and so long as such proclamation remains in effect, imports of the article into the United States of America shall be subject to the customs treatment so determined to be necessary to prevent such injury. Similarly, if the Government of the United Mexican States finds as a fact that any article enumerated and described in schedule I is being imported into the United Mexican States under the circumstances specified, it may, if it finds that the public interest will be served thereby, withdraw in whole or in part the concession with regard to the article, or modify the concession by the imposition of quantitative regulations or otherwise, to the extent and for such time as may be necessary to prevent such injury.

Before the Government of either country shall withdraw or modify a concession pursuant to the provisions of paragraph 1 of this article, it shall give notice in writing to the Government of the other country as far in advance as may be practicable, and shall afford such other Government an opportunity to consult with it in respect of the proposed action; and if agreement with respect thereto is not reached the Government which proposes to take such action shall, nevertheless, be free to do so and the other Government shall be free within 30 days after such action is taken to terminate this agreement in whole or in part on 30 days' written notice.

The broad terms of this provision certainly appear to be adequate to safeguard the interests of the United States under any circumstances that may arise.

In addition to the safeguards already mentioned, there are many others. There are provisions, for example, that, if extraordinary changes should occur in the rate of exchange between the currencies of the United States and an agreement country, and if such development should be prejudicial to the industry or commerce of the United States, action may be taken to correct the situation, or modify, or even abrogate the agreement. Also, it is generally provided that a concession may be withdrawn if, as a result of generalizing the rates of duty, a third country derives the main benefit from a concession or concessions.

The suggestion that the existence of trade agreements might tie our hands in dealing with new problems as they arise must clearly be rejected in view of the safeguards and escape clauses outlined here. Moreover, these devices have been used. A good illustration—there are others—is the silver-fox fur case.

The duty on silver-fox furs, dressed or undressed, was reduced from 50 percent to 37½ percent ad valorem in the

trade agreement with Canada, effective January 1, 1939. During 1939, imports of silver-fox furs were large and threatened to become even larger in 1940. The trade controls imposed by the principal countries of Europe at the outbreak of war in 1939 practically wiped out the European markets for fox furs produced in Norway, Sweden, and other European countries, and producers in these countries began to dispose of their large stocks of furs in the United States. Realizing that the existing tariff or even a much higher one would not keep out the unusually large imports that threatened the domestic industry and that something had to be done quickly to avoid serious injury to domestic silver-fox producers, the domestic industry requested the Committee for Reciprocity Information to consider the matter. It was found that the only law under which anything could be done was the Trade Agreements Act. As a result, negotiations were instituted with Canada, a public hearing was held, and a supplementary agreement, relating only to the treatment of silver foxes, silver-fox furs, and related articles, was signed on December 30, 1939.

This agreement imposed an import quota allocated between Canada and other foreign countries. A second and similar agreement with Canada relating to live silver foxes and silver-fox furs was signed on December 13, 1940. This agreement, which supersedes the agreement of December 1939, was occasioned by war changes in the trade as affecting Canada, the United States, and the United Kingdom.

This case illustrates the manner in which the trade-agreements machinery has been developed to meet emergency trade conditions efficiently and expeditiously. No other means existed for affording the necessary prompt relief to the fox-fur industry, and the relief extended under this act certainly saved this particular industry from great damage.

THE AGREEMENTS ARE RECIPROCAL RATHER THAN BILATERAL

The trade agreements are reciprocal. That is, concessions on the part of the United States are given in exchange for concessions on the part of the other country involved. The reductions in duty which we obtain from the other country are on commodities which, according to the experience of past trade or the prospects of future trade, appear to offer the best opportunity of increasing our exports.

Some of the opponents of the trade agreements have voiced their opposition by saying that the agreements are not truly reciprocal. What they presumably mean is that they are not bilateral, which is something quite different. Concessions in a bilateral agreement apply only to the two countries concerned. Because the United States wisely wishes not to discriminate between countries except under the most extreme provocation, we do not make bilateral trade agreements—Cuba is an exception, which is always carefully specified. But to imply that our trade agreements are not reciprocal because they are not bilateral is not in accord with the facts.

IMPORTANCE OF THE UNCONDITIONAL MOST-FAVORED-NATION POLICY

Some of the opponents of the trade-agreements program do not seem to realize that without the most-favored-nation clause the duty and other concessions obtained would be worth much less than they are. For example, a reduction might have been obtained in a foreign country's duty on, say, lard from 50 percent to 25 percent. If after the agreement was concluded the foreign country should make an agreement with a third country and reduce the rate to 10 percent, while exports of lard from the United States to the agreement country continued to pay the contractual rate of 25 percent, the value of the concession to United States producers would be destroyed because their competitors could undersell them. Results of this kind are prevented by the inclusion of the unconditional most-favored-nation clause. The clause also obtains for United States exporters the lowest rates on every item whether or not it is listed in the agreement and whether it was in effect previous to the agreement or put into effect later.

In some agreements, concessions obtained as a result of the extension of unconditional most-favored-nation treatment to products of the United States far outweigh in importance direct concessions. For example, under the French tariff there were three sets of rates, a minimum, an intermediate, and a maximum. Before the agreement with France, the United States was discriminated against on thousands of products by having to pay the intermediate or maximum rates. Under the French agreement, these discriminations were automatically removed by virtue of the unconditional most-favored-nation clause in that agreement. Similarly, by virtue of the unconditional most-favored-nation provisions of the agreement with Canada the United States enjoys minimum tariff treatment with respect to over 600 rates affecting a volume of trade constituting in the past up to 30 percent of Canadian imports of American goods.

The opposition argues, however, that third nations should not receive the benefit of duty reductions made by the United States. It is asserted that this means giving something for nothing. This assertion is not true. Under the trade-agreements program the policy is to extend duty reductions under agreements to all ountries which do not discriminate against the United States, that is, minimum United States tariffs are extended to countries which in turn extend their minimum tariff rates to this country. If the duty reductions made in trade agreements were not extended to a third country, it is improbable that the country in question would extend its minimum tariffs to the United States out of the goodness of its heart. The Congress has repeatedly insisted that the United States demand unconditional equality of treatment from all other countries and has empowered the Executive, if necessary, to impose penalty duties on goods of countries that refuse to extend equality of tariff treatment to this country. Typical instances of this are the provisions of the Tariff Act of 1909, section 317 of the Tariff Act of 1922, and section 338 of the Tariff Act of 1930. If the United States is to insist on equal treatment, it must accord the same treatment to others.

Opponents of the trade-agreements program choose to overlook the fact that the concessions granted in trade agreements with particular countries apply to commodities of which the agreement country is normally by far the principal supplier of imports. It should also be noted that in agreements with certain occupied countries, especially in the agreements with France and the Netherlands, some of the concessions apply to exports from unoccupied colonies of the agreement country; in such cases trade with the colony is continuing.

It has been asserted that, notwithstanding the existence of trade agreements, certain countries have continued to discriminate against the United States. These critics have not stated what they mean by the term "discrimination." Would they include as of sufficient importance to warrant the denouncing of an agreement each and every minor discrimination? To do so would be to renounce the opportunity to prevent the practice of still greater discriminations, which would certainly be the case if we adopted such a shortsighted attitude. No one claims that as a result of the trade-agreements program and of our power to withhold the benefits of trade concessions from countries which discriminate against American commerce all discriminations have been wiped out. One thing is sure, fewer discriminations exist against American exports than would be the case were there no trade-agreements program. As the Ways and Means Committee said in its 1940 report:

> It is clear to the committee, therefore, that the extent of the foreign discriminations against our commerce is greatly exaggerated by opponents of the trade-agreements program, although it is also clear that some discrimination does exist. This raises the second question mentioned above, namely, What is the best means of combating discriminations by foreign countries?
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> The objective of the most-favored-nation policy is to bring about the removal of discriminations. It is not, of course, 100 percent effective in attaining this end; indeed, few national policies ever are effective to that degree. But surely it is not reasonable to suppose that we can rid the world of discriminations by abandoning the effort. The present policy has as its object the maintenance and creation of conditions under which our exporters can compete in the markets of the world on a footing of equality. If we abandon this policy, nothing is more certain than that the discriminations they would have to face would be vastly more extensive than at present.
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> In addition to the practical dollars-and-cents value of the most-favored-nation policy, it represents the only sound basis for orderly and amicable international relations. It is the antithesis of the policy of discrimination which leads to retaliation, trade wars, and general anarchy in international commercial relations. Equality of treatment has

been the basis followed by this country since it was enjoined upon us by President Washington. It has not been, and should not be, a subject of partisan controversy. It has been advocated and applied by Republican as well as Democratic administrations. For example, in 1924 the Honorable Charles E. Hughes, then Secretary of State, stated:

"The time has come for demanding that conditions of commercial competition be placed upon a basis which will both assure our own interests and contribute to the peace of the world by eliminating unnecessary economic contentions. As we seek pledges from other foreign countries that they will refrain from practicing discrimination, we must be ready to give such pledges, and history has shown that these pledges can be adequate only in terms of unconditional most-favored-nation treatment."

The Republican platform of 1932 reaffirmed this policy in the following words:

The historic American policy known as the most-favored-nation principle has been our guiding program; and we believe that policy to be the only one consistent with a full development of international trade, the only one suitable for a country having as wide and diverse a commerce as America, and the one most appropriate for us in view of the great variety of our industrial, agricultural, and mineral products and the traditions of our people.

Some opponents of the trade-agreements program and the most-favored-nation policy advocate what they choose to call a realistic approach to our foreign-trade problems. They profess to see the world drifting further and further into a system of exclusive bilateral arrangements which result in discriminations against us. They urge that we join the movement and ourselves negotiate preferential discriminatory arrangements. They would have us fight fire with fire. The committee feels that this expression illustrates very well indeed the destructive character of such a policy. The fires of tariff warfare would leave only the charred remains of the only system under which peaceful commercial relations among nations can be conducted and profitable international trade can flourish.

IMPORTANT CONCESSIONS HAVE BEEN CONFINED TO PRINCIPAL SUPPLYING COUNTRIES

Frequently during the hearings the assertion has been made that concessions have been granted very largely to countries which were not the principal suppliers of imports, and that, therefore, through the operation of the most-favored-nation clause, the most important suppliers have received benefits which cost them nothing.

A study made by the Tariff Commission shows that with regard to the 160 largest concession items—those valued at $500,000 or more each on which duty reductions were in effect, and which together in 1939 accounted for nearly $474,000,000, or about 90 percent, of all imports on which duty concessions had been made—agreement countries to which the concessions were granted were the principal suppliers of 130 items, covering $430,000,000 of imports, or 91 percent of the total. Since other agreement countries shared some of the remaining 9 percent of the trade, it is clear that the operation of the most-favored-nation clause and the care with which the concessions had been selected leaves a very small fraction of trade for nonagreement countries.

The Tariff Commission study includes the following table, which is significant in this connection:

Classification of commodities on which reduced rates of duty were in effect on Feb. 1, 1943, according to the rank of the agreement country as supplier of imports

[Data for 160 commodities imports of which were valued at $500,000 or more each in 1939]

NUMBER OF COMMODITIES

Classification of imports according to value	Rank as agreement country as supplier [1]					
	1	2	3	Other	None [2]	Total
$1,000,000 or more each	67	4	2	3	3	79
$500,000 or more but less than $1,000,000 each	63	9	2	3	4	81
Total	130	13	4	6	7	160

VALUE OF IMPORTS FROM ALL COUNTRIES [1]

	Thous. of dol.	*Thous. of dol.*	*Thous. of dol.*	*Thous. of dol.*	*Thous. of dol.*	*Thous. of dol.*
$1,000,000 or more	383,758	9,104	2,966	11,480	8,265	415,573
$500,000 or more but less than $1,000,000 each	45,711	6,436	1,183	2,038	2,907	58,275
Total	429,469	15,540	4,149	13,518	11,172	473,848

PERCENT OF TOTAL VALUE

$1,000,000 or more	92.3	2.2	0.7	2.8	2.0	100
$500,000 or more but less than $1,000,000 each	78.5	11.0	2.0	3.5	5.0	100
Total	90.6	3.3	.9	2.8	2.4	100

[1] Imports from Germany and those free of duty under special provisions are not included.
[2] No imports were received from the agreement country in 1939.

Source: U. S. Tariff Commission, based on official import statistics of the Department of Commerce.

In relatively few instances where it was expected that the agreement country would become the principal supplier did it turn out otherwise. About 4 percent of the imports in 1939 came from agreement countries which ranked as second or third suppliers. In a few cases only did the agreement countries supply negligible imports or none at all of certain commodities on which they had been granted concessions and a number of these are justified by other considerations.

For example, reductions in the excise tax on imports of residual fuel oil and topped crude oil were made in the agreements with Venezuela and Mexico, but no imports of these commodities were recorded as coming from Venezuela in 1939. The Netherlands West Indies supplied the bulk of the imports, but most if not all of these imports were produced from crude oil that originated in Venezuela. Reductions in duty on imports of canned tomatoes were granted with Argentina, but Italy was the principal source of imports in 1939 and none was received from Argentina. It was anticipated, however, that with Italy shut off by war, Argentina would be able to take her place as a supplier, and it is provided by the agreement that on termination of hostilities the concessions may be withdrawn by the United States.

THE TARIFF LEAGUE'S PAMPHLET, HOW HIGH ARE UNITED STATES TARIFFS?

Not long ago the American Tariff League published a pamphlet entitled "How High Are United States Tariffs?" in which statistics are presented purporting to show that the level of tariffs in the United States is lower than the level of tariffs in a number of foreign countries. The implication clearly is that because our tariffs are relatively lower than those of foreign countries we should not reduce them any further through trade agreements.

Even if we were to assume, for the sake of argument, that the general impression given by the pamphlet is correct; namely, that foreign countries have more restrictive controls (including such nontariff trade barriers as quotas and exchange controls, which are omitted from the Tariff League study) than does the United States, what stronger argument could there then be for continuing the trade-agreements program? It is precisely in order to induce other countries to relax some of their more unreasonable restrictions that the administration has been pursuing this program ever since 1934. If the restrictions of other nations are more severe than ours how much reason is there for believing that we shall get anywhere along the road of amelioration merely by pointing out what rascals they are, and ignoring our own restrictions? What the Administration's policy seeks to do is to stimulate foreign trade, both outgoing and incoming.

The Tariff League pamphlet attempts to do something that cannot be done, namely, to measure the height of United States tariffs as compared with those of certain other countries. The method actually followed seeks to arrive at a comparison of the height of United States tariffs with those of a selected group of countries, by imagining a typical cargo of $100,000,000 worth of goods going from country to country and paying the duties that would be chargeable on the various items in each country. The composition of the cargo is arrived at by applying ratios for the various categories and types of goods, based upon a study of the total trade of the United States and the United Kingdom.

The pamphlet ignores the fact that a relatively low duty can be, under some conditions, highly restrictive of trade; while, on the other hand, a relatively high duty need not, under certain conditions, be highly restrictive. Furthermore, measuring the height of a tariff by using as one primary factor in the

calculations the actual duties collected is illogical since it does not take into account the goods that never enter at all owing to the fact that the tariff is so high that it does not pay to import them.

The use of a single typical cargo, representative of total world trade sounds much more scientific than it actually is. The same typical cargo is used for all countries, regardless of each country's actual imports or its needs. In some cases the results are little short of ludicrous.

It should be obvious, for instance, that a high duty by any country on a product of which that country is normally and predominantly a heavier exporter is largely nominal, and for the purpose of an analysis such as this one purports to be, should not be included. Yet, the rigor with which the statistics are pursued forbids any modification of the hypothetical cargo. According to the study, over $1,800,000 worth of the cargo annually being imported into Argentina would consist of "hides and leather products, and the computed duty thereon would amount to 228 percent. By what possible stretch of the imagination should this figure be included as significant to a measurement of the restrictiveness of Argentine import controls? As a matter of fact, Argentina enjoys such a great advantage as an exporter of hides and skins that even if she imposed no duty at all on them, she probably would import none. Likewise with wool; Argentina is shown as having a duty of 50 percent on a product which is one of her principal exports.

Other products included in the Tariff League's typical cargo and of which Argentina is a heavy exporter are: Corn, wheat, flour, beef, and barley. These products, together with wool and hides and skins, account for 75 percent of Argentina's exports, and not one of them is included among that country's imports, nor would be included even if the duties were substantially lowered.

The total duties payable on the hypothetical cargo of $100,000,000 when theoretically imported into Argentina would amount to over $47,000,000. Of this, the theoretical duties on hides and skins alone account for over $4,000,000 and, together with those on farm products and foods, for over $24,000,000. In other words, over half of the theoretical duty charge payable upon importation into Argentina of the hypothetical cargo is to be paid on goods that would not by any stretch of the imagination ever be imported into Argentina.

In the actual calculation of the average duties, serious errors result from the inclusion of purely revenue duties on imports of goods of a type not produced in the home country. These are made still worse, in connection with the comparison of United States rates with those of other countries by reason of the fact that United States import-excise taxes on certain important commodities of a type which we, ourselves, produce are omitted. If, as applied to the relative heights of United States and United Kingdom duties, we make the necessary corrections to cover these two types of error but otherwise apply the same methods used in the pamphlet, we arrive at results that are diametrically opposed to those in the report, as is shown in the following tabulation:

Duties collectible on theoretical cargo

	Tariff League study		As adjusted	
	Ad valorem equivalent	"Relatives"	Ad valorem equivalent	"Relatives"
	Percent		*Percent*	
United States	43.1	100.0	57.0	100.0
United Kingdom	51.0	118.3	28.7	50.4

The adjusted figures shown in the foregoing table are not, of course, to be taken as accurate measurements of the relative heights of the tariff walls in the two countries. For, as previously stated, there is no adequate way to reduce such a comparison to mathematical measurement. What the figures do indicate is what little confidence can be placed in conclusions resting upon such a study as this.

THE PROGRAM HAS RESULTED IN GOOD BARGAINS FOR THE UNITED STATES

Opponents of the trade agreements program assert that it has resulted in poor bargains for the United States. It is said that in negotiating the agreements the Yankees have lost their sense of trading values, that we have gone into the trade with a good horse and have come away with a blind, spavined old mare. This horse-trader view of the trade agreements program is blind to the fact that a trade agreement is not a one-deal, fly-by-night matter in which one party gets the best of the deal; but rather an association of mutual benefit for both parties over an extended period.

The fear of loss of domestic markets through trade agreements seems to stem from a picturization of our markets as dead and static, like a reservoir with neither inlet nor outlet. According to this view, if business is baled out by foreigners, less is left for Americans. In reality our economy and that of the world is a living, dynamic organism which feeds and thrives on trade. There is not, in truth, just so much business to be done in the world and no more. As even some of the strongest opponents of the trade agreements have pointed out, prosperity in one country tends to stimulate prosperity in other countries. Profitable outlets—domestic and foreign—for the total output of American producers are better than the exclusive right to a domestic market.

Elaborate statistical studies made by the Tariff Commission give good statistical evidence that the United States has substantially benefited from the trade agreements program but whether the benefits sum up to a greater total than the combined benefits accruing to the countries with which we have dealt is not known, nor is the answer pertinent to an appraisal of the value of the program to the United States.

STIMULATION OF INTERNATIONAL TRADE THROUGH REDUCTION OF TRADE BARRIERS

Much of the opposition to the trade agreements program is aimed either explicitly or implicitly, at any policy that is intended to increase international trade. He who argues that the importation of any commodity robs our laborers of work or that we should import only those commodities that it is absolutely impossible for us to produce is not arguing against such a mild and carefully guarded plan as the trade agreements program. He is against any abridgment of the present protective tariff—even where it is unnecessary—and he would also oppose any plan for expanding our trade with the world. Let him deceive himself—if he finds it necessary—but let him not try to confuse the rest of us by any pretense that he favors an alternative policy.

The justification for international trade is the same as that for trade within a nation. Trade permits each area to specialize in the production of those commodities which are most suited to its resources and skills and to exchange its surplus thus produced for the commodities which it can produce only less efficiently. It leaves all areas with more goods to consume than if each tried to supply all its own needs. Obviously, it is more efficient for Florida or Oregon, for example, to buy automobiles from Michigan and to exchange other products for them than to start a local automobile industry. In the same way it is to the advantage of most other countries to buy our automobiles rather than produce them themselves. The automobile industry is one of our natural export industries, not because it has had tariff protection, but because it makes use of our abundant resources, our skill at mass production, and our technical skills.

Imports and exports are but the two sides of the same shield. Michigan could not sell its automobiles to the other States if it did not buy from them, even including many commodities that could be produced within its own borders. To sell the quantity of our agricultural and industrial export commodities that we would like we must also buy other commodities which the world can sell us more cheaply than we can produce them at home, as well as such items as coffee and tin, which we are virtually forced to buy abroad. Such trade increases the total volume of business of the United States and the standard of living here.

The argument that imports displace domestic labor ranges from the contention that present limits of protection must not be lowered for fear of throwing American labor out of work to advocacy of higher and higher tariffs for the purpose of creating added employment opportunities by reserving 100 percent of the American market to United States producers of articles competitive with imports.

Admittedly, sudden drastic reductions of existing tariffs may disemploy substantial numbers of workers who can be reemployed elsewhere only after a considerable period of time. But there is no evidence that the carefully selected reductions of import duties under trade agreements have caused significant unemployment. In many cases such reductions represent no more than the elimination of that part of the duty which was never needed in the first place.

Any notice to industry that it must increase its efficiency and avoid new capitalization and capacity in lines that could not stand foreign competition is salutary. Quite often reductions in duty merely disclose those minor segments of an industry the protection of which merely has led to such prices for their products as to restrict demand, thus in effect reducing the total potential American market. A larger American market, even though including some share for imports, stimulates domestic employment as the efficient parts of an industry produce at a higher rate. Then, too, markets of abundance rather than markets of scarcity create supplementary employment in the distribution of a greater volume of goods. It is much more important for American farmers, manufacturers, and workers to have profitable markets for their total production than to have exclusive access to a domestic market too small to maintain the standard of living at desirable levels and to maintain healthy business conditions.

The argument for increasing tariffs to secure the last fraction of a market against competitive imports is aimed more at a fancied increase of employment rather than at avoiding disemployment. It is notably myopic in that it aims at increasing employment in United States production for home consumption apparently with total failure to see that it must at the same time create corresponding unemployment among industries producing for export. An aspect quite frequently overlooked is that imports satisfying fractional parts of the United States market often create employment opportunities which might not exist otherwise. In many cases the imports add variety to the grades and types of a product and widen its acceptability and usefulness in the American market. In other cases the economic accessibility of the product, particularly in over-the-border trade may create employment opportunities where none might otherwise exist.

Any liberalization of world trade is an influence toward world peace by eliminating a few of the many frictions in international understanding. The opponents of the trade agreements program have had much to say about the fact that the present world conflict came in spite of the efforts of the United States to improve international trade. If the churches of the United States had to apply for a new charter every three years, we expect they would also be blamed by these gentlemen because of the quite evident fact that sin had not been conquered.

The political and economic wars of today result in part from the mistakes made by a few so-called statesmen of yesterday. Their vision then was beclouded by selfish considerations. It is essential now that statesmen of today think in terms of America's best interests and not in terms of selfish desires of pressure groups within America. The challenge is before you. Will history record your judgment and decision on this issue as sound or mistaken? We are at the crossroads. We will follow the course of action needed or we will follow the course of action that brings further chaos. Which road will you take?

I now yield to the gentleman from Idaho.

Mr. DWORSHAK. Does the gentleman have any evidence as to the attitude of the National Grange toward the national trade-agreement program?

Mr. MILLS. It is to be regretted that the National Grange, as far as I recall, did not appear before our committee and make a statement.

Mr. DWORSHAK. Does the gentleman have any information concerning the vigorous opposition of the National Grange, which represents more than a million of the leading farm personnel of the country?

Mr. MILLS. No information has come to me, Mr. Chairman, regarding the viewpoint of the National Grange; but I must take issue with the gentleman when he states that the National Grange is larger than the American Farm Bureau Federation. I happen to know that the American Farm Bureau Federation has the largest membership of all the major farm organizations, about 830,000 members.

Mr. DWORSHAK. The Livestock Association, the National Woolgrowers Association, the Livestock Producers——

Mr. MILLS. Some of those are in favor of it. Most of those admitted they had been benefited by it in the past and expressed only a fear, just a fear of what might happen in the future.

Mr. DWORSHAK. Then it is true that the Grange is not 100 percent in favor of the program.

Mr. MILLS. As I say, the Grange did not appear.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. GIFFORD. From the gentleman's statement he does not believe that a potential danger should bother anybody, does he?

Mr. MILLS. I do not think a potential danger described by a pessimist is altogether a danger. I do not mean to say that the gentleman is a pessimist, but there were witnesses who came before the committee who continually were afraid to get outside the United States and do anything.

Mr. GIFFORD. I represent the great textile industry, and they see a tremendous potential danger, and I have to be watchful. The Farm Bureau is opposed to it, and the gentleman knows perfectly well that the National Grange was opposed to it, too, does he not?

Mr. MILLS. No, sir; I do not.

Mr. GIFFORD. Oh, we have all had plenty of literature on it.

Mr. MILLS. I do not recall having seen anything from them.

Mr. GIFFORD. Plenty of copies have been sent around. And the Farm Bureau——

Mr. MILLS. Oh, no; not the Farm Bureau.

Mr. GIFFORD. Is the Farm Bureau wrong when they say it should only be continued on a selected basis?

Mr. MILLS. I will say that is this program, a program of reciprocal reduction of tariff rates for concessions made on a selected basis, not straight cut across the board, 10, 20, or 50 percent; that is another program altogether. That was a suggestion by the Farm Bureau for the reciprocal trade agreement method of handling it.

Mr. GIFFORD. I think it is a very shrewd suggestion—if you will only select, mind you, what we ask.

Mr. MILLS. That is exactly the history of the program.

Mr. GIFFORD. I want to say one more thing before I sit down. The gentleman quoted from my old-time and such a very good friend of mine for very many years, Robert Lincoln O'Brien, who was Chairman of the Tariff Commission, and who said along in 1934, did he not, that this interdepartmental committee could give any opinion that it desired. He said that years ago. Then we had many more conversations with him. He is opposed to this diplomatic method of handling it.

Mr. MILLS. Does the gentleman mean to leave us with the flat statement that Mr. Robert Lincoln O'Brien said that the interdepartmental committee would give any opinion the President wanted regarding tariff information? He did not say that.

Mr. GIFFORD. Oh, no. He made a further declaration some years ago. He favors continuation of this if it can be done like it should be done, but he does not believe in diplomats doing it.

Mr. MILLS. Now, let me say just a word——

Mr. GIFFORD. I wanted to help the gentleman; I did not want to disturb him.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. KNUTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Chairman, those who urge extension of the reciprocal trade-agreement program insist that it is essential that it be extended for a period of 3 years, and that the State Department be given the authority to further reduce our tariff rates by another 50 percent. This additional 50-percent reduction would in reality mean a 75-percent reduction, as a 50-percent reduction was authorized in the original act which was passed in 1934.

The proponents contend:

First. That it is essential that we lower our tariffs in order to maintain friendly relations with other nations of the world. In other words, they contend this legislation is most vital in securing international peace.

Second. That this program will greatly increase exports and imports and provide a greatly increased domestic economy.

The opponents of the extension of the reciprocal trade agreements program and a further reduction in our tariff rates contend:

First. That the lowering of our tariff barriers will provoke grave injury upon and perhaps ruin many American industries; that it places our American labor, industry, and agriculture in direct competition with cheap labor, material, and lands of foreign countries.

Second. That the reciprocal trade-agreements program has been in effect since 1934, and certainly no one would

contend that it kept us from World War II.

Everyone realizes the seriousness of the present international situation, but even at that our Nation must think clearly and sanely on matters dealing with international trade. We must not be carried away by a sentimental approach to our problem. We must be realistic. The present conflict, as well as every other international conflict in the past, is an economic one. In simple language, it is a struggle for future trade.

It is an easy matter to negotiate trade treaties on a sentimental basis. However, this method of negotiation can be very destructive to our national economy. While it is and should be our aim to aid in world reconstruction and future world stability, our first and major duty is to preserve American enterprise and protect the American way of life.

America must, of course, import and export goods. There can be no objection offered to a low tariff or even free trade, or tariff for revenue only, on products which are strictly noncompetitive. We should exchange with foreign nations the excess of what we grow and what we produce and which they do not grow nor produce. This exchange of noncompetitive goods, both imports and exports, is real practical reciprocity. It is true that some mass-production industries in the United States favor low tariffs because they can compete with cheap foreign labor. The question is, Can we afford to export large numbers of automobiles which are produced with a minimum of labor and take in return commodities which require much labor in their processing and fabrication?

This issue is vital to every citizen. There is no question but what this problem is of vital concern to American labor. Our Nation has, through a restriction and control of immigration, protected the standards of living of the American workers. Should we now permit approval of legislation that will destroy the opportunities of the American workingman?

The farmers of the United States are greatly concerned about their share of the foreign market. It is their contention that they are being outtraded by the industrial sections of this Nation is making reciprocal trade treaties. There is substantial evidence that this is the case despite the protests from the Secretary of State and others engaged in negotiating trade treaties.

The best evidence in this regard is the gradual reduction of agricultural exports and the increasing of industrial exports. I also might mention that agricultural imports have greatly increased from trade-agreement countries, while industrial imports remain about the same. The farmers of our Nation produce a number of surplus crops and there is reason to believe the trade-agreements program will keep these crops below parity prices.

There is another fundamental issue involved—that is, for more than 20 years there has been a constant growth of executive power at the expense of the legislative power. The Constitution says in words that cannot be misunderstood:

Congress shall have the power to regulate commerce with foreign nations and among the several States—

And so forth. The power to regulate commerce under our system is congressional power. The question as to whether the executive branch of the Government will give more impartial consideration to foreign trade than the elected representatives of the people is one for debate. It is my contention that Congress must and should assume this responsibility. I will just say this: Congress should equip itself with its own experts and sufficient staff to do the work which should be done and must be done. When we created these expert executive bureaus under the executive department we surrendered our power and supervision over them.

I wish to state that my views are, first, that Congress should assume its power to regulate commerce; second, that we must be helpful to other countries, but at the same time protect our own economy; and, third, that we should be in a position to determine ourselves the type of trade in which we can most suitably engage.

It is time for some realistic thinking upon the subject of tariff and foreign trade. The United States has been able to help in the prosecution of the war because it is relatively independent and self-supporting. It can help rebuild the postwar if we remain strong internally. Our greatest contribution to world recovery can be made only if we keep our own country powerful and retain our ability to supply most of our own needs.

AGRICULTURE

The farmers of the Nation were told in 1934 that the Reciprocal Trade Agreement Act would result in restoring foreign markets for surplus farm crops—that it would open up new markets and would not result in any increase in competitive farm imports. We have now had 11 years' experience with this program. It has failed to furnish markets for farm products, it has given the American market to the foreign producer, and it has greatly increased imports of competitive farm products.

The war and its abnormal demand for farm products has saved the reciprocal-trade agreements from complete failure as far as agriculture is concerned.

The statement has often been made that the American farmer has been "sold down the river" by the reciprocal trade agreements. This is vigorously denied by proponents of the legislation. In checking the figures furnished by the Tariff Commission I believe there is justification for the statement. We have increased our sales of automobiles, refrigerators, typewriters, and other nonagricultural products and taken in return increased importation of agricultural products.

Let us analyze what happened to farm imports, using as a base the year 1934, which was the year we passed the trade-agreements program. In 1937 agricultural imports had increased 102 percent from trade-agreements countries while nonagricultural products from the same countries had increased only 77 percent. These farm imports show a substantial increase in every year following enactment of the reciprocal trade agreements program. During the year 1937 the imports of nonagricultural products increased only 77 percent from these same countries. It seems to me this is positive proof that agriculture is being outtraded in behalf of industry in the trade-agreements program.

Now let us see what happened to our farm exports, using the year 1934 as a base during the same years.

In 1937 farm exports to trade-agreement countries increased only 34 percent while that same year exports of nonagricultural products increased 84 percent. Agricultural exports in 1940 were 10 percent less than in 1934. In other words a 10 percent minus, but that same year, namely, 1940, the export of nonagricultural products increased 185 percent. I am placing these tables in the RECORD and would urge you to study them closely. Much time can be spent in analyzing these tables. The more time you spend on them the more convinced you will be that agriculture is not benefiting from the program, but is being "sold down the river."

United States domestic exports, 1934 and 1937–43

[Value in millions of dollars]

Year	Value			Percentage increase over 1934		
	All products	Agricultural products	Nonagricultural products	All products	Agricultural products	Nonagricultural products
	A. To all countries					
1934 [1]	2,099	733	1,366			
1937	3,299	798	2,501	57	9	83
1938	3,057	827	2,230	46	13	63
1939	3,123	655	2,468	49	[2] −11	81
1940	3,934	516	3,418	87	[2] −30	150
1941	5,020	669	4,351	139	[2] −8	219
1942 [3]	7,960	1,179	6,781	279	61	397
1943 [3]	12,591	2,074	10,517	500	183	670
	B. To trade-agreement countries					
1934 [1]	1,272	400	872			
1937	2,140	535	1,605	68	34	84
1938	1,970	583	1,387	55	46	59
1939	2,106	457	1,649	66	14	89
1940	2,842	361	2,481	123	−10	185
1941	3,694	562	3,132	190	41	259
1942 [3]	4,766	915	3,851	275	129	342
1943 [3]	7,043	1,374	5,669	454	243	550
	C. To non-trade-agreement countries					
1934 [1]	827	333	494			
1937	1,159	263	896	40	[2] −21	82
1938	1,087	244	843	32	[2] −27	71
1939	1,017	198	819	23	[2] −41	66
1940	1,092	155	937	32	[2] −53	90
1941	1,326	107	1,219	60	[2] −68	147
1942 [3]	3,194	264	2,930	286	−20	494
1943 [3]	5,548	700	4,848	571	112	883

[1] Exports to the Virgin Islands of the United States have been deducted from the reported totals for 1934 to permit comparisons with the later years.
[2] Decrease.
[3] Preliminary.

Source: Compiled from official statistics of the U. S. Department of Commerce.

United States imports for consumption, 1934 and 1937–43

[Value in millions of dollars]

Year	Value			Percentage increase over 1934		
	All products	Agricultural products	Nonagricultural products	All products	Agricultural products	Nonagricultural products
	A. From all countries					
1934 [1]	1,635	821	814			
1937	3,010	1,579	1,431	84	92	76
1938	1,950	956	994	19	16	22
1939	2,276	1,118	1,158	39	36	42
1940	2,541	1,286	1,255	55	57	54
1941	3,222	1,668	1,554	97	103	91
1942 [2]	2,769	1,271	1,498	69	55	84
1943 [2]	3,381	1,514	1,867	107	84	129
	B. From trade-agreement countries					
1934 [1]	1,061	513	548			
1937	2,006	1,037	969	89	102	77
1938	1,285	612	673	21	19	23
1939	1,551	718	833	46	40	52
1940	1,776	876	900	67	71	64
1941	2,325	1,245	1,080	119	143	97
1942 [2]	1,968	874	1,094	86	70	100
1943 [2]	2,554	1,147	1,407	141	124	157
	C. From non-trade-agreement countries					
1934 [1]	574	308	266			
1937	1,004	542	462	75	76	73
1938	665	344	321	16	12	20
1939	725	400	325	26	30	22
1940	765	410	355	33	33	33
1941	897	423	474	56	37	78
1942 [2]	801	397	404	39	29	52
1943 [2]	827	367	460	44	19	73

[1] Imports from the Virgin Islands have been deducted from the reported totals for 1934 to permit comparison with the later years.

[2] Preliminary.

Source: Compiled from official statistics of the U. S. Department of Commerce. Figures for 1934 from an arrangement of the basic data by the U. S. Department of State making the agricultural and nonagricultural groups comparable with those of later years.

Now, let us analyze the tariff reductions for agriculture and the total percentage of reduction that has been made. There have been a total of 1,190 rate reductions in the trade agreements and of this number agriculture sustained reductions in about one-fourth of this total number. The value of imports in 1939 under schedule 7, which is the general agricultural schedule, was $173,808,000. Of this amount $118,244,000, or 68 percent of the total, was subject to rate reductions. The average rate of tariff before reduction on the general agricultural schedule No. 7, before trade agreements, was 43 percent, and the percentage after the reduction was 23 percent. This means that agricultural products in general have already had a 46-percent reduction in tariff. This brings me to the question: Does the State Department want this additional 50-percent authorization to further reduce the tariff on farm products? You will note from the following table that only 4 percent remains for trading purposes. It has been completely used up on the sugar schedule and the beverage schedule and 25 percent on the tobacco schedule.

In view of the fact that the State Department has been willing to reduce farm tariff protection 46 percent in the last few years, is there any reason to doubt that they would continue the same process for the next few years? Agriculture cannot stand further tariff reductions.

Analysis of rate reductions for agricultural products

[Values in thousands of dollars]

	Schedule 5, Sugar	Schedule 6, Tobacco	Schedule 7, General agriculture	Schedule 8, Beverages
Value of imports, 1939	90,543	35,999	173,808	59,076
Value of imports in 1939 that would be subject to rate reductions in effect Feb. 1, 1943	83,929	35,928	118,244	55,652
Percent of total	93	100	68	94
PERCENTAGES				
Average rates before reduction	74	76	43	113
Average rates after reduction	37	57	23	57
Average reduction in rates	50	25	46	50
Number of rates reduced to Nov. 14, 1944	10	10	245	17

FARM PRICE SUPPORT

When we are considering legislation authorizing further reductions in tariffs on agricultural products we must study its effect on our farm-price-support program. Congress has approved legislation guaranteeing farmers 90 percent of parity for a period of 2 years following the close of the war. It will, no doubt, be necessary to finance a large part of this guaranteed farm price by Federal subsidy or loans. As our market will be higher than the world price, will it not be necessary to protect it from a flood of cheap competitive farm commodities?

The financing of a 90-percent parity price for farm products from the Federal Treasury will be a real burden on our taxpayers. It can be justified for domestic production, but there can be no justification for giving the foreign producers our prices in our own market. The American farmer is entitled to the American market. He cannot compete with the cheap lands and cheap labor of foreign countries. The Government price on corn in Argentina is 58½ cents per bushel. Our farm price is $1.10 per bushel. The present tariff on corn and the ocean freight rate makes it possible to place this corn in the United States at much less than prices supported by the Government.

Flaxseed is selling in Argentina at $1 or less per bushel. Our domestic price, which is supported by a subsidy, is $2.50 per bushel. The tariff on flaxseed is 50 cents per bushel. Is it not reasonable to assume there will be large importations of flaxseed after the war if we do not protect our market?

Following is a United Press story on the price of Argentina corn:

BUENOS AIRES, May 2 (U. P.)—The Argentine Government has fixed the price of corn for the 1944–45 crop at 7.70 pesos per 100 kilos—approximately 58⅓ United States cents per United States bushel—it was officially announced today.

Mr. Chairman, I believe a 50-percent reduction in duty on corn from Argentina would mean serious competition to the corn growers of the Nation. Let me illustrate by using 100 bushels of corn f. o. b. New York.

100 bushels Argentine corn, at 58½ cents per bushel	$58.50
Duty (12½ cents per bushel)	12.50
Ocean freight to New York	7.50
Landed cost at New York	78.50
100 bushels corn in Illinois, farm price(?)	110.00
Freight, Chicago to New York	18.20
Landed cost at New York	128.20
Argentine corn f. o. b. New York	78.50
Advantage to Argentina	49.70

This would give the Argentine farmer an advantage of about 50 cents per bushel. A 50 percent further reduction in tariff on Argentine corn would make the tariff 12½ cents per bushel. The tariff on corn under the 1930 act was 25 cents per bushel.

Section 22 of the Agricultural Adjustment Act of 1933, as amended—United States Code, 1940 edition, title 7, section 624—authorizes the President to impose restrictions on imports either in the form of quotas or by special import fees when such action is found necessary to prevent imports from seriously interfering with certain domestic agricultural programs. The programs in question are those under the Agricultural Adjustment Act of 1933, the Soil Conservation and Domestic Allotment Act and section 32 of Public Law No. 320 of the Seventy-fourth Congress—which appropriates 30 percent of customs revenues for enumerated agricultural benefit programs. The quotas must be at least as large as 50 percent of the average annual imports in the period 1929 to 1933 inclusive. The import fees may not exceed 50 percent ad valorem.

In view of the price-support legislation enacted by Congress during the war, under which producers are guaranteed prices at least 90 percent of parity for 2 full years after the close of hostilities, there may be occasion in the near future to consider the necessity of limiting imports of some agricultural products unless this Government is willing to grant what amounts to a substantial subsidy to foreign producers or exporters of such commodities. The reason for this is that the prices of many of these commodities in the United States are likely to be a

great deal higher than those prevailing for similar commodities in foreign countries, even when import duties and shipping charges are added to the foreign prices. As an example, it is likely that the postwar United States price of flaxseed will be about $2.50 per bushel. The current farm price for flaxseed in Argentina is less than $1 per bushel, even in the face of a severe crop failure in that country last year. The United States duty which will apply after the war on imported flaxseed is 50 cents per bushel. It is reasonable to expect that after the war the domestic price of flaxseed will be more than $1 in excess of the Argentine price plus shipping charges plus United States import duty. This price advantage will certainly stimulate large imports. On the other hand, it is reasonable to expect that with such a domestic price prevailing the production in the United States will be quite large. This is especially so unless this Government is willing to subsidize large exports of wheat, because with our domestic price of wheat far above the world price we will either have to curtail the crop of wheat or pay bounties on its export. Much of the land which may be taken out of wheat production is suitable for flaxseed production.

Average annual imports of flaxseed in the period 1929–33 were nearly 15,000,000 bushels, so that even if it were possible to apply import quotas on this product under section 22 the quota would be over 7,000,000 bushels. However, there may be serious doubt as to whether any program within the purview of section 22 will be in effect with respect to flaxseed after the war. The question accordingly presents itself as to whether the scope of section 22 should be broadened so that it may be invoked to protect the wartime price programs which will continue after the war.

OIL INDUSTRY

We must protect the oil industry, not only from an economic viewpoint, but because of a military necessity. It would be most unfortunate if we had to depend on imported oil for war purposes. It might be disastrous. The submarine took a severe toll of shipping carrying oil imports during this war.

The domestic oil industry cannot compete with large volume foreign production. Surely no one would challenge that statement. Our oil imports are from fields which have wells of large production. We have wells of this type in the United States but our production per well has been controlled by legislation providing conservation of our oil resources. The oil industry pays a high level of wages and the workers receive the benefits of such legislation as the wage-hour law and social security. Foreign producers not only pay low wages but benefit greatly from low taxes.

Russell B. Brown, general counsel for the Independent Petroleum Association of America, appeared before the Ways and Means Committee and made the following statement:

We have good reason to be fearful of the menace of foreign oil in the postwar period. Realization of such fear need not wait on final victory in the Pacific. There will be available for entrance into civilian channels of consumption a far greater volume of oil in South America and in the Middle East than ever before. It has also been suggested in a recent Department of Commerce publication that Russia may become an exporter of oil, and other articles by the staff of that Department have indicated that Russian discoveries of petroleum fields have in recent years added enormously to that country's resources.

As a result of great expansion during the war in the oil fields of our own country as well as foreign countries we will be producing more oil than can be consumed in the postwar period. The oil produced in foreign countries in flush production fields at low wages can and will enter into competition with oil produced in the United States. It might be possible to compete with oil producers of foreign sources if we had a reduction in salaries and wages and a reduction of taxes. No one would consider reducing the wages in the oil industry or the standard of living of our oil people. This can mean but one thing—the oil industry of the United States must be protected.

Let us keep in mind that our Nation is the most concentrated market for petroleum in the entire world. The last complete registration figures for total number of passenger cars, busses, and trucks ir the United States was 30,136,500 on January 1, 1944. The total number of the same type vehicles outside the United States was 10,309,670. In other words, we have three passenger cars, busses, and trucks for each one outside the United States. It is only reasonable that the foreign oil producers will be looking to this country for a market for their stimulated production. The two principal producing areas which threaten the oil market of the United States, if not the world, are the middle east and the Caribbean. Expansion has been great in both of these areas. During 1938 South America's oil production totaled 671,625 barrels daily. During 1944 it had increased to 925,342 barrels daily. It is estimated that it will reach 1,212,000 barrels daily in 1945, or an increase of 540,000 barrels daily over 1938. The middle east production, which comes largely from the Mediterranean and Persian Gulf section, will produce approximately 1,000,000 barrels daily in 1945. This area's production has doubled or trebled within the last 4 years.

Mr. Ralph T. Zook, president of the Independent Petroleum Association of America, has recently stated that oil can be delivered from the Persian Gulf, f. o. b. New York via tanker at a cost of about $1.17½ per barrel. The price of east Texas oil freight on board New York Harbor is $1.64 a barrel, which allows the middle east producer a substantial margin over American production costs.

The trade agreement with Venezuela entered into in 1939 reduced the import tax on crude petroleum and fuel oil the full 50 percent authorized in the original Reciprocal Trade Agreements Act. The reduction was from 21 cents per barrel to 10½ cents per barrel, or one-fourth cent per gallon. A further reduction of 50 percent as authorized in this bill would reduce the import tax to 5½ cents per barrel, or one-eighth cent per gallon.

There can be no question but what the oil industry suffered as the result of the Venezuela trade agreement. It is interesting to note that from 1938 through 1942, 25 percent of the corporations engaged exclusively in the production of oil and gas in the United States went out of business. During this same period the importing companies were absorbing an even greater portion of our domestic industry.

Let us protect this great industry and preserve it for economic and military needs.

TABLE 2.—*Actual and estimated oil production from South America*[1]

[Barrels daily, 42-gallon]

Country	Actual, 1938	Estimated, 1944	Net increase
Argentina	46,784	66,120	19,336
Bolivia	619	1,161	542
Colombia	59,129	64,208	5,079
Ecuador	6,153	6,831	678
Peru	43,395	57,377	13,982
Venezuela	515,545	729,508	213,963
Others	0	137	137
Total	671,625	925,342	253,717

[1] Oil Weekly, Dec. 11, 1944, Trends of Crude Oil Production by Countries.

TABLE 3.—*Actual and estimated oil production from Middle East*[1]

[Barrels daily, 42 gallons]

Country	1938	1944	Net increase
Egypt	4,331	24,590	20,259
Iran (Persia)	214,718	278,689	63,971
Iraq	89,433	90,164	731
Saudi Arabia	1,356	16,394	15,038
Bahrein	22,734	23,907	1,173
Total	332,572	433,744	101,172

[1] Oil Weekly, Dec. 11, 1944, Trends of Crude Oil Production by Countries.

TABLE 4.—*Competitive cost of Middle East and east Texas oil f. o. b. New York*

[Middle East oil via Suez Canal]

	Per barrel
MIDDLE EAST	
Production cost	$0.10
Royalty average	.21
Tanker from the Persian Gulf to New York via Suez Canal. Present day, modern tanker, foreign officers and crew	.61
Loading cost	.02
Present tax on imported oil from countries having "friendly nations contracts"	.10½
Toll charge through Suez Canal	.13
Total out-of-pocket cost	1.17½
Difference in refinery realization against Arabian oil	.20
Total out-of-pocket competitive cost f. o. b. New York	1.37½
EAST TEXAS	
Market price	1.25
Gathering charge published rate	.05
Pipe line to Gulf published rate	.10
Loading at Gulf	.02
Tanker to New York. Present day, modern tanker, American crew. Foreign crews cannot operate coastal vessels	.20
Total f. o. b New York	1.62

TABLE 5.—*Competitive value of Middle East and California oil f. o. b. Los Angeles refineries*

	Per barrel
MIDDLE EAST	
Production cost	$0.10
Royalty average	.21
Tanker from the Persian Gulf to Los Angeles refineries. Modern tanker, foreign officers and crew	.61
Loading cost	.02
Present tax on imported oil from countries having "friendly nations contracts"	.10½
Total out-of-pocket cost	1.04½
Difference in refinery realization against Arabian oil	.20
Total competitive cost	1.24½
KETTLEMAN HILLS 38 GRAVITY	
Market price	1.33
Gathering and pipe-line transportation costs	.17
Total f. o. b. refinery	1.50

CATTLE

Further cuts in tariff on cattle and beef products can bring disaster to a great industry in the postwar period. The war saved the cattle industry from the effects of trade-treaty tariff reductions and increased number of cattle. It has been demonstrated conclusively by Federal market reports that our terminal market suffered sharply lower prices as a result of Canadian cattle imports. Stockmen have written me that the market would break from 25 cents to $1 a hundredweight on large runs of quota Canadian cattle. This reduced price is a direct loss of from $2.50 to $10 per 1,000-pound steer. This is serious to a cattle producer. What is the postwar situation? Not only has the cattle population of the United States increased, but that same situation prevails in Mexico, Canada, and South America.

Mr. F. E. Mollin, executive secretary, National Livestock Association, in appearing before the Ways and Means Committee, stated:

> We know, when the war is over, if we have conditions anything like those today with regard to livestock numbers, that we are going to be producing more meat than this country can consume, at prices that are anything in line with what we hoped to get, and we do not want, at that time, to have inducements given to Canada or Mexico or Argentina with its canned beef, or anybody else, to increase the supply on a market that will already be overloaded.

Our cattle population has increased from 68,801,000 head in 1940 to 81,760,000 in 1945. I think it is generally agreed that this large number of cattle will be a burden on our domestic markets as soon as war purchases cease.

There has been a reduction in tariffs on cattle and beef products in the Canadian, Mexican, Cuban, and Argentina agreements. In the Argentina trade agreement of 1941 canned beef was reduced from 6 cents to 3 cents a pound; hides reduced from 10 percent to 5 percent ad valorem, and tallow reduced from one-half cent per pound to one-fourth cent per pound. These rates were reduced the full 50 percent authorized under the original Trade Agreements Act. This legislation, if enacted into law, would permit another cut of 50 percent on these items. Our imports of canned beef from South America prior to the war ran around 80,000,000 pounds per year. Some of those years this figure was exceeded. Shortly before the war began the Army made its first purchase of South American canned beef. In these purchases it was found that they could undersell the American producers by about 15 cents per pound. Under these circumstances the 6 cents per pound tariff, which was reduced to 3 cents, was purely gratuitous on our part. The American livestock producer and cattleman cannot compete with the cheap lands and cheap labor of South America. The reduction in the tariff on hides to Argentina was also a gratuity as we receive large importations annually regardless of the reduction in tariffs.

At the present time we have a quota on imports of Canadian cattle at the reduced tariff rates, namely, 225,000 head weighing more than 700 pounds, and 100,000 head weighing less than 200 pounds.

In the Mexican agreement of 1943 we have a quota of 400,000 head weighing between 200 and 700 pounds. Canada is now looking toward the United States for a market for her greatly increased number of cattle following the war. She is hoping to increase the quota to 500,000 head. Should this quota of 500,000 head be granted by the State Department it would be approximately 4 percent of our average federally inspected cattle slaughter. At the present time Canada is shipping her beef to Great Britain, and she fully realizes that Britain will purchase her beef in South America as soon as shipping is available. Mexico, which has a quota of 400,000 head, produces these cattle on cheap lands and with cheap labor at a price that cannot be met by our livestock men. The heavy imports of cattle, dressed beef and canned beef from Canada, Mexico, Cuba, and South America with cattle numbers expanding constitute a major threat to the cattle industry. There must be no further reduction in this tariff.

Total slaughter, cattle and calves

United States:
- 1942 ---------- 27,619,000
- 1943 ---------- 27,683,000
- 1944 (revised) ---------- 33,700,000

Total slaughter (farm slaughter not included) first 4 months of 1945, 14 percent above same 4 months of 1944.

Quotas under trade agreements made with Canada and Mexico now suspended for the duration

Canadian agreement:
- 1936:
  - Cattle weighing less than 175 pounds ---------- 51,933
  - Cattle weighing more than 700 pounds ---------- 155,799
- 1939:
  - Cattle weighing less than 200 pounds ---------- 100,000
    (Superseding the original quota on cattle weighing less than 175 pounds)
  - Cattle weighing more than 700 pounds ---------- 225,000

Mexican agreement:
- 1943: Cattle weighing over 200 pounds and less than 700 pounds ---------- 400,000

(Recently Canadian meat interests have suggested that the British market for Canadian beef may not extend beyond 1946 and have suggested seeking a raise in the quota on cattle weighing more than 700 pounds from 225,000 head to 500,000 head. If this request were granted it would make a total quota for the two countries of exactly 1,000,000 head of cattle.)

Reduction in tariff

Canadian agreement:
- 1936:
  - Cattle weighing more than 700 pounds reduced from 3 to 2 cents per pound.
  - Calves weighing less than 175 pounds reduced from 2½ to 1½ cents per pound.
- 1939: Cattle weighing more than 700 pounds reduced from 2 to 1½ cents per pound.

Mexican agreement:
- 1943: Cattle weighing between 400 and 700 pounds reduced from 2½ to 1½ cents.

Cuban agreement:
- 1942: Dressed beef reduced from original preferential rate of 4.8 to 3 cents per pound.

(This reduction does not apply to other countries.)

Cattle population

United States:
- 1940 ---------- 68,801,000
- 1945 ---------- 81,760,000

Mexico:
- 1930 ---------- 10,083,000
- 1940 ---------- 11,603,000

(No recent figure available. Cattle numbers thought to have increased since that time.)

Canada:
- 1939 ---------- 8,375,000
- 1944 ---------- 10,346,000

Argentina:
- 1937 ---------- 33,207,000
- 1942 ---------- 31,460,000

(Decrease no doubt due severe drought of last 2 or 3 years.)

Uruguay:
- 1937 ---------- 8,297,000
- 1943 ---------- 6,256,000

(Decrease no doubt due severe drought of last 2 or 3 years.)

Brazil:
- 1938 ---------- 40,076,000
- 1942 ---------- 42,500,000

Cuba:
- 1941 ---------- 5,335,000
- 1942 ---------- 4,897,000

(1936–40 average, 5,024,000.)

Beef and veal production

United States:	*Pounds*
1936 (high for peacetime)	8,433,000,000
1939	8,002,000,000
1944	10,779,000,000

(For first quarter 1945 total beef and veal production 345,000,000 pounds above same quarter 1944.)

Canadian exports

Canada:
- Total Canadian exports cattle and beef converted to dressed beef basis:
- 1938–42: Average 90,000,000 pounds.
- 1944: Exceeded 112,000,000 pounds.
- 1945: Estimated to exceed 134,400,000 pounds (note 1945 figure is increase of approximately 50 percent over 5-year average 1938–42).

SHEEP AND WOOL

The American wool grower and sheep raiser cannot compete in a free market against foreign wool. This industry must have an increase in the tariff or import quotas must be granted. The United States Tariff Commission made an extensive study of this industry's problem. The report shows that the loss in the sheep business per head of sheep in 1944 was $1.22. The loss per pound

of wool was 10.8 cents. The income of the sheep grower declined 12 percent from 1942 to 1944 and during this same period the cost of production increased 29.5 percent. The industry is in a most serious situation. The sheep population of the country is decreasing at a rather alarming rate as a result of the loss being taken in the industry.

The war has demonstrated the necessity for domestic production of both food and fiber. The whole question, as far as the industry is concerned is, Does our Government want a domestic sheep industry in this country? There can be only one answer and that is, we must maintain it and the producers must receive at least cost of production.

The United States produces from 420,000,000 to 450,000,000 pounds of grease wool annually, and our worsted apparel-fabric industry consumes approximately 600,000 pounds on a pre-war year basis. The wool-raising industry is tied up with farming and meat production, and according to the 1939–40 census there were 584,935 farms raising sheep. The wool produced annually amounts to approximately $165,000,000. It is estimated that well over 500,000 people are engaged in full- or part-time production of raising wool. The American wool grower cannot compete in a free market against foreign wool. Our producers pay higher wages and operate on higher priced lands than those of foreign countries. This industry must have protection if we are to maintain it for the important place it takes in war and peace.

Mr. J. N. Jones, secretary of the National Wool Growers Association, testifying before the Ways and Means Committee stated:

The present market for domestic wool is the military market. Ordinarily, consumption of wool in the United States exceeds production by 25 to 35 percent. Today foreign wools are sold here at Government fixed prices which are below our own cost of production, and the result is that consumption of wool under the present conditions amounts to approximately 75 cents foreign and 25 cents domestic. This deprives the American wool grower of practically his entire civilian market and a large share of the temporary wartime markets. The question, therefore, resolves itself down to the effect that these large importations of foreign wools under the present price schedules will have on the domestic market.

The threat of future reciprocal trade agreements is cause for grave concern. Through trade agreements with the United Kingdom, France, Argentina, and Mexico duties on wool, lambs and wool imported in manufactured form have been reduced. The duty on wool imported in the form of rags was reduced from 18 cents to 9 cents per pound. This agreement became effective November 17, 1938. In the next 2 years the importation of rags, chiefly from Great Britain, increased over 200 percent from the average imports of the past 8 years. The increase in the types of cloth and clothing in the same year were 219 percent and 69 percent, making the equivalent of 20,000,000 pounds of wool. Is it any wonder that the sheep growers are greatly concerned about future reciprocal trade agreements? Imports of foreign wool were further increased by tariff agreements with France in 1936 and Argentina in 1941. An agreement with Mexico signed December 23, 1942, reduced the duty on sheep and lambs from $3 per head to $1.50 per head. Negotiations were under consideration with Australia at the outbreak of the war. As Australia is the largest producer of wool in the world our sheep producers cannot help but be concerned about any reciprocal trade agreements that might be made with them.

World production of wool

[In millions of pounds, grease basis]

	1937	1940	1943
Australia	1,023	1,142	1,110
Argentina [1]	366	474	510
United States	424	437	448
New Zealand	297	332	310
British South Africa	233	271	250
Russia	260	330	230
Uruguay	116	139	136
United Kingdom	123	126	103
China	80	90	90

[1] Argentina wools are coarse and largely below 44's in grade and thus are not classified as apparel wool.

Source: U. S. Department of Agriculture.

On an average, the United States raises from 11 to 12 percent of all the wool produced in the entire world.

Importation of rags, noils, and wastes

Year	Scoured basis	Foreign dollar value
	Pounds	
1931	3,800,000	$1,779,686
1932	2,600,000	973,398
1933	5,400,000	1,690,248
1934	3,100,000	1,184,709
1935	7,200,000	2,827,627
1936	19,900,000	7,630,495
1937	14,500,000	6,761,690
1938	3,800,000	1,722,857
1939	18,300,000	6,004,939

Comparing these figures with the imports of apparel wools, on a scoured basis, for the same years, we find that the importation of wastes averaged approximately 24 percent of the importation of wool. A dollar value comparison of these imports for these years will produce the same proportionate relationship.

AGREEMENT BETWEEN UNITED STATES AND GREAT BRITAIN

Mr. Chairman, in the British master agreement, which is an agreement between the Government of the United States of America and the United Kingdom, on the principles applying to mutual aid in the prosecution of the war against aggression which was provided for in the act of March 11, 1941, we find a very interesting statement regarding the reduction of tariffs and removal of trade barriers. This statement was signed on behalf of the United States by Sumner Welles, Acting Secretary of State, and on behalf of the United Kingdom by Lord Halifax, Ambassador from the United Kingdom.

In article 7 you will find "to the elimination of all forms of discriminatory treatment in international commerce and to the reduction of tariffs and other trade barriers."

This very laudable purpose was agreed to by the chosen representatives of these nations. I have no doubt but what the signatories to this agreement entered into the contract with every good faith. They wanted to eliminate tariff barriers and promote the general well-being. However, Prime Minister Churchill did not agree to article 7 in the British master agreement, and so stated. Speaking before the House of Commons in May 1944, Prime Minister Churchill stated:

What I am concerned to do is to show to the House and also to the members of my own party how strictly I have during my stewardship safeguarded the structure of imperial preference.

Again, in February 1942, when the United States was our closest ally, I did not agree to article 7 of the mutual-aid agreement without having previously obtained from the President a definite assurance that we were no more committed to the abolition of the imperial preference than the American Government were committed to the abolition of their high protective tariffs.

This seems to me to be positive proof that while our State Department enters into agreements for tariff reductions and removal of tariff barriers that the Prime Minister can and does set these agreements aside.

Following is article 7 of the British master agreement, which was signed in Washington on February 23, 1942.

In the final determination of the benefits to be provided to the United States of America by the Government of the United Kingdom, in return for aid furnished under the act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the United Kingdom, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the joint declaration made on August 12, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded governments.

The following is quoted from a speech by Mr. Churchill, Prime Minister of Great Britain, before the House of Commons in April 1944:

What I am concerned to do is to show to the House, and also to members of my own party, how strictly I have, during my stewardship, safeguarded the structure of imperial preference, which has arisen out of the controversies and achievements of the last 40 years, against any danger of being swept away in the tumult of this war. At my first meeting with the President of the United States at Argentia in Newfoundland, at the time of the so-called Atlantic Charter and before the United States had entered the war—a meeting of very anxious and critical importance—I asked for the insertion of the following words which can be read in that

document: "With due respect for their existing obligations."

Those are the limiting words, and they were inserted for the express purpose of retaining in the House of Commons and the dominion parliaments the fullest possible rights and liberties over the question of imperial preference. Again, in February 1942, when the United States was our closest ally, I did not agree to article 7 of the mutual-aid agreement without having previously obtained from the President a definite assurance that we were no more committed to the abolition of imperial preference than the American Government was committed to the abolition of their high protective tariffs. The discussions as to how a greater volume of trade and a more harmonious flow of trade can be created in the immediate postwar years in agreement leaves us, in every respect, so far as action is concerned, perfectly free. How could it otherwise be when Parliament itself would not only have to debate the matters, but would have to legislate upon them when they were brought before it?

Mr. Chairman, there has been much discussion as to the views of certain labor leaders and I am including statements made before our committee.

STATEMENT OF MATTHEW WOLL, PRESIDENT, AMERICAN WAGE EARNERS PROTECTIVE CONFERENCE (TARIFF GROUP OF THE AMERICAN FEDERATION OF LABOR); ALSO PRESIDENT, UNION LABEL TRADES DEPARTMENT OF THE AMERICAN FEDERATION OF LABOR

Mr. WOLL. My name is Matthew Woll; the address is 570 Lexington Avenue, New York City.

The CHAIRMAN. How much time will you require, Mr. Woll?

Mr. WOLL. About 45 minutes.

The CHAIRMAN. There is a committee agreement that no witness shall be given more than 30 minutes. This is a matter in which the chairman has no discretion. You may proceed for 30 minutes.

Mr. WOLL. Mr. Chairman and members of the committee, my appearance and presentation at this time is in opposition to the extension of the trade-treaty program submitted to your committee for its consideration, and to urge that a limitation be imposed providing that competitive imports of workers in foreign countries be denied entry in American markets at total landed costs, tariff duties paid, which are less than American costs of production and wholesale ceiling price of products of American workers when such competitive products of American workers are commercially available.

In contemplating the extension of the trade-treaty program, at this time, two principal considerations should guide us. One is that war conditions have disrupted completely all normal trade between nations. We should therefore keep in mind the abnormality of current conditions. The other is that we should keep before us the oncoming days of peace and the reestablishment of a peacetime economy.

While still operating under restrictions and artificial conditions of war, we must not lose sight of the situation which the cessation of hostilities will bring, nor of the economic forces which will become operative when peace is established.

So long as the war continues, the necessities of war will, of course, continue to shape our foreign trade no less than our domestic production. Import duties under such conditions are of minor importance. Wartime needs and the availability of essential products, and of shipping, determine the course of imports and exports. The primary concern in considering the extension of the trade-treaty authorization is therefore with postwar trade policies.

Undoubtedly many changes will have occurred before the war ends, setting off the postwar from the prewar world. For several years abnormal conditions will prevail. There will be a shift in the countries in the order of their importance in our trade, and this will represent a change in the international competitive conditions.

The experience of the war, and of the prewar years, naturally suggests a reexamination of our position as well as of the principles which we have followed in the past. It is important that we avoid errors that can only lead to disastrous consequences. We should examine very closely certain ideas and doctrines that have gained currency during the war. We must take care that in seeking to build for peace we do not permit our eagerness and our national desires to help the rest of the world to lead us into false actions which, however idealistic and seemingly conducive to peace, will end not only by not helping others, but by injuring ourselves immeasurably.

TRADE NO GUARANTY OF PEACE

It is obvious that we have a trade-treaty program on the one hand, and a world at war in a number of sectors on the other. Let us overlook or disregard the contention that the trade-treaty program arrived on the scene too late to prevent the outbreak of hostilities, or to draw us into the present world conflict, based on economic struggles of long standing even though the program had been in effect long enough to produce the alleged gains in trade claimed for it. Since the later claim is erroneous, we may agree that nothing occurred which would have produced any appreciable effect upon the economic difficulties which presumably underlay the war.

It is said international trade leads to intradependence. This, according to the theory, would lead to international pacification. Yet at the same time it appears that international rivalry grows, to some extent, at least, out of competition for control of raw materials.

Now, too, international interdependence based on trade produces international vulnerability to economic distribution. Should the war come to an end tomorrow, we cannot escape the depressing consequences of a general demoralization, military and industrial, and the ensuing unemployment. Now, this is not set forth as a counsel of isolationism, as some would have you believe, but to deflate the fallacy that international intradependence is a guaranty of peace.

We need look back only a few years to the days when trade treaties were proposed as instrumentalities of world peace. We have embarked on the one hand upon a course which is calculated to increase the standard of living in this country by establishing minimum wages and shorter hours. We undertook on the other to lower our tariff rates, thereby exposing our relatively higher wage structure to the competition of low-wage products of workers in other countries.

This action would not have been inconsistent if we had restricted our tariff-rate reduction to those considerations which did not come into either direct or indirect competition with the products of our own factories, farms, and mines. Although the negotiators of the trade treaties profess to have taken care that only those tariff rates on products that did not compete too seriously with the domestic output should be reduced, this avowed care was quite ineffective because, among other things, of our adherence to the unconditional most-favored nations clause.

TRADE TREATIES ILLEGAL

In considering the proposal of further extending both the time as well as discretionary authority enhanced in the trade-treaty program, it is well that we first consider the question of legality. In our judgment, these trade treaties are contrary to the Constitution of the United States. They are contrary to the express policy of every Democratic Party-controlled Congress from 1882 to 1932. They are contrary to and virtually set aside and nullify the protection of jobs and standards of living which American workers receive through the Asiatic exclusion law, restrictive immigration law, and the fair labor standards law.

Former Secretary of State Hull, in serving as Congressman and Senator, bitterly opposed the granting of taxing and treaty-making power to any appointed officers of our Government.

Every leader of the Democratic Party prior to 1933 has publicly opposed this type of legislation.

Then, too, we hold that the taxing power of our Federal Government, under our Constitution, is vested solely and exclusively in the Congress of the United States, and that Congress is without authority to delegate this taxing power to the executive branch of the Government.

Under our Constitution, all revenue measures must originate in the House of Representatives. This power to originate revenue measures cannot be delegated to any other agency of Government. Indeed, the Senate cannot act on measures affecting revenue without the House of Representatives having first considered such measures. The House of Representatives has sole and exclusive authority of dealing originally with any and all measures pertaining to or involving revenue.

That the trade-treaty program is a revenue measure is well evidenced by the fact that the present proposal finds its origin in the House of Representatives. Had the Senate attempted to set aside or disregard this constitutional provision, we are confident the House of Representatives would have clearly and unmistakably revolted against such a new procedure.

Then, again, we find further evidence in support of this contention in the well-known and historical policy of the Democratic Party that tariff rates can only be justified and be used solely for revenue-producing purposes. It is, therefore, our contention that the attempt to continue and to enlarge the discretionary authority of the State Department to decrease the revenue at will, is wholly without constitutional sanction and is unwarrantably delegating authority from one branch of Government to that of another.

Aside from the legal and constitutional questions involved, there is to be considered the danger of depriving the citizens of our land of the opportunity of petitioning their Government through its Legislature in matters which vitally affect their property, persons, and their livelihood, whether as proprietors of industry or of labor. Then too, there is involved in this proposal the development of a bureaucracy, a development wholly at variance with our American concept of a free and democratic people and our republican form of government.

Then, too, if we are ultimately to forsake our original moorings and venture into permanent international arrangements through covenants instead of treaties, we must, at least, insist that such covenants be openly arrived at and not be negotiated in secrecy, and that all parties affected either in their properties or persons shall be given the opportunity of presenting their point of view honorably and fairly for consideration, not by listening posts but by those who are actually entrusted with and do the negotiating of such trade treaties.

AMERICAN PLANTS IN FOREIGN COUNTRIES

In the development of an extension or enhancement of international trade there enters the question of methods of production, costs of materials, wage structure, and terms and conditions of employment prevailing in the countries at interest.

It is a well-known fact that the wage levels of the various foreign countries differ widely, the lowest levels, in general, being found in the Far East countries.

The 10-year annual real income per worker from 1925 to 1934, inclusive, in various countries has been estimated as follows:

China	$110
Italy	343
Japan	353
Germany	646
France	685
Great Britain	1,069
United States	1,381

This means that when we import goods to the value equal to those that we export, we actually import more man-hours of work than we export. Therefore, the exports by which we balance imports do not represent the amount of employment that is lost through importation of competitive goods that could be produced in America, and which would provide some of the 60,000,000 jobs which will be needed for America's workers after the close of the present World War.

It is true that in quite a number of instances we have had the benefit of modern automatic machinery, mass production, with volume sales and mass distribution, resulting in a greater productivity per worker and at lesser unit cost. It is equally true that the postwar years will witness the installation and use of modern automatic machinery—both of American and European production—as well as mass production in many of the industrial plants in competitive foreign countries. Indeed, among our principal trade-treaty advocates, we find those who are interested not only in furnishing the prostrate countries of Europe with our modern production machinery, but likewise those who would invest American earnings and savings in capital investment abroad in the hope, in later years, of closing down American factories and supplying the American market with products produced in their foreign plants.

By these processes, what may seem an immediate advantage will become gradually of lesser value here, and will ultimately place the competitive products of American wage earners and of our smaller consumer goods manufacturers at an ever-increasing disadvantage. As evidence of the validity of the foregoing, we would point out that industrialization of Latin-American countries and of the Far East has proceeded at a remarkable pace. India has become an industrial nation of secondary rank, as well as a creditor nation. East Europe has been made a second Ruhr industrial district by the Nazis, and we understand that a substantial part of industrial capacity has been transferred to what is now southeast Poland, Upper Silesia, Czechoslovakia, Austria, and Hungary. Coal production in Upper Silesia, with developed coal fields slightly greater than those of the Ruhr, now compare with the former Ruhr production.

Turkey, the Belgian Congo, South Africa, Argentina, and Brazil, as well as other countries formerly buyers of America's industrial machinery and other products, have increased their industrial productivity. Brazil, once a buyer of American cotton, now supplies those who formerly purchased our cotton, as well as most of the manufactured cottons sold in Latin-American countries. Incidentally, England today, and in the future, purchases our cotton only to fill out the void left by the present inability of India and Brazil to fill her needs for cotton.

England, with the consent of important factions of English organized labor, has also arranged to install pilot plants, equipped with modern automatic machinery and the elimination of restrictions on the number of machines which one person may man, which restrictions have existed for years, in order to permit of a substantial increase in the export of competitive products. All these are merely indications of trends and developments in the making, and which cannot and must not be overlooked if we are to conserve American interests, maintain our American standards of life and work and enable us as a people and as a Nation to render the much needed help required by the depressed nations of Europe and Asia. Incidentally, at this time we direct your specific attention to a situation in the present tariff act which should be corrected. Under the provisions of section 526, an American manufacturer with plants located in foreign countries with lower production costs protected by American patent and trade-mark registration, has the sole authority to market in American markets such products of foreign workers, subject only to his paying the inadequate tariff rates which are now in force.

PROGRESS PENALIZED

It is well known that in recent years the industrialization of a number of countries that previously shipped principally raw materials or the products of home or household industries, has proceeded rapidly. The specialization in given lines of goods that was characteristic of the past has given way to a wider line of industrial products. It has, therefore, become difficult to single out a few products of particular countries for tariff rate reductions without bringing in the same products from other countries, and, thus exposing American producers to competition of the lower labor costs products of workers in other countries.

The theory was that certain undisclosed specific industries could be sacrificed for the supposed greater general benefit that would be enjoyed all around, but no one has ever shown how this can be done. Another theory was that domestic manufacturers were enjoying excessive profits and that lowering this profit was a good deed in itself, quite regardless of other consequences. What was either not understood or, if understood, not acted upon, was that in a world of unequal standards of living, the inevitable result of an unimpeded flow of trade would be the reduction of all standards of living to the same level in all parts of the world. The standard of living in the United States, being the highest in the world, would be reduced more than any other. This represents a strange way of fostering progress. It is difficult to understand what class of justice requires that progressive people should be penalized for being progressive. To reward industrial and mechanical progress by depriving it of its fruits is not in keeping with common sense.

We have within the United States itself an incompletely exploited market. An increase in wages in the lower-wage areas would expand a potentially rich sales territory without exposing ourselves to unfair competition of competitive products of much lower paid labor. On the contrary, unfair competition in the domestic field would be eliminated.

The same principle holds in our economic relationship with other countries. If they wish to sell more to us, they should make it possible for us to sell more to them. As long as their population cannot purchase more extensively because of the low wages paid, the market for our goods in these countries remains relatively small. It is not intelligent to place the burden of expanding international trade upon us. Too long and too often we have been reproached for retarding and discouraging international trade. Actually, when our imports equal our exports in dollar values, we import the product of more man-hours of labor than we export.

It has not been the United States that has hampered international trade. The most that can be said is that we have refused to jeopardize the job opportunities of millions of America's industrial workers and the price level of our farmers to the competition of the lower-wage and lower-cost products of workers and farmers in other countries. Those who say that we should do that advocate a lower standard of living for the workers in our factories and our mines and those on our farms and, therefore, a shrunken economy.

It is actually the low-wage countries that retard foreign trade, for it is against low cost and, therefore, low-wage competition that tariff duties are generally aimed, not only in the United States but in other countries. It is the differentials in wage levels and costs of production that constitute the stumbling block in international trade. No sane nation is willing to see its own industries driven out or closed down by the competition of the products of low wages paid workers of other countries.

TRADE TREATIES HAVE FAILED

It is said that in order to export more we must import more. That is to say, that if we wish to dispose of our farm surpluses abroad and wish to add to our factory employment we must reduce tariff rates in order that foreign-produced goods may come in to our markets in greater volume, to which is now added the plea that if our Nation ever hopes for a repayment of loans made or to be made in foreign countries we must open wide our doors to imports. It is quite obvious that increased factory employment attributable to increased exports represents a net loss in employment compared with what employment might be obtainable if we manufactured at home the competitive articles which we import.

Failure of foreign countries to increase their purchasing of American products or commodities may not be attributable to any failure of the United States to increase its imports. Indeed, we face ultimate danger in planning for surplus-product economy. It is all very well to say we must gear up American industry at this time far beyond our own abilities to consume in order to provide employment for our workers and look to foreign markets to dispose of our surpluses. However, we must not overlook ultimate reckoning. Within a few years foreign industries will have been rehabilitated with modern automatic machinery and American methods of production and distribution. We will then find we have founded our national economy on a false and insecure basis. Indeed, we have had a surplus production in cotton, in unmanufactured tobacco, in wheat, and in lard. What do the trade treaties show as to the benefits we have conferred on those who depend on such products for their means of a livelihood?

In order to market cotton and tobacco, we are now paying an export subsidy. Assistant Secretary of State Clayton has told this committee that the paying of an export subsidy was economic warfare. Secretary Wallace told your committee, or in previous addresses has stated, that export subsidies constituted international price cutting and unfair competition.

We are now emerging from a disastrous world war. We are told that this was due, in part, to economic conditions. We are told, by some of the proponents, that the continuation of the trade-treaty program, and further reductions of 50 percent in our tariff rates is necessary to purchase, although they did not use such plain language, the good will of those countries which we have saved from the domination of the aggressors.

With increased productivity and dependence on foreign countries, we will find that even during the present World War, 1939–44, countries dependent on importations of foods and industrial products turned to domestic production of these articles and commodities.

FAULTY PROPAGANDA

One of the innumerable pieces of propaganda which has literally flooded the homes of America's workers, advocating the further reduction of tariff rates, through our entry into trade treaties, is a graph issued by the Graphic Associates of Public Affairs Committee. This graph is allegedly based on figures

contained in the statistical abstract of the United States. This graph lists the average weekly wages paid in the United States, 1939, for "protected," domestic, and export industries, citing certain industries as illustrative.

The text, which accompanies these graphs, conveys the impression that workers in export industries receive higher wages because "trade is a two-way street" and due to the fact that we import certain raw materials.

The average wages cited are:

Protected industries

Cotton goods	$14.26
Silk and rayon	15.78
Pottery	22.75
Carpets and rugs	23.25

Export industries

Agricultural implements	$29.61
Automobiles	32.90
Rubber tires	33.36
Machine tools	34.25

Far from being an argument against protecting the job opportunities of America's workers in these "protected" industries, these tables show that the wages that can be paid in American industries are limited in their wage ceilings by competition in American markets wth competitive low wage products of workers of foreign countries. American industries that compete with low wage, and thus low priced, products of workers in foreign countries, have their wage ceilings limited by the entry into American markets of such products of foreign workers. These American industries may not have the margin available for payment of wages that industries on an export basis have. The disparity may, therefore, be well attributed not to tariff protection, but to the inadequacy of tariff rates now in force.

No reference is made, in these graphs or in this propaganda to the fact that these so-called export industries are those which are highly mechanized and which have a labor cost which represents a small portion of the cost of production.

In addition, it is worth while noting that all of these so-called export industries are dependent for some 90 percent or more of their sales in the great American market.

The low labor cost of these export industries is due primarily to the great volume of sales available to them in the American market due to the higher living standards made possible by the much greater purchasing power and capacity of America's workers, miners, and farmers.

Those who advocate a higher living standard for all Americans, and who are willing to help promote higher living standards in other nations seemingly overlook the fact that our present tariff system places an unfair handicap on the products of those countries which hove higher living standards prevailing, and, which countries are our best customers. Higher living standards mean higher wages, and, in most cases, higher labor costs. Our present tariff system, with ad valorem rates based on foreign valuation, makes it possible for the competitive products of the lower wage and lower living standard countries to enter into American markets at a lower tax than is paid for comparable products of the higher living standard countries.

The time has arrived when the right of high living standard countries to protect themselves should be recognized. It should no longer be necessary for a country that maintains a relatively high wage level to apologize to the low-living standard countries. Indeed, the apology should come from the reverse direction. Why should we be ashamed of our higher standards of living? If the products of the low-wage standard countries compete with our own in our own American markets because of the lower prices resulting from the lower wages paid in those countries, we are certainly under no moral or economic obligation to import such products. The moral and economic obligation, if any, rests on the low-wage countries not to disrupt our wage standards.

FORCED LABOR IMPORTS

In this regard it is well we consider the sort of competition we may anticipate from some of the countries abroad. We hear much of the effort being made by some of the Allied Nations in having German labor indentured, conscripted, or forced to labor in other countries as a means of reparations in kind. This raises the serious question of whether section 307 of the Tariff Act of 1930 is to be enforced.

Section 307 of the Tariff Act of 1930, in substance, prohibits the importation into American markets of the products of forced or indentured labor. Naturally, indentured slave or forced labor, through the use of which certain of our allies hoped to rebuild their country and their industries, comess within the scope of such prohibition.

Will this law on our statute books, designed to protect American labor against the products of involuntary labor, be properly enforced by our Treasury Department or will it be virtually set aside with the Treasury Department refusing to enforce the law as in the case of imports of Sumatra tobacco and Russian wood pulp, products of forced or indentured labor?

This raises the question, Are we a government of laws and shall our laws be enforced impartially and not be set aside for the benefit of anyone—government or otherwise?

ANALYSIS OF TRADE TREATIES' EFFECTS

The Fair Labor Standards Act was enacted by Congress in order to prevent, within our own country, exactly such unfair competition as will confront American labor unless protected by Congress against the competition of low labor cost products of foreign production. There is no difference in the injurious effects produced by unfair competition from low-wage areas merely because these areas lie beyond our national boundaries.

Actually, the trade treaty program was ineffective in the accomplishment of the hopes claimed for it. This is a story in itself.

Five years of operation did little or nothing to provide jobs for the millions then unable to find jobs, or, later, as promised to prevent the outbreak of the most terrible war in history, although it was claimed, by its proponents, that it would provide jobs and would pacify the world.

The export statistics for 1934 through 1938 (the last normal prewar year) show conclusively that the trade treaties also did not promote exports, as it was boldly claimed and proclaimed that they would. This can be and has been shown conclusive.

For example, the exports from the United States to Norway and to Sweden during the 4-year period of 1935 to 1938 ran a very close parallel in upward trends, year by year. These are adjacent countries. We had a trade treaty with one and not with the other. Yet, from an examination of our exports to them, it would be impossible to say which was which. In the case of Argentina and Brazil, our exports to Argentina grew more rapidly than our exports to Brazil in 1937 and 1938. Yet we had a trade treaty with Brazil and none with Argentina. These also are adjoining countries.

In the case of Colombia and Venezuela, two more adjacent countries, the result was the same. Our exports to Venezuela, a non-trade-treaty country, rose much more sharply than our exports to Colombia, with which country we did have a trade treaty.

We find also that our exports to Denmark increased sharply in 1938 while those to Holland increased only silghtly in the same year. Our exports to France and Germany, adjacent countries, as in the case of Norway and Sweden, ran a very close parallel in trends from 1935 through 1938, year by year. Yet we had a trade treaty with France and none with Germany. A similar result was obtained in our exports to Finland, a trade-treaty country, on the one hand, and Estonia, Latvia, and Lithuania, non-trade-treaty and adjacent countries on the other.

Imports on their part also failed to respond to trade treaties. Of seven countries with which we entered into trade treaties the trade, which could be compared with similar non-trade-treaty countries, only two countries increased their sales to the United States in a higher ratio than the non-trade-treaty countries or are producers of similar products. Comparison was made as follows: Sweden with Norway, Brazil with Argentina, Holland with Denmark, France with Germany, Canada with Mexico, Colombia with Venezuela,[1] Cuba with the Philippine Islands.[1]

Further light is thrown on the ineffectiveness of the trade-treaty program by an analysis of the trend in the exports from 1932 to 1935, and from 1935 through 1937.

By 1935, the first year in which any appreciable effects of the trade treaties could be expected to be felt, exports from the United States had already increased 41.6 percent in value, compared with 1932, the low point of our trade since the First World War.

Our exports during this period increased 53.8 percent. This latter increase took place when our average tariff on dutiable goods (ad valorem equivalent) amounted to 57.8 percent. A very interesting fact, moreover, came to the fore. Imports of dutiable goods increased 89.5 percent while imports of goods on the free list increased only 36.1 percent, the average total increase of the combined being 57.8 percent as stated above.

HIGHER RATES—FREE LIST INCREASED IMPORTS

In 1936 10 trade treaties went into effect and 2 more became effective in 1937. Imports of dutiable goods should therefore, according to the theory, have responded more favorably. Total imports did increase by $586,000,000, but 65 percent of the increase came in goods on the free list.

In other words, after duties had been reduced, the increase in imports came principally in goods on the free list, whereas, before the reductions had been made the increase in imports had come predominantly in dutiable goods.

By 1937 the average tariff on dutiable goods had dropped to 37.4 percent, compared with 57.8 percent in 1932 (in part due to rising price levels). Clearly, the trend during these 2 periods was the exact reverse of what the theory of free trade would lead us to expect. In other words, while the duty burden was the highest, imports of goods on the free list should have shown the greatest increase, whereas, when the duty burden declined, imports of dutiable goods should have increase more than those on the free list. The opposite took place, as just shown.

The fact of the matter is that we regularly import (in normal years) an important list of products that are on the free list. Most important of these items are: Newsprint, pulpwood, and wood pulp; coffee, rubber, bananas, fertilizer, jute, copper ore, tin, tea, raw silk, coco beans palm oil, copra, tapioca tung oil, and carpet wool. Free list imports increased from $886,000,000 in 1932 to $1,765,000,000 in 1937, or, almost exactly 100 percent. This was in keeping with our increased domestic business activity. The upshot is that a prosperous United States automatically becomes a better market for foreign

[1] Imports from these two trade-treaty countries increased more sharply than imports from Venezuela and the Philippines, respectively. In all of the other cases imports from the non-trade-treaty countries increased more than from the trade-treaty countries during the years the trade treaties were in effect, through 1938.

exporters. It is, therefore, in the interest of other countries, so far as their trade with us is concerned, that this country maintain a strong purchasing power. It is our industries that are the heavy buyers of foreign products and our workers offer the principal market for the products of our industries. Depress our workers' wage income and the foreign exporters to this country destroy their own market.

Obviously, the trade-treaty program failed utterly on all important counts. It is time that those who advocate the extension of this unconstitutional authority whereby administrative agencies of the Government are enabled to enter into trade treaties involving the question of taxation eliminate potential assumptions and estimates and look at what has really happened.

Why the Congress and the American people should be asked to pump life into an undertaking so thoroughly discredited by a fair study of the real facts is hard to understand. For years an effort has been made to place a halo around the trade-treaty program so that anyone questioning their sanctity was somehow suspected of being unclean. Nothing but this sanctification can explain the tenacity with which they have clung to a program that by all valid tests is so complete a failure. Against this apparent impregnable dogma facts seem to mean nothing.

We go before the world hanging our heads in shame for having built a prosperous country; for having achieved a standard of living attained in no other country; and, for raising a partial protective barrier against the products of those with a lower standard of living prevailing in other countries. This is a strange attitude, indeed, not duplicated elsewhere in the world.

LABOR SEEKS EQUALITY OF OPPORTUNITY

American labor, the products of which compete in American markets with products of workers in other countries, seek equality of opportunity for the sale of the products of their labor in American markets. Does such a request call for high tariffs?

The proposal is now made to empower our negotiators to enter into trade treaties and to reduce our present tariff rates an additional 50 percent. Nothing is said about comparable costs of production at home and abroad. The principle that differences in cost of production should be equalized so that equal competitive conditions should prevail is cast aside. The fact that we need an unusually high level of production and an equally high level of income to cope with the tremendous public debt is lost sight of. The deflationary effect of ruinous foreign competition, arising from a tariff level of rates not high enough to compensate for the difference in costs of production, is definitely overlooked. The fact that by far the highest tax burden in history cannot be met unless a high rate of employment and wages are sustained and unless industry and agriculture are assured a market in the United States is brushed aside. We are asked to continue our inconsistent program of adhering to minimum wages, social security, unemployment compensation, and similar props to our living standards and income levels on the one hand, and, at the same time, to open the door to their destruction. We are asked further to nullify the beneficial effect of our Fair Labor Standards Act, our Asiatic exclusion, and our restrictive immigration policies.

This inconsistency comes from a misconceived idealism that proceeds on the assumption that our assets are inexhaustible and that our power to help others is unlimited and capable of standing endless economic contradiction. In part, it also comes from those who would be delighted to see our present economic system collapse beyond repair.

The alternative is not a destruction of our foreign trade. The history of our trade during the last 25 years bears out no such conclusion. A brief review will show quite the opposite.

During the last war the Underwood tariff of 1913 was in effect. This was superseded by the Emergency Tariff Act of 1921 and the Fordney-McCumber Tariff Act of 1922. These last two legislative enactments were adopted in an effort to pull our country out of the depression of 1921 and 1922. The average duty collected in 1921 was 29.5 percent—ad valorem equivalent. The Fordney-McCumber Tariff Act increasedd the tariff rates to 38.1 percent—ad valorem equivalent.

HIGH TARIFF RATES—DUTIABLE IMPORTS INCREASED

Did our foreign trade decline, as it should have, according to certain economic theorists? No. Instead exports rose to 36.8 percent in the succeeding 6 or 7 years, while imports rose yet more, or 41.2 percent. These increases were not reflections of increased price levels, for it is well known that during that whole period the general price level was remarkably stable. The increase in imports took place even though in 1929 the average duty paid had risen to 40.1 percent. Why? We have already given the answer. Industry in the United States was prosperous and bought heavily in foreign markets. Wages were comparatively good and purchasing power was relatively high. The United States offered a good market for products from other countries. Tariff rates were, however, not so low that products of workers in foreign countries could drive the products of American workers out of our own markets.

In 1930 the Hawley-Smoot Tariff Act was enacted and by 1931 the average duty on dutiable goods had risen to 50.8 percent (in part due to the low level of prices and the increased ad valorem rates on those goods which are taxed on the basis of a specific duty). In 1932, as a result of the still further drop in price levels the average duty rose to 57.8 percent.

Nevertheless, our trade began to increase after 1932 and by 1935—at which time only a few trade treaties had been negotiated with countries which furnished only 8 percent of our imports—our exports had increased 41.6 percent in value and our imports 53.8 percent in value.

We have already seen that during the next few years, after 1935, the increase in imports shifted predominantly to items on the free list, precisely after we began reducing our tariff rates under the trade-treaty program.

From a high average duty of 57.8 percent, in 1932, the average duty declined to an average of 37.4 percent in 1937. But whereas trade increased, as already noted, after 1932, it declined sharply in 1938. Imports shrank a good one-third from the 1937 high. Exports also fell off. This was in keeping with the reduced business activity in this country in 1938, referred to at the time as the recession.

Thus, the record of the last 25 years completely shatters the theory on which the theory of the trade treaties are based. We should not, however, reach the conclusion that tariff rates are of no importance. As soon as they become insufficient to cover the difference in costs of production between the domestic- and foreign-made articles or commodities, they begin to affect adversely the employment opportunities of America's workers. The gravity of the threat, therefore, depends on the margin of advantage offered to the foreign producers and the extent of their competitive potentials. It is for this reason that a yet further reduction in our tariff rates—a reduction in the rates already lowered—is a dangerous venture.

The sense of all the foregoing does not point to self-sufficiency as a national policy, although self-sufficiency, could it be had for the asking, by all nations, would exert a profound pacifying influence upon the world. As the natural resources of the various nations differ widely, some with actual output and reserves far beyond their needs and others with deficiencies in the same resources but with surpluses in others—with such a condition prevailing and likely to continue for many years, a natural and beneficial basis for trading will remain. However, we should rid ourselves of the view that competitive trade is a pacifying element in international relations. Actually it is the opposite.

There are those among the advocates of trade treaties who recognize the force and soundness of what has been said above. They recognize the complete absurdity of enacting and enforcing minimum-wage legislation and restrictive immigration legislation on the one hand, and then on the other, to the opening of our industries and our jobs to the competition of low-wage-produced products of foreign countries.

SUBSIDIES MEAN SUBSERVIENCY

As a means of overcoming the disastrous consequences that they foresee, they advocate a subsidy to the industries, injured or jeopardized by the entry of the competitive product of workers in foreign countries at delivered costs which are less than our costs of production. However, it will be noted that they have prepared no legislation to provide such a subsidy nor have they shown how the subsidy could be determined and distributed. They have also failed to point out that the grant of subsidies would bring with it, as a necessary instrument of administration, a measure of Government control. Our experience with the OPA as a necessary war measure has not whetted the appetite of the American people for governmental controls over the details of foreign trade and domestic production. We conclude that the subsidy proposed is not advanced seriously, but rather as a sleeping pill to lull the opposition to the pending legislation.

It is true, as legislative history will show, that a 100-percent subsidy, tariff protection in reality, has been found necessary to sustain an essential American industry, namely, the American commercial shipbuilding industry. The Maritime Commission, in order to build up a merchant marine, allows a construction differential of 50 percent of the American cost of building merchant ships. In other words, it is the official finding of the Maritime Commission, that there is a difference of 100 percent in the cost of building such ships. Thus, we have a precedent set that a duty of 100 percent—100 percent of the foreign costs of building ships—is necessary to permit of our continuation of a merchant-marine industry, to equalize the difference in costs of production, American shipyards as compared with foreign yards.

This is only one industry. For the economic welfare of our country, in peacetime, there are numerous essential industries. A subsidy of this level is much greater than the present ad valorem equivalent of those rates levied on dutiable imports. Moreover, the subsidy would not be paid out as wages. It would go to the employers, who, because of the foreign goods admitted into competition in the American market, could not guarantee the maintenance of employment at necessary levels.

We feel that the tariff is the simplest method of protecting the job opportunities of our workers, and therefore the high level of employment that is conceded to be indispensable if we are to meet our tax burden and our public debt.

We have consistently opposed the delegation of the taxing power of the Congress to administrative agencies as an unconstitutional shift of responsibility. Such a shift of responsibility may well be the forerunner of the making of our general tax laws by the administrative agencies of Government.

We are particularly opposed to the further extension of this legislation, and, especially the authorization of further reduction in tariff rates.

We find nothing in the American standard of living to apologize for to the rest of the world. On the contrary, we recommend that other countries follow our lead in establishing higher wages and shorter hours for their workers. We also point out that it is to the interest of foreign countries and not to their detriment that the prosperity of the United States be sustained rather than torn down.

A prosperous United States, with tariff rates which will equalize the difference in costs of production affords a better market for foreign goods than a depressed United States with tariff rates which permits the entry of competitive goods at less than our costs of production.

STATEMENT OF HARRY H. COOK, FLINT GLASS WORKERS' UNION, TOLEDO, OHIO

The CHAIRMAN. Mr. Cook, please give your name and address, and capacity in which you appear for the benefit of the record, to the reporter.

Mr. COOK. Mr. Harry H. Cook, president of the American Flint Glass Workers' Union, Toledo, Ohio, affiliated with the American Federation of Labor.

The CHAIRMAN. How much time do you think you will require for your statement, without interruption, Mr. Cook?

Mr. COOK. I have a short statement, Mr. Chairman. I do not think it will take over 20 minutes.

The CHAIRMAN. All right. You are recognized for 20 minutes. You may proceed. Have you copies of your prepared statement?

Mr. COOK. I have a partial copy, Mr. Chairman.

The CHAIRMAN. All right, you may proceed.

Mr. COOK. Mr. Chairman and members of the Ways and Means Committee, my name is Harry H. Cook, international president of the American Flint Glass Workers' Union of North America, with headquarters in Toledo, Ohio, affiliated with the American Federation of Labor.

Mr. Chairman and members of the committee, I am an American and not ashamed of it. The organization which I have the honor to represent is American, and not ashamed of it.

We do not subscribe to the theory of some, that we shall be subservient to the wishes of those who are not Americans. We have 10,000 of our 35,000 members in the armed forces, and we are indeed proud of that.

We are definitely interested in knowing that these men will have a job to return to when they are discharged from the armed forces.

Our organization, insofar as that lies within its power, and, without transgressing the law, will make every effort to help these men to return to their jobs. Of course, there must be jobs in our American glassware industry available for them in order that they will have an opportunity to return to their former places of employment.

If by chance this committee should favor and the Congress approve of the legislation now pending before you, we doubt that there will be jobs for these men to return to. This statement we make in the light of our experience of the past under trade treaties entered into, such as the one entered into with Czechoslovakia.

Mr. Chairman, on behalf of our membership I wish to publicly resent the derisive attitude of those who have, during these hearings, referred to the opposition to this legislation of the 6,000 glassworkers.

The lack of knowledge and understanding manifested would indicate that if those so much concerned could read the Tariff Commission's recent findings, they would learn that these findings show that there are 11,000 glassware workers seriously affected by this pending legislation, which figure is some 20,000 below what it should be.

Our organization represents some 10,000 workers employed in the mechanical glass plants, operating automatic machinery, and some 25,000 workers employed in producing hand-made glassware.

There are an estimated 10,000 others in the industry not in our organization. Our workers produce 90 percent of all American-made glassware other than machine-made bottles and jars for container purposes, and flat or sheet glass.

We know, from being deprived of opportunities of employment, that inadequate tariff rates have transferred our jobs to lower-paid workers in foreign countries such as Czechoslovakia, Germany, and Japan.

Our membership reside in those cities and towns where the glassware of America is produced. We are located principally in the States of Ohio, West Virginia, Maryland, Indiana, Illinois, Oklahoma, California, Pennsylvania, and New York.

It can very properly be said that our members know more about the main streets of America than they do about the districts where country gentlemen reside or of Wall Street.

We have seen ghost towns created where the smoke no longer pours from the smokestacks of glass plants and when our workers have been forced to seek employment and living quarters in those cities and towns where they could secure any kind of work.

Our workers have suffered from the competition of foreign-made glassware, delivered to American department and other stores at less than our costs of production of comparable articles.

Mr. Chairman, the Congress, in authorizing the negotiations of trade treaties by State Department officials in 1934, was assured that such trade treaties would promote employment for American workers and would not deprive any American workers of their job opportunities.

The Congress, in 1936—2 years later—enacted the Merchant Marine Act. That act had for its stated purpose:

"1. The creation of an American merchant marine.

"2. That American wage scales and standards of living be maintained in the shipbuilding industry.

"3. That legislation further provides that the financial assistance required to adjust the construction differentials for equalizing the difference between American and foreign costs. The construction differential is paid to the shipbuilder and represents the difference in cost between American and foreign ships."

We want your committee, and the Congress, to know that we endorse the purpose of this legislation, not alone that our exports can be carried in American-built ships and manned by American seamen, and that we will have an adequate naval and military auxiliary in time of need, but also that American wages and American standards of living be maintained.

Naturally, we believe that the Congress, in enacting this beneficial and protective legislation, assumed that all other American industries would be so portected that American wages and American living standards would be maintained in those other American industries.

We respectfully protest the position taken by some Congressmen—that industries in their States must be maintained with governmental guaranteed profits to the employer and that their workers secure American wages and be able to maintain American living standards, while American workers in other industries, the products of which compete in the American markets with products of lower-paid workers of foreign countries, be sacrificed.

We realize that the construction differential is really tariff protection, in that it is paid to offset or to equalize the difference in construction or production cost, is paid from the taxes collected not only from importers and exporters but from all the American people, of which the American glassware workers pay their share.

Your hearings on pages 194 to 201, inclusive, reveal that the Maritime Commission, which I understand is composed of three admirals and two competent businessmen, have conclusively found that the differences in construction or production costs is 100 percent above, or of, foreign cost.

Following is quoted from letter of Admiral Land, page 198 of your present hearings:

"It is highly important to the welfare of the United States as a whole that the Commission continue a stable, constructive program, rather than a sporadic one, regardless of conditions abroad. Not only will shipyard labor benefit, but every State in the country produces materials which go into the construction of ships.

"For the reasons quoted herein, and the reasons set forth in your letter, Public Resolution No. 82 throws estimates of foreign costs as they are determined upon conditions prevailing in the period prior to September 3, 1939, during which period the Commission had found that the actual differential was greater than the percentage of 33⅓ prescribed in section 502 (b), Public Resolution No. 82, being a later enactment than section 502 (n), as amended, suspended, or superseded the provisions of the latter for the life of Public Resolution No. 82.

"Further, with respect to the basis for the Commission's allowance of construction differential subsidy, the base unit selling price on the world market level immediately prior to the beginning of hostilities in 1939, for ships of the type acquired by the Alcan Steamship Co., Inc., was determined by the Commission after careful study of all available data to be $982,000.

"The unit contract construction price for the four hulls built at Union Iron Works, San Francisco, was $2,200,000. In view of the 50-percent construction differential limitation of the act, which was not set aside by Public Resolution No. 82, in its relation to prewar determinations, the minimum price at which the Commission could sell each of these vessels was $1,100,000, or $19,000 in excess of the value of a similar new vessel determined in accordance with Public Resolution No. 82."

Mr. Chairman, in view of this evidence, I believe the Congress, in enacting the merchant-marine legislation, the findings of the agency handling the construction or production of commercial ships, the approving by the Appropriations Committee and the Congress of the appropriations necessary to pay these construction or production differentials, has officially set the differences in construction or production costs, where the labor costs represent the principal cost at 100 percent more in American than in foreign shipyards.

This being true, I wish to assure you that any honest investigation of labor costs, considering American wage and living standards, will warrant a tariff rate to protect the jobs of the American glass workers, as in the American shipbuilding industry, of not less than 100 percent of foreign cost or, as provided for in the Merchant Marine Act, a 50-percent tariff protection based on American valuations or American sales prices.

Some years ago, after having failed to secure any consideration or redress from the Tariff Commission, the State Department, or Treasury Department officials, and realizing the futility of appealing to dollar-minded merchants, our organization, with other labor organizations affiliated with the American Federation of Labor, decided to appeal to the American people.

Our membership, following the consummation of the trade treaty with Czechoslovakia, were forced to call several protest meetings in various sections of our country, appealing to our fellow Americans to refuse to purchase foreign-made goods.

We urged they confine their purchases to goods made in America.

Some of our members declared that we should emulate the policy of those who participated in the Boston Tea Party.

Our membership not only promoted these protest meetings, but, as a result of the deep feeling which prevailed, we purchased, when necessary—although we found many merchants sufficiently interested in what we were doing that they voluntarily contributed any foreign merchandise in their stores—and we placed all such goods in public places and enjoyed the bonfires which ensued.

One of these bonfires, which is still talked about, which some said had all the characteristics of the Boston Tea Party, except that there were no disguises worn, happened on the highest hill of Wheeling, W. Va., following a huge demonstration in the city auditorium.

Following this public display of the feelings of the people, there were no foreign-made goods available for sale in that and other communities where like demonstrations were put on for a long period of time.

We do not wish to again resort to such a campaign. If we have to, I feel confident that our membership will not hesitate to do so.

We were advised unofficially at that time that our campaign was distasteful to some officials of the State Department.

Our complaint was against the provisions of the trade treaty with Czechoslovakia, with tariff reductions of 50 percent.

It is interesting to note that the State Department did cancel the trade treaty with Czechoslovakia shortly after it was overrun by the Nazis. Why, we wonder, when other European countries with which we had entered into trade treaties were occupied by the Nazis, comparable in every way to what had happened to Czechoslovakia, were these other countries treated differently?

The same conditions prevailed in these other countries.

Our members feel that our protests were not in vain. Our organization, one of the oldest in the American Federation of Labor, is proud to say that we have had no authorized strike or stoppage of work for some years, and especially since Pearl Harbor. We have cooperated with the Government in every possible way.

We produce chemical glassware, vials used for the transmission of plasma, X-ray bulbs, lenses badly needed to promote the war effort, and other highly technical glassware which we are not talking about for the moment.

Years ago our membership became imbued with the idea that they wanted to own a bank collectively. We invested a large sum of our members' money in a bank in Toledo, Ohio. We were forced to liquidate, a few years later, when our reserve banks closed.

We were complimented by the State banking officials, who realized that what had happened was beyond our control. We found that, as an organization, we were morally indebted to the depositors who had entrusted their savings to our care. Banking officials and lawyers who studied the situation advised us that we did not need to pay this money. Our national officials felt that the membership, by a referendum vote, with secret ballot, should decide the question. Our national officials unanimously recommended that this moral obligation be paid, and our membership overwhelmingly voted to levy an assessment of 6 percent of their earnings to pay this obligation.

Our workers do not seek charity. They wish to earn their own living in an American way, in the American glassware industry. We do not seek any privileges. We do seek the right of equal opportunity in our own country.

We claim that the products of our labor shall have an equal opportunity of sale in American markets with the comparable and competitive products of workers in other countries.

This we can secure only through the levying of adequate tariff rates, which rates will, as in the American shipbuilding industry, equalize the difference in production costs.

We ask this committee and the Congress to reject the legislation now before you, which, if enacted, will permit officials of the State Department to negotiate such reductions in tariff rates as will, we believe, deprive our workers of their opportunities of employment, will nullify the benefits which the Congress has voted to American workers in the enactment of the Fair Labor Standards Act, the restrictive immigration laws, and will jeopardize the continuance of the merchant marine.

QUOTATIONS FROM ADDRESS OF WILLIAM GREEN, PRESIDENT, AMERICAN FEDERATION OF LABOR, BEFORE HOUSE LABOR COMMITTEE, ON 30-HOUR-WEEK BILL, APRIL 26, 1933

(P. 65 of printed hearings)

Mr. GREEN. I presume the committee is interested in the attitude of the American Federation of Labor toward these several proposals that are now pending, so that I will proceed directly to the point, presenting to you the attitude of the American Federation of Labor toward the several proposals.

I know that I shall be but refreshing your memory when I say that the American Federation of Labor gave a full measure of support to the Black bill. We placed ourselves on record in favor of the bill, not that we believed it was a perfect bill, that it met our reasonable expectations, or that it would provide a complete and full remedy for unemployment, but we believed that it marked a practical and constructive step forward; and, as you well know, the American Federation of Labor has for many years been asking the employers of the Nation to sit down with labor and agree to the application of the 5-day week and the 6-hour day in industry.

We have led in this fight. I think I can say that we have contributed very largely toward the development of a favorable public opinion in support of this shorter-workday and shorter-workweek legislation.

Our position is consistent. We have not modified it, because we believed that it ought to prove to be a remedy for unemployment. Now we are heartily in favor of the 5-day workweek and the 6-hour workday.

I am directed by the executive council to say to you, Mr. Chairman, and to the committee, that we are in favor of this part of the bill, the 6-hour day and the 5-day workweek, applying to goods manufactured abroad and shipped here and sold in the United States in competition with goods manufactured at home.

Mr. WELCH. Will you repeat that, Mr. Green, so the committee will be sure to get it? It is a matter in which we are all vitally concerned.

Mr. GREEN. I thought you were. I am directed by the executive council to say to this committee, that we favor the clause in the Connery bill. Perhaps I should put it this way, which makes applicable the restrictions of the 6-hour day and the 5-day week to goods manufactured abroad, shipped to the United States, and sold here in interstate commerce.

(From p. 69, same hearings)

Mr. RAMSPECK. Mr. Green, would the American Federation of Labor still favor this legislation if its provisions were not applied to imports from foreign countries?

Mr. GREEN. The executive council of the American Federation of Labor believe that the provisions of this act should apply to goods manufactured abroad. We have understood, however, that there is some opposition to that provision, particularly on the part of the administration. But we believe that it would be just as fair to require manufacturers abroad who come into our market to sell their goods here to be on the same basis as the manufacturer who manufactures and sells goods at home.

Mr. RAMSPECK. I agree with you as to that. But suppose that the committee comes to the conclusion that we cannot get any legislation with that provision in it. I agree with your statement that it would be fair to apply the same rule to the foreign manufactures that we apply to the American manufacturers. But suppose the committee comes to the conclusion that to put such a provision in the act would mean no legislation. Then would the American Federation of Labor recommend to the committee that it pass the legislation without that provision with respect to foreign imports?

Mr. GREEN. Is such a contingency possible?

Mr. RAMSPECK. I think it is possible, yes sir; on account of the opposition of the administration.

Mr. GREEN. I would prefer to wait until the committee has acted before answering that question.

AMERICAN FEDERATION OF LABOR EXECUTIVE COUNCIL MINUTES, APRIL 25 TO MAY 5, 1938, WASHINGTON, D. C.

Resolution unanimously adopted by executive council of the American Federation of Labor:

"Whereas the provisions of reciprocal trade treaties negotiated by the State Department with foreign nations affect very vitally both the economic conditions of American workers and unemployment, and there are many organizations, representing thousands of workers, affiliated with the American Federation of Labor which are seriously affected by these trade treaties, and for that reason are deeply interested in their provisions; and

"Whereas the economic and industrial interests of these workers demand that the American Federation of Labor exercise all efforts possible to prevent the importation of goods from foreign countries, under the provisions of reciprocal trade treaties, where lower wages, longer hours, and lower standards prevail than exist in competing industries within the United States: Therefore be it

"Resolved, That the executive council of the American Federation of Labor expresses its opposition to reciprocal trade treaties which discriminate against American workers. We are opposed to reciprocal trade treaties' provisions which provide for importation of goods and merchandise which because of low labor costs abroad are sold at a lower price than the same goods and merchandise produced by workers in the United States, where wages and conditions of labor are established on a higher standard than those which prevail abroad; and be it further

"Resolved, That a committee representing the American Federation of Labor be accorded the privilege of presenting labor's point of view relating to the provisions of reciprocal trade agreements affecting labor before said agreements are negotiated and ratified."

You will note that the executive council expressed opposition to reciprocal trade treaties which discriminate against American workers. Under the terms of opposition cited in the resolution unanimously adopted by the executive council of the American Federation of Labor on reciprocal trade treaties, such reciprocal trade treaties are seemingly impossible of accomplishment.

Then, too, we are not left in doubt regarding the character or interest of affiliated trade-unions within the American Federation of Labor on tariff legislation.

The following is a record of resolutions presented to conventions of the American Federation of Labor since 1917, and the unanimous action of the convention taken thereon is noted:

1917 CONVENTION, PAGE 364

Reporting on Resolution No. 115, your committee recommends the elimination in the resolve of the words "the skilled tradesmen" and substituting therefore the words "all wage earners", so that the resolution would read as follows:

"Whereas we are aiding our Government in every way to win the war and we will, if necessary, make any reasonable sacrifice asked of us in order that humanity, justice, and civilization may survive; we call the attention of the delegates to this convention, the workers of the United States, especially the skilled tradesmen whose product is easily transported, to the danger that exists unless prior to the end of the present war some measures of industrial preparedness are taken by this country against a possible industrial invasion: Therefore be it

"Resolved, That this convention go on record in favor of a policy of industrial preparedness and the enactment of laws by Congress that will adequately protect all wage earners of our country against the loss of employment through any industrial invasion on the part of the products of any of the other nations."

We recommend that the resolution, as amended, be referred to the executive council with instructions to have the legislative committee carefully watch all legislation affecting the welfare of the wage earners and work unceasingly to secure the enactment of legislation which will safeguard the best interests of American labor.

A motion was made and seconded that the recommendation of the committee be concurred in.

Delegate Black offered the following addition to the resolve: "And that such preparedness be in harmony with the standards of labor as recognized by the American Federation of Labor." The resolve would then read:

"Resolved, That this convention go on record in favor of a policy of industrial preparedness, and that such preparedness be in harmony with the standards of labor as recognized by the American Federation of Labor, and the enactment of laws by Congress that will adequately protect all wage earners of our country against the loss of employment through any industrial invasion on the part of the product of any of the other nations."

The amendment was seconded and carried, and the report of the committee, as amended, was adopted.

1921 CONVENTION, PAGES 403–404

Resolution No. 136, by Delegates J. L. Lewis, William Green, Philip Murray, Adam Wilkenson, United Mine Workers of America; J. L. Maloney, Oklahoma State Federation, William L. Hutcheson:

"Whereas a situation exists that now threatens the material existence of the United States coal- and oil-producing industries, therefore we feel that it is imperative to apply an emergent remedy; and

"Whereas the importation of Mexican fuel oil is now of serious detriment to the coal-mining and oil-producing industries of the United States, which industries employ approximately one and three-quarters million workers and embraces the investment of several billion dollars besides indirectly furnishing employment to vast numbers of other people reaching practically every trade craft; and

"Whereas the importation of Mexican oil for the year of 1920 was 106,175,000 barrels and for the first 3 months of the year of 1921 was 36,879,174 barrels, the average increase over the same period of 1920 being 101.92 percent, thereby displacing a like amount of American-produced fuel oil or occasioning the displacement of 30,335,714 tons of American-produced coal and if the increased percentage is maintained in the year of 1921 as prevailed during the first 3 months of the year it will displace 61,162,865 tons of coal on the British thermal heat unit basis of 3½ barrels of Mexican oil, being the equivalent of 1 ton of average American bituminous coal; and

"Whereas such gigantic industries are vitally important to our commercial life and especially safeguarding us in dependent of other nations in the event of future wars deserves our common and patriotic support; and

"Whereas the Standard Oil and a few of the gigantic companies operating on American capital are flooding the American markets with cheap Mexican oil; and

"Whereas the coal and petroleum industries of the United States cannot be successfully operated in the face of such destructive competition and will be utterly ruined and those dependent thereon unable to enjoy a living wage unless an equitable import tariff be imposed by Congress; and

"Whereas such Mexican oil not only escapes a needful tariff tax to our own Government but also avoids payment of gross production, income, and excess-profit taxes constituting the principal source of revenue of several States, and a great source of revenue to the Federal Government: Therefore be it

"Resolved by the American Federation of Labor, in convention assembled, on this, the 23d day of June 1921, in the city of Denver, State of Colorado, That the Congress of the United States be, and is hereby, urgently requested to immediately enact an adequate import tariff on crude oil and its byproducts to protect the independent petroleum- and coal-producing interests operating within the United States so as to afford fair return to such invested capital domestically engaged, and to assure a decent living wage to every industrial worker so employed, and that the secretary of the American Federation of Labor is hereby instructed to immediately forward a copy of this resolution to President Harding, each Member of the United States Senate, and each Member of the House of Representatives."

Your committee recommends concurrence in the foregoing resolution. The recommendation of the committee was adopted.

1928 CONVENTION, PAGE 263—OPPOSING IMPORTATION OF CHINESE-MADE SHINGLES FROM BRITISH COLUMBIA

The committee amended Resolution No. 11 as follows: By striking from the resolve the words "appoint a committee with full power," and inserting in lieu thereof the words "authorize the executive council."

Resolution No. 11, by Delegate Percy R. Bengough, of the Vancouver Trades and Labor Council:

"Whereas efforts have been made on many occasions to organize the shingle mill employees in the Province of British Columbia under a charter of the American Federation of Labor; and

"Whereas the efforts of these employees to improve their standard of living and eliminate competition from cheap oriental labor has been of little or no avail, for the reasons (1) that in all cases where the union men have come out on strike, their places have immediately been filled with Chinese strikebreakers, and (2) that 90 percent of the shingles produced in British Columbia are shipped out of the Province to markets in the United States; and

"Whereas 80 percent of the employees directly employed in the manufacture of British Columbia shingles are orientals; and

"Whereas in thousands of instances, union men throughout the United States are using the products of these orientals, shipped to this country in unfair competition: Therefore be it

"*Resolved*, That this convention, with a view to protecting its membership and the citizens generally on both sides of the international boundary, condemn the introduction of these oriental products into the United States, and authorize the executive council to formulate and carry out a plan of campaign tending to eliminate the Chinese-made shingles from the market."

The committee recommends concurrence in the resolution as amended.

The report of the committee was adopted.

1928 CONVENTION, PAGE 264—FAVORING A PROTECTIVE TARIFF ON FOREIGN-MADE SHOES

Resolution No. 22, by Delegate John Sullivan, of the New York State Federation of Labor:

"Whereas foreign-made shoes are being imported into this country in large numbers; and

"Whereas the wages paid to the workers on these shoes imported are a great deal lower than is paid in this country: Therefore be it

"*Resolved*, That we petition Congress to place a tariff on this foreign product high enough to cover the difference in wages so that our wages and conditions be protected and preserved."

The committee recommends that Resolution No. 22 be referred to the executive council with authority to cooperate with the Boot and Shoe Workers' Union for the purpose of securing such tariff legislation as may, in the judgment of that organization, seem best calculated to safeguard the interests of the workers in the boot and shoe industry.

The report of the committee was unanimously adopted.

1928 CONVENTION, PAGE 281—PROPOSING REVISION OF TARIFF REGULATIONS COVERING PRINTING

Resolution No. 64, by Delegates Charles P. Howard, Frank Morrison, William R. Trotter, William J. Robinson, William M. Reilly, and Frank X. Martel, of the International Typographical Union, by instructions of convention:

"In view of the fact that the existing tariff regulations do not give sufficient protection to the American workingmen and workingwomen employed in the printing industry; and

"Because such a condition, permitted to exist, deprives the American workingman of the benefits of employment and increases the army of unemployed, would inevitably lead to the reduction of the American standard of living and undermine the very existence of those employed in the printing industry: Therefore be it

"Resolved, The executive council of the International Typographical Union take the necessary steps to eradicate those evils that strike at the very foundation of our institutions and threaten to destroy the homes of the printer, pressman, stereotyper, electrotyper, engraver, bookbinder, and mailer; and be it further

"Resolved, That the executive council call upon the American Federation of Labor to petition the Congress of the United States to revise the tariff regulations and abolish the free list, which action will result in that amount of protection to which the American citizen is justly entitled."

Your committee recommends, as substitute for resolution No. 64, that the executive council be authorized and instructed to give such assistance as may be within its power whenever called upon by the affiliated printing-trades organizations with a view of securing such changes in the tariff laws as the affiliated printing-trades organizations find essential to the welfare of the workers in the printing industry.

The report of the committee was unanimously adopted.

1931 CONVENTION, PAGE 304

Resolution No. 15, by Delegate John Frey; committee report:

With reference to resolution No. 15, your committee heard much testimony from interested parties. The entire subject matter was discussed by the committee at length.

We recommend concurrence in the resolution with an amendment substituting the word "practice" for "policy" in the first line, changing the phraseology of the final resolve by adding after the word "Congress" in the third line, the words "to cooperate with national and international unions interested in any particular schedule" and by the elimination of the words "a higher" in line 5, and substituting the words "changes in," so that the final resolve will read as follows:

"Resolved, That it shall be the practice of the American Federation of Labor when tariff legislation is being considered by Congress, to cooperate with national and international unions interested in any particular schedules, to have those who are seeking to secure changes in tariff for their industry subjected to questioning which will make public the rates of wages to their employees, the hours of labor they are compelled to work, whether they believe in the right of the wage earners to organize for self-protection, whether there are trade-unions among their employees with whose representatives they are accustomed to discuss terms of employment and conditions of labor, and whether this is by means of collective action, without interference, influence, or coercion, exercised by either party over the other, or designation of representatives by the other."

This is a majority recommendation, not a unanimous one.

The report of the committee was unanimously adopted.

1932 CONVENTION, PAGE 389—PROTECTIVE TARIFF FOR THE OIL INDUSTRY

Resolution No. 55, by Delegate Grafton J. Fox, Tulsa (Okla.) Central Labor Union:

"Resolved, That in the interests of hundreds of thousands of laborers in the United States dependent directly or indirectly upon the petroleum industry, we favor legislation having for its purpose the protection of the petroleum industry of the United States against the flood of cheaply produced foreign oils coming into our markets."

The committee recommends concurrence in Resolution No. 55.

The report of the committee was unanimously adopted.

1932 CONVENTION, PAGE 721—IMPORTATION OF FOREIGN-MADE PRODUCTS

Resolution No. 209, by Delegate H. C. Anthony, United Rubber Workers' Federal Labor Union, No. 18318:

"Whereas, due to the low labor and materials cost in foreign countries, and the practice of these countries placing their cheaper made products on the markets at a much lower cost than is possible to manufacture the same products under fair labor conditions in this country; and

"Whereas this practice is causing thousands of our workers to be thrown out of employment, causing much misery and suffering among our workers: Therefore be it

"Resolved, That the fifty-fourth convention of the American Federation of Labor go on record as favoring the enactment of legislation which will limit, regulate, and/or prohibit such imports, either by tariff or quota, on all commodities which are manufactured in foreign countries to be shipped into the United States and sold by wholesalers and retailers at a profit and below the cost of like commodities manufactured in the United States."

Your committee in lieu of the resolution recommends that the convention reaffirm the position of the American Federation of Labor adopted at previous conventions upon the subject of tariff in respect to the competition of cheap foreign labor. We further recommend that the resolution be referred to the executive council for its continued support of the policy relative to the competition of goods manufactured by cheap foreign labor.

The report of the committee was unanimously adopted.

1937 CONVENTION, PAGE 633—AMEND CONNERY WAGE-AND-HOUR BILL TO PREVENT IMPORTATION OF PRODUCTS OF LOW-PAID FOREIGN LABOR

Resolution No. 66, by Delegate James A. Taylor, Washington State Federation of Labor:

"Whereas there was introduced in the last session of Congress a measure known as the Connery wage-and-hour bill, which in certain of its provisions seeks to prevent entering through interstate commerce products of sweatshops and low-wage factories; and

"Whereas there is imported into the country from low-wage foreign countries numerours products manufactured under conditions abhorrent to the American earner; and

"Whereas this bill did not pass at the last session but will be reintroduced at the next session of Congress: Now, therefore, be it

"Resolved, That the American Federation of Labor at its fifty-seventh annual convention assembled instruct its officers to have an amendment introduced applying to foreign imports such as those suggested for articles manufactured in this country."

Your committee recommends concurrence in this resolution and refers it to the executive council, with the request that it give full support to the legislation requested.

The recommendation of the committee was unanimously adopted.

Hearings on 30-hour bill, page 65.

President William Green, testifying before the House Labor Committee on the Connery 30-hour bill, page 65 of the hearings, said, in part:

"I am directed by the executive council to say to you, Mr. Chairman, and to the committee, that we are in favor of this part of the bill, the 6-hour day and the 5-day workweek applying to goods manufactured abroad and shipped here and sold in the United States in competition with goods manufactured at home.

"Mr. WELCH. Will you repeat that, Mr. Green, so the committee will be sure to get it? It is a matter in which we are all vitally concerned.

"Mr. GREEN. I thought you were. I am directed by the executive council to say to this committee that we favor the clause in the Connery bill—perhaps I should put it that way—which makes applicable the restrictions of the 6-hour day and the 5-day week to goods manufactured abroad, shipped to the United States, and sold here in interstate commerce."

1939 CONVENTION, PAGE 430—FAVORING ENDORSEMENT OF H. R. 7312 TO AMEND TARIFF ACT

Resolution No. 72, by Delegates John P. Burke, H. W. Sullivan, Elmer P. Meinz, Matt Slater, James S. Killen, International Brotherhood of Pulp, Sulphite, and Paper Mill Workers; Matthew J. Burns, Arthur Huggins, Frank P. Barry, International Brotherhood of Paper Makers:

"Whereas European countries, because of low wages, depreciated currency, and subsidized industries, are able to dump commodities into the United States at prices below the cost of production here; and

"Whereas the Antidumping Act of 1921, does not give American industry and American labor adequate protection against such ruinous competition; and

"Whereas Congressman Martin Smith of the State of Washington, at the last session of Congress, introduced a bill known as H. R. 7312, to amend the Antidumping Act of 1921; and

"Whereas H. R. 7312, if enacted into law, would amend section 202 of the Antidumping Act of 1921 so that it would read as follows:

"'(a) If the United States Tariff Commission should find in its report that the charge of dumping is sustained, the appraising officer of the Bureau of Customs forthwith shall levy and collect, in addition to the duties imposed thereon by law, if any, a special dumping duty on the imported merchandise or raw materials which was subjected to the order of suspected dumping.

"'(b) The special dumping duty levied and collected as provided for in section 202 (a), shall be determined by the difference between the sale price, or the price for which the imported merchandise or raw materials was offered for sale, and the manufacturer's or producer's cost of production in the United States of the same kind or class of merchandise or raw materials'; and

"Whereas, if the Antidumping Act of 1921 were strengthened by the enactment into law of H. R. 7312, it would prove of immeasurable benefit to American wage earners, not only to those employed in nondutiable industries, like pulp and newsprint paper, but also to all the workers employed in industries that have to meet what is tantamount to subsidized competition from European countries: Therefore be it

"Resolved, That the delegates to the fifty-ninth convention of the American Federation of Labor hereby go on record as endorsing H. R. 7312; and be it further

"Resolved, That this convention instruct the executive council of the American Federation of Labor to urge upon Congress the enactment of this legislation."

Resolution No. 72 calls for endorsement of legislative proposals now before Congress that would amend the tariff laws to the effect that the customs duty on imported products on raw materials would equal the difference between the price of each import and the cost of domestic production, thus placing American products upon an equal competitive basis. Your committee recommends concurrence.

The report of the committee was unanimously adopted.

A survey of the reports of tariff hearings, committee of reciprocity hearings, and American Federation of Labor proceedings, shows the following national and international unions affiliated with the American Federation of Labor are affected by the importation of competitive products of workers in foreign countries:

Boot and Shoe Workers Union.
American Flint Glass Workers Union.
National Brotherhood of Operative Potters.
Glass Bottle Blowers Association.
Window Glass Cutters League.
International Typographical Union.
International Printing Pressmen and Assistants' Union.
International Photo-Engravers Union.
Stereotypers and Electrotypers Union.
International Brotherhood of Bookbinders.
Cigar Makers International Union.
United Hatters, Cap and Millinery Workers.
Painters, Decorators and Paper Hangers.
United Brotherhood of Carpenters and Joiners.
International Union of United Brewery Workers.
Amalgamated Meat Cutters and Butcher Workmen.
Garment Workers.
United Brick and Clay Workers of America.
Bricklayers, Masons, and Plasterers.
International Association of Marble, Slate and Stone Polishers.
International Wood Carvers Association of North America.
Coopers' International Union of N. A.
International Brotherhood of Paper Makers.
International Brotherhood Pulp, Sulphite and Paper Mill Workers.
Metal Polishers, Buffers, Platers, and Helpers' International Union.

United Leather Workers' International Union.

Lithographers' International Protective and Beneficial Association.

Wall Paper Craftsmen and Workers of North America.

American Wire Weavers Protective Association.

The membership of these organizations, 1939, more than 1,500,000.

Among unions directly affiliated with the American Federation of Labor whose membership are also seriously affected are those employed in aluminum, cement, lace, distillery, and other industries.

The metal trades department of the American Federation of Labor, through its president, John Frey, appeared at the hearing on the British trade treaty and opposed any reductions on items in which members of unions in the metal trades department were employed.

The American Federation of Labor submitted to the platform or resolutions committee of the Repqublican and Democratic political conventions of 1940, presented in person to both committees by President William Green, a set of labor planks for insertion in the political platforms of both parties several proposals.

One, which concerns the legislation now pending, reads as follows:

"PROTECTION OF WAGE AND WORKING STANDARDS

"To protect and safeguard the employment opportunities of America's wage earners against unfair competition of the products of workers of low wage and depressed standards and conditions of employment of foreign countries and with which we are bound to be faced at the end of the present European and Asiatic wars, and in order to hold secure the advanced industrial relations and employment standards secured by America's workers through legislative enactments and collective agreements against competition from products of workers in countries of lower standards, it is essential that adequate and proper legislation be had to obtain these ends. We urge the adoption of this policy and procedure."

One other subject, which deals more or less directly on this same question of protecting the wage and working and living standards of all American workers, is the question of restrictive immigration. On this important and vital question the American Federation of Labor asked:

"In order to protect the welfare and the standards of living of the American workers, organized labor has favored from the beginning a restricted and controlled national immigration policy. Upheavals brought about by war conditions abroad demand the exercise of unremitting vigilance in the enforcement of these controls. We urge the adoption of a declaration in favor of the continuation of the Nation's restricted immigration policy and the progressive application of these principles as dictated by changing conditions."

STATEMENT OF JAMES M. DUFFY, NATIONAL PRESIDENT, NATIONAL BROTHERHOOD OF OPERATIVE POTTERS, EAST LIVERPOOL, OHIO

Mr. DUFFY. My name is James M. Duffy; I am president of the National Brotherhood of Operative Potters, East Liverpool, Ohio.

Mr. ROBERTSON. Mr. Chairman, before the witness makes his statement may I ask, What industry are you appearing for?

Mr. DUFFY. I am appearing for the National Brotherhood of Operative Potters, a labor union affiliated with the American Federation of Labor since 1900.

Mr. ROBERTSON. And you will be the spokesmen for that entire group?

Mr. DUFFY. For the union.

Mr. ROBERTSON. We will not have a lot of other witnesses presenting the same viewpoint?

Mr. DUFFY. Not from our organization; no.

The CHAIRMAN. You may proceed, Mr. Duffy, and make your main statement without interruption.

Mr. DUFFY. Mr. Chairman and members of the committee, on behalf of the National Brotherhood of Operative Potters, affiliated with the American Federation of Labor, of which I have the honor of being its national president, I wish to state that we are opposed to the further extension of the trade treaty program, and especially to the authority requested that present tariff rates may be reduced another 50 percent.

Great stress has been laid on the odious expression "high tariffs."

Are we, as workers, dependent upon the successful and continued operation of our industry, wherein the products of our labor is forced to compete in America's markets with products of workers paid from one-tenth to less than one-third our wages, seeking high-tariff rates when we ask the Congress of the United States to levy such tariff rates as will permit the products of our labor to compete on an equal price basis in America's markets with competitive products of workers in foreign countries?

Is it possible that the United States Tariff Commission will contend that it cannot advise the Congress as to what tariff rates will equalize the difference in production costs?

A recent finding of the Tariff Commission, referring to the imports of 1939, shows that imports for that year paid an average ad valorem equivalent tariff rate of 69 percent.

The figure 69 in itself is high, but 69 percent of what? Sixty-nine percent of nothing is still nothing.

The Tariff Commission in its comment, also stated that the year 1939 cannot be taken as representative of imports in previous years.

The same Tariff Commission also states from 1932 to 1937 the total imports supplied from 25 to 27 percent of United States consumption. During this period, Japanese products supplied 18 to 23 percent and averaged 21 percent of our consumption.

The Tariff Commission also has found that the imports of table and kitchenware articles, for the 10-year period 1929–38, represented in values in the United States 40 percent of the domestic production.

On other pottery articles, products of workers in foreign countries, the tariff rates were reduced 36 percent (p. 8, green cover). These articles supplied more than 20 percent of the sales of such articles in America's markets.

Bear in mind that the real effectiveness of tariff-rate reduction since early in 1939, as has been represented by the Tariff Commission, was offset by the war situation.

Some persons lay great stress on the fact that American genius in the pottery industry has made possible lower labor costs as a result of mechanization than those labor costs would be were they on the same basis as labor production in foreign countries. We admit that through the mechanization in part of the pottery industry, lower labor costs have been possible. However, it is fair to ask how effective have such reductions in labor been, and how helpful have such reductions in labor costs been in making it possible for the products of American pottery workers to compete in the American market with the products of the lower-paid workers of other countries?

The Tariff Commission reports show that from 20 to 40 percent of the American market is still controlled by the products of workers in foreign countries.

On this subject of comparative labor costs and benefits of mechanization, it is significant to note that the Tariff Commission report states the greater efficiency in the United States has continued to be more than offset by the lower wages in the pottery industry in foreign countries.

The Tariff Commission, referring to the decline in import, states (pp. 2–38) the two important factors causing this decline were the transition of Japan to a war economy and the boycott of Japanese goods in the United States.

The boycotting of the products of any foreign nation is resorted to only when officials of Government hesitate or refuse to take the necessary steps to eliminate the causes of such boycott.

Previous reports and findings of the Tariff Commission have shown that Japanese earthenware and china articles were delivered in American markets at total delivered costs which were less than our cost of production.

We appealed to the Tariff Commission for some action, and our appeal fell on deaf ears. Thereafter, we had no hesitancy in carrying our appeal to the American people and asking that they help the workers in the American pottery and other industries by boycotting the products of workers of foreign countries. If the same is necessary, we will not hesitate to do the same again.

The Congress, appreciating that American standards of living cannot be maintained if profiteering employers are permitted to exploit labor and to pay wages which jeopardize the purchasing power of our country, enacted the Fair Labor Standards Act.

This act provides that the products of workers into the United States who receive less than 40 cents per hour cannot be transported in interstate commerce.

The wages of American pottery workers are far above such minimum wages. But what conditions, what wages do we find in foreign countries, the products of which compete with the products of our labor, in American markets?

The wages paid workers for production of comparative or comparable products in foreign countries are so substandard that they should be barred from interstate commerce of the United States.

The American Federation of Labor, confronted with a like situation in 1933, directed President Green to insist that, in order to maintain American wage and living standards, restrictions imposed upon American manufacturers, be likewise imposed on products of manufacturers who ship comparative products into the United States for sale in competition with the products of American workers.

I am inserting here, as part of my remarks, the testimony which is not long on this particular matter.

"QUOTATIONS FROM ADDRESS OF WILLIAM GREEN, PRESIDENT, AMERICAN FEDERATION OF LABOR, BEFORE HOUSE LABOR COMMITTEE, ON 30-HOUR-WEEK BILL, APRIL 26, 1933

"I presume the committee is interested in the attitude of the American Federation of Labor toward these several proposals that are now pending, so that I will proceed directly to the point, presenting to you the attitude of the American Federation of Labor toward the several proposals.

"I know that I shall be but refreshing your memory when I say that the American Federation of Labor gave a full measure of support to the Black bill. We placed ourselves on record in favor of the bill, not that we believe it was a perfect bill, that it met our reasonable expectations, or that it would provide a complete and full remedy for unemployment; but we believed that it marked a practical and constructive step forward; and as you well know, the American Federation of Labor has for many years been asking the employers of the Nation to sit down with labor and agree to the application of the 5-day week and the 6-hour day in industry.

"We have led in this fight. I think I can say that we have contributed very largely toward the development of a favorable public opinion in support of this shorter workday and shorter workweek legislation.

"Our position is consistent. We have not modified it because we believed that it ought to prove to be a remedy for unemployment. Now we are heartily in favor of the 5-day workweek and the 6-hour workday.

"I am directed by the executive council to say to you, Mr. Chairman, and to the committee, that we are in favor of this part of the bill—the 6-hour day and the 5-day workweek applying to goods manufactured abroad and shipped here and sold in the United States in competition with goods manufactured at home.

"Mr. WELCH. Will you repeat that, Mr. Green, so the committee will be sure to get it? It is a matter in which we are all vitally concerned.

"Mr. GREEN. I thought you were. I am directed by the executive council to say to this committee that we favor the clause in the Connery bill—perhaps I should put it that way—which makes applicable the restrictions of the 6-hour day and the 5-day week to goods manufactured abroad, shipped to the United States, and sold here in interstate commerce."

(President Green in answer to Congressman RAMSPECK'S queries:)

"Mr. RAMSPECK. Mr. Green, would the American Federation of Labor still favor this legislation if its provisions were not applied to imports from foreign countries?

"Mr. GREEN. The executive council of the American Federation of Labor believes that the provisions of this act should apply to goods manufactured abroad. We have understood, however, that there is some opposition to that provision, particularly on the part of the administration. But we believe that it would be just as fair to require manufacturers abroad who come into our market to sell their goods here to be upon the same basis as the manufacturers who manufacture and sell goods at home."

Referring to the position of the American Federation of Labor on this subject of unfair competition and the delivery of products of substandard labor into American markets in competition with the products of American workers, I call your attention to the fact that the Union Label Trades Department of the American Federation of Labor, of which I have the honor of being a vice president, at its annual convention in November 1944, considered the postwar industry competition. The Union Label Trades Department is composed of national and international unions representing more than 60 percent of the membership of the American Federation of Labor. Its action does not necessarily speak for the American Federation of Labor as a whole. I would like to have this resolution and the comment on it inserted as part of my remarks at this point.

The CHAIRMAN. Without objection, the request will be agreed to.

(The matter referred to is as follows:)

"RESOLUTION 10

"(Submitted by resolutions committee: John J. Mara, Woodruff Randolph, D. A. Manning, Elmer Meinz, R. J. Petree, Harry Schwarzer, Marx Lewis, Leo Buckley, Ray Kelsay, Joseph Lewis, Joseph Tuvim, James Edgar)

"Whereas in the promotion of the purchase of union label products, especially in consumer goods, we are constantly confronted with the competition of products of low-wage workers, not only of our own country, but especially those competitive and comparable products of workers in foreign countries; and

"Whereas large international distributors of merchandise realize that larger cash profits accrue to them through the distribution of such goods produced in foreign countries at low labor costs which are delivered to these international distributors of merchandise at total delivered costs which are less than American costs of production of comparable and competitive goods;

"Whereas such distributors display and energetically promote the sale of these foreign-made low labor cost goods, which goods, of course, do not and cannot be labeled as union-made, but which displace the sale and use of union label products because of lower prices; and

"Whereas at the close of the present war, and with the rehabilitation of European countries with the latest and most modern types of machinery, the competition of such foreign-produced competitive goods jeopardizes and endangers the continued employment opportunities of hundreds of thousands of skilled and unskilled American workers, members of national and international unions, affiliated with the union label trades department of the American Federation of Labor: Therefore be it

"*Resolved*, That we most emphatically call upon our Government for the enactment of such legislation as may be necessary to prevent the delivery into American markets of foreign competitive goods, delivered at costs which are less than the costs of production of the products of American workers manufactured under fair labor standards."

"The committee recommends concurrence.

"A motion was made and seconded to adopt the committee's report.

"Delegate ERNST, hotel and restaurant employees. I don't know whether it is proper to deal with the high-tariff question or the low-tariff question at the present time. The resolution here in fact orders this department to go to the Government and ask for a high tariff on certain goods that may be manufactured in Europe after the war and that are also manufactured in this country. I don't believe that it is wise to rush into such opposition without having given it thorough consideration from all angles.

"At the recent congress of the British Trades Union Congress, held in Blackpool, a similar proposition was presented and discussed, and the question was brought out there that after the last World War Great Britain and other countries were surfeited with goods produced by nations on the losing side of the first war in the form of reparations. I don't think it would be advisable for us, without consultation with other people equally interested in this matter, to go ahead and formulate conclusions and present same to the Government for enactment. I believe it would be wise, Mr. Chairman and Mr. President, to wait and see what the congress of labor will do in a matter of competition in free labor in all of the countries, and I would suggest that this matter be laid over at least until after our own convention has acted in the coming week.

"President WOLL. I don't understand that this resolution commits this department to any specific form of legislation to protect American workers and their standards of living. The resolve reads that 'We most emphatically call upon our Government for the enactment of such legislation as may be necessary to prevent the delivery into American markets of foreign competitive goods, delivered at costs which are less than the costs of production of the products of American workers manufactured under fair labor standards.'

"I don't understand that that commits the department to any specific form of legislation, tariff, or otherwise. It does, however, indicate that we want to protect the labor standards of American workers against unfair competitive conditions from abroad. Personally, I think we are well within our province to take that action, because we are not committed to any specific form of legislation.

"If this is adopted, your officers will be guided accordingly. If foreign trade, both imports and exports, are to be controlled by State authority, then we will have one problem confronting us. On the other hand, if we find some governments doing that and others not, we will be confronted with another situation. Again, some governments will subsidize their exports and we will be in a different position, so whatever legislation we will be called upon to enact will be prompted largely by what other nations do in that matter.

"Delegate ERNST. Wouldn't it be advisable to wait and see what they do?

"President WOLL. But we have another year until we meet, and in the meantime your officers would have opportunity to act in the matter.

"Delegate RANDOLPH, Typographical Union. In the course of the past 15 years, as secretary of the International Allied Printing Trades Association, I have had to go repeatedly to the National Congress in an effort to protect the wages of those in the printing industry against imported printing, even in peacetime, and to protect our right to manufacture in America products that have the benefit of American copyright. In fact, that protection was accorded to American printers, pressmen, and so on, because as far back as 1896 the International Typographical Union in convention started the ball rolling for that type of legislation. It was accorded finally in 1909.

"So for 13 years the International Typographical Union worked on getting that form of protection even in peacetime. I don't know how the American worker is going to be protected in the next few years. I believe the resolution is very, very mild. Workers who are getting their living out of products that bear the union label or from services performed under the union shop card or service button are very apprehensive of what the future holds for them, especially if the advocates of free international trade are to have their way. We have no objection to bringing the rest of the world up to an American standard of living, but we certainly do not believe in lowering our standards of living to theirs before they get a chance to come up. I am not concerned whether it is a tariff, whether it is a State control, or whether it is absolute exclusion of foreign manufactured goods. I do believe that we should protect the wages and the working conditions and the standards of living of the American people, and if the only opportunity of foreign people to live is that we contribute to them enough to live on until they get on their feet, I believe we should contribute it, but we should not enter into the matter of foreign trade on a free trade basis that seems to be so prevalent in the thinking of our Congressmen and out national leadership today.

"If the American Federation of Labor takes no action on that important question this next week, it will have passed up its opportunity to be of some help in guiding our future course, and if this small body of men should feel constrained to wait upon what the American Federation of Labor might do, then I say we are passing up our annual opportunity for an expression of opinion of those who produce goods under the label and who render services under the shop card and button.

"We will be, perhaps, the highest paid workers in the world. Can we maintain our standards if we have to compete with any foreign country? We could not do it in peacetime; we were constantly fighting for our lives even in peacetime. How much more damage would we meet if we had to deal with totalitarian countries all over the world—and I ask you what country in this world has not already given indications that its foreign trade will be controlled? What country outside of this one has not already indicated that it will operate on a totalitarian basis, no matter what the name of the country may be? I say none.

"We are the only country in the world that has announced that it wants a policy of free international trade to exist. If we are to do

that, we will be the greatest suckers the world has ever known. Our Christian charity has compelled us to be suckers many times in the past, but from now on the workers of this country are fighting for their lives. The peacetime efforts to follow this war of those who want to shatter our economy in the interest of international trade—and that means trying to make the world safe for international capitalism—are arranging our demise as a free country, and there is only one possible chance that we have of maintaining an American standard of living. That is for our Government to match every other government so far as international trade is concerned with absolute Government control of international trade and credit.

"Some 25 years ago we tried to make the world safe for democracy, and now, according to the most advanced thinking, we are going to try to make the world safe, including China, Germany, and Japan, for international capitalism. That is not the reason we entered the war. If we are to live in this country as free workmen and if we are to protect free enterprise as it is called here, we will have to protect it here and we will have to make it work here, because no capitalist, no matter how ambitious, can make a profit out of the chaos and misery of Europe and Asia in these days."

Incidentally, the convention adopted this action with the exception of one dissenting vote.

The American Federation of Labor did act on the question of postwar unfair competition which adequate tariff legislation alone can correct.

The American Federation of Labor submitted to the platform or resolutions committees of the Republican and Democratic Political Conventions of 1940, presented in person to both committees by President William Green, a set of labor planks for insertion in the political platforms of both parties several proposals.

One which concerns the legislation now pending reads as follows:

"PROTECTION OF WAGE AND WORKING STANDARDS

"To protect and safeguard the employment opportunities of America's wage earners against unfair competition of the products of workers of low wage and depressed standards and conditions of employment of foreign countries and with which we are bound to be faced at the end of the present European and Asiatic wars, and in order to hold secure the advanced industrial relations and employment standards secured by America's workers through legislative enactments and collective agreements against competition from products of workers in countries of lower standards, it is essential that adequate and proper legislation be had to obtain these ends. We urge the adoption of this policy and procedure."

One other subject which deals more or less directly on the same question of protecting the wage and working and living standards of all American workers is the question of restrictive immigration. On this important and vital question the American Federation of Labor asked:

"In order to protect the welfare and the standards of living of the American workers, organized labor has favored from the beginning a restricted and controlled national immigration policy. Upheavals brought about by war conditions abroad demand the exercise of unremitting vigilance in the enforcement of these controls. We urge the adoption of a declaration in favor of the continuation of the Nation's restricted immigration policy and the progressive application of these principles as dictated by changing conditions."

Mr. Chairman, I wish to insert as part of my remarks, an editorial which appeared in our official weekly publication which is a reprint of an editorial written by the chairman of the Democratic National Labor Committee in 1932, 1936, 1940, and again in 1944.

The writer, Daniel J. Tobin, is vice president of the American Federation of Labor and president of the Teamsters National Union.

I commend his observations to the attention of every member of your honorable committee.

"The labor movement is destroyed in most of the countries of the world. That includes the Americas, north and south of the United States. If the war conditions continue for 2 years from now, what is left of the labor movement in the European countries will be destroyed because of the economic destruction due to war. * * * Only those who close their eyes or through their ignorance or blindness to war conditions can fail to see that with the destruction of values in the European countries, no matter who wins the war, the economic conditions of those countries will be destroyed. * * * The markets of the world will be drawn down and cheap labor will be forced upon all the workers of the European countries so that they can help pay the expenses of this awful catastrophe now obtaining in Europe and Asia. The hours of labor established by the French workers union 2 years ago have been totally set aside and instead of a 40-hour week they are now working 52 and 56 hours and will soon be working 60 hours, to meet the demands of a nation engaged in war and in danger of destruction. The trade-unionists of England are alarmed and recently held a conference with the leaders of the French labor movement endeavoring to plan some method of procedure to protect the English worker; or let us put it another way—fearing that war will cause the destruction of the conditions which labor enjoys in that country similar to what has happened in France. Does anyone who has any sense believe that the economic conditions of the United States can be preserved and that union-labor wages can continue to obtain here if the world is flooded with cheap labor products and the country invaded by the products of labor of nations driven to destruction by war expenditures?"

Mr. Chairman and members of the committee, I have had the pleasure of reading some of your printed hearings. I fail to understand the reasoning of some who criticize those who are allegedly protected with the tariff rate of 40, 50, and 60 percent, based upon foreign valuation, on competitive foreign-made products. I find that the Congress of the United States, unanimously, so far as I know, has appropriated hundreds of millions of dollars—possibly billions—to pay over to American builders of commercial cargo vessels on the findings of a governmental agency that the cost of building such cargo and passenger vessels in the United States was 100 percent greater than if the same vessels were built in foreign shipyards. We are not interested in the problem of shipbuilding. We do not know what the comparative costs are. But, apparently to the satisfaction of the Congress of the United States, a governmental agency has found what the difference is in cost of production of a vessel in the United States compared with the cost of a similar vessel in foreign countries.

We ask you, Mr. Chairman and members of the committee, that the pending legislation be rejected. We ask that you present to the Congress of the United States and seek its passage a simple resolution directing the Treasurer of the United States, through its customs officials, to collect such a tax on the imports of competitive products as they find will equalize the difference in costs of production with comparable or competitive products of American workers. We suggest that this resolution be limited in its application to those articles wherein the products of America now supply not less than 50 percent of our normal consumptive demands.

We ask this legislation, recognizing the fact that following the close of the last war, with low tariff rates in effect, there was much unemployment.

In closing, Mr. Chairman and members of the committee, I wish to say that the National Brotherhood of Operative Potters seeks no privileges. They do seek what they think is the right of every American—that the product of his or her labor shall be protected by Congress to the extent that the products of such labor will have equal opportunity of sale in American markets in competition with competitive articles—the products of workers in foreign countries.

Mr. REED of New York. Mr. Chairman, I yield 30 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, I believe that in considering the subject of the trade-agreements program we should not be carried away by these scare stories that if we fail to enact this bill, as is, great damage may be done to the efforts to establish peace. It is our duty to examine that statement carefully.

The fact is 64 percent of our imports have no tariff at all. On 12 percent of the remaining 36 percent, we have taken away half of the tariff. On most of the others, the tariff rates have been greatly reduced. To wipe out all our tariffs would not assure peace. But every time the trade-agreements program has been presented to this Congress, there has been some sudden emergency, some glaring circumstance held up to support the demand for the delegation of authority.

Secretary Hull was quoted in the hearings as saying, when the first trade-agreement law was passed, that it was an emergency measure to meet an emergency situation.

The power to tax is the power to destroy. This doctrine was laid down by our Supreme Court in the early days of the Republic. The tariff is a tax. It is a tax on imports. Whoever has the power to raise or lower tariffs has the power to destroy industry and jobs. The Constitution of the United States provides that "Congress shall have power to lay and collect taxes, duties, imposts, and excises." It further provides that "All bills for raising revenue shall originate in the House of Representatives." And it also provides "Congress shall have power to regulate commerce with foreign nations."

These provisions in our Constitution are there because of the long struggle of the English people to wrest from the King the power to tax and vest it in the representatives of the people. The framers of our Government very wisely vested the power to tax in the hands of the Congress and not in the hands of the Executive.

In 1934, in the passage of the trade-agreements law, the Congress turned that power over to the Executive, so far as the tax on imports are concerned, which we call tariffs. The one limitation was that the President could not raise or lower tariff more than 50 percent of existing rates. This law has been administered for the President by the State Department. The State Department now want that power not only extended but they want power to modify tariffs by an additional 50 percent, or 50 percent over the rates in existence on January 1, 1945. Human beings like power and they do not like to surrender

power once it is given them. In order to hold this power, the State Department have thought of all sorts of ingenious arguments.

When Secretary of State Cordell Hull asked for this power it was for the purpose of bringing about recovery and relieving unemployment. Let us look at the record in that regard. In 1933 the Federal Government was spending for relief and work relief the sum of $350,000,000. In 1934 we began the trade-agreements program, and in 1934 the Federal Government's relief bill was $1,804,000,000. In 1935 we spent for relief and work relief $2,266,000,000; in 1936, $2,244,000,000; in 1937, $2,281,000,000; in 1938, $1,803,000,000. In 1939, the sixth year of trade agreements, our bill for relief and work relief was $2,531,000,000. War and defense expenditures started the next year and our relief bill went down.

The CIO's own figures for unemployment during the peacetime years under trade agreements were as follows:

Year:	*Unemployment*
1934	10,845,000
1935	10,050,000
1936	8,756,000
1937	8,109,000
1938	11,030,000
1939	10,813,000

Now the State Department, in order to grasp more power, have set their propaganda agencies in force to sell the idea that if the State Department has the power to tax or to determine tariffs that it is an instrument for peace. Let us look into the record. Secretary Will Clayton was asked:

Why was not peace preserved under the reciprocal trade program as we had been promised?

His reply was:

I do not think any responsible official of the Department ever said that the adoption of the reciprocal trade agreements program would prevent war. I do not think anybody ever said that. I do not think anybody believes it.

The gentleman from Minnesota [Mr. KNUTSON] said this to Mr. Clayton:

I have gathered from your statement and answers that the extension of this reciprocal-trade law will continue to preserve peace.

To this, Mr. Clayton replied:

No, sir; I have not made that claim for it at all.

When the Secretary of Commerce, Henry Wallace, was on the witness stand, he was asked if England was drawn into any war during the time she abolished all tariffs. To this Mr. Wallace replied:

England was engaged in many conflicts.

The records show that England was on a free-trade basis approximately from 1837 to 1920, for a period of 83 years. I asked the Library of Congress to submit to me a list of the wars in which England was engaged during that 83 years. The list can be found in the hearings. England was in 35 wars in that 83 years. Out of that entire period, there were only 17 calendar years in which she had no war at all.

I would like to call your attention to some further questions asked Mr. Wallace:

Mr. CURTIS. During the years gone by, Mr. Wallace, the United States and Canada have invoked the tariff against each other; have we not?

Mr. WALLACE. Undoubtedly.

Mr. CURTIS. And it has been sometimes sudden, as a particular growing or selling season would start; is that not true?

Mr. WALLACE. Well, I do not recall a specific instance, but it is quite possible.

Mr. CURTIS. And is it not likewise true that the boundary line between the United States and Canada is about the longest peaceful boundary line over the longest period of time, of any place in the world? Is that not true?

Mr. WALLACE. Quite possible.

Mr. CURTIS. Notwithstanding the fact that we raised tariff barriers against each other often?

Mr. WALLACE. It is quite possible.

There is nothing in history to indicate that the abolition of all tariffs would assure peace and prevent war. In fact, the tariff wars of the world have not resulted in armed conflict. This does not mean that we could not have unwise tariffs or excessive tariffs, but it does show that the mere passage of the trade-agreements law is not essential for peace. It is regrettable that when the mothers and fathers of America and our religious and intellectual leaders and other serious-minded people are groping for a formula for peace that the State Department should be using false propaganda and false claims in order to secure more power for themselves.

It might be observed that the two world wars in which the United States have been engaged were during periods of low tariffs. The Underwood tariff preceded our entrance into World War No. 1 by several years. The trade-agreements method for reducing tariffs had been in operation more than 6 years when we were drawn into World War No. 2.

TARIFFS OR SUBSIDIES

The cost of producing an article in the United States is more than the cost of producing the same article in any other country. There seems to be no dispute about it. In spite of American ingenuity, modern equipment and mass production we must be aware that our high wage levels, wage-and-hour laws, social-security program, tax burden, health and safety measures make our costs higher. The Government of the United States has repeatedly recognized this fact. Foreign countries can build ships cheaper than we can. They can sail their ships on the high seas at less expense than we can. Existing laws recognize this and the taxpayers subsidize the building of ships to the extent of about 100 percent. The taxpayers also subsidize the operating costs of our merchant-marine fleet. A tariff could not be used for this and the only alternative is a subsidy program.

The United States cannot produce butter as cheaply as New Zealand can. We cannot produce eggs as cheaply as China. We cannot produce wheat as cheaply as Russia can. Our production costs on cattle are higher than Argentina's. We cannot produce wool as cheaply as Australia can. American shoes are more costly than those made in Czechoslovakia. American glass, pottery, lace, watches, bicycles, and countless other manufactured articles cost us more to produce than the production of the same articles in Europe cost.

If America buys where it can buy the cheapest, there just will not be production or jobs in the United States. Modern machinery, advanced methods, and mass production are being spread to the whole world. If the American standard of living, price level, and wage rates are to be maintained, our agriculture and industry and labor must be protected.

Throughout the history of our Republic, American production has been protected by the tariff. It is a simple method. If a certain type of bicycle made in America is produced for $25 and the landed cost of the foreign-made bicycle is $16, by the imposition of a tariff of $9 the cost of both become $25. The American bicycle industries provide jobs in this country. The Treasury of the United States gains $9 on every bicycle imported. It is true that the consumer pays for it, but if the consumer wants to draw American wages and enjoy the American standard of living, surely he will have to pay the price of American standards when he buys an article.

Tariffs can be in extreme. Nations foolishly have carried on tariff wars, but, contrary to the opinion of many people, there is no record of a tariff war ending in armed conflict.

Without tariffs the living standard in the United States will become the same as the living standard of the rest of the world or we will have to have some other type of protection.

Thoughtful Americans may be surprised to know that Will Clayton, of the State Department, as well as other Government witnesses, recommend a subsidy to those industries that need protection. Subsidies are nauseating to the American people. There are two reasons for this. They are, first, Government-subsidized business means Government-controlled business; second, when we pay a subsidy, we charge our protection and our maintenance of the American standard of living to future generations. The Budget of the National Government is not balanced. We are still borrowing money. We have no funds to pay subsidies. Why should we make our children and our grandchildren pay the cost necessary to maintain our standard of living?

Mr. Chairman, both major political parties are pledged to maintain the American standard of living. Shall we do it by tariffs, which over a century and a half have made us great, or shall we do it by subsidies which means that future generations pay for it?

TRADE-AGREEMENTS PROGRAM AND AGRICULTURE

Agriculture is losing in several ways because of the trade-agreements program. Those groups that are most active in international trading are securing foreign markets for industries products. More than 60 percent of the countries with whom we have trade agreements are in the Western Hemisphere. These countries are not industrialized, but they are producers of agricultural products and raw materials. For us to make valuable concession to them it must be on what they have to sell. The result is that agriculture is the loser. The increase of agricultural imports from countries with which we have an agreement has been much greater than from

those countries with whom we have no agreements. The most valuable market that the American farmer has is the American market. This has been traded away for the benefit of a few people engaged in other activities. I have inserted in the RECORD elsewhere some interesting facts about agriculture.

THE TRADE-AGREEMENTS LAW VERSUS NATIONAL DEFENSE

The avowed purpose of the trade-agreements law is not only to increase our exports but to increase our imports. It is predicated on the theory that we should import those things which we cannot produce as efficiently and as cheaply as they can be produced in the rest of the world. It is a program in the opposite direction of self-sufficiency. You may think what you will about the merits or demerits of the general idea of self-sufficiency. I wish to point out, however, that in those things pertaining to our national defense that a wise and sound policy calls for the greatest degree of self-sufficiency possible. The peace of the world will not be advanced if the United States does not possess the sinews of war. Can anyone argue that if our synthetic-rubber industry dies as the victim of the rubber cartel and we must depend upon distant shores for rubber that it will make America stronger? Can it be imagined that if world competition cripples and destroys our production of manganese that the defense of America has not been jeopardized. Manganese is the starch in making steel. High War Department officials have declared that it is one of the most critical of all strategic material. Our industries which produce rubber and manganese, as well as other essential items, cannot stand against world competition, world cartels, and world domination. Have we already forgotten the tragic fear that gripped America in reference to quinine in the early part of the Japanese war? Oh, yes; American genius did come through, and we produced synthetic rubber, which enabled us to win the war and prevent a total break-down of our domestic economy, but only after tragic delays, losses, and the wasteful spending of billions of dollars, which our children and our grandchildren must repay. Are we going to let it happen again? Right now the anxiety of war and the hope of a just peace are occupying the minds of our people and they are not discussing the protection of our industries. Some day the people will begin to think and talk about these things. They will then hold this Congress responsible if we fail to do everything within our power to maintain in America the facilities for producing all of those things needed for the defense of our Republic.

Why should not the American synthetic-rubber industry be preserved? It will be one of the biggest boons to agriculture that I know of, but I do not want to stress that. From the standpoint of the defense of our country alone we ought to so protect it so that it may have our domestic peacetime market for rubber and thus become more efficient and produce for us a better product that will be a mighty force for good in time of need.

I think that it is fair to say that the proponents of this measure agree, at least in a degree, that where the question of the defense of our country is involved, it should not be determined by negotiations with foreign nations.

I wish to call your attention to colloquy that I had with Secretary Wallace. It is as follows:

Mr. CURTIS. Do you adhere to the belief that our international trade should move toward that position where the people buy things from those countries that produce them the cheapest?

Secretary WALLACE. Not necessarily. That is the traditional economic point of view, but many things have come into the picture since Adam Smith.

Mr. CURTIS. What are some of the qualifications you would mention as to that doctrine as applied now?

Secretary WALLACE. National defense is the first and foremost—that if certain skills are very necessary to protect this Nation in time of war, if certain industries are very important to protect this Nation in time of war, we should maintain those industries no matter if they are less efficient than industries abroad.

If you wish to vote to give our diplomats bargaining power over American industry and jobs, I beg of you to withhold the granting of power over the defense of the Nation in that blank-check delegation.

I expect to offer an amendment which will vest in the Joint Chiefs of Staffs of the Army and Navy the authority to prepare a list of strategic and critical materials, items, and articles which are produced commercially in the United States, but which prior to the war were not produced in sufficient quantities for our national-defense requirements and at least 50 percent of our civilian requirements. The Tariff Commission shall then make a study of each of these items and report back to Congress what rates of tariff, import limitations, or other legislation are necessary to promote the production in this country of those essential needs for our defense. My amendment will impose no tariffs, restrictions, or limitations; it merely calls for studies to be made and a report to Congress thereon at a later time.

Mr. Chairman, the intent of this amendment which I will offer is for the purpose of finding how best we may protect infant industries in this country which are needed for our national defense and which were brought into being largely by our experience in this war. This protection ought to guarantee a substantial portion of the American domestic market to these needed industries so that they will be strong and efficient should the defense of our country require their products.

WHAT ARE TRADE BARRIERS

There is a great deal of loose talk about trade barriers. Busy persons, who have not been able to take time to study the question might be lead to believe that tariff was the principal trade barrier because the propagandists of the administration have endeavored to put that idea across. Let us look at the record.

In the first place 64 percent of the imports coming into the United States are duty-free. There is no tariff on them. The other 36 percent of our imports on which there is a tariff are those that compete with what we produce in this country. A tariff is a tax on the right to import goods. Goods produced in this country are certainly subjected to many, many taxes. If the tax on imports is reasonable it need not be a barrier to the exchange of goods.

There are a number of things other than the tariff that constitute vicious barriers to trade; for instance, Secretary Will Clayton said:

Economic warfare had already turned the world economy into a jungle of excessive tariffs, quotas, embargoes, subsidies, licenses, exchange controls, clearing agreements, barter deals, preferences, and discriminations of all kinds.

The system of quotas has since 1934, the year the trade agreements began, been on the increase. Let us see how a quota works. Suppose that France has import quotas on wheat, and that her politicians, that are running the Government for the moment, give half of that quota to Russia and one fourth of it to each of two South American countries, the United States will not have any quota and cannot get into the French market with her wheat. Quotas are more than a barrier to trade. They are an absolute bar to many countries.

An embargo means that certain goods are not permitted to enter a country at all. Embargoes have been on the increase even before the war. Usually they do not call them embargoes, but they have the quotas so small that they amount to an embargo.

Subsidies on exports interfere with the international flow of goods. The United States has had to use export subsidies in order to get rid of surplus wheat and cotton. The trade-agreements program failed to find a market for these surpluses, and the taxpayers have had to subsidize their exports. Other nations do not like it. To say the least it is a trade interference. Mr. Will Clayton condemned our export subsidies on cotton.

Licensing exports is another trade barrier that has been on the increase. If Mr. A, who lives in the United States, wants to sell an article to his customer Mr. B, who lives in Brazil, and either one or both must get a license from one or both of the countries involved to consummate the deal, it certainly is a barrier to trade. The granting of authority to the State Department to raise or lower tariffs has not and will not eliminate the system of licensing.

Exchange controls has to do with monitary matters and there seems to be no question that exchange controls can be used to direct the flow of trade. That country or that group which controls the banking channels can, in a large measure, determine the channels of trade. To the country that does not get the benefit of such direction this constitutes a trade interference or a barrier.

Currency manipulation is another barrier to trade. It has been used by several countries to defeat and nullify the alleged concessions made by other countries to us in a trade agreement. A country, by raising or lowering the value of

its money can destroy the reduction in tariff that they have given. May I use this crude illustration. A man hires a boy to milk his cows. The boy is to receive a gallon of milk a day for his services. The arrangement is not satisfactory, and they agree to the boy receiving two gallons of milk as his share. Thereafter the boy's master decrees that two quarts constitute a gallon. Such currency manipulations are taking place under the trade-agreements law. They interfere and are a barrier to sound international trade.

The sterling bloc is definitely a trade barrier to those countries outside of the sterling area. In substance, it means that those countries whose monetary system is based upon the pound sterling agree to give each other preferences and advantages that they do not give to the rest of the world. This sterling area includes not only the great British Empire but other countries among them, Holland, Belgium, Sweden, and others. Mr. Charles P. Taft, appearing for the State Department, admitted that this barrier to trade was extremely serious. This sort of trade barrier is not something of the past but of the present and the future. On March 15, 1945, the Wall Street Journal carried a story which said, in part:

Britain seeks trade agreements with liberated nations; pacts signed with Sweden, Switzerland. Pacts already have been concluded with Sweden and Switzerland.

* * * The British leaders will attempt to tighten the economic ties binding the Commonwealth and expand Britain's controversial trade policy of Empire preferences.

* * * The British-Belgian monetary pact signed last October possibly may serve as the pattern for similar agreements to link the sterling area with other continental currencies.

Empire preferences are very similar to sterling bloc arrangements. I believe, however, that they do not include any nations outside the British Empire. It is a system of giving trade advantages within the Empire that is not given to the rest of the world. It might be justified, but it is a barrier that is on the upward trend.

Cartels are perhaps one of the worst kinds of trade barriers. They have not disappeared. The Wall Street Journal for November 22, 1944, carried an article which said:

Leading copper-producing nations are being sounded out on the possibility of an international copper conference. It may lead to establishment of what would be, in effect, if not in name, an intergovernmental cartel.

Initiative for the meeting apparently comes from the British Government.

Nations which presumably will be represented at the conference would include these potential cartel members: The United States, world's largest producer of the red metal; Chile; Peru; and Mexico (all major mines in these countries are American-owned); Canada; the Union of South Africa; and Great Britain, which will speak for its African colonial producer of Rhodesia; and Belgium, which has a big stake in the world's copper market because of rich mines in the Congo.

Cartels have become such a problem that an entire division of the Department of Justice is devoting its attention to the matter. When the officials of the State Department were questioned about cartels and their tremendous growth under the trade agreements law, they said that we would have to get that information from the Department of Justice. The Department of Justice did not appear.

Dumping is a trade barrier. In fact the United States has a law referred to as the antidumping law. The lowering of tariffs by the State Department will not eliminate that trade barrier. There has not been entered a single antidumping decree since the trade agreements program began. Before, there were several a year.

State trading is definitely a barrier to the normal, healthy exchange of goods in international commerce. In those countries, which are communistic or socialistic the government or the state do their importing and exporting. A private buyer or seller is barred from the trade. With our vast governmental setup for lend-lease and UNRRA supplies there is going to be a tendency to use these set-ups to distribute surplus goods followed by a tendency to use these set-ups to distribute all of our exports. Big government begets big government. The trend toward state trading is here. It is a dominant factor in causing private enterprise to disappear from a nation. Even though the trade agreements law has been on the books for 11 years, it has not stopped the trend toward state trading, in fact that trend gained momentum. Mr. Chairman, the propaganda of the State Department has not informed the Nation of the real trade barriers and their great growth of the last 11 years. This bill falls far short of reducing the real trade barriers, and the generalities urged in support of it are without proof.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. MALONEY].

Mr. MALONEY. Mr. Chairman, I ask unanimous consent to insert in the RECORD at this point certain correspondence I have had with the State Department through Mr. Clayton relating to the sugar industry and Louisiana.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was objection.

The letters referred to are as follows:

MAY 18, 1945.

The Honorable WILLIAM L. CLAYTON,
Assistant Secretary of State
for Economic Affairs,
Department of State,
Washington, D. C.

DEAR MR. SECRETARY: In further reference to the matter that I discussed with you last week relating to the question of giving the sugar industry the same assurances that were given to them originally when we first passed the Reciprocal Trade Agreements Act, and you had informed me that you would be most pleased to go into this subject and ascertain the facts and that you would be agreeable to discussing the matter with the representative of the American Sugar Cane League, Mr. Clarence J. Bourg—and you kindly fixed the time for an appointment with Mr. Bourg. I am advised that Mr. Bourg has had several pleasant conferences with you and Mr. Charles Taft and the matter has been fully explored.

Mr. Bourg has suggested that I advise you in a letter of the situation as we understand it, which is as follows:

There are several questions regarding which the sugar industry and I would like to have official information and assurances.

1. In the trade agreement with Cuba of 1934, there was included a note which stated that when the quota provisions of the Sugar Act become inoperative, the duty on sugar would revert to the duty imposed at the time of the signature of that agreement. Such provision had been inserted at the request of the domestic producers and was very reassuring to them to the extent that it recognized officially the concurrence of tariff reduction and the protection afforded by quotas. No explanation has been given for the elimination of this provision in subsequent agreements with Cuba. Will the Department of State explain the elimination and will the Department of State agree to restore such provision when the Cuban agreement is extended or amended?

2. The international sugar agreement contains a provision which has the effect of perpetuating that provision of the Sugar Act which allocates to foreign countries, other than Cuba, any deficit in the quota of the Philippine Islands. The industry views with concern any action of the Department of State which seeks to create a moral commitment on the part of the United States Government with respect to the provisions of an act of Congress. Naturally the sugar industry feels that Congress should be completely free from commitments arrived at by international negotiators in matters such as the provision of the Sugar Act. The sugar industry and I do not construe such commitments to be a legal restraint on the powers of Congress to legislate but such commitments do tend to create misunderstandings. Would the Department of State be agreeable to giving the assurance that negotiations with respect to a commodity like sugar, the production and distribution of which is controlled under the provision of the Sugar Act, shall not create moral commitments beyond the provision of the act of Congress and subject to amendments or extensions by Congress?

3. The domestic sugar industry is convinced that under conditions which have existed since 1934, the quota system offers a practical means of protection and equalization of sugar distribution in the United States market from normal sources of supply. Will you write me a reassuring statement of Department of State policy in this regard?

Assuring you that I will appreciate a prompt reply, and thanking you for the courtesies extended to Mr. Bourg, I am,

Sincerely yours,

PAUL H. MALONEY.

DEPARTMENT OF STATE,
Washington.

MY DEAR MR. MALONEY: This will acknowledge receipt of your letter of May 18, in which you ask certain questions about the attitude of the State Department in connection with the sugar industry.

1. With regard to your first question, you are correct that by the provisions of the original trade agreement with Cuba in 1934, the duty on Cuban sugar would revert to the rate of $1.50 per hundred pounds if the quota provisions of the 1934 sugar legislation became inoperative.

When the war broke out in September 1939, the quota provisions of the Sugar Act of 1937 were suspended because of the emergency. Under the then-existing provisions of the Cuban trade agreement the duty on Cuban sugar was increased to $1.50. For a period of about 3 months, therefore, when sugar was greatly in demand, consumers were forced to bear this extra charge, and it

was this situation which led to the negotiation of the first supplementary trade agreement with Cuba, effective December 23, 1939, which resulted in a provision whereby if the quota provisions were suspended, the rate of duty would not increase; but if the Sugar Act expired, the rate would revert to $1.50. Then, as you say, the second supplementary agreement with Cuba was concluded, effective January 5, 1942, which eliminated the relation between the quota provisions and the rate of duty on Cuban sugar.

In return for the elimination of that provision and other concessions to Cuba, the United States received a considerable number of concessions of value from Cuba. Also, it was desired clearly to prevent a repetition of the situation in the fall of 1939 referred to above. It was believed that this action in no way endangered the domestic-sugar industry, for the sugar quota legislation had been renewed, and it was anticipated that with the end of the period of sugar shortages, the quota provisions would be restored. The provisions of the Cuba trade agreement, of course, in no way prevented the resumption of quotas.

The point which seemed to disturb Mr. Bourg was that this action, coupled with Mr. Haley's recent speech outlining our policy regarding commodity agreements and pointing out that control schemes had often in the past been turned into instruments of monopolistic abuse, indicated that the Department would oppose the continuance of the Sugar Act, with its quota provisions. This is not the case. When the Sugar Act was renewed in 1944 the Department stated that it had no objection to its renewal, and our position in this regard remains unchanged. I cannot make any commitment as to our position on the amounts of the quotas in any future renewal, which is a matter for Congress to determine after hearing all of the appropriate testimony. These statements I believe also answer your third question.

2. In your second question you describe the concern which the domestic sugar industry feels about the provision in the international sugar agreement which allocates to foreign countries other than Cuba any deficit in the quota of the Philippine Islands. You ask to be assured that any further negotiations with respect to this provision will not be such as to create misunderstandings concerning the power of Congress to legislate on the subject. I am very glad to give you such assurance.

As you know, the 1944 protocol extending the international sugar agreement until August 1945 specifically provides that those chapters of the agreement which set forth the obligations of countries not exporting to the free market shall be inoperative, as shall also be the provisions regarding stocks and export quotas. The Department of State now plans to recommend that the agreement should again be extended for 1 or possibly 2 years beyond August 1945 but subject to the same reservations as are contained in the existing protocol, that is, with the provisions about which you are concerned remaining dormant.

Since the agreement is subject to renewal at short intervals it will be possible at all times to relate it to any changes that the Congress sees fit to make in domestic legislation. The Department considers itself bound to conduct the negotiations affecting any such agreement consistently with the policies laid down by the Congress and on terms which assure that there will be no misunderstanding as to the congressional authority to act in the matter.

Sincerely yours,

W. L. CLAYTON,
Assistant Secretary.

Mr. KEAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, one of the last messages President Roosevelt sent to the Congress was a message urging that the Trade Agreements Act of 1934 be extended for another 3 years, and that the President be empowered to further reduce tariff rates another 50 percent. In response to that message Chairman DOUGHTON, of the Ways and Means Committee, has introduced a bill (H. R. 3240), which if passed will accomplish the two things the President recommended in his message. The fundamental question that must be debated in considering the bill is, "Should the Congress continue to abdicate its responsibility to establish a tariff policy for this Nation, and turn this responsibility over to the executive branch of the Government?" There has been during the past 12 years, as we know, a definite trend away from constitutional government toward autocratic government. This trend has been marked by many congressional acts delegating powers to the Executive that belong under our Constitution to the legislative branch of the Government. Under such delegation of powers President Roosevelt issued thousands of Executive orders having the force and effect of law.

The Trade Agreements Act has already been extended three different times. A further extension of the act for 1 or 2 years might be the wise thing to do at this particular time. But to give the President additional powers to further reduce tariff rates is an entirely different question, a very debatable one to say the least.

Mr. Chairman, most Americans believe we must do everything possible to provide jobs for the members of our armed forces when they return from the war, and also to provide jobs in peacetime industry for the millions of Americans now engaged in wartime industry. Most Americans therefore are opposed to lowering our immigration bars to permit a flood of European workers to enter this country to compete for jobs against our own workers. A further lowering of our tariff walls will let in a flood of foreign goods to compete on the American market with American-made goods. This is bound to result in fewer jobs for American workers. In its resulting impact upon our American economy there is no difference between permitting several thousand shoe-factory workers to enter the country to compete for jobs with American shoe-factory workers, and permitting several million pairs of shoes made by cheap labor in Europe to enter the country to compete on the American market with American-made shoes produced by our high-priced labor.

The plate-glass industry can be used as another illustration. Our American wage rate for plate-glass factory workers is $1.15 per hour. Wage rates of plate-glass factory workers in all other countries range from 8 cents an hour in Japan to 30 cents an hour in Belgium. Such a difference in wage rates cannot be disregarded. Our American standard of living cannot be reconciled to such wage levels. Either the importation of foreign workmen or the importation of foreign-made goods is bound to result in fewer jobs for American workers. The time has come for Americans to be realistic, to be forthright, to be American. We cannot go along with those who, in order to be good neighbors, would give away our American market, the basis of our future prosperity.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 30 minutes to the gentleman from Georgia [Mr. CAMP].

Mr. CAMP. Mr. Chairman, those distinguished gentlemen of our Committee on Ways and Means who have spoken before me have so well and completely covered the subject under consideration that I hesitate to impose upon you with a long argument. Our distinguished chairman, after stating that the purpose of the bill is to extend for an additional 3-year period the authority of the President to enter into reciprocal trade agreements on behalf of the United States with the other nations of the world and to strengthen the trade-agreement program, then gave us a complete history of the program since its inauguration, followed by the reasons for its continuance that were so sound and logical as to defy answer. He said that he accepted the philosophy of St. Paul's letter to Timothy—"But if any provide not for his own and especially for those of his own house, he hath denied the faith and is worse than an infidel"—and that by his stand on this legislation he would keep faith with our American national household in endeavoring to find a profitable and expanding market for the surplus products of our farms, factories, and mines resulting in higher wages, fuller employment and a more abundant life for all segments of our population. I find myself in complete agreement with him.

I have always supported the reciprocal trade-agreements program. As we look back over the events of the past decade, the gathering of the storm clouds of war and then the bursting of full fury of international discord upon the world, we find many errors of foreign policy pursued by ourselves and our allies and we cannot but wonder what the effect would have been had this or that change of policy been made.

However, as we take this backward view, we find one program basically sound, that stands out as a beacon light in all the dark clouds of that era and that light is this effort toward uninterrupted trade among free and friendly nations, inaugurated by our great statesman, Cordell Hull.

It was not sufficient to prevent the great calamity of war that engulfs us because it was not inaugurated until after the doctrine of aggression and selfishness that culminated in international gangsterism had gained too much momentum, but this program of reciprocal trade agreements was able to accomplish more than any of the diplomacy of that time because it would bring democratic nations together across the negotiating table and has united many of the nations against the enemies. It has blazed the trail and it today points the way toward a lasting peace and friendship and mutual prosperity after the war is over.

Upon investigation, I found that the only textiles brought into this country were cheap cotton textiles from Japan, with whom we had no trade agreement,

and upon which the full Hawley-Smoot tariff rates were paid. I found that in the negotiation of the 28 trade agreements that have been made the negotiators, the State Department, the Tariff Commission, and all have so carefully looked into the interests of our people that in no case has a reduction of more than 10 percent been made in textile rates. We have no fear of the textile industry being sold down the river. In fact, we have full confidence in that great statesman, that great businessman, Mr. Clayton, who will succeed Mr. Hull in the negotiation of these treaties. There is an American who can trade with anyone and we are to be congratulated to have him at his place at this time.

This subject is one of the most important ones that will come before us this session, not because of any immediate need for lowered tariffs or trade agreements, because all of us know that until this war is over international trade between most countries is either at a standstill or as artificially stimulated by the lend-lease program, but the very first postwar need of the world will be the immediate revival of world trade. Indeed, the revival of trade will be the most essential need of the immediate future and these reciprocal trade agreements offer the one hope of its accomplishment.

America not only needs markets for its surplus products but the world is crying for them. Because of the depleted treasuries of most of the nations of the world, we must trade with other nations for their goods and products if we would sell them our own.

I had a very interesting experience the other day in talking to a returned soldier who was sent, at the very beginning of this war, to the Persian Gulf area, where he remained more than 2 years, working there in the delivery of lend-lease goods to the Russians. I asked him if he had read the GI bill of rights and if he thought it would help him. "Oh," he said, "if I could have my way and I could have my wish I would like to be in the exporting business for the next few years." He said, "How I would like to sell American 10-cent goods in the countries where I have been. How I would like to see American tobacco sold in the countries I have visited."

He had circled the globe, and he said, "Nowhere did I find a place that did not want American inventions." He said, "One lady told me that she subscribed to a nationally known American news magazine just to see the advertisements of household articles that the housewives and people of America are enjoying. She said, 'How I would like to come to America and buy those fittings for the house I will build when this war is over.'"

No, Mr. Chairman; American industry has not made the effort to sell its products to the other nations of the world as has the industry of other nations. After the last war Germany was supposed to be in a bankrupt condition, but in the handling of its foreign trade it developed a system of establishing retail outlets for the products of its factories in all of the South American republics. Young men were sent to all the principal cities, were furnished with consignments and great stocks of goods. As a result of this policy we found at the outbreak of this war that practically 90 percent of the hardware establishments of Latin America, including Mexico, were owned and controlled by Germans. More than 50 percent of dry goods and other lines were so controlled. Barter or exchange agreements were being made and the markets of the world next door to us were therefore denied to us. That great trade and that great business is open to America if she will seize it. Unless these trade barriers built up by the iniquitous Hawley-Smoot Tariff Act can be lowered and arranged here and yonder by patriotic Americans seeking to serve their country and build up its economic welfare we will again lose that trade which rightfully belongs to us among our neighbors.

We had no merchant marine to speak of and the shipping lines of foreign nations had no mercy on us after the last war.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. HARE. I think the gentleman has made a most valuable statement with reference to the development of markets for manufactured products. I am sure the gentleman knows that this Congress created a number of years ago what is known as the Bureau of Foreign and Domestic Commerce, and placed it in the Department of Commerce. The functions of that Bureau, as I understood at that time, were to assist in creating markets for American products in foreign countries. It has done some valuable service. If I had any criticism to make, it would be that these officers have contented themselves with developing domestic markets in one section of the country and another instead of devoting all of their time and efforts to the development of markets in foreign countries or advising industry how it would be possible for them to develop markets in foreign countries. I am glad to get the expression from the gentleman from Georgia who, I know, has heard all the testimony in connection with this bill and is therefore able to make a complete, intelligent, and sound analysis; and I want to congratulate him on his presentation.

Mr. CAMP. I thank the gentleman for his valuable contribution and his kind words.

I wish to answer the statement that has been made about agriculture. Whenever an American automobile is sold in a foreign country it carries with it 62 pounds of high-grade cotton upholstery, and 5 pounds of cotton cord in every tire. In the last year of our trade more than 50,000 bales of high-grade cotton was carried out of this country in automobile tires alone, and a much larger amount of cotton went out in the upholstery. When those automobile factories run and our high-paid American workmen receive full pay they are the greatest consumers of agricultural products in the world, and thereby our local market is greatly increased.

I had an experience that taught that to me very pointedly. I operated a small peach orchard in Georgia shipping peaches to the eastern and midwestern cities for consumption. During the time the automobile factories were working at half-time the peaches could not be sold. Your white-collared executives and workers will eat a half-peach for breakfast with some cream on it, but your workmen with his four or five children will consume a half-peck because he is hungry. He works. He is a workingman; he is a consumer. The same thing is true as to the clothing he wears and everything else he buys.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from California.

Mr. HINSHAW. I merely asked the gentleman to yield in the hope he will remain on the floor long enough to hear the remarks I shall make concerning the cotton situation.

Mr. CAMP. I will be very glad to remain and will listen intently to the gentleman.

Mr. HINSHAW. I would enjoy having the gentleman interrupt me at any time.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield.

Mr. CAMP. I yield to the gentleman from North Carolina.

Mr. DOUGHTON of North Carolina. We heard today from a distinguished member of the Ways and Means Committee how the farmer has been sold down the river by the reciprocal trade agreement. I am wondering if he was not sold at the bottom of the river under the Smoot-Hawley tariff program.

Mr. CAMP. I think the gentleman is exactly right and I am going to get to some of those facts. The Smoot-Hawley tariff bill placing a high tariff on manufactured articles left agricultural products practically on the free list and ruined the farmers in my section by the introduction into this country of oilseeds and copra. The price of cottonseed, from which cottonseed oil is made, went from 80 cents to 40 cents a bushel in less than 6 months after the Smoot-Hawley bill was passed.

Mr. DOUGHTON of North Carolina. In that connection let me say that the Smoot-Hawley Tariff Act was put on the statute books in 1930. In 1932, the second year of the Smoot-Hawley tariff, the record shows that the barriers were raised in connection with innumerable industrial articles. But the farm income dropped to a low of $4,000,000,000, the lowest in all the history of the country as a result of the Smoot-Hawley Act becoming law. That was its effect on agriculture.

Mr. CAMP. The gentleman is correct.

Not long ago I was talking to a retired admiral of our Navy, who told me that on one occasion when his ship was docked in a South American port he was on his bridge observing the unloading of a foreign ship. He noted a large crate and could read the sign on that crate from where he stood on his ship. It was from an American machinery manufacturer. In unloading the crate it very mysteriously dropped in the water. He said it was done so carelessly that he had reason to believe it was done deliberately and reported it to the American consular representative. An investigation was

made, and it was found that the representative of a machinery company from the foreign nation whose flag the merchant ship flew called on the consignee of that freight and said: "You can get that machinery quicker now by ordering it from our country. It will take too long to get it from America."

Mr. Chairman, our foreign trade has not only been under a great disadvantage by reason of the tariff but we had no merchant marine. After this war we will have a merchant marine. We now have the best merchant marine and the largest in the world, and American trade with that merchant marine, aided by reciprocal trade agreements whereby artificial barriers to trade are taken down may be built up. Speaking of jobs, they will be given in every phase of American industry and agricultural life.

Under the Smoot-Hawley Act, our foreign trade immediately started declining and resulted in the piling up of certain manufactured stocks and agricultural products.

Let us review for a few moments what has happened since the enactment of our last tariff law. The Hawley-Smoot Act was passed in 1930. It was a highly protective act, imposing high import-duty rates on more than 3,000 items; yet on its free list we find many items produced by our farmers and small industries, one such item being oil seeds and copra or coconut meat, from which vegetable oil is derived. The failure of this tariff act to protect American cottonseed, the source of half our cooking and table oil and oleomargarine, resulted in the decline in the price of cottonseed from 80 cents per bushel to less than 40 cents. Immediately after the passage of this act the nations of the world with whom we enjoyed a fine trade began to retaliate by passing similar high tariff walls against us. Even Great Britain, a country that had for more than two centuries advocated free trade, passed a high tariff law and built trade barriers against us.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The reciprocal trade law has now been in effect about 11 years.

Mr. CAMP. About 11 years.

Mr. KNUTSON. Has its operation had any effect in softening the British protective tariff position?

Mr. CAMP. It has not completely softened it, but we have made a trade agreement with Great Britain which has increased our trade with her in every line. By making further reciprocal trade agreements we may break into that dominion policy which Great Britain has and enjoy further trade relations with her. It is the only chance we have to do it.

Mr. KNUTSON. The gentleman will agree, will he not, that Great Britain has preferential trade arangements with the Empire.

Mr. CAMP. That is what I meant when I said "Dominion."

Mr. KNUTSON. And they also have the sterling bloc, the members of which agree that they will only buy among themselves where it is possible to buy. The gentleman will recall the article that appeared in the New York Herald Tribune about 10 days ago showing that Great Britain had refused to release funds in London that were credited to Egypt, to Argentina, and to South Africa. Those countries wanted to come over here and buy Douglas passenger airplanes, and Great Britain said she would not release any funds for such purchases.

Mr. CAMP. That is exactly it, and that is exactly what we are trying to break up. If Mr. Clayton can sit across the board, aided by Bretton Woods, which is going to be passed here, with financial arrangements of that sort we can get some Empire trade from Great Britain. Otherwise, just as you say, we are not getting it now and we cannot get it.

Mr. KNUTSON. But you have had 11 years in which to try to get it, and you say you have not softened her up very much.

Mr. CAMP. The gentleman knows that the war has intervened in this matter, and that there have been no real negotiations which can begin only after the war.

Mr. KNUTSON. Why, we had trade agreements with the United Kingdom before this war broke out.

Mr. CAMP. Yes; and we increased our trade with her as a result of it.

Mr. WASIELEWSKI. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Wisconsin.

Mr. WASIELEWSKI. Is it not true that to a large extent the reason for the British entering into the so-called Ottawa agreement was to counteract the high-tariff barriers created by the Smoot-Hawley Act?

Mr. CAMP. Absolutely.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. As I understand, this bill extends trade agreements for 3 years; is that correct?

Mr. CAMP. That is correct.

Mr. BROWN of Georgia. Everyone knows that in the devastated areas of foreign countries the people are not now and will not be for 3 years able to produce enough food and enough clothing, and it strikes me that as long as this is a temporary measure, it is a great opportunity for us to sell our surplus clothing and surplus food in those foreign countries.

Mr. CAMP. That is the idea. It gives us an opportunity, if you please, to introduce our goods into these countries, and once they get used to them and like them our trade is established, just as the cigarette trade was established in Europe by our soldiers in the last war.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Alabama.

Mr. PATRICK. Can anything better give an example of what we are trying to obtain in this legislation than the matter just discussed? If a country is going to counteract a tariff wall built by us, it will have to build one equally as high or higher.

Mr. CAMP. That is right.

Mr. PATRICK. When a nation comes in that has done business as England has through the years as a free-trade nation and throws up immediately a barrier, which it has held so rigidly, does not that show that when we are in the position in the world we are in now there is an opportunity for us to build a world-wide program that we can live under, an opportunity that history probably will never give us again?

Mr. KNUTSON. Would it not be cheaper to establish a world-wide WPA? At least we would get a little credit for it.

Mr. PATRICK. Does the gentleman advocate that?

Mr. KNUTSON. No; I leave that to the other side.

Mr. WASIELEWSKI. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Wisconsin.

Mr. WASIELEWSKI. Inasmuch as our war in Europe is now concluded and we are beginning a program of reconversion, the extension of this act and giving broader powers to the President will permit our industry to look ahead and make its plans accordingly in order to avoid postwar unemployment.

Mr. CAMP. The gentleman is exactly right.

As I see it, we have a God-given space here of 3 years, when the nations of Europe are paralyzed, when their industry is destroyed. We have that space given us to introduce American goods of all kinds all over the world. In my opinion, it would pay us to sell them as cheaply as possible. Once they get the use of them, our trade will be established. It seems to me one of the greatest economic opportunities that ever was presented to the American people.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from North Carolina.

Mr. DOUGHTON of North Carolina. Is it not superlatively strange that if the reciprocal-trade agreements have been as serious as is contended by the minority in their effects on industry, agriculture, and labor—all these would have been ruined if it had not been for the embargo caused by the war, according to the minority leader, and also their contention that the act is unconstitutional, too—still the minority are willing, in spite of all that, to extend the act for 1 or 2 years? Can the gentleman understand that? The trade agreements also brought on the war, as one gentleman said in the committee.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from New York.

Mr. REED of New York. I am not in the capacity of a minority leader or any other kind of a leader here, but I do not want it to appear in the RECORD that I am willing to vote for an extension of 1 year or 2 years. I am against the bill, and have been against it from the start.

Mr. DOUGHTON of North Carolina. I congratulate the gentleman for his

consistency. I did not say the gentleman from New York, I said the minority leader.

Mr. REED of New York. I do not want the RECORD to show any doubt as to my position.

Mr. DOUGHTON of North Carolina. The gentleman from New York has been consistent all the way through.

Mr. KNUTSON. I do not believe that statement should go into the RECORD. In the first place, the gentleman from Massachusetts [Mr. MARTIN], is not on the floor at the moment.

Mr. DOUGHTON of North Carolina. Is there anything untrue about it?

Mr. KNUTSON. I do not think it is quite accurate.

Mr. DOUGHTON of North Carolina. Let the gentleman correct it, then, and show where it is inaccurate.

Mr. KNUTSON. The gentleman is quite a word-painter.

Mr. DOUGHTON of North Carolina. The gentleman from Minnesota is quite an adroit dodger, too.

Mr. KNUTSON. He would have to be in dealing with the gentleman from North Carolina, who is quite adroit.

Mr. DOUGHTON of North Carolina. I would be entitled to be congratulated if I could keep in sight of the gentleman from Minnesota.

Mr. CAMP. Another thing, we have so progressed in mass-volume manufacture that despite our high standard of wages we can compete with any country in the world in the low-cost manufacture of automobiles, radios, refrigerators, and many such items.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

American automobiles were protected first in 1913 with a 45-percent ad valorem tariff under the Fordney-McCumber tariff law. That was later reduced to 25 percent and now it is 10 percent. If American automobile producers can outdo the world, then why not remove the tariff?

Mr. CAMP. I think the men in charge of the program could take all those things into consideration.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 10 additional minutes to the gentleman from Georgia.

Mr. CAMP. In the good old days when America produced most of the world's cotton, we could afford high tariffs, for cotton was "king," and its exportation guaranteed us a favorable trade balance for more than a century. But we no longer enjoy that cotton monopoly. We must find markets now for our cotton—in other words, we must compete with every other country that produces it.

Had you thought of this fact: for every passenger automobile exported from the United States, 62.4 pounds of lint cotton and 2 pounds of linters is sold. Each truck exported carries 86 pounds of lint cotton and 4 pounds of linters. Each separate tire exported carries an average of more than 5 pounds of lint cotton. Besides the cotton—manufactured cotton, not raw cotton—of course, there is the steel and all other things.

In this way, during the year 1939 more than 50,000 bales of high-grade cotton and 1,000 bales of linters found a market in our foreign sales of automobiles, trucks, and tires and two-thirds of our automotive exports are to countries with whom we have trade agreements, all of whom gave us concessions on automobiles, trucks, parts, and accessories.

Mr. REED of New York. Mr. Chairman, will the gentleman yield once more?

Mr. CAMP. I yield.

Mr. REED of New York. Since the gentleman mentioned competition, of course you will have competition from the cotton fields developed by Mr. Clayton in Brazil.

Mr. CAMP. Of all the opposition to this bill none of it seems to be based upon any harm done to any single industry in the country in reduction in tariff rates already made. Every opponent is moved by fear that sometime in the future in the making of these trade treaties, some harm may be done the industry in which they are interested. I, myself, was in doubt as to the effect of paragraph 2 of this bill upon the cotton-textile industry of the district represented by me. Upon investigating I found that in all the 28 trade agreements already negotiated, the tariff rate on textiles had never been reduced more than 10 percent and that this reduction had done no harm to the industry. Prior to 1939 the only cotton textiles coming into this country in any quantity were cheap textile goods from Japan, and as we had no trade agreements with Japan, the full Hawley-Smoot rates were paid on these goods.

The objective of the Trade Agreements Act is to successfully build up our foreign trade without injury to American producers and this building up must be done cautiously and gradually by those who understand our needs, with the well-being of our industry and agriculture in mind at all times.

The country is to be congratulated, and I am sure feels completely safe, because the great work so successfully inaugurated by Mr. Hull is to be carried on by that great American expert in foreign trade, Mr. Will Clayton, a man of unquestioned integrity and ability, who will at all times move cautiously and carefully.

It has been explained to you by those who have preceded me that this bill proposes to safeguard the interest of our domestic producers and insures that the public interest will be protected. Not only will hearings be held and every industry be given the opportunity to be heard on negotiations that may effect them, but each and every agreement made in the future will contain an escape clause which has been included in most of the agreements signed since 1940 and which provides for a consultation between the governments, should any circumstance arise which is considered to prejudice our domestic industry or commerce, and if they cannot arrive at a satisfactory adjustment, the agreement may be determined entirely or in part. Not only that, but it is provided that quotas on the importation or sale of products on which concessions have been granted, may be mutually agreed upon when the quantity being imported or exported may tend to injure or cause stress.

In conclusion I wish to again express, as my humble opinion, the importance of our vote on this bill. This is one of the main branches of the peace program and by a vote we will signify whether or not we are willing to participate in international cooperation. This bill provides the only practical and successful method of dealing with the tariff.

Mr. Chairman, it is my hope that no political issue is made of this subject at this time. Let us not do damage to our country's prestige and its world influence in these important times. Let us not destroy the great work already done by one of America's first statesmen, Cordell Hull. Let us rather complete the great program to which he gave so many years of his best thought and talent.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I am very glad indeed that the distinguished gentleman from Georgia has such high confidence in that very eminent citizen, Mr. Will Clayton, who is the Assistant Secretary of State. I am sure that the gentleman from Georgia realizes that Mr. Clayton is one of the greatest cotton factors in the entire world and that he is a very smart man on the subject of cotton, certainly. He was so smart that he thought in 1929 he really ought to go down to Brazil. So he did go down to Brazil, according to his own testimony, looked over the situation, thought it was good, and in 1934 he set up an office in Brazil, and built a lot of gins and compresses and seed mills, and so forth, to the tune of $6,000,000 or so of the firm of Anderson, Clayton Co.'s money. He had been working down there for some time. As a matter of fact, he set up some schools down there to teach the Brazilians and Brazilian Japs how to raise cotton. So in 1934 the Brazilian production of cotton suddenly increased from 500,000 bales to 1,014,000 bales. In 1939 it was well over 2,000,000 bales and in 1945, by his own testimony, the Brazilian production of short-staple cotton was in the neighborhood of 2,700,000 bales. Of course, that fact should interest the gentleman from Georgia and give him a great deal of interest in the gentleman who is so well known to all as Will Clayton.

Mr. CAMP. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. CAMP. I wonder if the gentleman thinks I am not familiar with all of those facts, coming from one of the great cotton-producing States and one of the leading cotton-textile States. I do not think the gentleman has made a misstatement, but I think he has left an inference that may be bad. Will Clayton never established an acre of cotton fields in Brazil.

Mr. HINSHAW. Oh, well now, the gentleman knows——

Mr. CAMP. After the cotton fields began, he did go down there and help them get their cotton ginned, and established gins.

Mr. HINSHAW. And established schools, too.

Mr. CAMP. He has not established any school, but he does have a farm there where cultural methods are demonstrated.

Mr. HINSHAW. Experimental farms where methods of culture are demonstrated. If that isn't a school I don't understand the term. I read the testimony and heard a great deal of it in the gentleman's committee, and I think I understand the situation. He ran experimental farms down there.

Mr. CAMP. He never ran a farm.

Mr. HINSHAW. An experimental farm?

Mr. CAMP. No.

Mr. HINSHAW. Oh, yes. He said so.

Mr. CAMP. He has an experiment station farm.

Mr. HINSHAW. Oh, well, all right. Call it anything you like. An experiment station farm.

Mr. CAMP. That was long after the cotton-producing program was in operation.

Mr. HINSHAW. Now, I am likewise interested and concerned with the gentlemen from other cotton-producing States, because we raise a lot of cotton in California. I am very much interested and somewhat concerned that those gentlemen should say they are for free trade. The reason I am so interested and concerned is that under the Agricultural Adjustment Act and the Soil Conservation Act, they have established in the United States almost a 100-percent embargo against the importation of short staple cotton. They do not want a tariff on short-staple cotton. No; they want to keep it out altogether. So they put up a 99¾-percent embargo on the importation of cotton into the United States. Not only did they do that, but they have an export subsidy on cotton to help them dump their products elsewhere in the world. It started at 1½ cents a pound in September 1939, and according to Mr. Clayton's testimony it is now 4 cents a pound subsidy on the exportation of cotton. The world paid little attention in September 1939 because the Nazis had just then jumped on little Poland and hence war stole the headlines.

I would like to ask the gentleman from Georgia [Mr. CAMP] a question, and I hope he will not make a speech in answer. When we pay a subsidy of 4 cents a pound on the exportation of cotton from this country to England, for example, thereby making the price of cotton about 4 cents per pound cheaper in England than it is here, does the gentleman have any idea that the manufacturers of this country who are paying the full price for it, can produce cotton textiles as cheap as they can produce them in England and ship them back here?

Mr. CAMP. Does the gentleman want me to answer that?

Mr. HINSHAW. Yes.

Mr. CAMP. That is why the tariff on textiles has not been reduced.

Mr. HINSHAW. That is exactly correct. That is why a lot of the rest of us do not want our tariffs further reduced on other products.

Mr. CAMP. The American textile manufacturers are not very much worried about the result.

Mr. HINSHAW. I have the textile tariff schedule before me. Of course, the gentleman is entirely correct in saying that his textile industry has been protected by not having the tariff reduced very much. As a matter of fact, they have been reduced very little.

Mr. CAMP. Ten percent.

Mr. HINSHAW. Oh, perhaps 10 percent on the average.

Mr. CAMP. Exactly 10 percent.

Mr. HINSHAW. And I will warrant you that when the war is over and the rest of the world starts going again, including the British, Indian, and Chinese textile mills, you will want to use the other side of the provision in the Smoot-Hawley Act, which permits the raising or lowering of the tariff by 50 percent. You will want to raise it 50 percent. You will have to raise it in order to stay in the textile business.

Mr. KNUTSON. I hope that the gentleman will not be too severe on the gentleman from Georgia, because he followed with us almost to the end of the campaign.

Mr. HINSHAW. Well, that shows that he has perspicacity.

Of course, cotton is not the only subject of embargoes on importations. There are some other embargoes on importations. For example, there is one that is, in effect, an embargo on importation. Actually it is an embargo on the export of tobacco seed.

There is a letter in the record of the hearings to my good friend the gentleman from Wisconsin [Mr. MURRAY] written by the Assistant Secretary of Agriculture, telling why that export embargo was placed on tobacco seed. It was placed, according to the story around the letter to the gentleman from Wisconsin [Mr. MURRAY] because it was found that elsewhere in the world American tobacco seed could be germinated and that tobacco practically the equivalent of Virginia-Carolina tobacco could be grown very well indeed, but that a second crop raised from the seed of that same tobacco grown elsewhere petered out and was not so good. So the way they set up an embargo against the importation of domestic types of tobacco into this country and at the same time protected our foreign market for Virginia type tobacco was to prevent, just 100 percent, the export of tobacco seed to foreign countries.

(The letter above referred to is as follows:)

JANUARY 22, 1945.

HON. REID F. MURRAY,
House of Representatives.

DEAR MR. MURRAY: This is in reply to your letter of January 2, inquiring about the act of Congress prohibiting the exportation of tobacco seed and live plants. This law was enacted to protect the foreign market for American tobacco growers. It was felt that the large quantities of tobacco seed being exported annually to China and other countries which normally imported large quantities of tobacco from our flue-cured districts were contributing to the decrease in these tobacco exports.

The act forbids the exportation of tobacco seed except for experimental purposes, and the officials of the department concerned with plant breeding stated that one-half ounce of seed is more than ample for planting a regulation-size experimental plot. This, therefore, was adopted as the maximum quantity of seed that could be exported for any one variety. However, under an approved application, a permit may be issued to cover several varieties. Permits are issued only for seed to be used in the course of scientific experiments as conducted by governmental agencies. During the past 4 years the total quantity of seed authorized to be exported has been slightly under 11 pounds. A copy of the regulations governing the administration of this act is enclosed.

Congressman KERR, of North Carolina, was instrumental in securing the enactment of this law, and you may wish to discuss it further with him.

Sincerely yours,

CHARLES F. BRANNAN,
Assistant Secretary.

Who is the high protectionist in this country? The gentlemen who raise the short staple cotton and the gentlemen who raise the tobacco, are they the free traders they profess to be? No; they are just 1,000,000 percent high protectionists, of course; and it is perfectly silly and asinine for any Member of this Congress from any of those States whose principal product is cotton or tobacco to stand up here and talk for low tariffs and appear sincerely in favor of them; it is perfectly ridiculous. I hope the Members who come from those States will reflect on that subject, and explain why it is that they are willing to have the tariffs protecting the products of other parts of the United States reduced deeply while they have 100 percent protection for their own crops. If that is not gilding the lily I should like to know what it is.

And I will ask my friend from Alabama—he is from a steel-producing State—does he want the tariff further reduced on steel ingots? Of course he does not because he comes from Birmingham, Ala., a great steel-producing center, and he does not want his blast furnaces shut down. I suppose he will say to us that he has great confidence in those who will negotiate these trade agreements that they will not reduce tariffs that protect the steel industry in his part of the country. The tariff on steel ingots has been reduced already 16⅔ percent.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. KNUTSON. Of course; and the gentlemen on the other side have some particular things that they want protected.

Mr. HINSHAW. And great confidence that the administration will not reduce their tariffs. They are willing to see them reduced for the other parts of the country, but not for their own; oh, no. They will have to admit that they are 100-percent high protectionists for their own interests. They insist upon import embargoes. Tariffs are not enough.

Mr. KNUTSON. They are what one would call spot protectionists.

Mr. HINSHAW. Spot protectionists is a good term.

Mr. Clayton gave some very sound advice to this Congress in the course of his testimony. He deplored the two-price system, that is the higher domestic price

and the reduced or subsidy price on export, meaning a low foreign price on our products. I hope every Member of the House will read Mr. Clayton's testimony on that subject because I think he is entirely correct. It is wholly fantastic to think of freeing world channels of trade, and at the same time that we should have an export subsidy on a product and simultaneously a virtually complete embargo on its importation into this country. That is just the kind of economic warfare that is so obnoxious to those who profess to favor this bill. As far as I can see, and I do not claim to know the solution, nevertheless, if we are going to have an export subsidy on any product produced in this country we should have a tariff on its import of at least equal amount in order to be even remotely fair. If we are going to build ourselves up here into a high standard of living and prices then the wall has to be complete all the way around us, does it not? Else we go down into the peasant standards of the rest of the world. I do not know of any other answer to that question. And these people who talk glibly about lowering tariffs and then put 100-percent embargoes against the importation into this country of their own products ought to stop and begin to talk a little reason and common sense. Somebody ought to realize that wages and prices in America have gone up during this war. Maybe our tariffs are not high enough.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. HINSHAW. We talk a great deal about doing good in the world and building up foreign trade. I saw by the paper this morning that Mr. Wallace had said that our imports should exceed our exports. I ran through his remarks rather hurriedly and did not find those exact words, but I will accept the reporters' statement on it. What does Mr. Wallace believe we can import into this country in excess of our exports? I should like to know that. He used to be Secretary of Agriculture; he is the fellow who caused the placing of the import embargoes on these goods by instituting export subsidies. There are many embargoes. There is an embargo against the importation of wheat into this country. We grow 800,000,000 bushels of wheat a year, or more, and there is an 800,000-bushel import quota restriction, which, in my way of figuring, is one-tenth of 1 percent of the production in the United States. That is all the wheat that is allowed to be imported into this country. And we have a tariff on the importation of wheat to boot. There are some other important embargoes, or virtual embargoes, such as those on cattle and other things, which have been discussed here.

If we are going to be able to live in this world and sell abroad, in the first place we will have to produce cheaper and better than they do abroad. We can do that in certain lines. We can do it in the mass-production industries. Mass production, of course, is the forte of this country. We will be able to export our mass-production goods, but unless we reduce the cost of the other items of production in this country then we might as well forget trying to export such items by any other means than by subsidy. If you are going to subsidize, I ask you, if you will not have to put on an import duty to offset the subsidy?

There is much more to this subject that the Members should consider. We have other acts than the Reciprocal Trade Agreements Act. We have other acts than the tariff acts that affect our imports and exports, and at the conclusion of my remarks I shall place in the RECORD certain quotations from the United States Code which will cover the authorities granted in the Agricultural Adjustment Act and Soil Conservation Act limiting importations into the United States of agricultural products and for paying export subsidies.

If you are going into the quota system on imports, Mr. Chairman, and you are going that way because we have taken several long steps on the road, if you are going into the quota-restriction business, then go 100 percent and protect us all. If you are going to operate under quota restrictions on the importation of goods into the United States we do not need any tariffs. There should be no need whatever for a tariff under quota restrictions. You can just cut tariffs to zero and say we have free trade. You can call it that if you want to, but it is not free trade because you only allow a very small percent of the foreign production to enter the United States, not enough to affect our local market but enough to make a whale of a profit for both the foreign producer of that stuff and the importer. Is that not correct?

Mr. MURRAY of Wisconsin. I know the gentleman is approaching it from a proper scientific and fair angle.

Mr. HINSHAW. Who are for this bill? The mass-production industries, the big industries are for it. Of course, the exporters and importers are for it, too, because they tell us that we are going to have a big foreign trade and export $15,000,000,000 worth more goods than we import in the first 5 years after the war. What are you going to do with the $15,000,000,000 balance abroad? How are you going to get it back over here? You will have to take it in goods or you will have to invest it abroad or else fund it as a loan to the people abroad on some kind of a time-payment basis. There is no other answer to that at all. That is the same proposition that the Congress opposed some time ago.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from New York.

Mr. REED of New York. Those exported automobiles, for instance, will have to be paid for by the very cheapest labor that produces over there, and those goods flowing in here are going to cut down our wages to the very lowest level.

Mr. HINSHAW. There is no other answer to it and if the gentlemen on the Democratic side of the House want us to suffer from that sort of thing I hope we do it quickly so the people of the country will find out the truth.

The people who will be hurt by this bill are the smaller industries and their workers, and the farmers who don't have quota-import restrictions and export subsidies on their crops. When they are hurt America is seriously wounded.

Mr. Chairman, 1,190 items of tariff have been reduced by trade treaty, which comprise 62 percent of the dollar volume of the importations of dutiable items into this country. Do you realize that 870 of those tariff reductions or nearly three-quarters of the reductions have only been effective beginning or since January 1, 1939? On September 1, 1939, the world went to war. You do not know what effect those reductions are going to have upon the United States' economy after this war is over because they could have had no effect whatever since they were instituted, to date. They could not have had any effect. All foreign trade has been under a system of controls that are almost absolute, and in many cases tariffs have been suspended.

Mr. Chairman, I submit the following as parts of the legal authority for the payment of export subsidies, and the establishment of import quota restrictions.

United States Code, title 7, section 608 (a) 3—the AAA:

Subject to the provisions of subsection (1) of this section, the Secretary of Agriculture shall make payments, out of any moneys available for such payments, in such amounts as he finds, upon the basis of the investigation made pursuant to subsection (1) of this section, to be fair and reasonable and best calculated to effectuate the declared policy of this chapter:

(a) To remove from the normal channels of trade and commerce quantities of any basic agricultural commodity or product thereof;

(b) To expand domestic or foreign markets for any basic agricultural commodity or product thereof;

(c) In connection with the production of that part of any basic agricultural commodity which is required for domestic consumption.

United States Code, title 7, section 624:

624 (a). Whenever the President has reason to believe that any one or more articles are being or are practically certain to be imported into the United States under such condition and in sufficient quantities as to render or tend to render ineffective or materially interfere with any program or operation undertaken, or to reduce substantially the amount of any product, processed in the United States from any commodity subject to * * * he shall cause an immediate investigation to be made by the United States Tariff Commission. * * *

(b) If, on the basis of such investigation and report to him of findings and recommendations made, in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees on, or such limitations on the total quantity of, any article or articles which may be entered or withdrawn from warehouse * * * provided, that no limitation shall be imposed on the total quantity which may be imported from any country which reduces such permissible quantity to less than 50 percent of the average annual quantity of such article which was imported from such country during the period from January 1, 1929, to December 31, 1933, both dates inclusive.

Mr. Chairman, I have prepared the following table of some of the principal agricultural and other products of the people of California, showing the

percent of reductions in tariff that have been made under the trade treaty program.

Partial list of items of production in California on which tariffs have been reduced by trade treaty

SCHEDULE 2

Par. No.	Items	Percent reduction in tariff	Treaty country
202 (a)	Tiles, floor and wall	50	Mexico.
205 (b)	Portland cement	25	Belgium.
211	Earthenware and crockery.	50	Mexico.

SCHEDULE 3

302 (a)	Manganese ore	50	Brazil.
304	Steel ingots	16⅔	Belgium.
345	Saddlery and harness, plated hardware.	50	United Kingdom.

SCHEDULE 7

701	Cattle	40	Canada.
712	Chickens, guineas, ducks, geese.	40	Do.
713	Eggs of chickens in shell.	50	Do.
716	Honey (2 reductions)	50	Guatemala, Mexico.
	Halibut	50	Canada.
717 (a)	Swordfish	50	Do.
722	Barley	25	Do.
726	Oats	50	Do.
740	Figs	40	Turkey.
742	Raisins made from seedless grapes.	25	Do.
743	Limes	50	United Kingdom and Mexico.
748	Plums, prunes, green or ripe.	50	Argentina.
752	Candied or glaced fruits.	37½	France.
772	Tomatoes, canned	50	Argentina.
783	Cotton, long-staple	50	Peru.

SCHEDULE 8

804	Still wines from grapes	50	France.

SCHEDULE 15

1530 (a)	Hides and skins of cattle.	50	Argentina, Uruguay.
1530 (b)	Leather (miscellaneous items).	33⅓	United Kingdom.
1551	Motion-picture-film negatives and positives.	50	Mexico.

Selected list of dutiable agricultural items produced in California with tariffs now in effect and which have not yet been reduced

Par. No.	Items	Tariff
	Schedule 7:	
743	Oranges	1 cent per pound.
743	Grapefruit (other than from Cuba).	1½ cents per pound.
744	Olives, in brine:	
	Green	20 cents per gallon.
	Ripe	30 cents per gallon.
760	Walnuts:	
	Not shelled	5 cents per pound.
	Shelled	15 cents per pound.
760	Pecans:	
	Not shelled	5 cents per pound.
	Shelled	10 cents per pound.

Mr. JENKINS. Mr. Chairman, I yield 15 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, during the past few days we have had presented to us an extraordinary amount of factual information. Those who have studied this tariff question for many years have ably presented the essential data. There is no need for me to add to the facts and figures.

What, in essence, is the decision with which we are now faced? As a matter of background, we have the history of the United States, which has had a protective tariff since the First Congress.

Under the economic conditions which we faced in the nineteenth century and in the first part of the twentieth century a protective tariff was the Republican program.

Our present tremendous industrial capacity which has resulted in our becoming the arsenal of democracy and winning two wars is a monument to the success of this policy.

However, about the time of the last war this country had grown so powerful—industrially and financially—that whatever the immediate situation may be today it is evident that in future we will be a creditor nation.

Does this call for a change in our basic policy?

We have an excess of manufacturing capacity. If we are to export the surplus goods of our factories, a balance of trade must be met to a great extent either by increased imports or by American investments in foreign lands.

It is not necessary to choose which of these two courses we will take. We should do both and we can do both, for we have also an excess of capital seeking productive employment.

In making investments abroad, we should not repeat the mistakes of the twenties and have these entirely in the form of loans which we expect to have paid off, but our investments should be largely in equities—a productive share in the development of backward areas.

If these turn out satisfactorily and pay good dividends, there is no reason why investors in this country should wish to give them up. It is an old saying that the only time a banker wants a loan paid off is when he feels there is doubt that it may be paid—and this goes for individuals.

If we make these investments really productive, we not only insure ourselves a fair return but also, by raising the standard of living in formerly backward countries, we may well establish a demand for American goods in areas where now no such demand exists.

Year after year this outward flow of capital should aid in providing foreigners with the dollars to buy our goods and thus avoid the necessity of their flooding our markets with imports.

With the partial exhaustion of some of our natural resources, it is also quite possible that more and more of the raw materials now on the free list which are necessary as a basis for American industries, will come into this country and contribute to balancing our trade.

Surely there is no advantage to anyone in carrying out the New Deal policy of the thirties which was to create the necessary trade balance by receiving gold and burying it in the ground.

On last Tuesday, the gentleman from Ohio [Mr. THOM] asked if it was not true that if we paid for foreign goods in dollars these dollars must ultimately come back to our country to buy American goods. This is, of course, true. A dollar is only good in countries where the monetary standard is a dollar. But the paths for the return of this dollar to our shores are often devious.

For instance, many Europeans realizing the strength of our country have been accustomed to keeping reserves of dollar bills in their strong boxes. Again some of these dollars will be used to purchase American stocks and bonds. Many American workers might fare meagerly before they ever see this money.

Yes, under present conditions foreign trade should be encouraged, and I believe in true reciprocity for this trade. But in laying our plans we must be most careful not to destroy those industries needed for national defense, not to destroy new industries which can be helpful to our future economy—the development of our chemical industry and our rayon industry in the past few years would never have occurred if it had not been for the protective tariff—nor should we destroy industries which, owing to their historical protection by the tariff, have trained many workers who know no other trade, and about whose factories communities have grown up which would become ghost towns if tariffs were removed.

We find facing us today two questions: First, should a reciprocal trade program be continued? I believe it should.

Second, are the present methods the best methods which can be developed? I do not think so.

I question the wisdom of the universal application of the most-favored-nation clause by which we have thrown away our bargaining power by excessive concessions to many nations in exchange for nothing. Through this policy much of our bargaining power has been frittered away, and this is one reason we are today faced with a request for further power.

I also question whether Congress should delegate to the Chief Executive so much power over the pay envelope of our workers without some check. I cannot see the slightest objection to giving Congress the right to nullify by a majority vote of both Houses, within a specified time, any new trade treaty which is against the public interest. Certainly this would not lead to logrolling. If a treaty is so bad that a majority of both Houses opposes its provisions it never should go into effect.

It is interesting to note that only yesterday in his message, President Truman in endorsing this identical provision in the Reorganization Act stated, I quote: "Necessary control is reserved to the Congress," by this method.

I also question the advisability of granting additional power now to reduce certain tariffs as far as 75 percent below the rates in existence in 1934.

The most important of our treaties—that with the United Kingdom—only came into effect on January 1, 1939—9 months before Germany's attack on Poland. Of the 26 treaties now in effect,

12 were in existence less than a year befor the start of the European war.

Other treaties made in the period 1935–38 were applicable only when the world was in a turmoil. Certainly there has been no experience to prove what are, or will be, the effects on American employment of the treaties already made.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from California.

Mr. HINSHAW. I hope the gentleman will include in his remarks a list of those treaties which were placed in effect prior to January 1, 1939, and those subsequent to it, because then we shall be able to see that the treaties placed in effect prior to January 1, 1939, were almost all with our little Latin-American neighbors, with whom we want to trade, of course, but with whom we have no competition whatever on nearly all the items that are involved.

Mr. KEAN. I will be glad to do so.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I will be glad to yield.

Mr. CRAWFORD. I think the record will show that industrial workers in the United States have about two and a half times the productive capital that England has. Of course, compared to the balance of the world, it is insignificant. Does the gentleman believe we have reached a point in our economy where it is necessary for our people, who are now saving in the form of liquid savings at the rate of forty to forty-four billion dollars per annum as individuals, to export that capital and invest it in other countries, turning over to those people the necessary productive tools with which to produce goods to raise their standard of living, there not being in this country a place to invest that money to provide the proper ratio of production? In other words, does the gentleman feel we have reached the point where we should now export that capital?

Mr. KEAN. I do.

Mr. CRAWFORD. If I understand the gentleman correctly, he does not believe it is sound for us to export that capital through the medium of long-term loans?

Mr. KEAN. That is correct.

Mr. CRAWFORD. But we should put it in the form of equity capital?

Mr. KEAN. That is correct.

Mr. CRAWFORD. I agree with the last portion of that, to the effect that if we are going to send the capital out then we should take the necessary steps to see that a stabilized government is maintained in that country so that those investments will be sound investments. What are the steps we must take? I think that comes within the field of the new international police force. I think it will be dealt with at San Francisco. But I have not yet been able to sell myself on the soundness of our making short- or long-term loans.

Mr. KEAN. I thank the gentleman.

Mr. Chairman, there has been much propaganda to the effect that passage of this bill without amendment is essential to future world peace and to the success of the San Francisco Conference. I am frank to say I cannot see the connection.

The program of the administration, as outlined by their spokesman, has as its objective, increasing our exports from three billion to twelve billion.

These goods must be sold somewhere, and of necessity we must invade those markets which other nations have been accustomed to supplying.

This is trade warfare with a vengeance. If wars are the result of trade warfare, which I do not acknowledge, certainly more bad feeling might be caused by this program than any good feeling which might arise from a freer exchange of goods caused by concessions in the treaties.

We should get away from these smoke screens and camouflage created by the State Department as propaganda for this bill, and look at it from the viewpoint merely of: Will this legislation add to the living standard of the American people, or will it lower it?

As I have previously stated, I approve of the theory of reciprocal trade treaties.

I, therefore, am ready to continue this act as an experiment—for a short period.

But before granting more authority to the State Department to take actions which are so vital to the workers in the United States, it would seem to be better judgment to test the effects of the treaties already made, in a time in which there exists a more normal world economy, and then take stock in the light of our further experience.

Mr. Chairman, in response to the request of the gentleman from California [Mr. HINSHAW], there follows a list of trade agreemens which have been made:

Trade agreements signed [1]

Country	Signed	Effective
Cuba	Aug. 24, 1934	Sept. 3, 1934
Brazil	Feb. 2, 1935	Jan. 1, 1936
Belgium (and Luxemburg)	Feb. 27, 1935	May 1, 1935
Haiti	Mar. 28, 1935	June 3, 1935
Sweden	May 25, 1935	Aug. 5, 1935
Colombia	Sept. 13, 1935	May 20, 1936
Canada (superseded)	Nov. 15, 1935	Jan. 1, 1936
Honduras	Dec. 18, 1935	Mar. 2, 1936
The Netherlands	Dec. 20, 1935	Feb. 1, 1936
Switzerland	Jan. 9, 1936	Feb. 15, 1936
Nicaragua [2]	Mar. 11, 1936	Oct. 1, 1936
Guatemala	Apr. 24, 1936	June 15, 1936
France	May 6, 1936	Do.
Finland	May 18, 1936	Nov. 2, 1936
Costa Rica	Nov. 28, 1936	Aug. 2, 1937
El Salvador	Feb. 19, 1937	May 31, 1937
Czechoslovakia [3]	Mar. 7, 1938	Apr. 16, 1938
Ecuador	Aug. 6, 1938	Oct. 23, 1938
United Kingdom	Nov. 17, 1938	Jan. 1, 1939
Canada (second agreement)	do	Do.
Turkey	Apr. 1, 1939	May 5, 1939
Venezuela	Nov. 6, 1939	Dec. 16, 1939
Cuba (first supplementary agreement)	Dec. 18, 1939	Dec. 23, 1939
Canada (supplementary fox-fur agreement) [4]	Dec. 13, 1940	Dec. 20, 1940
Argentina	Oct. 14, 1941	Nov. 15, 1941
Cuba (second supplementary agreement)	Dec. 23, 1941	Jan. 5, 1942
Peru	May 7, 1942	July 29, 1942
Uruguay	July 21, 1942	Jan. 1, 1943
Mexico	Dec. 23, 1942	Jan. 30, 1943
Iran	Apr. 8, 1943	June 28, 1944
Iceland	Aug. 27, 1943	Nov. 19, 1943

[1] Negotiations are in progress with Paraguay; negotiations with Bolivia are inactive.

[2] The duty concessions and certain other provisions of this agreement ceased to be in force as of Mar. 10, 1938.

[3] The operation of this agreement was suspended as of Apr. 22, 1939.

[4] This replaced a previous supplementary agreement relating to fox furs, signed on Dec. 30, 1939.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. Mr. Chairman, we belong to a group here that does not believe that Uncle Sam is Uncle Sap. The minority ranking committeeman so referred to him. Uncle Sam knows what he is doing. There are certain people in the United States who remind one of the fellow who got on the train and had been on the train only a very few minutes when he happened to look down in front and yelled to the engineer to stop the train because, he said, "Don't you see that the tracks come together down the railroad?" That man no doubt called the engineer Uncle Sap.

Mr. Chairman, we have to think in terms of intelligence in connection with the management of affairs. I am today supporting this program because I believe that a 50 percent additional leeway of flexibility and a 3-year margin of action will be helpful in carrying on at this particular time the Nation's affairs.

Let me give you a quotation from Walter Lippmann. Those who do not always agree with Mr. Lippmann must admit he is a writer of worth.

> Nowhere else on earth and never before in history has any people had conditions so favorable as they are in the United States to proving their capacity for self-government. It will be a profound humiliation, therefore, if once again we fall into the pitfalls of a national policy that will leave us dangerously exposed to unmanageable perils from abroad. * * * We are liquidating in sweat, blood, and tears the fact that we * * * proclaimed ideals while we left our * * * alliances unformed and unsustained.

We are living in a nation and that nation is living in a world. The greatest hazard to our trade relations is not a foreign hazard but a home hazard. It is a self-inflicted program of rigidity brought about by legislation in a short-sighted effort to aid our trade relations. We have found that in a world of changing and swift-moving events any successful program must be one of flexibility.

We need leeway and an area of action, the working ground of sound judgment and intelligence, which calls for a program permitting flexibility. We are the legislative body. We merely provide the source of legal action in which to travel. I think one of the most wholesome things to build up good will in the world, which pays more dividends than we ever dreamed of until recently, is to have it so that whenever the reduction in one country obtains it carries a tariff concession for all; so that the smallest nation on earth can run up its flag and sail to any port in the United States and trade on an equal basis with any other nation.

Mr. Chairman, our friends on the other side have missed the greatest message of the whole life of Wendell Willkie, who wrote and thought of "One World" and had a well-conceived idea of one world. We are not living any more as we once did. We used to have plural systems of commerce. We have on all the earth now only one great revolving pulsating system of commerce.

We all dip into it. We get silicon from one place, rubber from another, tin from another, coffee from another, sugar from another, and so on. That exchange has wrapped itself in the coils of one great system, and we might as well recognize that fact and deal accordingly. If we look back down the road, if we try to build walls, if we try to live in the past, we will be like China and her wall of masonry; we will wake up some day very soon and see this ancient relic of the past. Still its ardent worshipers are seen worshiping at that wall just because their fathers worshiped there. This wall was erected in sections, the work of Fordney, McCumber, Smoot, Hawley, McKinley, even our revered Underwood and others. All these people were revered and wrought work for their day. But we progress forward and not backward. Men get a strange idea of that.

May I read you a little bit from Robert Frost's Mending Wall:

Something there is that doesn't love a wall,
That sends the frozen ground-swell under it,
And spills the upper boulders in the sun. * * *
I let my neighbor know beyond the hill
My apple trees will never get across
And eat the cones under his pines. * * *
Before I built a wall I'd ask to know
What I was walling in or walling out
And to whom I was like to give offense.
Something there is that doesn't love a wall. * * *
I see him there
Bringing a stone grasped firmly by the top; * * *
Like an old stone savage armed,
He moves in darkness it seems to me.

And yet they look back, behind. They look not to the light of the newer or broader existence. Why do two men stand on the same floor, talk of the same events, surrounded by the same history, and see it so differently? It is because one looks forward while the other looks backward. It is not the standing still. It is the future that shapes the decisions men make here.

I heard one of my colleagues the gentleman from Minnesota [Mr. KNUTSON], in proclaiming against the flexibility of a tariff, say this—I think I am quoting him exactly: "I cannot understand why the State Department wishes 50-percent bargaining-power increase when we do not know what sort of world we are legislating in, and you boys from the South should help to hold this thing in check."

These are my good friends who are to help shape laws and ways for America to act. That is the reason we have to have flexibility of action. It is like photographing the sky on a cloudy day. It changes hour by hour and day by day, and we have to have legislation for those who execute the program to carry on. That is the reason we put men of brain and character and intelligence and ability and experience behind the engine that we have got to drive across the face of the earth. It is not as it used to be. It is a world-wide activity now and the doors are going to have to be opened wider, because our intercourse with nations is going to far overlap anything we have ever seen on the face of this earth. We are going to have to deal with the problem as friends and neighbors and brothers. You can sit on the floor here conversing with a colleague, and 2 days hence can be getting a cablegram from him from across the seas.

Can we ignore that and build a wall that within a few short months may show that we have built up the wrong thing? For heaven's sake, let us leave it so that those who are given the responsibility of carrying on can do so without a millstone around their necks. We must have a more charitable and liberal way of doing things in this Nation if we are to still keep the feeling of fraternity that this opportunity among nations affords us. It is an opportunity that events may never bring again to our Nation's door. This time, if we behave, Uncle Sam will not be called the polecat of nations.

Southerners are told that we are still fighting the Civil War in the South. The first thing I heard when I came to Washington was that I was an unreconstructed rebel, that we in the South were still fighting the Civil War. I had to come here to Washington before I found that they were still fighting the Revolutionary War, that men here are still drawing a sabre on England and trying to cut some sort of an issue between England and America. They never miss an opportunity to do that. Let them stop fighting the Revolutionary War and then maybe they can lead us poor southern boys out of the doldrums of the old Civil War—if they feel we are still in that fight.

One of them today came into the Democratic cloak room, quoting the boys from the South, telling us we are benighted and do not know what is good for us. Let me quote Donald Nelson's views on the future of the South. This is what the former War Production Board Chairman said:

> The South has always had great material resources and a favorable climate. But now it has in addition two other resources that it once lacked. Today, largely as a result of the war, it has industrial know-how on a large scale, both among managers and workers. Add the fact that the level of per capita purchasing power is rising more rapidly in the South than in any other region, and I say flatly that the South cannot be prevented from moving swiftly into an era of industrial and social development that will astound the world.

Of course, we in the South welcome this era. We are helping to usher it in when we open the door to a more favorable and more understanding concourse with the world.

However, if the South is to push industrialization vigorously, we must cooperate with the rest of the country and with the world. The interests of the South are an integral part of the foreign-trade interests of the country.

Specifically, we in the South can work for full production and full employment, for foreign investment on a large scale, and for a world organization to lower tariffs and to promote international trade.

Those are three things that fit nicely together and are correlated. They will help to build a sound structure on which to stand.

You cannot set a chair down unless it have three legs. Set it on two and it will fall over. It is a strange thing to me that these gentlemen opposing this will sustain two of the legs, and then as to the third, which will make of it enough that a sound surface will be obtained, they rise up in indignation and want to fight everybody that tries to get it through.

Foreign trade is a two-way proposition. In order for foreign countries to obtain the money with which to pay for the products which the United States wishes to export, this country must buy products from these countries. I think with Robert Frost that when we are building walls it is a good idea to think of what we are walling out as well as what we are walling in. When you think of the number of nations with which we are dealing as compared to us as merely one nation, it only emphasizes the strength and the logic of that sort of reasoning.

The Reciprocal Trade Agreements Act was passed in 1934 as an instrument for remedying the disastrous consequences of the high tariff policies of the twenties and the early thirties. Since 1934, 32 agreements have been concluded with 28 countries and up to 1939 exports had doubled.

In the statement of Secretary Stettinius given before the House Ways and Means Committee, he said:

> Rising standards of living in every part of the world are dependent in large measure on our ability to bring world trade out of the trough of the 1930's. When farmers and workers are allowed to produce what they can make most efficiently, and to trade their goods widely for the output of others, then everyone has more to eat, more to wear, more to enjoy. Freedom from want is not an impractical dream, incapable of being realized in our time; it is a realistic goal, fully within the range of our production skills and technologies.

Assistant Secretary of State Will Clayton, testifying before the same House committee, said:

> The great strength of the reciprocal trade agreements idea is the implicit recognition that international trade, like all trade, is a two-way affair. No trader can sell without buying; no nation can sell abroad without buying abroad. A manufacturer or trader profits because his selling price exceeds his total costs; a nation profits because it secures better or cheaper goods abroad than at home, and pays for them with other goods, produced in excess of home requirements. During the 11 years of the Reciprocal Trade Agreements Act, this program has paid off in dollars and cents to the American farmer, businessman, and consumer.

During the 1930's of every dollar of income earned in the South in agriculture, manufacturing, and mining, about 15 cents came directly from foreign trade. The importance of foreign trade to the country as a whole measured in this way was only about half as great. Exports of southern products probably constituted more than 20 percent by value of the total production of movable goods in the Southern States in the twenties, and about 15 percent in the late thirties. If foreign trade is greatly expanded from its prewar levels, this would approximately double the dollar amount of our

exports in the late twenties, and would be about three times the dollar amount of our exports before the war. If the United States attains an export volume of $10,000,000,000 after the war, the South expects to share in the trade to the same extent as in prewar years.

Let us examine the foreign trade of the South in prewar years:

The value of exports through southern ports amounted to $1,500,000,000 in 1927. It was nearly $1,000,000,000 even in 1937 when conditions were relatively unfavorable in the cotton trade. Imports through southern ports in those years amounted to $400,000,000 and $300,000,000, respectively. These goods were not necessarily produced in the South, or imported for consumption there. Further, these figures do not account for southern products shipped out through ports in other parts of the country, and, of more importance, do not include raw materials and semifinished products originating in the South but processed in other parts of the country and then exported. This pattern, incidentally, has been a major handicap to southern industrial development. However, considering these limitations on these figures, we know that in the 1920's and 1930's about 30 percent of the total exports of the United States were through southern ports. Imports through southern ports represented about 10 percent of total imports of the country. These two figures—30 percent export, and 10 percent import—measure roughly the direct share of the South in foreign trade in prewar years.

This Trade Agreements Act needs not only renewal but strengthening. In recommending to the Congress that the act be continued, President Roosevelt shortly before his death asked that the authority to reduce tariffs by 50 percent be strengthened by making it apply to the tariff which we maintain today rather than to the tariff which we had 10 years ago. The bill before Congress today embodies this proposal.

But besides being good business, there are other significant reasons for supporting the trade agreements. The United States has a high moral responsibility to keep the peace of the world. World peace and world trade are indivisible.

Our course was set for us by President Truman when he addressed the Congress for the first time:

> We have learned to fight with other nations in common defense of our freedom. We must now learn to live with other nations for our mutual good. We must learn to trade to live with other nations so that there may be—for our mutual advantage—increased production, increased employment, and better standards of living throughout the world.

We are forced to override the backward tendencies of our good friends of the Congress whose thinking is shaped by what supersalesmen sold their fathers and grandfathers 40 to 50 years ago. To the future we look. The life of America is the living flesh of the present, not the dead bones of the past.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. LANE].

RECIPROCAL TRADE ENDANGERS AMERICAN TEXTILES

Mr. LANE. Mr. Chairman, no one questions the principle of economic cooperation among the nations. We do question, however, the practical application of it in certain specific cases. The textile industry is one. If the proposed concessions to foreign manufacturers are enacted into law, the American textile industry will not only lose in the home market, it will be forced back to substandard wage levels in order to maintain its very existence.

The enlightened statesmanship which throws American workers out of jobs in order to appease foreign demands is progress in reverse. Much as we would like to raise the living standards of a neighbor, we do not find a solution by merely swapping places with him. The motive may be noble but the economic results are disastrous. In so doing we compromise American standards with foreign standards of long hours, low wages, and inferior quality. We would find ourselves in the same position as a man on a treadmill. Though he appears to be walking forward, he is, in effect, drifting backward.

Under the Reciprocal Trade Agreements Act of June 12, 1934, and since extended, the President is given the authority to enter into trade agreements with foreign countries. He may modify American tariff rates whenever he finds American or foreign import restrictions unduly burdening or restricting the foreign trade of the United States.

Opposition to this act emphasized these points:

First. The act is based on the false premise that the decline in world trade in the early 1930's was the cause, rather than the effect, of the depression, and it exaggerates the role of American export trade in connection with domestic prosperity.

Second. Lowering American tariffs and admitting more imports will hurt domestic industries but will not induce foreign countries to increase their imports of American products.

Third. The act gives the President too much power over tariff making, a power which belongs to Congress.

Fourth. The system of public hearings set up under the act is insufficient and unsatisfactory.

Fifth. The bargaining position of the United States is weakened by the generalization of concessions provided for under the act; and

Sixth. The act is unconstitutional because of its delegation of legislative power and its failure to require Senate ratification of trade agreements.

The number of reductions in duty granted by the United States in trade agreements and in effect on January 1, 1945, amounts to 1,194. In addition, the United States has guaranteed not to increase the existing tariff rates on 62 commodities. On the basis of 1939 import statistics, the duty reductions in effect on January 1, 1945, have lowered the average—equivalent ad valorem—duty on the total dutiable imports by 31 percent from the average preagreement rate; they have lowered the average duty on imports subject to reduced rates by 43 percent. Of all dutiable imports in 1939, 63 percent would have been subject to the reduced rates in effect on January 1, 1945. Among the more important import commodities on which duty reductions have been granted are: Cane sugar from Cuba, whisky, nickel, cigarette leaf tobacco, cattle, flaxseed, canned beef, hides and skins, crude petroleum, watches and watch movements, sawed boards, and textile products.

It would be fatal to sacrifice the home market for the export market. In 1929, the value of our export trade was but one-tenth that of the total domestic production of movable goods and one-seventeenth the amount of the national income. This proves that domestic prosperity is more dependent upon the home market than the foreign market since it consumes 90 percent of what we produce and is responsible for about 95 percent of the national income.

Lowering United States tariffs and admitting more imports will not lead to an appreciable expansion of American exports for two reasons:

First. Foreign countries will still buy in the cheapest market and unless we can sell at world prices we cannot compete. Any hoped-for increase in domestic exports as a result of permitting increased foreign imports will be largely illusory, since foreign countries will naturally buy in the cheapest market no matter how much of their goods we import and unless we can meet world production costs and are prepared to sell at world prices we cannot compete in world markets.

Second. The mere fact that the United States buys more from a particular country is no guaranty that that country will buy more from us.

The United States should not extend most-favored-nation treatment to all countries, namely, it should not extend to all countries the tariff concessions which it grants to a country with which it makes a reciprocal agreement—because this generalization of concessions weakens the bargaining position of the United States. The way the present trade-treaty program is being administered, we are giving up much, but receiving little. It is a one-sided bargain so far as this country is concerned. To describe the treaty program as Yankee trading is a misnomer. No Yankee would swap horses with his neighbor and then proceed to give a horse to everyone else in the community.

Now we are facing the question whether it is advisable to continue the reciprocal trade-agreements program during and after the present war. Since the scope for going forward with the program during the war is restricted, there is no point in extending it. Furthermore, the United States should not tie its hands by entering into trade agreements during the war, especially since the position of the United States has already been seriously weakened by the many tariff concessions granted under the program.

Those in charge of the trade-treaty program have already paved the way for another flooding of the domestic market

when peace is restored. We refer to the drastic reduction in tariff duties under treaties entered into up to the present time. In our opinion it would be dangerous to continue this program of tariff reductions at this time and further expose our home market to the ravages of post-war foreign competition.

The extension of this policy will favor American export producers at the expense of home-market producers. Certainly our first duty to ourselves is to make the home economy sound rather than sell it down the river for export profits.

In the limited circumstances the only basis of judgment on the effectiveness of the reciprocity policy appeared to be changes in the volume of trade between the United States and each particular country with which a reciprocity agreement had been reached. The war years, representing special and extreme conditions, give us no light on the subject. However, by reaching back to Herbert Feis' review of A Year of the Canadian Trade Agreement we have something to work on. Trade in each direction continued to increase during 1936, the first year of the agreement. Yet trade had been rising with the general upturn in commerce and production. As yet the connection, if any, was inconclusive.

The fact that during this year of world-wide commercial expansion the volume of trade between the United States and Canada increased in greater ratio than did the volume of trade between either of them and the rest of the world still did not prove anything. If, however, we assumed that the disproportionate increase in volume of trade was due to the reciprocal agreement, another question arose, namely: Did the economies of the contracting parties really benefit from the increased volume? Even the experts did not answer that question. They merely assumed that an increase in the movement of goods was in itself a benefit to the people as a whole, as well as to the businessmen. They hoped that the economic well-being of the respective countries went up in proportion. They did not indicate the extent to which concessions may have hurt even as they tried to help.

Some aspects of the Canadian treaty looked odd, to say the least. Among the concessions granted in Canada, in exchange for concessions on her part, was a reduction in the American duty on cheese, and at that very moment American warehouses were bursting with millions of pounds of cheese for which the owners could find no outlet at all, domestic or foreign. American cheese producers found it very difficult to understand such economic planning. As Charles and Mary Beard observed in their history titled "America in Midpassage"—despite all the fanfare about overcoming the depression through foreign trade, American economy was rapidly running down in another slump.

Representing a district in the great textile area of New England, I strongly oppose any downward revision of the tariffs. Communities up to 100,000 population are built entirely around the single industry, textiles. For many years, it was among the lowest-paid industries in the Nation. As the mills go, so goes the community. We do not have the diversification necessary to absorb the shock of a prejudicial tariff. Reciprocal trade is based on the theory that the export gain of one American industry will offset the domestic loss of another in the hope that general economic betterment will somehow compensate for the loss. Such a policy is derisive. It sets industry against industry and will not promote harmony in the great task of national recovery.

As proposed, the New England States and the Southern States are asked to bear the brunt of the sacrifice. After the war is over, Great Britain will be the only foreign nation able to go after export trade in a large way. Strong in textiles, she will automatically seek a share of the American home market in order to recover from the economic losses she has suffered during the war. In this field she will offer the sternest of competition. Peace will find England in a more serious economic position than at any time in a hundred years. As the war progressed, many manufacturing plants were set up in such Empire outposts as Australia, India, Canada, and the Middle East. These will make the dominions more self-sufficient, shrinking the export trade upon which Britain depends and forcing her to seek alternative markets, preferably in the United States. Much as we may sympathize with the position of our friend, we must realize that our first obligation is to the American worker.

Hundreds of thousands of service men and women will return from this war to resume employment in the textile mills of the Nation. Under selective-service law we have promised them those jobs. We cannot face these men and women again if we enact laws that will deprive them of this employment. We cannot do other than protect those jobs for the returning veterans. Out of respect to them, we cannot turn those jobs over to workers in foreign factories.

Even in normal times, employment in the textile mills was subject to lay-offs and slack times, reducing the worker's annual income to a level barely above minimum needs. Now we are asked to make his status still more insecure by opening the gates to a flood of foreign textiles. A basic industry—the production of cloth—is expected to make further concessions so that other, favored industries, may enjoy export markets. That is asking much—far too much.

The millions of men and women in the armed services are concerned with three wants—getting the war over with, getting home, and, most important of all, getting jobs. Satisfying this last objective will be our chief postwar problem. The people will accept nothing less. We have got to produce civilian goods on a scale larger than we have ever attempted, even if that production is for the sole purpose of maintaining a high level of employment.

Certain theorists are trying to remove practically all of the present tariff. They are lobbying for the passage of H. R. 3240. If this should become law, future tariffs would be but 25 percent of those which were in existence in 1934.

American textiles could not survive this blow. A flood of English textiles would pour into our home markets, textiles produced by English labor getting 35 cents an hour, competing with American textiles produced by the labor which we pay, on the average, 85 cents per hour.

The American manufacturer cannot maintain these present wage levels without a protective tariff. The American manufacturer finds that labor costs represent between 35 and 40 percent of the cost of the goods.

The retailer naturally purchases those goods which will enable him to make the greatest profit, caring little where the goods were made. Likewise, the consumer buys on the basis of the lowest price for the same quality.

The American textile manufacturer must sell his goods in our markets at prices which are at least as low as those of his foreign competitors. At the same time, if he is to remain in business, his price must be higher than his cost of manufacturing.

He cannot do his share in providing employment if his position is weakened. He cannot provide jobs if he cannot meet his pay rolls. He cannot meet his pay rolls unless he can get a fair price for his goods above costs, in the American market.

The textile worker, the manufacturer, the cities and towns which depend upon this industry for their existence must be saved by the defeat of H. R. 3240.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Chairman, on April 16, President Truman, in his first message to Congress said:

> We have learned to fight with other nations in common defense of our freedom. We must now learn to live with other nations for our mutual good. We must learn to trade more with other nations so that there may be—for our mutual advantage—increased production, increased employment, and better standards of living throughout the world.

How true that statement is. We have now won the war with Germany and we are well on the road to victory over Japan. While our fighting men are completing their assigned task, we on the home front must continue to furnish them with all the materials they need. At the same time, we must make plans for a lasting peace in the entire world and for economic security at home and abroad. World peace and economic security go hand in hand.

The United States, under the late President Roosevelt and now under President Truman, is looked upon by all nations of the world as the leader in positive action. In prosecution of the war, as well as in the several conferences held by the Big Three—Roosevelt, Churchill, and Stalin—the United States has assumed leadership. It is doing likewise at the United Nations Conference in San Francisco, where every effort is being made to build a foundation for enduring world peace.

Military warfare is usually the outgrowth of economic warfare, and following every major military conflict serious economic problems develop in those countries that were at war. Like an epidemic, these problems soon spread to other countries.

World War II, with all its modern implements of destruction, as well as the development it has brought about in transportation, has made us realize how close any part of the world is to our National Capital. Sixty hours by airplane carries us to any part of the globe. This should be a compelling argument in support of our good-neighbor policy and of our desire to maintain close relations with all countries of the world.

Bretton Woods, Dumbarton Oaks, the proposed Food and Agricultural Organization, as well as the Reciprocal Trade Agreements Act are all measures that implement the peace plans now being formulated at San Francisco. None of these by itself will insure a lasting peace, but all together they will greatly enhance our chances of success to achieve that goal. Two courses are open to us: either we cooperate with other countries on a broad basis to improve economic conditions generally and to obtain security, or we seek to withdraw into a regimented, restricted, and unsatisfactory economic isolation which will again produce the menace of world-wide economic disaster and war.

We all recognize, I am sure, that when this war ends, we will find ourselves in a world of economic dislocation and confusion. By the very nature of things, exaggerated and oppressive barriers to international trade will spring up, unless some country takes the leadership in a world organized on a policy and program of cooperation, both politically and economically.

At this critical moment in our national life, it is well for us to pause and review events of some 20 years ago, when the Fordney-McCumber high-protection tariff was in effect. It will be recalled that shortly after enactment of that law, the reaction of foreign countries was to erect all types of tariff barriers to counteract the effects of our tariff walls. It is true that we appeared to be very prosperous during those years, but an analysis of our prosperity, which turned into a calamity in October of 1929, will show that our prosperity was built up on our loans to foreign countries so that they could buy from us, and that the moment we stopped making those loans our prosperity collapsed and we went into the worst depression in the history of our country.

Adoption of the Hawley-Smoot Tariff Act aggravated the situation to the point that in 1932 this country was on the verge of bankruptcy. There was but one way to rehabilitate ourselves, and that was by the removal of tariff barriers, both here and abroad. A downward revision of our tariff rates through an act of Congress would not in itself have brought similar action from foreign countries, but enactment of the Reciprocal Trade Agreements Act, which made it possible for us to sit in with representatives of other countries and effect concessions in tariff rates, through bargaining, has resulted in the removal of many of these tariff barriers and again opened the door for an expansion of our trade with foreign countries.

We are the world's greatest producer nation and also the world's greatest consumer nation. We must find an outlet for the enormous surplus of our goods which will pile up when this country is back on full peacetime production. This means new markets must be found, and the best way to find new markets is through reciprocal trade agreements. We must realize that if we want to sell our surpluses in other countries we must buy from other countries so that they may have American dollars to pay for that which they purchase from us. By removing trade barriers, as can be done by trade agreements, we can make possible the disposal of our surpluses and thus create enough jobs in this country to help keep all our workers employed.

I am firmly convinced of the necessity of extending the Reciprocal Trade Agreements Act, as provided for in the Doughton bill, H. R. 3240.

This bill provides for the extension of the Reciprocal Trade Agreements Act for a period of 3 years, from June 12, 1945, and authorizes the President to increase or reduce tariff rates by 50 percent of the rates existing on January 1, 1945, in order to strengthen our Government's position in making trade agreements with other nations. This authority does not provide for an automatic reduction in tariff rates, as the opponents of the bill would have us believe, but is to be used only in securing favorable trade agreements for the United States.

Proof of that fact is that, now in 1945, 11 years after the basic Trade Agreements Act was passed, cuts of 50 percent have been made in only 42 percent of our dutiable imports, and cuts of less than 50 percent in 20 percent of our dutiable imports.

We have negotiated mutually beneficial trade agreements with 28 countries, and the record shows that trade with agreement countries has increased by 63 percent, while our exports to countries with which we have no trade agreements have risen only 32 percent. Our imports from agreement countries show an increase of 22 percent, while imports from nonagreement countries show only a 13-percent rise.

Adjusting tariff rates under the provisions of the Reciprocal Trade Agreements Act is a far better procedure than under the old plan of writing tariff rates by the Congress. Under this act it is done in a scientific manner, whereas under the old plan the rates were written in a committee room where every member of the committee would seek special consideration for the products of his own district and in return would give special consideration to products of the district of a fellow member who would go along with him. I do not say this in criticism of the members who sat in those committees. I realize that it is only natural for a member to look after the welfare of his own district before he looks to the welfare of the whole country. He is in Congress primarily to speak for his district and then abides by the decision of the majority. Yet, I cannot admit that this method of writing tariff rates is fair to the country as a whole, especially for those districts who have no member on the committee doing the work.

While the opponents of this bill agree this Reciprocal Trade Agreements Act should be continued for at least 1 or 2 more years, they sneeringly argue that Congress should not permit trade agreements to be made by bureaucrats behind closed doors. The truth of the matter is, that Congress itself could not sit across the table with representatives of foreign countries to bargain as do the members of the several executive departments who make up the Trade Agreement Committee.

I wonder if the opponents of the bill, who so bitterly criticize the officials of our executive departments—who, far from holding star chamber sessions, go to great lengths in affording everyone an opportunity to be heard, and work to secure all the information available—would prefer to repeat the scandalous procedure that was followed by the Republican members of the Ways and Means Committee who wrote the Hawley-Smoot Tariff Act. Many will recall, I am sure, that the Hawley-Smoot Act was written in so-called executive sessions by the Republican members of the Ways and Means Committee, who excluded from the meetings the 10 Democratic members of the committee and, I am informed, filled the Democratic seats with tariff lobbyists—men who were not Members of Congress but who had much to say as to what rates should apply to articles in which they were interested.

Under the reciprocal trade-agreements plan no log-rolling is possible. No special interest is served, and yet every interested person is given full and complete opportunity to appear in person, or to file a brief, or to do both, in order that no interest will be injured by any trade agreement made by our country.

The Reciprocal Trade Agreements Act vests the authority to negotiate trade agreements in the President, who has placed the administration of the act under the Secretary of State. The work under the act, however, is carried on through interdepartmental committees established under the authority of the Secretary of State and responsible to him and to the President. Actual negotiation of agreements with representatives of foreign governments is in charge of the Department of State, operating through its Division of Commercial Policy.

The interdepartmental committees are: One, the Committee for Reciprocity Information; and, two, the Interdepartmental Trade Agreements Committee and its subcommittees.

The Trade Agreements Committee was set up in compliance with the provisions of section 4 of the basic Reciprocal Trade Agreements Act, which requires that:

> the President shall seek information and advice with respect thereto from the United States Tariff Commission, the Departments of State, Agriculture, and Commerce, and from such other sources as he may deem appropriate.

To this provision the bill now under consideration adds the Departments of War and Navy, so as to insure that no trade agreement will be negotiated that would adversely affect the security of our country.

The primary function of the Trade Agreements Committee is to correlate and integrate the "information and advice" regarding any proposed agreement supplied by all the agencies of the Government, and submit to the Secretary of State and the President recommendations based upon such information and advice and embodying the conclusions reached by the committee after a thorough interchange of information and views between the representatives of the various agencies constituting the membership of the committee.

Its secondary function is to direct the trade-agreements program in all its aspects, subject to the approval of the Secretary of State and of the President on major questions of policy. The Trade Agreements Committee is, in reality, the clearinghouse, or the nerve center of the trade-agreements organization.

In its work it utilizes the services of the Committee for Reciprocity Information and of the interdepartmental subcommittees known as country committees, one for each country with which an agreement is made or proposed. These country committees are composed of experts from the Tariff Commission, and from the Departments of State, Commerce, Agriculture, and Treasury. In addition, experts from other Government agencies are called on when matters of interest to them are being considered.

The Committee for Reciprocity Information, which was established by Executive order, has the function of obtaining information from producers, importers, exporters, and private organizations and individuals regarding proposed trade agreements and regarding the operation of agreements already in effect. On this committee are represented the Tariff Commission and the Departments of State, Commerce, Agriculture, and Treasury, and if the bill H. R. 3240 is adopted, it will include representatives of the War and Navy Departments.

This committee receives briefs and holds public hearings on each proposed trade agreement, and sifts and summarizes the information thus obtained for use of the various country committees and for the Trade Agreements Committee.

Trade agreements are not hastily negotiated. Great care is exercised in these negotiations to insure that no serious injury will be done to producing interests in this country, and at the same time to secure reductions in duty which will expand the trade of the United States.

The suggestion that the question of making an agreement with a given country be considered is usually initiated by the Department of State. When that is done an interdepartmental country committee is set up to make a study of the feasibility of such an agreement. That committee makes up two tentative lists, one of the articles on which we would probably ask concessions of the country in question, and the other of articles on which we will probably be asked to make concessions. These two lists, with the recommendations for or against the initiation of negotiations, go to the Trade Agreements Committee, which decides whether or not it will recommend to the Secretary of State and the President that negotiations be undertaken. If the decision is to recommend negotiations, the two lists are reviewed and revised by the Trade Agreements Committee and transmitted to the Secretary of State and the President with its recommendations. If the Secretary of State and the President approve, formal discussions are begun. If the country in question is willing to negotiate, the first step is to secure agreement upon the articles on which we will consider making duty concessions. This is necessary because of the practice of giving public notice listing all such articles. In practically every instance the country in question requests that the list of articles to be considered be enlarged. This request is granted unless there are strong reasons for not doing so. However, it is made very clear that in any case the listing of an article may not be taken as indicating that a concession will actually be made. In fact, the record will show that many articles so listed were not made the subject of concessions.

The list of United States products to be made the subject of negotiations having been agreed upon, the Secretary of State simultaneously announces the negotiations and publishes the list. At the same time, the Committee on Reciprocity Information issues a call not only for information on the question of concessions by the United States on the articles listed but also for information regarding articles on which the United States should ask concessions of the country in question. A final date is set for the filing of briefs and announcement is made of the date of public hearings, thus affording all interested parties full opportunity to be heard.

All the information thus obtained is then passed on to the country committee, which formulates for submission to the trade-agreements committee two schedules: No. 1, concessions to be requested of the country in question, and No. 2, concessions which the United States will be prepared to offer initially in return for the concessions to be requested.

The trade-agreements committee then gives careful and exhaustive consideration to these schedules and when it has reached agreement on them and these have been approved by the Secretary of State and the President, negotiation of the agreement is begun.

The negotiating group is headed by an official of the State Department and usually includes members of the committee who represent the Tariff Commission, and the Departments of Commerce and Agriculture. The negotiators are under instructions to make every effort to obtain from the foreign country the duty concessions contained in the schedule of desired concessions approved by the President and they may not, without authorization, agree to concessions in the United States tariffs other than, or in excess of, those included in the approved schedule of possible United States concessions.

From the foregoing account of the procedure used it is apparent that in making a trade agreement every effort is made to insure that all interests in our national economy are adequately safeguarded. Situations existing, or foreseen, at the time an agreement is made are taken into account usually by specific provisions relating to specific concessions. It is recognized, however, that, notwithstanding all the care and caution exercised, mistakes may be made. All along, moreover, it has been recognized that under the changing and uncertain economic conditions which have existed since the passage of the Trade Agreements Act, situations unforeseen at the time a particular agreement is made might arise thereafter and cause such excessive imports as to threaten injury to domestic interests. A sincere effort has been made to guard against such contingencies, and our committee has been assured that the escape clause which was inserted as article XI in the treaty with Mexico will henceforth be made a part of every new agreement made. This clause, in my opinion, insures protection for every industry against injury as the result of our agreements. Article XI reads as follows:

1. If, as a result of unforeseen developments and of the concession granted on any article enumerated and described in the schedules annexed to this agreement, such article is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, the Government of either country shall be free to withdraw the concession, in whole or in part, or to modify it to the extent and for such time as may be necessary to prevent such injury. Accordingly, if the President of the United States of America finds as a fact that imports of any article enumerated and described in schedule II or schedule III are entering the United States of America under the circumstances specified in the preceding sentence, he shall determine whether the withdrawal, in whole or in part, of the concession with regard to the article, or any modification of the concession, by the imposition of quantitative regulations or otherwise, is necessary to prevent such injury, and he shall, if he finds that the public interest will be served thereby, proclaim such finding and determination, and on and after the effective date specified in such proclamation, and so long as such proclamation remains in effect, imports of the article into the United States of America shall be subject to the customs treatment so determined to be necessary to prevent such injury. Similarly, if the Government of the United Mexican States finds as a fact that any article enumerated and described in schedule I is being imported into the United Mexican States under the circumstances specified, it may, if it finds that the public interest will be served thereby, withdraw in whole or in part the concession with regard to the article, or modify the concession by the imposition of quantitative regulations or otherwise, to the extent and for such time as may be necessary to prevent such injury.

2. Before the government of either country shall withdraw or modify a concession pursuant to the provisions of paragraph 1 of this article, it shall give notice in writing to the government of the other country as far in advance as may be practicable and

shall afford such other government an opportunity to consult with it in respect of the proposed action; and if agreement with respect thereto is not reached the government which proposes to take such action shall, nevertheless, be free to do so and the other government shall be free within 30 days after such action is taken to terminate this agreement in whole or in part on 30 days' written notice.

Opponents of the bill have expressed much fear at the additional bargaining power given the President under the provisions of H. R. 3240, and say that certain rates will be reduced by 75 percent below the rates of the Hawley-Smoot Tariff Act. The truth of the matter is that the full 50 percent authorized under existing law has been used on only 42 percent of dutiable items and it is fair to assume that the additional bargaining power under this bill will not be used to the full, any more than was done with the authority under the old law.

The argument that as a result of the trade agreement program foreign countries have been flooding our markets with articles in competition with goods made in this country does not hold true, as can readily be seen by statistics showing the percentage of imports to total consumption of these articles.

Because of the great interest my State has in the textile industry, I have asked the Tariff Commission to prepare for me a table showing United States production, imports, consumption, and ratio of imports to consumption for textile products for the year 1939. The table shows that the ratio of imports to consumption of cotton cloth is 1.4 percent, narrow fabrics, including ladder tape 1.7 percent, wool yarns 0.7 percent, woolen and worsted fabrics 2.1 percent.

On the basis of these figures it is difficult for one to believe that these industries have suffered because of the trade agreements which we have made with foreign countries.

After listening attentively for 4 weeks of hearings before the Ways and Means Committee of the House, I have reached the conclusion that not only is extension of the act necessary but also that it has caused no injury to our domestic industries.

During the course of the hearings, nearly 100 witnesses were heard, and not a single one was able to say that the industry he represented had been injured as a result of the reciprocal trade agreements during the 11 years that they have been in effect. True, some witnesses sought to place the blame for their difficulties upon the trade agreements, but when questioned by committee members, they admitted that they had not taken into consideration certain factors which had caused their trouble and that in the last analysis these troubles had been caused by factors other than the reciprocal trade agreements.

The opposition to this bill is not based upon the facts but is based upon fear of what might happen. The record shows that reciprocal trade agreements is in the interest of our economic welfare and for that reason I am supporting the bill.

Mr. KNUTSON. Mr. Chairman, that was a very noble statement but I do not believe the American people would be very happy over the prospect of sleeping on the floor while visitors occupy the beds.

Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, the Ways and Means Committee held extensive hearings on this bill and listened to many witnesses who were undoubtedly well informed on the whole subject. So anything I may say in the course of my remarks should not be taken as any reflection upon the record made by the Ways and Means Committee.

However, under date of May 18 a letter came to me from the Indianapolis Chamber of Commerce. I do not represent the district in which the city of Indianapolis is located, but I can say that the committee responsible for the drafting of this communication comprises leaders and operators of business whose influence and interest extends throughout my State of Indiana. Their interests are the interests of my whole State. In my view, they represent that splendid type of business of which we find so much in the Middle West, not big business, judging by some of the standards frequently applied, yet business of great importance, employing many people and having much to do with the prosperity, happiness, and progress of the people in my section of the country.

This letter to my mind indicates a careful study of the problems here involved, particularly as they apply to the proposal to liberalize the Reciprocal Trade Agreements Act. I know these men. I know they are men of unquestioned understanding and information and of known patriotism. They are men of acknowledged solicitude for the best interests of their State and Nation—yes, and of their employees and of the owners of the businesses they manage and operate. To my mind this communication is one of the most concise and convincing arguments on this proposition I have seen. Therefore I want to place it in the RECORD, and I would like each of you to pay attention to its reading. This letter is as follows:

THE INDIANAPOLIS CHAMBER
OF COMMERCE,
Indianapolis, Ind., May 18, 1945.

Hon. CHARLES A. HALLECK,
House Office Building,
Washington, D. C.

DEAR MR. HALLECK: After some study of the matter by manufacturers in our organization, our board of directors yesterday decided to urge our Members of Congress to oppose any further liberalization of the Tariff Act as proposed in the bill for the extension of the Reciprocal Trade Act. Our action was taken for the following reasons:

1. That sufficient study has not been devoted to the question of what effect additional tariff-rate reductions might have on our postwar economy.

2. That in the face of uncertain domestic and international postwar conditions it is unwise to commit the country to further sacrifices until we are certain of the degree of cooperation we are to receive from foreign governments.

3. That authorization for additional reductions in tariff rates at this time would place the United States in the position of making concessions in advance of definite knowledge that many foreign governments will make adequate trade concessions to the United States in return.

4. That Congress should cease the practice of legislating away its constitutional powers to the executive branch of the Government and that, during the 3-year period of extension of the present Reciprocal Trade Act, Congress should begin to reassume its responsibilities for tariff legislation, and that during this period the Congress should prepare to review our entire foreign trade and tariff policies to the end that proper steps may be taken to assure sound tariff legislation to become effective at the end of the proposed extension of Presidential powers granted under the present law.

You will be interested to know that the action was recommended by the following members of the Manufacturers' Committee: John N. Smith, chairman, P. R. Mallory & Co.; Elias C. Atkins, Jr., E. C. Atkins & Co.; Paul H. Berger, Jr., Lukas-Harold Corp.; Louis C. Buehler, Indiana Gear Works; Robert S. Hittle, Hittle Machine & Tool Co.; Howard J. Lacy II, U. S. Corrugated Fiber Box Co.; W. I. Longsworth, Lilly Varnish Co.; C. N. Reifsteck, RCA Victor Division, Radio Corporation of America; Guy A. Wainwright, Diamond Chain & Manufacturing Co.

Very sincerely yours,
WILLIAM H. BOOK,
Executive Vice President.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Minnesota.

Mr. KNUTSON. It has been estimated that the overtime cost per year, since Pearl Harbor, is running about $18,000,000,000 a year which labor leaders are seeking to convert into peacetime increases. Will the gentleman tell the House how we can hope to accomplish that and also provide 60,000,000 jobs if we lower the rates still further?

Mr. HALLECK. It would seem to me that the attitude of these men who are responsible men, who are the sort of men in private industry who must, if we are to rebuild our economy, provide the jobs, whether it is 60,000,000 or not, undoubtedly was persuaded in part by such considerations.

Mr. KNUTSON. The gentleman, of course, is aware of the fact that we are now on what practically amounts to a free-trade basis.

Mr. HALLECK. I take it the gentleman is correct about that, although, of course, in the war and during the war the normal operations of trade are not being carried on.

Mr. KNUTSON. But, unfortunately, the present situation, so far as protection is concerned, will be carried over into the peacetime era if we renew this law as now proposed.

Mr. COOPER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Chairman, we start out with the proposition in connection with the consideration of this bill that it was first recommended by the late President Roosevelt, and that President Truman also has recommended to the Congress its passage in its present form. We therefore have our late President and our present President both recommending, which means urging, the passage of this bill.

We also have recommending in their time the passage of legislation of this kind, during the past 2 or 3 decades, some outstanding Republicans. We can go back to the days of the late William

McKinley, President of the United States, when he said on one occasion, in part:

The end in view is always to be the opening up of new markets for the products of our country by granting concessions to the products of other lands that we need and cannot produce ourselves, and which do not involve any loss of labor to our own people but tend rather to increase their employment.

Some people say that politics stops at the water, and certainly it ought to do so. As far as this measure is concerned, with the recommendations of the leaders of both parties, there ought to be no partisanship on it, and also on any other measure or action that has to do with the international foundations of peace. I think these things ought to be as free of partisanship as the conduct of war itself. The late President thought so, and he tried his best to put this measure in particular outside of party fights. On March 26 of this year he said:

This is no longer a question on which Republicans and Democrats should divide. The logic of events and our clear and pressing national interest must override our old party controversies. They must also override our sectional and special interests. We must all come to see that what is good for the United States is good for each of us, in economic affairs just as much as in any others.

Speaking for myself, I had hoped that we would live up to that. For myself, I want to see this question decided right for the country. I should like to see it decided by the common and overwhelming vote of both parties.

Passages in Republican Party platforms and in the speeches and writings of the last three Republican candidates for the Presidency encouraged me to think that this might happen, but most of our friends on the other side will not have it that way. The Republican members of the Committee on Ways and Means have taken a solid line. It is unfortunate that they are making this a party fight and going contrary to their own leaders of the past.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does the gentleman mean to charge that the Republicans on the Committee on Ways and Means voted as a party and not according to principle?

Mr. McCORMACK. Certainly; the evidence is very clear that 10 of them voted solidly. They have always voted in the past against legislation of this kind. Certainly if anything has ever happened to make it a party fight it is the action of the Republican members of the Committee on Ways and Means.

Mr. RICH. Then what is the gentleman trying to do on that side of the House?

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. HALLECK. The pot can hardly call the kettle black. Fourteen of the Democratic members of the Committee on Ways and Means voted for it, with one Democratic member voting against it. If it is fair for the gentleman to charge politics on the Republican side, then we might as well say, and with like force could say, that it is politics on the Democratic side.

Mr. McCORMACK. Ever since this legislation was presented to the Congress of the United States the Republican members of the Committee on Ways and Means have consistently voted against it. The original bill, which was introduced when I was a member of that committee and which I helped to draft, was passed over the opposition of the Republican members of the Committee on Ways and Means. Every extension of that act has met with the solid opposition of the Republican members of the Committee on Ways and Means. In the past they have opposed any legislation of this type. Now they have confessed that they are in favor of an extension of 1 year, which places them in the position of being inconsistent on this occasion, at least in part, with the positions they have taken in the past.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield for a question.

Mr. KNUTSON. The war acts as an embargo, and we figure that it cannot do any harm so we will go along for a year.

Mr. McCORMACK. The gentleman from Minnesota has strange ways of figuring.

In their minority report 2 years ago on the renewal of this act the minority members said they opposed renewal because of "the fact that the present act involves an obviously unconstitutional delegation of the tariff- and treaty-making powers of Congress." There were other objections, but that was one of them. On May 15 of this year they said in a statement to the press that—

The Republican members of the Ways and Means Committee have no objection—

Mark you, they have no objection—

to extending the present trade-agreement law for another year, providing section 2 is eliminated.

Which is it? Is this law unconstitutional or is it not? Or are you willing to see an unconstitutional law continued in effect?

Two years ago, in their minority report on the renewal of this law, the Republican members of the Ways and Means Committee said:

We firmly believe that the present Trade Treaty Act is wholly inadequate to deal with the tariff and foreign-trade problems which will inevitably arise when the war ends and the normal channels of trade are reopened.

And they advised rejection of the bill.

But a year later, and a year nearer to the end of the war, the Republican nominee for the Presidency, at the opening of his campaign, was asked what he thought of this same program. He said:

You mean the Republican reciprocal trade-agreement program which Secretary Hull has been carrying out? That has always been a Republican policy, which Secretary Hull has carried out ably, and which I hope the Republicans will continue to carry out.

And this time the minority members are proposing renewal of the old law for a year, and at the same time are proposing a string of amendments which would make the law unworkable.

What is it, gentlemen? Is this a New Deal program or a good old Republican policy? Has it been carried out ably or did Cordell Hull "sell the country down the river"? Does the Republican Party want to continue to carry out the program or to scuttle it?

Charles E. Hughes is a great American, and no one can say he is not a good Republican. Back in 1924, when he was Secretary of State under President Harding, he wrote this to Senator Lodge:

As we seek pledges from other foreign countries that they will refrain from practicing discrimination, we must be ready to give such pledges, and history has shown that these pledges can be made adequate only in terms of unconditional most-favored-nation treatment.

Herbert Hoover is a Republican, too. Back in 1932 he wrote this to the Congress:

A firmly established principle of the American tariff policy is the uniform and equal treatment of all nations without preferences, concessions, or discriminations (with the sole exception of certain concessions to Cuba).

Probably the Republican National Convention speaks with some authority for the Republican Party. Back in 1932 the party platform adopted by the national convention said this:

The historic American policy know as the most-favored-nation principle has been our guiding program; and we believe that policy to be the only one consistent with a full development of international trade, the only one suitable for a country having as wide and diverse a commerce as America, and the one most appropriate for us in view of the great variety of our industrial, agricultural, and mineral products and the traditions of our people.

But this year, in their report on this bill, the Republican members of the Ways and Means Committee say they want an amendment to provide:

That concessions made by the United States shall not be extended to third countries except in return for concessions which the President finds to be reciprocally equal and equivalent.

Which is it? Do you believe in nondiscrimination, or do you not? Do you want to make special tariff rates to one single foreign country? Do you want to have a tariff policy based on "the uniform and equal treatment of all nations without preferences, concessions, or discriminations (with the sole exception of certain concessions to Cuba)," or do you want to make special low rates to favored countries? Are you in favor of British imperial preferences, and do you want us to go the same way? Or do you believe in the principle of nondiscrimination which your Secretary of State recommended, your Presidents approved, and your national convention recommended to the country?

Do you not realize that if we make a special rate to Britain or to Sweden or to Mexico, or any other country, we are ourselves discriminating against every other country that has the same goods for sale? Do you not realize that discrimination is a game that two can play

at? Do you not realize that the greatest possible danger to our foreign commerce is a regime of mutual discrimination? Do you not realize that what we need most in the commerce of the world is a fair field and no favor? Have you not heard about the "open door"? Are you really going back on the principle of tariff making which you and we have both considered fundamental for the last 20 years?

This question of commercial discrimination certainly transcends party lines. The minority Members correctly say that there is real and serious danger of discrimination against American exports in the postwar world. They do not like that, and neither do we. Do they really propose to throw away the best instrument we have to secure the removal of discrimination? Do they think they can wave a wand and say, "Please stop discriminating"? Do they think foreign laws can be affected by any process except bargaining? Do they think we will get foreign discrimination reduced by starting the same game ourselves? Let them read and ponder the words of their own party leaders. Let them read William McKinley, John Hay, and Root, and Hughes, and Hoover. Let them figure out a way in which we can grant preferential treatment to particular foreign countries and at the same time prevent other countries from discriminating against us?

No, Secretary Hughes was right. "Either we are to have a policy of mutual discrimination, or a policy of securing immunity from discrimination." And he was right that the only way to run the second policy was on the unconditional most-favored-nation basis.

The minority Members claim that they are strong for the reduction of trade barriers. They say that the program is no good because it has failed "to furnish the necessary world leadership in carrying forward an effective program looking toward the reduction of trade barriers throughout the world in accordance with the principles of true reciprocity."

In the light of this, I ask, "Has there been any other effective program for the reduction of trade barriers during the last 25 years?" Did we reduce any trade barriers in any country by the Tariff Act of 1921? Or 1922? Or 1930? Have we made agreements with 28 countries since 1934 under this act? Have you read any of those agreements? Did we reduce any trade barriers under them? Did the other countries? Did our trade increase both ways, or did it not? Are you proposing to reduce trade barriers further by stopping the program in its tracks?

I suppose Gov. Alf Landon is a good Republican. A year ago last February he said this on this subject:

> Following World War I we were unwilling to accept large imports. Under the Fordney-McCumber and Smoot-Hawley tariff bills, which incidentally I opposed, we hiked tariff rates to an all-time high. * * *
>
> Are we going to make that mistake again? If we are to avoid it, we must learn that international trade is a two-way street that can't be blocked at either end without creating a traffic jam.
>
> Let the high-tariff traditionalists in both parties reveal how we can expand our markets without lowered tariff rates. Let them say how the American worker, the American businessman, and the American farmer will be better off if we maintain our traditional tariff policy with the result that we block ourselves from the postwar competition for foreign markets.

Wendell Willkie said the same thing in other words, repeatedly, up to the time of his death. And in his first press conference after his nomination Governor Dewey interpreted the party platform thus:

> My interpretation of the plank is that its essence is in the part which says that the United States will participate with and work with other nations to promote international trade in the interest of peace.

But now the Republican members of the Ways and Means Committee condemn every international agreement made under this act, and are proposing a string of amendments which would certainly prevent any new ones being made.

I now ask: Who speaks for the Republicans? Do the persons whom you nominated to be President of the United States have any responsibility at all? Are the people of America to take as serious any of the things they say? Or are they just a pretty front for forward-looking words, behind which old ideas prevail? What convictions really control responsible Republicans? Are you still in the last century, or have you moved to this one? Do you know that the world is smaller than it was in 1885? Have you learned that the United States is a great producing and commercial country, and that the markets of the world are crying for our goods? Do you realize the incalculable value of our wartime alliances? Do you look forward with confidence and optimism to the creation of an economy of plenty? Do you want to release the great productive forces which modern technology has put within our grasp?

It seems to me that my Republican friends should repudiate the antediluvian ideas which are being expressed in their name on this floor, to follow the principles urged on their party and the country by their last three nominees for the Presidency, by Charles Evans Hughes when he was Secretary of State, and going back to the days of the late William McKinley.

If this bill is defeated, where do we go? Back to the Smoot-Hawley bill. If this bill is not extended, then the basic tariff law of this country is the Smoot-Hawley Act. Every one of us knows that President Hoover signed that bill under protest, and when he signed it he made a statement at the time clearly manifesting the fact that he did not want to sign the bill and that the bill was signed by him under protest. We all know what happened under the Smoot-Hawley bill with its policy of extreme nationalism; we all know the harm it has done to this country, and we all know what results it produced in other countries, extreme nationalism being directed against us; and extreme nationalism is the evidence of a nation on the journey to war.

Only today we see in the Washington Star under the signature of Gould Lincoln, an appraisal of the value of this program. Gould Lincoln is one of our outstanding newspapermen, a great commentator and columnist, a man for whom I have profound respect as well as personal friendship. He is a man who, if anything, would not give the Democrats a break; he would stress things most favorable to the Republican Party—and I have no objection to that. He has Republican leanings, but I am expressing my profound respect for him. What does he say in his news story? He says:

> Eyes and ears of the United Nations Conference were turned toward Washington today, where a House vote on the reciprocal trade agreements bill is expected soon. A defeat of that measure would be a body blow to the Conference, which is seeking to write a charter for a new world organization dedicated to international cooperation, both economic and political, for the maintenance of peace in the future.

That is the opening paragraph of his article, composed as a result of his talks with the delegates to the Conference, and quoting the names of some of our delegates there.

The original bill was passed by a Democratic administration, yes, following recommendations of three or four Republican Presidents and Republican Secretaries of State. Yes; they have made their contribution. The Democratic Party has passed the legislation. We now see the Republican members of the Ways and Means Committee always against it; and, unfortunately, the great majority of the Republican Party vote contrary to the very things that the leaders of their party of the past all have stood for.

This bill is for the best interest of our country; this bill is vitally important now as a necessary part of future permanent peace. Failure to pass the bill as reported out of the committee not only to extend it for 3 years but with section 2 therein—failure to report the bill as reported out of the committee would bring about irreparable harm to the domestic economy of our country and it would be an irreparable blow to the advancement of permanent peace in the world.

Mr. KNUTSON. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, the gentleman from Massachusetts is a very estimable, likeable individual who can argue from either side with equal ease and facility and I congratulate the majority on having such an agile and nimble-footed leader. I imagine when he was in the practice of law before he came to Congress he must have been very successful, especially if he engaged in the practice of criminal law. No doubt many a man who should have been hung now owes his life to the distinguished majority leader.

Will the distinguished majority leader bear with me while I read a statement prepared on September 29, 1929, signed by Senators F. M. Simmons, of North Carolina; Pat Harrison, of Mississippi; William H. King, of Utah; Walter F. George, of Georgia; David I. Walsh, of

his own great State of Massachusetts; Alvin Barkley, who is leading the faithful at the other end of the Capitol, from Kentucky; Elmer Thomas, of Oklahoma; and Tom Connally, of Texas.

This statement is as follows:

JOINT STATEMENT ISSUED BY DEMOCRATIC MEMBERS OF SENATE FINANCE COMMITTEE ATTACKING PRINCIPLE OF PERMITTING PRESIDENT TO PASS UPON TARIFF RATES

September 29, 1929, the eight Democratic members of the Senate Finance Committee issued a public statement in which they attacked the principle of permitting the President to pass upon tariff rates as being unconstitutional and a menace to the democratic form of government. The statement follows:

"A question of far-reaching consequence transcending considerations of party prompts us to issue a public statement in relation to the so-called flexible provisions of the tariff bill now pending before the Senate.

"The question involved is one that in our opinion strikes at the very roots of constitutional government. It concerns the preservation unimpaired or the abandonment of the power of levying taxes by that branch of the Government which the forefathers agreed should alone be charged with that duty and responsibility.

"Whatever argument could be advanced during the war and immediately following for delegation to a degree of the taxing power to the Executive unquestionably no longer exists. To incorporate now in the law any recognition of a right of the Executive to impose taxes without the concurrence of the legislative branch is without justification.

"Authority in the Executive to make the laws that govern the course of commerce through taxation is especially objectionable. It is an entering wedge toward the destruction of a basic principle of representative government, for which the independence of the country was attained and which was secured permanently in the Constitution.

"There is no issue here as to the integrity of any Executive who has had or may have extended to him the exercise of this power. The issue is one of taxation by one official, be he President or monarch, in contrast to taxation by the representatives of the people elected, intrusted exclusively with the power to seize the property of the citizen through taxation. If proof were needed that the danger which the forefathers foresaw is inherent in this issue, a mere casual inquiry into the methods employed, selfish influences used, sinister schemes and contrivances brought to bear, one need but examine the record.

"The principle is: Are taxation laws and their application to be made virtually in secret, whatever may be said about a limiting rule, or are they to be enacted by the responsible representatives of the people in the Congress, where public debate is held and a public record made of each official's conduct?

"The arbitrary exercise of the taxing power, all the more dangerous if disguised and not obvious, in its basic character is tyranny. Resistance to the impairment of this popular right has largely occasioned many of the wars and revolutions of the past.

"An issue of this importance should not be associated with the opinions or necessities of those interests, States, or sections that directly profit by some rate schedule in the body of the tariff act. With respect to the principle here at stake, any trading or logrolling is especially unjustifiable and indefensible. Neither should we be unduly influenced by the attempt to divert attention from this momentous issue by condemnation of and emphasis upon the dilatory and unsatisfactory results of congressional procedure.

"No one seeks to prevent or in any way to interfere with the investigations and reports of the Tariff Commission in connection with emergency tariff legislation. The point is, we emphatically insist that final action and responsibility based on Tariff Commission reports shall be taken by the Congress.

"For the purpose of preventing apprehended congressional delay an amendment has been made providing for the submission of the reports to the Congress by the President, and, furthermore, an amendment will be presented strictly limiting action by the Congress to matters germane to the particular subject matter or rates recommended by the President after investigation by the Tariff Commission.

"We do not hesitate to say that if this extraordinary and what we believe to be unconstitutional authority passes now from the Congress, it is questionable if there will ever again be a tariff bill originated and enacted by the Congress.

"It is our solemn judgment that hereafter all taxation through the tariff, and regulation of commerce thereby, will be made by the Executive. It is the inherent tendency of this tariff-changing device and the apparently conscious purpose of its proponents to use it to keep the tariff out of Congress, where it is such an embarrassing business, as everyone knows, to the party that profits politically by it. So also it will be of distinct advantage to the interests that are the direct beneficiaries of the tariff.

"In an age where there has been a steady tendency to rob the individual citizen of his power and influence in his Government through bureaucracy, we deem it our duty to vigorously protest any further encroachments in this direction, and especially with respect to taxation.

"In the hope of arousing the people, regardless of party, to take a broad, a public view of this important public question, we make this appeal.

"FURNIFOLD M. SIMMONS, of North Carolina.
"PAT HARRISON, of Mississippi.
"WILLIAM H. KING, of Utah.
"WALTER F. GEORGE, of Georgia.
"DAVID I. WALSH, of Massachusetts.
"ALBEN W. BARKLEY, of Kentucky.
"ELMER THOMAS, of Oklahoma.
"TOM CONNALLY, of Texas."

Does the gentleman subscribe to that statement?

Mr. McCORMACK. What was that in connection with?

Mr. KNUTSON. That was in connection with permitting the President to make tariff rates.

Mr. McCORMACK. What specific question were they addressing themselves to?

Mr. KNUTSON. They were against the provision in the tariff bill then pending permitting the President to make tariff rates.

Mr. McCORMACK. The flexible provision?

Mr. KNUTSON. Yes.

Mr. McCORMACK. May I say to the gentleman that I speak for JOHN McCORMACK. I was one of the Democrats who voted against repeal of the flexible provisions clause of the 1930 act because I have always felt that of necessity we must have a delegation of power. So the gentleman better direct his remarks to the gentlemen who signed that statement. I voted against repeal of the flexible provision.

Mr. KNUTSON. I just cite this to show that there has been times when the gentleman has been out of step with his party, though it is not often. The gentleman goes along as faithfully as anyone I have ever seen. Maybe he does not like castor oil, but he will take it when the occasion requires. The gentleman in his very clever, specious argument, would have the House believe that we are now operating under a true reciprocal trade law. Nothing can be further from the truth.

When we grant benefits to a certain nation under this law, those benefits are automatically extended to all other countries, regardless whether they grant us anything in return or not. I said, "of other countries." I should have excepted Germany and Japan.

That is not reciprocity, my dear friend from Massachusetts; that is just one-way commerce. But the gentleman very adroitly did not say anything about the barriers that all these countries that we have entered into agreements with have erected against us. Every time we have entered into a trade agreement with a country, that country has either depreciated its currency, imposed quota limitations or done something along that line. Great Britain has the so-called sterling bloc which has been operating since 1919. We now have a treaty with the United Kingdom, but we have not been able to pierce that sterling bloc. Oh, no.

The gentleman tried to place the Republicans in the position of being inconsistent. We are not inconsistent. We still condemn the present method as being wrong, but in view of the fact that there is a war on we did make an offer to extend the present law for another year or two providing section 2 were eliminated, and if section 2 is not eliminated, many of us will vote against the bill.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Indiana.

Mr. HALLECK. I was rather amazed at the argument of the majority leader having to do with the so-called most-favored-nation clause. Clearly, to my mind, when we speak of reciprocity, we have in mind the situation under which we undertake to grant certain trade concessions to a given country in order that we may obtain from that country concessions running to us. Now then, clearly the principle of the most-favored-nations treaty is not violated if in that process of concessions we do not grant such benefits to all of the other countries with whom we have most-favored-nations agreements. The fact is that if it is a matter of mutual exchange of concessions it is no discrimination against any other country that we do not extend such concessions to them, because they have not in turn extended any like concessions to us, which was the basis of the original agreement made with that individual country. So it seems to me with the facility that the gentleman from Minnesota has so well described, the majority leader has built up a straw man on a false foundation and then proceeded to try to knock him down.

Mr. KNUTSON. Yes, and every time the gentleman from Massachusetts does knock down a straw man he cuts a notch in his gun.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BALDWIN].

Mr. BALDWIN of New York. Mr. Chairman, I rise in support of this bill. I have heard in the last few minutes quotations from the past. We have been told what former people have done and thought and said on both sides of this aisle. I think what we have to consider today in debating this bill is not the past, but the future. It has been said here in debate that commerce has little or nothing to do with preventing wars. I want to say that it is my opinion, and I think the record will bear me out, that commerce or lack of it very often causes wars. I do not think anyone will deny that the allied starvation of the Weimar republic in Germany was the cause of Hitler's rise, and that these individuals that have been talked about this afternoon as really the cause of war, power grabbers, if you please, are bred by national starvation and the increase of nationalism in an attempt at self-preservation. We have to think of one world.

Not so long ago an American father was reading the Sunday papers after his Sunday dinner, and he was constantly pestered by his small son to take him to the movies. The father did not know how to get rid of his son until he happened to find in the paper he was reading a map of the world. He tore out the map of the world and said to the small American boy, "You have been studying geography. I am going to tear this map into small pieces, and when you have put it together again I will take you to the movies."

The father sat down for what he thought would be several hours of comfortable reading of his newspaper. Within 5 or 6 minutes the little boy was back with the map pieced together. The father was amazed and said, "My son, I could not put a map of the world together that fast. How did you do it?" The boy said, "Why, daddy, it was very easy. On the other side of the map of the world was a picture of a man. All I did was put the man together, and then the world was all right."

We cannot as we try to build the future of a united world, as we struggle today in San Francisco to create a charter for that one world, ignore the importance of commerce and finance for that one world and our relation to it and our benefits from it.

I say this, that if we create a checkerboard of trade barriers across this one world, just as sure as we do it, we shall be creating the seeds of another war, and nobody looking at the record of the past, in my opinion, can say the contrary.

What happens when we do that? We have talked here of jobs and protecting the American standard of living. Where do the jobs go when we do that? What do the people do who need the kind of things we make here better than anywhere else, tariff or no tariff, and can sell anywhere better than anybody else? What do the industrialists and the others do? They build factories in these other countries and give to foreigners thousands and thousands and thousands of jobs that should go to Americans. I can cite any number of instances. I can mention the Ford Motor Co. for one, and International Business Machines for another. I can mention Celotex, which makes housing. It has factories in different countries because of tariffs.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of New York. I yield to the gentleman from Ohio.

Mr. BREHM. Does the gentleman feel that a further reduction of 50 percent in the tariff is essential if America is to take her place in this one world of which the gentleman speaks?

Mr. BALDWIN of New York. I do not say that it is essential but I do say that those who are responsible for handling our relations with these countries should have the right to use it if they want to; and I think it is wiser to have them use it than to throw this whole subject back into our hands.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of New York. I yield to the gentleman from California.

Mr. HINSHAW. Does the gentleman favor a system, either large or small, of quota restrictions or embargoes on importations in lieu of tariffs?

Mr. BALDWIN of New York. No; I do not.

Mr. HINSHAW. We have that in effect now.

Mr. BALDWIN of New York. I still do not favor it.

If we are going to have the jobs that we need we want to keep our industries here in this country. We can make things better than anybody else. Anyone who has traveled as widely as I have, and I am sure many of you have, know that American goods, even when they do cost more, are preferred by many people here and there abroad.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of New York. I yield to the gentleman from Minnesota.

Mr. KNUTSON. If the gentleman were to confine that statement to automobiles, office equipment, and tools, he would be absolutely correct, but when he stretches it to cover textiles, glassware, pottery, and the things that require a great deal of hand labor, I say he has been out in a rainstorm without an umbrella.

Mr. BALDWIN of New York. The gentleman must have seen me often here in Washington and must know I always have an umbrella. I do not say everything must be reduced 50 percent or even 25 percent or any percentage. I do not say that everything that has been done has been correctly done. But the system still should be maintained.

Mr. KNUTSON. The gentleman, of course, knows the State Department now has the power to reduce the tariff or increase the tariff by 50 percent.

Mr. BALDWIN of New York. I do.

Mr. KNUTSON. Under section 2 of this act, they ask for another 50 percent. Does not the gentleman think that is rather a dangerous proceeding, to give them another 50 percent bargaining power?

Mr. BALDWIN of New York. No; I do not, Mr. Chairman. I do not think it is dangerous.

Mr. KNUTSON. If the gentleman had ever carried a dinner pail, he would.

Mr. BALDWIN of New York. The gentleman has carried a very heavy pack on his back for 2 years across most of Europe fighting a war. That is the reason I feel the way I do because I do not want to see it happen again.

Mr. KNUTSON. Did the operation of the reciprocal trade law which went into effect in 1934 prevent this war?

Mr. BALDWIN of New York. Mr. Chairman, I think I pointed out that the creation of these reciprocal agreements does not necessarily prevent war, but the failure to have them is one of the causes of war. I do not think the record anywhere can be found which will disprove that statement.

There is one other point I would like to bring out, Mr. Chairman, and that is with reference to the misinformation that some people seem to have about our foreign trade and its importance to our standard of living. It has been said here in debate we have only 7 percent of foreign trade. It has been said that in our over-all commercial picture, that is all we have. It is true, Mr. Chairman, but that is only a half truth. They forget there is regional foreign trade. They forget that that 7 percent is the difference to many people of a Ford automobile or a Chevrolet car and radio, an electric iron, a gas stove, or an electric ice box. They forget that some of our foreign trade runs as high as 65 percent. It runs all the way up. Of course, over all it is only 7 percent. But do not let anybody tell you that 7 percent is not important.

Finally, Mr. Chairman, so far as my agricultural friends are concerned, and I can understand and sympathize with some of their points of view, I am convinced for the next decade and certainly for the next 5 years there is not going to be food enough in the world to go around. I do not see how we can sit here and worry about whether we will be able to sell our agricultural products. I am convinced we will. I am convinced nobody in this country is going to sign a reciprocal trade treaty or offer one which is going to run agriculture into the ground—and that is not meant to be a pun.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of New York. I would be delighted to yield to the distinguished majority leader [Mr. McCORMACK].

Mr. McCORMACK. In reply to the last observation made by the gentleman from Minnesota [Mr. KNUTSON] about reciprocal trade agreements not preventing war, I agree with the observation made by the gentleman on at least two occasions. However, the fact remains the three nations with which we have no reciprocal trade agreement were Germany, Italy, and Japan.

Mr. BALDWIN of New York. I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. I yield to the charming gentleman from New York an additional 5 minutes.

Mr. BALDWIN of New York. I thank the gentleman very much.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of New York. I yield.

Mr. KEEFE. I am very much interested in the gentleman's discussion of this subject. Because of his interest in it, will he not discuss this phase which interests many people on the floor? Will he not also answer this question: How will the adoption or nonadoption of the reciprocal trade agreements proposal embodied in this legislation do anything to remove the barriers which are being built up through export quotas, the freezing of funds, the depreciation of currencies, and all of the artifices engaged in by countries throughout the world? These practices which I have mentioned are not touched at all by the provisions of the reciprocal trade agreement program.

And further, does not the gentleman believe that any reciprocal trade-agreements program that is adopted should follow the adoption of the Bretton Woods proposal, in order that we may understand how the two proposals may operate together? I would like to have the gentleman discuss that.

Mr. BALDWIN of New York. The gentleman has asked me a very long question which I will not have time to answer entirely. I hope to have occasion to answer some of it when the Bretton Woods proposal comes up. I think the Bretton Woods proposal is just as important as these reciprocal trade agreements. It is a long, long discussion if we really want to go into it. I agree with the gentleman that they should be integrated, but I submit if we grant this authority to the executive department to make reciprocal trade treaties, these problems which he is now suggesting can be handled by them. I do not think the gentleman himself would want to ask the House as a committee of 435 to sit down and write another tariff act. I know I would not want to. I do not think many of us would.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of New York. I yield.

Mr. HINSHAW. The gentleman from Massachusetts [Mr. MCCORMACK] a moment ago mentioned the fact that it was a curious connotation that the only countries with which we did not have tariff trade agreements were Germany, Italy, and Japan, and they were the nations that caused this war. I am curious to have the gentleman's explanation as to why we did not have trade agreements with them, and therefore prevent this war.

Mr. BALDWIN of New York. My explanation?

Mr. HINSHAW. I would like to hear from the gentleman from Massachusetts [Mr. MCCORMACK]. He is the one who made the statement. His party has been in power. Of course, I have some ideas about why they did not have any trade agreements.

Mr. BALDWIN of New York. I am sure the gentleman from Massachusetts [Mr. MCCORMACK] if he can get time will be delighted, and I will be glad to yield to him if I have any time remaining.

In conclusion, Mr. Chairman, I hope all of us will not consider this is a party matter. In my opinion this is a world matter and that we have got to fight to establish not just an America and the United States, but to establish peace and security and prosperity throughout the world. I sincerely believe that this resolution can be a great contribution thereto.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KNUTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GROSS].

TRADE AGREEMENTS

Mr. GROSS. Mr. Chairman, being a farmer and understanding the agricultural problems of the country I want to confine myself primarily to the agricultural field during my discussion of the pending bill. However, I am not overlooking the fact that a great many manufacturing industries are located in my congressional district. I am sure the rights of all industries will be defended by various other Members of this House. In passing, I might add that I have had numerous letters from manufacturers in my District and all warn against lower tariffs or free trade. The reasons given for their stand are practically identical and entirely justifiable. Namely, the protection of American industry in order that we may be able to furnish jobs to our workers during the postwar years. For after all, these workers constitute the best market our farmers can have. With me, this is not a partisan issue.

The National Grange, whose recommendations have always been sound, has refused to put its stamp of approval on these trade agreements because they lack the most important characteristics necessary in order to make them constitutional.

Where the rates of the Hawley-Smoot Tariff Act have already been slashed 50 percent, another reduction of 50 percent would be equivalent to a total reduction of 75 percent. It should be kept in mind in this connection that in case of certain commodities, rates had already been reduced under the flexible provisions of the Tariff Act of 1930 before the passage of the Trade Agreements Act. To grant the President authority to further reduce rates on such items would be almost equivalent to granting authority to transfer items from the dutiable list to the free list, which is denied in the Trade Agreements Act.

It is likewise noteworthy that while this legislation empowers the President to revise rates upward to the extent of 50 percent, not a single rate has been increased, for the simple reason that an upward revision of rates would not be well calculated to facilitate the negotiations of trade agreements with other nations.

I believe that, before the present act is extended or broadened, it is imperative that the duties of the Tariff Commission under section 336 be restored.

Opportunity must be provided for injured parties to seek redress through the courts.

If these be treaties, then they should be submitted to the Senate as provided in the Constitution.

Congress should decide whether these agreements constitute regulation of foreign trade or the raising of revenue, and if the decision is in the affirmative then these agreements should be submitted to the Congress for approval or disapproval.

It is not my intention to oppose suspension of tariffs or customs duties during any great emergency when the national defense is involved such as during the present war. It is recalled that the original act was passed to deal with the emergency of the world economic depression. No such crisis can be presumed to exist during the postwar years and ample time should not be taken to develop a comprehensive plan for procedure for the postwar peacetime era.

I am particularly opposed to a general widening or broadening of the Trade Agreements Act at this time permitting a further 50 percent downward revision of the tariff without any provision for rate adjustments upward and downward and without waiting for full opportunity to observe the results of trade agreements which have already been entered into. The postwar era will be so entirely different from the standpoint of international trade and investments that this is not the time to rush through what is practically a complete new downward revision of the tariff without careful review of all the postwar problems.

Furthermore, it is not my intention to oppose at this time a temporary extension, perhaps for 1 year, of the law in its present form (or with suitable amendments) in order to preserve the present status of trade agreements already in effect. But a thorough study of the entire situation would seem to me to be necessary before this method of procedure is made permanent, and certainly before it is greatly enlarged upon.

Before the present system of negotiating reciprocal trade agreements is extended or expanded, it seems to me that we should have a comprehensive definition of the term "reciprocity." Certainly no agreement should be entered into unless concessions received from any country are fully equivalent to concessions granted by the United States. Concessions should not be granted to any country unless that country is clearly the principal supplier of any commodities in question. Concessions should not be extended to third and other countries until or unless equivalent concessions are received from them—if they are important suppliers and stand to benefit through the extension of concessions to all nations. This raises the whole question of an adequate definition of unconditional, most-favored-nation treatment. While in general principle that has long been the ideal of this country, it cannot be carried to the extent of granting concessions to all without equivalent or reciprocal concessions in return.

And right here I want to make a point very clear which I think is generally misunderstood or the opposition to this sort of business would be overwhelming from

every section of the country by all agriculture and every kind of industry.

Too many people think that when we make a reciprocal trade agreement with some country that it simply means a different method of horse trading between the parties involved. But that is not correct. It is at this point where the favored-nation clause becomes operative. For instance, when we make a treaty with a nation to permit her exports to come into our country at a certain lower rate and in turn they grant special rates on export of ours, it works like this: We are not granting a special rate we will say on corn or meat to that particular country but we are actually setting up a certain charge or tariff under which that particular product can come into our country and it does not make any difference where it comes from. In other words, when we extend these treaty privileges to one country under the favored-nation provision of the act we extend them to the whole world, but the privileges granted us are confined to the one nation with which we are at the moment doing business. Furthermore, in the past all of these treaties have had to be submitted to the legislative bodies of the countries concerned, while here they have never been submitted to the legislative body at all. This was not the intent of the Congress. If people more generally understood, it simply would not be tolerated.

In any program to regulate the foreign trade of the United States and/or to revise the tariff structure, first consideration must be given to the situation within our own country during the postwar era.

Speaking mainly for agriculture, I naturally consider first the entire body of legislation which has had for its purpose the bringing about of equitable prices for farm products. It would be futile to continue parity and other forms of agricultural legislation at the same time permitting another Government agency to reduce or practically eliminate tariffs and thus permit the flooding of the American market with highly competitive products from foreign sources. This is particularly true where foreign producers have substantially lower living standards than those which we have built up in the United States and where costs of production frequently are very much lower than ours. We have long held to the principle that American agriculture and industry should have first opportunity to supply the American market with all of their products which can be economically and efficiently produced in the United States.

I was amazed to read in the hearings of the Ways and Means Committee—part 5, unrevised, page 388—the statement of Mr. Henry Wallace that protection is not necessary and that if industry and agriculture in this country cannot compete with other countries regardless of the standard of living or the wages paid in those foreign countries, then it is simply a case of inefficiency on our part. What he was actually saying is that although we paid $1.25 an hour for our labor and could not compete with a country that pays $1 a day we are inefficient and should fold up. Now, certainly we Americans are never going to subscribe to a theory of that kind.

The next point I have in mind is the fact that over a long period the United States has built up a body of legislation for the improvement of conditions of wage earners in all walks of life. Most recently there is such legislation as the Fair Labor Standards Act, social-security laws, and so forth, all of which may have for their net results an increase in the cost of production and therefore an increase in prices, especially where progress in the general welfare of labor is promoted at a more rapid rate than can be absorbed through increased efficiency. It must not be forgotten that increases in costs and prices must be borne by all citizens of the country, including those engaged in agriculture, and that in turn the farm population must have prices sufficient to absorb the increase in cost of labor, taxes, and in prices of goods which they must purchase. In other words, both higher prices and higher wages must be taken into consideration in determining the character of regulation of foreign trade and protection to the American market.

It must not be forgotten that the Central Government of the United States will find itself burdened with a national debt estimated at about $300,000,000,000 when peace is finally restored. Even at an average interest rate 2 percent this will involve an annual item of $6,000,000,000 for interest over and above all other costs of government and without provision for liquidation of the debt. This is far above any previous experience of the Nation. This item of taxes must be included as a burden on agriculture, industry, and labor and must eventually be included in costs of production. It cannot be ignored when provision is made for equitable competition with the products of foreign countries and it is a major factor in determining the regulation of foreign trade, and the protection of the American market. In order to make possible the tax policy which will provide for this and other postwar costs, it must be evident that a very high level of wages and prices for farm products must be preserved.

In the past customs duties or tariffs have been imposed on the foreign invoice value of imported dutiable commodities. The Government of this country has no way to regulate, control, or influence foreign price levels. During the postwar period there is every reason to believe that the world market may be disorganized for a considerable period of years. There will be all kinds of opportunity for dumping foreign products in the American market, thus disrupting our own economic structure. In many cases foreign governments have or may themselves engage in international trade. In other cases, foreign cartels or other agencies with benefit of government subsidies or other forms of assistance may be in position to disrupt the market. All of these matters must be taken into account. It would seem far more realistic if the Congress would provide that hereafter the landed cost of imported commodities should be recognized as the basis for the imposition of tariffs. This is the rule of many countries. In other countries the importing nation appraises the value of the imported articles as a basis for the imposition of customs duties. In the United States, it might very well be that the wholesale price of the domestic commodity could be used as a guide for the placing of value upon the imported commodity as a basis for tariff duties.

During the past 25 years many foreign nations have found it to their advantage to devalue their currencies or otherwise to change the exchange value or to block credit balances or enter into compensating agreements or otherwise to control the monetary or financial structures. Through any one or more of these processes they have been able to substantially modify the effectiveness of customs duties determined by our own Government, as equitable and desirable. Any extension of the present law, or any revision thereof should certainly make provision for automatic protection of the American market in the event any foreign nation during the postwar era engages in similar practices.

The same must be said with reference to subsidies, embargoes, quotas, licenses, and permit systems and barter arrangements, any one of which might have the effect of overturning our own sound economic structure.

When it is found that foreign nations are engaging in dumping or other unfair methods of competition, or are discriminating against the trade of the United States, provision should be made that the Chief Executive shall take immediate action to protect our own national economy.

Having reviewed some of the more important principles I will conclude with brief reference to the application of the trade-agreements program to agriculture. It was originally argued that trade agreements would make it possible to find new or restore old foreign markets for surplus farm products, but would not result in an increase of imports of competitive farm products. Let us look at the record.

During the years 1932 to 1940, inclusive, the value of agricultural imports amounted to $9,640,306,000, of which $5,071,065,000 was of competitive products.

The Department of Agriculture provides the following figures with reference to imports:

Value of agricultural imports

Year	Total	Supplementary or competitive
1932	$613,737,000	$282,428,000
1933	838,952,000	418,515,000
1934	933,774,000	497,892,000
1935	1,141,191,000	641,622,000
1936	1,155,136,000	866,796,000
1937	1,155,126,000	588,316,000
1938	988,648,000	486,165,000
1939	1,239,444,000	571,443,000
1940	1,475,288,000	627,888,000

Imports of so-called supplementary or competitive imports were admittedly larger during 1935–37 because of the drought years in this country. But leaving those years out for that reason it is noted that imports of competitive farm products increased from $282,428,000 in 1932 and $418,515,000 in 1933 to

$571,443,000 in 1939 and $627,888,000 in 1940.

Thus value of competitive farm imports considerably more than doubled from 1932 to 1940.

It is generally agreed that reduction in tariffs on competitive farm products let in more imports and made it more difficult to build a sound farm program. Incidentally this made it impossible for farmers to buy as large a quantity of products from manufacturing and gave less employment for industrial labor.

When it comes to exports I can find no evidence that foreign concessions resulted in any increase in volume of farm products sold abroad. Back in the period from 1910 to 1914 exports of farm products accounted for an even 50 percent of total exports. By 1932 they were down to 41.7 percent of total exports. It was to rebuild the export market that we were promised such wonderful results.

As a reminder of these promises let me point out that during the years from 1932 to 1940, inclusive, our total domestic exports amounted to $24,622,546,000 and our agricultural exports totaled only $6,205,677,000.

Here again we must examine the official figures, furnished by the Department of Agriculture:

Value of United States exports

Year	Total domestic exports	Agricultural exports	Percent farms of total
1932	$1,413,397,000	$589,650,000	41.7
1933	2,008,484,000	787,343,000	39.2
1934	2,035,092,000	668,713,000	32.1
1935	2,375,415,000	766,303,000	32.3
1936	2,790,880,000	732,474,000	26.2
1937	3,361,699,000	890,771,000	26.5
1938	2,884,687,000	682,962,000	23.7
1939	3,743,930,000	737,640,000	19.7
1940	3,959,262,000	349,821,000	8.8

While the dollar value of exports of farm products was about the same in 1938 and 1939 as during 1932 to 1935, they were held there only because unit prices were higher and through the paying of huge export subsidies and not because of foreign concessions to us.

And since I have mentioned subsides I will again go to the record furnished by the Bureau of Agricultural Economics and call your attention to the fact that during the years 1934 to 1945, inclusive, the Government paid export subsidies on wheat and flour and cotton totaling $64,937,827.

Here are the figures from the Bureau of Agricultural Economics:

Cost of export subsidies on agricultural products, 1934–45

	Wheat and flour programs	Cotton
Fiscal year—		
1934	$1,087,745	
1935	5,009,495	
1936	154,261	
1937	231,112	
1938	78,961	
1939	26,369,926	
1940	11,105,754	
1941	4,454,561	
1942	4,217,037	
1943	6,984,923	
1944	1,313,993	
1945	[1] 3,000,000	[2] $929,059

[1] Estimated.
[2] Covers period of Nov. 15, 1944, to Mar. 31, 1945.

From this statistical study it appears that prior to the war period, with reduction of duties, imports of competitive farm products continued to increase, in spite of heavy subsidies, exports of surplus farm products continued to decrease.

So after a study of the record and a thorough knowledge of how these treaties have operated in the past I will oppose the provision of the bill which would authorize the further lowering of import duties by as much as 50 percent from the level in effect on January 1, 1945. The proposal to permit further 50 percent reduction in many rates that have already been drastically cut appears to me both unwise and dangerous at this time.

I am opposed, also, to the extension of any Trade Agreements Act for a period of more than one year because changing world conditions will make necessary any early reappraisal of the entire program.

I am speaking as a farmer. This is not a partisan political issue.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. HARNESS].

Mr. HARNESS of Indiana. Mr. Chairman, the administration asks us at this time to extend the broad and exclusive authority of the Trade Agreements Act, which permits the Executive to enter trade agreements with foreign powers, and to cut by as much as 50 percent the schedule of import duties established in the last tariff act passed in a constitutional manner by Congress. Not only that, we are now asked to broaden this authority so that the President may make further cuts of 50 percent in our existing tariff rates. In other words, we are asked to give the administration the power, unchecked and not subject to review in any way by the people's representatives, to lower legally established import duties by as much as 75 percent.

I have long been convinced that the administration's reciprocal trade program has worked in many ways directly against America's best interests, and I have consistently urged that the entire policy should be revised. I vigorously oppose this present proposal because I feel equally certain that this increased authority in the hands of the present administrators will be used to work even more serious damage to our interests. The case for this renewed and increased authority has been argued on lofty, academic levels, purposely, I believe to confuse the American people, and to deceive them that all of this business of international trade and finance is entirely too complicated for the average citizen to understand; in fact, that it should be taken completely out of the hands of Congress—the people's representatives. In speaking against this proposal, and against the basic policy behind the administration's trade program, therefore, I hope I can translate this problem in terms of the ordinary people of America, so that we see how the average farmer, laborer and businessman has been, and will be affected.

We are told as though we were small children that international trade will play a definite part in determining whether the world's future will be peaceful or troubled, and we are warned that anyone opposing administration policies is an economic isolationist who is throwing stumbling blocks on the path of lasting peace. But where can you find a single thinking American who does not know perfectly well that trading for mutual advantage is absolutely fundamental in getting along with our neighbors, whether they are the people in our own home community, or our neighboring nations? Of course, we want to maintain and expand trade between all nations of the world. But we certainly do not want trade, and more trade merely for the sake of ever-increasing volume. We want, and can afford, only the type of trade which brings some real advantage and profit both to the buyer and seller without working injury to either, or to other countries of the world.

And I insist that it is not economic isolationism, but mere common sense to point out that the present reciprocal-trade program, on the record of past performances, will not provide the necessary safeguards for American labor, agriculture, and industry.

If you have any doubt, look at these statistics showing American export sales to a number of important foreign countries:

Value of total imports for specified foreign countries and the proportion coming from the United States

[Value of figures in thousands of dollars—old gold, 1926–32, inclusive; currency, 1933–38]

	Value of total imports	Percent	Imports from United States	Percent
UNITED KINGDOM				
Protective-tariff years:				
1926	6,030,825	100	1,112,005	18.4
1927	5,929,057	100	974,208	16.4
1928	5,818,380	100	917,080	15.7
1929	5,944,873	100	952,083	16.0
Average				16.6
The depression years:				
1930	5,080,506	100	748,131	14.7
1931	3,901,130	100	472,689	12.1
1932	2,465,254	100	293,772	11.9
1933	3,784,324	100	425,716	11.2
1934	3,685,815	100	413,001	11.2
Average				12.2
Trade-agreement years:				
1935	3,705,962	100	429,015	11.5
1936	4,219,976	100	463,785	10.0
1937	5,081,564	100	564,137	11.1
1938	4,495,847	100	576,854	12.8
Average				11.5
ITALY				
Protective-tariff years:				
1926	1,006,688	100	218,141	21.6
1927	1,051,340	100	204,237	19.4
1928	1,153,015	100	211,198	18.3
1929	1,120,381	100	187,259	16.7
Average				19.0
The depression years:				
1930	912,432	100	133,497	14.6
1931	606,603	100	69,137	11.3
1932	424,126	100	56,850	13.4
1933	655,136	100	98,267	14.9
1934	657,146	100	82,092	12.4
Average				13.3

Value of total imports for specified foreign countries and the proportion coming from the United States—Continued

[Value of figures in thousands of dollars—old gold, 1926-32, inclusive; currency, 1933-38]

	Value of total imports	Percent	Imports from United States	Percent
ITALY—continued				
Trade-agreement years:				
1935	642,446	100	72,607	11.3
1936	440,361	100	65,270	14.8
1937	733,520	100	80,966	11.0
1938	593,021	100	70,405	11.8
Average				12.2

Similar ratios of loss apply for other countries in the complete tabulation which I insert at this point:

	Average
Denmark:	
Protective tariff years, 1926–29	14.4
Depression years, 1930–34	8.2
Trade agreement years, 1935–38	5.8
Sweden:	
Protective tariff years, 1926–29	13.8
Depression years, 1930–34	11.7
Trade agreement years, 1935–38	13.9
Switzerland:	
Protective tariff years, 1926–29	8.6
Depression years, 1930–34	6.6
Trade agreement years, 1935–38	6.4
Argentina:	
Protective tariff years, 1926–29	29.7
Depression years, 1930–34	15.7
Trade agreement years, 1935–38	15.6
Netherlands:	
Protective tariff years, 1926–29	10.1
Depression years, 1930–34	7.1
Trade agreement years, 1935–38	8.3
Belgium:	
Protective tariff years, 1926–29	10.8
Depression years, 1930–34	10.7
Trade agreement years, 1935–38	8.5
France:	
Protective tariff years, 1926–29	12.2
Depression years, 1930–34	10.0
Trade agreement years, 1935–38	9.8
Canada:	
Protective tariff years, 1926–29	67.4
Depression years, 1930–34	60.3
Trade agreement years, 1935–38	59.4
Brazil:	
Protective tariff years, 1926–29	28.6
Depression years, 1930–34	24.7
Trade agreement years, 1935–38	23.1
Japan:	
Protective tariff years, 1926–29	29.3
Depression years, 1930–34	31.7
Trade agreement years, 1935–38	32.7

Notice here how America's share of the markets of these important countries steadily dwindled under the reciprocal-trade program. Take the figures for the United Kingdom—Great Britain—our best foreign customer. You will note that back in the twenties, under the so-called high-tariff schedules, we sold the British 16.6 percent of all the goods and services they imported; but that during the last 4 years of peace, under the trade agreement with them, our sales to the British dropped to a mere 11.5 percent of their imports. That ratio of loss follows for other countries with the exception of Sweden and Japan. We barely managed to maintain our position in Sweden's markets, and we naturally took an increased percentage of Japanese business because she was taking everything she could get from us to build her war machine.

To illustrate another way just how we have fared under the reciprocal-trade program, look at these figures on American exports, taken from the current report of the Committee on Ways and Means:

UNDER PROTECTIVE TARIFF

1925	$9,136,437,000
1926	9,239,548,000
1927	9,050,117,000
1928	9,219,800,000
1929	9,640,089,000

UNDER RECIPROCAL TRADE

1935	$4,330,359,000
1936	4,878,370,000
1937	6,432,835,000
1938	5,054,868,000
1939	5,495,257,000

In the period under trade agreements, exports were actually some $18,000,000,000, or 40 percent below the volume for a similar period 10 years earlier. In the case of Great Britain, does it surprise you that we actually lost ground in her markets under our trade agreement with her? Possibly it will also surprise you to learn from the report of a 3-year study by the American Tariff League that the British tariffs on imports are actually 18.3 percent higher than our own schedules, for the British have always managed to maintain the fiction that theirs has been a free-trade empire. By diligent and persistent propaganda they have gained the reputation of being the leading advocates for the unrestricted flow of international trade. Always asking the removal of trade barriers by others, Britain has always maintained her own barriers. Throughout modern history Britain has consistently, and often ruthlessly, promoted British interests. The British Empire even now maintains the trade exclusion devise known as the system of "empire preferences," which works to the special advantage of the empire members and to the particular disadvantage of all outside traders, including the United States. Even today, well before the end of the war, it is unmistakably clear that Britain is working out strictly bilateral agreements with other countries to promote British interests in postwar trade.

This is not intended as specific criticism of Great Britain. In fact, there is much that is admirable in the forthrightness and skill with which they promote their own interests in the highly competitive field of international trade. What Britain has done and is doing is exactly what every other trading nation, except the United States under the present administration, has done and will do in its own behalf. And it is exactly because the other trading nations of the world have placed national interest, and do place national interest foremost in their policies governing foreign trade, that our own present trade policy will always adversely affect American interests.

The plain fact is that our reciprocal trade agreements have not been at all reciprocal. Neither are they real, definite agreements. The 28 working agreements we have negotiated, and the 1,226 specific cuts we have granted under those agreements are not specific concessions made to a certain nation or group of nations for exactly equivalent advantages granted to American producers and exporters. The text of any one of these pacts might make it appear in theory that we are receiving exactly as much advantage as we are giving but actually the other contracting nation has more likely than not retained other barriers against our trade, or built new ones, which defeat the purpose of the pact as far as we are concerned from the minute it is entered.

Suppose, for example, that we agree with another country to cut our tariff rate on china and glassware, giving her comparatively free access to our markets. In return, we are to have an exactly equal opportunity to sell, say, radios or refrigerators, in her markets. But suppose then that the other country, leaving her import duty exactly as agreed, applies a strict quota, or import percentage, against American radios or refrigerators? That sort of thing has happened to kill the very effect of our agreements.

More than that, all these trade pacts carry the "most-favored-nation" provision, which simply means that we grant the same concessions to practically every other nation in the world, even though these nations are not parties to the agreement and make no tariff reduction to us. That means in practice that practically every concession contained in all these present treaties is enjoyed by practically every friendly nation in the world. But each of these other nations also usually goes beyond a mere schedule of import duties to maintain its own bilateral agreements and to employ one or more of the many trade-blocking devices, such as embargo and quota restrictions, which are the most effective kind of trade barriers against us.

I want to say emphatically that I have always believed in the principle of true reciprocity in our trade relations. The principle is by no means new. In fact, it has been a basic part of my party's philosophy for a half century. Likewise, it was my party which introduced the policy of granting concessions in American markets equally to all nations which are willing to deal with us on an equal basis of give and take.

There is nothing wrong with the principles involved here. The whole trouble is that they have not been invoked, and will not be invoked so long as the philosophy of this administration prevails. What we have had, and what we will inevitably get under this philosophy is free trade and wide open American markets, with little or no regard for the protections American industry and agriculture must have if we are to maintain our high living standards and high wage scales.

I have long insisted that the average American industry cannot long compete in free world markets if we expect it to pay wage scales ranging all the way from twice to twenty times that paid in the same kind of industry in other countries of the world. True, we do have a few tremendous, highly organized, mass-production industries in which production skills and techniques are so far ahead of anything else in the world that they can pay top wages and still compete successfully in open world markets. But a couple of pertinent questions at once suggest themselves. Could those industries ever have developed to their present state of efficiency without the peculiar

protections and advantages of a tariff system which helped them in their formative years, and which built right here at home for them the rich potential mass market upon which they grew?

If our wage and living standards had always remained no higher than world average, would the American automobile industry, for instance, ever have enjoyed a potential market for 30,000,000 cars right here at home? Just count the cars per capita in any other country in the world and the answer is perfectly obvious.

Is it wise, then, for even our most efficient mass production industries to seek advantage in world markets at the expense of opening American markets to unrestrained foreign competition? The answer to that ought to be obvious, also, if you examine it. While proficiency in mass production is uniquely American, the fact remains that smaller, highly diversified industry is still the backbone of the American industrial economy. For every industrial giant, we have a thousand small plants in which labor gets by far the biggest chunk of every production dollar. Those plants, and there are literally thousands of them in a hundred different lines of business, simply cannot meet foreign competition that is given free access to our home markets. If we knock down the little protection that sustains them, they either must knock down their wage scales to meet foreign competition, or go out of business.

Long ago, when the effects of tariff reductions were showing up sharply against our home industries, I reported in detail how the smaller companies in the steel, glass, and shoe industries in my own district were suffering from foreign competition due to the immediate effects of the reciprocal trade program. In the years directly before the war, plants were actually closing or cutting down production because foreign producers were underselling these industries right on their own doorstep. Belgian and Czechoslovakian steel wire could be purchased in my home town at prices which the steel producers right in the community could not meet. European glassware and table ware, produced by labor receiving about one-fourth the pay scales in the local glass plants, were selling in the local markets at prices ruinous to the home producers. Smaller shoe plants closed their doors because shoes from Czechoslovakia were entering the country at prices actually below the domestic cost of production.

In every case, the vast difference in wage scales placed the American producer at a hopeless disadvantage. He simply could not pay home labor two, three, or four times as much as the European labor received for the same work and still meet the foreign competition.

The story was the same not merely in my district, but all over the country, and for hundreds of industries. We were importing products and services, and by doing so, we were exporting American jobs. And I say to you again that any time we import under those conditions, any time we go back in postwar peace times to that practice of bringing in goods and services which we could well provide by American labor and facilities, we shall again be trading American jobs for mighty short profits on those imports.

The American farmer is in exactly the same predicament. Our farmers are the most productive in the world because they have kept step with modern production methods, and employ labor-saving tools and machinery to a degree unequalled in any other country. At least, they did use those tools and machinery when they could still buy them and get repair parts to keep them operating. But every farm commodity is the product of hard labor. If we throw the American farmer into open competition with foreign producers, all the money in the Federal Treasury spent for aids and subsidies cannot long prevent his being driven down to the level of the foreign peasantry and slave battalions against which he will be competing.

But we are assured that we need have no worry about the particular 3-year period just ahead, which this proposal would cover. Even if it is true that America has developed its unique standard of living and its high wage scales under a system of protective tariffs, say the administration spokesmen, the rest of the world is so torn by war that it could not hope to compete in American markets for a long time to come, even if we removed every trade restriction.

That, of course, is pure guess work, and probably as far from reality as most of the estimates and predictions of the present administrators. The devastation in parts of Europe has been complete. Even so, much of the physical plant of that continent has been comparatively untouched.

Under lend-lease we have poured an endless torrent of American wealth into the job of repair and replacement. We have sent tools, machinery, equipment and supplies of every description. We have built and equipped whole industrial plants. We are helping tremendously to restore transportation and communications and are furnishing a great volume of locomotives, rolling stock, and motor vehicles.

Looking purely at the available evidence, Great Britain is on her way back toward her position of world-trade dominance right now. Gaging the outward signs of Russia's growing power, based in no small degree upon the tremendous volume of help we have given, she will emerge from this war much stronger economically than she entered it.

Looking at the vast array of United Nations which has participated in the war in a purely nominal way, but which has partaken generously of lend-lease aid offered in the promotion of our economic warfare, we find that they have in most cases actually improved their relative positions and their prospects of competing profitably in world markets in the immediate postwar period.

Almost daily now the War Production Board is releasing new promises for return to production of goods for the domestic market, but we still run up against the cold, hard fact that production for lend-lease in purely nonwar rehabilitation categories rates priorities ahead of our own civilian demands. If you doubt that, try to buy a farm tractor, a combine, or any other piece of important farm machinery so desperately needed right here at home to fight off the present food crisis. When you find that it is still next to impossible to get anything needed on the farm to meet the all-time high production schedules expected of American farmers this year, then take a look at the figures on farm implements and machinery so far shipped abroad this year, and being shipped, under lend-lease.

Vast as the devastation in Europe has been, my own opinion is that it will have a comparatively large volume of production for export within the next 3 years. So far as our Western Hemisphere Allies in the United Nations are concerned, I feel sure they have, on the average, more exportable surpluses in industry, mining, and agriculture than they ever had. Assuming that we come to the end of lend-lease as a weapon of economic warfare within the coming 3 years—and I can conceive no reason why we should not—I can foresee a real possibility that many nations will be fighting for a chance to sell in America, the richest of all world markets.

How shall we face these problems of trading with the rest of the world? Shall we sweep aside the protections which have made this country great and strong, recognizing that the administration's reciprocal trade program is not, never has been, and cannot be what it tries to make the people think it is? Shall we sacrifice the American farmers, the factory workers, and the thousands of diversified businesses and industries and let world competition set the price and wage levels and determine the standard of living in America? Shall we keep it as our first objective to insure full employment here, or shall we export jobs?

Purely on this basis alone I am sure what the American people would expect our answer to be. But there is another important phase of this question which must be emphasized again and again whenever this question of trade policy arises. Forgetting the pure economics involved in this question, forgetting whether it is smart solely from the immediate dollar-and-cents angle to cut all protections and put America on a completely free world trade basis, is it wise or not to maintain ourselves as nearly as possible on a basis of economic self-sufficiency? Suppose it actually does cost every American consumer a few extra dollars each year to keep our tariff protections up, so that we can maintain thousands of the smaller businesses and industries, and keep millions of American farmers and factory workers busy.

Is that solid, self-sufficient national economy worth the cost? Understand, I do not admit that there is any ultimate extra cost. Grant it for the moment to touch upon a phase of this question which goes far beyond any mere dollars-and-cents appraisal that might be made.

My own answer to that is emphatic. The diversity, solidarity, and self-sufficiency of the American economy which we enjoy today, thanks almost exclusively to past tariff policy which is almost the

complete antithesis of this present philosophy, is more than worth anything in mere dollars and cents which it could possibly have cost us. If time permitted, I could show you a hundred different types of industry and business which could not possibly have survived long under the New Deal free-trade policy, but which today are contributing tremendously to the total miraculous war effort. The free-trade exponents can cite the book of classic economics to prove to you that every one of these little protected American industries has been economically wasteful and costly; but I believe I can prove without difficulty that we could not possibly have conducted this war successfully without them.

Look now for just a moment at the other extreme in American business—the motorcar industry. American automobile builders put this Nation on wheels; and they mechanized and motorized modern warfare. But for all its skill and science, the motor industry came up with one fatal weakness under the pressure of war. It rolled on rubber, and in the true manner of a highly specialized world, it was totally dependent upon rubber production which came halfway around the globe. The automotive industry, and to a very real extent, the whole American system, was dealt a body blow when we lost our rubber supply. We have invested at least a billion dollars of public and private funds in the program to develop a synthetic substitute, and now, 4 years after the original disaster, we are still dangerously near a transportation catastrophe.

The saddest part of this commentary is the fact that there has never been a doubt in the past 20 years that we could have developed a satisfactory synthetic rubber to substitute for the natural supply which came to us by the most tenuous supply line from halfway around the globe. But we did nothing about it back in the peacetime years because the British-Dutch rubber cartel had such a death grip on world rubber markets that private capital in this country could not afford to venture in the development of synthetics. The cartel prices on rubber were usually high enough to invite experiments in synthetics, except that our scientists knew that the minute they came up with any interesting substitute and undertook its development, rubber prices could be slashed just as far as necessary to destroy their investments in time and money almost overnight.

But suppose back in the peaceful years, we as a Nation had thrown our weight into the problem of whipping the rubber cartel and gaining our independence from it. That would have been totally wasteful and uneconomic, according to the free traders, for the effort might have cost us an extra dime or even a dollar per tire had we given the necessary protection and encouragement. But looking back, does anyone doubt that the trivial added investment would have paid handsome dividends?

Obviously, economic self-sufficiency has a national defense value that cannot be measured in mere dollars and cents. Not the least important weakness of this so-called reciprocal trade program, therefore, is the fact that it would kill diversification within our economy and destroy economic self-sufficiency. That I might agree to when I am assured that we shall never again be called upon to defend ourselves against aggression. Until I am convinced that lasting peace has come to America and the world, however, this fatal weakness of the administration's present program forces me to oppose it.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from New Mexico [Mr. ANDERSON].

Mr. ANDERSON of New Mexico. Mr. Chairman, I had intended when this bill was to come before the House to prepare to the best of my ability a statement concerning it and to present it to the membership of the House. I need not remind you that circumstances, as surprising to me as I am sure to the membership of this House, have arisen to change that situation. I would have liked to have been able to discuss with you the circumstances in this matter as they relate to the mineral resources of the West. I do want to devote just a few words to that, and then say just a word or two about agriculture.

As a resident of a mining State who has been tremendously interested in watching the development of that industry throughout the West, and the recent importance placed upon it by the war, I was desirous of making sure that in the bill there was protection for that mining industry. We have not been producing in the United States a sufficient amount of lead, zinc, and various other minerals.

I was somewhat disturbed over the possibility that as a result of tariff cuts there might be damage to the mining industry throughout this country and particularly to the Western States.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of New Mexico. I would be happy to yield to my good friend from Arizona.

Mr. MURDOCK. I think the mining industry is mighty fortunate in this respect, that in the bill as it now stands before us the Navy and the Army are to be consulted in all such future reciprocal-trade studies so as to protect our supply of strategic and critical war minerals and metals in order that we may not be again unprepared. Also that any reduction made during the war emergency shall not be considered a base for further reduction under the additional 50-percent section. I think that is a distinct advantage to America's important mining industry. In behalf of the mining industry I thank the gentleman for his influence and his contribution in bringing that about.

Mr. ANDERSON of New Mexico. I thank the gentleman.

When I read the bill I was a little disturbed by some language in it which provided that emergency rates, however established, might be subject to additional reductions. I therefore submitted to the Committee on Ways and Means an amendment that tried to safeguard that situation. I do not know that it does it adequately but it does provide that when these duties have been reduced as a wartime emergency matter, with provision that they shall return to the higher scale when the war is over, they shall so return and that these wartime duties shall not be considered as a base.

When I say that I am also happy to put into the RECORD that that amendment was supported unanimously by the Republicans and the Democrats on the committee jointly, because there is no member of the Committee on Ways and Means—and it is a remarkably fine group of men; I can say that since I am probably the youngest member on it and might accidentally leave it soon; they are a remarkably fine group of men on both sides—who dissented; without a dissenting vote they decided they did want to grant this extra protection to the mining industries in this country.

It was not a partisan question at all, because Republicans and Democrats as well realized that we were placed in a very unfortunate position by the shortness of our supplies of certain critical materials. I think it would be too bad if when this war is over we fail to safeguard those strategic minerals for future generations.

We are all hopeful that there will be no further wars. We all count confidently on emerging from this one with a peace structure that shall protect us and shall preserve the peace of the world, but we recognize that things do happen in international affairs. If, unfortunately, we are again attacked by any group of nations, we should have within our own country the proper minerals.

So I say to you that this amendment, in my opinion, protects to some degree—and I hope to an adequate degree—the mines of the West, and resolved for my own mind some of the doubts which I had concerning the wisdom of this legislation. It makes it possible under the circumstances for me to support it and to vote for it, because I think the mineral interests are adequately protected.

Now, Mr. Chairman, there is in the bill a section which relates to those agencies to which these agreements shall be referred. I am very happy that the War and the Navy Departments have been included, and again I would say to the gentleman from Arizona that these were included on a motion by the gentleman from Arkansas [Mr. MILLS] but supported again by the membership of the entire committee on both sides of the aisle, Republicans and Democrats alike.

There is in that same paragraph one word that perhaps I should not refer to, but I am sure my colleagues in the House will not mind my mentioning slightly. It states that these agreements should be referred to the Department of Agriculture. If by any chance the Senate, in its wisdom, should see fit to confirm the nomination which I am told the President is going to submit for a new Secretary of Agriculture, then will my friends bear with me when I say that

should that combination of circumstances result, I want to assure you that the new Secretary of Agriculture would be very keenly alert to the necessity of safeguarding the interests of the farmers of this country.

My father was a grain farmer in the Dakotas soon after 1880. He had gone through one period of grasshoppers. He went through droughts, he went through all of the difficulties that the Scandinavian pioneers in that part of the world endured. I have heard him tell too many times the troubles that those pioneers had not to realize the full measure of thei distress. But I lived to see a day when the next generations were in trouble. I lived to see a day in the early months of 1921 when there was not a bank left open in my home community, a farming community where six banks had existed at the beginning of the troubles.

I lived to see farmers dispossessed from their farms. I walked down the streets of my home town one day years later and met a man who had been the most prosperous farmer I had known. He was the biggest hog raiser I had ever seen. He had taken prizes steadily for his magnificent specimens. That man approached me on the street and asked me if I could give him a job as manager of a farm which I happened to own. There was the finest farmer I had ever known, but circumstances arising out of the last war, not of his own making, destroyed him. I go a step further and say that those circumstances were the result of his patriotic effort. I saw that man deliberately increase the number of hogs on his place because it was patriotic to produce food to assist in the winning of the war. I thought it was too bad that his patriotism should have brought him to disaster and should have taken his family from a beautiful farm home and should have made it necessary for his children, who knew farming as few children have a chance to know it, to seek employment in industrial centers. I pray God that does not happen when this war ends.

The American farmer has done a magnificent job of producing food in this war. He has increased his production more than 35 percent, with 2,000,000 young men taken from the farms into the armed services. He has had a difficult job. He is going to be asked again this year for increased production. We are short of meat in the United States. The report of the Department of Agriculture only a few short hours ago reveals that the pig crop goals for the fall were not going to be realized by several million. That is unfortunate. The farmer must immediately be given increased encouragement. He must be given increased guaranties so that he may make up in the spring crop any deficiencies which exist in this fall's realization. Would it not be too bad if, in response to that appeal, he produced tremendous quantities of pigs and contributed to our supply of pork and then in the period following the war he should get caught in a crash that would destroy him because of his patriotism? You realize I am not technically trained in any new tasks I may assume. I simply wanted to stand before the House of Representatives and say that if those circumstances to which I have referred should come to pass, the Secretary of Agriculture will see to it that this clause in this particular law shall certainly be construed as a mandate from Congress to protect by every possible means the American farmer, his home, and the opportunities for his children. It would be too bad if we fought to preserve this land of ours and then moved from the farms the fine young men and women who are now growing up on those farms to be the future citizens of this country. I pledge you a most respectful consideration of that problem throughout the coming years if it should be my lot to have anything to do with it.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield such time as he may desire to the gentleman from Virginia.

Mr. ROBERTSON of Virginia. Mr. Chairman, I know every Member of the House representing agricultural districts was delighted with the action of the President in appointing our distinguished colleague and delighted to hear our colleague say that if, as, and when he became Secretary of Agriculture he would be alert to the interests of agriculture and the negotiation of reciprocal trade agreements. May I ask my colleague this question, because some Members of the House do not know the mechanics of negotiating a trade agreement and would not know in what way the Secretary of Agriculture would have an opportunity to look out for the farmers of the Nation. Those of us who have worked with this program know that the first step is for a committee called the Country Committee to make up a list of items on which we expect to trade or attempt to trade. The Tariff Commission on that Committee makes up a list of imports; the Commerce Departments makes up a list of exports, and the Department of Agriculture passes on both the exports and imports relating to agriculture. As I understand my colleague that will be his first opportunity to look into the interests of our farmers.

Mr. ANDERSON of New Mexico. I hope the gentleman does not anticipate the action of the body at the other end of the Capitol.

Mr. ROBERTSON of Virginia. Well I take that for granted.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. ROBERTSON of Virginia. The next step is for the Country Committee, after it has made up a list, to send it to the Trade Agreements Committee, and again the Department of Agriculture is represented on the Trade Agreements Committee. If the Trade Agreements Committee approves the list on which we wish to negotiate, they send it to the President, and again our colleague will be in the Cabinet. If the President approves that list he sends it to the State Department, and the State Department makes a list for him. In doing so he notifies all interested parties that at a given time they may be publicly advised by the Committee on Reciprocity Information.

Again our distinguished colleague will be sitting on the Committee on Reciprocity Information looking out for the interests of our farmers. If the Committee on Reciprocity Information approves the list it goes back again to the President for final action before the treaty is negotiated. In other words, when the gentleman said to us that as Secretary of Agriculture he would be alert to the interests of the farmers in the negotiation of treaty agreements, there are four separate and distinct opportunities to study, investigate, and become alerted.

Mr. ANDERSON of New Mexico. I thank the gentleman. May I add just one word at that point. One of the great privileges that has come to me has been my opportunity to serve in this House. I have cherished more than any one can imagine the fellowship of the Members of this House. Certainly if I do have an opportunity to serve in some other position it shall be my hope that I will regularly have a chance to receive and visit with the Members of this House, not in the Department of Agriculture, but on the floor of the House, in the House Restaurant and the places where we have so long met. I think that would be far more simple than to make all of you schedule appointments some blocks away. Perhaps you would like to have somebody come up with a notebook and take down your complaints. I have been a reporter in my life and I would like to continue being a reporter and meet with a great many people up here if I cease to be a Member of this body.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield.

Mr. CARLSON. I just want to state that I am greatly pleased to learn of the appointment of the distinguished gentleman from New Mexico. I think it will give security to agriculture. The gentleman from New Mexico has had practical experience as a farmer. I know his sterling character. I know he meant what he said when he spoke this afternoon and said he was going to protect agriculture. I have great faith in his statements, and I expect to hold him to them.

Mr. ANDERSON of New Mexico. I thank the gentleman.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield.

Mr. VOORHIS of California. I just want to congratulate the President on his excellent judgment and I want to congratulate the Nation, particularly the agricultural people of America, upon the appointment of the distinguished gentleman, but for myself as a Member of the House I shall feel a distinct loss. I am sure I speak for other Members when I say that, when the gentleman will not be with us as a Member of this body.

Mr. ANDERSON of New Mexico. I thank the gentleman from California.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, I wish to join my colleagues in congratulating my distinguished friend from New Mexico [Mr. ANDERSON]. He and I came to Congress at the same time and I know that the people of the great Southwest are all pleased and happy that that section of the country is to be recognized in this, one of the most important of the Cabinet posts.

I wish I could share his views and optimism in respect to this pending legislation, but representing a district the fortunes of whose people are almost identical with his, the chief occupations being agricultural, mineral, and mineral products I am fearful of the results that will happen not only to agriculture but to the producers of oil and other minerals if this bill which will authorize the executive department again to meddle with trade agreements is enacted into law.

Mr. Chairman, just by way of clearing out some of the underbrush before discussing the merits of this bill, I want to make my position crystal clear concerning the charge made against those of us who oppose this bill and who are opposed to changing the policy of tariff making, as provided in the Constitution, by taking it away from Congress and vesting it in a bureau as being isolationists.

First. If being for the continuance of a policy and system and philosophy of government that enabled this country to develop in a short span of 150 years into the greatest nation of free institutions, economically, spiritually, and morally of all times, then I am an isolationist.

Second. If being for a policy and philosophy of government that has produced the highest living standards for its people even known, then I am an isolationist.

Third. If being for a philosophy and policy of government that has produced the highest wages and living standards for the working man ever known to the historians, then I am an isolationist.

Fourth. If favoring a policy and philosophy of government that has been responsible for the American farmer and his family to have the best opportunities, the highest prices for his products, the greatest amount of labor-saving machinery, and has enabled him to reach a pinnacle of success in his capacity unknown to any other farmers anywhere on the globe, then I am an isolationist.

Fifth. If favoring the policy and philosophy of government that has made the American businessman and the industrialist the most prosperous and the most stable and the envy of industrialists and businessmen in every other part of the world, then I am an isolationist.

Sixth. If favoring a policy and philosophy of government which has enabled this country to build industrial plants which have supplied in time of peace the largest mass production of goods and equipment for the people of this country and which, when war came, enabled and made possible the conversion of these huge factories and industrial plants within a few months for the production of guns, planes, tanks, and other war munitions, sufficient to equip not only our own armies but the armies of our allies, and thus save the other countries of the globe from their aggressors, then I am an isolationist.

Seventh. If favoring the same policy of protection for America that has made America great is to be an isolationist, then I am happy to be branded as such.

Our American boys within the last 3 years have been in every country in the globe. Ask any one of them, I care not who he is, if he would exchange the philosophies, the traditions, and the policies that have made America the kind of America we have for the ideologies and philosophies of any other people anyplace in the world, and see what his answer is.

Now I want to talk about this proposed bill.

The authority of the President to enter into trade agreements with foreign countries is due to expire again soon. This authority was originally granted to him by the so-called Reciprocal Trade Agreements Act of June 12, 1934, and was extended in 1937, again in 1940, and again in 1943. Under the original act, the President was authorized to conclude trade agreements modifying American tariff rates by not more than 50 percent of the existing rates, whenever he finds American or foreign import restrictions "unduly burdening or restricting the foreign trade of the United States." All modifications of American tariff rates proclaimed under an agreement apply to productions of all countries; however, the President may exclude from the benefits of concessions, any country which discriminates against American trade. No good purpose, so far as this debate is concerned, would probably be served by again rearguing the constitutionality of the act. I may say, however, that there are many of us who believe the act is unconstitutional; and undoubtedly many who favor the act doubt its constitutionality because of the barriers they have written into it to prohibit and preclude the question of its constitutionality going to a court of last resort for the purpose of determining the same. The Constitution provides:

> The Congress shall have power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes (article I, section 8, powers of Congress; clause 3, regulate commerce).
>
> The power to regulate commerce with foreign nations is expressly conferred upon Congress, and being an enumerated power is complete in itself, acknowledging no limitations other than those prescribed in the Constitution. (*Champion* v. *Ames* (Lottery Case) (188 U. S. 321, 353–356 (1903); *Leisy (Gus.) & Co.* v. *Hardin* (135 U. S. 100, 108 (1890)).)
>
> Whatever difference of opinion, if any, may have existed or does exist concerning the limitations of the power, resulting from other provisions of the Constitution, so far as interstate commerce is concerned, it is not to be doubted that from the beginning Congress has exercised a plenary power in respect to the exclusion of merchandise brought from foreign countries; not alone directly by the enactment of embargo statutes, but indirectly as a necessary result of provisions contained in tariff legislation. It has also, in other than tariff legislation, exerted a police power over foreign commerce by provisions which in and of themselves amounted to the assertion of the right to exclude merchandise at discretion. This is illustrated by statutory provisions which have been in force for more than 70 years, regulating the degree of strength of drugs, medicines, and chemicals entitled to admission into the United States and excluding such as did not equal the standards adopted. (*Butterfield* v. *Stranahan* (192 U. S. 470, 492 (1904)). See also *Gibbons* v. *Ogden* (9 Wheat. 1, 193, 196–197 (1824)).)

In view of the specific provision of the Constitution, I do not believe it takes a highly technical constitutional lawyer to conclude that the delegation of this power to a board, set up to administer this act, giving said board full and complete authority to make the recommendations which are made effective by the President, thus taking the power completely away from Congress, is a direct and unrestricted violation of the power that is delegated to the Congress under the provisions of the Constitution hereinbefore set forth.

Since the trade agreements have already been extended on three different occasions, it seems to me that the fundamental issue is not so much the question of whether the Trade Agreement Act should again be extended for another 3-year period; rather, the fundamental question is should the act be amended to give the administration authority to permit decreases or increases in the tariff rates by 50 percent from the level of January 1, 1945, making 75 percent the maximum possible decrease from the original tariff rate existing on June 12, 1934.

Will this make for more market opportunities of American produced goods abroad and at the same time avoid destructive competition of foreign imports with domestic goods? A considerable number of organizations throughout the country which advocate this program completely and entirely overlook the fundamental issue involved. It is surprising to note from letters and arguments received from dozens of these organizations that their sole argument is based upon what now everyone who knows anything about the facts, concedes pure propaganda, namely, that the reciprocal trade agreements program had for its principal purpose the prevention of war. Current history, of course, blasts that foolish argument. We started this program in 1934, though its agreements were not effective until 1936, and within 5 years thereafter we became engaged in the most devastating war of all times. We need now refer only to the testimony of the major witnesses coming before the Ways and Means Committee in the past 90 days to answer completely the argument of these various organizations. If there is any doubt in anybody's mind about this feature of the case they should read the statement of Hon. W. L. Clayton, Assistant Secretary of State; Hon. Henry A. Wallace, Secretary of Commerce, two of the great advocates of free trade, and certainly neither Mr. Clayton or Mr. Wallace now makes any claim that this program will keep us out of war.

The Trade Agreements Act is based on a false premise that the decline in world trade in the early 1930's is the cause, rather than the effect, of the depression. It overemphasizes the role of American

export trade in connection with domestic prosperity.

Trade agreements under the Reciprocal Trade Agreements Act are not truly reciprocal. Likewise, they stimulate other barriers to trade, such as import taxes, export taxes, and block currency exchanges.

Tariff-tinkering unsettles business and creates uncertainty, particularly when the negotiations are secret as they are under the reciprocal trade-agreement program. The uncertainty element in the fact that the tariff will be subject to unpredictable changes results in unwillingness and inability on the part of businessmen to make commitments.

The system of public hearings on trade agreements is insufficient and unsatisfactory; they are held before negotiations begin, and before the terms are known; they are held before officials who are not connected with the carrying out of negotiations.

While in many countries the executive adjusts tariffs in the first instance, without legislative action, in most cases such modifications must be referred to the legislature, and approved by it. Not so under our policy.

A further lowering of the United States tariff rates will flood the American market with foreign goods, hurting domestic industry and competing against American high-priced labor. For example, the pottery industry has been characterized as inefficient because it cannot compete with Japanese pottery made with cheap labor and subsidized by the Japanese Government.

The further lowering of tariff rates will not lead to an appreciable expansion of American imports, because foreign countries will still buy in the cheapest market. The fact that we buy more from a particular country is no guaranty that that country will buy more from us. Unless we can sell at the world market prices, we cannot compete.

No industry should be sacrificed merely to enlarge the volume of foreign trade. Existing companies have been developed under the protection of the laws of this country, and they have large amounts of capital investments. One particular industry, or two, or three, should not be singled out for sacrifices for the benefit of the whole without compensation.

Mr. Chairman, I represent a district and a State in which the livelihood and the happiness of the people are very largely dependent on agriculture, the production of oil and gas, and the processing of petroleum products. Frankly, if I should support this proposed program, I should consider myself as betraying the citizenship of my State and selling them down the river, because the program has already in its previous years of operation detrimentally affected every person engaged in agriculture, everyone who produces a barrel of oil, and consequently every business in my State, because the prosperity of every businessman depends upon the prosperity of agriculture and the prosperity of the oil producer.

WHAT THE RECORD SHOWS

In 1934, when the trade-agreements bill was introduced, the farmers of the country were told that by virtue of the authority delegated to the President under this measure, it would be possible to find new markets or restore old foreign markets for surplus farm products, but that it would not result in any increase of imports of competitive farm products.

In the light of these promises, the following figures with reference to farm imports, compiled by the Department of Agriculture, make interesting reading:

Value of agricultural imports

Year	Total	Supplementary or competitive
1932	$613,737,000	$282,428,000
1933	838,952,000	418,515,000
1934	933,774,000	497,882,000
1935	1,141,101,000	641,622,000
1936	1,155,136,000	866,796,000
1937	1,155,136,000	588,316,000
1938	988,648,000	486,165,000
1939	1,239,444,000	571,443,000
1940	1,475,288,000	627,888,000

Imports of so-called supplementary or competitive products were admittedly larger during 1935–37 because of the drought situation in this country. But leaving those years out, it is noted that imports of competitive farm products increased from $282,428,000 in 1932 and $418,515,000 in 1933 to $571,443,000 in 1939 and $627,888,000 in 1940. Thus the value of competitive farm imports considerably more than doubled from 1932 to 1940, while physical quantity increased from an index number of 60 in 1932 to an index number of 104 in 1940. It is generally agreed that reductions in tariffs on competitive farm products let in more imports and made it more difficult to build a sound farm program. Incidentally this reduced the ability of the farmer to buy the products of labor and industry.

EXPORTS OF FARM PRODUCTS

When it comes to exports, we can find no evidence that foreign concessions resulted in any increase in volume of farm products sold abroad. Back in 1910–1914 exports of farm products accounted for an even 50 percent of total exports. By 1932 farm exports were down in 41.7 percent of total exports. It was to rebuild the export market that farmers were asked to support the trade agreements bill. Here, again, let us look at the record.

The United States Department of Agriculture furnished the following data:

Value of United States exports

Year	Total domestic exports	Agricultural exports	Percent farms of total
1932	$1,413,397,000	$589,650,000	41.7
1933	2,008,484,000	787,343,000	39.2
1934	2,085,092,000	668,713,000	32.1
1935	2,375,415,000	766,303,000	32.3
1936	2,790,880,000	732,474,000	26.2
1937	3,361,699,000	890,771,000	26.5
1938	2,884,687,000	682,962,000	23.7
1939	3,743,930,000	737,640,000	19.7
1940	3,959,262,000	349,821,000	8.8

While the dollar value of exports of farm products was about the same in 1938 and 1939 as during 1932 to 1935, they were held there only because unit prices were higher and through the paying of huge export subsidies, and not because of foreign concessions to us.

And now I would like to say a word about the independent producers of petroleum in the United States. These are the producers of the type who in the past have discovered the majority of the oil fields in the United States.

An unrestricted oil import program such as is implied, at least, by those who favor the program as it would be enlarged under the provisions of this bill will: First. Establish oil monopoly at home; second, will place in jeopardy the national security. I think it can be fairly stated by those who have made a thorough study of what this program will do to the independent petroleum producers of America that under the first provision, there being no domestic petroleum industry in the countries which have large reserves of petroleum available for importation into our markets, that a few American, British, and Dutch companies which have founded and developed those reserves have obtained the funds for such foreign ventures in large part from profits which were made in the United States. Venezuela would no texport oil to the United States; these few companies would bring it in and further depress and control the independent petroleum industry. As to the second proposition, certainly no one will deny that national security in this war was assured by the oil of the United States. It is a factual statement to say that for a long enough period to have lost the war, no other oil was available to ourselves or our allies. The German submarine campaign completely cut off and made temporarily useless all outside reserves of oil. Years ago, the program now being advocated as to oil was urged upon this Nation. It was prevented by the Congress, and had it not been prevented, we would have entered this war with a large refining industry at home, chiefly in the hands of a few companies, dependent upon a supply of crude oil that would have had to be transported mainly by water routes, absolutely vulnerable to enemy action. The policy of Congress then invoked made possible a strong, virile domestic petroleum industry to which the world is indebted for our ability to furnish oil during this emergency.

Under the policy of Congress imposing restriction on imports passed July 1, 1932, imports of petroleum fell from 388,000 to about 106,000 barrels a day for the balance of 1932. In 1937 the State Department announced the intention to negotiate a trade agreement with Venezuela that would affect oil. This agreement was finally concluded in 1939, reducing the tax 50 percent.

Concurrently with the announcement of the State Department to negotiate the trade agreement the price of domestic crude oil began to fall off until in 1940 it reached the level of $1.02 per barrel—a drop of 16 cents per barrel from the 1937 average price.

The imports of petroleum in the 2 years following 1939 were 62 percent greater than for the 2 years preceding 1939.

Consumer and export demands for petroleum rose substantially in 1939, continuing through 1940 and 1941, and following announcement of the trade agreement, new well completions in 1939

were 5,223 less than in 1937. In spite of our greatly increased need, the completions have not again reached the total of 1937.

According to the Petroleum Administration for War, new crude oil discovered in 1939 was less than one-half of that found in 1937 or 1938. The available annual amount of oil found since 1939, according to the same authority, has not exceeded one-half of the 1937 or 1938 figures. In 1938 there were 5,992 corporations engaged exclusively in the production of oil and gas who filed income-tax returns with the Bureau of Internal figures. In 1938 there were 5,992 correturns made; 25 percent of the number of corporations in the oil business in 1938 had gone out of business.

WHAT WILL HAPPEN TO THE CATTLE INDUSTRY UNDER THE PROPOSED BILL

According to statistics made available by the Bureau of Agriculture, the cattle industry in this country is at a peak so far as numbers are concerned, and beef production has expanded to a wartime basis. Under the existing trade agreements the 50-percent cut in tariff has already been made on most of the important items affecting the cattle industry; further reduction of the tariff as proposed in the pending bill would leave only a semblance of tariff protection for this great industry. It should be remembered that considerably more than one-half of the land acreage in this country is grazing land, and much of this area cannot be used for any other purpose. It is an indisputable fact that the use of the power to cut tariffs under the trade agreements has not been limited to items where existing rates were a barrier to imports.

Cattle imports have moved into this country freely from Canada and Mexico under the rates prescribed in the original Hawley-Smoot Tariff Act. Dressed beef has come in considerable quantities from Cuba in recent years, and those who are in on the know can tell you that Canada, having expanded its processing facilities during the war, will soon be endeavoring to obtain a reduction in the tariff on dressed beef in order to send part of its exports to this country in that fashion.

Our imports of canned beef from South America prior to the war ran around 80,000,000 pounds per year. About the time the war began, when the Army made its first purchase of South American canned beef, it was found that they could undersell the domestic market almost 15 cents per pound. The cut in the tariff from 6 cents to 3 cents was entirely gratuitous. On hides 10 percent ad valorem was a normal tariff, and certainly by no stretch of the imagination could it be considered a trade barrier or a bar to importations. The record shows large importations of hides annually from South America and other countries. There was no excuse whatever for the reduction in the tariff on this item. The war will be over sometime, and when it is over, we will have to return almost entirely to domestic consumption. We have had no export trade in beef for more than a generation, except during the two war periods. The present heavy importations of cattle, dressed beef, and canned beef from Canada, Mexico, and South America, with cattle numbers expanding particularly in Canada and Mexico, constitute a major threat to the cattle industry. Further reductions in the tariff will demoralize the industry in this country. I cannot imagine any Member of this House representing a section of this country with a great cattle-raising industry being responsible for making it possible for a little group of so-called tariff experts who know nothing about cattle, nothing about the cattle business, to have the power to write a program for the cattle industry.

Mr. Chairman, I am deeply alarmed about the implications that would follow the passage of the act. Of course, as long as the war continues, almost all available goods are at a premium. But the war will be over some day. We hope, soon. I do not believe that anyone now has the vision, in view of all existing conditions, to contemplate a tomorrow of 3 years, as provided in this bill. I can find neither facts, reason, or logic in the testimony of any witness that warrants writing into this bill authority to further reduce rates that existed on January 1. For that reason I am skeptical as to the motives which prompt this innovation at this time. I am entirely out of patience with those groups in this country who question the motives of everyone who speaks well of American traditions and who cautiously examine every program which fails to safeguard the interests of the United States. I read a recent statement by someone—I am not certain who is the author—that states my position much more eloquently than can I. I quote:

> Facing the immense labors of world reconstruction, America is under immediate necessity to mobilize and release once more the energies and inspirations of freedom. Obviously our experimental bureaucracy which fumbled domestic recovery for 10 years at a cost of $50,000,000,000 and then stumbled unpreparedly into a Global War costing $300,000,000,000 more cannot now be entrusted with the epochal decisions and grave administrative responsibilities of world rehabilitation and the organization of lasting peace.
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> Every hope for the future rests at last upon the productive power of America, and that still unmeasured economic capacity is to be restored and sustained only through national rededication to the fundamental concepts of constitutional liberty under law.
>
> * * * An America longer throttled and frustrated by a spendthrift bureaucracy can only promise further economic degeneration, social demoralization, and ultimately political disintegration. In this hour of decision we are called upon, not to make a new star along untold paths but to set our course resolutely by the fixed stars of our bright heritage, human liberty, individual security against aggression by government, free enterprise, freedom of speech and communication, and unyielding defense of absolute and complete national sovereignty in our relations abroad.
>
> In such an atmosphere of liberty redeemed our people would be free once more to work, to build, to save, and to light again the torches of 135,000,000 personal ambitions for a life of peace, dignity, security, and constructive social progress.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Chairman, I desire to make this brief statement of my position with respect to the pending bill to continue the Reciprocal Trade Agreements Act for an additional 3 years with additional power to the Department of State to cut individual tariff schedules as much as 50 percent from their levels as of January 1, 1945.

I favor the principle which underlies the Reciprocal Trade Agreements Act. I firmly believe that the method of establishing tariff schedules by negotiation with other nations in order to secure a maximum degree of reciprocity is infinitely preferable to the old-fashioned method of having tariff schedules set by Congress with all the undesirable log rolling that seemed to be an inescapable accompaniment of tariff legislation and the fixing of rates with scant reference to the mutuality of foreign trade.

I should be glad to see a continuation of the Reciprocal Trade Agreements Act provided the three modifications set forth below were incorporated in the legislation extending the act.

First. Strike out the provision whereby the permissive 50-percent alteration in rate applies to the rate in effect January 1, 1945, rather than to the original rate that was established by act of Congress in the presently existing tariff law.

Second. Provide the Congress by a majority vote of both branches may negative any specific trade agreement within 90 days from the date when it is submitted to Congress.

Third. Eliminate the unconditional most-favored-nation clause now contained in our reciprocal-trade agreements.

My reason for opposing the proposal to take the January 1, 1945, tariff rates as the guide for a permissible further 50-percent cut is because it seems to me that under present circumstances it is utterly impossible to evaluate the nature and the effect of reciprocal trade agreements previously made and now outstanding. There is as yet no degree of economic stability among the warring nations of the world. After we have achieved a moderate degree of stabilization, as is the aim of the Bretton Woods agreements, we will be in a position to take a more intelligent look into the situation.

I believe that the retention by Congress of a veto power over specific trade agreements is of the utmost importance from the point of view of maintaining the reciprocal trade agreements plan. Without a congressional veto power or without any court review of the agreements entered into, American manufacturers are completely at the mercy of any arbitrary action by administrative officers of the Government.

While under Secretary Hull the trade agreements were negotiated with care and caution, and while that might continue to be the case in the future, nevertheless, an important principle of government is at stake. We have learned to our sorrow over many years of experience that it is a bad principle of government to delegate large and unrestricted powers to the administrative branch of the Government without some power of review either in the Congress or

in the courts. Such delegation of unrestricted power is justifiable only in cases of the greatest emergency. I am convinced that the reciprocal trade agreements plan would not long survive if the delegation of authority implicit in the plan was uncontrolled.

Inasmuch as the majority of the Members of one or both branches of Congress are likely to be of the same party as the administration which negotiated the agreement, the control which it is proposed to give to Congress in the matter is not likely to be a hindrance except in cases of unfortunate use of Executive power.

With respect to the unconditional most-favored-nation clause now contained in our reciprocal trade agreements its effect is to require the United States to grant to all nations not blacklisted the same tariff concession which it grants to any particular nation by virtue of a particular reciprocal trade agreement. The result of this is that in order to secure a benefit from a single nation we are required to give identical benefits to all nations. Germany, prior to World War II, was the only nation on our blacklist.

Instead of freeing trade on a reciprocal basis, between ourselves and the particular nation with whom we are making an agreement, each agreement in effect is a horizontal cut in our tariff for the benefit of all nations regardless of whether they have given us any reciprocal quid pro quo. If the most-favored-nation clause be eliminated, we would then be in a position to insist that other nations as a condition of sharing the reductions in our tariffs, should themselves accord like treatment to other nations. In that way there would be a greater freeing of trade barriers elsewhere.

It follows that I cannot vote for the bill in its present form now before the House.

It is very difficult for me to understand why the Members of the majority party are unwilling to make any of the concessions represented in the amendments suggested above. They have all been rejected in committee and appear to be headed for defeat in the House. The argument that those who feel that one or all of these amendments are essential toward securing a good bill and who do not wish to vote for the presented bill are isolationists, is not well founded. It appears that the administration is determined to have full and unbridled power and will be content with nothing less.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. LEWIS].

Mr. LEWIS. Mr. Chairman, I wish to congratulate the gentleman from New Mexico [Mr. ANDERSON] on two points: First, I wish to congratulate him on his impending appointment as Secretary of Agriculture; and second, I wish to congratulate him on being wise enough and courageous enough to have protected in the Ways and Means Committee the chief industry of his district which gives him so deep concern, the mineral industry. I wish it were possible that I should have a like opportunity to protect the industries of my district.

I should like to talk to you for just a few minutes on what I consider to be the only sound basis for international trade. I should like to say in the first place that there is but one sound basis for international trade and that is that the country receiving the imports should receive only imports which it does not produce for itself or which it produces in insufficient quantities for its own needs. I believe I lay that down as a general proposition. That applies not only to America but also to every other country in the world. When you attempt to apply it to the United States you find a country that produces so much, so many varied things that men need, that you run into real difficulties as is evidenced in the debate on this floor on this bill. We produce practically everything we need. We are capable of producing those things in sufficient quantities and there is, therefore, left for us in my opinion only a comparatively few products which we do not produce or do not produce in sufficient quantities for our own needs with which to bargain with other nations and without interfering with our own economy.

I am not talking about something purely theoretical. I have seen in my own district in Ohio the operation of the trade-agreement law as it has been administered, and I want to concur in what gentlemen on both sides of the aisle have said that the term "reciprocal" is a misnomer. It is not being administered as a reciprocal proposition. That is the fatal defect in this legislation and in the operation of the legislation.

Mr. Chairman, I come from the upper Ohio Valley. We have in that valley the greatest manufacturing center of pottery perhaps in the world. I also have in my district a great glass-manufacturing industry. I have seen the effect of the administration of this law upon both of those industries. In 1936 I saw those industries practically closed.

I went to the Imperial Glass Works in Bellaire that manufactures as fine a quality of glassware as is made anywhere in the world, and I saw men coming out on pay day from that Imperial Glass factory holding checks in their hands showing that in some cases they received for 2 weeks' work less than $10. The greatest I saw was less than $20 for 2 weeks' work.

What was wrong? Did the hourly pay decrease? No; that is not what happened. Here is what happened: We had so reduced the protection against the importation of foreign glassware that Japan, Czechoslovakia, Belgium, and France imported into this country so much cheap glassware manufactured by men who were paid only a fraction of the hourly wage paid in Bellaire, Ohio, at the Imperial Glass Works that they took practically all of our markets. The only thing that these men could do was to take the hourly wage that was available, because the markets of the Imperial Glass Works in Bellaire had been destroyed and taken by these cheap foreign imports.

The same thing is true of East Liverpool, Ohio, also in my district. There is another plant at Steubenville, Ohio, in my district. The same thing happened identically with that glassware industry. Japan took our pottery markets in this country. How did they do that?

Did we have a trade agreement with Japan? No; we did not. We never had a trade agreement with Japan but we generalized the benefits of every agreement with the other foreign nations with whom we made trade agreements to Japan and she got the benefit of every one of them without giving a single thing in return. What did she do? She took those benefits and, in addition, dishonest and tricky as she is, she depreciated her currency, deliberately depreciated the value of the yen, the unit of Japanese currency. I hated her for that as I hate her now for what she is doing to our boys across the seas, but she will do it again if she has the opportunity.

Not content with that, she gave in addition internal subsidies to her glass manufacturers and to her pottery works and to every other industry that wished to sell its products in America to such an extent that they could lay down their products right here at the very doors of our factories manufacturing similar competitive products and undersell us right here at our very front door. That is what happened, and that is what will happen under this law.

My people expect me to vote against this bill, and I shall vote against it. I shall vote against it because I believe it is destructive of the American way of life, destructive of American wage levels and destructive of American standards of living. I am for the protection of these men who work in our factories. I am interested not alone in the industries in my district but I am equally interested in the industries of every other district. Every district is affected alike; maybe not to the same extent as mine, but every industry is affected alike.

The gentleman from New York on our side of the aisle, whom I esteem most highly, spoke in favor of the measure. I can understand that. He represents a New York district, and he represents a district that is filled with importers and exporters and international bankers who make their money by financing international trade.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON of Virginia. Mr. Chairman, it is always distressing to me to see a fine, able, earnest, and sincere Member of Congress take a position on a bill when he is laboring under a misapprehension concerning the facts. The gentleman from Ohio spoke about pottery; that we almost shut him down in 1936; and that we filled this country with imports from Japan, and then said, "That is what will happen under this law and I will have to vote against it."

We have never had a trade agreement with Japan. We never had a trade agreement with anybody in 1936, and everything he saw in 1936 came from some other source. One of the sources that we might mention was the fact that the Smoot-Hawley Tariff Act of 1930 threw us into an economic tail spin, and in 1936 we were not out of it. May I

say to the gentleman that with all of the alleged damage to you and your pottery industry, you still have 69-percent protection, and you did not have but a little over 70 protection under the Smoot-Hawley tariff, the highest in the history of the Nation.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Tennessee.

Mr. COOPER. So far as the gentleman's year 1936 and his pottery and glassware is concerned, the Smoot-Hawley tariff was in effect at that time; is that not correct?

Mr. ROBERTSON of Virginia. Certainly. If you read the record and the cross examination of the pottery witnesses, when faced with Tariff Commission and Commerce facts, they could not substantiate their claim for a minute that any trade agreement had injured them.

Mr. KNUTSON. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. LEWIS].

Mr. LEWIS. Mr. Chairman, I want to answer those assertions. I know what I am talking about. The matter I referred to was not confined to 1936. It was in 1938, and it operated exactly as I have told you. The pottery and glass workers of my district were walking the streets and added to our problem of unemployment out there in Ohio. I am not confining myself to 1936. It was in 1938, and the provisions of the Reciprocal Trade Agreements Act were in full operation then. I am telling you what I know of my own knowledge.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 15 minutes to the gentleman from West Virginia [Mr. NEELY].

Mr. NEELY. Mr. Chairman, on the Fourth of July 1789, just 13 years after the adoption of the Declaration of Independence, the Congress presented to the American people their first tariff law. From then until now the tariff has maliciously bedeviled statesmen, populated political graveyards, and provided epitaphs for countless Congressmen without the slightest regard for their politics, their ability or their deserts. Immediately after the roll call on the pending bill a legion of the Members of the House will join that "innumerable caravan which moves" to the Nation-wide political funeral that will be held on the day after the next general election.

The tariff, by generating friction, consuming the time of public officials, and necessitating the printing of billions of pages of data, argumentation, and nonsense has cost the American people a hundred times more than any other question that has ever been debated in the Halls of Congress. But, notwithstanding past misfortunes, present regrets, or future fears, the tariff issue, with all its original perplexities, 3,000 pages of new evidence, and 156 years' accumulation of barnacles and abominations, is once more before the House.

At the Battle of Ebenezer the Philistines captured the Ark of God, carried it to Ashdod, and put it in the temple of their idol. The Lord, for this impious transgression, promptly destroyed many of the people and sorely afflicted others with emerods. The warlike possessors of the ark endeavored to obtain relief by removing it first to Gath and later to Ekron, but the people of every place to which it was taken either died or suffered from serious disease. The Philistines eventually averted or postponed their annihilation by restoring the ark to its owners.

Let us hope that the prudence which impelled the Philistines to seek self-preservation by ridding themselves of the ark will some time move the Congress to rid itself of the tariff issue with justice and finality before it paralyzes, beyond human endurance, all the processes of meritorious legislation.

No other tariff bill was ever accompanied to this floor with more conflicting testimony or more contradictory argumentation than has accompanied the one that is now before us. Anyone who reads the majority and minority reports of the Committee on Ways and Means and as much as possible of the voluminous record will be fully justified in rendering an opinion similar to that which, according to Knickerbocker's History of New York, was delivered by the famous Wouter Van Twiller in the case of Wandle Schoonhoven against Barent Bleecker. The evidence in that case was documentary just as it is in ours. After mature consideration, the old governor, with appropriate solemnity, announced that having counted and weighed the books offered in evidence it was found that those for the plaintiff were just as thick and heavy as were those offered by the defendant. He consequently compelled the constable to pay the costs of the proceeding and threw the case out of court.

Please do not consider it an unpardonable sin for me to suggest that regardless of our attitude toward the bill the distinguished and beloved chairman of the committee the gentleman from North Carolina [Mr. DOUGHTON], and the beloved and distinguished ranking minority member of the committee, the gentleman from Minnesota [Mr. KNUTSON], who are largely responsible for our present trouble, be required to pay the cost of the printing of the 19 volumes of hearings with which they have supplied us.

And let these able gentlemen take notice that if they report another tariff bill during the Seventy-ninth Congress, its fate will be identical with that of the case of Schoonhoven against Bleecker, and its authors will be compelled to pay all the costs that accrue as a result of their folly.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. NEELY. I gladly yield to my distinguished friend, the gentleman from Minnesota.

Mr. KNUTSON. On the first day of hearings, in order to expedite matters and not drag this thing through weeks and weeks—this is the fifth week—I asked the chairman of the Committee on Ways and Means if he would be willing to renew the law as is for, say, 2 years. My overtures were not received with that cordiality which I had anticipated. My purpose in making the proposal was that the country being at war and there being no commerce, the operation of the law could not do any harm. Now, I will yield to the defendant.

Mr. NEELY. The gentleman from North Carolina probably believed that it would be as hazardous to make a tariff agreement with the dexterous gentleman from Minnesota as it would be to trade horses with David Harum. I yield to the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON of North Carolina. The statement of the gentleman from Minnesota is correct as far as it goes. In the first place, however, the chairman of the committee is only the servant of the committee. He does not have any right to bind the committee to such a proposal even if he had been convinced himself, which he was not. That was the first reason that the chairman did not do so. The second reason was that he had found by experience that while his good friend, the ranking minority member, as far as he can, always carries out his own agreements, the members on his side of the committee will not back up the gentleman from Minnesota, and consequently the chairman could not go along with the proposition because he felt reasonably sure that when the gentleman from Minnesota did go back to them, they would not back him up. I have had that kind of experience with the gentleman where agreements were made in perfectly good faith.

Mr. KNUTSON. The gentleman knows that the nine Republican members on the Committee on Ways and Means have always gone along with me.

Mr. DOUGHTON of North Carolina. No; they have not.

Mr. KNUTSON. They always have. Well, tell us one instance where they have not.

Mr. DOUGHTON of North Carolina. While I do not want to make the discussion personal, the gentleman will remember that he and I made some agreement about closing the hearings, and when he went back to his friends they would not back him up.

Mr. KNUTSON. Well, of course, everybody has a few prima donnas that cannot be handled.

Mr. DOUGHTON of North Carolina. Therefore, the chairman of the Committee on Ways and Means did not want to waste any time entering into any agreement because he knew that it would not lead to anything.

Mr. NEELY. Mr. Chairman, in justification of the severity of my suggestion regarding the payment of costs by the chairman and the ranking minority member of the Committee on Ways and Means, let me invite your attention to the innumerable dilemmas with which every Member of the Congress is confronted in voting either for or against the bill.

The farmers' organization known as the American Grange, the Association of Commissioners and Directors of Agriculture, the dairymen, the sugar-beet growers, and many others engaged in agricultural pursuits oppose the bill. On the other hand, the American Farm Bureau and the National Farmers' Union urge us to vote for it.

The CIO is unconditionally supporting it. The West Virginia State Federation of Labor, an A. F. of L. affiliate, is unconditionally opposing it.

The United States Chamber of Commerce, by the unanimous action of its directors, urges that the bill be passed. One of the important chambers of commerce in my district, which is a member of the United States Chamber, has admonished me to help defeat it.

Twenty of the railroad brotherhoods favor the bill. The Flint Glassworkers of America oppose it.

Both the employers and employees of many of the great industries such as those engaged in the manufacture of automobiles endorse the bill. But practically all in the United States who are connected with either the hand-made pottery or the hand-made glass business condemn it and contend that its passage would overwhelm them with disaster.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield at that point?

Mr. NEELY. I yield.

Mr. KNUTSON. I think that is one reason why they brought out such a confusing measure.

Mr. NEELY. I cannot share the opinion that the pending measure is confusing. But the record that pertains to it is confusing in the superlative degree. It does not contain a single paragraph of relevant uncontradicted sound argumentation either for or against the bill.

But let me return to the hand-made glass and hand-made pottery industries. Certainly the Representative from the First District of West Virginia is deeply interested not only in saving harmless all those who operate these industries and all who are employed by them but also in promoting their prosperity and happiness for the following reasons which speak to the point.

According to the latest available census figures and estimates, there are 36,586 in the United States who are making pottery by hand; 8,100 or more than 22 percent of these are in West Virginia; 6,500 or more than 80 percent of those in that State and more than 17 percent of all in the United States who make pottery by hand are in the First District of West Virginia.

According to the latest available census figures and estimates, there are 17,000 in the United States who are making glassware by hand. Six thousand eight hundred ninety-two of these are in West Virginia; and 3,450, or more than 20 percent of all in this country who are employed in this business, are in the First District of West Virginia.

It appears to me that in the absence of undisputed evidence to guide us, we should, in determining whether we shall vote for or against this bill, utilize all the information we have acquired by observation, experience, and the study of unbiased authorities on the subject under consideration. This I have tried to do, and my conclusion is that I can best discharge my duty to my constituents by offering an amendment which, if adopted, will exclude all hand-made glassware and all hand-made pottery from the operation of trade agreements made in pursuance of the provisions of the pending measure.

I do not believe that anyone in West Virginia would be seriously injured by the bill if it were passed in its present form. But in this matter the employers and employees in the glass and pottery industries of any district entertain a very different opinion. As their servant, I shall strive to have that opinion expressed in the bill.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield two additional minutes to the gentleman from West Virginia.

Mr. NEELY. The fate of my proposed amendment cannot be foretold. But whether it is adopted or rejected it will be my duty to vote on the final roll call. As the discussion after today will be limited, let me improve this opportunity to state that for many more reasons than the brevity of my time will permit me to assign I am convinced that, with or without my amendment, it will be my duty to vote for the bill.

In my opinion, this legislation is indispensable to our prosperity in the postwar period. We now have and shall long continue to have a greater productive capacity than any other nation on earth has ever had. The formerly competing industries of Czechoslovakia, Belgium, Holland, France, Poland, Germany, and Austria are in ashes. Beyond the shadow of a doubt those of Japan will soon be annihilated. But our industries have been unharmed by war. Their unlimited productivity has become a new wonder of the world. Therefore, we are in little, if any, danger of injurious competition from any foreign country during the 3-year period to which the operation of the bill is limited.

The CHAIRMAN. The time of the gentleman from West Virginia has again expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. NEELY. But if any injury should be caused by any agreement made in pursuance of the bill, no one who knows President Harry Truman will doubt that he would patriotically and promptly nullify that part of the agreement by virtue of which the injury was being inflicted.

In the postwar period it will be utterly impossible for us to utilize all our productive capacity for the satisfaction of our own wants. If the markets of the world are not wide open to the commerce of the United States, widespread unemployment and a little later a Nation-wide depression will again scourge the American people.

The bill, if passed, will be of incalculable value in facilitating the rapid expansion of our commerce and the augmentation of our employment and prosperity. This is one of my reasons for supporting the bill. But there is a reason more vital than any based on economics why I must vote for this measure. Unreasonable trade barriers are efficient causes of trade wars. Trade wars lead or tend to lead to other wars in which nation rises up against nation, and battlefields are littered with the wounded, the dying, and the dead.

Regardless of the extent to which any of my constituents may feel aggrieved by my vote, I must nevertheless think of what will happen to their boys 25 years frow now if we have another war. Please forgive a personal allusion. I have two little grandsons—one is 12 and the other is past 5 years old. They are much dearer to me than my life. In voting on the bill, I shall be thinking of them. And, believe me, I shall also be thinking of your children and your grandchildren, and of those of the pottery workers and the glass workers and all others in the First District of West Virginia and throughout the Nation and the world. If my failure to support this bill should defeat it, and our failure to pass it should contribute to the provocation of a trade war, as it might well do, and that trade war should develop into a war to be fought by American boys and in it they should lose their precious lives to atone for what we had recreantly failed to do, I should feel that the blood of those who died was on my hands and that its stain could never be washed away. The risk of the awful remorse of being responsible for the death of a single boy in battle—whether yours or mine or that of a stranger whom I have never seen— is a risk too great for me to run.

In view of all which I shall vote for the bill in the firm belief and with the fervent prayer that it will help to bring to us, to our children, and to our children's children new and far-reaching blessings of prosperity, happiness, and peace.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from North Dakota [Mr. ROBERTSON].

THE CONGRESS SHOULD WRITE THE TARIFF LAWS

Mr. ROBERTSON of North Dakota. Mr. Chairman, as we here consider this legislation known as H. R. 3240 let us not overlook the fact that it goes farther than merely the extension of trade agreements already in existence. By its own provisions, it provides for an enlargement of the program and lays the foundation for a national policy in the postwar period ahead.

I presume there are many Members who would be willing to renew the reciprocal agreements for a period of 1 or 2 years. While on the other hand, there are many who have held from the very outset that this principle of dealing with rate structures with other nations was wrong in principle and had for its purpose the circumventing of the constitutional two-thirds majority required in the making of treaties by a review of the United States Senate.

By indirection, at least, we have heard again and again that while this bill greatly increases the latitude with which the negotiators may work, there is no intent to use it. I am concerned to ask myself the question—If it is not to be used, then why should it be asked for? I come from a State and represent it at large so

completely agricultural that I cannot view with favor the conditions in this legislation without feeling that I have neglected my constitutional responsibility to the people who sent me here to represent them. I cannot believe the great North Dakota wheat crops, the largest last year and the second largest this year in the Nation, now supported by a 42-cent tariff should be bargained off under a plan of reciprocal treaties, if a further reduction of 50 percent is allowed to the President. I cannot yield to further encroachment upon dairy products, lamb, beef and pork, and some grains. And later I shall deal specifically with the question of sugar beets.

The authority granted in this bill to the President, while by chance it may not be used, it leaves the commodities grown in my State exposed to danger entirely too great, and for that reason if this phase of the bill is adhered to I shall be compelled without question to vote against it in its entirety. My duties and my responsibilities to the farm sections which I represent are clear and understandable.

I listened with great interest yesterday to the distinguished gentleman from Tennessee [Mr. COOPER]. I hold, and have always held, great respect and admiration for this distinguished gentleman, and I am glad to say that I think the presentation of his case yesterday was most ably done. I was particularly interested, however, in that section of his address in which he dealt with the question of the most-favored-nation policy, and if my memory serves me correctly he alleged that this practice came into being under the direction of Secretary of State Charles Evans Hughes, and I should like here to clarify, if I can, the position I believe prevailed in the mind of Charles Evans Hughes and other men of his time as to their views on this all-important question of the favored-nations clause.

I accept the statement of the distinguished gentleman from Tennessee when he says that this came to us from the then Secretary of State, Charles Evans Hughes. I should like to say that many of the leading statesmen in the Republican Party of that time, including Hughes, Elihu Root, Kellogg, and others, were then doing as many men are doing today—contributing toward a better world understanding through what is known as the most-favored-nation treatment. I am impressed with the fact that I believe they had rather a different approach in mind than now practiced in our reciprocal treaties under this administration. The thought of the leaders of that day was directed in the writing of treaties, especially commercial treaties, and it had largely to do with the treatment of Americans traveling in foreign countries, and in the treatment of American vessels in world ports. It dealt specifically with matters of port duties and fees, travel visas, and treatment of American investments in foreign lands, and perhaps other things similar in character. But at no time were matters of tariff rates included either in general treaties with other nations or in commercial treaties.

In other words, it was never the intent of such men as Dingley, McKinley, and other tariff leaders of that generation to think in terms of the favored-nations clause as applying to the general exchange of goods between nations. In all such cases all conditions were provided for within the treaties themselves and ratified under the constitutional provision by two-thirds of the United States Senate. Under this administration, and in the practice of their reciprocal treaties they have incorporated the spirit applied by Mr. Hughes on these other points, to all commodities involved in the reciprocal treaty program.

In this debate there has been considerable effort expended to indicate that the farmers of the Nation were favorable to this legislation. I have gone to considerable lengths to ascertain the views of farmers. That is my particular business as a Representative in Congress, and I have read with great interest the statement of Mr. Fred Brenckman, made before the Ways and Means Committee. Mr. Brenckman spoke in the interest of and for the National Grange, one of the great farm organizations of the United States.

I have on my desk at this time letters from different sections of the country, expressing the views of the Farm Bureau in disapproval of this legislation. I concede, however, that there may be some sections where the Farm Bureau is on record as approving it. I have on my desk telegrams from the different sections of my State in which the Farmers Union is the major farm organization, and I read you here one single telegram which symbolizes the general view of one of the locals of the Farmers Union in the State of North Dakota, and I quote you the telegram:

KENMARE, N. DAK., *May 24, 1945.*
Congressman CHARLES R. ROBERTSON,
Washington, D. C.:

The board of directors of the Farmers Union Creamery of Kenmare, representing 1,040 patrons, went on record at their regular monthly meeting, May 24, 1945, as opposing the passage of Doughton bill, H. R. 2652. They feel that if this bill passes it will work a definite hardship against the dairy industry and the producer of other agricultural products following the war.

FARMERS UNION CREAMERY,
G. W. ORNESS, *Manager.*

The advantage in tariffs can be ascertained by the operation of our economy, and the study of our record with the tariff as part of our Federal economy in a little over 150 years, the United States has grown from a small group of colonies scattered on the Atlantic seaboard until at the present time we do half or more of the dollar business of the world within our own borders. Now, let us compare this condition to India and China, both of which have populations vastly in excess of ours and both of which are older nations. They operate on a free-trade philosophy. And with these disturbing facts before us, we still persist in turning our back on the most dynamic economy in the world because of a theory that is expressed here in this legislation that has never brought freedom to a nation and that has never helped to preserve world peace, and if followed to its conclusion, will drive us into bankruptcy.

If we find that we produce economic conditions that result from too low a price for our production, it could well destroy our kind of Government and bring to us international socialism, and in this process we would be obliged to accept the low standards of peon labor. I say to you, we cannot help the world by reducing our price level to theirs. Our course should be to maintain our level and then through our leadership, take the position of making our price level serve as a sound foundation for world prices and monetary values.

We find ourselves today approaching the goal of distress so far as sugar is concerned, and yet had we given due consideration to this situation in time, we should have an adequate supply of sugar at a reasonable price.

An adequate supply of sugar for domestic consumption is dependent upon production in the United States of a substantial percentage of our consumptive needs. After World War I our stock of sugar dropped to a low point and shippers of foreign sugar immediately took advantage of the situation, with sugar prices at retail reaching 25 cents per pound and remaining high until domestic beet sugar came on the market in the fall of 1920. In the early days of World War II the German submarines so interfered with shipping that Cuban sugar could not be delivered and we again became almost entirely dependent on our supply of domestic cane and beet sugar. Experience therefore dictates that we should produce in the continental United States, at least the quantity of sugar necessary to meet our minimum domestic requirements.

Land in the United States is as productive as land anywhere in the world where sugar is produced. Our refineries and processing plants are the most efficient sugar-producing plants in the world. The cost of sugar produced locally as compared with cost of foreign sugar therefore is dependent, almost entirely, upon relative costs of labor. The duty on foreign sugar per hundred pounds therefore should equal the difference in cost of labor to produce a hundred pounds of sugar in the United States over cost of labor to produce a hundred pounds of foreign sugar. Official Government figures to indicate the present cost of producing a hundred pounds of sugar in Cuba with costs at American standard labor prices are not available. However, it is worth noting that the United States Tariff Commission completed an investigation in 1934 and indicated that the difference in cost of production was $1.50 per hundred pounds. In view of rapid increase in wage rates in the United States in the last 10 years, it is safe to say that the labor cost for growing and producing 100 pounds of sugar in the United States is at least $1.50 over costs in Cuba. In 1934 the duty on Cuban sugar was fixed at $1.50 per hundred pounds and has since been reduced under reciprocal trade agreements to 75 cents per hundred pounds. The provisions of the proposed bill H. R. 3240 would permit a further reduction of 37½ cents per hundred pounds, definitely assuring the destruction of our domestic sugar industry and leaving the people of the United States dependent in times of peace and war on

the philanthropic attitude of foreign producers, and our ability to keep open sea lanes under every condition.

We have been led to believe in this debate that organized labor stands defiantly in favor of this legislation. I take pleasure in quoting here the remarks of I. M. Ornburn, secretary-treasurer of the Union Label Trades Department of the American Federation of Labor:

After the war one of the greatest difficulties organized labor will have to face is the maintenance of American labor union standards. Our general policy should be to attempt to raise the standards of workers in other countries to our level. We should not be a part of any scheme to lower American standards to those of the workers in various foreign lands.

In order to carry on world commerce there is always a tendency among internationalists to urge a leveling process for prices of goods in all nations throughout the world. Of course, lowered prices mean lowered wages.

Eventually, through an orderly tapering-off method, tariffs and other trade barriers might be reduced but it would be a terrific economic shock to the American way of life if our protective walls were demolished overnight in order to create a dribbling exchange of goods between our Nation and other countries of the world.

Compared with wages of American workers, wages of foreign workers are extremely low. One must always take into consideration, however, that the workers in other lands are not as efficient as those in the United States and Canada. With the use of modern machinery, however, they will go a long way toward equaling the production of the average worker in our country. Just before the war in China, coolie or common labor received only $5 (in United States money) each month, and carpenters received about $10 a month.

In India the present wage in the textile industry for a week of 54 hours is $2.60 (in our money) and bricklayers receive only $2.40 each week. In the coal-mining industry miners receive $1 for a 60-hour week. These potentially industrial nations that "experts" on global affairs desire to make competitors of the United States are now being furnished with American machinery and it is well worth our time to consider the fact that when they have supplied domestic needs that their goods will be used to bid down American-made products.

When we study the difference in wages between America and other countries, it is impossible to understand how we can maintain American standards on a "free trade" basis with the rest of the world. It is possible that over a long period of time tariffs can be gradually lowered to create a greater exchange of goods but a sudden shift to open markets right after the war would spell ruin for America. The internationalists would sell America short. The foundation for labor's postwar international policy should depend on economies rather than politics. The basis for our international economy should be the American labor standard.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, for over 140 years our country has had a protective tariff policy. Until a dozen years ago, tariff rates were fixed by congressional action. Not infrequently, congressional enactments had been directed to the promotion of industries with small attention paid to the needs or demands of agriculture. Powerful political lobbies influenced national party conventions as well as Congress in framing tariff rates which served larger industries to the detriment of both agriculture and smaller industries. In many instances the rates were so adjusted that monopolies gained enormous benefits. Few tariff bills were enacted which did not become national issues.

Their faults and mistakes were perpetrated by Congress in which the rights of the people were subordinated to special privileges by powerful interests. But the blame rested upon Congress, and Congress suffered the consequences in many elections. There was redress open to the people for the wrongs inflicted.

The Hawley-Smoot tariff law of 1930 was the last general tariff measure. It followed the pattern and form of many of its predecessors. High protective rates were granted many large industries while agriculture, particularly that of the Middle West, was denied sufficiently protective rates. It was stated by one of the administrative leaders of the time that the large industrial centers must have cheap food products in order to compete with other industrial nations. That was the evident influence which resulted in its discrimination. I was one of those who voted against that measure and I have felt fully justified in my opposition.

In the past 15 years the Hawley-Smoot bill has been denounced by many. It still is. It was enacted by a Republican Congress. Every Congress since and up to the present has been under Democratic control. Denunciation of the Hawley-Smoot tariff law continues. It was alleged to have been the cause of the depression at home and abroad. It is charged with having laid the groundwork for another World War. Even now, as the war ends in Europe and courts are organized to try and convict the war criminals who brought it about, there again comes the allegation that the Hawley-Smoot tariff law caused the war.

Still the Hawley-Smoot tariff law remains in the statutes, practically unamended except for the adoption of the reciprocal trade treaty provisions in 1934, with extensions from time to time.

Congress has the power to repeal entirely or amend the Hawley-Smoot enactment. Delegating the authority to modify it to the President, the Department of State, or Tariff Commission is an evasion of the issues involved. That delegation of power takes from the people the right to have their own elected Representatives present their views and demands as to changes or modification. It prevents them from having their say or their participation in negotiations which may vitally affect their welfare. It puts in the hands of committees selected secretly and sitting in secret the power of recommending and obtaining the adoption of lowered rates of duty which may seriously affect the welfare of whole States and sections of the country. Hearings are held by direction of the Tariff Commission, but not on the completed trade agreements. Hundreds of people may appear in protest of the proposals, but the agreements are formulated with foreign representatives, regardless of testimony taken or protests offered. When the agreements are put in form they are ordered into effect and become the tariff law so far as the duties on the particular commodities are concerned. No appeal to Congress or the courts protects those whose industry or particular branch of agriculture may be affected to the point of ruination.

This measure will make possible a still further reduction in the protective rates on agricultural products. The tariff rate on butter in the Hawley-Smoot Act was 14 cents per pound. Under this measure that could be lowered to 7 cents. The rate on cheese could be reduced to 2 cents per pound. That on casein to 1.3 cents per pound, and on dried milk solids to 1½ cents. Any such reduction would result in losses to dairymen running into many millions of dollars.

At present the world demand for dairy products has compelled our own Government to pay large subsidies for increasing milk production. Those subsidies this year will amount to $585,000,000. The total milk production will be close to 120 billions of pounds. But when the war is over and peace comes, there will be less demand for dairy products, and other dairy countries will be sending their surplus products into markets now supplied by lend-lease from our own farms. In consequence, our own dairy farmers will be left without the support of subsidies and with foreign markets closed to them. Even present tariff rates will not prevent foreign dairy products from countries of far cheaper costs of production from competing in the markets of our own country.

There are several countries which have had large dairy surpluses for export, and at prices which our farmers cannot meet. Australia, New Zealand, South Africa, and Aregentina have steadily expanding dairy interests. Before the war they were able to ship to our markets in such quantities as to create surplus storage of our own butter, cheese, and condensed milk. The passage of this proposed legislation will encourage the importation of such dairy surpluses and help serve to destroy our own dairy industry, particularly in the Northwest States from which our principal manufactured dairy products come.

Other agricultural products will be similarly affected by importations which will be made possible by lowered rates. Argentina, Uruguay, and Brazil are expanding agricultural production in practically all lines produced in the Middle West. Under the old tariff rates, butter, casein, vegetable oil products, meat, hides, and wool have been flowing into our ports. When times become normal, that competition will be vastly increased.

The farmers of this country have done a wonderful job in this war. They have sent the full quota of their sons and daughters into the armed forces and war industries. The Census Bureau report indicates that more than 4,500,000 people have left the farms since 1940, aside from those inducted into the armed forces. They have increased production of food products to even an unexpected total in spite of shortage of labor, lack of farm machinery, crippling of their processing plants, and all other difficulties. With them it has been a constant case of too little in every phase of farm

help whether of manpower or machine power.

Every farmer must recognize that even in their success is the threat of their undoing, so far as prices and markets will be concerned. For the time, war-devastated countries, as well as our own armed forces, will take all that can be produced. Over 1,000,000,000 tons of food will be sent abroad, all produced by 6,000,000 farms, by as many farmers and their families in long hours of work and steady daily application. "Food will win the war" is not only a slogan but a fact. "Food will win the peace," when peace finally comes.

Certainly the fine patriotic endeavors of our millions of farmers are entitled to the assurance by Congress that they will not be let down by policies which will fence them in by importation of products from countries whose production costs are so much lower than our own that prices will decline to depression levels. When depressions come to the farms, they come promptly also to industries and industrial centers.

Congress should not permit a small group of men selected by those interested in foreign trade to give away the farmers' markets and the farmers' prosperity. This bill should not pass.

Not many people may fully realize what the farmers have done and are doing. Food Administrator Marvin Jones, in an open letter to Members only this morning, points to their remarkable achievements. There are food shortages in every city at present. How much more extensive and more serious they would be had our farmers failed to respond to the demands made upon them, can scarcely be imagined. All the agricultural centers of the world could not have met the situation as our farmers have done. Let us not let down the farmers as a reward for their great labors.

With his letter Administrator Marvin Jones furnished a table showing better than words what the farmers have done and are doing. I include it in my remarks. It is worthy of the attention of all:

Production of selected agricultural products, total population, farm employment and index numbers of food consumption and agricultural production, selected years

Item	Unit	1910–14 average	1917	1918	1935–39 average	1942	1943	1944
Production:								
Wheat	Million bushels	724	620	904	759	974	841	1,079
Corn	do	2,614	2,908	2,441	2,316	3,132	3,034	3,228
Rice	do	24	35	40	50	65	65	70
Potatoes	do	350	399	346	356	370	465	379
Dry beans	Million pounds	715	1,011	1,039	1,455	1,896	2,092	1,613
Cotton lint	Million bales	14	11	12	13	13	11	12
Tobacco	Million pounds	1,046	1,326	1,445	1,460	1,409	1,406	1,950
Beef and veal	do	6,960	7,983	8,486	7,962	9,970	9,683	10,732
Pork (excluding lard)	do	6,735	7,055	8,349	7,337	10,723	12,349	12,893
Chickens (including broilers)	do	1,909	1,857	1,896	2,325	2,988	3,806	3,460
Eggs [1]	Million dozens	2,580	2,539	2,567	3,335	4,430	4,973	5,305
Milk [2]	Billion pounds	69	74	73	104	119	118	119
Total food fats and oils	Million pounds	[3] 4,804	4,311	4,866	6,205	7,313	8,136	7,787
Agricultural production for sale or home consumption:								
Total (all agricultural production).	1935–39=100	[3] 83	[3] 86	[3] 90	100	124	129	133
Food only	1935–39=100	78	82	90	100	125	132	138
Food consumption per capita	1935–39=100	97	96	95	100	[4] 107	[4] 106	[4] 109
Total population, July 1	Millions	[3] 5.6	103.4	104.5	129.0	134.7	136.5	138.1
Farm employment (Bureau of Agricultural Economics series).	do	12.0	11.8	11.3	10.9	10.4	10.3	10.0
Agricultural production per capita.	1935–39=100	112	108	111	100	119	122	124
Agricultural production per farm worker.	1935–39=100	75	[3] 80	[3] 87	100	131	130	145

[1] Farm egg production plus allowance for nonfarm production equal to 10 percent of farm.
[2] Figures for World War I period are estimates of E. E. Vial.
[3] 1912–14 average.
[4] Civilian only.
Source: Bureau of Agricultural Economics, Division of Statistical and Historical Research.

Mr. COOPER. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, I would like to announce the program for next week now rather than later in the day.

On Monday the House will take up for consideration S. 502, RFC Act, as amended. A number of Members have had inquiries about that measure and have received telegrams.

On Tuesday the House will meet at 11 o'clock. The District appropriation bill will come up for consideration, after which we will take up H. R. 3000, amendment to sections 11 (c) and 16 of the Federal Reserve Act.

On Memorial Day, Wednesday, there will be no legislative program, although the House will meet.

On Thursday the House will further consider H. R. 3000.

On Thursday, Friday, and Saturday the House will consider H. R. 3000, unless completed before that time, also, H. R. 3180, a Naval Affairs bill, H. R. 2502, readjusting the rates of postage on fourth-class matter, House Resolution 256, from the Rivers and Harbors Committee, covering an investigation, House Resolution 236, from the Committee on Territories, also covering an investigation, and H. R. 1270, providing for an appeal to the Supreme Court of the United States.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. KNUTSON. It is the intention to meet at 11 o'clock tomorrow morning, is it not?

Mr. McCORMACK. Yes. The Bretton Woods matter will come up the week after next.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, I wish to point out as simply and briefly as I can the objection of the almond growers of California to the proposed Reciprocal Trade Agreements Act. What I say as to the almonds applies to other specialty crops, such as walnuts, filberts, dates, figs, olives, citrus fruits, and so forth.

As a preliminary, I might state that the Almond Growers Exchange includes practically all of the ranchers in California who raise almonds. There are no rich men among them. They are men who own or rent their own ranches. They live on their land; they farm it themselves; they are a hard-working, industrious, and self-reliant American group. About $100,000,000 is invested in the almond industry in California. They are no group who have a monopoly. They are a group who have voluntarily joined together into an association for the handling of the problems connected with the raising and marketing of almonds.

These people object to the present legislation on several grounds. Their first and foremost objection is to the reciprocity arrangement in these trade agreements, which is really not reciprocity. They conceive of reciprocity as a bargain between the parties who deal concerning the agreement. Four different times in 8 years, the almond growers were subjected to the possibility of a trade agreement concerning almonds. These proposed agreements by the State Department were considered in 1934, two in 1935 and one in 1942. Each of them was with a different country, namely, Spain, France, Italy, and Iran. But this did not make any difference, because under the policy pursued by the State Department, if an agreement were made with Iran, it would immediately give to all other nations producing almonds, the same concessions as Iran got. That is the devastating possibility of these agreements. In the event that we should feel it to our advantage to make an arrangement with Iran, whereby she could ship us almonds under our regular tariff schedule and we could ship certain products to her below her tariff rate on those products, we would probably have no objection to such a contract. We could probably figure out accurately what the effect of dumping Iran almonds on the American market would be for any given year. However, since that agreement would likewise give the same benefits to every almond producing country in the world, it is obvious that the almond growers would not be able to determine the effect of the dumping of almonds on our market from other countries.

The almond crop is a relatively small crop. The annual consumption of almonds in the United States is slightly under 25,000,000 pounds of shelled almonds. In 1942, a trade agreement with Iran was proposed. Knowing that this would open the door for the shipment to the

United States of almonds from all other countries, the psychological effect was to depress the market. In that year, Spain produced 61,000,000 pounds of shelled almonds, over 2 times the total American consumption. The buyers who distributed to the trade were naturally hesitant to pay prices adequate to meet the American cost of production, feeling that perhaps the trade agreement would be entered into and they would then be subject to the competition of other distributors who might buy foreign almonds at a greatly reduced price.

In fact, every time that these agreements have been proposed, the market has been greatly depressed, under the fear created in the minds of buyers that a cheaper price would later prevail because of the foreign importation permitted by the trade agreement.

I need not point out to you that the almond growers are people who have a good standard of living. They have nice homes; their children attend our schools and universities, and it is utterly impossible for them to compete in our local market with the dumping of almonds into our domestic market by a country whose standard of living is probably 25 percent of our own. This particular thing is caused by the fact that, while we make a deal with one country, and in many cases the competition from that country would not be damaging under our policy, all of the other countries may enter the field and thereby completely wreck the market and depress almond prices to a point less than the actual cost of production. Also, almonds are a temperamental and uncertain crop. In many years, the almond growers make a very small margin of profit, Then, they may have good years and in those years enlarge their small profits and recoup their losses in bad years so the average is adequate to sustain the living standard of the growers. These people have no hostility to any foreign nation. They believe in our dealing with other nations; their sons are fighting the battles of the Republic in all parts of the world and they are in every way a progressive, independent type of people.

Maybe, perhaps, no damage has been done, but I want to point out that on four different occasions within 8 years, they have been harassed with the uncertainty as to whether an agreement, which was proposed and under consideration, was to be entered into. They have spent their money in sending people to Washington to protest, and in a sales market, everyone knows that uncertainties are what produce chaos and low prices.

The second objection to the bill is the increased power given the State Department. We think that the power to vary tariff schedules 50 percent is the absolute limit that should be given. We recognize that there must be flexibility in the handling of tariff problems, but to undercut by 75 percent the protection which Congress deemed essential, is entirely uncalled for. It is not answer to say that the power will not be used. It will remain in the statute books and in time it will be used. This excess power simply gives more power to create devastating results for groups like the almond growers. We certainly hope that this particular provision of the law will not be enacted.

Our third objective is that the matter should not be considered now in the midst of a great war. I have no objection to a continuance of the trade-agreement program. It may be that ultimately I may agree with it, but we should wait till our economy gets on a more normal basis before proceeding to enact legislation of this kind. The State Department pleads that they need this extra power for bargaining purposes. I cannot imagine that this extra power is essential. I think, if we would show a little firmness in our present dealings in certain places, our results would be far better.

We all want peace. I object to trying to use this proposed act as a club to intimate that those of us who will not accept it, hook, line, and sinker, do not want peace. Many of us who sit in the floor of this House, fought in another war. Our sons are fighting in this war and we do not believe that kind of an argument should be used to try to hold us up to the American public as not favoring peace. The sons of the people that grow almonds and other specialty crops, who might be very badly damaged by this kind of a program, are also fighting this war. They do not want to come back from the battlefield and find that some governmental agency has made a bargain with a foreign nation that will reduce them to paupers in trying to operate their ranches. The same general arguments that I have made apply to other specialty crops, such as walnuts, filberts, dates, figs, olives, citrus fruits, and others. After all, what the soldier wants is protection which will enable him to survive the economic competition which he will meet following this war. His job of rehabilitation and readjustment will simply be made more difficult if this type of legislation is enacted and if the avowed purpose of it, namely, to make trade agreements with increased concessions, is carried out. Certainly it is reasonable to suggest that we continue the status quo of this situation until we have a little better idea of what the home economy will be after the last gun is fired. We should and must deal on a friendly basis with other nations. But we have a further duty to provide safeguards and protection to those who live in this country and to those who are fighting American battles, who will be the builders of the future America.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Wyoming [Mr. BARRETT].

Mr. BARRETT of Wyoming. Mr. Chairman, this legislation could well mark a turning point in the history of constitutional government in this country. For more than 10 years Congress has been delegating its powers to the executive branch of the Government. The people of America are looking to Congress to assert itself and take its rightful place in the American system of government. To my way of thinking, the distinction between a trade agreement and a treaty is merely a subterfuge to bypass the Senate of the United States and the House of Representatives. The Constitution granted the taxing power to the Congress, and in order to keep that power close to the people, clearly provided that such legislation should initiate in this body. By no stretch of the imagination did the framers of the Constitution expect the Congress to delegate those powers and responsibilities and to completely surrender and relinquish its duties and obligations.

Mr. Chairman, 2 years ago this month, Secretary Hull made this significant statement:

> No one in his right senses would dream of asking the Congress for an unlimited grant of authority to adjust our tariff rates. No Congress would ever dream of making such a grant of power—and no Congress ever has.

The original act authorized a 50-percent reduction in the 1934 tariff rates at the discretion of the Executive. Section 2 of this resolution authorizes a 50-percent reduction in the tariff rates presently in effect. That is the old formula of divide and conquer, dressed up with sugar coating. This Congress is heading down the road which leads to the accomplishment of precisely the exact thing that Cordell Hull said no Congress would ever dream of doing.

Mr. Chairman, we are living in fateful days. America, which loves to live in peace, is showing the world once more in unmistakable terms that it can wage war mightily. We can make our greatest contribution to world peace by making and keeping America strong. Only then can we give leadership to the world and put into action our ideals of freedom. The theory of this legislation is directly opposed to the policy which made this country the greatest industrial nation of the world. Our adherence to the policy of enacting tariff laws down through the years has made it possible for America to supply the munitions so the United Nations could wage a successful war on every battle front. It has encouraged private enterprise to establish industry in the country. It has safeguarded labor and lifted our wage scales to the highest in the whole world. No other country can match our high standards of living which are reflected in American costs of production. We must not forget it has been estimated that even today 60 percent of the world's population earns 20 cents a day or less.

Ours is the greatest market in all of the world. Over a 20-year period prior to 1941 our world trade exceeded $132,000,000,000, and during that period our exports totaled $73,000,000,000 and our imports amounted to $59,000,000,000, foreign value, or about $70,000,000,000 landed costs. Thousands of products necessary to our economy are not raised or manufactured in this country. Many luxury items are imported. All of these come in either duty free or with tariffs for revenue only. As a matter of fact, approximately two-thirds of all our imports come in duty-free.

Agriculture is the basic industry of America. One-fourth of our population depends entirely on the soil for its livelihood. The businessmen in the small towns of America who get their living indirectly from the farmer represent an additional one-fourth of our population. Consequently one-half of our population

depends either directly or indirectly on the farmer for its existence.

The records show that our total exports from 1931 to 1935 averaged $2,000,000,000 per year. In 1941 our total exports reached $5,000,000,000. During the period 1931 to 1935, industrial exports averaged $1,000,000,000, and in 1941 they rose to nearly $4,000,000,000, representing an increase of nearly $3,000,000,000 or 384 percent. During the same period total agricultural exports increased $197,000,000 or only 20 percent. Accordingly, it can be seen that exports of industrial products increased 19 times as fast as exports of agricultural products during the period the reciprocal trade agreements were in force. During the period 1931 to 1941, our total imports reached the sum of $23,943,492,000. More than 75 percent of these total imports were agricultural, whereas less than 25 percent of total imports were industrial.

The United States Chamber of Commerce, in its report on agricultural income in April 1944, pointed out the quite constant ratio of $1 of farm income to $7 of national income that apparently exists. In this country each dollar of farm income creates a dollar for factory pay rolls and $7 for national income. We have about 9,000,000 business units in this country. Six million business units are the farms of America and 3,000,000 are nonagricultural. It is interesting to note that the capital investment on the average is as large on the 6,000,000 farms as in the 3,000,000 nonagricultural business units. The conclusion is irresistible that, agriculture having two-thirds of the capital investment in productive enterprise in our country, any rise or fall in farm income creates a rise or fall in our national income, for every billion dollars dropped in the farm income, either through curtailment of production or lower prives wipes out a billion dollars of factory pay rolls and $7,000,000 of national income at the same time. It is significant to note that in 1938 our farm income dropped $1,000,000,000 and our national income dropped precisely $7,000,000,000. In the years that lie ahead, it is imperative that our national income be maintained at a high standard in order to carry our tremendous national debt. Our greatest contribution to the world is maintaining a solvent United States and to do that we must maintain our price level as it now exists. To reduce our price level to world levels, means a return to the economy which our forefathers abandoned.

The biggest crop in America is grass. More than one-half of the area of the United States grows the grass that runs the livestock of the country. Most of this area cannot be used for any other purpose. Ninety-six percent of the western lands on which we range our cattle and sheep is adapted only to livestock. The rest of this area is given over almost entirely to the raising of feed for stock. Except for this industry, this great segment of our country would be largely nonproducing and become part of the Nation's dead lands. Our cattle population is estimated at 81,000,000 head, being the highest in the history of the Nation.

Our beef production has expanded on a wartime basis to the point where we have 10,000,000 excess cattle at the present time. Under the present act the tariff has been cut a full 50 percent on most of the important items affecting the cattle industry. A further reduction, as proposed in section 2, would leave the cattlemen with little or no tariff protection. Under the Canadian agreement there were two reductions in the tariff on cattle weighing more than 700 pounds. The tariff was first reduced from 3 to 2 cents a pound and later to 1½ cents per pound. Under the Mexican agreement, cattle weighing between 400 and 700 pounds were reduced from 2½ cents per pound to 1½ cents per pound. Cuba was granted a reduction in dressed beef. Argentina received a reduction in 1941 on canned beef from 6 cents per pound to 3 cents per pound. Canada has expanded its processing facilities during the war and it appears certain that she will seek a reduction on dressed beef in order to take a part of our market. Presently Mexico is allowed to import 400,000 head of cattle each year, weighing between 200 and 700 pounds. Canada has a quota each year of 100,000 head of cattle weighing less than 200 pounds and 225,000 head of cattle weighing over 700 pounds. Recently Canadian interests have suggested that beginning in 1946 the last quota be increased from 225,000 head to 500,000. If this should be allowed, the total for the two countries would be a million head of cattle per year to compete against our already 10,000,000 excess cattle population. There has been no export trade in beef for many years except during both world wars. Because of our tremendous expansion in beef production in this country, a further cut in the tariff will bring disaster to the cattle industry in the postwar period when our domestic consumption approaches normal. Without a question of a doubt a further reduction in the tariff on cattle would destroy that great industry in America.

In discussing the effect of the abolition or the reduction of tariff rates upon any commodity or manufactured product, the importance of the particular commodity or product must be the prime factor. Wool is a strategic and critical commodity, absolutely necessary in time of war for our national defense and essential in peacetime. It ranks in importance in peacetime with food and shelter and in time of war with adequate munitions, drugs, and housing. The present war has again proved this fact. Only the certainty of our own adequate wool supply and the providential availability of foreign sources of supply enabled this country to clothe an Army and Navy of some 15,000,000 men, and at the same time to care adequately for its great civilian population. If Australia had fallen, as was at first feared, our plight would indeed have been a desperate one. We cannot rely in the future on the probability of the same fortunate circumstances.

In point of number of sheep and production of wool, the United States is the second important producer in the world. While sheep are raised in 37 States of the Union, 70 percent or more of the industry is located in the western range States, including Texas. Sheep raising is inextricably bound up with general livestock raising. In 13 range States and Texas, livestock and sheep raising industries rank variously from the first to the fourth or fifth most important industry. In this region are produced some 29,000,000 of the 41,000,000 sheep in the country. The sheep produce in excess of 300,000,000 grease pounds of wool, with an annual value at present prices of approximately $140,000,000 and 1,000,000,000 pounds of meat at the present annual value of $150,000,000, or a combined value of $290,000,000. Investment in sheep, lands, buildings, and other equipment in this area is estimated variously at between $800,000,000 and $1,000,000,000. The entire sheep-raising and wool industries throughout the country employ in excess of 500,000 persons.

The American wool-growing industry constitutes what might be characterized as a case history of what will happen to important agricultural and manufacturing industries in this country if the Reciprocal Trade Treaty Agreements Act is extended as presently written. Due to foreign governmental control and action, foreign wools are daily being landed in the United States at arbitrarily established prices which are below the American cost of production. As a result, American wool growers have lost completely their only market which is the American wool textile manufacturer. Outside of dwindling orders for military uniform materials, the only market which the domestic wool grower has today is the Commodity Credit Corporation, which is purchasing domestic wool under a year-to-year agreement. This wool is going into warehouses where it is accumulating into one of the largest stock piles in our history, debarred by lower-cost foreign wool from sharing in its only normal market, the American wool textile industry.

While this is occurring, the American wool textile industry is operating at maximum capacity, consuming more wool daily, monthly, and annually than at any previous time in history. Imports of foreign wools have been arriving here for the past 3 years at the rate of 600,000,000 pounds per year, which is from 35 to 40 percent greater than our annual domestic wool clip, and which represents an amount of wool equal to the average annual peacetime consumption of all the woolen mills in the country.

Even at the established ceiling prices at which the Commodity Credit Corporation is purchasing domestic wool, because the price is so high that this wool cannot compete with foreign-produced wool, the United States Tariff Commission has found in two very recent reports that the American wool grower today, on an average, is receiving 10⅘ cents per pound less than the wool costs to produce. As a result of this situation, the sheep population of this country has suffered the greatest decline until 1940 and at the present time, in all of our history. This decline is continuing in increased ratio as each month passes. In 1942, the sheep population of this country was approximately 49,807,000. At the present time it is 41,315,000, a decline of 17 percent. In my own State of

Wyoming, the decline has been in excess of 20 percent. Throughout the country today the sheep population is the lowest it has been since 1929, and this decline in sheep and wool has occurred during a period when wool textile production in this country has been at the highest rate in our history. Sheep ranches all over the western range country are being offered for sale at sacrifices, with few, if any, takers.

The reasons for this situation are simple. At the outbreak of the war, and continuing until at least 2 years after the war, the British Government agreed to purchase its Dominions' output of wool, which represents 75 percent of the total world supply of apparel wools. It placed a price upon these wools which insured them the greatest sale in the one great remaining market of the world—the United States. This price, plus the tariff, landed these wools in the United States at approximately 7 cents per pound less than the ceiling price of American wool, which today, according to the United States Tariff Commission, is 0.8 less than its cost of production. Since 1941, wool has been shipped into this country from Australia, not only as merchandise, but as ballast in what has amounted to a shuttle line of ships which, since our entrance into the war, has been running between Australia and this country. In addition, our Government recently has been providing every facility possible, including import licenses and shipping space, to accelerate the importation of wools from Argentina into this country. Both the Australian and the Argentine wools are used in great volume in military uniform cloths and they are being used practically exclusively in every yard of civilian fabrics being manufactured here.

Under existing tariff rates which are included in the present reciprocal trade treaty with the United Kingdom and under the Tariff Act as applied to Argentine imports, the United States provides a normal peacetime market for foreign woolgrowers representing 30 to 40 percent of its apparel requirements. We produce in this country on an average of 400,000,000 pounds of apparel wool annually and consume an average of 600,000,000 pounds. Foreign woolgrowers provide American carpet manufacturers with every pound of wool used. We do not produce any carpet wools in this country; therefore these wools are admitted duty-free. Among the beneficiaries of this duty-free provision are Australia and the Argentine, as well as a number of far eastern countries.

In addition to sharing between 30 and 40 percent of our apparel wool market with foreign producers and giving 100 percent of our carpet wool market to foreign producers, American woolgrowers must compete also with importers of semiprocessed wool, wool wastes, and rags or shoddy, which is remade into fiber. In 1939, for example, there was imported into this country approximately 18,500,000 pounds of these semiprocessed wools, wastes, and rags, which represents about 40,000,000 grease pounds of wool as it is sheared from the sheep, or, in other words, about 10 percent of all the wool produced in this country. Thus it is apparent that the American public, in raw wool, semiprocessed wool, and rags, purchases annually from 40 to 50 percent of its apparel wool requirements from foreign producers. Surely the most enthusiastic internationally minded trader could not ask more than this.

Under the terms of the reciprocal trade treaty with the United Kingdom, a number of concessions were made in tariff rates on wool wastes, rags, and wool textiles. They were only in effect 1 year prior to the outbreak of the war, but the increase in imports due to these reduced tariff rates are indicative of what will occur in the postwar future, even if these rates are held at their present level and not further reduced. Here are a few examples: Imports of noils, which are short wool fibers used in the production of woolen goods as opposed to worsted goods, for the first 8 months of 1938 under the old tariff rates, amounted to 1,536,998 pounds. For the first 8 months of 1939, under reduced rates, imports of noils amounted to 4,266,225 pounds, an increase of more than 168 percent. Imports of wool wastes, which are used as replacements of new wool fibers, amounted to 483,532 pounds in 1938, as compared to 2,375,533 pounds in 1939, an increase of 391 percent. But it was in rags, which means old and worn-out cloth that is shredded down into fiber, which is known as shoddy or reused wool, that the increase in imports was the greatest. The duty on rags was cut 50 percent, the maximum reduction permitted. The first 8 months of 1938 rag imports amounted to 492,195 pounds; for the same period in 1939 imports amounted to 5,461,292 pounds, an increase of 1,009 percent. This latter increase represents an extreme example, because importations of rags for 1938 were less than normal. However, 1939 rag imports were close to 300 percent above the average for a long period of years.

Marked concessions were also made on manufactured worsted and woolen fabrics. The result was that during the first 8 months of 1939 the imports of woolens and worsteds increased variously from 79 to 251 percent in different categories, and in many instances, I am reliably informed, they were landed here, plus the duty, at less than the American cost of production.

Whether existing duties on wool and woolen products, as established by our existing reciprocal trade treaties, are retained or are lowered, the American wool growing and the American wool textile industries face a perilous future which threatens their very existence. The only remedy which will conserve these vital and basic industries is a control over the volume of imports permitted during the early postwar period of world reorganization. I say this advisedly and with full knowledge of the facts. At this very instant, representatives of the Australian and British Governments and of the highly organized associations of wool growers from Australia and south Africa are meeting in London where they are devising a postwar plan which contemplates the controlled distribution of British dominion-grown wools into the world's markets. At today's British Government established prices, these wools are being imported here in such quantities that they have taken away the entire American market for American-grown wools. It is impossible to speculate as to what arrangements will be finally completed as a result of this conference in London. A logical conclusion may be arrived at, however, by considering certain facts. The Australian Government has just enacted a law entitled, "Wool Use Promotion Bill, 1945." Under the provisions of this bill, the Australian Government, jointly with Australian wool growers, had established a fund of $1,800,000 per year to be expended annually for the next 5 years to increase markets for wool throughout the world by experiment, research, and promotion. Joined with the Government and the wool growers in this undertaking are the Australian Workers' Union and the Australian Textile Workers' Union. An office operating on behalf of this group, is to be established in the United States, just as offices of groups of British wool textile manufacturers are also being established here. These preparations are being made frankly and admittedly for the purpose of increasing the sale of foreign wool and foreign wool textiles in this country. The prices at which wool and wool products will be landed in this country will be controlled prices. These controlled prices will be in addition to the advantages in costs of production, both as respects wool and wool textiles.

Contrast this eminently constructive program of the British Empire with respect to its wool growers and textile manufacturers with the policy of the American Government. During this war, as I have stated, practically the sole market for American wool has been in its use in Army and Navy uniforms. The quartermaster general of the Army has cooperated in a most admirable manner in requiring that domestic wool be used wherever possible. The Navy, however, until recently has used foreign wools in larger quantities than domestic wools. The War Production Board, through its wool textile section, has consistently favored the use of foreign wool and has supported every movement made by manufacturers to use foreign wools. The director of this section has characterized the present ceiling price for domestic wool as entirely adequate for our producers in the face of the tariff commission report that our growers are losing 10 cents on every pound of wool they produce. I am reliably informed that officers of the State Department who are authorized to negotiate the new trade treaties and to reduce tariff are of a like opinion.

All other major producers of apparel wool throughout the world produce chiefly for export. The United States is the greatest actual and potential market for wool in the world because of its climate and its high level of income and standards of living. As our consumption increases our markets for foreign wool will increase because it is unlikely that we will increase the amount of wool now being produced in this country. It would be dangerous to our national economy in peacetime and to our defense in time of war to permit any ap-

preciable decrease of our present production. American wool growers, because of their higher costs of production, are confined entirely to the American market. This same situation exists with respect to American wool textile industries. Therefore, control cannot be established over one without establishing a like control over the other. Wool growers and wool textile manufacturers are already sharing the American market generously with foreign producers. Their postwar competition promises to be the competition of a controlled economy in which the world distribution of products will be more important than prices which return the profits of a free competitive economy. Therefore, it is essential that some restrictive quota be placed upon the volume of imports of strategic and critical materials on which the welfare of the country depends.

In wool and wool textiles this does not, by the furthest stretch of the imagination, mean a high tariff wall which shuts off markets. As I have stated, the wool grower shares approximately 50 percent of the American market with lower cost foreign producers, which should impress any fair-minded observer as a generous division. The livestock industry, including wool growing, ranks first as the most important industry in 13 Mountain States and southwestern Texas. Sheep raising is the second most important industry in Wyoming, being exceeded only by petroleum. The livestock and sheep raising industries rank first by a large margin. The American wool textile industry is the fourth largest industry in the United States in terms of employment, with one of the highest percentages of labor, in conversion from raw materials to textiles, of all industries. It is the duty of this Congress to protect these great integers of our agricultural and manufacturing economies not from legitimate competition which permits other countries to share in our markets, but from extinction through an overwhelming flood of lower cost imports sold here at controlled prices which are below our costs of production.

Under this act Congress has delegated a tariff-making power to the Executive by calling a commercial treaty an agreement. It seems to me that now is the time for the Senate to recapture its constitutional power to approve these trade pacts. The duty of tariff-making should be handled by a body directly controlled by Congress. The most-favored-nation clause has never been authorized by Congress and is a provision inserted in these agreements by the State Department. With this provision in mind, how any man can term these agreements "reciprocal" is beyond me.

In the years that lie ahead, America must keep its obligations, no matter what the cost, to our disabled veterans and their dependents. We will be confronted with a public debt of over $300,000,000,000. In order to keep this Nation solvent, and to maintain our constitutional form of government we must maintain a high national income. History has shown that our national income will be exactly seven times our national farm income. Agriculture has not fared well under the reciprocal trade agreements. We have no reason to believe that we will fare better in the years to come. The additional power to lower tariffs might well make it impossible to maintain healthy and prosperous livestock and agricultural industries. We should return to constitutional processes in the matter of negotiating treaties. The authority to again lower tariffs grants life and death power over many industries. The people want the Congress to retain its powers and prerogatives. A strong and powerful Congress is the last safeguard of our liberties. To surrender the power to make tariffs is dangerous at any time, but it seems to me it will be peculiarly so in the peacetime reconstruction of our economy in the years which lie ahead.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the distinguished gentleman from Minnesota.

Mr. KNUTSON. The gentleman is an authority on this particular phase as well as many other phases of the subject we have under consideration. Is it not true that we have more cattle on the range and on the farms than ever before in the history of the Republic?

Mr. BARRETT of Wyoming. That is exactly right. According to the Department of Agriculture we have over 81,000,000 head of cattle in the country today. Livestock authorities estimate that we have at least 10,000,000 excess cattle to take care of our normal consumption in peacetime.

Mr. KNUTSON. That is the reason it is so hard for us who come from the agricultural regions to understand why we cannot get meat.

Mr. BARRETT of Wyoming. My colleague is entirely correct. We have the cattle on the ranges but very little meat in the shops. The restrictions and ceilings placed on feeders and processors have made it impossible to convert our cattle into finished beef.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the distinguished chairman of the Ways and Means Committee.

Mr. DOUGHTON of North Carolina. The gentleman was in the Hall, perhaps, a few minutes ago when a distinguished Member of this House said there was a distinct shortage of meat in this country now. If that be true, we are not so anxious to shut out meat that we would starve our own people. Until that situation is corrected, I do not think we need be alarmed.

Mr. BARRETT of Wyoming. I might say to the gentleman that before the war 400,000 head of cattle were brought in with a 50 percent reduction in the tariff, when we had sufficient cattle in this country to take care of our normal consumption. Now it is true that during the war we were short of beef because of the action of the OPA holding down the ceiling prices on feeder cattle particularly to a point lower than the cost of production. In the postwar period, however, we are going to have 10,000,000 excess cattle and we are still going to be bringing in 500,000 head of cattle from Canada and Mexico to compete with our domestic producers.

Mr. DOUGHTON of North Carolina. I think I know a little something about the cattle business. I have been in it all of my life. Does not the gentleman know that the price of cattle has been steadily going up ever since we got away from the Smoot-Hawley Tariff Act, when it reached the lowest point it ever reached in this country? When it had its full effect everything was paralyzed. The gentleman need not be uneasy. The gentleman from New Mexico [Mr. ANDERSON] a distinguished Member of this House, who is going to be the next Secretary of Agriculture, has just told us that he would see to it that industry of that kind did not suffer, by quotas and by the escape clause. I want to disabuse the gentleman's mind of his fear. He is seeing ghosts all the time.

Mr. BARRETT of Wyoming. The gentleman might disabuse the minds of some people, but the people of Wyoming, who are raising over 1,000,000 head of cattle, know precisely that under the reciprocal trade agreements the cattle that came in from Canada under the 50 percent reduction in the fall 1938 and 1939 broke every market in the country.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I am glad to yield to my colleague from Minnesota.

Mr. H. CARL ANDERSEN. On that point of breaking the market, let me say this, and I say it from the viewpoint of a man who is shipping cattle himself. I well remember that back in 1938 and 1939 I was at the market at South St. Paul and saw these whitewashed carloads of cattle come in from Canada. Just as soon as they appeared on the market it broke the market at least 25 cents that day, and affected every farmer who had cattle to sell, and cattle then were approximately one-half of what they are today. That is what the reciprocal trade agreements did at that time.

Mr. BARRETT of Wyoming. I call my colleague's attention to the fact that it not only broke the market at South St. Paul but it also broke it at Chicago, Omaha, and Kansas City as well.

Mr. H. CARL ANDERSEN. Certainly.

Mr. DOUGHTON of North Carolina. The gentleman is familiar with cattle markets and he knows also that very often in the fall of the year, when the grass gives out and they want to make ready for the winter, they drive the cattle to market, and very often then the market will break on that account 3 or 4 cents in 1 week. I have seen that happen when I was on the market myself. It was not the result of any imports from Canada or Mexico or any place else, but the result of a heavy run of cattle. There is nothing unusual in a fluctuation of 1 or 2 cents a week on cattle owing to a run, and everybody knows that.

Mr. BARRETT of Wyoming. May I reply to the chairman of the committee that we had 66,000,000 head of cattle in this country before the war. If the reduction of the tariff caused a break in

the market because these Canadian cattle came to the St. Paul market under those conditions, what will it be in the post-war period when we have 81,000,000 head of cattle in this country, over 10,000,000 of which will be excess cattle? Certainly the break may be much worse.

Mr. DOUGHTON of North Carolina. That could very easily be taken care of by the escape clause through the establishment of quotas, as the gentleman knows if he has read the bill.

Mr. BARRETT of Wyoming. I have read the bill and I know they can reduce tariffs 50 percent. As I said before I am told that Canada is asking to have their quota increased in 1946 on cattle over 700 pounds from 225,000 head a year to 400,000 head a year. Now if their quota is increased it will compete with a surplus of cattle in the country and a further reduction in the tariff would spell disaster for the cattlemen.

Mr. DOUGHTON of North Carolina. The entire fight on this matter has been based on what is going to happen. That has been the single issue all the way through from the first hearing. The arguments are based on what is going to happen—what is going to happen?

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, before proceeding with what I have to say on the pending bill—H. R. 2652—I wish to refer to a colloquy I had yesterday with the gentleman from Tennessee [Mr. COOPER] and the gentleman from Michigan [Mr. DINGELL] in regard to the lowering of the tariff on filberts in the trade agreement with Turkey. In the course of the colloquy it was stated that the tariff on filbers had been increased some years prior to the making of that agreement. I questioned that statement, it being my recollection for the moment that the 5-cent tariff of 1930 was the original tariff. I was in error. There was a small tariff of 2½ cents existing on filberts prior to 1930 and the tariff was raised to 5 cents in 1930. The question, of course, was of no importance because the 5-cent tariff of 1930 gave us a duty which was nowhere nearly the equivalent of the difference between cost of production of our filberts and the cost of production in foreign countries, and it had nothing to do with the questions I had raised in the colloquy. But I do not want to let even so slight an error stand in the RECORD, and for that reason I make correction for the RECORD.

And now for some general observations on the bill before us to extend the Reciprocal Trade Agreements Act.

Mr. Chairman, the Constitution of the United States vests in the Congress the sole power, duty, and responsibility of determining and fixing duties or tariffs on imports. No other agency of government has any constitutional authority whatever to make tariff law, and the Congress is prohibited from delegating either its authority or its responsibility in this field to anyone else.

In utter defiance of this constitutional prohibition, a subservient Congress in 1934, comprised of an administration majority of approximately 2-to-1 in the House, and 3-to-1 in the Senate, under orders from the President, passed what the President called the Reciprocal Trade Agreements Act, under which the Congress surrendered its entire jurisdiction over the tariff and transferred to the President the exclusive power to make tariff law and to determine and fix import duties in his own discretion, without even consulting the Congress.

Every 3 years since 1934 the New Deal majority in Congress has rubberstamped the extension of this act. Since 1934 the Congress has never enacted a tariff law. All tariffs since that time have been made exclusively by the President through his negotiation of trade agreements with foreign countries. In the making of these agreements neither the Congress nor the people have any part whatever. They are not permitted to be heard or to present their cases before him or before anyone appointed by him to negotiate these agreements which affect the very life of their business and their livelihood. Moreover, they are not permitted, under this act, to apepal to the courts for redress of the injury they have suffered through these agreements or even to have the court pass upon the constitutionality of the act itself.

The Trade Agreements Act was conceived in fraud and its presentation to the Congress was preceded by a propaganda campaign of misrepresentation and deceit carefully calculated to make the people of the country believe that the purposes and objectives of the act were something entirely different from what the plain language of the act provides. That campaign of misrepresentation has been going on ever since. It has never once ceased. It has been so successful that not 1 person out of 50 knows what a trade agreement is or how it is made, and not one person in a hundred knows that the Congress has surrendered its jurisdiction over the tariff.

The propaganda, on the other hand, has made them believe that a trade agreement is in fact a reciprocal affair between ourselves and the particular nation with which an agreement is made, that our basic structure of tariff protection is not involved in the agreements, and that the Congress still has the right to make tariff law. The Congress does not have that right. It has never had it since it was surrendered in 1934, and it will never recapture it until the Democratic majority in Congress is defeated and the Trade Agreements Act is repealed.

The purpose of the Trade Agreements Act was twofold: It was, first, to take away from Congress the power to legislate on the tariff. In this respect it followed the pattern of all major New Deal proposals—like the Supreme Court packing bill, the economy bill of 1933, and others—the aggregate purpose of which was to concentrate all governmental authority in the executive branch of the Government and to render the legislative and judicial branches subservient to the Executive.

The other purpose of the act was to bring about free trade as a national policy and system—a thing which the administration could not do by direct legislation, because the people, Republicans and Democrats alike, had long since emphatically repudiated not only free trade but they had likewise repudiated every proposal to make drastic reductions in the general tariff structure, upon which our agricultural and industrial prosperity is based, and without which it could not and cannot survive.

Since 1934, through these trade agreements, the tariff rates on our most important competitive products have been reduced nearly 50 percent. If a bill had been introduced at that time proposing such a reduction, it could not have passed the House, even if the Democratic majority had been four to one instead of two to one, and I dare say that if any Democrat in this House, even those from the solid South, had stood for election on a proposal to reduce the tariff by 50 percent, he could not have been elected, or even nominated by his own party.

And yet this administration, by indirection and by subterfuge, has been able to accomplish this reduction, through the making of trade agreements, which it could never have done by law, and which nobody in the United States would stand for if they had anything to say about it. They have nothing to say about it, nor have their Representatives in Congress, because the New Deal majority in Congress surrendered their right to say anything about it, even in the courts.

Now, what does this reduction in the duties on competitive imports mean? It means simply that we cannot produce and sell at a profit in our own American markets these products which must meet foreign competition here—because the tariff protection, which they had prior to 1934 and which was calculated to make up for the difference in the cost of production of those articles here and abroad, has been destroyed through the gradual reductions made by the President in each succeeding trade agreement.

This, Mr. Chairman, is a mathematical thing. It is not a subject of argument. It is a fact. I speak now only of competitive imports—not of those which are non-competitive. There never was any tariff on noncompetitive articles. They have always been on the free list, and properly so, and more than 60 percent of all our imports are in that category. I speak of those imported articles, both agriculture and manufactured, which are produced in foreign countries by exactly the same methods as we produce them here, but which are produced at labor cost and upon a general wage scale which we cannot meet, which we do not want to meet and upon which no American wage earner or his family could exist. Without a tariff which will cover that difference in cost of production, I say it is a mathematical impossibility for an American product to compete with such a foreign product in the American market.

Nobody disputes this. Nobody can dispute it—so what is the New Dealers' answer to the question when it is raised. Why it is the same ruthless answer that you heard here on the floor of this House yesterday, when I asked the gentleman

from Michigan how he thought the cherry or the filbert grower in Oregon could sell his product in the American market when the Italian or the Turkish or the Spanish grower, on account of his cheap labor and his miserably low standard of living can put his product on the New York market at a price far below our own cost of production, and still make a profit. His answer was "Oh, well, how big is your filbert industry. It does not amount to anything." With the plain reference that if our farmers cannot compete with the starvation wages and squalid living conditions of the Turks, the Spaniards, or the Italians, we can just go out of business. Cherries and filberts happen to be among our most important crops. The New Deal answer is to stop growing them and turn the market over to the Europeans. They gave us the same answer in regard to lumber, which happens to be our greatest industry, and which has been more ruthlessly crippled and sold out by the trade agreements than perhaps any other.

That is always the answer. A dozen times has it been hurled at me and at nearly every other Member of this House, either directly or by inference, when we have appeared before the Committee for Reciprocity Information in connection with the negotiation of a trade agreement.

And since I have mentioned the Committee for Reciprocity Information, let me add a statement of what every Member here knows from his own personal experience to be true—that this committee, which is the only agency before which we, as the Representatives of the people, have any right under this act to appear, is a sham committee, an open farce of an agency, which has nothing whatever to do with the Trade Agreements Board, which negotiates the agreements, and which has not even any contact with that Board. This committee cannot make an agreement. It cannot pass upon any question. Its sole business to take your written brief, which it turns over to the Board without comment. No Member of Congress can appear before the Board or before anyone else who has any part or responsibility in the making of an agreement. Nobody even knows the names of the Members of this Board, and no one even ever saw this Board negotiate or discuss an agreement. The agreements are made in complete secrecy by men unknown to the people, and they are made in utter contempt of the people and of the Constitution which is supposed to protect the rights of the people.

Before the Trade Agreements Act of 1934 was passed our tariffs were about equal to those of the principal nations with which we carried on trade. Since that time they have been reduced by the President and without the consent of Congress to an average far below that of those other nations, and the United States now has the lowest average tariff rates in the world. As far as actual tariff protection is concerned, the United States is practically on a free-trade basis now, and it is the only nation in the world operating on that basis.

This, however, has not fully satisfied the New Dealers. They now demand complete and literal free trade. I stated in the beginning that when the act of 1934 was passed the Congress surrendered to the President its entire jurisdiction over the tariff. That was a correct statement, because the Congress, as long as this act stands, cannot pass any tariff law. In transferring this tariff-making power to the President, however, the act did place a limit on the extent to which the President could reduce any particular tariff. That limit was 50 percent. The limitation, like all the other provisions of the act, was of itself a farce and a fraud and was included only to make the passage of the act more certain and to make the people to believe that the Congress was still retaining some of its power.

Now, however, the administration has taken off the mask, and in demanding this 3-year extension of the act it also demands the right to further reduce tariffs by an additional 25 percent. And after it reduces all of our tariffs to the full extent of 75 percent, it will probably ask in the next extension to wipe out the remaining 25 percent.

Personally, I cannot see that it makes very much difference whether they take off another 25 percent or not. That they will take it off, as provided in the bill, is as certain as that the extension, itself, will be authorized, for this is one New Deal measure against which no Democrat dares to vote, on penalty of being ostracized by the New Deal administration—and such ostracism means that that Democrat could not get the nomination of his party in the next primary election in any State north of the Mason and Dixon's Line. Just why the New Deal so vehemently demands the additional 25 percent reduction authority at this time, I am really at a loss to know because, as I have said, the reductions already made have put us virtually on a free trade basis—and that on that basis we stand alone of all the nations of the world. Maybe in the flush of their power they want to put us 25 percent lower just to show their authority.

For 5 years the war has made these reductions inoperative, because during that time most of the nations produced practically nothing for export to the United States, and there was no shipping to bring it in even if they had produced. We have during that time, therefore, been spared from the chaos and the suffering which the virtual wiping out of all effective tariff protection would have brought us in these years. Now, however, these countries can produce again on a larger scale and far cheaper than ever before, and they can and will send in these competitive products with impunity and without restraint, laying them down here at a cost which it is impossible for us to meet, because virtually all of our really effective tariff protection has been swept away.

The cheapness of labor and the standards of living in some foreign countries producing competitive goods even before the war was such as to be almost inconceivable to the American mind. With the resumption of produce, both agriculture and manufacture, it will be even worse, because a considerable portion of the foreign labor with which we will have to compete under this free-trade system will be slave labor. Russia intends to import millions of slave laborers from Germany. France wants at least 2,000,000, which she will get. So does Holland, Belgium, and other countries. They will not only use this slave labor to work their farms and manufacture the goods, but they will also take from Germany some of the finest machine tools the world has ever produced, to make these competitive imports.

We saw these tools in the great underground factories of Nordhausen and Manheim, and they exist in many other parts of Germany. Our European allies do not intend that they shall remain there. I do not, of course, blame these countries for using this labor or for appropriating the tools for that labor to work with. It would be just retribution and it would be doing precisely what the German Government did to the nationals of those countries. But as a citizen of the United States, I do desire some tariff protection against the products of slave labor which will be sold here in America in competition with our own labor. Will I get that protection? I will not. Under this bill even that protection will be denied me, whether I be a farmer or a small manufacturer, or engaged in any other kind of business. I suppose if I should ask the question now as to how I could compete with slave labor without the protection of a reasonable tariff, I would get the same answer that I received here yesterday—that my business, whatever it happened to be, was not really important anyway, compared with the blessings of the good will which free trade with these people will bring us.

Mr. Chairman, I shall vote for the amendment which will be offered by the Republicans to strike out the provision giving the President authority to still further reduce the tariff by an additional 25 percent. I shall vote for the Republican amendment to give a citizen injured by these trade agreements his day in court—for the right to have the constitutionality of this act legally tested. I shall vote for every other amendment offered for the purpose of taking a little of the viciousness out of a completely vicious bill. None of these amendments, of course, will be adopted. They will be defeated by a straight party vote. Then, Mr. Chairman, I shall vote against the bill on final passage, as I voted against the original and every subsequent extension of the act. I should vote against it even if the amendments were adopted because it would still be, in my opinion, one of the most unconstitutional, the most un-American, and the most dangerous acts the Congress has ever passed. Some have expressed the opinion that if the proposed amendments should be adopted a mere extension of the Trade Agreements Act might not be so very objectionable in view of the fact that it will be some time before foreign countries can get themselves in position to

dump their cheap-labor products on our market in competition with our own. I do not share that view. To rob the people and their representatives in Congress of their constitutional right and responsibility to make tariff law is either right or wrong. To reduce our tariff by Executive decree, to a point equivalent to free trade, is either right or wrong. I think it is wrong, and, therefore, I cannot vote for any extension of the wrong—not even for 3 years or 1 year or 1 month.

Some have said it may be politically expedient just at this particular time to perpetuate this outrage until things calm down and until we can defeat at the next election those responsible for bringing it about. I do not think so. I believe, on the other hand, that one who votes for this bill votes for the ultimate ruin of his country and, so far as political expediency is concerned, I think he also votes for his own ultimate political ruin.

A fraud of the most colossal nature has been perpetrated upon the people of the United States. The people will not always remain lulled to sleep by the propaganda which has made possible this scheme for reducing them to the economic level of their foreign competitors. They will waken, however, in good time, and when they do those who have been responsible for the sowing through the years of the seeds of free trade will reap the harvest of the wrath of a disillusioned and an outraged people.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. BIEMILLER].

TRADE AGREEMENTS: A PROGRAM FOR PEACE

Mr. BIEMILLER. Mr. Chairman, we like to believe that the most hopeful and encouraging years of this generation lie ahead. But this will be so only if we unite in our resolve to make it so. We have done it in the past—we can do it in the future.

It is no exaggeration to say that the whole world—and our enemies in particular—view with awe and wonder the striking power of our armed forces. A few short years ago, some said, and hoped, that we simply could not mobilize armies and convert our peacetime economy to war purposes in time to turn the tide against the Axis Powers. The choice was forced upon us; we accepted, and we have delivered. We will continued to deliver until the Jap war lords, like their late partners of evil memory, are brought to their knees in unconditional surrender.

With the Japs out of the way, we will face another test before we enter upon the good years which, we hope, lie just ahead. That test will cover the difficult lessons of the twenties and thirties. Did we not learn that a nation cannot live and prosper in isolation? Did we not learn that peace and prosperity go together? In a very real sense, the question before this House is whether we can work together, both among ourselves and with other members of the United Nations, to insure the peace as we have done to win the war.

Day by day we watch the nations at San Francisco resolving their political differences. The problems are difficult and immediate national interests are often conflicting, but with patience, perseverence, and a recognition of the overwhelming desire of all people for peace, solutions will be worked out.

But a world peace organization is not enough. Political harmony cannot be built on a base of economic distrust or economic isolation. The United States must be prepared to cooperate with the rest of the world on trade problems just as we are now cooperating at San Francisco on political matters. Trade is the avenue of our daily contact with other nations. We cannot truthfully urge upon the world the spirit of good neighborliness and friendship if at the same time we rudely shut the doors of our markets against the products of other nations—isolating ourselves behind high tariff walls.

The tariff barriers of the United States and those of the other nations have for many years constituted one of the most serious international problems.

They have dammed the channels of trade. They have deluded nations into pursuing the illusion of autarchy. They have encouraged countries to impoverish themselves in isolation rather than to prosper together. What is most unfortunate is that this dangerous fallacy has been carried to the greatest extremes in the very period when the peace and prosperity of the world required the closest international economic cooperation. In a spirit of madness, the whole world increased its tariff barriers in the 1920's after the last war, and again in the 1930's when the world-wide depression began. No one can say how much of the disaster of the decades between the two wars was due to these man-made barriers to profitable trade. But it is certain that tariffs helped create and intensify the disorder and the economic warfare of the interwar period.

The United States has a special responsibility in this connection because, unfortunately, we played a leading part in stimulating the disastrous growth of tariff barriers. After the last war we led the way by raising our tariff in 1921 and 1922 and again in 1930. When the Hawley-Smoot Tariff Act was passed in 1930 it was considered to be purely a domestic issue, which its advocates hoped would help decrease unemployment in the United States.

Actually, however, this legislation deepened and prolonged the depression from which all the world was suffering. It also created bitter animosities in the countries which were thus suddenly barred from our markets. They adopted retaliatory measures, and world trade became increasingly burdened with tariffs, exchange controls, and other restrictive measures. Our export industries were injured and the whole country suffered.

After this war, there is a real danger that the unfortunate errors of the past will be repeated. The world may resume the trade war of the 1920's and the 1930's with further increases in tariffs and other restriction on trade. Most of the countries will be faced with serious economic difficulties. They will be anxious to protect their own industries from outside competition, at least until they can be reconstructed and modernized. There may very well be a tendency to meet these problems through tariffs and the other forms of economic isolationism. If this happens, the countries will have their eyes so narrowly focused on their own immediate needs that they will miss their larger interests and the common interest of all nations.

It is up to the United States, the country in the strongest economic position, to lead the world away from such isolationism. We must throw our weight on the side of international discussion and consultation. We must encourage the countries that trade with each other and with us to sit down together and work out mutually beneficial solutions of our joint-trade problems. The trade agreements program shows us the way. It gives us a method, tried and proven, used with great success for 11 years.

This is not a question of helping other countries. It is to our interest to expand trade to sell more and buy more. That is the way foreign trade can make a real contribution to providing jobs in this country and to raising the living standards of our people.

In the question before us it is proposed to extend the President's authority to enter into trade agreements with foreign countries for another 3 years. This extension will not be worth making, however, unless the act can effectively accomplish the purposes for which it was designed. Because of the success of the program in the past, the full possible reduction of 50 percent from the rates imposed in 1930 has already been made for many products. Unless the proposed extension is now to be an extension only in form, further reductions must be permitted.

I wish, therefore, to give my support to the provision of the Trade Agreements Act which would permit reductions up to 50 percent from the rates existing on January 1, 1945. This provision will permit us to go forward in our efforts to free world trade from restrictive barriers. It will show that we are willing to continue along the path of good friendship and cooperation laid down by President Roosevelt and Secretary Hull, and so ably carried on by President Truman. The trade-agreements program has shown the world that we are sincere in our good-neighbor policy. Just as that policy has been successful in breaking down specific tariff barriers against our products, it has also helped to break down the animosities, the bitterness, and the economic jealousies which were bred behind those tariff walls. There can be no question that the trade-agreements program helped to foster the harmony that was so essential to the successful cooperation of the United Nations in the war. This cooperation and harmony will also be essential to winning and holding the peace.

From the political point of view, it is important to realize that our trade-agreements program has been most successful with those countries with which we have strong political ties. The 28 countries with which agreements have

been made include the United Kingdom and Canada, the countries closest to us culturally and politically, many of the Latin-American nations, and the leading democratic nations of Europe. The concessions which were obtained permitted greatly increased trade to cement the bonds of political friendship.

The economic advantages of the trade-agreements program have also been very great. Here is the proof. Between 1935 and 1939, our exports to trade-agreements countries rose by more than 60 percent, while our exports to other countries increased by only half this amount. Our imports from trade-agreements countries were similarly increased much more than our imports from other nations. All of these agreements have stimulated the foreign commerce of the United States to the benefit of every State in the Union, including my own State of Wisconsin.

I know what it means to our farms to have 17 leading countries reduce their duties and increase their imports of canned and prepared fruits; to have 16 countries make possible increased exports of our meat and meat products; and to have 8 countries reduce their duties on dairy products. Even those among our producers who sell only in the United States have benefited and will continue to benefit from the expansion of trade obtained through this program. Increased industrial and agricultural exports mean increased business activity throughout the United States, which, in turn, means greater sales for every producer.

The trade-agreements program is an integral part of our program for international economic cooperation necessary for peace. It is an important way by which the United States and other countries can show that they mean to cooperate on economic as well as political problems. It is proof that the people of the United Nations will not content themselves with high-sounding phrases and empty generalities. By approving the trade-agreements bill, we will take the action needed to achieve expanding world trade on the American principles of private enterprise, vigorous competition, and fair treatment for all.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. DE LACY].

Mr. DE LACY. Mr. Chairman, it is a great privilege to add my voice in support of H. R. 3240, for continuance of the administration's 11-year-old power to negotiate reciprocal trade agreements. Americans of all walks of life, representatives of organized business, labor, and farmers appeared before the committee to ask the Congress for continued support of this measure. From my own district I have heard from businessmen, from ministers, from public-spirited men and women, from powerful labor unions, and from the chamber of commerce in the great seaport which I represent, the city of Seattle. Not one voice among them is raised in opposition to the affirmative action a majority of this House will take here tomorrow.

The Seattle Chamber of Commerce, emphasizing the great benefits brought to American business of all kinds by the reduction of foreign trade barriers through the able negotiations of the State Department, asks in particular that speedy attempts be made to negotiate with other countries with whom we do not presently have trade agreements and who, in the past, have been important lumber customers of this country.

The great lumber industry of the Pacific Northwest wants to extend the advantages it now enjoys in 17 countries, obtained through the flexible negotiations so successfully carried on under Cordell Hull.

The great aluminum, plastic, and chemical industries we hope to develop when Japan is finally crushed will likewise need the kind of helpful consideration made possible under the administrative machinery which has been developed to hear the needs of American industries and gain concessions for them across the table from buying nations.

Already our State's fruits have won beneficial concessions in agreements with 26 countries and our vegetables from 21 countries. Washington wheat has gained beneficial concessions in 7 countries; Washington flour from 12; and the great salmon-canning industry of the Northwest, which is centered in Seattle, benefits from concessions obtained in trade agreements from 21 countries.

In painful contrast to the remarkable unity with which representatives of all walks of American life are supporting the extension of power under the Reciprocal Trades Act, stand out the few special pleaders and the bitter-end isolationists whose testimony is written in the committee's voluminous record and voiced on this floor.

I have read substantial parts of the hearings and most of the opposition speeches made during this debate. I am astonished to hear Members who have distinguished themselves for their bitter opposition to all helpful labor measures of recent years spring forth suddenly in this debate as protectors and champions of American wage standards.

The only reason American wages stay within telescopic vision of living costs is organized labor's collective bargaining power, won at the cost of union men and women killed and jailed, and now forever established through forward-looking legislation championed on this side of the House and passed despite vigorous opposition from most of the Members on the Republican side.

Why, every large body of organized labor in America sent representatives to the hearings to support this measure!

I was shocked to see the ranking minority committee member stand on this floor and boast of his isolationism. After all the blood and cost of this war, after we have forced open the gates of Hitler's starvation pens, and brought into sunlight almost endless rows of tortured bodies, after thousands of our own finest young men have laid down their lives to end tyranny and win neighborliness among all nations, must we still hear the bankrupt message that America must stand alone, barricaded behind the high tariff walls to which we will return if this legislation does not pass?

The gentleman from Minnesota, if his brittle advice is followed, will lead America to suffocation in our own riches. His path will provoke recrimination and breed unregulated economic welfare. The economic isolationism which he boastfully champions will leave the world prostrate after this war and deprive American industry of vital foreign markets.

In reading the RECORD of yesterday's debate I was shocked to see that another Member of this House who consistently expresses the isolationist view, the gentleman from Wisconsin, inserted a long, bitter, and unfounded attack upon the leader of an Allied and friendly nation, heroic Yugoslavia, whose people rose barehanded in the might of their just cause to hurl Hitler's legions from their land.

Since the gentleman did not mention reciprocal trade agreements or state which side of the present debate he is upon, one can only infer that his attack upon this ally proceeds from a fear that the passage of H. R. 3240 will strengthen our ties with all countries, and particularly with the governments of and by the people which are now arising upon the face of Europe, one of the choice fruits of this great and bloody war.

I will say to the House that with my own ears I heard the gentleman from Wisconsin quoted with obvious satisfaction 2 days after the Crimean Conference, on April 14 to be exact, on a Tokyo broadcast, which repeated his charge that our late President had sold out freedom's cause at Yalta.

Is this last-ditch isolationism the leadership our country wants us to follow?

I think not.

The American people want to win against Japan. They want peace, something that is not an illusion, but a sound friendship between our country, the Soviet Union, Great Britain, China, France, and all other countries.

We cannot have that friendship, we cannot have the prosperity we mean to build for our own people, without being as willing to buy from our friends abroad as we are eager to sell.

In the moving words of the venerable chairman of the distinguished committee which brings this recommendation to us—

> If this war has taught us anything worth while, it ought to be that no nation is, or can be, isolated, self-contained, or set apart from the world in fancied security either in peacetime or wartime.
>
> I am older than most of you in this House, but I am proud to stand here today for a program that has in it courage, youth, and vitality of the kind that made this Nation great, instead of the cringing, fearful, bogeyman attitude of some of my good friends who really show their age by their timidity.
>
> Neither economic nor political isolation is possible for any country which hopes to take its proper place as a first-class world power. To try to depend on such isolation is to defeat the trends of modern industrial forces which bring the world closer together.

We are not discussing only a trade agreement, important as that is, but a great step toward peace and economic security for America and the world.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield such time as he

desires to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, the tariff always has been and still is a local issue. It is perfectly natural and proper that a local community should be primarily interested in the well-being and prosperity of that particular community. The same philosophy applies to the State, the region, and the Nation. It is just a matter of degree or size. In the beginning there were but 13 States. That was our national community. Then there were 48 States. That was our national community. In due season, Alaska, Hawaii, Puerto Rico, and the Philippines in a way became a part of our national community.

Today we find our country in an undreamed-of world-wide war, and there is sitting in San Francisco a conference the result of which will be a further extension of the community spirit. Our international picture is entirely different than it was just a few years ago.

In consequence, legislative approach on the part of the Congress does in many instances require reappraisement.

So far as the tariff issue is concerned, there have been two schools of thought down through the years. There always have been those who opposed any tariff barriers between the countries of the world. They believed in free trade between the nations at all times and under all conditions. On the other hand, there were those among us who believed in a protective tariff system for our country. From my earliest days of understanding, I have allied myself with the latter group. I know, and even the most ardent free trader must concede, that our country has become great and prosperous, and that our present standard of living and the America which we so much appreciate have been brought about and developed under a protective tariff system. Mr. Chairman, I have no apologies but have only praise and admiration for this system under which we have thrived, and I do not want to abandon the protective tariff doctrine.

Now, if this system is to be retained, how can it best be maintained in a way that will be beneficial to all of us, at home and abroad?

Mr. Chairman, when I came to Congress the Underwood tariff law was in force. Shortly after the close of World War I our economic conditions were such that it was necessary for the Congress to pass an emergency protective tariff law. Then, in 1922 the McCumber-Fordney law was enacted, only to be followed by the Smoot-Hawley law in 1930. The tariff rates in these laws were written here in the Congress. Undoubtedly some of them were too high, and possibly some were too low; nevertheless, some just and much unjust criticism has been aimed at these rates.

In 1934 the reciprocal trade agreement law was enacted and has been in force up to this time. A world-wide depression and a world-wide war have intervened. The reciprocal trade agreements law has not given us prosperity; neither has it kept us out of war. This innovation in tariff-making has been experimental in character; that is, a time limitation was placed in the original act granting authority to the President to make these agreements. On two occasions this time limit has been extended, and I voted for the extension in each case. On June 12, 1945, the act will expire unless the Congress, in its wisdom, renews it.

So, the real questions before Congress at the moment are: 1. Shall the Reciprocal Trade Agreements Act be continued? 2. Shall the power of the President to further lower tariff rates be amplified?

The Committee on Ways and Means is unanimous in its report that the present law should be continued for a fixed period. The committee is divided as to the advisability of granting additional tariff-making powers to the Executive. In short, the one controversial question which we will decide by our votes at the conclusion of this debate is as to the additional power to be given to the Executive to lower existing tariff rates. This debate is reminiscent of bygone tariff discussions. Very little, if anything, new has been said or could be said for the principle of a protective tariff. To me it is just a question of then and now, in thinking in terms of yesterday or in terms of tomorrow. Economic conditions everywhere are chaotic. A war economy, not a peacetime and prosperous economy, obtains in every nation on earth.

If this conclusion is correct, then I ask: Would it not be wise to extend existing law for such a period as is necessary to determine what the requirements of the future may be? The value of any law depends upon its administration. If the President or the party in power should believe thoroughly in free trade, then this law would be administered in a way to implement the belief of the administration. By the same token, if the administration should believe in a protective tariff system, then that objective would be sought in the administration of the law. After all, much would depend upon the tariff philosophy of the administrator. The same is true if tariff rates are written in the Congress, and there is no gainsaying the fact that the tariff is and has been a political issue, try as we will to take it out of politics. For my part, I have endeavored to accept the world picture as it is and not as we might wish it were. A realistic concept of present conditions must persuade us that world-wide economic stabilization is most desirable and necessary. I do not favor granting additional powers to the Executive until the necessity for such action is abundantly evident.

When this bill is read for amendment, I shall vote for such perfecting amendments as seem advisable. I believe that the sound, economic and political thing to do is to continue the present law for 2 or 3 years, remembering at all times that future Congresses are not foreclosed from action by what we do here today. The American people can always be trusted when they are cognizant of the facts, and I have faith that the representatives of the people in the Congress will respond to the desires and requirements of their constituents. I shall vote to eliminate the provision in this bill permitting an additional 50 percent cut in rates at this time. However, if this cannot be accomplished, then I shall vote to send the bill on to the Senate for further consideration. After Senate action, the bill will be returned to the House, and the vote that counts will be on the conference report composing the differences between the two bodies. The present law should be, and will be, extended.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, I take this opportunity to ask the gentleman from Wisconsin to answer the question I attempted to propound to him previously. May I ask him at this time, does the gentleman agree with the action of the administration in reducing the tariff on Wisconsin cheddar cheese 42 percent under 1930 rates?

Mr. BIEMILLER. I see no evidence of any great suffering on the part of the cheese industry of Wisconsin.

Mr. H. CARL ANDERSEN. The gentleman is evading the question. Does the gentleman agree with that reduction?

Mr. BIEMILLER. I am stating my views on the matter in answer to your question. I see no harm done to the cheese industry during the past years under the action taken under the reciprocal trade agreements act.

Mr. H. CARL ANDERSEN. In other words, I understand the gentleman agrees with that reduction.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, at this late hour I shall not detain the House except for a few brief moments. I take this time to express the opinion that the overwhelming unselfish sentiment of the country is decidedly in support of the pending legislation. This is reflected in the editorials appearing in the leading newspapers throughout the country. I read the papers rather carefully and I do not think I exaggerate when I say that at least 75 percent of the newspapers of the country give their support editorially to this legislation.

I want to read from the Charlotte Observer of May 18, this paper having the largest circulation of any paper in the two Carolinas. It is an independent paper and has been by no means friendly to much of the New Deal. The article is as follows:

THE DOUGHTON BILL

The Doughton bill to extend for 3 years the system of reciprocal trade treaties and to authorize the reduction of certain specified tariffs by as much as 50 percent is meeting with unexpected opposition from Republican Members of Congress.

Just why such vehement objection has been raised to the extension of the most successful and beneficial foreign trade arrangement ever devised for this country is hard to understand, unless it is merely the result of an ingrained Republican habit of fighting any reduction in tariff without regard to the economics involved.

Their opposition has been attended by some outright misrepresentation. The authority to grant a reduction of 50 percent in certain tariffs in effect January 1, 1945, they argue, will result in an actual reduc-

tion of 75 percent from the Smoot-Hawley rates.

Even if this were true it would not be catastrophic, for the Smoot-Hawley bill established the highest tariffs ever devised for this country. But it is not true. The authority to make these reductions is discretionary, and will be exercised only if the need arises. Moreover, 50 percent is the extreme limit of such reduction, and the circumstances may dictate a much smaller reduction in many cases.

There is no question that the reciprocal trade treaties have been beneficial to industry, to labor, and to agriculture. A mere glance at United States foreign-trade statistics for the year 1934, when the act was first passed, and a comparison with similar figures for 1939 will show the results.

Our nonagricultural exports during that period increased by $935,000,000 and our nonagricultural imports gained by $356,942,000.

In the same period countries with which we signed reciprocal treaties made concessions on 75 percent of the farm products that they bought from us; whereas we reduced tariffs on only 25 percent of our own farm products.

At the same time, employment in industry increased by 2,000,000 jobs.

No more opportune time could be imagined for the renewal of this system than now while the San Francisco Conference is in progress, for it would demonstrate to the foreign delegates gathered there that we intend to pursue our effort to put international economics on a sound basis.

It is generally agreed by economists that the Smoot-Hawley tariff was one of the contributing causes leading up to the present war. In self-defense, other nations had to erect high tariff walls around their industry until the continent of Europe was a veritable labyrinth of customs barriers that in some cases almost paralyzed trade among nations.

Mr. KNUTSON. Mr. Chairman, I yield myself 1 minute.

Of course, it is easy for an editorial writer who sits on a cushioned swivel chair to theorize, but sometimes it is hard for him to put himself in the place of the man who carries a dinner pail or works a farm. We saw what happened after the last war when it was necessary for the Congress—and both sides of the aisle joined in the movement—to pass the emergency tariff act to stop the flood of imports that were coming into this country. All we are trying to do is to take a lesson from the past and to guard against a repetition of that tragic period.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HAYS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3204) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, had come to no resolution thereon.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1946

Mr. COFFEE, from the Committee on Appropriations, reported the bill (H. R. 3306) making appropriations for the government of the District of Columbia, and other activities, chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes (Rept. No. 614), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

Mr. JENSEN reserved all points of order on the bill.

EXTENSION OF REMARKS

Mr. PRIEST (at the request of Mr. COFFEE) was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. COFFEE asked and was given permission to extend his remarks in the RECORD in two instances and include excerpts from letters and newspaper editorials.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. LEONARD W. HALL (at the request of Mr. JENSEN) was given permission to extend his remarks in the RECORD in two instances and include certain addresses.

Mr. PITTENGER (at the request of Mr. JENSEN) was given permission to extend his remarks in the RECORD and include a newspaper item.

Mr. GAVIN (at the request of Mr. JENSEN) was given permission to extend his remarks in the RECORD and include a statement by the Independent Petroleum Association of America.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that at the conclusion of all other business today, I be permitted to address the House for 10 minutes and to revise and extend my remarks and include certain excerpts, quotations, and citations.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection

MINORITY REPORT ON H. R. 2211

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent that I may have until midnight of next Wednesday to file a minority report on the bill H. R. 2211.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

RUBBER

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, in the swirl of war and the wash of fast-moving world events, we, on the home front, may, at times, lose sight of the many miracles accomplished by the men of American science and production since the Japs' treacherous attack on Pearl Harbor in 1941. Without their genius, labor, and tenacity of purpose, it is doubtful whether our country would have been able to produce the sinews of war that defeated the Axis in Europe and is hastening victory for our arms in the Pacific. One of the most critical items for war or peace is rubber. Shortly after the Pearl Harbor attack and the fall of Singapore, 95 percent of our supply of natural rubber was automatically shut off. With no alternative and starting practically from scratch in 1941, this country turned to the development of making rubber from chemicals. I was interested, therefore, to read the press accounts of a speech last week in St. Louis by S. T. Crossland, executive vice president of Rubber Reserve Company, who stated that the American synthetic rubber program must be geared to produce in 1945 almost as much rubber as was used in the entire world prior to 1941. Furthermore, I deem it worthy of note that American synthetic rubber production, starting from a little above zero, rose from 3,599 tons in 1942 to 737,092 tons in 1944. From Mr. Crossland's speech I learned that the projected rubber production for 1945 is 1,000,000 long tons and for 1946, 1,200,000 long tons, or 124 percent and 145 percent, respectively, of the over-all rated capacity for which the plants were originally designed.

Inasmuch as rubber plays such a vital role in the American war machine as well as in our civilian economy, there are other parts of Mr. Crossland's speech that are deserving of attention. He pointed out, for instance that:

There are many factors which indicate a continuing increase in rubber consumption for several years during the postwar period. In summarized form they are:

1. Because of world-wide large-scale building and reconstruction programs, demand for truck and bus transportation, with consequent heavy tire demand, is to be expected.

2. Passenger automobile owners throughout the world have built up a tremendous deferred tire demand, which it will probably take several years to fully satisfy.

3. Truck, bus, and tractor owners will likewise have built up deferred tire demands.

4. Manufacture of both passenger and commercial vehicles is expected to reach new peaks during the immediate postwar years.

5. The use of rubber in products other than tires has been absorbing an increasing percentage of the total rubber consumption, and this trend may be expected to continue and possibly to be intensified.

6. It is reasonable to assume that military demand may continue fairly strong for a number of years after the cessation of hostilities, as a result of activities in occupied territories, demobilization activities, and routine military maneuvers involving motorized and mechanized equipment.

To supply the vast amounts of rubber which will be needed in the course of the next several years the known production sources are:

a. The United States, Canadian, and Russian synthetic rubber industries.

b. The natural rubber trees which are not at the present time in possession of the enemy.

c. The far-eastern natural-rubber trees which can be restored to production after liberation of the occupied areas.

d. The synthetic rubber industries of enemy and enemy-occupied territories.

It would appear that the practical potential of the synthetic-rubber-producing industries in the United States and Canada is approximately 1,200,000 long tons. The natural-rubber-producing capacity of presently accessible areas is estimated at 200,000 tons per year.

The generally accepted potential production of the far eastern territories is about

1,400,000 tons per year but there is considerable diversity of opinion about the length of time which will be required to rehabilitate the areas and restore them to regular production.

It is generally conceded, however, that it will be necessary for the synthetic-rubber plants of the United States Government to continue to operate at their highest rate of capacity until, and several years after, the liberation of the lands in which rubber grows. One can only hazard a guess as to when that will be.

The results of continuing developments with respect to the utility and cost of synthetic rubber and the relationship between supply and demand for world needs, after the complete rehabilitation of natural production in the Far East, will largely govern the future of the rubber industry.

There has been a wide range of conjecture in this country on the subject of German synthetic rubber. Because of the circumstances of war, it was possible to obtain only the most meager information about the enemy's rubber, its quality or the techniques of its production.

Now, however, considerable information regarding the quality of German rubber and the methods used in its manufacture is available to us. Upon the basis of this information it is believed that German rubber is of a different type than, and in many respects the quality is inferior to, American rubber.

A particular deficiency of German synthetic rubber is in its processing characteristics. GR–S, the general purpose synthetic rubber made in this country in the Rubber Reserve Company program, can be processed much easier and, consequently, is considered more suitable for large-scale manufacturing operations.

Notwithstanding the probability of the general superiority of American synthetic rubber, we hope to obtain additional information about the German product which might be of value in solving some of our particular problems.

Already, an extensive study has been started on certain chemicals used by the Germans which may be a benefit to our program.

It has been the general policy of RRC in all its activities to call upon those branches of American industry which are best able to perform the task at hand. This policy has prevailed during the entire synthetic rubber program. The rubber, chemical, petroleum, and industrial companies participating in the Government's rubber program are those which were originally recognized to have the greatest amount of experience and knowledge in their respective fields.

The synthetic rubber production in the Government's program has already attained a rate which far exceeds the total annual quantity of natural rubber ever consumed in this country prior to the war. It is now being relied upon to produce in the future at a rate which exceeds the total annual quantity consumed in the entire world during any one of the 10 years preceding the war.

That is a great tribute to the ingenuity, skill, and technical and managerial ability of the participating companies. The results of the synthetic rubber program strongly reaffirms the reliance which was placed upon such companies to do the job which had to be done.

The SPEAKER. Under previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 15 minutes.

A BILL TO CONTROL GOVERNMENT PRINTING

Mr. REES of Kansas. Mr. Speaker, during the war period under War Production Board and other directives, our Government has drastically curtailed the use of newsprint and newspapers and paper for periodicals and books. The Government has sponsored and is now sponsoring waste-paper drives throughout the country, calling attention to the critical necessity for every citizen to save paper. The people of the country have cooperated wonderfully in that effort.

Despite these measures the Federal Government itself is the greatest waster of paper in the entire country, if not in the world. It has been estimated by responsible Government officials that the total expenditures in connection with Government printing range from $300,000,000 to $1,000,000,000. At least one-half of this money is absolutely wasted because of improper controls, lack of standardization, and grossly inefficient management. Forms and questionaires by the thousands used for identical purposes vary from agency to agency and department to department. Every department and every agency has its own forms and its own questionnaires so that we have duplication and multiplication by the hundreds and thousands on the same subject matter. This lack of standardization causes needless expense and needless use of manpower and material, including hundreds of tons of obsolete forms that are wasted because there is no centralized control of their preparation. I am informed by one agency that it has tons of one form of paper that would last its agency for at least 50 years. I am advised the form used for retirement is the only really standardized form in Government. Even the simple slip used for the purpose of granting leave has more than 200 forms in our Government. We have a ridiculously absurd condition which cannot continue if we are in earnest in our desire to really eliminate waste in Federal Government.

At present the Government is operating under printing laws which for the most part were enacted 50 years ago when the costs and volume of printing were a small fraction of what they are today, and when problems of control were not so acute. Originally when the Printing Act was passed in 1895, it was assumed all Government printing would be done at the Government Printing Office. I do not believe it was the intent of Congress to place power and authority in the hands of the Public Printer to direct the purchase of hundreds of millions of dollars of printing that is done clear outside of the Government Printing Office. That was not intended as the Public Printer's job. It is the job of a procurement officer or agency. A great majority of our people think that Government printing is practically all done in the Printing Office today. However, I find that only about 10 percent of our printing is done at the Government Printing Office, and I find further that the Public Printer is the procurement officer for the purchasing of hundred of millions of dollars' worth of printing that is not done by the Government Printing Office.

Under present procedure hundreds of bureaus and divisions of our departments purchase printing after going through the formality of securing a waiver from the Public Printer. As a result of that procedure millions of dollars' worth of printing is being done haphazardly by agencies with the approval of only the head of the division. There is no real working central purchasing agency for Government printing.

Mr. Speaker, I quote from a report that was prepared at the request of our own governmental agencies entitled "A Report on the Reproduction and Distribution of Printed Matter for Executive Agencies in the Washington Metropolitan Area," which states:

> Few functions of the Government are the subject of such a multitude of laws, rules, or regulations from such a variety of sources as are printing, binding, and processing. It seems hardly possible that a relatively simple problem should have become so complex.

The report further states:

> If proper savings were made for the entire Federal Government, there could be a saving in white paper in the tremendous amount of 250,000 tons.

The situation with respect to printing in our Government demands the immediate attention of this Congress. It has gotten to a place where it is clogging and slowing down the business of government.

I am today introducing a bill which, if enacted into law, will correct the intolerable situation which exists in connection with our Government printing problems. This bill will give emphasis to the original intention of Congress, which is that the Government Printing Office should be a production agency and not a control, procurement, or purchasing agency. The bill provides there should be established within the Bureau of the Budget a Division of Printing Control which shall establish uniform standards and policies with respect to essentiality, format, and the amount of all Government printing, binding, and blank-book work. It is provided that the policies and standards formulated by the Budget Bureau shall be followed by the executive agencies, departments, and independent establishments. The bill further provides that all departments and agencies of the Federal Government shall secure printing, binding, and blank-book work through the Procurement Division of the Treasury Department when this Division is satisfied that the printing order conforms to the policies and standards of the Budget Bureau. The Procurement Division is empowered to contract for the printing, binding, or blank-book work with private firms upon the basis of open competitive bidding. The bill contains the proviso that all outside contracts for such work shall include the provision that employees hired by the contractors shall be paid at the prevailing wage rates, which is not the case today.

The bill compels the executive department, agencies, and independent establishments to eliminate nonessential printing and duplicating and provides that they must use the most economical duplicating processes and facilities. It is stipulated that all departments, agencies, and independent establishments of the Government shall furnish a report to the Congress regarding the number of employees in the Government who are

engaged in any duties relating to printing and duplicating, including designing, editing, proofreading, production, procurement, storage, distribution, and so forth. An advisory committee is set up, consisting of representatives from the departments and agencies of the Government for the purpose of advising the proposed division of printing control in the Budget Bureau regarding methods of simplifying, standardizing, and reducing the printing, binding, and blank-book work required by the Federal Government.

The bill is offered as an objective approach to the solution of the printing problems with which the Government is faced today. If measures such as are provided for in the bill were adopted by the departments and agencies of the Government at the beginning of the war, much time and money would have been saved and less confusion would have resulted. In placing the purchase and procurement of printing on a businesslike basis under the direction and control of responsible Government agencies I estimate that more than $100,000,000 a year will be saved as well as the elimination of thousands of unnecessary employees and a tremendous amount of expensive, idle equipment.

Mr. Speaker, this bill is presented on a nonpartisan basis. I believe it will have the support of President Truman, who, from his experience as a member of the Joint Committee on Printing, is aware of the problems and waste in Government printing to which I refer.

For the past 4 years I have been studying this problem very carefully, and I have given it a considerable amount of my time. The meritorious provisions of the bill are quite obvious, and I urge the immediate consideration of the bill in the interests of good businesslike practices in Government.

I have in my hand a clipping from one of the metropolitan newspapers stating that the Printing and Publishing Division of the War Production Board has reported that because Federal agencies have been ordering paper in excess of available supplies, inventories may be further reduced during the next quarter of the year. This, it seems to me, is a further indication for the need of this legislation.

The SPEAKER. Under previous order of the House, the gentleman from Alabama [Mr. HOBBS] is recognized for 10 minutes.

FEPC

Mr. HOBBS. Mr. Speaker, the FEPC bill needlessly imperils the proud American tradition that the humblest accused is entitled to a fair trial. The end allegedly sought may be achieved under existing law.

Where bureaucrats are authorized to make the law under which they are to operate, then to decide who is to be prosecuted for an alleged violation of such law, then to conduct the hearing, and finally to judge the accused as to his guilt and fix his punishment, that is the antithesis of anything that may be called a fair trial.

But we are asked to add insult to injury when, after proscribing judicial trial, and denying the right of trial by jury, it is proposed to outlaw any real judicial review.

"Fairness" is "the essence of due process"—*Morgan et al.* v. *U. S. et al.* (304 U. S. 1, 19).

> The maintenance of proper standards on the part of administrative agencies in the performance of their quasi-judicial functions is of the highest importance and in no way cripples or embarrasses the exercise of their appropriate authority. On the contrary, it is in their manifest interest. For, as we said at the outset, if these multiplying agencies deemed to be necessary in our complex society are to serve the purposes for which they are created and endowed with vast powers, they must accredit themselves by acting in accordance with the cherished judicial tradition embodying the basic concepts of fair play (*Morgan et al.* v. *U. S. et al.* (304 U. S. 1, 22)).

> A situation in which an official perforce occupies two practically and seriously incofisistent positions, one partisan and the other judicial, necessarily involves a lack of due process of law in the trial of defendants charged with crimes before him (*Tumey* v. *Ohio* (273 U. S. 514, 534)).

> No matter what the evidence was against him, he had the right to an impartial judge (*Tumey* v. *Ohio* (273 U. S. 514, 535)).

PLACE OF TRIAL

Even the Court of Star Chamber held its sessions in London—a fixed place, known in advance. The Court of Star Chamber got its name from the "star chamber" in which it met. This courtroom was within 600 miles of the most remote home in "the tight little island." The Court of Star Chamber was a real court—a judicial tribunal, not a kangaroo court. But Englishmen rightly felt that the Court of Star Chamber was an inexcusable deprivation of the right of a free man to a trial in the vicinity of his home and of the res gestae, by a court held in, and by a jury of that county. So they revolted against such tyranny. Parliament abolished the court. But it had required four centuries to complete the reform after freemen first arose, and through their representatives, the Barons, wrung from the unwilling hand of King John, at Runnymede, the Magna Carta, which granted and guaranteed the right to local judicial trial and by a local jury. This Magna Carta became part of the common law of England, which we adopted as the basic law of the United States, and of every State of our Union except Louisiana, where the "Code Napoleon" was continued. So important was it deemed by the founding fathers of our Republic that it was enshrined in our Constitution and Bill of Rights.

In spite of this rich heritage of hard-won freedom from tyranny, this FEPC bill would kill these rights and substitute a "hearing"—they do not even dare to call it a trial—before a kangaroo court, probably composed of only one kangaroo, to be held at any place fixed in the notice of the hearing. You may live at Key West, Fla. The notice of hearing may fix the place of hearing at Seattle, or in Alaska, Japan, or Germany.

CONCLUSION

Of course, it is contended that court litigation is "too hazardous, too cumbersome, too expensive, and too slow."

Lynching is more certain, simpler, and faster. A kangaroo court differs from a mob only in the number of participants. The blood lust is the same, the contempt for law is the same, the result is the same.

If what you desire is punishment of the victim selected by Judge Lynch, whether guilty or innocent, pass the FEPC bill and you will have an ideal modus operandi. Thereby you will get exactly what you want. There will be then no hazard—punishment will be certain. It would be less cumbersome, for it would be prohibited to comply with the requirements of procedure that assure justice and which earned for courts of law the tribute of the appellation "courts of justice." It would be as fast as a bullet speeding to its predetermined mark. But its cost would exceed the expense of court litigation as the cost of war exceeds that of peace. The cost of killing one individual German or Jap may be small, if we reject from our calculation the pro rata share of the total war expenditure. But the cost of each enemy death is tragically high when we consider the $300,000,000,000 war debt, and infinitely more if we include the loss of our boys who paid the supreme price with their lives, their limbs, or faculties.

No, the specious excuses for the FEPC plan to substitute lynch law for justice are as insane as Hitler's glorification of war as the necessary and best means of settling international disputes.

The wisdom of Mr. Justice Robert H. Jackson's warning against prostituting the courts of justice to satisfy the lust for the blood of war criminals illustrates the real reason why the proponents of the FEPC bill seek to deprive those they agreed as enemies of the right to a fair, judicial trial.

Said Mr. Justice Jackson:

> There are certain things you cannot do under the guise of judicial trial. Courts try cases, but cases also try courts. You must put no man on trial before anything that is called a court if you are not prepared to establish his personal guilt.

He continued in his speech to the American Society of International Law:

> Men of our tradition cannot regard as a trial any proceeding that does not honestly search for the facts, bring forward the best sources of proof obtainable, critically examine testimony.

Mark you, this was said with reference to trying Hitler, Goebbels, et al. How much stronger is his argument when considered in the light of FEPC trials of free-born fellow American citizens?

We who have the honor to oppose the FEPC bill believe in the Constitution of the United States and the guaranties of its Bill of Rights; we oppose the rape of that immortal document, and lynching in any guise.

ESTABLISHMENT OF A BUREAU OF MEDICINE AND SURGERY IN THE VETERANS' ADMINISTRATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks and include a bill I have introduced today to establish a Bureau of Medicine and Surgery in the Veterans' Administration.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am very happy because I feel that in introducing this bill, with the belief that it will pass, a great victory has been won in securing more adequate care for the veterans of World War I and World War II, as well as the veterans of the Spanish-American War. I have not been patient, Mr. Speaker, but I have been persistent. Since 1926 I have been trying to secure the establishment of a Bureau of Medicine and Surgery in the Veterans' Administration. I have introduced various bills to that effect. Of late years there has been an increasing need for it. This year I introduced still another one, and have been waiting for General Hines to make recommendations as to what the Veterans' Administration would approve and endorse. This bill is similar in most respects to the bill I introduced earlier this year, and includes certain suggestions that the Veterans' Administration has made. I received suggestions for the bill this morning. Since, according to the press, General Hines was at the White House with the President this morning, I assume it has the green light to go ahead. Some weeks ago I had a conference with President Truman regarding the establishment of a Medical Corps and a Department of Veterans' Affairs. When I left, he said I could quote him as saying that he would try to work out something that I would be satisfied with. From now on, the Medical Corps will receive adequate support from the Veterans' Administration, and will have more hospitals, more beds, more nurses, more doctors, more physiotherapists, more personnel generally, and a better chance for the doctors to study medicine. It will be of untold value to the disabled veterans all over the United States. I am hopeful that it will be followed by the establishment of a Department of Veterans' Affairs. Only yesterday I received word that the outpatient treatment office space that was to have been given them in the Federal Building has not yet been released by the Bureau of Internal Revenue. If the head of the Department of Veterans' Affairs were seated at the Cabinet table, as a member of the Cabinet, I am sure those matters would be arranged at once.

Mr. Speaker, the bill I introduced today is as follows:

A bill to establish a Bureau of Medicine and Surgery in the Veterans' Administration

Be it enacted, etc., That there is hereby authorized and established in the Veterans' Administration a Bureau of Medicine and Surgery, under a surgeon general. The functions of the department shall be those necessary for a complete medical and hospital service to be prescribed by the Administrator of Veterans' Affairs pursuant to law, and regulations established pursuant to law.

SEC. 2. The Bureau of Medicine and Surgery shall include the following: Medical Corps, Dental Corps, Nurse Corps, and Administrative Corps (including laboratory technicians, therapists in physical medicine, pharmacists, dietitians, librarians, social workers, and supply and maintenance).

SEC. 3. The Medical Corps shall consist of the following members: 1 surgeon general with the temporary grade of chief director, who shall be responsible to the Administrator of Veterans' Affairs for the Bureau of Medicine and Surgery; 1 deputy surgeon general and 7 assistant surgeons general with the temporary grade of senior director; 120 in the grade of director; 183 in the chief grade; 455 in the senior grade; 727 in the full grade; and 1,091 in the associate grade.

SEC. 4. The Dental Corps shall consist of (a) dental officers—1 assistant surgeon general with the temporary grade of senior director, 14 in the grade of director, 20 in the chief grade, 51 in the senior grade, 81 in the full grade, and 122 in the associate grade; (b) dental laboratory technicians—6 in the full grade, 15 in the associate grade, 150 in the assistant grade; (c) dental hygienists—20 in the associate grade and 80 in the assistant grade.

SEC. 5. The Nurse Corps shall consist of the following members: 1 director of nurses with the grade of director, 8 officers in the chief grade, 100 officers in the senior grade, 260 officers in the full grade, 4,000 officers in the associate grade, and 11,670 officers in the assistant grade.

SEC. 6. The Administrative Corps shall be under the direction of an assistant surgeon general authorized under section 3 of this act, and shall consist of the following services and members: (a) Laboratory technicians—1 officer in the chief grade in charge of the clinical laboratories, in addition to 6 officers in the senior grade, 30 officers in the full grade, 150 officers in the associate grade, and 400 officers in the assistant grade; 1 officer in the chief grade in charge of the roentgenology laboratorians, in addition to 4 officers in the senior grade, 20 officers in the full grade, 150 officers in the associate grade, and 200 officers in the assistant grade.

(b) Therapists in physical medicine: 1 officer in the chief grade in charge of physical therapy technicians, in addition to 25 officers in the senior grade; 75 officers in the full grade; 125 officers in the associate grade; and 600 officers in the assistant grade. One officer in the chief grade in charge of occupational therapy technicians in addition to 10 officers in the senior grade; 75 officers in the full grade; 96 officers in the associate grade; and 600 officers in the assistant grade. One officer in the senior grade in charge of physical directors, in addition to 30 officers in the full grade and 20 officers in the associate grade. One officer in the senior grade in charge of recreational aides, in addition to 1 officer in the full grade; 96 officers in the associate grade; and 100 officers in the assistant grade.

(c) Pharmacists: 1 officer in the chief grade, 8 officers in the senior grade, 40 officers in the full grade, 75 officers in the associate grade, and 40 officers in the assistant grade.

(d) Dietitians: 1 director, 5 officers in the chief grade, 73 officers in the senior grade, 160 officers in the full grade, 239 officers in the associate grade, and 325 officers in the assistant grade.

(e) Librarians, 1 director; 2 officers in the chief grade; 23 officers in the senior grade; 200 officers in the full grade; 300 officers in the associate grade; and 275 officers in the assistant grade.

(f) Social work, 1 director; 8 officers in the chief grade; 100 officers in the senior grade; 300 officers in the full grade; 1,200 officers in the associate grade; and 200 officers in the assistant grade.

(g) Utility, 1 director; 20 officers in the chief grade; 45 officers in the senior grade; 100 officers in the full grade; 75 officers in the associate grade; and 50 officers in the assistant grade.

(h) Supply, 1 director; 4 officers in the chief grade; 26 officers in the senior grade; 46 officers in the full grade; 50 officers in the associate grade; and 144 officers in the assistant grade.

(i) Personnel, 1 director; 2 officers in the chief grade; 20 officers in the senior grade; 35 officers in the full grade; 40 officers in the associate grade; and 55 officers in the assistant grade.

(j) Management, 1 director; 70 officers in the chief grade; 75 officers in the senior grade; 85 officers in the full grade; 100 officers in the associate grade; and 125 officers in the assistant grade.

SEC. 7. The several corps shall include a commissioned regular corps and a reserve corps. All commissioned officers and noncommissioned members of any corps shall be appointed without regard to civil-service laws and shall be compensated without regard to the Classification Act of 1923, as amended. Commissioned officers shall be appointed by the President upon recommendation of the Administrator of Veterans' Affairs.

SEC. 8. Not more than an increment of 50 percent in each grade below that of senior director shall be appointed in the first fiscal year in which the act becomes effective, and thereafter appointments may be made in increments of not more than 25 percent of the whole number authorized until the original vacancies created by this act have been exhausted. The first increment shall be filled by appointment of personnel on duty with the Veterans' Administration, or of any transferred service or institution, or on furlough status with the military forces on the date of the approval of this act. All appointments subsequent to the first increment shall be made either from such personnel, officers or former officers of the Army, Navy, or Public Health Service, or persons who may have been appointed in the Reserve Corps as authorized herein under such regulations as the President may prescribe: *Provided*, That all persons appointed in the Bureau of Medicine and Surgery shall be citizens of the United States.

SEC. 9. Commissioned officers and qualified technical or professional noncommissioned personnel may be assigned by the Surgeon General to be chiefs of administrative units. Such assignments shall not affect the pay of commissioned officers so assigned except that when any commissioned officer below the grade of director is assigned to serve as chief of a division such officer, during the period so assigned, shall have the temporary grade and receive the pay and allowances applicable to the grade of director.

SEC. 10. (a) The surgeon general shall be appointed from the Regular Corps for a 4-year term by the President upon the recommendation of the Administrator of Veterans' Affairs. Upon the expiration of such term the surgeon general, unless reappointed, shall revert to the grade and number in the Regular Corps that he would have occupied had he not served as surgeon general.

(b) All original appointments, except to the office of surgeon general, and all promotions shall be based upon recommendation of a board appointed by the President upon recommendation of the Administrator of Veterans' Affairs, and consisting of a qualified representative of each of the major fields of medicine.

SEC. 11. (a) The surgeon general shall assign one commissioned officer from the Regular Corps to administer the office of the surgeon general, to act as surgeon general during the absence or disability of the surgeon general or in the event of a vacancy in that office, and to perform such other duties as the surgeon general may prescribe, and while so assigned he shall have the title of deputy surgeon general.

(b) The surgeon general shall assign seven commissioned officers not below the chief grade from the Regular Corps to be chiefs

of divisions and while so serving they shall each have the title of assistant surgeon general.

(c) The surgeon general shall designate the assistant surgeon general who shall serve as surgeon general in case of absence or disability, or vacancy in the offices, of both the surgeon general and the deputy surgeon general.

(d) The surgeon general, during the period of his appointment as such, shall be of the same grade, with the same pay and allowances as the surgeon general of the Army; the deputy surgeon general and the assistant surgeons general while assigned as such, shall have the grade corresponding with the grade of brigadier general, with the same pay and allowances.

(e) The grades of commissioned officers of the Bureau of Medicine and Surgery are established and shall correspond with grades of officers of the Army as follows:

(1) Officers of the director grade, colonel.

(2) Officers of the chief grade, lieutenant colonel.

(3) Officers of the senior grade, major.

(4) Officers of the full grade, captain.

(5) Officers of the associate grade, first lieutenant.

(6) Officers of the assistant grade, second lieutenant.

(f) The Administrator of Veterans' Affairs with the approval of the President (1) may prescribe titles appropriate to the several grades referred to in subsection (e) for commissioned officers of the service, in subsection (g) for noncommissioned personnel, and (2) may prescribe appropriate titles for the heads of divisions, sections, or other units which may be established in the Bureau of Medicine and Surgery. All titles of officers of the Reserve Corps shall have the suffix "Reserve."

(g) The several corps shall include such members of the following grades of noncommissioned personnel as may be approved by the Administrator of Veterans' Affairs: Warrant grade, principal grade, master grade, technical grade, staff grade, junior grade, and auxiliary grade.

(h) Nontechnical and clerical employees may be employed subject to existing laws and regulations pertaining to the civil service.

SEC. 12. After the original appointment to the grade of surgeon general, or head of any component corps or service, a vacancy occurring in that grade shall be filled by appointment from members of the corps or service who have served not less than 2 years in the next two highest permanent grades.

SEC. 13. (a) Except as provided in subsections (c) and (d) of this section, original appointments to the Regular Corps may be made only in the assistant, associate, and full grades and original appointments to a grade above assistant shall be made only after passage of an examination, given in accordance with regulations of the Administrator of Veterans' Affairs.

(b) Original appointments to the Reserve Corps may be made to any grade up to and including the grade of director but only after passage of an examination given in accordance with regulations of the Administrator of Veterans' Affairs. Reserve commissions shall be for a period of not more than 5 years and any such commission may be terminated by the President at any time, in his discretion.

(c) In the case of personnel on duty with the Veterans' Administration, or of any transferred service or institution, or on furlough status with the military forces on the date of the approval of this act, appointments in the Regular Corps may be made without examination to such grades as the Administrator of Veterans' Affairs may recommend and the President may approve, taking into account the character of the services being performed, and the compensation being received by such individuals.

(d) Whenever commissioned officers of the corps are not available for the performance of permanent duties requiring highly specialized training and experience, the Administrator of Veterans' Affairs, on recommendation of the Surgeon General, shall report that fact to the President and the President is authorized to appoint upon recommendation of the Administrator of Veterans' Affairs not to exceed three persons in any one fiscal year to grades in the Regular Corps above that of full grade, but not to a grade above that of director; and for purposes of pay and pay period any person appointed under the provisions of this subsection shall be considered as having had on the date of appointment service equal to that of the junior officer of the grade to which appointed.

SEC. 14. (a) Commissioned officers of the Regular Corps shall receive the same pay and allowances as are now or may hereafter be provided in the case of officers of corresponding grades of the Medical Department of the Army, including increased pay based upon length of service in the determination of which prior service in the Veterans' Administration, the United States Public Health Service, or in any component of the armed forces shall be counted as prescribed by regulation of the Administrator of Veterans' Affairs.

(b) Officers of the Reserve Corps shall receive the same pay and allowances when on active duty as commissioned officers of the Regular Corps.

(c) In accordance with regulations of the Administrator of Veterans' Affairs, officers and personnel of the Regular Corps, and of the Reserve Corps on active duty, may make allotments from their pay and may be granted leaves of absence without any deduction from their pay. They may also be permitted to purchase supplies, when available, at cost plus a percentage established by the Administrator sufficient to cover overhead expense.

(d) Female commissioned officers of the corps shall receive the same pay and allowances as male officers of corresponding grades, including allowances for dependents, except that no allowance shall be paid to any female commissioned officer on account of any dependent who is not in fact dependent upon such officer for his or her chief support. For the purposes of this subsection the term "dependent" shall include a husband, father, mother, and unmarried children (including step-children and adopted children) under 21 years of age.

SEC. 15. The several corps shall include such noncommissioned personnel as the Administrator of Veterans' Affairs may deem necessary appointed without regard to civil-service laws and shall be compensated without regard to the Classification Act of 1923, as amended. Deductions from pay for quarters and subsistence may be made in accordance with regulations promulgated by the Administrator of Veterans' Affairs with the approval of the President. The grades and per annum full pay periods of noncommissioned personnel shall be as follows:

(1) Warrant grade, $2,900 minimum to $3,500 maximum.

(2) Principal grade, $2,600 minimum to $3,200 maximum.

(3) Master grade, $2,300 minimum to $2,900 maximum.

(4) Technical grade, $2,000 minimum to $2,600 maximum.

(5) Staff grade, $1,800 minimum to $2,200 maximum.

(6) Junior grade, $1,600 minimum to $2,000 maximum.

(7) Auxiliary grade, $1,500 minimum to $1,800 maximum.

Promotions in grade shall be made in 5-percent increments of the minimum pay of the grade every 18 months so long as satisfactory service is being rendered.

SEC. 16. (a) Promotions of commissioned officers of the Regular Corps to any grade up to and including the grade of director shall be made only after examination given in accordance with regulations of the Administrator approved by the President, and, so far as is practicable, shall be made according to the same length of service as is now or may hereafter be prescribed for promotion of officers of corresponding grades of the Medical Department of the Army. Such regulations may provide for crediting civilian employment in the Veterans' Administration, or employment as a commissioned officer in the United States Public Health Service, Army or Navy, in determining length of service. All active service in the Reserve Corps, as well as services in the Regular Corps, shall be credited for the purpose of promotion in the Regular Corps.

(b) At the end of his first 3 years of service, the record of each commissioned officer in the Regular Corps originally appointed in or above the full grade shall be reviewed by the Board, appointed pursuant to section 22 of this act, in accordance with regulations of the Administrator of Veterans' Affairs, and if found not fully qualified for further service, he shall be separated from the corps and paid 6 months' pay and allowances.

(c) When a commissioned officer in the Regular Corps is found, after examination by the Board, appointed pursuant to section 22 of this act, to be not qualified for promotion for reasons other than physical disability incurred in line of duty, and if in the assistant or associate grades, he shall be separated and paid 6 months' pay and allowances; if in the full grade, he shall be separated and paid 1 year's pay and allowances; and if in the senior of chief grade, he shall be reported as not in line of promotion, or shall be retired and paid at the rate of 2½ percent for each completed year of active commissioned service in the corps, but in no case to exceed 60 percent of his active pay at the time he is retired.

SEC. 17. (a) A commissioned officer of the Regular Corps retired for disability from disease or injury incurred in line of duty, or a commissioned officer of the Reserve Corps retired for disability from disease or injury incurred in line of duty in time of war, shall be entitled, except as provided in subsection (c) to receive retired pay at the rate of 75 percent of his active pay at the time of retirement.

(b) A commissioned officer shall be retired on the first day of the month following his sixty-fourth birthday and/or by voluntary application may be retired upon completion of 30 years' service. If he is an officer in the Regular Corps, he shall, except as provided in subsection (c), be entitled to receive retired pay at the rate of 75 percent of his active pay at the time of retirement.

(c) Any commissioned officer of the Regular Corps who at the time of his original appointment was more than 45 years of age, shall, upon retirement, unless retired for disability from disease or injury incurred in line of duty in time of war, be entitled to retired pay only at the rate of 4 per centum of his active pay at the time of retirement for each 12 months of active commissioned service including any such service in the Army, Navy, or Coast Guard: *Provided*, That civilian employment in the Veterans' Administration and its predecessor organizations, including service as a commissioned officer of the Army, Navy, or United States Public Health Service, prior to appointment in the Regular Corps under section 13 (c) of this act, shall be deemed as active commissioned service for the purpose of retirement from the Regular Corps, but in no case more than 75 per centum of such active pay.

(d) The retired pay of any commissioned officer who has served 4 years or more as surgeon general, deputy surgeon general or

assistant surgeon general shall be based on the pay of the highest temporary grade held by him.

(e) The retired pay of an officer of the Regular Corps who has failed, by reason of disability incurred in line of duty, to receive a promotion to which he would otherwise have been entitled, shall be based on the pay of the grade to which, but for such disability, he would have been promoted.

(f) An officer retired for disability who is found to have recovered from his disability, and in time of war an officer who has been retired for age, may, in accordance with regulations of the President, be recalled to active duty.

(g) Commissioned officers of the Reserve Corps, while on active duty, shall be deemed to be officers of the executive branch of the Government within the meaning of section 3 of the Civil Service Retirement Act, as amended (U. S. C., 1940 ed., title 5, sec. 693).

SEC. 18. The Administrator of Veterans' Affairs with the approval of the President shall provide by regulation for disability and longevity retirement pay for noncommissioned personnel of the corps at the same rates and under the same conditions as are now or hereafter provided for retirement of non-commissioned personnel of the Army.

SEC. 19. (a) In time of war, the President may by executive order declare the Bureau of Medicine and Surgery, operating under the Administrator, a part of the military forces of the United States, and provide the extent to which it shall be subject to the Articles of War. Upon the issuance of such an executive order, all members of the corps, Regular and Reserve (including their surviving beneficiaries) shall be entitled to the same benefits as other persons in active service in so far as concerns service rendered while the Department is a part of the military forces of the United States.

(b) The members of the corps shall be exempt from selection or draft for service in any other component of the armed forces, and any personnel needs of the corps may be filled by assignment of selected or drafted persons, subject to the limitations and provisions of sections 100 and 102, Public Law 346, Seventy-eighth Congress (act of June 22, 1944).

(c) An allowance of $250 for uniforms and equipment is authorized to be paid to each commissioned officer of the corps who is hereafter, in time of war, appointed to the Regular Corps or called to active duty in the Reserve Corps, or who is hereafter on active duty in either corps at the commencement of any war, if at such time the officer is in the assistant, associate, or full grade, and is receiving the pay of the first, second, or third pay period; except that no officer who has received such an allowance from the corps shall at any time thereafter be entitled to any further allowance. Uniforms for noncommissioned personnel will be furnished without charge in accordance with regulations promulgated by the Administrator of Veterans' Affairs.

SEC. 20. The Reserve Corps of officers and noncommissioned personnel shall consist of physicians, dentists, pharmacists, technicians, nurses, dietitions, social workers, librarians, and such other personnel found qualified on examination in such numbers and grades as are deemed necessary by the Administrator of Veterans' Affairs. Members of the Reserve Corps may be assiged to active duty whenever needed, and any member of the corps may be transferred to the Reserve for any period during which his services on active duty are not required.

SEC. 21. The surgeon general, under such regulations as the Administrator of Veterans' Affairs shall prescribe, shall from time to time appoint a board of not less than three nor more than five officers of the Bureau to determine, upon notice and fair hearing, charges of inaptitude, inefficiency, or misconduct of any member of the corps, and if such charge or charges are sustained, shall recommend reduction in grade, retirement, or discharge from the corps of such member. Any member so discharged for inefficiency or inaptitude shall be entitled to 1 month's pay at the rate of pay in effect at the time of discharge for every completed year of service for which credit for pay or longevity is authorized by this act not in excess of 6 years, but no additional pay shall be allowed to a member discharged because of misconduct.

SEC. 22. Commissioned officers and noncommissioned personnel of the Bureau may be detailed for service with the medical services of the Army and Navy, and commissioned, appointed, or enlisted medical personnel of the Army or Navy may be detailed for service with the corps when such detail, in the judgment of the heads of the agencies concerned, or of the President will promote the public interests without impairing the efficiency of the service or services involved.

SEC. 23. Commissioned officers and noncommissioned personnel of the Regular Corps, whether on active duty or retired and such personnel of the Reserve Corps when on active duty or retired for disability, shall be entitled to medical, surgical, and dental treatment and hospitalization by the department of medicine and surgery. Subject to regulations approved by the Administrator of Veterans' Affairs, dependent members of their families (as defined in such regulations) of such persons may be furnished medical advice and out-patient treatment by the Bureau at its facilities, and they may be furnished hospitalization at such facilities, if suitable accommodations are available beyond the needs of eligible veterans, at a per-diem cost to the officer or noncommissioned person. Such cost shall be at such uniform rate as may be prescribed from time to time by regulations promulgated by the Administrator of Veterans' Affairs.

SEC. 24. The Administrator of Veterans' Affairs, in his discretion, may establish and continue a special medical advisory group composed of members of the medical and allied scientific professions, nominated by the Surgeon General, whose duties shall be to advise the Administrator of Veterans' Affairs, through the Surgeon General, and the Surgeon General direct relative to the care and treatment of disabled ex-service men and women, and other matters pertinent to the Bureau of Medicine and Surgery. The number, terms of service, compensation, and allowances to members of such council shall be in accord with existing law and regulations.

SEC. 25. The expenses, except personnel membership fees, of members of the corps detailed by the Surgeon General to attend meetings of associations for the promotion of medical and related sciences are hereby authorized, subject to available appropriations.

SEC. 26. The Administrator of Veterans' Affairs, upon the recommendation of the Surgeon General, may employ physicians, dentists, pharmacists, technicians, nurses, dietitians, social workers, librarians, and such other professional or technical personnel in addition to commissioned or noncommissioned personnel of the component corps, on a full-time, part-time, or fee basis at such rates of pay as he may prescribe subject to existing law.

SEC. 27. The members of the corps shall be entitled to use the insignia of grade and such insignia of service and use thereof as may be prescribed by the Administrator of Veterans' Affairs, and the appropriations of the Veterans' Administration shall be available for expenses deemed necessary and appropriate to carry out these and other provisions of this act. The Administrator of Veterans' Affairs is authorized to enter into agreements or contracts with the War Department for the purchase of uniforms, accouterments, equipment, and other supplies of the corps.

SEC. 28. Members of the corps, Regular and Reserve (including their surviving beneficiaries), shall be entitled to receive the same benefits for injury or death in the performance of their duties as civil officers and employees of the United States under the United States Employees' Compensation Act of September 7, 1916, as amended (39 Stat. 742, 5 U. S. C. 71 et seq): *Provided*, That any such member or beneficiary of such member eligible to receive any benefit authorized by this section who is also eligible to receive any payment or benefit (except the proceeds of any insurance policy) under any provision of law other than such act of September 7, 1916, as amended, on account of the same injury or death, shall elect which benefit he shall receive.

SEC. 29. (a) The President upon the recommendation of the Administrator shall from time to time prescribe regulations with respect to the appointment, promotion, retirement, termination of commission, titles, pay, uniforms, allowances (including increased allowances for foreign service), leave, and discipline of the personnel of the corps.

(b) The Surgeon General, with the approval of the Administrator, unless specifically otherwise provided, shall promulgate all other regulations necessary to the administration of the corps and consistent with existing law, including regulations with respect to travel, transportation of household goods and effects, and uniforms for employees, and regulations with respect to the custody, use and preservation of the records, papers, and property of the corps.

SEC. 30. The Administrator of Veterans' Affairs is authorized to appoint, in addition to the Surgeon General, not to exceed five staff assistants, including a general counsel, in the salary range $9,000–$12,000 per annum.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HOCH, for May 28, 29, and 30, on account of official business.

ADJOURNMENT

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 9 minutes p. m.), under its previous order, the House adjourned until tomorrow, Saturday, May 26, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Tuesday, May 29, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments at 10 o'clock a. m. Tuesday, May 29, 1945, to resume hearings on H. R. 2177.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Tuesday, May 29, 1945, at 10 o'clock a. m., to consider H. R. 2631.

There will be a meeting of the Committee on Patents on Thursday, May 31,

1945, at 10 o'clock a. m., to consider H. R. 2632.

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 o'clock a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

EXECUTIVE COMMUNICATIONS, ETC.

501. Under clause 2 of rule XXIV a letter from the Archivist of the United States, transmitting a list covering records proposed for disposal by certain Government agencies indicated, according with the provisions of the act approved July 7, 1943 (57 Stat. 380), was taken from the Speaker's table and referred to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. House Joint Resolution 202. Resolution reducing certain appropriations available in the fiscal year ending June 30, 1945; without amendment (Rept. No. 612). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee on Invalid Pensions. H. R. 3251. A bill to extend pension benefits under the laws reenacted by Public Law 269, Seventy-fourth Congress, August 13, 1935, as now or hereafter amended to certain persons who served with the United States military or naval forces engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, after July 4, 1902, and prior to January 1, 1914, and to their unremarried widows, child, or children; without amendment (Rept. No. 613). Referred to the Committee of the Whole House on the State of the Union.

Mr. COFFEE: Committee on Appropriations. H. R. 3306. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 614). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIPS:

H. R. 3307. A bill to amend the act of March 3, 1899, to include public vessels within the provisions of section 13 of such act prohibiting the deposit from vessels of refuse in navigable waters; to the Committee on Rivers and Harbors.

By Mr. GRANT of Indiana:

H. R. 3308. A bill to repeal the automobile-use tax; to the Committee on Ways and Means.

By Mr. PHILLIPS:

H. R. 3309. A bill to grant to persons serving under the command of Gen. Emilio Aguinaldo in the campaign against the city of Manila, P. I., the right to wear the Spanish Campaign Ribbon and Badge; to the Committee on Military Affairs.

By Mr. RANKIN:

H. R. 3310. A bill to establish a Department or Bureau of Medicine and Surgery in the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. WEISS:

H. R. 3311. A bill to provide double credit for foreign service in this war for the purposes of retirement; to the Committee on Military Affairs.

By Mr. RANDOLPH:

H. R. 3312. A bill to amend the act of June 20, 1938 (Public Law No. 684, 75th Cong.), with respect to the construction of housing in the District of Columbia; to the Committee on the District of Columbia.

H. R. 3313. A bill to impose certain limitations with respect to the granting of permission for construction of private housing or priorities therefor; to the Committee on Banking and Currency.

By Mr. SPENCE:

H. R. 3314. A bill to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development; to the Committee on Banking and Currency.

By Mr. GERLACH:

H. R. 3315. A bill to amend the act of March 10, 1934, entitled "An act to promote the conservation of wildlife, fish, and game, and for other purposes"; to the Committee on Agriculture.

By Mr. LEMKE:

H. R. 3316. A bill to clarify and define the constitutional rights of retired personnel of the Army, Navy, Marine Corps, or Coast Guard; to the Committee on Military Affairs.

By Mrs. ROGERS of Massachusetts:

H. R. 3317. A bill to establish a Bureau of Medicine and Surgery in the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. JARMAN:

H. Con. Res. 60. Concurrent resolution authorizing the printing as a public document of a revised edition of House Document No. 619, Seventy-seventh Congress, entitled "Our American Government: What Is It? How Does It Function?" and providing for the printing of additional copies thereof; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States by transmitting a copy of Act 32 enacted by the Legislature of the Territory of Hawaii, relating to power franchises; to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIPS:

H. R. 3318. A bill for the relief of Edwin F. Shockley; to the Committee on Claims.

By Mr. WADSWORTH:

H. R. 3319. A bill for the relief of Joseph C. Freidell; to the Committee on Claims.

By Mr. PHILLIPS:

H. R. 3320. A bill for the relief of the American Legion Building Association, Orange, Calif.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

751. By Mr. ANDREWS of New York: Petition of the Assembly of the State of New York, urging the enactment of appropriate legislation to establish a fair-employment practice committee as a permanent governernmental agency; to the Committee on Labor.

752. Also, petition of the Council of the City of Niagara Falls inviting the San Francisco Conference to locate the permanent world-peace capital in the city of Niagara Falls; to the Committee on Foreign Affairs.

753. Also, petition of Americans of Polish descent represented by Council 92, Polish National Alliance, Group No. 2, Polish Roman Catholic Union, and Colony No. 2, Polish Union of America, having to do with the future of Poland; to the Committee on Foreign Affairs.

754. By Mr. BRYSON: Petition of Nellie R. Andrews and 616 other citizens of Bloomington, Ind., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

755. Also, petition of Mrs. J. J. Mosher and 100 other citizens of Jamestown, N. Dak., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

756. Also, petition of Frank F. McClure and 97 other citizens of Newberg, Oreg., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

757. Also, petition of James Clarke and 74 other citizens of Milton, Wis., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

758. Also, petition of J. H. Siler and 106 other citizens of Selmer, Tenn., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

759. Also, petition of Sue A. Diven and 101 other citizens of the State of Missouri, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

760. Also, petition of Rev. James H. Talley and 692 other citizens of the State of Kentucky, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

761. Also, petition of Mrs. Chryssie E. C. M. Jones and 198 other citizens of the State of California, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

762. Also, petition of Mary E. Miller and 93 other citizens of the State of Maryland, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

763. Also, petition of Rev. George F. Taylor and 174 other citizens of the State of Washington, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

764. Also, petition of Mrs. William Charles White and 274 other citizens of the State of Florida, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

765. Also, petition of Mrs. A. P. Boone and 55 other citizens of the State of Arizona, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

766. Also, petition of Mary Springer and 184 other citizens of Salem, N. J., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

767. Also, petition of Mary S. Russell and 5,055 other citizens of the State of Georgia, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

768. By Mr. COCHRAN: Petition of R. Armstrong and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

769. Also, petition of G. Hanna and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

770. Also, petition of Elmer P. Lehmuth and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

771. Also, petition of John Nicoletti and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

772. Also, petition of Emil Koch and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

773. By Mr. JOHNSON of Indiana: Concurrent resolution of the General Assembly of the State of Indiana, requesting the Congress of the United States to appropriate funds for the early establishment of Veterans' Administration hospitals within the State of Indiana, for honorably discharged ex-service persons; to the Committee on World War Veterans' Legislation.

774. By Mr. LUTHER A. JOHNSON: Petition of Richard H. Harwell, president of the Bellevue Citizens Association of the District of Columbia, favoring House Resolution 2405; to the Committee on the District of Columbia.

775. Also, petition of J. H. Conway, president, Retail Merchants Association, Bryan, Tex., suggesting amendments to the Emergency Price Control Act; to the Committee on Banking and Currency.

776. By Mr. SULLIVAN: Petition of Mr. Lake and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

777. Also, petition of Adolph Schalk and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

778. Also, petition of Mae Secrest and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

779. Also, petition of Mr. Sperry and 27 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

780. Also, petition of Harry Sherman and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

781. By Mr. WELCH: Resolution of the San Francisco Labor Council relative to postwar planning for the State of California, and so forth; to the Committee on Rivers and Harbors.

782. By the SPEAKER: Petition of the Charleston Chamber of Commerce, Charleston, S. C., petitioning consideration of their resolution with reference to opposing Senate bill 737, to establish a Savannah Valley Authority; to the Committee on Rivers and Harbors.

HOUSE OF REPRESENTATIVES

SATURDAY, MAY 26, 1945

The House met at 11 o'clock a. m., and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, our Creator and Benefactor, we are again coming unto Thee through the old and familiar way of prayer. We rejoice that this way is never closed, for Thy heart always opens with love in response to those who seek Thee.

We pray that Thou wilt kindle within us Thy divine light that we may see our duties more clearly, understand them more wisely, and perform them more faithfully. Give us a vivid and discriminating perception of life's real and enduring values. May we be motivated by an all-consuming passion to build these spiritual values into the life of the world.

Let Thy grace and favor rest upon our beloved country, our President, our Speaker, and all who share in the difficult task of ministering to a confused and bewildered generation. Keep Thou our Nation true to its historic ideals of integrity and unselfish service to needy humanity.

Grant that all our leaders, whom we revere as the very first men in the life of our Republic, may also be our very best men, noble in character, faithful to their high vocation, courageous in spirit, and ruling in the fear of the Lord.

In the name of the Christ we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. COOPER. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make today and include certain excerpts and other material.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. TARVER. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD by publishing a letter written by Judge Samuel H. Sibley, senior judge of the Fifth Circuit Court of Appeals, to Mr. Jesse F. Orton, of Jackson Heights, N. Y.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. GOSSETT asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. LYNCH asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include an article from the New York Post and in the other to include an editorial from the Home News.

PERMISSION TO ADDRESS THE HOUSE

Mr. LANE. Mr. Speaker, I ask unanimous consent that I may address the House today for 20 minutes after the completion of business on the Speaker's desk and the conclusion of special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. MONRONEY asked and was given permission to extend his own remarks in the RECORD and include therein a letter and a resolution from the Oklahoma State Legislature regarding the global alphabet.

Mr. MADDEN asked and was given permission to extend his remarks and

include a resolution adopted by the American Legion, First District, Indiana.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a set of resolutions from an American Legion post.

Mr. DONDERO asked and was given permission to extend his remarks in the Appendix of the RECORD and include a short statement.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Northeastern States Development Agencies.

Mr. THOMAS of New Jersey asked and was given permission to extend his remarks in the RECORD and include an editorial which appeared in a newspaper in his congressional district.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD and include therewith a poem written by a very distinguished Army officer.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include some quotations.

Mr. GILLIE asked and was given permission to extend his remarks and include a concurrent resolution from the Indiana Legislature.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD on two subjects and to include a short editorial in each instance.

Mr. RAMSPECK asked and was given permission to extend his remarks in the Appendix and include a letter from Marvin Jones to the President of the United States and the President's reply.

PERMISSION TO ADDRESS THE HOUSE

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent that on Monday next after the disposition of the legislative business on the Speaker's desk and any other special orders that may have been heretofore entered, I may address the House for 30 minutes on the subject The Part that the Technical Service Commands Have Played in Combat in the European Theater and Elsewhere in the World.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that on Thursday next, after the disposition of the legislative business and any other special orders, I may address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CALL OF THE HOUSE

Mr. DOUGHTON of North Carolina. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 87]

Baldwin, Md.	Gary	Peterson, Fla.
Bell	Graham	Powers
Bender	Grant, Ala.	Rabaut
Bloom	Hall,	Reece, Tenn.
Boren	Edwin Arthur	Reed, Ill.
Boykin	Hancock	Roe, N. Y.
Bradley, Mich.	Hart	Rowan
Bradley, Pa.	Healy	Sabath
Bunker	Hébert	Savage
Case, S. Dak.	Hess	Slaughter
Celler	Hoffman	Somers, N. Y.
Chapman	Hook	Stefan
Cole, N. Y.	Hope	Stewart
Cooley	Johnson,	Stigler
Cox	Lyndon B.	Wadsworth
Earthman	Johnson, Okla.	White
Eaton	Kee	Wilson
Fisher	Murphy	Winter
Gamble	O'Konski	Worley

The SPEAKER. On this roll call 362 Members have answered to their name. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

DEVELOPMENT OF COOPERATIVE AGRICULTURAL EXTENSION WORK

Mr. FLANNAGAN from the Committee on Agriculture submitted a conference report and statement on the bill (S. 383) to provide for the further development of cooperative agricultural extension work, for printing in the RECORD.

FOREIGN-TRADE AGREEMENTS

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 3240, with Mr. WOODRUM of Virginia in the chair.

The Clerk read the title of the bill.

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent that the reading of the bill be dispensed with and that it be printed in the RECORD, and that the bill be open to amendment in its entirety.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. COOPER. Mr. Chairman, reserving the right to object, and I do not intend to object, the purpose, as stated by the gentleman from Minnesota [Mr. KNUTSON] is to expedite consideration of the bill.

Mr. KNUTSON. Exactly.

Mr. COOPER. It is understood that it may be considered in order to offer amendments to any section of the bill. Is it also agreeable to the gentleman that we may limit debate to a reasonable time on each amendment?

Mr. KNUTSON. There is no disposition on this side of the aisle to needlessly delay consideration of the bill and bring it to final vote. The gentleman from Tennessee realizes that this is Saturday. Many Members have already made reservations to leave the city this evening for the purpose of returning to their homes for Memorial Day. It is for the purpose of expediting consideration that I am prompted to make this unanimous-consent request.

Mr. COOPER. We are not disposed to object to the request on this side, but of course we can gain more time by limiting debate to a reasonable period of time on each amendment. With the understanding that the gentleman will cooperate with us in that way we have no objection.

Mr. RAYBURN. Mr. Chairman, reserving the right to object, I am just wondering, with the bill open to amendment as suggested, how we will know when we are through with amendments to any given section; I am just wondering about that.

Mr. KNUTSON. It was my thought, I may say to the gentleman from Texas, that when an amendment was offered the chairman of the Committee on Ways and Means would move to limit debate to such time as would appear to the committee to be reasonable.

Mr. COOPER. Mr. Chairman, will the gentleman yield under his reservation?

Mr. RAYBURN. I just wanted to clear the situation up so we would know when we were through with any given section.

Mr. COOPER. Let me ask the gentleman from Minnesota if he will modify his request to this extent: that amendments to section 1 shall first be considered.

Mr. KNUTSON. I am perfectly agreeable.

Mr. COOPER. In other words, that we shall consider amendments to the sections of the bill in the order in which they appear.

Mr. KNUTSON. I think that is a good suggestion.

Mr. ROBERTSON of Virginia. Mr. Chairman, reserving the right to object, would it not be in the interest of orderly procedure if we agreed that all amendments that are to be offered be sent to the desk and that no more will be offered after that time? Everybody who has an amendment has it prepared and knows what he is going to say about it.

Mr. MARTIN of Massachusetts. Mr. Chairman, if the gentleman will yield, I do not think that would be a good suggestion.

Mr. KNUTSON. There seems to be some objection on this side to that suggestion.

Mr. ROBSION of Kentucky. Mr. Chairman, reserving the right to object, a few gentlemen on each side have consumed all the time in the 3 days of debate. There are quite a number of Members who desire to say something. If this is a plan to rush this thing through I would remind the leadership that no more important legislation could come before the House than this bill and the Members who desire it ought to have an opportunity to be heard.

Mr. KNUTSON. May I say to the gentleman from Kentucky that I made the suggestion to the majority that this would expedite consideration; but I also told them that there were a number of amendments to be offered and that there were a number of Members who were not able to get time under general debate

because we could not sit the other evening. The gentleman from Tennessee, as well as the distinguished chairman, will recall that I told them at the time I made the suggestion that there were a number of Members on this side who wished to speak on the bill.

Mr. ROBSION of Kentucky. I desire to have some time.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the bill be considered as read, the bill to be open to amendments to any section, the sections to be disposed of in the order in which they appear in the bill. Is there objection?

Mr. GEARHART. Mr. Chairman, reserving the right to object, the gentleman from Minnesota has asked us to read the entire bill and that amendments may be in order to any part or portion thereof. The gentleman from Tennessee has asked for a modification which the gentleman from Minnesota has accepted to the effect that the bill be read by sections and amendments considered by sections. If that is done we do not require any unanimous consent whatsoever.

If the gentleman from Minnesota is going to consent to that modification, I object.

Mr. KNUTSON. Did the gentleman object?

Mr. GEARHART. I objected.

The CHAIRMAN. The clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the period during which the President is authorized to enter into foreign-trade agreements under section 350 of the Tariff Act of 1930, as amended and extended, is hereby extended for a further period of 3 years from June 12, 1945.

Mr. KNUTSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: On page 1, line 6, strike out "3 years" and insert "2 years."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. KNUTSON) there were—ayes 135, noes 152.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. (a) The second sentence of subsection (a) (2) of such section, as amended (U. S. C., 1940 ed., Supp. IV, title 19, sec. 1351 (a) (2)), is amended to read as follows: "No proclamation shall be made increasing or decreasing by more than 50 percent any rate of duty, however established, existing on January 1, 1945 (even though temporarily suspended by act of Congress), or transferring any article between the dutiable and free lists."

(b) The proviso of subsection (b) of such section (U. S. C., 1940 ed., sec. 1351 (b)) is amended to read as follows: "*Provided*, That the duties on such an article shall in no case be increased or decreased by more than 50 percent of the duties, however established, existing on January 1, 1945 (even though temporarily suspended by act of Congress)."

Mr. KNUTSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: Page 1, line 8, strike out all of section 2.

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Chairman, section 2 is the crux of this whole fight. We on the minority side—and I am sorry to see that we are very much in the minority as the result of circumstances over which we had little control—are very, very apprehensive that if the State Department is granted the authority vested in section 2, to cut tariff rates another 50 percent in addition to the 50-percent leeway they now have, to do this will very seriously upset our economy once the war is over and the countries of the world get back to normal production.

I need not remind the membership of the House, especially those who were Members of the Sixty-sixth Congress, what happened following the last war. At that time we were operating on a very low tariff basis. The rates then in effect were the lowest they had ever been in all the history of the Republic; and when peace returned following World War I the countries of Europe feverishly rehabilitated themselves and soon began to ship the products of their farms and factories to America, which offered the best market in all the world. You older Members will recall that those imports attained such a volume that it was necessary for the Congress to pass the so-called Emergency Tariff Act. This, we fear, will happen again. We must soon get ready to disband the great majority of those who are in the armed forces, amounting to something over 12,000,000 people. We have something like 20,000,000 of our citizens now engaged in war work who will also have to be provided with peacetime jobs, as well as those who will be discharged from the services. But how are we going to find those 60,000,000 jobs that the American people, the boys in the service and those engaged in war work, have been promised following the cessation of hostilities if we do not maintain a reasonable degree of protection for the American laboring man and the American farmer? The farmer, as we all know, has as great buying power as any one class of our citizens, and perhaps greater. Destroy his market through the importation of competitive products, and you will destroy his buying power. That would immediately be reflected in loss of sales, which in turn would be reflected in the loss of jobs through decreased production. We do not want that to happen. As a matter of fact, many of us on the Committee on Ways and Means thought right up to the middle of March that all the State Department would merely ask for would be an extension of the existing law. We were not only surprised; we were shocked when the State Department came up here and asked for 50 percent additional bargaining power.

I have here the International Labor Review, and I want to call your attention to some of the wage scales in a competing country. By the way, this is published by the League of Nations. I ask you to note the vast difference in the cost of production in the flat-glass industry. I am sure that if my good friend from West Virginia could have read this report before he addressed the House last evening he would not have taken the position he did.

The value of the Belgian franc, through a written agreement with the sterling bloc, is set at 176⅝ Belgian francs to the pound sterling. In Belgium they are paying the glass workers about 20 cents an hour for skilled workers, when we pay on an average of from 80 cents to a dollar. I have been assured that the equipment they use in Belgium is just as modern and has just as great productive capacity as has the equipment in the American glass factories. In addition, our production is saddled with the unemployment-insurance tax, the Fair Labor Standards Act, with unemployment insurance, and with the 40-hour-week limit, which we all hope to return to once the war is over.

I ask you in all seriousness to stop and think and reflect, How are we going to compete with the foreign countries where they do not have 40-hour weeks, where they pay one-fourth and less the wages we do; where they have just as good equipment as we have; and where they are not saddled with all these extra taxes? Today American industry is being taxed up to 95 percent of its excess profits.

Mr. Chairman, it cannot be done. It has been tried before, and it has never worked, and it is not going to work now.

I plead with you to deliberate and consider these angles before you vote against my motion to strike out section 2, because, just as surely as I stand here, if we retain section 2 it is going to rise to haunt those who voted to retain it. It will bring unemployment and business stagnation. Again I plead with you to act in the light of past bitter experiences.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I agree with the statement of my friend, the distinguished gentleman from Minnesota, that section 2 is the crux of the bill.

We certainly have made considerable progress by bringing the minority, especially the minority members of the Committee on Ways and Means, as far as we have in approving the adoption of the reciprocal-trade program. For 4 weeks when the committee was conducting its hearings, led by the distinguished gentleman from Minnesota, the minority members of that committee anathematized the entire reciprocal-trade program from Dan to Beersheba. Everything about it was wrong. There was nothing good in it. It produced unemployment and it penalized labor, they claimed. Some even went so far as to say it brought on World War II. The English language was almost exhausted and the vocabulary of the minority was exhausted in renouncing and denouncing the whole reciprocal-trade policy and program. That cannot be denied. Now realizing that the overwhelming sentiment of the country is in opposition to the position they took on the reciprocal-trade program, realizing that the country favors the reciprocal-trade

program they now come in and are willing to extend it for 2 years. My friends, if you have a lawsuit, you do not let the opposing counsel manage your case. This amendment has come from the minority which has opposed the entire reciprocal-trade program. But they realize they cannot defeat it by a frontal attack and so by an attack from the rear or a flanking movement they hope to destroy it by this crippling amendment and possibly by other crippling amendments. That is the sole purpose of this amendment. The purpose of the amendment is not to implement the law, not to make it more workable, not to carry out its ordained purpose. The purpose of the amendment is to emasculate and weaken the act, to destroy and cripple it by amendments. Always beware of amendments offered by those opposed the policy. Beware of any proffered help from those who are opposed to this entire program. If this bill is to be perfected and strengthened and to be implemented so as to carry out its ordained purpose, any amendment to so perfect and strengthen and implement it should come from those who are favorable to the policy and favorable to the reciprocal-trade program and not from those who have inherently and traditionally and at all times, everywhere and under all circumstances have been opposed to the entire reciprocal-trade program. However, realizing they cannot successfully defeat the bill and realizing that the overwhelming sentiment of the country is against them and that they could not successfully make an open attack on the program, they come in now and attempt to destroy and cripple it by such crippling amendments as the one that has just been offered. I warn my friends of the minority side and on the majority side if you are in favor of the program and in favor of its ordained purpose, if you approve that which it has accomplished and will accomplish, if you want to see its worthy and worth-while purposes carried out, stand up and defeat this and all other crippling amendments. My friends, it is not the purpose of this amendment to help or to strengthen this bill. The purpose of this crippling amendment is not to implement the bill. The purpose is to cripple and destroy the bill. There is no question about that.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I do not yield.

Mr. KNUTSON. That statement is unfair.

Mr. DOUGHTON of North Carolina. I believe it is a fair statement. It is not an unfair statement, because the gentleman will not deny that in the committee the minority denounced and renounced almost every line of the Reciprocal Trade Act.

Mr. KNUTSON. The purpose of this amendment is to prevent the situation from arising which arose 25 years ago.

Mr. DOUGHTON of North Carolina. Any thinking man knows when amendments are offered by those opposed to the policy of the bill that the purpose of the amendment is to destroy the bill. The gentleman will not deny, he cannot deny, that he has been opposed to the program all the way through. When the committee was holding its hearings, the gentleman cannot deny that the English language was almost exhausted and the vocabulary of the minority was almost exhausted in denouncing the whole reciprocal-trade program.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina may have five additional minutes, the same time given to the gentleman from Minnesota [Mr. KNUTSON].

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DOUGHTON of North Carolina. Mr. Chairman, this is not a philanthropic program. The purpose of the whole reciprocal-trade program is to create jobs and better conditions for all the people. As my friend says, "Where are you going to get the jobs?" The purpose of the reciprocal-trade program is to create a market for our surplus commodities and products and thereby help industry, agriculture, labor, and the American consumer, and all segments of American life. That is the purpose of the program.

The purpose of amendments is to defeat a program that has worked so admirably—a program that the country has so overwhelmingly approved. It should not be scuttled by a rear attack or by a flank movement. Oh, the opponents shake their heads. I know it hurts, but the truth always hurts. There was no evidence before our committee that any industry had been seriously crippled.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. DOUGHTON of North Carolina. No; I do not yield. The gentleman just wants to take up my time.

Now, my friends, think of the Conference being held at San Francisco. They are listening in on what we are doing here today. What could have a greater tendency to embarrass our delegates there than for the news to be flashed this afternoon that the administration's part of this program and the program of the previous administration has been defeated here today; that the minority—those who have been opposed all the while and are opposed to it now at heart, opposed to the entire reciprocal trade agreement—have taken the bill in hand and have amended it to suit themselves and the administration has been defeated.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield.

Mr. LUTHER A. JOHNSON. In connection with what the distinguished chairman has just said about the effect on the Conference at San Francisco, I think we all read with interest what Gould Lincoln said in his article last night, when he said:

> The eyes and ears of the United Nations Conference were turned toward Washington today, where a House vote on the reciprocal trade-agreements bill is expected soon. A defeat of that measure would be a body blow to the Conference, which is seeking to write a charter for the new world organization dedicated to international cooperation, both economic and political, for the maintenance of peace in the future.

Mr. DOUGHTON of North Carolina. There is not any question but what that is so. What would this news mean to that sick man in the hospital, Hon. Cordell Hull, who is the father of the reciprocal trade program, who has worked year in and year out for it, and knows more about the reciprocal trade program and what it will do for industry, agriculture, and labor, and for the consumer, and also for the peace of the world, than any other man? What will it mean to him to learn that the policy had been scuttled; that the program had been wrecked by crippling amendments? He sent a letter to our committee.

I want my good friend the gentleman from Minnesota [Mr. KNUTSON] to listen to this. Who questions the integrity, who questions the honesty, who questions the ability of Cordell Hull? Who is more familiar with this whole program than Cordell Hull? Yet, suppose the news is flashed that today the opponents of the whole reciprocal program, those who have fought it from the very beginning, from its genesis, had taken charge, and that by amendments they prevented it being implemented so as to carry out its manifest purpose. This administration is responsible for this program and not the minority. This administration is responsible for this great program which has done so much for our country and will do so much for the peace of the world.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. JENKINS. Mr. Chairman, I move to strike out the last word.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I am glad to yield to the gentleman from Tennessee.

Mr. COOPER. I was wondering if we could reach some agreement as to time for debate on this amendment.

Mr. JENKINS. Not attempting to speak for those on the Republican side, I think though that I may say to the gentleman from Tennessee that this will probably be the most controversial amendment and there will be more time asked on our side on this amendment than on any other. I think if the gentleman will withhold his request for a little while we can probably make time that way.

I wish to say to those on the Democratic side that we on the Republican side yield to no one in our esteem and respect for the chairman of the Ways and Means Committee, the distinguished gentleman from North Carolina. We appreciate his enthusiasm, because that has probably contributed much to his efforts and has carried him along to the ripe old age he now enjoys and the great things he has accomplished in his lifetime; but we must, of course, recognize the fact that we are now considering a very important piece of legislation. This amendment before us now is the most

important amendment you will be called to vote upon today.

My good friend the gentleman from North Carolina [Mr. DOUGHTON] in his remarks made some comment with reference to the amendment that my colleague the gentleman from Minnesota [Mr. KNUTSON] offered reducing the time from 3 years to 2 years. Mr. Chairman, let me remind you that when we extended the life of this bill 2 years ago we extended it for 2 years years only; so what we were trying to do in that amendment was just exactly what the House did 2 years ago. It was not therefore a very serious encroachment on our part. There is more logic and more reason for a 2-year extension than for a 3-year extension. A 1-year extension will I hope carry us beyond the time of the present war. A 1-year extension might be opposed on the ground that it would expire 1 year from now when a congressional election is on, a 3-year extension will be longer than is necessary.

Now let me talk about this 50-percent reduction. To those of you who are willing to support the law as it now stands, those of you do not want to go any farther than that should give consideration to this amendment. I know that many of you have received letters from your home district indicating that they would desire for you to vote to keep the present legislation, but they have not asked you to approve of an increase of 50 percent. Many people are willing for an extension of the present law and are opposed to this tremendous increase—a 50-percent increase is a terrific increase if applied unwisely.

I want to call your attention to a statement that may disconcert may of you—I do not do this except in the fairest manner possible. I refer to a statement made by our distinguished chairman, the gentleman from North Carolina, in 1930 and deals with the same proposition of a 50-percent power to the President to alter existing tariffs. Any man who has been in this Congress as long as he or who has been in this Congress any length of time will find himself in a difficult position occasionally. What did the gentleman from North Carolina [Mr. DOUGHTON] have to say about this in 1930? Here is what he said on this floor in 1930. Listen to me:

> The fathers who framed the Constitution wisely, in my opinion, left to the Congress the initiating and enacting of laws raising revenue. The flexible provisions giving the President to raise or lower tariff rates to the amount of 50 percent renders nugatory the spirit and practical effect of this provision of the Constitution. If this bill is enacted into law he will have the power or life and death over industry and all manufacturing enterprises and complete autocratic power affecting agriculture. My friends this is too dangerous and alarming to contemplate.

Mr. Chairman, let me repeat, he said "this is too dangerous and too alarming to contemplate."

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield with pleasure to my distinguished friend.

Mr. DOUGHTON of North Carolina. When I was a child I thought as a child and spake as a child; but when I reached manhood I put off childish ways and spake as a man.

Mr. JENKINS. Now, Mr. Chairman, that has been only 14 years ago, and at that time the distinguished gentleman from North Carolina was 70 years old. So if he was a child when he was 70, then what can we expect from him when he is 15 years older? The chairman was brilliant then, and he shows no diminution of mental powers now, but he still shows his political acumen.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. REED of New York. Once a man, twice a child.

Mr. JENKINS. Now, Mr. Chairman, we must have our little repartee and little hilarity as we go along, but we still love our chairman who made that statement when he was in his prime. He had the virility of youth and the sagacity of age. He meant what he said and he was right. The conviction which he extolled is still our shield and buckler.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. ROBERTSON of Virginia. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, for the purpose of this debate it is immaterial as to who was a child in 1930 and who had not grown up by this time.

We are living in a new world, a world in which thinking men know that mutually beneficial international trade is essential to our prosperity and to the prosperity of the other nations of the world. The alternative is nationalism, economic chaos, anarchy, and future wars. Our ability to break down trade barriers goes to the very heart of this bill.

Mr. Chairman, the pending amendment strikes out all of the bargaining power that the President of the United States would have in the postwar world. The reductions already made have brought us back to the approximate level of the Fordney-McCumber Act of 1922, which was the highest tariff protection up to that time. In 1930 we passed another tariff act which gave a 200-percent protection to a number of items and a 100-percent or more protection to many items, a total of over 3,000 protected items.

If all the power to be granted under this bill should be exercised as we have exercised the previous power, we will still be back only to the approximate rates of the Underwood tariff of 1913, and it is not contemplated that the full power to cut will be exercised on highly competitive items. The Republicans have united with the Democrats, and I think sincerely so, in expressing the hope that President Truman's administration will be a success. He has been called to leadership at a critical time. Not only we have the war to finish but we have some terrific postwar problems to meet. As the richest and most powerful Nation in the world, we must furnish leadership. We are trying to work out plans for political cooperation at San Francisco, and plans for economic cooperation in this bill, plus the Bretton Woods agreement that we will take up next. They will help break down trade barriers and currency barriers and perhaps stem the growing tide of socialism and communism in Europe that threatens our capitalistic system and our American system of free enterprise.

Historians rate President James Monroe as a great President but as being of lesser stature than any of his predecessors; they termed his administration "the era of good feeling." We and the whole world need another such era. President Truman does not claim to be a George Washington, Abraham Lincoln, or Thomas Jefferson, but I know and you know that he is a man of ability; we know he has a deep and abiding Christian faith; we know he is sincere; we know his feet are on the rock and his heart is in the right place. He asks for a chance to increase our postwar prosperity through an increase of our foreign commerce and to contribute to world peace by a live-and-let-live trade policy.

I appeal to you, do not tie his hands with this amendment.

Mr. JENNINGS. Mr. Chairman, I rise in support of the pending amendment and I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. JENNINGS. Mr. Chairman, the bill now being debated extends the trade agreements program for a period of 3 years in the disturbed years facing the Nation. And it amends the existing law by authorizing the State Department to raise or lower tariff rates on goods imported into this country 50 percent above or below the rates in force on January 1, 1945.

Rates on the products of our factories, mills, mines, and farms have already been reduced 50 percent under the law as it now is. To further reduce these rates amounts to the virtual elimination of tariff protection on the production and sale of products that are vital to the solvency and prosperity of industry, farming, and all of our people. I will vote for this measure if its extension is limited to 2 years, and if the amendment is adopted others and myself have offered to strike out section 2 which authorizes the State Department to make these further reductions of 50 percent. If the bill is not so amended I shall vote against it.

The debate on the measure has been extensive, able, and informative. In discussing it, I shall question neither the patriotism nor sincerity of any Member of this House. I have the highest respect and affection for the distinguished chairman of the Ways and Means Committee. In the debate his age has been mentioned. He is full of years and full of honors. He is 80 years young. I hope he lives as long and continues as vigorous as Moses, of whom the Bible says, "And Moses was an hundred and twenty years old when he died; his eye was not dim, nor his natural force abated."

Every businessman, merchant, manufacturer, workingman, who has communicated with me on this measure is opposed to granting to the President, to the State Department, or to any other executive branch of the Government the

power to raise or to decrease for a period of 3 years the tariff rates in force on January 1, of this year, as much as 50 percent. Businessmen, farmers, and laborers alike are alarmed and amazed at the proposal to surrender the constitutional power of Congress to enact the tariff laws to the State Department. They had no voice in the selection of the 3,400 officials in the State Department. My constituents, your constitituents, and but few Members of this House know who they are. None of them were chosen by the people I represent. None of them are responsible to my constituents.

It is but natural, therefore, that the people of my district do not wish to surrender power to a set of bureaucrats they do not know, and over whom they have no control, to wreck their business, and take away their jobs.

When I am asked to support this proposal to surrender for 3 years the absolute power to reduce tariff rates 50 percent on the products of the farms, the mines, the hosiery, the cotton, and woolen cloth—all the products of business, farms, and labor in my district—I shudder at the bankruptcy, the unemployment, the loss in income and wages that may come to my people. What are my duties when I am thus asked to give someone I never heard of the power to strip my people of their property rights and their right to earn a decent living? I must not lose sight of the fact that in voting on this measure I am the elected representative of almost 500,000 people. And if I do not speak and vote for them they will have no voice and no vote on this far-reaching, unprecedented proposal.

For guidance I turn to the law of my State which thus defines the duty of a public servant: A public official in the discharge of the trust with which he is clothed, in the exercise of the duties and power that are given him by his people, must use a degree of diligence and fidelity which exceedeth that which a prudent man employs in his own private affairs.

Permit me to ask the Members of this House this question: What Member of this body, what prudent businessman in the possession of all his faculties would give a blank check against all his property and resources to any man, to any group of men, not one of whom he knows personally? What sane man would issue to a private individual or to a group of public officials, none of whom he knows, none of whom have given a bond for the faithful performance of his duties, a power of attorney to obligate him for a period of 3 years to purchase articles used in his business at an unknown price to be set by these unknown men and to bind him to sell his property at such price as the person to whom he gives this power of attorney might see fit to set on it? No one with common sense would do that. And that is exactly what we are asked to do when we are called upon to pass this measure.

"A burnt child dreads the fire." The people of this country have been burned by their delegation of power to the OPA, and the abuse of power by the OPA.

Committees of this House and of the Senate have placed squarely on the shoulders of that agency, responsibility for the food shortage. This week the President sent Judge Marvin Jones to the showers and benched him, to use the parlance of baseball, by sending him back to the Court of Claims and named as his successor a distinguished member of this House, CLINTON P. ANDERSON. Mr. ANDERSON and his committee have been given $15,000 to go all over the country in an effort to locate the rat in the meal tub and in the ice boxes, and the sugar bowls of our kitchens. He can save a big portion of that money by cleaning out the rats and mice in OPA right here in Washington.

Only recently Judge Jones said we are face to face with famine in this country. Why? Because Congress delegated power that was abused by officials of OPA. The most acute shortage of meat in the Nation exists in my district. More than 150,000 men and women engaged in war work cannot buy a pound of meat of any kind. Men who operate stores where they formerly sold fresh beef and pork—and own and operate farms where they grow cattle and hogs—and who have fattened both cattle and hogs that are now ready to be slaughtered for food—cannot get from OPA a permit to kill and sell to war workers their own fat cattle and hogs.

In the early stages of the New Deal white rabbits were pulled out of the hat to intrigue the people. Now to stampede this House, we are told in awesome and frightful tones that if this measure is not passed the universe will crash around us, the sky will fall, and the bottom will drop out of the sea. They even say we will have another war. All this is prophecy, my good friends. If anyone assumes the role of a prophet in this body or elsewhere I want to see his credentials. We are entitled to know by what power he has been endowed with supernatural foresight—and whether or not he has a prophetic eye that can pierce the future's veil and foretell coming events.

Some tell us that the eyes of the San Francisco delegates are on this House and that if we do not pass this measure the whole scheme of world peace will collapse. The man who makes that wild prediction is a master of the art of overstatement.

I have had many friends all my life, and profoundly believe in the truth expressed in the words—

> Friendship, mysterious cement of the soul, solder of society and sweetener of life, I owe thee much.

None of us would be here but for the fact that we have friends. But we did not buy those friends. You cannot do that. And no nation ever buys the friendship of another nation.

Our friendly relations with Great Britain, China, Russia, and France are founded on the facts that without stint we have given them food, clothing, ships, tanks, planes, guns, munitions, medicines, and enough of our blood and tears to float a battleship. It rests on common interests, mutual trust, and on a united determination to live together in peace as we have fought together in war. To maintain our friendship with other nations there is no legitimate demand on their part that we sell our people down the river. This law it is now proposed to extend for 3 years—and to amend by empowering bureaucrats we do not know to reduce all our tariff duties 50 percent—was in force when Germany started this World War. It was in force when Japan attacked us at Pearl Harbor on December 7, 1941. While it was in force, from 1937 to 1940, Japan bought and imported from this country 8,000,000 tons of scrap iron, steel, and steel scrap alone, sufficient to build 520 American submarines. Between 1937 and 1941, $18,000,000 worth of aircraft and parts and petroleum valued at two hundred and twenty million were sent from this country to Japan.

And when the Jap planes struck and destroyed our great fleet at Pearl Harbor, killing 3,000 American boys, and in our battles with her in the Asiatic area, she used these materials against us, and our surgeons picked from the wounds of our boys razor blades and other scrap she bought while this very law was in effect. The claim that it guarantees peace does not rise to the dignity of respectable nonsense.

Let us see what might happen if this power is lodged in the hands of people we do not know. We do not know to what extent they will exercise it. On what articles will they raise import duties? On what articles will they lower import duties? It gives these unknown men to whom we propose to delegate this vast check for unlimited power over the tariff duties of this country the power of life and death over any industry they do not happen to like, and which they might wish to destroy.

Suppose somebody down there in that set-up has a back stairs to his office, and some fellow from a hole in the wall, who does not have a telephone number and does not have his name on his door, is engaged by some foreign interest to go to this man in this set-up. How do I know but that there may be such a lowering of tariff rates upon the products of some company as will amount to the destruction of that company's business?

I believe in a system of balanced economy. This reciprocal trade among our own people is what has made this country great. There are certain facts we all know that we can consider in determining our vote on this measure. In the first place, if we have a surplus of anything that anybody wants to buy, we can sell it, and if anybody in the world has some article that we need we can buy it.

I know there are those who believe that the real solution of all problems is to give what we have away. All roads lead to Washington. It is the only Capital in the world where things are given away.

If you are going to take the pants of Uncle Sam, and maybe his BVD's, too, I want to see the barrel that you are going to substitute for the pants, and I think you at least ought to put handholds on it so that he can hold it up.

I also know that all fair-minded Americans are in favor of reciprocal trade

agreements. William McKinley announced that doctrine in the last speech he made on this earth, at Buffalo, N. Y.

The protective tariff puts or should put upon articles manufactured by pauper labor abroad a duty equal to the difference between the cost of that article manufactured by pauper labor abroad and the cost of the same article manufactured by American workmen, whose living standards and whose wages are the highest in the world.

These are the objectives I have in mind. Thousands of men and women in my city of Knoxville and all over my district are in the mines, in the shops, at the looms, and the machines in the mills where cloth is woven and hosiery is knit. I do not propose to cast a vote that will divorce them from their jobs.

What we want, as I have just said, is a balanced economy, a prosperous, well-paid, well-housed working class of people. When you have widespread employment the farmers of the country can sell the milk, butter, eggs, vegetables, meats, fruits, and breadstuffs they produce. When industry is prosperous, when labor is employed at high wages, the farmers have a home market right here in America for their products. And the farmers can then buy the machinery, the automobiles, trucks, and household equipment produced in the workshops of this country. But once you break down all these barriers and bring about an international set-up, what some people have in mind, then what will become of our American standard of living?

This is a workaday, practical, realistic world. In England, Scotland, Wales, Belgium, Holland, and France are many of the world's finest looms, and hosiery mills. In Germany there are great plants magnificently equipped that will be taken over and operated by the French, the English, and the Russians. In Czechoslovakia are some of the world's greatest shoe plants; and in all these countries of Europe are millions of the most skilled and highly trained artisans. India has been industrialized. China will be industrialized.

Under this act we are considering if it becomes a law, our markets may be flooded with manufactured articles at prices that will close our mills and throw millions of our people out of work.

There are rich internationally minded men in the State Department. They and their allied interests, have invested millions in the growing of cotton in Brazil. If they succeed in breaking down American industry, and in throwing our people out of work, millionaire businessmen can take their millions to South America, India, and China and take advantage of the pauper labor of those countries and then under the lowered tariff rates of this, their pet measure, flood American markets with cheap foreign-made goods. Officials of this Government, some of them now in the State Department, have spent billions of United States taxpayers' money in South America. It has been charged in the Senate that $10,000,000,000 were spent on projects for which this Government does not have the scratch of a pen.

Fifty million dollars of the taxpayers' money were spent in Brazil for the construction of a steel mill. It would have been better business to buy that much coffee from Brazil and let the Brazilians build the mill and better still to make steel in our mills and sell it to them.

The situation thus brought about would pave the way for the return of another boondoggling PWA in time for the next election.

This legislation is being considered in an emotional manner. Its passage is urged because it is the President's first request for the passage of a measure. This fact is not sufficient reason for its enactment.

The legislative body of no other nation in the world is undertaking to look after our interests. If this Congress does not protect the people of this country, who will?

Trade with foreign nations. Yes. But let us trade at arm's length—on a basis of barter and fair exchange. We should not give anybody something for nothing. Our 132,000,000 people must not be forced to continue as Santa Claus to the world.

No man can tell what a day may bring forth. Events are kaleidoscopic. War between France and the Moslem world is threatened. England's form of government and her whole economic system is threatened with the triumph of socialism, if not communism, if Churchill is repudiated in the coming election.

Russia remains the big question mark. How much of Europe and of Asia will she take over? President Truman is trying his best to find out what happened at Yalta. He has sent Harry Hopkins to see Premier Stalin and Mr. Davies to interview Winston Churchill. He has talked to the Roosevelt children. We know our representatives cannot get into Berlin or into the Balkans, although we blasted the roads to both places and paved them with the dead and broken bodies of our boys.

We hope—we pray—that the effort we and our allies are making to secure the peace will succeed.

A solvent, prosperous, powerful United States of America, dealing justly, on a practical business basis, with foreign powers, is an essential factor in any plan to build a better world and to keep the peace. Under our protective-tariff system, as modified by our willingness to trade with other nations under give-and-take reciprocal-trade agreements, the American people have built the greatest industrial system on earth. Under it our people have attained the highest standard of living and the largest measure of liberty enjoyed by any people in all the 5,000 years of recorded history preceding the founding of this Republic.

To preserve these blessings for our people is the solemn duty of us all.

I close with the words of the Apostle Paul, the greatest ambassador from the Prince of Peace to the Christian world:

> If any provide not for his own, and especially for those of his own house, he hath denied the faith, and is worse than an infidel.

Mr. KOPPLEMANN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, now when we are joined with other nations to work out an organization through which the world can maintain peace, it is imperative that we continue the trade-agreements program and expand it as fast as possible. We cannot divorce economic good relationships from political and cultural understanding. Both are needed to wipe out the irritations and suspicion which give rise to war.

I have always actively favored the reciprocal trade pacts. I do not contend that every American industry, or every individual enterprise, is going to profit solely because of them. I do contend that American foreign trade as a whole will greatly benefit and, therefore, benefit is found to redound to the advantage of all our enterprises because increased business in one sphere enables workers to purchase more of American goods.

For example, it is obvious that if the American worker has more money and a more secure job he is going to buy more of the products of agriculture. Whether or not our farmers actually sell their products abroad, they will sell more of them right here at home. It is the overall picture we must bear in mind constantly. We are trying to keep American production on a high level. A good portion of that production is helped by foreign markets. Not only can we dispose of our surplus, we can also manufacture more goods, thus affording more jobs to American workers—and we keep the channels of friendly intercourse between nations free and open in a two-way exchange of business. Naturally they cannot buy from us if we will not buy from them or if we make it tough for them to buy from us. That is just common sense.

While legislation of this nature must be regarded from the national point of view, necessarily to obtain the complete picture, we must look into the effect of reciprocal trade agreements on industries and commerce in the several sections and States of the Union.

Naturally, I am particularly concerned with their effect on Connecticut. I admit readily that we canno attribute wholly to the reciprocal trade agreements the increase in our exports during the 2 years immediately preceding the outbreak of war in 1939. Not only were the Axis countries, in preparation for war, building up stock piles of goods for military and civilian consumption, many other countries, fearing war, also were building up stock piles as a measure of preparation.

We have, nevertheless, the 3 years from 1934 to 1937, which gave us a fair idea of how the reciprocal trade idea was working out, and gave us a fair idea of the extent to which they would help, first, to increase, and second, to stabilize our foreign trade on an increased level.

My State of Connecticut is one whose economic development and prosperity are affected, both directly and indirectly by foreign trade. We need foreign markets especially for the products of our factories. We manufacture electrical machinery and apparatus, business machinery and office appliances. The

typewriter industry is centered in Connecticut. We manufacture tools and industrial machinery, and textiles.

Total United States exports showed a drop of 68 percent in 1933 as against our exports in 1929. Connecticut exports that year showed a drop of 72 percent from our Connecticut exports in 1929. Total connecticut income in 1933 showed a drop of 38 percent from the income in 1929. Connecticut farm income showed a drop of 33 percent.

As the Nation recovered from the depression, so did Connecticut. But as the Nation's foreign trade recovered, that national recovery was reflected in the increase of Connecticut exports, and the improvement of Connecticut business as a whole.

It is notable, too, that in the 2-year period 1938–39 when 16 trade agreements were in effect, United States exports to the countries covered by these pacts averaged 63 percent greater than in 1934–35, when only one agreement was in effect for a year or more; while exports to countries we did not have pacts with showed an increase of only 32 percent. Without question, the concessions obtained from other countries in trade agreements on specified American products, and the provisions against discriminatory treatment of United States trade, contributed to our improved foreign trade position. Connecticut shared in the increased trade.

Among concessions obtained which benefited Connecticut were those for textile products, electrical machinery and apparatus, industrial machinery, business machinery and office appliances. The expanded foreign markets which the trade agreements made possible increased our production.

Prior to the war, concessions for textile manufactures were obtained in agreements with 17 countries. These concessions applied to cotton, silk, wool, and rayon. These concessions were reflected in our foreign trade dealings with other countries, even though the trade pact did not specify them. Naturally these other countries increased their import quotas of goods they were buying from us, with the result that Connecticut textile mills were operating more actively and workers were benefiting from steadier and longer employment. The mills were economically able to grant the higher wages which the workers were receiving.

Agreements with 22 countries contained provisions which restored and expanded our export trade in electric machinery and apparatus, another important product of Connecticut manufacture. The result was improved business for the manufacturers and improved working conditions for the employees.

Similarly, agreements with 23 countries granted Connecticut industry benefits for various classes of industrial machinery. They included textile, sewing, and shoe machinery, office appliances, mining machinery, printers' machinery and equipment, and metal-working machinery.

Trade agreements with 22 countries restored and expanded foreign markets for business machines and office appliances with resultant benefit to Connecticut manufacturers and their employees, who make typewriters, calculating machines, and cash registers, as well as other office items.

Practically all Connecticut farm produce is consumed domestically, but the farmers of the State benefited from industrial trade because the resulting benefits to industrial workers created a much greater demand for farm products. Connecticut farmers in particular depend on urban demand in order to derive a satisfying income from their labor. Naturally they sell more when industrial workers are employed more steadily at good wages. And then, in common with other American industry, Connecticut benefits from the most-favored-nation provision in each trade agreement.

We must never forget that the high tariff barriers during the Smoot-Hawley era brought retaliatory high tariffs from other countries. The tariff war nations were waging against each other not only contributed seriously to the decline in our foreign trade, but also contributed materially to the economic hostility which helped sow the seeds of war. It is significant that every nation with whom we promulgated a trade agreement is either our ally, or is a neutral. It is significant also that we had no trade agreements with Germany, Italy, and Japan.

I subscribe heartily to the thinking that we cannot build up an enduring international organization to promote and sustain peaceful relationships among nations unless we promote and sustain business relationships that will help us buy from each other. We do not go to war with a good customer.

Foreign trade cannot be planned nor conducted on a regional basis alone. The prosperity of any section of the country largely depends on the prosperity of the Nation as a whole. Increased production elsewhere because of foreign markets also benefited Connecticut because naturally there was increased demand for Connecticut products for domestic needs. With this viewpoint in mind, we must remember that enlarging the sale of American products to foreign consumers means that railroads, steamships, and trucks have greater tonnage to handle, with consequent steadier work for the employees of those industries. Similarly related businesses which do not directly engage in foreign trade nevertheless benefit from the improved business picture as a whole, as for instance, banking, insurance, warehousing, the various professions.

When the war is over we face considerable disruption because of work curtailment. It may be some time before industry will have been completely reconverted to civilian production. Foreign markets will help to tide us over the period of reorganization. But unless we show our foreign customers that we want to do business with them on a give-and-take basis, they may be forced to do business with us on our terms alone; but mark my words, they will retaliate just as soon as they are able to do so.

The mail I have received on this subject is interesting both from the angle of support and opposition. More people than formerly who have nothing personally to gain have written in favor of this measure. Several manufacturers are urging my support, pointing out specifically how their industry has benefited. Most of the people who have written against it, manufacturers and others, have been opposed ever since this matter was first up for consideration.

Experience with the agreements proves that many of their arguments are unfounded and fears are without base. There is no doubt that many interests in this country are hoping now to wipe out certain programs and policies which have been closely associated with the Government these past 12 years. They figure the time is ripe now. But, like so many measures adopted during the democratic administration, reciprocal-trade agreements have been accepted by the American people. They regard them as a necessary means of improving our production through foreign trade, and promoting peaceful relations by removing trade barriers and making for a free give-and-take of commerce between nations.

The watch and clock industry, which has several important factories in Connecticut, is concerned over the fact that during the war their entire resources were devoted to making instruments needed by the Government. Importations of watches from Switzerland increased considerably during the war. What will happen to their business when peace comes and they go back into the manufacture of clocks and watches, they ask. There is no question but that special consideration must be given an industry which has left its competitive field to engage in war production, thereby leaving the market open for imports during the war period. However, for the most part, imports consist of jeweled movements, and there is a vast market call for watches without jeweled movements. Further, the scarcity of watches and clocks during the war will create a tremendous demand for them when war production stops, and enterprising manufacturers will develop their postwar business in the type of product that will meet the greatest demand.

It is interesting to note that during 1929, when the high tariff rates were in effect, imports of watches and clocks were valued at 18.6 percent of our total production, which in that year amounted to $86,756,000. By 1933, our production had dropped to $29,000,000 and imports were valued at 6.7 percent. In 1937 total production rose to $104,446,000, but imports represented a value of only 10.3 percent. By this time trade agreements had been promulgated with Switzerland, on February 15, 1936, and with France in June of that year. Switzerland, in particular, worries the watch and clock industries of this country. Figures for later years are not available.

These industries serve effectively to prove the worth of trade pacts when we see that during a high tariff year imports

amounted to 18 percent of our total production value, while during a lower tariff year imports amounted to only 10 percent against a much greater amount and value of domestic production.

Similarly with the ball and roller bearing industry which is of vital concern to Connecticut. In 1933 our total exports amounted to 1.9 percent of our production, whereas imports amounted to seven-tenths of 1 percent of our production. The agreement with Sweden was concluded in August of 1935. That year showed an increase of 115 percent in United States production against that of 1933, but exports increased 153 percent and imports increased 130 percent.

The year 1937 reflected a 43 percent increase in United States production over 1935. Exports increased 23 percent over our exports of 1935, while imports showed an increase of 77 percent. However, the sum total of imports amounted to less than 1 percent of our total production and that was chiefly bearings of unusual types and sizes which are brought in largely to complement certain domestic lines.

Nineteen hundred and thirty-nine showed a decrease in United States production over 1937 amounting to 15 percent. There was an increase of 26 percent in our exports and a 60 percent decline in imports, a decline probably due to the fact that Sweden, Great Britain, and Germany, whose bearings we chiefly imported, were building up a stock pile for war preparation.

Some concern has been expressed in Connecticut because of the resumption of trade with Java and Sumatra when the war ends. Java and Sumatra tobacco competes with Connecticut shade-grown tobacco used for cigar wrappers. Our agreement with the Netherlands, promulgated early in 1936, contains provisions covering the tobacco trade.

These are the facts: Under the act of 1930 the tariff on Java and Sumatra was $2.275 a pound. Our trade agreement with the Netherlands provided a reduction to $1.875 a pound as of February 1, 1936, with a further reduction to $1.50 a pound after June 30, 1936. During 1930–34, prior to the promulgation of the Netherlands treaty, imports supplied 31 percent of our total domestic consumption.

Imports from Java and Sumatra consist of grades of wrapper which sold in this country before the war at a much higher price than domestic shade-cured cigar wrapper. The average value of the domestic was 68 cents a pound in 1939 as compared with average foreign value of imports at $1.67 a pound. When the tariff was reduced under the Netherlands trade agreement imports increased in 1936 over 1935. Thereafter, in 1937 and 1938 they fell below the 1935 level.

Imports since the trade-agreement reduction was made never attained the 1930–34 level. The proportion of domestic consumption supplied by imports has been substantially smaller since the tariff reductions under the Netherlands agreement of February 1, 1936, than before the tariff reductions.

The following table compiled from official statistics of the Departments of Agriculture and Commerce will bear out this point:

	Production	Imports	Quantity, apparent consumption	Percent of apparent consumption supplied by imports
		Pounds		
Average:				
1930-34	8,003	3,565,000	11,568	31
1935	7,795	1,947,000	9,742	20
1936	9,418	2,999,000	12,417	24
1937	8,508	1,660,000	10,168	16
1938	9,029	1,695,000	10,724	16
1939	11,376	2,180,000	15,556	14
1940	9,499	2,197,000	11,696	19
1941	10,136	2,532,000	12,668	20
1942	9,242	2,757,000	11,999	23
1943	10,020	2,612,000	12,632	21

The real attitude of the tobacco industry toward the trade agreements is expressed in an article in the May 19, 1945, issue of the trade magazine, the Tobacco Leaf. Here it is stated that the new trade-pact bill "is being vigorously fought, but the tobacco trade does not have to be sold on its merits."

Some interests in the woolen industry are also opposing the trade pacts. In 1929 imports of woolens represented in value 22 percent of our domestic production. In 1939, after agreements had been in operation with Belgium, Sweden, France, and the United Kingdom, imports represented in value 9.6 percent of our domestic production. Furthermore wool imports are high quality fabrics, while production in the United States is largely confined to medium-grade goods. United States wool production in 1939 was larger and imports in 1939 were smaller than in 1929. In 1939 wool imports represented 2 percent of our domestic production.

During the last election campaign Governor Dewey called them the "Republican reciprocal trade agreements" and expressed the hope that the Republicans would continue to carry them out. The members of his party in Congress have certainly let down their standard bearer; Presidents McKinley and Theodore Roosevelt advocated them as integral to international goodwill and the widening of our markets.

It is fairly obvious that our experience with the trade pacts during the peace years justifies their continuance and expansion.

We now face an era when the United States must collaborate on an unprecedented scale in achieving and maintaining peace. Economic as well as political isolationism went into the discard with Pearl Harbor. Fundamental to world cooperation is a sincere effort to develop a stable commerce among all nations. Reciprocal trade agreements is a proven, realistic approach to solve our pressing economic problems. We have the ball. The goal is not hard to reach.

Mr. BATES of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the closing hours of this debate I am fully cognizant of the fact that exports are, beyond question, necessary to a well-rounded economy, and the fact that reciprocal trade agreements will play a vital part in the future peace of the world. I feel compelled, however, to urge, from the tragic experience of shoe industries in my State involving thousands of employees and millions annually in pay rolls, that we proceed carefully before approving the proposed legislation.

The measure before us carries sweeping provisions for the adjustment of the tariffs affecting the rates on imports of products coming into this country from every part of the globe. It is the nearest approach to a free-trade program that has ever been considered by the Congress of the United States. Down through the history of this country until recent years, the Congress has always reserved the right to determine what the tariff rates applying to imports should be. Under the provisions of this bill, the power to establish the tariff rates will be left in the hands of State Department officials who, in no way, will be responsible to Congress or anyone else.

The present Reciprocal Trade Agreements Act allows for a 50-percent reduction in the tariff rates set up in the Smoot-Hawley tariff bill of 1930 and under the provisions of the present rates, much grief has already come to the industries and the workers in the New England area. When the Congress gives this power to any governmental agency, we loose full control over any remedy needed to cure conditions that may threaten our industries and the employment of our people. If we authorize a cut in tariff rates on goods imported to this country 50 percent below what the present law calls for, it seems to me that we are borrowing a lot of trouble for the days ahead when we should do everything in our power to lend encouragement to our industrial activities so that we can maintain a high level of employment. To place such vast powers in the hands of our State Department officials is only an encouragement to them to reduce the rates below what they are today.

I speak from practical experience and full knowledge of the appalling situation brought about by the heavy imports of Czechoslovakian-made shoes during the prewar days and under the present tariff rates. Meetings were held in many parts of New England protesting the low tariff rates that had such a disastrous effect on the industries in that area. These protests were made, not only by the manufacturers affected but by the workers, public officials, the chambers of commerce, and the union organizations, as well as the people in general.

There is grave danger in viewing of this program in the light of lofty platitudes and generalities. We must examine the issue in the light of practical experience and the future of our industries, our standards of living, and our economic well-being. Our past experience in dealing with this important question has left a very convincing picture in my mind, and I refer to the closed factories and jobless shoe workers in many parts of my district, brought about principally by the flood of shoes from Czechoslovakia.

Much has been said during this debate about the relatively small volume of imported goods from foreign sources, and it has been stated that these imports did not affect adversely the industries of our country. The unfortunate part of our experience is that 95 percent of all the shoes that were imported into this country came from Czechoslovakia, and over 95 percent of those shoes sent in by Czechoslovakia were of the so-called women's novelty type which are made in a great many factories in the New England area. The Shoe and Leather Journal has made the statement that 25,000,000 pairs of these women's novelty shoes made in this country came directly in the path of the Czechoslavakian-made shoe.

Many communities in New England are known as one-industry communities. That is to say, that in one city the economy is dependent primarily on the cotton industry; another, the woolen industry; another, the shoe industry; and so on down the line. These communities have grown up around these industries that have flourished down through the years because of the protection given to them. These questions have been asked: Did these imports do any harm to any of these industries? Did they bring about unemployment?

Let me call to the attention of the Members of the House one fairly large city that is predominantly known as a shoe center. In a survey conducted by the chamber of commerce of that city at the time of the heavy imports of Czechoslovakian-made shoes, 28 plants were seriously affected, 17 were closed down completely, and the rest of them were in a very depressed state of operation. The Czech shoes hit those industries in that area a terrific blow. Thousands of shoe workers were walking the streets, while the Czech shoes were flooding our markets. It cannot be said that high wages were the cause of our grief because that year, the average weekly earnings of the shoe worker was only $16.41 per week. The trouble was that the markets were taken away from our manufacturers and several thousand workers were left idle with no opportunities for employment. The basic source of trouble was the low tariff, and the manufacturers admitted that they did not have the faintest ghost of a chance of competing with the Czechoslovakian shoes.

A thorough study of the situation was made by the Shoe Manufacturers Associations in conjunction with the United States Department of Commerce, and it was found that the landing price of Czechoslovakian shoes, including all transportation costs, duties, and profits was from 12 to 14 cents per pair cheaper than the cost of producing similar shoes in this country, not including profits. The average profit per pair of shoes made by an American manufacturer is about 9 cents. That meant that along with the 12 cents to 14 cents margin below production cost must be added a fair profit of 9 cents before the American manufacturer could expect to sell his shoes in the open American market. To this extent, the Czechoslovakian shoe had a differential of 21 cents in the retail market of this country. Obviously, if the American retailer can buy shoes from a foreign country, with just as good a quality as that made here, for 21 to 23 cents less per pair, he is going to buy those shoes. He will then sell them in the American market. That is just what happened during the period of these heavy imports from Czechoslovakia. Protest after protest by people in every walk of life were made, but nothing was done about it and our shoe industries continued to decline until the Germans marched into Czechoslovakia in the spring of 1939.

It is interesting to note shortly thereafter the upsurge in the industrial activities of our shoe centers, the rising employment and the pay rolls that came along with it. Surely no one can truthfully say that the interests of the shoe workers in our part of the country were properly protected by the State Department when its officials entered negotiations for a trade agreement with Czechoslovakia. I hesitate to say what would have happened to our industries and our communities if conditions in Europe had remained normal and the imports of shoes continued on the high scale of imports that they had reached at that time.

For guidance to the future we must look to the experiences of the past. While Bata, the president of the Czechoslovakian shoe company, is no longer in that country, the company has a number of subsidiary organizations scattered all over the world. One of these subsidiary firms is in Canada, headed by the son of the founder. There are Bata subsidiaries in other imperial countries. The president of the Bata concern who, incidentally, is on our blacklist, is supposed to have organized factories under different names in Chile, Brazil, and Argentina. He is known to have large holdings in Brazil, including very large land areas. He had grandiose schemes for forming colonies of refugee Czechs, and that is the basis on which he says he bought the land. He established these factories under the name of dummy organizations.

Even if the tariff rates insofar as shoes are concerned are maintained at the present level, the shoe and other manufacturers in my area will still be deeply concerned because of the possibility that the same thing will happen to them in the coming postwar period as happened in the years immediately preceding World War II. Bata organizations, operating under dummy names, will spring to life everywhere and we may expect to feel their impact very severely in the postwar days, when every protection ought to be given our industries and our workers, including the millions of service men and women returning to their homes and communities expecting to get jobs. If this bill becomes law, authorizing a further reduction of 50 percent below the present tariff rates, we certainly will be facing the future with grave misgivings as to our ability to handle the economic problem that this country will be faced with after this war is over.

New England as a whole depends on the factories to maintain its economic life. From the factories flow the pay rolls and the purchasing power of our people. Whatever affects those factories adversely leaves its repercussions along the line of every activity within our communities. Shoes and leather and textiles for the most part form the backbone of our industrial life. Of course, we have a variety of other types of manufacturing employing hundreds of thousands of our people, and obviously we are greatly disturbed by any program that will throw the products of those industries into competition with foreign products made by cheap labor from abroad.

The businessmen and the industrial leaders of this country are fully aware of the world-wide developments in manufacturing. They are well informed on the fact that only recently one of our American industrial consultants undertook a job for the Argentine Trade Promotion Corp. to survey the markets in the United States for leather products including shoes of Argentine manufacturers. This is an indication of the interest that foreign countries have in the available markets in this country for themselves in the postwar period. The representatives of this firm of consultants went all over this country making studies. Obviously in this study they observed the present tariff provisions and every other phase of our economic life. Undoubtedly they are keenly aware of the possibilities in the American market if the bill now before us becomes law. Many such studies are being made for other foreign governments.

During the war, many tanneries have sprung up in South America and other nations, and a large percentage of sole leather sent to Soviet Russia during the past 2 years is known to have come from Argentina and Brazil. This is an indication as to the volume of upper leather and sole leather that will be available for shoe manufacturing from those countries after the war is over. Many of these foreign countries are known as great sheep- and goat-raising areas. In the development of their tanneries, these products also will be available, not only for exporting of leather to this country and other countries of the world, but will be also available for the manufacturing of shoes within those countries. The thought they have in mind in the studies they are making here is that the products of their factories may find their way here in the rich American markets. These foreign tanners will make as good a leather as we make here in the United States and the cost of labor and raw materials going into these finished products will be far below the cost of raw materials and labor which we pay here in this country.

By lowering the tariff law, we are inviting them to send in their products in competition with our own manufacturers and workers at a time when we should maintain the highest level of employment in our country. That is the danger I see in the passage of a bill of this kind. We must not close our eyes to the possibility of a flood of foreign products into this country made by cheap labor in every part of the world and which may possibly ruin some of the great industries of this Nation.

I am willing to vote for the extension of the present Reciprocal Trade Agreements Act, but I am not willing to encourage the reduction of the tariff rates by another 50 percent. Even under the present law, we have faced a most difficult situation which I had hoped time and experience might help to adjust. I am fully aware of the need of cooperation in an economic sense with the other nations of the world, but I am not willing to sell our own industries down the river and bring about unemployment to great masses of our people when the crying need in the postwar period will be jobs and pay rolls. We have a great responsibility in this bill and I am opposed to any legislation that would barter away our American markets on nearly a free-trade basis as the provisions of this measure would make possible.

Mr. DINGELL. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the proposal to strike out this section is a move to eviscerate the measure. It is what the hunters call a gut shot. Do not be fooled by it. It is the life and substance, it is the bill itself that is at stake.

I want to refer to the remarks made by the gentleman from Minnesota [Mr. KNUTSON] with regard to plate glass. The gentleman from Minnesota [Mr. KNUTSON] views with alarm the wage disparity between the United States and Belgium. In 1939 the imports of window glass supplied the astonishing total of 4.6 percent of the domestic consumption. Imports of plate glass the same year supplied one-fifth of 1 percent—that is, one five-hundredth part of what we use. These are figures from the Tariff Commission in its report in response to Senate Resolution 341 of the Seventy-eighth Congress, a resolution sponsored by Senator BREWSTER, of Maine.

What is the duty on window glass and on plate glass? The duty on window glass amounts to 60 percent ad valorem, and on plate glass it is 58 percent. The history of plate-glass tariff manipulations stinks to the high heavens; it is rotten. In my opinion, American users of plate glass have been filched and robbed because of a plundering robber-tariff.

The gentleman from Minnesota [Mr. KNUTSON] claims that Belgium, our only competitor, has as modern manufacturing machinery as we; but he offers no proof; he just makes the statement. The fact is their per capita production does not compare with our own or anywhere near it. Belgium produces no silica, imports a lower grade than our own from a foreign land, then ships the finished produce in export—fragile glass—at the highest ocean and rail rates of almost any commodity; and it has so little chance in competition in the United States that it barely filters into the fringe of the seaboard; you scarcely ever see it deeper inland because it just cannot stand the additional rail tariff from seaboard to the inland United States. So let us not cry over the plate-glass situation; the industry has been a favorite in this country at the expense of the consumer, and as a result many of us have suffered.

A while ago my distinguished friend from Ohio quoted the chairman of the Committee on Ways and Means, referring to remarks the gentleman from North Carolina made in 1930. In the citation I can see no inconsistency. The proposal made in 1930 was not the bill we have under consideration today, and I have an idea that the chairman of the committee at that time had a right to his suspicions because of the playboys who sauntered in and out of the White House at the time, all pleading their cause for a high exclusive tariff. The situation is reversed now, therefore, this proposal to strike out this section should be voted down.

Mr. HINSHAW. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I wish to talk to my friends from the Southern States and that includes the gentleman from North Carolina and the gentlemen from Mississippi, Tennessee, Alabama, and all the rest of those great States, because along with my State they produce cotton. My State normally has some 400,000 acres planted in cotton. Fortunately ours does not compete with yours because it is mostly long staple. You fellows ought to realize that we do not have tariffs on short-staple cotton; all we have is an almost complete embargo against the importation of it. What do you think of that? We do not need any tariff, we just keep it out altogether and say, "No; you can't bring it in."

Now, is not that a fine kettle of fish for fellows like you and me to have, to support us in our argument that these others should suffer a further reduction in their tariffs but we should not in ours. We allow practically no cotton to come into our country—a mere matter of 29,000 bales a year. You gentlemen who have tobacco grown in your district, and that includes the State of my good friend from Connecticut, I understand, have a similar situation. You cannot import the Virginia type of tobacco into this country because it cannot be grown abroad except from seed grown in the United States, so you have put an export embargo on seed. And that applies to gentlemen from the Great Plains States, because there is an embargo, practically, on the importation of wheat into this country. You only allow to come in some 800,000 bushels of wheat against a domestic production of 800,000,000 bushels and the wheat that does come in is specialty wheat needed in milling.

That is a quota system. That is a restriction system. You talk about tariffs, that is a million percent tariff. You do not have to talk about reduced tariffs. You have the highest protection possible in the world. You are the highest protectionists in the world. Why is it that you stand up here and talk piously about freeing trade? Why is it that you talk about lowering the tariff? I venture to say that there is not a Member in this room from a cotton State who would want to take off the embargo on the importation of cotton into the United States. I dare anybody from one of those States to stand up here and say that he wants to have the embargo on the importation of cotton taken off.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Alabama.

Mr. PATRICK. We are discussing the present bill. May I ask the gentleman how he feels about a leeway of 50 percent up or down or a time allowance of 3 years and whether that will be effective necessarily? Why does he assume that the passage of this into law will be sustained by the argument he is making here?

Mr. HINSHAW. My point is simply that there is no change in this bill in the embargo on the importation of cotton. You do not have to worry about that. That embargo does not come from this bill. It arises under the Agricultural Adjustment Act and the Soil Conservation and Domestic Allotment Act. Those acts are not being considered with this question right here. On the other hand, when we begin to talk about tariffs and about foreign trade, we have got to take into consideration these other acts that are seemingly unrelated to the bill before us now. The Agricultural Adjustment Act and the Soil Conservation and Domestic Allotment Act, however, are just as important to the questions covering foreign trade, tariff, and the import and export situation in the United States as is this bill before us. You do not want to amend those acts. You do not want the President to interfere with them.

Mr. CAMP. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Georgia.

Mr. CAMP. Is the gentleman against an embargo on cotton?

Mr. HINSHAW. I said that I was not.

Mr. CAMP. Of course not.

Mr. HINSHAW. I know perfectly well that if they took the embargo off under the existing situation of supported prices, high prices and 4-cent-per-pound export subsidies, and no tariff we would get all the short staple cotton in the world right back in the United States tomorrow, and that is in accordance with the report of the Tariff Commission No. 137, second series. I commend it to the gentleman's reading.

Mr. CAMP. Does the gentleman think that is connected with this matter?

Mr. HINSHAW. I certainly do, and I think anyone, yes anyone, who issues pious platitudes about lowering tariffs had better consider his own situation. He is in a comfortable position when he has an embargo on the products of his own State.

Mr. ROBERTSON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Virginia.

Mr. ROBERTSON of Virginia. Does not the provision or the imposition by the President of quotas such as the gentleman referred to for cotton and wheat, as carried in the Hawley-Smoot Act of 1930, authorize the Tariff Commission to make an investigation and when it is found that a domestic industry cannot

meet the competition the President may limit the imports by a quota system?

Mr. HINSHAW. Perhaps it does.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. The gentleman is referring to the Tariff Act of 1930 and the investigations thereunder. I am referring to two other and different acts, the Agricultural Adjustment Act and the Soil Conservation and Domestic Allotment Act. It was pursuant to those acts that the gentleman's products, and all of them, are protected by import embargoes, not from this act at all, not from the Tariff Act of 1930. I commend to the gentleman's consideration the fact that certain agricultural industries of this country, particularly those in the South, and the Middle West, are protected by embargoes while those on the Pacific coast, except cotton, are not so protected. Our agricultural tariffs have been reduced 40 to 50 percent on most all California products.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. COOPER. Mr. Chairman, I move to strike out the last eight words.

Mr. Chairman, the Trade Agreements Act has come to receive the overwhelming support of the American people. It has been renewed by Congress three times. The overwhelming support of the people of this country is clearly reflected in the strong press support that is given to this program. A survey made shows that about 85 percent of the editorial comment of the newspapers of this country is in support of this program.

The Trade Agreements Act is now scheduled to expire on June 12 of this year. In recommending to Congress that the act be continued, the President has asked that the authority to reduce tariffs by 50 percent be strengthened by making it apply to the tariffs which we maintain today rather than 10 years ago. The Trade Agreements Act should be strengthened if an effective trade-agreements program is to survive. The proposal for increased authority which would permit this country to reduce its existing tariffs in exchange for reductions in existing tariffs and trade barriers of other countries is merely another way of proposing that the program and policy on negotiating reciprocal trade agreements be continued. A simple renewal of the act without the increased authority would mean in effect that no important trade agreements of substantial benefit to this country could be negotiated with those foreign countries which are the principal outlets for American products.

A few figures on this point will be interesting. The authority under the present act to reduce duties not more than 50 percent as of the 1934 rates has been fully exhausted in respect to 42 percent of our total dutiable imports; from all countries on the basis of the 1939 import values. The authority has been partially exhausted, and in many cases almost fully exhausted, in respect to an additional 20 percent of our total dutiable imports from all countries. Of the authority which has not been used at all, which applies to 37 percent of our dutiable imports from all countries, a considerable part relates to products of the Axis countries. The situation with regard to those countries which are now the biggest outlets for American export is as follows: In the case of the United Kingdom rates of duty have been reduced under the trade-agreements program as a whole on about 90 percent of value of our total dutiable imports from that country in 1939. In the case of Canada the figure is about 92 percent. The United Kingdom and Canada are our two largest customers. These two countries accounted for 31 percent of our total export trade in 1939. In the case of France, Sweden, and Mexico, other important peacetime buyers of American products, rates of duty have been reduced on about 70 percent in the case of France, 60 percent in the case of Sweden and 90 percent in the case of Mexico. Therefore it can be seen very clearly that this additional authority, which is purely discretionary with the President as provided in section 2 of this bill, is vital and essential if we are going forward with a proper trade-agreements program.

All of this 50 percent authority is certainly not going to be used. In the first 3 years, from 1934 to 1937, the 50 percent cut had actually been applied to only 12½ percent.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. COOPER. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. In the first 6 years of the program, the 50 percent cut had been applied to only 24 percent of dutiable imports. Now, 11 years after the program started, we find that cuts of 50 percent have been made in a total of 42 percent of our dutiable imports.

Consider this practical situation. When we undertake to negotiate a trade agreement with another country it means that we select certain items and they select certain items. We may have to go to 50 percent on only a very few items, but the authority to negotiate is of vital importance.

There is not going to be any harm done to any American industry under this program, but in order to make the program succeed this additional authority is absolutely essential.

Mr. GIFFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, is this a party measure? It certainly is. It is a Democratic Party measure, introduced by that party, and that party is whipping into line real friends of mine over there. On this amendment you ought to release them. It is very vital to some of them who represent industrial communities. They should not be urged to sacrifice their industries or themselves.

I was interested in what the Connecticut Member said. He desired to send exports from Connecticut. We export 4 and some hope 10 percent of our domestic production. Do you want the tail to wag the dog? I do not believe you do. I want you to release some of these men whose duty it is to look after their industries. I am sorry for my friends from Rhode Island, Connecticut, and other New England States, who, from loyalty and under party obligation, are expected to vote for what they must well know is their obligation to protect our own people.

Their leader on yesterday quoted defeated Republican candidates for President who believed in proper reciprocity. Why did you not quote Dewey, in the part where he shouted at you "inefficient?" But those candidates were defeated.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Ohio.

Mr. JENKINS. May I remind the gentleman that a distinguished gentleman from Rhode Island appeared during the hearings and in the course of the questioning said that he represented 50 percent of the economy of the State of Rhode Island, and he was opposed to these agreements.

Mr. GIFFORD. What a pity that the party whip is being used to drive these men, those who well know where their duty lies if they would protect their own industries.

Many times have I tried to tell you that you ought to consider the editorial thought of the Nation, when I thought 75 percent of the Nation were leaning that way, and you paid little attention. Many times have I said that the United States Chamber of Commerce ought to be persuasive, and you apparently jeered, saying they were a big business organization, selfish, and not for the people. But you embrace them today, and how you have taken to your bosom the CIO. Indeed, you have made strange bedfellows. Is San Francisco tied to this? This is a matter of pure economics. Why should San Francisco depend on this? Why this editorial preachment connecting these two really unrelated matters? Of course, the object is to garner votes. It is constantly reiterated that it would promote peace.

This has produced a barrage from various so-called peace organizations. If the farmers would read Congressman CARLSON'S statement of yesterday, I think many of them would change their minds. But not all farmers are for this. Have you forgotten the National Grange and many others. This is universally favored the last speaker said. If you could see my mail, received as a member of the committee, you would decide otherwise. Nearly all are against it; very few letters for it. I recall when I came here years ago right after the First World War you enacted an emergency tariff. You will be forced to do the same right after this war. In 1920 when the emergency tariff bill was enacted, many prominent Democrats voted for it. I have a list of

40 important Democrats who voted for that act. Our present chairman did not vote, but Garner, Lea, and some 30 other Democrats voted for it. Many prominent Democrats will vote for an emergency tariff shortly after the present war is ended. What is an act of childhood that would excuse those votes of 1920?

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. KNUTSON. I think the gentleman will find Mr. Garner's name on that list.

Mr. GIFFORD. I just mentioned Mr. Garner's name and should have named many others.

Mr. KNUTSON. Yes.

Mr. GIFFORD. They voted for the emergency tariff then.

Mr. CARLSON. There were 40 of them.

Mr. GIFFORD. And they will vote for another emergency tariff. But read, if you will, the statements in the RECORD of the Congressman from Ohio [Mr. JENKINS] quoting many who testified they had already been hurt by agreements already made. My glass business was pretty near put out of business by what they had already done, but the war rescued that. But they say they have only used their authority to the extent of 42 percent. Well, that is pretty close to 50 percent.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. GIFFORD. Mr. Chairman, I ask unanimous consent to proceed for one additional minute, as the others have had permission to do.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GIFFORD. I rose to oppose this 50 percent extra authority. It is extremely dangerous. Now, most of you Democrats have gone along on this matter, have you not? You will cheerfully vote to extend the agreements for 1 or 2 years. But did you promise your people that you would grant this extra 50 percent authority? I do not think you did. You ought to be able to protect yourself and vote to protect our people and particularly those who sent you here to represent them. I do not want to be at all severe in this matter, but I do feel that you are suffering from party dictation. We do hope that this dangerous authority be deleted from this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last three words.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this matter close in not to exceed 30 minutes, the last 8 minutes to be allotted to the Speaker of the House the gentleman from Texas [Mr. RAYBURN].

Mr. LEMKE. Mr. Chairman, reserving the right to object, I wish to observe that so far all we have heard here have been members of the committee, both yesterday and the day before, and again today. There are a number of others who wish to speak on this bill.

Mr. COOPER. May I say to the gentleman that my request is in accordance with an agreement with the minority leader, the gentleman from Massachusetts [Mr. MARTIN].

Mr. REED of New York. The gentleman from Massachusetts [Mr. MARTIN] did not agree to a definite time.

Mr. COOPER. The gentleman from Massachusetts [Mr. MARTIN] agreed to the exact request I have submitted.

Mr. KNUTSON. The gentleman from Massachusetts [Mr. MARTIN] did not consult any of us.

Mr. MARTIN of Massachusetts. I think the gentleman misunderstood if he says I agreed to 30 minutes. My understanding was you would fix the time at 1 o'clock.

Mr. COOPER. No; our understanding was that we would let it go on as it was until 1 o'clock, and at 1 o'clock we would try to limit debate not to exceed 30 minutes after that. We have consumed over an hour already on one amendment.

Mr. KEEFE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. COOPER. Mr. Chairman, I modify my request to make it 1 hour and ask unanimous consent that all debate on this amendment close in not to exceed 1 hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. KNUTSON. Mr. Chairman, reserving the right to object, may I inquire how many Members on this side wish to be heard? There appear to be a goodly number.

Mr. COOPER. Mr. Chairman, I withdraw my request for the present with notice to the committee that in a short while I shall move for a limitation of debate on this amendment.

The CHAIRMAN. The gentleman from Massachusetts [Mr. McCORMACK] is recognized.

Mr. McCORMACK. Mr. Chairman, at the outset of my remarks I want to express my regret in listening to the remarks made by my distinguished friend the gentleman from Massachusetts [Mr. GIFFORD] for whom I have a strong affection, in raising the party flag on this bill and on this particular amendment. The Democratic Party does not take the position on this bill that this is a party matter. The great majority of the Members on the Democratic side are supporting the bill as they have in the past because they feel that the passage of the legislation is for the best interests of our country. We recognize the fact that there are Members of the Republican Party who will vote for the bill. Apparently the gentleman from Massachusetts [Mr. GIFFORD] is bringing up the party issue in order to try to swing into line a few votes on his own side, Members who are voting their convictions and their judgment in voting for the bill.

The gentleman also referred to the argument made that San Francisco is watching this bill and deploring such an argument. That appeared in a news article written by Gould Lincoln. Therefore my friend's attack on that observation constitutes an attack on an article by a mighty fine newspaperman, an article which appeared in yesterday's papers and last night's Star stating the feelings he observed at the San Francisco Conference. As I said yesterday, I have a profound respect for him. I like him personally. He is a great newspaperman and commentator. Certainly, if anything, he would lean toward the Republican side. But he is a man who is intellectually honest. We all have our leanings one way or the other. It is natural and human and proper. Therefore my friend the gentleman from Massachusetts [Mr. GIFFORD] is inferentially and indirectly at least attacking the man who first wrote this, our mutual friend, Gould Lincoln.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Certainly.

Mr. GIFFORD. I made no attack.

Mr. McCORMACK. I will strike out the word "attack."

Mr. GIFFORD. I said that was the reason for all this editorial writing of late.

Mr. McCORMACK. Well, the word "attack" is not to be construed by anyone as the gentleman is using it.

Mr. GIFFORD. I do not object to the word "inferentially," because we do that.

Mr. McCORMACK. I am glad the gentleman includes me in his own company on some occasions.

Mr. Chairman, as I said yesterday, this legislation has been recommended by the leaders of the Republican Party in the past, when the Republican Party was in control of Government. It is unnecessary for me to repeat in detail the argument I made yesterday. We have on both sides men who, as Presidents, recommended it; Republicans and Democrats. We have also Secretaries of State, Charles Evans Hughes and Cordell Hull. We have had nominees of both parties who stood for reciprocal-trade legislation. The late President Roosevelt recommended, as we know, the original law and each extension of it, and also this particular bill. President Truman also recommends it.

I can assure any Member of the House on either side of the aisle upon the word of the President that no American industry will be adversely affected under the provisions of the bill that is pending before the House.

When we passed the original act in 1934 we experienced the same kind of opposition from the then Republican members of the Ways and Means Committee, the same argument, the same opposition that we are encountering now.

I hope this amendment will be defeated, that the bill will pass the House and that it will be enacted into law.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, because so many brave young men have given their lives—and so many more will be called on to make the great sacrifice—during the course of the present world-girdling conflict, I have given deep con-

sideration to the measure which is before this Congress. The cream of American youth is being laid forever beneath the white crosses which dot the landscape of foreign lands and those silent mementos constitute a solemn tribute to America's determination that so far as it lies within our power there shall never be another war.

In order to achieve that purpose—which surely flames in the heart of every one of us—it is all important that the causes of war and their breeding grounds should be stamped out whenever possible. One of those causes which has been often proclaimed and condemned by students of international affairs is the recurring trade wars between nations.

In my desire to help eliminate the bitterness and distrust which is the product of such trade wars, I recall, the last time this House considered extending the life of the act which grants to the President the authority to execute reciprocal trade agreements I was happy to be one of those working for the passage of the extension. I believe in the policy which produced the present reciprocal trade agreements. I shall work for the continuation of that policy and were that all that is involved here today I shall be counted among those working so hard to obtain the approving vote of this House. However, there is much more involved—so much more, in my opinion, that I am unable to bring myself to go along.

I am fully aware of the desire of my President to continue the reciprocal trade-agreement policy. In thinking this thing through I have sincerely endeavored to convince myself that I should support the act as it is drawn. However, I feel I have obligations to the people I represent which are stronger than any feelings I entertain toward my President or my party. My responsibility to the people of my State compels me to plead for the adoption of the compromise that is offered in the adoption of the amendment now under consideration.

I am mighty proud to be a citizen of the smallest and most beautiful of all the States. I am mighty proud that my little State plays such a great role in the industrial life of the country. All Rhode Island's citizens are proud of that. Throughout the country you will find, in enormous industrial plants and in the smallest shops, the machinery and tools which are the products of our factories. On the counters of the stores in your cities you will find displayed the merchandise which has been fashioned by the skilled labor of Rhode Island. Many Members of this House today wear clothing which is made from the product of Rhode Island looms.

The people of my State are eager to continue to play their role in the economic and industrial life of the land. They do not want to be penalized and shut off. They do not want to suffer too much for their desire for international accord.

We are not selfish or isolationist. We believe in reciprocity with the peoples of other lands. Many of our people still have parents and relatives who live across the sea in the land of their birth. Many more, though two or three generations removed from Europe, still have intimate ties with the land of their forebears. Because of this we believe firmly in lending a helping hand to the recreation of a sane and clean and healthy life for the peoples of those lands. But we do not subscribe to a policy of doing that at the expense of our own country.

We are, none of us, ashamed of the fact that we spring from stock that fled Europe to find a happy and prosperous life here in God's country. None of us regret the steps we have always been willing and eager to take to benefit those less fortunate than we who remain in foreign lands. But we believe that charity begins at home; and where the two conflict, then our responsibility is first to our home—our America.

In the further reduction of tariffs I am convinced there is grave danger to the men and women who toil in the textile mills of Rhode Island. You say they will not suffer. I am afraid to run the risk. There are too many signs of danger.

I want to see a higher standard of living abroad. I want to do what I can to help produce that higher standard of living. But, right or wrong, I will not contribute to it at the expense of closing Rhode Island's textile mills and forcing their weavers and spinners and dyers into the street; nor can I subscribe to the offhand assertion that our textile mills must be converted to industries that can compete with foreign trade, trade which is allowed to soak up our domestic commerce with a bounty from our Government.

Our mills cannot be converted to coal mines or steel mills and I am not willing to stand by while the mills of my State pay for the pleasure other industries will find in their expanded foreign commerce.

We in Rhode Island are not blind to the fact that we cannot live alone in this world which we have seen shrink through the use of radio, air travel, and kindred developments. We know we are but a stone's throw, as it were, from the most remote corner of the world. We want to cooperate with all others—but we are wary of sacrificing too much in order to win some dubious gesture of cooperation.

The Colmer committee, of which I am very proud to be a member, in a recent report recommended an international conference to remove harmful trade barriers. To that recommendation I heartily subscribe. Such a conference as recommended by the Colmer committee would consider all phases of this intricate problem. Its deliberations—and the conclusions it would reach—would not be confined merely to the drafting of agreements on tariff imports. It would also examine quotas on imports which have been established by some nations. It would consider export subsidies, and we have seen how these are permitted to work in spite of so-called reciprocal trade agreements. It would examine exchange manipulations, and all of us are forced to admit we have seen some sad, if not suspicious, evidence of such manipulations which vitiated what were alleged to be reciprocal trade agreements. This, in my mind, would be the proper approach to this problem. This would be the ideal opportunity for all nations who believe in genuine cooperation and reciprocity to get together and formulate open agreements openly arrived at. I pray we shall witness such an international conference, and that soon.

My fears for the industry of my State are not farfetched. I have arrived at the conclusion there is such danger only after very careful consideration of all the facts. Just a few days ago we saw in the decision of the Interstate Commerce Commission on so-called discriminatory freights an additional danger we face. New England again is to be penalized for its great industrial efforts. Freight rates which have a sound economic base are called discriminatory. Freight rates which are the result of the great industrial output of the region, which are the result of the wealth of machinery, tools, textiles, and equipment of all kinds which New England pours into the rest of the country, are termed unfair and New England industry is to be punished by the imposition of additional freight charges.

As sincerely as I can find the power to do so I urge upon my colleagues to adopt the amendment here proposed. Its adoption will justify my support of the extension of the life of this law. I firmly believe its adoption will make the passage of the act, as amended, a certainty.

The act is reported as being all important to the success of the San Francisco Conference. Personally I do not like the idea of always having to look abroad for guidance in these matters. I cannot for the life of me understand why we must speak in whispers whenever we speak as Americans. But if the act is of such vital importance—if on its extension hang such far-reaching consequences—then it seems to me the sensible step is to adopt this amendment, continue the act as it is, give no authority for additional reductions in tariffs, and we shall have made a genuine gesture of international cooperation, and we shall also have made a small gesture of interest in our own.

The CHAIRMAN. The Chair would like to have the attention of the Committee for just a moment. The Chair has the names that have been taken by the Parliamentarian of Members who are seeking recognition. There are 22. This does not include any members of the committee. The time has not been fixed by the committee yet, but the Chair will attempt to recognize the gentleman alternately between the two sides. The Members will understand that it is impossible for the Chair to recognize everybody at one time.

The gentleman from North Dakota is recognized.

Mr. LEMKE. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

The CHAIRMAN. The gentleman from North Dakota is recognized for 7 minutes.

Mr. LEMKE. Mr. Chairman, we should never forget that our first duty is to our own people. While until recently

we have been engaged in two good-sized wars—wars not of our own making—we all rejoice that one of these wars is over. We hope that the other will now be brought to a speedy conclusion. Before the European victory we were moved by emotions rather than deliberations.

We have become a sort of international WPA—an imperialistic Santa Claus for all the world. We have become so internationalistic that when so many of us wanted to take European junkets, our good Speaker had to put a stop to it. This for the fear that there might not be a majority left to look after Uncle Sam's affairs at home.

I have no doubt that the glamor of seeing foreign princes and princesses, foreign kings and kinglets, and smiling queens, queenlets, and Cleopatras had something to do with these junkets. But permit me to suggest that some of us had better see America first. We have better-looking queens, and more gracious ones, in every hamlet, than you will ever find in any foreign land. I am sure that we can get just as good cocktails and dinners in any blind alley, unless it be one of the 70-course dinners abroad.

I hope that the pampering and kowtowing toward you, while strutting around in foreign lands as a representative of Uncle Sam—the Santa Claus—did not affect your better judgment to the extent that you are now willing to sell America down the river. Let us not forget that in 1939 the average net income per farm family in North and South Dakota was $685, and the net income per farm family in all but about four or five States was less than $1,000.

Yet, during that time I saw trainloads of cattle imported from Canada and Mexico. The annual total importation of meat and meat products during those years was equivalent to about 2,000,000 head of cattle. Our farmers and ranchers were compelled to compete with those importations. Again, to my southern friends, may I state that from 1931 to 1941 we imported cotton and cotton substitutes equivalent to 33,000,000 bales.

Then, after we got into the war, I saw trainloads of farm implements going into Canada and Latin America—shiploads to Europe—while these same implements were denied to our own farmers. Just last week in the State of Ohio, I saw a train of 72 cars loaded with cargo carriers—trucks—for the USSR. These trucks have been, and are still being, denied to our own people. Of course, the exportation of these trucks represent the ideologies of the present State Department—American steel.

If I were an international banker—one who clips coupons from foreign bonds—then, I would vote for this resolution. I would be perfectly willing to sell the domestic market of the farmer, the laborer and the small-business man to foreign nations. This so that they could sell their products—products that we ought to produce—in our domestic market and get the money with which to pay the coupons.

If I were an international manufacturer, or an international monopolist with cartels, then I too would vote for this resolution. I would be perfectly willing to give our domestic market to foreign nations. This to enable them to get the money from our own people with which to pay for these international goods.

I repeat that if I were an international banker, manufacturer or monopolist, I too would be willing to sell America's domestic market to the lowest foreign bidder. I would be willing to bring our American standard of living for the farmer and the laborer down to that of the Latin-American peon, and the Chinese and Japanese coolie.

Yet, in spite of the fact that these internationalists constitute but a small percentage of our people, they are a powerful group. They control 95 percent of all our avenues of publicity. They control the radio, the theaters, and the metropolitan press. They have saturated this country with false propaganda. They are interested not in the future of our country, but in their own enrichment. They recognize no country nor any flag, except the flag that follows the almighty dollar.

Sooner or later, there will be an end to Uncle Sam playing Santa Claus to all the world. The pendulum—sanity—will return. When that time comes, we will have a $300,000,000,000 Federal debt. We, 135,000,000 people, possessing less than 10 percent of the world's resources and less than 7 percent of the world's population, will owe more than all the other nations together. We will owe more than the other 2,000,000,000 people that possess 90 percent of the world's resources.

Prior to the war 94 percent of our trade was with ourselves. Why not develop our home market—the 94 percent? Why not extend lend-lease to our own people? Then, at least, we will be dealing with ourselves. Our people will make better use of it, and consume more of our products than foreigners. Why sell our farmer's market, and our laborers' energy to other nations who are unable or unwilling to pay unless we give them credit. That policy should be a policy of the past, not of the future.

Because of mechanical inventions, and chemical discoveries coming out of this war, all nations will become more or less self-sufficient. This will be especially true of the United States. Foreign trade will no longer be essential to our welfare. There will be a few things that we cannot successfully produce, but we can always buy them in the world's open market as long as we have the cash.

Let us fortify ourselves by using our common horse sense, with pepper and salt added. Why should we insist upon trading with foreign nations just for the sake of trading? Why should we be foolish enough to loan money to foreign nations—money with which they promise to buy our goods but do not? Our experience tells us that in the end these nations will have both our goods and our money. Then the taxpayers will have to foot the bill.

This law gives the President the right, by agreements with foreign nations, to reduce tariffs 50 percent. It attempts to take the power to advise and consent from the Senate and lodge the entire power with the President. I stated at the time this law was passed that the result would be that our domestic agricultural markets would be traded or sold to foreign nations.

I now oppose the resolution extending the provisions of that law and continuing the sole authority in the hands of the President—the power to reduce tariffs 50 percent—because my apprehensions have been confirmed. The domestic agricultural markets of this Nation have to a large extent been bartered away or sold to foreign nations.

Some of the so-called reciprocal trade agreements made under the provisions of this law would never have been entered into if the advice and consent of the Senators had been required. They have been entered into by the Secretary of State secretly and in star-chamber proceedings with foreign diplomats. No real opportunity to protest was afforded those who were opposed to trading away the American domestic markets to other nations in exchange for foreign importations.

A trade agreement is a treaty, and any attempt to deprive the Senate of the power to advise and consent to such an agreement is in violation of the plain English language of the Constitution. Even if we should attempt to ignore the plain mandate of the Constitution, I doubt the wisdom of this kind of legislation. I do not believe it will serve the best interest of the American people. After all, the 96 Senators, coming from 48 States, are in a better position to protect and safeguard the people of this entire Nation than is the President who comes from 1 State.

The tariff in all of these agreements has been reduced at the expense of the American farmer and the American laborer. Prior to 1940, the American domestic market had been opened to the peasants, serfs, and peons of other lands. The products of the Tropics had been substituted for those of our temperate zone. We were told that the people knew nothing about the tariff—that their chosen representatives in Congress would not act as wisely as the President and the Secretary of State.

Our experience now convinces us that the people know how to better protect their domestic markets than the Secretary of State. We now know that Congress more truly reflects the sentiment of the people and more truly protects their interest than does the executive branch of the Government.

Under this policy our Department of Agriculture up to 1940, was still engaged in destroying and restricting American agricultural production. That Department still believes that we should sell our agricultural markets to foreign nations so as "to service the foreign debt." The trouble is that we are getting altogether too internationally minded. We are suffering with an inferior foreign complex.

Prior to 1940, while our Department of Agriculture talked about overproduction and of servicing the foreign debt and curtailing our people from producing all the things we needed, the Department of State was busy selling the farmer and laborer in foreign-market places. That Department is still seeking foreign concessions, still chasing the il-

lusive rainbow, the will-o'-the-wisp of international trade. It is selling our domestic agricultural markets to foreign horse traders.

This is done by means of the so-called reciprocal-trade agreements. I repeat, these agreements are largely suggested by the international bankers, who gambled and speculated in foreign debts and who now desire that the American people should pay their foreign investments indirectly. These agreements are also suggested by the international manufacturers, who wish to sell their manufactured products to foreign people at the expense of American agriculture and labor.

So that under this policy we have one department of government engaged in curtailing American production, and the other one entering into trade agreements with other nations, trading our domestic markets for the benefit of a few international bankers and manufacturers, entering into agreements in which the best interests of this Nation and its people are entirely forgotten.

I have no objection to lowering the tariff in trading with other nations that have the same standard of living as we have. Nations who pay the same wage to labor. But I object to bringing the American farmer, and the American laborer down to the low standard of living, or better no standard at all, of the Latin-American peon, or the Chinese and Japanese coolie.

These unfortunate people wear a piece of cloth around the middle of their body for dress, and have a piece of leather—sandals for shoes—strapped around their feet. They eat a bowl of rice or beans for their meal. They exist on 5 or 10 cents a day. Surely we do not wish to compel Americans to compete with this class of labor.

As a result of this un-American policy our country, prior to 1940, was flooded with foreign agricultural and manufactured products as never before in its history—products produced and manufactured in foreign countries with the lowest possible standard of living. We restricted the immigration of European races in order to protect our American standard of living. But we imported, under trade agreements and otherwise, hundreds of millions of dollars' worth of manufactured articles from Asiatic nations, articles produced by human slavery and human misery.

We excluded the Asiatic because of his low standard of living, and at the same time we permitted the articles that his labor produced under unsanitary, brutal, and inhuman conditions to be sold in competition with articles manufactured by labor under the American standard of living. In fact, by importing these goods we invited, we imported, the oriental, the lowest standard of living, for Americans.

We will soon have millions unemployed, and yet we are to import the very things that these men and women should be producing under an American standard of living—not under an Asiatic standard. Why prevent our own people, who will be in want, from producing and manufacturing these articles in order to enrich a few importers and international dealers?

We submit that this is the work of madmen. It is the work of men who know not what they are doing and do not understand or know the foundation upon which the greatness of this Nation was built. It is the work of bureaucrats who lack vision and of incompetents. We challenge not only the fallacy of this policy but we challenge its continuation.

PHOENIX, ARIZ., *May 25, 1945.*
The Honorable WILLIAM LEMKE,
Member of Congress,
Washington, D. C.:

I sincerely urge you to oppose revision of tariff downward. Let us protect our soldier boys when they return home with a prosperous agriculture, labor, and industry.

R. G. LUTKE.

TIFFIN, OHIO, *May 21, 1945.*
Hon. WILLIAM LEMKE,
United States House of Representatives,
Washington, D. C.:

Vigorously protest enactment H. R. 2652, which will export jobs. Labor generally 65 percent of cost hand-made articles. Why destroy hand industries so machine articles with 15 percent labor cost can be exported. For every million dollars machine-made articles (automobiles, for example) traded for foreign hand-made articles Americans lost $500,000 in pay roll. We cannot create more jobs by destroying hand industries paying good wages. By keeping these industries busy we can consume all our production at home. Hand industries are defense industries. No ship can sail, Medical Corps cannot function, military radar impossible without hand-made glass parts. Save jobs and this important defense industry.

AMERICAN FLINT GLASS
WORKERS UNION LOCAL 574,
HARRY MILLER, *President.*
IVA HARPER, *Secretary.*

KENMARE, N. DAK., *May 24, 1945.*
WILLIAM LEMKE,
Washington, D. C.:

The board of directors of the Farmers Union Creamery, of Kenmare, representing 1,040 patrons, went on record at their regular monthly meeting, May 24, 1945, as opposing the passage of Doughton bill No. H. R. 3240. They felt that if this bill passes it will work a definite hardship against the dairy industry and the producer of other agricultural products following the war.

FARMERS UNION CREAMERY,
G. W. ORNESS, *Manager.*

WILLIAMSTOWN, W. VA., *May 25, 1945.*
Hon. WILLIAM LEMKE,
House of Representatives,
Washington, D. C.:

We earnestly request you to give your utmost consideration to H. R. 2652, reported favorably to the House by Ways and Means Committee. We know from previous experience with the application of reciprocal-trade agreements that DOUGHTON'S tariff ideas will do much to ruin our jobs. Low-cost foreign competition during such a period of high costs and heavy taxation as will follow this war, will do terrific damage to our industry. Before you vote look at the record and remember that the small industries which are the life of our Nation need protection from low-cost, low-wage foreign competition. We ask only that we may compete on equal terms. Help keep us fully employed.

Two hundred and ninety employees of Fenton Art Glass Co., members of American Flint Glass Workers Union of A. F. of L.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, recently during my testimony before the able members of the Ways and Means Committee I presented very briefly my reasons for being in opposition to the pending legislation, H. R. 3240, which is offered on behalf of that committee by my friend and very distinguished Member from North Carolina [Mr. DOUGHTON].

I requested for the consideration of my colleagues H. R. 2834, which I introduced April 2, 1945, which is a measure intended to accomplish continuance of the present program for 2 years without the additional permissive power of cutting the tariffs 50 percent, as proposed in the pending legislation.

I have no desire to make a lengthy statement today on the subject of trade relationships except to say that it is only after the most considered study that I have come to the conclusion that I will oppose the bill as presented by the Ways and Means Committee.

I would have liked very much for the committee, and ultimately the House, to have continued the act as it is now in effect for a further period of 2 years. That, in my opinion, would be the soundest program to adopt at this time.

I would remind my colleagues that, as a newly elected Member of the Seventy-third Congress, when the original Reciprocal Trade Agreements Act took effect on June 12, 1934, I supported the legislation. It was in effect for 3 years. Again in the Seventy-fifth Congress, in 1937, it was continued for 3 years, and I supported that measure. Once more in the Seventy-sixth Congress, in 1940, it was continued for a 3-year period and I supported that bill. In the Seventy-eighth Congress, in 1943, the act was continued not for a 3-year period, but for 2 years, and I supported that proposal. I would support a measure, as indicated by the preference which I have shown during hearings and debate on the subject, such as is contained in H. R. 2834.

I believe, Members of the Committee, that within the framework of the present act we have the widest scope of authority. The Nation would do well to continue the program for only 2 years, but not to broaden the trade percentages, up or down, to give these added powers to the State Department. During the latter months of this international war and during, perhaps, a year of the period of adjustment and readjustment after victory has finally been wrought, I believe that the Republic's best interest can be strengthened by checking a further grant of authority. I feel it is important not only from the standpoint of our own economy in the United States but our contact with other nations if we would merely continue the present act for 2 years.

I repeat that in the present framework of the legislation which I have supported originally, and on all occasions when it has been continued, we have enough leeway to do a job not only for America but

to still keep our obligations to the other peoples of the world.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Minnesota.

Mr. KNUTSON. There is plenty of precedent for what the gentleman is going to do. Back in 1920 when we passed the Emergency Tariff Act there were 40 Democrats who voted for it, including Mr. Garner, who became Speaker and then Vice President, Mr. Mansfield of Texas, Mr. Lea of California, Mr. Taylor of Colorado, who later became chairman of the Committee on Appropriations, and others. They voted for the emergency tariff bill because the situation in this country was so desperate that they were willing to jump party lines in order to save our economy.

Mr. RANDOLPH. I shall say to the gentleman from Minnesota that I am in opposition to this excessive grant of authority, not as a Democrat or as a Republican. I am against the proposal because I have come to the conclusion that it is unnecessary and may be dangerous to American industry and to the workers of our country. We can, within the pattern of the present act, do what is best for our country and ultimately for our trade relationships with the other nations of the world, by continuing for 2 years this program. We can, only today, see through a glass darkly, and many problems will come with an impact of severity during 3 years and the allowing of broadened powers that are urged here. I can still be an individual with an international outlook and obligation, but I can and shall exercise my duty as an American, first of all.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very much impressed with the gentleman from West Virginia, an intelligent, high-grade Member of this Congress, who knows that we are about to take a step against the best interests of our country. If it is in the best interest of our country, which must be kept strong for its leadership in world affairs, it is in the best interest of the world that we continue as we have, and that we do not extend this trade treaty over 2 years, and that we do not give further power for reductions of tariffs against the best interests of our economy.

Let me make an appeal to those who come from the Southwest and who have great oil interests to protect. Back in 1937, when they gave out the information that they were considering the reduction of the duty on imports of oil, the price of oil dropped 16 cents a barrel, to $1.02, and oil imports poured in, hundreds of thousands of barrels a day in excess of what the imports had been previous to the time the act became effective, thus depressing the market at a time when there was a surplus of oil in this country and when we were trying to produce oil at less than cost.

Do you want a repetition of this situation, when this power is given, if they use it to reduce import duties by 50 percent more?

The independent oil organizations of the Nation are opposed to this bill, and the opposition is tersely stated by Russell Brown, national chairman of the independent oil organizations of the United States. He has expressed his opposition in a letter to every Member of this Congress. I plead with the men who are interested in representing their districts so that they will protect the oil producers of their districts that they think twice before they take action here today, even though that action is spurred by the propaganda machine and the political whips of the present administration. Let us protect all of our industries and protect our farmers against ruinous competition.

I was amazed at the statement of the gentleman from Tennessee that the overwhelming expression of the people of this country is for the continuation of the reciprocal trade treaties and for this bill. He is in error. Our people do not want to give away our markets. I believe he said that 75 percent of the newspapers represented such a sentiment. Again he is in error. They do not represent the people. I recall that back in October 75 percent of the newspapers of this country were backing the Republican candidate for President, but apparently they did not represent the will of the people of this country. The newspapers of this country today are sending out a great deal of news that comes from sources that are not for the best interests of the people of this country and that are a part of the propaganda machine set up by this administration.

Mr. GRANGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am opposed to section 2 of this bill. I believe the majority of the people of my district and my State are also opposed to it.

I think this Congress should move with great care and caution, particularly at this time when the whole world is aflame and no one knows what the morrow will bring. We are venturing upon a program here that far exceeds any grant of power that has ever been given to a President in peacetime. I agree completely with the statement made by the distinguished chairman, Mr. DOUGHTON, of the Ways and Means Committee, when he is quoted as having said, when speaking upon this subject, that such a grant of power should not be delegated to any person which would give him the power of life and death over any industry in the Nation.

It is unfortunate that my party, the party I have always tried to support as a party man, should drag out such a controversial issue at this time. When at the same time they are asking for the unity of parties and people and when we are trying to establish an organization to promote the peace of the world.

It seems to me we have been very proficient during the time I have been in Congress creating disunity within our own party. We have dragged out every old issue and scratched the scab off every sore that would cause disunity. We are dealing here with a political question which cuts deep into the consciousness of the American people. A question that has been a campaign issue between the two major political parties as long as I can remember. It seems to me the better part of wisdom to wait and see what tomorrow brings before we embark upon a program of this kind. Everything in these trade treaties affects the people of the West, especially the Intermountain West. Everything that has been negotiated by way of treaties has affected the West in that the raw materials that the West produces have sustained the greater reductions in tariff than manufactured and other articles. A further reduction in tariff rates on these commodities simply means the destruction of these industries.

Let me say to the Members who come from the West, and especially the Rocky Mountain region, if they are contemplating voting for this resolution I suggest they advise themselves of the feeling that exists among their constituents. The farmers are opposed to it, labor is opposed to it, business—both small and large—is opposed to it, and the press is opposed to it. They are opposed to the further increase of power in any bureau to further decrease the tariff on imports. I am perfectly willing, and I think the minority Members of the House are willing, to support the extension of the trade agreements as they presently exist. In doing so it is not necessarily conceeding the good or the ill of trade agreements, but it is rather an act of patriotism in being willing to swallow something they do not like in the interest of national unity and for the promotion of world peace. In my judgment an overwhelming vote to continue the present trade agreements would have a greater effect for good on the San Francisco Conference than a closely divided vote that would represent a decided division of opinion regarding this question.

I want to repeat here and now that I am in full accord with our country's taking its rightful place in cooperating with the other nations of the world in the promotion of peace. I think my record here in Congress fully substantiates this statement. I think in order for our country to exercise its leadership and influence it must be kept strong militarily, economically, socially, and spiritually. If we are to maintain our magnanimous attitude toward other peoples and nations, as we have in the past, we must have something left with which to be magnanimous.

Mr. Chairman, it is my intention to vote for this legislation providing section 2 is stricken out. Otherwise, I intend to vote against it as I do not believe it is in the interest of our own people.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from New York [Mr. BUCK].

Mr. BUCK. Mr. Chairman, irrespective of the merits or demerits of this bill under normal conditions—and I believe even then that its demerits would far outweigh its merits, I desire to call attention to the unfortunate timing involved by a measure of this sort at the very moment when so much of our country's attention is being devoted to jobs for our returning servicemen.

Sixty million jobs have frequently been cited as the objective. And there is general agreement that these jobs must be provided in great bulk by private employment. There is also general agreement, borne out by the splendid studies conducted by the Committee for Economic Development—that full employment can only be achieved by industry's cooperation in expanding production, developing new products and installing greater plant facilities for both. In other words, private risk capital must be brought out into the open for investment in the bricks and mortar and machinery of production.

During the years immediately preceding the war, industry was under almost continuous attack. Taxes became confiscatory in size. There was no encouragement to risk capital. It went into hiding and as a result, there were still 6,000,000 unemployed when we entered the war.

In the years that have intervened, the attitude toward industry has changed. There is recognition of the part industry has played in the winning of the war. There are promises of tax reductions to encourage private initiative. The Government, as a whole, shows unmistakable signs of veering back to the right, of resetting the stage for the sort of economy which made America great. Risk capital is ready to come from hiding. Industry is ready to go ahead, and the aim of a job in private employment for everyone who needs such a job is not wishful thinking, but is a distinct probability.

Then comes this bill jeopardizing the price structure relied upon by countless employers as the basis for offering employment to millions of men and women. The effect of the bill is even worse than as though it put into effect a flat reduction on import duties. With a flat reduction, employers could at least know what is confronting them. But this bill is not definite. Reductions may be made or may not be made. It is the unknown which terrorizes. Industry will not expand. Employment will not increase when faced with possible competition with the low wages of China, Mexico, South America, Czechoslovakia. Risk capital will stay in hiding and the greatest sufferer will be the returning soldiers and sailors who want above all else renumerative jobs in the America they love.

Therefore, the timing of this bill could not be worse. Continue existing reciprocal trade agreements for a limited time if you will. But do not tamper further with the tariffs which determine whether there shall be jobs or doles for those who have won and are winning our wars.

The CHAIRMAN. The gentleman from South Carolina [Mr. HARE] is recognized.

Mr. HARE. Mr. Chairman, I gather from the remarks made so far today that this is somewhat of a political question. I get the idea that one school of thought is for a high protective tariff and the other is to substitute therefor the reciprocal trade-agreement policy. I shall not attempt to argue or discuss the philosophy of either from a theoretical standpoint, but wish to comment on the subject from a realistic viewpoint, because we have had sufficient time to observe the operations of both theories. We operated for many years under different tariff laws, and for 10 years now under the reciprocal trade-agreement policy.

Some of the preceding speakers have emphasized the benefits to follow the high protective tariff policy and expressed the thought that the passage of this bill will operate both to the injury of agriculture and labor. This is an old vote-getting argument, one which has never proven to be of any value to either agriculture or labor. The high protectionists have always insisted that high tariff rates are essential in order that industry may be able to pay the farmer a higher price for raw materials and to insure continued employment to labor at an increased wage, but in reality, the policy has generally had the reverse effect.

In the first place, the high tariff rate has prevented farm crops or farm products from getting into the channels of trade, leaving an increased percentage of surplus products on domestic markets, which has had the effect of suppressing prices and enabling industry to secure raw materials at a reduced price. It is admitted the high tariff rate has enabled the manufacturer to dispose of his goods and merchandise at a higher price to the local consumer, which includes the farmers and industrial labor, but what else has happened in the meantime? We have excluded products from other countries and as a consequence they refuse to buy our finished products and as soon as our factories produce more than we are able to consume domestically there is a surplus of manufactured goods, then the factory closes down and labor is out of a job. I am not attempting to theorize, but trying to be realistic.

The McKinley tariff law was enacted in 1890 when the high protectionists were then insisting that the protective tariff was largely for the benefit of American agriculture and American labor. In presenting the bill to the House of Representatives, Mr. McKinley, of Ohio, author of the bill, is reported to have said:

> The agricultural condition of the country has received the careful attention of the committee, and every remedy which was believed to be within the power of tariff legislation to give has been granted in this bill.

Speaking on the bill, Mr. O'Donnell, of Michigan, said:

> Manufactures are encouraged, and at last agriculture is recognized in extending protection to the farming interests.

The bill passed and became a law October 1, 1890, but despite the claims of the sponsors of the law, the price of corn went from 50 cents per bushel in 1890 to 25.2 cents per bushel by 1895. In the meantime, the price of wheat went from 83.7 cents to 50.5 cents per bushel and the price of cotton decreased from 8.59 cents per pound to 4.59 cents within the same 5-year period.

In 1922 the Congress enacted what is known as the Fordney-McCumber Tariff Act, and when discussing the proposal contained in the bill, Mr. Fordney, one of its authors, declared:

> My friends, as far as rates are concerned, this is purely an agricultural bill. * * * It is my belief that the immediate results of the imposition of high duties will be to reduce importations and revive American industries, increase employment and the purchasing power of the American people.

Mr. Herrick of Oklahoma, in justifying the provisions of the bill, said:

> The whole question of protection ultimately rests upon protecting the American laborer and American producer from the competition of cheap foreign labor.

That is, the proponents of the measure contended that the proposals carried in the bill were purely for the benefit of agriculture, but by 1925, only 3 years after the law was enacted, we find the Senator from Oregon, at that time Mr. McNary, and the chairman of the Agriculture Committee in the House of Representatives, Mr. Haugen of Iowa, proposing to enact what is known as the McNary-Haugen bill for the relief of agriculture. They emphasized the point that the tariff was not effective as to agriculture and they, therefore, needed a new law.

In his argument urging the passage of the McNary-Haugen bill, Mr. Haugen referred to the Tariff Act of 1922 and pointed out that about the time the law was enacted corn was selling for 50 cents per bushel, and a farm wagon could be bought for $50 and a binder for $110, saying that "generally 100 bushels of corn would buy a wagon, and 200 bushels would buy a binder." Proceeding further, he pointed out that corn was still selling for 50 cents a bushel, but the price of the wagon had advanced in the meantime to $135 and the price of binders to about $235 each, saying, "It now requires around 200 bushels of corn to pay for a wagon and from 400 to 500 bushels to pay for a binder." The point he was emphasizing was that while the tariff had possibly increased the price of wagons and binders, things the farmer had to buy, it had no effect in the way of increasing the price of corn, although the law provided a tariff on corn of 15 cents per bushel.

The Tariff Act of 1922 carried with it what is referred to as a flexible provision, which may have later suggested the reciprocal trade agreement program provided for in the bill now before us. However, the flexible provision seems to have had only one effect, and that was the fluctuation of prices until 1928, when we had a great election, resulting in a great political landslide for the Honorable Herbert Hoover, who was elected President of the United States on the Republican ticket. The following year, President Hoover sent a telegram to all Members of the Congress suggesting an extra session of the Congress in order to revise the then existing tariff law primarily for the benefit of agriculture. Some of you Members present were here at that time. I see my good friend the gentleman from Kentucky [Mr. ROBSION]; my good friend the gentleman from Ohio [Mr. JENKINS], my good friend the gentleman from New York [Mr. REED], and a number of others. The extra session

was called in 1929, and on June 17, 1930, the Smoot-Hawley tariff bill was enacted into law. In calling the extra session the President insisted that the Tariff Act of 1922 should be revised in the interest of agriculture and labor, despite the allegations at the time of its enactment that it was largely for the benefit of agriculture and labor. Mr. Hawley, one of the authors of the bill, addressing the Members of this body on May 19, 1929, said:

If these workers are not employed, the farmer loses his greatest market. You cannot attack one part of the tariff structure and weaken it without injuring every other part, so we have endeavored in this readjustment to hold an even balance between all of the industries of the United States; and I refer to agriculture as an industry, because if there are any people who work, it is the farmer.

Senator Smoot, of Utah, one of the authors of the bill, on September 12, 1929, said:

The proposed tariff, so bitterly assailed by the Democrats and their allies, raises tariff rates on many foreign, farm, and kindred products in response to the appeal of farmers' organizations, legislatures, and President Hoover. These farmers' organizations, legislatures, and the President thus admit the benefits of the tariff to the farmer.

It was emphasized in the discussion of the bill that it was to protect and promote American industries, to insure better prices for farm crops and farm products and to pay wage earners commensurately with the American standard of living, but in reality, the rates on practically everything were placed so high it amounted to the erection of a tariff wall around the United States that prevented the importation of foreign goods when foreign countries immediately adopted the same policy and refused to buy American products and before one could hardly realize what was happening we were faced with one of the greatest economic depressions in all history, when a large percentage of our banking institutions failed, factories closed, the hum of machinery was no longer heard, farmers became bankrupt and lost their homes, labor, in many instances, walked the streets and frantically begged for bread, all of which took place immediately following the passage of the highest protective tariff law ever enacted by the Congress. We soon realized that foreign countries were withdrawing their trade from our own country, saying: "If you cannot buy from us, we cannot buy from you." We had complete economic stagnation. Some countries from our own hemisphere began to trade with other countries. We all remember in 1939, when the war clouds were gathering over Europe and we were in need of friends, some of our neighbors, the South American Republics, said:

We have found a friend in Europe; we have found a friend in the Orient who are willing to buy our products and the products of our nearest neighbors.

You remember that, and you will also recall that in order to win the South American republics, this Congress had to go on record, pass a resolution and enact a statute showing that our country would stand behind what is known as the Monroe Doctrine, a policy first proclamed by President James Monroe in 1823. The essential feature of that policy was that the United States would regard as an unfriendly act any attempt on the part of any European power to extend its territory or system of government anywhere on this continent. The declaration, in effect, carried with it a pledge that this country would come to the aid and help defend any other country on this continent if such an attempt were made against the will of such country. It was understood, in fact, that we would feel honor-bound in the interest of our own welfare if such an effort were made, even with the consent of such a country. However, a situation was arising and we were soon given to understand that in view of the high protective tariff rates in the act of 1930, other countries had lost confidence in our Monroe Doctrine declaration and they had a right to look to other countries for protection, support, and cooperation. Up until that time, the Monroe Doctrine had been nothing but a proclamation by the President of the United States. We now realize how near we came to losing the friendship and cooperation of our friends and neighbors on account of the Tariff Act of 1930 and it makes us shudder today when we think of that situation.

The primary purpose of the bill before us is to secure foreign markets for surplus products of industry and agriculture and at the same time preserve our own markets for American products; not to destroy foreign markets as was done 15 years ago when industry in our own country was paralyzed; when warehouses were filled to the rafters with surplus products of labor; when fruits, vegetables, and farm crops rotted in the fields; when hungry and naked labor begged for work and cried for bread. Everyone at that time had a fair idea as to the cause of that situation, and who is it that knows now but what the same cause may have the same effect if the same opportunity is afforded?

The reciprocal trade-agreement policy inaugurated in 1934 provided that the President of the United States, in cooperation with the Tariff Commission and State Department, would have authority to make a reciprocal agreement with any other nation, and in making such agreement he would have the authority to reduce or increase the tariff rate not to exceed 50 percent, the theory being that with such authority he would be able to effect an increased volume of business between the United States and the country with which the agreement is made. This arrangement was to be an experiment, for the act provided that unless otherwise provided by the Congress the authority granted would terminate at the end of 3 years. In 1937 the Congress extended the policy for three more years and in 1940 it was extended for 2 years and again extended for 2 years in 1942, and now it is proposed to extend the authority for 3 years longer.

Experience has shown how impossible it is to draft a tariff law flexible enough to meet every question that arises in foreign trade, and that is why this bill is now before us for consideration. Its proponents believe that by effecting reciprocal trade agreements with other nations we will not only be able to promote the economic welfare of our own people but it will prove sufficiently advantageous to the interests of both contracting parties that it will develop a business and political understanding which will insure greater national security, as well as international peace. It is common knowledge that friendly business relations between individuals are less calculated to provoke unwarranted rivalry, jealousy, and unfriendly discord, and we contend that as a general proposition what is true of individuals will be true of nations.

This is not an easy problem now before us. In fact, it is one of the most complex and difficult problems this country has had for the past 100 years or more; it not only requires a proper analysis and interpretation of fundamental economic laws domestically but it requires a familiarity with the functioning of foreign governments and their relationship to established business practices with other countries and how they relate to those in our own country.

We are now trying to provide a formula by the enactment of this bill that will enable us to do business with other countries on a friendly, fair, and equitable basis. Over at San Francisco at this moment we have several delegates from this Congress in cooperation with other nations, trying to write a formula that will assure cooperation between the people of this country and those of the world and thereby prevent wars in the future and perpetuate a peace among intelligent and cooperative mankind; yet right here in this Hall today men are insisting we should go back to 1930 and reenact a high-tariff law which did more to crystallize among our foreign friends a sentiment or feeling of distrust against us and a lack of confidence in our system of government than any piece of legislation on our statute books. That is, on one side of our country we are trying to arrange a formula for a permanent peace and on the other side some would have us lay the foundation for another war. If we defeat this bill, we go back to work and do business under the Tariff Act of 1930, and history may repeat itself.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. HARE. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina? There was no objection.

Mr. HARE. Evidence shows that it was the result of this law that caused the people of other countries to withdraw their love and affection for us and refuse to trade with us, and it is no stretch of the imagination to conclude this deflection contributed in a way to our involvement in the greatest war known to history. How, in the light of this experience, can we entertain the idea of going back to 1930? We talk loud and long about self-interests. We talk of business, industry, labor, agriculture, and how our interests can be protected and insured under the old law. We have tried the old law for more than a century and we have

tried the reciprocal trade agreement now for 10 years and if industry, agriculture, and labor will take stock or make an inventory of the benefits they received under the operations of these two programs, I am sure they would approve of this legislation if they were here to express themselves in person.

The purpose of this bill as I have indicated, is to facilitate our trade with other countries, to increase or enlarge foreign markets for American products and thereby increase and facilitate full employment in our own country. If this can be done we can logically expect fair and just prices for our finished products with fair and just wages for labor. In fact, I do not believe, in the light of past experience, it will be possible for us to expect permanent employment or the development of private enterprises otherwise. If we cannot arrange to dispose of a good portion of our finished products in foreign markets we cannot expect anything like full-time employment and when we do not have full-time employment, the purchasing power of the country is decreased, our warehouses or storehouses then are filled with surplus products, our factories are closed and we go right back to where we were a few years ago when it became necessary for the Government to resort to the practice of the dole, a policy that has destroyed every democratic system of government that ever existed prior to this day. This bill may not be perfect in every respect, but so far it offers the only reasonable solution of the present and what we know will be a coming problem in the very near future.

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

The gentleman from Kansas [Mr. WINTER] is recognized.

Mr. WINTER. Mr. Chairman, there is very little that I can say that would add to the arguments that have been made on this motion to strike section 2 from this bill. I have been amazed by the statements that have been made here by some of the Members who profess to be experts on the tariff and who are members of the committee which is handling this legislation. The distinguished gentleman from Tennessee [Mr. COOPER], whom we all respect, stood upon this floor a few moments ago and told this House that there was no American industry that would be harmed by this legislation.

Now, let me tell you something. They are not fooling me. I happen to be interested in an industry that I know is going to suffer heavily. That is the lead and zinc mining industry.

There are 21 States in the United States of America that produce lead and zinc commercially. Every one of those States will be materially affected by this legislation if section 2 remains in the bill. Over 1,000,000 people are dependent upon the economy of the lead and zinc mining industry and various other groups of people are dependent indirectly upon it.

Here is what is happening. Prior to the war, in other words, in the prewar era, we were importing approximately 40,000 tons of lead a year. Since the war we are importing over 300,000 tons of lead a year. The same thing is true proportionately as to zinc. In the prewar era our production of lead and our consumption of lead just about offset one another domestically. We were never an exporting Nation of lead and zinc ore and never will be. The world uses 1,750,000 tons of lead every year. We produce 400,000 to 450,000 tons of lead in this country and we use it. When the Canadian treaty went into effect we reduced the tariff to 1⅛ cents per pound, or 20 percent. Then we put into effect a treaty with Mexico which reduced the tariff to three-fourths of a cent a pound. What happened? They started bringing into this country 300,000 tons of lead a year, three-quarters of our domestic production in normal times.

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. WINTER. I yield to the gentleman from New York.

Mr. LYNCH. The gentleman understands, of course, when that reduction was made that was a war measure?

Mr. WINTER. It certainly was a war measure, that is true.

Mr. LYNCH. Does the gentleman realize that under section 3–1 we do not go back to the emergency law?

Mr. WINTER. But I will tell the gentleman what you do: You will go back to the Canadian treaty and this gives you an additional 50-percent reduction, which brings us right back to exactly what the Mexican treaty is today. You cannot get away from that.

Mr. LYNCH. If the gentleman would use correct mathematics he will find it will not be the same as it is today.

Mr. WINTER. It will be exactly the same when you go back and cut the Canadian treaty one-half and that is what this bill would give authority to do.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WINTER. I yield to the gentleman from Missouri.

Mr. SHORT. What the gentleman from Kansas is saying is absolutely true and correct. He knows, I certainly know, in my district, as well as his, and also in the district represented by the gentleman from Oklahoma [Mr. SCHWABE] that if we have a further reduction in tariffs on lead and zinc, the great mining industry in that tri-State area will be shut down and thousands of men will be thrown out of work. Other sections of the country will likewise suffer.

We are threatened not with partial paralysis, but with total annihilation. I know that the miners in our districts cannot compete with the peon labor in Mexico. Nor do I want the farmers in my district to compete with coolie labor in the Orient or slave labor in other parts of the world. We cannot pull the rest of the world up by pulling ourselves down. The legislation now before us needs not a doctor but an undertaker. If it is passed as reported by the Committee on Ways and Means, we are the ones who will need the undertaker. I am against that.

Mr. WINTER. There is no question about that. We cannot compete and pay the high standard of wages we do in the lead, zinc, and copper mines of the United States, when it costs five times per ton of ore produced, so far as the labor costs are concerned, than it does in Mexico and one and a half and two times as much as in Australia and in Canada. After this war is over, with 300,000 tons of lead coming into this country by reason of reduced tariff and selling on our markets at 2 to 3 cents a pound cheaper than we can produce it, what I want to know is how are we going to keep our mines open and continue to employ labor, pay taxes, and help keep up the American standard of living?

The CHAIRMAN. The time of the gentleman from Kansas has expired.

The Chair recognizes the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, I have heard a little threat of a political consideration or a party consideration. We Democrats have been kindly warned that we might suffer some politically if we vote in support of this bill. I am a Democrat, and I like the success of the Democratic ticket every 2 years, more often if possible. I am willing to stake the fortunes of the Democratic Party here now and hereafter in support of this bill at this time. I would not presume to advise my friends on the Republican side, but to remind them of something a man told me not long ago—that the Republican Party is dead without the hope of a resurrection, unless it experiences a new birth.

When you boil down the opposition to section 1 or section 2 or section 3 of this bill, it all goes back to the Fordney-McCumber bill and the Smoot-Hawley tariff-bill proposal. As the chairman of the committee suggested, I am afraid that all this flank movement is in the expectation that the result will be somehow that we will in this instance revert to the time of these high tariffs, so-called protective laws. It has been suggested here that we are in dread danger from this bill because these reductions of 50 percent are absolutely going to be made. There has never been a better piece of machinery set up to reflect the needs and the views of industry and labor and agriculture in this country, so far as tariff considerations are concerned, than that which is provided in this reciprocal trade-agreements law.

If any of you were present yesterday when the gentleman from Virginia [Mr. ROBERTSON] outlined just what the Secretary of Agriculture, for instance, would have to do with the raising or the lowering of any duties on any commodity, you would know that every important department of this Government, particularly the Army and the Navy, due to the exigencies of this time when we are yet at war, the Tariff Commission, the Secretary of State, the Secretary of Commerce, the Secretary of the Treasury, and the Secretary of Agriculture are all required to pass on any action and to be in accord, and the President then approve.

We first provide the opportunity for any and every industry to be heard. When there is a proposal to lower or

raise tariff rates on a commodity, advertisements appear in the Federal Register with at least 30 days' notice, advertisements in the public press that these very agencies are going to consider the raising or the lowering of the duties on any article that to them may seem wise, but giving anybody and everybody, who may be affected or involved, an opportunity to come and be heard. This attack is a flank attack to destroy this bill and ought to be defeated.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I ask unanimous consent that all debate on this amendment close at 2:30.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. McGREGOR. I object, Mr. Chairman.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I move that all debate on this amendment close at 2:30.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, the questions presented by this bill (H. R. 3240) are far from simple. I should like to discuss them as best I may in order to make clear the considerations influencing my vote on the bill and on possible amendments thereto.

Let me say at the outset that in 1943 I felt no hesitation whatever in voting to extend the authority of the President under section 350 of the Tariff Act of 1930 to enter into these foreign-trade agreements. The original act of June 12, 1934, authorized the President for a term of 3 years to enter into foreign-trade agreements increasing or decreasing by more than 50 percent any existing rate of duty or transferring any articles between the dutiable and free lists. Successive extensions of this legislation in 1937, 1940, and 1943 simply continued that authority to negotiate agreements without authorizing further cuts below the original 50-percent cut. In this bill—section 2—for the first time we face an executive request for authority to cut the duties by another 50 percent or down to 25 percent of the duties provided for in the Smoot-Hawley Act.

The relative merits of free trade and protection form a classical controversy in the realm of economics. I confess that as an ideal I feel myself more drawn to the concept of free trade than to that of protection. I am disposed to believe that the world would be a happier place and probably a more prosperous place if there never had been any tariffs anywhere. This speculation, however interesting, leads nowhere because at a very early stage in our history we initiated the policy of protection, and I think that no one will deny that it did stimulate American industries which in our infant Republic might never have otherwise come into existence. Up to the First World War the policy of protection worked on the whole fairly well—at least, it was politically popular. I cannot, however, attribute much weight today to the utterances of the protectionists, from Alexander Hamilton down through William McKinley and the distinguished Member from Maine, Nelson Dingley. We are now living in a new world and the merits of this legislation must be judged from the contemporary world and not from the past. The world of 1910, in which I enjoyed comparative freedom from fear, was more congenial to me than the world of 1945, in which we are beset on all hands with apprehension, but that again is neither here nor there.

Advocates of protection frequently say that a tariff protects the living standards of a nation. The accuracy of that belief is doubtful. A protective tariff does unquestionably protect a nation's price structure, but that is quite different from protecting its living standards. A nation may have a high living standard on a comparatively low price structure, as we did in the last century, or a low living standard on a high price structure, as Russia did in the twenties, and China does now. A country with inflated currency always has a high price structure and generally has a low living standard.

In a country which has no national debt, the price structure may be unimportant so long as the living standard is high. When, however, the country has a high national debt, as the United States now has, the price structure must be high in order to carry the debt. One of the apprehensions which besets me in the present situation in the United States is how to keep the price structure high enough to permit carrying the debt without undue hardships and still not let prices get out of hand entirely into a runaway inflation.

Prior to the First World War the United States was a debtor country and many foreigners, notably many Englishmen, held large American investments. Since 1918 we have been a creditor country. As everybody knows, the debts arising from the last war were never paid and no one imagines that the advances made on lend-lease will ever be fully repaid either in kind or otherwise. While it is said that the United States is a creditor country our creditor status is at least partially fictitious. We know that our accounts receivable will never in fact be received. How much of a creditor we are after writing off our bad receivables is perhaps doubtful, but certainly our position in the world is a long way from what it was in McKinley's day, when some Europeans even doubted whether we could win the war against Spain. Our productive capacity today is manyfold what it was in the nineties. We may owe that productive capacity in some degree to the fact that we were a protectionist country with respect to the outer world. But we owe it more to the fact that from the Atlantic to the Pacific and from Canada to the Rio Grande we were a free-trade country. The quickest way to ruin America would be to repeal article I, section 10 of the Constitution which forbids any State to lay any imposts or duties on imports or exports.

I accept unreservedly the principle of reciprocal trade agreements. They seem to me a much more enlightened approach to the whole tariff problem than the old-fashioned method of congressional tariffs. The legislative process which functions superbly in the determination of great or small questions of principle is strained when applied to minutiae the construction of specific customs rates, freight rates, and the like. Even when we pass income tax legislation it has to be under a closed rule which artificially muffles the legislative voice.

I favor section 1 of this bill as strongly as I favored similar legislation 2 years ago. It is my belief that a majority of the Republicans favor this section.

I feel, however, that the reciprocal trade agreements to realize their purpose should be genuinely reciprocal. This they are not when they contain the most-favored-nation clause. This clause immediately converts the particular into the general. I should like to see the authority to negotiate these agreements so restricted as to forbid most-favored-nation provisions.

In my opinion section 2 of this bill should not receive legislative approval. We have had little peacetime experience of the present agreements and there is no safe basis for any assumption that tariff rates should be further cut. I favor an expansion of our foreign trade, but who can give any idea of comparative prices over the next 3 years of American and foreign products? Obviously everything will depend on the rates of currency exchange hereafter existing. For example, present rates of exchange would seem to be almost inhibitive of France exporting anything to this country. Under some subsequent rate of exchange she might be able to do so. No doubt American products will be eagerly sought all over Europe, but no one now knows what manufactured products foreign countries will offer us in exchange. We should not now in my opinion expose American businesses, which have grown up under protection, to risks from further tariff reductions arranged by the executive branch of the Government without a great deal more knowledge than we now have of postwar world costs, industrial capacities, and the like.

I might be reconciled to section 2 of the bill if there were machinery for appealing to Congress from reductions in fact found to be prejudicial to particular American businesses. The filbert growers do not want to lose their business to help the automobile industry and it seems to me that in the last analysis Congress with its electoral responsibility to the country can better settle such a controversy than the State Department which is not accountable to the people.

President Truman in his recent message has recognized the propriety of appeal to the Congress from vital executive decisions. There is no reason why the State Department should be impatient of such procedure.

The Republicans have been widely criticized for playing politics on this measure. But surely the uncompromising attitude of the State Department has put Members like me in the uncomfortable dilemma of having either to vote for what we think is a bad bill or against what we think is a sound principle—the principle of executive trade agreements. I hope the majority party may yet perceive the injustice of charging the sins of isolationism against Members who

have consistently preached against isolation and voted against isolationist measures.

There is no good reason for not confining the present legislation to a simple extension, leaving the matter of authority for further cuts for such subsequent legislation as peacetime experience may indicate to be expedient.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, it seems almost useless to stand here and attempt to debate this subject in 2 minutes. I want to say this in the 2 minutes, quite different, however, from what I had expected to say.

As I sat back here and listened to the arguments here pro and con, I have gazed at the picture of George Washington near the Speaker's desk, and I have gathered inspiration during this debate from looking at the American flag in front of the rostrum which is a symbol of the finest, the richest, the grandest country in the world, your country and my country!

The foundation of the country's greatness, its economic strength, its leadership in world affairs, is the result of the protective tariff, and no living man can deny it who wants to be honest with himself and with his country.

Sometimes as I listen here I wonder if this is the American Congress or some foreign parliament. Has not the time come now to recognize the rights of our own people? Look over the record of other parliaments and see if you can find where they are sabotaging their own factories and their own industries to please America or any other nations. No. We have given them already 95 percent of the entire world market and we have given them two-thirds of our market; they are not satisfied, they want it all. The time has come to fight for our own country.

Mr. ROBSION of Kentucky. Mr. Chairman, H. R. 3240 proposes to amend the so-called Reciprocal Trade Agreement Act by (a) extending the expiration of that act to June 12, 1948, and (b) by giving to the President power to reduce tariffs by an additional 50 percent based on the tariff rates of January 1, 1945. This act will by law expire on June 12, 1945, and the proponents insist that we must continue it for three more years in order, first, to promote our foreign trade, create American jobs, and promote American industry and agriculture; and second, to promote peace and prevent future wars. We who are opposed to this bill, of course, want world peace and to see our world trade increased. Who does not? This bill will not promote world peace or improve our foreign commerce or aid prosperity for our country.

In 1937 and 1938 there was considerable debate throughout the Nation that the reciprocal trade agreements had not measured up to the expectations of its friends in increasing our foreign commerce and then it was urged by Mr. Hull and others that while other countries were getting into the war, we were not in the war and these agreements kept us out of war and would keep us out of war. But they did not. And while they have been in force the world has been involved in the greatest war of all time.

Many of those who oppose this legislation insist that it violates section 8, article I, of the Constitution, which gives to the Congress alone the power to levy and collect taxes, duties, and imposts, and to regulate commerce with foreign nations. Under this act Congress surrenders this constitutional power and confers it on the President, the Executive branch of the Government. The act greatly weakens the power of Congress and adds to the already tremendous powers of the Executive.

WILL NOT AID FOREIGN TRADE OR PROMOTE WORLD PEACE

The Ways and Means Committee held hearings for many weeks on this proposal to extend the Reciprocal Trade Act to June 12, 1948, and to give the President power to reduce tariffs by an additional 50 percent. Fourteen Democrats of the committee voted to report favorably this bill. One Democrat and all 10 Republicans on that committee voted against reporting this bill favorably. The administration demanded that the committee report this bill favorably. The 10 Republicans filed a very informative and illuminating minority report. This report sets out cogent and logical reasons why this bill as reported should not be approved by the Congress. They point out that it will not increase our foreign trade. The record discloses that for the 5 years of 1924–29 our foreign trade of imports and exports under a protective tariff amounted approximately to ten billions annually for each of those 5 years. The act first went into effect in 1934. The record shows that for the 5 years from 1934 to 1939 our foreign trade of imports and exports amounted to less than 5 billions annually.

These reciprocal trade agreements did not become of much effect until January 1, 1937. For the first 6 months of 1937 we found that the balance of foreign trade against the United States was $300,000,000. In other words, foreign countries sold and shipped into this country $300,000,000 worth more of their products than we sold and shipped of ours to their countries; and about the middle of 1937 war came on between Japan and China and from then on until 1941 we shipped annually hundreds of millions of dollars' worth of scrap iron and steel, oil, gasoline, cotton and other munitions of war to Japan and about that time we began shipping great quantities of these same materials to Germany and Italy. Italy was about to embark on the conquest of Ethiopia and Germany was preparing for war.

But for our exportation of these war supplies we would have seen the balance of trade against the United States increase under the reciprocal trade agreements.

Furthermore, France, England, and other countries of Europe became involved in World War II in September 1939, and we began to ship great quantities of industrial and agricultural products to Great Britain and France. This unnatural war condition of business again covered up the shortcomings of the reciprocal trade agreements.

It is urged that we had a depression in 1930. That is true. That depression started in other countries of the world and finally caught up with our country and all the nations of the earth were covered by that great depression.

PROTECTION AND RESTRICTED IMMIGRATION IS AN AMERICAN POLICY

While protection for American industries, agriculture, and workers has been a Republican policy beginning with the days of Abraham Lincoln, the Republican Party did not originate this splendid American policy. James Madison, of Virginia, in 1799 introduced the first protective tariff bill and it was adopted by Congress. Our country was flooded with foreign products after the War of 1812 and under this same James Madison, a Democrat with a Democrat Congress, the first general tariff bill was passed in order, as they stated, to protect American industries and workers and they named it "the American system." Later on Andrew Jackson, a great Democrat and the hero of New Orleans, passed the highest and most effective general tariff law up to that time.

The South had increased its cotton production and African slavery. Of course cotton could be produced cheaply with slave labor. The South had only a few small industrial plants. Great Britain was a free-trade country. The South would ship her cheap cotton to Britain and in return would receive finished manufactured products.

When Martin Van Buren, Democrat, became President in 1847 they put through another low tariff or free-trade bill, and the country was plunged into a panic that lasted 4 years. In 1857 James Buchanan, with a Democrat Congress made up largely of southern Democrats, forced through another low-tariff, free-trade act, and the country was again plunged into one of the worst panics of our history and lasted throughout the administration of Buchanan.

A new party was born, the Republican Party. Its platform declared for the preservation of the Union, a protective tariff, and for free labor.

Abraham Lincoln was elected. And except for the free trade and low-tariff administration of Grover Cleveland from 1893–97, and the low tariff under Woodrow Wilson, and until these reciprocal trade agreements were adopted, our country has favored a protective tariff.

I was a lad during Grover Cleveland's administration, the years 1893–97, and this country, while other countries were prosperous, had perhaps the worst panic in its history.

William McKinley followed Grover Cleveland with a protective tariff, and prosperity was at once restored, and we have always had great prosperity under a protective tariff except when we were in the depression, which was world-wide. On the other hand, panics have followed the low-tariff, free-trade policy ever since the Democrats adopted it, except when our Nation was at war.

President Wilson with a Democratic Congress put through the Underwood tariff for revenue only and free-trade bill. And the country in 1913 found itself in another panic, and that situation was relieved only when the European countries became involved in World War I. They ceased to compete with us, and we were busy furnishing them with supplies, and later on in furnishing our own country with war supplies. But immediately after the war, in 1920–21, the country again had its depression and it continued until the Republicans came into power in 1921 with a Republican Congress and passed another protective tariff bill and the country under this policy was very prosperous until the world-wide depression came.

The country began to recover in 1934 and 1935 until the reciprocal trade agreements got into operation, and again gave the country low tariffs and free trade, and as I have pointed out, during the first 6 months of 1937 competition was so strong in foreign countries that there were dumped into this country $300,000,000 worth of products more than we sold or exported to foreign countries. And disaster would have come to this country except for the breaking out of war between China and Japan, between Italy and Ethiopia, and later between France, England, and other countries and Germany. Of course they were all busy supplying themselves and producing munitions of war, and we got busy in 1937 supplying foreign countries with munitions and later on became involved in the war and we were supplying ourselves as well as sending great quantities of manufactured and agricultural products to our allies.

There has not been full opportunity to show how badly these reciprocal trade agreements will affect our country when the world is at peace. In fact World War I acted almost as an embargo against the shipment of products of the factories and farms and orchards of foreign countries into our country, and World War II has acted as an almost complete embargo, and we have laws that place embargo especially on shipment of goods in competition with cotton, peanuts, and some other farm products.

The people of foreign countries have been too busy killing each other and destroying cities and factories and farms and in supplying themselves with munitions of war to produce products and commodities in competition with our country.

The danger of foreign immigration after World War I when millions of people from foreign lands were trying to come to our country for the first time impressed the American people with this threat to the prosperity and welfare of the people of our own country, and it was under a Republican administration in 1921 that we passed the first general and effective restrictive immigration law. But after experience it was found it was not effective enough; and in 1924 we passed the really great and effective restrictive immigration law. Many persons designated it the second Declaration of Independence. The Republican Congress and the Administrations from time to time strengthened this law. This law was passed especially to protect American workers. The protective tariff is designed to protect not only American industry but to protect American jobs. We had nothing against the people of other lands desiring to come to our country; but we felt that our first duty was to preserve these jobs for American workers and especially for those who had defended our country.

SIXTY MILLION JOBS

We hear much these days about providing 60,000,000 jobs for the workers of our own country, and it is emphasized that when this war is over there will be 12,000,000 more of American men and women who have defended this country return to their homes, seeking business opportunities and employment for their brains and hands. I want to follow the policy that will contribute most toward providing these jobs for both native-born and naturalized citizens of the United States. I have been somewhat amazed that our Democrat friends from the South and West who aided in passing our restrictive immigration laws and who helped prevent certain other groups in our great cities from breaking down these laws are giving their support to this bill. They must know that every shipload of shoes, clothing, furniture, meat, and other products that comes from foreign lands will take just that much of business opportunites and just that many jobs from American workers.

MR. HULL, LOW-TARIFF AND FREE-TRADE ADVOCATE

We all admire Mr. Hull as a good American and a most estimable man. He was brought up in the southern school of economics when the South did most of her trading with Britain. Under slave labor and cheap labor they provided raw cotton, and so forth, and shipped it to Great Britain and in return received manufactured products. They did not have industry. They did not have the questions of high wages, short hours, and good working conditions that prevailed in the North and East.

I served 10 years with Mr. Hull and he was a Democratic member of the Ways and Means Committee. He urged all the time that we remove trade restrictions and get down to a tariff for revenue only or free trade. He believed in that; but the American people had had such unfortunate experiences with the southern Democratic idea of low tariff and free trade that he made no progress in having it adopted except in the first administration of President Wilson. We have already pointed out the disaster that followed the adoption of the Underwood free-trade bill until World War I came along and saved the faces of its proponents. Even the Democrats of the South fought vigorously for a protective tariff on wool and hides, goat's hair, long staple cotton, certain minerals, certain fruits, and so forth.

President Roosevelt came into power in 1933 and named Mr. Hull, Secretary of State, and it was then he put forth his same tariff for revenue and free-trade proposals. But he gave it a new name. He called it reciprocal trade agreements. It is the same identical policy that brought disaster to this country in 1816, 1837, 1857, 1893, 1913, 1920, and was bringing us to disaster when it got into effect in 1937.

This distinguished Tennesseean, Mr. Hull, did not change his policies. He believed in them—and for that I have no criticism whatsoever. The American people knew what his policies meant to this country. There had to be a change in the name, and they called them the reciprocal trade agreements. And ever since that we have heard it said that William McKinley was the great advocate of reciprocal trade agreements. McKinley did believe in reciprocity as did James G. Blaine and the Republican Party. The last speech William McKinley made before his assassination at Buffalo on September 5, 1901, he defined the sort of reciprocity advocated by the Republican Party when he said:

> By simple trade agreements which will not interrupt our home production we will extend the outlets for our increased surplus. We will take from our customers such of their products as we can use without harm to our industries and labor.

You will observe that McKinley was very careful to state and restate that he and the Republican Party would not interrupt our home production but would only extend the outlets for our surplus and that we were to take from our customers such of their products as we could use without harming our own industries and labor.

William McKinley and the Republican Party were committed to the protection of American industry and American labor.

UNFAIR COMPETITION

One of my serious objections to the reciprocal trade agreements is the so-called favored-nation clause that is in each of these agreements. For instance, if we should make a trade agreement with Brazil, under this law if it were fairly made we would take certain products from Brazil that are not produced in this country and Brazil would take certain products from us that are not produced in Brazil. In this way it would be reciprocal benefits flowing from and to both countries.

But the thing that upsets this whole proposition is that when we make such an agreement, under the most-favored-nation clause, the benefits we extend to Brazil can be enjoyed by every other nation of the world except Germany and Japan even though we have no agreement whatsoever with those other countries, and we receive no benefits in return from the other 40 or 50 nations. There is nothing reciprocal about that. They get benefits from us and we do not get 1 penny from them. These trade agreements should be bilateral. If the United States and Brazil enter into an agreement, the benefits from us to Brazil and from Brazil to us should be limited to these two countries, the contracting parties. But not so under Mr. Hull's reciprocal trade agreements. This was a clever way of putting us on a free-trade basis with the nations and that has always been the purpose of the free-trade Democrats of this country.

Now we would get the same results if we made a treaty with any other country or countries. All the other countries

not included in the agreement would enjoy the benefits that we extend to the other nation or nations and we would not receive a dollar of benefits. In other words, instead of having bilateral, we have multilateral agreements. This has worked a special hardship in the trade agreement that we make with England. There are other countries in the British Empire—India, Canada, Australia, British South Africa, and other colonies and dependencies. Now we may have sound reason to make an agreement with England, but the very moment a trade agreement is signed with England, every other country in the British Empire receives the same benefits from us that England receives, when they have made no agreement or bound themselves to anyone to reciprocate the benefits; and furthermore the British Empire and the other countries have formed a cooperated association among themselves and they have an agreement that these several countries will buy from each other and they will not buy anything from us that they can get from the many countries that are in this association. But when we make a trade agreement with England, England and all the other countries in that association benefit from that agreement and we receive no benefits from any country except England and very few from her.

This is not the reciprocity that William McKinley and the Republicans favored. The 10 members of the Ways and Means Committee, and also 1 Democrat, do not favor this bill. The whole purpose of this Trade Agreement Act is to put the industry, agriculture, and workers of the United States on a substantially equal footing with the cheap labor, long hours, and poor working conditions of every other country except Germany and Japan. Those who favor this bill believe in removing our "trade barriers" they call it. They favor taking away protection. The record shows that American workers receive from 3 to 25 times as much per day as workers in the factories and on the farms in the various countries of the world. American workers have from 35 to 40 hours a week, and in some countries we would have to compete against a workweek of 84 hours. These other countries do not have the splendid working conditions that we have, industries do not have to pay high social-security taxes, unemployment insurance, workmen's compensation, give 2 weeks or more vacation with pay, and time and a half for overtime and double time for Sundays and holidays, and they have deflated currencies.

However, when we make, under these reciprocal trade agreements, a most-favored-nation clause, we should take into consideration the benefits that that country will receive from us in the way of dumping their industrial and agricultural products into this country. The benefits are extended to every other country of the world with whom we have made no trade agreements. I would like for the advocates of this legislation to explain to the American people how American industry, agriculture, and workers can compete with those countries.

In the Ways and Means Committee the Republicans and some Democrats tried to get an amendment into the bill providing that the difference in the cost of producing manufactured goods and farm products in foreign countries should be taken into consideration and we should at least have tariff enough on such imported articles as will force these importers to sell their products in this country at not less than at least the cost of production in the United States. In other words, without this protection many countries can produce articles at two or three times less cost than we can produce them and they can bring them into the United States and dump them in our country at less than the cost of production here and that destroys our industry and throws a lot of our people out of work. This has happened in the production of shoes from Czechoslovakia, pottery ware from Japan and China, clothing and watches, and so forth, and glassware from Europe, wool from Australia, beef, mutton, and hides, and wheat and corn from South America, fruits from the West Indies, and many articles from the East Indies, and rice from China and other countries, and sugar from Cuba and other nations.

If we are going to permit the cheaply produced products and goods from foreign countries to be dumped in our country in competition with American industry and American labor, then it would be better to repeal our immigration laws and let these millions of producers come to the United States, because here they would use American raw materials and would consume our products here; if they remain in their own countries and use their raw materials and then are permitted to dump their goods into the United States, we are more hurt than if we had permitted them to come here, produce their goods, and spend their wages here.

We need a protective tariff to equalize the cost of production, to protect American industry and labor just as much as we need the restricted immigration to protect our country from the millions from foreign lands who would come here. The history of our own country has clearly proved that our Nation, our factories, and our workers cannot prosper under this unfair competition and we must have reasonable protection and restricted immigration.

DISASTROUS TO BUSINESS, AGRICULTURE, AND WORKERS

Under the reciprocal trade agreements the President is given power to cut tariffs 50 percent. The tariff on many articles that are brought into this country that had tariff on them were placed on the free list. In fact, about two-thirds of our foreign commerce under the reciprocal trade agreements is now on the free list. There were about 1,200 articles that still had some tariff on them. This administration cut the tariff on about 600 of these articles the full 50 percent. Now this bill gives the President the power to cut the tariff 50 percent on the basis of the tariff January 1, 1945. In other words, it gives the President the power to cut tariffs as much as 75 percent. In normal times industry and agriculture could not have survived the 50 percent on all except a few articles. If we pass this bill and give another 50 percent, it will put out of business thousands of industries in this country and millions will be thrown out of employment when peace once comes and the world reaches a normal position in productivity. Our farm machinery and every other type of production has been scattered all over the world. The people of nearly every country in the world will know how to reproduce our machinery, tools, and so forth, and we will have stronger competition than we have ever had.

The National Grange, with its million members, and many other farm groups of this Nation have and are vigorously opposing this bill. Various industries of this Nation are vigorously opposing it and many labor groups are doing likewise. They have several reasons to be alarmed over what will happen to American industry, agriculture, and labor in normal times if this bill should become a law and continue in effect. Of course, it has no bearing at this particular time and will have little bearing until the war is over. World and war conditions at this time amount almost to an embargo as to the shipment of industrial and agricultural products into our country.

Conditions were so bad just after the First World War that the Wilson administration backed an emergency tariff bill to protect American farmers and American workers from the bad effects of the Underwood low tariff, revenue act of 1913.

This act should not extend more than another year. At that time the present war is likely to be over, and I trust that we will be at peace once more. But we read in the press where there are some wars starting between the Allied countries themselves in Syria, Lebanon, and Italy. Congress will still be here and we shall have more information and can legislate more intelligently on this important subject, but it is urged by the administration that they must have this authority to reduce tariffs an additional 50 percent for trading purposes with foreign countries. Who will make the trades? The President cannot go into these matters and neither can the Secretary of State. They are too much engrossed with other matters. Some bureaucrat will have the say in working out these so-called trade agreements. Under the Constitution, the American people elected the Congress to do these things. They know the needs of the people of their several districts and the States and the Nation as a whole. Who knows what bureaucrat may develop these trade agreements? He may be an out-and-out free trader, and while they say that every industry will have a say, but it has not worked out that way.

The Members of Congress have very little to say in making these trade agreements. They may appear before the bureaucrat that is hearing the matter but there are no strings on his decision. He can sell American farmers of some particular commodities or some manufactured products, or some fruits down the river, and you cannot take the matter

into the courts. There is no real relief from any injury for industry, agriculture, or the worker. We have given this administration a lot of trading power in this war. Congress has voted sixty-four billion for lend-lease. We have provided the finest and best Army and Navy in the world. We have taken the brunt on the western front in Europe and on many other fronts in the world. We have given blood, sweat, and tears, but we are today alarmed over what is happening among the Allies themselves. Selfish men are pushing their own selfish interest for themselves and their own countries. They are blocking the great purpose for which we have sacrificed so much. The administration should have used all the powers that have been given to them to get agreements from these countries before we furnished them too much as to what would be their attitude after we had won the victory but we did not make the trades. Now they think they do not need our help. As one Member of Congress, I am unwilling to turn over this great congressional power on which the prosperity and success of American industry, agriculture, and labor depends to some person or persons, in many cases unknown to the American people. I am unwilling to jeopardize the opportunities of American business, the standard of living and jobs of American workers to the individual or group that will handle these matters. Under this act neither Congress nor the courts can review their action.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I think I can say what I am going to say in 2 minutes. It is my privilege to represent the greatest industrial democracy in the world, 20,000 workers in the Endicott Johnson Shoe Co., located in the southern tier of New York State where some of the finest shoes in the world are made. A few years ago certain Czechoslovakian factories flooded shoes into America and their business was vitally affected. I am not so much concerned with that because the Czechoslovakian factories in the past year or so have probably been bombed out of existence. What I am concerned with is a rumor which I heard around here the other day, although I do not know whether it is founded or not, but I think it is worthy of consideration at least, that Great Britain had plans after this bill went through to flood the United States with a million pairs of women's shoes. Such a thing would be a calamity indeed. I am going to vote to protect the 20,000 shoe workers whom I have the great honor and privilege of representing. I want to see good shoes to continue to be made for the people of America. The workers in this great industry should enjoy the highest standard of living possible.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman.

Mr. KNUTSON. May I say to the gentleman in voting to protect the interest of the 20,000 shoe workers in his district he is voting to protect 60,000,000 American workingmen.

Mr. EDWIN ARTHUR HALL. I think the gentleman is correct. That is the position I have taken, and I do not expect to change it. I hope that those who have industry, such as I do, in their districts will feel likewise.

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman.

Mr. LYNCH. Does the gentleman mean to say he is voting against this bill simply on the basis of a rumor?

Mr. EDWIN ARTHUR HALL. I am not so sure it is all rumor. I am voting against this bill because long experience and close observation has shown me that thousands of shoe workers in my district have enjoyed the fruits of the high standard of American living which they have been able to enjoy for the past quarter of a century because of the tariff. They have free medical attention of their own. They have housing, playgrounds, swimming pools, dance pavilions, and all the other advantages that go with the high standard of American living. Even during this war, when some of them have been attracted by higher wages of a temporary nature elsewhere, most of the E. J. shoe people have remained loyal to their company and to their section.

They have proved that a typical American industry, if allowed to operate unhindered by foreign competition, is capable of providing them with a substantial livelihood.

The Doughton bill is a bill to create unemployment. It will bring about chaos and ruin upon American industry.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Chairman, I have listened for 3 days to the debate on this bill. The debate has been partisan, and at times acrimonious.

Our time has been largely spent in quarreling, and not in an attempt to pass the best possible bill for the good of the whole country.

Democrats have sought to make it appear that we are isolationists. We have charged the majority with being free-traders, and with a lack of concern for the welfare of our workers, and for American business. Neither charge is true.

We are much closer together than might be supposed. The trouble is, a false issue has been set up. The question should be, What kind of a bill can we pass which will best maintain the principle of reciprocal trade agreements, and at the same time afford ample protection to American labor and business?

Instead of that, the question on the floor seems to be, Will you take this particular bill, without adding a comma or deleting a word?

I am for reciprocal trade, and for giving the United States bargaining rights on dealing with other countries. That is not to say that I am for a bill in which Congress abdicates for 3 years its constitutional responsibilities over tariff. I am not for a bill which vests in the State Department unlimited power over large groups of American workers and industries. I am not for a bill which permits treaties to be made subject to no check, control, or even suggestion, by the elected representatives of the people.

Mr. Chairman, if a treaty be made which adversely affects the glassworkers, the clothing workers, the farmers, or others in my district, they are going to come to me. I do not want to say, "Gentlemen, I surrendered all authority in this matter on May 26, 1945, and you will have to take the consequences."

I call on the majority leadership to help us pass a bill which will maintain in full the principle of trade agreements, and still afford needed protection to domestic industry. I plead with the majority to abandon its position that its numerical superiority permits it to drive this particular bill through without amendment. We can pass a bill today by a nonpartisan majority which will serve notice on the world of our union; or we can bicker and split on this one.

Which shall it be?

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. MCGREGOR].

Mr. MCGREGOR. Mr. Chairman, I certainly cannot see my way clear to support legislation that will give to any one individual, regardless of whom, the power to raise or lower tariff rates 50 percent, as incorporated in H. R. 3240. I feel that such power given to the individual would, if he saw fit, enable him to ruin any industry in our United States.

I am of the firm conviction the passage of this bill in its present form would completely tie the hands of industry and would make idle hundreds of thousands of employees.

We all realize that for a number of years we have been sending farm machinery, high-grade industrial machinery, and tools to foreign countries to help produce food and war equipment. This machinery—made in the United States—could easily be changed, after the war, to produce food and industrial equipment to be shipped to America and directed to compete with our own industrial and farm production.

This bill would allow products to be brought into this country that had been manufactured in foreign countries, under a prevailing wage rate of 20 to 25 cents a day, and this, most assuredly, would be detrimental to American industry, labor, and agriculture. How are we going to provide jobs for the American people—jobs for the returning veterans—when we transfer our pay rolls to foreign countries?

I feel H. R. 3240 would force our American industry and labor to compete with other nations that have not recognized individual rights and that do not have a living wage rate established, social security for employees, and have living conditions not on a par with this country. I assure you I will oppose any legislation that will attempt to put the American people on a lower standard of living, such as seems to prevail in some other countries. I believe in protecting America—

so I intend to vote against H. R. 3240, which I think is truly a bill to create widespread unemployment.

The CHAIRMAN. The gentleman from Ohio [Mr. CLEVENGER] is recognized for 3 minutes.

Mr. CLEVENGER. Mr. Chairman, in these 3 minutes I am going to profit by an adage of one of our gallant allies, the Chinese, one of whose great philosophers said: "One picture is worth a thousand words."

On Tuesday I showed two fabrics in this House. I want you North Carolinians, you South Carolinians to look at them. I spread them here before you. I want you New England men, you men from Massachusetts, to look at these samples. There is the story of 20-cents-a-day cotton spinning from Japan. So few were here Tuesday to see these that I want to show them again.

A moment ago when the gentleman from Maine was speaking it brought to my memory the time when I used to send checks up there to the Lewiston people for Lockwood sheets, to the Biddeford people for cotton. I wonder where those mills are now? I used to send checks to Massachusetts for years, to Beacon Mills for blankets. Now I send them to Swannanoa, N. C., and I am wondering how long it will be before those checks will go to Mr. Clayton and his cotton in Brazil. I showed you what the Soviets were doing. I thought of the Massachusetts mills, the Stevens Mills, and their products, the mill now closed, the jobs gone, and then I thought another time of the old Thirty-seventh Division from Ohio, five of whose units come from my district along with the Thirty-second Wisconsin and Michigan; and I thought of the Forty-first Division. They have been on the firing line in the Pacific from the very beginning, our Major General Beightler, Thirty-seventh Division, the last surviving National Guard major general in the United States Army. I say to you with the 500 dead from my district that those jobs belong to the families of those 500 men and more than 1,500 more whose bodies are broken, the thousand men and women in my own little town in Ohio who made novelties but who are now turning out parts for your great gasoline bombs. These light machines, these automatic machines can possibly be run by these men with broken bodies when they come home. I say to you, Mr. Chairman, there is no argument greater than that. These jobs belong to them. I am against a 3-year renewal of this wholly nonreciprocal agreement that brings no advantage to America, no jobs for Americans.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GROSS] is recognized for 3 minutes.

Mr. GROSS. Mr. Chairman, I want to address my remarks primarily to the Democratic side of the House. Ye who labor and are sweating over here under the lash of the administration, I am warning you that you will have a tougher day ahead.

I have a section in my district that has 13 shoe factories in it. Some of them employ as many as a thousand people. That was the strongest Democratic community in the United States before 1938, and no Republican ever got in there even to make a speech until 1938 when I ran for Congress. Those shoe factories were closed and Czechoslovakian shoes were selling there at $1.52 a pair lower than they could make them in their community factories. I went there to make a speech. They staged a riot. After a while I quieted them and presented the facts, showed them why their factories were closed. I carried the town in that election and have carried it ever since and I am going to keep on carrying it and the Republicans are going to keep on carrying it if you pass laws that rob the workers of their jobs. Many of you will find a lot of difficulty in the next election, and as much as I want to see a change I do not want it to come about through economic chaos. It is too high a price to pay. But our workers need jobs and our farmers need markets. And this legislation constitutes a threat to both. Therefore I am against lower tariff or free trade.

The CHAIRMAN. The gentleman from New Jersey [Mr. POWERS] is recognized for 3 minutes.

Mr. POWERS. Mr. Chairman, I am going to vote for this amendment, and I am going to vote against this bill to create unemployment if this permissive provision to lower the tariff rate an additional 50 percent stays in it.

I happen to have the honor to represent the Fourth Congressional District of the State of New Jersey where thousands of potters are employed. My district is the second largest pottery center in the United States.

You gentlemen from Ohio realize what I am speaking of. If the tariff is lowered on either table or sanitary ware 50 percent, it means every pottery in this country will close and there will be hundreds of thousands of potters jobless. Multiply that, Mr. Chairman, by scores and scores of other industries and you will realize just what we are facing. That is why I label this bill "a bill to create unemployment," and you all know that is exactly what will happen.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. LEWIS].

Mr. LEWIS. Mr. Chairman, I endorse everything that my good friend from New Jersey [Mr. POWERS] has just said. I represent a pottery, glassware, and steel district. Yesterday I stated a few things about these industries and I want to repeat them today in the presence of a greater number in this Chamber at this time.

In 1938 I saw our potters walking the streets in idleness. I saw the glass workers doing the same thing. Mr. Chairman, unless we defeat this measure we will have not only in the glass industry, but in many other industries of this country, the same situation.

At the same time thousands of our steel workers were unemployed while in many places near the seaboard steel products from Belgium and Sweden took all our markets; for instance in the State of Florida, a roll of wire fence and many other steel products that could have been made in the United States.

This is a bill to create unemployment, not a bill to create employment as it is falsely said it will.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I have been consistently on the floor of the House ever since the debate of this bill started. I came here looking for light, with a mind that was not foreclosed and a mind that was not prejudiced. I have listened to the various arguments in the hope that they would allay some of the fears I have had expressed to me by many people in my district. Instead of providing clarity, needless to say, most of the argument has produced confusion of thought. One thing stands out in my mind, however. There has not been a single Member in charge of this bill who has been able to demonstrate conclusively or to a reasonable certainty that the reciprocal trade agreement program has produced a single benefit to the people of this country. All of the arguments have been platitudes and generalities. It may be that the reason those facts are not available is because we have not had a normal experience of operation under the program, most of it being under wartime conditions, that have prevented the operation of normal trade. On the other hand, you have had experience after experience demonstrated which has shown the actual detrimental effect of this program.

Mr. Chairman, I previously voted to continue the program, and as one who voted to continue it I was hoping that I could do the same thing today; but after listening to all the arguments and weighing them as an unprejudiced juror, I cannot support the pending bill if it contains section 2 and will be compelled to vote against it. I shall vote an honest conviction which is not partisan, I may say to the chairman of the Ways and Means Committee, because I voted to continue this program before. This is not from a prejudiced viewpoint, but from an honest conviction, as to the welfare of this country. Not speaking as a Republican or as a Democrat, but speaking as a representative of my people, I cannot see my way clear to vote for section 2, and if it stays in the bill I will have to vote against the entire bill. I have told my people that I would vote to extend the present act. The pending bill goes far beyond the present act, and in view of that fact and in view of the unsettled conditions throughout the world and the close relation of this problem to currency stabilization, which is not resolved, I am compelled to vote against the bill.

Mr. Chairman, I endorse what the gentleman from California [Mr. HINSHAW], the gentleman from New Jersey [Mr. HAND], the gentleman from West Virginia [Mr. RANDOLPH], and the gentleman from Maine [Mr. HALE] have said in reference to the pending bill. They have expressed the thoughts I have and which I would have discussed had I had the opportunity and time to express them fully myself.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, the speech that impressed me most in the past 4 days—and I have listened very patiently to most of the discussion—was the one delivered by the gentleman from Utah [Mr. GRANGER]. He pleaded for unity. I am in full agreement with him that a middle-of-the-road compromise can be reached on this controversial measure. Many of us will vote for a simple extension of the present act during the period we are at war, but cannot swallow section 2. If I am willing to compromise—and after all, all good legislation is a compromise—why cannot a sufficient number of you gentlemen on the right agree to strike out section 2 and give men like myself an opportunity to vote on the final roll call for this particular bill? How much better would it be if word went out to San Francisco, and to the Nation, and world, today, that the House has extended this particular legislation by a heavy majority rather than by a close vote, because of the refusal of the majority in control to be content for the present with the existing act. Let us promote unity by all of us receding toward a middle ground of compromise.

I cannot vote here today to give any President, regardless of party, further power over the economic life and future of this country. This request in section 2 for additional power to cut existing tariffs 50 percent may not have much repercussion, if granted, as long as the war is on. On the other hand, can our dairy products, meats, flax, corn, and other grains hold up to a parity price if cheaply produced foreign products are permitted to come in practically duty free? Our farmers cannot compete with foreign labor content to work for one-fifth of our income, nor can any working Americans. Neither can I vote for the taking away from our own working people their right to earn a decent wage and live as Americans have the right to expect to live. This bill, as drawn, can close thousands of businesses and eliminate millions of jobs.

We have much which we can buy from foreign countries which we cannot produce ourselves. We can often permit products to come in of which we have a scarcity temporarily. Let us make a real reciprocal trade-agreement policy and not such a one as this proposed section 2 will result in. Our pay rolls must stay in America for our own workingmen and farmers. Our own people, earning good wages, are the greatest potential market on earth. Yes, Mr. Chairman, let us trade with friendly nations, but also consider our own first.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, I am frank to say that I have had some concern about this provision of the bill. I have thought about it long and hard. I have studied it and I have decided that without this section in the bill a great part of the benefits to be hoped for from the passage of the whole bill would be lost.

The reason is this. Assuming that we believe that the reciprocal trade agreements program is the right way to handle our foreign trade problem, then the essential thing is for such concessions as we make to be made upon those products where the concessions can be made without injury to our agriculture or industry, that is, those where we can best afford to make reductions in return for concessions by foreign countries. Presumably those items are in many cases the ones upon which the heaviest cuts have already been made. If section 2 is stricken from the bill that would no longer be possible, and an effective working of the program would depend therefore upon making reductions in the rates upon those commodities which can least afford it or else the program could not work at all.

From the broad point of view, Mr. Chairman, it seems to me that the thing we have to think about in connection with this bill is briefly this: It is of very great importance to the future peace of the world that the world know that America intends to play her full part as a member of the community of nations. The other nations will judge our attitude by what we practically do, not by what we merely say. I do not believe we can sweep away the protection of our duties. I do believe that under a reciprocal trade agreements program we can, in an agreement with other nations, gradually reduce certain of them. I believe it of inestimable importance that we give clear, definite notice to the world that we intend to do that.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, I would not impose myself upon you for even 5 minutes if I did not fear that there is a big chance here to make a big mistake. I know that in the years to come as in the years that have passed we have to trade with the remainder of the world if we are to have prosperity and have employment. I know that we cannot sell where we do not buy. I know arguments that might have had some merit 50 years ago when we were a small nation with infant industries; but when we are the great creditor nation of the earth, when we are the greatest surplus-producing nation under the sun, I know it is more vital today that we trade and have commerce and interchange with the nations of the earth than ever before.

Many people have expressed fear of what might be done under this bill with section 2 in it. There is one man in the United States, the head of the Government, who will have the last say on this matter. I have here a letter that I think should allay the fears of all who want their fears allayed. This is from the President of the United States:

MAY 25, 1945.

The Honorable SAM RAYBURN,
House Office Building.

MY DEAR MR. SPEAKER: Supplementing our conversation yesterday, I wish to repeat that I regard the pending measure for the renewal and strengthening of the Trade Agreements Act as of the first order of importance for the success of my Administration.

I assume there is no doubt that the act will be renewed. The real question is whether the renewal is to be in such form as to make the act effective. For that purpose the enlargement of authority provided by section 2 of the pending bill is essential.

I have had drawn to my attention statements to the effect that this increased authority might be used in such a way as to endanger or "trade out" segments of American industry, American agriculture, or American labor. No such action was taken under President Roosevelt and Cordell Hull, and no such action will take place under my presidency.

Sincerely yours,

HARRY S. TRUMAN.

If I were a wavering Democrat, with that assurance from this man who has caught the imagination of the people not only of the United States but of the world, I would hesitate not to comply with his first major request. If I were a Republican Member of this House, realizing the tremendous responsibility that rests upon the shoulders of this man, with the world's great work ahead of him as well as of you and me, I would hesitate to throw anything in his way that might impede his efforts to bring about world order and peace and commerce.

I understand it has been said around these corridors that it matters not what the House does, the Senate may not pass this bill in this form. Let us do our duty, regardless of any other body. Let us so write today that if this social order, this economic order, this world order crashes around us, it will not be upon our heads or upon our hearts.

The CHAIRMAN. The time of the gentleman has expired. All time has expired on the pending amendment.

The question is on the amendment offered by the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. DOUGHTON of North Carolina and Mr. KNUTSON.

The committee divided; and the tellers reported that there were—ayes 174, noes 197.

So the amendment was rejected.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: Page 2, line 13, after subsection (b) of section 2, insert:

"*Provided further*, That no reduction in duty under the Tariff Act of 1930 rates shall be made on imports competing directly with articles produced by handicraft industries in the United States. Handicraft industries are defined as those in which the salaries and wages or direct and indirect labor constitute 50 percent or more of the costs of production and include only those groups of manufacturers, excluding contractors, producing by recognized handicraft methods, like or similar products, from which the Bureau of the Census can obtain and publish industrial statistics. The Tariff Commission shall make the final determination of these qualifications."

Mr. BAILEY. Mr. Chairman, this amendment is designed solely to prevent the liquidation of two established American industries as old as the Nation itself. Its acceptance by the Congress would not

affect a total of 100,000 employees in two industries with a gross annual domestic production of less than $150,000,000. It would apply primarily to the pottery, the hand glassware and earthenware products.

I know, Mr. Chairman, that the proponents of this measure have attempted to take the sting out of the Reciprocal Trade Agreements Act insofar as it applies to the hand glass industry in subsection 2 of section 3, which provided that the reciprocal trade agreement with Czechoslovakia, which was abrogated by Presidential order in 1939, cannot be reenacted on rates as of January 1, 1945.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. Would the gentleman accept shoes and textiles as part of his amendment?

Mr. BAILEY. The gentleman may offer that amendment.

Mr. BATES of Massachusetts. Would the gentleman accept it as such?

Mr. BAILEY. I am interested in the glass industry.

Mr. Chairman, in the event this act is passed carrying an additional 50 percent differential it just simply means that the negotiators could go back and make the same concessions on the glass schedules as are contained in the present tariff bill, so the industry will not be any better off than it would be or was under the agreement enacted in 1938 and abrogated in 1939.

The amendment is plain, and I submit it on its merits.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

Mr. CASE of South Dakota and Mr. LEWIS objected.

Mr. COOPER. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 5 minutes.

The question was taken; and on a division (demanded by Mr. KNUTSON) there were—ayes 120, noes 110.

Mr. KNUTSON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. DOUGHTON of North Carolina and Mr. KNUTSON.

The Committee again divided; and the tellers reported that there were—ayes 171, noes 107.

So the motion was agreed to.

Mr. ROBERTSON of Virginia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am sure that Members of the House realize this amendment is objectionable from at least two major standpoints. In the first place, it is highly discriminatory and unfair. I realize my friend from West Virginia is interested in giving what the gentleman from Minnesota would call spot protection to hand-made glassworks. Out of more than 50,000,000 industrial workers in the Nation there are only 6,000 employed in that particular industry. I have in my district a number of textile workers and, like my distinguished friend from Massachusetts [Mr. BATES], I have a shoe factory, and naturally I would not think it fair to see someone set up a special rule for a limited group of workers. As a matter of fact, this amendment goes even further than the gentleman from West Virginia realizes. In possibly a third, and perhaps as much as a half, of our industries the labor costs may average 50 percent. His amendment provides that if the labor cost is 50 percent then no trade agreement can be made on a competitive item. The next objection to the gentleman's amendment is that it is utterly unworkable. There is not a plant in the United States where the labor cost remains the same from month to month. There may be full work one month plus overtime and no overtime the next month. There may be a high degree of absenteeism one month and there may be nobody sick or absent the next month. There is not a plant in which the labor costs do not vary from month to month.

Of course, they vary from plant to plant. What would be the practical effect of this amendment? Before the President could negotiate any trade agreements the Tariff Commission would have to set out to make a study of labor costs to see whether they are above or below 50 percent. They could never finish that work. If they did finish it, it might change before they could negotiate on the basis of whatever findings the Tariff Commission reported. A new wage contract might be drawn up and the labor cost would be changed all over again. So I tell you that the real effect of this amendment would be to absolutely prohibit the future negotiation of a single trade agreement. I hope it will be defeated.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

Mr. REED of New York. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The gentleman from New York offers a preferential motion which the Clerk will report.

The Clerk read as follows:

Mr. REED of New York moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. COOPER. Mr. Chairman, I make a point of order against the motion.

The CHAIRMAN. The gentleman will state the point of order.

Mr. COOPER. Of course, this is a motion of the highest privilege, under the rules of the House, but I submit to the Chair that when it is offered obviously for the purpose of gaining a specific object—to extend debate after the time has been fixed and the debate closed—that such a motion should not be entertained.

The CHAIRMAN (Mr. WOODRUM of Virginia). The Chair will say to the gentleman that the effect of the motion may be to extend the time of debate, but the purpose of the motion is a vehicle by which the bill may be killed. If the gentleman from New York [Mr. REED] is opposed to the bill, this is one way to do it.

Mr. REED of New York. I am opposed to the bill, sir, as I have been consistently.

The CHAIRMAN. The Chair overrules the point of order.

Mr. REED of New York. And what is more, Mr. Chairman, I offered this motion to get time to reply to the gentleman from Virginia [Mr. ROBERTSON]. We have been foreclosed from debating this question as fully as we should. The question involved, the gentleman from Virginia says, is only a matter of 6,000 people. Has the time come in the United States of America when 6,000 people have no rights before a great legislative body of free people? It is about time we took into consideration the fact that this is still the United States of America.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. JENKINS. As a matter of fact, it will represent 600,000 people.

Mr. REED of New York. Of course, it will, because every article that goes into the production of glassware in West Virginia and all these other States creates pay rolls all over this country. Pay rolls are the lifeblood that flows into the arteries of trade and prosperity in this country. There are a large group of men on this floor representing those pay rolls from various districts. They have a right to be heard. We have been debating this question for some time, but this is the first time we have had an opportunity to speak and to vote and offer amendments. This is no time to foreclose those interests involved in this legislation.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. AUGUST H. ANDRESEN. If this amendment fails it means that after the war with Japan is over, Japanese pottery and glassware workers, who only earn 20 cents a day, will supply the American market.

Mr. REED of New York. What it means is simply a series of ghost towns. These people who work in these factories are patriotic people. They are all buying war bonds. They are making their contributions to the war. Their sons have been over there fighting for the cause to which this country is committed.

Now, you say at this time, when their sons are over there, that the people representing those interests cannot come before the Congress of the United States and fight to preserve their pay rolls. That is un-American. That is the reason I have offered this motion, to see that those people have a chance to be heard.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. KEEFE. In the debates on this bill the distinguished gentleman from West Virginia, the sponsor of this measure, the distinguished gentleman from West Virginia [Mr. BAILEY], and the distinguished former Governor of West Virginia [Mr. NEELY] all pointed out as Democrats that this industry in their State would be affected deleteriously, and people would be put out of jobs if this bill is passed. Now, they were speaking as Democrats. I wonder if they are going to vote for this bill under those circumstances.

Mr. REED of New York. And, what is more, we all ought to be voting for the United States of America and its interests.

Mr. ROBERTSON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. Yes; I yield if you do not take up too much of my time.

Mr. ROBERTSON of Virginia. Would it not be more accurate, in referring to what the gentleman from Virginia said about the 6,000 workers, to say that he said that the amendment offered by the gentleman from West Virginia was in behalf of only 6,000 workers to whom he wishes to give special and preferential treatment?

Mr. REED of New York. Many, many times 6,000 are involved in this proposition, and all good, sound Americans.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I rise in opposition to the motion.

I am sure——

Mr. KEEFE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEEFE. I understood that all debate on this matter was to close in 5 minutes and that that was determined by a teller vote.

The CHAIRMAN. That is correct, but the gentleman from New York made a motion to strike out the enacting clause and there are 5 minutes for and 5 minutes against that motion.

Mr. BROWN of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROWN of Ohio. Was not that motion withdrawn?

The CHAIRMAN. A motion to strike out the enacting clause cannot be withdrawn except by unanimous consent, and the gentleman did not ask unanimous consent.

The gentleman from North Carolina [Mr. DOUGHTON] is recognized for 5 minutes.

Mr. DOUGHTON of North Carolina. Mr. Chairman, every member of this committee, I am sure, is intelligent enough to understand the purpose of this motion. It is not intended to assist the gentleman from West Virginia who offers his amendment in respect of glassware—that is only a local industry—the effect of this motion is, of course, to kill the bill. When you strike out the enacting clause there is nothing left. So, why did the gentleman not just wait until the opportune time in place of trying to kill the bill by indirection or some adroit move, why did he not just wait until the right time came and vote against it?

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield.

Mr. REED of New York. Certainly I am trying to kill the bill.

Mr. DOUGHTON of North Carolina. The gentleman admits that the purpose of the motion is to kill the bill.

Mr. REED of New York. Yes; I am trying to kill the bill and kill it now in the interest of my country.

Mr. DOUGHTON of North Carolina. The gentleman is against all reciprocal-trade agreements; he is against everything in the bill. He would be against the bill even though the amendment to section 2 had been adopted.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina? I yield.

Mr. REED of New York. Because of my interest in my country I want to kill this bill at this time.

Mr. DOUGHTON of North Carolina. Of course, the gentleman admits it. So. I say consequently why does he not just wait until the right time comes and then vote against it? What he is trying to do is self-evident, but I tell him that the Membership of this House is intelligent enough to see through his move. This is an intelligent committee.

Mr. REED of New York. This will kill it; therefore I say vote for it.

Mr. DOUGHTON of North Carolina. Vote against the motion and vote against the amendment offered by the gentleman from West Virginia.

The CHAIRMAN. The question is on the motion offered by the gentleman from New York.

The motion was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from West Virginia [Mr. BAILEY].

The amendment was rejected.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 2, line 2, strike out the figure "$50" and insert the figure "$25"; and on page 2, line 11, strike out the figure "$50" and insert the figure "$25."

Mr. JUDD. Mr. Chairman, I remember very well that during the last war the need for wheat for ourselves and our armies and our allies was so great that out in Nebraska where I was born and brought up, we plowed up a lot of land that should never have been anything but grazing land and planted it to wheat because the price was $2.25 a bushel. A lot of that land has since blown over into the districts of some of you who live to the east of Nebraska.

Then the war ended and the men of Europe came back from the trenches to their fields and factories and in a relatively short time were able to produce for themselves most of what they needed and did not have to get so much from us. We had huge surpluses of wheat, the price dropped down and much land lay idle and thousands lost their farms.

Now we are going through the first part of that same process again. Every available acre has been brought into cultivation, every man and millions of women have been put to work in order to produce enough for ourselves and for our men on scores of battle fronts consuming under the most wasteful and extravagant circumstances possible, and for our allies, and for the millions being liberated from Axis tyranny. But this war will end, too, as other wars have ended. In a shorter time than we anticipate most peoples in the world will be able to produce for themselves most of what they need. They will not need to get so much from us. America will be left with an enormously overexpanded plant, both industrial and agricultural, able to produce more than we ourselves can consume, or rather more than we can buy and pay for, which is the determining factor.

Then what are we going to do? There are only two possibilities. One is to reduce the plant to what we can buy and pay for here at home, which means, of course, killing the little pigs again, and plowing under every third row of cotton. It means putting millions of men and women out of work at the very time that our soldiers are coming back and we need several million more jobs, not fewer. Such a course would plunge us into a depression that would make the last one look like a picnic. We cannot even consider reducing our plant to produce just what we can buy and pay for at home.

There is only one alternative and that is to expand consumptive capacity and purchasing power to take the full output of our fields and factories at full production, that is, we must find or create new markets.

Where can we find or create new markets? Again, there are only two places, at home and abroad. Every serious American is working on the problem of how to expand markets at home and there are great possibilities in that direction, of course. But, with all the expansion conceivable, I do not believe the home market can be enough.

Sometimes one hears Americans say, "We must preserve the American market for the American farmer, the American laborer, and the American manufacturer." But it does not require much boldness to predict that never again in our lifetime is the American market going to be big enough to buy all that the American farmer, the American laborer, and the American manufacturer of today can produce.

Therefore we must lay long range plans for markets abroad as we never had to before. England had to, Japan had to, Germany had to. They concentrated on foreign trade and were successful in getting it. To us it was just a sort of frosting on the cake. It was nice, but we did not have to have it. Now we do have to have it.

It is true that we cannot maintain reasonably full employment and our American standard of wages and of living by closing our factories and abandoning our farms through admitting products that can sell cheaper than our own, but it is also true that we cannot maintain reasonably full employment and our American standard of wages and of living by closing down factories and abandoning farms through lack of markets for their products because we will not let other people buy our goods and pay for them with the only things they have, namely, their goods and services.

One of the reasons I have been interested in Asia is because the greatest remaining undeveloped markets of the world are in Asia. Half of the people of the world live there, half the mouths to be fed, half the bodies to be clothed, half

the families to be housed. Furthermore, they produce things that do not compete with our products as do, for instance, the products of Argentina—beef and wheat. The Chinese produce tin, tungsten, tea, tung oil, chinaware, hog bristles, and many others.

To have the inside track in developing those markets, as we can, and to have the inside track in helping satisfy them, as we can, is, I think, almost our single biggest backlog for years to come. Asia can come nearer than any other place to being for us hereafter what our own great West formerly was. We have a great stake in building up abroad, as well as at home, an enlarging, expanding economy, with new industries, more jobs, higher wages, more purchasing power, and, therefore, greater sales.

Foreign commerce is more essential to us in the years ahead than ever before. I believe these reciprocal trade treaties are an effective weapon in expanding that commerce, and the program should be continued. If handled wisely, it will strengthen our country's economy, not weaken it, as some have contended. I am for the program, not out of concern for other countries but out of concern for ourselves.

But it is more difficult to justify extending the program for 3 years, and for increasing the President's power, than it was 2 years ago. Who can foresee what costs of production are going to be abroad? And who can foresee what they are going to be here? The marked rise in cost of materials and of labor in this country has done more to increase the gap between costs of production here and abroad than tariffs did. It is interesting to observe many people seeking by every device to raise wages and prices and at the same time to lower tariffs; that is, increase the disparity between here and abroad and at the same time get a freer flow of trade.

I hope this amendment to reduce from 50 percent to 25 percent the President's power to raise or lower tariffs from the level existing January 1, 1945, will be adopted as a reasonable compromise. With all the uncertainty that will prevail until conditions abroad become reasonably stabilized, surely not more than 25 percent will be needed or will be used in the next 3 years. For the 37 percent of dutiable imports whose tariffs have not been changed, the reasons against changes must be so strong that it is hard to believe a full 50-percent change will be made. While I have the utmost confidence in our President, I do not believe he needs so much more power than he already has. A great many more Members could vote with good consciences for a 25-percent increase than can for a 50-percent increase. I will say frankly that if I am forced into a choice between a 50-percent increase or no increase at all, I, myself, must vote for the former. There is danger that way, yes, but even more danger the other way. However, if the majority will agree to this amendment, the final vote for the bill will be much larger and have, I believe, better psychological effects, with no crippling of its economic effects.

The Republicans have been accused of making this a party matter. Well, if a substantial percentage of the Republicans are willing to split the difference and vote for this compromise of 25 percent, but the Democrats are unwilling to yield a bit in order to get unity, and, instead, vote as a body against this amendment, then the RECORD will make clear to all just who is making it a party issue. It will not be the Republicans. I hope reasonableness will prevail.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. LYNCH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we are making progress. When this bill was first introduced there was complete objection on the part of the minority. Then we got the offer of a year extension. Yesterday we got the offer of a 2-year extension, and I assume if the minority leader had not sprained his ankle he might have gone the full course to 3 years. We have now the situation whereby there is a suggestion to decrease the 50 percent to 25 percent. However, I do not think the gentleman who submitted the proposed amendment is familiar with the bill because, as submitted, the amendment would provide for a reduction of 25 percent, not only insofar as any future reductions are concerned with respect to rates that have already been reduced, but it would mean that a great number of tariff rates that have not been reduced could not be reduced hereafter by any more than 25 percent.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Minnesota.

Mr. JUDD. I want to assure the gentleman that I understand that perfectly, and I think it is a proper change. If there are reasons sufficiently sound to prevent the administration from reducing rates at all on 37 percent of dutiable imports during 11 years of operation of this program, then I am convinced that those reasons are sufficiently sound not to justify a 50-percent reduction in the tariffs on those same imports in the next 3 years.

Mr. LYNCH. The gentleman is arguing against himself because he has stated that we should not have the 50-percent allowance due to the uncertain conditions of the future. The same would hold true for 25 percent. We do not know what the conditions of the future are going to be, but that is no reason to block this legislation. We do not know whether it is going to be desirable to reduce by 50 percent the tariff rates on some of those items that have not been reduced at all. We do not know whether it might not be more desirable to reduce them, say, 30 percent, and if that is the desirable thing to do it cannot be done under the amendment proposed by the gentleman from Minnesota.

It has worked out to the present time that there has been no injury done to American trade by reason of the present reciprocal trade agreement law. The gentlemen on the minority side have in every way indicated that they would go along with this bill if we did not have section 2 in it; therefore they must understand, if they are sincere in their concession, that no damage has been done to American industry and therefore under the present bill it is fair to presume that no damage will be done. There is no basis for fear of the future because we have a Tariff Commission and a Tariff Committee that will go into the whole rate question in a scientific way. A scientific way of formulating a tariff was asked for by the Republicans in their party platform. We are now giving you the scientific way. We are doing what you yourselves in your party platform asked to be done; that the tariff be not made a logrolling matter, but that it be reduced to a scientific procedure.

We are giving you the procedure. We tell you now that it is necessary, as the President has indicated, to pass this bill. We expect that if you are going to stand on your own political platform, your national platform, you will support the President in this because it is the scientific way of formulating a tariff, and it is the leadership that your own party platform has asked for.

Mr. JUDD. Mr. Chairman, will the gentleman yield for a correction?

Mr. LYNCH. I yield.

Mr. JUDD. I think perhaps the gentleman is laboring under a misapprehension. I voted against the amendment to strike out section 2, and I shall vote for the bill on final passage even if section 2 remains in its present form. But I know a great many people on both sides of the House who would feel better in their hearts, and they could better justify their votes to their own consciences and to the people in their districts, if we all could compromise on 25 percent. They cannot go for 50 percent and yet do not want to refuse any additional power. I wonder if the political benefits at San Francisco and throughout the world from having a 25-percent increase in power approved by an overwhelming majority of both parties here would not be of greater importance than the alleged benefits from getting the greater economic power to change tariffs by 50 percent, but with the bill just squeaking through, even with the help of the votes of some Republicans.

Mr. LYNCH. I think we will get this through without a squeak.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Minnesota [Mr. JUDD].

The question was taken; and on a division (demanded by Mr. COLE of Missouri) there were—ayes 81, noes 108.

So the amendment was rejected.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 2, in line 1 and in line 10, strike out "50" and insert "10."

Mr. CASE of South Dakota. Mr. Chairman, I did not know the gentleman from Minnesota was going to offer a 25-percent amendment. My amendment

would extend the act but limit further cuts to an additional 10 percent of existing rates.

I have offered this amendment in order that I might point out the inconsistency of the approach that has been made in several of the arguments recently offered. I was amazed to hear the speaker, the distinguished gentleman from Texas, say that the new 50-percent power was needed to make effective the reciprocal trade-agreements program, for that is capable of only this interpretation, that it is not proposed to make any tariff adjustments or reductions in any items except those on which there has already been made a 50-percent cut. In short, that nothing would be gained by a simple extension where additional cuts could be made only in the fields not already cut 50 percent.

The gentleman from Virginia [Mr. ROBERTSON] said that the amendment offered by the gentleman from West Virginia [Mr. BAILEY] was an attempt to establish spot protection. By the same token, this 50-percent provision means spot destruction. If it is necessary to have the 50 percent in order to make the program effective, the only possible interpretation is that the anticipated future tariff reductions are to be made on those items that have already suffered a 50-percent reduction.

The gentleman from Virginia said the amendment offered by the gentleman from West Virginia [Mr. BAILEY] proposed specialized treatment or preferential protection. That may be, but the same logic would say that the pending bill proposes specialized or preferential treatment in the form of destruction for the items heretofore singled out for prior 50-percent reductions.

What are the items that have already had a 50-percent cut? The ones that have been singled out to bear the load of demonstrating our international generosity. The items that have already been reduced 50 percent include certain glass products, manganese, mica, hides, and cattle of certain categories. To say that nothing is accomplished by extension without the power to cut another 50 percent items already cut 50 percent means that the full burden of showing to the world an ability to provide a flexible foreign-trade policy rests upon those industries that have already suffered 50 percent. The amendment I have offered limits reduction of existing duties to 10 percent.

Perhaps you will go into the field where you have already reduced the tariff 50 percent, but it will mean that before you go further than 10 percent there you will also cut the items which have suffered no reduction and let them share in demonstrating our good will to the world.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. BATES of Massachusetts. I do not know whether it has come out in debate or not, but the records clearly show that two-thirds of the imports today by value are duty free.

Mr. CASE of South Dakota. That makes it all the more likely that the burden of demonstrating new good will is to fall on the items already given the maximum cut. What is the record of the reciprocal trade agreements program on some of these items?

In my own State a manganese company had spent $400,000 up to 1934 to establish a domestic manganese industry. After the trade agreement which reduced the tariff on manganese 50 percent, that industry simply folded up. And the country has paid a big price for that folly to get manganese during the war.

The same thing is happening in mica. We have built up something of a domestic mica industry during the war. Today much of that industry will fold up unless given some protection. In these critical items related to national defense, are we going back to the old theory of making ourselves dependent upon the rest of the world and knocking these vital, strategic industries in the head?

So I suggest, if you do not want to give specialized preferential destruction by attacking further the industries which have already suffered the 50-percent reduction, that you adopt the amendment. Let us share the virtue of showing international generosity and spread a 10-percent cut across the board as far as needed instead of shoving the entire burden on those items already cut 50 percent.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in not to exceed 7 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BEALL. Mr. Chairman, I would like to call the attention of the House to an anomalous situation as a result of Federal taxes and import duties on beer. The Federal tax on beer is $8 per barrel. The import duty on imported beer is $7.75 per barrel. The imported beer carries no Federal tax. The foreign brewery has an immediate advantage of 25 cents per barrel. Our American breweries are being forced to move into foreign countries. This situation should be corrected.

Mr. Chairman, as a result of tariff reductions made under the authority of the Trade Agreements Act of 1934 and increases in excise taxes imposed by recent revenue acts, a situation now exists under which the tax paid by the domestic manufacturer of certain products is greater than the duty paid by the importer of similar products, specifically those imported products which are not subject to the excise tax in addition to the import duty.

Schedule 344.02 of Customs Duties and Internal Revenue Taxes, in effect April 1, 1944, lists 11 separate items on which no internal revenue tax is paid in addition to the duty. On certain of these items the existing excise taxes are greater than the duties prescribed by the schedule. For in the latter not only has all tariff protection disappeared, but in effect an import bonus exists.

For example, the present duty on beer is 25 cents a gallon, or $7.75 per barrel of 31 gallons. Against this, the existing internal revenue tax is $8 a barrel; consequently the effective protection is minus 25 cents a barrel. The tariff on beer has been successively reduced by trade agreements from $1 a gallon to 25 cents a gallon; see page 106, schedule 8, paragraph 805, Changes in Import Duties Since 1930, revised edition, United States Tariff Commission. When the tariff was $1 per gallon, or $31 a barrel, the excise tax was $5 per barrel, leaving an effective protection of $26 per barrel. As a result of trade agreements and increase in taxes, this effective protection of $26 has become a penalty of 25 cents.

A further example of the effect of tariff reductions and increased excise taxes on domestic manufacturers is shown by the attached table listing the taxes and import duties applicable to alcoholic nonbeverage bitters from 1942 to 1945. From this table it may be noted that an effective protection of $3.90 in the period from 1930 to 1934 has now become a penalty of 50 cents per proof gallon.

The existing condition is probably the result of a general but incorrect understanding to the effect that paragraph 801 (b) of the Tariff Act of 1930 applies to all imported products. This paragraph reads as follows:

(b) The duties prescribed in the schedule 8 and imposed by title I shall be in addition to the internal revenue taxes imposed under existing law, or any subsequent act.

Unless pending H. R. 2652 extending the authority to negotiate reciprocal trade agreements and further reduce duties is amended, the present intolerable position of the domestic manufacturer of certain products may be made worse. The bill as now drawn would permit existing negative tariffs to be increased, and might well make it possible for items now afforded some protection to be penalized.

Unless it is the intention of the Congress to allow what in effect are import bonuses to exist it is essential that the existing bill be amended. Draft of two suggested amendments, one to prevent effective negative tariffs; the other to prevent reduction of effective tariffs to zero, follows:

DRAFT OF SUGGESTED AMENDMENT TO PENDING H. R. 2652, SEVENTY-NINTH CONGRESS, TO PREVENT A REDUCTION OF EFFECTIVE TARIFF TO ZERO

Provided, however, That the duty on any imported product not paying an internal revenue tax in addition to existing duties may not be reduced when a similar product of domestic manufacture is subject, either directly or indirectly, to excise taxes.

DRAFT OF SUGGESTED AMENDMENT TO PENDING H. R. 2652, SEVENTY-NINTH CONGRESS, TO PREVENT EFFECTIVE NEGATIVE TARIFFS

Provided, however, That the duty on any imported product not paying an internal revenue tax in addition to the duties herein provided may not be reduced below an amount less than the excise tax imposed, either directly or indirectly, upon a similar product of domestic manufacture.

Table showing (1) taxes and import duties applicable to alcoholic nonbeverage bitters from passage of tariff act of 1922 to spring of 1945 and (2) protection afforded or penalty imposed on domestic manufacturer

	Domestic manufacturer—Tax per proof gallon			Importer—Duty per proof gallon			Effective protection	Effective penalty
	Gross	Draw back	Net	Duty	Internal revenue tax	Gross		
Sept. 22, 1922, to Jan. 1, 1927	$2.20	None	$2.20	[1] $5.00 [3] 2.60	None	$5.00 2.60	[2] $2.80 [4] .40	
Jan. 1, 1927, to Jan. 1, 1928	1.65	None	1.65	[1] 5.00 [3] 2.60	None	5.00 2.60	[2] 3.35 [4] .95	
Jan. 1, 1928, to Jan. 18, 1930	1.10	None	1.10	[1] 5.80 [3] 2.60	None	5.80 2.60	[2] 3.90 [4] 1.50	
Jan. 18, 1930, to Jan. 12, 1934	1.10	None	1.10	[5] 5.00	None	5.00	3.90	
Jan. 12, 1934, to July 1, 1938	2.00	None	2.00	5.00	None	5.00	3.00	
July 1, 1938, to Jan. 1, 1939	2.25	None	2.25	5.00	None	5.00	2.75	
Jan. 1, 1939, to July 1, 1940	2.25	None	2.25	[6] 2.50	None	2.50	.25	
July 1, 1940, to Oct. 1, 1941	3.00	None	3.00	2.50	None	2.50		$0.75
Oct. 1, 1941, to Nov. 1, 1942	4.00	None	4.00	2.50	None	2.50		1.50
Nov. 1, 1942, to Apr. 1, 1944	6.00	$3.75	2.25	2.50	None	2.50	.25	
Apr. 1, 1944 to date	9.00	6.00	3.00	2.50	[7] None	2.50		.50

[1] "Bitters of all kinds (except Angostura) containing spirits"—Schedule 8, par. 802, Tariff Act 1922.
[2] Over-all bitters except Angostura.
[3] Angostura bitters—Schedule 8, par. 802, Tariff Act 1922.
[4] Over Angostura bitters.
[5] Tariff Act of 1930—Schedule 8, par. 802.
[6] United Kingdom (T. D. 49753).
[7] Imported beverage bitters made with spirits carry the gross internal revenue tax in addition to the duty. Nonbeverage alcoholic bitters do not carry even the net tax. Reference (342.02) Schedule of Customs Duties and Internal Revenue Taxes Payable on Imported Alcoholic Beverages and Other Alcoholic Preparations.

Mr. COOPER. Mr. Chairman, I ask for a vote on the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE].

The amendment was rejected.

The CHAIRMAN. Are there any further amendments to section 2?

Mr. BAILEY. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: On page 2, after line 13, insert a new subsection to be known as subsection (C) to read as follows:

"If, as a result of unforeseen developments and of the concession granted on any article enumerated and described in the schedules annexed to any agreement, such article is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, the Government of either country, party to such an agreement, shall be free to withdraw the concession, in whole or in part, or to modify it to the extent and for such time as may be necessary to prevent such injury."

Mr. BAILEY. Mr. Chairman, the amendment in question is section 11 of the reciprocal trade agreement approved between the United States and Mexico in January 1933. In delving through the various trade agreements I find that this section is attached to the Mexican trade agreement, and I am at a loss to know whether that is indicative of a new line of thought in reciprocal trade relations or whether it is an indication——

Mr. COOPER. Will the gentleman yield?

Mr. BAILEY. Yes; I yield.

Mr. COOPER. This escape clause is inserted in some of the agreements in existence, and we have the positive assurance in the printed hearings on this bill that the State Department will include this escape clause in every trade agreement negotiated from now on.

Mr. BAILEY. In reply to the gentleman from Tennessee, why can we not write it into the act?

I submit the amendment on its merits.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in not to exceed 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. LEWIS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think the proper time to have arrived at the relief that is sought by this amendment and by the previous amendment offered by the gentleman from West Virginia [Mr. BAILEY] was on the motion to strike out section 2 of the bill, which provided for a 50-percent cut in existing protective rates. I am sorry the gentleman from West Virginia [Mr. BAILEY] did not vote for that amendment at that time, but voted against it. I supported his amendment before. I sincerely hope that the House will adopt this amendment. However, I must confess that the time to have accomplished what the gentleman from West Virginia [Mr. BAILEY] seeks to accomplish by the present amendment could have been better accomplished by the previously offered amendment to strike section 2 of the bill, and I am sorry the gentleman from West Virginia [Mr. BAILEY] voted against it. However, I hope his present amendment will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. BAILEY].

The amendment was rejected.

The Clerk read as follows:

SEC. 3. Such section 350 is further amended by adding at the end thereof a new subsection to read as follows:

"(d) (1) When any rate of duty has been increased of decreased for the duration of war or an emergency, by agreement or otherwise, any further increase or decrease shall be computed upon the basis of the postwar or post-emergency rate carried in such agreement or otherwise.

"(2) Where under a foreign trade agreement the United States has reserved the unqualified right to withdraw or modify, after the termination of war or an emergency, a rate on a specific commodity, the rate on such commodity to be considered as "existing on January 1, 1945" for the purpose of this section shall be the rate which would have existed if the agreement had not been entered into.

"(3) No proclamation shall be made pursuant to this section for the purpose of carrying out any foreign trade agreement the proclamation with respect to which has been terminated in whole by the President prior to the date this subsection is enacted."

Mr. PACE. Mr. Chairman, I offer an amendment.

The Clerk read, as follows:

Amendment offered by Mr. PACE: On page 3, at the end of section 3 add a new paragraph as follows:

"4. No proclamation shall be made pursuant to this section for the purpose of carrying out any foreign trade agreement the proclamation with respect to which would permit the importation into the United States of any agricultural commodity at a tariff duty plus its value below the price established by Congress through commodity loan purchase or other price support program for competitive commodities produced in the United States."

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. PACE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PACE. Mr. Chairman, there should be no objection to this amendment. I hope it will be accepted by the committee.

The amendment simply provides that when you, the Congress, by law set up a support price for an agricultural commodity, take, for instance, wheat, if the Congress sets up a support price on wheat of say $1 a bushel, this amendment provides that the duties shall not be reduced so as to permit the importation of foreign wheat that can be sold at less than the support price of $1. At this time there are approximately 30 or more agricultural commodities supported under enactments by this Congress. The basic commodities are supported under the Triple A Act and the acts setting up the Office of Price Administration. The other commodities are supported under what is known as the Steagall amendment, which provides that where the War Food Administrator has asked for increased production, then such commodity shall be supported throughout the war and for at least 2 years beyond the declaration terminating the war at not less than 90 percent of parity. Certainly it is logical that when the Congress has set up a support price for an agricultural commodity that it should at the same time prohibit the importation of any competitive commodity which would have the effect of breaking the support price and probably breaking the United States Treasury. We all have concern now, those of us who give thought to this subject, over the possibility of surplus agricultural commodities in this country after the war; we have concern about the capacity of the government to maintain these support prices,

and certainly it would not be proper in my judgment to permit a flood of competitive foreign agricultural commodities to come into this country and break the support price that the Congress has set up. I think, Mr. Chairman—there may be some who do not agree with me—but I think that prosperity springs from the farm; I think the farmers of this Nation offer the greatest market industry has.

When we give support to the man who toils in the field we are giving support to the man who labors in the factories because if prosperity can be maintained on the farm, then certainly prosperity will be maintained in industry.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusets. I presume the gentleman means that the cost of production upon the farms ought to be protected against foreign imports?

Mr. PACE. I do, but that is not this amendment. My amendment simply says that when the gentleman and I and the rest of the Members of Congress say that a certain agricultural commodity shall be maintained at a certain price then no competing commodities may be brought in that will break that price.

Mr. BATES of Massachusetts. Would the gentleman include the cost of manufactured products that would also be affected in the same way?

Mr. PACE. I would not include it in my amendment, but I am in complete sympathy with the gentleman's position.

Mr. BATES of Massachusetts. Why would not the gentleman put it in his amendment?

Mr. PACE. I do not think it would be germane to my amendment, which is confined exclusively to agricultural commodities. I am sincere about that.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. PACE. I shall be glad to yield to the distinguished Speaker of the House.

Mr. RAYBURN. The gentleman from Georgia knows, of course, that, coming from an entirely agricultural district as I do, I am in sympathy with anything that might affect agriculture. But the gentleman a while ago heard read a letter from the President of the United States in which he said that he did not intend to harm agriculture in any fashion. I do not know how the gentleman's amendment may be interpreted. If the gentleman's amendment meant only one thing and did not have other implications, probably, it may lead us into paths we do not know anything about. According to the letter from the President of the United States that was read here, does not the gentleman feel that the President will be pretty fair to agriculture?

Mr. PACE. Of course. I would not want my amendment under any circumstances to be interpreted as a lack of confidence in the President of the United States or in the Speaker of the House. It occurred to me that where the Congress itself, with the President's approval, had fixed a support price, it might be logical to provide that that price could not be broken by imports. The President might welcome such limitation.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Kansas.

Mr. CARLSON. I think the House should give this amendment very serious consideration. Maybe this is not the proper amendment, but if we do not pass some legislation we are going to take funds out of the Federal Treasury under section 22 and pay for the importation of large amounts of flax, for instance. Under the law we must take in 50 percent of the imports from 1929 to 1932. Seven million bushels of flax will be coming in from Argentina which will cost us $1 a bushel. I think this amendment should have very serious consideration.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. ROBERTSON of Virginia. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Georgia.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Tennessee.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. HINSHAW. Mr. Chairman, I object.

Mr. COOPER. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. ROBERTSON of Virginia. Mr. Chairman, I shall use one-half of my first 3 minutes in support of the distinguished gentleman from Massachusetts [Mr. BATES] who asked the gentleman from Georgia [Mr. PACE] a very embarrassing question as follows:

> If your proposal is going to be good for agriculture, why is it not good for industry?

Mr. BATES of Massachusetts. That is precisely the question.

Mr. ROBERTSON of Virginia. The gentleman could not answer it except to say that it would not be germane to his amendment. But the proposal of the gentleman from Georgia is just another group protection. If you do it to my neighbor, it will be all right, but if you do it to me, it will not be so good.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Georgia.

Mr. PACE. The difference is that Congress itself has fixed the price on agricultural commodities.

Mr. ROBERTSON of Virginia. The point I wish to make is this: We have had this law on our books 11 years and if the first 50 percent would have ruined us, it would have ruined us long ago. We have not begun to cut agricultural products 50 percent under the present law. We do not expect to do it under this next law. Everything has not been cut. Take corn. Corn has not been cut. Take wheat. Wheat has not been cut. The duty on cattle has been cut a little bit, but we have a quota that has limited the import to 1⅛ percent of domestic production on 700-pound steers. In 1939 we had the full impact of the imports under the cut, and here was the picture: The imports of farm products, properly called competitive, represented the production of approximately 7,000,000 acres. Exports in the same year represented the production of 28,000,000 acres. On that basis, I tell you, agriculture gained. We must export in the days to come about 20 percent of wheat, 40 percent of tobacco, 50 percent of cotton, and a large percentage of rice, prunes, apples, and various other things, and we must favor a program of freer international trade or our farmers will be driven back to regimentation, limited production, and ruinous prices.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, may I ask the gentleman from Virginia if he would like to have the export embargo on tobacco seed removed?

Mr. ROBERTSON of Virginia. The only tobacco raised in my district is dark fire tobacco, and we have no export embargo.

Mr. HINSHAW. But you do have an export embargo on the seed.

Mr. ROBERTSON of Virginia. That is on what is called the Virginia type of cigarette tobacco, an entirely different type.

Mr. HINSHAW. You see, gentlemen, the funny—and this to my mind is laughable—part is that my friends of the majority are the highest protectionists in the United States. They want themselves protected 100 percent, and they practically have it right now, only they do not want to tell anybody about it. They do not want a tariff; no, they just want to keep the stuff out altogether. That is really amusing when you get right down to it, is it not? They just want to keep everything out of the country that competes with them, but the rest of the country can get along with tariff reductions.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. How about the rest of the country being expendable?

Mr. HINSHAW. Oh, I would not say that. I think they have a regard for us. But I would just like to mention this fact. Here we have the Agricultural Adjustment Act that makes provision for the placing of import embargoes upon any agricultural product which appears to be coming in here in such volume as to ruin the American market. The gentleman's amendment is absolutely unnecessary. Of course, I understand that he has an import tariff of about $7 a hundred pounds on his well-known peanuts, so he does not have to worry. But the rest of us do have to worry. We do not have those high tariffs on some of the

products that we raise in our districts, because tariffs on our products have been cut in half.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Georgia.

Mr. PACE. I am sure if the gentleman will read the import quota language he will see that it is not effective, because it especially says that any country that reduces its importation 50 percent, using the years 1928–33, cannot have a quota put on.

Mr. HINSHAW. The quota language says that not less than 50 percent of the importations in the years 1929 to 1933 can come into the United States, if I read the act correctly. I have been searching for a copy of the RECORD of yesterday which has the exact figures, and I do not find one because they have been removed. I suggest that if these people on my right, the majority, want to be consistent and honest with the world that they stand up here and say what they mean. They do not want tariffs—no; they want to shut out imports that compete with them, completely, by setting up a system of import quotas and embargoes. They should come in here with clean hands.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, I shall not take the full 2 minutes. I have heretofore had my say and made my speech and expressed my views in respect to the dangers this bill will be to the agriculture and mineral interests of my State. I have a telegram here from the president of the State board of agriculture of my State, Joe C. Scott, who is a farmer in his own right, and who has been elected on the Democratic ticket three times to the all-important position he now holds in Oklahoma. He realizes that if we remove the protection we must have and permit agricultural products from other countries to flood our markets at low prices, we will destroy the American market for the American farmer; the same thing will also affect our minerals and mineral products. He is in favor of the amendment offered by the distinguished gentleman from Georgia. Since he is not here to speak for himself, I want to read his telegram into the RECORD:

> Urge your immediate consideration and support of amendment to H. R. 3240. STEPHEN PACE, of Georgia, is in favor of and will introduce amendment providing for no reduction in tariff to be made which will permit sale in United States of any imported agricultural or mineral product at prices below parity level established by Congress. We must have protection for agricultural parity and I urge your support of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

> Amendment offered by Mr. BATES of Massachusetts to the amendment offered by Mr. PACE: Strike out the period at the end of the sentence and insert "or any manufactured article at a tariff duty plus its value that would be below the cost of producing a comparable article in the United States as determined by the United States Tariff Commission."

Mr. COOPER. Mr. Chairman, I make the point of order against the amendment to the amendment that it is not germane to the pending amendment.

Mr. BATES of Massachusetts. Will the gentleman withhold the point of order?

Mr. COOPER. Mr. Chairman, I reserve the point of order, if the gentleman would like to speak on his amendment.

Mr. BATES of Massachusetts. Mr. Chairman, apparently the chickens are coming home to roost in Georgia. You are beginning to feel the impact of foreign-made goods made with cheap labor abroad. We who live in the industrial areas of the country have felt that impact over a period of many years.

I have shown on the floor of the House today that in one city alone, out of 55 factories making shoes, 28 were making the particular type shoes that were coming in here from Czechoslovakia, and of those 28 factories 17 had to close their doors and the other 11 were in various stages of liquidation. Those shoes were coming in here below the cost of producing them in this country.

If you want to stop the importation of peanuts or any other agricultural commodity at below the parity cost, you ought to stop also the importation of manufactured goods in competition with the labor of our country, at prices with which we cannot possibly compete.

We know from sad experience that we are up against a hard situation. We know that during this war manufacturing industries have been developed in other parts of the world and that after this war is over the products of those industries will come into competition with ours right within our own country.

We are an industrial part of the country and upon those industries we must depend for our economic well-being. It is for the interests of the people I represent that I am here protesting against any law that will permit these cheap products from abroad to come in here and wipe out our factories and the jobs of our working men and women.

Mr. COOPER. Mr. Chairman, I insist on my point of order that the amendment is not germane to the pending amendment.

The CHAIRMAN. The Chair sustains the point of order.

The question is on the amendment offered by the gentleman from Georgia [Mr. PACE].

The amendment was rejected.

Mr. NEELY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. NEELY: On page 3, after line 8, insert a new section as follows:
>
> "SEC. 4. Such section 350 is further amended by adding thereto the following new subsection:
>
> "'(e) No foreign-trade agreement shall be concluded and no proclamation shall be issued, under this section, with respect to hand-made glassware or hand-made pottery.'"
>
> Page 3, line 9, strike out "Sec. 4." and insert in lieu thereof "Sec. 5."

Mr. NEELY. It is my hope that Republican applause will sometime be as vociferous at the conclusion of an address I have delivered as it has just been in anticipation of what I am about to say.

Mr. Chairman, Woodrow Wilson once remarked that "We cannot commit economic murder without committing political suicide." The present administration in making, perpetuating, or annulling reciprocal trade agreements will not be unmindful of the truth of this aphorism. It certainly has neither reason nor desire to destroy itself by wrecking industries, diminishing employment, or lowering the standards of living of those upon whose good opinion and support its length of life depends.

Harry Truman will be President for the 3-year period to which the operation of the bill is limited, and for a full 4-year term following the expiration of the one he is now brilliantly serving to the entire satisfaction of the American people. He will never fail to exercise his right or discharge his duty to terminate a trade agreement that becomes injurious to the proprietors or the employees of any legitimate industry in the land. Under the Truman administration trade agreements will be utilized exclusively for the promotion of the general welfare.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. NEELY. I yield to the gentleman from New York if the time he consumes will not be deducted from mine.

Mr. TABER. It will be deducted from the gentleman's time. But I was wondering why, if the gentleman has such faith in President Truman, he is offering his amendment?

Mr. NEELY. If the gentleman had been patient for another moment he would have learned that his question had been answered.

Unhappily for me, 9,950 of my constituents do not fully share all my faith or all my opinions in the important matter under consideration. These are engaged in making pottery and glassware by hand. My district, which has less than a fourth of a percent of the population of the United States, contains more than 17 percent of all those in this country who by hand make pottery, and more than 20 percent of all those who by hand make glass. All these and nearly 44,000 more who are similarly employed in other places are of the opinion that the bill, if passed in its present form, will either rob them of their jobs or compel them to compete with the victims of starvation wages in other lands.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. NEELY. I gladly yield for a question.

Mr. LEWIS. If the gentleman will yield to permit me to make a statement, I would like him to add to the nine-thousand-and-some odd of his constituents something like 15,000 of my constituents.

Mr. NEELY. The 15,000 mentioned by the gentlemen were included in the 44,000 to whom I just referred.

Let me entreat the House to allay the haunting fears of all our hand-makers of pottery and glass—of whom there are 53,586 in the United States—by excluding their production from the operation of the bill. These workers have, in the past, been subject to keen competition. They believe that it will again plague them after the war.

Let us adopt the amendment and thereby render a service which, without impoverishing any, will make more than 53,000 of our toiling, deserving fellow citizens, richer in happiness and hope than Midas was with all his gold.

Mr. KNUTSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. COOPER. I ask unanimous consent, Mr. Chairman, that all debate on this amendment and all amendments thereto close in not to exceed 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. KNUTSON. Mr. Chairman, I could not figure out why the gentleman from West Virginia [Mr. NEELY] voted against my amendment to eliminate section 2, which would have obviated the necessity for his throwing himself out a life line at this time.

If this bill goes through as is planned, my folks are going to need cheap glass. They are going to buy their glass in Belgium, because they will not have enough money to buy American-made glass. Therefore I am going to vote against this amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from West Virginia [Mr. NEELY].

The amendment was rejected.

The Clerk read as follows:

SEC. 4. Section 4 of the act entitled "An act to amend the Tariff Act of 1930," approved June 12, 1934 (U. S. C., 1940 ed., title 19, sec. 1354), relating to the governmental agencies from which the President shall seek information and advice with respect to foreign-trade agreements, is amended by inserting after "Departments of State" the following "War, Navy."

Mr. GEARHART. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GEARHART: Page 3, after line 15, insert a new section to be known as section 5, to read as follows:

"SEC. 5. Subsection a of section 350 of the Tariff Act of 1930, as amended (U. S. C., 1940 ed., Supp IV, title 19, sec. 1351 (a) (2)) is amended by striking therefrom the following sentence, to wit:

" 'The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly: *Provided*, That the President may suspend the application to articles the growth, produce, or manufacture of any country because of its discriminatory treatment of American commerce or because of other acts or policies which in his opinion tend to defeat the purposes set forth in this section; and the proclaimed duties and other import restrictions shall be in effect from and after such time as is specified in the proclamation. The President may at any time terminate any such proclamation in whole or in part.' "

"And inserting in lieu thereof the following:

" 'The proclaimed duties and other import restrictions shall not be applied without compensating concessions to the United States to articles the growth, produce, or manufacture of any other country, whether imported directly or indirectly, unless the United States Tariff Commission shall first find and report to the President that the country to which the generalization of such concessions in the markets of the United States is contemplated is not substantially discriminating against American commerce or indulging in acts or pursuing policies which tend to defeat the purpose set forth in this section. The President shall, upon receipt of a report from the United States Tariff Commission that a country to which concessions in the United States markets have been generalized is substantially discriminating against American commerce or has committed acts or is pursuing policies which tend to defeat the purposes set forth in this section, shall suspend the application to articles the growth, produce, or manufacture of such offending country. It shall be the duty of the Tariff Commission to promptly prepare such a report when directed so to do by the President, the Congress, the House of Representatives, Committee on Ways and Means, or the Senate Committee on Finance, and to make copies thereof available to the President, the Congress, and to such committees. The proclaimed duties and import restrictions shall be in effect from and after such time as is specified in the proclamation. The President may at any time terminate any such proclamation in whole or in part.' "

Mr. COOPER. Mr. Chairman, I reserve a point of order against the amendment at least until I have had an opportunity to examine it.

Mr. GEARHART. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The gentleman from California is recognized for 3 minutes.

Mr. GEARHART. Mr. Chairman, the phrase "reciprocal trade agreement" trips off the tongue very lightly; its impact upon the ears is very pleasant. On hearing those seductive words most listeners immediately visualize representatives of two nations, the United States one of them, sitting about a council table and working out a give-and-take deal—a Yankee horse trade, David Harum style—the United States granting something and the other nation granting something, a contract eventually evolving. Up to that point that is about what it actually is, but do the people who use this phrase "reciprocal trade agreement" so lightly realize that the concessions we make on our end of the contract are extended by the application of the most-favored-nation treatment to every other nation on the face of the earth, without compensation, without any consideration whatsoever? And do they realize that none of the nations on the other end of the various trade agreements we make extend the concession they make to the United States or to any other country? The other nations deal on a bilateral basis and we, by generalizing, insist upon dealing upon a multilateral basis; in other words, individual nations grant us concessions for concessions in the markets of the United States, but we, with lavish hand, and with a grand flourish, extend the concessions we granted to an individual nation to all of the other nations of the world—this without any compensation at all.

There is one thing that we, as Americans, pride ourselves in, and that is that whenever we enter into a contract, whenever we make an agreement, we keep it in the letter and in the spirit in which it is written. I do not think there is anyone in this Chamber who will rise and say that the United States has ever made a treaty which it has thereafter willfully violated or thereafter immediately taken steps to prevent the other party to the treaty from enjoying to the full extent the benefits which we granted.

I wish I could say that of the other nations who join with us in these reciprocal trade agreements.

After they have granted these concessions they do not do everything they can to see to it that we fully enjoy the benefits they have granted; in fact, they do just the opposite. They immediately take steps to prevent our enjoying the very concessions they have given us. France, Belgium, Switzerland, and the Netherlands immediately depreciated their currencies by large percentages in order to wipe out—and they did wipe out—every concession they gave us in the treaties they signed with us.

Are we going to stand by and let the world laugh at us as they, by one ingenious method after another, deprive use of the concessions which they have given us? And yet they are doing it every day. I could call off to you hundreds of different ingenious schemes they are setting up every day, one after another, to wipe out the benefits they conceded to us in return for concessions we had given them. They indulge not only in currency depreciation but they impose import quotas, license controls, manipulate their foreign exchange, establish multiple-level tariffs, set up sliding tariffs, enter upon discriminatory bilateral agreements with third nations, encourage cartels, impose export tariffs, which, of course, we Americans must pay.

Mr. Chairman, this business of giving concessions in the American market to 108 of the customs districts of the world in return for concessions in the markets of the one hundred and ninth is absurd. And when you observe that the ungrateful 108 immediately busy themselves in devising all sorts and kinds of barriers to prevent us from enjoying the concessions which we get from but one of the nations, the one that signed with us, I think it is about time to check and double check the system which produced this ridiculous result. If they insist on trading bilaterally and indulging in discriminations, discriminations alone against us, should we not give some consideration to fighting fire with fire? That is, placing our international trading on a bilateral basis as they have already placed theirs?

I am going to call a witness or two. They will be New Deal witnesses, gentlemen who have appeared time and again before the Ways and Means Committee to testify in support of New Deal measures. What does Mr. Robert H. Patchin, president, Grace Steamship Lines, say about what England is doing to us with her sterling bloc and with her Empire preference agreements? He stated:

The sterling area is not a policy which might hereafter be adopted. It exists today and is being extended and the exchange restrictions thereunder are being increased and diversified.

As a postwar policy it would substitute a vast regional management of exchange for multilateral trade relations, and control bilateral barter for free multilateral commerce. * * *

In general, the other parties to these agreements agreed to accept payment for their exports to Britain or other countries in the sterling area in pound sterling, which can be expended only within the sterling area and cannot be converted into dollars or the currency of any other countries outside the sterling area except by special permission. * * *

The sterling area consists of the British Dominions (except Canada and Newfoundland), the Empire, and British mandates and protectorates. * * *

With the bilateral agreements there has thus been created a network of managed-exchange control covering about 40 percent of the earth's surface, cutting across the multilateral channels in which international commerce formerly moved. * * *

Lord Keynes stated soon after Bretton Woods that the proposals therein adopted did not prohibit bilateral trade and currency agreements.

Britain up to that time had made currency agreements with the following countries: Argentina, Brazil, Bolivia, Chile, Greece, Hungary, Norway, Paraguay, Peru, Portugal, Rumania, Spain, Sweden, Turkey, and Uruguay.

Quite recently new agreements have been made by Great Britain with some of the foregoing, including Sweden, and additional agreements made by Great Britain and France, Belgium, Holland, and Egypt, while negotiations are reported with Turkey and others. * * *

It (the sterling bloc agreement) would apparently work against exports of the United States to countries which habitually had sterling balances which in part they converted into dollars needed to pay for their purchases in the United States.

Mr. Chairman, do you realize that every one of those nations, covering 40 percent of the earth's surface, have made a solemn agreement one with the other not to buy anything that the United States produces, not to buy anything outside of the bloc which can be supplied by a member of the bloc? How silly sounds all of this talk about doing away with barriers and doing away with discriminations through the simple device of a so-called reciprocal trade agreement, Hull formula. There are more discriminations in the world today than there were in 1934 when Mr. Hull first advocated this reciprocal trade program. Instead of lessening the number that then vexed us through the administration of his enlightened program, many more have been devised—all for the purpose of driving American goods from the markets of the world.

Let us put our own trade on the same basis that they trade. That is all that they can understand. That you will do, if you adopt my amendment. Let us fight fire with fire.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. COOPER. Mr. Chairman, I withdraw my reservation of a point of order and ask unanimous consent that all debate on this amendment and all amendments thereto close in not to exceed 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. ROBERTSON of Virginia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we went very fully into this question in 1943. The essence of this amendment is to ask us to retrace the steps that we first took under the leadership of a great Republican Secretary of State, Charles Evans Hughes, who negotiated for us the first treaty which included the most-favored-nations clause. That was in 1923, and we have consistently followed that policy ever since, although we were by no means the first nation in the world to adopt that forward-looking program.

In 1860 Great Britain negotiated a treaty with France known as the Cobden Treaty, which provided that all concessions extended by one to the other, and vice versa, should be extended to all trading countries of the world. That was 85 years ago. Europe had that program long before we adopted it in 1923, but in 1922 when we passed the Fordney-McCumber Act, we really went back on what we were setting out to do, because the Fordney-McCumber Act was construed by a great many nations as raising tariff walls against them.

I invite your attention to the testimony of Hon. Charles Taft before our committee, who annihilated the argument that we should go back to bilateral agreements because of currency manipulations and alleged discriminations.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from California.

Mr. GEARHART. The gentleman from Virginia may remember that Mr. Taft testified that the growing sterling bloc was the most dangerous thing that the State Department has to deal with from now on.

Mr. ROBERTSON of Virginia. I think that is true, and it will grow that much faster if we abandon the forward-looking program contemplated by this bill, that when we negotiate a trade agreement we and the country with which it is negotiated both agree to give to all nations the same concessions that we give to each other. It is to break down the program in Europe of cartels, private and public, of currency manipulations and all those other restrictions in trade over and above tariff duties that we are seeking in the passage of this bill and the companion Bretton Woods monetary program.

On page 49 of the committee report we consider the question of equality of treatment, and the next three pages of the report are devoted to that matter. It includes a letter which the Secretary of State, Mr. Hull, wrote to my distinguished colleague from California, which, I think, pretty well settles the issue raised in 1943 on this very same point. His amendment would take us away from what might be called in this country the Republican program of the most-favored-nations treatment and carry us back to a bilateral and a barter and exchange program, which is the very antitheses of what we are seeking to do in this bill, namely, breaking down the barriers to freer international trade.

Mr. GEARHART. Mr. Chairman, if the gentleman will yield further, does the gentleman from Virginia recall the name of any nation on the face of the earth which, like the United States, extends without compensation the unconditional most-favored-nation clause?

Mr. ROBERTSON of Virgina. Why, nearly all of them have it.

Mr. GEARHART. There is not one on the face of the earth, and the gentleman cannot name one.

Mr. ROBERTSON of Virgina. That charge was made in the committee, but it was answered that nearly all of them extended it. It was one of the principles on which we negotiated our trade agreements in order that we may benefit from them and they benefit from us, and then that both will extend the benefits to the other nations. But we have done this much to protect against imports from nations giving us no specific concessions: we negotiate the tariff cut on the item of which the negotiating nation is the principal supplier, we impose quotas, and we have an escape clause as protection against discrimination.

Mr. Chairman, I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. GEARHART].

The amendment was rejected.

Mr. KNUTSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: On page 3, after line 15, insert the following:

"SEC. 5. Hereafter in computing the difference between foreign and domestic ship construction costs for the purposes of the construction-differential subsidy under the Merchant Marine Act, 1936, as amended, the domestic construction cost shall in no event be considered as exceeding that percentage of the foreign construction cost which is equal to the average rate of tariff duties, as determined by the United States Tariff Commission (all such duties for this purpose to be placed on an ad valorem basis) in effect during the immediately preceding calendar year."

Mr. COOPER. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill.

Mr. KNUTSON. I was hopeful the gentleman would accept it in the interest of economy.

The CHAIRMAN. Does the gentleman from Minnesota desire to be heard on the point of order?

Mr. KNUTSON. Mr. Chairman, the purpose of this amendment is to equalize the average ad valorem tariff and the tariff that we pay shipbuilding. One is 100 and the other is 32. I want to bring

them to parity. Everything is parity these days.

Mr. COOPER. I suggest the gentleman introduce a bill for that purpose and let it be referred to the Committee on Merchant Marine and Fisheries, considered, and reported, and not come from the Committee on Ways and Means.

Mr. KNUTSON. I think I will refer it to the Committee on Ways and Means.

The CHAIRMAN. The Chair sustains the point of order.

Mr. CURTIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CURTIS: On page 3, after line 15, insert the following:

"SEC. 5. Not later than 60 days after the date of the enactment of this act, the Chief of Staff of the Army and the Chief of Naval Operations shall jointly certify to the United States Tariff Commission the names of those materials which, in their opinion, are strategic and critical in relation to the defense of the United States by reason of having been, in the prewar period, produced in the United States in insufficient quantities to meet defense requirements and essential civilian requirements in time of national emergency. Upon receiving such certification the Tariff Commission shall, with respect to each such material, make an investigation, and a report to the President and to the Congress containing its recommendations, with respect to the tariff and other import treatment which should be accorded such material, including any synthetic or other substitute therefor, in the interests of the defense of the United States and in the interests of the civilian economy in time of national emergency, it being the policy of Congress to maintain continuous production of such materials in the United States at all times in order that such production may be immediately available in time of national emergency. Such reports shall be made within 1 year after the date of the enactment of this act."

Mr. COOPER. Mr. Chairman, I reserve a point of order against the amendment.

Mr. CURTIS. Mr. Chairman, a great many of the proponents of this measure who were before our committee agreed that those things that might be classed as strategic and critical materials as far as our national defense is concerned ought to be considered in a different class. For instance, I asked Secretary Wallace if he thought we should apply the doctrine that we should purchase wherever we could the cheapest. He said in effect that he believed certain modifications or qualifications should be made to that doctrine. I asked him what qualifications, and this is his reply:

National defense is first and foremost, that if certain skills are very necessary to protect this Nation in wartime, if certain industries are very important to protect this Nation in time of war, we should maintain those industries no matter if they are less efficient than industries abroad.

I want to read to you portions of a letter which arrived on my desk this morning from Mr. W. M. Jeffers, the rubber czar. Here is what he has to say in reference to our synthetic rubber program:

Had it not been for the recommendations made in the Baruch report with respect to synthetic rubber, and had the program not been "bulled through" as it was, I think it is accurate to say that there would have been no invasion of Europe, nor the South Pacific, and our domestic economy would have broken down because of shortage of tires.

I am not going to read you the entire letter. He encloses his memorandum to the President at the time he resigned. Referring particularly to the last paragraph, I quote:

At the risk of repetition, I should like to emphasize that never again should this country be placed in the position where the lack of rubber and those other materials essential to the production of rubber products can become a threat to its safety.

There are many other articles besides rubber. There is manganese and many metals of which the production in this country is such that it cannot go on without some additional protection. These items are greatly needed for our defense. I have a telegram here which I am going to read. I have not had time to investigate the full import of it, but it shows what you are doing in this bill. You are giving bargaining power to the State Department over the defense of our country to be determined by negotiations with foreign countries. You may be negotiating with some potential enemies when you do that. I want to read this telegram from a wholesaler in Omaha, Nebr., referring to this bill. I quote:

This would ruin American firearms and ammunition industry and create undesirable situation; also, one of great danger to future public safety in case of war. We urge a vote against the proposed 50-percent decrease in import duties and proposed time extension of 3 years or that you introduce or support an amendment to have firearms and ammunition reciprocally excluded. After the last war the country was flooded with German, Spanish, and Belgian firearms.

Mr. Chairman, I am very sorry that the majority who control this House may see fit to interpose a technical objection to the consideration of this amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CURTIS. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Chairman, my amendment merely asks the Joint Chiefs of Staff to prepare a list of strategic and critical materials and give it to the Tariff Commission for the Tariff Commission to report to the President and the Congress within 1 year on how to protect these industries. We need rubber, metals, timing instruments, and other defense materials available at all times. Are we going to legislate scientifically or not? Do you want any information as to how to protect this country? We should carry out the congressional policy stated in the amendment: "to maintain continuous production of such materials in the United States at all times in order that such production may be immediately available in time of national emergency."

Mr. Chairman, I wish to insert in the RECORD Mr. Jeffers' letter and memorandum; also a telegram from John B. Trevor.

Mr. Chairman, I hope that a point of order will not be made. I do not feel that the majority would want to hinder that which pertains to our national defense.

UNION PACIFIC RAILROAD CO.,
Omaha, Nebr., May 23, 1945.

Hon. CARL T. CURTIS,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: Because of the terrific pressure of other matters I have delayed replying to your query as to my views with respect to the necessity for protecting our synthetic rubber production.

I attach hereto copy of a memorandum that I prepared for the President at the time I resigned as Rubber Director September 1, 1943. I direct your attention to the closing paragraph of this memorandum.

I have not been in direct touch with the rubber program since I left Washington. At that time, from the information available to me, I was of the opinion that synthetic rubber could be produced in this country and successfully compete with plantation rubbers from the Far East.

Had it not been for the recommendations made in the Baruch report with respect to synthetic rubber, and had the program not been "bulled through" as it was, I think it is accurate to say that there would have been no invasion of Europe, nor the south Pacific, and our domestic economy would have broken down because of shortage of tires.

I would imagine that the investment now in the synthetic rubber plants would be in the neighborhood of $800,000,000. The synthetic rubber industry should under no circumstances be considered as a war baby; rather, that it is an absolute necessity and that it must be protected.

There is another angle in connection with the production of synthetics from alcohol. You are familiar with the soft corn production in the Midwestern States, including Nebraska, this last season. The alcohol plant at Omaha, which was authorized and built as a result of the recommendations contained in the Baruch report, has been using for the past several months 35,000 bushels of soft corn a day in producing commercial alcohol. Most of this has gone into the manufacture of synthetic rubber. It therefore seems to me that continuation of synthetic rubber plants becomes also an agricultural problem. Certainly I know of no better way of disposing of surplus grains than in the production of alcohol.

Alcohol can be produced synthetically from petroleum at a much lower cost than from grains, and while I am inclined to oppose subsidies it may become necessary to provide a subsidy of some sort to make it possible for the plants producing alcohol from grains to continue in operation in competition with plants producing synthetic alcohol from petroleum.

You will note in paragraph 4 of my memorandum to the President I stated:

"As soon as practicable, all phases of the synthetic rubber industry, now in Government hands, should be returned to private enterprise. This return to private initiative must be safeguarded, however, to assure that research and development is carried forward to the point where synthetics will meet all requirements at a fair cost. Proper dissemination of information must be assured so that, regardless of the views of the larger companies, the smaller have an equal opportunity. This industry has been built with the money of all of the people, and all should have an equal chance at the future."

So, replying to your inquiry specifically as to the necessity for a tariff on crude rubbers, I should say that for the next 2 or 3 years this will, in my opinion, not be necessary;

thereafter, depending upon how quickly the rubber plantations in the Far East are restored to production, and what the cost of production and transportation will be, determination can then be reached as to what protection, if any, in the way of tariffs, synthetic rubber production in this country will need as against imported crudes.

Certainly we ought never permit ourselves to be placed in the position again of being dependent upon a supply of rubber from the Far East, neither should we permit ourselves to be placed in the position again of allowing the Dutch and British or any other foreign power to fix prices on crude rubbers.

We are now in a position, for the first time in our history, where we can dictate the price that should be paid for crude rubbers. I say this because with the continued improvement in synthetic rubbers I have no doubt but that if it becomes necessary we can meet our requirements for rubber with the synthetic material.

Yours very truly,

W. M. JEFFERS.

MEMORANDUM

SEPTEMBER 1, 1943.

1. Over $700,000,000 of American taxpayers' money has been invested in the synthetic rubber plants built or about to be finished in the very near future. It is my opinion that this country should never again be placed in the position of being dependent for such a critical raw material as rubber upon distant lands belonging to foreign nations. Time alone will tell the cost of synthetic rubber, and indications are that the more efficient synthetic plants can and should be able to successfully compete with the plantations of the Far East. Therefore, I believe that our synthetic rubber industry should be preserved.

2. It appears now that no one all-purpose synthetic rubber will be produced. Variations of the principal synthetics in the present program and even new synthetics will be perfected by the ingenuity of American chemistry. Continuous research should be actively carried forward to improve the quality of synthetics and to provide proper and adequate synthetics for every possible purpose.

3. Many and varied road and other tests are being carried forward at present. These should be continued with vigor to the end that the entire rubber manufacturing industry may continue with the improvement of design, compounding, and fabricating of rubber products. No stone should be left unturned to develop synthetic rubbers to the point where they will be adequate to meet the needs of this country for every product manufactured from and with rubber.

4. As soon as practicable, all phases of the synthetic-rubber industry, now in Government hands, should be returned to private enterprise. This return to private initiative must be safeguarded, however, to assure that research and development is carried forward to the point where synthetics will meet all requirements at a fair cost. Proper dissemination of information must be assured so that, regardless of the views of the larger companies, the smaller have an equal opportunity. This industry has been built with the money of all of the people, and all should have an equal chance at the future.

5. The present irreplaceable natural crude stock pile is owned by the Government, through the Rubber Reserve Company. This agency, or some other one, must be charged with the responsibiltiy of preserving this stock pile of crude and latex, and to see ting the admixture of crudes with synthetics where none is necessary, regardless of the arguments or desires of anyone to the that it is not dissipated by laxity in permit- contrary.

6. The acquisition of natural crude rubbers in foreign countries is now a responsibility of the Office of Economic Warfare. Every encouragement should be given to that organization to continue the exploitation of present sources of natural crudes so that we will have available currently enough of this material for admixture with synthetics where needed, thus preserving the existing stock pile.

7. I attach herewith an exchange of correspondence with the Secretary of Agriculture in the matter of guayule. This will indicate to you my opinion that this rubber should be cultivated in order to provide another domestic insurance policy. In this case, too, it is my view that as soon as practicable the growing and cultivation of guayule, together with its conversion into rubber, should be turned over to private enterprise. It may be that Government's experience with guayule will be such that this shrub can be a valuable crop to farmers in certain semiarid sections of this country.

8. Not until rubber is produced in sufficient quantity, nor until the requirements of the armed services are somewhat reduced, will it be possible fully to lift all of the present restrictions upon the use of rubber and rubber products. It should be a matter of defined Government policy, however, to continue the policy we have pursued to date of lifting all restrictions just as soon as it is possible to do so. I am in hearty concurrence with the thoughts expressed by the Baruch committee that we should not ask the American people to "make sacrifices merely for sacrifice's sake."

9. This great country has been built upon a rubber economy. Its transportation is dependent on rubber, and every effort must be made to provide both public and private transportation facilities with adequate tires as well as spare mechanical parts. Nothing could be so serious to the entire domestic economy as a break-down in transportation.

10. The price structure in connection with rubber and rubber products should be carefully watched to make sure that because of price limitations there is no retarding of production nor lessening of quality.

11. Those Government agencies charged with the responsibility for manpower and for providing raw materials which go into the manufacture of rubber products as well as synthetic rubber itself must be made fully aware of their great responsibility, and of the inherent danger to the entire war effort if they fail in their duty.

At the risk of repetition, I should like to emphasize that never again should this country be placed in the position where the lack of rubber and those other materials essential to the production of rubber products can become a threat to its safety.

WASHINGTON, D. C., *May 16, 1945.*

Hon. CARL T. CURTIS:

I have wired the chairman of Ways and Means Committee as follows: Our national experience during the war demonstrates conclusively that the destruction of marginal industries envisioned by the extension and enlargement of powers conferred upon the President by the reciprocal trade bill now before the Ways and Means Committee may gravely imperil agencies essential to our national defense. Some industries only continue to exist by reason of artificial protection caused by war. Some only came into existence from same cause. To make this Nation dependent on foreign sources of supply for anything American labor can produce is a peril our people should not be called upon to face again. On behalf of the American coalition I urge rejection of the bill by your committee.

Respectfully yours,

JOHN B. TREVOR.

Mr. COOPER. Mr. Chairman, I desire to say to the gentleman if he will introduce a bill to accomplish the purpose he has in mind, to take the regular legislative course under the rules of the House, that would be a different matter.

Mr. CURTIS. Will the gentleman support it?

Mr. COOPER. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane to the pending bill or any provision of it. It certainly deals with the Strategic War Materials Act of 1939, and not the trade-agreement program.

The CHAIRMAN. The Chair sustains the point of order.

Mr. REED of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REED of New York: On page 3, after line 15, insert a new section to be known as section 5, to read as follows:

"SEC. 5. Section 2 (a) of section 350 of the Tariff Act of 1930, as amended (U. S. C., 1940 ed., Supp. IV, title 19, sec. 1351 (a) (2)) is amended by striking therefrom the following sentence: 'The provisions of sections 336 and 516 (b) of the Tariff Act of 1930 shall not apply to any article with respect to the importation of which into the United States a foreign trade agreement has been concluded pursuant to this act or to any provision of any such agreement.'"

Mr. REED of New York. Mr. Chairman, every Member of this House knows that when he is elected to Congress and comes here he is not authorized to speak for or act for his constituency until he has taken an oath of office to preserve, protect, and defend the Constitution of the United States. That is his solemn obligation, and it is a restraint upon men from exceeding their limited authority as a special agent, because a Member of Congress is a special agent representing his people. But there is still more required. The Supreme Court is set up, the function of which, and the chief function of which, is to prevent either the Congress or the Executive from encroaching upon the rights of the people. To my mind, that is fundamental to the American way of life. The purpose of this amendment is to give a citizen who feels that he has suffered an injury under the trade-agreement program an opportunity to have his day in court.

I am one of those, and I know there are many who share my opinion, who believe that the act under which we are operating, if it could be tested in the courts of the United States, would be held to be unconstitutional. As far as I am concerned, stripping the trade agreements of everything else to which I might object, the fact that I am satisfied it is an unconstitutional act, impels me to fight this bill to the last ditch.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. JENKINS. Is it not a fact that this is the first time any tariff legislation was ever passed here which denied an American citizen the right to air his grievance in a court?

Mr. REED of New York. That is my understanding.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Miss SUMNER of Illinois. The London Economist, in a series of articles on trade agreements, urging upon the United States to stay prosperous, stated that the depression in the United States in 1937, after the trade agreements were formed, did more harm to world trade than the help that was received from the trade agreements.

Mr. REED of New York. I thank the lady for her contribution.

What I want to impress upon the House is that if we want to continue the American way of life; if we want to live up to our oath of office; if we want to give the court a chance to test this question, then I propose that you vote for this amendment.

I want to call attention to this. When the people adopted the Trade Agreement Act in 1934 they recognized that it undoubtedly was unconstitutional.

We had the flexible tariff question up in 1930. At that time Mr. Hull made this statement with reference to the flexible tariff. He said:

> The proposed enlargement and broad expansion of the provisions and functions of the flexible tariff clause is astonishing, it is undoubtedly unconstitutional, and is violative of the functions of the American Congress. Not since the Commons wrenched from an English king the power and authority to control taxation has there been a transfer of the taxing power back to the head of a government on a basis so broad and unlimited as is proposed in the pending bill. As has been said on a former occasion, "This is too much power for a bad man to have or for a good man to want."

That was the opinion of the author of the flexible provision of the tariff bill of 1930 at that time. In that proposal, of course, as far as the tariff bill of 1930 is concerned and the flexible tariff proposition, there was a standard set up and a definite standard; and the court, of course, held that was constitutional, because Congress had laid down a definite standard to be observed by the Executive.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ROBERTSON of Virginia. Mr. Chairman——

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

Mr. BATES. Mr. Chairman, I have another amendment. Will that cut off debate on my amendment?

Mr. COOPER. This applies just to this pending amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. ROBERTSON of Virginia. Mr. Chairman, as well as I could follow the amendment it covered two phases: One, cost of production; and the other, a court review.

On the question of challenging proper tariff rates either of them would make it virtually impossible to operate this law. Take for instance the agreement negotiated in 1939 with the United Kingdom. The United Kingdom gave us concessions on approximately 1,400 items; we gave the United Kingdom concessions on between 500 and 600 items. If our Tariff Commission had to ascertain here and in Great Britain the relative cost of production of these 500 or 600 items of competitive imports, it would take at least 20 years to do the job and then before the work had been completed the figures would become useless because the cost of production would have changed. In the negotiation of trade agreements with all the countries of the world, if we have to ascertain the cost of production here and abroad, we could not get enough men to do it in a hundred years. So the practical effect of that amendment would be to carry out what I think would be a fair appraisal of the attitude of my friend from New York—and he is my friend—which is this: I am opposed to this program first, last, and always.

The second phase of the amendment, that relating to the courts, was referred to by the gentleman from Ohio [Mr. JENKINS] as being a time-honored right of the American producer to go into court to be heard on whether the fellow who was exporting here was paying enough tariff. That appeared for the first time in the Fordney-McCumber Act of 1922, and my friend from Minnesota [Mr. GALLAGHER] presented the matter in its true light to his colleague from Minnesota [Mr. KNUTSON] when he asked him if he thought a WPA worker could go into court and complain if his dole was taken away from him. The same thing applies to an industrial producer. He has no vested right in a certain percentage of tariff protection, and he has no right to go into court to say: "I want more protection than I am getting, and I want a court review on whether I am getting as much as I ought to have or think I ought to have."

In the few minutes I have left I want to read what the man who is possibly the greatest tariff expert in this country told us during the hearings. His name is Robert Lincoln O'Brien, a lifelong Republican and a former Chairman of the Tariff Commission:

> American high wages came out of American high production.

And then he went on to say, at page 1933 of our hearings:

> The reciprocal tariff plan, as first outlined and developed by Secretary, Hull, I believe, should be a permanent thing. * * * I did see a great many of the evil results of the unmodified Hawley-Smoot Tariff Act. I saw many bad results of that. I have not seen bad results from this. There may be in isolated and individual cases some bad results, but as a general national policy it has seemed to me very beneficial.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. ROBERTSON of Virginia. I only have a little time left.

Mr. TABER. Did anybody come before the committee and advocate the reduction of any particular tariff so that we might get some idea of what this is all about?

Mr. ROBERTSON of Virginia. The situation before the committee was this: No one can at the moment predict the exact character of the postwar world. No one knows, for instance, the outcome of the Labor movement in Great Britain. I hope that the present Prime Minister will win. He stands for what I stand for. Frankly, his opposition stands for nationalization of the railroads, the coal mines, and a number of other industries and, as Lincoln said, "You cannot be half slave and half free." I favor private enterprise both here and in Great Britain. She has been our best customer.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

The question is on the amendment offered by the gentleman from New York [Mr. REED].

The amendment was rejected.

Mr. GEARHART. Mr. Chairman, I offer an amendment and in the interest of brevity I ask unanimous consent that the reading of the amendment be waived, as I am only changing one sentence and adding one sentence in the text of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. COOPER. Mr. Chairman, I think we are entitled to know what is in the amendment.

Mr. GEARHART. I am asking this in the interest of saving time.

Mr. COOPER. We will save more time by eliminating the gentleman's speech and letting us hear the amendment.

Mr. GEARHART. It would be very fortunate for the gentleman if I would consent to that.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from California.

The Clerk read as follows:

> Amendment offered by Mr. GEARHART: On page 3, after line 15, insert a new section to be known as section 5, reading as follows:
>
> "Sec. 5. The first sentence of subsection (a) of section 350 of the Tariff Act of 1930, as amended (U. S. C., 1940 edition, supp. IV, title 19, sec. 1351 (a) (2)) is amended to read as follows: 'Sec. 350 (a) for the purpose of expanding foreign markets for the products of the United States by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States, the President, whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be

promoted by the means hereinafter specified, is authorized from time to time—(1) To enter into negotiations of reciprocal trade agreements with foreign governments, or instrumentalities thereof; and if such agreements are successfully completed, (2) to transmit them to the Congress for approval; and if they are not disapproved by the Congress by concurrent resolution within 60 days after submission of such agreements, (3) to proclaim such modifications of existing duties and other import restrictions, of such additional import restrictions, or such continuance, and for such minimum periods of existing customs or excise treatment of any article covered by foreign trade agreements, as required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder."

Mr. GEARHART. Mr. Chairman, the text of the amendment which the gentleman from Tennessee insisted upon having read is just as it now appears in the Trade Agreements Act itself with the exception of one line which is deleted and two which are added. The line which is deleted is one which is inconsistent with these two which I am adding and which, for quick understanding, I will read:

1. To enter into negotiations of reciprocal trade agreements with foreign governments, or instrumentalities thereof; and if such agreements are successfully completed.

2. To transmit them to the Congress for approval; and, if they are not disapproved by the Congress within 60 days after submission of such agreements,

3. To proclaim such modifications of —

And so forth. In other words, I am asking this Congress to amend the Trade Agreements Act so that we Members of Congress will have the same authority over the consummation of trade agreements as have, in the case of the United Kingdom, the Members of Parliament. Under the law of Great Britain, a trade agreement, which has heretofore been negotiated by the Government, must be transmitted to the Parliament for approval or disapproval. Under the same statute, the Parliament has 28 days in which to disapprove of the agreement, should it so desire. In my amendment I have increased the time to 60 days since we have two Houses in our Congress, both of which would be called upon to pass upon a question of this kind, whereas in England, it being a matter affecting revenues, only one of the Houses, the House of Commons, has jurisdiction. So the question is—and it is presented to you squarely: Do you believe that we, the representatives of the American people, can be trusted with the same authority which the people of England have reposed in their Parliament? Members of the House, I ask you this: Do you not think that we, who are supposed to hold the purse strings of these United States, should not have the final say over tariff reductions which are made by the Chief Executive from time to time in various trade agreements?

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield to the distinguished gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman knows if the bill goes through in its present form with the 50 percent additional cut in tariffs that the woolen, cotton, and textile mills, and the boot, shoe, and leather manufacturers will go out of business in my district, all over New England, and I believe all over the country, and we will be giving all of that business to the foreign countries.

Mr. GEARHART. I share the gentlewoman's concern in respect to the additional burdens which a further reduction in our tariff schedules would impose upon the particular industries to which she has referred. If the other Members of this legislative body were as alert as the gentlewoman from Massachusetts is to the menace to our domestic economy which is involved in the extension of this so-called reciprocal trade-agreement program, we could contemplate the postwar period with far more optimism.

Mrs. ROGERS of Massachusetts. If the gentleman from California will yield to me further, I would like to read to the membership a most pertinent and well-considered editorial which recently appeared in the Lowell (Mass.) Sun of Friday, May 25, 1945, an editorial which treats of the subject matter we are discussing. The editorial is entitled "Protect Our Industry," and its text is the following:

PROTECT OUR INDUSTRY

In its anxiety to manifest friendliness and helpfulness to other nations, the United States takes the risk of exceeding the limits of reasonable internationalism. The Nation may feel in a bountiful mood as it takes inventory on the hardships which have been experienced by other nations, yet it should not let sentimental interest destroy the long-established standards of American life.

Before Congress at the present time is Resolution No. 2652 which would empower the State Department to make reciprocal trade agreements with other nations, to exchange commodities, and to lower tariffs to approximately 34 percent of the levels which prevailed in 1934.

Proponents of the measure contend that it would provide one of the greatest instruments for the preservation of world peace and that such international concessions are necessary to prevent warfare resulting from economic strangulation.

In the original promotion of this reciprocal trade thought, Mr. Cordell Hull, recently Secretary of State, declared that such a happy arrangement would prevent war. Subsequently, Japan attacked Pearl Harbor and launched a grand-scale war against us, using scrap metal and other materials that had been shipped Tokyoward from this Nation.

After Germany had lost World War I, the same trade arguments prevailed. England lent capital to help Germany get back on its economic feet; America entered into cartel agreements with the Reich—and then Germany turned around and used all these economic advantages to wage the fiercest war in history against the nations with which it had been trading.

The late President Roosevelt, expressing himself on reciprocal trade, admitted that certain lines of American production might be run into the ground if exposed to tariff-free competition with nations that have substandard living conditions. He added, however, that such American industries as might be ruined could probably show native versatility by switching to some other form of production. In his summation of the situation, it is notable that he admitted the ruinous effect of reciprocal trade upon certain lines of industry.

It is natural that we should take a selfish view of the resolution in Congress, knowing that one of the first industries that would suffer should these international agreements be reached would be textile manufacturing, approximately 70 percent of which is located in New England.

Would it be possible for our New England textile mills to swing to some other form of production? Obviously, most of them could not; they are not experienced in other lines of manufacture and the cost of conversion would send some of them into dire financial straits. If some should undertake other lines, there would necessarily be a long unemployment gap while the change-over was being arranged.

Actually, there would exist about the same situation as followed the importation of millions of shoes from Czechoslovakia not many years ago, when American shoe manufacturers, paying wages commensurate with the American standards, had to bite the dirt, unable to meet such competition.

The woolen-manufacturing field would suffer the first blow. There are many nations that can produce ample quanaities of wool, which, if processed by laborers working for a pittance, would soon glut our American markets if admitted on the basis of an extremely low tariff. England pays only a top wage of 35 cents an hour to its woolen workers and there are many other nations that pay much less. How could the American woolen industry survive?

The cotton industry might not feel immediately the effects of reciprocal trade, inasmuch as this Nation is still the largest cotton-growing area in the world. But it must not be forgotten that other nations could engage in the production of raw cotton if the economic arrangements were in their favor, so that reciprocal trade likewise holds a serious threat for cotton manufacturing.

We think of this resolution in terms of cotton and woolen principally because we realize that New England's industrial greatness has been derived from those two fibers. It would not be remiss to say that there would also be many other branches of established American manufacturing which would suffer through reciprocal trade pacts which would let down the protective bars.

We cannot afford to lose a single industry in New England at this time. Rather, we are hopeful that some of the war babies will convert to civilian production and stay with us. We are facing a grave problem, that of keeping our people employed and of providing jobs in industry for our returning fighting men.

It is a poor time to consider any proposals, even though they may be colored as friendly gestures toward friendly nations, which obviously would jeopardize the veteran's chance to earn a respectable living when he comes home from the front.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman from California yield?

Mr. GEARHART. I am pleased to yield to the distinguished gentleman from Ohio.

Mr. VORYS of Ohio. Is it not true that only 3 nations out of the 26 with which we have trade agreements have such contempt for their own legislative bodies that they refuse to permit them to review trade agreements?

Mr. GEARHART. That is correct. Even in those countries of South America where dictators are supposed to wield

absolute power, trade agreements must be submitted to their legislative bodies for approval or disapproval. The Brazilian Congress withheld the ratification of its trade agreement with the United States for a year, until conditions it deemed important were met. In fact, ours seems to be the only country of consequence on the face of the earth in which its constitutionally established legislative body is constantly striving to abdicate its traditional prerogatives.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MILLS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from California clothes his amendment in high-sounding purposes, but let us analyze the amendment through and see what would be the result. If we adopt the amendment permitting approval or disapproval by Congress before a reciprocal trade agreement can go into effect, we might as well kiss the program goodbye.

The gentleman's amendment provides that a trade agreement must be acted upon by the Congress within 60 days. I feel certain the gentleman knows, as I do, that the Congress is not equipped to move with the rapidity necessary to approve or disapprove one of these agreements within 60 days. If we take up one of these trade agreements, we will conduct long hearings, such as we did in the Committee on Ways and Means on this bill. It is very evident that Members of Congress would want to look into each individual item and determine whether or not that item should be reduced; and some of these agreements have many, many items in them.

On the point of whether or not we should have the final say, when we extend this law for a period of 3 years we do have a definite control over the program, just as we have that definite control now in determining whether or not we will extend the program. We do not have to have the authority in the law to look into each reciprocal trade agreement as it is made to retain control of this program. No one wants to give up the final say-so. We extend it for a period of only 3 years so as to retain control.

I am certain the gentleman from California recognizes the uncertainties that will occur if his amendment is adopted. The fact that Congress will move slowly in considering these items, as it has in the past, will mean that none of these agreements can be acted upon by it within 60 days, but the negotiations in the agreements must remain in uncertainty for that period.

Let me take the past history of Senate ratification to verify what I am saying. A study of that history will prove to you that the Senate has ratified only three effective trade treaties in all its history, and those three were with Hawaii, Cuba, and Canada, three of our very closest and dearest neighbors. If in all the history of the Senate, Presidents could not get more trade treaties approved, do you expect the Senate of the United States and the House of Representatives to act within 60 days on any one of these trade agreements entered into?

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. The gentleman is completely in error as to the effect of the amendment. It provides that the treaties must be disapproved in 60 days. That is exactly the mechanism used in the Reorganization Act of 1939.

Mr. MILLS. I have heard the gentleman's amendment read. It is similar, as I understand the reading of it, to the one the gentleman offered on the floor in 1943.

Mr. GEARHART. The gentleman is quite in error. It is entirely different from the one I offered 3 years ago.

Mr. VORYS of Ohio. It is exactly the same mechanism used in the Reorganization Act.

Mr. GEARHART. It provides that an agreement shall be submitted to the Congress for its approval, and if the Congress does not approve or disapprove it within 60 days the agreement shall become valid.

Mr. MILLS. It is the same thing exactly. It has to be sent to the Congress for final approval, and the gentleman knows that the Congress could not act upon it within that 60 days.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Tennessee.

Mr. COOPER. The gentleman knows that the effect of it would be and the purpose is to kill the trade-agreements program.

Mr. MILLS. That is exactly what I have been endeavoring to point out.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. GEARHART].

The question was taken; and on a division (demanded by Mr. GEARHART) there were—ayes 100, noes 125.

So the amendment was rejected.

Mr. BATES of Massachusetts. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BATES of Massachusetts: On page 3, after line 15, add a new section:

"*Provided further*, That no manufactured article shall be entered into the United States at a tariff duty plus its value that would be below the cost of producing a comparable article in the United States as determined by the United States Tariff Commission."

Mr. COOPER. Mr. Chairman, I reserve a point of order against the amendment.

Mr. BATES of Massachusetts. Mr. Chairman, this is precisely the same kind of an amendment which was offered by the gentleman from Georgia [Mr. PACE] which the gentleman from Tennessee [Mr. COOPER] did not raise a point of order against. This is simply to protect the industries and the workers of our country against a flood of goods that will enter this country from foreign countries and which will be made by labor whose wages are one-third to one-tenth below what the worker is paid here in the United States. It is to protect the workers of our country from goods of that kind coming here at a cost below the cost of manufacturing comparable articles in this country. I do not believe any Member of this House, and I feel sure the people of our country do not want manufactured articles to come into this country from every part of the globe and overwhelming our industries, closing our factories, and forcing our people on the streets simply because we cannot manufacture those articles at a cost equal at least to what it would cost to deliver the foreign made goods to this country. That was precisely the situation with the Czechoslovakian shoes. They were being delivered on the American market for 22 cents or 24 cents a pair cheaper than the cost of manufacturing comparable shoes in this country. During this war we have observed the development of new industries in other parts of the world. We have seen where the manufacturer in Czechoslovakia, Mr. Bata, has gone to other countries and developed subsidiary organizations and established manufacturing plants. After the war is over he intends again to get under way with the cheap labor that is available in those areas of the world where these subsidiary organizations have been developed, and he intends to organize them to manufacture shoes and other products.

Our American markets are now being studied by representatives of many of the governments of the world in order that they may be able to determine the availability of our markets in the postwar days for the product of their own manufacturers which they know they can manufacture at a cost way below what we can here in America. We know that with the social security and other taxes and the wage-hour law and the high standards of living here in America, we cannot compete with the products of other parts of the world made with either peon or coolie labor. We know that is the history of the past and we know that will be the history of the future. This bill, in my opinion, will sound the death knell of many industries in our part of the country unless an amendment such as I propose is adopted. This will give them some protection and compel those who are going to determine what the trade-agreements rate shall be to take into consideration the cost of production as determined by the Tariff Commission on the manufactured products of this country.

Mr. COOPER. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane to the bill or any provision of the bill and that it is far beyond the scope of the bill.

The CHAIRMAN. Does the gentleman from Massachusetts wish to be heard on the point of order?

Mr. BATES of Massachusetts. Mr. Chairman, I do not wish to be heard on the point of order except to say that I think the gentleman from Tennessee accepted the amendment which was offered by the gentleman from Georgia [Mr. PACE] which was along the same line identically except that it pertained to agriculture. This only pertains to the manufacturer.

The CHAIRMAN. The Chair will say that the amendment offered by the gentleman from Massachusetts [Mr. BATES] goes to a revision or restatement of the whole tariff policy, and is not confined to the specific bill. It is well beyond the provisions and concepts of the present bill. The Chair believes it is not germane. The Chair sustains the point of order.

Mr. BARRETT of Wyoming. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. BARRETT of Wyoming: On page 3, after line 15, insert a new section to be known as section 5, as follows:

"SEC. 5. In the case of manufactured textiles and the raw materials thereof which have been found by the Joint Chiefs of Staff of the Army and the Navy to be strategic and critical textiles and raw materials which are essential to our national defense in time of war, together with essential foodstuffs, no foreign trade agreement under section 350 of the Tariff Act of 1930, as amended by this act, shall be entered into unless importations of such textiles and raw materials thereof are established on a quota system based on the average imports of such textiles and raw materials of which they are composed, over a 20-year period prior to September 16, 1940. Such quotas shall be prorated among the exporting countries of such raw materials and textiles over the same period and shall be increased from time to time only after investigation and determination by the United States Tariff Commission reveals that such increased quotas will not reduce production, employment, and wage rates in such a manner as to threaten the economic stability of the industries affected, and will not reduce production of raw materials or manufactured textiles in such degree as to impair our national defense in time of war."

Mr. COOPER. Mr. Chairman, I make the point of order against the amendment that it is not germane to this bill or to any provision of it.

Mr. BARRETT of Wyoming. Will the gentleman reserve the point of order for a moment?

Mr. COOPER. I will reserve the point of order, Mr. Chairman.

Mr. BARRETT of Wyoming. Mr. Chairman, I agree with the gentleman from Virginia that Winston Churchill has done a grand job for Great Britain. He is looking out for the interests of England, its people, and its industries all the time, and no one blames him for it. But the people of America expect this Congress to do the same thing for the United States.

During the war the Commodity Credit Corporation has purchased the domestic wool clip at the ceiling price established by the Office of Price Administration. The British Government purchased the wool production of all of its dominions and established a price on wools delivered in this country, including tariff, comparable to our wools, at a price about 7 cents per pound less than the ceiling price of American wool. In this way Great Britain has sold about 600,000,000 pounds of wool per year in this country during the war.

This country ranks second in the production of wool in the world. The American wool-growing industry is absolutely essential to the country in time of war as well as in peacetime. It gives employment throughout the country to over 500,000 people. According to Government agencies, that industry is in worse shape today than ever in its history. On January last the United States Tariff Commission made a report showing that the wool growers of this country are losing 10 cents on every pound of wool they produce. We have experienced a liquidation in the sheep business during the war. The population of stock sheep has decreased from nearly 50,000,000 in 1942 to 41,000,000 at the present time, and today we have less sheep in the country than any time since 1929. The wool growers of this country have been forced out of business because the market price of their product is less than the cost of production. In normal times we produce about 400,000,000 pounds of wool per year. In peacetime we consume about 600,000,000 pounds per year. During the war our consumption of wool has been over a billion pounds each year. But, notwithstanding this fact, practically the only market for our wool has been the orders for military requirements. Our domestic wool, to a great extent, is being stored in warehouses because domestic wool cannot compete with foreign wools in our own market.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. This amendment provides for those quota controls. That theory is not new. In fact it is in operation in numerous cases at the present time, and during the debate yesterday, the chairman reminded me that the cattle industry would be protected under the quota-control system. There are numerous examples of control of imports by quotas, such as scrap tobacco from Cuba, cattle from Canada and Mexico, wheat and flour, cotton, crude petroleum, boots and shoes from Czechoslovakia, and sugar from Cuba.

This amendment simply provides that imports shall be restricted to the average importations over a 20-year period prior to 1941.

Mr. HOLIFIELD. Will the gentleman yield?

Mr. BARRETT of Wyoming. I yield.

Mr. HOLIFIELD. Does the gentleman mean to say that the woolen companies of America have not made more money in the last 4 years than they have made in any other period in their history?

Mr. BARRETT of Wyoming. I cannot speak for the woolen companies but I say to you the wool growers have been losing money steadily during this war and they have been forced to curtail production of wool and lambs. Under the reciprocal trade agreements tariffs on woolen products have been cut about 25 percent.

The American public purchases annually from 40 to 50 percent of its apparel wool requirements from foreign producers. Most certainly any reasonable man would feel that the American producer was entitled to at least a trifle more of the domestic market than the foreign producer. Under these reciprocal trade agreements, a number of concession have been made to Great Britain in the tariff rates on wool wastes, rags, and wool textiles. Marked concessions were made on manufactured worsted and woolen fabrics. That competition is so serious that the president of the CIO Textile Workers Union on last Tuesday wired Chairman DOUGHTON that this bill should be amended to provide for mandatory quota controls to protect the textile industry against the ruinous effect of indiscriminate foreign competition.

Now, Mr. Chairman, foreign producers of wool and woolen textiles over this 20-year period have taken nearly 50 percent of the market of our apparel wool requirements.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to my colleague from Massachusetts.

Mr. BATES of Massachusetts. In answer to the gentleman from California, with reference to the woolen manufacturers, if he will consult the woolen and worsted manufacturers on his own side, they will answer his question by telling him of the thousands of workers walking the streets trying to find a job before this war came on.

Mr. BARRETT of Wyoming. A short time ago I referred to the telegram from Emil Rieve, head of the textile workers of this country, representing 450,000 members. He appeared before your committee, Mr. Chairman, and his telegram is as follows:

As general president of 450,000 members of the Textile Workers' Union of America, CIO, I wish to make my position clear in regard to my testimony before the Ways and Means Committee. The majority report failed to refer to my position in favor of a mandatory quota control. I wish to repeat emphatically the position that I took which is that we firmly believe that the American textile industry because of its importance to our own and world economy and for various valid historical reasons cannot be subjected to indiscriminate international competition. It is our opinion, furthermore, that the potentially ruinous effect of indiscriminate foreign competion should be barred by quota restriction similar to the quota principle which has been invoked in tariff negotiations with Mexico. Mandatory quota controls we believe are imperative and just, and the bill should be amended to provide such mandatory quota controls.

EMIL RIEVE,
General President, Textile Workers' Union of America.

You men coming from industrial districts better remember the laboring people are looking to you to protect their interest. Do not forget that.

Woolen and worsted mills rank seventh in the number of workers employed among the leading manufacturing industries of this country. Sheep raising is one of the most important industries in Texas and in the 13 Western States. We have the precedent for quota controls. This amendment will merely give the wool growers and the mills a chance to maintain those great industries in the years to come.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to my colleague.

Mr. MURDOCK. The wool growers of Arizona back you up in that statement and in the demand that we have a quota restriction. Would they be permissible under this present bill?

Mr. BARRETT of Wyoming. I can say to the gentleman that no doubt they are permissible but my amendment makes them mandatory.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. COOPER. Mr. Chairman, I withdraw the reservation of objection and ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wyoming.

The question was taken; and on a division (demanded by Mr. BARRETT of Wyoming) there were—ayes 110, noes 135.

So the amendment was rejected.

Mr. DWORSHAK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have not asked for any time to discuss my views on this subject because 2 years ago when the extension of this act was before this body I was one of 65 Members who voted against it. I have not changed my mind. Yesterday, however, the gentleman from Arkansas, who is an able member of the Committee on Ways and Means, sought to create the impression that American agriculture was predominantly in favor of the Reciprocal Trade Act. He pointed to the fact that the American Farm Bureau and National Farmers Union had appeared before his committee on behalf of this legislation. I directed an inquiry to the gentleman as to the attitude of the National Grange, which represents more than a million members in this country. He said that as far as he knew no representative of that organization had appeared before the committee or made a statement against this reciprocal trade agreement program. I should like to direct the gentleman's attention to page 2538 of part 18 of the hearings. There he will find a very enlightening and informative statement submitted by the national representative of the Grange.

Mr. MILLS. He did not appear in person.

Mr. DWORSHAK. The statement is in the hearings.

Mr. MILLS. I did not know that. He did not appear in person.

Mr. DWORSHAK. I should like also to call attention to some paragraphs from a letter dated May 19, 1945, written by the National Grange to Members of Congress. I quote:

> The Grange believes that if this act is to be renewed, the extension should be for 1 year only. After the close of the war, we will be able to make a more careful appraisal of the situation with reference to world trade than under present conditions.
>
> We wholly disapprove of the proposal that the President be empowered to slash to the extent of 50 percent rates that were in effect on January 1, 1945. As we see it, this is a perfectly preposterous proposal. In the case of rates that have already been reduced 50 percent under the provisions of the act of 1934, this added power would enable the President, or the State Department, to bring about a 75-percent reduction of the rates contained in the Tariff Act of 1930. We sincerely trust that Congress will not agree to such a proposition.

In 1934, when the trade agreements bill was introduced, American farmers were told that, by virtue of the authority delegated to the President under this measure, it would be possible to find new markets or restore old foreign markets for surplus farm products; but that it would not result in any increase of imports of competitive farm products.

In the light of these promises, the following figures with reference to farm imports compiled by the Department of Agriculture make interesting reading:

Value of agricultural imports

Year	Total	Supplementary or competitive
1932	$613,737,000	$282,428,000
1933	838,952,000	418,515,000
1934	933,774,000	497,892,000
1935	1,141,191,000	641,622,000
1936	1,155,136,000	866,796,000
1937	1,155,136,000	588,316,000
1938	988,648,000	486,165,000
1939	1,239,444,000	571,443,000
1940	1,475,288,000	627,888,000

Leaving out the drought years of 1935–36–37, it is noted that imports of competitive farm products increased from $282,428,000 in 1932 and $418,515,000 in 1933 to $571,443,000 in 1939 and $627,888,000 in 1940. Thus the value of competitive farm imports more than doubled from 1932 to 1940. It is generally agreed that reductions in tariffs on competitive farm products let in more imports and made it more difficult to develop a sound farm program. Incidentally, this diminished the ability of the American farmer to buy the products of labor and industry.

There is no evidence that foreign concessions resulted in any increase in volume of farm products sold abroad. Back in 1910–14 exports of farm products accounted for about 50 percent of total exports. By 1932 farm exports were down to 41.7 percent of total exports. Look at the following statistics compiled by the United States Department of Agriculture on the value of United States exports:

Year	Total domestic exports	Agricultural exports	Percent farms of total
1932	$1,413,397,000	$589,650,000	41.7
1933	2,008,484,000	787,343,000	39.2
1934	2,085,092,000	668,713,000	32.1
1935	2,375,415,000	766,303,000	32.3
1936	2,790,880,000	732,474,000	26.2
1937	3,361,699,000	890,771,000	26.5
1938	2,884,687,000	682,962,000	23.7
1939	3,743,930,000	737,640,000	19.7
1940	3,959,262,000	349,821,000	8.8

The Idaho State Grange has strongly opposed this legislation and, likewise, opposes downward extension of rate schedules on the basis that there should be no drastic changes in tariff duties at this time because of the instability caused by the war. In Idaho there has also been widespread opposition to this bill on the part of those engaged in the livestock and mining industries, as well as in the production of sugar beets and dairy commodities. They point out that the original objectives of this act have not been attained and that, from a practical standpoint, there have been few benefits accrued to the United States.

It is apparent the National Grange is fully aware of the adverse effect of reciprocal trade agreements on American agriculture. That is why it has vigorously opposed the granting of additional authority in the pending legislation to make possible further reductions up to 50 percent in the existing rates on January 1, 1945.

Postwar trade has many complications and will require careful thought and planning. England, known as a free-trade nation, grants "Empire preference" tariffs to members of her commonwealth of nations. Shortly before 1939 she was engaged in an extensive "buy British" advertising campaign at home and abroad. Can we justify at this time enactment of legislation in our country which will further lower tariff rates and invite a flood of agricultural imports from countries possessing low wage standards?

I do not profess the solicitude of the Democratic majority for producers in other countries to the detriment of our own farmers. I believe that there will be greater economic security and prosperity in the United States if the American market is preserved for the American farmer.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. COOPER. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the Committee do now rise and report the bill back to the House with the recommendations that the bill be passed.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WOODRUM of Virginia, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, had directed him to report the bill back to the House, with the recommendation that the bill be passed.

Mr. COOPER. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. KNUTSON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. KNUTSON. Yes.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. KNUTSON moves to recommit the bill (H. R. 3240) to the Committee on Ways and Means with instructions to forthwith report back a bill extending the existing trade-agreements law for a period of 2 years.

The SPEAKER. The question is on the motion to recommit offered by the gentleman from Minnesota.

Mr. KNUTSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 181, nays 212, answered "present" 2, not voting 37, as follows:

[Roll No. 88]

YEAS—181

Adams	Gillette	Mason
Allen, Ill.	Gillie	Michener
Andersen, H. Carl	Goodwin	Miller, Nebr.
Anderson, Calif.	Granger	Mott
Andresen, August H.	Grant, Ind.	Mundt
Andrews, N. Y.	Griffiths	Murray, Wis.
Angell	Gross	O'Hara
Arends	Gwinn, N. Y.	Peterson, Fla.
Arnold	Gwynne, Iowa	Philbin
Auchincloss	Hagen	Phillips
Barrett, Wyo.	Hale	Pittenger
Bates, Mass.	Hall, Edwin Arthur	Ploeser
Beall	Halleck	Plumley
Bennett, Mo.	Hancock	Powers
Bishop	Hand	Ramey
Blackney	Harness, Ind.	Randolph
Bolton	Hartley	Reed, Ill.
Brehm	Henry	Reed, N. Y.
Brumbaugh	Herter	Rees, Kans.
Buck	Heselton	Rich
Buffett	Hill	Rizley
Butler	Hinshaw	Robertson, N. Dak.
Byrnes, Wis.	Hoeven	Robsion, Ky.
Campbell	Holmes, Mass.	Rockwell
Canfield	Holmes, Wash.	Rodgers, Pa.
Cannon, Fla.	Hope	Rogers, Mass.
Carlson	Horan	Schwabe, Mo.
Case, N. J.	Howell	Schwabe, Okla.
Case, S. Dak.	Hull	Scrivner
Chenoweth	Jenkins	Shafer
Chiperfield	Jennings	Sharp
Church	Jensen	Short
Clason	Johnson, Calif.	Sikes
Clevenger	Johnson, Ill.	Simpson, Ill.
Cole, Kans.	Johnson, Ind.	Simpson, Pa.
Cole, Mo.	Jones	Smith, Maine
Crawford	Jonkman	Smith, Ohio
Cunningham	Kean	Smith, Wis.
Curtis	Kearney	Springer
Dirksen	Keefe	Stevenson
Dolliver	Kilburn	Stockman
Domengeaux	Kilday	Sumner, Ill.
Dondero	Kinzer	Sundstrom
Dworshak	Knutson	Taber
Elliott	Kunkel	Talbot
Ellis	Landis	Talle
Ellsworth	Lane	Taylor
Elsaesser	Latham	Thomas, N. J.
Elston	Lea	Tibbott
Engel, Mich.	LeCompte	Towe
Fellows	LeFevre	Vorys, Ohio
Fenton	Lemke	Vursell
Fogarty	Lewis	Weichel
Fuller	Luce	West
Gamble	McConnell	Wigglesworth
Gavin	McCowen	Winter
Gearhart	McDonough	Wolcott
Gerlach	McGregor	Wolfenden, Pa.
Gifford	McMillen, Ill.	Wolverton, N. J.
Gillespie	Martin, Iowa	Woodruff, Mich.
	Martin, Mass.	

NAYS—212

Abernethy	Andrews, Ala.	Barden
Allen, La.	Bailey	Barrett, Pa.
Anderson, N. Mex.	Baldwin, Md.	Barry
	Baldwin, N. Y.	Bates, Ky.
Beckworth	Gorski	O'Neal
Bell	Gossett	O'Toole
Bennet, N. Y.	Granahan	Outland
Biemiller	Green	Pace
Bland	Gregory	Patman
Bonner	Hare	Patrick
Brooks	Harless, Ariz.	Patterson
Brown, Ga.	Harris	Peterson, Ga.
Bryson	Hart	Pfeifer
Buckley	Havenner	Pickett
Bulwinkle	Hays	Poage
Burch	Hedrick	Price, Fla.
Burgin	Heffernan	Price, Ill.
Byrne, N. Y.	Hendricks	Priest
Camp	Hobbs	Quinn, N. Y.
Cannon, Mo.	Hoch	Rabin
Carnahan	Holifield	Rains
Celler	Huber	Ramspeck
Chapman	Izac	Rankin
Chelf	Jackson	Rayfiel
Clark	Jarman	Resa
Clements	Johnson, Luther A.	Richards
Cochran	Judd	Riley
Coffee	Kee	Rivers
Colmer	Kefauver	Robertson, Va.
Combs	Kefauver	Robinson, Utah
Cooper	Kelley, Pa.	Roe, Md.
Corbett	Kelly, Ill.	Rogers, Fla.
Courtney	Keogh	Rogers, N. Y.
Cox	Kerr	Rooney
Cravens	King	Rowan
Crosser	Kirwan	Russell
Curley	Kopplemann	Ryter
D'Alesandro	LaFollette	Sabath
Daughton, Va.	Lanham	Sadowsky
Davis	Larcade	Sasscer
Dawson	Lesinski	Sheppard
De Lacy	Link	Sheridan
Delaney, James J.	Ludlow	Smith, Va.
	Lyle	Snyder
Delaney, John J.	Lynch	Somers, N. Y.
	McCormack	Sparkman
Dickstein	McGehee	Spence
Dingell	McGlinchey	Starkey
Doughton, N. C.	McKenzie	Sullivan
Douglas, Calif.	McMillan, S. C.	Sumners, Tex.
Douglas, Ill.	Madden	Tarver
Doyle	Mahon	Thom
Drewry	Maloney	Thomas, Tex.
Durham	Manasco	Thomason
Eberharter	Mansfield, Mont.	Tolan
Engle, Calif.		Torrens
Ervin	Mansfield, Tex.	Trimble
Fallon	Marcantonio	Vinson
Feighan	May	Voorhis, Calif.
Fernandez	Merrow	Walter
Flannagan	Miller, Calif.	Weaver
Flood	Mills	Weiss
Folger	Monroney	White
Forand	Morgan	Whitten
Fulton	Morrison	Whittington
Gallagher	Murdock	Wickersham
Gardner	Murphy	Winstead
Gary	Murray, Tenn.	Wood
Gathings	Neely	Woodhouse
Geelan	Norrell	Woodrum, Va.
Gibson	Norton	Zimmerman
Gordon	O'Brien, Ill.	
Gore	O'Brien, Mich.	

ANSWERED "PRESENT"—2

Brown, Ohio Wasielewski

NOT VOTING—37

Bender	Grant, Ala.	Rabaut
Bloom	Hall, Leonard W.	Reece, Tenn.
Boren		Roe, N. Y.
Boykin	Healy	Savage
Bradley, Mich.	Hébert	Slaughter
Bradley, Pa.	Hess	Stefan
Bunker	Hoffman	Stewart
Cole, N. Y.	Hook	Stigler
Cooley	Johnson, Lyndon B.	Traynor
Earthman		Wadsworth
Eaton	Johnson, Okla.	Welch
Fisher	O'Konski	Wilson
Graham	Powell	Worley

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Bradley of Michigan for, with Mr. Hook against.

Mr. Hoffman for, with Mr. Stigler against.

Mr. Leonard W. Hall for, with Mr. Johnson of Oklahoma against.

Mr. Fisher for, with Mr. Cooley against.

Mr. Cole of New York for, with Mr. Roe of New York against.

Mr. Graham for, with Mr. Stewart against.

Mr. Stefan for, with Mr. Rabaut against.

Mr. Hess for, with Mr. Healy against.

Mr. O'Konski for, with Mr. Wasielewski against.

Mr. Reese of Tennessee for, with Mr. Earthman against.

Mr. Brown of Ohio for, with Mr. Slaughter against.

General pairs:

Mr. Powell with Mr. Wadsworth.

Mr. Grant of Alabama with Mr. Eaton.

Mr. Savage with Mr. Bender.

Mr. Bloom with Mr. Wilson.

Mr. Hébert with Mr. Welch.

Mr. WASIELEWSKI. Mr. Speaker, I have a live pair with the gentleman from Wisconsin, Mr. O'KONSKI. I therefore withdraw my vote of "no" and vote "present."

Mr. BROWN of Ohio. Mr. Chairman, on this roll call I have a live pair with the gentleman from Missouri, Mr. SLAUGHTER. I therefore wish to withdraw my vote of "aye" and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. DOUGHTON of North Carolina. On that, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas 239, nays 153, answered "present" 1, not voting 39, as follows:

[Roll No. 89]

YEAS—239

Abernethy	Crosser	Hays
Adams	Curley	Hedrick
Allen, La.	D'Alesandro	Heffernan
Andrews, Ala.	Daughton, Va.	Hendricks
Andrews, N. Y.	Davis	Heselton
Angell	Dawson	Hobbs
Arnold	De Lacy	Hoch
Auchincloss	Delaney, James J.	Holifield
Bailey		Hope
Baldwin, Md.	Delaney, John J.	Huber
Baldwin, N. Y.		Izac
Barden	Dickstein	Jackson
Barrett, Pa.	Dingell	Jarman
Barry	Dirksen	Johnson, Luther A.
Bates, Ky.	Doughton, N. C.	
Beckworth	Douglas, Calif.	Judd
Bell	Douglas, Ill.	Kean
Bennet, N. Y.	Doyle	Kee
Biemiller	Drewry	Kefauver
Blackney	Durham	Kelley, Pa.
Bland	Eberharter	Kelly, Ill.
Bolton	Engle, Calif.	Keogh
Bonner	Ervin	Kerr
Brooks	Fallon	Kilday
Brown, Ga.	Feighan	King
Bryson	Fernandez	Kirwan
Buckley	Flannagan	Kopplemann
Bulwinkle	Flood	LaFollette
Burch	Folger	Lanham
Burgin	Forand	Larcade
Byrne, N. Y.	Fulton	Latham
Camp	Gallagher	Lesinski
Cannon, Mo.	Gardner	Link
Carnahan	Gary	Luce
Case, N. J.	Gathings	Ludlow
Celler	Geelan	Lyle
Chapman	Gibson	Lynch
Chelf	Gordon	McCormack
Clark	Gore	McDonough
Clements	Gorski	McGehee
Cochran	Gossett	McGlinchey
Coffee	Granahan	McKenzie
Cole, Kans.	Green	McMillan, S. C.
Colmer	Gregory	Madden
Combs	Hare	Mahon
Cooper	Harless, Ariz.	Maloney
Corbett	Harris	Manasco
Courtney	Hart	Mansfield, Mont.
Cox	Hartley	
Cravens	Havenner	Mansfield, Tex.

Marcantonio	Quinn, N. Y.	Starkey
May	Rabin	Stevenson
Merrow	Rains	Sullivan
Michener	Ramey	Sumners, Tex.
Miller, Calif.	Ramspeck	Sundstrom
Mills	Rankin	Tarver
Monroney	Rayfiel	Thom
Morgan	Resa	Thomas, N. J.
Morrison	Richards	Thomas, Tex.
Murdock	Riley	Thomason
Murphy	Rivers	Tolan
Murray, Tenn.	Robertson, Va.	Torrens
Neely	Robinson, Utah	Towe
Norrell	Roe, Md.	Trimble
Norton	Rogers, N. Y.	Vinson
O'Brien, Ill.	Rooney	Voorhis, Calif.
O'Brien, Mich.	Rowan	Walter
O'Neal	Russell	Wasielewski
O'Toole	Ryter	Weaver
Outland	Sabath	Weiss
Pace	Sadowski	Welch
Patman	Sasscer	White
Patrick	Sheppard	Whitten
Patterson	Sheridan	Whittington
Peterson, Ga.	Sikes	Wickersham
Pfeifer	Smith, Maine	Winstead
Pickett	Smith, Va.	Wolverton, N. J.
Poage	Snyder	Wood
Price, Fla.	Somers, N. Y.	Woodhouse
Price, Ill.	Sparkman	Woodrum, Va.
Priest	Spence	Zimmerman

NAYS—153

Allen, Ill.	Gillie	Mason
Andersen, H. Carl	Goodwin	Mott
	Granger	Mundt
Anderson, Calif.	Grant, Ind.	Murray, Wis.
Andresen, August H.	Griffiths	O'Hara
	Gross	Peterson, Fla.
Arends	Gwinn, N. Y.	Philbin
Barrett, Wyo.	Gwynne, Iowa	Phillips
Bates, Mass.	Hagen	Pittenger
Beall	Hale	Ploeser
Bennett, Mo	Hall, Edwin Arthur	Plumley
Bishop		Powers
Brehm	Halleck	Randolph
Brumbaugh	Hancock	Reed, Ill.
Buck	Hand	Reed, N. Y.
Buffett	Harness, Ind.	Rees, Kans.
Butler	Henry	Rich
Byrnes, Wis.	Herter	Rizley
Campbell	Hill	Robertson, N. Dak.
Canfield	Hinshaw	
Cannon, Fla.	Hoeven	Robsion, Ky.
Carlson	Holmes, Mass.	Rockwell
Case, S. Dak.	Holmes, Wash.	Rodgers, Pa.
Chenoweth	Horan	Rogers, Fla.
Chiperfield	Howell	Rogers, Mass.
Church	Hull	Schwabe, Mo.
Clason	Jenkins	Schwabe, Okla.
Clevenger	Jennings	Scrivner
Cole, Mo.	Jensen	Shafer
Crawford	Johnson, Calif.	Short
Cunningham	Johnson, Ill.	Simpson, Ill.
Curtis	Johnson, Ind.	Simpson, Pa.
Dolliver	Jones	Smith, Ohio
Domengeaux	Jonkman	Smith, Wis.
Dondero	Kearney	Springer
Dworshak	Keefe	Stockman
Elliott	Kilburn	Sumner, Ill.
Ellis	Kinzer	Taber
Ellsworth	Knutson	Talbot
Elsaesser	Kunkel	Talle
Elston	Landis	Taylor
Engel, Mich.	Lane	Tibbott
Fellows	Lea	Vorys, Ohio
Fenton	LeCompte	Vursell
Fogarty	LeFevre	Welchel
Fuller	Lemke	West
Gamble	Lewis	Wigglesworth
Gavin	McConnell	Winter
Gearhart	McCowen	Wolcott
Gerlach	McGregor	Wolfenden, Pa.
Gifford	McMillen, Ill.	Woodruff, Mich.
Gillespie	Martin, Iowa	
Gillette	Martin, Mass.	

ANSWERED "PRESENT"—1

Brown, Ohio

NOT VOTING—39

Anderson, N. Mex.	Cooley	Hess
	Earthman	Hoffman
Bender	Eaton	Hook
Bloom	Fisher	Johnson, Lyndon B.
Boren	Graham	
Boykin	Grant, Ala.	Johnson, Okla.
Bradley, Mich.	Hall, Leonard W.	Miller, Nebr.
Bradley, Pa.		O'Konski
Bunker	Healy	Powell
Cole, N. Y.	Hébert	Rabaut
Reece, Tenn.	Slaughter	Traynor
Rce, N. Y.	Stefan	Wadsworth
Savage	Stewart	Wilson
Sharp	Stigler	Worley

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Stewart for, with Mr. Graham against.

Mr. Hook for, with Mr. Bradley of Michigan against.

Mr. Stigler for, with Mr. Hoffman against.

Mr. Leonard W. Hall for, with Mr. Reece of Tennessee against.

Mr. Cooley for, with Mr. Fisher against.

Mr. Roe of New York for, with Mr. Cole of New York against.

Mr. Rabaut for, with Mr. Stefan against.

Mr. Healy for, with Mr. Hess against.

Mr. Bloom for, with Mr. O'Konski against.

Mr. Anderson of New Mexico for, with Mr. Miller of Nebraska against.

Mr. Slaughter for, with Mr. Brown of Ohio against.

General pairs:

Mr. Powell with Mr. Wadsworth.

Mr. Grant of Alabama with Mr. Eaton.

Mr. Savage with Mr. Bender.

Mr. Hébert with Mr. Sharp.

Mr. Johnson of Oklahoma with Mr. Wilson.

Mr. BROWN of Ohio. Mr. Speaker, I am recorded as voting "no" on this roll call. I have a live pair with the gentleman from Missouri, Mr. SLAUGHTER, who, if present, would have voted "yea." I therefore withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CURTIS asked and was given permission to revise and extend his remarks made in the Committee of the Whole and to include certain articles and excerpts.

Mr. HILL (at the request of Mr. MARTIN of Massachusetts) was granted permission to extend his remarks in the RECORD and include certain telegrams.

Mr. PLOESER (at the request of Mr. MARTIN of Massachusetts) was granted permission to extend his remarks in the RECORD and include an article by David Lawrence appearing in the Washington Star.

Mr. RIVERS asked and was given permission to extend his remarks in the RECORD and include an address by Dr. Amos E. Taylor, Director of Foreign and Domestic Commerce.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD on the reciprocal trade agreements.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD in two different instances, and in each case to insert two letters.

Mr. MONRONEY asked and was given permission to extend his remarks in the RECORD and include a statement made before the Committee on Reorganization.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the City Council of Chicago pledging support to President Truman.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include a statement by Hon. Edward R. Stettinius, Secretary of State, as Chairman of the United States delegation.

Mr. HEFFERNAN asked and was given permission to extend his remarks in the RECORD and include an address delivered by Capt. John L. Bebee, Superintendent, United States Maritime Training Station at Sheepshead Bay on National Maritime Day, May 22, 1945.

Mr. WHITE asked and was given permission to revise and extend his remarks and include certain excerpts.

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include resolutions recently adopted by the Polish-American Congress for the Eastern District of Massachusetts.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. COOPER. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their remarks on the bill H. R. 3240, the trade-agreement bill, and that all Members who spoke on that bill may revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. BATES of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech of Alfred C. Gaunt, former president of the New England Small Business Association, in relation to the pending reciprocal trade-agreement bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address by the Honorable Morris B. Davidson, trustee of the Power Authority of the State of New York.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an article from the New York Sun of May 8, 1945, from the pen of George E. Sokolsky.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to ex-

tend as part of my remarks made this afternoon an editorial from the Lowell Sun regarding the present tariff law and the bill just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon and to include therein some statistics compiled by the Department of Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein a very splendid article appearing in the Jewish Advocate relating to our colleague, the gentleman from New York [Mr. BLOOM].

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

A WORD FOR THE PRIVATE WHO FOUGHT

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. RAMEY. Mr. Speaker, I have in mind an unusual situation relative to a private in the United States Army. Perhaps it might be well to tell you the story of this man in order to illustrate the point that I have to make. This boy was born some months after his father died in an Army camp during World War I. His father had been a practicing lawyer at Kenton, Ohio. His mother has never remarried. When this war broke out he and his older brother were drafted. The older brother spent 14 months in the South Pacific and then returned and was given a physical discharge.

Upon induction into the service, he took his boot training in Infantry that covered a period of about 15 weeks. He was then immediately sent over to north Africa in March of 1943 as a replacement in the First Infantry Division. Although a graduate of Ohio State University, with the degree of bachelor of arts, he was rated as a private. His division completed its work in the African campaign, and then spearheaded the landing at Gela on Sicily. They were then returned to England, where they trained for the landing at Normandy. On D-day, when a mile inside the beach, he was wounded, and after his recovery, rejoined his regiment, the Sixteenth Infantry of the First Division, and thereafter participated in the battles at Aachen, the Battle of the Bulge, the battle of the crossing of the Rhine, and the campaign that followed through to Pilsen in Czechoslovakia. He has more than enough points to qualify him for discharge, and I assume that in due course that will occur. However, after 25 months overseas, in the hardest kind of combat service, he is still a common private. There are thousands of others just like him. How nice it would be if the officers would graciously consent to promote all privates who were in combat service in the European or African theaters, or both, to be privates first class. This would only mean an increase in pay of perhaps $4 per month, but it would mean one stripe on the arms of these boys and would do more to maintain morale in combat divisions than any one thing that I could think of.

REQUEST FROM THE SENATE

The SPEAKER laid before the House the following request from the Senate:

UNITED STATES SENATE,
May 24, 1945.

Ordered, That the Secretary of the Senate request the House of Representatives to return to the Senate H. R. 1260, entitled "An act for the relief of Dr. Walter L. Jackson and City-County Hospital."

LESLIE L. BIFFLE,
Secretary.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE BRETTON WOODS BILL

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time for the purpose of making an inquiry of my good friend the distinguished majority leader.

There have been a good many inquiries on this side of the aisle as to when the Bretton Woods bill will be before the House.

Mr. McCORMACK. The Bretton Woods bill will come up week after next. It is intended to bring it up on Tuesday of week after next.

I do not know how much general debate the rule will provide for, but it is my opinion that it will provide for general debate all day Tuesday and not later than 3:30 on Wednesday.

We may meet at 11 o'clock on Tuesday and at 11 o'clock on Wednesday, or on either one of the days, just as may be agreed upon by the chairman and ranking minority members of the committee.

Mr. MARTIN of Massachusetts. That is perfectly agreeable to me. Then anyone can go away with the expectation that on Tuesday June 5 at least there will be no vote.

Mr. McCORMACK. It will not come up before Tuesday June 5 and there will not be a vote on that Tuesday.

The SPEAKER. Under the previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 20 minutes.

PAY RAISE FOR FEDERAL EMPLOYEES

Mr. LANE. Mr. Speaker, "I hope this war goes on forever," said the contemptible image of a man whom it was my misfortune to overhear.

He is public enemy No. 1—the black-market racketeer. He is aided and abetted by vain women and selfish men. They are the home-front saboteurs who are making life miserable for millions of decent Americans.

They sprawl on the beaches of our southern resorts, taking up space that should be reserved for the convalescence of our wounded. They parade their ill-gotten wealth in the faces of Americans who are tightening their belts in order that we may win this war and get more of our boys home that much sooner. They are the parasites who deny accommodations to servicemen and the wives and children of servicemen who cannot and will not pay exorbitant charges demanded for food and shelter.

These are the war rich, taking as others are giving, and profiting on the blood, toil, and sacrifice of millions. They resent controls. They do not want the Government to interfere with this form of private enterprise. They just want financial success at any price—to others. This war presents the opportunity of a lifetime to the unscrupulous. All the more when the Government stands idly by, unwilling or afraid to correct a dangerous situation.

All this leaves a bad taste in the mouths of our fighting men. They do not see why they should be called upon to fight and suffer and die while others climb to illicit wealth by virtue of their sacrifice. The morale of a serviceman is not helped by the carnival of greed which he observes in certain places on the domestic scene. It seems almost as if he were being asked to die in order to make racketeers rich.

The serviceman and his dependents are the principal victims of this hideous exploitation, but there are many others who are being squeezed by a wartime economy that is out of balance. Each violation of controls, whether by seller or consumer, puts that much pressure on those who live on fixed incomes.

We were told that if war came it would be fought on a democratic basis, exacting equality of sacrifice from all. But in this war, as in all other wars, a few have been called upon to do all the sacrificing for the many. It is too late now to do anything about this tragic disproportion in the scale of national service.

On the home front, however, we have a right to demand and expect that all shall do their part. War is obscene enough without permitting it to make a mockery of sacrifice. It is insufferable to think of it as an instrument which brings luxury to some and deprivation to others. To avoid this, the Congress rightfully established controls. In the administration of those controls, however, we have found weakness, inefficiency, and in some cases a lack of public conscience. One of the most amazing contrasts of this war has been the difference between our successful military effort and the confusion of civilian effort. In the armed services we have had the organization, skill, and, above all, the teamwork necessary to do the job. It was tough and dirty, but all involved

knew it had to be done and all pitched in to help each other to do it. Here men did not take advantage of each other. Oftentimes they sacrificed self in order to save men who were strangers to them. That is why the hardest part of the job—on the battlefields—is being won. By comparison, the record of the home front is spotty with achievements and failures. In some instances it is shameful.

It is not enough to point to the millions who have worked hard, bought bonds, donated blood, and assisted in many auxiliary efforts. These people know they have carried their share of the load, and we know that these people, together with those in the armed forces, are the solid substance of the Nation.

Through maladministration of controls and a kid-glove policy toward violators, a situation had developed whereby we are penalizing the very people we set out to protect. We have given in to highjacking wage demands on one hand and rigidly denied equitable wage adjustments on the other. Beyond the sacrifices theoretically asked of all, we have now reached a point where some suffer severely while others give up little, if anything. In fact, there are those who are profiting directly on the sacrifices of others.

We are rapidly creating a large class of war poor. More than 20,000,000 Americans are living on fixed incomes that make no provision for the rising costs of living. In many cases this income has not gone up 1 cent since 1941. On the other hand, their taxes and the cost of the necessities of life have gone up. In addition, many other extra demands are made upon this group by a variety of agencies.

The estimates on the rise in the cost of living, as compiled by the Government, by labor unions and consumer organizations, vary. It is safe to say, however, that the incomes of these white-collar workers have been cut all the way from 25 to 50 percent.

These people must still meet payments on obligations incurred before the outbreak of war. It is impossible for them to save. I personally know of cases where War bonds, life insurance, and other reserves have had to be given up so that they could make both ends meet. Slowly but surely they are being squeezed dry. They are paying more than their proportionate cost of this war. Without spokesmen to plead the urgency of their plight, they have suffered silently. We have failed to remedy a situation which is fraught with danger, not only to the millions of individuals concerned, but to the whole postwar economy of the Nation.

Too little attention has been given to the difference between the stated salary and the actual take-home pay of white-collar workers. Take a Federal Government employee, for example. When he receives his pay, 20 percent has already been deducted under the withholding tax and 5 percent for retirement purposes. In addition, he is expected to set aside 10 percent for War bonds. The total deduction is now 35 percent. However, he finds that the cost of living has gone up at least 30 percent. And he has not had a raise for years. This man works 48 hours a week for the privilege of seeing his modest financial reserve being whittled away, while all about him he sees the lush signs of prosperity. Friends who work in private industry are patronizing theaters, restaurants, hotels, and are buying in luxury stores, yet he finds that his own economic position is deteriorating rapidly. In spite of steady work, he is being forced back to a mere subsistence level.

Business profits and high war-plant wages are in competitive bidding for the short supply of civilian goods and services. This upward pressure on prices is being pushed to the explosive point by the operations of black-market racketeers. Inflation is no longer a subject for academic discussion. It is a bitter and despairing reality to the millions who have already become its victims.

Over 3,000,000 of these economic casualties work for the Federal Government. At times they have been warned that they could not leave to seek higher-paying employment because they would not be granted a release. At other times they have been coerced into staying on the plea that they were home-front soldiers, with a vital and indispensable war job to be done. These pep talks were not backed up by compensatory wage increases. The white-collar worker was asked to face bankruptcy with Spartan patriotism while other workers were being wooed by bonuses, incentive pay, and a variety of financial inducements.

During this war we have conducted recruiting campaigns to secure workers for the Federal Government. Thousands were asked to come to Washington to work and live on $30 a week, minus deductions. How a young girl can pay for food, clothing, shelter, and incidentals, on a take-home pay of less than $20 a week here in the Nation's Capital is nothing short of a miracle. It is an achievement in management which qualifies her completely for the task of directing the National Budget.

The irony of the situation lies in the fact that these workers were lured to overcrowded, high-priced Washington on the pretext that it was an opportunity. Maybe they should have said, "Come to work in Washington. Here you will find an effective weight-reducing diet." Or, "Come to glamorous Washington. Watch the charming wasters spend $100 in a night club. Watch them throw away surplus money on jewels, mink coats, and liquor. Hang on the ropes at the ringside of the greatest show on earth."

It seems strange, indeed, that the United States Government, so concerned with the economic suffering caused by inflation in the country at large should ignore the problem right in its own back yard. Workers throughout the Nation are exhorted to save their new-found wealth, while Government workers are struggling to make both ends meet. Agency heads, through the media of controls and propaganda, are begging the war-rich workers not to pay more than ceiling prices for any commodity. They do not have to be concerned about the Federal employee. His income is so far below the ceiling-price level that he cannot afford to purchase commodities even at legal prices. While the Government is crusading for economic justice in private industry, it is paying its own workers less than a living wage. The example it sets is neither constructive nor encouraging. It is bringing privation to many faithful Government employees. It is driving skill and talent out of the Federal service into fields where its worth is appreciated. It is weakening the morals of its personnel and inviting inefficiency at a time when the best of effort is needed.

In justice to these workers we must keep the cost of living from rising any more and, if possible, we must reduce it. In view of the confused administration of controls, however, we cannot expect much help from this quarter. The patient might die before the doctors settled the priority of authority in treating him.

In time of total war, where Government control of the home front is in support of military and naval operations, Government workers are every bit as necessary as the men and women who manufacture the tools of war. In all fairness, they should be paid accordingly. To date we have not done this and as a result we have economic weakness within the ranks of Government itself.

When the war is won, the peacetime activities of the Federal Government will be larger in scope and importance than they have ever been before. To do the job well we shall need the best men and women we can possibly get. Employment in the Federal service must be on a career basis, with all the incentives to encourage able and conscientious effort. We must develop pride in the service by proving to Government workers that they are worthy of their hire. There is one sure way to accomplish this, by bringing up to a decent, living standard.

It is time for the Government to set its own house in order. Not once during this emergency have underpaid Federal workers gone out on strike to force an adjustment of their wages. They have depended on our good faith to remedy this economic inequality.

The United States Senate has already taken action on this problem. A bill has been passed by that body calling for a 15.8 percent increase for all Federal employees. Of a permanent nature, it will work out a solution, in part, for those in the lower income brackets.

Though falling far short of the increase in the cost of living, this bill will provide some measure of the relief that is so urgently needed. Too long have we neglected these loyal servants of the Government. By our carelessness we have placed these white-collar workers among the first victims of the inflation we seek to control.

Much harm has come to them but much more can be prevented if we take

corrective action now. I therefore suggest to the Members of this House that we take immediate and favorable action on the bill to provide permanent pay increases for all Federal employees.

EXTENSION OF REMARKS

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD relative to the reciprocal trade treaty bill.

Mr. SCHWABE of Missouri asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an editorial appearing in the May 23 edition of the Columbia (Mo.) Daily Tribune.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 16 minutes p. m.) the House adjourned until Monday, May 28, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Tuesday, May 29, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports, and to amend existing law relating to air-navigation facilities.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments at 10 o'clock a. m., Tuesday, May 29, 1945, to resume hearings on H. R. 2177.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will meet in open hearings at 10 a. m., Tuesday, May 29, 1945, in the committee room, 356 House Office Building, to consider H. R. 3310, and other pending legislation.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Tuesday, May 29, 1945, at 10 o'clock a. m., to consider H. R. 2631.

There will be a meeting of the Committee on Patents on Thursday, May 31, 1945, at 10 o'clock a. m., to consider H. R. 2632.

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

THE COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 o'clock a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

502. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the naval auxiliary air station, Pungo, Norfolk, Va., on February 13, 1945; to the Committee on Claims.

503. A letter from the Executive Assistant to the Secretary of Commerce, transmitting revision No. 1 of the estimate of personnel requirements for the quarter ending June 30, 1945, for the ceiling unit, Geodetic Control Surveys, Coast and Geodetic Survey; to the Committee on the Civil Service.

504. A communication from the President of the United States, transmitting a proposed provision pertaining to an existing appropriation for the Department of the Interior (H. Doc. No. 200); to the Committee on Appropriations and ordered to be printed.

505. A communication from the President of the United States, transmitting a proposed provision pertaining to an existing appropriation for the National Housing Agency, fiscal year 1945 (H. Doc. No. 201); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. FLANNAGAN: Committee of conference. S. 383. An act to provide for the further development of cooperative agricultural extension work (Rept. No. 615). Ordered to be printed.

Mr. McGEHEE: Committee on Claims. H. R. 2961. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of H. Herfurth, Jr., Inc.; without amendment (Rept. No. 617). Referred to the Committee of the Whole House.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. COLE of Kansas: Committee on Claims. S. 842. An act for the relief of the Elmira Area Soaring Corp.; with amendment (Rept. No. 616). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. FLANNAGAN:

H. R. 3321. A bill to provide that the several States shall continue effective measures of control and protection against the importation, introduction, and spread of noxious weeds, injurious insects, and animal and plant diseases, and to guarantee that purchasers or recipients of seeds, livestock, and poultry feeds, nursery stocks, fertilizers, and other agricultural chemicals shall have the protection guaranteed them under the laws enacted by the several States; to the Committee on Agriculture.

By Mr. LANHAM:

H. R. 3322. A bill to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; to the Committee on Public Buildings and Grounds.

By Mr. BARTLETT:

H. R. 3323. A bill to provide for the election of the Governor of Alaska; to the Committee on the Territories.

H. R. 3324. A bill to forbid the appointment of any person but a resident of the Territory of Alaska to the office of Governor of said Territory; to the Committee on the Territories.

By Mr. MANASCO:

H. R. 3325. A bill to provide for reorganizing agencies of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. MAY:

H. R. 3326. A bill to prohibit the sale or disposal of real estate owned by the Government of the United States and under control of the War Department without the consent of Congress; to the Committee on Military Affairs.

By Mr. VOORHIS of California:

H. R. 3327. A bill to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

By Mr. O'TOOLE:

H. Res. 270. Resolution to investigate the liquor-distilling and wholesale-liquor industries in the United States and its Territories and possessions; to the Committee on Rules.

By Mr. KELLEY of Pennsylvania:

H. Res. 271. Resolution authorizing investigation of maximum prices of bituminous coal and coke; to the Committee on Rules.

By Mr. TAYLOR:

H. Con. Res. 61. Concurrent resolution requesting the designation of Saratoga Springs, N. Y., as the permanent headquarters of the United Nations organization being formulated at the San Francisco Conference; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 or rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of Ireland, memorializing the President and the Congress of the United States by expressing sympathy in regard to death of our late President, Franklin D. Roosevelt; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KILDAY:

H. R. 3328. A bill authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes; to the Committee on Military Affairs.

By Mr. MUNDT:

H. R. 3329. A bill for the relief of Ralph H. Lemon; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the clerk's desk and referred as follows:

783. By Mr. COCHRAN: Petition of Mr. Sam Walker and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

784. Also, petition of Mr. S. Ehrlich and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

785. Also, petition of Mr. Harry Burk and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

786. Also, petition of Mrs. Helen Partheden and 30 other citizens of St. Louis, Mo., protecting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

787. Also, petition of Miss Violet Smardisch and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary

788. By Mr. IZAC: Petition of 1,153 San Diego (Calif.) citizens, requesting a more adequate Federal blind-aid law, with especial reference to their support of H. R. 2594 and H. R. 2020, as drawn up by the legislative committee, San Diego Braille Club, Inc., C. Fred Pearson, chairman; to the committee on Ways and Means.

789. By Mrs. ROGERS of Massachusetts: Petition of the General Court of Massachusetts, in favor of a Federal-State plan of establishing and developing a national system of airports; to the Committee on Interstate and Foreign Commerce.

SENATE

MONDAY, MAY 28, 1945

(Legislative day of Thursday, May 24, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. John C. Millian, pastor, Petworth Methodist Church, Washington, D. C., offered the following prayer:

Great God of heaven and earth, of nations and peoples, our times are in Thy hands. In reverence and worship we pause for a moment as we begin the business of the hour to ask Thy divine help and guidance.

We pray that in these times of much human suffering and despair we may have eternal hope for ourselves and our fellow men, a hope that is born out of the noble and successful acts of God-fearing people. Give us a faith that will not shrink, though pressed by the strains and stresses of a distorted world. Give us the love that will not let Thee go from our lives nor from the lives of our fellow men until there is world peace and permanent world understanding.

Humbly we pray for the cessation of war and that out of total victory will come a consciousness that right is might and that God reigneth.

We thank Thee for the achievements of the San Francisco Conference. We feel that under the leadership of Thy hand the world will move on to great days for all.

May Thy divine guidance attend the President of the United States of America and all Members of Congress, that Thy name may be glorified and Thy will be done on earth as it is in heaven. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 24, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, returned to the Senate, in compliance with its request, the bill (H. R. 1260) for the relief of Dr. Walter L. Jackson and City-County Hospital.

The message announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 1308) for the relief of Sam Swan and Aily Swan; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MCGEHEE, Mr. KEOGH, and Mr. CASE of New Jersey were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R 1566. An act for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.; and

H. R. 2388. An act to provide for enlistments in the Regular Army during the period of the war, and for other purposes.

The message further announced that the House had passed a bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to Senate Concurrent Resolution 14, as follows:

Resolved by the Senate (the House of Representatives concurring), That the letter of the Secretary of the Interior, dated February 2, 1945, transmitting, pursuant to Public Law No. 302, Seventy-eighth Congress, approved May 14, 1944, a report on a survey of the fishery resources of the United States and its possessions, be printed as a Senate document, and that 33,100 additional copies shall be printed, of which 10,000 copies shall be for the use of the Senate, 22,100 copies for the use of the House of Representatives, 500 copies for the use of the Committee on Commerce of the Senate, and 500 copies for the use of the Committee on the Merchant Marine and Fisheries of the House of Representatives.

The message further announced that the House had agreed to a Concurrent Resolution (H. Con. Res. 49) authorizing the printing of additional copies of part 2 of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives, current session, on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 72. An act for the relief of Antonio Ruiz;

S. 93. An act for the relief of Mary G. Marggraf;

S. 194. An act for the relief of Mrs. Glenn T. Boylston;

S. 498. An act for the relief of W. C. Wornhoff and Josephine Wornhoff;

S. 519. An act for the relief of Charles A. Straka;

S. 567. An act for the relief of Mrs. Freda Gullikson;

S. 645. An act to suspend until 6 months after the termination of the present wars section 2 of the act of March 3, 1883 (22 Stat. 481), as amended;

S. 647. An act to authorize the Secretary of the Navy to convey to the State of Rhode Island, for highway purposes only, a strip of land within the naval advance base depot at North Kingstown, R. I.;

H. R. 244. An act for the relief of Adell Brown and Alice Brown;

H. R. 533. An act authorizing the State of Minnesota Department of Highways to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Hastings, Minn.;

H. R. 750. An act for the relief of the legal guardian of Vonnie Jones, a minor;

H. R. 856. An act for the relief of Frances Biewer;

H. R. 879. An act for the relief of Ed Williams;

H. R. 904. An act for the relief of Fred A. Lower;

H. R. 980. An act for the relief of Mrs. Gladys Stout;

H. R. 1016. An act for the relief of Capt. Millard L. Treadwell;

H. R. 1054. An act for the relief of Mrs. Mary Karalis;

H. R. 1069. An act for the relief of Sidney B. Walton;

H. R. 1184. An act to authorize Slater Branch Bridge and Road Club to construct, maintain, and operate a free suspension bridge across the Tug Fork of the Big Sandy River at or near Williamson, W. Va.;

H. R. 1241. An act for the relief of Margaret M. Meersman;

H. R. 1347. An act for the relief of Lee Graham;

H. R. 1558. An act for the relief of Mrs. Alma Mallette and Ansel Adkins;

H. R. 1561. An act for the relief of the legal guardian of Louis Ciniglio;

H. R. 1566. An act for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.;

H. R. 1598. An act for the relief of Mrs. Bessie I. Clay;

H. R. 1602. An act for the relief of Robert Lee Slade;

H. R. 1652. An act granting the consent of Congress to the State of Louisiana to construct, maintain, and operate a free highway bridge across the Mississippi River at or near New Orleans, La.;

H. R. 1659. An act authorizing the Department of Highways of the State of Minnesota to construct, maintain, and operate a bridge across the Pigeon River;

H. R. 1845. An act for the relief of Domenico Strangio;

H. R. 1847. An act for the relief of Francis X. Servaites;

H. R. 1877. An act for the relief of Maj. William Peyton Tidwell;

H. R. 1910. An act for the relief of Frank Lore and Elizabeth Vidotto;

H. R. 1952. An act for the relief of Joseph Brunette;

H. R. 2006. An act for the relief of Boyd B. Black;

H. R. 2068. An act to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service;

H. R. 2129. An act for the relief of Edward Lawrence Kunze;

H. R. 2361. An act for the relief of Alexander Sawyer;

H. R. 2388. An act to provide for enlistments in the Regular Army during the period of the war, and for other purposes;

H. R. 2701. An act for the relief of Margaret J. Pow;

H. R. 2907. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes; and

H. J. Res. 177. Joint resolution repealing a portion of the appropriation and contract authorization available to the Maritime Commission.

SHOWING OF FILM ON TO TOKYO

Mr. THOMAS of Utah. Mr. President, the War Department has invited the Members of the Senate, their families, and staffs to attend the showing of a new picture, On to Tokyo, in the Senate caucus room at 3 and 4 o'clock—two separate showings—on the afternoon of Tuesday, May 29, 1945.

The Members of the Senate are extremely fortunate in having an opportunity to see a preview of the Army's latest picture concerning redeployment. The public will be shown this picture at a later date.

I know every Member of the Senate and the members of their staffs will enjoy every phase of this picture. It is truly educational and thoroughly discusses questions in which all of us are interested at this time.

There will be two showings in the Senate caucus room, Tuesday, May 29, at 3 and 4 o'clock in the afternoon. The time required to see On to Tokyo is only 17 minutes. I know from this picture answers will be found to many questions concerning redeployment.

LEAVES OF ABSENCE

Mr. TAFT. Mr. President, I ask unanimous consent that my colleague the junior Senator from Ohio [Mr. BURTON] may be excused from attendance on the Senate today.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the request of the Senator from Ohio is granted.

Mr. AIKEN. Mr. President, I ask leave of absence from the Senate so that I may go home to speak at a Memorial Day observance.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and leave of absence is granted the Senator from Vermont.

COVERAGE OF UNEMPLOYMENT COMPENSATION DURING POSTWAR TRANSITION PERIOD

The PRESIDENT pro tempore. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read as follows:

To the Congress of the United States:

The Congress and the executive branch of the Government have already moved to prepare the country for the difficult economic adjustments which the Nation will face during the transition from war to peace.

First. The Congress has created the Office of War Mobilization and Reconversion to coordinate the reconversion activities of all Federal agencies, and that Office has established basic reconversion policies.

Second. Specific laws have been enacted by the Congress setting forth the policies and providing the administrative machinery for contract termination, plant clearance, financial aid to business, and the disposition of surplus property.

Third. Our military and civilian agencies have prepared themselves to expedite industrial reconversion and reemployment.

Fourth. As part of an over-all program for returning veterans the GI bill of rights provides "readjustment allowances," weekly cash benefits to veterans until they are able to obtain jobs.

Fifth. Congress has permitted business to carry back postwar losses against excess-profits-tax payments during the reconversion period.

Sixth. Congress has established support prices for agricultural products so that farmers will be protected against a postwar collapse of income.

There remains, however, a major gap in our reconversion program: the lack of adequate benefits for workers temporarily unemployed during the transition from war to peace. I urge the Congress to close this gap.

I am confident that, with appropriate measures, we can avoid large-scale and lengthy unemployment during the transition period. However, some temporary unemployment is unavoidable, particularly when total demobilization becomes possible. Even if reconversion proceeds rapidly, no amount of planning can make jobs immediately available for all displaced personnel. We must provide maximum security to those who have given so fully of themselves on the fighting and production fronts. The transition from war to peace is part and parcel of the war and we cannot shirk our obligation to those temporarily unemployed through no fault of their own.

To produce what is needed for the Pacific war, we must appeal to the workers to accept and remain in jobs which they ultimately must lose when munitions production ceases. The Government has thus incurred a moral obligation to these workers and to those who have stuck faithfully to their posts in the past.

To fulfill this obligation, we must rely principally upon our existing system of unemployment insurance. However, the existing State laws embrace three major defects:

First. Only about 30,000,000 of our 43,000,000 nonagricultural workers are protected by unemployment insurance. The absence of protection for Federal Government employees—in navy yards, arsenals, and Government offices—is particularly inequitable, since these workers are subject to risks of unemployment similar to the risks of those who work for private employers. Lack of protection for employees of small establishments and for maritime workers also constitutes a serious shortcoming in the present programs.

Second. The weekly benefit payments provided under many of the State laws are inadequate to maintain purchasing power and to provide a reasonable measure of economic security for the workers. Most States fix a maximum rate of $15 to $18 a week. This is clearly inadequate to protect unemployed workers against ruthless cuts in living standards, particularly if they have families.

Third. The length of time for which benefits are paid is too short. In nearly one-third of the States, no worker can receive more than 16 weeks of benefits in any year, and many workers do not qualify even for this length of time.

Therefore, I recommend specifically that Congress take emergency action to widen the coverage of unemployment compensation and to increase the amount and duration of benefits, at least for the duration of the present emergency period of reconversion. Basically this can be accomplished only by amending the Social Security Act so as to induce State laws to provide more adequately for anyone who is unemployed.

To be sure, the States have large sums in the unemployment trust fund. But since changes of State laws cannot be effected overnight, I propose that the Congress, during this emergency period, extend the coverage of unemployment compensation to include Federal employees, maritime workers, and other workers not now insured. Moreover, I see no feasible way to make benefits payable to such workers, unless they are financed entirely by the Federal Government during the present emergency. The benefits should appropriately be administered by the States.

I also recommend that Congress provide, through supplementary Federal emergency benefit payments, minimum standards for the weekly rate and duration of unemployment benefits. Every eligible worker should be entitled to 26 weeks of benefits in any one year, if his unemployment continues that long. The maximum payment, at least for the worker who has dependents, should be

raised from present levels to not less than $25 per week. In this connection, Congress will no doubt wish to reexamine the readjustment allowance provisions of the GI bill of rights. All payments should be made through the existing unemployment compensation machinery of the several States, just as payments to veterans are now made.

These provisions are essential for the orderly reconversion of our wartime economy to peacetime production. They are badly needed for the duration of the reconversion emergency.

Decent unemployment benefits would serve as a bulwark against postwar deflation. By assuring workers of a definite income for a definite period of time, Congress will help materially to prevent a sharp decline in consumer expenditures which might otherwise result in a downward spiral of consumption and production. Adequate unemployment insurance is an indispensable form of prosperity insurance.

Congress will soon deal with the broader question of extending, expanding, and improving our social-security program, of which unemployment insurance is a part. Although such improvement is fundamental, congressional deliberations on the broad issues will take time. On the specific issue of unemployment benefits, we may not have time available. We are already entering the first phase of reconversion; we must be prepared immediately for the far larger problems of manpower displacement which will come with the end of the war in the Pacific.

I earnestly hope, therefore, that the appropriate committees of Congress will undertake immediate consideration of the emergency problem.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 28, 1945.*

The PRESIDENT pro tempore. The message will be referred to the Committee on Finance.

APPOINTMENT OF MEMBERS OF UNITED STATES NAVAL ACADEMY CENTENNIAL COMMISSION

The PRESIDENT pro tempore. The Chair appoints the Senator from Massachusetts [Mr. WALSH], the Senator from Maryland [Mr. TYDINGS], and the Senator from California [Mr. JOHNSON] members of the United States Naval Academy Centennial Commission on the part of the Senate, created by the act of May 3, 1945.

CONDOLENCE ON DEATH OF FRANKLIN D. ROOSEVELT

The PRESIDENT pro tempore laid before the Senate a letter from the speaker of the Senate of Northern Ireland, transmitting a resolution adopted by the Senate of Northern Ireland, expressing condolence on the death of former President Franklin D. Roosevelt, which was ordered to lie on the table.

MEMORIAL DAY TRIBUTE TO THE LATE PRESIDENT ROOSEVELT

The PRESIDENT pro tempore. The Chair lays before the Senate a letter from Harry R. Follmer, of Omaha, Nebr., transmitting his Memorial Day tribute to our late beloved President Franklin Delano Roosevelt. Without objection, the letter and tribute will be printed in the RECORD.

There being no objection, the letter and tribute were ordered to be printed in the RECORD, as follows:

MAY 24, 1945.

The Honorable KENNETH MCKELLAR,
President pro tempore, United States Senate Office Building,
Washington, D. C.

HONORABLE SIR: Enclosed please find a Memorial Day tribute to our beloved late President Franklin Delano Roosevelt, dedicated by the author to the people of the United States of America.

The tribute is presented with the sincere hope that it will serve to instill in the hearts and minds of those who read it a more profound reverence and respect for our institutions of government.

By today's express there has been sent to you a framed replica of the tribute for your executive office.

Sincerely yours,

HARRY R. FOLLMER.

OMAHA, NEBR.

TRIBUTE TO FRANKLIN DELANO ROOSEVELT, THE CHAMPION OF LIBERTY, THE FATHER OF NATIONS, THE FRIEND OF MANKIND

To the people of the United States of America:

"You have builded a monument more lasting than bronze, higher than the royal pyramids, which neither the wasting rain nor the raging storm nor the plow of time nor the commands of life and death shall be able to destroy."

His gains were sure, his givings rare. He had a heart of determination, a mind of uncommon virtue, a cheerful friendly personality, a masterful character; depending on divinity, merit, and native force. He firmly believed that "truth, crushed to earth, shall rise again."

Such a man was he. His conquest of all handicaps, his rise to the highest gift America could offer, his dearest achievement in the love and trust of unnumbered thousands of his own countrymen and the men of other countries the world around. * * * These are an inspiration to all heirs to fortune. These things he did for his countrymen. * * * He loved them, trusted them, guided them; he cheered them, comforted them, led them. The loveliness, and the grasp of his experienced vision of right against wrong is an inspiration to all.

His plan was to employ each hour in storing up knowledge; thinking long and deeply, to guide the ship of state in troublesome waters, and out of these experiences came wisdom.

And so his mind became a dynamic storehouse charged with power which all peace-loving people; all factions; all parties needed in their warfare against world-greedy forces of evil, the destroyers of the rights of men; ready for the time, when destiny should call, as it always does, with electrifying suddenness, for the man of the hour. The great opportunity sends no messengers ahead to prepare men for its coming. It appears on the instant without warning and cries aloud, "Here am I. Where is the man?" Civilization always meets these challenges, otherwise civilization could not endure.

There is a known fact that recurs in every age of human history; that inevitably the crisis comes, when but to fall would mean the destruction of everything priceless and holy.

Yes, truly, a crisis in the United States of America always raises up the man. In this last and greatest crisis the man was Franklin Delano Roosevelt. The hour struck, and he was ready. Other lamps burned under a bushel, dimly; his lamp was trimmed and filled with precious oil. He was ready.

In all and through all, Franklin Delano Roosevelt was a patriot. His motives were high, his principles exalted. Loftier love of country had no man, and America loves him who loves America. Mistakes he made, for he was yet human. All can be forgiven the patriot, and it should be so.

This land of ours is the home of freedom. Our flag is sacred, our destiny is in the hands of God, and he who loved America with a fervent faith served this chosen people. He shall be exalted in the chronicles of nations, and grow greater, stronger, nobler, and more dear to the American heart as generations come and go.

Time with its erasing hand makes dim and eventually obliterates all earthly fame save that of the patriot and the saint. The luster of these grow brighter against the background of universal darkness where the relentless and remorseless years have blotted out the deeds of others.

So lives the name of Franklin Delano Roosevelt, and so it will continue to live and become immortal.

The true ideal that this notable "champion of liberty" and patriotic saint stood for, fought and died for, is freedom through self-government—the goal of the ages, the building of the kingdom on earth.

HARRY R. FOLLMER.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATES—INTERIOR DEPARTMENT (S. DOC. NO. 52)

A communication from the President of the United States, transmitting supplemental estimates of appropriation for the Department of the Interior, amounting to $287,700, for the fiscal year 1946, in the form of amendments to the Budget for that fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

USE OF FUNDS OF INDIAN TRIBES FOR INSURANCE PREMIUMS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the use of the funds of any tribe of Indians for insurance premiums (with an accompanying paper); to the Committee on Indian Affairs.

ACT OF LEGISLATURE OF TERRITORY OF HAWAII

A letter from the Under Secretary of the Interior, transmitting a copy of Act No. 32, passed by the Legislature of the Territory of Hawaii, to amend act 101 of the session laws of Hawaii 1921, relating to the manufacture, maintenance, distribution and supply of electric current for light and power within the Districts of North and South Hilo and Puna, in the County of Hawaii, so as to extend the franchise to the districts of Kau and South Kohala, in that county; (with an accompanying paper); to the Committee on Territories and Insular Affairs.

FEBRUARY 1945 REPORT OF RFC

A letter from the Chairman of the Board of the Reconstruction Finance Corporation, transmitting, pursuant to law, a confidential report of the Corporation for the month of February, 1945 (with an accompanying report); to the Committee on Banking and Currency.

ANNUAL REPORT OF DEPARTMENT OF PUBLIC WORKS OF CITY AND COUNTY OF HONOLULU, T. H.

A letter from the Chief Engineer of the Department of Public Works of the City and County of Honolulu, Honolulu, T. H., transmitting the annual report of the activities of that department for the year 1944 (with an accompanying paper); to the Committee on Territories and Insular Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the President pro tempore:

A concurrent resolution of the Legislature of the State of New Hampshire; to the Committee on Military Affairs:

"Concurrent resolution memorializing the Congress of the United States on after-war policies affecting the national military establishment, particularly its civilian components

"Whereas unless the United States of America maintain a military establishment adequate in size, in tarining and equipment, the peace for which the armed forces of the Nation are so bravely fighting will be exposed to grave danger after the conclusion of hostilities; and

"Whereas having before them the fate which has been visited upon the peoples of oppressed lands, the Nation continues to be unalterably devoted to its traditional concept of a military establishment founded on, ramified by, and spiritually energized by civilian participation, both in times of peace and of war; and

"Whereas the recognized and desired instrumentalities whereby there may effectively be secured to the Nation the advantages of such civilian participation in the national defense and preparation for such defense, are the National Guard, the Officers' Reserve Corps and the Organized Reserves; and

"Whereas, the National Guard, established by the Congress as the very bulwark of the Nation's defense, has by its heroic achievements demonstrated that courage, strength, and military skill abundantly abide in the well-trained and well-equipped citizen soldier, and has again richly justified in a Second World War the high trust wisely reposed in the National Guard by the Congress; and

"Whereas it is realized that the contribution of the Officers' Reserve Corps to the war effort, through the providing of very great numbers of qualified officers needed for the expanding military forces of the Nation, was absolutely indispensable; and

"Whereas the acceptable plan for the Military Establishment has, from the days of the Nation's first President, contemplated the maintenance in peacetime of a professional Army no larger than necessary, amplified in time of war by the services of available well trained and equipped civilian components; and

"Whereas the Congress must now make decisions under the Militia and Army clauses of the Constitution which will greatly affect the national safety, the Military Establishment of the United States and of the several States, and their vital interrelationships; and

"Whereas there are in evidence many proposals and conceptions respecting these problems, which, in their solution, will profoundly affect the future of every citizen: Now, therefore, be it.

"Resolved by the House of Representatives of the State of New Hampshire (the Senate concurring), That the Congress be and hereby is urged, in acting upon this great problem, to base its solution on the broad foundation of citizen military participation so that, having fought a great war in which all participated, all may likewise have the opportunity to contribute to the maintenance of peace; and be it further

"Resolved, That in its enactments concerning the national after-war Military Establishment, the Congress be and it hereby is urged to preserve the status of the National Guard as the first line of national defense and of the Officers' Reserve Corps and of the Organized Reserves as civilian components of the peacetime Army, all in accordance with traditional concepts as written into the law of the land in the National Defense Act of 1916, as amended, and cognate acts, more particularly by the provisions of the Selective Training and Service Act of 1940, as amended; and as summarized by the Chief of Staff of the Army of the United States in War Department Circular No. 347, dated 25 August 1944; and especially by those sections which recognize the National Guard as a prime and integral feature of the Military Establishment; and be it further

"Resolved, That should a system of universal military training be incorporated in the after-war Military Establishment, such training ought to be integrated with the civilian components of the Army, the National Guard, the Officers' Reserve Corps, and the Organized Reserves; and be it further

"Resolved, That in the course of its deliberations on this problem, the Congress give particular heed and attach special weight to the knowledge and experience possessed by those citizens who have served or who are serving as members of the armed forces in this war providing a suitable opportunity whereby the views entertained by such citizens relative to postwar military policies may be received and so that those to whom the Nation, as to trustees, has delegated the duty of safeguarding its future rights to peace and liberty, its cultural heritage, and its hopes for happiness and progress and prosperity, may deservedly and logically have an influence upon policies which will affect the very life of the Nation; and be it further

"Resolved, That copies of this resolution, certified by the Governor, the president of the senate, and the speaker of the house of representatives, be transmitted to the President of the United States, to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to the Secretary of War; and be it further

"Resolved, That a copy of this resolution, duly certified, be transmitted to the Senators and Representatives in Congress from New Hampshire for their information and guidance.

"Passed May 9, 1945.

"CHARLES M. DALE,
"Governor."

Resolutions of the General Court of the State of Massachusetts; to the Committee on Commerce:

"Resolutions memorializing the Congress of the United States in favor of a Federal-State plan of establishing and developing a national system of airports.

"Whereas there are now pending in the Congress of the United States certain bills intended to establish a national system of airports; and

"Whereas certain of these bills, particularly the Bailey bill, so-called (S. 34), and the McCarran bill, so-called (S. 2), in the Senate, and the Randolph bill, so-called (H. R. 4), in the House of Representatives, provide for the allotment of 25 to 50 percent of Federal appropriations for establishment and development of a national system of airports as direct aid to large municipalities for establishing and developing airports without regard to the interests of the States in which such communities are situated; and

"Whereas the States would have no control over such sums as might be allotted to municipalities for these purposes from the total of Federal appropriations, but would be forced into competition with their larger municipalities for allotments of such funds to airports under State control; and

"Whereas, the proposed direct allocation of large percentages of Federal appropriations for these purposes to municipalities is a departure from the established practice of allocating all grants in aid through the States, successfully followed since 1916 in the distribution of Federal appropriations in aid of highways and for other purposes; and

"Whereas the council of State governments, the Governors' conference, and the officers of the National Association of State Aviation Officials have joined in opposing the projected method of allocation on the ground that it is unnecessary, that it would complicate any sound plan for a national airport system and would be likely to result in many abuses, particularly in the direction of increasing friction between the Commonwealth and such of its municipalities as might be eligible for direct aid under any of the proposed bills that might be enacted: Therefore be it

"Resolved, That the General Court of Massachusetts, believing that the proposals specified are unnecessary, unsound, and undesirable, hereby urges the Congress of the United States to provide, in any plan that it may adopt in aid of the establishment and development of a national airport system, that grants in aid shall be made only to and through the several States, and that no part of such grants shall be made direct to municipalities, no matter how large, in derogation of State interests and authority; and be it further

"Resolved, That the State secretary forthwith send copies of these resolutions to the President of the United States, to the presiding officers of both branches of Congress, and to all Members of Congress from Massachusetts."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Senate Concurrent Resolution 10

"Concurrent resolution memorializing Congress to amend the Federal income-tax law so that it will not discriminate against 40 States including Oklahoma in favor of the 8 States having community property laws

"Whereas the Federal income-tax laws for years have made a discrimination in favor of the 8 community property States and against 40 States including Oklahoma; and

"Where the Secretary of the Treasury of the United States in 1937 pointed out that the loss of revenue to the Federal Government due to this unjustifiable discrimination against the residents of 40 States amounts to millions of dollars; and

"Whereas said discrimination in favor of the residents of community property States has become increasingly sharp as Federal surtax rates have increased, and is now grossly unfair to Oklahoma and the other 39 States similarly situated; and

"Whereas due to this discrimination in the Federal income-tax law the State of Oklahoma may lose many of its residents to the State of Texas where they may cause one-half of their incomes to be reported by their wives and thus avoid paying the higher income taxes they would have to pay on the

same income if they remained in Oklahoma; and

"Whereas it is evident that the Federal income tax law should be amended to set aside this unjust and unreasonable discrimination and to provide that Federal income taxes shall be collected on the same basis and in the same amount regardless of whether such income is earned by a resident of 1 of the 8 community property States or by a resident of 1 of the 40 States not having the community property system: Now, therefore, be it

"*Resolved by the Senate of the Twentieth Legislature of the State of Oklahoma (the House of Representatives concurring therein)*:

"SECTION 1. That the Congress of the United States of America be and it is hereby memorialized to amend the Federal income-tax law so that it will not discriminate against the 40 States of the Union not having the community property system in favor of the 8 States having community property laws, but will provide that Federal income taxes shall be collected on the same basis and in the same amount regardless of whether such income is earned by a resident of 1 of the 8 community property States or by a resident of 1 of the 40 States not having the community property system.

"SEC. 2. That the Members of the Oklahoma delegation in Congress be and they are hereby requested to diligently endeavor to have the Congress of the United States of America amend the Federal income-tax law as herein requested

"SEC. 3. That the secretary of the senate be and he is hereby directed to forward a copy of this resolution to each House of the Congress of the United States of America, and to each member of the Oklahoma delegation in Congress."

A concurrent resolution adopted by the Legislature of Puerto Rico; to the Committee on Territories and Insular Affairs:

"House Concurrent Resolution 3

"Concurrent resolution to request of the Congress of the United States an increase in the Federal grants for the relief of Puerto Rico, and for other purposes

"Whereas there are in Puerto Rico approximately 560,000 cuerdas of public and private lands which, due to the shallow, stony, or nonproductive soil, or because of the incline of its slopes, are fit mainly for the cultivation of trees and other shrubs yielding forest products (including coffee) for sale and domestic use; and as protective forest covering of the hydrographic basins situated above dams now existing or hereafter constructed which furnish electric power and water for irrigation and domestic use; and

"Whereas a great part of that area either does not produce today the quantity and quality of forest products which that land is capable of yielding, or is unproductive, improperly used, or untilled, and therefore aids the washing out of the soil and causes excessive erosion; and

"Whereas the reforestation of such lands deprived of normal growths of trees and other shrubs would alleviate the above-described situation and would at the same time furnish substantial employment to those residents who so urgently need work, thus assisting the industrial and social economy of the island; and

"Whereas with the present available funds and facilities for the planting of trees on appropriate lands which require reforestation, only about 4,000 cuerdas a year are planted, and at this rate a period of about 100 years would be required to finish the work; and

"Whereas the Government of Puerto Rico has recognized and still recognizes that the problems of the restoration and proper regulation of the forests of the island, the maximum production of lumber, the creation of a large number of employments through forest programs; as well as the problems of the retardation of superficial washouts of the soil, the control of erosion, the mitigation of inundations and the reduction of the rate of silting in the dams, all represent such a public problem that it should be solved at public expense for the benefit of all of the people of Puerto Rico; and

"Whereas this legislature will do everything possible as regards funds and other measures to remedy and improve the abovementioned situation of utilization of the land, by authorizing and furnishing in part the funds for an extensive reforestation program under the direction of the Commissioner of Agriculture and Commerce of Puerto Rico; Now, therefore, be it

"*Resolved by the House of Representatives of Puerto Rico (the Senate of Puerto Rico concurring:*

"SECTION 1. To request of the Congress of the United States, as it is hereby requested, the favorable consideration of a substantial increase in the Federal grants for the relief of Puerto Rico, stipulated in the provisions of sections 4 and 5 of the act of June 7, 1924 (43 Stat. 653); section 563 ff., paragraph 16, United States Code, and act of March 18, 1937 (50 Stat. 188); section 568-b (paragraph 16, United States Code, and under other acts of the Congress of the United States which may be applicable, which may be in force, or which may be enacted with reference to postwar public work programs.

"SEC. 2. That copies of this resolution be sent to the President of the United States of America, to the Presiding Officers of both Houses of Congress, to the Secretary of the Interior, to the Resident Commissioner for Puerto Rico to the United States, and to the Governor of Puerto Rico."

A resolution adopted by the Lions Club of San Juan, P. R., favoring a free and democratic government for Puerto Rico; to the Committee on Territories and Insular Affairs.

A letter in the nature of a petition from Frank Torres, of Ponce, P. R., favoring the enactment of House bill 1756, providing for compensation to the three infant destitute children of deceased Demetrio Caquias, killed by a United States Army jeep; to the Committee on Claims.

The petition of the Coordinating Committee for a Spanish Republic, New York City, N. Y., favoring the use of the offices of this Nation in the establishment of a free and democratic government in Spain; to the Committee on Foreign Relations.

A telegram from the Women's Committee for United Action, signed by Mrs. George F. Wilkins, executive chairman, Brookline, Mass., requesting the New England delegation in the Congress to appear before a mass meeting of representative women and trade groups of New England at Faneuil Hall, Boston, Mass., Sunday, June 3, at 2:30 p. m., to render an account of their personal efforts toward a solution of the flow of meat, poultry, and eggs to the shops and homes of New England; to the Committee on Agriculture and Forestry

A resolution adopted by the Lompoc Filipino Association, of Lompoc, Calif., favoring the enactment of legislation granting rights to the Filipinos to become American citizens; to the Committee on Territories and Insular Affairs.

A resolution adopted by the American Federation of Labor Postwar Planning Committee, of San Francisco, Calif., favoring the adoption of the United States Bureau of Reclamation program for the development of the land, water, and power resources of the United States; to the Committee on Irrigation and Reclamation.

Resolutions adopted by the board of directors of the Charleston (S. C.) Chamber of Commerce, protesting against the enactment of Senate bill 737, to establish a Savannah Valley Authority, and favoring the development of the Savannah Valley through the plans provided in Public Law 534, Seventy-eighth Congress; to the Committee on Commerce.

A resolution adopted by the executive board of the Toilet Goods Association, New York City, N. Y., favoring the enactment of legislation vesting in the Food and Drug Administration the sole jurisdiction of both the labeling and advertising of foods, drugs, and cosmetics; to the Committee on Commerce.

A letter from Robert F. Martin, executive secretary of the Vitrified China Association, of Washington, D. C., asking for an amendment to House bill 3240 to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, so that no reduction in duty under the Tariff Act of 1930 rates shall be made on imports competing directly with articles produced by handicraft industries in the United States; to the Committee on Finance.

A resolution of the Constitutional Congress of Costa Rica, San José, Costa Rica, extending congratulations of the Allied victory over Germany; ordered to lie on the table.

By Mr. BANKHEAD:

A joint resolution of the Legislature of the State of Alabama; to the Committee on Commerce:

"Senate Joint Resolution 13

"The Senate of the State of Alabama and the House of Representatives assembled in the city of Montgomery address the Members of Congress and the United States Senate in unanimous resolution as follows:

"'Whereas the canalization of the Tombigbee River with that of the Tennessee River is one of the most important and urgently needed waterway projects in the United States and will greatly benefit, economically at least 31 States:

"'Whereas via the Tombigbee-Tennessee route the distance to the Gulf Coast will be 630 miles less from Sheffield, Decatur, Chattanooga, Knoxville, and other Tennessee River points;

"'Whereas the distance to the Gulf Coast will be 200 miles less from Evansville, Louisville, Cincinnati, Pittsburgh, and other Ohio River points.

"'Whereas the distance of the Gulf Coast will be 108 miles less from St. Louis, Chicago, Minneapolis, St. Paul, Kansas City, and other points on the Mississippi, Missouri, and Illinois Rivers.

"'Whereas from the Cumberland Valley the distance to the Gulf Coast will be 200 miles less: Now, therefore, be it

"'*Resolved by the Senate of Alabama (the House of Representatives concurring)*. That the Congress of the United States is hereby memorialized to enact the necessary legislation so as to provide for the construction of the Tennessee River-Tombigbee River Canal project; be it further

"'*Resolved*, That a copy of this resolution be sent to the Senators and Members of the House of Representatives from Alabama in Congress, and that copies of said resolution, in triplicate, be presented to the Board of Engineers for Rivers and Harbors (U. S. Engineers) at the public hearing to be had on said project in Mobile, Ala., on May 28, 1945.'

"The above Senate joint resolution was adopted by the Legislature of Alabama on May 22, 1945."

POSTWAR MILITARY ESTABLISHMENT AND STATUS OF THE NATIONAL GUARD

Mr. HOEY. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Gen-

eral Assembly of North Carolina relating to the postwar Military Establishment and the status of the National Guard.

The PRESIDENT pro tempore. Without objection, the resolution will be received and appropriately referred.

The resolution was referred to the Committee on Military Affairs, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 447

Joint resolution memorializing the Congress of the United States of America on the postwar Military Establishment and the status of the National Guard.

Whereas the States and Territories of the Union are jointly interested with the National Government in the postwar military policy to be established by the Congress, based upon the military clauses and the Army clauses of the Constitution, thereby directly affecting the military establishments of the respective States in their relationship to the State forces of the Army of the United States; and

Whereas certain ones of the many plans and suggestions offered have been presented to the Congress: Now, therefore, be it

Resolved by the senate (the house of representatives concurring):

SECTION 1. That the Congress is respectfully petitioned to preserve, in the postwar military organization, the civilian components of the Army of the United States; specifically the National Guard, the Officers' Reserve Corps, and the Organized Reserves, in line with the provisions of the National Defense Act of 1916, as amended, and especially the provisions of the Selective Training and Service Act of 1940, relating to the status of the National Guard as an integral part of the first line of defense of our Nation.

The National Guard and Organized Reserves have made a glorious contribution to the Nation, on the battlefields of World War II. Their record in World War I was outstanding. Such contributions are justification to the Congress in providing for the continuance of the National Guard and Reserves as first-line components of the Army of the United States.

SEC. 2. That we fully subscribe to and endorse the position taken by the Secretary of War, as to the future status of the National Guard, as announced on November 23, 1944, in which he states:

"It would be the mission of this reserve component (the National Guard), in the event of a national emergency, to furnish units fit for service anywhere in the world. * * *

"This conception of the mission of the National Guard of the United States would interfere in no way with the traditional mission of the National Guard of the States and Territories to provide sufficient organizations in each State, Territory, and the District of Columbia, so trained and equipped as to enable them to function efficiently at existing strength in the protection of life and property and the preservation of peace, order, and public safety, under competent orders of the State authorities.

"* * * National Guard units have played a vital role in the mobilization of our present Army and they have made a brilliant record on every fighting front. We are counting on them as a bulwark of our future national security."

We also approve and endorse the statement of Gen. George Marshall, Chief of Staff of the Army of the United States, set forth in War Department Circular No. 347, August 25, 1944, to the effect that the postwar Military Establishment should consist of a professional peacetime army (no larger than necessary to meet normal peacetime requirements) to be reinforced in time of emergency by organized units drawn from the civilian components of the Army of the United States.

SEC. 3. That we advocate, in the event that a system of universal military training be included in the postwar plan for the Military Establishment, that such training be integrated with the civilian components of the Army and specifically the National Guard, the Officers' Reserve Corps, and the Organized Reserves.

SEC. 4. That in the discussion of the postwar military policy and the form of the Military Establishment, the fullest opportunity, consistent with existing conditions, be accorded the officers and men of all components of the Army, who are or who have been serving with the armed forces in time of war, to express their views on this most important matter to the end that this Nation will adopt a sound military policy consistent with our traditions and which will afford the utmost security to the Nation.

SEC. 5. That this resolution shall be in full force and effect from and after its ratification.

In the General Assembly read three times and ratified, this the 21st day of March 1945.

POSTAL SALARIES—RESOLUTION OF NEW HAMPSHIRE LEGISLATURE

Mr. BRIDGES. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a concurrent resolution adopted by the New Hampshire Legislature relative to the so-called postal salary bill.

The PRESIDENT pro tempore. Without objection, the resolution will be received and appropriately referred.

The resolution was referred to the Committee on Post Offices and Post Roads, and, under the rule, ordered to be printed in the RECORD, as follows:

Concurrent resolution relative to the postal salary bill, so called

Be it resolved by the senate (the house of representatives concurring), That the Congress of the United States be, and hereby is, requested to give full consideration to the so-called postal salary bill known as House Resolution No. 2071, now before the Congress of the United States, as it is the sense of the General Court of New Hampshire that such bill should become law; and be it further

Resolved, That copies of this resolution be transmitted by the secretary of state to the Senators and Congressmen from New Hampshire.

Passed May 18, 1945.

RESOLUTIONS OF OKLAHOMA LEGISLATURE

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD two concurrent resolutions adopted by the State Legislature of Oklahoma.

The PRESIDENT pro tempore. Without objection, the resolutions will be received, appropriately referred, and, under the rule, printed in the RECORD.

To the Committee on Banking and Currency:

Senate Concurrent Resolution 16

Concurrent resolution memorializing the Members of the Oklahoma delegation in Congress to revive and secure the adoption of the Disney bill providing for an average price increase of 35 cents per barrel on crude oil

Whereas the State of Oklahoma is sorely in need of additional revenues to provide for functions of State government; and

Whereas if crude oil prices were increased the State gross production tax thereon would materially assist the State of Oklahoma to adequately finance its public-school system, highway construction and maintenance, and public-health programs; and

Whereas the Disney bill, which passed the lower House of Congress in December 1943, would provide an average price increase of 35 cents per barrel on crude oil; and

Whereas such an increase in the price of crude oil is desirable not only from the standpoint that it would provide sorely needed State revenue but would help to relieve the oil shortage now existing in that such increase would encourage exploration for petroleum and maintain competition in the petroleum industry: Now, therefore, it it

Resolved by the Senate of the Twentieth Legislature of the State of Oklahoma (the House of Representatives concurring therein):

1. That the Members of the Oklahoma delegation in Congress, and each of them, be and they are hereby memorialized and petitioned to revive and secure the adoption by Congress of the Disney bill providing for an average price increase of 35 cents per barrel on crude oil.

2. That the Members of the Oklahoma delegation in Congress be, and they are hereby, informed that in the opinion of this legislature they could render no greater service to this State at this time than to secure the adoption by Congress of an act providing for an average price increase of 35 cents per barrel on crude oil; that such price increase now would be of great benefit to the State of Oklahoma and its people, both from a governmental and business standpoint.

3. That the secretary of the senate be, and he is hereby, directed to forward a copy of this resolution to each Member of the Oklahoma delegation in Congress.

Adopted by the senate the 20th day of April 1945.

To the Committee on Finance:

Senate Concurrent Resolution 1

Concurrent resolution memorializing the Congress of the United States to amend the Federal social-security law to permit recipients of benefits or assistance thereunder to engage in various work and small enterprises without prejudice to their status as beneficiaries of said law to the extent that the first $240 annual net earnings of any such persons shall not be taken into consideration in determining the amount of assistance they are to receive

Whereas approximately 80,000 of the citizens of this State, by reason of age and physical infirmity, have qualified under the terms of the Federal Social Security Act, and are enjoying the benefits and assistance thereunder; and

Whereas a great number of such persons are not only still able but desire to engage in various work and small enterprises not necessarily connected with agricultural production and thereby augment the moneys received from the social-security fund, and at the same time give them something useful to do, as well as helping to relieve the manpower shortage and the winning of the war; and

Whereas to permit the same to be done would not in anywise destroy or interfere with the policy or purpose of the Social Security Act, but would lend encouragement to this class of people to utilize the principles of thrift and industry which they are still capable of exercising and enable them to make a small contribution to their own welfare and comfort in their declining years, as well as to their community and to the all-out war effort of the Nation: Now, therefore, be it

Resolved by the Senate of the State of Oklahoma (the House of Representatives concurring therein), That the Congress of the United States be, and it is hereby, memorialized to pass legislation amending the present law by providing that each individual affected by the social security law shall be permitted to engage in work of any kind and in small enterprises to the extent that the first $240 annual net earnings or income of any recipient or applicant for assistance shall not be taken into consideration in determining the amount of assistance such person is to receive under the social-security law and the rules and regulations of the Social Security Board; be it further

Resolved, That the secretary of the senate send a copy of this resolution to each Member of the Oklahoma delegation in Congress.

BRETTON WOODS PROPOSALS

Mr. TOBEY. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a paper in the nature of a petition, embodying the recommendations for action on the Bretton Woods proposals adopted by the social action committee of the Church of Christ at Hanover, N. H.

The PRESIDENT pro tempore. Without objection, the petition will be received, referred to the Committee on Banking and Currency, and printed in the RECORD.

The recommendation for action is as follows:

BRETTON WOODS PROPOSALS

RECOMMENDATIONS FOR ACTION

The social action committee of the Church of Christ at Hanover, N. H., believes that Congress should accept the Bretton Woods Proposals for an International Bank for Reconstruction and Development and an International Monetary Fund (in spite of possible imperfections or risks involved), as an important and essential step in the development of international economic cooperation.

We believe it is as important that the church and Christian laymen should support international economic cooperation, including the Bretton Woods Proposals, as it is that they recognize their moral obligation to support the Dumbarton Oaks Proposals for an international security organization. Both are in the interests of a lasting peace. The best imaginable political machinery that may be set up at San Francisco has little chance of carrying out its objectives unless it can build on a firm foundation of economic cooperation; unless some way is found to restore areas devastated by the war and promote world trade, to prevent economic warfare and the revival of competitive trade practices. One of the purposes of the Bretton Woods Proposals is to create conditions in which an international security organization can function and trade can expand.

The place to begin on economic reconstruction is with the financial measures which permit the exchange and supply of goods between nations. To oppose these proposals because of the known risks or the assumed imperfections would be playing into the hands of the economic isolationists and perfectionists who are as much an obstacle to economic cooperation as political isolationists are to an international security organization. In both cases our policy should be to study, support, improve. In both cases the present critical international situation demands that the machinery be set in motion at an early date.

The moral responsibility of the United States, particularly in the case of economic cooperation, is tremendous because of our enormous economic resorces and productive power. For us to postpone or sidestep the issue at this time in the hope of creating a more perfect instrument would endanger the possibility of ever achieving international economic cooperation which is desperately needed to create and maintain a peaceful and prosperous world society.

A caution should be uttered, nevertheless, against expecting that monetary measures can or will correct all the economic ills that may descend upon the world in the difficult postwar period. These measures will help; they are a necessary step; but to look upon them as a cure-all would only bring disillusionment.

THE ARGUMENT: IN GENERAL

The Bretton Woods Proposals should be adopted because they would help to promote political security, economic stability, and world-wide prosperity. Perhaps the primary argument in their favor is that they provide for continuing international collaboration and consultation on monetary and financial problems. That is a big step forward; it will promote understanding and cooperation. They also aim to prevent sowing again the seeds of economic warfare and discriminatory trade practices such as thrived during the depression years. And they are an essential step in the promotion of expanding international trade and a high level of domestic employment. Moreover, they are the only plans before us; they are carefully worked out plans—a compromise hammered out after years of study by experts of many nations; and they are designed specifically to meet the needs of the present world situation.

THE BANK

The proposed Bank for Reconstruction and Development is particularly desirable because it would open up, under proper safeguards, the field of investment, would increase the security of international lending, and would help provide capital by which devastated countries could reestablish their economies on a sound basis and backward countries of Europe and Asia might be developed.

The bank is generally accepted to be a most-important institution in the difficult transition period immediately ahead; yet it has aroused so little opposition and therefore so little discussion that its vital importance is inadequately understood or appreciated. It is the means proposed for encouraging the restoration of transportation and the development of industries by the export of capital and equipment.

The bank is soundly designed to serve this purpose. Its function is not to supplant private capital but primarily to release it by underwriting and guaranteeing private investments and to a minor extent to supplement it by making direct loans. World peace and political stability should thereby be promoted, as well as a higher level of employment and greater prosperity everywhere.

THE FUND

The monetary fund likewise seems to be necessary, in spite of arguments advanced against it, and it should serve a useful purpose even though some of its objectives may be difficult of attainment. Unless the fund is established at an early date, there will be no agency to assist in the orderly establishment of initial exchange rates between currencies during the difficult transition period immediately ahead; and no organization or procedure for promoting orderly and undisturbing changes in exchange rates in cases where subsequent developments prove such changes to be desirable in the interest of internal economic stability and full employment. The most difficult task will be that of harmonizing the dual objectives of orderly exchange adjustments and reasonable stability in exchange rates.

The apparent conflict is not irreconcilable. The fund should serve to prevent capricious changes in exchange rates. It provides a means of eliminating the use of currency and exchange devices for the purposes of economic warfare. The fund permits orderly and undisturbing changes in exchange rates when they are needed to restore equilibrium to the balance of payments. But it sets limits on these changes, compels members to consult the fund, lays down rules of procedure and provides security and safeguards. In short, countries agree not to depreciate their currencies by unilateral action in order to obtain unfair advantages in trade. They also agree gradually to remove present exchange controls; and they agree to consult and to cooperate in monetary matters. These are great assets and make the fund seem both necessary and desirable.

Although there is some risk of loss, and some uncertainties exist as to just how the fund would operate in certain cases, the alternative of making no international arrangements for cooperation and consultation in dealing with these monetary problems, since it would mean economic chaos and warfare, is socially indefensible. The risk to world peace from having no international machinery for promoting economic cooperation is so great that we cannot afford not to insure ourselves against it, so far as that is possible.

The Bretton Woods proposals are not the whole story in international economic development and they are not perfect, but they are an essential step forward toward cooperation in international economic relations and they are a strong buttress for political cooperation. Unless peoples can work together in the economic sphere, they will find that cooperation in the political sphere will soon become ineffective or impossible.

The plight of countries devastated by war calls not only for relief but for sound policies of reconstruction and for cooperation. The American people have a moral obligation to help rebuild the world economy. It is also good business for us to help out. Justice and charity as well as self-interest urge us to meet the challenge; to assume our full share of responsibility. We therefore urge that Congress support the Bretton Woods proposals as important steps toward a more peaceable and a more prosperous world.

Adopted by the social action committee of the Church of Christ on May 4, 1945.

Lloyd P. Rice, Chairman, John G. Sagley, Helen F. Morse, Secretary, Anne W. Lincoln, Bessie Dankert, Leslie K. Sycamore, Rev. Chester B. Fisk, Anne E. McCallum, Kennet W. Foley, Edith Thamarus, Virgil Poling, R. C. Beetham.

MISSOURI VALLEY AUTHORITY—MEMORIALS

Mr. CAPPER. Mr. President, I have received from Samuel Wilson, manager of the Kansas State Chamber of Commerce, Topeka, the following resolution expressing their opposition to the proposed Missouri Valley Authority:

KANSAS STATE CHAMBER OF COMMERCE,
Topeka, Kans., May 24, 1945.

To the Members of the Kansas Delegation in Congress:

GENTLEMEN: At a meeting of the executive committee of the Kansas State Chamber of Commerce, the following resolution was adopted unanimously:

"That we inform the Kansas Delegation in Congress that for conserving the resources of the Missouri Valley, we favor a plan of cooperative control by the Valley States and the Federal Government, a plan analogous to that of Federal-State highway building so that the dominant control within each State will be exercised by that State; and that we are unalterably opposed to any plan that is essentially similar to that of the Tennessee Valley Authority."

There were present: W. H. Vernon, H. W. Smith, D. L. Wheelock, J. A. Fenimore, C. E. Pray, C. G. Hesse, Vernon F. Palmer, Dr. F. D. Farrell, Harry L. Stevens. Absent: M. F. Gill, Dr. C. D. Blake, W. J. Stroup. The business connections of these men appear on the back of this letterhead.

Respectfully submitted.

SAMUEL WILSON.

I ask unanimous consent to present this resolution and that it be appropriately referred.

There being no objection, the resolution was received and referred to the Committee on Irrigation and Reclamation.

Mr. CAPPER. I ask unanimous consent to present for printing in the RECORD and appropriate reference a copy of the resolutions adopted at a meeting of the officers and directors of the Kansas State Reclamation Association at Phillipsburg, Kans., May 10, 1945, opposing enactment of S. 555, creating a Missouri Valley Authority—a position in which I heartily concur.

There being no objection, the resolutions were received, referred to the Committee on Irrigation, and ordered to be printed in the RECORD, as follows:

Whereas the officers and directors of the Kansas Reclamation Association believe that the establishment of a Missouri Valley Authority as provided in Senate bill No. 555, now being considered by the Senate of the United States, is inconsistent with the principles and form of government of our country; and

Whereas said officers and directors believe that the development of our land and water resources can be better carried on under existing Federal and State agencies; and

Whereas a plan for development of our Missouri River Basin has been approved by Congress and our existing Federal agencies are prepared to execute said plan as soon as the war is over: Now, therefore, be it

Resolved:

1. That this meeting respectfully requests that George Knapp, State engineer of the State of Kansas, attend the hearing before the subcommittee of the Committee on Agriculture, United States Senate, Seventy-ninth Congress, to offer testimony on behalf of the opponents of said Murray bill.

2. That this meeting respectfully requests that George Knapp, State engineer of the division of water resources, State of Kansas, attend the hearing before the subcommittee of the Committee on Irrigation, United States Senate, to offer testimony on behalf of the opponents of said Murray bill; be it further

Resolved:

a. That this meeting respectfully request our Senators and Representatives from the State of Kansas to use their influence that the following items of the annual Interior appropriation bill be restored to the amount recommended by the Bureau of the Budget: Missouri River Basin, recommended $4,480,000; approved by House, $1,440,000; general investigations, recommended $5,500,000, approved by House, $125,000; for the reason that such drastic cuts will materially hamper the work of the Interior Department (Bureau of Reclamation) in the State of Kansas.

By the Committee on Resolutions:

PAUL APPLEGATE, *Wakeeney.*
CHRIS GREEN, *Courtland.*
EMMETT KISSELL, *Portis.*

Approved at Phillipsburg, Kans., May 10, 1945.

E. PORTER AHRENS,
President.

Attest:

J. E. KISSELL,
Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs:

S. 438. A bill authorizing the Secretary of the Interior to partition certain lands in Cleveland County, Okla., and for other purposes; without amendment (Rept. No. 309).

By Mr. O'MAHONEY, from the Committee on Indian Affairs:

S. 718. A bill to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands; without amendment (Rept. No. 312); and

H. R. 1804. A bill to amend the act of Congress entitled "An act for the relief of the Tlingit and Haida Indians of Alaska," approved June 5, 1942; without amendment (Rept. No. 310).

By Mr. HATCH, from the Committee on the Judiciary:

S. J. Res. 66. Joint resolution to extend the statute of limitations in certain cases; without amendment (Rept. No. 311).

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

S. 935. A bill to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities; without amendment (Rept. No. 313).

By Mr. BUSHFIELD, from the Committee on Indian Affairs:

S. 709. A bill authorizing and directing the Secretary of the Interior to issue to Peter A. Condelario a patent in fee to certain land; without amendment (Rept. No. 314); and

H. R. 378. A bill authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes; without amendment (Rept. No. 315).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOEY:

S. 1058. A bill for the relief of Edgar B. Grier; to the Committee on Claims.

By Mr. THOMAS of Oklahoma (by request):

S. 1059. A bill to amend the United States Warehouse Act of 1916, as amended, to prohibit grain warehousemen whose receipts are tenderable in satisfaction of futures contracts from directly or indirectly dealing in grain and to prescribe the duties of such grain warehousemen with respect to the storage of grain; to the Committee on Agriculture and Forestry.

By Mr. WILSON:

S. 1060. A bill to authorize the furnishing to military and naval personnel of transportation and subsistence to enable them to visit their homes while on furlough or leave in the United States after service outside the continental limits of the United States and to return to their military and naval stations; to the Committee on Military Affairs.

By Mr. McMAHON:

S. 1061. A bill for the relief of Violet Ludokiewich; to the Committee on Claims.

By Mr. WALSH:

S. 1062. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the Naval Auxiliary air station, Pungo, Norfolk, Va., on February 13, 1945; to the Committee on Naval Affairs.

By Mr. WALSH (for himself and Mr. SALTONSTALL):

S. 1063. A bill to provide for maintaining the regiment of midshipmen at the United States Naval Academy at full strength; and

S. 1064. A bill to authorize the discharge of midshipmen from the United States Naval Academy by the Secretary of the Navy because of unsatisfactory conduct or aptitude; to the Committee on Naval Affairs.

By Mr. FULBRIGHT:

S. 1065. A bill to increase the salaries of directors of the Reconstruction Finance Corporation from $10,000 to $12,500 per annum; to the Committee on Banking and Currency.

By Mr. BILBO:

S. 1066. A bill to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended; and

S. 1067. A bill to remove restrictions to the appointment of retired officers of the United States Public Health Service as Superintendent of Gallinger Municipal Hospital, in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

(Mr. BRIDGES introduced Senate bill 1068, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. MYERS (for himself and Mr. GUFFEY):

S. J. Res. 70. Joint resolution granting the consent of Congress to an amendment of the original compact or agreement between the Commonwealth of Pennsylvania and the State of Ohio relating to Pymatuning Lake; to the Committee on Commerce.

ABATEMENT OF CERTAIN INCOME TAXES FOR MEMBERS OF THE ARMED FORCES

Mr. BRIDGES. Mr. President, I ask unanimous consent to introduce, for appropriate reference, a bill to amend the Internal Revenue Code so as to provide for abatement of certain income taxes for members of the armed forces. I also ask unanimous consent that a statement in explanation of the bill may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill introduced by the Senator from New Hampshire will be received and appropriately referred, and the statement will be printed in the RECORD.

The bill (S. 1068) to amend the Internal Revenue Code so as to provide for abatement of certain income taxes for members of the armed forces, introduced by Mr. BRIDGES, was read twice by its title and referred to the Committee on Finance.

The explanation presented by Mr. BRIDGES is as follows:

This bill which I propose to offer as an amendment to the first revenue bill to come before the Senate is designed to remove a distinct injustice in our national tax policies against the men and women in the armed services. Many of these, upon demobilization, will return home to find their personal problems acutely increased by reason of the accumulated income taxes which have accrued during their years of service. While our present tax laws have given service men and women the relief of not requiring income-tax payments or returns while in foreign service, they have not forgiven such obligations. They simply postponed, for the veteran, the day of reckoning. They provide that he shall be greeted, upon his return home, with an accumulated bill, payable in one lump for all the years of his service.

Obviously, when this policy was entered upon, the Congress did not contemplate a war of such length as the present. For some

of the men now in the service, who entered as trainees, after the passage of the Selective Training and Service Act of 1940, and who have remained continuously in the armed forces, the present requirements might mean that upon demobilization he would be liable for total income-tax payments for the years 1941, 1942, 1943, 1944, and 1945. Should the war continue beyond this year, the total would be correspondingly larger.

Here is a patent injustice, which, in many cases, will go far to frustrate the intent of the Congress to facilitate the smooth return to civilian life and occupations of the millions who have made victory in this war possible. The overhanging shadow of this V-day obligation should be lifted from the minds of the service men and women.

It has been suggested that this is an officers' bill and will not help the enlisted man, who is protected by the $1,500 exemption for men and women in the armed forces. This is obviously an error. In computing his income, every member of the armed forces must include not only his pay but the allotment made to his wife and children. While I have not the statistics before me, it would be my guess that some 60 to 70 percent of the members of the armed forces have families so that their pay checks, plus their allotment checks, particularly if they are engaged in foreign duty, would exceed the $1,500 exemption.

Under this amendment members of the armed forces are exempted from payment of taxes on all income received for such service during their term of service. It does not in any way affect the right of the Treasury Department to assess and compel payment of taxes accruing to such individuals from other sources during such service if, as is probably the case of members of the armed forces in this country, that have filed their return and paid their taxes on income received for such service, they are entitled under this amendment to a refund or credit. If such taxes have been assessed but not collected, they are entitled to an abatement.

If a member of the armed forces after he is eligible for discharge from such service, elects to reenlist to remain in such service, the income he received thereafter is not affected by this amendment. If a man is discharged and thereafter ordered to report to a veterans' hospital for treatment, such pension as he may receive while so reporting is not affected by this act as the internal revenue laws already take care of that situation.

Further, if a man is discharged for medical reasons from one branch of the armed service and is thereafter accepted in another branch, the exemption applies only to income received by him while in such service and not to such income as he may earn during the period between his discharge and his reenlistment.

To put it succinctly, this amendment removes the burden of requiring members of the armed forces to pay taxes on income received from such service and thus stand abatement of the expenses of a war which they are risking their lives to win. The justice of such relief is too obvious for comment.

My amendment provides for such relief.

HOUSE BILL REFERRED

The bill (H. R. 3240) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, was read twice by its title and referred to the Committee on Finance.

AMENDMENT OF TRADE AGREEMENTS ACT

Mr. O'MAHONEY. Mr. President, when the Reciprocal Trade Agreements Act was first introduced in this body, in 1934, I took the position that the Congress should be permitted to participate in fixing the rates which might be agreed upon in any such agreement. On every occasion since when a bill has been introduced to extend the Reciprocal Trade Agreements Act I have offered a similar amendment. I offered such an amendment in 1943. It was based upon my conviction that the tariff rates contained in reciprocal trade agreements are taxes, and that it is the constitutional duty of the Congress of the United States to pass upon all tax matters, that it is particularly the constitutional duty of the House of Representatives to originate all revenue bills, and in that I include all changes affecting revenue.

It seems to me, Mr. President, that it is more important now than at any time in our history that the Congress should retain its constitutional powers, and should not delegate them away. I rise at this time to offer an amendment similar to that which I offered last year to House bill 3240 extending the Trade Agreements Act, as it has been passed by the House, and I ask that the amendment be referred to the Committee on Finance.

The PRESIDENT pro tempore. Without objection, the amendment will be received, printed, and referred to the Committee on Finance.

INVESTIGATION OF PROBLEMS OF COMMERCE DURING THE POSTWAR PERIOD

Mr. O'DANIEL submitted the following resolution (S. Res. 128), which was referred to the Committee on Commerce:

Resolved, That the Committee on Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with respect to the nature, problems, and potentialities of the commerce of the United States during the post-World War II period, with particular reference to such matters as the availability of adequate shipping, the operation of the American merchant marine, the availability of supplies of raw materials, the necessity for river and harbor improvements to provide adequately for potential expansion of water-borne commerce, financing, products required to be imported by the United States and products of which the United States will have an exportable surplus, and necessary changes in the shipping and navigation laws of the United States. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations as it may deem desirable.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

EMERGENCY FLOOD CONTROL

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 938) to provide for emergency flood-control work made necessary by recent floods, and for other purposes, which were, on page 1, line 4, to strike out "expanded" and insert "expended", and on page 2, to strike out all after line 23, over to and including line 10 on page 3.

Mr. OVERTON. Mr. President, I move that the Senate concur in the amendments of the House.

Mr. WHITE. Will not the Senator indicate what the House amendments are?

Mr. OVERTON. The first amendment is merely an amendment to correct a typographical error. The word "expanded" was used when the word "expended" should have been used.

The second amendment is more important. The Senator will recall that when the bill was before the Senate for consideration it contained section 4, which made available the balance of the appropriation of $15,000,000 in the hands of the Secretary of Agriculture which had been appropriated to make loans and grants to farmers whose property was destroyed or damaged by floods.

The House objected to that method of procedure, and the Members of the House wanted the bill divided into two parts, one dealing strictly with flood control, to go before the Committee on Flood Control, the other dealing with making available these unexpended funds, to go before the Committee on Appropriations. So a resolution to carry out the provisions of section 4 was offered and referred to the House Committee on Appropriations.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

SAM SWAN AND AILY SWAN

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 1308) for the relief of Sam Swan and Aily Swan, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. MCMAHON, Mr. O'DANIEL, and Mr. MORSE conferees on the part of the Senate.

UNIFORM LAWS ON MARRIAGE AND DIVORCE

Mr. CAPPER. Mr. President, in connection with a resolution (S. J. Res. 47) which I have introduced, which would submit to the States a constitutional amendment empowering the Congress to enact uniform laws throughout the United States on marriage and divorce, legitimation of children, and the care and custody of children affected by annulment of marriage or by divorce, I desire to call the attention of the Senate to two opinions handed down last week by the Supreme Court of the United States. I wish especially at this time to call at-

tention to language used by Associate Justice Frankfurter of the Supreme Court in delivering the opinion of the Court in the case of O. B. Williams and Lillie Shaver Hendrix against the State of North Carolina:

What it (the record) shows is that the petitioners, long-time residents of North Carolina, came to Nevada, where they stayed in an auto court for transients, filed suit for divorce (from their respective spouses) as soon as the Nevada law permitted, married one another as soon as the Nevada law permitted, and promptly returned to North Carolina to live. * * * It would be highly unreasonable to assert that a jury could not reasonably find that the petitioners went to Nevada solely for the purpose of obtaining a divorce and intended all along to return to North Carolina to live.

And so we cannot say that North Carolina was not entitled to draw the inference that petitioners never abandoned their domiciles in North Carolina, particularly since we could not conscientiously prefer, were it our business to do so, the contrary findings of the Nevada court.

The Supreme Court upheld the North Carolina decision that the petitioners were guilty of bigamy.

I also wish to direct attention to this pertinent language in the opinion delivered by Justice Frankfurter:

This is merely one of those untoward results inevitable in a Federal system in which the regulation of domestic relations has been left with the States and not given to the national authority.

Mr. President, I believe that is a good summary of the legal points involved. It does not begin to picture the human elements involved, the good names of the principals, the social standing and property rights of children and parents, mental anguish, and frequently physical suffering and misery. Those are some of the results of having 49 different governments enact and interpret the multiplicity of laws relating to marriage, annulment, divorce, and the status of children involved in millions of cases.

In the interest of preserving the family and in the public interest we need in the United States uniform laws on these related subjects. The only way we can have uniform laws is to have a national marriage and divorce law. My proposed amendment should be submitted to the States for ratification.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, editorials on this subject from the Washington Times-Herald. the Washington Star, and from the Washington Post, and also the opinion of the Supreme Court of the United States in the case of O. B. Williams and Lillie Shaver Hendrix, petitioners, against the State of North Carolina, handed down May 21, 1945.

There being no objection, the editorials and opinion were ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald]

SUPREME COURT ON RENO DIVORCES

The United States Supreme Court day before yesterday handed down decisions in two cases involving Reno, Nev., divorces. In both cases the Reno divorces were held invalid. Both seem worth some discussion.

1. Mr. and Mrs. O. B. Williams, of Pineola, N. C., each used to be married to somebody else. They got Reno divorces, married each other, and went back to North Carolina to live. In Reno, they met all the requirements of the Nevada divorce laws—concededly liberal—and there is no charge or proof of any fraud in the Reno proceedings.

Back in North Carolina, however, the Williams couple were convicted of bigamous cohabitation; and the Supreme Court day before yesterday upheld the conviction by a vote of 6 to 3. In the majority were Chief Justice Stone and Associate Justices Frankfurter, Jackson, Murphy, Reed, and Roberts. The minority was composed of Associate Justices Black, Douglas, and Rutledge.

The North Carolina conviction was based on the assertion that, though these persons each spent 6 weeks in Nevada, as required by the Nevada divorce laws, they did not establish bona fide residences in Nevada. Hence, North Carolina's divorce laws being different from and stricter than Nevada's, the North Carolina court held that they had not been legally divorced from their previous spouses and were living in sin, as it is called.

The Supreme Court has now upheld this view. This, in spite of a 1942 Supreme Court ruling that uncontested Nevada decrees are valid in all States if not attacked on the question of whether a real Nevada residence was established.

Justice Hugo L. Black, writing a vigorous dissenting opinion, estimated that 85 percent of the divorces of 5,000,000 persons throughout the United States were uncontested. He fears that this decision exposes all such divorced persons to danger of criminal prosecution, extortion, and other harassments. Justice Frank Murphy, in a special concurring opinion, says he has no such fears; that all uncontested divorces "are as secure today as they were yesterday."

2. One W. F. Esenwein, now of Cleveland, was married in Pennsylvania in 1899. He and his wife separated 20 years later. He got a Reno divorce in 1941. A Pittsburgh court in 1922 had given his wife a support order on him. After obtaining his Reno divorce, he asked the Pittsburgh court for a release from the support order. The court refused; and the Supreme Court day before yesterday upheld that refusal, by unanimous vote.

Decision was based on findings of Pennsylvania courts that Esenwein did not establish bona fide Nevada residence, and had no intention of living there, and that therefore Nevada's courts lacked jurisdiction to give him a divorce.

Thus the United States divorce problem takes on a few more complications which it did not have before last Monday, when these Supreme Court decisions came down—though it already had plenty of complications.

UNIFORM DIVORCE LAW THE ANSWER?

It is true that few persons who go to Reno or other places in Nevada to get divorces have any intention of settling down and living in Nevada. Nevada has loose divorce laws, and makes a pretty good thing out of them for some of its lawyers, hotel men, dude ranchers, etc., and there is no secret about that.

Florida is another easy-divorce State—except that you have to stay there 3 months instead of 6 weeks, and swear that you really do intend to live in Florida. Mexican divorces are even flimsier.

In this sense, uncontested divorces obtained in these places are fraudulent. But it does seem that these confusing decisions from the Supreme Court must tend to endanger more and more divorced persons' later marriages, property settlements, and so on. It seems to us, too, that these decisions cut something of a hole in the Constitution's flat order (art. 4, sec. I) that "full faith and credit shall be given in each State to the public acts, records, and judicial proceedings of every other State."

Perhaps the only final settlement of the whole problem would be a uniform Federal divorce law, covering all the States with the same regulations for obtaining divorce. Senator ARTHUR CAPPER, Republican of Kansas, says that because of Monday's decisions he will resume his long fight for such a law in the near future. At best, though, it looks as if it is a long, tough pull to real divorce reform.

[From the Washington Evening Star of May 22, 1945]

DUBIOUS DIVORCES

The Supreme Court's latest pronouncement on the subject of divorce flashes a clear warning signal to persons bent upon quick and easy dissolution of their marriages.

It would be unwise to draw sweeping conclusions from the Court's opinion, for it is hedged about with qualifications which make it difficult to generalize as to when "quickie" divorces are good and when they are worthless. But it is plain enough that in some circumstances divorces of this character are not worth the paper they are written on.

In the case at hand, the Court was asked, for the second time, to determine the legality of a North Carolina bigamy conviction. The man and woman involved had gone from North Carolina to Nevada to divorce their respective spouses. They lived in a trailer camp in the latter State for 6 weeks, filed suits through the same lawyer, and obtained Nevada divorces on inconsequential grounds. They were then married in Nevada and went back to North Carolina, where they were tried and convicted of bigamy under a State law.

The Supreme Court first set this conviction aside on the rather narrow ground that, since the Nevada domicile had not been challenged in North Carolina, its validity had to be assumed in the circumstances surrounding the appeal. After this ruling the North Carolina authorities again tried the parties for bigamy, the Nevada domicile was attacked and held to be sham, and the man and woman were convicted for the second time. This is the conviction which has now been upheld in the Supreme Court, the reasoning of the majority being roughly as follows: The man and woman never intended to give up their North Carolina domicile. Hence they were not domiciled in Nevada, the courts of that State did not have binding jurisdiction in the case, and could not award a divorce decree which North Carolina, desiring to protect the institution of marriage within its borders, was compelled to recognize under the full faith and credit clause of the Constitution. In other words, while the divorce may have been good in Nevada, it was worthless in North Carolina, and the parties, having lived in the latter State as man and wife, can now be sent to jail as bigamists.

What the enunciation of this rule by the court may imply for millions of other divorced persons is difficult to determine. Justice Black, dissenting, said that the Court's opinion "casts a cloud over the lives of countless numbers of the multitude of divorced persons in the United States." Statistics indicate that there are between four and five million people in this country who have obtained uncontested divorces. And Justice Black says that not one of this group "can now retain any feeling of security in his divorce decree."

Other members of the Court made it clear that they did not share these apprehensions. But in the present confused state of our laws on this subject those decrees which have come to be lumped under the general heading of "Reno divorces" are dubious affairs. They should be plainly labeled: "Let the buyer beware."

[From the Washington Post of May 23, 1945]

DIVORCE TANGLE

No wholly satisfactory decision could have been rendered in the Williams-Hendrix case involving the diverse laws of Nevada and North Carolina on marital relations. Had the minority view prevailed, it would have given free rein to the divorce mills. The unquestioned result of the majority decision is to cast a shadow upon many marriages contracted after divorces have been obtained in Nevada and other States that make a specialty of untying marital knots. We have said before, and now we say with greater emphasis, that we do not believe these issues can be properly worked out by Court decrees.

In this case the unfortunate principals fled from their respective spouses in North Carolina, obtained divorces in Nevada while camping in an auto court, then remarried and returned to North Carolina to live. Their blissful escape from the rigorous divorce laws of North Carolina brought tragedy in its wake, however, when they were convicted of bigamous cohabitation. The Supreme Court has now upheld that conviction. The opinion by Justice Frankfurter acknowledges that "great deference is owed by the courts of one State to what a court of another has done." Such deference is required by the Constitution in the full faith and credit clause. But this does not mean that Nevada may impose her divorce policy on North Carolina.

Nevada acted on the assumption that Williams and Mrs. Hendrix were domiciled in that State. Actually, of course, they were not. The Supreme Court has said only that North Carolina is not compelled by the Constitution to recognize the fiction that they were domiciled in Nevada after they returned to their home in North Carolina. In other words, the full faith and credit requirement does not permit one State "improperly to intrude into domestic relations subject to the authority of other States." We do not think that is a strained conclusion. To have decided otherwise, the Court would have found itself sanctifying the fraudulent assumption that people fleeing to divorce-mill States solely for the purpose of undoing marriage ties are actually domiciled there in spite of decisions to the contrary in their home States.

When all this has been said, however, the decision leaves us with a most unsatisfactory situation. Apparently the divorce and remarriage in question are good in some States and not good in others. "Uncontested divorce decrees are thus so degraded," said Justice Black in his dissent, "that a person who marries in reliance upon them can be sent to jail." Thousands who take advantage of divorce mills will thus find their subsequent marital status in jeopardy. That does not justify subordination of all State policies on marital relations to the whims of divorce mills operated by other States, but it does call for a renewed effort to secure uniform legislation in this sphere. This decision is a clear indication that confusion will bedevil the most sacred human relationship until something approaching a uniform policy in this matter is obtained. Incidentally, the divorce-mill States will have a new incentive to cooperate in seeking a solution, for it may be assumed that their exploitation of marital difficulties will not be as profitable under the present ruling as it has been in the past.

SUPREME COURT OF THE UNITED STATES—No. 84, OCTOBER TERM 1944—O. B. WILLIAMS AND LILLIE SHAVER HENDRIX, PETITIONERS, v. THE STATE OF NORTH CAROLINA

(On writ of certiorari to the Supreme Court of the State of North Carolina—May 21, 1945)

Mr. Justice Frankfurter delivered the opinion of the Court.

This case is here to review judgments of the Supreme Court of North Carolina, affirming convictions for bigamous cohabitation,[1] assailed on the ground that full faith and credit, as required by the Constitution of the United States, was not accorded divorce decreed by one of the courts of Nevada. *Williams* v. *North Carolina*, (317 U. S. 287), decided an earlier aspect of the controversy. It was there held that a divorce granted by Nevada, on a finding that one spouse was domiciled in Nevada, must be respected in North Carolina, where Nevada's finding of domicile was not questioned, though the other spouse had neither appeared nor been served with process in Nevada and though recognition of such a divorce offended the policy of North Carolina. The record then before us did not present the question whether North Carolina had the power "to refuse full faith and credit to Nevada divorce decrees because contrary to the findings of the Nevada court, North Carolina finds that no bona fide domicile was acquired in Nevada." *Williams* v. *North Carolina* (supra at p. 302). This is the precise issue which has emerged after retrail of the cause following our reversal. Its obvious importance brought the case here (322 U. S. 725).

The implications of the full faith and credit clause, article IV, section 1 of the Constitution,[2] first received the sharp analysis of this Court in *Thompson* v. *Whitman* (18 Wall, 457). Theretofore, uncritical notions about the scope of that clause had been expressed in the early case of *Mills* v. *Duryee* (7 Cr. 481). The "doctrine" of that case, as restated in another early case, was that "the judgment of a State court should have the same credit, validity, and effect, in every other court in the United States, which it had in the State where it was pronounced." *Hampton* v. *M'Connel* (3 Wheat. 234, 235). This utterance, when put to the test, as it was in *Thompson* v. *Whitman, supra*, was found to be too loose. *Thompson* v. *Whitman* made it clear that the doctrine of *Mills* v. *Duryee* comes into operation only when, in the language of Kent, "the jurisdiction of the court in another State is not impeached, either as to the subject matter or the person". Only then is "the record of the judgment * * * entitled to full faith and credit". 1 Kent, Commentaries (2d ed., 1832) 261 n. b. The essence of the matter was thus put in what *Thompson* v. *Whitman* adopted from Story: "'The Constitution did not mean to confer [upon the States] a new power or jurisdiction, but simply to regulate the effect of the acknowledged jurisdiction over persons and things within their territory'"[3] (18 Wall. 457, 462). In short, the full faith and credit clause puts the Constitution behind a judgment instead of the too fluid, ill-defined concept of "comity".[4]

But the clause does not make a sister-State judgment a judgment in another State. The proposal to do so was rejected by the Philadelphia Convention, 2 Farrand, the Records of the Federal Convention of 1787, 447-48.[5] "To give it the force of a judgment in another State, it must be made a judgment there". *M'Elmoyle* v. *Cohen* (13 Pet. 312, 325). It can be made a judgment there only if the court purporting to render the original judgment had power to render such a judgment. A judgment in one State is conclusive upon the merits in every other State, but only if the court of the first State had power to pass on the merits—had jurisdiction, that is, to render the judgment.

"It is too late now to deny the right collaterally to impeach a decree of divorce made in another State, by proof that the court had no jurisdiction, even when the record purports to show jurisdiction." It was "too late" more than 40 years ago. *German Savings Society* v. *Dormitzer* (192 U. S. 125, 128).

Under our system of law, judicial power to grant a divorce—jurisdiction, strictly speaking—is founded on domicile. *Bell* v. *Bell* (181 U. S. 175); *Andrews* v. *Andrews* (188 U. S. 14). The framers of the Constitution were familiar with this jurisdictional prerequisite, and since 1789 neither this Court nor any other court in the English-speaking world has questioned it. Domicile implies a nexus between person and place of such permanence as to control the creation of legal relations and responsibilities of the utmost significance. The domicile of one spouse within a State gives power to that State, we have held, to dissolve a marriage wheresoever contracted. In view of *Williams* v. *North Carolina*, supra, the jurisdictional requirement of domicile is freed from confusing refinements about "matrimonial domicile," see *Davis* v. *Davis* (305 U. S. 32, 41), and the like. Divorce, like marriage, is of concern not merely to the immediate parties. It affects personal rights of the deepest significance. It also touches basic interests of society. Since divorce, like marriage, creates a new status, every consideration of policy makes it desirable that the effect should be the same wherever the question arises.

It is one thing to reopen an issue that has been settled after appropriate opportunity to present their contentions has been afforded to all who had an interest in its adjudication. This applies also to jurisdictional questions. After a contest these cannot be relitigated as between the parties. *Forsyth* v. *Hammand* (166 U. S. 506, 517); *Chicago Life Ins. Co.* v. *Cherry* (244 U. S. 25, 30); *Davis* v. *Davis*, supra. But those not parties to a litigation ought not to be foreclosed by the interested actions of others; especially not a State which is concerned with the vindication of its own social policy and has no means, certainly no effective means, to protect that interest against the selfish action of those outside its borders. The State of domiciliary origin should not be bound by an unfounded, even

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[1] The prosecution was under section 14-183 of the General Statutes of North Carolina (1943): "If any person, being married, shall contract a marriage with any other person outside of this State, which marriage would be punishable as bigamous if contracted within this State, and shall thereafter cohabit with such person in this State, he shall be guilty of a felony and shall be punished as in cases of bigamy. Nothing contained in this section shall extend * * * to any person who at the time of such second marriage shall have been lawfully divorced from the bond of the first marriage."

[2] "Full faith and credit shall be given in each State to the public acts, records, and judicial proceedings of every other State."

[3] It is interesting to note that this more critical analysis by Mr. Justice Story of the nature of the full faith and credit clause first appeared in 1833, 20 years after his loose characterization in *Mills* v. *Duryee*, supra (3 Story, Commentaries on the Constitution, 1st ed., 1933, p. 183).

[4] "There is scarcely any doctrine of the law which, so far as respects formal and exact statement, is in a more unreduced and uncertain condition than that which relates to the question what force and effect should be given by the courts of one nation to the judgments rendered by the courts of another nation." James C. Carter and Elihu Root, appellants' brief, p. 49, in *Hilton* v. *Guyot* (159 U. S. 113). See, as to "comity", *Loucks* v. *Standard Oil Co.* (224 N. Y. 99).

[5] The reach of congressional power given by art. IV, sec. 1 is not before us. See Jackson, Full Faith and Credit—the Lawyer's Clause of the Constitution (1945) (45 Col. L. Rev. 1, 21-24; Cook, Logical and Legal Bases of Conflict of Laws (1942) 98 et seq).

if not collusive, recital in the record of a court of another State. As to the truth or existence of a fact, like that of domicile, upon which depends the power to exert judicial authority, a State not a party to the exertion of such judicial authority in another State but seriously affected by it has a right, when asserting its own unquestioned authority, to ascertain the truth or existence of that crucial fact.[6]

These considerations of policy are equally applicable whether power was assumed by the court of the first State or claimed after inquiry. This may lead, no doubt, to conflicting determinations of what judicial power is founded upon. Such conflict is inherent in the practical application of the concept of domicile in the context of our Federal system.[7] See *Worcester County Co.* v. *Riley* (302 U. S. 292); *Texas* v. *Florida* (306 U. S. 398); *Dist. of Columbia* v. *Murphy* (314 U. S. 441). What was said in *Worcester County Co.* v. *Riley*, supra, is pertinent here. "Neither the fourteenth amendment nor the full faith and credit clause requires uniformity in the decisions of the courts of different States as to the place of domicile, where the exertion of State power is dependent upon domicile within its boundaries" (302 U. S. 292, 299). If a finding by the court of one State that domicile in another State has been abandoned were conclusive upon the old domiciliary State, the policy of each State in matters of most intimate concern could be subverted by the policy of every other State. This Court has long ago denied the existence of such destructive power. The issue has a far reach. For domicile is the foundation of probate jurisdiction precisely as it is that of divorce. The ruling in *Tilt* v. *Kelsey* (207 U. S. 43), regarding the probate of a will, is equally applicable to a sister-State divorce decree: "The full faith and credit due to the proceedings of the New Jersey court do not require that the courts of New York shall be bound by its adjudication on the question of domicile. On the contrary, it is open to the courts of any State in the trial of a collateral issue to determine upon the evidence produced the true domicile of the deceased" (207 U. S. 43, 53).

Although it is now settled that a suit for divorce is not an ordinary adversary proceeding, it does not promote analysis, as was recently pointed out, to label divorce proceedings as actions in rem. *Williams* v. *North Carolina* (supra at 297). But insofar as a divorce decree partakes of some of the characteristics of a decree in rem, it is misleading to say that all the world is party to a proceeding in rem. See *Brigham* v. *Fayerweather* (140 Mass. 411, 413), quoted in *Tilt* v. *Kelsey* (supra at 52). All the world is not a party to a divorce proceeding. What is true is that all the world need not be present before a court granting the decree and yet it must be respected by the other 47 States provided—and it is a big proviso—the conditions for the exercise of power by the divorce-decreeing court are validly established whenever that judgment is elsewhere called into question. In short, the decree of divorce is a conclusive adjudication of everything except the jurisdictional facts upon which it is founded, and domicile is a jurisdictional fact. To permit the necessary finding of domicile by one State to foreclose all States in the protection of their social institutions would be intolerable.

But to endow each State with controlling authority to nullify the power of a sister State to grant a divorce based upon a finding that one spouse had acquired a new domicile within the divorcing State would, in the proper functioning of our Federal system, be equally indefensible. No State court can assume comprehensive attention to the various and potentially conflicting interests that several States may have in the institutional aspects of marriage. The necessary accommodation between the right of one State to safeguard its interest in the family relation of its own people and the power of another State to grant divorces can be left to neither State.

The problem is to reconcile the reciprocal respect to be accorded by the members of the Union to their adjudications with due regard for another most important aspect of our Federalism whereby "the domestic relations of husband and wife * * * were matters reserved to the States," *Popovici* v. *Agler* (280 U. S. 379, 383–84), and do not belong to the United States. *In re Burrus* (136 U. S. 586, 593–94). The rights that belong to all the States and the obligations which membership in the Union imposes upon all, are made effective because this Court is open to consider claims, such as this case presents, that the courts of one State have not given the full faith and credit to the judgment of a sister State that is required by article IV, section 1, of the Constitution.

But the discharge of this duty does not make of this Court a court of probate and divorce. Neither a rational system of law nor hard practicality calls for our independent determination, in reviewing the judgment of a State court, of that rather elusive relation between person and place which establishes domicile. "It is not for us to retry the facts," as was held in a case in which, like the present, the jurisdiction underlying a sister-State judgment was dependent on domicile. *Burbank* v. *Ernst* (232 U. S. 162, 164). The challenged judgment must, however, satisfy our scrutiny that the reciprocal duty of respect owed by the States to one another's adjudications has been fairly discharged, and has not been evaded under the guise of finding an absence of domicile and therefore a want of power in the court rendering the judgment.

What is immediately before us is the judgment of the Supreme Court of North Carolina. We have authority to upset it only if there is want of foundation for the conclusion that that court reached. The conclusion it reached turns on its finding that the spouses who obtained the Nevada decrees were not domiciled there. The fact that the Nevada court found that they were domiciled there is entitled to respect and more. The burden of undermining the verity which the Nevada decrees import rests heavily upon the assailant. But simply because the Nevada court found that it had power to award a divorce decree cannot, we have seen, foreclose reexamination by another State. Otherwise, as was pointed out long ago, a court's record would establish its power and the power would be proved by the record. Such circular reasoning would give one State a control over all the other States which the Full Faith and Credit Clause certainly did not confer. *Thompson* v. *Whitman*, supra. If this court finds that proper weight was accorded to the claims of power by the court of one State in rendering a judgment the validity of which is pleaded in defense in another State, that the burden of overcoming such respect by disproof of the substratum of fact—here domicile—on which such power alone can rest was properly charged against the party challenging the legitimacy of the judgment, that such issue of fact was left for fair determination by appropriate procedure, and that a finding adverse to the necessary foundation for any valid sister-State judgment was amply supported in evidence, we cannot upset the judgment before us. And we cannot do so even if we also found in the record of the court of original judgment warrant for its finding that it had jurisdiction. If it is a matter turning on local law, great deference is owed by the courts of one State to what a court of another State has done. See *Michigan Trust Co.* v. *Ferry* (228 U. S. 346). But when we are dealing as here with an historic notion common to all English-speaking courts, that of domicile, we should not find a want of deference to a sister State on the part of a court of another State which finds an absence of domicile where such a conclusion is warranted by the record.

When this case was first here, North Carolina did not challenge the finding of the Nevada court that petitioners had acquired domiciles in Nevada. For her challenge of the Nevada decrees, North Carolina rested on *Haddock* v. *Haddock* (201 U. S. 562). Upon retrial, however, the existence of domicile in Nevada became the decisive issue. The judgments of conviction now under review bring before us a record which may be fairly summarized by saying that the petitioners left North Carolina for the purpose of getting divorces from their respective spouses in Nevada and as soon as each had done so and married one another they left Nevada and returned to North Carolina to live there together as man and wife. Against the charge of bigamous cohabitation under section 14–183 of the North Carolina General Statutes, petitioners stood on their Nevada divorces and offered exemplified copies of the Nevada proceedings.[8] The trial judge charged that the State had the burden of proving beyond a reasonable doubt that (1) each petitioner was lawfully married to one person; (2) thereafter each petitioner contracted a second marriage with another person outside North Carolina; (3) the spouses of petitioners were living at the time of this second marriage; (4) petitioners cohabited with one another in North Carolina after the second marriage. The burden, it was charged, then devolved upon petitioners "to satisfy the trial jury, not beyond a reasonable doubt nor by the greater weight of the evidence, but simply to satisfy" the jury from all the evidence, that petitioners were domiciled in Nevada at the time they obtained their divorces. The court further charged that "the recitation" of bona fide domicile in the Nevada decree was "prima facie evidence" sufficient to warrant a finding of domicile in Nevada but not compelling "such an inference." If the jury found, as they were told, that petitioners had domiciles in North Carolina and went to Nevada "simply and solely for the purpose of obtaining" divorces, intending to return to North Carolina on obtaining them, they never lost their North Carolina domiciles nor acquired new domiciles in Nevada. Domicile, the jury was instructed, was that place where a person "has voluntarily fixed his abode * * * not for a mere special or temporary purpose, but with a present intention of making it his home, either permanently or for an indefinite or unlimited length of time."

The scales of justice must not be unfairly weighted by a State when full faith and

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[6] We have not here a situation where a State disregards the adjudication of another State on the issue of domicile squarely litigated in a truly adversary proceeding.

[7] Since an appeal to the full faith and credit clause raises questions arising under the Constitution of the United States, the proper criteria for ascertaining domicile, should these be in dispute, become matters for Federal determination. See *Hinderlider* v. *La Plata Co.* (302 U. S. 92, 110).

[8] As to petitioner Hendrix these included the pleadings, evidence, and decree. As to petitioner Williams essentially the same evidence with respect to his domicile is in the record from witnesses in this case. It shows when Williams left North Carolina, when he arrived in Nevada, the prompt filing of his divorce suit (Nevada requires 6 weeks' residence prior to filing a suit for divorce), marriage to petitioner Hendrix immediately after petitioners were divorced, and his prompt return to North Carolina. All of this bears on abandonment of the North Carolina domicile and the intent to remain indefinitely elsewhere.

credit is claimed for a sister-State judgment. But North Carolina has not so dealt with the Nevada decrees. She has not raised unfair barriers to their recognition. North Carolina did not fail in appreciation or application of Federal standards of full faith and credit. Appropriate weight was given to the finding of domicile in the Nevada decrees, and that finding was allowed to be overturned only by relevant standards of proof. There is nothing to suggest that the issue was not fairly submitted to the jury and that it was not fairly assessed on cogent evidence.

State courts cannot avoid review by this Court of their disposition of a constitutional claim by casting it in the form of an unreviewable finding of fact. *Norris* v. *Alabama* (294 U. S. 587, 590). This record is barren of such attempted evasion. What it shows is that petitioners, long-time residents of North Carolina, came to Nevada, where they stayed in an auto-court for transients, filed suits for divorce as soon as the Nevada law permitted, married one another as soon as the divorces were obtained, and promptly returned to North Carolina to live. It cannot reasonably be claimed that one set of inferences rather than another regarding the acquisition by petitioners of new domiciles in Nevada could not be drawn from the circumstances attending their Nevada divorces. It would be highly unreasonable to assert that a jury could not reasonably find that the evidence demonstrated that petitioners went to Nevada solely for the purpose of obtaining a divorce and intended all along to return to North Carolina. Such an intention, the trial court properly charged, would preclude acquisition of domiciles in Nevada. See *Williamson* v. *Osenton* (232 U. S. 619). And so we cannot say that North Carolina was not entitled to draw the inference that petitioners never abandoned their domiciles in North Carolina, particularly since we could not conscientiously prefer, were it our business to do so, the contrary finding of the Nevada court.

If a State cannot foreclose, on review here, all the other States by its finding that one spouse is domiciled within its bounds, persons may, no doubt, place themselves in situations that create unhappy consequences for them. This is merely one of those untoward results inevitable in a Federal system in which regulation of domestic relations has been left with the States and not given to the national authority. But the occasional disregard by any one State of the reciprocal obligations of the 48 States to respect the constitutional power of each to deal with domestic relations of those domiciled within its borders is hardly an argument for allowing one State to deprive the other 47 States of their constitutional rights. Relevant statistics happily do not justify lurid forebodings that parents without number will disregard the fate of their offspring by being unmindful of the status of dignity to which they are entitled. But, in any event, to the extent that some one State may, for considerations of its own, improperly intrude into domestic relations subject to the authority of the other States, it suffices to suggest that any such indifference by a State to the bond of the union should be discouraged not encouraged.

In seeking a decree of divorce outside the State in which he has theretofore maintained his marriage, a person is necessarily involved in the legal situation created by our Federal system whereby one State can grant a divorce of validity in other States only if the applicant has a bona fide domicile in the State of the court purporting to dissolve a prior legal marriage. The petitioners therefore assumed the risk that this court would find that North Carolina justifiably concluded that they had not been domiciled in Nevada. Since the divorces which they sought and received in Nevada had no legal validity in North Carolina and their North Carolina spouses were still alive, they subjected themselves to prosecution for bigamous cohabitation under North Carolina law. The legitimate finding of the North Carolina Supreme Court that the petitioners were not in truth domiciled in Nevada was not a contingency against which the petitioners were protected by anything in the Constitution of the United States. A man's fate often depends, as for instance in the enforcement of the Sherman law, on far greater risks that he will estimate "rightly, that is, as the jury subsequently estimates it, some matter of degree. If his judgment is wrong, not only may he incur a fine or a short imprisonment, as here; he may incur the penalty of death." *Nash* v. *United States*, (229 U. S. 373, 377). The objection that punishment of a person for an act as a crime when ignorant of the facts making it so, involves a denial of due process of law has more than once been overruled. In vindicating its public policy and particularly one so important as that bearing upon the integrity of family life, a State in punishing particular acts may provide that "he who shall do them shall do them at his peril and will not be heard to plead in defense good faith or ignorance." *United States* v. *Balint* (258 U. S. 250, 252), quoting *Shevlin-Carpenter Co.* v. *Minnesota* (218 U. S. 57, 69–80). Mistaken notions about one's legal rights are not sufficient to bar prosecution for crime.

We conclude that North Carolina was not required to yield her State policy because a Nevada court found that petitioners were domiciled in Nevada when it granted them decrees of divorce. North Carolina was entitled to find, as she did, that they did not acquire domiciles in Nevada and that the Nevada court was therefore without power to liberate the petitioners from amenability to the laws of North Carolina governing domestic relations. And, as was said in connection with another aspect of the Full Faith and Credit clause, our conclusion "is not a matter to arouse the susceptibilities of the States, all of which are equally concerned in the question and equally on both sides." *Fauntleroy* v. *Lum* (210 U. S. 230, 238).

As for the suggestion that *Williams* v. *North Carolina, supra,* foreclosed the Supreme Court of North Carolina from ordering a second trial upon the issue of domicile, it suffices to refer to our opinion in the earlier case.

Affirmed.

DIRECTOR OF OFFICE OF WAR INFORMATION

Mr. CAPPER. Mr. President, I recently made a statement setting forth the excellent record of Elmer Davis as Director of the Office of War Information. I ask unanimous consent that my statement may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I have been in newspaper work for over half of a century. I have been a reporter, an editor, and a publisher. Because I have the interest of my profession at heart, because the accomplishments of one of our number reflects to the credit of all newspapermen, I pay tribute to the words and deeds of Elmer Davis.

Elmer Davis was hired as a printer's devil on the Aurora (Ind.) Bulletin when he was 14 years old. His first salary was a dollar a week. He apprenticed himself to an essentially American profession—spreading the truth. He began his work in a scene that is essentially American, a small midwestern community, dependent for its progress upon the products of neighboring farms. In the essentially American way, he started at the bottom of his profession and consistently worked his way toward the top. He has been intimately associated with all phases of journalism as a reporter, editor, writer, and radio commentator.

The character of Elmer Davis is deeply rooted in his native American soil. As a Rhodes scholar, he studied 3 years at Queen's College, Oxford. But that educational experience was not acquired until he had earned his bachelor of arts degree at Franklin College, an institution as American as its name. He married in Paris. But he married an American girl, Florence MacMillan of Mount Vernon, N. Y. He represented the New York Times in Constantinople and in the Balkans in 1921. He also represented the New York Times in covering such important events as the Washington Conference on the Limitation of Armaments. Elmer Davis wrote of the world for Americans and of Americans for the world.

With this background, this education and this experience, bulwarked by the enduring traditions of the free American press and the free American radio, Elmer Davis, who never before had held a Government post, went to work for the Government on June 13, 1942.

From the outset of his new task, Elmer Davis strove in every way possible to increase the flow of factual, undistorted information, both by private and public channels, to America and to the rest of the world. No man has been a more stanch champion of free-flowing information than Elmer Davis. Those of us who have followed his career know that he has fought many battles against strong opposition in order that the American public might be better informed.

The fact that he agreed with others that for a very temporary military period, special austerity treatment should be given to Germany does not dim his record. Even as he suggested that Germans should be given limited news summaries, he declared that they should be free of distortion or suppression.

Elmer Davis has given his youth, his young manhood, and his greater productive years to make free information ever more free. He is steeped in the same traditions, written into our Constitution in the Bill of Rights, that have kept our press and our radio forever unshackled. As a newspaperman, I am proud of what my fellow newspaperman, Elmer Davis, has done to inform his own people and to protect America abroad.

AGRICULTURE IN THE WAR AND IN THE FUTURE—STATEMENT BY SENATOR BUTLER

Mr. BUTLER. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD a statement I made on the subject Agriculture in the War and in the Future.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Today as never before American agriculture is on the spot. Seemingly the entire world is looking to the American farmer to carry a big part of the load of producing food for liberated peoples. Our allies have depended on the American farmer for great quantities of food in recent years, and they continue to expect more. Our own armies, the best fed in the world, know that the American farmer has never failed them and never will. And our own civilian population is the best fed of all the civilian groups that have taken a part in this Second World War. Add to all this the grain production that made possible the alcohol that was converted into synthetic rubber, munitions, and other essentials for war. It was the American farmer that produced the raw product for 80 percent of all the millions of pounds of synthetic rubber made—the most critical of all war materials. Add to this the great quan-

tities of farm materials produced that went in munitions, medicinals, clothing, aviation fuels, and hundreds of other vital war products—and the accomplishment seems difficult of comprehension. This stupendous record has been made in spite of innumerable handicaps—war-made, weather-made, man-made, government-made. In no production field have so many adversities been experienced. Certainly our Nation and all of the thoughtful nations of the world owe a great debt to the American farmer.

How has the American farmer accomplished this task? I doubt that many farmers could give a quick answer to this question, despite their familiarity with the subject. And I am sure that there are fewer men in other walks of life who could give us the reasons.

We know it is not because of the availability of farm labor or plentiful supplies of farm machinery, for these were short and continue to be dangerously so. True, those who remained on the farm, including the wife and children, have worked longer hours and harder than ever before, but this only partially offsets the effect of losing several million trained men who have left the farm to take their places in the front ranks, or have been attracted to industry.

The answer lies in other directions. Farmers have cooperated with each other to accomplish this feat. Let us not forget that many farmers, with or without Government aid, had in the prewar years put their land into the best shape possible to realize maximum yields through intensive use. But more than all these—wartime agricultural production demands came at a time when the American farmer was able to obtain the benefits from new farming practices, new varieties of seeds, new disease controls, new knowledge of fertilizers, new uses for machinery, plus many other new farming techniques.

These are the things that gave America a production of food and fiber in 1944 one-third greater than the average for 1935–39—yes, one-half greater than the average of World War I years 1917 and 1918, and three-fifths greater than the average for the years 1910–14. All this was done with 8 percent fewer workers than before the war. The output per farm worker was twice as great in 1944 as in 1910, with one-third of this entire increase coming about in the past five war years. And to emphasize further, let me point out that the yields of 28 major crops in 1944 average 30 percent above the average for the period 1923–32, with the most pronounced change taking place in the last 5 years.

And while we are considering statistics, let me add others, to show certain changes that are taking place in farming. Farmers in 1944 used 185 percent more fertilizer than just prior to the war. It is estimated by the United States Department of Agriculture that this produced the same result as if 20,000,000 acres had been added to the Nation's farm land. Hybrid corn now plants 60 percent of the corn crop and is given credit for increasing yields 20 percent. Rust-resistant varieties of wheat and new strains of oats have greatly increased yields of these two crops.

Similar advances have been made with soybeans, peanuts, and other oil-producing crops. But while these changes have had a great part in winning the war, what do they mean in the postwar period when farm labor again becomes plentiful, when new and improved machines are available, when the plant breeder, the chemist, and other scientists, make available to farmers their new products, ideas, seeds, and discoveries? Will these mean disaster through low-priced surpluses?

Even with all America on a full and complete diet, plus a sizable legitimate export business, it means that we will have to find new uses for the products of at least 30,000,000 acres of good agricultural land. I say new uses—I mean uses that did not exist at the time our country entered World War II. I want to emphasize these new uses because at the same time that farmers were increasing yields and production, the scientists were finding new uses for agricultural products, and industry was putting these uses into practical operation. This is the traditional way in which America has progressed since our great country was born, and it is the road we must travel if we are to continue to set an example for the peoples of other nations and for our children. Agriculture needs research, as does industry and labor, and as each of these vital groups need each other.

Equally important, these groups must see to it that the new uses which have been found for agricultural products are continued and further expanded in the war period. Never again can our country be caught without rubber or a rubber supply. Despite our admiration for our allies, the British and the Dutch—the people who controlled the prewar natural rubber supply and market—they were helpless at the time we most needed rubber. We must always be alert in safeguarding our future welfare, as well as being fair to the American farmer.

So, too, we must be realists as to the possibility—in the distant future—or our oil supplies eventually drying up. Where then will our liquid fuel supply originate? For a few more years, we might find relief in the oil supplies of South America, Iran, and elsewhere. But here again, can we rely solely on these foreign sources and risk the delay of developing our own fuel supply? Certainly not, when already we have the nucleus industrial plants around which we can further produce, develop, refine, and experiment with one of the most perfect-burning fuels known to man—ethyl alcohol—a production obtainable from many agricultural crops. By expanding the production from our own plants, we can keep faith with the American farmer, the one who has done so much to preserve freedom in this war.

Out in my State, in my home city of Omaha, we have a grain-alcohol plant that produces more than 80,000 gallons of ethyl alcohol a day. To accomplish this, the starch of 30,000 bushels of grain is converted into alcohol and carbon dioxide gas every day. Every bit of the alcohol goes to the Government, but, unfortunately, the carbon dioxide is being wasted. It should be condensed into dry ice and used for many other things.

Much of the grain now being used in this plant is high-moisture corn from the farms of Iowa and Nebraska—corn that might otherwise spoil if stored and carried into the heat of the summer. But this plant does not use corn alone. Last fall, when Texas, Oklahoma, and Kansas farmers produced a record crop of sorghums, there seemed to be, at first, no way to handle the crop. Much of this sorghum crop was high in moisture content and storage was impossible.

Sorghum prices dropped more than 50 percent in a few weeks and other crops followed. This price drop was wicked punishment for farmers who were doing everything possible to feed millions of people and to help win the war.

As soon as these facts became known to the officials of the alcohol plant at Omaha, tests were made to determine if these sorghums could be used in making alcohol. The results of the tests were excellent, and immediately arrangements were made to ship trainload after trainload of these surplus grains to Omaha. Several other alcohol plants joined in to save this spoiling grain.

A number of carloads of these grains arrived in Omaha in such spoiled condition that the grain had to be removed from the car with pick and shovel. But these sorghums made alcohol desperately needed by industry for war production, and this use immediately advanced the price of sorghums so that farmers were paid a fair return for their efforts. The price-depressing effect that the sorghums surplus had had on other grains was removed, and grain prices generally advanced to their proper relationship.

Other instances can be cited showing how effectively these alcohol plants fit into the agricultural picture. In the great wheat-producing areas, it is a frequent thing for rust to change in a few hours a prospective high-quality wheat crop into a poor-quality wheat crop. Damaged offgrade wheat is not very satisfactory for milling purposes, but it works well for making alcohol. The Omaha plant has used great quantities of low-grade wheat from the fields of neighboring States, and even from Canada.

I want to emphasize another point. In the manufacture of alcohol only the starch in the grain is used. This starch in the grain is the material that vegetation makes by taking carbon dioxide gas out of the air and uniting it with water and heat energy from the sun. The other parts of the grain come largely from the soil, and these products are saved, in the making of alcohol, as feed for poultry and livestock and oils, such as fusel oil and corn oil.

By feeding the protein byproducts to livestock and poultry, much of the initial soil energy can be returned to the soil. Therefore, the manufacture of alcohol from farm crops does not require the exhaustion of our most precious resource—the land. Indeed, from the over-all, the long-time national viewpoint, it is much more economical to make and use alcohol for power and fuel than to rely exclusively on our limited and diminishing resources of oil. By so doing we can easily solve that part of our agricultural problem that has to do with surpluses.

The American farmer, with his highly mechanized equipment, is one of the Nation's biggest oil users and potentially can be the Nation's biggest ethyl alcohol user. Some years back he produced his own power by growing feed for horses. Just because Old Dobbin has given way to a tractor, is there any reason why the American farmer should not produce his own power supply? In this way, the farmer helps to solve his own surplus problem. Some people still think dumping surpluses in foreign markets is the way for the future, while others cling to the idea of requiring farmers to cut their production.

Instead of destroying our good-neighbor late production in our country precisely in relationships by dumping surpluses in foreign markets, or by paying foreign nations to use our surpluses, or by trying to reguline with estimates of our future needs, we should look toward full production of agricultural resources in line with good soil-management practices. To do this we should have a national policy calling for full use of agricultural raw materials in our industrial plants. This will aid with achieving maximum employment of labor. It will result in a well-rounded and complete national diet, and a square deal for the tillers of the soil.

Mr. President, thus far our farmers have not been treated too fairly. Now, as we look to postwar farming when the farm boy comes back from the battle fronts to take over dad's well-worn shoes, we have the knowledge to give the farmers justice and income equality.

We need a national agricultural policy, planned by Congress on a long-range basis. And we must plan now so that our farmers, who have done so much in war and in peace, can look with calmer faith toward a future in a great expanding America. Two billion dollars is a lot of money, and no doubt it is necessary to maintain parity in the postwar years, as we have provided, but it is not a solution to the farm problem. It is merely an expensive stopgap.

We must declare it as a national policy to produce fully so as to consume properly and to round out our farm program with positive legislation to assure industrial use of future surplus farm products. In only 3 years out of the past 24 have farm prices been above parity, and those 3 years were 1942, 1943, and 1944—war years when the farmer couldn't buy what he needed or wanted, no matter how good his prices or how great his efforts.

I hope the Senate will soon consider legislation making it possible for the formation of an adequate national agricultural policy that will be carried out faithfully. I stand ready to join with others of both political parties to sponsor legislation which will emphasize the need, and point to the way for an expanding use of agricultural raw materials by industry. Such a program, I am sure, will be of tremendous benefit to our entire Nation—and, ultimately, to all the nations of the world.

RETROCESSION OF SOUTH TYROL TO AUSTRIA—ADDRESS PREPARED BY SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address entitled "The Retrocession of South Tyrol to Austria," prepared by him for delivery in New York City, which appears in the Appendix.]

THE PUBLIC HEALTH—ADDRESS BY THE GOVERNOR OF NORTH CAROLINA

[Mr. BAILEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. R. Gregg Cherry, Governor of North Carolina, at the dedication of the health center at Monroe, N. C., on May 14, 1945, which appears in the Appendix.]

REORGANIZATION OF THE FEDERAL GOVERNMENT—ADDRESS BY DAVID A. SIMMONS

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an address entitled "Reorganization of the Federal Government," delivered by David A. Simmons, of Houston, Tex., president of the American Bar Association, which appears in the Appendix.]

BLESSED IS THE PEACEMAKER—TRIBUTE TO FRANKLIN DELANO ROOSEVELT BY FULLER WARREN

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address entitled "Blessed is the Peacemaker," by Fuller Warren, a tribute to the late President Roosevelt, which appears in the Appendix.]

PLANTING BY AIRPLANE—ARTICLE BY TOM ASHLEY

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "Planting by Airplane," by Tom Ashley, which appears in the Appendix.]

THE FIRST PEACE ISSUE—EDITORIAL FROM NEW YORK TIMES

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an editorial entitled "The First Peace Issue," published in the New York Times of May 28, 1945, which appears in the Appendix.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 383) to provide for the further development of cooperative agricultural extension work.

DEVELOPMENT OF COOPERATIVE AGRICULTURAL EXTENSION WORK—CONFERENCE REPORT

Mr. BANKHEAD submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 383) to provide for the further development of cooperative agricultural extension work, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That title II of the act entitled 'An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges', approved June 29, 1935 (the Bankhead-Jones Act), is amended by adding at the end thereof the following new section:

"'SEC. 23. (a) In order to further develop the cooperative extension system as inaugurated under the act entitled "An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act of Congress, approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture", approved May 8, 1914 (U. S. C., title 7, secs. 341-343, 344-348), particularly for the further development of county extension work, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of paying the expenses of cooperative extension work in agriculture and home economics, including technical and educational assistance to farm people in improving their standards of living, in developing individual farm and home plans, better marketing and distribution of farm products, work with rural youth in 4-H Clubs and older out-of-school youth, guidance of farm people in improving farm and home buildings, development of effective program in canning, food preservation, and nutrition, and for the necessary printing and distribution of information in connection with the foregoing, the following sums:

"'(1) $4,500,000 for the fiscal year ending June 30, 1946, and each subsequent fiscal year;

"'(2) An additional $4,000,000 for the fiscal year ending June 30, 1947, and each subsequent fiscal year; and

"'(3) An additional $4,000,000 for the fiscal year ending June 30, 1948, and each subsequent fiscal year.

"'(b) The sums appropriated pursuant to this section shall be paid to the several States and the Territory of Hawaii in the same manner and subject to the same conditions and limitations as the additional sums appropriated under such act of May 8, 1914 (the Smith-Lever Act), except that—

"'(1) not more than 2 per centum of the sum appropriated pursuant to this section for each fiscal year shall be available for paying expenses of the Extension Service in the United States Department of Agriculture;

"'(2) $500,000 of the sum so appropriated for each fiscal year shall be allotted among the States and the Territory of Hawaii by the Secretary of Agriculture on the basis of special needs due to population characteristics, area in relation to farm population, or other special problems, as determined by such Secretary: *Provided*, That not to exceed 10 per centum shall be allotted under this subparagraph to any one State or the Territory of Hawaii for any fiscal year: *Provided further*, That these funds shall be matched by the State or Territory receiving them, on the same basis as other funds under this act; and

"'(3) the remainder of the sum so appropriated for each fiscal year shall be paid to the several States and the Territory of Hawaii in the proportion that the farm population of each bears to the total farm population of the several States and Territory of Hawaii, as determined by the census of 1940.

"'(c) The sums appropriated pursuant to this section shall be in addition to and not in substitution for sums appropriated under such act of May 8, 1914, as amended and supplemented, or sums otherwise appropriated for agricultural extension work. Allotments to any State or the Territory of Hawaii for any fiscal year from the appropriations herein authorized shall be available for payment to such State or the Territory of Hawaii only if such State or the Territory of Hawaii complies, for such fiscal year, with the provisions with reference to offset of appropriations (other than appropriations under this section and section 21 of this title) for agricultural extension work.'

"SEC. 2. Section 21 of such act of June 29, 1935, is amended by striking out '(other than appropriations under this section)' and inserting in lieu thereof '(other than appropriations under this section and section 23 of this title)'."

And the House agree to the same.

J. H. BANKHEAD,
THEO. G. BILBO,
ALLEN J. ELLENDER,
ARTHUR CAPPER,
HENRIK SHIPSTEAD,
Managers on the Part of the Senate.
JOHN W. FLANNAGAN, Jr.,
ORVILLE ZIMMERMAN,
STEPHEN PACE,
CLIFFORD R. HOPE,
J. ROLAND KINZER,
Managers on the Part of the House.

The report was agreed to.

APPROPRIATIONS FOR THE LEGISLATIVE BRANCH

The Senate resumed the consideration of the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute proposed by the Senator from New Mexico [Mr. HATCH] to the committee amendment on page 2, line 1.

Mr. OVERTON. Mr. President, since the amendment was offered the Senate Committee on Appropriations met this morning and authorized me to present a modification of the pending Senate committee amendment. I shall modify the amendment, but before offering the modification I should like to proceed without interruption to make a factual statement, after which I shall be glad to yield to any Senator for any question in reference to the modified amendment, or any question relating to the business before the Senate.

Mr. President, it will be recalled that on last Thursday afternoon, after considerable discussion with respect to the pending amendment, it was suggested by the majority leader, and concurred in by the Senate, that there should be a recess of the Senate until today in order

that there might be afforded opportunity for a conference dealing with the measure before us between representatives of the Senate and representatives of the House to see whether or not there could be framed a provision which would be agreeable to both Houses and which might be presented to the Senate, and in turn to the House, after conference.

Accordingly, Mr. President, the able senior Senator from New Hampshire [Mr. BRIDGES], who is the ranking member on the minority side of the Senate conferees who will be appointed to handle the bill, and I met with Mr. O'NEAL, who is the ranking majority member of the House Appropriations Committee, who will be a member of the conference on the part of the House, and Mr. TABER, who is the ranking minority member of the House Appropriations Committee. We met in order that we might ascertain whether mutual and satisfactory agreement could be reached.

The Senator from New Hampshire and I laid before the House Members not only the committee amendment but also the various amendments which had been proposed, including the substitute offered by the Senator from New Mexico [Mr. HATCH], and also stated to them the various views expressed by Senators which had not taken the form of amendment.

We received a very courteous hearing from the gentleman representing the House. However, they were firm in the one conviction that the Senate should not undertake to alter the language of the House. They took the position that the Senate should not eliminate the House provision with reference to the expense allowance for Members of the House which applied, as Senators know, to Members of the House only, and should not undertake to amend that provision. I am frank to say, Mr. President, that I find myself in sympathy with that position. The House Members with whom we met said that the House should have the privilege of regulating the expense allowance for Representatives and other matters such as compensation to be paid House clerks, without any interference on the part of the Senate, and that that has been in the main, if not altogether, the rule which has been followed by the Congress. However that may be, I am simply acquainting the Senate with the fact that the Representatives who will be House conferees apparently will not yield to any amendment by the Senate which eliminates or modifies the House provision with reference to the expense allowance for Representatives.

Then the Senator from New Hampshire and I prepared and submitted to those who will be conferees the language which I shall offer in a moment as modification of the Senate committee amendment and shall send to the desk and have read. The House Members advised us that this was a very satisfactory provision, and that if adopted by the Senate I understand they will agree to it.

After that was done the Senator from New Hampshire and I laid the modified amendment before the Senate Appropriations Committee at a meeting this morning and the Senate Appropriations Committee, by an overwhelming vote, approved the amendment and authorized me to modify the Senate committee amendment.

I now offer the modification, in the form of a substitute, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The clerk will read.

The CHIEF CLERK. In lieu of the committee amendment on page 2 it is proposed to insert the following:

There shall be paid to each Senator, after January 2, 1945, an expense allowance of $2,500 per annum to assist in defraying expenses related to or resulting from the discharge of his official duties to be paid in equal monthly installments. For making such payments through June 30, 1946, $358,667, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available: *Provided*, That for the purpose of determining the deductibility of expensess under the income-tax laws the home of a Senator, Representative, Delegate, and the Resident Commissioner from Puerto Rico shall be deemed to be his domicile in the State for which or in which he is chosen, or in the Territory or possession, as the case may be.

Mr. OVERTON. Mr. President, I shall now proceed with a presentation of the modified amendment and shall be glad to yield to any Senator for any question in reference to it. It will be noted that down to the proviso, that is, from line 3 to line 11, the provision of the modified amendment is exactly in the language of the provision that is in the House bill with reference to the expense allowance for Representatives. The only change is that the word "Senator" is substituted for "Representative." After that there follow a proviso which declares—

Provided, That for the purpose of determining the deductibility of expenses under the income tax laws the home of a Senator, Representative, Delegate, and the Resident Commissioner from Puerto Rico shall be deemed to be his domicile in the State for which or in which he is chosen, or in the Territory or possession, as the case may be.

The purpose of this modified amendment is to define the residence of a Senator and Representative as the Constitution declares it shall be, and the language inserted in the modified amendment is copied verbatim from the Constitution of the United States, because the Constitution of the United States declares that a Senator shall be elected from the "State for which he shall be chosen." It declares that a Representative shall be elected from the "State in which he shall be chosen." Therefore the Constitution fixes the residence and domicile of each Senator and Representative in the State in which or for which he has been chosen.

The further purpose of the provision is to correct what I consider to be an erroneous ruling on the part of the Bureau of Internal Revenue which has declared that none of the expenses which Senators incur in Washington are deductible because Washington is their home. The Bureau has made the same ruling with reference to Representatives.

We discussed that provision in the Senate last Thursday. I read the revenue law, and it states that all expenses for travel, maintenance, and subsistence are deductible when incurred away from home in the discharge of one's business or profession or the functions of one's office. Therefore in this modified amendment we simply declare that the home of a Senator—referring to the language, of course, of the revenue law—instead of being in Washington, shall be where the Constitution places it, and that is in the State in which he has been elected.

Mr. President, with reference to the first provision, making an allowance of $2,500 to assist in defraying expenses, it will be noted that the modified amendment makes this change with respect to the original amendment proposed by the Appropriations Committee of the Senate: The original amendment declared that the $2,500 should not be regarded as gross income, and therefore should not be subject to taxation, upon the theory that the average expense of a Senator is $2,500, that the allowance would simply be a reimbursement of expenses, and therefore ought not to be taxable, and there should be no necessity of returning it in the income tax returns, as it is not now necessary, and has not been for the past 3 years, under a modified ruling of the Bureau of Internal Revenue, to make any return whatsoever upon the mileage which a Senator or Representative receives. However, we have eliminated the provision that the $2,500 shall not be considered as gross income. In my opinion it is gross income. In my judgment a Senator or Representative, in making his income tax return, should charge himself with the $2,500, and then make such deductions as are allowed by law, or will be allowed after this amendment has been adopted.

Mr. President, it has been said that this is a subterfuge. It has been said that it is a back-door entrance to increased compensation. With all due respect to those who entertain that view, I differ with them. There is no subterfuge about it. The House did not indulge in any subterfuge, and, in my opinion, it did not undertake to effect a back-door entrance into an increased salary for Representatives. Both the House provision and the Senate committee amendment, as modified, clearly and unequivocably declare that this is merely an expense allowance. It is not an increase in salary.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BARKLEY. If the Senate should adopt the amendment now suggested, is it the purpose of the Senator to move to amend the House language so as to make it applicable in the same way to Representatives?

Mr. OVERTON. In what respect? The Senate committee amendment as modified tracks the House language.

Mr. BARKLEY. It does up to the proviso; but the House language in regard to the payment of income tax——

Mr. OVERTON. There is no such provision as that in the House language. That was merely an expression of opinion on the part of the committee making the report.

Mr. BARKLEY. It seems to me that the provision, whatever it is, about deducting expenses for income-tax purposes, ought to apply to both Houses alike.

Mr. OVERTON. It does.

Mr. BARKLEY. Has the Senator examined the language of the House provision to see whether it does what he is attempting to do by this amendment?

Mr. OVERTON. The Senate committee amendment as modified tracks the House language exactly. Has the Senator before him a copy of the Senate committee amendment as modified?

Mr. BARKLEY. I have it.

Mr. OVERTON. I will read the House provision. The Senator will observe that the modified amendment is verbatim the House provision, with the sole change of the word "Senator" for "Representative, Delegate, and Resident Commissioner." The House provision is to be found on page 19. I think I had better read both the House provision and the Senate committee amendment as modified, in order that there may be no mistake. The House provision is as follows:

> There shall be paid to each Representative and Delegate, and to the Resident Commissioner from Puerto Rico, after January 2, 1945, an expense allowance of $2,500 per annum to assist in defraying expenses related to or resulting from the discharge of his official duties to be paid in equal monthly installments.

The language of the modified Senate committee amendment is as follows:

> There shall be paid to each Senator, after January 2, 1945, an expense allowance of $2,500 per annum to assist in defraying expenses related to or resulting from the discharge of his official duties to be paid in equal monthly installments.

Therefore the language is identical.

Mr. BARKLEY. What I have reference to is the proviso in the Senate committee amendment as modified, which is not in the House provision.

Mr. OVERTON. If the Senator will follow me, the proviso relates both to Representatives and Senators.

Mr. BARKLEY. Then it would not be necessary to add it to the House language on page 19.

Mr. OVERTON. That is correct. It would not be necessary because if this amendment were adopted, it would specifically cover Representatives as well as Senators.

Mr. President, in this regard we are not making a departure from other provisions contained in the revenue law, so far as my limited knowledge of revenue law will permit me to observe, and so far as the very brief period in which to make an investigation has disclosed. For example, in the revenue law there is a provision making an out-and-out allowance to judges of the Federal courts—district judges and circuit judges—of $10 per diem for maintenance and subsistence while away from their homes in the discharge of their official duties. There is also an allowance for Army and Navy officers, for rent and maintenance, scaled according to their rank; but it is an out-and-out allowance.

Congress has gone further in this regard; it has also provided that there shall be exempt from taxation the sum of $1,500 of the income of any one in the armed forces of the United States. Therefore we have a precedent for fixing an expense allowance.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. HATCH. Is there not an outright allowance to the President of the United States of approximately $25,000 a year for traveling expenses?

Mr. OVERTON. There is such an allowance; but I do not know its exact amount.

Mr. HATCH. I believe it is not to exceed $25,000.

Mr. OVERTON. I do not know the exact language, but there is such an allowance. Other allowances are made in various appropriation bills. Therefore I do not think we are making a departure. At least we are not establishing a precedent when we make an allowance for congressional expenditures. It may be said that $2,500 is too much. Some may say that it should be $1,500, $1,000, or $500. But certainly we are not establishing a precedent when we undertake to say that Senators—just as the House has said with respect to Representatives—shall be given an allowance to cover their expenses. When a Senator receives such an allowance, it becomes income, and he will have to account for it, but he may deduct from it the expenses which he incurs.

Mr. HATCH. Mr. President, I am seeking information. My chief objection was to the exemption from taxation. Suppose the expenses accounted for by a Senator equaled only $1,500 a year.

Mr. OVERTON. Then, $1,000 would be taxable.

Mr. HATCH. That would amount to additional compensation, and he would pay taxes on the $1,000 just the same as any citizen would, would he?

Mr. OVERTON. Yes, because it would amount to additional income. He would just have been overpaid that much; that is all.

Mr. HATCH. But it would be subject to taxation, would it?

Mr. OVERTON. Yes. For instance, the situation would be similar to that in the case of a corporation which sent a representative to Washington or to New York. That representative would be told, "We think your expenses will amount to $1,500. Here is $1,500 to pay your expenses. Just keep it." If he subsequently spent only $1,000, he should return the remaining $500; that is to say, on his income-tax return he would account for the entire $1,500, and then deduct the $1,000 which he had expended, and the difference, $500, would be income to him, and would be taxable.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BARKLEY. Is it the Senator's interpretation of this provision that if $2,500 were to be allowed by way of expenses and if a Senator or Representative in making out his income-tax return were to account for only $1,500 actually paid out for expenses in connection with the performance of his duties, the other $1,000 would be considered taxable income, as it would be in the case of a person who happened to be employed as a lawyer and received a $2,500 fee, and after deducting $1,500 for expenses which he incurred in earning the fee, had $1,000 net remaining? In other words, he would be in the same category as that of a person who made $1,000 above expenses in some private enterprise; is that correct?

Mr. OVERTON. That is correct.

Mr. BARKLEY. And it would have to be accounted for as income, and he would have to pay taxes on it accordingly; would he?

Mr. OVERTON. That is correct.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. O'MAHONEY. With respect to the concluding proviso, am I correct in understanding that it is the intention of the sponsors of the amendment to provide that expenses which under existing law and regulations are regarded by the Bureau of Internal Revenue as deductible—and only those—shall be deductible?

Mr. OVERTON. I suppose it could be put that way; but the obvious intent is to have deducted only what the law authorizes to be deducted. Of course, the Bureau of Internal Revenue may misconstrue the law, and an interested person may go into court, if he desires to do so, and possibly the court may correct an erroneous ruling.

Mr. O'MAHONEY. Is it the Senator's belief that living expenses in Washington should be deductible items?

Mr. OVERTON. Certainly; there is no doubt whatsoever about that.

Mr. O'MAHONEY. Regardless of whether a Senator or Representative actually maintains two homes?

Mr. OVERTON. Yes, sir; regardless of that. He has his domicile in his home State, from which he is elected. Anyone who argues to the contrary argues against the provision of the Constitution of the United States. That is settled. Neither the able Senator from Wyoming, nor I, nor the Bureau of Internal Revenue, nor the United States Supreme Court, can correctly hold otherwise.

Mr. O'MAHONEY. I appreciate the clearness of the Senator's statement.

Mr. OVERTON. I thank the Senator for his veiled compliment.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. OVERTON. I yield.

Mr. LUCAS. As I understand the situation, the Bureau of Internal Revenue has made a ruling that being a United States Senator or a Member of the House of Representatives does not amount to being in a business, and that is one of the reasons——

Mr. OVERTON. Oh, no.

Mr. LUCAS. That is one of the reasons why Senators are not able to deduct their expenses. I have that ruling in my office.

Mr. OVERTON. Then that ruling runs counter to the express provision of the revenue law that expenses incurred in a trade or business shall include expenses incurred in the performance of the duties of any public office.

Section 48 (d) contains the following provision:

> The term "trade or business" includes the performance of the functions of a public office.

Could anything be clearer than that?

Mr. LUCAS. On what date was that provision made?

Mr. OVERTON. I do not know the date when it was adopted. Perhaps the able senior Senator from Georgia can advise us as to that. Let me ask him whether he knows when there was incorporated in the Internal Revenue Code the declaration that, for purposes of income tax, "the term 'trade or business' includes the performance of the functions of a public office."

Mr. GEORGE. I do not know the exact date. My first thought was that it was incorporated just a few years ago, when the question arose regarding the return of the mileage allowance. There had been two views in the Bureau of Internal Revenue. One view was that a Member of Congress should return the mileage allowance as a part of his income, and then should deduct all expenditures which he made which were essential to his visits to Washington or to his coming to Washington to attend the sessions of the Congress. The other view was that a Member of Congress should not account for the mileage allowance at all; he should not include it in his return; he simply should use it to cover the expenses which he incurred in attending the sessions of the Congress.

My recollection is that former Senator Danaher of Connecticut offered an amendment to cover the mileage situation. That must have been at least 3 or 4 years ago.

Mr. OVERTON. Since this matter has been under discussion here, I have found that it was mentioned in the committee hearing held on Thursday, May 17, but it escaped my memory for the time being. It was an amendment offered by former Senator Reed, of Pennsylvania, around 1932. I am now referring to Mr. Stam's testimony.

Mr. GEORGE. Probably that is correct. But there were two views. In one instance it was held that all Members of Congress should account for mileage as a part of their income, and then should deduct actual expenses incurred. The other view was that mileage was an allowance which would not have to be returned as income at all.

This same issue came up again, and Senator Reed of Pennsylvania may have offered this amendment. If so, it was offered some years ago, because former Senator Reed has not been a member of this body for some time.

Mr. OVERTON. He was here when I came to the Senate in 1933. I think he served through 1934.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. OVERTON. I yield.

Mr. BARKLEY. There does not seem to have been any uniformity of requirement on the part of the Bureau of Internal Revenue in regard to the making out of the income-tax returns of individual Senators. We all know that every year the Treasury sends over to the Senate Office Building—and perhaps to the House Office Building as well—one of its tax men to make out our income-tax returns. That is done for convenience, and I presume in the interest of accuracy. While we write the tax laws, very few of us feel that we can make out our own returns, no matter how simple they may be. I assume that my income-tax return is about as simple as any of the income-tax returns which are filed by Members of the Senate. In one case one of the tax experts to whom I have referred required me to charge $351 a year for one trip from my State to the city of Washington and return. When I was not in position to tell him that I had expended that much money on the trip, I was required to make up the difference and add it to my income. Another tax expert subsequently said, "We will charge this to your income, but mark it off as having been expended." As a matter of fact, all of us, especially those who live within a reasonable distance of Washington, know that not all the travel in which we indulge in connection with official business is covered by our travel allowance. I have frequently made trips from Washington to my home in Kentucky in the interest of my constituents and have paid my own expenses. If I had been in Washington during a session and had gone to Kentucky to deal with some problem concerning tobacco, strawberries, or the OPA, for example, I would have paid my own expenses. I have never been able to induce anyone to give me an allowance on account of such expenditures.

The amendment which the Senator has submitted, which provides that a deduction may be made, and which fixes the situs of our residence as in the State in which we have been elected, may or may not change the situation. I do not know whether it changes it. There is not much difference whether we come to Washington on official business or do not come on official business. During a recess of Congress we could, of course, refuse to go to our States if we were called, but if our people were interested in something here and we came to Washington at our own expense for the purpose of looking after the interests of our constituents, we would be put to legitimate expenses. So, whether our residence is in the State in which we were elected or in Washington under the interpretation of the Bureau of Internal Revenue, I assume that whether we would be allowed expenses would depend on which way we were traveling. I have never been able to get the Bureau to allow me to make a deduction of those expenses in my income tax, no matter whether I was going or coming.

Mr. OVERTON. I do not think there can be any difficulty in interpreting the law.

Mr. GEORGE. Mr. President, the addition of the language concerning the functions of a public office came about as a result of a controversy between the Finance Committee and certain representatives of the Bureau of Internal Revenue, and the language was written into the act in 1934. I believe the original provision to which the Senator has referred, that is the whole of it, permitting a deduction for expense incurred in connection with a trade or a business, has been in the statute much longer.

The words "public office" were inserted, I had recalled, at the insistence, primarily, of the former Senator from Connecticut, and the code would indicate that they were inserted in 1939. However, I find that the amendment was adopted in 1934 at the instance of former Senator Reed, as the Senator from Louisiana has indicated. My understanding is that at this time a Senator has a perfect right to deduct actual expenditures incurred not in coming from his home to the Capitol but any expenditures to which he may be put by way of taxi, or otherwise, in traveling to any governmental department at a location away from the Capitol when engaged in any official business for the Government.

Mr. OVERTON. Yes; and for telephone charges and items of that nature.

Mr. GEORGE. Yes.

Mr. OVERTON. I thank the Senator. He is absolutely correct with regard to the date which he gave. Since he started speaking I checked the statute which shows that the amendment, as the Senator from Georgia has said, was adopted in 1934.

If I may invite the attention of the Senator from Kentucky [Mr. BARKLEY] to the point which he was making, I do not believe there could be any question as to the proper interpretation of this amendment with reference to the domicile of a Senator and a Representative if it were adopted. The internal revenue law includes the following provision:

> All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal services actually rendered; travel expenses (including the entire amount expended for meals and lodging) while away from home in pursuit of a trade or business.

Mr. BANKHEAD. Does the Senator believe that that language includes Federal officers?

Mr. OVERTON. Yes. The code declares that trade or business includes the performance of a public office. Therefore, it is just as though the language read: "Travel expenses while away from home in the pursut of a trade or business, or in the discharge of the functions of a public office." So I do not believe there can be any question whatever about the deductibility of all expenses incurred for maintenance and lodging.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Louisiana yield to the Senator from Tennessee?

Mr. OVERTON. I yield.

Mr. McKELLAR. Last Thursday I submited two or three amendments to the pending bill. I did so under a misapprehension of a rule which had been adopted by the Committee on Appropriations. I find that the following rule for the guidance of the members of the committee in handling bills on the floor of the Senate was submitted by the chairman and adopted:

> Any member or ex officio member of the Committee on Appropriations of the Senate who has in charge an appropriation bill is hereby authorized and directed to make points of order against any amendment offered in violation of the Senate rules on the floor of the Senate to such appropriation bill.

That rule was adopted on Friday, December 18, 1931; Seventy-second Congress, first session.

Manifestly the amendments which I submitted are in violation of the rule, and, therefore, I shall not press them. I am very sorry that I cannot do so. The amendments are very worthy, but I do not want to be put in the position of violating a rule of the Senate Appropriations Committee.

I thank the Senator from Louisiana very much for the privilege of making this statement.

Mr. OVERTON. The Senator from Tennessee is very welcome.

Mr. President, allow me to say in conclusion that I do not think there need be any extended argument on this question. Senators themselves are experts in the matter. Any Senator who has been a Member of the body for more than a year has had ample opportunity to know what his expenses are and to understand the reasonableness of the proposal which is being made. We do not need the testimony of representatives of various departments, or testimony from the public in general. I think we are in better position to determine the question than is anyone else. I know that a variety of suggestions have been made in connection with the matter. I am hopeful that the committee amendment will be agreed to because, while it may not meet exactly the situation, I believe it is worthy of consideration and that it should be agreed to. If this amendment is reasonably fair and reasonably just I think that the Senate should adopt it. I think we ought to take the view the able Senator from Mexico [Mr. HATCH] has just intimated that possibly he might take, that is, while the amendment now proposed is not exactly what his amendment calls for, yet it is a sufficiently reasonable approach to his amendment for him to raise, as I understand, no further objection to it. If I am in error the Senator can correct me later.

Mr. President, let me say in conclusion that I hope we are not going to get into a row between the two Houses. If we undertake to modify the provision placed in the bill by the House, we are going to be brought face to face with very strong opposition on the part of the House conferees and, I think, on the part of the House itself. The House has expressed its view. The amendment now before the Senate is not an unreasonable provision. It is in line with what the revenue law allows to businessmen in trade and professions, to corporations, and generally to employees of the executive departments and of the judiciary.

Why should we stand here isolated and alone and not undertake to do what we do for every Government employee, what we do for every corporation, and what we do for every businessman? Are we going to stand back simply because we are afraid that some newspaper may come out in open criticism of us? I think the value the public is going to place upon the Senate is not the value according to some editorial writer's opinion but the value the Senate places upon itself. So far as I am concerned, I am perfectly willing to meet any criticism, because the criticism will be unjust. I hope, Mr. President, that the committee amendment will be adopted.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. OVERTON. I yield.

Mr. LUCAS. If the language of the amendment down to line 11, starting with the proviso, were stricken from the bill, that would leave, as I understand, a salary of a Senator just as it is, $10,000 a year, and it would then give him the right to deduct all legitimate expenses from his income tax returns. Am I correct in that?

Mr. OVERTON. I think not. A Senator would not be able to deduct any expenses here in Washington.

Mr. LUCAS. I am saying that if we leave the proviso in the amendment and take that solely——

Mr. OVERTON. The Senator means to leave that in.

Mr. LUCAS. Yes; to leave that solely as the language the Senate would adopt, a Senator would then have a salary of $10,000 and be able to deduct his expenses from his income tax returns the same as any other individual.

Mr. OVERTON. That is correct. I shall not argue it any further; but I think the Senate would still be discriminating against itself as compared to business generally.

Mr. LUCAS. That may be true, but Senators would be increasing their income. They would be placing themselves in line with businessmen who have the right to deduct from their income tax payments expenses incurred in their business.

It seems to me—and I do not think it can be successfully answered—that if we give ourselves $2,500 additional expense allowance, and then say that we are entitled to deduct $2,500 of expenses from our income tax returns, provided the Internal Revenue Bureau can be convinced that they are legitimate expenses, we are getting $10,000 plus $2,500. Any way it may be figured, certainly it is an additional $2,500 to the salary of a Senator.

The difficulty that occurs to me in voting upon a measure of this kind is what the repercussion is going to be, not from the standpoint of editorial writers but from the standpoint of those in this country who are now clamoring for higher wages and higher ceilings for their products. If we adopt this amendment, we jeopardize the efficacy of the Little Steel formula. I do not see how I could conscientiously vote myself an additional $2,500—and that is exactly what would be the result—without doing likewise to every wage group in America.

Mr. OVERTON. Let me interrupt the Senator to ask, Was the Little Steel formula broken when we allowed $1,500 of nontaxable income to everyone in the armed forces?

Mr. LUCAS. Maybe we have broken the Little Steel formula in some cases, but if it had to be broken, in my judgment, the Army was the best place to break it.

Mr. OVERTON. That covers a great many more personnel than 96 Senators.

Mr. LUCAS. The Little Steel formula has had some pretty close calls and maybe it has been broken by subterfuge, we will say, but certainly, in my opinion, no Senator is going to be able to stand on this floor and make a logical argument as to why the Little Steel formula should not be thrown wide open in the event this amendment is adopted.

Mr. OVERTON. If I may interrupt the Senator, that argument could have been made long ago; it could have been made——

Mr. LUCAS. Mr. President——

Mr. OVERTON. Wait a moment, please. It could have been advanced when we made the allowances to all men in the armed forces, the officers of the armed forces, under the Navy and War Departments, and gave them a rental allowance and maintenance. But no Senator rose on this floor and said it was breaking the Little Steel formula.

Mr. LUCAS. That is true, but——

Mr. OVERTON. The same argument could have been made when we stood here session after session and voted a hundred million dollars a year for communications and travel expenses for employees of the Government.

I will tell the Senator what is the trouble with the United States Senate, and I will be frank about it. When we vote a hundred million dollars to tens of thousands of Government employees we are gaining favor with tens of thousands of voters; but when we vote one dollar or a hundred dollars to a United States Senator we are gaining favor only with ourselves, and we are apt to incur the displeasure of the misinformed voter. That is all there is to it. That is the reason why we have these minority groups. We do not always agree with minority groups but we yield to the pressure. Why do we yield to the pressure? Because the controlling votes, the balance of power, is in this minority group and that minority group, and so we go along.

Mr. President, so far as I am concerned, I am not going to yield to that argument. I do not think it is an argument that ought to appeal to the United States Senate.

Mr. BRIDGES. Mr. President, will the Senator from Louisiana yield?

Mr. LUCAS. I have the floor.

Mr. OVERTON. When did the Senator from Illinois get the floor?

The PRESIDING OFFICER. The Senator from Louisiana has the floor. Does he yield, and if so to whom?

Mr. OVERTON. I yield first to the Senator from New Hampshire.

Mr. BRIDGES. I may point out to the Senators who have raised the question that if in the mind of any Senator it would be unethical to accept this expense money, then he would have a very simple recourse. If the amendment should be adopted, he should not accept the money. I would go so far as to say that if any Member of the United States Senate opposes the amendment in principle—and he must oppose it in principle or he could not vote against it—then in order to be consistent he should not accept any funds from it for expenses if the amendment should be adopted. I should like to hear a list of names of Senators read on the floor of the Senate from time to time who oppose this amendment and then accept such expense money if the amendment is agreed to.

Mr. OVERTON. There is a great deal of force in the argument of the Senator from New Hampshire.

Mr. LUCAS. Mr. President, I should like the floor in my own right.

The PRESIDING OFFICER. The Senator from Louisiana has not yielded the floor.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from New Mexico?

Mr. OVERTON. I am very glad, indeed, to yield to the Senator from New Mexico.

Mr. HATCH. As I stated a few days ago, I objected to the committee amendment for several reasons. First, in my opinion, it would increase the incomes of Senators—I said "compensation," and the Senator corrected me and said "income." Whatever we call it, in my opinion, it would increase the incomes of Senators without saying so. By that statement I cast no reflection on the committee or on the language the committee employed. That was my interpretation. I think I said that I had believed for a long time that the incomes of Members of Congress should be increased, but that I thought whatever increase was made should be openly and frankly made. That was my first objection.

Mr. OVERTON. May I interrupt the Senator on the first point before he proceeds to the second?

Mr. HATCH. Yes.

Mr. OVERTON. It does increase the income, but does not allow Senators to keep the increase. It increases the income for one purpose, that is, to enable a Senator to meet the expenses of his office, and if he does not expend it in meeting the expenses of his office, he must return it in his income-tax return.

Mr. HATCH. That was my second point. I objected strenuously to the Senate increasing the incomes of Senators by any device and not making them subject to taxation. Under the original committee amendment I think that is exactly what was done.

Mr. OVERTON. That is correct.

Mr. HATCH. That is the point I wanted to be sure of. Under the amendment now proposed that has been corrected.

Mr. OVERTON. That has been corrected.

Mr. HATCH. There is no blanket exemption from taxation?

Mr. OVERTON. None whatsoever.

Mr. HATCH. Whatever amounts to a net increase in salary, or compensation, or income, whatever we may call it, will be subject to taxation?

Mr. OVERTON. That is correct.

Mr. HATCH. Those were the two points I wanted cleared up. I still say to the Senator from Louisiana that I think I shall insist on the substitute which I offered last week. I shall modify it as the Senator modified his proposal, except that I shall insist that there should appear the language "for the purpose of increasing the compensation of Senators," because I am quite sure that is the purpose, and I think we should say so.

There is one other point about which I wish to ask the Senator from Louisiana. The committee amendment which he has offered and modified is an amendment in lieu of the committee amendment on page 2. On page 2, beginning in line 11—and this is merely technical, but I wondered why the Senator left out the provision—the committee provides for appropriating a certain sum to cover the payments. The Senator has left that out of his amendment.

Mr. OVERTON. It is in line 7 of the modified amendment.

Mr. HATCH. The Senator just changed it. I did not see that. He has the same language there. I wondered why he had omitted it.

Mr. OVERTON. Mr. President, I yield the floor.

Mr. LUCAS. Mr. President, I shall detain the Senate for just a few moments. Really, I had not expected to participate in the debate, but in view of statements made by the Senator from Louisiana and the Senator from New Hampshire, I feel compelled to reply briefly.

I definitely believe that public servants in Washington are underpaid. There is little question about that, in my mind. During a conference last week I stated that I would rather vote for a provision to pay Senators $15,000 a year, permitting them to come in the same category with all other taxpayers, than to vote for what I believe to be a pure subterfuge in connection with the original amendment offered by the Committee on Appropriations.

Mr. President, it makes no difference what Senators may term it, the pending proposal represents an increase in our salaries of $2,500 a year. I would vote for a provision which would leave the salary as it is and permit a Senator to deduct his legitimate expenses in connection with official business, just as any other business or professional man is permitted to do under the law. I hope that some day I may be able to stand on the floor of the Senate and vote for an increase in the salaries of Senators. I am not afraid to stand up and be counted, and the argument made by the distinguished Senator from New Hampshire about having a roll call, or about what anyone should do with the money if he voted "no" on this kind of a provision, does not frighten me at all.

I repeat what I stated before, that Senators are underpaid, and the only point I am making at this time is whether or not this is the hour to increase the salaries of Members of Congress or whether this is the proper method of approach. I am constantly thinking about inflation. I see the specter of that economic evil upon every hand. I saw it in the Committee on Agriculture and Forestry in connection with the special investigation on the price-control bill. I know some special groups in this country which would like to see the price-control law repealed. If that should happen, sooner or later we would have the inflation which we all dread so much.

Mr. President, if this is not an invitation to inflation, I do not know anything about the question. If the Senate can take the position that Members of Congress are entitled to increased salaries at this hour, then there is not a single group in America which cannot take a similar position, and deservedly so. I cannot and will not speak for the House of Representatives—that is a matter which they will have to decide—they are the judge of their own compensation—I shall not interfere with that prerogative.

I know how difficult it is to get along in Washington under present conditions, but if I were given the right to deduct reasonable expenses, which should be done, and which should have been considered as a legal right by the Bureau of Internal Revenue, I could get along until the emergency is over. When the emergency is over, I shall join with anyone in increasing the salaries of United States Senators to $15,000 because they are entitled to it. I am only making the point at this moment that in my opinion this is not the time to do that, not that I do not think it is right and just, not that I do not think that Members of Congress are entitled to it, but I believe we would bring economic repercussions beyond anything we now contemplate or comprehend. I am not going to have that responsibility upon me. I honestly feel that way about it.

It is not a question of my catering to some special group. I have been able to stand on my own feet in the United States Senate, just as has the Senator from Louisiana. I know how independent he is. One of the primary reasons why I am a Senator of the United States is because of the independent attitude I have assumed on important public questions since I have been a Member of this legislative body.

Mr. OVERTON. If the Senator will permit me to interrupt him, I would not criticize the Senator from Illinois.

Mr. LUCAS. Perhaps it was the Senator from New Hampshire. I thought there was an implication that the Senator from Illinois was taking a position upon this important matter because of certain outside special pressure groups. I wish to deny any intention of so doing. That thought is wholly extraneous insofar as I am concerned. I am making my position clear upon this issue because of what I seriously consider will be its inflationary effect upon the country, and am certain that I am not wrong in this premise.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BANKHEAD. The Senator from Illinois has on more than one occasion referred to the inflationary effect of this provision if adopted. It is my understanding that the Senator means, of course, that it will be inflationary because of the increased volume of money put into circulation by the appropriation. That amount, Mr. President, is a small amount, two or three hundred thousand dollars. But I think the Senator participated in approving a bill—I know he did not object to its passage by the Senate about 10 days ago—increasing the amount to be paid to Federal employees by about $475,000,000, a permanent increase. I heard no objection from him or any other Senator that such action would set loose inflationary winds in this country.

Mr. LUCAS. The Senator from Alabama, of course, is trying to interpret what I mean by inflation, and he is trying to give the Senate and the country the impression that I do not know much about the subject I am discussing because of the small amount it is proposed to increase our salaries. My dear friend has completely missed the point I make. Senators will find upon investigation of the pay raise to Federal employees that practically all of them are under the $5,000 limit, and the Congress froze the salaries of everyone over $5,000. True it is, however, that the freezing provision has been slightly violated. We have increased the pay of some officers and in so doing have violated the law which we passed some time ago in order to keep down the very thing I am now thinking about.

Mr. President, I repeat what I said before. Once we take the lead in increasing our salaries at this time, there will be no reason any Senator can present why any other groups in America, and especially the white-collared group and the laboring men of this country, should not have their wages increased commensurate with what we are here now doing. Once we start increasing wages, once we start the spiral of inflation—and that is what I am talking about—I do not think we can stop it. That is why, at this time, I am against the proposal which is now before the Senate.

Mr. HATCH. Mr. President, last Thursday I submitted a substitute for the committee amendment, and in submitting it at that time I think I made my position quite clear. There will be no occasion to reiterate what I said last Thursday. I desire to say, however, that I fully appreciate the situation in which the Appropriations Committee found itself because of the conflict, perhaps, between the two branches of Congress, the House already having adopted a provision which the Senate Appropriations Committee did not feel like amending or changing. But as I said then, I was not, and am not now, satisfied with the committee amendment. Therefore I offered the substitute for the purpose of expressing clearly and in plain language what we were trying to do.

Mr. President, I am now going to modify the substitute which I offered on Thursday to meet the amendment which has been offered by the committee this morning. I had better read my modified substitute because the language of the modification is in my own writing, and I am afraid the clerk might find difficulty in reading it. The substitute, as modified, which I now offer in lieu of the committee amendment, as modified, is as follows:

There shall be paid to each Senator, after January 2, 1945, an allowance of $2,500 per annum for the purpose of increasing the income of Senators—

I have changed the word "compensation" to "income," because the Senator from Louisiana seemed to make a distinction between the two words. I make none; I think it is increased income, and I think we ought to say so—

to defray expenses incurred in the discharge of official duties—

I think that ought to be done.

Then I add this language which does not appear in the committee amendment or in the modification thereof:

and until a general readjustment of salaries, retirement pay, and expenses can be made.

Of course that has no effect on this particular question, but it is an open invitation to the proper committees of the Congress to consider the whole question of salaries and of retirement pay which I think ought to be provided by the Congress, and also expenses, and to report a general bill dealing with the entire question, which I think ought to be done at the earliest possible moment.

That language is inserted to show not only to ourselves but to the public that this is merely a temporary thing we are doing here today. It does not meet the problem of salaries for Members of Congress or for retirement pay or expenses. It is certainly a make-shift measure, to say the least. I should like to see the whole subject gone into thoroughly and a wise provision adopted which would adequately pay Senators, and would provide for their old age after they have retired from this body, not excessive in either case.

Then my amendment follows the exact language now included in the committee amendment—

Provided, That for the purpose of determining the deductibility of expenses under the income-tax laws—

I am now modifying my original amendment.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. OVERTON. Does the Senator from New Mexico strike out the language beginning at the end of line 5 on page 1 to the conclusion of his original amendment?

Mr. HATCH. Yes, I strike that all out, and I insert new language at the end of line 5. In line 5 following the period I strike out beginning with the word "actual" down to and including the word "purposes", and the period in line 2 on page 2. Then I insert the language of the proviso in the modified committee amendment, after which I include the language of my original amendment beginning in line 2 on page 2 down to and including line 6, the language making the appropriation, which appears in lines 7 to 11 of the modified committee amendment.

As I said, Mr. President, I am offering this language perhaps as a partial solution of the problem with which the committee was confronted, not only in trying to provide compensation or income for Senators, but also to meet the situation which exists between the two Houses.

Frankly, Mr. President, I am not pleased with my substitute. It is not my idea of how the thing should be done, and certainly it is not in my opinion adequate, because it does not cover the entire subject as I think it should be covered.

Mr. President, I shall not assume to belabor the point. Senators may vote or do just as they please with respect to it.

Mr. OVERTON. Mr. President, will the Senator yield to me so I may ask him a question for clarification?

Mr. HATCH. Yes.

Mr. OVERTON. There is not any substantial difference between the amendment offered by the Senator and the committee amendment as modified——

Mr. HATCH. The substantial difference is that at the beginning of my amendment I used the language "for the purpose of increasing the income, to defray expenses."

Mr. OVERTON. That is the Senator's statement, if I may say so. The income of Senators is not increased $2,500 by allowing them that amount for expenses because they have to deduct from the $2,500 the expenses they incur, and the increase is whatever is saved out of the $2,500. That is where the increase comes in. But it is erroneous to say that the income of Senators would be increased by $2,500 if they were allowed $2,500 to pay their expenses. Their income would be increased only by the difference between $2,500 and the expenses, and if the expenses should exceed $2,500 their income would not be increased at all. With all due respect for the Senator from New Mexico, I think if his amendment should be adopted it would constitute an erroneous statutory declaration.

Mr. HATCH. The Senator from Louisiana may be entirely correct, or he may be entirely erroneous, even as I may be.

Mr. OVERTON. Certainly I may be.

Mr. HATCH. The point is simply this: If we allow $2,500 a year, and a Senator spends only $1,500 for expenses, we have increased his net income $1,000 a year.

Mr. OVERTON. But not $2,500.

Mr. HATCH. No; but I say in my amendment "for the purpose of increasing the income" and to defray expenses. To whatever extent we increase the income, whether it is $1 or $2,500, the income is increased in that amount, and I wish to say so. The Senator has met perhaps my chief objection, in that he makes the net income subject to taxation.

Mr. OVERTON. That is correct.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from New Mexico yield?

Mr. HATCH. I am ready to yield the floor.

The PRESIDING OFFICER. The modified amendment offered by the Senator from New Mexico, in the nature of a substitute for the modified committee amendment on page 2, line 1, will be stated.

The CHIEF CLERK. In lieu of the committee amendment on page 2, line 1, it is proposed to insert the following:

There shall be paid to each Senator, after January 2, 1945, an allowance of $2,500 per annum for the purpose of increasing the income of Senators, to defray expenses incurred in the discharge of official duties and

until a general readjustment of salaries, retirement pay, and expenses can be made: *Provided*, That for the purpose of determining the deductibility of expenses under the income-tax laws the home of a Senator, Representative, Delegate, and the Resident Commissioner from Puerto Rico shall be deemed to be his domicile in the State for which or in which he is chosen, or in the Territory or possession, as the case may be. For making such payments through June 30, 1946, $358,667, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from New Mexico [Mr. HATCH] in the nature of a substitute for the modified committee amendment on page 2, line 1.

Mr. HATCH. Mr. President, I now yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. Mr. President, my question has been answered. I wish to find out the status of the Senator's amendment in the nature of a substitute, because I desire to make the point of order that it is legislation on an appropriation bill. I understand that the amendment is now before the Senate, and my point of order should be in order. I should like to make the point of order.

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. HATCH. I have no objection to yielding for that purpose. If the Senator wishes to make the point of order, I think he is entitled to make it. I yield the floor.

Mr. JOHNSON of Colorado. Mr. President, I make the point of order that the substitute amendment offered by the Senator from New Mexico is legislation on an appropriation bill. Not only is it legislation on an appropriation bill, but this amendment is a revenue measure which has not been considered by the House. I do not claim to be an expert on the Constitution. I know that we have a great many constitutional lawyers and experts in this body. However, the first paragraph of section 7 of Article 1 of the Constitution reads as follows:

Any bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

The point is that House bill 3109 was not a revenue measure when it came from the House. It had no revenue references in it whatsoever. We might as well take any House bill on the calendar and make a revenue measure of it. I notice on the calendar House bill 1793, Calendar No. 71. We might as well take that bill and make it a revenue measure in the Senate, if we can do what the amendment now pending would do. While I am not making a point of order on the constitutional question, I am making the point of order that this amendment is legislation on an appropriation bill.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BILBO. Mr. President, in considering the pending amendment, the effect of which is to increase the present salary of United States Senators from $10,000 to $12,500, and in reaching a decision thereon, I entertain certain very definite convictions which control me in every vote. In every vote which I cast on the floor of the Senate I must first account to the people of Mississippi, who elected me, and whom I represent as their hired man; secondly, I must account to my country, as an American citizen; third, I must account to my conscience, with which I must always keep company; and fourth, I must account to my God, to whom I must finally account for everything I do.

My conviction with respect to elective office in our representative form of government is to this effect——

Mr. BUSHFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUSHFIELD. I should like to have the Chair pass upon the question as to whether the point of order raised by the Senator from Colorado should be decided by the Chair before we proceed with the debate?

The PRESIDING OFFICER. The Chair is ready to rule. As the Chair understood, the Senator from New Mexico yielded to the Senator from Colorado.

Mr. JOHNSON of Colorado. Mr. President, I yield the floor. I am in no particular hurry to have the Chair rule, except that the Chair should rule before any action is taken by the Senate.

The PRESIDING OFFICER. The Chair will be ready to rule on the point of order of the Senator from Colorado in a moment. In the meantime, the Chair recognizes the Senator from Mississippi.

Mr. BILBO. Mr. President, I shall be glad to finish what I have to say, if the Senator has no objection. I shall consume only a few minutes.

My conception of an elective officer under our representative scheme of government is this: When I, as a citizen, announce for public office and go before the electorate and beg them for their votes, and they decide in my favor, I consider that the conclusion of a solemn and binding contract of service for a definite term of years. In 1934, as well as in 1940, I vigorously sought a contract with the people of Mississippi to represent them in the Senate. In each case I was elected. At the time I knew what the salary was. The people of my State knew what the salary was. It was $10,000 a year and mileage two ways.

Mr. HATCH. Did the Senator say "mileage two ways"?

Mr. BILBO. To and fro.

Mr. HATCH. Not two times.

Mr. BILBO. No; mileage to and fro, for each session of the Congress.

Mr. BANKHEAD. Mr. President, will the Senator yield for a question?

Mr. BILBO. I yield.

Mr. BANKHEAD. The Senator vigorously asserts that he knew what the salary was when he was elected, and that he did not think it ought to be increased. I ask him if he did not also know what the compensation of clerks allowed him was, and if he has not since voted to increase that compensation?

Mr. BILBO. I shall answer the Senator's question. I am not arguing whether an increase in Senators' salaries is justifiable or not. That is not what I am arguing. The point I make is that I accepted this term of employment at a fixed salary of $10,000, and it is my conviction and my feeling that I would have no right to cast my vote to increase my salary for this term; that I would have no right to put my hand into the Public Treasury and take out $5,000 for this year and next year—$2,500 a year—and thus add to my salary, when I was elected by the people of my State to serve at a fixed salary.

If this amendment is adopted and becomes the law and if I go before the people of my State next year, as I propose to do, and if I am reelected with the understanding that my salary will be $12,500, in 1947 I will accept that salary.

The Senate may adopt this amendment if it wishes to do so, of course, but I will vote against it.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. OVERTON. What about a Senator whose reelection does not occur until 5 years after the provision becomes the law?

Mr. HATCH. In that connection let me say that the Senator from Mississippi would be in a very enviable position.

Mr. OVERTON. He would be receiving the increased salary, but other Senators would not.

Mr. HATCH. Oh, yes.

Mr. OVERTON. In other words, Senators who were recently elected would not receive the increase in salary.

Mr. HATCH. That would ease the conscience, perhaps, of the Senator from Mississippi.

Mr. BILBO. Mr. President, I have nothing in the world to do with the consciences of others. My point is that no Senator could conscientiously accept the proposed increase in salary for the term for which he has been elected. But if I am elected in 1946 and if I return to the Senate in 1947, I shall then feel justified in accepting the increased salary, if the Senate votes for it. But I will not vote for it.

Let me say further that, knowing that my salary has been considerably cut down since I was elected by the enactment of the last income-tax law, under which the Government is now taking more than $2,000 a year out of my salary, nevertheless I propose to accept my lot and pay my share and suffer and pay the price of this war along with the 3,000,000 other Government employees who have likewise been assessed increased income taxes as a result of the necessities of the war; and I shall pay mine without complaint, and I shall continue to stint and to live upon whatever is left until I am reelected by my people. The Senate can adopt the amendment if it wishes to do so, but I will not accept one cent of the money until 1947. I will leave the $5,000 in the Treasury to help pay the debt resulting from this tremendous war. That is all I have to say.

Mr. LANGER. Mr. President, I speak upon the amendment and the substitute so that my position may be clear. Last

week when I tried to obtain a yea-and-nay vote on the question whether a married woman employed by the Federal Government shall have a 60-day leave of absence with pay at the time of confinement when she is giving birth to a child the privilege of having such a yea-and-nay vote was denied me. Only nine Senators of all who were on this floor raised their hands in favor of having the Senate recorded on that question by a yea-and-nay vote.

In connection with the pending bill and the pending amendment, Mr. President, I notice that when the question was before the House of Representatives the Members of the House had no yea-and-nay vote, either. For fear that there may be no yea-and-nay vote in the Senate on this question, I shall make my own position very clear, indeed.

I am opposed to the original language as set forth on page 19, which has been read. I am opposed to the amendment to the language which was submitted this morning by the distinguished Senator from Louisiana [Mr. OVERTON], and I am also opposed to the substitute proposed by the distinguished Senator from New Mexico [Mr. HATCH]. Mr. President, in my judgment, the language in its original form cannot be amended in any way, shape, or manner so that I can possibly support it.

As I view the situation, a Senator is an employee of the people who elected him. He is merely a hired man of the people of his State and of the country as a whole. Therefore he is in exactly the same class as is any other Federal employee.

What is the record with respect to Federal employees? They have not been given an increase in basic pay since 1925. The other day in the Civil Service Committee I tried to make it possible for Federal employees to be granted an increase of 25 percent in their basic pay, and I could not even get a second to my proposal. I tried to get them overtime pay at the rate of time and a half. While the bill which was being considered by the committee provided for compensation at the rate of time and a half, it was conceded that it was only time and one-twelfth. Yet, I could not get a second to my motion.

The other day, in the Civil Service Committee, I tried to get an increase in pay for night workers. I tried to get a differential for them of 15 percent so that a person working during the graveyard shift, as it is called, would receive 15 percent more compensation. Yet, I could not get a second to my proposal.

In the same committee I tried to get overtime pay for those who work on holidays. Federal employees who work on New Year's, Christmas, the Fourth of July, Memorial Day, and so forth, receive common ordinary pay. They do not receive double pay, time and a half pay, or time and one-twelfth pay. Yet, I could not get a second to my motion.

I have already related my experience when upon this floor only nine Senators joined in the request for a yea-and-nay vote in connection with the proposal to grant 60 days time with pay to married women who were about to become mothers.

Mr. President, a wife of a man in the service, who is about to give birth to a child, is called upon to live on 93 cents a day. Think of it—93 cents a day. That is all she gets; only 93 cents a day. No Member on this floor is trying to see that she gets $1.93. I remember very clearly that when I tried to get the pay of soldiers increased from $50 a month I was unable to get a showing of hands for a roll-call vote upon that occasion. The only Senators who offered any support to my effort in the form of a speech at that time was the distinguished former Senator from Missouri [Mr. CLARK] and the senior Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. President, if the tax ruling about which we have heard so much upon the floor of the Senate, which has been hashed and rehashed by the distinguished Senator from Louisiana [Mr. OVERTON] is wrong, I may say that it was supported by the Board of Tax Appeals year in and year out for many years. If the ruling is not correct, why has it not been appealed to the Supreme Court of the United States? The very fact that no Senator or Representative has ever appealed it gives support to the belief that, in my opinion, at least, the ruling was correct. It it was wrong it could have been appealed.

If an employee who comes from the State of Wisconsin, from the State of Vermont, or from the State of North Dakota to Washington and works for the Government may not deduct from his income-tax return any part of his expense incurred in living, I submit, Mr. President, that a Representative or a Senator is exactly in the same category. If a farmer from my State should be invited to Washington to perform work in the Department of Agriculture and not be allowed to deduct legitimate expenses in connection with temporarily moving to Washington, then certainly the Senators from North Dakota should not deduct similar expenses.

I wish to make my position very clear. I am opposed to every paragraph, every sentence, every line, every comma, and every period contained in either the original language, the amendment, or the substitute amendment. I sincerely hope that if there are Members on this floor who can in good conscience vote to increase their compensation, no matter under what guise they may do so, while wives of servicemen have to live on 93 cents a day, and servicemen may receive only $50 a month in compensation, those Senators are welcome to take that position, but I ask that they go on record by a yea-and-nay vote on this very important legislation.

Mr. MORSE addressed the Chair.

Mr. OVERTON. Mr. President, has the Chair ruled on the point of order made by the senior Senator from Colorado [Mr. JOHNSON]?

The PRESIDING OFFICER. No; the Chair has not yet ruled. The Senator from Colorado is not now in the Chamber. The Chair recognizes the Senator from Oregon [Mr. MORSE], and after the Senator from Colorado has returned to the Chamber the Chair will rule on the point of order.

The Senator from Oregon has the floor.

Mr. MORSE. Mr. President, I regret that I deem it necessary to speak a second time on this very important amendment.

Mr. LANGER. Mr. President, will the Senator from Oregon yield in order that I may suggest the absence of a quorum?

Mr. MORSE. I yield.

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hart	Pepper
Bailey	Hatch	Radcliffe
Bankhead	Hayden	Saltonstall
Barkley	Hickenlooper	Shipstead
Bilbo	Hoey	Smith
Bridges	Johnson, Colo.	Taft
Briggs	La Follette	Thomas, Okla.
Buck	Langer	Thomas, Utah
Bushfield	Lucas	Tobey
Butler	McKellar	Wagner
Capper	McMahon	Walsh
Cordon	Magnuson	White
Donnell	Moore	Wiley
Ellender	Morse	Willis
Fulbright	Myers	Wilson
George	O'Daniel	Young
Gerry	O'Mahoney	
Green	Overton	

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Georgia [Mr. RUSSELL], the Senator from Tennessee [Mr. STEWART], and the Senator from Arkansas [Mr. MCCLELLAN] are visiting battlefields in Europe.

The Senator from Kentucky [Mr. CHANDLER], the Senator from California [Mr. DOWNEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Utah [Mr. MURDOCK], the Senator from Montana [Mr. MURRAY], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from Alabama [Mr. HILL] is absent because of illness in his family.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent on official business for the Special Committee Investigating the National Defense Program.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Interstate Commerce Committee.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on Territories and Insular Affairs, is in-

specting the Philippine Islands and therefore is necessarily absent.

Mr. WHITE. The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], and the Senator from Nebraska [Mr. WHERRY] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON] are absent on official business of the Senate as members of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Wyoming [Mr. ROBERTSON] is absent by leave of the Senate on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from Ohio [Mr. BURTON] is necessarily absent.

The PRESIDENT pro tempore. Fifty-two Senators having answered to their names, a quorum is present.

Mr. MORSE. Mr. President, as I stated, I regret very much that I deem the principles involved in the pending amendment so vital to the economic stabilization program of the Government as to require me, as a matter of public duty, to speak further on the subject. I spoke at some length on it last Thursday afternoon. Over the week end I checked the matter with certain public members of the War Labor Board and with officials of the Internal Revenue Bureau, which agencies have authority and jurisdiction over the stabilizing of wages and salaries during the war period. The representatives of both those agencies informed me that if the same type of proposal as is involved in the amendment under discussion were made by an American business or corporation it would be the ruling of those agencies that the proposal would violate the wage-stabilization program of the Government and would have to be denied. Hence, the major premise which I shall seek to defend throughout my discussion of this amendment is that if business attempted to do exactly the same thing the Senate of the United States is attempting to do by this measure the stabilization authorities of the Government would rule that an attempt to increase the income of workers and salaried officials by an expense account not heretofore paid would constitute a violation of the wage and salary stabilization program.

Further, I desire to defend to the best of my ability the premise that if we adopt the proposed amendment we are going to endanger the wartime stabilization program of the Government; we are going seriously to embarrass the War Labor Board and the Internal Revenue Bureau, and in my judgment, before we get through with it we will embarrass the President of the United States. I think the President is entitled to the support of this body in maintaining existing essential wartime stabilization controls, because we can lose the war on the home front if we do not do everything within our power as a Congress to check at all times the dangers of inflation.

It has been said in the debate today that the adoption of this small increase so far as the money is concerned will not in and of itself cause inflation. That is quite true. It is not the amount of money involved in this amendment that will have an inflationary effect, but it is the Nation-wide example that will be set by the Senate of the United States if we adopt this amendment which will have serious inflationary effects.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HATCH. There is one thing which has perplexed and bothered me about this whole matter. The Senator referred to the Senate of the United States. Probably the Senate is going to reject his amendment. I rather think so. Nevertheless, the fact remains that the House has already adopted the provision, and it is going to remain in the bill regardless of what we do with the pending amendment. What effect will that have? The House of Representatives, 435 Members, are going to receive this $2,500 a year for increased expenses, or whatever we may call it, but 96 Members of the Senate will not receive it. Is it not the tail wagging the dog in that respect? I am really concerned about that.

Mr. MORSE. I appreciate the parliamentary delicacies involved. I think I understand, as does the Senator from New Mexico, that if we do not accede to the House provision we will at least violate long-established practice in the Congress of the United States. In fact, I think the language used by one speaker today was that if we do not go along with the House bill we will be involved in a row with the House.

Mr. HATCH. Will the Senator yield further?

Mr. MORSE. I yield.

Mr. HATCH. That is not the point. The point is that the House provision is in the bill as a part of the bill, and, so far as I can see, it is going to remain in the bill, regardless of what the Senate does. What effect will that have?

Mr. MORSE. I was about to make the point, in reply to the statement made by one of the Senators in the debate today that unless we vote for this amendment we will find ourselves in a row with the House—and I certainly would not like to find us in a row with the House. However, as between rowing with the House and protecting the wartime economic stabilization program of this Government, I am ready to row with the House over the matter, because I think if the provision remains in the bill, then we will endanger the economic stabilization program, and I shall not vote for the bill with the House provision in it.

Mr. HATCH. Mr. President, I think the Senator misunderstood my point. I am not raising the question of a row with the House. I do not see how there will be a row. What the Senate is to do this afternoon is to vote whether it will be on an equal footing with the House. The House has already adopted this provision, and, so far as I can learn, the provision will remain in the bill, and with all due respect to the Senator, whether he votes for it or against it, I am quite sure the provision will become law. So what we are going to have as a net result is that the House of Representatives, 435 Members, will receive $2,500 for expenses, and 96 Senators are not going to receive that amount. Where will we be? That is what I am trying to find out.

Mr. MORSE. I do not agree with the Senator from New Mexico that the House provision will necessarily remain in the bill. I have great confidence in the Members of the House, and I am inclined to believe—at least I wish to hope, and I shall continue to so hope until the House demonstrates to me that my hopes are not well founded—that when the Senate does what I think it should do, namely, vote down the amendment proposed in regard to the Senate allowance, and then, after that vote has become a matter of record, refer the whole matter to the House for further conference, the House will recede from its position.

Mr. HATCH. Will the Senator further yield?

Mr. MORSE. I yield.

Mr. HATCH. From a parliamentary standpoint—and if I am wrong in this I should like to be corrected—the House provision will not even be in conference. Am I correct in that, I ask the majority leader?

Mr. BARKLEY. I would state to both Senators that I think it is generally understood that, from a parliamentary standpoint, if the Senate defeats the proposal now before it, and no change is made in the House provision, and the bill goes back to the House and is sent to conference, the provision will not be in conference, and if the conferees made any change in it, it would be subject to a point of order in either House. So that there will be no chance to change the House provision after the bill shall leave the Senate.

Mr. MORSE. If that be the parliamentary situation, Mr. President, I think it is all the more important that the Senate of the United States strike a blow this afternoon in defense of sound stabilization for the rest of the war, and leave the House then to assume its own responsibility for violating our wartime stabilization program. I still think, however, that when the Senate upholds the stabilization program by voting down the amendment there will be those in the House who will at least desire to seek further consideration of the House provision, by proper parliamentary tactics. I cannot believe and refuse to believe that a majority of the Members of the House will want their action to stand once they fully realize that their proposal violates the policies of the War

Labor Board and the Bureau of Internal Revenue as to wartime wage and salary controls applicable to our citizens generally.

Now, Mr. President, dry as it may be, nevertheless I think it is important that we get into the RECORD a little wartime history so far as our economic stabilization program is concerned, and hence I desire to take the Senate back to April 27, 1942. On that date President Roosevelt submitted to the Congress of the United States a message, which has became known as the Economic Stabilization Message of April 27, 1942. In part, he said this:

These economic factors relate primarily to an easily understood phrase which affects the lives of all of us—"the cost of living." Because rises in the cost of living which came with the last war were not checked in the beginning, people in this country paid more than twice as much for the same things in 1920 as they did in 1914.

In other words, Mr. President, we suffered the experience in 1920 of a cost of living rise in this country double what it was in 1914. The President very properly, in his great message of April 27, tried to impress upon the Congress of the United States the importance of Congress cooperating with the Executive, and doing everything within its power to see to it that proper checks were placed upon our economy to prevent an increase in the cost of living. He proceeded to say in that great message:

When the cost of living spirals upward week after week and month after month, people as a whole are bound to become poorer because the pay envelope will then lag behind rising retail prices. The price paid for carrying on the war by the Government, and therefore by the people, will increase by many billions if prices go up. Furthermore, there is an old and true saying that "that which goes up must always come down"—and you and I know the hardships and heartaches we all went through in the bad years after the last war, when the Americans were losing their homes and their farms and their savings and were looking in vain for jobs.

* * * * *

We must therefore adopt as one of our principal domestic objectives the stabilization of the cost of living, for this is essential to the fortification of our whole economic structure.

Relying on past and present experience, and leaving out masses of details which relate more to questions of method than to the objective itself, I list for the Congress the following points, which, taken together, may well be called our present national economic policy:

Then followed the President's so-called seven-point program. Many of us may differ as to individual items within the program. Many of us may differ as to whether or not the best job possible has been done in carrying out the seven points. I have been critical of some of the agencies charged with the responsibility of some of those points. Nevertheless, as I said last Thursday, I think that, by and large, and on the whole, a magnificent job has been done in holding the cost of living within reasonable bounds.

I should like very quickly to review the seven points, because I think we need to keep them in mind as we consider the effect of the amendment now pending before the Senate. The President said:

1. To keep the cost of living from spiraling upward, we must tax heavily, and in that process keep personal and corporate profits at a reasonable rate, the word "reasonable" being defined at a low level.

I do not think our tax program has provided the most equitable distribution of the tax load but I agree with President Roosevelt that heavy taxes were and are necessary to check the dangers of inflation. The President stated further:

2. To keep the cost of living from spiraling upward, we must fix ceilings on the prices which consumers, retailers, wholesalers, and manufacturers pay for the things they buy; and ceilings on rents for dwellings in all areas affected by war industries.

I have been very critical and still am of the OPA but I agree with the late President that without a price-control program we would be confronted with a runaway inflation and the value of the wage earner's dollar would be greatly reduced.

Then in his message of April 27, 1942, the President pointed out the importance of wage controls to inflation control. He said:

3. To keep the cost of living from spiraling upward, we must stabilize the remuneration received by individuals for their work.

He made a wage-control program one of the cardinal principles of a wartime economic stabilization program.

The other points of his seven-point plan were these:

4. To keep the cost of living from spiraling upward, we must stabilize the prices received by growers for the products of their lands.

5. To keep the cost of living from spiraling upward, we must encourage all citizens to contribute to the cost of winning this war by purchasing war bonds with their earnings instead of using those earnings to buy articles which are not essential.

6. To keep the cost of living from spiraling upward, we must ration all essential commodities of which there is a scarcity, so that they may be distributed fairly among consumers and not merely in accordance with financial ability to pay high prices for them.

7 (and last). To keep the cost of living from spiraling upward, we must discourage credit and instalment buying, and encourage the paying off of debts, mortgages, and other obligations; for this promotes savings, retards excessive buying, and adds to the amount available to the creditors for the purchase of war bonds.

In his message to Congress the President also said:

I know that you will appreciate that these seven principal points, each and every one of them, will contribute in substantial fashion to the great objective of keeping the cost of living down.

Then on April 28, in a radio address to the country, the President used this language:

Do you work for wages? You will have to forego higher wages for your particular job for the duration of the war.

The National War Labor Board took the President's message to Congress of April 27, 1942, as binding upon it, and it proceeded to work out a wage stabilization program that in its judgment best kept faith with the request of the President that it stabilize wartime wages. However, I want Members of the Senate to keep in mind the fact that the message of April 27, 1942, and subsequent Executive orders did not freeze wages nor salaries. They provided for certain exceptions to a wage freeze. Thus the Executive orders, as you will see in a minute, empowered the War Labor Board to adjust wage rates so as to rectify substandard wages, gross inequalities, and inequities in the wage structure involved in any case before the Board. Further, it should be remembered that the Board was authorized to grant such increases as the evidence in a given case demonstrated were necessary as an aid in the effective prosecution of the war. Those increases under the last-mentioned exception have been exceedingly rare in the history of the War Labor Board. I ask Members of the Senate to keep that fact in mind as I attempt to take them through two or three of the Executive orders that were issued in regard to stabilizing wages.

The first Executive Order was No. 9250. That is known as the General Wage Order—the one that imposed most of the rules and instructions, as far as the War Labor Board was concerned, of the President upon the Board in keeping with his message of April 27, 1942. Note some of the language of that Executive order:

1. No increases in wage rate, granted as a result of voluntary agreement, collective bargaining, conciliation, arbitration, or otherwise—

Note the words "or otherwise." I may say parenthetically that under the term "or otherwise" the Board reached the conclusion that it was prohibited from recognizing any indirect wage increases such as wage increases by way of expense accounts not theretofore paid.

And no decreases in wage rates, shall be authorized unless notice of such increases or decreases shall have been filed with the National War Labor Board and unless the National War Labor Board has approved such increases or decreases.

2. The National War Labor Board shall not approve any increases in the wage rates prevailing on September 15, 1942,—

May I repeat—

Shall not approve any increases in the wage rates prevailing on September 15, 1942—

That was the deadline date.

Unless such increase is necessary to correct maladjustments or inequalities, to eliminate substandards of living, to correct gross inequities, or to aid in the effective prosecution of the war.

May I assure Members of the Senate, without taking them through a large number of cases, that the Board applied the language which provided for the exceptions as language of limitation, as restrictive language. Hence the Board required great proof to be shown that a serious inequality or gross inequality, with the language of the order, was established by the evidence in the case before it would grant any exception to the general rule enunciated by the President in his message of April 27 and his speech of April 28, that "If you work for wages you cannot expect any increase in those wages for the duration of the war."

Mr. President, in my judgment the policy of Order 9250 is at least morally binding upon the Senate of the United States. I would be the first to agree

that neither the War Labor Board nor the Bureau of Internal Revenue has any jurisdiction over the salaries paid to the Members of the Congress of the United States. If we want to vote ourselves a salary increase or if we want to vote ourselves a salary increase by way of indirection through an expense account, we have the authority to do so, I grant it, because the agencies which have been set up to stabilize the salaries and wages for all other Americans have no jurisdiction over us. Yet, I say, that very fact greatly increases our moral responsibility in this matter, and we certainly should not place ourselves in a position before the people of the United States in which they can rightly say that we agree that one policy is good enough for the wage earners and the salary earners of American, but a different policy should be applied to the Members of the Congress of the United States.

I am not one who fears criticism, because I suppose I have lived under as much criticism as any man in this body, but nevertheless, I am one who feels that we should not subject the Senate of the United States to justified criticism when we can avoid it by doing our clear duty. If we adopt this amendment, in my judgment, the people of this country will have a right to criticize all Members of the Congress of the United States who in the midst of a war voted themselves by indirection a salary increase which constitutes a violation of the wage-stabilization program binding upon every other American.

Order No. 9250 provides, in addition to what I have already quoted from it—

5. No increases in salaries now in excess of $5,000 per year (except in instances in which an individual has been assigned to more difficult or responsible work) shall be granted until otherwise determined by the Director.

The order provides further, in title III:

2. The National War Labor Board shall constitute the agency of the Federal Government authorized to carry out the wage policies stated in this order, or the directives on policy issued by the Director under this order. The National War Labor Board is further authorized to issue such rules and regulations as may be necessary for the speedy determination of the propriety of any wage increases or decreases in accordance with this order, and to avail itself of the services and facilities of such State and Federal departments and agencies as, in the discretion of the National War Labor Board, may be of assistance to the Board.

A tremendous power was given to the War Labor Board under this order. As I said on another occasion, it is an awful power, nevertheless a power which it was deemed necessary at the time to give it in order to do everything that this Government could on the home front to protect the value of the American dollar.

The last quotation I want to make from Order No. 9250 is this language:

Salaries and wages under this order shall include all forms of direct or indirect remuneration to an employee or officer for work or personal services performed for an employer or corporation, including, but not limited—

Note the language, "including, but not limited"—

to, bonuses, additional compensation, gifts, commissions, fees, and any other remuneration in any form or medium whatsoever, (excluding insurance and pension benefits in a reasonable amount as determined by the Director); but for the purpose of determining wages or salaries for any period prior to September 16, 1942—

And note the date, September 16, 1942—

such additional compensation shall be taken into account only in cases where it has been customarily paid—

Only in cases where it has been customarily paid. I continue to read:

by employers to their employees. "Salaries" as used in this order means remuneration for personal services regularly paid on a weekly, month, or annual basis.

Members of the Senate, do not pass over that language lightly, because under the prohibition of that language, in decisions as long as my arm in number, the War Labor Board has held over and over again, as has the Bureau of Internal Revenue, that we look to September 16, 1942, to see what the wage and salary pattern of the company involved in a given case was as of that date.

The wage pattern of September 16, 1942, became binding upon the Board and upon the Bureau of Internal Revenue unless a modification were justified under the exceptions previously referred to. In other words, we took that language as a prohibition upon us—and I think rightly so—prohibiting us from recognizing any of the various types of indirect wage increases.

Let us be perfectly fair about it. I am aware of the fact that there are distinctions between a situation involving the salaries of Members of Congress and the salaries and wages paid by business to workers, in this sense, at least, that on September 15, 1942, there was a great manpower shortage in America, and in a great majority of cases it was the employers who were asking for the wage increases. In fact, it was a bit paradoxical to sit on the War Labor Board and find that in the majority of cases the pleas for wage increases were no coming from labor, but from employers. The employers were very resourceful in inventing ways for obtaining indirect wage increases. I mentioned some of them last Thursday. Suffice it to say that employers sought to have the Board approve various types of indirect wage increases, including the so-called new expense account.

The point I wish to make is that unless the particular type of wage which the employer sought to have the Board approve was a form of wage which the employer paid prior to September 15, 1942, the date fixed in Executive Order 9250, it was disallowed. That is why I say that if this particular amendment were in the form of a request by a private employer in America to the War Labor Board to increase the take-home money of his salaried employees to the extent of the amount of expenses allowed under this amendment, the Board agency would rule that the increase could not be allowed. Why? Because it was not a part of the wage pattern of that particular plant as of September 15, 1942. I need not labor the point that as of September 15, 1942, the expense allowance sought by this amendment was not a part of the wage pattern of the United States Senate. I submit that in keeping faith with the economic-stabilization program of this Government during the war we should not seek by this method to increase our take-home money by way of an expense allowance which we were not entitled to as of September 15, 1942, when a prohibition against all such indirect forms of wage increases was laid down against the rest of the workers of the country. Speaking only out of my own conscience, I am frank to say that in my judgment, a moral issue is involved.

The next Executive order to which I wish to call attention is Executive Order 9328. In essence, Executive Order 9328 reinforced and buttressed Executive Order 9250. It modified Executive Order 9250 in this respect: It further reduced the exceptions under which the War Labor Board could grant wage increases. It eliminated the so-called equalization criterion, because it was felt by some in the administration that under the equalization criterion the Board had been allowing wage increases which it should not have allowed.

I read from the first section of Executive Order 9328:

In order to safeguard the stabilization of prices, wages, and salaries affecting the cost of living on the basis of levels existing on September 15, 1942—

Once again the President said to us—"September 15, 1942," is the date—

as authorized and directed by said act of Congress of October 2, 1942—

The Stabilization Act voted by the Members of this very Senate—

and Executive Order 9250 of October 3, 1942, and to prevent increases in wages, salaries, prices, and profits which, however justifiable if viewed apart from their effect upon the economy, tend to undermine the basis of stabilization, and to provide such regulations with respect to the control of price, wage, and salary increases as are necessary to maintain stabilization, it is hereby ordered as follows:

In other words, Executive Order 9328 was a subsequent order to Executive Order 9250, strengthening the prohibitions against further salaries and wage increases. In this order the President said, under item 2:

The National War Labor Board, the Commissioner of Internal Revenue, and other agencies exercising authority conferred by Executive Order 9250 or Executive Order 9299 and the regulations issued pursuant thereto over wage or salary increases are directed to authorize no further increases in wages or salaries except such as are clearly necessary to correct substandards of living, provided that nothing herein shall be construed to prevent such agencies from making such wage or salary adjustments as may be deemed appropriate and may not have been heretofore made to compensate, in accordance with the Little Steel formula as heretofore defined by the National War Labor Board, for the rise in the cost of living between January 1, 1941, and May 1, 1942.

I digress for a moment to point out that Executive Order 9328 made it very clear that the so-called Little Steel formula had been sanctioned by the Executive. Also it was the position of the

Executive and of the Board—and I believe rightly so—that the Stabilization Act of October 2, 1942, by implication imposed upon the Board the duty to carry out the provisions of Executive Order 9250 and the subsequent provisions of Executive Order 9328, including the application of the Little Steel formula.

Executive Order 9328 further provided:

Nor shall anything herein be construed to prevent such agencies, subject to the general policies and directives of the Economic Stabilization Director, from authorizing reasonable adjustments of wages and salaries in case of promotions, reclassifications, merit increases, incentive wages, or the like, provided that such adjustments do not increase the level of production costs appreciably or furnish the basis either to increase prices or resist otherwise justifiable reductions in prices.

With respect to this last provision, Executive Order 9328 did not authorize the War Labor Board to grant any wage increases not provided for under Executive Order 9250, but further restricted its power. However, it did recognize, as the Board had done in a great many decisions, that if a man were classified into a new job, if the duties of his job changed or if he were assigned different work, the Board could then consider a different rate of pay for him.

Applying that principle to the amendment before us, I think the fact is perfectly clear that the job of United States Senator is the same as it was on September 15, 1942. I realize that we may be in longer sessions. Nevertheless, if a record were being made before a board which had the obligation of applying the wage policies set down in Executive Orders 9250 and 9328, no showing could be made in that record which would justify the conclusion that the work of a United States Senator has so changed since September 15, 1942, as to justify this particular amendment under the provisions of Executive Order 9328. So I repeat that I care not by whatever yardstick this Government has given the Bureau of Internal Revenue or the War Labor Board in determining wages for other Americans you may wish to measure this proposed wage increase for Members of Congress it is clear that the amendment falls far short of measuring up to the wage stabilization standards. There is simply nothing in existing wage regulations which would justify a recognition of this increase if the Board had jurisdiction over the Congress of the United States.

Mr. President, I think there is a great deal of misinformation in the Senate in regard to the principles of wage and salary stabilization in this country, as they are applied by the War Labor Board and the Bureau of Internal Revenue. However, I should like to commend to the reading of the Members of the Senate the Wage Report of the War Labor Board submitted on February 22, 1945. In my judgment the report is an excellent one. In it the Board sets out clearly the history of its policies and a synopsis of some of the leading cases of the Board in which those policies have been put into effect. I shall not detain the Senate long, but for the record I wish to read the following paragraphs from that report. On page 40, the Board says this, in speaking about its wage policies:

1. To prevent inflationary spirals, it must be recognized that wages cannot be automatically adjusted to increases in living costs.

We are all aware of the fact that the War Labor Board, the Bureau of Internal Revenue, and even the Congress of the United States—all of us—constantly are working under urgings that there should be general wage increases in this country. It has never been the position of the War Labor Board that the so-called Little Steel formula—which is the cost-of-living formula—should never be changed, but it has been the consistent position of the War Labor Board, as set out in the report I have mentioned, that until it can be shown that the cost of living has risen to a point where American workers cannot maintain a standard of living of health and decency, the 15-percent formula should be retained insofar as requests for increases on cost-of-living grounds are concerned.

I am not arguing this afternoon that the Little Steel formula should never be changed, but I certainly am arguing that the Senate of the United States should not be the first to change it in connection with its own wages. When we look at the results of the amendment from the standpoint of the additional money it would put into pockets of each Member of Congress we see that, as compared with September 15, 1942, our take-home money will be increased in excess of the Little Steel formula. Unless there are new rules of addition—of which I do not know—I know of no other conclusion which one can reach by the application of simple arithmetic other than that the amendment breaks the Little Steel formula.

The Board in its report pointed out the great cooperation which it has received from various groups of labor in holding the line. For example, on page 40 it referred to the principle that in a wartime economy, when the supply of civilian goods falls so far short of available purchasing power, you cannot maintain a reasonable cost of living if you adjust wages with every percentage change in cost of living. As I said last Thursday—and it deserves repeating—basic to this whole question is the question of protecting the value of the American dollar. An action such as the one proposed by the pending amendment would simply make it more difficult to keep the floodgates of inflation closed. Thus I say that if the Senate adopts the amendment, which in effect and in fact violates the Little Steel formula, we shall weaken the hands of those who are attempting to hold the line against inflation.

The Board goes on to say on page 40 of its report:

This principle has become a foundation stone of the wage-stabilization program. On May 2, 1942, the President wired the Shipbuilding Wage Stabilization Conference at Chicago urging the voluntary deletion of escalator clauses.

Escalator clauses are found in many wage contracts, and I think there is much merit in them in peacetime. They provide that when the index of the cost of living goes up so many points, wages automatically will go up, and vice versa; and such an escalator clause existed in the shipbuilding contract. On May 2, 1942, the President of the United States, as the Board reported, wired the Shipbuilding Wage Stabilization Conference, urging the voluntary deletion of escalator clauses. In his telegram the President said this:

There is no surer way to undermine the standards achieved by labor than to fail in our common effort to control the cost of living. Wage earners must do their part, by agreement, to stabilize wages or else the very standards for which we have striven so long will be eaten away by increased costs of living.

* * * * *

The situation that now confronts you is that the full percentage wage increase for which contracts call and to which by the letter of the law you are entitled, is irreconcilable with the national policy to control the cost of living.

* * * * *

Under these circumstances, I suggest to the stabilization conference that you put your heads together and try to work out a plan by which this conflict may be resolved so that the wage standards of the workers in the shipbuilding industry and in other industries, and the living standards of all persons of modest income may be preserved against an inflationary rise in the cost of living.

The Board then said:

The unions and employers patriotically responded to the President's request, and the escalator clauses were removed. Thereafter it became a settled stabilization rule, accepted by all parties concerned, that such clauses would not be recognized or enforced during the war.

This did not, of course, mean that wage levels would never be reconsidered however much the cost of living might soar. But it did mean that a supreme effort would be made to keep both wages and prices stable and that in that effort any direct connection between the two, even though established by contract, would have to be foregone.

The second principle which the Board states it has applied throughout its history is the following one:

2. Every attempt should be made to protect the real wages of labor to the point that they do not drop below a standard of living compatible with health and decency.

You will find that language, I assure you, in a great many War Labor Board decisions, and many of them are cited in the footnotes of the report.

The Board then said:

This principle, which recognizes the need of wage adjustments to prevent "substandards of living," has also been an essential feature of the wage stabilization program, from its inception down to date.

The third principle stated by the Board is as follows:

3. To the extent it can be done without inflationary effects * * * fair and reasonable upward wage adjustments should be made as an offset against increases in the cost of living.

It was under that principle that the Little Steel formula was devised.

In the Board's report this comment is made:

After the President's message of April 27, 1942, had called for the stabilization of both

prices and wages, the Board in the Little Steel case applied the foregoing principle of the Harvester case to those who had not received increases equal to the rise in the cost of living from January 1941 to May 1942.

Then on page 43 the Board discusses the history of the Little Steel formula itself, as follows:

THE LITTLE STEEL CASE, JULY 16, 1942

The Little Steel case [1] was pending before a panel of the War Labor Board at the time the President issued his message of April 27, 1942. It was necessarily considered by the Board in the light of the President's seven-point program, in which he called among other things for a stabilization of wages, with "due consideration to inequalities and the elimination of substandards of living."

In the Chairman of the War Labor Board's opinion, handed down with the decision on July 16, 1942, the Chairman described the nature of the case as follows:

"Since the announcement of the seven-point program, the Board has decided a number of cases in which it has allowed wage increases to adjust inequalities within the particular wage structure under consideration. In some of those cases it has refused wage increases that would have led to a higher level of wages throughout an industry or area. And it has in certain cases given particular attention to the lower wage brackets which might fairly be regarded as inadequate to produce decent standards of living.

"The present case is the first one in which the Board has been confronted by a demand for a general wage increase affecting a widely extended and substantially equalized wage structure throughout an industry, and in which the lowest wages are above that level which the Board has thought of as too low to afford a decent living standard."

In dealing with this demand the Board began by affirming the principle (already announced in the Harvester case and applied by the President in dealing with the shipbuilding escalator clause) that any direct connection between wages and living costs must be severed in the interests of stabilization. The Board rejected the union's demand for a wage increase of $1 a day to compensate for the increased cost of living since the last general wage increase received by the steel workers in April 1941. "Such a wage increase," said the Vice Chairman in his opinion, "would be entirely incompatible with the President's stabilization policy." The Vice Chairman pointed out that the April 1941 real wage could not be taken as a peacetime standard to be preserved against any rise in living costs "since the country was then in the midst of girding itself for war and the race between wages and the cost of living had already begun." This race between wages and prices had started shortly after January 1, 1941, following a period of several years of relative stability in both wages and prices. As the Vice Chairman pointed out, earnings as of January 1941 "had, therefore, a rather constant purchasing power. Workers knew pretty well what their money would buy." But after January 1941 the race began. By May 1942, the month following the President's stabilization message, the cost-of-living index had risen approximately 15 percent above the stable level of January 1941.

During 1941 and the spring of 1942, general wage increases had been secured by workers in most American industries. By May 1942 "a cycle of adjusting our domestic living to a wartime economy had in a sense been completed. The President in his message of April 27, 1942, called for action to halt the rise of both wages and prices." At the same time, however, the President indicated that it was not his intention to freeze wages without room for the adjustment of inequities. As the Chairman said in his opinion:

"We agree with the contention of the union that the policy declared by the President involved a deliberate choice to reject any arbitrary freezing of wages and to leave wage adjustments, where agreement could not be reached by collective bargaining, to final determination by the War Labor Board. The union has declared its acceptance of the President's seven-point stabilization program in full, and has said that it does not contend that all items in the program must be accomplished before wages can be stabilized. In return the steelworkers have the President's assurance, given to the whole country in his address to the Nation of April 28, that 'I shall use all of the Executive power that I have to carry out the policy laid down.'"

Thus the Board, while determined to do its part in preventing a resumption of the cycle of wage and price increases which had run its course from January 1941 to May 1942, recognized also an obligation to correct inequities by appropriate wage adjustments.

I urge that the Members of the Senate make reference to that statement of the history of the formula, because there is a great deal of misunderstanding in the Senate as to what the Little Steel formula is. It is a cost-of-living wage formula which is applied in specific cases to an appropriate group of employees. Such a group might be the employees of a plant; it might be the employees of a department of the plant; it might be the employees who are under a collective-bargaining agreement.

It refers to the period between January 1, 1941, and May 1, 1942. May 1, 1942, was the nearest date to the President's April 27, 1942, speech, for which the Board could get from the Bureau of Labor Statistics a compilation of statistics as to changes in the cost of living in the country during that period of time, from January 1, 1941, to May 1, 1942. So the Board said, "We will take that period of time as the period which measures the race between wage increases and cost-of-living increases, and we will say that henceforth in any future case we will not grant any wage increase on a cost-of-living argument"—mark that, Mr. President, on a cost-of-living argument—"if between January 1, 1941, and May 1, 1942, the employees concerned have had increases in their average straight-time hourly rates"—not in their take-home pay, not in respect to other wages, but increases in their average hourly rates—"for that appropriate group of employees of 15 percent. If they have had an increase which amounts to 15 percent in their average hourly rates, then we will not grant any further increases on a cost-of-living argument."

What was the effect, Mr. President? It was simply to notify employers and labor representatives that "we will hear you on a cost-of-living argument to the extent of a 15-percent increase, if you have not had a 15-percent increase in your average straight-time hourly rates from January 1, 1941, to May 1, 1942."

Mr. President, I wish to read the following additional excerpts from the War Labor Board's Wage Report of February 22, 1945:

The Board acts on the assumption that prices and living costs will now be stabilized under the President's seven-point program.

* * * * *

"What the National War Labor Board must not do, and what it avoids doing in this case is to start another lap in the race between prices and wages. Another cycle of general wage increases started at this time would seriously threaten the chance to stabilize the cost of living * * * The entire national economic policy is unmistakably based upon the general maintenance of wage rates at existing scales as a necessity for the stabilization of our domestic economy in the interest of winning the war."

It is clear from the Little Steel case that the Board, while hoping and expecting that living costs would be stabilized in accordance with the President's program, rejected the idea that the Little Steel formula would be automatically revised to keep pace with increases in living costs. On the other hand, quite clearly also, the Board expected that if the program failed to check the rise in the cost of living, there might come a time when the Little Steel formula would need to be reexamined, the question being one of the degree of disparity between wage levels and price levels.

Both of these views were reaffirmed in the following passages from Dean Morse's opinion in the Remington Rand case, issued on July 27, 1942, and from Dr. Graham's opinion in the Aluminum Company case, issued on August 18, 1942. Dean Morse said:

"Contrary to some reports, it (the Little Steel formula) does not guarantee to labor that existing standards of living will be maintained throughout the war. Even before the Little Steel decision, the Board had pointed out in several cases that labor cannot hope to receive wage increases which will enable it to keep pace with upward changes in cost of living.

* * * * *

"The wage formula of the War Labor Board is no cure-all for inflation, but it is a definite and certain check on inflation as far as the wage factor is concerned. It must be looked upon as a concomitant of a broad-base tax policy and of a wide-scale and effective system of rationing and price fixing of those consumer goods, the prices of which are so controlling in the cost of living of the average citizen. Such adjustments in the formula as need to be made in light of future events and trends in the war economy of the country will be made by the Board."

* * * * *

Dr. Graham said:

"In facing the alternative of having no standard for stabilization at all, or having the absolute standard of freezing wages, the Board sought to avoid the unintelligent drift, confusion, and potential disaster of the former and the unreason, injustice, and potential disaster of the latter * * *.

"In the Little Steel decision, Dr. Taylor, the vice chairman, in grappling with our most difficult wage case, worked out the general formula for stability and equity in the stabilization and adjustment of wages. This formula is based on faith in the approximate achievement of the President's seven-point program for the stabilization of the cost of living. If all agencies, all groups, and the will to win on the part of the united people sustain and carry forward the whole program, this formula for both stability and equity will do its part for total victory."

* * * * *

The legislative history of the act indicates that Congress applied the same basic principles which had been laid down by the President, and also by the War Labor Board, namely:

[1] *In re Bethlehem Steel Corporation, Republic Steel Corporation, Youngstown Sheet and Tube Co., Inland Steel Co., and United Steelworkers of America* (CIO), 1 WLR 325.

(1) Wages and prices should be stabilized together. For this purpose Congress authorized the President "to issue a general order stabilizing prices, wages, and salaries affecting the cost of living; and * * * such stabilization shall so far as practicable be on the basis of the levels which existed on September 15, 1942."

* * * * *

In applying its policy to both voluntary and dispute cases the Board was bound, by Executive Order 9250 and by the act of October 2, 1942, to bear constantly in mind the Congressional mandate that wages were to be maintained at September 15, 1942, levels "so far as practicable." The Board's feeling of obligation toward that mandate was expressed in the majority opinion in the Four Meatpacking Cos. case decided February 8, 1943, in which it was said:

"It has become increasingly evident that the stabilization of our domestic economy, as conceived by Congress and by the President, can only be achieved by a determination to maintain present levels. This applies to both wages and prices. * * * The National War Labor Board faces its responsibilities with the assurance of the Director of Economic Stabilization that such a stabilization of wages will be accompanied by a stabilization of prices.

"In the Economic Stabilization Act the basis for the stabilization of our domestic economy is set forth. A simultaneous stopping of any general upward rise of wages, salaries, and prices was to be effected. Neither wages nor salaries were to be frozen at September 15, 1942, levels. Certain adjustments above those levels were contemplated. The nub of the program, however, is that such adjustments would be relatively small in total effect and would be controlled so that, in general, September 15 levels would be preserved.

"The data (on cost of living and earnings) does show, however, that wages in general can justly be stabilized at September 15, 1942, levels, although it should be frankly recognized that such stabilization demands a correlative stabilization of prices."

* * * * *

Dean Morse similarly expressed the view that the time might come when the Little Steel formula should be revised, but that the disproportion between wage levels and prices, whatever its exact measure might be, was not then such as to warrant breaking the formula. He said:

"So it is the position of the public members of the Board that if the only grounds for asking for a wage increase are the grounds that the cost of living has risen above the 15-percent formula, we do not propose to vote for an increase on those grounds.

"Now, if the time comes when the other agencies of the Government fail to control the cost of living with the result that the cost of living reaches a point where labor cannot maintain a decent standard of living necessary to maintain maximum production, then I will vote to break the formula. But that will be only after other agencies of the Government have failed to carry out their job. I am not going to make their work an impossible one by breaking that formula until they have had ample time and opportunity to check the increase in the cost of living. And the fact that, as some leaders of labor are telling me, that the cost of living has gone up 7 percent above 15 percent is not an argument sufficient in weight, in my judgment, to break that formula, at least at this time.

* * * * *

"The public members, in decision after decision, have demonstrated that they recognize that labor in the low-paid brackets will have to be taken care of on the basis of inequalities and inequities and substandard wages if and when evidence in the case shows that they labor under such a handicap, because the President has made it very clear that the War Labor Board is to correct such inequities.

* * * * *

EXECUTIVE ORDER 9328 OF APRIL 8, 1943

This order (often referred to as the "hold the line" order) was divided into five parts, the two most important of which dealt with prices and wages.

1. As to wages, the War Labor Board was directed "to authorize no further increase in wages * * * except such as are clearly necessary to correct substandards of living," or as may be permissible under "the Little Steel formula as heretofore defined by the National War Labor Board for the rise in the cost of living between January 1, 1941, and May 1, 1942." The effect of this was to remove the Board's capacity (1) to change the Little Steel formula and (2) to grant wage increases to correct interplant inequalities.

2. As to prices, the Food Administrator and the Price Administrator were directed, among other things, "to place ceiling prices on all commodities affecting the cost of living," "to prevent further price increases direct or indirect," and "to reduce prices which are excessively high, unfair, or inequitable."

In a public statement accompanying the "hold the line" order the President said:

"To hold the line we cannot tolerate further increases in prices affecting the cost of living or further increases in general wage or salary rates except where clearly necessary to correct substandard living conditions. * * *

"All items affecting the cost of living are to be brought under control. No further price increases are to be sanctioned unless imperatively required by law. * * *

"Some prices affecting the cost of living are already above the levels of September 15, 1942. All of these cannot be rolled back. But some of these can and should be rolled back. The order directs the reduction of all prices which are excessively high, inequitable, or unfair. The Stabilization Act was not intended to be used as a shield to protect prices which were excessively high on September 15, 1942.

"On the wage front the directions in the order are equally clear and specific.

"There are to be no further increases in wage rates or salaries' scales beyond the Little Steel formula, except where clearly necessary to correct substandards of living.

* * * * *

"Under the act of October 2, 1942, Congress directed that so far as is practicable, wages, salaries, and prices should be stabilized as of the level of September 15. Under that direction inflation has been slowed up. Now we must stop it."

Basic to this entire dicussion, Mr. President, is a view held by some that a little "controlled inflation" is a desirable device for meeting the great debt burden of this country. Make no mistake about it, there are many sincere people and some not so sincere that favor such a disastrous economic policy. If they succeed, the wage earner will be the greatest sufferer. The War Labor Board in its report, on page 55, calls attention to the danger by quoting both Mr. Bowles and Mr. Eccles, who speak out against it with commendable courage as follows:

Mr. Bowles said:

"I believe that the experiment of legislating a little inflation would be a dangerous one, and that fairness does not require it. The balance between prices and wages is precarious at best, and any attempt to write into the law a guarantee against the possibility of hardship to anyone would certainly jeopardize and probably destroy that balance."

Mr. Eccles said:

"It is the duty of all those charged with public responsibility for holding the line against the pressures for higher prices and higher wages to see to it that nothing is done to impair the public confidence in the future buying power of the dollars invested in Government securities, life insurance, or other forms of savings. If that confidence were impaired, there would be an increasing impulse to spend money instead of saving it. That would seriously affect the Government credit and the financing of the war. The stability of all credit, including Government credit, depends upon maintaining faith in the purchasing power of the dollar. If the public is assured by the extension of this legislation for a sufficient length of time, without crippling amendments, that the line will be held against inflationary forces, the problem of financing the war and refunding the public debt will continue to be met successfully. If the public is led to believe, however, that the price, wage, and rationing controls are going to be weakened, or not continued as long as may be necessary, confidence cannot be maintained in the purchasing power of our money."

Judge Vinson submitted a prepared statement to both committees. In the course of the statement, and in the discussion following it, he opposed any upward change in the Little Steel formula. He said, in part:

"We are no longer in the realm of speculation or hypothesis. We have made a record. We have fought a battle against a deadly enemy. The past 12 months marked the first time in the history of the United States as a nation that we have ever checked this enemy during the war. It is of critical importance to the future of the country and to the future of our economy that, having won the first battle, we do not lose the war. The most critical period is yet to come. But we can only judge the future in the light of the past. Let us therefore survey the record.

"In the year which has passed since the President issued his hold-the-line order, the price level has been stabilized. The cost of living is now 0.3 percent below the level prevailing April 8, 1943. Wholesale prices are down 0.1 percent. These figures become especially significant when contrasted with an increase of more than 4 percent in the cost of living between October 1942 and April 1943.

"I should state at this point that I have just received information that the cost-of-living figures for April 15, 1944, are up. They are up 0.6 percent over March 15, 1944. Of that increase 50 percent of it, according to my information, is due to the impact of the excise taxes, the increased excise taxes; and the other 50 percent, or 0.3 is due to increases in house furnishings, food, and clothing.

"Our battle to stabilize the family budget over the past 2 years has been won primarily on the food front * * *. The upward spiral of food prices has been checked. Since April 1943, when the hold-the-line order was issued, food prices have actually gone down by 4.3 percent.

* * * * *

"Mr. Chairman, as it stands today price control is a proven success. The job which the Congress assigned has been carried out and carried out extremely well. For its continuation, no significant change in the statute is required.

"The record of the National War Labor Board has done a tremendously successful job in administering a national wage policy firm enough to hold the line, and yet flexible enough to meet the varying conditions to which such a policy must be applied.

* * * * *

"Even the official index, however, indicates that living costs have risen almost 10 percent since May 1, 1942. Superficially, then, it might be argued that we ought to let wages rise an additional 10 percent. But

there are many factors of which such a simple conclusion would fail to take account.

"Although cost-of-living adjustments are only permitted to the extent of 15 percent over the rates prevailing in a particular industry in January 1941, wages as a whole have risen far more than 15 percent. The best measuring rod by which to gage trends in straight-time hourly earnings of industrial labor is a weighted index which measures industrial wages according to employment in January 1941, thereby statistically discounting such factors as the transfer of workers to high-paying war industries. Measured by that index, straight-time hourly earnings have increased about 32 percent above the level of January 1941, as against an increase of about 25 percent in the cost-of-living index over the same period of time.

"But the important fact to remember is that, whatever index or measurement is used, prices have remained in a reasonably fair relationship with wages since October 1942, when, for the first time, we instituted control over all wages and all prices.

"The laboring classes as a whole could not benefit from a renewal of the wage price spiral. Higher wages cannot create more food, more clothes, or more shelter in a wartime economy. Supplies of essential goods are limited by the needs of our soldiers, our sailors, our airmen, and our allies. If that inescapable truth is kept firmly in mind it points plainly to the conclusion that higher wages cannot improve the worker's standard of living. At best they will benefit some workers who are well organized and powerful at the expense of other workers who, because they are not so well organized, have already fallen behind the procession.

* * * * *

"For the most part our wage-stabilization policy has worked well. Its standards, like any others, sometimes encounter difficulties in application. But all in all I do not believe that we could devise a set of wage policies better in any material particular than those we now have."

During the course of the discussion in the Senate committee which followed Judge Vinson's statement, he was asked by Senator McCLELLAN whether, "under the conditions that now exist," there could be "any justification for any modification or the breaking or the revision upward of the Little Steel formula." Judge Vinson replied:

"As far as I am concerned, I have no intention or purpose to break the Little Steel formula * * * I do not think that the Little Steel formula should be discarded."

After some further discussion with members of the Senate committee, Judge Vinson said, referring to the hold-the-line order of April 8, 1943, as supplemented by Justice Byrnes' directive of May 12, 1943:

"If you think the wage test in the Byrnes directive is too severe you can write limitations into the law. If you think the theory too generous you can write language into law that will take care of it. If I am to administer it I will do my best."

We had many cases when I was a member of the Board in which the evidence clearly showed that in some sections of the country the cost of living had increased beyond 15 percent. In one case I recall it was alleged that the increase was 30 percent. We said in effect, "We will not grant any wage increase because of a change in the cost of living over and above the 15-percent allowance. If, as a result of our refusal to grant such increase, you find yourselves in a position where your wages are substandard, grossly unjust so as to impede the war effort we act on the special merits of the case.

Again, without being boresome in citing precedents, which are legion in arbitration law, we said to them, "The simple test is this: We look to see whether the wage paid permits of a standard of living of health and decency. If it does, there may not be any further increase merely because the cost of living may have exceeded 15 percent. But if a standard of living of health and decency cannot be maintained we will grant you an increase, not under the Little Steel formula but on the basis of the substandard wage principles or on the basis of the rare and unusual case doctrine.

The task was not a pleasant one. We had confronting us the obligation of upholding the arm of the President. After the wartime stabilization act of October 2, 1942, was enacted we had before us the obligation of upholding the arm of the Congress itself, and seeing that increases in excess of 15 percent on the basis of the cost-of-living factor were not allowed. The Board held the line in the face of much criticism. I think it did its duty.

It is not for me to say, because I do not have the evidence before me, whether the cost of living has so changed in this country that increases above 15 percent should now be allowed. However, I would repeat the test that I always stated in decision after decision. The answer to the question is dependent upon evidence showing that workers generally cannot maintain a standard of living of health and decency on wages now paid. But there again I believe the formula, if it is to be changed, should be changed on the basis of evidence presented to the War Labor Board and to the Director of Internal Revenue. The benefits of any such change should be applied to wages of the workers of this country. The formula should not be broken by the Members of the Congress of the United States in relation to their own salaries. If we think the time has come to break the Little Steel formula then let us pass general legislation applicable to all workers in the Nation. However, do not forget that there are still many thousands of workers particularly white-collar workers and the unorganized who have yet to enjoy the benefits of the Little Steel formula. I am not in favor of Congress grabbing an increase for itself until it sees to it that those workers who yet have not received their 15-percent increase first get theirs. Our sacrifice compared with theirs is only nominal. Many of them get less than $2,000 per year. Before we act on wage legislation let us get the facts by calling before us Government officials charged with stabilization and representatives of labor, agriculture, industry and the consuming public. I have no doubt but that wage policy changes may have to be made before the end of the war and during reconversion but we should make them for the country as a whole and not for ourselves selfishly.

I have one other point, Mr. President, before completing my remarks.

A very good point was made by the distinguished Senator from Colorado [Mr. JOHNSON] last Thursday. I certainly do not believe it would be appropriate or applicable to say that the argument rests upon political considerations as some have suggested in this debate. The fact remains that if the Senate of the United States adopts this amendment its integrity will be questioned, rightly or wrongly, as the Senator from Colorado [Mr. JOHNSON] stated, by millions of Americans who believe that during the closing period of this war we, as Senators, should be willing to undergo whatever financial sacrifices may be involved in our jobs without endangering the country's stabilization program. As I stated last Thursday, when the war is over we should then frankly go before the American people with an educational program in regard to the financial problems of United States Senators, and tell them things which I am sure they do not now know. We should then be perfectly willing to make a full disclosure, if necessary, of our personal accounts. I am sure the voters of my State would be interested in knowing that last month I paid a considerable sum of money out of my own pocket for long-distance telephone calls because the present expense allowance of my office permits only 10 calls of 3 minutes each a month. When I talk with an individual in my State on some important official governmental matter I cannot say to him, "Well, Dick, I can talk to you only for 3 minutes and then hang up."

As I have stated, last month I spent a considerable sum of money out of my own pocket for long-distance telephone calls on Government business, and will do so again, if necessary, because I believe that such expenses represents a part of the sacrifice I should be willing to make. I do not believe that while the war is still on we should try to remedy the situation. By so doing it might result in a questioning of the integrity of the Senate of the United States as the Senator from Colorado [Mr. JOHNSON] last Thursday pointed out. When the war is over we should propose a substantial increase in our salaries and in our office expense accounts, because such increases are not only deserved but would be in the interest of good government. A strong case can be made for them. For example, most citizens do not know that a Senator's office allowance does not even cover the cost of all of his office supplies and, in many instances, of all of the stenographic costs of his office. They do not know that his travel allowance falls short of meeting his necessary travel costs during his term. They have little idea of how much financial outlay it takes to perform the duties of a United States Senator. My faith in the voters is so complete that I am convinced that when they know the facts they will approve of a salary increase and an expense allowance after the war which will enable financially poor men to serve in the Senate and maintain themselves and families in modest decency.

So, Mr. President, I close with a review of three points. First, I cannot vote for the amendment, because I am satisfied that on the record it constitutes in principle and in fact a violation of the wage-stabilization program of our Government, which has been imposed by our

Government on a majority of wage earners and salaried persons throughout the country.

Second, I cannot vote for the amendment, because I think it is perfectly clear that it will not solve the real problem in the manner in which the Senate should solve it in the interest of good government. We should wait and go before the people at the close of the war and point out to them that if they want better government, or if they want to preserve good government, they must not allow a situation to continue developing in the Congress of the United States which permits only rich men to become Members of the Congress. I think the people are entitled to know the danger which will exist to good government, and to the exercise of independence of judgment on the part of Members of Congress if they fail adequately to finance Members of Congress by approving salaries which will make it possible for them to live in Washington in decency and provide for their families and themselves in their old age.

Lastly, I shall oppose the amendment, because I think it would endanger the work of the Internal Revenue Bureau and of the War Labor Board in the great task which they are both attempting to perform in checking inflation in this country. I think the amendment would cause a weakening of the hold-the-line program of this Government. It would constitute, in my judgment, a disservice to the President of the United States in these trying times, and it would reflect upon the integrity of the Congress of the United States.

Mr. GEORGE addressed the Chair.

The PRESIDENT pro tempore. The Chair is about to rule on the point of order which has been raised.

Mr. GEORGE. I do not care to address myself to the point of order. I do, however, wish to be heard on the issue now before the Senate.

The PRESIDENT pro tempore. The Senator from Georgia will be recognized as soon as the Chair rules on the point of order.

The Senator from Colorado [Mr. JOHNSON] has made a point of order that the pending amendment is out of order because it is legislation on an appropriation bill.

In January 1945, in a treatise on the rules of the Senate, Mr. Watkins, the Senate Parliamentarian, stated as follows:

Under the precedents, however, when a general appropriation bill contains legislation inserted by the House of Representatives, germane amendments may be offered in the Senate.

The Acting Parliamentarian (Edward J. Hickey) has examined into the question, and I read from his report:

Section 6 of article I of the Constitution of the United States provides: "The Senators and Representatives shall receive a compensation for their services, to be ascertained by law, and paid out of the Treasury of the United States."

Section 3 of the act of September 22, 1789, at the first session of the First Congress, at page 71 of Statutes at Large I, provided: "That at every session of Congress, each Representative shall be entitled to receive $6 for every day he shall attend the House of Representatives, and shall also be allowed at the commencement and end of every session, $6 for every 20 miles of the estimated distance, by the most usual road, from his place of residence to the seat of Congress;" * * * and the Speaker of the House of Representatives, to defray the incidental expenses of his office, shall be entitled to receive in addition to his compensation as a Representatives, $6 for every day he shall attend the House."

Section 1 of the same act provides that each Senator shall be entitled to receive $6 for every day he shall attend the Senate, and shall also be allowed, at the commencement and end of every session and meeting of Congress, $6 for every 20 miles of the estimated distance, by the most usual road, from his place of residence to the seat of Congress.

The compensation and allowance for mileage has been changed from time to time, in amount and by different rates for mileage. In addition, allowances have also been made for stationery for Senators and Representatives, and recently for air-mail and special-delivery stamps; and for long-distance telephone calls to a limited extent payment is made from the contingent fund of the Senate.

At no time has statutory authority existed for an expense allowance to assist in defraying expenses related to or resulting from the discharge of the official duties of a Member of Congress. By the provision on page 19, line 16, of the bill H. R. 3109, the Legislative Appropriation Act for the fiscal year 1946—

Which is the bill now under consideration—

the House of Representatives has incorporated legislation on an appropriation bill to provide for such expense allowance.

On May 29, 1936, the Senate had under consideration H. R. 12624, a deficiency appropriation bill, and the question was on agreeing to a reported amendment inserting a provision that no Federal project should be undertaken or prosecuted with funds provided in the bill unless and until an amount sufficient for its completion had been allocated and set aside therefor, and the President was authorized to restore to the Federal Administrator of Public Works out of the funds appropriated in said bill any sums which were, by order of the President, impounded or transferred to the Federal Emergency Relief Administration from appropriations theretofore made and allocated to public works projects.

Mr. Robinson, of Arkansas, proposed an amendment providing for the appointment of two boards—(1) the Florida Canal Board, and (2) the Passamaquoddy Board, which should review, respectively, the Atlantic-Gulf ship canal project, Florida, and the Passamaquoddy tidal power project, Maine; and prescribing certain duties of the said boards.

Mr. Adams made the point of order that the amendment proposed general legislation, that it was not germane to the reported amendment, and that it was therefore not in order.

Mr. Clark, of Missouri, made the point of order that the amendment proposed general legislation, and under rule XVI was not in order.

The Presiding Officer (Mr. HATCH) overruled the point of order made by Mr. Clark, from which ruling Mr. Clark took an appeal to the Senate.

After a quorum call, the Presiding Officer made the following statement: "The Senator from Missouri (Mr. Clark) made the point of order that the committee amendment amounted to general legislation. The Chair overruled the point of order made by the Senator from Missouri because title II of the bill as it came from the House of Representatives contained many matters of general legislation, and in such a case the rule laid down by Vice President Marshall is stated thus—

The Chair now quotes from the ruling of Vice President Marshall:

" 'Notwithstanding the rule of the Senate to the effect that general legislation may not be attached to an appropriation bill, still when the House of Representatives opens the door and proceeds to enter upon a field of general legislation which has to do with a subject of this character, the Chair is going to rule—but, of course, the Senate can reverse the ruling of the Chair—that the House having opened the door the Senate of the United States can walk in through the door and pursue the field.'

"In view of that ruling, the Chair announced the point of order made by the Senator from Missouri was overruled. From the ruling of the Chair the Senator from Missouri has appealed to the Senate."

The decision of the Chair was sustained by the Senate: Yeas 53, nays 19.

The question of germaneness raised by Mr. Adams, was, by the Chair, submitted, under the rule, to the Senate, and the Senate decided that the amendment was germane: Yeas 53, nays 21. (Senate Journal, 74th Cong., 2d sess., p. 333.)

The present occupant of the chair, subject of course to having his opinion overruled by the Senate, as stated by Vice President Marshall in the instance cited, is of the opinion that, the House having passed general legislation on an appropriation bill, under the decisions and precedents of this body, the Senate has the right to offer an amendment to such legislation. Therefore, the point of order raised by the Senator from Colorado is not sustained.

There are similar precedents in the House of Representatives which the Chair asks to have inserted in the RECORD in connection with the opinion he has just delivered.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

The House of Representatives in its rulings on similar points of order as to legislation on an appropriation bill has taken a like position, and for a very good reason, as will be seen from one of its rulings, taken from section 3916, volume IV, of Hinds' Precedents of the House of Representatives:

"On June 17, 1898, the House having under consideration a Senate amendment (No. 74) to the District of Columbia appropriation bill relating to electric lighting in the District, Mr. Mahlon Pitney, of New Jersey, moved to recede and concur in the Senate amendment with an amendment relating to a conduit system for electric light wires.

"Mr. William H. King, of Utah, having made a point of order, the Speaker pro tempore held: 'The gentleman from New Jersey [Mr. Pitney] moves to recede from the House disagreement to the amendment No. 74 and to agree with an amendment. The gentleman from Utah [Mr. King] makes the point of order that the amendment offered by the gentleman from New Jersey is new legislation. The Chair is very clearly of opinion that the point of order is not well taken. It is conceded that the amendment offered by the gentleman from New Jersey is germane to the Senate amendment, and the point that it is new legislation cannot be raised at this stage of the proceeding, inasmuch as the new legislation originated in the Senate. If that was not the rule, it would be in the power of the Senate at any time to originate new legislation and deprive the House of any judgment with reference to it. If new legislation originates in the Senate, the House has the right to agree or disagree or to agree with an amendment, and the point of order is therefore overruled.' "

Mr. GEORGE. Mr. President, I have no purpose to discuss the point of order, but, in view of the fact that I had something to say this morning about the revenue laws, I thought I should like to clarify my own position upon this amendment.

The state of the law is that in our various revenue acts the terms trade and business are used, and by section 48 of the act a trade or business is defined to include the performance of the functions of a public office. That, however, is not the section which recognizes a deductible expense in computing taxable income. The provision dealing with deductions for expenses incurred in trade or business is found in another section of the revenue act, to wit, section 23 (a). I should like to read the language of that section to the Senate. It has been read, but I desire to read it again for the purpose of calling attention to a matter which has not been discussed.

Here is the general principle—

> All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal services actually rendered; traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business; and rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity.

That is the section under which expenses incurred in a trade or business may be taken as against gross income for the purpose of arriving at taxable net income.

As was stated this morning, my recollection is that this matter was under discussion, and the Senator from Connecticut [Mr. Danaher] raised some questions with the representatives of the Treasury, and I had the impression that the definition of "trade or business" in the section first read was then amended so as to include "performance of the functions of a public office." I may be in error about that, and if I am, that section was amended prior to 1939. It may have been amended as early as 1933 or 1934, upon the motion of the Senator from Pennsylvania, the Honorable David A. Reed.

At any rate, Mr. President, The Tax Court was called upon to rule upon the expenses incurred in the performance of the functions of a public office, under the pertinent section, section 23, which I last read. The ruling was to the effect that the residence of a Member of the Congress of the United States was at Washington. The fact that that is the official residence of a Member of the Congress might, in my judgment, have very little weight on the other question, and that seems to me to have been entirely overlooked by the decision, to wit, while a Member of the Congress has his official residence at Washington, and must come here to discharge his duties, when A or B or C is elected to the Congress, either the House or the Senate, he comes from his home in his State. This section is applicable to a taxpayer, a citizen, who is called upon to pay a tax. There is no tax, as such, against a Member of Congress, of course. At any rate, however, that is the state of law.

I now bring another matter to the attention of the Senate, and I think it is one which should be considered. Quite recently a decision has been rendered which will make it necessary for the Treasury Department to ask for a review of the prior ruling of The Tax Court on this very question of residence of a public officer. I have confirmed my recollection of that case by conference with the counsel of the Treasury, and I find that the Treasury will be compelled to ask for a writ of certiorari to review the decision which, as I recall, was handed down in the Fifth Circuit Court of Appeals. At any rate, the decision has been made; it is now necessary for a review of that decision to be had for the guidance of the Treasury, and at a reasonably early date, of course, the Supreme Court will pass upon the question of whether or not, for tax purposes, the residence of a Member of the Congress is at Washington or is in the State or district from which he was elected.

It seems to me it would be very wise, therefore, for us not to attempt legislation at this moment, or until that question is settled. If the Supreme Court should reverse the decision of The Tax Court, then a Senator or a Member of the House of Representatives would be entitled to deduct from his gross income all ordinary and usual and necessary expenses incurred by him in discharging the functions of his office, because there can be no question now, at least, that a public office is included within the term "trade or business," by express congressional act.

I now call attention to the fact that the statute which authorized the deduction gives a discretion to the taxing authorities so far as the allowance of expenses ordinarily incurred for salaries, and so forth, are concerned, but when it comes to traveling expenses, including the entire amount expended for meals and lodgings while away from home in pursuit of a trade or business, it is highly questionable whether there is any discretion left in the taxing authorities.

Therefore, under the amendment which has been proposed as a substitute, both that proposed by the distinguished Senator from New Mexico and the one proposed by the committee, by and through the distinguished Senator from Louisiana, a change in the law would be made by legislative act, but a Senator or Representative would not be restricted to the $2,500 allowed under the proposed amendment or amendments. In other words, once it is declared by the legislative branch of the Government that the home of a Member of Congress is in his State and not in Washington, then he is entitled to deduct from his gross income, in computing his net taxable income, all the expenses he incurs in the performance of the functions of his office, including the entire amount paid out by him for lodging, for rentals, and for subsistence.

It might well be that some man would come to the Congress who desired a $5,000 a year apartment. He might even be a bachelor and he might prefer to pay $10,000 a year. Under this amendment he could deduct the whole amount, and would not be limited to the $2,500 permitted under the terms of the amendment as an advance on his expense account.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. LANGER. In the opinion of the Senator, would the decision of the Supreme Court be retroactive, so that a Senator would be allowed to deduct his expenses of previous years?

Mr. GEORGE. Undoubtedly it would be retroactive during the period of the limitation. He could not get back for 10 years, but he could go back for the 4 years.

Mr. LANGER. Even though he did not pay the tax under protest?

Mr. GEORGE. Yes; I think he could, if the Supreme Court should reverse the prior ruling. The point I am now making is that I think what is proposed is a very inadvisable method of procedure. Of course, I have no criticism to make of the House of Representatives.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. HATCH. I am anxious to have the Senator's interpretation. This is all the proviso includes:

> That for the purpose of determining the deductibility of expenses under the income tax laws the home of a Senator, Representative, Delegate, and the Resident Commissioner from Puerto Rico shall be deemed to be his domicile in the State for which or in which he is chosen, or in the Territory or Possession, as the case may be.

Do I correctly understand the Senator to say that in the light of that provision a Member of Congress could come to Washington and pay any amount for living expenses, no matter how extreme or extravagant it might be, and because of the fact that his home was declared to be in the State from which he was elected, that amount would be deductible for income-tax purposes?

Mr. GEORGE. Whatever is necessary for him to spend here.

Mr. HATCH. Whatever is necessary in the discharge of his official duties?

Mr. GEORGE. Yes; but it is now expressly held that his home is here.

Mr. HATCH. Under the amendment his home is in his State.

Mr. GEORGE. Of course his home is in his State, and the tax law already says that he is entitled to include the entire amount expended for meals and lodging while away from home in the pursuit of his trade or business. It is a matter of expenditure. Of course, if there is fraud and a willful padding of an account, there is a right to inquire into it, but the point is that there are a great many Senators and Representatives who would spend $3,000 a year in Washington, and do it legitimately, for rent, for food, and lodging. There are many Members of the House and Senate who probably would spend $4,000 a year, while there would be others who would not spend anything like that amount.

Mr. OVERTON. Mr. President——

The PRESIDING OFFICER (Mr. GREEN in the chair). Does the Senator

from Georgia yield to the Senator from Louisiana?

Mr. GEORGE. I yield.

Mr. OVERTON. This provision in the committee amendment places Senators and Representatives in the same category as those engaged in any business or trade and in the same category as officials who are domiciled outside of Washington. The fault does not lie in the amendment. The fault, if any, lies in too broad a provision in the revenue law which allows a deduction for all expenditures, including travel, lodging, and maintenance. But there is no difference between a Senator or Representative and a representative of a corporation or a businessman or anyone else who is domiciled out of Washington and who comes here to Washington.

Mr. GEORGE. No; I know there is no difference, but there is a vast difference in the administration.

Mr. OVERTON. The amendment simply puts Senators and Representatives in the same category as others.

Mr. GEORGE. Oh, no.

Mr. OVERTON. Under this provision, what advantage would the Senator have over a businessman?

Mr. GEORGE. Let me ask the Senator, what collector of internal revenue would question the amount that any Member of the Senate or the House might pay for rent if he said it was a reasonable rental, and was paid for the only house he could get in Washington?

Mr. OVERTON. Whether he says so or not, does the collector question what the businessman returns?

Mr. GEORGE. Yes; he has a right to do so.

Mr. OVERTON. He would have the same right with respect to a Senator or a Representative.

I should like to ask the Senator from Georgia one other question. There is, however, a limitation on what a Senator or a Representative may spend, let us say, for the rental of an apartment or a home. That limitation is that the Government does not pay for it all. It is merely deductible. Let us consider a Senator whose sole income is $10,000 a year salary. I use that as an illustration because it is very easy to use the figure $10,000. He pays a 25-percent tax. So if he should rent a $3,000 home he could make a deduction of $3,000. But that would not be a deduction of $3,000 net to him. On the contrary, he would have to pay 75 percent of the $3,000 and the Federal Government would pay 25 percent.

Mr. GEORGE. That is, if the deduction did not destroy his taxable income. If his deduction took him down below a taxable income he would not pay a penny, and that is the point I am making, that the Appropriations Committee is proceeding to legislate on a tax matter, and on a very delicate and a very important tax provision, without I fear, very careful consideration of what the effect of it will be. I do not think this is the proper approach to the matter, wholly aside from the question of the merits or the demerits of an increase in salary. There should be a standard provided for a deduction measured by at least the reasonable amount a Member of the Congress would pay for his food and lodging. It would vary in almost every case. If we are going to make an allowance of that kind, it seems to me we had better do it by stating a flat sum which we can justify, after we have taken our seats around the table, heard the testimony, looked into the case, and then reached our own conclusion about the matter.

Mr. OVERTON. I would have no objection to that, I may say to the Senator, if big businessmen and big corporations were treated in exactly the same way.

Mr. GEORGE. I presume they are being treated that way. I assume that public officers are doing their duty. The point I am making, however, Mr. President, is that once we adopt either of the substitutes now offered we shall have reversed the decision of the Tax Board, and then the statute that allows deductible items in computing net income becomes applicable, and we have necessarily for public officers varying amounts, according to the actual expenditures they may make. That has nothing to do with the very worthy purpose of increasing the salaries in proportion to the expenditures we are now required to make.

There is the question, of course, of the Stabilization Act to which the distinguished Senator from Oregon [Mr. MORSE] has called attention, but aside from that I think a very strong case can be built up for an increase in the salaries of the Members of the House and the Senate. I believe, however, that when we do that we ought to sit down around the table and carefully approach the question, after a real hearing on the merits of the matter.

I am perfectly conscious that we should await the decision of the Supreme Court of the United States, which may reverse the decision of the Tax Board and make it possible for the Treasury to allow deductions for all the necessary expenses that Representatives and Senators incur and are, of course, compelled to incur in coming to Washington to discharge their duties.

Mr. OVERTON. May I interrupt the Senator, simply to ask a question for information?

Mr. GEORGE. Yes.

Mr. OVERTON. The decision to which the Senator refers is not in connection with a case in which a Representative or a Senator is interested?

Mr. GEORGE. No; but it involves this direct question, and the Treasury advised me during the noon hour that they would be compelled to ask for a review of the decision, and that would be controlling on the prior decision.

Mr. OVERTON. One circuit court of appeals has decided the question one way and another circuit court of appeals has decided the question the other way, and the Supreme Court will have to be the final arbiter.

Mr. GEORGE. And the Supreme Court must decide the question. But already the case has arisen, and has been decided, which makes it necessary for a Supreme Court ruling to be handed down.

Mr. President, that is all I have to say. I do not care to discuss the provision inserted in the appropriation bill by the Appropriations Committee of the House, because I have always recognized the right of the House to deal with its own problem; but I do not believe that the question here involved is one that falls clearly within the rule of comity that ought to exist between the two Houses. In other words, whatever we may say of it or about it. I think there is a provision increasing the incomes of the Members of the House, and while we might be content to grant that without considering a like increase for the Members of the Senate, it seems to me that it raises an issue on which we, as well as the Members of the House, are called upon to vote.

Mr. HATCH. Mr. President, will the Senator yield at that point for a moment?

Mr. GEORGE. I yield.

Mr. HATCH. I understand the position of the House of Representatives to be that the $2500 provided for by the House provision will be exempted from taxation. It has occurred to me that when any citizen or body of citizens, whether official or otherwise, receives an exemption from taxation, that is a matter for both Houses of the Congress to pass upon.

Mr. GEORGE. I agree with the Senator from New Mexico. While the House does not expressly say that the item shall be exempt from taxation, that it shall not be subject to taxation, as a matter of fact the Treasury will be obliged to make inquiry of each Member, when he makes his returns, or thereafter, regarding his expenditures, and if he has not expended the $2,500, if for a whole year he has been sick and has not come to Washington at all, and has not spent a dime in Washington, he will undoubtedly be chargeable with the $2,500 as income. I think it would be a taxable item. Therefore the questions asked by the distinguished Senator from New Mexico become pertinent.

Those, briefly, are the reasons why I believe that we ought not to deal with this question in the pending bill, and ought not to approve the allowance for ourselves or for Members of the House. I do not discuss the question of criticism which might reach us. I do not believe that the country would be critical of any fair increase in salary, made directly and in the open, and without, of course, undertaking to prevent the application of the tax laws to the amount of the salary.

I think it is a bad principle in tax legislation to include exemptions from taxation, but I realize that there are many exemptions. Reference was made today to the exemption of $1,500, over and above the statutory exemptions, for men and women in the armed services. I think there is no doubt about the wisdom of that exemption. My only concern is that it may not be adequate to take care of the men and women in the armed services. I know that we are remiss in one thing, and I hope that another tax bill will not pass without provision being made for relieving men and women in the armed services, particularly those overseas, from

the necessity of filing any return. I can think of nothing more distracting to a boy in a fox hole in the southwest Pacific than to be thinking about how he is going to make tax returns back to the year 1941.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. JOHNSON of Colorado. The Senator from Georgia has spoken of the $1,500 exemption to men and women in the armed forces. I ask him if that proposal was in an appropriation bill for the military forces, or whether it was in a revenue bill?

Mr. GEORGE. It was in a revenue bill.

Mr. JOHNSON of Colorado. That was where it belonged.

Mr. GEORGE. Yes; it was in a revenue bill.

Mr. President, I have full faith in the Appropriations Committee. It is just as competent as is any other committee to pass upon tax questions. However, there is a great deal of wisdom in the general rule which obtains in this body, namely, that we may not place general legislation on an appropriation bill. I believe that all of us recognize the validity of that rule. However, in this particular case, I believe that the Chair has properly ruled that, the House having opened the door, any germane or pertinent amendment may be considered.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. OVERTON. I agree with the Senator that it was a wise provision to insert in the law an exemption of $1,500 for those in the armed services; but, Mr. President, does the Senator make a distinction between those engaged in the armed services who sit at desks in Washington and United States Senators, who are here the year round, working just as laboriously as the officer or enlisted man who is working in Washington, although he may be a member of the armed forces?

Mr. GEORGE. No; I do not make any distinction. If I did, I would make it in favor of the legislative branch of the Government.

Mr. BARKLEY. Mr. President, I do not desire to detain the Senate long on this question. I hope we may complete consideration of the bill today.

On last Thursday I briefly expressed some views on this whole question. At that time I suggested that we might take a recess until today to see whether the Appropriations Committee, or subcommittees of the Senate and House committees, could work out some provision which would be acceptable.

I myself would not have introduced any legislation on this subject originally in the Senate, and I am sure that had the House not included the provision which is found on page 19 of the bill the Senate committee would not have ventured upon this field in the way in which the proposal now comes before us.

The way in which this question comes before us at this time is an embarrassment to the Senate and to all Senators. As the Senator from Georgia has said, a good case can be made out in behalf of an increase in the salaries of Members of Congress. Many things have happened in the past 20 years which have affected our net income; and I agree with him that the country would not be critical of a reasonable increase in view of the increased cost of existence and all the circumstances which attend membership in either House of Congress. But I have a very firm conviction that whatever is done upon the subject ought to be done for the benefit of Members of both Houses alike. Heretofore when there has been an increase in the compensation of Members, no matter whether the increase originated in the House or in the Senate, it has been made to apply both to Members of the Senate and Members of the House.

In this case, whatever the allowance may be called, whether it be an expense allowance or an increase in the gross income or net income of Members, the effect is to give more money to Members of the two Houses. The provision for an allowance of $2,500 is contemplated to take care of expenses which we are now paying out of our own pocket. There can be no question that, whether it applies to lodging, food, or subsistence, all of which we are now paying out of our salaries, if the $2,500 increase is allowed, it will be that much toward the payment of our living expenses in the city of Washington. We would have that much more money to spend. In that event, it would represent an increase in our gross income, and, of course, would automatically become an increase in our net income.

I do not criticize the House at all. The House had before it a delicate situation, which is not new. The question has been discussed many times over a long period, in cloak rooms, in offices, on streetcars, in taxicabs, and in the vicinity of the Capitol. This is the only time in 20 years when it has taken concrete form in the shape of an amendment to the law.

When we come to the question of comity between the two Houses, that has heretofore been interpreted to apply to committee clerkships, size of committees, and the contingent funds of the respective Houses. Neither House has ever impinged upon the right of the other to decide what its contingent fund should be. Neither House has ever attempted to say how many clerks the Members of the other House should have—and properly so.

I do not put this proposal upon the same footing as committee-clerk hire, the contingent funds of the respective Houses, or clerk hire for individual Senators. It seems to me to be entirely different. I am unable to escape the conclusion that, whatever it may be called, it is an increase in the amount of money we are paid out of the Treasury of the United States; and whatever is done, no matter in which House the proposal originates, it should be made applicable to the Members of both Houses alike. Inasmuch as that was not done, an embarrassing situation has been created for the Members of the Senate.

I have the greatest respect for the House of Representativess and for its Members. I served there 14 years, and I enjoyed service there. I am thoroughly familiar with their problems. They have to run for office every 2 years, whereas Members of the Senate are required to run for reelection every 6 years. I suppose it can be said that, on the average, the expenses of an individual Senator are greater than the expenses of individual Members of the House, inasmuch as Senators have to cover a whole State, and the obligations of a Member of the Senate in regard to things which cost money are greater than those in the case of an individual Member of the House of Representatives. So it probably averages up between the two bodies.

Mr. President, by whatever name we call it, it seems to me that in the interest of comity, of which we hear something said, the provision should be made to apply to both Houses alike. That has always been done heretofore. If a proposal for an increase in salary originated in the House of Representatives, it was made to apply to the Members of both the House of Representatives and the Senate. If the proposal originated in the Senate, it was made to apply to both Members of the Senate and Members of the House of Representatives. Heretofore, neither House has considered it within its special province to legislate for its own compensation and to let the other House take it or leave it. There has always been uniformity. Since the beginning of the Government there has been uniformity in the matter of compensation and also uniformity in the matter of mileage, based upon the same amount per mile for each Member of the House of Representatives and each Member of the Senate.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. Mr. President, is not what the Senator has just said emphasized by the constitutional provision that the salaries of Members of the House of Representatives and Members of the Senate shall be established by law—which means that they shall be established by joint action of the two Houses of the Congress?

Mr. BARKLEY. Undoubtedly that is so. But if the provision of the bill in this respect which was adopted by the House of Representatives remains in the bill and if the bill is passed by the Senate and is signed by the President, that provision will become the law, and in that case greater compensation will be paid to Members of the House of Representatives than to Members of the Senate.

Mr. WHITE. I think the Senator is correct in that respect; but in that connection it occurred to me that the constitutional provision has a significance of its own. It clearly contemplates that the two Houses shall deal with the subject of the salaries of the Members of both Houses.

Mr. BARKLEY. Undoubtedly that is true. Heretofore for 150 years both Houses have frowned upon any effort to draw a distinction between the salaries

of Members of the House of Representatives and the salaries of Members of the Senate, and, of course, neither House is willing to admit that it is not as important as the other, and neither House should ask the other House to admit or concede or grant that it is less important than the other House.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. BARKLEY. I yield.

Mr. AIKEN. I should like to ask whether I am correct in understanding that if the Senate fails to adopt an amendment providing for an increased allowance for Members of the Senate, and if it fails to strike out the amendment providing for an increased allowance for expenditures for Members of the House of Representatives, the committee on conference could neither consider striking out the increased allowance for the House of Representatives nor could it add to or increase the allowance for the Senate, in order to make the allowances uniform.

Mr. BARKLEY. That is correct. Assuming that the Senate were to reject the pending amendment and were to adopt no substitute for it, and assuming that it were to leave the House language untouched, then neither of those matters would be in conference, and when the conferees met they could not add anything for the benefit of Senators, and they could not subtract 1 cent from the allowance of $2,500 carried in the bill, as it passed the House, as an allowance for the expenses of Members of the House.

So, I think the result would be embarrassing—and no less embarrassing for the House of Representatives than for the Senate. The result would be that the Members of one House would be drawing that much more money than the Members of the other House would draw. That would create a situation which would present invidious comparisons, and I do not think the Congress should indulge in them. I think whatever is done for either House should be done for both Houses.

Mr. AIKEN. Then, it seems to me that the action which the Senate takes will in a sense probably be final.

Mr. BARKLEY. It may be; it may be that what we do here will be done in such a way as to leave no leeway or jurisdiction or field for the conferees to work out the matter. In that case, the action of the Senate will be final, because when we send this measure to the House of Representatives it either must go to conference or the House of Representatives must act upon the Senate's amendments on the floor of the House. The House of Representatives will have no jurisdiction to undo what it has already done and to send it back to the Senate, even though we by our amendments do not touch that particular point. That is the case under the parliamentary rules. So I repeat that that language would be in the bill and could not be changed.

Mr. AIKEN. Will the Senator yield so that I may ask a further question?

Mr. BARKLEY. I yield.

Mr. AIKEN. If the Senate should reduce by any amount the allowance which the House has made for itself or if the Senate should adopt an amendment making any increased allowance whatsoever to defray the expenses of Members of the Senate, so that the amendment would be in the bill, could the committee on conference then consider the amendments and could it then have the right to reach a meeting of the minds and to raise or lower the amount named in either amendment?

Mr. BARKLEY. I have grave doubt whether a point of order would not be sustained against a conference report which attempted to change the language in one part of the bill dealing with one branch of the legislature, no matter what the Senate might do in another part of the bill dealing with itself. I have grave doubt whether the conferees could do that.

Mr. President, in a moment I shall offer an amendment to reduce the amount carried in the pending amendment from $2,500 to $1,500. I shall do that on the basis of the argument which was made here the other day that whatever we do, if we do anything, we should not go beyond the 15 percent which is the rule under the Little Steel formula. Provision for $1,500, whether we wish to add it as compensation or by way of an expense allowance, would not violate the 15-percent provision carried in the Little Steel formula. If that amendment to the pending amendment should be adopted and if the amendment as thus amended should be agreed to by the Senate, it seems to me that in order to be logical we would have to do the same thing with the House provision making an allowance for expenses of Members of the House of Representatives.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MORSE. I rise to inquire about the parliamentary situation with respect to the matters the Senator from Kentucky has been discussing. Let me inquire whether I am correct in my understanding that when the bill is sent back to the House of Representatives it will not be subject to a motion for reconsideration of any portion of it which has previously been passed by the House of Representatives.

Mr. BARKLEY. I do not believe it would be in order to move to change provisions of the bill which were sent to the Senate by the House of Representatives and which had not been modified by the Senate, unless a special rule were obtained from the Committee on Rules of the House of Representatives. Unless such a special rule could be obtained, I do not believe it would be in order to do that.

Mr. President, I have talked with Members of the House of Representatives in regard to the question of an increase in pay and in regard to the provisions of the amendment or of the bill, and I have talked with some Members about the Little Steel formula, so as to feel them out with respect to how far they would be willing to go or whether they feel we should stop at $1,500—which would be 15 percent—as an increase in pay or as an allowance for expenditures. There is a very logical objection which they have, and which seems to me to be good, to increasing the pay, namely, that there are other members of the Government, including members of the judiciary and other governmental employees, who are not covered by the bill which we recently passed, and in that case the $1,500 allowance would be more than it should be, but that if we put it in now it would be more difficult to adjust it later according to what it should be than it would be if we left it untouched altogether.

I do not know whether a permanent increase of $1,500, which perhaps would last 15 or 20 years—as was the case with respect to the last increase in the pay of Members of the Congress—would be fair. No one can tell what will happen in the next 15 or 20 years. We know what has happened during the last 20 years with respect to our salaries. But a permanent increase now to $11,500 would be a serious handicap to making a suitable adjustment at some later date.

Mr. TOBEY. I assume that the Senator takes the position that in deference to the Little Steel formula, the increase should be only $1,500. Am I correct?

Mr. BARKLEY. Yes. One of the objections made a few days ago to the proposed $2,500 allowance was that it went beyond the 15 percent which is now permitted.

Mr. TOBEY. And so, under the Little Steel formula a Senator's expenses would be limited to 15 percent.

Mr. BARKLEY. Yes.

Mr. TOBEY. Accepting that statement, would the Senator be willing to phrase his amendment so that the $1,500 would apply just so long as the Little Steel formula was in existence, and that thereafter the amount be increased to $2,500?

Mr. BARKLEY. It is somewhat difficult to take two bites at once and say that we will chew one bite until the Little Steel formula is abandoned and then we will take another bite.

Mr. TOBEY. It is contingent.

Mr. BARKLEY. It is contingent. However, if we do anything about the situation now, probably the House provision and the provision in the pending amendment subject to a reduction if the Senate sees fit to make it, is probably a better way in which to deal with it than to deal with it as a contingent increase in salary, with a provision that later on, if something takes place we will do something else. I believe that the Congress will be in session for some time and that we will be able to deal with salaries as exigencies arise. My judgment is that if the war with Japan continues there will be a stabilization act still in existence, and under it either the Little Steel formula of 15 percent, or some other formula which will be adopted, will be in effect. I doubt whether we should say that salaries should be $1,500 more during the next year, and after that $2,500 more, and the year following, $5,000, and so forth. I think we should deal with the situation when it arises, and without any contingencies. We can do so under whatever circumstances exist at the time.

Mr. TOBEY. I do not accept the interpretation of the Senator that the proposed increase would be an increase in salary. I have interpreted it as an expense account authorized by the Members of Congress. I think the bar sinister is the Little Steel formula. When and if the Little Steel formula no longer exists and the Congress believes that $2,500 is a fair amount to be contributed by the Treasury toward the expenses of Senators, only the amount of $2,500, which the Senator has in mind, would be in effect.

Mr. BARKLEY. I do not like the words "bar sinister" which the Senator has used. I should rather use merely the word "bar." The theory upon which I am suggesting this reduction is that no one, whether he interprets the increase as an increase in compensation, or as an allowance for expenses, may say that we have done for ourselves what we have not permitted the Government to do for other persons. It may be that consistency is a hobgoblin of small minds, but I do not believe that we should ignore altogether a comparison between our treatment of ourselves in cases in which we have power and our treatment of other persons in cases in which we also have power but they do not have it.

Mr. TOBEY. I should like to think of the definition of consistency as being "Thou art a jewel." Does not the Senator agree with that definition?

Mr. BARKLEY. Yes; but we cannot always be consistent. In the light of new facts and conditions we must be at least flexible in our minds and in our approach to matters. We cannot always vote today in the same way we voted 10, 15, or 25 years ago. We would be static if we were not willing to take advantage of new information.

Mr. TOBEY. I thank the Senator for his statement.

Mr. BARKLEY. I do not wish to pursue the matter any further, Mr. President.

Mr. OVERTON. Mr. President, if the amendment proposed by the Senator from Kentucky shall be agreed to, am I to understand that he will then withdraw any opposition which he may have to the remainder of the amendment?

Mr. BARKLEY. No, Mr. President; I have not said that. I say that if this amendment shall be adopted, I think it would be more consistent to adopt it on that basis than otherwise. I think the same treatment should be given to Members of the other House that we give to Members of the Senate.

Mr. OVERTON. I think it would be better to kill the amendment by one blow than by piecemeal. If the Senator is going to fight the amendment——

Mr. BARKLEY. No; I am not saying that I will fight it, and I am not saying that I shall vote for it even if the amount is decreased. I reserve the right to oppose it even if the amount is reduced.

Mr. OVERTON. I understand.

Mr. BARKLEY. I am willing to say this: I am not going to vote to give the Members of the House $2,500, whether it is called an allowance for expenses, or an increase in salary, and not treat the Members of the Senate in the same manner. I do not desire to interfere with the comity between the two Houses, but I think that the Members of the two Houses should have conferred with one another and talked with one another about this matter before the provision was put into the bill in the first instance.

Mr. President, on page 1, line 2, of the committee amendment, I move to amend by striking out the figure "$2,500" and inserting in lieu thereof "$1,500."

PUNISHMENT OF WAR CRIMINALS

Mr. LUCAS. Mr. President, I dislike to take the time of the Senate to discuss a subject which is not germane to the issue now pending, but I wish to refer for a few minutes to the subject of the punishment of war criminals.

There is being disseminated in America and throughout the world a vast amount of misinformation on the punishment of war criminals. In order that the record may be made clear and brought up to date, I am going to take the time of the Senate to review history, and make some comments on bringing to an early trial Nazi and Fascist leaders in custody of the American Army in Germany, Italy, and elsewhere.

Throughout the war in Europe, the Allied Nations were familiar with the crimes being committed by Nazi and Fascist leaders upon political prisoners and other innocent minority groups. We also knew that the Nazi and Fascist leaders were not living up to the International Convention of Geneva relative to the treatment of prisoners of war. With a full realization that victory over the common enemy was inevitable, the Allied Nations in October 1943 organized the United Nations War Crimes Commission, with its principal office in London, England. Sixteen nations are members of the Commission. The only nation of any import that failed to join was our ally, Russia.

Mr. President, there are many distorted views as to the creation of the Commission, its powers, its duties, and its functions. In fact, the Commission itself, judging from some statements issued, is laboring under a delusion as to the extent of its rights and powers.

In order to keep the record straight it should be remembered that the Commission, in the beginning, was established for the sole purpose of investigating war crimes. After operating for a while the Commission received from the 16 participating nations the additional duty of making recommendations to the governments with respect to procedural matters dealing with war crime. The Commission obtains the evidence, examines it, and when it is convinced there are sufficient data to convict a person makes such a recommendation. The Commission has, unfortunately, termed this bringing an indictment against the war criminals. A great number of people are of the opinion that the Commission has the power to indict war criminals. This is highly erroneous. The Commission has no authority to indict any criminal, irrespective of where the crime was committed. Even if it had such power, there is no court with which an indictment could be filed. Last of all, it has no authority to try any war criminal. In other words, it is an investigating organization, with power to make recommendations, which may or may not be followed.

Following the creation of this Commission, the Allied Nations, in the Moscow Declaration of November 1, 1943, provided that all war criminals whose crimes had a particular localization in any of the overrun countries should be returned to those countries to be tried therein according to the local law.

Under this agreement, the Union of Soviet Socialist Republics has started to implement its right of punishing war criminals and their accomplices, and has sentenced several culprits to capital punishment at open trials in Krasnodar and Kharkov.

France, having experienced the disgrace of the Vichy regime, has arranged trials of the collaborationists, and to date has passed hundreds of sentences. The Czechoslovakian Government has drawn up a huge list of war criminals, who are now being tried.

It is my understanding that a special tribunal has been set up in Holland, Belgium, Norway, and Denmark to try the traitors, Quislings, and other war criminals. Bulgaria has adopted a rigorous course against the Fascists, and has sentenced to capital punishment many of the top war criminals. In Rumania a rather extensive number were listed, and recently many of them were found guilty and sentenced to be shot.

It should be remembered that those listed or now being tried by various Allied Governments are war criminals whose crimes were committed in these respective countries.

Mr. President, there is precedent for this procedure. However, the difficult task lying ahead of the Allied Nations is the trial of war criminals whose crimes had no geographical localization. Obviously, they must be handled differently.

Today the United States Army in Germany has in its custody many top Nazi leaders and many members of the German General Staff. In our custody is a part of the band of evil men responsible for the preparation and unleashing of the war of aggression against the Allied Nations. Their implied belief in brutality, force, and torture was responsible for the ghastly atrocities committed upon political and military prisoners and many other minority groups. Search the records of history, and one will not find a chapter so black, degrading, and inhuman. There is no question about the proof of guilt. We have it from our own Senators who were privileged to view first hand the systematic operation of the Nazi crime doctors. This group of international brigands challenged free civilization to live. They repeatedly announced their criminal aims, and carried them into execution with high German efficiency. These Nazi and Fascist leaders stand indicted in public opinion for crimes against that part of the human family believing in reason and justice.

Mr. President, other far-reaching and delicate international problems are now

upon the agenda of world affairs—the dispute about Trieste, the Polish question, and many more, but the immediate question now before the civilized world is, when and how will these criminals be tried? Since the method of trial and disposition of these criminals could not be included in the Moscow Declaration because there was no geographical localization, the Allied Nations are compelled to find a way out. It is necessary to make precedent. It is gratifying to know that the United States has taken the lead in the preparation of plans and procedure in the trial and punishment of this outlaw group. It is inadvisable to state at this time just what those plans are. It is sufficient to say that they are in keeping with what is right and just. If those governments now occupying Germany agree to the proposals or submit counter-suggestions upon which all can agree, justice in the end will triumph.

It is well to point out that the President of the United States has recently appointed Justice Robert Jackson of the Supreme Court, as the one to prosecute these criminals in behalf of the United States. Justice Jackson has assembled a staff. He is now in Europe assembling the evidence. Only arriving at an agreement with other governments upon procedure keeps these criminals from being tried with all convenient speed and dispatch.

As one who believes in allied unity of purpose and thought in all these grave international problems, it is my earnest hope that within a reasonable time, France, Russia, England, and the United States can agree on the method of procedure in the trial of the Nazi and Fascist criminals.

I should like to point out, however, that time is of great essence. The American people want Hermann Goering, Alfred Rosenberg, Admiral Doenitz, General von Runstedt, and all others of their ilk, brought to immediate trial. They want justice and retribution meted out to these self-confessed Nazi leaders. They want, in the interim, no special favors granted to these men. They demand that they receive the kind of treatment provided for criminals under the law of nations. And so, while it would be best for all nations to agree upon a plan of procedure in the trial of these Nazi leaders and their subordinates, yet we cannot wait indefinitely for that decision.

I was delighted to learn today that Justice Jackson believes the trial of these criminals will start in a few weeks. If our allies cannot agree upon plans and procedures within a reasonable length of time, we should, after due notice, create our own military courts and prepare our own plans and procedure. Under the leadership of General Eisenhower and Justice Jackson, we should try without delay the Nazi and Fascist criminals in our custody.

Mr. President, there has been a universal condemnation of the Nazi and Fascist criminals, the Gestapo, the SS troops, and all other subordinate organizations which are considered an integral part of this criminal group. In some quarters there is a tendency to distingish between the German General Staff and the Nazi Party. These skeptics contend that the German General Staff is merely a group of soldiers, and should be treated as prisoners of war under the rules of international law. These doubting Thomases would have us believe that the General Staff knew nothing about the horror camps and other atrocities. This, of course, is a fallacy that undoubtedly will be challenged when the trial of these criminals starts. In my opinion, the General Staff is just as guilty as Hitler, Goering, and the group who controlled the Nazi Party. The truth of the matter is that the General Staff recognized Hitler as just the man it needed to sway the German mass to their theories and philosophies of future war.

Curt Riess, in his book entitled "The Nazis Go Underground," quoted from an address made by Field Marshal von Runstedt before the War Academy in Berlin, in which he said the following:

> The destruction of neighboring people and their riches is indispensable to our victory. One of the great mistakes of 1918 was to spare the civil life of the enemy countries, for it is necessary for us Germans to be always at least double the number of the peoples of contiguous countries. We are therefore obliged to destroy at least a third of their inhabitants. The only means is organized underfeeding, which in this case is better than machine guns.

Mr. President, Von Runstedt's address contains the formula on which murder camps in Germany were run. Regardless of what Nazi leader gave the orders or what Nazi subordinate carried out the torturous and murderous decrees, the generals cannot escape the responsibility.

Another statement from one of the German generals is most interesting and helps prove the point. In September 1944, the magazine Mining and Metallurgy carried a statement of General Otto von Stuelpnagel, in which he said:

> What does a provisional defeat matter to us if we have been able to destroy so much manpower and material in neighboring territories that we have obtained an economic and numerical superiority greater than before 1939? The conquest of the world will require numerous stages, but the essential is that the end of each stage brings us an economic and industrial potential greater than that of our enemies. With the war booty which we have accumulated, the enfeebling of two generations of the manpower of our neighbors, and the destruction of their industry, we shall be better placed to conquer 25 years from now than we were in 1939.

The statement of Von Stuelpnagel tells the world exactly what the German General Staff expects to do in 25 years.

Mr. President, we know that the war lords of Germany in generations past have done nothing but plan for war with the ultimate objective of conquering the world. These militarists consider their present plight merely another provisional defeat. The war lords of Germany are as guilty as Hitler and his Nazi conspirators.

We said in the Yalta pact on February 12, 1945, "We are determined to break up for all time the German General Staff that has repeatedly contrived the resurgence of German militarism."

Mr. President, free and peace-loving people everywhere eagerly look to Justice Jackson and General Eisenhower to use their power to break up for all time to come the German General Staff.

Nothing should be left undone to destroy once and for all the evil art of German war making. We should deal with stern realities in a realistic manner. We cannot repeat the mistakes that were made in 1918. A bullet for a German staff officer now is better than a bullet for an American boy in 20 years from now.

We must never forget what Franklin D. Roosevelt, the late President of the United States, said on March 23, 1944:

> We * * * again proclaim our determination that none who participated in these acts of savagery shall go unpunished. The United Nations * * * will pursue the guilty and deliver them up in order that justice be done. That warning applies not only to the leaders, but also to their functionaries and subordinates.

We should not forget what President Harry S. Truman said on April 16, 1944:

> Nothing shall shake our determination to punish the war criminals even though we must pursue them to the ends of the earth.

Mr. President, as an American, believing in constitutional liberty, the Senator from Illinois is in favor of giving these leaders a fair and public trial. It should be pursued vigorously, without dilatory tactics, and without indulging in high technical procedure. This is the desire of the American people. It is right. It is just. It is imperative if we keep faith with those who fought and died. It is indispensable in helping make the future peace of the world secure.

APPROPRIATIONS FOR THE LEGISLATIVE BRANCH

The Senate resumed the consideration of the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes.

Mr. BARKLEY. Mr. President, may we have a vote on the pending amendment?

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Kentucky [Mr. BARKLEY] to the substitute amendment proposed by the Senator from New Mexico [Mr. HATCH], as modified.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hart	Overton
Bailey	Hatch	Pepper
Bankhead	Hayden	Radcliffe
Barkley	Hickenlooper	Saltonstall
Bilbo	Hoey	Shipstead
Bridges	Johnson, Colo.	Smith
Briggs	La Follette	Taft
Bushfield	Langer	Thomas, Okla.
Butler	Lucas	Thomas, Utah
Capper	McKellar	Tobey
Cordon	McMahon	Wagner
Donnell	Magnuson	Walsh
Ellender	Moore	White
Fulbright	Morse	Wiley
George	Myers	Willis
Gerry	O'Daniel	Wilson
Green	O'Mahoney	Young

The PRESIDENT pro tempore. Fifty-one Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY] to the modified amendment in the nature of a substitute offered by the Senator from New Mexico [Mr. HATCH], for the committee amendment on page 2, line 1.

Mr. BARKLEY. Mr. President, my amendment was intended to be a perfecting amendment to the committee amendment, and not an amendment to the Hatch substitute.

The PRESIDENT pro tempore. The Hatch substitute is pending.

Mr. BARKLEY. Under the rules, cannot an amendment for which a substitute is offered be perfected before the substitute is voted upon?

The PRESIDENT pro tempore. Yes.

Mr. BARKLEY. That is what I am attempting to do. I am attempting to perfect the committee amendment by offering an amendment reducing the amount.

The PRESIDENT pro tempore. The question is on agreeing to the Hatch substitute.

Mr. BARKLEY. Mr. President, as I understand, the Hatch substitute ought not to be voted upon until the committee amendment is perfected.

The PRESIDENT pro tempore. A motion to that effect will be necessary.

Mr. BARKLEY. I have offered an amendment to the committee amendment, by way of a perfecting amendment. I ask that that amendment be voted upon before the Hatch substitute is voted upon.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. The question is on agreeing to the amendment offered by the Senator from Kentucky to the committee amendment on page 2, line 1.

Mr. LANGER. Mr. President, I ask for the yeas and nays.

The PRESIDENT pro tempore. Is the demand sufficiently seconded?

Mr. BARKLEY. Mr. President, this is simply an amendment reducing the amount, and not the committee amendment itself.

The PRESIDENT pro tempore. The yeas and nays have been demanded. Is the request sufficiently seconded?

The yeas and nays were not ordered.

Mr. PEPPER. Mr. President, I ask the able Senator from Kentucky if he will consider modifying his amendment slightly so as to make it clear that the $1,500 would be an increase in compensation and would not be called an allowance for expenses. The reason I make the request is that, as I stated the other day, a good many Senators have expressed to me the view that there might be some merit in the proposal.

My personal feeling is that one of the things we might do in this connection is to increase the compensation of Members of Congress $1,500 a year. That would be 15 percent. It would be in accordance with the Little Steel formula. There has been no increase in congressional salaries since 1925. I do not believe that any fair person would think that we were discriminating in favor of ourselves if we were to allow congressional salaries to take the same percentage of increase as we have allowed in the case of salaries of other governmental employees.

If we were to do so, there would be no question about the taxability of the $1,500. If we say that the $1,500 is for the purpose of paying expenses, then it is open to the inference that it is not taxable. As I understand the House provision, it indicates an intention that the increase shall not be taxable.

If the able Senator could bring himself to that further modification in his suggested alteration of the committee amendment, the net effect of the amendment, if perfected as the Senator from Kentucky would suggest, would be that congressional salaries be increased by 15 percent, or $1,500. Then the law would be clarified relative to deductions of expenses incurred in the course of business, as it were, in respect to the performance of their official duties by Members of Congress. Any Senator or Representative who incurred an expense in the performance of his official duty, in my opinion, and in the judgment of any fair-minded man, would be entitled to an income-tax deduction for such expense. That would be the net effect of the amendment of the committee as perfected by the amendment of the Senator from Kentucky, if he were disposed to accept the modification. I believe that that is a sound basis for approaching the problem.

Mr. BARKLEY. Mr. President, the amendment offered by the Senator from New Mexico [Mr. HATCH] by way of a substitute would accomplish what the Senator has in mind. I am not certain that it is not subject to a point of order, because it is legislation increasing the compensation of Senators, whereas the provision in the House language, and the provision of the committee amendment, is not by way of increasing compensation, but by way of an expense allowance.

Mr. PEPPER. Well, the net is the same, in substance, of course.

Mr. BARKLEY. I understand. However, the Chair has just held that a point of order does not lie against the committee amendment, because the House opened up the subject in regard to expenses. But the House did not deal with it in terms of increased compensation for its Members, and I do not know what the Chair would hold if that question were presented.

All I am seeking to do is to reduce the amount provided in the committee amendment.

Mr. PEPPER. Yes; but the Senator loses sight of the criticism which was made the other day by the Senator from Virginia [Mr. BYRD] namely, that the increase is offered as an expense item, as a disguise to exempt it from taxation, because on its face it is designated as an expense reimbursement, and, strictly speaking, that kind of reimbursement is not subject to taxation. So I think we would clarify the matter if we were to state directly that it is a 15-percent increase in accordance with the Little Steel formula, and if we were then to clarify the law, which is in some uncertainty, as shown by the debate here, because I can tell from the debate that some Senators have been taking deductions for such items, while other Senators have not understood that they were deductible. This would clarify the law in that respect, and I think it would be understood by everyone and would appeal to the judgment of all fair-minded persons.

Mr. BARKLEY. I appreciate the Senator's suggestion, but I myself desire to reduce the amount. If the Senator from Florida or some other Senator wishes to offer a further amendment to the committee amendment, after my amendment to it is disposed of, such further amendment to it would be in order. But I am not so certain whether any amendment offered now, in the form of substantive law increasing the compensation of Members, would not be subject to a point of order on the ground that it was legislation on an appropriation bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Kentucky to the committee amendment, as modified.

Mr. HATCH. Mr. President, I rise to say that the Senator from Colorado made his point of order against the substitute which I had offered——

Mr. BARKLEY. I beg the Senator's pardon; I thought it was against the substitute for the committee amendment.

Mr. HATCH. Oh, no; the point of order was against the Hatch substitute, and the Chair overruled the point of order.

Mr. LUCAS. How does this amendment square with the law which Congress passed freezing salaries of $5,000 and over?

Mr. BARKLEY. Of course, to be frank about it, it does not square with that law. If the Congress by that measure has limited itself in fixing its own compensation, of course, the proposed action would be in conflict with that law. From a legal standpoint, of course, the Congress has the power to do that.

Mr. LUCAS. Of course.

Mr. BARKLEY. It has the power to do it from a parliamentary standpoint. Whether it wishes to do it as a matter of consistency or good faith with others is another question.

Mr. LUCAS. I understand. That is the point.

If we increase our compensation 15 percent or 25 percent or whatever the amount may be, we will be in no position to deny an increase to any other person in this country who wishes to have his compensation increased. For instance, if a particular company wants to pay employees 15 percent or 25 percent more than it is now paying or if the officers of a corporation, whose salaries are frozen under a law the Congress previously passed, desire a 15 percent or 25 percent increase, as I view it, there will be nothing the Congress can do about it, if this proposal adopted is passed.

Mr. BARKLEY. Of course, any Senator who feels that way about it should vote against the committee amendment, even if the amount is reduced to $1,500.

Mr. LUCAS. I will say to the Senator from Kentucky that that is my position.

Mr. BARKLEY. There is no inconsistency between voting to reduce this

amount and then voting against the whole amount, whatever it may be finally.

Mr. LUCAS. I appreciate that. But I wished to call attention to the fact that some time ago the Congress passed a law freezing all salaries of $5,000 and over. In some instances we have slightly violated that law by legislation we have passed.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. OVERTON. Let me say that we would not be increasing any salary. When we allow for an expense account any sum which has not previously been allowed, we are doing what practically all corporations are doing, anyway. They are allowing larger expense accounts, as their returns to the Bureau of Internal Revenue will show. I have no doubt that since the Little Steel formula was adopted, the expense accounts of the large corporations—I am merely guessing at it—have practically doubled.

Mr. BARKLEY. I do not question what the Senator from Louisiana has said. Undoubtedly on that score the Members of Congress are laboring at a disadvantage as compared to everyone else in the country. The only question is whether we now wish to correct that situation at this particular juncture. That seems to me to be the only question involved.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Kentucky to the committee amendment, as modified.

Mr. HATCH. Mr. President, I have listened to a great deal of the debate and argument and I have been perplexed, as I have said.

I now withdraw the substitute which I have offered.

Also, Mr. President, I shall move to lay the committee amendment on the table. I so move.

The PRESIDENT pro tempore. The substitute of the Senator from New Mexico has been withdrawn.

The question now is on the motion of the Senator from New Mexico to lay the committee amendment as modified on the table.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. BARKLEY. Does not the Senator think that instead of moving to lay the entire committee amendment on the table, we should have a straight-out vote and should let the Senate go on record on it?

Mr. HATCH. No; I do not think so. I do not think so because of the nature of the discussion which has occurred on the floor of the Senate and the sentiments which have been expressed.

Mr. OVERTON. Mr. President, is the motion debatable?

The PRESIDENT pro tempore. The motion to lay on the table is not debatable.

Mr. HATCH. Mr. President, I withhold my motion in order to permit the Senator from Louisiana to debate it.

Mr. OVERTON. I do not wish to debate it. I wish to request the yeas and nays on the motion.

Mr. HATCH. Well, Mr. President, I withhold my motion. I think we had better table the committee amendment and then take up the House provision, and let it all go to conference.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. HATCH. I yield.

Mr. BARKLEY. We could do the same if the committee amendment were rejected on a vote.

Mr. HATCH. Very well.

Mr. BARKLEY. It is not necessary to table it in order to accomplish that.

Mr. HATCH. Very well.

Well, Mr. President, I have withdrawn my motion.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Kentucky to the committee amendment, as modified.

Mr. MORSE. I ask for the yeas and nays.

Mr. BARKLEY. Mr. President, when the yeas and nays were requested a few minutes ago, a sufficient number was not developed.

The PRESIDENT pro tempore. A sufficient number did not join in the request for the yeas and nays a few minutes ago.

The question is on agreeing to the amendment proposed by the Senator from Kentucky [Mr. BARKLEY] to the committee amendment, as modified.

The amendment to the committee amendment, as modified, was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment, as modified, on page 2, in line 1.

Mr. MORSE. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. WAGNER (when his name was called). On this vote I have a general pair with the junior Senator from Kansas [Mr. REED]. I am informed that if he were present he would vote as I propose to vote. Therefore I am at liberty to vote. I vote "nay."

The roll call was concluded.

The PRESIDENT pro tempore. The Chair announces that his colleague the junior Senator from Tennessee [Mr. STEWART], who is visiting the battlefields of Europe, if present and voting, would vote "nay."

Mr. GERRY. I announce that the junior Senator from Virginia [Mr. BYRD], is necessarily absent. If he were present he would vote "nay."

Mr. BANKHEAD. I announce that my colleague, the junior Senator from Alabama [Mr. HILL] is absent because of illness in his family.

Mr. WAGNER. I announce that the junior Senator from New York [Mr. MEAD] is absent because of illness. If he were present he would vote "nay."

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from California [Mr. DOWNEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Utah [Mr. MURDOCK], the Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent visiting battlefields in Europe.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent on official business for the Special Committee Investigating the National Defense Program.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Committee on Interstate Commerce.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on Territories and Insular Affairs, is inspecting the Philippine Islands and therefore necessarily absent.

The Senator from Texas [Mr. CONNALLY] has a general pair with the Senator from Michigan [Mr. VANDENBERG], but I am not advised how either Senator would vote if present and voting.

The Senator from South Carolina [Mr. MAYBANK] has a pair with the Senator from Tennessee [Mr. STEWART]. If present and voting the Senator from South Carolina would vote "yea" and the Senator from Tennessee "nay."

The Senator from Mississippi [Mr. EASTLAND] and the Senator from Georgia [Mr. RUSSELL] if present and voting would vote "nay."

Mr. WHITE. The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], and the Senator from Nebraska [Mr. WHERRY] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON] are absent on official business of the Senate as members of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Wyoming [Mr. ROBERTSON] is absent by leave of the Senate on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from Ohio [Mr. BURTON] is necessarily absent. If present he would vote "nay."

The result was announced—yeas 9, nays 43, as follows:

YEAS—9

Bankhead	Hayden	Overton
Bridges	Magnuson	Thomas, Utah
Green	Myers	Tobey

NAYS—43

Aiken	Hart	Radcliffe
Bailey	Hatch	Saltonstall
Barkley	Hickenlooper	Shipstead
Bilbo	Hoey	Smith
Briggs	Johnson, Colo.	Taft
Buck	La Follette	Thomas, Okla.
Bushfield	Langer	Wagner
Butler	Lucas	Walsh
Capper	McKellar	White
Cordon	McMahon	Wiley
Donnell	Moore	Willis
Ellender	Morse	Wilson
Fulbright	O'Daniel	Young
George	O'Mahoney	
Gerry	Pepper	

NOT VOTING—44

Andrews	Guffey	Murray
Austin	Gurney	Reed
Ball	Hawkes	Revercomb
Brewster	Hill	Robertson
Brooks	Johnson, Calif.	Russell
Burton	Johnston, S. C.	Scrugham
Byrd	Kilgore	Stewart
Capehart	McCarran	Taylor
Chandler	McClellan	Thomas, Idaho
Chavez	McFarland	Tunnell
Connally	Maybank	Tydings
Downey	Mead	Vandenberg
Eastland	Millikin	Wheeler
Ferguson	Mitchell	Wherry
Glass	Murdock	

So the committee amendment on page 2, in line 1, as modified, was rejected.

Mr. OVERTON. Mr. President, on behalf of the committee I send to the desk an amendment and ask to have it read.

The PRESIDENT pro tempore. The amendment offered by the Senator from Louisiana will be stated.

The LEGISLATIVE CLERK. On page 19, line 25, after the word "available", it is proposed to insert the following proviso: "*Provided*, That for the purpose of determining the deductability of expenses under the income-tax laws the home of a Senator, Representative, Delegate, and the Resident Commissioner from Puerto Rico shall be deemed to be his domicile in the State in which or for which he is chosen, or in the Territory or possession, as the case may be."

Mr. OVERTON. Mr. President, it will be observed that the amendment carries with it no expense allowance and no additional compensation. It merely declares that for the purpose of determining the deductibility of expenses under the income tax laws the domicile or home of a Senator, Representative, Delegate, and the Resident Commissioner from Puerto Rico shall be deemed to be in the State or Territory in which or for which he has been elected.

Mr. President, I have already presented the matter in argument. I see no necessity of arguing it further. The amendment would put Senators and Representatives in line with representatives of corporations, and in line with businessmen, professional men, judges, and all employees generally.

Mr. JOHNSON of Colorado. Mr. President, am I correct in understanding that the Senator from Louisiana said that the provision on page 19 of the bill had already been passed by the Senate?

Mr. OVERTON. No; I did not say that. I offered an amendment.

Mr. JOHNSON of Colorado. I understood the Senator to say that the provision in the bill——

Mr. OVERTON. No; nothing in connection with my amendment has yet been acted upon by the Senate.

Mr. JOHNSON of Colorado. I invite the attention of the Senator to the fact that when the provision on page 19 was reached I made it known that I expected to offer an amendment.

Mr. OVERTON. That is true; but I think the committee amendments, by unanimous consent, are first being considered. I do not know what amendment the Senator from Colorado will offer. The amendment which I have offered has to do with the provision on page 19, beginning in line 16, in which the House provided for the payment of an expense allowance of $2,500 per annum to assist in defraying expenses, and so forth.

That language remains undisturbed. What I am seeking to do is merely to declare legislatively that the domicile of Senators and Representatives shall be within their respective home States. The amendment has nothing to do with the item of allowance, and has nothing to do with additional compensation.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. HATCH. Does the Senator think that a legislative act could add to the Constitution?

Mr. OVERTON. Today a legislative act takes precedence over the Constitution, so far as the Bureau of Internal Revenue is concerned.

Mr. LANGER. If adopted, this language will mean that if a person comes to Washington from some State and accepts a job with the Federal Government he will have to pay an income tax.

Mr. OVERTON. It does not refer to that situation whatever. It simply declares that the home of the Senator from North Dakota shall be in North Dakota and not in the city of Washington.

Mr. LANGER. Yes; but it does not say anything about a Federal employee whose home is in North Dakota.

Mr. OVERTON. No.

Mr. LANGER. It would seem to me that an exception is being made.

Mr. OVERTON. No; no exception whatever is being made. In this amendment we are dealing with Senators.

Mr. LANGER. And with Representatives.

Mr. OVERTON. Yes.

Mr. LANGER. The result is that if a person from North Dakota, for example, obtains a job here in Washington and is paid a salary of $10,000 a year, he will be required to pay an income tax, but the Senator from Louisiana and I will not be required to pay one.

Mr. OVERTON. Oh, no.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Louisiana.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. Is the amendment which has been proposed by the Senator from Louisiana to apply at the end of the provision on page 19 which provides an expense allowance of $2,500 to the Members of the other House?

Mr. OVERTON. That is correct. It would not interfere with the provision in any way.

Mr. BARKLEY. The Senator from Colorado [Mr. JOHNSON] announced the other day that he intended to move to strike that language from the bill.

Mr. OVERTON. He may do so.

Mr. BARKLEY. The parliamentary inquiry I wish to propound is whether the adoption of the amendment would in any way interfere with what the Senator from Colorado has announced he wishes to do.

The PRESIDENT pro tempore. It would not foreclose the Senator from Colorado from making his motion.

Mr. OVERTON. If the Senator from Colorado moves to strike out the language contained in the House text on page 19, lines 16 to 25, inclusive, it will not affect this amendment if it be agreed to.

Mr. BARKLEY. If the amendment proposed by the Senator from Colorado should be agreed to, and the pending amendment should be left suspended as a proviso, it would look awkward.

Mr. OVERTON. The Senator may be correct, and I shall modify the amendment merely by having it provide, after line 25, that a new paragraph shall be inserted——

Mr. BARKLEY. That would be better.

Mr. OVERTON. A new paragraph in the words I have read, leaving out the word "provided." Just let it read, "For the purpose of determining the deductibility of expenses under the income-tax laws the home of a Senator, Representative, Delegate, and the Resident Commissioner from Puerto Rico shall be deemed to be his domicile in the State for which he is chosen, or in the Territory or possession, as the case may be." That makes it an independent provision.

Mr. LANGER. Mr. President, I should like to ask the distinguished Senator whether under the amendment there will be a difference between an ordinary Federal worker and a Senator or Representative, so far as income taxes are concerned?

Mr. OVERTON. No. When the representative of a large corporation in North Dakota comes to Washington he will get the same treatment as a Senator or Representative. Although the representative of the corporation may have a glorious, glamorous expense account with which to provide and enjoy magnificent entertainment here, his expenses will be deductible.

Mr. LANGER. I understand perfectly it is the purpose of the Senator to put Senators and Representatives of a State

in the same class with the great businessman who has this glamorous and glorious time.

Mr. OVERTON. And with the small businessman.

Mr. LANGER. I am worrying about the Federal worker. I want to know whether a person from the Senator's State who takes a job in Washington is also going to be allowed to deduct expenses paid out of his salary, so far as income taxes are concerned?

Mr. OVERTON. I am not an expert on income-tax law, but I think he will be. If he comes here in the discharge of a public office to perform temporary duties, his expenses will be deductible.

Mr. LANGER. I thank the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Louisiana.

Mr. JOHNSON of Colorado. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. JOHNSON of Colorado. Mr. President, the effect of the amendment, as the senior Senator from Georgia [Mr. GEORGE] pointed out a little while ago, might very well be that it would be impossible for any taxes at all to be collected on a Senator's salary. The amendment, as I see it, is extremely obnoxious because it practically makes a Senator's salary tax-free. The Senator from North Dakota pointed out something which is extremely important. He says that a citizen coming from the State of North Dakota to Washington and getting a job and working in one of the departments, is not to be given the advantage of such a provision as this. He votes in North Dakota, he maintains his residence there, that is his home, but he does not get any tax exemption for the expenses to which he is put because he lives in the city of Washington, which of course, as the Senator from North Dakota has pointed out, results in a discrimination between the Members of Congress and persons working in the departments.

But that is not the worst feature of the amendment. According to the statement the Senator from Georgia made earlier, under this amendment a man might very well have a tax exemption greater than his income, and I do not know whether it would stop with his income. Senators might have outside incomes, and if we make this sort of provision a part of the law, I do not know whether it would stop at $10,000 or go beyond $10,000. My opinion is that it would go just as far as the Senator desired to file a claim for expenses.

I most earnestly hope that the amendment will not be agreed to without a record vote. I do not see how we can afford to adopt an amendment of this kind, changing the tax laws with respect to Members of the Senate and the House, changing the revenue laws, without a record vote, refusing, indeed, to have a record vote. As I see it, the amendment contains all the bad features of the amendment the Senate voted down just a few moments ago, and I most sincerely hope we may have a yea-and-nay vote on it.

Mr. President, I ask for the yeas and nays on this question.

The PRESIDENT pro tempore. Is the demand sufficiently seconded?

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, I wish to say just a word. I find myself inevitably in agreement with the Senator from Colorado, the Senator from Georgia, and the Senator from North Dakota. This is a provision which applies only to Members of Congress. It would not apply to any other Government employee who maintains a voting residence in his home State, and comes to Washington to work. He would not be allowed any deduction for railroad fare or expenses in getting to Washington or while he is in Washington, and it seems to me that when we are changing the tax laws, we should change them so as to affect everyone, and not pick out an island of safety for our own membership. Therefore I shall vote against the amendment.

Mr. LA FOLLETTE. Mr. President, just a brief word on one aspect of this matter which I think the Senate should keep in mind. I think there should be very careful study of the decision of The Tax Court, as it is now called, on the question of allowable deductions, but it seems to me we should also bear in mind that the House of Representatives naturally is very jealous of its prerogatives, and that we might jeopardize the consideration of the pending bill by attaching this amendment to it. It seems to me there is some ground at least to be apprehensive that the House might feel that we had invaded their prerogatives under the Constitution in initiating revenue legislation.

Mr. OVERTON. Will the Senator yield?

Mr. LA FOLLETTE. I am glad to yield to the able Senator.

Mr. OVERTON. The amendment as modified does not appear as a proviso to the House provision, it appears as a separate amendment.

Mr. LA FOLLETTE. That, it seems to me, would make it even more likely to be rejected, or to make the House feel that we had invaded their prerogatives, because if it were attached to the other amendment, it might be said that the House itself had opened the door on this question.

Mr. OVERTON. I may say that I have conferred with the conferees who will represent the House, and the amendment is perfectly agreeable to them.

Mr. LA FOLLETTE. I was wondering what might be the action of the Ways and Means Committee, which really has the responsibility of protecting the House jurisdiction over the prerogative of initiating revenue legislation.

Mr. WHITE. Mr. President, I desire to say just a word. I expressed myself a few days ago with respect to the general subject matter, and I merely wish to repeat at this time that I do not propose to vote myself a special, privileged status under the tax laws of the United States, and I hope the Senate of the United States will not take action pointing in that direction.

Mr. O'MAHONEY. Mr. President, in view of the fact that there is not to be a record upon the amendment——

The PRESIDENT pro tempore. The yeas and nays have been ordered.

Mr. O'MAHONEY. Very well.

The PRESIDENT pro tempore. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WAGNER (when his name was called). I have a pair with the junior Senator from Kansas [Mr. REED]. I transfer that pair to the junior Senator from California [Mr. DOWNEY] and will vote. I vote "nay."

I also announce that my colleague, the junior Senator from New York [Mr. MEAD] is absent because of illness. If he were present he would vote "nay."

Mr. GERRY. Mr. President, making the same statement with respect to the Senator from Virginia [Mr. BYRD] as on the previous vote, I announce that, if present, he would vote "nay."

The roll call was concluded.

The PRESIDENT pro tempore. The Chair will state that his colleague, the junior Senator from Tennessee [Mr. STEWART], who is visiting the battlefields of Europe, if present would vote "nay."

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from Mississippi [Mr. BILBO] are necessarily absent.

The Senator from Kentucky [Mr. CHANDLER], the Senator from California [Mr. DOWNEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Utah [Mr. MURDOCK], the Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Georgia [Mr. RUSSELL] are absent visiting battlefields in Europe.

The Senator from Alabama [Mr. HILL] is absent because of illness in his family.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent on official business for the Special Committee Investigating the National Defense Program.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Interstate Commerce Committee.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on Territories and Insular Affairs, is inspecting the Philippine Islands, and therefore is necessarily absent.

The Senator from Texas [Mr. CONNALLY] has a general pair with the Senator from Michigan [Mr. VANDENBERG]. I am not advised how either Senator would vote if present and voting.

Mr. WHITE. The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], and the Senator from Nebraska [Mr. WHERRY] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON] are absent on official business of the Senate as members of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Wyoming [Mr. ROBERTSON] is absent by leave of the Senate on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from Ohio [Mr. BURTON] is necessarily absent. If present he would vote "nay."

The result was announced—yeas 13, nays 38, as follows:

YEAS—13

Bankhead	Hayden	Thomas, Okla.
Bridges	Magnuson	Thomas, Utah
Bushfield	Myers	Tobey
Fulbright	Overton	
Green	Pepper	

NAYS—38

Aiken	Hatch	Radcliffe
Bailey	Hickenlooper	Saltonstall
Barkley	Hoey	Shipstead
Briggs	Johnson, Colo.	Smith
Buck	La Follette	Taft
Butler	Langer	Wagner
Capper	Lucas	Walsh
Cordon	McKellar	White
Donnell	McMahon	Wiley
Ellender	Moore	Willis
George	Morse	Wilson
Gerry	O'Daniel	Young
Hart	O'Mahoney	

NOT VOTING—45

Andrews	Glass	Murdock
Austin	Guffey	Murray
Ball	Gurney	Reed
Bilbo	Hawkes	Revercomb
Brewster	Hill	Robertson
Brooks	Johnson, Calif.	Russell
Burton	Johnston, S. C.	Scrugham
Byrd	Kilgore	Stewart
Capehart	McCarran	Taylor
Chandler	McClellan	Thomas, Idaho
Chavez	McFarland	Tunnell
Connally	Maybank	Tydings
Downey	Mead	Vandenberg
Eastland	Millikin	Wheeler
Ferguson	Mitchell	Wherry

So Mr. OVERTON's amendment was rejected.

Mr. OVERTON. Mr. President, in providing for certain items last week, one providing for a night watchman was overlooked. I now offer an amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, line 9, after "$2,460," it is proposed to insert "night watchman, $1,920, in lieu of night watchman provided by Senate Resolution No. 471, agreed to February 28, 1931."

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. OVERTON. Mr. President, I move that the total in line 14 on page 4 be corrected in accordance with the amendment which has just been agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

Mr. OVERTON. Mr. President, I ask unanimous consent that the Senate reconsider the vote by which the committee amendment on page 38, line 22, was adopted.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. OVERTON. Mr. President, I now offer an amendment to the committee amendment on page 38, line 22, to strike out "$331,000", and to insert in lieu thereof "$332,800."

Mr. President, that represents an increase of $1,800, and it is for the purpose of hiring a nurse by the year to be in attendance upon the physician for the House and the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. BRIDGES. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 1, it is proposed to insert the following:

> There shall be paid to each Senator, after January 2, 1945, an expense allowance of $1,500 per annum to assist in defraying expenses related to or resulting from the discharge of his official duties to be paid in equal monthly installments. For making such payments through June 30, 1946, $216,000, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

Mr. BRIDGES. Mr. President, this amendment is very simple. It provides for an increase of 15 percent, so it is within the Little Steel formula. There are no tax provisions attached to it at all. Most of the debate we have heard in the Senate has been directed against violation of Little Steel formula, and, secondly, against the granting of certain tax exemptions to Members of the Senate. My amendment does neither. It is a very simple amendment, providing merely an increase of $1,500, or 15 percent, which, I repeat, is within the Little Steel formula, and the amendment contains no tax exemptions whatsoever.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from New Hampshire.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. WAGNER (when his name was called). I have a pair with the junior Senator from Kansas [Mr. REED]. I am informed that, if he were present and voting, he would vote as I intend to vote. I am therefore free to vote, and I vote "nay."

The roll call was concluded.

Mr. GERRY. I announce that the junior Senator from Virginia [Mr. BYRD] is necessarily absent. If he were present and voting, he would vote "nay."

The PRESIDENT pro tempore. The Chair will state that his colleague [Mr. STEWART], who is visiting the battlefields of Europe, if present, would vote "nay."

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from Arkansas [Mr. FULBRIGHT] are necessarily absent.

The Senator from Kentucky [Mr CHANDLER], the Senator from California [Mr. DOWNEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Utah [Mr. MURDOCK], the Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent visiting battlefields in Europe.

The Senator from Alabama [Mr. HILL] is absent because of illness in his family. The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent on official business for the Special Committee Investigating the National Defense Program.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Interstate Commerce Committee.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on

Territories and Insular Affairs, is inspecting the Philippine Islands, and, therefore, is necessarily absent.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco. He has a general pair with the Senator from Michigan [Mr. VANDENBERG]. I am not advised how either Senator would vote if present and voting.

The Senator from Mississippi [Mr. EASTLAND] if present and voting would vote "nay."

Mr. WHITE. The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], and the Senator from Nebraska [Mr. WHERRY] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON] are absent on official business of the Senate as members of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Wyoming [Mr. ROBERTSON] is absent by leave of the Senate on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from Ohio [Mr. BURTON] is necessarily absent. If present he would vote "nay."

The result was announced—yeas 12, nays 38, as follows:

YEAS—12

Bankhead	Magnuson	Shipstead
Bridges	Myers	Taft
Green	Overton	Thomas, Utah
Hayden	Pepper	White

NAYS—38

Aiken	Gerry	O'Daniel
Bailey	Hart	O'Mahoney
Barkley	Hatch	Radcliffe
Bilbo	Hickenlooper	Saltonstall
Briggs	Hoey	Smith
Buck	Johnson, Colo.	Thomas, Okla.
Bushfield	La Follette	Wagner
Butler	Langer	Walsh
Capper	Lucas	Wiley
Cordon	McKellar	Willis
Donnell	McMahon	Wilson
Ellender	Moore	Young
George	Morse	

NOT VOTING—46

Andrews	Eastland	McClellan
Austin	Ferguson	McFarland
Ball	Fulbright	Maybank
Brewster	Glass	Mead
Brooks	Guffey	Millikin
Burton	Gurney	Mitchell
Byrd	Hawkes	Murdock
Capehart	Hill	Murray
Chandler	Johnson, Calif.	Reed
Chavez	Johnston, S. C.	Revercomb
Connally	Kilgore	Robertson
Downey	McCarran	Russell
Scrugham	Tobey	Wheeler
Stewart	Tunnell	Wherry
Taylor	Tydings	
Thomas, Idaho	Vandenberg	

So Mr. BRIDGES' amendment was rejected.

The PRESIDENT pro tempore. The bill is before the Senate and open to further amendment.

Mr. BANKHEAD. Mr. President, on behalf of the Senator from Ohio [Mr. BURTON], I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Alabama on behalf of the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. On page 14, line 6, it is proposed to strike out "$4 per day" and insert "$5 per day."

On page 14, line 7, it is proposed to strike out "$15,204" and insert "$19,005."

On page 14, line 7, it is proposed to strike out "$279,494" and insert "$283,295."

Mr. BANKHEAD. Mr. President, this amendment was offered in the committee and submitted in the Senate by the junior Senator from Ohio [Mr. BURTON]. He is necessarily absent today, and has asked me to bring it to the attention of the Senate and offer it.

The amendment refers to the pay for pages of the Senate. In the bill which we are now considering the House increased the pay of its pages to $5 a day. This amendment proposes to put the Senate pages on exactly the same basis as the House pages. I am not prepared to say which figure is right. I certainly do not begrudge these boys $5 a day, in view of the increase in living costs which has occurred since the pay was fixed for the Senate pages. I know that it would be unhappy and very unfortunate to have the House pages, doing the same sort of work, under the same roof, receiving a dollar a day more than the Senate pages receive. So I hope the amendment will be agreed to.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. WHITE. I take it that it is assumed that the Senate pages are equal in all respects to those of the House.

Mr. BANKHEAD. I think they are at least equal.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. BANKHEAD] on behalf of the Senator from Ohio [Mr. BURTON].

Mr. OVERTON. Mr. President, I find myself very much in sympathy with the suggestion made by the Senator from Alabama with reference to the increase in compensation of Senate pages from $4 to $5 a day. However, the whole question was laid before the committee. The subcommittee did not act upon it. It determined to lay it before the full committee. The amendment was offered in the full committee, and was voted down by a very large vote. Therefore, as representing the full committee, I find that I must oppose the adoption of the amendment, and express the view of the full committee that the amendment should not be agreed to. If it is agreed to, I hope that it will not result in any undue inflation. However, that is another matter for discussion.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. BANKHEAD] on behalf of the Senator from Ohio [Mr. BURTON].

The amendment was agreed to.

Mr. BARKLEY. Mr. President, I urge Senators to remain in the Chamber in order that we may complete consideration of the bill today.

Mr. HATCH. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 16, line 15, after the figure "$401,762", it is proposed to strike out the period, insert a colon, and add the following: "*Provided*, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate to Julia C. Somerville, widow of J. A. Somerville, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law on February 15, 1945, said sum to be considered inclusive of funeral expenses and all other allowances."

Mr. HATCH. Mr. President, unfortunately both the Senators from Virginia are absent. In explanation of this amendment I send to the desk a letter which I ask to have read.

The PRESIDENT pro tempore. Without objection, the letter will be read.

The legislative clerk read as follows:

MAY 23, 1945.

CERTIFICATE AS TO SERVICE OF J. A. SOMERVILLE, DECEASED SENATE EMPLOYEE

To Whom It May Concern:

Mr. Somerville was a long-time Federal employee. As far back as 1933 he entered the Federal service in a field office in Virginia; and from that day until almost the day of his death he remained in the Federal service on active duty.

As to his service on Capitol Hill, he held three positions at various times, as follows: First he was in the Senate Office Building office of the Thomas Jefferson Bicentennial Commission under the chairmanship of Senator GLASS. Next he was on the permanent roll of Senator GLASS's office until the summer of 1944, and during 1944–45 he was one of the Senate doorkeepers until within a few days of his death.

While holding the doorkeeper job he was on furlough from Senator GLASS's staff. Several times he was advised by this office that we were willing to take him back whenever he so elected. The doorkeeper job terminated on February 15, 1945; and unfortunately he became ill, went to Doctors' Hospital, and died on March 20, 1945, while in this furlough status.

Mr. Somerville was always a faithful and conscientious employee. Pending now is the question whether the Senate wishes to vote to his widow the customary funeral benefit of 6 months' compensation.

J. RIXEY SMITH,
Secretary to Senator Glass.

I certify that Mr. Somerville's basic salary was $1,740 per annum as of February 15, 1945.

OCO THOMPSON,
Financial Clerk of United States Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amend-

ment offered by the Senator from New Mexico [Mr. HATCH].

Mr. LUCAS. Mr. President, before the vote on this amendment, I think the Senate should know exactly what is proposed.

This is the same kind of an amendment to basic law which was presented to the Committee to Audit and Control the Contingent Expenses of the Senate. At the present time there is definitely a provision in the statute which prohibits the payment of 6 months' compensation to anyone whose name has been removed from the pay roll. It is true, as the letter states, that this man was a faithful employee of the Senate for many years; but 5 or 6 months before his death his services as a permanent employee were terminated. This claim was presented to the Committee to Audit and Control the Contingent Expenses of the Senate, and we could not pay it, because the law was otherwise.

This amendment proposes the enactment of class legislation for an individual who was merely temporarily on the pay roll. If we can do it for this individual, we shall be setting a precedent under which we shall have to do it for a great many others in the future.

I have no interest one way or the other. I do not know the man. I do not know the next of kin. I am merely calling the attention of the Senate to the fact that the adoption of the amendment would constitute a precedent which I think would be bad.

Mr. HAYDEN Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HAYDEN. The situation was that this old gentleman was employed by a commission organized by law. He was not an employee of the Senate. Subsequently, I believe, he was in the office of the senior Senator from Virginia [Mr. GLASS] for a time. Again he was an employee of a Senator, he was not an employee of the Senate.

Under similar resolutions we take care of widows of Senate employees. We do not pay 6 months' salary to the widow of a person who has been employed in a Senator's office.

The third point is that this man was not on the pay roll. He did have a temporary appointment as a doorkeeper for a time, but he was not on the pay roll at the time of his death.

As the Senator from Illinois has pointed out, we would set a very bad precedent by appropriating money after a man had been separated from the pay roll. This is not a clear-cut case of a man who was employed by the Senate for a period of time and was on the pay roll at the time of his death. It is a very different picture.

I think the adoption of the amendment would set a very bad precedent.

Mr. LUCAS. Mr. President, I thank the Senator from Arizona. He is a member of the Committee to Audit and Control the Contingent Expenses of the Senate, and, as he knows, we have gone over this matter very carefully. For some reason or other there has been one of the most persistent lobbies for this particular bit of compensation that I have experienced since I have been chairman of the committee. I do not know why that is so. It may be that this is a needy case. It may be that it is right and proper and just that the compensation be granted. I merely wish to agree with my distinguished colleague, the senior Senator from Arizona, that we would be setting a very bad precedent for the future if we were to allow the requested compensation.

Mr. HATCH obtained the floor.

Mr. BRIDGES. Mr. President——

Mr. HATCH. I yield to the Senator from New Hampshire.

Mr. BRIDGES. I wish to suggest a point of order that this item is legislation on an appropriation bill.

Mr. HATCH. I ask the Senator to withhold the point of order until I make a brief explanation.

As I said in the beginning, Mr. President, this man did not come from New Mexico. I have no personal interest whatever in the matter. I happen to know that both Senators from Virginia recommend this allowance. The junior Senator from Virginia [Mr. BYRD] introduced the resolution providing that this man's widow be given some compensation. Perhaps it is some of the propaganda to which the Senator from Illinois has referred. There has also been read from the desk the letter from the Secretary to the senior Senator from Virginia [Mr. GLASS], explaining the situation. I do not think we will be establishing any grave or disastrous precedent by allowing the requested compensation to the widow of this man—who was not a temporary employee of the Senate, because we have it on the word of both Senators from Virginia that he was a regular employee, on the patronage of the senior Senator from Virginia [Mr. GLASS], and that he was compelled to take a furlough because of ill health. Mr. President, Senators do not have to take furloughs on account of ill health. When they become sick they draw their full compensation and salary.

At any rate, this man drew $1,700 a year, and he had to take a furlough because he was ill and could not return to his work. While he was on his furlough—and according to the record they were always willing to reemploy him—the poor man died. Now that he is dead it is proposed that his widow receive what I am informed is the customary allowance, namely, 6 months' salary. His annual salary was $1,700, so the proposed allowance would be one-half of $1,700.

As I have said, I have no personal interest whatever in the matter. I still say, with all due respect to the distinguished chairman of the Committee to Audit and Control the Contingent Expenses of the Senate and to my friend the senior Senator from Arizona, that the requested compensation will neither upset the finances of the Senate nor cause inflation.

Mr. BRIDGES. Mr. President, I make the point of order that the item is legislation on an appropriation bill.

The PRESIDENT pro tempore. The point of order is sustained.

Mr. JOHNSON of Colorado. Mr. President, I move that on page 19 the language in lines 16 to 25, inclusive, be stricken from the bill.

On that motion I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. OVERTON. Mr. President, as one who presumably will be on the committee of conference on behalf of the Senate, I hope the amendment will not be adopted. It not only would violate the rule of comity which exists between the two Houses—and I will not argue that question; it has previously been fairly well argued—but I think it would give the Senate conferees a great deal of trouble.

I am inclined to the view that the conferees on the part of the House will scrutinize meticulously all the amendments made on the part of the Senate if we undertake to interfere with the provisions which would regulate expenditures with reference to the household of the Members of the House of Representatives. On that point I speak advisedly.

With that, I have nothing more to say. But we will probably have a very long and prolonged conference on this matter.

Mr. BRIDGES. Mr. President, on this amendment let me say that I feel that since the beginning of the history of this country the House of Representatives has stood on its own, and the Senate has stood on its own, on legislative appropriation bills. If the House of Representatives has courage enough and has the courage of its convictions to vote for an expense account for its Members, it is entitled to have it; and the Senate of the United States, because of being timid or because of various other reasons, some of which I grant are very sincere ones, should not attempt to interfere.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BRIDGES. No; I will not yield.

Mr. President, I think the House of Representatives is entitled to have its way. I hope that the Senate, not having provided similarly for itself in this bill, will not attempt to begin to regulate the activities of the House of Representatives. I think the House of Representatives can well be jealous of its stand. I think the House should resent any interference on the part of the Senate. I hope the Senate will continue to follow the procedure which thus far has been maintained.

Apparently the Senate wishes to go on record as being in favor of making the Senate a millionaires' club. That would result in forcing out Members of moderate means, including myself and other Senators, and it would restrict membership in the Senate to persons of wealth, whether inherited or acquired by other means. If that is what the Senate wishes, it is up to the Senate. But let us not attempt to regulate the morals of the House of Representatives.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. MORSE. I merely wish to state to the Senator that I am willing to trade my assets and liabilities for his.

Mr. BRIDGES. Mr. President, let me say that I grant that many of the Members of the Senate have been very sincere in their arguments today, and the Senator from Oregon has been one of them.

But I am afraid he would make a bad trade if he traded his assets and liabilities for mine.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Colorado [Mr. JOHNSON] to strike from the bill the provision on page 19, lines 16 to 25, inclusive. The yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WAGNER (when his name was called). On this vote I have a pair with the junior Senator from Kansas [Mr. REED]. Not knowing how he would vote, I transfer that pair to the junior Senator from California [Mr. DOWNEY] and will vote. I vote "nay."

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from Mississippi [Mr. BILBO] are necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent visiting battlefields in Europe.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Utah [Mr. MURDOCK], the Senator from California [Mr. DOWNEY], the Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from Alabama [Mr. HILL] is absent because of illness in his family.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL] and the Senator from Delaware [Mr. TUNNELL] are absent on official business for the Special Committee Investigating the National Defense Program.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Committee on Interstate Commerce.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on Territories and Insular Affairs, is inspecting the Philippine Islands and therefore is necessarily absent.

The Senator from Texas [Mr. CONNALLY] has a general pair with the Senator from Michigan [Mr. VANDENBERG]. I am not advised how either Senator would vote if present and voting.

Mr. WHITE. The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], and the Senator from Nebraska [Mr. WHERRY] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON] are absent on official business of the Senate as members of the Mead Committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Wyoming [Mr. ROBERTSON] is absent by leave of the Senate on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from Ohio [Mr. BURTON] is necessarily absent.

The result was announced—yeas 22, nays 28, as follows:

YEAS—22

Bailey	Gerry	O'Daniel
Barkley	Hatch	Radcliffe
Butler	Hickenlooper	Saltonstall
Capper	Hoey	Walsh
Cordon	Johnson, Colo.	Wiley
Donnell	McMahon	Wilson
Ellender	Moore	
George	Morse	

NAYS—28

Aiken	La Follette	Taft
Bankhead	Langer	Thomas, Okla.
Bridges	Lucas	Thomas, Utah
Briggs	McKellar	Tobey
Buck	Magnuson	Wagner
Fulbright	Myers	White
Green	O'Mahoney	Willis
Hart	Overton	Young
Hayden	Pepper	
Johnston, S. C.	Smith	

NOT VOTING—46

Andrews	Glass	Reed
Austin	Guffey	Revercomb
Ball	Gurney	Robertson
Bilbo	Hawkes	Russell
Brewster	Hill	Scrugham
Brooks	Johnson, Calif.	Shipstead
Burton	Kilgore	Stewart
Bushfield	McCarran	Taylor
Byrd	McClellan	Thomas, Idaho
Capehart	McFarland	Tunnell
Chandler	Maybank	Tydings
Chavez	Mead	Vandenberg
Connally	Millikin	Wheeler
Downey	Mitchell	Wherry
Eastland	Murdock	
Ferguson	Murray	

So the amendment of Mr. JOHNSON of Colorado was rejected.

Mr. THOMAS of Oklahoma. Mr. President, as the bill now stands, practically all persons employed in the Capitol, except Senators and the employees in the Senate library—I am speaking of the personnel—have been granted increases in salary. In this building we have a Senate library, which is presided over by very efficient employees, as I can testify, having for many years availed myself of their services. Before offering the amendment which I have in mind I desire to make a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. THOMAS of Oklahoma. Earlier in the day the Senator from Tennessee [Mr. MCKELLAR], the present occupant of the chair, read a rule of the Committee on Appropriations. After doing so he withdrew certain amendments which he had previously offered. If it be now in order I desire to offer the same amendments. I ask if there is any inhibition in the rules or in the law which would prevent me from offering such amendments.

The PRESIDENT pro tempore. The Chair states that there is no inhibition in the law. The Senator may offer any amendment which he desires to offer.

Mr. THOMAS of Oklahoma. I offer the amendment which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The clerk will state the amendment proposed by the Senator from Oklahoma.

The LEGISLATIVE CLERK. On page 3, line 19, after the word "librarian", it is proposed to strike out "$3,600" and insert "$4,500"; and on page 3, line 21, after the words "first assistant librarian", to strike out "$3,120" and insert "$3,800."

Mr. OVERTON. Mr. President, I make the point of order against the amendment that it is not authorized by statute, not covered by any Budget estimate, and has not been reported by any standing committee of the Senate.

The PRESIDENT pro tempore. The Chair very reluctantly sustains the point of order.

Mr. OVERTON. I make the point of order——

Mr. O'MAHONEY. The point of order has been sustained.

Mr. OVERTON. I understand; but in view of the statement of the Chair I wish to state that the whole matter was submitted to the full committee, and the amendment, as well as other amendments for increases in salary which were submitted to the committee, were rejected, as the Chair well knows. The committee would have liked very much to have made additional recommendations, but if it had done so it would have been necessary to make quite a number of recommendations for increases in compensation. If the committee had agreed to the increase proposed by the Senator from Oklahoma it would have had to provide for many other increases.

Mr. THOMAS of Oklahoma. Mr. President, the Senator from Louisiana, in arguing the point of order, made the point that there was no Budget estimate for this item. I hope the Chair will not sustain the point of order on that one particular ground. The Senate is not bound by the Budget estimates. There is no law which requires the Senate, or the House for that matter, to observe Budget estimates any more than mere recommendations. I should like to have the Chair, if he will, clarify his ruling and state that it was not based upon that one particular ground.

The PRESIDENT pro tempore. The Senator from Louisiana made his point on three grounds. One was that the appropriation was not authorized by law, and that was the ground on which the point was sustained. The Chair assures the Senator that the Chair very reluctantly sustained the point of order.

The bill is open to further amendment. If there be no further amend-

ment to be offered, the question is on the third reading of the bill.

The bill was ordered to a third reading, and was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass? [Putting the question.] The Chair is in doubt.

On a division, the bill (H. R. 3109) was passed.

Mr. OVERTON. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. OVERTON, Mr. GREEN, Mr. CHAVEZ, Mr. MAYBANK, Mr. MURDOCK, Mr. BRIDGES, and Mr. REED conferees on the part of the Senate.

INCREASE IN PAY OF CHAPLAIN, UNITED STATES MILITARY ACADEMY

Mr. THOMAS of Utah. Mr. President, on May 21 the House of Representatives and the Senate passed identical bills to authorize an increase in the pay of chaplain at the United States Military Academy, and the House bill is now on the desk. I ask unanimous consent for the present consideration of the House bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah? The Chair hears none; and the Chair lays before the Senate a bill coming over from the House of Representatives, which will be stated by title for the information of the Senate.

The bill (H. R. 1947) to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF RAILROAD RETIREMENT ACT—PRINTING OF ADDITIONAL COPIES OF HEARINGS

The PRESIDENT pro tempore. The Chair lays before the Senate a concurrent resolution coming over from the House of Representatives, which will be read.

The concurrent resolution (H. Con. Res. 49) was read as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Interstate and Foreign Commerce of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of part 2 of the hearings held before said committee during the current session of the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes.

Mr. HAYDEN. Mr. President, I ask unanimous consent for the present consideration of the concurrent resolution.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arizona?

There being no objection, the concurrent resolution was considered and agreed to.

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO REPORT A BILL

Mr. HAYDEN. Mr. President, I ask unanimous consent that during the adjournment of the Senate, following today's session I may be authorized to report the Interior Department appropriation bill from the Committee on Appropriations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HAYDEN. I also ask unanimous consent that I may be authorized to file sundry motions to suspend the rules in order to submit amendments.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NOMINATION OF LEWIS B. SCHWELLENBACH TO BE SECRETARY OF LABOR

Mr. MAGNUSON. Mr. President, I understand that today the Committee on Education and Labor has unanimously approved the nomination of Lewis B. Schwellenbach, of my State, a former Member of the Senate, to be Secretary of Labor, and I suppose the nomination will come before the Senate for confirmation tomorrow. I shall be unable to be present the latter part of the afternoon, and I wish to make a statement at this time so that the RECORD may show how my colleague and myself feel about the signal honor which has come to us with the appointment of Judge Schwellenbach to the Cabinet.

I need not tell Members of the Senate who served with Senator Schwellenbach about his outstanding ability, his sterling character, his keen intellect, and his grasp of the situation when dealing with legislative proposals, his standing as a judge, or his capacity to handle an administrative position.

Lewis Schwellenbach, to my mind, is one of the most intellectually honest men I have ever known, and we of the State of Washington think a great deal of him. Those who were associated with him in the Senate likewise greatly admired him. He now is about to enter upon the discharge of the duties of a position in the Cabinet of the United States which probably will bring to him more perplexing problems in the postwar era than will come to any other Cabinet member. The junior Senator from Oregon [Mr. MORSE] is an expert in labor matters, and he and I have discussed the possibility of a reorganization of the Department of Labor, and the placing of all the varied labor divisions of the Government, some 32 in number, under one head. I am sure that our idea will meet with a sympathetic reception at the hands of our friend, Lewis Schwellenbach.

As I have said, my State is honored, and the West is honored, because prior to this appointment, and two others on the same day to the Cabinet of the President of the United States, that section of the country has not been represented in that group. I know that when the nomination shall come before the Senate it will unanimously approve Lewis B. Schwellenbach's nomination to the important post of Secretary of Labor.

Mr. President, at this time I ask unanimous consent to place in the RECORD an editorial from a newspaper of my State regarding this appointment, which fairly well states how we in the West feel about Lewis Schwellenbach.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Spokesman-Review, Spokane, Wash., of May 24, 1945]

PRESIDENT MAKES WISE APPOINTMENT

Spokane and the State of Washington have been signally honored by President Truman's appointment of Judge Schwellenbach to his Cabinet as Secretary of Labor. It is likewise a tribute to the reputation which the judge has won for integrity and fairness. Those who have seen him on the bench know that he will take with him the same high ideals in undertaking his new responsibilities.

The task which has been assigned Judge Schwellenbach is not an easy one. In the days ahead it takes no prophet to predict that some of the most vexing problems which will confront the administration will come from the realm of labor. The economic readjustments and the almost inevitable prospect of unemployment are certain to create difficult problems in labor relationships and in the role which the Government plays as an arbiter of industrial disputes.

Judge Schwellenbach will enter the Cabinet ably qualified to take up his new duties. Never a partisan of any labor group, he will bring to the position a judicial background which should do much to eradicate the petty bickering and petty quarrels which have characterized the Department of Labor for too many years.

EXECUTIVE SESSION

Mr. HATCH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Sam M. Wear, of Missouri, to be United States attorney for the western district of Missouri, vice Maurice M. Milligan, term expired.

By Mr. Thomas of Utah, from the Committee on Education and Labor.

Lewis B. Schwellenbach, of Washington, to be Secretary of Labor, vice Frances Perkins, resigned.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. WALSH, from the Committee on Naval Affairs:

Capt. Roscoe F. Good, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from September 22, 1943.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS—NOMINATIONS PREVIOUSLY PASSED OVER

The legislative clerk proceeded to read sundry nominations of postmasters passed over.

The PRESIDENT pro tempore. The Chair will state that the office of the junior Senator from New York [Mr. MEAD] has requested that the nomination of Edward J. Blackall to be postmaster at Fort Edwards, N. Y., be passed over, and, without objection, that nomination will be passed over.

The clerk will state the other nominations of postmasters which have previously been passed over.

The legislative clerk read the nomination of Frances T. Hoffman to be postmaster at Truxton, N. Y.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Gwendolyn L. Naber to be postmaster at Walworth, N. Y.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

SELECTIVE SERVICE

The legislative clerk read the nomination of Ronald M. Holmes to be administrative officer, national headquarters, Selective Service System, with compensation at the rate of $5,600 per annum.

Mr. HATCH. I ask that the nomination be confirmed.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS—NEW REPORTS

The legislative clerk proceeded to read sundry nominations of postmasters.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

THE NAVY

The legislative clerk read the nomination of Rear Admiral Harold B. Sallada to be Chief of the Bureau of Aeronautics, with the rank of rear admiral, for a term of 4 years.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

That completes the Executive Calendar.

Mr. HATCH. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

ADJOURNMENT TO THURSDAY

Mr. HATCH. As in legislative session, I move that the Senate adjourn until Thursday next.

The motion was agreed to; and (at 5 o'clock and 50 minutes p. m.) the Senate adjourned until Thursday, May 31, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received May 28 (legislative day of May 24), 1945.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named officers for appointment in the Regular Corps of the United States Public Health Service:

TO BE ASSISTANT SURGEONS EFFECTIVE DATE OF OATH OF OFFICE

Vactor O. Connell Fred W. Harb
John W. Murray, Jr. Ira L. Arnold, Jr.

TO BE PASSED ASSISTANT SURGEON EFFECTIVE DATE OF OATH OF OFFICE

Robert Mc. Mitchell

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

To be lieutenant general

Maj. Gen. George Edward Stratemeyer (colonel, Air Corps), Army of the United States.

To be major general

Brig. Gen. Douglas Lafayette Weart (colonel, Corps of Engineers), Army of the United States.

To be brigadier generals

Col. Harwood Christian Bowman (lieutenant colonel, Field Artillery, Army of the United States.

Col. Paul Wyatt Caraway (captain, Infantry), Army of the United States.

To be major general

Col. William Nichols Porter, Chemical Warfare Service, now Chief of Chemical Warfare Service, with rank of major general.

To be brigadier generals

Col. Larry Benjamin McAfee, Medical Corps, now assistant to the Surgeon General, with rank of brigadier general.

Col. Addison Dimmitt Davis, Medical Corps, now assistant to the Surgeon General, with rank of brigadier general.

POSTMASTERS

The following-named persons to be postmasters:

ILLINOIS

Donald E. Palmer, Harvard, Ill., in place of J. T. O'Brien, deceased.

Fred H. Miller, Northbrook, Ill., in place of M. B. Corson, resigned.

Charles R. Wilson, Virginia, Ill., in place of G. H. Widmayer, deceased.

MISSISSIPPI

James H. Martin, Kokomo, Miss. Office became Presidential July 1, 1944.

NEBRASKA

Opal M. Moore, Liberty, Nebr., in place of Blanche Goodreau, transferred.

Albert L. Porr, Pawnee City, Nebr., in place of A. E. Ovenden, retired.

NEW MEXICO

Agnes R. Avila, Taos, N. Mex., in place of L. A. Trujillo, resigned.

NEW YORK

Norman Rice, Clintondale, N. Y. Office became Presidential July 1, 1944.

Florence R. Danowski, East Setauket, N. Y., in place of H. D. Lyon, retired.

James M. Shay, Kings Park, N. Y., in place of T. F. Tobin, resigned.

William D. Gallagher, Willard, N. Y., in place of E. B. Buckley, resigned.

OHIO

Elsie O. Welty, West Mansfield, Ohio, in place of G. L. Skidmore, transferred.

OKLAHOMA

George S. Jordan, Jet, Okla., in place of H. J. Dunavant, transferred.

Clinton C. Evans, Sand Springs, Okla., in place of B. M. Risinger, resigned.

OREGON

William G. Courtney, Lafayette, Oreg. Office became Presidential July 1, 1944.

Hildred M. Rhoades, Odell, Oreg., in place of A. O. Johnson, retired.

PENNSYLVANIA

John H. McKee, Corsica, Pa. Office became Presidential July 1, 1944.

Blanche A. E. Hemperly, Enhaut, Pa. Office became Presidential July 1, 1943.

TENNESSEE

Frances D. Thomas, Hickman, Tenn. Office became Presidential July 1, 1944.

Fred W. Butler, Pruden, Tenn. Office became Presidential July 1, 1944.

Cecil G. Bowling, Rockvale, Tenn. Office became Presidential July 1, 1944.

TEXAS

Hattie Pearl Brenek, Sweet Home, Tex., in place of J. M. Valenta, deceased.

VERMONT

Carleton H. Bosworth, Bristol, Vt., in place of L. E. McShane, resigned.

WEST VIRGINIA

J. Truman McCauley, Bunker Hill, W. Va., in place of D. L. Stotler, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 28 (legislative day of May 24), 1945:

SELECTIVE SERVICE SYSTEM

Ronald M. Holmes to be an administrative officer, national headquarters, Selective Service System, with compensation at the rate of $5,600 per annum.

DEPARTMENT OF THE NAVY

BUREAU OF AERONAUTICS

Harold B. Sallada to be Chief of the Bureau of Aeronautics, with the rank of rear admiral for a term of 4 years.

IN THE MARINE CORPS

APPOINTMENTS IN THE MARINE CORPS

To be second lieutenants, from June 6, 1945

Lee A. Kirstein
William C. Stack

POSTMASTERS

NEW YORK

Edward T. Sheehan, Grand Island.
Maybella A. Wilber, Hillsdale.
Mary Virginia Schrempp, Maryknoll.
Frances T. Hoffman, Truxton.
Gwendolyn L. Naber, Walworth.

PUERTO RICO

Katherine R. Perez, Mercedita.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 28, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, we are lifting our hearts in humility and penitence, in praise and supplication, for only in Thy grace and goodness can we find those blessings which are sufficient for the many needs of each succeeding day.

Our finite minds do not know what this new week has in store for us. If any of its hours are marked for hard-

ship and difficulty, may we put our trust in the Lord and not be afraid. In all our bewildering experiences and perplexing problems, may we have Thy guiding and sustaining presence. Help us to weave out of the loom of life's joys and trials a character that is worthy of receiving Thy benediction and of being remembered by posterity.

Grant unto our President and all leaders in the affairs of state the spirit of wisdom and understanding, the spirit of counsel and might, the spirit of knowledge and of the fear of the Lord.

To Thy blessed name we shall give the glory. Amen.

The Journal of the proceedings of Saturday, May 26, 1945, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

RESIGNATION FROM COMMITTEES

The SPEAKER laid before the House the following resignation from committees:

MAY 22, 1945.

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation from the following committees: Census, Memorials, and Mines and Mining.

Respectfully,

C. W. BISHOP.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ELECTION TO COMMITTEE ON NAVAL AFFAIRS

Mr. ALLEN of Illinois. Mr. Speaker, I offer a resolution (H. Res. 272) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That C. W. (RUNT) BISHOP, of Illinois, be, and he is hereby, elected to the Committee on Naval Affairs of the House of Representatives.

The resolution was agreed to.

SHOWING OF PICTURE, ON TO TOKYO

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Speaker, the War Department has invited the Members of the House of Representatives, their families, and staffs to attend the showing of a new picture, On to Tokyo, in the House caucus room at 10 and 11 o'clock—two separate showings—on the morning of Wednesday, May 30, 1945.

I am informed that this picture contains more definite information concerning the War Department's redeployment plan than any previous pictures released by the Army. This picture has not been released to the public, and I think we are indeed fortunate in having a preview of it on Wednesday.

I urge each and every Member of the House and their respective staff members to avail themselves of this opportunity to see graphically how the Army is coping with the knotty problems of redeployment.

There will be two showings in the House caucus room Wednesday morning, May 30, at 10 and 11 o'clock. The time required to see On to Tokyo is only 17 minutes. I know you will enjoy this picture.

SPECIAL COMMITTEE INVESTIGATING FOOD SHORTAGES

Mr. BONNER. Mr. Speaker, I offer a privileged resolution (H. Res. 273) from the Committee on Accounts and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the further expenses of conducting the investigation authorized by House Resolution 195 of the present Congress incurred by the Special Committee Investigating Food Shortages, acting as a whole or by subcommittee, not to exceed $15,000 in addition to the unexpended balance of the sum heretofore made available, including expenditures for the employment of experts, and clerical, stenographic, and other assistants shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on Accounts.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia unless otherwise officially engaged.

Mr. BONNER. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN]

Mr. RANKIN. Mr. Speaker, of course, I am in favor of the adoption of this resolution dealing with the food situation. In my opinion, this committee has done wonderful work.

One of my main objects in taking the floor at this time is to congratulate President Truman on inviting Hon. Herbert Hoover, former President of the United States, to come to Washington and confer with him on this all-important subject. They can all criticize Mr. Hoover who want to—he and I never agreed politically—but there is not a man in America whose heart beats more in sympathy with the cause of the American people in the great crisis through which we are passing now than Herbert Hoover. He is a great American, and he knows more about the organization and administration of a food program than any other man who has ever had anything to do with the subject.

Today, when the OPA is making such a miserable mess and when they are going out and trying to regiment and control the lives and the businesses of the American people far beyond anything Congress intended, I say it is the part of wisdom on the part of the President to call in Mr. Hoover to discuss this subject.

I hope he will invite him to help reorganize the whole food program and dispense with the OPA and give us a reasonable administration that will help the American people and not destroy American business or embarrass American farmers.

Mr. BONNER. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. PATMAN].

FOOD PROGRAM SUCCESSFUL

Mr. PATMAN. Mr. Speaker, I do not like to hear our food program criticized too much. I am for this resolution and do not intend to oppose it. I have not read the report of the gentleman from New Mexico [Mr. ANDERSON], but I know he will do an honest, sincere job in an effective, efficient way. I do not object to Mr. Hoover being invited to the White House, because evidently he has knowledge of the food situation and can doubtless be helpful. I think we have done a marvelous job on food during this war. Let us compare the record during this war with the last war. During the last war the greatest increase in the production of food was 10 percent. During this war, for the same length of time, the increase in the production of food has been 29 percent. It has been increased approximately three times as much. Is that failure? No; that is success.

What about prices? During the last war, for the same length of time, food prices rose 104 percent. During this war prices have risen 46 percent. Is that failure? No; that is success.

What about the meat program?

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. RANKIN. I want to say to the gentleman from Texas that during the last war we were all treated alike. Now go and see who is getting all the food today, who is getting the meat, and who is being denied. Look at the black markets which are being created as the result of the O. P. A.

Mr. PATMAN. Let us take sugar.

Mr. RANKIN. No; I am talking about meat—about the farmers, the housewives, and the small businessmen of the country.

Mr. PATMAN. During the last war sugar was selling at 35 cents a pound. We had no black market then, because you paid black-market rates for everything. That is the reason you did not have it. Now, the price of sugar has been retained at 7 cents a pound.

Mr. LYLE. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Texas.

Mr. LYLE. May I make this observation in support of the gentleman's position. I returned from Europe in November after 2 years with the armed forces. I have heard the hue and cry about the shortage of food. I have not been to the black market. I have purchased my food through the regular channels. I have gained 22 pounds during this terrible crisis. Let me say the food we had in the armed services was nourishing and sustaining and the finest food of any army in the world. There was plenty of food. Now that is the difference between this alleged terrible place where we cannot get anything to eat and the front line—a gain of 22 pounds since November.

Mr. PATMAN. The gentleman, of course, saw real hard service in combat

during this war and he knows what he is talking about. We have been feeding our soldiers better than any soldiers on earth have ever been fed. They are eating the equivalent of twice as many calories per day as the average civilian. So instead of feeding 12,000,000 in the armed services, we are feeding the equivalent of 24,000,000. In addition to that, we are dividing as best we can the food among the civilian population. Certainly mistakes will be made. But OPA has been doing a pretty good job. In addition to that, we have been sending food to our allies and they have been using the food to kill our enemies. A million American boys will return to America safe and sound because of that food which we furnished to Russia and they probably would not have returned home had it not been for the help we furnished Russia, a large part of which was in the form of food.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kentucky.

Mr. MAY. Of course, we have all suffered some inconveniences due to the regulations of the OPA. But I would like to say to the gentleman from Texas that I have had some experience with inflation. We are going to have to retain the OPA for perhaps several months and maybe a few years after this war. After the last war, in 1920, I know that coal loaded on coal cars was selling at $18 a ton spot cash at the tipple. We cannot have that kind of thing without going broke.

Mr. PATMAN. In that connection, may I say that a few business people in this country are making an awful mistake fighting price control or wanting amendments that will destroy price control. They will be among the first victims as they were among the first victims after the other war. When we had so many business failures and farm foreclosures and everything else. We have the most terrific pressure today that we have ever had tending to produce the same disastrous results. There are $118,000,000,000 available for the people to spend in their pockets, in the banks, and in demand deposits. There have been $118,000,000,000 piled up since Pearl Harbor. How can we withstand that pressure unless we have adequate price control? We will be bidding against one another for the scarce and limited supplies, and prices would go out of the roof. Money would become valueless and the people who live on fixed salaries and income, retirement benefits and pension checks would be the first to suffer and be destroyed.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BONNER. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, President Truman has seen fit to appoint the gentleman from New Mexico [Mr. ANDERSON] as Secretary of Agriculture. The gentleman from New Mexico was chairman of this investigating committee. I think he did a good job. I think when he becomes Secretary of Agriculture he will be thoroughly familiar with the food supply situation. I am wondering how far we want to continue the committee, since he was chairman of the committee which made the investigation. I think if we can save even $15,000 we should try to do it. I believe he has the fundamentals of all the things that are essential and necessary for our food supply and I believe he will do a good job. I am hopeful that if it is possible for the committee to close up its affairs and give him this information in a short time, he will look after our food supply in good shape, and we can discontinue this committee permanently and thus stop any additional appropriation for its continuance.

Mr. BONNER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL COPIES OF REPORT OF COMMITTEE ON FOOD INVESTIGATION

Mr. JARMAN. Mr. Speaker, by direction of the Committee on Printing, I present a privileged resolution (H. Res. 274) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That 25,000 additional copies of House Report No. 504, current session, entitled "Food Shortages," being a report of the Special Committee to Investigate Food Shortages, shall be printed for the use of the committee.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield.

Mr. RANKIN. How are these copies to be distributed?

Mr. JARMAN. They will be furnished to the Anderson committee.

Mr. RANKIN. What about Members of the House who would like to have some copies to answer the protests that are coming in from their constituents about these discriminations?

Mr. JARMAN. The Anderson committee asked for 25,000 copies and the Committee on Printing authorized 25,000 copies.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield.

Mr. AUGUST H. ANDRESEN. I happen to be a member of that committee. I may say to the gentleman from Mississippi [Mr. RANKIN] that we have had requests for between 30,000 and 40,000 copies of this report. Each Member of Congress is being given an opportunity to get copies of the report from the committee. The chairman sent a notice to all members that the copies would be available, but the demand has been so great that it was felt desirable to supply the people who have been asking for them.

Mr. RANKIN. What I want to know is whether Members of Congress who are not members of that committee will be supplied, or permitted to secure, a number of copies of this report.

Mr. JARMAN. They will be furnished by the committee if they are available. This is the usual procedure. When any investigating committee desires extra copies of their report, they are furnished to the committee rather than scattered all about the House.

Mr. RANKIN. The protests I am receiving are not such as the gentleman from Texas [Mr. PATMAN] referred to, but they are discriminations which are apparent under everybody's nose who goes into a market or the various eating places, and the attempts that are being made to hold down and prevent the small packers and the small businessmen throughout the country from operating as they are entitled to operate under the circumstances.

Mr. JARMAN. I refer the gentleman to the committee.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DISPOSITION OF NAVAL VESSELS AND FACILITIES

Mr. CLARK, from the Committee on Rules, reported the following privileged resolution (H. Res. 267), relating to the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy (Rept. No. 619), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of H. R. 3180, a bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 4 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ORGANIC ACTS OF THE TERRITORIES OF HAWAII AND ALASKA

Mr. BATES of Kentucky, from the Committee on Rules, reported the following privileged resolution (H. Res. 236), dealing with various important questions relating to the Territories of Alaska and Hawaii (Rept. No. 620), which was referred to the House Calendar and ordered to be printed:

Whereas the recent trend of world affairs, including rapid changes in methods of commerce, transportation, and communications, have brought to the forefront vitally important questions relating to the Territories of Alaska and Hawaii; and

Whereas the Territories of Alaska and Hawaii are evidently bound to play an increasingly important part in the various phases of the life of our Nation; and

Whereas there is growing demand for a revision of the Organic Acts under which these Territories are governed; and

Whereas constant requests are being made on the part of the citizens and legislative

bodies of these Territories for changes in various features of their legislative, judicial, and administrative laws; and

Whereas many inquiries are being made as to the availability within the Territories of areas suitable for homesteads; and

Whereas this question of providing homesteads within the Territories, especially Alaska, for men now in the armed forces of our country, as well as for others interested in settling within the Territories, is one of growing importance and is deserving of careful and immediate attention; and

Whereas immediate inquiry seems to be essential into the matter of establishing small businesses in Alaska, and in determining new opportunities in fishing, lumbering, fur farming, and mining industries, as well as other industrial and agricultural opportunities; and

Whereas all these matters, as well as other important questions relating to these Territories which will most likely arise during the years immediately following the termination of the war, warrant a most careful study of the laws and policies by which these Territories are governed and the need for revision of these laws and policies in order to meet changed conditions; and

Whereas it has been many years since the Congress has had a thorough survey made of the conditions generally as they prevail in these Territories; and

Whereas, in order for the Congress to give proper consideration to all of these matters, it appears most advisable that the Congress have a more intimate knowledge of the existing conditions within the Territories: Therefore be it

Resolved, That the Committee on the Territories, acting as a whole or by a subcommittee or subcommittees, is authorized and directed to conduct a study and investigation of the various questions and problems relating to the Territories of Alaska and Hawaii.

The committee shall report to the House (or to the Clerk of the House if the House is not in session), as soon as practicable during the present Congress, the results of its investigation, together with such recommendations as it deems advisable.

For the purpose of this resolution, the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee, or of any subcommittee, and may be served by any person designated by such chairman.

INVESTIGATING CERTAIN SHORES AND BEACHES OF THE UNITED STATES

Mr. SLAUGHTER, from the Committee on Rules, reported the following privileged resolution (H. Res. 256) authorizing an investigation and survey of certain shores and beaches in the United States with a view to determining if legislation should be enacted providing for protection against erosion by storms, waves, currents, and other causes (Rept. No. 621), which was referred to the House Calendar and ordered to be printed:

Resolved, That the Committee on Rivers and Harbors of the House of Representatives is authorized and directed to conduct an investigation and survey of certain shores and beaches in the United States with a view to determining if legislation should be enacted providing for protection against erosion by storms, waves, currents, and other causes.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigation, together with such recommendations as are deemed desirable.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places, whether or not the House is sitting, has recessed, or adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee or any members thereof may administer oaths to witnesses.

EXTENSION OF REMARKS

Mr. JOHN J. DELANEY. Mr. Speaker, at the request of the gentleman from New York [Mr. KEOGH] I ask unanimous consent that he may extend his remarks in the RECORD in several instances, inserting editorials from the New York Sun, the New York Herald Tribune, the Brooklyn Daily Sun, the Boston Globe, and also a report of the American Bar Association, and an address by Vice Admiral Land.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mrs. NORTON asked and was given permission to extend her own remarks in the RECORD and include a sermon at the Memorial Military Field Mass, Arlington National Cemetery, Sunday, May 27, 1945, by the Most Reverend Michael J. Ready, D. D., bishop of Columbus.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. OUTLAND] may include in an extension of his remarks an editorial.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

COOPERATIVE AGRICULTURAL EXTENSION WORK

Mr. FLANNAGAN. Mr. Speaker, I call up the conference report on the bill (S. 383) to provide for the further development of cooperative agricultural extension work and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 383) to provide for the further development of cooperative agricultural extension work, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That title II of the Act entitled 'An Act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges', approved June 29, 1935 (the Bankhead-Jones Act), is amended by adding at the end thereof the following new section:

"'SEC. 23. (a) In order to further develop the cooperative extension system as inaugurated under the Act entitled "An Act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of the Act of Congress, approved July 2, 1862, and all Acts supplementary thereto, and the United States Department of Agriculture", approved May 8, 1914 (U. S. C., title 7, secs. 341–343, 344–348), particularly for the further development of county extension work, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of paying the expenses of cooperative extension work in agriculture and home economics, including technical and educational assistance to farm people in improving their standards of living, in developing individual farm and home plans, better marketing and distribution of farm products, work with rural youth in 4-H Clubs and older out-of-school youth, guidance of farm people in improving farm and home buildings, development of effective programs in canning, food preservation, and nutrition, and for the necessary printing and distribution of information in connection with the foregoing, the following sums:

"'(1) $4,500,000 for the fiscal year ending June 30, 1946, and each subsequent fiscal year;

"'(2) An additional $4,000,000 for the fiscal year ending June 30, 1947, and each subsequent fiscal year; and

"'(3) An additional $4,000,000 for the fiscal year ending June 30, 1948, and each subsequent fiscal year.

"'(b) The sums appropriated pursuant to this section shall be paid to the several States and the Territory of Hawaii in the same manner and subject to the same conditions and limitations as the additional sums appropriated under such Act of May 8, 1914 (the Smith-Lever Act), except that—

"'(1) not more than 2 per centum of the sum appropriated pursuant to this section for each fiscal year shall be available for paying expenses of the Extension Service in the United States Department of Agriculture;

"'(2) $500,000 of the sum so appropriated for each fiscal year shall be allotted among the States and the Territory of Hawaii by the Secretary of Agriculture on the basis of special needs due to population characteristics, area in relation to farm population, or other special problems, as determined by such Secretary: *Provided*, That not to exceed 10 per centum shall be allotted under this subparagraph to any one State or the Territory of Hawaii for any fiscal year: *Provided further*, That these funds shall be matched by the State or Territory receiving them, on the same basis as other funds under this Act; and

"'(3) the remainder of the sum so appropriated for each fiscal year shall be paid to the several States and the Territory of Hawaii in the proportion that the farm population of each bears to the total farm population of the several States and Territory of Hawaii, as determined by the census of 1940.

"'(c) The sums appropriated pursuant to this section shall be in addition to and not

in substitution for sums appropriated under such Act of May 8, 1914, as amended and supplemented, or sums otherwise appropriated for agricultural extension work. Allotments to any State or the Territory of Hawaii for any fiscal year from the appropriations herein authorized shall be available for payment to such State or the Territory of Hawaii only if such State or the Territory of Hawaii complies, for such fiscal year, with the provisions with reference to offset of appropriations (other than appropriations under this section and section 21 of this title) for agricultural extension work.'

"SEC. 2. Section 21 of such Act of June 29, 1935, is amended by striking out '(other than appropriations under this section)' and inserting in lieu thereof '(other than appropriations under this section and section 23 of this title'."

And the House agree to the same.

JOHN W. FLANNAGAN, JR.,
ORVILLE ZIMMERMAN,
STEPHEN PACE,
CLIFFORD R. HOPE,
J. ROLAND KINZER,
Managers on the Part of the House.

J. H. BANKHEAD,
THEO. G. BILBO,
ALLEN J. ELLENDER,
ARTHUR CAPPER,
HENRIK SHIPSTEAD,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 383) to provide for the further development of cooperative agricultural extension work submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The purpose of this bill is to authorize the appropriation of additional funds for cooperative agricultural extension work. While the amendment of the House struck out all after the enacting clause of the Senate bill and substituted the text of a House bill which had been considered by the House, there were few substantive differences between the provisions of the Senate bill and the House amendment. These differences and the action recommended by the conference committee with respect thereto are explained below.

The Senate bill provided that the sums appropriated pursuant to this authorization should be apportioned among the several States and the Territory of Hawaii. The House amendment provided that some of the funds should also be apportioned to Alaska and Puerto Rico. The conference agreement follows the Senate bill in this respect.

Both the Senate bill and the House amendment provided that $500,000 of the funds appropriated for each fiscal year should be allotted by the Secretary of Agriculture on the basis of special needs. Under the Senate bill these funds would have to be matched by the States on the same basis as other funds. Under the House amendment, matching was not required in the case of these funds for special needs. The conference agreement provides that these funds shall be matched by the State or Territory receiving them on the same basis as other funds under the act. The House amendment contained a provision, which was not in the Senate bill, providing that of these funds for special needs not to exceed 5 percent should be allotted to any one State or Territory for any fiscal year. This provision is retained in the conference agreement, except that the 5 percent limitation is raised to 10 percent.

The Senate bill provided that $4,500,000 of the funds authorized for each fiscal year was not to be subject to the requirement for matching by the States. The House amendment required the matching of these funds. The conference agreement follows the House amendment in this respect.

JOHN W. FLANNAGAN, JR.,
ORVILLE ZIMMERMAN,
STEPHEN PACE,
CLIFFORD R. HOPE,
J. ROLAND KINZER,
Managers on the Part of the House.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does that mean that all funds that are designated for contribution to the States must be matched by the States?

Mr. FLANNAGAN. Dollar for dollar.

Mr. RICH. Every dollar. Then you increase from 5 percent to 10 percent the amount any one State can receive.

Mr. FLANNAGAN. In cases of special need, such as brought to our attention by the gentleman from Wyoming [Mr. BARRETT]. A special fund of $500,000 is set aside for this purpose.

Mr. RICH. Suppose now we had nine States asking for 10 percent, what would happen when the balance of the States would not get anything? It would be very small at any rate.

Mr. FLANNAGAN. Only a few States will need to secure funds under that provision. The purpose of the provision, as I have stated, is to take care of the States that cannot be adequately taken care of under the general provisions of the bill.

Mr. RICH. The gentleman will not be asking for additional funds for this purpose, will he? The Secretary of Agriculture will see that this amount is distributed equitably among all the States.

Mr. FLANNAGAN. Among the States according to need.

Mr. HOPE. Will the gentlemen yield me some time?

Mr. FLANNAGAN. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas.

Mr. HOPE. Mr. Speaker, I have requested this time for the purpose of discussing one feature of this conference report that is of interest to some of the Members, particularly those representing Western States. I have reference to the provision relating to the $500,000 which is to be distributed under a different formula than the remainder. The gentleman from Wyoming [Mr. BARRETT] I know was very much interested in this matter. It will be recalled that when the bill was before the House the gentleman made out a very strong case for removal of the 5 percent restriction which the committee had put on the allocation of that fund. I know the gentleman from Wyoming is very much interested and he knows already that the conference report increases from 5 percent to 10 percent the amount that can be allotted to any one State.

Mr. BARRETT of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Wyoming.

Mr. BARRETT of Wyoming. In addition to that, the conference report provides that all moneys paid under the equalization fund shall be matched by the States?

Mr. HOPE. Yes.

Mr. BARRETT of Wyoming. As I understand it, the representatives of the Department of Agriculture have indicated that they will allot to my State the full amount possible under this limitation; is that right?

Mr. HOPE. I may say to the gentleman that I have discussed the matter with officials in the Extension Service who will have the duty of allocating the funds, and they have advised that the State of Wyoming will be entitled to the full 10 percent under the apportionment that will be made. Of course, a certain formula is outlined in the bill which will be followed, and under this formula and the 10-percent limitation the State of Wyoming will receive $50,000, so I am informed.

Mr. BARRETT of Wyoming. This report puts the bill in much better shape and on a sounder basis from our standpoint, and, in my opinion, the conferees should be commended for bringing this in in its present form.

Mr. HOPE. I am sure the people of Wyoming will be glad to know that the gentleman from Wyoming [Mr. BARRETT] was instrumental in having this change made. It was due to his able and untiring efforts and the fine showing he made as to the great need for increased funds in his State that the change was made.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. This includes wheat, cattle, and things of that sort? Everything is included in it?

Mr. HOPE. It provides for an expansion of the work of the Extension Service, which includes all farm activities.

Mrs. ROGERS of Massachusetts. A gentleman who recently had the floor said he had gained 20 pounds since he came back. He has been eating too much bread and too many potatoes instead of meat. That is the cause of his gaining weight.

Mr. HOPE. The nutritionists will no doubt agree with the statement of the gentlewoman.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Pennsylvania.

Mr. RICH. In connection with payments of subsidies under the agricultural bill, I note that we are going to have a bill called up here on the floor in a few minutes that will give subsidies of $595,000,000 for meat, $100,000,000 for butter, and $190,000,000 for flour. Those are coming in under another bill for subsidies. I thought we took care of all of that in the agricultural bill.

Mr. HOPE. This is an entirely different type of subsidy. I think the gentleman knows that this is not a subsidy to agriculture, but a subsidy to the consumers of the country.

Mr. RICH. Does the gentleman not think that we should stop these subsidies pretty soon?

Mr. HOPE. May I say to the gentleman that he and I both voted against them in the past, but we were overwhelmed by superior numbers.

Mr FLANNAGAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative business of the day and following any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

EXTENSION OF REMARKS

Mr. JARMAN asked and was given permission to extend his remarks in the RECORD and include an editorial from yesterday's Washington Post.

Mr. WEISS (at the request of Mr. PRICE of Illinois) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MANASCO asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. PITTENGER. Mr. Speaker, on Saturday I asked unanimous consent and was given permission to extend my remarks in the RECORD on the St. Lawrence seaway and power project. I had not obtained an estimate from the Public Printer. I am now advised by the Public Printer that the manuscript will run two-thirds of a page over, making the total two and two-thirds pages, at a total cost of $138.80. I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mrs. BOLTON asked and was given permission to extend her remarks in the RECORD and include an editorial.

MEMORIAL DAY

Mr. THOM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. THOM. Mr. Speaker, on Wednesday we shall observe Memorial Day. As Americans we are immensely more confident and self-assured of our national strength than we were on Memorial Day 1 year ago. Then we were in doubt as to the success or failure of our proposed landings on the European Continent. Our expectations were that our casualties would be terrific. These fears happily all proved phantoms. May we hope today that the Japanese resistance now so intense will break and thus give to us a Memorial Day next year free of the apprehension that holds forth in every American home that has sent a son to the front.

When the Memorial Day parades start in hundreds of American communities there will be members of the Grand Army of the Republic heading them in a comparatively few cases. For of the great northern army of the Civil War there remains on earth only 240 men, all of an age of 98 years. These are scattered through the United States, except for one who resides in England. Save for California, which is the home of 30 of these veterans, Ohio with 23 residents leads in number of living veterans. The numbers remaining in the other States follow:

Arizona, 2; Arkansas, 5; Colorado, 9; Connecticut, 1; Florida, 5; Indiana, 10; Illinois, 13; Idaho, 1; Iowa, 9; Kansas, 7; Kentucky, 8; Louisiana, 3; Maine, 3; Maryland, 2; Massachusetts, 3; Michigan, 7; Minnesota, 8; Mississippi, 1; Missouri, 18; Nebraska, 6; New Hampshire, 2; New Jersey, 4; New Mexico, 1; New York, 11; North Carolina, 1; Oklahoma, 12; Oregon, 3; Pennsylvania, 12; South Dakota, 1; Tennessee, 3; Texas, 2; Utah, 1; Virginia, 2; Washington, 4; West Virginia, 2; Wisconsin, 4.

OFFICIAL REPORTERS OF DEBATES

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, I believe that when a fellow gets good service or when this Congress gets good service it ought to be appreciated. I do not know the names of our shorthand reporters, but I want to say that I have generally spoken without notes, and I have never had to correct their transcripts. Their knowledge of the subject I was discussing was greater than mine on a couple of occasions, and they corrected me, and they were right both times. The only thing I want to say, and I believe I express the views of the rest of the Members, is that we have wonderful shorthand reporters taking down our remarks.

MEMORIAL DAY

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, Wednesday is Memorial Day. I call to the attention of the Members of this body, Mr. Speaker, that since we formed the little organization known as the Congressional War Parents Association 15 sons of Members have made the supreme sacrifice.

I call this to the attention of the House, Mr. Speaker, with the thought that in whatever way each of us proposes to spend Memorial Day, it would be very fitting that we each dedicate a moment of silent appreciation to those whose sons have gone, so recognizing the fact that the Congress knows through the sorrow of its own membership the personal desolation war can bring.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include an article by Bill Cunningham appearing in the Boston Herald, entitled "Mighty Vets Organization Seen."

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a memorial speech I delivered at the Arlington Cemetery in memory of the nurses in all our wars who have given their lives and are buried there.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

NEED FOR NURSES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, all of us saw with great pleasure that the Secretary of War feels it is no longer necessary to draft nurses. A very large percentage of the nurses of this country enlisted, but I personally introduced a draft bill because I felt that, through misunderstanding of the real measure, for one reason or another, they were not coming into the service in large enough numbers. Fortunately, according to the Secretary of War, the necessity for draft is over today, but there is still need for nurses. May I remind the House also that the Veterans' Administration needs 2,000 nurses.

A permanent Medical and Nurse Corps will help that situation, but that will not be enough, in my opinion, to attract them. They must enlist in spite of that, without an intensive recruiting drive also in the Army.

The fact that VE-day has come in Europe, many of our nurses in all theaters of war are exhausted. They have endured long, difficult services under the most heartrending and taxing conditions on sea and land, and many nurses have seen long hours of duty in the United States due to shortage of nurses in America. We must not forget that inadequate nursing care means loss of life to our service men and women. Our nurses have performed magnificent, unselfish service, and a large percentage of nurses in the United States have enlisted already, but the war is not over and we ask more sacrifices of them, and when VJ-day has come they still must serve.

EXTENSION OF REMARKS

Mr. ELLIS asked and was given permission to extend his remarks in the RECORD in two instances and include in one a newspaper item.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD on the reciprocal trade agreements, and further to extend his remarks and include a résumé of a broadcast over the Columbia network on what is causing the meat shortages.

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD and include a petition for religious freedom submitted to the San Francisco Conference.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a set of resolutions dealing with the Tri-State Housing Conference.

Mr. CLASON asked and was given permission to extend his remarks in the RECORD and include certain remarks of Mr. Claude Rains, and further to extend his remarks and include his own remarks made on I-Am-an-American Day.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD.

Mr. MAHON asked and was given permission to extend his remarks in the RECORD and include a brief excerpt.

Mr. WELCH. Mr. Speaker, today is the anniversary of the opening of the Golden Gate Bridge on May 28, 1937. I ask unanimous consent to extend my remarks in the RECORD with reference to that and include certain correspondence with reference thereto, as well as a poem by the late John Stephen McGroarty, poet laureate of California, and a former Member of this House.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

REPORT OF COMMITTEE TO INVESTIGATE GERMAN ATROCITY CAMPS

Mr. THOMASON. Mr Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMASON. Mr. Speaker, I am receiving a great many inquiries as to whether or not the report of the joint committee that recently went to Europe to investigate the German atrocity camps has been printed. I am pleased to advise that the report is now a public document, and that 110 copies of it are available for each Member. Members can get them at the folding room.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I have two requests. Since Wednesday will be Memorial Day, which was started in my own district by the women of the Confederacy, I ask unanimous consent that I may extend my remarks in the RECORD on that subject and to include therein a poem by the Honorable Francis Miles Finch of New York, entitled "The Blue and the Gray," based on that incident.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

RURAL ELECTRIFICATION ADMINISTRATOR CLAUDE WICKARD

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, several days ago President Truman very wisely appointed Hon. Claude Wickard, the present Secretary of Agriculture, to be Rural Electrification Administrator. I know Mr. Wickard and I know there is no man in America more interested in rural electrification than he is. Yet, under the inspiration of one Judson King, a local propagandist, telegrams are being sent all over the country urging people to wire their Senators against his confirmation and containing misstatements about Mr. Wickard's record. From reading that telegram, you would think that Mr. Wickard was a tool of the private power companies. Instead of the statements they attribute to him, here is what Mr. Wickard said:

If they—

Meaning the private power companies—

will go in and take a whole area and give everybody electricity in that area at a reasonable cost, then let's let them do it. That will relieve us of the responsibility and relieve us of furnishing the funds.

He was simply saying that in those areas where private power companies want to build rural power lines let them build them to every farm home and give them power at reasonable rates.

I hope Mr. Wickard's appointment will be confirmed without a dissenting vote.

The SPEAKER. The time of the gentleman from Mississippi has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, on tomorrow the District of Columbia appropriation bill will be considered. I understand the House will meet at 11 o'clock a. m. I understand also by prearrangement there will be an opportunity for me to make a rather extended and formal report on my recent sojourn into some 20 countries. I respectfully make this announcement, Mr. Speaker, feeling that some of the Members may be interested.

EXTENSION OF REMARKS

Mr. BLAND asked and was given permission to revise and extend his remarks in the Appendix of the RECORD and to include therein an address by Commissioner Woodward, of the Maritime Commission.

Mr. PATMAN asked and was given permission to revise and extent the remarks he made today in the House and also to revise and extend his remarks to be made in the Committee of the Whole House on the State of the Union, and to include therein certain statements and excerpts.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—UNEMPLOYMENT COMPENSATION DURING RECONVERSION PERIOD

The SPEAKER laid before the House the following message from the President of the United States which was read by the Clerk and together with the accompanying papers referred to the Committee on Ways and Means and ordered printed:

To the Congress of the United States:

The Congress and the executive branch of the Government have already moved to prepare the country for the difficult economic adjustments which the Nation will face during the transition from war to peace.

First. The Congress has created the Office of War Mobilization and Reconversion to coordinate the reconversion activities of all Federal agencies, and that office has established basic reconversion policies.

Second. Specific laws have been enacted by the Congress setting forth the policies and providing the administrative machinery for contract termination, plant clearance, financial aid to business, and the disposition of surplus property.

Third. Our military and civilian agencies have prepared themselves to expedite industrial reconversion and reemployment.

Fourth. As part of an over-all program for returning veterans the GI bill of rights provides readjustment allowances, weekly cash benefits to veterans until they are able to obtain jobs.

Fifth. Congress has permitted business to carry back postwar losses against excess profits tax payments during the reconversion period.

Sixth. Congress has established support prices for agricultural products so that farmers will be protected against a postwar collapse of income.

There remains, however, a major gap in our reconversion program: the lack of adequate benefits for workers temporarily unemployed during the transition from war to peace. I urge the Congress to close this gap.

I am confident that, with appropriate measures, we can avoid large-scale and lengthy unemployment during the transition period. However, some temporary unemployment is unavoidable, particularly when total demobilization becomes possible. Even if reconversion proceeds rapidly, no amount of planning can make jobs immediately available for all displaced personnel. We must provide maximum security to those who have given so fully of themselves on the fighting and production fronts. The transition from war to peace is part and parcel of the war and we cannot shirk our obligation to those temporarily unemployed through no fault of their own.

To produce what is needed for the Pacific war, we must appeal to the workers to accept and remain in jobs which they ultimately must lose when muni-

tions production ceases. The Government has thus incurred a moral obligation to these workers and to those who have stuck faithfully to their posts in the past.

To fulfill this obligation, we must rely principally upon our existing system of unemployment insurance. However, the existing State laws embrace three major defects:

First. Only about 30,000,000 of our 43,000,000 nonagricultural workers are protected by unemployment insurance. The absence of protection for Federal Government employees—in navy yards, arsenals, and Government offices—is particularly inequitable, since these workers are subject to risks of unemployment similar to the risks of those who work for private employers. Lack of protection for employees of small establishments and for maritime workers also constitutes a serious shortcoming in the present programs.

Second. The weekly benefit payments provided under many of the State laws are inadequate to maintain purchasing power and to provide a reasonable measure of economic security for the workers. Most States fix a maximum rate of $15 to $18 a week. This is clearly inadequate to protect unemployed workers against ruthless cuts in living standards, particularly if they have families.

Third. The length of time for which benefits are paid is too short. In nearly one-third of the States, no worker can receive more than 16 weeks of benefits in any year, and many workers do not qualify even for this length of time.

Therefore, I recommend specifically that Congress take emergency action to widen the coverage of unemployment compensation and to increase the amount and duration of benefits—at least for the duration of the present emergency period of reconversion. Basically this can be accomplished only by amending the Social Security Act so as to induce State laws to provide more adequately for anyone who is unemployed.

To be sure, the States have large sums in the unemployment trust fund. But since changes of State laws cannot be effected overnight, I propose that the Congress, during this emergency period, extend the coverage of unemployment compensation to include Federal employees, maritime workers, and other workers not now insured. Moreover, I see no feasible way to make benefits payable to such workers, unless they are financed entirely by the Federal Government during the present emergency. The benefits should appropriately be administered by the States.

I also recommend that Congress provide, through supplementary Federal emergency benefit payments, minimum standards for the weekly rate and duration of unemployment benefits. Every eligible worker should be entitled to 26 weeks of benefits in any one year, if his unemployment continues that long. The maximum payment, at least for the worker who has dependents, should be raised from present levels to not less than $25 per week. In this connection, Congress will no doubt wish to reexamine the readjustment allowance provisions of the GI bill of rights. All payments should be made through the existing unemployment compensation machinery of the several States, just as payments to veterans are now made.

These provisions are essential for the orderly reconversion of our wartime economy to peacetime production. They are badly needed for the duration of the reconversion emergency.

Decent unemployment benefits would serve as a bulwark against postwar deflation. By assuring workers of a definite income for a definite period of time, Congress will help materially to prevent a sharp decline in consumer expenditures which might otherwise result in a downward spiral of consumption and production. Adequate unemployment insurance is an indispensable form of prosperity insurance.

Congress will soon deal with the broader question of extending, expanding, and improving our social-security program, of which unemployment insurance is a part. Although such improvement is fundamental, congressional deliberations on the broad issues will take time. On the specific issue of unemployment benefits, we may not have time available. We are already entering the first phase of reconversion; we must be prepared immediately for the far larger problems of manpower displacement which will come with the end of the war in the Pacific.

I earnestly hope, therefore, that the appropriate committees of Congress will undertake immediate consideration of the emergency problem.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 28, 1945.*

AUTHORIZING THE CONTINUATION OF CERTAIN SUBSIDIES

Mr. SLAUGHTER. Mr. Speaker, I call up House Resolution 264 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes. That, after general debate, which shall be confined to the bill and shall continue not to exceed 3 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SLAUGHTER. Mr. Speaker, this resolution makes in order the consideration of S. 502, as amended by the House Committee on Banking and Currency. Very briefly, it provides for a continuation of subsidy payments on certain products such as petroleum, zinc, copper, flour, and some other commodities. The bill, of course, will be explained by the members of the Committee on Banking and Currency.

The speedy consideration of this bill is very urgent. For instance, in my district, which contains a large number of very large flour mills, I have had numerous communications this morning, both by wire and telephone, in which I was told that until they know what Congress does with this bill they are unable to proceed with their commitments. The same thing applies to these other commodities and industries affected. Consequently, to save time, I am not going to say anything further and I have no requests for time on this side.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Ilinois. Mr. Speaker, the gentleman from Missouri has very fully explained this rule. I may say there is no opposition to it on this side of the aisle. This bill passed the Senate unanimously, was reported out of the Committee on Banking and Currency unanimously, and the report of the Rules Committee was unanimous. The rule provides that upon its adoption it shall be in order that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 3 hours, the bill shall be read for amendment under the 5-minute rule. Consequently, this is an open rule.

I have not heard of anyone being opposed to this rule. In fact, I have not heard of anyone being opposed to the bill itself. The United States Senate passed it without a dissenting vote. The Banking and Currency Committee reported it unanimously, as did the Rules Committee.

(a) Payments or purchases may be made after June 3, 1945, in such amounts as may be necessary to fulfill obligations incurred prior to July 1, 1945, with respect to 1945 and prior fiscal year activities.

(b) Payments and purchases may be made with respect to operations for the fiscal year ending June 30, 1946, which involve subsidies and anticipated losses as follows:

1. With respect to materials or commodities, other than rubber and rubber products, produced outside the United States, in an amount not to exceed $80,000,000;

2. With respect to rubber and rubber products produced outside the United States, in an amount not to exceed $60,000,000;

3. With respect to materials or commodities produced within the United States, as follows:

(A) Meat in an amount not to exceed $595,000,000;

(B) Butter in an amount not to exceed $100,000,000;

(C) Flour in an amount not to exceed $190,000,000;

(D) Petroleum and petroleum products in an amount not to exceed $290,000,000;

(E) Copper, lead, and zinc, in the form of premium payments, in an amount not to exceed $88,000,000; and

(F) Other materials or commodities in an amount not to exceed $100,000,000.

In my opinion, Mr. Speaker, and I know that I am joined by the great majority, this legislation is needed immediately, if we desire to safeguard the economies of the products and materials involved. Of special importance is the amounts for butter, meats, copper, lead, and zinc. The great mining industries of our country which gives employment to hundreds of thousands cannot survive unless they are given continued bonus quotas. We should begin now to provide stock piles of these strategic materials. We here in the United States should never find ourselves short of lead, zinc, and copper as we did at the beginning of the last war. It is my hope that there will not be a dissenting vote.

Mr. SLAUGHTER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 502, with Mr. COURTNEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this is a bill reported unanimously by the Senate Committee on Banking and Currency, passed by the Senate without a record vote and I believe without any opposition. It merely continues the program of subsidies that the Congress has adopted.

Mr. Chairman, this is not a matter of first impression and I cannot conceive that anyone would at this time want to discontinue these subsidies. Under the great pressure that has been upon our economic system, we naturally would think there would be a great danger of inflation, which would have been more disastrous to the life savings and the property of all the American people than an invasion by the enemy. Overnight the people might have seen their property and their savings of a lifetime swept away. But fortunately that has not occurred and whatever may have been the criticisms as to the operation of the OPA and of the subsidies as they affect various industries and interests, no man can say that over-all it has not been successful and that it has not maintained the economy of America safe and sound.

This bill provides for the continuation of these subsidies until June 30, 1946. Under section 2 (e) of the Emergency Price Control Act of 1942 as amended by the Stabilization Extension Act of 1944 these subsidies were prohibited unless provision was made for appropriations. Subsequent to that date, under a bill very similar to this one, the Commodity Credit Corporation was authorized to continue the subsidies paid by that Corporation. This bill authorizes subsidiaries of the Reconstruction Finance Corporation under section 5d (3) to continue the subsidies as they have been previously operative.

The bill provides for subsidies of $1,503,000,000. More than $500,000,000 of these subsidies directly affect the United States Government because the United States Government is the purchaser of that proportion of the commodities. The immediate enactment of this act is a matter of great importance to the War Department because of the purchases of meat, butter, and flour for the armed forces and lend-lease and other purposes. Because of the imperative necessities, and at the urgent request of the War Department, we took the flour subsidy out of this bill for, as they said, delay would be injurious to the interests of the Government and of our armed forces. That bill passed the House, but it has not passed the Senate. This bill provides for a subsidy of $60,000,000 for rubber produced outside of the United States and $80,000,000 for the subsidizing of other materials produced outside of the United States. The other materials are copper, zinc, mica, antimony, lead, and nickel.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. What is the necessity for the $60,000,000 subsidy for rubber produced outside of the United States?

Mr. SPENCE. The production of synthetic rubber in the United States, while it is in the process of development, has not been sufficient to meet our needs. We certainly would not subsidize foreign rubber if we did not need it. We need the other materials outside of the United States also. The other materials, I have mentioned are the only foreign materials that are subsidized.

Mr. ROBSION of Kentucky. Right on that point, is it thought that after the war is over, after the emergency, it will then not be necessary to subsidize rubber and these other materials we speak of which are being produced in foreign countries?

Mr. SPENCE. These are all strategic materials necessary for the prosecution of the war, and I am confident there will be no necessity for subsidizing after the war.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Kentucky.

Mr. MAY. There are about 60 or 70 strategic materials on the War Department list. These are all essential war materials. We have consumed practically 90 percent of the stock pile that we had on hand at the early part of the war. We are now particularly in need of rubber, and I am sure that if there is money in this proposal to subsidize rubber that it is not a mistake to do it in the interest of national defense.

Mr. SPENCE. I think the gentleman's observation is correct. Of all the subsidies contained in this bill, only $140,000,000 are for materials that are produced outside of the Territorial limits of the United States. It provides for $595,000,000 of subsidies for meat, $100,000,000 for butter, $190,000,000 for flour, and $88,000,000 for strategic materials, copper, lead, and zinc produced in the United States, and $100,000,000 to be used for materials not specified but for which there might be a use and that does require their increased production in the United States.

Bauxite, which is produced in Arkansas and is a strategic material needed in the production of aluminum, is in danger of being destroyed in the mines by subterranean waters. It is necessary to immediately mine this bauxite in order to save it, and there is in the bill an amendment adopted on the floor of the Senate that the Metals Reserve Company, with the approval of the Bureau of Mines, may purchase not exceeding 500,000 long tons of bauxite. We feel that this is a very necessary measure because it may be the means of preserving this strategic material that is so useful in the prosecution of the war and otherwise would be lost.

It seems to me that whether or not we agree, and some people do not, that a subsidy is a proper method to carry out this necessary program that has been adopted, it has been successful in holding down the prices of these products, and it has been successful in increasing production; and at this time we could not substitute any other method for it.

I think that with all the criticism that has been directed against the OPA and against subsidies, when we consider the mighty pressures that have been brought to bear on our economy the program has been manifestly successful and deserves the gratitude of the American people.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Chairman, I yield myself five additional minutes.

I remember when we had the hearings on the OPA before the Committee on Banking and Currency. It was a wailing wall for about 40 days. Most of the people who came there had complaints, many of which were just, but not one of the witnesses, as I recall, ever asked that the Price Control Act be repealed. They all knew the implications of it, they knew what it meant to them, and they knew what it meant to the economy of the Nation.

It has served a great purpose. This bill, if enacted, will carry out the program that has been adopted and that has been proven by experience to be effective and successful. I cannot conceive that there will be any considerable vote against this bill. Every one of the industries affected by this bill is vitally interested in it. Its passage means the stabilization of the prices of the materials and products mentioned for the next year.

We have provided in the bill that commitments made in 1944 may be carried out, and that these limitations apply

only to the fiscal year ending June 30, 1946.

I do not see that there is any necessity to prolong the debate in regard to this bill, and I hope the House will voice its confidence in this program by the vote it gives to it.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Kentucky.

Mr. MAY. Essentially and fundamentally I am opposed to subsidies, and I do not like to vote for a subsidy for anything. However, at this particular time of transition from the difficulties of a war period back to peacetime production, there is a vacuum, a space of time between those two events that makes it necessary that we have something to stabilize things along the line. If there ever was a time when a subsidy was necessary, particularly on essential war materials for the future and on essential industrial materials, now is the time.

May I say to my colleague from Kentucky, who is handling this problem well, that recently I introduced at the request of the vast mineral industries of the great West a bill to provide for stock piles of strategic materials. It is my purpose in the hearings to develop the question of whether or not that proposal is going to threaten the production of private enterprises. If it does, the bill will not be brought in because I am going to try to see that the private enterprises of this country are protected.

Mr. SPENCE. The statement of the gentleman from Kentucky is eminently sound. This is not a matter of first impression. This policy has been adopted by the Congress. We cannot recede from it and carry out any other policies at this time. Therefore, whatever might have been your first impression about subsidies, I do not think it would be logical to attempt to deviate from a policy which we have adopted and which has proved successful and which has served the purpose for which it was adopted.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. SPENCE. I yield.

Mr. DONDERO. It only applies, as I understand it, to such purchases or obligations which may have been made or will be made after June 30 of this year?

Mr. SPENCE. That is right.

Mr. DONDERO. Do I understand, therefore, that it does not propose new obligations to be incurred after June 30, 1945?

Mr. SPENCE. Only if the Congress of the United States authorizes it, of course. With the specific provision that it shall not continue after June 30, 1946. Of course, it is not beyond the power of the Congress and the Congress can again provide for subsidies if it feels they are necessary after June 30, 1946. But provisions of this bill are ineffective after June 30, 1946.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. SPENCE. Mr. Chairman, I yield myself five additional minutes.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. BROWN of Georgia. Would the gentleman explain section 2, the last section of the bill, relating to slaughterers who are found not eligible for extra compensation payments?

Mr. SPENCE. That is the section with reference to the payment of subsidies to slaughterers who have received the subsidies in good faith, thinking they were entitled to them. Where the repayment of the subsidy would work an inequity, the slaughterer may be relieved of the repayment of the subsidy which has been paid to him in good faith but to which he was not entitled under the law if strictly construed. That section was introduced because, in some instances, a great hardship was worked upon the slaughterer. Some times the slaughterer was compelled to go out of business when he had to repay the subsidy. This section was introduced, not only for the purpose of doing justice to the slaughterer, but to bring about increased production. At this time we need all of the foodstuffs it is possible to obtain.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. The small butchering establishments and slaughterers in my section of Kentucky have been put out of business. I have had letters from other parts of the State claiming the same thing. I think it is true and that really has worked a hardship on the slaughterers who took in the cattle and the hogs and so forth. I should like to know if there is anything in this bill which will alleviate that situation or relieve that situation if that is the condition.

Mr. SPENCE. I think in many instances the condition you describe may have occurred. Where they have been required to pay back subsidies they may be unable to continue in business. If it is felt that the repayment of the subsidies will work an inequity and cause closing of their plants or establishments, they can be relieved of it.

Mr. ROBSION of Kentucky. That is not the point.

Mr. BROWN of Georgia. Will the gentleman yield to me?

Mr. SPENCE. I yield.

Mr. BROWN of Georgia. I think what the gentleman from Kentucky [Mr. ROBSION] has reference to is that the OPA requires the small slaughterers throughout the country to obtain a Federal license. Of course, we could not put that into this bill.

Mr. ROBSION of Kentucky. That is one way you are going to relieve the situation.

Mr. BROWN of Georgia. You will have to take that up under the OPA extension.

Mr. SPENCE. The Senate bill provided for $560,000,000 as a meat subsidy. We increased it to $595,000,000 to comply with the 10-point program that has recently been adopted by the OPA.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. ROBSION of Kentucky. Will the gentleman take another minute, please? I want to ask him a question.

Mr. SPENCE. I yield myself 1 additional minute.

Mr. ROBSION of Kentucky. That is really not the point, because under some sort of regulation these small slaughterers have been put out of business. In my section of the country they gathered up the stock in that community, the hogs and cattle, and slaughtered it and distributed it, but they have been put out of business, and that has encouraged the black market.

Mr. SPENCE. Those are administrative matters that are not within the scope or purpose of this bill.

Mr. ROBSION of Kentucky. This bill has nothing to do with that, then?

Mr. SPENCE. This bill has nothing to do with that. Those are administrative matters. Many of the objections which are made are to administrative matters. This merely gives an opportunity to carry out the program. If there are errors made in the administration of that program, they should be corrected, but this bill has no such purpose, but provides only for the subsidies as heretofore used.

Under leave granted I herewith append two analyses of the bill prepared by the general counsel of the Reconstruction Finance Corporation:

STATEMENT ON S. 502 AS REPORTED BY THE HOUSE BANKING AND CURRENCY COMMITTEE

The purpose of this bill is to assist in controlling inflation and to aid in the war program by permitting the continuance for the fiscal year ending June 30, 1946 of certain subsidy payments which are now being paid by the corporations created pursuant to section 5d (3) of the RFC Act, as amended. The legislation is necessary by reason of the last paragraph of section 2e of the Emergency Price Control Act, as amended by the Stabilization Act of 1944. This paragraph reads as follows:

"After June 30, 1945, neither the Price Administrator nor the Reconstruction Finance Corporation nor any other Government corporation shall make any subsidy payments, or buy any commodities for the purpose of selling them at a loss and thereby subsidizing directly or indirectly the sale of commodities, unless the money required for such subsidies, or sale at a loss, has been appropriated by Congress for such purpose; and appropriations for such purpose are hereby authorized to be made."

The soundness of the principle of this provision certainly is not subject to question but experience has demonstrated that it is virtually impossible to carry on necessary programs by coming to Congress for specific appropriations, as the paragraph requires.

The bill as originally introduced both in the House and Senate was designed to permit the continuation of some, but not all of these subsidies after June 30, 1945. The Senate has amended the bill as introduced so as to embrace all of the activities of the corporations created or operations authorized to be performed pursuant to section 5d (3) of the RFC Act, as amended, which the Senate considered to be affected by the last paragraph of section 2 (e) of the Emergency Price Control Act, as amended. Your committee, after hearing testimony from representatives of the Office of Price Administration, the Office of Economic Stabilization, the Foreign Economic Administration and the Reconstruction Finance Corporation, agreed with this Senate change.

The bill now before the House follows almost the identical pattern that was adopted with reference to the Commodity Credit Corporation at the time of consideration of S. 298, later enacted into Public Law 30,

which relieved the Commodity Credit Corporation from the provisions of the paragraph, but limited the amount which could be expended in the way of subsidies.

The total amount authorized in this bill is $1,468,000,000, and on each item or group of commodities a dollar limitation is imposed in the same manner as was provided in the Commodity Credit Corporation Act.

By way of explanation, however, of the total amount provided for, at least $500,000,000 is accounted for through purchases by the Government itself, leaving a net amount of approximately $900,000,000. This amount, together with the $845,000,000 that is provided in the Commodity Credit Corporation Act, aggregates less than the $2,000,000,000 estimate for the entire subsidy program which has been recommended by the agencies involved as sufficient to do the job.

There is also a provision to the effect that if the entire amount of any of the stated allocations is not required for its purpose, the unused portion, but not to exceed 10 percent of such allocation, may be used for making payments on or purchases of any other item or items enumerated in the bill as may be determined by the Director of Economic Stabilization. It is believed that in order to provide for unforeseen contingencies flexibility within each of the stated limitations, but not to exceed 10 percent, is desirable. However, this provision does not, of course, increase the aggregate amount of the total over-all limitation imposed by the bill on anticipated losses involving payments and purchases made with respect to operations for the fiscal year ending June 30, 1946.

The bill differs in some respects from the Senate bill. It omits the provision of the Senate bill relating to the premium-price plan for copper, lead, and zinc, with the effect that these metals are placed on the same basis as other items named in the bill.

Your committee has approved a provision added on the floor of the Senate which has to do with 500,000 tons of bauxite ore in Arkansas which at the present time is available for mining, and if not mined will probably be lost permanently. The amendment provides that Metals Reserve Company may continue to buy this bauxite ore at the price they were paying prior to the discontinuance of the purchase program on recommendation of the Bureau of Mines. The maximum which may be purchased, however, is 500,000 long tons. This bauxite is a very necessary source of aluminum and it would be unfortunate were it allowed to be permanently lost.

A new section was added to the Senate bill which is intended, with respect to slaughterers not in a class eligible for extra compensation under Livestock Slaughter Payments Regulation No. 3 of Defense Supplies Corporation, to make possible adjustments in cases where the Director of Economic Stabilization or any agency authorized by him determines that the slaughterer believed reasonably and in good faith that he was eligible to receive such compensation, and that failure to make adjustments would be inequitable.

ADDITIONAL STATEMENT ON S. 502, AS REPORTED BY THE HOUSE BANKING AND CURRENCY COMMITTEE

Item No. 1 under subparagraph (b) of section 1 of the bill places a dollar limitation of $80,000,000 as to subsidy payments and anticipated losses with respect to materials or commodities other than rubber and rubber products produced outside of the United States. This relates primarily to the operations of the Foreign Economic Administration through the United States Commercial Company. The commodities involved include quartz crystals, mica, tin, lead, copper, nickel, antimony, and many other commodities required in the war effort.

Item No. 2 provides a similar dollar limitation of $60,000,000 with respect to anticipated losses in handling rubber and rubber products produced in foreign countries. This item pertains only to natural rubber and natural-rubber products, and involves the joint activities of both Rubber Development Corporation and Rubber Reserve Company, Rubber Development handling the procurement and importation of natural rubber in foreign countries, while Rubber Reserve handles the domestic distribution and sale of such natural rubber.

Item No. 3, pertaining to materials and commodities produced in the United States, includes meat, butter, flour, petroleum and petroleum products, copper, lead and zinc, and other materials or commodities.

The increased cost of the meat subsidy program as compared with 1944 depends largely on the level of cattle prices and the amount of additional relief to be given to pork slaughterers. The Defense Supplies Corporation has estimated that the cost of the meat subsidy program in 1944 was approximately $480,000,000. The Office of Price Administration and Defense Supplies Corporation estimate that the new program initiated since January 10 of this year will increase the amount of subsidy by about $115,000,000. The amount of the slaughter and the range and the price of the cattle, however, will determine the cost of this subsidy program.

Butter subsidy payments are made to operators of plants manufacturing dairy products on the amount of butter produced each month to compensate them for a reduction in butter prices under Office of Price Administration regulations. Payments are made at the rate of 5 cents per pound both on ordinary butter and processed butter. The original estimate of the Office of Price Administration of the cost of the butter subsidy for a fiscal year was $100,000,000 based on normal production, and we believe that this figure will be sufficient for all contingencies during the fiscal year 1946.

The flour subsidy program began on December 1, 1943, payments being made to mills on the wheat ground in flour in order to compensate them for the difference between market prices for wheat and the wheat cost on which the Office of Price Administration flour ceilings are based. The rates of payment vary monthly with the wheat market, and if wheat stays at full ceilings with parity unchanged the subsidy would average about 30 cents a bushel. The maximum cost of the subsidy for the fiscal year 1946 would be $190,000,000 on these assumptions.

For petroleum and petroleum products it is estimated that $290,000,000 will be required for the fiscal year ending June 30, 1946. These subsidies are paid under four separate programs.

1. Petroleum Compensatory Adjustments Regulation No. 1. Under this program oil companies are compensated for the extra costs involved in transportation from Petroleum Administration for War districts Nos. 2 and 3 into district No. 1 by tank car, pipe line, or other transportation methods as compared with normal transportation by tanker. Its purpose is to maintain a steady and adequate flow of petroleum and petroleum products in the Atlantic coast area and to maintain existing price structures.

The program was initiated on August 1, 1942, upon recommendation of the Petroleum Administration for War, the Office of Price Administration, the War Department, the Navy Department, and the Office of Defense Transportation. It is estimated that the net loss under this program during the fiscal year ending June 31, 1946, will be in the amount of approximately $150,000,000.

2. Petroleum Compensatory Adjustments Regulation No. 5: Under this program refiners are compensated for extra transportation costs involved in shipping crude oil by tanks or barges from points in Petroleum Administration for War district No. 3 and certain points in district No. 4 to destinations in district No. 2. Under the program shipments by pipe lines are considered to be the normal means and the extra transportation costs result from the use of tank cars or barges. The purpose of the program is to provide an adequate supply of crude oil to refiners in district No. 2 in order to maintain war and essential civilian production. This program was initiated on December 1, 1943, having been sponsored by the Office of Price Administration, the Petroleum Administration for War, and the Office of Defense Transportation. Twenty million dollars is estimated to maintain the program during the fiscal year ending June 30, 1946.

3. Stripper well compensatory adjustments program: This program is designed to maintain and possibly increase the national production of crude oil by increasing the maximum prices of crude oil from fields averaging less than nine barrels daily per well.

The program was initiated in August 1944, having been sponsored by the Office of Economic Stabilization, the Office of Price Administration, and the Petroleum Administration for War. It is estimated that approximately $75,000,000 will be required to carry out this program during the fiscal year ending June 30, 1946.

4. Movement of crude from west Texas to California. Under this program there will be paid to purchasers certain excess charges involved in the movement of crude petroleum from West Texas to California over the laid-down cost in California of comparable crude petroleum.

This program was initiated in December 1944 and it is estimated that disbursements for the fiscal year ending June 30, 1946, considering increased shipments during this year to California, will approximate $45,000,000.

All four of these petroleum subsidy programs are paid by Defense Supplies Corporation.

The fundamental purpose of the copper, lead, and zinc premium price plan is to stimulate domestic production of these metals by marginal producers. From the viewpoint of price control the plan has avoided the necessity for general price increases for the commodities with a consequent over-all savings to the Government, which, being the purchaser in one form or another of a large part of the production of materials under war conditions, would have had to absorb any price increases.

This program was instituted on January 12, 1942, and was broadened by subsequent recommendations of the War Production Board and the Office of Price Administration. Estimated costs of the program planned for the fiscal year ending June 30, 1946, include $33,000,000 for copper premiums, $15,000,000 for lead premiums and $40,000,000 for zinc premiums, aggregating $88,000,000. These payments will be made by Metals Reserve Company.

It is estimated that $100,000,000 will be required in the instance of certain miscellaneous materials or commodities for the fiscal year ending June 30, 1946.

These would include payments by Defense Supplies Corporation for the excess of actual cost of transportation over normal cost of moving coal from certain areas to New York and to New England, wood pulp, calcium carbide, jewel bearings, and certain other miscellaneous items.

The $100,000,000 estimate would also include direct payments by Metals Reserve Company, aside from the copper, lead, and zinc premium price payments, to zinc smelters handling certain types of domestic zinc concentrates, to detinners recovering tin from the treatment of salvaged tin cans, and for production of low-carbon ferrochrome. In addition, the $100,000,000 estimate would include Metals Reserve Company losses with

respect to the processing of fluorspar, chemical chrome, copper, antimony, lead, steel ingots, and certain scrap items. Metals Reserve Company also incurs losses under various mining or metallurgical projects with respect to arsenic, manganese, mica, cobalt-nickel, nickel, and zinc. Finally, Metals Reserve Company's operations, included in the $100,000,000, involve losses on certain foreign purchase contracts and relatively minor losses on miscellaneous domestic purchases.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, it will be recalled that on two, and possibly three, occasions the Congress has been called upon to give consideration to certain policies in respect to price control, having to do largely with the payment of consumer subsidies rather than an increase in prices to absorb the difference between what is being charged for any commodity and what should be received by the producer to encourage him to maintain a maximum amount of production. I think we can be very proud of the fact that on each of those occasions we fought valiantly, if not successfully, against the payment of subsidies, on the premise that the payment of subsidies did not reduce the cost of living. As a matter of fact, it increases the cost of living in many instances, because for every dollar the Treasury pays out in subsidies, we or our sons and daughters, grandsons and granddaughters and perhaps our great-great-grandsons and great-great-granddaughters, will have to pay $3 back into the Federal Treasury.

We fought subsidies on the premise that we were passing on part of our food bill threefold to coming generations. We lost the fight. The only alternative to giving sufficiently high prices, under strict control, of course, to encourage a maximum production of meat and butter and flour is the payment of subsidies. We set up a provision in the Price Control Act as it was originally enacted authorizing the administration, through the Reconstruction Finance Corporation—section 5 (d) of the act—to create corporations and through these corporations to pay subsidies to obtain a maximum amount of strategic and critical materials. No one had in mind food as a strategic and critical material at that time; we had in mind rubber, copper, lead, zinc, nickel, chrome, all the other things which we wanted to use in the war effort. As a matter of fact, the reason we set up 5 (d) of the Reconstruction Finance Corporation authorizing these subsidiary corporations was so that we could acquire excess stockpiles of these strategic and critical materials against the day when, because of transportation or production difficulties, we would have insufficient raw materials with which to manufacture our war goods.

The fight started on the payment of the rollback subsidies as we call them, and to avoid a fight here in the Congress the President added butter and meat to his list of strategic and critical materials, thereby authorizing the Metals Reserve Company, the Rubber Reserve Company, and a new corporation which was organized for the purpose called the Defense Supplies Corporation to pay subsidies, rollback subsidies, consumer subsidies on butter and meat without having to refer the question to Congress. It was charged that that was intellectually dishonest, but it did not have any effect when it came to voting on the adoption of the subsidies later on.

Last year when the OPA Act was up for extension we prevented the expansion of the subsidy program by this indirect method of adding other materials which were to be used for human consumption, largely food, of course, to the list of strategic and critical materials. We provided:

With the exception of any commodity which prior to the effective date of this amendatory proviso has been defined as a strategic or critical material pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, no agricultural commodity or commodity manufactured or processed in whole or substantial part from any agricultural commodity intended to be used as food for human consumption, shall, for the purpose of this subsection, be defined as a strategic or critical material pursuant to the provisions of said subsection 5d of the Reconstruction Finance Corporation Act as amended.

We thereby froze the program as far as the RFC was concerned to meat, butter, and flour. We prevented them from expanding their subsidy program in that manner.

We also provided in the same act that—

After June 30, 1945, neither the Price Administrator nor the Reconstruction Finance Corporation nor any other Government corporation shall make any subsidy payments, or buy any commodities for the purpose of selling them at a loss and thereby subsidize indirectly the sale of commodities, unless the money required for such subsidies, or sale at a loss has been appropriated by Congress for such purpose; and appropriations for such purpose are hereby authorized to be made.

So when we passed the extension act last year we froze the RFC subsidy program. We also prevented the Government from paying any subsidies after June 30, 1945, unless they were specifically authorized by the Congress.

The bill which we have before us today is a bill which amends the language I have just read in certain respects and defines the limits within which the subsidies may be made, both as to time and as to amount, and also as to the articles upon which subsidies may be paid. What we really do is to continue the subsidy programs for another year, giving the administration what is considered ample funds with which to obtain the maximum amount of meat, of butter, and of flour. We should have definitely in mind that any deficiencies in the production program cannot be attributed to the Congress or the acts under which the administration is functioning. If there is a shortage of meat, if there is a shortage of butter, if there is a shortage or threatened shortage of flour, it is not because the Congress has not given the administration all of the authority which it has ever asked for to do the job, but lies primarily in the misadministration of the laws which we have passed and the shortsightedness on the part of certain administrators in respect to the commodities which I have mentioned.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. We have indicated the various critical materials and the amounts which shall be appropriated for them. Then we come down to (F).

Mr. WOLCOTT. That is what I was going to talk about.

Mr. ROBSION of Kentucky. And that $100,000,000.

Mr. WOLCOTT. I am going to refer to that.

Mr. ROBSION of Kentucky. I want to know about that blank check.

Mr. WOLCOTT. I anticipate the gentleman's question in that respect.

The administration a short time ago laid out a 10-point program under which we were given reasonable assurance that they could do a better job on meat, flour, and butter. We hope they can and we should give them an opportunity to do so, but there is not any particular legislation needed for them to put into effect this 10-point program. But for the criticism of the two committees set up, one in the other body and one in this body, and the debates on the question in the other body and in this body, they undoubtedly would have continued under the old fallacious idea that we can produce meat and produce all of these other agricultural commodities at a loss, and still get adequate production. So we gave them what they asked for, another $35,000,000 to carry out the meat program, and if there is any failure on the part of that program, the failure is administrative, not legislative. Then, also, in order that there might be no question about their having enough money to carry out these programs, inasmuch as they set up the subsidy program as a means of getting production, we just threw in another $100,000,000 for good measure so that there will not be any excuse whatever for their not having money enough to pay sufficient subsidies with which to encourage adequate production to give everyone in our armed forces and all of our civilians ample beef, butter, and flour.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman referred to the 10-point program. There have been several programs within the past 6 weeks. The first 10-point program was not even a halfway measure, and was modified and extended later on, and just last Monday, a week ago today, we had the last program which called for more subsidies and which we do not believe is as yet sufficient to get the production. I just wanted to point out to the gentleman that it appears they go piecemeal rather than trying to accomplish the result which they should go after in getting more food for the people.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Along that same point, as I understand, this $100,000,000 is rather a blank check. Can they not, under that provision, go out and name other materials and commodities and enlarge the subsidy program?

Mr. WOLCOTT. They can up to $100,000,000. In addition, starting in line 19, page 5, immediately following the sum of $100,000,000 provided for in paragraph (f), we find this language:

Provided, That in the event the entire amount of any of the above allocations is not required for its purpose, the unused portion of such allocation, but not to exceed 10 per centum of such allocation, may be used for making such payments on and purchases of any other item or items enumerated in this act, as may be determined by the Director of Economic Stabilization.

So they can take 10 percent of any item which is not used and use it in connection with any other item.

Mr. ROBSION of Kentucky. Congress undertakes to limit the program; I mean, as to articles, and so forth, named. Now it is wide open and we can go just as far as we want to.

Mr. WOLCOTT. No.

Mr. ROBSION of Kentucky. I mean for $100,000,000. You can name many other things.

Mr. WOLCOTT. Let us be very practical about the situation. I do not think we should give the Administration one cent more than they have asked for to do this job, and that is what we have done in this bill. Neither do I think that we should reduce the amount by one cent more than they have asked for, and thereby assume the responsibility for any food shortages.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself five additional minutes.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. Are we to assume that the subsidies for meat, butter, and flour are consumer subsidies?

Mr. WOLCOTT. Strictly consumer subsidies. They have nothing whatsoever to do with production. They are not reflected back to the producer. They are subsidies for which I have always contended there is no authority in law. The law now provides that "whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year he may on behalf of the United States without regard to the provision," and so forth, pay those subsidies, and he may pay them through the RFC. All of these subsidies are for the purpose of obtaining necessary maximum production, and I will defy anybody to show me in any law which the Congress has ever passed that they ever had any authority to pay any subsidies for the purpose of maintaining maximum prices.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. Is it not necessary also to have a little bit extra above the amount specified to take care of the increases of production of meat or butter or flour?

Mr. WOLCOTT. Probably so.

Mr. MONRONEY. Otherwise we would be limiting ourselves to the exact amount that we produced last year. So we have to have an extra amount in there to take care of that.

Mr. WOLCOTT. We have all received correspondence from constitutents saying, "What is the Congress going to do about this food shortage?" Congress has done everything that the Congress can do in respect to this food shortage. They have given the administration every bit of power, they have asked for. They have condoned the use of power which it is contended they never did have, and we have given them every cent of money that they wanted and have asked for to do this job. So if there are any deficiencies in the administration of the war-food program or the price-control program, they are not legislative, they are administrative. The people should have a right and we, perhaps as an obligation should continue, to investigate the war-food picture, because the more we investigate, the more sense is used in the development of these programs. If it had not been for the investigations which the Congress has made there undoubtedly would not have been a recognition on the part of the War Food Administration and the OPA of these shortages.

It seems rather peculiar to all of us that just last fall they took points off all but a few choice cuts of beef, and then so soon after the election was over they put them back on all cuts of meats, so that you cannot even buy a frankfurter today without giving points for it. To me that is a very shortsighted approach to the food program, because the beef which we are slaughtering and eating today surely was not bred yesterday. You cannot get a beef critter ready for the market in 24 hours.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Oregon.

Mr. MOTT. May I ask the gentleman, who probably has made as thorough a study of this whole question as anyone in Congress, how much longer he thinks we must continue this subsidy system? The gentleman will recall that last year we failed to stop subsidies altogether by a small margin, and the gentleman led the fight to stop this subsidy system. We were not able to do that, so it was provided that after June 30 of this year the subsidies should cease under certain conditions. May I ask if what we are doing now in passing this bill is not just continuing a vicious circle that we will never be able to break, so that subsidies will remain a permanent policy of the Government?

Mr. WOLCOTT. I should hate to think that subsidies would remain a permanent policy of the Government. That is why we are continuing this program from year to year. We all should be very much opposed to the continuance of these emergency programs for longer than a year, so that we can have a look at them again once every year.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself five additional minutes.

I hope that some time in the fall our economic position will be such that we can sit down and formulate an intelligent program with respect to reconversion, price control, and rationing for the postwar era, having in mind any changes which might have developed in the meantime in our economic situation.

I believe the Congress is in no position at this time to rewrite an OPA bill. We shall not have time between now and the 30th of June, when OPA expires, to do an intelligent job on OPA. What we should do is continue OPA by a simple resolution without any changes whatever for a matter, we will say, of 90 days or 120 days—some arbitrary period, anyway—so that we can have a look at OPA and perhaps write out new formulas for the operation of OPA in the postwar or approaching postwar period.

Mr. MOTT. I hope the gentleman's committee, as soon as possible, will bring out some legislation which will give some hope of terminating the whole subsidy program, because OPA has not only demonstrated through the years its inability to perform but it has made a failure out of nearly everything it has done. Every one of us gets notices of examples of those failures nearly every day. But this law seems to go further than that. It seems to have debauched to a very great extent the beneficiaries under the law. The gentleman will remember last year when the butter producers were vehemently against the continuance of subsidies. The subsidies were continued. They got their subsidies. Now they all came in this year saying, "Do not drop the subsidies. We have had a taste of them. Now give us some more." That is a system of debauchery which is very dangerous.

Mr. WOLCOTT. To be realistic about the situation, we knew we had less support this year to fight against subsidies than we had last year. We lost last year, so it is futile to stand here year in and year out without the development of some formula for an increase in prices under strict control to offset the need for the payment of subsidies. The payment of subsidies is the only alternative. If you want to put it crudely, insofar as subsidies are concerned, we have the lion by the tail and we cannot let go.

Mr. MOTT. The result of that subsidy, I might say, was that the butter makers and the others got the subsidy but the consumers did not get the product.

Mr. WOLCOTT. If I may correct the gentleman, the producers did not get the subsidy.

Mr. DONDERO. Who did receive the subsidy?

Mr. WOLCOTT. They are strictly consumer subsidies. The regulation provides simply that you shall pay 5 cents less a pound for butter than you would otherwise. Your daughters, sons, and grandchildren are not only going to pay 5 cents back into the Treasury, but it

is quite generally agreed they are going to pay back 15 cents. So by the adoption of this program, you have passed on your butter, meat, and flour bill to your sons and daughters and you are compelling them to pay it 3 times over.

Mr. MOTT. I understand that, but I just wanted to observe that the subsidy having been granted, nobody in connection with any industry getting the subsidy now apparently wants to let go.

Mr. WOLCOTT. No; that is right.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. As I understand it, this measure is a compromise which arose out of the situation when we had a majority against subsidies but not two-thirds of the Members were against subsidies. Therefore, since we could not override the veto of the President, we were in a stalemate. That is the way the situation stands at present.

Mr. WOLCOTT. That is right. Up to the time we passed prohibitions against the payment of subsidies after June 30, 1944, the Congress had little or no control over the subsidy program at all. Now we have taken control over it. This bill which we have reported out today is the exercise of our control over subsidies.

Mr. VORYS of Ohio. What I want to find out is whether the gentleman or his committee has an expression from the new administration or from President Truman as to whether he takes the same position on subsidies which his predecessor did. Because if he takes the same position, then obviously it would be futile to go through the fight which we went through in preceding years.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 10 additional minutes.

So far as I know, President Truman has sent no message to the Congress on the question of subsidies. It is presumed that because the War Food Administration, the Commodity Credit Corporation, the Reconstruction Finance Corporation, and the Defense Supplies Corporation, and the Metal Reserves Company, and all the other subsidiaries and agencies of the Government which appeared before the committee are in favor of them that they might be reflecting the President's attitude. However, as I recall, the hearings were had before Mr. Truman became President, so I do not know whether there has been any definite statement by President Truman as to his position on the continuation of subsidies.

Mr. VORYS of Ohio. So far as I am concerned, I would be glad to go through the battle to try to stop consumer subsidies again if we had a reasonable chance of winning. But I am relying on the committee to tell us frankly we have not got much of a chance to win that battle and this is a sort of compromise where we can carry on the sort of thing we worked out after the battle when we could not get the two-thirds vote.

Mr. WOLCOTT. The gentleman is correct.

Mr. RIZLEY. I want to ask about subsection (d) on page 5, where it provides for $290,000,000 for petroleum and petroleum products. What is that money to be used for, and how?

Mr. WOLCOTT. When the gentleman from Oklahoma [Mr. MONRONEY] takes the floor I wish the gentleman would ask him about that, because he is very familiar with it. He knows the story in detail. Although I am somewhat familiar with it, I do not feel competent to discuss it thoroughly.

Mr. RIZLEY. I want to say that I share the apprehension of the gentleman from Oregon [Mr. MOTT] with reference to this full subsidy set-up. I realize that no one made a harder fight than the gentleman from Michigan to stop this subsidy program on at least three occasions heretofore. However, there is quite a school of thought in this country to not only use consumer subsidies as a war measure but as a postwar measure. I know there are some people in high places who think that the whole tariff structure should be repealed, and subsidies used instead of tariff rates. Certainly I agree with the gentleman that just as soon as possible something should be done so that we can get away from this consumer subsidy program that was put over here as a war necessity and certainly not make it a part of the postwar picture.

Mr. WOLCOTT. The gentleman is absolutely correct. I might say that for myself I look forward to the time when we will be able to take off all controls under the OPA, both on the rationing side and on the price side; all controls under the War Production Board, and all of the emergency controls so that we will be able to operate in a free market again. But probably we will have to continue rationing and we will have to continue price control until the production of consumer goods catches up somewhat with the demand. I wish we might authorize the administration to continue these controls so long as is necessary, and to remove them gradually as the production of consumer goods catches up with consumer demand. But we cannot operate that way. We have got to lay down some formulae for their guidance, unfortunately. We have had enough experience with bureaucracy to know that we cannot trust bureaucracy with a broad program of that nature and expect the controls to function as they should function.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. DONDERO. I know that the able gentleman from Michigan, my colleague [Mr. WOLCOTT] is opposed to consumer subsidies as I am opposed to such subsidies, and no Member has opposed them with greater ability than he has. Pursuing the inquiry of the gentleman from Kentucky [Mr. ROBSION], that this provides for a blank check of $100,000,000, does not the gentleman agree that in view of the flexible clause of 10 percent there is a possible blank check of another $150,000,000 in this bill, because the total amount, as I have added up these items, is $1,583,000,000. Does the gentleman agree to that conclusion?

Mr. WOLCOTT. The gentleman is theoretically correct; yes.

Mr. DONDERO. So that there is a blank check of practically a quarter of a billion dollars in this bill?

Mr. WOLCOTT. I have in mind that the whole program calls for $1,583,000,000. If they do not need the money they should not use it. If they do need it they will use it. What I started out to say was that as far as I am concerned, the administration is in one terrible hole right now with respect to food. Whether it is, as I think, the result of misadministration, poor judgment, or otherwise, we should not be interested except to make it clear that we believe it is the result of misadministration as opposed to any deficiencies in the legislation which we have enacted. You and I have been here long enough to have had a lot of practical experience in these matters. How easy it is, and how welcome in the minds of a great many bureaucrats it is to lay the blame for their own deficiencies and weaknesses and lack of judgment on the doorstep of the Congress. As far as I am concerned, we have set out a program under which they have to operate within limits.

The limits are not narrow enough, according to their own testimony so but what they ought to be able to do a full and complete job. Now, the narrowing of those limits by a hundred dollars might give them the opportunity to say that they asked for $1,583,000,000 and Congress would not give it to them, so the Congress is to blame for all food shortages. I do not believe the Members of Congress if the trouble here in the United States today is misadministration, and I believe it to be misadministration, lack of judgment, I do not think for the matter of a hundred million dollars the Congress should be expected to assume the responsibility for mis- or maladministration in the enforcement of a congressional act which involves the matter of billions of dollars.

Mr. DONDERO. If subsidy payments are to be continued in the postwar era as suggested by the gentleman from Oklahoma [Mr. RIZLEY] does not that call for the continuation of Federal deficit spending in the years ahead?

Mr. WOLCOTT. Oh, yes; but I know of no reason why we should continue the payment of subsidies any further into the postwar era than is necessary to get the maximum amount of production.

Mr. DONDERO. If that is to be the policy may I say that many people in this country are beginning to ask how long we can continue that policy and continue the fiscal integrity of this Nation.

Mr. WOLCOTT. If we want to be realistic about it, Congress has adopted the payment of subsidies as a policy in lieu of prices to offset this differentiation under strict control, prices under strict control. I say that because I do not want anybody to say that we have to take off all control from prices merely to raise the price of meat 1 cent a pound. To be very practical about it, would it not be preferable to raise the price of meat 1 cent a pound and be assured that we were going to get an adequate amount of legitimate beef than to have to pay 10

cents a pound extra in the black market for beef of questionable grade or quality.

Mr. DONDERO. Certainly.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself five additional minutes.

I may say in further response to the gentleman's question that in this bill in which we provide substantially $1,583,000,000, much of it for consumer subsidies, the taxpayers of the Nation have got to pay into the Federal Treasury between $4,500,000,000 and $5,000,000,000, because it is agreed that the taxpayers have to pay back into the Federal Treasury three dollars for every one the Treasury puts out as a subsidy.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HOPE. The gentleman from Oregon a short time ago made the statement, as I understood him, to the effect that the recipients of these subsidies having received them, were not now willing to give them up, thereby implying that the meat packers and the millers and the dairy manufacturers were in favor of these subsidies and were asking for them. My understanding all the time has been that they were not in favor of subsidies, that they opposed the subsidies, but by reason of our schedule of price ceilings they were forced to accept the subsidies or go out of business. I should like to have the gentleman state if that is not the case.

Mr. WOLCOTT. That is absolutely the case. That was the policy we adopted here. If we are not going to give them a sufficient price then they must get the subsidy.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. CASE of South Dakota. I was interested in the gentleman's observation that we ought not to take the responsibility for giving $100 less than the amount requested for fear the program be imperiled. Does the gentleman believe the Committee on Appropriations ought to operate on that principle when agencies come before it and ask for increases in their operating personnel?

Mr. WOLCOTT. I believe that to be a question for the Appropriations Committee to decide for itself.

Mr. CASE of South Dakota. My idea is that they should not act on that principle.

Mr. WOLCOTT. I believe the Appropriations Committee should decide on that for itself. The Committee on Banking and Currency decided that they did not want to assume the responsibility for food shortage merely because of the relatively small amount of $100,000,000.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. Further pursuing the thought expressed by the gentleman from Kansas, the OPA is presently engaged in a campaign of selling to the people of this country the necessity for continuance of the OPA. Many of us do not doubt the advisability of doing it at this time.

Mr. WOLCOTT. We have got to do it.

Mr. SMITH of Wisconsin. Is it not pure fiction for them to maintain that they have absolutely stopped the inflationary spiral?

Mr. WOLCOTT. Oh, yes. When we get into that field let us call attention to shoes, for example. You go down now and buy a pair of shoes for $6. You take them out in the rain and they fall apart. Then you buy another pair of shoes for $6. So that your shoe bill is twice what it was before the OPA was operating. The same is true of things made up of sleazy material. You go out here in the cloakroom or you go to the cigar counters and you can see evidences of that. The retail cigar dealers, for instance, have pasted a higher price over the old price. I have a cigar in my pocket now as an example of that. This used to sell, and did up until a week ago, for 10 cents. I cannot afford to pay any more, but there being guests at the house last night I thought I would splurge, so I went down to the drug store to buy these cigars and I found they had pasted "two for a quarter" over the "10 cents" sign. That is an increase of 25 percent. I cannot afford to pay 25 or 35 cents for a 5-cent cigar, as we are required to do today. That is inflation and the OPA has not done anything about it. There are other ways of inflation besides increasing prices. You can inflate by decreasing the quality just as you can inflate by increasing the price.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I would like to get this fact clear in my mind, and I hope the gentleman will advise me whether I am correct. As I understand it, when the extension of the Price Control Act of 1944 was passed there was included within it the so-called Taft amendment, which provided that on and after June 30, 1945, there should be no more subsidies paid except out of appropriated funds; is that correct?

Mr. WOLCOTT. That is substantially correct, unless they have been "appropriated by the Congress for such purposes and appropriations for such purposes are hereby authorized to be made."

Mr. KEEFE. That act authorizes the appropriation for payment of subsidies and sought to bring back to the control of Congress the question as to the character, type, and amount of subsidy to be paid. That was changed some time ago when we provided for the elimination of that provision with respect to the payment of dairy subsidies. Dairy subsidies were eliminated from the provisions of the so-called Taft amendment. Under the terms of this act you are eliminating practically every other item for which subsidies have heretofore been paid, and if this bill passes you have completely eliminated practically the spirit and purpose of the Taft amendment, because these subsidies will be paid by the RFC and its subsidiary corporations out of their own funds. They will not have to come back to the Congress and ask for any appropriated money. Is that not true? I would like to have the gentleman's statement on that.

Mr. WOLCOTT. The reason, as I understand it, for the so-called Taft amendment was to give the Congress some control over the subsidy program. In the passage of S. 502 we are exercising that control over the subsidy program. They would have been unable to obtain subsidies after June 30 unless the Congress set up a program and told them the amounts which they could pay.

Mr. KEEFE. What you are doing under this bill is to waive any control over it, are you not?

Mr. WOLCOTT. No. What you are really doing is this: You are continuing the subsidy program as it has existed heretofore and giving them an additional $100,000,000 with which to expand programs.

Mr. KEEFE. In other words, the Congress has just simply said: "You continue the program as at the present level and we will give you $100,000,000 to play with, and we will allow you a 10-percent differential that you can expend on this program" so that they really have about a $242,000,000 bank check to play with in this program. That is the control that Congress is exercising over the program as against the control that was contemplated when Congress passed the so-called Taft amendment. Furthermore, you are not requiring them to use appropriated funds.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

CHARGES AGAINST OPA ANSWERED

Mr. PATMAN. Mr. Chairman, I shall attempt to answer some of the charges that have been made against the administration of the OPA, and the food program in particular. I know that we all get letters saying, "By reason of OPA bungling we cannot get any more butane gas. By reason of OPA bungling all the small slaughterers of the country are being put out of business." I get those telegrams and letters just the same as you get them.

The Speaker of the House [Mr. RAYBURN] honored me very much when he appointed me chairman of the House Committee on Small Business, and I am determined to look after small business, doing everything I can to preserve and protect the free-enterprise system in this country. Naturally, I am disturbed when I get reports that by reason of mistakes being made by a governmental agency, small business is being crushed and destroyed.

BUTANE GAS

I was particularly impressed by the basketful of telegrams I received from a butane-gas dealer and his friends, in which he said that unless the OPA changed its policy he would be driven out of business entirely, saying "I have so many trucks, so many people working for me. They have families. They will be unemployed." I had telegrams from schools saying, "We depend on butane gas for fuel, and we must have butane gas." So I took all of those telegrams

and analyzed them and then I undertook to investigate the butane-gas situation. We do not want these little fellows destroyed that way. So, after going into it, I found here was the kind of bungling that was going on. The General Staff of the War Department had said and laid down an order to the effect that, "We must have all the butane gas we can get for the war, because we use butane gas to make high-octane gas, and we use high-octane gas to bomb our enemies." You could not insist that we give butane gas under circumstances like that, even to protect the small businessman. The war comes first.

PACKERS

Now, about the packers. I was very much disturbed and annoyed by the complaints—not annoyed, for I am never annoyed by complaints, because when you get them they are usually sincere, and the people are urging these complaints because they believe what they hear, and by reason of investigation of complaints oftentimes mistakes are corrected, so I am glad to have mistakes pointed out to me that have been made by a governmental agency or by any other person or by myself. So if a mistake is made, let us correct it.

All right. Take the packers. Let me tell you something about them. We will take, for instance, the matter the gentleman from Kentucky brought up here awhile ago. I am sorry he is not here. In his district, we will say, there are five towns, with one in the center of the county that is a pretty-good-sized town; they have a good slaughtering house and the cattle market is there.

In four other places in that big county, in little towns, there are similar slaughtering houses. There are just so many cattle in that area that can be bought to serve those five slaughtering houses. The slaughtering house in the middle of the county is a federally inspected plant, the other four are nonfederally inspected. The nonfederally inspected plants can send their representatives to the county seat, we will call it, where the larger plant and cattle market is located, and bid a higher price for the cattle because they can take them right back over the same road to their plants and in most cases get more money for them, whereas if the federally inspected plant pays that high price, he is a small businessman and he is forced out of business entirely, because the Government is taking most of his meat for the armed services and he has a ceiling price on his products. He cannot bid in competition with those nonfederally inspected slaughtering houses. He just cannot pay the price in competition with them. Therefore, the armed services will be denied an opportunity to get this meat.

In view of this situation the War Department and the Economic Stabilizer recommended to the OPA—and it has been done—that the quotas of these four nonfederally inspected plants be cut down so that the federally inspected plant can get more meat and so the armed forces can get more meat. That is why the quota system came into being, in order to get plenty of meat for the armed services, and the armed services come first.

Suppose they did not do that, and these four slaughtering houses bought all the cattle that were offered for sale at the county seat and carried them back to their respective slaughtering houses and slaughtered them. The armed services could not get any of that meat and the people who are served by the federally inspected plant could not get any meat, either, so we would not have a wholesome or fair distribution of meat. Therefore, this is in the direction of trying to have an equitable distribution of meat supply.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Under this bill it is proposed to pay a subsidy of $595,000,000 on meat. Would it not be better if instead of taking that money out of an empty Treasury you would pay the farmers who raise this meat down in Texas the proper price for the meat and let the consumer pay that price?

Mr. PATMAN. The extra price? In other words, the gentleman is advocating a rise in prices instead of a subsidy?

Mr. RICH. Yes. You are taking this money out of an empty Treasury. It is said that there is so much money in the hands of the banks that belongs to the people, and that is where this money should come from.

Mr. PATMAN. The gentleman has asked a very reasonable and logical question which should be answered, and I am going to do my best to answer it. He says, "Let us raise prices instead of having subsidies."

Mr. RICH. No.

Mr. PATMAN. Well, you have to raise prices.

Mr. RICH. I say raise prices that are essential, rather than take it out of an empty Treasury, so that we do not go into bankruptcy. Let us try to save this country.

Mr. PATMAN. If you raise prices on beef instead of paying subsidies you have to raise them on other commodities. Then if you raise prices on other commodities, the first thing you know you have to raise wages because the wages will not buy as much. Then you have a race between wages and prices and we have inflation on our hands.

Let me tell you what the gentleman is advocating. It is obviously an increase in price to take care of this rather than a subsidy. There is no dispute about that. People can be just as honest in their views and be as well on one side as the other. I do not criticize anybody for it. Obviously, though, that is the logical end you will come to. Let us see what that will mean. We have 12,000,000 men in the armed services. Many of these men have wives and children here at home. They receive a check from the Government every month. What is that check for? To provide these wives and children a decent standard of living. If you raise prices, will that provide for them a decent standard of living? Of course it will not. Then we will have a bill in here to raise the allotments, that money to come out of the same empty Treasury the gentleman is talking about. When you raise them, then you must raise others. Thus you have a race between wages and prices again. The result will be inflation and our country will be ruined.

Mr. RICH. When the President asked for a law regulating prices on everything but labor and agricultural commodities, he did not do what he should have done or he would have asked for a bill freezing prices and everything at that time and thus you would not have got in the hole you are in now. When you make one mistake, you have got to do something else to get out.

Mr. PATMAN. The gentleman's hindsight is very good. Let us look at the picture and use a little common sense.

Mr. RICH. It did not take common sense to do what you did at that time. It only took a little brains.

Mr. PATMAN. I am not yielding to the gentleman. The over-all picture is absolutely good and you should be proud of it.

Mr. RICH. I am not proud of it.

Mr. PATMAN. You should be absolutely proud of it. I look with pride on our great food production that we have had in this country. I am not cursing it or abusing it. I am pointing with pride to it. I was hoping those of you on the other side of the aisle would claim credit for helping to put it over rather than criticize it and say it is destroying the rights of the people and that it has been a failure. That is not true. I am going to show you that it is not true.

FOOD PRODUCTION OF THIS WAR COMPARED WITH LAST

Let us look at the record. In World War I, incidentally when Mr. Herbert Hoover was War Food Administrator and won international acclaim for his good work and made such a good record that he was elected President of the United States by reason of that work, food production during that period only rose 10 percent. Take note of that figure. Food production only rose 10 percent. In this war, it has risen 29 percent, reaching a peak never before attained or dreamed to be possible. Is that failure? Why should you not look with pride upon such a wonderful program as that? Why should we abuse it? Why should we criticize it when it has been a success? It has not been a failure.

MEAT

Meat is the key of our present trouble. Have we failed in the case of meat? Let us look at the record again. Meat production for 1945 will be 38 percent above the average of 1938–39 production. Only in comparison with last year does meat production show a decline. But last year meat production rose to 53 percent above prewar levels, and that was the highest in the history of this great Nation.

The reason for the drop this year was because the hog population rose 91 percent above prewar levels while feed production rose only 39 percent. The hog population had to be cut down. But look at cattle feeding. Critics say we have 80,000,000 cattle on the range and that by getting them into the feed lots and fattening them we can have more

beef. The feed lots are empty. They say. Empty? How empty are those feed lots? Let us look at the records again and find out. Cattle in feed lots on January 1 totaled 4,173,000, according to the Department of Agriculture. The average number in feed lots on the first day of the year 1930–39 was 2,980,000. The number was up 40 percent on January 1, 1945. Was that a failure? In April this year the number in feed lots was up 8 percent over January. Is that failure? No; it is success. Why criticize a program like that? The over-all picture is good. It is absolutely good. Yes; mistakes here and there will be made as long as laws are administered by human beings. There will always be mistakes made, but the over-all picture is one that we can point to with pride and pleasure.

What about these 80,000,000 cattle? Remember there were 40 percent more cattle in feed lots as of January 1 this year than in any other time in history and there were 48 percent more in April than ever before in history.

What about the 80,000,000 cattle? The average number in 1935–39 was 67,000,000. Under what bungling administration did this 30-percent increase take place? Is that not bungling on the side of production rather than bungling on the side of underproduction?

Mr. KEEFE. Will the gentleman yield at that point?

Mr. PATMAN. Let me finish and then I will yield to the gentleman.

Mr. KEEFE. Will the gentleman not yield at this point?

Mr. PATMAN. I hope the gentleman will not insist. Let me finish my statement and then I will be glad to yield to him first.

No less astounding than the record of food production during the war has been the control of food prices. Yes; they have gone up. Food prices have gone up 45 percent in 67 months since the war broke out in Europe. That is a serious gain, but in World War No. 1, when as Food Administrator, Mr. Hoover was winning international acclaim, civilian prices uncontrolled rose 45 percent? Yes, on up to 104 percent during the 67 months after the outbreak of the First World War in Europe.

There is a case where we have parallel examples. In the first war, 67 months, prices rose 104 percent, uncontrolled. During this war they have risen 45 percent. And this war has cost $250,000,000,000 to date, whereas the total cost of World War I was only $32,000,000,000 in comparison. Even after the presently contemplated cutbacks are completed the Jap war alone will, at the annual rate, cost more than twice the total cost of World War I. Control of prices during this war is the wonder of the economic world. Let me say that again.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PATMAN. May I have 15 additional minutes?

Mr. SPENCE. I will give the gentleman 15 minutes.

CONTROL OF PRICES WONDER OF ECONOMIC WORLD

Mr. PATMAN. I thank the gentleman very kindly.

I want to repeat that. I want to repeat that statement. The control of prices during this war is the wonder of the economic world. Yet some of the most vigorous attacks upon it come from our own people, Democrats in our own party; and it should not happen. And the Republicans who supported the program should even be proud of what has been done.

I want to tell you something about what has been done under the OPA.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. In just a minute.

Mr. KEEFE. The gentleman does not intend to yield.

Mr. PATMAN. All right. We had another war, World War I. We know what the prices were then during the first 67 months of that war, after that war broke out in Europe. We know what the prices have been during the first 67 months of World War II. If we had paid the same prices for steel, copper, lead, zinc, and all of the other materials that go into the war machine during World War II that we paid in World War I, our national debt today would be $80,000,000,000 more than it is up to the end of December 1944. You cannot laugh that off. You cannot say that is failure. That is success.

Up to the end of 1944 the price of steel had not risen one penny. Do you know how much steel is in the average battleship? You will find that if we paid the same prices for steel during this war that we paid during World War I, the average battleship would have cost us $6,000,000 more during this war. You cannot say that is failure.

The same thing can be said of all these other materials. We have the facts and the evidence. The interest on that $80,000,000,000 for 1 year, at prevailing Government rates, would be more than all that has been spent by the OPA and the stabilization program during this entire war. Yet say that is failure? No. That is success.

In addition to that, the consumers have saved, up to the end of 1944, $56,000,000,000. That has enabled us to hold the line on a lot of things. You cannot raise one and say, "We will stop there." You have to raise others to correspond to it. Then you have got that race between prices and wages. It cannot be stopped. You have got to hold the line. I want to specifically call your attention to the subsidies on copper, lead, and zinc. Instead of having a subsidy on copper we could have just said, "We will raise the price to get production." With that maximum production the price would have gone to 27 cents. That is the price it took for these high-cost mines to get back into operation.

Premium price plan for copper, lead, and zinc—Comparison of actual payments (ceiling price plus premiums) with payments for total production at maximum premium prices.

[Millions of dollars]

	Copper			Lead			Zinc			Totals		
	Actual payments	Payments at 27¢ price	Difference	Actual payments	Payments at 12¢ price	Difference	Actual payments	Payments at 16½¢ price	Difference	Actual payments	Payments at maximum prices	Difference
1942 11 months [1]	251.1	541.9	290.8	62.3	107.4	45.1	126.1	229.8	103.7	439.5	879.1	439.6
1943	295.0	596.0	301.0	68.0	106.6	38.6	156.2	244.4	88.2	519.2	947.0	427.8
1944, estimated	268.2	536.0	267.8	67.0	98.4	31.4	158.0	236.2	78.2	493.2	870.6	377.4
Total	814.3	1,673.9	859.6	197.3	312.4	115.1	440.3	710.4	270.1	1,451.9	2,696.7	1,244.8

[1] The premium price plan, inaugurated Feb. 1, 1942, includes metal from domestic mines, dumps and tailings only. Metal produced from secondaries, scrap and foreign ores is excluded.

The refined metal supply from these sources has not been sufficient to meet the refined metal demand for military requirements for any of these metals.

This statement was compiled at the request of the Banking and Currency Committee, House of Representatives, to indicate the differences which would have accrued if the same metal production had all been produced at the maximum premium prices.

Total premium payments

Year	Copper	Lead	Zinc	Total
1942 [1]	$5,062,000	$3,267,000	$8,840,000	$17,169,000
1943	25,209,000	9,427,000	29,368,000	64,003,000
1944	27,090,000	13,587,000	40,923,000	81,600,000

[1] 11 months.

If we had raised the price of copper to 27 cents in 1942, that year we would have paid $541,000,000 for the copper we bought, but instead of that we kept the price at 12 cents and gave a subsidy to these high-cost mines which could not operate unless they had a 27-cent price. We gave them the 15-cent subsidy but kept the price of copper to 12 cents. You know how much we saved by that? Two hundred and ninety million dollars. How much did it cost us? Five million dollars in subsidies. Is it not good business to save $60 to every one you spend on a subsidy? There is an example. You cannot laugh that off. There is evidence. If you say you are going to oppose subsidies I will show you others that are just as interesting as that. Yes; we borrowed the $5,000,000 from the empty treasury the gentleman speaks of, but we saved $290,000,000 just on Government purchases alone.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I cannot yield now.

Mr. RICH. I ask the gentleman to yield for a question.

Mr. PATMAN. Not now. In just a minute I will yield to everyone. I agreed to yield to the gentleman from Wisconsin first. Just let me continue for a little and I will yield to everyone.

In the copper, lead, zinc subsidy program in the 3 years from 1942 to 1944 inclusive we have saved $1,244,000,000 through this subsidy program on copper, lead, and zinc, just these three. How much did it cost us? One hundred and sixty-two million dollars. Would anybody say that was not good business? It is good sense as well as good business. It would not be sensible for us to do otherwise, not at all; and I would be opposed to changing it. I am therefore going to defend subsidies. They saved the people money.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Let me make one other point and then I will yield.

Now, let us take the inflationary pressures.

During the first World War we spent a maximum of $32,000,000,000. That is a lot of money, but during this war we have spent $250,000,000,00 already. All right. The people have an average of $185 in their pockets today, not in banks, not in savings, not in war bonds, but in their pockets, an average of $185. What does that mean? They are ready to bid on anything that is offered for sale that is scarce and limited in supply, they are willing to bid against one another quickly. During the inflationary period immediately after the First World War we had a lot of money in circulation. How much? Fifty-one dollars and thirty-eight cents per capita; that is how much, but now we have almost four times that much money in actual circulation. How can one make the statement that there is no danger of inflation under these facts? Not only that, but since Pearl Harbor the people of this country have made so much money that they have put back in their pockets in savings accounts, in demand deposits and war bonds, $118,000,000,000 more than they have spent.

These huge amounts of money are available to bid against scarce and limited supplies of goods and carry the prices to the sky without price control, and yet you tell me that price control has been a failure. It has been the greatest success of anything we have had in connection with the prosecution of this war outside of the armed services themselves. It has been a success and we can point with pride to it and say we have saved the taxpayers from eighty to one hundred billions of dollars on the cost of the war machine alone by reason of the price-control and stabilization policy of this administration. I am going to insert in the RECORD the per capita circulation of money since 1910 for each year and you will be amazed to find how much money is in the actual pockets of the people now compared to any other time in the history of this Nation.

End of fiscal year	Per capita money in circulation	Total currency (money) outside banks plus adjusted demand deposits (in millions)
1945 (February)	$185.15	$93,500
1944	163.07	80,946
1943	127.64	71,853
1942	92.08	52,806
1941	72.16	45,521
1940	59.47	38,661
1939	53.72	33,260
1938	49.62	29,730
1937	49.88	30,687
1936	48.60	29,002
1935	43.66	25,216
1934	42.44	21,353
1933	45.49	19,172
1932	45.57	20,241
1931	38.85	23,483
1930	30.74	25,075
1929	32.08	26,179
1928	39.97	25,881
1927	40.90	25,539
1926	41.71	25,601
1925	41.73	24,949
1924	42.64	23,062
1923	43.18	22,697
1922	40.61	21,391
1921	45.29	20,790
1920	51.38	23,721
1919	45.95	21,217
1918	42.33	18,141
1917	39.05	15,777
1916	35.63	13,849
1915	32.96	11,403
1914	34.93	11,615
1913	35.12	10,998
1912	34.87	10,918
1911	34.72	10,377
1910	34.84	9,979

Sources: Statistical Abstract of the United States; Federal Reserve Board, Banking and Monetary Statistics, and Federal Reserve Bulletin; U. S. Treasury, Circulation Statements of the United States Money.

I promised to yield to the gentleman from Wisconsin.

Mr. KEEFE. I have listened with great interest to the very enlightening discussion of the gentleman. He has jumped from a discussion of subsidies to a discussion of OPA and back and forth.

Mr. PATMAN. I yielded for a question only.

Mr. KEEFE. I am going to ask a question. The gentleman has been going back and forth until he is trying to make it appear that anyone who opposes consumer subsidies is opposed to the OPA.

Mr. PATMAN. Ask me a question. I am not yielding for a speech.

Mr. KEEFE. In asking the question, I do not want it interpreted that I am opposed to the fundamentals of OPA, because I am not. Let me ask the gentleman this question.

Mr. PATMAN. What I said I meant and I am not going to take it back.

Mr. KEEFE. Let me ask the gentleman this question in reference to the illustration which he gave of copper, zinc, and these other strategic metals where he shows that by the utilization of subsidies of small amounts we enable the production of those metals from the high-priced mines. But that is not an illustration, is it, of a consumer subsidy? That is a pure incentive production subsidy.

Mr. PATMAN. I gave an example of the consumer subsidy. Instead of raising these allotment checks every month to the wives and dependents of the men and women in our armed forces we are trying to hold the line so that what they are getting will buy a decent living.

Mr. KEEFE. I asked the gentleman a fair question.

Mr. PATMAN. I have given an illustration of consumer subsidies in answer to the gentleman from Pennsylvania [Mr. RICH]. I answered a question relating to copper and I gave illustrations. I am satisfied with my answer. If the gentleman is not, I am sorry. I do not yield any further on that.

Mr. KEEFE. The gentleman will not answer the question?

Mr. PATMAN. I do not yield any further on that.

Mr. KEEFE. The gentleman does not yield at all, as usual. He just rambles around the bush.

Mr. PATMAN. If I can answer one as successfully as I did the question asked by the gentleman from Wisconsin, I will be highly pleased.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. When you take the Treasury statement of May 24 and you find that we are $238,000,000,000 in the red, and you take out of the Treasury $1,503,000,000 as provided in this bill, and add that much more to it at the end of the year, where are you going to get the money?

Mr. PATMAN. That is a question the gentleman asks every day and I want to answer him right now. I will use copper as an illustration. We had to borrow $5,000,000 in order to have $260,000,000. Which is better—to pay interest on $5,000,000 or $260,000,000? That is the answer to the gentleman's question.

Mr. RICH. The only answer I have heard to that is the answer given by the gentleman's colleague from Texas.

Mr. PATMAN. I am not yielding for anything except a question.

Mr. RICH. The gentleman from Texas said we were going into bankruptcy. That is the only answer you can get.

Mr. PATMAN. A nation does not go into bankruptcy.

Mr. RICH. It will if we do not discontinue what we are doing now.

Mr. PATMAN. We are only ruined by disastrous inflation, printing press money, worthless money. The debts are paid but with worthless money. That is the kind of inflation and the kind of bankruptcy we would have. A country cannot go into bankruptcy. It is impossible for a country to go bankrupt. We are just using loose words when we talk about our country going into bankruptcy. It does not happen that way. It happens when there is a runaway between prices and wages, one bidding against the other, until our money is absolutely worthless.

WILL OPA BE EXTENDED?

And may I warn the people of this country that for the first time since the Price Control Act has been law I am worried about the continuance of the act. In an effective way there is too much misrepresentation concerning it right on the floor of this House. I heard it stated here the other day that Mr. Marvin Jones had admitted that a famine faced our country. That is absolutely untrue.

Mr. Jones did not say that. I have his statement here and I am going to put it in the RECORD. I hope that the Members will read it.

We have not been furnishing OPA with the money that OPA needed. I listened with great interest to the statements made by my good friend from Michigan [Mr. WOLCOTT], ranking member of our committee, whom I like very much. When he said that the trouble with OPA is administrative, not legislative, I do not think he told all the story. Yes, I will admit OPA has made mistakes, lots of them, but dealing with 8,000,000 different commodities and prices, who would not make mistakes? Who would have done a better job than OPA?

WAR FOOD ADMINISTRATION,
Washington, May 19, 1945.

To Members of the Senate and the House of Representatives, Washington, D. C.:

"Prospective food supplies will be more than adequate in all parts of the United States to meet all essential food needs."

This is the conclusion reached by the Bureau of Agricultural Economics in a national food situation report which is being released today. In view of the current interest in food supplies, and the number of inquiries we are all receiving, I thought you would like to have a copy of this factual report. It should be valuable for reference, especially if you have occasion to check into the data for any of the major food groups.

In addition to an estimate of the food supplies which will be available in 1945 for civilian consumers in the United States, the report contains pertinent facts about food consumption in foreign countries. High lights of the BAE summary of the domestic food situation include:

Over-all food supply for civilians in 1945 will be from 2 to 4 percent greater, on a per capita basis, than the 1935–39 prewar average—but from 5 to 7 percent below last year's record consumption.

Production of food crops and livestock for sale and farm home consumption in 1945 will be about 32 percent above prewar, but about 5 percent less than in 1944. The principal reduction is in hog slaughter. (With feed grain reserves largely used up, the 1944 pig crop—the hogs which are coming to market this year—could not be held up to the all-time 1943 record.) Pork output in 1945 is expected to be about 20 percent less than last year. Beef and veal production will be about 5 percent more than in 1944.

Total meat production of 22,500,000,000 pounds is indicated for 1945—9 percent less than the record 24,600,000,000 pounds last year, but 39 percent larger than the sixteen and two-tenths billion average for 1935–39.

Our civilians are expected to average an egg a day during 1945—366 per capita for the year, as compared with 351 in 1944, and 298 in prewar years. Even so, consumer demand will be greater than available supply at times this year.

Milk production is at record levels. Our people will use a per capita average of about 200 quarts of milk and cream this year—26 percent above the 1935–39 average.

Each of us is expected to eat about 250 pounds of fresh vegetables this year—very close to the 1944 record consumption of 253 pounds.

We have enough wheat to meet all civilian wants and to take care of demands for foreign shipment. In addition, another record crop of more than a billion bushels is forecast for 1945.

Sugar and fats and oils supplies (dependent on world production and supply situation) will be lower for civilians this year.

Summarizing the food supply situation: Our civilians this year will have more eggs, fluid milk, skim milk byproducts, commercial supplies of various fresh vegetables, canned fruit juices, fresh and frozen fish, and the grain products—except rice in some areas. They will have less sugar, pork, and lard, butter, and other fats and oils, and canned fruits and vegetables.

It is obvious that there will be no general shortages of food in the United States—none of our people will need to go hungry. Supplies of some individual commodities, for which demand is very great, will not meet all of our desire to buy, and irritating distribution problems will continue for these. By substituting abundant items for first choices which are short, however, our consumers can always be well fed. Understanding of this fact should end a lot of unnecessary fears about food.

Our farmers and ranchers must continue their tremendous production records, and we must see that they have the manpower and materials to do the job. We must also conserve food carefully and distribute it wisely. If these things are done, our food supplies will meet the essential needs.

Sincerely yours,
MARVIN JONES, *Administrator.*

Then when they came to Congress and pleaded for money with which to do a good enforcement job involving hundreds of billions of dollars Congress tried to act niggardly with them, cut down the appropriation each year, until in 1945, when the Budget pared them down and pared them down and said, "We will only recommend $182,000,000," and they brought the Budget figures of $182,000,000 here, this Congress cut it down $3,500,000 more. Congress said, "No; we are not going to give you the money you want." In 1944 OPA asked for $177,000,000. That was the Bureau's estimate. After they pared down everything, taking out everything you could possibly take out, the Bureau of the Budget issued to Congress a statement to the effect that this agency was entitled to $177,000,000 to do a good job. But again we acted niggardly with them, and we cut them down $8,000,000 more, and yet we say it is administrative, it is not legislative. That is legislative, is it not? In 1943, after OPA went before the Bureau of the Budget and pleaded with them for all the money that they needed to do a good job with these 8,000,000 different articles and commodities, the Bureau of the Budget cut out all they could and then said to Congress, "Give them $160,000,000 at least," and this Congress cut $40,000,000 off of that. Is that legislative or is that administrative? That shows that Congress has not done the part that Congress should do. Congress is responsible for part of this, too, because we have not given them the money with which to do a good job.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. PATMAN. This job is one of great importance. We can lose the war here at home through inflation while our fighting men are winning it upon the battle fronts of the world. Suppose they come back to a country that is ruined by inflation! Right now the GI bill of rights, insofar as loans for business, homes, and farms are concerned, is a dead letter. No loans are being made. Why? Because of inflation that is already taking hold. That is why it is a dead letter. Are we treating these 12,000,000 men and their families and their loved ones right when we, by failing to give an agency a few million dollars, jeopardize the entire economy of our Nation? We are not treating them right. We owe a duty and obligation to them to hold that line, to where the dollars that we will give them will buy something, and not give them a lot of money that will buy nothing, and the only way to do it is to hold that line like we can do through the stabilization program and not be niggardly in passing upon appropriations.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman says, "If the Congress had had more money to spend." Does the gentleman not believe that the Congress that he has been associated with in the past 10 years has spent all the money that was necessary to spend? If they had spent it right, does the gentleman not think we would have gotten more for the people of this Nation than we have?

Mr. PATMAN. It is easy to criticize but difficult to construct. I doubt whether the gentleman knows whether the money has been spent right or not. I know one thing, when they ask me for so much money to do a good job and I refuse to give it to them and they cannot do a good job, I have a guilty conscience.

Mr. RICH. If you take the record here——

Mr. PATMAN. Oh, I gave the gentleman the record. It cannot be disputed.

Mr. RICH. You have been spending money like no other Congress has ever spent.

Mr. PATMAN. And it has done the best job in history.

Mr. RICH. We have the greatest national debt we have ever had. Who is going to take care of that? Wait until the GI boys come back and they find out they have to pay for it.

Mr. PATMAN. I know we have spent a lot of money. The gentleman maybe does not like it, but we spent that money for a good purpose, because we sent machines against the enemy to do a job in the place of men and thereby saved human lives. I am not apologizing for it. I am mighty glad we did just what we did, for by spending money we have saved human lives. Which would you rather have, two or three million men killed on foreign soil in Europe or a national debt of $300,000,000,000 and our men come back home? You know what you would rather have.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Idaho.

Mr. DWORSHAK. Has the gentleman read the reports made by the Senate Committee on Agriculture and the special House Committee to Investigate Food Shortages?

Mr. PATMAN. No; they have just come out.

Mr. DWORSHAK. The press has indicated that according to the investigations made by both the Senate and the

House committees there has been gross inefficiency in the operations of OPA.

Mr. PATMAN. I am not talking about the efficiency or inefficiency of any particular person or group or division, I am talking about the over-all picture. That cannot be disputed. The gentleman probably was not here when I stated that during the First World War the food production increased 10 percent and during this war it has increased three times that much. Is that good or bad? It is good.

Mr. DWORSHAK. I understood the gentleman to say we were not giving adequate funds for efficient operation of some of these Federal agencies.

Mr. PATMAN. That is right; I did say that.

Mr. DWORSHAK. Did not President Truman recently send a communication to the Speaker and to the House Committee on Appropriations indicating that at least $92,000,000 had been made available for the current fiscal year for various agencies which had not been obligated or spent, and that that fund should be recovered into the Treasury?

Mr. PATMAN. Be more specific. Is the gentleman talking about the OPA?

Mr. DWORSHAK. I am talking about all of the agencies.

Mr. PATMAN. The gentleman is talking about something else. We are talking about OPA. The OPA did not get enough money to spend.

Mr. DWORSHAK. They did not?

Mr. PATMAN. President Truman did not send to Congress a message about OPA.

Mr. DWORSHAK. If OPA had three times as much money as it was given during the current year it still would not do an efficient job.

Mr. PATMAN. Anyway, when they ask us for money that they say they need, and they fail to do a jam-up job because we do not give it to them, I feel that Congress is responsible, too.

Mr. DWORSHAK. It is not money they need, it is common sense.

Mr. PATMAN. We have a lot of common sense in OPA but mistakes will doubtless continue on account of the size of the job.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield.

Mr. PATMAN. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. When the gentleman speaks about how much food production has been increased he does not have in mind the dairy business at all.

Mr. PATMAN. I did not speak specifically about anything. I was talking about the over-all food picture. During the First World War and during the inflationary period just after the war we had no rationing or price control. The gentleman knows what happened. Hoarders went out and bought food stocks and hoarded them and made people pay high prices for the food. They made the people pay 35 cents a pound for sugar. During this war the price of sugar has been held down below 7 cents a pound.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SPENCE. Mr. Chairman, I yield two additional minutes to the gentleman from Texas.

Mr. MURRAY of Wisconsin. I think the gentleman himself in the past has placed in the RECORD the table of August 1939, showing how much agricultural products had increased.

Mr. PATMAN. I do not want to go into detail. I do not have time to do that. I have only 2 minutes.

Mr. MURRAY of Wisconsin. I want the gentleman to answer, then, according to this table.

Mr. PATMAN. I have given the gentleman facts that nobody can dispute. We have a food record that the people of this Nation should be proud of. We should point to it with pride. We are proud of the farmers who made it possible.

Mr. MURRAY of Wisconsin. That is not the point I am trying to make. The gentleman used this table to show how the prices of the farmers had increased.

Mr. PATMAN. Now the gentleman is going into detail about things and I cannot answer that.

Mr. MURRAY of Wisconsin. Hogs were 5 cents in August 1939. They put a floor of $13.75 under them.

Mr. PATMAN. The gentleman can find a lot of things to criticize out of 8,000,000 different commodities, and why should he not, but the overall picture is good, it has been a success. It has not been a failure. We should defend it, rather than criticize and condemn it.

Mr. MURRAY of Wisconsin. I am not criticizing and I am not condemning; I am asking the gentleman to explain how he can use the same table to prove two different things.

Mr. PATMAN. Of course, I do not agree with the gentleman at all.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. CRAWFORD. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. BUFFETT].

Mr. BUFFETT. Mr. Chairman, it is deeply disturbing to me that in the midst of the most critical period in America's history there persists a tendency to make reckless and loose statements. On the floor of this House twice this afternoon I have heard the statement made that sugar went to 35 cents a pound in the last war. The highest price for sugar during the last war was 8 and a fraction cents a pound wholesale, according to figures furnished me today by the Department of Agriculture.

The gentleman who preceded me told you about the cost of steel for battleships in the First World War. I regret that he left the impression that there are great savings being made in the cost of battleships over the First World War. I have figures furnished by the United States Navy on the cost of battleships in the First World War and the cost of battleships today. The cost per ton from 1917 to 1920 was $395. The cost per ton today is $1,385 per ton, or a 200-percent-plus increase.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield for a question?

Mr. BUFFETT. I will yield to the gentleman when I have completed my statement.

Mr. Chairman, I think the thing this country needs to understand is the difference between inflation and the effects of inflation. We have had a great deal of inflation in this country that thus far has been concealed by price control. All of us recognize that some price control is necessary during a war period. But we should not fool ourselves into believing we are avoiding the eventual effects of inflation by price control. Certainly we have restricted price raises. But how have we done it? We have done it by adopting the methods of economic control that the Nazis used to keep prices from going up—by price control plus subsidies.

Some years ago the Nazis started the bounty system for their agricultural products. They called it "bounties" and we call it "subsidies." As a matter of fact, their system of payments and ours are much the same.

From 1934 on, the price of every agricultural product in Germany was controlled all the way from the farmer to the user. I urge my colleagues to read the report by the Brookings Institution on how Nazi Germany has controlled business. Certainly we can keep prices from going up. But with deficit financing. We can do so in a long run only by the method the Nazis used—control that winds up eventually with concentration camps.

There are only two possible alternative consequences from continued deficit spending. There are only two: one is higher prices, and the other is absolute regimentation. Those are the two alternatives and anyone who says there is a third alternative to deficit spending either does not know economic history, or has a theory which will not bear up under scrutiny. I think the thing we have failed altogether to see thus far is that the alternative to higher prices from deficit spending is absolute control—control in the Nazi pattern.

Some of our Members came back from Germany a few days ago and told the terrible stories about the Nazi concentration camps. But those camps are the inevitable outcome of deficit financing and a system of managed currency.

Study every system of managed currency in history and see where it wound up. It always ended the same way—disaster and trouble, either via the route of much higher prices or via the route of absolute control and regimentation or terrorism. Now that is the choice ahead on continued deficit spending and there are no other choices.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield.

Miss SUMNER of Illinois. Of course, there is no reason why I should defend Woodrow Wilson's administration, but it occurs to me they are always pointing to the last war as compared with this war. That war only lasted a year. As I recall, during the first year of price control in this country, Leon Henderson said the prices were only up by 50 percent and his resignation was asked for.

Mr. BUFFETT. Certainly. The lady knows and everyone knows that a great many prices have gone up during this war. But in general, price control has

been carried out in seemingly tolerable fashion in this war, with some glaring exceptions. But when you have black markets on a national scale, on a scale where cheating becomes widespread for securing the getting of necessities of life, you do not have a situation that can be described as a glorious success, in my humble opinion. You do not have a situation that is conducive to righteousness nor a situation that is conducive to economic well-being.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I asked the gentleman from Nebraska to yield for a question, but he failed to do so. I will be willing now to yield a little of my time for an answer. Did I understand the gentleman correctly to say that sugar went up to 8 cents a pound and no more in the last war?

Mr. BUFFETT. I said 8 and a fraction cents in the last war; yes, sir.

Mr. MURDOCK. The gentleman maintains then that the price of sugar did not exceed 9 cents in the last war?

Mr. BUFFETT. That is right; yes, sir.

Mr. CRAWFORD. Will the gentleman yield to me?

Mr. MURDOCK. Yes; I yield.

Mr. CRAWFORD. I am utterly amazed at Members of this House taking the floor and saying that sugar went to 35 cents a pound during the last war. It did not. The price of sugar did not touch that price until 1920. In 1920, after everything was gone, it went up. Sugar was controlled by agreement during the last war, and the facts can be ascertained if you will call the Department of Agriculture.

Mr. PATMAN. Mr. Chairman, will the gentleman yield to me?

Mr. MURDOCK. I yield gladly, for I want to get the RECORD straight.

Mr. PATMAN. In every reference I made to the last war and prices, I said during the inflationary period after the last war.

Mr. BUFFETT. Oh, no.

Mr. PATMAN. I still insist that the price of sugar went to 35 cents a pound.

Mr. CRAWFORD. The gentleman did not say after the war.

Mr. PATMAN. It is in the RECORD.

Mr. BUFFETT. Will the gentleman from Texas allow us to take the reporter's transcript as it is?

Mr. PATMAN. I know what I said. I have said that a lot of times.

Mr. BUFFETT. Will the gentleman from Texas allow us to take the reporter's transcript?

Mr. PATMAN. I know when the inflation was.

Mr. BUFFETT. We heard the statement. We ought to have it straight on the RECORD.

Mr. TRIMBLE. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield, in the interest of information.

Mr. TRIMBLE. It is said that sugar did not go to 35 cents during the last war. I am here to say that I came home on furlough during the last war and they sent me to the store to get some sugar. I know what they paid. I paid 38 cents a pound.

Mr. MURDOCK. Certainly so. If you were home on furlough, it must have been during the war. Everybody else that has been alive during the inflationary period of the last war paying family bills knows the same thing. I know that I went to the grocery store about that time and paid more than 30 cents a pound for sugar. I am not quibbling now about just at what time or what hour of the day it was that I paid it, but I know the high price was the result of the inflation growing out of the First World War. Further, by way of contrast, I know I paid $6.50 last year for this pair of shoes which I have on, which I have worn a year without repairing. I know that I paid as high as $22.50 for a pair of shoes no better than these during the other World War, or in the inflationary period of the other World War. Perhaps the chief inflation did come after the war in the other case. If so, all the more reason why we must safeguard our economy after this war.

The gentleman from Texas is exactly right when he tells you that if we had not had this over-all price control this war would have cost our Nation $30,000,000,000 more than it has cost us to date. I cannot see how any sensible person can stand up here and condemn that policy which has saved the national debt from mounting by such leaps and bounds. Having paid household expenses in both wars, no one can tell me our price control has been a failure. Thank God we have had it in this war.

Mr. Chairman, I rose to speak on the last portion of this measure, in order to explain the justice of the provision concerning slaughterers. This committee amendment will apply and do substantial justice to a case in Arizona, at the important mining town of Globe. It appears that the one and only local supplier of meat in the important mining district of Globe and Miami some weeks ago was informed that he had violated a regulation and had wrongfully been paid a sum of money. This he was called upon to return to the Government. I have it on good authority that his violation was not willful, but technical, and he contended that it was not only an injustice for him to be required to pay the money back, but that he would thereby be forced out of business.

I understand that the officials have found the facts to be about as described to me, and therefore this measure would relieve that and similar cases, so that such producers could go ahead and supply the necessary war food. In our mining camps, meat is really a necessary war food, because the miners cannot and will not produce the copper without meat.

In the Senate bill there is a provision which the House committee struck out. The Senate would do away with the cancellation clause in regard to copper, lead, and zinc, except in one justifiable instance. I am sorry the House committee left that provision out, and am hopeful that it will be contained in the final enactment. Many constituents and many men in whose judgment I rely tell me that that sword of Damocles, that is, the threat of cancellation, hanging over the heads of the producers of war metals, will cause some producers to shut down and that it will have a detrimental effect upon this vital war production.

We have urged and induced small mine operators to get into production. I feel that we have not given them enough encouragement. Since no man can foresee the exact end of the war, I believe to jeopardize production of war metals is a hazard to the Nation's welfare, as well as an injustice to the miners, in thus discouraging their production by retaining this cancellation clause against them. Surely, in the production of such vital things as copper, lead, and zinc, the Government can afford to be a little overgenerous rather than be niggardly and take that risk. We cannot exactly count out the ammunition to the last bullet. When this measure finally becomes law, the premium prices should be guaranteed for the entire next fiscal year.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself 7 minutes.

The CHAIRMAN. The gentleman from Michigan is recognized for 7 minutes.

Mr. CRAWFORD. Mr. Chairman, from the standpoint of war costs, subsidies I assume might be justified; but in my opinion this is the most effective poison to our system of economy today in this country that can possibly be administered. I have not any idea whatsoever that subsidies will be discontinued during the next 5 to 10 years. I am satisfied that the people of the United States, by reason of the principle of the redistribution of wealth which is involved in this policy that is being followed, will support a continuing program of rationing and price control. I believe it is sure death for the free enterprise system of America. I cannot imagine a sane people following such a course even in a war of this kind, but it is an adopted policy, it is an accepted policy by the people of this country; and, Mr. Chairman, the same arguments will be used in the years to come to continue this program, that have been used here this afternoon; and any Member of this House as far as I can judge of the abilities of this membership can go into any community in the United States and sell the same doctrine that was advocated here by the gentleman from Texas [Mr. PATMAN]. There is no way the people of this country can get hold of the true facts in the matter, and they accept it. They accept it and destroy what we recognize in this country as the free market where the customer can decide what the price is, where the customer can decide whether or not a certain commodity shall remain on the market, where the customer can say that an article is not acceptable in quality or price, therefore he will not buy it, and that means the man who is producing it goes out of business and some fellow comes along who will produce a better product at a lower price to step into the picture and satisfy the wants of the customer. The subsidy program destroys that principle in the economy of this country, and therein we are kissing goodbye to the private enterprise system of the United States.

With a fixed price below cost and an insufficient subsidy you do not get production. Today a producer comes along and has trouble because of weather conditions or otherwise in producing a certain food item. Under the old system an increase in price would take care of the situation. The price of the scarce article would rise and producers would come back into the picture and produce and bring back an adequate supply of that particular food item; but here you run into adverse weather conditions, the price level is fixed, the subsidy incentive does not make it up and therefore you do not produce; therefore the shortage continues; therefore the people do not have the product; therefore it passes out of existence.

The private enterprise system which made this country able to do what it has done in wartime, that system is passing away, and you are not going to bring it back with a little effort. To discontinue these subsidies and these controls in the postwar period will require a Congress of stronger integrity and character than the one we have at the present time, and I am talking about my own dunghill now. There is no question about that in my mind. We might just as well be realistic about it. This buys support of the voter. This redistributes the wealth of the country. This enables a man to go before the public and make statements that cannot be supported by the facts, but the public has not access to the facts. In the name of the war we make many things we may not eventually need in the prosecution of the war. It is all part of the war cost. We may build a dozen battleships we do not need, we may build a lot of things in wartime that we do not need. You have got to write them off. War disintegrates, war destroys character, war destroys physical life; and this particular program destroys the economic system of the United States.

Some day a great effort will be required if free markets are again established. In the meantime subsidies will be continued by the support of the people and the enterprise system will suffer.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Nebraska.

Mr. BUFFETT. I am sure the gentleman will be interested in clearing up the discussion on the floor in reference to the price of sugar during the last war. I just spoke to Dr. Barnhart, of the Sugar Division of the Department of Agriculture, and he tells me the price was controlled and that the price during the war was $8.82 a hundred cash, wholesale, New York City. That was the price in the last war.

Mr. CRAWFORD. Anyone familiar with sugar history knows that to be the fact. I will pay a cash premium, and a substantial cash premium too, to any wholesale food store in the United States that will give a sworn statement that they paid 35 cents or 25 cents or 20 cents a pound for sugar during the period of World War I.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The gentleman will remember one of the principal causes of that postwar inflation.

Mr. CRAWFORD. We are not discussing the postwar inflation. I am talking about the war period prior to November 11, 1918. That is when the war ended.

Miss SUMNER of Illinois. I agree with the gentleman thoroughly. What I am trying to say is that after this war there will be infinitely more pressure to continue price controls because of the billions of dollars flowing in from Europe, taken over there by Bretton Woods, and by repeal of the Johnson Act, and we will have both a shortage and more rigid price control.

Mr. CRAWFORD. I can give you 10 reasons for inflation following this war for each reason for the inflation that followed the last war. You not only have the $118,000,000,000 accumulated buying power that the gentleman from Texas [Mr. PATMAN] refers to, but I hope the people of this country will have sense enough to go back into production. If that is true, I certainly hope the people who do the work will be paid reasonable wages and salaries. If that is true, you will have that buying power plus the $118,000,000,000 that have been saved, plus all the previous accumulated savings, pushing against a shortage of supplies due to the destruction of the private enterprise system through rationing, price control, and profit controls. We know this Administration intends to continue those controls after this war is over.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself an additional minute.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Of course, the gentleman knows my stand on consumer subsidies. Those who thought and talked as I did and voted as I did were driven to this position. This is the only method that we have of obtaining production during this war. I do not believe there is a single Member on either side of the House who will vote against the pending bill because we are giving the department affected all the money asked for. In addition to that, certain other commodities may need some help and we have said to that department: "You may have $100,000,000 additional." So from now on if we do not get the production necessary to operate during the war, it is not the fault of the Congress but those who administer the law.

Mr. CRAWFORD. The gentleman from Georgia [Mr. BROWN], in the absence of that good friend of ours, Mr. Steagall, who passed away, led the fight against these subsidies and, as I recall, more than two-thirds on both sides of the aisle supported him in that position, in order to try and prevent the subsidy program being established; still we could not override the President's veto.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. ROGERS].

Mr. ROGERS of New York. Mr. Chairman, in answer to the remarks of the gentleman on the other side of the House, may I say that the food business happens to be my business. I was in it during the last war and I am still in it. For his information, I bought hundreds of bags of sugar for $28 a bag, and those were 100-pound bags. I had to go and get them myself.

Mr. CRAWFORD. When?

Mr. ROGERS of New York. During the last part of the last war.

Mr. CRAWFORD. The sugar business happened to be my business at that time.

Mr. ROGERS of New York. That is why I had to pay so much.

Mr. CRAWFORD. I know exactly what the prices were and I can show them in the Department of Justice. I am not afraid to make that statement because I helped the Department of Justice administer that act. I know what happened, and I defy the gentleman to show an invoice where he bought any sugar in this country for above $20 a hundred during the war on any carload of sugar. I challenge him to find a copy of the invoice.

Mr. ROGERS of New York. I am glad to find out one thing. I am glad to find out who was the cause of the high price of sugar.

Mr. CRAWFORD. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the fact that I am supporting this legislation and urging my colleague to vote for it does not mean that I condone or endorse the policy of the OPA or the principle of paying consumer subsidies. I am supporting this legislation as a matter of vital necessity. We have, as one of the gentlemen stated a while ago, the lion by the tail and we cannot let go of it. If we stop paying these subsidies, the only thing that can be done is to materially increase the prices which would raise the cost of living directly to the people and start that inflationary spiral. Once a program of this kind of paying consumer subsidies has been embarked upon, it grows like a snowball rolling down hill, and it is very difficult, in fact nearly impossible, to stop it. This legislation is of vital necessity if we are to get the essential foods.

I have enjoyed the discussion here this afternoon. Of course, the last war that the gentleman from Texas and others on his side have talked so much about, as well as the high prices at that time, incidentally came under a Democratic administration with Democratic policies then in operation. I know what the gentleman from Michigan said is correct with reference to the price of sugar and with reference to the price of other commodities, and anybody familiar with the conditions at that time knows that the inflationary spiral came after the war was over and not during the war period.

On the other hand, looking at the present time, the hold-the-line policy and holding down prices has not been so successful when it comes to vital commodities. Today we have a shortage of meat,

both beef and pork; a shortage of butter; a shortage of sugar; a shortage of poultry, and a shortage of eggs. Those of you who have attempted to buy any of these commodities, particularly meat, through legitimate dealers, will know that it is not possible to get them. Scarcity breeds inflation. In our investigation by the Special Food Committee investigating food shortages we discovered that in the city of New York beef and poultry were selling at from 75 cents to a dollar and a quarter a pound, which was 200 to 300 percent above the ceiling price fixed by the OPA.

This morning I received a letter from a merchant in Minnesota who stated that he could now buy sugar in the black market at $29 a sack containing 100 pounds. I also received a letter this morning from a party in New Jersey in which I was told that the price of eggs was openly quoted in the black market at 10 cents above the ceiling price fixed by the OPA. So inflation is here, in spite of the policies of the OPA in attempting to hold the line.

The gentleman from Texas overlooks the fact that many of these ill-conceived policies of the OPA and its blundering administration of the food program have brought about a scarcity, and the scarcity in turn has brought inflation through the black-market operations and higher prices to the consumers of the country.

The gentleman from Texas referred to the fact that Congress cut down on the appropriations for the enforcement of OPA regulations. It is true we did cut down the appropriations, but I do not think that would make any material difference. Had we appropriated a billion or $2,000,000,000 a year for the OPA, I doubt very much if we would have had any higher caliber of men or men of greater integrity than the ones they have in the OPA now.

Our committee held a hearing in Cleveland not so long ago on the question of meat shortages. When we came there we found eight OPA officers had been particularly assigned to look into black market operations in meat, and they had not found anything in particular. We pointed out to them from their own records how different small operators there, from the way their volume of meat had increased, could not help but be in the black market. Just a few days ago we received word that because our committee called to their attention certain operations they investigated and found black market operations. If they are to have men of such shortsightedness and lack of judgment handling OPA, it would not make any difference if they had 10,000,000 men. Up in New York City, with the aid of that outstanding character, Mayor LaGuardia, they have tried to enforce the OPA price ceilings, but there again we found that 90 percent of all of the beef and poultry was in the black market, and that the consumers in New York City were paying from 75 cents to a dollar and a quarter a pound. We were told that the OPA would have to place one or two policemen in every food store, and there are over 50,000 of them there, and then they probably would not be able to catch the black market operators.

That is the way it goes. They do arrest a few small merchants once in a while, storekeepers who might have sold some poultry for a few cents over the price ceiling, a little operator, but they do not get after the big operator. They just seem to let him alone and let him flourish.

We can take case after case here in the city of Washington where the same slaughterers or meat dealers have been prosecuted for selling above the price ceiling, but some of those cases after 2 years' time have not been prosecuted. I know one case in particular of a black-market operator here who spent $50,000 in cash in buying a restaurant downtown. That man has been fined a couple of thousands of dollars, but that fine was just charged to overhead expense and did not mean a thing. When he could make probably twenty-five or fifty thousand dollars a week, he could afford to be arrested every day and still make a tremendous profit.

The pathetic thing about the OPA operations and the difficult situation that confronts the American people today is the misadministration, the lack of understanding on the part of those who shape the policies, the constant delay and bickering between 22 agencies down here that have charge of food policies.

It seems to me a good many of these people fail to understand that it takes work to produce food, in the production, the processing, and the distribution of it. These men, the policy-makers, as I call them, want to control our entire economy. They know very little about the intricate parts of our economic structure when it comes to the business of producing vital necessities for the American people.

We are going to have a new Secretary of Agriculture, one of our colleagues, the distinguished gentleman from New Mexico. He is chairman of our special food committee. I know we all wish him well when he undertakes his new position as a member of the Cabinet. As one Member of the minority who has served with him, I urge the President of the United States to give him full and complete power to handle the food problem from the production, distribution, pricing, and rationing end of it, so that there will be one responsible head to whom the people can look for timely and efficient action.

I know our colleague from New Mexico understands the problem. I know he has the intelligence to administer the program if he is given free rein to do so. I am satisfied he will do a good job as the new Secretary of Agriculture.

The bill before us should have been approved weeks ago. Producers and manufacturers have a right to know what the policy of the Government will be. Failure of Congress to act before this time on the payment of subsidies has caused confusion in the trade and with such confusion has come a decrease in production and a considerable loss of confidence. I therefore urge favorable action on the bill. We can take no other course at this time.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, as has already been said this afternoon, this subsidy program is an accepted policy of the Government. It is a policy which was adopted over my objection and over the objection originally of about two-thirds of the Members of the House. But it has been adopted. We must accept that fact. We are confronted with a situation now that unless we pass this bill and make these funds available, every flour mill in this country will have to close down after the first day of July and many other business institutions engaged in the processing of food will very likely have to do the same. Therefore, there is nothing to do, so far as I can see, except to support the legislation.

I have been interested in the discussion this afternoon, which has gone somewhat far afield, in my opinion—into the problems of inflation and the food program and that sort of thing. The gentleman from Texas has made a comparison of the production of food in this war period and during the period of the previous war. I think it is rather difficult to make such a comparison of those two periods because conditions were very different. I think the farmers of this country are entitled to credit for having done a magnificent job during both wars. During the First World War, we did not have the favorable weather which we have had during this war. I recall in 1917 we had one of the shortest wheat crops ever produced in this country and other crops were short because of weather conditions. But nevertheless we did during that period produce sufficient food for our own people and for our armed forces and sufficient to meet relief needs abroad. A very good job was done.

The gentleman from Texas, our good friend whom we all enjoy hearing, has called attention to the fact there has been criticism of the food program this year. He deplores that fact, but I call attention of the Committee to the fact that the most severe criticism which we have had of that program has come from a committee of this House headed by our distinguished colleague, the gentleman from New Mexico, who will shortly become Secretary of Agriculture, a position for which he is eminently qualified. I also call attention to the fact that there has also been very severe criticism of this program by the Senate Committee on Agriculture, headed by the distinguished Senator from Oklahoma [Mr. THOMAS]. This criticism has gone further than anything I have said or that most of us have said about the food program. If we are going to make comparisons, I would like at this time to call attention to the fact that during the last war when Mr. Hoover was Food Administrator, that he not only had charge of the production of food, but of the distribution and transportation of food, both at home and abroad, and that during that time he operated with a force of not to exceed 6,000 people, some of them operating part time, whereas in this war we have had in the OPA and the Department of Agriculture and in the FEA and other agen-

cies which have dealt with food, as I am told, although I have not verified these figures, approximately 200,000 employed, including those, of course, who are employed only part time. So if we are going to make a comparison between the operations during this war and the other war, I think we ought to take that fact into consideration, although, as I say, conditions are different and for that reason I am not disposed to make any invidious comparisons.

However, if we are going to go into that question, in order to keep the record straight, it ought to be said that during the last war, under the leadership of Herbert Hoover, we did carry out a food program which was outstandingly successful. We did not have shortages; we did not have rationing; we did not have controls. It was all voluntary, and carried out with an astonishingly small number of personnel.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. ROCKWELL].

Mr. ROCKWELL. Mr. Chairman, I wish to direct my remarks to the provision of Senate bill 502 which the House Committee on Banking and Currency has stricken. This clause reads as follows:

Provided further, That the premium price plan for copper, lead, and zinc shall be extended until June 30, 1946, on the same terms as heretofore, except that all classes of premiums shall be noncancelable unless necessary in order to make individual adjustments of income to specific mines.

It is not my purpose to move to have this provision reinserted on the floor, but I hope and believe that further thought will convince the House conferees that this Senate provision should be placed back in the bill.

The premium price plan for copper, lead, and zinc became effective February 1, 1942. Its purpose was to stimulate the domestic production of these metals so vital to the war effort. It is a subsidy paid only to make up the difference in the cost of mining in various areas and thereby open up bodies of ore that could not profitably be mined otherwise. Had prices of these strategic minerals been permitted to rise in accordance with supply and demand there would have been no need for any premiums or subsidies, but the cost to the Government would have been many millions—yes, hundreds of millions—of dollars more.

The Government is the sole purchaser of these strategic minerals, and they have been used almost entirely in the production of tanks, planes, guns, ammunition, and the other implements of war. It was not long ago that the WPB informed us that unless new domestic supplies of zinc could be developed, it might result most seriously for the future of our war effort. A little later the shortage was lead. To develop new mines and to increase production of the older producing ones, premium payments were authorized to stimulate our domestic production of these metals in excess of monthly quotas established by WPB and OPA.

This legislation, as is the case in all mining legislation, is of major importance to my district and to the State of Colorado. Without the knowledge that these premium payments will continue, many of our strategic metal mines must close because they know they cannot compete with the cheap labor of foreign countries, and some of the richer bodies of ore found therein. Contrary to the opinion of some people, these mines cannot be shut down and opened up at will. Shut-downs of mines result, in most cases, in the loss of large ore reserves, as deep mines fill with water, cave-ins occur, and ore in that area is then inaccessible and often forever lost.

It should be kept in mind that in the future, as in the past, we shall need to assure adequate supplies of metals for war and essential civilian requirements, and that we should have a sufficient supply of these metals on hand to guarantee a steady and speedy reconversion to peacetime production. Mining depends upon continuous development work, and we cannot expect our producers to continue unless they have some guaranty of reasonable prices for a definite time. In the case of copper, more than 90 days elapse from the date the ore is mined until it is treated, shipped, refined, and ready for sale. At present B and C contracts for these metals can be canceled on 30 days' notice under WPB regulations. It becomes constantly more difficult to hold the labor for these mines. The Senate amendment would prevent such sudden cancellation of contracts. The WPB and OPA admit that continued production of these metals is necessary, and that the premium price plan is an effective method of encouraging such production. In my opinion, the producer, who cannot market his product, in many instances, under 90 days, should not be faced with a canceled contract after he has incurred, at the request of the Government, the expense of development and labor involved. Also, he cannot keep his labor if they are only assured employment for 30 days in advance.

For these reasons, I believe that the premium-price plan should be continued on a noncancelable basis until June 30, 1946, as is provided in the Senate bill, so that producers engaged in this hazardous industry may continue until the close of the Japanese War, when we hope that with the help of the other metals that generally are found with these ores, they may be able to continue in production, and thereby help in the postwar period.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, I take this time for the purpose of trying to find out from somebody, if anybody knows, just what this $292,000,000 that appears in subsection (d), paragraph 5, of the bill is for. I have read the hearings, but the hearings are very meager. It will be recalled that we had a bill here about a year ago that passed the House by a very substantial majority slightly increasing the price of oil so that it would not be necessary to subsidize that industry. That bill was never passed by the Senate. Now, according to the hearings, $75,000,000 of this subsidy is to be used for that purpose; the other $215,000,000 is to be used for extraordinary transportation costs.

What are the extraordinary transportation costs that are anticipated in the future? I can understand how, perhaps, when the submarine menace was still at its peak in the Atlantic. There could well have been extra transportation costs, particularly on oil coming in for refining purposes, but there is nothing in the hearings on this item that I can find showing justification for the item in the future. I am not saying this in a critical way, but am trying to find out why it is necessary now to anticipate $215,000,000 for extraordinary cost of transportation of oil.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. SPENCE. I have not the detailed information about it, but part of it was for stripper-well operations to increase production.

Mr. RIZLEY. I understand the $75,000,000; there is $75,000,000 set up in the bill for stripper-well production. What is the other $215,000,000 for?

Mr. SPENCE. Part was for transportation costs from points of production to the seacoast ports.

Mr. RIZLEY. I can find nothing in the hearings.

Mr. SPENCE. It has not been broken down as to details, but it has been stated that most of the subsidies were transportation subsidies for that purpose.

Mr. RIZLEY. I will be glad to yield to my friend from Oklahoma. Maybe he can give me some light on this.

Mr. MONRONEY. I thank the gentleman for yielding to me. I have also been trying to ascertain whether there would be a difference in transportation costs now that the war has shifted from a two-front war to a one-front war. I am advised by Mr. George Stoner, of the Defense Supplies Corporation, that they have not yet been able to determine just exactly what the reduction would be. There is the thought in the Petroleum Administration for War that there will be no reduction because there will be no tank ships returned to the Atlantic run because of the length of time required to make the Pacific run and the necessity for using these ships for storage purposes in many cases in our island bases.

I may say, however, that it seems to me some reduction must obviously occur because almost 50 percent of all the petroleum products moving to the east coast went on to the European theater of war. Undoubtedly there will be some saving there.

Mr. RIZLEY. Under those circumstances this is a subject that should have further investigation because every one seems to me very indefinite about the actual amount that will be needed.

Mr. MONRONEY. That is true, and I believe this committee or the Small Business Committee of the House at the earliest possible time and after examination of figures should undertake a careful study and scrutiny of exactly how much of this money will be needed, then take steps to earmark only that part for use in this program.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Texas?

Mr. POAGE. Will the gentleman tell me why the United States Government should try to maintain the same price on gasoline in Washington, D. C., and in New York City that obtains in Oklahoma or at Long View, Tex., or right at the refineries. At present you can buy gasoline in Washington as cheaply as you do in Oklahoma. Does the gentleman know of any reason on earth why gasoline should sell as cheaply on the east coast of the United States as it does right at the refineries?

Mr. RIZLEY. I have not been able to understand that either. As a matter of fact you can go across the line from my town of Guymon, Okla., to Liberal, Kans., which is about 40 miles away and usually find more of a differential in the price of oil than the difference in the respective States gas tax.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. HARLESS].

Mr. HARLESS of Arizona. Mr. Chairman, I rise to speak on one particular part of this bill which has been amended as far as the Senate bill is concerned, and I refer to the section referring to the noncancellation of contracts with the copper, lead, and zinc interests. The provision of the bill as it passed the Senate was that the premium price planned for copper, lead, and zinc shall be extended until June 30, 1946, on the same terms as heretofore, except all classes of premiums shall be noncancelable unless necessary in order to make individual adjustments of incomes to specific mines, and that the Metals Reserve Corporation shall purchase during the fiscal year 1946 at its 1944 price schedule bauxite produced from such of the underground mines as supply it, and so forth.

The purpose of this legislation is to increase production. It happens to have been my experience to have spent 5 years working in a copper mine, and I know what the mining interests and the miners have to do in order to produce their ore and then sell it. It takes some 3 to 4 months after the ore is removed from the ground before it is salable. Of course, it takes an extended length of time in planning and development work before they can remove the ore from the ground. No mining interest or no company will go about a program of removing copper ore from the ground unless they can see ahead at least 6 months. If you run on a margin that is too close it would be impossible to get production from the copper mines of this country. Unless you reinsert this clause into this bill you will not get the maximum amount of production of copper, and I am sure that applies also to lead and zinc. It will be necessary to provide that these miners may go ahead on a year's margin at least. I hope that the conferees of the House who go into conference with the Senate will study this and move to recede and concur with the Senate. I am familiar with the condition, and I know the mines of this country will have to close down unless they know where they are going and can plan with certainty. The development work alone in a mine takes several months before they can reach the ore which has to be removed. After the removal of the ore it takes several more months before it can be refined and put on the market.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. ENGLE of California. Mr. Chairman, I am deeply interested in the matter just referred to by my colleague from Arizona. A noncancelable premium is vitally important to the mining people. A mining operation cannot be turned on and off like a hydrant—it takes planning, sometimes months of development work, and the expenditure of large sums of money. The miners cannot do this unless they know they will be able to produce long enough to get their money back. These minerals and metals are vital to the war effort—they must be produced, and even should we produce somewhat more than actually needed, the surplus will be a good insurance. Copper, lead, and zinc are indestructible. They will be good in our national stock piles if overproduced—and we do not anticipate that. The other House will no doubt insist upon this noncancelable provision. I hope our conferees will recede and concur, and return this vital provision to the bill.

The CHAIRMAN. All time has expired. The Clerk will read the bill for the amendment.

The Clerk read as follows:

Be it enacted, etc., That the last paragraph of section 2 (e) of the Emergency Price Control Act of 1942, as amended by the Stabilization Extension Act of 1944, shall not apply, with respect to operations for the fiscal year ending June 30, 1946, to corporations created or operations authorized to be performed pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended: *Provided*, That with respect to such corporations and such operations the making of subsidy payments and buying for resale at a loss for the purpose of maintaining maximum prices established pursuant to provisions of the Emergency Price Control Act of 1942, as amended and supplemented, shall be limited as follows:

(a) Payments or purchases may be made after June 30, 1945, in such amounts as may be necessary to fulfill obligations incurred prior to July 1, 1945, with respect to 1945 and prior fiscal-year activities.

(b) Payments and purchases may be made with respect to operations for the fiscal year ending June 30, 1946, which involve subsidies and anticipated losses as follows:

(1) With respect to materials or commodities, other than rubber and rubber products, produced outside the United States, in an amount not to exceed $80,000,000;

(2) With respect to rubber and rubber products produced outside the United States, in an amount not to exceed $60,000,000;

(3) With respect to materials or commodities produced within the United States, as follows:

(A) Meat in an amount not to exceed $560,000,000;

(B) Butter in an amount not to exceed $100,000,000;

(C) Flour in an amount not to exceed $190,000,000;

(D) Petroleum and petroleum products in an amount not to exceed $290,000,000;

(E) Copper, lead, and zinc, in the form of premium payments, in an amount not to exceed $88,000,000; and

(F) Other materials or commodities in an amount not to exceed $100,000,000:

Provided, That in the event the entire amount of any of the above allocations is not required for its purpose, the unused portion of such allocation, but not to exceed 10 percent of such allocation, may be used for making such payments on and purchases of any other item or items enumerated in this act, as may be determined by the Director of Economic Stabilization: *Provided further*, That the premium-price plan for copper, lead, and zinc shall be extended until June 30, 1946, on the same terms as heretofore, except that all classes of premiums shall be noncancelable unless necessary in order to make individual adjustments of income to specific mines; and that the Metals Reserve Company shall purchase during the fiscal year ending June 30, 1946, at its 1944 price schedule, bauxite produced from such of the underground mines as supplied bauxite to the Metals Reserve Company during 1944 and in such quantities as the Bureau of Mines determines as being subject to permanent loss if not removed prior to June 30, 1946, but not to exceed, however, 500,000 long tons.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the last paragraph of section 2 (e) of the Emergency Price Control Act of 1942, as amended by the Stabilization Extension Act of 1944, shall not apply, with respect to operations for the fiscal year ending June 30, 1946, to corporations created or operations authorized to be performed pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended: *Provided*, That with respect to such corporations and such operations the making of subsidy payments and buying for resale at a loss shall be limited as follows:

"(a) Payments or purchases may be made after June 30, 1945, in such amounts as may be necessary to fulfill obligations incurred prior to July 1, 1945, with respect to 1945 and prior fiscal year activities.

"(b) Payments and purchases may be made with respect to operations for the fiscal year ending June 30, 1946, which involve subsidies and anticipated losses as follows:

"(1) With respect to materials or commodities, other than rubber and rubber products, produced outside the United States, in an amount not to exceed $80,000,000;

"(2) With respect to rubber and rubber products produced outside the United States, in an amount not to exceed $60,000,000;

"(3) With respect to materials or commodities produced within the United States, as follows:

"(A) Meat in an amount not to exceed $595,000,000;

"(B) Butter in an amount not to exceed $100,000,000;

"(C) Flour in an amount not to exceed $190,000,000;

"(D) Petroleum and petroleum products in an amount not to exceed $290,000,000;

"(E) Copper, lead, and zinc, in the form of premium payments, in an amount not to exceed $88,000,000; and

"(F) Other materials or commodities in an amount not to exceed $100,000,000:

"*Provided*, That in the event the entire amount of any of the above allocations is not required for its purpose, the unused portion of such allocation, but not to exceed 10 percent of such allocation, may be used for making such payments on and purchases of any other item or items enumerated in this act, as may be determined by the Director of Economic Stabilization: *Provided further*, That the Metals Reserve Company shall purchase during the fiscal year ending June 30, 1946,

at its 1944 price schedule, bauxite produced from such of the underground mines as supplied bauxite to the Metals Reserve Company during 1944 and in such quantities as the Bureau of Mines determines as being subject to permanent loss if not removed prior to June 30, 1946, but not to exceed, however, 500,000 long tons.

"SEC. 2. Any slaughterer not in a class eligible for extra compensation payments under livestock slaughter payments regulation No. 3 of Defense Supplies Corporation, adopted pursuant to directives of the Director of Economic Stabilization, who has received or may hereafter receive such subsidy payments, shall be relieved of obligation to repay the amount thereof, in whole or in part, to the extent that it is determined by the Director of Economic Stabilization, or any agency of the Government authorized by him, that such slaughterer believed reasonable and in good faith that he was eligible to receive such subsidy payments for his production, and that requirement of repayment would be inequitable."

Mr. BULWINKLE. Mr. Chairman, I move to strike out the last word.

May I ask the chairman of the Committee on Banking and Currency whether the language in subsection (f) on page 5 which reads: "Other materials or commodities in an amount not to exceed $100,000,000" includes mica?

Mr. SPENCE. Presumably it would include mica.

Mr. BULWINKLE. Well, does it?

Mr. SPENCE. Not exactly. It provides authority to subsidize mica if it is desirable.

Mr. BULWINKLE. Was not mica subsidized under existing law?

Mr. SPENCE. I think mica was one of the foreign materials which was purchased by the Government under a subsidy, and I have no doubt that if mica is needed as a strategic material that it can be subsidized. I am confident of that. It probably would be subsidized.

Mr. BULWINKLE. May I say to the gentleman from Kentucky that about 50 percent of the mica mined in the United States is mined in North Carolina, some of it in Georgia and some of it in the Dakotas. The mica men have been up against it pretty badly. I would like to have some assurance from the gentleman that mica is covered. I do not at this point want to offer an amendment, but I do want some recognition that these mica miners will be taken care of. That there will be a subsidy for American miners if needed.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. BULWINKLE. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I am quite positive that mica is on the President's list of strategic and critical materials. The gentleman will notice on page 4 of the hearings that mica is listed as one of the commodities on which there have been losses. If mica is on the list of strategic and critical materials it may be subsidized if it is necessary to do so to obtain a maximum amount of production, under the general provisions of section 2 (e) of the O. P. A. Act. If it is not listed as a strategic and critical material and it is necessary to pay a subsidy to get the maximum amount of production, then, of course, the President could, even now, add it to the list of strategic and critical materials and then the $100,000,000 provided for in (f) could be used. So it becomes, I think, more of an administrative than a legislative problem.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. BULWINKLE. I yield to the gentleman from Kentucky.

Mr. SPENCE. I am positive mica is one of the materials that are subsidized as materials purchased outside of the United States. I would presume it would be subsidized if produced inside the United States.

Mr. BULWINKLE. It should be, instead of going outside the country to subsidize.

Mr. SPENCE. That would be an additional argument, it seems to me.

Mr. BULWINKLE. I shall not offer an amendment, but I will take it that what you gentlemen say means that if necessary that aid will be given. And I deem it that it is the legislative intent to subsidize the American miner if necessary.

Mr. SUNDSTROM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUNDSTROM: Page 6, line 20, after "inequitable", add a new section, as follows:

"SEC. 3. Any slaughterer, who has received, or may hereafter receive, any subsidy payments from Defense Supplies Corporation, shall be relieved of obligation to repay the amount thereof, in whole or in part, unless Defense Supplies Corporation shall first establish its claim, by proof of willful violation charged, in a court of competent jurisdiction, by a suit to be instituted within 6 months from date of last payment of the amount sought to be recaptured."

Mr. SUNDSTROM. Mr. Chairman, this amendment is merely another effort to increase the food supplies of the country. As you probably know, in section 2 of the bill we give the Administrator the power to cancel any recapture of moneys that have been paid to slaughterers if he believes they have acted reasonably and in good faith. My amendment merely carries that thought further, that those men who are not awarded this advantage by the Administrator can then keep that money which they have already been paid until it is proven that they are willful violators.

This involves only a slaughterer who already has received a subsidy. As it works out now, the Defense Supplies Corporation pays this slaughterer certain subsidies to make up for the differential in the actual cost of doing business, in order to see that he can make a profit. After he has lived up to these rules and regulations, the OPA or the War Food Administration comes around and inspects his plant to see if he has lived up to the rules and regulations. If one of the inspectors, or it may be a clerk, comes into the plant and then says, "This man has been a willful violator," the OPA writes a letter to the Defense Supplies Corporation and says, "These men have been willful violators for 6 months."

The Defense Supplies Corporation, without any trial, without any chance for that slaughterer to prove his case in court, immediately takes steps to stop his subsidy and to recapture the money which has already been paid.

Mr. KELLY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SUNDSTROM. Yes, sir; I am glad to yield.

Mr. KELLY of Illinois. That has been the case with so many small slaughterers in the Nation. Instead of helping the meat supply of the Nation, it has retarded the meat supply by practically putting out of business many of the small slaughterers on account of the conditions the gentleman is now talking about.

Mr. SUNDSTROM. I agree with the gentleman. I was going to bring that point out.

The net result has been that these small businessmen who have been depending on this small subsidy to keep them in business all of a sudden find themselves confronted with a situation without any chance to prove their case. They must repay the Government moneys that have already been paid them. They only have two choices, either pay the money back and operate at a loss or go out of business. Up in my district, and I know it is true all over the country, any number of slaughterers have had to go out of business. I know of one man now who has a subsidy where he is trying to recover $85,000. He has been in the courts trying to get a hearing for 1 year. The slaughterer receives no notice and no hearing. He has no opportunity, factually or legally, to establish his position or deny the allegation. No machinery is set up for a hearing or a determination of any allegation of the OPA or the War Food Administration. The Defense Supplies Corporation withholds payments merely upon the word of some official or clerk of either agency. Subsidies are withheld for alleged willful violations. When a slaughterer challenges the agency to prove the violation or his willfulness, he has been told repeatedly if he challenges their authority they will indict him. Other statements are made to discourage the slaughterer from receiving the subsidy already due him. The OPA has maintained that it pays the subsidies because its regulations fixing the ceiling price is unfair in that the prices fixed are below the cost of production. It therefore pursued a policy of recommending the payment of subsidies to make up the difference. However, it throws every obstacle in the way of the slaughterers receiving their subsidies, and there are thousands of cases on record today where the subsidy of slaughterers has been withheld without legal reason or adjudication. The result is that the OPA or the War Food can at its whim or fancy destroy the business of any slaughterer before he can obtain relief.

This is just simple justice. I have checked with the OPA to find out how far back they are on their investigations. I want to be fair with them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROWN of Georgia. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to speak for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BROWN of Georgia. Will the gentleman explain the difference between the committee amendment and the amendment offered by the gentleman?

Mr. SUNDSTROM. Well, that is very plain. The committee amendment is this, that it allows the Administrator if, after the OPA or War Food Administration has said that somebody is a willful violator and they have asked the Defense Supplies Corporation to recapture, the Administrator if he believes that the slaughterer was reasonable and acting in good faith, or if he believes he was eligible, for one of those reasons he could therefore say, "I am not going to recapture." Now, my amendment takes care of the man whom the Administrator has not given that relief and to whom the Administrator has said, "We are going to recapture it." Then I say that fellow ought to have a chance to prove whether he was a willful violator or whether he was not.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Banking and Currency Committee has agreed to a very liberal amendment in this respect, and that amendment is in the bill, that if the money is paid to the slaughterer by mistake, even though he is not entitled to it, even though he got it illegally, if the Administrator feels it will work an undue hardship on him and an inequity, he can relieve him of repayment. That seems to me to be a rather liberal amendment in behalf of the Government.

The amendment offered by the gentleman from New Jersey goes further than that. It provides that if the slaughterer obtains subsidies to which he is not entitled, even though it may be obvious he was not entitled to them, before those subsidies can be recovered the Defense Supplies Corporation will have to institute suits all over the United States, to recover those amounts. And the burden of proof is upon the Corporation to show in a court of justice that those subsidies have been illegally paid. The amendment we have proposed, it seems to me, would give relief in a very liberal way. I do not want to see any injustice done to a slaughterer, but I do think this puts the Government of the United States in a very undesirable position, when by mistake it has paid subsidies, and in order to recover those subsidies it has to go into the courts of the United States in the various districts of the United States which have jurisdiction over the person, and bring those suits. It cannot withhold future subsidies as an offset to the subsidies paid by mistake. It would be a source of unending annoyance and trouble, and it would hardly be a just thing to the Government of the United States.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. PATMAN. Is it not a fact, too, that these payments were made entirely upon the representations of the slaughterer who made the report to the Government? In other words, the Government left it up to each slaughterer. They did not question him. Then they come back later and check him up. They make payment upon his statement. The amendment offered by the gentleman would require the Government to go into court and show that a particular person willfully collected that money.

Mr. SPENCE. Yes. I agree with the statement made by the gentleman.

Mr. DONDERO. Will the gentleman yield for a question?

Mr. SPENCE. I yield.

Mr. DONDERO. If the Government alleges it has paid a subsidy illegally or that a person has received it illegally, is it not the plain rule of law, long established, that it is the duty of the petitioner or the plaintiff to prove his claim and prove what he alleges in court, and not place the burden of proof upon the defendant?

Mr. SPENCE. It is a very different proposition where you rely upon the slaughterer as to the facts. You accept those facts up to the point of payment. This would make the Government go into the various district courts of the United States to recover the money if obtained wrongfully.

Mr. SUNDSTROM. Will the gentleman yield?

Mr. SPENCE. I yield.

Mr. SUNDSTROM. I think the gentleman misinterprets the amendment. The gentleman would not want to place a businessman at the mercy of one man, one investigator, or one clerk. That is where he is put today, because all the OPA must do now is to walk into that slaughterhouse and say, "This man has violated the law for 7 months," and they start recapture right at that time, without any recourse to the courts.

Mr. SPENCE. I do not think that is correct. The slaughterer makes the report to the Government as to the subsidies due him. If the Government pays him on his own representation, they cannot recover the subsidies, they cannot withhold future subsidies as an offset. They must go into a court of justice and obtain a judgment against him.

Mr. SUNDSTROM. Will the gentleman yield further?

Mr. SPENCE. It would impair the administration of this law, and it would be a great hardship upon those who administer it.

Mr. BROWN of Georgia. Will the gentleman yield?

Mr. SPENCE. I yield.

Mr. BROWN of Georgia. I am afraid the gentleman from New Jersey is going to hurt the slaughterers unintentionally if his amendment is adopted. The Government makes these payments before they make the investigation. They make the payments upon the representation of the slaughterer. Afterward they make their investigation. It simply means that the Government will not pay these slaughterers. Many times it will be a doubtful case. They simply will not pay the subsidies, and I think your amendment will hurt the slaughterers.

Mr. SUNDSTROM. I think the gentleman is in error if he understood the amendment in that light.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. WOLCOTT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, let us analyze the situation. You will recall that we had some discussion about this in the committee and that some of us felt that section 2 as it is now written gave to the Director of Economic Stabilization more jurisdiction than he was justly entitled to because it placed in him the authority to determine whether or not the slaughterer had used good faith and whether the slaughterer was eligible to receive such subsidy payments for his production, and also we left to the Director of Economic Stabilization to determine whether the repayment would be inequitable. It seems to me that in that connection we gave the Director of Economic Stabilization judicial power to determine whether the slaughterer did or did not use good faith, and that if the Director of Economic Stabilization held that the slaughterer used good faith, then he could not recover; if he held that the slaughterer used bad faith, then he could recover. I believe we establish a rather dangerous precedent by giving any bureau such judicial powers that they are to be the sole judges as to whether any person has received these subsidies in good or bad faith.

As I understand the Sundstrom amendment, it merely means that when the Director of Economic Stabilization has found that bad faith was used and that the subsidy should not have been paid, then the recipient of the subsidy has the right to go into court and have it determined as a matter of fact and law as to whether he should pay back this money. In adopting the Sundstrom amendment we do two things: We prevent the bureaus from showing favoritism in respect to the collection of subsidies and we also preserve the right which I think is a fundamental, and should be considered a vested, right on the part of any American citizen to have his facts and law determined in a court of justice.

Unless we do adopt the Sundstrom amendment then we have vested in the Director of Economic Stabilization the authority to say: "John Jones did use good faith and therefore we shall not require him to return the subsidy. Henry Smith used bad faith and therefore he must return it." If Henry Smith does not return it what happens? Under the authority contained in the regulation if he does not pay it back then he has his quota taken away from him. There is a property right involved here which should be determined by the court, or at least machinery should be set up for the determination of this property right by the court.

Mr. FOLGER. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from North Carolina.

Mr. FOLGER. Has the gentleman given consideration to the practical operation of an amendment of this sort? And would it not have the effect if the Administrator is to be fair to the Government that no subsidy payments would be made until everything had been checked over and they were fully satisfied that the slaughterer was entitled to any payment?

Mr. WOLCOTT. No; it can be done by regulation very easily and the Government can be fully protected.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as I understand it, they are very lenient in their rules and regulations now because they want to help these small slaughterers. They do not want to delay them. They are willing to let each one make his own statement and upon that statement they will send him a check without any investigation whatsoever so as to expedite payment. That is mighty nice and fair.

Now, then, he has received something which later on he might be called upon to prove. He should prove it. The burden of proof should be on him because he has gotten from the Government money upon his representations. If you change it around and make the Government go into court and prove that he willfully obtained that money through false representations, that is shifting the burden of proof to the Government. I agree with the gentleman from North Carolina [Mr. FOLGER] and the gentleman from Georgia [Mr. BROWN] that instead of helping these little slaughterers you will ruin them because any man who is an efficient Administrator would say: "I am not going to take the risk of paying out money to Tom, Dick, and Harry upon their representations when I cannot get it back unless I go into court."

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. The amendment refers to only the amount that is to be paid. They could withhold all the payments if they wanted to.

Mr. PATMAN. That is right, and instead of helping the small man it would seriously injure the small man. You would be filling up our courts with all kinds of cases which would not be settled for years. You do not have enough enforcement officers in OPA now. You would have to appropriate additional money for more lawyers. In my opinion, the language in the bill is just as fair and reasonable as it can be. I can see in some cases where these payments have been made that it would be inequitable probably to make them pay it back; so we wrote into the bill, not putting the burden of proof on the Government, still leaving the burden of proof on the individual, section 2, which provides a remedy for him to keep that money and not pay it back.

What effect will this have on the black-market operators? Can they go into the black market and still collect these subsidies? It looks to me like they would be able to; so instead of discouraging black-market operations you would be encouraging black-market operations.

Mr. SUNDSTROM. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from New Jersey.

Mr. SUNDSTROM. The gentleman said this would hurt the small slaughterers. Will the gentleman please tell me how it hurts a small slaughterer or anyone else if you allow him to keep the money that is paid him. How can a man be hurt if you allow him to take all that is due him and allow him to keep the money until the Government says he is not entitled to it?

Mr. PATMAN. That is a temporary gain; yes.

Mr. SUNDSTROM. Yes.

Mr. PATMAN. In the future it would prove to be a handicap to him in carrying on his business.

Mr. SUNDSTROM. I do not think it makes very much difference if you lose your money this week or next week.

Mr. PATMAN. He would be handicapped. The present system is a good one.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. Is there anything in the operation of this law that requires the Government to pay these subsidies when the slaughterer makes this report?

Mr. PATMAN. No. They can change the rule, just like we are talking about, and make them put up the proof first.

Mr. ZIMMERMAN. It seems to me the inevitable thing would be that the Government will require them to present certain proof before the Government will pay them.

Mr. SUNDSTROM. Then they will not get any meat; then you will have a food shortage.

Mr. PATMAN. The gentleman's amendment would close up a lot of these slaughterers.

Mr. ZIMMERMAN. No individual would do that, and I do not think we should require the Government to do something that we do not require a businessman to do.

Mr. SUNDSTROM. As the gentleman knows, I have talked with the OPA, and they tell me they are only about 3 months late in checking. All this amendment does is to say they have to institute the suit some time within 6 months. In other words, they are not going to allow them to have a club over their head for 5 years. If you have any money that you are not entitled to, you should have a fair hearing.

Mr. PATMAN. Very well.

Mr. SUNDSTROM. I do not believe in letting any one OPA inspector or one clerk tell me, if I am a businessman, that I violated a thing without being able to go into court.

Mr. PATMAN. This is definitely against the interests of the small businessman, because in the future he will have to make this proof first, which will delay him for months. The gentleman admitted that himself. During that time he cannot get his money. The present plan, I think, is very much better.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. WOLCOTT. The whole matter can be adjusted by providing that the request or demand for the subsidy be made under oath. Then you would not only have the civil process operating against this man who willfully got this money without authority, but you would also have the criminal side of the court to rely on. The only change necessary in their regulations would be to provide that he shall make an affidavit as to certain facts, and then you would have him stopped definitely.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. The gentleman makes a very logical statement, but in practice I am sure it will not work out so smoothly as he indicates. Definitely it is in the direction of clogging up the court calendars. Everybody will have to go into court and hire a lawyer, the OPA would have to have lawyers, and you would have to have lengthy trials. I think with the great amount of court work going on now it would not facilitate but delay the enforcement of these laws. You can see the effect it would have on OPA. It will definitely not help the small businessman, but it will help the black market operator.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The question was taken; and on a division (demanded by Mr. SUNDSTROM) there were—ayes 44, noes 29.

So the amendment was agreed to.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to have the attention of the chairman of the committee reporting the bill, if I may, for the purpose of asking him a question. Earlier during the day I had an informal discussion with the gentleman from Kentucky about the possibility of including mica under the materials or commodities covered or authorized for payment of subsidies. Subsequently I talked with the gentleman from North Carolina [Mr. BULWINKLE] and I was in hopes that I might be here when that paragraph was read to see what might be done in that respect. But unfortunately I was compelled to attend our Committee on Appropriations hearing and was not here at that time.

May I ask the gentleman if a question was asked and answered with respect to the possibility of including mica?

Mr. SPENCE. I think I can make the same response to the gentleman that I made to the gentleman from North Carolina. It is obvious that in the section which provides for other materials and products a sum of $100,000,000, mica could be included. Mica is included in the subsidy of foreign materials. Mica is a strategic material. There is no doubt of the power to include mica in the category of subsidized materials.

Mr. CASE of South Dakota. It occurred to me if mica was included in the foreign materials it certainly should be included in the domestic materials because it is highly strategic material.

Mr. SPENCE. I am absolutely sure it is included in the foreign materials, and it is considered a strategic material.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. The gentleman from Michigan made a statement while I was addressing my remarks to the chairman of the committee in regard to that, and he said it was a strategic material. Is that not right?

Mr. WOLCOTT. I said I was reasonably certain it was on the President's list of strategic and critical materials. I notice they have taken a net loss on the buying and selling of mica, according to the record as shown on page 4 of the hearings, of $617,568. I infer from that that they have been buying and selling mica with the idea of subsidizing its production.

Mr. BULWINKLE. I wanted to show that it is the legislative intent that if a subsidy on mica is necessary it should be granted.

Mr. CASE of South Dakota. Yes. I think the gentleman from North Carolina and I have the same thought on that matter. We want the RECORD to be perfectly clear that the legislative intent of this bill does cover mica.

Mr. WHITE. Mr. Chairman, the program to be carried out under this bill is of vital importance to the welfare of our country but the bill does not go far enough.

In the present financial condition of the Nation, our Government must depend for its support on the collection of a large volume of taxes. To pay taxes business must have profits, and to have profits, our basic industries must be on a sound stable basis.

This condition as it affects the mining industry was recognized by the governors of our Western States in their recent meeting at Reno, Nev., and I submit for the consideration of my colleagues in passing upon this bill a resolution adopted by the governors in support of the mining industry, together with communications from the representatives of other western industries:

WESTERN GOVERNORS' CONFERENCE,
Reno, Nev., April 20, 21, and 22, 1945.

Whereas mining is dependent upon development work and development work will only be done if there is a specific guarantee of reasonable prices for a definite time, the permitting of the rules of the premium price plan in this respect to be changeable or subject to cancellation at the will of the executive agencies would make it impossible for the mining industry and particularly the small mines to plan ahead on a definite basis: Therefore be it

Resolved, That the Western Governors' Conference assembled in Reno, Nevada, April 20 and 21, 1945, hereby respectfully urge the House of Representatives of the Congress of the United States to promptly relieve the anxiety and distress of the base metal miners of the United States by continuing the premium price until June 30, 1946, on a noncancelable basis and we approve, therefore, the bill S. 502 as already passed by the Senate of the United States insofar as it relates to mineral and metal subsidies.

Approved:

Sam C. Ford, Sidney P. Osborn, Earl Warren, Herbert B. Maw, L. C. Hunt, Earl Snell, Ernest Gruening, H. E. Huffman acting for Governor J. C. Vivian, E. P. Carville, Charles C. Gossett.

INTERNATIONAL UNION OF MINE, MILL AND SMELTER WORKERS,
Chicago, Ill., May 23, 1945.

Hon. COMPTON L. WHITE,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN WHITE: I note with dismay that the House Committee on Banking and Currency in its report on May 2, 1945, on the subsidy bill, saw fit to remove the clause extending the premium price plan on copper, lead and zinc until June 30, 1946, "on the same terms as heretofore, except that all classes of premiums shall be noncancelable unless necessary in order to make individual adjustments of income to specific mines."

It is our firm opinion that the committee erred in removing the said provisions from the subsidy bill, both from the standpoint of the workers in the submarginal operations and of the operators. We believe that the effect of the uncertainty as to how long any of the marginal operations will continue has a bad effect on the morale of the miners involved. It will be increasingly difficult to maintain even the present inadequate labor force in the submarginal mines as a result of the committee's action.

I further believe that it is extremely vital at this time to keep all operations going and to keep the domestic output of nonferrous metals on the highest possible level in order to meet the growing demands of reconversion in a period in which war demands remain high.

We trust that when the House considers this legislation that it will reconsider the noncancelable provision and see fit to restore it to the bill.

Very truly yours,
REID ROBINSON, *President.*

ST. ANTHONY, IDAHO, *May 23, 1945.*

Hon. COMPTON I. WHITE,
House of Representatives,
Washington, D. C.:

Understand Senate bill No. 502 authorizing four subsidy program for year commencing next July 1 was passed by Senate and is now awaiting action by your House. It is imperative this bill be passed at once to avoid detrimental effect on milling industry. Customers are pressing for contracts which we cannot give until the bill is passed and is seriously interfering with planning for future operations. Will you please contact Speaker of the House, Hon. SAM RAYBURN; majority leader, Hon. JOHN W. MCCORMACK, and chairman of Banking and Currency Committee, Hon. BRENT SPENCE, and urge them to arrange for consideration of this bill in the House on some specific day next week? We will appreciate your efforts in getting early action.

ST. ANTHONY FLOUR MILLS.

WALLA WALLA, WASH., *May 23, 1945.*

Hon. COMPTON I. WHITE,
House Office Building, Washington, D. C.:

Failure get action S. 502, flour subsidy extension, is stopping and disrupting all further marketing, seriously affecting distribution this basic food, when every pound so urgently needed. Special rule to consider bill granted but not placed on House agenda this week. Please contact Hon. SAM RAYBURN and Hon. BRENT SPENCE, urging consideration S. 502 in House some specific day next week. Time important. Need your help.

Respectfully,
PRESTON SHAFFER MILLING CO.

WEISER, IDAHO, *May 24, 1945.*

Hon. COMPTON I. WHITE,
House of Representatives,
Washington, D. C.:

Senate has passed Senate bill No. 502 but no agreement yet reached by House of Representatives setting definite time for their consideration this bill. Imperative this bill be passed by House immediately otherwise no subsidies will be available for wheat milled after June 30. Present flour ceilings without subsidy makes it impossible to do flour business after June 30. Moreover, uncertainty as to subsidy is already seriously interfering with planning future milling operations and unless bill passes or flour ceilings raised may mean closing of flour mills after June 30. Understand special rule has been granted to consider this bill. We urgently request your getting in touch with Speaker RAYBURN, Majority Leader MCCORMACK, and Chairman SPENCE urging them to arrange for consideration Senate bill 502 in the House some specific day next week.

F. S. WILLIAM,
Manager, Weiser Flour Mills.

CALDWELL, IDAHO, *May 24, 1945.*

Hon. COMPTON I. WHITE,
House of Representatives,
Washington, D. C.:

Inasmuch as it is imperative unless Senate bill 502 is passed, it will greatly jeopardize all milling industry and possibly mean closing down our mills. We sincerely urge your prompt support of the bill by voting in favor of Senate bill 502. May we call to your attention that a special rule has been granted with Speaker of the House, Hon. SAM RAYBURN, Majority Leader, Hon. JOHN MCCORMACK, and Chairman of Banking and Currency Committee, Hon. BRENT SPENCE, and we urge them to arrange for consideration of Senate bill 502 in the House on Tuesday, May 29, 1945.

THE CALDWELL FLOUR MILLS,
CALIR I. MARTIN, *Manager.*

BOISE, IDAHO, *May 21, 1945.*

Hon. COMPTON I. WHITE,
Member of Congress,
Washington, D. C.:

At meeting in Boise today Idaho Dairy Products Council made up of the five cooperative creameries signing this wire handling the milk and cream of their 20,000 member patrons protest enactment of Doughton bill (H. R. 2652). Strongly urge you protect future dairy markets by using your influence to prevent enactment of this legislation unless amended. We do not want to be subsidized but cheap-foreign competition would likely make necessary continued subsidy if dairy industry is to be maintained.

UPPER SNAKE RIVER VALLEY DAIRYMEN'S ASSOCIATION,
JEROME COOPERATIVE CREAMERY,
ADA COUNTY DAIRYMEN'S ASSOCIATION,
DAIRYMEN'S COOPERATIVE CREAMERY OF BOISE,
VALLEY FARMERS COOPERATIVE CREAMERY.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. COOPER) having assumed the chair, Mr. COURTNEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, pursuant to House Resolution 264, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Mr. SPENCE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SPENCE. Would it be in order to ask for a separate vote on the Sundstrom amendment?

The SPEAKER pro tempore. It would not, because that was an amendment to the committee amendment. There can be no separate vote in the House on an amendment to an amendment.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 81, noes 17.

Mr. SPENCE. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 246, nays 22, not voting 164, as follows:

[Roll No. 90]

YEAS—246

Abernethy	Cravens	Hagen
Allen, Ill.	Crawford	Hale
Allen, La.	Crosser	Halleck
Andersen, H. Carl	Cunningham	Hare
Anderson, Calif.	Curtis	Harless, Ariz.
Anderson, N. Mex.	D'Alesandro	Harris
Andresen, August H.	Daughton, Va.	Hartley
Andrews, Ala.	Davis	Havenner
Angell	De Lacy	Hays
Bailey	Delaney, John J.	Hedrick
Baldwin, Md.	Dingell	Hendricks
Baldwin, N. Y.	Dirksen	Henry
Barrett, Wyo.	Dolliver	Herter
Bates, Ky.	Domengeaux	Heselton
Beckworth	Dondero	Hill
Bell	Doughton, N. C.	Hinshaw
Bennett, Mo.	Douglas, Calif.	Hobbs
Biemiller	Doyle	Hoeven
Bishop	Drewry	Holmes, Wash.
Blackney	Dworshak	Hope
Bland	Elliott	Horan
Bolton	Ellis	Howell
Brooks	Ellsworth	Huber
Brown, Ga.	Elston	Hull
Brown, Ohio	Engel, Mich.	Jackson
Brumbaugh	Engle, Calif.	Jarman
Bryson	Ervin	Jennings
Buffett	Fallon	Johnson, Calif.
Bulwinkle	Feighan	Johnson, Ill.
Burch	Fenton	Johnson, Ind.
Burgin	Fernandez	Johnson, Luther A.
Campbell	Flannagan	Jonkman
Cannon, Mo.	Fogarty	Kee
Carlson	Folger	Keefe
Carnahan	Forand	Kelly, Ill.
Case, N. J.	Gallagher	Kilday
Celler	Gamble	King
Chelf	Gardner	Kinzer
Chenoweth	Gary	LaFollette
Chiperfield	Gathings	Landis
Church	Gearhart	Larcade
Clements	Gibson	Lea
Coffee	Gillespie	LeCompte
Cole, Kans.	Gillie	Lewis
Cole, Mo.	Gordon	Link
Combs	Gore	Ludlow
Cooper	Gorski	Lyle
Corbett	Gossett	McCormack
Cox	Grant, Ind.	McDonough
	Gregory	McGehee
	Gwynne, Iowa	McGregor
McMillan, S. C.	Ploeser	Springer
McMillen, Ill.	Powers	Starkey
Madden	Price, Ill.	Stevenson
Mahon	Priest	Stockman
Manasco	Ramey	Sullivan
Mansfield, Tex.	Ramspeck	Sumners, Tex.
Martin, Iowa	Rankin	Sundstrom
May	Reed, Ill.	Talbot
Michener	Resa	Talle
Miller, Calif.	Richards	Thom
Miller, Nebr.	Riley	Thomas, Tex.
Mills	Rizley	Thomason
Monroney	Robertson, N. Dak.	Tibbott
Morrison	Robsion, Ky.	Tolan
Mott	Rockwell	Towe
Mundt	Roe, Md.	Trimble
Murdock	Rogers, Fla.	Voorhis, Calif.
Murray, Wis.	Rogers, N. Y.	Vorys, Ohio
Norrell	Rowan	Walter
Norton	Ryter	Weaver
O'Brien, Ill.	Sabath	Welch
O'Brien, Mich.	Sadowski	White
O'Hara	Schwabe, Mo.	Whitten
O'Neal	Shafer	Whittington
Outland	Sheppard	Wigglesworth
Patman	Short	Winstead
Patrick	Slaughter	Winter
Patterson	Smith, Maine.	Wolcott
Peterson, Fla.	Snyder	Wolverton, N. J.
Peterson, Ga.	Sparkman	Woodruff, Mich.
Phillips	Spence	Woodrum, Va.
Pittenger		Zimmerman

NAYS—22

Buck	Lemke	Simpson, Ill.
Byrnes, Wis.	Pickett	Smith, Ohio
Case, S. Dak.	Poage	Smith, Wis.
Clevenger	Reed, N. Y.	Sumner, Ill.
Fuller	Rich	Taber
Jones	Rogers, Mass.	West
Kean	Schwabe, Okla.	
Lanham	Scrivner	

NOT VOTING—164

Adams	Granger	Morgan
Andrews, N. Y.	Grant, Ala.	Murphy
Arends	Green	Murray, Tenn.
Arnold	Griffiths	Neely
Auchincloss	Gross	O'Konski
Barden	Gwinn, N. Y.	O'Toole
Barrett, Pa.	Hall, Edwin Arthur	Pace
Barry	Hall, Leonard W.	Pfeifer
Bates, Mass.	Hancock	Philbin
Beall	Hand	Plumley
Bender	Harness, Ind.	Powell
Bennet, N. Y.	Hart	Price, Fla.
Bloom	Healy	Quinn, N. Y.
Bonner	Hébert	Rabaut
Boren	Heffernan	Rabin
Boykin	Hess	Rains
Bradley, Mich.	Hoch	Randolph
Bradley, Pa.	Hoffman	Rayfiel
Brehm	Holifield	Reece, Tenn.
Buckley	Holmes, Mass.	Rees, Kans.
Bunker	Hook	Rivers
Butler	Izac	Robertson, Va.
Byrne, N. Y.	Jenkins	Robinson, Utah
Camp	Jensen	Rodgers, Pa.
Canfield	Johnson, Lyndon B.	Roe, N. Y.
Cannon, Fla.	Johnson, Okla.	Rooney
Chapman	Judd	Russell
Clark	Kearney	Sasscer
Clason	Kefauver	Savage
Cochran	Kelley, Pa.	Sharp
Cole, N. Y.	Keogh	Sheridan
Colmer	Kerr	Sikes
Cooley	Kilburn	Simpson, Pa.
Courtney	Kirwan	Smith, Va.
Curley	Knutson	Somers, N. Y.
Dawson	Kopplemann	Stefan
Delaney, James J.	Kunkel	Stewart
Dickstein	Lane	Stigler
Douglas, Ill.	Latham	Tarver
Durham	LeFevre	Taylor
Earthman	Lesinski	Thomas, N. J.
Eaton	Luce	Torrens
Eberharter	Lynch	Traynor
Elsaesser	McConnell	Vinson
Fellows	McCowen	Vursell
Fisher	McGlinchey	Wadsworth
Flood	McKenzie	Wasielewski
Fulton	Maloney	Weichel
Gavin	Mansfield, Mont.	Weiss
Geelan	Marcantonio	Wickersham
Gerlach	Martin, Mass.	Wilson
Gifford	Mason	Wolfenden, Pa.
Gillette	Merrow	Wood
Goodwin		Woodhouse
Graham		Worley
Granahan		

So the bill was passed.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Hart with Mr. Taylor.
Mr. Grant of Alabama with Mr. Vursell.
Mr. Maloney with Mr. Jenkins.
Mr. Rabaut with Mr. Stefan.
Mr. Boren with Mr. Judd.
Mrs. Douglas of Illinois with Mr. Adams.
Mr. Green with Mr. Bradley of Michigan.
Mr. Barrett of Pennsylvania with Mr. Arnold.
Mrs. Woodhouse with Mr. Knutson.
Mr. Sheridan with Mr. Arends.
Mr. McGlinchey with Mr. Martin of Massachusetts.
Mr. Colmer with Mr. Wilson.
Mr. McKenzie with Mr. Bennet of New York.
Mr. Pace with Mr. Eaton.
Mr. Earthman with Mr. Clason.
Mr. Price of Florida with Mr. Fellows.
Mr. Weiss with Mr. Graham.
Mr. Dickstein with Mr. Fulton.
Mr. Hébert with Mr. Leonard W. Hall.
Mr. Lane with Mr. Jensen.
Mr. Keogh with Mr. Edwin Arthur Hall.
Mr. Eberharter with Mr. Gillette.
Mr. Pfeifer with Mr. Hess.
Mr. Curley with Mr. Kilburn.
Mr. Lynch with Mr. Reece of Tennessee.
Mr. Neely with Mr. Wadsworth.
Mr. Bloom with Mr. Weichel.
Mr. Granahan with Mr. Auchincloss.
Mr. Heffernan with Mr. Harness of Indiana.
Mr. Rayfiel with Mr. Thomas of New Jersey.
Mr. Quinn of New York with Mr. Hoffman.
Mr. James J. Delaney with Mr. Rodgers of Pennsylvania.
Mr. Kerr with Mr. Mason.
Mr. Torrens with Mr. Cole of New York.
Mr. O'Toole with Mr. Gifford.
Mr. Rooney with Mr. Rees of Kansas.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

RESIGNATION FROM COMMITTEE

The SPEAKER pro tempore (Mr. COOPER) laid before the House the following resignation from a committee:

MAY 28, 1945.

Hon. SAM RAYBURN, *Member of Congress, Speaker of the House of Representatives, Washington, D. C.*

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Select Committee on Postwar Military Policy, effective as of this date.

Very truly yours,

D. LANE POWERS.

The SPEAKER pro tempore. Without objection, the resignation will be accepted.

There was no objection.

SHOWING OF PICTURE, ON TO TOKYO

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Speaker, this morning I announced that a new picture produced by the War Department and not yet shown to the public, entitled "On to Tokyo," will be shown in the Caucus Room of the Old House Office Building on Wednesday next, at 10 and at 11 o'clock a. m. All Members, their families, and their staffs are invited to attend.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that

today, at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. SPENCE asked and was given permission to revise and extend his remarks and include a letter and certain statements.

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD in two instances and include a resolution and an editorial.

Mr. COLE of Kansas asked and was given permission to extend his remarks in the RECORD.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article by Marquis Childs which appeared in the Washington Post this morning, May 28, entitled "Tangled Tapestry of Hate." It has a direct bearing upon the arrest of the 16 prominent democratic Poles who are now being held in Russia.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD in two instances and include certain editorials.

Mr. MORRISON asked and was given permission to extend his remarks in the RECORD in two instances and include in one an address by Hon. Andrew J. Higgins, of New Orleans, and in the other a letter from Secretary of the Treasury Morgenthau.

Mr. HORAN (at the request of Mr. MICHENER) was given permission to extend his remarks in the RECORD and include a statement.

Mr. ZIMMERMAN asked and was given permission to extend his remarks in the RECORD and include a letter from the commander of Samuel T. Adams Post, No. 66, American Legion, Kennett, Mo., together with a resolution adopted by that post.

Mr. WHITE asked and was given permission to extend his remarks in the RECORD following the remarks of the gentleman from South Dakota [Mr. CASE] in the Committee of the Whole and to include therein certain communications, telegrams, and letters.

Mr. HAGEN asked and was given permission to extend his own remarks and to include therein a short letter.

Mr. CARLSON asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a letter.

Mr. GAMBLE asked and was given permission to extend his remarks in five instances and to include letters from constituents, an editorial, and a prayer.

The SPEAKER pro tempore (Mr. COOPER). Under previous order of the House, the gentleman from California [Mr. HINSHAW] is recognized for 30 minutes.

ARMY TECHNICAL SERVICES IN COMBAT, THE CORPS OF ENGINEERS

Mr. HINSHAW. Mr. Speaker, I rise to call to the attention of the Congress and the American people a few facts on a subject which seems about to be neglected. This subject is the largely unrecognized but indispensable role which has been acted out, is being acted out, and will be acted out, by Engineer troops in making the victory over Italy and Germany also a victory over Japan.

I do not intend to take any credit away from other arms and services. They deserve all that they have been given. There has come a time in the course of the war, however, when it is important for the American people to show that they understand and appreciate the services which are being given this country by a GI who is too busy to do much writing home—the Engineer soldier. This Engineer soldier will not be coming home soon. He will not be sitting around rest camps or training camps wondering if the Pacific is going to be harder than Europe was. He will not be wondering how fast the war will end. He will be busy finding out; because the speed with which we can get along with the war at this particular stage depends almost entirely on how fast that Engineer soldier gets his job done. The American Army will pull out of Europe as soon as Engineers prepare the tremendous staging and debarkation facilities necessary—no sooner. The American Army will slam into the Pacific at the pace Engineers can clear the ground and construct bases—no faster. The redeployment period for Engineers, in short, will be a speed-up rather than a rest or breathing period; for when the Engineers are not fighting, they are at work.

Almost a year ago this Congress enacted legislation which awarded additional combat pay to infantrymen as a recognition of their particularly hazardous and important mission. The combat pay was justified as being somewhat equivalent to the flight pay awards to all Air Force personnel who spend a specified number of hours in the air. At this time I think it is an appropriate matter for this Congress to consider the granting of special recognition in some form or other to those Army units which because of military necessity must take no rest, but stay in harness and on the job until the present "two down and one to go" is changed to read "three down—and out."

EXTRA PAY NOT ENOUGH

Extra pay, in itself, is hardly enough, because our recognition of the debt we owe to men who have not time to stop for a rest between wars cannot be measured in an extra 5 to 10 dollars a month. If we were giving them something equivalent to combat pay or flight pay, we ought to call it double time—or even triple time—pay; because every engineer GI knows that engineers have been double-timing on two and three shifts, fighting as well as working, and without a break, since the war began. Major General Sverdrup, head of the Engineer construction service in the Philippines, had to come down from three-shift to two-shift operation recently in order to give his mechanics time enough to make repairs on the bulldozers.

What I have in mind is that we Members of Congress as representatives of the American people should make known to the War Department the American people's wish to honor the Engineer soldiers who have helped put the Army into Africa, into Sicily and Italy, into and across France, across the Rhine, and now farther into the Far East—both with additional pay and with some special insignia. A metal badge would get in an Engineer soldier's way, so a badge is not the answer. I think, however, that two special cloth shoulder patches would come close to being the answer. One—an expert Engineer emblem—to be worn only by those Engineer soldiers who under such tests of proficiency in the assigned mission of their unit as the War Department will prescribe, have proved themselves to be outstandingly proficient as military engineers. Another—a combat engineer emblem—to be awarded to those Engineer units which have carried out combat missions in actual contact with enemy ground forces or have carried out Engineer missions under effective observed or registered enemy fire.

I would suggest the Engineer castle with a laurel wreath to indicate the expert Engineer emblem, and a rifle added to the design to indicate the combat Engineer emblem. Once the designs are adopted, Congress should express to the War Department its desire to make the emblems and their significance well known. I would like it understood by everyone that the idea of awarding such an emblem is not the Engineers' own idea. The Army Engineers do not parade their own excellence. This is our idea. This is our award. We are telling the Army to sew these shoulder patches on expert engineer and combat engineer soldiers because they are our Engineers, and we want people to know it.

I am speaking for the engineers because I happen to be an Engineer officer of the World War, and I know that plenty of Engineer soldiers work and fight in the no-man's land between our own infantry and tanks and the enemy's combat elements. Of the three Medals of Honor awarded posthumously to Engineer soldiers in this war, the first one—to Pvt. Junior N. Van Noy, of Preston, Idaho—saluted an engineer of an amphibian boat and shore regiment who single-handedly repulsed a Jap landing at a new beachhead the Engineers had established within the Japanese lines on the New Guinea coast. The second—to Sgt. Joseph C. Specker, of Odessa, Mo.—saluted a combat engineer who took literally his mission of clearing the way for the Infantry. According to the citation:

On the night of January 7, 1944, Sergeant Specker, with his company, was advancing up the slope of Mount Porchia, Italy. He was sent forward on reconnaissance and on his return he reported to his company commander the fact that there was an enemy machine-gun nest and several well-placed

snipers directly in the path and awaiting the company. Sergeant Specker requested and was granted permission to place one of his machine guns in a position near the enemy machine gun. Voluntarily and alone he made his way up the mountain with a machine gun and a box of ammunition. He was observed by the enemy as he walked along and was severely wounded by the deadly fire directed at him. Though so seriously wounded that he was unable to walk, he continued to drag himself over the jagged edges of rock and rough terrain until he reached the position at which he desired to set up his machine gun. He set up the gun so well and fired so accurately that the enemy machine-gun nest was silenced and the remainder of the snipers forced to retire, enabling his platoon to obtain their objective. Sergeant Specker was found dead at his gun.

The third Medal of Honor—to Technician Fourth Grade Truman Kimbro, of Texas—saluted an Engineer who was the "last man to leave" when the Germans got overambitious in the Ardennes Forest last Christmas week. Kimbro was killed as he strung antitank mines across a Belgian road to stop the German armored columns closing in on our rear guards.

I speak for the Engineers, but soldiers in other technical service forces should qualify for combat recognition also. The Medical Corps men who treat and evacuate the wounded under fire—the Signal Corps men who string communications wire to forward outposts—the Chemical Warfare Service crews who man the 4.2-inch mortars which have become an infantry division's "front-line artillery"—these and others like them are the technical service soldiers who are apt to wonder what a man has to do to be recognized as part of the combat team. I have heard that at least one front-line infantry division has taken the initiative already in splitting its combat pay with the Medical Corps men assigned to it.

I am speaking for the Engineers because I happen to be most familiar with their work; but I am proposing a bill that will give both the additional pay and the special recognition which they deserve to all Army Service Force troops who can qualify for expert or combat status in a manner similar to that by which infantrymen qualify for additional pay. I do not want to duplicate the infantrymen's metal badge. The special recognition authorized for technical service troops should take the form of a cloth shoulder patch rather than the combat badge which is already marked as the infantrymen's own. Nor do I want to complicate the Army's bookkeeping by making the provisions for additional pay retroactive. The technical service troops who have seen combat in Europe and in the Pacific heretofore have won the right to special recognition. The men who must now stay in to finish the job in the Pacific—points or no points—should be entitled to the extra pay as well as the special recognition.

In any event, there is no better time than now for the American people to express their gratitude to those technical service specialists among our combat forces who will be chiefly responsible for the successful redeployment of the full strength of our Army to the defeat of Japan.

The Corps of Engineers is the oldest professional service in the Army of the United States. June 16 of this year will be the one hundred and seventieth anniversary of the appointment of the first Chief Engineer in Gen. George Washington's Continental command. The Corps of Engineers has been in continuous existence since March 16, 1802, when it was constituted as the Military Academy at West Point, charged with the mission of infusing science into the Army. Although the Academy at West Point passed to the charge of the Army as a whole in 1866, it still reserves to its highest ranking cadets the choice of accepting commissions in the Corps of Engineers; and the Academy's present efficiency owes much to the high standards set for it by the Corps during its first 60 years.

The act of March 16, 1802, directed that the "engineers, assistant engineers, and cadets of said corps shall be subject at all times to do duty in such places and on such service as the President of the United States shall direct." Officers of the Corps are still subject to such duty on assignments which may take them far from their original Engineer training. Not only the Army, but the entire Federal Government has come to depend on these Engineer-trained officers as administrators and staff officers capable of carrying out any job they are assigned. In such administrative and staff assignments they are accustomed to subordinating their personal leadership to the larger purpose of making the team a success. They are men who know that the final test of leadership is willingness to accept responsibility.

So everywhere you run across an Army Engineer you will find him working for someone else, and sharing the responsibility—if not the credit—for the success of the other fellow's mission. Engineers have been looking out for the rest of the Army for so long that they have gotten into the habit. When the Second Armored "Hell on Wheels" Division broke across the Rhine and headed east for the Elbe River, combat engineers rode along in jeeps ahead of the tanks, scouting for mines and blown bridges to keep the precious tanks from getting into trouble. Why not? That is the armored engineer's mission: to keep the tank column from being held up by minefields or road blocks, just as it is the aviation engineer's mission to build and maintain airfields for the hot pilots to sit down on, just as it is the petroleum engineer's mission to throw a pipe line along behind the advancing armies to keep them from running out of gas, and just as it is the communications zone engineer's mission to build a railroad bridge across the Rhine in a hurry so that the supply trains can keep moving up. Rather than being a command in themselves, the engineers are part of all other commands, contributing their service of construction and destruction to aid the movement of our own forces and impede the movement of the enemy.

Now there are 700,000 of these Army Engineers, a group larger than any other branch of the Army except the Infantry and the Air Corps. Seven hundred thousand and there still are not enough. It is an Engineer's war. In the next 3 months alone, the Pacific theater could use every engineer soldier now in Europe—and more. For the Engineers, the big job—the really big job—is just getting started.

ENGINEERS FIRST AND LAST

That is why military necessity must take precedence over the point system for engineer troops, and why few engineers are going to be released for months to come. That is why, while combat infantry take a well-earned break waiting for their boat to sail, the engineers are double-timing again—as usual: repairing their machinery, collecting their equipment in the depots, working on the roads and bridges and railroads and marshaling yards and ports over and through which the Army will move out of Europe headed for the Pacific. Engineer crane operators, for example, have been working their machines night and day ever since the first Engineers arrived in the British Isles early in 1942; but for these engineer cranes, the big job is just beginning. At the same time that the clean-up and departure is taking place in Europe, other engineer cranes are critically needed in the Pacific theaters for materials handling, unloading at the big new bases they are building for the final push. So it does not make any difference how many points those engineer crane operators have earned; for them, the war is just getting bigger and farther from home.

To the Regular Army Engineers this too-often-told story of being the "first to get there and the last to leave" is an old familiar tale. They are used to it and they do not expect to get any special pat on the back for being indispensable. But there are a lot of GI's among those 700,000 who are going to have to explain to their families and fellow union members and former bosses and friends why they are still in there pitching and doing the dirty work, points or no points, long, long after a lot of other GI's are home telling about how they won the war. The engineers themselves should not have to be making that explanation. We should do the explaining for them; and we should do it well enough so that when any man or woman or child sees a GI come home after the war with Japan is ended wearing a patch on his shoulder showing the Engineer castle, nobody will have to tell them what that patch means.

I served in France with the Sixteenth Engineer Regiment in the last war and later with the Fifth Engineers. I do not intend to talk about my old unit, but the streamlined Sixteenth Armored Engineer Battalion of this war is doing all right by itself, even though it has been doing all its fighting in north Africa and Italy instead of in France as last time. The Sixteenth is the Engineer battalion of the First Armored Division, which has been the punch of the Fifth Army throughout the Italian campaign. The Sixteenth Engineers learned what this war was about when they started off in north Africa spending half their time in mine warfare. Their opinion of the Germans who poisoned the ground of Tunisia with mines and booby traps is about

the same opinion the men in my old outfit had of the Germans. It is a good opinion to remember. The Sixteenth ran up against the Germans again at the Volturno. They put three bridges across that river under direct observed artillery fire from the Germans in the hills above them. Then came Cassino. The Sixteenth knows Cassino.

But I would not talk about my own old outfit. There are too many Engineer outfits which have fought bitter campaigns without any public notice of any kind. When they do their job well there is no news. The American people, for instance, may still think the Normandy landings were easy. American Army engineers know that those landings went in over the blasted bodies of engineers who went ashore first and cleared paths through the German obstacles. To date the survivors of no less than seven Engineer battalions have been awarded "battle honors" unit citations for what they did on the Normandy beaches.

Each Member of Congress is now receiving from the War Department a little booklet entitled "Engineering the Victory," which tells part of the story of the Corps of Engineers in the European theater. This booklet was given to each Engineer soldier in Europe to help let him know what other Engineer soldiers working for some other command were doing in carrying out the Engineers' over-all mission—construction and destruction to facilitate the movement of our own troops and to impede the movement of the enemy. The booklet was purposely designed to make it easy for the Engineer soldier to explain to the folks back home what he was doing.

But again, the engineers are in a peculiar position when it comes to telling what they do. The Chief of Engineers, Lt. Gen. Eugene Reybold, summed up one part of the story when he noted that what the engineers are doing today is a pretty accurate index of what the Army intends to do tomorrow. No real news can be given out on the great majority of the engineers' major construction projects; because these construction projects are a direct clue to the Army's plans. The Japanese would give a great deal to know the Army's construction plans for the Philippines, or how many air bases we plan to build in China. So the engineers do not talk. That is one part of the story. The other part of the story is that when the Engineers are committed to action as Infantry, it means simply that the tactical commander is having to commit his last combat-trained reserves, his irreplaceable Engineer specialists, to action; and he does not want the enemy to know it.

ENGINEERS IN COMBAT

In some respects, the story of engineers in construction has been told more fully than the story of engineers in combat. Most people know, or at least should know, who built the Ledo Road, or the bridges across the Rhine. But what engineers have done in combat has in the main gone unreported.

For example, the full story has yet to be told of how two engineer combat battalions took over the job of General Merrill's Marauders during the siege of Myitkyina last summer, carrying to completion one of the most remarkable undertakings in the whole history of warfare—a siege operation supplied entirely by air during the height of the monsoon season at the end of the world's longest supply line. While these combat engineers were rooting the Japs out of Myitkyina, other engineers were flying in construction equipment for enlarging the captured airfield and building others. Engineer soldiers—real "hairy ears"—were even finding themselves the surprised recipients of Distinguished Flying Crosses for their aerial ferrying jobs.

ENGINEERS IN BATTLE OF THE BULGE

Another example: the Battle of the Bulge. On the night of December 17, east of Bastogne, the One Hundred and Fifty-eighth Engineer Combat Battalion was ordered to hold its ground in the face of the German thrust. It held. Two days later the One Hundred and First Airborne Division moved in to receive the credit for the defense of Bastogne. When Patton's armor broke through to reestablish contact with the One Hundred and First, the first men to rise out of the snowy fox holes to greet their buddies were engineers. I want to read you the unit citation for battle honors awarded in the name of the President to Company C of the Fifty-fifth Armored Engineer Battalion and Company C of the Ninth Armored Engineer Battalion, two Engineer companies among the others which helped hold Bastogne. Here are the words of the citation:

These units distinguished themselves in combat against powerful and aggressive enemy forces composed of elements of eight German divisions during the period from December 18 to 27, 1944, by extraordinary heroism and gallantry in defense of the key communications center of Bastogne, Belgium. Essential to a large-scale exploitation of his breakthrough into Belgium and northern Luxembourg, the enemy attempted to seize Bastogne by attacking constantly and savagely with the best of his armor and infantry. Without benefit of prepared defenses, fighting facing almost overwhelming odds and with very limited and fast-dwindling supplies, these units maintained a high combat morale and an impenetrable defense despite extremely heavy bombing, intense artillery fire, and constant attacks from infantry and armor on all sides of their completely cut-off and encircled position. This masterful and grimly determined defense denied the enemy even momentary success in an operation for which he paid dearly in men, matériel, and eventually morale. The outstanding courage, resourcefulness, and undaunted determination of this gallant force are in keeping with the highest traditions of the service.

At the northern end of the bulge another Engineer combat battalion at the same time was winning its own unit citation for battle honors. I want to read you this citation also. In the name of the President—

The Two Hundred and Ninety-first Engineer Combat Battalion is cited for outstanding performance of duty in action against the enemy from 17 to 26 December 1944, in Belgium. On 17 December 1944, at the beginning of the German Ardennes breakthrough, the Two Hundred and Ninety-first Engineer Combat Battalion was assigned the mission of establishing and manning road blocks south and east of Malmedy, and with the defense of the town itself. The battalion set up essential road blocks and prepared hasty defenses. Shortly thereafter, numerically superior enemy infantry and armored columns moving in the direction of Malmedy were engaged. Though greatly outnumbered and constantly subjected to heavy enemy artillery, mortar, and small-arms fire, the officers and men of the Two Hundred and Ninety-first Engineer Combat Battalion stubbornly resisted all enemy attempts to drive through their positions. Repeated attacks were made by enemy armor and infantry on road blocks and defensive positions and, in each instance, were thrown back with heavy losses by the resolute and determined resistance. The determination, devotion to duty, and unyielding fighting spirit displayed by the personnel of the Two Hundred and Ninety-first Engineer Combat Battalion, in delaying and containing a powerful enemy force along a route of vital importance to the Allied effort, are worthy of high praise.

When the Thirtieth Infantry Division relieved the Two Hundred and Ninety-first Engineer Battalion, Major General Hobbs, the division commander, wrote that the Engineers had "strengthened their position locally and in depth every day during their occupancy."

It was the day after Christmas when the Two Hundred and Ninety-first was relieved of its combat assignment. In February the unit was building bridges across the Roer. Between March 8 and March 10, the Two Hundred and Ninety-first Engineer Combat Battalion helped complete the first pontoon bridge the Allies threw across the Rhine.

It took them almost 2 days to build that bridge because German artillery fire, searching both for the pontoon bridge and for the Ludendorf Bridge which we had captured nearby, smashed into their pontoons and into their trucks and into their men. They lost more men building that pontoon bridge under German attack than were lost when the Ludendorf Bridge collapsed.

THE LUDENDORF BRIDGE, REMAGEN

You remember the Ludendorf Bridge at Remagen. That is the bridge on which the Germans fumbled the ball. It was the Engineers who grabbed that fumble to give us first down and goal to go on the other side of the Rhine. Still looking out for the Army, a second lieutenant of Engineers, John Mitchell, led the men who clipped the wires on the demolition charges which had not yet exploded. What Lieutenant Mitchell did that afternoon was the talk of the whole Allied Expeditionary Force that night. Lieutenant Mitchell had a commanding officer who was also a good engineer, Brig. Gen.—now Maj. Gen.—William Hoge, one of the builders of the Alaska Highway who had been promoted to a combat command in the Ninth Armored Division. Within 36 hours General Hoge had rushed enough men and tanks and guns across the damaged but still standing bridge to hold a bridgehead on the other bank. Any German plans for defending the Rhine River line collapsed right there.

Eventually the bridge went down; but it went down fighting—carrying down with it some fighting engineers still battling to repair the accumulating damage piled up by registered German shells scoring one hit after another.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Missouri.

Mr. SHORT. I am very reluctant to interrupt the very interesting address of the gentleman from California and the fine tribute his is paying to the Engineers. I merely wanted to inform him, if he does not already know it, that General Hoge comes from Missouri, and I had the honor of naming his son to the United States Military Academy at West Point, where he is making a fine record.

Mr. HINSHAW. I expect that he will make as fine a record as his father.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I would like to say how much I am enjoying the gentleman's deserved tribute to the engineers. I saw their work in the First World War. They were miles and miles away from our front-line troops and under fire. That same thing was true in this war, evidences of which I saw in the three countries I visited, namely, Belgium, Italy, and France. Their performance was amazing. It shows that the Engineers are always at the front.

Mr. HINSHAW. They are, indeed, and they seldom get any recognition for it.

I could continue indefinitely reciting the records of engineer units which deserve our gratitude. The ones I name are representative. For every unit I name there are a dozen others, equally good, still on the job, still piling up their lists of accomplishments. The American people are just beginning to hear a little bit about the Army Engineer special brigades, which now have carried out more than threescore combat landings in the southwest Pacific theater. They started out as amphibian Engineers, but the Army changed their name to engineer special brigades. They are something very special. They not only run the boats which carry in the assault waves of an invasion; they not only set up and operate the beach supply system; they not only fight as Infantry to defend the beach perimeter; they do anything else which needs to be done in establishing the invasion beach as a new supply base, from building airfields to building Liberty-ship wharves to building hospitals. General MacArthur has recommended that these engineer brigades be kept in the postwar Army as being the best organization yet devised to conduct an invasion-beach operation. By the time General MacArthur returned to the Philippines, the brigade elements in the southwest Pacific had earned more decorations—including Purple Hearts—than any other units of any kind in that theater.

ENGINEER SPECIAL BRIGADES

The American people are beginning to learn about the engineer special brigades as the Army reveals more about its shore-to-shore operations. But how many Americans outside the Army know anything about an outfit like the Thirty-sixth Engineer Combat Regiment? You ought to know this unit, because if anyone ever asks you what an Army engineer does, you can tell him about the Thirty-sixth Engineers, and know that you have pretty well covered the book. The Thirty-sixth started out just like any other engineer unit, just a good bunch of American men with some good officers and plenty of opportunity to learn what the war would require in the way of hot-shot engineering. It helped take the Army into north Africa in November 1942. It operated one of the invasion ports there and trained like hell on the other shift all that winter and spring. In July it helped take General Patton's Seventh Army into Sicily, running its part of the invasion beach like the veteran outfit it had already become.

Sicily conquered, General Clark wanted the Thirty-sixth assigned as a corps combat regiment with the Fifth Army for the Italian campaign. The night after the landing at Salerno, the Thirty-sixth was digging graves for our casualties. The next morning they were in the line fighting off the counterattack which the Germans openly boasted would throw us back into the sea. When the first shot, fired by an engineer, disabled the lead tank in a German column driving for their line, the Thirty-sixth began to get into the spirit of the thing. They bridged the Volturno at a place they called the Boresight Bend, because Germans in the hills were sighting shots down their rifle barrels. At Anzio, for fifty consecutive days, the Thirty-sixth held a 7-mile sector of front line around the beachhead. The Germans started calling them the Little Seahorse Division because, through some oversight in the Pentagon, this engineer regiment was still wearing a seahorse shoulder patch which it had adopted during its amphibious training period—and which, by the way, it still wears, the only regiment in the whole Army which has its own special shoulder patch. At about this time someone asked an engineer in the Thirty-sixth if he was in a service outfit.

GENERAL CLARK COMMENDS THIRTY-SIXTH ENGINEERS

Gen. Mark Clark's recommendation for the award of expert and combat Infantrymen badges to the men of the Thirty-sixth was turned down because of the War Department policy restricting the award solely to Infantrymen; but General Clark wrote the Thirty-sixth a farewell letter when it sailed for France:

I wish to express my profound regret at the departure of your outstanding regiment from the fold of the Fifth Army—

He wrote—

The record which you have established with it ever since D-day at Salerno is indeed an enviable one. During the crucial days on the beaches in September, during the advance to Naples, to the Volturno, and to the enemy's mountainous winter line, you comported yourselves in accordance with the very finest traditions of the Corps of Engineers.

At this time when you are bound for new undertakings, I wish to add my personal thanks for your direct contribution to the victories of the Fifth Army. With my best wishes for continued success in the tasks which now await you, I am,

Sincerely yours,

MARK W. CLARK,
Lieutenant General, United States Army, Commanding.

It was the Thirty-sixth Engineers who helped put the Seventh Army into France. Lt. Gen. A. M. Patch wrote a formal letter:

You have done an excellent job of unloading supplies for the operations in southern France. In the first 10 days almost 30,000 tons of cargo were unloaded over the beach operated by you. This was far in excess of the anticipated amount. Without these extra supplies our Army could not have made such a rapid advance. I desire that all officers and men be informed of my appreciation of their efforts.

When Marseilles was taken, the Thirty-sixth moved in to clean up and operate the port. The Seventh Army sped north, and the Thirty-sixth collected its arsenal and went along. By the time the Seventh was moving through the Rambervillers sector, the Thirty-sixth was in the line again, fighting as infantry, a sight to behold. Not being officially infantry, the Thirty-sixth was sort of free to choose its own weapons, American, or captured German, and its heavy-weapons section carried along every kind of shooting iron except field artillery. It was no longer surprised at anything. On New Year's Day, 1945, it assembled as infantry on 2 hours' notice to meet the German attack in Alsace-Lorraine.

I note that General Eisenhower has ruled that no combat soldier who has been in action in both north Africa and Europe will be sent to the Pacific; because he does not want the north African and European combat veterans to have to go through another campaign. I do not know whether or not this ruling applies to Engineer "service" units like the Thirty-sixth and others. I also note, however, that Lieutenant General Patch has been quoted in the newspapers as believing that the war with Japan will be over within a year. That sort of makes me think that General Patch will be sicking the Thirty-sixth onto the Japs in Tokyo.

In any event, the point is that General Patch knows the Japanese—having fought against them in the Pacific, and also the Army engineers, having seen them in concentrated action in Europe. General Patch knows that VE-day was just another three-shift day to the engineers; and that the war from here on out will be just a continuation of two- and three-shift days—whether the engineers are clearing out in Europe or clearing into the Pacific.

ENGINEER CORPS 170 YEARS OLD

The engineers are too busy to figure up their points; they are still counting the man-hours ahead of them on B–29 fields, and oil tanks, and Liberty-ship wharves. While they build to facilitate the movement of our Army from Europe toward Japan and fight where necessary, while they are out there, as usual looking out for the Army, I think we should help them celebrate their 170 years of army life by letting them know what the American people think of them.

Mr. Speaker, today I have introduced a bill, H. R. 3336, to provide additional pay for enlisted men of the Army assigned to the technical Service Forces who are awarded an expert technician insignia or the combat technician insignia. It is

a small recognition, but it is recognition and they mighty well deserve it.

REPORTS SHOW UNITED STATES ENGINEERS BAFFLED NAZIS

LONDON, May 17.—The German high command sped its own destruction by underestimating the tireless, little-publicized United States Army engineer, captured German documents disclosed today. The documents showed that the hard-working engineers, who did the manual labor for the combat soldiers, often were 10 times more efficient than the enemy had estimated.

German staff officers reported to Berlin that United States labor battalions could deliver only about one-tenth of what they actually did move across the Normandy beaches during the first 2 weeks after D-day. The gross tonnage in 24 hours exceeded the amount unloaded daily before the war in the ports of New York, New Orleans, and Hongkong.

The Wehrmacht concentrated forces at important coastal ports, believing their possession essential to the Allies. But American engineers developed captured minor ports to unheard of capacities, built railroads, repaired demolished bridges and lines of supply.

They built, from scratch, 306 railroad bridges, rebuilt 1,563 miles of rail lines, and restored 237 shattered road bridges. Each infantry division required 1,000 tons of supplies daily. The engineers paved the way for its delivery, despite untold hardships.

On August 13, 1944, shortly after the Americans had stormed into St. Lo, Gen. George S. Patton sent a rush call to rebuild the railroad from that town to Le Mans and Laval. He wanted an unending supply of ammunition within 48 hours.

The job meant rebuilding seven bridges, repairing or relaying new main lines through three freight yards, and providing service facilities.

Ten thousand engineers from five general service regiments were put to work. The ammunition was delivered on time.

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

ESTABLISHMENT OF DEPARTMENT OF VETERANS' AFFAIRS

Mrs. ROGERS of Massachusetts. Mr. Speaker, today I have placed in the RECORD an article by able Bill Cunningham, of the Boston Herald, entitled "Mighty Veterans' Organization Seen." It is obvious that should be one important department where the veterans can go for all kinds of services. As an example of what is going on, because of the so-called lack of space, lack of authority, and lack of power, one of the most amazing letters I have ever read was shown to me today. It was written by the Veterans' Administration. It was written to a man who had applied for a position. The letter admitted that that position in the Veterans' Administration was needed but the man could not be employed because of the lack of space. If the Veterans' Administration is so weak that it cannot employ a well-trained man for a much-needed duty to take care of the veterans, because it has not the space, because it does not have the power today to go out and take space for the men who fought for us, it is time that something be done without delay to give the Director of the Veterans' Administration authority and power. It is my belief that the establishment of a Department of Veterans' Affairs is the only thing that will give immediate authority and space today and for the long range to the agency that handles veterans' matters. As a member of the Cabinet, the head of the Department of Veterans' Affairs could sit at the Cabinet table and fight out matters affecting veterans with other members of the Cabinet. Then there could be no excuse for procrastination nor excuse for lack of performance. The Treasury Department, the Commerce Department, the Labor Department, the Agricultural Department, in fact, every department today has something to do with the veterans and will continue to have. The veterans deserve an agency that can take care of them properly and at once.

FEDERAL BUREAU OF INVESTIGATION

Mr. SHORT. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, on Wednesday, May 16, 1945, I addressed the House, giving a report on my recent trip to Europe and particularly the inspection we made of concentration camps in the German Reich. In discussing the Gestapo I made the statement that they were the FBI of Germany. Of course, I had no intention whatever of casting any reflection on the Federal Bureau of Investigation. I compared them with our organization merely from the standpoint of their responsibility, their alertness, their fearlessness, and their efficiency. I do not believe any Member who listened to that speech, which I gave very rapidly and without notes, took any exception to the casual statement I made. At least no one objected to me. However, Mr. Hoover, the Director of the FBI, has written me a letter stating that it could be interpreted as casting a reflection upon that organization. Therefore, I welcome this opportunity to apologize publicly, as I shall privately, to Mr. Hoover for any aspersion or reflection, because anyone who knows me knows that I have the highest confidence in and the greatest respect for not only J. Edgar Hoover personally, but also for the courageous, patriotic, intelligent, and efficient men and women who compose the FBI, and who have done such an excellent job both in time of war and in time of peace. Always the FBI has received my unhesitating and whole-hearted support. So I am duly humbled and trust that I may be forgiven in unwittingly giving an entirely erroneous impression.

Mr. Speaker, I ask unanimous consent to strike from the RECORD the short sentence "That is the FBI." Certainly I do not want the American people to think that our FBI is the same as the German Gestapo.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman merely stated that it was a civilian organization rather than a military organization; is not that correct?

Mr. SHORT. That is right. Of course, the FBI is not a political organization in the sense that the Gestapo was. The comparison is odious and the two organizations should not be mentioned in the same breath.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HALE, from May 30 to June 2, to attend meetings of the governing boards of Bowdoin College, whereof he is a member.

To Mr. GILLETTE (at the request of Mr. KINZER), for the balance of the week, on account of death in family.

To Mrs. LUCE (at the request of Mr. MICHENER), for May 28 and 29, on account of official business.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1566. An act for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.; and

H. R. 2388. An act to provide for enlistments in the Regular Army during the period of the war, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 244. An act for the relief of Adell Brown and Alice Brown;

H. R. 533. An act authorizing the State of Minnesota Department of Highways to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Hastings, Minn.;

H. R. 780. An act for the relief of the legal guardian of Vonnie Jones, a minor;

H. R. 856. An act for the relief of Frances Biewer;

H. R. 879. An act for the relief of Ed Williams;

H. R. 904. An act for the relief of Fred A. Lower;

H. R. 980. An act for the relief of Mrs. Gladys Stout;

H. R. 1016. An act for the relief of Capt. Millard L. Treadwell;

H. R. 1054. An act for the relief of Mrs. Mary Karalis;

H. R. 1069. An act for the relief of Sidney B. Walton;

H. R. 1184. An act to authorize Slater Branch Bridge and Road Club to construct, maintain, and operate a free suspension bridge across the Tug Fork of the Big Sandy River at or near Williamson, W. Va.;

H. R. 1241. An act for the relief of Margaret M. Meersman;

H. R. 1347. An act for the relief of Lee Graham;

H. R. 1558. An act for the relief of Mrs. Alma Mallette and Ansel Adkins;

H. R. 1561. An act for the relief of the legal guardian of Louis Ciniglio;

H. R. 1566. An act for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.;

H. R. 1598. An act for the relief of Mrs. Bessie I. Clay;

H. R. 1602. An act for the relief of Robert Lee Slade;

H. R. 1652. An act granting the consent of Congress to the State of Louisiana to construct, maintain, and operate a free highway bridge across the Mississippi River at or near New Orleans, La.;

H. R. 1659. An act authorizing the Department of Highways of the State of Minnesota to construct, maintain, and operate a bridge across the Pigeon River;

H. R. 1845. An act for the relief of Domenico Strangio;

H. R. 1847. An act for the relief of Francis X. Servaites;

H. R. 1877. An act for the relief of Maj. William Peyton Tidwell;

H. R. 1910. An act for the relief of Frank Lore and Elizabeth Vidotto;

H. R. 1952. An act for the relief of Joseph Brunette;

H. R. 2006. An act for the relief of Boyd B. Black;

H. R. 2068. An act to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service;

H. R. 2129. An act for the relief of Edward Lawrence Kunze;

H. R. 2361. An act for the relief of Alexander Sawyer;

H. R. 2388. An act to provide for enlistments in the Regular Army during the period of the war, and for other purposes;

H. R. 2701. An act for the relief of Margaret J. Pow;

H. R. 2907. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes; and

H. J. Res. 177. Joint resolution repealing a portion of the appropriation and contract authorization available to the Maritime Commission.

ADJOURNMENT

Mr. PATMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, May 29, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Tuesday, May 29, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports, and to amend existing law relating to air-navigation facilities.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments at 10 o'clock a. m., Tuesday, May 29, 1945, to resume hearings on H. R. 2177.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will meet in open hearings at 10 a. m., Tuesday, May 29, 1945, in the committee room, 356 House Office Building, to consider H. R. 3310, and other pending legislation.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Tuesday, May 29, 1945, at 10 o'clock a. m., to consider H. R. 2631.

There will be a meeting of the Committee on Patents on Thursday, May 31, 1945, at 10 o'clock a. m., to consider H. R. 2632.

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 o'clock a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

506. A communication from the President of the United States, transmitting a draft of a proposed provision, pertaining to an existing appropriation of the Emergency Fund for the President (H. Doc. No. 204); to the Committee on Appropriations and ordered to be printed.

507. A communication from the President of the United States, transmitting a proposed provision, affecting an existing appropriation for the fiscal year 1945 for the War Refugee Board (H. Doc. No. 205); to the Committee on Appropriations and ordered to be printed.

508. A letter from the Acting Secretary of the Interior, transmitting a copy of the legislation passed by the Municipal Council of St. John in the Virgin Islands; to the Committee on Insular Affairs.

509. A letter from the Attorney General, transmitting a request that the evidence with regard to William Paul Bagutzki, alias William Paul Schultz, be withdrawn and returned to the office of the Attorney General; to the Committee on Immigration and Naturalization.

510. A letter from the Administrator of the War Shipping Administration, transmitting the tenth report by the War Shipping Administration of action taken under section 217 of the Merchant Marine Act of 1936, as amended (Public Law 498, 77th Cong.); to the Committee on the Merchant Marine and Fisheries.

511. A letter from the Commissioner of Federal Home Loan Bank Administration, transmitting the twelfth annual report of the Federal Home Loan Bank Administration for the period July 1, 1943, through June 30, 1944, covering the operations of the Federal Home loan banks, the Federal savings and loan associations, the Federal Savings and Loan Insurance Corporation, the Home Owners' Loan Corporation, and the United States Housing Corporation (H. Doc. No. 206); to the Committee on Banking and Currency and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BONNER: Committee on Accounts. House Resolution 273. Resolution providing for the further expenses of conducting the study and investigation authorized by House Resolution 195 of the Seventy-ninth Congress; without amendment (Rept. No. 618). Referred to the House Calendar.

Mr. CLARK: Committee on Rules. House Resolution 267. Resolution providing for the consideration of H. R. 3180, a bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes; with amendment (Rept. No. 619). Referred to the House Calendar.

Mr. BATES of Kentucky: Committee on Rules. House Resolution 236. Resolution directing the Committee on the Territories to conduct a study and investigation of various questions and problems relating to the Territories of Alaska and Hawaii; without amendment (Rept. No. 620). Referred to the House Calendar.

Mr. SLAUGHTER: Committee on Rules. House Resolution 256. Resolution authorizing the Committee on Rivers and Harbors of the House of Representatives to investigate certain shores and beaches in the United States with a view to the protection of the shores of the United States; without amendment (Rept. No. 621). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 1350. A bill to record the lawful admission to the United States for permanent residence of Nora R. Neville; without amendment (Rept. No. 622). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 3022) granting a pension to Clara V. Crossland, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions, were introduced and severally referred as follows:

By Mr. LESINSKI:

H. R. 3330. A bill to amend section 1545, title 42, United States Code, Annotated, to require consent and approval by incorporated cities as political subdivisions of the States

prior to expenditure of any appropriations for national defense housing; to the Committee on Public Buildings and Grounds.

By Mr. COLE of Kansas:

H. R. 3331. A bill to amend section 1305 of the Revised Statutes; to the Committee on Military Affairs.

By Mr. BARRY:

H. R. 3332. A bill to eliminate financial inability to defray expense of hospital treatment or domiciliary care as a prerequisite to obtaining such treatment or care in a Veterans' Administration facility to provide for transportation to such facilities for such treatment or care, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. BLAND:

H. R. 3333. A bill to authorize Federal cooperation in the reconstruction of the historic courthouse at Yorktown, Va., and for other purposes; to the Committee on the Public Lands.

By Mr. CORBETT:

H. R. 3334. A bill to authorize the Secretary of War and the Secretary of the Navy to lend or donate surplus camping equipment to the Boy Scouts of America and other organizations; to the Committee on Military Affairs.

By Mr. HAGEN:

H. R. 3335. A bill to amend the Servicemen's Dependents Allowance Act of 1942 to provide for an increased allowance for certain children of enlisted men; to the Committee on Military Affairs.

By Mr. HINSHAW:

H. R. 3336. A bill to provide additional pay for enlisted men of the Army assigned to the technical service forces who are awarded an expert technician insignia or the combat technician insignia; to the Committee on Military Affairs.

By Mr. HARLESS of Arizona:

H. R. 3337. A bill to aid in providing housing for veterans attending educational institutions, and for other purposes; to the Committee on Banking and Currency.

By Mr. REED of Illinois:

H. R. 3338. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. BARRY:

H. Res. 275. Resolution to review Army and Navy court-martial and other sentences; to the Committee on Military Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to enact appropriate legislation to establish a Fair Employment Practice Committee; to the Committee on Labor.

Also, memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States to grant all right, title, and interest of the United States in the canal and its abutting property to the State of Illinois; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of Costa Rica, memorializing the President and the Congress of the United States to intercede to obtain full and general amnesty for the citizens of their respective republics who are in any way threatened or restricted in their liberties; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of Costa Rica, memorializing the President and the Congress of the United States by an expression of sympathy in regard to the death of our late President, Frankling D. Roosevelt; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FARRINGTON:

H. R. 3339. A bill for the relief of Mrs. Margaret A. Martin; to the Committee on Claims.

H. R. 3340. A bill for the relief of Mrs. Merla Koperski; to the Committee on Claims.

By Mr. GEARHART:

H. R. 3341. A bill for the relief of J. E. and Minerva Mitchell and Rosie Monroe; to the Committee on Claims.

By Mr. O'TOOLE:

H. R. 3342. A bill for the relief of Leonardo Basile; to the Committee on Immigration and Naturalization.

By Mr. REECE of Tennessee:

H. R. 3343. A bill for the relief of David E. Goodwin; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

790. By Mr. COCHRAN: Petition of A. Franz and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

791. Also, petition of George Adjukovich and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

792. Also, petition of Sam Walker and 33 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

793. Also, petition of S. Ehrlich and 31 other cititzens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

794. Also, petition of H. C. West and 37 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

795. By Mr. SULLIVAN: Petition of Mr. Iman and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

796. Also, petition of Anthony Mikes and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

797. Also, petition of Joe Pullaro and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

798. Also, petition of Charles Grews and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

799. Also, petition of Lyle Teuting and 33 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

800. Also, petition of Mr. Masse and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

801. Also, petition of Miss Thurman and 33 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

802. By the SPEAKER: Petition of H. B. Darling, Jr., and 17 others, petitioning consideration of their resolution with reference to passage of House bill 2082; to the Committee on the Judiciary.

803. Also, petition of Pacific Coast Marine Firemen, Oilers, Watertenders, and Wipers Association, of San Francisco, Calif., petitioning consideration of their resolution with reference to passage of the merchant marine bill of rights; to the Committee on the Merchant Marine and Fisheries.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 29, 1945

The House met at 11 o'clock a. m., and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou most holy and ever-loving God, in whom our baffled minds and burdened hearts may find shelter and sanctuary, we are again seeking the counsel of Thy divine wisdom and the consolation of Thy understanding love.

We pray that in the midst of life's turmoil and tumult we may have the glad assurance of Thy kind and kingly providence. When we walk the lonely paths of discouragement and disillusionment, may we find our strength of soul and tranquillity of spirit in the glorious promise that where Thou dost guide Thou wilt provide.

May we confidently believe that Thou art the Lord God Almighty, who canst give us that light which in darkness shall make us glad, that peace which in our anxiety and fear shall make us serene and courageous. Throughout this whole day may we commit ourselves to Thy light and Thy peace.

In Christ's name we offer our petitions. Amen.

The Journal of the proceedings of yesterday was read and approved.

BRETTON WOODS PROPOSALS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until 12 o'clock midnight tomorrow to file their report on H. R. 3314, the bill to carry into effect the Bretton Woods proposal.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. ANDREWS of Alabama asked and was given permission to extend his remarks in the RECORD and include a speech by Mr. A. B. Hope, president of the Alabama Banking Association.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include therewith a statement made before the Committee on Appropriations

of the Senate of the United States dealing with spun iron and research on iron materials.

MEMORIAL DAY, 1919—AMERICAN EXPEDITIONARY FORCES IN FRANCE

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks, and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. GILLIE addressed the House. His remarks appear in the Appendix.]

DREW PEARSON

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I was interested a week ago Sunday night, listening on the radio to Drew Pearson when he made the charge that the chairman of the Committee on World War Veterans' Legislation, the gentleman from Mississippi [Mr. RANKIN], was not interested in veteran affairs and was not trying to do the things he thought were for the best interests of the veterans. My opinion of the chairman of the Committee on World War Veterans' Legislation [Mr. RANKIN] is that he is doing everything possible for the best interests of the veterans. The gentleman from Mississippi [Mr. RANKIN] is honest, considerate, and capable. When a radio commentator asks the people back in his district to defeat a man like that, it is just beyond the pale of good, common sense. I think any man who will take the radio and make a charge of that kind is what I would call an unsophisticated ass, because I do not believe a man with good, common sense would make a charge of that kind.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

PAUL T. THOMPSON

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 905) for the relief of Paul T. Thompson, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. McGEHEE, Mr. KEOGH, and Mr. CASE of New Jersey.

MYLES PERZ

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 903) for the relief of Myles Perz, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

An act for the relief of the estate of Myles Perz.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was agreed to.

HATTIE BOWERS

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2007) for the relief of Hattie Bowers, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$5,000" and insert "$4,000."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was agreed to.

DAVID B. SMITH

Mr. McGEHEE, from the Committee on Claims, submitted a conference report and statement on the bill (H. R. 209) for the relief of David B. Smith, for printing in the RECORD.

KATHERINE SMITH

Mr. McGEHEE, from the Committee on Claims, submitted a conference report and statement on the bill (H. R. 1567) for the relief of Katherine Smith, for printing in the RECORD.

FARM LUMBER

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. CARLSON. Mr. Speaker, one of the best wheat crops in Kansas is reaching maturity. Local elevators and farmers' bins are full of wheat that cannot be moved because of a car shortage. The farmers want to build farm storage but cannot get lumber. Where is our lumber going? My information is that the Central Procurement Administration and the War Production Board have issued directives that require mills to ship 65 percent of output to military orders and those placed by CPA. Orders have been issued to ship 85,000,000 feet of lumber to England on lend-lease. I contend that lumber for farm storage should be given priority over lend-lease lumber for England. It seems to me that lumber needed to save millions of bushels of food grains is far more essential than the 30,000 prefabricated houses they are sending to England. My information is that the lumber that is now being lend-leased to England is about 75 percent of the amount of lumber allocated for farm use in this quarter. Germany has extensive forests. Why does not Great Britain get trees and lumber from that country? I understand more than 1,000,000 feet of lumber is being shipped to Guam to build houses for natives who have always lived in bamboo and grass huts.

It is true that the WPB, through the War Food Administration, has allocated 380,000,000 feet of lumber for farm use in the second quarter. However, you cannot build granaries, cribs, and farm structures with allotments. Buildings require lumber, not allotments. The only way we are going to get lumber into the rural areas is for the WPB to issue a directive making lumber available for farm storage.

Dealers advise me they place order after order with mills on allotments with AA and AAA ratings but get no lumber. I have personally inspected yard after yard in western Kansas and can definitely state they are not getting lumber. The local lumberyard stocks are exhausted. The farm lumber situation is in a mess, and I want to urge the War Production Board to clean it up.

CALL OF THE HOUSE

Mr. BALDWIN of New York. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered, and the following Members failed to answer to their names:

[Roll No. 91]

Adams	Gerlach	Miller, Calif.
Allen, Ill.	Gifford	Monroney
Andrews, N. Y.	Goodwin	Morgan
Auchincloss	Gore	Murray, Wis.
Barden	Graham	Neely
Barrett, Pa.	Granahan	O'Konski
Barry	Grant, Ala.	Peterson, Fla.
Bates, Mass.	Gross	Pfeifer
Beall	Gwinn, N. Y.	Philbin
Bell	Hall, Edwin Arthur	Plumley
Bender	Hancock	Powell
Bennett, Mo.	Hand	Powers
Bennet, N. Y.	Harness, Ind.	Price, Fla.
Bland	Hart	Price, Ill.
Bloom	Healy	Quinn, N. Y.
Boren	Hébert	Rabaut
Boykin	Heffernan	Randolph
Bradley, Mich.	Hess	Reece, Tenn.
Bradley, Pa.	Hobbs	Reed, Ill.
Brehm	Hoch	Rees, Kans.
Buckley	Holifield	Rivers
Bulwinkle	Holmes, Mass.	Robertson, Va.
Bunker	Hook	Roe, N. Y.
Burch	Izac	Rooney
Butler	Jenkins	Savage
Byrne, N. Y.	Johnson, Calif.	Sharp
Byrnes, Wis.	Johnson, Lyndon B.	Sheridan
Camp	Johnson, Okla.	Sikes
Canfield	Judd	Simpson, Pa.
Celler	Kelley, Pa.	Smith, Va.
Chapman	Keogh	Somers, N. Y.
Clason	Kerr	Stefan
Cochran	Kilburn	Stewart
Cole, N. Y.	Kirwan	Stigler
Cooley	Knutson	Taylor
Crawford	Kopplemann	Thom
Curley	Kunkel	Thomas, N. J.
Daughton, Va.	Lane	Torrens
Dawson	Latham	Towe
Delaney, James J.	LeCompte	Traynor
Dickstein	LeFevre	Vinson
Dingell	Lesinski	Voorhis, Calif.
Durham	Luce	Vursell
Earthman	Lynch	Wadsworth
Eaton	McConnell	Wasielewski
Eberharter	McCowen	Weichel
Elliott	McGlinchey	Weiss
Elsaesser	McKenzie	White
Fisher	Mansfield, Mont.	Wilson
Flannagan	Martin, Mass.	Winter
Flood	Mason	Wolcott
Fulton	May	Wolfenden, Pa.
Gamble	Merrow	Wood
Gardner	Miller, Calif.	Woodhouse
Gavin	Monroney	Woodrum, Va.
	Morgan	Worley

The SPEAKER. On this roll call 268 members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

THE LATE JUDGE RALPH F. LOZIER

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, it is with deep regret that I announce the death late yesterday of our former colleague, Judge Ralph F. Lozier, of Carrollton, Mo., for 12 years a Member of this House and one of the ablest men who ever sat in this body as a Member of the Missouri delegation. He served from the Sixty-eighth to the Seventy-third Congress, inclusive, and was chairman of the committee which reported the law providing a permanent method of automatic apportionment of Members of Congress after each decennial census.

He had, I believe, the most extensive and fluent vocabulary of any public speaker it has been my good fortune to know and his speeches were models of chaste English and persuasive logic. His inaugural address as president of the Missouri Bar Association is still quoted as a classic and his impromptu speech on the floor here on the "octagonal temple" was characterized by William Hard, who was at the time syndicating a daily newspaper column, carried by the Washington Post, as the most pertinent and eloquent speech of its kind reported in the CONGRESSIONAL RECORD in all the years of his acquaintance with congressional debate.

Following his retirement from the House, Judge Lozier served for a time on the bench of the seventh judicial circuit of Missouri and then returned to an extensive and lucrative practice and was generally regarded as one of the most eminent lawyers of the State.

He died in the fullness of years—lacking only a few months of being 80 years of age at the time of his death. Peace to his ashes. He was as great in heart as in mind. In his death Missouri has lost one of her truly great men.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to address the House and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, it was my privilege and pleasure to serve with Hon. Ralph Fulton Lozier in the Seventy-first Congress of the United States.

Though I am a Republican and Mr. Lozier was a stanch, lifelong, loyal Democrat, we came to know and like each other shortly after I arrived here 16 years ago. We had many good mutual friends in his home town of Carrollton.

Mr. Lozier was a native Missourian, having been born on a farm in Ray County nearly 80 years ago. After attending country schools and graduating from the Carrollton High School, Mr. Lozier taught country schools and read law at night. After his admission to the bar in October 1886 and a wide and profitable practice, he was elected president of the Missouri Bar Association from 1912 to 1913.

He was first elected to the Sixty-eighth Congress in 1922 and served for the succeeding 12 years—through the Seventy-third Congress, until 1934.

Ralph Lozier was truly a self-made man. He came up the hard way and won for himself and enjoyed the confidence of a great constituency in the heart of Missouri. He was a tireless worker, a voracious reader, and a man of indefatigable industry. He had a high sense of duty and stubbornly and without fear followed his own strong convictions. He was devoted to the interests of not only the people in this district and State but also to those in the entire Nation.

Ralph Lozier was a keen student of history and a sort of natural-born philosopher. He possessed a penetrating insight into both men and issues, and had a logical and analytical mind that drove to the heart of a problem.

Though Mr. Lozier has been out of Congress almost as long as he served in it, he never lost his interest in this body. He believed in parliamentary government and was steeped in the traditions of our country. He continued a successful practice of the law up until his death.

As a fellow Missourian, I naturally am proud of his life and achievements and count myself fortunate to have known him and enjoyed his friendship.

There is little I can add to the fine and well-deserved tribute just paid to this good man by my present colleague and fellow Missourian, the able and distinguished chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON]. I share with him the sorrow in Mr. Lozier's passing, but cherish with him the happy memories of the valuable hours we spent together.

EXTENSION OF REMARKS

Mr. HORAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein a column.

Mr. LEONARD W. HALL asked and was given permission to extend his remarks in the RECORD and include therewith two speeches.

Mr. FULLER asked and was given permission to extend his remarks in the RECORD and include a radio speech.

Mr. HARE asked and was given permission to extend his remarks in the RECORD.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1946

Mr. COFFEE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3306), making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes. Pending that, Mr. Speaker, I would like to arrange with the gentleman from Iowa [Mr. JENSEN] with reference to a division of the time for debate. I ask unanimous consent that general debate may continue for 2½ hours, one-half of the time to be controlled by the gentleman from Iowa [Mr. JENSEN] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Washington.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3306, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COFFEE. Mr. Chairman, I yield 30 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. JENSEN. Mr. Chairman, I also yield 30 minutes to the gentleman from Illinois.

The CHAIRMAN. The gentleman from Illinois is recognized for 1 hour.

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois.

There was no objection.

Mr. DIRKSEN. Mr. Chairman, I felt impelled to make something of a report to the House of Representatives on a recent sojourn that I made over a period of 90 days that took me into some 21 countries. It was one of those visits in foreign lands that indeed enlarges one's perspective. Obviously, as you survey the standards and the conditions that are evident in other countries you do come back with some sense of disillusionment.

I am deeply appreciative to the Speaker of the House, to members of various agencies of the Government who have facilitated and in part made the trip possible; and, finally, I am deeply appreciative to my constituency who long ago when I very modestly offered myself as a candidate for national honor supported that campaign and made some funds available which were not expended and which they then insisted be expended for something of a trip to enlarge my own perspective. I shall ever be grateful to the people in the Sixteenth Congressional District of Illinois, of my home town and my home country for this token of esteem and this sense of appreciation on their part which is matched certainly by gratitude on my part.

You discover as you go around the world that the world has shrunk. Some years ago I went to South America and on the appropriate day in October, which marked and commemorated the sailing of Columbus and the discovery of this country, we were passing over that little island in the South Atlantic where Columbus had touched with his three humble ships, these very modest vessels that carried him to the western country. It was 440 years before. And so I built up in my own mind a picture of the three slight argosies that sailed from the port of Palos in Spain on the 3d of August 1942 and then sought to match it

with the speed of 227 miles which we in a four-motored plane were traveling in the direction of South America. It gives some hint of comparison. By the same token, of course, the world has shrunk measurably as the result of the airplane; and what a magnificent thing it is to fly over historic places throughout the world and to look down and to get a sense of appreciation of history such as one cannot get otherwise. I remember flying over ancient Carthage where Hamilcar and Hannibal once astonished all the peoples of the world; and I saw their legions down there and their elephants which were the ancient equivalent of the modern tank.

I flew over the pyramids and the Sphinx and I thought of Napoleon when he led his legions into the desert and made that little speech to them stating: "Soldiers of France, 40 centuries of history look down upon you." But I was looking from a vantage point of 3,000 feet down on the same Sphinx and pyramids that had the reflections of an ancient culture and ancient civilization.

I remember flying over that fringe of mountains and going into Palestine and I built up in my mind a picture of Moses standing up there after his 40-year quest for the Promised Land. Then looking out into the distance over these green and beautiful lands I thought of what the scripture said about Moses. His heart filled with exhilaration because he had come to the end of his quest, the Lord spoke out from the heavens and said:

"I have caused thee to see it with thine own eyes but thou shall not go over thither."

And so I was privileged to enjoy in Palestine what the Lord had denied Moses after his long 40-years quest for the Promised Land.

I flew over Taj Mahal in India. I flew over those teeming millions, and when you do that you get some real sense of how the world has shrunk as a result of this instrumentality that girds the world together spot to spot and somehow brings the world into a community of fellowship.

All that, of course, helps to enlarge the perspective and give you a different sense, I think, of what our relationships are to the people in all sections of the earth.

Let me say a word about the physical aspects of this trip. It embraced 32,000 miles of travel, of which 29,000 were encompassed by airplane. I went into some 21 countries. I went on the far end of my quest down to Ceylon where the Southeast Asia Command is located. We get a good many letters from soldiers and sailors quartered there. This island of Ceylon has a very fine average temperature, a land that is dotted with rubber and coconut trees and tea plantations. The water is so blue and so inviting, it has so many beaches where the boys can swim and you may readily understand when you read their letters why they speak of Ceylon as being out of this world, and being somehow struck by a desire when the war is over to go back and carry on there a very peaceful and lush kind of living. That is where our Southeast Asia Command is located. There has been a culture there for 3,000 years.

Then I went on to India, an amazing country two-thirds the size of the United States, but it has 400,000,000 people. Instead of 48 States like the sisterhood of our own country they have 573 states in India. The smallest is probably no larger than a southern plantation. The largest is probably as large as the State of Kansas, but it has 16,000,000 people. There you find 24 diversified languages that help to keep the people apart. What a country it is. Sometimes I think what little appreciation we really have of India until we are privileged to see it.

From India I then went to Iraq and Iran where the Lord has blessed the subterraneans with vast deposits of oil which have become the seeds of divergence and conflict, and probably the seed for other controversies in the future.

Then to Palestine, the land of the ancient, and on to Lebanon that once knew the foot of the Crusader; then on to Syria and Damascus where the Apostle Paul came over the wall in a basket. Then to what is left of the great Ottoman Empire, namely, Turkey; then to the land of romance, Egypt, with all its delights and antiquities. Then to Greece, the last cradle of an ancient democracy; then to Italy, devastated by war; then to France; then to Germany, to Britain, to Iceland, to Canada, and then back home.

Truly, that is a venture and journey enough for any individual in his lifetime and I shall never cease being grateful.

Let me say a word now about the personalities I encountered on the trip.

First of all let us talk a little about our general officers. On a trip of this kind you are privileged to talk to our general military officers. First of all there was General Wheeler, supreme deputy commander at Ceylon, who, incidentally, comes from my own district, and who has been long a personal friend of mine, together with Lord Louis Mountbatten, supreme commander in that area. Then we met General Sultan, whom so many of you remember. When you saw him last he was a colonel and engineer officer for the District of Columbia. He used to come before the legislative and appropriation committees and testify on matters of highway and engineering and the establishment of zoning districts for the District of Columbia. Today he wears his stars with honor, and he is in charge of the China-Burma-India theater, with his headquarters at New Delhi. Others whom we met were Generals Stratemeyer, Evans, and Cabell in the China-Burma-India theater. I remembered, incidentally, that General McNarney had been my commander in the First World War. Other military officers we met included such renowned personages as Generals Booth and Graham in the Persian Gulf Command; Generals Saddler, Giles, Ritter, and others in the Mediterranean command; Field Marshal Alexander, Generals Wilson, Foster, McCrystal, and Truescott, and that outstanding general, Mark Scott, and his chief of staff, and Brigadier General Packard. All those were men with whom we could visit and get some orientation and advice. Then in Germany there were General Patch and General Bradley, General Patton, General Reinhardt, Gen. Bedell Smith, General Eisenhower, General Thasher, and all the rest who have been so exceedingly kind and helpful in making the trip not only possible in that area but whose efforts added to our pleasure and made it possible to observe conditions throughout the area.

In India I spent considerable time with Dr. Ambedkar. He was the leader of the Untouchables, 70,000,000 of them in the so-called "schedule" or depressed classes. What a fine gentleman he is: a graduate of our own Columbia University, and yet classed rigidly in a caste system from which he cannot escape, because there is no escape from the caste in which you are born. Yet he had a delightful personality, a man who is doing the very best he can in the interest of freedom and the rehabilitation of his own country teeming with hundreds of millions of people. I had an opportunity to visit with Bulabahi Desai who is the leader of the Ghandi party in the Indian Congress, and also with Mohammed Ali Kahn who is the leader of the Moslem party. Those are the three political constituencies in India today. Every effort is being made, of course, to consolidate those parties but up to this time it has been unsuccessful.

I am sure you would have been delighted to attend the Indian Congress. One of the things that intrigued me first of all was that all the pages were grown men. They all wore turbans and long white trousers, and they were in bare feet. But the other thing that impressed me so much was that nearly 50 percent of the members attended in bare feet. On the particular day that I was there I was thinking of our esteemed majority whip, BOB RAMSPECK, because the subject matter that was being discussed there—in our language, mind you, because the lingua franca of their assembly, both provincial and national is the English language—was a civil-service bill, so I felt quite at home. When the Speaker extended his felicitations to our able Speaker, I felt very much at home in a congress 10,000 miles from here.

I went on to Iraq and there visited with the present and former Prime Ministers. In Palestine I conferred with British High Commissioners, the Arab leaders, and with leaders of the Palestine agency. I wanted to see in perspective, and certainly not in an ex parte fashion, by having association with the British High Commissioner, with the Arab leaders, and the leaders of the Palestine agency. In Lebanon and Syria, disturbed today by conflict and war, filled with horror, a really tragic situation, it was my privilege not only to sit with the Chief Executive, but with the Prime Minister and the Minister of Foreign Affairs and the members of the Chamber of Deputies, and to dine with the Speaker of the Assembly, not only there but in Turkey as well. We had the same experience in Egypt, some of the same experiences in Greece, where I met Archbishop Damoskinas and Prime Minister Admiral Voulgaris, very steady people

who are doing their best to orient a very difficult situation, a country that has been ravaged by civil war only a few months ago.

Those are some of the personalities I have encountered, and how enriched in spirit and in mind one is who sits down and talks with these people in their own language.

Some said to me as I left, "Well, I marvel at the fact that you speak 21 languages." Frankly, I do not. But take for instance the Prime Minister of Syria. He used to teach mathematics at the American University at Beirut way back in 1898, when the Spanish-American War was in progress. He speaks our language as well as any of us. There is not a member in the cabinet of Lebanon and Syria who does not speak our language. Go into Turkey, go into Greece, go into India, and everywhere in the world you find that French is no longer the lingua franca of the world. The English language is rapidly becoming the language in which we hold our discussions, and it is a common inheritance of great sections of the whole earth. So if you ever contemplate going throughout the world, be not dismayed because of language, because on every hand even the man in the street speaks the English language, and you will have no difficulty.

Let me make a little report as I go along, first, upon some of the military items about which I think you ought to have a report. It will serve several purposes, perhaps, by way of modest information to you, and I am even more interested, of course, in the fathers and mothers of the millions of GI's who are everywhere in the world today carrying on heroically in the cause for which we fight.

I cannot say too much for the American GI. I was a GI myself for a time in the last World War. What a tremendous lot of progress he has made. The sons of the fathers who fought in the last war are in uniform today. Their poise, their flexibility, their adaptability is one of the most amazing things that you can ever observe in a foreign land. The GI was fighting on cold ground up in Normandy, up in Holland, and in Belgium, with nothing but K-rations for 2 or 3 days at a time. When the thing is over, there you see him walking along the Champ Elysées in Paris as if there was no war on, and all the burdens and cares of the spirit had been thrown off.

He is an adaptable creature. I have seen him adapt himself down at Khorramshahr, in the lower end of Iraq on the Persian Gulf, where the temperature right now will be 150°, and where every device must be adopted in order to make life livable. It was exceedingly important, because there we had built docks where these vessels were discharging their cargoes, only to be transferred on to a railroad that was being run by American GI's and transporting 1,200 tons of war cargo on every train, 15 trains a day to the north and 15 trains coming back, taking meat, supplies, and equipment to our Russian Allies to the north that they might carry on their offensives on the eastern front.

That is the adaptability of the GI; whether you see him on the hot sands of the desert, whether you see him in Europe or in Italy, whether you see him in the cold or the warm climate does not make any difference.

What an amazing creature he is, and by all odds the greatest soldier on the face of the earth. I say it not in derogation of the soldiers of other countries, but I have seen them together and it is no wonder that from the lips of General Bradley, the lips of General Patton, the lips of General Patch, and all the rest, you hear these encomiums on the greatest soldier on the face of the earth, who has been responsible for speedy victory.

He has a great sense of humor that is positively remarkable. He has difficulties now and then with exchange. He never quite loses his wonderment and his interest. I think somewhere in the Scripture James records in one of his books, "Never cease wondering." The American GI never ceases wondering. I saw him on the campus at Oxford when he had a little leave, and oh, how he was drinking in knowledge. I saw him look at the glories of St. Paul's Cathedral in Fleet Street.

I saw him wander around Westminster Abbey, wide-eyed. Saw him looking at the tombs of the ancient kings and men who had contributed so much to the progress of civilization. I saw him in the moonlight wandering around in the ancient Colosseum. I heard a sergeant say to a corporal—I was standing right behind them—"Corporal, that is probably what two or three thousand years of weathering has done to a structure built of granite and marble. But we could have done better than that with a B–29 in just about 15 minutes." He somehow has a way, you know, of relating the ancient and the modern. I saw him looking at the Parthenon and the ancient Acropolis in Greece. I saw him looking at all that and seeking to somehow orient his history and identify himself with the great forces of democracy that developed there more than 2,500 years ago. He is a most amazing creature, this GI. And so I salute him today. I salute his humor and his capacity for keeping his home ties.

Now, I am going to make an adverse comment at this point. We have some people overseas at the present time who are over there by special dispensation for the purpose of determining what must be done to reorient the GI when he comes back home. I want to say with all the finality at my command that the GI does not need any reorientation and the long-haired men and the short-haired women who go overseas for the purpose of developing a program to teach the GI not to bayonet somebody on Main Street in Abilene, Tex., when he comes back is, in my judgment, the sheerest kind of nonsense.

I have encountered the GI everywhere. He is still thinking about a chocolate milk shake at the corner drug store. He still thinks of his family. Go into any perfume store in Paris when they open at 10 o'clock in the morning. There you will find a long queue of privates, privates first class, corporals, and sergeants, Wacs, and officers. What are they there for? To buy a little trinket, a little memento, a little remembrance, for some beloved person back home. Why, one of the finest things I saw was the canteen they set up at some detachment in Paris where a huge second floor is reserved for combat troops who come back for short leave from the front. You have to show your combat pass to get up there. There they can buy silk scarves and pocketbooks for their wives, sisters, and fiancees. They can buy perfumes and kodak film. They can buy those little things that are the delight of our average healthy young American who is in uniform today. That kind of a fellow does not need any ideological reorientation before they bring him back. Just put his feet on the main street of the old town and turn him loose. He will know how to live with his people and the people for whom he is fighting in some foreign field. Yes, he has some notion of his home ties. One of the amazing things to me is that the GI's are making victory gardens everywhere in the world. Twelve thousand miles from here in Candy, down in the island of Ceylon, I saw a lot of victory gardens. The GI's are making them. They are raising a little food. I saw hundreds of acres of victory gardens up near Reims in France. Everywhere in the world you will find victory gardens. It gives the soldiers something to do when the business at hand is not too pressing. So there you see a translation to a foreign land of a thing that he learned back home. I was so intrigued by what I saw in one of the victory gardens. There was a little sign on a willow stick. On it some very imaginative GI had written, "Doff your hat, you are passing a field of Illinois corn." I wish I had had a photographer with me to capture that memento while I was there 12,000 miles from home. Yes, he maintains those home ties. He will not need too much of that orientation when he comes back. In fact, he will not need any. He will resume exactly where he left off.

Let me say a word about officers of the United States Army afield. I wonder whether we appreciate the difficulty that confronts a general officer of the Army when you give him a command and you say, "You will establish headquarters," let us say, in India or Teheran, or the ancient land of the Medes and Persians, and you assign to him a certain job. What do you discover? First of all, you encounter the fact that you are sending our troops and setting up a service command in a country with which we are not at war. You are setting up a military contingent in a country that is not at war with any country that is involved in the present conflict. So at once you encounter the curiosity of perhaps five or ten or fifteen million people who say, "Who are these troops that come from America and what are they doing here? Why are they here?" So at once there is developed a very provocative problem which challenges the ingenuity and flexibility of our general officers, because obviously they must develop and maintain sweet relationships with hundreds of millions of people who are scattered over

the earth. It is a challenge. It does require ingenuity. And what a magnificent job they have done. When you see generals and colonels who are invited by people in foreign countries to social functions, to affairs of state, you know that they fit into the picture, and that they have developed a sweet liaison and fellowship between this country and their country, which is at once a great testimony to the ability of the general officers of the United States Army. I saw it in all sections of the earth. So I salute them. I take off my hat to the great job they have done, for if they were not flexible of spirit, if they did not have perspective, how easy it would be to develop frictions and difficulties and controversies as between this country and the country where they are presently located.

Now a word about supplies. The supply bases that you see are truly a testimony to the productive genius of this country. You can fly from one end of the world to the other and look down constantly upon airports where you see the gleaming wings of airplanes, and you know there are Lancasters, Liberators, B–29's, C–47's, and C–46's and all the others, all fighting and serving in the victory effort. What a magnificent thing it really is. You see bulldozers, you see tanks, you see all the equipment that is necessary for the greatest army on the face of the earth. Truly they have been adequately supplied.

None of it is being wasted. Up at Reims you can see 30 or 40 miles of replacement and repair camps. They were retreading 3,000 truck tires a week. They were retreading 2,500 truck tires a week in a little spot I visited 125 miles from London. There you see the genius and experience of men who had come from the great automobile empire up in Michigan, transplanted to some foreign field, saving truck tires, inserting patches, vulcanizing, doing everything necessary to give it new life. And when they were so bad that we could not use them longer, then they were carefully turned over to the Dutch, the French, and the Belgians, those who could get a little more use out of it than we could.

I saw 9,000 prisoners of war scrubbing raincoats that had been soiled, scrubbing cartridge belts, mending shoes; thousands and thousands of pairs of shoes to be boxed and to be compressed and sterilized and all ready for somebody to use. Not a pair had been thrown away.

One of the most remarkable things I saw was the repair of all the typewriters that had been captured after the push. They had 100 different makes of typewriters in that salvage dump. They had to be changed so that they could be used by the company clerks, by the Wacs, and by those who are doing clerical work incident to our Army. Yet they found repair people to repair those typewriters, and they did change the keyboards and make the repairs. Not a single one of those typewriters but what was being used somewhere or ready to be used. It is one of the most marvelous salvaging operations I have seen. Frankly it made me feel so good, as a member of the Committee on Appropriations, to think that all along the line the military authorities were still salvaging constantly so that nothing usable or useful might be destroyed. It makes your heart feel good to see that that kind of care and caution is being exercised by the military authorities everywhere.

The equipment was good, the docks, the unloading facilities, everything I saw was quite up to expectations; and then all of the supplies that you need to add to the creature comfort of the people are good. In the PX's and the canteens there was no shortage of cigarettes. I visited PX's in every country where I traveled and perhaps half a dozen towns in those countries. There was an abundance, and they had cigarettes. In some cases they were rationed on the basis of 7 packs a week, in others 10. There was an abundant supply of beer, in some cases as much as 24 cans a week were being rationed. It may sound a little peculiar to you; it does not to me. Put a GI down there where the heat is 150 degrees day and night and you have to give him something to chase back despair and to chase back the enervating results of heat. And there is one chap to whom I want to pay a special testimony. I do not know where he comes from, and perhaps I may never see him again; I do not even know his first name, but I do know that he is Colonel Younger, who was in the Persian Gulf Command at Abadan and Bandar Shahpur. He fussed until he was able to get a huge Coca-Cola machine, and that operates 24 hours a day, scrubbing bottles and sterilizing them, and filling those bottles so the GI's can have all the Coca-Cola they want. He fussed until he got an ice-cream machine and all the necessary powdered ice-cream mix so that there would be ice cream every day. I took off my hat to him. I thought, here is an officer who has an interest in the physical welfare of the men who were soldiering under great difficulty; and so he fussed until he got that equipment, and it is adding somewhat to the creature comforts of those people. Yes; you want good stocks in your PX's of cigarettes, candy bars, magazines, fruit juices. The GI's have become great fruit juice drinkers, and there is a reason for it. They travel great distances by airplane, and many of them on bucket seats with their backs to the side. They cannot always get a sufficient supply of coffee. Coffee is one of the things that outside of the normal mess is sometimes in short supply, so they become great drinkers of orange juice, pineapple juice, grapefruit juice, and every effort is made to keep a good supply in these many different places. On the plane they serve a box lunch, and there is a huge supply of fruit juice so that when they make a trip to another city there will be something to slake the thirst. And I am glad to have it so, because there is nothing that so helps to stimulate the morale as to provide those creature comforts that are indispensable when you uproot young Americans and send them 10,000 miles from home into a new climate and into a new type of living. That is just one of those little home ties that goes along with you.

And now a word about the Medical Corps. I wish to pay a tribute to the Medical Corps, to the doctors, and to the nurses who are taking care not only of the wounded but of those who have been smitten with disease. I saw a huge hospital in India where the termites were already attacking the timbers. We did not build it, we moved into it; and yet with the possibility always of the roof caving in, they keep their high morale; our doctors and our nurses are carrying on and ministering to the wounded. Their equipment was good. The dental, clinical, and therapeutic equipment could not be excelled, and that is one of the reasons why in this war as in no other war in history the lives of so many wounded have been saved—because the doctors are on the job, the critical drugs like penicillin, and the sulfa compounds are there, together with all the clinical equipment. They had the facilities to do a job. I think the greatest thing I saw was a very fine hospital that had only one patient in it. The colonel who was running it facetiously suggested that perhaps I ought to became a patient of his so I could keep his one boarder company for a little while. They have done an immense job in preventive medicine through vaccination. I remember as I stood before the plane at New Delhi, India, I saw a sergeant coming at me with one of these hypodermic needles. Automatically, without his saying a thing to me or my saying a thing to him I rolled up my sleeve and he jabbed the needle into me and I took scratch No. 12. It was the twelfth time that I had been vaccinated in the same arm and in the same place. I said: "What is this all about?" He said: "There were 400 deaths from smallpox in Calcutta last week, and the cholera epidemic has begun." Those are very serious concerns because the dead there are not counted by the hundreds of thousands, the dead are counted in millions, because they know nothing about sanitation; yet out of all the scourges there were only two GI deaths who were smitten by smallpox, out of the hundred thousand who had gone through the port of Calcutta.

What an amazing record of achievement and what a testimonial to the Medical Corps, the doctors, the nurses, the orderlies, and attendants in the Medical Corps of the United States Army.

Now, a word about the Air Transport Command. We have girdled the earth by airplane. You get on an ATC plane at New York, you drop down to an ATC port in New England; then you drop down on an ATC port in Iceland; then another ATC port somewhere in Scotland, then on to Britain. You follow the ATC from one end of the world to the other. It is not just one of those casual military operations. A ticket is always issued, your bags are always checked. Is it not remarkable that in 32,000 miles of travel not a single bag was mislaid, lost, or delayed at any time? That was true not only in my case but that would be true in the case of the very humblest soldier who travels by the Air Transport Command.

The airfields they have established in all sections of the world are truly phenomenal. We have fifteen or sixteen million dollars invested in a field near Cairo. It is on the edge of a desert, with not a single hazard, and it is the finest airport, in my judgment, on the face of the earth. It was built by the United States Army and is being maintained and operated by the Air Transport Command.

They have done a great job. You get those same courtesies, you get that same treatment, you get that same business-like approach that you would on any scheduled air-line operation, whether it be Eastern or American, whether it be Northwest Airlines or Inland, whether it be United Air Lines or any other. ATC is operating with that same degree of efficiency and courtesy and to me it is one of the most remarkable achievements I have ever seen to think that a military air line should girdle the earth.

Who brought all these folks to San Francisco? They were brought in large measure by ATC. Men of authority, men from all the nations of the earth, laboring there in steady fellowship for the purpose of setting up a world organization were brought there by the United States Army through the Air Transport Command. I remember speaking with a prime minister who had not flown a great deal. He was expressing some concern about flying across the Atlantic. "Oh," I said, "Your Excellency, millions of men, millions of American men and women have been ferried across the reaches of the Atlantic by the Air Transport Command. Have no dismay or discomfort of spirit about it because they will land you, after a very smooth and even flight in the upper air, at San Francisco where the Conference is to be convened." We brought assurances to many. That is the job that our Air Transport Command is doing.

I want to tell you about an operation that we did not have in the last war that we have in this war. To me it is one of the most amazing things I have ever seen. It is the reclamation of those soldiers who because of some strange mental quirk seem to go over the deep end in time of war. By the law of averages you can expect it. Obviously there are young men who are wearing the uniform who at times do not think too seriously about their responsibilities in time of war. They absent themselves, they go absent without leave, they forget to come back. Sometimes they are guilty of insubordination, sometimes there is some other infraction of military law. In the last war when the offense was sufficiently aggravated, what we did was this: We had a general court martial. He was entitled to counsel. The court martial passed upon his case. If he was found guilty sentence was imposed, and so often in aggravated cases these men were very promptly sent to Leavenworth, Atlanta, or some other Federal penitentiary and were socially forgotten.

We are not doing that today. There are a couple of colonels down in the War Department who came out of civil life. They showed some imagination. They asked themselves the question: "Must these boys be lost because of some momentary aberration or because of some temporary infraction of military regulations?" They hit upon the idea of setting up disciplinary camps in the different theaters of war. They do not invite people to come to see them, and for a very good reason. They do not want anybody to know the identity of the boys in those camps. Their identity is locked up. They will not show you a list of names or tell you who they are. But, believe me, they get a gruelling course while they are there, for a long time. They are stripped of all their glory. If they had any medals they are stripped of them, and they are stripped of their chevrons. They are made to work hard and they are made to work for an incentive, namely, the return to some unit to redeem themselves and finally to get an honorable discharge from the United States Army. That is the incentive. They sent 10,000 men through one camp. Virtually all of them, with few exceptions, made good when they got back to some outfit to which they were assigned. I saw the records of a number of those so-called offenders who were sent to this disciplinary training camp, sent back and then permitted to distinguish themselves on the fighting fronts, and you would be amazed how one who had previously been in the shadow of a dishonorable discharge redeemed himself and won some of the highest decorations in the gift of the Nation. No, you do not send them behind prison walls today. You redeem them, and it is one of the finest jobs of human reclamation that I ever saw, and I am eternally grateful to the men who engineered that system.

A word about the WAC's. We have quite a few Wacs overseas. I have often wondered whether there are people in our own country who think that when a girl gets into uniform and you send her overseas, that probably you institutionalize her and that you develop a certain toughness there. That is quite alien to the American tradition. I saw thousands of them. I talked to hundreds. I went to the canteens and to the PX's which they were operating. I saw them doing clerical work for the generals and for the colonels and for the staff officers and everybody else. I say to you on my own responsibility now that they have not lost the freshness, the charm, the loveliness, the grace which is a part of the American tradition, and if there is any body in this country so lacking in grace that they would put the finger upon a contingent like that and say, "Put them in uniform and send them overseas," something goes out. The same winsomeness is still there, and I now pay public tribute to the Wacs for a great job that they have done overseas and for the grace with which they have done it

There is so much to report in the military, but there is one other item that may seem just a little out of place, but to me at is not. You know the fathers and mothers of the boys who do not come back will be wondering where they sleep. They will be wondering about that sacred little spot of earth somewhere off a field which is the last resting place of a beloved son, brother, or husband. The Army has not forgotten them. I stood reverently in many cemeteries; some large and some small. Yes; the living have not forgotten the dead. They have built walls around those places in most cases. They have planted trees. Flowers were there to adorn those last resting places. People come reverently and quietly to pay tribute. Now and then service is held there. The graves are kept green and they are kept garnished with the flowers of testimony from the living to the dead. So if I may say to the fathers and mothers of all sons who are casualties in this war, rest assured that your son's last resting place is being kept living and green, suitable for the final resting place of a soldier. You think of a huge military operation that is so factual and drives directly to a combat point that those little niceties of the spirit are forgotten. They are not. So you see the last little touch, you see the last little tribute to those who were once colleagues in our Army, and they are maintaining these places and helping to keep vigil for them.

There is so much that can be said about our military organizations that within the compass of time you cannot do it, so let me run along to a few others. I inspected the facilities of the OSS, the OWI, the War Shipping Administration, the Foreign Economic Administration, the lend-lease activities. These are the things I wanted to see. As a member of the Committee on Appropriations I was manifestly interested to see how our money was being spent, so I tried as modestly as I could to make it a true working trip.

I went into these offices to talk to the personnel. I find that while some do not agree with me, and while I went with some prejudice in my heart, for instance toward an agency like OWI, I do want to say for them, and I must say it in candor, in all honesty of purpose, that overseas they have done a good job.

Let me illustrate why I think something akin to OWI at least is necessary. When you move troops into a country that is not at war with us you must make the people understand why they are there, and you must develop some fellowship between the natives of that country and our troops. How are you going to do it? Are you going to send a solicitor from door to door and say, "I am an American GI. I want to tell you why we are here"? No; obviously in the nature of things that could not be done. So you must use the means of communication, you must convey to these people by movies, by the press, by photographs in newspapers, by every means of dissemination, the objectives of the war and why we are there. So that was the purpose OWI had to perform when they were overseas.

I make no comment on their operations in this country, but I do make comment upon the offices that I saw. As I measured and got figures on the lines of space that they had in local papers out in the world somewhere, the number of photographs that were being used, I could see, I thought, that OWI was doing a pretty good job of telling the story. Eighty-three percent of all the photographs that appeared in all Turkish daily papers were photographs taken and serviced by OWI. Forty percent of all the news cov-

erage that appeared in the daily papers in Turkey came from OWI. I found a comparable situation in India. Their job was to sell America. Of course, if they should sell a slanted ideology or if they should go afield from the intent and purpose of the Congress, that would be a different thing, but I think they have done a reasonably good job and in some cases a very good job in selling their story.

I want to conclude on that by saying this: I think there is an informational function there that should not be lost. OWI like other war agencies, probably should be abolished when conflict comes to an end, but the job of selling America, the real America, to people abroad should not be lost. It is a function that could very well be transferred to the State Department for further exploration, to be carried on in these foreign fields.

Let me say this to put it on a personal ground: How much do you know, for instance, about irrigation in India? The answer might be, "Well, nothing." If you ask a Hindu how much does he know about the Tennessee Valley Authority the answer is "Nothing" until we tell him. What does he know about the school system of America? He knows nothing. What does he know about the living standards and wages and food in America? He knows nothing. So an informational service on a factual basis will develop good will, in my judgment, and bring about a better exchange of ideas and a better understanding between us and other countries if it is pursued in that fashion.

Now it becomes my painful necessity to make an adverse comment on one of our agencies, and that is the United Nations Relief and Rehabilitation Administration. I do so advisedly. For an hour and thirty minutes last night I had a long visit with Roy Hendrickson, of UNRRA. You will remember that he was at one time Director of Personnel in the Department of Agriculture. I count him one of my good friends. We have known each other for a long time. Later he became Administrator of the War Food Administration, and now he is really the organizing head, the directoral head, of UNRRA.

He asked me what I saw, and I told him very frankly. I said, "Roy, in the utmost of candor I must tell you that I am wholly dissatisfied with your operation in the foreign field. I think it bears out some of the comment that has already been made. It is not said in a spiteful way at all. I am just as anxious that a relief and rehabilitation operation in the foreign field shall succeed as anybody, for if it fails, it will be a reflection upon our capacity to do that job and it will earn for us contempt rather than good will. So it becomes manifestly necessary that that be a good operation."

I went through it in Cairo, I examined it in detail in Athens. I talked with all their people. I attended the staff meeting. I did the same thing in Rome. I went out in the field and checked the information with the military and with anybody who had some authority to speak on this subject. So I came to the conclusion, without belaboring you with a great deal of detail, that UNRRA deserves careful reexamination by this Congress at once. We cannot afford, in view of the money which is involved there and the relationship which must necessarily exist between UNRRA and authoritative officials in other countries, that it should fail. If it is an administrative difficulty, we must cure it. If the distribution is faulty, that must be cured. I have contended, for instance, that distribution is faulty. For example, at Athens, Greece, out of 250 trucks which they were using, 89 were not running. I said to the director, "Why?" He said, "Of course, first of all, they are old trucks." I said, "Well, they were running when you got them and they were put in repair by the military." He said, "But we have no maintenance and repair operation." So, one-third of all the trucks which were designed for the distribution of food in Athens, Greece, are standing immobilized today. They are not running. Obviously, that is not efficient operation. There is another comment one could make, but I cannot very well belabor you with it within the compass of time today. But it is my settled conviction it is imperative for the Congress to review and reexplore that whole operation before we get too far afield. I do not want to say any unkind things about them. I have a lot of facts in my notebook which I could relate. But I will only give it to you as my considered judgment that it is not doing the job which we intended. For that reason, Congress ought to move into that picture at once. You observe that there has been a conference at the White House on this very matter between the President of the United States and a former President of the United States who had large experience in the relief field. I do not know what they discussed except as it was presented by the press. But I do agree with some of the contentions which were made because I think those were borne out by my own personal observation wherever UNRRA is operating at the present time.

Now, Mr. Chairman, a word about the State Department. I made it a special point to examine the facilities of the State Department wherever I was. It amplified somewhat the experience I had in South America in 1941 when I made that something of a special point in connection with my official visit there at that time. So, on this trip, I went through our embassies, legations, and consulates. I wanted to see who was there; how they were staffed; what the facilities were; and how the people were housed; and what we were doing for them. Let us start out first with the premise that the people who work in the Foreign Service make a very distinct sacrifice for their country when they assume service in a foreign land. It is not the easiest thing to live among strangers who do not talk your language; to live in lands where the exchange is always disadvantageous; to live in a land where you can get no housing because housing is tighter in almost every large city in the world than it is in Washington, D. C. It is one of the most amazing things that that condition should prevail, but it is testimony not only to the mobility of people but to global warfare when you transport people into all the areas of the world. These people do make sacrifices in that field and what we have done for them has never been too great.

So far as housing is concerned, if you were to rent an average house in Athens, Greece, today, without furniture, it would cost you $450, and it would not be much of a house. How are people going to do it unless we make available to them the allowances which will keep them in decency and in fit condition to represent the greatest country on the face of the earth? There is a question of housing; there is a question of pay; there is the matter of representation allowances so that they can maintain a certain social prestige among all the other emissaries from the other countries. After all, we must keep up if we are the No. 1 nation. I said to the consul general in a certain country, "Do you belong to any clubs?" He said, "Yes, sir." I said, "What clubs do you belong to?" He said, "Obviously in my position I must be a member of the Rotary Club." I said, "What is the annual dues?" He said, "$100 a year, and you pay it whether you attend a meeting or not." I said, "Do you belong to any other club?" He named a certain club where most of the foreign envoys attended. I said, "What is the membership fee?" "Two hundred and fifty dollars." I said, "Do you belong to any others?" He said, "Yes; I have to belong to one more." "What do you pay for membership there?" "Two hundred dollars." So there you have $300 plus $250, or $550, that comes out of the pocket of the American consul general of this country simply to preserve a little face and prestige of a social sort. It may be very well to castigate him and say, "Oh, we did not send you out there for that." But we did send him there to represent the greatest country on the face of the earth, and we expect him to stay in the swim and we expect him to do the job of representing us and develop fellowship. How are you going to do it unless you contact human beings at your own level?

So the amount of his representation allowance was expended just for club dues that he considered imperative, and I did, too.

There must be some provision made. There must be an allowance made. For a country that has expended $400,000,000,000 on war, on a conflict for freedom, should have the finest State Department facilities of any country in the world. But you walk down the street in Ankara, Turkey, and you take a look at what our Soviet friends and our British friends have and you go over on a back street and see what we have, and it does not make you feel very good. Let us go to Teheran, where the Conference was held. I think it violates no confidence to say that a short time before I got there they had a very heavy rain and the roof and the ceiling of all the chancery offices fell in. Why? Because they are located in an old stable that is attached to our embassy there. They had difficulty in finding a plasterer and an electrician to make the necessary repairs so that they could go ahead with their work. Certainly that is not becoming to the prestige and dignity of

the greatest country on the face of the earth; the country that backed this war and is trying now to develop a security organization that will bring peace eternal and in abundant fashion to all the corners of the earth. It does not make you feel too happy. Frankly there is too much of it.

I hope you will not be shocked and I hope the State Department will not be shocked when I say to you that while I was crossing north Africa in a plane I got to thinking about it, and I said, "Well, if I had to do it, if I were the administrative officer of the State Department I would ask for an appropriation of $100,000,000." What for? To project a plan over a 10-year period to provide housing for our people, to provide adequate facilities, to do these things which this country so richly and so eminently deserves. It sounds funny from one who has pursued the economy line so long. But there is economy that is sometimes no economy, and certainly that, in my book, is not economy.

To give you a little illustration about this housing, I walked in when one of our representatives was preparing to come back to the United States. He had been transferred. They had just had a moving man in to find out how much it would cost to crate the furniture. The lumber for crating in this town was estimated to cost $1,000; $700 more for the labor to throw that lumber around the furniture; or a total of $1,700. Now, that does not include any cartage cost. There is no transportation involved. You could buy twice as much furniture for the cost of moving it. I thought, would it not be a grand idea that we buy furniture of good symmetrical design, furniture that is sturdy, that is on duty in the country, and when you move a man from one place to another you do not have to spend $3,000 to move his furniture. Normally they rotate at the rate of about once every 3 years. We took a lad out of Spain some years ago and the cost of moving his furniture from there to a country in Asia was $2,600. We could have bought twice that much furniture, but he had no choice except to move it. We should build housing. We should build facilities. We should buy furniture, for in dollars and cents we will be infinitely better off over a 10-year period.

That is what I mean when I say there ought to be a program projected to meet exactly that situation. Yes, there is some sacrifice about serving in a foreign field. I say to some of these people, "I would not do it for five times the money you get," and I would not. I simply would not go through those inconveniences. There is the matter of exchange. Look at the difficulties they are up against. We have a young man who was one of the consular agents in Florence, Italy, who was a prisoner up in the hills, so to speak, or rather a refugee for 9 months. When the Germans came in he and his colleagues wandered around the hills. When he came back he had no clothes, no shoes. So he went down to his tailor. The cheapest fabric he could get for a suit, a two-piece suit, no vest, cost $250. He had no shoes. He had to go and buy a pair of shoes. He had to pay $80 for them. So you can see what our people are up against, those disadvantages of exchange; and, certainly, as we think of our State Department, which is the eyes and the ears of the country representing us on the foreign front, we should be mindful of these difficulties. There are other agencies on which I could report. May I ask how the time stands?

The CHAIRMAN. The gentleman has 1 minute remaining.

Mr. DIRKSEN. It would take at least 2 more hours. I would like to proceed for an additional 15 minutes.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed more than his hour; I understand additional time will be allotted him.

Mr. COFFEE. Mr. Chairman, I yield eight additional minutes to the gentleman from Illinois.

Mr. JENSEN. And I yield 8 minutes to the gentleman from Illinois.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The gentleman from Illinois is recognized for 16 additional minutes.

Mr. DIRKSEN. I am deeply grateful to the gentleman from Washington [Mr. COFFEE] and the gentleman from Iowa [Mr. JENSEN].

I want now to get to the matter of world appraisal, for, after all, that is the most important thing to us all. I shall have to take time at some future date to do justice to all the matters I want to report on.

First, I want to talk about this whole question of a Global War. You will never appreciate the term "Global War" until you see soldiers and the instrumentalities of war everywhere that you go. It does not make any difference if you go down for instance on Easter morning to the Holy Sepulcher in Jerusalem, there are soldiers there of all nationalities. If you go to Byzantium, if you go to Istanbul, and look out on the Marmora and the Sea of the Bosphorus and the Golden Horn, everywhere you see soldiers. If you go into the ancient land of Syria, into Damascus, or Beirut, or Lebanon, there are soldiers. If you go into New Delhi, into Bombay, Ankara, Calcutta, or Bangalore, in India, there are soldiers and there are the instrumentalities of war. You look down as you go across the desert and there you see airports that are laid out in some instances with chalk lines to make them visible, and even there, there are soldiers. I think one of the most dramatic things that happened to me was on the trip when I left Baghdad—and I did not find Ali Baba and his 40 thieves when I was there, although I looked. I started out across the desert in a blinding sand storm, and it is really a hazard for flying. I asked the pilot if we had any troops between there and our destination. He said: "Yes, there is a little handful, but you would not be interested."

I said: "I certainly am interested. Where are they?"

"About 250 miles from here. There is no town. It is just known as LGH 3. That is a code word."

I said: "Fine; I don't care how many are there, we sit down in LGH 3."

And so we did in the sandstorm. Then I got into an old jeep and I went down about a mile where I found one of these tin shelters, and there I found 10 sergeants and corporals and one first lieutenant of the United States Army. That is all there were, 37 miles from the nearest hamburger stand, and 250 miles from the nearest town. Their morale was great.

But what I mean to illustrate there is that this war is global. So, of course, the transition from war to peace is going to be one of those global things, because you are going to have a tremendous lot of dislocation not only in your own country but in countries everywhere. Consider, for instance, India. She has 2,000,000 people in the army today. Some day there will be demobilization in India just as there is here, just as there will be in Britain, just as there will be in France, Italy, and elsewhere.

So the dislocation, the redeployment and demobilization are universally global problems. You see the shipyards there making combat ships of all kinds. The same hands that are running the hammers there in the ports of the Orient will have to be turned into the production of ships for peacetime purposes. These highways were everywhere. They were military roads, all right so long as soldiers are there, but that work will have to be carried on by civilians when the war is over. It does not make any difference where you go, war is global, and so transition is going to be global.

There is the tremendous job of feeding I would like to talk to you about. I took a look at conditions in Austria, Germany, and Italy, and I have come to some conclusions with respect to this critical problem of food, transportation, and fuel. May I say to you, there is not one pound of coal available in France today for domestic heating, and there is only 30 percent enough to take care of their requirements for the generation of electrical energy which, of course, are the industries. To put them on a full-time basis requires coal. When we come to next winter the people will freeze and in many areas of the world people will starve. You know what starving and freezing will do to people's ideals. That is the real danger. If you will go into Athens today you will see 300,000 people sitting around little tables in coffee shops. They have no work because there are no raw materials and the factories have not begun. Idle hands and idle minds in a postwar period is a dangerous combination, and it is no wonder that Admiral Voulgaris and Archbishop Damoskinas said so simply and so naively:

"We must get a living out of a tin box. We must get our industries started. Those hands must address themselves to productive work. It is the only answer for the overtone and ferment that is in the air at the present time."

Those are problems that we have. In Germany itself we have the tremendous problem of displaced persons, these folks who were in slave labor camps, others who were prisoners who have no place to go now unless they stay in those camps, estimated to be four million. These are eastern and western Europeans with no home. Countries must be

found, then they must be sent back. We must make some provision to give them a certificate in lieu of a passport that has long since been confiscated. So to get them back and get a reordered economy where people can eat, where they can work, where troubled minds can find surcease and outlet in labor is a tremendous problem.

Then there comes the old business of rebuilding. I do not mind saying to you that destruction disturbs me a good deal, and probably disturbed me more than any other. In the last war I served in the St. Mihiel sector. I saw that little military town at Verdun. I went in and saw these destroyed cities, Munich, Leipzig, Cologne, Aachen, Coblenz, Verona in Italy, the scene of Shakespeare's play, The Two Gentlemen From Verona, and the place where Juliet sat on the balcony and talked down to Romeo. I did look at Pisa, at Bologna, and Florence. I wanted to see the old bridge there and street with all the jewelry stores to see whether it had been destroyed. It was the only thing along the Arno River that was intact, that one old bridge. Then you saw people with the remains of a little pushcart shoving back into that town on the high road of a sunny day and you wonder where are they going to begin. How are they going to reorient their minds now? What are they going to do?

That is a problem for more than the individuals whose homes have been destroyed. That is a problem for nations and it is a problem for the world today. So I say to you out of all humility of spirit some of our real problems are just about to begin.

I would like to talk to you about the capital investments that will go into this rebuilding program and the education that is so necessary in some of these liberated countries; then, particularly, I wanted to talk on a subject which is dear to my heart. It will probably aggravate and hurt some people, yet I think it is the truth that must be told now. There is no freedom. That job is still incomplete—and I say that not by way of derogation of any one country in the world. After all, we have not quite achieved the liberation of the Philippine people. I would say it of every country that stands in the way of a complete articulation of the things for which young men fight and die in all the corners of the earth.

I wish there were time this morning to talk to you about India, Iraq, Iran, Syria, Lebanon, Tunis, and Greece. I am going to take one country in the time available. There is a very difficult situation in Greece today. We get the idea that it was nothing more than a small civil war that broke out there on the 9th day of December. Folks, it was something more than that. There were 65,000 casualties in that war. I am informed that 8,000 people were killed in Athens alone and 12,000 wounded. Over 600 British soldiers were killed in Greece. There is a political problem there. It is not always too tasty to talk about. Yet somewhere along the line, in the right spirit—let me say in a helpful spirit—we are going to have to talk about it, because Greece is occupied today with more than 70,000 troops. A very natural question arises: What will happen when the troops are taken away? Will there be that same effervescence of spirit which finds political outlet and which will fruit in rioting and violence again? What about this thing called freedom? It disturbs me no end, because you cannot stand at these little cemeteries around the world and see the last resting place of so many American GI's without asking yourselves the question: Why were they taken from a lush, peaceful living and transported 10,000 to 15,000 miles away from home to die? It has got to be something more than ecclesiastical vanity. We want to get something more than military victory out of this war. That is the thing that has to register in the souls of everybody. If we miss on this freedom business this time, we ought to be kicked. So before us there is the necessity of establishing a program, of following that course of action which will never depart from what I regard as the greatest political fundamental of all the generations, and that is a field for everybody.

I will close by suggesting to you what you already know from every issue of the press in the last few days. President Truman's help is sought in the Arab crisis in Syria and over in Lebanon. Only a few weeks ago I wandered among the places where blood is being shed right now. I hope the President can act as a mediator. I know something about the situation because I talked to the President of the Congress, the Prime Minister, and the Minister of Foreign Economics, to people everywhere, to find out. I know. My hands are somewhat tied. I cannot tell you. I do not want to throw stones in the water and cause ripples that will undoubtedly rock against the shores of the fellowship that we are expecting to achieve. That is the one reason why I went to see the President. I had a splendid conversation with him, and I expect to go back. But you see involved here now is the very thing for which young men were dying, and that is freedom. So there must be a policy now in the days to come and there must be a resolute pursuit of that policy so that there will be something more than a mere victory of arms.

Let me close with this incident. You know where I stood on the 8th of May at 9 o'clock in the morning when there was probably some little celebration in Washington as there was in the rest of the world? It happened to be 3 o'clock in Paris when I was there. I got in an automobile and I went out to Versailles. The buildings were locked. I managed to get through the gates. Standing in front of the gate was an American tank with a 3-inch gun on it. They were ready to fire the salute at 3 o'clock. Off in the distance I saw a lot of French folks congregating. They were equipped with flags, and already were singing the Marseillaise. So I went to see whether I could gain entry into the Salle de Mirror, the Hall of Mirrors, where notable statesmen stood a generation ago. I saw a sign reading "Closed today. Holiday." So I went around to find the concierge. He had one arm. I said, "Vous, camarade?" "Are you a comrade of mine?" I pointed to my American Legion button. He said, "Oui," with a great smile on his face. "Where did you lose that arm?" "In the battle of the Somme in the First World War." I said, "I was in that war, too. I was over here in your country. I fought up in the St. Mihiel. I am going to be in Paris a short while, so I would like to stand up there where the statesmen stood."

With the sheerest of grace he took me through all of it, and then he said, "Now, look. Right here President Wilson stood. Right here Clemenceau stood. Right here stood Orlando. Right here stood Lloyd George, and over here were the German representatives getting ready to sign the peace treaty at Versailles." So I stood where they stood, and I looked out the window, out onto those gardens, and then I tried to project myself back a generation. I thought, "Yes, the statesmen of the world stood here, and they signed a piece of paper which was not very durable, because I have just left the Italian front, I have been all over the world, to see soldiers in conflict, struggling once more for a great fundamental and yet elusive ideal that we call freedom." I thought, "Shall we, the statesmen in this generation, fail as they failed before us? Oh, what a tragedy that would be."

If this trip serves no purpose except to strengthen my whole thinking and to implement my own soul, perhaps out of these little reports that I bring back and make to you from time to time there will come a clear conception of our relationship to the world and a determination that those who lie sleeping in all these little cemeteries from one end of the earth to the other, that incomparable American GI, will not have died in vain—a grand thought for tomorrow, because it is Memorial Day.

Mr. COFFEE. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. O'TOOLE].

Mr. O'TOOLE. Mr. Chairman, it has been brought to my attention that in the New York Port of Embarkation as well as at the Fort Hamilton Military Reservation prisoners of war are being used to displace American workmen. The latter part of April several hundred carpenters were laid off at the New York Port of Embarkation and work that they normally do was being performed by the prisoners of war.

These carpenters are for the major part married men with families. They are respectable and decent citizens of the community who have supported their Government by paying taxes, buying war bonds, and in many instances have given their sons to the service. These carpenters received a daily wage in the neighborhood of $13.20, but the prisoners of war receive but 80 cents. This may be some "brass-hat's" idea of economy, but to me it is merely an effort to establish a coolie system and coolie standards. How can the War Department justify such an act? What explanation can we give to these American citizens as to why their livelihood is being taken away from them?

It is my intention to give the War Department a few days to rectify this condition, but if it is not done I shall

then come before the House and ask for a congressional investigation.

Mr. COFFEE. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I am sure we all enjoyed the enlightening and helpful comments made by the very brilliant gentleman from Illinois, Mr. EVERETT DIRKSEN, and we are all inspired as we carry on the debate on the bill this afternoon. I hope that on a subsequent occasion the gentleman from Illinois may find time and opportunity to enlarge upon his stimulating discussion.

Mr. Chairman, this is a bill making appropriations for the District of Columbia for the fiscal year which begins July 1, 1945.

This year, due to other assignments, our subcommittee could no longer avail itself of the very excellent advice and assistance of Congressmen ANDERSON, NORRELL, WHITTEN, and DWORSHAK. However, we had the privilege of initiating as new members Congressmen CURLEY, O'BRIEN, GORE, and HORAN. These distinguished gentlemen are all schooled in municipal affairs and bring sound and experienced judgment into our deliberations.

With the exception of a relatively negligible Federal payment, all of the costs of operating the District government are defrayed out of tax revenues collected by the District government.

This subcommittee, it must be remembered, is not alone interested in appropriations but is also very vitally interested in District revenue availability. Congress has wisely provided that the District of Columbia cannot go into debt except by special permission from the Congress, and we must therefore be assured that the money we are appropriating is available.

I am pleased to report that as of this period the District is in an excellent financial condition. Notwithstanding the fact that the Federal payment of $6,000,000 is less than 10 percent of the total appropriations for the District, we can report that since 1940 over $16,000,000 has been paid on indebtedness. The District of Columbia government is debt free and in addition we are supplementing the $5,000,000 capital reserve fund of last year with another $5,000,000.

The amount of nearly $65,000,000 is being recommended in this bill.

This amount reflects a decrease of $4,800,000 under the current year's appropriation. Excluding the cost of overtime for the current fiscal year, the amount recommended is still about $800,000 under the current appropriation.

The District budget for many years was a Chinese puzzle to almost everyone. We accomplished something worth while last year in simplifying it. The benefits extend beyond making the budget itself more understandable, for with a previous total of 215 separate items reduced to 95, we have a clearer picture of the present organization of the District government.

Let there be no misunderstanding about it, the budget sent to our committee was a purely local budget. It was not prepared by the Federal Bureau of the Budget as in past years, but was prepared by our local officials and checked by the Federal Bureau without the deletion of a single item.

Only a few years ago the Federal Bureau of the Budget took full responsibility for the local estimates sent to Congress. District officials were called before that Bureau to defend and justify every item. That condition has been changed and the responsibility is now in local officials. The three Commissioners and the budget officer give a full and complete hearing to every department head. These hearings last about 2 full weeks. Thereafter, a public hearing is arranged for all citizens interested in items appearing in the proposed budget. Citizen groups also have hearings before the Board of Education, the Recreation Board, and other agencies of the District government.

Notwithstanding all these opportunities to be heard and to settle differences, Members of the House must also be called into some of the controversies regardless of the manifold duties and responsibilities placed upon them during wartime. Members of Congress are vitally interested in District affairs; they realize that this is the Nation's Capital and a city set apart for all our people. They are willing to give of their time to District problems, but it does appear to me that the citizen groups should first go through regular channels and then submit, with their complaints, adequate and accurate statements. Our subcommittee had before it many citizens. They had at least a full day and many valuable contributions were made, but you might be interested in knowing that not a single individual pointed to a single item that might be reduced a single cent.

I have observed over the years what appears to be an unfortunate sequence of events. Just before our hearings begin a considerable amount of agitation takes place. A few years ago it was the Police Department; the following year the Water Department; in 1943 Gallinger Hospital took the headlines; last year Health Department and Welfare, and this year Welfare. I recall that last year I, personally, with members of my committee, visited a number of District institutions. The headlines covered the same items we have been reading about recently, particularly the Industrial Home School, the National Training School for Girls, the jail, and so forth. Conditions were certainly unsatisfactory. Manpower shortage was acute then, as now. Buildings were in bad shape and have been for years. The Industrial Home School is on Navy Department property and must be moved. Priorities for new buildings were unattainable. Even in the buildings considered essential and for which priorities can be obtained the materials used are said to be unsatisfactory. Many problems are apparent and one of the first is a policy matter which the citizens should first determine. That has to do with larger detention institutions as distinguished from home care. This is a very important problem which calls for a considerable amount of thought.

You might be interested in knowing that in 1941 there was appropriated $3,675 for the preparation of plans for a new receiving home. In 1942, $112,500 was appropriated for its construction. Nothing was done. Thereafter, in 1944 we appropriated $30,000 for a new site for a new receiving home, and we approved in September 1945 a supplemental request for plans costing $12,000 for a new receiving home and classification center to cost approximately $285,000.

We are including this item of $285,000 in this bill with specific instructions that this building be built now.

In addition, last year we appropriated $100,000 for a site for the National Training School for Girls to be located near Laurel, Md., and made available $40,000 for repairs of existing buildings on that site.

In the supplemental of this year referred to we also approved plan money for a new home for the aged with $120,000 for a heating plant to be started immediately.

In this bill we are providing for a new pediatric building to cost $650,000, and a new laboratory building to cost $190,000 in addition to a superintendent's residence and an incinerator at Gallinger Municipal Hospital.

We are not unwilling to appropriate the taxpayers' money, but we want to be sure that we are not doing it in a haphazard manner, because we have an obligation not alone to the few who may be most vocal but to the thousands upon thousands of fine people who make this their place of residence. These flare-ups just before our hearings start no longer impress me. Highly emotional, overzealous professional witnesses, and publicity seekers no longer attract my interest.

The population within the District is in excess of 925,000 and far in excess of a million in the metropolitan area. This city furnished over 90,000 of its sons and daughters to the armed forces. Two thousand one hundred and six men were called for service from the District government and over 1,200 positions remain vacant. The war impact hit the city hard but notwithstanding it has thus far come through with colors flying.

A great change began to take place in Washington when our Federal Government commenced the setting up of machinery to aid the forces against Hitler in the procurement of needed war materials. The offices here of Britian and other countries of the British Commonwealth, of China, and others allied in the fight of free people commenced wholesale employment of Washington citizens. Thus began what continued to be a constant flow increasing the population from some 660,000 in 1940 to 925,000 today. Many of these workers from your home State and mine perhaps will stay, many may return, but in any event I think that the majority will agree that the District government has done a magnificent job in these days of unprecedented quick expansion.

A quarter of a century ago the annual budget of the District was approximately $18,000,000. Today $70,000,000 is hardly adequate.

Problems are becoming increasingly complex. Less than 50 percent of the land area is now taxable, maintenance

and operation costs are getting dangerously close to revenue availability. Undoubtedly the municipal authorities will soon be speaking in terms of increased taxation.

I cannot help but feel a great degree of sympathy for the taxpaying Washingtonian.

More than a hundred years ago the committee appointed by the Common Council of Alexandria to urge Congress to re-cede that portion of the District of Columbia which was formerly a part of the Commonwealth of Virginia began their memorial by saying:

> When we remind the committee that we are a disfranchised people, deprived of all those political rights and privileges so dear to an American citizen and the possession of which is so well calculated to elevate and dignify the human character * * * we are almost inclined to say nothing more.

I know of no good reason why the citizens of Washington should remain in a state of vassalage when no right-thinking person can perceive any substantial benefit resulting therefrom to the rest of the Nation.

The sons and daughters of Washingtonians fight, bleed, and die that other nations might be free. The residents here pay national taxes and obey national laws.

We have an extra obligation to be careful about what we do because there is no Representative on the floor that is duly elected to express the will of the people of Washington.

We will not permit the standard of service and efficiency to be lessened to any great degree and we have given and will continue to give each need careful consideration.

This bill is prepared to assure a safe, sound financial condition. Next year is going to be more difficult because I am persuaded to believe that salary standardization with other needs is going to place a very heavy burden on the revenues of the District.

I do not want to burden the Members with a lengthy and minutely detailed discussion from the standpoint of the chairman of the subcommittee. Suffice to say, the members of the subcommittee spent a number of days in hearing witnesses presented by the various departments of the city of Washington. The increases sought to be obtained were granted to a large extent, yet the committee drastically reduced the appropriations in those fields and spheres wherein we thought a reduction could be made without doing any permanent harm.

We were mindful at all times of the fact that there being no elected representative of the people here nor of the taxpayers it was incumbent upon us as Members of Congress to substitute for such an elected representative. The Republican and Democratic members of our subcommittee did not divide on partisan lines and generally agreed or disagreed as a unit on any particular proposal. We considered the fervent pleas of many well-meaning citizens here who are motivated solely by a desire to give increased benefit to the indigent and needy. We did our best in order to try to improve the lot of the needy and the unfortunate in the District of Columbia, but we were aware at all times that once you start on a subsistence program, once you let the camel get its nose under the tent, you soon are faced with a very extended program and the pressing requests to pass laws authorizing appropriations to expand and implement such new undertakings. We must circumscribe our altruism by the safeguards of vigilance and caution.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. COFFEE. I yield.

Mr. CASE of South Dakota. I was interested in the gentleman's statement about the bill but was wondering if the committee made any determination of the need for policemen in the District of Columbia. Is the District police force adequate?

Mr. COFFEE. I may say to the gentleman from South Dakota that the District is not fully staffed in its police force, that there are a number of vacant positions which they expect to fill during the coming fiscal year with the return of veterans from war service; but we did reduce the number by 100 in the vacant positions, not those actually working.

Mr. CASE of South Dakota. With the force understaffed what was the committee's attitude about permitting members of the police force during duty hours taking time to practice in the Metropolitan Police Band?

Mr. COFFEE. The attitude of the committee was that insofar as there was no appropriation made or sought for the Police Band that we would not pass upon the merits or demerits of such band.

Mr. CASE of South Dakota. But the committee does provide for all members of the police force.

Mr. COFFEE. I see what the gentleman means. The matter of compensation and the time which was devoted by the men to the matter of rehearsing did not come up.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. COFFEE. Mr. Chairman, I yield myself five additional minutes.

There was no discussion, I may say to the gentleman from South Dakota, about the time that was used by the policemen on the Police Band, although it was generally recognized that there was measurable improvement in morale due to the operation of a police band in the city of Washington.

Mr. CASE of South Dakota. The thing that occurred to me was that with the police force understaffed, as I understand it is by some 300, it is rather strange that they should permit more than 60 members of the force to spend more than half their time practicing for the band.

Mr. COFFEE. I may say to the gentleman from South Dakota that there was no discussion of that. No one brought up the question of how much time these policemen spent in practicing for the police band.

Mr. CASE of South Dakota. At that time Major Kelly, now Colonel Kelly, told me there were 62 members of the police force in the band here. A few were retired members, but it worked out that there were something around 60 who at that time were putting in about half their time practicing in the band. It seems strange that that should be allowed when they were seeking additional members of the force at that time. I asked him how they worked it with these men taken off their duty. He said that some other men took on a double beat. I asked him something about the protection that could be afforded with the force spread out so thin over larger beats and he said that it was helpful, that they had this large group together, that if there should be a riot call or anything they would know where that group was and would not have to call them together. I suggested to him that as a matter of administration in the police force it might be well to take some of these men off the beats and just have them grouped together anyway, which would save calling them together in case of a riot call. But he did not seem to get the force of that observation as far as I could see.

Mr. COFFEE. I shall be glad to take up that matter with Colonel Kelly and also to discuss it with the chairman of the District Policy Committee, the gentleman from West Virginia [Mr. RANDOLPH], with a view to seeing what we can do to get at the situation in an efficient fashion.

Mr. CASE of South Dakota. It seems get full-time service.
to me that only those on his staff should

Mr. COFFEE. I appreciate the gentleman's contribution.

The matter of detailed appropriations for the District of Columbia is set forth fully in the bill and in the report on the bill. We have a great problem here in the District of Columbia in connection with such institutions as the Zoo which are in fact national in character but the expenses for which are assumed by the District of Columbia. Then we have certain institutions like St. Elizabeths Hospital, 60 percent of the expense of which is assumed by the District of Columbia taxpayers, though they have no control or jurisdiction over the operations of St. Elizabeths Hospital.

We have a large number of people who gravitate to the National Capital by reason of its being the National Capital but who become a burden on the taxpayers of the District of Columbia by reason of their temporary residence here.

We have a soldiers' and sailors' home out on Pennsylvania Avenue SE. for which we allowed $15,500 this year which is in fact a home or sort of temporary resting place for veterans coming from all over the Nation who are here in the National Capital to prosecute their claims in connection with veterans' compensation and other matters. It is not properly a charge against the taxpayers of the District of Columbia, but since the 90's it has been assumed by the District taxpayers because of their kindly feeling for the veterans of all the wars and a desire to provide a place for them. It is maintained out on Pennsylvania Avenue and we are hopeful that in the next year we will be able to find some other sponsor for the institution so that the District taxpayers, who technically

and in all fairness should not be called upon to assume that burden, may be relieved of that load.

It might be interesting for the Members to know that the fire department in the city of Washington is one of the most efficient in the Nation and that the per capita loss in the city of Washington is only 88 cents, whereas the national average among major cities is about twice that. In fact, the National Board of Fire Underwriters regards a fire loss of $1.50 per capita as low.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. COFFEE. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, the police department of the city of Washington, which has come in for considerable discussion off and on in the newspapers, is on the whole a very satisfactory police force. The number of clearances of major crimes here—that is, what the police call conviction of a man arrested and apprehended for a felony—is far higher than the national average.

We maintain a police academy in the city of Washington run by the police department and to which are permitted to be sent representatives of other agencies that have something to do with policing, such as the military police, the naval police, park police and groups of that character. They have lectures delivered by eminent experts on penology from throughout the country. Some Members of Congress who are conversant with that subject are invited as guest lecturers likewise.

The police department on the whole has kept crime down here very efficiently. If you will recall the police department as it was here 20 years ago and contrast it with the situation today you cannot help but be favorably impressed by the showing.

Mr. Chairman, we have a situation with respect to the public schools here which is peculiar. That is, we have an excess of population in certain portions of Washington where the schools are overcrowded, whereas there are other sections of Washington where the population is less than it was before and the schools are underpopulated. The school board wanted us to appropriate a very substantial sum for the erection in wartime of a vast number of new school buildings and the committee did recommend to the Congress the enactment of legislation providing for substantial improvements and expansion of the school system, and plans for many more. It was very vigilant in its examination of the Budget estimates, of the justifications and the testimony of witnesses to ascertain to what extent it will be sound practice now in wartime, considering the war swollen population in Washington, to put permanent improvements in various sections of the city, in view of the fact that we could not anticipate with accuracy or certainty just how long those swollen populations would remain in the particular areas where they are now present. The public welfare institutions of the District of Columbia are far flung. We have a board of public spirited citizens appointed by the Commissioners whose duty it is to handle the conduct of welfare institutions, included in which are the jail and the District Penitentiary at Lorton. These men and women who comprise the Welfare Board attempt to operate these welfare institutions. They are up against a very difficult problem because they have inherited a large number of antiquated welfare buildings, most of which are in process of being replaced, for which we hope to secure substitutes in the years next ensuing.

There is a great clamor which arises from welfare groups throughout the city for more generous increases in the allotments to be made to indigents, for numerous increases in child welfare, for more institutions to take care of the needy. There is conflict among the public-spirited groups as to whether a delinquent or deserted child who comes from a broken-up family should be placed in an institution and given institutional care or whether, on the other hand, it should be turned over to a private home and thus private domiciliary care be given to that child and the foster parents of the child be given adequate funds with which to pay for bringing it up. We had testimony before the committee diametrically opposite in that respect. We had a distinguished member of the Catholic Church, Father O'Grady, who insisted that the only way these children should be taken care of would be in private homes where they could be given paternal and maternal care and the loving affection they need, and deplored the fact that the Washington Welfare Board continued to be attached to or devoted to the idea of more and more institutions for the handling or housing of children who fall into that category.

Mr. JENSEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I wish to compliment our able chairman for the fine job he has done for the District of Columbia and the Congress in relation to this appropriation bill. The gentleman from Washington [Mr. COFFEE], spends a lot of time in hearings, he covers all the items which should be covered, as a reading of them will disclose. Anyone who wants to find out what is going on in the District government can by reading the hearings find a good explanation of just how the government of the District functions. Of course, it is a big job to run the business of the District because of the fact that there we have most of the problems of a State and most of the problems of a county as well as all the problems of a municipality in addition to a number of other problems peculiar to the Capital of the United States. So it is a big job to carry on the administration of the District of Columbia. Generally speaking, I think the District Commissioners and the staffs of the various agencies are performing their duties well.

I have been somewhat critical of certain things in the police department. It appears to me that our police department puts more emphasis on putting overtime parking tickets on cars than it does on catching thieves. I am sure many will agree with that statement. I see some of my colleagues are nodding their heads. I do think the department has made a rather poor record regarding the apprehension of thieves, robbers, and other outlaws who commit all kinds of crimes and petty larceny in the District. I am sure I am justified in making that criticism. Of course we want our traffic laws obeyed, but I believe the majority of the people in the District feel that the District of Columbia police have been rather lax in the apprehension of these bad boys who seem to get away with almost every kind of thievery you can imagine. I hope the police department will take cognizance of this weakness and make the much-needed corrections.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to my good friend the gentleman from California.

Mr. ANDERSON of California. The gentleman mentioned the subject of overtime parking tickets and touched on a matter that I think all of us have to consider from time to time. As the gentleman knows, there are located around town in the vicinity of most of the Government buildings and other sections of the city certain areas that are restricted for the use of individuals whose cars carry congressional tags or official Government tags. Does not the gentleman agree with me that if the Police Department here would keep those areas free for Members of Congress who have to go downtown to transact official business with one of the Government agencies, there would be fewer instances of Members of Congress perhaps parking their cars in spots where overtime parking tickets are naturally accumulated? If the gentleman has been downtown recently he has noticed that these official parking places are usually filled with cars that do not carry official tags. When we go to the Government departments with very little time at our disposal, and in a hurry, as we always are, we find no place to park, because the places that are supposed to be reserved for our cars are already filled.

Mr. JENSEN. I am sure the gentleman is right in that observation. But owing to the fact that I do not have a car of my own now, I must take a taxi when I go to a department, run in and take care of the business at hand, and then catch a taxi back to my office or to the floor, so I do not know much about the congressional parking situation at the present time; but I do know that when I did own an automobile I did have some trouble in respect to what the gentleman refers.

As my colleagues know, the gentleman from Nebraska [Mr. STEFAN], ranking minority member of this committee, has been very diligent in his work on this committee. He sat through all the hearings. I am pinch hitting for Mr. STEFAN today as he has been delegated to the San Francisco Conference. Hence his absence.

Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. ANDERSON], who wishes to speak out of order.

Mr. ANDERSON of California. Mr. Chairman, I have asked for this time in order to discuss in detail one of the sub-

jects mentioned by the gentleman from Illinois [Mr. DIRKSEN] in his very able report to the House a short time ago in connection with his trip around the world. He mentioned in the course of his remarks the subject of the exchange rate and the payment of our men and women in the service in foreign countries. As most of you know, I introduced a resolution of inquiry a couple of months ago which was referred to the Committee on Military Affairs, inquiring on what legal basis the War Department pays our men and women in the service abroad in what is known as legal local currency rather than in American dollars. The War Department replied to that in some detail, but stated in making their reply that the report was confidential and could not be released to the public but that it is available to the Members of Congress through the Committee on Military Affairs. I would like to give the Members a little of the background and the reasons for introducing House Resolution 150. I think perhaps I have had the same experience my colleagues have had in receiving complaints from men and women in the service abroad and from their families in connection with the very low rate of exchange in France. So I address my remarks particularly to that. I have received a number of letters from some of my constituents at home, from men and women in the service from California, asking why their American dollar was only worth about 20 cents at the official rate of exchange in France. I wrote to the War Department, and under date of January 27, received a reply which I shall ask to incorporate with my remarks. The letter is as follows:

JANUARY 27, 1945.

Hon. JACK Z. ANDERSON,
House of Representatives,
Washington, D. C.

DEAR MR. ANDERSON: This is in reply to your letter of January 16, 1945, addressed to Chief, Finance Office, United States Army, on the subject of French-franc-exchange rate.

I am glad to be able to assure you that there is a misapprehension on the part of your constituents relative to this matter. United States troops, no matter where located, are paid the full amount approved by the Congress in United States dollars or equivalent thereof in legal tender local currency, as indicated below, and deductions therefrom, if any, such as allotments, are purely voluntary on the part of the individual member of the United States Army. Pay and allotment records of United States military personnel are always computed and processed in dollars and it is the policy of the War Department wherever practicable to disburse the unallotted portion of the pay of Army personnel serving abroad in the legal tender currency of the foreign country concerned, based on exchange rates established officially. United States dollar currency is not legal tender in France, taking that country as an example. Therefore, if our soldiers were paid in France in dollar currency, they would be placed in a position of either obtaining francs for local expenditures at the official rate (which facility is made available to United States military personnel through Army disbursing officers) or of procuring francs through black-market channels which would be in violation of the law in France.

For your information the rate of exchange which has been established between the French franc and the United States dollar is 49.5663 francs to the dollar. A rate of 200 francs to the British pound sterling has been similarly established. These rates were selected by the French authorities and accepted by the Allied Governments prior to D-day.

The prevailing high prices of certain goods in French markets to which your constituent refers are considered to be due primarily to local shortages of goods, to the disorganization of civilian transportation and distribution facilities, and to the general economic disruption which follows enemy occupation and military operations.

Under these conditions it has been recognized by the Army that uncontrolled spending by our soldiers (which would be intensified if they obtained their francs at black-market rates) would tend to aggravate the inflationary situation in France. Efforts have been made, therefore, with considerable success, to encourage our soldiers to send back to the United States as much money as possible out of the pay which they draw, and to discourage expenditures by them in French stores and restaurants. Whenever our troops turn in their francs for remittance to this country or for deposit with company officers, the dollar equivalent is again computed at the official rate of exchange.

So far as actual spending by American military personnel through civilian channels is concerned, our soldiers are affected mainly by the high prices of luxury goods, since all subsistence requirements are furnished by the Army, and since they can obtain a wide range of convenience and semiluxury articles through Army post exchanges at American prices, as well as many free services through the American Red Cross.

I trust that the foregoing will serve as a satisfactory basis for reply to your constituent's inquiry. In accordance with your request, the enclosures are returned herewith.

Sincerely yours,

EDWARD W. SMITH,
Brigadier General, GSC Deputy Chief,
Legislative and Liaison Division.

As a further background, I would like to quote at this point from a radio broadcast made by Fulton Lewis while he was in France, which broadcast is dated February 2, 1945.

Mr. Lewis said as follows in speaking of the exchange rate:

That, by the way, is one thing that seems to annoy the American boys here the most. The official exchange rate for the French franc is 2 cents, so that you exchange two American dollars for 100 French francs. The true exchange rate in international circles, however, is a half cent, so the net result is that all prices are four times what they should be in American dollars. It may be that this arbitrary exchange rate was set deliberately to prevent the Americans here from buying too heavily of the already short supplies in Paris, but it is pretty tough on the GI's and even on the officers who are stationed here. There is no use in a soldier's getting leave for Paris because one evening's entertainment would cost him a month's salary. A thimble-sized Martini cocktail costs the equivalent of $1.60.

Fulton Lewis did not drop the matter at that point. He said that when he returned to this country he would have more to say on the subject, and on February 16, in another broadcast, he made the following statement which I shall also insert in the RECORD at this point:

In France, there is no question but that the present exchange rate of 50 French francs to the American dollar—which I mentioned to you the other night—is manifestly unfair to the GI, although it is not really the Army's fault. It is rather something that was demanded by the French Government in the form of the French Committee for Liberation back in Africa, before the liberation, and, on investigation here in Washington this afternoon, I find that the present de Gaulle Government continues to insist upon it, despite the fact that the exchange rate in French commercial circles and on the Bourse in Paris is 250 French francs to the dollar. Remember, that we pay our GI Joes in French francs, and remember, too, that we do so at the rate of 50 francs to the dollar, and the French people themselves rate the dollar as being worth 250—just five times as many. Officials here in Washington say that part of the reason for the low value of the franc on the Bourse is that many French people, lacking confidence in the stability and integrity of French Government finance, wanted to change their French francs into sound American dollars, and, therefore, the demand for actual physical American (and also British) currency is so high that the value of the franc has fallen to two-fifths of a cent, instead of 2 cents, which is the pegged value as demanded by the French Government. They explain that the Bourse transactions are strictly illegal and are really black market, which is hardly an explanation, because the black market—in money and materials and everything else—is just about all there is in France. You can't find any white market, and despite any amount of explanation and theorizing, the final result remains, that this whole system is purely and simply a process of artificially propping up the French franc at the expense of the American GI Joe, who is fighting the war. The effect is that he, out of his paltry pay, is being forced to pay the bill for the French people, and it seems rather a tough pill to force down his throat. I assure you that he does not like it, and the officers of the Army do not like it, and it's no good to say, well, you shouldn't be buying French stuff anyway, you should be sending your money back home and putting it in savings. That is not the affair of the Government here in Washington. It is not the business of any Washington bureau head to decide how the GI shall dispose of his money.

I heartily agree with that statement. I do not see why our men and women in the service should be asked to prop up the French franc and as a direct result of that find that their dollar is worth exactly 20 cents.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield.

Mr. HINSHAW. Do I correctly understand the gentleman to state that the United States Government buys French francs from the French Government at the rate of 50 francs to the dollar, when the actual rate is something like 250 francs to the dollar?

Mr. ANDERSON of California. That is exactly right. The rate on the open market is 250 francs for one American dollar.

Mr. HINSHAW. Then what we are doing is to give the French 80 cents out of every dollar that is paid to GI Joe. Is that correct?

Mr. ANDERSON of California. That is the way it looks to me.

Mr. HINSHAW. In other words, that 80 cents is clear profit to the French when it comes to purchasing materials from us, if they do purchase any?

Mr. ANDERSON of California. Well, I do not know who the profit accrues to. It would naturally seem it would go to the French, but the fact of the matter is that when our GI Joe gets paid under the official exchange rate his

dollar is worth 20 cents. Instead of getting 250 francs he gets 50 francs to the dollar, and he does not like it.

Mr. HINSHAW. Certainly we must buy those francs through our Treasury Department, and, as you say, pay $1 for every 50 francs. If those francs are only worth two-fifths of a cent, somebody is getting a big profit and it is not the GI.

Mr. ANDERSON of California. Somebody is getting stung, and I do not think it is the French.

Now, I wish to make reference to an article which appeared in one of the California papers written by Leslie Bain, who also has been in Europe and made a study of this subject. I would like to quote this one paragraph from his column. He says:

In other words, our soldiers without being asked about it, have to underwrite the stabilization of the French currency by sacrificing 80 cents out of every $1 they receive from this Nation while serving in the Army.

The entire article reads as follows:

WASHINGTON BLAMED FOR MARKETEERS

(By Leslie Bain)

Secretary of War Stimson revealed that there are 12,000 AWOL American soldiers in the European theater, half of whom are involved in black-market operations. Undoubtedly the recent death sentences for GI black marketeers in Paris increased the number of deserters. Those who fear prosecution for selling United States military supplies are escaping in great numbers rather than taking a chance before a court martial. This is all very reprehensible but far from surprising.

Several months ago, reporting from France, I pointed out that our senseless monetary policy in Europe is turning our boys into black marketeers in sheer self-defense. What with deductions of various kinds, an American soldier in France is getting paid today less than the price of one meal per month. He loses four-fifths of his pay because he is being paid in worthless francs instead of good dollars at the rate of 50 francs to the dollar instead of 250 francs, which is the real value of the United States dollar on the open market. This exchange rate was set arbitrarily in Washington on the theory that a heavy dollar influx would further deteriorate the value of francs and we ought to do all we can to help an Allied Nation.

GERMANS PROFIT

In other words, our soldiers, without being asked about it, have to underwrite the stabilization of French currency by sacrificing 80 cents out of $1 they receive from this Nation for serving in the Army.

The French currency is worthless because vast quantities of it were printed by the Germans and no one in authority can possibly know the amount in circulation, this, quite obviously apart from the fact that the French Government has no backing for the flood of paper currency left behind by the Nazis. The ones who are helped by the artificial pegging of the franc to the dollar at 50 to 1 are the Germans and their French collaborators who are cashing in their German-issued money.

French money being worthless, prices are sky high, which keeps our servicemen, with the silly 50-francs-to-$1 exchange, perpetually broke. His pay in most cases isn't enough to buy him a quart of something or other a month, let alone sending some of the beautiful stuff he sees in the shop windows home to his best girl.

BLAMES WASHINGTON

So, GI Joe is buying at the PX—the United States Army Exchange Post. There he can get five packs of cigarettes per week and toilet necessities, but very little else. If he is any kind of a smoker, five packs are not enough, so he goes to the black market where he pays 100 francs or more for one package of standard brand cigarettes. At his rate of exchange therefore, he pays $2 or better for a pack. What with four-fifths of his pay being given away by his magnanimous Uncle Samuel, how long is he going to smoke—or how long is he going to stay on the straight and narrow?

The temptation is there and the answer easy. Moreover, when he is doing some illegal trading he is justifying it by saying to himself, "they are rocking me, so I am rooking them." "They" being a nebulous authority, a combination of the politicians in Washington, the Army brass hats, and sundry other bureaus and commands.

For stimulating anger in our soldiers, nothing can touch the hare-brained monetary policy which is in effect in Italy, north Africa, and France. It is a daily irritant which intensifies and magnifies other complaints.

Of course, the Army cannot tolerate insubordination. Hence the Seine tribunal had no choice but to sentence the leaders of the black marketeers to death. But that will not solve the problem. Someone in Washington ought to wake up to the fact that something more is involved in this exchange business than a polite political trade with the French Government—the morale of our troops is at stake.

As Mr. Bain indicates, the morale of our troops is at stake and we cannot afford to just ignore the entire subject as just one of those things.

As I stated previously, on February 26, I introduced House Resolution 150, a resolution of inquiry, a privileged resolution which was referred to the War Department by the Committee on Military Affairs. The War Department was unable to reply to the resolution of inquiry within the specified time and asked for additional time in order to work up a very thoroughgoing report. It took them approximately 2 months to do it because all of the information necessary was not in the War Department; a lot of it had to be obtained from the Treasury Department and the State Department. Their report is now in the hands of the Committee on Military Affairs for reference by any Member of the House who cares to see it; and I suggest that all Members see it, because it presents a rather interesting study. I was not satisfied, however, that the report came back here as a confidential matter. I therefore requested the War Department to make a further report that could be made public so that the citizens of this country and the service men and women abroad would know why this policy was established, why they were being asked to stabilize the French franc, and why they are sacrificing 80 cents out of every dollar when they are paid in devalued francs.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield.

Mr. HINSHAW. Has the Department sent in a statement yet which can be made public?

Mr. ANDERSON of California. Yes; they have, and I shall include it with my remarks.

Let me read you a letter from a GI Joe that I think is rather interesting. He writes:

Thought I would drop you a line to give you an insight into one of the biggest GI gripes on this side of the Atlantic as seen by a soldier from God's country (California). Know this will interest you.

The subject concerns the rate of exchange of French and American money. I consider the situation currently confronting the American soldier in this country, from a financial standpoint, to be a disgrace and anything but flattering to the business acumen of the American diplomats who arranged this wholesale robbery.

We are paid in francs on the basis of one franc equaling 2 cents. This obviously is unfair and creates a hardship on the doughboy over here who wishes to buy anything. In reality the French franc is worth about ½ cent. I had the privilege of visiting Paris on a recent occasion, and it was my desire to buy a few things to send to my mother and sister, etc. I was shocked at the prices being asked for trinkets hardly worth the material of which they were made. For instance, I wanted to buy a small book, showing a bit of the history of Paris. I asked the price and was told it was 360 francs, or $7.20, which was ridiculous. Were the franc evaluated on the basis of ½ cent, the price would have amounted to $1.80, which still would not have been a cheap price, but at least it would not have been out of reason. By the same token a woman's handbag, ordinarily selling for $10, would sell for $40, when you figure it on the basis of American money. The Frenchman is not unwilling to charge everything the tariff will bear and generally gets the last drop of blood he can squeeze out. It is a question in my mind whether the French civilian is charged as much as are the American soldiers for many things over there. However, on this point I have nothing concrete to go by, so will make no accusations.

I understand that the United States had much to say re the value (exchange) of the franc. Recently a commission was appointed by Congress to look into this matter, or a congressional committee or something, and they made no change in the value, which was hard to understand. Someone made the remark that it was part of the lend-lease agreement. I hope we aren't expected to make payments on that.

That is the attitude of just one GI Joe over in France. It may be argued by some that now that the war in Europe is over the present rate of exchange should be continued, but I call attention to the fact that for a long time we are going to have thousands and thousands of our men and women in the service not only in France but in occupied countries. If they come back here with that gripe still on their chests, it is not going to make for very good future relations between this country and France. I earnestly recommend that the Committee on Military Affairs of the House appoint a subcommittee to inquire further into this subject and see if the present very low rate of exchange cannot be corrected.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Nebraska.

Mr. CURTIS. By what authority does the gentleman infer from that letter written by the GI that when he referred to God's country he was referring to California?

Mr. ANDERSON of California. He said so, I will say to my friend from Nebraska, but, as far as we Californians

are concerned, he would not have had to say it. We from California would have known that when he said God's country.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from California.

Mr. HINSHAW. Would it not be reasonable to assume that these soldiers on returning to the United States and feeling that they had been "gypped" to the extent of 80 percent of their pay as paid in French francs may feel they have a justifiable claim against the United States for that 80 percent in dollars?

Mr. ANDERSON of California. Yes; and I think a lot of us would think their claims were justified.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HORAN. Mr. Chairman, I yield the gentleman additional time.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. Has the gentleman pursued his investigation to determine whether the same conditions prevail in the other countries where the GI boys have gone as to rates of exchange?

Mr. ANDERSON of California. My inquiry, I may say to the gentleman, had to do principally with Italy and France. The same situation, perhaps not as bad, however, is apt to prevail in certain occupied countries such as Belgium, the Netherlands, and other countries in Europe. It is my contention that the matter should be examined into now and correction made so that the same condition will not continue.

Mr. RIZLEY. I certainly share the same thought that the gentleman from California has, because if we are going to build up good will in the future between this country and all of the occupied countries, and if this same situation that the gentleman has told us about in reference to France prevails all over there, it will not make for good will.

Mr. ANDERSON of California. That is just my point, I will say to the gentleman from Oklahoma. We are not going to build up good will and a friendly relationship with any nation that asks us to stabilize their exchange rate at the expense of our men and women in the service. Now, Mr. Chairman, I would like to include with my remarks the following public statement of the War Department on this subject:

STATEMENT OF WAR DEPARTMENT POLICY GOVERNING PAYMENT OF MEMBERS OF THE UNITED STATES ARMED FORCES SERVING OVERSEAS

Members of the Congress have received numerous inquiries as to the basis and methods of payment of members of the United States armed forces serving overseas and as to the use of foreign currencies retained by United States military personnel as net pay for expenditure abroad. There are outlined here briefly the basic factors which govern the War Department policies.

The pay and allowances of all personnel of the armed forces of the United States are fixed by act of Congress and are approved by the President. The War Department's basic policies are, therefore, simply and clearly defined:

(a) Every soldier, wherever stationed, must receive the full amount to which he is entitled by existing statutes:

(b) No soldier shall suffer financially because of assignment to duty in one overseas area as against another.

(c) No soldier shall increase his statutory dollar earnings because of the nature or location of such assignment overseas.

While serving abroad the current and future financial interests of the American soldier are well safeguarded.

Under all circumstances, and regardless of where American troops are stationed, the United States dollar is the unit of currency used:

(a) To compute all War Department pay rolls for base pay and allowances, plus any statutory increments such as for longevity, flying status, foreign service, airborne service, medals received, etc.

(b) For determination by the Secretary of War for all overseas per diems, allowances to officers and to enlisted men in lieu of rations and quarters (Executive Order 9386)) and foreign service pay adjustment (Executive Order 9449).

The soldier determines, for himself, the extent to which he desires pay-roll deductions made for:

(a) Allotments of pay to all types of dependents.

(b) Regular purchases of war bonds for the sake of future financial security.

(c) Premiums on national service life insurance.

(d) Deposit of any desired amount to his account in any bank in the United States.

In addition, deposits (for enlisted personnel only) in soldiers' deposit account, which draws 4 percent interest, may be made at the time of drawing pay. The United States dollar is used for all of these calculations. After any or all of the foregoing deductions have been made, as voluntarily authorized by the soldier, he draws the remainder of his net pay at any Army installation in local currency at the official rate of exchange. The local currency so acquired is bona fide legal tender of the country involved, thus protecting the soldier from receiving counterfeit or obsolete coins or bills or any currency declared nonlegal tender by military authority and/or by the newly constituted indigenous government.

Pursuant to law, and regulations issued thereunder, world-wide facilities have been made available by the Army to permit military personnel, entirely at their own option, to make allotments from their pay to various types of dependents, to pay premiums on their insurance policies, to make personal remittances to the United States, to make deposits in any American institution, and to purchase war bonds. All of these tranactions are effected entirely in dollars, regardless of where the soldier may be stationed, and the soldier is free to dispose of all or any part of his pay by one or more of these methods.

In actual practice, only a small fraction of the soldier's earning power is ever converted into a foreign currency. The balance remaining after the above-mentioned deductions is payable in the local currency of the country in which the soldier is drawing his pay. The amounts to be paid are converted from dollars into local currency at the official rate of exchange. Much of this local currency is used by the soldier to make purchases through Army channels, such as in post exchanges and at Quartermaster commissaries. The prices at which the soldier may acquire all manner of personal necessities, light foodstuffs and beverages, local souvenirs and products bought wholesale by the exchange service, and generally considerably below, and in no case higher, than the prices obtaining for similar goods in the United States.

Whenever a soldier has drawn a portion of his pay in local currency and either finds it excess to his needs, or is moved from one area to another, such local currency is freely interchangeable back into dollars through any Army installation at the same rate of exchange at which the foreign currency was drawn. The same is true whenever a soldier desires to remit money, not previously deducted from his pay voucher, to the United States by personal transfer account or by Army postal order, or to purchase additional War bonds. The War Department has consistently maintained procedures which provide for the current protection and future security of the soldier's financial position, wherever stationed.

In order to insure the complete success of the military operations of every type in which American soldiers are engaged overseas, thorough consideration has been given every aspect of problems related to foreign currencies and rates of exchange therefor as against the use of the United States dollar. The detailed planning and the final decisions reached, always evaluated as the paramount factor the effect upon the success of the military operation itself. Other factors duly considered included:

(a) Maintenance of an equitable purchasing power for the soldier regardless of his duty status or overseas station.

(b) Preservation of the lives and property of the armed forces of the United States by reducing to the extent possible the impact of introducing American soldiers into the various local foreign economies.

(c) Realization of the maximum good will and assistance from the authorities of the country involved.

(d) The requirements of operating closely on a combined basis with many allies.

The prime interest of all concerned is to achieve victory quickly. Every wartime procedure, therefore, must be evaluated as to military necessity. In liberated and occupied areas, the type of currency, the rate used, and the amounts introduced, can create serious disturbances, inimical to the military effort. The supreme military commander in the field must be able to concentrate his major efforts on the fighting fronts, free of harassing political and economic crises in his rear. Many nations have requested the United States not to pay American troops in any but local currency. Their local laws do not permit dealings in any foreign currency, including dollars, other than through official channels. Many countries, because of difficulty in transferring funds or credits between nations in wartime have refused to allow their banking institutions to cash dollar instruments. Indigenous currency and foreign fund control regulations of these friendly governments should be observed.

The use of dollar currency would make it more difficult to maintain order behind our lines, and the carrying on of essential economic life behind the front lines is as important to the success of a military operation as any other consideration. Even the lay observer who has seen the American Army and its tremendous supply system in operation can readily appreciate how serious it would be if a real break-down occurred in the economic life and the general political stability of areas through which supplies for our armies must pass. The use of dollar currency may be a military necessity in the early stages of spearhead operations. However, were dollars to be used much beyond the initial operating phases, confidence in the local currency on the part of the inhabitants of the area would in many cases disintegrate, causing inflation, with all of its attendant disorganization and break-down of the production and distribution of goods. The maintenance of a uniform rate of exchange would obviously become difficult, and black markets quoting many different rates would spring up everywhere. Worst of all, it would lead to a situation in which local suppliers would tend to refuse to deliver goods against

local currency, thus bringing about a complete break-down in the supply of food and other essentials to the populations of these areas. However, the success of our military operations and the necessity of maintaining a maximum of economic order and stability behind our lines is the principal consideration which, from our own point of view, makes undesirable the use of dollar currency for the pay of our troops in liberated areas during military operations.

As noted above, if dollar currency were used for the pay of American troops, it would be impossible to prevent the growth of extensive black-market operations. The maintenance of official, or even uniform, rates of exchange would be impossible, and individual soldiers would obtain local currency at widely varying prices at different times and at different localities. Our Army commanders in the field have felt strongly that engaging in speculative black-market operations is one of the worst practices from the point of view of morale of the troops.

Combined operations make the use of a common currency with a stabilized rate of exchange highly desirable and advantageous. In most areas, American, English, Canadian, and other Allied troops operate side by side in close coordination. Our troops are in close contact with soldiers of other nationalities, and the maintenance of friendly relations and good morale of the combined forces is obviously essential to the effective execution of the combined military movements which have characterized this war. Furthermore, if the other Allied Governments decided to pay their troops in their respective national currencies rather than in the local currencies of the area in question, there soon would be an intolerable confusion of currencies which would quickly lead to complete monetary disorganization with no advantages to anyone.

It is realized that some American soldiers complain that the official rate of exchange at which their pay is converted into foreign currencies places a value on the dollar which is unfair to them. The complaint largely stems from the knowledge, widespread among our troops, that black markets for United States currency exist in all liberated and former enemy areas. These illicit rates of exchange are not an accurate measure of the value of the dollar, but reflect the premiums charged for these illegal transactions by black market operators. Thus, whatever value is placed on the dollar in the official market, there is always a black market which places a higher value on the American dollar. In France, where the current official rate depreciates the French franc some 16 percent of its prewar value, there are elements of the local population willing not only to pay more than 50 francs for an American dollar, but also quite willing to give correspondingly large amounts of their local currency for American merchandise and equipment. Even in Italy where the currency was depreciated by 80 percent of its prewar value, there are still Italians willing to pay more than 100 lire for one American dollar. In time of war and of economic stress, the desire of certain classes of people throughout the world to convert excess cash into goods creates black markets in all countries. Even in the United States, the prices commanded by certain articles in the black market are in no way a direct reflection of their true value.

In going through the War Department's report I find several statements that are open to question. One is that "no soldier shall suffer financially because of assignment to duty in one overseas area as against another." Certainly the soldier who is stationed in France and who receives 50 francs for an American dollar when the rate on the open market is 250 francs for an American dollar, is suffering financially. I do not claim to be an international financial expert and neither do most of our GI's, but all of us know when we are getting the short end of a deal like this. The War Department statement also says that, "While serving abroad the current and future financial interests of the American soldier are well safeguarded." I think most of my colleagues would want to have that statement further explained.

In respect to House Resolution 150, the War Department has indicated that they base their legal rights for paying our servicemen in French francs on Public Law 554 of the Seventy-eighth Congress. I have previously questioned the right of the Department to make such an interpretation and I have also questioned their authority for paying the soldiers in local currency under the provisions of the Pay Readjustment Act, Public Law 607 of the Seventy-seventh Congress. After carefully studying the War Department's report, I addressed a further letter to the Secretary of War asking the War Department to advise me on what grounds they found a legal right to pay our service men and women in foreign currency. For the information of my colleagues I am including with my remarks at this point the reply which I have received:

MAY 25, 1945.

HON. JACK Z. ANDERSON,
House of Representatives.

DEAR MR. ANDERSON: Your letter of May 9, 1945, to the Secretary of War concerning the War Department report on House Resolution 150 has been referred to me for reply.

It is noted that you are particularly interested in the legal basis for paying foreign currency to our troops stationed abroad. This question is covered in part 3, and related exhibits of the War Department report on House Resolution 150.

It should be emphasized that under all circumstances, and regardless of where American troops are stationed, the United States dollar is the unit of currency used in computing our soldiers' pay and allowances. This is in accord with the Pay Adjustment Act of 1942, as amended, which fixes the amounts of pay and allowances in dollars. However, it should be noted that there is no prohibition in this law against disbursing foreign currency to our soldiers abroad for that part of their pay which they wish to draw and expend in making purchases in the local markets of these foreign countries.

In normal times the commercial banking facilities provided an adequate medium to effect the exchange transactions necessary to supply the small number of our military personnel abroad with foreign currency. Congress has for many years recognized the necessity of using foreign exchange by including authorizing language in military appropriations acts. At present, however, it is impossible for these commercial facilities to meet the requirements of the situation. Therefore, in the interest of morale, it was of prime importance that means be authorized whereby military personnel would be able to exchange currencies without loss, discount, or charge.

Public Law 554, Seventy-eighth Congress, second session, approved December 23, 1944, recognizes this necessity. It will be noted that in the report of the Secretary of War with respect to this legislation (see exhibit E, page 3), the War Department favored the enactment of Public Law 554 for the reason the "United States military forces are, in accordance with established policy, paid in the currencies of the countries where they are serving. * * * It is reasonable that means be provided whereby personnel receiving such currencies as pay can exchange them without loss for United States currency or the currency of another country to which they may be en route under military orders." The report of the Committee on Expenditures in the Executive Departments of the House of Representatives (Rept. No. 1945), which favorably reported and recommended passage of Public Law 554, emphasizes the fact that it was * * * considered of paramount importance to provide means whereby the morale of personnel serving abroad will not be disturbed because of fluctuations in foreign exchange or revaluations of local currencies."

It is evident, therefore, that Congress with knowledge of the facts concerning payment of United States troops abroad as presented by the War Department, recognized by its action in passing Public Law 554, the necessity, expediency, and wisdom of the established policy of providing United States military forces, within the limits of their total pay and allowances, with such amounts of the currency of the country where they are serving, as they may desire.

We appreciate your interest in this matter and wish to assure you that we stand ready at all times to be of such assistance to you as is possible.

Sincerely yours,

W. B. PERSONS,
Major General, GSC; Chief,
Legislative and Liaison Divisions.

It will be noted that the War Department bases its authority for disbursing foreign currency to our soldiers on the fact that there is no prohibition against this policy in Public Law 607, of the Seventy-seventh Congress. I am, therefore, more than ever of the opinion that the Military Affairs Committee of the House of Representatives should carefully study this entire question with a view to taking whatever corrective action appears to be necessary.

Unless I am badly mistaken, the War Department itself is not happy about the situation but they are powerless to change the arrangement that has been negotiated between this country and the French Government.

And right here, Mr. Chairman, I would like to inquire, What is France doing about this? They have insisted that 50 francs for an American dollar be the official rate of exchange, but on the open market, or the black market if you please, 250 francs are freely offered for our dollar.

Of course we cannot tell the French people how to run their government, but I think that we should suggest to our diplomatic officials that additional pressure be brought to bear to further stabilize the French franc and to see to it that our GI's get a better break than they are under present circumstances.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. HORAN. Mr. Chairman, before we leave the Committee, I wish to point out the need of unity on the part of the Board of Public Welfare with the other authorities governing the District. Considerable criticism came to your subcommittee concerning the Receiving Home for Children and the Industrial Home School for whites. We believe these criticisms are right. The conditions are bad. Those in authority at these institutions agree that corrections should be made.

The difficulty appears to be in agreeing on a sound program. Our committee report specifically requests just this.

Because of its immediate need, your subcommittee has allowed $285,000 for a new receiving home. We did so even though estimates for such a home ran from some $100,000 to as high as $415,000. No one agency seemed to have a distinct authority, although on the face of it the Board of Public Welfare would appear to have. Perhaps the Board needs revamping; although as to that, I cannot say.

To me, when I view the great work that has been achieved under Major Brown's policemen's boys clubs, and the outstanding work being done by Judge Bolitha J. Laws in probation and presentence work here in the District, it does seem that the District of Columbia has a real opportunity. It could become outstanding in the field of juvenile care and crime prevention.

Judging from the civic interest expressed, I feel that the citizenry is aroused and that they want to support and assist in every way.

The talent appears to be here also. Not alone in the District government and in the citizens of the District, but in the Federal Government also there are many capable of making a contribution. In this connection the great contributions of J. Edgar Hoover, head of the Federal Bureau of Investigation, should be mentioned.

Your subcommittee does want this condition clarified and corrected.

Mr. COFFEE. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Missouri [Mr. PLOESER].

Mr. HORAN. Mr. Chairman, I also yield the balance of the time on this side to the gentleman from Missouri [Mr. PLOESER].

Mr. COLE of Missouri. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. Obviously a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 92]

Adams	Cochran	Granger
Allen, Ill.	Cole, N. Y.	Grant, Ala.
Anderson, N. Mex.	Cooley	Gross
	Curley	Gwinn, N. Y.
Andrews, N. Y.	Daughton, Va.	Hagen
Auchincloss	Dawson	Hall,
Bailey	Delaney,	Edwin Arthur
Barden	James J.	Hall,
Barrett, Pa.	Delaney,	Leonard W.
Barry	John J.	Hancock
Bates, Mass.	Dickstein	Hand
Bender	Doyle	Harless, Ariz.
Bennet, N. Y.	Durham	Harness, Ind.
Bennett, Mo.	Earthman	Hart
Bland	Eaton	Healy
Bloom	Eberharter	Hébert
Boren	Ellsworth	Heffernan
Boykin	Elsaesser	Heselton
Bradley, Mich.	Fellows	Hess
Bradley, Pa.	Fisher	Hobbs
Brehm	Flannagan	Hoch
Buckley	Flood	Holifield
Bunker	Fulton	Holmes, Mass.
Butler	Gardner	Hook
Byrne, N. Y.	Gavin	Howell
Camp	Gerlach	Izac
Canfield	Gifford	Jenkins
Celler	Gillette	Johnson, Calif.
Chapman	Goodwin	Johnson,
Clark	Gore	Lyndon B.
Clason	Graham	Johnson, Okla.
Clements	Granahan	Kelley, Pa.
Keogh	O'Konski	Snyder
Kerr	O'Toole	Somers, N. Y.
Kilburn	Pfeifer	Stefan
Kirwan	Philbin	Stewart
Knutson	Phillips	Stigler
Kopplemann	Plumley	Sumner, Ill.
LaFollette	Powell	Tarver
Lane	Price, Fla.	Taylor
Latham	Price, Ill.	Thom
Lea	Quinn, N. Y.	Thomas, N. J.
LeFevre	Rabaut	Thomas, Tex.
Lesinski	Rains	Torrens
Luce	Randolph	Towe
Lyle	Rayfiel	Vinson
Lynch	Reece, Tenn.	Vursell
McConnell	Reed, N. Y.	Wadsworth
McCowen	Rees, Kans.	Wasielewski
McGlinchey	Rich	Weaver
McKenzie	Richards	Weichel
Maloney	Rivers	Weiss
Mansfield, Mont.	Robertson, Va.	Welch
	Robinson, Utah	Wilson
Martin, Iowa	Roe, N. Y.	Winter
Martin, Mass.	Rogers, Fla.	Wolfenden, Pa.
Mason	Rooney	Wood
Merrow	Savage	Woodhouse
Morgan	Sharp	Woodrum, Va.
Morrison	Sheridan	Worley
Neely	Sikes	
O'Brien, Mich.	Simpson, Pa.	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H. R. 3306, and finding itself without a quorum, he had directed the roll to be called, when 256 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Missouri [Mr. PLOESER] is recognized for 24 minutes.

Mr. PLOESER. Mr. Chairman, I hope the Chair and the House will indulge me the privilege of this quorum call in order that I may make some remarks on the subject of the legislative appropriation bill (H. R. 3109). I think probably some explanation of the parliamentary situation is due. As a member of the subcommittee handling the bill I had expected the bill would be here before now with the Senate amendments so that the membership might act upon it this afternoon. I do, however, have in my possession a perfected copy as the bill has come from the Senate.

As the Members know from what the press has written on the subject, the Senate denied to itself the amendment which was proposed by the Appropriations Committee putting in a provision similar to that provision in the House which is the $2,500 expense account; but the Senate in its wisdom did not strike from the bill the House provision thereby continuing these traditions which have been carried on since the beginning between the House and the Senate in that each body decides its own needs for itself and the decision is respected by the other House.

As the bill will come from the Senate it will carry certain amendments, none to the House appropriation section; so nothing in that section of the bill which applies to appropriations for the House is in any way in controversy. On the other hand, that portion of the bill has been passed by both Houses. There are some amendments to the Senate section of the bill, and to my knowledge, without closer examination of the bill, there was an amendment concerning the Architect of the Capitol for some improvements of the Capitol Building and possibly the House and Senate Buildings which amounts to only $18,000, and another amendment involving $3,000 for certain activities in the Library of Congress.

There has been a great deal of misapprehension as to what has been taking place and there has been a great deal of misapprehension as to what is the tradition and what is the custom between the two Houses when it comes to the matter of appropriations.

I read, for example, a story in this morning's Washington Post, and I am going to quote portions of it, not because I intend in any sense to say that the author of the story has written it in any other way than as he understands it himself—I do not believe he has—but because he has failed to give the facts in reporting it to the public. So I propose to make those facts known, not by way of criticism of anyone or in the light of criticism of anyone's opinion on the subject.

On the front page of the Washington Post this morning this story was carried:

> Senators yesterday flatly refused to vote themselves more money in any form, leaving House Members in an exclusive class with a $10,000-a-year salary plus a $2,500 drawing account for expenses.

That is error number one, because as the bill comes from the Senate it is amended for additional expense account allowances for the Members of the Senate, and rightly so.

The story goes on to say:

> The situation shatters precedent in the American Congress. Never before has there been a difference in the appropriated incomes of the Members of the House and Senate.

Now, of course, there has been a great deal of argument, as reported in the press, on what constitutes income. The truth of the matter is that never in history can I find where the allocation for expenses of the Members of the two Houses has been identical. There have always been differences. So no precedent was shattered yesterday.

The impression is given to the public that we have always received everything alike as between the Members of the two Houses of Congress. Let me give you an example. Last year in the legislative appropriation for the Senate section there was an allowance for 10 long distance telephone calls, limited to 3 minutes each, per month, per Member of the other body. No such allowance was made in the House appropriation bill. The subject was not even mentioned. As near as I can estimate that amounted to about $450 per Member of the other body.

As the legislative bill comes from the Senate, when it comes from the Senate, it will contain a provision increasing that to 26 telephone calls per month, with an aggregate time for the 26 calls of 130 minutes or an average time of 5 minutes per call, an average cost of $5 per call, an average total cost per month of $130, an average total cost per year of $1,560 per Member of the other body for long distance telephone calls. No such provision exists in the House portion of

this bill. If this bill is passed as it comes from the Senate, your long distance telephone call items will have to be paid out of whatever portion of the $2,500 expenses you deem necessary to accept. There is no provision whatsoever for one single long distance telephone call in the legislative appropriation bill for the House. And therein exists another difference. If anyone is to say that the $2,500 expense allowance for the House—I do not agree with this and even when I try to stretch my imagination until it is strained I cannot agree with it—constitutes a salary of $12,500, then they are compelled to say in all honesty that in the other body the salary is constituted at $11,560 plus an additional $300 in that section of the bill for long distance telephone calls that are made away from Washington, bringing it up to a total of $1,860 on long distance telephone items alone.

I do not criticize the Senate. I say that they are perfectly justified. There is no reason in the world why a Member of the other body should be compelled to pay the expenses directly incidental to the conduct of that office. But I claim the same right for the House of Representatives. So these two paragraphs that I have read, by virtue of misinformation, by virtue of a failure to seek the facts as they are contained in the bill and in the RECORD, even confuse Members of the Congress who, in their individual labors here, have not sought to ferret out in these appropriation bills all the individual items that go into it.

There are many other differences; in fact, with the exception of salaries there are very few similarities when it comes to amounts or proportions of clerk hire. So no precedent was shattered yesterday. Precedent was kept in conformance. There are some who feel, and I am not one of them, that the House position is probably untenable. I do not feel that way about it at all. Aggregate allowances in both bodies will probably prove that the Senate far exceeds that of the House, and I will give you another item in a moment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Before the gentleman leaves his comparison of the items in this bill, may I make this observation, because I am not a member of the Committee on Appropriations and am not fully advised as to the different items in the appropriation bill for the legislative branch of the Government. I notice on page 16 of this bill, in lines 3 and 4 for the appropriations for the Senate, a figure of $401,762 for miscellaneous items. I can find through a hurried check of the House section of the bill no item comparable to that. May I ask the gentleman to elucidate on this matter?

Mr. PLOESER. I can elucidate on this matter to some degree from my limited knowledge, because I, too, have followed precedent for years.

You will notice beginning on page 14 there is an item called Contingent expenses of the Senate. Then there are various items enumerated and the limitations set to the side of it. This one item is called Miscellaneous items, exclusive of labor, $372,962 as it left the House, and $401,762 as it will return to the House. Those are for miscellaneous expenses. I have never seen the accounts because I have followed the precedent which was instilled in me when I became a member of this subcommittee. I can readily see the reason for that precedent. That would average out $4,000 per Member of the Senate or more, but it would be unfair for me to say what expenses are chargeable to that because I have never reviewed the accounts. They are public property. You have every right to go look at them for yourselves. But I say this, that it was instilled in me when I became a member of the Committee on Appropriations that you do not touch the Senate appropriations, and there is a very good reason for it. Why, imagine the two Houses of Congress quibbling over what their own expenses should be, to the extent of affecting legislation. That would be a damnable circumstance. The purpose of my talk today is to erase from your minds, if it be possible, that there is any custom which says there is a direct similarity between the items of expense between the two bodies.

Mr. SLAUGHTER. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Missouri.

Mr. SLAUGHTER. Referring to this same item, appearing on lines 3 and 4 of page 16, I notice that in the bill as it left the House this item, which is very vague to say the least, for miscellaneous items exclusive of labor, was $372,962, and it has been raised by amendment to $401,762; which would be a little bit better than $4,000 per Member of the other body. I have not seen the report, if there was a report, and I assume there was, that accompanied this bill, but cannot the gentleman tell us or can he not give us any idea as to what sums are embraced in this item of $401,762 that is described here as miscellaneous items?

Mr. PLOESER. No; I cannot, because as I have told the gentleman from Ohio, I have religiously followed the custom, which I respect and which I think is a good custom and tradition, essential to the harmonious operation of the two Houses.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I would be glad to yield to the distinguished chairman of the subcommittee.

Mr. O'NEAL. As chairman of this subcommittee, may I say that I think the gentleman from Missouri has made a very clear and fair presentation of the subject. We have not indulged in going into Senate items and they have not indulged themselves in going into our items. I think the Senate did a very fine thing yesterday when they declined to act upon that part of the House appropriation for this travel allowance. When the papers are messaged over to us, it is my intention and my hope to make a motion that the Senate amendments be agreed to en bloc. That will end the whole discussion and the matter will be over. I want to thank publicly the gentleman from Missouri for his fearless, his intelligent, and his clear analysis of the present situation.

Mr. PLOESER. I thank my esteemed friend, the chairman of the subcommittee, the gentleman from Kentucky.

May I conclude by saying this. It has been said that not to provide adequately for the rightful and just and honest expenses of Members of the Congress has been in effect to put a premium on office-holding in the Congress; in other words, it has been said that one must be a rich man to serve in the Congress.

It would be a sad commentary on democratic government, on representative government, if and when the day comes, as it has in other democracies, when the Members of this body or the Members of the other body must of necessity be people of independent wealth or means in order to be able to afford their time in the service of the people of the United States. I have only this to say, that when that day comes in America, America as a free government is through. I believe it so firmly; I believe so sincerely in the justification of this that I appeal to every Member of the House of Representatives to stand by their convictions and not to be moved by misinformation. Study this bill for yourselves. What I have told you is in the bill, and much more. I recommend to those who are charged with the responsibility of disseminating information to the public that they too read the bill—read the bill.

In conclusion, may I say my position is the same as it was when this bill was before the House. I believe so strongly in it and I have so much faith in the courage of this House of Representatives to do the right thing that I have no intention whatever of changing that position.

Mr. COFFEE. Mr. Chairman, I have no more requests for time. If there are no further requests for time on the other side, I suggest that the bill be read for amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That there are appropriated for the District of Columbia for the fiscal year ending June 30, 1946, out of (1) the general fund of the District of Columbia, hereinafter known as the general fund, such fund being composed of the revenues of the District of Columbia other than those applied by law to special funds, and $6,000,000, which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1945), (2) the highway fund, established by law (D. C. Code, title 47, ch. 19), and (3) the water fund, established by law (D. C. Code, title 43, ch. 15), sums as follows:

Mr. TABER. Mr. Chairman, I move to strike out the last word and ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Chairman, I am not the least bit unmindful of the situation in which Members of the House find

themselves with reference to their salaries and the expenses that are upon them. I frankly do believe we have gone at this situation in the wrong way. I do not believe that carrying a provision for a $2,500 expense account was the way to do it. I believe if we have a justifiable claim to go before the public with—and I have always believed it and have never taken any other position—we should raise our salaries 15 percent in accordance with the Little Steel formula. Frankly, I believe that the situation would justify that at this time.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. Not at this time. For many years we have had these expenses. For many years we have gone into situations where we have carried our burdens. I am not one who is in a position where I have so much more of this world's goods than is required to meet my obligations; but frankly I have not felt that we should go further than the 15-percent increase, and if we are going to do it, I have felt we should do it deliberately and straightforwardly.

What these items are for the Senate in different lines I do not know. I do know that there are enormous funds in these days of wartime to carry on the expenses of investigating committees. We have a large contingent fund in the House for that purpose. They have one in the Senate that runs into enormous figures; but you cannot help some of those things in wartimes.

Frankly it does not seem to me that the right thing to do is to pass this bill with this item in it. It can be changed from a parliamentary standpoint. If this bill were not taken up on the floor but was referred to the committee, and a concurrent resolution of both Houses were adopted changing and wiping out this $2,500 provision, that would take care of the proposition. For my own part, I hope that will be done. I voted against the rule to bring this thing up. I voted against this provision. We did not have any roll on this particular item.

I hope that the House of Representatives will not insist upon this item.

The CHAIRMAN. The time of the gentleman from New York has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Purchasing Division, $64,300.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the remarks of the gentleman from New York [Mr. TABER] prompt me to raise this question. I see the chairman of the Ways and Means Committee on the floor, the gentleman from North Carolina [Mr. DOUGHTON]. I wonder if I may have his attention to ask a question. My understanding is that the Bureau of Internal Revenue has ruled against Members of Congress deducting the legitimate expenses in arriving at taxable income, which expenses are allowed traveling salesmen and other men in business which they incur in connection with earning their salaries or commissions. Could the chairman of the Ways and Means Committee give me any information on that?

Mr. DOUGHTON of North Carolina. The gentleman is right about it. They have ruled against it. That is all the information there is, so far as I know.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. COOPER. I believe what the gentleman probably has in mind is the situation that grows out of what is called the Lindsay case. It is my understanding that the Bureau of Internal Revenue was probably somewhat sympathetic, but the matter went to the Board of Tax Appeals, which is now The Tax Court, and the court held in the Lindsay case that the expense item there mentioned was not allowable. It will be remembered by many of the Members that George Lindsay was a Member of the House from Brooklyn, N. Y. He took the case to the Board of Tax Appeals and the unfavorable decision was rendered there.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. DONDERO. When this bill was before the House in the first instance I felt then and I feel today that the responsibility for that legislation being before the House rests solely upon the interpretation of the law as just indicated by the gentleman from Tennessee. I think that if Members of Congress were treated the same as businessmen and were allowed to deduct from their income tax legitimate items of expense this legislation would not be before the House.

Mr. COOPER. If the gentleman will permit a second interruption, the Bureau of Internal Revenue, of course, is bound by this court decision; they have to follow the decision in the Lindsay case.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. BROWN of Ohio. As a member of the Rules Committee which sent this bill to the floor with a special rule making this item in order I want to keep the record straight by stating to the gentleman and to the House that the measure was reported to the floor under a special rule upon the request of the Committee on Appropriations of this House of which the gentleman from New York [Mr. TABER] is the ranking Republican member.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. TABER. The resolution requesting a rule was opposed by me.

Mr. CRAWFORD. On the roll call?

Mr. TABER. In the committee and on the roll call later.

Mr. CRAWFORD. I have to join with the gentleman from New York in being dissatisfied with the way this matter comes before us. I voted against the rule. Had the bill come to us on a straight roll-call vote I would have voted against the $2,500 item. But in no way can I ever excuse this Congress or the other Congresses of which I have been a Member for allowing the law to stand in such manner that the Tax Appeals Court, or the Bureau of Internal Revenue, can deny to Members of Congress the right to deduct legitimate expenses incurred in earning their $10,000 salary, just as they permit other citizens of this country to deduct expenses in arriving at their taxable income in connection with salaries, commissions, or profits that they make. I have never been able to understand why the Congress takes that attitude.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. In just a moment. My recommendation is that this matter be permitted to go out of the bill, that we bring in a bill from the Ways and Means Committee and correct the Internal Revenue laws of this country so that the Tax Appeals Court and the Bureau of Internal Revenue cannot deny to Members of Congress the right to take deductions the same as any other citizen of the United States. I now yield to the gentleman from California.

Mr. HINSHAW. I think the gentleman from Michigan has in mind the businessman who may be earning a salary of $10,000 a year. He likewise has expenses, but he does not pay those expenses out of his $10,000; he gets those expenses reimbursed to him by his company.

Mr. CRAWFORD. Oh, no; that is not my point at all.

Mr. HINSHAW. Oh, yes; he does.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. I am not referring to any such case whatsoever. Assume that I am a traveling salesman or a man working as a manufacturer's representative; that I go out here and earn gross commissions of $10,000 or $12,000 a year. I am entitled to deduct all of my traveling expenses, my entertainment expenses, my telephone bills, my office help, my correspondence costs, and so forth. That is where the employing company, so-called, does not enter into the picture at all.

Let us take the little proprietor who has a gross income of $12,000 or $15,000 a year from his little shop. He deducts $5,000, $6,000, or $7,000 as his legitimate expenses, and his taxable income remaining is, say, $7,000, $9,000, $5,000, or $8,000. I am not talking about the traveling man who represents a corporation and who files an expense account with that company and has all of his expenses reimbursed, because the company itself gets a chance to deduct that in arriving at its net taxable income.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. HINSHAW. The gentleman is reciting a case in which a man is earning commissions and his earnings are limited only by the amount of business he does and the amount of commissions he

earns. If that man is traveling on a salary—and I know, because I have done it myself—you cannot tell me that the expense account is chargeable against his salary.

Mr. CRAWFORD. I am talking about a legitimate expense incurred by the individual, whether a commission man or a proprietor on his own hook traveling in contacting the public, or if he runs his own business. Why should Members of Congress be denied the right to deduct legitimate expenses incurred in earning the $10,000 a year which they receive? There is no way on earth you can justify it, and, as the gentleman from Michigan [Mr. DONDERO] said, had we had that kind of privilege which is granted to all the other citizens of this country, you can bet this bill would never have been before us.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. HINSHAW. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I respect the viewpoint of my friend from Michigan. He is a certified public accountant in private life and a good one, he is entitled to any opinion on that basis that he likes to support; however, I, too, have been employed in years gone by as both a salesman on commission—and I did fairly well for myself—and as the representative of another and larger organization on a salary basis. I also have operated a business of my own. I know that when a salesman is working on a commission, or a businessman is out after business for his company, his income is limited only by the amount he can earn in the form of commissions. His earnings are net after expenses.

That is not true of a Member of Congress. He comes here with a certain fixed salary. John Q. Public thinks that he earns $10,000 a year and is paid that, out of which, of course, he must pay his income tax of something in the neighborhood of $2,400 or $2,500, likewise his State income tax on top of that if he has a State income tax to pay. While many persons erroneously think that congressional salaries are exempt from income tax John Q. Public generally thinks that a Member of Congress gets a net of $7,200 to $7,500 a year after paying income taxes. John Q. Public is very sadly misled, because out of that $7,200 to $7,500 or whatever it may be that he has left after paying his Federal and State income taxes he must likewise, in order to perform a good job for the people at home, pay for these expense items that are reimbursed the gentlemen in the other body from their contingent fund, such as long-distance telephone calls, airmail stamps, and a lot of telegrams that the Accounts Committee of the House will not pass, as well as a great many other items. The net he has left for himself and his family, out of his congressional salary, is in the neighborhood of $4,000. Yet his people think he is receiving $10,000 for his work. He actually works for in the neighborhood of $4,000 a year, out of which he must pay the expenses of himself and his family both in Washington and at home. There is no financial profit in this job.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Kentucky.

Mr. MAY. The salary of Congressmen was raised 20 years ago from $7,500 to $10,000. Does the gentleman realize that at the time when that raise was made Members had to stay here in Washington probably 4 months out of the year?

Mr. HINSHAW. About 4 to 5 months.

Mr. MAY. The other 8 months they had at their homes. Now we have to keep an apartment and pay rent whether we live here or not.

Mr. HINSHAW. In those days a Member of Congress was here a matter of 4 or 5 months a year and he had the rest of the year in which to work at his own business at home. That is not true now and it has not been true since I have been a Member of Congress. There is no opportunity for me, for instance, to exercise the right I have under the license I hold from the State of California to engage in my own business because I am here practically all of the time. When I am home I am busy with my congressional business and I have no time for anything else whatsoever. I am quite sure that if the press of the country, as represented in the gallery of this House, and with whom we are all friendly, would recognize the facts in the case and set them forth clearly to the public, the matter would be understood. My public does not expect me to work for $4,000 a year; I am sure of that. They expect me to be paid $10,000 per year, less income tax. They think I am getting paid that much. In fact people, not knowing what they are talking about, will sometimes remark on the fact that a Congressman holds a $10,000 per year job.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. I wonder whether there is any dispute between the gentleman and the gentleman from Michigan in connection with this matter. I think both of the gentlemen feel that the legitimate expenses of a Congressman and the legitimate expenses that a commission salesman pays out of his own compensation should be deductible on their income-tax returns.

Mr. HINSHAW. That is quite true. May I say this? I can see no reason in the world why a Member of Congress should be called upon to pay out of his salary the expenses of the business, the services, that he performs for his constituents at home when that is a legitimate chargeable expense of the office. This additional amount, as stated by the gentleman from Missouri, is for the payment of those expenses of the business that you do for your constituents, and it is in nowise an increase in the salary of a Member of Congress. Certainly I am not asking for any increase in salary. The only thing that I think I am entitled to is to be reimbursed for the legitimate expense, the long-distance telephone calls and all these other items that we pay for, but that come out of the contingent fund in the other body.

I have no objection whatsoever to striking this provision for $2,500 expense money out and to place in its stead a fund for long-distance telephone calls which will be charged to the telephone office of the House Office Building, and contingent funds for other items of expense that are not now covered. Goodness knows, I have to talk by long-distance phone to my district an awful lot more than I can afford. It even costs a considerable sum for sufficient air-mail stamps for me to transmit important letters expeditiously. I have expenses in my office regularly of from $30 to $60 a month for just air-mail stamps alone. If the House chose to handle these necessary expense items through the Accounts Committee, thereby lifting that burden from the Members, then, of course, there would be no need of considering this item in this way. If the press of the country chooses to consider this $2,500 as an increase in salary, no one can prevent that happening, but it is, nevertheless, wrong. It is intended only to cover necessary expenses—expenses necessary to the proper conduct of the business of our constituents. No city, county, or State officer that I know of is required to pay such expenses out of his own salary, and, in fact, I warrant you that your constituents and mine do not even know that you have to pay these office expenses out of your pocket. With rising prices and rising expenses, it begins to hurt.

The Clerk read as follows:

General supervision and instruction: For all expenses necessary for supervision, instruction, and education in the teachers colleges and in the day, evening, and summer public schools of the District of Columbia, and the education of foreigners of all ages in the Americanization schools; including personal services; printing and binding; textbooks, lawbooks, books of reference, newspapers, and periodicals; and subsistence supplies for pupils attending the schools for crippled children; $8,800,000, of which $300,000 shall be available immediately.

Mr. CURTIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CURTIS: On page 10, line 9, after "immediately" and before the period, insert a colon and the following: "*Provided*, That no part of the funds herein appropriated for the public schools shall be available for the operation of any school which denies equal privileges to legally adopted children as is given to children living with their natural parents."

Mr. CURTIS. Mr. Chairman, this amendment has been submitted to those in charge of the bill and I believe it is acceptable to them. I shall take just a moment to explain what this amendment does and why it is necessary.

Under certain circumstances children living outside of the District of Columbia are admitted to the District of Columbia schools without the payment of tuition. I believe that is true when the parents are employed in the District, particularly with the Government. I believe it is also true if the parents are taxpayers in the District of Columbia.

However, that law has been construed against adopted children. Permit me to

say that there is nothing personal about my amendment. It so happens that I reside in the District and this does not affect my household in any way whatever. However, I know of a case where this has happened: A father who could not find a house in the District of Columbia was compelled to go outside of the District. He brought several children to school in the District. It developed that of those four children two were legally adopted. Because of a ruling, not a law, the school authorities said to that father, "We will let these two children in school but these two children are denied school privileges in the District of Columbia unless you pay their tuition, because they happen to be legally adopted children."

Think of that. In the Nation's Capital, in the greatest civilization on earth, we have such a pagan practice that we raise a question against a child before he enters school as to the condition of his birth.

I was thoroughly convinced that when those facts were brought before the Congress—and they have been verified—the Congress would not stand for such a thing. In all jurisdictions adopted children stand in the same relation to their parents as children born of their parents. They have the same rights and privileges. I am very happy that the committee has seen fit to accept my amendment, which will eliminate that abuse.

Mr. COFFEE. Mr. Chairman, just for the purpose of explanation, I rise in support of the amendment.

I discussed this amendment with the gentleman from Nebraska [Mr. CURTIS] and have been advised that the ranking minority member of the subcommittee understands the situation and is agreeable to it. He discussed it with his members of the committee. The committee has given consideration to the arguments and facts that were produced by the gentleman from Nebraska, and we are persuaded that the Corporation Counsel in construing this rule against legally adopted children has stretched the law beyond the breaking point. In order that we may persuade him in a legal way to change his views, the committee accepts the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The amendment was agreed to.

The Clerk read as follows:

Department of Vehicles and Traffic (payable from highway fund): For all expenses necessary for the Department of Vehicles and Traffic, including personal services; purchase, installation, modification, operation, and maintenance of electric traffic lights, signals, controls, markers, and directional signs; printing and binding; purchase of motor-vehicle identification number plates; operation and maintenance of parking meters on the streets of the District of Columbia; $20,000 for traffic safety education; $396,200: *Provided*, That no part of this or any other appropriation contained in this act shall be expended for building, installing, and maintaining streetcar loading platforms and lights of any description employed to distinguish same, except that a permanent type of platform may be constructed from appropriations contained in this act for street improvements when plans and locations thereof are approved by the Public Utilities Commission and the Director of Vehicles and Traffic: *Provided further*, That the street-railway company shall after construction maintain, mark, and light the same at its expense: *Provided further*, That fees from parking meters shall be deposited to the credit of the highway fund: *Provided further*, That the Commissioners are authorized and directed to designate, reserve, and properly mark appropriate and sufficient parking spaces on the streets adjacent to all public buildings in the District for the use of Members of Congress engaged on public business.

Mr. COFFEE. Mr. Chairman, I offer a committee amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COFFEE: Page 48, line 15, after the word "business", insert a colon and the following: "*Provided further*, That the incumbent on July 1, 1944, of the authorized position of registrar of titles and tags whose duties shall be as prescribed in the District of Columbia Appropriation Act, 1945, shall be continued for compensation purposes in grade 9 in the clerical, administrative, and fiscal service under the Classification Act of 1923, as amended."

The committee amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. COFFEE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill, H. R. 3306, the District of Columbia Appropriation Act, 1946, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. COFFEE. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that on Friday next after the legislative program of the day and other special orders heretofore granted that the gentlewoman from Connecticut [Mrs. LUCE] may address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. VORYS of Ohio asked and was given permission to extend his own remarks in the Appendix of the RECORD and include a radio address.

Mr. SMITH of Wisconsin asked and was given permission to extend his own remarks in the Appendix of the RECORD and include a letter from a constituent.

Mr. CURTIS asked and was given permission to revise and extend his remarks.

Mr. HORAN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ANDERSON] may revise and extend the remarks he made in the Committee of the Whole today and include certain excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. BURCH asked and was given permission to extend his remarks in the RECORD and include a letter from the Comptroller General of the United States containing a tabulation relative to penalty mail.

LAKE CHAMPLAIN BRIDGE COMMISSION

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. BECKWORTH].

Mr. BECKWORTH. I ask unanimous consent to take from the Speaker's desk House Joint Resolution 113, granting the consent of Congress to an agreement amending the original agreement entered into by the States of New York and Vermont relating to the creation of the Lake Champlain Bridge Commission, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. HINSHAW. Mr. Speaker, reserving the right to object, and I do not intend to, this bill was considered by the House Committee on Interstate and Foreign Commerce. The ranking minority member and other members were present, and there was no objection to the passage of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Resolved, etc., That the consent of Congress is hereby given to an amendatory agreement executed on April 4, 1941, by the commissioners duly appointed on the part of the States of New York and Vermont, amending an agreement entered into by such States on May 11, 1927, and consented to by the Congress by the joint resolution approved February 16, 1929, which amendatory agreement reads as follows:

Whereas the States of New York and Vermont heretofore and on the 11th day of May 1927 entered into an agreement, or compact, duly authorized by law creating the Lake Champlain Bridge Commission; and

Whereas the legislatures of said States have authorized their respective commissioners to enter into an agreement, or compact, amending said existing agreement, or compact;

Now, therefore, the said States of New York and Vermont do hereby enter into the following agreement, or compact, to wit:

The agreement, or compact, heretofore made and entered into on the 11th day of May 1927 between the State of New York and the State of Vermont, pursuant to chapter 321 of the laws of New York, 1927, entitled "An act authorizing designated authorities in behalf of the State of New York to enter into an agreement or compact with designated authorities of the State of Vermont for the creation of the Lake Champlain Bridge Commission, the establishment of the

Lake Champlain Bridge Commission, and the defining of the powers and duties of such commission, and making an appropriation for such purposes," and Act No. 139 of the public acts of Vermont, 1927, entitled "An act ratifying a proposed agreement or compact between the State of Vermont and the State of New York relating to the creation of the Lake Champlain Bridge Commission and providing for carrying out the provisions of said agreement or compact," as the same was amended by the agreement or compact entered into the 30th day of March 1935 by and under the authority of chapter 201 of the laws of New York, 1933, as amended by chapter 355 of the laws of New York, 1935, and by and under the authority of Act No. 209 of the public acts of Vermont, 1935, as amended by Act No. 210 of the public acts of Vermont, 1935, and as the same was further amended by the agreement or compact entered into the 1st day of April 1936, by and under the authority of chapter 73 of the laws of New York, 1936, as amended by chapter 219 of the laws of New York, 1936, and by and under the authority of Act No. 19 of the public acts of Vermont, special session, 1935 to 1936, is hereby amended by adding thereto the following article:

ARTICLE XL

The Lake Champlain Bridge Commission shall have power and is hereby authorized to issue its negotiable bonds, for the purpose of refunding any of its bonds, now outstanding or hereafter issued, *Provided, however,* That the aggregate principal amount of such bonds so issued to pay off and refund said bonds shall not exceed the aggregate amount of the principal of the bonds so retired plus any premium required to be paid at the time of refunding the outstanding bonds in connection with the redemption of such outstanding bonds. In the exercise of the power to issue refunding bonds the commission may provide for the issuance of such bonds for the following purposes:

(a) to refund bonds issued in connection with the bridge known as the Lake Champlain Bridge, such refunding bonds to be payable from revenues applicable to the payment of the bonds refunded; or

(b) to refund bonds issued in connection with the bridge known as the Rouses Point Bridge, such refunding bonds to be payable from revenues applicable to the payment of the bonds refunded; or

(c) to refund all bonds then outstanding issued in connection with both of the aforesaid bridges, such refunding bonds to be payable from the combined revenues of such bridges or any other revenues of the commission applicable to the payment of its indebtedness.

ARTICLE XLI

Such commission shall have power and is hereby authorized to call for payment and to pay any of its bonds, in accordance with the terms under which said bonds were or are issued and for such purposes it may use any funds which it has or shall have in reserve and sinking fund and in investments at the time said bonds are called for payment notwithstanding any provision heretofore set forth in this or any previous agreement, or compact.

ARTICLE XLII

1. The bonds issued under authority of article 40 shall be authorized by resolution, or resolutions, of such commission and shall bear such date or dates, mature at such time or times on or before January 1, 1969, bear interest at such rate or rates not exceeding 5 percent per annum, payable semiannually be in such denominations, be in such form, either coupon or registered, carry such registration or conversion privileges, be executed in such manner, be payable in such medium of payment at such place or places and be subject to such terms of redemption, as such resolution, or resolutions, may provide. Said bonds shall be sold at public sale for such price or prices as such commission shall determine, provided that the interest cost to maturity of the money received for any issue of said bonds shall not exceed 5 percent per annum.

2. Neither the members of such commission, nor any person executing said bonds, shall be liable personally on said bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

3. The bonds issued under the authority of article 40 shall constitute a first lien upon the property, tolls and revenues pledged to secure the bonds which are refunded, and the said commission is hereby authorized to continue to fix, charge, and collect tolls for transit over the bridge or bridges in connection with which the bonds refunded were issued, until the bonds issued under the authority of article 40 and interest thereon have been fully paid and discharged. Subject to the terms of any agreement made or to be made with holders of bonds issued by such commission under this agreement, or compact, the bonds issued under the authority of article 40 shall be a lien upon the tolls and revenues of either of the bridges referred to as the Lake Champlain Bridge or the Rouses Point Bridge, or both, and in accordance with subdivision 4 of article 26 of the amendments to this agreement, or compact, any of such tolls and revenues which would otherwise have been payable into the State treasuries of the two States may be pledged to the payment of said bonds.

4. Said bonds shall not be a debt of the State of New York or of the State of Vermont and neither State shall be liable thereon, nor shall they be payable out of any funds other than those of such commission.

5. Said bonds, and the interest thereon, shall be exempt from taxation, and said bonds are hereby made securities in which all State and municipal officers and bodies, all banks, bankers, trust companies, savings banks, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees, and other fiduciaries, and all other persons whatsoever, who are now or may hereafter be authorized to invest in bonds or other obligations of each of the said States, may properly and legally invest any funds, including capital, belonging to them or within their control and said bonds are hereby made securities which may properly and legally be deposited with and shall be received by any State or municipal officer or agency for any purpose for which the deposit of bonds or other obligations of each of the said States is now or may hereafter be authorized.

6. Such commission shall have power out of any funds available therefor to purchase any bonds issued by it at a price not more than the redemption price thereof at the time of such purchase with accrued interest.

ARTICLE XLIII

Such commission shall have the power to apply to the Congress of the United States, or any department of the United States, for consent or approval of this agreement, or compact, as amended, but in the absence of such consent by Congress and until the same shall have been secured, this agreement, or compact, as amended, shall be binding upon the State of New York when ratified by it and the State of Vermont when ratified by it without the consent of Congress to cooperate for the purposes enumerated in this agreement, or compact, and in the manner herein provided and for all purposes that it legally may be.

In witness whereof, by and under the authority of chapter 142 of the laws of 1941 of the State of New York, and by and under the authority of Public Act Temporary No. 118 of the Acts and Resolves of 1941 of the General Assembly of the State of Vermont, we have signed this compact or agreement, in duplicate, this 4th day of April 1941.

SEC. 2. The right to alter, amend, or repeal this joint resolution is hereby expressly reserved.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the consent of Congress is hereby given to an amendatory agreement executed on April 21, 1945, by the commissioners duly appointed on the part of the States of New York and Vermont, amending an agreement entered into by such States on May 11, 1927, and consented to by the Congress by the joint resolution approved February 16, 1928, which amendatory agreement reads as follows:

"Whereas the States of New York and Vermont heretofore and on the 11th day of May, 1927, entered in to an agreement, or compact, duly authorized by law, creating the Lake Champlain Bridge Commission; and

"Whereas the legislatures of said States have authorized their respective commissioners to enter into an agreement, or compact, amending said existing agreement, or compact;

"Now, therefore, the said States of New York and Vermont do hereby enter into the following agreement, or compact, to wit:

"The agreement, or compact, heretofore made and entered into on the 11th day of May, 1927, between the State of New York and the State of Vermont, pursuant to chapter 321 of the Laws of New York, 1927, entitled 'An act authorizing designated authorities in behalf of the State of New York to enter into an agreement or compact with designated authorities of the State of Vermont for the creation of the Lake Champlain Bridge Commission, the establishment of the Lake Champlain Bridge Commission, and the defining of the powers and duties of such commission, and making an appropriation for such purposes,' and Act No. 139 of the Public Acts of Vermont, 1927, entitled 'An act ratifying a proposed agreement or compact between the State of Vermont and the State of New York relating to the creation of the Lake Champlain Bridge Commission and providing for carrying out the provisions of said agreement or compact,' as the same was amended by the agreement or compact entered into the 30th day of March 1935, by and under the authority of chapter 201 of the Laws of New York, 1933, as amended by chapter 355 of the Laws of New York, 1935, and by and under the authority of Act No. 209 of the Public Acts of Vermont, 1935, as amended by Act No. 210 of the Public Acts of Vermont, 1935, and as the same was further amended by the agreement or compact entered into the 1st day of April 1936, by and under the authority of chapter 73 of the Laws of New York, 1936, as amended by chapter 219 of the Laws of New York, 1936, and by and under the authority of Act No. 19 of the Public Acts of Vermont, special session, 1935–36, is hereby amended by adding thereto the following articles:

"ARTICLE XL

"The Lake Champlain Bridge Commission shall have power and is hereby authorized to issue its negotiable bonds, for the purpose of refunding any of its bonds, now outstanding or hereafter issued: *Provided, however,* That the aggregate principal amount of such bonds so issued to pay off and refund said bonds shall not exceed the aggregate amount of the principal of the bonds so retired plus any premium required to be paid at the time of refunding the outstanding bonds in connection with the redemption of such outstanding bonds. In the exercise of the power to issue refunding bonds the commission

may provide for the issuance of such bonds for the following purposes:

"(a) To refund bonds issued in connection with the bridge known as the Lake Champlain Bridge, such refunding bonds to be payable from revenues applicable to the payment of the bonds refunded; or

"(b) To refund bonds issued in connection with the bridge known as the Rouses Point Bridge, such refunding bonds to be payable from revenues applicable to the payment of the bonds refunded; or

"(c) To refund all bonds then outstanding issued in connection with both of the aforesaid bridges, such refunding bonds to be payable from the combined revenues of such bridges or any other revenues of the commission applicable to the payment of its indebtedness.

"ARTICLE XLI

"Such commission shall have power and is hereby authorized to call for payment and to pay any of its bonds, in accordance with the terms under which said bonds were or are issued and for such purposes it may use any funds which it has or shall have in reserves and sinking fund and in investments at the time said bonds are called for payment notwithstanding any provision heretofore set forth in this or any previous agreement, or compact.

"ARTICLE XLII

"1. The bonds issued under authority of article 40 shall be authorized by resolution, or resolutions, of such commission and shall bear such date or dates, mature at such time or times on or before January 1, 1969, bear interest at such rate or rates not exceeding 5 percent per annum, payable semiannually, be in such denominations, be in such form, either coupon or registered, carry such registration or conversion privileges, be executed in such manner, be payable in such medium of payment at such place or places and be subject to such terms of redemption, as such resolution, or resolutions, may provide. Said bonds shall be sold at public sale for such price or prices as such commission shall determine, provided that the interest cost to maturity of the money received for any issue of said bonds shall not exceed 5 percent per annum.

"2. Neither the members of such commission, nor any person executing said bonds, shall be liable personally on said bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

"3. The bonds issued under the authority of article 40 shall constitute a first lien upon the property, tolls, and revenues pledged to secure the bonds which are refunded, and the said commission is hereby authorized to continue to fix, charge, and collect tolls for transit over the bridge or bridges in connection with which the bonds refunded were issued, until the bonds issued under the authority of article 40 and interest thereon have been fully paid and discharged. Subject to the terms of any agreement made or to be made with holders of bonds issued by such commission under this agreement, or compact, the bonds issued under the authority of article 40 shall be a lien upon the tolls and revenues of either of the bridges referred to as the Lake Champlain Bridge or the Rouses Point Bridge, or both, and in accordance with subdivision 4 of article 26 of the amendments to this agreement, or compact, any of such tolls and revenues which would otherwise have been payable into the State treasuries of the two States may be pledged to the payment of said bonds.

"4. Said bonds shall not be a debt of the State of New York or of the State of Vermont and neither State shall be liable thereon, nor shall they be payable out of any funds other than those of such commission.

"5. Said bonds are hereby made securities in which all State and municipal officers and bodies, all banks, bankers, trust companies, savings banks, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees, and other fiduciaries, and all other persons whatsoever, who are now or may hereafter be authorized to invest in bonds or other obligations of each of the said States, may properly and legally invest any funds, including capital, belonging to them or within their control and said bonds are hereby made securities which may properly and legally be deposited with and shall be received by any State or municipal officer or agency for any purpose for which the deposit of bonds or other obligations of each of the said States is now or may hereafter be authorized.

"6. Such commission shall have power out of any funds available therefor to purchase any bonds issued by it at a price not more than the redemption price thereof at the time of such purchase with accrued interest.

"ARTICLE XLIII

"Such commission shall have the power to apply to the Congress of the United States, or any department of the United States, for consent or approval of this agreement, or compact, as amended, but in the absence of such consent by Congress and until the same shall have been secured, this agreement, or compact, as amended, shall be binding upon the State of New York when ratified by it and the State of Vermont when ratified by it without the consent of Congress to cooperate for the purposes enumerated in this agreement, or compact, and in the manner herein provided and for all purposes that it legally may be.

"In witness thereof, by and under authority of chapter 142 of the Laws of 1941 of the State of New York, as amended by chapter 758 of the Laws of 1945 of the State of New York, and by and under the authority of Public Act No. 201, of the Acts and Resolves of 1941 of the General Assembly of the State of Vermont, as amended by senate bill 81 (act 194) of the Acts and Resolves of 1945 of the General Assembly of the State of Vermont, we have signed this compact or agreement, in duplicate, this 21st day of April 1945, superseding the third amendment to the compact between the States of New York and Vermont entered into the 4th day of April 1941, which third amendment was not consented to or approved by the Congress of the United States.

"SEC. 2. The right to alter, amend, or repeal this joint resolution is hereby expressly reserved."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment a bill and concurrent resolution of the House of the following titles:

H. R. 1947. An act to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms; and

H. Con. Res. 49. Concurrent resolution authorizing the printing of additional copies of part 2 of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives, current session, on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3109. An act making appropriations for the Legislative Branch for the fiscal year ending June 30, 1946, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. OVERTON, Mr. GREEN, Mr. CHAVEZ, Mr. MAYBANK, Mr. BRIDGES, and Mr. REED to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 1308) entitled "An act for the relief of Sam Swan and Aily Swan", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCMAHON, Mr. O'DANIEL, and Mr. MORSE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 938. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 383) entitled "An act to provide for the further development of cooperative extension work."

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of the Navy.
3. Department of War.
4. Federal Security Agency.
5. General Accounting Office.
6. National Archives.
7. Office of Civilian Defense.
8. Railroad Retirement Board.
9. Tennessee Valley Authority.

TERMINATION OF AUTHORITY TO ISSUE CERTAIN CURRENCY

The SPEAKER. The Chair recognizes the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I call up House Resolution 259 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3000) to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes. That after general debate, which shall be confined to the bill

and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER]. Pending that I yield myself one-half minute.

The SPEAKER. The gentleman from Mississippi is recognized for one-half minute.

Mr. COLMER. Mr. Speaker, this is a rule making in order the consideration of the bill H. R. 3000, reported from the Committee on Banking and Currency of the House. I have no request for time on this side and I understand there is no controversy over the rule. I have nothing further to say on the rule.

Mr. MICHENER. Mr. Speaker, I have no requests for time on this side.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3000) to amend section 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3000 with Mr. MILLS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill was reported favorably out of the Senate committee without a record vote and was passed by the Senate without a record vote. It is an emergency measure, and it is absolutely necessary that it be passed if the Treasury shall give support to the public-debt transactions made necessary by the prosecution of the war.

The bill reduces the gold reserve as evidenced by gold certificates against Federal Reserve notes from 40 percent to 25 percent and the gold reserve as evidenced by gold certificates against deposits in the Federal Reserve banks from 35 percent to 25 percent. There has been a constant reduction in the gold stock of the United States since 1941. In that year the gold reserve behind these notes and deposits was 91 percent and by the end of 1944 that was reduced to 49 percent.

Owing to the difference in the gold holdings of the various Federal Reserve banks, in some instances the gold holdings of some of these banks have come dangerously near the limit. It is necessary in order for the Federal Reserve system to support the public-debt transactions and to issue the necessary Federal Reserve notes that these gold reserves be reduced to the 25-percent minimum as provided in the pending billl.

In 1933 at the very depth of the depression the Thomas amendment was passed which among other things provided that the Secretary of the Treasury be directed to issue United States notes in amounts as approved by the President not to exceed $3,000,000,000. That measure was made necessary by the pressure of the conditions that prevailed at that time which called for an expansion of the currency.

In this bill that provision is repealed.

Under the present law the authority to use the direct obligations of the United States as reserves against the issuance of Federal Reserve notes will expire on the 30th of June this year. These notes are backed by gold certificates and by commercial paper. The commercial obligations, bills of exchange, and bankers' acceptances, have become almost nonexistent, and it is necessary to support the issue of these notes as they are required by direct obligations of the United States Government. It is not known when the necessity for this support will cease. After study, the committee saw fit to make this provision of the law unlimited as to time. The Federal Reserve Board can decrease the Federal Reserve requirement by order for 30 days and, if necessary, renew it for 15 days longer. But if a bank's reserves fall below 25 percent an interest charge of 1 percent per annum is made against the deficiency until it reaches 20 percent, and if they fall below 20 percent an interest charge of 1½ percent upon each 2½ percent that the reserves fall below that figure is made. This bill is absolutely necessary to enable the Federal Reserve banks to continue their necessary activities in connection with the prosecution of the war. I cannot conceive that there can be any contrariety of opinion about the bill, and I hope that it may be passed without any dissenting votes.

Mr. CRAWFORD. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, we have before us today a bill which is more or less technical, but which may prove to be very far reaching. A number of Members have inquired of me as to whether or not I would support the bill. I have said to them in reply that I do not know anything else to do other than for the Congress to take favorable action on this proposal.

The Board of Governors of the Federal Reserve System in no way controls the Budget of the United States. I does not have any jurisdiction over authorizations may by Congress or over appropriations made by Congress. It does not in any way supervise the recommendations made by the Budget Bureau. It does not in any way pass upon the war appropriations or the normal functions of Government appropriations. Therefore, the Board cannot directly or indirectly control the direct interest-bearing debt of the United States. So the Board has little control, if any, over those factors which bring about a big debt, over a program which carries on deficits from year to year, over the issues that are sold to the public by the Treasury of the United States, and over the issuance of currency which goes out to the people as the result of or under permit of acts of Congress. But the Board does have to conform to certain ratio requirements which are clearly set forth in the report which accompanies this bill.

The reserve ratio of each Federal Reserve bank on the 15th of selected months from July 1944 to July 1945, you will find set forth on page 3 of the report.

You will also find that the conditions arising out of the war have caused the reserve ratio of Federal Reserve banks to decline from 91 percent at the end of 1941, soon after our entry into the war, to 49 percent at the end of 1944, but again referring to table 3, you find that with respect to the Boston bank in February 1945, the reserve ratio was down to 45.8, in connection with the Dallas bank it was down to 44.1, and the Minneapolis bank about 44.8. No doubt if we had those figures as of today we would find the ratio considerably lower.

As the fiscal policy of the Government continues along the course it has been following for years, this system becomes more impossible from the standpoint of the Board of Governors of the Federal Reserve System in their attempt to conform to the law. It seems to me that we rapidly approach the situation where all reserve ratio requirements will have to be removed, thus leaving the power within the hands of the Board, so that the Board may meet the situation from hour to hour or day to day as it may develop, and without any restrictions on the Board whatsoever.

As I have just stated, the individual position of these banks is such that even in February 1945 they were rapidly approaching the 40-percent hitching post, you might call it, so we propose here to cut the 40 percent down to 25 percent.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself five additional minutes.

I have no objection whatsoever to that reduction from 40 to 25. What I object to, Mr. Chairman, is the course which we follow in connection with the fiscal policy of the Government which lets this situation develop and which, as I would express it, puts the Reserve Board in a squeeze, where it is forced to come here and ask for this amendment to the Federal Reserve Act.

I see the chairman of the Committee on Ways and Means here on the floor. I think he knows that I have been one of those who have consistently supported the proposition of increased tax levies against the national income incident to war expenditures. I do not believe we have taken a sufficient share of the war income into the tax box since this war started, say, beginning January 1, 1941. The people of this country during the war years have, as the gentleman from Texas [Mr. PATMAN] stated on the floor yesterday, accumulated savings approximating $115,000,000 to $120,000,000,000. To me that is conclusive

evidence that the Congress did not sufficiently tax those war incomes so fantastically promoted by Federal deficit financing.

One might say, "Well, the people saved their money because they could not spend it." The fact remains that the Government has been turning out disbursements to the people of this country at as high as from $7,500,000,000 to $8,000,000,000 a month. We have been running deficits of as high as $4,000,000,000 a month, up to $40,000,000 or $50,000,000,000 per annum.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. DOUGHTON of North Carolina. I have observed the position and attitude of Members of the House rather carefully with respect to taxation especially. There has been no more consistent Member of the House of Representatives than the gentleman from Michigan, in that he has favored the imposition of taxes as much as reasonably possible to defray the expenses of the Government in carrying on the war. I remember also his opposition to the effort which was made to forgive a year's taxes under the Ruml plan. I will not forget his fight and his help on that.

Mr. CRAWFORD. I thank the distinguished gentleman. Mr. Chairman, I would prefer to have my income taxed at least 75 percent rather than to have the deficit built up as at the present time. This deficit and this debt will have to be borne primarily by the men and women in the services and their children.

Mr. Chairman, I think we certainly can assume there will be somewhere between 12,000,000 and 15,000,000 men and women who will have been inducted into the military forces of this country before the Japanese war ends. Let us assume that each one of those men and women represent a family of three. That would be a serviceman and his wife and, let us say, one child. The 15,000,000 multiplied by three gives you 45,000,000 people potentially who will make up that military family, we will call it. If you assume that the debt is $2,000 per member of a family, you can make your calculations. Multiply the 75,000,000 by the $2,000 and you find out what is going to rest on the shoulders and on the pocketbook of that young man or women who gets married after the war ends and who attempts to acquire a family and a home and to give his family the education and entertainment which should go along with it. I would rather take every war bond or savings bond I have and lay it on the table and cancel it outright; I would rather have my income taxed 75 percent and live as best I could than to have this debt built up against these young people and their children in the postwar years. I just have no sympathy with it whatever. I have no sympathy with the Treasury Department's policy of selling those savings bonds on the prospectus that the individual can cash them in any time within 60 days after the individual has acquired ownership.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, we go out and approach an industrial worker and say to him, "You buy this bond and as soon as the postwar period comes you may cash it in and use the proceeds to buy the things you want to establish a home, let us say." We say that to the service man or woman. Now, the day arrives when the war ends and when that bond is offered for cash. But from what source does the Treasury obtain the dollars which will redeem that bond? Just answer that question yourself. There are two ways the Treasury can get the dollars; there are two ways which come to my mind right now. The Treasury can go to the banks and have the banks issue additional inflationary dollars to the Treasury and then have the Treasury transfer those dollars to our service men or women or to the industrial worker and thus cause further inflation and make it more and more impossible for people to buy what is available for purchase at that time. Or the Treasury can resort to sheer printing-press money and issue dollars against the bonds and turn the dollars loose, and you have got a situation just as bad. People have billions and billions of dollars with nothing to buy. I do not know of anything that would disturb our people more than to be walking around with their pockets full of currency, with nothing to buy. You cannot resort to the tax box and get the dollars, for two reasons. One is the politically minded Congress will not want in peacetime to push up the tax rates sufficiently to get the dollars; and, second, the chances are that the national income will not be there to be taxed sufficiently to redeem those bonds. So you naturally resort primarily to the banks to furnish the dollars with which to redeem the bonds.

I restate, Mr. Chairman, I disagree with the policy of the Treasury in having issued such a type of bond and having sold them to our people on such a redemption basis. We may be assured of one thing: We are not going to build homes until the material is manufactured out of which to build the homes. We are not going to furnish those homes until the material that goes into furnishing them is manufactured. We are not going to buy automobiles or any of this other equipment that our people expect and will probably demand, we are not going to buy those things until they are first produced.

Only yesterday the President sent to this Congress a message asking for increased compensation in connection with workers. We will have developed all over this country a situation where men will refuse to go back into civilian production, millions of them will, because they can draw that unemployment compensation in the meantime. You are going to have civilian production delayed through that kind of machinery. We talk about 60,000,000 jobs. If we could get 50,000,000 people transferred back into civilian production within a reasonable time, that transfer back to civilian production pay rolls would make it unnecessary for the industrial workers to cash these bonds. If we made it unnecessary for the industrial worker to cash the bonds, then it would be unnecessary for the Treasury to refund those bonds through the sale of additional bonds to the Treasury. Therefore it would be unnecessary to further inflate the currency and give trouble to the Federal Reserve Board incident to this very bill that is before us.

Now we have a plain duty before us. That is to urge every Government agency to remove every barrier and every obstacle from the industry of this country so that that industry can go back into the production of civilian goods and do it without delay, so that the people of this country will have jobs. Goods will be produced. The national income will be maintained. The flow of revenue to the Treasury through taxing that income will be maintained. In that manner we will do a constructive job in the United States, rather than permitting ourselves to go into a tailspin and not have national income and national revenue.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself five additional minutes.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. CURTIS. Has the gentleman had occasion to examine the procedure necessary for the OPA to price an article for civilian use that is made as a result of the reconversion program?

Mr. CRAWFORD. The policy wihch the OPA is following at this very moment, based upon official communications I have had from the OPA within the past few days, is to me a destructive and delaying program. Suppose my friend has his factory ready to produce a new product. He has the material lined up. He has the labor force. He cannot proceed until the OPA gives him a price on that product. He cannot go out and solicit orders for that product until he gets a price from the OPA. He cannot proceed to do anything constructive except to sit there on his seat and mark time until the OPA gets ready to clear him to go out and produce and sell goods for our people. Is that the gentleman's understanding of the situation?

Mr. CURTIS. That is; and it is an actual fact that the OPA is taking 4 and 5 months to determine a price as to a single item. A manufacturer who manufactures a thousand items has to get permission from the OPA to fix a price as to each item. This policy is doing more than any other one thing to retard reconversion.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. DONDERO. What chance does the gentleman think the American manufacturer has in face of the fact that our British friends are obtaining orders in South and Central America for delivery 4 months hence and after the war is over?

Mr. CRAWFORD. The gentleman knows we have Michigan factories which today cannot send a commercial representative to Brazil, or Argentina, or Paraguay, or Uruguay to solicit business. They cannot proceed with production in Saginaw, Grand Rapids, and other cities because the British commercial agents

have already been in those countries and booked business for months ahead. That is what the gentleman from Michigan is talking about; and yet our departments of government stand here and permit those things to go on. I cannot imagine our people following the course we follow today wherein we offer to people of other countries, for instance, in buying our merchant ships. I understand legislation is pending before one of the committee of this House proposing to sell something like $18,000,000,000 worth of ships and that the bill came to that committee with provisions in it which give to foreign purchasers preference over United States purchasers. Why do we do those things? I have not any answer to that. We had our friend, the gentleman from Illinois [Mr. DIRKSEN] stand before us today and deliver that wonderful address and cause us to cast our eyes on what goes on in other parts of the world.

Mr. Chairman, I am interested primarily in what goes on here in the United States; I am interested primarily in 140,000,000 people in this country being kept out of a state of revolution insofar as their mind is concerned. I am interested in keeping from fifty to fifty-five million people employed in the United States, employed through private industry, employed independent of deficit financing by the United States Government, employed in producing goods first for the people of this country and then for export if we desire to export. I cannot imagine anything more destructive to international peace than for us to have great economic and social problems, and turmoil, and revolution here in the United States; and I for one do not propose now or later to have my mind so diverted to the problems of the rest of the world that I will forget the United States and the 140,000,000 people who live here, and our obligations under our prospective $300,000,000,000 debt.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself five additional minutes.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Texas.

Mr. PATMAN. I appreciate the statement made by the gentleman about the national debt. I agree with him that we are not paying enough in taxes as we go along on the war debt. I wanted to ask the gentleman this question, however, about reconversion, the question of getting a price more quickly from the OPA. I investigated that question and I ran into these factors. If the particular people who were engaged in this particular factory that wanted to be reconverted are needed elsewhere in the war effort they would be much slower in handling that case because, obviously, they are trying to cause the people to go to other places where they are needed in the war effort. In addition to that, the question of transportation comes into it also, how essential the machine tools of that particular factory happen to be now or are likely to be in the future in the war effort. So there are many factors involved, not just the delay of the OPA.

Mr. CRAWFORD. I agree with the gentleman from Texas that there are other things involved, but let us say that we have company A as a factory which is absolutely idle, which has no war orders, which has material available, which has employees available and they have to be held up 3 weeks or 6 weeks or 3 months or 6 months because OPA must first give them a price at which they may sell their product. I contend that the program of OPA then is of such a character as may defeat the entire problem of reconversion and precipitate a depression in this country as bad as anything we have ever seen.

Mr. PATMAN. The question of material enters into it also.

Mr. CRAWFORD. I said where the company has the material available.

Mr. PATMAN. Suppose those materials are needed elsewhere?

Mr. CRAWFORD. Let me ask the gentleman this question: Is his argument to the effect that the European war having ceased, we have no materials in this country to start reconversion?

Mr. PATMAN. Yes; we have a lot of material, and it is being used every day.

Mr. CRAWFORD. The matter I am debating is, Why should the OPA in any way or for any reason, where the material, the labor, the plant, tools, and management are available, interfere with that reconversion?

Mr. PATMAN. They should not do it and I presume they are not doing it in those circumstances.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. The gentleman is not telling the House it is not some of the business of price control to be sure that prices do not precipitously rise by 20, 30, or 50 percent?

Mr. CRAWFORD. I will put this question to the gentleman: The gentleman has a company. You are an old established unit of industry. You have a factory available; you have labor available; you have the materials available for a product for which there is great demand. You sit here from 3 months to 6 months waiting for OPA to give you a price, a price that will let those goods be produced and moved into the channels of trade. The OPA could condemn this country to economic oblivion under the name of holding down prices.

What is a price unless there are goods? You may have your pockets full of dollars and no bacon and eggs. You would give a dollar for an egg. What does that mean? We might as well get our minds made up now that we will have to go back into business in the United States and we have got to do it in a hurry or take the economic consequences. We can take our choice. And I do not propose to sit silently by and let any Government agency unnecessarily interfere, under any kind of motto we will say, with reconversion of industry in these United States so that our people cannot go ahead, because to do so I know will precipitate trouble down at the Treasury Department, it will precipitate trouble with all of the bond issues of the United States and throw our people into a state of mind where we can have a little revolution here. I do not mean a bloody revolution now, I mean an economic revolution.

Mr. MONRONEY. The gentleman is properly worried about the danger of people cashing their bonds, rushing to the banks to get their money for them; yet I am sure the gentleman must realize, as he said yesterday, the gravest danger of inflation follows the close of the war. If the people who hold these bonds see on reconversion prices going up 10 to 30 percent, they will rush to the banks to cash their bonds. If the prices do not go up and there is not inflation they will hold their bonds in the savings banks and prevent the very thing the gentleman is worrying about.

Mr. CRAWFORD. Suppose you have five, ten, or fifteen million men thrown out of employment in the United States, does the gentleman think those bonds will stay in the savings accounts?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, I yield myself five additional minutes.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. HINSHAW. May I comment briefly on the statement made by the gentleman from Oklahoma, who himself is a good businessman and ought to know the answer. If the prices are too high, the people will not buy. They will wait until after the war when they know that things will be in supply again and the prices down. That is the fact in the case. You can find that in any kind of a construction project today where the prices are so high that no one can engage in construction. They simply say: "We will wait until after the war is over, then prices will be cheaper." I think the gentleman from Oklahoma will agree to that, being a very good businessman.

Mr. MONRONEY. Is the gentleman familiar with the used-car market?

Mr. HINSHAW. Oh, yes; and the used-car market will be relieved as soon as we begin making automobiles and distributing them.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. DONDERO. I think what the gentleman from Michigan is trying to say is that the policy of OPA in refusing, or, at least, withholding a price upon goods to be manufactured in this country, denies the right of the American manufacturer to enter into competition with foreign trade.

Mr. CRAWFORD. I am not so much concerned about denying the right to enter into world trade; that is secondary. Primarily, I want them to have the right to produce goods here in the United States for this market, and secondarily for export.

Of course, my good friend from Michigan, as well as myself, have great automobile interests in our home town. Those automobile people are—and there is no secret to it—free-traders. They want free trade. They want to export.

That is all right. I do not blame them for that. But their primary market is in the United States and not in foreign countries. Some day they will awaken to that fact, especially if Russia adopts mass production, managerial efficiency and all, in that country to what we have in this country. I do know that we are sending to Russia the most perfectly designed mass-production machines on earth. We sent a lot of them over there under lend-lease. Those Russians are smart. They are physically tough. They are technically efficient. Some day they may send lots of goods back here in the form of automobiles as against our production, and that will be something we will have to reckon with.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Minnesota.

Mr. GALLAGHER. May I ask the gentleman this question? Does the gentleman believe that 15,000,000 men will be out of work when the reconversion period begins? Just answer yes or no.

Mr. CRAWFORD. When it begins? Why, that is a perfectly asinine question to ask. Of course 15,000,000 men will not be out of work when it begins.

Mr. GALLAGHER. Or when it ends.

Mr. CRAWFORD. It has already begun. Any man ought to be able to answer that. Any fourth-grade student ought to be able to answer that, so the gentleman has his answer. But 15,000,000 men could be out of work in this country so easy within 15 months that it is almost dangerous to talk about the thing, and the gentleman knows that just as well as I do.

If we have no fear of great unemployment in this country then this House certainly wastes a lot of effort in connection with that problem. Why did the President send a message here yesterday if he does not fear great mass unemployment? Go and read his message and answer that question. Of course he fears it. Of course the party in power fears it. The minority party fears it. Of course, anybody who knows anything about the economic struggle in this country fears the potential unemployment in connection with reconversion and in connection with those problems to which the gentleman from Illinois [Mr. DIRKSEN] referred today. If the gentleman from Minnesota has no fear of unemployment he has my sympathy.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, I appreciate very much the Chairman yielding me this time.

I am opposed to this bill, and I took the liberty of sending to the Members of the House a letter in the last couple of days explaining my reasons. We need to consider the monetary and fiscal problems of our country from a fundamental point of view, and I think we have to do it pretty soon. The problem of debt is one which has plagued mankind from the earliest ages, but in every other age except our own there has been some method or other of periodically wiping out the burden of debt so as to get rid of it and to relieve the producers from that burden. Moses had a method of wiping out all debt every 7 years. Americans, in earlier days, had a method of doing it by going through panics every 11 or 12 years. But in the last few years we have virtually said that we could not afford to go through bankruptcy any more and, therefore, we were going to prevent that from happening.

Along with that we have seen two great things in the last few years. First, the necessity of this Nation's overcoming a great depression, and in the second place, the necessity of this Nation's winning the greatest war in history. In both cases it was necessary that an additional volume of money be created in order to enable us to accomplish those purposes, and in both cases that money was created not by the Federal Government but upon the books of the private banks of this Nation in the form of demand deposits, and with the Federal Government pledging its bonded debt to induce the banks to create that money, and putting the American people into debt to those private banks for the fact that the banks had exercised the prerogative of sovereignty, namely, to create that money. I believe that practice to be absolutely wrong.

In testimony before the Committee on Banking and Currency, which is in their hearings in the past few years, there are questions and answers notably between the able gentleman from Texas [Mr. PATMAN] and the Chairman of the Board of Governors of the Federal Reserve System in which various facts are brought out; for example, that by reducing reserve requirements by some $5,000,000,000 a power to create 10 times that amount of demand deposits would be freed and the banks could buy $50,000,000,000 of Government bonds. Mr. Eccles, being asked what there would be to back those new deposits, replied correctly that the Government bonds would back them. In other words, the banks buy Government bonds with Government bonds. That is good business if you can get it. That sort of thing should be done only by Government itself.

In the instant bill it is proposed to reduce the required reserves behind Federal Reserve notes from 40 to 25 percent. In effect that means a 60-percent expansion of Federal Reserve notes, which, since Federal Reserve notes are eligible as reserves, means five times that amount of expansion of demand deposits and five times that amount of the ability on the part of the banks to make loans or to purchase Government bonds. This new money will mostly be used to purchase Government bonds, I have no doubt.

As I have already said, I believe this violates a fundamental principle. I think the Nation should not have to pay interest on its own credit. I believe that newly created money is national credit, obviously, and that the Nation should be free to utilize its own credit without incurring national capital debt or interest charge.

Mr. Chairman, I propose to offer a substitute for this bill, and I should like to explain briefly what my substitute would do. In the first place, instead of doing as the bill before us does, preventing any further issuance of Federal Reserve bank notes, my substitute would provide for the issuance of what would amount to Federal Reserve bank notes in the future under the following circumstance, that any Federal Reserve bank might bring Government bonds to the Secretary of the Treasury and upon depositing those bonds with the Secretary of the Treasury could receive circulating notes up to the face value of those bonds, which notes would be obligations of the United States Treasury, that is, national currency. Thereupon, as the notes were issued to the Federal Reserve banks a demand deposit in like amount would be created in favor of the Treasury on the banks' books. Of course, this would create additional reserves quite as well as the present bill will do. It would make available in circulation additional money, and might increase reserves so rapidly in the commercial banks as to require a greater degree of control on the part of the Federal Reserve Board to avoid inflation. Therefore, the second section of my proposed substitute expands the power of the Federal Reserve Board to increase reserve requirements of member banks up to 100 percent reserves, if necessary, for demand deposits.

In the third place, however, my proposed substitute would reenact the franchise-tax provision of the original Federal Reserve Act, with one addition. That franchise-tax provision provided for the payment of annual dividends of 6 percent to the member banks and then said, and I quote:

> After the aforesaid dividend claims have been fully met, all the net earnings shall be paid to the United States as a franchise tax, except that one-half of such earnings shall be paid into a surplus fund until it shall amount to 40 percent of the paid-in capital stock of such bank.

Of course, today that surplus amounts to considerably more than the total capital stock, so that limitation would not be of effect.

My proposal continues with this language:

> *Provided*, That in no event shall the amount of such franchise tax be less in any year than the amount of interest received by a Federal Reserve bank from the Treasury of the United States upon direct obligations of the United States deposited with the Secretary under the terms of section 1 of this act.

In other words, the people of America would recover the interest upon all the bonds that were deposited with the Treasury against which circulating notes had been issued to the banks.

Thus, as the Nation needed additional money in circulation, you would put it out not on motion of the Government but on motion of the Federal Reserve Banks as they deposited bonds with the Treasury. That much of the national debt would have been paid off against the credit of the United States and the need of additional money in circulation. It seems to me to be the logical way to do it. We would reverse the process. We would accommodate the Nation's need for money, for reserves, if necessary—if you want to put it that way—which is

the purpose of the bill before us, and we would be enabled to do this by having national notes, national money created as obligations of the Treasury of the United States without an additional national debt or interest charge and using that national currency to virtually retire a portion of the national debt. My substitute proposal would accomplish all the things that the Committee bill aims to accomplish. The Committee bill is made necessary because the Federal Reserve Board is worried and other people are worried because excess reserves have been reduced to such a low point in both the member banks and the Federal Reserve bank. That can be taken care of by providing for the issuance of these circulating notes against Government bonds deposited with the Treasury, as I have provided. It can be provided without any danger of inflation if we increase the power of the Board to increase the reserve requirements behind demand deposits. It can be done as a means of removing a portion of the national debt burden by restoring to the American people their primary right to be the agency that creates their own money instead of permitting that power to continue to be usurped by the private banks of the Nation.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. WHITE. The gentleman says he proposes the Federal Reserve to deposit bonds with the Treasury and against them to issue the equivalent in bank notes.

Mr. VOORHIS of California. That is right.

Mr. WHITE. Who gets the interest on the bonds?

Mr. VOORHIS of California. The interest on the bonds goes to the United States Government, as I explained just a moment ago. My bill provides for reviving the old franchise tax provision of the Federal Reserve Act and says that the franchise tax shall not amount to less than the interest on any bonds deposited with the Treasury against the issuance of those notes. So the interest on those bonds goes to the American people.

Mr. WHITE. So primarily the Federal Reserve would clip the coupons on the bonds deposited with the Government.

Mr. VOORHIS of California. No; they would not. Exactly the opposite.

Mr. WHITE. And they also would charge interest on the currency which goes into circulation.

Mr. VOORHIS of California. No; they would not. I beg the gentleman's pardon.

Mr. WHITE. I wish the gentleman would explain the mechanics of his bill.

Mr. VOORHIS of California. I thought I made it clear that under my proposal the Federal Reserve banks would not collect interest on those bonds. Every time they deposited bonds for obtaining these notes, as to those bonds, interest upon them would be collected as part of the franchise tax paid by Federal Reserve banks to the United States Government. Every penny of the interest on the bonds deposited for the issuance of those notes would come back into the Treasury of the United States. In other words, that portion of the national debt would not bear interest any longer.

In further explanation of my position of this important question I call attention to the text of the letter which I sent to all Members of the House:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 26, 1945.

MY DEAR COLLEAGUE: H. R. 3000, a bill to amend the Federal Reserve Act, will come before the House during the week of May 28. This bill briefly does four things. First, it reduces from 40 percent to 25 percent the amount of reserves in gold or its equivalent required to be held by Federal Reserve banks against Federal Reserve notes in actual circulation. Second, it enables the Federal Reserve Board to still further reduce reserve requirements as to any specific Federal Reserve bank or periods not to exceed 30 days. Third, it completely repeals the provisions of the Federal Reserve Act providing for the issuance of Federal Reserve bank notes. Fourth, it repeals the power granted to the President and the Secretary of the Treasury to issue up to $3,000,000,000 of United States money, which power has been in effect since 1933 but never exercised.

The amount of cash money in circulation, the overwhelming majority of which is Federal Reserve notes has more than doubled since 1941 and stands today at a figure approximating $26,000,000,000, by far the highest figure on record. In this bill we are providing for a still further expansion of the issue of Federal Reserve notes.

The primary reason additional Federal Reserve notes are deemed to be needed is because of the unprecedented increase in demand deposits in the country due to the inflationary creation of such deposits by commercial banks and Federal Reserve banks during the war. As of September 1941 the banks held $22,000,000,000 worth of securities of the United States Government. As of June 1944 they held $68,500,000,000 of such securities, an increase of $46,500,000,000, and on the same date, namely, June 1944, the Federal Reserve banks held $15,000,000,000 of Government securities, an approximate sevenfold increase since the beginning of the war. The total amount of this increase in bank holdings of Government bonds has been due to the inflationary creation of fiat money in the form of brand new demand deposits by the commercial banks and Federal Reserve banks to partially finance the war. More than 40 percent of all the outstanding national debt which now stands at nearly $250,000,000,000 is owed to either the commercial banks or the Federal Reserve banks by the American people. We owe it to them not because they bought it with money they had either earned or saved or which people had deposited with them—we owe it to them simply because we have permitted them to usurp the sovereign right of the Government to create the money of this Nation.

One of the greatest, if not the very greatest postwar problem which we confront is that of deferred buying power in the form of savings held, not so much by the people generally as by the great financial institutions of the country. These savings almost exactly equal the amount of Government deficits in the war period. They are represented by national debt. They will constitute a claim against future production but there will also be the claims against future production which will be brought about as that production itself takes place.

The basic underlying reason for this bill is the fact that the reserves of the Federal Reserve banks and the commercial banks have declined in proportion to their demand deposits and they are coming to the end of their ability to create money in the form of demand deposits. The passage of this bill will greatly increase their power to create deposits. Our failure to levy taxes in proportion to our national need and to pay for the war more nearly as we went along is responsible for the tremendous accumulation mostly in a comparatively few hands, of these excessive claims against future production.

We now propose in this bill to make this situation much worse and to add still further to the basic injustice and wrong of permitting banking institutions to create the money of America and then compelling the American people, including returning veterans, to pay interest to those banking institutions upon this newly created money which the Government should have created in the first place. Had the Government created this money we would have had not 1 penny more inflation than we have now. The only difference would have been that we would have avoided some $100,000,000,000 of utterly unnecessary capital debt and some $2,500,000,000 of annual interest charges.

As if to add insult to injury, this bill not only expands the power of private banks to create the money of America, but takes away from the Government the only statutory power which it possesses to create money in the United States. This is done in section 4. In other words, what we are saying is that we are going to expand the power of private banks to create money and we are going to prevent the Government from doing so. Under these circumstances I cannot support this bill.

Especially so since there is a right solution to this as there is to all other problems. In exact language the following would constitute a bill which ought to be passed instead of H. R. 300.

"A bill to amend the Federal Reserve Act and for other purposes

"SEC. 1. Paragraph 6 of section 18 of the Federal Reserve Act as amended is amended to read as follows:

" 'Upon the deposit with the Treasury of the United States (a) of any direct obligations of the United States or (b) of any notes, drafts, bills of exchange or bankers acceptances, any Federal Reserve bank making such deposit, shall be entitled to receive from the Comptroller of the Currency circulating notes. When such circulating notes are issued against the security of obligations of the United States, the amount of such circulating notes shall be equal to the face value of the direct obligations of the United States so deposited as security. Such notes shall be obligations of the United States, and shall constitute lawful money for reserve purposes by the Federal Reserve banks. When such notes are issued by the Comptroller of the Currency to the Federal Reserve banks the United States Treasury shall receive in lieu thereof demand deposits in said banks of an amount equal to the face value of such notes.'

"SEC. 2. Paragraph 6 of section 19 of the Federal Reserve Act as amended is amended to read as follows:

" 'Notwithstanding the other provisions of this section, the Board of Governors of the Federal Reserve System, upon the affirmative vote of not less than four of its members, in order to prevent injurious credit expansion or contraction, may by regulation change the requirements as to reserves to be maintained against the time or demand deposits or both by member banks in reserve and central reserve cities or by member banks not in reserve or central reserve cities, or by all member banks; but the amount of the reserve required to be maintained by any such member bank as a result of any such change shall not be less than the amount of the reserves required by law to be maintained by such bank on the date of enactment of the Banking Act of 1935, nor more than one hundred (100) percent of the demand and time deposits of such member banks.'

"SEC. 3. Paragraph 1 of section 7 of the Federal Reserve Act as amended is amended to read as follows:

"'After all necessary expenses of a Federal Reserve bank have been paid or provided for, the stockholders shall be entitled to receive an annual dividend of 6 percent on the paid-in capital stock, which dividend shall be cumulative. After the aforesaid dividend claims have been fully met, all the net earnings shall be paid to the United States as a franchise tax, except that one-half of such earnings shall be paid into a surplus fund until it shall amount to 40 percent of the paid-in capital stock of such bank. *Provided*, That in no event shall the amount of such franchise tax be less in any year than the amount of interest received by a Federal Reserve bank from the Treasury of the United States upon direct obligations of the United States deposited with the Secretary under the terms of section 1 of this act. The net earnings derived by the United States from the Federal Reserve bank shall be applied to the reduction of the outstanding bonded indebtedness of the United States under regulations to be prescribed by the Secretary of the Treasury.'"

The foregoing bill would accomplish the following purposes: First, it would enable the Federal Reserve banks to use any Government securities which they may now hold or may in the future acquire, as a means of securing the issuance of circulating notes to those banks by the Comptroller of the Currency. The bill provides that when this is done such notes shall be an obligation of the United States and not of the Federal Reserve banks. Section 3 of the bill would provide for a revival of the franchise tax contained in the original Federal Reserve Act and would fix the amount of such franchise tax at a point not less than the amount of interest received by the Federal Reserve banks upon Government securities deposited with the Treasury against the issuance to them of circulating notes. Thus we would have a means of not only accommodating the banking system of the country with a sufficiency of cash money but also of in effect retiring a large section of the national debt without cost to the taxpayers. Since in this process additional reserves would inevitably accumulate in the member banks of the System (since all notes so issued would be eligible as reserves), the bill also provides for increasing the power of the Federal Reserve Board to change required reserves in member banks and if necessary to raise those requirements to 100 percent reserves for demand and time deposits. The net effect of this proposal would be to set in motion a process which would not only gradually reduce our outstanding national debt, but would also tend in the direction of a truly sound banking system.

Whether or not my proposal will be considered in order as a substitute for the committee bill, I do not know. I could not, however, refrain from submitting it to Members of the House for the reason that we must begin pretty soon to consider this whole financial problem of the United States in its fundamental rather than its superficial aspects.

What I have said in this letter is not intended as any criticism of the able members of the Banking and Currency Committee, for whom I have the highest respect and regard. They carry one of the heaviest loads of any committee in the House. I realize that I should have gone before the committee to present my views in connection with H. R. 3000. The reasons I did not do so are first, that I have been extremely busy with my own committees and other work, and, second, that I was not aware when the hearings were held upon this measure.

Sincerely yours.

JERRY VOORHIS.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, I have just introduced a bill to repeal section 10 of the Gold Reserve Act of January 30, 1934—Public No. 87, Seventy-third Congress, H. R. 6976. The bill provides that the free gold contained in the gold stabilization fund, amounting at present to $1,800,000,000, shall be used to purchase and retire a corresponding amount of United States securities held by the Federal Reserve banks. It further provides that the remainder of the stabilization fund shall be liquidated by June 30, 1945, and all cash assets covered into the general fund of the Treasury.

The purpose of this measure is to increase the reserves of the Federal Reserve banks and to reduce correspondingly the Federal debt.

May 16, 1945, the ratio of total reserves to deposit and Federal Reserve note liability combined was 46.5 percent. This is approaching the mimimum of 40 percent required by law. Adding the $1,800,000,000 in gold to the existing gold reserves would bring the ratio up to approximately 51 percent.

The amount by which the ratio would be raised might not seem to be much but to raise it by any amount is most desirable since it would indicate an intention on the part of Congress to maintain the soundness of the dollar. Nothing is more needed at the moment than this assurance.

The $1,800,000,000 in the stabilization fund has been lying idle for 11 years which means that taxpayers have lost hundreds of millions of dollars in interest. They also lost the use of this gold.

My bill is timely. H. R. 2124 provides that:

> Every Federal Reserve bank shall maintain reserves in gold certificates of not less than 25 percent against its deposits and reserves in gold certificates of not less than 25 percent against its Federal Reserve notes in actual circulation: *Provided, however*, That when the Federal Reserve agent holds gold certificates as collateral for Federal Reserve notes issued to the bank, such gold certificates shall be counted as part of the reserve which such bank is required to maintain against its Federal Reserve notes in actual circulation.

This means that the reserves against Federal Reserve note liabilities would be decreased from 40 to 25 percent, and reserves against deposit liabilities from 35 to 25 percent.

In a few days the House will be considering H. R. 3314, the bill to approve the Bretton Woods agreement. This measure provides that the $1,800,000,000 in the stabilization fund shall be used as a part of the United States subscription to the International Monetary Fund. One of the main purposes of the fund is to give support to foreign currencies. Why should the United States use this gold to give value to foreign currencies when she vitally needs it to protect the value of her own?

Mr. Marriner S. Eccles, Chairman of the Board of Governors of the Federal Reserve, says we do not need any gold at all to secure demand liabilities, and if he had his way would eliminate this requirement altogether. He tells us the use of gold for this purpose is merely emotional, by which he can mean nothing other than that it is purely imaginary and has no material basis. That, of course, is the shibboleth of all the advocates of fiat money.

As is well known, Mr. Eccles has been one of the strongest advocates of deficit financing, yet he said when testifying for H. R. 2124 that—

> Now, the way to protect the dollar is for the Congress to not appropriate more money than they are willing to raise by the levy of taxes. That is the only way and the gold has nothing to do with the protection.

The trouble is that Mr. Eccles, like all the other advocates of fiat currency, refuses to recognize the fact that a free market, which must include gold to be free, in the domestic as well as international economy is the foundation of balanced national budgets.

We hope the time will soon arrive when Congress will begin to seriously consider reforming our entire monetary system and placing it again on a sound basis. Congress should declare its intention to reestablish the gold standard and make our paper again fully redeemable in gold.

It is a big task, of course, to restore a free market. It means that the mushroom governmental functions of recent origin must be abolished, the Federal bureaucracy reduced accordingly, the Budget brought into balance, and constitutional government restored. Until we make a start in this direction authoritarianism in the United States will progress at an increasing tempo.

The tragic status in which humankind presently finds itself ought to teach the world at least one lesson: Whatever may be the ultimate source of concentration camps, it seems certain that they cannot exist in a free market, but only under a regime of authoritarian-made prices. Nor does it seem possible to escape this heinous institution where the state owns the market.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. ENGLE].

Mr. ENGLE of California. Mr. Chairman, I am very much in agreement with our colleague the gentleman from Ohio [Mr. SMITH] in regard to the necessity for a metallic base for our currency, particularly in regard to our gold situation, because this bill involves a reduction of the gold reserves behind our currency from 40 to 25 percent.

I think it is well for us to reexamine our gold position. Mr. Burgess, the president of the American Bankers Association, when he testified before the Senate committee on this bill, made the statement that people were constantly coming to see him and asking him about the stability of the dollar, wanting to know whether or not the dollar was still sound; and there is that general feeling of uncertainty throughout this country and the world with regard to our currency. When we start to reduce the gold reserve back of our currency from 40 to 25 percent, we tend to add to that uncertainty, and certainly we should from time to time examine the position in which our currency stands with reference to its gold base because that is an important

factor in it. Let me give you just a general picture of our gold situation.

At the present time we have $20,272,000,000 in gold in our United States Treasury. Just how is this $20,000,000,000 in gold being used as far as currency is concerned? There is $8,400,000,000 in gold behind the Federal Reserve notes as required under existing law. There is $5,600,000,000 in gold behind the deposits as required under existing law, which makes a total of $14,000,000,000 in gold out of the grand total of $20,000,000,000, which is used to back our currency. There is approximately $2,000,000,000—$1,800,000,000—in the stabilization fund referred to by my friend the gentleman from Ohio [Mr. SMITH], which makes a total of $16,000,000,000 approximately. So the balance of $4,000,000,000 in gold is all we have left for currency expansion, the claims of foreign governments in this country on their dollar balances and short-term securities. So it is very obvious that with just $4,000,000,000 left for our currency expansion that something has to be done. That is the reason the Federal Reserve Board came before the Congress and asked for this reduction in the reserve requirement. In other words, the fact that we have a 40-percent reserve requirement puts an automatic ceiling on the expansion of our currency. When we have expanded our currency so far that the gold will not equal 40 percent of it, then the currency expansion has to stop. That is a good thing. And we should be careful how we change this automatic check.

Foreign nations hold in this country approximately $3,000,000,000 in dollar balances. The dollar balances of these countries are convertible into gold; in other words, if they went up to a bank today and asked for this gold, they would get it. Then they have this $3,000,000,000 in short-term securities which can be handled in the same manner. This means, in effect, that we have a gold balance of $4,000,000,000 out of our total of $20,000,000,000 in gold. There are $3,000,000,000 of foreign dollar credits and $3,000,000,000 of short-term securities held by foreign countries.

In other words, if the foreign governments undertook to ask for a reconversion of their dollar balances and short-term securities in gold, we would not have enough gold to pay them; so you can readily understand why the Federal Reserve people are very much concerned about this situation.

In addition to the fact that we are in this critical condition so far as our gold balances are concerned, we have been losing a billion dollars in gold a year going out of this country for the last 2 years from our gold balances—$1,000,000,000 a year I repeat—and if that anticipated withdrawal continues we can expect to lose a billion dollars this year and a billion dollars next year in our reserves.

What are we doing about the situation so far as gold is concerned? Our gold mines, as you know, have been closed for 2½ years while the gold mines in other countries have been going full blast. One of the amazing things to me is that nothwithstanding the fact that we are the strongest country in the world from the standpoint of the position of our gold, we seem to be the only country which does not care anything about gold. Just the other day you read in the papers about the situation over in China. We got busy in this country and shipped a great amount of gold over to China to try to stabilize their currency. Why in the world should we be sending gold over to China to stabilize her currency unless people still believe, notwithstanding what Mr. Eccles says, that a gold reserve is a fine thing behind the currency? But we sent the gold over to China for that purpose. If China had enough gold she could break the terrible inflation which is now wrecking her economy. Some day we may need all the gold we now have—about two-thirds the world supply—to save our own currency.

When Germany was conquering the greater part of Europe, the first thing the German leaders did in a conquered country was to hunt up the gold supply and take immediate possession of it. You will recall the situation when we found the gold supply of the German Nation buried in a salt mine. The capture of this huge stock of gold was heralded as an important event. To all nations of the world gold is still the No. 1 item in a stable currency. Of course, they do not talk so much about gold because they do not have it, but if they could get it they would talk about it. If Great Britain had a solid gold backing for its currency, there would be no hesitancy, I am sure, on their part to advertise that fact to the world.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. ENGLE of California. I yield to the gentleman from California.

Mr. HINSHAW. The gentleman has indicated that some five or six million dollars of gold have gone out of the United States or certainly out of the control of the United States.

Mr. ENGLE of California. It is $2,000,000,000; $1,000,000,000 a year for the last 2 years. The hearings did not give the total amount which went out, but it is going out at the rate of a billion dollars a year.

Mr. HINSHAW. We had, as I recall it, about a $25,000,000,000 gold reserve a few years back. The gentleman's figures are probably correct, but if we let that gold go back and increase the price of gold in this country, the profit on that gold taken out can be made right back again by the foreign countries, can it not?

Mr. ENGLE of California. That is correct. The foreign countries at this time hold about $14,000,000,000 in gold.

Mr. HINSHAW. Why should we not start our own gold mines going? They are going in Canada and in South Africa full blast, and have been throughout this war. I do not see why our gold mines have been shut down.

Mr. ENGLE of California. I was coming to that. Our gold mines have been closed for almost exactly 2½ years now, notwithstanding the fact that the gold mines in Canada, South Africa, Russia, and in every other country we know anything about have been going, as the gentleman says, full blast. Countries which have been desperately involved in this war, countries which needed the manpower and machinery worse than we could have ever needed it in this country, have seen the necessity and importance of keeping their gold mines in operation, and have done so. The ironic thing about it is that we in the United States have shipped vital equipment and machinery which we could not afford for our own gold miners to Canada so that they could keep their gold mines going.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. ENGLE of California. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Of course, an explanation has been given. I do not offer it as a justification or as a reason, because I feel as the gentleman from California does. But the explanation has been given that the State Department has insisted upon the exportation of this machinery and of this equipment in order to prevent revolution or to prevent some political instability in the Central American countries or in South Africa. So it has been a political consideration rather than economic.

Mr. ENGLE of California. May I ask the gentleman from South Dakota if that is the reason given for shipping the gold mining equipment to Canada?

Mr. CASE of South Dakota. Because Canada was part of the British Empire they had some understanding with the State Department on that proposition. I do not justify it but that is what you get into when you run it down.

Mr. ENGLE of California. I agree with the gentleman that there are some strange considerations in connection with that, without a doubt. Since it is mentioned you may be interested in gold production. Gold production in the United States runs about $200,000,000 a year. If we had kept up our production we would have substantially more gold on hand to back up our currency and not be in as desperate a situation as we are now in, where we are faced with disagreeable alternatives.

So I call the attention of the Members of the House first to the fact that our gold position is slipping; secondly, that we are not doing anything about it in particular; and, third, the fact that we have some people in our Government, in the Federal Reserve Board and elsewhere, who do not seem to think that gold is a necessity or a practical consideration in backing up our currency. The gentleman from Ohio [Mr. SMITH] has made some remarks in regard to that situation, but it seems to me it is a matter with which the Members of Congress, who are concerned with our currency and concerned with inflation, should know more about.

The Federal Reserve System, established only 32 years ago, has as its chairman, Mr. Marriner S. Eccles, who a short time ago in reply to a question as to whether in his opinion we could very well suspend the gold reserve requirements altogether, answered:

> Very, very well, I feel that we certainly do not need to impose on ourselves these reserves; and if we did not choose to impose reserves, we could suspend the reserve re-

quirements altogether, such as the British and Canadians and every other country in the world have done, and they have done it very successfully.

Mr. Eccles failed to point out that all these other countries which have done it so "successfully" are broke, and the dollar which has the gold reserves is the basis of value in the international money markets and will be made the unit of value under the Bretton Woods agreements. But he went on to say, and I quote:

I would like to see it done. However, since we have the gold I am perfectly willing not to argue the logic of it, but to pay that much respect to orthodoxy * * * and it is acceptable generally to bankers and people who have an idea that there is some mystical form of security in gold. We are the only country left that still has the archaic idea of maintaining a gold reserve back of our currency.

I assume, Mr. Chairman, that the bankers and people who have an idea that there is some mystical form of security in gold represent a pretty good percentage of the people of the United States. And when those bankers and people get the idea that our currency is no good for the lack of any adequate gold backing we will see the lid completely blown off the kettle of inflation.

Mr. Eccles is not the only one who harbors such strange ideas in our Government—there are many others. They want to be the uncontrolled dictators of our currency. They want no such restraints as gold reserves or anything else. But history down through many generations is to the effect that people do not always trust their governments 100 percent, and they like to have safeguards.

One of those safeguards is the 40-percent gold-reserve requirement which has been in our law since 1913. It should be maintained, and there is another way of accomplishing the necessary currency expansion without changing this vital requirement.

I will offer an amendment to this bill which will propose that alternative. It will have the effect of reducing the gold content of the dollar in exactly the same proportion, and will provide for an identical amount of currency expansion. But the gold-reserve ratio will remain the same. It will have the further beneficial result of raising the price of gold in terms of dollars to $56. The price is now $35. This will boost our gold production and bring more of the needed yellow metal into the Treasury. That is absolutely necessary if we are to get further gold production when the gold mines are finally opened up. The gold mines cannot pay the present high wages and other operating costs and make any money at $35 per ounce. Moreover, such an increase in the price of gold will reflect the present world price of gold. In India gold is now bringing from $68 to $70 per ounce. In Lisbon gold coins are selling at a premium of 150 to 200 percent, in Turkey at 400 percent, and in Argentina they are paying $50 an ounce for gold bars. It is exactly the same procedure we adopted in 1934, when we needed more money and lowered the gold content of the dollar from 25 grains of gold to 15 grains of gold, thus raising the price from $20.67 to the present $35 per ounce. The same arguments which were good then are good now. We should not let the managed-currency thinkers push us inch by inch toward a currency which is completely off the gold base. The next move will be to reduce the reserve to 15 percent, and then to 5, and finally to nothing at all, as Mr. Eccles suggests in his testimony. The time to stop that trend is now. We should be moving in the other direction, and it will be harder to start moving in that direction later on than it is now. The adoption of my amendment will be calling a stop and starting in the direction of more gold for our Treasury rather than less. I hope the Committee will see fit to act favorably on this amendment when it is proposed.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. BUFFETT].

ARE WE BEING FOOLED ABOUT INFLATION?

Mr. BUFFETT. Mr. Chairman, in considering this bill to reduce the gold reserve ratio, we are officially recognizing the continued inflation in America. No OPA ruling could evade or conceal this effect.

What is the importance of passing this red light on the inflation road? Is it the lowered amount of gold that must be maintained as reserves against our currency? Important as that fact may be, I do not believe it of paramount significance.

Perhaps it is more significant that this legislation in some form is mandatory—an action on which freedom of choice is impossible. All we can do is debate about the details. Congress is again forced to legalize the continuing inflation, as we did on raising the debt limit to three hundred billions.

Mr. Chairman, in the solemn hope that inflation has not already become a series of automatic actions, making reversing direction impossible, I again plead with the majority leadership to come to grips with this problem. While I speak bluntly, I do so only in the attempt to awaken the majority on this third-alarm danger.

There will never be effective action on inflation until Congress and the people thoroughly comprehend this monetary affliction. Yet, it is no overstatement to say that the future of America and Western civilization depends on restoring a sound dollar.

So, it is with deep earnestness that I discuss three aspects on which confusion exists.

First. What is inflation?

Second. Is the OPA stopping inflation?

Third. What are the consequences of continued inflation?

WHAT IS INFLATION?

What is inflation? That sounds like an easy question, but it is not. Politicians, plus the OPA and officialdom generally, have told the people that high prices are inflation. That claim is incorrect. High prices, a result of inflation, follow from creation by the Government of a larger supply of money than the amount of goods produced.

Let us see what the definition of inflation is as taken from Webster's Collegiate Dictionary, fifth edition:

Inflation: Disproportionate and relatively sharp and sudden increase in the quantity of money or credit, or both, relative to the amount of exchange business.

Then note the next sentence:

Inflation always produces a rise in the price level.

Notice that inflation produces the rise in the price level. Inflation is not the high prices, inflation is the deficit spending that creates money and credit that put prices up.

In the hearings on this bill this vital distinction was made clear by the two authorities who testified, Mr. Randolph Burgess, head of the American Bankers Association, and Mr. Marriner Eccles, Chairman of the Board of Governors of the Federal Reserve System.

I said to Mr. Burgess:

In other words, when we talk about holding the line on the part of prices, that is just incidental to holding the line on governmental debt.

Mr. Burgess answered:

That is correct. The fundamental cause is debt spending.

Answering similar questioning, Mr. Eccles answered me:

Inflation comes from appropriations of congressional or legislative bodies in excess of their willingness to impose taxes to pay for the expenditures.

That is an entirely different notion about inflation than some of the definitions we hear on the floor—some of the uses of the term—but that is the definition of the experts.

Stated more simply, these authorities tell us that when the Government spends more than the amount it collects in taxes it is inflating. Inflation is deficit spending by the Government. High prices are the final effects or symptoms of deficit spending. We cannot come to grips with this evil until we separate inflation itself from the high price level that is the result of governmental spending beyond income.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Idaho.

Mr. WHITE. Under our present monetary system, is there any way that money can be created without a debt?

Mr. BUFFETT. Yes; by the purchase of gold and by the purchase of silver.

Mr. WHITE. The gentleman knows there is no gold in circulation today. How can any money circulate in this country without its being a means of creating a debt?

Mr. BUFFETT. By simply collecting taxes in the amount of the expenditures; you create no debt.

Mr. WHITE. I am talking about currency. Under our present currency system can any money be created without its being a measure of debt or a debt token?

Mr. BUFFETT. That would get us into the definition of what money is, and it might get us a little far afield. I want to stick to the subject of inflation.

Mr. HINSHAW. I think they might run the printing presses for the gentleman and create it without any cost at all except for paper and ink.

IS THE OPA STOPPING INFLATION?

Mr. BUFFETT. My second question is, "Is the OPA stopping inflation?"

Possibly Mr. Bowles would be insulted by this question. Undoubtedly millions of our citizens, the OPA, and likewise, many members of this body, truly believe that the OPA is controlling or stopping inflation. Is that belief well founded? Here are the facts.

It is correct to say that the OPA is charged with doing a necessary job of wartime price control. The OPA is generally preventing the painful symptoms of our tremendous deficit spending from acutely affecting our economic system—temporarily. In this respect, the OPA serves like an anesthetic during an operation for appendicitis. But price control, like an anesthetic, is dangerous. Although price control is as necessary during war as an anesthetic during an appendicitis operation, it is likewise true that price control, like the anesthetic, does not cure the affliction. It simply makes the condition bearable during the emergency period.

Too much anesthetic, or anesthesia continued over too long a period, will kill a patient. Likewise, too much price control, or price control continued too long, has consequences that will destroy both our free-enterprise system and our liberty. I come to those effects later.

No, the OPA is not stopping inflation because the OPA does not combat inflation, which is deficit spending. The OPA is concealing the symptoms or effects of inflation, and seems to be doing a clever job temporarily—with several glaring exceptions.

Significantly, here again is a similarity between OPA and an anesthesia or drug. A drug which conceals pain and other effects can mislead an ill person, and such deception can have very disasterous results. We face the danger that the OPA may serve a similar purpose. The perils of continuing inflation are neglected largely because the more severe economic consequences are being concealed or delayed by price control. Thus, the OPA, like a stupefying drug, is both dangerous and habit-forming. Hence the outcry for a permanent OPA.

Also, the OPA has a further evil effect. A drug often holds back normal healing processes. Likewise, the OPA prevents normal economic correctives from helping solve our problem. For example, ordinarily a scarcity of meat results in high prices for beef. That, in turn, automatically increases production and decreases demand. In turn, both the decreased demand and increased production expand the supply of meat. The largely increased supply brings down the price. The OPA prevents that natural remedy from operating today.

THE CONSEQUENCES OF CONTINUED INFLATION

Mr. Chairman, if the OPA is not stopping inflation, what is going to happen? That is my third question.

What are the consequences of continued inflation? What is ahead if the Government continues to spend borrowed or bank-created money—and Government debt, money in circulation, and bank deposits continue to mount by billions and billions?

The consequences of continued inflation are either of two alternatives.

One alternative is a much higher price level, which means our money is going to buy much less. In this event, the frugal, thrifty, and trusting citizens of America will discover they have been systematically cheated by their Government. The buying power of their savings, now in war bonds, insurance, and other dollar obligations will become smaller and smaller.

Already, inflation is bringing distress to the common man and patriots generally—and rewarding the cold-blooded, keen, and heartless. It is destroying honesty among all citizens by requiring, in many cases, cheating to get necessities of life. This official policy cuts away the foundations of our moral order—as we see in the spread of black markets and trickery of all kinds. As economic distress finally becomes acute, serious social disorders are possible.

However, Congress has been told much about this danger. But Congress has not recognized that the real evil is the deficits instead of the high prices that are the result.

Likewise, Congress and the American people have heard little about the other alternative of continued deficit spending. Yet that other alternative is even more tragic. It is more and more drastic controls which finally end in ruthless regimentation in the Nazi pattern. Why? Because deficit spending cheapens the value of our money and, concealing the natural effect, spiraling prices, finally requires absolute powers. Many of the evil end effects of national socialism will then be inevitable.

The last few weeks have furnished horrible testimony on the final consequences of all-powerful control in Germany. The Nazis had deficit spending without high prices by using this second alternative. Here is the disagreeable truth. Our control agencies, including the OPA, must copy the methods of the Nazis to prevent black markets from reflecting the actual value of the dollar. The latest OPA plan for tighter controls on meat accurately follows the Nazi method.

Let me read you a paragraph of the Nazi plan to see how it resembled some of these late directives from downtown. Here is a paragraph:

> Under the system of comprehensive control of business, the bulk of regulation is extremely elastic and the operative agencies have received wide leeway in applying and enforcing regulations. They quite generally have authority to make simple provisions or to grant exceptions from general regulations, when a case seems to warrant special consideration. This leeway is, of course, intended to insure control being adjusted to the pecularities of individual cases. It is intended and certainly does enhance the effectiveness of such control.

Now listen to some of these chapter headings of the Nazi plan for controlling business. Here is one. Control of prices. The next one is control of basic-costs elements. Then there is general price control. Another title is fiscal policies and price control. Then there is control of cost accounting, control of volume of profits, control of allocation of profits and other funds.

How much they sound like some of the regulations which have been coming up to businessmen from the OPA. We must face that problem realistically.

WILL CONGRESS FACE THE PROBLEM?

Mr. Chairman, let no one longer confuse the alternatives at the end of the road of reckless spending. Will Congress perceive and turn back from these twin dangers in time? The spending O. K.'d by this Congress does not so indicate. Are we to learn only by bitter experience the terrifying lessons that the last 25 years of deficit spending in Europe can teach us? The genuine solution for this problem is to cut nonvital governmental expenses to something reasonably close to tax income.

Letting the war distract our attention from this problem will only make the final effects more destructive. Soothing words, when the deficit is running $99,000 a minute, simply keep us on the road toward the deep financial swamps from which there is no escape other than through repudiation of our obligations or loss of our liberty.

The only forces to protect America from these alternatives are the President and the Congress. But Congress, under domination of the former executive, was unable or unwilling to face realistically the dangers of deficit-spending. Will Congress now face this problem courageously?

Unless all signs fail, Congress will continue to follow this pattern—Members will frequently orate and piously beat their breasts against spending to bankruptcy. But when pressure groups put on the heat, voicing threats about the next election, the majority in Congress will surrender to the spenders. The personal desire to stay in office will overcome fears about the future of America.

MAJORITY ARE THE LOSERS

The millions of thrifty little people whose savings and future depends on an honest dollar will be ignored. While they constitute the great majority of the American people, their voices will be offset by political expediency resulting from immediate demands. The common people will learn too late that the politicians have stayed in office not by stopping inflation but by keeping it concealed.

Mr. Chairman, the little people have accepted as genuine and honest the pledges that every Congressman has made—"that he would protect the stability of the United States dollar and maintain liberty in America." But the majority party is following the road that makes preserving a sound dollar impossible. This fact was illustrated again last week when the other body voted a $487,000,000 Federal pay raise without even the formality of a roll call. That outlay is almost pure inflation.

In passing this bill to reduce the gold reserve ratio, Congress is truly going through a red light. If that warning signal could serve to jolt the leadership of Congress into facing inflation intelligently and courageously, that red light would have served its purpose.

But if the majority continues to appropriate money with the same reckless

abandon that has characterized the New Deal for over 12 years, the day of reckoning will soon be here.

To anyone who has observed the final consequences in other lands, the moral, social, and economic desolation that continued inflation in America will bring are terrible to contemplate.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I find myself a little more inclined to agree with the gentleman from Nebraska in his definition of inflation than I was yesterday in regard to some statistics which the gentleman cited. That is probably because the gentleman took his definition of the word "inflation" from the revised dictionary which I also use as an authority.

My ultimate in illustrating the impossible is the proposition of attempting to put out the fires of the sun by spitting at it. I said to a good friend of mine the other day, "I think you are a voice crying in the wilderness. I agree with you thoroughly but feel you have about as much chance in this reform as you would have of putting out the fires of the sun by spitting at it."

In looking over this bill I find four sections in it. I object to all of them, but particularly the first and the last, as I shall explain presently.

It seems to me that much of our inflation, our expanding currency or credit, has been caused by our monetary system which permits and depends upon the banks of this country to furnish us our money. The banks have created most of this so-called money. If there is one thing I have heard said here so many, many times in criticism of Congress, it is this: "You have delegated your powers, your constitutional powers, to somebody along Pennsylvania Avenue or Constitution Avenue." How much monetary power has Congress delegated to somebody in Wall Street?

Yes, we have delegated powers, and rightfully so, to proper officials representing the public. But if there is one thing we have very questionably delegated as a legislative body, it is this business of coining money and regulating the value thereof. Not that this particular Congress alone is guilty nor only of late years. It has been done throughout many past years so that when the Constitution of the United States which we are sworn to uphold says, "Congress shall have power to coin money and regulate the value thereof," Members of Congress must feel they have fully done their duty when they have passed laws to put the money-creating function on somebody else. These private institutions have often helped to write these laws, so they must be willing to carry this heavy responsibility for a consideration.

Of course if some criminal is caught in a basement counterfeiting currency or making coins that are false, he is punished as a criminal for counterfeiting the coin of the land, and very rightfully punished. The coinage of money, the creation of money is an act of sovereignty and must be carefully guarded; but we, the Congress of the United States, have turned that power over to private financial institutions. Many doubt the wisdom and justice of this policy.

Why is there so much money in this country? Because the banks have grown far beyond what they were first created to be—storehouses of valuables, warehouses of money. They are credit factories. Removing this dangerous power from them is a basic reform that this country should come to some time, but I have doubts whether it will be done very soon. Therefore you will understand what I meant when I said, "as futile as attempting to put out the fires of the sun by spitting at it."

The gentleman from Idaho [Mr. WHITE], asked the gentleman from Nebraska [Mr. BUFFETT], "Is there any money possible in this country without its having debt as a foundation?" Well, there is very little. Of course, we have the chicken feed in our pockets; the coins; and we do have silver certificates, but the great bulk of our money is paper money that is based on interest-bearing debt. Somebody has to pay the interest on that debt in order for most American money to be in existence. It was a master mind that first thought of the institutions of interest.

Mr. WHITE. Will the gentleman yield for an observation at that point?

Mr. MURDOCK. I yield.

Mr. WHITE. I will be very happy to state to the gentleman that the present circulation statement shows that there are $23,000,000,000 of Federal Reserve notes in circulation, which is the currency of the country, and $2,000,000,000 of silver certificates. The only money in circulation that does not represent debt and does not draw interest is the silver certificates. All the $23,000,000,000 of Federal Reserve notes are represented by debt, either Government bonds or private debts. They must be in existence or the money goes out of existence.

Mr. MURDOCK. The gentleman is exactly right.

Mr. WHITE. If this Nation got out of debt and we got on a cash basis there could be no money in existence under our present money system, except the silver certificates.

Mr. MURDOCK. All the more reason why we should change our law.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. VOORHIS of California. I agree completely with what the gentleman from Idaho [Mr. WHITE] just said. I would like to point out that not long ago I made a speech in the House in which I pointed out that the periods of industrial prosperity, the periods of increased industrial production, were periods of rising debt. Every time the debt fell we had a depression or something like that. I believed that to be a tragic circumstance and I felt that it fundamentally condemned the present monetary system.

Mr. MURDOCK. Quite true. The gentleman is right, I am firmly convinced. I want to say to him that I listen with care to his speeches and read his thought-provoking books.

Time will not permit me to explain adequately why I object especially to the first and fourth sections of the bill other than to say that the fourth section is not at all necessary even in order to carry out the provisions of the first three sections. The first section is a dangerous thing in reducing the gold reserves from 40 to 25 percent as it does. The fathers who wrote the Constitution considered only gold and silver as money. It distresses me, to say the least, to have Members of Congress regard silver with contempt as fit only as ballast and to regard gold as having only a psychological effect in the money system. While the fathers of the Constitution were men of means, it would seem that they are to be regarded as a little old-fashioned in their ideas about money.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. SPENCE. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That (a) the third paragraph of section 16 of the Federal Reserve Act, as amended, is amended by changing the first sentence of such paragraph to read as follows:

"Every Federal Reserve bank shall maintain reserves in gold certificates of not less than 25 percent against its deposits and reserves in gold certificates of not less than 25 percent against its Federal Reserve notes in actual circulation: *Provided, however*, That when the Federal Reserve agent holds gold certificates as collateral for Federal Reserve notes issued to the bank such gold certificates shall be counted as part of the reserve which such bank is required to maintain against its Federal Reserve notes in actual circulation."

(b) The first sentence of the fourth paragraph of section 16 of the Federal Reserve Act, as amended, is amended by striking therefrom "40 percent reserve hereinbefore required" and by inserting in lieu thereof "25 percent reserve hereinbefore required to be maintained against Federal Reserve notes in actual circulation."

(c) Subsection (c) of section 11 of the Federal Reserve Act, as amended, is amended to read as follows:

"(c) To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirements specified in this act: *Provided*, That it shall establish a graduated tax upon the amounts by which the reserve requirements of this act may be permitted to fall below the level hereinafter specified: *And provided further*, That when the reserve held against Federal Reserve notes falls below 25 percent, the Board of Governors of the Federal Reserve System shall establish a graduated tax of not more than 1 percent per annum upon such deficiency until the reserves fall to 20 percent, and when said reserve falls below 20 percent, a tax at the rate increasingly of not less than 1½ percent per annum upon each 2½ percent or fraction thereof that such reserve falls below 20 percent. The tax shall be paid by the Reserve bank, but the Reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Board of Governors of the Federal Reserve System."

Mr. SUNDSTROM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUNDSTROM: Strike out on page 1, line 7, "25" and insert "30"; page 1, line 9, strike out "25" and insert "30"; page 2, line 9, strike out "25" and insert "30"; page 2, line 22, strike out "25" and insert "20"; page 2, line 25,

strike out "20" and insert "25"; page 3, line 1, strike out "20" and insert "25"; page 3, line 4, strike out "20" and insert "25."

Mr. SUNDSTROM. Mr. Chairman, this amendment does nothing more than to urge a little caution. I do not question at this time a reduction in the reserve requirements, but I believe 30 percent is adequate. If you will look at the projection that was submitted to us you will see that the reserves have dropped about 5 percent every 6 months. At the end of 1945 those reserves are estimated to be 39.2. As they drop and as they get lower it takes a bigger ratio of notes and deposits to drop that reserve, so I estimate that under the present rate a 30-percent reserve would certainly last until the end of 1946.

If you have a credit expansion which is so great that it takes more than those limits, then there is a good deal to be said for having them come back to Congress to explain why a credit expansion is further necessary. This amendment provides that safeguard.

When Hon. Marriner S. Eccles, Chairman of the Board of Governors of the Federal Reserve System, was before our committee we asked him how long a 25-percent reserve would last and he said "for a long time." I think 30 percent will last for a long time, and if it does not then it is time for them to come back and talk to Congress.

The war in Germany has stopped. How long the Japanese war is going to last no one can say, but certainly at the end of the war I believe currency expansion may stop; it may actually decline; in fact, Governor Eccles advanced the theory that perhaps in 2 or 3 years the reserve requirements might be up to 50 or 55 percent.

This 30-percent reserve serves as a red light to Congress. When we are having a huge expansion taking place in credit I believe it is dangerous. We have been going through red lights indiscriminately. We have raised the debt limit two or three times; we are now lowering the reserve requirements. All this amendment does is to say that as we approach one more red light let us put on our brakes and use caution.

I hope the amendment will be adopted.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, will the gentleman modify his request so that I may speak on the amendment?

Mr. SPENCE. Mr. Chairman, I will make it 10 minutes. I ask unanimous consent that debate close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, the testimony on this bill by Mr. Eccles was given back during the last part of February and the first of March. At that time the probable money needs of the country for financing the war presented an entirely different picture than is presented today. If you can take your minds back to that time, we did not know then how soon the collapse would come in Europe. The need for money appeared to be greater for financing the war at that time than it does today. As a matter of fact when we come to the full picture of the military needs of this country, we will find that the money needs of the Army for the fiscal year 1946 will not be as great as anticipated. Yet, here we are with a proposal to change the reserve requirements, reduce them down to a 25-percent basis, when it was stated, even back in February and March, that a reduction of 30 percent would meet all foreseeable needs through 1946. Today we know that those needs are not going to be as great as they appeared then to be.

In the report of the committee on the bill it is stated that a reduction to 25 percent would mean that the currency supply and the bank deposit structure could nearly double before the legal minimum would be reached. Where are the people who have been talking about the danger of inflation when we have a bill here before us that proposes to reduce the reserve requirements to such a point that they could double the currency supply and the dollar deposits of the country? The chairman of the Committee on Banking and Currency spoke on the floor yesterday about the danger of inflation if we approached the problem of prices in any other way than by subsidies. He stated that if we permitted any price to go up we would face the specter of inflation. Yet today he presents a bill that proposes to make it possible to double the currency supply and the dollar deposits of the country. How can you hold down dollar prices if you double dollars in the face of diminishing goods?

Mr. ENGLE of California. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from California.

Mr. ENGLE of California. I believe Mr. Burgess pointed out in his testimony before the Senate committee that 25 percent would allow a currency expansion of $36,000,000,000, which is more than double.

Mr. CASE of South Dakota. In other words, worse than I have said. I was merely taking the statement in the committee report itself. The committee report suggests that there originally were three purposes for the 40-percent ratio. The first purpose was to assure an adequate reserve for the Federal Reserve banks, but the committee says that is no longer pertinent because gold is not permitted for domestic use. Then it argues that all is well if we provide enough gold to back the demands for foreign exchange. Since when has it become sound logic to permit the gold to be used abroad and not here at home? If the foreigner demands gold because it means that the money is worth more, represents more actual purchasing power for goods in the markets of the world, why should it not be a good thing to have an adequate gold reserve for the people in this country?

The second purpose of the original 40-percent requirement, the committee report says, was to limit expansion of the Federal Reserve bank, but it disposes of that argument today by the generalization that that limitation is not relevant when expansion by the Reserve bank is essential to the needs of war financing. It is no longer essential or necessary in the amount proposed. That is why the amendment offered by the gentleman from New Jersey should be adopted and we should make this change only to 30 percent.

The third original reason for the 40 percent, the committee report says, was to assure the public that there was at least 40 percent in gold back of the Federal Reserve notes which were then being introduced for the first time. It disposes of that argument today by saying that the people now trust the Federal Reserve notes and the change will in no way impair this confidence. But the very logic that makes gold better in the markets of the world means when we have an adequate gold backing we have better money. The route here proposed is the route that does destroy confidence.

Mr. Chairman, I hope the amendment offered by the gentleman from New Jersey will be adopted.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment was considered by the committee, and after hearing the evidence it was decided that the committee would not act upon it. The gold behind the Federal Reserve notes in 1941 was 91 percent. At the end of 1944 it was 49 percent. The Federal Reserve liabilities requiring reserves in 1941 amounted to $22,900,000,000. By the end of this year it is estimated there will be $45,100,000,000 of these liabilities requiring reserves.

This is not a limitation. This is a minimum. All of the gold of the Federal Reserve System will be behind the notes as they are issued. This is an emergency measure. We in the committee have been taking two bites out of the cherry right along. The House has considered measures again and again. I think that we ought to establish the fact that there will be a gold reserve behind the Federal Reserve notes that does not need the interposition of Congress for some time. This is not an inflationary measure. It merely gives the Federal Reserve System the right to place behind the obligations, the Federal Reserve notes, a minimum of 25 percent of gold. It is largely psychological in character and it creates as great confidence as 30 percent. It is no more inflationary than 30 percent would be, because if the Federal Reserve has 30 percent in gold it goes behind the Federal Reserve notes.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Idaho.

Mr. WHITE. How did the committee happen to arrive at the figure "25"? What I am wondering about, why would not 10 or 15 percent do just as well?

Mr. SPENCE. We might have done away with any gold reserve on the same

theory. We thought 25 was a fair figure, and as the gold was being reduced we thought that it would give a reasonable time before we had to consider this measure again.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Texas.

Mr. PATMAN. Is it not a fact that the Federal Reserve Board recommended 25 percent, and they said that they needed that in order to properly finance the war?

Mr. SPENCE. They recommended that, and the testimony before the committee discloses that fact. Chairman Eccles testified to it. It was the amount suggested by the Federal Reserve Board.

Mr. WHITE. Mr. Chairman, if the gentleman will yield further, is it a measure of safety? Is that what it is for—to make money safe?

Mr. SPENCE. There has always been a gold reserve behind the Federal Reserve notes. Twenty-five percent would be sufficient.

Mr. WHITE. If it is a safety measure, why would not 30 percent be better?

Mr. SPENCE. Thirty percent would not give more safety or security to those notes. The other part of the notes beyond the 25 percent is secured by obligations, by notes, bankers' acceptances, other commercial obligations, and by direct obligations of the United States Government.

Mr. WHITE. Is that the bulk of the security behind these Federal Reserve notes—the obligations of the United States Government at the present time?

Mr. SPENCE. The bulk of the obligations behind the notes is the direct obligation of the United States Government.

Mr. WHITE. If they start to decline in value, as they did after the last war, we will be in a pretty precarious position, will we not?

Mr. SPENCE. I do not think anybody will assume that the obligations of the United States Government will not support the notes issued by the Federal Reserve System.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The question was taken; and, on a division (demanded by Mr. SUNDSTROM) there were—ayes 26, noes 42.

So, the amendment was rejected.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California in the nature of a substitute: Strike out all of H. R. 3000 after the enacting clause and insert in lieu thereof the following:

"SEC. 1. Paragraph 6 of section 18 of the Federal Reserve Act, as amended, is amended to read as follows:

"'Upon the deposit with the Treasury of the United States (a) of any direct obligations of the United States or (b) of any notes, drafts, bills of exchange, or bankers acceptances, any Federal Reserve bank making such deposit, shall be entitled to receive from the Comptroller of the Currency circulating notes. When such circulating notes are issued against the security of obligations of the United States, the amount of such circulating notes shall be equal to the face value of the direct obligations of the United States so deposited as security. Such notes shall be obligations of the United States, and shall constitute lawful money for reserve purposes by the Federal Reserve banks. When such notes are issued by the Comptroller of the Currency to the Federal Reserve banks the United States Treasury shall receive in lieu thereof demand deposits in said banks of an amount equal to the face value of such notes.'

"SEC. 2. Paragraph 6 of section 19 of the Federal Reserve Act, as amended, is amended to read as follows:

"'Notwithstanding the other provisions of this section, the Board of Governors of the Federal Reserve System, upon the affirmative vote of not less than four of its members, in order to prevent injurious credit expansion or contraction, may by regulation change the requirements as to reserves to be maintained against time or demand deposits or both by member banks in reserve and central reserve cities or by member banks not in reserve or central reserve cities, or by all member banks; but the amount of the reserve required to be maintained by any such member bank as a result of any such change shall not be less than the amount of the reserves required by law to be maintained by such bank on the date of enactment of the Banking Act of 1935, nor more than 100 percent of the demand and time deposits of such member banks.'

"SEC. 3. Paragraph 1 of section 7 of the Federal Reserve Act, as amended, is amended to read as follows:

"'After all necessary expenses of a Federal Reserve bank have been paid or provided for, the stockholders shall be entitled to receive an annual dividend of 6 percent on the paid-in capital stock, which dividend shall be cumulative. After the aforesaid dividend claims have been fully met, all the net earnings shall be paid to the United States as a franchise tax, except that one-half of such earnings shall be paid into a surplus fund until it shall amount to 40 percent of the paid-in capital stock of such bank: *Provided*, That in no event shall the amount of such franchise tax be less in any year than the amount of interest received by a Federal Reserve bank from the Treasury of the United States upon direct obligations of the United States deposited with the Secretary under the terms of section 1 of this act. The net earnings derived by the United States from the Federal Reserve banks shall be applied to the reduction of the outstanding bonded indebtedness of the United States under regulations to be prescribed by the Secretary of the Treasury.'"

Mr. WOLCOTT. Mr. Chairman, I make the point of order against the amendment that it incorporates matter which is not germane to the present bill and goes beyond the scope of the present bill.

Mr. VOORHIS of California. Mr. Chairman, I should like to be heard briefly on the point of order.

The aim of the bill before us from the committee is to amend sections 11 (c) and 16 of the Federal Reserve Act. My substitute is entirely confined to amendment of the Federal Reserve Act. The purpose of the committee bill is to take care of the problem of the decline in reserves and to make available the possibility of issuance of further currency for the purpose of meeting that problem. That also is the net effect of my substitute amendment. It seems to me that my amendment is germane to the one and only purpose of the committee bill.

The CHAIRMAN (Mr. MILLS). The Chair reminds the gentleman that his amendment provides a method foreign to that provided in the bill. It is the opinion of the Chair that the amendment is not germane to the subject matter of the bill and is subject to the point of order. Therefore, the Chair sustains the point of order.

Mr. ENGLE of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ENGLE of California: On page 1, beginning with line 3, strike out through line 9 and the word "circulation" in line 10 on page 1 and insert in lieu thereof the following: "That the dollar consisting of nine and eleven twenty-firsts grains of gold nine-tenths fine shall be the standard unit of value, and all forms of money issued or coined by the United States shall be maintained at a parity of value with this standard, and it shall be the duty of the Secretary of the Treasury to maintain such parity."

Mr. SPENCE. Mr. Chairman, I make a point of order against the amendment. The amendment is not germane to the bill and goes far beyond the purposes of the bill. It would change the gold content of the dollar. It would make the value of an ounce of gold $56. It would give an unearned increment to the foreign holders of gold of $8,500,000,000. It would give those foreign holders credits in the United States to that extent if they desire to use it. It certainly goes far beyond the intention or the purport of the bill.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ENGLE of California. Yes, Mr. Chairman.

Mr. Chairman, the amendment does exactly the same as proposed by this bill. This bill would permit a certain currency expansion by reducing the reserve in back of the currency from 40 percent to 25 percent. My amendment will permit an equal currency expansion by reducing the gold content of the dollar in exactly the same proportion. In other words, in one instance you are reducing the gold reserve in back of the currency from 40 percent to 25 percent, and in the other you are simply taking the same percentage of gold out of the dollar. It has exactly the same purpose and would permit the identical amount of currency expansion.

The CHAIRMAN. The gentleman from California [Mr. ENGLE] offers an amendment to the bill which proposes to modify the Gold Reserve Act, which is a subject foreign to the subject matter of the bill now before the Committee. Therefore, the Chair sustains the point of order.

Mr. ENGLE of California. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. ENGLE of California: On page 3, after line 7, insert the following new subsection (d):

"The amendments made by this section providing for reduction in reserve requirements shall remain in force until the expiration of 2 years after the date of enactment of this act, and after such amendments

cease to be in force any provision of law amended thereby shall be in full force and effect as though this act had not been enacted."

Mr. ENGLE of California. Mr. Chairman, the gold reserve requirement behind our currency has been 40 percent since 1913. Under the bill now under consideration that gold reserve requirement would be reduced to 25 percent, not for the duration of the emergency which has brought the change about, but for all time. The purpose of my amendment is to limit the period of time in which the reserve will be reduced to 25 percent for 2 years at which time the reserve requirement will automatically be returned to what it has been ever since 1913, that is, 40 percent unless at that time the Federal Reserve Board comes before the Congress and gets an extension of the 25-percent requirement provided for in this bill. This is an emergency measure. Its operation should be limited to the emergency. It changes a gold reserve ratio which has existed ever since the Federal Reserve System was established in 1913. This law, if it is passed should not outline the emergency which has brought it about. Congress does nothing more dangerous than pass emergency legislation without limiting its force to the duration of the emergency.

I would like to refer to some of the statements which have been made in regard to passing red lights. This is an inflationary measure. There is not any question about it. I want to read to you some of the testimony, a very good statement, made by Mr. Randolph Burgess, president of the American Bankers Association in regard to this matter, in which he warns about this inflation and how we must watch these red lights. This is what he says:

> There are two reasons for the restraints on Federal Reserve action which are contained in the legislation you are discussing; that is, restraint on the pledging of Government securities on Federal Reserve notes and the percentage of reserve required against deposits and not liabilities.
>
> First. To place some limitations on the very great power which the Federal Reserve Act puts in the hands of a few people.
>
> Second. To serve as red lights when a huge expansion of credit takes place, for such credit expansion is dangerous.
>
> We are in the process of going through red lights. In addition to the bill before this committee, a bill raising the debt limit is before Congress, and that also means passing a red light. Inflation usually shows itself in rising interest rates, and we have suppressed, by Government control, not the inflationary forces themselves, but their danger signals.
>
> The danger signals are being passed but the inflation is going forward. The money held by the people, both in currency and bank deposits, is piling up in unpredecented amounts.

Mr. BROWN of Georgia. Will the gentleman yield?

Mr. ENGLE of California. I yield.

Mr. BROWN of Georgia. My recollection is that Mr. Burgess did not recommend that this be limited to 2 years.

Mr. ENGLE of California. I do not recall that he did either.

Mr. BROWN of Georgia. I think the only thing he recommended was the 25 percent.

Mr. ENGLE of California. He recommended 30 percent.

Mr. BROWN of Georgia. But he did not recommend a limit of 2 years, because it would be impossible to get ready to make an issue of these bonds.

Mr. ENGLE of California. I do not recall that he was asked that question, but here is what he says:

> We bankers are working with the Treasury in selling Government bonds to the people. We have put a lot of pressure and incurred, I believe, a moral obligation to those people to keep their dollars sound. After World War I the prices of Liberty bonds dropped 15 percent, but their buying power in goods dropped more than that. Today the savings bond fortunately can't drop in price, but its buying power can fall and, in fact, is now falling.
>
> This bill before the Senate removes certain automatic checks on credit expansion.

What I am asking this committee to do is to put back that automatic check on credit expansion at the end of 2 years so that this House can constantly review this situation, to determine whether or not we should check our inflationary course in other directions, as well as in the direction involved in this bill.

Mr. BROWN of Georgia. My recollection is that no witness opposed this bill. The only suggestion that Mr. Burgess made was to reduce it to 30 percent instead of 25 percent.

Mr. ENGLE of California. My recollection is that only two witnesses appeared before the committee, excepting of course my own appearance.

Mr. SUNDSTROM. Will the gentleman yield?

Mr. ENGLE of California. I yield.

Mr. SUNDSTROM. Mr. Burgess should not be known as a banker, but more as a Federal Reserve man, because he was with the Federal Reserve in New York for over 18 years.

Mr. ENGLE of California. I thank the gentleman. That is true but he is president of the American Bankers Association. That is the reason he is referred to as a banker.

The point I make is this, that notwithstanding the fact that the witnesses appearing before the committee recognized the necessity for doing something about this currency expansion, they never said a word against limiting the effect of this measure to the emergency which has made it possible. I think such a limitation is just good sense.

I ask support of my amendment.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we are reducing the gold content behind Federal Reserve notes to 25 percent this time because it is a necessity. It is essential that the Federal Reserve System should plan for the future with assurance. That is the reason they have asked for a reduction of the gold reserve. To say that in 2 years from now we will again establish 40 percent would be enacting a law in regard to a condition of which we had no knowledge and the effects of which we could not carefully consider. I say it would be entirely ill-advised for the Congress, not knowing what the conditions may be in 2 years, to say now in this bill that the Federal Reserve must have 40 percent of gold behind its Federal Reserve notes, when we do not know and cannot know what the necessity will be 2 years hence.

The committee carefully considered this measure and we made this unlimited as to time. That does not mean we have taken away any of the rights of Congress to legislate in the future.

Congress has this matter within its discretion and judgment at all times. To legislate now for 2 years hence in these emergent times seems to me to be the height of folly.

I ask that the amendment be defeated.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have just heard the most amazing argument from the chairman of this committee.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, the chairman of the committee reporting this bill has said that if we were to put a time limitation in this bill we would be legislating for 2 years from now and that he thinks we cannot do that intelligently. Mr. Chairman, we are legislating for 2 years from now if we refuse to put in a time limitation. The only way to insure legislating then on the basis of conditions then existing is to put in the 2-year limit and force the question to come up again at that time.

The gentleman says we ought not to have a time limitation; and yet the gentleman before this has reported and again will report legislation to the Congress in which there is a time limitation. Before long the Congress will have before it the question of the extension of the Office of Price Administration, the OPA Act. Will he argue there must be no time limit in it lest we be legislating for the future? No; he will bring in that bill again with a time limit to insure that next year the matter will be reviewed under conditions then existing. In all emergency legislation it has been regarded as a sound principle that there should be a date line on these grants of power, on these emergency actions.

For the gentleman from Kentucky to attempt to answer the argument advanced by the gentleman from California by saying that if we put a time limitation in here we are legislating for the future and doing an unsound thing, means that his remarks will come back to haunt him time and again as he presents legislation which carries a time limit. Exactly the reverse is the truth. You legislate for the future when you pass bills with no time limit. You make this permanent legislation if you refuse to put in the time limitation.

The arguments made for the bill are based on an emergency situation. Then why not insure that the legislation will

come to an end unless the emergency continues?

Witnesses who appeared before the committee did ask for this 2-year limitation which is proposed in the amendment before us.

I have in my hand here the hearings on the bill. On page 74 I find a letter from Mr. Julian D. Conover, secretary of the American Mining Congress, dated March 8. It is addressed to the Honorable BRENT SPENCE, chairman of the Committee on Banking and Currency. In this letter Mr. Conover makes the following statement:

Since a reduction in the gold reserve requirements is proposed as a result of emergency conditions arising from the war, it is fitting that the term of such reduction be limited to a fixed period. Many precedents for such a limitation exist in recent wartime legislation as well as in the monetary legislation of past decades. If at the end of 2 years the emergency has passed such a measure as you are now considering should be allowed to expire. If the emergency still exists we submit that a matter of such great public importance should be subject to review by the Congress to determine what action may then be required.

Every legislator, every Member of the House, knows that when you once surrender these powers, when you once enact legislation without a time limit it it far more difficult to recover that power, it is far more difficult to put in some repealer than it is to put in a time limit on the original bill.

I see the gentleman from Michigan [Mr. MICHENER] sitting over there. I recall the time when he said that the salvation of the country would be the time limits we put in the emergency legislation we were passing.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. WHITE. Is it not a fact that we place time limits in various Treasury measures? We put a limit on the stabilization fund and have to renew it every 2 years.

Mr. CASE of South Dakota. That is exactly correct, so that we automatically would review the situation that exists when the time occurs.

I ask support for the amendment offered by the gentleman from California because it is the one chance to show a little sanity in the consideration of this very important bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. ENGLE of California) there were—ayes 27, noes 40.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. The second paragraph of section 16 of the Federal Reserve Act, as amended, is amended to read as follows:

"Any Federal Reserve bank may make application to the local Federal Reserve agent for such amount of the Federal Reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal Reserve agent of collateral in amount equal to the sum of the Federal Reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of section 13 of this act, or bills of exchange endorsed by a member bank of any Federal Reserve district and purchased under the provisions of section 14 of this act, or bankers' acceptances purchased under the provisions of said section 14, or gold certificates, or direct obligations of the United States. In no event shall such collateral security be less than the amount of Federal Reserve notes applied for. The Federal Reserve agent shall each day notify the Board of Governors of the Federal Reserve System of all issues and withdrawals of Federal Reserve notes to and by the Federal Reserve bank to which he is accredited. The said Board of Governors of the Federal Reserve System may at any time call upon a Federal Reserve bank for additional security to protect the Federal Reserve notes issued to it."

SEC. 3. All power and authority with respect to the issuance of circulating notes, known as Federal Reserve bank notes, pursuant to the sixth paragraph of section 18 of the Federal Reserve Act, as amended by section 401 of the act approved March 9, 1933 (48 Stat. 1, 6), shall cease and terminate on the date of enactment of this act.

SEC. 4. All power and authority of the President and the Secretary of the Treasury under section 43 (b) (1) of the act approved May 12, 1933 (48 Stat. 31, 52), with respect to the issuance of United States notes, shall cease and terminate on the date of enactment of this act.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 4, line 15, strike out all of section 4 and insert in lieu thereof the following:

"SEC. 4. Section 43 of the act approved May 12, 1933 (48 Stat. 3152) is hereby repealed."

Mr. SPENCE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SPENCE. Mr. Chairman, that amendment repeals the Thomas amendment. The gentleman's amendment goes very much further than the bill, and provides that the President may establish a parity between gold and silver and it also provides that the Federal Reserve in connection with the Treasury Department may issue directions to the Federal Reserve banks to limit credit expansion. It makes legal tender the Federal Reserve notes; and if you strike out this amendment, there will be no legal tender or money except silver certificates and the small coins to the extent of $10. It does not do anything to silver, because those who are interested in silver rely on the Silver Purchase Act, which provides that one-fourth of the monetary stock of the United States shall be in silver bullion.

I do not think that the amendment is germane in any respect. It is a most far-reaching amendment—one that if adopted, I am sure, would delay the passage of this bill and might cause a delay which would be very injurious to the activities of the Federal Reserve System in regard to our public-debt transactions.

Mr. Chairman, I insist on my point of order.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard?

Mr. WOLCOTT. Briefly.

Mr. Chairman, section 4 of the bill repeals the authority under section 43, title III, of the so-called Agricultural Adjustment Act, commonly called the Thomas amendment to issue $3,000,000,000 of so-called greenbacks, properly called United States notes. This $3,000,000,000 of United States notes may be issued only upon the condition that the Federal Reserve, in subsection (a) of section 43, does not take $3,000,000,000 worth of Treasury notes. In other words, the Treasury is authorized to sell to the Federal Reserve $3,000,000,000 worth of its notes. If the Federal Reserve does not take the $3,000,000,000, which, of course, in itself would be an inflationary transaction, then the President may do two things: He may issue $3,000,000,000 in United States notes—greenbacks—or he may, second, by proclamation, fix the weight of the gold dollar and also fix the weight of the silver dollar in definite fixed ratio in relation to the gold dollar in such amounts as he finds necessary from his investigation which stabilizes domestic prices or to protect foreign customs against the adverse effect of depreciated foreign currency.

I want to stress that he may do this against the adverse effect of depreciated foreign currencies:

And to provide for the unlimited coinage of such gold and silver at the ratio so fixed.

And so forth. Which means any ratio that he might see fit to make.

The purpose of repealing the power of the President to issue three billion in greenbacks is to offset the psychological effect which the passage of this bill may have upon the value of our currency which, it is agreed, in itself will have no effect at all; in other words the passage of this bill will have nothing but a psychological effect upon the value of our currency.

We will have before us within the next 10 days a bill which we hope will result in the stability of currencies all over the world, and it is absolutely essential that if the so-called Bretton Woods articles of agreement are to be effective that the United States not leave on its statute books any provision of law by which it may depreciate its own currency unilaterally to the prejudice of the Bretton Woods agreement. I think that the question of issuing $3,000,000,000 of greenbacks is so closely affiliated and dependent upon the sale of Treasury notes and like amounts to the Federal Reserve, and the free and unlimited coinage of gold and silver at rates established by the President—as I say, all of those things are so closely affiliated that the amendment does not go beyond the purview of the act.

However, I have consulted with the Parliamentarian and I must admit that there is some doubt in respect to it. I am willing, of course, to abide by the Chair's decision in that respect.

The CHAIRMAN. The amendment offered by the gentleman from Michigan, it appears clearly, goes beyond the language of section 4 and therefore is not germane to the bill. The Chair, therefore, sustains the point of order made by the gentleman from Kentucky.

Mr. MURDOCK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK: On page 4, line 15, after the period, strike out all the remainder of the bill.

Mr. MURDOCK. Mr. Chairman, as I see it, section 4 has no relation to the first 3 sections of this bill. Even if the first 3 sections were good, they in no way require section 4. It is thrown in gratuitously and could be eliminated much to the advantage of the country, without affecting the parts of the measure preceding it.

I would not say if I had my choice about it that greenbacks are the best possible type of money. This power to issue greenbacks, which by my amendment I seek to preserve, has been incorporated in the law for nearly a dozen years. It has not been abused or even used. This monetary policy was good enough for Abraham Lincoln in the dark days of the great struggle through which our country passed in the last century, as an emergency proposition. This power has not been recently used by the President of the United States, perhaps being reserved for extreme emergency. There is no need to assume that it is going to be used unless it is absolutely demanded. I feel that section 4 ought to be eliminated from this bill so that in case of need this power could be used as Lincoln used it.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from California.

Mr. VOORHIS of California. Does not the gentleman feel that the very fact that that power exists in the hands of the President has in the past been most important as a means of keeping down interest rates and accomplishing other necessary ends that needed to be accomplished?

Mr. MURDOCK. I think that is true; somewhat as a policeman standing on a street corner may not make an arrest, but his very presence there obviates the need of making an arrest.

Mr. VOORHIS of California. Does not the gentleman further feel that it is wrong in the same bill to expand vastly the private power to create money and to wipe out the one power which the people's Government has to do it?

Mr. MURDOCK. I certainly do. This bill, in its entirety—in the first three sections—gives vast powers of expansion, and yet section 4 takes away from the President of the United States the power to give us a little expansion through a kind of money not created by banks and not based on debt. No doubt those who tacked section 4 onto this bill argued that the possibility of inflating the currency to a certain extent by the President should be removed, so section 4 appears as a rider on a bill which makes possible 12 times that amount of inflation. In the interest of the American taxpayers let us adopt my amendment and strike section 4 from the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona.

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3000) to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes, pursuant to House Resolution 259, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. WHITE. On that I demand the yeas and nays, Mr. Speaker.

The yeas and nays were refused.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SMITH of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

Mr. McCORMACK. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. SMITH. I will withhold it, Mr. Speaker, but I do not want the House to adjourn. I would like to have a vote.

Mr. McCORMACK. Of course I can make a motion to adjourn. The gentleman cannot stop that, as that motion is always in order. I was going to make this suggestion. Of course, we shall meet tomorrow, but I have already announced that no legislative matters will be considered tomorrow, that being Memorial Day. I was going to ask unanimous consent that final action on this matter be postponed until Thursday, and if the gentleman has no objection to that I will submit that request. What the situation will be on Thursday I am unable to state. The gentleman may not then be able to make his objection. The chances are that he will, but I cannot guarantee that he will be able to object to the vote on the ground that a quorum is not present at that time. I want to be frank with the gentleman.

Mr. SMITH of Ohio. It is for that reason that I would object to the gentleman's request.

Mr. McCORMACK. I am not taking the gentleman off his feet, but it is now 5:30, and ordinarily I would make a motion to adjourn. If the gentleman has no objection, I shall submit that request.

Mr. SMITH of Ohio. I shall object to that request, and I insist on my objection to the vote on the ground that a quorum is not present, Mr. Speaker.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 29 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 30, 1945, at 12 o'clock noon.

MOTION TO DISCHARGE COMMITTEE

FEBRUARY 28, 1945.

To the CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 4 of rule XXVII I, VITO MARCANTONIO, move to discharge the Committee on Rules from the consideration of the resolution (H. Res. 139) entitled "A resolution making H. R. 7, a bill making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers a special order of business," which was referred to said committee February 19, 1945, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Vito Marcantonio.
2. George H. Bender.
3. Geo. F. Rogers.
4. Philip J. Philbin.
5. Helen Gahagan Douglas.
6. Samuel Dickstein.
7. Charles Savage.
8. John E. Fogarty.
9. Herman P. Kopplemann.
10. Samuel A. Weiss.
11. Emanuel Celler.
12. Leo F. Rayfiel.
13. James M. Curley.
14. Thomas S. Gordon.
15. Ned R. Healy.
16. William W. Link.
17. John B. Sullivan.
18. Walter B. Huber.
19. George G. Sadowski.
20. Donald L. O'Toole.
21. Thomas J. O'Brien.
22. James J. Delaney.
23. Mike Mansfield.
24. W. A. Pittenger.
25. James H. Torrens.
26. Hugh De Lacy.
27. Melvin Price.
28. Alexander J. Resa.
29. Frank E. Hook.
30. Adam C. Powell.
31. Gordon L. McDonough.
32. Clyde Doyle.
33. Sherman Adams.
34. Augustus W. Bennet.
35. Emily Taft Douglas.
36. Sol Bloom.
37. Joseph F. Ryter.
38. Charles A. Wolverton.
39. George P. Miller.
40. Andrew J. Biemiller.
41. James J. Heffernan.
42. John J. Rooney.
43. George E. Outland.
44. Benjamin J. Rabin.
45. Walter A. Lynch.
46. John W. Murphy.
47. Ray J. Madden.
48. Herbert J. McGlinchey.
49. Cecil R. King.
50. Daniel K. Hoch.
51. William J. Gallagher.
52. James G. Fulton.
53. Augustine B. Kelley.
54. Jennings Randolph.
55. Franck R. Havenner.
56. Philip A. Traynor.
57. Matthew M. Neely.
58. Cleveland M. Bailey.
59. E. H. Hedrick.
60. Mrs. Chase Going Woodhouse.
61. Ed. V. Izac.
62. Michael J. Bradley.
63. William A. Barrett.
64. William T. Granahan.
65. John H. Tolan.
66. Daniel J. Flood.
67. Mary T. Norton.
68. John J. Delaney.
69. Louis Ludlow.

70. Joseph Clark Baldwin.
71. John M. Coffee.
72. John Lesinski.
73. Aime J. Forand.
74. Herman P. Eberharter.
75. Clare Boothe Luce.
76. Charles M. LaFollette.
77. Chet Holifield.
78. Carl Hinshaw.
79. Walter E. Brehm.
80. William J. Green, Jr.
81. Martin Gorski.
82. Edward A. Kelly.
83. Jack Z. Anderson.
84. William R. Thom.
85. Charles A. Buckley.
86. Estes Kefauver.
87. Edward J. Hart.
88. Peter A. Quinn.
89. William L. Dawson.
90. Joseph L. Pfeifer.
91. Adolph J. Sabath.
92. William B. Barry.
93. Bernard W. Kearney.
94. Frank B. Keefe.
95. John Phillips.
96. John D. Dingell.
97. William A. Rowan.
98. Jerry Voorhis.
99. Thomas J. Lane.
100. Compton I. White.
101. Walter C. Ploeser.
102. Merlin Hull.
103. John Kee.
104. Edwin Arthur Hall.
105. James P. Geelan.
106. Henry M. Jackson.
107. Homer D. Angell.
108. Thomas A. Jenkins.
109. Reid F. Murray.
110. William T. Byrne.
111. George D. O'Brien.
112. Ellis E. Patterson.
113. J. Harry McGregor.
114. Noble J. Johnson.
115. Francis E. Walter.
116. William H. Stevenson.
117. J. Buell Snyder.
118. James A. Roe.
119. Alvin E. O'Konski.
120. Edward J. Elsaesser.
121. John Jennings, Jr.
122. James Wolfenden.
123. Earl R. Lewis.
124. Karl Stefan.
125. Homer A. Ramey.
126. Robert Crosser.
127. Ivor D. Fenton.
128. Robert J. Corbett.
129. Howard E. Campbell.
130. Chester H. Gross.
131. Clifford P. Case.
132. Leonard W. Hall.
133. J. Leroy Johnson.
134. Albert J. Engel.
135. Henry J. Latham.
136. Bertrand W. Gearhart.
137. Richard J. Welch.
138. Ralph E. Church.
139. John M. Vorys.
140. Charles A. Plumley.
141. B. Carroll Reece.
142. Charles R. Clason.
143. Paul Cunningham.
144. Evan Howell.
145. D. Lane Powers.
146. Edgar A. Sharp.
147. T. Millet Hand.
148. Clair Engle.
149. Frank A. Barrett.
150. Dean P. Taylor.
151. August H. Andresen.
152. Louis C. Rabaut.
153. C. W. (Runt) Bishop.
154. Harve Tibbott.
155. James C. Auchincloss.
156. William Lemke.
157. Edward J. Gardner.
158. Frank T. Starkey.
159. Edward O. McCowen.
160. Charles H. Elston.
161. Earl Wilson.
162. William E. Hess.
163. Thomas E. Morgan.
164. Robert A. Grant.
165. Raymond S. Springer.
166. P. W. Griffiths.
167. Howard H. Buffett.
168. George W. Gillie.
169. Bartel J. Jonkman.
170. Michael A. Feighan.
171. J. Glenn Beall.
172. Christian A. Herter.
173. Walter K. Granger.
174. Eugene J. Keogh.
175. Gerald W. Landis.
176. Harold C. Hagen.
177. Thomas D'Alesandro, Jr.
178. Francis P. Bolton.
179. Margaret Chase Smith.
180. Henry O. Talle.
181. Andrew L. Somers.
182. Robert B. Chiperfield.
183. J. W. Robinson.
184. Michael J. Kirwan.
185. Leo E. Allen.
186. Albert Gore.
187. John Edward Sheridan.
188. Pehr G. Holmes.
189. Fred A. Hartley, Jr.
190. Marion T. Bennett.
191. Frank L. Sundstrom.
192. Jesse P. Wolcott.
193. Albert M. Cole.
194. Roy O. Woodruff.
195. Paul W. Shafer.
196. William W. Blackney.
197. John C. Butler.
198. H. Carl Andersen.
199. Henry C. Dworshak.
200. Sid Simpson.
201. Joseph E. Talbot.
202. Karl E. Mundt.
203. Alvin F. Weichel.
204. J. Percy Priest.
205. Edith Nourse Rogers.
206. Chester E. Merrow.
207. Gordon Canfield.
208. Richard F. Harless.
209. Walter H. Judd.
210. Robert K. Henry.
211. Leon H. Gavin.
212. Everett M. Dirksen.
213. Edward H. Rees.
214. Charles R. Robertson.
215. John W. Heselton.
216. John C. Kunkel.
217. A. L. Miller.
218. William S. Hill.

This motion was entered upon the Journal, entered in the CONGRESSIONAL RECORD with signatures thereto, and referred to the Calendar of Motions to Discharge Committees, May 29, 1945.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Wednesday, May 30, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports, and to amend existing law relating to air-navigation facilities.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments at 10 o'clock a. m., Wednesday, May 30, 1945, to resume hearings on H. R. 2117.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Thursday, May 31, 1945, at 10 o'clock a. m., to consider H. R. 2632.

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 o'clock a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

512. A letter from the Acting Secretary of the Interior, transmitting a copy of legislation passed by the Municipal Council of St. Croix, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Insular Affairs.

513. A letter from the Acting Secretary of the Interior, transmitting a copy of the legislation passed by the Legislative Assembly of the Virgin Islands pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Insular Affairs.

514. A letter from the Acting Secretary of the Navy, transmitting a copy of a proposed bill to provide for the reimbursement of certain Navy personnel and former Navy personnel for personal property lost or destroyed as the result of a fire which occurred on the naval station, Tutuila, American Samoa, on October 20, 1943; to the Committee on Claims.

515. A letter from the Acting Administrator of the Federal Security Agency, transmitting the third quarterly report of the United States Commissioner of Education on the education and training of defense workers, covering the period beginning January 1, 1945, and ending March 31, 1945; to the Committee on Education.

516. A letter from the Secretary of the Interior, transmitting a copy of a proposed bill declaring certain lands to be a part of the public domain and providing for the administration thereof; to the Committee on the Public Lands.

517. A letter from the Delegate from Hawaii, Hon. JOSEPH R. FARRINGTON, transmitting a copy of the annual report covering the activities of the department of public works, city and county of Honolulu, during the calendar year 1944; to the Committee on the Territories.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 2581. A bill to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors," approved May 10, 1943 (57 Stat. 81), and for other purposes; without amendment (Rept. No. 625). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 3267. A bill to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes; without amendment (Rept. No. 626). Referred to the Committee of the Whole House on the State of the Union.

Mr. BECKWORTH: Committee on Interstate and Foreign Commerce. House Joint Resolution 113. Joint resolution granting the consent of Congress to an agreement amending the original agreement entered into by the States of New York and Vermont relating to the creation of the Lake Champlain Bridge Commission; with amendment (Rept. No. 627). Referred to the House Calendar.

Mrs. NORTON: Committee on Labor. H. R. 525. A bill to provide for cooperation with State agencies administering labor laws in establishing and maintaining safe and proper working conditions in industry and in the preparation, promulgation, and enforcement of regulations to control industrial health hazards; with amendment (Rept. No. 628). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ERVIN:

H. R. 3344. A bill to amend section 503 of title 3, Servicemen's Readjustment Act of 1944; to the Committee on World War Veterans' Legislation.

By Mr. VINSON:

H. R. 3345. A bill to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of under age at the time of enlistment, and for other purposes; to the Committee on Naval Affairs.

By Mr. HENRY:

H. R. 3346. A bill designating the fourth Saturday in September of each year as American Indian Day; to the Committee on the Judiciary.

By Mr. WHITE:

H. R. 3347. A bill to amend section 3539 of the Revised Statutes relating to taking trial pieces of coins; to the Committee on Coinage, Weights, and Measures.

By Mr. GEELAN:

H. R. 3348. A bill granting certain tax benefits to members and former members of the armed forces; to the Committee on Ways and Means.

By Mr. HARE:

H. R. 3349. A bill to provide for a defense highway in the United States to serve as a link in connecting the Inter-American Highway with the Alaskan Highway, and for other purposes; to the Committee on Roads.

By Mr. JUDD:

H. R. 3350. A bill to authorize the release of persons from active military service, and the deferment of persons from military service, in order to aid in making possible the education and training of physicians and dentists to meet essential needs; to the Committee on Military Affairs.

By Mr. SLAUGHTER:

H. R. 3351. A bill relating to the disposition of the emergency fire-fighting equipment purchased by the Office of Civilian Defense; to the Committee on Expenditures in the Executive Departments.

By Mr. SMITH of Ohio:

H. R. 3352. A bill to increase the reserves of Federal Reserve banks and to reduce the Federal debt by utilization of gold certificates representing the free gold in the stabilization fund to purchase a corresponding amount of Government securities from the Federal Reserve banks; to the Committee on Coinage, Weights, and Measures.

By Mr. DOUGHTON of North Carolina:

H. J. Res. 206. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of Puerto Rico, memorializing the President and the Congress of the United States to grant independence to Puerto Rico for better relations between the two peoples; to the Committee on Insular Affairs.

Also, memorial of the Legislature of the Republic of Mexico, memorializing the President and the Congress of the United States to investigate the advisability of creating an International Pink Bollworm Commission with the Republic of Mexico to prevent the spread of the bollworm infestation; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LECOMPTE:

H. R. 3353. A bill granting an increase of pension to Mrs. Katherine Holshauser; to the Committee on Invalid Pensions.

By Mr. MALONEY:

H. R. 3354. A bill for the relief of Sam Inghram; to the Committee on Claims.

By Mr. WEAVER:

H. R. 3355. A bill for the relief of Elisabeth Jones Hansel; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

804. By Mr. COCHRAN: Petition of Paul Lungstras and 33 other citizens of St. Louis Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

805. Also, petition of John J. Beffa and 34 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

806. Also, petition of Lena Engert and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

807. Also, petition of John Wunsch and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

808. Also, petition of L. Sims and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

809. By Mr. CHURCH: Petition of Cornelia E. Shaw and other citizens of Zion, Ill., urging the passage of the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

810. By Mr. SMITH of Wisconsin: Petition of the American Legion, Department of Wisconsin, concerning the indiscriminate granting of commissions in the Army; to the Committee on Military Affairs.

811. By Mr. WICKERSHAM: Concurrent resolution from the Senate of the State of Oklahoma to amend the Internal Revenue Code with regard to community property preferences; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 30, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal Spirit of the living God, we thank Thee for this day in the calendar of our national life which we reverently observe as Memorial Day. May our souls be filled with high and holy sentiments as we call to mind those who gave their very lives for the building of a better world.

Grant that since they died before their task was finished we may carry on with souls as true and strive to bring to birth their fondest dreams. May that better world not be diminished in the splendor of all that God planned for their own and future generations.

We would remember in our prayers during this day all grief-stricken hearts and homes. Give unto those who walk the lonely and sorrowful way the consolation of Thy grace and the comradeship of Thy presence.

May we continue to cherish the fond hope that the day of blessed prediction is drawing nigh when peace on earth shall be a glorious reality. Hasten the time when that deep and dark chasm between nations shall be forever closed as they cast into it their selfishness, their suspicions, their prejudices, and their hatreds. May it become a radiant highway of justice and righteousness where men shall walk together in good will and love.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Iowa [Mr. DOLLIVER] may be granted leave of absence for the balance of this week on account of important business.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SPECIAL ORDER

Mr. SMITH of Wisconsin. Mr. Speaker, I had a special order granted for tomorrow. I ask unanimous consent that it be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. SCHWABE of Missouri asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Tri-County Truth, of Hartsburg, Mo.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD on two different subjects.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include a speech by Judge J. F. T. O'Connor, of Los Angeles.

Mr. PLOESER (at the request of Mr. COLE of Missouri) was granted permission to extend his remarks in the RECORD and include therein a letter.

THE FIRST MEMORIAL DAY

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include certain excerpts and a verse written by Hon. Francis Miles Finch, of New York.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, this is Memorial Day throughout the country. People in every community will join in observing this solemn occasion by decorating the graves of their dead.

This beautiful custom originated in Columbus, Miss., in the district I now have the honor to represent, when on April 25, 1866, the women of the Confederacy, while decorating the graves of Confederate soldiers, also decorated the graves of the Federal soldiers who were buried in the same cemetery.

The Mississippi Index, a paper published in Columbus at that time, in its issue of April 26, 1866, gave the following description of what happened on that occasion:

The procession on yesterday in honor of the Confederate dead was large and imposing. First marched, in twos, the young ladies and girls, dressed in immaculate white, each bearing her bouquet or chaplet of flowers. Next came the matrons dressed in mourning; like the others, with flowers in their hands, their black dresses typical of the southern heart in gloom for its beloved dead, the fair flowers emblematic of women's admiration and affection for all that was gallant and chivalrous in patriots. Lastly came the procession of carriages bearing the elderly ladies.

Arriving at the cemetery, the ladies assembled around the graves of the soldiers in the form of a square. From the center of the ground an elaborate and eloquent address was delivered by Rev. G. T. Stainback, and following it a fervent prayer by Rev. A. S. Andrews. The ladies then performed the beautiful and touching duty of decorating the graves with flowers.

There were over 1,400 graves to be decorated. Through exertions and appeals of the kind ladies superintending the good work, all these graves had been neatly cleaned off, so that after the decoration was completed, "God's acre" of heroes looked as if freshly blooming with a thousand flowers—bearing up to heaven a fragrant and beautiful evidence of woman's love, tenderness, and appreciation.

We were glad to see that no distinction was made between our own dead and about 40 Federal soldiers, who slept their last sleep by them. It proved the exalted, unselfish tone of the female character. Confederate and Federal—once enemies, now friends—receiving this tribute of respect.

The news of this incident spread throughout the country, and made such a profound impression that it brought from the pen of the Honorable Francis Miles Finch, a distinguished northern jurist, his immortal poem, The Blue and the Gray, which will live as long as the Stars and Stripes shall continue to float over a free people, or the sweet strains of Dixie shall stir the southern heart with its sweet but melancholy pathos.

This poem, as it appeared in the September 1867 issue of the Atlantic Monthly, together with the preface given it by Judge Finch himself, reads as follows:

THE BLUE AND THE GRAY

The women of Columbus, Miss., animated by nobler sentiments than are many of their sisters, have shown themselves impartial in their offerings made to the memory of the dead. They strewed flowers alike on the graves of the Confederate and of the National soldiers (New York Times):

By the flow of the inland river,
Whence the fleets of iron have fled,
Where the blades of the grave grass quiver,
Asleep are the ranks of the dead;
Under the sod and the dew,
Waiting the judgment day;
Under the one the blue,
Under the other the gray.

These in the robings of glory,
Those in the gloom of defeat,
All with the battle-blood gory,
In the dusk of eternity meet;
Under the sod and the dew,
Waiting the judgment day;
Under the laurel, the blue;
Under the willow, the gray.

From the silence of sorrowful hours
The desolate mourners go,
Lovingly laden with flowers
Alike for the friend and the foe;
Under the sod and the dew,
Waiting the judgment day;
Under the roses, the blue;
Under the lilies, the gray.

So with an equal splendor
The morning sun rays fall,
With a touch, impartially tender,
On the blossoms blooming for all;
Under the sod and the dew,
Waiting the judgment day;
Broidered with gold, the blue;
Mellowed with gold, the gray.

So, when the summer calleth
On forest and field of grain,
With an equal murmur falleth
The cooling drip of the rain;
Under the sod and the dew,
Waiting the judgment day;
Wet with the rain, the blue,
Wet with the rain, the gray.

Sadly, but not with upbraiding,
The generous deed was done;
In the storm of the years that are fading,
No braver battle was won;
Under the sod and the dew,
Waiting the judgment day;
Wet with the rain, the blue,
Under the garlands, the gray.

No more shall the war cry sever,
Or the winding rivers be red;
They banish our anger forever
When they laurel the graves of our dead!
Under the sod and the dew,
Waiting the judgment day;
Love and tears for the blue,
Tears and love for the gray.

THE LATE PRESIDENT FRANKLIN D. ROOSEVELT

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JARMAN. Mr. Speaker, when commenting some weeks ago on the untimely passing of President Roosevelt I referred to the fact that the great loss, shock, and bereavement of his passing would be felt not only by the people of the United States but throughout the world.

There came to me recently, just prior to my departure for Alabama, an illustration of the correctness of that statement. The communication was in Spanish and the necessity for having it translated, which could not be done before my departure, has delayed my bringing it to the attention of the House. It is a message from President Santandreu, of the Chamber of Deputies of Chile, which was sent to me instead of to you, Mr. Speaker, because of the fact that Mr. Santandreu, in addition to being President of the Chamber of Deputies of Chile, is President of the American Inter-Parliamentary Congress, which was organized in Chile last year and in which I have the honor to represent the United States.

In transmitting it to me, he said:

In another letter I am bringing to your attention the measures adopted by this body upon the death of His Excellency, Franklin D. Roosevelt, which I beg you to communicate to the Members of your House, together with an expression of our heartfelt condolences.

I have a conviction that the spirit of the illustrious deceased statesmen will give impetus to our efforts to give practical form to our project by strengthening the inter-American parliamentary ties.

I read the message:

SANTIAGO, *April 14, 1945.*

I have the honor to inform you that in view of the death of His Excellency, Franklin

Delano Roosevelt, the Chamber of Deputies of Chile postponed the celebration of the Day of the Americas, which was to have been celebrated today, April 14, delaying the said service to a later day.

This body met in special session, paid a tribute of heartfelt homage to the memory of the illustrious and distinguished citizen who devoted his genius and efforts, to his last moment, to the service of the liberties of the democracies of the world.

At this meeting there was approved a resolution declaring the sorrow which afflicts the great northern Republic to be a national bereavement and authorizing the erection of a monument by popular subscription to perpetuate the memory of the ardent defender of pan-Americanism.

The 14th of April, Day of the Americas, acquires henceforth a new and permanent significance. It will be the calendar of continental solidarity, the day which commemorates the illustrious citizen of America, who gave his life in defense of the purest and noblest ideals of humanity.

God save His Excellency.

SEBASTIAN SANTANDREU HERRERA,
President.

Mr. Speaker, I know that each of my colleagues thoroughly shares with me the great appreciation of this consideration shown to our bereavement and to our departed leader by the Chamber of Deputies of our good neighbor in South America; and I regard Memorial Day as a very appropriate day on which to bring it to your attention, because the Commander in Chief certainly gave his life in action as any other soldier did even though he did not die on the battlefield.

PERSONAL STATEMENT

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, there is an ancient Latin phrase that compresses much in small compass, audiatur at altera pars—now let us hear the other side.

It has not been my custom, nor is it the custom of the average Member of the House, to indulge in personalities on the floor or in the press. But the gentleman from New York [Mr. TABER] yesterday saw fit to give a very unprecedented statement to the press and to argue his case in the newspapers; consequently I have no choice but to take this opportunity to give here on the floor the other side of the case.

Yesterday in the press the gentleman from New York [Mr. TABER] is recorded as saying—referring to me: "He said certain things to me that were not true and I told him so," but the gentleman from New York [Mr. TABER] was very careful in that statement not to indicate what those certain things are. He poured out his soul to the newspapermen. He purported to leave nothing unrecorded. But he avoided saying what those certain things were.

What were these "certain things" he would not discuss with the press, and which he charges were untrue?

Of all the men who came to me most frequently with reference to the amendment to the legislative appropriation bill providing $2,500 expenses for the membership of the House, the gentleman from New York [Mr. TABER] came to me most frequently of all. I never took it up with him. At no time did I ever broach the subject to him. But he continually came to me to discuss its adoption. On three different occasions he brought me the amendment in typewritten form with modifications in his own handwriting, among them a modification providing for exemption of the $2,500 from income taxes.

He discussed with me the possibility of bringing it up in the House and passing it by a general agreement under which no one would oppose it on the floor, and in that connection discussed with me the likelihood that the gentleman from Georgia [Mr. TARVER] might oppose it. One day when he was discussing that phase, I called his attention to the fact that the gentleman from Georgia [Mr. TARVER] was going, or had recently gone, or was intending to go, to his home, and the gentleman from New York [Mr. TABER] came to me on the floor the next day and, with some trepidation, called attention to the fact that the gentleman from Georgia [Mr. TARVER] was still here. All the time he was deeply interested in the adoption of this amendment and in arranging with the members of the subcommittee as to how it could be done. The members of the subcommittee have at this time, or had yesterday, copies of this amendment with modifications in his own handwriting, including the provision for exemption from income-tax payments.

That and the remarkable change of attitude of the gentleman from New York [Mr. TABER] at the last minute was the sole and only subject of our conversation. After having consulted the committee repeatedly in an effort to secure adoption of the amendment, he suddenly changed his position and announced he was opposed to the amendment, and now denies he ever advocated the amendment.

Now, I trust the gentleman from New York [Mr. TABER] will follow me on the floor, and when he does, if he says what he told the newspapers yesterday, he will say that this is not true. He says in the newspapers this morning that when I reminded him of his sudden swing from one side to the other, he told me it was not true. I challenged him to bring to the floor any member of the subcommittee in charge of the bill who will deny what I have said is true. If what I said was not true, let him bring any member of that subcommittee here to deny that he was not in conference with the committee as to how best to bring this amendment to the floor and get it passed with the least friction and with the most certain assurance that it would not be subject to income taxes.

The newspaper account carries the statement that Mr. TABER was called names. I want to say to the Members of the House that I have never applied any name or any epithet to the gentleman from New York in my life, and never at any time in our conversation did I apply to him any name or any epithet of any character or description whatever. That is not my habit.

The statement also says erroneously that the discussion at the time was over the method of adopting the amendment for $2,500 expenses for Members. Again I say to you, that the method of the adoption of the amendment was never mentioned at any time.

Then the statement is made that the incident was in response to a speech which the gentleman had just delivered on the floor. No. The incident was in response to the action of the gentleman from New York in seizing me by the shoulder and making a very insulting remark to me on the floor before this speech was delivered. The floor was not the place to resent it. So I waited for him to return to the office. I reminded him of our long friendship over many years, our long association on the committee. I was certain the gentleman did not mean that, but he informed me most emphatically he did mean it. I did not start it. I repeat emphatically I did not precipitate the incident.

Mr. Speaker, it is a matter of regret that Members of the House must resort to the newspapers in order to settle such minor personal differences. I regret exceedingly to have to come before the House in this capacity this morning. I have never been before the House in this capacity before. But this morning every metropolitan newspaper in the United States carries the statement that I was charged with having said things that were not true and that I did not deny it.

I appeal to any man there to ask himself what his reaction would have been under similar circumstances.

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, it is with the utmost regret that I feel obliged to take the floor at this time with reference to the situation that was described in the newspapers. No newspaper publicity was of my seeking, nor did I tell the press of this thing until after they had found it out.

There is just one thing I am proud of, and that is that I was able to keep myself under enough control when I was hit by the gentleman from Missouri so that I did not hit him, but I grabbed his wrists and held him down. I could have held him as long as I pleased, but I thought he had cooled off enough, and I left him.

I had a cut lip and I went out to the washroom and washed it off. Then I went down to the doctor and let him stop the bleeding. Maybe that is running away. There have been many things that perhaps have culminated in this attitude of the gentleman from Missouri. Frankly, he has not been an easy gentleman to get along with and sometimes he has irritated the members of the subcommittee, whom I have had the honor of working with for so long. Frankly, I have never told anybody I was in favor of this provision which provided for $2,500, tax exempt. I did see the language they were considering. It was submitted to me. I made suggestions

with reference to the language because if it was going to be done, I wanted to see it done in a way which would be the least troublesome. I have been frequently approached by the gentleman from Missouri with reference to the situation, but I have never said I felt that the gentleman from Georgia was the only one who was opposed to it. When the time came to take a position in the committee, I took a position against it. I did not take the floor when the measure was under consideration here. Perhaps I did not do as I should have done at that time. But I am deeply appreciative of the situation in which many Members of the House, including, perhaps, myself, find themselves with references to their expenses. While I felt something should be done about that situation, I never have felt that was the right approach.

Mr. Speaker, I think that is all I care to say at this time. I shall say nothing of an impassioned character, nor shall I say anything along the line of incriminating anybody. As I said to you before, the only thing I am proud of in connection with the whole thing is that I was able to hold my temper.

MEMORIAL DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 17 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, we are gathered here today, a day which was set aside in memory of the heroes of America who have served in the armed forces of our country in the past and who have taken the journey into the Great Beyond. The purpose of meeting on this day was to permit Members who desire to express their thoughts on this sacred day to do so. Memorial Day of 1945 comes in the middle of a dreadful war in which our country is now engaged, a war which as we sit here today, thank God, through the fighting strength and spirit of our sons and daughters and the sons and daughters of those of other nations united with us, is one of which we are assured of ultimate victory.

In addition to being a day set aside in memory of our heroes of yesterday and our heroes of this war who have paid the supreme sacrifice, today is a day of dedication, that you and I and other Americans, in honoring their memory, may rededicate our lives to the service of our country, whether in time of war or in time of peace.

As we look back through the constitutional history of our country there runs through our minds the days of the Revolutionary War, the Continental Congress, the Constitution, the infant Government under constitutional form, the various decades and generations that have passed since that time, and the great progress of our country from one of the weakest nations in the world in 1789 to the most powerful, freedom-loving nation that exists in the world today. That is the heritage we have received from past generations of Americans.

We have seen great figures come and go over the horizon of American life during that period of time, men and women who have left their imprint in the history of time.

From the angle of dedication, that aspect of this day that we should derive something from, my mind is confined to the last 25 years during which time the world has undergone two global conflicts. In 1917 our country entered World War I. We fought that war, as we believed, to end war. That thought was honestly entertained by our people during the period of that war and by those who, like myself, wore the uniform. Without discussing the reasons why that great objective has not materialized, the fact remains that it has not materialized and today we find ourselves engaged in another global conflict, many times more destructive than the last one. During the 27 years that have transpired between the last war and today we have seen the inventive genius of man produce many things designed for the benefit of mankind, but which are utilized for the destruction of mankind. We have seen, yes, we have experienced, as a result of this war, the inescapable conclusion that mankind is traveling the road of war; that this war, in a sense, is nothing but a continuance of the last war, and the peace terms, which we thought were definite when they were arrived at after the last war, were nothing but an interlude, nothing but an armistice. With the law of natural and probable consequences applying, mankind traveling the road of war, all that was necessary was to wait until a new generation was born and grown up and developed to the point where they could be utilized in war, used as cannon fodder, if you please, before, as in this case, a maddened dictator, possessed of lust and hate and conquest, started into operation a chain of events which have involved the world in the global conflict that confronts us today.

In addition to other lessons, the most permanent one from the angle of our country that I learned, and which this day I express and dedicate myself to, results from the experience of the last war and this war: That unless we block up the road of war that mankind is traveling it is only a matter of another generation when in all probability another global conflict more destructive than the present one will visit the earth and mankind. You and I know that human beings are endowed by God with the power of reason. They also possess the power to will—will power. Human beings possess these powers only for good or for evil. These great God-given gifts to mankind can be exercised for good and progress. We now know as the result of the last war and this war that if we do nothing the law of natural and powerful consequences that I have referred to before will apply again after this war is over and that we will continue to travel the road of war. We also know, at least, I do, as a result of the experiences of the last war and this war that if war starts up between two nations even remotely removed from us, as we think, that such a small, isolated war is going ultimately to envelop the entire world in war. I think we ought to have learned from the experience of the last war and this war—and as far as I am concerned I have—that if the liberty and independence of the smallest nation in the world is threatened, if the freedom of the smallest nation in the world is threatened, the independence and freedom of all liberty-loving nations of the world are threatened. As I stand here my mind goes back to 1917 and 1918, and to the years from 1913 to 1914, before we entered the last war. Through my mind run my hopes and expectations of those days, the hope that it was the last war, that we could do something. But in our human weakness we failed. I am not going to blame anyone or castigate anyone on this occasion or criticize that if certain things had happened we might have averted this war; I simply want to express the lessons that I have learned, some of the lessons that are imprinted on my mind and soul as a result of having lived through two of the greatest conflicts of the known history of man.

And I am looking forward 25 or 30 years from now and wondering what will be the conditions that will face the youth of tomorrow. The next generation, in point of time, is just a day.

You and I may have an engagement to do something tomorrow. That is within the next 24 hours. But in the passage of time the journey of mankind from one generation to another might be 20 to 30 years in time, yet it actually, in terms of generations, means only a day. Most people are prone to say that 25 or 30 years from now is a long way off, but we are thinking about our children. It is only a day. It is the next generation to the youth of today, the generation that will fight, serve, and die, unless something is done.

You and I were created by God to live peacefully together and the only reason mankind has been visited by war is because men and women of goodwill, as I see it, have not banded together and fought for peace. It is small groups through the history of time, selfishly minded, unreasonably so, that have brought wars upon nations. As we have to protect ourselves from the domestic angle, so must we have some kind of international law and order to protect us and the people of the world from future wars if we expect to have peace. We have to view it from the realistic and understanding angle, from the tolerant angle, if you please. However, in any such effort all nations must make their contribution and all nations must make the necessary sacrifices to the establishment of that machinery which will bring international order, the outlawing of war, and thereby establish the reasonable assurances of a future permanent peace.

Mr. Speaker, 25 years ago 95 percent of the youth of today who wear the uniform of our armed services were not born. Today, as I am speaking, 95 percent of the youth of tomorrow are not born, who will be serving, fighting, and dying unless something is done. I take the position that it is for the national interest of my country to give to the

generation of tomorrow and as far into the future as possible the opportunity to live a normal, healthy, peaceful life rather than to be faced with the spectre and the fear of war.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Mississippi.

Mr. RANKIN. I agree with the gentleman thoroughly, and I take the position that small nations ought to have a great voice in any peace arrangement that may be made, because they are the ones that do not want war. They cannot whip anybody. While the gentleman is speaking I see this headline in today's paper which is alarming to me: "French aircraft bomb the city of Damascus." Is that a new war begun, and if so is it begun by one of the Big Five? If that be a fact, will that member of the Big Five be permitted to veto any protest from the rest of us, and will this blaze into another conflict that will hang crepes on the doorknobs of millions of homes throughout the world? While efforts to bring about peace are going on, while we are assembled on this Memorial Day, apparently, an attack has been made on a peaceful nation that threatens the peace of mankind. I wonder what effect this will have on our peace efforts.

Mr. McCORMACK. I am unable to answer the gentleman's question as to what the effect of this will be. I am thinking ahead 25 or 30 years after this war is over. No matter how powerful our Army may be and the Armies of the United Nations may be now, there will be an exhaustion. People want to get back to their homes. The probabilities are that this disturbing situation will be only a temporary matter, but no matter how unfortunate or how harmful it will be, when another generation is born and grows up another threat will come to the world, and I am thinking of that generation of Americans, and other countries ought to think of that generation of their own youth of that time.

Mr. Speaker, those are some of my thoughts, expressing them extemporaneously, that run through my mind on this Memorial Day of 1945. We have defeated one of the powerful enemies who opposed us. We have defeated the main enemy who was out to conquer the world. You and I know that for at least a year after Pearl Harbor there were several occasions when it looked as though our enemy was going to break through and inflict a mortal blow, but the hearty courage and brave and sterling fighting abilities of our youth and the youth of the other United Nations, inspired by God from above, enabled us to resist what appeared to be defeat and turned it into the ultimate victory that now is ours.

But we have to look ahead. Through the weakness of mankind we forget that a generation unborn 25 years ago is now serving and fighting on the battlefronts, many of whom have died and many more will die. Are we going to protect the generation of tomorrow? So on this day, in paying honor to the American heroes of the past who have served our country in time of crises, let us dedicate ourselves to bring about international peace machinery in the future, with its origin in the law of God, and to have our country take its proper place as a leader among the nations of the world in a cooperative effort in order that the next generation and countless generations in the future will live a normal, happy, peaceful life, and not be compelled to undergo the horrors of another global war.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an address delivered on Monday evening by Secretary of State Stettinius regarding the San Francisco Conference. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $156, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension will be made.

There was no objection.

MEMORIAL DAY

Mr. SHORT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial that appeared in this morning's Washington Times-Herald.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, today we appropriately and properly pause in the midst of the most tragic and most devastating war in all history to pay our humble tribute to the honored dead who have made the supreme sacrifice and given their last full measure of devotion to their country in all the wars in which we have been and are now engaged.

There is an old adage, sir, that "actions speak louder than words," and certainly it is true that the deeds of men will live long after what we mortals have to say about them. Just as it is impossible to paint the beauty of the lily or to add to the sweetness of a rose, so it is impossible to add by any words to the luster of the names of our gallant heroes. Rather, we pronounce their names in silence and let them go shining on in deathless splendor. For their patriotic service, their unconquerable courage, their consecrated loyalty, and their valorous efforts, this Nation is and forever shall remain profoundly grateful.

In every great crisis the people of our Nation, in spite of the differences in race, creed, or color, have joined heads, hearts, and hands to fight and die for the liberties bequeathed to us as freemen.

Today our armed forces on land, on sea, beneath the sea, and in the air, have proved their mettle. They are the most formidable and impregnable in all the world. They fight as only freemen can fight and they are backed on the home front by workers in our factories, on our farms, in our mines, and in our forests, who have furnished so magnificently and abundantly all the weapons and sinews of war. Our home front is as strong as our battle front and it is the wholehearted cooperation, the indissoluble unity, the resolute will, and irresistible determination of all the American people that have contributed to the defeat of Germany and that spells the doom of Japan.

Too much praise cannot be given the leadership of our Army, Navy, Marine Corps, Coast Guard, Merchant Marine, and our dauntless Air Force, which have brought destruction and utter ruin to our foes. From general and admiral to buck private, we have found a highly trained, well equipped, thoroughly disciplined, and wholehearted cooperative effort among all the branches of our armed forces and among men of all ranks.

Mr. Speaker, in the present global conflict our casualties now number approximately 1,000,000 men—by far the greatest number we have ever suffered in any war.

Naturally, on this Memorial Day I cannot forget the 3,000 sailors, marines, and soldiers who were killed on that fateful Sunday morning of December 7, 1941, at Pearl Harbor. The cause of this gravest disaster and worst catastrophe in the annals of our country remains a dark, deep secret. No longer is there any excuse for hiding the facts and keeping this ignominious defeat a mystery. Not only the kin of the men who perished there but all red-blooded Americans want to know the whole truth and complete story about Pearl Harbor. Why should we any longer cover up? And why should we keep Admiral Kimmel and General Short under the cloud of suspicion? These men want and are entitled to a court martial where they can tell their side of the story. More important, the American people are entitled to know and should know exactly, and in detail, who was to blame for Pearl Harbor, in order that we might use that knowledge in the hope of preventing a similar future disaster.

Already three joint resolutions have passed both Houses of Congress and been signed by the President, extending the time limit for immunity concerning the responsibility for Pearl Harbor. In December 1943 we extended the statute of limitations for 6 months; in June 1944 we extended it for another 6 months; and in December 1944 we extended the time for a further 6 months. This period will expire on next Thursday, June 7, unless we extend the time further.

On May 10, 1945, I introduced House Joint Resolution 185, which will extend all statutes, resolutions, laws, articles, and regulations affecting the possible prosecution of any person or persons, military or civil, connected with the Pearl Harbor catastrophe of December 7, 1941, for a further period, "ending 6 months after the date of the termination of hostilities in the present war with Japan, as proclaimed by the President or as specified in a concurrent resolution of the two Houses of Congress, whichever is the earlier."

The chief and about the only objection to holding a court martial of Admiral Kimmel and General Short has been that it could not be held while the war is still on. Because of the wording of this resolution, that objection is completely met and there is no reason why House Joint Resolution 185 should not pass the House by unanimous consent,

as did the last joint resolution, Public Law 489 of the Seventy-eighth Congress.

Under leave granted me, I include the following timely editorial which appeared in this morning's Washington Times-Herald that will prove interesting and profitable to all who will take the time to read it:

DECORATION DAY—PEARL HARBOR

This is the seventy-eighth Decoration Day, the first having been observed May 30, 1868, in memory of Union soldiers killed in the Civil War. The observance nowadays is Nation-wide except in a few deep South States.

On 7 of those 78 Decoration Days, we have been at war—once during the Spanish-American War, twice during World War I, and four times during World War II. That is about 1 Decoration Day at war to 10 at peace—and in a war year we spend perhaps as much life, blood, and money as in 10 peace years.

Decoration Day, 1945, is the first one on which no Civil War veteran is expected to be in the New York City parade. The last New York City member of the Grand Army of the Republic, Henry W. Speight, 99, of Staten Island, says he is "too old and too tired" to appear in the parade.

The United States was catapulted into its latest and thus far greatest war by the worst single defeat-disaster yet sustained by American arms. Why this disaster occurred is still a mystery, almost 3½ years afterward.

In December 1941 we had 17 battleships in our Navy. Of these, eight were in the Atlantic helping to convoy war goods from "neutral" America to Great Britain; eight were at Honolulu, and one was at Bremerton Navy Yard, Wash., for overhaul. Our smaller naval units were, like the battleships, almost equally divided between the Atlantic and Pacific Oceans, in direct violation of Admiral Mahan's famed principle that it is dangerous to split your Navy.

Diplomatically, we had reached a deadlock with Japan. The Roosevelt administration objected to Japan's expansion in Asia. Roosevelt and his assistants had been irritating Japan most of that year—cutting off United States oil and steel exports to Japan, persuading the Dutch East Indies Government not to increase its oil sales to Japan, freezing Japanese credits in this country. Knowing the truculent character of the Japanese, an attack in retaliation by them should have been expected but seemingly was not.

This being the explosive situation on Saturday, December 6, 1941, and our eight battleships being neatly tied up in pairs at Pearl Harbor, most of the people on those ships and on our shore army and air force installations went to sleep late Saturday night or early Sunday morning.

The situation duly exploded, beginning about 7:55 Sunday morning. An estimated 105 Japanese bombers arrived from carriers lying somewhere west of Hawaii, and proceeded methodically to put all eight battleships out of commission, destroy most of our planes ashore, and kill almost 2,400 of our sailors, marines, and soldiers.

The mystery was, and still is, why the ships were lined up for the Japs to knock out, and why our Navy and Army commands in Hawaii were caught asleep at the switch.

Admiral H. E. Kimmel and Lieut. Gen. W. C. Short, heading those commands, were retired shortly afterward on three-quarter pay and told to keep their mouths shut. Kimmel has demanded a court-martial trial, and has been refused it. Short is understood to be as anxious as Kimmel for a trial.

CLEAR UP THE MYSTERY

The Roosevelt administration kept the solution of this mystery suppressed from Pearl Harbor to the time of Roosevelt's death, April 12 of this year. Its plea always was that military security required withholding of the full story.

It was obvious during the 1944 Presidential campaign that Roosevelt did not want the truth about Pearl Harbor to come out. That campaign is over now. So is the German war. Roosevelt is dead.

There is no longer any excuse for keeping the Pearl Harbor mystery under wraps and Kimmel and Short under a cloud. The military security excuse has long been a phony, anyway. The Japs took reconnaissance photos of the damage soon after and have known since those films were developed just how badly they hurt us.

This mystery should be cleared up, and soon, and any guilty persons still living punished. We need to know exactly and in detail why Pearl Harbor happened and who was to blame for its happening so that we can use that knowledge in hope of averting future disasters of like kind.

This was a disaster which could have been fatal to our survival as a Nation. Had the Japs foreseen the magnitude of their victory and been prepared to follow through with an invasion of Hawaii, they could have taken Hawaii with little trouble. If they had done that, there is no telling what miseries they might have dealt all of us by this time.

PERMISSION TO ADDRESS THE HOUSE

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, the gentleman from Nebraska [Mr. BUFFETT] be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MEMORIAL DAY

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, as the "dad" of one of the distinguished lads of the United States Army Air Corps, who has gone over yonder during this war, for the freedom of the world, and about which the others have already spoken this morning, it is perhaps appropriate for me to make my remarks chiefly by asking questions of you, my distinguished colleagues of this great legislative body. I hesitate to speak extemporaneously on this Memorial Day. I do so, however, aware that I will probably be the only Member of this body who, as a dad of a boy who has given his life in this war, has opportunity this day to say a few words on the floor of this House. Therefore, I humbly speak on behalf of every dad of this House, who has given his life's blood in this Global War.

Neither my own distinguished flying son of the Army Air Corps nor their sons are more dear to us than are the sons of any parents. But, I think if you knew the thoughts and hearts of American parents all over the world, who have given of their own life and flesh already in this war, you would find that their thoughts and prayers had a different tone and different humility from that of parents who have not yet suffered such heartaches and distress. I am sure this is so, Mr. Speaker, for death of a loved one brings the question of life's objectives and also of the future life squarely before a thinking person for decision.

The distinguished gentleman from Massachusetts [Mr. MCCORMACK] who preceded me with such appropriate and powerful words and who renders such a great service to this Nation and the world as majority leader of this legislative body, has brought us again to the threshold of consciousness as legislators, that this is the day of memorial and great dedication; that we have seen great figures come and go in history's experiences; that this war is in a sense nothing but a continuation of the war road; and that the last generation of youth was raised for cannon fodder. He has also pleaded with us to lock up the road to war and emphasized it is only a matter of another generation until a war more destructive than this one will come, unless we do close this road to war.

How true it is, as he emphasizes to our attention, that if the freedom of the smallest nation in the world is threatened, then the freedom of all the world is also threatened.

The first of my questions which I humbly and sincerely ask of you is: To what extent are we, as legislators for this great democracy of the United States of America, willing to go in the field of national and international legislation, in order that we more reasonably shall by our legislation, soundly contribute to an enduring world peace? Is there any question, gentlemen, but that the great major legislative decisions which we make on the floor of this House, are from day to day more intimately related to like legislative decisions, in every legislative body in every nation in the world?

To what extent should our objective in legislation be that it shall also be considered in the light of its relationship to further assuring an enduring world peace? Has there been any monetary expense which has cost this Nation as much in taxes in the past and which will cost us as much in the future, as has this World War? If so, what is it? Has there been any catastrophe, calamity, or experience in the history of our Nation, which has cost us the life blood of as many men and women as has this and other wars? If you can think of one, what is it?

Therefore, gentlemen, I now ask you, whether or not it would be unsound for us to here and now dedicate our highest thinking and purpose in matters of legislation upon which we have to debate and decide, to the proposition that wars shall cease. I realize that this question sounds in idealism. But, gentlemen, a nation and the world without ideals is lost. I am aware that the form of these questions are stated extemporaneously and may not be fully or accurately framed. But I also know, gentlemen, that unless we as legislators sound our major legislative objectives with reference to their effect upon and relationship to an enduring world peace, then wars will not cease.

How far, gentlemen, are we, on this Memorial Day for the dead, willing to go in practice, in the field of national and international affairs, in order that these dead of ours and that the dead of our

allies also, shall not have died in vain? Every day the sessions of this great body are properly, sincerely, and humbly opened by inspiring and uplifting prayer by our distinguished Chaplain or his able substitute, whom I felt this day offered an especially appropriate prayer. He now sits here on my right as I speak touching a field which I as a layman feel in my heart and soul, but of which I know little in theory. Again I ask you questions and ask you to answer them on this Memorial Day, when we seek to sincerely, dedicate our lives anew, that the freedoms for which our sons died shall not disappear and that we shall do our part to the end that wars shall cease.

Mr. Speaker, I ask to what extent we as legislators are willing to recognize that wars will never ultimately cease until there is established in the daily attitude and practice of men, as legislators and every place else, a realization that the spiritual forces of life and experience must be given preeminence in the lives and objectives of men. I also ask to what extent we as legislators are willing to go on the floor of this House to consider and recognize, that only legislation which sounds in spiritual objectives and practicability, can possibly be legislation which is enduring and for the happiness of mankind? Is there any doubt but that men from time immemorial have worshiped God in truth and spirit? Is there any doubt but that when men get into trouble they then more than ever recognize they need God's help and guidance? Is there any doubt but that the way of God is the way of human happiness, understanding, and good will?

Is it not significant that our own great President Harry S. Truman, who came to his great place of responsibility so suddenly and on account of the tragic death of our late beloved President, has time and again already emphasized, that he looks to God for help and strength. Is not the literature and conduct of great men and women in world's history, full of expressions and experiences, proving dependency upon and blessings of the Divine? Is there a man on the floor of this House, who in his heart and soul's experience, doubts but that these distinguished sons of ours who have already given their lives for our freedom that we might live, have but passed through a door swinging on silver hinges in a beautiful garden wall, which does not even separate this earthly life from that of heavenly experience? Because I know there is no such man, I respectfully and humbly say to you my colleagues, on this Memorial Day, that until and unless legislation is enacted with reference to a spiritual foundation therefor—then legislation without such foundation is necessarily and essentially weak and unsound. Such legislation is without the qualities which should be present if we are in truth and fact to sincerely dedicate our lives in terms of practical idealism as referred to legislation, on this Memorial Day.

Instead, gentlemen, of doing anything admittedly weak and insufficient and lacking, in our places of responsibility in legislation, we should try to match the positive loyal sacrifice and devotion of our sons and daughters who have already given their lives. We can best do this by positively and sincerely dedicating our every endeavor, as legislators, to the essential proposition of sounding and founding our legislation with reference to the spiritual forces of human experiences, which experiences are God-given, and which all men regardless of race, creed, or color, recognize and revere, and which foundations endure when all else fails.

Nothing less than the dedication of our lives to this sort of practical idealism in legislation can even begin to express appreciation of our sons and daughters who have already sacrificed their lives or who will yet be called upon to do so in this Global War, in order that we might live.

EXTENSION OF REMARKS

Mr. PATRICK asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. MILLER of California asked and was given permission to extend his remarks in the RECORD and include a poem.

MEMORIAL DAY

Mr. VORYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS of Ohio. Mr. Speaker, I do not think that I have ever been here in the House on Memorial Day before. As with so many of our colleagues, it has been my practice for many years to be at Memorial Day meetings in my own community. I am much impressed with this informal ceremony here today, and as a possible contribution to it I want to give you a little rhyme—it could hardly be called a poem—that I composed in an attempt to express my thoughts 20 years ago today when I was called upon, as many of us are, to speak to my comrades at an American Legion Memorial Day ceremony.

We were younger in 1925, and we veterans of the last World War, which we now call the First World War, met to do honor to our departed comrades in the cemetery at Circleville, Ohio. I had been thinking the night before of how to put in words the feeling that we had, not only of reverence and affection and gratitude for our dead but also the feeling of dedication that we should all have in view of their sacrifice. These words, which I wrote out that night and delivered to my World War I comrades at the cemetery on Memorial Day may also express the thoughts of veterans of World War II and possibly others:

DEDICATION

Would you honor the dead? Not what you bring;
Not the flags, nor the flowers, nor the wreaths you bear.
They cannot hear the salutes as they ring;
These are for you who are listening there.

Not what you bring to the crosses today,
Not the dear flowers so tenderly spread,
Comrades, it's what you carry away
That honors the memory of the dead.

"I must do for two." Let it sink deep
In your heart as you stand near the ground where they sleep,
As you see those they left behind silently weep.
"I must do for two." That's the pledge you must keep.

I must do for Al, who fell from the sky,
Flying the plane that I was to fly.
I must do for Jim, lying under that tree,
Who stopped the bullet intended for me.
I must do for Hap, who died of my flu.
They each died for me; I must live for two.

They gave all they had for me, and the rest;
One life, that's all that I have to give.
In service, self-sacrifice, I'll do my best.
Then do better, for them, for I get to live.

Life's sweet but it's hard. The sweetness they gave.
I have the hardness for both to endure.
I must give to the country they died to save
Double devotion, to keep her secure.

"I must do for two." Let it sink deep
In your heart as you stand where the ivy vines creep
For not what you bring, but this that you keep
Gives honor to those who lie there asleep.

PEACE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, we all enjoyed the beautiful lines quoted by the distinguished gentleman from Ohio [Mr. VORYS]. As a veteran of the last war, he knows what war means.

We enjoyed the remarks of the distinguished gentleman from California [Mr. DOYLE] who has given a son in this war. It is on the basis of his remarks that I wish to speak today, when he said that what we needed, what we would have to have, is peace based upon a spiritual foundation. I have long since been disillusioned on the idea that we are going to maintain the peace of the world by force. I noticed in the paper today the headlines, "French aircraft bomb Damascus." It reminds me of one of Shakespeare's plays when England was emerging from one bloody conflict and turning its face toward another. The King said:

So shaken as we are, so wan with care,
Find we a time for brighted peace to pant and breathe short-winded accents of new broils to be commenced in strands far remote?

While the world is praying for peace, a conflict breaks out in a new section of the globe. I am not one of those men, and never have been one, who think or assert that my country was responsible for the present war. It is true we did not join the League of Nations, but we set it up and financed it and gave it all the moral support we could. The first thing we knew it exploded from within by just such an attitude as I am afraid is being manifested in this attack on Damascus today, this new broil "commenced in strands far remote."

On more than one occasion in the last few weeks I have become distressingly discouraged over the future of mankind

as I have seen what happened in German prison camps, and when legislators, Members of both Houses, come back and tell us, and tell the public, that the same things are happening in other countries in Europe. When I saw the spectacle paraded before the eyes of the children of this country, in almost every picture show, of the dead body of Mussolini and that of a woman they claim was his secretary or his paramour, hanging up in the public place by their feet for our children to look at, I thought, my God, where has our civilization gone? The same people who were saluting Mussolini when he was in power and making war on us were stamping his lifeless corpse in the face.

I am not a preacher or the son of a preacher, but I would not give three inspired lines of Holy Writ for all the compacts that could be signed at this time. If we will only follow its teachings and inculcate them in others, we will get much better results than we would by erecting another Tower of Babel to collapse amidst a confusion of tongues.

On one occasion the Saviour was asleep in a ship upon the sea of Galilee, when there burst forth a great storm. It seemed for a time as if heaven and earth and sea and sky were mingled in one implacable chaos. In terror the disciples awoke the sleeping Saviour and told him they were lost, when He turned and addressed the troubled elements and said, "Peace; be still." The Bible tells us that "the wind ceased and there was a great calm."

We have tried everything else to maintain the peace of the world except one thing, and that is what was mentioned by the distinguished gentleman from California [Mr. DOYLE] peace upon a spiritual foundation. We should wake the sleeping Saviour in the slumbering or corroded conscience of humanity, let Him speak to the troubled elements of mankind. In that way and in that way only can we hope to secure the peace of the world. This does not mean that we should abandon or weaken our own defenses. We must maintain them. But we can help to restore the peace of the world by Christian precepts and examples.

You have two ideologies warring with each other in this world. You have the ideology of Karl Marx, based upon atheism and infidelity, the doctrine of brute force, based upon the ideology that "religion is the opium of the people." On that doctrine is based the policy of regimentation, dictatorship, totalitarianism that always results in degeneracy and decay.

On this side you have the doctrine of Christianity, with its hope of immortality, with its moral and ethical and spiritual teachings, that has raised the world from the depths toward which I am afraid it is now plunging, to the highest pinnacle civilization has ever known. I have said on this floor before and I say again now, that the only civilization mankind has ever seen, worthy of the name, was the Christian civilization that has been built up in the last 1900 years. The civilization of Egypt wound up with a ruthless gang lording it over another people. The civilization of Rome was based largely upon military power. The civilization of Greece was based upon the domination by a few intellectuals. None of them recognized the spiritual independence or the personal or political liberty of the individual. But the Christian civilization, upon which has been based the common law which is the law in practically every State of this Union, except where abrogated by statute, and upon which has been based all of our social and ethical and moral teachings, upon which was based the Constitution of the United States, the Declaration of Independence and the Bill of Rights, all that has been based upon the doctrine of christianity that man is a free, moral agent. Upon that doctrine has grown, as I said, free government, free enterprise, peace, progress, and the prosperity for mankind.

I am afraid that those two ideologies are now plunging into another conflict, and if they do, pray God American boys will not be called upon to fight it.

The last conversation I had with my distinguished friend, Cordell Hull, was on this proposition. We were talking over the telephone just before he went to the hospital. I said to him, using a familiar term I used when he was here on the floor: "Cordell, I want to explain to you my position and I would like to know yours. I am for helping to maintain peace among the nations of the earth. That means all nations, the smallest as well as the largest; but I am not in favor of a policy of intervention that will permit a big nation, a nation that thinks it is strong enough, to go in and plunder, or to protect somebody else in going in and plundering, the weaker people of the world." He said that was his position exactly.

Every once in a while we imagine that we know more about South America than her own people do. South America, in my opinion, covered herself with glory a few years ago, where the League of Nations failed.

A great oil monopoly helped to foment the war of Bolivia against Paraguay because they wanted an outlet to the sea. You remember more than 20 years ago they were preaching to us about Tacna Arica. You remember that old Tacna Arica question. Tacna and Arica are two small areas on the west coast of South America about the size of two of our average counties, one of which is in Chile and the other in Peru. These big oil interests wanted to get them in order to get out to the Pacific Ocean with their pipe lines, and those countries did not want that done unless they would become subject to their laws.

Later they decided they would drive down through Paraguay, through the Gran Chaco, to an outlet down on, I believe, the Parana River. Bolivia got her army together and started. Paraguay resisted, and as it happened, Paraguay had developed a general, a little fellow named José Felix Estigarribia, the greatest military mind South America has produced since Bolivar, in my opinion, and at one time president of his country. You remember he was killed in an airplane accident a few years ago. He gathered the forces of Paraguay together and drove the Bolivians out. And, strange as it may seem, the then-existing League of Nations condemned Paraguay as the aggressor. When it was called to the attention of the American public from the floor of the Senate the wise heads of South America, from whom we might take a lesson from now on, got together and stopped that war. I have wanted to follow that policy; and I pointed out years ago that there was a policy that the civilized nations of the world might pay heed to because in doing so they probably stopped a conflict that might have involved the entire world.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. We have just won the war. Everybody knows that had it not been for American men and materials this war would not have been won. We hope, and I believe, that it is only a matter of time until Japan will be smashed and that this war will close; but, whatever else, we do not want to be starting into another one against any other nation in the world at this time. We want to bring our men home, and they want to come home and rebuild America, make it a place in which they and their children can live in peace and comfort and prosperity.

But I want to call the attention of the gentleman from Massachusetts [Mr. MCCORMACK] to some other things. Today is the anniversary of the greatest tragedy in my life, the death of my mother, who passed away when I was only 5 years old.

It is also, as I have pointed out a few moments ago, set aside as Memorial Day, carrying out a policy that began among the women of the Confederacy in 1866 at Columbus, Miss., in the district I represent. They had not won a war, they had lost one; and it was their generosity toward the dead of a conquering foe that inspired those lines of Francis Miles Finch, called the Blue and the Gray, one of the great poems of the world.

Our armies are standing today upon the soil of a conquered foe. We should be very careful in what we do. The future lies before us. For God's sake, let us not permit other nations to dictate our foreign policy, drag us into other wars, or make our future enemies for us. Let America rise, proud America, and say to the world that we are fighting not to carry on vicarious wars throughout the earth, not for a policy of intervention for big nations, but in order that we may have peace among all of the nations of the earth, and that the smallest country in the world may feel that it is within that protection.

That is what we are fighting for, in order that we may have peace with liberty. You cannot get it by armed threats and force alone; you cannot get it by treaties alone; you cannot get it by compacts alone; you cannot do it by international agreements alone, but we have

got to go back and awake the sleeping Saviour, the spirit of Christianity throughout the world—a spirit that will dominate the affairs of men "till the sun grows cold, and the stars are old, and the leaves of the judgment book unfold."

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, the eloquent address by the gentleman from Mississippi and the preceding remarks by the gentleman from California stressing the importance of a spiritual, mental, and humanitarian approach to peace impels me to recall to the membership of the House that this body has within the past 10 days taken a significant step in the direction of implementing the opportunities of the spiritual and intangible influences of life to maintain a permanent peace.

About a week ago this House, by its approval of House Resolution 215, on May 22, sent word out to the San Francisco Conference that we are of one mind in the belief that an international office of educational and cultural relations as a part of the new world security organization can make a great and permanent contribution to the cause of peace. A few days later the Senate passed a companion resolution implementing this same idea.

Word has reached me from San Francisco this morning that a drafting committee out there has accepted the idea which we incorporated in the resolution and has tentatively agreed on a plank to be included in the San Francisco charter when it is finally completed. This plank would write into the charter as a part of the functions of this international world security league the provision that there be an organization and an office which would work with the hearts, souls, and minds of men to maintain peace.

I agree with the thought that no security organization, no matter how carefully we plan and prepare it, no charter, no compact, no world balance of power, can maintain permanent peace against the ill-advised attitudes of war-seeking people in the various countries unless we can correct these attitudes.

No armament establishment, however strong, however great, however well trained, can maintain peace against the evil ideas, ambitions, and attitudes of the rulers of people and the rulers of states if such ideas prevail and are accepted by the general population.

One of the pleasures of being a member of the Committee on Foreign Affairs of this body is that we frequently have the opportunity to visit with distinguished guests from foreign countries. Yesterday at noon, in the Speaker's dining room of the House restaurant, the members of our committee were privileged to be the host to eight visiting journalists from the friendly little state of Belgium. These men and women have been in this country now for about 6 weeks. Each of them spoke English and each of them spoke about his impressions of this country as he had visited it for the first time.

THE CONQUEST OF THE BOUNDARY LINE

All of them spoke well. One of them, it seemed to me, spoke rather prophetically. One of these Belgian journalists in his faltering English said that the thing which impressed him the most about this Republic was the fact that over here we have been able to conquer boundary lines, the thing which they have eternally failed to do in Europe. Coming over here and recognizing that we have our Commonwealths, our States, joined together in a family as a federation in this Republic, he was impressed by the fact that somehow or other they have failed to achieve that federation in all the innumerable years of European history.

I thought about that during these memorial exercises and about how realistically that Belgian gentleman had grasped the one biggest contribution America has made in the field of external relationships. We have pretty well conquered the boundary line in this Republic. We conquered it first as we pressed out from our Thirteen Colonies, refusing to have established in this immediate area competing units of government, but amalgamating them as the country expanded, until we have 48 States in this great Republic of ours. In this Nation we have completed our conquest of the boundary line. We have also conquered our boundary line with Canada. Instead of being an insurmountable barrier between nations under different flags, we see our Canadian boundary as a great seam, cementing the friendship of our two great sovereign powers. We are conquering the boundary lines of South America as well.

The SPEAKER pro tempore. The time of the gentleman from South Dakota has expired.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I gladly yield to the majority leader, the gentleman from Massachusetts.

Mr. McCORMACK. I join with the gentleman. The whole theme of my remarks was the recognition of the omnipotence of God. We have to have His guidance. We must exercise the God-given gifts we have received affirmatively with His guidance. While the Declaration of Independence is an affirmative declaration establishing a government and setting forth fundamental rights, both civil and political, nevertheless it is also a declaration of dependency on God.

Mr. MUNDT. That is correct, and that is an element which somehow fails to motivate men as it should in international affairs around the world. In these affairs the God of love is too often supplanted by the God of Mars.

We have conquered the boundary lines of South America in the Act of Chapultepec. We have now this great family of American Republics united on a great hemispheric program. I believe that we can include Canada in this group, although she does not quite classify as a republic. But the commonwealths of the Western Hemispheric countries together have achieved a league of friendship beyond boundary lines, and I hope that somehow, someday, the world can practice the eternal values of surmounting the dangerous barrier which an imaginary or realistic boundary line somehow establishes.

I feel that we have to cross boundary lines with ties of mutual understanding, with ties of friendly human contacts, with ties of appreciation of the values and the attitudes and the independent problems which other nations have, and we can do this best, I believe, by bringing the people together more closely as this House has declared we should through an international organization of education and cultural affairs such as proposed by House Resolution 215 which we passed on May 22.

To me, one thing above all is necessary in order to establish peaceful international relationships, and that is mutual understanding.

THE ONE FACTOR OF WHICH TOO MUCH IS NOT AS DANGEROUS AS TOO LITTLE

Armaments are important in the maintenance of peace and the maintenance of governments, but too many armaments are just as dangerous as too few. Trade is important in the maintenance of international relationships, so that the people can have access to raw materials, but too much trade is just as dangerous as too little because excessive competition in the markets of the world gives rise to hatreds and gives rise to jealousies, bitterness, and differences of opinion which can lead to war. But who can say that too much mutual understanding is a dangerous thing? The more we have, the more likely we are to live at peace. In the whole realm of international relationships and peaceful planning, the expansion of mutual understandings is the one human factor of which too much is not as dangerous as too little.

I am proud, as a Member of this body, that this House took the first concrete action in that direction by passing House Resolution 215, and that this House first led off by saying that the San Francisco Conference—and the world should pay heed to the fact that it is significant that we set up as part of the international world security movement emphasis on the educational and spiritual and cultural values of life. I am glad that the Senate has since approved the idea, and that now at San Francisco they are writing into the charter that one big thing of which we cannot get too much, an opportunity for mutual understanding and an appreciation of attitudes of other peoples, other points of view, and other governments.

I am reminded of a poem, written by a lady out in South Dakota, a member of our South Dakota State Poetry Society, an educator herself, Mrs. Flora Rivola, of Yankton, S. Dak., who put it all, it

seems to me, in four short lines. She packed a lot of human history in a few simple English words which rhyme. She called her poem Roads, and this is the way it goes:

Great roads the Romans built, that men might meet,
And walls to keep strong men apart, secure.
Now centuries have gone, and in defeat
The walls have crumbled, but the roads endure.

That is our job, is it not, as we commemorate on this Memorial Day the gallant heroes of the past who have given their lives and as we pay tribute to those who today are facing the sharp swords of battle. Our job is somehow or other to help tear down the walls of the world, to help, if you please, to completely conquer the boundary lines, and to build roads of human understanding which will endure.

Mr. FOLGER. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOLGER. Mr. Speaker, I hesitate to ask or expect anyone to remain 3 or 4 or 5 minutes longer, but I am impressed with the firm conviction that every Member of the House and the Senate is probably under the greatest obligation and responsibility any man of any Congress preceding us has ever had to bear.

We are today meeting and speaking sincerely in memory of those who have fallen in former wars, of our own men and boys, with the thought also of those of other lands who have died for freedom's cause. We are necessarily, in our situation today, projected into the present and into the future, knowing that as we contemplate what has gone before, today our own boys are dying on the fields of battle, and tomorrow others will die. Many will come home crippled and injured, having had a period of their lives taken out, freely on their part, in order that the good things of life may obtain and that evil in the world may be overcome.

It has been a beautiful thing to hear our colleagues suggest that if the truth shall make you free you shall be free indeed. That is the foundation of the only expectation we may have of a just and lasting peace, the prevailing of truth and righteousness throughout the world. To that we purpose to dedicate ourselves also. I am reminded though that "Not everyone that saith unto Me, Lord, Lord, shall enter into the kingdom of heaven; but he that doeth the will of my Father which is in heaven."

That leaves me to the contemplation of our own responsibility as Members of Congress, from day to day, under the great burden under which we find ourselves struggling, to end as soon as possible a war of necessity in the interest of the suppression of evil and crime and aggression and all kinds of meanness.

But accompanying that is the necessity that we shall build for a just and lasting peace. I know we are all hopeful that everything possible in that direction will come out of the San Francisco Conference. But I am constrained to remind us that a peace must be built. A lasting and just peace will be a structure which represents a conscious effort and dedication of the men and women of America and other freedom-loving lands. The San Francisco Conference of itself, as highly important as it is and as desirable as it is, though it may be an eminently fitting pronouncement and dedication in the highest possible degree, cannot within itself guarantee a just and lasting peace. We must build that peace.

I suggest, without the purpose of preempting anyone as to his conduct in this body, that two of the great stones to be put into this structure, without which we cannot hope for a structure of just and lasting peace, are the Bretton Woods agreements and the reciprocal trade agreements. If we do not do these things, I am afraid we may justly be accused of saying, "Lord, Lord," but failing to follow the more important part of doing the will of God toward our fellow man. We must help in this fight for peace and, day by day, we must dedicate ourselves to every effort which has a promise of contributing to the structure which we all hope and pray for so devoutly. I close with the observation that to each one of us there should be brought with all its force and power the realization, "How careful then ought I to be of my behavior here" in the Congress of the United States?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LARCADE, for an indefinite period, on account of death in the family.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 33 minutes p. m.) under its previous order, the House adjourned until tomorrow, Thursday, May 31, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will hold a meeting in open session, on Thursday, May 31, 1945, at 10 o'clock a. m., in room 356, Old House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Thursday, May 31, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports, and to amend existing law relating to air-navigation facilities.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments at 10 o'clock a. m., Thursday, May 31, 1945, to resume hearings on H. R. 2117.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Thursday, May 31, 1945, at 10 o'clock a. m., to consider H. R. 2632.

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 o'clock a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary will conduct hearings on Friday, June 15, 1945, beginning at 10 a. m., on the bills H. R. 33 and H. R. 3338, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees: method of appointment, compensation, etc.) The hearing will be held in the Judiciary Committee room, 346 House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

518. A letter from the Attorney General, transmitting a draft of a proposed bill relating to the sale of passenger transportation accommodations; to the Committee on Interstate and Foreign Commerce.

519. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year 1946 in the amount of $980,000, for the Department of Agriculture, together with the reappropriation of an unobligated balance, and an authorization to borrow an additional sum of $160,000,000 from the Reconstruction Finance Corporation (H. Doc. No. 208); to the Committee on Appropriations and ordered to be printed.

520. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal year 1942, and prior fiscal years, in the amount of $17,462.46, and supplemental estimates of appropriations for the fiscal year 1945, in the amount of $53,771.25, for the District of Columbia (H. Doc. No. 209); to the Committee on Appropriations and ordered to be printed.

521. A communication from the President of the United States, transmitting a draft of a proposed bill pertaining to an existing appropriation for the fiscal year 1945 for the United States Maritime Commission (H. Doc.

No. 210); to the Committee on Appropriations and ordered to be printed.

522. A letter from the Administrator of Veterans' Affairs, transmitting a quarterly estimate of personnel requirements for the Veterans' Administration for the fourth quarter of the 1945 fiscal year; to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee on Banking and Currency. H. R. 3314. A bill to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development; without amendment (Rept. No. 629). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H. R. 3356. A bill to provide for a 100-percent guaranty of loans to veterans to enable them to purchase farms; to the Committee on World War Veterans' Legislation.

H. R. 3357. A bill to permit national banks to make loans guaranteed under title III of the Servicemen's Readjustment Act of 1944 without regard to certain limitations as to the value of the collateral and period of the loan; to the Committee on Banking and Currency.

By Mr. JARMAN:

H. Res. 276. Resolution providing for the printing as a House document of the proceedings of the one hundred and fifty-fourth anniversary of the independence of Poland; to the Committee on Printing.

H. Res. 277. Resolution providing for the printing as a House document of the proceedings in commemoration of Pan-American Day; to the Committee on Printing.

By Mr. CANNON of Missouri:

H. J. Res. 207. Joint resolution making an appropriation for emergency flood-control work, and for other purposes; to the Committee on Appropriations.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to enact H. R. 2020, concerning blind aid; to the Committee on Ways and Means.

Also, memorial of the President of the Supreme Council of the Menocalist Union, memorializing the President and the Congress of the United States in regard to the death of our late President, Franklin D. Roosevelt; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. RYTER:

H. R. 3358. A bill to provide for the relief of Orlando Di Tomasso; to the Committee on Immigration and Naturalization.

By Mr. CLARK:

H. R. 3359. A bill for the relief of Mrs. Mary Belk; to the Committee on Claims.

H. R. 3360. A bill for the relief of Mrs. W. H. (Agnes) Holmes; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

812. By Mr. GEELAN: Petition submitted by Roland H. Dainton, of Yale Divinity School, New Haven, Conn., containing the names of 115 residents of the State of Connecticut, city of New Haven, opposing House Joint Resolution 265 of the Connecticut State Legislature, calling for the passage of universal military training legislation at the present session of Congress; to the Committee on Military Affairs.

813. By Mr. LUTHER A. JOHNSON: Petition of Clyde F. Winn, Waxahachie, Tex., favoring H. R. 2536; to the Committee on Interstate and Foreign Commerce.

814. By the SPEAKER: Petition of the Colonial Dames of America, New York, N. Y., urging consideration of their resolution with reference to the preservation of constitutional Government at home, while our men are fighting tyranny abroad; to the Committee on the Judiciary.

815. Also, petition of Ketchum-Hennessey Post, No. 1515, Veterans of Foreign Wars of the United States, Coney Island, N. Y., urging consideration of their resolution with reference to the transfer of House veterans' affairs to some other House committee than that now conducting them; to the Committee on World War Veterans' Legislation.

SENATE

THURSDAY, MAY 31, 1945

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, who art our refuge and strength, we commit our Nation and ourselves to Thee.

Turning from quiet, grassy acres where sleep our warrior dead, inspired and challenged by the sacrifice of remembered yesterdays, we dedicate afresh all that we have and are to the unfinished tasks before us. We are grateful that around the ugliness and unhappiness of the present we have walked amidst great memories and glorious hopes.

So fashion our desires and deeds in accordance with Thy will that, rising to the full measure of our duty and our opportunity, we may yet build the new world, for which good men have bravely died, wherein the nations may live together in trust and fellowship. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 28, 1945, was dispensed with, and the Journal was approved.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on May 28, 1945, he presented to the President of the United States the following enrolled bills:

S. 72. An act for the relief of Antonio Ruiz;

S. 93. An act for the relief of Mary G. Marggraf;

S. 194. An act for the relief of Mrs. Glenn T. Boylston;

S. 498. An act for the relief of W. C. Wornhoff and Josephine Wornhoff;

S. 519. An act for the relief of the estate of Charles A. Straka;

S. 567. An act for the relief of Mrs. Freda Gullikson;

S. 645. An act to suspend until 6 months after the termination of the present wars section 2 of the act of March 3, 1883 (22 Stat. 481), as amended; and

S. 647. An act to authorize the Secretary of the Navy to convey to the State of Rhode Island, for highway purposes only, a strip of land within the naval advance base depot at North Kingstown, R. I.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 29, 1945, the President had approved and signed the following acts:

S. 72. An act for the relief of Antonio Ruiz;

S. 93. An act for the relief of Mary G. Marggraf;

S. 194. An act for the relief of Mrs. Glenn T. Boylston;

S. 498. An act for the relief of W. C. Wornhoff and Josephine Wornhoff;

S. 519. An act for the relief of Charles A. Straka;

S. 567. An act for the relief of Mrs. Freda Gullikson;

S. 645. An act to suspend until 6 months after the termination of the present wars section 2 of the act of March 3, 1883 (22 Stat. 481), as amended; and

S. 647. An act to authorize the Secretary of the Navy to convey to the State of Rhode Island, for highway purposes only, a strip of land within the naval advance base depot at North Kingstown, R. I.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, with an amendment in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 903. An act for the relief of Myles Perz; and

H. R. 2007. An act for the relief of Hattie Bowers.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 905) for the relief of Paul T. Thompson; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MCGEHEE, Mr. KEOGH, and Mr. CASE of New Jersey were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3306. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes; and

H. J. Res. 113. Joint resolution granting the consent of Congress to an agreement amending the original agreement entered into by the States of New York and Vermont relating to the creation of the Lake Champlain Bridge Commission.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 383. An act to provide for the further development of cooperative agricultural extension work;

S. 938. An act to provide for emergency flood control work made necessary by recent floods, and for other purposes;

H. R. 903. An act for the relief of the estate of Myles Perz;

H. R. 1947. An act to authorize an increase in the payment of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms; and

H. R. 2007. An act for the relief of Hattie Bowers.

ORDER OF BUSINESS

Mr. HAYDEN and Mr. WAGNER addressed the Chair.

The PRESIDENT pro tempore. The Senator from Wisconsin asked to be recognized.

Mr. LA FOLLETTE. Mr. President, I did tell the Chair, if he could see me this morning, that I would appreciate recognition, but I did not realize at the time that there was an adjournment from the last session.

The PRESIDING OFFICER. Today is a new legislative day, and therefore the usual course will be followed.

The Senator from Arizona was first on his feet, and is now recognized.

Mr. HAYDEN. Mr. President, I wanted to move at the proper time that the Senate proceed to the consideration of the Interior Department appropriation bill.

The PRESIDENT pro tempore. If the Senator will wait until after the morning hour, that will be in order.

REPORT OF COMMITTEE ON APPROPRIATIONS DURING ADJOURNMENT

Under authority of the order of the 28th instant,

Mr. HAYDEN, from the Committee on Appropriations, to which was referred the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946; and for other purposes, reported it on May 28, 1945, with amendments, and submitted a report (No. 316) thereon.

NOTICES OF MOTIONS TO SUSPEND THE RULE FILED DURING ADJOURNMENT—AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Under authority of the order of the 28th instant,

The following notices in writing were submitted on May 29, 1945:

By Mr. HAYDEN:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes, and to submit the following amendments, namely: Page 3, after line 2, insert the following item:

"DIVISION OF GEOGRAPHY

"Salaries and expenses: For all necessary expenses of the Division of Geography in performing the duties imposed upon the Secretary by Executive Order 6680 dated April 17, 1934, relating to uniform usage in regard to geographic nomenclature and orthography throughout the Federal Government, including personal services in the District of Columbia, stationery and office supplies, and printing and binding, $70,000."

Page 10, line 17, before the period, under the heading "Grazing Service, salaries and expenses", insert: "*Provided*, That this appropriation shall be available for expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Grazing Service, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed, to the appropriation for 'Salaries and expenses, Grazing Service,' current at the time additional supplies, materials, or equipment are procured, from the appropriations chargeable with the cost or value of such supplies, materials, or equipment."

Page 43, line 2, after the figures "1947", in the paragraph "Natives in Alaska", insert: "and the Secretary of War is hereby authorized to transfer to the Secretary of the Interior for use of the Bureau of Indian Affairs, for Indian school purposes, without compensation therefor, so much of the land, structures, facilities, stores, supplies, and equipment of every character located at Fort Raymond, Seward, Alaska, as may be mutually agreed upon and approved by the Director of the Bureau of the Budget."

Page 55, after line 25, following the last paragraph under the caption "Bureau of Indian Affairs", insert:

"All sums herein and hereafter appropriated for the Bureau of Indian Affairs, including tribal funds, for acquisition of lands; construction, repair, and rehabilitation of irrigation systems on Indian reservations; construction, improvement, repair, and maintenance of Indian Reservation roads; and construction, repair, or rehabilitation of school, agency, hospital, or other buildings and utilities, including the purchase of furniture, furnishings, and equipment therefor, shall remain available for two fiscal years following the fiscal year for which made."

Page 57, line 17, after the words "United States", in the paragraph "Administrative provisions" under the Bureau of Reclamation, insert: "*Provided further*, That all sums herein and hereafter appropriated for the Bureau of Reclamation for construction, or for continuation of construction of projects, for general investigations, for investigations of projects, for investigation and construction of projects or for activities necessary or proper in the development and settlement of irrigated lands shall be immediately available and shall be available for two fiscal years following the fiscal year for which made."

Page 96, line 5, after the word "measures", in the paragraph "Forest protection and fire prevention", insert: "including necessary local transportation and subsistence in kind of persons selected for employment or as cooperators, serving without other compensation while attending fire-protection training camps in connection with the fire-control programs of the National Park Service."

Page 116, after line 25, insert a new paragraph as follows:

"SEC. 10. Hereafter the Secretary may delegate to subordinates the power to authorize changes in official stations of officers and employees and the payment of expenses of travel and transportation of household goods in connection with such change of official stations."

Mr. HAYDEN also submitted sundry amendments intended to be proposed by him to House bill 3024, the Interior Department appropriation bill, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

By Mr. O'MAHONEY:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes, the following amendment, namely: Page 79, line 23, after the word "shared", in the paragraph "Synthetic liquid fuels", insert: "*Provided further*, That in addition to the amount herein appropriated the Secretary of the Interior is hereby authorized to enter into contracts for additional work not exceeding a total of $15,000,000 during the period covered by the aforesaid act, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and appropriations hereafter made for the construction and operation of demonstration plants to produce synthetic liquid fuels shall be considered available for the purpose of discharging the obligations so created."

Mr. O'MAHONEY also submitted an amendment intended to be proposed by him to House bill 3024, the Interior Department appropriation bill, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

By Mr. CHAVEZ:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes, the following amendment, namely: Page 111, line 22, after the word "Governor", in the first paragraph under the caption "Government in the Virgin Islands", insert "*Provided*, That the Executive Assistant to the Governor shall be appointed by and with the approval of the Governor."

Mr. CHAVEZ also submitted an amendment intended to be proposed by him to House bill 3024, the Interior Department appropriation bill, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

CONDOLENCE ON DEATH OF FRANKLIN D. ROOSEVELT

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a resolution adopted by the Legislative Assembly of the Virgin Islands, expressing condolence on the death of former President Franklin D. Roosevelt, which, with the accompanying resolution, was ordered to lie on the table.

JOINT RESOLUTION OF THE CONGRESS OF CUBA

The PRESIDENT pro tempore laid before the Senate a joint resolution adopted by the Congress of the Republic of Cuba, which was ordered to lie on the table and to be printed in the RECORD, as follows:

The house of representatives and the senate, in sessions assembled on the 23d and 24th day of April of the current year, respectively, have approved the following joint resolution:

First. To join in the universal mourning caused by the death of Franklin D. Roosevelt, President of the United States of America, author and defender of the "four freedoms," champion of the good-neighbor policy among the peoples of the Western Hemisphere and great friend of Cuba.

Second. To express to the Senate and the House of Representatives of the United States of America, and through them to the Nation which bears most directly the great and irreparable loss of President Franklin D. Roosevelt, their wholehearted sympathy.

Third. To meet on the 30th of January of next year, the anniversary of the birth of Franklin D. Roosevelt, in solemn session of the legislative power, as a tribute of the people of Cuba to the memory of the creator of the good neighbor policy among the nations of the Western Hemisphere, greatest promoter of American unity and leader of the democracies. The presidents of both legislative bodies will designate with rightful precedence a senator and a representative to speak in this session.

Fourth. To address all legislative bodies of the continent, requesting that they join in a similar meeting of tribute so that all our countries with the excellent unanimity of a feeling of justice, may render, on the same day and with commensurate respect, a great tribute to the builder of the new America, renowned herald of freedom for all people and of human well-being.

Fifth. To initiate the adoption of a measure which provides for:

(a) The organization, on the 30th of next January of a student parade in each town district in the Republic, which will symbolize the recognition by the men of the future of one of the champions of human freedom and the leader of the world of tomorrow, with the children of public and private schools assisting and wearing a picture of Roosevelt on the breast.

(b) A grant of $25,000 which will be placed at the disposition of the Pan American Union, as a contribution from Cuba to a continental monument that the American nations wish to erect to Franklin Delano Roosevelt, the form and place to be determined by the directive council of the Union; and

(c) The invitation to all the parliaments of America through the minister of state of the Republic to join in these resolutions, a plan which the personality and greatness of Roosevelt demands, adopting them in each town.

Sixth. To affix the text, translated into Spanish, of the "four freedoms" created and defended by President Franklin D. Roosevelt, in a suitable place in the capitol building, a transcription which will be done in bronze letters, to perpetually call them to mind in the present and future generations, and as a lasting memorial to the eminent statesman who conceived them, spoke them, and gave them universal meaning:

"In the future days, whose security we seek, we look forward to a world based on four essential freedoms:

"The first is freedom of speech and expression—everywhere in the world.

"The second is the freedom of every individual to worship God in his own way—everywhere in the world.

"The third is the freedom from want, freedom which in world terms means the economic understandings which will assure in each nation, a healthy and peaceful life for its inhabitants—everywhere in the world.

"The fourth is the freedom from fear, which, in the world terms, means the reduction of armaments to such a degree and in such a manner that no nation can commit an act of physical aggression against another—anywhere in the world."

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

CLARENCE J. SPIKER AND FRED W. JANDREY

A letter from the Acting Secretary of State, transmitting a draft of proposed legislation for the relief of Clarence J. Spiker and Fred W. Jandrey (with an accompanying paper); to the Committee on Claims.

PUBLIC DOMAIN LANDS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation declaring certain lands to be a part of the public domain and providing for the administration thereof (with an accompanying paper); to the Committee on Public Lands and Surveys.

LAWS PASSED BY MUNICIPAL COUNCILS OF ST. CROIX, AND ST. THOMAS AND ST. JOHN, V. I.

Two letters from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of legislation passed by the Municipal Council of St. Croix, and the Municipal Council of St. Thomas and St. John, V. I. (with accompanying papers); to the Committee on Territories and Insular Affairs.

REPORT OF WAR SHIPPING ADMINISTRATION

A letter from the Administrator of the War Shipping Administration, transmitting, pursuant to law, the tenth report of action taken under Section 217 (b) of the Merchant Marine Act, 1936, as amended (Public Law 498, 77th Cong.), relating to the coordination of forwarding and similar servicing of waterborne export and import foreign commerce of the United States (with an accompanying report); to the Committee on Commerce.

REPORT ON EDUCATION AND TRAINING OF DEFENSE WORKERS

A letter from the Acting Administrator of the Federal Security Agency, transmitting, pursuant to law, the third quarterly report of the United States Commissioner of Education on the education and training of defense workers (with an accompanying report); to the Committee on Education and Labor.

REPORT OF FEDERAL HOME LOAN BANK ADMINISTRATION

A letter from the Commissioner of the Federal Home Loan Bank Administration, transmitting, pursuant to law, the twelfth annual report of the administration for the period July 1, 1943, through June 30, 1944, covering the operations of the Federal Home Loan Banks, the Federal Savings and Loan Associations, the Federal Savings and Loan Insurance Corporation, the Home Owners' Loan Corporation, and the United States Housing Corporation (with an accompanying report); to the Committee on Banking and Currency.

PERSONNEL REQUIREMENTS

A letter from the Executive Assistant to the Secretary of Commerce, transmitting, pursuant to law, a request for an increase in the estimate of personnel requirements for the Coast and Geodetic Survey, Department of Commerce, for the quarter ending June 30, 1945 (with an accompanying paper); to the Committee on Civil Service.

A letter from the Administrator of the Veterans' Administration, transmitting, pursuant to law, a supplemental estimate of personnel requirements for the Administration for the quarter ending June 30, 1945 (with accompanying papers); to the Committee on Civil Service.

WITHDRAWAL OF NAME FROM REPORT ON DEPORTATION OF ALIENS

A letter from the Attorney General, withdrawing a name from a report heretofore transmitted to the Senate by him of certain aliens whose deportation he suspended for more than 6 months; to the Committee on Immigration.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Texas; to the Committee on Agriculture and Forestry:

"House Concurrent Resolution 65

"Whereas the existence and continuation of the cotton industry of Texas and the Nation is being threatened by the invasion of the most serious and costly of all cotton pests, the pink bollworm; and

"Whereas all known methods of control, including insecticides and cultural procedures, have failed to stop the advance of this pest in its unabated stampede through south and west Texas, paralleling similar invasion of the boll weevil during the latter part of the preceding century; and

"Whereas the only known successful method of stopping the advance of this pest into the uninfested parts of the Cotton Belt in the United States and of eradicating it in the infested areas, is by starving it out by the establishment of a noncotton zone in the infested area, for at least one full crop season; and

"Whereas if the pink bollworm is permitted to establish itself definitely in the Cotton Belt, the cost of producing cotton will be increased by not less than 20 percent and the quality of both cotton and seed produced thereafter will be of inferior quality and grade; and

"Whereas the present condition of the cotton industry of Texas and the United States is not in a position to permit this increase in the cost of production and lowering the quality of the product produced; and

"Whereas the opportunity of eradication may never come again to the posterity of our Nation because once the pest is spread throughout the Cotton Belt its eradication will be impossible, thus resulting in an irreparable damage and loss to the wealth of our Nation; and

"Whereas the eradication of this pest is not only possible at this stage of the invasion but the economics of our accomplishing it at this time with a minimum of interference with our over-all agricultural needs is very apparent; and

"Whereas at the present time there is an overabundance of cotton, there being approximately 11,000,000 bales under Government loan in storage; and

"Whereas there is a great scarcity of food throughout the world; and

"Whereas it behooves the non-cotton-growing areas of the United States to assist the South to remain in the cotton business to avoid unnecessary duplication of crops, and their interest and cooperation in this project is logically to be expected; and

"Whereas the details of governmental assistance in the contemplated non-cotton-zone area, if created in adjusting itself to the much-needed food crops, can be worked out without sacrifice or loss to the agriculture of this section by proper preparation for such crop transition, if necessary; and

"Whereas in order to properly eradicate this infestation, it will be necessary to have the cooperation of the Republic of Mexico, from which the pink bollworm has migrated and spread to the State of Texas; and

"Whereas our sister Republic of Mexico is also interested in stamping out this infestation, and is now engaged in a program of eradication and control thereof: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the President and Congress of the United States be memorialized to investigate the advisability of creating an International Pink Bollworm Commission with the Republic of Mexico for the purpose of eradicating and combating the spread of the pink bollworm infestation in both countries; and be it further

"Resolved, That in the event such a Commission is created and noncotton zones are established in both the United States and the Republic of Mexico, that proper provision be made by our Government for compensation to the cotton growers affected and the related interests in such noncotton zones as may be established in the United States, in order to alleviate as nearly as possible the monetary losses and damages resulting therefrom; and be it further

"Resolved, That the chief clerk of the house of representatives forward a certified copy hereof to the President of the United States, to the President pro tempore of the United States Senate, to the Speaker of the National House of Representatives, to the Secretary of Agriculture of the United States, to each of the United States Senators from Texas, and to each Representative from Texas in the National House of Representatives, with the respectful request that it be presented forthwith to each branch of our Congress for appropriate consideration and action."

A joint resolution of the General Assembly of the State of Illinois; to the Committee on Commerce:

"Senate Joint Resolution 32

"Whereas the Illinois and Michigan Canal Commission has presented to the Members of Congress from Illinois a bill designed to grant all right, title, and interest of the United States in the canal and its abutting property to the State of Illinois, and it is desirable that this legislation be enacted: Therefore be it

"Resolved by the Senate of the Sixty-fourth General Assembly of the State of Illinois (the House of Representatives concurring herein), That we respectfully request the Members of Congress to support said bill and exert their efforts to procure its enactment; and be it further

"Resolved, That a copy of this preamble and resolution be forwarded by the secretary of state to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States of America."

Two resolutions of the Assembly of the State of California; to the Committee on Agriculture and Forestry:

"House Resolution No. 227

"Resolution relative to memorializing Congress to take action to extend the 1945 shooting season for migratory wildlife in California and to continue to divide such season between the northern and southern sections of the State

"Whereas in 1944 the shooting season for migratory wildlife in California was extended by 10 days, such extension being of great benefit and aid in harvesting the game crop and in curtailing destruction of farm crops; and

"Whereas the 1944 shooting season was also divided relative to the northern and southern sections of the State, thereby enabling sportsmen in each section to enjoy equal advantages and corresponding results; and

"Whereas the benefits thus derived merit the continuance and further extension of such season in 1945: Now, therefore, be it

"Resolved by the Assembly of the State of California, That Congress is hereby respectfully memorialized to take such action as may be necessary to further extend, by 10 or 15 days, the 1945 shooting season for migratory wildlife in California and to continue in effect the divided season as between the northern and southern sections of the State; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives of the United States, to each Senator and Representative from California in the Congress of the United States, and to Dr. Ira N. Gabrielson, Chief of the Fish and Wildlife Service of the Department of the Interior of the United States, Merchandise Mart, Chicago 54, Ill."

"House Resolution No. 228

"Resolution relative to memorializing the President and Congress to make available sufficient ammunition for the control of predators and the harvesting of game crops

"Whereas during the progress of the war the manufacture and sale of shotgun and rifle shells for use by the public has been largely curtailed and retarded; and

"Whereas there is a great need for such shells to control predators and also for the use of sportsmen to harvest the crops of game which have accumulated during the war; and

"Whereas the harvesting of game crops would substantially relieve the meat shortage which now prevails throughout the Nation: Now, therefore, be it

"Resolved by the Assembly of the State of California, That the President and Congress are respectfully memorialized to take such action as may be necessary to make available to the public an adequate amount of shotgun and rifle shells for the control of predators and the harvesting of game crops; and be it further

"Resolved, That the chief clerk is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives of the United States, to each Senator and Representative from California in the Congress of the United States, and to the Honorable J. A. Krug, Chairman of the War Production Board."

A petition of sundry citizens of Chicago, Ill., praying that the investigation of the Naval Board of Inquiry with regard to the Pearl Harbor disaster be made public and to punish those found guilty of negligence; to the Committee on the Judiciary.

A statement from the Aviation League of the United States, Washington, D. C., relating to food shortage; to the Committee on Agriculture and Forestry.

A resolution adopted at the annual meeting of the Colonial Dames of America, New York City, N. Y., relating to the preservation of constitutional government; to the Committee on the Judiciary.

A telegram in the nature of a petition from several citizens of Los Angeles, Calif., praying the good offices of the American Government in the establishment of free and independent governments in Syria and Lebanon; to the Committee on Foreign Relations.

By Mr. CAPPER:

Two telegrams in the nature of memorials from Drs. H. L. Cobean and W. H. Neel, both of Wellington, Kans., remonstrating against the enactment of the section relating to medical care in the so-called Wagner-Dingell bill; to the Committee on Finance.

CERTAIN ACTIONS OF PROTEST AGAINST PORTUGUESE DICTATOR SALAZAR

Mr. WALSH. Mr. President, I ask to have printed in the RECORD and appropriately referred copy of a resolution recently adopted at a meeting of American citizens of Portuguese origin, at New Bedford, Mass., protesting against the recent action of the Portuguese Dictator Salazar who, they allege, has cast Nazi reflections upon the 250,000 Portuguese Americans of New England.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas we, American citizens of Portuguese ancestry and delegates of societies representing many more thousands of the 250,000 American citizens of Portuguese origin residing in New England, freely assembling this 20th day of May, 1945, at the auditorium, in the city of New Bedford, Mass., on the call of the Portuguese American Council for Democracy, do unanimously denounce and condemn the acts and actions of the Portuguese Fascist dictator, Antonio Oliveira Salazar, which malign all peoples of Portuguese origin:

First. We unanimously condemn the Portuguese dictator's recent decree establishing 2 days of national mourning in Portugal for the dead arch criminal leader of the Nazi gangsters, Adolf Hitler;

Second. We unanimously denounce the official attendance by the Salazar government at the Nazi Fascist rites held in the city of Lisbon to honor the memory of Hitler;

Third. We unanimously denounce the solidarity manifested by the Salazar government over the past years with Nazi-Fascist gangsterism and the enemies of the United States of America, including the reciprocal assistance pact between the Salazar regime and its Fascist neighbor, the Spain of Francisco Franco, seeking to perpetuate Nazi fascism in westernmost Europe and the Atlantic islands; as well as the Fascist use of propaganda by Salazar through his controlled press, close relationships and common language, in an endeavor to carry fascism to our sister republic, the United States of Brazil;

Fourth. We unanimously denounce the savage use of force—including concentration camps and torture—by the Salazar Fascists against the peaceful people of Portugal who previously had a long and unbroken record of democratic institutions and friendly relations with the United States of America, and the vicious repression of free and representative government in Portugal;

Fifth. We unanimously condem the state-controlled Fascist economy which has raised barriers to the natural commerce and interchange of goods between the United States of America and the Portuguese people, except as the Salazar regime has been forced to accept some American products when not available from any other source;

Sixth. We unanimously denounce the attendance at the San Francisco Conference as an observer for the Salazar government of Dutra Faria, henchman of Salazar and notorious for his vicious campaigns and attacks upon our democratic system of government, as recorded in the columns of Salazar's official Fascist newspaper, "Diario da Manhã";

Seventh. We unanimously denounce all these and similar Fascist practices of the Salazar totalitarian regime as violating the natural instincts and desires of the people of Portugal, as destroying the humane principles of civilization and democracy and the dignity of man, as an insult to the 35,000 American servicemen of Portuguese origin and the patriotic members of the Brazilian Expeditionary Forces, and as a ghastly mockery of the memory of those who have sacrificed their lives to destroy the very fascism which Salazar so abasely represents; and

Whereas by reason of these acts committed by the Salazar regime, it has forfeited its right to continue friendly diplomatic relations with the government of the United States of America; Now, therefore, be it

Resolved, That copies of this resolution and the foregoing preambles be transmitted to the Honorable Leverett W. Saltonstall and the Honorable David I. Walsh, United States Senators from Massachusetts, the Honorable John W. McCormack, and the Honorable Joseph W. Martin, Representatives from the 12th and 14th Congressional Districts of Massachusetts, in whose statesmanship and foresight we place the highest trust, and that they be, and hereby are, petitioned to introduce in the Congress appropriate measures to effect the severance of diplomatic relations between the Government of the United States of America and the Salazar regime, and further petitioned to request the Department of State and the Department of Justice or other appropriate agencies forthwith to cancel the visa heretofore issued to said Dutra Faria to the end that he may be forthwith expelled from American soil; and further

Resolved, That the chairman of this meeting, J. P. Curry, be, and he hereby is, duly authorized and empowered to take any and all such other action as he may deem necessary, desirable, or appropriate in order to cause dissemination of these resolutions and preambles and in order to effect and carry out their purpose, and to report thereon from time to time.

LIFTING OF BAN ON HORSE RACING

Mr. BUTLER. Mr. President, I present for appropriate reference and printing in the RECORD a letter from J. Lee Lewis, Omaha, Nebr., embodying a resolution adopted at the May meeting of the Omaha (Nebr.) Ministerial Union, relating to lifting the ban on horse racing.

There being no objection, the letter embodying a resolution was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

THE OMAHA MINISTERIAL UNION,
Omaha, Nebr., May 23, 1945.

Senator HUGH BUTLER,
Senate Office Building,
Washington, D. C.

SIR: I have the honor to state that at the May meeting of the Omaha Ministerial Union the following resolution, representing 160 clergymen, was passed:

"That we record our objection to the recent lifting of the ban on national horse racing, with its wasteful use of gasoline, tires, cars, and other forms of transportation, when the ODT forces the church bodies to cancel their annual national conventions or greatly reduce them this year.

"2. That we send a strong protest to all of our Nebraska Senators and congressional Representatives in the Nation's Capital."

Questions raised and unanswered were: If there is enough gas available for race addicts, and if other said-to-be-needed war materials are now available, why are church organizational conventions, camps, assemblies "verboten"? Churches build civilian morale in these days of sorrow. Our church camps for boys and girls prevent juvenile delinquents. Racing seems sacrilegious and unnecessary now.

Why are the churches subject to this unjust discrimination?

I have the honor to remain,
Yours very truly,

J. LEE LEWIS,
Secretary.

LIFTING OF THE BAN ON SPORTS AND TRAVEL

Mr. CAPPER. Mr. President, the people of this country have shown they wish to do their utmost in cooperation with any program to help win the war. The gasoline rationing program has been no exception. However, the recent action of the War Committee on Conventions of the Office of Defense Transportation in lifting the ban on horse and dog races but retaining the restrictions on religious conventions has given rise to much questioning of the justice and equity of the policy.

As indicative of some of the thinking on this question, I present and ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD an editorial entitled "Sports? Yes! Religion? Limited!" The editorial is from the May 23, 1945, issue of the Christian-Evangelist, edited by Dr. Raphael Harwood Miller, formerly pastor of the National City Christian Church of Washington, D. C.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SPORTS? YES! RELIGION? LIMITED!

The beer trucks "go rolling along." Curfew is off on taverns and night clubs. The brown-out is lifted. The race tracks are wide open to the old business of gambling and as much travel as the patrons can get by with. The "ponies" and their equipment will travel from place to place. There is to be no restriction on vacation travel.

But the Office of Defense Transportation and the Committee on Conventions have cracked down on the summer activities of religious education agencies.

Directives issued by ODT are as dogmatic as papal bulls, but the interpretation of many of them requires the clairvoyant powers of a Daniel.

Everyone approves the first claim of the armed services upon transportation facilities. Church bodies cordially have cooperated with the War Committee on Conventions by canceling their national and area conventions.

Secretaries of church boards of education and directors of youth camps recognize the gigantic task faced by the ODT. If the present directive on summer assemblies were nondiscriminatory, no protest would arise. But the Committee on Conventions has ruled that camps and assemblies are beyond its scope only if they follow "the normal vacation camping pattern, combining recreation and instruction, but with recreation, swimming, boating, fishing, hiking, woodcraft, and the like, predominating and with only incidental instruction in noncamping subjects."

No limitation is placed on commercial camps, but religious camps are definitely restricted. Thus, Government dictates to the church the limitation of its religious program.

The privileged and financially able can have their vacations and sports though these involve travel and hotel accommodations. But thousands of young people are denied who would profit by summer church camps and instruction meetings made available to them by their churches.

There is something offensive in the concession that meetings and camps primarily for recreation may be held by church groups as well as by others and that worship and religious instruction may be introduced afterward, but the meeting must be advertised for vacation purposes. That is, religion may be slipped in as a secondary interest.

Sports? Yes. Religion? No.

This is an invitation to call religious camp and summer-school meetings under pretense that they are primarily for recreation rather than for Christian leadership training. We wonder what influences in Washington bring about this condition.

Has the Committee on Conventions been informed of the revelations made by J. Edgar Hoover of the extent of juvenile delinquency in this country and its effects upon the home and society? Does the Committee have the statistics of increasing crime among the teenage youth of America?

Horse racing, commercial camps, vacation resorts may advertise their attractions. But religious camps may not appeal to the youth of America with opportunities for increasing their efficiency as Christian leaders in the church and in the Nation.

Each year thousands of young people elect to spend their vacation time in summer camps under local and national councils of religious education.

"It has been true for years with many denominations that one-half of all the standard teacher-training credits for church and church school leaders have been earned in their summer camps and assemblies. They are an essential phase of the church's educational program."

Secretaries of boards of religious education and executives of the International Council now have before them the alternatives to cancel all summer religious assemblies; to go ahead with camps and assemblies on the assumption Government will not interfere or to make recreation instead of religious training the major appeal to young people of the churches.

The leaders in religious education have tried by every means to get an adjustment of the ruling of the War Committee on Conventions to permit summer assemblies for young people in church-owned and church-supervised camps. They have had little success.

It is time to have an understanding with Government as to the meaning of this discrimination against the church's educational program as against "no restrictions" on vacation travel, commercial camps, and sports. Are we going the way of Hitler's "joy through strength" youth organization and Mussolini's young "black shirts"?

Are sports more important to America's future than religious and moral training?

It is time to speak out.

TARIFF ON CUBAN SUGAR

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred, a letter I have received from the Beet Sugar Refineries Employees Union No. 23136, of Garden City, Kans., expressing their opposition to any reduction in the tariff on Cuban sugar.

There being no objection, the letter was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

GARDEN CITY, KANS., *May 22, 1945.*

DEAR SIR: Beet Sugar Refinery Employees Union No. 23136 enters a strong protest to the passage of the above bill authorizing further reduction of 50 percent in sugar tariff. In the past 11 years we find the tariff on Cuban sugar has been reduced from $2 per hundred pounds to 75 cents per hundred pounds. We feel that further reduction in the sugar tariff would cause undue hardship on the beet-sugar industry and its employees. The standard of living and wages that has been built up by the unions and the employees of these industries as compared to foreign standards, must necessarily have some protection.

We feel that you as a citizen of a sugar-producing State will give your wholehearted support to this cause.

Thanking you in advance, we remain,
Respectfully yours,
BEET SUGAR REFINERY EMPLOYEES UNION No. 23136,
O. G. HAGLER,
Recording Secretary.

SCARCITY OF FRESH MEAT

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in

the RECORD at this point and appropriately referred a letter I have just received from Mr. Lee Circle, president of the Kansas Food Dealers' Association. Mr. Circle operates food stores in Arkansas City, Kan., and knows whereof he writes when he states there has not been any fresh meat in Arkansas City for 5 days. He points out that he, as a food dealer, cannot buy chickens for his customers, because consumers drive out to the farms and pay retail price ceilings.

This food dealer says he does not blame the consumers and he does not blame the farmers. He does not write so charitably about the Office of Price Administration, and he has my full sympathy.

Of course, the OPA policy of allowing wages and other production costs to rise, while holding retail prices at what amounts to prewar levels, cannot work effectively unless somewhere along the line some producer, processor, or handler operates at a loss or goes out of business. Sometimes I think the experts in OPA want the middleman to go out of business, and at other times I wonder if they would prefer that he do business at a loss. If it is any comfort to the economists in OPA, some of the middlemen have gone through both stages.

There being no objection, the letter was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

ARKANSAS CITY, KANS., *May 25, 1945.*

Senator ARTHUR CAPPER,
Senate Building, Washington, D. C.

DEAR SENATOR: There hasn't been any fresh meat in our city for 5 days. We cannot buy chickens from the farmer because the public drives out to the farm and pays the retail ceiling. We can't even raise the price to help pay for the customers' gasoline if we bought the chickens at the farmers' asked price. Understand I don't blame the farmer; he is entitled to every cent he can get. But the OPA and WFA can be blamed.

One poultry house stopped selling me chickens because I weighed them on him and found him 15 to 16 percent short. I understand some slaughterers are weighing meat the same way.

Senator, if you could come back to Kansas and visit a few grocery stores you would find we are back to old bologna days; that's all we get. It's full of cereal and other tripe.

As president of the Kansas Food Dealers Association I appeal to you to go to work on the OPA; it's sick and needs an operation; please do help to amend the present OPA law. It might be better to get a responsible man for food administrator; get some practical man who knows food.

Yours very truly,

LEE CIRCLE,
President, Kansas Food Dealers Association.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

COMMITTEE ON NAVAL AFFAIRS

MAY 31, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of persons employed by the committee, who are not full-time employees of the Senate or of the committee for the month of May, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Capt. James A. Saunders, U. S. Navy (retired)	4105 Oliver St., Chevy Chase, Md	Office of the Chief of Naval Operations, Navy Department, Washington, D. C.	$6,000
Chief Yeoman Herbert S. Atkinson (A. A.), U. S. Naval Reserve.	2405 Pennington Rd., Trenton, N. J	do	1,512

DAVID I. WALSH, *Chairman.*

SENATE NAVY LIAISON OFFICE, ROOM 461, SENATE OFFICE BUILDING

MAY 31, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of May, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Lt. Frederick A. McLaughlin, U. S. Naval Reserve.	317 Lynn Drive, Chevy Chase, Md	Bureau of Naval Personnel, Navy Department, Washington, D. C.	$2,400
Lt. Joseph G. Feeney, U. S. Naval Reserve	2745 29th St. NW., Washington, D. C	do	2,400
Yeoman (2c) Eleanor W. St. Clair, U. S. Naval Reserve.	2134 R St. NW., Washington, D. C	do	1,152
Yeoman (2c) Loretto F. Jochman, U. S. Naval Reserve.	do	do	1,512

The above employees are representatives of the Bureau of Naval Personnel, Navy Department, to assist Senators on naval personnel matters.

DAVID I. WALSH.

S. 1045. A bill to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of under age at the time of enlistment, and for other purposes; without amendment (Rept. No. 318).

By Mr. CORDON, from the Committee on Commerce:

S. 1024. A bill to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes; without amendment (Rept. No. 319).

By Mr. GREEN, from the Committee on Public Buildings and Grounds:

S. J. Res. 4. Joint resolution authorizing the erection on public grounds in Springerville, Ariz., of a memorial to Gustav Becker; with amendments (Rept. No. 320).

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate reports for the month of May 1945, of a chairman of a certain committee, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the table and to be printed in the RECORD, as follows:

LAKE CHAMPLAIN BRIDGES

Mr. HART. Mr. President, from the Committee on Commerce, I report back favorably without amendment the joint resolution (S. J. Res. 62) granting the consent of Congress to an agreement amending the original agreement entered into by the States of New York and Vermont relating to the creation of the Lake Champlain Bridge Commission and I submit a report (No. 317) thereon.

The joint resolution relates to refunding operations in the case of two bridges across Lake Champlain which are under the charge of the Lake Champlain Commission.

Mr. President, I ask unanimous consent that House Joint Resolution 113, which is identical to Senate Joint Resolution 62, be taken up at this time, it already having been passed by the House of Representatives.

The PRESIDENT pro tempore. Without objection, the report submitted by the Senator from Connecticut will be received, and the House joint resolution will be read by title.

The joint resolution (H. J. Res. 113) granting the consent of Congress to an agreement amending the original agreement entered into by the States of New York and Vermont relating to the creation of the Lake Champlain Bridge Commission, was read twice by its title.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate Joint Resolution 62 will be indefinitely postponed.

INVESTIGATION OF DISPOSAL OF SURPLUS GOVERNMENT PROPERTY AND RELATED PROBLEMS (REPT. NO. 321)

Mr. O'MAHONEY. Mr. President, from the Committee on Military Affairs I report an original resolution, which I ask to have referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

I have prepared a written report to accompany the resolution, which is now in the hands of the stenographer, and I ask unanimous consent that the report, without the appendixes attached thereto, may be printed at length in the RECORD and that I may file it after the Senate shall have recessed this evening.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wyoming? The Chair hears none, and it is so ordered.

The resolution (S. Res. 129), reported by Mr. O'MAHONEY from the Committee on Military Affairs, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized and directed to continue the study and investigation with respect to war contracts, the termination of war contracts, and related problems authorized by Senate Resolution 198, of the Seventy-eighth Congress, as heretofore supplemented and extended, to be conducted by a subcommittee of the Committee on Military Affairs, and is further authorized and directed to make a full and complete study and investigation with respect to the disposal of surplus Government property and related problems. The committee shall report to the Senate, from time to time, the results of its studies and investigations under this resolution, together with such recommendations as it may deem desirable.

The powers and duties conferred or imposed by Senate Resolution 198, of the Seventy-eighth Congress, with respect to the study and investigation under that resolution shall also be applicable with respect to the studies and investigations under this resolution. The subcommittee of the Committee on Military Affairs heretofore authorized to make the study and investigation under Senate Resolution 198, of the Seventy-eighth Congress, shall be deemed to have been continued as a subcommittee duly authorized to make the studies and investigations under this resolution, until the Committee on Military Affairs shall otherwise direct.

For the purposes of this resolution, the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee or the chairman of the subcommittee.

The report (No. 321) submitted by Mr. O'MAHONEY from the Committee on Military Affairs was ordered to be printed in the RECORD without the appendixes attached thereto, as follows:

TO INVESTIGATE THE DISPOSAL OF SURPLUS GOVERNMENT PROPERTY, AND RELATED PROBLEMS

For the purpose of authorizing the continuation of the study it has been carrying on through the Subcommittee on War Contracts of the problems arising from the termination of war contracts and the disposal of surplus property, the Military Affairs Committee recommends that a special allotment of $25,000 be made from the contingent fund of the Senate and to that end recommends the adoption of the following resolution:

"*Resolved*, That the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized and directed to continue the study and investigation with respect to war contracts, the termination of war contracts, and related problems authorized by Senate Resolution 198, of the Seventy-eighth Congress, as heretofore supplemented and extended, to be conducted by a subcommittee of the Committee on Military Affairs, and is further authorized and directed to make a full and complete study and investigation with respect to the disposal of surplus Government property and related problems. The committee shall report to the Senate, from time to time, the results of its studies and investigations under this resolution, together with such recommendations as it may deem desirable.

"The powers and duties conferred or imposed by Senate Resolution 198, of the Seventy-eighth Congress, with respect to the study and investigation under that resolution shall be applicable with respect to the studies and investigations under this resolution. The subcommittee of the Committee on Military Affairs heretofore authorized to make the study and investigation under Senate Resolution 198, of the Seventy-eighth Congress, shall be deemed to have been continued as a subcommittee duly authorized to make the studies and investigations under this resolution, until the Committee on Military Affairs shall otherwise direct.

"For the purposes of this resolution, the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee or the chairman of the subcommittee."

PREPARATION OF RECONVERSION LAWS

The Military Affairs Committee during the Seventy-eighth Congress worked on the drafting of the Surplus Property Act of 1944 (Public Law 457, 78th Cong.) and the Contract Settlement Act of 1944 (Public Law 395, 78th Cong.) and also cooperated with the Special Committee on Postwar Economic Policy and Planning in the preparation of the War Mobilization and Reconversion Act of 1944 (Public Law 458, 78th Con.). Preliminary work with respect to these laws was done by the Subcommittee on War Contracts which was specially authorized to conduct studies on these and related subjects by Senate Resolution 198 and Senate Resolution 288 of the Seventy-eighth Congress. Its funds were extended to June 30, 1945, by Senate Resolution 48, Seventy-ninth Congress, first session. The Committee on Military Affairs is of the opinion that the continuation of the study is imperative. It was recognized when the three laws above mentioned were enacted that reconversion following this war would be a task of unprecedented magnitude. The three statutes were introduced and enacted because Congress was convinced that preparations for the transition from war to peace should be undertaken well in advance of the end of hostilities. It was deemed more important to enact the statutes and set up the administrative mechanisms to reconvert than by prolonged study to delay the creation of the reconversion bureaus. It was felt that Congress by observation and the bureaus by experience would be in position to recommend any changes or any additional legislation that might be desirable.

Of the three laws enacted to facilitate reconversion, the Contract Settlement Act of 1944 has apparently been working with great efficiency and without complaint. The total value of all contracts terminated as of March 31, 1945, was $27,500,000,000 of which $19,600,000,000 was in fixed cost contracts and $7,900,000,000 in cost plus a fixed fee contracts. Of the total number of contracts terminated as of March 31, 1945, the value of those for which settlement has already been made is $18,000,000,000.

Every effort has been made not only to settle the contracts, but to clear the plants and to put all contractors, prime and sub both, so far as possible, in a financial position to proceed with civilian work whenever it becomes available.

Greater difficulties have confronted the Surplus Property Board than those with which the Office of Contract Settlement has had to deal. In the first place, although the surplus property law was approved on October 3, 1944, the Board was not fully appointed until several months later and other delays were encountered in the selection of a staff and in the allocation of appropriations. Furthermore, it is still impossible to estimate what the total quantity of surplus property will eventually be. Plans have not developed rapidly and only a comparatively few special orders and general regulations have been issued. The Board has not been a unit with respect to policy on all of the regulations which have been announced.

FIFTEEN MILLION JOBS NEEDED

The Office of War Mobilization and Reconversion has been primarily concerned to date with problems affecting the successful prosecution of the war. Although the Office of War Mobilization and Reconversion 2 days after VE-day announced a partial program of readjustment and although the War Production Board has since made public the steps it is taking to release controls which are no longer deemed necessary, it still remains true that the early termination of the war against Japan would actually find the national economy unprepared for the resumption of civilian production on a scale that would begin to supply sufficient opportunities for employment to keep the economic system working smoothly.

No one in or out of the Government can predict with the slightest certainty how jobs can be provided after the collapse of Japan for the fifteen to eighteen million workers now engaged in the production of war materials who, after that day, will have to be transferred to the production of goods for civilian use if we are to have anything approximating full employment.

Of the 9,000,000 persons now in war work, there is visible civilian work for only 3,000,000 persons in the same plants. There are, therefore, according to the War Manpower Commission, 6,000,000 persons for whom employment must be found by reconversion. Add to these the proportion of those now in the military forces who will not be retained for postwar military purposes and we have probably 10,000,000 more, so that after allowances are made for the natural increase of the population and even for the withdrawal of many workers from the labor market, all statistical observers seem to agree that the number of persons for whom jobs must be found in the reconverted economy will number not less than 15,000,000 and may be as many as 18,000,000.

The present level of employment is maintained by Government purchases. Uncle Sam is the principal customer for all producers. If he withdraws from the market the civilian purchasing power must be maintained if civilian production is to be maintained. There are already straws in the wind indicating a decline of purchasing power. The Bureau of Agricultural Economics this week reported that the income of farmers for May 1945 was approximately 4 percent below their income in May 1944. Figures obtained from the Bureau of Labor Statistics indicate that the income of industrial workers is now probably 4 to 5 percent below what it was a year ago. The reduction of the income of both farmers and industrial workers is a warning of the dangers that may arise if reconversion is not accomplished efficiently and speedily.

Cut-backs of war orders are rapidly mounting. The War Production Board has estimated that production for war purposes will have declined 12 percent in the first quarter after European victory, 20 percent in the second, 27 percent in the third, and 35 percent in the fourth, but the War Manpower Commission sees the cut-backs proceeding at a more rapid rate, approximating a reduction of 35 percent in the third quarter and 50 percent in the fourth quarter. Both of these estimates are based upon a one-front war and it is upon a schedule of production for war purposes approximating not to exceed 50 percent below the amount we were turning out before victory in Europe that all plans for reconversion have been based. But if the Japanese war should suddenly cease and the reduction of war production should rise to 100 percent below the rate while the war with Germany was still being waged, the problem of employment would be of the gravest possible character.

What may happen in the future by way of cut-backs is indicated by what has already happened and is happening. The Maritime Commission has suspended the expansion of the cargo fleet. The Navy program is fixed. The production of steel plate at the Geneva steel plant, for example, will have ceased before August 1945 on the basis of present orders, and unless some method is found to convert this plant for production of civilian goods, it may be expected that long before the end of the year it, like the aircraft plant at Willow Run, will be completely idle. The Defense Plant Corporation has employed a private engineering firm to make a survey of the possible uses of the Geneva plant, but this report is not expected to be ready before October. The Surplus Property Board has its own staff at work, but the present prospect is that the curtailment of war orders will outrun all plans, both private and public, for the substitution of an active civilian economy for the disappearing war economy.

The sudden end of the Japanese war, a happy event which is not at all outside the contemplation of military leaders, would precipitate the country into the postwar world without anything resembling adequate preparation. This is the circumstance which makes it imperative that the Congressional study of the problem shall continue.

WHAT WE HAVE SHIPPED ABROAD

Too little attention is being given to the fact that the present high rate of employment and the unprecedented size of our national income is all dependent upon the purchase by the Government out of the national debt and tax revenues of the stupendous war output of the American industrial machine. Through lend-lease we have equipped the United Nations, but when the war is over that market will come to an end just as it has now come to an end with respect to the war in Europe and unless we have something to substitute for war purchases the country is likely to be face to face with another great crisis.

The tremendous volume of the materials we have shipped abroad for the purposes of the war is so great as to be almost beyond the grasp of imagination. We talk about it in general terms and general terms do not convey the picture.

A specific illustration is more dramatic and eloquent. In order to carry on the war, this country has already shipped to France 1,922 railroad locomotives of all types. As of December 31, 1944, the Union Pacific Railroad, for all its far-flung operations in the United States, owned only 1,589 locomotives. Even the Santa Fe Railroad, which serves a greater area of the United States than the Union Pacific, has fewer locomotives (1,745) than we have shipped across the seas to provide transportation for our armies and the armies of our Allies in France. This does not take into consideration the railroad equipment we sent to North Africa nor the equipment, both motive power and rolling stock, which we sent into Persia to rehibilitate the railroad over which our lend-lease supplies were poured into Russia.

All this is coming to an end. We are planning to leave an army of 400,000 men in Europe for purposes of occupation. The movement of 3,100,000 men out of Europe has already begun, and while much material and equipment will be needed to handle this movement and to maintain the army of occupation, it is obvious that new production will not be required.

We know that the railroad system of the United States is now operating on its last reserves of equipment. American railroads have been starved in order to provide military transportation abroad. The reequipment of American railroads will provide employment for many—provided, when we stop producing for war, we shall be ready to move speedily into the production for peace. Railroads along the lines of which war factories are closing and reconversion is not proceeding might easily be hesitant about authorizing expenditures for the full rehabilitation they so sadly need.

CONGRESSIONAL POSTWAR POLICY

Reconversion is a task to be accomplished in terms of all industries. Just as it was necessary to prepare for war by gearing all of our industrial, material, and manpower resources into one united effort, so it will be necessary for peace to provide similar coordination. The task is even greater than that of mobilizing for war, because in the latter effort all thoughts were centered upon one objective, and whatever means seemed likely to produce the desired result were adopted, regardless of the effect upon local economic structure. In organizing our conversion for war we were stimulated by a great patriotic impulse to win the war speedily. In conversion for peace that impulse will be lacking, and it is all the more important, therefore, that Congress should not relax its vigilance in observing and planning for the mobilization for peace.

The industrial concentration which existed before the war was accentuated by the war despite every effort to provide opportunities for little business. One hundred prime contractors at the top handled approximately 70 percent of all war contracts and although there were many thousands of subcontractors, they were a part of a centralized system. Now the task will be to provide opportunities for commerce and industry in such a manner as to permit the reconstruction of our State and local economy. To this end all thoughts will have to be directed in the formulation of the program for the disposal of surplus property.

When Congress passed the surplus property law it created a new agency the objectives of which were, among others, in the words of the act itself:

"To give maximum aid in the reestablishment of a peacetime economy of free, independent private enterprise, the development of the maximum of independent operators in trade, industry, and agriculture.

"To discourage monopolistic practices and to strengthen and preserve the competitive position of small business concerned in an economy of free enterprise.

"To assure the sale of surplus property in such quantities and on such terms as will discourage disposal to speculators or for speculative purposes.

"To achieve the prompt and full utilization of surplus property at fair prices to the consumer through disposal at home and abroad with due regard for the protection of free markets and competitive prices from dislocation resulting from uncontrolled dumping.

"To foster the development of new independent enterprises."

In pursuance of these and the other purposes of the law, Congress wrote into it sections 19 and 20, requiring certain reports to be submitted to Congress and to the Attorney General in order that there might be no doubt that the Congress should retain the power of supervision and the Attorney General should be on guard to prevent increase of the economic concentration which was inevitable in the preparation for the war.

The law provided that the Surplus Property Board should prepare and submit reports with respect to certain classes of surplus property within 3 months after the enactment of the statute. The President signed the bill on October 3, 1944. No report has as yet appeared. There were many reasons for the delay, as already pointed out. Time was consumed in the nomination and confirmation of the members of the Board, in the selection and appointment of the staff, and the development of a working arrangement with the Office of War Mobilization and Reconversion, as well as in the allocation of appropriations. All of this may be regarded as demonstrating the magnitude of the task rather than as ground for specific criticism of the Board. It is known, however, that the Board has not been a unit in the preparation of the comparatively few regulations and the special orders which have been issued to date. This is all pointed up by the current resignation of the Chairman of the Board, former United States Senator Guy M. Gillette. It should not be overlooked that the Surplus Property Board has a policy-making function which has been delegated to it by Congress. Policy making is a congressional function and when exercised by an administrative bureau should be under the continuing supervision of the Congress.

The property which is to be handled is scattered all over the globe. In the European theater alone it is estimated by the War Department that we have property

valued at least $4,500,000,000. Of this material, according to Generals Eisenhower and McNarny, 70 percent is still battle worthy. According to the report of General Somervell to the War Contracts Subcommittee and to the special Senate Committee on Postwar Economic Policy and Planning, this material is now being divided into four categories. One for the use of the army of occupation, one to be transported to the Orient for the war, one to be brought back to the United States for training of troops and the fourth to be disposed of as surplus. The Army-Navy Liquidation Commission, of which Thomas D. McCabe is chairman, will within a week send a group abroad under Mr. James S. Knowlson as commissioner, to have charge, in cooperation with the FEA and the Surplus Property Board, of surplus property in the European theater. Mr. Livingston Short, acting in the same capacity in the Mediterranean theater, has recently returned from Italy in this connection. It is worthy of note that sixty 127-ton Diesel engines which were sent to France for purposes of the war are to be brought back to the United States for use of American railroads. Most of all the other railroad equipment, it is understood, would probably not be suitable for use here. The plan is to dispose of this property abroad for American dollars, if possible. Whatever is done, it would be difficult obviously, to overestimate the complexities of the task.

From every point of view the reconversion problem is one with which Congress must keep in constant touch if the people of the country as a whole, the several States, and local communities are to be given the opportunity to have a share in determining what policies and methods are to be followed. The War Contracts Subcommittee has been cooperating with the special Senate Committee on Postwar Economic Policy and Planning and with the Small Business Committee. It has found all of the Government agencies, including the War and Navy Departments, the Office of War Mobilization and Reconversion, the Surplus Property Board, the War Production Board, War Manpower Commission, the Petroleum Administration for War and all the others ready at all times to work with the committees. The sums available to the Military Affairs Subcommittee will be cut off on June 30 and it is for the purpose of enabling the committee to continue the study that the Military Affairs Committee recommends the adoption of the resolution herewith reported. It would seem fitting that the standing legislative committee which worked upon drafting the original reconversion legislation should be equipped to carry on the continuing work relating to the operation of that legislation which Congress must undertake.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARKLEY:

S. 1069. A bill granting a pension to Frances Hays Murphy; to the Committee on Pensions.

(Mr. WILEY introduced Senate bill 1070, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. JOHNSON of Colorado:

S. 1071. A bill granting a pension to Walter John Gamel; and

S. 1072. A bill granting a pension to Mrs. Ruby L. Jobes; to the Committee on Pensions.

(Mr. LANGER introduced Senate bill 1073, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. BUSHFIELD:

S. 1074. A bill designating American Indian Day; and

S. 1075. A bill to provide payments to those suffering death or wounds in the massacre at Wounded Knee Creek on December 29, 1890 (with accompanying papers); to the Committee on Indian Affairs.

By Mr. WALSH:

S. 1076. A bill to provide for the reimbursement of certain Navy personnel and former Navy personnel for personal property lost or destroyed as a result of a fire which occurred on the naval station, Tutuila, American Samoa, on October 20, 1943; to the Committee on Naval Affairs.

S. 1077. A bill for the relief of Oscar S. Reed; to the Committee on Claims.

By Mr. THOMAS of Oklahoma (by request):

S. 1078. A bill to foster the cooperative agricultural educational work of the extension services; to free the extension services from the performance of nongovernmental functions; and to promote economy in the expenditure of public funds for the conduct of cooperative agricultural extension work; and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. TAFT:

S. J. Res. 71. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville; to the Committee on the Library.

(Mr. WILLIS introduced S. J. Res. 72, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

EMPLOYMENT OF VETERANS AS AIDES TO SENATORS

Mr. WILEY. Mr. President, on April 25 I proposed on the floor of the Senate that the Veterans' Administration lend a trained ex-serviceman employee to every Senator to assist him in handling veterans' problems. Today I am submitting this proposal in the form of a bill.

This bill, I trust, will be one additional indication of Congress' heartfelt desire to furnish full and adequate care to him who shall have borne the battle and to his widow and his orphan. By this bill Congress will help to make certain that veterans' legislation efficiently accomplishes the ends which Congress intended. This bill will be still another evidence of Congress' will to keep the faith with the finest group of men and women on earth—the patriotic millions who have so proudly worn the uniform of our Nation.

The bill provides that the Veterans' Administration shall build up a pool of competent ex-servicemen of World Wars I and II, trained and experienced in all matters pertaining to veterans' affairs. This pool shall be built up with the view in mind that a member of it will be made available upon written request to any Senator requesting the services of a veteran aide.

These aides will be Civil Service employees. They will be schooled in the regulations and procedures of the Veterans' Administration. They will be men of ability and character.

They will perferably be men who have seen the face of battle, who have gone through combat, and who have suffered combat disability. They will preferably be men who have unfortunately suffered the loss of some physical faculty, an eye or a limb or an arm in the service of their country. Now their proven patriotic zeal will find renewed expression in a career of service to their former buddies. These aides with service-connected disabilities—and I trust their number will be proportionately large in this pool of trained assistants—will be a living proof to the Nation that Congress recognizes that our disabled veterans are priceless assets and in no way liabilities to our country. As true human assets, the disabled boys must be used to maximum advantage in all phases of our economic, social, and political life.

Upon the written request of any Senator, one aide shall be detailed by the Veterans' Administration to assist the Senator for specified or indefinite periods. The trained veteran assistant will receive and answer all inquiries and requests from servicemen of all United States wars, and from their families, pertaining to veterans' rights and privileges. The aide will serve as a liaison with the Veterans' Administration, other Federal and State agencies and with ex-servicemen's organizations in getting action on veterans' business loans, veterans' education, veterans' hospital care, disability pensions, civil-service preference, insurance, vocational rehabilitation and so on.

As time goes on, the veteran aide will be of increasing help to every Senator in enabling the latter to discharge his duties. As more and more servicemen are returned to civilian life, as the laws passed by a grateful Congress in their behalf grow in number and in provisions, as dynamic and constructive changes are made in existent veterans' legislation, as the veteran aide gets more and more practical experience, he will grow in stature and in utility. He will become an invaluable and indispensable link between the millions of ex-service men and women and their loved ones, and their United States Senators.

Ultimately, I expect that every Senator will have a full-time veteran aide detailed to his office. But even before the work load of veterans' cases requires such full-time work, the Veterans' Administration can start the machinery of building up the pool of competent men. It can begin to supplement its existent training facilities and courses insofar as necessary. The Veterans' Administration can begin almost immediately to make part-time loans of these men to Senators whose work load of veterans' correspondence and actions is already heavy.

We must not be "too little and too late" in this matter. We must not wait until the amount of Senatorial calls, visits, and correspondence on veterans' behalf assumes tidal wave proportions and becomes impossible for us to handle adequately. We must act now to insure that our veterans do not get a run-around, that their requests do not get stalled, do not get bogged in red tape. We must act so that they will receive prompt and adequate redress to any legitime grievances they may have. We must act to fulfill their needs as individuals and as

a group as efficiently as they, on the field of battle, fulfilled our great need for the preservation of the Nation.

Already as of April 30, 1945, the Veterans' Administration has 466,000 active pension and compensation cases of living World War II veterans, as compared to 422,000 present cases of living World War I veterans. The Veterans' Administration has 67,000 cases on file for vocational rehabilitation of disabled veterans. It has 66,000 cases on file for education and training under the GI bill of rights. The Veterans' Administration has received and approved to date over 17,000,000 applications for National Service Life Insurance policies. It has already allowed claims on 185,000 such policies. It has authorized hospital treatment or domiciliary care for 80,000 beneficiaries of all United States wars.

These and other statistics reflect the vast and increasing responsibilities of the Veterans' Administration. These statistics, too, give us a picture of the heavy workload that will be placed in countless ways upon Members of the Senate in serving veteran constituents.

At the close of the Seventy-eighth Congress, we voted additional clerical allowances for our offices. It must be obvious to all, however, that the modest increase in our office staffs will not suffice to handle veterans' correspondence once it has reached its crest. Not only that, but neither we nor our present staffs possess the specialized knowledge about veterans' laws which will be so essential in properly serving our constituents.

We have never spared a penny in our appropriations to our servicemen while they were under arms. Now, we must make sure that all our past, present, and future appropriations for their behalf as civilians will actually accomplish the ends which we desire.

What a "shot in the arm" passage of this bill will prove to every American serviceman on the high seas or the far-flung continents! He will know that he is being represented in his United States Senator's office by a buddy who understands his problems, who talks his language, who feels his emotions, who has sweated and fought and suffered and toiled as he has, who is going to handle his inquiries and requests in a human and efficient manner.

My own State has furnished well more than a quarter million men and women to the armed forces. I want a Wisconsin serviceman in my office who will help me to be of maximum possible service to that vast number of his Badger buddies. And I want to see boys of all the other States working in Senators' offices for their former comrades-in-arms of every State in the Union.

The challenge is clear that we must be adequate to our high responsibility to our veterans. We must rise to that challenge and grow as that challenge grows.

The National Commander of the Disabled American Veterans, Mr. Milton D. Cohn, has already written to me of his enthusiasm for the principle of my bill. I welcome his expression, particularly because of the related program which his own organization has conceived with broad vision and is already well on its way to realizing. That worthy program is for the thorough training at school and on the job of a large group of disabled veterans so that they may become national service officers of the DAV and thereby assist their disabled fellows.

I know that in veterans' rehabilitation, as well as in other matters, such splendid organizations as the American Legion, the Veterans of Foreign Wars and the Disabled American Veterans are continuing and expanding their invaluable services to the community and the individual veteran and his family. These organizations thus continue as a vital force in supplementing official governmental and private work on the veterans' behalf.

I trust that my bill will serve to enhance their efforts.

It is, therefore, with humble pride and pleasure that I introduce this bill. And it is with the fervent hope that it will be acted upon promptly and that it may contribute in a small way to repaying the only national debt which we can never repay in full—the debt which America owes to her veterans.

I ask that the bill be referred to the appropriate committee and that it be printed in the RECORD.

There being no objection, the bill (S. 1070) to provide assistance in the rehabilitation of World War I and II veterans, to insure prompt and efficient disposition of correspondence and other inquiries received by Senators which relate to veterans' benefits, and for other purposes, introduced by Mr. WILEY, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs upon receipt of a written request therefor from a Senator, is authorized and directed to detail to the office of such Senator an employee of the Veterans' Administration who is a World War I or II veteran in the classified civil service and who has the qualifications, training, and experience necessary to insure prompt and satisfactory replies to and to take other appropriate action on correspondence and other inquiries received by the Senator on matters pertaining to monetary or other benefits or services under laws administered by the Veterans' Administration: *Provided*, That not more than one such employee shall be detailed during the same period to the office of any one Senator: *Provided further*, That the Administrator of Veterans' Affairs shall determine the type of classified position established in the Veterans' Administration from which such details shall be made and shall establish such courses of training or instruction as may be necessary to meet the demands for such personnel under this act.

SEC. 2. The appropriations, salaries, and expenses, of the Veterans' Administration are hereby made available for expenditure under this act, and there are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

ADJUSTED-SERVICE COMPENSATION FOR WORLD WAR II VETERANS

Mr. LANGER. Mr. President, I introduce for appropriate reference a bill entitled "A bill to provide adjusted-service compensation for veterans of World War II," and I ask unanimous consent that the bill and a letter addressed to the veterans be printed in the RECORD and that the letter be printed immediately preceding the bill.

There being no objection, the bill (S. 1073) to provide adjusted-service compensation for veterans of World War II was read twice by its title, referred to the Committee on Finance, and the bill and letter addressed to the veterans were ordered to be printed in the RECORD, as follows:

MAY 31, 1945.

DEAR VETERAN: I want to see you aided in every possible way in order that you may return to a normal civilian life again now that you have finished your war service.

You should be given free vocational training, assisted in buying your own home, your own land, or your own business. This Nation should give you every assistance to enable you to make your own living.

The No. 1 problem for you will be a job. Then this Nation should help you to meet other problems—family, housing, or medical care.

With this in mind, I am introducing S. — providing for the adjusted-service compensation for veterans of World War II. This is a compensation proposal, not a bonus payment, for the men and women who have offered their services to their country in time of war.

We are all convinced that many provisions of the GI bill of rights cannot be effectively carried out. A grateful government should do its utmost to give you veterans a new start in life upon your discharge from the armed forces.

Unemployment will undoubtedly become severe after the war. Veterans who have been the last to be hired in private employment will be among the first to be discharged when the recession sets in and the pay rolls begin to shrink. With production cut-backs and lay-offs mounting at a tremendous pace as the war comes to a close, you veterans must be protected in the postwar era.

Widespread war-contract cancelations and unemployment reductions are daily occurring. We must provide adequate means of a livelihood and financial provisions that will enable you to readjust yourself to a productive life upon your return to civilian status again. We are all vitally concerned about this very important postwar predicament. We must set up safeguards to ease your future—you, our returning heroes.

To head off such a calamity facing you, I am proposing this adjusted-service compensation for honorably discharged men and women of World War II. This legislation is based on the length and place of service while in the armed forces. I want to give you a quick picture of your benefits under this bill.

It calls for a $5.50 pay for each day of overseas service and $2.75 per day for home duty, payable in Government bonds. The adjusted-service credit in no event will be more than $10,000.

One of the most important provisions of this piece of legislation provides for a speedy turn-over of bonds for the purchase of farms or surplus property at the disposal of the United States Government.

The issuance and redemption of the bonds will be under the direction of the Secretary of the Treasury, the details to be worked out after the passage of the bill.

Full payment on the bond becomes due after a period of 10 years. During this time the bond draws an interest of 3 percent.

In section 7 the bond is protected from unwarranted legal manipulations and free from additional income tax. However, the bond will be subject to taxation only on interest, the same as in War Savings bonds, etc.

I think this bill should be passed. I would like to see a copy of this proposal in the hands of every veteran for his consideration and approval. I need your support in the

hope of getting this bill approved. I want you veterans to discuss this measure thoroughly and write me regarding your wishes. With your help, this bill will become the law of the land. Write for as many copies as you can use. The bill reads as follows:

Be it enacted, etc., That this act may be cited as the "Adjusted Compensation Act of 1945."

DEFINITIONS

SEC. 2. As used in this act—

(a) The term "active military service" means active service in the Army of the United States, the United States Navy, the Marine Corps, or the Coast Guard, including their respective reserve components, or the Women's Army Auxiliary Corps, and service of an officer of the Public Health Service while detailed by proper authority for duty either with the Army or the Navy.

(b) The term "oversea service" means service while on sea duty as such duty may be defined by the head of the department concerned, or duty in any place beyond the continental limits of the United States or in Alaska.

(c) The term "home service" means any service not oversea service.

(d) The term "Department concerned" means the War Department or the Navy Department, whichever may be the appropriate one in the particular case.

(e) The term "veteran" means any person who performs or has performed any active military service during the period beginning on December 7, 1941, and ending on the date of the cessation of hostilities in the present war as proclaimed by the President.

ADJUSTED-SERVICE CREDIT

SEC. 3. (a) An adjusted-service credit shall be computed by the Secretary of the Department concerned for each veteran. The amount of the adjusted-service credit of any such veteran shall be computed by allowing the following sums for each day of active military service performed by such veteran during the period beginning on August 27, 1940, and ending 6 months after the date of the cessation of hostilities in the present war as proclaimed by the President: $5.50 for each day of oversea service, and $2.75 for each day of home service; but not more than $10,000 credit shall be allowed in the case of any veteran.

(b) In computing the adjusted-service credit no allowance shall be made—

(1) for service as a commissioned officer above the grade of captain in the Army or above the corresponding grade in any of the other services;

(2) for service under a permanent commission or permanent warrant in any of the services, or (while holding such a commission or warrant) service under a temporary commission in a higher grade;

(3) for service as a civilian officer or employee of any branch of the military or naval forces, contract surgeon, cadet, or midshipman of the United States Military Academy, Naval Academy, or Coast Guard Academy, or member of the Reserve Officers' Training Corps, for service while attending or stationed at an educational institution and undergoing a course of instruction prescribed to last longer than 6 months, or for service as a member of the Philippine Army, the Philippine Scouts, the insular forces of the Navy, the Samoan native guard or band of the Navy, or the Samoan reserve force of the Marine Corps;

(4) in the case of persons entering upon active military service after the end of the period of hostilities in the present war, for service performed after so entering upon active military service;

(5) for service as a commissioned or warrant officer performing home service not with troops and receiving commutation of quarters or of subsistence, except that an allowance for such service may be included in the case of any person if and to the extent that the Secretary of War and the Secretary of the Navy jointly find that such service subjected such person to exceptional hazard; and

(6) in the case of any individual whose period of active military service is terminated under other than honorable conditions after the beginning of the period of hostilities in the present war.

ISSUANCE OF BONDS

SEC. 4. (a) The amount of the adjusted-service credit of any person shall be paid by the Secretary of the Department concerned in bonds of the United States in denominations of $50 having a total face value up to the highest multiple of $50 in the amount of the adjusted-service credit of the veteran, and the difference between the amount of such credit and the face amount of the bonds so issued shall be paid by the Secretary of the Department concerned out of such sums as may be appropriated for that purpose.

(b) The Secretary of the Department concerned shall permit any veteran, as soon as practicable after the date of enactment of this act and at any time thereafter prior to the payment of the adjusted-service credit of such veteran under subsection (a), to designate a beneficiary to whom such payment shall be made in event of the prior death of the veteran, or to whom any bond issued in making such payment shall be payable if such bond is issued to the veteran and he dies prior to its redemption Payment under subsection (a) shall be made to the veteran if he is living at the time such payment is made, or, if he be incompetent, to the representative of his estate. If the veteran is deceased at the time such payment is made, payment shall be made to the beneficiary, if any, designated under this subsection, and if there be no such beneficiary, payment shall be made to the estate of the veteran: *Provided*, That the Secretary of the Department concerned may make payment to the person or persons determined by such Secretary to be lawfully entitled thereto, without the necessity of appointment by judicial proceedings or otherwise of a legal representative of the estate of the veteran or of any other person, or of compliance with State law in respect of the administration of estates: *Provided further*, That the amount of any such payment which, under the law of the State or country pursuant to which the estate of the deceased veteran would be distributed would otherwise escheat to such State or country, shall escheat to the United States and shall be covered into the general fund of the Treasury.

(c) (1) In the case of any veteran who has been discharged or otherwise released from active military service, or who has died, prior to the date of enactment of this act, (A) payment under subsection (a) shall be made as soon as practicable after such date of enactment, (B) bonds issued in making such payment shall be issued as of the beginning of the month in which such date of enactment occurs, (C) payment under subsection (a) shall be made only upon application filed in accordance with regulations prescribed by the Secretary of the Department concerned, and (D) the Secretary of the Department concerned shall, as soon as practicable, mail to the last-known address of the veteran, or the representative of his estate, or such other person as may be determined by such Secretary to be appropriate, a notice of their right to apply for the benefits of this section.

(2) In the case of any veteran who is discharged or otherwise released from active military service, or who dies, upon or after the date of enactment of this act and prior to the expiration of 6 months after the termination of hostilities in the present war as proclaimed by the President, payment under subsection (a) shall be made upon or as soon as practicable after the date of discharge or release from active military service or death, and the bonds issued in making such payment shall be issued as of the beginning of the month in which such discharge, release, or death occurs or such furlough begins.

(3) In the case of any veteran who is in the active military service upon the expiration of 6 months after the cessation of hostilities in the present war as proclaimed by the President payment under subsection (a) shall be made upon or as soon as practicable after the expiration of such 6 months, and bonds issued in making such payment shall be issued as of the beginning of the month in which such 6 months expires.

(d) The bonds issued under this section—

(1) shall be issued under the authority and subject to the provisions of the Second Liberty Bond Act, as amended;

(2) shall not be transferable or assignable except as provided in section 5;

(3) shall mature 10 years after the date of issuance and shall be redeemable by the Secretary of the Treasury at any time after the date of such maturity; and

(4) shall bear interest at the rate of 3 percent per annum.

The Secretary of the Treasury shall prescribe such regulations as may be necessary or appropriate to provide for the issuance and redemption of bonds under this section in order to carry out the purposes of this act; but insofar as such regulations relate to functions to be performed by any other department or agency of the Government, they shall be subject to the approval of the head of such other department or agency.

PURCHASE OF FARMS AND SURPLUS PROPERTY

SEC. 5. (a) Any veteran to whom any bond has been issued under section 4 and who desires to use the proceeds of such bond prior to its maturity in order to purchase land to be used by him in farming operations conducted by him, or in order to purchase any property disposed of by the United States under the provisions of the Surplus Property Act of 1944, may assign such bond in connection with such purchase.

(b) Any bond assigned with the approval of the Secretary under this section shall be redeemable from the assignee at any time, upon presentation for redemption in accordance with rules and regulations prescribed by the Secretary of the Treasury. Such bond shall be redeemed by paying the face value and accrued interest thereon to the date of assignment, and no interest shall accrue after such date of assignment.

MISCELLANEOUS PROVISIONS

SEC. 6. (a) The benefits provided by this act shall be in addition to any other benefits provided by law with respect to persons who have performed active military service or their dependents.

(b) The Administrator of Veterans' Affairs shall, as soon as practicable, prepare and publish a pamphlet or pamphlets containing an explanation of the provisions of this act; and shall from time to time thereafter prepare and publish such additional or supplementary information as may be found necessary. The publications provided for in this section shall be distributed in such manner as the Administrator determines to be most effective to inform veterans and their beneficiaries and estates of their rights under this act.

SEC. 7. (a) No amount payable under this act to a veteran or his beneficiary or estate, no bond issued under this act, and no proceeds of any such bond shall be subject to attachment, levy, or seizure under any legal or equitable process, or be regarded as income for the purposes of National or State taxation, except that interest upon such bonds shall be subject to taxation as in the case of

War Savings bonds of series E issued under the Second Liberty Bond Act, as amended.

(b) No deduction on account of any indebtedness of a veteran or his beneficiary or estate to the United States shall be made from the adjusted-service credit of any veteran or from any amounts payable under this act to any veteran or his beneficiary or estate.

SEC. 8. (a) Any officer charged with any function under this act shall make such regulations, not inconsistent with this act, as may be necessary for the efficient administration of such function.

(b) Any officer charged with any function under this act may delegate and provide for the delegation of such function to any other officer or employee of the United States. No such delegation shall be made by an officer in any department or agency to an officer or employee in any other department or agency, except with the consent of the head of such other department or agency.

SEC. 9. There are hereby authorized to be appropriated such sums as may be necessary for carrying out the provisions of this act.

SEC. 10. (a) Any person who knowingly makes any false or fraudulent statement of a material fact in any application or other document made under the provisions of this act, or made in order to secure any of the benefits of this act, shall, upon conviction thereof, be fined not more than $1,000 or imprisoned not more than 2 years, or both.

(b) Any person who charges or collects, or attempts to charge or collect, either directly or indirectly, any fee or other compensation for assisting in any manner a veteran or his beneficiary in obtaining any of the benefits of this act shall, upon conviction thereof, be fined not more than $1,000 or imprisoned not more than 2 years, or both.

SPECIAL MEDAL OF HONOR TO ERNIE PYLE

Mr. WILLIS. Mr. President, recently, in conjunction with my colleague, the junior Senator from Indiana [Mr. CAPEHART] and the Senators from New Mexico [Mr. HATCH and Mr. CHAVEZ] and the Senator from Minnesota [Mr. SHIPSTEAD], I introduced a joint resolution proposing to award posthumously a Congressional Medal of Honor to the late Ernie Pyle. I have been advised by the Committee on Military Affairs that this medal is always restricted to men who have had military connections.

Therefore, today I introduce for myself, my colleague the junior Senator from Indiana [Mr. CAPEHART], the Senators from New Mexico [Mr. HATCH and Mr. CHAVEZ], and the Senator from Minnesota [Mr. SHIPSTEAD] a joint resolution authorizing the President of the United States to award posthumously in the name of Congress a special medal of honor to the late Ernie Pyle.

The joint resolution (S. J. Res. 72) authorizing the President of the United States to award posthumously in the name of Congress a special medal of honor to Ernie Pyle, introduced by Mr. WILLIS (for himself, Mr. CAPEHART, Mr. HATCH, Mr. CHAVEZ, and Mr. SHIPSTEAD), was read twice by its title, and referred to the Committee on Military Affairs.

HOUSE BILL REFERRED

The bill (H. R. 3306) making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

WALTER L. JACKSON AND THE CITY-COUNTY HOSPITAL—MOTION TO RECONSIDER

Mr. ELLENDER. Mr. President, at the last call of the calendar the Senate passed the bill (H. R. 1260) for the relief of Dr. Walter L. Jackson and City-County Hospital.

Since that time I have been informed that the claim of Walter L. Jackson and the City-County Hospital, as incorporated in this bill, has been paid and discharged by the War Department. I now move that the Senate reconsider the vote by which the bill was passed.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

Mr. ELLENDER. I ask that the bill be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE PEARL HARBOR INCIDENT—EXTENSION OF STATUTE OF LIMITATIONS

Mr. HATCH. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 306, Senate joint resolution 66.

The PRESIDENT pro tempore. The joint resolution will be read by title for the information of the Senate.

The CHIEF CLERK. A joint resolution (S. J. Res. 66) to extend the statute of limitations in certain cases.

Mr. HATCH. Mr. President, I may say that the extension of the statute of limitations applies to anybody who might have been guilty in connection with the Pearl Harbor disaster.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Resolved, etc., That effective as of December 7, 1943, all statutes, resolutions, laws, articles, and regulations, affecting the possible prosecution of any person or persons, military or civil, connected with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, or crime or offense against the United States, that operate to prevent the court martial, prosecution, trial, or punishment of any person or persons in military or civil capacity, involved in any matter in connection with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty or crime or offense against the United States, are hereby extended, in addition to the extensions provided for in Public Laws 208, 339, and 489, Seventy-eighth Congress, for a further period ending 6 months after the date of the termination of hostilities in the present war with Japan as proclaimed by the President or as specified in a concurrent resolution of the two Houses of Congress, whichever is the earlier.

LEAVES OF ABSENCE

The PRESIDENT pro tempore. Without objection, leave of absence for a week will be granted the senior Senator from North Carolina [Mr. BAILEY], for reasons stated in a letter addressed by him to the Chair.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the senior Senator from Illinois [Mr. LUCAS] be excused from service in the Senate today. He will be absent on public business.

The PRESIDENT pro tempore. Without objection, leave of absence is granted the senior Senator from Illinois.

Mr. LANGER. Mr. President, I ask unanimous consent that my colleague, the junior Senator from North Dakota [Mr. YOUNG], may be excused for the period of a week. He has been called to North Dakota on business.

The PRESIDENT pro tempore. Without objection, leave of absence for a week is granted the junior Senator from North Dakota.

RECONVERSION AND FULL EMPLOYMENT—ADDRESS BY SENATOR MURRAY

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an address delivered by Senator MURRAY before the Chicago Reconversion Conference, Illinois Manufacturers' Association and the National Association of Manufacturers, at Chicago on May 24, 1945, which appears in the Appendix.]

COMPULSORY MILITARY TRAINING—ADDRESS BY SENATOR TAFT

[Mr. TAFT asked and obtained leave to have printed in the RECORD an address entitled "Compulsory Military Training in Peacetime Will Destroy Government by the People," delivered by him at Gettysburg National Cemetery, May 30, 1945, which appears in the Appendix.]

WHERE DO WE GO FROM SAN FRANCISCO—REMARKS BY SENATOR ELLENDER

[Mr. HATCH asked and obtained leave to have printed in the RECORD remarks on the subject Where Do We Go From San Francisco?, delivered by Senator ELLENDER in the Free Speech Forum on May 29, which appears in the Appendix.]

JEFFERSON DAY DINNER ADDRESS BY SENATOR JOHNSTON OF SOUTH CAROLINA

[Mr. BRIGGS asked and obtained leave to have printed in the RECORD a Jefferson Day Dinner address delivered by Senator JOHNSTON, at Sioux Falls, S. Dak., on May 26, 1945, which appears in the Appendix.]

DECORATION DAY SERVICE AT GRAVE OF FRANKLIN D. ROOSEVELT—ADDRESS BY HON. FRANK C. WALKER

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD the address delivered by Hon. Frank C. Walker, former Postmaster General, at the memorial service at the grave of Franklin D. Roosevelt, under the auspices of the Roosevelt Home Club, Hyde Park, N. Y., on May 30, 1945, which appears in the Appendix.]

MEMORIAL CEREMONY AT MUIR WOODS IN MEMORY OF FRANKLIN D. ROOSEVELT

[Mr. MORSE asked and obtained leave to have printed in the RECORD a letter from Capt. Richard L. Neuberger and the proceedings incident to exercises held on May 19 in Muir Woods, Calif., in memory of the late President Franklin D. Roosevelt, which appear in the Appendix.]

MEMORIAL DAY ADDRESS BY ENSIGN HUDSON HYATT, UNITED STATES NAVAL RESERVE

[Mr. BURTON asked and obtained leave to have printed in the RECORD a Memorial Day address by Ensign Hudson Hyatt, USNR, which appears in the Appendix.]

HEALTH FEATURES OF SOCIAL SECURITY AMENDMENTS OF 1945

[Mr. WAGNER asked and obtained leave to have printed in the RECORD letters addressed to him by Dr. Ernest P. Boas, chairman of the Physicians Forum, a statement issued by Mr. William Green, president of the American Federation of Labor, and a statement issued by Mr. Philip Murray, president of the Congress of Industrial Organizations, endorsing S. 1050, entitled "The Social Security Amendments of 1945," which appear in the Appendix.]

BILLIONTH GALLON OF HIGH OCTANE GAS PRODUCED AT BATON ROUGE, LA., REFINERY

[Mr. OVERTON asked and obtained leave to have printed in the RECORD a news release relative to the billionth gallon of high-octane aviation gasoline produced by the Standard Oil of New Jersey refinery at Baton Rouge, La., which appears in the Appendix.]

THE FEPC BILL

[Mr. BILBO asked and obtained leave to have printed in the RECORD a statement by the mayor of a California city setting forth his objections to a resolution of the board of supervisors approving assembly bill No. 3, the California Fair Employment Practices Act, which appears in the Appendix.]

RESETTLEMENT OF WEST AFRICA BY NEGROES

[Mr. BILBO asked and obtained leave to have printed in the RECORD a letter from W. L. Jackson, of Baltimore, Md., regarding the resettlement of West Africa by American Negroes, which appears in the Appendix.]

THE MISSOURI VALLEY AUTHORITY—EDITORIAL FROM THE OMAHA EVENING WORLD-HERALD

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "A River and an Issue," published in the May 21, 1945, issue of the Omaha Evening World-Herald, which appears in the Appendix.]

OBSERVANCE OF INDEPENDENCE WEEK—PROCLAMATION BY GOVERNOR OF INDIANA

[Mr. WILLIS, on behalf of himself and the junior Senator from Indiana [Mr. CAPEHART], asked and obtained leave to have printed in the RECORD a proclamation by the Governor of Indiana urging the observance in the State of Indiana of Independence Week from June 30 to July 4, which appears in the Appendix.]

PAUL T. THOMPSON

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 905) for the relief of Paul T. Thompson, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. ELLENDER, Mr. JOHNSTON of South Carolina, and Mr. WILSON conferees on the part of the Senate.

CONTINUATION OF CERTAIN SUBSIDY PAYMENTS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes.

Mr. WAGNER. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. MURDOCK, Mr. MCFARLAND, Mr. TAYLOR, Mr. TAFT, and Mr. MILLIKIN conferees on the part of the Senate.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 113) granting the consent of Congress to an agreement amending the original agreement entered into by the States of New York and Vermont relating to the creation of the Lake Champlain Bridge Commission; and it was signed by the President pro tempore.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. HAYDEN. Mr. President, I move that the Senate proceed to the consideration of House bill 3024, the Interior Department appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. LA FOLLETTE. Mr. President, may I ask the majority leader what his pleasure is so far as the visiting guests are concerned.

Mr. BARKLEY. Mr. President, at 12:30 o'clock visiting guests from Iraq are to be present, and it is desired that Senators be given an opportunity to meet them. I thought we would take a brief recess, have the distinguished guests escorted into the Chamber, and afford Senators the pleasure of greeting and shaking hands with them. In order that as many as possible may be present, I now suggest the absence of a quorum.

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield for that purpose?

Mr. LA FOLLETTE. I yield for that purpose.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Bankhead	Gerry	Morse
Barkley	Green	O'Daniel
Bilbo	Guffey	O'Mahoney
Bridges	Hart	Overton
Briggs	Hatch	Pepper
Buck	Hayden	Shipstead
Burton	Hickenlooper	Smith
Bushfield	Hoey	Taft
Butler	Johnson, Calif.	Thomas, Okla.
Capper	Johnson, Colo.	Wagner
Chandler	Johnston, S. C.	Walsh
Chavez	La Follette	White
Cordon	Langer	Wiley
Donnell	McKellar	Willis
Ellender	McMahon	Wilson
Fulbright	Magnuson	
George	Moore	

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from California [Mr. DOWNEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Nevada [Mr. MCCARRAN], the Senator from Utah [Mr. MURDOCK], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent visiting battlefields in Europe.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from Alabama [Mr. HILL] is absent because of illness in his family.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent in Europe on official business for the Special Committee Investigating the National Defense Program.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business in Europe for the Interstate Commerce Committee.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on Territories and Insular Affairs, is inspecting the Philippine Islands and therefore is necessarily absent.

Mr. WHITE. The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. WHERRY], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON] are absent on official business of the Senate as members of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Wyoming [Mr. ROBERTSON] is absent by leave of the Senate on official business of the Committee on Public Lands and Surveys.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate on official business.

The PRESIDENT pro tempore. Forty-nine Senators having answered to their names, a quorum is present.

VISIT TO THE SENATE BY HIS ROYAL HIGHNESS ABDUL ILAH, REGENT AND HEIR APPARENT TO THE THRONE OF IRAQ

Mr. BARKLEY. Mr. President, His Royal Highness Abdul Ilah, Regent and Heir Apparent to the Throne of Iraq; the Honorable Ali Jawdat, Minister of Iraq to the United States of America; and His Excellency Nuri Pash As-Said, former Prime Minister of Iraq, are in the Vice President's room as guests of the Senate. I ask unanimous consent that the Senate stand in recess until a quarter to 1, in order that these distinguished guests may be escorted into the Chamber and Senators may meet them individually.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senate will stand in recess subject to the call of the Chair.

Thereupon (at 12 o'clock and 30 minutes p. m.) the Senate took a recess for 15 minutes.

During the recess,

His Royal Highness Prince Abdul Ilah, Regent of Iraq, escorted by Mr. BARKLEY, Mr. GEORGE, Mr. WHITE, and Mr. LA FOLLETTE, and accompanied by the Honorable Ali Jawdat, Minister of Iraq to the United States; His Excellency Nuri Pasha As-Said, former Prime Minister of Iraq; His Excellency Daud Pasha Al-Haidari, former Minister of Iraq to London; Lt. Col. Ubayd Abdallah, aide-de-camp to the Regent; Dr. H. C. Sinderson Pasha, physician to the Regent; Mr. Raymond D. Muir, representative of the Department of State; Brig. Gen. Robert C. Oliver, United States military aide; and Capt. Arthur H. McCollum, United States naval aide, preceded by the Secretary [Leslie L. Biffle] and the Sergeant at Arms [Wall Doxey] entered the Chamber.

His Royal Highness Abdul Ilah was escorted to a position on the floor of the Senate in front of the Vice President's desk, and was there greeted by Members of the Senate, who were introduced to him by Mr. BARKLEY.

Following the informal reception His Royal Highness Abdul Ilah and the distinguished visitors accompanying him were escorted from the Chamber.

On the expiration of the recess (at 12 o'clock and 45 minutes p. m.) the Senate reassembled, when it was called to order by the President pro tempore.

RESPONSIBILITIES OF THE UNITED STATES IN FRAMING A JUST PEACE AND A WORKABLE INTERNATIONAL ORGANIZATION

Mr. LA FOLLETTE. Mr. President, the world stands today at one of the great crossroads of history. The United States must determine the course it is to follow. As I see it there are two alternatives.

One is to wash our hands of the whole business and refuse to take on the responsibilities our participation in the war has thrust upon us. I do not believe we should do this.

Instead I believe that we should face the new responsibilities that our decisive role in the war has brought upon us. I believe we should strive to create a realistic international organization which will actually work, and to create a peace settlement which will endure. Past experience teaches us that to achieve this purpose both the peace settlement and the world organization must be rooted in principles of justice.

I am profoundly convinced that the United States should throw her moral strength into the international balance to tip the scales on the side of justice and liberty, just as America threw her military strength into the balance that tipped the scales against nazism, fascism, and militarism.

But this does not mean that we must give undiscriminating support to every proposal submitted to us by our allies or by some of our own spokesmen simply because it is advanced in the name of nebulous internationalism. It is easy to get individuals and nations to agree upon vague, general statements of idealistic purposes. The conflicts arise when the terms of a bargain begin to be specific. Verbal idealism does not cost anyone anything. Practical idealism comes high, for it demands mutual sacrifices and constant cooperation in the achievement of a common purpose. It is harder to achieve this practical idealism in peace than in war. If we are to be committed to deep-going international cooperation, we must be on the alert in behalf of true democracy and justice.

And we shall be less than alert if we do not keep the record of the past vividly before us in charting our course for the future. Any plans for international cooperation which ignore the lessons of the past are unrealistic.

WE MUST LOOK TO THE PAST TO PREVENT TRAGIC MISTAKES IN THE FUTURE

Recent history within the memory of living men should protect us from repeating past mistakes. Therefore, in discussing the international problems of the present I wish to set them against the back drop of the past. We must constantly remember that no permanent peace can be based on wrong, and that no world organization can be formed strong enough to maintain a bad peace.

The decisions as to the vital elements of the peace settlements will be infinitely more important for your children and mine than any decision at San Francisco regarding the mechanics of enforcing peace. In common with men and women everywhere who long for enduring peace after this global holocaust ends, I have followed the developments at San Francisco closely during these past weeks.

I do not discuss those developments for the moment, but shall come to them presently. I should like to say first that I feel a deepening apprehension that the purpose, program, and possibilities of the Conference have been oversold to the American people, and doubtless to other peoples of the world.

I recall an anecdote told of the late Justice Oliver Wendell Holmes. When asked to give the prime requirement for a Justice of the United States Supreme Court, he replied, "Always to remember that one is not God."

That was an admonition that we Americans should constantly keep in mind in thinking about the Dumbarton Oaks-Yalta proposals which have been under discussion at San Francisco. These proposals are not in themselves a peace plan. They are an incomplete and imperfect arrangement resulting from compromise designed to enforce the peace settlements which are now being made or will be made in the future.

The people of this country have been bombarded from all sides with the dangerous delusion that the San Francisco Conference is the beginning and the end of the peacemaking process. For weeks a sustained, misleading propaganda has been carried on to put over the fantastic idea that the future peace and security of the world depended solely on the outcome of this Conference.

I do not minimize the importance of the San Francisco Conference. But it is vital to make clear that the San Francisco Conference is dealing only with an effort to devise machinery to enforce the peace. The task of the final peace settlements and the task of attempting to build a more secure tomorrow for the world will remain to be done after the San Francisco Conference shall have adjourned. The past should teach us that the most beautifully worded and cleverly contrived instrument of enforcement that the United Nations can possibly devise will fail if the final peace settlements are not firmly grounded in principles of justice.

A JUST PEACE IS MORE IMPORTANT THAN THE MECHANICS OF ENFORCEMENT

Even more important than any decisions at San Francisco on the mechanics of enforcement are the decisions which are being made, and must be made later as to the actual peace settlements. Any enduring peace must ultimately depend upon the decisions as to what finally happens in Poland, Italy, Greece, Burma,

Malay, the Philippines, and in other areas liberated from the yoke of Axis tyranny. It also depends upon what is done with conquered Germany and Japan. It depends, too, upon how the urgent problems of imperialism, competitive armaments, world trade, natural resources, and slave labor are determined.

The United States has played a leading, decisive role in this war. For the second time in 27 years we have thrown the power of the United States into a world war. We have been the decisive factor once more in determining the outcome of a world war.

But from now on we must remember the past and not again make the mistake of putting too much faith in the machinery to enforce peace or in fine phrases about internationalism.

Americans should constantly remember that nebulous internationalism was used during the First World War as a cloak to cover the secret bargains of war-breeding imperialism which were finally disclosed at Versailles. Such secret bargains betray the freedom-loving peoples of all lands. If we are to engage in international cooperation for enduring peace, America should use all her power to uphold a standard which expresses the aspirations of the peoples of all creeds and colors for political freedom and economic opportunity—a standard which would proclaim to the entire world America's aspirations in that peacemaking and in continued international cooperation.

WE HAVE MUCH TO LEARN FROM THE PAST

We have much to learn from the tragic drama of Versailles in 1918–19, when the leaders of the victorious nations, then led by a Big Four, wrote the peace settlement which exploded scarcely 20 years later in the present global war.

I am convinced that no one who studies objectively the causes of the present holocaust can escape the judgment that this war is a malignant outgrowth from the seeds planted, however unwittingly, by the allied leaders who thought they were peacemakers. Unless we learn greater wisdom from this disastrous past experience, we shall repeat in our own time some of their most perilous mistakes.

No one who reads the record of that period and searches honestly through the memoirs of the principal participants, can avoid the melancholy conclusion that when the allied diplomats abandoned principle in favor of short-sighted expediency, relied upon force instead of justice, and betrayed the promises to conquered, neutral, and subject peoples, they sowed the seeds of the present war.

The first great error made by the United States was its failure to use America's enormous bargaining power in our relations with our allies in the First World War. In the present war we have repeated this tragic mistake. Our bargaining power should have been used before we entered the war in 1917 and continuously thereafter—not to secure selfish ends for the United States, but to advance democratic principles in all countries, and to formulate a just peace settlement in accord with the war aims publicly declared in the Fourteen Points.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BRIDGES. I do not know whether the Senator cares to be interrupted.

Mr. LA FOLLETTE. I am glad to yield to the Senator from New Hampshire.

Mr. BRIDGES. I think that the point just made by the Senator from Wisconsin in a very able manner is most important and one which has been lost sight of by the administration in the conduct of our international affairs in the last few years. I think the Senator is to be commended for bringing it out in so emphatic a way.

Mr. LA FOLLETTE. I appreciate the able Senator's comment and I wish to say in justification of this review of the past that this is not the only example of the deadly parallel which will develop as I proceed with my remarks.

WE FAILED TO USE OUR BARGAINING POWER IN WORLD WAR I

During the First World War, at the time President Wilson announced these war aims in his famous Fourteen Points speech, they were publicly endorsed in principle by Allied leaders. That was the time to have insisted upon their making specific public commitments to join the United States in writing the peace with the Fourteen Points as its basis. But later, because in 1917 our bargaining power had not been used wisely and courageously, the victories won on the battlefields under the banner of our publicly declared war aims were secretly betrayed at the peace table in Versailles.

SECRECY IN 1917–18 WAS A GREAT ERROR

Another great error was made when it was agreed to hold the conferences in secret. At that moment President Wilson's power to write his Fourteen Points into the treaty was further weakened, if not destroyed. Many of the war-breeding decisions at the peace table could have been avoided if President Wilson had insisted on his publicly declared principle that open covenants should be openly arrived at. Had discussion been open, the American people and the democratic-minded peoples of Europe who had acclaimed President Wilson upon his arrival in Paris would have supported him.

Evidence of the disastrous results of these two great strategic errors in 1917 and 1918 are to be found in the published memoirs and in the biographies of nearly all the principal men who negotiated at Paris and Versailles. There, day by day, in secret conferences, the selfish imperialistic purposes of the men then in power in the governments of our allies steadily undermined both an enduring peace and an effective League of Nations. At the peace table they betrayed the democratic-minded, liberty-loving peoples of all countries, defeated the war aims declared by President Wilson, and wrote a treaty largely in accord with the provisions of the secret treaties which the Allied governments had made among themselves before the United States entered World War I. Those secret treaties contained the seeds of future wars. The time to have secured their public repudiation by the Allies was when victory was uncertain and our help was therefore most desperately needed. At that time I believe the Allies could have been publicly committed to specific terms of a democratic peace. Had this been done, the peoples of the Allied countries and the people of our own country who thought they were fighting a war for democracy and enduring peace would have held their governments to the kind of peace that had been publicly pledged.

CONTEMPORARY RECORDS SHOW HOW OUR WAR AIMS WERE UNDERMINED IN WORLD WAR I

Evidence as to how America's war aims—once acclaimed by Allied leaders—were secretly undermined can be found in contemporary records published long after the treaty was written. By putting together the pieces of the published contemporary letters, memoranda, and diary notes we can find valuable testimony which should be studied now and used to help us avoid repeating the tragic pattern of the past in the peace conferences which will probably follow the present war. This testimony is recorded in the memoirs and biographies of the men who participated in or watched silently the proceedings of the peace conferences. Outstanding among these records are:

Colonel Stephen Bonsal's Unfinished Business, which recently won the Pulitzer prize; The Intimate Papers of Colonel House; the Peace Negotiations, by Robert Lansing, then Secretary of State and a member of the American Peace Commission; the contemporary letters and memoranda found in the biographies of two able men appointed to the American Peace Commission by President Wilson, one, the biography of General Tasker H. Bliss by Frederick Palmer; the other the biography of Henry White by Professor Allan Nevins; illuminating material is also found in the memoirs of Lloyd George, and the writings of Ray Stannard Baker, who was closely associated with President Wilson during the peace conferences.

It has been the fashion in certain circles to blame practically every international disaster that has occurred from 1920 to 1939 upon the refusal of the United States Senate to ratify the Treaty of Versailles in precisely the form submitted by President Wilson. Nothing could be further from the truth. The Versailles treaty failed because it was an unrealistic treaty, founded upon injustice and dismemberment, and above all because it did not solve the basic social and economic causes which history shows are the root of most wars. No international organization, with or without the aid of the United States, would have been strong enough to have enforced the utterly inadequate, unwise, and unworkable Treaty of Versailles, framed in secrecy, based upon intrigues of secret diplomacy.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. FULBRIGHT. I am very much interested in the statement the Senator has just made. Would he care to be a little more explicit as to the respects in which the Treaty of Versailles was so bad and so unjust?

Mr. LA FOLLETTE. Mr. President, I should be glad to go into it. I can say to the Senator that I think that the main provisions of the treaty which were so unworkable and so bad were those which carried out, either completely or in part, the secret treaties, which had been entered into by the nations which became our allies and associates before the United States became involved in the war. I do not desire, unless the Senator insists, because I have a rather long speech, to go into the details of the provisions of the Treaty of Versailles which I hold were unwise, unworkable, and unenforceable, but I shall be glad, if the Senator desires me to do so, to give him a statement concerning that subject when I speak at some other time.

Mr. FULBRIGHT. I realize there were many complex provisions. To take just one, I wonder if the Senator would care to say that in its treatment of Germany he feels that the treaty was so unjust and harsh upon Germany as to be a factor. It was not a part of a secret treaty, but it was a major part of what followed.

Mr. LA FOLLETTE. As I see it, there were two policies which could have been adopted at Versailles. One was a Carthaginian type of peace, the other was a peace which would have been predicated upon the theory at that time that there were democratic forces in Germany which could have taken leadership, and that a peace should have been written which it was possible for such a democratic government to have fulfilled. But as I see it, the Versailles Treaty did neither. It stopped half way between, and contained all the evils of both alternatives, and practically none of the benefits. Does that answer the Senator's question?

Mr. FULBRIGHT. Except that the Senator would not say that it was either too harsh or too easy?

Mr. LA FOLLETTE. I say that it went far enough in the direction of a Carthaginian peace to make it impossible for the democratic government in Germany to survive. Yet it did not go far enough, if the terms of the treaty itself were to be presumed to have accomplished the complete obliteration of Germany as a possible or potential military power.

On the other hand, if the Senator will bear with me, in this review of history which I am making, solely for the purpose of searching it for helpful guides and objectives in the present crisis, I shall in a few minutes direct the attention of the Senator, if he is still present, to what I think were the mistakes made by the two principal and dominant allied countries in relation to the developments under the treaty itself.

Mr. FULBRIGHT. One more observation. The Senator started out by saying that we have oversold the San Francisco Conference. Is it not true that the Senator was expecting a little too much of the Versailles Treaty? In view of what has happened, the defects in our conduct, and not only ours, but of the various other nations, in succeeding years after the Versailles Conference we cannot expect any peace treaty to solve all existing political and economic problems.

Mr. LA FOLLETTE. It is my thesis that we must study the past to obtain guidance and help in meeting the critical, complex problems which confront us today, and which will continue to confront us in the future. I think the people who have paid the price in blood and treasure have a right to expect and to demand, that we shall learn something from the tragic lessons of the past and that we shall not repeat the same fatal mistakes. The people have earned the right to demand that we shall make the effort to eliminate the basic social and economic causes which contribute to war. Otherwise, these heroic sacrifices will have been in vain, if we are to repeat the same mistakes again, and create another situation in which the people will be called upon once more to sacrifice their blood and treasure in another and more terrible war.

Mr. FULBRIGHT. I agree with that. My thought is that it is not all dependent upon some treaty, it is dependent on a continuing policy or course of conduct which goes on all the time, and not just one treaty.

Mr. LA FOLLETTE. I have emphasized over and over again, in my earlier remarks, that it is a problem of continuous cooperation, and I shall emphasize before I conclude that when the San Francisco Conference is finished, and if the instrument is ratified by the various governments, it would be a grevious error to conclude that we have solved the problem of preserving peace as I know many people believed it was solved in the 1920's when the Versailles Treaty was adopted, and the League of Nations was set up in the marble palace at Geneva.

Mr. FULBRIGHT. That is one reason why we should not attach too much importance to the assumed deficiencies of the Versailles Treaty to which the Senator referred. It was just an incident in this long process.

Mr. LA FOLLETTE. I think it was more than an incident, and a study of history and the contemporary comments of those who were in the conferences at Paris and Versailles,, I think will show, as I come to quote them, that they saw that the treaty itself was unworkable, and that the League, therefore, could not succeed in its announced objectives. They saw it on the spot, before the ink was dry on the Versailles Treaty.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. WILLIS. I think the Senator is rendering a very great service in making this contribution to the present studies. I should like to ask if history does not record, or if the Senator's studies do not reveal, the oft-quoted statement that Germany signed the armistice on the understanding that the treaty of peace would be based on the Fourteen Points announced by Mr. Wilson.

Mr. LA FOLLETTE. There is a conflict of opinion among historians on that score. Certainly the Germans claimed subsequently that they had relied upon the statement of the Fourteen Points when they asked for the armistice. The best book which I have read on that subject is one entitled "The Armistice, 1918," by Harry Rudolph Rudin, and published by the Yale University Press in 1944.

Mr. WILLIS. If it be true that Germany signed the armistice under the representation that the treaty of peace would be based on the Fourteen Points, and the nations failed to observe those Fourteen Points, is not that reason enough for the failure of the treaty and of the League?

Mr. LA FOLLETTE. That may have been a factor in the situation, it may have contributed somewhat to the attitude which finally developed and the political environment which developed in some of the Allied countries, but certainly it was the propaganda device which Hitler subsequently used in his rise to power. But I do not wish to pass definite historical judgment upon the question as to the extent of the Germans' reliance upon the Fourteen Points, because the issue is in controversy. I think it was a factor, but how great a factor, or what part it played, I am not prepared to say.

Mr. WILLIS. But this conclusion we can draw, can we not, that unless we adhere strictly to the representations we make, we cannot expect any permanent peace?

Mr. LA FOLLETTE. I think there is much in what the Senator says. I think the only way we can build up lasting international relationships is on the basis of faith between nations, just as we build up relationships in the social intercourse between individuals.

Mr. WILLIS. I thank the Senator.

Mr. LA FOLLETTE. At Paris in 1919 there were experts from the United States and other countries, including some members of the American Peace Commission appointed by President Wilson, who knew it to be true that the treaty was unworkable, and privately recorded their opinions to this effect before the ink was scarcely dry on the Treaty of Versailles.

But these men were powerless to prevent the disastrous concessions they thought the President was making in the peace treaty in order to win support for the League of Nations, which he mistakenly believed could right these wrongs.

MEMBERS OF UNITED STATES PEACE MISSION SAW VERSAILLES TREATY WAS UNWORKABLE

The day after the Treaty of Versailles was delivered to the German plenipotentiaries, Secretary of State Robert Lansing discussed the treaty with William C. Bullitt, who was then an assistant in our Department of State and an attaché to the American Peace Commission. In a contemporary memorandum Mr. Lansing recorded the views he expressed to Mr. Bullitt regarding the treaty and the

League of Nations. The following quotation is an excerpt from this memorandum, which can be found in full on page 272 of Robert Lansing's book entitled "The Peace Negotiations":

The terms of peace appear immeasurably harsh and humiliating, while many of them seem to me impossible of performance.

The League of Nations created by the treaty is relied upon to preserve the artificial structure which has been erected by compromise of the conflicting interests of the Great Powers and to prevent the germination of the seeds of war which are sown in so many articles and which under normal conditions would soon bear fruit. The League might as well attempt to prevent the growth of plant life in a tropical jungle. Wars will come sooner or later.

It must be admitted, in honesty, that the League is an instrument of the mighty to check the normal growth of national power and national aspirations among those who have been rendered impotent by defeat. Examine the treaty, and you will find peoples delivered against their wills into the hands of those whom they hate, while their economic resources are torn from them and given to others. Resentment and bitterness, if not desperation, are bound to be the consequences of such provisions. It may be years before these oppressed people are able to throw off the yoke, but as sure as day follows night the time will come when they will make the effort.

This war was fought by the United States to destroy forever the conditions which produced it. Those conditions have not been destroyed. They have been supplanted by other conditions equally productive of hatred, jealousy, and suspicion. In place of the Triple Alliance and the Entente has arisen the quintuple alliance which is to rule the world. The victors in this war intend to impose their combined will upon the vanquished and to subordinate all interests to their own.

It is true that to please the aroused public opinion of mankind and to respond to the idealism of the moralist they have surrounded the new alliance with a halo and called it the League of Nations, but whatever it may be called or however it may be disguised it is an alliance of the five great military powers.

It is useless to close our eyes to the fact that the power to compel obedience by the exercise of the united strength of "the five" is the fundamental principle of the League. Justice is secondary. Might is primary.

The League as now constituted will be the prey of greed and intrigue; and the law of unanimity in the Council, which may offer a restraint, will be broken or render the organization powerless. It is called upon to stamp as just what is unjust.

We have a treaty of peace, but it will not bring permanent peace because it is founded on the shifting sands of self-interest.

Mr. Lansing visited London a few days later and discussed the treaty with several of the leading British statesmen. After talking with them he noted their opinions thus:

The consensus was that the treaty was unwise and unworkable, that it was conceived in intrigue and fashioned in cupidity, and that it would produce rather than prevent wars.

One of these leaders of political thought in Great Britain told Mr. Lansing that—

The only apparent purpose of the League of Nations seems to be to perpetuate the series of unjust provisions which were being imposed.

MR. BULLITT RESIGNS

Soon after his talk with Secretary Lansing, Mr. Bullitt tendered his resignation from the Department of State and as an attaché to the American Peace Commission. The reasons for this resignation were stated in two letters, both dated May 17, 1919. One was a letter to Colonel House. The other was a letter to President Wilson which Bullitt asked Colonel House to bring to the attention of the President.

MY DEAR COLONEL HOUSE: Since you kindly lent me the text of the proposed treaty of peace, I have tried to convince myself that some good might come of it and that I ought to remain in the service of the Department of State to labor for its establishment. It is with sincere regret that I have come to the conviction that no good ever will issue from a thing so evil and that those who care about a permanent peace should oppose the signature and ratification of it, and of the special understanding with France.

I have, therefore, submitted my resignation to the Secretary of State and have written the appended note to the President. I hope you will bring it to his attention; not because he will care what I may think, but because I have expressed the thoughts which are in the minds of many young and old men in the Commission—thoughts which the President will have to reckon with when the world begins to reap the crop of wars the seeds of which have here been sown.

I feel sure that you will agree that I am right in acting on my conviction and I hope that this action will in no way affect the relationship between us which has always been so delightful and stimulating to me.

With my sincerest personal regards, I am,

Very respectfully yours,

WILLIAM C. BULLITT.

To the Honorable EDWARD M. HOUSE,
Hotel Crillon, Paris,

MY DEAR MR. PRESIDENT: I have submitted today to the Secretary of State my resignation as an assistant in the Department of State, attaché to the American commission to negotiate peace. I was one of the millions who trusted confidently and implicitly in your leadership and believed that you would take nothing less than a permanent peace based upon unselfish and unbiased justice. But our Government has consented now to deliver the suffering peoples of the world to new oppressions, subjections, and dismemberments—a new century of war. And I can convince myself no longer that effective labor for a new world order is possible as a servant of this Goverment.

Russia, "the acid test of good will," for me as for you, has not even been understood. Unjust decisions of the conference in regard to Shantung, the Tyrol, Thrace, Hungary, East Prussia, Danzig, the Saar Valley, and the abandonment of the principle of the freedom of the seas make new international conflicts certain. It is my conviction that the present League of Nations will be powerless to prevent these wars, and that the United States will be involved in them by the obligations undertaken in the Covenant of the League and in the special understanding with France. Therefore the duty of the Government of the United States to its own people and to mankind is to refuse to sign or ratify this unjust treaty, to refuse to guarantee its settlements by entering the League of Nations, to refuse to entangle the United States further by the understanding with France.

That you personally opposed most of the unjust settlements, and that you accepted them only under great pressure, is well known. Nevertheless, it is my conviction that if you had made your fight in the open, instead of behind closed doors, you would have carried with you the public opinion of the world, which was yours; you would have been able to resist the pressure and might have established the new international order based upon broad and universal principles of right and justice of which you used to speak. I am sorry that you did not fight our fight to the finish and that you had so little faith in the millions of men, like myself, in every nation who had faith in you.

Very sincerely yours,

WILLIAM C. BULLITT.

To the Honorable WOODROW WILSON,
President of the United States.

I recall vividly the sensation which these letters caused. They were among the first public indications that the secret sessions at Versailles had resulted in a betrayal of the Fourteen Points, and a treaty framed largely on the iniquitous secret treaties of our allies had been drawn.

On June 6, 1919, a month after the treaty was handed to the German plenipotentiaries, Gen. Tasker H. Bliss wrote to his wife:

The treaty as it stands is unworkable. * * * The Americans pointed out its defects, but the Allies would not listen to them.

SUMNER WELLES RENEWS THE EVIDENCE ON VERSAILLES TREATY

Sumner Welles, former Under Secretary of State and long in the diplomatic service of this country, vividly describes in his recent book, A Time for Decision, how it gradually "became apparent that those gathered at Paris who had the power to shape the future world were departing more and more from the clear-cut principles of the Fourteen Points." Welles writes:

The arbiters of human destiny seemed less and less like prophets and more and more like harassed, tired, and irritable old men. The flood of emotional optimism quickly vanished in a wave of cold and cynical pessimism.

One of the chief reasons for the compromises which President Wilson felt himself obliged to accept at Paris was the fact that the United States had made no effort to reach a prior understanding with its allies concerning political and territorial problems. Nor, until the final months before the armistice, had this Government tried to come to an agreement with the Allies regarding the Covenant of the League of Nations. Wilson claimed that he was uninformed of the nature of the secret treaties, distributing vast territories and their inhabitants in a manner wholly inconsistent with the Fourteen Points.

FAILURE TO USE OUR BARGAINING POWER BRINGS SURRENDER OF PRINCIPLES OF FOURTEEN POINTS

Because the United States had failed to exact a commitment to specific, democratic peace terms from the European Allies when our bargaining power was prodigious, President Wilson was driven into surrendering principle after principle during the actual process of formulating the peace treaty at Versailles. The President mistakenly believed that a league of nations could subsequently right the injustices of the Versailles Treaty. But at least three of the President's appointees to the American Peace Commission were aware that this hope was built on quicksand. Five of the principal American experts were so alarmed at what was happening that they wrote letters protesting against the peace terms

and stating that they considered them an abandonment of the principles for which the Americans had fought.

Many tragic consequences followed President Wilson's absorption in securing a world organization at the expense of a just peace. One of these disastrous consequences which is full of meaning for us today was the cession of the Chinese province of Shantung to Japan. During and immediately after the First World War, Japan was classified among the righteous, peace-loving nations who were our associates in that war. The President desperately wanted all those nations, including Japan, in the League of Nations.

But Japan demanded a high, imperialistic price for her cooperation. On August 15, 1914, the Japanese Government had presented an ultimatum to the German Government demanding the entire territory known as Shantung, which the Germans had acquired from helpless China on a 99-year lease. The Japanese issued an ultimatum asserting that it wanted this territory with a view to the eventual restoration of the same to China. Japan then seized the territory, and in company with a small British contingent, took possession.

China rightly demanded the return of her territory at the peace table. Her right was undisputed in law and justice, but President Wilson apparently felt it was more important to get Japan into the League than it was to do justice to the Chinese. In spite of all the vigorous protests of China and of many of our own representatives at the peace conference, the then supposedly peace-loving Japan was appeased by the gift of Shantung.

GENERAL BLISS PROTESTS SURRENDER OF SHANTUNG TO JAPAN

Gen. Tasker H. Bliss, one of the five members appointed to the American Peace Commission by President Wilson, wrote a long memorandum to the President in which he reviewed the history of Japan's action in seizing the Shantung province and protested vigorously against taking it from China. In the course of this long memorandum to the President he said:

> If it be right for a policeman, who recovers your purse, to keep the contents and claim that he has fulfilled his duty in returning the empty purse, then Japan's conduct may be tolerated. * * *
>
> If we support Japan's claim, we abandon the democracy of China to the domination of the Prussianized militarism of Japan.
>
> We shall be sowing dragons' teeth.

General Bliss thought it would be better to leave Japan out of the League than to buy her participation with the shameful concession of Shantung. A few days before the decision was reached he wrote his wife that he thought it was time to clear the air by drawing a line on one side of which the robbers should stand and on the other side honest men.

Another member of our Peace Commission, Secretary of State Robert Lansing, was in accord with General Bliss. In a memorandum made soon after Lansing became certain Shantung was to be given to Japan, he wrote:

> It is a surrender of the principle of self-determination, a transfer of millions of Chinese from one foreign master to another. This is another of those secret arrangements which have riddled the Fourteen Points and are wrecking a just peace.
>
> In my opinion it would be better to let Japan stay out of the League than to abandon China and surrender our prestige in the Far East for "a mess of pottage"—and a mess it is. I fear that it is too late to do anything to save the situation.

A third member of our Peace Commission, Henry White, who had long been in the diplomatic service, wrote to Mr. Lansing on November 8, 1919, saying that he feared the Shantung decision, besides being wrong in itself, would arouse serious opposition to the treaty in the United States.

Japan, a so-called peace-loving ally at that time, was appeased in order to bribe her into the League of Nations. All of us should ponder the meaning of that lesson today as we listen to the demand that we sacrifice the rights of helpless nations in order to entice a reluctant ally into joining the proposed international organization now under consideration at San Francisco.

The Versailles Treaty itself was shot through with injustice and war-breeding settlements. It was founded on revenge and not reconstruction, on imperialism and not democracy, on territorial aggrandizement and not self-determination, on trade grabbing and not equal opportunities for all nations.

JOHN MAYNARD KEYNES' JUDGMENT OF VERSAILLES TREATY

I want to read a brief judgment which was passed upon this war-breeding Treaty of Versailles by John Maynard Keynes, now Lord Keynes. Mr. Keynes was attached to the British Treasury in 1919 and served as the official Treasury representative at the Paris Peace Conference. This distinguished British economist said in his book, The Economic Consequences of the Peace, which had such a profound effect upon public opinion here and abroad:

> The treaty includes no provisions for the economic rehabilitation of Europe—nothing to make the defeated central empires into good neighbors, nothing to stabilize the new states of Europe, nothing to reclaim Russia; nor does it provide in any way a compact or economic solidarity among the Allies themselves. * * *
>
> The Council of Four paid no attention to these issues, being preoccupied with others, * * * It is an extraordinary fact that the fundamental economic problems of a Europe starving and disintegrating before their eyes, was the one question in which it was impossible to arouse the interest of the four. Reparation was their main excursion into the economic field, and they settled it as a problem of theology, of politics, of electoral chicane, from every point of view except that of the economic future of the states whose destiny they were handling.

Mr. Keynes says of those who gathered at Paris to make the Treaty of Versailles:

> The future life of Europe was not their concern; its means of livelihood was not their anxiety. Their preoccupations, good and bad alike, related to frontiers and nationalities, to the balance of power, to imperial aggrandizements, to the future enfeeblement of a strong and dangerous enemy, to revenge, and to the shifting by the victors of their unbearable financial burdens onto the shoulders of the defeated.

This was the kind of "peace" that the League of Nations was erected to enforce. The terms of the Versailles Treaty doomed the League from the beginning. This "so-called League to enforce a so-called peace" as the late President Roosevelt once contemptuously referred to it, sat perched in Geneva, shackled to an intolerable treaty in the midst of a continent seething with political unrest and economic upheaval. Some of its subsidiary organizations, dealing with problems of health, labor, and communications, did magnificent work, but the League as an organization to maintain an enduring peace was a failure from the beginning.

First. Because it was created to implement a peace settlement which contained within its own provisions the seeds of future war, and

Second. Because its dominating members were more concerned with imperialistic policies, balance of power, and selfish aggrandizement than in maintaining conditions of peace.

DOMINANT POWERS IN LEAGUE HAD NECESSARY MILITARY POWER TO CRUSH HITLER AND MUSSOLINI PRIOR TO 1936

A study of the history of the world between the World Wars must make it clear even to the most casual student that the powers dominating the League of Nations had it within their military capacity for the first 15 years of the life of the League to prevent conditions making for war. The power of France and Britain on the continent of Europe was absolute and unchallenged. When these diabolical movements in Germany and Italy were in their infancy, Britain and France needed no assistance so far as military measures were concerned to crush them. Up to the time that Adolf Hitler sent his brown-shirted gangsters to reoccupy the Rhineland in 1936, Britain and France alone, from a military standpoint, could have kept Germany disarmed and Mussolini impotent without levying a single additional dollar for armaments. But the record shows that for political reasons they tolerated and even helped to build up nazism in Germany and fascism in Italy.

The groups then in power in Britain and France actually aided in the growth and development of this brutalitarianism which was to plunge the world into the bloodiest war of all time. These same powers starved and humiliated the German Republic, which, had it been maintained and strengthened, might have been a stabilizing force in Europe. Thus they helped to provide Hitler with the ammunition he needed to wreck the Republic and substitute his own brutal regime.

It is a painful experience to review this grim record of the past. Personally it would be easier to ignore it. But to ignore the forces in Britain and France which helped to build up nazism and fascism in Germany and Italy would be a tragic mistake if we are to prevent now a betrayal of the aspirations of the people of our own country and the democratic minded peoples of all countries. The events of 1919 to 1929 have a powerful

lesson for us which should be studied and mastered by those who have the awful responsibility of charting the course for the world's tomorrow.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield with pleasure to the Senator from Oregon.

Mr. MORSE. When the Senator uses the word "ammunition" in the statement which he has just made, he uses it both figuratively and literally, does he not?

Mr. LA FOLLETTE. I do. I am glad the Senator brought out that point, because as I use the word it has both connotations.

Mr. MORSE. I think the Senator's statement is a distinct contribution. I believe that we need to keep in mind the problems ahead. The record shows rather conclusively that after the last World War England and France actually sold most of the war machines to both Germany and Italy, just as the United States sold most of Japan's war machines to Japan.

Mr. LA FOLLETTE. I thank the able Senator for his attention, and for his very illuminating comment.

WE HAVE NOT MASTERED LESSONS OF THE PAST

There is overwhelming evidence that up to the present we have not mastered these lessons of the past. Thus far we have been traveling a road which, almost step by step, parallels the tragic road we took after the First World War. Unless we change our direction soon, we shall find that our fantastic expenditure of men, money, and materials has bought us only a short and uneasy truce—not the enduring peace we pray for and seek.

The events of the past few years justify this conclusion. In the first place, we failed when we entered this war to exercise our enormous bargaining power. No less than in 1917–18 the Allied Powers have been desperately dependent upon the United States for men, money, munitions, food, and supplies. And yet, when our bargaining power was at its peak we did little toward publicly pledging them and ourselves to a democratic peace through open covenants openly arrived at. Apparently all we have achieved is the famous and now almost forgotten Atlantic Charter. For a time this aroused high hopes in this and in every other country where the democratic spirit prevailed. We were led to believe that it was a genuine covenant, even though it had been secretly arrived at. But later we were informed that this agreement, so widely publicized as a solemn, signed covenant, was only a news release scribbled on pieces of paper.

I should be as shocked as I know most Americans would be at any suggestion that we should have used or should now use our bargaining power to wrest concessions from our allies for the aggrandizement of our own Nation or the satisfaction of any selfish desires which may be in the minds of special interests in the United States. The commitments we should have secured and even now should strive to secure, for I do not believe our bargaining power is all gone, are those in behalf of freedom and democracy for small nations and subject peoples. Such commitments are important to the United States in the sense that they are important to all nations and all peoples genuinely determined to create conditions for an enduring peace by getting at the causes of war.

WE HAVE FAILED TO USE OUR BARGAINING POWER IN WORLD WAR II

I think it must be perfectly clear that in this World War, as in the last, the United States has thus far failed to use its bargaining power effectively. I repeat that it has been more prodigious, and more effective in this war than in the last. It must be obvious to every American who has watched the developments from Casablanca, Quebec, Teheran, Dumbarton Oaks, and Yalta, that virtually every compromise which has been made on behalf of the American Government has been made at the expense of the very principles to which we have committed ourselves before the world.

I do not propose on this occasion to take up in any detail the record of compromise and surrender which has marked our relations with our principal allies. However, I do want to touch on a few of the developments with the utmost brevity. I should like to say at the outset that I have no doubt some of my words will be misinterpreted and distorted by the smear bund. It has become virtually impossible to criticize the activities of at least one of our allies—Soviet Russia—however constructively, without bringing down about one's head a storm of smearing vilification and misrepresentation by a tightly organized minority in the United States. The very tactics which Adolf Hitler embraced as his own in Mein Kampf—the big lie, the big smear, and the wholesale impugning of motives and character—have been taken over by this Russia-can-do-no-wrong chorus in the United States. The result is that many Americans who have sound, constructive criticism to offer are being intimidated into remaining silent. I feel deeply that great and irreparable injury is being done to the cause of world peace and to American-Russian relations by this minority group which demands cringing acquiescence to everything the Kremlin does. I refuse, so far as I am personally concerned, to go along with this Hitler-like doctrine of total approval and unquestioning obedience. This is totalitarian doctrine. It is un-American. It violates the basic concept of democracy. This doctrine violates the spirit of the Bill of Rights and the Constitution. There was nothing in the oath of office I took under the Constitution of the United States which obligates me to say "Ja" to everything and anything my own Government does, and there is certainly no obligation to say "Ja" to everything and anything a foreign power may do. Such unquestioning acceptance of every tentative proposal made by a foreign power will ultimately wreck our cooperation with any country.

ENDURING RELATIONS WITH RUSSIA DEPEND ON FRANK DISCUSSION

I believe that any enduring cooperation with Soviet Russia, as with every other country, must be based upon genuine understanding and accord. Only by frankly facing and openly discussing all important difficulties and major differences of policies as they arise can a true meeting of minds be reached. When understandings have been openly arrived at they should be formulated in open covenants so that the peoples of the countries involved may know what commitments have been made.

The past, which I have been reviewing here today, should teach us that secret treaties breed evil and bring war among nations. I remember the time when Russia was reminding the world of this fact and was demanding the repudiation of secret treaties and secret diplomacy. The present program of the Russian Government is a sharp deviation from the peace program she was proposing in the early days of her revolution. During the First World War, soon after the overthrow of the Czar, the Russian Revolutionary Government proposed to the Allies terms for peace, which, had they been agreed upon and incorporated into the Treaty of Versailles in 1919, could have made a much better treaty and a more effective League of Nations to prevent war.

One of the first acts of the Russian Revolutionary Government of 1917 was to open the archives of the Czarist regime. In those archives they discovered the sordid, war-breeding treaties that had been secretly made among the European Allied Governments. The provisional Russian Revolutionary Government publicly repudiated those treaties and issued a proclamation for a peace without annexations and indemnities, based upon the foundation of the self-determination of nations. Those were terms to which the democratic-minded peoples of the world could and did subscribe. They were in accord with the principles that President Wilson had proclaimed as the United States war aims.

The Russians sought to have the question of a public declaration of war aims and potential peace terms brought up before the Inter-Allied Conference which was to meet in Paris on November 29, 1917. Col. Edward M. House, who had been appointed by the President as the leading American representative, arrived in London 3 weeks before the Paris Conference. At two intimate dinners he had confidential talks about war aims and peace terms with Lord Chief Justice Reading and the Prime Minister, Lloyd George. After those talks he recorded in his diary that he thought it would be useless to try to get either the British or the French to designate terms and noted that neither Great Britain nor France could meet the new Russian terms of "no indemnities and no aggression." A little later, on the same day that the British Cabinet had discussed among other things the question of Rumania and Russia—Does that strike a responsive chord at the moment?—Colonel House dropped in at No. 10 Downing Street. There he, Mr. Balfour, and the Prime Minister, Lloyd George, conferred for an hour and a half, again going into the question of war aims. Maps were brought out and Mr. Balfour started in on his ideas of territorial division. Mr. House decided

it was worse than useless to discuss territorial aims then, and that what was needed was an announcement of general war aims and the formation of an international association to prevent future wars. When the Inter-Allied Conference met in Paris, war aims and the Russian question were skillfully ignored.

The Bolsheviki had come into power under Lenin the day before Colonel House arrived in London. They went even further than the Russian provisional government had gone. On November 17, 1917, they actually published in Russia the texts of these secret Allied treaties which proved that the Allied Governments had been sending soldiers to the front to die, not for democracy but for territorial aggrandizement. News of the publication of these treaties spread rapidly to other countries, although many conservative newspapers tried to ignore them.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. I wish to make a statement rather than to ask a question, but I will take only a moment or two.

I have heard the eloquent and able argument of the distinguished Senator from Wisconsin [Mr. LA FOLLETTE], for whom I have a great admiration. I was very sorry to hear him make such a vicious—it seemed to me—attack upon our late President Wilson and upon the League of Nations which he had proposed. I do not wish to argue the matter now, but at a later date I shall undertake to state some of the facts as I knew them.

Mr. President, I was a Member of the Senate during the entire time the treaty of peace and the League of Nations were under consideration. As I have said, I was a Member of the Senate at the time, and took a very active part in behalf of the League of Nations. I was a very earnest supporter and ardent friend of the late Woodrow Wilson. It has been my good fortune to have known personally nine Presidents of the United States. The first one whom I knew was Mr. McKinley, and the next one was Theodore Roosevelt. I had a very intimate personal acquaintance and friendship with Hon. William H. Taft, who was President of the United States for 4 years. I knew Mr. Wilson, I knew Mr. Harding, I knew Mr. Coolidge, I knew Mr. Hoover, I knew Mr. Franklin Delano Roosevelt, and also our present President, Mr. Truman.

I wish to say for Mr. Wilson that he was the most earnest, most vigorous, most active, most determined, and most unselfish advocate of peace of whom I have ever known. He was one of the ablest and most learned of men. He was one of the most ardent and intense lovers of peace whom this or any other nation has ever produced. He took the first great step in an attempt to obtain a lasting peace in the world. He was the vigorous, active, and determined forerunner in an effort to secure the peace of the world and, in my judgment, if the Senate of the United States had ratified the League of Nations which President Wilson had proposed, we would never have had a Second World War.

I believe that statement so thoroughly and so intensely that I could not leave the Chamber without first asking my distinguished friend, the Senator from Wisconsin [Mr. LA FOLLETTE], to permit me to make the statement which I have now made, and to say to him that on a later occasion I shall reexamine the splendid speech and argument which he has delivered, and endeavor, if I may do so, to correct some of the inaccuracies made by him with reference to the League of Nations, and especially to the part which our then great President took in attempting to secure a lasting peace for the world.

Mr. LA FOLLETTE. Mr. President, I was delighted to yield to the able Senator from Tennessee, as I am always delighted to yield to any other Senator. However, if the Senator from Tennessee will examine my remarks he will not find the slightest justification for his statement that I have attacked President Wilson, or questioned his sincerity so far as his actions were concerned.

Mr. President, I was likewise here—though not as a Member of the Senate—and was on and off the floor during the entire time the League of Nations was under discussion in the Senate. I was in Washington during the time immediately before our participation in the First World War, and thereafter. I devoted a great deal of time during that period to a study of available contemporary material. Since then I have devoted a great deal of time to the material which has become available in the memoirs and in the memoranda to which I have referred.

The point which I am seeking to make is that we have an obligation to profit by the mistakes in judgment which have been made in the past. The main thesis of my argument is that a treaty which is not grounded upon justice cannot be enforced by any organization over any considerable period of time. I have quoted from the comments, memoirs, and source data to show what happened at Paris and Versailles. This material is quoted from distinguished and honorable men who were members of the peace commission of the United States, or who were present in other official capacities. I have relied on their comments which they made at the time, solely to show that there were men present at the peace conference who believed that things were then being done in such a way that no League of Nations, no matter how well devised, could bear up under the task of trying to enforce the treaty which was written, not upon the basis of President Wilson's war aims, and not upon his efforts which he put forth at Versailles and Paris, but mainly upon the basis of secret treaties for aggrandisement, territorial acquisition, and imperialism, which our associates and allies of the First World War had entered into even before we had become participants in the war.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Mr. President, I recommend to the Senator from Tennessee that he read—if he has time to read—especially one of the sources from which I have taken a great deal of my material. I urge him to read Stephen Bonsal's Unfinished Business. Colonel Bonsal was the personal interpreter for Colonel House, and for President Wilson after he arrived in Paris. His book to which I have referred, and which has just won the Pulitzer prize, sets forth contemporary notes and memoranda which he made on the spot.

Mr. McKELLAR. Mr. President, I merely wish to say to the Senator, in view of what he has said, that I thought so much of the League of Nations and its advocacy at that time by President Wilson that I supported him very heartily. I hope that the International Conference at San Francisco in preparing the forthcoming treaty will do as well as was done by President Wilson after the First World War. I know that we ought to enter into a lasting treaty of peace. If I understand the San Francisco Conference it is very closely following the proposals for a lasting peace inaugurated by President Wilson after the First World War, and I pray God that the Conference may frame and adopt as good a proposal for a lasting peace as was had after the first war. I was for the one then advanced, and I am strongly for the proposed one now, and I sincerely hope and trust that my distinguished and able friend from Wisconsin will join me in the effort to secure lasting peace for the world, which of course must be based on the first treaty submitted by President Wilson.

Mr. LA FOLLETTE. Mr. President, my comments on the Senator's last remarks are, first, that the Conference at San Francisco is not working on anything which has the slightest relation to the determination of the peace settlements. All that is being done at San Francisco is work upon the Dumbarton Oaks-Yalta proposals, which are predicated upon compromise in order to bring about an agreement among the great powers for an organization which will be called upon to attempt to enforce and to maintain the peace settlements as they have been made or will be made when the war is over.

Secondly, Mr. President, the entire burden of my argument is to point out, without personal reflection upon any person who took part in the peace settlement following the First World War, that we must learn the lesson of their mistakes if we are to save oncoming generations in this and other countries from another and more awful blood lesson. The lesson is that the best organization which can be devised at San Francisco or any other place based on a bad peace will be as ineffective when the test comes as was the League of Nations. We must write a peace which is rooted in the principles of justice if an international organization is to succeed in its enforcement.

Mr. McKELLAR. Mr. President, I agree with that entirely, and I think we will have, as we had before, a proposal rooted in terms of justice, because justice to all nations lies at the bottom of any attempt to make a lasting peace.

Mr. LA FOLLETTE. In the course of my remarks I shall point out temporary settlements which have already been made, and which I fear will be permanent, which I think violate every tenet of justice and democracy and the announced war aims of the United States in this war.

Now, Mr. President, to return to this historical review for a few moments.

Translations of the secret treaties were published in the Manchester Guardian on December 2, 1917, and they appeared in pamphlet form in England a little later. The treaties were published in this country in the New York Evening Post on January 25, 26, and 28, 1918, and also appeared here in pamphlet form.

Exposure of these sordid bargains brought desertions among soldiers in the European armies, protests from trade unionists in England, and from labor members in the House of Commons. The disaffection was so great among the democratic-minded people in Europe that the Allied Governments became alarmed. In order to allay suspicion as to Britain's imperialistic aims and to win the support of labor, Prime Minister Lloyd George made a war-aims speech before the Trade Union Congress in London on January 5, 1918, professing adherence to general principles previously announced by President Wilson. To allay unrest among the French people, Premier Clemenceau promptly endorsed Lloyd George's statement.

On January 8, 1918, President Wilson appeared before Congress and delivered his Fourteen Points speech, which renewed the hopes of many peoples in different countries who longed for the kind of a peace that might endure.

In the course of that speech, President Wilson said:

> There is * * * a voice calling for these definitions of principle and of purpose which is, it seems to me, more thrilling and more compelling than any of the many moving voices with which the troubled air of the world is filled. It is the voice of the Russian people.

It was true that the voice of the Russian people had been more compelling and moving than any other at the time when it repudiated and exposed the sordid secret treaties and called for a declaration of terms upon which there was a possibility of building an enduring peace.

I shall never forget the thrill of that Russian voice repudiating sordid secret international bargains and calling for a new kind of open diplomacy and open international agreements.

I advocated recognition of the Russian Soviets and urged economic cooperation with that Government. I did this at a time when many present fanatical Russophiles in this and other countries were advocating policies that sought to destroy that government.

No doubt the failure of the capitalistic governments to respond to her earlier call has perhaps made Russia suspicious. Certainly Russia's international policy has changed radically since 1917. Her present demands and her methods seem more in accord with the old imperialistic purposes and methods of the czarist regime than with those of the early days of her revolution.

Russia may be at present as suspicious of the capitalistic countries as we are of her intention to try to force communism upon other countries. Unless these mutual suspicions between these two great countries can be eradicated by frank and honest discussion, it will be impossible to create and maintain an effective and genuinely cooperative world organization.

I am well aware of the stupendous contribution our Russian ally has made to victory in Europe. I yield to no man in my admiration for the magnificent courage and heroic sacrifices of the Russian people. I yield to no man in my admiration for the magnificent courage and resolution of the Russian people in standing up against the brutal invader, driving the Nazi hordes from their homeland, and pressing on to final victory.

RUSSIA'S ACTIVITIES IN WORLD POLITICS ENDANGER HOPES FOR LASTING PEACE

Recently I have watched Soviet Russia's activities in the field of world politics with grave apprehension. On this occasion I do not criticize her internal economy nor her conduct of domestic affairs, although I disagree completely with her totalitarian form of government. But I am deeply concerned about her policies in world affairs, for here her conduct has a direct and perhaps decisive impact on all our hopes for a just and enduring peace.

Russia's policies in Europe have constituted a direct violation of the pledges of the Atlantic Charter, to which she subscribed. Her arbitrary policies toward Poland constitute clear-cut violations of the United Nations' pledges against territorial changes which do not accord with the freely expressed wishes of the people concerned.

Russia's insistence on establishing the Made-in-Moscow Lublin regime as the Government of Poland not only violates the Atlantic Charter, but is clearly a violation of the terms of the Yalta agreement to which Marshal Stalin subscribed when he met with the late President Roosevelt and Prime Minister Winston Churchill. I have been shocked at the failure of most of our American newspapers to challenge these undemocratic and war-provoking demands and actions of our Russian ally. The feeble response of what was once our liberal press has been especially alarming to me.

Russia has also violated the Atlantic Charter and Yalta agreements in other areas liberated from the Nazi yoke: in Rumania, Bulgaria, Hungary, and Austria. In these countries American and British officials have been denied an opportunity to freely examine conditions at first hand. These areas have been blacked out so far as the press of this country and Great Britain are concerned.

The Kremlin has taken over these territories in much the same way and with much the same methods that it would the states within the actual prewar boundaries of Soviet Russia. In some of these areas there is double talk about elections in the future. But plebiscites held after purges, liquidations, and deportations of liberal and democratic forces are a hollow mockery of the very tenets of democracy as practiced in the world prior to the advent of totalitarianism.

THE YALTA AGREEMENT VIOLATED

I was not one of those who gave way to unbounded enthusiasm when the results of the Yalta Conference of the Big Three were announced with the publication of the Crimea declaration. I publicly stated that the proof of the pudding would be in the eating thereof.

My reservations on the agreement were based among others on two main propositions.

First. The way in which the Communists twist the meaning of words from their common usage in the truly democratic countries makes it very difficult to reach an understanding with them on the one hand and gives their propaganda a tremendous advantage on the other.

Second. I do not now and I never have believed that the end justifies the means.

I hoped, however, that the agreement might serve to lessen the tensions and afford an opportunity for joint consultations on some of the more perplexing problems of Europe. This hope has dwindled as the Soviet Union has failed again and again to live up to the terms of the agreement as it was made public.

The agreement to which Marshal Stalin, Prime Minister Churchill, and the late President Roosevelt subscribed at Yalta contained a declaration on liberated Europe. In addressing the Congress of the United States shortly after his return, Mr. Roosevelt placed extraordinary emphasis on that phase of the Crimea agreement because he felt so strongly and hoped so much apparently that it would permit of a just and democratic settlement of some of the more compelling issues of Europe. That declaration on liberated Europe specifically committed the United States, Great Britain, and the Soviet Union to the following:

> They jointly declare their mutual agreement to concert, during the temporary period of instability in liberated Europe, the policies of their three Governments in assisting the peoples liberated * * * to solve by democratic means their pressing political and economic problems. * * * The three Governments will jointly assist the people * * * to form interim governmental authorities, broadly representative of all democratic elements in the population and pledged to the earliest possible establishment through free elections of governments responsive to the will of the people.

This agreement has been consistently flouted by the Soviet Union, which has proceeded unilaterally, and without in any way consulting her two partners, namely, the United States and Great Britain, to set up in country after country governments which are made in Moscow, and do not fulfill any of the basic requirements agreed to at Yalta.

LATEST EXAMPLE IS AUSTRIA

The latest example is Austria, where the Kremlin created a provisional government, placed it in power, and announced it to the world without in any way consulting Great Britain and the United States. This was only a dreary repetition of developments in Bulgaria, Rumania, Yugoslavia, Hungary, and Poland. The details are different in each

instance. But the fundamental fact is always the same—Russia ignores her solemn commitments made at Yalta to a program of joint responsibility and cooperation in establishing temporary regimes for the liberated lands of Europe.

Mr. President, I have two maps here which I had hoped to have enlarged so that I could hang them on the wall of the Senate, but I shall be glad to have any Senator who cares to do so look at them.

One of these maps shows the boundaries of Russia on the first of September, 1939. The second map shows the boundaries of Russia as of June 1, 1945. The areas on the 1945 map with the black around them are the territories which Russia has actually taken over and absorbed into the Soviet Union since the war started. The areas in pink are the areas where, although the details may be different, governments have been established or military controls have been set up where whatever policy is laid down in Moscow is adhered to by the government in those respective territories. It does not show, because it is so small, the island of Bornholm in the Baltic Sea—a strategically important island which Russia has taken over—as described by a correspondent of the New York Times who apparently got there by "mistake."

My only purpose in exhibiting these maps is to give any Senators interested an idea of the factual territorial results of the war to date, so far as Russia is concerned.

I have secured what I believe to be reliable information concerning what has taken place in Rumania and Bulgaria. Of course, this is not first-hand testimony, so far as I am concerned, because, in the first place, I have had no opportunity to go to these areas, and, if I did have the opportunity and sought to go there, I have no doubt I would be denied access to them. But I shall ask to have this information concerning Rumania and Bulgaria printed because I think it is important that we should assemble the best available information. If any of the facts therein contained are untrue, the responsibility rests with the Soviet Government and with the governments in these areas which are satellites, or are operating as subsidiaries of the main mother corporation, for not permitting the representatives of the press and not even permitting representatives of our armed forces to have full and free access to these territories.

I ask unanimous consent to have the statements respecting Rumania and Bulgaria printed as exhibits at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Without objection, it is so ordered.

(See exhibits B and C.)

Mr. FULBRIGHT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin suffer an interruption by the Senator from Arkansas?

Mr. LA FOLLETTE. I yield.

Mr. FULBRIGHT. With respect to the map exhibited by the Senator from Wisconsin showing the situation as of June 1, 1945, I ask the Senator whether it differs substantially from the map as it existed in 1914 before the last war?

Mr. LA FOLLETTE. Oh I think it certainly does, because if the Senator will examine it with a little care he will see that it takes in part of Germany, it takes in Rumania and Yugoslavia——

Mr. FULBRIGHT. No; I mean the territory embraced within the black line, which the Senator says is incorporated into Russia, that is, actually within Russia. My first question is: It is practically the same, is it not; that is, it is no larger, substantially, than Russia was in 1914 before World War I?

Mr. LA FOLLETTE. I do not have the 1914 Russian boundary lines on the map for comparison, but I would say generally speaking that the Senator from Arkansas is correct. I would not want to have to stand examination by a cartographer, however, on that point because I do not have the exact 1914 lines on the map.

Mr. FULBRIGHT. But substantially the territory is the same, including the buffer states?

Mr. LA FOLLETTE. The buffer states which were carved out in the Versailles Treaty did belong to Russia prior to 1914.

Mr. FULBRIGHT. Well, it is a fair statement to say that Russia's boundaries today approximate what her bondaries were in 1914, when we consider what she has incorporated into Russia now, is that correct?

Mr. LA FOLLETTE. If the Senator confines himself solely to the territory actually within Soviet Russia at the present time I think that he is substantially correct, but I would not want to vouch for it, because I do not have that line on the map.

Mr. FULBRIGHT. I wish to ask the further question respecting the other satellite states. In the first instance, they are still under military control of the Russians, is that not correct?

Mr. LA FOLLETTE. They are supposed to be under the control of an allied commission, as I understand.

Mr. FULBRIGHT. I say they are actually under the military control of the Russians?

Mr. LA FOLLETTE. I should like to read to the Senator the information I have respecting Rumania, to show the Senator exactly what has taken place from the best information I am able to get under the circumstances.

Mr. FULBRIGHT. I do not disagree with the Senator respecting the fact that they have not concerted as they should have under the Yalta agreement. I agree that they are justly open to criticism in that respect. But to go further and assume at this point that they intend to incorporate these other satellite states into Russia I do not believe is justified.

Mr. LA FOLLETTE. I did not say that.

Mr. FULBRIGHT. The Senator did not mean to say that.

Mr. LA FOLLETTE. I did not say that.

Mr. FULBRIGHT. Very well.

Mr. LA FOLLETTE. I say that as to these governments the countries of which are represented in pink, although they are of various types and kinds, and the situations vary with respect to them, it is my firm conviction from all the information I am able to obtain under difficult circumstances, because of the blackout in these areas created and maintained by Russia—but from all the information I can obtain those governments respond to the policies of the Kremlin.

Let me read what I have here respecting Rumania. I will not take the time to read what I have concerning Bulgaria, but since the Senator from Arkansas is interested, I should like to read what I have concerning Rumania. This is not my first-hand testimony. I have not been there, and I could not get there, I feel sure, if I tried, any more than any American newspaperman can get there, any more than any Allied officers representing Great Britain and the United States have any freedom of action there. These facts I believe are correct, and they come from the best source of information I could obtain. I read:

Rumania occupied a special place in Russia's plans. Since the beginning of the Russo-German war Rumania had been Germany's ally. Rumania provided Germany with troops, and was useful economically and politically. Germany got one-third of her oil from Rumania, and nearly half the mica she needed; also cotton, wool, and other essential materials.

In addition Rumania was a monument of the supposed Axis solidarity in the Balkans.

Rumania was Germany's unwilling ally. Rumania had been the friend of Poland and France, and counted for her safety on German-Russian antagonism. When Poland collapsed, divided between the Germans and the Russians, Rumania was helpless. Between Germans and Russians Rumania promptly lost a quarter of her territory and about 7,000,000 people. She had left an area twice the size of New York State and 12,000,000 subjects—twice the population of New York City.

After the Russians had defeated the Axis at Stalingrad, swept the Germans out of the Ukraine, recaptured Odessa, and forced evacuation of the Crimea, they regrouped for the assault on Rumania. Soviet Foreign Minister Molotov then broadcast the following statement:

"The Soviet Government has no intention to acquire any part of Rumanian territory or to change the existing social structure in Rumania or to infringe in any way upon the independence of Rumania. On the contrary, the Soviet Government considers it necessary to establish, together with the Rumanian people, the independence of Rumania by freeing Rumania from the Fascist yoke."

Russia's propaganda attack was successful. King Michael believed this statement and personally engineered a coup d'etat. He announced on August 23 last that he had accepted surrender to the Russians. The next day Rumania declared war on Germany.

Russian troops swept through Rumania. Rumanian leaders were arrested. Oil depots were captured. Vehicles were requisitioned. Communications and customs were taken in hand. Propoganda was placed under Russian control, newspapers were curtailed. Radios were confiscated. An American mission attempting to take pictures of the damage our bombers had done at Ploesti (the oil field there) was forced by the Russians to discontinue its investigations.

The Russians forced upon Rumania armistice terms which called for drastic reductions in the Rumanian Army, which was to come under Russian command and fight against Germany and Hungary. They called

for war trials and an indemnity of $300,000,000 over the next 6 years, tantamount to turning over to Russia all of Rumania's exports and imports for a period of 4 years.

Russian military control dominated the Rumanian scene, and Rumania was isolated from the Anglo-Saxon world. The Russians then forced out the cabinet in power. In an extraordinary act of dictatorship, Vyshinski gave the Rumanian king just an hour and five minutes in which to appoint a new cabinet in which Communists would have the controlling positions—this despite the fact that the Communists number no more than 15 percent of Rumania's population.

Whole factories have been removed to Russia. Equipment belonging to American companies has been taken away—and our protests ignored. Arrests have been common. Some 80,000 persons have been forcibly shipped out of Rumania to labor for the Russians in Russia. A tight censorship has been imposed.

Sweeping changes were made in the Rumanian army and the army itself not permitted to return to Rumania from Czechoslovakia, where it was forced to fight under most unfavorable circumstances.

The demands for reparations have been increased to the point where Rumania's economy is all but ruined. Since August of a year ago the cost of living has gone up 429 percent. Bank notes in circulation have increased nearly 100 percent. All agricultural equipment has been taken over by the state. Small businesses and stores have been bankrupted.

Rumania's middle class has been deliberately ruined and there is no doubt but that the country is being sovietized. It will not be long before Rumania is just another state of the Soviet Union.

It is true that there is a so-called Allied Control Commission in Rumania, supposedly to see that the terms of the armistice are carried out. But the chairman of this commission is a Russian general and his British and American counterparts have nothing to say about the acts of the Commission. Nothing at all. At times the American and British generals do not know what has been done in their names until they hear about it from agonized Rumanians. At this very moment the movement of British and American officers is severely restricted—and we are supposed to be Russia's allies.

In view of Molotov's promise that Russia has no intention of changing the existing social structure in Rumania or infringing in any way upon the independence of Rumania, in view of the agreements made at Yalta, what is the thoughtful American to think—that American who earnestly believes we were fighting to bring freedom to an enslaved world?

Here is what the American and British Governments think: On March 15 the United States and Great Britain formally asked the Soviet Union for an explanation of its actions in Rumania, actions clearly contrary to agreement freely reached, actions clearly contrary to American hopes and ideals, actions which contain the seeds of still another world war. If any answer has been made by the Soviet Union to date, it has not yet been made public.

THESE DEVELOPMENTS ARE A CAUSE FOR DEEP CONCERN TO THOSE WHO WANT A LASTING PEACE

I am deeply concerned about these developments, and many others like them, because I believe their continuance will undermine, impair, and may destroy a program of genuine international cooperation. I cannot underwrite gross violations of the democratic principles which can alone provide a political climate for enduring peace. Nor can I have the slightest faith in a system of international cooperation which rests on the threats of any one nation to withdraw unless she has her way in all matters where she feels she has a direct, selfish interest.

It seems to me all the more important, in view of Russia's great sacrifices toward winning the war, that we stand firmly against any steps which may wreck the peace. It is my earnest conviction that Russia is today making the same mistakes which France made after World War I. For all their lip service to the principles of genuine international cooperation, the French governments of the 1920's placed their faith in a network of military alliances, a ring of satellite states, and the Maginot line. In the end she found herself weakened, betrayed, and impotent. The whole artificial structure crashed like a house of cards before the first breath of reality. Russia will never find peace and security through dominating the Balkans, Central Europe, and the eastern Mediterranean. The history of France and of all these unhappy European countries proves that no lasting peace can be secured by imposing domination from the outside and from the top. An enduring peace can be built only by eliminating the deep underlying causes of these ever-recurring European conflicts.

CONCERN INCLUDES OUR OWN AND BRITISH POLICIES

My deep concern as to forces which are at present actually undermining our hope of international cooperation and the formation of an effective world organization for enduring peace are not confined to our Russian ally. My concern includes the conduct of our own Government in past years and certain activities of our British ally as well. I have already discussed some phases of our own Government's conduct.

No one who studies the causes of war can evade the basic fact that imperialism creates breeding grounds for conflict. I am convinced that Mr. Churchill's dogmatic, and at times arrogant, refusal to discuss any definite plans for freedom for the subject peoples of the British Empire deserves the greatest censure if we are seeking a lasting peace. I am no more prepared to commit the United States to enforcing British rule over India, Burma, or Malta than I am to commit my country to enforcing Russian dominion over Poland, Rumania, Austria, the Balkans, or any nations in the Baltic States.

Britain's curious operations in Italy and Greece—together with Mr. Churchill's affirmations of friendship for the Fascist government of Spain—are deeply disturbing to countless Americans who have accepted the doctrine that this is a war of liberation and freedom. We have come to the place in history when there must be plain thinking and decisive action to get at the basic causes of unrest, insecurity, and war. We shall be false to everything we think we have been fighting for if we do not speak up to our allies now and make it clear that although we are firmly resolved to participate actively in world affairs and meet to the full our responsibilities, we are equally determined that the power and influence of the United States shall never be lent to policing unjust peace terms and perpetuating an unjust status quo.

I have briefly reviewed this record of the recent past because I think an awareness of what has been going on is vital to any honest consideration of the Dumbarton Oaks plan, as amended at Yalta, which is now before the United Nations at San Francisco. Our hope for enduring peace rests, of course, on the nature of the peace settlement itself and on the nature of the organization created to preserve that settlement. The two, it seems to me, must be considered and must go together. It is because I feel so deeply that thus far the first arrangements of the peace settlement itself, some of which I have just referred to, are fraught with the gravest danger that I want now to discuss for a moment or two the nature of the organization to preserve those arrangements.

Mr. FULBRIGHT. Mr. President, will the Senator yield before he goes to a different subject?

Mr. LA FOLLETTE. I yield.

Mr. FULBRIGHT. The Senator was speaking about Poland. He stated that we must speak up. We have spoken up, and Russia does not seem inclined to agree with our interpretation of the Yalta agreement. What does the Senator propose to do about it? Would he go so far as to say that we would not participate in the organization or that we would fight Russia?

Mr. LA FOLLETTE. No. The Senator is now asking me to go into something which would take quite a while, and I do not wish to do that. At the same time I am not sure that I can make myself clear briefly. However, let me say that I believe that from the beginning our conduct has been too much predicated on the theory that it was essential to get Russia into this organization, and that the concessions which have been made at the conferences, and especially at Yalta—so far as we know them—were a mistake. They were not necessary. It was for that reason that I went into the history of the cession of Shantung from China to Japan at the end of the last war, in order to get Japan into the League of Nations.

Mr. FULBRIGHT. Does the Senator believe that it is not essential to have Russia in this organization?

Mr. LA FOLLETTE. I think it is very essential to have her in; but my point is that if in trying to make this organization universal we pay too high a price in the form of imperialistic settlements, transfers of peoples, and populations against their will, we shall be repeating the same mistakes which occurred at Versailles and Paris, and history proves they are bound in the end to have the same consequences.

I am as anxious as is any man to have Russia in this organization, and I think she will come in; but I think that up to and through Yalta there has been too much of an attitude of believing that we had to pay a price to get her in and that we voluntarily offered too big a price. I am not at all convinced that it was necessary.

As I have said, I have opened my flank, because I had made a brief statement about a complex idea. Perhaps I should have avoided doing so at this time, until

I could make my statement complete and clear. But that is the reason why I have trespassed on the time of the Senate long enough to make this historical statement complete, because I think we must consider the historical background if we are to avoid the horrible consequences of past mistakes and if we are to secure an organization for international cooperation and to enforce the peace—a just peace—which the organization will be able to enforce.

Mr. FULBRIGHT. I should like to ask one more question, if the Senator will further yield.

Mr. LA FOLLETTE. I yield.

Mr. FULBRIGHT. Is it not true that Russia's position with regard to Poland is similar to ours with regard to Panama or some of our other near neighbors, namely, that she has a little different interest than we have?

Mr. LA FOLLETTE. Mr. President, I am glad the Senator asked the question. I wish to make it clear that I am not arguing about boundaries; but I am saying in regard to what has happened since Yalta, in Poland, so far as the Government is concerned, that if the Senator can find anything to square that with the Yalta agreement, I will eat the agreement in public. [Laughter.]

I say that is more important, because we have made these statements of idealistic objectives. We proclaimed the Atlantic Charter. We proclaimed the United Nations' declaration. Bear in mind that there is a continuous thread upon which the history of the emotional life of this nation is strung, and that is its understanding, appreciation of, and sympathy for the aspirations of people everywhere for the same kinds of freedom that we have here. When we announced the Fourteen Points, as was done in the last war, when we got the apparent acquiescence of our allies in that war, and then when the Allies turned around at Versailles and violated those principles and violated those pledges, the American people were shocked and disillusioned. We cannot do that again and expect to have the support of the American people for the kind of continuous international cooperation of a deep-going character which is essential if we are to have peace in the world.

So I have gone into this subject with that thought solely in mind, and I am sure that if the Senator examines my remarks he will find that I have said nothing which impugns the motives of the then President of the United States. I repeat, as I said to the Senator from Tennessee, that I have tried to set out all the difficulties he faced, and I have simply given a factual, historical recital of what happened. I have done that without intending to reflect upon the integrity, the character, or the intentions of any of the participants, any more than I am intending to reflect upon any of those of the persons who have been participants in any of the secret agreements and arrangements which have accompanied our participation in this war. But I do wish to point out, with all the emphasis at my command, the dangers which are involved in repeating those mistakes during and after this war.

Mr. FULBRIGHT. Mr. President, will the Senator yield once more—and then I will be through?

Mr. LA FOLLETTE. I yield.

Mr. FULBRIGHT. The Senator has said a good deal about secret agreements, and he has said that we are not living up to the Atlantic Charter. I should like to remind him that our own Constitution was formed in secret and really without the authority of the delegates, and furthermore our Declaration of Independence has stated some precepts to which all of us aspire, but which I think few Members of the Senate would agree have been fully carried out. Even now, after all these years, we have the effort before us to enact permanent FEPC legislation and to achieve the perfect freedom which we have set up as our objective. But a statement that because an agreement is secret it is necessarily bad is not supported by our experience, nor it the fact that we have not immediately or overnight achieved observance of all the principles of the Declaration of Independence a condemnation of the Atlantic Charter. The process is a gradual one.

Mr. LA FOLLETTE. I know that line of argument. I say again that I am not a perfectionist. All I am seeking is an organization that is practical enough to do the job, one which is not going to be rooted in peace sentiments so unjust that no organization, however cleverly contrived, can enforce it. It is my firm conviction that agreements which are entered into in secret lead to misunderstandings and double interpretations. Furthermore in a democracy, its leaders must take the people into their confidence, at least, far enough so that the people understand what is being done. Thus the people can have an opportunity intelligently to hammer out on the anvil of public debate and discussion their final judgments. This process is essential to the functioning of a democratic republic.

DUMBARTON OAKS

The United Nations Organization blueprinted at Dumbarton Oaks represents, I know, a sincere attempt by men and nations of divergent viewpoints to fashion an instrument which would be acceptable to all. Nevertheless, it seems entirely clear that they stopped far short of an acceptable goal—and I am not talking of the perfect goal.

I am not and never have been a perfectionist. Most of my life has been spent in trying to get practical improvements adopted into the structure of our economic, political, and social life through group action.

For years I have served on committees and worked in this legislative body. In their practical operations there is little difference between national and international organizations, except that the problems are more complex, interests are more conflicting, and a meeting of minds more difficult to obtain.

I am offering constructive criticisms of the proposed world organization because I do not believe that, in its present form, it is sufficiently practical. All I am asking, Mr. President, is that it be made practical enough to work. Let me make it clear that I do not hope for a perfect plan because I know full well from long public service that only time and experience can make the devices of men even reach in the direction of perfection. But I want an organization that is practical enough to make a constructive beginning in maintaining a just and democratic peace.

In its present form there are certain provisions which I fear may defeat that purpose.

I hope even at this late date that the delegates to the United Nations Conference will not be stampeded into accepting the judgment of the Big Three or the Big Four as conclusive, but will redouble their efforts to draft a charter which will strengthen the hope for genuine international cooperation by removing at least some of the more flagrant weaknesses of the original plan as amended at Yalta.

I pause here long enough to say, Mr. President, that one of the things which has disturbed me in the dispatches which I have been reading lately from San Francisco is the fact that the delegates at San Francisco seem to be in such a hurry. They keep setting up a dead line a week or 10 days ahead, and then they seem to put the pressure on everyone to compromise or to stop any further discussion in order to get the job finished by a certain date.

I hope that delegates to San Francisco will be guided by the wisdom of the founding fathers who sweat it out for months in Philadelphia and took recesses and adjournments when it was necessary in order to get the document upon which they were working into the best possible form.

I am not making a plea for delay for one moment beyond the time those who are working on the charter are convinced they have accomplished all that can be accomplished. It is a plea that they will not, in their haste, arrive at unworkable compromises, or at unworkable solutions of the many complex and difficult problems which they have under consideration. As I have said before, the organization which is in formation at San Francisco will have no functions to perform immediately after it shall have been completed at San Francisco. It must first be ratified by the several governments who become members of it. I assume that it must await the final peace settlements before it can go into operation, so far as areas which have been ravished by war are concerned.

So I hope and pray, Mr. President, that the delegates at San Francisco will stop trying to meet deadlines which have no relation to reality, and take whatever time shall be necessary in order to do the best that human beings, with intentions of serving their fellow men, can do.

I repeat, Mr. President, that I hope that even at this late date the delegates to the United Nations Conference will not be stampeded into accepting as conclusive the judgment of the Big Three or the Big Four. I do not believe that the Big Three or the Big Four, any more than any big three Senators or any big

four Senators, have all the wisdom in the world. I believe that others may have something to contribute to a solution of the difficult problems which lie ahead. I hope our delegates at San Francisco will redouble their efforts to draft a charter which will strengthen hope for continuous international cooperation, by removing at least some of the more flagrant weaknesses of the original plan as amended at Yalta.

The fundamental need is for a far more democratic organization—one that will be responsive to the peoples of the world rather than to the power politics demands of a few dominating powers. In its present form, the Dumbarton Oaks plan strikes me as a gilded facade for the old-style military alliance built exclusively on force or the threat of force. In other words, it is the type of alliance which great European powers have employed all through history without ever preventing a war.

ALLIANCES IN THE PAST BASED ON BIG POWER DOMINATION HAVE FAILED

History is filled with grim reminders that alliances based upon the theory that a clique of victorious powers should dominate the world and police the peace lead only to repression, imperialism, and ultimately war. The Quadruple Alliance of the nineteenth century is a classic example. The four great powers which overthrew Napoleon, such as Great Britain, Prussia, Russia, and Austria, banded together to preserve the fruits of their victory. They, too, embellished their more earthly ambitions with fine-spun phrases. Article 6 of the treaty establishing the Quadruple Alliance in November 1815, read:

> In order to consolidate the connections which at the present moment so closely unite the four sovereigns, the high contracting parties have agreed to renew at fixed intervals, either under their own auspices or by their representative ministers, meetings consecrated to great common objects and the examination of such measures as at each one of these epochs shall be judged most salutary for the peace and prosperity of all nations, and for the maintenance of the peace of Europe.

Compare this language, as the enterprising news letter Human Events did, with the comparable sentences in the Crimea Declaration of 1945 at Yalta:

> The Premier of the Union of Soviet Socialist Republics, the Prime Minister of the United Kingdom, and the President of the United States of America have consulted each other in the common interests of the people of their countries and those of liberated Europe. * * * The Conference agreed that permanent machinery should be set up for regular consultation between the three foreign secretaries.

History records the unhappy result of the quadruple alliance of 1815. Britain soon withdrew, for, as her Foreign Secretary, George Canning, put it bluntly:

> What is the influence we have had in the counsels of the alliance? We protested at Laibach, we remonstrated at Verona. Our protest was treated as wastepaper; our remonstrances mingled with the air.

The big power alliance of more than a century ago inevitably became a harsh instrument of repression and reaction which sought to snuff out the aspirations of small countries and liberal forces, and generally to maintain an intolerable status quo. The whole arrangement exploded in 1848 with the revolutions and wars which swept the Continent for years afterward.

The proposed world organization emerging at San Francisco is a far cry from the true conception of collective security advocated by many sincere exponents of internationalism. For the sake of the argument, let us waive the question of whether collective security can succeed when all nations retain their complete sovereignty and consider the veto power which permits any one of the five great powers—Britain, Russia, the United States, France, or China—to veto a charge of aggression against itself. Under this provision any one of these nations which might be accused of aggression or of a warlike act would be allowed to sit upon the jury, so to speak, which passes upon its own acts. Then, as a member of that jury, the accused nation can, by its own single vote, declare itself "not guilty." Mark this: Thereupon the world organization would be confronted with the horrible choice of either permitting the aggression to go on or of acting in violation of their own pledges and entering upon a war to stop the aggression.

APPLY DUMBARTON OAKS TO THE PAST

Suppose a plan similar to Dumbarton Oaks had been in operation after the First World War. In 1919 Japan was considered a "peace-loving nation" and would have therefore been entitled to a seat as a permanent member of the security council. Twelve years later the security council would have been confronted with a crisis when Japan moved into Manchuria in 1931. This was a definite act of aggression by any definition. Suppose China had then taken action and accused Japan of aggression. The security council would have met in solemn assembly, listened to all of the arguments, decided that Japan was an aggressor, and moved that economic or military sanctions be imposed upon Japan.

But then, according to the Dumbarton Oaks voting scheme, the Japanese delegate to the security council would have been invited into the jury box to vote upon the motion with the other 10 members of the Security Council. The roll would have been called, and the other 10 members would have voted "guilty" upon the evidence submitted. But the Japanese delegate could have voted "not guilty." By a single vote, as against the 10 other votes, Japan would have won the verdict. This seems preposterous when applied to this shocking instance of aggression in the recent past. Yet that is precisely what the Dumbarton Oaks plan, as now decided upon at San Francisco, clearly permits.

The Washington Post, which is strongly supporting a world organization to enforce peace, on May 19, 1945, published an editorial telegraphed from San Francisco commenting on this veto power being given to any single nation. In this editorial the Washington Post says:

> The veto power arises out of the unanimity rule among the Big Five incorporated into the Dumbarton Oaks plan, without which coercive action against transgressors cannot be taken. It thus makes any one of the big powers a potential obstructionist. It puts a premium upon bad intentions.

Under such a voting system only a few instances where one great power committed an act of aggression, stood accused by other members of the Supreme Council, and then went scot free by its own vote would wreck any world organization.

For a moment let us apply the proposed voting plan to an incident which even now is taking place. Let us suppose there had been a formal peace declared and let us suppose that the Dumbarton Oaks-Yalta organization had been ratified and set up. The New York Times on its front page this morning carries the story—I shall not read much of it but merely enough to relate a current incident to this veto power:

> FRENCH SEIZE PARLIAMENT IN BITTER DAMASCUS BATTLE—SYRIAN CAPITAL REPORTED BOMBED—LEADERS ASK ALLIED INTERCESSION—DE GAULLE FACES CABINET CRISIS
>
> BEIRUT, LEBANON, May 30.—Lebanon tonight called volunteers to the colors as the explosive Near East situation grew more critical and French troops, fighting Arab irregulars in Syria, were reported to have occupied the Parliament building in the capital of Damascus.

Then there is interpolated an editorial comment which I also read:

> In a growing French Cabinet crisis Foreign Minister Georges Bidault was said to have considered resigning in protest against Gen. Charles de Gaulle's policies, which had overridden his own cautious attitude toward the Levant. In London the British Cabinet was in emergency session and Foreign Secretary Eden said the Government was in close consultation with Washington on the deteriorated situation.

Now let us suppose the Dumbarton Oaks-Yalta organization was at work and functioning with France, a member of the Supreme Council. No action could be taken by the Council, even to consider this "shooting crisis" in the Levant, unless the French representatives on the Supreme Council voted in the affirmative. In view of the fact that French soldiers are now in action, can anyone in this Chamber or elsewhere conceive that France would permit consideration of this problem? Even if 10 members of the Council thought the situation might bring on another world war and they voted to impose sanctions on France or ordered the use of the military force, which is to be at the command of this organization, all the French representatives would have to do to prevent any action either of an economic or military character would be to vote "no," and the Dumbarton Oaks-Yalta organization would be paralyzed.

Suppose it was considered that this local conflict would develop into a general war, that, if it were not stopped, the fires lighted in this area would spread to the whole Moslem world. Under these circumstances what would be the horrible choice of the United States, Great Britain, and the other 10 nations in the Supreme Council? They would have to decide either to take joint action outside the organization and thus violate their solemn agreement when they rati-

fied the instrument and take steps to suppress the incipient war, or they would have to sit back and say, "We are sorry; the war will have to spread; we cannot do anything about it because the nation which is involved has voted 'no.'"

Mr. BUSHFIELD. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from South Dakota.

Mr. BUSHFIELD. I merely wish to ask the Senator if he thinks there would be any doubt that the Republic of France or its government would vote "no"?

Mr. LA FOLLETTE. I would emphasize that I am not using this incident to make any invidious reference to France. I use it, as I have used other incidents in the past, to try to illustrate the point which I am trying to make. I have made only a factual statement and drawn an analogy for that sole purpose.

I ask unanimous consent, Mr. President, that the full text of this dispatch may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. FULBRIGHT. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I was wondering if the Senator from Wisconsin thought the Senate would be willing to have the United States become a member of the Security Council without that veto power?

Mr. LA FOLLETTE. I will say to the Senator from Arkansas that I think the Senate must choose between a workable, practical international organization in which it really has faith and to which it is going to give effective support, predicated upon a just treaty, or if we become a member of an ineffective organization we will have to be forearmed and set up our own inperialistic form of security, just as it seems to me Russia is already doing, because apparently she has no faith in the efficacy of the organization which is being created. I think those are the alternatives. I believe that when the Members come to this question they will be forced to take one or the other of the horns of the dilemma. So far as I am concerned, I will say to the Senator, I would much prefer to see worked out a practical democratic organization which would be able to enforce a just peace than I would to go down the road of imperialism and power politics, involving prodigious military expenditures for generation after generation and involving the certainty of future war.

Mr. FULBRIGHT. Does not the Senator think it would be very helpful to the representatives of the State Department if they had some idea of just how far the Senate is willing to go in bringing about such an organization?

Mr. LA FOLLETTE. There is no practical way I know of to determine that question in advance.

Mr. FULBRIGHT. Proper debates on the floor would develop it. I think the Senator is making a fine contribution, and I want to compliment him for doing it. He has been one of the very few who have done it, even though we are trying to set up this organization.

Mr. LA FOLLETTE. I fear we were committed at Yalta to this one-big-nation veto power; I fear that is the situation; but I cannot say with certainty, because as we all know the discussions there were secret and we can only learn a little here and a little there. The little I have been able to gather, however, has convinced me that the veto voting agreement was made at Yalta and that our delegates at San Francisco feel bound by it.

Mr. FULBRIGHT. I have heard it said by a good many people that they did not think the Senate would join if Senators thought our forces would be used in some conflict where we did not want them to be, in other words, if we did not have a veto; and I think that is a fairly general opinion.

Mr. LA FOLLETTE. I do not suppose any man can speak for the Senate, but I have served in this body now nearly 20 years, and I have a great respect for it and I have great respect for the individual Members. I believe that any student of this question will come to the conclusion that we must "fish or cut bait" on this issue. We must either have a democratic international organization set up to enforce a just peace which can be successfully enforced, and be willing to take the logical steps necessary to achieve those two objectives, or we will have to disregard the organization, even though we may join it, and go on with the program of imperialism, power politics, balances of power, and military alliances. Such a course will produce the worst aspects of both policies, and none of the benefits of either.

Once more the Senator has tempted me to state in a few sentences a complex proposition which one should have an hour to elaborate in order to make one's position crystal clear.

Mr. FULBRIGHT. I apologize for intruding.

Mr. LA FOLLETTE. I very much appreciate the interest of the able Senator from Arkansas. I know he has given great study to these questions, and I am complimented that he has been so attentive during this long discourse.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. The question of the veto power is one which gives all of us concern. I do not know whether the Senator from Wisconsin is prepared to express an opinion, a speculative opinion, in regard to what the Senate might do, but let us for the moment forget Yalta, and forget any agreements about veto power. We all remember that one of the things which interfered with the ratification of the Treaty of Versailles was the feeling that the United States might be outvoted in the council there set up. The Senator is familiar with all that.

Mr. LA FOLLETTE. Yes.

Mr. BARKLEY. Regardless of Yalta and any agreement, secret or otherwise, which may have been entered into there, does the Senator from Wisconsin feel that he is in a position to express an opinion as to what the Senate of the United States might do and what our people might feel in regard to the power of the Council in determining what action might be taken on the use of military force or economic sanctions if the United States, as one of the five great powers, did not have power to say "No" upon any exercises of those powers which might be voted by the other nations?

Just one further question. Taking into account our own situation, forgetting Russia for the moment, if we voted "no" against the use of power from a military standpoint, or the use of sanctions from an economic standpoint, how much would that contribute to a possible war? How much would our protest avail against being forced into the use of military or economic power, if the rest of the nations had the power to compel us to do that? As between those two situations, which is likely to contribute most to the peace of the world?

Mr. LA FOLLETTE. Mr. President, in answer to the first part of the Senator's question, of course, I have no more information than has the able majority leader, and probably not as much, as to what the attitude of the Senate would be on this question. But the reason I took the Japanese seizure of Manchuria in 1931 and the current "shooting crisis" in the Levant as examples was to dramatize to the Senate the manner in which this big-power veto by one nation will paralyze the Dumbarton Oaks organization whenever it is confronted by a serious situation involving a big power.

I will say to the Senator that if we are going into such an organization, if we are going into it in good faith, then we should be willing to go far enough to make it workable. All these high abstract phrases, all this verbal and nebulous internationalism is not worth the paper it is written on, or the electrical energy which it takes to convey it through the air waves. It is the practical type of working organization which is set up on the one hand, and the kind of a peace which is created on the other, which will determine whether the world is going to seize this second opportunity in 27 years to determine if there is some other way to settle these problems than by blood letting and the vast destruction of capital and property.

I will say to the Senator frankly that if we are going into this thing, if it is to be effective, something will have to be done about the veto power. The aggressions of the future, certainly the immediate future, are not coming from Germany or Japan, they are not coming from any of the liberated countries, they are not coming from any of the Axis satellites. If aggressions are perpetrated after the peace, they will be perpetrated by one of the big powers.

Mr. BARKLEY. Will the Senator yield further at that point?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. I do not have to assure the Senator my appreciation of his sincerity on this or any other subject.

Mr. LA FOLLETTE. I am ready to "fish or cut bait" on this issue, and I think everyone else should be. I think we should stop this double talk about creating a world security organization when creeping paralysis has been injected into it before it is ever born. It has creeping paralysis congenitally if veto power of one nation remains.

Mr. BARKLEY. I understand the Senator's reference to "fish or cut bait." So far as I am concerned, I am ready to fish.

Mr. LA FOLLETTE. So am I.

Mr. BARKLEY. I am not going to cut bait.

Mr. LA FOLLETTE. Very well.

Mr. BARKLEY. I doubt very much whether we can pass categorically on an instrument which is not yet complete.

Mr. LA FOLLETTE. I know that. That is why I am making this speech. I am an humble Member of this body, and I do not suppose my words will have any weight, but this speech has been stewing in my system for a long time, and the only thing that has prevented me from making it before was the fact that we had a war going on, a global war, on two fronts, and all around the world. But now I think it is time for me to speak, and I want to get it on the record.

Mr. BARKLEY. I think the Senator is entirely too modest in his assertion that he does not know whether what he says may have influence.

Mr. LA FOLLETTE. If that remark is offensive to the Senator from Kentucky, I shall withdraw it. [Laughter.]

Mr. BARKLEY. Not at all; it is not offensive, but I do not want the Senator to underestimate his own influence.

Mr. LA FOLLETTE. I appreciate that very much.

Mr. BARKLEY. I do not have to tell the Senator that I have great respect for his views on this or any other subject.

When the instrument as it will be completed by the San Francisco conference comes to us, we will have to accept it as it is, or with reservations or interpretations, as we may have the right to put them in. We may be confronted with the problem of accepting an instrument which gives to the five great powers, or any one of them, including ourselves, the power of veto, or scrapping the whole thing. I am wondering whether the American people, or the Senate, or the world, is ready to scrap the whole process, the whole works, because it contains a provision that the five great powers who have shouldered the responsibility of defeating the forces of evil in this world cataclysm, as I take them to be, should have a power of veto; whether we should scrap the whole thing, and throw it out the window, because it may contain a provision for veto by any one of the great powers on the use of economic or military force, or whether we will accept it in the hope that it may be improved and worked out as time goes on, as our Constitution has been, as the constitution of any new government must be worked out.

Mr. LA FOLLETTE. Mr. President, the Senator from Kentucky will not find anything in my remarks suggesting that I think it ought to be scrapped, but I am suggesting ways to improve it. A little while ago I suggested very respectfully that I hoped the delegates in San Francisco would not feel under the prod of a dead line. I expressed the hope that they would stay on the job until they have threshed out these major issues and have the best solution they can obtain.

Mr. BARKLEY. I think the Senator is on sound ground in that respect.

Mr. LA FOLLETTE. I read every day that the conferees want to leave on Friday, and then they put it off until Tuesday, and then put it off until Monday again.

Mr. BARKLEY. I do not know what their plan is.

Mr. LA FOLLETTE. I do not, either, but I do know that there is no rush about it. This organization does not have any wood to saw up right now, and they had better get it in the best form they can.

Mr. BARKLEY. And the best the delegates know how. I agree.

Mr. LA FOLLETTE. I hope the big-power representatives will listen to some of the able men from some of the countries which are not so large. They do not wield great military power, but that is no reason why they do not have great experience, a sound point of view, and something constructive to contribute to the discussion.

Mr. BARKLEY. I agree with the Senator, if he will permit me one further interruption, that it would be better for the conference to work together for a week or 2 weeks or even a month longer, if there is a prospect of getting a better instrument by that delay, than to fix a dead line by which to adjourn, but I think they will probably be the best judges as to when they have accomplished all they can accomplish.

Mr. LA FOLLETTE. I agree.

Mr. BARKLEY. And I do not think they would be justified in delaying an agreement simply in order to create a public impression that they were deliberating beyond the point where they can work out a workable agreement.

Mr. LA FOLLETTE. If the Senator had heard what I stated——

Mr. BARKLEY. I am sorry I did not hear it all.

Mr. LA FOLLETTE. I said that I had hoped that they would stay there just as long as there was any hope of making the instrument better.

Mr. BARKLEY. But the point I rose to make was that if, when it comes to us, it contains the provision authorizing the veto by any of the five great powers, of which we are one, we will be confronted then with the problem whether to accept the instrument with the veto power in it, or possibly to scrap it because there is a veto power in it, and individually I would hesitate a long time before I would throw the work of San Francisco and Dumbarton Oaks and the hopes of the world out of the window simply because there was contained in the agreement a veto power on the part of any one of these great powers.

Mr. LA FOLLETTE. Mr. President, I have not used the verb "throw" and I have not used the noun "window," and I do not think anything I have said is subject to that implication.

Mr. BARKLEY. But we know there is such a verb and such a noun.

Mr. LA FOLLETTE. Yes. The Senator just spoke of throwing it out of the window. I did not use that expression.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. CHANDLER. I think when the time comes for the Senate to pass on the question of veto, which the Senator from Wisconsin has discussed, we will either have to fish or cut bait.

The Senator made a remark earlier in his speech which impressed me very much. If this has been a war between Fascist and imperialist powers, and if all that is going to be accomplished in the long run is for people who have been in slavery for years to return to their old masters, if they are to have no say about their future and about their lives in the future, then in the first place it is no wonder that they have not been willing to contribute more to the Allied success in the war. The Senators who traveled around the world were told by Arabs in French Morocco, for example, that under the terms of the Atlantic Charter they thought they ought to be free from the French if the Allies won the war. They suggested that the people of the United States were bound to see to it that that freedom came to them. The people of Egypt thought they had the right to be free from the British, and the people of India thought they had the right to be free from the British.

If all we have accomplished here is to set up an organization really composed of five great powers, each one of which will have the right of the veto, and to say "No," which would automatically put them out of the organization, then it would leave to the little fellows nothing except to shuffle for themselves, even though they were told by the Allies when the fight was going on that they had a right to be free from fear, be free from want, and to have the other freedoms.

I confess that I greatly appreciate the remarks of the Senator from Wisconsin, a great part of which I have had the privilege of hearing.

Mr. LA FOLLETTE. I appreciate very much the Senator's attention to my remarks.

Mr. President, if I may be pardoned for making another reference to past history, I think the failure of the League to take action against Japan when she went into Manchuria was a mortal blow to the League itself. Let no one get up on the floor and tell me its failure to act then was because the United States was not a member of the League. We took the initiative in that crisis. Secretary of State Stimson invoked the Nine-Power Pact. He sought to get the cooperation of Great Britain and the League. But because Great Britain then had an alliance with Japan, we were unable to obtain the cooperation either of Great Britain or of the League in enforcing the Nine-Power Pact and in checking Japan's aggression into Manchuria.

This was the first great blow to the League of Nations as an instrument for peace. The second came in 1935 when the big powers which dominated the League refused to stop Mussolini's invasion of Ethiopia. These two tragic examples of impotence sealed the doom of the League of Nations.

So I say, it would only be necessary to have one example of a great power committing an aggression under the Dumbarton Oaks-Yalta scheme and vot-

ing against the other 10 members of the Council to prevent action, in order to wreck that organization, just as I think the League of Nations received mortal blows when it failed to act in the case of Japan and Manchuria in 1931 and Mussolini and Italy and Ethiopia in 1935.

Mr. President, I know that it will be said that the present five great powers are peace-loving nations. But even if they are that at present how can we be certain they will always remain so? I have a long memory as to what has taken place through the years right here in this Senate Chamber. I can remember when during and after the First World War Japan and Italy were repeatedly referred to by Senators on the floor as among the "righteous," "peace-loving" nations because they were then associated with us in waging war and in writing the peace.

The past shows us that sometimes governments change; and their policies change; that those which seemed to be peace-loving may in a few years become imperialistic and perpetrate aggression. Therefore we should not rely upon a form of organization which can suddenly be paralyzed and perhaps wrecked by the vote of one nation which may be desirous of achieving an imperialistic purpose.

Any such arrangement is visionary and unrealistic because it ignores the lessons of the past. Furthermore it is not based upon a realistic view of the situation which prevails in Europe now that the war has ended there nor upon the situation that will prevail when the war against Japan is ended. At the end of this war Germany and Japan will both be devastated physically, disorganized politically, and impotent as military menaces. If we are as firm as we should be in our determination to keep them disarmed, neither of these former powers can possibly be an important threat to the peace of the world. Certainly none of the other former Axis Nations—Italy, Rumania, Bulgaria, Hungary, or even impoverished Spain—can seriously be regarded as a major threat to peace unless one or more of these nations should in the future be allied with a great power or a group of powers. None of the small nations which have been liberated from the Axis yoke looms as a potential aggressor.

THE ONLY POWERS CAPABLE OF AGGRESSION ARE THE BIG POWERS

From a political and military standpoint the only nations which can start an aggression which might bring on another world war are the five big powers. Therefore, the Dumbarton Oaks provision which permits one of the Big Five to veto sanctions against herself could readily become a device to provide one of the conquering great powers with license for precisely the type of aggressive acts which inevitably bring war. I cannot see how any world organization can enforce peace with a voting provision such as is now proposed.

OTHER SUGGESTIONS FOR IMPROVEMENT OF DUMBARTON OAKS

It seems to me unfortunate from the standpoint of an effective organization that the security council has not been enlarged to include at least six more nations, in order to provide far broader representation and a greater cross-section of world opinion, and that two-thirds vote be required to invoke economic or military sanctions, in order to prevent a single great power from standing successfully—and legally—against the world.

There are other improvements which would make of the Dumbarton Oaks plan a far more democratic and workable organization:

First. The charter should be made easier to amend. It was the wisdom of the founding fathers in providing for the amendment of our Constitution which has made it possible for that document to meet the sweeping changes of more than a hundred and fifty years.

Second. Membership should be opened eventually to all nations which have proved their willingness to abide by the principles of the world organization.

Third. Greater scope should be given to the assembly in order to provide for a more representative determination of issues which will inevitably confront this organization.

Fourth. Far greater emphasis and prestige should be attached to the work of the economic and social council. This agency of the Dumbarton Oaks plan seems to me to be the most potentially useful branch of the organization, just as I think the work of a scientific character and the work in health, education, and labor carried on by the League of Nations was its most effective work.

Fifth. The principles of the Atlantic Charter, which are a modest enough expression of the ideals of all freedom-loving peoples, should be incorporated into the proposed document as a minimum standard of conduct for all nations becoming members of the organization.

Sixth. The charter of the proposed world organization should include a world bill of rights, through which the signatory nations pledge themselves to preserve and to extend religious and political freedom, civil liberties, racial equality, the protection of minorities, and the abolition of human slavery and imperialism.

As I said in the outset of my remarks, Mr. President, this is one of the great turning points of history. The people of America do not shrink from the responsibilities which modern technology and the war have thrust upon them. They accept the challenge with the same pioneering zeal, the dauntless courage, and the passion for freedom and democracy which sent their grandfathers and great-grandfathers across 3,000 miles of danger-ridden wilderness to build a new and a free society not only for themselves but for the oppressed of all lands.

The new frontier is as challenging as the old, but no challenge has ever been met by running away from it. We shall get off to a false start if we fail to recognize—

First. That the Dumbarton Oaks plan now being considered at San Francisco needs basic overhauling if it is to become a genuinely democratic instrument for the preservation of peace;

Second. That the international organization will fail unless the peace it is erected to enforce is a just and honorable peace, a peace founded on tolerance, not vengeance; on freedom, not imperialism; on genuine international cooperation, not a facade for military alliances; on the genuine principle of self-determination, not power politics and great-power domination; and most of all on a clear realization that the basic causes of war are social, economic, and political in character. Unless there is a united determination to get at those causes of social, political, and economic dislocation, we shall have tricked ourselves, by relying solely on the might of an organization, into a false and treacherous sense of security.

It seems to me fundamental that if the United States is to play an active, perhaps decisive, role in world affairs, we must harness our activities to a basic American policy—a policy rooted in the American ideal of political freedom and economic opportunity for all.

It is perfectly clear from developments in Europe during the past year or more that we do not have such a policy.

Editorial writers and public speakers talk glibly of America's new role in world affairs. But their writings and speeches do not contain a clear-cut, affirmative expression of what that role shall be.

WE HAVE NOT HAD A CONSISTENT POLICY IN EUROPE

In the records of our nonmilitary activities in Europe one searches in vain for a connected and coordinated pattern of behavior. Too often we have shown marked evidence of an inferiority complex. Too often we have been content to let our representatives abroad become mere yes men for our allies. And too often we have allowed the name and honor of this country to be associated with policies which are repugnant alike to the democratic-minded peoples of both Europe and the United States.

We have failed to throw our moral strength into the balance for reconstruction of liberated nations in anywhere near the degree that we have pitted our military strength against the enemy for the destruction of fascism and nazism. Instead we have drifted and vacillated dangerously, and thereby have confused the people at home and abroad.

Too many of us forget that the death of Hitler has not removed a single cause of Hitlerism. Too many of us find it easy to hope that a package marked Peace, postmarked San Francisco, will be delivered to us some day soon, free of charge. Too many of us overlook the simple fact that there must be sweat and toil in peacemaking if we are to escape the blood and tears of war. There are no easy answers to peace.

Six years ago another big three met at Munich and worked out an easy answer. Their names were Hitler, Daladier, and Chamberlain, and one of them, the late Mr. Chamberlain, proclaimed they had bought peace for our time—by appeasing a dictatorship, by selling out small and helpless countries—without dealing in a fundamental way with any of the basic problems which were eating their way, like a cancer, through the body of all Europe.

PROPOSED PRINCIPLES OF AN AMERICAN FOREIGN POLICY

In our rejoicing over the end of the European war we must not forget that

every economic problem which existed in Europe when the war began is still there, but in greatly aggravated form. Those problems are not insoluble. But to solve them we must shed our mood of frustration and face up to them with courageous realism. I propose that our Government proclaim a series of basic principles as the cornerstone of American foreign policy—the cornerstone on which we proposed to build our relations with the rest of the world. These principles are:

First. America is prepared to aid all nations—allied, liberated, and former enemy countries—to help themselves in the great task of reconstruction. We cannot rebuild for them. But we can provide relief for the tragic present and long-time credits for the longer pull.

Second. America is ready to aid European nations in creating a confederation of European states on a federal principle of local and cultural autonomy similar to Switzerland and this country. But America is not committed to supporting the doctrine of great power domination or the balance-of-power theory.

Third. America is determined to see that all Nazi and Fascist criminals are brought to trial.

Fourth. America is firm in her determination to lend support to democratic principles and democratic aspirations. But she refuses to lend her support to the extension of slavery or totalitarianism.

Fifth. America stands ready to cooperate with all nations of the world to preserve a just, a democratic peace through the instrumentality of a practical world organization built on democratic lines.

Sixth. America recognizes that a sound structure of peace is much more than a matter of political arrangements. Economic considerations are vital in any planning for a just and lasting peace.

Seventh. America knows how powerful a role her own Bill of Rights has played in shaping the destiny of this country, and therefore calls upon the nations of the world to write an international bill of rights to protect the peoples of all countries.

Eighth. America is aware of the fact that, for all our desire to help rebuild the rest of the world, we would be faithless to our own people and the peoples of other nations who look to us for example and inspiration unless we put our own house in order.

This challenging task we must begin now by projecting a policy for the United States which will provide useful and self-respecting employment for everyone who is willing to work. We stand before a new frontier of opportunity, an era of plastics and light metals. If we meet the challenge of the new frontier wisely we can provide opportunities for security, education, health, housing, and recreation such as we have never had before.

Too many of us have failed to understand the explosive character of the period in which we live. This has been and is more than a war. It is a revolution.

America has a great constructive role to play at this critical juncture. America's role is to prove that economic abundance can be attained without sacrificing political freedom and human liberty. Here in the United States we can demonstrate that both are attainable if we have the courage, the vision, and the perseverance to plan and work for them. But in achieving this goal we must resist the Pied Pipers who would take us down some easy road which can only end in bitter disillusionment and the loss of our fundamental liberties.

Let us join with the other nations to preserve peace, but let us never give our consent or support to any extension of slavery, great power domination, or imperialism.

Let us cooperate to extend freedom, democracy, and equality of opportunity to all men, regardless of race, color, or creed.

EXHIBIT A

[From the New York Times of May 31, 1945]

FRENCH SEIZE PARLIAMENT IN BITTER DAMASCUS BATTLE—SYRIAN CAPITAL REPORTED BOMBED—LEADERS ASK ALLIED INTERCESSION—DE GAULLE FACES CABINET CRISIS

BEIRUT, LEBANON, May 30.—Lebanon tonight called volunteers to the colors as the explosive Near East situation grew more critical and French troops, fighting Arab irregulars in Syria, were reported to have occupied the Parliament building in the capital of Damascus.

Arab tribesmen, west of the Djebel Druse, were reported to have attacked French troops in Hauran Province and to have captured several garrisons. French officials here said they had lost contact with their outposts.

The situation was obscure, but it was feared that several thousand of the fanatic Druse tribesmen had risen against their old enemies, the French, with whom they fought a sanguinary war in 1926.

Although no direct government action had been taken by either of the Levant states against France, Lebanese President Bachara el Khoury signed a decree calling for volunteers between the ages of 18 and 35. Several bureaus were established to handle the national guard.

In a growing French Cabinet crisis Foreign Minister Georges Bidault was said to have considered resigning in protest against Gen. Charles de Gaulle's policies, which had overridden his own cautious attitude toward the Levant. In London the British Cabinet was in emergency session and Foreign Secretary Eden said the Government was in close consultation with Washington on the deteriorated situation. One report by the British Broadcasting Corporation quoted the Prime Minister of Syria as saying, "Our aim is to liquidate all our former relations with France. We shall not give strategic bases and there is no question of the French enjoying any privileges here that other nations do not enjoy equally."

The fiercest fighting was centered at Damascus, where French troops employed planes as well as mortars and artillery in fighting the irregulars. The French said Syrian gendarmes, backed by partisans, led the assaults against French positions in Damascus.

The natives apparently had planned the attack carefully, one French official said, although there was "no reason to believe the Syrian Government was involved."

Meanwhile, Syrian President Shuki al Kuwatly appealed to United States Minister George Wadsworth and British Minister Terrence Shone for immediate intercession. He also protested the French air bombardment of Damascus.

In Damascus a 2-hour truce was called from 4 to 6 p. m. to permit the evacuation of civilians.

Two American citizens, known to have been in Damascus during the French shelling, escaped injury. They were the American consul, William Porter, of Fall River, Mass., and William Gillespie of Stamford, Conn., head of the Office of War Information in Damascus.

One British officer was killed and another wounded during the shelling of the Orient Palace Hotel. Mr. Gillespie escaped injury, although bullets whistled through his room. The United States consulate was slightly damaged.

During the shelling, the central prison was hit and several hundred prisoners escaped. Col. Artine Bey, head of the Syrian gendarmes in Damascus, was reported to have been seriously wounded yesterday.

French planes were reported to have bombed and strafed both Damascus and the town of Hama, to the north. The reports were conflicting. One version was that only a single plane had attacked Damascus. Native gendarmes were said to have shot down one plane at Hama with small-arms fire.

Parts of the Syrian Parliament, the Syrian Government House and the Orient Palace Hotel in Damascus had been damaged by shelling when the French broke into the Parliament Building early this morning after blowing up the front gate with a shell from a 75-millimeter gun.

Armed civilians were said to have launched another attack on the French barracks and troops in Damascus. Many were killed and wounded on both sides.

Civilian communications between Damascus and Beirut were cut. The American Legation here said the United States consul in Damascus rode in a British armored car from the consulate to confer with President Kuwatly. It was through the United States consul that President Kuwatly made his appeal for British-American intercession.

The explosive situation throughout Syria and Lebanon stemmed from French demands for certain exclusive privileges in the two countries that they were apparently determined not to grant. However, there has been no action by either Government against France—only the outbreaks by indignant civilians.

The situation at Homs and Aleppo was reported quieter, but it was feared fighting would break out anew when news of the fierce struggle in Damascus spread.

The Djebel Druse had not joined in the uprising. However, Sultan Basma el Atrash had convened all Druse leaders at his mountain stronghold at Salkha for a conference. The sultan has several thousand armed troops at his disposal.

EXHIBIT B

BULGARIA

At the beginning of 1944 negotiations were under way designed to bring about a Bulgarian surrender to the Allies. But the time for a surrender was not yet ripe. Bulgaria was still under tight German control, though the Bulgarians had not fired a shot in Germany's behalf. The Russians had not yet captured Odessa nor set foot on Rumanian territory. There was no certainty that the Anglo-Americans would invade France—and do so successfully. The fate of Italy, which had surrendered some time previously, was not such as to encourage the Bulgarians to do likewise.

It is important to remember that Bulgaria was not then at war with Soviet Russia. Though Bulgaria was Germany's ally, and deeply indebted to her for many favors, she had refused to join in the battle against Russia. True, Bulgaria had permitted Germany to send German troops across her lands to participate in the conquest of Yugoslavia and Greece, but the Russians at the time were Germany's partners. The deal that Hitler and Stalin made for the partition of Poland was then in full bloom.

France was invaded—successfully. And then the Russians began to threaten Bul-

garia. They warned the Bulgars that they were "playing with fire." They protested against the use of Bulgaria's Black Sea ports by the Germans. They demanded new concessions. In July they handed the Bulgarians a virtual ultimatum demanding that they cease cooperating with the Germans.

In August, Turkey broke relations with Germany. Almost at once the Bulgarians began to show a real desire to get out of the war. The Bulgarian Prime Minister made a speech before Parliament advocating an immediate withdrawal from the war. People carried him through the streets of Sofia shouting, "Long live the savior of Bulgaria." The Bulgarians were now obviously ready to sign.

They could sign only with the British and the Americans, with whom they were at war. They could not sign with Russia—they were at peace with Russia, technically speaking, and Russia's representative was still in residence at the Bulgarian capital.

On August 30, a Bulgarian peace commission reached Cairo to sign terms with the Anglo-Americans—terms of "unconditional surrender." The Russians were consulted regarding these terms but their ambassador in London declared that Russia was not much interested, that this was an Anglo-American affair, and that they were grateful to be kept informed.

Like a bolt from the blue, and with only a few minutes' warning to their Anglo-American allies, the Soviet Union then declared war on Bulgaria. This completely changed the picture. Soviet troops invaded Bulgaria. The Bulgars asked for an armistice. There was a Communist uprising and a blood bath in Sofia. Former regents and premiers were arrested—and promptly shot. All Bulgarian ministers from 1941 on were ordered arrested. Newspapers were shut down. People were deported.

The Bulgar-Russian War ended in 4 days. And Bulgarian peace commissioners, having withdrawn from Cairo, then set out for Moscow. There they received terms which called upon the Bulgarians to retire back into their own borders, required the Bulgarian Army to come under Russian control, required apprehension of war criminals, supervision of propaganda and education by the Allies, Soviet use of Bulgar ships in the Black Sea and on the Danube, and a reparations bill to be set later, now amounting to 525,000,000 leva a month. The terms called for free movement of Allied forces and supervision of the terms of the armistice by an Allied Control Commission.

A new Communist-dominated government called the Fatherland Front was called into being. It did cause the Bulgars to retire within their own borders. It did bring the Bulgarian Army under Russian control—and the Russians promptly sent the Army off to fight in Hungary, where it still is unable to get home. It did bring about the apprehension of "war criminals"; some 20,000 Bulgarians were shot as the result of drumhead trials or no trials at all. It did bring censorship, but not Allied censorship, merely Russian censorship. It did not free Allied prisoners of war, as required; Polish soldiers are still in Bulgarian prisons and some have been shipped to camps in Russia. It decidedly did not permit Allied representatives to travel freely in Bulgaria; even today American and British officers are restricted in their movements in this country, cannot budge out of the area in which they live in Sofia, cannot even go to the airport, in fact, without a Russian "companion."

As in Rumania, the Allied Control Commission is entirely Russian. The Russian general who runs it did entirely as he pleased for some months. Now, as the result of continuous protests by the British and American representatives, he kindly consents to let our representatives see his decrees as they are published. That's as far as our influence goes. We were not even told that Bulgaria was recognizing the Russian-sponsored Polish Government until after it had happened.

What would Americans say if they knew that the Soviets announced recently in the name of the Allied Control Commission that messages for London and for the United States through London have to be routed through Moscow. Neither the British nor American representatives were consulted on this decision, obviously.

EXHIBIT C

RUMANIA

Rumania occupied a special place in Russia's plans. Since the beginning of the Russo-German war, Rumania had been Germany's ally. Rumania provided Germany with troops and was useful economically and politically. Germany got a third of her oil from Rumania and nearly half the mica she needed; also cotton, wool, and other essential materials. In addition, Rumania was a monument of the supposed Axis solidarity in the Balkans.

Rumania was Germany's unwilling ally. Rumania had been the friend of Poland and France and counted for her safety on German-Russian antagonism. When Poland collapsed, divided between the Germans and the Russians, Rumania was helpless. Between Germans and Russians, Rumania promptly lost a quarter of her territory and about 7,000,000 people. She had left an area twice the size of New York State and 12,000,000 subjects—twice the population of New York City.

After the Russians had defeated the Axis at Stalingrad, swept the Germans out of the Ukraine, recaptured Odessa, and forced evacuation of the Crimea, they regrouped for the assault on Rumania. Soviet Foreign Minister Molotov then broadcast the following statement:

"The Soviet Government has no intention to acquire any part of Rumanian territory or to change the existing social structure in Rumania or to infringe in any way upon the independence of Rumania. On the contrary, the Soviet Government considers it necessary to establish, together with the Rumanian people, the independence of Rumania by freeing Rumania from the Fascist yoke."

Russia's propaganda attack was successful. King Michael believed this statement and personally engineered a coup d'etat. He announced—on August 23, last—that he had accepted surrender to the Russians. The next day Rumania declared war on Germany.

Russian troops swept through Rumania. Rumanian leaders were arrested. Oil depots were captured. Vehicles were requisitioned. Communications and customs were taken in hand. Propaganda was placed under Russian control. Newspapers were curtailed. Radios were confiscated. An American mission attempting to take pictures of the damage our bombers had done at Ploesti was forced by the Russians to discontinue its investigations.

The Russians forced upon Rumania armistice terms which called for drastic reductions in the Rumanian Army, which was to come under Russian command and fight against Germany and Hungary. They called for war trials and an indemnity of $300,000,000 over the next 6 years, tantamount to turning over to Russia all of Rumania's exports and imports for a period of 4 years. Russian military control dominated the Rumanian scene and Rumania was isolated from the Anglo-Saxon world.

The Russians then forced out the cabinet in power. In an extraordinary act of dictatorship, Vyshinski gave the Rumanian King just an hour and 5 minutes in which to appoint a new cabinet in which Communists would have the controlling positions—this despite the fact that the Communists number no more than 15 percent of Rumania's population.

Whole factories have been removed to Russia. Equipment belonging to American companies has been taken away—and our protests ignored. Arrests have been common. Some 80,000 persons have been forcibly shipped out of Rumania to labor for the Russians. A tight censorship has been imposed.

Sweeping changes were made in the Rumanian Army—and the army itself not permitted to return to Rumania from Czechoslovakia, where it was forced to fight under most unfavorable circumstances.

The demands for reparations have been increased to the point where Rumania's economy is all but ruined. Since August of a year ago the cost of living has gone up 429 percent. Bank notes in circulation have increased nearly 100 percent. All agricultural equipment has been taken over by the state. Small businesses and stores have been bankrupted.

Rumania's middle class has been deliberately ruined and there is no doubt but that the country is being Sovietized. It will not be long before Rumania is just another state of the Soviet Union.

It is true that there is a so-called Allied Control Commission in Rumania, supposedly to see that the terms of the armistice are carried out. But the chairman of this commission is a Russian general and his British and American counterparts have nothing to say about the acts of the commission—nothing at all. At times the American and British generals do not know what has been done in their names until they hear about it from agonized Rumanians. At this very moment the movement of British and American officers is severely restricted—and we are supposed to be Russia's allies.

In view of Molotov's promise that Russia has no intention of changing the existing social structure in Rumania or infringing in any way upon the independence of Rumania, in view of the agreements made at Yalta, what is the thoughtful American to think—that American who earnestly believes we were fighting to bring freedom to an enslaved world?

Here is what the American and British Governments think: On March 15 the United States and Great Britain formally asked the Soviet Union for an explanation of its actions in Rumania, actions clearly contrary to agreements freely reached, actions clearly contrary to American hopes and ideals, actions which contain the seeds of still another world war. If any answer has been made by the Soviet Union to date, it has not yet been made public.

EXHIBIT D

BORNHOLM ISLAND

The island of Bornholm is a small island in the Baltic Sea, off the southern coast of Sweden, half way distant between the Swedish city of Karlskrone and the island of Rugen. It has belonged for centuries to Denmark. Its population is pure Danish. In 1940, it was occupied by the Germans along with the rest of Denmark. Thereafter, they maintained a moderate garrison on the island until the final catastrophe.

The island is of considerable strategic importance to Russia, constituting an advanced outpost for them in the western Baltic. Its possession, however, would not give the Russians access to the Atlantic, so long as English influence prevailed at Kiel and Copenhagen.

In March when the Germans on Bornholm were ready for surrender, Soviet planes staged a bitter air attack on the towns of this island, virtually destroying one and half destroying another, killing many innocent Danes and affecting the surrender of Germans not one whit. It was a totally unnecessary show of Russian power.

On March 7, about 1,500 Russian troops were shipped by sea and air transport to Bornholm. The German garrison surrendered. In the following weeks these prisoners were transferred rapidly to the mainland but additional Soviet troops were brought to the island.

Danish sovereignty is still apparently recognized by the Soviet troops, who, however, have put down a tight news embargo on the island. Prevalent rumors suggest that the Russians will begin shortly the construction of one or more airfields on the island. Their troops seem to be on Danish soil for an indefinite period.

Denmark, Sweden, and Great Britain are much exercised about the Russian occupation of this strategic island. It is the consensus of almost all Allied observers in Scandinavia that the Russians are on Bornholm to stay.

[From the New York Times of May 27, 1945]

RUSSIANS SEEM PREPARED TO STAY ON DANISH ISLAND OF BORNHOLM

(Kal Myring)

HASLE (on Russian-occupied Bornholm), May 25.—I am the only correspondent of an American newspaper who has set foot on Bornholm after its occupation by the Russians.

I arrived after a hazardous 4½-hour journey from Sweden in an open 19-foot motorboat, flying the Swedish flag, and have spent more than a day in the Russian headquarters jail, being questioned to an extent approaching the third degree by the Russian military. If I return to Sweden it may be only because I gave a Russian official two bottles of aquavit and some coffee and tea brought from Sweden.

The Russian official emptied the bottles with his adjutant right away and he pronounced the 100-proof Swedish liquor better than vodka, and he gave me my exit permit. That is why I have decided to hasten to Sweden before he changes his mind.

It is rough at sea and the visibility is poor, and when we get away the Russians could not find us even if they wanted to, although they patrol the waters around the island with speedboats and seaplanes to prevent any illegal traffic with Bornholm.

There are about three Russian battalions, about 7,000 men, on Bornholm. There are two light infantry battalions and one heavy, with 80-millimeter guns and 32-millimeter antitank guns, according to Danes on the island.

During the questioning I was carted back and forth between Hasle and Roenne. After I had answered all questions satisfactorily to the Russians I had liberty of movement on the island but had to promise not to try to leave without permission. In voyaging around the island for 3 days I was able to observe most of what is going on.

The enthusiasm of the Bornholmers for the Russians has cooled considerably since the first few days when the Russians landed to drive the German occupants out. In the first enthusiasm over the arrival of the Russians the Bornholmers even forgot their bitterness over the Soviet bombing of their garden towns.

Uncertainty about the length of the Russians' stay has set in and the Bornholmers are pessimistic. There also are language troubles. Most of the Russians here speak nothing but Russian and sign language has been unsatisfactory.

Bornholmers are dissatisfied because the Russians limited their fishing, their main occupation. The Russians decreed that no fisherman must stray farther from shore than 10 nautical miles at the risk of being sunk. The Bornholmers claim it is an infringement on Danish freedom.

LONG STAY IS INDICATED

Russian remarks and information from Danes indicate the Russians are on Bornholm to stay, at least for a long time. They have constructed an airfield 2 miles north of Roenne and are installing themselves on the island and making plans for the future in a way that gives the impression of permanence.

I got along well with the Russians once I had allayed their suspicions. My few Russian words were sufficient to carry on conversations. I played blackjack for money stakes, first with my Soviet guards when I was under arrest and then with Russian soldiers in different taverns.

I had Swedish silver coins worth from two and a half to twelve and a half American cents each. The Russians played with German 1,000-mark notes and Polish 500-zloty notes and laughed when they lost. But I was careful to lose this worthless paper money back to them.

I made the trip to Bornholm in a motorboat chartered from a fisherman in Simrishamn, Sweden. We almost did not get there. Just off Hasle a Soviet fighter plane swooped over our deck and I thought he was going to machine-gun us.

On landing in Hasle my fisherman companion and I were met by a Russian sentry who took us to headquarters, where a colonel expressed his suspicion that we were spies. He took a telephone and thundered to the person on the other end:

"Why didn't you sink the motorboat?"

ALL OFFICIALS SUSPICIOUS

Then we were bundled off to a political official of higher rank. Suspicion was the keynote everywhere. My scant Russian quickly gave out and we carried on in broken German until a Danish interpreter was called. We were kept in the headquarters overnight and then hauled off to Roenne to be examined by the Russian commander in chief, Colonel Strepkoff, but he would not receive us.

Instead, he had us referred to the counter-espionage chief. This was a very tough official. He fired unceasing questions. Following this questioning the fisherman and I were liberated.

The Russians brought their own cattle to the island so as not to make inroads into the Bornholmers' food supplies, but introduced hoof and mouth disease. The Russian cattle spread throughout the island, infecting the island's livestock and necessitating wholesale butchering of cattle. To combat the disease the Russians brought in their own veterinarians.

The food situation is good, with eggs, beef, and pork abundant. The Russians have not made a single requisition. There is no coffee, tea, or chocolate, and liquor and tobacco can be found only in the black market.

[From the New York Times of May 28, 1945]

BORNHOLM CALLED RUSSIAN DENMARK—CORRESPONDENT SAYS SOVIET TROOPS APPEAR TO BE THERE FOR INDEFINITE PERIOD—SEES NO RUSSIAN FLAG—DANISH RULERS' PICTURES ARE IN RED ARMY QUARTERS, BUT NO PHOTOGRAPH OF STALIN

(By Kal Myring)

SIMRISHAMN, SWEDEN, May 26.—The sum total of my impressions of the three-day illegal visit to Russian Bornholm, which belongs to Denmark, is that the island is firmly under Soviet rule and will continue so indefinitely. It is true that, so far, the Russians have not undertaken any fortifications there; nevertheless, they are obviously free to build such fortifications any time they deem it desirable.

The reason I believe the Russians intend to stay indefinitely is that Soviet political officers attached to the Soviet occupation troops have told the soldiers that they are in Russian Denmark. I aired this matter with a Red Army political major during a dinner talk. He asked me how far it was to Sweden. I replied: "About 25 miles—you know, we are just off the Swedish coast."

He shook his head paternally saying: "Oh, no, Russia owns no islands off the Swedish coast, so you're wrong."

I stood on my statement, whereupon the major took out a pencil and drew a map of the Baltic to prove his point. On his map Bornholm was just north of Pillau in East Prussia, a good 125 miles east of Bornholm's actual geographical position.

"You see," the major said, "how wrong you are."

"All right," I said, judging it more diplomatic, but I am convinced the major knew just as well as I Bornholm's position in the Baltic Sea.

Red Army soldiers with whom I talked, ate, drank, and played cards repeatedly used the expression "Russian Denmark."

SOVIET BANNER IS ABSENT

I saw no Russian flags anywhere. In fact, in Soviet headquarters at Roenne there were pictures of King Christian and Queen Alexandrine, but none of Stalin.

The Danes retain the civil administration on Bornholm, but the Russians' control of all military matters is tantamount to Moscow sovereignty over the island. Bornholmers can in practice do nothing without Russian approval.

Bornholm fishermen must ask Russian permission 2 hours before setting out. This is an economic hardship on fishermen who do not know that long beforehand whether herring will run then. Once having applied for an exit permit the fishermen must set out or risk the revocation of fishing licenses. If the moment is not propitious for fishing it is a waste of precious motor fuel.

The Russians also decide who is to enter or leave the island, disregarding Danish officials' views. Danes vouch in vain for persons they consider of unquestionable standing.

Bornholm newspapers are not subject to censorship, but the Russians have decreed an export ban on all local newspapers. During my 3 days on the island I never saw one word in the local press detrimental to Russia.

Regarding the equipment of the Russians, I noticed a peculiarity: I saw not a single rifle. The soldiers' equipment consisted of tommy guns or light automatics resembling Bren guns. There was also a profusion of machine guns and 32-mm. antitank guns. I saw no bazookas. I also saw one rocket cannon, to which the Russians credited most of their successes over the Germans. In fact, they went so far as to say it had been the decisive weapon of this war. The cannon fired a shell that, they said, produced an enormously high temperature that destroyed everything within a 150-meter radius. Its use, the Russians said, had made possible most of the major Red Army breakthroughs by clearing the way for the infantry.

OFFICERS FRATERNIZE WITH MEN

Much has been written about Russian women soldiers on Bornholm. In reality, they are fewer than the uniformed women attached to the German forces of occupation on Bornholm. The Russian women soldiers are not attractive—they look far too masculine.

Among the male troops I saw one 8-year-old boy mascot, Grischa. This uniformed child was a waif that the Red Army unit had adopted at Stalingrad and carried along with them all the way. Grischa wore proudly a Russian medal for bravery, plus a revolver just about as big as himself. Needless to say, he was everybody's pet.

Russian soldiers camped mostly outside in tent barracks. Officers lived in hotels, which were not requisitioned in that civilians were allowed there too. In Hasle I stayed in a hotel with many Russian officers. The living quarters seemed to be the only distiction between commissioned officers and the rank and file soldiery. General and private eat the same food, often at the same table.

I tasted some of this general-issue army food in company with a colonel; some captains and privates played cards together. I saw one lieutenant have a heated dispute with a colonel over a pot in a blackjack game, calling the colonel all sorts of names, and the colonel took it all in good grace, as if the two had been civilians. I also saw privates, with hands in pockets, talking to superiors and nobody minding. But all this was in off hours. On duty, discipline is iron handed and orders are executed swiftly and unquestioningly.

These card games into which I was invited afforded plenty of opportunity to study the Russian soldier. The currency in these games consisted of Polish zloty, American-printed Allied occupation reichsmarks—with which Red Army soldiers were plentifully supplied—and rubles. Officers and privates also never stopped to consider exchange rates. Twenty zlotys were equivalent to 20 reichsmarks, although the latter bill in reality was perhaps fifty times superior in purchasing value. But the Swedish 12-cent silver coins really were the blue chips. The Russians gladly risked one of their three- or four-figure banknotes for the chance of possessing a Swedish silver coin.

Where tobacco was concerned, they frowned on the popular-brand American cigarettes I had brought. They preferred to roll their own with Russian general-issue tobacco. For paper they used newspaper or toilet paper—the latter was regarded as especially excellent. Their drinking habits struck me as odd; they drank anything, and liquor transformed them into playful children or ill-tempered ones.

The last thing I saw upon leaving the island was a group of German officers doing longshoremen's work in Roenne, loading ships returning to Kolberg. They evidently were the last Germans there.

LEAVE OF ABSENCE

During the delivery of Mr. LA FOLLETTE'S speech,

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. LANGER. I ask unanimous consent to be excused for a period of 1 hour to attend a meeting of the Committee on the Judiciary. I would not leave the Chamber at this time, while this very important address is being delivered by my distinguished colleague from Wisconsin, if it were not for the fact that the nomination of Tom Clark to be Attorney General is before the committee for consideration.

The PRESIDENT pro tempore. Without objection, leave is granted.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDENT pro tempore. The clerk will proceed to state the amendments reported by the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Office of the Secretary—Salaries," on page 2, line 6, before the word *"Provided"*, to strike out "$1,064,140" and insert "$1,130,200."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Solicitor," on page 2, line 13, after the word "field", to strike out "$210,926" and insert "$220,700."

AIRPLANE ACCIDENTS

Mr. LANGER. Mr. President, I shall rise on this floor whenever I am positive that I have unimpeachable evidence to prove that production sabotage is taking place in certain of our aircraft factories under the apparent approval and authorization of Government officials not only at the plants but also in Washington.

This is the ninth time that I have called attention to startling documentary evidence furnished me by aircraft inspectors who have witnessed and testified to the truthfulness of these allegations.

Today I shall substantiate further charges that defective aircraft production is taking place in a number of war plants under the guidance of company as well as Army and Navy authorities.

At this point I refer to the lamentable and un-American methods resorted to by officials—both company and Government—in preventing inspectors from resigning their jobs because they could no longer sanction faulty aircraft material.

I have evidence to prove that the Bell Aircraft Corporation have found it extremely profitable and advantageous to exploit the law of the land in order to club some of their workers into subjection and demoralization.

These corporators have taken advantage of the War Manpower edicts through the medium of forcing their inspectors either to approve defective aircraft or be temporarily without means of making a livelihood. Mr. President, they say, "Either approve or starve." That is what they say to inspectors: "Approve defective airplanes or starve to death."

Those responsible for such tactics must be bitterly criticized and properly punished. This type of stratagem exists only under dictatorships. Such life or death powers have no place in America. The Congress never granted such authority to any individual or corporation. I shall cite the case history of a senior plane inspector who could no longer approve defective production and who is today unemployed because the Bell Aircraft Corporation refuses to grant him a release, and the War Manpower Office at Buffalo, N. Y., declines to grant him a card of availability. He pretended that he was sick in order to be relieved of further factory obligations. He was fearful of losing his self-respect—yes, his very sanity—because Bell Aircraft authorities were using him to rubber stamp dangerously constructed airplanes for sale to the armed forces. He could no longer sleep with his conscience. In protest—in defiance of the Bell Aircraft Corporation—he gave up his job. He resigned from the Bell Aircraft Corporation on April 30, 1945.

Mr. President, how long is this Congress going to permit this sinister type of wanton murder of our gallant fighting men, not to mention the loss of hundreds of millions of dollars through plane crashes. I am beginning to have grave misgivings as to whether or not we are really fighting this war to save our form of Government, or to retain and perpetuate the basic foundations upon which our Government was founded.

This war is producing many new millionaires, men who are growing rich and self-satisfied. What care they about the boy who lives on the other side of the tracks? What care they about the families of the men who have died in defective planes? What care they about GI Joe?

I now present additional testimony from Mr. Martin J. Green, the senior inspector whom I just mentioned, in which he corroborates similar accusations made by other airplane workers.

Mr. President, I hold in my hand, for any Senator who cares to look at it, the identification badge of Martin J. Green, showing that he is a Government inspector. I also have his photograph number. His identification data reads as follows, as shown by his original factory identification card:

PHOTO 610926

Designation: Senior procurement inspector. Section, central procurement district; branch, inspection; sex, male; age, 39; weight, 214; eyes, blue; hair, brown; date issued, December 22, 1945.

Mr. Green's address is 1375 Michigan Avenue, Buffalo, N. Y.

Mr. President, I assert once again that for 24 months the Mead committee has not made a report. The report which we have been promised by that committee with regard to defective airplanes has not been made.

I quote Inspector Green's charges:

I have read the statements sent you by the former inspectors at the Curtiss-Wright plant, and which were published in the Buffalo Evening News. Being an ex-Army inspector, I can truthfully say that conditions such as were described in their statements really existed, because I was stationed there for a few months. My reason for writing this statement is this: If any war plant around here needed, and still needs looking into, it's Bell Aircraft at Niagara Falls, N. Y.

Since 1942, with the exception of a few months that I spent at Curtiss, I was stationed at Bell until I resigned on April 30, 1945. Conditions were and are so bad that I forced myself to resign. I gave my reason as ill health which, to a certain extent, was correct. I was slowly working myself into a nervous break-down, because of work being repeatedly passed over my head, by my superiors. In many cases these jobs that were passed were detrimental to the pilot's and ship's safety. When I submitted my formal resignation my superiors had a suspicion as to my real reason for leaving, so I was denied a release. With the cry all over the Nation for men to go into war industries, I am forced to sit around idling away my time, because one of my superiors decided to have his revenge at my expense.

Just because I could not any longer stand conditions such as I am describing below, and these are only a few:

1. Company inspectors were authorized by our inspector in charge, Herbert H. Howard,

to double-stamp ships in predelivery. One stamp was for Bell, and the other for Army acceptance. In other words, these Bell inspectors could pass anything they wished, good or bad, and we had no say in the matter. After this was cut out, two of these competent Bell inspectors were removed from their positions because of incompetency.

2. One Army inspector, Mr. Rhinehold Johnston, held up the crating of a ship for overseas shipment because the corrosion preventative was not applied properly. The woman who was doing the work deliberately turned the spray gun on this Army inspector and sprayed him with oil, practically from head to foot, because he would not O. K. her job; so what happened? The Army inspector was transferred from the shipping department, and nothing done about the woman. In this case I was told by my supervisor that this Army inspector would have to be moved, because he was too strict.

Too strict about what, Mr. President? Too strict about protecting the lives of our pilots, 17,500 of whom have already died in the United States, 3 times as many pilots as have died on all the fronts of this war.

The Army supervisor who removed Inspector Johnston was Herbert Loesser.

And I gave the name to the Mead committee.

3. One Army inspector named Matthew Lang, who was at that time a lead man on the floor, had words with one of his men, M. J. O'Grady, because this man had during his lunch hour imbibed in a few drinks and was passing work in a hurried manner. Because of this, Inspector Lang was called up on the carpet by the inspector in charge, Herbert Howard. Inspector Lang turned out to be the accused, instead of the accuser. When Inspector Lang threatened that he would go over the head of the inspector in charge, Herbert Howard, he was conveniently transferred to Curtiss. I called him up occasionally and learned that things there at that time were as bad there as they were at Bell.

4. I was assigned to oxygen-equipment inspection at the time the following happened: In checking over two ships that were considered "hot"—in other words, ready to be flown away on this particular morning—in checking the pressure gages I found that the pressures were low, below the required amount. This, then, denoted a leaky condition. Not wanting these ships held up for a recheck of the oxygen systems, I was told by my supervisors, Herbert Loesser and Arthur Bronke, that they had been flown the previous afternoon at high altitudes and oxygen used, and that the flight-line crew had forgotten to refill these systems to the required 425 p. s. i. After the ships were flown away, I checked into the matter and found that these ships weren't off the ground in 3 days. I don't have to mention that oxygen is just as important to a pilot at high altitudes as the engine itself. If for the lack of oxygen, caused by a leak, the pilot should black out, not only the loss of ship is possible but also the loss of his life. Mr. Bronke is now inspector in charge.

5. I was called on to sign a salvage ticket for the repair of a cracked fuselage bulkhead in a ship. The disposition of this repair was not proper, as it was in direct contrast with technical orders covering such repairs. I turned this down—

He refused to pass it—

and the job was left over for the next shift, knowing that my supervisor, Herbert Loesser, would accept it just as it was. As in the past, it was O. K.'d by him and my original disposition was voided. This bulkhead is a structural member and the repair he O. K.'d would not stop it from cracking further in flight, under stress, causing the aft fuselage to buckle and result in loss of ship and pilot.

In the case of the accident which happened last week within a few miles of Washington, when a plane crashed and four were killed, all we heard was that an investigation would be made at some time in the future. I do not care when they make the investigation, the four Army men will still be dead.

6. In this instance one of my men turned down and ordered the removal of the main oil line. This was because of an indentation in this line of approximately 50 percent, restricting full flow of engine oil. I then backed him up and also turned it down. Because this entailed about 4 hours' work, production left it for the next shift. The supervisor, Herbert Loesser, O. K.'d this job "as is." In this instance also this could result in loss of pilot's life and ship because of malfunctioning of the oil system.

7. The present Army inspector in charge, Arthur Bronke, at the airport can be depended upon to stamp out anything that production can't get stamped out by the Army inspector who originally rejected the job. All production had to do is hold these jobs over for his shift, and the job is sold.

8. About 2 months ago word was received that the air inspectors were going to come around and check into things. Immediately all lower classified Army inspectors were taken out of final inspection, and those with higher classifications, such as CAF-8, were moved into their places. These lower grade men were doing this kind of work for as long as I was there, I understand against regulations. But that did not matter, as long as the air inspectors were impressed, while they were there. Mr. Herbert Loesser and Mr. Arthur Bronke were aware of the air inspectors' visit to the plant in advance.

The inspectors notified him, apparently, that they were coming. What kind of an inspection is that?

This information was passed on to me by Mr. Loesser.

I could keep writing on and on about these conditions but this would take too long. I have this to say in closing. If the Army inspectors that are stationed at Bell were interviewed in their homes and in confidence, a lot more could be learned. They are afraid to talk on the job, because of reciprocation.

Mr. President, I submit a list of directors of the Bell Aircraft Corp., 2050 Elmwood Avenue, Buffalo, N. Y. These are the men who could put an immediate stop to the production of defective aircraft. Again I call attention, as I did when I last talked on this subject, when I showed up the men who owned this corporation, that they were making millions and hundreds of millions of dollars by selling defective airplanes which have caused the death in America, according to the Army itself, of 17,500 pilots, while only 5,000 have died on the war fronts. I showed that with the exception of 3, as I remember, these men were connected with Wall Street. These are the names:

Laurence D. Bell, president; director, Sterling Engine Co., Irving Air Chute Co., Niagara Share Corp.

Roy P. Whitman, director, Manufacturers Aircraft Association, Buffalo Chamber of Commerce.

Robert J. Woods.

Charles A. Criqui, director, Sterling Engine Co.

This next man is really a director.

J. F. Schoellkopf, Jr., president, Niagara Share Corp.; chairman, Insuranshares Certificates, Inc.; director, Buffalo Electro-Chemical Co., Skenandoa Rayon Corp., Forest Petroleum Corp., General Reinsurance Corp., General Railway Signal Co., Republic Steel Corp., Dunlop Tire & Rubber Corp., Buffalo Insurance Co., American Steamship Co., Marine Midland Corp., Niagara Oil Corp.

Ansley W. Sawyer, partner, Dudley, Stowe & Sawyer; president, Wonalanct Co.; director, Ellicott Square Co., Abstract Title & Mortgage Corp., Buffalo Electro-Chemical Co., Great Lakes Transic Co., Terminals & Transportation Corp.

Walter A. Yates, president, Yates Lehigh Coal Co.; vice president, Hotel Lafayette, Vendome Garage, Yates McLaughlin, Inc.; treasurer, Buffalo General Heat, Inc.

John W. deForest, general agent, Aetna Life Insurance Co., Buffalo, N. Y.

Mr. President, with the kind of inspection had in this particular plant, I wonder how many pilots the Aetna Life Insurance Co., of Buffalo, N. Y., would insure?

I can only say that I intend again and again and again and again to call the attention of the Senate to what is taking place in the plants of airplane manufacturing companies until the time when the former Truman committee, now known as the Mead committee, makes a thorough investigation and makes public the secret data, the report which former Senator Truman, now President of the United States, said 4 months ago on the Senate floor would be presented to the United States Senate.

SUGGESTIONS FOR RELIEVING NEWSPRINT SHORTAGE IN UNITED STATES

Mr. WILLIS. Mr. President, I presume every member of the Senate has been made cognizant of the extremely critical situation which faces the newspaper publishers of the country due to the lack of newsprint, a lack which exists not only among the newspaper publishers but among various departments of government which use considerable quantities of this material. As a newspaperman I have been interested in this subject, and have tried to find some way by which these shortages could be relieved. Of course in all things we have had to yield first place to the war effort. That was the extreme priority in the past few months. However, with the close of the war in Europe it seems to me a situation has arisen which may give some relief to American newspaper publishers. Suggestions have come to me from one of the outstanding newspaper publishers of the State of Indiana, Mr. Eugene C. Pulliam, publisher of the Indianapolis Star, which I pass along for the information of Members of the Senate and for the information of the various Government agencies which have to do with the control of newsprint:

Herewith is a seven-point program which, if followed, would relieve the newsprint shortage in the United States within the next 90 days:

1. Without further delay, insist that Swedish pulp be shipped into England, Holland, and France, or sent direct to United States and Canadian plants.

Sweden has approximately a million tons of pulp ready for shipment. The problem is to get it into some plant somewhere and have it processed into newsprint. The supply is rationed and when the supply is increased all of us get more newsprint.

2. Stop or drastically curtail newsprint and paper product shipments to the armed forces in Europe. Approximately 30 percent of our newsprint production in the United States and Canada is now going to the armed forces. Sweden and Finland can furnish the pulp for all of these needs and it can be processed in the English and European plants. This is really our greatest need—to have these shipments stopped.

3. Speed up work of clearing out mines in the Norwegian shipping lanes which have been endangering shipments of Swedish pulp.

4. Direct the OPA and WPB to cooperate more generously with Canada in getting increased shipments of pulp and newsprint into the United States. At the present time the Canadian OPA is holding back shipments of timber and pulp to plants in the United States.

5. Transfer at least 20,000 prisoners of war now in this country to the Maine and Northwest woods for the next 90 days to cut timber for pulp. The labor shortage is one of the most serious bottlenecks in this whole newsprint problem.

6. Insist on Canada releasing timber and pulp for processing by United States plants. This is very important.

7. Relax both United States and Canadian restrictions on shipment of newsprint to American newspapers, even though there has to be some readjustment in prices.

I respectfully urge the Members of the Senate to study this proposal and join in an effort to secure relief through the proper agencies.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WILLIS. I yield.

Mr. LANGER. Can the Senator from Indiana tell me why we cannot get pulp and timber from Canada with which to produce newsprint for the newspapers of America?

Mr. WILLIS. Shortage of labor has been given as one of the reasons. Another reason assigned is shortage of shipping facilities. However, there is some mystery respecting the restrictions on newsprint coming into this country.

Mr. LANGER. What is the mystery? I know that the small newspaper publishers in North Dakota cannot get newsprint. They have been trying to get it for more than a year. They have been cutting down the size of their papers from eight sheets to four sheets. The newsprint they are able to obtain they secure by going down on their knees and begging for it. Just what is the trouble?

Mr. WILLIS. I am not able to answer the Senator's question categorically or directly, but I know the problem exists among all the newspapers of the country. They have been obliged to cut their output by a considerable percentage, and at the same time to give their efforts to the promotion of the war program.

I find that during 1944 the newspapers of America published 1,555,545 individual advertisements, valued at nearly $50,000,000, in support of our war effort. There is no better avenue of education than the newspapers. There seems to be a tendency in certain circles to have newsprint taken over by the Government instead of giving the newspapers the amount of it they need.

Mr. LANGER. Mr. President, will the Senator yield for a further question?

Mr. WILLIS. Yes.

Mr. LANGER. Is it not a fact that pulp and timber are being held by a Canadian trust?

Mr. WILLIS. I cannot answer the Senator's question.

Mr. LANGER. Is it or is it not a fact that some of the newspapers in America own their own pulp plants in Canada and that they have been forced to build pulp plants in that country?

Mr. WILLIS. That is true. They have also been denied shipping facilities with which to move their products out of Canada.

Mr. LANGER. Has any congressional committee been appointed to look into this matter, and has any investigation been made of the subject?

Mr. WILLIS. I do not know of any investigation except by committees of the newspaper publishers themselves. I shall be glad later to submit their findings to the Senate.

PROPOSED CONGRESSIONAL EXPENSE ALLOWANCE

Mr. MORSE. Mr. President, as one who strenuously opposed the $2,500 wage increase for Senators by way of an expense account, I think it is important that we keep the record straight as to the nature of that account.

I note from the press that statements are being issued to the American people that, although the Senate refused the $2,500 increase, it did, however, vote itself a $1,500 increase by way of funds for long-distance telephone calls. As a result, I believe that some very misleading interpretations are being made of the action of the Senate. I think the country is entitled to a statement of fact in that connection, and to a clear drawing of the distinction between the Senate appropriation and the proposed $2,500 expense account appropriation now being considered by the House.

There is a marked difference between the Senate's voting itself an appropriation for the payment of long-distance telephone calls for Government service rendered and voting for an allowance of $2,500 to be put in the pockets of each Member of the Senate by way of an expense account to pay for meals and lodging of Senators in Washington. One constitutes a wage increase in violation of the stabilization program and the other constitutes payment for Government expenses actually incurred in the performance of Government business.

Further, let me point out that the figure $1,500 is highly exaggerated. Investigation will show that if the 26 telephone calls a month provided for in the appropriation bill were actually made by each Member of the Senate the amount would fall far short of $1,500.

Again, I point out that the $2,500 allowance which we refused to vote ourselves would have constituted a violation of the stabilization program. The $1,500 for telephone calls, or whatever fraction thereof may be involved—and it will be much less than $1,500—will not go into the pockets of any Members of the Senate. It will not be paid out of the Treasury of the United States unless the telephone calls are made in the performance of official business.

I know of no Senator who would object to having the House provide for itself an appropriation for exactly the same service, in the interest of Government business, as that which accrues to the benefit of Senators. I repeat that I believe that the $2,500 expense allowance would constitute a wage grab in the midst of a war, and in violation of our stabilization program.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BRIDGES. I should like to undertake to explain the telephone situation so that it may be very clearly understood.

Last year the Senate authorized ten 3-minute telephone conversations a month. It was estimated that the total cost of such calls would be approximately $25,000 or $30,000 for the year. An examination will show that for the first 10 months of the fiscal year, up to May 1 of this year, the cost of such calls was between $7,000 and $8,000 for the entire Senate; or, computed on the basis of a 12-month period, basing the estimate upon the first 10 months, the cost would be approximately $100 a year for each Senator.

The bill this year provides not to exceed twenty-six 5-minute calls, or a total of 130 minutes. At the most, the cost would multiply last year's figure by 4, which would mean approximately $400 for each Senator, which is greatly below the figure which I have heard mentioned, which is based upon imagination rather than actual facts.

Mr. MORSE. I thank the Senator very much. I obtained practically the same figures today in my investigation.

I repeat that the money would not be paid unless a Senator actually made the calls. I am sure that when I was a member of the War Labor Board I saved the Government many thousands of dollars by being able to call various sections of the country by telephone in regard to Government business—savings which could not have been made if we had had to send men into the field and incur the necessary expenses which would have been entailed in doing the same job which I was able to do over the long-distance telephone in a very few minutes.

So far as I am concerned, I would welcome the opportunity for Members of the House to enjoy the same privilege that Senators enjoy in regard to long-distance telephone calls on Government business. The point I wish to make is that there is a marked difference between a Senator's receiving funds for long-distance telephone calls actually made, and receiving $2,500 for board and lodging in the midst of the war, when the $2,500 allowance, no matter how it might be interpreted, would constitute a violation of our stabilization program.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the

Interior for the fiscal year ending June 30, 1946, and for other purposes.

Mr. OVERTON. Mr. President, I should like to ask the Senator from Arizona [Mr. HAYDEN] a question. How much travel expense is involved in the first amendment, on page 2, line 6, of the bill? I assume that the increase applies only to salaries and that there is no travel expense in that item.

Mr. HAYDEN. I do not have the figures at hand at the moment. What the Senator wishes to know is, of the first item in the bill, which is $1,130,200, what is the total amount for travel in the Office of the Secretary? The Office of the Secretary includes the Secretary's office proper, the Petroleum Conservation Division, Soil and Moisture Conservation Operations, and the development of Alaska. The total is $225,000.

Mr. OVERTON. I thank the Senator. I should like to ask him a further question. How much travel expense does the entire bill contain?

Mr. HAYDEN. The estimates were for $4,995,950. We have reduced that amount somewhat, but not greatly.

Mr. OVERTON. According to the figures contained in the House report, the Budget estimate is $5,079,110.

Mr. HAYDEN. Yes. This is practically the same thing. It is $4,995,950.

Mr. OVERTON. According to the report, the amount actually spent for travel expense in 1944 for the Department of the Interior was $3,009,090. In 1945 the estimated travel expense leaped up approximately $700,000, to $3,767,000. For the coming fiscal year the pending bill provides approximately $5,000,000 for travel expense, which is an increase of approximately $1,250,000. I have no objection to the items for travel expense. However, when we had under consideration an amendment to make an allowance for expenditures by Senators in the discharge of their official duty, the total of which would have amounted to between $240,000 and $250,000 a year, the argument was made that it would be exceedingly inflationary.

I wish to point out this proposed increase in travel expenditures and the total sum of money now being used by the Department of the Interior for travel purposes in order that Senators may consider this item in the light of the argument which some Senators made when the Senate was considering the appropriation of a comparatively small amount of money for the general expenses of Senators, including travel, maintenance, lodging, and so forth. I am not opposed to the requested appropriation now under consideration; on the contrary, I favored the appropriation for Senators and I favor this appropriation for the Department of the Interior. But if an appropriation of two-hundred-and-forty-odd thousand dollars would be inflationary, certainly the appropriation of five million and some-odd thousand dollars is very inflationary, and certainly an increase of $1,250,000 in the appropriation for one department for travel purposes during 1 year would be considered by some of the Senators, I am sure, as being extremely inflationary. I hope they will not make that argument against this item. I think these requested appropriations for travel expenses should be allowed. I voted for them in the committee, and I shall vote for them on the floor of the Senate; but I notice that some Senators are now very much interested in the item, and I think it is my duty as a member of the committee to call their attention to what we have done.

There is also in the bill another provision to which I think attention should be called. The House of Representatives undertook to limit by $150,000 the amounts of money which could be expended for telephone, telegraph, and cablegram messages. I think that item is to be found in section 8, on page 115. The bill as passed by the House provides that not to exceed $80,000 shall be available for long-distance telephone calls, and not to exceed $70,000 for telegrams and cablegrams. There is a total limitation of $150,000. In the committee we voted to strike out that limitation, so that there would be no limitation at all on expenditures for communications by the Department of the Interior. Last year there was a corresponding limitation of $40,000 for telephone calls and $40,000 for telegrams and cablegrams.

Mr. President, I am simply calling attention to the amendment which was voted by the Committee on Appropriations. In the committee I voted for the amendment, and I am in favor of it. I do not think there should be any limitation on the expenditures for necessary communications. Let the Department spend what may be necessary in order effectively to discharge the duties of their office. However, I point out that there may be some inconsistency between voting for such an allowance and the votes which certain Senators cast in regard to the proposed expense allowance for Senators.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BRIDGES. In view of the fact that the Senator has spoken of an inconsistency, let me point out that the other day after the Senate discussed the so-called Senators' expense account item, and after that proposed allowance had been rejected following a loud hue and cry from all over the Senate about what a violation it would be of the Little Steel Formula of 15 percent, many Senators who had just voted against the proposed allowance for Senators voted, when the next item was under consideration, to increase the pay of the pages from $4 to $5, or a 25-percent increase. I think as much of the pages as does any other Senator, but it seemed to me to be a very inconsistent move at that time, and I was interested to see some of the Senators who had argued the loudest and the longest about observance of the Little Steel formula and the 15-percent rule vote "yea" when the vote was taken on the proposed 25-percent increase in the pay of the Senate pages. I wish to say that the Senator from Louisiana [Mr. OVERTON] voted "nay" and the Senator from Oregon [Mr. MORSE] also voted "nay." I know he did, because I watched him. So they were consistent, and I shall pay that tribute to any other Senator who was consistent in the votes he cast at that time.

However, I think that it is not at all consistent today, in connection with the pending appropriation bill, for Senators to vote to increase the appropriation for travel expense money under the pending bill to $5,000,000 a year in the middle of the war.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BURTON. Merely to keep the record straight in regard to the pay items, but not to enter into detail regarding them, I think it is necessary to look into the facts of the cases when they arise. When the pay of the pages was increased from $4 to $5 it was increased to precisely the same amount which is to be paid the pages in the House of Representatives. But, more than that, the pages receive no mileage, and they are required to pay for their own school tuition, and most of them live away from home and have expenses in that connection. I think the increase in the pay of the pages is justified on its merits, in view of the facts of their situation, no matter what the other situation may be.

Mr. BRIDGES. Mr. President, I am not quarreling about the increase made in the pay of the pages. I am glad to see them here, and I am in favor of paying them as much as the pages in the House of Representatives are paid, but I point out that there is no consistency between the votes of some Senators on that item and their votes on the question of the allowance of expense money for Senators. However, I wish to say that I admire our pages, and I wish to have them properly paid and properly treated in every way.

Mr. OVERTON. Mr. President, I understand the Senator's statement, and his argument is absolutely correct. It is said that it is not inflationary to increase the salary of pages 25 percent, but that it is most inflationary to make a 25-percent increase in the income of Senators. That is just what the amendment suggested by the Appropriations Committee would have done; it would have increased the compensation or the income of Senators by 25 percent.

This amendment, which was almost unanimously adopted for the benefit of the pages did increase their compensation 25 percent. So we break the Little Steel formula when we wish to do so, and we anchor it when we wish to do so, and it does not make a particle of difference. I have no doubt that we are about to increase the allowance for travel expenses of one department of the Government by considerably more than a million dollars, and that we will roll the total up to more than $5,000,000; but, of course, there is nothing inflationary in that.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. FULBRIGHT. The reason for the rejection of the proposed allowance for Senators, the other day, was that the Senators are not worth it, whereas the pages are! That was the distinction; was it not? [Laughter.]

Mr. BURTON. No, Mr. President; if the Senator will yield to me, let me say that no inference whatsoever is to be drawn in relation to the arguments for increased senatorial compensation. I am arguing for the increase in the compensation of pages on its own merits.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. MORSE. I should like to ask the Senator from Louisiana whether I am correct in my understanding that the reason advanced for the proposed increased amount of travel allowance is that it will pay for travel which does not now take place; in other words, the department concerned requires an extension of its work, which will necessitate more traveling than is now being done. Am I correct in that understanding?

Mr. OVERTON. The Senator can judge of that as well as I can. All I know about the matter is that the item would increase the travel expense allowance from $3,700,000 to $5,000,000.

Mr. MORSE. Let me ask the Senator from Arizona what his understanding is about the matter. Suppose Mr. X in the past has taken certain trips from Washington to Denver, Colo., let us say. Is it now proposed that Mr. X shall get more money, to enable him to make more trips from Washington to Denver, or is it proposed that under the new program of the department Y and Z may be required to take trips to Minneapolis or to Portland?

Mr. HAYDEN. The latter assumption is correct. For the fiscal year 1944 the total amount available to the Department of the Interior was approximately $113,000,000, including overtime. The Budget estimate this year was approximately $141,000,000. It is expected that more work will be done in the field. When it is done, more travel will be necessary.

Mr. MORSE. That is what I thought the item related to. I may say that there is nothing inflationary, under the policy of the Government, in money being paid for service not previously rendered. The problem is to prevent increases in pay for the same service which was rendered as of September 15, 1942. That is the basis of the Government's anti-inflation program.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 2, in line 13.

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I rise to ask the Senator in charge of the bill a question. On page 6 of the bill in connection with the Bonneville Power Administrator there is an item which provides the sum of approximately $21,000 for personal services within the District of Columbia. The language to which I refer reads: "including not to exceed $20,850 for personal services in the District of Columbia; printing and binding; and purchase (not exceeding 30), maintenance, and operation of passsenger automobiles", and so forth. What does the Bonneville Power Administrator have to do with the use of automobiles within the District of Columbia?

Mr. HAYDEN. Nothing. The language refers to the use of automobiles in the field. The provision to which the Senator refers is merely a limitation upon the amount of money which may be spent within the District of Columbia. In the same paragraph there is an authorization for partial surveys of certain transmission lines. The authorization is broken down and separated by semicolons.

Mr. MAGNUSON. I also note the words, "hire, maintenance, and operation of aircraft; $3,500,000."

Mr. HAYDEN. The appropriation mentioned covers the entire item. The authorization to use aircraft is required by a recent act of Congress. If it is necessary to use a plane in order to travel to some point, it may be used. There was a provision placed in the independent offices bill to this effect:

SEC. 203. Excepting appropriations for the military and naval establishments, no appropriation for the fiscal year 1946 in this or any other act shall be available for the purchase, maintenance, or operation of any aircraft unless specific authority for the purchase, maintenance, or operation thereof has been or is provided in such appropriation, and the acquisition of aircraft by any agency by transfer from another agency of the Government shall be considered as a purchase within the meaning hereof.

So the words to which reference has been made must be inserted in the bill. Otherwise not a cent could be used for hiring an airplane to travel anywhere.

Mr. MAGNUSON. Then the appropriation of $3,500,000 is for personal service, such as hiring the use of aircraft, and all things of that nature.

Mr. HAYDEN. It is for construction, operation, and maintenance, and so forth. It covers all the items in the paragraph. The items are separated, as the Senator will note, by semicolons.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LANGER. In that connection I call the attention of the distinguished Senator from Washington to page 71 of the bill, line 19. The language there reads:

Mineral resources of Alaska: For investigation of the mineral resources of Alaska, $232,500, to be available immediately, of which not to exceed $85,000 may be expended for personal services in the District of Columbia.

Roughly speaking, that means that one-third of the entire appropriation may be spent in the District of Columbia.

Mr. HAYDEN. That is because the geologist works all summer in Alaska gathering his data and comes back to Washington where he prepares his report. That process has been followed since the establishment of the Geological Survey. The men do not stay in the field and write their reports. The law requires, however, that if a man be employed in the District of Columbia, that portion of the money which is to be used to compensate him must be earmarked for the District. I have to make that explanation almost every year in respect to geological surveys because many persons cannot understand why such a large appropriation of money is made available for expenditure in the District. The Senator can well understand that when a surveying party goes out into the field they make their field notes while on the trip, but must work them up later, and the best place to do it is in Washington, where they have their reference books and all the equipment necessary in preparing reports of that character.

Mr. LANGER. Mr. President, on page 26, in line 5, I notice the following paragraph:

Miscellaneous projects, $40,000; Arizona: Ak Chin, $4,000; Chiu Chui, $4,000; Fort Apache, $4,500; San Carlos, $5,000; Navajo, miscellaneous projects, Arizona and New Mexico, $41,535; together with $25,500 (Fruitlands, $9,000; Ganado, $1,500; Hogback, $7,000; miscellaneous projects, $8,000), collections; Hopi, miscellaneous projects, $1,500; San Xavier, $2,000; Truxton Canon, $1,815; Salt River, $3,400, together with $2,600, collections; California: Mission, $7,000, together with $3,000 (Morongo, $1,000; Pala and Rincon, $1,000; miscellaneous projects, $1,000), collections; Colorado: Southern Ute, $8,000, together with—

Mr. HAYDEN. The amounts which the Senator has been reading are for maintenance and operation costs of projects which already exist.

Mr. LANGER. I notice that they are all located in States other than North Dakota. [Laughter.]

I am very curious to know why. The Standing Rock Reservation, one of the largest in the United States, does not have a single project.

Mr. HAYDEN. Are there any small rivers in the State of North Dakota?

Mr. LANGER. We have the Missouri River for nearly 100 miles. It flows adjacent to the Standing Rock Indian Reservation.

Mr. HAYDEN. Most of the projects which the Senator read have been developed on Indian land along small streams.

Mr. LANGER. In connection with the Missouri River project, we have six or eight small rivers flowing through the Standing Rock Indian Reservation. We do not have a single Indian reservation project in the State of North Dakota. It seems to me that that is the rankest kind of discrimination in the United States.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. O'MAHONEY. I should point out to the distinguished Senator from North Dakota that in another place in the bill there is an item authorizing the Bureau of Reclamation to proceed with its preliminary studies under the Missouri River plan, to the adoption of which the Committee on Irrigation and Reclamation last year contributed its efforts when it cooperated with the Committee on Commerce in connection with the flood-control bill which was handled on the floor of the Senate by the distinguished Senator from Louisiana [Mr. OVERTON]. The flood-control bill, which was enacted last fall, contained the basic statutory authorization for the development of projects on the Missouri River. Without the statutory authorization it would be impossible, of course, for the Committee on Appropriations to put any items in the bill.

Mr. LANGER. Mr. President, will the Senator yield further to me?

Mr. HAYDEN. I yield.

Mr. LANGER. In reply to the distinguished Senator from Wyoming I may

say that only yesterday I received from the Bureau of Reclamation a beautiful map in six or seven colors. I do not have the slightest doubt that the Senator from Wyoming received a similar map. If the Senator will look at that map he will see that there is not one single development of an Indian reservation in either North Dakota or South Dakota.

Mr. O'MAHONEY. No proposal of the kind was made to the legislative committee which was studying the authorization for the development of the river.

Mr. LANGER. I naturally assumed that the distinguished Senator, being chairman of the Committee on Indian Affairs, would bring this matter to the attention of the Senate Committee on Indian Affairs of which I am a member. Until I saw the item on my desk today I did not know that the Committee on Appropriations had considered it.

When a whole body of projects is being provided for in New Mexico, Arizona, and many other States, our Indians in North Dakota should have a chance to do a little work and earn a little money.

Mr. O'MAHONEY. The Senator is overlooking the fact that this whole matter was under discussion in the Senate a year ago, long before the present speaker became chairman of the Committee on Indian Affairs, and that was the time when it was incumbent upon any Senator who desired to expand the work to draw it to the attention of the legislative committee which was providing the basic authority, without which the Committee on Appropriations cannot act.

Mr. LANGER. Let me say, in reply to the Senator, that at the very time I was on the floor taking up the matter of streams flowing into the Missouri River. The situation is similar to that when there was passed, under the sponsorship of the Senator from Illinois [Mr. LUCAS], a bill providing $15,000,000 for flood control. We had had all kinds of floods in North Dakota, but when that $15,000,000 was expended, it was all expended in Indiana, Illinois, and the others of the five particular States named, although at that time I called to the attention of the Senate the fact that our farmers in the Dakotas had suffered from a serious flood.

Mr. CHAVEZ. Mr. President, may I interrupt the Senator?

Mr. LANGER. Certainly.

Mr. CHAVEZ. If the Senator will turn to page 68, line 12——

Mr. LANGER. Is that the $8,000 item?

Mr. CHAVEZ. No, $4,680,000 for the Missouri River Basin. That will take care not only of the Indians, if the project is found feasible, but other projects which might be necessary, and under the jurisdiction of other agencies.

Mr. LANGER. I might add that the $4,000,000 provided on page 68 has nothing at all to do with our Indian reservations.

Mr. CHAVEZ. I think it has. It says "existing Federal and State agencies". The Office of Indian Affairs is a Federal agency, and of course it will have to develop the projects. Naturally I believe the Senator is correct in saying the Indians should have something, but so far as the Committee on Appropriations is concerned, all we can do is to recommend the appropriation of the money to do the work.

Mr. HAYDEN. Mr. President, I may say to the Senator that all this money is for investigations, and a large part of the amount will be used by the Geological Survey. But $56,500 is to be made available to the Bureau of Indian Affairs for the Missouri River Basin work, to study the possibility of irrigation on Indian reservations.

Mr. LANGER. Will the Senator yield further?

Mr. HAYDEN. I yield.

Mr. LANGER. Let me call to the attention of the Senate the Turtle Mountain Indian Reservation, on which there are approximately 5,000 Indians. Let me first ask the Senator if the consideration of the bill is to be concluded today.

Mr. HAYDEN. It will be impossible to conclude the consideration of the bill today.

Mr. LANGER. Before we finish the bill, I certainly wish to call attention to the report prepared by former Gov. John Moses, which showed that about 4 or 5 years ago, of the 5,000 Indians, roughly, on Turtle Mountain Reservation, 90 percent were on relief; 90 percent did not have a thing to do upon the reservation; they had no work and were destitute. Yet, in this bill, there is not one word, so far as I know, about those Indians. I should like to have the Indian Office suggest some kind of an amendment which would enable those Indians to have some kind of occupation.

Mr. HAYDEN. The committee would be very glad to consider an amendment of that kind, if the Senator from North Dakota will get some data on which we may sustain it in conference with the House. It would not do much good to put it in the bill without some supporting data. Can the Senator do that overnight?

Mr. LANGER. I think I can.

Mr. MAGNUSON. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. MAGNUSON. I merely rise to compliment the Senator from Arizona and the subcommittee for increasing the House appropriation for the Columbia Basin project by $2,332,000. I hope the Senate will insist on keeping that amount in the bill, because at a recent meeting of all those involved in the great Columbia Basin project in my State, it was decided, because of the trend of the war since the House considered this matter, that the program should be expedited and the Columbia Basin project begun as soon as possible. Originally a 20-year plan was contemplated; the time has been cut; and possibly we will get it down to 10 or 12 years, so that in due course some irrigated farms may be provided for war veterans and other persons in the States of Washington and Oregon who will probably be left there when the war is over. Our State has increased in population about 18 percent. Conservatively estimated, we will have approximately 300,000 to 400,000 people out of work. This project will not only furnish them work, but it will furnish them with a place to live.

Of the increase restored by the Senate committee, $2,000,000 is for the purchase of land. Many do not understand what is meant by that provision. It is merely to allow the Bureau of Reclamation, in the Department of the Interior, in connection with the Columbia River Basin project, to buy up lands in tracts in excess of 160 acres which might be used for speculation when the project is developed, to hold it in a kind of trusteeship, so that it can be disposed of in smaller tracts for settlers on the land.

I wish to compliment the committee, and I know the people in my State and in the Pacific Northwest generally are eternally grateful to the committee for restoring this amount, which will mean building a new empire in the West.

Mr. President, I ask unanimous consent to insert in the RECORD at this point a statement I have prepared regarding this matter.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

In the consideration of the Interior Department appropriation bill as it passed the House, I call attention particularly to three items in which the State of Washington is very much interested. These are:

The restoration of the full amount of the budget estimate of $8,332,000, which was reduced to $6,000,000 in the House bill, is requested for the Columbia Basin project. These funds were to be used for the following purposes:

Dam and power plant	$1,500,000
Spillway reconditioning	2,632,000
Irrigation system (preconstruction)	2,000,000
Land-purchase program	2,000,000
Examination and surveys	200,000
Total	8,332,000

Of course there should be no question about the need for any of the funds as listed. The war conditions have changed materially since the bill was considered by the House committee and passed by the House of Representatives and the funds recommended by the Bureau of the Budget for postwar activities are even more urgently needed now than they were when proposed by the Bureau of the Budget. The continuation of work on the dam and power plant and spillway reconditioning is, of course, current work that must be carried on. The two major items essential to postwar preparation for the Columbia Basin project are the $2,000,000 for preconstruction work on the irrigation system and $2,000,000 for the initiation of the land-purchase program.

Several months ago I attended a conference at the invitation of the Commissioner of Reclamation, Mr. Bashore, at which the Regional Director, Mr. Banks, and his staff, who are in charge of the Columbia Basin work, were present. I expressed the opinion that the Congress was intensely interested in developing the irrigation features of the project and that the Bureau of Reclamation should be prepared to carry forward an expedited construction program

In order to be prepared for this program, it is necessary that the Bureau have funds for the preparation of designs and specifications for the pumping plant, balancing reservoir, and main canal, and other irrigation features. Simultaneously the Bureau should also be prepared to purchase land in excess of farm units of 160 acres in order that speculation may be prevented.

All of this work is in the interest of jobs for returning servicemen and demobilized

civilian war workers in the Pacific Northwest and in having available, as soon as practicable, irrigated land for the settlement of veterans and qualified civilians.

The population of Washington State has increased 18.4 percent in the last 4 years and jobs are going to be necessary for a considerable number of these newcomers to the Pacific Northwest. In addition to that nearly 200,000 veterans are expected to return from the wars

The second item to which I call attention is the budget estimate of $350,000 for continuation of construction of the Roza Division of the Yakima project This estimate was reduced to $300,000 by the House, and the full amount is needed to carry out the war food program.

The third item which I stress is one that is of concern to the entire West, that is, the urgency of adequate funds for the Bureau of Reclamation to be prepared to start construction on irrigation and multiple-purpose projects to provide employment on construction and permanent settlement opportunities of the irrigated land in the 17 Western States. The Bureau of the Budget estimated $5,500,000 for general investigations and preconstruction work on authorized projects. I shall not go into the history of the reduction of this amount to $125,000 except to point out the gross inadequacy of the latter amount.

The Bureau of Reclamation is completing wide reports on the Columbia River and some 14 other river systems of the West. From these reports feasible projects will be presented which will require additional funds to complete field investigations. As a result of previous appropriations, the Bureau is prepared to start plans and specifications for other projects so that work can begin promptly when war conditions require employment for returning servicemen and demobilized civilian workers.

I hope serious consideration will be given not only to these items but to other budget estimates for the Bureau of Reclamation which were reduced in the House bill. It occurs to me also that Senators may wish to consider that the conditions due to the favorable turn of the war are conducive to an even enlarged reclamation program throughout the West.

Mr. LANGER. Mr. President, I notice the following in the report on the bill, on page 10:

General support and rehabilitation of needy Indians: The committee recommend that the following language be stricken from the bill: "not to exceed $40,000 shall be available for the rehabilitation of needy Indians."

Will the Senator from Arizona explain why that was eliminated?

Mr. HAYDEN. Because if we remove the limitation, more Indians can be taken care of.

Mr. LANGER. The committee strikes out the $40,000 item?

Mr. HAYDEN. Yes. That was a limitation placed in the bill by the House, and we thought it was too low. The representations made to us were that the sums of money authorized by the House were wholly and utterly inadequate to take care of the needy Indians. So we increased the amount and removed the limitation.

Mr. LANGER. How much is now available, with the limitation removed?

Mr. HAYDEN. $739,700 is available, which is considerably above the amount allowed by the House.

Mr. LANGER. I thank the Senator very much.

The PRESIDENT pro tempore. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the subhead "Division of territories and island possessions," on page 2, line 16, after the name "District of Columbia," to strike out "$112,440" and insert "$142,920."

The amendment was agreed to.

The next amendment was, under the subhead "Petroleum Conservation Division," on page 3, line 2, after the word "vehicles", to strike out "$173,212" and insert "$195,000."

The amendment was agreed to.

Mr. BARKLEY. Mr. President, it is obvious we cannot conclude the bill today. It had been my hope that we might dispose of all the amendments except the one which is controversial, the one pertaining to California. It probably will be necessary to have a session tomorrow, and if the Senator from Arizona is willing to suspend now, we might as well do so, because we cannot conclude the consideration of the bill today.

Mr. HAYDEN. Very well.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Several assistant surgeons and passed assistant surgeons for appointment in the Regular Corps of the United States Public Health Service.

By Mr. BILBO, from the Committee on Commerce:

Sundry employees for promotion in the Coast and Geodetic Survey.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By. Mr. JOHNSON of Colorado, from the Committee on Military Affairs:

Austin S. Imrie for appointment as an administrative officer, national headquarters, Selective Service System, under the provisions of law; and

Sundry officers for temporary appointment in the Army of the United States, under the provisions of law.

NOMINATION OF CLINTON P. ANDERSON TO BE SECRETARY OF AGRICULTURE

Mr. THOMAS of Oklahoma. Mr. President, from the Committee on Agriculture and Forestry, I report favorably the nomination of Representative Clinton P. Anderson to be Secretary of Agriculture.

The PRESIDENT pro tempore. The report will be received and placed on the calendar.

NOMINATIONS OF GRADUATES OF COAST GUARD ACADEMY REPORTED AND CONFIRMED

Mr. BILBO. Mr. President, from the Committee on Commerce I report favorably the nominations of cadet graduates of the Coast Guard Academy to be ensigns in the Coast Guard, taking rank from the 6th day of June. This is an urgent matter, and I ask unanimous consent that the nominations may be confirmed.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi?

Mr. WHITE. Mr. President, I did not hear what the Senator said. As I understand, he has reported nominations of graduates of the Coast Guard Academy, and he asks that the nominations be confirmed.

Mr. BILBO. The statement of the Senator from Maine is correct.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi that the nominations reported by him be confirmed at this time? The Chair hears none, and the nominations are confirmed en bloc.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTER—NOMINATION PREVIOUSLY PASSED OVER

The legislative clerk read the nomination of Edward J. Blackall to be postmaster at Fort Edward, N. Y.

The PRESIDENT pro tempore. The Chair has received a letter from the junior Senator from New York [Mr. MEAD] asking that the nomination be recommitted to the Committee on Post Offices and Post Roads, and, without objection, the nomination is so recommitted.

SECRETARY OF LABOR

The legislative clerk read the nomination of Lewis B. Schwellenbach, of Washington, to be Secretary of Labor.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Sam M. Wear, of Missouri, to be United States Attorney for the western district of Missouri.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the postmaster nominations are confirmed en bloc.

THE NAVY

The legislative clerk read the nomination of Roscoe F. Good to be rear admiral, to rank from September 22, 1943.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

That completes the calendar.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDENT pro tempore. Without objection, the President will be so notified.

POSTMASTER, CLEVELAND, OHIO

Mr. BURTON. Mr. President, I call attention to the fact that the Committee on Post Offices and Post Roads today has reported the nomination of Guy R. Lucas to be postmaster at Cleveland, Ohio. I may point out that we have had an acting postmaster in Cleveland for many months, a man from outside the State of Ohio. We are anxious to proceed today with action on this nominee, as to whom there is no controversy.

Mr. President, I ask unanimous consent that the nomination may be considered at this time.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the nomination.

The legislative clerk read the nomination of Guy R. Lucas to be postmaster at Cleveland, Ohio.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. BURTON. I ask that the President be immediately notified of the confirmation of this nomination.

The PRESIDENT pro tempore. Without objection, the President will be immediately notified.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate, in legislative session, resumed consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

Mr. BARKLEY. Mr. President, it is my purpose in a moment to move that the Senate take a recess until tomorrow. There is one item in the bill pertaining to the central power project in California which is controversial, and I understand from the Senator from Arizona [Mr. HAYDEN] that he wishes to delay consideration of that item until the return of the junior Senator from California [Mr. DOWNEY]. If the Senator from California is present tomorrow we will conclude action on that item, otherwise it will probably have to go over until Monday. If we can finish all other amendments to the bill tomorrow it will be my purpose to move that the Senate take a recess until Monday, and leave that item for consideration then. If the Senator from California is present tomorrow we may be able to conclude the whole bill.

TLINGIT AND HAIDA INDIANS OF ALASKA

Mr. O'MAHONEY. Mr. President, I desire to call attention to calendar No. 308, House bill 1804, to amend the act of Congress entitled "An act for the relief of the Tlingit and Haida Indians of Alaska," approved June 5, 1942. I intend to ask unanimous consent that the Senate proceed to the consideration of that bill. The bill was approved unanimously by the Senate Committee on Indian Affairs.

The amendment is merely an extension of the time within which a jurisdictional claim may be filed on behalf of these Indians. The time will expire on the 5th of June next if the bill is not enacted into law. The bill has already passed the House. There is no controversy over the matter. I ask unanimous consent that the Senate now proceed to the consideration of this measure.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wyoming?

There being no objection, the bill (H. R. 1804) to amend the act of Congress entitled "An act for the relief of the Tlingit and Haida Indians of Alaska," approved June 5, 1942, was considered, ordered to a third reading, read the third time, and passed.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agree to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 1, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 31, 1945:

DIPLOMATIC AND FOREIGN SERVICE

William D. Pawley, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru.

UNITED STATES TARIFF COMMISSION

Oscar B. Ryder, of Virginia, to be a member of the United States Tariff Commission for the term expiring June 16, 1951. (Reappointment.)

FEDERAL POWER COMMISSION

Nelson Lee Smith, of New Hampshire, to be a member of the Federal Power Commission for the term expiring June 22, 1950. (Reappointment.)

POSTMASTERS

The following-named persons to be postmasters:

Gordon A. Needham, Kellogg, Idaho, in place of A. T. Combs, retired.

Eva H. Bubon, Alpha, Ill., in place of R. A. Nelson, transferred.

Elizabeth Romer, Northfield, Ill. Office became Presidential July 1, 1943.

Rose B. Cecil, Great Mills, Md. Office became Presidential July 1, 1943.

Carl O. Sandberg, Glen Lake, Minn. Office became Presidential July 1, 1944.

Enid M. Morgan, Rosalie, Nebr., in place of S. J. Anderson, resigned.

Guy R. Lucas, Cleveland, Ohio, in place of J. L. Collins, retired.

Gwyneath Field, Alexandria, S. Dak., in place of W. C. McCaffrey, deceased.

Lela Grace Wilson, Harrison, Tenn. Office became Presidential July 1, 1944.

Claude A. Reynolds, Meadows of Dan, Va., in place of R. H. Underwood, resigned.

Pauline M. Alvis, Ceredo, W. Va., in place of N. G. Marcum, resigned.

Mary Mariano, Dehue, W. Va. Office became Presidential July 1, 1943.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 31, 1945:

SECRETARY OF LABOR

Lewis B. Schwellenbach to be Secretary of Labor.

THE JUDICIARY

UNITED STATES ATTORNEY

Sam M. Wear to be United States attorney for the western district of Missouri.

IN THE NAVY

APPOINTMENT IN THE NAVY, FOR TEMPORARY SERVICE

Roscoe F. Good to be a rear admiral in the Navy, for temporary service, to rank from September 22, 1943.

APPOINTMENTS IN THE UNITED STATES COAST GUARD

TO BE ENSIGNS IN THE COAST GUARD, TO RANK FROM THE 6TH DAY OF JUNE 1945

Frank Charles Anderson
James Einar Anderson
William DeForest Ball, Jr.
William Raymond Banks
Winford Welborn Barrow
John Joseph Barry
Glenn Carroll Bartoo
Donald Joseph Benolken
Charles William Berkman
Hobart Millard Bird
Meindert Peter Boon
Gerald Graham Brown, Jr.
Samuel Thomas Brown, Jr.
William Charles Brown
Mario Joseph Cataffo
Philip Norman Chance
Christopher Stephen Changaris
Douglas Hoyt Clifton
William Jacob Cloues 2d
Hubert Wilbur Cocklin
James Arthur Dillian
William George Donaldson
Morgan Lee Dring
William Davidson Ebright
Martin William Flesh
James Alexander Ford
David Daniel Fritts
Walter Richard Goat
Leslie MacLachlan Greig
Ralph Eldon Grosjean
William Allen Gross, Jr.
Robert Raymond Hagan, Jr.
Carl Finley Hanna, Jr.
Paul Anthony Hansen
Oliver Willard Harrison
Bruce Donald Hartel
Robert Joseph Healy
James Charles Heffernan
Spencer Maltby Higley
Philip Merrill Hildebrandt
James Joseph Hill, Jr.
Clarence Richard Howard
James Richard Iversen
Robert Leslie Kallin
Harry James Kolkebeck
Frederic Newcomb Lattin
Sam Anthony Lombardo
Robert Burney Long, Jr.
Charles William Lotz
Herbert James Lynch
Jack Drage Lyon
Jesse Gilbert Magee, Jr.
Risto Antero Mattila
Eugene Edward McCrory
Edward Perry McMahon
Julian Paul Mendelsohn
George William Miller
Mark Fowlkes Mitchell
James Hamilton Bates Morton
Kevin Leo Moser
Laurence Milton Newkirk
Ralph Winge Niesz
Charles Husler Nixon
John Paul Obarski
Joseph Brian O'Hara
Allen Childress Pearce
Clifford Francis Peistrup
David Claflin Porter
Robert Ira Price
Robert Naylor Rea
George Thomas Richardson
Edgar Clark Ritchie
Casimir Stephen Rojeski
David Robertson Rondestvedt

Stanley Bruce Russell
William Oscar Schach
Norman Lee Scherer
Stanley Schilling
Jack Wilbur Schwarze
Robert George Schwing
Willis Neil Seehorn
Abe Harold Siemens
Reuel Floyd Stratton
Peter Alexander Thistle
Francis Andrew Tubeck
Donald Eugene Ullery
Carl William Vogelsang, Jr.
David Carl Walker
Alvin Norman Ward
Paul William Welker
Marc Welliver 2d
Robert Erving Williams
Leslie John Williamson
Francis Calvin Wilson
James MacQuaid Wilson
Robert Douglas Winship
Robert Arnold Worsing

POSTMASTERS

CALIFORNIA

James Chester Bowman, Desert Hot Springs.
Jesse A. Coil, Lockeford.

COLORADO

Nell B. Daulton, Ignacio.
Irene B. McClain, Manzanola.

GEORGIA

Elizabeth C. Brock, Adairsville.
E. Vivian Harris, Winder.

INDIANA

Ruth S. Roberts, La Fontaine.

IOWA

Ruth C. Ratliff, Lynnville.

KANSAS

Samuel A. Dennis, Neosho Falls.

MAINE

William L. Jordan, West Peru.

NEBRASKA

Jessie McMillan, Fort Calhoun.
Kenneth C. Baugh, Oakland.
Ella Gertrude Brune, Tekamah.

NEW YORK

Orrin B. Brockway, Hobart.

NORTH CAROLINA

Betty S. Meliski, Chimney Rock.
Verdie Davenport, Deep Run.

NORTH DAKOTA

Ischem G. Williams, Dunseith.

OHIO

Floyd Turner, Barnesville.
Guy R. Lucas, Cleveland.
Loffa C. Hoke, Phillipsburg.
Anna M. Carpenter, Radnor.
John A. Ressler, Verona.

SOUTH CAROLINA

Pauline E. Harmon, Myers.

VIRGINIA

Milton L. Gladstone, Exmore.

WEST VIRGINIA

Goldie M. Farmer, Anmoore.
C. Leslie Hall, Morgantown.
William Wheeler Green, Richwood.
John M. Herold, Webster Springs.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 31, 1945

The House met at 12 o'clock noon.

Rev. Bartholomew Snella, O. M. C., member of the Franciscan Fathers Minor Conventuals and of St. Josaphat's Basilica, Milwaukee, Wis., offered the following prayer:

In the name of the Father and of the Son and of the Holy Ghost. Amen.

Let us pray:

O Lord, we are gathered here in the Nation's Capitol to start another day of deliberations for the welfare of our country. We humbly beg Thee that our deliberations may be for God and country, and ever mindful that the blessings of heaven come to those who pray and plead their cause at the foot of Thy throne.

We give thanks to Thee, O Lord, for the privilege of living in a country that allows us to honor and respect Thy name, whose name is above every name, and where we can love thy neighbor as thyself.

O immaculate heart of Mary, queen of heaven and earth and tender mother of men, reign over us and teach us how to make the heart of Jesus reign and triumph in us and around us.

We want to call down upon our country and the whole world the peace of God in justice and charity. Keep this country of ours faithful to its motto, In God We Trust.

Keep our President an upright man, such as cannot be made by clothing, such as cannot be made by wealth, but which is made only by building upon the foundation of Christian faith and upon a large and loving heart. Use our President as your instrument for bringing about peace to this sick and war-torn world that has revolted against You.

Bless our Congress most abundantly, because their problems are many and most difficult. Uphold in them the firm belief in the ultimate triumph of good over evil. Inspire them to think, to speak, and to act according to Thy will.

Bless our families, united or separated by the ravages of war; may their homes become Your sanctuaries of love and devotion.

Comfort our Gold Star Mothers who have sacrified that which was most dear to them—their brave sons.

Let us bow our heads in deep reverence and silent prayer for those brave fathers, sons, brothers, and sisters who have already gone for their eternal reward, sacrificing all, even life itself, for God and country. For those who, at this moment, may be giving up their lives on some distant battlefield, send to them Your angel, so he may comfort them in their last agony.

They are fighting, they are dying, and are willing to do all this to protect those freedoms which we enjoy and to allow us to honor and respect Thy name according to the dictates of our conscience.

O Lord Jesus Christ, who, with the Father and the Holy Spirit, hast not ceased to govern all created things, we pray Thee in behalf of Your children in distant lands who are praying, "Give us this day our daily bread," are deprived of this earthly bread and are hungry for Thy sacrifice and sacraments. We promise to help them in their sustenance of life and send them also Your ministers to help rebuild their bodies and souls. Grant us, O Lord, through the intercession of our most gracious Virgin Mary, perseverance in laboring according to Thy will, that the people serving Thee may be augmented in number and merit, through Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. MILLS asked and was given permission to extend his remarks in the RECORD and include an editorial from the Arkansas Gazette of Little Rock, Ark.

OPA AND FEATHER PILLOWS

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, the Office of Price Administration has become well known for its ridiculous orders. There was the one that provided that feeders of steers should retain a percentage of their herds for breeding purposes. Now comes another honey. It is contained in MPR 584 and provides that all retailers of feather and down pillows must send one pillow of each grade which they have in stock on June 27 to the OPA's Durable Goods Branch, Washington 25, D. C.

While the OPA states that this is necessary in order that they may determine the proper price to be charged for each pillow, I am wondering how such a deluge of pillows on Washington is to be handled. Possibly this procedure will make possible the paving of our Washington streets with pillows to assure soft spots on which some of these bureaucrats can land when the Nation finally gets fed up and demands that they be thrown out. Such orders as this, Mr. Speaker, have all the earmarks of being the result of made work to justify the existence of hundreds who are occupying unnecessary jobs in the Government today.

It might not be out of order to inquire if the persons responsible for such an order have consulted with the Office of Defense Transportation and ascertained whether the trips of these pillows are necessary.

EXTENSION OF REMARKS

Mr. DONDERO asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

Mrs. DOUGLAS of California asked and was given permission to extend her remarks in the Appendix of the RECORD and include therein an article entitled "War Weariness," by Malvina Lindsay, which appeared in the Washington Post of May 9.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein an address recently made by Archbishop Cushing, of Boston. It exceeds the limit established by the Joint Committee on Printing. I am advised that this will cost $156. Notwithstanding the cost, I ask unanimous consent that it may be extended in the RECORD.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD and to include an article by Ernest Lindley.

Mr. REED of New York asked and was given permission to extend his own remarks in the Appendix of the RECORD.

TERMINATION OF POWER TO ISSUE CERTAIN CURRENCY

The SPEAKER. The unfinished business before the House is the vote on H. R. 3000, to amend section 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes.

Mr. PRIEST. Mr. Speaker, I make a point of order that a quorum is not present.

Mr. Speaker, I withdraw the point of order.

The SPEAKER. The question is on the passage of the bill H. R. 3000.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 510) to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes, strike out all after the enacting clause, and insert in lieu thereof the provisions of H. R. 3000.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That (a) the third paragraph of section 16 of the Federal Reserve Act, as amended, is amended by changing the first sentence of such paragraph to read as follows:

"Every Federal Reserve bank shall maintain reserves in gold certificates of not less than 25 percent against its deposits and reserves in gold certificates of not less than 25 percent against its Federal Reserve notes in actual circulation: *Provided, however,* That when the Federal Reserve agent holds gold certificates as collateral for Federal Reserve notes issued to the bank such gold certificates shall be counted as part of the reserve which such bank is required to maintain against its Federal Reserve notes in actual circulation."

(b) The first sentence of the fourth paragraph of section 16 of the Federal Reserve Act, as amended, is amended by striking therefrom the words "40 percent reserve hereinbefore required" and by inserting in lieu thereof the words "25 percent reserve hereinbefore required to be maintained against Federal Reserve notes in actual circulation."

(c) Subsection (c) of section 11 of the Federal Reserve Act, as amended, is amended to read as follows:

"(c) To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirements specified in this act: *Provided,* That it shall establish a graduated tax upon the amounts by which the reserve requirements of this act may be permitted to fall below the level hereinafter specified: *And provided further,* That when the reserve held against Federal Reserve notes falls below 25 percent, the Board of Governors of the Federal Reserve System shall establish a graduated tax of not more than 1 percent per annum upon such deficiency until the reserves fall to 20 percent, and when said reserve falls below 20 percent, a tax at the rate increasingly of not less than 1½ percent per annum upon each 2½ percent or fraction thereof that such reserve falls below 20 percent. The tax shall be paid by the Reserve bank, but the Reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Board of Governors of the Federal Reserve System."

SEC. 2. The second paragraph of section 16 of the Federal Reserve Act, as amended, is amended to read as follows:

"Any Federal Reserve bank may make application to the local Federal Reserve agent for such amount of the Federal Reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal Reserve agent of collateral in amount equal to the sum of the Federal Reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of section 13 of this act, or bills of exchange endorsed by a member bank of any Federal Reserve district and purchased under the provisions of section 14 of this act, or bankers' acceptances purchased under the provisions of said section 14, or gold certificates, or direct obligations of the United States. In no event shall such collateral security be less than the amount of Federal Reserve notes applied for. The Federal Reserve agent shall each day notify the Board of Governors of the Federal Reserve System of all issues and withdrawals of Federal Reserve notes to and by the Federal Reserve bank to which he is accredited. The said Board of Governors of the Federal Reserve System may at any time call upon a Federal Reserve bank for additional security to protect the Federal Reserve notes issued to it."

SEC. 3. All power and authority with respect to the issuance of circulating notes, known as Federal Reserve bank notes, pursuant to the sixth paragraph of section 18 of the Federal Reserve Act, as amended by section 401 of the act approved March 9, 1933 (48 Stat. 1, 6), shall cease and terminate on the date of enactment of this act.

SEC. 4. All power and authority of the President and the Secretary of the Treasury under section 43 (b) (1) of the act approved May 12, 1933 (48 Stat. 31, 52), with respect to the issuance of United States notes, shall cease and terminate on the date of enactment of this act.

Mr. SPENCE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: Strike out all after the enacting clause and insert the following: "That (a) the third paragraph of section 16 of the Federal Reserve Act, as amended, is amended by changing the first sentence of such paragraph to read as follows:

"'Every Federal Reserve bank shall maintain reserves in gold certificates of not less than 25 percent against its deposits and reserves in gold certificates of not less than 25 percent against its Federal Reserve notes in actual circulation: *Provided, however,* That when the Federal Reserve agent holds gold certificates as collateral for Federal Reserve notes issued to the bank such gold certificates shall be counted as part of the reserve which such bank is required to maintain against its Federal Reserve notes in actual circulation.'

"(b) The first sentence of the fourth paragraph of section 16 of the Federal Reserve Act, as amended, is amended by striking therefrom '40 percent reserve hereinbefore required' and by inserting in lieu thereof '25 percent reserve hereinbefore required to be maintained against Federal Reserve notes in actual circulation.'

"(c) Subsection (c) of section 11 of the Federal Reserve Act, as amended, is amended to read as follows:

"'(c) To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirements specified in this act: *Provided,* That it shall establish a graduated tax upon the amounts by which the reserve requirements of this act may be permitted to fall below the level hereinafter specified: *And provided further,* That when the reserve held against Federal Reserve notes falls below 25 percent, the Board of Governors of the Federal Reserve System shall establish a graduated tax of not more than 1 percent per annum upon such deficiency until the reserve falls to 20 percent, and when said reserve falls below 20 percent, a tax at the rate increasingly of not less than 1½ percent per annum upon each 2½ percent or fraction thereof that such reserve falls below 20 percent. The tax shall be paid by the Reserve bank, but the Reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Board of Governors of the Federal Reserve System.

"SEC. 2. The second paragraph of section 16 of the Federal Reserve Act, as amended, is amended to read as follows:

"'Any Federal Reserve bank may make application to the local Federal Reserve agent for such amount of the Federal Reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal Reserve agent of collateral in amount equal to the sum of the Federal Reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of section 13 of this act, or bills of exchange endorsed by a member bank of any Federal Reserve district and purchased under the provisions of section 14 of this act, or bankers' acceptances purchased under the provisions of said section 14, or gold certificates, or direct obligations of the United States. In no event shall such collateral security be less than the amount of Federal Reserve notes applied for. The Federal Reserve agent shall each day notify the Board of Governors of the Federal Reserve System of all issues and withdrawals of Federal Reserve notes to and by the Federal Reserve bank to which he is accredited. The said Board of Governors of the Federal Reserve System may at any time call upon a Federal Reserve bank for additional security to protect the Federal Reserve notes issued to it.'

"SEC. 3. All power and authority with respect to the issuance of circulating notes, known as Federal Reserve bank notes, pursuant to the sixth paragraph of section 18 of the Federal Reserve Act, as amended by section 401 of the act approved March 9, 1933 (48 Stat. 1, 6), shall cease and terminate on the date of enactment of this act.

"SEC. 4. All power and authority of the President and the Secretary of the Treasury under section 43 (b) (1) of the act approved May 12, 1933 (48 Stat. 31, 52), with respect to the issuance of United States notes, shall cease and terminate on the date of enactment of this act."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings by which the bill H. R. 3000 was passed were vocated, and the bill was laid upon the table.

LEGISLATIVE APPROPRIATION BILL, 1946

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent to take from the

Speaker's table the bill H. R. 3109, an act making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, and concur in the Senate amendments.

Mr. MURRAY of Tennessee. Mr. Speaker, I object.

Mr. O'NEAL. Mr. Speaker, will the gentleman withhold his objection?

Mr. MURRAY of Tennessee. I reserve my objection.

Mr. O'NEAL. Mr. Speaker, I wish to say to the gentleman that there is nothing in this bill now in controversy whatsoever except some raises in the Senate part of the bill. If the gentleman persists in his objection it simply means that we shall have to get a rule. Nothing else is in controversy. It seems to me it is unnecessary to tax the gentleman's colleagues by forcing them to go through that procedure. Everything in the bill itself is in agreement except these few amendments and it is only a question, it seems to me, of further harassing the colleagues to get a show-down on matters not in dispute.

I do not think the gentleman is accomplishing anything.

Mr. MURRAY of Tennessee. Mr. Speaker, I understand the situation and I still object.

EROSION STUDY OF LAKE ERIE SHORE LINE

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 630) back favorably without amendment a privileged resolution (H. Res. 230) authorizing that the report from the Chief of Engineers, United States Army, dated October 16, 1942, on a cooperative beach erosion study of the Lake Erie shore line in the vicinity of Huron, Ohio, and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved, That the letter of the Secretary of War, transmitted to the House of Representatives on March 23, 1943, including a report from the Chief of Engineers, United States Army, dated October 16, 1942, with accompanying papers and illustrations, on a cooperative beach-erosion study of the Lake Erie shore line in the vicinity of Huron, Ohio, made under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, and an act approved on June 26, 1936, and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PAN-AMERICAN DAY

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report a privileged resolution (H. Res. 277, Rept. No. 632) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the proceedings held in the House of Representatives on April 24, 1945, in commemoration of Pan-American Day, be printed as a House document and then 15,000 additional copies be printed for the use of the House document room.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE ONE HUNDRED FIFTY-FOURTH ANNIVERSARY OF THE ADOPTION OF THE POLISH CONSTITUTION

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report a privileged resolution (H. Res. 276, Rept. No. 631) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the addresses delivered in the House of Representatives on May 3, 1945, on the one hundred fifty-fourth anniversary of the adoption of the Polish Constitution be printed as a House document, and that 15,000 additional copies be printed for the use of the House document room.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. WHITTINGTON. Mr. Speaker, I make a point of order a quorum is not present.

The SPEAKER. Will the gentleman withhold that for a moment?

Mr. WHITTINGTON. Yes.

EXTENSION OF REMARKS

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include two short editorials.

WHISKY HOLIDAY

Mr. HOPE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

[Mr. HOPE addressed the House. His remarks appear in the Appendix.]

OPA

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, if what the gentleman from Michigan [Mr. SHAFER] said is correct, and that under MPR–584, subdivision II, the OPA can order into Washington one of those down pillows, does it not follow that OPA can order in a quarter of beef, a case of eggs, or anything and everything else on which they can have a price? If that is true, and if that course is followed all the way through, there is no reason, is there, why we should appropriate so much money for the operation of the OPA? They will create a scandal if they continue to call for samples—especially of liquor of all kinds.

The SPEAKER. The time of the gentleman has expired.

INTERSTATE PETROLEUM PIPE LINES

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2600) to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended, with Senate amendment thereto and to concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 8, strike out "June 30, 1947" and insert "June 30, 1946."

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. HALLECK. Mr. Speaker, reserving the right to object, as I understand the situation the Senate amendment simply reduces the time from 2 years to 1 year.

Mr. HARRIS. The gentleman is correct.

Mr. HALLECK. There is no other change?

Mr. HARRIS. As the bill passed the House the Pipe Line Act was extended for 2 years, but the Senate reduced it to 1 year.

Mr. HALLECK. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. WHITTINGTON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 93]

Adams	Delaney, James J.	Hart
Anderson, N. Mex.	Delaney, John J.	Healy
Andrews, N. Y.	Dickstein	Hébert
Auchincloss	Dingell	Heffernan
Baldwin, Md.	Dolliver	Hess
Baldwin, N. Y.	Domengeaux	Hobbs
Barden	Durham	Holifield
Barry	Earthman	Holmes, Mass.
Bates, Mass.	Eaton	Hook
Bender	Elliott	Jenkins
Bennet, N. Y.	Elsaesser	Jennings
Bennett, Mo.	Elston	Johnson, Calif.
Bloom	Fellows	Johnson, Lyndon B.
Bolton	Fulton	Johnson, Okla.
Boren	Gamble	Judd
Boykin	Gardner	Kelley, Pa.
Bradley, Mich.	Gavin	Keogh
Bradley, Pa.	Gibson	Kerr
Brehm	Gifford	Kilburn
Brumbaugh	Gillette	Kirwan
Buckley	Gillie	Knutson
Bunker	Goodwin	LaFollette
Butler	Gore	Lane
Byrne, N. Y.	Gorski	Larcade
Camp	Graham	Latham
Canfield	Granahan	LeFevre
Carlson	Grant, Ala.	Lesinski
Case, N. J.	Gwinn, N. Y.	Lewis
Celler	Hagen	Luce
Chapman	Hale	Lynch
Clason	Hall, Edwin Arthur	McCowen
Cochran	Hall, Leonard W.	McGregor
Cole, N. Y.	Hancock	McKenzie
Cooley	Hand	Madden
Corbett	Harless, Ariz.	Maloney
Curley	Harness, Ind.	Mansfield, Mont.
Daughton, Va.		Martin, Iowa
Dawson		Martin, Mass.
De Lacy		

Mason	Reece, Tenn.	Stigler
May	Reed, Ill.	Taylor
Merrow	Rees, Kans.	Thom
Morrison	Rivers	Thomas, N. J.
Murphy	Robertson, N. Dak.	Torrens
O'Brien, Ill.	Roe, N. Y.	Towe
Pfeifer	Rogers, Mass.	Voorhis, Calif.
Philbin	Rooney	Vursell
Ploeser	Sasscer	Wasielewski
Plumley	Savage	Weaver
Powell	Sharp	Welchel
Powers	Sheridan	Weiss
Price, Fla.	Sikes	Welch
Price, Ill.	Simpson, Ill.	White
Quinn, N. Y.	Simpson, Pa.	Wilson
Rabaut	Smith, Va.	Winter
Rabin	Stefan	Wood
Randolph	Stewart	Woodhouse
Rayfiel		Worley

On this roll call 257 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 113. Joint resolution granting the consent of Congress to an agreement amending the original agreement entered into by the States of New York and Vermont relating to the creation of the Lake Champlain Bridge Commission.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 66. Joint resolution to extend the statutes of limitations in certain cases.

EXTENSION OF REMARKS

Mr. COLMER asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. SHORT asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in last night's Evening Star.

DISPOSITION OF NAVAL VESSELS AND FACILITIES

Mr. CLARK. Mr. Speaker, I call up House Resolution 267 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 3180, a bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

With the following committee amendment:

Page 1, line 9, strike out "two" and insert "four."

The committee amendment was agreed to.

Mr. CLARK. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. Speaker, the adoption of this resolution will make in order consideration of H. R. 3180, a bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy and for other purposes.

There is nothing unusual about this rule at all. It appeared in the discussion before the Rules Committee that this bill has been reported unanimously by the legislative committee in charge. The rule provides for 4 hours' general debate and I shall not consume time in a discussion of the merits of the bill.

Mr. Speaker, I now yield 10 minutes to the distinguished chairman of the Naval Affairs Committee, the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Speaker, the rule which has been granted by the Rules Committee makes in order for 4 hours' general debate a bill, H. R. 3180, that has been unanimously reported by the Naval Affairs Committee. The sole purpose and objective of this bill is to restore to the Congress the power that it lost under the Surplus Property Act of 1944 over major naval property.

Mr. Speaker, by the terms of the Surplus Property Act Congress surrendered and divested itself of all power over the entire United States Navy except in the matter of battleships, airplane carriers, destroyers, cruisers, and submarines.

The Congress has lost complete control of all other property of the Navy. The sole object and purpose of this bill is to restore to the Congress in a review capacity only the control of the other properties of the Navy. We have specifically designated in the bill the property over which we think the Congress should at least have a review of before it is declared surplus.

You will observe that the bill refers to floating drydocks, auxiliaries, mine sweepers, ordnance plants, navy yards, and fixed property of that nature. Other properties of the Navy are not dealt with in this bill whatsoever. The Committee on Naval Affairs feels that it is the constitutional obligation of the Congress to provide and maintain a navy; therefore we should have at least an opportunity, in a review capacity, of saying what the United States Navy should be.

Let me impress this one fact upon you: We do not disturb in the slightest degree the declaration of surplus property in the Navy. We leave it entirely to the Navy Department to determine whatever property it may have in its custody and possession which it determines to declare surplus. We do not in the slightest degree interfere with the operation of the Surplus Property Act when the property reaches that agency. All we do is to say that the people's representatives who made this money available shall have an opportunity to review the declaration of surplus property by the Navy Department.

Mr. Speaker, that is the whole sum and substance of the bill. It does not do anything more than I stated or nothing less than I have stated. I cannot understand how there can be any valid objection from any Member of Congress to the Congress having an opportunity to review Navy Department declarations of surplus. The method pointed out in the bill would be that the Secretary of the Navy would certify to the Honorable Speaker of the House that they have concluded that certain property referred to in the bill is surplus, and then the Speaker of the House would inform the Congress. Then it would be up to the Congress to act, either in an affirmative or in a negative manner, within a period of 60 days. If the Congress concluded that it did not agree with the Navy Department in its declaration of surplus, then a concurrent resolution would have to be passed by the Congress disagreeing with the Navy Department.

On the other hand, if the Congress did nothing about it, then the property declared surplus by the Navy Department would be channeled through the Surplus Property Board for disposal.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from California.

Mr. HINSHAW. As a matter of fact, the gentleman's proposal is right in line with article IV, section 3, paragraph 2, of the Constitution, which states that Congress shall dispose of the territory or other property of the United States.

Mr. VINSON. That is correct.

Mr. Speaker, I have purposely asked that there be 4 hours of general debate so that every Member can have ample opportunity to discuss this bill because it is important. I am hoping that this rule will be adopted so that all Members may be thoroughly conversant with the various provisions of the bill.

Let me again impress on you this one fact: We do not declare what is surplus. We leave that entirely to the Navy Department. We do not deal with the disposition of the property in any way whatsoever, we merely ask that the people's representatives be informed in a due and orderly manner, instead of receiving our information in a Sunday night broadcast of Walter Winchell, or from Drew Pearson's column, that certain property has been declared surplus. Then Congress controls and knows what the composition of the United States Navy is, and it is the duty of the Congress to fix the composition of the Navy.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Are all the vessels that were made for the Government during this war under the supervision of the Navy?

Mr. VINSON. Those that are built for the Navy are under the supervision of the Navy Department. Congress has lost complete control of every vessel—and those vessels cost hundreds and hundreds of millions of dollars—except control of battleships, airplane carriers, cruisers, destroyers, and submarines. We say in the bill that all vessels over

1,000 tons shall be reported to the Congress if they are declared surplus, and then the Congress determines whether or not it agrees with the Secretary of the Navy in declaring them surplus.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. To make it clear in my own mind, where the Secretary of the Navy declares certain property to be surplus, that declaration cannot be effective and no disposition can be made of that property until the Congress acts. Is that correct?

Mr. VINSON. It has a 60-day review capacity.

Mr. ROBSION of Kentucky. Suppose Congress did not act.

Mr. VINSON. If Congress did not act, then the Secretary would dispose of it, because there must be a concurrent resolution on the part of Congress to stay the hand of the Secretary.

Mr. ROBSION of Kentucky. All of us know how difficult it is to get a matter through Congress in 60 days if there is a fight on it. With only 60 days, may we not find ourselves without this protection, which I agree with the gentleman we desire so much?

Mr. VINSON. No. I think we can dispose of the matter within 60 days. We are using the same principle that was established in the reorganization legislation, that when a department was reorganized we would have a 60-day review or veto power.

Mr. ROBSION of Kentucky. What if the President should veto the action taken by the House and Senate within the 60 days and we could not pass it over the veto?

Mr. VINSON. It does not go to the President at all. It is a concurrent resolution.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Illinois.

Mr. CHURCH. What happens in case the Congress is not in session?

Mr. VINSON. The 60 days runs only when Congress is actually in session.

Mr. CHURCH. I wanted to clear that up.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Illinois.

Mr. ARENDS. When the Navy Department reports to the Congress via the Speaker, is that information made available to the House, and does it go to the Committee on Naval Affairs for study?

Mr. VINSON. It goes to the Committee on Naval Affairs and that committee, of course, would put in the RECORD what the Speaker has been advised by the Secretary. In that way the Congress is notified.

Mr. RICH. If the gentleman will yield further, no nation can make an agreement to take those vessels over unless the Congress gives its approval?

Mr. VINSON. The gentleman is clearly mistaken. Under the Surplus Property Act today, the Navy Department could declare surplus any auxiliary vessels or anything else of that kind and turn them over to a foreign nation, and the gentleman from Pennsylvania would have no voice in it. I am fighting that the gentleman have a voice in it.

Mr. RICH. That is what I want. I do not want the Government to turn them over to anybody.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia.

Mr. KILDAY. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Texas.

Mr. KILDAY. The gentleman from Georgia has referred to naval vessels, but this bill would also cover naval installations, would it not?

Mr. VINSON. The gentleman is correct.

Mr. KILDAY. Under the Surplus Property Act that we passed here recently, the Navy Department could dispose of, say, the naval air station at Pensacola, Fla., without any action of Congress or without the permission of Congress.

Mr. VINSON. That is absolutely correct.

Mr. KILDAY. That base was established by authority of Congress, and the Navy Department could sell it without the permission of Congress.

Mr. VINSON. Every shore establishment in the United States, every naval base, every shipyard, every air station, under the language of the Surplus Property Act could tomorrow morning be declared surplus by the Navy Department, even though it has not fixed its postwar Navy, and you, the representatives of the people whose money has been invested in these facilities, would have no voice in the matter. I am asking that you have a power of veto in a review capacity. If Congress did not agree with the Secretary of the Navy, then Congress would pass the concurrent resolution.

Mr. HARE. Mr. Speaker, will the gentleman yield?

Mr. VINSON. With pleasure.

Mr. HARE. Does the Surplus Property Control Act apply to the disposal of Army air bases just as it does with reference to the naval air bases?

Mr. VINSON. It goes even further in the case of the Army. With reference to the Surplus Property Act, we do have one leg in the matter so far as the Navy is concerned, with reference to battleships and other combatant ships. As far as the Army is concerned, Fort Myer or any other Army facility, could be declared surplus tomorrow morning and Congress would have no voice in its disposition.

Mr. HARE. Would the gentleman be able to insert such a provision with reference to the Army air bases?

Mr. VINSON. No, for the simple reason it would not be in order because it is strictly applicable to the Navy. I may say the Committee on Military Affairs has prepared a bill. But the bill must provide for many technical matters and what would apply to the War Department would not necessarily apply to the Navy.

Mr. KILDAY. Mr. Speaker, will the gentleman yield for one observation?

Mr. VINSON. I yield.

Mr. KILDAY. When we had the surplus-property bill here, the House inserted an amendment which would have taken care of that situation. The Senate had a similar amendment but the conferees took out both of them.

Mr. VINSON. The gentleman is correct.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the distinguished gentlewoman from Illinois.

Miss SUMNER of Illinois. I still do not understand in these days when a nation is your friend one day and your enemy the next and the Navy is so important, why did you not give the Navy a veto power over such matters and keep that right until you granted it to the Congress?

Mr. VINSON. We think the Congress should have the veto power in these cases.

Miss SUMNER of Illinois. Perhaps I have not made my question clear to the gentleman. I think the Congress should have the right unless the Navy vetoed it.

The SPEAKER. The time of the gentleman has again expired.

Mr. CLARK. Mr. Speaker, I yield two additional minutes to the gentleman.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. May I ask the distinguished chairman of the Committee on Naval Affairs, in this report which is to be made in regard to the property that may be considered surplus, is it required that as a part of the report there shall be some statement as to the specific disposition of such surplus property?

Mr. VINSON. No, not at all. We do not deal at all with the disposition of the surplus property. That is left to the Surplus Property Board under the Surplus Property Act. We merely say, if the gentleman from Texas will permit me to proceed for a moment. Should the Secretary of the Navy conclude that the Dallas Air Field—for example, if you have one there—is surplus he would report that determination, together with other information, to the Speaker of the House. Then the Speaker of the House in turn would lay it before the Committee on Naval Affairs and the Naval Affairs Committee would notify Congress that the Navy Department had concluded that the Dallas Air Field is surplus.

Mr. SUMNERS of Texas. May I ask the gentleman a further question? I am not concerned with that particular point, but this gives authority to donate this property, which belonged to the Government, to persons and to governmental agencies in this country to foreign governments. Does the gentleman not think that somewhere in this legislation there ought to be some limitation upon the disposition of the property?

Mr. VINSON. Of course, it does not permit the donation of the property to any agencies until such property reaches the surplus stage.

Mr. SUMNERS of Texas. I understand that. Assuming that the property has reached the surplus stage, ought not

there to be some limitation upon the discretion of the agency of government to give away Government property?

Mr. VINSON. That is exactly what the bill is for, to provide that the Congress shall have control over it. Otherwise, we have no voice in it. It could be given away and you would not have nothing to say about it.

The SPEAKER. The time of the gentleman has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, there is nothing I can add to the splendid presentation of the able chairman of the Committee on Naval Affairs. I have been unable to discover any opposition to the adoption of this rule on the minority side. The objective of this bill is to restore to Congress appropriate authority and responsibility in the maintenance of our fleet, a fleet that is larger than the combined fleets of all nations. If this bill becomes a law, it gives Congress a veto voice in the disposition of major naval property. I believe we should have that voice and I hope this bill becomes a law.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the able gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. As I understand it, the bill gives Congress some control over the surplus property that the Navy decides is surplus?

Mr. ALLEN of Illinois. That is correct.

Mr. MILLER of Nebraska. Now perhaps the Congress might get to the place where they decide that the Navy had too much property on hand and the Navy did not care to declare any of their property or their docks or ships as surplus. Do we have any control over that situation?

Mr. ALLEN of Illinois. I yield to the chairman of the Naval Affairs Committee to answer that question.

Mr. VINSON. Of course, you do, in the Appropriations Committee. We can refuse to appropriate the money to maintain that property.

Mr. MILLER of Nebraska. But the money has already been appropriated. We have a tremendous Naval Establishment now. Perhaps the Navy will say, "We do not have any surplus," yet the Members of Congress will say, "You have all these docks and airfields and these naval facilities. Why do you not declare some of it surplus?"

Mr. VINSON. The only way to get the Navy not to use it is for the Congress to refuse to appropriate the money, because we do not reach out and say to the owning agency, "You must declare this or that surplus." We leave that to the owning agency.

Mr. ALLEN of Illinois. I might add that this rule is an open rule and germane amendments to the bill are in order.

Mr. MILLER of Nebraska. I cannot see the Navy ever declaring anything surplus. The Navy has already had this appropriation for all of this building. They have this large surplus on hand now. They say, "We do not have any surplus. We will not declare it surplus." Has the Congress any control over the property that they now have which we might think is surplus?

Mr. ALLEN of Illinois. No. I see much merit in what the gentleman has stated. Perhaps he can offer some amendments to take care of that when we read the bill.

Mr. MILLER of Nebraska. Does the Congress have any control over the property which the Navy now has?

Mr. VINSON. Under the terms of the Surplus Property Act the Congress has no control whatsoever except over certain major combatant vessels. Now suppose the Navy Department finds itself with a great many planes that they think should be kept. Suppose the Congress says to the contrary. Then the Congress has the right always to authorize, by specific bill, that there be a sale of any Government property.

Mr. RICH. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. RICH. If those vessels are declared surplus and offered for sale, and some foreign countries went to bid on them, and there are American citizens who would like to bid on them and operate them, what are we going to do then with reference to who they shall be sold to? Will they be sold to the highest bidder or will we give preference to any American who might want to purchase them?

Mr. ALLEN of Illinois. I do not think this bill has anything to do with that. This bill merely states that the Congress shall give them authority to sell; not to say who they shall sell to.

Mr. RICH. I do not want them to be sold away from us. I want them kept for the American people if American people want to operate them, but I do not want the Federal Government to operate them.

Mr. VINSON. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. VINSON. In response to the question asked by the distinguished gentleman from Pennsylvania [Mr. RICH], the Surplus Property Act would govern the sale. We do not seek in this bill at all to deal with the question of disposition of the material. All we ask is that the Congress have an opportunity for 60 days to review that which has been declared surplus.

Mr. MICHENER. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. MICHENER. As I understand the situation, it is about like this: The Congress passed the Surplus Property Act which provides for the disposition of surplus war property.

Mr. VINSON. That is correct.

Mr. MICHENER. Under that law the Navy must first declare what is surplus.

Mr. VINSON. That is right.

Mr. MICHENER. When the Navy has declared the surplus, then the responsibility for the sale and disposition rolls on to the shoulders of the Surplus Property organization. Under this bill the steps would be exactly the same except that after the Navy has declared the surplus, the Navy must notify Congress.

Mr. VINSON. That is right.

Mr. MICHENER. Then the disposition of the property is suspended, held in status quo, for a period of 60 days.

Mr. VINSON. That is right.

Mr. MICHENER. If during that period of 60 days the Congress takes any action by concurrent resolution, then the property shall not be disposed of.

Mr. VINSON. That is right. The gentleman is correct. If Congress does not act then the Navy Department at the end of 60 days can go ahead and certify to the Surplus Property Board.

Mr. MICHENER. It just holds everything in suspension for 60 days.

Mr. VINSON. That is right.

Mr. SUMNERS of Texas. I think that is a fact, but will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. SUMNERS of Texas. Let us understand, then, that this bill does not deal with the disposition of property by the Navy Department other than its possible transfer to the Surplus Property Custodian.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the chairman of the Committee on Naval Affairs to answer the question.

Mr. SUMNERS of Texas. Let us get that perfectly clear.

Mr. VINSON. Will the gentleman restate his question?

Mr. SUMNERS of Texas. My question is: This bill does not deal with the disposition of property that belongs to the Navy except as to whether or not it shall be transferred by the Navy Department to the Surplus Property Custodian.

Mr. VINSON. That is the answer.

Mr. MICHENER. Mr. Speaker, will the gentleman yield for another question?

Mr. ALLEN of Illinois. I yield.

Mr. MICHENER. This deals entirely with the Navy.

Mr. ALLEN of Illinois. That is right.

Mr. MICHENER. As I look ahead I am satisfied that if this bill becomes a law it will be followed by a bill from the Committee on Military Affairs taking the same action as far as the War Department material is concerned.

Mr. ALLEN of Illinois. That is correct.

Mr. MICHENER. This is the first step in the program.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. VINSON. It is the first step of the program for Congress tc act for itself in its constitutional responsibility of providing and maintaining one of the arms of national defense.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Miss SUMNER of Illinois. I recall that when the surplus-property bill was adopted by this House the House did assume its prerogative of keeping the arms and did pass an amendment saying that they could not dispose of any ships. That was the Mott amendment. I also understand that was passed by the Senate. I should like to know why that was scuttled in conference.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the chairman of the Committee on Naval Affairs.

Mr. VINSON. The distinguished lady from Illinois has correctly stated it. The House did agree to what was known as the Mott-Magnuson amendment.

The Mott-Magnuson amendment required an affirmative voice. Nothing could be declared surplus in the Navy except by an affirmative act of the Congress. It is true that was unanimously agreed to here, but I am at a loss myself to know why it was scuttled in conference; nevertheless, it was scuttled.

In the bill that is to be considered we do not go as far as the Mott-Magnuson amendment; we do not require an affirmative act on the part of Congress; we simply say that Congress shall have the power of review and we allow Congress by concurrent resolution to decide whether or not it agrees with the Navy Department in a given instance.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield further?

Mr. ALLEN of Illinois. I yield.

Miss SUMNER of Illinois. I think this is as important as anything that could come before this House. Right now we ought to have the Mott amendment for the reason that the gentleman knows what is going on in the Pacific.

Mr. VINSON. That is right, exactly.

Miss SUMNER of Illinois. The gentleman knows that Russia has no navy; the gentleman knows that Russia could not join Japan without a navy and that there are fears about it. It seems to me a very ill-advised idea not to take the full power here as we did in the Mott amendment.

Mr. VINSON. The lady is correct. During this period the Government has no idea of establishing its postwar Navy. It is absolutely absurd to think of the Navy at this period in this great war going into the field of surplus property.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. MILLER of Nebraska. Perhaps the chairman of the Committee on Naval Affairs can give me information on this subject. I agree perfectly, 100 percent, that the Congress ought to control the sale of this surplus property, but in looking over the report of the committee in the appendix I find a list of Navy-owned plants, of ordnance depots and stations, naval bases extending over several pages.

Mr. VINSON. That is right.

Mr. MILLER of Nebraska. That must mean that we have billions of dollars invested in them.

Mr. VINSON. That is correct.

Mr. MILLER of Nebraska. And if the Navy should say they have no intention of declaring that surplus, what control has the Congress over the situation where they have billions of dollars tied up in plants and stations and depots and the Congress may feel with the war over that the Navy does not need such a large expanding plant. Have we any control over that?

Mr. VINSON. I may say to the distinguished gentleman from Nebraska that that is completely covered.

One is to refuse to make appropriations to maintain them and the other is for any Member of Congress at any time to offer a bill to dispose of any Government property that he thinks the Government should dispose of.

Mr. MILLER of Nebraska. I can see where that may be necessary.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Oregon.

Mr. MOTT. It is a fact, furthermore, is it not, that under the Surplus Property Act the Surplus Property Board may compel any owning agency to turn in a list of its property and if it is not declared surplus within a reasonable time and under proper circumstances to ask why it has not been so declared?

Mr. ALLEN of Illinois. That is true.

Mr. MOTT. This bill does not undertake to amend the Surplus Property Act in any way except to recapture jurisdiction by the Congress which it surrendered over naval property in the Surplus Property Act by giving the Congress, and not the executive agency, the last say in a disputed proposition.

Mr. BONNER. May I ask the chairman of the Committee on Naval Affairs a question. The Coast Guard, being a part of the national defense and now under the Navy, anticipates returning to its former status; if that is good for the Navy and the national defense, why is not the same provision good for the Coast Guard?

Mr. VINSON. It is not only good for the Coast Guard but it is good for the Maritime Commission and it is good for the War Department.

Mr. BONNER. Under this bill you exempt the Coast Guard.

Mr. VINSON. While we may have jurisdiction over the Coast Guard now, by courtesy we are asking the Committee on Merchant Marine and Fisheries to handle that legislation.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, if we have not already made ourselves ridiculous by the passage of the act providing for the sale of surplus property, I wonder if we will not do so by the adoption of this legislation. What I mean is this: One of the standing committees of the House spent something like 2 years considering legislation which had to do with the disposal of surplus property held by various departments and agencies of the Government. Then the Congress passed a bill giving an agency created by it the power to dispose of that kind of property. A motion to recommit was defeated by a vote of 142 to 38, and the bill was passed without a record vote on August 22, 1944. If my understanding is correct, the Congress passed that bill because there was an accumulation of property which was of no particular value to the Nation as a whole, yet the various agencies and departments continued to hang onto it. If I am wrong, I shall be glad to be corrected.

When that bill was under consideration by a standing committee of the House, the Navy Department, the War Department, and other departments appeared and objected to any right which they might have to retain that property being taken from them. They objected to any other department or any other agency of the Government disposing of any of that property, although each of them conceded that they had millions of dollars' worth of surplus property on hand.

The gentleman from Georgia says that we have a remedy. That is to say, we can refuse to appropriate money to maintain that sort of property. But suppose it is a dock or navy yard or a fleet of ships, anything—I will be glad to have the gentleman tell me, if ships, would he let them rot at the dock if the Navy does not want to dispose of them and has no need for them?

Mr. VINSON. As stated by the distinguished gentleman from Oregon, the Surplus Property Act requires every owning agency to certify sometime that it has certain surplus facilities.

Mr. HOFFMAN. But there is a difference of opinion as to those facilities being surplus, and, therefore, they do not certify them as such, and no power on earth can compel them to do it; that is, to force the Navy, for instance, to make certain certifications. If the War Department has a million pairs of shoes on hand, they can hold them, after they come in with a similar bill, and get like authority to be exempted.

If we do not need legislation disposing of that kind of property, then let us repeal the act that we passed in 1944. Let us not go through the absurdity of taking off a bite here by the Navy Department and in a couple of weeks taking off some more for the War Department, and so continue until the whole act is destroyed. If we made a mistake or got something we did not need, or do not want, let us get rid of it.

It is the old, old fight as to whether you are to have an over-all controlling agency which is not interested in building up its own department and disposing of this property, or whether we want to let the various governmental agencies continue to hold onto everything on which they have their fingers.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Georgia.

Mr. VINSON. May I call the distinguished gentleman's attention to the fact that this bill specifically designates certain properties?

Mr. HOFFMAN. Yes.

Mr. VINSON. As to certain property, such shoes, boots and scraps, they do not come to Congress at all.

Mr. HOFFMAN. Listen! The Navy may not, but here are 5 pages of definitions in this present bill exempting property which the Navy considers should not be sold or may consider should not be sold.

Mr. VINSON. No.

Mr. HOFFMAN. Oh, yes.

Mr. VINSON. There is not a line in the bill exempting anything from being sold. There is not one line exempting certainly any property in the Navy from being sold.

Mr. HOFFMAN. If that is so, why does the Navy need any legislation?

Mr. VINSON. The Navy may not need it, but the Congress does.

Mr. HOFFMAN. If the Navy does not need it then let it be disposed of by the agency created by Congress. Oh, you are touchy about the Congress. For more than 10 years the Congress has been jumping through the hoop, jumping over the hurdles held up, set up by a ring master in the executive department. May I ask, has not the gentleman from Georgia—and I admire the gentleman very, very much; I like to go along with him when he gets after the surplus lieutenant commander of the Navy; who is such a disgrace to the Navy—sufficient faith and confidence in the Congress and in the agency which it created to dispose of this property to let them do the job as the Congress directed. If we have not, let us make one job of it and repeal that act. Would that not be better, may I ask the gentleman from Georgia? Tell us what you are getting at.

Mr. VINSON. The gentleman complains because Congress has been jumping through the hoop. We have been jumping through the hoop so long that the Committee on Naval Affairs is tired and we think we are sent here with a certain responsibility, and I am only asking that the gentleman from Michigan live up to that responsibility that the Constitution puts upon us to provide and maintain a Navy.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman one additional minute.

Mr. HOFFMAN. That I will do. I have voted for every appropriation asked by the Navy. You are just changing the holder of the hoop from the other end of Pennsylvania Avenue, to your Committee on Naval Affairs. It is now the one that wants us to jump through, and take a bite out of the Surplus Sales Act. If it is bad—if not working out—all right; let us repeal it or correct it, but let us avoid taking from the agency first one class of property, then another.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman from Nebraska [Mr. MILLER] the balance of my time.

Mr. MILLER of Nebraska. Mr. Speaker, I will take just 2 or 3 minutes to try to ascertain the provisions of the Surplus Property Act. As I understand, we have no means under that act to force any military agency, the Navy or the Army or the Maritime Commission, to declare that their property is surplus; am I correct in that? I would like to have someone who has the information answer that.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I will be glad to respond to the gentleman. Section 11 of the act prescribes that no Navy Department, no War Department, or property of any other department can be disposed of by the Surplus Property Administration unless that department declares it surplus.

Mr. MILLER of Nebraska. In other words, the Navy must first declare it surplus.

Mr. WHITTINGTON. Absolutely, and the Congress after considering this matter for 2 months amended it so as to provide that no agency except the Navy Department itself should declare that property surplus. Moreover, the bill before us and the Surplus Property Act itself prevents the disposal of any combat vessels whatsoever in identical language.

Mr. MILLER of Nebraska. I agree that the bill before us is important and it is necessary legislation in order that the Congres should have some control over the property that the Navy says is surplus.

The matter that concerns me, however, is this, that in the summary here you will find seven pages of material owned by the Navy Department. Suppose the Navy does not wish to declare that property surplus; how then could the Congress say to the Navy, "The war is over. You have naval ordnance stores, you have huge plants that are no longer needed." How could we make the Navy declare that to be surplus property which they must dispose of through some agency? I am certain that the surplus property law which we passed does not cover that subject.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Oregon.

Mr. MOTT. I think I can partly answer the gentleman's question. As I said a moment ago, the Surplus Property Disposal Act—and this bill is not an amendment to that—provides that the owning agency shall from time to time declare what surplus property it has. Then it is disposed of by the disposing agency. If an owning agency has property that the Surplus Property Board thinks ought to be declared surplus, it may call upon that agency for a report on what is believed to be surplus. There is no way that the Board can compel an owning agency to declare its property surplus. However, in a case of that kind, the Congress always has authority and can pass a bill declaring it surplus and dispose of it. That must not be confused with this bill, which is not an amendment to the Surplus Property Disposal Act at all, except that this bill does recapture and revest in the Congress the final right to say whether major naval property shall be disposed of, in event the Congress deems it proper to exercise that right.

Mr. MILLER of Nebraska. I agree with the gentleman from Oregon, but I think that he must also see that there is a possibility that not only the Navy but the Army might have under its control a huge amount of property that should rightly be declared surplus and which the Congress might feel should be declared surplus; but unless we pass a law or take some other means of forcing them to declare that property to be surplus, they might hold on to these large stores, whether they be shoes or battleships or ordnance plants or what not, indefinitely.

Mr. MOTT. The gentleman may be quite right, but a proposal of that kind should not be incorporated into the bill before us. It should be offered as an amendment to the Surplus Property Disposal Act itself.

Mr. MILLER of Nebraska. Does the gentleman think that an amendment might be in order and be germane to this bill which would force the Navy to declare certain property to be surplus?

Mr. MOTT. No; my own opinion is that such an amendment would not be germane to this bill.

Mr. MILLER of Nebraska. It does seem to me that some legislation sooner or later will have to be considered by the Congress along that line.

Mr. McMILLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Illinois.

Mr. McMILLEN of Illinois. May I ask the chairman of the committee this question. In looking over the list of plants in the report, I find none described as being located in any foreign waters or foreign territory.

Do we have possessions coming under the jurisdiction of this proposed legislation such as repair yards for ships or other Navy facilities necessary for the operation of the Navy that are located in foreign waters or foreign countries? If there are, I find none listed here.

Mr. VINSON. May I say to the distinguished gentleman that under the definition of plants as used in the bill, those are the only plants that fall within the purview of those definitions. Therefore, of all the Government property, these would be the only ones that would be certified to the Congress when the owning agency, the Navy, found them to be surplus.

Mr. McMILLEN of Illinois. In the event that the Navy had control of plants in the deep Pacific, could the Navy go ahead and sell those plants without coming to the Congress and getting the consent provided for in this bill?

Mr. VINSON. It certainly could, and it can do that without this bill. It does it under the Surplus Property Act. This bill does not interfere with it in any way. We leave it just exactly where it was.

Mr. McMILLEN of Illinois. Then Congress has nothing to do with the property that is not located in the United States? They can go ahead with that?

Mr. VINSON. Yes; it has something to do with any plant that falls within the definition of the word "plant" as used in the bill; that is, where the Government owns the land, where the Government built the buildings, where the Government owns the equipment, where it is able to be operated as an independent economic unit, then it is within the definition, and those are the plants.

Mr. McMILLEN of Illinois. What aroused my curiosity was the description "without the limits of the United States."

Mr. VINSON. I do not think we built any outside of the United States.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from California.

Mr. McDONOUGH. In the definition of controls that the Navy has over the plants, as I understand the Surplus Property Act at the present time, it specifies only property up to a cost of $5,000,000 can be disposed of.

Mr. VINSON. No; the gentleman is mistaken. Under the provision with reference to $5,000,000, it means after the owning agency, the Navy Department in this case, has certified to the surplus property controlling agency that they have declared as surplus a plant costing more than $5,000,000, that is certified after the horse has left the stables. It is certified after it has been disposed of. We are stepping in between the declaration of the surplus and the disposal of it and say that Congress be notified.

Mr. CLARK. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Speaker, this is probably one of the most important bills that will come before the Congress in this session. It involves billions of dollars in property. As stated candidly by its sponsors, it is intended to delay, and thus nullify so far as the Navy is concerned with reference to the property described in this bill, the provisions of the Surplus Property Act. The House will recall that about a year ago the President of the United States, by Executive order, provided for reconversion and established the War Mobilization and Reconversion Agency and Contract Settlement Agency and the Surplus Property Agency. He sent messages to the Congress and asked the Congress to implement those executive agencies by legislation. It is said that the purpose of the bill is to restore to the Congress its constitutional authority. How does Congress provide a navy? How does Congress wage war? It does so through the Navy Department and the War Department. How can Congress provide for the disposal of surplus property? Only through its agency. The provision in the Surplus Property Act for disposal was considered by this Congress after the Committee on Postwar Planning approved the Baruch report; after this committee of the House charged with reporting the bill had considered it; and after Congress had spent the months of August and September last year considering this matter, the Surplus Property Act was passed. The Surplus Property Act is not perfect. This bill does not intend to amend that act. Candidly, the proponents of this bill say they propose to nullify its provisions.

Under the terms of that act no combat vessel can be disposed of by the Surplus Property Administration. There is no disagreement between that act and the present bill. This bill reaffirms, and I am glad to say it reassures me, in describing in identical language the combat vessels which cannot be disposed of. Before the Congress passed the Surplus Property Act last year we had reports from the Secretary of War and the Secretary of the Navy, and we declined to put any provision in that act which did not protect the War Department or the Navy Department in both war and peace. We modified a provision of that bill which would have enabled the Surplus Property Administrator to have in anywise persuaded and compelled them to declare any property surplus. The Congress of the United States has provided in about 100 statutes for the disposition of Government property. Only the Congress can provide for the disposal of property. After repeated and careful consideration for 2 months last year as a part of the reconversion program of the United States, the Congress enacted the Surplus Property Act and provided that the plants mentioned in this bill to the value of billions of dollars might be reconverted so that the citizens of this country employed in those plants might have employment in peace. It was a part of the reconversion program of the President of the United States. It was not premature. He urged that it be adopted before the invasion of Europe, before the surrender of Germany. I have before me the report of the committee that submitted that bill to the House and the report of the Secretary of the Navy. That report, as did the report of the Under Secretary of War, who reported after taking the matter up with the Bureau of the Budget, urged the passage of that bill.

In this connection I want to read from the report of the Secretary of the Navy, because as a member of that committee, I insisted that there be no provision embraced in that act that would in anywise impede the Navy in prosecuting the war. I insisted that not one dollar's worth of property under the supervision of the Navy Department should be declared surplus except by the Department. But now it is said that in order to restore the constitutional prerogative of Congress to dispose of surplus property, this bill must be passed. Can Congress go into the business of disposing of twenty or fifty or one hundred billion dollars' worth of property? We must do it through some agency of the Government. We entrusted the matter of the lives of our sons to the generals of the Army and the admirals of the fleet. An admiral of the fleet could surrender, but it would be unthinkable that he would make a base surrender. It is unthinkable that the War Department or the Navy Department would declare, in peace or in war, any property surplus that was essential to the waging of the war.

It was stated on the floor of the House that as far as the Navy Department was concerned but little, if any, property, except where there was a surplus, outmoded, needed by the civilian population of the country, would be declared surplus until after the war with Japan was over. I want to read from the report of the Secretary of the Navy.

He said he concurred in the report of Capt. Lewis Strauss, and I will ask permission to insert his report on surplus property. I quote:

> If section 7 were changed to eliminate the objection mentioned—

In section 7, as introduced, it was provided that the Surplus Property Administrator might have some power to declare Navy or Army property surplus. We amended it just exactly in the language recommended by General Clay, representing the War Department, and just exactly in the language recommended by the Secretary of the Navy, and I quote from the report of the Navy Department:

> If section 7 were changed to eliminate the objection mentioned above, the Navy Department could, in my judgment, strongly recommend the early enactment of H. R. 5125 as essential to a successful and orderly solution of the surplus war property disposal problem.

I have before me the letter of the Secretary of the Navy, dated June 10, 1944, transmitting that report and endorsing it and concurring therein.

I call attention to this significant statement: That there was not a single witness at the hearings before the Committee on Naval Affairs for the pending bill, which hearings were only made available this morning, except representatives of the Navy Department. I call attention to the fact that the Secretary of the Navy himself has given this bill a half-hearted report and support. He says that the passage of this bill would slow down the disposal of surplus property. He said this bill would not in any wise interfere with the operation of the Navy, but he said, and I quote:

> This would have the effect, under certain circumstances, of slowing up the disposal of property which the Navy has determined to be surplus to its needs.

Of course, it is understood if that is slowed up by this bill the Congress of the United States will be expected to make appropriations to maintain the plants that may not be necessary, to maintain the facilities in this bill that might not be necessary or surplus, and the burden would be on Congress to provide for the delay or the prevention of the orderly disposition of the property only declared by the Navy Department to be surplus.

The Surplus Property Act provides that the Surplus Property Administration shall publish its rules and regulations in the Federal Register. The purpose of this bill is to delay and to impede the disposal of airfields, the disposal of small boats over 1,000 tons not in combat class, and to impede the disposal of war plants.

I invite your attention to the fact it involves billions of dollars. Under the terms of the pending bill the Navy Department can prevent after the war the disposal of any plant provided by the Defense Plant Corporation that the Navy says it would like to have maintained even though that plant has long ceased to manufacture munitions. I call attention to this feature and I propose to undertake to go into this matter further in general debate.

Take the matter of plants under the Surplus Property Act. A plant costing over $5,000,000 cannot be disposed of until after the expiration of 3 months, in which reports are to be submitted and then after the Surplus Property Board has submitted the report to Congress,

Congress has 30 days to veto the disposal. What are the terms of this act? It states that no property shall be disposed of except as provided herein. All on earth the Navy Department has got to do under the terms of this bill is to report that that property is surplus, with its reasons.

The Surplus Property Act requires that the Board submit a report on all plants of $5,000,000 or over, whether it be one of the aluminum plants named in the report on the pending bill, or whether it be one of the steel plants named in the report, and the act provides that in the report submitted by the Surplus Property Board, the cost of the plant to the Government shall be given and the plan of the Board with respect to the disposal of plants shall be submitted. In addition, on all property valued at more than $1,000,000 the report of the Attorney General must be made as to whether it violates the antitrust laws or promotes monopolies, before the property can be disposed of. In the pending bill the Navy Department merely states that the property is surplus and no information whatsoever that would enable Congress to dispose of the property or plant is required of the Navy Department. Congress would be in no position to take action. The bill again promotes delay and adds to the confusion and the conflicts in the Surplus Property Act. The complaints against the Surplus Property Administration are largely because of the delays in disposal of plants. Such delays, however, are not the fault of the Surplus Property Board. Congress provided for the reports and the bill stipulates the delays. The fault is with Congress. Personally I opposed the Surplus Property Board. I advocated an administrator. I opposed other provisions of the bill. The unsound provisions of the act are responsible for the resignation of Mr. Will Clayton, the Administrator. If Congress further hampers and delays the administration of the Surplus Property Act by the nullifying provisions of the pending bill, then I predict that the chairman of the Board will resign and that it will be difficult to get competent administrators to administer the act. Congress has muddied the waters and has messed up the disposal of surplus property far too much already. The pending bill would further destroy the disposal of surplus property. The fair way, the proper way to correct any defects in the existing law is to amend that law. The bill under consideration should be defeated. Congress should give careful consideration to amending and repealing the delaying and conflicting provisions of the existing law as soon as the Surplus Property Board has had an opportunity to submit its recommendations. I advocate giving the Board a chance. If it cannot function, I advocate amending the act rather than nullifying it.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. WHITTINGTON. Mr. Speaker, I ask at this time to include in my remarks now and to include in the remarks I expect to make on the bill in the Committee of the Whole letters from the Surplus Property Administration opposing this bill, letters from the Secretary of the Navy endorsing the Surplus Property Act, and letters from the Secretary of War.

Mr. VINSON. And, if the gentleman will permit, will he also include a copy of my letter to him?

Mr. WHITTINGTON. And a copy of the letter from the gentleman from Georgia written to me, and other correspondence.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CLARK. Mr. Speaker, that this is an exceedingly important question is evident from the debate thus far on the rule.

I hope the House will adopt the resolution so that the subject may be further considered.

I now move the previous question on the resolution to its final passage.

The previous question was ordered.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. CHIPERFIELD] may be permitted to extend his own remarks in the RECORD and include a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISPOSITION OF NAVAL VESSELS AND FACILITIES

Mr. VINSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3180, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with, the bill to be printed in the RECORD at this point.

Mr. WHITTINGTON. Mr. Chairman, reserving the right to object, as I understand the request it applies only to the first reading of the bill, not the reading of the bill for amendment.

Mr. VINSON. The gentleman is correct.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The bill reads as follows:

Be it enacted etc., That as used in this Act the term—

(a) "Naval war facility" means any property of the United States or of any instrumentality of the United States, within any of the following categories, under the control of the Department of the Navy:

(1) Any vessel classified in, or classifiable in accordance with, the classification set forth in Standard Nomenclature and List of United States Naval Vessels, published December 1, 1944, by the Department of the Navy (Bureau of Ships), as a vessel of any of the following types: A battleship, cruiser, aircraft carrier, destroyer, or submarine.

(2) Any floating drydock, or any vessel (other than vessels of not more than one thousand tons) classified in, or classifiable in accordance with, the classification set forth in Standard Nomenclature and List of United States Naval Vessels, published December 1, 1944, by the Department of the Navy (Bureau of Ships), as a vessel of any of the following types: A mine vessel, patrol vessel, auxiliary, landing ship, or district craft. For the purposes of this subsection the term "one thousand tons" means 1,000 tons standard displacement, unless the Secretary of the Navy determines that measurement in terms of gross tons in the manner provided in section 4153 of the Revised Statutes is more appropriate, in which case such term means gross tons measured in the manner provided in such section 4153.

(3) Any navy yard, navy air field, naval training station, naval ordnance plant or depot, naval base, or any other property, consisting of land having buildings or other structures thereon or having buildings or other structures used in connection therewith, which constitutes the whole or any part of a naval station, excluding, in the case of any of the foregoing, property acquired or constructed by the Navy for use solely in connection with programs for the training of naval personnel at colleges and universities (other than the U. S. Naval Academy).

(4) Any plant acquired, constructed, or used to manufacture or produce articles, materials, or supplies for the Navy.

(b) "Plant" includes only a plant (consisting of land, including land under option to the United States, and structures substantially equipped with machinery, tools, and equipment) which is capable of economic operation as a separate and independent unit, and which is not an integral part of a larger installation of a private contractor.

SEC. 2. No provision of existing law shall be deemed to authorize—

(1) the sale, lease, donation, or other disposition, of any naval war facility to any person, or to any political entity or governmental instrumentality, foreign or domestic; or

(2) the consent to a sale, lease, donation, or other disposition of any plant with respect to which consent of the Department of the Navy is required before a sale, lease, donation, or other disposition thereof can be made; or

(3) a determination that any naval war facility is surplus to the needs and responsibilities of the Department of the Navy, or the transfer of any naval war facility from the jurisdiction or control of the Department of the Navy;

except subject to the restrictions prescribed in this act.

SEC. 3. Except as provided in section 5, no naval war facility described in section 1 (a) (1) shall be sold, leased, donated, or otherwise disposed of, to any person, or to any political entity or governmental instrumentality, foreign or domestic, or be transferred from the jurisdiction or control of the Department of the Navy, or be determined to be surplus to the needs and responsibilities of the Department of the Navy.

SEC. 4. Except as provided in section 5, no naval war facility described in section 1 (a) (2), (3), or (4) shall be sold, leased, donated, or otherwise disposed of to any person or to any political entity or governmental instrumentality, foreign or domestic, or be transferred from the jurisdiction or control of the Department of the Navy, or be determined to be surplus to the needs

and responsibilities of the Department of the Navy, and no consent to a sale, lease, donation, or other disposition of any plant described in section 2 (2) shall be given by the Department of the Navy, in either case unless—

(a) the Secretary of the Navy has made a report to the Congress (while both Houses are in session) setting forth the reasons why such facility or plant, as the case may be, is no longer needed by the Department of the Navy, together with the contrary views, if any, of the Chief of Naval Operations;

(b) sixty days have elapsed since the making of such report (not counting as part of such 60 days any period between the end of one session of Congress and the beginning of the next, or any period during which both Houses of Congress are in recess under the terms of a concurrent resolution); and

(c) during such 60 days the Senate and House of Representatives have failed to pass a concurrent resolution stating in substance that such facility or plant, as the case may be, should be retained by or for the use of the Department of the Navy:

Provided, That property disposals, considered to require expeditious action by the Secretary of the Navy, may be made by the Department of the Navy immediately after the Senate and House of Representatives have passed a concurrent resolution approving the property disposal or disposals proposed by the Secretary of the Navy.

SEC. 5. (a) No provision of this act shall prevent—

(1) the disposition under any other law of any vessel stricken from the Navy register pursuant to section 2 of the act of August 5, 1882, entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1883, and for other purposes"; or

(2) the disposition of any vessel under the act of April 29, 1943, entitled "An act to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fisheries or industries related thereto", as amended; or

(3) the lease, under any other law, to the government of any country whose defense the President deems vital to the defense of the United States, of any naval war facility, for any period not extending beyond the date proclaimed by the President as the date of the termination of the present war, or beyond the date specified in a concurrent resolution of the two Houses of Congress as the date of such termination, whichever first occurs; or

(4) any naval war facility from being made subject to any command or use determined to be appropriate in connection with the prosecution of the present war; or

(5) the transfer of the Coast Guard, together with its functions, property, and personnel, to the jurisdiction of another agency of the Government, or, in the case of any naval war facility acquired from any other agency of the Government under an arrangement providing for its return, the return of such facility to such Government agency pursuant to such arrangement; or

(6) the disposition of any naval war facility to any person pursuant to the exercise by such person of an option granted by the United States prior to the date of the enactment of this Act, or thereafter if granted in connection with the original procurement of such naval war facility; or

(7) the scrapping or destruction of any vessel damaged beyond economical repair; or

(8) the termination by the Department of the Navy of any lease or charter-party.

(b) Any plant under the control of the Department of the Navy may, under regulations prescribed by the Secretary of the Navy, be leased for periods not exceeding 5 years each:

Provided, That—

(1) the Secretary of the Navy has made a report to the Congress (while both Houses are in session) of the intention of the Navy Department to lease such plant;

(2) sixty days have elapsed since the making of such report (not counting as part of such 60 days any period between the end of one session of Congress and the beginning of the next, or any period during which both Houses of Congress are in recess under the terms of a concurrent resolution); and

(3) during such 60 days the Senate and House of Representatives have failed to pass a concurrent resolution stating in substance that such plant should not be leased.

(c) No disposition of property shall be deemed to be contrary to the provisions of this act, insofar as the right, title, and interest of any person in and to such property is concerned.

The CHAIRMAN. Under the rule, the gentleman from Georgia is recognized for 2 hours and the gentleman from Oregon for 2 hours.

Mr. VINSON. Mr. Chairman, I yield myself 30 minutes.

The CHAIRMAN. The gentleman from Georgia is recognized for 30 minutes.

Mr. VINSON. Mr. Chairman, the distinguished gentleman from Mississippi, a member of the committee that brought the surplus-property bill before the House for consideration, finds himself in considerable disagreement with the unanimous report of the Committee on Naval Affairs in regard to this bill.

Now I do not find myself much in disagreement with the Surplus Property Act. On the contrary, I think it was absolutely wise and essential and, I repeat, there is not one line in this bill that disturbs in the slightest degree the operations of the Surplus Property Act. I now yield to the gentleman from Mississippi to point out to the House a single sentence in the bill which interferes with the disposal of property when it reaches the Surplus Property Disposal Board.

Mr. WHITTINGTON. If the gentleman will turn to page 5 of the bill, at the bottom of the page, I read: "may be made by the Department of the Navy." There is nothing stated in this bill——

Mr. VINSON. Just read the language.

Mr. WHITTINGTON. The language is:

That property disposals, considered to require expeditious action by the Secretary of the Navy, may be made by the Department of the Navy.

That language would give the Secretary of the Navy, in my humble judgment, the right to dispose of it. Now, to answer the gentleman further, I challenge the gentleman to point to any language in his bill that would provide for this property to be disposed of by the Surplus Property Administration; and I call attention again to the fact that on page 5, line 23, the language is "*Provided*, That property disposals, considered to require expeditious action by the Secretary of the Navy, may be made by the Department of the Navy," regardless of the Surplus Property Act.

Mr. VINSON. It is true there is nothing in the bill which says that the Surplus Property Act steps in and does certain things, because the Surplus Property Act is already the law when certain conditions arise.

Mr. WHITTINGTON. The gentleman is frank. Is it not true that the language of this bill, page 5, line 23, is as follows: "by the Department of the Navy," and would nullify the provisions of the Surplus Property Act so far as this bill or section is concerned?

Mr. VINSON. Not at all.

Mr. WHITTINGTON. As far as you go.

Mr. VINSON. Not at all. Another thing, the gentleman from Mississippi talked about making a report to the Congress and said that nothing costing over $5,000,000 can be sold until the Congress exercises its power of veto.

Let us see if the gentleman is correct. Sections 11 (c), 19, and 24 of the Surplus Property Act require that the Surplus Property Board make a report to the Congress of, first, the owning agencies failing to report surpluses; second, plans for disposition of certain classes of property costing more than $5,000,000, and third, for evaluation of the Board's administration and the need for amendments and related legislation.

Now, there is nothing in the act which grants the power to Congress to act affirmatively or negatively on the disposal of surplus property by the Board under the act. Regardless of the amount, whether it is $1 or $5,000,000, the Surplus Property Board does not have to have an affirmative or negative act of Congress to dispose of that property. All the Surplus Property Board does is to acquaint the Congress with the fact that certain facilities described in the bill, costing more than $5,000,000, have been disposed of. Am I not correct?

Mr. WHITTINGTON. The gentleman is not correct. On the contrary, section 10 states "submit a report of property costing over $5,000,000, describing the amount, the cost and the location of the property, and setting forth other descriptive information." Nothing like that is embraced in the gentleman's bill.

Mr. VINSON. Of course not. You see, Mr. Chairman, the gentleman in speaking about the authority of the Surplus Property Act has gone a little bit too far. It does not have to have any affirmative or negative act by the Congress.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Oregon.

Mr. MOTT. It is a fact, however, is it not, that in case there is not any question about the desirability or necessity of disposing of surplus property coming within the provisions of the act that the Congress, after the proposal to dispose of it is submitted to the Congress, if it is not a matter of dispute, could forego the waiting of 60 days by simply putting a bill on the Consent Calendar for its immediate disposal.

Mr. VINSON. Exactly.

Mr. WHITTINGTON. Mr. Chairman, if the gentleman will yield, may I call his attention to this provision in the Surplus Property Act? Turn to section 19.

Mr. VINSON. I just read that.

Mr. WHITTINGTON. Then turn to section 19, subparagraph (c):

Whenever the Board may deem it to be in the interest of the objectives of this act it may authorize the disposition of any surplus property listed in classes 9 to 12, inclusive, of subsection (a) of this section. With respect to the property listed in classes 1 to 8, inclusive, no disposition shall be made or authorized until 30 days after such report (or additional report) has been made while Congress is in session, except that the Board may authorize any disposal agency to lease any such property for a term of not more than 5 years.

In other words, with respect to these plants that cost over $5,000,000, that Board must make a report to us within 3 months, and after they submit that report covering categories from 1 to 8 they cannot dispose of it for 30 days, thus giving Congress the right to veto or prevent disposal.

Mr. VINSON. But that provision does not vest any authority in Congress. The only way Congress could act would be to pass limiting legislation within that 30-day period. We do not have to have any affirmative voice in Congress. We do not have to have any negative voice. What does this bill do?

Mr. Chairman, by the terms of the Surplus Property Act Congress retained control only over the disposition of battleships, cruisers, aircraft carriers, destroyers, and submarines, which are only a part of the combatant fleet.

By the Surplus Property Act Congress surrendered all of its control over all other property belonging to the Navy, to the executive branch of the Government. Therefore, this left Congress without either an affirmative or a negative voice over the remaining property belonging to the Navy or a review of what property the Navy declares to be surplus.

This bill, H. R. 3180, is designed to give Congress a review over any decision of the Navy Department declaring any of the following naval facilities to be surplus:

First. Any floating drydock, or any mine vessel, patrol vessel, auxiliary, landing ship, or district craft of a thousand tons or more;

Second. Any navy yard, navy airfield, naval training station, naval ordnance plant or depot, naval base, or other installation; and

Third. Any Government-owned plant under Navy cognizance for producing articles, materials, or supplies for the Navy, excepting so-called "scrambled" plants and plants not capable of economic operation as a separate and independent unit, and plants which are an integral part of a larger installation of a private contractor.

At the very outset let me impress this fact upon you: The Navy Department, and the Navy Department alone, reaches the decision as to whether any of the property referred to in this bill is surplus.

After the Navy Department concludes that any of the naval property referred to in this bill is a surplus to the Navy's needs, then all that this bill does is to require the Secretary of the Navy to so certify to the Congress, and the Congress has 60 days while in session to review the findings of the Navy; and if it does not agree with the Navy it so expresses its views in a concurrent resolution.

This bill does not in the slightest degree interfere with the disposal of surplus property as provided for by the Surplus Property Act of 1944.

I repeat, Congress does not determine what naval property is surplus. That is left exclusively to the Navy Department. But Congress should have the right to review the declaration of surplus property by the Navy before it is certified to the Surplus Property Board for disposal.

The Naval Affairs Committee is asking that Congress have the right to review the Navy Department's declaration of surplus of its major property, and only that property which is specifically enumerated in this bill, and in this way Congress lives up to its constitutional responsibility of maintaining a Navy.

No Member of Congress can object to the peoples' Representatives having the opportunity of reviewing the conclusions of the Navy Department as to which property the Navy finds it no longer needs.

The authority contained in the bill is for the Congress to review the declaration of major surplus property, which is specifically designated and described in the bill, and under no condition would Congress have anything to do with the actual disposal. For clarity and emphasis, I repeat: We leave the declaration of surplus to the Navy Department, and the disposal of the surplus to the proper Surplus Property Disposal Agency.

In presenting the bill H. R. 3180 to the House for consideration, I deem it important at the very outset to call attention to its limited scope and purpose.

The bill is merely to insure that Congress will have appropriate notice and a 60-day opportunity to act by concurrent resolution prior to disposal of any of the more important naval vessels, and navy yards, airfields, ordnance plants, and other installations, including Government-owned plants under Navy cognizance.

This purpose can be accomplished, and under the provisions of the bill will be accomplished, without in any measure defeating the purposes of the Surplus Property Act, to which I heartily subscribe, and without interfering with the proper functions, authority, or administration of the Navy Department.

As I have indicated, the provisions of the bill cover only the very important items of naval equipment vitally connected with the national defense, and in no way affect disposal of so-called scrambled plants or plants not capable of economic operation as separate and independent units, or unimproved real estate. Neither does the bill affect disposals under purchase options.

The legislation excludes ships under a thousand tons and, regardless of tonnage, vessels disposable under the so-called Fishing Vessels Act of April 29, 1943, as amended. Of course, the bill does not in any way apply to the disposition of the enormous quantities of articles, supplies, and raw materials of the Navy Department.

The bill is very simple. Except for authorizing leases of plants for terms of not more than 5 years, the bill does not authorize dispositions of any kind. Further, it does not prohibit disposition of any kind. It merely grants a power of review to Congress over the Navy Department's declarations of certain surpluses.

The bill reaffirms the policy of Congress prohibiting disposal of our battleships, cruisers, aircraft carriers, destroyers, and submarines, but does not change the existing law on the subject.

Neither does it change existing law as to disposition of vessels over a thousand tons—the disposition of vessels stricken from the Navy Register pursuant to the act of August 5, 1882.

On receipt by the Congress of notice of a proposed sale or other disposition, Congress may determine that the disposition should not be made and pass an appropriate concurrent resolution barring the proposed disposition, or Congress may fail to pass a resolution for 60 days, in which case the proposed disposition may then be made.

While the bill H. R. 3180 is thus a very simple and, I believe, a noncontroversial measure, it is one of the most important bills which the Naval Affairs Committee has recently reported to the Congress. In subject matter it applies to those naval vessels and naval installations which are vital to the national defense, and in purpose it marks a return to basic principles established by the Constitution and faithfully observed by the Congress for more than 150 years.

The Naval Affairs Committee earnestly recommends enactment of the bill for three highly important reasons:

First. It will restore to the Congress its Constitutional function of maintaining our Navy;

Second. It will restore the system of checks and balances between the executive and legislative departments insofar as these relate to important naval ships and facilities; and

Third. It will insure that Congress will receive notice in an orderly manner of proposed dispositions of these important facilities prior to their disposal, instead of first learning that an important naval unit has been sold from a Sunday night broadcast of Walter Winchell or some other radio commentator, or from the newspaper column of Drew Pearson or some other columnist.

The Congress has magnificently performed its Constitutional function of providing a Navy. There are as many vessels in our Navy today as there were officers and enlisted men in our prewar Navy. Obviously, many of these vessels will have to be disposed of at the end of hostilities. Comparatively few of these fall within the classification of battleship, cruiser, aircraft carrier, destroyer, or submarine. Over these classes the Congress has retained, and I hope always will retain, such control that they may be sold only pursuant to special act.

But Congress has lost control over all the multiplied thousands of other naval vessels. Congress has lost control over the district craft of the 54 classes you

will find listed in the appendix in the report on the pending bill, and the 10 classes of landing ships and landing craft. It has lost control over all vessels of the 8 classes of mine vessels and the eighty-odd classes of patrol vessels you will find listed in this appendix.

This control passed from the hands of Congress under the provisions of the Surplus Property Act. I believe that the situation is such as to justify transfer of absolute control of disposition of the less important of these vessels to the executive department of the Government, but certainly does not justify stripping the Congress of all vestige of control of the vital naval units.

Our bill applies only to these important units. It does not apply to any vessels of the types listed as landing craft or miscellaneous, nor does it apply to any of the vast number of landing ships and other auxiliary vessels under a thousand tons. It applies only to the larger vessels. Fishing and commercial vessels under the act of April 29, 1943, regardless of size, would also be excluded, as would the vessels acquired from the Maritime Commission under an arrangement for their return. Accordingly, only a comparatively small number of naval ships of the kind most important to maintain the fighting strength of the Navy would be subject to the provisions of this bill.

Your committee felt that notice to the Congress of the proposed disposition of this important group of vessels and opportunity by the Congress to exercise a power of review if found necessary was the minimum that could be done consistent with the Constitution and the legislative precedents of the past 150 years.

Equally important with auxiliary vessels in maintaining the fighting strength of the Navy are the naval installations and plants necessary for keeping our fighting ships in repair and supplied with necessary ordnance and other war material. Accordingly, it was felt by your committee that the constitutional duty and legislative precedents required the same type of procedure in the case of naval installations and plants as in the case of the larger naval vessels.

The legislation carefully excludes the so-called "scrambled" facilities. Under the stress of war and the necessity of expansion which plant owners did not believe would be of postwar value, it was necessary, unfortunately, in many instances to erect structures on the grounds of manufacturers and install machinery in these buildings and in manufacturers' plants which, in many cases, must be entirely scrapped after the war. It was not felt that facilities of this character should be included within the purview of the bill since no useful purpose would be served thereby, and similarly it was not felt desirable to include facilities which, while wholly owned by the Government, are of little or no economic value except as part of the larger plant of a private manufacturer. These, too, were excluded in the bill.

A list of all of the plants which would be affected by the bill is contained in the appendix to the report on the bill. You will note that there are 19 shipbuilding and ship-repair yards and 183 plants of other types. These are, of course, located all over the country, and unquestionably it will be wise to dispose of a very considerable number of them. But it would not be feasible at this time to attempt to review these various plants and make a determination as to which should be disposed of and which are of such a character that disposition would be a fatal error. Therefore, under the bill it is provided that these may be sold only when, on their determination as surplus to the needs of the Navy, notice of the proposed disposition is submitted to the Congress. The Naval Affairs Committee believes that inclusion of the naval war facilities above referred to in the bill meets, and does not go beyond, the constitutional duty of the Congress.

The longer I remain in public life the more I appreciate the wisdom of our forefathers in distributing duties under the Constitution between the executive, legislative, and judicial departments. It is only by observance of the system of checks and balances thus established that our Government has survived the vicissitudes of war and the enormous pressure in war and peace to centralize too much authority in too few hands.

Under section 8 of the Constitution, the function of providing and maintaining the Navy was made a function of the Congress, and in keeping with its duties under the function Congress has always surrounded the disposition of naval property with rigid restrictions and has permitted disposition only pursuant to enactment of specific legislation. This long-established policy of Congress is reflected in such recent legislation as the act of May 17, 1938, the acts of June 18, 1940, and July 19 of the same year, and by the acts of February 19, 1943, and April 4, 1944.

It was most unfortunate that the Surplus Property Act safeguards inserted by the House, which were in keeping with the provision of the Constitution and the precedents above referred to, were entirely scrapped in conference between the House and the Senate, when they should have been merely modified to be made workable. This bill in substance is such a modification.

In the enthusiasm for achieving the primary purposes of the Surplus Property Act, just as in the enthusiasm for accomplishing the purposes of the Lend-Lease Act, Congress unfortunately gave too broad authority, too much of a blank check, to the executive department of our Government. In the case of the Lend-Lease Act, authority to make disposition of important naval units was so broad as to permit irrevocable loss of these units. The Naval Affairs Committee, on recognizing this, recommended to the Congress legislation limiting dispositions of these facilities under the Lend-Lease Act. The Congress, in considering this legislation, by the act of February 19, 1943, restricted such dispositions to leases for not longer than the duration of the war and with title retention in the United States.

The same kind of situation exists today because of the enactment of the Surplus Property Act and the same kind of recommendation is made, namely, that of placing some limits on too broad a grant of authority to the executive department. It is again necessary to consider legislation which would not interfere with the purposes of the grant of authority and which would yet place appropriate limitations and conditions upon its exercise. H. R. 3180 would do just this.

Members of the House will remember that the amendment to the Surplus Property Act, known popularly as the Mott-Magnuson amendment, would have prohibited any disposition of combat naval vessels, stations, and establishments without the consent of Congress, and was adopted unanimously by this House. Unquestionably, the amendment was so broad as to interfere materially with the purposes of the Surplus Property Act. However, it could have been appropriately modified, but instead was scrapped by the conferees.

The legislation before you would carry out the purposes of the Mott-Magnuson amendment without being subject to the objections which were raised to that amendment. It would not prohibit decisions as to surplus and disposals under the provisions of the Surplus Property Act. It would not require the delay of securing an affirmative act of Congress for each disposition. It would not affect all naval property but merely the important ships, naval installations and plants as I have outlined above.

In commenting upon the provisions of the legislation, the Secretary of the Navy, in his letter of May 2, 1945, stated:

> Under this provision it is contemplated that the Navy Department will prepare a list of such facilities and submit the same to Congress. If Congress should fail to disapprove of the proposed dispositions during such 60-day period, the normal procedures for the disposition of property established by the Surplus Property Act would then be followed. It is not felt that this restriction and the delay incident thereto would unduly affect the operations of the Navy.

It is manifest from the Secretary's statement that the proposed legislation, while restoring the authority of Congress and returning to the principle of checks and balances, would do no violence to the practical workings of the Surplus Property Act.

The proposed legislation causes little inconvenience or delay to the Navy Department and, on the other hand, would serve as a strong shield for the Navy Department against any criticism being directed by the Congress for any disposition of a naval war facility. Congress will be acquainted with the facts prior to the disposition, and in a position to act where the situation warrants. Consequently, the provisions of the bill should tend to assure the public and to eliminate any ill-informed or irresponsible criticism of the Navy Department.

In concluding my statement, I want to refer briefly to the third principal reason for enactment of the bill—to insure Congress receiving notice in an orderly manner of the proposed dispositions.

To illustrate the importance of Congress having knowledge of proposed disposition of naval war facilities before the disposition is effected, I should like to

point out the situation as to foreign claims.

In every country where there have been American military forces, there are naturally claims against the United States. Many of these claims will be recognized by the United States. Doubtless they will be paid in money worth 100 cents on the dollar when directly settled by the United States.

At the end of the war these same countries may, perhaps, purchase some of our ships or some of our naval installations located in the particular country. Doubtless, the country may desire to purchase these war facilities on credit, or pay for them in greatly depreciated currency.

Congress should surely be advised of any case where it is contemplated that a foreign country is to be sold any of our naval war facilities, and under this bill the Congress will be so notified. The Congress will then have an opportunity to determine, and, I believe, will find out, whether or not the transaction is so connected with settlement of claims in that country that the government of the country will reimburse us at least in part by settling claims arising therein against the United States, rather than by giving us a promissory note or depreciated currency for a facility while we settle claims in the country with American cash.

In closing, I want to warn that any consideration of the declaration and disposal of major naval property is premature at this time. We cannot possibly know what is surplus until the size of our postwar fleet is determined.

Certainly this determination cannot be made in the midst of the greatest naval war in history. We do not know how great our naval losses will be before Japan is defeated.

Consequently, we do not know how large our fleet will be after these losses. And the complements of the postwar fleet cannot be determined until those losses have been sustained and Japan has been defeated.

H. R. 3180 is insurance against unwise and hasty disposals until the time when these decisions can be made with greater certainty. To repeat again for emphasis and clarity, this bill takes no authority from the Navy Department or the Surplus Property Board to either declare or dispose of surplus property. It grants to Congress only a reviewing authority over the declarations by the Navy Department that certain major naval property is surplus to its needs.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from New York.

Mr. REED of New York. This may seem like a trivial inquiry, but we hear all types of rumors. May I ask the gentleman if he knows whether or not the Navy has already disposed of a large number of the smaller boats at a nominal sum?

Mr. VINSON. This bill does not have application to what are known as fishing boats. They are returned. It has no application to any boat under 1,000 tons. All boats under 1,000 tons can be disposed of by the Secretary of the Navy without reporting to the Congress.

Mr. REED of New York. Has that been done?

Mr. VINSON. Yes; a great many of them have been disposed of.

Mr. REED of New York. What about a gasoline-operated boat 50 or 60 feet long?

Mr. VINSON. If it is under 1,000 tons, under this bill it can be disposed of.

Mr. REED of New York. How small a sum does the gentleman think they would accept for some of those boats?

Mr. VINSON. I do not have the slightest idea.

Mr. REED of New York. I believe the gentleman would be astounded if he were to make some inquiries about it.

Mr. VINSON. I know I would. All I am trying to do, I may say to the learned gentleman from New York, is to give him and me and other Members of Congress a voice over the disposition of the property of the Navy, and to find out something about it without reading it in the newspapers or listening to the rumors.

Mr. REED of New York. I happen to be on the committee that deals with taxation. I believe it is of great importance to this House and to the people of the country that we see that the taxpayer's money is not wasted when it comes to the disposal of this surplus property.

Mr. VINSON. To be fair with the gentleman, I say to him that we do not disturb the Surplus Property Board. We only say that when the owning agency, the Navy Department, has reached a decision that a vessel over 1,000 tons is surplus, it merely writes a letter to the Speaker of the House and states that the Navy considers it is surplus to its needs. Then it is up to the Congress to determine within 60 days whether or not it will adhere or disagree to the recommendation of the Secretary of the Navy.

Mr. REED of New York. Let me say that there are literally hundreds of millions of dollars invested in boats and other articles that are below the figure that is set.

Mr. VINSON. Of course, that is true.

Mr. REED of New York. That money ought to be saved, if possible.

Mr. VINSON. We had to draw a line somewhere. We did not want to get bogged down on everything. The Navy Department said that this line is probably the correct line.

This is not a Navy Department bill. This bill did not originate in the Navy Department. We do not have the approval of the Budget on this bill because I, as a Member of Congress, feel that I do not have to go down to the Budget and ask whether or not I shall introduce and advocate on the floor of the House specific legislation. Has the time come in the affairs of this Congress when it hesitates to legislate until it receives the approval of Mr. Smith down in the Budget? What are we here for? Are we here merely to follow the dictates of the Bureau of the Budget or are we here to do some independent thinking and some legislating on our own merits? Of course the Budget has not expressed any opinion on this bill because we did not ask it. We did not ask the Budget whether or not the Congress has the authority to legislate.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I want the gentleman to know that I favor the legislation.

Mr. VINSON. I know the gentleman does. He is a good champion of it because he wants to have a voice in determining the size of the United States Navy.

Mr. ROBSION of Kentucky. Yes; and in preserving that Navy.

Mr. VINSON. Exactly.

Mr. ROBSION of Kentucky. Under the surplus-property law, the Surplus Property Board, under Mr. Gillette, passes upon a lot of these questions. What I understand this bill seeks to do is to give Congress the right to pass upon property that is declared by the Navy to be surplus.

Mr. VINSON. That is all it does. It does nothing else.

Mr. ROBSION of Kentucky. I cannot understand the attitude, if there is objection here, expressed by my friend from Mississippi, who desires that property, after the Navy Department declares it to be surplus, go direct to Mr. Gillette's board for that board to pass on it.

Mr. VINSON. That is right, exactly.

Mr. ROBSION of Kentucky. The gentleman's bill proposes that the matter come to Congress and gives us 60 days to say whether or not that disposition of the property of the United States is wise.

Mr. VINSON. That is exactly right.

May I ask my distinguished friend, does he not think if we had the responsibility of providing billions and billions of dollars to acquire this property, should we not therefore have equal responsibility in the disposition of it?

Mr. ROBSION of Kentucky. This is a matter of some concern to me. I have received a good many letters about it, and I have talked to many people back home about it. Last fall we were talking about having $100,000,000,000 of surplus property. There can be a lot of scandals coming out of the disposition of $100,000,000,000 worth of property. But here we place a double check on this disposition, not only with the Congress, but then it would go to Mr. Gillette.

Mr. VINSON. That is right. It is to the interest of the Navy to have a review by the Congress. In that connection, may I cite what Mr. Hensel, the Assistant Secretary of the Navy, who has cognizance over property disposition in the Navy, said. He said the following:

> The bill is sound and will not interfere unduly with the administration of the Navy Department.

Of course, the Navy Department did not send this bill up to us. It originated in the Committee on Naval Affairs. It is carrying out the sentiment of the Congress as was expressed in the Mott-Magnuson amendment. Of course, we did not call in representatives of the Surplus Property Board. Why? Because we do not deal with the question of the disposition of surplus material. We only deal with what the Navy declares is surplus in a review capacity with the right of

veto. Now, what could representatives of the Surplus Property Board have said? How could they aid us? We merely step in between the Surplus Property Board and the Navy Department. We do not have anything to do with the functions of the Surplus Property Board. We leave the actual disposals to the Surplus Property Board. But we do say before the Navy-declared surplus goes to the door of the Surplus Property Board it must stop in at the door of Congress for 60 days for Congress to review it.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. VINSON. Yes. I yield to the gentleman from North Carolina.

Mr. BONNER. Is this not going to bring back to the Congress the problem we tried to dispose of through the Surplus Property Act? Let me give an example. The Navy Department sends out a list of 25 or 30 plants and property, that is outside of battleships and other vessels. It sends down a list of 25 or 30 pieces of property and facilities that they operate in various districts in the country and suggest closing and disposal of that property or facility. Immediately people in the districts begin to come here and ask for a continuation of those properties or facilities. The people want them to continue to function. Is that not going to bring a terrible situation to the Congress?

Mr. VINSON. Let us assume it does. If Congress has not the backbone to discharge its duty for the good of the Nation, then it is a bad situation.

Mr. BONNER. It is not a question of backbone. But does the gentleman not think there are those in the Navy Department who are trained for the purpose who have better judgment as to the operation of some plant out in the State of Washington than the Members of Congress from districts along the Atlantic coast?

Mr. VINSON. Does not the gentleman from North Carolina believe that if they make their case the Congress would be guided by that superior knowledge and justification for the retention of it?

Mr. BONNER. I am merely bringing this up so that the question can be debated, Mr. Chairman.

Mr. ROBSION of Kentucky. We do not take away the judgment of the Navy.

Mr. VINSON. That is correct. We do not.

Mr. ROBSION of Kentucky. But by this bill we have the judgment of the Navy, the judgment of the Congress, and then if it is approved it goes to the Surplus Property Administrator.

Mr. VINSON. The gentleman from North Carolina is apprehensive that after the Navy declares the property to be surplus and it comes to the Congress, there would be a hesitancy on the part of Congress to take it out of his district or out of my district or out of your district. For that reason, it is claimed it will be saddled on the Government. In reply to that, I will say if Congress is of that temperament we are in bad shape.

Mr. BONNER. It is not a question of individuals. But a group will be formed to maintain certain facilities here and there.

Mr. VINSON. My observation in reply to that is that groups have been formed, not only in Congress, but out of Congress. I have seen Congress responding to group pressure in its legislation for 30 years. I know of no way to keep group legislation from coming before the Congress. I think the gentleman is apprehensive about something which will not develop.

Mr. LEMKE. Mr. Chairman, will the gentleman yield?

Mr. VINSON. Yes.

Mr. LEMKE. May I suggest that so far as group pressure goes, a good many times groups are right and more American than some of the things we have in some of the departments.

Mr. VINSON. I agree with the gentleman. That is why I vote with a few groups.

Mr. LEMKE. I wish to congratulate the gentleman that he has brought this issue to the floor and that the Congress is again going to assume its responsibility of writing the Nation's laws.

Mr. VINSON. That is right.

Mr. LEMKE. But I object to one thing, although not seriously. I do not think your bill goes far enough. I do not know why any department should ever be allowed to sell any of the national defense or give it away without affirmative action on the part of Congress.

Mr. VINSON. Until the Second War Powers Act of Congress not a foot of soil, not a Government facility of any kind could be sold without specific act of Congress. To supplement this we passed a law on August 28, 1940, saying that nothing could be sold unless the Congress had a voice in it. The act of July 9, 1940, reads:

> No vessel, ship, or boat—except ships' boats—now in the United States Navy or being built or hereafter built therefor shall be disposed of by sale or otherwise, or be chartered or scrapped, except as now provided by law.

The only permission by which they could dispose of it is to declare it an obsolete vessel and mark it off as unfit for service.

In the act of 1943:

> Hereafter any ship, boat, barge, or floating drylock of the Navy may be leased in accordance with the act approved March 11, 1941, but not otherwise disposed of, for periods not beyond the termination of the present wars, but title thereto shall remain in the United States.

Again Congress reasserted itself and said you could not dispose of this property without consulting Congress and passing laws. Yet what happened? All of these laws were nullified by the Surplus Property Act. Now, let us see what it did.

Mr. WHITTINGTON. Will the gentleman yield to me?

Mr. VINSON. Just wait a minute. Section 34 reads as follows:

> The authority conferred by this act is in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith. This act shall not impair or affect any authority for the disposition of property under any other law, except that the Board may prescribe regulations to govern any disposition of surplus property under any such authority to the same extent as if the disposition were made under this act, whenever it deems such action necessary to effectuate the objectives and policies of this act.

That section 34 erased from the books every one of the laws that Congress in the last 4 years had thrown around the Navy to protect it so that you and the other Representatives of Congress might have a voice in carrying out the maintenance of the Navy.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. VINSON. I yield.

Mr. WHITTINGTON. Instead of repealing it or modifying it, does not the language say that this act shall not impair or affect any authority? Instead of repealing it, it remains in force.

Mr. VINSON. May I say it does not remain in force, because it has been interpreted that all of the prior acts are nullified, and that is the very reason this bill is here today.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield.

Mr. MOTT. I just want to call the attention of the gentleman from Mississippi and the membership to the fact that there is absolutely no doubt as to the interpretation of that provision of the Surplus Property Act, because in one of the most careful hearings we have ever had before the Committee on Naval Affairs, the office of the Judge Advocate General of the Navy interpreted the act exactly as the chairman has stated it, that the Surplus Property Act wiped out all of the laws previously passed for the disposition of naval property. There is no doubt about that at all.

Mr. VINSON. The issue stated by the distinguished gentleman from Kentucky [Mr. ROBSION] is clear cut. We do not interfere with the disposition of surplus property. We leave that alone. We do not interfere with the Navy declaring anything surplus. We only say, "Mr. Secretary Forrestal, Admiral King, when you declare this as surplus, we think the representatives of the American people whose money bought it should be informed, and we think you should submit that in proper form to the Speaker of the House to acquaint the Congress, and let the Congress have 60 days to make up its mind whether it agrees with you or not."

What is wrong about that? Where is the Member of Congress who can find objection to that? Is it not sound? Is it not fair? What are we here for? Are we here merely to do what the Budget says for us to do? I am not. I am here to do the best I know how, guided by my conscience. If I run counter to the Budget, if I run counter by not sending them these bills and asking their approval, it is because I feel keenly that I have a responsibility to discharge. I think the Committee on Naval Affairs unanimously endorses the view I am stating here, and I regret that my distinguished friend from Mississippi, for whom I have the highest regard and who has done a magnificent amount of work on the Surplus Property Act, finds himself in disagreement with the unanimous viewpoint of the Committee on

Naval Affairs in asking only that the Congress have an opportunity not to declare the surplus, not to deal with the disposal of the property, but merely a period of 60 days within which to review the findings of the Navy Department as to its surplus.

Mr. Chairman, I yield back what time I did not use.

The CHAIRMAN. The gentleman from Georgia yields back 2 minutes.

Mr. MOTT. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Oregon is recognized for 15 minutes.

Mr. MOTT. Mr. Chairman, before discussing this bill, H. R. 3180, since there seems to be some confusion as to just what its purpose is and how it comes to be before us now, I think perhaps a short statement of its background may be of value in our consideration of it.

You will recall that last year in the Seventy-eighth Congress when the Surplus Property Disposal bill was up for consideration I offered an amendment to that bill, which was modified to some extent by an amendment offered by the gentleman from Washington [Mr. MAGNUSON], I concurred in the modifications, and the amendment as modified read as follows:

Notwithstanding any of the provisions of any other law and regardless of any order, directive, or declaration designating any naval property as surplus pursuant to the provisions of any law, no naval combat vessel, base, station, or establishment shall be sold, leased, transferred, assigned, or otherwise disposed of unless the Congress shall by law specifically authorize the same.

That amendment was thoroughly debated upon two separate days, and it finally was adopted unanimously by the House. It went over to the Senate and the Senate accepted the amendment exactly as the House had adopted it. Then it went to conference and in conference something happened. It is not clear to me, and no explanation was ever made to the House, what outside forces intervened to change an amendment which had already been agreed to by both the House and Senate. The fact is, however, that the conference committee scuttled this amendment and sent the bill back without the amendment. Instead of this amendment the conference committee wrote a substitute amendment which simply excluded from the definition of naval property, battleships, aircraft carriers, cruisers, destroyers, and submarines, and which permitted all other naval property, including destroyer escorts, mine sweepers, floating drydocks, auxiliary vessels of all kinds, shore stations, naval bases, naval air stations, and the entire remainder of the Naval Establishment, to be sold, leased, transferred or otherwise disposed of by the executive agencies of the Government without the consent of Congress.

This was an unwarranted usurpation of jurisdiction by the conference committee and it was in violation of the rules of both the House and Senate. I therefore opposed the conference report and voted against it. The outside influence which brought about the scuttling of the amendment still prevailed, however, and the conference report was adopted.

I afterwards introduced this same amendment in the shape of a bill, and a number of other bills upon the same subject and kindred subjects were also introduced and referred to the Committee on Naval Affairs. The chairman of the Committee on Naval Affairs subsequently introduced the bill now before us. It is a very comprehensive bill having to do with the entire question of disposal of surplus naval property and it includes the safeguards which the amendment I have referred to sought to throw around the disposal of naval property.

Preferably I would require affirmative action on the part of the Congress before any major naval property could be disposed of. A majority of the committee, however, was of the opinion that exclusive affirmative action on the part of the Congress, such as the amendment proposed, is not indispensable in every case and that a veto power vested in the Congress in the matter of disposition of the naval property specified in this bill is all that is required to recapture the jurisdiction of the Congress in this field and to properly protect the Naval Establishment. That is what the pending bill provides. It now comes to the House with the unanimous approval of our committee and I urge its immediate enactment.

Mr. Chairman, this bill has been very carefully drawn. Extensive hearings have been held on it and, as I have stated, it comes out of the Naval Affairs Committee with a unanimous favorable report, signed by every member of the committee—Democrat and Republican alike. That is the background of this bill.

Mr. Chairman, the bill, in my opinion, will adequately protect the United States Navy, it will protect the constitutional jurisdiction of the Congress over the Navy, and it will not interfere in anywise with administration of the Navy Department or the Surplus Property Board in disposing of property that is actually surplus.

Let us briefly refer now to the history of the Naval Establishment.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. If I am wrong, I want the gentleman to correct me. As I recall it, some years ago, at the beginning of the present World War and before America became a belligerent, the Navy, upon the recommendation of the Naval Affairs Committee, built a number of PT boats; is that correct?

Mr. MOTT. That is correct.

Mr. ENGLE of Michigan. Sometime after that, that is after we had built a number of those PT boats, an attempt was made to turn them over to another country and it was only after the attention of the authorities was called by members of the gentleman's committee to the existence of one of these laws prohibiting that being done, a law now repealed, that the transfer of those PT boats was stopped, is that correct?

Mr. MOTT. That is correct. That was before the lend-lease law was enacted. I may say that the Naval Affairs Committee on many occasions and over a period of many years has found itself obliged to step in and stop the disposal of small vessels and other property which the committee thought should be retained. And the Congress has always supported the committee in such instances.

The Naval Affairs Committee has been jealous of its jurisdiction. It has been very careful in its work, and it has been independent, nonpolitical, and nonpartison. As the distinguished chairman of the committee stated a moment ago in his most excellent address, the Naval Affairs Committee has never felt itself obliged to take the word of the Budget Director or of anyone else as to what the Navy required. It has been our custom to call in the responsible naval officers, the chiefs of bureaus, and those who operate and maintain the fleet, to find out what they thought the Navy required, and then, after most exhaustive hearings, to authorize the construction or acquisition of whatever property we found to be necessary, whether the Budget liked it or not, and in every instance of that kind, let me say the Naval Affairs Committee has also been supported by the House of Representatives and by the Congress.

The Naval Establishment of the United States is a much bigger thing and a more important thing than many people realize. It has taken us 150 years to build up this Navy, all under the jurisdiction of the Congress. The Constitution of the United States vests in the Congress alone the responsibility of providing and maintaining a Navy. In the last 10 years the Congress has authorized and we have built, not only the greatest Navy in the world, but a Navy larger and stronger than all of the navies of the world combined. Personally, Mr. Chairman, I want to keep the Navy that way. I want it to be larger than all the rest of the navies of the world. I believe that we require such a Navy now and in the future, and I believe that if we had had such a Navy in 1941 we would never have been attacked at Pearl Harbor. No nation on earth would ever have dared to attack us. I believe if we maintain that Navy no nation in the future and no combination of nations will ever dare attack the United States, because such an attack would be futile, and any sensible nation must know that it could not possibly succeed.

It may be that at some time in the future, depending upon the outcome of a world organization to preserve and maintain peace for the success of which we all fervently hope and pray, we may find it advisable and safe to diminish to some extent the size of our Navy. But if and when that time shall come I want that vital question to be decided not by the President of the United States alone, and not by the Navy Department alone—great as is the respect I have for them both. I want the question whether the size of the Navy shall be diminished, and to what extent, to be decided in the last instance by the representatives of the people in the Congress of the United States, where the Constitution itself vests it and where the enactment of this bill will restore it.

Some question has been raised about the language of the report of the Secre-

tary of the Navy on this bill. I would like to inform the Members, Mr. Chairman, that during the extensive hearings on the bill we had no single witness from the Navy Department who offered any material objection to the bill, and I am very sure that there is no one in the naval establishment who personally has any objection to this bill at all. If it were otherwise the Secretary would have said so plainly in his report to the committee.

What does the bill do? In the first place it disregards small, minor naval property. It has to do only with the specific major naval property which is listed in the bill and the committee report. It has to do, aside from battleships, cruisers, aircraft carriers, destroyers and submarines, which are already protected by an amendment to the Property Disposal Act and specifically exempted and excluded from the provisions of that act. This bill has to do with floating drydocks, mine vessels, patrol vessels, auxiliaries, landing ships or district craft of 1,000 tons or more, Navy yards, naval air fields, naval training stations, naval ordnance plants and depots, naval installations, and Government-owned plants producing articles, materials or supplies for the Navy, except the so-called scramble plants. I wish to make it plain that it deals only with major naval property.

Now, what is the situation under the present Surplus Property Disposal Act in respect to this major naval property? Through the years we have built up not only a great navy but a great body of law relative to the composition and maintenance of the Navy. That body of law specifically states how and under what conditions and circumstances and by what methods naval property may be disposed of. We have been operating under that body of law for years, under some of it for nearly 100 years, and the Congress has perfected it as it has deemed necessary from time to time. The Congress has always retained complete jurisdiction not only of the composition but also of the disposition of the Naval Establishment.

In the Seventy-eighth Congress, however, there was introduced the Surplus Property Disposal Act, which wiped out and obliterated every vestige of statutory law that had ever been passed relative to the disposition of naval property save only battleships, carriers, destroyers, and submarines. Now, under that act, the Navy Department, if it desires to do so, unless this bill, H. R. 3180, is passed, can at any time it pleases declare any other naval vessel, any navy yard, any naval establishment, any naval air station, any training station, or any Navy-owned manufacturing plant, either in continental United States or in any other part of the world, to be surplus, and turn it over to be sold to any person or any foreign nation it pleases without obtaining the consent of the Congress, and without even consulting the Congress.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. MOTT. Mr. Chairman, I yield myself five additional minutes.

This bill, Mr. Chairman, which gives the Congress a veto on the disposition of major naval property, simply provides that when the Navy Department declares surplus any of this property, it must report it to the Congress. In the House it is reported to the Speaker of the House and referred to the House Committee on Naval Affairs, which proceeds to examine the proposal to dispose of this property.

Probably in 9 out of 10 of these proposals for disposition of surplus property no question would arise at all. It would simply require a waiting period of 60 days, or, under the language of the act, if in the opinion of the Secretary of the Navy a more rapid disposition of the surplus property was desired, the Congress could then take immediate affirmative action. It could do it by introducing a concurrent resolution and putting it on the Consent Calendar, so that surplus property over which there was plainly no dispute could be disposed of almost immediately.

However, in case the Navy Department should declare to be surplus a major naval installation, such as a naval air station, perhaps at Guam or on Saipan or on the Pacific coast or some other place, and the Surplus Property Board should want to dispose of it, then before that could be done the proposal to dispose of such a naval base, only if an auxiliary naval vessel or a floating drydock, as the case may be, would have to be reported to the Congress. Then if the Congress, after a thorough examination, objected to the disposal of that property, it could take affirmative action and introduce a concurrent resolution prohibiting the disposition of that property. Under the bill it would have 60 days within which to do this.

As the chairman said, in response to some of the observations of the gentleman from Mississippi, I do not see how any Member of Congress can logically object to this bill, which after all is only a partial recapture of the complete jurisdiction of the Congress over naval property which we have exercised for more than 100 years but which the Congress surrendered to the executive agencies of the Government in the enactment of the Surplus Property Disposal Act. In doing this the Congress made a grave mistake which an overwhelming majority of its Members now admit was a mistake. The sole purpose of this bill is to correct that mistake. Let there be no more time wasted in doing it.

May I conclude, Mr. Chairman, with a word of appreciation and gratitude to our distinguished chairman, the gentleman from Georgia [Mr. VINSON] for his insistence upon bringing out this sound and imperative measure, and his determination to fight it through against any opposition which might arise. The Nation owes a debt to the gentleman from Georgia, CARL VINSON, which it can only repay by heeding his wise counsel and by keeping inviolate the great Navy which he has been so outstandingly instrumental in creating. It was an unhappy day for the gentleman from Georgia, CARL VINSON, and for the entire committee of which it is my great privilege to be the ranking minority member, when a majority of the Congress consented to a surrender of an important part of its jurisdiction over the Navy. The enactment of this bill, which now comes to the House bearing the name of this great American as its author, will recapture that jurisdiction, and will safeguard and protect that mighty establishment so dear to the hearts of all of us, which is, which always was, and which always will be the first line of our national security, the Navy of the United States.

Mr. DREWRY. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the distinguished chairman of the committee has made a full and complete exposition of the bill, and the report of the committee, which by the way, is one of the best reports I have ever seen, concisely and definitely answers every question that might be asked. I wish therefore to make a few preparatory remarks indicative of the reasons for the legislation.

Hector Bywater, the great English naval writer, said in 1927: "Now as never before, the dominion of the sea is vested in the strongest fleet." He used the word "fleet" as meaning the whole naval force of a country. He also meant a proper balance of ships of all types and classifications. His statement may have presaged the present conflict when naval warfare must be on all the waters that cover the globe. The United States has gone further than any other country in that conception, and, as said in the report of the committee "today the United States Navy is larger than the combined navies of all other nations, and much stronger than any combination of foreign navies which could be brought against us." Such a navy is not only our strongest defense, but now as never before it is absolutely essential to our offense.

Such a thought is new—it has arisen from the nature of the warfare of the present day. One hundred and fifty years ago, it was the view of the people of this country that we needed no naval force at all. The War of 1812 disabused them of such an idea as utter naval helplessness. The succeeding years showed the need of a navy and in World War I and afterward we were engaged in a great naval building program which as President Roosevelt in a message to Congress in 1927 said, "before its completion would have given us first place on the sea." All of you know that our deliberate self-denial in the limitation of armament caused us to lose our position as to naval strength. Japan violated her sacred oath to disarm made at the Washington Conference almost as soon as the ink of her signature dried on the pages of the treaty. Disarmament became a delightful dream so far as peace was concerned. Still there were those among us who, though having eyes, refused to see the dangers across the waters to the east and west of us. Some time ago I read a short paragraph of three sentences—I do not know the author—but it is so concise and complete in pointing out the dangers of inattention to the upkeep of the Navy that I will insert it here.

There has been, after each of the wars in which we have been engaged, and coincident with the relaxing of the war tension, a waning interest in the Navy. In recent years

this has been furthered by an organized pacifist propaganda, working both upon the country's inherent idealism and upon the desire for economy, and having as its object disarmament by example. In the conditions now confronting us this weakening of our first line of defense is a menace to the country's security.

It is evident we have won the war, even though we are still fighting, and surely no observer anywhere will fail to give credit to the Navy for the part it played. Speaking for myself, I am of the opinion that not only did our Navy afford a sense of security and protection to the people of the country in its defensive work but also, in its offensive operations, made it possible for our glorious armies to give the knock-out blow. Yet in our indifference to international conditions we had, after the Washington Conference and until 1932, not even kept the Navy up to the treaty strength permitted in the treaty signed at Washington. The United States Navy had sunk to a level of a third-rate navy. By the grace of God, this danger was foreseen by some far-sighted leaders of America and we began in 1933—slowly, it is true, but surely—to build up the Navy that it might be prepared for any unforeseen eventuality. It takes time to build a navy and the work done in those few years before the dastardly blow struck us was of such value, small though the Navy was as compared with its strength now, that I believe it kept our shores from enemy invasion. The lesson of unpreparedness was forcibly brought home to us and we energetically and feverishly began to build and accomplished the greatest production in a short period of time that the world has ever known. The work has been done successfully. We must make sure that never again will we be caught in such a precarious unpreparedness. No man knows what will be the after conditions of this war while we are striving so hard to bring peace to the war-worn, weary world.

This bill has as its main purpose to put before the people of the country the need for keeping up to its full adequate strength the Navy, as it now is, and, secondarily, to move slowly in the disposal of surplus ships and property which have accumulated in the years of our large production. Following the American system of checks and balances, the committee thought the disposal of such unnecessary ships, equipment, and material should have the approval of Congress after consideration of the recommendations of the naval administration.

It is the declared duty of Congress under the Constitution "to provide and maintain a Navy." This bill, again quoting from the report of the committee, "is a recognition that the branch of Government which has had the responsibility of appropriating billions of the taxpayers' money for constructing the greatest Navy known to history, likewise has the responsibility for seeing that this huge investment in security is not dissipated by unwise dispositions."

This bill is not intended as an interference with the operations of the Navy. The control and command of the Navy is left just as it should be, in the hands of those best qualified to direct it. The committee, however, thinks that Congress should be advised of the maintenance of the Navy in order that it should fulfill its constitutional responsibility. This is recognized by the able and hard-working Secretary of the Navy in his letter to the committee of May 2, 1945, in which he says, that, while it may slow up some of the disposal activities, "it is not felt that this restriction and delay incident thereto would unduly affect the operations of the Navy."

In the great emergency that confronted the United States prior to and at the breaking out of the war, Congress realized the necessity for speedy action which could not have been obtained under the slower processes of legislation, and it delegated to the executive department broad powers of action. This bill again reviews the situation, and the committee thinks the time has come to enact legislation to limit that extensive authority previously granted.

The Navy Department, under the bill, cannot dispose of any ships, shore stations, or plants except under the definitions and restrictions mentioned in the bill without first reporting to Congress. Congress then can approve or disapprove said proposal by a concurrent resolution or take no action at all, in which case the Navy may carry out its ideas after 60 days.

This is proper necessary legislation, and should be approved by the House.

Mr. MOTT. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON of California. Mr. Chairman, I wish to preface my remarks by paying a personal tribute to the gentleman from Georgia, the Honorable CARL VINSON. I know of no man in the country who deserves more in the way of gratitude for the remarkable job that has been done in building up our Navy. CARL VINSON for the past quarter century has served as a member of the Naval Affairs Committee. He fought for a big Navy when fighting for a big Navy was unpopular, and he deserves the thanks of not only the Navy and the Congress but of the entire country for his foresight and tenacity of purpose.

Mr. Chairman, we, of the Naval Affairs Committee, feel that H. R. 3180 is good and timely legislation. Its implications, both general and specific, are fundamental in our constitutional form of government. It will be a recapture of constitutional authority to provide and maintain a Navy, heretofore surrendered to the executive branch of Government.

The specific aspects of the bill with respect to disposal of naval property are probably of greater interest to the Committee on Naval Affairs because of its specific authority and responsibility in acting in behalf of the House. But the general aspects of the bill are of prime importance to every member of the House, for this bill is a landmark of congressional reclamation of authority and reaffirmance of responsibility.

TREND OF GOVERNMENT BY EXECUTIVE ORDER

For several years there has been a trend for Congress to delegate too much of its authority and responsibility to the executive department. Administrative law has been in its fullest bloom. Government by Executive orders, rules, and regulations, has flourished. True, war emergencies and the necessity of speed on detailed matters have greatly justified this trend. But the trend went too far.

Yes, the trend went so far that Congress has begun consideration of streamlining itself in order to make itself a more effective and efficient arm of the Government. This comparison of "more effective and efficient" was made with the executive department to whom the Congress had delegated so much of its power.

The time has come for Congress to reassert itself—to stop playing second fiddle to the executive branch—and the passage of H. R. 3180 is a good way to start the ball rolling.

While the modernization of Congress is desirable, it will mean little if Congress does not restore to itself much of that power which it gave to the executive department, and which delegated power, ironically enough, has done much to make the executive department appear to be more efficient and virile than Congress.

We must concentrate on the substance rather than the form—and the power which we must recapture is the substance—for modernizing and streamlining is nothing more than form, and this bill is directed at the substance.

H. R. 3180 proposes to restore in Congress a veto voice over the disposal of naval property by the executive department, but, as viewed by the Secretary of the Navy, it would not unduly affect the operation of the Navy. The Navy Department considers the bill to be workable in the line of demarcation that it draws between the spheres of participation of the Congress and the executive department in the surplus-property disposal program.

I believe that H. R. 3180 may well set the pattern for Congress to follow in other important matters. It is a guide in the renaissance of Congress.

SPECIFIC INTEREST OF EACH MEMBER

I spoke of the general interest of each Member of Congress in this bill's objective of proper restoration of power to Congress. I now direct your attention to the appendix of the committee report on the bill, for I believe that it will suggest a specific interest to many of you. These major naval war facilities are distributed in locations throughout the country. They are in many congressional districts.

It is only proper that you be informed of any proposed disposal of a major naval war facility in your district. You are entitled to this information, as such disposals will vitally affect the people of your district. This bill would guarantee to you that information through concurrent resolution before, and not after, proposed disposals.

MIDDLE-COURSE LEGISLATION

Those of you who served in the Seventy-eighth Congress will recall that the House adopted the Mott-Magnuson amendment to the surplus-property bill after full debate and by unanimous vote. Briefly, the Mott-Magnuson amendment

would have prohibited any disposal of combat naval vessels, naval stations, and establishments without an affirmative act of Congress.

The conference report of the surplus-property bill narrowed the field over which Congress would retain power as to disposal of naval property by striking the Mott-Magnuson amendment and merely excluding from the definition of property under the bill battleships, cruisers, aircraft carriers, destroyers, and submarines. As the gentleman from Oregon [Mr. MOTT] stated, the "conference committee scuttled" his amendment and reported back a bill that allowed the disposal agency to dispose of any naval station, base, or establishment without the consent of Congress and without even consulting Congress.

This bill, H. R. 3180, goes to neither extreme, but rather pursues a middle cource. Unlike the Mott-Magnuson amendment it does not require affirmative acts of the Congress for the disposal of naval property by the executive department. The bill would leave the initial decisions in the determination and disposal of surplus property to the executive department.

It gives full recognition to the importance of surplus-property disposal as it is very carefully designed to avoid interference with the surplus-property-disposal program—even to the extent of attempting to avoid any impractical delays resulting from the 60-day waiting period by providing for authorization of disposals considered to require expeditious action by the Secretary of the Navy, through affirmative concurrent resolution of both Houses.

At the same time it makes it possible for Congress to review the question as to whether the important naval vessels and facilities, within the purview of the legislation, are, in fact, surplus to the defense needs of the United States.

IN KEEPING WITH CONGRESSIONAL POLICY AND PRECEDENT

Unfortunately, in the broad legislation of the Lend-Lease Act and the Surplus Property Act, primarily designed for objectives other than the preservation of the fighting strength of the Navy, too broad an unreviewed responsibility was delegated to the executive department, insofar as it related to disposal of important naval vessels, bases, plants, and other war facilities.

Under the Lend-Lease Act, important units could be disposed of under such a broad authority that the Naval Affairs Committee recommended. and Congress enacted the act of February 19, 1943, restricting the disposal of naval vessels.

Under the Surplus Property Act, excepting only the major units of the fighting fleet, the Congress virtually relinquished control of large numbers of vital Navy units, and made it possible for the fighting strength of the postwar Navy to be seriously impaired by disposals concerning which Congress may know nothing until the ship or facility has passed from the ownership of the United States.

In keeping with the congressional policy and precedent established in the act of February 19, 1943, it is again necessary to review the situation and to enact limiting legislation for the authority granted under the Surplus Property Act, just as it was previously necessary in the case of the Lend-Lease Act. Such legislation would be provided by the enactment of H. R. 3180.

SUMMARY

In summary, Mr. Chairman, I urge the House to pass H. R. 3180 because:

First. The provisions of the bill, which would insure that the Congress will have notice of, and opportunity to consider, all proposed declarations of surplus and disposal of the various naval plants and naval stations, and the more important naval units, would restore the constitutional system of checks and balances between the executive and legislative branches of the Government, by providing Congress opportunity to exercise an effective veto voice in their disposition;

Second. It guarantees full knowledge to Congress, as a whole, of the proposed disposals of major naval property, and to the individual Members knowledge of proposed disposals within their districts, prior to and not after the disposals have been made;

Third. It does not saddle the Navy Department with any undue burdens, as the Navy Department considers the bill to be workable in the line of demarcation that it draws between the spheres of participation of the Congress and the executive department in the surplus-property disposal program; and

Fourth. It is a guide for further congressional reclamation of authority and reaffirmance of responsibility heretofore delegated to the executive department during the crisis of war on a scale far too broad for normal peacetime operations.

Mr. VINSON. Mr. Chairman, I yield 20 minutes to the distinguished gentleman from Mississippi [Mr. WHITTINGTON].

Mr. MOTT. Mr. Chairman, I yield an additional 10 minutes to the gentleman from Mississippi.

Mr. WHITTINGTON. Mr. Chairman, as I previously stated when the rule was before the House for consideration, this bill really nullifies the material provisions of the Surplus Property Act insofar as Navy property is concerned. It is intended to and does and will, if the policy here announced is pursued by other departments of the Government, mean the absolute destruction of the Surplus Property Act.

The Surplus Property Act was passed in the latter part of 1944, the administrators have been appointed, and thus far neither in the report of the committee or in the hearings is there any evidence whatsoever that the Navy has been in anywise impaired in the slightest degree by the operations of that act. If we had not passed the Surplus Property Act naval and other property would have been disposed of under an Executive order issued a year ago by the late President Roosevelt. Personally, I am for a big navy. I have always voted for an adequate army. I have never voted against any appropriation for the prosecution of the war submitted by the Committee on Naval Affairs, and my only inquiry has been whether or not that authorization was recommended by the Navy Department and approved by the Bureau of the Budget. I know of no man who stood for a larger navy than the late President Roosevelt, and he, like the late President Wilson, asked Congress to make provision for the disposal of surplus war property.

As I have previously said, and with no desire to repeat, the Surplus Property Act was passed after the Postwar Planning Committee, of which my colleague, the gentleman from Mississippi [Mr. COLMER], is the chairman, considered it, and after they recommended its adoption, after the Committee on Expenditures considered it, after the other body passed the Senate bill. After consideration for substantially 4 weeks in conference the Surplus Property Act was finally passed. It is not perfect. I did not favor some of the provisions of that act. I bowed to the majority of my colleagues. If there are any imperfections in that act with respect to naval property, with respect to any other departments' property, I submit the orderly way to do would be to amend the act. The bill under consideration does not amend anything. It merely delays, confuses, and nullifies, as I shall undertake to show.

The Surplus Property Act provides, and let there be no misunderstanding, that for combat vessels named in the identical language of the pending bill, there shall be no disposition. Secondly, under the Surplus Property Act all other property in the bill under consideration may be disposed of, mark my language, and under the pending bill all other property may be disposed of. Let us keep in mind that under the Surplus Property Act they are required to publish their rules and regulations in the Federal Register for the information of Congress. They are required to submit quarterly reports. If there is one agency of the Government that has advised the Congress of the United States as to the disposition of property, it has been the Surplus Property Administration.

Never a day passes but what there comes to the desk of every Member a category of the property that is to be disposed of. But that is not all. Under the terms of this act, in the disposition of this property, it is not generally necessary to come back to Congress; it is not necessary to maintain certain plants for indefinite periods in order to provide for their disposal. It has been rolled as a sweet morsel under the tongues of my good friends, whom I esteem highly, that the purpose of this bill is to restore the constitutional power of Congress, and yet under the terms of this bill every dollar's worth of property embraced in this bill might be disposed of without any action whatsoever by the Congress or the United States.

What about the constitutional prerogatives? It sounds nicely. Shall the Congress of the United States be converted into a disposal agency to undertake to dispose of the aluminum plants, to undertake to dispose of the steel plants? What do you or I know about naval installations? What do I know about what is required in the prosecution of the war except as it is recommended to me, and

as it is recommended to you by the Committee on Naval Affairs and by the Navy Department?

Under the terms of the pending bill, the coordinate authority of the more than 100 acts of Congress in the Surplus Property Administration would virtually be stymied insofar as the Navy is concerned.

It is said that the constitutional power of Congress is to be restored, yet there is not a mandatory provision in this bill that Congress shall take any action whatsoever before the property is disposed of. Shall the Congress of the United States undertake to dispose of the hundreds and thousands of items, the hundreds of plants, the hundreds of naval stations, the fifty to one hundred billions of dollars worth of property, item by item, station by station, and plant by plant?

We lay down the general rule, we lay down the standard. We have said that that property has to be disposed of for a fair price. We have said that when the Navy Department says there is a Navy war hospital that is no longer needed, that hospital shall be turned over to the Veterans' Administration. This bill delays and nullifies that provision. The transfer may be delayed. Wounded boys may be brought in here and have to wait for 60 days before that can be done.

It is emphasized in the report of the committee that the constitutional authority of Congress is to be restored. With all due deference, in all kindness, when did the Committee on Naval Affairs become so anxious about advising Congress of its constitutional powers?

My beloved friend, the chairman of the Committee on Naval Affairs, as I was about to ask him to do so, anticipated me and read section 34 of the Surplus Property Act, which section provides that no act is impaired and no act is repealed unless inconsistent with that act. I will read it again. This is section 34 (a):

> The authority conferred by this act is in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent therewith. This act shall not impair or affect any authority for the disposition of property under any other law, except that the Board may prescribe regulations to govern any disposition of surplus property under any such authority to the same extent as if the disposition were made under this act whenever it deems such action necessary to effectuate the objectives and policies of this act.

If the Navy Department has now the power to dispose of any property, all the Surplus Property Board can do is regulate the manner of disposal.

What about the constitutional prerogatives of Congress? I say that the Committee on Naval Affairs, and I say it without criticism, has been jealous to insist that there be no disposition of any vessel, and particularly of any naval station, any shore station, without the consent of that committee, but that great committee has not heretofore insisted on the Congress of the United States having its congressional prerogatives asserted. I call attention to the fact that the Committee on Naval Affairs has been frank. They have pointed out in their report on the purpose of the bill these laws that are not impaired. They name the acts still in force on page 2 of their report.

I call attention to this, that, in my judgment—and I trust I speak fairly—the Committee on Naval Affairs has hedged about and prevented the disposal by the Surplus Property Board or by the Navy Department of property under that Department as has no other agency of the Government. The Committee on Naval Affairs has certainly protected its prerogatives. It did not insist on the protection of the prerogatives of Congress. It did not ask that the Navy Department get the consent of Congress to dispose of property of over $2,000 in value or to acquire any land. It was jealous only of the prerogatives of the committee. The committee sees an opportunity for further delay by now asking passage of the pending bill. The Committee on Naval Affairs has provided that that committee be furnished more and detailed information with respect to surplus property than any other committee of the Congress. There is no reason for the passage of the pending bill, unless it is an invitation to other similar bills that will destroy the proper disposition of surplus property.

I refer to the act of June 28, 1940. That act requires, among other things, that the Navy Department, not with Congress but with the Committee on Naval Affairs, shall report within 24 hours after any contract for the disposal of any Navy equipment, or any supplies exceeding $2,000—not to the Congress but to the Committee on Naval Affairs. The Committee on Naval Affairs in the act cited in the report on the pending bill requires notice within 24 hours of any contracts for the disposal of Naval equipment or supplies of the value of more than $2,000. If it is proposed to sell any property that would impair the Navy, surely the Naval Affairs Committee would have information, because they receive reports on all Naval equipment of over $2,000. Again, under the existing laws still in force, because not in conflict with the Surplus Property Act, the Committee on Naval Affairs has secured the passage of a statute that actually provides that the Committee on Naval Affairs shall approve the acquisition or disposal of any land. The Committee on Naval Affairs was content not for Congress to approve, but for that Committee alone to approve or deny the Navy Department the acquisition or disposal of any land. The honeyed words of the Committee to protect Congressional prerogatives are condemned out of their own mouths, because no contract for acquiring or disposing of lands can be made by the Navy Department. The Navy Department must secure the approval, not of Congress, but of the Naval Affairs Committee alone.

My friends, the Committee on Naval Affairs, are human. These installations are located along the coast. They are located in the districts of the members of the Committee on Naval Affairs. They are fine men. They are just as good colleagues as I have in the Congress. They are human just as I am. I know the pressure which is brought to bear on them and which is brought to bear on us to maintain an army station or a naval station whether it is essential after the war or not. What is the substance and purport of the bill under consideration? It is to prevent and further delay the disposal of plants that may cost $5,000,000, $1,000,000, or $20,000,000. That is the vice of this bill. It was recommended as part of the reconversion program of the President of the United States that these plants be disposed of. This would further delay and further prevent the disposal of these plants in our reconversion from war to peace.

With respect to the prerogatives of Congress now proclaimed by the Committee on Naval Affairs, listen to me. I am not saying it in criticism. You have been on guard. The Committee on Naval Affairs under the act of April 4, 1944, mentioned their report on the pending bill, I think it was, and I will just give you the substance of it, it is just referred to by date in the report—mark my language—provides that before the Navy shall acquire or dispose by lease or otherwise any land, the Secretary of the Navy shall come into agreement with the Naval Affairs Committees of the Senate and the House with respect to such disposition or acquisition. Consistency is a jewel except with the Committee on Naval Affairs. Again I ask, What about the congressional prerogative?

That sweet morsel has repeatedly been emphasized by the members of the Naval Affairs Committee who have approved, without congressional action, land acquisitions and disposals.

I have some more matters with respect to the constitutional prerogatives of the Congress.

"No vessel, no ship, or boat shall be disposed of except as provided by law"—act of July 1940. It is still in force, and it is impaired by the Surplus Property Act.

My good friend, and I am not saying this in criticism, he has been fine, the chairman has admitted frankly if this bill passes it ought to be followed by a similar bill by the War Department; he has admitted it ought to be followed by similar bills by other departments of Government. It is a matter of common knowledge that the Surplus Property Act deals with fifty to one hundred millions of dollars of property of the Navy and the War Department under their supervision. If this bill is followed by bills for property under the supervision of the War Department, you might as well scrap the Surplus Property Act before it has even begun to be administered.

In this connection, under the unanimous consent already granted me in the House, I include in my remarks the report of the Secretary of War on the surplus-property bill, the letter dated August 7, 1944. I include at this point the favorable report of the Navy Department dated July 5, consisting of a memorandum from Capt. Lewis L. Strauss and a letter from Secretary Forrestal thereto attached, dated July 10, 1944, both of which say that the program which they endorsed and urged the speedy enactment of was in accordance with the policy and program of the President of the United States. They are as follows:

WAR DEPARTMENT,
Washington, D. C., August 7, 1944.

HON. CARTER MANASCO,
Chairman, Committee on Expenditures in the Executive Departments, House of Representatives.

DEAR MR. MANASCO: The War Department recommends the enactment of H. R. 5125, Seventy-eighth Congress, a bill to provide for the disposal of surplus Government property and plants, and for other purposes, upon which you have requested a report, subject to the amendment suggested below.

The War Department has consistently advocated the creation of a central agency in the Government to be charged with the authority and responsibility for the disposition of surplus property. The principal reason for the creation of a central agency, so far as the War Department is concerned, is that the Army is not now, and will not, after the war, be organized to undertake the merchandising of large amounts of surplus property. Aside from the lack of personnel and administrative organization for economic and commercial functions of this character, which are beyond the scope of War Department responsibilities, disposal of surplus property of the War Department is only a part, although a substantial part, of the problem of disposing of surplus property of all Federal agencies. A unified policy and coordinated administration with respect to the disposition of surplus property of every character and from every source is essential to eliminate competition among the agencies of the Government, to avoid discrimination between purchasers, and to properly carry out the policies established by Congress.

For these reasons, representatives of the War Department participated in drafting the proposed bill recently submitted to your committee and to other committees of the Congress by Mr. William L. Clayton, Surplus War Property Administrator. With the exception hereafter noted, H. R. 5125 embodies substantially the provisions of that proposed bill with certain amendments suggested by the Attorney General and others, with which the War Department is in agreement.

The War Department considers that H. R. 5125 embodies the best features of the numerous measures covering this subject which have been recently introduced.

The one provision of H. R. 5125 which was not contained in the bill proposed by the Surplus War Property Administrator, and to which the War Department has serious objections, is the provision in section 7 (a) to the effect that after the cessation of hostilities in the present war, the Surplus Property Administrator shall have power to require a determination by any owning agency that any property is surplus to its needs and responsibilities. The War Department considers that this division of authority is administratively impracticable, is inconsistent with the basic responsibility of the Department, and impinges upon the functions of the Congress. In time of peace, as well as war, the responsibility for the national defense rests upon the War and Navy Departments and the Congress. This responsibility necessarily carries with it the duty and authority to determine what weapons and equipment are necessary for war or defense. The programs developed by the military services are submitted to and approved by Congress in the appropriation acts. No agency outside of the military departments would have the knowledge or current developments in military science, of strategic plans, or of the changing scope of training requirements, to make sound decisions as to types or quantities of supplies and equipment which are required at any given time to properly meet the responsibility for preparedness. The authority of the War and Navy Departments to administer the programs for defense, under the control of Congress would in effect be nullified by the power which this section would vest in the Surplus War Property Administrator.

For these reasons, the War Department urges that H. R. 5125 be amended by eliminating the last sentence of section 7 (a).

Subject to the elimination of this provision, the War Department believes that the prompt enactment of H. R. 5125 would materially assist and expedite the orderly disposition of surplus war property.

The War Department is unable to estimate the fiscal effect of enactment of this measure.

The Bureau of the Budget advises that there is no objection to the submission of this report, subject to the understanding that no commitment should be made at this time as to the relationship to the program of the President of each and every provision of this and the other bills in the surplus property disposal field that are now before the Congress.

Sincerely yours,
ROBERT P. PATTERSON,
Acting Secretary of War.

NAVY DEPARTMENT,
Washington, D. C., July 5, 1944.

MEMORANDUM

From: Capt. L. L. Strauss.
To: The Secretary of the Navy.
Subject: Request of Chairman MANASCO for comment on H. R. 5082, H. R. 5119, and H. R. 5125, relating to the disposition of surplus property.

1. You have requested that I advise you with respect to the three bills attached to Chairman MANASCO's letter to you of June 29, 1944, H. R. 5082, H. R. 5119, and H. R. 5125, all of them relating to the disposition of surplus property and now under consideration in the House Committee on Expenditures in the Executive Departments.

2. H. R. 5082 proposes a National Surplus Property Disposal Board of seven members, appointed by the President with the advice and consent of the Senate. The Board is to select its own chairman. In addition the Board is to appoint a Director of Surplus Property who is to be the actual administrator of the property-disposal program. The Board is also to appoint within each State or appropriate smaller district a board to exercise general supervision over property disposal in such State or district. The Director is required to catalog all surplus property, to establish price differentials for sales to ultimate users and for sales for resale purposes, and to fix resale prices. It is made unlawful to resell surplus property "for any price in excess of the allowable mark-up."

3. Supplies of all surplus items are to be allocated among the respective States on a population basis. Where the demand within any State is in excess of the quantity available, the State board is required to give preference, first to veterans, next to purchasers who desire to make purchases "for use in connection with their occupation or business," third, to nonprofit institutions, and fourth, to purchasers holding a certificate from the Smaller War Plants Corporation that the acquisition of the item will "significantly contribute to the success of a small-scale enterprise."

4. In my opinion H. R. 5082 is not a well-conceived measure, and I recommend that the Navy Department object to its enactment. The administrative overlapping between the national board, the Director of Surplus Property Disposal, and the State and district boards would make successful administration impossible. The requirements with respect to pricing, allocation, and preferences are unrealistic, and their net effect would be to nullify the purposes of the bill.

5. H. R. 5119 proposes to establish an Office of Surplus War Property headed by a Director appointed by the President with the advice and consent of the Senate. The functions of the Office are to centralize responsibility for the disposal of any type or class of property in a single agency, to exercise general supervision and direction of the surplus war property disposal program, and to require observance by the disposal agencies of three policies: To secure a maximum return, to discourage speculation, and to encourage sales to veterans for the establishment and maintenance of their own small businesses or farms.

6. The bill is very brief, and fails to grant necessary disposal authority, to set up sufficiently comprehensive administrative machinery, or to prescribe in sufficient detail the policies which should govern administration. In my judgment it is entirely inadequate to solve the problems it deals with. I recommend that the Navy Department should not approve enactment of this measure.

7. H. R. 5125 is apparently based upon the draft submitted at its request to the War Contracts Subcommittee of the Senate Military Affairs Committee by W. L. Clayton, Surplus Property Administrator. The Clayton draft is printed in the report of the subcommittee dated June 5, 1944. It was prepared by a committee on which were represented all the agencies with a major interest in the procurement and disposal of Government property, including the Navy Department, and reflects the views of this office as to the requirement for sound surplus property disposal legislation.

8. H. R. 5125 vests responsibility for surplus property disposal in a Surplus Property Administration headed by a Surplus Property Administrator appointed by the President with the consent of the Senate. He is to be assisted by a Surplus Property Advisory Board consisting of the heads of the various agencies most concerned with the procurement and disposal of property. A procedure for continuing congressional scrutiny of property disposal activities is provided. The owning agencies are authorized to dispose of certain types of properties which can best be disposed of by them without transfer to a central agency. The bulk of the surplus property, however, is to be disposed of by central disposal agencies designated by the Administrator, in accordance with the policies prescribed in the act and the regulations of the Administrator. Synthetic rubber and aluminum plants are to be withheld from sale until a disposal plan has been submitted to Congress. Provision is made for transfer of surplus property between agencies, for the disposition of the proceeds of transfers, and for necessary delegations of authority. While its administrative machinery is simple and elastic, the bill provides comprehensively for the problems of surplus property disposal.

9. In one important respect H. R. 5125 differs from the draft submitted by Mr. Clayton. Section 7 (a) of the bill provides that for the duration of hostilities in the present war each owning agency shall have the exclusive authority to determine which property is surplus to its needs, but thereafter the Administrator shall have power to require such a determination. The Clayton draft did not grant this function to the Administrator. I cannot speak for the other agencies, but it seems clear to me that the Navy Department's responsibility in peacetime to safeguard the national defense and to prepare for any emergency cannot be discharged successfully if an outside authority can determine that property which the Navy deems essential should be disposed of as surplus.

10. If section 7 (a) were changed to eliminate the objection mentioned above, the Navy Department should, in my judgment, strongly recommend the early enactment of H. R. 5125 as essential to a successful and orderly solution of the surplus war property disposal problem.

LEWIS L. STRAUSS,
Captain, United States Naval Reserve.

THE SECRETARY OF THE NAVY,
Washington, July 10, 1944.

Hon. CARTER MANASCO,
Chairman, Committee on Expenditures in the Executive Departments, House of Representatives, Washington, D. C.

MY DEAR CHAIRMAN MANASCO: As requested in your letter of June 29, I am submitting herewith a report, prepared by Capt. L. L. Strauss, Assistant Chief of Procurement and Material for Industrial Readjustment, on the three property-disposal bills which you enclosed with your letter, to wit: H. R. 5082, H. R. 5119, and H. R. 5125. I concur with Captain Strauss' conclusions.

In view of your request that the report be submitted as soon as it was possible to put the comments of this Department in writing and transmit them to you, there has been no opportunity to secure a statement from the Bureau of the Budget as to whether this report is consistent with the program of the President.

Sincerely yours,

JAMES FORRESTAL.

I have already asked permission to include in my remarks the report of the Secretary of the Navy on the pending bill, dated May 2, 1945. Something has been said about it not being necessary to advise Congress as to the attitude of the President and the Bureau of the Budget. I call attention to this fact, that you and I, the chairman of this committee, and the Members of Congress, have a right to initiate legislation. But unless the Secretary of the Navy, who endorsed it in writing urging the prompt and speedy passage of the Surplus Property Act, unless he means to bypass the Chief Executive of the United States, I respectfully submit that there would not be the omission in this latter incorporated in the report of the committee which was submitted to us of a statement with respect to the attitude and the views of the Bureau of the Budget. There is no statement whatever with respect to the attitude and the views of the Bureau of the Budget, in the said report which is as follows:

THE SECRETARY OF THE NAVY,
Washington, May 2, 1945.

Hon. CARL VINSON,
Chairman, Naval Affairs Committee, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: I understand that you have requested the views of the Navy Department relative to H. R. 2894, a bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes.

The Navy is, of course, vitally interested in the maintenance of its combatant strength and efficiency which are essential for the defense of the country. Insofar as the purpose of the bill is to attain this result, it has the full support of the Navy Department.

One of the expressed purposes of the bill is to impose restrictions on the disposition of naval vessels and facilities. This would have the effect under certain circumstances of slowing up the disposal of property which the Navy had determined was surplus to its needs. Insofar as the disposal of such property is deferred, it will require the maintenance of that property by the Navy for that period. Maintenance is by its very nature expensive and funds will have to be provided by the Congress to permit that maintenance. If such funds are not provided, it might have the effect of retarding modernization and improvement of the Naval Establishment as a whole because other funds would have to be used. I am sure Congress is cognizant of these problems, and if the necessary appropriations are made available the maintenance, modernization, and improvement of the Naval Establishment will not be affected.

The requirement, as provided in section 4 of the bill, that "no naval war facility described in sections 1 (a) (2), (3), or (4) shall be sold, leased, donated, or otherwise disposed of to any person or to any political entity or governmental instrumentality, foreign or domestic, or be transferred from the jurisdiction or control of the Department of the Navy, or be determined to be surplus to the needs and responsibilities of the Department of the Navy, unless—

(a) the Secretary of the Navy has made a report to the Congress (while both Houses are in session) setting forth the reasons why such facility is no longer needed by the Department of the Navy; and

(b) sixty days have elapsed since the making of such report (not counting as part of such 60 days any period between the end of one session of Congress and the beginning of the next); and

(c) during such sixty days the Senate and House of Representatives have failed to pass a concurrent resolution stating in substance that such facility should be retained by the Department of the Navy.

will impose certain administrative burdens upon the Department. Under this provision it is contemplated that the Navy Department will prepare a list of such facilities and submit the same to Congress. If Congress should fail to disapprove of the proposed disposition during such 60-day period, the normal procedures for the disposition of property established by the Surplus Property Act would then be followed. It is not felt that this restriction and the delay incident thereto would unduly affect the operations of the Navy.

I understand that the committee is considering the modification of certain of the provisions of the bill to provide for several matters which have been called to the attention of the committee by other representatives of the Navy Department. If the requested modifications are made, I have no further comments to make.

Very truly yours,

JAMES FORRESTAL.

At this time, in response to the request of my valued friend the chairman of this committee, who notified me when he reported this bill, under permission also granted in the House, I include as a part of my remarks a letter which he wrote to me May 21, a letter which I wrote in response to his letter dated May 28, and his letter to me of May 30, in response to my letter. These letters are as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON NAVAL AFFAIRS,
Washington, D. C., May 21, 1945.

Hon. WILLIAM M. WHITTINGTON,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR WILL: I am enclosing a copy of the bill and report relative to surplus property, which I respectfully request that you read.

I shall appreciate your giving me the benefit of your views in regard to the matter.

With best wishes, I am,

Yours very truly,

CARL VINSON, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FLOOD CONTROL,
Washington, D. C., May 28, 1945.

H. R. 3180

Hon. CARL VINSON,
Chairman, Committee on Naval Affairs, House of Representatives, Washington, D. C.

DEAR CARL: I refer to your letter of May 21 enclosing me a copy of the above bill and report to confirm my verbal statement to you on the day following the receipt of your letter and to say again that I appreciate your courtesy and that in my judgment the legislation is not only premature but wholly unnecessary and would hamper the Surplus Property Act.

The Surplus Property Act of 1944 was approved by the Navy Department and combat naval vessels were excluded therefrom. Under the terms of the Surplus Property Act no property of any kind under the control and supervision of the Navy Department can be disposed of until it is declared surplus by the Navy Department. It is unthinkable that any property essential to the prosecution of the war or to defense in time of peace would be declared to be surplus by the Navy Department just as it is unthinkable that the Admiral of the Fleet would basely surrender that fleet in combat.

The Surplus Property Act has been in force since October 3, 1944, and thus far neither you nor anyone else has pointed out where the operation of that act has been administered so as to hamper in anywise the Navy Department. Under the act the Board is required to submit quarterly reports. As I understand, the Surplus Property Board did not testify, nor were they requested to testify or submit a report on the above bill. The Surplus Property Act may not be perfect, but in my judgment it would be exceedingly unwise to adopt the above or any other bills by piecemeal amendment. Congress passes legislation recommended by the Navy Department to prosecute the war. Congress cannot actually direct the engagements of the fleet. We trust the Navy Department. If we can trust the lives of our men to the Navy Department, we can certainly entrust the disposition of Navy property to the Department. The argument of congressional responsibility has no more force with respect to the Navy than it has with respect to the Army and with respect to other Government property.

If the power under the Surplus Property Act is abused by the Navy Department, I would be the first to advocate curbing the operations of the Department.

Very sincerely,

WILL M. WHITTINGTON.
Member of Congress.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON NAVAL AFFAIRS,
Washington, D. C., May 30, 1945.

Hon. WILL M. WHITTINGTON,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR WILL: I appreciate the frank expressions of your letter of May 28, 1945, but I regret that you dissent from the unanimous views of the Naval Affairs Committee on H. R. 3180.

While I fully respect your considered judgment on this bill, I cannot accept your interpretation that the legislation is premature and that it would hamper the Surplus Property Act.

You also raise questions as to (1) the committee's trust in the Navy Department, (2) the required quarterly reports of the Surplus Property Board to Congress, and (3) the fact that the opinion of the Surplus Property Board on H. R. 3180 was not sought by the committee. I shall give you my reaction to each of these points.

I believe that H. R. 3180 is timely legislation and not premature. If anything is premature it is the declaration of surpluses of naval property while we are in the midst of the greatest naval war in history. How can we know what is surplus until (1) Japan has been defeated, (2) we have sustained all our naval losses in defeating Japan, and (3) the size and complements of the postwar fleet have been determined.

No, I would say that the Surplus Property Act, insofar as it would permit unre-

viewed declarations and disposals of major naval property as surplus before Japan is defeated, is the legislation that is premature—not H. R. 3180.

Other than the delay caused by the 60-day waiting period, I fail to see how H. R. 3180 would hamper the Surplus Property Act. There are very tangible reasons for my conclusion:

First. The Secretary of the Navy has stated specifically on this point that he does not feel that the "delay incident thereto would unduly affect the operation of the Navy";

Second. The bill does not cover the voluminous "small fry" property, such as pencils, nuts and bolts, etc., which would ordinarily require quick sale;

Third. The bill covers only the major naval war facilities, such as vessels over a thousand tons, shore establishments, and plants, which you know and I know require some time for the negotiation of a sale—in fact, I cannot think of any sales in this category which would be unduly delayed by the 60-day waiting period; and

Fourth. A provision (sec. 4, p. 5, line 21) was incorporated in the bill to guard against such rare cases of injurious delay by providing that "property disposals, considered to require expeditious action by the Secretary of the Navy, may be made by the Department immediately after the Senate and House of Representatives have passed a concurrent resolution approving the property disposal or disposals proposed by the Secretary of the Navy."

As to the trust imposed in the Navy Department, there can be no question of the committee's position and faith. The possibility that the Navy Department might declare any property essential to the prosecution of the war or the defense in time of peace is granted to be unthinkable and most remote now. But need I remind you of how our Navy was scrapped after the last war?

It must also be realized that authoritative opinion, even in the Navy Department itself, differs as to what is essential to the Navy in peace and in war. I know this only too well from the difficult and unpopular fight that I had to expand the Navy in those preparatory, but isolationist, years. I can assure you that there were varying and violent opinions then as to what was essential. And there will be those differences after this war.

The provision of the Surplus Property Act requiring the Surplus Property Board to submit quarterly reports to Congress is hardly an adequate substitute for the reviewing authority of Congress proposed in H. R. 3180. In the former, Congress would learn only after the horse had gotten out of the stable—under H. R. 3180, Congress learns before and has a chance to lock the stable door before losing the horse.

There is no necessity to invite the views of the Surplus Property Board on H. R. 3180 simply because the Board is concerned with disposals and H. R. 3180 is concerned only with declarations of surplus, and under it Congress has nothing to do with disposals of surplus property.

The declarations of major naval property to be surplus are made by the Navy Department and not by the Surplus Property Board. H. R. 3180 in no way affects the disposal authority of the Surplus Property Board—it has only a limited effect on the Navy Department's declaration of surpluses.

Consequently there was no need to solicit the views of anyone but officials of the Navy Department on H. R. 3180. The Assistant Secretary of the Navy, who has cognizance over property disposition in the Navy Department, has expressed the opinion that the bill is sound.

I agree with you that the argument of congressional responsibility has no more force with respect to the Navy than it has with respect to the Army and with respect to other Government property. In fact, I feel that other committees might well follow the lead of the Naval Affairs Committee in reporting out H. R. 3180.

I hope my statements will give you a better appreciation of H. R. 3180.

Yours very truly,

CARL VINSON, *Chairman.*

He stated to me in his letter, as he has stated here, that the passage of the Surplus Property Act was premature. Who is right? The late Franklin D. Roosevelt who provided for it by Executive order? The Congress of the United States, after considering it for 2 months, following the precedents after every other war?

I say in conclusion, as I have no desire to detain the Committee, that the Surplus Property Act is not perfect. I call attention to the fact, as I previously emphasized, that it does occur to me that the committee that undertakes to deal with surplus property should have invited that agency which has been appointed by the President and authorized by the Congress, at least to acquaint the Congress and the committee with their views on this bill.

In this bill there is nothing said about the Surplus Property Act. The administrators were not consulted, or asked to report on the pending bill. Under the consent granted me in the House, I want to include a letter to me from ex-Senator Guy Gillette, chairman, dated May 28, 1945, in which he points out conclusively that the term of this bill is the first step in the destruction of that act. The letter follows:

SURPLUS PROPERTY BOARD,
Washington, D. C., May 28, 1945.

Hon. WILLIAM M. WHITTINGTON,
Member of Congress,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: In re H. R. 3180, introduced May 10, 1945, by the Honorable CARL VINSON, chairman of the Naval Affairs Committee, I wish to make a few brief comments.

It would seem that the passage of this type of legislation would be particularly unwise as contravening the basic purposes which brought about the enactment of the Surplus Property Act of 1944. As your close connection with the surplus-property legislation has convinced you, the basic thought which emphasized the need for the legislation was that numerous agencies of the Government, through sundry laws already in existence, were disposing of Federal property of many types with very limited restriction or control. In addition, other Federal agencies were seeking to procure property which some of the owning agencies were selling. In order to cordinate this field of activity and bring some semblance of order out of the confusion, the President issued his Executive order in February 1944 setting up the Surplus Property Administration.

In passing the Surplus Property Act of 1944, which set up a board in lieu of an Administrator, the Congress sought to further the objectives of elimination of confusion and securing coordinated control, and at the same time to conserve the interest of segments of our economy through a system of priorities and preferences.

Legislation such as H. R. 3180 would, it would seem to me, be a definite step away from the goals sought. The argument that the legislation proposes to restore to Congress the constitutional responsibility of maintaining a navy has no particular force when it is recalled that our Federal Constitution also enjoins on the Congress the establishment of post offices and post roads, the obligation to raise and support armies, the obligation to establish, organize, and arm militia, the supervision and control of property in the District of Columbia, in forts, magazines, arsenals, dock yards, and other needful public buildings, and many provisions of like import. All these impose on the Congress the responsibility of control of all public property in connection with these obligations and obviously it must by legislation make provision for the control and disposal of all these properties, and no argument has any specific force with reference to naval property other than combatant vessels that does not apply with equal force to the Army establishment and all of the other types of public property noted above. The Constitution took cognizance of this control and need for regulatory legislation for disposal in section 3, article IV, where it was provided that "power to dispose of and make all needful rules and regulations respecting territory and other property" was lodged in the Congress. I repeat that any argument that Congress ought to keep property of our naval establishment under its direct supervision would apply with equal force to most of the other types of Federal property.

As you know, better than I, it was the thought of the Congress in setting up the Surplus Property Board that control of the disposal of Federal property declared to be surplus should be centered in one responsible agency, and any attempt to diffuse this responsibility piecemeal, as is envisioned in H. R. 3180, would certainly be in contravention of the purposes designed to be served.

In the Surplus Property Act the Congress took cognizance of the needs of the Navy when in defining the term "property," combatant naval vessels such as battleships, cruisers, aircraft carriers, destroyers, and submarines were specifically eliminated. Also, the act specifically took control of our merchant marine out of the control of the Surplus Property Board in subsection (b) of section 10 of the act.

It was certainly the thought of Congress that outside of these certain exceptions, the Surplus Property Board was to be the responsible agency in the disposal and distribution of Federal property declared to be surplus by an owning agency.

The argument for naval control of its own establishments loses force when it is recalled that the Surplus Property Board does not have supervision over any type of Federal property until it has been declared surplus to the needs and responsibilities of the respective owning agency. The Navy is certainly competent to review its holdings and make such determination for declaration to the Board. The proposed legislation takes that right away from the Navy and not only prohibits the disposal of property by the Navy, but also prohibits its declaration of its own surplus until after specific report has been made to the Congress and a certain time elapses and a 60-day failure on the part of the Congress to act. The framers of the legislation, having in mind the serious handicap that this would impose on the Navy, sought by the proviso at the end of section 4 of the bill to avoid the difficulty by authorizing the Secretary of the Navy to dispose of articles if the Congress had passed a concurrent resolution authorizing the disposal. This emphasizes the confusion in thinking behind the bill. In the first place, the bill provides that no disposal can be made or determination as to surplus character until a report is made to Congress and Congress has taken a negative action by failing to act for 60 days, while the proviso above referred to authorizes the Secretary of the Navy to dispose of property on affirmative action by resolution of the Congress. There is no way of determining whether the framers of the bill had in mind that this second resolution should or should not apply to property that had been reported to the Congress.

Subsection (a) of section 4 requires the Secretary of the Navy in reporting to Congress relative to a naval war facility to set forth the reasons why the facility is no longer needed by the Department of the Navy, together with the contrary views, if any, of the Chief of Naval Operations. The framers of the proposal seem to be convinced that the report is to come to the Congress on a divided opinion in the Navy Department and envision a minority report. It is certainly reasonable to suppose that the Secretary of the Navy, under the present Surplus Property Act, would not determine and declare property to be surplus unless such action represented the considered opinion of the chiefs of his Department.

To further confuse the situation which would follow the enactment of this bill, the proviso at the conclusion of section 4 would place the disposal responsibility of property concerned on the Secretary of the Navy entirely independently of the Surplus Property Board and subject to none of the provisions of the Surplus Property Act as to priorities and preferences. Subsection (b) of section 5 of the bill provides that any plant (and this would consist of land and structures equipped with machinery, tools, and equipment) under the control of the Department of the Navy may be leased for periods not exceeding 5 years, provided that similar reports of intention were made to the Congress and the Congress had not prohibited such action by the passage of a concurrent resolution. This provision would clothe the Secretary of the Navy with the power with reference to the leasing of plants, which is definitely secured by the Surplus Property Act in the Surplus Property Board, and the power which does not adhere, in my opinion, in any comparable situation in any department of the Government, and certainly ought not be granted.

Subsection (c) of section 5 of the bill carries a statement which I find it impossible to interpret. It is either meaningless, or if it has a meaning, it is so obscure that it does not lend itself to interpretation. Or, if interpreted on its face provisions, it would render the whole bill an ineffective and useless thing.

Subsection (7) of subsection (a) of section 5 of the bill provides that the act shall not prevent "the scrapping or destruction of any vessel damaged beyond economical repair", but this does not refer to the right to dispose of such scrapped or salvaged property such as is envisioned in section 14 of the Surplus Property Act. Or, in other words, the bill would prohibit the disposal of property but would not prohibit its destruction.

As a final comment, if the Congress deems it in the public interest to require that certain property declared as surplus by the Navy as owning agency be not disposed of without first reporting it to Congress, it would be a simple matter to amend section 19 of the Surplus Property Act which requires the reporting of certain plant facilities to the Congress before they can be disposed of under the Act. If Congress deems this safeguard necessary, a simple amendment to this section would accomplish this end without destroying the framework and purpose of the Surplus Property Act.

With personal greetings, I am

Sincerely yours,

GUY M. GILLETTE, *Chairman.*

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. In just a moment. This bill under consideration—and I weigh my words—provides for the disposal of plants. The Government has invested billions of dollars in those plants. We have been urged to reconvert them in order to provide for employment following the war. The terms of this bill change the methods and provisions of the Surplus Property Act, and the bill provides that notwithstanding the fact that any plant has heretofore been constructed, as a war plant, and no longer manufactures munitions, yet the bill gives the Navy Department veto power over the disposal of it. That is not all. I read from section 19 of the Surplus Property Act. My good friend, the chairman, read the terms of section 19 of this act, and when I called his attention to it he said that no report was required by the Board and the Congress had no jurisdiction over plants costing $5,000,000 and over. He is again in error. Section 19 reads:

The Board, in cooperation with the various disposal agencies, shall prepare and submit to the Congress within 3 months after enactment of this act, a report as to each of the following classes of surplus property (not including any plant which cost the Government less than $5,000,000).

These plants are for the Army and the Navy. We require the Surplus Property Administration to outline and set forth the amount, the cost, and the location of the property. I do not have a plant in my district, but if we are going to take all of the plants of the Navy Department out from under the operation of the act, I respectfully submit we should abolish the Surplus Property Act.

When I asked the distinguished chairman if this act did not provide that the Board had to report on these plants before they could be disposed of as required, my friend said they did not and that Congress would have an opportunity to act. I read:

Whenever the Board may deem it to be in the interest of the objectives of this act it may authorize the disposition of any surplus property listed in classes 9 to 12, inclusive.

I quote:

With respect to the property listed in sections 1 to 8—

I call them over: Aluminum plants, magnesium plants, synthetic rubber plants, and so on, vital war plants in which we have invested five, ten, twenty, in some cases a hundred million dollars—

With respect to the property listed in sections 1 to 8, inclusive, no disposition shall be made or authorized until 30 days after the report or additional report has been made while Congress is in session except that the Board may authorize any disposal agency to lease any such property for a term of not more than 5 years.

Under the terms of this bill, what does the Secretary report to Congress? Does he tell what that plant cost? Does he tell how much money the taxpayers have invested in it? He is only required to report in order to enable us to exercise our constitutional prerogatives, one thing, one thing alone, and that is as to whether or not it is surplus. From his report you have got one thing and one thing alone, his reasons for declaring it surplus. What information would you have? What information would Congress have as to value in order to pass a resolution or a bill either prohibiting or authorizing the disposal of that property?

The Secretary of the Navy asked us to appropriate the other day some $22,000,000,000 on the statement that it was needed for the prosecution of this war against Japan. He now states that certain property is no longer needed, and it should be disposed of. When he so states and declares the Board provides for its disposition under the Surplus Act. To handle the matter now under the pending-bill basis nullifies the provisions of the Surplus Property Act. It further delays the reconversion that we authorized and provided 6 months ago, by saying that in addition to the 30 days, in addition to the 3 months for the report, we have got to wait now a further 60 days; and when we do, whatever be the intention of this committee, I respectfully submit that there is at least doubtful language here and that there is ample reason for saying that this bill provides that there will be a disposal by the Navy Department. The Board, under the Surplus Property Act, names the disposal agency.

Why do I say that? The clauses "disposal by the Navy Department" or "disposal by the War Department" are not mentioned in the Surplus Property Act. The disposal agencies are named by the Board. They are the agencies that are set up by the Surplus Property Administration. I read from page 7, subsection (b) of section 5:

Any plant under the control of the Navy may under regulations prescribed by the Navy Department—

The Surplus Property Act states that those regulations have got to be prescribed by the disposal agency. Absolutely contradictory. Read the language again on the top of page 5, line 23, of this bill:

By the Department of the Navy.

What is the purpose of this bill? My good friend, the gentleman from Oregon, has been perfectly open and above board. He would prevent the disposal of an airfield or a base, or a shipyard along the Pacific coast under the terms of his amendment as he proposed it without affirmative action.

Mr. MOTT. Mr. Chairman, if the gentleman will yield, I thought I made it plain that I still believed in this affirmative action.

Mr. WHITTINGTON. I said the gentleman had been perfectly frank. The gentleman still believes that. Talk to me about the constitutional prerogatives of Congress. It is up to us to wage war. How do we wage war? How do we send our sons to battle? We send them to battle to fight under the officers, the generals, and the admirals provided by the War Department and the Navy Department. Why have we voted $300,000,000,000 for the prosecution of the war by the War Department and by the Navy Department? It was upon their recommendation.

If we can trust to the War Department and to the Navy Department the matter of the disposition of the lives of the people of our country, surely we can trust them in the matter of determining what is surplus property in their field—because no man has ever suggested any better way of determining surplus property than as provided in the Surplus

Property Act, and that provision is adopted by this bill. It provides that that surplus has got to be determined by the Secretary of the Navy.

The Committee on Naval Affairs has heretofore secured the passage of an act that provides that before any naval equipment valued at $2,000 or more can be disposed of, the Naval Affairs Committee must be notified in 24 hours. The Naval Affairs Committee has secured the adoption of a statute that now requires the approval of any contract for the disposition or acquisition of any lands by the Navy Department by the Committee on Naval Affairs. No other committee of Congress receives the notice as to the acquisition or disposition of lands and as to the acquisition of naval equipment of over $2,000 in value. The Naval Affairs Committee is the agent of Congress. The Navy Department, therefore, is required, before any property can be declared surplus or dispose of or acquired, to notify the Committee on Naval Affairs. Under the terms of the pending bill, notwithstanding the fact that the Naval Affairs Committee has had notice, it is now proposed to delay the matter further by requiring notice for 60 days if the property has been declared surplus by the Navy Department. The effect is to delay reconversion, to delay the disposal of property. It is impossible for Congress to go into the business of disposal of plants. Congress has to appoint an agent to handle the disposition of surplus property, and for the first time in the history of Congress an integrating Surplus Property Act was passed. If there are any defects respecting the disposal of Navy property, the remedy is to amend and not to nullify or destroy the provisions of that act.

Mark my language, in addition to reporting all plants, and I cannot make the language any plainer than the law, the Board cannot provide for the disposal of property valued at $1,000,000 or more without an opinion of the Attorney General that the disposition is not in violation of the antitrust or monopoly laws of the United States. The Attorney General has 90 days to give this opinion.

The objection to this bill is that it will prevent and hamper and delay the Surplus Property Administration from providing for the disposing of property that the Navy Department has declared to be surplus. I read in this connection and I quote from the report of the Secretary of the Navy on the pending bill:

> This report would have the effect under certain circumstances of slowing up the disposal of property which the Navy determined was surplus to its needs.

Will the bill clarify the Surplus Property Act? The Secretary of the Navy does not say that it will. The Surplus Property Administration was not consulted. We have not their views. I repeat, if this act is followed by a similar act for the War Department, fifty to one hundred billion dollars of surplus property may go by the board and the bill will make for confusion worse than confounded.

Under the program for reconversion an act was passed and the Surplus Property Act was passed. Under the Director of Mobilization contracts were authorized to be settled. Shall we now further delay in order to prevent the Navy Department from declaring surplus an airfield in my district or your district, in order to prevent the Navy Department from declaring a ship-repair station on the Atlantic coast surplus, when now we may need more ship-repair stations on the Pacific coast and will have to provide for such stations on that coast? Shall we delay, in the language of the Secretary, the actual disposal of surplus property?

The bill also goes further. Congress will be called upon to make large appropriations for the conservation and care of that property during the delay. The Surplus Property Act may not be perfect, as I have repeatedly said.

Under the terms of that act no property that cannot be disposed of under this act can be disposed of. In my judgment, it would be most unwise and in opposition to the policy of reconversion of the Administration to pass this bill.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. VINSON. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. BIEMILLER].

Mr. BIEMILLER. Mr. Chairman, the bill now before us, sponsored by the very able gentleman from Georgia [Mr. VINSON] has the unanimous recommendation of the Committee on Naval Affairs. In my opinion, it is based on a sound principle of government.

We are faced with the very serious problem of working out in the future the relationship between the legislative and the executive branches of the Government. We all recognize that we do not want to tie the legislative branch of the Government bogged down with too much detail; on the other hand, it is important that the Congress should maintain a close control over and supervision of basic policies.

That is a policy this bill will forward. We will be maintaining a very large Naval Establishment in the postwar world—no one disputes that—particularly in the immediate postwar world, and the supervision of that Naval Establishment must properly become the province of the Congress.

If we have rapid disposal of large sections of the Navy or the Navy establishments without Congress supervising such actions carefully, we would be betraying our trust to the people. The measure before us is a very simple bill. It simply says that there shall be reported to the Congress any vessels or establishment for which the sale or lease is contemplated. I think that includes two things that are essential to our future welfare. It means that we will know what is happening to the Navy and we will be responsible, as we should be, for the maintenance of the Navy. But, secondly, it also means that we will be in a position to best utilize that portion of the large numbers of defense plants that have been built during the war which come under the supervision of the Navy, for the welfare of the people. It will make the Congress responsible for keeping an eye on that situation. I do not fear, as the gentleman from Mississippi does, that the passage of this bill would slow up the reconversion period. I think, on the contrary, it might have a very healthy effect on shaping that reconversion program for the best interest of all the people of the country. That is a problem in which Members of this House have a very deep and vital interest. I think that this House is going to have to tackle and tackle very seriously the question of full employment before very many months go by. My deep interest in that problem is one of the reasons why I am enthusiastic about the passage of this bill.

I want to see a responsibility established by statute which will force the Congress to take a very close interest in the disposition of our surplus factories and similar establishments that come under Navy Department control. For the same reason I hope that similar legislation will be forthcoming for the War Department, the Maritime Commission, and other agencies of the Government which have a considerable interest in disposing of this type of surplus property, because if we do not take a good deal of caution and a good deal of care in the disposal of our factories we may find that large corporations, corporations which are tied in with cartels, may be interested in obtaining these properties either through sale or by lease for the purpose of taking them out of production. I want to have the opportunity which this bill gives us to be able to scrutinize such deals and in that manner make the Congress live up to its responsibility.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. BIEMILLER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. If that be the purpose of the gentleman, is it not better provided for by the Surplus Property Act, whenever a bid is submitted, that we have the opinion of the Attorney General about cartels and trusts?

Mr. BIEMILLER. I think the gentleman himself has pointed out that this bill does not cut out the normal surplus property procedure. The Secretary of the Navy has pointed out that fact as well. The bill is an added safeguard and a safeguard that I personally believe is very wisely added to existing procedures. I hope that this bill is going to pass by a resounding majority. I do not see any reason why we should be worried about the fears propounded by the gentleman from Mississippi. The virtues of the bill, to my mind, far outweigh any possible disadvantages that have been outlined to us here.

Mr. MOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. BLACKNEY].

Mr. BLACKNEY. Mr. Chairman, after a careful study of H. R. 3180, a bill to impose certain restrictions on the disposal of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, I am very glad to announce my complete support of this bill. This bill was carefully studied by the Committee on Naval Affairs for a period of several days and, as a result of that study, and of the testimony of witnesses appearing

before the committee, the bill was unanimously approved.

I want to take this occasion, first, of paying my tribute of respect to the gentleman from Georgia [Mr. VINSON], the chairman of our committee, who for many years last past has been an assiduous student of the Navy and a great booster and supporter of our entire Navy in all its fields.

The purpose of H. R. 3180 is to restore to the Congress authority over dispositions of important naval facilities, in keeping with congressional responsibility for the maintenance of the Navy. The provisions of this bill, which would guarantee that the Congress will have notice of and opportunity to consider all proposed declarations of surplus and disposal of the various naval plants and naval stations and the more important naval units, would restore the constitutional system of checks and balances between the executive and legislative branches of the Government, by providing the Congress an opportunity to exercise an effective veto in their disposition.

This legislation follows a long-established policy of Congress in the handling of Navy property.

The bill reaffirms and clarifies the policy of Congress as to disposal of our battleships, cruisers, aircraft carriers, destroyers, and submarines and also provides that appropriate notice and a 60-day opportunity to act by concurrent resolution be given to Congress prior to the disposal of—

First. Any floating drydock, or any mine vessel, patrol vessel, auxiliary, landing ship, or district craft of a thousand tons or more;

Second. Any Navy yard, Navy airfield, naval training station, naval ordnance plant or depot, naval base or other installation; and

Third. Any Government-owned plant under Navy cognizance for producing articles, materials, or supplies for the Navy, excepting so-called "scrambled" plants and plants not capable of economic operation as a separate and independent unit, and plants which are not an integral part of a larger installation of a private contractor.

For more than a hundred years, the Congress has surrounded the disposition of Navy property with the most rigid restrictions through the enactment of specific legislation. With the exception of battleships, cruisers, aircraft carriers, destroyers, and submarines before mentioned, this guarded control was relinquished by the Seventy-eighth Congress to the executive department in the enactment of broad legislation on the disposal of surplus property. In the consideration of that broad legislation, an amendment to prohibit any disposition of combatant naval vessels, stations, and establishments without the consent of Congress, was adopted by unanimous vote.

Today the United States has the largest, most potent, and most efficient Navy in the world, or in the past history of the world. Our United States Navy is larger than the combined navies of all other nations, and much stronger than any combination of foreign navies which could be brought against us. It is a source of great gratification to the American people that our Navy occupies so powerful a place in the naval status of the world.

Let me call your attention, in review, to this brief summary of the Navy as of December 1944. Since July 1, 1940, the Congress has authorized the Navy to spend for defense and war $118,000,000,000; with this vast sum of money, the Navy has accomplished the following things:

Since July 1, 1940, it has inducted, fed, clothed, housed, and trained 3,600,000 officers and men; has built, armed, supplied, fueled, and sent to sea 10,300,000 tons of ships; has built, armed, fueled, and launched 62,000 planes; and has also built and equipped 300 advance bases. With the Navy's personnel and its equipment, our Navy now constitutes the world's largest fleet.

Just to show you what the Navy has accomplished, let me state that our fleet in 4 years of war has convoyed over the Atlantic and Pacific troops and supplies aggregating 61,000 ships; landed on enemy beaches assault waves of 1,200,000 troops; sunk 1,400 enemy ships, totaling approximately 4,750,000 tons; shot down or destroyed 10,000 planes; and cleared the Japs from a Pacific area of 8,170,000 square miles.

I am particularly pleased with this record for the reason that as a member of the Naval Affairs Committee I have had the opportunity of watching the Navy grow and participated in that growth. When I went on the Naval Affairs Committee, officers and men in the Navy only numbered 152,000. Today the Navy personnel is more than 3,600,000, and the total number of ships of all kinds, large and small, exceeds 65,000. This has been a tremendous accomplishment.

Because of the tremendous size of the American Navy and the need for naval facilities of all kinds, particularly in time of war, it becomes especially important that the disposition of surplus naval facilities should be safeguarded with the most rigid care and thought. Not only in time of war today but subsequently when the world is at peace the disposition of our naval facilities is and will be a decision of such importance that it should ultimately rest in the Congress, where it has rested heretofore since the beginning of our Government, with brief exceptions.

H. R. 3180 would leave the initial decisions in the determination and disposal of surplus property to the executive department. It attempts to avoid any impractical delays resulting from the 60-day waiting period, by providing for authorization of disposals considered to require expeditious action by the Secretary of the Navy, through affirmative concurrent resolution of both Houses.

With the termination of the present World War, it will naturally follow that many of our naval vessels and facilities will be disposed of, in order that our Navy may at all times be provided with newer and more effective implements of war.

It was my privilege in December of last year, through the courtesy of my committee and of the Navy Department, to become one of a subcommittee of the Naval Affairs Committee appointed for the purpose of studying the naval facilities in the Pacific area.

The committee, nine in number, inspected naval facilities, including ship yards, storehouses, air fields, and other facilities, at Pearl Harbor, Kwajalein, Saipan, Guam, Manus, Sydney, Canberra, Samoa, and Palmyra. The committee flew some 25,000 miles over the Pacific, and through the courtesy of Admiral Nimitz, his staff, and the various officers of the different bases, was enabled to make a close study of our naval facilities and naval activities. We were greatly impressed with the efficiency and effectiveness of the Navy in all its departments and we had nothing but words of praise for officers and men comprising our great American Navy.

Distances in the Pacific are so vast and the value of our bases, particularly at Pearl Harbor, Kwajalein, Saipan, and Guam, is so strategic, that it is imperative in the future, in my judgment, that the United States should own, or control, those great naval bases which have been captured by the sacrifice of thousands of fine American boys and millions of dollars.

Fondly, as we hope for a just and lasting peace, it is imperative to this Nation, and to the Navy, that these islands be held by us as strategic bases in the even of a future potential war. Not only that, but these islands will become of greater importance in the years to come, as America takes her number one place in the air traffic of the world.

In the years to come, it will be necessary to maintain the largest peacetime Navy that this country has ever maintained. To do so is simply carrying out the principle of not only safeguarding the integrity of our Nation, but a further guaranty of a just and lasting peace. The best way to be prepared for peace is to maintain a fine effective Army and Navy, sufficiently strong to guarantee the peace and safety and integrity of our Nation.

For the reasons before mentioned, I favor the passage of H. R. 3180.

Mr. VINSON. Mr. Chairman, I yield 11 minutes to the distinguished gentleman from California [Mr. IZAC].

Mr. IZAC. Mr. Chairman, in listening to the debate I gathered a few notes which I thought might be pertinent. There is no need of repeating the arguments that have been advanced, but in these few minutes I will try to answer a few of the points that have been raised and alleviate some of the doubt in the minds of some of the listeners.

In the first place, this bill has nothing to do with boots and shoes and food supplies and things of that character. We feel it is perfectly right and proper that the Surplus Property Board shall dictate the manner in which those surpluses are disposed of. But we are interested in the disposal of the men-of-war, navy bases and the like, because that determines the postwar policy of this country. If we are going to disarm and do as we did once before or probably several times before, we are going to have another Pearl Harbor some day, but if we are pretty well prepared, I question

if anyone is going to tackle the best-prepared Nation in the world.

In 1922 when we had the naval limitation agreement, you notice the Congress did not have very much to do with that. I am inclined to think that one of the valid reasons for a bill of this kind is the prevention of that which happened in 1922.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. IZAC. I yield to my colleague.

Mr. SHEPPARD. I want at this time to pay my compliments to the chairman of the legislative Committee on Naval Affairs and the members of that committee in presenting a bill like this to the House. It will preserve the integrity of this country for the future.

Mr. IZAC. I thank the gentleman for his contribution and his compliments in favor of the chairman, the distinguished gentleman from Georgia [Mr. VINSON], who has been in the forefront of a big Navy program certainly during the last 20 years.

This naval limitation agreement, as you know, was an agreement among nations. We sacrificed not just blueprints and a little structural steel, but we actually had ships in being, the finest ships that then sailed the seas. We had the finest aircraft carriers, battle cruisers, and battleships that we deliberately sunk. That was one method of disposal. Of course, we thought we were doing it in the interest of peace. I think the Congress of the United States, the House of Representatives, and the Naval Affairs Committee of this Congress should have something to say in case the Navy Department or any executive branch of the Government should come forward with another proposal such as that. I contend that Pearl Harbor would never have occurred had we gone ahead building, or even if we had preserved, the ships that were then in being. We would have been too powerful. While Japan has been looking for an opportunity to attack us for generations in order to become supreme in the Pacific, she would not have taken that opportunity at the time she did had we been well prepared.

Here is another thing: They speak about the delay in the disposal of these plants. I suppose you are going to try to reconvert rapidly; try to set up firms in these shipbuilding plants and these munitions plants immediately. It might cause a delay of 60 days. But should we not go a little slow when it comes to turning over a $50,000,000 plant and declaring it surplus, putting it in the hands of one of our great international institutions perhaps? You know we do have American firms which in the past have been members of cartels. They all like to have you forget it now, but just the same they did it before and they are likely to do it again. It is just as well Congress looked into this for 4 or 5 months. It will be under the regular surplus disposal act 3 months and then we give another 60 days here, at which time if we find no objection and if we do not pass a concurrent resolution, it will be in order for the Navy Department to dispose of that plant or rather to declare it surplus. I think that delay might be a safeguard in case some generous individual wanted to give away half of the assets of the Navy.

Now, I come to the greatest deficiency in the original act, according to my idea. I refer to the Surplus Disposal Act. They accepted an amendment which eliminated combatant vessels, so called. They named five categories: Battleships, aircraft carriers, cruisers, destroyers, and submarines. They said that is all right. The Navy is taken care of. They have those five categories and the Surplus Property Board cannot touch them. Nobody can dispose of those. We eliminate them from the class of surplus property. But they forgot some of the most important of our combat types. Mr. Chairman, what would we have done without the destroyer escorts in this war? And they are not even mentioned in that amendment.

The destroyer escorts beat the submarine campaign of the Germans. The destroyer escorts relieved the destroyers of at least three-quarters of their normal duties. The destroyer escorts were built by the hundreds, yet without this bill we are considering today they could be disposed of by the Surplus Property Board without the Congress having any control over them. They happen to weigh over a thousand tons.

So you see in the original act, which is not perfect in a number of ways, we do have lack of foresight in not including destroyer escorts, fleet tugs, trawlers, mine sweepers, and other vessels of that type; and that is why I think it is very necessary that we have a bill of this kind; in fact, if it were up to me I would not place that limitation as high as 1,000 tons. I believe 250 or 300 tons is a proper limitation. But the Naval Affairs Committee was unanimous in agreeing that at least a thousand-ton ship was the proper size, that we should not relinquish the control of Congress over that type of vessel, nor over any vessel of at least 1,000 tons.

In conclusion let me say that I cannot see if we pass this bill that we are weakening the Surplus Property Act. This has nothing to do with the disposal of any other property at all. It does, as I say, take care of the seagoing fleet; and I believe Congress should retain control of that, because the postwar policy is going to be dictated not alone by the technical needs of the Navy but by the wish and will of the American people represented by us here who know the chance that always exists for new wars.

The most important thing before us today, as I see it—and this goes not only for the Committee on Naval Affairs but for the House of Representatives—is to see that we retain enough men-of-war, enough auxiliaries, and enough bases from which they can operate to preclude another war in our lifetime. It is the only way, in my opinion, that it can be done—being too powerful for the other fellow to tackle us.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MOTT. Mr. Chairman, I yield 15 minutes to the gentlewoman from Maine [Mrs. SMITH].

Mrs. SMITH of Maine. Mr. Chairman, I rise in support of the bill introduced by the distinguished chairman of the Naval Affairs Committee, the honorable gentleman from Georgia, CARL VINSON. His judgment commands the highest respect of the Members of the Congress, especially his keen insight into naval affairs. He is regarded as the father of our fleet for it was his vision back in the preparatory, but isolationist, years that has made possible the greatest Navy in the history of the world—our Navy which is bigger than the combined navies of all the other nations of the world. Yes, he fought for the expansion of our Navy when it was not a popular thing to do—and his fight was most difficult. I hate to think of what the position of this country in World War II would have been if the gentleman from Georgia had not had the vision and the courage. The people of this country have realized, and are realizing, the victory dividends from his fight for a bigger Navy. We owe him a debt that can never be paid.

Little did I realize in 1938, when publicly stating on Navy Day that our Navy was inadequate and when advocating a two-ocean Navy, that I would have the privilege to be a Member of the House Naval Affairs Committee that fostered the creation of a seven-ocean Navy, the greatest in the history of the world.

And now the gentleman from Georgia has shown the way again—this time in the leadership for the preservation and maintenance of the great Navy which he fathered, through the introduction of H. R. 3180. This is so clearly recognized that the members of the Naval Affairs Committee are vigorously unanimous in their backing of this bill.

But I think that the leadership of the chairman of the Naval Affairs Committee goes beyond the consideration of the constitutional responsibility of Congress to provide and maintain a Navy. It strikes at the very roots of our three-branched system of government through the legislative, executive, and judicial branches. H. R. 3180, I believe, will lead the way for Congress to restore to itself much of its normal and constitutional authority and responsibility loaned to the executive branch for the war emergency.

It was necessary to make these loans of power to the executive branch. The Congress can be proud of the wise and unselfish manner in which it did make these loans of power through broad delegation of authority. The risk of the loans has been negligible in view of the victory interest paid on the loans. Certainly our trust in the Navy Department has been more than justified in view of the magnificent accomplishments of that Department in the use of the authority delegated to it. For this reason, H. R. 3180 is not to be interpreted in the slightest degree as evidencing anything but the greatest respect of, and trust in, the Navy Department.

But Congress must be ready to take back that authority and responsibility delegated for the duration to the executive branch. And H. R. 3180 is an example of how this reassertion can best

be done with the proper balance of participation of the legislative and executive branches in the peacetime period. This bill takes no authority from the Navy Department on the declaration of surpluses. This bill takes no authority from the Surplus Property Board on the disposal of surpluses declared by the Navy. It merely grants to Congress a 60-day opportunity to review the declarations of surplus made by the Navy Department on major naval war facilities.

The only objection to H. R. 3180 that can be advanced is the possibility that it might slow down the surplus-property disposal program through the requirement of the 60-day waiting period. This objection is not valid because—

First. The Secretary of the Navy has stated specifically on this point that he does not feel that the "delay incident thereto would unduly affect the operation of the Navy";

Second. The bill does not cover the voluminous "small fry" property—thousands of items referred to this afternoon, such as pencils, spoons, nuts and bolts, and so forth—which might require quick sales; and

Third. The bill gives Congress the chance to keep its finger on the major naval war facilities, such as vessels over a thousand tons, shore establishments and plants, which require considerable time for the negotiation of a sale—in fact, I cannot think of any sales in this category which would be unduly delayed by the 60-day waiting period.

In this connection I was impressed with the testimony of Admiral R. S. Edwards, deputy commander in chief of the Navy. He told the committee that there were potential instances where the 60-day waiting requirement might handicap disposals that required expeditious action. This prompted me to submit the following section, which was unanimously adopted by the committee, to guard against such rare cases of injurious delays caused by the 60-day requirement by providing for affirmative action by Congress upon the request of the Secretary of the Navy. I refer you to section 4, page 5, line 21 and following, of the printed bill, which reads:

Provided, That property disposals, considered to require expeditious action by the Secretary of the Navy, may be made by the Department of the Navy immediately after the Senate and House of Representatives have passed a concurrent resolution approving the property disposal or disposals proposed by the Secretary of the Navy.

This added a third manner in which the Congress could act in addition to the other two ways of either, first, passing a concurrent resolution stating that the property should be retained, or, second, acquiescing silently by taking no action within the 60-day period. It added flexibility desired by the Navy, but in no manner diluted the proposed congressional power of review. It removed any reason for undue delay on disposals on which time might be of the essence. It recognized the continued faith of the committee in the Secretary of the Navy.

I agree with the gentleman from Georgia when he says that it is premature to consider the disposal of any major naval war facility now before we have defeated Japan—before we have suffered all of the naval losses that victory will require—and before we have even decided upon the size and complements of our postwar Navy. I agree with the greatest of conviction because I saw the extent and magnitude of our naval losses in the fight against Japan when I made an inspection tour of our naval bases in the Pacific last December. And I know that these losses will grow as we near the mainland of Japan.

The chairman of the Naval Affairs Committee gave you the very core of this matter when he asked how could the Navy Department determine what major naval war facilities were surplus until it was known what we needed—and how could we know what we needed until the final score of losses had been chalked up. To use his own words, "don't take your shoes off before you get to the stream." How can we determine what major naval war facilities are surplus while we are in the midst of the greatest naval war in history?

Certainly the determination of the size and the complements of the postwar Navy is a matter of policy to be decided by the Congress with the advice and recommendations of the Navy Department. It is not a decision exclusively for the Navy Department. And the declaration of surpluses of major naval facilities is an integral part, and to that extent a predetermination of the postwar Navy in which Congress must have the prevailing voice.

This view raises no question as to the trust imposed in the Navy Department, for there can be no question of the committee's faith. As I have pointed out previously, the committee commends the Navy Department for the splendid manner in which it used the broad authority loaned for war by Congress—for the magnificent results that it obtained with that authority. The possibility that the Navy Department might delcare any property essential to the prosecution of the war or the defense in time of peace is unthinkable and most remote.

But need I remind you of how our Navy was scrapped after the last war? The esteemed gentleman from Oregon, the Honorable JAMES W. MOTT, took the initiative in the last Congress to prevent the recurrence of any such scrapping of the Navy after the present war by offering an amendment to the surplus property bill requiring affirmative acts of Congress prior to the disposal of any major naval property. After full debate the Mott amendment was adopted unanimously by the House. For some reason which was never satisfactorily explained to the House the Mott amendment was stricken by the conferees from the surplus property bill.

It must be realized that authoritative opinion, even in the Navy Department itself, differs as to what is essential to the Navy in peace and in war. The gentleman from Georgia can better tell you of the varying and violent opinions of essentiality in the years preceding this war when he was fighting for the necessary expansion of the Navy. We must realize that there will be those differences after this war—and we must recognize that those differences can be resolved by Congress and by Congress alone.

Yes, the chairman of the Naval Affairs Committee has shown us the logical and considerate way to call in our war duration loans of delegated power to the executive branch. I expect this bill will be approved and I hope that other committees will follow the lead that he has taken in the introduction of H. R. 3180, and restore to Congress its normal and constitutional function of preserving and maintaining our Army and our merchant marine, as well as our Navy.

Mr. MOTT. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, sections 3 and 4 of this bill are to the effect that except as provided in section 5 no naval war facility described in section 1 (a) (1), (2), (3), and (4) shall be sold, leased, and so forth, to any political entity or governmental instrumentality, foreign or domestic, and so forth. Then section 5, in subparagraph (a) (3), states that no provision of this act shall prevent the lease, under any other law, to the government of any country whose defense the President deems vital to the defense of the United States, of any naval war facility, for any period not extending beyond the date proclaimed by the President as the date of the termination of the present war, or beyond the date specified in a concurrent resolution of the two Houses of Congress as the date of its termination, whichever first occurs.

Mr. Chairman, while there is no doubt much merit in this bill, and I am, as everyone here should know by now, a very strong advocate of congressional control over its powers under the Constitution, I wonder if this bill is not a bit premature. In voicing that thought I want to do a little thinking out loud. Perhaps I am wrong, but certainly I should like to stimulate thought in the minds of the members of the Committee on Naval Affairs and of this House along certain lines.

We had a conference at Mexico City a while back, the result of which was an action entitled "The Act of Chapultepec." As I understand, in the Conference now being held in San Francisco it is intended to provide for a regional security agreement. I think every member of the Committee on Naval Affairs knows, and if they do not they should know, that various countries in Latin America have in years gone by been supplied with certain naval and military equipment by European nations. It has been necessary, of course, for those countries using that equipment, whether it might be destroyers, cruisers, or what not, to purchase their ammunition from these European countries and likewise have the technical forces of the navy or the army of that foreign country become their advisers in the use of that material of war and in the training of their military and naval forces. As a result, the military and naval forces of those countries were subjected to indoctrination and, in some cases, almost subjugation to the military of those foreign countries. Argentina

has displayed evidences of that indoctrination.

I believe that in all probability as a result of these conferences being held, and of the Act of Chapultepec, already subscribed to, we would be taking premature action in making the pronouncements I have read in section 3, because it is quite possible that we might want to consider transferring, lending, leasing, exchanging, or what not, some of our surplus equipment for some of the old equipment that is now in the hands of our Latin-American friends.

It seems to me it would be very foolish to obstruct that possible good purpose by this bill because it would only be necessary, if this bill is passed, for the Navy Department to come to the Committee on Naval Affairs and to the Congress and ask them to repeal or modify certain sections of this act in case such a decision is made. I personally am of the temporary opinion at least, that we should give such a transfer or such lending or exchange of materials of war with the friends we have in Latin America the most careful consideration possible. May I ask the chairman of the Committee on Naval Affairs whether the potentialities of such use by a regional protective force of the Western Hemisphere has been considered by his committee? Has the gentleman and his committee given consideration to the wisdom of the possible use of some of our surplus military or naval equipment by the members of a Western Hemisphere regional security group?

Mr. VINSON. I will say that matter has not reached the stage of a hearing but the subject matter has been gone into and considerable inquiry has been made as to the policy with reference to transferring certain facilites to certain hemispheric nations.

Mr. HINSHAW. Would not the gentleman say that this bill, H. R. 3180, as drafted, would put a considerable damper on such a potentiality?

Mr. VINSON. Not at all. It would not conflict at all.

Mr. HINSHAW. Would the gentleman have any particular objection to excepting from the term "foreign countries" in section 3 members of the Pan American Union?

Mr. VINSON. I think that is a matter we should not embark upon without full hearings.

Mr. HINSHAW. That is exactly why I think this bill is premature.

Mr. VINSON. That is the gentleman's opinion, to which he is entitled. I do not think it is premature, nor did the committee think the bill is premature. May I say it is classified merely as a stopgap, as was ably pointed out by the distinguished Member the gentlewoman from Maine [Mrs. SMITH] before the postwar Navy is fixed. We cannot reach a decision until we know what the postwar Navy should be.

Mr. HINSHAW. That is correct. That is why I wonder just what the occasion for this bill is at the present time. Are the gentleman and his committee under some apprehension concerning the disposal of certain equipment of the Navy?

Mr. VINSON. Not at all. We are not apprehensive about any particular equipment. But the gentleman and his committee are of the opinion that the Navy is of such importance to the Government, and therefore to the country, that Congress should still retain control of it.

Mr. HINSHAW. But the gentleman brings the bill to the floor of the House and has made a very ardent and persuasive speech in favor of it and has replied to the Members very courteously and very extensively. Yet I find no particular reason presented, except a constiutional one, argued as a basis for the bill.

Mr. VINSON. Does the gentleman know of any higher reason that could be offered?

Mr. HINSHAW. Of course, the gentleman knows that the Constitution provides the Congress shall dispose of the property of the United States. There is not any act which the Navy can perform to do that without congressional authority.

Mr. VINSON. Yes; but the gentleman is in error there because the Surplus Property Act permits disposition of everything in the Navy, except five categories of major combatant vessels, without the action of Congress. I am trying to return to the constitutional function where the Congress either directly or indirectly will have a voice in the disposal of the property.

Mr. HINSHAW. Then why is it that the property included in section 1 (a) 1 is not submitted to the provisions of section 4, relating to congressional approval?

Mr. VINSON. For instance, if the Navy Department did not want to go through this channel which is mapped out in this bill, by sending it to the Congress, it might be able to circumvent a review by Congress by transferring certain property to another Government agency and then that Government agency could dispose of the property.

Mr. HINSHAW. The reason I asked the question of the gentleman was this: Vessels and facilities described in section 1 (1) 1 are those which he has already exempted, as I understand, but he has not placed in section 3 the same provisions that are contained in section 4, providing for the authority of the House to be exercised. In other words, he has completely foreclosed the possibility of making such an offer as I have discussed, to a member of the Pan American Union, and even if Congress does not within 60 days object, the property could not be transferred.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VINSON. Mr. Chairman, I yield the gentleman two additional minutes.

May I say that for some time the thought is being considered as to what the Government should do with reference to lease or to loan or to transfer certain facilities of the Navy to certain countries of this hemisphere. That matter is being explored and is being given careful consideration. There is a great deal of sympathy, under certain conditions, and under certain restrictions that certain specific property, even in the postwar period, be allocated or sold or leased under certain terms and conditions, because they have the same hemispheric viewpoint.

Mr. HINSHAW. And interest.

Mr. VINSON. And interest that we have. That matter is being carefully considered.

Mr. HINSHAW. I would like to say to the gentleman that I would much rather see surplus naval equipment of the United States, whatever it may be, actively used by our pan-American neighbors in the defense of this hemisphere than I would to have them tied up at some Hog Island somewhere rusting.

Mr. VINSON. I agree with the gentleman thoroughly. I may say that not long ago I appointed a subcommittee consisting of Mr. HÉBERT, Mr. COLE of New York, and Mr. HESS, and they made a trip into Central and South America and they explored this subject matter. As a matter of fact, they have made some recommendations, but it has not yet crystallized into final form.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. MOTT. Mr. Chairman, I yield the gentleman two additional minutes for the purpose of helping answer the question.

The chairman stated he was not immediately apprehensive about the transfer of these ships to other nations. I do not know whether he has any reason to be apprehensive or not. My own feeling is one of apprehension in that respect. I think there is a rather definite sentiment accumulating in the executive agencies of the Government to transfer some of these ships to other nations.

Mr. HINSHAW. Would the gentleman himself be willing that they be used by members of a regional hemispheric defense organization?

Mr. MOTT. I would be willing to have that question come before the Congress; first to the Naval Affairs Committee and then to the House and the Senate, and for the Congress to decide whether that is the proper policy or not. I am not willing for an executive agency to decide it all by itself. That is one of my strongest reasons for supporting this bill.

Again may I say there is already sentiment developing that the war vessels—and they are about one out of every four or five that we have built; those vessels which we have given under lend-lease to other nations—a sentiment is developing in some quarters to actually let them have the vessels.

Mr. HINSHAW. I do not favor that if it is outside of the Western Hemisphere.

Mr. MOTT. Just a moment. I have already made an observation on the Western Hemisphere, but I am going further. Every nation which has obtained those lend-lease war vessels would of course like to keep them. When the time of the lease expires, in my opinion, there is going to be an effort brought to bear and they are going to try to persuade the Government of the United States to let them keep those vessels.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MOTT. Mr. Chairman, I yield the gentleman three additional minutes.

Under the Surplus Property Act those vessels could be declared surplus without the consent of Congress and title transferred, because the act has been construed to repeal all restrictive legislation on the disposal of naval property. I am apprehensive of that. This bill would provide that things of that kind cannot be done without the approval of Congress.

Mr. HINSHAW. I thank the gentleman.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I should like to ask the gentleman if he has given any consideration to the provisions of section 2, and particularly subsection 2 of section 2 with respect to increasing the power and the authority over the Navy for the disposal of plants of the Defense Plants Corporation after those plants have ceased to manufacture munitions and other requirements for the prosecution of the war.

Mr. HINSHAW. No; I have not considered that aspect of it; I am considering the question of hemispheric defense.

Mr. WHITTINGTON. Yes; I understand that.

Mr. HINSHAW. I have not gone into the other subject as deeply as has the gentleman from Mississippi. I listened with interest to the remarks he made earlier this afternoon.

Mr. WHITTINGTON. I will probably have something more to say about it later.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield if I have any time remaining.

Mr. IZAC. The gentleman does not remember that last year we passed a bill permitting the leasing or selling of ships up to 1,000 tons to the Pan-American Nations, having in mind the very thing the gentleman has in mind. The Senate however, did not take action on that bill.

Mr. HINSHAW. This bill, of course, exempts vessels under a thousand tons.

Mr. IZAC. That is right; so it could still be done.

Mr. HINSHAW. It could still be done.

Mr. IZAC. But as I see it, a ship of a thousand tons or under would not be needed by any South American country to repel an attack, because it would not be big enough to repel an attack.

Mr. HINSHAW. I have been to South America myself a few years ago and traveled around a bit, and I have seen some of the vessels supplied to those countries by European nations ostensibly for their defense, but actually to permit the officers of the navy of that European country to train and indoctrinate and act as the godfathers of their fleet; and I am opposed to that sort of thing. If we can get around that hazard to our safety by supplying them with certain vessels ourselves and letting such a fine man as Admiral Beauregard proved himself to be in Brazil, go down there and train them in our way of handling a navy, I would feel differently.

Mr. IZAC. They send naval officers and men down there to train them; we are doing that at this time.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MADDEN. Mr. Chairman, the bill now before the Congress will protect the American people against any hazard of unreasonable curtailment and reduction of its present great Navy. The American public today is almost unanimous in the desire not only to have the greatest Navy in the world but to preserve its present position of outranking all the combined navies of the world. If on December 7, 1941, America had 50 percent of its present navy strength, Japan would not have attacked us at Pearl Harbor. A strong Navy is our greatest insurance against future wars.

This bill, H. R. 3180, merely imposes certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy. Through the passage of this bill, Congress will retain and preserve its right to supervise the number of our fighting units which the Navy Department will be authorized to dispose of. The Naval Affairs Committee, by reporting out this bill, has agreed that too broad a responsibility has been delegated to the executive department of our Navy over the disposition of important naval facilities. This legislation insures the continuation of congressional responsibility for the maintenance of the Navy.

Under this bill the Navy Department cannot dispose of or transfer the bases, plants, and so forth, without first reporting to Congress. Congress may then approve or disapprove by a concurrent resolution, or give its consent by taking no action at all, in which case the Navy may act after the passing of a 60-day period. As for battleships, cruisers, aircraft carriers, destroyers, or submarines, the bill would prohibit any kind of disposition except scrapping or destruction for overage damage, and so forth, and leasing under lend-lease, in which latter case the lease would not extend beyond the termination of the present war or specified date for termination decided by Congress. The bill reasserts and clarifies the policy of Congress, as to the disposal of our Navy fighting units.

Today the United States Navy is larger than the combined navies of all other nations, and this preeminence is the pride of America and guarantees the protection of America. Any curtailment of this great naval force or change in strength or policy should ultimately rest in the Congress.

The country can indeed be thankful for the magnificent fight made by our honorable chairman, CARL VINSON, and the members of the Naval Affairs Committee, for legislation to build a larger Navy back in the years before Pearl Harbor. The fighting ships that were built through the foresight of the House Naval Affairs Committee by the legislation passed in 1937 and 1938 has borne the brunt of the Pacific war. The Congress has displayed excellent judgment in the past by following the recommendations of its Naval Affairs Committee, and I hope this legislation is adopted by unanimous vote.

Mr. VINSON. Mr. Chairman, I ask that the bill be read under the 5-minute rule.

The Clerk read as follows:

Be it enacted, etc., That as used in this act the term—

(a) "Naval war facility" means any property of the United States or of any instrumentality of the United States, within any of the following categories, under the control of the Department of the Navy:

(1) Any vessel classified in, or classifiable in accordance with, the classification set forth in "Standard Nomenclature and List of United States Naval Vessels", published December 1, 1944, by the Department of the Navy (Bureau of Ships), as a vessel of any of the following types: A battleship, cruiser, aircraft carrier, destroyer, or submarine.

(2) Any floating drydock, or any vessel (other than vessels of not more than 1,000 tons) classified in, or classifiable in accordance with, the classification set forth in "Standard Nomenclature and List of United States Naval Vessels", published December 1, 1944, by the Department of the Navy (Bureau of Ships), as a vessel of any of the following types: A mine vessel, patrol vessel, auxiliary, landing ship, or district craft. For the purposes of this subsection the term "1,000 tons" means 1,000 tons standard displacement, unless the Secretary of the Navy determines that measurement in terms of gross tons in the manner provided in section 4153 of the Revised Statutes is more appropriate, in which case such term means gross tons measured in the manner provided in such section 4153.

(3) Any navy yard, navy airfield, naval training station, naval ordnance plant or depot, naval base, or any other property, consisting of land having buildings or other structures thereon or having buildings or other structures used in connection therewith, which constitutes the whole or any part of a naval station, excluding, in the case of any of the foregoing, property acquired or constructed by the Navy for use solely in connection with programs for the training of naval personnel at colleges and universities (other than the United States Naval Academy).

(4) Any plant acquired, constructed, or used to manufacture or produce articles, materials, or supplies for the Navy.

(b) "Plant" includes only a plant (consisting of land, including land under option to the United States, and structures substantially equipped with machinery, tools, and equipment) which is capable of economic operation as a separate and independent unit, and which is not an integral part of a larger installation of a private contractor.

Mr. MANASCO. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are doing a very dangerous thing when we start tearing down the Surplus Property Act that was passed last fall. At the present time in the Committee on Executive Expenditures there are pending 15 or 20 bills to amend this act. We have been awaiting studies that are being made now by the Surplus Property Board and other governmental agencies to give them an opportunity to find out the unworkable provisions of that act. Frankly, there are many things in the act that should be removed. I opposed in the conference committee many of the provisions that were put in there, but due to the pressure of time and the anxiety of Members to get back home and do some campaigning, the conferees on the part of the House agreed to many items in that

conference report which we thought were unworkable.

Mr. Chairman, I have the utmost confidence in the men who are running our Navy. They have certainly conducted this war in a very successful manner. I have the utmost confidence in the Secretary of the Navy. I have the utmost confidence in the future leadership of that organization, but in voting for a bill like the present one it seems to me we are casting a shadow of doubt on the integrity of those charged with the defense of our country. I can foresee some of the dangers in having restrictive legislation of this sort prohibiting a declaration of obsolete equipment, such as LST's, plants, and so forth, surplus.

You are going to find if this bill is passed that there will be a bill reported by the Committee on Military Affairs to place the War Department property in the same category. Then if I were a member of the Committee on Banking and Currency I would offer a bill to cover all of the property owned by the Reconstruction Finance Corporation and its subsidiaries. So that it will ultimately result in the nonoperation of plant after plant in many of your districts.

During the last war a plant was built in my district and for years, years, and years, opponents of Mr. Will Bankhead would promise the people in this particular district that if they would elect them to Congress the plant would be operated. This plant was near Muscle Shoals. As a result of its nonoperation thousands and thousands of dollars worth of equipment became obsolete and it was finally sold, I believe, in 1943.

When you men go back home you will find there will be a lot of aircraft factories in your district, shipyards and other plants. We all know it will be impossible to get appropriation bills through the Congress to continue the operation of the Marietta bomber plant, for instance, the Consolidated-Vultee Aircraft factory and the huge shipping yards that exist in the districts of many of the Members. But if you have a bill like this on the statute books your constituents are going to come to you and say, "All right, we want this plant to continue to operate," and you cannot convince them that you cannot come before Congress and get enough money to continue the operation of that plant. There are 435 Members of Congress, and I am sure we are not going to continue to appropriate money during peacetimes at the rate we are now appropriating money to conduct this war.

Mr. WHITTINGTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I have no disposition to detain the committee unduly and I rise at this time for the purpose of saying that the destruction of battleships comparable to what happened under the Washington Armament Treaty is not involved in this bill, and to say further, as I recall, with all due deference to the Congress, that those battleships were not destroyed without congressional approval because under the Constitution the treaty had to be ratified at least by the Senate before they could be destroyed.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from California.

Mr. IZAC. The gentleman admits, however that the Representatives never had any control over that at all.

Mr. WHITTINGTON. Exactly, sir; and for that reason I was just about to say that that question is not involved in this bill because under the section now under consideration no provision can be made for the disposal of any combat ship in identical language both in this bill and the Surplus Property Act so that the argument, in my judgment, has no place in the consideration of this bill.

Mr. IZAC. The trouble is that that only includes five categories of combatant ships, and I tried to point out that there are many other types of combatant ships, and furthermore, the bases are the most important of all because you cannot fight a naval war without bases.

Mr. WHITTINGTON. May I say in response to that contention that the action of the committee in the pending bill in making two categories and in describing battleships, cruisers, aircraft carriers, destroyers, and submarines in one, and placing drydocks and other vessels in another category, provides and authorizes the disposition of drydocks and all vessels except the combat vessels named. Under the terms of the pending bill, the drydocks and every one of the vessels except the combat vessels can be disposed of without any affirmative action by the Congress.

Mr. VINSON. Except to be notified.

Mr. WHITTINGTON. Oh, yes; that is all. We are being notified every day. We are notified by the Surplus Property Board, making its reports and having their regulations published in the Federal Register that comes to our desk every day. Something has been said about this bill being essential to maintain a great Navy and our combat vessels, and thereby criticizing the Surplus Property Act. I reply to that statement, and I measure my words by saying that the provisions of the Surplus Property Act and the provisions of this bill with respect to the combat vessels are in identically the same language because they are spelled out. And I measure my words when I make this further statement that under the terms of this bill one of these battleships, one of these cruisers, one of these carriers may be destroyed whenever the Navy, without any action on the part of the Congress, declares that it is of no value whatsoever. When you talk about this bill being essential to preserve the Navy, I call your attention to the fact that under the Surplus Property Act, in response to the repeated objection of Members of Congress, to the destruction of property by the Army and the Navy, that there is included in that act a provision that the lumber that has been burned up and the other material that has been burned up by the Navy and the Army cannot be destroyed until and unless public notice is given.

I would like to say in this connection, once and for all that under the terms of the Surplus Property Act the Board does not dispose of surplus property. It does not sell it or lease it. It prescribes the regulations. It advises Congress of the regulations. It names the disposal agencies. The purpose is to provide that all property of the same kind be disposed of by the same agency. Under the terms of the act a few agencies are designated for disposal of property, but generally under the act, the Board designates the disposal agencies, while under the Surplus Property Act no disposition, scrapping, or otherwise, can be made of combat vessels, yet, under the terms of this bill—I quote from page 7—subsection 7 of section 5:

> No provision of this act shall prevent the scrapping or destruction of any vessel damaged beyond economical repair.

The destruction or the scrapping of all of these combat vessels is provided for in the pending bill but not the Surplus Property Act.

The difference between the constructive provisions of the Surplus Property Act and this bill, in order to protect the Navy and its combat vessels and prevent a repetition of 1922, is that if one of these vessels is scrapped, if one of these vessels is to be destroyed, the scrap material would be sold and the proceeds paid into the Public Treasury rather than destroyed and then scrapped only after an act of Congress.

The Clerk read as follows:

> SEC. 2. No provision of existing law shall be deemed to authorize—
>
> (1) the sale, lease, donation, or other disposition, of any naval war facility to any person, or to any political entity or governmental instrumentality, foreign or domestic; or
>
> (2) the consent to a sale, lease, donation, or other disposition of any plant with respect to which consent of the Department of the Navy is required before a sale, lease, donation, or other disposition thereof can be made; or
>
> (3) a determination that any naval war facility is surplus to the needs and responsibilities of the Department of the Navy, or the transfer of any naval war facility from the jurisdiction or control of the Department of the Navy;
>
> except subject to the restrictions prescribed in this act.

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word.

May I ask the chairman of the committee, is it the intent of the committee that section 2, subsection (2), particularly, of this bill, shall give the Navy Department supervision and control of defense plants after those defense plants, constructed by the Defense Plant Corporation, have ceased to provide munitions and other manufactures required by the Navy Department?

Mr. VINSON. In response to the inquiry of the gentleman from Mississippi, to answer his question intelligently I invite the attention of the Committee to the fact that the word "plant" is designated on page 3, lines 10 to 15. That defines exactly what kind of plants this bill deals with. Any plant that does not fall within that definition is not included in this paragraph or in this bill.

We have requested the Navy to interpret the word "plant" by the yardstick we have set out, and as a result

of that interpretation we have purposely and openly and aboveboard listed in the report the plants in the jurisdiction of the Navy Department that meet that yardstick.

Section 2 states:

No provision of existing law shall be deemed to authorize—

(1) the sale, lease, donation, or other disposition, of any naval war facility to any person, or to any political entity or governmental instrumentality, foreign or domestic; or

(2) the consent to a sale, lease, donation, or other disposition of any plant with respect to which consent of the Department of the Navy is required before a sale, lease, donation, or other disposition thereof can be made; or

(3) a determination that any naval war facility is surplus to the needs and responsibilities of the Department of the Navy, or the transfer of any naval war facility from the jurisdiction or control of the Department of the Navy;

except subject to the restrictions prescribed in this Act.

The Defense Plant Corporation at the request of the Navy Department has advanced money in a great many instances to build facilities for the Navy. If that facility for which the Defense Plant Corporation has advanced the money for the Navy meets the definition of a plant, then it is within the jurisdiction of the Navy Department and the Navy Department reaches the conclusion as to whether or not it is surplus.

Mr. WHITTINGTON. Mr. Chairman, I am obliged to the gentleman for the discussion. When I asked the question, I was thoroughly aware of the meaning of the word "plant." My question is with respect to one of these plants or all of these plants which are named on pages 9 and 10 of the report which have been established by the Defense Plant Corporation or have been constructed by them, and which have been manufacturing guns and munitions for the Navy, after they have ceased manufacturing those guns and munitions for the Navy and after the Navy has stopped calling on them to manufacture, will the Navy have the right to prevent under the terms of this act the disposal of those plants under the Surplus Property Act?

Mr. VINSON. It would then become naturally a surplus, and the Navy Department having jurisdiction of it and the money having been furnished by the Defense Corporation with the credit of the Navy, it is Navy property and the Navy has complete control of it.

Mr. WHITTINGTON. The gentleman has been perfectly frank. That is why I am against the bill. There is no reason for it. It delays the disposal of the plants and delays the program of reconversion.

Mr. VINSON. May I say, Mr. Chairman, there is a certain thing known as the cooling off period. It is a pretty good thing sometimes to cool off, especially when you are handling somebody else's money. A 60-day delay oftentimes will work to the advantage of the Government and the taxpayers. But I cannot see how under any circumstances a 60-day delay can interfere to any great extent with the reconversion program with which we are all deeply concerned.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Chairman, before these plants costing $1,000,000 or more can be disposed of the Surplus Property Board would have to wait for a report from the Attorney General, who has 90 days to give an opinion as to antitrust or monopoly——

Mr. VINSON. The only thing would be to delay the further disposition of these plants. May I say I am sorry my legal staff finds itself in complete disagreement with the legal staff of the Surplus Property Board and the conclusions of the gentleman from Mississippi. Under our interpretation of section 19 (c) of the Surplus Property Act, they have absolute authority to dispose of property under $5,000,000 and do not have to have an affirmative act on the part of Congress. All that they need is a report to Congress on the disposition of that property and an opinion from the Attorney General to the effect that it does not create a monopoly.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The pro forma amendments were withdrawn.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3. Except as provided in section 5, no naval war facility described in section 1 (a) (1) shall be sold, leased, donated, or otherwise disposed of, to any person, or to any political entity or governmental instrumentality, foreign or domestic, or be transferred from the jurisdiction or control of the Department of the Navy, or be determined to be surplus to the needs and responsibilities of the Department of the Navy.

Mr. HINSHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW: On page 4, line 16, strike out the period and insert a colon and the following: "*Provided, however*, That the terms of this section shall not apply to any nation which is a member of the Pan American Union."

The CHAIRMAN. The gentleman from California [Mr. HINSHAW] is recognized for 5 minutes.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. VINSON. The effect of the gentleman's amendment would be that any of these facilities referred to as surplus in this bill, such as ships and drydocks and other property of that nature, could be transferred and the title passed out of the Government to any of the nations of the Pan American Union; is that correct?

Mr. HINSHAW. No. I merely provide that the existing law shall remain in effect as far as might concern members of the Pan American Union. I understand this section applies only to vessels of war, as set forth in section 1 (a) (1) of the bill.

Mr. VINSON. What present law has the gentleman in mind? I know of no law except the Lend-Lease Act which permits the transfer. There is a provision in the Lend-Lease Act which keeps title in the Government until the Surplus Property Act wipes it out.

Mr. HINSHAW. I have in mind leaving the Surplus Property Act in effect as far as these countries are concerned. I think that is the effect of my amendment. At least, that is the intention. While I do not intend to press the amendment too much, I hope the gentleman will recognize the high desirability of not so regulating the Navy Department in the operation of section 3 that it cannot deal with our pan-American neighbors in the interest of the defense of this hemisphere. I know he does not have that intention in mind.

Mr. VINSON. Not a bit. Of course, we want to do everything to maintain the good neighbor policy and encourage the closest harmony and cooperation with the Pan American Union, but at the same time I am afraid the gentleman, by his amendment, is embarking in a field that requires most careful consideration, because the same thought might run with reference to our allies and then you broaden the whole field.

Mr. HINSHAW. If the gentleman will excuse me for interrupting at that point, of course the allies can consider anything they want to. I believe I understand what the gentleman has in mind in this section. Nevertheless I am sure that under the act of Chapultepec and any regional provisions that may be set up in San Francisco, the United States will be well entitled to deal liberally with its regional friends in this hemisphere. I have no particular objection to withdrawing the amendment if the gentleman will assure me and assure the House that it is not the intention of the committee in any wise whatsoever to foreclose such action on the part of the Government.

Mr. VINSON. All I can assure the gentleman is exactly what the language in the bill provides. I cannot assure him that the objective he has in mind meets the language of the bill. But I can assure him of this: There is a great deal of merit in what the gentleman says, but this is such debatable ground and it is ground which has to be carefully thought out, and concerning which the State Department is interested, that I hesitate to accept the gentleman's amendment, because it is a matter that must be handled with care and caution on account of the implications it has in other directions.

Mr. HINSHAW. I want to know from the gentleman this point: Does the gentleman or his committee have any desire whatsoever to foreclose the Government from any such arrangements that might be deemed advisable for the defense of this hemisphere?

Mr. VINSON. I want to say that the Naval Affairs Committee is deeply concerned with the good-neighbor spirit that exists between the countries of this hemisphere and this Government and that we will continue to do everything in our power to aid and assist in maintaining that cordial relationship.

Mr. HINSHAW. In addition to that, the gentleman is interested in hemispheric defense? He did not mention that.

Mr. VINSON. We are very much interested in it for the very reason that the acquisition of the islands we are fighting for at San Francisco has a bearing on hemispheric defense as well as the defense of the mainland.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Mr. Chairman, I have no desire or intention to muddy the waters in connection with this bill. If I had any certainty in my mind that this amendment would be agreed to by the committee, I would let it stand. But I know the gentleman may have some powerful arguments against it, and I shall not press the amendment.

Mr. VINSON. I trust the gentleman will withdraw his amendment at this time. I know what is running through his mind. All this matter is of such character that we must be patient. Let us just be patient and see what can be accomplished.

Mr. HINSHAW. Under the assurance given me by the gentleman which, while not firm, is along the lines I have in mind, I will ask unanimous consent now to withdraw the amendment.

Mr. VINSON. I cannot, of course, be firm about it and I trust that the fluid position I take will be understood.

Mr. HINSHAW. I want it understood that I am in favor of that kind of arrangement under proper circumstances and not in favor of restricting the Government in such action.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

SEC. 4. Except as provided in section 5, no naval war facility described in section 1 (a) (2), (3), or (4) shall be sold, leased, donated, or otherwise disposed of to any person or to any political entity or governmental instrumentality, foreign or domestic, or be transferred from the jurisdiction or control of the Department of the Navy, or be determined to be surplus to the needs and responsibilities of the Department of the Navy, and no consent to a sale, lease, donation, or other disposition of any plant described in section 2 (2) shall be given by the Department of the Navy, in either case unless—

(a) the Secretary of the Navy has made a report to the Congress (while both Houses are in session) setting forth the reasons why such facility or plant, as the case may be, is no longer needed by the Department of the Navy, together with the contrary views, if any, of the Chief of Naval Operations;

(b) sixty days have elapsed since the making of such report (not counting as part of such 60 days any period between the end of one session of Congress and the beginning of the next, or any period during which both Houses of Congress are in recess under the terms of a concurrent resolution); and

(c) during such 60 days the Senate and House of Representatives have failed to pass a concurrent resolution stating in substance that such facility or plant, as the case may be, should be retained by or for the use of the Department of the Navy:

Provided, That property disposals, considered to require expeditious action by the Secretary of the Navy, may be made by the Department of the Navy immediately after the Senate and House of Representatives have passed a concurrent resolution approving the property disposal or disposals proposed by the Secretary of the Navy.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment to strike out section 4.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 4, line 17, strike out all of section 4.

Mr. WHITTINGTON. Mr. Chairman, this section provides that the Navy Department, after it has declared plants and the other facilities to be surplus, shall report to Congress, and if no action is taken by the Congress within 60 days, the plant may be surplus. The language is indefinite about what disposition should be made of the property if it is declared surplus and the effect of the provision for disposal of plants in which the Government has invested billions of dollars would be further to delay and prevent reconversion to peace.

With all deference to my friend, the chairman of the Committee on Naval Affairs, he has repeatedly insisted that in connection with plants that cost $5,000,000 or more the Congress will have no opportunity to take action. The Congress will have the same opportunity to take action that the Congress would under the pending bill and the pending bill would increase the period of 30 days, following the period of 3 months, following the period of 90 days, in which the Attorney General submits an opinion with respect to the antitrust laws.

Mr. Chairman, there must not be any misunderstanding. This matter involves the reconversion of our country from war to peace.

I call your attention to the provisions of the Surplus Property Act of 1944 with respect to the disposal of plants, and I earnestly invite your attention while I read it, because the chairman of the Committee on Naval Affairs has insisted on a construction that I assert is totally at variance with the language, which I quote:

SEC. 19. The Board, in cooperation with the various disposal agencies, shall prepare and submit to the Congress within 3 months after the enactment of this act, a report as to each of the following classes of surplus property (not including any plant which cost the Government less than $5,000,000):

(1) Aluminum plants, (2) magnesium plants, (3) synthetic rubber plants, (4) chemical plants, (5) aviation gasoline, (6) iron and steel plants, (7) pipe line plants and facilities, (8) patents and processes and techniques, etc.

And that report shall prescribe the amount, the cost, and the location of the property, outlining the economic problems that may be created by the disposition of the property, setting forth a plan or program for the care and handling, disposition and use of the property consistent with the policies and objectives set for the Surplus Property Act.

Subsection (b) provides if they cannot submit that report they will submit an interim report. I quote:

Subsection (c). Whenever the Board may deem it to be in the interest of the objectives of this act, it may authorize the disposition of any surplus property listed in classes 9 to 12, inclusive, of subsection (a) of this act.

That has to do with aircraft, transportation facilities, and radio equipment.

I continue to read from subsection (c):

With respect to the property listed in classes 1 to 8, inclusive, no disposition shall be made or authorized until 30 days after such report or additional report has been made while Congress is in session, except that the Board may authorize any disposal agency to lease any such property for a term of not more than 5 years.

That gives the Congress the last say when it comes to aluminum plants.

We might as well be frank. There have been some of the large corporations that have been operating these plants. They had options on them and they have let their options expire. They stated they were not satisfied with the provisions of this plan, under the Surplus Property Act.

Under the terms of section 4 all the Secretary of the Navy has to do is to report it surplus, nothing said about what it cost the Government, and the bill and section is uncertain as to who disposes of it.

Now, mark my language further: With respect to any property of any kind costing $1,000,000 or more, whether it is an aluminum plant or any other type of property, whenever any disposal agency shall begin negotiations for the disposition to private interests of the plant or plants or other property which cost the Government $1,000,000 or more, or of any patents, processes, techniques, and inventions, irrespective of cost, the disposal agency shall notify the Attorney General, and the Attorney General shall have 90 days in which to give an opinion.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. The effect of section 4 is to increase the period of 30 days after 3 months have been given to the Surplus Property Board to make a report. The further effect would be to increase the time that has been allowed the Attorney General to submit an opinion, with the net result that this section here, without the provision for a report on the economic conditions, upon the plan for the disposal of all Government plants, upon the report as to the cost, would cause confusion worse confounded.

In a word, as the distinguished Chairman of the Surplus Property Board, Senator Gillette, said, in a letter that I will insert in the RECORD—because I think that the Congress of the United States is entitled to the views of that agency—this provision would cripple, would delay, and the terms of this provision, particularly the proviso at the conclusion of this act, would absolutely cripple the

Surplus Property Board in the disposal of plants and in the reconversion from a war to a peace basis upon the conclusion of the war and after these plants had been declared to be surplus.

For that reason, in order to protect the provisions that we have already made and the criticism that we have heard of those provisions that it requires too much time now to make the report, that it requires too much time to make the investigation and to give Congress 30 days after that in which to approve or disapprove, I respectfully submit that section 4 should be stricken, for if it continues in this bill it will further hinder and restrict and paralyze the Surplus Property Board in the disposal of plants.

Mr. VINSON. Mr. Chairman, I rise in opposition to the amendment.

Members of the Committee, this is the very heart of the bill. The whole theory of the bill is that after the owning agency, the Navy Department, makes the declaration that certain articles are to be sold, it notifies the Congress. That is what section 4 provides for in order that you, whose constituents' money has been invested in these facilities, may have an opportunity of reviewing the declaration of the Navy. If the Congress does not want to do that, why, it would be far better to strike out the enacting clause and kill the bill, because that is what would happen. The Congress, in section 4, has an opportunity of reviewing the conclusions and findings of the Navy Department.

My learned friend from Mississippi says that Congress should not have that right. The Committee on Naval Affairs maintains that as representatives of the people whose money is invested we should have that information and let the Congress pass on it.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. The thing I am confused about is just what information will the Congress have before it when this report comes back other than the fact that the Navy Department has made recommendations to dispose of certain property. What chance will we have to know what is in it? What will the report contain?

Mr. VINSON. You will have this information. The Navy Department will conclude that certain drydocks, certain naval stations, certain auxiliary vessels, or certain mine vessels are surplus to the Navy's need. They will furnish to the Speaker of the House sufficient information so that Congress can intelligently reach a decision either for or against the conclusion of the Navy Department. That is what the gentleman as a representative of his people, whose money is invested in these facilities, should have a voice in.

Mr. RIZLEY. I doubt whether I as one Representative or any other Representative, unless he had an opportunity to make some inspection himself, would know much more about whether it should be declared surplus after he got this report than he would have known in the first instance.

Mr. VINSON. How did Congress know in the first instance whether to provide the money? The committee has a hearing on it and gets the facts, and then the committee submits the information to the Congress. From that information the Members reach their determination.

Mr. RIZLEY. Does the gentleman mean it will come in as a bill would come before the Congress, that when this report comes back the Committee on Naval Affairs will bring it up here, and we will discuss it on the floor of the House?

Mr. VINSON. No doubt it would include a hundred or 200 items that the Navy Department has declared surplus, which would be submitted in a memorandum to the Speaker of the House. The Speaker would refer it to the Committee on Naval Affairs. That committee would have hearings and report to the House for your decision on the matter. That is exactly the way it would come in.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Pennsylvania.

Mr. RICH. When the Committee on Naval Affairs gets this information it will act on it immediately so that all the surplus property owned by the Government can be disposed of at the earliest moment?

Mr. VINSON. Exactly. The Committee on Naval Affairs will hold hearings and determine whether or not it concurs in the recommendation of the Secretary of the Navy. If it does concur in that recommendation, that is the end of it. If it disagrees, the committee brings the matter before the House.

Mr. RICH. In connection with Army surplus materials the matter has to be submitted to about a dozen different organizations, and what happens is that they are not selling anything. Today, when we would have an opportunity to dispose of much of the surplus property and get a good price for it, it is lying dormant. Mr. Gillette, who has charge of the disposal of this property, is about sick and tired of his job. Unless they do something about it they will not dispose of that property and get the money, and the people will not get the merchandise that is lying in storage today and that ought to be sold. I think we are lax in not moving that material.

Mr. VINSON. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Missouri.

Mr. BELL. One thing was not clear in my mind from the discussion a little while ago. I should like to know what becomes of this property. What is its status after the Navy has handed in its report seeking to declare it surplus, and Congress has acted on that report and said that it is surplus property? Then what becomes of it?

Mr. VINSON. Then the Surplus Property Board steps in under the bill prepared by the gentleman from Mississippi and his committee. We have nothing in the world to do with the sale or disposition of it.

Mr. BELL. They can sell it, give it away, or do whatever they want to do with it?

Mr. VINSON. They dispose of it. We will have washed our hands of it. It is the Board's responsibility. All I am asking is that, after the Navy Department declares it to be surplus, Congress have the information in an orderly manner and have an opportunity to disagree or hesitate to act. Whatever happens with it after Congress acts on it is a matter that is up to the Surplus Property Board.

Mr. BELL. As I understand, the only thing this bill does in addition to what the law already provides is give Congress the right to pass upon whether the Navy uses good judgment in declaring something to be surplus. That is the only change, really.

Mr. VINSON. That is the whole thing in one syllable.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. In response to the question of the gentleman from Missouri, will the distinguished chairman of the committee point out the language in this bill that states that this property will be disposed of by the Surplus Property Board, or under the Surplus Property Act?

Mr. VINSON. The Surplus Property Act governs the disposal of all surplus property. When the property becomes surplus, when Congress has not affirmatively by concurrent resolution kept it from being declared surplus property, then the Surplus Property Act takes jurisdiction.

Mr. WHITTINGTON. That would be true except that the bill provides that it shall not be disposed of "except as provided by this act," and I respectfully submit that the gentleman's question is in order, that one of the objections to this bill is that it is not clear as to who is going to handle that property.

Mr. VINSON. When it is declared to be surplus it will be handled under the Surplus Property Act.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were—ayes 13, noes 42.

So the amendment was rejected.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 5, line 23, strike out the words "by the Department of the Navy."

Mr. WHITTINGTON. Mr. Chairman, I have just this to say: The distinguished chairman of the Committee on Naval Affairs a few moments ago said that while there was no language in this bill as to who or what agency would dispose of the property it would be handled by the Surplus Property Board. I in-

vite the attention of the committee to the language beginning on line 21, page 5:

Provided, That property disposals considered to require expeditious action by the Secretary of the Navy may be made by the Department of the Navy.

That is the only provision as to the disposal of property in section 4. My motion is to strike that out so there cannot be any question in the world but what disposition will be made by the Surplus Property Act.

Mr. DREWRY. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. Yes.

Mr. DREWRY. The paragraph reads as follows:

Provided that property disposals considered to require expeditious action by the Secretary of the Navy may be made by the Department of the Navy immediately after the Senate and House of Representatives have passed a concurrent resolution approving the property disposal or disposals proposed by the Secretary of the Navy.

Mr. WHITTINGTON. I am not striking out anything except the words "by the Department of the Navy." My amendment leaves the remainder of the language in the paragraph so that this section may contain that which the Chairman has said, to wit, provide that the Surplus Property Administration disposes of the property after Congress approves of it, as provided by the disposal agencies of that act.

Mr. VINSON. Mr. Chairman, will the gentleman yield yield?

Mr. WHITTINGTON. Yes; I am glad to yield to the gentleman.

Mr. VINSON. Then it makes it positive that the Department of the Navy is not the disposal agency?

Mr. WHITTINGTON. I would say so far as this proviso is concerned it makes it positive the Navy Department is not the disposal agency.

Mr. VINSON. Of course, Mr. Chairman, the Navy Department does not want to be the disposal agency and is not the disposal agency. The Surplus Property Board is the disposal agency and even with this language as it is, there is no doubt that the disposal agency, when a surplus has been declared and when Congress has had an opportunity to review it, has jurisdiction to dispose of the property.

Mr. WHITTINGTON. If the gentleman will pardon me, I have answered the gentleman's question. My amendment is to strike out the words "by the Department of the Navy" because the gentleman has repeatedly said it would be disposed of by the Surplus Property Act.

Mr. VINSON. I have no objection to striking out the words "by the Department of the Navy" on line 23.

Mr. WHITTINGTON. That was the motion I made awhile ago.

Mr. MOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a separate and very special provision of this bill. The bill provides in general that no property shall be disposed of without giving Congress an opportunity to have 60 days in which to review the matter and then to object affirmatively if it does not agree with the Navy's proposal to dispose of that property. That is the rule. The provision under consideration is an exception to the rule. This takes care of the case where the Navy Department itself, and not the Surplus Property Disposal Board, deems it in the interest of the Navy and the service immediately to dispose of some naval property. In that event, Congress by affirmative action may give the Department authority to dispose of it without waiting 60 days.

I do not conceive this to be a part of the regular procedure under the Property Disposal Act.

Mr. VINSON. The gentleman's statement is absolutely correct. This is an exception to the general rule. It was put in in view of one of the objections raised by Admiral Edwards, with reference to the delay that might occur under certain circumstances. This is the amendment that was offered by our distinguished Member from Maine [Mrs. SMITH]. I think the objective of the amendment is good, and it ought to stay in, but it would not hurt the bill if the Navy Department is left out.

Mr. MOTT. Nevertheless, I oppose the amendment to strike out this provision, and I desire to vote against that amendment.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent to proceed for a minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. VINSON. As far as I am concerned, it is all right, but that is up to the Committee.

Mr. WHITTINGTON. Certainly, but you admit that is the meaning of the section, all the way through, and if you agree as to the meaning why not say so, and agree to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. MOTT) there were—ayes 21, noes 31.

So the amendment was rejected.

The Clerk read as follows:

SEC. 5. (a) No provision of this act shall prevent—

(1) the disposition under any other law of any vessel stricken from the Navy register pursuant to section 2 of the act of August 5, 1882, entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1883, and for other purposes", or

(2) the disposition of any vessel under the act of April 29, 1943, entitled "An act to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fisheries or industries related thereto," as amended; or

(3) the lease, under any other law, to the government of any country whose defense the President deems vital to the defense of the United States, of any naval war facility, for any period not extending beyond the date proclaimed by the President as the date of the termination of the present war, or beyond the date specified in a concurrent resolution of the two Houses of Congress as the date of such termination, whichever first occurs; or

(4) any naval war facility from being made subject to any command or use determined to be appropriate in connection with the prosecution of the present war; or

(5) the transfer of the Coast Guard, together with its functions, property, and personnel, to the jurisdiction of another agency of the Government, or, in the case of any naval war facility acquired from any other agency of the Government under an arrangement providing for its return, the return of such facility to such Government agency pursuant to such arrangement; or

(6) the disposition of any naval war facility to any person pursuant to the exercise by such person of an option granted by the United States prior to the date of the enactment of this act, or thereafter if granted in connection with the original procurement of such naval war facility; or

(7) the scrapping or destruction of any vessel damaged beyond economical repair; or

(8) the termination by the Department of the Navy of any lease or charter party.

(b) Any plant under the control of the Department of the Navy may, under regulations prescribed by the Secretary of the Navy, be leased for periods not exceeding 5 years each: *Provided*, That—

(1) the Secretary of the Navy has made a report to the Congress (while both Houses are in session) of the intention of the Navy Department to lease such plant;

(2) sixty days have elapsed since the making of such report (not counting as part of such 60 days any period between the end of one session of Congress and the beginning of the next, or any period during which both Houses of Congress are in recess under the terms of a concurrent resolution); and

(3) during such 60 days the Senate and House of Representatives have failed to pass a concurrent resolution stating in substance that such plant should not be leased.

(c) No disposition of property shall be deemed to be contrary to the provisions of this act, insofar as the right, title, and interest of any person in and to such property is concerned.

Mr. CRAVENS. Mr. Chairman, I move to strike out the last word to inquire of the chairman of the committee the meaning or purpose of subsection (c) on page 8.

Mr. VINSON. That means that the failure of Congress to take affirmative action will not impair the title to the property. In other words, the Navy Department declares certain property surplus and it is submitted to the Congress and the Congress makes no decision either affirmative or negative about it; the failure of the Congress to take an affirmative or negative position does not impair the title. In other words, it has the effect of quieting the ownership.

Mr. CRAVENS. Mr. Chairman, as I read this language, it states that no disposition of property, presumably under the provisions of this act, shall be deemed to be contrary to the provisions of this act, insofar as the right, title, or interest of any person in and to such property is concerned. In other words, it strikes me that under the language I have just read, notwithstanding that the provisions under which these actions shall be taken have been most carefully and meticulously set forth, that nevertheless, should the Navy Department act in contravention thereof that title would still be good in the purchaser. In other words, every safetguard and precaution is thrown around this bill down to the very last provision and then in effect you say that whether you do those things or not, no matter what you do, if you go ahead and sell the property the title is good anyway.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. CRAVENS. I yield.

Mr. VINSON. I wish to call the gentleman's attention to the language of the report. I myself was somewhat apprehensive that such an interpretation might be made by some of the Members. Let me read what the report has to say on section 5:

> Section 5, to avoid any question as to title of a war facility or other property, which might arise because of provisions of the bill, also provides that insofar as the right, title, and interest of the purchaser or any other person in and to any such war facility or other property is concerned, the disposition shall not be deemed contrary to the act.

In other words you must have a provision of this kind in the bill to assure a purchaser that his title is good.

Mr. CRAVENS. Then if I purchase under the provisions of this act even in disregard of some of the previous provisions, it is that notwithstanding that my title will be good. In other words, by that last paragraph the whole bill has been circumvented simply by refusal to comply with its terms.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. CRAVENS. I yield.

Mr. WHITTINGTON. There can be no reasonable contravention of the gentleman's statement. I call the gentleman's attention to the fact that whenever it is desired in an act to perfect and protect the title of a purchaser the act provides that the bill of sale, or deed, or other instrument that purports to transfer title under the act shall be a protection to the purchaser. But as the gentleman indicates and as he has said—and it is a fair sample of a number of provisions in this bill—subsection (c) states that no disposition, not limited to this bill, shall be deemed contrary to the provisions of this act insofar as the right, title, and interest of any person in and to such property is concerned. In other words, it makes no difference whether this law or the surplus property law has been complied with, it does not undertake to say that it should be complied with—there will not be any question but what the purchaser has title.

Mr. CRAVENS. It states here that certain provisions have to be complied with, but in the last four lines of the bill they say that even if you do not do any of those things, that does not make any difference anyway, I still get title to the property. It strikes me as ridiculous.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield further?

Mr. CRAVENS. I yield.

Mr. WHITTINGTON. Let me call the gentleman's attention to section 25 of the Surplus Property Act, dealing with the matter of title, and I quote:

> A deed, bill of sale, lease, or other instrument executed by or on behalf of any Government agency purporting to transfer title or any other interest in property under this act shall be conclusive evidence of compliance with the provisions of this act insofar as title or other interest of any bona fide purchasers for value, or lessees, as the case may be, is concerned.

All of those qualifying provisions are absolutely cast away by this last section (c).

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. VINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is absolutely essential that this section be in the bill to insure title to any person who buys property under the terms and conditions set out in the disposal of certain surplus property.

Mr. MANASCO. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Alabama.

Mr. MANASCO. Under the Surplus Property Act, various cities, municipalities, counties, and States may have had options on docks, plants, aircraft fields and so forth. Where the governmental agencies do not exercise their option, would not the effect of this provision in the bill and the bill itself wipe out those other options?

Mr. VINSON. Mr. Chairman, it is with profound regret that I notice the distinguished chairman and the able members of the Committee on Expenditures in Government departments are all hostile to the terms and conditions of this bill. I was hoping that the bill, having been so carefully thought out, would pass unanimously and there would be no conclusion on the part of any Members who did a magnificent legislative and constructive work in handling the Surplus Property Act, or that they would feel that act was so perfect no other committee should have the temerity to offer suggestions or any amendment in reference to a different approach to surplus property disposition. So I say, I am sorry that all of the opposition that has developed to this well thought out bill, which preserves the prerogative of the Congress, emanates from this committee that handled the Surplus Property Act.

Mr. WHITTINGTON. And the advocacy of this measure is largely confined to members of the Committee on Naval Affairs.

Mr. VINSON. The advocacy of this measure is not only confined to the members of the Committee on Naval Affairs, but it also lies in the Committee on Military Affairs and lies in the hearts and consciences of every Member of Congress who does not want to surrender his constitutional authority to the executive branch of the Government.

It has no relation whatever with the disposition of property and there lies the weakness and the trouble that the gentleman and his committee members fall into. We are not trespassing on the Surplus Property Act, we are not dealing with how you dispose of property; we are merely saying that the people's representatives shall have a voice in determining what the Navy declares to be surplus. We left to the magnificent law you prepared complete disposition of it. Cities, municipalities, and other Government agencies that get this property after Congress has refused to have anything to do with it may get it under the terms of the Surplus Property Act.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Referring to page 7, subsection (8) (b), there is certain authority given to the Secretary to lease for a period of 5 years.

Mr. VINSON. That is a very important thing because we are concerned about great institutions in which the Government has invested large sums of money. The Navy Department might conclude that today is not the proper time to determine whether or not this facility or that facility is surplus because a peacetime navy has not been determined, or because world conditions are so unstable; therefore they might say that it would be the wise thing within a period of time to lease that property. Then let the Navy Department determine whether or not later on it will declare it property surplus. In other words, it merely postpones a final decision when an immediate decision might be to the disadvantage of the Government and to the Navy Department.

Mr. RICH. Suppose the Navy has a large building located in some city and somebody comes in and says: "Here is a great building, I would like to lease that building, I want to start up a business of my own"; or suppose the Navy wanted to start some kind of business in there and wanted to get somebody to do it.

Mr. VINSON. It could not do that.

Mr. RICH. Would it be legal to do that?

Mr. VINSON. There is no possibility of that. This is a wise provision and was suggested by the Navy Department. It is a wise thing to have this flexibility so that the Navy might have the opportunity to lease instead of being forced to make a decision immediately as to whether the property is surplus.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. MOTT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOTT. Was not an amendment offered to strike out section 5?

The CHAIRMAN. The Chair advises the gentleman that there is no amendment pending other than the pro forma amendment offered by the gentleman from Arkansas.

Mr. RICH. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I am very much interested in this bill and I think they are possibly trying to do the right thing. Yet there is an opportunity here in the leasing of these properties whereby the Secretary of the Navy, if he chooses, may say to some of his friends that he wanted to lease some of these buildings to, "We are not going to sell them now. We will lease them," and then they may say, "If we cannot make our business go in 4 or 5 years from now, we will be in a position to know whether we want to buy these buildings." In that way they would put off the date that they would be sold. That is one side of it.

On the other hand, there is a good point in knowing whether we ought to defer the complete sale of them at that time. If I knew the psychological attiture of the Secretary of the Navy toward private business in competition with Federal Government business, then I would say, "All right; let us do it." But if the Secretary of the Navy is one of these fellows that wants to put the Government in all kinds of business, then I would not trust him as far as you could throw a bull by the tail because I am against the Government going into business in every sense possible. I want private enterprise to operate the business of this country. That is the thing that made this country great. We do not want any communism or any other kind of "ism" except Americanism.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Georgia.

Mr. VINSON. I can assure the gentleman and also the country that we are fortunate in having a Secretary of the Navy who believes 100 percent that the Government should be out of business as much as possible, and one who believes in free enterprise. His background, might I say, was that of a distinguished Wall Street private banker, and you know that is enough to mean that he does not believe in Government regulation or Government operation.

Mr. RICH. You know I have always been against Wall Street and the Wall Street bankers. I am for the small business man in this country and I want to see him succeed. If the gentleman gives me the guaranty that the Secretary of the Navy is that kind of a man, all right.

Mr. VINSON. He is that kind of a man, and the Committee on Naval Affairs is that kind, too.

Mr. RICH. May I say that it is a great satisfaction to know that we are getting away from the communistic tendencies that have been trying to engulf this Nation of ours. I have been so scared for the last few years seeing where we were heading, but I have learned to know President Truman, and I think he is going to try to put communism on the shelf. I do not believe President Truman is going to permit anyone to make this Nation communistic, and I am going to back him up on that. I hope that we will still continue to have free private enterprise in America. Let us keep America American, and let us keep America for the people of this country, and as for those fellows who want to make this a communistic Nation, let us start them down the chute and keep them going.

Mr. VINSON. And at the same time let Congress have a voice in helping run the Government.

Mr. RICH. That is right. We have turned many things over to these bureaucrats down here, and the quicker you get in now and clean up these bureaucrats, the better we will be off. President Truman is on the right road, and after he accomplishes that, America will survive for another 169 years and we will celebrate for years to come. Let it be said of us that we were the ones who continued to make this Nation one which our forefathers intended it to be. So let us all put our shoulders to the wheel and keep America American.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 7, lines 21 and 22, strike out "under regulations prescribed by the Secretary of the Navy."

Mr. WHITTINGTON. Mr. Chairman, the chairman of the committee a few moments ago stated that there is no provision in this bill to interfere with the power and authority we have given to the Surplus Property Board. As the committee has been advised, if the Surplus Property Board does not dispose of any plant though disposal agencies it may provide for the lease of that plant under regulations it may prescribe by the disposal agency. This bill provides:

Any plant under the control of the Department of the Navy may, under regulations prescribed by the Secretary of the Navy, be leased for periods not exceeding 5 years each.

The Surplus Property Act provides that all plants shall be leased under regulations as prescribed by that act. The gentleman has repeatedly stated that he does not intend to repeal or modify any power of the Board as to the disposal of property.

Mr. VINSON. May I call the attention of the gentleman to the fact that he is falling into error. This is not surplus and we are not talking about surplus property here.

Mr. WHITTINGTON. I beg the gentleman's pardon. I said that any plant leased under the Surplus Property Act would be leased subject to regulations of that act. This language provides that any plant under the control of the Department of the Navy may be leased for periods not exceeding 5 years each.

Mr. MANASCO. If the gentleman will yield, referring to the statement the distinguished chairman of the Committee on Naval Affairs made a while ago, that the only opposition on this floor seemed to come through jealousy on the part of the Committee on Expenditures——

Mr. VINSON. I did not use the word "jealousy." I would not do that.

Mr. MANASCO. You can draw that conclusion—I want to say for the RECORD and for the benefit of the House that our committee has absolutely no jealousy of any committee of the House. I have supported almost every bill the chairman of this committee has ever brought in.

Mr. VINSON. May I suggest to the chairman, then, let us not surrender our authority over certain properties to the executive branch. Let us dispose of it here on the floor of the House.

Mr. WHITTINGTON. I have no disposition to say anything further except that the surplus property bill provides that any plant may be leased for not exceeding 5 years under regulations provided by the act, and this changes that act. It is up to the Congress.

Mr. VINSON. Mr. Chairman, I ask that this amendment be voted down for the reason that the property under discussion has not yet reached the stage of being surplus property. The Navy Department has not classified it as surplus. It is being retained in the Navy Department, and the Navy Department prefers to lease it instead of classifying it as surplus. Therefore, I hope the Committee will vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were—ayes 10, noes 43.

So the amendment was rejected.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 8, strike out subsection (c).

Mr. WHITTINGTON. Mr. Chairman, this is the subsection that was condemned by the gentleman from Arkansas [Mr. CRAVENS]. I concur in his conclusion that the provision has no place in this bill, for the reasons stated by him, and ask that it be stricken from the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were—ayes 11, noes 43.

So the amendment was rejected.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: Strike out subsection (7) on page 7, line 16.

Mr. WHITTINGTON. Mr. Chairman, neither this bill nor the Surplus Property Act undertakes to dispose of combat vessels such as battleships. This section reads, "the scrapping or destruction of any vessel damaged beyond economical repair." It would leave it to the Department of the Navy to decide whether they would scrap or destroy a battleship or cruiser beyond such repair. It is the theory of the Surplus Property Act that no disposition should be made of these combat vessels except by act of the Congress. For that reason I have offered this amendment to strike subsection 7 of section 5 (a) from the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

The amendment was rejected.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON of Mississippi: Add a new section:

"SEC. 6. Any disposal or lease of property other than property described in section 1 (a) (1) which is subject to this act and shall become authorized under this act, shall be made in accordance with the Surplus Property Act of 1944 and all lawful regulations issued thereunder."

Mr. VINSON. Mr. Chairman, I make a point of order that the amendment is not germane to the bill.

Mr. WHITTINGTON. Mr. Chairman, as has been developed in the course of this debate, at least in the minds of some, there has been from time to time the view that this bill did not authorize the disposal of property as provided by the Surplus Property Act. There is no language

definitely to that effect, but the chairman of the committee has repeatedly stated that the disposals authorized under this act were to be made as provided by the Surplus Property Act. I offer this amendment as an independent section to leave no room for doubt after these reports have been submitted to the Congress and after the Department has declared the property to be surplus, that the disposal or lease of the property shall be made as provided by the Surplus Property Act, as I have understood the chairman has repeatedly admitted. If there is any provision which is germane to the provisions of this act, it would be a provision as to the meaning of the word "dispose," which is used repeatedly in this act.

Mr. Chairman, I submit the amendment is germane.

The CHAIRMAN. The legislation now before the Committee for its consideration involves the question of disposition of certain property. The amendment offered by the gentleman from Mississippi is a limitation and the Chair therefore overrules the point of order.

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as the chairman of the Surplus Property Board has repeatedly stated in his letter, the provisions of the pending bill are not clear. It will hinder and delay the disposition of this property. The purpose of the amendment is to clarify and make certain that any disposal of property under the terms of this act, which we have been repeatedly advised should be made by the Surplus Property Board and under the provisions of the Surplus Property Act, should so be made. In my judgment, the amendment certainly should be adopted in the interest of clarity, and to avoid confusion.

Mr. COLMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I find myself very much in the attitude of a great many Members about this proposed legislation. I mean by that I have serious doubts about it.

I want to say in the beginning that I have a very high regard for the gentleman from Georgia [Mr. VINSON] and for his committee, the Committee on Naval Affairs. They have done great work in channeling through this Congress all essential legislation to win the war. But we are confronted now, it seems to me, with a very fundamental proposition and that is whether we are going to take out of the provisions of the surplus property legislation which we passed that portion of that property which comes under the jurisdiction of the Navy. If that happens, then is it not also reasonable to expect the Military Affairs Committee will come in with a bill to take from it the property over which the War Department has control?

Further, to show my complexity and my misgivings about the matter, I want to say that when this legislation originally started in this body, this body, as the result of the efforts of your Committee on Postwar Economic Policy and Planning and your Committee on Expenditures in the Executive Departments, of which the gentleman from Alabama [Mr. MANASCO] is chairman, and my colleague, the gentleman from Mississippi [Mr. WHITTINGTON] is a member, did a splendid job on that. But when it went to the other body they completely upset the apple cart, and the conferees yielded to the Senate conferees. The result was that we got legislation which frankly I do not think the administration can operate under. I felt so keenly about that bill when it came back here in the conference report, although it bore my name and had been sponsored by my committee, that I voted against the conference report and made a brief statement that day to the effect that the bill could not function.

Recently your Committee on Postwar Economic Policy and Planning had the members of the Surplus Property Board, which was set up as a result of the action of the other body and which was contrary to the concepts of this body, to come down before our committee, after having talked with them privately on several occasions, to try to find out the difficulties they were up against, because I say to you very frankly, the administration of this surplus property is in a chaotic condition. It is not the fault of the gentlemen appointed to that board. There is going to continue to be chaos until the set-up is changed.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Unfortunately we could not get any particular or specific recommendations from the gentlemen constituting that board, and we have not gotten them yet, although they realize that because of the conflicting priorities set up in the act and the general difficulties of administration that they cannot function under it. So our Committee on Postwar Economic Policy and Planning is now awaiting the report from that Board on recommendations for which we have asked them that will result in an effort on our part at least to bring some order out of chaos by offering the proper amendment to this legislation so that that Board or whatever other set-up is made can function and these billions of dollars of surplus property be disposed of in an orderly, uniform, and fair manner to all departments of the Government and the taxpayers and everybody else.

I do not like the existing legislation, but I am apprehensive that this legislation which is now being proposed by the distinguished gentleman from Georgia and sponsored by his very able committee will not add anything constructive to the present situation.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. What I should like to see is this matter left in status quo, which is a pretty bad status at that, I confess, until we can work out something; until we can get these recommendations from this committee based upon the experience that they have had in the practical administration of it. I may be in error about this, permit me to say to my distinguished colleagues, for I have not had the time to go into this proposed legislation as fully as I should like; but when you start taking the Navy out of the operation of this legislation you set a precedent and will have other departments seeking similar action. So you have just added further chaos to the whole thing.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield.

Mr. MOTT. What the gentleman says about the disagreements and differences between the House and the Senate on the Property Disposal Act is interesting, but I am sure the gentleman will recall that the House unanimously adopted an amendment which would give the Congress authority to have the last word on the disposition of major naval property and that the Senate concurred in that amendment. This is the very issue involved in this bill.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. IZAC. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from California.

Mr. IZAC. The gentleman is certainly in favor of the Congress of the United States determining the postwar military, naval, and maritime policies of the United States, is he not?

Mr. COLMER. The gentleman asks if I am in favor of that? Naturally.

Mr. IZAC. That is exactly what this bill purports to do for the Navy. I expect, as does the gentleman, that the Committee on Military Affairs and the Committee on the Merchant Marine and Fisheries will also come in here with other bills similar to this, because these are the three technical services that have to do with the welfare of the United States in the family of nations, in international relationships, having to do with war and peace. I cannot imagine anything of greater import to the people of the country than to have the Congress of the United States determine those three policies, the merchant marine, the naval and military.

Mr. COLMER. May I say to the distinguished gentleman from California that we are all in accord on that objective. The point I am making is that if you are going to amend this legislation, let us not do it by piecemeal. Let us do it in an orderly fashion. At least that is my suggestion.

Mr. IZAC. We are not attempting to amend this. We are merely setting up within the Navy Department what the Navy Department may declare surplus. After the Navy Department declares it

surplus the disposal agency goes ahead and disposes of it. We are not attempting to interfere with that.

Mr. MANASCO. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Alabama.

Mr. MANASCO. I am going to predicate my statement on the remarks of the gentleman from California. Would not the first proposition be for the Congress to pass a military bill of some kind insuring a sufficient number of men to man these vessels before we find out how many vessels we ought to keep?

Mr. COLMER. Of course, that is the gentleman's idea.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I may say that I concur with the gentleman that the Surplus Property Act provides for reports and recommendations. Personally I think some amendments should be made to the act to clarify the conflicting provisions. I also concur with the gentleman's statement, too, that this would add confusion worse than confounded to what already exists.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. KILDAY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I concur with the gentleman from Mississippi that none of us is satisfied with the Surplus Property Act. I have always felt that in formulating that legislation we proceeded upon the wrong premise. In other words, I felt that it should have been a demobilization bill, a law under which we would demobilize the war effort for which we are so highly mobilized. Instead of that we passed a bill affecting all of the property owned by the Government of the United States, including even the very building in which we are meeting. If any Government official would declare this building to be surplus, it could be sold by the Surplus Property Board under that act. The same is true of the White House.

This bill seeks to recapture a portion of the power which we should never have abandoned. It has always been one of the fundamental laws of the land that Government real estate should not be disposed of, I care not how small or unimportant it might be, without permission of the Congress of the United States. But when we passed this law, we permitted the executive agencies to dispose of real estate that could never have been acquired except during the war period without the specific authorization of Congress. Now, this stands on a whole lot higher plane than other items of Government property.

We are charged with a specific constitutional duty with reference to the Army and Navy. We are charged specifically with maintaining a Navy and raising and supporting an Army. It is entirely proper, therefore, that we proceed first with the Army and Navy. I am sorry that the parliamentary situation is such that this bill must relate only to the Navy. It should relate also to the Army. But surely we should discharge our full constitutional function of maintaining a Navy and raising and supporting an Army in accordance with the constitutional obligation that is placed upon us. It is not a question of amending this law piecemeal. We are attempting to take out of the law something that should never have been placed in it. We are attempting to take out of it and bring back to Congress those constitutional functions which we should always have maintained.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I, too, think that the only thing wrong with this bill is that it does not make similar provisions for the War Department and the Maritime Commission. It has been my privilege recently to sit in on the hearings of the deficiency committee of the war agencies bill, and among the agencies coming before us was the Surplus Property Board. I confess that what the gentleman from Mississippi [Mr. COLMER] has said about the confusion or the lack of definiteness in the minds of the Surplus Property Board, is a feeling that I share with him. I do not want to say at this time just what has developed in those hearings, but I can say this as a matter of conclusion that the Surplus Property situation is far from satisfactory to the average Member of Congress, I am confident. There is nothing in this bill that is going to confuse that situation whatsoever. So far as I can see, it merely says that before the Navy can declare property surplus in these major units that Congress will have an opportunity to say whether or not it agrees, and as part of our responsibility for providing regulations for the Army and the Navy we ought to assert that right and we ought to recognize our responsibility, and we should follow this legislation with similar legislation for the War Department and the Maritime Commission.

Mr. VINSON. Mr. Chairman, I move to strike out the last word. I am in opposition to the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON] to section 6. I ask the Committee to vote it down, for this reason: It sets up the Surplus Property Agency as the disposing agency, and in the preceding section the bill confers upon the Secretary of the Navy the authority to negotiate leases. Leasing is a very important thing that might confront the Secretary of the Navy, so therefore if the amendment offered by the gentleman from Mississippi is adopted, then all leases would have to be made under the terms and conditions of the Surplus Property Act. We may not want to make it under those terms and conditions, so therefore I think the proper thing to do is to vote down this amendment.

The CHAIRMAN. The question on the amendment offered by the gentleman from Mississippi.

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes, pursuant to House Resolution 267, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were—ayes 71, noes 17.

So the bill was passed.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent that on tomorrow at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

EXTENSION OF REMARKS

Mr. HENRY asked and was given permission to extend his remarks in the RECORD and include an editorial entitled "Angleworms and Rattlesnakes" which appeared in the Jefferson County Union of Fort Atkinson, Wis., under date of May 24, 1945.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include a telegram and a newspaper clipping.

Mrs. LUCE asked and was given permission to extend her remarks in the RECORD and include a broadcast she made over the Blue Network on Tuesday, May 29, on America and communism.

Mr. GWYNNE of Iowa asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mrs. NORTON asked and was given permission to extend her remarks in the RECORD and include an article by Mrs. Roosevelt.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Independent Hungarian Political Club, of Gary, Ind.

Mr. SUMNERS of Texas asked and was given permission to extend his remarks in the RECORD and include an article and a short poem by Mr. W. M. Pierson, of Dallas, Tex.

Mr. BUCK, Mr. MURDOCK, and Mr. JUDD asked and were given permission to extend their remarks in the RECORD.

Mr. MURDOCK asked and was given permission to extend his remarks in the

RECORD and include an article from the June issue of Fortune magazine.

VACATING SPECIAL ORDER

Mr. MICHENER. Mr. Speaker, the gentlewoman from Connecticut [Mrs. LUCE] has been granted permission to address the House for 1 hour tomorrow. She will be unable to use that time. I ask unanimous consent that the order be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PRINTING A REVISED EDITION OF THE PAMPHLET, OUR AMERICAN GOVERNMENT, ETC.

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 650) a privileged resolution (H. Con. Res. 60) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That a revised edition of House Document No. 619, Seventy-seventh Congress, entitled "Our American Government: What Is It? How Does It Function?" compiled by Representative WRIGHT PATMAN, of Texas, be printed as a public document, and that 75,000 additional copies shall be printed, of which 50,000 copies shall be for the use of the House of Representatives and 25,000 for the use of the Senate.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Under previous order of the House, the gentleman from Nebraska [Mr. BUFFETT] is recognized for 10 minutes.

BRETTON WOODS AGREEMENTS

Mr. BUFFETT. Mr. Speaker, the majority leader has announced that next week the House will consider the Bretton Woods agreements. I rise to respectfully request that that decision be reconsidered for what seems to me to be compelling reasons.

The hearings of the testimony before the Banking and Currency Committee have not yet been completely printed, and will not be ready for several days. Accordingly, at the time this bill is scheduled to come before the House, no Member outside the Banking and Currency Committee will have had an opportunity to study the testimony which will probably run between 1,200 and 2,000 pages.

If this were routine domestic legislation, the lack of this vitally informative data by the full membership might be safely ignored. But the Bretton Woods proposals are neither routine nor domestic legislation. They are infinitely complicated international plans, which involve the future good will and economic recovery of the nations of the world.

Accordingly, I submit that the membership should have at least a week to study the hearings before they are asked to pass judgment on these proposals. Unless that is done, this Congress, in my humble judgment, will not be operating in accordance with its established legislative functions. The House will be passing, without the possibility of informed discussion by the full membership, on proposals which, unless understood by each signator nation, will most certainly cause ill will and trouble between the great powers of the world.

The foregoing is a serious danger, and I offer evidence to verify it from the galley proofs of the hearings of the committee:

First. Testimony from England, from the Financial News, London, April 10, 1945:

This time the majority of American opinion favors a stabilization of all currencies in relation to gold. The Bretton Woods final act has been submitted to Congress for ratification, and its supporters claim that its adoption would mean stabilization. As in 1873, its adoption would involve no immediate change. But the chances are that, when it comes to be applied in full, Congress and American opinion will realize that in the long run it will fail to bring stabilization.

If sufficient attention had been paid in the United States to official British statements on the subject, this fact would have been duly realized over there. The Chancelor of the Exchequer had made it plain on more than one occasion that acceptance of the Bretton Woods plan would not mean legal stabilization of sterling, and that sterling would be devalued without hesitation whenever the maintenance of its stability involved deflation. He declared in his Mansion House speech in October 1944, that while His Majesty's Government would be prepared to consult the fund on the question of changing the value of sterling, it would reserve to itself the right of final decision.

Possibly these statements may be dismissed in the United States as having been meant for home consumption in order to disarm opposition to the Bretton Woods plan. But to avoid subsequent reproaches it might be well if American opinion realized that the Government or its successor is certain to be held by Parliament and British opinion to these promises. Feeling against a deflationary policy for the sake of defending sterling at its gold parity is too strong in this country for any government to disregard it. For this reason, as far as sterling is concerned, Bretton Woods cannot in the long run mean stabilization. If the United States were to accept the final act in the opposite belief, the ultimate disillusionment of American opinion might be as painful as the discovery in the seventies of the true meaning of the Coinage Act of 1873.

Second. A similar lack of understanding of the Russian position is revealed by the committee hearings. Note the following colloquy from the galley proofs:

Mr. BUFFETT. Mr. Chairman, can you answer a question for me? Can you tell me what Russia plans to do with their quota in the fund? I have heard some stories. I wonder if you could tell me what Russia plans to do?

The CHAIRMAN. What she plans to do with what?

Mr. BUFFETT. What Russia plans to do with their quota in the fund.

The CHAIRMAN. No; I cannot tell you what Russia intends to do with their quota.

Mr. BUFFETT. There have been some pretty positive statements about what Russia proposes to do with that, and if their statements are correct, and he [Mr. E. E. Brown] was a delegate there, it is entirely different from what the people of this country understand as a purpose of the fund and that is not a technicality.

Mr. BROWN. If you will pardon me, in that connection——

The CHAIRMAN. I want to say for Mr. Brown, I have a high regard for him. I think he is a very able man. I do not think he knows what Russia is going to do.

Mr. BUFFETT. Don't you think we ought to know?

The CHAIRMAN. If we go into it we have very liberal provisions of withdrawal. We could withdraw at any time and we could get back every dollar we put into it except the obligations that have been made before we withdraw.

Mr. Speaker, in view of the foregoing, I urge the majority leadership to reconsider their decision. I cannot believe that those in control of this House will direct the membership to pass on this intricate international proposal without all Members having a reasonable opportunity to study and appraise the testimony. But unless that opportunity is accorded them I repeat this charge that this great legislative body, the House of Representatives of the United States, will not be conducting its affairs in accordance with its inherent parliamentary responsibilities.

The American people have expended their blood, tears, and treasure all over the globe for the cause of freedom, peace, and representative government. They are entitled to a better performance from this House than such a procedure would indicate.

I urge that the membership be permitted to have at least a full week to study the hearings after they become available. This is a reasonable, constructive suggestion, and I earnestly hope the majority leadership will act favorably upon it.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 903. An act for the relief of the estate of Myles Perz;

H. R. 1947. An act to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms;

H. R. 2007. An act for the relief of Hattie Bowers; and

H. J. Res. 113. Joint resolution granting the consent of Congress to an agreement amending the original agreement entered into by the States of New York and Vermont relating to the creation of the Lake Champlain Bridge Commission.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 383. An act to provide for the further development of cooperative agricultural extension work; and

S. 938. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval bills and a joint resolution of the House of the following titles:

H. R. 903. An act for the relief of the estate of Myles Perz;

H. R. 1947. An act to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms;

H. R. 2007. An act for the relief of Hattie Bowers; and

H. J. Res. 113. Joint resolution granting the consent of Congress to an agreement amending the original agreement entered into by the States of New York and Vermont relating to the creation of the Lake Champlain Bridge Commission.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. PACE, for 6 days, until June 7, on account of important business.

ADJOURNMENT

Mr. MURDOCK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 56 minutes p. m.) the House adjourned until tomorrow, Friday, June 1, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will hold a meeting in open session, on Friday, June 1, 1945, at 10 o'clock a. m., in room 356, Old House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Friday, June 1, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports, and to amend existing law relating to air-navigation facilities.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments at 10 o'clock a. m., Friday, June 1, 1945, to resume hearings on H. R. 2117.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, June 5, 1945, at 10 o'clock a. m., at which time testimony will be heard on H. R. 170.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 o'clock a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary will conduct hearings on Friday, June 15, 1945, beginning at 10 a. m., on the bills H. R. 33 and H. R. 3338, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees: method of appointment, compensation, etc.). The hearing will be held in the Judiciary Committee room, 346 House Office Building.

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 125, House Joint Resolution 128, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States, and to prevent further clouding of such titles". The hearings will be held in the Judiciary Committee room 346, House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

523. Under clause 2 of rule XXIV a letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in Quonset hut No. 2, Hamoaze House, Plymouth, Devon, England, on December 31, 1944, was taken from the Speaker's table and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JARMAN: Committee on Printing. House Resolution 230. Resolution authorizing that the report from the Chief of Engineers, United States Army, dated October 16, 1942, on a cooperative beach-erosion study of the Lake Erie shore line in the vicinity of Huron, Ohio, and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document; without amendment (Rept. No. 630). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. House Resolution 276. Resolution providing for the printing, as a House document, of the proceedings of the one hundred and fifty-fourth anniversary of the independence of Poland; without amendment (Rept. No. 631). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. House Resolution 277. Resolution providing for the printing as a House document the proceedings in commemoration of Pan American Day; without amendment (Rept. No. 632). Referred to the House Calendar.

Mr. MURRAY of Tennessee: Committee on the Post Office and Post Roads. H. R. 3238. A bill readjusting the rates of postage on catalogs and similar printed advertising and other matter of fourth-class mail, and for other purposes; with amendment (Rept. No. 648). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON of North Carolina: Committee on Ways and Means. House Joint Resolution 208. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code; without amendment (Rept. No. 649). Referred to the Committee of the Whole House on the State of the Union.

Mr. JARMAN: Committee on Printing. House Concurrent Resolution 60. Concurrent resolution authorizing the printing as a public document of a revised edition of House Document No. 619, Seventy-seventh Congress, entitled "Our American Government: What Is It? How Does It Function?" and providing for the printing of additional copies thereof; without amendment (Rept. No. 650). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JENNINGS: Committee on Claims. S. 392. An act for the relief of Nebraska Wesleyan University and Herman Platt; without amendment (Rept. No. 633). Referred to the Committee of the Whole House.

Mr. GRANAHAN: Committee on Claims. H. R. 892. A bill for the relief of Madeline J. MacDonald; without amendment (Rept. No. 634). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. H. R. 1007. A bill for the relief of Mrs. Beatrice Brown Waggoner; with amendment (Rept. No. 635). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 1003. A bill for the relief of Mrs. Harriette E. Harris; with amendment (Rept. No. 636). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 1313. A bill for the relief of Lester B. McAllister and others; with amendment (Rept. No. 637). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. H. R. 1320. A bill for the relief of M. Elizabeth Quay; without amendment (Rept. No. 638). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 1560. A bill for the relief of J. B. Grigsby; with amendment (Rept. No. 639). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. H. R. 1595. A bill for the relief of the borough of Beach Haven, Ocean County, N. J.; with amendment (Rept. No. 640). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. H. R. 1678. A bill for the relief of Batista Illinico; with amendment (Rept. No. 641). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 1856. A bill for the relief of Southwestern Drug Co.; without amendment (Rept. No. 642). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 1891. A bill for the relief of the Grandview Hospital; without amendment (Rept. No. 643). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 1917. A bill for the relief of John R. Jennings; with amendment (Rept. No. 644). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 1958. A bill for the relief of L. A. Williams; with amendment (Rept. No. 645). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 2060. A bill for the relief of D. W. Key; with amendment (Rept. No. 646). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 2226. A bill for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells; with amendment (Rept. No. 647). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FARRINGTON:

H. R. 3361. A bill to amend paragraph (1) of section 73 of the Hawaiian organic act, as amended; to the Committee on the Territories.

By Mr. CANNON of Missouri:

H. J. Res 208. Joint resolution making an appropriation for emergency flood-control work, and for other purposes; to the Committee on Appropriations.

By Mr. HOPE:

H. Res. 278. Resolution authorizing the Committee on Agriculture to investigate the effect upon the food supply of the order of the War Production Board to permit distillers to manufacture distilled liquors for beverage purposes during the month of July 1945; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States to enact legislation to assist families of servicemen; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States to exempt from taxation the income of overseas veterans to the limit of $5,000; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JENNINGS:

H. R. 3362. A bill for the relief of O. P. Henry; to the Committee on Claims.

H. R. 3363. A bill for the relief of Paul W. Mankin; to the Committee on Claims.

H. R. 3364. A bill for the relief of E. C. Browder and Charles Keylon; to the Committee on Claims.

By Mr. MONRONEY:

H. R. 3365. A bill for the relief of Kay Beth Bednar; to the Committee on Claims.

By Mr. LEA.

H. R. 3366. A bill for the relief of Thomas M. Farley, Susie Farley, Donna Louise Farley, Henen Moss, and Melvin Moss; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

816. By Mr. COCHRAN: Petition of William Bierman and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

817. Also, petition of Paul Lungstras and 33 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

818. Also, petition of W. J. Wright and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

819. Also, petition of H. M. James and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

820. Also, petition of C. F. Fostner and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

821. By Mr. ROWAN: Petition of Polish Roman Catholic Union of America, Chicago, Ill.; to the Committee on Foreign Affairs.

822. By Mr. SUMNERS of Texas: Petition of the Citizens Joint Committee on National Representation for the District of Columbia, and the president of the Constitution and Cooperative Organization, whose names are subscribed hereto; to the Committee on the Judiciary.

823. By the SPEAKER: Petition of city of Dearborn, petitioning consideration of their resolution with reference to protesting the action of the Federal Public Housing Authority; to the Committee on Banking and Currency.

824. Also, petition of the Alameda County Council of the Veterans of Foreign Wars of the United States, petitioning consideration of their resolution with reference to urging that Congress expedite the payment of compensation claims by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

SENATE

FRIDAY, JUNE 1, 1945

(Legislative day of Thursday, May 31, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, hushing our thoughts to stillness, we would school our spirits in sincerity and truth as we wait before Thee who knowest the secrets of our hearts.

We pause at this wayside altar, not just to bow our spirits in a passing gesture of devotion and then go on our busy way with lives empty of Thee; rather, we come to ask Thy presence and Thy guidance as this day we face the stress of decisions, the strain of toil, the weight of burdens, and the call of duty. Despite the brutalities of man, keep love's banners floating o'er us as we march breast forward in the ranks of those who do justly, love mercy, and walk humbly with their God. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 31, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 510) to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes, with an amendment in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2600) to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended.

The message further announced that the House had passed a bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 60) authorizing the printing as a public document of a revised edition of House Document No. 619, Seventy-seventh Congress, entitled "Our American Government: What Is It? How Does It Function?" and providing for the printing of additional copies thereof, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 1804. An act to amend the act of Congress entitled "An act for the relief of the Tlingit and Haida Indians of Alaska," approved June 5, 1942; and

H. R. 2600. An act to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of inter-

state petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended.

CONGRESSIONAL EXPENSE ALLOWANCE

Mr. OVERTON. Mr. President, this morning's Washington Post contains an editorial typical of the fight now being waged by sundry editorial writers against the expense allowance which the House voted for its Members, to be used toward assisting them in defraying expenditures incurred in the discharge of their official duties. The editorial is captioned "Time for Retreat." It presents the time-worn threat of public indignation and loss of votes against Members of the Congress who dare to undertake to give to themselves the benefits that they so generously accord to all other Government officers and employees and to the taxpaying public generally.

The gist of this propagandizing editorial is contained in the following sentence:

Since the Senate has declined to accept any such increase for itself, the House is forced to back away from its impetuous decision or brace itself for an outpouring of public wrath that will react against our entire legislative system.

This is the old "bundles-for-Congress" scarecrow that was so effective a few years ago against any provision for the retirement of our national legislators. It is the oft-repeated and, unfortunately, oft-acted-upon suggestion that the Congress should determine national policies by the number of votes that its Members would either lose or gain.

The contention is wholly fallacious in this particular instance.

To paraphrase the language of the late President Franklin D. Roosevelt, the Members of the House "have nothing to fear but fear itself." If they adhere to the provision which they originally agreed to by an overwhelming majority, they should and will receive the admiration of all who applaud men for having the intestinal stamina to stand by their convictions. If the House Members now undertake to strike the provision from the bill, they may run the risk of making themselves the laughingstock of the Nation.

The House allowance is not and cannot be a subject of conference between the two Houses, because the House provision was approved by the Senate, and that on a record vote. But the Washington Post suggests that a very unusual procedure be adopted, and that is for the House to beat a retreat by the use of a concurrent resolution directing the elimination of the expense-account item from the legislative appropriation bill. This suggestion is not original with the Post's editorial writer. It has been rumored that some of the leaders of the House have been seriously thinking of pursuing such a course in a frantic effort on their part to have the House, with the concurrence of the Senate, strike from the bill the provision which both Houses have agreed to and which will afford the Members of the House a reasonable expense fund. These leaders evidently look upon the allowance as being what the Washington Post describes as "a hot potato." They are afraid for the House to take the allowance.

The Senate has lost its allowance; the House has won it and is afraid to take it. The situation is best epitomized in that ancient classic ditty which runs as follows:

A nigger and a white man are playing seven-up;
The nigger wins the money and is afraid to pick it up.

[Laughter.]

DISPOSITION OF EXECUTIVE PAPERS

The PRESIDENT pro tempore laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

AMENDMENT OF CONSTITUTION RELATING TO RATIFICATION OF TREATIES

Mr. McMAHON. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution of the General Assembly of the State of Connecticut memorializing Congress in behalf of an amendment to the Constitution concerning the ratification of treaties.

There being no objection, the resolution was received, referred to the Committee on Foreign Relations, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolution memorializing Congress in behalf of an amendment to the Constitution concerning the ratification of treaties

Resolved by this assembly, That the Congress be requested to initiate proper action to amend the Constitution of the United States so that hereafter treaties shall be made by the President, by and with the advice and consent of both Houses of Congress.

The secretary of the state shall forward a copy of this resolution to all Members in the National Congress from Connecticut.

Passed house of representatives May 21, 1945.

Passed senate May 25, 1945.

EDUCATION AND TRAINING OF VETERANS

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD resolutions adopted by the National Association of State Universities, at Chicago, Ill., relating to education and training of veterans.

There being no objection, the resolutions were received, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

I

Whereas there is now much confusion in respect to the charges to be made by the schools for veterans' education: Therefore

Resolved, That this association recommends that S. 781, a bill to amend Veterans' Regulation No. 1 (a) with respect to payments to educational or training institutions, be amended in the following respects:

1. That the Administrator be directed, and not merely authorized, to provide for payments to institutions.

2. That the payments be based on the fair and reasonable cost of furnishing education and training rather than the actual cost.

3. That the payments made by the Administrator to such institutions for the cause of education shall not be chargeable against the veteran in any future accounting.

Resolved further, That this association approve said bill, as so amended, and urge its adoption by the Congress of the United States.

II

Resolved, That the same fiscal policies as above indicated be made effective also in Public Laws 16 and 113.

III

Whereas the so-called accelerated method of instruction, which requires of students year-around attendance in our colleges, has proved to be of value only as a war-training service; and

Whereas it has been demonstrated that this method is financially costly, places too great burdens on the staff, and seriously restricts the educational process: Therefore

Resolved, That this association recommends the abandonment of the accelerated programs as rapidly as this can be done without interfering with the war effort or the needs of veterans.

IV

Whereas the ROTC has for many years been the principal agency for training of reserve officers for the United States Army and the records show that over 115,000 officers trained in these units are now in the military service and that they have assumed great responsibilities for the training of our civilian army and leading that army into battle; and

Whereas the universities and colleges that have ROTC units are to a degree a part of the War Department and will likely continue to be the chief source of supply for reserve officers: Therefore

Resolved, That we petition the War Department that such property as may be needed for the training of men in ROTC units be allotted to these institutions and not declared to be surplus property. To this end, we request the Secretary of War to make this transfer of property in such amounts as is needed in the training programs of the ROTC.

V

Whereas the Navy ROTC has for many years been an important agency for training of reserve officers for the United States Navy and the records show that many officers trained in these units are now in the military service, and that they have assumed great responsibilities for the training of our civilian navy and leading that navy into battle; and

Whereas the universities and colleges that have Navy ROTC units are to a degree a part of the Navy Department and will likely continue to be the chief source of supply for reserve officers: Therefore,

Resolved, That we petition the Navy Department that such property as may be needed for the training of men in the Navy ROTC units be allotted to these institutions and not declared to be surplus property. To this end, we request the Secretary of the Navy to make this transfer of property in such amounts as is needed in the training programs of the Navy ROTC.

VI

Whereas there has been introduced into the current Congress a confusing variety of bills which would authorize large Federal

appropriations for general and specialized educational purposes and programs; and

Whereas such bills would inaugurate new and in some cases conflicting principles and practices in the area of Federal, State, and local control and support of education at all levels—including collegiate instruction and research; and

Whereas several such bills would create new agencies unrelated to our present schools, colleges, and universities, or would impose upon them new duties and direction: Therefore

Resolved, That the National Association of State Universities hereby petition that the Congress of the United States may establish a special joint committee of the House and Senate expressly commissioned to formulate sound principles of Federal-State relationships in the area of educational administration and support for the guidance of the Congress in the consideration of all pending proposals for Federal participation in educational planning and support.

VII

Resolved, That the National Association of State Universities oppose H. R. 2601, authorizing the Veterans' Administration to pay the full established fees up to the present maximum of $500 for any course of short, intensive training of less than 30 weeks in length.

VIII

Resolved, That the National Association of State Universities oppose H. R. 2610 to authorize the utilization of correspondence schools which do not require resident instruction.

IX

Resolved, That the National Association of State Universities views with growing concern reports of the violation of the principles of intellectual freedom at the University of Texas and hereby authorizes its executive committee in its discretion on the basis of facts found by responsible and appropriate agencies, to make unmistakably clear the support of intellectual freedom in the University of Texas by the National Association of State Universities.

X

Resolved, That the association direct its secretary to express to the appropriate committees of the Congress the positive interest and support of the association in the strengthening of the United States Office of Education through increased financial support and the reorganization and expansion of its staff

XI

Voted to instruct the secretary to write to Representative LANHAM, of the Congress, calling attention to the serious situation faced by the colleges and universities with respect to housing married veteran students, and suggesting that consideration be given to:

1. Priorities for construction of housing by the institutions:
2. Permission of student veterans to rent Government housing facilities which may become available, where properly located.
3. Providing temporary housing on or near the campuses.

RESOLUTION OPPOSING FEDERAL HOUSING PROJECT AT DEARBORN, MICH.

Mr. LANGER. Mr. President, I also ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the City Council of the City of Dearborn, Mich., opposing a Federal housing project at Dearborn, Mich.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Whereas on the 14th day of May 1945 the United States of America under the instructions and by the authority of the Attorney General of the United States, and at the request of the Acting Commissioner of the Federal Public Housing Authority, made representations to the United States District Court for the Eastern District of Michigan, Southern Division, by a petition for condemnation under the authority of the United States Code to build temporary housing to be used and occupied by persons engaged in or to be engaged in national defense activities in industries connected with and essential to the natonal defense; and

Whereas the city of Dearborn was made a party in interest in the petition for condemnation involving lands situated and described as being in the county of Wayne in an area bounded approximately by the south right-of-way line of Oakwood Boulevard, and the east right-of-way line of Southfield Super Highway, and the north right-of-way of Snow Road and Outer Drive Boulevard, and the Industrial Expressway, so-called; and

Whereas the Council of the City of Dearborn believes that such land is situated adjacent to the southerly limits of the city of Dearborn; and

Whereas the United States of America, through the Federal Public Housing Authority, seeks to acquire an easement to connect to the existing water main which is the property of and serving the residents of the city of Dearborn in that area; and

Whereas the decision of the Federal Public Housing Authority to insist on locating a project adjacent to the city of Dearborn will be a direct interference with and an invasion of the rights of the city of Dearborn as a local governmental unit to determine its needs and use of its public facilities, and a shocking abuse of Federal wartime emergency power in contravention of the clear and plain mandate of the Congress of the United States; and

Whereas by authority of the Federal law it is specifically provided that the Federal Public Housing Authority shall consult with local public officials so that such project shall conform in location and design to local planning and tradition; and

Whereas the Federal Public Housing Authority on other occasions, as well as the present attempt to force a housing project on and near the city of Dearborn, has failed, neglected, and refused to consult with the local planning officials, or any of the parties in interest to the property sought to be taken for such proposed unnecessary and unwarranted public use; and

Whereas it is determined by this council that the expenditure of public funds for such a housing project is an unwarranted, unnecessary, willful and malicious waste of the public funds and the funds of the taxpayers; and

Whereas the Ford Motor Co. of Dearborn, Mich., is involved in the condemnation proceedings by virtue of being one of the owners of the lands involved in the proposed site, and who did on the 18th day of May 1945, institute an action for a temporary and permanent injunction in the United States district court against the Federal Public Housing Authority and others to restrain further consideration and completion of the proposed defense housing project, on the ground that the necessity for such project does not exist at the present; and

Whereas this council has authorized intervention by the city of Dearborn in such action and is contesting the necessity for such project; and

Whereas an official announcement by the executive board of the UAW-CIO on May 19, 1945, estimates the current lay-off from peak employment in this area at 107,550 employees who were engaged actively in defense war production and who are presently not employed due to termination or completion of defense war contracts by employers: Now, therefore, be it

Resolved, That the mayor and Council of the City of Dearborn do hereby in special session, unanimously and vigorously protest and object to the action of the Federal Public Housing Authority in its insistence upon locating and constructing the proposed project adjacent to the city against the will and wishes of the people; and be it further

Resolved, That such attitude of the Federal Public Housing Authority is a direct interference with and a challenge to the powers of local governmental units to determine the need for housing within the city and to control the use of the public facilities owned and operated by the city of Dearborn, and is in direct contravention of the clear and plain mandate of the Congress of the United States; and be it further

Resolved, That the mayor and Council of the City of Dearborn do hereby find and determine that such proposed Federal housing project is an unwarranted, unnecessary, willful and malicious waste of the public funds, and be it further

Resolved, That the mayor and council, representing the people of the city of Dearborn, are hereby unalterably opposed and vigorously protest the attempt of the Federal Public Housing Authority to construct and locate and appropriate to the use of such defense housing project the public facilities of the city of Dearborn, and to locate such project adjacent to the city of Dearborn for the sole purpose of creating an unnecessary social problem; and be it further

Resolved, That the clerk of the city of Dearborn, be and he is hereby instructed and directed to send a certified copy of this resolution to each United States Senator and United States Representative in Congress, and they are hereby further respectfully requested to lend their aid and assistance to the end that the Federal Public Housing Authority cease and desist from its decision to proceed with such project which the people of the city of Dearborn do not want under any circumstances; and be it further

Resolved, That each United States Senator and United States Representative in Congress lend his aid to the support of an early passage by their respective bodies of a bill to amend the Defense Housing Act to provide that the consent of any city or municipality or unincorporated area be obtained by the Federal Public Housing Authority before any defense housing or any other public housing sponsored by the said Public Housing Authority be granted prior to the consideration of necessity of such proposed project.

AMENDMENT OF FEDERAL FARM MORTGAGE ACT RELATING TO RETURNING SERVICEMEN

Mr. LANGER. Mr. President, I also ask unanimous consent to present for printing in the RECORD and appropriate reference a resolution adopted at a joint meeting of the boards of directors of the Antelope National Farm Loan Association, the Cannon Ball National Farm Loan Association, and the Cedar Valley National Farm Loan Association, held in the city of Mott, N. Dak., on May 9, 1945, recommending that the Federal Farm Mortgage Act be amended so as to protect returning servicemen.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Whereas a great number of young men and women, from the State of North Dakota, now engaged in the armed services of the United

States, will soon be returned to their homes; and

Whereas it is known that the great majority of such returning servicemen will return to their own State, to engage in their former occupation; and

Whereas North Dakota is chiefly an agricultural State, depending almost exclusively upon farming to give employment to such returning servicemen; and

Whereas a great majority of these men have indicated their desire to own and operate their own farms and have a right to expect that such opportunities will be available to them; and

Whereas a soldier's pay is not sufficient to permit accumulation of funds, with which to purchase farms, and

Whereas it is the duty of the Congress of the United States, and of every man and woman within its borders, to assist all such returning servicemen; and

Whereas it is necessary that funds be made available to assist such returning servicemen in purchasing their own farms and to help them rehabilitate themselves; and

Whereas there is now no lending agency operating in the State of North Dakota, offering to lend money on real estate security, with the exception of a few private, individual lenders; and

Whereas such private funds are loaned at an interest rate, greater than our men now in the armed services can afford to pay; and

Whereas the Federal Land Bank of St. Paul, has funds on hand for such purpose, which it urgently desires to lend on such security; and

Whereas the laws of the State of North Dakota conflict with the Federal Farm Loan Act, in that they do not recognize any personal liability on the part of the borrower; and

Whereas it is not possible at this time to amend the present State laws of North Dakota: Now, therefore, be it

Resolved, That the boards of directors hereinafter named, adopt a resolution, recommending and urgently requesting that the Federal Farm Mortgage Act be amended, as to any and all features now in conflict with the laws of the State of North Dakota, to protect the rights of such returning servicemen, and to make available to them, first-mortgage farm loans, through the medium of the Federal land bank system; be it further

Resolved, That this resolution be mailed to the Governor of the Farm Credit Administration, with copies to all Members of Congress from this State.

Antelope National Farm Loan Association, E. T. Saunders, President; Cannon Ball National Farm Loan Association, O. H. Opland, President; Cedar Valley National Farm Loan Association, R. F. Stine, President; S. S. Reishus, Secretary-treasurer, National Farm Loan Associations, Mott, N Dak.

REPORT OF A COMMITTEE

Mr. GREEN, from the Committee on Public Buildings and Grounds, to which was referred the joint resolution (S. J. Res. 31) relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes, reported it with amendments and submitted a report (No. 322) thereon.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on May 31, 1945, he presented to the President of the United States the following enrolled bills:

S. 383. An act to provide for the further development of cooperative agricultural extension work; and

S. 938. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate reports for the month of May 1945, from the chairmen of certain committees, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the table and to be printed in the RECORD, as follows:

SENATE COMMITTEE ON PUBLIC LANDS AND SURVEYS

MAY 31, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of May, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944 (see attached memorandum):

MAY 31, 1945.

Memorandum to Senator CARL A. HATCH, chairman, Senate Committee on Public Lands and Surveys.

From: Senator PAT MCCARRAN, chairman, Subcommittee on the Administration and Use of Public Lands.

Those detailed from the Department of Agriculture, Forest Service, to assist with the work of the above subcommittee are as follows:

E. S. Haskell, senior administrative officer, Forest Service, CAF-12; basic salary $5,000 per annum.

Elizabeth Heckman, clerk CAF-5; basic salary $2,000 per annum.

COMMITTEE ON PENSIONS

JUNE 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of May, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Louis J. Meyerle	612 Bennington Dr., Silver Spring, Md	Veterans' Administration	$5,000

JAMES M. TUNNELL, *Chairman.*

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Colorado:

S. 1079. A bill to establish a Department or Bureau of Medicine and Surgery in the Veterans' Administration; to the Committee on Finance.

By Mr. BARKLEY (for Mr. THOMAS of Utah):

S. 1080. A bill to amend Public Law 347, Sixty-fourth Congress, approved February 23, 1917; to the Committee on Education and Labor.

By Mr. LANGER:

S. 1081. A bill for the relief of Aftab Ali; to the Committee on Claims.

S. 1082. A bill to provide for changing the design of the uniform of enlisted personnel of the Navy and Coast Guard; to the Committee on Naval Affairs.

By Mr. CHAVEZ:

S. 1083. A bill to authorize the issuance of service medals to members of the armed forces who have served or may serve in any Asiatic or western Pacific Ocean area subsequent to December 7, 1941, and prior to the termination of hostilities in the present war; to the Committee on Military Affairs.

HOUSE BILL REFERRED

The bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes was read twice by its title, and referred to the Committee on Naval Affairs.

INVESTIGATION RELATING TO RECONVERSION OF INDUSTRY TO CIVILIAN PRODUCTION

Mr. LANGER. Mr. President, it is no gross exaggeration to say that the very future of our postwar industrial problems depends upon whether or not we continue to allow indifference, greed, blindness, and graft to control policies of our reconversion production.

This great country blundered into war production, and it appears likely that if some immediate action is not taken, we shall blunder back into reconversion and postwar production. Who will deny that our shortages of basic raw materials during this great war was not due to faulty planning by Government agencies before Pearl Harbor, due to lack of coordination between the Army, Navy, Marine Commission, and WPB, due to our failure to realize the inadequacies of our priority system?

Our production facilities increased at such a rapid speed that they were soon out of step with raw material supplies. Pricing regulations failed to stimulate production. There were conflicting statistical estimates. Military leaders refused to substitute plentiful materials for scarce items. We encountered inadequate stock piling and we met discouraging delays in getting our synthetic production started.

Today this Government is doing an inadequate job toward reconverting to

postwar production. What are we waiting for? If this terrible World War ceased tomorrow, our Government would be completely unable to cope with the predicament. We are all cognizant of the fact that the military men and big business executives who are now in control of this war effort are reluctant to start reconverting now. If this Government does not take the situation to task and out of the hands of these greedy and selfish war contractors and their satellites in the War and Navy Department, we will be facing a staggering postwar unemployment problem of ten to twenty million citizens. This whole thing is pathetic. Political and big business pressure groups are interfering with efficient return to postwar production of needy and vital products. Small business and returning veterans anxious to start in business for themselves are being given a tremendous run-around by our bureaucrats in Washington. Priorities and manpower are steadfastly being refused to them. Big business must not be allowed to control postwar production or the price of postwar commodities. Who will deny that big business was not well taken care of in the war contracts? Who will deny that big business did not grab every war contract in sight to the disadvantage of the smaller concerns? Who will deny that big business did not entrench itself deeper in control of our industrial world at the expense of small competitors? No one can deny these facts; for everyone knows that six big and powerful companies obtained 50 percent of all war contracts.

We have had many little business casualties and little Pearl Harbors right here at home during this heart-breaking conflagration. Big business is determined to wait until the war is completely over. Yes, wait until they have completed their tremendous war contracts before they will permit reconversion or allow little business or our veterans to engage in the production of peacetime necessities. In the light of what appears to be taking place behind the scenes of Washington officialdom, America is facing bitter economic conflicts in the postwar era.

I submit it is time for a show-down. I submit that American people are entitled to know the facts. Imagine my surprise when I picked up the April 2, 1945 issue of Time magazine and read the Foreign News, page 34. Under the title "Signs of Peace," I noticed this story:

> In the sparkling sunlight, Britons looked up at the endless parade of planes bearing war to Germany. In every heart the hope was high that here, at length, was Winston Churchill's last big heave to end the war.
>
> There were other signs of coming peace. On a Midlands country road, gaffers gaped at shiny new cars under test for postwar motorists. In a Warwickshire ammunition-box factory, civilian gas stoves began coming off the assembly lines at the rate of 100 a week. The Government's new prefabricated homes were mushrooming all over bombed Britain.
>
> From the Ministry of Supply came an unostentatious announcement that 19 government-owned war factories, employing 50,000 workers, had been released for civilian production. Simultaneously came news that one of Britain's leading automobile makers, Standard of Coventry, whose trade-mark is a Union Jack, had been freed from war output a month ago. Dunlop of Speke (manufacturer of rubber products) had been similarly released last fortnight.
>
> The switch-over will swell each week. War contracts must be completed first, but plants may reconvert before the end of the war with Germany. For roofless Britons, patiently trudging to work in their shiny trousers and shabby dresses, home-front production will give priorities to clothing, building material, household equipment. Cars, tires, refrigerators, electrical gear, machinery will get preference for the vital export markets.
>
> First of the Allies to declare war, Britain is intent on being first to turn back its industry to peace. Its vast, humming workshops have multiplied manyfold since 1940, when, in all England, there was but one drop hammer—a prewar, German-made model—capable of forging the life-and-death Spitfire crankshafts. (The man in charge of operating that precious hammer, 49-year-old William Forster, received the British Empire Medal in 1943; but only last week, when the story was told in Parliament, did Britons find out why.) Already those desperate days seemed far away.

Mr. President, if England can undergo reconversion to peacetime production, mind you, gearing itself up for export markets, why are we in America dilly-dallying and blundering around, ignorant and indifferent as to what is going on among our allies, and God only knows what is taking place behind the Russian scene.

Then, in the New York Times of May 1, 1945, I noticed two pictures headed "Housekeeping on a lend-lease basis in London," with the captions "Prefabricated American-built homes will supplement those being turned out by British factories to aid in solving problem of providing adequate accommodations until the country's bombed areas are built up," and "At work in the modern kitchen."

This is a problem which must be studied and studied immediately and studied without bias or prejudice. This investigation must be based on facts and let the chips fall regardless of the effect on some of our sacred cows.

Therefore I ask unanimous consent to submit a resolution providing for an investigation by the Special Committee on Postwar Economic Policy and Planning of policies of Government departments and agencies relating to reconversion of industry to civilian production, and ask that it be appropriately referred.

There being no objection, the resolution (S. Res. 130) submitted by Mr. LANGER, was received and referred to the Committee on Finance, as follows:

Resolved, That the Special Committee on Postwar Economic Policy and Planning established pursuant to Senate Resolution 102, Seventy-eighth Congress agreed to March 12, 1943, as amended and supplemented, is authorized and directed to make a full and complete study and investigation with respect to policies being followed by the various departments and agencies of the Government in dealing with problems relating to the reconversion of industry to civilian production, with a view to ascertaining (1) whether, as a result of such policies, reconversion is being unduly retarded, and (2) the extent to which such reconversion can be accelerated without interference with the war effort. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations as it deems advisable.

For the purposes of this resolution the committee shall have all the powers and authority conferred upon it pursuant to Senate Resolution 102, Seventy-eighth Congress, as amended and supplemented, and the limit of expenditures thereunder is hereby increased by $——.

THE SAN FRANCISCO CONFERENCE AND WORLD CONDITIONS—ADDRESS BY SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD a radio address on the subject of the San Francisco Conference and world conditions delivered by him on May 27, 1945, which appears in the Appendix.]

THE CATTLE INDUSTRY AND TARIFF REDUCTION—STATEMENT BY F. E. MOLLIN

[Mr. LANGER asked and obtained leave to have printed in the RECORD a statement by F. E. Mollin, executive secretary of American National Livestock Association on the subject of the cattle industry and a further reduction in the tariff, which appears in the Appendix.]

PROPOSED FAIR EMPLOYMENT PRACTICES ACT—EDITORIAL FROM THE HIGH POINT (N. C.) ENTERPRISE

[Mr. HOEY asked and obtained leave to have printed in the RECORD an editorial discussing the so-called Fair Employment Practices Act, published in the May 25, 1945, issue of the High Point Enterprise of High Point, N. C., which appears in the Appendix.]

RESPONSIBILITY OF CONGRESS TO THE CITY OF WASHINGTON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial on the subject of the responsibility of Congress to the city of Washington, published in the Washington Post, which appears in the Appendix.]

CHICAGO MUNICIPAL TRANSPORTATION SYSTEM—ATTITUDE OF JUDGE MICHAEL L. IGOE

[Mr. HATCH asked and obtained leave to have printed in the RECORD an article entitled "Sun Inquiry Shows Friends of Judge Igoe in Fat Car Line Posts," published in the Chicago Sun of May 30, 1945, which appears in the Appendix.]

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDENT pro tempore. The clerk will state the next amendment reported by the committee.

The next amendment was, under the subhead "Soil and moisture conservation operations," on page 3, line 15, after the word "including", to strike out "$86,000" and insert "$92,000"; in line 20, after the word "vehicles", to insert "hire, maintenance, and operation of aircraft"; and in line 21, after the amendment just above stated, to strike out "$1,056,882" and insert "$1,500,000."

The amendment was agreed to.

CONDITION OF THE AMERICAN INDIAN

Mr. LANGER. Mr. President, it seems to me that this is about as good a time as any to bring to the attention of the Senate of the United States the pitiable, deplorable condition of the American Indian. I propose today to take some time to do that. I shall take a typical county of the State of North

Dakota, Rolette County, and show that the great American Republic, sending billions upon billions of dollars to almost every country on the globe, has let the Indians of this country down.

I shall read from a report prepared by a Democratic Governor of North Dakota, John Moses, who was elected to the United States Senate, and died only a short time ago. The report was prepared in March 1940. It covers a period of 6 years prior to that time.

On page 12 of the report of Governor Moses we find this summary:

A summary of the population study shows that of the 4,618 Indians listed in the study of Rolette County, N. Dak., 3,442 are enrolled and 1,776 are nonenrolled, and that 3,157 of them live on the reservation and 1,461 live off the reservation.

Mr. President, I was Governor of North Dakota just before Senator Moses was Governor. There were 1,461 Indians off the reservation, and we could not get one dollar of Federal money or State money with which to feed them. The authorities merely said, "Let them starve to death." The result was that those poor Indians who got $6, $7, $8, $9, and $10 a month on which to live, not only had to take that miserable pittance with which to provide food for themselves and their families, but all the relatives of these 1,461 Indians came to live with them, and so in a shack with 1 room, 10 Indians would be living. I saw that personally, as Governor of North Dakota, and it was shown to me by the county nurse of Rolette County. We saw an old Indian woman, 80 years of age, sleeping on the floor.

The report continues:

The agency census shows that the population has doubled since 1920.

Talk about race suicide! We do not find it among the American Indians. The population has doubled since 1920.

Of the total Indian population there are—

Or were at the time the report was prepared—

2,066 below the age of 15; 1,238 between the ages of 16 and 25; 1,424 between the ages of 26 and 64; and 194 past 65 years of age. The sexes are about equally represented.

Listen to this, Mr. President:

Of the 997 households, 436 are owners of the land upon which they reside—

Which is not quite half—

246 are renters, and 315—

Out of 997—

are squatters.

They simply live upon the land. They do not own it, they do not rent it, they just squat there.

Of the 436 who are landowners, 57 are self-supporting, 136 are partially self-supporting, and 241 are totally dependent.

Two hundred and forty-one families are totally destitute.

Of the total group—

Of 997 families—

94 are self-supporting—

Not even one-tenth—

218 are partially self-supporting, and 685 are totally dependent. As to employment, 808 heads of households are employable, with 710 of them unemployed and 189 unemployable. On March 1, 531 households were being assisted through WPA, 80 through NYA, 7 through CCC, 10 through CCC–ID, 98 through FSA, 4 through general relief, 556 through surplus commodities, 13 through Indian agency rations.

Mr. President, that will be a great surprise to many. The average American citizen believes that the Indian gets a ration.

Mr. BUSHFIELD. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield.

Mr. BUSHFIELD. I am sorry I did not reach the Chamber before the Senator began his remarks. I am very much interested in what he is saying. I am wondering whether the Senator from North Dakota has any comment to make as to the reason why the Indians of South and North Dakota are in the economic condition in which they are at present. My own feeling is that it has been largely due to the action of the United States Government, and the Indian Office particularly, and the way in which they have managed the affairs of the Indians.

Mr. LANGER. The Senator from South Dakota is correct, and before I conclude my remarks I shall show exactly what the United States Government and the Indian Office have been doing to these poor Indians, how the land has been taken from them, as well as their money, how they have been robbed and robbed and robbed. It is one of the greatest disgraces that ever befell America.

I continue reading from the report of Governor Moses:

Of the total Indian population in Rolette County only about 160 are full bloods.

Mr. President, let us see what rations these Indians were getting along with all the relief I have mentioned.

December 1939 was the critical month in Rolette County as far as subsistence for the Indian was concerned. During this month 700 households—

That is, 700 out of 997. Just think of the proportion!

During this month 700 households subsisted on rations only as provided by the Indian Agency. Sample rations as provided for households of one, two, or five are submitted below. Rations are given twice during the month.

Rations for 1:	*Pounds*
Flour	25
Beans	5
Sugar	5
Pork	7
Rice	5
Baking powder	1
Salt	1
Tea	1
Rations for 2:	
Flour	50
Beans	8
Sugar	8
Pork	10
Rice	8
Baking powder	1
Salt	1
Tea	1

Mr. BUSHFIELD. Mr. President, will the Senator yield further?

Mr. LANGER. I yield.

Mr. BUSHFIELD. I should like to inquire whether the Senator knows that the rations about which he is speaking are immediately cut off by the Indian Office when the Indians go on social security.

Mr. LANGER. Yes; that is a fact.

Here are the rations for five:

	Pounds
Flour	100
Beans	10
Sugar	10
Pork	15
Rice	10
Baking powder	2
Salt	2
Tea	2

That is all they have; that is their diet.

Although the majority of Indian households have several children, neither milk nor any of the other protective foods are included in the ration list.

Mr. President, while great quantities of fruit were rotting in the South, and oranges and apples were rotting in the West, the Indians got none of them, and they did not even get milk. Even little children did not get milk.

That leads me, Mr. President, to refer to what the distinguished Senator from South Dakota [Mr. BUSHFIELD] spoke of on the floor a moment ago—that is, what the Office of Indians Affairs has failed to do for the Indians. I have before me a copy of a letter from the National American Indian Defense Association which it wrote to President Truman. I also have a letter which its president wrote to me under date May 28, enclosing reprint of a statement prepared by him, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

NATIONAL AMERICAN INDIAN DEFENSE ASSOCIATION, INC.,
Hartford, Conn., May 28, 1945.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: I am enclosing a copy of a statement I have prepared, advocating an emancipated citizenship for the American Indians, with the fundamental facts concerning the highlights of the Government's failure to properly solve the problem of the Indian question in the United States.

We most earnestly invite your attention to the facts therein set forth, contemplating an entire reversal of the treatment hitherto accorded the American Indians.

In the light of the facts presented, as you will observe, by various statements in reference to various official governmental documents, we vigorously protest against the so-called Wheeler-Howard Act (Indian Reorganization Act) of 1934, and the concurrent letter of intimidation sent to all employees of the Indian Service by Harold L. Ickes, Secretary of the Interior.

The present situation is so flagrant, and the necessity for a radical change so imperative, that we beg your kind attention to our presentation of the case, with a view to your using your good offices in assisting in the effectuation of the change so greatly needed. And we should esteem it a personal favor, if you would kindly express to us your views and sentiments in relation to this long-delayed consideration of the wrongs that have been inflicted upon a noble and defenseless race of people—our American Indian wards.

Very truly yours,

JOHN E. HAMILTON,
President.

[From the Hartford Times of May 21, 1945]

HAMILTON REQUESTS TRUMAN AID INDIANS

John E. Hamilton, of Hartford, president of the National American Indian Defense Association, today wrote to President Truman, asking him "to give especial consideration to the present pitiful situation of the Government's Indian wards."

Mr. Hamilton told the President that the Government "as trustee, has not been thrifty with the American Indians' estate" and that "the whole administration of Indian affairs is on a hit-or-miss basis."

Mr. Hamilton said lands owned by the American Indians had dwindled from an acreage of 133,000,000 in 1887 to an acreage of only 47,000,000 now, "and this remaining Indian land consists mostly of the semidesert type."

Accusing the Indian Bureau of poor management, Mr. Hamilton said it "maintains an organization of more than 10,000 employees, about 1 employee for every 25 Indians."

Mr. LANGER. Mr. President, I received from the Indian Defense Association a statement which is rather lengthy, but I shall read the important parts of it because I do not know of anything that is more important to these poor people than bringing their plight to the attention of the United States Senate. In a great many places, of course, the Indians do not vote. We do not have very many in my State, and the Indian vote in my State is negligible, but I think the Members of the United States Senate ought to know exactly what is taking place in Washington, in the Office of Indian Affairs here, as well as throughout the country. The statement is prepared by the president of the National American Indian Defense Association, Inc. A copy was also sent to President Truman.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. CHAVEZ. The association from whose statement the Senator is proposing to read is composed altogether of Indians, is it not?

Mr. LANGER. That is correct. I read:

The American public so little informed about the condition of more than one-third of a million of their fellow citizens—

Roughly there are a little more than 400,000 of them altogether—

have a right to know the truth about the dealings between the Government and the American Indian citizen wards.

Before I proceed with the following remarks concerning one of the earliest and one of the most important minority groups of the American democracy, I wish to call attention to the fact, that I am entirely convinced, that the time has come when the Congress of the United States, and the people of this country, should be told the truth about the shameful way in which our American citizen wards have been treated by our Government.

The history of the American Indians is very long; therefore, I will give some of the most important facts concerning the dealings of the Government with the Indian tribes that have inhabited this Republic, and hope that these remarks will help to establish a better understanding and a more sympathetic feeling toward a forgotten race—the American Indians, to whom every paleface in this country is so highly indebted.

Had the American Indian not taught the early colonists how to plant, raise, fertilize, and store corn, those colonists might not have survived to celebrate the first Thanksgiving, and the settlement of America might have been delayed for many years.

I may say, Mr. President, at this point that from the two counties in my State which adjoin the State in which the distinguished Senator from South Dakota lives, 250 Indians are now serving in this war, and, as the Senator knows, only about one-third of the population of that Indian reservation is in the State of North Dakota. Some of them enlisted at 16 years of age. I know a boy named Chaska Wicks, 16 years old, who served in Europe, and who has just returned from the South Pacific.

The paleface man's life is full of American Indian culture. The Indian taught him how to use canoes, snowshoes, toboggans, hammocks, tents, moccasins. The American Indian did not hand over to the paleface man an uncharted continent. It was honeycombed with trails—trails to the best camp and water sites, to the best hunting and fishing grounds, trails over the easiest mountain passes and along the easiest ridges, trails through the safest water courses.

These and many others are material gifts. We can only speculate about the intangible gifts. But we all know that the first paleface settlers found in the New World at least two human ideals that we like to think of as typically American. First, an ideal of physical perfection, of courage, and athletic prowess; and, second, a social ideal of self-reliance, equality, and democracy.

Speaking of democracy, I should like to mention the fact that the Iroquois American Indian Confederacy itself is older than the United States, dating back over 500 years ago when the Mohawk, Oneida, Onondaga, Cuyuga, and Seneca Tribes of Indians entered into a league with each other and established what today might be compared with the United Nations and the Atlantic Charter. In 1715 the Tuscaroras were admitted to the confederacy, whence the name today of the Six Nation Tribes of American Indians. These Indians represent the oldest, though smallest, democracy in the world today.

How many people are there in this country who know that the very form of our Federal Government was built on the pattern of the Iroquois American Indian Confederacy?

That the peculiar characteristics of the Federal Republic now created trace directly through Franklin, Adams, and the other framers of the Constitution of the United States to the Iroquois American Indian league? And it is an established fact though not finally admitted until more than a century after Franklin and Adams both testified to it, that the United States of America owes its governmental system and political organization to the natives of America—the American Indians?

Indeed, it may be said that the constitutional history of the American Indian tribes covers a longer period and a wider range of variation than the constitutional history of the Colonies, the States, and the United States. It was some time before the immigrant Columbus reached these shores, according to eminent historians, that the first Federal Constitution on the American Continent was drafted, the Gayaneshagowa, or the great binding law of the Five (later Six) Nation Tribes of American Indians. It was in this Constitution that pale-faced Americans first established the democratic principles of initiative, recall, referendum, and equal suffrage.

I may say at this point, Mr. President, that we have all four of them now in the constitution of the State of North Dakota.

In this constitution, also, were set forth the ideal of the responsibility of governmental officials to the electorate, and the obligation of the present generation to future generations, which we call principles of conservation.

So it was not Gifford Pinchot who first told us about conservation in this country, Mr. President; it was these American Indians. I call the attention of the Senate to the last speech made by an Indian chief in America, Chief Seattle, away off in the State of Washington. When he delivered his farewell speech he said:

Who protected the buffalo in this country? We never were short of buffalo, and the buffalo were not exterminated until the white man came here and exterminated them.

I continue to read from the statement:

So the Nation's debt to the original American is something that cannot be measured in terms of land or money. It is a debt which cannot be fully repaid no matter what the amount may be. But the paleface Americans can acknowledge the debt and they can approach the American Indians now with the same generosity and good will with which the Indians approached their forefathers.

The paleface Americans in this country are learning to appreciate the significance of American Indian rights for the cause of democracy here in the United States.

So the question is: What sort of treatment dominant groups give to subject groups; how governments treat minorities, and how big countries treat little countries. This is a subject that comes down the centuries, and never was it a more burning question than in this year 1944—even in this month, August 1944.

How has our country properly treated its oldest and most persisting minority, the American Indians; how has it treated them, and how is it treating them now? This is a very important question. I believe that nearly all paleface Americans realize the importance of this question. Many millions of citizens in this country feel an interest, curious and sympathetic and sometimes enthusiastic, in the American Indian minority.

The paleface Americans in this country may still condemn the confiscation of private property, but they should at the same time remember their own record of confiscation right here in these United States of America. They should recall their own actions in regard to people within our own borders. They should remember some of their own faults, and some of the things they have done.

I am not condemning the present generation as being wholly responsible for the evils of an earlier generation, but I do call to the attention of all paleface people in the United States who are now engaged in protesting violence, murder, rape, confiscation, suppression, that they consider some of the things now concerning our own people, or one element of our poulation.

Let me give you a contemporaneous illustration:

At the time the first paleface set foot upon this immense continent, the great nations of Europe were eager to appropriate to themselves as vast an extent of it as they could respectively acquire. Its enormous territory offered an ample field for the ambition and enterprise of all.

Those early European colonizers found the American Indians living in full occupancy of the whole territory that was to become the United States. The hundreds of Indian nations were maintaining a degree of peace with each other such as Europe has not consecutively known from the beginning of its history to its present agonized moment.

These American Indian nations were all democratically organized; nor were the little Indian nations oppressed by the big ones. They had occupied the land for 10,000 years, and they had preserved the forests uncut and unburned, the prairies and western plateaus rich with grass uneroded, the waters unpolluted, the wild-animal life undestroyed. No peoples have loved this Mother Earth of ours as the American Indians loved it, and love it still.

The palefaces made treaties with the American Indian nations. They were in every way solemn treaties, negotiated with formality and ceremony, and then the paleface Americans broke the treaties they had made with the Indians. Again and again and again, down through three centuries and more, and to the many hundreds of ruthless violations, they broke their treaties with the Indian nations. They uprooted the tribes and uprooted them once again, hurling the uprooted tribes back upon the tribes not yet uprooted.

The paleface Americans took away from the American Indians all of their best lands, and tossed them the most worthless scraps of a continent that had once been wholly theirs. They took away from the Indian all but a fraction of his wealth in land, water, and other resources, and even his food supply, insofar as it consisted of game and wild products; and by doing so they charged themselves with the responsibility of keeping the American Indian from want and starvation.

Mr. President, we have here a bewildered people.

That the American Indian is confused in mind as to his status and very much at sea as to our ultimate purpose toward him is not surprising. For more than 100 years he has been spun around like a bindfolded child in a game of blind man's buff. Treated as an enemy, overcome, driven from his lands, negotiated with most formally as an independent nation, given by treaty a distinct boundary which was never to be changed "while the water runs and grass grows," he later found himself pushed beyond that boundary line, negotiated with again, and then told to sit down by military force upon a so-called reservation, half captive, half protégé. What could an American Indian, simple thinking and direct of mind, make of all this? To us it might give rise to a deprecatory smile. To him it must have seemed the systematized malevolence of a cynical civilization.

To say that the treatment of the American Indian race is disgraceful is an understatement. It has been a disgrace from the very beginning of European colonization in this country. The wrongs they have endured make a lurid and bloody story of ruthless exploitation of a minority and subject race. That shameful history has been fitly called a "century of dishonor," though it is the record of a people calling themselves Christian.

The American Indian has never had a part or lot in determining his destiny. He must yield or perish before the operation of evolution's inexorable law—survival of the fittest.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. OVERTON. Do the Indians in North Dakota vote?

Mr. LANGER. Some do and some do not. I know they do not vote in New Mexico. Only a very few in the State of North Dakota vote. The number is trifling compared with the total population.

Let me say to the distinguished Senator from Louisiana that I live in the town of Bismarck, N. Dak. Time and time again I have represented Indians in the courts. I have seen their land taken away from them. I have seen them deprived of their cattle, even when the Government of the United States furnished them good cattle. I have seen those Indians cheated and robbed time and again. Mr. President, it is time that someone brought this matter to the attention of the Congress.

I continue to read from the statement by Mr. Hamilton:

The history of the American Indians during the past 300 years and more is a tragic one, and the record toward the Indians is blotted and blurred, and calls for the condemnation of just men everywhere.

On November 17, 1777, it was agreed to by Congress and reported to the various States that paragraph 4 of article 9 of the Articles of Confederation provided "That the United States in Congress assembled shall also have the sole and exclusive right and power of regulating the trade and managing all affairs with the Indians not members of any of the States."

The question remained, however, How could the United States deal with the Indians who were not members of any State? All such Indians were organized in tribes. Therefore, since there was no way for Congress to deal with such people other than by mutual agreement, the Secretary of War proceeded at once to invoke the treaty-making power of Congress to negotiate a treaty with the Delaware Tribe of Indians, which was executed September 17, 1778. This was the first Indian treaty of the United States.

At this time, however, the States of Massachusetts, Connecticut, New York, and Virginia were all laying claims based on their colonial charters to the unorganized territory north of the Ohio and east of the Mississippi Rivers, an imperial region consisting of nearly 266,000 square miles.

As a result of the so-called reservation system, the various tribes or bands of Indians were brought together, forcibly if necessary, and placed on tracts of the public domain that were set apart and reserved for their use and occupancy. On these so-called reservations the Indians were required to remain, and it was stipulated by the Federal Government in turn that they should not be molested.

Mr. President, at this time I ask unanimous consent that as a part of the remarks I am making there be printed and considered as a part of them not only those of Mr. Hamilton, president of the National American Indian Defense Association, Inc., but also my own remarks based upon my own experience with Indians in the State of North Dakota and in some of the other States. I make this request so that these remarks may not be printed in small type in the CONGRESSIONAL RECORD, but may be printed in type large enough so that the average person can read it.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LANGER. Mr. President, I read further from Mr. Hamilton's remarks:

With a few unimportant exceptions, all Indian tribes were originally placed on these so-called reservations. Reservations were tracts of land set apart for them and guaranteed to them by the United States. This was done partly as a military measure to confine the Indians and to open up the rest of their territory to paleface settlement.

Many of the Indian tribes strenuously objected to the reservation system. It was a severe restraint on the freedom they had enjoyed from time immemorial. Moreover, the encroachments of the paleface settlers had in many instances practically driven away or exterminated the wild animal life or game upon which the Indians depended for subsistence. This is practically true of the buffalo, which at one time literally covered the great western plains and supplied food, clothing, and shelter for many of the Indian tribes. This animal was practically exterminated within a few years by the professional buffalo hunters of the early pioneer days, who slaughtered these animals by the millions for their skins.

Mr. President, at the time when the white men entered North Dakota there were hundreds of thousands of buffalo there. Today there are less than 200 in the entire State.

I read further:

There came a time when the advancing tide of immigration overtook and engulfed the American Indian and surrounded him on all sides. The removal policy was no longer practicable. There was no place where the Indian might go. The American Indians have been thrust into an economic, spiritual, and social no-man's land, which has reduced many of them to almost psychopathic resentment, hopelessness, and apathy.

If you want to find a dependent people, backward, full of fear, with no initiative of any kind, go to those Indians on the reservations. Among the Indians may be found hundreds and hundreds who say they are willing to part with their lands because they are not permitted to do anything that will be to the advantage of the community or exercise any of that individuality or those desires with reference to their property. All American Indians of the United States are citizens.

I wish to call that point to the attention of the distinguished senior Senator from Louisiana [Mr. OVERTON], who a few minutes ago asked whether the Indians vote.

I read further:

The Congress has no right, the Indian Bureau or any other department of the Government has no right, to put the Indians into a community they do not wish to join and then make the community separate and apart from citizenship.

Surely the time has come for the paleface Americans to ponder seriously the noble words of President Grant:

I may say that President Grant came to North Dakota to dedicate the capitol at Bismarck; the first capitol the State had. This is what he said:

Our superiority of strength and advantages of civilization should make us lenient toward the American Indian. The wrongs inflicted upon him should be taken into account, and the balance placed to his credit. The moral view of the question should be considered and the question asked, Cannot the American Indian be made a useful and productive member of society by proper teaching and treatment? If the effort is made in good faith, we will stand better before the civilized nations of the earth and in our consciences for having made it.

That is what President Grant said in 1890 in the State of North Dakota, when he went there, while he was President of the United States, to dedicate the capitol.

I read further from Mr. Hamilton's statement:

President Jefferson, in his second message to Congress, thus expressed this hope: "The ultimate point of rest and of happiness is to let our settlements and theirs (the American Indians') meet together, to intermix and become one people. Incorporating themselves with us as citizens of the United States

is what the natural progress of things will bring on; it is better to promote than to retard it."

At the time of the Revolutionary War, George Washington was impressed with the problem of providing a government whereby he could centrally control those 13 widely separated colonies that were pulling in 13 different directions. He sent for Benjamin Franklin and Timothy Pickering to sit in council with the Six Nation Tribes of Indians—

To do what?—

to study their methods of government.

The American Indians at that time were a free people and recognized as sovereign powers. Following the Revolutionary War, certain treaties were made by and between the United States Government and the Six Nation Tribes of Indians. In addressing the Seneca Indian chiefs in 1790, George Washington, then President of the United States, said to them, in part: "I, President of the United States, by my own mouth, speak to the Seneca Nation, and desire their attention and that they keep this speech in remembrance of the friendship of the United States.

"In the first place"—

Washington said—

"I observe to you and request it may sink deeply into your minds, that it is my desire and the desire of the United States—that, in the future, the United States and the Six Nation Tribes of Indians should be truly brothers, promoting each other's prosperity by acts of mutual friendship and justice. The General Government will never consent to your being defrauded, but it will protect you in all your just rights. So long as the grass grows green and the water flows, the New Republic will respect your rights. The United States desires to be the friends of the American Indians, upon the terms of justice and humanity. * * * The United States will be true and faithful to their engagements."

That was said by the President of the United States, George Washington, our first President. Mr. President, I repeat his words:

So long as the grass grows green and the water flows, the New Republic will respect your rights.

I ask everyone within the sound of my voice to listen to what has happened since then:

The American Indians have remembered those words of Washington, and if there be any people in these United States who are entitled to sing "My Country, 'Tis of Thee, Sweet Land of Liberty," it is certainly the right of the American Indian people. Liberty, personal freedom—the Colonists came here to find it. The American Indians took them in and gave them of their best, their food, clothing, and even their form of government. The Indians helped to establish that principle of freedom for this Government in the Revolutionary War.

It is on record, and there it must remain, that to the first comers from Europe, at every point of our mainland and islands, the American Indians extended a kindly and gentle welcome.

Let us not forget that when the first paleface people came to these shores the Six Nation Tribes of Indians had a democratic representative form of government, a league of nations, woman suffrage, and a religion which in all principles and teachings bears a startling resemblance to that of our present Christian faith.

Mr. President, what is the record? I wish to have the attention of the distinguished senior Senator from the State of Arizona [Mr. HAYDEN] in connection with my discussion of this point. The records of the Land Office show that down to 1880 nearly a billion acres of public land to which the American Indians' title had originally attached, have been disposed of, with total receipts to the Federal Government of $233,000,000.

Before I shall have concluded my remarks I may ask that the pending bill be amended so that this poor Indian tribe in the Turtle Mountains may have sufficient money to buy additional land. At the present time they do not have enough land. They have only 4 or 5 acres apiece, much of it being hilly and covered with stones. I wish also to bring to the attention of every Senator in this Chamber what happened to the Indian land, and what disposition was made of vast sums of money in connection with the sale of Indian land.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. HAYDEN. The subject of the acquisition of lands for the benefit of the Turtle Mountain Indians was brought to the attention of Congress about 2 years ago. At that time the following provision was included in the appropriation bill:

For the acquisition of lands, improvements, interest in lands, water rights and surface rights to lands, within and adjacent to the Turtle Mountain Reservation, N. Dak., and for expenses incident to such acquisition in accordance with the provisions of the act of June 18, 1934 (48 Stat. 984) and the act of May 24, 1940 (54 Stat. 219) $100,000.

An amendment of that nature was agreed to on a prior occasion, and some progress has been made in the acquisition of land. If the Senator wishes to offer in similar language an amendment to the pending bill I shall be glad to accept it and take it to conference.

Mr. LANGER. I thank the Senator very much.

Mr. HAYDEN. My recollection of the presentation which was made by my former colleague is that these were very deserving Indians who needed extra land on which to make a living. The only thing which could be done under the present circumstances is to follow the procedure which was adopted before. I should be very glad to hand the language to the Senator. After he has looked it over if he wishes to offer it as an amendment to the bill I shall be glad to take it to conference.

Mr. LANGER. If it is agreeable to the Senator from Arizona, I will offer it at this time.

Mr. HAYDEN. It will have to be offered when we reach the proper place in the bill.

Mr. LANGER. I offer it at page 19 of the bill, at the end of line 15.

Mr. HAYDEN. We must first dispose of the committee amendments. We have reached only page 3 of the bill. If the Senator will watch the bill as we proceed to consider the committee amendments, and will offer it when page 19 has been reached, I shall be glad to accept it.

Mr. LANGER. I will send it to the desk and offer it at the proper time.

Mr. President, I am sure the Senator from Arizona will not object to my taking time to place in the RECORD the facts in which I am interested, so that the American people may know what the situation is. I will hurry along as fast as I can.

I continue reading from Mr. Hamilton's statement:

SHRINKAGE OF INDIAN LAND AND DISSIPATION OF VAST SUMS OF MONEY

The records of the Land Office show that down to 1880 nearly a billion acres of public land to which the American Indians title had originally attached, had been disposed of with total receipts to the Federal Government of $233,000,000. In the hands of the Government remain another billion acres of public land valued at $1,000,000,000, while the partly indifferent land reserved to the use of the Indian tribes out of their original holdings aggregated but a little over 100,000,000 acres. Pointing to these figures, which speak eloquently for themselves, many individuals familiar with Indian matters have ridiculed the hackneyed fable of the Government's generosity in providing the so-called reservations for the American Indians.

Surely, the greed of the preempters, homesteaders, land grabbers, gold diggers, and the railways at last must be rated with Indian lands.

By a process of natural selection the pale faces saw to it that they got the best and the richest of the Indians' lands. At least half of the remaining Indian landed estate consists of very low-grade grazing lands of the semidesert type. The Indians have lost their lands through sale of their inherited allotted lands, and through the cession to, or seizure by the Government, for settlement by the pale faces. Along with the dissipation of the Indian lands has gone the dissipation of vast sums of Indian moneys derived from the sale of the Government and other lands and other resources, and from claims against the United States for violation of treaty rights.

Let me briefly refer to some of the methods under which the Indian lands have been lost and trust funds dissipated.

During the intervening years since 1887 there have been large accretions to the tribal funds which have gone into the general reservoir from which the Indian Bureau has annually drawn varying amounts from $5,000,000 to $10,000,000. During the past 45 years a half billion dollars of such moneys as have been spent by the Indian Bureau and by Congress for the cost of Indian administration. Over one-half of this money has been spent on the Bureau's own maintenance.

If only a fraction of this money had been wisely invested in capital enterprises, such as housing, agriculture, livestock, and in educating the American Indians by proper teaching, training, developing, and qualifying them to become industrious, self-reliant, qualified, independent, and self-sustaining citizens of the United States, the bulk of the American Indians today could be self-supporting.

How little there is to show for this stupendous sum is manifest to those who have given a superficial study to the conditions of the American Indians over whom the Federal Government is presumed to exercise a benign guardianship. The result, to those who are interested in the American Indians and in the good name of the Government, and who desire to see it discharge its moral and legal obligations, must be exceedingly disappointing.

Never, either to the Indian tribes or to Congress, has the Indian Bureau made an accounting for its use of these hundreds of millions of dollars.

The record of the Government as the guardian of the Indian property is a thor-

oughly bad record, and it forces on the Nation the moral obligation to make at least a partial restitution.

It is my contention that little if any progress is being made under the present educational system now in effect by the Bureau of Indian Affairs to train and develop the Indians in qualifying them for assuming the burdens and obligations of an independent, self-reliant citizenship.

A survey commission authorized by an act of Congress to investigate conditions among the American Indians severely indicates this institution for its education—the Government boarding school. In its report to the Secretary of the Interior it states:

"We are obliged to say frankly and unequivocally that the provisions for the care of Indian children are grossly inadequate." Poor food in quantity and quality, buildings old and neglected, dormitories overcrowded, toilets inconvenient and unsanitary, discipline wrong in character and purpose, archaic of study, vocational training in obsolescent trades, incompetent teachers disclosed deplorable conditions that call for correction in an educational system that is inefficient and ineffective.

The Indian Bureau was established over a century ago—

Remember that, Mr. President—the Indian Bureau was established over a century ago—

as a separate bureau, and its policy, as I have been able to see it, has been largely that of perpetuating Indian segregation in the United States. The policy is what determines any institution or any organization. That is what determines methods; and I have been convinced that the policy of the Indian Bureau system of the United States has been to maintain tribalism, to maintain segregation, and to perpetuate the system of bureau control and domination.

The whole administration of Indian affairs is on a hit-or-miss basis. All finances of the reservations are in the hands of each superintendent. He receives all moneys and buys all goods and is accountable only to the Indian Commissioner, who is accountable only to the Secretary of the Interior.

To maintain—

Listen to this, Mr. President; then hang your head in shame—

To maintain this guardianship of the American Indians the Indian Bureau maintains an organization of more than 10,000 employees—about one employee for every 25 Indians. There are more employees engaged in the Indian Bureau than there are in the entire personnel of many of the great departments of our National Government. Naturally in that kind of a system there is a desire to perpetuate the power and the political jobs.

The Indian Bureau has multiplied employees and expenses to a staggering total. It has woven a web of laws and rules until every step and act of helpless human beings is subject to the Bureau's whims and will. It has repressed protests with an iron hand, violated inherent constitutional rights of men whose only crime was an honest desire to help a people held in bondage. It has been imbecile and inefficient in actual performance, wasting with reckless hands the property of the Indians and funds of the American taxpayers.

The Indian Bureau is wastrel and profligate beyond description. It is a bureaucracy which has grown insidiously like a cancer through its own sinister lust for power and the neglect and indifference of Congress.

I see sitting before me the distinguised junior Senator from the State of South Dakota [Mr. BUSHFIELD]. He told me he was called out of the Chamber a moment ago and so he missed this part of my talk. I desire to repeat it, because I know that he is interested.

To maintain this guardianship of the American Indians, the Indian Bureau maintains an organization of more than 10,000 employees—about 1 employee for every 25 Indians. There are more employees engaged in the Indian Bureau than there are in the entire personnel of many of the great departments of our National Government.

I know the distinguished junior Senator from South Dakota sufficiently well to know that he will help me to wipe out that kind of a situation in the United States of America. He was governor of a great progressive State, South Dakota, too long to tolerate that kind of a situation.

Mr. BUSHFIELD. Mr. President——

Mr. LANGER. I yield to the Senator from South Dakota.

Mr. BUSHFIELD. The policy of the Indian Bureau during recent years has been to force the Indians back into tribal relations—that is what they want to do—instead of making them independent citizens; and the reorganization act passed back in 1933 or 1934 is the mechanics by which they attempt to do that.

Mr. LANGER. I thank the distinguished Senator from South Dakota for his contribution, and I shall be glad to have him interrupt me at any time while I am speaking, for I know his deep interest in this matter.

It (the Indian Bureau) wastes the self-respect of a race and the possibilities of a proud people. It wastes material resources by inefficiency and spiritual resources by setting up decoys that lead the Indians to their doom. It has wasted their labor by setting them to futile tasks which have no value in American civilization. It wastes their youth in segregated schools which perpetuate tribalism. It wastes their maturity by keeping them in wigwams and tepees, and making them aliens in the land of their forefathers. It wastes Indian money, manhood, character, and citizenship.

The Indian Bureau has robbed the Indians of political rights, keeping them from free citizenship the original native-born Americans. It is robbing the Indians of industrial rights by chaining them to where they cannot possibly choose their own occupation or engage in productive industry. It is robbing them of educational rights which belong to every being God ever made, that of becoming through development all that is possible for him to become. Its denial of these rights is slaying the life of a people, and burying the hope of a race.

The Indian Bureau has reached the point where the Indians are almost forgotten and the Bureau is its principal excuse for being. The greatest direct injury to the American Indian is the continued refusal of the Indian Bureau to allow him the freedom of his person—liberty as a free citizen. This, even to an Indian, is far more valuable than property rights.

Any Commissioner of Indian Affairs; yes, including the present one—

The reference is to Mr. Collier—

could with one courageous stroke of his pen, do more than has been accomplished since the inception of the Indian Bureau in 1849 for the constructive help of the American Indian race, by declaring it the policy of the American Government to henceforth treat the American Indian as a free citizen, and not as an Indian.

The Indian Bureau is a petrified, crystallized machine, indifferent to criticism, hostile to reforms, ambitious for more and more authority, with the rapidly expanding personnel. The Indian Bureau is the old man of the sea, more than a hundred years old and still on the backs of the Indians. In its efforts to function, the present Bureau of Indian Affairs appears to be hampered in efficiency by limitless red tape and a sort of creeping paralysis due in part to its goodly number of job holders—10,000 and more. The Bureau will make piteous pleas to Congress to provide money for reimbursables, rations, and hand-outs. It will teach the old Indians obedience to the Bureau and give them endless advice. It will do everything for the Indian but get off from his back.

In this day of conservation, it is time to stop this waste. In this day when overburdened taxpayers are praying for economy it is time to save money where expenditures work an injury to the Indians and the American public alike.

Instead of the American Indians having been made an independent and self-supporting part of the paleface population they have been deprived of the majority of their property and funds and opportunities to equip themselves to fit into their surroundings and into the economical life of this country.

The Indian Bureau holds in the hollow of its hands the welfare and happiness of over 360,000 American Indians. It attempts to interpret and administer 370 treaties, though many of them now have no more force and effect than scraps of paper. It deals with approximately 2,700 laws often conflicting and contradictory. It has made innumerable rules and regulations to govern and control the person and property of these wards of the Nation.

There are on the statute books some 370 treaties and more than 2,000 specific laws relating to American Indians, all arising out of the peculiar relations which the Indians sustain toward the Government. In addition there are hundreds of State laws and court decisions, besides all the rules and regulations for the administration of Indian affairs arising out of congressional enactments, decisions of the Comptroller of the United States Treasury (later the Comptroller General), opinions of the Attorney General, Executive orders issued by Presidents of the United States, and orders from Secretaries of the Interior. All this mass of legislation, decisions, rules, and regulations, have built up during many years a system of administration of Indian affairs which has profoundly affected the American Indian people in a conflicting and contradictory manner.

Enforced control of the American Indian race as has been done, and is continuing even to the point of practical physical enslavement, will never solve the American Indian problem with credit to the Nation. The pitiful condition of thousands of Indian people today is but the natural product of the system.

I do not know of any other place in our civilized world where there is being attempted what the American Government is attempting now and has been attempting for more than 100 years past with the American Indian population; namely, to perpetuate a race off to itself in a government such as ours.

There is just as much reason for separating the Mexicans and the Puerto Ricans and the Jews and the Negroes and various other races, the Irish, the Scotch, the Scandinavians, and every other kind of a race, from the rest of the paleface population.

Let me say this advisedly, that no real constructive step has even been taken to treat with the American Indian race in a way to which they are entitled, either under an honor or moral obligation or under the Constitution of the United States of America.

Many investigations have been made by committees and by disinterested groups of persons who desired to learn the facts concerning the American Indians. Their findings and conclusions warrant a verdict that the Indians have been robbed, plundered, and despoiled of the greatest part of their inheritance, and subjected to cruel and inhuman treatment.

Mr. President, I remember a case in my own State of an Indian who was sentenced to 25 years in the penitentiary by a judge who knew that under our code he could not be given a greater sentence than 5 years. Yet that judge said that an example must be made to the Indians, so he gave him 25 years.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). The Senator will state it.

Mr. LUCAS. What is the question now pending before the Senate?

The PRESIDING OFFICER. The Interior Department appropriation bill is before the Senate for the consideration first of committee amendments.

Mr. LANGER. And the appropriation bill deals with the Indian Office and makes the appropriations therefor.

Mr. LUCAS. Will the Senator from North Dakota yield?

Mr. LANGER. I yield.

Mr. LUCAS. Has the Senator an amendment to present affecting the appropriations?

Mr. LANGER. Yes; $100,000 for the Indians in the Turtle Mountain Reservation, Rolette County.

Mr. LUCAS. I thank the Senator.

Mr. LANGER. I continue the reading:

The criticisms which have been made from time to time by persons interested in the American Indians and those who desired their just treatment have been disregarded by the Government and the Indian Bureau; and the latter is continuing in its old archaic way, with a contemptuous disregard of moral and legal obligations.

* * * * *

I do not believe that anybody can point out a state of affairs involving a trusteeship over property—whether trusteeship by the Government or by a private agency—that is comparable to the trusteeship of the Indian Bureau over the property of the American Indians. As trustee over property, I submit that the Indian Bureau has powers unprecedented and unique, and employs these powers in ways that are unprecedented. Among these powers is immunity from court review.

Just imagine that, Mr. President. How would the present occupant of the chair like to be running a bureau which could not be challenged in court, which was immune from any court proceeding?

Among these powers is immunity from court review and freedom from the requirement of rendering an accounting to the supposed beneficiaries of the trust.

How would the Presiding Officer like to have someone owe him a lot of money, and not be permitted to go into court to get it, and not be able to get an accounting any place in America? That is the way the Indian Office takes care of these 360,000 Indians. They cannot go into court, they cannot get an accounting.

Listen to this, Mr. President:

The Indian Bureau, as a trustee, is not required by law to distinguish between the corpus of the estate and the income from the estate, and it makes no distinction. It consumes, as income, capital assets in the amount of millions of dollars a year; and it distributes, as income, capital assets which under a normal trusteeship would be reinvested to preserve or increase the corpus of the estate.

In the first place, it is a trusteeship which carries with it in addition an unreviewable guardianship power over the person, as well as an unreviewable trusteeship power over the property, of the interested person. A part of this guardianship consists in the absolute control over the uses of such income as may be paid to the beneficiary of the trust.

The expenses of the Indian Bureau have been greatly augmented during the past few years; the number of employees has been multiplied, and more than one-half of the stupendous sum taken from the Indians and from the Treasury of the United States annually has been consumed by the employees of the Bureau.

I wish to repeat that, Mr. President, because no citizen in America would believe it.

More than one-half of the stupendous sum taken from the Indians and from the Treasury of the United States annually has been consumed—

Who got it? Did the Indians get it? No. It has been "consumed by the employees of the Bureau."

I continue:

The same old policies are being pursued, the same old ruts are followed, and the same disappointing results obtained. The present policy of the Indian Bureau system of the United States—

I am referring now to the days of John Collier, not of William Brophy, who was appointed a few weeks ago—

The present policy of the Indian Bureau system of the United States is worse than laissez faire; it diminishes the Indians' resources and leaves them less fortified to meet the struggle for existence or to take a place in the industrial life of the paleface man's society.

Reform is imperatively needed in the Indian Bureau system. The whole system under which it now operates should be changed, all the dead timber thrown out, and a complete reorganization from top to bottom put into effect. Only by this heroic course can the American Indians be saved, their property protected and reserved, and the Indians put on the pathway of advancement materially, morally, spiritually, and educationally.

So long as the Congress shall desist from changing the Indian system, the Indian Bureau will continue to spend what it wants to spend, with practically no reference to what Congress directs it shall or shall not spend. The Bureau will continue to ignore the limitations which Congress writes into the yearly appropriation acts.

Mr. President, I ask unanimous consent that paragraphs 9, 10, and 11 on page 8 and paragraphs 1, 2, 3, 4, and 5 on page 9 be printed in the RECORD at this point as a part of my remarks.

There being no objection, the paragraphs indicated were ordered to be printed in the RECORD, as follows:

The Indian Bureau, increasingly through each year for the past 45 years, has proceeded in building up its centralized, overmanned machinery and personnel, with the effect of charging enormous costs against the Government and the Indian tribes, and of achieving a bureau system whose irresponsibility and inefficiency have become more extreme in recent years. In most of its operations it appears as a conglomeration of destructive, and very expensive, operations unconnected with the real life of the Indians. The Bureau, divorced from the purpose which brought about its operation, has reached the point where the Indians are almost forgotten and the Bureau is its principal excuse for being.

There has been an effort to maintain the status quo as to Indian affairs; and if the system is continued, a hundred years from now will see exactly the same control, with an ever-increasing expense burden on the American taxpayers. We have arrived at a time where it is costing the Federal Government over $40,000,000 a year to administer the Office of Indian Affairs with wards of approximately 300,000 people, a proportion of whom do not participate in any of this amount of money at all in any way. This money is being spent, in my estimation, in a large degree, not for development, not for a real sound progress, but for the perpetuation of a bad system.

I sincerely hope that Congress will begin to envision a definite day when the American Indian shall be an American in every sense of the word. But I am afraid that the Indian Bureau, as long as it has complete authority, will continue in the way it has been going in the past and at the present time. You cannot change bureaucracy without changing the entire system and the entire organization.

There are superintendents of schools on Indian reservations who have not the slightest experience in any kind of educational work. They have come into the service as clerks on the lowest rung, and within a comparatively few years, without having had experience in educational work, are put in charge of the entire system on large Indian reservations. Such a system will never develop those original Americans into self-supporting citizens of the United States.

It is evident if the present policy of the Indian Bureau system is continued the tribal funds owned by the American Indians will be exhausted, and, with the loss of their lands, most of them will inevitably be forced into destitution. However, uncontroverted facts, accurate within a small percentage, show a reduction of the Indian estate by more than three-fourths since 1887.

Not only are the American Indians divested of the control of their property, but they are without right to challenge the dispositions made by the guardian or to demand an accounting. It can be stated in general that the Indian tribal capital and accrued income are spent by the Indian Bureau for any and all uses with which the Bureau concerns itself, from the salaries of the Bureau superintendents down to the purchase of ash trays for the agency buildings. The absolute and almost indiscriminate use of these funds through authority delegated to the several Indian agents by the Commissioner of Indian Affairs are used for such purposes as the purchase of furniture, rugs, draperies, etc., for employees' quarters, papering and painting the superintendents' houses, and the purchase of automobiles for the field units; while the Indians are forced to live in thin canvas tents, the only homes they possess, and to sleep on the ground, summer and winter, and starve to death within sight of all this splendor.

Here is a problem that concerns more than 300,000 human beings born and reared on this continent from time immemorial, still segregated, still within the so-called reservations. This is not American; such a sys-

tem is antagonistic to the basic idea of a government built in equity, where every man, according to the Constitution of the United States, is supposed to have equal rights and equal responsibilities under law.

Mr. LANGER. Mr. President, I want to call to the attention of the Senate that, to begin with, restricted American Indians are the sole and absolute wards of the Congress. These 360,000 people are our wards, the wards of the Congress, and the American Congress ought to be ashamed of itself for the way it treats them.

I continue to read:

Indians are regarded as wards of the United States. Indians are not wards of the executive officers, but are wards of the Nation, acting through executive officers. Their property, whether tribal or individual, is subject to guardianship control. The ultimate guardian is the Federal Legislature. By legislative acts the guardianship has been delegated to the Department of the Interior—sometimes with plenary powers, sometimes with limitations on the powers. These powers of the Department of the Interior are executed by the Bureau of Indian Affairs.

All authority—

All of it, Mr. President—

in Indian affairs arises in and flows from Congress. The American Indians have no court of appeal from the authority of Congress, in fact, they have no fundamental rights, because—

Listen to this, lawyers of the Senate—

Because there can be no judicial review of any action taken by Congress concerning them. One Congress can grant the Indians something and the next Congress can take it away or completely nullify it by other legislation.

Mr. President, I now ask unanimous consent that paragraphs 7 and 8 on page 9 and paragraphs 1 to 10 inclusive on page 10 and paragraphs 1 and 2 on page 11, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the paragraphs were ordered to be printed in the RECORD, as follows:

The American Indians are governed by direct laws of Congress, which apply to no other people in the United States, and the rules and regulations of the Indian Bureau which have been promulgated from time to time under those laws and which, in themselves, have all the force and effect of laws. Why should the Indians be subject to special laws and regulations any more than other citizens in this country? The American Indians in this country were made citizens by the act of Congress in June 1924. Although many of them became voters through the act, the Indian Bureau continues to manage all of their affairs for them and they are now merely "voting wards."

There are not two grades or classes of citizenship in America today under law. Therefore, under law, no paleface Americans, or other class of individuals, have citizenship rights superior to those of the American Indians. Apparently no one will dispute this fact, but in practice the rights which apply in general to other citizens are systematically denied the American Indians under control of Federal law.

The highest officials—the Secretary of the Interior, the Commissioner of Indian Affairs, Members of Congress, and others who profess to know—do not deny, under law, that the American Indians are citizens; but in practice they are illegally, unconstitutionally, and disgracefully deprived of their right to enjoy freedom of person, and their property rights are held under the guise of "helping the Indian."

In a word, Federal Indian Bureau control over the Indian has grown and through hundreds of regulations and orders (amounting to all intents of law) the system seems to have become perpetual. The American Indians are at the mercy of this Bureau of the Federal Government, and the record of the Indian Bureau has been one of disgrace from the very beginning.

The American Indians are legally citizens, but in practice they are wards of the United States. It would seem that there is no more justification for this continued guardianship over the person of the Indian than there would be if similar groups of other citizens were so treated.

RESERVATION SYSTEM

No classes of citizens are thus segregated as are the American Indians. The Indians are tired of experiments. Try this one out on someone else. They say, take the next group of foreigners who arrive in this country, unable to speak English, unlearned in American ways, place them on a so-called reservation such as the Indians, subject to a bureau to which they have no voice, in order to preserve the culture of their ancestors. Why not try it?

Reservation Indians are dependents. The system does not permit the exercise of independence. It limits the opportunities of all who are confined to its environment. Its arbitrary control only allows limited exercise of initiative, and the result is stagnation. The system was brought into use as a prison control camp for Indians to be confined, so the rest of their territory could be opened up for paleface people to make settlements on the Indian lands. The system was to destroy the independent Indians, and give the opportunity to paleface settlers to occupy and develop the farming and grazing lands.

The American Indians are held in this status of "incompetent wardship" from which there is no escape. Restricted or ward Indians can do nothing without the consent of the guardian officials. The Indians cannot legally employ an attorney to represent them in court, without the permission from the Secretary of the Interior. They can neither sell nor lease their property.

Ward American Indians may not enter into contracts except with the Secretary of the Interior's consent. He, practically, must become the contracting party in behalf of the Indians. The trust-administered properties are wholly controlled by the Indian Bureau. Any organization which the Indians may form exists only through Bureau sufferance and is subject to rules and regulations or the arbitrary actions of the Bureau. The Bureau by law approves—that is, selects—the attorneys who may represent the Indians. So on through scores of inhibitions whose total effect is that here described.

The Indians who receive per capita payments are wards of the Government and are subject to the laws prohibiting the making of contracts by or with the Indians except with the consent of the Secretary of the Interior, and to all of the other restrictions of personal liberty and business enterprise elsewhere described herein, which constitutes in their aggregate a denial of the constitutional rights to the American Indians.

The American Indians are born into this status, live in this status, and die in this status. The only tribunal to which they can appeal for relief from any situation which may arise because of this status is to the Congress of the United States. In law and in fact they are the "incompetent" wards of the Nation whose care and well-being have been relegated to a Commissioner of Indian Affairs. Congress is the only body to which they can appeal for protection, or eventual release from this terrible situation.

The American Indians have always been held in a status of involuntary wardship. They were made wards of the Federal Government against their will. They had nothing whatsoever to say about it.

There are some Indians, of course, who should be cared for by the Government. I refer to incompetent Indians, just as incompetent paleface persons need help, but why be declared incompetent as a race? The American Indian should be adjudged incompetent by a court the same as any other person is adjudged incompetent.

When we speak of American Indians, and I am referring to those under Federal jurisdiction, we are not speaking of free people; we are not speaking of free citizens of the United States, but are speaking of a people who have been held as incompetent wards of the Federal Government against their will for more than a century.

Mr. LANGER. Mr. President, I call another paragraph to the attention of the Senate. After all these years here in America with an Indian Bureau 100 years old, listen to this:

Many of the Indians do not know and never have known and cannot find out how much money they have on deposit to their credit, nor where it has gone if it is not there.

I leave it to the distinguished Senator from South Dakota [Mr. BUSHFIELD] if that is not the truth. Any lawyer upon this floor who ever had a lawsuit for or who defended an Indian who was being tried for murder knows that the Indian could not hire him or pay him. The lawyer had to go to the Indian agent, and if the Indian agent liked the Indian he would do something for him, and if he did not like him he would not do anything for him. The Indian cannot sell his wagon; he cannot obtain a mortgage on it; he cannot go to a dentist and have his teeth fixed; he cannot hire a doctor unless the Indian agent says he can. If the Indian agent does not happen to like the particular Indian, then that Indian does not get his teeth fixed. Talk about slavery. That is where slavery exists, Mr. President. Talk about hiring a lawyer to get a divorce. Oh, no. But if the Indian lives with a woman other than his wife and the Indian agent does not like him, the Indian is arrested and put into jail. He has no liberty. I leave it to the distinguished junior Senator from South Dakota to say if that is not the truth. He lives near an Indian reservation contiguous to that in North Dakota, and he knows the situation.

I continue to read:

To an appreciation of the governmental responsibility for conditions, a realization of the status of the hopelessness of the American Indians is essential.

The Indians' condition is absolutely hopeless unless the Congress does something about it, Mr. President.

Broadly speaking, it may be said that they have no property rights that Congress is compelled to respect. Treaty covenants, even when confirmed by act of Congress, convey no rights which the Congress may not infringe. The reason assigned by the court for this conclusion is that the obligations are political, and as such are inscrutable by the courts.

Listen to this, Mr. President; how would Senators like to live under these conditions?

The American Indians are even powerless to draw on their own meager funds to sup-

plement the inadequate food provided by the Government.

How would a Senator like not to have enough to eat in his house, not enough to feed his wife and children?

The intent to which, in theory of law, they are entitled to benefits of due process of law or other rights pertaining to life and liberty under the Constitution of the United States is still subject to question.

Mr. President, I now ask unanimous consent to have printed in the RECORD at this point as a part of my remarks paragraph 7 on page 11.

There being no objection, the paragraph was ordered to be printed in the RECORD, as follows:

The administrative responsibility has centered, and now centers, in the Secretary of the Interior and the head of the Bureau of Indian Affairs. Congress, perforce, has been and is influenced by the information and advice, whether accurate and ingenuous or otherwise, received by it from the Department.

Mr. LANGER. Paragraph 9 reads as follows:

In my opinion, it is incredible that if Congress had the facts, it would not have taken immediate steps to remedy, or, at least, to alleviate, the worst situations and to arrest the worst abuses.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks paragraphs 10 and 11 on page 11.

There being no objection, the paragraphs were ordered to be printed in the RECORD, as follows:

In theory of law the Federal Government is the guardian of the funds and property of the American Indians. By virtue of statutes enacted upon that theory, their funds and property are held in trust and are administered in the main by the Bureau of Indian Affairs as the agent to which the trusteeship is entrusted.

From time to time, however, Congress itself, either by permissive or by mandatory statutes, influences or controls the conduct of the trusteeship. Usually, however, when Congress acts directly, it acts either at the instance of, or with the advice of, the Indian Bureau.

Mr. LANGER. Here is a paragraph which is very important:

It would seem elementary also that the Indians as wards should have, with respect to their guardian, the same advisory and supervisory rights and privileges as are accorded to private wards with respect to private guardians, namely:

1. A right to hold the guardian accountable for the administration of their funds.

I know of the case of an Indian who had $6,000. The Indian died, and a banker took the $6,000 and bought a quarter-section of the worst kind of land imaginable, which he had charge of in his bank as a worthless asset, and put the $6,000 in his bank. Yet the widow of that Indian had absolutely no redress.

2. A right to periodic accountings (annually at least).

3. Access to the courts to enforce accountability.

4. The right of representation before the courts by counsel of their own choosing—

Today if one of them does get a lawyer, he cannot even hire the lawyer he wants. The Indian agent hires his attorney for him—

or if their fitness to choose their own counsel is questioned, to counsel selected by them and approved by the courts.

Mr. President, the worst criminal in America, a man who, with premeditation, slays his fellows, when he comes before a judge, can at least select his own lawyer to defend him; or if he does not, the judge can say, "I appoint a disinterested, honest lawyer to protect your rights." But, Mr. President, these Indians have no rights at all. They cannot hire the lawyer they want, and the judge cannot appoint a lawyer for them. They are dependent solely and entirely upon the Indian agent, who is the servant of the Office of Indian Affairs.

5. The correlative right of the payment of such counsel out of their own funds, with court control of the payments.

6. A practice which would accord them similarly a hearing and the selection of their own spokesmen before Congress and the Department on all matters affecting the disposition of their own funds, and, within limits, a veto on uses of those funds.

Assume that the Indians in the State of the distinguished Senator from South Dakota wanted to come to Washington to protest their condition before the three distinguished Senators seated near me, the junior Senator from Connecticut [Mr. HART], the Senator from Missouri [Mr. DONNELL], and the Senator from South Dakota [Mr. BUSHFIELD]. How would they get here? They have no money. The Office of Indian Affairs would invite them to come, provided they were friendly to the Office of Indian Affairs. If they were unfriendly, how would they get here? They might scrape together a few dollars—10 cents here, and 50 cents there—as I have known them to do, in order to come to Washington. A group of them came to see me about 3 months ago. When they arrive they are destitute. An appeal must be made to the Office of Indian Affairs to get enough money so that they can return home, or a Member of Congress must pay the transportation himself. At that very time they may have in banks thousands of dollars of their own which they cannot touch.

Mr. President, I ask unanimous consent that paragraphs 1, 2, 3, 4, and 5 on page 12 be printed in the RECORD at this point as a part of my remarks.

There being no objection, the paragraphs indicated were ordered to be printed in the RECORD, as follows:

Over all other offenses the superintendent, a Bureau official, or his designee, has exclusive jurisdiction. For such offenses he can imprison without warrant before trial. But even this does not complete the picture of despotic power. The offenses for which punishment may be meted out are embodied not in statutes of the United States, but in departmental codes of regulations. Nowhere in the western world, I believe, is such tyranny tolerated.

I shall repeat, although the Indian is an American citizen by special act of Congress, no Indian ward can make a contract, borrow money, bequeath property, hire a lawyer, or get his own money into his own hands, without the permission of the Indian Bureau's agents. The tribes cannot spend their tribal money; the Bureau, subject to Congress, has full control over these tribal funds.

The Indian tribes have no control over the Indian Bureau agents appointed for them, even when these agents are paid from the tribal funds. The agents control the Indian property under arbitrary powers. The discretionary powers vested in the Department of the Interior are so wide that appeal to the courts against abuses is exceedingly difficult. No Indian tribe or any individual ward can even employ an attorney without the Department's approval. The Indian Bureau is so firmly entrenched that it is difficult even for Congress itself to modify its bureaucratic power.

The Government's treatment of the American Indians has been condemned for years. It has at no time been satisfactory to the Indians or their friends. A few organizations have been formed solely to help protect them against governmental abuses.

The essential evil is the Government's guardianship with its unreviewable arbitrary powers, exercising its control through a highly developed bureaucracy. The evil lies primarily in the system itself. Only little concerted effort has ever been made to change the present Indian status, if any at all. This effort, supported by Indians and their friends, is opposed by the Indian Bureau and the Department of the Interior. And in 1944 their attitude is the same.

Mr. LANGER. Mr. President, I continue to read from Mr. Hamilton's statement:

I shall give evidence of the well nigh incredible abuses, with entailed destructions of Indian life and property which continue to flourish under this anomalous scheme of trusteeship and guardianship.

In 1914 an important survey of the Indian Bureau's trusteeship operations was made by the National Bureau of Municipal Research in behalf of the President's Economic Commission and of a joint committee of the House and Senate. This report (as a result, I presume, of Indian Bureau influence) was never made a public document. It was not even permitted, so far as I am advised, to go into the Library of Congress, according to a signed statement of Dr. Frederick A. Cleveland, director of the survey. Excerpts from this important document were privately printed by the Bureau of Municipal Research in September 1915; and I desire to quote two paragraphs from a summary there given. I quote these paragraphs because they are descriptive of the situation at the present time.

Mind you, Mr. President, this is what a joint committee of the House and Senate said. It is not the idle vaporings of some radical, but it is what a joint committee of the House and Senate said:

Behind the sham protection which operated as a blind to publicity, has been at all times great wealth in the form of Indian funds to be subverted, valuable lands, mines, oil fields, and other natural resources to be despoiled or appropriated to the use of the trader, and large profits to be made by those dealing with trustees who are animated only by motives of gain. This has been a situation in which the Indian Bureau Service has been for more than a century—the Indian during all this time having his rights and properties to a greater or less extent neglected, the guardian, the Government, in many instances passive to conditions which have contributed to his undoing.

There is still a great obligation to be discharged that must run through many years. The Federal Government itself owes many millions of dollars for Indian moneys which it has converted to its own use; and it is of interest to note that it does not know, and

the officers do not know, what is the present condition of the Indian funds in their keeping. Every community bordering on Indian lands still has in it persons who are using every influence at their command to obtain official action, to the end that they get possession of Indian lands. Great corporations maintain lobbyists and unprincipled agents with a view of getting concessions, leases, and legislation which are favorable to their own selfish purposes, but unfavorable to the Indians.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks all of page 13 of the document to which I have been referring.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

"And still, due to the increasing value of his remaining estate, there is left an inducement to fraud, corruption, and institutional incompetence almost beyond the possibility of comprehension."

I now proceed to detail some of the results of the trusteeship of the Indian Bureau over the property of the American Indians.

The accessible facts are incomplete because the records of the Indian Bureau are incomplete and imperfect to a baffling extent. No comprehensive data of precise accuracy exists. The Indian Bureau after the year 1928, ceased publishing its estimates of the Indian holdings, as a result of criticisms which pointed out that about half of the total estimates was a mere guess, unsupported by statistical facts, while the other half was largely founded on statistical estimates, which had fluctuated and were not consistent from jurisdiction to jurisdiction.

I have examined reports of Commissioners of Indian Affairs covering many years, and they bring convincing evidence that the policies of the Government and the Indian Bureau have been injurious rather than beneficial to the Indians under the control of the Federal Government. In the reports of J. G. C. Atkins, who was Commissioner of Indian Affairs in 1887, they would perceive that the Indians were better off in that year than they are at the present time. This report could well serve as a model and as a reproach to the present Commissioner of Indian Affairs and to the present Secretary of the Interior, as well as to Congress.

Commissioner Atkins reports that the Indian population under Federal jurisdiction in 1887 was 243,229. Today the American Indian population under Federal jurisdiction is but little over 300,000. I emphasize what I have heretofore stated, that the Indian Bureau under Commissioner Atkins expended but a little more than $5,000,000 annually in caring for 243,299 Indians; while the present administration is spending largely in excess of $40,000,000 to $50,000,000 annually, and mostly for Indian Bureau maintenance alone.

That is a careful, blunt, honest statement; and its narrative sections are supported by a mass of interesting statistics, tabulations, and comparative statements. The Commissioner states that the total Indian lands in 1887 were 133,694,985 acres. I mention this because we are regaled by statements, emanating from the Indian Bureau, of the wonderful agricultural development of the Indian lands, and the excellent irrigation systems provided the Indians, and the success achieved in teaching the Indians agricultural pursuits. The facts will show that their condition as agriculturalists is worse than it was in 1887, before the Government had expended tens of millions of dollars for alleged agricultural development expenditures which are no doubt to be continued under the present Indian Bureau system.

I repeat, that when there were more than 343,000 American Indians under the care of the Federal Government, and at a time when former Vice President Charles W. Curtis was chairman of the Indian Affairs Committee of the House of Representatives, the appropriations made for all the activities of the Indian Bureau did not exceed $6,000,000.

Now, with the number of American Indians under the Government's jurisdiction greatly reduced, and the Indians in a worse condition than they were then, the Indian Bureau expends from $40,000,000 to $50,000,000 per annum, a portion of which comes from the Treasury of the United States, and the residue from the greatly diminishing tribal funds of the Indians.

Let me call your attention to the fact, that after the specific appropriations have been made by Congress, the Indian Bureau has uniformly, for years, created large deficits, and has come back to Congress with demands that they be met. Unfortunately, these demands, too often without consideration, have been granted. As a matter of fact, in nearly every instance these deficits ought not have been created and Congress ought to have refused to meet them. There is a Federal Statute prohibiting deficits, and as I recall, there is a penalty attached to officials who create them. It would have a salutary effect if this statute were invoked and officials of the Government were made to understand that they may not violate this law by engaging in activities beyond those authorized, and incurring obligations beyond those for which appropriations are made.

Mr. LANGER. Mr. President, I read further from the statement:

In 1929 the Indian Bureau obtained in excess of $3,431,477, all of which has been expended largely for salaries of additional employees. A part of the Bureau's overdraft—

Just imagine, Mr. President; they have had an overdraft in the amount of $1,654,100—

the Bureau's overdraft—$1,654,100—had been obtained from the so-called indefinite and continuing appropriations; and I should add, in passing, that these reservoirs from which funds were taken do not appear either in the regular or in the deficiency bills and are, in effect, invisible appropriations. I condemn such a system which permits funds to be taken and expenditures made of the character in question. Neither Congress nor the public can know or control, under this system, the aggregate amount expended in the maintenance and operations of the Indian Bureau or where such a system prevails in any other Federal organization within which it is found. It is a vicious system and an unsound and dangerous policy and leads to extravagance and bureaucratic autocracy.

It is also claimed that the Indian Bureau in 1929 had spen' from Indian tribal funds $1,734,247 in excess even of the indefinite and continuing or invisible appropriations.

That is the report of a committee of this very body.

Mr. President, I now ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the remainder of page 14 of the document, all of pages 15, 16, 17, and 18, and part of page 19.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

I dwell on these facts because they serve to demonstrate afresh the incorrigibility of the Indian Bureau and the futility of the efforts of Congress to curb Indian Service expenditures under the system of accounting, budgeting, and appropriations which has prevailed for many years.

The Indian Bureau estimated and requested appropriations for a total expenditure in the fiscal year of 1933 of $24,709,619.

I refer to the report of the House subcommittee on the Department of the Interior appropriation for the fiscal year 1933, page 24, which demonstrates the correctness of what I have just stated. The Indian Bureau received authority in regular and deficiency appropriations for a total expenditure of $24,141,403, of which $2,190,262 were taken from Indian trust funds.

When former Vice President Charles W. Curtis was chairman of the Committee on Indian Affairs of the House of Representatives, and later when he was a member of the Committee on Indian Affairs of the Senate, the appropriations for the Indian Bureau rarely exceeded six or seven million dollars and the number of Indian wards then under the control of the Federal Government was larger than at the present time, but bureaucracy's growing appetite for power is never satiated, and even when helpless wards are under bureaucratic control they must suffer because of the ambitions of bureaucratic organizations for authority and increased salaries and appropriations. As evidence of this disregard of the Bureau to the limitations in appropriation bills, I invite attention to the fact that though the appropriation made by Congress for the fiscal year 1933 was $24,141,403, yet before November of 1932 had come the Bureau either expended or obligated the stupendous sum of $24,609,160.

Congress had authorized, as stated, a total expenditure from tribal funds of $2,190,262, but the Bureau before October 1 of that year had spent or obligated $2,658,019 from tribal funds. I should add that these figures which I am submitting are exclusive of per capita payments to the Indians from their own meager funds. I repeat, that before 3 months of the fiscal year 1933 had passed the Bureau in actual expenditures or in obligations had overreached the congressional authorization in the amount of $457,757, this amount being taken from the tribal trust funds. Not satisfied with the enormous amount appropriated by Congress, this voracious Bureau proceeded to take from the tribal funds within 3 months after the appropriation bill had passed nearly half a million dollars.

In the three fiscal years 1926, 1927, and 1928, the Indian Bureau furnished Congress with a definite statement as to the amount of Indian tribal funds which it proposed to use for purposes other than per capita payments; the aggregate of the funds thus earmarked for the proposed use by the Bureau and so reported to Congress, was $4,359,000. In other words, notwithstanding the liberal largess and, indeed, unwarranted appropriations by Congress for Bureau maintenance, the Bureau in these 3 years notified Congress that it proposed to dip its hands into the Indian tribal funds to take therefrom $4,359,000 for Bureau maintenance. It must be obvious to Senators and the country that the course of the Indian Bureau, if unchecked, will within a few years exhaust tribal funds, the aggregate of which was between six and seven hundred thousand dollars since 1887; and it seems certain that if the course of the Bureau is unchecked within a short time not only will the tribal funds be depleted but the allotted lands will have passed into the hands of the palefaces; and the Indians, the wards of the Government, wards who possessed lands and property worth billions of dollars, will be houseless, homeless, and propertyless. Their vast patrimony will have been squandered and they will have no means of support.

This tragic picture does not reflect credit upon the Government in dealing with its helpless Indian wards. But the facts proved to be far more extreme than the Bureau's announcements to Congress had been. The

reports of the Comptroller General are available for the three fiscal years 1926, 1927, and 1928; and they show that the Indian Bureau spent for its own maintenance $12,805,449, instead of the $4,359,000 which the Bureau had reported to Congress that it was going to spend. That is to say, during these 3 years the Bureau misled Congress and expended from Indian tribal funds $8,444,349 in excess of its estimates as made to Congress, or an average of $2,814,783 in each of the 3 years.

It would be superfluous to dwell at greater length upon these figures and the facts which condemn the Indian Bureau system, if they do not condemn Congress and the Government itself. It seems to me that these facts furnish a grave indictment against the administration and against our system of dealing with the American Indians.

So long as tribal funds exist, and so long as there are tribal incomes derived from the sale of lands, timber, and natural resources, so long as Congress shall desist from changing the Indian system, the Indian Bureau will continue to spend what it wants to spend, with practically no reference to what Congress directs it shall or shall not spend. The Bureau will continue to ignore the limitations which Congress writes into the yearly appropriation acts. It will continue to use Indian capital as a means of financing its own activities, drawing upon authorizations, real or fictitious, which do not appear in the appropriation bills, and achieving totals of expenditures largely in excess of the authorized totals.

The Congress should restore the statutory requirement providing for an annual accounting by the Indian Bureau to Congress of the uses made of Indian tribal funds. This accounting had been mandatory until the calendar year 1928, in which year the statute directing the making of an annual accounting had been repealed through the insertion, in an omnibus bill, of language excusing the Indian Office from making its annual report. All Indian Service expenditures should be genuinely within the control of Congress, and all future expenditures in Indian Service should be required to be specifically appropriated.

Under the present system of accounting and bookkeeping employed by the Indian Bureau, it is impossible to determine from what particular or specific fund appropriations are taken. One member of the Committee on Indian Affairs of the United States Senate stated that in attempting to discover from what fund a certain appropriation relating to an agency emanated or was drawn, it was learned that there were 60 or 70 funds or parts of funds or sources of supply from which had been drawn various sums, the aggregate of which was a large amount. It is obvious that under such an administrative or accounting system, extravagance, waste, and inefficiency inevitably result.

A measure should be adopted directing that a functionalized accounting system be installed, to show the past and intended uses of Indian Service money at Washington and in the several reservations or jurisdictions, by functions. The General Accounting Office should be directed by the bill to proceed with the installation of the accounting system.

The language of such a bill could insure the uses of tribal funds, by functions and places, would be explicitly stated by the Indian Bureau, and thus could be protected in the appropriation bill.

The strategical change proposed herewith would be the requirement that all expenditures of the Indian Bureau Service should be segregated functionally within jurisdictions and in the District of Columbia, reports of which functionalized expenditures would be made to Congress by the Indian Bureau and the Comptroller General as directed in such a bill. Neither of these offices at present makes such a report or is in a position to do so.

With such reports before it, Congress would be enabled to judge the Budget estimates in the light of the actual experience of the preceding year; and the Budget estimates could be presented in a form functionalized, localized, and supported by the detailed record of the preceding year and years.

In the light of such information, it would become possible to formulate the appropriation bill for the next fiscal year with intelligible limitations directing the uses of funds for actual functions, and in jurisdictions and places specified in the bill.

Through the above accounting and reporting, the several million dollars of the invisible appropriations expended by the Indian Bureau each year would be brought effectively within congressional control.

A subcommittee of the Committee on Indian Affairs held hearings at a large number of Indian reservations a short time ago to get a true picture of the present-day conditions among the American Indians. This subcommittee heard almost endless complaints by individual Indians and by tribes of Indians having to do with their stated inability to obtain from the Indian Bureau an accounting for their money, individual and tribal, which is held and administered under trust.

The amount of such funds is large, frequently being in excess of $100,000,000 at a given time, and payments in excess of $20,000,000 a year frequently are made from such funds. I am entirely convinced that it is of elementary necessity for the American Indians, whose funds are in the hands of the Indian Bureau as trustee, to be able to obtain an accounting or satisfactory reporting when they ask for it. On demand therefor, itemized reports or statements of the Indian moneys held in trust should be rendered to the individual Indian or the tribe involved.

But too much may not be expected from the Indian Bureau. There must be a fundamental change in the structure, policies, and plans of the Bureau, as well as a different approach by the Bureau to the entire American Indian question.

With reference to the Canadian Indian policy, I should like to mention the fact that the Indian population of Canada is steadily increasing; that the Indian land holdings are kept intact and are increasing; that the Indian tribal funds are also increasing; that Canada distinguishes between capital and income and as trustee over the Indian property insists upon investing capital for capital-production purposes. The Canadian Indians also have access to whatever there may be of health, education, agriculture, and economic service made available by the Dominion or its Provinces to any citizen.

Allow me to make a contrast of the Canadian Indian situation with that of the United States.

The American Indian land holdings in this country since 1887 had shrunk from 133,000,000 acres to only 47,000,000 acres at the present time, almost entirely through the actions of the guardian Government regardless of Indian consent. I also point out that here, in contrast to Canada, Indian tribal funds have melted away to the amount of a loss of more than $500,000,000 since 1887.

It is pertinent to remark that if we had adopted the course of Canada this $500,000,000 would have been regarded as capital, because it was such, instead of being treated as income and dissipated. A capital investment of $500,000,000 would have found the American Indian far advanced along the path of economic independence.

Canada does not employ Indian trust funds for the maintenance of its Indian Service, whereas our Indian Bureau since 1900 has expended more than $110,000,000 of American Indian tribal trust money for its own salaries and conveniences. I also want to point out that the Canadian administration on a per capita basis is less than 38 percent as expensive as our Indian administration on a per capita basis. The record shows that our Indian Bureau spends two and six-tenths times as much on a per capita basis as the Canadian Indian Bureau.

Contrast this figure with that of Canada. There the Indian Bureau has jurisdiction over more than 108,000 Indians. Its total pay roll for the fiscal year 1931 was $179,317. This amount covered all central office salaries and all agency salaries, exclusive of schools and medical service. The Canadian policy is a condemnation of the inefficient and extravagant policy of our Government. Our Indian Bureau is paternalistic and bureaucratic and pretends to do through paid employees all and everything which human beings normally do for themselves. Coupled with this paternalism is the Indian Bureau's policy of monopolizing the Indian Service and of duplicating, through pigmy services of its own, the work of the Department of Agriculture, the Bureau of Reclamation, the work of the State agriculture, health, educational, and welfare departments, and even the work of the courts.

Under this inferior and devitalizing policy the American Indians are supplied a greatly inferior service and millions of dollars per annum of the taxpayers' money and of the Indian tribal funds are expended on needless duplication of these services. These mounting Indian Bureau costs have produced no benefits for the Indians but have resulted in definite and fatal injuries. I stress these matters for the purpose of compelling, if I may, attention to the imperative need of a radical reorganization of the entire Indian Bureau system. Such a reorganization must result in effective economy, and unless it be accomplished the cause of the American Indians becomes more hopeless each year.

My information is that in 1930 the total area owned by the American Indians was 47,311,089 acres. In other words, within a limited period their holdings have been reduced 65 percent. Can it be contended that their interests were properly guarded when they suffered a loss so stupendous?

In 1887, the American Indians owned, under Government trust, 133,695,000 acres. In 1930 they owned, under Government trust, 47,311,089 acres. The gross reduction of American Indian land area was 65 percent between 1887 and 1930. The actual reduction, in terms of surface values, was much greater. Of the residual lands, 18,600,000 acres were desert or semidesert lands in Arizona and New Mexico, unirrigable and without commercial timber, and 7,390,000 (at a minimum) were land in Nevada, California, Montana, Idaho, and Utah, without commercial timber, not irrigable, partly semidesert and partly available for grazing, but not farming. The total of such land, whose surface does not exceed $2 per acre, was 25,990,000 acres, or 55 percent of the remaining Indian lands. The diminishment of the surface value of Indian-owned lands from 1887 to 1930 can be conservatively estimated as 80 percent. It is the more valuable lands which through action by the Government itself, not of the Indians, as regards 95 percent of the total of alienation, have passed from Indian ownership. The controlling methods of alienation have been as follows:

First, sales, nearly always under virtual compulsion, by the Indian tribes to the Government; the purchase price being paid into tribal funds and the resale price, after disposal to palefaces by the General Land Office, being paid into the Treasury of the United States. The total of such practically forced sales, from 1887 to 1930, was 56,444,911 acres. What total was paid to the American Indians by the Government is nowhere summarized; the payment to tribal funds under Govern-

ment trust and most of it has been consumed by the Indian Bureau for its own maintenance.

In brief, the American Indians have lost, since 1887, 29,939,026 acres, plus 56,444,911 acres of ceded and surplus land bought by the Government through practically forced sales; and the cash payments for the above, plus the cash derived from the lease and sale of mineral, oil, and other subsurface values, the sale of timber, and the lease of tribal and allotted surfaces, has likewise been consumed—consumed by the Indian Bureau for its own maintenance in the amount of more than $150,000,000 since 1887.

The cash derived from the sales of Indian land, from the payment of tribal claims under court of Claims adjudications, and from the exploitation of Indian natural resources, has been deposited in tribal and individual accounts under Government trust. These funds in the main have been and are properly a part of the corpus of the American Indian estate; being, to 90 percent of their total, nothing but capital values turned into liquid assets. But they have been and are uniformly treated as income, not capital, and are consumed each year by nonproductive uses.

I emphasize again the difference between Canada and the United States. There the capital of the Indian tribes is not being used. Here the Government is destroying the capital of the American Indians, and the result cannot be otherwise than calamitous to the Indians.

In part these uses have been and are the salaries, houses, automobiles, and so forth, of Indian Bureau employees and other items of current maintenance of the Indian Bureau.

In part these uses have been per capita payments to individual members of the various tribes. With these per-capita payments we must now deal. Not the fact of the per-capita payments, but the manner of their administration by the Indian Bureau, is one of the darkest of the continuing scandals of the Indian affairs system.

The per capitas are paid into individual accounts under Indian Bureau trusts. In Oklahoma these accounts and the affairs of the recipients of per capitas are under the joint control of the Indian Bureau superintendents and of the local guardians, who are a peculiarity of the Oklahoma situation. Outside Oklahoma the control is with the Bureau superintendent alone. In the case of ward adult American Indians, and of minors and orphans, the control is arbitrary and unlimited, and in all cases it is practically unaccountable and unreviewable.

No part of the Indian Bureau's trusteeship operation is more subject to criticism than its handling of the trust funds of the American Indian tribes. These funds have totaled $500,000,000 since 1887. They have consisted, to more than 90 percent of their total, of capital values turned into liquid form: Cash derived from sales of land, from payment by the Government of judgment in the Court of Claims, from the sale of timber, oil, and minerals. A proper trusteeship would have adhered to the distinction between capital and income and would have invested the capital to conserve the principal of the estate.

The Indian Bureau has made no such distinction, but has consumed or distributed, year by year, all of the capital values which it was able to convert into liquid shape.

The Indian Bureau's fundamental error is the taking away from the American Indians both the power to act for themselves and the responsibility of acting for themselves.

I regret there is so little interest taken by Congress and the public in the American Indian question and in those matters affecting their welfare and development. I cannot help but feel that the Government has been derelict in its duty toward the Indians and that it should without further delay deal with this important question in a just and humane way to rectify some of the wrongs that have been committed and prevent the inevitable disaster that threatens the American Indian wards of the Nation.

The American Indian problem is not an insoluble problem. It is, so long as Indian administration, consciously or unconsciously, is bent on destroying Indian resources and Indian morale, on removing from their lives those springs of hope and energy which lead men to struggle upward. The American Indians are intelligent, sensitive, proud, and essentially normal human beings, temporarily deflected from normal progress by unintelligent and unintelligible forces with which they cannot cope either collectively or individually.

After many years of Government control, over 200,000 American Indians cannot speak, read, nor write the English language of their conquerors, who fix their environment and determine their destiny unmindful of their nature and the manner of living of this once proud and virile aboriginal race of real Americans.

I should like to call attention to the fact that it has always been declared to be the policy and purpose of the Congress from its earliest dealings with the Indians to provide for the proper teaching, training, developing, and qualifying the American Indians of the United States, as early as possible, to become industrious, self-reliant, qualified, independent, and self-maintaining citizens of the United States. And it is further declared to be the policy and purpose of the present Congress to provide at once for entering upon such extensive and comprehensive training, developing, and qualifying of said Indians for capable, independent citizenship that within the quickest possible time, further guardianship by the United States over the American Indians and their property and funds shall be unnecessary, and, therefore, discontinued.

Of the total American Indian population, over 100,000 of them are children and adolescent youth of school age, many of whom are afflicted with trachoma or tuberculosis, diseases widely prevalent among the Indians due to the lack of proper nourishment, medical attention, and general care.

Granting the utmost claimed for his progress, yet after a half century of time, the American Indian remains an untutored race, a helpless race of people. At least one-third of the Indian children in the United States of school age do not attend any school, Federal or State, private or religious.

Briefly summarized, under the present Indian Bureau administration, the American Indians of a Christian nation have been made the guinea pigs of a so-called civilized country. Because of opposition to the present Indian policy of the United States in perpetuating Indian segregation in this country, Indians have been excessively fined, jailed, and have frozen to death and starved to death every year during the present Indian Bureau administration. Indians have eaten out of garbage cans, have eaten dogs, and from city dumps. Indians are still living in thin canvas tents the year around where the temperature at times ranges anwhere from 40 to 50 degrees below zero in the wintertime.

The situation of the Sioux Indians today is pathetic, and purely a national disgrace. The majority of the Sioux Indians live in South Dakota and their present-day poverty is extreme. They have lost practically all of their best land and other assets. The land they have not lost is semidesert and almost worthless. The great overwhelming fact among these people is poverty. The depths of misery, distress, and almost hopeless despair into which the great Sioux Nation of the northwestern plains have been plunged is certainly no fault of their own.

Mr. LANGER. Mr. President, what is true of the Indians in South Dakota is also true of the Indians in the portion of North Dakota which adjoins South Dakota and the Indians in the Standing Rock Indian Reservation. I ask the Senator from South Dakota whether that is not a fact.

I read further from the document:

The Sioux Nation, the very last of the American Indian tribes to be subjugated by the United States Army, has suffered fearful wrongs at the hands of the paleface conquerors, wrongs which are still vivid in the consciousness of many of the older Sioux Indiar people, wrongs the sharp edges of which have been only slightly dulled in their transmission to the new generation.

The massacre of Wounded Knee, in which scores of Sioux American Indian men, women, and children, unarmed and defenseless, were shot down by soldiers of the United States Army, took place as late as 1890. Survivors of this massacre are still living on the Standing Rock Sioux Indian Reservation in the State of South Dakota. Still living also are the children of that generation of Sioux Indians who signed the treaty of 1868, which was torn up almost before the ink was dry. The loss of the Black Hills property, which was originally the land of the Sioux Indians, together with millions of acres of their hunting grounds to the east and north, still rankles in the Sioux breast, and the deep-seated resentment arising out of the violation of this and other treaties is kept alive against the Government by the long-continued failure to obtain even partial redress.

In spite of the fact the Sioux Indians are living under conditions of almost unbelievable poverty, the United States Government has taken each year, for many years, anywhere from twenty to thirty million dollars' worth of gold and other minerals out of the Black Hills region of the Sioux Indian property. And yet these poor helpless Indian people are forced to live and die in destitution.

The plight of the Navajo Indians in Arizona and New Mexico is also a national disgrace. Thousands of Indians in the Navajo Nation are destitute and they are in need of immediate relief. In fact, on practically every Indian reservation in the United States the condition of the Indians is most deplorable. Many Indians in various tribes are close to starvation, and the only conditions they can master under which to live are unsanitary in a great many cases. Under the desert conditions which prevail over most of the Southwest, water is at a premium and sanitary conditions are at their worst. The glare of the desert sands, the intense radiation of the sun, the prevalent sandstorms, all favor development of trachoma, a very dangerous disease of the eyes.

Consider this testimony given before the House Committee on Indian Affairs in March 1940, by a creditable witness from the Indian country:

"I have heard Josephine Kelly make her statement, and I can say truthfully that every statement she made is the truth. The condition of the Indians on the reservation is pitiful." Later the same full-blooded Sioux Indian woman said: "As long as we are wards of the Government, which we did not ask to be, it seems to me that the Government should look after us. If they do not want us around, they ought to find some means of putting us out of the way quickly and not have to sit here and starve by inches."

INVESTIGATION

In July 1940, this association made investigations into conditions of the American Indians on reservations in the United States.

I personally visited several Indian reservations and found disease rampant and indescribable misery among the Indians on these so-called Indian reservations. No one acquainted with the conditions that I saw with my own eyes can doubt that the Bureau of Indian Affairs is both incapable and neglectful. I say further that the Bureau has built up a system that leads itself to corruption of all kinds—a system that makes the welfare of the American Indian a matter of the least importance. All of this must be charged to the indifference of Congress and the American people.

I found on the Blackfoot and Rocky Boy Indian Reservations in the State of Montana, widespread tuberculosis and trachoma, diseases widely prevalent among a great many of the Indian tribes due to the lack of sanitary living quarters, together with insufficient and improper nourishment, medical attention, and general care.

On the Rocky Boy Indian Reservation, there are no floors in a great many of the old dilapidated shacks. The Indians are obliged to sleep on the ground.

In fact it would be utterly impossible to alter the conditions that I saw with my own eyes, not in one or two localities alone, but everywhere I went. It would be impossible inside of many years to erase the sights and evidences of disease and partial starvation that I saw on these so-called American Indian reservations.

Establishing our headquarters on the Blackfoot Indian Reservation, where approximately 4,000 or more Indians live, many members of the tribe walked miles to tell me of their misery and hardships. One old Indian lady came to me crying, she said that she had not eaten anything for days. I was carrying in my pocket a box of graham crackers, and I gave her a handful. She put them into her mouth and ate them almost like an animal, she was so hungry.

If Congress and the paleface Americans are neglecting the American Indian wards to the extent that they are starving to death from the want of food, and freezing to death from lack of proper shelter, when this country is so highly indebted to them, they are not only guilty of gross injustice, but are deserving of condemnation.

The American Indian is a citizen, made so by the act of Congress in June 1924 as follows:

"*Be it enacted, etc.*, That all noncitizen Indians born within the territorial limits of the United States be, and they are hereby, declared to be citizens of the United States: *Provided*, That the granting of such citizenship shall not in any manner impair or otherwise affect the right of any Indian to tribal or other property."

With the passage of the act above quoted in 1924, all American Indians were automatically made citizens.

Thus, 135 years after national citizenship was created, and 57 years after it was extended to the Negroes, it was conferred upon the American Indians as a race in their own native land.

Not only did it confer national citizenship upon all American Indians without regard to individual capacity to exercise the rights incident thereto, but, failing to relieve the competent Indians from the burdens of the old Federal guardianship, it perpetuated an ill-defined politico-legal status for which in the law of human relations there is no precedent. Moreover, since tribal Indians residing on Federal reservations were still not deemed cititizens of any State, it added to the complexity of their status.

Now was extended to them the peculiar form of citizenship which the allotment acts had first made possible. The old regulatory statutes inconsistent with citizenship, such as the limitations on their right to sue upon the contractual obligations of a treaty, to employ counsel free of the dictation of the Government, were abolished. Thus, these new citizens were left without the remedies available even to visiting aliens and the possibility of securing the willing aid of eminent and able counsel in contests with the Government which at best are unequal.

Was there any wonder that after the first furor of excitement over their enfranchisement, the American Indians found that citizenship meant little to them but a name. Whatever the motives of Congress may have been, however sincere it was in its purpose to do the Indians honor, hardly had they been enfranchised when, obedient to the rigid executive policy of economy that had been inaugurated, an Executive rule largely nullified their constitutional rights as citizens.

Measures for their relief, including legislative acts necessary to confer jurisdiction upon the Court of Claims to pass upon their treaty rights, were now required to be approved by the Bureau of the Budget before they received the approval of the President. In other words, even the legal remedies which it was in the power of Congress to provide, were made dependent upon an executive fiscal policy which clearly violated the prerogative of Congress. This law is still in full force today and it should be amended at the earliest possible moment.

I do not propose to say that the intention of Congress in 1924 was not sincere in its purpose to do justice to the American Indians by declaring them to be citizens of the United States under said act, or that the act itself was not a forward step in the direction of eventually releasing the American Indians from further guardianship control over their property and funds, but I do say that the language contained in the act does not give the Indians the full rights of American citizenship as are guaranteed to other citizens under the Constitution of the United States. For this reason, I should like to submit a proposed draft of a bill, and if enacted into law, would not only repeal the act of June 2, 1924, but would give the American Indians their full and unrestricted rights of American citizenship, which rights at present are denied them under control of Federal law together with many rules and regulations administered by the Indian Bureau. The amendment reads as follows:

An act to amend an act approved June 2, 1924, entitled "An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians" (43 Stat. L., ch. 233, p. 253, 68th Cong.).

"*Be it enacted, etc.*, That the act approved June 2, 1924, chapter 233, of the United States Statutes at Large, No. 43, is hereby amended to read as follows, to wit, that it is hereby declared to be the policy and purpose of the Congress to emancipate the American Indians without further delay, so that they may become industrious, self-reliant, independent, and self-maintaining citizens of the United States.

"SEC. 2. That all American Indians born within the territorial limits of the United States, and all Indians in Indian Territory, be, and they are hereby, declared to be citizens of the United States, and are entitled to all the rights, privileges, liberties, and immunities which are guaranteed to other citizens of this country under the Constitution of the United States, whether said Indians have been or not, by birth or otherwise, members of any tribe of Indians within the territorial limits of the United States without in any manner impairing or otherwise affecting the right of any such Indian or Indians to tribal or other property.

"SEC. 3. Nothing contained in this act shall be construed as to impair or otherwise affect the right of any such Indian or tribe of Indians to any claim or suits now pending or which may be established hereafter against the United States: *Provided further*, That the granting of such citizenship shall not in any manner release the United States as the guardian and trustee, from its moral and legal responsibilities in the discharge of its duties as such guardian and trustee, to honorably settle all its debts and legal obligations to the American Indians.

"SEC. 4. That after the passage of this act all American Indians shall be entitled to enjoy the same rights and privileges as any other citizen of the United States and be subject to and governed by the same laws that are applicable to other citizens.

"SEC. 5. That as a further act of justice toward the American Indians the United States hereby declares that all lands and all appurtenances thereto belonging, including water rights, irrigation systems, power plants, or any other real estate now held in trust by the United States, shall be free from taxation of any kind and not subject to the satisfaction of any debt, lien, mortgage, or attachment under any judgment or court order, or for the satisfaction of any debt or obligation of any kind whatsoever so long as the title remains in Indian ownership.

"SEC. 6. To further aid individual Indians in assuming the responsibility as citizens in the State and Nation it is hereby ordered and directed that all individual Indian moneys now held in trust by the United States shall be paid over to the individual owners or to the parents or legal guardians in the case of minors, orphans, and those adjudged to be insane by some court of competent jurisdiction.

"SEC. 7. That all intangible property, bonds, certificates of deposit, or other forms of certificates, notes, trusts, mortgages, trust estates, judgments, stocks, or any other form or evidence of securities which the United States may be holding in trust for any Indian or Indians shall, upon the passage of this act be turned over and delivered to the proper owners, together with all interest, coupons, or other form of accrued increase. In the case of minors, orphans, and those legally adjudged to be incompetent, the property shall be delivered to the parents or legal guardians.

"SEC. 8. As a matter of justice to all American Indians the United States hereby declares that in all cases where the Government is holding in trust either money or other property belonging to the estate of some deceased Indian, it shall be the duty of the Government to cause said estate to be properly probated and settled immediately following the passage of this act, and to make distribution thereof to the proper heirs or devisees, and all expenses attached thereto shall be borne by the United States, due to the fact that the United States has from the very beginning of this Government assumed guardianship over the American Indians without their knowledge and consent and thus caused many unsettled Indian estates that might not otherwise have happened.

"SEC. 9. All acts or parts of acts inconsistent herewith are hereby repealed.

"SEC. 10. This act may be cited as the American Indian Emancipation Act of 1945."

The Indian Bureau became a fixture, and evidently concluded that the American Indian was incompetent and must be made a public ward, and that the control of his person and his property must be made perpetual almost immediately after its formation in 1849.

With each ensuing administration regardless of party, they allowed and encouraged a strengthening of the authority over the American Indian. But it was hoped, yes, it was promised, that under the New Deal the American Indian was finally to be given his freedom. The Indian today, however, is more sorely disappointed with his treatment, or mistreatment, by the present Indian Bureau System, more restless and more uneasy than at any time during his bureau enslavement. If one could within a few pages give the outstanding trend which has so nearly

ruined and destroyed a race of noble people, and thus give to the American Nation the actual picture of maladministration of one of the outstanding branches of our Government, he would be rendering a great service to his country.

It cannot be done, however, in a few pages. One must have a lot of patience and spend a great amount of time and study of this Indian Bureau matter to get the true story of this gigantic misgovernment over the red man.

Congress is responsible for all the powers given to the Bureau of Indian Affairs or any official thereof, and Congress alone has absolute power to repeal its laws or to enact new laws to correct the evils complained of.

The trouble is now and has always been, the system and the operation of the Bureau of Indian Affairs. Time has proven, and disgracefully I assert, that the real purpose of those administering the Indian Bureau are not to assist in qualifying the Indian for citizenship, but to control his property—to make and keep him a government ward and to perpetuate the Bureau for its many political job holders.

The correct and most reasonable road to the solution of the American Indian problem lies in following the broad, sound principles of equal justice under law, and not in further regulating the lives of the American Indian race, as if incompetents. Experience, even among the Indians, is the best teacher. Our experience for the past 60 years under the Indian Bureau has convinced us that now is the time for the Indians to press their demands, if they are ever to prove themselves worthy of their forefathers, and as American citizens, and if they are to be allowed their rights under the law. The Negro was turned loose as a citizen quickly following the great Civil War. He had no property and there was considered to be no particular need to further civilize him.

Thousands of people have come to these shores from foreign lands and are immediately admitted into society—without "guardianship" applied to them, and they have no property to control. The American Indian did have property, and it was therefore found necessary evidently to hold him as a ward—an incompetent. This control has made, and is making, Federal jobs for thousands of political employees.

Mr. President, I call particular attention to the following:

REGARDING THE DANGERS OF BUREAUCRACY WHEN IT IS PERMITTED TO RUN RIOT

In an address delivered at the College of William and Mary at Williamsburg, Va., May 15, 1926, President Coolidge said: "Of all forms of government, those administered by bureaus are about the least satisfactory to an enlightened, progressive people. Being irresponsible they become autocratic, and being autocratic they resist all development. Unless bureaucracy is constantly resisted it breaks down representative government and overwhelms democracy. It is the one element in our institutions that sets up the pretense of having authority and being responsible to nobody."

In discussing the evils of bureaucracy in its relation to the administration of the affairs of the American Indians, former Senator King of Utah said in the United States Senate, March 15, 1932: "Bureaucracy enmeshes those who come within its grasp, and they are almost powerless to execute what their hearts and judgments desire. I have known of men of courage and ability who accept service in Government executive organizations, believing that they could reform bureaucratic methods and introduce economies and policies that would inure to the advantage of the Government and the people. I have seen some, after futile efforts, resign their positions, confessing that the contest was too great and their ambitions unrealized."

During the 100 years and more of its existence as a department responsible for the welfare of the American Indians, the affairs of the Indian Office have been directed by approximately 37 commissioners, each one in turn introducing a different program for the new administration. The inevitable result of such frequent changes developed a policy having all the energy, direction, and purpose of a pup chasing its tail.

John Steven McGroarty, a former Congressman from California, while speaking at a hearing before the Committee on Indian Affairs of the House of Representatives regarding the present chaotic condition of the American Indian situation said: "Nothing can be done for the Indians of the United States until the Indian Bureau is either abolished or reorganized. There is your trouble. I could introduce and have introduced a bill in Congress to abolish the Indian Bureau. It will never get out of committee. If it did get out of committee, it would not pass the House of Representatives, because the propaganda of the Indian Bureau would defeat it. If God spares me, I will make the American public know all about the Indian question and the unbelievable injustice that has been worked upon the Indians of the United States. What the Indians need is to have public opinion back of them. The Indian Bureau does not give a rap about this committee.

"The Indian Bureau is not any more afraid of this committee than it is of some of the sheep on the Navajo Indian Reservation. It knows we can do nothing. What must be done is to arouse the American people. Once they understand it, they will not stand for this thing any longer, and that is the truth. When the truth is told about the Indian Bureau the American people will rise in their wrath and wipe it off the face of the earth. But the American people do not know what is going on. What do we know? It is the most infamous thing of which we have any knowledge—worse now than it has ever been."

The present Indian administration has not only dissipated the economic substructure of American Indian life but it has disintegrated the Indians politically, socially, and spiritually.

There should be a fundamental change in the structure, policies, and plans of the Indian Bureau, as well as a different approach by the Bureau to the entire Indian question. While it is important to bring the appropriations within the control of Congress and to establish a just, intelligible, and honest system of accounting, further important steps must be taken and the very fabric of the Indian Bureau changed.

If the intent of Congress has always been good toward the American Indians, and that intent has been circumvented by the maladministration of the Indian Bureau, and Congress sits idly by and allows that to continue, then it is certainly the responsibility of Congress for the deplorable conditions which we find among the American Indians today.

It would be a good thing if the Indian Service could be taken out of politics and put into the hands of responsible people who would be public spirited and who would make an effort to close up Indian affairs wherever possible after the Federal Government had made a just and final settlement of all Indian claims against the United States.

Everyone will agree that there is only one class of citizenship in America today, and that the Commissioner of Indian Affairs, nor the Secretary of the Interior, nor Congress itself, can legally abridge that right of any individual. Courts of law, after due hearing only, have the right to appoint a guardian over the person or property of any individual citizen. Because the Indian Bureau has been doing this for years is no excuse for continuing the guardianship.

The American Indian is a ward of the Nation, and Congress has the responsibility for what happens to him so long as it exercises guardianship control over his property and funds. Congress is the guardian of the American Indians, and Congress has set up the Bureau of Indian Affairs to perform the guardianship duties. Therefore, it is the obligation of the Government to take care of the Indians.

No class of citizens is thus segregated as are the American Indians. What would happen in this country if an administrative branch of our National Government attempted to legalize control over the personal freedom and property of the Jews, or any other group of our citizens? In many of the great cities throughout the United States there are thousands of people today exercising full citizenship without any attempt at governmental control of their freedom or control of their personal property who are not nearly so well educated or qualified as are the most lowly and underprivileged American Indians on the most out of the way reservations. There is something more valuable even to the Indians than protection of their property by the Indian Bureau. Freedom and equality as American citizens are cherished by the American Indian race as much as they are by any other race of people in this country.

I am of the opinion that it would be better—far better—to sever all ties between the American Indian and the Federal Government at some stated time, give every Indian man and woman their own, and let them go on their way to success rather than to keep alive in the Indian the belief that he is to remain a ward of the Government and to be segregated on some so-called reservation for paleface man's exploitations.

Is there, then, no way out for the American Indian? Must we go blunderingly on without goal and without policy?

It would be better to turn the American Indians loose from the bonds of Government control, not in great masses, but in groups as the case may be, basing this action upon their ability to watch their steps and make their way in no fool's fashion, but advance without tripping, and in the reasonable hope that they will develop self-confidence as they go along; to destroy utterly the orphan-asylum idea; to teach the American Indians that they must be self-reliant; to convert the young to the paleface man's society through the creation which his primitive life cannot satisfy; and to be told and taught that the Government is not to continue as an indulgent father, but as a helpful, experienced, and solicitous elder brother.

To carry out this program there should be continuity of purpose within Congress and within the Indian Bureau.

Many persons who have this problem much at heart are of the opinion that its solution must be sought in developing among such American Indians an independent and self-sustaining American citizenship; in short, to merge them into the citizenry of the Nation as self-supporting, law-abiding educated citizens.

The person who is interested in the American Indian problem need not concern himself about the size of the Indian population; he is concerned only with the 61,000 Indians who are under the control and supervision of the Federal Government.

The American Indians want to be free from further bureaucratic control of their person and to be allowed to live under local, State, and Federal laws like any other citizen; to enjoy the full benefits of public-school education; in fact, to have the benefits and responsibilities of all laws and regulations to which other citizens are subjected, without special dictation.

There should be an effort to give each American Indian a tract of good land. He should be permitted to select it himself, or

buy it himself; a home for each Indian family with sufficient land upon which they could make a living by the exercise of care and industry. It should be free from all supervision, and the owner should be allowed to exercise his ownership as other people do, and to make the most of it in his own way. Titles of this character were issued to the Winnebago Indians bearing the name of President U. S. Grant for the first allotments made to them in the State of Nebraska. They are still good and stand of record as lasting titles to American Indians.

The title should be a patent in fee. The patent should bear on its face that it is a grant by the United States of America to an American Indian, for his sole use and benefit, or that of his heirs. The land should be free from all taxation.

Should an Indian die without any heirs, then such property could easily revert back to his tribe for redistribution in order that some other Indian or Indians might be kept from starving to death.

If it is lawful to enact legislation prohibiting a paleface man from mortgaging his homestead, I am of the opinion that it would be constitutional to give land to the American Indians with the restriction that they cannot sell the same.

In the State of Utah there is a law which provides that no person may mortgage his homestead, and that law is constitutional.

Unless the American Indians are permitted to work out their own destiny, they will never develop. Individuals must advance by their own efforts, but there must be opportunity. The Indians have the will and can work out their own salvation if they have a fair opportunity. To do so they must be relieved of the burden of Federal guardianship.

Wherever there is a full-blooded American Indian who has been under the Federal guardianship and living on a reservation you will find that he is a backward person. He has not had an opportunity to develop. He is dependent, and he is a dependent because of the environment into which he was forced. He should have an opportunity to develop out of that condition.

I am sure without Federal supervision over the American Indian for at least one generation he would develop sufficiently to take care of himself in every respect. In other words, if the American Indian were turned loose from further control over his person, one generation would prove that he could take just as good care of himself as any other citizen. The American Indian mind is the equal, if not in many instances the superior, to that of the paleface man. Reservation life destroys independence. Reservation Indians are made dependents, and are kept so.

It has been stated by John Collier, the present Commissioner of Indian Affairs, "that the American Indian mind is the equal, if not in many instances, superior to that of the paleface man." If that be the case, why not turn the Indians loose from further guardianship control?

This gray outlook before the American Indian has been too long ignored and it calls for a sympathetic public reparation.

As a result of my researches and investigations, I have come to the conclusion that our Government has been a faithless guardian of its American Indian wards, and that the agencies which it has set up to deal with the Indians have failed to perform the duties imposed upon them by law. I regret that Congress has not evinced that interest in the American Indians in their protection, that treaty obligations require. The American Indians are the wards of the Nation and are therefore entitled to the highest degree of consideration.

The duties of a trustee to his wards are clearly recognized by law and the courts, and when their jurisdiction is invoked they are quick to respond to the demands of those whose lives and property are under the control and jurisdiction of trustees. A trustee who squanders the inheritance of his ward or who is indifferent to the latter's welfare merits the condemnation of all who desire justice, and subjects himself to the corrective power of the courts.

There are not only legal obligations resting upon the Government from which it may not honorably escape, but there are also moral obligations which are of commanding force.

HIS STATUS

There are approximately 500,000 American Indians in the United States today. This amount includes all who are of Indian blood. These are for the most part wards in chancery, the Federal Government being the chancellor. They live in large part on so-called reservations, which are little more than expanded and perhaps somewhat idealized orphan asylums. They have lands aggregating by rough estimate to the value of approximately $600,000,000. If an appraisement were made of the full value of the timberlands and of the oil and coal lands, it is probable that they would be found to have a wealth approximating $900,000,000. In moneys, the Treasury of the United States has trust or tribal funds approximating $50,000,000; while in the banks throughout the country there is deposited to the credit of individual Indians, under Government control, something over $18,000,000, and yet, with all this amount to their credit, the American Indians are forced to live and die in poverty.

For many years I have been criticizing the policy of the Government in dealing with the American Indians, and have attempted to trace historically the dealings of the Government with the Indian tribes that have inhabited this Republic. I have examined into most, if not all, of the treaties negotiated between the United States and the Indian tribes, and the hundreds of statutes which have been enacted by Congress relating to the Indians. I have attempted to ascertain what disposition has been made of the boundless territory which the American Indians once possessed, and what has become of the millions of dollars received by the Government for lands which have passed from the Indian ownership and possession, and from royalties, revenues, and other receipts derived from such sales. I have also given no little study to the work of the Indian Bureau for many years, with a view of determining whether, as the instrument of the National Government, it has been a faithful trustee, or has dissipated American Indian funds, and failed in the discharge of duties imposed by treaties and by laws.

I have been compelled to the conclusion, as a result of my study of the American Indian situation, that the American Government has been a faithless guardian of its Indian wards.

By a natural selection, the palefaces saw to it that they got the best and richest of the American Indians' land. At least half of the remaining Indian landed estate consists of very low-grade grazing lands of the semi-desert type.

Surely the liberty of a people to provide for themselves cannot be taken away, and these people held as dependents of a nation, without the nation itself being responsible for their condition. Certainly no individual guardian with ample trust funds for his wards would relish the fact that the latter were perishing from want and were subject to a system of tutelage, or pupilage, making it impossible for them to save themselves by the only methods known to them.

American Indians from the four corners of our beloved land read with open minds and are deeply impressed with the burning words carved in lasting marble high on the portals of the new United States Supreme Court Building in Washington, D. C., "Equal Justice Under Law." Does this apply to the red man?

As a result of my study of the American Indians in this country and the treatment accorded the Indians and the policy followed by the Government in dealing with them, I have reached a definite conclusion that the most humane policy toward the Indians would be for the Government to make a just and final settlement of all legitimate American Indian claims against the United States at the quickest possible time. Give every American Indian man and woman what rightfully and lawfully belongs to them in land, money, and everything else which is now held in trust by their guardian. Turn the Indians loose, give them what belongs to them so the United States Government can clean its own slate and put its house in order. By doing this the paleface people in this country will not only be relieving the United States from the reproach under which it must remain in the eyes of an enlightened world, so long as it allows its American Indian citizen-wards to perish of neglect, but it will solve the Indian problem with credit to the Nation. The American Indians are not asking for charity. They are merely asking for the right to handle their own property and funds which rightfully and lawfully belong to them.

After making a thorough and comprehensive study of the Federal statutes and the hundreds of treaties relating to the American Indians together with my knowledge of constitutional law, I have come to the conclusion that under the Constitution of the United States, and the American Indians being citizens of the United States, the Federal Government exercising guardianship over the American Indians is absolutely unconstitutional. To prove this statement I refer to the fifth and fourteenth amendments to the Constitution of the United States.

I do not believe that any citizen of the United States can be subjected under the Constitution to a dual government. It seems to me there is a direct conflict in telling the American Indians that they are citizens and also wards of the Government. I cannot understand that situation.

I believe that if the question were tested in the Supreme Court of the United States the decision would in all probability be that it is unconstitutional because the American Indians are citizens of the United States. I cannot understand how it can be said that a man is a citizen of the United States and also a ward of the United States. There is certainly something wrong somewhere.

The American Indians are living under a despotism such as is unknown elsewhere in the entire civilized world, and such as is inconceivable that the paleface Americans would tolerate if the facts were generally known.

When they let the *Mayflower* land did not the American Indians make a big mistake? Subsequent history justifies the statement, for the paleface man at once became the red man's problem.

Why not do the just and honorable thing by this great class of noble people, and release them from further bondage?

If Congress feels that under the Constitution of the United States it should act as the guardian of the American Indians, and that it cannot divest itself of that wardship unless the Constitution is changed, then I believe that Congress and the American people are certainly very poor Americans if they cannot consider the welfare of the Nation first, and if Congress through its own deliberation feels that the welfare of the United States might be better served if the American Indians were made full citizens with all the rights and privileges accorded other citizens in this country, surely Congress and the American people are large enough in their tolerance and understanding to change any clause in our Federal Constitution which

makes the American Indians perpetually wards of the United States.

Since their grant of citizenship in 1924, the American Indians have been led to believe and have hoped that the Bureau of Indian Affairs would grant them their personal freedom, and that the American Indian at last would be recognized as an American citizen, treated as such, and educated as such.

Following the conquest of the American Indians, they were herded together on so-called reservations—given land so poor that their conquerors did not want it. They learned little from the paleface man except his vices, and contracted from him tuberculosis, smallpox and many other diseases. Their spirit was nearly broken, their pride extremely injured, and they had little incentive to help themselves. They did not understand the paleface men, who said their God was better than the Indians', when those same paleface men robbed and persecuted others less fortunate. Among the American Indians everything is shared, and spiritual rather than material values are stressed. A man is not great because of money, property, or position, but because of the good he can do for his people. The rank of chieftainship is considered an honor and an incentive to work for the common good, not as a vantage point from which to exploit the poor and the weak. These and many other divergences of viewpoints between the two races made for neither tolerance, understanding, nor sympathy.

Despite the handicaps under which the American Indian has labored for so many years, the Indian has made remarkable progress. The race has produced great writers, athletes, and statesmen. Former Charles A. Eastman, of the great Sioux tribe, achieved world-wide recognition as an outstanding author and lecturer; Chief Henry Standing Bear, another Sioux Indian, is also well known as a great Indian writer. The Carlisle football teams ranked among the best in the country, and this school turned out American Indian citizens who would be a credit to any nation. Our immortal Will Rogers was part Cherokee Indian—too bad we are denied him today, as he, with his common sense and inimitable humor, might save us from ourselves. Former Calvin Coolidge, President of the United States, was a direct descendant of a Connecticut Indian chieftain; and former Charles W. Curtis, Vice President of the United States, had Kaw Indian blood in his veins; and one could cite many other examples of American Indians who have gone down in history as outstanding Americans.

Mr. President, at this time I wish to pay my respects to the baseball clubs of this country. Neither the American League nor the National League has ever discriminated against Indians who wished to play on the baseball teams. I am proud to say that one of the greatest pitchers of all time, Chief Bender, came from South Dakota. He was born and reared on the Standing Rock Indian Reservation. He played with the Philadelphia Athletics for a great many years, and was one of the outstanding sportsmen of this country. The New York Giants had Chief Myers. I could go on and name player after player who was an Indian. Mr. President, let me say that for a number of years the man who occupied the very chair in which you are now sitting was the Honorable Charles Curtis, an Indian; he had Kaw Indian blood in his veins. I could also refer to the immortal Will Rogers and to scores of other prominent men who had Indian blood in their veins.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the remainder of page 28 and the concluding pages of the document from which I have read. I wish to invite the particular attention of the Senate to the subject on page 49 under the heading "American Indian credit fund."

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Honesty is a byword with the red man. No one has to lock his tepee or adobe at night or when absent. Promises are kept at all costs. There is no instance of American Indians breaking treaties.

Congress by passive procedure may hasten his hapless fate, or it may adopt a wise and beneficent policy and preserve from extinction this vanishing race. It may evade, it cannot avoid, its constitutional duty to care for these wards of the Nation. Through delay and neglect, the policy that will best promote their welfare and happiness has become a problem of great magnitude and far-reaching potential results.

And the subject invites attention perennial and futile as the weather. Yet the treatment of the American Indians by the Government imperatively demands Congress shall adopt a just, wise, and permanent policy for the well-being of this long suffering people.

THE REAL TROUBLE WITH THE AMERICAN INDIAN PROBLEM OF THE UNITED STATES

It does not take the political scientist long to put his finger on the real trouble with the American Indian problem of the United States. Under the American system of government the actual administration of Indian affairs rests with the executive department of the Government, within which the Bureau of Indian Affairs, headed by a Commissioner under the jurisdiction of the Secretary of the Interior, is the established agency. On the other hand, the Indian policy of the United States depends upon a varying will of an ever-changing Congress, which, as in all matters, is subject to local influences. In other words, not the Chief Executive, but the Indian Committee of both Houses of Congress, actually controls the Indian policy of the Government; so that it is necessarily lacking in permanence, constantly changing, and, therefore, much confused and more or less ineffective because not designed to deal with a permanent situation.

The way out, in my estimation, is gradually and wisely to let the American Indian loose. My goal is the free Indian. The orphan-asylum idea must be killed in the mind of the Indian and also the paleface man. The American Indian should know that he is upon the road to enjoy full capacity. He is to have his opportunity as a "free, forward-looking man."

In the judgment of those who know the American Indian best, and it is my conclusion after as intimate a study as practicable of his nature and needs, that we should henceforth make a positive and systematic effort to cast the full burden of independence and responsibility upon an increasing number of Indians of all tribes throughout the United States. If year by year a few from each tribe of Indians can be made to stand all together upon their own feet, we will be adding to the dignity of the American Indian race and to their value as citizens. To be master of himself, to be given his chance—this should be the right of the American Indian as that of any other racial individual. All that we should do is to help him make ready for that day of self-expression. The gentleman of today earns his right to live by his usefulness, which demonstrates the American Indian cannot be a man and a ward at one and the same time.

The man that can do for himself is the man to be released. And he is the man who thinks not in terms of the American Indians of yesterday, but in terms of the Indians of tomorrow. It is to be remembered that we are not looking for an ideal Indian nor a model citizen, but for one who shall become self-reliant and not continue to be a ward of the Government.

You cannot have a race progressing, nor individuals progressing, in my opinion, under the wardship we have exercised over the American Indians during the past 100 years and more. Unless the Indian is permitted to work out his own problems, he will never develop. No race can progress in bondage. If the American Indian had been given 90 years ago to understand that he had to go out on his own and be in competition with his paleface neighbors, today he would be enjoying full citizenship rights. In other words, the wardship has been a big mistake for the Indians.

The American Indian has always done his duty toward the paleface men, even from the first landing of Columbus on this continent. The early history of their forefathers' lending valuable aid to individuals and the colonial governments, is only matched by the voluntary services of thousands of the red men in the last great world conflict, as well as in the present World War.

No individual or committee of the scores of official investigations have ever disputed the statement, now a byword in every village of the Nation—"the treatment of the American Indian by our Government and also the various States, is now a national disgrace." But why does this shameful practice continue, even down to the present time, 1944? It has not been asserted by anyone worthy of consideration that the American Indian is incapable of taking his place by the side of any other race in any test in modern economical life.

The economic cost to the Government of playing guardian to the American Indians is now more than $40,000,000 annually.

After making these researches and investigations I have come to the conclusion that the only way to handle the American Indian problem is to emancipate the Indians as rapidly as possible, and to prepare them with proper teaching and training so they can be free, and a law-abiding, independent people with all the rights and liberties of other citizens.

Probably most people will agree that the problem for solution is to place the American Indian throughout the United States upon the same basis as the rest of our citizenship politically, intellectually, and industrially. This does not mean that the family relationships of the Indian will be disturbed. It means simply that as rapidly as practicable the average American Indian citizen should be educationally as well equipped and as self-reliant and self-sufficient as the average citizen of any other racial descent.

Experience is not lacking in dealing with a problem so old that our minds at once go back to its inception with the coming of the paleface men and their taking from the American Indian, by conquest and fraud, land, and finally liberty. We are overwhelmed by the conviction that a great wrong done by the paleface race is to be somewhat, and somehow righted; that the palefaces are under lasting obligations to do what they may for the remnants of a deposed people. But there is more to do than merely to discharge a sentimental obligation.

The honor of the United States is still compromised by hundreds of broken treaties with Indian tribes. A comprehensive Indian Claims Commission bill to authorize adjudication and settlement of all such claims passed the United States Senate, only to be defeated in the House of Representatives. The responsibility of removing this blot upon

our national honor rests with Congress and the administration.

The Constitution of the United States in article I, paragraph 1, section 10, provides:

"No State shall enter into any treaty, or pass any law impairing the obligation of contract."

And the power of Congress in relation to Indians, article I, section 8, paragraph 2, provides: "The Congress shall have power to regulate commerce with the Indians."

And while the United States Government was thus regulating and exercising the power thus conferred, it enacted the Indian intercourse acts of 1790–93 and 1802. But treaty making ceased of March 3, 1871, when section 2079 of the Revised Statutes was enacted by Congress, and to safeguard and preserve those treaties already made, provided the following part of section quoted: "But no obligation of any treaty lawfully made and ratified with any such Indian nation, or tribe, prior to March 3, 1871, shall be hereby invalidated."

Ordinance for the Government of the Territory of the United States northwest of the Ohio River, declares:

"Be it ordained by the United States in Congress assembled, That the utmost good faith shall always be observed toward the Indians; and in their property, rights, and liberty, they shall never be invaded or disturbed.

"Done by the United States in Congress assembled the 13th day of July, in the year of our Lord 1787, and of their sovereignty and independence the 12th.

"WILLIAM GRAYSON,
"Chairman."

There are approximately 500,000 American Indians in the United States today, divided into some 270 tribes or bands, of whom 250,000 live on reservations; each group with its own name and language or dialect; at present each with its own history and tribal traditions; and each with its own natural pride and patriotism. Three States—Oklahoma, Arizona, and New Mexico—contain nearly the entire American Indian population, while large groups are found in California, Minnesota, Montana, South Dakota, Wisconsin, and the State of Washington; although you will find groups and tribes numbering from a couple of thousand to a few hundred in every State in the Union.

The Government's activities as guardian and trustee are confined to Indians living in the following 23 States: Arizona, California, Colorado, Florida, Idaho, Iowa, Kansas, Michigan, Minnesota, Mississippi, Montana, Nebraska, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, and Wyoming.

The restricted Indian wards of the Government, of whom there are some 250,000, are the real factors of the so-called "American Indian problem."

The American Indians live under climatical, topographical, and geographical conditions which have a range from the Everglades of Florida to the heights of the Rocky Mountains; from the timberlands of the Great Lakes to the treeless priaries of the Great Western Plains; from the arable soil of the East to the semiarid deserts of the Southwest; from the Mexican to the Canadian border line.

Thousands of American Indians are so little advanced in their knowledge of the English language that they cannot speak but few words or even write nor read any English.

American Indians have fought for the Nation in all wars, and thousands of them are fighting today in all the strategic battle fronts throughout the world, helping their paleface brothers to fight for the preservation of democracy here in the United States and for the freedom of all peoples throughout the world. The American Indians' loyalty has never been questioned, neither has his integrity or ability been found to be inferior to that of any other race.

Had the paleface man's Government started out 150 years ago to recognize the American Indian for the fine qualities of citizenship that he possesses, do you not think that certainly the Indian would have been able to make as much progress year after year as any other race has made?

There is nothing wrong with the American Indian. It is the system governing him that is wrong. And that is not in criticism of any particular Indian Commissioner. I think the palefaces in this country have been wrong for over 150 years and that they are still wrong. The Government is not helping the American Indian to own private property and to gear himself into paleface man's society the same as any other nationality. The Government is keeping the American Indian under domination, instead of making him a free citizen. We are a free country, and our purpose has been to see that we should free those within our borders, instead of applying a procedure that does rather the opposite.

I should like to say at this time, that if this country is so liberal in making loans to foreign nations, which loans may never be collected, and to countries that are in default, such as some of those of South America, then I believe it might be a good idea if Uncle Sam would show at least a little liberality right here at home to his red children (the American Indians), and provide a substantial fund of two hundred million or three hundred million dollars of the American Indians' own money, which would help the Indians to become self-supporting.

Foreign governments, mostly European countries, owe our Government more than $13,000,000,000. South American countries and their subdivisions owe American private investors more than $1,250,000,000, on loans which have been defaulted.

I would like to emphasize the obligation this Government owes to the American Indians. The Indians have lost 90,000,000 acres of their land since 1887. Universally, it is acknowledged that they lost it through blunders and turpitudes on the part of the Government. Nobody disputes that. The land that the Indians lost was mostly good agricultural land. If you assume it has a value of only $5 an acre—of course, it has more nearly a value of $20, but we will assume $5 an acre—then the amount of loss to the American Indians in land alone since 1887, which the United States Government has caused, is $450,000,000. If the American Indians had this amount, there would be no destitution among the Indians today, except for this real though indirect confiscation of their lands that was carried out by this Government against the American Indians.

In view of the fact that the American Government has the lands, I do not see any reason why this Government should not make these loans to the American Indians, especially when it is their own money, as a matter of good sound business. This would also partially repay the obligation which this Government owes to the American Indians. The Government should not be penurious about making these loans.

Having been granted citizenship in 1924, the American Indians beg to emphasize that they should be considered and treated in accordance with that part of the immortal Declaration of Independence which reads as follows: "We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness."

There are many other legal problems affecting the welfare of the American Indians arising through the open violations of treaty provisions, erroneous interpretation of treaty provisions, and misapplication of administrative powers under them, besides the question of providing some adequate method of accounting for the negligent and sometimes criminal waste of property.

Let me draw a comparison between the present-day conditions of the American Indians and the American Negro.

At the close of the American Revolutionary War there were a little more than 600,000 American Negroes, and approximately 1,000,000 American Indians, in this country. The Negro was submerged into slavery until the close of the Civil War; and it was fully a generation after that, before there crept into his mind an understanding of his social status. The American Negro population now numbers more than 14,000,000; and he has his educational institutions, his churches, and seminaries, his banks, and his political influence in all the great industrial centers of the country; while the American Indian population now numbers approximately 500,000, of which about 250,000 of them are still imprisoned and isolated upon 97 different reservations scattered throughout the United States. This difference is largely due to the fact that the American Negro, crude as he was, was thrown upon his own, and borne along and developed by impact of the moral, intellectual, and spiritual forces surrounding him, while the American Indian has been smothered under a despotic arbitrary system of Government, which has kept him from contact with all wholesome forces of the paleface man's society.

The American Indian problem, so-called, is not one of his own making—the palefaces have kept him out of paleface society; he has for generations been arbitrarily held as an "incompetent." The blame is laid to the system—rather than to persons—more laws, more drastic regulations, and a tighter grip over his life and property—these are the greatest contributing factors in practically destroying many of noble qualities in the American Indian people. Remove the shackles; allow the Indian to have a voice in his own destiny; and the law of the survival of the fittest will yet develop the American Indian race in the paleface man's social and economic life where he will not be considered inferior to the paleface American's best.

I believe that under existing law; by the Constitution of the United States; under the fourteenth amendment to the Constitution; under the American Indian Citizenship Act of 1924, and numerous other decisions of responsible officials, the American Indians should have all the rights, privileges, and responsibilities of American citizenship.

The American Indians want to be accepted as free citizens; they feel that therein lies the security and protection of their people; the realization of their hopes and ideals and preservation of the noble qualities and characteristics of their race; and they now speak up and ask to be allowed to take their place beside the paleface race, and to be placed on exactly the same basis, in all matters, as all other races are enjoying without favor or advantage.

It is my firm conviction that the best and surest way to help remedy the American Indian situation is to bring the courts to the Indian. I am satisfied that had this been done 60 years ago the Indian would not be in such a helpless state of affairs.

If the courts of broad equity and probate powers could be made easily accessible to him where his individual and tribal rights could be fully and fairly presented, and where he could stand as other American citizens do, knowing that his rights would be protected, and remedies afforded for his wrongs, he would gain a confidence in the paleface man's laws and institutions which he has not heretofore had. Of course, this would not entirely solve the whole problem in all of its phases, but it would make a good start. These Indians have been under the control of the Indian Bureau since 1832, and a hundred years would seem to be sufficiently

long in which to have made a substantial showing as to their moral, social, and intellectual progress. During this time the Indian Bureau has grown to enormous proportions in personnel; the executive, administrative, and minor employees now numbering well over 10,000. Its history has been marked by unusual inefficiency, even for a bureau under civil service, with regard to its local administration, where the chief drawback has been the lack of vision and foresight of a Government policy having for its primary purpose the development and progress of a whole race of people.

The American Indian problem in the United States is a national responsibility involving the self-respect of the entire paleface population.

A NATIONAL OBLIGATION

That American self-respect is involved in the American Indian problem should be a conviction of real meaning to all of our citizens. Until the paleface Americans successfully fulfill their obligations to the American Indians, they have failed to demonstrate their ability to deal with the earliest and one of the most important minority groups of the American democracy.

The security, the welfare, and the full development of the Indians are ever the special responsibility of the hundred million paleface Americans who are enjoying "life, liberty, and the pursuit of happiness" on the soil once solely the possession of the American Indians.

Every paleface American owes much to the original inhabitants of this country. Any group that can make a contribution, no matter how small, to their welfare, happiness and progress should be glad of the opportunity. We must be sure that we offer them only of our best. Throughout the process we must always be constructive, and not destructive. There must be nothing dominant or aggressive in the attitude of the paleface man toward the American Indian.

The problem of the Indian welfare is one which should appeal to the sentiment and conscience of the paleface people of the United States in a very peculiar manner.

The American Indians are only a small proportion of the total population; numbering approximately 500,000 persons in no way minimizes the quality of the national concern for the original owners. Wise and effective ways of sharing American progress with the American Indians have not yet been adequately developed.

An overwhelming majority of the American Indians are poor, even extremely poor, and they are not adjusted to the economic and social system of the dominant paleface civilization.

The first period of 150 years from 1776 to 1926 is frequently characterized as a "century of dishonor" in American relationships with the American Indians.

In consideration of the American Indian problem, much time and effort, and many reams of white paper, can be saved by pleading guilty to the indictment of history, that the paleface race has shamefully mistreated the red race. There is no use arguing against that proposition. The cold facts of history furnish shameful evidence against the Caucasians. They and they only made the American Indians what they are today. Some comfort may be found in the knowledge that the present generation is not wholly responsible for most of the evils that tended to develop the situation in which the Indians are found. But that knowledge cannot be used as an apology, nor as a reason for the palefaces to dodge their individual responsibility as coguardians and cotrustees in futhering their progress on the road to what we call independent and unrestricted American citizenship.

I shall now give a brief summary of the Federal laws relating to the absolute power of Congress over tribal Indians and their property; and the delegation of said powers to the Commissioner of Indian Affairs.

In 1928 a report was made by the Institute for Government Research, entitled "The Problem of Indian Administration." The said report was of a survey made at the request of the then Secretary of the Interior, which survey was made by 10 experts who visited practically every American Indian reservation and boarding school in the United States. The said report was printed in a book of over 800 pages, which quite severely criticizes the manner and method of handling Indian affairs. The opening sentence is as follows:

"An overwhelming majority of the Indians are extremely poor, and they are not adjusted to the economic and social system of the dominant paleface civilization."

If an overwhelming majority of the American Indians are extremely poor today, the blame must largely rest upon Congress, because under the Constitution of the United States Congress has the exclusive and unfettered power over tribal Indians and their property. The legal status of Indians and Indian affairs is outlined in 31 Corpus Juris, at page 529, as follows:

"Under the Constitution of the United States, Congress has the exclusive and unfettered power to regulate commerce with the Indian tribes and to extend that regulation to the individual members of the tribe, not only in the Indian country but through the States themselves wherever the Indians who belong to any tribal organization may be found, and to say with whom and on what terms they shall deal."

The American Indians and the territory which may have been specially set apart for their use are subject to the jurisdiction of the United States, and the power of Congress to deal with Indians and their property is of the most sweeping character. It may pass such laws as it sees fit, prescribing the rules governing the intercourse of the Indians with one another and with citizens of the United States, and also the courts in which all controversies to which an Indian may be a party shall be submitted. It has likewise power to punish all offenses committed against or by Indians within their reservations.

The power of Congress is superior and paramount to the authority of the State within whose limits are Indian tribes. Such power does not cease when the Indians become citizens of the United States, when they become electors under State laws, or when their lands are allotted in severalty.

Congress has plenary power to deal with Indians and Indian lands and funds. *Sizemore* v. *Brady* (225 U. S. 441); *Smith* v. *United States* (142 Fed. 225); *Choate* v. *Trapp* (224 U. S. 665); *United States* v. *Thomas* (151 U. S. 577); *Dick* v. *United States* (208 U. S. 340); *United States* v. *Holiday* (3 Wall. 407); *in re Blackbird* (109 Fed. 139); *Y-totah-wah* v. *Rebock* (105 Fed. 257).

The foregoing is amplified and supported by the act of June 30, 1926 (44 Stat., pt. 1, pp. 689–721), entitled "An act to consolidate, codify, and set forth the general and permanent laws of the United States in force December 7, 1925."

Title 25 of this code relates to Indians and upon a careful study of this title containing the laws, court decisions, rules, and regulations promulgated by the President of the United States, the Secretary of the Interior, and the Commissioner of Indian Affairs (for such rules and regulations have the force and effect of law in the eyes of the courts), it becomes clear that the American Indians are completely and absolutely under the will and at the mercy of Congress.

The American Indians are placed in this un-American position by a short clause in the Constitution of the United States, in the making of which Constitution the Indians had no part either directly or indirectly. The makers of that Constitution very likely never thought it would be interpreted any differently from what it would be interpreted in relation to foreign nations, and among the several States, for the power over the Indians is given in section 8 of article 1, and reads as follows:

"The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States; to borrow money on the credit of the United States; to regulate commerce with foreign nations, and among the several States, and with the Indian tribes."

Under this short phrase (which very likely was intended, at the time, to control the vast fur trade with the American Indian tribes), Congress later enacted legislation from time to time which has finally got the American Indians into the plight in which we find them today; and against which a great many of them are complaining and protesting and asking for relief.

According to decisions of the Supreme Court of the United States, the matter of dealing with the American Indians and their property is a question of policy for Congress to determine. In the case of *Lone Wolf* v. *United States* (187 U. S. 553–565) it was held that the plenary power of Congress over tribal Indian property is such that the provisions of an existing treaty with the Indians could be abrogated without their consent, but that presumably such action would not be had without full consideration of justice, humanity, and public policy. It will be seen therefore that it is largely a question of policy for Congress to determine and this gave rise to that further ruling by the same court in *Blackfeather* v. *United States* (190 U. S. 368) wherein it was held that the moral obligations of the Government toward the American Indians are for Congress alone to recognize and that the courts can exercise only such jurisdiction over the subject matter as Congress has or from time to time may see fit to confer upon them.

The foregoing Supreme Court decisions are fair samples of the position taken by the Federal courts and indicates the necessity for Congress to do its duty in such a manner as to give to the American Indians the right of court review in those matters over which the courts declare they do not now have any jurisdiction.

Under title 25, United States Code, chapter 1, section 2, we have what is entitled, "Duties of Commissioner—The Commissioner of Indian Affairs shall, under the direction of the Secretary of the Interior, and agreeably to such regulations as the President may prescribe, have the management of all Indian affairs and all matters arising out of Indian relations (R. S. sec. 463)."

The derivative section for section 463 of the Revised Statutes above cited were sections 1 of the act of July 9, 1832 (ch. 174, 4 Stat. 564), providing for the appointment by the President of a Commissioner of Indian Affairs to act under the direction of the Secretary of War and section 1 of the act of July 27, 1868 (ch. 259, 15 Stat. 228), providing that all supervisory and appellate powers of the Treasury shall thereafter be exercised and performed by the Secretary of the Department of the Interior.

Notes of decisions under this section of the code are numbered 1 to 19 inclusive, under various headings, but only a few of them are mentioned in this memorandum to illustrate the absolute power of the Commissioner of Indian Affairs over matters arising out of Indian relations.

No. 1. Authority of Commissioner in general: The general language of the statutes makes it plain that the authority conferred upon the Commissioner of Indian Affairs was intended to be sufficiently comprehensive to

enable him, agreeably to the laws of Congress and to the supervision of the President of the United States and the Secretary of the Interior, to manage all American Indian affairs and matters arising out of Indian relations, with a just regard, not merely to the rights and welfare of the public but also to the rights and welfare of the Indians, and to the duty of care and protection owing to them by reason of their state of dependency and tutelage (*Rainbow* v. *Young* (Nebr. 1902) (161 Fed. 837, 88 C. C. A. 653)).

The foregoing decision of a Federal court holds that the Commissioner has authority to manage all matters arising out of Indian relations.

Note No. 2, under section 2 of title 25, chapter 1, reads as follows: "Powers to adopt regulations in general: This section and section 9, post, of this title and section 64 of title 2, the Congress authorizes the adoption and promulgation of suitable rules and regulations for the carrying into effect of the various provisions of the acts of Congress relating to Indian affairs" (*United States* v. *Van Wert* (D. C. Iowa 1912) (195 Fed. 974)).

Section 9, referred to, is as follows:

"Regulations by the President: The President of the United States may prescribe such regulations as he may think fit for carrying into effect the various provisions of any act relating to Indian affairs and for the settlement of the accounts of Indian affairs" (R. S. 465).

The above-cited section of the Revised Statutes was derived without material change from section 17 of the act of June 30, 1834 (ch. 162, 4 Stat. 738), entitled "An act to provide for the organization of the Department of Indian Affairs."

Note 3 under the foregoing section is as follows: "Rules to effectuate treaty: A treaty with the Indians is an act or law relating to Indian affairs, and under this section the President has power to prescribe a rule for carrying out the same into effect, and such power may be exercised through the proper instrumentality—the Secretary of the Interior." (*U. S.* v. *Clapox* (D. C. Oreg. 1888) (35 Fed. 575).)

Note 7 is as follows: "The regulations made by the President pursuant to this section have the force of statutory enactments." (U. S. Thurston County (Nebr. 1906) (143 Fed. 287, 291 C. C. A. 425); *U. S.* v. *Eaton* (Mass. 1892) (U. S. 677, 12 S. Ct. 764, 36 L. Ed. 591); *Wilkins* v. *U. S.* (Pa. 1899) (96 Fed. 837, C. C. A. 588), and are obligatory on all departments (1848), 5 op. Gen. 35, 39).)

Note 19 under this same section is as follows: "Effect of regulations of the Indian Department promulgated under the authority of law have the force and effect of statutes, of which the court will take judicial notice." (*Bridgeman* v. *U. S.* (Mont. 1905) (140 Fed. 577, 583, 72 C. A. C. 145).)

Note 17 is as follows: "Ratification of agent's acts: When the Commissioner of Indian Affairs, being informed of the course which a subagent intended to pursue, approves it, his approval was a ratification of the agent's acts, rendering them valid." (*Belt, Executrix* v. *U. S.* (1879), 15 Ct. Cl. 92.)

From the foregoing citations of the law and decisions of the courts, it is made clear that not only may the President of the United States adopt and promulgate rules and regulations, having the force and effect of statutes, which the courts take judicial notice of, but such rules and regulations can be initiated by subordinate officials of the Government leading down at least to subagents.

The position of the President of the United States, the Secretary of the Interior, and the Commissioner of Indian Affairs, together with their assistants, are political jobs subject to change every 4 years, so the plans and policies of one administration may be abandoned by the one following, and thus disrupt the lives and living conditions of the American Indians each time. There is never any assurance of continuity of good plans or policies. The rules and regulations may be changed, and have been changed, from one administration to another.

No Indian tribe has a voice in formulating such rules and regulations, nor in any manner are they recognized excepting insofar as they may (in isolated cases) chance to influence Congress in the passage of legislation.

The American Indians' appearance before committees of Congress is very meager and limited. The expressed wishes of a whole tribe are too easily swept away by the statement of outsiders who may or may not have the best interests of the Indians at heart. Selfish interests, who are vocal, have a great advantage over the silent Indians in influencing legislation regarding Indian matters.

Under a system adopted and adhered to by Congress, the Indian Bureau is given tremendous advantage over Indians because its reports for or against legislation are usually controlling.

Such reports often carry the endorsement of the Bureau of the Budget and the Secretary of the Interior and are accepted by Congress regardless of the wishes or actual welfare of the Indians. Such a system may be applied to dumb animals with impunity; but to apply it rigidly to human beings who are involuntary wards is unfair. The following of such a system too closely over the past years by Congress is largely responsible for the extreme poverty of the American Indians today. The framers of the Constitution of the United States gave Congress the sole power, "To regulate commerce with foreign nations, and among the several States, and with the Indian tribes."

From the grant of power Congress has enacted laws from time to time until the American Indians are unable to do anything without the consent of Congress.

The purpose of this short summary on the Federal laws governing Indians, is to call attention to the fact that Congress is responsible for all the powers given to the Bureau of Indian Affairs or any official thereof.

Only a few citations of Supreme Court decisions are herein given.

REPEAL THE SO-CALLED WHEELER-HOWARD ACT

I shall now give a brief summary of the evidence in various forms regarding the so-called Wheeler-Howard Act commonly called Indian Reorganization Act (Public, No. 383, 73d Cong., act of June 18, 1934, 48 Stat. 984), which was passed and approved by Congress June 18, 1934, seems to reveal the following:

The so-called Wheeler-Howard Act, and now generally referred to as the Indian Reorganization Act, was passed on June 18, 1934. In reality it was a substitute for a much more extensive bill of the same general import which had been courtesy sponsored in Congress for the Indian Bureau and had met so much opposition from the Indians that its doom was sealed. So the act of June 18, 1934, was the salvage from the original bill. This salvage bill the Indian Bureau again offered through courtesy sponsors in Congress and carried through to enactment by means of the Bureau-organized propaganda machine. The bill provided within itself that it would not extend to any Indian groups which did not elect to accept it.

In view of the Indian Bureau insistence on the retention of many of the provisions of the original bill 2755, of the promises made to the Indians during the discussions on it, and of the attempts of the Indian Bureau to revive the deletions from it and use them in connection with the act of June 18, 1934, some attention should be given to that bill and to the Indian Bureau campaign for its enactment.

The predecessor of the so-called Wheeler-Howard bill contained some 10,000 words, or nearly four times as many as the salvaged act contains. It proposed the institution of a system of Indian communes within but separate from the several States of the United States. The various communes were to enjoy self-government under charters issued by the Secretary of the Interior specifying that their every significant act must be under his direction or with his approval. Over all of the system of communes was to be a United States Court of Indian Affairs consisting of a chief judge and 6 associates, each to receive $7,500 per year, a chief clerk, a reporter, assistant clerks, and marshals, not to exceed 7 each, and 10 special attorneys, all to be paid out of the United States Treasury. These are about the only items from the original bill that the Indian Bureau has not been able to drag in under cover of the salvage in the Wheeler-Howard Act.

About 21 of the 47 pages of the original bill were devoted to the proposed provisions of charters to be granted to the communes by the Secretary of the Interior. The charters were to detail the power of the communes, all of which were to be subject to the direction, discretion, or approval of the Secretary of the Interior. Now, under the Wheeler-Howard Act, many of these deleted charter provisions have been introduced into the various tribal constitutions and there confirmed through the charters issued by the Secretary acting under the authority of the salvaged act.

All of the constitutions written under the act of June 18, 1934, contain some of the deleted provisions of the original bill and most of them contain many. Some 3 pages of the original bill were intended to authorize the Commissioner of Indian Affairs to educate the Indians for their new responsibilities to the Secretary of the Interior, who was to "pinch hit" for the Commissioner of Indian Affairs in all other matters relating to the communes. The original bill then proceeded through 13 of its 47 pages to delineate the significance of communal title to land and to provide that the Secretary of the Interior might recapture alienated American Indian lands, withdraw trust land from individual ownership, and even cancel patents issued to individual Indians. Much of this part of the original bill was written into constitutions under the act of June 18, 1934. Nearly half of the content of some constitutions is composed of land regulations lifted from the original bill. More than 9 pages of the original bill were devoted to setting up a system of courts for Indian communes.

THE FIRST GREAT CAMPAIGN

The Indian Bureau organized to force the original bill through Congress, but Indian opposition developed. The Bureau then went to the field in nine regional conferences with the Indians. Members of the Indian Bureau and of the Office of the Solicitor of the Department of the Interior attended the conferences and expounded the virtues of the bill. The Indians were not satisfied. Many of their best thinkers saw the fallacies of the proposed law and the destructive effects of its segregating and subjugating provisions. They were more than a match for the visionary propagandists. The Bureau cause appeared to be lost. The Indian Bureau and Department representatives came back from the regional conferences to gather up the scraps and fit them into a new measure to be substituted for the original bill and courtesy sponsored through Congress. The Secretary of the Interior now took charge of the Wheeler-Howard forces. Official pressure was applied.

He warned his 6,000 employees, about 2,000 of whom were Indians, saying in a circular letter issued prior to the passage of the act in part: "That a continuance of propaganda emanating from employees of the Indian Service against his new Indian program would be under penalty of dismissal from the Service. Their action can only be characterized as disloyal and pernicious."

The effect of this circular letter from which the above quotation was taken, issued while the bill was still pending in Congress, was to deny to Indians and paleface employees the right to express an opinion unfavorable to the new policy embodied in the Wheeler-Howard bill under penalty of summary dismissal from the Indian Service, though every employee was urged and required to work for the bill. No conscientious objectors were allowed. Outside agencies were supplied with censored information to secure their support. The Indian Bureau suppressed all opposition to the bill as far as possible and flooded the country with various forms of propaganda favorable to it. So the salvage bill passed Congress and was approved June 18, 1934. If 10 years of operation under the act have not justified the high-pressure methods used to secure its enactment, it should be repealed without delay.

The act of June 18, 1934, attempted to commit the Government to a program of regimentation of American Indian life. The essential provisions of the act are as follows:

(1) The mineral resources of the Papago Indian Reservation were opened to exploitation by non-Indians.

(2) Limitations were placed on the acquisition of land for the Navajos of New Mexico and Arizona.

(3) Existing periods of trust on Indian lands extended indefinitely.

(4) Provision was made for the return of so-called surplus lands to Federal trust for Indians.

(5) A new system of Indian land serfdom was authorized.

(6) An annual appropriation for the purchase of land to be held in trust for the groups that accepted the act was authorized.

(7) Provision was made for proclaiming new reservations and for regathering dispersed Indians.

(8) A revolving loan fund was set up under Indian Bureau control.

THE SECOND GREAT CAMPAIGN

After a year of strife, turmoil, and frantic effort, the act had been approved, but the real battle was just beginning. The Indian Bureau must now appeal to the Indian groups to accept the act, and this in the face of the animosities, bitterness, and factions that had been engendered during the preceding year.

The Indian Bureau, through a careful canvass of its records and those of its field agencies, made up a list of the Indian groups then existing and of the groups which their records did not show to have ceased to exist.

Election on the acceptance of the act was then called for 261 groups, including about 200,000 American Indians. Later it was found that 9 of the groups had no population, and that 17 others had a population of 1 to 12.

This second campaign, the one to have the act accepted by the Indians, was even more intense and bitter than the first campaign that was instituted to pass the act. This is well illustrated by quotation from the observations of M. K. Sniffen on the Navajo Indian Reservation, as published in Indian Truth, the publication of the Indian Rights Association, Inc., for October 1935, as follows:

"Following nearly a year of chaos, confusion, and uncertainty that unsettled the Navajos and made them apprehensive for the future, came the whirlwind campaign to win their support for the Wheeler-Howard Act. A volume could be written about this, but nearly all those I talked with agree as to fundamentals, and the situation can be summarized briefly as follows:

"High-pressure methods were used on the reservation to tell the Indian how to vote. There were many speakers and far too many meetings, and the effort seemed to be to stampede the Indians to line up and vote 'yes.' Of course, the $10,000,000 was kept to the front; the Indians were to have all the jobs; they were to govern themselves, and live the old life in their own way. The campaign stirred up much internal strife, that still exists; so much oratory was poured into the reservation that it confused and bewildered the Indians * * *. High-pressure salesmen made so many promises, and what were construed, that they were not trusted by the Navajos. The latter were worn to a frazzle, and when the election was held a majority of them voted against the application of the Wheeler-Howard Act * * *. Commissioner Collier's letter to the Navajos, through Superintendent Faris, rehearsing what the tribe had lost by its failure to accept the act, was unfortunate. It was interpreted by some as a mild threat of reprisal. It would, in my opinion, have been better for him to have accepted the result of the election without comment."

What occurred on the Navajo Indian Reservation is typical of what occurred in many other Indian groups, and, in the end, less than one-third of the Indian Bureau claimed 400,000 American Indians ever accepted the act. Surely the Government owes something to the great majority of the American Indians as well as to those who are suffering under their misguided acceptance of the act. It appears necessary that it be repealed for the good of both sides.

THE THIRD CAMPAIGN

Then came the third great campaign, that of writing constitutions for those groups which had unfortunately accepted the act, and for other residue Indians which had not an opportunity to vote on acceptance of the act. For this work and its follow-up, a special staff of field representatives of the Commissioner and of field agents was built up and trained. The field representatives having salaries above $4,000 were all non-Indians; the field agents having salaries of $1,800 to $2,600 were all Indians. This was according to agreements within the Indian Bureau. Field representatives spied out the Indian country and attended to the diplomatic arrangements with the Indian groups and later supervised the work of the field agents. All field superintendents and other field employees were enjoined to assist in the campaign. Anthropologists, psychologists, economists, social economists, and a variety of other experts were given temporary employment as advisers to the Bureau, and many of them were able to make it permanent employment. Several budding doctors of philosophy were able to write their doctors' theses while serving the Indian Bureau as high-priced experts. Altogether, this campaign was most expensive, not only of Federal funds but also of the time of hundreds of Federal employees.

Self-government was extended to all American Indians who could be induced to accept the promise, and that regardless of the size, location, or surrounding conditions of the particular group. It was assumed that a constitution and a charter for a few families living on a few acres of trust land could make them economically secure and self-governing; that a constitution, a charter, and a loan from the revolving loan fund could call forth a little band of Indians long since dispersed among a far larger paleface population under State, county, and municipal government, and make it a separately self-functioning civic unit with economic guaranties. "Self-government" had slogan possibilities. Many little Indian groups consisting of a few resident families and a few relatives or former residents now scattered far and wide permanently located elsewhere, were farcically organized under a standard constitution and were granted an imposing Federal charter by the Secretary of the Interior. At least 15 small and large groups were organized under a constitution and granted a charter, though they had no list or roll of members and do not yet have such roll. For instance, the Keweenaw Bay community in Michigan guesses its membership to be anywhere from 500 to 1,400 members, if it had a roll. One little organization in California estimates its membership at somewhere between 15 and 35 members, according to the decisions of the tribal council in power at the time.

The Indians were supposed to write their own constitutions, but they had had no experience in such matters; besides, they did not know what the Indian Bureau wanted them to do. The only way to organize them was to offer them model constitutions acceptable to the Indian Bureau and allow them to accept such drafts, revise them within limits set by the Indian Bureau, or else reject them. Using standard forms, a constitution could be pieced together in conference with the Indians by allowing them to fill in the blank forms as suggested, between the items required by the Indian Bureau. Some constitutions when completed contained more matter required by the Bureau than matter that was used to fit them to the actual situation.

An educational campaign to explain the proposed constitution to the Indian voters, before the election on it, was generally required, especially for the larger Indian groups. The superintendent of the agency within which the election was to be held would receive an allotment of funds for the employment of Indians to go among their neighbors to explain the constitution. Sometimes opposing Indians could thus be subsidized into acquiescence while subservient Indians could be rewarded for their loyalty. This method was usually effective, if the particular Indian group was not too much aroused.

THE FOURTH CAMPAIGN

The fourth campaign, though widespread, was comparatively quiet and without dramatic appeal. It was conducted to get the Indian groups which had constitutions to accept charters. Here there was no pretense. The charters were prepared in the Solicitor's office to implement the constitutions. The Indians could accept them or reject them as they pleased, but if they did not have a charter they could not borrow from the revolving loan fund which had been used as an inducement to the Indians to organize. Many groups refused charters and others who received them later wished they had not. The constitutions merely deluded the Indians, but the charters tied them to the delusion.

THE FIFTH CAMPAIGN

The fifth campaign was inaugurated to codify the laws for those Indian groups having constitutions. Though it required much time and effort, it was a rather futile gesture to express the groups with the exalted state of Federal wardship. The codes so elaborately prepared merely clutter the Indian Bureau files of forgotten records.

THE SIXTH CAMPAIGN

The sixth campaign is still in progress. It came about in this way: When the appropriations for the organization unit of the Bureau were cut to a pittance, its functions and a part of its staff were transferred to a planning unit which undertook to make programs for the various organized groups. The planning unit worked for 2 years gathering data for plan making. Within the past year, this unit (tribal relations) has gone to the field to plan with the organized groups, especially those groups which have tribal funds or considerable loans from the revolving loan fund. The Indian Bureau has been supervising projects for such groups for several years, but the Indians sometimes upset their plans. The Indian Bureau will feel much more secure if it can get the organized Indian groups to agree to plans for its expenditure of their funds. Besides, planning for other people and with other people's money is quite the vogue. If anything is to be saved to the American Indians from

their trust estates, the act of June 18, 1934, must be definitely repealed.

1. Five campaigns have been staged on the Indian reservations by the Indian Bureau, and the sixth campaign is still in progress relative to the said act, viz: (a) Campaign to secure Indian approval of the pending bill in 1934; (b) campaign to secure Indian acceptance of the act itself, in elections held for that purpose; (c) campaign to secure Indian acceptance of a constitution in elections held for that purpose; (d) campaign to secure Indian acceptance of a charter in the elections held in those places where both the act and the constitutions had been accepted; (e) campaign to codify the laws for those Indians groups having constitutions.

2. Witnesses supporting the bills for repeal of the act were unanimous in their statements that unjustifiable amounts of Federal appropriations for the Indian Bureau were used to conduct these five campaigns; that Indians were high-pressured into accepting the act and adopting the constitutions and charters under authority of the act; that all local agency officials and Indians employed on work relief projects were ordered to campaign actively for the act; and that, under threat of losing their positions, they did so campaign; that officials of the Washington office of the Indian Bureau and Indians from other reservations were brought into local areas to campaign, and that Indians both from outside and within the local areas were paid a salary and traveling expenses for campaigning; that the Civil Service Commission has held that it cannot take action against Bureau employees who campaigned in these various elections because of authority conferred upon the Secretary of the Interior under the so-called Wheeler-Howard Act; that Indians were promised self-government and lands which were to be purchased by the United States Government; that the elections had not been carried out by secret ballot as provided for in the act; and that in all the campaigns and the conduct of the elections, the press, the radio, the franking privilege of the Indian Bureau, Government cars, gas and oil, publications, and other Government facilities were freely used.

3. That the various campaigns conducted by the Indian Bureau officials, local agency officials, and irresponsible agents of the Bureau, made promises that could not be kept, which have tended to stir up more ill feeling, factional disputes, and family troubles among the Indians than has ever existed at any previous time.

4. The Indians who have refused to accept the act or who have opposed it have been discriminated against in the distribution of work relief, rations, and clothing; and some Indians have lost their jobs because of such opposition.

5. That Indians opposing the act had been and are being threatened, coerced, and intimidated by either the Bureau employees or the local Indian officers who operate under the Wheeler-Howard Act, or a combination of both Bureau and Indian officials, in the effort to force the program on the Indians. Indians have been arrested, or jailed on trivial or false charges and been denied the right of trial by jury.

6. That individual rights of inheritance, private ownership of property, and private enterprise are being discouraged and destroyed by reason of some provisions of the act itself and the administration of the act.

7. That all efforts tend to force the American Indians back into a primitive state; that tribal ceremonials, native costumes and customs, and languages are being both encouraged and promoted in the administration of this act; that the educational program of the Bureau of Indian Affairs has been revised to accomplish this purpose in place of the regular school courses in paleface schools.

8. That the act is not administered in such a manner as to provide the self-government which was promised to the American Indians, but provides for more mandatory power for the Secretary of the Interior, and the program under the act has destroyed the self-governing rights which had previously been enjoyed. The constitutions prepared by the Indian Bureau officials for adoption by the Indians were so filled with the impositions of the Department that there was little room for the ideas of the Indians, yet the constitutions were supposed to be Indian made. They provide for the reference of everything of importance to the Secretary of the Interior.

9. That generally the officers elected by the Indians when organizations are set up by virtue of the provisions of the so-called Wheeler-Howard Act, are, or become, employed by some Government agency supervised by the Indian Bureau, or some other governmental function. Many of such tribal officers have secured advantages through their positions.

10. That the Indians were told that the act provided a means of repeal if they did not like it, yet not a tribe has yet been allowed to vote on repeal, though many of them have presented petition after petition.

11. That chaotic conditions prevail, due either to the administration of the act or to legal complications which resulted from the application of the act to certain tribes; that individual initiative of the Indians is being destroyed; that no progress is being made; that conditions generally are worse; and that great unhappiness, confusion, and despair among the Indians have resulted.

Arguments advanced against the so-called Wheeler-Howard Act in general, can be summarized as follows:

1. Acceptance of the act changed the status of the American Indians from that of involuntary wardship to voluntary wardship.

2. The act provides for continued wardship of the Indians and gives the Secretary of the Interior increased authority.

3. The act is contrary to the established policy of the Congress of the United States to eventually grant the full rights of free citizenship to the American Indians.

4. The act provides for only one form of government for the American Indians, viz, a communal government, with all property, real and personal, held in common; and it compels the Indians to live in communities segregated from the rest of the American citizens.

5. The act itself and the administration of the act violates the rights of citizenship which the American Indians have won through long years of efforts.

6. That the American Indians prefer to be under the jurisdiction of the laws of the respective States where they reside.

Fundamentally the so-called Wheeler-Howard Act attempts to set up a state or a nation within a nation, which is contrary to the intents and purposes of the American Republic. Once the Indians have voted themselves into this act, there is no way given them to vote themselves out, except by act of Congress. That is also contrary to the concepts of the American Republic, because all other citizens may come to a decision by the ballot, and they have the right to undo that decision by the ballot, and they do not delegate the right to some other body. The American Indians should be helped and given every assistance possible, but in no way should they be set up as a governing power within the United States of America. They should be permitted to have a part in their own affairs as to government in the same way as any domestic organization exists within a State or Commonwealth but not to be independent or apart therefrom.

This act does not even provide that they may control thir own property, either what they have inherited or may acquire by their own efforts or through the Government. The Indians cannot well advance unless they are given responsibility and perhaps allowed to fail a few times as do other people, and thus learn to stand alone.

There should be no plan that even savors of a state within a state, or a nation within a nation. In most places the American Indians get along very well with their paleface neighbors and the majority of the Indians want such associations and they realize their greatest advancement is with the paleface man and his society.

This proposal to restore and perpetuate the tribal life of the American Indian in modern America is too pitiful for me to find words to express my indignation concerning it. You could just as well turn the clock of time backward as to try to have these Indians live their tribal life as they did long years ago. This theoretical and idealistic dream, which is the basis of the Wheeler-Howard Act (Indian Reorganization Act), can only result in the development of more pitiful conditions for the American Indian people. This whole plan was worked out not by the men who know the Indian intimately and know his difficulties and his problems, but by a group of theorists who want to retain the tribal life of the American Indian out in the far West as a kind of a museum or restored condition of ancient America. It is not working up to the present time and it never will work.

There is only one way to handle the American Indians of the United States, and that is to take care of the old Indians who are helpless and cannot take care of themselves, and turn the others loose, rear the young Indians along with the paleface people and make citizens of them so they can live according to the standards of American civilization.

Only one form of living for the Indians is provided in this piece of legislation for land control. That is community ownership of property. All under complete control of a bureaucracy.

In other words, other experiments having failed, the American Indians now are subjected to a more drastic measure. The Indians are tired of experiments.

No adequate protection is given to Indian holdings in accordance with established laws which operate satisfactorily for all other Americans, and which are subject to court review. All power is left in the exclusive control of the Indian Bureau. The Indians are still to be incompetent wards.

This act was propagandized as an act to give the Indians "self-government," "stop the losses of any more land," and to "provide land for landless Indians." Even a casual examination of the act itself discloses that there is no self-government in it. All final power and authority remain in the Secretary of the Interior which is exactly where it always has rested since the Bureau was established; in addition to which, the Secretary of the Interior is given "mandatory" authority over all grazing and timber operations and soil conservation on Indian reservations; in other words, this act is additional power for the Secretary. Formerly he had only discretionary authority.

The very first section of the act provides that hereafter there shall be no individual allotment of land. That section of the act is destructive of private ownership of property.

Complete understanding of the Indian Reorganization Act necessitates a close analysis of the provisions of the act itself, together with the constitutions and charters which have been promulgated under the act.

Under the authority of the Indian Reorganization Act, the constitutions and the charters, many things are being done to further deprive the American Indians of their rights. In all property bought for the use of the Indians under this act, title is vested in the United States Government, in trust for the Indians designated.

WHEELER-HOWARD ACT UNCONSTITUTIONAL

The so-called Wheeler-Howard Act (Indian Reorganization Act) is absolutely unconstitutional. In an effort to secure Indian approval of this program, the Indian Bureau conducted campaigns on Indian reservations throughout the country, spent vast sums of money to propagandize the Indians into voting to accept the reorganization in farce elections where the Bureau prepared the poll lists, conducted the elections, counted the votes and determined the results, and did not tell the Indians that by voting to accept the program they changed their legal status from that of involuntary wards to voluntary wards who had voted to have the Indian Bureau remain in control of their affairs forever. This is the blackest and most miserable chicanery that has ever been practiced against a defenseless people in these United States.

The Indians were promised self-government, land, and unlimited loans for all purposes, if they would accept the act. There is no self-government in the act. All final power and authority rests in the hands of Mr. American Indian dictator, the Secretary of the Interior. No Indian can ever own any land which has been purchased under authority of the act. The Government buys the land, takes title to it, and the Indian is assigned the use of it, subject to removal, with no rights of heirship. The Government now owns over a million acres of land which has been thus purchased.

The Secretary of the Interior takes a lien on property, not only for all loans but also for any and all money spent for the relief of indigent Indians. Instead of owning more land in 1944, the Indians own less and have lost it through foreclosure proceedings and by relinquishment of fee title to the Federal corporations set up under authority of the acts, in exchange for a slip of paper saying they own "an interest in corporate property."

The act provides that Indian tribes shall become organized into Federal corporations, with all property, real and personal, held in common. Courts are set up and used to punish those who do not agree with the program, with no right of trial by jury or representation by counsel.

Acts providing for per capita payments to individual Indians from tribal funds have been opposed and vetoed, thus putting the seal of executive approval on the Indian Service policy of conserving Indian assets for productive uses.

Under this program, Indians have lost land and mortgaged resources; have been denied the rights of free speech, free press and free assembly, the right of trial by jury and representation by counsel; and the right of inheritance, private ownership of property, and individual enterprise is fast being destroyed.

Under existing Indian Bureau control, individual Indians will be forced to relinquish their lands whether they wish to or not just as in the past they have been forced to sign powers of attorney giving the Indians agents the right to lease their lands before such lands were leased for them. It opens the way for taking away of land rights from the American Indians.

The passage of this bill has tended to destroy all existing treaty rights of the various tribes and left the new chartered communities with no protection.

This Indian Reorganization Act will not do what it is supposed to do, provide for the freedom of self-government by the Indians because all power and authority is left in the hands of the Secretary of the Interior and the Commissioner of Indian Affairs where it has been for over 100 years past.

This act seeks to set the American Indian apart as a separate race, means only continued segregation and fosters race prejudice. It also forces the Indians backward into the status which existed a century ago.

It does not give the Indians any voice in the control or management of their own affairs, the selection of employees on reservations, the spending of tribal funds, nor the right to employ counsel. All such statements contained in the act are carefully followed by words to this effect: "As the Secretary of the Interior shall see fit, shall consider competent, in his discretion or according to such rules and regulations as shall be prescribed by the Secretary of the Interior."

It provides only for a bigger Indian Bureau and has increased more detrimental power for the Bureau than has ever been passed.

In 1924, in response to a growing demand, the Congress of the United States passed an act making the American Indians citizens. That was the greatest step forward ever taken to give the Indian a chance to progress. But what has happened?

The Indians have been continued as so-called incompetent wards by this Bureau which refuses to recognize the clear intent of the Congress.

And now the American Indians have as Commissioner of Indian Affairs a man who has gone further and by the enactment of another law completely defeated the clear intent of the 1924 act of Congress.

The Indian Reorganization Act does net set the American Indians free from Bureau control. It does not give the Indian the right of a free citizen to life, liberty, and the pursuit of happiness. It seeks to set him apart from other people in segregated communities, with a separate government from the laws under which other citizens live, subject to a bureau control, as is quite clear from almost every section of the so-called Wheeler-Howard Act (Indian Reorganization Act).

I maintain that if the American Indian citizenship law of 1924 meant anything at all, then the so-called Wheeler-Howard Act is absolutely unconstitutional. It is special class legislation; it is discriminatory in that it sets the American Indians apart, separate from other citizens.

I feel justified in saying that there are no special classes of citizenship in the United States, and there are no provisions in the Constitution to give Congress the authority to create special classes of citizens. The American Indians stand upon the premise embodied in the Constitution of the United States, which says "that all men are created equal and have certain inalienable rights, among them are the rights to life, liberty, and the pursuit of happiness."

What do the Secretary of the Interior and the Commissioner of Indian Affairs think of the act of 1924? Do they consider it the greatest step forward that was ever taken for the American Indian race, as the Indian did?

Under the Wheeler-Howard Act the Indians are to have separate constitutions prepared by anthropologists. There is no provision in the so-called Reorganization Act that these constitutions will not be contrary to the Constitution of the United States. No provision is made in this act for that. Evidently the anthropologists are to decide what is an appropriate constitution for the Indians. What is the matter with the Constitution of the United States? This is the American Indians' country. This is the only country they have ever known, and they have had a full share in its beginning and its development. Are they now to believe that the Constitution does not include them?

Where is this all leading to? The American Indians see nothing but danger in following the ideas of such a program. They believe that they are faced by the most serious crisis that has ever confronted the American Indian race. It may be impossible to look into the future and see where this program is leading; but I do believe that the direction is plainly destructive for the Indian race. The Indian Bureau was created to educate the American Indians to take their place as citizens, and the present heads of this Department by no word or deed grant that the Indians are free citizens. Nor does it intend to so educate them under its present system.

The Bureau of Indian Affairs is perpetuating itself to last 10,000 years according to the Indian Reorganization Act. It has already existed 100 years. The American Indians have been under the bureaucratic rules and regulations that long.

On March 1, 1937, Senator BURTON K. WHEELER, of Montana, and Lynn J. Frazier, a Senator from North Dakota, jointly and at the request of the American Indians, introduced a bill (S. 1736) to repeal the so-called Indian Reorganization Act of 1934. It is commonly called the Wheeler-Howard repeal bill. This bill received an unfavorable report from the present Secretary of the Interior.

Soon after the introduction of the Indian Reorganization Act in February 1934 a large part of the Washington office staff began a tour of the Indian country, holding meetings with the Indians to secure their approval of the act then pending in Congress.

Briefly, the Indians were told that if they approved the bill and worked for its enactment, they would secure self-government, the right to manage their own affairs, the right to have objectionable agency employees removed, the right to employ their own attorneys and to enter into contracts, receive higher education for their children; and they were assured that under the Indian Reorganization Act the Government would buy a vast amount of land and give it to them, any place in the United States agreeable to them.

Returning from the Indian meetings, which were frequently attended by only a small group, it was reported to Congress and the public that the majority of the Indians approved the bill. Indians presumably under threat were brought to Washington through use of tribal funds to testify in favor of the bill at the committee hearings. Under the language of the appropriation acts, no Indian can come to Washington with his expenses paid out of tribal funds unless the Commissioner approves of it before he leaves the reservation. Obviously the Commissioner would not approve of any Indian coming to Washington to testify against his program.

In considering the lures held forth to the Indians, it must be remembered that the American Indians who are under control of the Indian Bureau are an oppressed and, in a great many cases, destitute people who have the lowest per capita income of any race in the United States, largely because their money and resources and even their persons are under the autocratic authority of a Bureau, and who, in most instances, have justifiable claims against the Government because of treaty violations. Under similar circumstances, most any people would welcome a program which promised so much in relief from their misery. Looking beyond the propaganda to the bill itself, however, Indian opposition from all parts of the United States arose against it immediately after its introduction into Congress, and it continued to grow. Funds were collected by the Indians to send independent delegates to Washington to oppose the bill.

To stop some of the opposition a gag rule was applied to all employees of the Indian Service. Under date of April 30, 1934, and over the signature of Harold L. Ickes, the present Secretary of the Interior, a letter was sent out addressed: "To all employees of the Indian Service," which said, in part:

"The authorities in Washington have endeavored during the past year to develop a coordinated, modern Indian policy. * * * I have increasing evidence that there is a subtle, misleading propaganda against the new Indian program emanating from a minority of employees within the Indian service.

"My purpose in addressing you is to notify all those engaged in this scheme to defeat our program that a continuance will be under penalty of dismissal from the service. * * * If any employee wishes to oppose the new policy, he should do so honestly and openly from outside of the service. This would mean his resignation. * * * It will be summarily eliminated wherever found, by dismissal." This order has never, to my knowledge, been rescinded or modified. It is still in full force and effect and has been acted upon frequently, not only in regard to opposition to the Indian Reorganization Act, but also in regard to opposition to any part of the program. Repeatedly the charge that those who oppose the program are being neglected and denied work has been made time and time again before the Senate and House Committees on Indian Affairs.

This charge has been made by Indians from California, New Mexico, Arizona, Wisconsin, North Carolina, North Dakota, and South Dakota. Examination of any of the transcripts of testimony of the unprinted hearings will substantiate that statement.

Like a large percentage of the people with low incomes, many of the Indians were at that time, and still are, dependent upon the work relief programs for their daily bread. All work relief for the Indians is handled through the Indian Bureau. Copies of the April 1934 letter were distributed or posted for the information of those on work relief projects and effectively silenced many Indians, and their dependents.

It would seem that these campaigns far exceeded the ordinary zeal expected of employees in efficient performance of duties; that coercion, intimidation, and high-pressure salesmanship were used; that much of the propaganda was misleading because of the statements of half truth and extravagant language; and that Bureau employees utilized every Government facility at their command.

Referring to this letter of Harold L. Ickes, Secretary of the Interior, to all employees of the Indian Service, threatening dismissal if they interfered directly or indirectly or opposed any program of the Indian Bureau which was under the supervision of said Harold L. Ickes, do you not believe it is rather remarkable that this Mr. Ickes did not threaten to discharge employees who were propaganda agents for that program? I have singled out one side to threaten them with dismissal for what he called pernicious practices, but he did not say anything about the other side and their practices of whooping it up for legislation which he approved of.

I have already mentioned that the Indian Reorganization Act was passed by the Congress June 18, 1934, and the threatening un-American dictatorial letter of Harold L. Ickes, Secretary of the Interior, to all employees of the Indian Service, was no doubt sent out as a big stick to beat off any opposition. It was used to stop the Indians from opposing the so-called Indian Reorganization Act. It was mimeographed and circulated among all Indians who were on work relief.

The receipt of that letter in April 1934, whether or not it applied after the passage of the act, but just before the passage of the act, would lead to the assumption that possibly some of the votes in favor of the acceptance of the act later might have been inspired or influenced by Mr. Ickes' threatening letter. Nevertheless, the Indian Bureau employed every means among the Indians to help pass this act.

Because of opposition to this program, Indians have been excessively fined, jailed, coerced, intimidated, and denied work relief. Indians have died of neglect every year during the present Indian Bureau administration. Indians are still living in thin canvas tents where the temperature at times ranges anywhere from 40° to 50° below zero in the wintertime. Indians have been literally told that they could accept the program or starve to death.

BUREAU ENTERPRISES UNDER WHEELER-HOWARD ACT

Now, after 10 years of operation under the so-called Wheeler-Howard Act, I do not find a single instance in which American Indians, under and through that act, have attained a greater degree of self-determination. Nearly all of the land purchased has been for Indian groups which already had some land, while the really landless Indians are left landless. Neither have Indians without credit been able to borrow from the Indian credit fund, while those who are able to furnish bankable security have been able to get excessive loans for the Indian Bureau to operate for them.

The Indian Bureau has directly controlled the tribal government of every American Indian tribe for the past 10 years.

The Indian Bureau has purchased into Federal trust status with tribal and Federal funds large parcels of expensive lands, which it attempts to manage for the Indian groups and, through such enterprises, to control their whole economy. The Indian Bureau uses the organized tribes as cat's-paws to borrow from the revolving loan fund for Bureau-managed enterprises for the Indians.

The Wheeler-Howard Act provided for a maximum annual appropriation of $2,000,000 for the purchase of land for Indians; for land purchases from tribal funds which, of course, were under Bureau control; and for restoration to tribal ownership of the remaining surplus lands of any Indian reservation heretofore opened or authorized to be opened to sale or any other form of disposal. The act also authorized the Secretary of the Interior "to proclaim new Indian reservations on lands acquired pursuant to any authority conferred by this act."

The reports make no mention of the areas of the several reservations proclaimed by the Secretary under the Wheeler-Howard Act.

The restored surplus lands are practically valueless to the Indians, since they are the lands that non-Indians have not selected for settlement during the long years of such opportunity since they were opened to settlement, but they may serve the Indian Bureau for its projects for Indians. All purchases and restorations have title in the Federal Government in trust for the Indians and no individual Indian can acquire a vested interest in any part of them. They are only for communal purposes. Under the Wheeler-Howard Act all tribal lands and all land purchases for Indians become subject to special Federal control as public domain with the Secretary of the Interior "directed to make rules and regulations for the operation and management of Indian forestry units" and for "Indian range units," just as he makes regulations for the use of public domain under the Taylor Grazing Act. Indian tribes have only such control over their tribal lands as the Secretary of the Interior may permit them to have.

Land purchases have been of two types: (1) Submarginal, and (2) highly improved. (1) The submarginal type, by far the greatest in number of acres, is not adapted to Indian use. It merely adds to the acreage they have. It is the type of land some States are attempting to retire from non-State ownership, since the State must support, in whole or in part, any individuals who try to use such lands. Here are a few examples of the submarginal types of purchases:

1. In Wisconsin: Several thousand acres of cut-over land, now heavily covered with scrub and second-growth timber, were purchased for the long-defunct tribe of Stockbridge Indians. About 50 assignments of 20-acre tracts were made on this land. Reimbursable houses were built on the assignments, but the repayments are delinquent and all assignees were on relief before Pearl Harbor. There is no possibility of anyone making a living on the assignments, and labor opportunities are too distant.

2. In Minnesota: The Indian Bureau bought 16,754 acres of worthless land to add to the 36,000 acres of the same kind which the little band of mixed-blood Indians owned at Grand Portage.

3. In North Dakota: Many thousands of acres of lands have been purchased for the Turtle Mountain Indians. Much of this purchased land was what the Indians had yielded up for 10 cents an acre in the year of 1892; the remainder were allotments they had alienated after trying to use them. Two generations of palefaces had failed to make a living on these lands. But this great purchase goes into tribal status for Government supervision and amateur planning.

The highly improved purchases are usually complete units and not susceptible to division for individual farming. They are used in Bureau supervised projects. Here again are a few examples:

1. In Minnesota: The great Schermerhorn ranch on the White Earth former reservation was a great bargain at $100,000 for anyone who was prepared to operate it, so the Indian Bureau bought it for the Consolidated Chippewas. It was to be operated under Government supervision. There is no possibility that 14,000 Chippewa Indians who are scattered to the four winds will ever get anything out of it; but the Indian Bureau has another vested interest there.

2. In California: The Bureau bought the 2,000-acre XL ranch near Alturus, Calif., for the Pitt River Indians who did not want it and could not operate it. It cost a pretty penny—no one knows how much. On the ranch 20 homes were built for such Pitt Rivers as might desire to enter into peonage for the sake of the Indian Bureau. It took a year to fill the houses and at the last accounts some were still vacant. It is just another expensive vested interest of the Indian Bureau.

3. In Wisconsin: On the headwaters of the St. Croix River there are a number of the Chippewa Indians who refused to be allotted on the Lac Courte Oreille Reservation many years ago. The Indian Bureau offered to buy them land if they would organize under the act. They considered the matter and the Bureau bought them a modern dairy ranch, not big enough for the Indian Bureau to use as a project and not capable of division among the tribe. Then the St. Croix decided not to organize, and a member of the council took over the ranch. He was financially able to equip and operate it. Here the land was bought from Indian organization funds for a band that was not organized and did not organize, had no membership roll, and had completely ceased to exist as an Indian group.

ORIGIN OF LAND ASSIGNMENTS

The intention of the Indian Reorganization Act in regard to the Indian land was to bring as much as possible into communal ownership; therefore, all land purchases from Indian reorganization funds went into tribal status; that is, were owned by the tribe or group for whom the purchase was made, and the tribal council of the particular tribe or group had complete control of the lands, subject to the supervision of the Indian Bureau.

The act forbade any further allotment of any Indian lands so that they were to remain in communal ownership in perpetuity. In reality, the Indian tribal or communal lands are the playgrounds of the amateur planners in the Indian Bureau who suggest the Bureau projects and the enterprises that take place on them. They are under the complete control of the Bureau.

Before any constitutions were written, the plans for Indian Bureau control and management of Indian communal or tribal lands were lifted from the defeated bill, revised in the Solicitor's office, and the forms for "standard" and "exchange" assignments

worked out for insertion in the communal constitutions as they might be written. These assignment plans occupied a considerable part of the space in the constitutions in which they were accepted.

The assignment of land by the Indian Bureau through the tribal council is easily abused. In several instances the chairman or some leading member of the council has selected the best for himself.

There has been a strong effort to persuade the Indians to turn their trust allotments over to tribal ownership. In a few instances they have done so. It is reported that the allotted tribe of the Jicarilla Apache (New Mexico) have been prevailed upon to turn all their allotments in severalty into the common land pot.

Under the assignment plan, the Indian finds that he has no title to the land. Even the improvements which he puts on the land are subject to the control of the Indian Bureau. There is no incentive to build up a home. It is merely a Russian system of effective regimentation.

THE AMERICAN INDIAN CREDIT FUND

Under the Indian Reorganization Act of June 18, 1934, provision was made for a revolving loan fund of $10,000,000 for loans to Indian tribes who might accept the act. It might be loaned to tribes, Indian corporations, or to individual Indians. It was intended to be used as a credit fund for Indians who otherwise had no credit because of Federal trust over their property.

The promise of participation in this credit fund was made as the most alluring inducement to the various tribes and groups of Indians to accept the so-called Wheeler-Howard Act. Without this inducement, few tribes would have accepted the act.

The compilation of the regulations was conducted in this manner: Long regulations were gathered from Federal, State, and private loaning authorities, and this extensive volume was carefully canvassed. Every regulation which might possibly apply under any circumstances was extracted for inclusion in what was to be the perfect volume of loan regulations for protecting the fund. The compiled regulations were then revised and expanded for coordination and coding, but for the past 9 years there has been continued revision in particulars as problems arise in the field, until now the regulations are so numerous and complex that only the especially trained agents know where or how to apply them.

The Extension Division insists that all loans to Indians in any jurisdiction be made under the credit regulations compiled by the Extension. This means that there can be but one loaning authority in any jurisdiction. Whatever funds a tribe may have available for loans to members must be turned over to the credit unit of Extension to handle. This is contrary to the usual practice in the country at large, where there may be any number of credit sources under different regulations.

In a recent report of the credit unit, I note that the administration of the first $4,558,400 from the revolving-loan fund cost $741,200. Under a bureau that certainly furnishes some of the overhead, $741,200 for administering $4,558,400 appears out of proportion, especially since three-fourths of this expense could have been saved had credit been administered from the Indian agencies where its administration properly belonged.

In the recent report of the credit unit of the Indian Bureau, it is noted that salaries for that unit, Chicago office, are $25,280; field salaries, $78,220; travel and other expenses, $26,250; with smaller items for rents, printing and binding, equipment, supplies, and miscellaneous. The $78,220 for field salaries is preposterous and more so when we add $26,250 for travel from the Washington and Chicago offices. The revolving loan fund has certainly been a boon to the Indian Bureau as an administrative resource. Three-fourths of this expense could have been saved had credit been administered from the Indian agencies where it properly belonged.

Since the Wheeler-Howard Act has been in operation for 10 years under as favorable conditions as the Indian Bureau, sponsored by the Department of the Interior, was able, with all its powers of propaganda and repression, to create; and since, during all that time, it has had the most liberal appropriations of Federal funds, and unlimited contributions from other bureaus, and has had a staff augmented by over 2,000 employees of its own selection, including hundreds of high-priced experts and traveling representatives, this should be an appropriate time to take stock of its achievements and failures, and, especially, of how it has affected American Indian welfare.

I have been unable to find a single instance in which Indians under and through the Wheeler-Howard Act have attained a greater degree of self-determination, nor do I find that they have profited in any measure under the provisions and promises of that act, though the Indian Bureau has grown stronger and more arrogant through its greatly increased vested interests at the expense of the commonwealth of citizens including the American Indians.

During these 10 years, the small part of the Indians who finally organized under the act have continually protested through individual letters, through delegations to the Indian Office and to Congress, and through petitions asking to be relieved of the burdens of the act. The ears of the Indian Bureau have been deaf to them. Though the act provided, and they were continually promised, that if they wished at any time after organization to withdraw from such organization, they could petition for a repeal election, yet petition after petition has been neglected or denied. Thousands of names have been submitted on repeal petitions (petitions to repeal constitutions). Many such petitions have been as legally prepared as possible, yet not one repeal has been permitted. This alone is enough to condemn the act to repeal.

The Indian Bureau will doubtless protest any proposed act to repeal the so-called Wheeler-Howard Act, as it has done on various other occasions. It will ask that the Government keep faith with the Indians because of the commitments the Bureau has made to them. It will call on its field staff to round up subservient Indians to protest the repeal; it will appeal to outside organizations to send protests, though they know little about the matter; it may even pack hearings with subservient elements, but the fact still stands that the Wheeler-Howard Act has been a perfect failure from the standpoint of American Indian welfare.

OUTSTANDING FACTS

There is no question of keeping faith with the American Indians under the commitments made to them in the act. Not one-third of them have ever accepted the act, and most of the ones accepting have often protested and continue to protest. The only ones who favor the continuance of the act are subservient councils and those who are profiting at the expense of their fellow members; those employed on Government supervised projects, and those who get the free use of more than their share of the community assets.

1. The stoppage of allotments of tribal lands attempted to perpetuate a system of indefinite land title which insures perpetual Government supervision, continual dissensions, and the continuation of the nonuse of tribal lands.

2. The indefinite extension of the trust period continues an intolerable condition of land tenure and inheritance tangles which will keep large areas of land perpetually out of productive use. It is wholly incompatible with the American system of land tenure.

3. The return of surplus land to tribal title is a futile and expensive gesture. Since the land has been offered to settlement and has not been accepted, it must be comparatively valueless for individual or group use and should be returned to the public domain. To put it in Indian title merely returns it to vested interest of Indian Bureau control and supervision. More than 621,000 acres have been so returned.

4. The authorization for a new system of land tenure of a communal type simply does not work. Under it the American Indian has no individual land on which to build a home or through which to provide for the security of his family. The Indians oppose this policy, but the Indian Bureau uses it as a basis for its amateur planning unit.

5. The authorization for land purchase has been grossly mismanaged. Very little land has been bought for landless Indians and much for those who were already leasing what they had. It has been purchased into tribal status where it is not usable except by an Indian Bureau planning unit set up to supersede the Indian organization unit.

6. The authority for the Secretary of the Interior to create new Indian reservations at this late day should be withdrawn by the repeal of the act. The Indian reservation system is obnoxious to all thinking citizens and has been outlawed in the public mind for over 50 years. There was no justification for his proclamation of new reservations in the United States proper; and now that he proposes to proclaim new reservations in Alaska against the protest of Indians and others there, his activities in this matter should be curbed. The repeal of the so-called Wheeler-Howard Act is the simplest way to accomplish this.

7. The establishment of a revolving-loan fund merely gave an opportunity for a further regimentation of American Indians. The bulk of the loans have been made to very few tribes and only to those Indians who could furnish abundant security. The administration of this fund has taken an unnecessarily great percentage of it.

Any valuable function of the Indian Reorganization Act is a duplication of a better-justified function of some other unit or division of the Government which now exists. Any special commitments which the Government may have made under the so-called Wheeler-Howard Act can be safeguarded by an appropriate unit of the Government in its usual course of operation.

On April 24, 1934, President Franklin D. Roosevelt, in urging the passage of the Wheeler-Howard Act, declared:

"The Wheeler-Howard bill embodies the basic and broad principles of the administration for a new standard of dealing between the Federal Government and its Indian wards.

"It is, in the main, a measure of justice that is long overdue.

"We can and should, without further delay, extend to the Indian the fundamental rights of political liberty and local self-government and the opportunities of education and economic assistance that they require in order to attain a wholesome American life. This is but the obligation of honor of a powerful nation toward a people living among us and dependent upon our protection.

"Certainly the continuance of an autocratic rule, by a Federal department, over the lives of more than 200,000 citizens of this Nation, is incompatible with American ideals of liberty. It also is destructive of the character and self-respect of a great race.

"Certainly, the figures of impoverishment and disease point to their impending extinction as a race, unless basic changes in their conditions of life are effected."

The largest opportunity for great humanitarian efforts, within the authority of President Roosevelt, lies with the smallest minority group in the country, the American Indians.

Ten years have already passed since President Roosevelt made those remarks; but the American Indians today are still living under the same deplorable conditions, on various reservations, as they were in 1934. Thousands of Indians are far more ill-fed, ill-clothed, and ill-housed today than any other group among the general population. Large numbers of Indians in various tribes throughout the United States are destitute; they are close to starvation; and the only conditions they can master, under which to live, are unsanitary in a great many cases. Many of them live the year around in thin canvas tents, in which, at times, the temperature ranges anywhere from 40° to 50° below zero in the wintertime.

In my estimation, this act (Wheeler-Howard Act) perpetuates wardship instead of citizenship; that the American Indians are retained indefinitely under Bureau control and domination; we are keeping the Indians under this domination instead of making them free citizens; and, as we say, we are a free country and our purpose has been to see that we should free those within our borders; instead of that, with the American Indians we seem to be clamping down with a method of procedure that does rather the opposite.

The American Indians must become a part of this American citizenship. That is the only hope for the Indians.

When Oklahoma was admitted as a State, the Indians were made citizens. They helped to write the constitution of that State. There has not been a time when there was not an American Indian to help write the laws of the State of Oklahoma; and look what good has been done there. The Indian citizens of the State of Oklahoma are a splendid example of what can be done. The American Indians have demonstrated that they are not only on a par intellectually with the paleface people but in many instances they are superior.

The American Indian parents want their children to be like other American citizens. They want to save them from the bitterness which has darkened their own lives. They are sacrificing all their personal interests to obtain this right for their children, not only for their own children but for all other American Indian children in the United States. More than that, they want to be certain that their children are brought up in the principles of Americanism, not the principles of bureaucracy. They want to be certain that their children are taught to honor and revere their country and its flag, but they can see no future under the present Indian Bureau system.

The American Indians for centuries have maintained themselves from products of the soil, both native and cultivated. With the advent of paleface civilization, most of the native herbs and plants upon which they lived have been destroyed. Lands were occupied and segregated from the vast domain over which they roamed and hunted. Their native game was destroyed, both for the pleasure and the profit of the paleface man. Laws were passed forcing the Indians to hunt within the confines of their respective so-called reservations.

Through broad principles of education and practical experience in handling their own problems just as other citizens handle theirs—not as wards or inferiors—they should prove (as American Indian people have already proven wherever they have been given an opportunity) their qualifications and ability in every walk of life to be treated as American citizens and not as wards.

The red race, once a powerful and independent proud people, have allowed themselves to become so completely dominated by Bureau control and regulation that they have apparently lost all initiative and much self-respect. Our association now solemnly declares that injustice to the American Indian shall cease. This is, indeed, a most important hour in the lives of the American Indians. They are loyal to this country and its institutions; they ask no charity or advantage, but they do plead for equal justice and, in all sincerity, might we here urge Members of the present Congress and all fair-minded citizens of our beloved America to stand with us and the Indians with raised hands and devotedly subscribe to the immortal words carved in the pure marble of the east portal of the new Supreme Court building of the United States, which reads as follows: "Justice the guardian of liberty."

There is much more that should be said in connection with this important question and other features of the American Indian problem that should be presented for the consideration of Congress and brought to the attention of the American public; but I have already said so much regarding this question that I must pretermit any further discussion on the subject at this time.

My object in presenting these remarks is to challenge the attention of Congress, the Indian Bureau officials, the American public, and all those who are interested in the welfare of the Indians, to the importance of the American Indian problem.

Moreover, it is my desire that Congress will take cognizance of the matters herein mentioned and will resolutely address itself to remedying an intolerable condition which has been so unfair and unjust to the wards of the Nation. I do not pretend to say how all the existing evils with respect to the present-day conditions of the Indians are to be corrected, and the American Indian problem solved with credit to the Nation. But I do know, however, that the American Indian race is certainly entitled to the redress of its grievances and relief from its present intolerable situation; that it is not charity it seeks, but free citizenship rights under the Constitution of the United States, and the right to manage its own affairs without further supervision, and to have personal liberty with the dignity of a free people.

The so-called Wheeler-Howard Act (Indian Reorganization Act) of 1934 should be repealed and legislation be enacted which will completely reorganize the Indian Bureau and compel the abandonment of policies which have been so injurious and harmful to the American Indians, and the adoption of measures that will bring succor, relief, protection, and salvation to the Indians under the jurisdiction of the Government. The inefficiency and tyrannous bureaucratic system which now prevails and which controls the American Indians, must be destroyed.

The National American Indian Defense Association, Inc., is a nonpartisan, nonsectarian organization for the protection of unfortunate American Indian children and adults, from cruelty, neglect, and abandonment.

The origin of this association was the spontaneous expression of a noble purpose. Our articles of incorporation were drawn up in Connecticut in 1939.

This association is a valuable asset to the United States, as all will agree who are acquainted with its labors and the men and women who strive valiantly to better the deplorable conditions that they find too often. This organization is carrying on in a manner to win the approval, the confidence, and the respect of the public.

The principles of this association are sound and are demanded. Complaints, signals that we are needed and by means of which we commence to function, come to us from suffering and deprived human beings. Individual Indians ask for our assistance in solving their problems and we are not deaf to their pleadings nor blind to their sufferings.

Our services are sought because we have trained and competent workers in our particular field; because we do not duplicate the work of any other organization, and because this association is the only institution in existence that is the champion and protector of the rights of the abused, neglected, and cruelly treated American Indian children and adults. So involved and so complex are the problems pertaining to these unfortunate people that this association is necessary to yield to them all an equal opportunity.

I make this statement in order to clear the record and to put the entire matter before the Congress of the United States and the American people. I am of the firm conviction that the paleface Americans have not only committed these wrongs complained of, but there are many others which have taken place against the American Indians not heretofore mentioned. I firmly believe that common decency alone should require the people in this country to right the wrongs they have done toward a race of defenseless people. I believe in the Constitution of the United States, not simply in part of it. I believe in all of it. I also believe in the Bill of Rights; not only in the right of free speech and free assembly, but I believe in the right of the individual to his own property, and as a free citizen should be allowed to exercise that right in his own way without any special dictation. I believe in the fourteenth amendment to the Constitution of the United States, and its prohibition on the States; and I submit to you that the wrongs which have been perpetuated on the American Indian tribes should be corrected.

Let us set our own house in order. Let us settle and dsipose of the Indian tribal claims. Let us by all means preserve, protect, and defend the Constitution of the United States, so it may mean the same thing to all of our people regardless of race, creed, or color.

In conclusion, may I state that our aim and our hope is that the Congress will display the courage to deal with this gigantic octopus, the Indian Bureau, which has grown to such uncontrollable dimensions in bureaucratic power (and which now admits it can make laws governing the American Indians in lieu of Congress). May I further state that in the name of justice and humanity, let us free the last enslaved people in the land—the American Indians; give them the full and unrestricted rights of American citizenship; and we should do it now while their sons, brothers, and other relatives are fighting side by side with their paleface brothers for the freedom of all peoples and the preservation of democracy in the United States. When these American Indian war veterans return to their homes on the reservations, or elsewhere, they want to find their people enjoying full and unrestricted citizenship rights the same as other citizens in this country, instead of the Indians being still held in bondage.

With these conditions of life assured them, the 361,000, more or less, remaining American Indian wards and their posterity will take their place in the social and economic life of the Nation, just as they are taking their place in the embattled ranks of the present World War.

Let us all bear in mind that while our Nation is justly fighting for freedom, liberty, the preservation of democracy and justice to all, we should not forget that while those high ideals are cherished by all true patriots, their fulfillment at our country's hands have been woefully overlooked and not truly administered in the case of the patient, patriotic, and long-suffering tribes of American Indians in the United States.

Respectfully submitted.

JOHN E. HAMILTON,
President, National American Indian Defense Association, Inc.
HARTFORD, CONN.

Mr. LANGER. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a report, consisting of 75 pages, of the Governor's Survey of the North Dakota Rolette County Indian situation.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE GOVERNOR'S SURVEY OF THE ROLETTE COUNTY INDIAN SITUATION, MARCH 1940

CHAPTER I. INTRODUCTION

Purpose: The purpose of this survey and report is to portray the situation of the Indians living within the boundaries of Rolette County; the study to include all Indians within the county regardless of whether they lived on or off the Turtle Mountain Indian Reservation, and regardless of enrollment or nonenrollment.

Brief historical sketch: The following brief historical sketch of the Turtle Mountain Band of Indians has been selected from the Analytical Report Relating to Land and Allied Problems on the Turtle Mountain Indian Reservation," prepared by A. L. Hook, in 1936.

"Although the Government recognized the claims of the Turtle Mountain Indians, no reservation was set up for their use for many years and the Indians were left to shift for themselves, obtaining their living mostly from fish and game within the region. Game was scarce, since the passing of the buffalo, and the Indians were often reduced to starving conditions.

"On March 3, 1873, Congress appropriated $25,000 for the purchase of a township on the White Earth Reservation in Minnesota as a home for the Turtle Mountain Indians. An additional $10,000 was provided in the bill to enable the Indians to move to the new locations. The Turtle Mountain band refused to accept this proposition of Congress and continued to occupy their former home in the Turtle Mountains, since they felt that their claim to the territory was valid and that they must continue occupancy of the lands to protect their interests.

"Final settlement of the claims of the Turtle Mountain Indians was provided for in a treaty made October 2, 1892, which was amended and approved by Congress April 21, 1904. By the terms of the treaty of 1904, the Turtle Mountain Band ceded all claims to territory except two townships within the Turtle Mountain region. The treaty further provided for a cash payment of $1,000,000 to the tribe as reimbursement for land ceded (approximately 9,000,000 acres). Provision was also made for the allotting of the reservation and the allotting of such other lands within the public domain as might be necessary for members of the tribe unable to secure lands within the designated reservation.

"In carrying out the allotment feature of the treaty it was found that only about 50 percent of the Turtle Mountain Band could be provided with allotments on the reservation, and other members of the tribe were allotted on scattered tracts in North Dakota, South Dakota, and Montana. A large number of Turtle Mountain Indians who were allotted outside the reservation on public domain lands moved to the vicinity where their lands were located and have remained.

"It is estimated that there are approximately 2,500 Turtle Mountain Indians scattered through South Dakota, Montana, and outside of Rolette County in North Dakota."

ENROLLED, NONENROLLED—WARD, NONWARD—COMPETENT, INCOMPETENT

One of the difficulties immediately encountered in attempting to prepare any report on an Indian situation is the varied interpretation and understanding regarding the meaning of the following terms: "Enrolled," "nonenrolled," "ward," "nonward," "competent," 'incompetent."

It appears that the classification of enrollment or nonenrollment is dependent upon whether the name is officially inscribed on the rolls of some Indian agency. The basis for enrollment seems to vary from situation to situation and there seems to be no relationship between enrollment and such factors as wardship, competency, and citizenship.

With regard to wardship and nonwardship, the definition varies from agency to agency and also seems to vary from time to time within the same agency. It seems that originally wardship and nonwardship was related to the question of whether or not the Indian was permitted to convey his land. Ordinarily, the nonward Indian is considered a full-fledged citizen of the United States. On the other hand the United States Supreme Court has held that "wardship and citizenship are not incompatible." Thus, it appears that the ward Indian as well as the nonward Indian may be a citizen with full citizenship rights. Evidently there is not clear-cut definition of what responsibility the Federal Government is assuming for either the ward or the nonward Indian. The same lack of clarification holds with regard to the responsibility of the State and the local government to either group.

From the point of view of the public it is assumed that if an Indian has been declared competent it has been determined that he has been prepared for and is competent to assume full responsibility for himself and his affairs and that there is no further need for the Federal Government to assume jurisdiction or responsibility for him. The facts seem to indicate, however, that competency and incompetency is related only to the question of whether or not he is permitted to sell his land and has nothing whatsoever to do with his capacity for assuming responsibility of citizenship.

Perhaps the following illustration given by Dr. Lewis Meriam in an address before the National Conference of Social Work in Minneapolis, 1929, may high light the confusion with regard to definitions for the above terms more effectively than chapters of discussion.

"This is a complicated family—three generations and a few visitors. The dignified old grandfather is the easiest one to place at once. He is classed by the Government as a full-blood. He greets us in English, but depends primarily on his native tongue. He was allotted this land by the Government when the old tribal lands were broken up into individual holdings. He is a trust Indian, a ward of the National Government. He cannot sell or lease his land without its consent. He pays no taxes. He has never been declared competent to manage his own affairs. He is a responsibility of the National Government. His oldest son is a strapping big fellow and speaks English so easily that we naturally ask him where he learned it. He answers briefly, Carlisle. Presently we get to the question of land. Yes, he was born early enough to get an allotment; good land, too. Having been educated—so to say, he was declared by the National Government competent to manage his own affairs. He, thereupon, became a citizen of the State and county wherein he resided, and a taxpayer. He was no longer a ward of the National Government; he was a responsibility of the State and county. He knew nothing about this tax business; he had never had any experience with taxes and little with money business of any kind. He was about to lose his farm for taxes. A white man offered to pay the taxes and give him a little cash in addition. He sold out and came up here to live with the old man.

"The oldest of the three women is his wife. She is a full-blood. She never had much schooling and she does not speak much more English than her old father-in-law, although we suspect she understands it. She too was old enough to have an allotment. She still has it, but it is miles away. It had some timber on it which the Government permitted her to sell. The husband explains, 'The land no good; never will be any good; cut-over stuff; can't do anything with it, on a stony hillside not really agricultural land.' She is still a ward Indian, the responsibility of the National Government, not of the State and county wherein she resides. This couple has three living children, wards of the Nation on their mother's side, free and independent citizens of the State and county on their father's side.

"The second oldest woman is a daughter of the old Indian. She got a child's allotment. When she married, she got herself declared competent so that she could sell her land to secure money to build a good house on her husband's allotment. Later her husband, too, was declared competent. Their good farm with its good house was much desired by white people. The Indians were offered what seemed to them a high price so they sold and moved to town where they rented. The husband tried business and lost all he had. As a casual laborer he could not make enough to pay the rent. The only thing to do was to come back to his wife's father's place, bringing the two children. Father, mother, and the two children are all free and independent citizens of the State and county, not wards of the Federal Government at all, the exclusive responsibility of the State and county.

"The third adult woman is the youngest daughter of the old Indian, born after the allotments were made. She has never been declared competent and hence is a ward of the National Government. She had been away to a Government boarding school and came back attractive, well dressed, speaking excellent English. A white boy in the neighborhood was much taken with her and became her husband by informal Indian custom. Being a ward of the Nation she was not subject to State law respecting marriage and divorce; she was not subject to any law respecting marriage and divorce, only to Indian custom; and no one can say very definitely what that has become. He, of course, was a citizen of the State. After two children had been born to them, one of whom died in early infancy, the white man tired of his Indian wife and deserted her. Now the white man is living in a neighboring city married to a white girl. The Federal Government never had jurisdiction over this white man because he was a citizen of the State and had committed no offense against Federal law. The little child of mixed Indian and white blood is a ward of the Nation, although perhaps the State and county is not without responsibility on account of the father. Here is a single family living together. Some members are exclusively wards of the Nation, others free and independent citizens of the State and county, and others about whose status Nation and State and county can argue."

In an article on the "Social Needs of Indian Children" appearing in the Social Service Review, March 1937, Mrs. Hazel A. Hendricks, Consultant U. S. Children's Bureau, makes the following statement anent the confusion about definitions:

"As defined by the Indian Service, an Indian includes any person of Indian blood, who through wardship, treaty or inheritance has acquired certain rights. The Bureau of the Census defines an Indian as any person having Indian blood to such a degree as to be recognized in his community as an Indian. The term 'ward Indian' as defined by the Indian Service means a person of Indian blood who is entitled to the assistance and protection of the Federal Government in civil, property, and other rights. The terms 'competent' and 'incompetent' as applied in early days to the ability of the Indian to handle his own affairs of property are being replaced by 'restricted' and 'nonrestricted.' The restricted Indian is one whose property is under control of the Government and

cannot be disposed of without the approval of some governmental authority. The nonrestricted Indian is one who has sui juris in all respects."

DEFINITIONS FOR THE PURPOSES OF THIS SURVEY

For the purposes of this survey, the following definitions of terms will be used:

1. An enrolled Indian is one who was regularly enrolled by the Indian Agency before the rolls were closed in 1904 or one of his descendants.

2. A nonenrolled Indian is one who is not enrolled at the Agency but who thinks of himself as an Indian and is considered as an Indian by his community.

NOTE.—The nonenrolled Indian cannot be officially recognized at the agency. At the same time, the community and the county government consider him an Indian and a responsibility of the agency. He is, therefore, left in "no man's land."

3. Reservation: Although two townships have been officially designated as a reservation, this appears to be a misnomer. In contrast with other reservations, there are no tribal reservation lands here. All of the land is individually owned and may be located either on or off the reservation. The same relationship holds true regarding enrollment and nonenrollment. The enrolled or the nonenrolled may be living either on or off the reservation.

NOTE.—It is possible that some of the confusion about the approach to the whole Indian problem in Rolette County may be due partially to misconceptions or lack of clarification about the relationship of the reservation to the problem.

4. The intermittent characteristics of almost all employment: It is important that in all considerations and evaluations of records of employment of the Rolette County Indians that due consideration be given to the fact that almost all of the available employment is intermittent. Thus, the worker never has any security of tenure of employment without which it is impossible for him to do constructive planning for himself. In terms of long-time planning for education, character development, health, or work program, this is of paramount importance.

THE RELATIONSHIP OF THE INDIAN AGENCY AND THE COUNTY TO THE INDIANS OF ROLETTE COUNTY

It appears that the jurisdiction of the Turtle Mountain Indian Agency extends only to the Indians enrolled at that agency. However, as far as Rolette County is concerned in its relationship to this situation, there is no difference between the enrolled and nonenrolled because the problems of the two groups are identical in all relationships except those dealing directly with the agency.

CHAPTER II. POPULATION STUDY

Purpose: One phase of this survey is an original study of the Indian population of Rolette County for the purpose of securing information relative to: Census, enrollment, residence on or off the reservation, age groupings, land ownership, economic status, employment status, case loads and work-relief loads.

Source of information: The source of information for the Indian population study will be the case records of the Rolette County Welfare Board supplemented by such information as could be provided by the personnel of the Indian agency and the county welfare office. Tabulation is made on the basis of the household as defined by the Rolette County welfare office, which is: An Indian household is a group of persons or an unattached individual with whom the welfare office works as a unit and for whom one case record is kept.

Findings: Table I indicates that of the 4,618 Indians residing in Rolette County 3,442 are enrolled and 1,176 are nonenrolled. Of the total number, 3,157 reside on the reservation and 1,461 live outside of the reservation but within Rolette County.

TABLE I.—*Enrollment status and reservation residence of Rolette County Indians, March 1940*

Total number Indians residing Rolette County	4,618
Enrolled	3,442
Nonenrolled	1,176
Residence on the reservation	3,157
Residence off the reservation	1,461

NOTE.—This estimate of the population of Rolette County Indians is undoubtedly low. According to the Indian Agency census of 1939, 6,890 Indians are enrolled at the Turtle Mountain Indian Agency. Of this number, 3,305 are residing on the reservation. To this figure of 3,305 will be added the enrolled Indians living off the reservation, but within Rolette County, and the nonenrolled Indians living both on and off the reservation. This probably indicates that the total Indian population of Rolette County will be well over 5,000. Attention needs to be called to the fact that all of the 6,890 enrolled Indians are legally entitled to return to the reservation at any time.

Table II shows the rapid increase in population of the Turtle Mountain Indian Agency in contrast with the Standing Rock and Fort Totten Agencies—all North Dakota agencies.

TABLE II.—*A comparison of population trends on 3 selected North Dakota Indian reservations*

Reservation	Year						
	1910	1915	1920	1925	1930	1934	1939
Fort Totten (A. and R.)	986	999	950	948	917	960	-----
Standing Rock (A. and R.)	3,454	3,434	3,440	3,610	3,645	3,775	-----
Turtle Mountain (A. and R.)	2,684	3,123	3,423	4,043	4,811	6,034	6,890

Source: National Resources Board, Indian Land Tenure, Economic Status, and Population Trends, Part X of the Report on Land Planning, 1935, p. 69.

Table III shows an Indian population in Rolette County of 4,618, of which 2,066 persons are below the age of 15, 934 between the ages of 16 and 25, 1,424 between the ages of 26 and 64, and 194 past 65 years of age. With 3,000 persons below the age of 25 years, it is obvious that the problem of the immediate future will be considerably more extensive than the present one.

TABLE III.—*Population census and age groupings of Rolette County Indians, March 1940*

Age groupings:	
1 to 15:	
Male	1,055
Female	1,011
16 to 25:	
Male	455
Female	479
26 to 64:	
Male	783
Female	641
65 plus:	
Male	113
Female	81
Total	4,618

Table IV, which gives the economic status of the 997 households, shows that 94 of them are self-supporting, 218 partially self-supporting, and 685 households are totally dependent.

TABLE IV.—*Economic status of Rolette County Indians, March 1940*

Self-supporting	94
Partially self-supporting	218
Dependent	685
Total	997

Table V shows that 436 of 997 households are owners of the land on which they reside, 246 are renters, and 315 are squatters. Of the 436 households living on their own land, 57 are self-supporting, 138 partially self-supporting, and 241 dependent.

TABLE V.—*Classification of Rolette County Indians on basis of land ownership, March 1940*

Owner:	
Self-supporting	57
Partly self-supporting	138
Dependent	241
Total	436
Renter	246
Squatter	315
Total	997

Table VI gives the employment status of the heads of 997 households and shows that of the 808 employable heads of households only 98 are employed and 710 are unemployed. Since most of the employment is intermittent, the actual situation with regard to unemployment is much more serious than these figures indicate.

TABLE VI.—*Employment status of Rolette County Indians, March 1940*

Employable:	
Employed	98
Unemployed	710
Total	808
Unemployable:	
Physically disabled	71
Age	81
Not available	30
Other	7
Total	189
Grand total	997

A study of table VII, which gives the present case loads and work-relief loads of the county, State, and Federal programs providing either assistance or work opportunity to needy Rolette County Indians, will immediately indicate the far-reaching and tragic effect that the closing or the curtailing of some program will have upon the people. The majority of the households are totally dependent having no opportunity for securing income of any kind from any other source.

TABLE VII.—*Case loads of work-relief loads of county, State, and Federal work-relief programs aiding the Rolette County Indians, March 1940*

Work Projects Administration	531
National Youth Administration	80
Civilian Conservation Corps	7
Civilian Conservation Corps, Indian Division	10
Federal Security Agency	98
General relief	4
Surplus commodities	556
Rations	13
Old-age assistance	54
Aid to dependent children	45
Aid to blind	6

SUMMARY OF THE FINDINGS OF THE POPULATION STUDY

A summary of the population study shows that of the 4,618 Indians listed in the study in Rolette County, 3,442 are enrolled and 1,176 are nonenrolled and that 3,157 of them live on the reservation and 1,461 live off the reservation. The agency census shows that the population has doubled since 1920. (The agency census includes only the enrolled Indians.) Of the total Indian population, there are 2,066 below the age of 15, 1,238 between the ages of 16 and 25, 1,424 between the ages

of 26 and 64, and 194 past 65 years of age. The sexes are about equally represented. Of the 997 households, 436 are owners of the land upon which they reside, 246 are renters, and 315 are squatters. Of the 436 who are land owners, 57 are self-supporting, 136 are partially self-supporting, and 241 are totally dependent. Of the total group, 94 are self-supporting, 218 are partially self-supporting, and 685 are totally dependent. As to employment, 808 heads of households are employable with 710 of them unemployed and 189 are unemployable. On March 1, 531 holds were being assisted through WPA, 80 through NYA, 7 through CCC, 10 through CCC–ID, 98 through FSA, 4 through general relief, 556 through surplus commodities, 13 through Indian Agency rations, 54 through OAA, 40 through ADC, and 6 through AB. Of the total Indian population in Rolette County only about 160 are full bloods.

CHAPTER III. SUMMARY OF PAST RELIEF ACTIVITIES

LONG TIME DEPENDENCY PROBLEM—SUMMARY OF RELIEF COSTS SINCE 1932

There has been considerable dependency among the Rolette County Indians for a long time. Before the depression drove countless whites on the relief rolls, this Indian group had been without adequate resources to meet their subsistence needs and before there were either State or Federal programs to aid the counties in meeting their obligations to dependent people. Rolette County was making heavy relief expenditures for this group. Between 1921–32 Rolette County expended $113,183.75 for relief for the Indians within their boundary.

TABLE VIII.—*Total relief expenditures for Rolette County Indians by county, State, and Federal agencies for the period 1932–40*

County and public assistance	$126,812.00
Emergency Relief Administration and FERA	178,304.00
Work Projects Administration	212,347.50
Farm Security Administration	394,471.50
National Youth Administration	15,523.00
Civilian Conservation Corps	20,862.00
Civil Works Administration	22,980.40
CCC–ID	262,947.15
Rations	102,620.00
Indian Relief and Rehabilitation	41,536.95
Direct relief	25,620.00
Surplus commodities	131,462.40
Other	181,089.00
Total	1,716,575.90

NOTE.—The following expenditures have not been included in the total relief costs because they do not represent contributions made directly to the client for relief purposes: $478,000 for road building; $186,025.26 for other costs, CCC–ID; $96,039.02 for other costs, IRR.

Since the beginning of the drought and depression in 1932 Federal agencies as represented by CWA, FERA, WPA, FSA, NYA, CCC, etc., have carried the major part of the load. Table VIII which gives the total relief expenditures for Rolette Indian cases by county, State, and Federal agencies from 1932–40 indicates that during this period the sum total of county, State, id Federal contributions to the Rolette County Indians for either direct relief or work relief was $1,716,575.90. Of the $1,716,575.90, Rolette County contributed $126,812 during this period of 8 years.

Table IX gives the relief contributions of each of the various county, State, and Federal agencies to the indigent Rolette County Indians during December 1939 and March 1940.

TABLE IX.—*A comparison of relief expenditures for needy Rolette County Indians during December 1939 and March 1940*

Program	December 1939	March 1940
County welfare board	$260.58	$250
Surplus commodities	1,575.60	1,740
Old-age assistance	799.00	877
Aid to dependent children	597.00	811
Aid to blind	96.00	73
Farm Security Administration	60.00	3,449
Work Projects Administration	9,701.67	27,744
National Youth Administration	384.00	1,500
Civilian Conservation Corps	150.00	150
Civilian Conservation Corps, Indian Division (labor)	1,687.38	700
Indian relief and rehabilitation (labor)	250.40	250
Direct relief (Indian Service)	25.00	400
Rations	2,672.00	1,000
Total	18,258.63	38,944

The total contribution for December 1939 was $18,258.63 and for March 1940 is $38,944. Although the expenditures during the month of March 1940 are more than double the totals for relief during December, it is certain that even this expanded program does not provide food and clothing on even the most minimum standard compatible with decency and health—one measure of the suffering and extreme privation endured during December.

RATIONS

December 1939 was the critical month in Rolette County as far as subsistence for the Indian was concerned. During this month 700 households subsisted on rations only as provided by the Indian Agency. Sample rations as provided for households of one, two, or five are submitted below. Rations are given twice during the month.

Rations for 1: 25 pounds flour, 5 pounds beans, 5 pounds sugar, 7 pounds pork, 5 pounds rice, 1 pound baking powder, 1 pound salt, 1 pound tea.

Rations for 2: 50 pounds flour, 8 pounds beans, 8 pounds sugar, 10 pounds pork, 8 pounds rice, 1 pound baking powder, 1 pound sale, 1 pound tea.

Rations for 5: 100 pounds flour, 10 pounds beans, 10 pounds sugar, 15 pounds pork, 10 pounds rice, 2 pounds baking powder, 2 pounds salt, 2 pounds tea.

Although the majority of Indian households have several children, neither milk nor any of the other protective foods are included in the ration list.

CHAPTER IV. THE RELATIONSHIP OF THE FEDERAL RELIEF AND WELFARE AGENCIES TO THE PROBLEM

FEDERAL AGENCIES

It is accepted that Indians are eligible for the benefits of the various Federal relief and welfare programs on the same basis as the white. However, when it comes to the actual administration of these programs for the benefit of the Indian that is another matter. For example, some of the programs are not adapted to meet the needs of the Indian; in other instances, the Indian is unable to adapt himself to the program; and again, he is often ineligible because the eligibility requirements do not take into consideration circumstances peculiar to the Indian situation.

In the discussion of each program which follows, the above items will be given further consideration.

WORK PROJECTS ADMINISTRATION

At the present time there are 531 Rolette County Indians (heads of households) employed on WPA work projects. There are also an additional 179 employable heads of households receiving assistance through some other temporary program, making a total potential labor group of 710.

Whether it is possible to provide continued employment on WPA for this large labor load in the Turtle Mountain region of Rolette County is a question which will have to be faced.

Until recent years the Turtle Mountain Indian Agency has been able through its own work program to take care of the major portion of the needed employment, but due to small land holdings the difficulty of finding projects on which Indian Service funds can be expended is becoming increasingly difficult.

As far as the Indians themselves are concerned, the only choice at the present time is between permanent dependency and uncertain intermittent made work. The crucial question facing Rolette County is how long can a large population of capable people be safely subjected to a situation of this kind.

In the first place, whether or not the WPA program will be in operation at all is dependent upon congressional action. Secondly, the extent of the WPA program within the State is determined by the funds allocated to the State by the WPA. This allocation is made on a monthly basis and varies from month to month. Thus, under the very best circumstances, WPA employment is uncertain and insecure. This uncertainty and insecurity is perhaps as it should be since the WPA was created only to provide work opportunity at subsistence wages for the workers not absorbed through the regular labor market.

Problems involved in the development of a WPA work program for the Rolette County Indians:

1. The number of workers that may be employed at one time on a WPA work program is entirely dependent upon monthly allocations of WPA funds to the State. (See paragraph above.)

2. The continuity of the program depends on several factors: The allocation of funds the availability of projects, the securing of sponsor's contribution, and the availability of the required labor in terms of labor load and required skills. The establishment of a WPA project involves, first, public need for the work to be done. Within the confines of a territory as small as the region in which the Rolette County Indians live there is definite limitation to the amount of public work which can be performed on the basis of the practical value of work to the public and within the capacity of the area to supply materials, equipment, and space. Since WPA projects must be developed on public property, a further difficulty arises here because there is no Federal land in this region except the site of the Indian Agency. The present WPA county-wide roads project in operation on the reservation will be completed on or about April 15, 1940.

If suitable projects can be found within the limited area, the Indian Agency is permitted to provide the sponsor's contribution.

With regard to the availability of labor, there is no problem here as to either quantity or quality. The WPA area engineer responsible for project operation in Rolette County states that the Indian laborers are exceptional workers, ambitious and responsible, and that among this group there are many experienced, skilled, and semiskilled workers. Many of them have been taught trades at an Indian school.

Even though available WPA funds would make a continued WPA work program possible, it is questionable whether practical projects can be developed within this limited area for any considerable percentage of the potential WPA labor load.

Although it is not within the scope of this survey to suggest other fields in which WPA projects might be found, there can be no serious objection to stating that, if WPA regulation permitted, considerable work of practical value could be utilized clearing the

land of brush and rocks, and digging additional wells for which there is great need. Since all of this work will have to be done on private property because there is no public domain, it may be necessary to secure some modification of the Federal WPA regulations prohibiting work on private property unless an easement can be secured from the owner.

In order that there may be no misunderstanding about the importance of the relationship of the WPA program to the problem of subsistense for the Rolette County Indians, the following figures are quoted: Since the beginning of the WPA program with the Indians in Rolette County, the WPA has contributed a total of $240,091.50 and the pay roll for the month of March 1940 alone is $27,744. (For further information see tables VIII and IX, on pages 13 and 14.)

If for any reason, it is impossible to continue to make WPA employment available through operation of work projects to this large group of dependent Indians, and if it is accepted that critical need has existed and continues to exist, then it is obvious that some other source of subsistence equally extensive will have to be found if suffering and privation are to be avoided.

FARM SECURITY ADMINISTRATION

With reference to meeting the need of the Rolette County Indians through the Farm Security Administration there are again a number of difficulties. The FSA has two programs: First, the rehabilitation program; and, second, the grant program. According to Federal regulations, the benefits of both of these programs are limited to needy operating farmers who have an economic farm unit or for whom an economic farm unit can be secured.

The FSA has been very liberal in the past in providing grants for the Indian case load, not so much on the basis of their being farmers as on the basis of their being nonurban. Because the present FSA regulations definitely prohibit this practice, only a very limited number of Indian families in Rolette County are in a position to avail themselves of the benefits of the FSA programs. The latest regulations do not permit making either loans or grants to ward Indians—a further limitation.

Recently the Farm Security Administration made an outright allocation of $25,000 to the Turtle Mountain Indian Agency for subsistence grants to needy ward Indians.

There have been seven Indian families accepted as standard loan borrowers by the Farm Security Administration in Rolette County. A total of all advances to these families amounts to $5,385.10; of this amount approximately 29 percent, or $1,597.01, has been repaid, leaving a balance of unpaid principal of $3,851.17.

The county supervisor of the Farm Security Administration reports that the Indian standard loan cases compares favorably in every way with the whites similarly situated. If economic farm units could be provided for additional Indian families there is no reason why the standard-loan program should not be expanded among these people. They have given the FSA willing cooperation. In common with the whites, they find it difficult to accept supervision at times, especially so when suggestions mean a departure from accustomed methods of operation. They do not hestitate to do hard manual labor or to perform tasks to which they are accustomed, such as cutting and putting up hay, cutting timber, and working in the harvest fields. The general observation has been that they are apt to spend their income more wisely when the income is made available in small quantities at frequent intervals. The majority of Indian families in Rolette County are eager to support themselves either through agriculture or through labor—all they need and ask for is an opportunity.

The FSA county supervisor reports: "They take considerable pride in the possession of cattle and horses, and give their livestock as good care as their resources permit. The majority prefer livestock to cash crops and rely largely on meadow hay for roughage. Very little grain is produced for livestock feed. They will work themselves to the limit to provide feed and shelter for their livestock and have accepted a low standard of living for their families rather than dispose of their holdings, and usually ask for assistance only as a last resort."

In order that there may be no misunderstanding about the importance of the limition of the FSA grant and rehabilitation loan program to operating farmers who have or for whom an economic farm unit can be provided, the following figures are quoted:

Between 1935 and March 1, 1940, the Farm Security Administration has contributed $394,471.50 in grants to Rolette County Indians. The contribution in the month of March (1940) alone is $3,449. (For further information see tables VIII and IX, on pp. 13 and 14.)

TABLE X.—*Distribution of FSA subsistence grants to Rolette County Indians from 1935 to 1940*

Year:	
1935–36	$59,849.50
1936–37	124,465.00
1937–38	100,852.00
1938–39	100,448.00
July 1, 1939, to Mar. 1, 1940	8,857.00
Total	394,471.50

(NOTE.—On February 1, 1940, an allocation of $25,000 for subsistence grants to needy ward Indians was made to the Turtle Mountain Indian Agency.)

If it is accepted that critical need has existed throughout this period and that the need is even more acute at the present time, then the curtailment or elimination of the subsistence grant program of the FSA must result in dire suffering and privation unless some other resource equally extensive is found.

CIVILIAN CONSERVATION CORPS

With reference to the regular Civilian Conservation Corps program, it appears that this program is not adapted to the needs of the Indian youth. The Indian boy plunged into a CCC camp away from his home and his own people finds the adjustments suddenly required of him too numerous, extremely difficult, and so painful that he is apt to give up and go "over the hill." In justice to the boy, let it be remembered that he is both unprepared and unequipped to meet the situation. He probably knows nothing of regular living habits. Many of the Indian families are so desperately poor that regular living habits and regular housekeeping routines are perhaps impossible. Further, the Indian youth has been subjected to enforced idleness most of his life, and he cannot possibly have acquired regular work habits. The social factor also plays a part here. At home the Indian boy is accepted by both the Indians and the whites, and it is a decided shock to him to discover that away from home there is apt to be a line drawn between the Indians and the whites which he can cross only after he has proved himself. Arriving at the CCC camp alone, without regular living habits, without regular work habits, and without social standing, the Indian enrollee is apt to be overwhelmed.

Therefore, although a considerable number of Indian boys have been enrolled in the CCC camps, they generally desert before their term is up. In this they are encouraged by the parents, who probably understand how extremely difficult it is for the boy to adjust himself to camp life with a group of boys predominantly white.

The few Indian boys who have made a successful record in the CCC camps have usually been those who have had boarding school experience previously.

CIVILIAN CONSERVATION CORPS–ID

Because the work of the CCC–ID program has been conducted on the reservation, this program has been more successful in meeting the immediate needs of the Indian youth. The appropriation for CCC–ID from 1939 to 1940 was $50,000, and the appropriation from 1940 to 1941 is $35,000. It is probable that the appropriation for CCC–ID might have been larger if the land resources of the reservation had been more extensive.

NATIONAL YOUTH ADMINISTRATION

At the present time the National Youth Administration is employing on part-time basis approximately 100 Indian boys and girls between the ages of 18 and 25 on a miscellaneous work project at the agency. Indications are that this project may be continued for some time. Table III, page 10, indicates that there are 673 unmarried Indian youth between the ages of 16 and 25 in Rolette County, practically all of whom are unemployed. Although the NYA work program is making an invaluable contribution to the Indian youth, the above figures indicate that the program reaches only a small fraction of the unemployed youth.

The NYA has contributed a total of $15,523 to Rolette County Indian youth, and the pay roll for NYA Indian youth workers for March (1940) is $1,500.

The continuance of the NYA work program at the agency and in the county presupposes that suitable projects can be maintained to provide work for needy unemployed youth.

FEDERAL SURPLUS COMMODITIES CORPORATION

During the past 6 years the Federal Surplus Commodities Corporation has donated commodities in the form of food and clothing to Rolette County Indians in a total amount of $131,462.40. Table XI gives the amount distributed from 1934 to 1940.

TABLE XI.—*Annual distribution of surplus commodities to Rolette County Indians for the years 1934 to 1939, inclusive*

Value of commodities distributed:	
1934	$14,920.21
1935	28,388.70
1936	29,411.22
1937	17,370.04
1938	16,573.03
1939	24,799.20
Total	131,462.40

During the past 3 months commodities have been distributed to the Rolette County Indians as follows:

December 1939	$1,575.67
January 1940	1,740.71
February 1940	3,858.58

Surplus commodities are donated to the public welfare board, representing the State of North Dakota, for distribution to people in need provided that such distribution shall not interfere with the regular channels of trade, that the commodities are to be distributed to people in need of public assistance, and that the surplus commodities shall be supplemental to public assistance from other sources and shall not be a substitute for relief. Therefore, it is obvious that the surplus commodities program does not provide the answer to the relief problems among the Rolette County Indians, even though the program has made a very significant contribution in the past and though the program may be continued. At this time it is not possible to determine what may be the effect of the continued success and universal acceptance of the stamp plan form of distribution.

Another factor affecting the value of surplus commodities as a resource in a relief program is the fact that it is impossible to determine which commodities will be available at any particular time because commodities are purchased only when there is a sur-

plus on the market of a particular commodity. It is also impossible to determine the quantity which will be purchased in order to effect the necessary stabilizing of the prices for the grower.

The continuation of the surplus commodities program is dependent upon congressional action and upon the policies of the United States Department of Agriculture.

Summary: Although the immediate relief problem among the Rolette County Indians is being met fairly adequately on a definitely temporary basis, the situation as far as the immediate future is concerned is most critical and may be summarized as follows:

1. The curtailment of the WPA program even if Federal funds are available due to the impossibility of finding project.

2. The limitation of FSA grants and loans to operating farmers automatically making more than 90 percent of the Indian families ineligible.

3. The unadaptability of the CCC program to the needs of the Indian.

4. The reduced allocation of the CCC-ID funds.

The positive factors in the picture although important within their limited area are too inadequate to affect the situation materially. These factors are the increase NYA program and the gradual development of the social security programs.

The development of child-welfare services on the reservation is an important step forward. Although this program does not add to the material resources for meeting the relief problem, it is hoped that it does represent the beginning of a more systematic approach to the enormous relief and welfare problem found here.

CHAPTER V. THE RELATIONSHIP OF ROLETTE COUNTY TO THE PROBLEM

AREA AND POPULATION

Rolette County is one of the smaller northern counties of North Dakota. According to the 1930 census, it has a population of 10,760. A tabulation based on the Rolette County welfare-office records, supplemented by information submitted by the personnel of the Turtle Mountain Indian Agency and the Rolette County welfare office, made March 1, 1940, indicates that there are approximately 4,500 persons of Indian extraction in the county as contrasted with 3,413 Indians given in the 1930 census. Some of the reasons for the increase are high birth rate and the return to the reservation of Indians who had been able to make their way prior to the depression away from the reservation. It is estimated that well over 90 percent of the entire Indian population of Rolette County were either totally or partially dependent March 1, 1940, while less than 20 percent of the white population of the county was dependent. Rolette County consists of 25 townships, of which the Turtle Mountains occupy most of the northwest seven townships. Two of these seven townships—namely, Ingebretson and Couture, located on the southeastern fringe of the mountains—comprise the Turtle Mountain Indian Reservation.

TAXABLE LAND

The following table shows the total land area of Rolette County divided into taxable and nontaxable land:

TABLE XII.—*The amount of taxable land and nontaxable land in Rolette County in 1939*

Total acres	605,000
Taxable acres	518,000
Percent	86
Nontaxable acres	87,000
Percent	14

The problem created by the large proportion of nontaxable land is further aggravated by the fact that five townships outside of the reservation located in the Turtle Mountain region contribute relatively little in tax payments, because of marginal agricultural conditions.

INDIAN LANDS

Although data regarding Indian ownership of land in Rolette County obtained from various sources do not exactly tally, the information is accurate and reliable enough to fulfill the purposes of this survey. According to the information available, the present status of Indian land ownership in Rolette County appears to be as follows:

ON THE RESERVATION

The reservation proper, consisting of two townships, is on the whole densely populated with Indian homes on practically every restricted trust allotment, and many Indian families occupying white-owned land by squatter rights. The concentration of approximately 3,000 people within an area of 72 square miles renders living conditions extremely crowded for a people who depend almost entirely on the land for a livelihood.

There is such a limited amount of Indian-owned land on this small reservation that the inhabitants are constantly crowding closer and closer on the ward land, and building more homes each year on the lands of deceased parents and near relatives.

We have tracts of 80 acres or less on which five separate homes are constructed. The housing on the reservation now constitutes a typical example of rural slum conditions.

"Of the gross area of 44,008 acres, 15,730 acres are alienated, leaving a net area of 28,278 acres, of which all but 192 acres are trust allotted lands. There are no tribal lands." The 192 acres is United States Government property and is used as the site of the agency. "Of 28,086 acres of individual allotments, 20,600 acres are woodlands. Much of the remaining 7,486 acres is unsuited for agriculture, being rough and rocky and usable only for pasture."

According to the Land Project Report (1936) the lands on the reservation were distributed on the basis of use as follows:

Lands in reservation, October 1936:

Grazing by Indians	36,066
Grazing by whites	1,100
Farmed by Indians	7,414
Farmed by whites	1,500
Total	46,080

It is estimated that there is not over 5,000 acres of tillable land on the reservation. According to the Hook report there is approximately 18,500 acres of privated owned land on the reservation, practically all of which belongs to whites.

According to the 1937 Agricultural Extension Report of the Agency, the Indians farmed 1,452 acres, of which 2 acres were irrigated. In addition, 1,052 acres were leased to whites. More than 90 percent of the cultivated land is located in the southern and eastern parts of the reservation. Most of the available land, including some relatively steep slopes, is now in cultivation. The mountain area is rolling and the larger part of it is not adapted to cultivation.

OFF THE RESERVATION

Off the reservation but within Rolette County the Indians hold an additional 8,000 acres in trust.

OUTSIDE OF ROLETTE COUNTY

Many of the Turtle Mountain Indians have homestead allotments of 160 acres, the lands being scattered throughout North Dakota and Montana. The total acreage of these allotments may exceed 200,000 acres, but there are grave doubts that these land holdings are adequate to supply their owners with a living. In most cases, the allotments are usable only for grazing purposes, but since 160 acres of range is not an economic unit, the only income derived from the allotment by an allottee is its lease value, which usually amounts to $9 to $16 annually.

SIZE OF FARMS

There are at present 252 trust allotments on the reservation. A number of these allotments are occupied by more than one family; in a number of cases five families are living on one allotment. Allotments, or individual holdings, range from 5 to 320 acres.

TABLE XIII.—*Statement showing taxable valuation of the two townships comprising the Turtle Mountain Indian Reservation, taxes levied for county general purposes, including county poor, and the amount expended by Rolette County for poor relief for Indians*

Year	Taxable valuation	Taxes levied for county general and county poor as limited by 8 mills	County poor relief for Indians
1937	$99,178	$793.00	$3,626.85
1938	98,800	790.40	5,273.22
1939	97,309	778.48	6,776.03

COUNTY FINANCE

Table XIII gives a comparison of county expenditures for poor relief purposes for Indians together with the total amount of taxes levied for county general and county poor for the two townships comprising the Turtle Mountain Indian Reservation for the year 1937, 1938, and 1939.

During the past year the total expenditures of Rolette County were $39,146 in excess of its receipts. Payments out of the special funds such as gas tax, motor vehicle funds, and the bond interest and sinking funds, were approximately equal to the receipts from those sources. The excess of expenditures over receipts for general operating purposes was $38,455 of which $18,024 represented the net cost to the county of general relief, old-age assistance, and aid to dependent children. Expenditures for general government cost purposes are slightly higher than the average of counties of similar size because additional county governmental services are required in the unorganized townships. Because of its large Indian population Rolette County has several unorganized townships.

If the county had not been required to pay any of the cost of general relief, old-age assistance or aid to dependent children, the operating deficit involved in the operation of other esential and mandatory functions of government would have been $20,430.58.

The total debt of Rolette County on June 30, 1939, was 21.3 percent larger than the total amount of delinquent taxes due as of that date. This indicates that even if all delinquent taxes are paid, Rolette County's current revenues are insufficient to meet the regular government costs.

Tables XIV, XV, and XVI, compiled from the Rolette County budget report dated June 30, 1939, provided detailed factual information upon which the above discussion is based.

Table XIV, section I shows the total indebtedness of Rolette County on June 30, 1939, as $264,110. Section II of the same table gives the percentage of county debt to uncollected taxes as 121.3 percent. Section III shows the excess of county debt limit over legal debt limit as $21,105.

NOTE.—Net county indebtedness is a summation of bonds outstanding, certificate of indebtedness outstanding and warrant outstanding less cash in sinking and other funds.

Table XV gives an analysis of receipts and expenditures.

Table XVI gives the trend of county finances for Rolette County for county general purposes, including support of county poor from July 1, 1931 to February 1, 1940.

TABLE XIV.—*Debt statement of Rolette County as of June 30, 1939*

SECTION I

	Date of issue	Original amount issued	Balance now outstanding	Sinking fund assets and other cash resources	Net debt
Bonded debt:					
Due Sept. 1, 1947	1933	$45,000	$29,000		
Due Jan. 1, 1949	1935	54,000	54,000		
Due June 1, 1957	1937	78,000	78,000		
Total bonded debt		177,000	161,000	$19,480	$141,520
Other debt:					
Certificates of indebtedness	1937	2,000	2,000		
Regular emergency poor-fund warrants			22,624		
Other warrants outstanding			110,776		
Unpaid bills on file			7,356		
Liability on liquor tax rebate			6,438		
Total other debt			149,194	26,615	122,598
Total debt			310,194	46,095	264,118

SECTION II

Total county uncollected taxes (June 30, 1939)	$217,752
Gross county debt less sinking fund assets and cash balance other funds	$264,118
Percentage of county debt to uncollected taxes, June 30, 1939	121.3

SECTION III

Taxable value Rolette County (1939)	$4,858,083
Legal debt limit: 5 percent of taxable value	242,904
Gross county debt less sinking fund assets and cash balances in other county funds	264,118
Excess of county debt over legal debt limit	21,105

TABLE XV.—*Analysis of receipts and expenditures for Rolette County during fiscal year ending June 30, 1939*

	Total	Nontransferable funds			All other general operation funds		
		Bond interest and sinking	Gas tax and motor vehicle	Unorganized roads	Total	Total exclusive of poor relief items	Poor relief items
Receipts:							
Receipts, property taxes	$71,595	$10,921		$5,003	$55,670	$55,671	
Gas tax and motor-vehicle fees	17,355		$17,355				
State welfare board grants	30,519				30,519		$30,519
Other taxes and miscellaneous revenues	11,199	7		225	10,968	5,606	5,361
Total	130,668	10,928	17,355	5,228	97,157	61,277	35,880
Expenditures, Government operating cost:							
General government	53,234				53,234	53,234	
County insane, feeble-minded and tubercular	10,446				10,446	10,446	
County welfare board	46,515				46,515		46,515
Old-age assistance	6,604				6,604		6,604
Aid to dependent children	785				785		785
Unorganized township road	10,127			10,127			
Road and bridge	27,941		13,571		14,369	14,369	
Subtotal, Government cost payments	155,652		13,571	10,127	131,953	78,049	53,904
Financial expense:							
Interest on warrants and certificates of indebtedness	3,846			190	3,655	3,655	
Principal and interest on bonds	10,313	10,313					
Other	3				3	3	
Total expenditures	169,814	10,313	13,571	10,317	135,611	81,707	53,904
Surplus or deficit from current operations	39,146	615	3,784	5,089	38,455	20,430	18,024
Add:							
Auditor's balance July 1, 1938	60,646	15,616	3,995	5,720	74,539		
Transfers		5,772			5,771		
Auditor's balance June 30, 1939	99,792	22,003	7,779	10,809	118,765		

Source: Budget submitted by Rolette County (1939).

TABLE XVI.—*Showing trend of county finances for Rolette County for county general purposes including support of county poor using date of July 1, 1931, 1932, 1935, 1937, and 1939*

	1931	1932	1935	1937	1939
Taxable valuation	$9,381,172	$6,070,418	$5,215,645	$4,946,161	$4,863,981.
County budget general purposes including county poor	83,863	84,068	77,451	77,906	$52,347.
Amount actually levied by the 8-mill levy for county general purposes and including county poor.	75,049	48,563	41,725	39,569	$38,912.
Taxes collected on June 30 following levy	29,555	15,608	12,634	17,331	$2,824 to Feb. 1, 1940.
Taxes outstanding on June 30 following levy	45,494	32,956	29,091	22,238	$36,088 to Feb. 1, 1940.
Total expenditure for year ending June 30 following levy for county general fund purposes and county poor.	79,864	68,219	77,957	79,133	$22,466 to Feb. 1, 1940.

With a net indebtedness of $264,110,000, with the county debt representing 121.3 percent of the uncollected taxes, and with costs for current operating expenses exceeding current income for $38,000, of which deficit $18,024 is for relief and $20,430 for general purposes, it is obvious that Rolette County is already carrying a government and relief load beyond its capacity. These facts are of paramount importance when giving consideration to plans for the care of a large stranded population problem. It probably means that little or no financial contribution can be expected from Rolette County.

COMPENSATING ADVANTAGES

The question may well be asked, What, if any, are compensating advantages to local communities on account of expenditures made by the United States?

"The United States expends considerable money in buildings, in construction of roads and highways, and in some places for reclamation of arid lands for the benefit of its Indian wards. * * * Although the money has been expended for the benefit of the Indians, it must be distributed to the per-

sons who provide the services required for the Indians' behalf. This undoubtedly results in benefits to individuals residing in the counties in which the Indian reservations are located. The amount of those benefits cannot well be determined.

"It is fair to conclude that the counties and the taxpayers in the county enjoy certain undetermined benefits by reason of per capita payments to Indians and by reason of expenditures made by the United States on behalf of the Indians. It is equally fair to say that the benefit thus derived by the local agencies and the taxpayers thereof has probably been overestimated. The benefits are received, generally speaking, by a limited class of Indian traders and others who are in position to obtain the chief advantages from the disbursements made. The taxing and political agencies gain but little except from the payments that are made to them directly, and of such payments the tuition for the schooling of the Indian children is probably the best illustration."

LAW ENFORCEMENT

According to the State's attorney, the county commissioners, and the county judge fully three-fourths of the total costs of law enforcement in Rolette County are chargeable to the Indian population.

Table XVII lists the convictions in the district court for the years 1936 to 1939, inclusive.

TABLE XVII.—*District court convictions for Rolette County Indians (1936–39)*

Year	Number sentenced	County jail	State penitentiary	State training school
1936	9	3	6	
1937	14	9	1	4
1938	10	6	1	3
1939	18	6	8	4
Total	51	24	16	11

Table XVIII gives the record for the same period for the justice court.

TABLE XVIII.—*Justice court action for Rolette County Indians (1936–39)*

Date	Charges	Fined	County jail	County jail and fine	Paroled in custody	Dismissals	Suspended sentences	Other
1936	42	15	17	7	0	2	1	0
1937	51	18	31	1	0	1	0	0
1938	16	4	12	0	0	0	0	0
1939	54	4	32	0	6	9	0	3
Total	163	41	92	8	6	12	1	3

Although tables XVII and XVIII list the activities of the court, this represents only a part—often a small part—of the actual cost of law enforcement, since much of the work and expense involved in law enforcement is not reflected in the records of the courts.

UNEMPLOYABLES

Table VI, page 11, shows that there are approximately 190 unemployable Indian heads of households in Rolette County. Because of the financial inability of the county to cope with the relief situation of the Rolette County Indians, there has developed a deep-seated fear of the situation particularly with regard to the unemployables. As a result of the lack of financial resources and the fear that the county might be overwhelmed by the costs of caring for this group on a permanent basis, the county has taken refuge at times in refusing to make the county contributions.

After an exhaustive study of the financial resources of Rolette County, the State welfare board passed a resolution in October 1939 to the effect that the State would assume the county's share of the costs of the social-security programs for needy Rolette County Indians with the understanding that if and when the county is financially able, the county will again assume the county's share of the costs of the social-security programs. The social security programs are being serviced through the county welfare board. Since October, 43 ADC cases have been accepted by the State and county welfare boards. The number of cases being serviced and accepted is continuously increasing and it is assumed that as the program progresses that the size of the grant will gradually reflect the actual need.

CHAPTER VI. THE RELATIONSHIP OF THE STATE OF NORTH DAKOTA TO THE PROBLEM

INDIAN CITIZENSHIP

By the act of June 2, 1924, Congress conferred citizenship upon all noncitizen Indians born within the territorial limits of the United States. They are subject to the laws of the State in which they reside, except that State laws may not encroach upon the title to property held by the Federal Government for Indian occupancy, or upon the jurisdiction that the Federal Government exercises over certain offenses when committed by Indians upon reservations; nor may a State act to impair the protection of the interests of Indians by the Federal Government. In North Dakota the Indian is recognized as a citizen of the State for voting purposes. His status beyond that is more or less indefinite, primarily because the relation of the Federal Government to the Indian, his land, the reservation, the county, and the State have not been clarified. Although the reservations are part of the State within whose boundaries the lands lie they are not political subdivisions of the State or the United States nor are they public institutions. This situation is further complicated by the fact that trust lands are exempt from taxation and that the Indians are not amenable to certain State laws, live on reservations, or other Government restricted areas under the guardianship of the Federal Government, and do not actively participate in the activities of the county and the State. All of this plays an important part in determining the relationship of the county and the State to the whole Indian problem. For some reason an erroneous belief is prevalent that the Indians are already provided for adequately from some special appropriations for that purpose. During periods when State and county finances are at the breaking point, due to reduced income and enormous expenditure for relief, the lack of clarification of relationship between State and Federal responsibility is particularly critical.

RELATION OF STATE TO ROLETTE COUNTY INDIAN SITUATION

With special reference to the Rolette County Indian situation, there is a stranded population here of approximately 5,000 people. These people are without resources and without work opportunities. Whatever program may be developed leading toward ultimate solution of this situation, there will be an enormous relief and welfare situation here for several years. Neither the resources nor the potential income of either Rolette County or the State will permit either the State or the county to accept any appreciable share of the cost involved in meeting the needs of these people.

A brief statement of the resources and the financial condition of the State follows:

"The resources of the State government available for general poor relief are definitely fixed by statute for the current biennium. The amount which may be made available for relief grants to counties in the fiscal year ending June 30, 1940, is approximately $1,200,000 or $100,000 per month.

"State aid to counties to finance county poor relief was inaugurated in North Dakota in 1935. From January 1936 to March 1940, the State government, by grants-in-aid to counties, supplied $6,163,969. The State-grant program, in recent months, has continuously been operated on a delayed basis. September 1939 grants, for instance were paid on December 15, 1939, and December 1939 grants were paid March 1, 1940. The reason for operating on a delayed basis is lack of sufficient State revenues or resources to meet the general operating expense of the State government and also to provide a monthly pro rata distribution of the amount appropriated by the legislature for State aid to counties for poor relief."

STATE FINANCES

The financial condition of the State government may be summarized as follows:

(a) The State government for several years has been forced to borrow funds for current operations. During most of this period the amount borrowed through sale of certificates of indebtedness and secured by outstanding taxes has approximated the constitutional debt limit of $2,000,000.

(b) Prospective State revenues during the current biennium will be several million dollars short of the amount required to meet legislative appropriations.

(c) All uncollected general property taxes levied for general State purposes, except taxes levied in 1939 and collectible in 1940, are already pledged as security for the repayment of certificates of indebtedness.

CURRENT CHANGES IN FEDERAL RELIEF AND WELFARE PROGRAMS

With the various Federal agencies gradually defining their areas of responsibility more specifically, the need for a frank facing of the serious situation which will develop among the Rolette County Indians is more acute than ever before. (See the discussion of the Federal programs, pp. 16–27.)

Some of the current changes are briefly summarized below:

(a) The uncertainty of the WPA work due to the 30-day lay-offs, the impossibility of providing either projects or sponsor's contribution, etc.

(b) The limitation of the FSA program to operating farmers who have or for whom an economic farm unit can be secured.

(c) The CCC and NYA programs more and more emphasizing the educational and work training objectives, thereby reducing somewhat the contribution of these programs to a direct meeting of relief needs.

CHAPTER VII. ROLETTE COUNTY INDIANS

PERSONAL CHARACTERISTICS

According to table I, page 9, there are approximately 5,000 Indians in Rolette County. (See p. 7.) Of this number only 160 are full-bloods, all of the others being mixed bloods.

The Indians of the Turtle Mountain region possess a high degree of white blood, much of which is of French extraction. Because of their high percentage of white blood and long association with the white race, these people have lost many of the typical Indian characteristics. Their physical features vary from the dark straight hair, dark skin, and black eyes to blond hair and blue eyes. Some even have curly hair.

They have no tribal customs and practically all of them speak English readily, dress and live as whites. Even in the most poverty-stricken homes where the housekeeping is most primitive and crude, it is the simplicity and the crudity of the white. Intermarriages and close association with the white has resulted in the destruction of native social customs and tribal control and in the suppression of native cultures without providing the facilities by which the customs and cultures of the white can be maintained. The destruction of native customs and controls upon which tribal unity, unselfishness and welfare depend, has developed an individualistic attitude expressing itself in jealousies, petty feuds, and a lack of confidence in their own ability. It is impossible to be among them very long without being impressed with their patience, resignation, and expressions of long suffering. This is especially true of the women who are struck most cruelly during the frequent periods of acute privation. In their everyday vocabularies the words "suffering" and "dead" appear often enough to attract special attention.

These people have a keen sense of the value of money. Because they are property conscious, they take good care of their possessions and do not give anything away. In their dealings with each other they are frankly businesslike and expect to pay for value received except during periods of starving when they help each other as far as possible.

HOUSING

The average Indian house is "crudely constructed of poles and plastered with a mixture of clay and straw. The bottom poles, laid upon the ground, have begun to rot, and window frames, door frames, and roof all show evidence of a lean or sag. Originally, the house consisted of one room, approximately 14 by 16 feet, but a lean-to was added as time permitted. The roof of the original building was constructed of native poplar lumber and covered with roofing paper; the lean-to was covered with poles and dirt. To enter it is necessary to stoop. The outside door is made of rough boards, diagonally braced, and is much smaller than standard. The family moves into the one larger room during the cold winter months. This room has a floor of miscellaneous boards nailed on poles which have been roughly hewed to level positions. The cook stove has been moved into this room from the lean-to, where it was used during the summer, and a hole has been cut in the roof for the stovepipe. Pieces of tin are tacked around this opening. The windows are nailed in place and any openings plastered with mud. In one corner of the room there is a trap door leading to a small dirt cellar. The main differences between the homes are in the quality of the poles used in construction, the materials available for floors and roofs, the desirability of the location, and the workmanship shown in the construction. Where the home is built of sound poles on a location where drainage is good, where careful workmanship is in evidence, and where satisfactory materials have been secured for the roofs, doors, windows, and floors, the building is apt to be quite satisfactory."

A few homes, approximately 30 in number, still have dirt floors. Often an attempt is made to cover the dirt floors with cut-up paper boxes. Many of the Indian homes are very much better than the above description, although few are of even lower standard. The worst feature of the housing situation is overcrowding. Families of 5 to 10 persons are often huddled together in one or two rooms.

Since 1937 about 200 two-room frame houses lined with composition board set on a concrete foundation have been constructed at an average of $800 for materials and labor. It now appears that these frame cottages although attractive and pleasing in appearance are not as functionally satisfactory as the log house. The frame house is too expensive, costing about four times as much as a log house of equal size. It is also more costly to heat and in addition there is the bedbug problem. By removing the mud plaster from his log house and replastering each summer, the Indian is able to control the bedbugs fairly well. Furthermore, the Indian understands the building, repairing, and maintenance of the log house; is accustomed to it; and knows better how to manage life there.

All in all, the log house has many advantages and it would seem that efforts made to raise housing standards through an improvement of the log house might bring good results. Much improvement can be made in lighting, ventilation, sanitation, and household equipment with relatively little additional expense.

The agency plan now is to build log houses 14 x 26 in size which can be constructed for about $200. In 1939 12 new houses (frame and log) and 65 toilets were constructed under the Indian relief and rehabilitation program. At the present time 100 log houses are being constructed as part of the NYA work project.

The furnishings are very simple. Possibly there are one or two crude beds, a small kitchen table, two or three benches, a few boxes arranged for a cupboard, and perhaps a chest for clothes. Clothing and bedding resources are often at a minimum.

HOUSEKEEPING

The close correlation between income and standards of housekeeping is evident everywhere among the Rolette County Indians. Keeping house the white man's way is practically impossible without even the simplest equipment. The possession of furniture and equipment is, necessarily, determined by the income of the family. In too many instances there is no income, the family being entirely dependent upon the hope that relief in some form will present itself before actual starvation occurs. When even subsistence food is uncertain, there can be little or no money for equipment. A hand to mouth existence extending over long periods of time tends also to promote attitudes of futility and hopelessness. The result is that some households do not make the most of their meager resources; and, it is true, that a few families squander their income on drink, gambling, and purposeless spending. However, it is safe to say that at least 95 percent of the families husband their meager resources and income with the utmost care. In the vast majority of homes visited, there were many evidences of efficient and resourceful management. Many of the homes are as clean, well kept, and as well managed as the best white homes.

ECONOMIC AND EMPLOYMENT STATUS

The present economic condition of the Rolette County Indians is extremely serious and will continue to become worse as the population increases. If nothing is done to alleviate the present situation, these people must increasingly depend upon charity for a livelihood. An equal number of whites with far greater social, political, and economic experience, would fail in the struggle for a livelihood under similar conditions.

The population study shows that out of 808 employable heads of families, 710 are unemployed. Further, the majority of those listed as employed have only intermittent employment. (See table VI, page 11.) At least 90 percent of the unemployed group are frantically eager to work, able to work, and actively seeking an opportunity to become self-supporting. With only 5,000 acres of tillable land on the reservation and with practically no market for labor, the situation appears almost hopeless.

Without employment, without resources of either equipment, materials, or space, and without recreational facilities, these people are forced to live much of their lives in a sort of vacuum. Visiting a number of Indian homes during the winter, when school is not in session and the entire family is at home, one is appalled at the utterly blank do-nothing atmosphere. The awful fact is that there is nothing to do. What can a family of from five to ten huddled into one or two rooms do? They have no tools, materials, or space. They have no books, papers, or magazines. Because food, housekeeping equipment, water, and space are so limited, there is nothing to do. Subjecting human beings to long periods of enforced idleness must have far-reaching effect on habits, attitudes, and general behavior. Surely no one can be expected to develop habits of industry, endurance, persistence, and initiative on the basis of long periods of vacantly doing nothing. Habits of industry are developed through practicing industry, not practicing sloth. It is not surprising that the Indian is sometimes accused of being lazy, the wonder is that so many of them are good workers.

Table XIX selected from the Annual Extension Report (1939) of the Indian agency shows that the average annual income of an enrolled Indian family from agricultural activities is $17 and that 9 percent of the families have an income of less than $50 per year.

TABLE XIX.—*Annual income of enrolled Rolette County Indian households from agricultural activities—1939*

Total number of families	880
Average income per family	$17
Number of families with an annual income from agricultural activities:	
Under $50	829
$50–$149	30
$150–$249	8
$250–$349	6
$350–$499	3
$500–$999	3
$1,000 and over	1

A study was made of the annual income from labor and from the sale of native resources of five selected families. Table XX (a) gives the incomes from both sources during 1929, and table XX (b) gives the anual income for the same families during 1939. The range in income for the five families in 1927 was from $125 to $780; as contrasted with a range from $5 to $65 in 1939.

TABLE XX (a).—*Report of annual income of five Indian families for the year 1927*

Name	Length of labor season	Approximate wage rate	Approximate seasonal income from labor	Location of work	Sale of native fruits	Sale of wood	Total annual income
A	May to October	$50–M, $4–D	$250	Calvin, Mylo	None	$330	$780
B	All year	Winter $20, summer $50.	340	Rolette	do	None	340
C	do	Harvest	125	Knox	do	do	125
D	do	$50–M, $1–H	520	Rolette	do	$200	720
E	do	$55–M	648	Bisbee	do	$128	776

TABLE XX (b).—*Report of annual income of the same families for the year 1939*

Name	Length of labor season	Approximate wage rate	Approximate seasonal income from labor	Location of work	Sale of native fruits	Sale of wood	Total annual income
A	July to October	$2.50 per day	$35	Sarles	None	None	$35
B	All year	None	None		$5 on share	do	5
C	do	Harvest	$60	Knox	$5	do	65
D	do	$10	$10, ½ in trade	Mylo	None	do	10
E	do	$8	$8	Rolette	do	do	8

MORAL AND SOCIAL RELATIONSHIP

Moral and social relationships are closely related to standards of housing and income. With incomes among the majority of the Rolette County Indians definitely below subsistence, housing standards must be and are correspondingly low. Substandard housing combined with overcrowding means that privacy is nonexistent and sleeping facilities are horribly inadequate since there are seldom half enough beds.

Nonexistent privacy, inadequate sleeping facilities added to lack of adequate food, lighting, and ventilation, together with long periods of enforced idleness and lack of recreation are some of the environmental factors surrounding the Indian and constantly making their impacts upon him. Is it possible that high standards of morals and fastidious human relationships can be developed under such circumstances?

REPORT ON MEETING WITH TRIBAL COUNCIL

The members of the tribal council are: Louis J. Marion, chairman; Charles Swift; Israel Azure; Francis S. Poltre; Louis Gourneau, Sr.; Mrs. Grombois; Edward Jolly; Charles F. Poitre.

Because of short notice and a heavy fall of snow, only five members were present. They were told that the purpose of the meeting was to discuss two questions with them: As representatives of a large group of people, what are your chief problems? What in your judgment can be done about them?

The questions were vigorously discussed, each member actively participating. The discussion was kept at a high level, at no time descending to a question of personalities. Although each member was given the opportunity to express himself freely, the meeting was quiet, formal, and definitely dignified. It was evident that they had already given much thought and discussion to these questions because their thinking was well organized. They outlined their situation as follows:

1. The greatest need was for more land. They frankly recognized the difficulties involved in securing additional land and stated that the immediate objective could not provide enough land to permit farming on a profit basis or as a means of securing their entire livelihood, but that it would have to be limited to subsistence farming. When asked what they meant by subsistence farming they defined it as 15 or 20 acres of cultivated land to be used to provide feed for three or four head of cattle, and some chickens, together with a garden. They said the land in the Turtle Mountain region was good but hard to work. In recent years grasshoppers and drought had made farminig, stock raising, and gardening a discouraging business. They felt that the people should be devoting more of their time and attention to subsistence farming and wondered if work projects could not be developed in that direction.

2. They were deeply concerned about the idleness of their people and deplored the necessity of relief. They said relief spoils the people, especially the young people, who are saying now there is no use, all the big farmers are going broke. The NYA work program met with enthusiastic approval because it gave the young people something to do. Such statements as: "Our people can learn, it seems they can learn to do anything. They are good workers. All our people want to work. Yes; there are a few lazy ones, but they are very few," indicate a confidence and respect for their native ability.

3. The third subject they wanted to discuss was law enforcement. They want better order, are opposed to the liquor traffic, and are concerned about the lack of discipline among their youth. The Council has repeatedly tried to do something about drinking among their people, but to no avail because they have no power. "But the Government is strong," they said, "and should do something to stop the people from wasting their meager resources in drink. The Government should stop white man from selling liquor to the Indians." If it is impossible to stop it entirely, the situation could certainly be improved. They wanted the Governor to talk to the President about their need for an improved court, and a good prison.

The tribal council saw their problems as need of land for subsistence farming, work opportunities for their people, better order and law enforcement, with particular emphasis on the liquor problem, employment, and discipline for their youth.

EDUCATION

There are 726 children enrolled at the Government day school. There is an obvious effort being made by the school to relate the educational activities of the school to the living situation of the Indians. Homemaking and shop work are emphasized. The adult education program is extensive and is being worked out on a practical basis. During the past year, 450 pieces of furniture were made in the adult education classes for home use. The materials are paid for through labor. The furniture, made of inexpensive but durable materials, is practical, substantial, and well built. Tables, chairs, benches, dressers, chests, chiffoniers, beds, and kitchen cabinets are the pieces most often made. Sleds, wagon boxes, and hay racks are also popular. Repairing and making the maximum use of available materials receives much attention. The shops are open at all times.

In the sewing rooms the women made 10,000 garments during the past year. These garments are purchased by the school, the hospital, etc. In addition, the women have made thousands of garments of their own. Rug making, basketry, quilting, pottery, and other crafts are encouraged. The wild fruit project (see page 56) through which 38 tons of berries and fruits were preserved, was promoted by the school.

Many favorable comments were heard throughout the community and the county about the effectiveness of the educational program. One expression of vital interest which the school takes in the total welfare of the child is the substantial noon-day meal provided every day. In the past the school has been closed from 1 to 3 months during the severest winter weather. With the development of the excellent road system on the reservation, it is now possible to bring the children to school during almost any kind of weather. One reason for keeping the school open during the winter months is the opportunity to provide the children with at least one substantial meal per day, the only meal for some of them.

In addition to the Government school at the agency, two other schools are being built and a considerable number of children attend the Mission school.

HEALTH

Because of inadequate food and inadequate clothing, resistance to disease is low. Although accurate statistics are not available, it appears that both the morbidity and mortality rate for pneumonia is high. There are many cases of malnutrition. Pulmonary tuberculosis appears to be on the increase. Trachoma is not prevalent and treatment facilities are adequate. The incidence of venereal disease is higher than among the whites but due to adequate medical facilities and the readiness of the people to accept treatment, the situation is under control.

Medical facilities available to the Rolette County Indians are probably better than those available to the average white community in the State. There is a 60-bed hospital staffed with two physicians, two field nurses, and the usual hospital personnel. The hospital and medical facilities are available to the enrolled and nonenrolled alike. Daily outpatient clinics are held which accept an average of 1,000 calls per month. In addition to this service, the two field nurses average 200 home calls per month and 120 home calls are made by the two physicians. Extensive immunization, vaccination, and preschool clinic programs are in operation.

At the present time the Indian Service pays for six beds at the State Tuberculosis Sanatorium at Dunseith. In order to provide the present tuberculosis patients with the required care, between 20 and 25 beds are needed. It is recommended that further consideration be given to this need.

It appears that the Indians have been excluded from the pneumonia-control program being sponsored at the present time by the State department of health through which serums and drugs necessary for the treatment of pneumonia are being provided without cost to indigent patients. Because of the high incidence of pneumonia among the Indian people and because Indian moneys are not available for serums, there is considerable concern about the exclusion of the Indian from this important scrvice.

The hospital is prepared to do its own typing. Since one of the pneumonia control stations is located at Bottineau, which is in close proximity to the reservation, it seems particularly unfortunate that the Indian indigent patients are not permitted to share in this program.

WILD-FRUIT PROJECT

An abundance of Juneberries, cranberries, chokecherries, pincherries, and plums grow wild on the Turtle Mountain Reservation. In the past more than 90 percent of this crop was wasted due to lack of market and canning facilities.

To conserve the fruit and supplement the meager income of the Indians, the wild-fruit canning project was set up under the rehabilitation self-help plan, under the direct supervision of the school. The school kitchen and dining room were utilized as workrooms.

With the exception of the Juneberries, the wild fruit is best suited for jellies and butters. A total of 11,182 gallons, or more than 38 tons, of berries were brought in. Over 500 Indian families participated in the picking. They were paid by check and sugar. Ten thousand three hundred pounds of sugar was given in exchange for raw fruits. This enabled the Indians to preserve more fruit in the homes than had ever been done before.

The actual canning and jelly making was divided so that employment was given to 250 different women. Pay was at the rate of $1.50 per an 8-hour day, part cash and part toll. Four thousand five hundred and twenty-five jars of fruit and merchandise with a value of $325 was taken to the homes. This merchandise consisted of sheets, bedspreads, quilts, towels, and garments—articles made in the sewing unit of the same self-help plan.

A total of 21,171 jars of 10-ounce to 64-ounce capacity were filled with jelly—over 11 tons of jelly. In addition, 2,809 jars of stewed Juneberries, 200 gallons of butter from the fruit pulp, and 50 gallons of chokecherry syrup was made and sold to the school for noon lunches.

TABLE XXI.—*Inventory of livestock owned by the Indians of the Turtle Mountain Indian Reservation in 1939*

Kind	Total number for each division	Number in each subdivision	Number of Indians owning
Cattle, dairy	1,757		
(a) Cows		1,222	274
(b) Heifers		227	110
(c) Calves		240	140
(d) Bulls		68	68
Sheep and goats	152		
(a) Ewes		105	2
(b) Lambs		44	2
(c) Wethers		3	
(d) Rams			
Swine	49		
(a) Sows		41	34
(b) Pigs			
(c) Boars		8	8
Horses and mules	873		
(a) Mares (work)		272	106
(b) Geldings (work)		521	234
(c) Colts		78	71
(d) Mules		2	1
Poultry	5,857		
(a) Chickens		5,600	260
(b) Turkeys		150	53
(c) Waterfowls		107	12

THE WHEELER-HOWARD ACT OR THE INDIAN REORGANIZATION ACT OF 1934

The Wheeler-Howard Act or the Indian Reorganization Act (1934) is regarded as a sort of Magna Charta. It seeks to make the Indian master in his own house again and give him a chance to live there with independence and self-respect. It assumes that he is primarily a subsistence agriculturist whose economic security is bound up with land ownership of a group.

The Indian Reorganization Act has the following provisions:

1. Forbids the further allotment of Indian land to those who vote to come under it.

2. Permits the return of hitherto allotted land, with Indian consent, to group ownership.

3. Offers loans for educational and business purposes.

4. Offers a large measure of local self-government, worked out by groups in terms of their own needs.

5. Affirms the social and religiouse heritage of Indians as well as their civil rights.

The acceptance of the Indian Reorganization Act is entirely voluntary and over 80 percent of the total of Indians in the United States, including Oklahoma and Alaska, have so far elected to come under it—approximately 250,000 Indians, while approximately 80,000 have voted in the negative.

The Wheeler-Howard Act was rejected by the Turtle Mountain Indians. There seems to be considerable difference of opinion as to the reason for the rejection. According to many of the Indians, including the tribal council, and according to some members of the staff of the Indian Agency, one reason was the confusion resulting from the change brought about by the amendments to the bill. Because of the change in the bill, many people who intended to vote for the act actually voted against it.

Mr. Seth Wilson, principal, summaries the factors contributing to the rejection of the bill as follows:

1. The people confused the present bill with the proposed bill.

2. Objections were constantly made to the indefiniteness of the bill. The people wanted assurance of a definite amount of money, etc.

3. The provisions for no further allotting in severalty was confused with no more allotments.

4. There seemed widespread fear that if the bill was accepted that the claims of the people pressing against the Government would be canceled.

5. Undoubtedly, the instruction stating that their vote would be counted in the affirmative if they did not vote had some effect on the number of affirmative votes cast.

Because of the confused understanding of the bill there is a general feeling among the Turtle Mountain Indians that they ought to have another chance to vote. Some groups are confident that the Reorganization Act would be accepted with a big majority; other groups are not so sure of the results.

CHAPTER VIII. SUMMARY—TENTATIVE COMMENTS—SUGGESTIONS

SUMMARY

In Rolette County there are approximately 5,000 persons of Indian extraction living in the Turtle Mountain region of the county. Their only resources are some 5,000 acres of tillable land—a little over 1 acre per person—small log-house homes, and a few cattle. At the best, not over 5 percent can possibly be self-supporting. With the mechanization of agriculture and widespread unemployment among the white, there is no labor market to absorb more than a handful of the available labor. The people as a group are not only willing to work, but are capable, having among them semiskilled workers. They have acquired the language, attitude, and customs of the white.

In general, they represent a stranded population caught between lack of economic resources and a lack of clarification of responsibility among the different levels of government. The result is that they are left in "no man's land"—shunted from agency to county or State and from county and State to agency and Federal Government. The over-all problem is economic. What they want and what they need is a chance to make a living—such a chance is nonexistent now.

The chapter on Rolette County and on the State indicates that neither the county nor the State have financial resources with which to attack this problem.

LAND PURCHASING

The two outstanding needs on both an immediate and long-time-planning basis are additional land and additional work opportunities. Enough land to provide even half of the Indian households with an economic farm unit or enough land for subsistence farming will run into hundreds of thousands of acres. Rolette County with its 25 townships, 7 of which are in the Turtle Mountains, is small in area for a county Government unit, and has only 518,000 acres of assessed taxable land. It is, therefore, advisable that consideration be given to striking some balance between Indian lands which are nontaxable and privately owned taxable land. Because there is little or no public domain, additional land will have to be secured through direct purchase from owners.

Considerable thought and planning have already been given to the possibilities of purchasing land for Indians in the Turtle Mountain region by representatives of the agency, the Indian Office, and the county officials of Rolette County. An excellent report of the activities under the submarginal land program of 1934 is found on pages 11 to 15 of Hook's Analytical Report Relating to Land and Allied Problems on the Turtle Mountain Indian Reservation, 1936, on file in both the Indian Office in Washington and at the Turtle Mountain Indian Agency. As the result of the work done on the submarginal land program by county officials and agency representatives, the following purchase area has been agreed upon as representing what the county authorities felt would be the maximum limits in the acreage which might be deleted from the tax rolls without seriously handicapping school districts, townships, and county government:

Township 162, range 73; township 162, range 72; township 163, range 72; township 163, range 71; southwest one-quarter township 163, range 70.

Fractional townships along Canadian boundary in township 164, range 72, and township 164, range 71.

The total land within the area is approximately 140,000 acres including the present reservation. It is realized that it will not be possible to acquire all of this area due to the inclusion of considerable acreage which for various reasons cannot be purchased. It was assumed that in any land-purchasing program that the alienated lands on the two reseravtion townships consisting of approximately 16,000 acres would be the first land to be acquired.

So far consideration has only been given to the location of land that is reasonably available for purchase. The next question, of course, is the matter of funds with which to purchase the land if and when it is available.

In the Hook report (referred to above), pages 16 to 30, there is a detailed description of each suggested purchase site, giving location, physical features, reasons for desirability, etc.

The following suggestive paragraph is quoted from the same report, page 20:

"Since the Indian tribe owns a tractor and combine and operates their own flour mill, it is recommended that from the first allotment of funds for land purchase, there be purchased two sections of good wheat land south of the present reservation and proposed purchase area. This land would be operated as a cooperative enterprise by the Indians and in the average season would provide wheat flour to supplement the wheat produced on the reservation."

EMPLOYMENT

The second outstanding need is employment. Employment will necessarily have to be found either in Rolette County near their homes or away from Rolette County. With agriculture practically the only industry in the county, the increased mechanization of agriculture and the return of many unemployed whites to their homes, there is little local labor market. At the present time most of those who are working are employed on made-work projects. In the chapter on the relationship of the Federal agencies to the problem, subhead WPA, pages 16–19, the critical situation regarding future availability of WPA projects was discussed in detail.

With regard to the probability of employment away from home, the situation appears to be about as follows: A limited number of those having a broad educational background, who are highly skilled and able to make the necessary personal adjustments may be absorbed by the regular labor market. At the best, this will care for only a few. For the common laborer, his chances are very small of securing employment in competition with an already overflooded white labor market. About all that will be achieved by his drifting away from this region is that he will be a burden to the relief authorities in some other county or State, there to become a greater social problem.

COMMENTS AND TENTATIVE SUGGESTIONS

If the above presentation is reasonably correct, it appears that an effective land-purchase program and greatly increased employment for the Rolette County Indian is, at best, a part of a long-time program and that there is little hope that either program will provide an immediate way out. In order to modify the immediate situation it will be necessary to take advantage of every opportunity and every resource—be it ever so limited—and to attack the situation from as many

fronts as possible. The following comments are merely suggestive.

EFFICIENT LAND USE

In order to prevent waste of present resources consisting of soil, water, forage, range, and woodland, it is imperative that soil conservation and efficient land-use practices be instituted immediately. This may involve the necessity of organizing an education program for both adults and children along the lines of proper land use and conservation of soil and water. The destruction of the trees and brush coverage to satisfy immediate needs would be a calamity.

Soil and water conservation experts will know whether additional dams are needed. Since drought has been one of the handicaps in the promotion of gardening, small-scale irrigation projects may need further consideration. A very small plot of ground well watered and well cared for often produces more vegetables than one family can use.

UNDEVELOPED RESOURCES

It is reported that clay suitable for the production of excellent brick is found in this region, but that brick-making as an industry is impractical because of the distance from market and high freight rates. Since employment, even for employment's sake, is one of the outstanding needs here, it would seem that brick-making could be promoted for use if not for sale. With logs for building materials becoming scarce and with such need for additional housing, it would seem that brick-making might be one way out if the cost of production is not prohibitive.

THE SUGAR-BEET INDUSTRY

The sugar-beet industry in the eastern part of the State may be an outlet for some of the surplus labor here. Any movement to the sugar-beet territory should only be made after adequate study of the situation. If a survey of the sugar-beet situation indicates that it will provide an outlet for surplus Turtle Mountain Indian labor, the importance of a thoughtful selection of families who have a chance to adjusting to this industry either because personal qualifications or past experience prepared them for an adjustment—which will be very difficult at best—cannot be overemphasized. This selection can be made only after most careful study of each individual family on the basis of complete information.

GARDENING

Gardening having as its objective the production of food for use rather than for sale deserves further encouragement. Reports indicate that gardening has been a rather discouraging process in this region during recent years because of drouth, frost, and grasshoppers. On the other hand there are a number of people in this territory who have not only produced good gardens but have derived a good income from the sale of the produce. The market for garden produce in this region is, of course, extremely limited and nothing can be achieved by flooding the market. There is, however, an acute need for food among the Indians and they should be encouraged, trained, and helped to preserve and to store vegetables and fruits for the winter.

DAIRYING

There is also a crying need among these people for milk and dairy products. One of the goals of the extension division of the agency is to increase the number of people owning 25 head of cattle. Might it not be socially more desirable to increase the number of families owning three or four head of dairy stock? The possibilities of cooperative dairying might also be explored. The "Reconnaissance survey of the Turtle Mountain Indian Reservation," 1939, estimates that there is a total range-carrying capacity of only 12,250 cattle-months on the reservation, which indicates that the resources in this area will need to be carefully utilized. On the other hand, a number of people reported, usually critically, that many tons of hay were not harvested last year. It is assumed that this hay was inaccessible. However, because of the enormous amount of unused labor among these people, it would seem that all of the available resources could be utilized if there were sufficient planning and direction.

BEEKEEPING

The production of honey, again, for use, not for sale, suggests another possibility.

ARTS, CRAFTS, AND HOME INDUSTRIES

A study and an analysis should be made of the native arts and crafts and of the market possibilities for these products. If it should prove that the sales value of native crafts is relatively limited, that need not signify that arts and crafts and home industries should not be promoted. Perhaps some of this work could be done on a cooperative basis with the exchange of goods as remuneration. Other work can very well be done to add to the family's own resources and comfort. Furthermore, since employment for employment's sake is important here, native arts and crafts should be encouraged for that reason if for no other.

COOPERATIVE ENTERPRISES

The success of the wild fruit preserving project last year should be an encouragement to attempt further cooperative enterprises.

CIVILIAN CONSERVATION CORPS

Because the CCC program has not proved to be particularly adapted to the needs of the Indian youth, it does not follow that this program cannot be made an important asset to the Rolette County Indian situation. From the large group of available boys a skilled welfare worker trained to evaluate human relationships will be able to select some boys able to adjust reasonably well in a CCC camp because of personal adaptaton or because their background-experience has prepared them for this adventure. There is no reason why such boys might not be selected a year preceding enrollment and considerable attention be given to preparing them for life in camp. The agency, the school, the church, and the tribal council are resources that might well be utilized for this purpose.

FARM SECURITY ADMINISTRATION

While it is true that most of the Indian families in Rolette County will not be able to qualify as standard loan borrowers or as tenant purchase beneficiaries, the Farm Security programs should not be disregarded in the long-time planning for this group of people even though assistance from this source may be limited to a very few families. The solution to the problems presented in this situation will not be found in any one area and advantage will have to be taken of every available resource.

ENROLLMENT

Since a great deal of confusion from an administrative standpoint and a great deal of unjustified suffering is caused by lack of any logical basis for determining the Indian status of a person, it would seem that further consideration, study, and planning might be given to the question of enrollment.

EMPLOYMENT SERVICES

A sytematic attempt to find employment for Indian workers should be instituted. This will involve a survey not only of the present situation with regard to available workers and available vocational resources, but also as to available employment opportunities here and elsewhere. Perhaps the State employment service could give direction to the establishment of such service.

INDIVIDUAL RESPONSIBILITIES AND LIMITATIONS

Any successful program of economic adjustment must have the understanding and the support of the people most concerned—the Rolette County Indians in this case. This will involve a definite clarification of and acceptance of individual responsibility by the Indians themselves. It is equally important that the various agencies and governmental subdivisions concerned must recognize the limitations of the individual's ability to cope with a complex economic and social situation.

DISCIPLINE, SOCIAL ORDER, AND CONTROL OF THE LIQUOR TRAFFIC

If people could be provided with economic, social, spiritual, and emotional security there woudd probably be no such problems as lack of discipline, immoderate drinking, and sporadic breaking of laws.

COORDINATION OF COUNTY, STATE, AND FEDERAL RESOURCES

Any program planned to enable the Indians, the county, the State, and the Federal Government to adjust their thinking and planning to a changed economic and social order must expect to progress slowly, must be administered calmly and deliberately with flexibility and broad openmindedness if there is to be any hope of results which are permanent and constructive.

Physically, socially, politically, and economically, the Indian is a part of the life of the county, of the State, and of the Nation. If this is true, it follows that the hope of any solution to the complex Rolette County Indian situation will require not only the coordinated approach of the county, State, and the Nation, but such approach must be made in terms of the needs of the Indians, the county, the State, and the Nation.

Fortunately the legal machinery providing for cooperation between the Federal Government and the States is found in the Johnson-O'Mally Act, a part of which is quoted below:

"Contracts for the social welfare of Indians. The Secretary of the Interior be, and hereby is, authorized, in his discretion, to enter into a contract or contracts with any State or Territory, or political subdivision thereof, or with any State university, college, or school, or with any appropriate State or private corporation, agency, or institution, for the education, medical attention, agricultural assistance, and social welfare, including relief of distress, of Indians in such State or Territory, through the agencies of the State or Territory or of the corporations and organizations hereinbefore named, and to expend under such contract or contracts, moneys appropriated by Congress for the education, medical attention, agricultural assistance, and social welfare, including relief of distress, of Indians in such State or Territory. (As amended June 9, 1936, ch. 490, 1, 49 Stat. 1458.)"

The following statement is made by Mr. Collier, Commissioner of Indian Affairs:

"At the present time, superintendents of reservations are expected to function as liaison officers in coordinating agency staff activities with tribal and local organizations of the Indians in developing social and educational programs instituted through local initiative. * * * In 1934 the Johnson-O'Malley Act established the machinery and authority for cooperation by the Federal Government and the State and the local subdivisions in health, education, relief, welfare, and agriculture services for the Indians. Through amendment this act has been broadened to empower cooperation with private as well as public agencies. * * *"

Whatever program is instituted along lines of increasing land assets and work opportunity will be a long-time planning program, the results of which cannot possibly affect the immediate situation materially. Further, no practical program extensive enough to affect essentially the deep-seated economic maladjustment here has even been suggested to date. Unless a plan as extensive as suggested at the beginning of this chapter above can be made and implemented immediately, it is evident that there is a r lief and welfare problem here of huge proportions and one which will be here for many years.

RELIEF AND WELFARE PROGRAMS

Table IX, on page 14, shows that the total relief costs for the month of March 1940 are $38,944. This figure, enormous as it is, gives only one measure of the huge proportions of the problem facing the county, State, and Federal Government. The financial consideration is, of course, only one phase of the problem; measured in terms of the deterioration and destruction of human values the problem is infinitely greater and further reaching in significance.

Page 13 shows that during the past 20 years almost $2,000,000 have been poured into this region in terms of relief for the Indians. Enormous as this sum is, it has been horribly inadequate; administered often on a month-to-month basis and, at times, even worse on a week-to-week basis. During the past 7 years one and a half millions have been expended for the Rolette County Indians.

It would appear that if this situation had been frankly faced and a directed and planned long-time program had been in effect that this money could have been expended so as to produce something of permanent social value. As it was administered, nothing whatsoever of permanent value has been achieved.

The above statements indicate that one of the first responsibilities facing county, State, and Federal Government is providing a well-planned and well-directed approach to the relief and welfare situation here. Such a program will require the coordinated efforts of all three levels of government. Since it is not possible to divorce the Indian and his living situation (whose problems, after all, are just human problems) from the problems of the population as a whole, it is not possible for either county, State, or Federal Government as separate units to meet this situation effectively.

Some of the steps necessary to bring about a responsible and directed relief and welfare program are:

1. There must be a definite clarification among the county, State, and Federal levels of government regarding responsibility for finances, administration, policy making, coordination, etc.

2. Although the problems affecting the Indian situation are definitely a part of the living situation in Rolette County and although accepted administrative principles suggest that the relief and welfare program for the Indian ought to be an integral part of the Rolette County welfare program, the facts of the situation are that the relief and welfare problem here is of such magnitude that it is impossible for the county to assume either responsibility or direction of the program. With the curtailment of WPA and FSA programs there will be a relief problem here that will run into hundreds of thousands of dollars annually. Only the Federal Government has resources available to cope with a relief situation of such magnitude.

3. The efficient administration of this complex and extensive welfare program is dependent first upon securing personnel who not only have the required qualifications and specific training for the job but who have a genuine interest in human welfare in general but who are particularly interested in the unique problems affecting a stranded population. To locate such workers it may be necessary to canvass considerable territory. However, there can be no hope of a constructive approach to this problem without first securing personnel able to do the job.

4. The determination of need must be made on the basis of recorded information by workers qualified by training and experience to make such determination. The extending of relief on a hit-and-miss basis must cease. The extending of assistance must become part of a constructive plan made by the family in cooperation with the welfare worker. In this way relief becomes a tool for social treatment instead of an instrument for further degradation of the human being.

5. The information available at the present time in recorded form is entirely too meager and unverified to serve safely as a basis either for program planning or for constructive case work treatment of the individual case. A well-planned arrangement must, therefore, be made immediately for securing adequate social information. The importance of having this information accurate and reliable is obvious. This information must be recorded, kept current, and be readily available.

PRINTING OF ADDITIONAL COPIES OF HOUSE DOCUMENT NO. 619, SEVENTY-SEVENTH CONGRESS, ENTITLED "OUR AMERICAN GOVERNMENT"

The PRESIDING OFFICER (Mr. HICKENLOOPER in the chair) laid before the Senate House Concurrent Resolution 60, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That a revised edition of House Document No. 619, Seventy-seventh Congress, entitled "Our American Government: What Is It? How Does It Function?" compiled by Representative WRIGHT PATMAN, of Texas, be printed as a public document, and that 75,000 additional copies shall be printed, of which 50,000 copies shall be for the use of the House of Representatives and 25,000 for the use of the Senate.

Mr. HAYDEN. Mr. President, I move that the Senate concur in the House concurrent resolution.

The motion was agreed to.

PROBLEMS, DIFFICULTIES, AND DANGERS INVOLVED IN FINISHING THE WAR

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read by the Chief Clerk:

To the Congress of the United States:

The primary task facing the Nation today is to win the war in Japan—to win it completely and to win it as quickly as possible. For every day by which it is shortened means a saving of American lives.

No one can recount the success of the forces of decency in this war without thinking of the one man who was more responsible for victory than any other single human being—Franklin D. Roosevelt.

Under his guidance, this great Nation grew to be the most powerful military force in all history.

Under his leadership, the Allied strategy was developed which broke down Hitler's fortress, crumbled Germany itself into ruins and unconditional surrender, and has brought us within striking distance of Tokyo.

But there can be no peace in the world until the military power of Japan is destroyed—with the same completeness as was the power of the European dictators.

To do that, we are now engaged in a process of deploying millions of our armed forces against Japan in a mass movement of troops and supplies and weapons over 14,000 miles—a military and naval feat unequaled in all history.

I think it appropriate at this time to inform the Congress and my countrymen of some of the problems, difficulties, and dangers which confront us in finishing this war—and how we expect to meet them.

Those who have the heavy responsibility of directing the Nation's military efforts do not underestimate the difficulties of crushing an enemy defended by vast distances and animated by desperate fanaticism.

And yet, we have adopted what is a new development in military history. In the face of a conflict with a numerous and fanatical enemy we have undertaken during the next 12 months to discharge approximately 2,000,000 of the best soldiers the world has ever seen.

The program for the defeat of Germany was accomplished with an accuracy seldom attained in war—yet we had but little margin at the finish. On April 1, 1945, the last American division to arrive in France entered the battle line.

The strategy of the war in Europe was to have all the men that could be effectively deployed on land and sea to crush the German military machine in the shortest possible time.

That is exactly what we plan to do to Japan.

Up to the time of the collapse of Germany the United States Navy, under the superb leadership of Fleet Admiral King, was carrying on two great campaigns thousands of miles apart from each other—one in the Atlantic and one in the Pacific.

These campaigns were distinctly different. The Atlantic campaign consisted essentially of antisubmarine and amphibious operations. Even as the war neared the end, our Navy had to cope with a submarine blitz which was intended to hit our coast in April.

The Pacific campaign has involved to a major degree all the surface, air, amphibious, and submarine aspect of naval warfare; but antisubmarine operations have played only a subordinate role.

At one time in 1943, the United States Navy was employing over 1,100 planes in its antisubmarine warfare in the Atlantic; and, in mid 1944, over 900 oceangoing escort vessels.

All of our escort vessels have been, or will be, sent to the Pacific, except for a very few to be retained in the Atlantic for training purposes or to meet any remotely possible emergency.

Our Navy, in addition to the miraculous job of convoying our endless stream of men and materials to Europe, did its full share, under over-all British naval command, in amphibious operations in that theater. The use of its landing craft and carriers, and the fire support of its battleships, cruisers, and destoyers, made possible the landings in North Africa in

1942, in Sicily and Italy in 1943, and in Normandy and southern France in 1944.

Even before the invasion of France, some of our Atlantic naval force had already been sent to the Pacific. After our troops were firmly established ashore, fighting ships were moved to the Pacific as rapidly as they could be released from the requirements of the European and Mediterranean theaters and from antisubmarine warfare. The Japanese have already felt the presence of those ships—and will continue to feel it more and more.

In the Pacific the naval campaign has gone through four major phases.

The first was the defensive of 1941 and of the first half of 1942, when we fought in the Philippines and the East Indies, in the Coral Sea, at Midway, and in the Aleutians.

The second was the offensive-defensive in late 1942 at Guadalcanal.

The third was the limited offensive in 1943 when we advanced slowly through the Solomons and retook the Aleutians.

The fourth was the full offensive of 1944 and 1945 when the forces of the Southwest Pacific area under General of the Army MacArthur and those of the Central Pacific area under Fleet Admiral Nimitz made their great seaborne sweeps to the Philippines and Okinawa.

During this time the Navy has fought four full-scale sea battles; the Coral Sea, Midway, the Philippine Sea last summer off Saipan, and the three-pronged battle for Leyte Gulf last October.

The Japanese surface navy has now been reduced to a fraction of its former self. We have driven their ships into hiding and their naval aircraft back to their shore bases.

A large part of this success is due to our present carrier-based air power, which has permitted us to carry forward, for many hundreds of miles at a time, the air cover that is needed for a successful amphibious attack. The carriers that made possible those enormous strides were laid down in 1940—a year and a half before we entered the war. Had they not been started then, our fast advances in the Pacific could not have occurred until much later.

The Japanese merchant marine, in spite of a large program of building, has now been reduced to less than a quarter of its prewar size. In fact we have sunk more Japanese merchant tonnage than they had at the time of Pearl Harbor.

For this and for the reduction of the Japanese Navy, we can thank our submarines, our Army and Navy shore-based aircraft, and our fast carrier task forces. Today, no enemy ship can proceed between Japan and her southern conquests without running the most serious risk.

The outstanding feature of the Pacific war—the one which sets it apart from all previous wars—has been the number of the amphibious operations.

We have constructed a great fleet of special vessels for this purpose: Attack transports, attack cargo ships, landing ships, and landing craft. These ships make it possible to put troops and equipment ashore on open beaches in the minimum of time.

The Navy has a great share in every amphibious attack. For instance, 1 attack which involved landing 45,000 troops required the use of 125,000 naval personnel. In general, it may be said it takes 2 to 3 sailors to put 1 soldier or marine ashore. It takes half a million tons of naval shipping for each division in an amphibious operation.

The Navy is now engaged in a series of grim tasks: A battle of attrition with the Japanese Air Force in the waters around Japan and Okinawa; a tightening of the blockade of Japan; redeploying its own forces from Europe; aiding the Army to redeploy; and preparing for the climactic operations yet to come.

As we approach the enemy's homeland, the density of his air power naturally becomes greater and greater. A year and a half ago the enemy had more than 5,000 operating airplanes to guard perhaps 18,000,000 square miles of area. We could attack wherever we saw that the defense was thinly spread. Since then we have reduced his total air power very much, but the area he is now forced to defend has been shrunk so much more quickly by our rapid advance that the density of his air power is four or five times as great as it was.

This means tough fighting in the air. It means the loss of ships. It means damaged ships that must be replaced or brought back thousands of miles for repair.

We at home can hardly imagine either the delirium of Japanese suicide attacks on our troops, airfields, and ships, or the heroism of our men in meeting them. As we approach the main islands of the enemy the damage to our ships and the loss of our men are becoming more severe. In the future we shall have to expect more damage rather than less.

In carrying out its future tasks the Navy will need not only all of its present great fleets, it will need additional vessels. These vessels are now being built, partly to replace anticipated losses in future operations and partly to reinforce the fleet for the final operations it will have to conduct in enemy home waters.

The Navy is deploying all but a handful of its men from Europe to the Pacific. But unlike the Army, the Navy, after the collapse of Germany, did not have a surplus of personnel. There cannot be even a partial naval demobilization until the Japanese are defeated.

The Navy still needs civilian laborers, particularly in the yards where ships are repaired. Working continuously under the concentrated air effort of the enemy, the fleet suffers daily damage. Many vessels have come back wounded in varying degree. To tell the number would give information to the enemy but the number is substantial. The Navy must get these ships back into the fight with the least possible delay.

We have in our navy yards the machinery and mechanical equipment to deal with the mounting load of battle damage. But civilian workers are needed now in ever-increasing numbers. I know that the patriotic workers of the Nation will rally to the aid of the Navy in this emergency as they have rallied in past emergencies. For they know that every day saved in getting a damaged ship back into service shortens the war and saves American lives.

In the air, we have shown what America can do with land-based planes, and with carrier-based planes—in strategic bombing and in tactical bombing.

We are now able in Germany to investigate and examine the results of our strategic bombing. In spite of the most desperate resistance of the Luftwaffe and in spite of murderous barrages from antiaircraft guns, the American and British Air Forces smashed at German industry day after day and night after night until its support of the German armies caved in.

Our strategic bombardment did a complete and masterly job of destroying the sources of strength of the German Air Force and the German military machine. Our bombers dried up the flow of vital oil and gasoline supplies not only to the German Air Force, but to the rest of the Germany Army and to German industry as well.

We have had experience too—deadly experience for the Nazis—with our tactical air forces as distinguished from strategic bombing. They wrecked the bridges and roads, the railroads and canals on which the German Army counted. Germany's best panzer divisions—entire Army corps, in fact—were immobilized.

The Air Force of Japan is not as strong an opponent as the Luftwaffe. Japanese industry is neither as great nor as scattered as Germany's. The planes we are using and will continue to use against Japan will be larger in size and more powerful in action than our bombers in Europe.

Our Army planes and our Navy ships and planes are now driving Japan out of the air, and when our strategic air force reaches the Pacific in full might it will demolish the enemy's resources of production. Our strategic bombardment of Japan is now well beyond its initial phase. The missions of the Twentieth Air Force are mounting in size and intensity. Substantial portions of Japan's key industrial centers have been leveled to the ground in a series of record incendiary raids. What has already happened to Tokyo will happen to every Japanese city whose industries feed the Japanese war machine. I urge Japanese civilians to leave those cities if they wish to save their lives.

Our tactical air forces, experienced and battlewise, will soon be ranging over the Japanese homeland from nearby bases.

The Japanese air force will be shattered by our Army and Navy fliers as surely and relentlessly as the Luftwaffe. The concentration of Japanese industry, so long an advantage, will now contribute materially to Japan's downfall.

The Army Air Forces began its redeployment last December when a heavy bomber group returned to this country from Europe, and received B–29 training before moving to the Pacific. The following month a B–25 medium bomber group came to this country and proceeded, after training, to fly A–26 attack bombers against the Japanese.

During the last month 20 bombardment groups have received orders to move from Europe to the Far East by way of the United States.

Our ground armies, our corps, and our divisions have followed the best traditions of the American soldier for courage and skill; and their leadership has been of the uniformly high quality which results in victory.

The United States has been fortunate in having as the Chief of Staff to the Commander in Chief of the Army and Navy a man of so great experience and ability as Fleet Admiral Leahy.

We have also been fortunate in having at the head of our land and air forces men like General Marshall, General Eisenhower, General MacArthur, and General Arnold. They have provided the inspiration and the leadership for all our Army operations.

The American soldier of this war is as brave and as magnificent as the American soldier has always been. He has the initiative and ingenuity he has always had. But in this war he is a better soldier and a more successful soldier than he has ever been before. For in this war he has gone into battle better trained, better equipped, and better led than ever before.

In the face of the formidable Nazi hordes which had secured a stranglehold on western Europe, our armies, shoulder to shoulder with those of our allies, forced a landing on the shores of France. In the short space of 11 months they drove the enemy from France, Belgium, Luxembourg, and Holland and forced him to unconditional surrender in the heart of his own homeland.

To the south our troops and those of the Allies wrested north Africa from the Axis, fought a dogged advance through Italy from Sicily to the Alps, and pinned down a force that otherwise could have brought substantial aid to the enemy on the eastern and western fronts.

The heroism or our own troops in Europe was matched by that of the armed forces of the nations that fought by our side. They and the brave men in the underground movements of the occupied countries all gave their blood to wipe the Nazi terror from the face of the earth. They absorbed the blows of the German military machine during the many months in which we were building up our expeditionary forces, and they shared to the full in the ultimate destruction of the enemy.

The same courage and skill which brought about the downfall of the Nazis are being displayed by our soldiers now fighting in the Pacific. Many of them are veterans of the grim months following Pearl Harbor.

Since 1942 our Army troops and marines in the South Pacific have thrown the enemy back from his furthermost advances in New Guinea and the Solomons, have traveled 1,500 miles up the New Guinea coast line, have conquered the Admiralty Islands, Biak and Morotai. Meanwhile, marines and Army troops have been cleaning up in the Solomons and the Palaus. In October of last year these magnificent achievements culminated in the landing of our troops in Leyte. Four months later they freed Manila.

Westward across the Central Pacific other marines and Army units, in hard-fought battles, have forced the Japanese back 4,000 miles. Tarawa, Kwajalein, Saipan, Guam, Iwo Jima, have been the stepping stones. Today Army and Marine divisions are slowly but steadily sweeping the Japanese from Okinawa.

All of our campaigns in Europe and in the Pacific have depended on long lines of communications and upon quantities of supply unheard of in prior warfare. One of the marvels of Allied achievements has been the organization, guarding and operation of these world-girdling supply lines.

For this we have to thank management and labor in our war industries, our farmers and miners, and other Americans—who produced the equipment and supplies for ourselves and our allies; the gallant members of our merchant marine—who transported them overseas under the guns of our Navy; and the men of our Army Service Forces—upon whose work in clearing ports, rushing up supplies, and constructing roads, railroads, bridges, highways, and gasoline pipe lines the fate of battle often depended.

There are also included in our experience in this war miracles of saving human life as well as miracles of destruction of the enemy. Since the invasion of Africa in November 1942, in all our operations in Europe and in Africa, we have lost about 1,600 soldiers from sickness. In the Civil War the Union forces, never more than a third as large as our forces in Europe, had 224,000 deaths from sickness. In the 3 years since April 1942 the Army forces in the disease-infected islands of the Pacific lost fewer than 1,400 men from sickness.

Surgery in this war has reduced the percentage of death from wounds in the Army from 8.25 percent in the last war to 4 percent in this one. This is due to many factors: the high professional skill of the surgeons and nurses, the availability of blood and blood plasma, penicillin and other new miracles of medicine; the devotion of the Medical Corps men who rescue the wounded under fire, the advanced position of surgical staffs right up behind the front lines.

Shifting our ground and air strength from Europe to the Far East presents transportation problems even greater and more complicated than those involved in the initial deployment of our forces to all parts of the world. Millions of men and millions of tons of supplies must be moved halfway around the globe.

The movement of troops from Europe has been swift in getting under way. They are coming by ship and they are coming by air. Every day the process of transfer gains momentum.

After the First World War—when the only problem was getting men home and there was no bitter, powerful enemy left to fight—it took nearly a year to complete the evacuation of 1,933,156 men. This time the Army Transportation Corps and the Air Transport Command plan to move 3,000,000 troops out of Europe before a year passes.

It is not easy to visualize the volume of supplies that must precede, accompany, and follow the soldiers going from Europe and the United States into the Pacific. To maintain our forces in Europe the Army shipped across the Atlantic 68,000,000 tons of equipment and food—nearly eight times the total shipped in all the First World War.

Now we must reclaim all of this equipment that is still serviceable. We must supplement it with new production. And we must make shipments of comparable size to the Pacific over supply lanes which are three times as long as those to Europe.

The initial requirement of equipment for each man fighting against Japan is about six tons and an additional ton is needed each month for maintenance.

Finding the ships to transport these supplies is not the only difficulty. We must continue to develop in the Pacific new harbors and bases out of practically nothing, install roads and build power systems.

Great as these problems of redeployment are, we are not losing sight of the human aspect in shifting men from one side of the world to the other. Wherever it can be done without slowing down the pace of our projected operations in the Pacific, we are deploying our soldiers by way of the United States so that they may have a chance to visit their homes and loved ones before they go on to tackle the Japanese.

On the basis of present estimates, only a small fraction of the men now in Europe will have to go directly to the Far East without first stopping off at home.

The remainder of our present European force will go to the Pacific through the United States, will be assigned to necessary military duties in this country, will be discharged, or will be kept in Europe for occupation duty. Most of those who will go directly to the Pacific are in supply and service units whose presence in the new theater is essential to the immediate construction of harbors, bases, communications, and airfields—from which we step up our blows against Japan.

The Army is mindful that those who come through this country want to get home with the least possible delay once their ship docks or their plane lands. Everything is geared for speed to accomplish this at the air and seaports. Within 24 hours in most cases they are abroad a train at Government expense bound for one of the 19 Army personnel centers, where the men immediately eligible for discharge are separated from those who are destined for further service.

Men who are to remain on active duty are promptly "ordered" home from the personnel center at Government expense, for a period up to 30 days, plus travel time, for rest and recuperation.

The period spent at home is not charged against the man's furlough time nor is it classed as leave of absence. It is temporary duty, and the soldier draws full pay for the period. His only instructions are to have the best time he knows how until he reports back to the personnel center. That is what I mean when I say that we have not forgotten the human side of redeployment.

Relatives and friends of servicemen can do their part in this program by not crowding around the ports and personnel centers through which the men pass.

The men will get home as soon as is humanly possible. Troop movements on the Nation's railroads will become increasingly heavy from now on. I ask for full public cooperation in preventing any aggravation of this burden on domestic transportation, for it would slow down the rate at which soldiers can be reunited with their loved ones.

At the same time as we step up the movement of men and munitions to the Far East, we have been exerting every effort to increase the number of ships available to return men to this country for discharge.

Three hundred and sixteen cargo ships are being converted to help soldiers get out of Europe faster. They are not the most luxurious ships ever seen, but they will get the men home. In addition, the British are letting us use their three proudest passenger liners—the *Queen Elizabeth*, the *Queen Mary*, and the *Aquitania*.

These, added to 50 of our own transport vessels, 800 bombers and transport planes, and such ships as we are able to use out of the German merchant fleet, will make it possible to bring men home for discharge without interfering with the main job of transferring troops and equipment to the war against Japan.

The Army's system for selecting the soldiers for release to civilian life represents a democratic and fair approach to this most difficult problem. A poll was taken among enlisted men in all parts of the world. They were asked what factors they believed should be taken into consideration in deciding who should be released from the Army first. More than 90 percent said that preference should go to those who had been overseas and in combat longest, and to those with children.

The Army spent 2 years developing a program of point credits designed to carry out these views expressed by the soldiers. It checked and rechecked its program, and made comprehensive surveys in order to make sure that the plan would achieve the objectives.

The system applies equally to the members of our Army in all parts of the world. It embodies the principle of impartial selection that we applied in drafting our citizen Army and that we shall continue to apply in meeting the manpower requirements of our armed forces until Japan is defeated.

By reducing the strength of the Army from 8,300,000 to 6,968,000 and by maintaining the Army calls on Selective Service at a level substantially higher than requirements for actual replacements, it will be possible to restore to their homes during the next year a total of 2,000,000 officers and men, including those who will leave because of wounds, sickness, age, and other specific causes, as well as those who will leave under the point system.

To accomplish this while continuing to be liberal in the deferment of men 30 years of age and over, it is the administration's policy to induct all non-veterans under 30 years of age who can be replaced and who can qualify for the armed forces. Many of such men who have thus far been irreplaceable will become available for induction when the plants in which they are working are cut back or when they can be replaced from time to time by cut-back-production workers and returning veterans.

In the three weeks since the point system became effective 2,500 officers and 33,000 enlisted men and women from every theater of war have received final discharge papers at Army separation centers. During June, 50,000 high-score men are scheduled to leave Europe for this country, and 33,000 are scheduled to come from the Pacific and Asia. The great majority of these, a few days after they arrive, will be civilians again.

Let no one be under the delusion that these discharges are being authorized because the war is nearing an end or because we feel the Japanese are easy to beat. They are being made because our military leaders believe that we can reduce the over-all strength of our Army at this time without jeopardy to our cause in the Pacific or to the lives of the men fighting there.

The Joint Chiefs of Staff, after consultation with General MacArthur and Admiral Nimitz, have decided that our Army can deliver its heaviest blows in the Pacific and win final victory most quickly with a strength which a year from now will be about seven million.

By maintaining our Army at this size, we shall be able to more than double the force we now have in the Pacific and hurl against the Japanese an overseas force larger than the 3,500,000 men who united with our allies to crush the Wehrmacht and the Luftwaffe.

These are the men who will be carrying the fight to the enemy, but obviously they cannot operate effectively unless there are adequate reserve troops in training in the United States, and also an adequate base from which our advance troops can be supplied and serviced.

It is our plan that every physically fit soldier in the United States who has not yet served overseas be assigned to foreign duty when he completes his training or, if he is fulfilling an essential administrative or service job, as soon as he can be replaced by a returning veteran. This has been the Army's policy since the beginning of the war. It will be rigidly adhered to in the redeployment period.

If it were not for the overwhelming ascendancy established by our air and fleet units, we should have to send many more men to the Pacific than we now intend. The Japanese have more than 4,000,000 troops under arms—a force larger than the Germans were ever able to put against us on the western front. To back up this Army, they have several million additional men of military age who have not yet been called to the colors. We have not yet come up against the main strength of this Japanese military force. The Japanese Army is organized into 100 combat divisions. Its air force, despite the heavy losses it has suffered, still comprises over 3,000 combat planes. We are cutting heavily into Japanese aircraft production through our Superfortress raids, but Japan remains capable of producing planes at the rate of 1,250 to 1,500 a month.

Army casualties on Okinawa from March 18 to May 29 totaled 3,603 killed and missing, and 14,661 wounded. The marines in the same period reported 1,889 dead and missing and 8,403 wounded. Navy and Coast Guard losses were 4,729 killed and missing and 4,640 wounded, an over-all total for all services of 10,221 killed and missing, and 27,704 wounded. Japanese deaths were nearly six times as great as our own. On May 29, the total of Japanese killed on Okinawa was 61,066.

That is an example of the increasing toughness of this war as our troops get closer to Tokyo.

It is this kind of fighting we must be prepared for in our future campaigns. All of our experience indicates that no matter how hard we hit the enemy from the air or from the sea, the foot soldier will still have to advance against strongly entrenched and fanatical troops, through sheer grit and fighting skill, backed up by all the mechanical superiority in flamethrowers, tanks, and artillery we can put at his disposal. There is no easy way to win.

Our military policy for the defeat of Japan calls for:

First. Pinning down the Japanese forces where they now are and keeping them divided so that they can be destroyed piece by piece.

Second. Concentrating overwhelming power on each segment which we attack.

Third. Using ships, aircraft, armor, artillery, and all other matériel in massive concentrations to gain victory with the smallest possible loss of life.

Fourth. Applying relentless and increasing pressure to the enemy by sea, air, and on the land, so that he cannot rest, reorganize or regroup his battered forces or dwindling supplies to meet our next attack.

Of course the differences between the war in Europe and the war in the Pacific will cause differences in war production. The composition of the Army will be different, as will the equipment issued to troops. There will be changes in strategic plans and in replacement factors.

Until the expanded pipe lines for the Pacific war are filled, and until equipment arrives in substantial amounts from the European theater, war production must continue at a high rate.

The Navy program will continue on an even keel.

There has been a sharp reduction in the program of the Army Air Forces.

Similar sharp cuts in the program of supplies for our ground troops are now being put into effect. Some new items of equipment will be added. The emphasis will be shifted in others.

Thus, there will be a decreased production in heavy artillery, artillery ammunition, trucks, tanks, and small arms.

There will be increased production in aircraft bombs, atabrine, steel barges, wire, and insect screening cloth, combat boots, cotton uniforms, amphibious trucks, raincoats, distillation units, radio relay units, special railway equipment, and motorized shop equipment.

In a number of important items there will be little change in demand for an indefinite period. These include food, clothing, petroleum products, lumber, and certain chemicals. It is likely that all these will remain on the critical list. Leather is tight; so are textiles. There is

a shortage of cotton duck and fabrics for clothing. The food problem has been accentuated by the steadily increasing numbers the Army has been called upon to feed.

Accordingly, production for the Japanese war cannot be taken as a matter of course. It will require a high percentage of our resources.

War Production Board Chairman Krug has stated that during the balance of this year, our munitions production will run at an annual rate of $54,000,000,000, which is almost equal to the rate of 1943, and more than nine-tenths the rate during the peak of 1944.

With these production objectives before us, we must not slacken our support of the men who are now preparing for the final assault on Japan. War production remains the paramount consideration of our national effort.

These then are our plans for bringing about the unconditional surrender of Japan. If the Japanese insist on continuing resistance beyond the point of reason, their country will suffer the same destruction as Germany. Our blows will destroy their whole modern industrial plant and organization, which they have built up during the past century and which they are now devoting to a hopeless cause.

We have no desire or intention to destroy or enslave the Japanese people. But only surrender can prevent the kind of ruin which they have seen come to Germany as a result of continued, useless resistance.

The job ahead for this Nation is clear.

We are faced with a powerful Japanese military machine. These are the same Japanese who perpetrated the infamous attack on Pearl Harbor 3½ years ago; they are the same Japanese who ordered the death march from Bataan; they are the same Japanese who carried out the barbarous massacres in Manila.

They now know that their dreams of conquest are shattered. They no longer boast of dictating peace terms in Washington.

This does not mean, however, that the Japanese have given up hope. They are depending on America tiring of this war—becoming weary of the sacrifices it demands. They hope that our desire to see our soldiers and sailors home again and the temptation to return to the comforts and profits of peace will force us to settle for some compromise short of unconditional surrender.

They should know better.

They should realize that this Nation, now at the peak of its military strength, will not relax, will not weaken in its purpose.

We have the men, the matériel, the skill, the leadership, the fortitude to achieve total victory.

We have the allies who will help us to achieve it. We are resolute in our determination—we will see the fight through to a complete and victorious finish.

To that end, with the help of God, we shall use every ounce of our energy and strength.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 1, 1945.*

The PRESIDING OFFICER. The message of the President will be referred to the Committee on Military Affairs.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the subhead "Contingent expenses, Department of the Interior," on page 4, line 21, after the word "newspapers", to insert "$20,000, exclusively for payment of awards pursuant to the act of June 26, 1944 (Public Law 357)"; and in line 23, after the word "binding", to strike out "$189,960" and insert "$224,500."

The amendment was agreed to.

The next amendment was, under the heading "Bonneville Power Administration," on page 5, after line 19, to strike out:

Not to exceed $3,487,110 of the unobligated balance of the appropriation "Construction, operation, and maintenance, Bonneville power transmission system," shall be available under the account for said appropriation in the fiscal year 1946 for expenses of marketing and operation of transmission facilities, and administrative costs in connection therewith, including $20,300 for personal services in the District of Columbia, and the purchase (not exceeding 10), maintenance, and operation of passenger automobiles.

And in lieu thereof to insert the following:

For all expenses necessary to enable the Bonneville Power Administrator to carry out the duties imposed upon him by the Bonneville Act (16 U. S. C., ch. 12B), and Executive Order 8526, August 26, 1940, and to provide for partial surveys and design of transmission lines for the Hungry Horse Dam project (Public Law 329, 78th Cong.), including not to exceed $20,850 for personal services in the District of Columbia; printing and binding; and purchase (not exceeding 30), maintenance, and operation of passenger automobiles; hire, maintenance, and operation of aircraft; $3,500,000, together with the unexpended balance of funds heretofore made available to the Administrator, to be available until expended, of which amounts not to exceed $4,206,690 shall be available during the fiscal year 1946 for expenses of marketing, operation of transmission facilities, and administrative costs in connection therewith.

The amendment was agreed to.

The next amendment was, under the heading "United States High Commissioner to the Philippine Islands," on page 7, line 10, after the word "practicable", to insert "purchase (one at not to exceed $3,000 and two at $1,500 each)"; in line 13, after the word "expenses", to strike out "$200,000" and insert "$278,900"; and in line 6, after the word "household", to insert a semicolon and "and the appropriation contained in the First Deficiency Appropriation Act, 1945, for the United States High Commissioner to the Philippine Islands is hereby continued available for the same objects until June 30, 1946."

The amendment was agreed to.

The next amendment was, under the heading "Office of Fishery Coordination," on page 8, line 11, after the name "Department of the Interior", to strike out "$200,000" and insert "$225,000."

The amendment was agreed to.

Mr. BRIDGES. Mr. President, at the bottom of page 7 there is a provision for the Office of Fishery Coordination. I should like to have an explanation by the chairman of the subcommittee of that particular item.

Mr. HAYDEN. Mr. President, that organization was set up as a wartime measure and it will last only during the war. We hope this will be the last appropriation for this purpose.

The Office of Fishery Coordination performs functions of this kind: On the Pacific coast, for example, and also on the Atlantic coast, many fishing vessels were seized by the Government, so that the fishermen could not go out to sea to catch fish. The result was that in some cases canneries on the Pacific coast which had capacity to pack fish had no boats. In other cases they had boats, but could not get the men to operate the canneries. The Office of Fishery Coordination went to work to combine what resources were left, so as to get as large a pack as possible of sardines, salmon, and the like. In all instances this agency has served as the liaison between the fishing industry and the War Production Board. The agency represented the needs of the industry for material to keep the boats and fishing equipment in order. In that way the organization has been very helpful.

The result has been that, whereas our consumption of fish very greatly declined immediately after we entered the war, because the fish were not caught, it is now increasing. Consumption is not back to normal as yet, but, in the absence of meat, fish are very essential to our diet. Everyone representing the fishing industry who testified before our committee has been enthusiastic in praise of the work done by this organization.

Mr. BRIDGES. Why was the increase made from $200,000 to $225,000?

Mr. HAYDEN. That relates to the pilchard production program and the halibut program in Alaska. Those two items were recommended by the Bureau of the Budget as necessary in order that more of those types of fish might be caught and made available for the market.

Mr. BRIDGES. Was not this matter heard before the House committee?

Mr. HAYDEN. Yes; it was before the House committee.

Mr. BRIDGES. Why did the Senate committee restore it if the House eliminated it?

Mr. HAYDEN. Because we believe that we are still short of fish food, and the record shows that we are not this year producing the number of pounds of fish which should be on the market. Particularly in view of the meat scarcity, we thought the Budget Bureau was right and the House was wrong, so we adopted the recommendation of the Budget Bureau.

Mr. BRIDGES. My understanding is that this is purely a temporary appropriation.

Mr. HAYDEN. It has no justification except an Executive order. It is not

authorized by law, and relates simply to the emergency.

Mr. BRIDGES. I merely want the distinguished chairman to know that, in my judgment, as he has outlined the matter, a point of order could be made, but because of the situation I shall not raise the point of order.

Mr. HAYDEN. It was subject to a point of order in the House, but the point was not made there. It is not subject to a point of order in the Senate, having passed the House.

Mr. BRIDGES. There is some question as to the authority for the item in the first place.

Mr. HAYDEN. When an item comes over from the House we cannot in the Senate strike the provision out of the House bill on a point of order. New language appears in the following item, which I shall explain to the Senator when it is reached.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the heading "Solid Fuels Administration for War," on page 8, line 17, after the numerals "1943", to insert a comma and "including the employment, without regard to civil-service and classification laws, of a Deputy Administrator at not to exceed $10,000 per annum and not to exceed 28 technical employees."

Mr. HAYDEN. Mr. President, I wish to make an explanation of this amendment, because it is dependent on other provisions which appear in the bill.

The language in lines 17 to 19, which the clerk has just read, and again in lines 24 and 25 and line 1 on page 9, was stricken from the bill on a point of order made on the floor of the House. The language was reported favorably by the House committee, but a Member of the House made the point of order that these provisions were not authorized by law, and the point was sustained by the Chair.

In my judgment, the Member of the House could have made a point of order against the entire paragraph, because there is no law authorizing the establishment of a Solid Fuels Administration for War. As shown on the face of the bill, it is simply operating under an Executive order, issued in April 1943. But, in his wisdom, the Member of the House merely made the point against these two provisions under this item. If I had been a Member of the House defending this bill I would have insisted that the provisions were in order, because under the rules of the House a work in progress once established in an appropriation bill, although not authorized by law, cannot be questioned thereafter. For example, if a Member of the House endeavors to have a public building in his district provided for in an appropriation bill, without any basic legislation authorizing it, the time to stop it is when he attempts to obtain the first appropriation. But after it is first appropriated for, if it is necessary then to appropriate additional money to carry on additional work or complete the building, no point of order can be raised, because it is a work in progress, and the money expended up to that time would otherwise be wasted.

To my mind, that is exactly the status in this instance. We had a serious shortage of coal in the United States. In many places complaints were made that people would freeze to death unless they could obtain coal. So by Executive order, without authority of law specifically, the President created the Solid Fuels Administration for War. He appointed the Secretary of the Interior as Administrator. Then there was appointed a Deputy Administrator, a very able man who had had long experience in the coal industry, particularly in the selling of coal in Pittsburgh. He was appointed the Deputy Administrator and he actually takes care of the work. He is paid a salary of $10,000 a year.

Congress appropriated the $10,000 last year; it was appropriated the year before, indeed ever since this organization was set up the amount has been appropriated. The organization cannot function, it cannot carry on the work that is in progress unless provision is made for the Deputy Administrator, because it is obvious that the Secretary of the Interior cannot do the work himself.

The man who is handling the work, C. J. Potter, was obtained in Pennsylvania after consultation with the industry. He has been highly praised by all who have had to do with his work. I have been told that in New England people would have frozen to death if they had not been able to obtain coal through this agency.

Mr. BRIDGES. I might say they were pretty cold as it was.

Mr. HAYDEN. There is no doubt about that, but the evidence before the committee is that next winter there will still be a shortage of coal, and it is absolutely necessary to keep the Solid Fuels Administration for War in operation until the war is over. When the war is over and the military demands for manufacturing munitions and so on no longer require such great quantities of coal, it can go back to its normal channels and this agency may be dispensed with. Our view in the committee was that this language, having been in the bill last year and the year before, it was absolutely essential that it be incorporated in the pending bill. Technically it is not authorized by law; neither is the whole paragraph; but the paragraph otherwise will not make sense. The organization will not be able to operate if the language proposed by the amendments is not contained in the paragraph.

Mr. President, we could have followed the procedure of offering the amendment under a motion to suspend the rule, sending it down to the Government Printing Office, where the printers are very much occupied, and having it printed. We could have wasted good white paper by proceeding in that formal way; but we were fully satisfied that when the Senate understood the proposition it would not destroy the effectiveness of the Solid Fuels Administration for War by denying the appropriation for a man to carry on the work, or by denying the 3 cents a mile provided for further on in the paragraph for the operation of automobiles with which to carry on the work.

What I say about this item applies to a number of other instances throughout the bill, which I shall be glad to explain to the Senate when the time comes.

Mr. BRIDGES. Mr. President, I shall not object to this item. I think the Senator has outlined the situation very well. In my judgment, the first amendment in the paragraph is subject to a point of order, in fact, both amendments are, but in view of the necessity and the urgency I shall not raise the point of order. I do, however, make the very general statement that there is too much legislation on appropriation bills, and that we are building up a mountain which we will have to tear down some time; and some of the items I shall question.

Mr. HAYDEN. Points of order were made in the House on this bill, and they were made also upon the State, Justice, and Commerce bill. Those were the only two bills this year in connection with which the House Committee on Appropriations did not go before the Rules Committee and obtain a rule that no points of order could be made. Last year they had a rule of that kind, so that these emergency items could be incorporated in the bill and no Member could make a point of order. But in the case of this bill and the other bill I have mentioned, a rule was not obtained, and points of order were made. In connection with the State, Justice, and Commerce bill the Senator from Nevada [Mr. McCARRAN], who had charge of that bill, had printed a stack of 30 or 40 amendments. But in this case we thought it would be better to handle it in the way we have handled it. Of course, if we are compelled to follow the other course we will do so. When the question was raised in the House, Mr. CANNON, chairman of the Committee on Appropriations, wrote a letter to the various legislative committees. I desire to quote from the hearings held on the State, Justice, and Commerce appropriation bill when this issue was first raised in the House. I read a statement made by Mr. Kurth:

> Chairman CANNON, of the House committee, has written the Director of the Bureau of the Budget a letter in which he states that never in his recollection in connection with the appropriation bills has there been so much opposition to legislation on appropriation bills. Therefore he requested the director of the Bureau of the Budget to serve notice on all departments and agencies that the House committees will not consider these items in the future unless they are supported by substantive legislation.

In other words, we are faced with the situation here that these appropriation bills must be enacted into law by the 30th of June. There is not time for the legislative committees to consider the necessary basic legislation in so short a period. But Chairman CANNON has served notice that next year, so far as the House Committee on Appropriations is concerned, the legislative committees will have to act in the intervening 12 months and provide the necessary basic legislation or the Committee on Appropriations will not include such items in bills. I think he is perfectly correct. This custom, with respect to emergency measures, as the Senator from New Hampshire has very properly said, has grown up during the war, and a vast amount of

legislation of this kind which is absolutely necessary to carry on the war, has been included in various bills. I think the observations made by the Senator from New Hampshire are sound, and I think that what the chairman of the House Committee on Appropriations has said is perfectly sound. We are approaching the close of the war, and next year we ought to clean up this situation. We cannot do it now, however.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 8, line 17.

The amendment was agreed to.

The next amendment was, on page 8, in line 23, after the word "appropriation", to insert "reimbursement at not to exceed 3 cents per mile of employees for expenses incurred by them in official travel in privately owned automobiles within the limits of their official stations;" and on page 9, line 6, after the word "services", to strike out "$3,500,000" and insert "$3,730,000."

The amendment was agreed to.

The next amendment was, under the heading "Grazing Service" on page 10, line 8, after the words "Grazing Service," to insert "contract stenographic reporting services"; and in line 11, after the word "exceed", to strike out "ten" and insert "seventeen."

The amendment was agreed to.

The next amendment was, on page 10, after line 17, to insert:

> Fire fighting: For fighting and preventing fires on or threatening lands under Grazing Service administration, $50,000, which amount shall also be available for meeting obligations of the preceding fiscal year.

The amendment was agreed to.

The next amendment was, on page 10, line 22, after the word "For", to insert "construction, purchase, and."

Mr. BRIDGES. Mr. President, I should like to ask for an explanation of the amendment, because to my mind the words "construction, purchase, and" are clearly subject to a point of order. I cannot quite see the reason for the inclusion of this additional phraseology in the paragraph.

Mr. HAYDEN. Mr. President, the Senator understands, of course, that range improvements are made by the Federal Government within grazing districts in order that the number of livestock, cattle, or sheep, that graze in the area may be increased. For instance, an old cow or steer can go only a short distance from a water hole to feed on the grass. The more water holes there are developed, the more stock can be carried on the range, and the greater will be the grazing fees paid into the Federal Treasury. To carry on this work, which includes a certain amount of reseeding, and so on, it is necessary in some places to do some new construction. If we simply want to leave conditions as they are and do nothing more, then those words should not be included; but if we are to continue to develop the range, we must provide for these improvements. This work was suspended during the war; but now that the war is over and manpower is available——

Mr. BRIDGES. Mr. President, is the war over?

Mr. HAYDEN. The war in Europe is over. We inquired very particularly of this service as to whether it would have any difficulty in obtaining the necessary labor and equipment to do this work, and we were told that there would be no difficulty whatever.

Mr. BRIDGES. I think that is a very interesting thing to have brought out here. We have heard of the stringent manpower requirements, and now we have before us a great appropriation bill, in which the subcommittee, and in turn the full committee, have made increases over the House provisions, on the theory that the war is over.

Mr. HAYDEN. It is over in Europe.

Mr. BRIDGES. It is over in Europe; but I think we have another great war in the Pacific. I am wondering if we are not stepping ahead too fast.

Mr. HAYDEN. I wish to be perfectly fair with the House of Representatives. The House said, "We are not going to do anything more for the Interior Department in the fiscal year 1946 than we did in 1945. We are going to hold this Department where it is." I should like to give the Senator the figures to show what happened to the Interior Department.

Prior to Pearl Harbor, for the fiscal year beginning July 1, 1941, about 5 months before Pearl Harbor, Congress passed an Interior Department appropriation bill carrying appropriations totaling $238,101,000. Then came Pearl Harbor, and we got into the war. Immediately the Secretary of the Interior advised the Bureau of the Budget that his estimates should be reduced. The Bureau of the Budget, in submitting the estimates, reduced the recommendation by $50,000,000. In addition, Secretary Ickes came before the Appropriations Committees and showed them how to take off $10,000,000 more. I think he made a better record in that regard than the head of any other department. He said:

> We are going to quit doing what we have been doing normally, and wait until we win the war, because of the demand for manpower and materials.

That situation has continued until the present time. For the past fiscal year the total amount appropriated for the Interior Department, exclusive of overtime, was slightly less than $100,000,000. In view of the altered conditions in the western sections of the country with respect to manpower, and in view of the fact that many contractors have equipment and can handle the work without interference with the war effort, this year the Bureau of the Budget decided that it could ease up somewhat, so it made a recommendation totaling about $140,000,000. As the bill stands before the Senate today, the total amount of proposed appropriations is practically $100,000,000 less than what the Interior Department was receiving before Pearl Harbor.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BUSHFIELD. Referring to the section under discussion, what, if any, limitations are placed upon the words "construction, purchase, and maintenance"? In other words, can the program supervisors construct whatever buildings they desire upon the ranges?

Mr. HAYDEN. The Senator will remember that when we had the Civilian Conservation Corps in operation in the West, many of the CCC camps were established in grazing areas. Buildings, fences, water holes, wells, and other improvements were constructed. The fences must be repaired. The water holes must be kept in condition. Any improvement of that nature naturally deteriorates. The improvements have deteriorated since the war has been going on, and nothing has been done about it. That is the argument which is made. An increase up to $200,000 is requested because of the improvements. Let me read from page 327 of the hearings. This is the statement of Mr. C. I. Forsling, Director of the Grazing Service:

> We asked for an increase up to $200,000 because the improvements we have to maintain are getting older now. Many were built during the CCC days. They are getting older and need maintenance right along. We are going to use most of that money for maintenance. Here and there we are going to construct part of an improvement, such as part of the cost of drilling the well, and the stockman himself will contribute the rest of it. We have certain equipment and material we can make available, so that there will be some of it used for construction of new improvements to take care of the range and the increased number of livestock. But the major part of the amount requested is to maintain these improvements, and a good share of this portion of the increase is for equipment. There again our equipment is very old and depleted.

Mr. BUSHFIELD. I understand the range program completely, and know what is being done. I am only asking for information about the language used. Is there any limitation upon construction?

Mr. HAYDEN. The only limitation upon construction is the representation made by the agency to the House Committee on Appropriations and to our committee, as to what it proposes to do with the money. If it does not do it, we shall find it out next year.

Mr. BUSHFIELD. After the horse is stolen we shall find it out.

Mr. HAYDEN. Either we must do it that way, or there must be an itemized statement in every one of the bills as to exactly what is to be done with the money.

Mr. BUSHFIELD. I think it is time that that be done.

Mr. HAYDEN. It has been the experience of the House Committee on Appropriations for a great many years that if it requires an agency of Government to make a break-down showing what it proposes to do with the money, and it does not do it, the agency is in trouble the following year. In the vast majority of cases the agencies keep faith with the committees. This agency has submitted a break-down of the improvements which it proposes to construct, including stock water reservoirs, spring developments, pipelines for water, truck trails, stock trails, and fences.

Mr. BUSHFIELD. Mr. President, I regret that this discussion delays the

consideration of the bill, but I am familiar with the range program. The only improvements involved in the range program are water holes, fences, and small shelters for the supervisors. I have seen extensive building improvements, including modern dwelling houses and outbuildings, erected on range projects, with absolutely no use for them. The supervisors live in them very little.

Mr. HAYDEN. There is not a building in this list; and if any building is constructed, the agency will break faith with the committees. In the second place, I am sure there is an over-all limitation in the act establishing this service. It cannot spend more than a certain amount on any kind of building without coming to Congress.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BARKLEY. The whole appropriation is limited to $200,000; and there is the following proviso:

Provided, That expenditures hereunder shall not exceed 25 percent of all moneys received from grazing districts under the provisions of said act of June 28, 1934, as amended, during the fiscal years 1945 and 1946.

Mr. HAYDEN. The Service has never spent 25 percent of its receipts. It has always turned back more than three-quarters of its receipts.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 10, line 22.

The amendment was agreed to.

The next amendment was, on page 11, line 2, after the numerals "1934", to strike out "$80,000" and insert "$200,000."

The amendment was agreed to.

The next amendment was, on page 11, after line 12, to insert:

Appropriations herein made for the Grazing Service for "Salaries and expenses" and "Range improvements" shall be available for the hire, maintenance, and operation of aircraft.

The amendment was agreed to.

The next amendment was, under the heading "General Land Office," on page 11, line 18, after the name "District of Columbia", to strike out "$735,070" and insert "$765,500."

The amendment was agreed to.

The next amendment was, on page 12, line 14, after the word "Secretary", to strike out "$430,750" and insert "$500,000."

The amendment was agreed to.

The next amendment was, on page 13, line 3, after the word "of", where it occurs the first time, to strike out "ten" and insert "twenty"; and in line 4, after the word "automobiles", to strike out "$346,395" and insert "$463,000."

The amendment was agreed to.

The next amendment was, on page 13, line 9, after the word "vehicles", to strike out "$235,875" and insert "$237,000."

The amendment was agreed to.

The next amendment was, on page 14, line 12, after the word "vehicles", to strike out "$296,000" and insert "$317,500."

The amendment was agreed to.

The next amendment was, on page 14, line 20, after the word "For", to insert "construction, purchase, and."

The amendment was agreed to.

The next amendment was, on page 15, line 24, after the word "exceed", to strike out "$18,000" and insert "$20,220"; and on page 16, line 2, after the word "automobile", to strike out "$317,045" and insert "$175,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Indian Affairs—Salaries and general expenses," on page 16, line 6, after the name "District of Columbia", to strike out "$691,760" and insert "$791,760."

The amendment was agreed to.

The next amendment was, on page 16, line 17, after the word "available", to strike out "$80,900" and insert "$90,287."

The amendment was agreed to.

The next amendment was, on page 17, line 6, after the word "equipment", to strike out "$272,600" and insert "$291,500."

The amendment was agreed to.

The next amendment was, on page 17, line 20, after the word "exceed", to strike out "fifty" and insert "two hundred and fifty."

The amendment was agreed to.

The next amendment was, under the subhead "Indian lands," on page 19, line 4, after the word "of" where it occurs the first time, to strike out "land;" and insert "land and"; and in line 5, after the word "incident", to strike out "to the purchase of land" and insert "thereto."

The amendment was agreed to.

The next amendment was, under the subhead "Industrial assistance and advancement," on page 21, line 17, after the word "equipment", to strike out "$579,545" and insert "$680,800."

The amendment was agreed to.

The next amendment was on page 23, line 16, after the word "with", to insert "section 10 of"; in line 17, after "(25 U. S. C.", to strike out "461" and insert "470"; in line 20, after "(25 U. S. C.", to strike out "501" and insert "506"; in line 21, after "(57 Stat.", to strike out "451-459" and insert "459"; in the same line, before the word "and", to strike out "$100,000" and insert "$500,000"; in line 22, after the word "exceed", to strike out "$110,000" and insert "$140,000"; in line 23, after the word "to", to strike out "the act of June 18, 1934 (48 Stat. 986), and June 26, 1936 (49 Stat. 1967), as amended" and insert "said acts."

The amendment was agreed to.

The next amendment was, on page 24, line 3, after the word "binding", to insert a semicolon and "and the authorization of $600,000 in the Interior Department Appropriation Act, 1944, for loans from said revolving fund to individual Indians and Indian organizations otherwise ineligible to participate therein is hereby increased to $1,000,000."

Mr. BRIDGES. Mr. President, let me inquire what the need is at this time to increase the fund from $600,000 to $1,000,000.

Mr. HAYDEN. This has been a very successful operation of the Indian Bureau in providing loans so that Indians could obtain livestock and could improve their farms and thereby increase their subsistence. Reports were made to us that many of the Indians who have been in the armed forces are coming back, and it is desired to help them.

Mr. BRIDGES. Very well.

Mr. HAYDEN. The Office of Indian Affairs wishes to take advantage of that opportunity, and it believes it is a good business proposition to undertake.

Mr. BRIDGES. Very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 24, in line 3.

The amendment was agreed to.

Mr. BUSHFIELD. Mr. President, I ask unanimous consent that the Senate return to consideration of the committee amendment on page 23, in connection with the amendment on page 24, and I should like to ask the Senator from Arizona for an explanation of it.

The PRESIDING OFFICER. Without objection, that will be done.

Mr. HAYDEN. Mr. President, does the Senator mean the whole Indian loan provision?

Mr. BUSHFIELD. Yes. I understand about it; but on page 23, there is an increase from $100,000 to $500,000, and there is also an increase from $110,000 to $140,000 in connection with the revolving fund established apparently in connection with Indian loans, and then I understood the Senator to say that on page 24 the proposed increase from $600,000 to $1,000,000 is for the purpose of administering the Indian loans.

Mr. HAYDEN. No. This is an increase in the funds available to be loaned to the Indians.

The explanation is that as of March 31, 1945, commitments totaling $535,000 of the present authorization of $600,000 have been completed, and commitments totaling $26,500 have been approved and are in process of being accepted, making a total of $561,500. This item is the only source of credit available to approximately 193,206 Indians who are not members of Indian chartered corporations. The small balance not yet committed will not be nearly sufficient to take care of the needs of these Indians.

Mr. BUSHFIELD. Does the Senator refer to the cattle loans which were made to many of the Indians?

Mr. HAYDEN. Yes; and to farm loans.

Mr. BUSHFIELD. I thank the Senator.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 24, after line 7, to insert:

For all necessary expenses of the National Indian Institute for the United States of America in the performance of its functions pursuant to article X of the Convention creating the Inter-American Indian Institute, ratified by the Senate on June 7, 1941, and Executive order of November 1, 1941 (numbered 8930), including personal services in the District of Columbia, and printing and binding, $20,500.

The amendment was agreed to.

The next amendment was, under the subhead "Irrigation and drainage," on

page 27, line 19, after the name "Arizona", to strike out "$117,585" and insert "$135,000"; in line 20, after the word "and", to strike out "$193,800" and insert "$216,500"; in line 24, before the word "and", to strike out "$117,585" and insert "$135,000"; in the same line, before the word "respectively", to strike out "$193,800" and insert "$216,500"; and on page 28, line 2, after the words "in all", to strike out "$311,385" and insert "$351,500."

The amendment was agreed to.

The next amendment was, on page 33, after line 8, to insert:

For settlement of claims to water rights in the Gila River, Ariz., $114,400, reimbursable, of which amount $104,400 shall be paid to the Buckeye Irrigation Co. and $10,000 shall be paid to the Arlington Canal Co.: *Provided*, That no part of the sum herein appropriated shall be paid until appropriate contracts shall have been executed by and between the Secretary of the Interior and the Buckeye Irrigation Co. and the Arlington Canal Co.: *Provided further*, That no part of the sum herein appropriated shall be paid until (a) an appropriate contract providing for repayment of the proportionate amount properly chargeable to non-Indian lands in the San Carlos irrigation and drainage district shall have been executed by the San Carlos irrigation and drainage district and approved by the Secretary of the Interior, and (b) an appropriate resolution shall have been adopted by the Gila River Pima-Maricopa Indian Community Council consenting to the charge of the proportionate amount of the sum herein appropriated as construction costs against all Indian lands within the San Carlos Indian irrigation project, subject to the provisions of the act of July 1, 1932 (25 U. S. C. 386a).

The amendment was agreed to.

The next amendment was, on page 35, line 1, after the name "Arizona", to insert "Colorado River, $175,000."

The amendment was agreed to.

The next amendment was, on page 35, line 12, after the word "binding", to strike out "$90,000" and insert "$190,000."

Mr. BRIDGES. Mr. President, as to this particular item, what excuse is there for increasing the amount from $90,000 to $190,000? That is a tremendous increase.

Mr. HAYDEN. This item is for plans and surveys for deferred projects. The Senator will understand that all during the war they were simply stopped. If we are going to carry on the development of Indian lands in the West, we should be making the plans now, so that everything may be ready when the Indians come back from the war and when labor and materials are available, and so that an intelligent job may then be done. That is the purpose.

The House of Representatives generally denied these appropriations for any advance planning or surveys, upon the theory that the war will last a long time and that we do not need to do it. The judgment of our committee is that we will save money and will have a better job done if we make the plans now, rather than if we wait until the actual necessity arises and then go into something without having it properly figured out.

Mr. BRIDGES. Does not the Senator think the increase to $190,000 is too large?

Mr. HAYDEN. We decided that the figure submitted by the Bureau of the Budget was a little high, so we did not allow $25,000 which was included in the Budget figure. In other words, the $190,000 is $25,000 under the Budget estimate.

Mr. BRIDGES. Mr. President, in this amendment I move that the figure "$190,000" be stricken out and that the figure "$140,000" be substituted.

Mr. HAYDEN. Mr. President, I think the Senator is making a mistake, in the absence of definite knowledge about what is needed. I do not think he should set up his judgment as against that of the Indian Bureau, in the first place, which I venture to say requested more money, and against the judgment of the Bureau of the Budget, which analyzed the case, and then against the judgment of the committee, who heard the testimony. We did not allow the full amount. We thought we were being conservative when we cut off $25,000. I do not think the Senator should now come forward and try to cut off more.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. HAYDEN. I yield.

Mr. O'MAHONEY. The Senator will recall that, as a member of the Appropriations Committee, and also as chairman of the Committee on Indian Affairs, I was opposed to the cut which was made, because we have not properly treated the Indian in the United States. The Appropriations Committee has kept this appropriation below the Budget Bureau's figures. I am particularly anxious that justice be rendered to the Indian population of the United States, many members of which have contributed so much in this war. Indians from almost every reservation in the United States are in the fighting forces. It is a matter of common knowledge that Indian welfare is neglected. When we have succeeded in writing into this bill an item of $190,000 for advance planning on Indian reservations, I certainly hope the Senator from New Hampshire—who, I think, does not have any Indians left in his State, or, at least, any Indians of nativity in the Western Hemisphere—will not press for a reduction. It is very easy to cut appropriations for the Indians, and I hope the Senator will not attempt to do it.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Hampshire.

The motion was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment on page 35, in line 12.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 35, line 13, after the words "In all", to strike out "$454,250" and insert "$729,250"; and in line 14, after the word "law", to insert a comma and "and to remain available until completion of the projects."

The amendment was agreed to.

The next amendment was, under the subhead "Education," on page 36, line 8, after the word "prescribe", to insert "not exceeding $25,000 for cooperation with the State of Oklahoma for the construction, equipment, and maintenance of an Indian arts and crafts building at Anadarko, Okla.," and in line 15, after the name "Arizona", to strike out "$5,392,190" and insert $5,540,765."

The amendment was agreed to.

The next amendment was, on page 38, line 13, after the word "for", to strike out "$299,000" and insert "$320,000."

The amendment was agreed to.

Mr. HAYDEN. Mr. President, the proposed increases which appear beginning in line 19, on page 38, and which go on through to page 41, line 22, are with respect to various Indian schools, and all of them are based upon the proposition that there are employed in those schools a number of Indians who receive less compensation than that paid white persons who perform a like service. So the Commissioner on Indian Affairs persuaded the Bureau of the Budget that where an Indian is doing work equivalent to that which a white person does he should receive the same compensation as that which would be paid to a white person for doing the same work.

On that account, and because the amendments are similar, I ask unanimous consent that the amendments appearing on page 38, line 19, to page 41, line 22, inclusive, be considered en bloc. There are 35 of these amendments, involving a total increase of $30,147. They all relate to the same subject matter, namely, the classification of 114 ungraded Indian positions in the various nonreservation boarding schools. The smallest increase proposed in these amendments is $120 for the reservation boarding school at Eufaula, Okla., and the largest increase proposed is for the nonreservation boarding school at Albuquerque, N. Mex., amounting to $4,920.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 38, line 19, before the word "for", to strike out "$167,600" and insert "$170,000"; in line 21, after the words "in all", to strike out "$192,600" and insert "$195,000"; in line 24, after the word "paper", to strike out "$150,810" and insert "$154,000."

On page 39, line 2, after the words "in all", to strike out "$174,310" and insert "$177,500"; in line 5, after the word "paper", to strike out "$188,300" and insert "$189,440"; in line 8, after the words "in all", to strike out "$213,300" and insert "$214,440"; in line 10, after the word "pupils", to strike out "$112,965" and insert "$115,125"; in line 12, after the words "in all", to strike out "$127,965" and insert "$130,125"; in line 13, after the word "pupils", to strike out "$173,783" and insert "$175,000"; in line 15, after the words "in all", to strike out "$193,783" and insert "$195,000"; in line 18, after the word "pupils", to strike out "$127,905" and insert "$132,825"; in line 20, after the words "in all", to strike out "$152,905" and insert "$157,825"; in line 23, after the word "pupils", to strike out "$103,095" and insert "$105,875"; in line 24, after the words "in all", to strike out "$118,095" and insert "$120,875."

On page 40, line 2, before the word "for", to strike out "$105,370" and insert "$106,250"; in line 4, after the words "in all", to strike out "$118,370" and insert "$119,250"; in line 7, before the word "for", to strike out "$153,160" and insert "$154,000"; in line 8, after the words "in all", to strike out "$178,160" and insert "$179,000"; in line 11,

after the word "pupils", to strike out "$104,080" and insert "$106,000"; in line 13, after the words "in all", to strike out "$119,080" and insert "$121,000"; in line 15, after the word "pupils", to strike out "$62,355" and insert "$62,475"; in line 17, after the words "in all", to strike out "$69,355" and insert "$69,475"; in line 22, before the word "for", to strike out "$52,610" and insert "$52,850"; in line 23, after the words "in all", to strike out "$59,610" and insert "$59,850."

On page 41, line 1, after the word "pupils", to strike out "$65,655" and insert "$66,375"; in line 3, after the words "in all", to strike out "$72,655" and insert "$73,375"; in line 5, after the word "pupils", to strike out "$47,210" and insert "$48,950"; in line 7, after the words "in all", to strike out "$54,210" and insert "$55,950"; in line 10, after the word "paper", to strike out "$152,905" and insert "$153,625"; in line 12, after the words "in all", to strike out "$172,905" and insert "$173,625"; in line 14, after the word "pupils", to strike out "$119,475" and insert "$121,275"; in line 16, after the words "in all", to strike out "$138,475" and insert "$140,275"; in line 18, before the word "for", to strike out "$103,350" and insert "$106,750"; in line 19, after the words "in all", to strike out "$118,390" and insert "$121,750"; and in line 22, after the word "exceed", to strike out "$2,325,143" and insert "$2,355,290."

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment was, on page 43, line 1, after the word "heads", to strike out "$1,374,910" and insert "$1,584,750", and in line 2 to insert "and to remain available until June 30, 1947."

Mr. BRIDGES. Mr. President, on page 43, in line 2, I notice the words "and to remain available until June 30, 1947," and similar language on pages 44 and 45. I can see no justification for appropriating funds to apply in the indefinite future. Why should we not appropriate for 1 year at a time and then take up the matter at subsequent sessions of Congress for further appropriations if they are necessary?

Mr. HAYDEN. The language is necessary because of the long winters in Alaska and the difficulties there of communication. I read from a department memorandum:

Restoration of the language permitting the funds to remain available until June 30, 1947, is necessary because of lack of frequent mail communication from many stations, and the further fact that local creditors in Alaska to whom comparatively large amounts may be due for such services as lightering from ship to shore, or for freight from point of delivery on the coast up the many rivers to the various stations, often do not submit their claims for a year or more after service is rendered. The Juneau office is unable to estimate obligations with any reasonable degree of accuracy, and it is important that the funds remain available until these accounts can be settled.

The Senator from New Hampshire understands that transportation problems in Alaska are almost inconceivable to those who live in other sections of the United States. It has been found by experience that extra time is necessary in order to complete the accounts.

Mr. BRIDGES. Will the Senator agree that a similar provision may be made in the next appropriation bill concerning these matters?

Mr. HAYDEN. Similar provisions have been carried in these bills right along. The same principle has been followed. Between now and the next fiscal year the Committee on Indian Affairs in the House of Representatives could have passed a provision to the effect that appropriations made for the benefit of the Indians in Alaska shall be available for a year longer in Alaska than at home.

Mr. BRIDGES. Very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment at the top of page 43.

The amendment was agreed to.

The next amendment was, under the subhead "Conservation of Health," on page 43, line 23, after the word "diseases", to strike out "$5,085,965" and insert "$5,309,600."

The amendment was agreed to.

The next amendment was, on page 44, line 15, after the word "heads", to strike out "$844,150" and insert "$866,500", and in line 16, after the word "immediately", to insert a comma and "and to remain available until June 30, 1947."

The amendment was agreed to.

The next amendment was, under the subhead "General Support and Administration," on page 44, line 21, after the word "provisions", to strike out "$2,791,410" and insert "$3,120,550."

The amendment was agreed to.

The next amendment was, on page 45, line 4, after the name "United States", to strike out "$200,000" and insert "$739,700"; in line 5, after the word "exceed", to strike out "$25,000" and insert "$72,000"; in line 7, after the word "exceed", to strike out "$10,000" and insert "$29,000", and in line 8, after the amendment just above stated, to strike out "not to exceed $40,000 shall be available for the rehabilitation of needy Indians."

The amendment was agreed to.

The next amendment was, on page 45, line 17, after the word "expenses" to strike out "$77,180" and insert "$35,800", and in the same line, after the word "available", to insert a comma and "and to remain available until June 30, 1947."

The amendment was agreed to.

The next amendment was, on page 45, after line 18, to insert:

Expenses incident to fulfilling the Atoka agreement: For all necessary expenses in connection with negotiation of a contract (including holding of an election) with the Choctaw and Chickasaw Nations of Indians in Oklahoma for purchase by the United States of present right, title, and interest of such Indians in the land and mineral deposits reserved from allotment in accordance with the provisions of section 58 of the act entitled "An act to ratify and confirm an agreement with the Choctaw and Chickasaw Tribes of Indians and for other purposes", approved July 1, 1902, $20,000; to remain available until expended; including $2,000 for printing and binding, and $5,000 for transfer to the Geological Survey for appraisal expenses.

The amendment was agreed to.

The next amendment was, on page 46, line 10, after the word "employees", to strike out "$160,000" and insert "$183,050."

The amendment was agreed to.

The next amendment was, on page 47, line 1, after the name "Oregon", to strike out "$199,030" and insert "$206,530."

The amendment was agreed to.

The next amendment was, on page 47, line 23, after the name "Wisconsin", to strike out "$92,985" and insert "$106,985"; in the same line, after the word "including" to strike out "$25,000" and insert "$35,000", and on page 48, line 3, after the word "exceed", to strike out "$6,000" and insert "$10,000."

The amendment was agreed to.

The next amendment was, on page 48, line 16, after the word "concerned", to insert a colon and the following proviso: "*Provided*, That expenditures hereunder may be made without regard to section 3709, Revised Statutes, or to the act of May 27, 1930 (46 Stat. 391), as amended."

Mr. BRIDGES. Mr. President, am I correct in understanding that we have now reached the amendment in line 16, on page 48?

The PRESIDING OFFICER. The Senator is correct.

Mr. BRIDGES. I believe this to be a very important matter. As I have already indicated to the Senator from Arizona, my objection is that we have built up a practice during the period of the war of legislating on appropriation bills. This particular matter involves an important principle. I understand that it involves elimination of the necessity of awarding contracts to the lowest competent bidder. I believe that to be very important. As I understand, the acquisition of goods and services by awarding contracts to the lowest bidders as a result of advertising would be eliminated. That would have a very far-reaching effect.

Mr. HAYDEN. The explanation given by the Department is as follows:

This provision was included in the Interior Department Appropriation Act for 1939 and has appeared in each annual appropriation act since that year. The Department points out the relief situations such as are covered by this appropriation item are essentially of an emergency nature and must be met as such and that this would be impossible if the Indian Service was compelled to comply with section 3709 of the Revised Statutes or the act of May 27, 1930 (40 Stat. 391), as amended.

Mr. Fickinger's testimony before the committee was, in part, as follows:

Let me give you a little more detail on this. As I said before, this has been included in the Interior Department appropriation acts for a number of years since 1939.

It authorizes us to purchase supplies without regard to the $100 limitation as to advertising.

Also, without the necessity of having to make certain purchases from the penitentiary. I might explain that this money is spent for the tribes and by the tribes for relief purposes—that is, emergency relief purposes on the reservations. It is their own money. It is tribal money in the Treasury of the United States in trust for the respective tribes. In other words, under this provision they would not have to buy shoes from the penitentiary or State prison and thus have the delay incident to such a procedure.

There are emergencies which they have to go out and buy something very suddenly, a pair of shoes for an Indian, or they may need certain supplies.

We understand that under the law we must buy penitentiary-made shoes whenever they are available. So, in order to take care of these needy Indians——

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. CHAVEZ. The situation might be different if the Indians were using Uncle Sam's money. But, they are not doing so; they are using their own money. Why should they be required to wait until they can go to a penitentiary in order to buy a pair of shoes?

Mr. BRIDGES. I agree with the Senator from New Mexico, but I think we should be just as careful in handling the money of the Indians as we are in handling the money of Uncle Sam.

Mr. HAYDEN. A similar exemption has been carried for many years in previous appropriation bills of this character. The way to cure the situation is for the appropriate committee, which is the Committee on Indian Affairs of the House of Representatives, to hold hearings and determine under what circumstances it would not be necessary to comply with the strict letter of the law. But in the meantime we are faced with the situation that there are Indians who will be in need during the next fiscal year, who cannot be relieved if bids for a pair of shoes, for example, have to be advertised. It does not make sense to say that we should go to all that trouble in order to afford to a needy Indian an article which is paid for out of his own tribal money. The tribal council state that they want to spend the money for the relief of the members of the tribe.

Mr. BRIDGES. Mr. President, I shall not raise a point of order against this amendment, but I still believe that if we abandon the practice of competitive bidding it will be setting a bad precedent.

Mr. HAYDEN. I agree with the Senator, and I think that if the appropriate House committee will look into the matter a proper rule can be adopted. They did not do that. There was an emergency that required this legislation. That is why it has been in the bill year after year.

Mr. BUSHFIELD. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. Certainly.

Mr. BUSHFIELD. May I ask the Senator from Arizona whether the Indian agent, who, I assume, is the one who handles the disbursement of the appropriation on page 48, makes a report to anyone?

Mr. HAYDEN. Oh, yes.

Mr. BUSHFIELD. Or does he merely get permission from the Indians themselves to use their money?

Mr. HAYDEN. All the organized tribes have a council as the Senator knows. If they have no organization of any kind, of course it would be in the hands of the agent but most of the tribes have adopted the Howard-Wheeler Act and have working organizations. Many of them who have not come under the Howard-Wheeler Act have tribal councils.

Mr. BUSHFIELD. The Indians on many reservations have not come under the Howard-Wheeler Act.

Mr. HAYDEN. Yes. For instance, the Navajos refused to adopt the Howard-Wheeler Act but they have an excellent tribal council, so that there is an Indian organization that looks after this Indian money. If there is no such organization—as the Indians are wards of the Government—the United States is the trustee for the money.

Mr. BUSHFIELD. Mr. President, may I ask the Senator a further question?

Mr. HAYDEN. Certainly.

Mr. BUSHFIELD. I should like to refer back to page 44, commencing in line 19, where there is an appropriation of $3,120,550 for the general administration of Indian property. May I inquire what steps, if any, the committee took to ascertain whether the administrative expenses for Indian property are within reasonable limits?

Mr. HAYDEN. This is an item that came to the Senate from the House, but, on representations made by the Department of the Interior, we increased the Budget estimate. Let me state further that in all these matters we have great faith in the action taken by the House Committee on Appropriations. The Senator no doubt understands that if a Member of the House is assigned to the Committee on Appropriations he can belong to no other committee; it is an exclusive assignment; he is assigned to a subcommittee and becomes a specialist and expert on these matters.

When the Budget estimate is submitted, the subcommittee takes up each individual item and requires complete justification from the Department. So when an item goes through such careful scrutiny we can be pretty well satisfied that from year to year the items adopted by the House are proper. Under those circumstances we decided to restore the Budget estimate, but, the details of how it is handled were thoroughly investigated by the House.

Mr. BUSHFIELD. I have no doubt the Senator and the committee are correct in that matter, but a sum in excess of $300,000,000 is a considerable amount of money to be spent for administrative services by the Indian Bureau.

Mr. HAYDEN. They claim, for example, that it includes all supervisory personnel, all agencies and all schools.

Mr. BUSHFIELD. It cannot include schools, because we have already made an appropriation for about 35 schools.

Mr. HAYDEN. I am referring to schools on the reservations. Included in that sum of money is a certain part for advance planning in connection with utilities amounting to $115,000. It came in as a supplemental appropriation to the Senate committee.

Mr. BUSHFIELD. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 48, line 16.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the Committee on Appropriations.

The next amendment was, on page 48, line 25, after the word "tribes", to insert "not to exceed $5,000 for improvement of Choctaw buildings and grounds."

The amendment was agreed to.

The next amendment was, on page 49, line 21, after the name "Osage Tribal Council", to insert a comma and "and no other funds appropriated or otherwise available to the Interior Department shall be expended for the compensation or expenses of an attorney for the Osage Tribe of Indians in Oklahoma", and on page 50, line 3, after the word "automobiles", to strike out "$172,640" and insert "$177,140."

The amendment was agreed to.

The next amendment was, on page 50, line 23, after the name "Indian Affairs", to insert "except that the Shoshone and Arapahoe Tribes of Wyoming may not exceed $8 per diem and when in the District of Columbia or Chicago, Ill., $10 per diem as heretofore provided,", and on page 51, line 1, before the word "payable", to strike out "$20,000" and insert "$35,000."

The amendment was agreed to.

The next amendment was, on page 51, line 12, after the word "contract", to insert "to be", and in line 13, after the name "Secretary of the Interior", to strike out "on February 28, 1945."

The amendment was agreed to.

The next amendment was, on page 53, line 1, after the word "heads", to strike out "$1,374,910" and insert "$1,584,750", and in line 2, before the word "Provided", to insert "and to remain available until June 30, 1947."

The amendment was agreed to.

The next amendment was, under the subhead "Roads and bridges", on page 53, line 13, after the word "amended", to strike out "$588,190" and insert "$1,890,000, to remain available until expended, of which $150,000 shall be a part of the authorization contained in section 10 (c) of the Federal Aid Highway Act of 1944 (Public Law 521, 78th Cong., approved December 20, 1944)."

The amendment was agreed to.

The next amendment was, under the subhead "Annuities and per capita payments", on page 55, after line 18, to insert:

The following appropriations herein made for the Indian Service shall be available for hire, maintenance, and operation of aircraft: "Administration of Indian forest and range resources"; "Suppressing forest fires on Indian reservations"; "Education of natives of Alaska"; "Medical relief of natives of Alaska"; "Administration of Indian property"; and "Reindeer service, Alaska."

Mr. BRIDGES. Mr. President, I question this item, which proposes to buy airplanes and make airplanes available in the administration of Indian Affairs. We have gone along a great many years without such an authorization.

Mr. HAYDEN. The item is not subject to a point of order.

Mr. BRIDGES. Why is it not?

Mr. HAYDEN. Because in the Independent Offices Appropriation Act for the present fiscal year approved May 3, 1945, this provision was inserted:

SEC. 203. Excepting appropriations for the Military and Naval Establishments, no appropriation for the fiscal year 1946 in this or any other act shall be available for the

purchase, maintenance, or operation of any aircraft, unless specific authority for the purchase, maintenance, or operation thereof has been or is provided in such appropriation, and the acquisition of aircraft by any agency by transfer from another agency of the Government shall be considered as a purchase within the meaning hereof.

In other words, we adopted the same principle as in the case of automobiles. In the beginning money could be spent to buy automobiles generally, but now an automobile cannot be bought unless specific authority is provided in the law. We have made the same provision of law applicable to airplanes, but we have a perfect right, under the law I have cited, to provide in this bill that this particular Government agency may hire or operate airplanes. That is what we are doing in this instance. It is particularly applicable in connection with the situation in Alaska. In the case of Alaska, where the distances are so great, it is necessary to do much flying, and so we provided more airplanes for Alaska than elsewhere.

Mr. BRIDGES. Of course, if we start to provide airplanes for the Bureau of Indian Affairs and other agencies, many of the departments will begin doing away with automobiles and will be asking for airplanes.

Mr. HAYDEN. This is the first time that such legislation has been at all necessary and it is solely due to the provision adopted this year in the independent offices appropriation bill. We will see how it works for a year. No money is going to be wasted. The committee will find out about it, and if necessary can attach more strings to it. This has nothing to do with the purchase of airplanes. It is for their hire, maintenance, and operation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 55, after line 18.

The amendment was agreed to.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. HAYDEN. I yield.

Mr. LANGER. I am very anxious to find out how much money is set aside for the education of natives in Alaska and also for medical relief there.

Mr. HAYDEN. For medical relief in Alaska the Bureau of the Budget estimated $866,500. The Senate committee increased the amount over that provided by the House, which was $844,150, so as to meet the Budget Bureau estimate.

Mr. LANGER. Is that broken down so that we can know how much is allocated for the treatment of tuberculosis?

Mr. HAYDEN. The Government maintains hospitals in Alaska for various diseases, including tuberculosis. I rather doubt that the total can be broken down so as to show the amount devoted to the treatment of that one disease. The appropriation is for the whole medical relief program, to cover various diseases.

Mr. LANGER. When the Senator from Delaware [Mr. BUCK], the Senator from Nevada [Mr. SCRUGHAM], and I were in Alaska last year in our investigation we found the amount set aside for the treatment of tuberculosis entirely inadequate.

Mr. HAYDEN. There is a provision in this bill that certain Army equipment is to be turned over to the Bureau of Indian Affairs to be utilized for hospital purposes, which I think will be a material aid in that respect.

Mr. LANGER. While we are on this subject, I notice——

Mr. HAYDEN. Let me give the figures as to education. That is to be found at the top of page 43. The House allowed $1,374,910; the Budget estimate was $1,584,750, and the Senate committee allowed the Budget estimate.

Mr. LANGER. I notice on page 107 in line 17, in connection with this matter, an item for care of the insane in Alaska. Let me inquire if the Sanitarium Co., of Portland, Oreg., has a contract to care for the insane.

Mr. HAYDEN. I am not able to furnish that information to the Senator. I think that if he will examine the hearings before the House committee, he will find the explanation.

Mr. LANGER. I should like to know why the Government cannot provide its own insane asylum? Here is a Territory one-fifth as large as the United States, yet an insane man must be taken nearly a thousand miles from Alaska to some place near Portland, Oreg., and placed in an insane asylum. There is some mileage to pay, and all that sort of thing.

Mr. HAYDEN. I think that if it were necessary to keep him in the asylum very long, the expense of maintenance of the institution in Alaska, per capita, would be so much higher than it would be in Portland that in the end the Government would save money by transporting the patient rather than transporting the supplies and having the doctors take care of him in Alaska.

Mr. LANGER. Of course, it might be advisable to take some of the Indians from North Dakota to Arizona, where the climate is so much better, in the winter time, but it does not seem to me to be logical to take an insane person, who may die in 3 or 4 days after he arrives, to a particular sanitarium at Portland, Oreg., and pay for the transportation a thousand miles there and a thousand miles back.

Mr. HAYDEN. All I know is that we have heard from time to time about the difficulty of securing personnel who are willing to live in Alaska and work for the Indian Office, whereas they might be perfectly willing to live in a community like Portland, and I know that by and large an insane person, up to the present time, at least, would get better care and attention in Portland than in Alaska.

Mr. LANGER. What about Seattle? Why take them past Seattle all the way down to Postland?

Mr. HAYDEN. The Department has a contract. This is the information we have:

This appropriation item provides for the care and maintenance of an average of 25 patients per month at Morningside Hospital, Portland, Oreg., under the supervision of the Sanitarium Co., at the rate authorized under the provisions of Contract No. 1-SEC-353 entered into between the Department of the Interior and the Sanitarium Co. which extends to June 30, 1948.

Mr. LANGER. Who controls the Sanitarium Co.?

Mr. HAYDEN. I do not know, because the question was not raised before our committee. The only place where that information could be obtained would be at the Indian Office. They apparently have a contract, which will expire on June 30, 1948.

Mr. CHAVEZ. Mr. President, let me suggest also to the Senator from North Dakota that, knowing the Secretary of the Interior as well as we do, we can rest very much assured that the Sanitarium is not putting anything over on the Interior Department.

Mr. LANGER. That may be so; I do not think it is in the interest of economy to take a crazy person all the way from Nome, Alaska, to Portland, Oreg., and take the trip back home, and pay the mileage. What is the arrangement about mileage? Is 10 cents a mile paid for transporting the person?

Mr. HAYDEN. Frankly, I cannot answer the Senator's question, because I never have looked into it, and the only place where the information the Senator desires is obtainable is in the Department, where he could inquire as to the nature of the contract, how long it has been in force, and its cost per capita.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the heading "Bureau of Reclamation," on page 56, line 16, after the word "exceed", to strike out "75" and to insert "485."

Mr. LANGER. One other question. When I was in Alaska, I found that there was no penitentiary in Alaska. Where in the bill is there provision about inmates of penitentiaries?

Mr. HAYDEN. I assume, from my knowledge of the geography, that if the district court in Alaska convicted a person of a serious crime, he would probably be sent to McNeil Island Penitentiary in the State of Washington.

Mr. LANGER. No; he is sent to Oregon. There is some place in Oregon where criminals from Alaska are confined.

Mr. HAYDEN. I am not sure about that. I am more familiar with the name "McNeil Island," in Puget Sound.

Mr. CORDON. Mr. President, does the Senator from North Dakota infer that Oregon rather specializes in this subject? [Laughter.]

Mr. LANGER. I do not know. All I know is that instead of having a penitentiary in the Territory of Alaska, which is one-fifth as large as the United States, a prisoner is taken all the way from Alaska to Oregon. Is there a place called Queenstown, or something like that, in Oregon?

Mr. CORDON. Whatever other advantages Oregon may have, it does not have a Federal penitentiary. The only one in that neighborhood is at McNeil Island, which is off the Washington coast. The State of Oregon, while it would be glad to assist the Federal Government even to the extent of taking care of its prisoners, does not assist it in that regard.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 56, line 16.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the heading "Bureau of Reclamation," page 56, line 13, after the word "vehicles" and the semicolon, to insert "hire, maintenance, and operation of aircraft."

Mr. LANGER. Mr. President, I wish to ask the distinguished Senator from Arizona, who is an expert in this matter, just how to go about dealing with this matter of prisoners and tubercular patients before June 30, 1948. Would it be proper to introduce a bill to build a penitentiary and to build a tuberculosis home?

Mr. HAYDEN. Certainly there would have to be authorizing legislation to enable the committee to do it. We would not be justified in appropriating money on an Interior Department appropriation bill without basic authority of law.

Mr. BRIDGES. Mr. President, I inquire if the amendment now before the Senate is the one on page 56, line 18?

The PRESIDING OFFICER. That is the amendment now pending.

Mr. BRIDGES. Again, I think, we are getting into a new field, and I cannot see the reason for it. I do not agree altogether with the Senator from Arizona that these provisions are not subject to a point of order, because in the independent offices appropriation bill, as cited on page 5 of the Senate committee report on the pending bill, there is no authority for hire, maintenance, and operation of aircraft. That language is a clear limitation on the 1946 and all other appropriations. It constitutes no authority, much less a requirement, that Congress make any such appropriation to other agencies.

Mr. HAYDEN. Mr. President, this is the Budget justification submitted to our committee on April 23, 1945:

> The foregoing proposed provisions are deemed necessary because of the prohibition contained in section 203 of the independent offices appropriation bill for 1946 against the purchase, maintenance, and operation of aircraft by other than the Military and Naval Establishments unless specific authority is provided therefor.
>
> The hire, maintenance, and operation of aircraft is required by various agencies of the Department of the Interior in Alaska and in the States for fire-control work, for aerial photography for basic map purposes, for range seeding operations, for predatory-animal control, for reaching isolated communities in Alaska where the Indian Service maintains schools, hospitals, and other facilities, for use in emergencies in safety and mine work, for game law enforcement, and for other purposes.

The law is perfectly clear. None of these things can be done unless they are authorized. It is the same as the provision with respect to automobiles.

Mr. CORDON. Mr. President, I should like to inquire whether the particular authority in this instance is not necessary in connection with aerial mapping in all types of reclamation work.

Mr. HAYDEN. It is true of the Geological Survey.

Mr. CORDON. In reference to the Bureau of Reclamation, however, I understand that is the purpose of it.

Mr. HAYDEN. That is the purpose.

Mr. CORDON. It is essential if they are to have the data which can be gained by aerial mapping, which, under the present technical advances, can be thereafter worked up so as to have contour maps of areas. The maps themselves are accurate enough now so that they may be contoured and show all the relative data necessary in conection with complete, comprehensive data for irrigation purposes.

Mr. HAYDEN. The Senator is correct. Marvelous progress has been made in that direction.

I may state another way in which the airplane is used. If there is a breakage in a power transmission line, repairmen can get in a plane and find the break and put the line back into service again. It is absolutely necessary for the department to have this authority.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Reclamation," on page 56, in line 20, after the word "services", to insert "payment of damages caused to the owners of lands or other private property of any kind by reason of the operations of the United States, its officers or employees, in the survey, construction, operation, or maintenance of irrigation works;", and on page 57, line 2, after the word "Secretary", to insert a semicolon and "payment of rewards, when specifically authorized by the Secretary, for information leading to the apprehension and conviction of persons found guilty of the theft, damage, or destruction of public property."

The amendment was agreed to.

The next amendment was, on page 57, line 24, after the word "exceed", to strike out "$350,000" and insert "$420,000."

The amendment was agreed to.

The next amendment was, on page 59, line 5, after the word "maintenance", to strike out "$200,000" and insert "$210,000."

The amendment was agreed to.

The next amendment was, on page 59, line 7, after the word "maintenance", to strike out "$116,000" and insert "$126,000."

The amendment was agreed to.

The next amendment was, on page 59, line 19, after the word "thereto", to insert a comma and "and the payment to the school district or school districts serving Mason City and Coulee Dam, Washington, as reimbursement for instruction during the 1945–46 school year in the schools operated by said district or districts of each pupil who is a dependent of any employee of the United States living in or in the vicinity of Coulee Dam, and in the sum of $25 per semester per pupil in average daily attendance at said schools, payable after the term of instruction in any semester has been completed, under regulations prescribed by the Secretary."

The amendment was agreed to.

The next amendment was, on page 60, line 8, after the word "exceed", to strike out "$135,000" and insert "$144,000."

The amendment was agreed to.

The next amendment was, on page 60, line 12, after the word "maintenance", to strike out "$65,500" and insert "$70,000."

The amendment was agreed to.

The next amendment was, on page 61, line 3, before the words "per centum", to strike out "Five" and insert "Fifteen", and in line 6, before the words "per centum", to strike out "5" and insert "15."

The amendment was agreed to.

The next amendment was, on page 61, line 18, after the word "law", to insert a comma and "and to remain available until expended."

The amendment was agreed to.

The next amendment was, on page 61, line 23, after the word "functions", to strike out "$2,500,000" and insert "$4,000,000."

Mr. BRIDGES. Mr. President, that is a very substantial increase, from $2,500,000 to $4,000,000. Can the Senator give any justification for it?

Mr. HAYDEN. Yes. The amount of $4,000,000 is not quite as much as was actually appropriated for the current year 1945. Heretofore the appropriations for these salaries and expenses were scattered around among the different branches of the service. This year the Bureau of the Budget recommended that consolidation be made and it was all consolidated under one head. I made this inquiry during the hearings in that respect:

> How much did you have altogether?

That is in these various items. The answer by Mr. Warne was:

> We had about $4,035,000 available during the last fiscal—the 1945 fiscal year—but it was in a dozen different pockets. Now here, this $4,000,000 item will be in a single item and can be accounted for quite succinctly.

The House committee praised the witness for the consolidation, but cut the amount. The evidence before our committee was that the Bureau simply could not function on that amount, so we restored the estimate.

Mr. BRIDGES. The Senator stood here a few moments ago and made a very fine statement relative to the House committee. He pointed out that the members of the House Appropriations Committee serve only on that committee, and that they go into everything in very great detail, and when they make a recommendation it is quite apt to be accurate. I accept the Senator's statement in that respect, and I feel that the House committee recommendation is more in line than the Senate committee recommendation.

Mr. HAYDEN. I would be inclined to agree with the Senator if the House committee had made any explanation of the reason for the cut, or in support of the cut. It simply cut the figure. I think the committee did so inadvisedly and without proper knowledge. The committee members praised the agency for handling the matter in this way, that is in taking it out of a dozen different pockets and putting it into one pocket.

This statement is made in the House committee report:

The method of appropriating funds for salaries and expenses as provided under the language contained in the bill represents a distinct change in the former practice under which funds for salaries and expenses were appropriated under numerous items in the bill and were continued available until expended. In recent years, as Congress passed legislation authorizing specific projects, the practice was followed of providing that a portion of the cost be made available in the project appropriation for administrative expense. As the number of projects increased the appropriations increased until, during the fiscal year 1945, there were 10 such appropriations, substantially all of which are available until expended. Under such procedure it has become difficult if not impossible for the Congress and the committees to ascertain with any degree of accuracy just how much is being provided for salaries and expenses for any one fiscal year. Under the language recommended in the bill the Congress would provide one appropriation from the reclamation fund for salaries and expenses to be available for incurring obligations only during the fiscal year specified in the appropriation act. As provided in the paragraph, the appropriation would be reimbursable, unless otherwise provided by law. The committee feels that the provision recommended is an important forward step in the direction of simplifying the appropriation set-up for the Bureau of Reclamation and believes that the language contained in the bill should be approved. In recommending an appropriation of $2,500,000 for this purpose a reduction of $1,500,000 in the Budget estimate of $4,000,000 has been effected.

When it costs $4,000,000 to do the job I do not see how the Bureau can get along in this year, 1945, with $2,500,000, and the House committee does not explain how that can be done. So we have restored the amount, and will meet with the House members in conference, and if they have any explanation for the cut they can make it there. But the Bureau of the Budget has justified $4,000,000, which, as I stated to the Senator, is $35,000 less than is actually being used in the present fiscal year.

Mr. BRIDGES. I have found the Bureau of the Budget to be very generous in their estimates, and for that reason, on this particular item I move that the item of $4,000,000 be stricken out and that $3,000,000 be inserted, which will be a half-million-dollar increase over the House figure.

Mr. HAYDEN. Let me make you a suggestion, Mr. President. The Senator from New Hampshire is doing just what the House committee did. He is guessing that perhaps somehow the figure he proposes is about right. The Bureau of the Budget submitted the estimate, and the Senate committee adopted the Budget estimate. That is why I resist the Senator's motion to reduce the amount. The better procedure is to adopt the Bureau of the Budget estimate, take the item to conference, and there let us see if the House Members can convince us that they have actually looked into the question, which the House committee did not say it had done. If they can convince us that they have looked into it, very well. But I do not think we should act merely on the bald statement that "I guess" or "they do not need it, and, therefore, the appropriation should be reduced."

Mr. BRIDGES. I am acting on the basis of the statement made by the Senator that the House committee members were experts.

Mr. HAYDEN. I do not say that they are infallible. I say they are experts, and we follow their lead in many cases. In page after page of the bill we have made no change whatever, and we are happy to go along with the House. But that does not mean that they are correct in every instance, and this is one case in which I should like to have them explain to me and to the other conferees why they have made the cut.

Mr. BRIDGES. Mr. President, I have made a motion to reduce the amount to $3,000,000.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Hampshire.

The motion was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 61, line 23.

The amendment was agreed to.

The PRESIDING OFFICER. The Clerk will state the next committee amendment.

The next amendment was, on page 62, line 17, after the name "Arizona", to strike out "$500,000" and insert "$950,000 from which expenditures may be made for land leveling, construction of farm ditches on units of public lands, production of soil-building crops, and the preparation of raw public lands for irrigation farming, any such expenditures to be charged into the construction costs to be repayable by the lands benefited, and any sums received from the sale of crops or otherwise as a result of these operations to be credited to such construction costs."

The amendment was agreed to.

The next amendment was, on page 63, line 1, after the name "Colorado", to strike out "$800,000" and insert "$1,400,000."

The amendment was agreed to.

The next amendment was, on page 63, line 3, after "Palisades project, Idaho", to strike out "$450,000" and insert "$500,000."

The amendment was agreed to.

The next amendment was, on page 63, line 4, after "Sun River project, Montana", to strike out "$60,000" and insert "$66,000."

The amendment was agreed to.

The next amendment was, on page 63, line 7, after "(Public Law 329)", to strike out "$100,000" and insert "$475,000."

The amendment was agreed to.

The next amendment was, on page 63, line 8, after "Deschutes project, Oregon", to strike out "$450,000" and insert "$500,000."

The amendment was agreed to.

The next amendment was, on page 63, line 9, after "Provo River project, Utah", to strike out "$1,750,000" and insert "$2,219,000."

The amendment was agreed to.

The next amendment was, on page 63, line 11, to strike out:

Examinations and surveys: For examinations and surveys of proposed reclamation projects, as provided in the act approved June 17, 1902, as amended (43 U. S. C. 411), $125,000.

The amendment was agreed to.

The next amendment was, on page 63, after line 15, to insert:

General investigations: For engineering and economic investigations of proposed Federal reclamation projects and surveys, investigations, and other activities relating to reconstruction, rehabilitation, extensions, or financial adjustments of existing projects, and studies of water conservation and development plans, such investigations, surveys, and studies to be carried on by said Bureau either independently, or in cooperation with State agencies and other Federal agencies, including the Corps of Engineers, and the Federal Power Commission, $5,500,000, which may be used to execute detailed surveys, to prepare construction plans and specifications, and to perform work preliminary to construction of authorized projects: *Provided*, That the expenditure of any sums from this appropriation for investigations of any nature requested by States, municipalities, or other interests shall be upon the basis of the State, municipality, or other interest advancing at least 50 percent of the estimated cost of such investigations.

Mr. BRIDGES. Mr. President, may we have an explanation of this item "General investigations: For engineering and economic investigations of proposed Federal reclamation projects," on page 63, line 16.

Mr. HAYDEN. Mr. President, this item was not properly defended on the floor of the House with a Budget estimate. A point of order was made and was sustained that the appropriation was not authorized by law, but we have now in the record the full authority of law for an appropriation of that kind, which I shall be glad to read to the Senator if he wants me to do so.

Mr. BRIDGES. To what does the Senator refer?

Mr. HAYDEN. I refer to the act approved August 4, 1939, which the House Members did not have before them, and which provides for a comprehensive plan for the payment of construction charges on reclamation projects, and so on. I read from that act:

Section 9 (a). No expenditures for the construction of any new project, new division of a project, or new supplemental works on a project shall be made, nor shall estimates be submitted therefor, by the Secretary until after he has made an investigation thereof and has submitted to the President and to the Congress his report and findings on—

(1) the engineering feasibility of the proposed construction;

(2) the estimated cost of the proposed construction;

(3) the part of the estimated cost which can properly be allocated to irrigation and probably be repaid by the water users;

(4) the part of the estimated cost which can properly be allocated to power and probably be returned to the United States in net power revenues;

(5) the part of the estimated cost which can properly be allocated to municipal water supply or other miscellaneous purposes and probably be returned to the United States.

If the proposed construction is found by the Secretary to have engineering feasibility and if the repayable and returnable allocations to irrigation, power, and municipal

water supply and other miscellaneous purposes found by the Secretary to be proper, together with any allocation to flood control or navigation made under subsection (b) of this section, equal to the total estimated cost of construction as determined by the Secretary, then the new project, new division of a project, or supplemental works on a project, covered by his findings shall be deemed authorized and may be undertaken by the Secretary.

I have submitted the language which I have read to the Senate to our Parliamentarian. He states that it provides authority of law for this appropriation; so there being authority of law for it, we restored the Budget Bureau's estimate as it was originally in the House before the point of order was made.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 63, line 16.

The amendment was agreed to.

The next amendment was, on page 64, line 9, after the word "fund", to strike out "$6,758,500" and insert "$15,633,500."

Mr. BRIDGES. Mr. President, on this particular amendment and the one following it, where the appropriation is jumped in one case from $6,758,500 to $15,633,500, and in the next instance from $7,588,300 to $16,487,800, or roughly speaking, about $18,000,000, can the Senator justify this very large inorease?

Mr. HAYDEN. These are totals. The break-down, indicating how the $18,000,000 is arrived at, shows that there is a restotation of Budget estimates for each of the projects heretofore listed. When we add them all together, they total this amount of money. That is the justification. In each instance the projects cost so much, and the Bureau of the Budget has estimated that so much will be required to continue them during the current fiscal year. We followed the Budget estimates. When we add them together, they amount to this sum. In other words, the total carried in the bill is the sum of the several items which compose it.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 64, line 9.

The amendment was agreed to.

The next amendment was, on page 64, line 11, after "Total, from reclamation fund", to strike out "$7,588,300" and insert "$16,487,800."

The amendment was agreed to.

The next amendment was, on page 64, line 12, after the word "exceed", to strike out "$1,000,000" and insert "$1,100,000", and in line 16, after "Boulder Canyon project", to insert a comma and "and payment to the Boulder City School District as reimbursement for instruction during the 1945–1946 school year in the schools operated by said district of each pupil who is a dependent of any employee of the United States, living in or in the immediate vicinity of Boulder City, in the sum of $45 per semester per pupil in average daily attendance at said schools, payable after the term of instruction in any semester has been completed, under regulations to be prescribed by the Secretary."

The amendment was agreed to.

The next amendment was, under the subhead "Colorado River Dam Fund", on page 65, line 12, after "ch. 12A)", to insert a semicolon and "for land leveling, construction of farm ditches on units of public lands, production of soil-building crops, and other necessary expenses in the preparation of raw public lands for irrigation farming, any such expenditures to be charged into the construction costs to be repayable by the lands benefited, and any sums received from the sale of crops or otherwise as a result of these operations to be credited to such construction costs"; and in line 19, after the word "available", to strike out "$3,000,000" and insert "and to remain available until advanced to the Colorado River Dam fund, $3,327,000."

The amendment was agreed to.

The next amendment was, under the subhead "Colorado River Development Fund", on page 66, line 3, after the word "system", to strike out "$120,250" and insert "$150,250"; in line 5, after the word "division", to strike out "$279,750" and insert "$750,000"; in line 8, before the word "from", to strike out "$400,000" and insert "$900,250"; and in line 9, after "(holding account)", to insert a comma and "to remain available until expended."

The amendment was agreed to.

The next amendment was, under the subhead "General Fund, Construction," on page 66, line 13, before the word "and", to insert "to remain available until expended."

The amendment was agreed to.

The next amendment was, on page 66, after line 14, to insert:

Davis Dam project, Arizona-Nevada: The appropriation heretofore made for this project shall be available for construction of the Davis-Parker substation and interconnecting transmission line.

The amendment was agreed to.

The next amendment was, on page 66, line 19, after the name "California", to strike out "$4,500,000" and insert "$4,715,300, including $115,300 for planning of the Delta steam power plant and $100,000 for planning of transmission lines."

Mr. HAYDEN. Mr. President, there was a disagreement in the committee about the Central Valley project, on page 66, lines 19 to 22. Inasmuch as there is likely to be some discussion of that item, I ask that that amendment go over until the other amendments in the bill have been disposed of.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the next committee amendment.

The next amendment was, on page 66, after line 22 to insert:

Kings River project, California: For continuation of studies, investigations, and the preparation, pursuant to sections 5 and 8, respectively, of the act of December 22, 1944 (58 Stat. 887), of detailed plans and specifications for the transmission and disposal of electric power and energy generated at the Kings River Dam and Reservoir and for the utilization for irrigation purposes of said dam and reservoir, $300,000: *Provided*, That the Secretary of the Interior and the Secretary of War shall submit to the Congress, on or before July 1, 1946, a joint report on the division of costs between flood control, and irrigation and other water users.

Mr. HAYDEN. Mr. President, there is a typographical error in the committee amendment on page 67, line 8. It should read "and other water uses," instead of "users." I ask that the committee amendment be amended by striking out the word "users" on page 67, line 8, and inserting in lieu thereof the word "uses."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BRIDGES. Mr. President, in connection with practically every one of these projects the committee has recommended an increase above the House figures. I am not a member of the subcommittee. I am a member of the full committee, but I happened to be absent on the day when the full committee acted. It does not seem to me that the House can be wrong on everything.

Mr. HAYDEN. The House was wrong in this instance to the extent of $190,000. The Budget estimate was $490,000, and we allowed $300,000, so in this instance we are $190,000 under the Budget estimate. I think the Senator should compliment the committee.

Mr. BRIDGES. What the Bureau of the Budget recommends is not of great importance to me, because I have found the Bureau of the Budget wrong in so many instances. But the House committee, to which the Senator has just paid a great tribute, spent many months on the bill, and yet the Senate committee recommends an increase in appropriations in almost every instance. Let me ask the Senator if there are any items in the bill with respect to which the committee recommended a reduction of the House figure?

Mr. HAYDEN. I can give the Senator a list of items with respect to which the Senate committee recommended material reductions from the Budget estimates.

Mr. BRIDGES. That is not the point. I should like to know if there is any case in which the committee recommended a reduction of the House figure.

Mr. HAYDEN. In the item for an attorney for the Osage tribe, we reduced the House figure $4,800; and also recommended a decrease of $125,000 under the House figure in the case of certain examinations and surveys. However, generally our theory of the bill was that the Department of the Interior is a great constructive agency, which does work which adds to the wealth of the Nation. During the war we had to delay that work. Now that the war in Europe is over, we thought that the Bureau of the Budget was sound in its conclusion that there should be planning for future work, and that there should be an expansion of the activities of the Department. The House took the view that we should do just exactly what we did in 1945, and that there had been no change in conditions. That is a question that we shall have to argue with the House in conference.

Mr. BRIDGES. Let me point out that in this bill, with the exception of a couple of minor instances, in connection with practically every other item, or the majority of items, the Senate committee has recommended an increase above the House figures. The chairman of the subcommittee has paid a great tribute to

the House committee for its attention to details. Then the Senate committee proceeds to raise the House figures, and ignores the judgment of the House.

I know that if were to raise a point of order in connection with some of these items today I could bring about an adjournment of the Senate. There is no question about that. I do not intend to obstruct legislation, but I wish to go on record very emphatically as saying that this over-all spending which we are doing without full thought and justification should stop. So far as I am concerned, if a topsy-turvy bill such as this is brought in another year, with general increases, I shall raise a point of order, because they cannot be justified.

Mr. O'MAHONEY. Mr. President, this is not an unreasonable bill. The total amount carried in the bill can be justified, in my judgment, from every single point of view.

Attention ought to be called to the fact—and the Senator from Arizona has called attention to it—that prior to Pearl Harbor the appropriations for the Interior Department were well in excess of $200,000,000. After the war began, the Interior Department, under the leadership of Secretary Ickes, voluntarily reduced expenditures. He did not ask the Bureau of the Budget for anything like the appropriations which the Department had been receiving before the war. Now the war is over——

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BRIDGES. Why does the Senator say the war is over? A great part of the war is still going on.

Mr. O'MAHONEY. I am referring to the war in Europe. I was about to call the attention of the Senator to the fact that when the estimates from the Department of the Interior for every single one of these bureaus were considered by the Bureau of the Budget, they were based upon the assumption that a two-front war would be in continuation. Now we know that we are confronted by a one-front war; and even with all the increases which the committee has allowed, and now recommends, we are still about $90,000,000 below the appropriation which was made before Pearl Harbor.

Let me say to the Senator from New Hampshire that there is not a single Western State in which there are not great opportunities for vastly increased expenditures which would be productive of national income. With respect to the Bureau of Reclamation alone, which has drawn so much of the Senator's attention, let me say that there is not a Senator or Representative from a public-land State who is not receiving scores, if not hundreds, of letters from soldiers who are asking for the opportunity to settle upon land. They want this reclamation work to continue, and if it is permitted to continue, it will in the future, as in the past, result in the building of communities, in increasing business, and increasing revenue.

These expenditures are productive expenditures. This is neither the time nor place to economize as the Senator would have us do. This is a low appropriation.

Mr. CHAVEZ. Mr. President, will the Senator yield to me for a moment?

Mr. BRIDGES. Certainly.

Mr. CHAVEZ. In addition to all that the Senator from Arizona and the Senator from Wyoming have so well said, let me point out that from the statement of the Senator from New Hampshire one would think that the Government was appropriating this money and giving it free to the people concerned with these particular projects. However, these projects will pay for themselves. The people concerned do not get the money for nothing. They have to pay back, through the reclamation fund, every bit of the money that is appropriated for this particular item.

Mr. BRIDGES. Mr. President, let me say to the Senator from Wyoming and the Senator from New Mexico that I have no intention of handicapping any worthwhile, needed programs, but I am talking generally about appropriation bills, and I am talking specifically about this appropriation bill, which the committee has increased tremendously, in almost every item, over the figures voted by the House of Representatives. It seems queer that somewhere along the line the Senate committee could not reduce an appropriation.

The PRESIDENT pro tempore. The next amendment of the committee will be stated.

The next amendment was, on page 67, line 9, after the name "Colorado", to strike out "$400,000" and insert "$500,000."

The amendment was agreed to.

The next amendment was, on page 67, line 10, after "Anderson Ranch", to strike out "$3,000,000" and insert "$3,041,000."

The amendment was agreed to.

The next amendment was, on page 67, line 12, after "Tucumcari project, New Mexico", to strike out "$1,400,000" and insert "$2,500,000."

The amendment was agreed to.

The next amendment was, on page 67, line 14, after "Lugert-Altus project, Oklahoma", to strike out "$600,000" and insert "$1,300,000."

The amendment was agreed to.

The next amendment was, on page 67, line 18, after "Stat. 14)", to strike out "$6,000,000" and insert "$8,332,000."

The amendment was agreed to.

The next amendment was, on page 67, line 19, after "Yakima project, Washington, Roza division", to strike out "$300,000" and insert "$350,000."

The amendment was agreed to.

The next amendment was, on page 67, line 21, after "Total, general fund, construction", to strike out "$16,200,000" and insert "$21,038,300."

The amendment was agreed to.

The next amendment was, under the subhead "Water conservation and utilization projects," on page 68, line 5, after the word "until", to strike out "June 30, 1946" and insert "expended."

The amendment was agreed to.

The next amendment was, on page 68, after line 5, to insert:

Fort Peck project, Montana: For construction of transmission lines, substations, and other facilities as may be required by the Bureau of Reclamation, as authorized by the act of May 18, 1938 (16 U. S. C. 833), $200,000, to be immediately available and to remain available until expended.

The amendment was agreed to.

The next amendment was, under the subhead "Missouri River Basin," on page 68, line 15, after "(Public Law 534)", to strike out "$1,400,000" and insert "$4,680,000, to remain available until expended"; and in line 23, after the word "development", to strike out the colon and the following proviso: *"Provided further,* That no part of this appropriation shall be available for transfer to any other bureau or office of the Department of the Interior."

The amendment was agreed to.

The next amendment was, under the subhead "Colorado River Front Work and Levee System," on page 69, line 8, after the word "available", to strike out "$100,000" and insert "$125,000"; in line 11, after the word "until", to strike out "June 30, 1946" and insert "expended"; and in line 12, after the word "exceed", to strike out "$85,000" and insert "$100,000."

The amendment was agreed to.

The next amendment was, under the heading "Geological Survey," on page 70, line 4, after the word "exceed", to strike out "10" and insert "50"; in line 6, after the word "vehicles", to insert "and the purchase (not to exceed one), hire, maintenance, and operation of aircraft"; and in line 10, after the word "vehicles", to insert a semicolon and "and purchase (not to exceed $26,000) of office furniture and equipment for use in the District of Columbia in addition to that which may be purchased from the appropriation for contingent expenses of the Department."

The amendment was agreed to.

The next amendment was, on page 70, line 16, after the word "expenses", to strike out "$208,160" and insert "$252,000."

The amendment was agreed to.

The next amendment was, on page 70, line 20, after the name "Puerto Rico", to strike out "$2,046,560" and insert "$2,775,000"; in the same line, after the word "which", to insert "$100,000 is to be immediately available and"; in line 21, after the word "exceed", to strike out "$350,000" and insert "$415,000"; and on page 71, line 5, after the word "That", to strike out "$260,000" and insert "$275,000."

The amendment was agreed to.

The next amendment was, on page 71, line 10, before the word "of", to strike out "$1,000,000" and insert "$1,337,500"; and in the same line, after the word "exceed", to strike out "$425,000" and insert "$506,000."

The amendment was agreed to.

The next amendment was, on page 71, line 20, after the name "Alaska", to strike out "$157,500" and insert "$232,500"; and in line 21, after the word "exceed", to strike out "$60,000" and insert "$85,000."

The amendment was agreed to.

The next amendment was, on page 71, line 25, after the name "United States", to insert "and Alaska"; on page 72, line 2, after the word "resources", to strike out "$1,635,800" and insert "$1,995,800"; in line 3, after the word "which", to insert "$100,000 is to be immediately available";

in line 5, after the word "exceed", to strike out "$190,000" and insert "$215,000"; and in line 15, before the word "of", to strike out "$1,240,000" and insert "$1,300,000."

The amendment was agreed to.

The next amendment was, on page 72, line 25, after the name "Federal Power Commission", to strike out "$213,400" and insert "$243,400"; in the same line, after the word "which", to insert "$35,000 is to be immediately available and"; and on page 73, line 1, after the word "exceed", to strike out "$60,000" and insert "$72,000."

The amendment was agreed to.

The next amendment was, on page 73, line 4, after the word "binding", to strike out "$87,500" and insert "$115,000"; and in line 6, after the words "in all", to strike out "$390,340" and insert "$417,840."

The amendment was agreed to.

The next amendment was, on page 74, line 16, after the name "Geological Survey", to strike out "$6,852,260" and insert "$8,459,540."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Mines," on page 74, line 20, after the word "including", to strike out "$57,400" and insert "$85,000"; and in line 23, after the word "journals", to strike out "$152,800" and insert "$180,400."

The amendment was agreed to.

The next amendment was, on page 75, line 13, after the word "supplies", to insert "travel expenses of employees in attendance at meetings and conferences held for the purpose of promoting safety and health in the mining and allied industries."

The amendment was agreed to.

The next amendment was, on page 76, line 3, after the word "exceed", to strike out "$78,890" and insert "$81,000"; and in line 12, after the word "work", to insert "travel, and other incidental expenses of employees in attendance at meetings and conferences held for promoting safety and health in the coal-mining industry."

The amendment was agreed to.

The next amendment was, on page 76, in line 15, after the amendment just above stated, to strike out "$939,910" and insert "$1,024,720."

Mr. LANGER. Mr. President, is there any explanation of the item on page 76, in line 15?

Mr. HAYDEN. This is under the mine inspection and investigation work. It is a primary function of the Bureau of Mines to promote safety in the mines, and the language which would be placed in the bill at this point is necessary, in order to provide for the training of employees; they must be taught how to practice safety in the coal mines and how to avoid explosions and other catastrophies.

Mr. LANGER. I thank the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on page 76, at the end of line 15.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment of the committee will be stated.

The next amendment was, on page 76, line 19 after the word "exceed", to strike out "$16,000" and insert "$80,000"; and on page 77, line 3, after "Department of the Interior", to strike out "$100,000" and insert "$454,800."

The amendment was agreed to.

The next amendment was, on page 77, line 22, after the word "special", to insert "wearing apparel and"; in line 23, after the word "employed", to strike out "$300,000" and insert "$341,000"; and in line 24, after the word "exceed", to strike out "$80,000" and insert "$87,500."

The amendment was agreed to.

The next amendment was, on page 78, line 12, after the word "expenses", to insert "without regard to section 3709, Revised Statutes"; in line 21, after the word "exceed", to strike out "$25,000" and insert "$50,000"; in line 23, after the word "otherwise", to insert a comma and "without regard to civil-service and classification laws"; on page 79, line 1, after the word "exceeding", to strike out "one" and insert "ten"; and in line 6, after "Department of the Interior", to strike out "$6,000,000" and insert "$10,000,000, to remain available until expended."

The amendment was agreed to.

The next amendment was, on page 80, line 8, after the name "District of Columbia", to strike out "$382,700" and insert "$447,700."

The amendment was agreed to.

The next amendment was, on page 80, line 19, after the word "aprons", to strike out "$579,000" and insert "$583,000."

The amendment was agreed to.

The next amendment was, on page 81, line 3 before the word "of", to strike out "$962,200" and insert "$1,027,200."

The amendment was agreed to.

The next amendment was, on page 82, line 3, after the word "foregoing", to strike out "$515,000" and insert "$540,000"; and in line 4, after the word "exceed", to strike out "$397,500" and insert "$420,000."

The amendment was agreed to.

The next amendment was, on page 82, line 7, after the word "expenses", to insert "without regard to section 3709, Revised Statutes,"; on page 83, line 2, after the word "automobiles", to insert "not to exceed $75,000 for temporary employment of engineers, architects, or firms or corporations thereof, by contract or otherwise, without regard to civil-service and classification laws, necessary to carry out the provisions of this appropriation"; in line 13, after the word "exceed", to strike out "$35,000" and insert "$67,000"; in line 14, after the name "District of Columbia", to strike out "$1,000,000" and insert "$2,795,000"; and in line 16, after the word "authorized", to insert "to accept buildings, equipment, and other contributions from public or private sources and."

The amendment was agreed to.

The next amendment was, on page 84, line 5, after the word "expenses", to insert "without regard to section 3709, Revised Statutes,"; in line 15, after the word "exceed", to strike out "$15,000" and insert "$16,500"; in line 22, after the word "work", to strike out "$400,000" and insert "$475,000"; and in line 24, after the word "authorized", to insert "to accept buildings, equipment, and other contributions from public or private sources offering to cooperate in carrying out the purpose of this appropriation, and."

The amendment was agreed to.

The next amendment was, on page 85, line 7, after the word "necessary", to insert "without regard to section 3709, Revised Statutes,"; in line 14, after the word "units", to insert "not to exceed $30,000 for temporary employment of engineers, architects, or firms or corporations thereof, by contract or otherwise, without regard to the civil-service and classification laws, that are necessary to design and construct the buildings and plant units;"; in line 20, after the word "exceed" to strike out "$27,500" and insert "$30,000"; and in line 24, after the word "work", to strike out "$600,000" and insert "$675,000."

The amendment was agreed to.

The next amendment was, on page 86, line 2, after the word "expenses", to insert a comma and "without regard to section 3709, Revised Statutes."

The amendment was agreed to.

The next amendment was, on page 86, line 21, after the word "expenses", to insert "without regard to section 3709, Revised Statutes,"; on page 87, line 5, after the word "plants", to insert a comma and "including not to exceed $30,000 for temporary employment of engineers, architects, or firms, or corporations thereof, by contract or otherwise, without regard to the civil-service and classification laws necessary to design and construct the buildings and pilot plants;"; and in line 20, after the word "authorized", to insert "to accept buildings, equipment, and other contributions from public or private sources for the purposes hereof, and."

The amendment was agreed to.

The next amendment was, on page 88, line 1, after the word "expenses", to insert a comma and "without regard to section 3709, Revised Statutes,"; in line 6, after the word "exceed", to strike out "$55,000" and insert "$65,000"; in line 14, after the word "employed", to strike out "$2,000,000" and insert "$2,610,000"; and in line 16, after the word "authorized", to insert "to accept lands, buildings, equipment, and other contributions from public or private sources for the purposes hereof, and."

The amendment was agreed to.

The next amendment was, on page 88, after line 20, to insert:

For continuing the construction of the drainage tunnel, Leadville, Colo., including the objects specified under this head in the Interior Department Appropriation Act, 1944, to remain available until expended, $485,000, of which $8,000 shall be available for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 89, line 7, after the word "other", to strike out "Federal"; in the same line, after the word "agencies", to insert "public or private", and in line 13, before the word "including", to strike out "$78,400" and insert "$80,000."

The amendment was agreed to.

The next amendment was, on page 90, line 11, after the numerals "1945", to

insert a colon and the following proviso: "*Provided*, That section 3709, Revised Statutes, shall not be construed to apply to this appropriation, or to the appropriation for development and operation of helium properties (special fund) in section 3 (c) of the act of September 1, 1937 (50 U. S. C. 164)."

The amendment was agreed to.

The next amendment was, on page 92, after line 4, to insert:

The following appropriations herein made to the Bureau of Mines shall be available for the hire, maintenance, and operation of aircraft: "Operating rescue cars and stations and investigation of accidents"; "investigation of raw-material resources for steel production (national defense)"; and "Investigations of deposits of critical and essential minerals in the United States and its possessions (national defense)."

The amendment was agreed to.

The next amendment was, under the heading "National Park Service," on page 92, line 16, after the word "binding", to strike out "$429,900" and insert "$507,875."

The amendment was agreed to.

The next amendment was, on page 92, line 20, after the word "system", to strike out "$298,000" and insert "$676,925."

The amendment was agreed to.

The next amendment was, on page 93, line 14, after the name "California", to insert "maintenance of approximately two and one-fourth miles of roads comprising those portions of the Fresno-Kings Canyon approach road, Park Ridge Lookout Road, and Ash Mountain-Advance truck trail, necessary to the administration and protection of the Sequoia and Kings Canyon National Parks;"; and on page 94, line 3, after the word "features", to strike out "$1,895,675" and insert "$1,939,000, including $30,000 for the acquisition of the Ovington properties within the Olympic National Park."

The amendment was agreed to.

The next amendment was, on page 94, line 11, after the word "Monument", to strike out "$402,286" and insert "$421,513."

The amendment was agreed to.

The next amendment was, on page 94, line 13, after the word "improvement", to insert "including the maintenance of structures on the former Cape Hatteras Light Station Reservation within the Cape Hatteras National Seashore Recreational Area project," and in line 16, after the amendment just above stated, to strike out "$150,117" and insert "$170,000."

The amendment was agreed to.

The next amendment was, on page 94, line 22, after the name "Montana", to strike out "$249,038" and insert "$265,200."

The amendment was agreed to.

The next amendment was, on page 95, line 2, after the word "authority", to strike out "$63,512" and insert "$70,000."

The amendment was agreed to.

The next amendment was, on page 95, after line 2, to insert:

Lake Texoma Recreational Area, Texas and Oklahoma: For administration, protection, improvement, and maintenance in cooperation with the Chief of Engineers of the War Department of recreational areas devoted to recreational use within the Denison Dam and Reservoir projects, $44,800.

The amendment was agreed to.

The next amendment was, on page 96, line 5, after the word "measures", to strike out "$213,100" and insert "$217,800."

The amendment was agreed to.

The next amendment was, on page 96, line 23, after the word "areas", to strike out "$106,105" and insert "$125,000."

The amendment was agreed to.

The next amendment was, on page 97, line 4, after the word "Area", to insert "Chesapeake and Ohio Canal,", and in line 17, after the word "employees", to strike out "$400,000" and insert "$550,000, of which $150,000 shall be available for preparation of plans for the development of authorized projects: *Provided*, That $50,000 of the funds for planning shall be chargeable to the revenues of the District of Columbia."

Mr. O'MAHONEY. Mr. President, I observe that the committee has added a proviso which runs counter to the principle which was worked out in connection with the District of Columbia appropriation bill. The proviso in lines 19 and 20 on page 97 ordains that $50,000 of the $150,000 increase for the preparation of plans and developments shall be paid out of the revenues of the District of Columbia. That was done in the committee without my knowledge. Had it been called to my attention at the time I certainly would have objected to it. A habit has developed in the past of loading on to the revenues of the District of Columbia appropriations for various bureaus. Last year we made an effort to correct that situation, and have all appropriations belonging to other departments taken out of obligations of the District and placed where they should be, namely, with the particular department involved.

Mr. HAYDEN. A large part of the work covered in this item is in the District of Columbia. The testimony was that it was the intention to go out of the District and work on the Chesapeake & Ohio Canal. The belief was stated that under those circumstances, if the people of the District of Columbia are to receive much benefit from that work they should be charged with approximately one-third of the cost. The Senator is chairman of the subcommittee which handles the appropriations for the District of Columbia. If he does not think the appropriation should be made in the way in which it has been provided, I suggest to him that he move to amend by reducing the amount of $550,000 to $500,000, of which $100,000 shall be available for use in connection with the preparation of plans, and so forth.

Mr. O'MAHONEY. That would be agreeable to me because the allocation against the revenues in the District of Columbia is made by the same guess system which we have been criticizing with respect to the attitude of the other House, except that in this instance the guess is to add instead of to subtract. I hope the Senator will abandon the proviso.

Mr. ELLENDER. Mr. President, I notice throughout the bill that there are provisos that certain portions of money appropriated must be spent in the District of Columbia. Why is it necessary to put such provisos into this bill?

Mr. HAYDEN. There is in effect a general statute requiring that an appropriation bill must show how much of the money to be appropriated is to be spent in the District of Columbia, and how much outside of the District. So, in compliance with that law, we have divided the appropriation. As I explained previously—I do not believe the Senator from Louisiana was present in the Chamber at the time—the men who are sent out by the Geological Survey——

Mr. ELLENDER. Yes; I was present when the Senator made that explanation.

Mr. HAYDEN. Those men go out into the field, do a great deal of work, and then come back to the District to prepare their reports. They must be compensated while they are performing their duties in the District. We try to divide the appropriations on that basis.

Mr. ELLENDER. The Senator states that it is necessary because of an existing statute.

Mr. HAYDEN. Yes.

Mr. ELLENDER. What is the basis of the statute?

Mr. HAYDEN. In the absence of the statute all the money could be used within the District. A limitation must be placed upon the amount of money which may be expended in the District of Columbia.

Mr. ELLENDER. Even though it is provided in the bill that money is to be spent in a particular State, for example, could it be spent in the District of Columbia if there were no statute providing otherwise?

Mr. HAYDEN. Yes. We have provided limitations so that no more than a certain amount may be spent in the District of Columbia.

Mr. ELLENDER. That is in order to require that a greater portion of the money be spent in the field.

Mr. HAYDEN. Yes; or wherever the work is required to be done.

Mr. President, I move to amend the committee amendment on page 97, in line 17, before the words "of which" by striking out "$550,000" and inserting "$500,000"; in the same line, after the words "of which", by striking out "$150,000" and inserting "$100,000", and in line 19, after the word "projects", by striking out "Provided, That $50,000 of the funds for planning shall be chargeable to the revenues of the District of Columbia."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment proposed by the Senator from Arizona.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, on page 97, line 24, after the word "therein", to insert "and vicinity."

The amendment was agreed to.

The next amendment was, on page 98, after line 16, to insert:

Appropriations herein made under the National Park Service for national parks and national monuments shall be available for the hire, maintenance, and operation of aircraft.

The amendment was agreed to.

The next amendment was, under the heading "Fish and Wildlife Service," on page 98, line 22, after the word "expenses", to strike out the comma and "including the purchase of printed bags, tags, and labels, public printing, and traveling expenses."

The amendment was agreed to.

The next amendment was, under the subhead "Salaries and expenses," on page 99, line 6, before the word "of", to strike out "$198,780" and insert "$213,600"; and in the same line, after the word "sum", to strike out "$25,000" and insert "$35,000."

The amendment was agreed to.

The next amendment was, on page 99, line 19, after the word "mussels", to insert "development, recommendation, and application of means, including the construction of devices, to assure natural propagation and maximum survival of hatchery and other fishes"; and in line 25, after the word "aquarium", to strike out "$1,046,200" and insert "$1,194,500."

The amendment was agreed to.

The next amendment was, on page 100, line 16, after the word "stations", to strike out "$489,300" and insert "$581,800."

The amendment was agreed to.

Mr. HAYDEN. Mr. President, on behalf of the senior Senator and the junior Senator from Maine [Mr. WHITE and Mr. BREWSTER] I offer certain amendments to committee amendments, which I send to the desk and ask to have stated. I ask that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendments to the amendments will be stated.

The CHIEF CLERK. On page 100, in line 21, after the word "thereof", it is proposed to insert "including investigation, study, and research with respect to the utilization of packed sardines and the development of methods and procedures which should be employed in improving the quality and appearance of packed sardines"; on page 101, in line 2, after the word "services", to strike out "$528,000" and insert "$543,000"; on page 104, line 18, after the word "expenses", to strike out "$6,019,900" and insert "$6,034,900;" and on page 105, line 10, after the words "Wildlife Service", to strike out "$7,519,900" and insert "$7,534,900."

The PRESIDING OFFICER. Without objection, the amendments to the committee amendments are agreed to, and without objection, the committee amendments thus amended are agreed to.

The next amendment of the Committee on Appropriations will be stated.

The next amendment was, on page 101, line 7, after the word "products", to strike out "$86,000" and insert "$105,700."

The amendment was agreed to.

The next amendment was, on page 101, line 13, after the words "purchase of", to strike out "one" and insert "two", and in line 15, after the word "service", to strike out "$593,700" and insert "$666,000."

The amendment was agreed to.

The next amendment was, on page 101, line 19, after "901–915)", to strike out "$12,000" and insert "$18,000."

The amendment was agreed to.

The next amendment was, on page 101, line 24, after the word "fur", to strike out "$115,500" and insert "$143,000."

The amendment was agreed to.

The next amendment was, on page 102, line 12, after the name "Territory of Alaska"; to strike out "$169,550" and insert "$198,500."

The amendment was agreed to.

The next amendment was, on page 102, line 19, after "(7 U. S. C. 426)", to insert a comma and "including not to exceed $3,000 for the purchase of printed bags, tags, and labels", and on page 103, line 2 after "667)", to strike out "$753,000" and insert "$1,000,000."

The amendment was agreed to.

The next amendment was, on page 103, line 15, after the word "investigations", to strike out "$294,600" and insert "312,400."

The amendment was agreed to.

The next amendment was, on page 103, line 22, after the words "purchase of", to strike out "one" and insert "four", and in line 23, after the word "airplanes", to strike out "$138,170" and insert "$242,000."

The amendment was agreed to.

The next amendment was, on page 104, line 10, after the word "Refuge", to strike out "$549,875" and insert "$687,400, and in addition thereto $40,000 of the unexpended balance for special improvements on the Wichita Mountain Wildlife Refuge for the fiscal year 1944 is continued available for the fiscal year 1946."

The amendment was agreed to.

The next amendment was, on page 104, line 17, after "715–715r)", to strike out "$50,000" and insert "$99,000."

The amendment was agreed to.

The next amendment was, under the subhead "Federal Aid in Wildlife Restoration", on page 105, line 6, after "669–669j)", to strike out "$900,000" and insert "$1,500,000."

The amendment was agreed to.

The next amendment was, on page 105, line 13, after the word "exceed", to strike out "$642,840" and insert "$768,782"; in line 17, after the words "purchase of", to strike out "twenty-two" and insert "one hundred and twenty-two"; in line 19, after the word "vehicles", to insert "hire, maintenance, and operation of aircraft;", and on page 106, line 20, after the word "appropriation", to insert "In addition to the airplanes authorized for purchase in the foregoing items, the Fish and Wildlife Service may acquire not to exceed 10 surplus airplanes from any disposal agency of the Government without reimbursement or transfer of funds."

The amendment was agreed to.

The next amendment was, under the heading "Government in the Territories—Territory of Alaska," on page 107, line 10, after the word "fuel", to strike out "$39,175" and insert "$44,000."

The amendment was agreed to.

Mr. LANGER. Mr. President, I notice on page 107, line 13, an appropriation of $50,000 for the establishment and maintenance of public schools. To me that seems a woefully inadequate amount. I should like to have an explanation of the item. Certainly they must spend more than that in Alaska for public education.

Mr. HAYDEN. That was the amount of the Budget estimate, which the House allowed, and which our committee approved. There was no special discussion of the subject in the committee, because no question was raised about it.

Mr. LANGER. I call the attention of the distinguished chairman of the subcommittee to page 59, where at Coulee Dam there is an allowance for one pupil of $25 a semester, which would mean $50, and on page 64 an allowance of $45 a semester, or $90. When we come to Alaska, where there is a school population of, roughly, 25,000 or 30,000, the allowance is $50,000 for the whole year, one or two dollars for the whole semester. There must be some explanation of that. It cannot be correct.

Mr. HAYDEN. The justification that is given by the Bureau of the Budget is as follows:

Prior to the fiscal year 1936 this appropriation item was a special fund, consisting of 25 percent of all moneys collected outside of incorporated towns of Alaska, which were authorized as occupation and trade licenses for expenditure for the construction and maintenance of schools in Alaska. Section 4 of the Permanent Appropriation Repeal Act, approved June 26, 1934, transferred the special fund to the general fund of the Treasury, and authorized annual appropriations thereafter in amounts equal to the receipts which otherwise would have been available as permanent appropriations and for the same purposes previously authorized.

For the fiscal year 1946 it is estimated that receipts will amount to at least $50,000, and this sum is therefore requested for appropriation. Although the receipts are now deposited in the general fund of the Treasury, they are essentially Territorial funds, which it is considered should be returned to the Territory by means of this appropriation for the purposes intended by the basic act, particularly since the Territory is in need of all the educational facilities which this appropriation affords.

This is a contribution to the Territory of Alaska in addition to the moneys raised in Alaska. The testimony before our committee was to this effect:

Mr. THORON. This $50,000 is a Federal contribution to the schools, but made from Federal license taxes collected in Alaska. The amount of the Territorial appropriations for support of schools, reported out of the House Committee on Ways and Means in the current session, for the next biennium is $2,075,000. The amount appropriated in 1943 for the current biennium was $1,803,611.

In other words, taxes are levied and collected to maintain a school system in Alaska, and this money is an addition to that, and is in lieu of what they used to get from licenses.

Mr. CHANDLER. Mr. President, is this money collected in Alaska?

Mr. HAYDEN. Yes.

Mr. CHANDLER. Then the Government is merely making an appropriation out of funds already collected in Alaska?

Mr. HAYDEN. Yes.

Mr. CHANDLER. There were 59,000 people in Alaska before the war. It is a Territory of 580,000 square miles. I assume that after the war many American soldiers will desire to remain in Alaska, because in the last 2 years there have been, I dare say, more than 100,000 soldiers in Alaska and the Aleutian Islands—perhaps a greater number than that. That is one of the few frontier areas left available to the American people for settlement.

I agree with the Senator from North Dakota that certainly more adequate provision should be made for schools in the Territory of Alaska. I should like to ask the Senator from Arizona if we are making any contribution to the University of Alaska, which is located at Fairbanks. Do we make any contribution now to that university?

Mr. HAYDEN. I do not know whether the University of Alaska is on the same basis as the other land-grant colleges, but I assume it is. I am quite sure we do make payments.

Mr. CHANDLER. What is the annual appropriation?

Mr. HAYDEN. It is carried in the agricultural appropriation bill, and I do not have the figures at hand, but it is certainly on the same basis as the land-grant colleges in New Mexico, Kentucky, and other States.

Mr. CHANDLER. It needs a greater appropriation than has heretofore been given to it. I can foresee a great opportunity for the American boys and the American people in Alaska, if they are encouraged, and certainly we should encourage the maintenance of an adequate system of public schools, and we should adequately maintain the University of Alaska, or assist in its maintenance, because when I visited it and had an opportunity to inspect its facilities, there appeared great opportunity for fine work, but not very adequate facilities.

Mr. LANGER. As a matter of fact, they have not even a department of agriculture in Alaska, aside from the agricultural department of the University of Alaska.

Mr. CHANDLER. That is correct.

Mr. LANGER. The buildings are inadequate. When I was there even the grass on the lawn was not cut, because there was no one to cut it, and no machinery with which to cut it.

Mr. CHANDLER. Would the Senator from Arizona mind having the matter go over and having some investigation made and giving some consideration to providing an adequate appropriation, in contemplation of what may be expected by way of offering the people of the United States additional opportunities for education, and to others who may wish to go to Alaska after the war, or those who may remain there? If we could have that information, it looks as if we could intelligently make a contribution which would be entirely justified. I doubt if this appropriation is essential, in view of the fact that it is money we are giving back to them.

Mr. HAYDEN. This particular $50,000 was formerly obtained from license fees.

Mr. CHANDLER. Collected in Alaska?

Mr. HAYDEN. Yes. It was collected and put in the Treasury, to be given back to them.

Mr. CHANDLER. That is generous of us, to collect somebody's money and say, "We have collected it from you and are going to give it back to you."

Mr. HAYDEN. That was under the act of Congress which required that money collected anywhere in the name of the United States should go into the Treasury and be accounted for. If we did not do that, Congress never would know what was coming in and what was going out. So we passed a law requiring that that be done. It is a small matter in this case, but the principle is sound, that if money is collected in the name of the United States, from whatever source, we should have a record of it and know all about it.

Mr. CHANDLER. Does that obtain as to all the agencies of the Government?

Mr. HAYDEN. Yes.

Mr. CHANDLER. Does it obtain with regard to the TVA?

Mr. HAYDEN. We repealed all permanent appropriations for revolving funds, and the like, and sought to get rid of them, and I think it is sound public policy.

I have here the last agricultural appropriation act, and I find that there is under the Extension Service an item showing the following payments to Alaska:

> Alaska, the act approved February 23, 1929 (7 U. S. C. 386c), extending the benefits of the Smith-Lever Act to the Territory of Alaska, $13,950, and section 3 of the Act approved June 20, 1936 (7 U. S. C. 343e), extending the benefits of the Capper-Ketcham Act to the Territory of Alaska, $10,000, in all, for Alaska, $23,950.

Under the Office of Experiment Stations appears this item:

> Alaska, the act approved February 23, 1929 (7 U. S. C. 386c), extending the benefits of the Hatch act to the Territory of Alaska, $15,000, and the provisions of section 2 of the act approved June 20, 1936 (7 U. S. C. 369a), extending the benefits of the Adams and Purnell acts to the Territory of Alaska, $27,500; in all, for Alaska, $42,500.

Mr. LANGER. But it is woefully inadequate. There is provided $312,400 under the migratory bird item.

Mr. HAYDEN. Let me add one more thing the Senator does not know. A Budget estimate was submitted to the House suggesting that in view of the need for the development of Alaska, the Congress now appropriate money, through agencies of the Government, to prepare for settlement of soldiers, and things of that kind. The House disallowed that entirely. We have placed in this bill $840,000 for these purposes, for surveys of mineral resources, for gaging streams, for the classification of lands for settlement, for roads in Alaska, for location of new roads, and items of that kind, in order that when the war is over opportunity may be provided for soldiers, particularly those who have served in Alaska, to get the advantages of those improvements.

Mr. CHANDLER. That is a fine thing, and I express my approval of the Senate committee's action, but if that is done, we create the necessity for an adequate public-school system which now does not exist there. At the same time we make an appropriation for the establishment and maintenance of public schools in the Territory of Alaska in the sum of $50,000.

I call attention to a provision on page 103:

> Enforcement of Alaska game law: For the enforcement of the act of January 13, 1925, as amended * * *; purchase of four, operation, and maintenance of airplanes, $242,000.

To enforce the game law in Alaska, there is an appropriation to purchase airplanes so someone may fly around and look over the Territory. I do not know how much of a contribution that would make. There are many places where one could not land if he had an airplane. The birds and game may be given some protection, and I imagine the planes would have to fly between Fairbanks, Gulkana, Ruby, and Anchorage. But what would be done in vast distances between those places I do not know.

Mr. HAYDEN. The purpose of the game laws is to preserve the game for the natives.

Mr. CHANDLER. I understand, but I do not know how an airplane can be used to enforce the game laws in Alaska when an airplane can be landed at only a few points.

Mr. HAYDEN. One cannot go from some places to other places in Alaska except by airplane.

Mr. CHANDLER. Roads are being built in some parts of Alaska. There is no use for an airplane to fly from Fairbanks, let us say, to Nome, to enforce the game laws, unless all the game is congregated at Ruby, let us say. Two hundred and forty thousand dollars is provided for the purchase and operation of four airplanes, and $50,000 is provided for the establishment and maintenance of public schools. If the committee can justify that discrepancy I should like to have it do so.

Mr. HAYDEN. The item includes airplanes, but the whole appropriation is for the enforcement of the game laws. It provides for payment of the salaries and expenses of the game wardens. It is necessary to protect the game in the game preserves for the natives.

Mr. CHANDLER. The amount provided for game protection is out of all proportion to the opportunity to do a good job. I confess that it is obvious that some one wants to protect the game. But I should like to educate the children of Alaska. If the committee can justify expending $242,000 for enforcing the game laws and for buying and maintaining airplanes for Alaska, and providing only $50,000 for the maintenance of the public schools in the Territory of Alaska, I should like to have it do so. I

should like to have that item go over, and let us have a little more chance to study what is involved.

The PRESIDENT pro tempore. The Chair will state that no amendment is before the Senate at the moment.

Mr. HAYDEN. I understood there was an amendment before the Senate.

The PRESIDENT pro tempore. Not on this item.

Mr. HAYDEN. If the Senator thinks he can persuade the House of Representatives to appropriate more money for the maintenance and operation of public schools, very well.

Mr. CHANDLER. I do not think I can persuade the House to do so, but I should like the Senate to vote for such an amendment. I should like to undertake to persuade the House, also.

Mr. HAYDEN. What is the Senator's proposal?

Mr. LANGER. I should answer that by saying the same amount for children as for the protection of game.

Mr. CHANDLER. I think $50,000 represents an inadequate appropriation for education.

Mr. HAYDEN. Does the Senator think the Federal Government should assume the obligation of public schools for the children of Alaska and take the burden off the taxpayers of Alaska?

Mr. CHANDLER. I am not saying that we should assume the whole burden, but we should assume a part of it, because, as the Senator has suggested, soldiers are going to settle there, and if they do they will have children, and we want the children to go to school. The committee has wisely made the appropriation for settlement of soldiers, but has not made adequate appropriation for the maintenance of public schools, and the children of the soldiers will have no public schools to attend.

Mr. HAYDEN. If the Senator can make up his mind about how much money he wants to provide for that purpose, very well.

Mr. CHANDLER. I suggest that the item be passed over until we can give it more study.

Mr. BARKLEY. Mr. President, will the Senator from Arizona yield for a question?

Mr. HAYDEN. I yield.

Mr. BARKLEY. On the surface it might look like quite a discrimination between wildlife and children, but, as I understand it, a similar appropriation has been carried right along in the Interior Department bill for wildlife in Alaska. That is a Federal obligation. The schools in Alaska, as I understand, have heretofore and are now being maintained in the main by taxation of the people of Alaska under the Territorial government. They raise their own money.

Mr. HAYDEN. That is true.

Mr. BARKLEY. This $50,000 is an appropriation that has not been carried in the bill, and would not be there now except that the $50,000 which it represents has been turned into the Treasury of the United States from collections made in Alaska, and if it were not for that there would be no item in the bill for public schools.

Mr. HAYDEN. That is correct.

Mr. CHANDLER. The license money could have been put into the Treasury of the United States and have gone for some other purpose, as I understand the Senator. Someone has been operating on this paragraph on page 103 because, originally, as the bill passed, it was for the purchase of one airplane, and that has been stricken and "four" inserted, and the amount for operation and maintenance of the one airplane must have been $138,170.

Mr. HAYDEN. No; we included purchase, operation, and maintenance with other expenses for enforcement.

Mr. CHANDLER. The word "one" has been stricken, and "four" has been put in the place of "one", and "$242,000" has been inserted in the place of "$138,170." It not only looks like a discrimination in favor of birds and wildlife, but it actually is, when we compare the treatment of birds and wildlife to the treatment of children. If the committee can explain it to the satisfaction of the Senate, very well, but I cannot explain it. I think it would be well if we were given a little time to consider the matter, and decide what would be a fair amount to appropriate for the maintenance of public schools in Alaska. I join with the Senator from North Dakota [Mr. LANGER] in pleading that a fair amount of money be appropriated for the maintenance of public schools in the Territory of Alaska. I think that is a matter of quite a great deal of concern to the American people. It is something which should be dealt with carefully.

Mr. HAYDEN. We can consider that matter on Monday.

The PRESIDENT pro tempore. The clerk will state the next committee amendment.

The next amendment was, on page 108, line 19, after the word "trails", to insert "including the location and survey of projected roads,", and in line 23, after the word "binding", to strike out "$1,000,000" and insert "$1,127,800."

The amendment was agreed to.

The next amendment was, on page 110, after line 16, to insert:

The following appropriations herein made shall be available for the hire, maintenance, and operation of aircraft: "Salaries and expenses, Governor and Secretary, Territory of Alaska"; "Care and custody of insane, Alaska"; "Wagon roads, bridges, and trails, Alaska (receipt limitation)"; "Construction and maintenance of roads, bridges, and trails, Alaska"; "Reconstruction and improvement of Richardson Highway, Alaska"; and "Alaska Railroad appropriated fund."

The amendment was agreed to.

The next amendment was, under the subhead "Government of the Virgin Islands," on page 111, line 21, after the name "Saint Croix", to strike out "$179,965" and insert "$224,750."

The amendment was agreed to.

The next amendment was, on page 112, after line 6, to insert:

For defraying the deficit in the treasury of the municipal government of St. Croix because of the excess of current expenses over current revenues for the fiscal year 1946, $51,000, to be paid to the said treasury in monthly installments.

The amendment was agreed to.

The next amendment was, under the subhead "Puerto Rico," on page 113, line 14, after the word "used", to insert "or Federal surplus."

The amendment was agreed to.

The next amendment was, on page 115, after line 12, to strike out:

SEC. 8. Not to exceed a total of $80,000 of the appropriations contained in this act shall be available for expenditure for long distance telephone tolls, and not to exceed a total of $70,000 shall be available for expenditure for telegrams and cablegrams, and the savings effected thereby in the items "communication services," as set forth in the Budget estimates submitted for such appropriations shall not be diverted to other use and shall be covered into the Treasury as miscellaneous receipts.

The amendment was agreed to.

The next amendment was, on page 115, line 22, to change the section number from 9 to 8; on page 116, line 1, after the word "government", to insert "and payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members"; in line 8, after the word "Secretary", to strike out "$2,250" and insert "$4,500"; in line 9, after the figures "$350", to insert "Division of Geography, $600;"; in line 11, before the word "General", to strike out "$625" and insert "$1,250"; in the same line, after the word "Office", to strike out "$500" and insert "$1,000"; in line 13, after the word "Reclamation", to strike out "$1,250" and insert "$2,500"; in line 14, before the word "Bureau", to strike out "$3,000" and insert "$6,000"; and in the same line, after the word "Mines", to strike out "$1,250" and insert "$2,500."

The amendment was agreed to.

The next amendment was, on page 116, line 18, to change the section number from 10 to 9.

The amendment was agreed to.

The next amendment was, on page 117, line 1, to change the section number from 11 to 10.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, I ask to return to page 35 of the bill. Heretofore the law has provided that in the discretion of the Secretary there might be an interchange from one amount to another to the extent of 10 percent. As the bill passed the House it provided for 5 percent. On behalf of the committee I offer an amendment at this point which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 35, in line 17, after the words "not more than", it is proposed to strike out the figure "5" and insert in lieu thereof the figure "10", and in line 19 on the same page, it is proposed to strike out the figure "5" and insert in lieu thereof the figure "10."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. HAYDEN. By direction of the Committee on Appropriations, I offer another amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 3, after line 2, it is proposed to insert the following item:

DIVISION OF GEOGRAPHY

Salaries and expenses: For all necessary expenses of the Division of Geography in performing the duties imposed upon the Secretary by Executive Order 6680, dated April 17, 1934, relating to uniform usage in regard to geographic nomenclature and orthography throughout the Federal Government, including personal services in the District of Columbia, stationery and office supplies, and printing and binding, $70,000.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. HAYDEN. On behalf of the committee I offer another amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 10, line 17, before the period, under the heading "Grazing Service, salaries and expenses," it is proposed to insert ": *Provided*, That this appropriation shall be available for expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Grazing Service, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed, to the appropriation for 'Salaries and expenses, Grazing Service,' current at the time additional supplies, materials, or equipment are procured, from the appropriations chargeable with the cost or value of such supplies, materials, or equipment."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. HAYDEN. On behalf of the committee I offer another amendment, which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 43, line 2, after the figures "1947", in the paragraph "Natives in Alaska", it is proposed to insert ", and the Secretary of War is hereby authorized to transfer to the Secretary of the Interior for use of the Bureau of Indian Affairs, for Indian school purposes, without compensation therefor, so much of the land, structures, facilities, stores, supplies, and equipment of every character located at Fort Raymond, Seward, Alaska, as may be mutually agreed upon and approved by the Director of the Bureau of the Budget."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. HAYDEN. On behalf of the committee, I offer another amendment, which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 55, after line 25, following the last paragraph under the caption "Bureau of Indian Affairs," it is proposed to insert:

All sums herein and hereafter appropriated for the Bureau of Indian Affairs, including tribal funds, for acquisition of lands; construction, repair, and rehabilitation of irrigation systems on Indian reservations; construction, improvement, repair, and maintenance of Indian reservation roads; and construction, repair, or rehabilitation of school, agency, hospital, or other buildings and utilities, including the purchase of furniture, furnishings, and equipment therefor, shall remain available for two fiscal years following the fiscal year for which made.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. HAYDEN. On behalf of the committee, I offer another amendment, which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 57, line 17, after the words "United States", in the paragraph "Administrative provisions", under the Bureau of Reclamation, it is proposed to insert: ": *Provided further*, That all sums herein and hereafter appropriated for the Bureau of Reclamation for construction, or for continuation of construction of projects, for general investigations, for investigations of projects, for investigation and construction of projects or for activities necessary or proper in the development and settlement of irrigated lands shall be immediately available and shall be available for two fiscal years following the fiscal year for which made."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. HAYDEN. On behalf of the committee, I offer another amendment, which I ask to have stated.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 96, line 5, after the word "measure", in the paragraph "Forest protection and fire prevention", it is proposed to insert "including necessary local transportation and subsistence in kind of persons selected for employment or as cooperators, serving without other compensation while attending fire-protection training camps in connection with the fire-control programs of the National Park Service."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. HAYDEN. I offer another amendment on behalf of the committee, which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 116, after line 25, it is proposed to insert a new paragraph as follows:

SEC. 10. Hereafter the Secretary may delegate to subordinates the power to authorize changes in official stations of officers and employees and the payment of expenses of travel and transportation of household goods in connection with such change of official stations.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. HAYDEN. That completes the amendments I was authorized to offer on behalf of the committee.

Mr. O'MAHONEY. Mr. President, by direction of the committee, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Wyoming will be stated.

The CHIEF CLERK. On page 79, line 23, after the word "shared" in the paragraph entitled "Synthetic Liquid Fuels", it is proposed to insert ": *Provided further*, That, in addition to the amount herein appropriated, the Secretary of the Interior is hereby authorized to enter into contracts for additional work not exceeding a total of $15,000,000 during the period covered by the aforesaid act, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and appropriations hereafter made for the construction and operation of demonstration plants to produce synthetic liquid fuels shall be considered available for the purpose of discharging the obligations so created."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. CHAVEZ. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from New Mexico will be stated.

The CHIEF CLERK. On page 111, line 22, after the word "Governor", under the caption "Government of the Virgin Islands", it is proposed to insert ": *Provided*, That the executive assistant to the Governor and the legal counsel shall be appointed by and with the approval of the Governor."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. LANGER. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from North Dakota will be stated.

The CHIEF CLERK. On page 19, line 15, it is proposed to insert the following additional item:

For the acquisition of lands, improvements, interest in lands, water rights, and surface rights to lands within and adjacent to the Turtle Mountain Reservation, N. Dak., and for expenses incident to such acquisition in accordance with the provisions of the act of June 18, 1934 (48 Stat. 984) and the act of May 24, 1940 (54 Stat. 219), $100,000.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. HAYDEN. Mr. President, that concludes the committee amendments, with one or two exceptions. It was understood that a controversial amendment relating to the Central Valley project in California would be passed over until another day. I ask the Senator from Kentucky what his pleasure is.

Mr. BARKLEY. May I ask the Senator what committee amendments are being passed over?

Mr. HAYDEN. There is also one item, not an amendment, of $5,000 for public schools in Alaska. So one committee amendment and a provision in the House

text will go over until the Senate meets again, I presume on Monday.

Mr. LANGER. Mr. President, the Office of Indian Affairs is checking one further amendment, relating to an item of $8,500 for the irrigation project at Fort Yates, N. Dak.

Mr. HAYDEN. It will be in order to offer it later.

Mr. BARKLEY. It is my purpose to move that the Senate take a recess until Monday. However, I wish to have an executive session first.

Mr. HAYDEN. Very well.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

ARMY NOMINATIONS REPORTED AND CONFIRMED

Mr. JOHNSON of Colorado. Mr. President, from the Committee on Military Affairs, I report favorably a list of routine military nominations, consisting of 20 pages. The Senate Committee on Military Affairs acted favorably on these nominations, and I ask that they be immediately considered.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Colorado? The Chair hears none. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be notified forthwith.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

SECRETARY OF AGRICULTURE

The legislative clerk read the nomination of CLINTON P. ANDERSON, to be Secretary of Agriculture.

Mr. HATCH. Mr. President, I ask that the nomination of Mr. ANDERSON be confirmed.

Mr. CHAVEZ. Mr. President, the nomination of the Honorable CLINTON P. ANDERSON for Secretary of Agriculture is indeed a vivid manifestation of the confidence shown by the President of the United States in the people of the West, and in this particular instance, in the State of New Mexico. Today New Mexico enjoys a very justifiable pride in this honor bestowed upon one of her sons and in the confidence reposed in him.

It is my opinion that although the President could have made as good a choice, he could not have made a better selection for the Secretaryship of Agriculture. Insofar as the position of Food Administrator is concerned, these trying times could not be more blessed than with a man of Mr. ANDERSON'S capabilities. By reason of natural endowment, training, and experience, Mr. ANDERSON is very well equipped for the administration of his new duties. His record as an administrator and legislator demonstrates that he is not disposed to yield to the ebb and flow of pressure groups.

The nomination of Mr. ANDERSON retells the narrative of American opportunity. Born into a typical middle-class American family, he has, through native diligence and enterprise, reached high office; and his personal honesty and integrity command the respect and admiration of everyone who knows him. An important public charge is not beyond the reach of men like Mr. ANDERSON, particularly in the operations of our American democratic processes.

I predict an outstanding service on the part of Mr. ANDERSON in his new assignment. For the reasons stated, I endorse, without qualification, the talents of my distinguished colleague for the office to which the President of the United States has seen fit to nominate him.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of CLINTON P. ANDERSON to be Secretary of Agriculture?

The nomination was confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

The clerk will state the remaining nominations on the Executive Calendar.

SELECTIVE SERVICE SYSTEM

The legislative clerk read the nomination of Austin S. Imrie to be administrative officer of the Selective Service System.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. BARKLEY. I ask that the nominations in the Public Health Service be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the United States Public Health Service are confirmed en bloc.

COAST AND GEODETIC SURVEY

The legislative clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. BARKLEY. I ask that the nominations in the Coast and Geodetic Survey be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Coast and Geodetic Survey are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nomination of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Army are confirmed en bloc.

Without objection, the President will be immediately notified of all nominations confirmed this day.

That completes the calendar.

RECESS TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 4 o'clock and 28 minutes p. m.) the Senate took a recess until Monday, June 4, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 1 (legislative day of May 31), 1945:

DIPLOMATIC AND FOREIGN SERVICE

Robert Rossow, Jr. of Indiana, to be a foreign-service officer of class 8, a vice consul of career, and a secretary in the diplomatic service of the United States of America.

Lynn W. Franklin, of Maryland, now a foreign-service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Theodore C. Achilles, of the District of Columbia, now a foreign-service officer of class 4 and a secretary in the diplomatic service, to be also a consul of the United States of America.

THE JUDICIARY

UNITED STATES DISTRICT JUDGE

Dennis F. Donovan, of Minnesota, to be United States district judge for the district of Minnesota, vice Hon. George F. Sullivan, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 1 (legislative day of May 31), 1945:

IN THE ARMY

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

To be lieutenant general

George Edward Stratemeyer

To be major generals

Douglas Lafayette Weart
William Nichols Porter.

To be brigadier generals

Harwood Christian Bowman
Paul Wyatt Caraway
Larry Benjamin McAfee
Addison Dimmitt Davis

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

The nominations of Charles Joseph Barrett et al., which were transmitted to the Senate on May 24, 1945.

(NOTE.—A complete list of the nominations for promotion in the Regular Army of the United States, which were confirmed today, may be found at the close of the Senate proceedings in the CONGRESSIONAL RECORD for May 24, 1945, under the caption "Nominations," beginning on p. 5128, with the name of Charles Joseph Barrett and ending on p. 5132, with the name of Raymond Patten Todd.)

SECRETARY OF AGRICULTURE

CLINTON P. ANDERSON to be Secretary of Agriculture.

SELECTIVE SERVICE SYSTEM

Austin S. Imirie to be an administrative officer, national headquarters, Selective Service System, with compensation at the rate of $6,500 per annum.

UNITED STATES PUBLIC HEALTH SERVICE

APPOINTMENTS IN THE REGULAR CORPS

To be assistant surgeons, effective date of oath of office

Vactor O. Connell Fred W. Harb
John W. Murray, Jr. Ira L. Arnold, Jr.

To be passed assistant surgeon, effective date of oath of office

Robert Mc. Mitchell

COAST AND GEODETIC SURVEY

Lyman D. Graham, to be hydrographic and geodetic engineer, with rank of commander in the Coast and Geodetic Survey, from May 1, 1945.

Alfred M. Sobieralski, to be hydrographic and geodetic engineer, with rank of captain in the Coast and Geodetic Survey, from May 1, 1945.

Walter J. Chovan, to be hydrographic and geodetic engineer with rank of lieutenant commander in the Coast and Geodetic Survey, from May 1, 1945.

V. Ralph Sobieralski, to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from March 26, 1945.

Robert H. Randall, to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from March 26, 1945.

Lorin F. Woodcock, to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from February 3, 1945.

A. Gordon Anderson, to be aide, with rank of ensign in the Coast and Geodetic Survey, from May 1, 1945.

POSTMASTERS

CONNECTICUT

William J. Foran Plainville.

NEVADA

Harold Sylvester Baldwin, Henderson.

OKLAHOMA

George S. Jordan, Jet.

PENNSYLVANIA

Grace Malley Ward, Bairdford.
Carl W. Heckert, Bakerstown.
Florence J. Bierer, Bobtown.
Walter D. Butz, Breinigsville.
LeRoy S. Seymour, Dingmans Ferry.
Isabel M. Hull, Fort Loudon.
Agnes Campbell DeArmond, Green Ridge.
Virgie Yascky, Hannastown.
B. Dale Dickson, Ingomar.
Frank J. Langan, Jessup.
Irene McKay, Larimer.
Rose O. Corteal, Leisenring.
Anne G. Byron, McGrann.
D. Clyde Clapper, New Enterprise.
Eula A. Kauffman, New Stanton.
Manly C. Beebe, Pleasantville.
Kenneth W. McIntyre, Sharpsville.
Helen K. Griffin, Waverly.
William R. Cumpston, Waynesburg.
Howard L. Parsons, Westfield.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 1, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, of all friends, the nearest, the wisest, and the most faithful, to Thy loving kindness we bring the nameless longings of our souls. May our quest include the one thing needful above everything else and which Thou alone canst give, even Thyself, our strength and our joy.

Grant that our minds may be hallowed and enriched by the thought of Thy divine friendship, and in that assurance may we go forth courageously and joyfully to meet this day's challenging experience and the adventure of the unknown tomorrow.

We thank Thee also for human friends who daily strengthen us with their love and inspire us with their confidence. Expand our hearts with a capacity for friendship, and may we authenticate its reality and value by our endeavor to make the struggle of life less difficult for others.

Fervently we would continue to pray and labor for that blessed time when the social order shall be a kingdom of friendship. To Thy name we give the glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 29, 1945:

H. R. 244. An act for the relief of Adell Brown and Alice Brown;

H. R. 533. An act authorizing the State of Minnesota Department of Highways to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Hastings, Minn.;

H. R. 780. An act for the relief of the legal guardian of Vonnie Jones, a minor;

H. R. 856. An act for the relief of Frances Bicwer;

H. R. 879. An act for the relief of Ed Williams;

H. R. 904. An act for the relief of Fred A. Lower;

H. R. 980. An act for the relief of Mrs. Gladys Stout;

H. R. 1054. An act for the relief of Mrs. Mary Karalis;

H. R. 1069. An act for the relief of Sidney B. Walton;

H. R. 1184. An act to authorize Slater Branch Bridge and Road Club to construct, maintain, and operate a free suspension bridge across the Tug Fork of the Big Sandy River at or near Williamson, W. Va.;

H. R. 1241. An act for the relief of Margaret M. Meersman;

H. R. 1347. An act for the relief of Lee Graham;

H. R. 1558. An act for the relief of Mrs. Alma Mallette and Ansel Adkins;

H. R. 1561. An act for the relief of the legal guardian of Louis Ciniglio;

H. R. 1598. An act for the relief of Mrs. Bessie I. Clay;

H. R. 1602. An act for the relief of Robert Lee Slade;

H. R. 1652. An act granting the consent of Congress to the State of Louisiana to construct, maintain, and operate a free highway bridge across the Mississippi River at or near New Orleans, La.;

H. R. 1659. An act authorizing the Department of Highways of the State of Minnesota to construct, maintain, and operate a bridge across the Pigeon River;

H. R. 1845. An act for the relief of Domenico Strangio;

H. R. 1847. An act for the relief of Frances X. Servaites;

H. R. 1910. An act for the relief of Frank Lore and Elizabeth Vidotto;

H. R. 1952. An act for the relief of Joseph Brunette;

H. R. 2006. An act for the relief of Boyd B. Black;

H. R. 2068. An act to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service;

H. R. 2129. An act for the relief of Edward Lawrence Kunze;

H. R. 2361. An act for the relief of Alexander Sawyer;

H. R. 2701. An act for the relief of Margaret J. Pow;

H. R. 2907. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes; and

H. J. Res. 177. Joint resolution repealing a portion of the appropriation and contract authorization available to the Maritime Commission.

On May 31, 1945:

H. J. Res. 113. Joint resolution granting the consent of Congress to an agreement amending the original agreement entered into by the States of New York and Vermont relating to the creation of the Lake Champlain Bridge Commission.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 1804. An act to amend the act of Congress entitled "An act for the relief of the Tlingit and Haida Indians of Alaska," approved June 5, 1942.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 905) entitled "An act for the relief of Paul T. Thompson," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. JOHNSTON of South Carolina, and Mr. WILSON to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 502) entitled "An act to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MURDOCK, Mr. MCFARLAND, Mr. TAYLOR, Mr. TAFT, and Mr. MILLIKIN to be the conferees on the part of the Senate.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

POSTMASTERSHIP, CLEVELAND, OHIO

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a letter which I addressed to the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. FEIGHAN addressed the House. His remarks appear in the Appendix.]

EXTENDING THE TIME FOR RELEASE OF POWERS OF APPOINTMENT FOR THE PURPOSES OF CERTAIN PROVISIONS OF THE INTERNAL REVENUE CODE

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 206, extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection the Clerk read the resolution, as follows:

Resolved, etc., That section 403 (d) (3) of the Revenue Act of 1942 (relating to the release of certain powers of appointment) is amended by striking out "July 1, 1945" wherever it appears and inserting in lieu thereof "July 1, 1946"; and section 452 (c) of the Revenue Act of 1942 is amended to read as follows:

"(c) Release before July 1, 1946:

"(1) A release of a power to appoint before July 1, 1946, shall not be deemed a transfer of property by the individual possessing such power.

"(2) This subsection shall apply to all calendar years prior to 1946 and to that part of the calendar year 1946 prior to July 1, 1946."

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING TIME OF PEARL HARBOR INVESTIGATIONS

The SPEAKER. The Chair recognizes the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 66, to extend the statute of limitations in certain cases.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, this resolution provides for an extension of time in connection with any proceedings as a result of Pearl Harbor until 6 months after the cessation of the war with Japan. That is my understanding.

Mr. SHORT. The gentleman is correct.

Mr. McCORMACK. It has been studied, everybody has agreed to it and I believe it a sufficiently emergent matter that it should be taken up despite the fact that the House Committee on the Judiciary have not formally reported it out. It is purely emergency in character and I want the RECORD to show that this action in this case is not considered as a precedent for others in the future except where emergency applies.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I shall be glad to.

Mr. MICHENER. The chairman of the Committee on the Judiciary is here and I know he is in favor of this action. It is my judgment that the other members of the committee are likewise.

Mr. McCORMACK. That is what I understand.

The SPEAKER. Is there objection to the present consideration of the Senate joint resolution?

There being no objection, the Clerk read the Senate joint resolution (S. J. Res. 66), as follows:

Resolved, etc., That effective as of December 7, 1943, all statutes, resolutions, laws, articles, and regulations, affecting the possible prosecution of any person or persons, military or civil, connected with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, or crime or offense against the United States, that operate to prevent the court martial, prosecution, trial, or punishment of any person or persons in military or civil capacity, involved in any matter in connection with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, or crime or offense against the United States, are hereby extended, in addition to the extensions provided for in Public Laws 208, 339, and 489, Seventy-eighth Congress, for a further period ending 6 months after the date of the termination of hostilities in the present war with Japan as proclaimed by the President or as specified in a concurrent resolution of the two Houses of Congress, whichever is the earlier.

Mr. SHORT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHORT: On page 2, line 3, after the comma, insert "In connection with the Pearl Harbor catastrophe of December 7, 1941."

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. VOORHIS of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. CANFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper dispatch by Mr. Gould Lincoln.

Mr. ARENDS asked and was given permission to extend his remarks in the RECORD and include an editorial from the Daily Pantagraph, Bloomington, Ill., of May 30, 1945.

Mr. SPRINGER asked and was given permission to extend his remarks in the RECORD and include certain excerpts, and a copy of program together with a copy of the constitution of the American Veterans of World War II.

Mr. BUFFETT asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and include an editorial and certain excerpts.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a poem entitled "Iwo Jima," by Mrs. Louanne Wilder, of Los Angeles, and in the other to include an editorial appearing in the Saturday Evening Post.

Mr. ROBERTSON of Virginia asked and was given permission to extend his remarks in the RECORD and include a brief editorial from the Richmond Times-Dispatch commending the work in the House of Mr. GARY, of the Third Virginia District.

PERMISSION TO ADDRESS THE HOUSE

Mr. GEARHART. Mr. Speaker, I ask unanimous consent that on Monday next I may be permitted to address the House for 20 minutes after disposition of business on the Speaker's desk and at the conclusion of any pecial orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CAPT. DARRELL R. LINDSEY

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOEVEN. Mr. Speaker, another Lindsey has become a hero. His name is Capt. Darrell R. Lindsey of Storm Lake, Iowa, in my congressional district.

Captain Lindsey, only 25 years old, died at the controls of his burning plane so that fellow crew members might parachute to safety.

Lindsey was leading a formation of 30 B–26 bombers last August to blast an important railroad bridge over the Seine when his plane was riddled with flak. His plane blown out of formation, Lindsey brilliantly maneuvered it back into position and continued on until his explosives were dropped on the target. There he received a direct hit in the right engine and the plane burst into flame, while Lindsey ordered the crew to jump.

His widow, Mrs. Evalyn Scott Lindsey, will receive for him the Nation's highest tribute—the Congressional Medal of Honor. His name will long be remembered in the annals of the brave sons of Iowa who went forth to war. He is the second Iowan to win the Nation's highest decoration for bravery.

Greater love hath no man than this, that a man lay down his life for his friends.

WRITING FOR PROFIT BY GOVERNMENT OFFICIALS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks appear in the Appendix.]

PROSECUTION OF THE WAR WITH JAPAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

The primary task facing the Nation today is to win the war in Japan—to win it completely and to win it as quickly as possible. For every day by which it is shortened means a saving of American lives.

No one can recount the success of the forces of decency in this war without thinking of the one man who was more responsible for victory than any other single human being—Franklin D. Roosevelt.

Under his guidance, this great Nation grew to be the most powerful military force in all history.

Under his leadership, the Allied strategy was developed which broke down Hitler's fortress, crumbled Germany itself into ruins and unconditional surrender, and has brought us within striking distance of Tokyo.

But there can be no peace in the world until the military power of Japan is destroyed—with the same completeness as was the power of the European dictators.

To do that, we are now engaged in a process of deploying millions of our armed forces against Japan in a mass movement of troops and supplies and weapons over 14,000 miles—a military and naval feat unequaled in all history.

I think it appropriate at this time to inform the Congress and my countrymen of some of the problems, difficulties, and dangers which confront us in finishing this war—and how we expect to meet them.

Those who have the heavy responsibility of directing the Nation's military efforts do not underestimate the difficulties of crushing an enemy defended by vast distances and animated by desperate fanaticism.

And yet we have adopted what is a new development in military history. In the face of a conflict with a numerous and fanatical enemy, we have undertaken during the next 12 months to discharge approximately 2,000,000 of the best soldiers the world has ever seen.

The program for the defeat of Germany was accomplished with an accuracy seldom attained in war—yet we had but little margin at the finish. On April 1, 1945, the last American division to arrive in France entered the battle line.

The strategy of the war in Europe was to have all the men that could be effectively deployed on land and sea to crush the German military machine in the shortest possible time.

That is exactly what we plan to do to Japan.

Up to the time of the collapse of Germany the United States Navy, under the superb leadership of Fleet Admiral King, was carrying on two great campaigns thousands of miles apart from each other—one in the Atlantic and one in the Pacific.

These campaigns were distinctly different. The Atlantic campaign consisted essentially of antisubmarine and amphibious operations. Even as the war neared the end, our Navy had to cope with a submarine blitz which was intended to hit our coast in April.

The Pacific campaign has involved to a major degree all the surface, air, amphibious, and submarine aspect of naval warfare; but antisubmarine operations have played only a subordinate role.

At one time in 1943, the United States Navy was employing over 1,100 planes in its antisubmarine warfare in the Atlantic; and, in mid 1944, over 900 ocean-going escort vessels.

All of our escort vessels have been, or will be, sent to the Pacific, except for a very few to be retained in the Atlantic for training purposes or to meet any remotely possible emergency.

Our Navy, in addition to the miraculous job of convoying our endless stream of men and materials to Europe, did its full share, under over-all British naval command, in amphibious operations in that theater. The use of its landing craft and carriers, and the fire support of its battleships, cruisers, and destroyers, made possible the landings in north Africa in 1942, in Sicily and Italy in 1943, and in Normandy and southern France in 1944.

Even before the invasion of France, some of our Atlantic naval force had already been sent to the Pacific. After our troops were firmly established ashore, fighting ships were moved to the Pacific as rapidly as they could be released from the requirements of the European and Mediterranean theaters and from antisubmarine warfare. The Japanese have already felt the presence of those ships—and will continue to feel it more and more.

In the Pacific the naval campaign has gone through four major phases.

The first was the defensive of 1941 and of the first half of 1942, when we fought in the Philippines and the East Indies, in the Coral Sea, at Midway, and in the Aleutians.

The second was the offensive-defensive in late 1942 at Guadalcanal.

The third was the limited offensive in 1943, when we advanced slowly through the Solomons and retook the Aleutians.

The fourth was the full offensive of 1944 and 1945 when the forces of the Southwest Pacific Area, under General of the Army MacArthur, and those of the Central Pacific Area, under Fleet Admiral Nimitz, made their great seaborne sweeps to the Philippines and Okinawa.

During this time the Navy has fought four full-scale sea battles: the Coral Sea, Midway, the Philippine Sea last summer off Saipan, and the three-pronged Battle for Leyte Gulf last October.

The Japanese surface Navy has now been reduced to a fraction of its former self. We have driven their ships into hiding and their naval aircraft back to their shore bases.

A large part of this success is due to our present carrier-based air power, which has permitted us to carry forward, for many hundreds of miles at a time, the air cover that is needed for a successful amphibious attack. The carriers that made possible these enormous strides were laid down in 1940—a year and a half before we entered the war. Had they not been started then, our fast advances in the Pacific could not have occurred until much later.

The Japanese merchant marine, in spite of a large program of building, has now been reduced to less than a quarter of its prewar size. In fact we have sunk more Japanese merchant tonnage than they had at the time of Pearl Harbor.

For this and for the reduction of the Japanese Navy, we can thank our submarines, our Army and Navy shore-based aircraft, and our fast carrier task forces. Today, no enemy ship can proceed between Japan and her southern conquests without running the most serious risk.

The outstanding feature of the Pacific war—the one which sets it apart from all previous wars—has been the number of the amphibious operations.

We have constructed a great fleet of special vessels for this purpose: attack transports, attack cargo ships, landing ships and landing craft. These ships make it possible to put troops and equipment ashore on open beaches in the minimum of time.

The Navy has a great share in every amphibious attack. For instance, one attack which involved landing 45,000 troops required the use of 125,000 naval personnel. In general it may be said it takes two to three sailors to put one soldier or marine ashore. It takes half a million tons of naval shipping for each division in an amphibious operation.

The Navy is now engaged in a series of grim tasks: a battle of attrition with the Japanese air force in the waters around Japan and Okinawa; a tightening of the blockade of Japan; redeploying its own forces from Europe; aiding the Army to redeploy; and preparing for the climactic operations yet to come.

As we approach the enemy's homeland the density of his air power naturally becomes greater and greater. A year and a half ago the enemy had more than 5,000 operating airplanes to guard perhaps 18,000,000 square miles of area. We could attack wherever we saw that the defense was thinly spread. Since then we have reduced his total air power very much, but the area he is now forced to defend has been shrunk so much more quickly by our rapid advance that the density of his air power is four or five times as great as it was.

This means tough fighting in the air. It means the loss of ships. It means damaged ships that must be replaced or brought back thousands of miles for repairs.

We at home can hardly imagine either the delirium of Japanese suicide attacks on our troops, airfields, and ships, or the heroism of our men in meeting them. As we approach the main islands of

the enemy the damage to our ships and the loss of our men are becoming more severe. In the future we shall have to expect more damage rather than less.

In carrying out its future tasks the Navy will need not only all of its present great fleets, it will need additional vessels. These vessels are now being built—partly to replace anticipated losses in future operations and partly to reinforce the fleet for the final operations it will have to conduct in enemy home waters.

The Navy is deploying all but a handful of its men from Europe to the Pacific. But unlike the Army, the Navy, after the collapse of Germany, did not have a surplus of personnel. There cannot be even a partial naval demobilization until the Japanese are defeated.

The Navy still needs civilian laborers, particularly in the yards where ships are repaired. Working continuously under the concentrated air efforts of the enemy, the fleet suffers daily damage. Many vessels have come back wounded in varying degree. To tell the number would give information to the enemy, but the number is substantial. The Navy must get these ships back into the fight with the least possible delay.

We have in our navy yards the machinery and mechanical equipment to deal with the mounting load of battle damage. But civilian workers are needed now in ever increasing numbers. I know that the patriotic workers of the Nation will rally to the aid of the Navy in this emergency as they have rallied in past emergencies. For they know that every day saved in getting a damaged ship back into service shortens the war and saves American lives.

In the air, we have shown what America can do with land-based planes and with carrier-based planes—in strategic bombing and in tactical bombing.

We are now able in Germany to investigate and examine the results of our strategic bombing. In spite of the most desperate resistance of the Luftwaffe and in spite of murderous barrages from antiaircraft guns, the American and British Air Forces smashed at German industry day after day and night after night until its support of the German armies caved in.

Our strategic bombardment did a complete and masterly job of destroying the sources of strength of the German Air Force and the German military machine. Our bombers dried up the flow of vital oil and gasoline supplies not only to the German Air Force, but to the rest of the German Army and to German industry as well.

We have had experience too—deadly experience for the Nazis—with our tactical air forces as distinguished from strategic bombings. They wrecked the bridges and roads, the railroads and canals on which the German Army counted. Germany's best panzer divisions—entire army corps, in fact—were immobilized.

The air force of Japan is not as strong an opponent as the Luftwaffe. Japanese industry is neither as great nor as scattered as Germany's. The planes we are using and will continue to use against Japan will be larger in size and more powerful in action than our bombers in Europe.

Our Army planes and our Navy ships and planes are now driving Japan out of the air, and when our strategic air force reaches the Pacific in full might it will demolish the enemy's resources of production. Our strategic bombardment of Japan is now well beyond its initial phase. The missions of the Twentieth Air Force are mounting in size and intensity. Substantial portions of Japan's key industrial centers have been leveled to the ground in a series of record incendiary raids. What has already happened to Tokyo will happen to every Japanese city whose industries feed the Japanese war machine. I urge Japanese civilians to leave those cities if they wish to save their lives.

Our tactical air forces, experienced and battle-wise, will soon be ranging over the Japanese homeland from nearby bases.

The Japanese Air Force will be shattered by our Army and Navy fliers as surely and relentlessly as the Luftwaffe. The concentration of Japanese industry, so long an advantage, will now contribute materially to Japan's downfall.

The Army Air Forces began its redeployment last December when a heavy bomber group returned to this country from Europe, and received B–29 training before moving to the Pacific. The following month a B–25 medium bomber group came to this country and proceeded, after training, to fly A–26 attack bombers against the Japanese.

During the last month 20 bombardment groups have received orders to move from Europe to the Far East by way of the United States.

Our ground armies, our corps, and our divisions have followed the best traditions of the American soldier for courage and skill; and their leadership has been of the uniformly high quality which results in victory.

The United States has been fortunate in having as the Chief of Staff to the Commander in Chief of the Army and Navy a man of so great experience and ability as Fleet Admiral Leahy.

We have also been fortunate in having at the head of our land and air forces men like General Marshall, General Eisenhower, General MacArthur, and General Arnold. They have provided the inspiration and the leadership for all our Army operations.

The American soldier of this war is as brave and as magnificent as the American soldier has always been. He has the initiative and ingenuity he has always had. But in this war he is a better soldier and a more successful soldier than he has ever been before. For in this war he has gone into battle better trained, better equipped, and better led than ever before.

In the face of the formidable Nazi hordes which had secured a strangle hold on western Europe, our armies, shoulder to shoulder with those of our allies, forced a landing on the shores of France. In the short space of 11 months they drove the enemy from France, Belgium, Luxemburg, and Holland, and forced him to unconditional surrender in the heart of his own homeland.

To the south our troops and those of the Allies wrested north Africa from the Axis, fought a dogged advance through Italy from Sicily to the Alps, and pinned down a force that otherwise could have brought substantial aid to the enemy on the eastern and western fronts.

The heroism of our own troops in Europe was matched by that of the armed forces of the nations that fought by our side. They and the brave men in the underground movements of the occupied countries—all gave their blood to wipe the Nazi terror from the face of the earth. They absorbed the blows of the German military machine during the many months in which we were building up our expeditionary forces, and they shared to the full in the ultimate destruction of the enemy.

The same courage and skill which brought about the downfall of the Nazis are being displayed by our soldiers now fighting in the Pacific. Many of them are veterans of the grim months following Pearl Harbor.

Since 1942 our Army troops and marines in the South Pacific have thrown the enemy back from his furthermost advances in New Guinea and the Solomons, have traveled 1,500 miles up the New Guinea coast line, have conquered the Admiralty Islands, Biak and Morotai. Meanwhile, marines and Army troops have been cleaning up in the Solomons and the Palaus. In October of last year these magnificent achievements culminated in the landing of our troops in Leyte. Four months later they freed Manila.

Westward across the central Pacific other marines and Army units, in hard fought battles, have forced the Japanese back 4,000 miles. Tarawa, Kwajalein, Saipan, Guam, Iwo Jima have been the stepping stones. Today Army and Marine divisions are slowly but steadily sweeping the Japanese from Okinawa.

All of our campaigns in Europe and in the Pacific have depended on long lines of communications and upon quantities of supply unheard of in prior warfare. One of the marvels of Allied achievements has been the organization, guarding, and operation of these world-girdling supply lines.

For this we have to thank management and labor in our war industries, our farmers and miners and other Americans, who produced the equipment and supplies for ourselves and our allies; the gallant members of our merchant marine, who transported them overseas under the guns of our Navy; and the men of our Army Service Forces, upon whose work in clearing ports, rushing up supplies, and constructing roads, railroads, bridges, highways, and gasoline pipe lines, the fate of battle often depended.

There are also included in our experience in this war miracles of saving human life as well as miracles of destruction of the enemy. Since the invasion of Africa in November 1942, in all our operations in Europe and in Africa, we have lost about 1,600 soldiers from sickness. In the Civil War the Union forces, never more than a third as large as our forces in Europe, had 224,000 deaths

from sickness. In the 3 years since April 1942, the Army forces in the disease-infected islands of the Pacific lost fewer than 1,400 men from sickness.

Surgery in this war has reduced the percentage of death from wounds in the army from 8.25 percent in the last war to 4 percent in this one. This is due to many factors: the high professional skill of the surgeons and nurses, the availability of blood and blood plasma, penicillin and other new miracles of medicine; the devotion of the Medical Corps men who rescue the wounded under fire, the advanced position of surgical staffs right up behind the front lines.

Shifting our ground and air strength from Europe to the Far East presents transportation problems even greater and more complicated than those involved in the initial deployment of our forces to all parts of the world. Millions of men and millions of tons of supplies must be moved halfway around the globe.

The movement of troops from Europe has been swift in getting under way. They are coming by ship and they are coming by air. Every day the process of transfer gains momentum.

After the First World War—when the only problem was getting men home and there was no bitter, powerful enemy left to fight—it took nearly a year to complete the evacuation of 1,933,156 men. This time the Army Transportation Corps and the Air Transport Command plan to move 3,000,000 troops out of Europe before a year passes.

It is not easy to visualize the volume of supplies that must precede, accompany, and follow the soldiers going from Europe and the United States into the Pacific. To maintain our forces in Europe the Army shipped across the Atlantic 68,000,000 tons of equipment and food—nearly eight times the total shipped in all the First World War.

Now we must reclaim all of this equipment that is still serviceable. We must supplement it with new production. And we must make shipments of comparable size to the Pacific over supply lanes which are three times as long as those to Europe.

The initial requirement of equipment for each man fighting against Japan is about 6 tons and an additional ton is needed each month for maintenance.

Finding the ships to transport these supplies is not the only difficulty. We must continue to develop in the Pacific new harbors and bases out of practically nothing, install roads and build power systems.

Great as those problems of redeployment are, we are not losing sight of the human aspect in shifting men from one side of the world to the other. Wherever it can be done without slowing down the pace of our projected operations in the Pacific, we are deploying our soldiers by way of the United States so that they may have a chance to visit their homes and loved ones before they go on to tackle the Japanese.

On the basis of present estimates, only a small fraction of the men now in Europe will have to go directly to the Far East without first stopping off at home.

The remainder of our present European force will go to the Pacific through the United States, will be assigned to necessary military duties in this country, will be discharged, or will be kept in Europe for occupation duty. Most of those who will go directly to the Pacific are in supply and service units whose presence in the new theater is essential to the immediate construction of harbors, bases, communications, and airfields—from which to step up our blows against Japan.

The Army is mindful that those who come through this country want to get home with the least possible delay once their ship docks or their plane lands. Everything is geared for speed to accomplish this at the air and seaports. Within 24 hours in most cases they are aboard a train at Government expense bound for 1 of the 19 Army personnel centers, where the men immediately eligible for discharge are separated from those who are destined for further service.

Men who are to remain on active duty are promptly ordered home from the personnel center at Government expense, for a period up to 30 days, plus travel time, for rest and recuperation.

The period spent at home is not charged against the man's furlough time nor is it classed as leave of absence. It is "temporary duty," and the soldier draws full pay for the period. His only instructions are to have the best time he knows how until he reports back to the personnel center. That is what I mean when I say that we have not forgotten the human side of redeployment.

Relatives and friends of servicemen can do their part in this program by not crowding around the ports and personnel centers through which the men pass. The men will get home as soon as is humanly possible. Troop movements on the Nation's railroads will become increasingly heavy from now on. I ask for full public cooperation in preventing any aggravation of this burden on domestic transportation, for it would slow down the rate at which soldiers can be reunited with their loved ones.

At the same time, as we step up the movement of men and munitions to the Far East, we have been exerting every effort to increase the number of ships available to return men to this country for discharge.

Three hundred and sixteen cargo ships are being converted to help soldiers get out of Europe faster. They are not the most luxurious ships ever seen, but they will get the men home. In addition, the British are letting us use their three proudest passenger liners—the *Queen Elizabeth*, the *Queen Mary*, and the *Aquitania*.

These, added to 50 of our own transport vessels, 800 bombers and transport planes, and such ships as we are able to use out of the German merchant fleet, will make it possible to bring men home for discharge without interfering with the main job of transferring troops and equipment to the war against Japan.

The Army's system for selecting the soldiers for release to civilian life represents a democratic and fair approach to this most difficult problem. A poll was taken among enlisted men in all parts of the world. They were asked what factors they believed should be taken into consideration in deciding who should be released from the Army first. More than 90 percent said that preference should go to those who had been overseas and in combat longest, and to those with children.

The Army spent 2 years developing a program of point credits designed to carry out these views expressed by the soldiers. It checked and rechecked its program, and made comprehensive surveys in order to make sure that the plan would achieve the objectives.

The system applies equally to the members of our Army in all parts of the world. It embodies the principle of impartial selection that we applied in drafting our citizen Army and that we shall continue to apply in meeting the manpower requirements of our armed forces until Japan is defeated.

By reducing the strength of the Army from 8,300,000 to 6,968,000 and by maintaining the Army calls on selective service at a level substantially higher than requirements for actual replacements, it will be possible to restore to their homes during the next year a total of 2,000,000 officers and men, including those who will leave because of wounds, sickness, age, and other specific causes, as well as those who will leave under the point system.

To accomplish this while continuing to be liberal in the deferment of men 30 years of age and over, it is the Administration's policy to induct all non-veterans under 30 years of age who can be replaced and who can qualify for the armed forces. Many of such men who have thus far been irreplaceable will become available for induction when the plants in which they are working are cut back or when they can be replaced from time to time by cutback-production workers and returning veterans.

In the three weeks since the point system became effective 2,500 officers and 33,000 enlisted men and women from every theater of war have received final discharge papers at Army separation centers. During June 50,000 high-score men are scheduled to leave Europe for this country, and 33,000 are scheduled to come from the Pacific and Asia. The great majority of these, a few days after they arrive, will be civilians again.

Let no one be under the delusion that these discharges are being authorized because the war is nearing an end or because we feel the Japanese are easy to beat. They are being made because our military leaders believe that we can reduce the over-all strength of our Army at this time without jeopardy to our cause in the Pacific or to the lives of the men fighting there.

The Joint Chiefs of Staff, after consultation with General MacArthur and Admiral Nimitz, have decided that our Army can deliver its heaviest blows in the Pacific and win final victory most quickly with a strength which a year from now will be about 7,000,000.

By maintaining our Army at this size, we shall be able to more than double the force we now have in the Pacific and hurl against the Japanese an overseas force larger than the 3,500,000 men who united with our allies to crush the Wehrmacht and the Luftwaffe.

These are the men who will be carrying the fight to the enemy, but obviously they cannot operate effectively unless there are adequate reserve troops in training in the United States, and also an adequate base from which our advance troops can be supplied and serviced.

It is our plan that every physically fit soldier in the United States who has not yet served overseas be assigned to foreign duty when he completes his training or, if he is fulfilling an essential administrative or service job, as soon as he can be replaced by a returning veteran. This has been the Army's policy since the beginning of the war. It will be rigidly adhered to in the redeployment period.

If it were not for the overwhelming ascendancy established by our air and fleet units, we should have to send many more men to the Pacific than we now intend. The Japanese have more than 4,000,000 troops under arms—a force larger than the Germans were ever able to put against us on the western front. To back up this Army, they have several million additional men of military age who have not yet been called to the colors. We have not yet come up against the main strength of this Japanese military force. The Japanese Army is organized into 100 combat divisions. Its air force, despite the heavy losses it has suffered, still comprises over 3,000 combat planes. We are cutting heavily into Japanese aircraft production through our Superfortress raids, but Japan remains capable of producing planes at the rate of 1,250 to 1,500 a month.

Army casualties on Okinawa from March 18 to May 29 totaled 3,603 killed and missing, and 14,661 wounded. The marines in the same period reported 1,869 dead and missing, and 8,403 wounded. Navy and Coast Guard losses were 4,729 killed and missing, and 4,640 wounded, an over-all total for all services of 10,221 killed and missing, and 27,704 wounded. Japanese deaths were nearly six times as great as our own. On May 29 the total of Japanese killed on Okinawa was 61,066.

That is an example of the increasing toughness of this war as our troops get closer to Tokyo.

It is this kind of fighting we must be prepared for in our future campaigns. All of our experience indicates that no matter how hard we hit the enemy from the air or from the sea the foot soldier will still have to advance against strongly entrenched and fanatical troops, through sheer grit and fighting skill, backed up by all the mechanical superiority in flame throwers, tanks, and artillery we can put at his disposal. There is no easy way to win.

Our military policy for the defeat of Japan calls for—

First. Pinning down the Japanese forces where they now are and keeping them divided so that they can be destroyed piece by piece.

Second. Concentrating overwhelming power on each segment which we attack.

Third. Using ships, aircraft, armor, artillery, and all other matériel in massive concentrations to gain victory with the smallest possible loss of life.

Fourth. Applying relentless and increasing pressure to the enemy by sea, air, and on the land, so that he cannot rest, reorganize, or regroup his battered forces or dwindling supplies to meet our next attack.

Of course, the differences between the war in Europe and the war in the Pacific will cause differences in war production. The composition of the Army will be different, as will the equipment issued to troops. There will be changes in strategic plans and in replacement factors.

Until the expanded pipe lines for the Pacific war are filled, and until equipment arrives in substantial amounts from the European theater, war production must continue at a high rate.

The Navy program will continue on an even keel.

There has been a sharp reduction in the program of the Army Air Forces.

Similar sharp cuts in the program of supplies for our ground troops are now being put into effect. Some new items of equipment will be added. The emphasis will be shifted in others.

Thus, there will be a decreased production in heavy artillery, artillery ammunition, trucks, tanks, and small arms.

There will be increased production in aircraft bombs, atabrine, steel barges, wire and insect screening cloth, combat boots, cotton uniforms, amphibious trucks, raincoats, distillation units, radio relay units, special railway equipment, and motorized shop equipment.

In a number of important items there will be little change in demand for an indefinite period. These include food, clothing, petroleum products, lumber, and certain chemicals. It is likely that all these will remain on the critical list. Leather is tight. So are textiles. There is a shortage of cotton duck and fabrics for clothing. The food problem has been accentuated by the steadily increasing numbers the Army has been called upon to feed.

Accordingly, production for the Japanese War cannot be taken as a matter of course. It will require a high percentage of our resources.

War Production Board Chairman Krug has stated that during the balance of this year our munitions production will run at an annual rate of $54,000,000,000, which is almost equal to the rate of 1943, and more than nine-tenths the rate during the peak of 1944.

With these production objectives before us, we must not slacken our support of the men who are now preparing for the final assault on Japan. War production remains the paramount consideration of our national effort.

These then are our plans for bringing about the unconditional surrender of Japan. If the Japanese insist on continuing resistance beyond the point of reason, their country will suffer the same destruction as Germany. Our blows will destroy their whole modern industrial plant and organization, which they have built up during the past century and which they are now devoting to a hopeless cause.

We have no desire or intention to destroy or enslave the Japanese people. But only surrender can prevent the kind of ruin which they have seen come to Germany as a result of continued, useless resistance.

The job ahead for this Nation is clear.

We are faced with a powerful Japanese military machine. These are the same Japanese who perpetrated the infamous attack on Pearl Harbor 3½ years ago; they are the same Japanese who ordered the death march from Bataan; they are the same Japanese who carried out the barbarous massacres in Manila.

They now know that their dreams of conquest are shattered. They no longer boast of dictating peace terms in Washington.

This does not mean, however, that the Japanese have given up hope. They are depending on America tiring of this war—becoming weary of the sacrifices it demands. They hope that our desire to see our soldiers and sailors home again and the temptation to return to the comforts and profits of peace will force us to settle for some compromise short of unconditional surrender.

They should know better.

They should realize that this Nation, now at the peak of its military strength, will not relax, will not weaken in its purpose.

We have the men, the matériel, the skill, the leadership, the fortitude to achieve total victory.

We have the Allies who will help us achieve it. We are resolute in our determination—we will see the fight through to a complete and victorious finish.

To that end, with the help of God, we shall use every ounce of our energy and strength.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 1, 1945.*

NATIONAL WAR AGENCIES APPROPRIATION, 1946

Mr. CANNON of Missouri, by direction of the Committee on Appropriations, reported the bill (H. R. 3368, Rept. No. 653) making appropriation for war agencies for the fiscal year ending June 30, 1946, and for other purposes, which was read a first and second time and, with the accompanying papers, referred to the Union Calendar and ordered to be printed.

Mr. TABER reserved all points of order on the bill.

EXTENSION OF REMARKS

Mr. CROSSER. Mr. Speaker, in addition to some observations of my own, I ask unanimous consent to extend my remarks by printing certain data and statements in regard to Guy R. Lucas, new postmaster of Cleveland, Ohio.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE ON RULES—LEAVE TO FILE CERTAIN REPORTS

Mr. COX. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until 12 o'clock midnight tomorrow to file reports on such matters as the committee may desire.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. WOLCOTT asked and was given permission to extend his remarks in the RECORD and to include therein a letter which he received from Hon. Charles S. Dewey, a former Member of the House of Representatives, on the question of the Bretton Woods agreements.

Mr. JUDD (at the request of Mr. H. CARL ANDERSEN) was granted permission to extend his remarks in the Appendix of the RECORD and include certain editorials.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include a letter which he received from the Federal Communications Commission.

LEAVE OF ABSENCE

Mr. HENRY. Mr. Speaker, I ask unanimous consent that on account of extreme illness in the family I may be granted an indefinite leave of absence.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN asked and was given permission to extend his remarks in the RECORD on the Bretton Woods proposal and include a letter from the Treasury Department.

Mr. PETERSON of Georgia asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Atlanta Journal.

Mr. SCHWABE of Missouri asked and was given permission to extend his remarks in the RECORD in three instances, and to include a short article from a Washington newspaper.

READJUSTING RATES OF POSTAGE ON FOURTH-CLASS MAIL MATTER

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 263 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2502) readjusting the rates of postage on fourth-class mail matter, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Post Office and Post Roads, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COX. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. GOSSETT].

Mr. GOSSETT. Mr. Speaker, I am burning up with indignation. The FEPC is not on the job. In yesterday evening's Washington Star, page B-15, in the help-wanted column, I find this advertisement:

Wanted: Girl, light colored, for fountain clerk; $25 week; uniforms and meals furnished.

About 2 years ago the FEPC got on the Dallas News in Texas for advertising for a colored man to work in a pressroom. Here in the Star is an advertisement not only for a colored person, but they specify the pigment which they desire. The above advertisement proclaims discrimination against brunettes.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. GOSSETT. I yield.

Mr. AUGUST H. ANDRESEN. Am I to understand that a person who desires to advertise for help cannot, under present regulations, advertise for the kind of help he wants?

Mr. GOSSETT. That is my understanding, yes; that is, race, color, or creed cannot be specified.

The SPEAKER. The time of the gentleman from Texas has expired.

RURAL ELECTRIFICATION

Mr. COX. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter I have just received from Hon. Vincent D. Nicholson, Assistant Administrator of Rural Electrification.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, undoubtedly the most important question before this Congress, as far as the farmers of the country are concerned, is the extension of rural electrification to the farm homes of this Nation.

Recently we have had a relaxation of the regulations that will enable the farmers to get materials to build these lines. But the cooperative power associations are badly in need of funds with which to buy these materials. We are asking for this additional allotment in order that they may go ahead and arrange their programs so as to electrify the millions of farm homes that are now without any electricity at all.

All this money will come back to the Government with interest. We will probably not lose a dollar of it, and it will do more good for these farmers who are now begging for this service than anything else the Congress has ever done.

We are asking for an additional $230,000,000, which can all be allocated and put to service at an early date, as you will see from Mr. Nicholson's letter, which reads as follows:

WASHINGTON, D. C., *May 28, 1945.*

Hon. JOHN E. RANKIN,
House of Representatives.

DEAR MR. RANKIN: This is in answer to your request for a brief statement of the reasons for the supplemental estimates submitted to the Bureau of the Budget last week for a $230,000,000 increase in the loan funds available for the rural electrification program during the fiscal year 1946. This amount is in addition to the $80,000,000 provided in the Department of Agriculture appropriation bill for fiscal 1946, making a total of $310,000,000.

The War Production Board on May 12, 1945, rescinded its prior restrictions with respect to electric-line extensions in rural areas and substituted a single restriction to the effect that no single project or extension having a net material cost of more than $25,000 may be constructed without special approval. There is no limitation as to the number of separate extensions which may be added to an existing system. This amount of materials will make possible, under average conditions, a single extension of approximately 50 miles and most REA-financed cooperatives are, therefore, in a position to proceed with their long deferred plans for complete coverage in their respective areas.

The total sum of $310,000,000 was arrived at as follows: Loan applications in the hands of the Rural Electrification Administration or now in the process of preparation, aggregate approximately $167,000,000. It is significant that $30,000,000 of these applications have been reported to REA within the last 30 days, evidencing an accelerated demand on the part of farmers under present conditions. It is estimated that further applications for loans during fiscal year 1946 will amount to more than $100,000,000. In addition to these applications for new construction it is anticipated that at least $40,000,000 will be required to finance short extensions under wartime restrictions, either already completed or now under construction. This amount of wartime construction has been financed in part from operating revenues or surplus funds of cooperatives which must be funded under long-term loans as the work orders are received and approved by REA.

It has been our recent experience that the materials for electric line construction which have been in short supply are now available on reasonable delivery terms for a rapidly expanding program. In keeping with present trends, the WPB limitations upon the purchase of transformers has been removed. Contractors are showing a rapidly increased interest in resuming the type of large scale construction which prevailed during the years immediately preceding the war.

Our first interest in this supplemental estimate is to enable REA to make loan allotments upon what we call an "area coverage basis." An efficient, economical and adequate completion of the job of rural electrification requires the setting up of future projects upon a basis of reaching the maximum number of consumers who can be reached feasibly under the requirements of the Rural Electrification Act as amended last year. Under those amendments, in which you were so much interested, the interest rate is now a flat 2 percent upon all loans both new and outstanding and the maximum amortization period is 35 years. This recent Congressional action will make it possible to extend the important benefits of electricity to many areas which would not qualify under prior requirements.

The advantages of such area coverage allotments are numerous. They will furnish reassurance to farmers who prefer to participate in consumer-owned enterprises and will assist in holding together such cooperative projects. Such allotments will also be of assistance in applications to state regulatory bodies for certificates of necessity and convenience, by way of furnishing evidence of assured financing of extensive projects in the public interest. It will also be possible to design electric systems for future construction on a more efficient engineering basis and to obtain the economies resulting from the letting of construction contracts for large scale, mass construction.

As you know, the Rural Electrification Administration, during the four fiscal years immediately preceding the war (fiscal years 1939 to 1942, inclusive) received authorizations from Congress totaling $380,000,000. During the past 3 years, the authorizations totaled only $55,000,000 because of the heavy restrictions upon electric line construction. This

has meant a piling up of a very large backlog of farmer demand for electric service. A factor tending to accelerate the delevopment of this backlog has been the increased purchasing power of the small farmer. The amount requested for fiscal 1946 in addition to the past 3 years would represent a smaller total than the amount made available during the 4 years 1939–1942.

It should be noted that the requested authorization involves merely the authority to borrow from Reconstruction Finance Corporation as sums are needed. It is expected that construction can proceed rapidly but funds will be drawn down, of course, only as they are actually needed. The authority to make allotments in fiscal 1946 in the estimated total of $310,000,000 will make it possible to proceed more effectively in those States where the demand is greatest and where it develops most rapidly.

This estimate for a supplemental authorization for fiscal 1946 was presented to the Bureau of the Budget because we felt that present conditions called for such a move in the interests of the program and the very large number of farmers who have not yet received electric service. The Lucas bill, S. 89, which recently passed the Senate was drastically amended in committee and the action upon this bill in the House is, of course, subject to many uncertainties. This bill, introduced more than a year ago, would have provided $585,000,000 for a 3-year REA program but, in addition to the uncertainties of its passage, there is also the risk of further amendments to the basic act. These uncertainties and risks are, of course, avoided by the recent estimate submitted to the Bureau of the Budget and favorable action upon these estimates will accomplish most of the important provisions of the Lucas bill and its companion bill, H. R. 1742.

Accompanying the request for increased loan funds, REA requested an increase in administrative expenses of $1,370,000 and the solicitor's office requested an increase of $250,000 for the purpose of carrying forward such a loan program.

Sincerely yours,

VINCENT D. NICHOLSON,
Deputy Administrator.

Let us provide these funds now, electrify these homes and make it possible for every farmer in America to enjoy the blessings of electricity in his home—one of God's greatest gifts to mankind.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. RICH. Mr. Speaker, will the gentleman yield me 1 minute?

Mr. COX. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I am very much interested in the rural electrification program, but I call attention to the fact that private corporations are extending their power lines to the farmers and rendering good service. It should be done by private enterprise; we should keep Government out of business. Let me remind you that the private power companies of this country during this war have given the very best service any corporation could possibly give. They have given the cheapest electricity that has ever been given to the Nation, without interruption of service anywhere over this great land. What a wonderful job these power companies have done. I hope we will permit the private corporations that are generating and distributing electric energy to all the people of this country, to continue their successful operation.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

READJUSTING RATES OF POSTAGE ON FOURTH-CLASS MAIL MATTER

Mr. COX. Mr. Speaker, the Committee on Post Offices and Post Roads in obedience to the mandate contained in the act of May 20, 1928, directing that certain classes of mail matter be made self-sustaining, has reported a bill dealing with one phase of that question. The pending rule, if adopted, makes that bill in order.

Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, there is no request for time on this side.

I see no reason why we should not proceed and have the committee in charge of the bill explain the bill.

Mr. COX. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed too.

Mr. BURCH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2502) readjusting the rates of postage on fourth-class mail matter, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2502, with Mr. GOSSETT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BURCH. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY of Tennessee. Mr. Chairman, this bill provides for the revision of rates of postage on all fourth-class mail matter with the exception of books and catalogs. It has the unanimous approval of the members of the Committee on the Post Office and Post Roads.

The bill is designed to place parcel post on a self-sustaining basis. The act of Congress of May 29, 1928, relating to fourth-class mail matter provides that the receipt of revenues from such service shall be adequate to pay the cost thereof. For the past several years the revenues from fourth-class matter have not been sufficient to pay the cost thereof. This bill will carry out a mandate of Congress to the effect that fourth-class matter shall be self-sustaining.

Books and catalogs are not included in this bill because they already carry a cheaper rate of postage than fourth-class matter.

The present deficit per year for fourth-class matter other than books and catalogs is approximately $7,000,000. The Revenue Act of 1943 provided for an increase in postal rates on fourth-class matter of 3 percent or by 1 cent, whichever amount is greater, until 6 months after the war. The increase under the Revenue Act of 1943 became effective on March 26, 1944. For the year before the increase in fourth class under the Revenue Act of 1943 became effective the deficit of the Post Office Department for handling fourth-class matter, other than books and catalogs, was about $14,500,000. The increase of rates under the Revenue Act of 1943 amounts to about $7,500,000 increase in fourth-class postage, leaving still an annual deficit of about $7,000,000.

The purpose and objective of this bill is to increase the rate of postage to an amount sufficient to wipe out this existing deficit and to make parcel post self-sustaining. This bill will increase slightly the rate of postage on parcel-post shipments for local delivery and zones 1, 2, and 3. On all packages weighing 5 pounds or more there will be a decrease in rates of postage on parcel-post matter going to zones 5, 6, 7, and 8.

The parcel-post law was passed in 1913 and primarily it was passed for the benefit of our rural population, but now is widely used by industrial and commercial concerns and by residents of cities.

The proposed rates in this bill are much cheaper than the present rates charged by the Railway Express.

Your Committee on the Post Office and Post Roads feels that fourth-class matter should be handled separately and distinct from first-, second-, and third-class matter because there is an act of Congress providing that the revenues from fourth-class matter shall be sufficient and adequate to pay the expenses thereof. All this bill does is to provide sufficient revenue to take care of the present existing deficit.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I want to get it clear that this bill does not cover books, is that correct?

Mr. MURRAY of Tennessee. The gentleman is absolutely correct.

Mr. AUGUST H. ANDRESEN. Is it the purpose of the committee to report another bill and bring it here for consideration to take in books?

Mr. MURRAY of Tennessee. Such a bill has been introduced (H. R. 3235), and is now under consideration by your committee on the Post Office and Post Roads. The next hearing on that bill will be held on June 12.

Mr. AUGUST H. ANDRESEN. May I ask the gentleman why the committee has not brought out all increases in one piece of legislation so that we could consider them in toto?

Mr. MURRAY of Tennessee. Because your committee thinks that the parcel-post business, consisting of merchandise, should be handled separately from first-, second-, and third-class matter, consisting of letters, newspapers, periodicals, and circular matter; and, further, because there is already on the statute books this act requiring that the revenue on parcel-post matter shall be sufficient to pay the expenses thereof. There is not such a mandate from the Congress about first-, second-, or third-class matter. That is why the Committee on the Post Office and Post Roads believes that fourth-class matter should be handled separately from the first-, second-, and third-class matter.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BURCH. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from California.

Mr. HINSHAW. I am sure the gentleman realizes that no previous Congress can lay a mandate upon a subsequent Congress; therefore, this Congress is not bound by the acts of any previous Congress. May I ask the gentleman, if the previous bill required that these fourth-class rates shall be sufficient to carry the cost of the service, why is that not sufficient notice to authorize the Post Office Department to make such necessary increases as the act may require, without having to come in here with a bill?

Mr. MURRAY of Tennessee. The act requires that the Postmaster General, with the consent of the Interstate Commerce Commission, revise these rates. However, that does not take away from Congress the authority to fix these rates.

Mr. HINSHAW. Why do we have to do anything about it if they already have the authority? Do they refuse to do it and carry out the mandate of a previous Congress, or are you reasserting an old mandate?

Mr. MURRAY of Tennessee. It has not been done. There has been a recurring deficit over the years and for that reason your committee thought this bill should be reported.

Mr. HINSHAW. Has the committee called upon the Post Office Department to explain why they have not remedied the situation on their own volition rather than to come in here with a bill?

Mr. MURRAY of Tennessee. The Post Office Department cannot do that alone. Under the act of May 28, 1928, the Postmaster General is required to go to the Interstate Commerce Commission, and after hearings fix the rates.

Mr. HINSHAW. Have they done that?

Mr. MURRAY of Tennessee. They have not in the last several years.

Mr. HINSHAW. It seems to me that should be the first thing for them to do rather than to come in here with a bill.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from New York.

Mr. TABER. According to the report on pages 2 and 3, there seems to be a decrease on the large packages, but an increase on the small packages. I wonder why that is.

Mr. MURRAY of Tennessee. I will say to the gentleman from New York that the large part of the deficit now resulting from fourth-class mail matter comes from the delivery of parcel-post packages in the local, second, and third zones.

Mr. TABER. It seems to me we are in this situation where parcels weighing so heavily cost the Post Office Department a great deal of extra money, because they come in occasionally, and they boost up the railway mail rate very markedly. I am wondering, therefore, if the loss does not come on these large parcels that are shipped rather than on the small ones, which are more stable in quantity.

Mr. MURRAY of Tennessee. I will say to the gentleman that approximately 90 percent of all parcels handled weigh 10 pounds and less, while those up to and including 20 pounds comprise about 97 percent of all your fourth-class matter.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Illinois.

Mr. CHURCH. With reference to the query awhile ago about bringing in this legislation piecemeal, we have this bill today, and then next Monday the gentleman's committee is bringing in a bill that affects fourth-class mail, which bill is on the Consent Calendar for next Monday, I believe.

Mr. MURRAY of Tennessee. That is the bill relating to postage on catalogs.

Mr. CHURCH. Then on June 12 you are holding further hearing on another bill on fourth-class mail rates, is that right?

Mr. MURRAY of Tennessee. That is correct. That has to do with postage for books.

Mr. CHURCH. Does not the gentleman feel that hearings should be had so that a comprehensive bill can be brought in on this whole subject?

Mr. MURRAY of Tennessee. I will say to the gentleman that you cannot place merchandise, which is parcel post, on the same basis for postage that you can books or catalogs.

Mr. COLE of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I feel that the committee could very well bring in all postal increase legislation at one time so that the Members of the House would get the entire picture. We should be given the opportunity to consider all postal increase bills so that we know what we are doing. I oppose this bill because I feel that it will be detrimental in several respects.

In the first place, as I understand the legislation, it increases the local postal rate on parcel post. A good many of the farmers throughout the country have become accustomed to having local merchandise delivered to them by the mail carrier. They pay the postage. This bill provides for an increase of the rate they will have to pay for the service that is being rendered them in order to get the merchandise.

At this particular time it looks to me as though this legislation is extremely unfortunate, for that reason. Most of the farmers are unable to get into town as often as they wish to get merchandise, because of the scarcity of help and the tremendous amount of work they are doing in the production of food for the Nation's war effort. It seems rather strange that this measure should be brought up now, at this particular time. I regret that it is here.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. May I call the gentleman's attention to this provision of the bill in regard to those living on rural routes?

Provided further, that the rate of postage on matter of the fourth class when mailed on rural routes shall be, for local delivery, 2 cents per parcel less than at the rates in this section, and, for delivery other than local delivery, 3 cents per parcel less than at the rates prescribed in this section:

Mr. AUGUST H. ANDRESEN. How does that compare with the prevailing rates?

Mr. COLE. The increase will amount to about 1 cent per parcel. The proposed rate for local delivery on 9- to 12-ounce parcels is 8 cents. The present rate on the first pound is 7 cents.

Mr. AUGUST H. ANDRESEN. Then there is an increase of the local rate. I have not misstated that.

Mr. COLE of Missouri. Yes; with the exception of those on rural routes.

Mr. AUGUST H. ANDRESEN. As the gentleman has said, the increase is at least 1 cent a parcel, so percentage-wise that is a substantial increase of the rate.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Illinois.

Mr. CHURCH. The gentleman has pointed out that this increase will be passed on in all events practically to the consumer. Let me call to the gentleman's attention the fact that the consumers will have to take on this additional rate, and I refer, in part, to consumers of products of the following industries: Canners, corset manufacturers, cosmetics, explosives, exporters, farm machinery, farm-implement manufacturers, food products, goldsmiths and silversmiths, greeting-card manufacturers, hardware, household utilities, ice-cream manufacturers, importers, insurance, jewelers, linoleum manufacturers, linotype manufacturers, nurserymen, packers, paint manufacturers, paper manufacturers, pharmaceutical manufacturers, photoengravers, photograph-supply houses, seedmen, shirt manufacturers, stock foods, textile mills, trade schools, type founders, wholesalers, and a lot more.

Mr. AUGUST H. ANDRESEN. There is no question but that the postage costs are all passed on to the consumers in the end.

Mr. COLE of Missouri. If the gentleman will yield, may I ask a question directed mostly at my colleague the gentleman from Illinois [Mr. CHURCH]?

Do you think those concerns should be subsidized as they have been on their postage during the past several years?

Mr. AUGUST H. ANDRESEN. I do not think we should subsidize anybody. But, above all, I do not think we should take it out of the average consumer at this particular time. Furthermore, another objection I can see to this bill is the increase in postage rates on parcels which are sent to servicemen in different camps here in this country within the radius of the first three zones. I believe I am correct in that. That is an additional reason why we should not consider passing this type of legislation in piecemeal fashion.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. COLE of Missouri. Mr. Chairman, I yield one additional minute to the gentleman.

Mr. MOTT. Is it not true also that since the rationing of gasoline began farmers have been obliged more and more to depend on parcel post because they are not able to get to town to do their shopping and bring their packages home?

Mr. AUGUST H. ANDRESEN. There is no question about that. We concede that has been on the increase during the war period, particularly due to the shortage of gasoline and tires and more so due to the shortage of labor which results in the situation that the men who are running those farms do not have an opportunity to go to town to buy their merchandise.

Mr. MOTT. I do not have any statistics on it, but one would imagine that the average farmer has probably not had an opportunity to get to town to do his shopping as he did before gasoline rationing started.

Mr. AUGUST H. ANDRESEN. The gentleman is correct.

Mr. BURCH. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. STARKEY].

Mr. STARKEY. Mr. Chairman, I take the floor at this time to point out the faulty thinking on the part of the previous speaker. A plea is made that this is going to work a hardship on the agriculturists. Seventy-seven percent of the parcel post business originates in and is delivered from first class post offices which would indicate that the farmers and the agricultural population are not the prime users of parcel post. We also know that most of the people in the agricultural areas seem to be opposed to subsidies. Now you can reach only one conclusion, if the Government is running this service at a loss it is subsidizing either the people who are in business or the ultimate consumer. All this bill does is to put this form of postal service on a self-supporting basis. There should be no reason why we should confuse the issue and have discussions on the floor of this House pertaining to all forms of postal service. We certainly will not spend any more time in taking them up categorically than we would if we brought them all in at the same time. The purpose of the committee was to let each form of postal service stand on its own feet.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. STARKEY. Yes.

Mr. MOTT. It has been stated that the parcel post business actually returns a profit to the Government. That is, considering the parcel-post business only; is that correct or not?

Mr. STARKEY. No. There is a $14,000,000 deficit on parcel post at the present time.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. STARKEY. Yes.

Mr. AUGUST H. ANDRESEN. I appreciate the comment the gentleman made with reference to my remarks. I would like to point out to the gentleman there are also first class post offices in the rural areas outside of the Twin Cities.

Mr. STARKEY. I am well aware of that.

Mr. AUGUST H. ANDRESEN. There are farmer patrons of those post offices and the parcel post they get by way of merchandise has been on the increase because of the inability to get into town and due to the scarcity of labor. I know the gentleman, while he is not an agriculturist or a farmer, does appreciate the contributions which the farmers of this country have made to the war effort in the production of food.

Mr. STARKEY. I agree with the gentleman absolutely.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COLE of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, something has been said about eliminating subsidies that are being given by the present parcel post rates. It is not so many days ago that this House passed a bill providing for hundreds of millions of dollars of subsidies for stock piles of materials for the war and for the postwar period. I might relate just a small part of the subsidies that have been paid out to special interests in this country, such as the shipping lines. Under the old laws at one time the subsidies amounted to thirty or forty million dollars a year for ocean mails. A few years ago when we had an investigation we found that it cost as much as $10 or more to get one letter across the Atlantic to certain foreign countries. Many other subsidies might be mentioned which far exceed the losses on parcel post.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HULL. I yield.

Mr. AUGUST H. ANDRESEN. Within the past 2 months we have passed consumer subsidy bills amounting to $2,000,000,000 on the grocery bill of this Nation.

Mr. HULL. More than could be saved by this bill in a hundred years.

This bill should properly be entitled a bill to levy $15,900,000 worth of additional taxes on the parcel-post patrons in farming communities of this country, because that is largely where the increased rates will apply.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. HULL. I yield.

Mr. CHURCH. And included in that will be the soldier who is receiving these small parcel-post packages.

Mr. HULL. Yes. I am going to get to that a little later.

Parcel post was inaugurated about 32 years ago primarily as a rural route proposition; as a small town or village proposition. It became so successful that the big cities butted in. The mail order houses commenced to reap their advantage from it, and from that time until this day it has grown.

This loss of $15,900,000 which they speak about does not take into consideration the fact that the mail-order houses which do such a large parcel-post business, receive their orders by first-class mail. If you take that first-class postage total out of the alleged loss on the parcel post I think you will find it is pretty well balanced.

In the country towns the parcel post is extensively used by almost every line of business. Particularly it is used by the bakers, meat markets, drug stores, groceries, and other lines in normal times. It is used by doctors and druggists for sending medicines out to the farmers. Now, of all times, it does seem to me that to levy this additional tax largely if not wholly upon the rural population is unfair and unjust.

Soldiers have been mentioned. We have two and a half or three million soldiers in this country. We have many more than that overseas. Every week or several times every month the parents, the wives and families of those soldiers are sending packages to them by parcel post. Now, at this time, when we are in this war, spending hundreds of billions of dollars, it is proposed to increase the cost of mailing those packages to the soldiers of our country. Of all times to bring in a measure increasing the cost of mailing packages to the armed forces it seems to me this is the most unfortunate.

A particular line of business which extensively needs the parcel post in which the people of this country should be particularly concerned at this time, that is the poultry business. The parcel post is used more extensively than any other system in getting the baby chicks from the hatcheries to the farmers. That does not mean alone the large hatcheries which do a big business but also the local hatcheries which send their chicks to the farmers by parcel post.

Furthermore, there has grown up in many sections of the country a rather large business in sending to these small communities eggs and poultry from the farmers, upon the special orders of people in those communities. I could go on and enumerate many more instances in which the parcel post is being used for the benefit of the consumers in the cities as well as the consumers on the farms.

It has been said, and truly so, that the farmers at this time are handicapped in getting to town on account of lack of farm labor, gas rationing, tire shortages, and so forth.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. COLE of Missouri. Mr. Chairman, I yield one additional minute to the gentleman from Wisconsin.

Mr. HULL. The difficulty the farmers have in getting to town is not due merely to the question of gas, it is due also to the matter of tires, and repairs to their cars. Very frequently in the country districts cars are tied up on the farm because they cannot get to the city for some repair parts; and parcel post has been the principal, practically the only, means of getting those parts to the farm in order that the farmer can carry on.

I hope this bill will be voted down. It is unfair to the farmers and rural people in general to increase parcel-post rates which they must pay.

I wish to call attention to a certain other section of this bill. It specifically exempts increased postal rates on the catalogs of the large mail order houses.

I do not think we should put this extraordinary tax on the farmer.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. BURCH. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. ROE].

Mr. ROE of Maryland. Mr. Chairman, the gentleman from Wisconsin referred to catalogs being exempted by the provisions of this bill. We have a bill before the committee that deals exclusively with the rates on catalogs.

Mr. HULL. In this particular measure they are exempted. Is not that true?

Mr. ROE of Maryland. No; there is another law that fixes the rate on catalogs and the committee is now considering a bill to change that rate.

Mr. HULL. Mr. Chairman, will the gentleman yield further?

Mr. ROE of Maryland. Mr. Chairman, the gentleman and I disagree; that is all there is to it. I do not care to use the three short minutes at my disposal in an argument with the gentleman. I think one way, the gentleman thinks I am wrong. That is all there is to it.

Mr. Chairman, as I understand this bill, this is not a tax on the farmer, it is the removal of a subsidy that the mail-order houses have been receiving. If the Government operates the parcel post at a loss of $15,000,000 it means that the taxpayers have to pay that $15,000,000, not only the farmers but all the taxpayers. This is just a matter of simple justice, a mere question of carrying out the law that Congress passed requiring that the parcel-post rate should be self-sustaining.

I come from an agricultural country, I come from a small town, and we in our community think it is very unfair to tax our small merchants to make up a deficit in the handling of parcel post in order that we may enrich the millionaire mail-order houses who are trying to take away from our home merchants the business that should be theirs.

You will find if this bill is passed that the mail-order houses will absorb this postal rate. The additional rates will not be paid by the farmer. This bill is very fair, very just. It has the support of the entire committee. It carries out the provisions of a previous act of Congress, and I certainly hope it will be overwhelmingly adopted by the House.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. COLE of Missouri. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Chairman, my remarks against this bill are made mainly because I believe that not only the subject matter of this bill but other postal rates should be considered together in one measure.

Page 2 of the report recites:

> This study assumes that parcel-post service (fourth-class matter) is an undertaking separate and apart from the handling of other classes of mail and the several special services.

I contend that that is not the case. Businessman after businessman in my district are writing to this effect. This is the substance of one such letter:

> The proper thing for the Post Office Committee to do is to present a complete postal rate bill for all classes of mail and give mail users a chance to analyze the rate structure as an over-all service and to hold public hearings. This will be done just as you would analyze a balance sheet in a private business operation on an over-all profit and loss operation basis.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. May I say to the gentleman that the committee considered parcel post rates separately because the law requires them to do so and all the other branches of the service will be considered in relationship to each other. For instance, on June 12 we start conducting hearings on postage rates on books.

Mr. CHURCH. And next Monday catalogs.

Mr. COLE of Missouri. No. We have already reported out the bill on catalogs.

Mr. CHURCH. Yes. It is now on unanimous consent calendar for next Monday.

Mr. COLE of Missouri. The telegrams which the gentleman has been receiving, which I have received, and which every other Member of the House has received from publishing houses requesting that these matters be considered collectively is more for delay than anything else.

Mr. CHURCH. Will the gentleman cite for me a provision in any law that provides that you shall bring these in separately? Can the gentleman do that? I believe he cannot. I believe the gentleman is mistaken just the way he was mistaken in his last statement. The industry knows its business. It has all kinds of mail. These different industries have first-, second-, third-, and fourth-class mail. They must plan their budgets. Let us take the seed business. They have a first-class mail as well as fourth class. Suppose they set up their budget and provide a certain amount for their program. They have to change it all. You come in here with piece-meal legislation and they cannot make their plans at all. You upset their whole budget and all of their plans.

Mr. COLE of Missouri. May I ask the gentleman if these concerns he talks about would be opposed to reducing the postage on local mail to 2 cents?

Mr. CHURCH. I tried to show the gentleman that these concerns have been saying what I have already quoted. I have also said in my remarks a while ago that the consumers of the products of these different businesses will really carry the additional load. The consumers of the products of the seed companies, the consumers of the products of all these various companies that are recited in the hearings will pay the additional cost.

Mr. COLE of Missouri. Does the gentleman think those consumers or the seed companies or these other concerns the gentleman has referred to, should be subsidized to the extent of $13,000,000?

Mr. CHURCH. Those people ought to have a hearing and they ought to have the whole program considered at the same time. I hope to make that clear.

Mr. COLE of Missouri. I may say to the gentleman that they did have a hearing and they all had an opportunity to appear before our committee.

Mr. CHURCH. No. You had an executive hearing, as your hearings will show, then you had another hearing and maybe another one. Very few of these people have had an opportunity to appear. I urged continuance of the hearings on the next bill and the committee was kind enough to continue the hearings until June 12th. I want it definitely understood my purpose is to afford a full hearing, all on a consolidated bill.

Mr. BURCH. Mr. Chairman, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Virginia.

Mr. BURCH. As far as this bill is concerned, we gave a special hearing for the people who appeared there to oppose it. None of them appeared after March 15th. We had a committee meeting and they did not appear in opposition to this bill.

Mr. CHURCH. Mr. Chairman, there is another matter to which I desire to refer. Here is a release of the Post Office Department dated May 17, 1945, reading as follows:

> The $100,000,000 mark was reached today in payments to the general fund from this year's postal surpluses when Postmaster General Frank C. Walker mailed a $40,000,000 check to the Treasury.
>
> Revenues are continuing to run well ahead of expenditures, Mr. Walker said, and the trend leaves little doubt that there will be a further substantial payment before the end of the fiscal year on June 30. Mr. Walker will leave the Postal Service on that date.
>
> The Postal Service has a surplus of $18,042,156.60 for March. Revenues were $114,116,036.75, up $15,592,998.55, or 15.83 percent over March 1944. Expenditures were $96,073,920.15, up $7,198,727.56, or 8.10 percent over March 1944.
>
> For the first 9 months of the fiscal year, extending from July 1, to March 31, revenues were $994,064,119.13, up $173,301,551.22, or 21.10 percent over the same period in the previous fiscal year. Meanwhile, expenditures of $872,865,104.66 represented an increase of $62,313,305.33, or 7.69 percent over the same period in the fiscal year 1944.

The revenues at that time ran $994,000,000.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. COLE of Missouri. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. CHURCH. Mr. Chairman, the revenues at that time, as stated in that release, ran to $994,064,119.13, while the expenditures were $872,865,104.66, leaving a balance of revenue over expenditures of $111,199,014.47 for the first 9 months of the fiscal year, extending from July 1 to March 31.

The hearings disclose that that excess has run up to $117,000,000 as stated by the Post Office Department. There would be a surplus of $117,643,877 in the operation of the Post Office Department for the current fiscal year ending on June 30, 1945, and for the fiscal year 1946 the Post Office Department estimates there will be a surplus of $265,214,280.

I think this subject should all be brought in under a comprehensive bill so that the whole program can be gone into in order that a fair adjustment of all rates can be made.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. May I say to the gentleman that the surplus comes from first-class mail. There is a deficit in every other branch of the postal service. Furthermore, we have passed a bill reclassifying and increasing the salaries of the postal employees. I believe the gentleman voted for that bill. When that bill goes into effect this surplus that the gentleman speaks of is going to be wiped out entirely.

Mr. CHURCH. How much? The hearings I thought indicate that it will leave a substantial amount.

Mr. BURCH. Oh, no.

Mr. CHURCH. Well, how much?

Mr. MURRAY of Tennessee. The amount of the increase for the postal employees under that bill is about $145,000,000.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. COLE of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, on page 6 of the committee report, in fine print, is the act of February 28, 1925, of which I will quote only a part:

He—

Meaning the Postmaster General—

is hereby directed subject to the consent of the Interstate Commerce Commission after investigation, to reform from time to time such classifications, weight limit, rates, zone or zones or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

It seems to me that the act of 1925 took care of this little matter, and that it is up to the Postmaster General under the mandate of that Congress to call upon the Interstate Commerce Commission for their consent to revise these rates. Consequently, I cannot see what this bill is doing here at this time, and I would be glad to have some member of the committee answer that question.

Mr. BURCH. May I say to the gentleman in that connection that the reason this bill is brought out here is that some 2 or 3 years ago the Committee on Appropriations, of which my good friend from New York is a member, complained of the continuous deficit in the Post Office Department.

After Postmaster General Walker came into office he went before the committee and stated that the cost ascertainment that he had at that time was not sufficient to decide what the different classes of mail cost the department. The Committee on Appropriations insisted that that be done. They made an appropriation, as I remember, of over $200,000 in order that a special accountant might be employed to study this question of first- and fourth-class mail, as well as all other classes of mail, and report to the Congress or to the committee his findings, and that this committee was practically authorized in that legislation that we take up the matter and try to adjust the postal rates so that each class of mail, so far as possible, would pay its cost.

Mr. HINSHAW. No committee of Congress needs to be authorized to consider legislation that is properly within its sphere. They are authorized to do that at any time. What I want to know is this: Since the present law permits the Postmaster General to adjust these rates, why is the bill brought in here today?

Mr. BURCH. The Postmaster General preferred that it go through the regular committee, the Committee on the Post Office and Post Roads.

Mr. HINSHAW. I still do not have a satisfactory answer to my question. The Postmaster General has not acted. He is authorized to act. Why does he not act? Why does he not go to the Interstate Commerce Commission and bring up the subject with them and ask for their consent to make any rate increases that are necessary?

Mr. BURCH. The Postmaster General requested that this matter be referred to the House Committee on the Post Office and Post Roads and that they consider the matter and act as they saw fit. I repeat that that committee is perfectly within its rights in taking up this legislation.

Mr. HINSHAW. Of course it is perfectly within its rights, but now the gentleman says that the Postmaster General asked him to consider these rate increases and take the burden of the increase off his shoulders. Is that the idea?

Mr. BURCH. The report was made by the Post Office Department to the Committee on the Post Office and Post Roads.

Mr. HINSHAW. May I point out to the gentleman from Illinois [Mr. CHURCH] that $50,000,000 of the Post Office Department's surplus for this past year is as a result of the 2-cent increase in the air-mail rates, and that air mail shows a $50,000,000 profit to the Government of the United States.

Mr. BURCH. It is $24,000,000. The gentleman is wrong about the $50,000,000.

Mr. HINSHAW. I have a newspaper statement in my office quoting the Post Office Department that it is $50,000,000.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BURCH. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, H. R. 2502 has been reported favorably by unanimous action of the Committee on the Post Office and Post Roads. This action by your committee follows extensive public hearings and is based on the recommendation of the Post Office Department which conducted a thorough study of parcel-post rates extending over a period of 18 months.

The bill proposes a revision of the rates charged for transportation and delivery of fourth-class mail matter, other than books and catalogs. Such proposed revision applies to parcel post and is designed to place this service on a self-sustaining basis. The service is a personal or business one rendered the user. It is confined to parcels exceeding 8 ounces and with maxima of 70 pounds in weight and 100 inches in dimension. It is now widely used by commercial and industrial enterprises and by residents of urban as well as rural districts. Parcel post comprises the greater volume of fourth-class mail.

May I say to the gentleman who preceded me and who stated that the greater part of the parcel post service is used by farmers at this time that if he will make an investigation he will find that he is very much mistaken. The mail-order houses of this country, who are in competition with other merchants who pay the cost of transporting merchandise, have now grown to the extent that some 75 to 80 percent of this service is used by those mail-order houses such as Sears, Roebuck and Montgomery Ward & Co. I see no more reason why they should not pay the cost of carrying on their business operations by paying postage than they would by paying the freight.

Mr. HULL. Mr. Chairman, will the gentleman yield?

Mr. BURCH. I yield to the gentleman from Wisconsin.

Mr. HULL. Those mail-order houses charge the postage on the shipment of goods to the consumers, do they not? At the same time, they are getting the subsidy on the lower cost of carrying their catalogs. The consumer pays for one and the mail-order house pays for the catalogs.

Mr. BURCH. They should pay the cost of this service just as they would pay freight or anything else. The committee has already reported the bill with respect to catalogs. That is on the calendar now and will be heard sometime in the near future.

Public Law 566, Seventieth Congress, approved May 29, 1928, contained the mandate that this type of mail should pay its own way. In spite of that mandate, substantial deficits have been reported each year from the handling of fourth-class mail. The Committee on the Post Office and Post Roads is of the unanimous opinion that this condition should be remedied. In recent years we have made changes in the Parcel Post System to provide improved service to the public, but we have failed to give proper thought to the costs thereof. The time has arrived when we should put the handling of parcel post on a basis where the revenue derived therefrom will be in keeping with the costs of the service rendered.

The rates for parcel post were temporarily increased, effective March 26, 1944, by a provision in the Revenue Act of 1943. Such increases amounted to 3 percent, or 1 cent, whichever is greater, and it was provided that they terminate 6 months after the termination of hostilities in the present war.

The bill proposes a new schedule of rates, which will make increases in some instances and decreases in others. A comparison of the proposed schedule with existing rates in effect prior to the Revenue Act of 1943 is set out in detail on pages 2 and 3 of House Report No. 363, which accompanies this bill. A brief ex-

planation of the proposed new schedule is as follows:

The schedule establishes, for the first time, rates for 9- to 12-ounce parcels which are lower than the first-pound rate. It increases the charges for the first pound of each parcel 2 cents up to and including the sixth zone and 1 cent for the seventh and eighth zones. It also increases slightly—two-tenths of 1 cent—the rate of each additional pound presented for local delivery. Such proposed increases apply to existing rates, including the temporary increases, contained in the Revenue Act of 1943. The bill makes no change in the rates for additional pounds in the first and second zones, and decreases the rate for additional pounds for all other zones.

Based on substantially the same volume of parcel post which was handled in the year ending March 31, 1944, the new rates are estimated to provide additional revenue in the sum of approximately $7,500,000 over existing rates. This will absorb the annual deficit in handling this type of mail and take into consideration further increased expenses.

There has been mention made of the surplus which the Post Office Department has. The entire surplus of the Post Office Department consists of $155,000,000 on first-class mail, and about $20,000,000 on air mail. Every other class of mail is carried at a deficit.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. BURCH. Yes.

Mr. CHURCH. Will not the gentleman admit that all the other classes of mail have a tendency to increase the first-class postage?

Mr. BURCH. Naturally, it will increase first-class postage, but the first-class postage also increases parcel-post mail and any other kind of mail, such as money orders, insured mail, cash on delivery, special delivery, third-class mail, and so forth. Are you going to do this for a few people who are directly interested in parcel-post service for use commercially in their businesses? Are you going to penalize 138,000,000 people for their benefit?

I have introduced a bill which we intend to report to the House, reducing local first-class mail from 3 cents to 2 cents. I think that should be done. The cost of handling first-class mail is about 1.85 cents. I feel very strongly that certainly the local first-class mail rate should be reduced.

Mr. CHURCH. Mr. Chairman, unless we have the benefit of the testimony of these businesses which the gentlemen has referred to which have all classes of mail, it is impossible to know the exact situation. For example, consider the seed companies. They have the fourth-class mail to handle the business of sending out their seeds. They have price controls that affect their program.

When this bill goes into effect that is all changed. Unless we have the benefit of their testimony insofar as the whole program is concerned, we do not get a true picture. Their budgeting control and the price-control program are thrown entirely out of gear. I referred a while ago to all the consumers of the agencies shown on page 55 of your hearings. They are the consumers who carry this additional load.

Mr. BURCH. I do not understand they are consumers. Those organizations are not consumers. I want to say to the gentleman now, we have been talking about the farmers. I am a farmer. I was raised on a farm. I own a farm. I have talked to different farmers. They are not concerned about this. In fact, I have a letter from the American Association of Nurserymen which was organized in 1875. This letter is addressed to me as chairman of the Committee on the Post Office and Post Roads and is dated April 16, 1945. It reads as follows:

> In matters relating to parcel post rates, this association has generally been represented before your committee by the National Council on Business Mail, Inc. We were so represented at recent hearings on H. R. 2502, and I understand that testimony in opposition to H. R. 2502 was presented
>
> An analysis of proposed rates and present rates received recently changes our viewpoint entirely, and we wish to inform you, as chairman of the Post Office and Post Roads Committee, that we do not subscribe to opposition testimony, but are fully in accord with the provisions of H. R. 2502.
>
> It is our hope that your committee will act favorably upon the bill and report it to the House for consideration, where I assure you it will have our support.

Mr. Chairman, a great deal has been said about what we are doing to the farmers on these rates. This is a commercial rate. Parcel post is just as different from other postal rates as anything can possibly be. This is a commercial business enterprise rate to a great extent at this time.

Take, as an example, the first and second zones. The present rate on parcel post is 9 cents. The express company rate is 35 cents. This bill proposes to change that to 11 cents.

Going on down to the 5-pound rate in the first and second zone, the proposed rate under this bill is 16 cents. It is now 14 cents. It is still 35 cents for the express company.

Take a 40-pound package, the proposed rate in this bill is 54 cents. The express company's rate is 84 cents.

A 50-pound package, the rate in this bill is 65 cents. The express company rate is $1.

The third zone, take a 5-pound package as an illustration, the proposed rate is 20 cents in this bill. The express company rate is 40 cents.

A 20-pound package, the proposed rate in this bill is 47 cents; the express company rate is 79 cents.

Zone 4, a 4-pound package, the proposed rate in this bill is 22 cents; the express company rate is 42 cents.

Zone 5, a 4-pound package, this bill proposes 28 cents; the express company rate is 42 cents.

On a 40-pound package the present rate is $2.25. The proposed rate is $1.94, a reduction.

Zone 6, 5 pounds, the proposed rate is 41 cents. The express company rate is 50 cents.

Let me say in conclusion that I myself cannot see any reason why this bill should not be passed at this time. It is a bill that is just. All we are asking is that this rate be increased to such extent as to pay the cost of handling parcel post.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. COLE of Missouri. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, there is one phase of this bill that has not been covered by the debate. I wish to call attention to the fact that this bill repeals that part of the 1943 Revenue Act which provides for a 3-percent increase in fourth-class postage rate. There is therefore very little difference in the rates proposed by this bill and the rates now in effect.

I join with my chairman in the statement that this bill should be passed. It has the unanimous approval of our committee formed after thorough consideration of the matter.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. COLE of Missouri. I yield.

Mr. GARY. A week or so ago the House adopted a bill increasing and adjusting the salaries of postal employees. Will not the gentleman explain to the House the effect that bill will have on the surplus which has just been discussed?

Mr. COLE of Missouri. It will cost the Department much more than the current surplus that has been discussed, as I understand it. For that reason, a revision of all postal rates is necessary.

I wish to say also that our committee has in mind reducing the first-class rate on local deliveries back to 2 cents. We cannot do that without revising the rest of the postal rate structure.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. COLE of Missouri. I yield.

Mr. MURRAY of Tennessee. If the local delivery rate is reduced from 3 cents to 2 cents it will mean a reduction of $45,000,000 in the postal revenues. Is not that true?

Mr. COLE of Missouri. That is an exact statement.

The CHAIRMAN. The time of the gentleman from Missouri has expired, all time has expired.

The Clerk will read.

Mr. BURCH. Mr. Chairman, I ask unanimous consent that the reading of the bill be dispensed with, that it be printed in the RECORD at this point, and that the bill be open to amendment in its entirety.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The bill reads as follows:

Be it enacted, etc., That upon the first day of the third month following the date of approval of this act the rate of postage on matter of the fourth class, except as otherwise herein provided, shall be as follows: On all matter mailed at the post office from which a rural route starts, for delivery on such route, or mailed at any point on such route for delivery at any other point thereon, or at the office from which the route starts, or on any rural route starting therefrom, and on all matter mailed at a city-carrier office, or at any point within its delivery limits, for delivery by carriers from that office, or at any office for local delivery, 8

cents for parcels weighing more than 8 ounces but not exceeding 12 ounces; 10 cents for parcels weighing more than 12 ounces but not exceeding 1 pound; and seven-tenths of 1 cent for each additional pound or fraction of a pound.

For delivery within the first or second zone, except as provided in the next preceding paragraph, 9 cents for parcels weighing more than 8 ounces but not exceeding 12 ounces; 11 cents for parcels weighing more than 12 ounces but not exceeding 1 pound, and 1.1 cents for each additional pound or fraction of a pound (and except where the distance by the shortest regular mail route from the office of origin to the office of delivery is 300 miles or more, in which case the rates of postage shall be the same as for delivery within the third zone).

For delivery within the third zone, 10 cents for parcels weighing more than 8 ounces but not exceeding 12 ounces; 12 cents for parcels weighing more than 12 ounces but not exceeding 1 pound; and 1.8 cents for each additional pound or fraction of a pound.

For delivery within the fourth zone, 10 cents for parcels weighing more than 8 ounces but not exceeding 12 ounces; 13 cents for parcels weighing more than 12 ounces but not exceeding 1 pound; and 2.9 cents for each additional pound or fraction of a pound.

For delivery within the fifth zone, 11 cents for parcels weighing more than 8 ounces but not exceeding 12 ounces; 14 cents for parcels weighing more than 12 ounces but not exceeding 1 pound; and 4.6 cents for each additional pound or fraction of a pound.

For delivery within the sixth zone, 11 cents for parcels weighing more than 8 ounces but not exceeding 12 ounces; 15 cents for parcels weighing more than 12 ounces but not exceeding 1 pound; and 6.5 cents for each additional pound or fraction of a pound.

For delivery within the seventh zone, 12 cents for parcels weighing more than 8 ounces but not exceeding 12 ounces; 16 cents for parcels weighing more than 12 ounces but not exceeding 1 pound; and 8.4 cents for each additional pound or fraction of a pound.

For delivery within the eighth zone and between the Philippine Islands and any portion of the United States, including the District of Columbia and the several Territories and possessions, 12 cents for parcels weighing more than 8 ounces but not exceeding 12 ounces; 17 cents for parcels weighing more than 12 ounces but not exceeding 1 pound; and 10.4 cents for each additional pound or fraction of a pound: *Provided*, That a fraction of a cent in the total amount of postage on an parcel shall be computed as a full cent: *Provided further*, That on parcels measuring more than 84 inches but not more than 100 inches in length and girth combined, the minimum postage charge shall be the zone charge applicable to a 10-pound parcel: *Provided further*, That the rate of postage on matter of the fourth class when mailed on rural routes shall be, for local delivery, 2 cents per parcel less than at the rates in this section, and, for delivery other than local delivery, 3 cents per parcel less than at the rates prescribed in this section: *Provided further*, That nothing in this act shall affect the rates of postage on books mailed by or to libraries and organizations or on permanently bound books consisting wholly of reading matter or of reading matter with incidental blank spaces for students' notations and containing no advertising matter other than incidental announcements of books, as prescribed by the act of June 30, 1942 (Public Law No. 636, 77th Cong.): *And provided further*, That nothing herein shall affect the postage rate on individually addressed catalogs and similar printed advertising matter as prescribed by Postmaster General's Order No. 25381, dated June 29, 1939, nor on publications circulated free or mainly free under the provisions of the act of June 5, 1934 (39 U. S. C. 293 (b), as amended by Postmaster General's Order No. 17122, dated February 13, 1942, pursuant to the authority contained in 39 U. S. C. 247).

SEC. 2. The classification of articles mailable, as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability under this section if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable, or to permanently render the cost of the service greater than the receipts of the revenue therefrom, he is hereby directed, subject to the consent of the Interstate Commerce Commission after investigation, to reform from time to time such classifications, weight limit, rates, zone or zones or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

SEC. 3. The provisions of existing law affected by the revision of postage rates set forth in section 1 of this act are hereby repealed as of the date the rates prescribed in section 1 hereof go into effect, such provisions being as follows:

Section 207 of the act of February 28, 1925 (43 Stat. L., p. 1067), as amended by section 7 of the act of May 29, 1928 (45 Stat. L., p. 941; U. S. C., title 39, sec. 293), and Postmaster General's Order No. 2388, dated April 7, 1932, pursuant to the authority in (39 U. S. C. 247).

Section 403, title IV, act of February 5, 1944 (58 Stat. 69), Public Law, 235, Seventy-eighth Congress, Revenue Act of 1943, insofar as it pertains to the rates of postage as revised in section 1 of this act.

The CHAIRMAN. The Clerk will read the committee amendment.

The Clerk read as follows:

Committee amendment: Page 4, line 22, strike out the figures "25381" and insert in lieu thereof "13098."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 6, line 3, strike out "February 5, 1944" and insert "February 25, 1944."

The committee amendment was agreed to.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there are some peculiar features about this bill. I do not know because I have not in front of me enough to pass on the question as to whether these new rates are higher or lower than the rates which are provided with the emergency addition, but I find that in the first and second zones the current statutory rate is continued. In the third zone a higher rate is provided for a package under 6 pounds but a lower rate for a package over 6 pounds. In the fourth zone a higher rate is provided for a package under 6 pounds, but when you get over 6 pounds it is a lower rate.

In the sixth zone a package up to 7 pounds is a higher rate, but over 7 pounds it is a lower rate.

In the seventh zone a package up to 4 pounds is a higher rate, but a package above 4 pounds is a lower rate.

In the eighth zone the same principle applies. Up to 4 pounds it is a higher rate. Above 4 pounds it is lower.

I am wondering why in the laying out of these proposed rates there is discrimination against the small parcels that the ordinary folks would be sending in favor of the larger parcels which the ordinary folks would not be using. I am wondering about that.

Mr. BURCH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Virginia.

Mr. BURCH. The gentleman's committee made an appropriation for all this.

Mr. TABER. Yes.

Mr. BURCH. There were certain estimates of cost made. Let us take zones 1 and 2 as an illustration; the benefit there is given the small packages. In computing the cost of handling the first and second zone for a 1-pound package it was put at 12 cents and on a 3-pound package, 14 cents. That is the cost. In this bill we allow 11 cents, 1 cent less.

Take the third zone as an illustration; the cost there is computed at 12 cents. We make it 12 cents. Taking a 6-pound package the cost is computed at 22 cents. We make it 21 cents.

When you come down to a 15-pound package the cost is computed at 39. We make it 39.

In the fourth zone for a 2-pound package the computed cost is 17 cents and the rate is 16 cents in this bill.

The cost of a 2-pound parcel in the fifth zone to handle is 20 cents. The proposed rate is 19 cents. A 4-pound package costs 29 cents. We make it 28 cents.

In other words, it is based on the handling of these different packages, and the benefit all through, I may say to the gentleman, has been given, as far as a comparison with cost is concerned, to the smaller packages.

Mr. TABER. The smaller packages are not treated as well as they are now. The smaller packages are at a higher rate in proportion than now. That is why I am wondering about it.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last two words and ask unanimous consent to proceed out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

RESPONSIBILITY FOR FOOD SHORTAGES

Mr. AUGUST H. ANDRESEN. Mr. Chairman, a large number of American citizens, who are not able to secure beef, pork, poultry, and eggs from legitimate dealers at ceiling prices, have been given a real lift in spirit over the appointment of our colleague, CLINTON P. ANDERSON, to the post of Secretary of Agriculture and War Food Administrator. Although Mr. ANDERSON will not take over until July 1, many people feel that he will be able to immediately provide them with nice juicy steaks and plenty of bacon, poultry, eggs, and sugar. I wish it were possible for him to do so, but miracles like that do not happen even in the present modern age. I therefore want to sound a word of caution to those who are not familiar with food production, processing, and distribution problems, but still believe in miracles. The laws of nature, which some present-day starry-eyed policy-makers have often tried to abrogate, must be observed, coupled with patient

and hard work on the part of millions of American producers, in order to secure an adequate supply of meat, poultry products, sugar, and other products.

The new Secretary of Agriculture has a big job ahead of him. I am convinced that if the President will give him complete authority over food production and distribution problems, the Nation will again be on its way to take care of the food requirements for both civilian and military needs. To secure results, confidence must be restored amongst producers. The many ill-conceived policies of the past years must be rescinded, and a fresh start made to encourage an abundance in the production of vital foods for distribution to consumers through normal and legitimate channels. This is no time for inexperienced administrators who, because of bungling methods and constant delays and bickering, are largely responsible for the present break-down in the Nation's food production and distribution system. The famine in meat, poultry, and sugar, which will continue and grow worse in the coming months, is largely due to improper planning by Washington bureaucracy, and the people are now paying the bill.

For the past 3 years, the Republicans of this House have strongly recommended a single experienced administrator to have full charge over the production, processing, rationing, and pricing of food. We urge the President to give this authority into the hands of the new Secretary of Agriculture. Order must be restored out of the present chaos. At the present time the War Food Administrator is subject to restraint, vetoes, and delays by 22 other Federal agencies. It is not surprising that Judge Marvin Jones, the present War Food Administrator, who has tried his utmost to do a good job, has become thoroughly disheartened by being forced to clear his food problem with the WPB, OPA, ODT, WSA, PAW, FEA, Army and Navy, the Inter-Agency Committee, O. W. M. & R., OES, SPB, SWPS, WMC, Selective Service, Veterans' Administration, RFC, Budget, WLB, OWI, and Departments of Justice, Treasury, State, and so forth. Is it to be wondered at, that our distribution system for food has broken down? What we need now is a fresh start, or the American people will go hungry for many, many months to come, and the black market will take complete control over the distribution of all scarce foods.

Chester Bowles, of the OPA, has just announced a decrease in meat supplies for civilian use for the month of June, as well as an increase of 10 points in the ration value of canned tomatoes and spinach. We also hear from the Chairman of the Senate Banking and Currency Committee that strict rationing of food may be continued until 1950, due to continued food shortage.

Is Chester Bowles the food czar at the present time? It appears to me that he has assumed control over food, as he makes no mention of the War Food Administration or any other agency in his announcement to the press of yesterday. I would like to know what Mr. Bowles is doing to provide labor and machinery to cultivate, harvest, and process the large acreage planted in tomatoes, spinach, corn, peas, and other vegetables? Does Mr. Bowles know that the acreage on vegetables for canning has been materially increased? Does he appreciate that it takes manpower and machinery to cultivate, harvest, and process the crop? Has he requested the War Manpower Commission to secure the additional supply of labor necessary to produce the tomatoes on which he has now raised the point value? Has he asked the Selective Service to defer essential farm workers in order to secure increased production? I want to know if Mr. Bowles is interested in securing an increase in production of canned tomatoes and other vital foods, or does he want continued scarcity so that he can continue strict rationing until January 20, 1949?

Labor and farm machinery to cultivate and process growing crops has become so vital, that unless provided, there may not be enough canned vegetables to even supply the armed forces in 1946.

Does Mr. Bowles appreciate or realize that our sugar supplies for this year, and particularly for the last 3 months of 1945 and 1946, are entirely dependent upon securing labor to cultivate, process, and harvest the crop? What is Mr. Bowles doing about securing this labor for the producers of the country? As far as I have been able to learn Mr. Bowles has not turned his hand to secure additional labor or more machinery for the producers of this country, and therefore, the major responsibility for the increasing scarcity of vital foods is directly chargeable to the OPA. In addition to the labor and machinery scarcity, Mr. Bowles has refused to recognize the intent of Congress which demands proper price ceilings and adequate margins for various types of producers in all food lines.

While the War Food Administration may be partly responsible for the situation in which we find ourselves, the major responsibility can be charged to the OPA for its failure to secure coordination, and for the constant bickering and delays in establishing policies to secure maximum production of all vital foods.

The people are entitled to find out who is responsible for the scarce supplies of meat, poultry, and sugar. Alibis and buck-passing from the WFA and OPA do not satisfy meat-hungry people who are forced to pay skyrocketing prices in what has now apparently become a legalized black market because of the failure of the OPA to prosecute big black-market operators. The growing scarcity of beef, pork, poultry, eggs, and sugar has encouraged the black market to come into full bloom on a Nation-wide scale, and Mr. Chester Bowles attempts to tell the people that if he had more money for his agency, the black market could be quashed. The OPA now has around $170,000,000 to carry on its activities, and it seems rather strange to most of us that some of the smaller violators have been picked up, and the big operator is permitted to go scot free. A few medium-sized violators have been indicted, but for some reason or other the cases are not brought to trial. I am beginning to wonder if political associations have anything to do with the constant delays in the prosecution of the large operators?

By midsummer of last year, both the WFA and OPA knew there would be a shortage of meat, fats and oils, and sugar in 1945, but very little was done by either agency to secure an increase in production of these vital foods, or to restore confidence among producers, processors, and distributors until the special committee of the House created in March to investigate food shortages, began its crusade for a change in policies so as to secure an increase in the production of vital foods. And what did these agencies do in the summer of 1944, when they knew that we were headed for a virtual famine in meat, fats, oils, and sugar? They lifted slaughtering restrictions. The OPA issued extra sugar stamps which used up an additional 800,000 tons of sugar, and made lard and 85 percent of all meat ration free, and it was not until some days after the Presidential and congressional elections on November 7 that they began the tightening-up process which finally wound up in the cancelation of red ration stamps, and also sugar stamps, on December 26. It is quite apparent that the civilian population is paying the campaign bill for the election spree of 1944.

While the American people are extremely generous when it comes to providing food for hungry people in all parts of the world, an additional and very important reason for the growing scarcity of vital foods in this country is due to the fact that we have been committed to supply a large portion of the food for 250,000,000 hungry people in the liberated and other countries of the old world. I am not at liberty to provide you with figures on the tremendous quantities of food which are being shipped to foreign lands. Such information is said to be a military secret. Why? I do not know. The war in Europe has been won. The big problem now is to feed and rehabilitate the people. The American people, who are being called upon to furnish the food and pay the bill, are entitled to full and complete information as to the amount and kind of food sent to each country. In addition, there should be a prompt reexamination of food commitments made to the military, lend-lease, UNRRA, and the Foreign Economic Administration to avoid duplication and waste. Furthermore, American food for hungry people should not be permitted to be used as a weapon for power politics by any country. Our Special Food Investigating Committee has strongly recommended a "review of all foreign commitments and proper adjustments to safeguard minimum allotments for United States civilian use." We are willing to share our food with the hungry people who have been liberated by American fighters, but I definitely insist that the people of the United States are entitled to have complete information as to what their government is doing in this respect.

Although food production has never been given a top priority in our war effort, we are rapidly learning that it will take an abundance of food to win the

peace and stop the spread of communism, pestilence, and political disintegration. From here on, food production should be given top priority, and an end should be made of every policy which discourages production and jeopardizes operations of all legitimate distributors.

There is only one solution in the coming food crisis, and that is, to secure an abundance of production. Abundance in supplies of vital foods is the only remedy to stop the black market and to prevent the vicious spiral of inflationary prices which threaten our country. This is the only remedy, and I am convinced that the new Secretary of Agriculture will effectively apply this remedy if he is given a free rein over all food problems. It is up to President Truman to clothe him with the necessary authority.

American farmers have demonstrated their ability and willingness to produce food in abundance. They will continue this effort, but to secure maximum results, confidence must be restored by putting into operation new policies which conform to customary production and business practices. President Truman now has the opportunity to wipe the slate clean and make a fresh beginning by lodging full authority over food problems in the hands of the new Secretary of Agriculture, who has demonstrated his ability to get results. Time is flying, and action must be taken now to avoid serious repercussions in the months to come and in 1946.

Mr. BUCK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, this bill is very encouraging to me. It indicates that there is at least some thinking in the Congress that Government services should pay their own way.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. COOPER, having assumed the chair, Mr. GOSSETT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 2502) readjusting the rates of postage on fourth-class mail matter, and for other purposes, pursuant to House Resolution 263, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. CHURCH) there were—ayes 63, noes 9.

So the bill was passed.

A motion to reconsider was laid on the table.

FURTHER MESSAGES FROM THE PRESIDENT

Sundry further messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries.

MAJ. WILLIAM PEYTON TIDWELL—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 1877, a bill for the relief of Maj. William Peyton Tidwell.

It is the purpose of the bill to pay the sum of $254.47 to Maj. William Peyton Tidwell, of Washington, D. C. This sum represents the difference between pay and allowances of $515.53, which he received as a major in the Army Specialists Corps while on military terminal leave during the period April 24, 1944, to May 29, 1944, and compensation in the amount of $770, which, except for the provisions of law regarding the payment of dual compensation, he might otherwise have received for his services during that period as Secretary of the Surplus War Property Policy Board.

While it is true that Major Tidwell might have waived his terminal leave as an Army officer and thereby become eligible to receive an appointment to the civilian position in question, and also true that the effect of the bill would be only to place him in the same civilian compensation status in which he would have been placed if he had waived his terminal leave as an Army officer, the fact remains that the proposed enactment would single out this officer for a retroactive benefit not accorded to other officers who have worked gratuitously in a civilian capacity during their terminal military leave; and it is for this reason that I feel obliged to withhold my approval of the bill.

I would be glad, however, to approve a general measure which would, from the date of its enactment, provide for all persons on terminal military leave at least as equitable a measure of relief as is proposed by the bill under consideration for this one person.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 31, 1945.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on Claims and ordered to be printed.

There was no objection.

CAPT. MILLARD L. TREADWELL—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 1016, for the relief of Capt. Millard L. Treadwell.

This bill would relieve Capt. Millard L. Treadwell, United States Army Air Forces, of all liability to refund to the United States the sum of $89.52, representing the cost of rail transportation furnished to him during the period September 3 to 8, 1940, by the War Department, incident to his being ordered to proceed from Fort Moultrie, S. C., to Vancouver Barracks, Wash., for the purpose of assuming his duties as company commander, Civilian Conservation Corps, and would authorize the payment to him of the sum of $21.25, representing per diem allowance in lieu of subsistence while making the journey.

It appears that in August 1940, Mr. Millard L. Treadwell was asked to report to Fort Moultrie, S. C., for appointment as a company commander in the Civilian Conservation Corps and for assignment in such capacity to Vancouver Barracks, Wash. He was so appointed on September 1, 1940, and departed on September 3, 1940, for Vancouver Barracks, using Government transportation requests in the sum of $89.52, and making claim for per diem allowance in lieu of subsistence in the amount of $21.25.

Upon review, the General Accounting Office disallowed the per diem claim and found the claimant indebteded to the United States in the sum of $89.52, upon the ground that Vancouver Barracks and not Fort Moultrie was the claimant's bona fide first post of duty, and that the cost of transportation and subsistence of a prospective employee in reporting to his first duty station was, in accordance with long-standing rules and regulations, to be borne by the prospective employee and not by the Government.

Since the claimant, who was a civilian at the time, was employed for the specific purpose of assignment as a Civilian Conservation Corps company commander at Vancouver Barracks, and remained at Fort Moultrie for less than 2 days, it would appear that Fort Moultrie was not intended to be his real first post of duty.

Approval of the bill would have the effect of granting to Captain Treadwell benefits which are denied by general law to other persons in cases where the facts are similar. There are no circumstances present in this case which would warrant singling it out for such preferential treatment.

Moreover, while the enactment purports to relieve the claimant from liability to refund the sum of $89,52, I am advised that the said sum already has been collected from the claimant by deduction from his pay and allowance account.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 31, 1945.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on Claims and ordered to be printed.

There was no objection.

LEGISLATIVE PROGRAM

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York

There was no objection.

Mr. TABER. Mr. Speaker, I ask for this time for the purpose of inquiring of the majority leader what the program is to be for the rest of today and for next week.

Mr. McCORMACK. Mr. Speaker, this afternoon two resolutions will be reported by the Committee on Rules, one relating to the bill reported by the Committee on Rivers and Harbors with reference to investigation and surveys of shores and beaches of the United States, and the other relating to the Committee on Territories. Those will be brought up this afternoon and that will complete the legislative business of the day. With reference to the legislative program for next week, on Monday the Consent Calendar will be called. There may be one or two bills called up under suspension of the rules. Then the appropriation bill relating to flood control will be taken up. I understand that the rule may be reported today and that it will probably provide for 1 hour of debate.

On Tuesday the Private Calendar will be called. The rule on the international monetary fund, Bretton Woods, will then be called up. It is hopeful that the consideration of that bill will be concluded on Wednesday because as I understand, the agreement is that general debate will not continue beyond 3:30 p. m. on Wednesday. That will not be specifically incorporated in the rule, but I believe the rule probably will provide for not more than 2 days general debate, but I believe the understanding between the chairman and the ranking member of the Committee on Banking and Currency is that general debate will be concluded on or before 3:30 p. m. on Wednesday and that the reading of the bill for amendment will commence at that time.

On Thursday and Friday the war agencies appropriation bill will come up.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I will be glad to yield to the gentleman.

Mr. COX. Referring to the Bretton Woods bill, the gentleman advised the membership that the committee would probably report a rule providing general debate should not continue more than 2 days.

I would like to say for the information of the gentleman and the House that the committee has not taken action, but there is a possibility, if not a probability, that provision will be made for 3 days of general debate.

Mr. McCORMACK. That information is inconsistent with the distinct understanding I had. I like to keep my understandings and I know that other gentlemen with whom I have understandings like to keep theirs. I had a distinct agreement that general debate would start on Tuesday and would continue not later than 3:30 on Wednesday. The understanding was with the minority leader. The understanding was also with the ranking member of the Committee on Banking and Currency and the chairman of that committee. So certainly it seems to me if there is any rule reported out contrary to that understanding, I should be consulted and at least advised, because I have to make the program for the House, based upon the understandings which I make. Of course, my remarks have no application to the gentleman from Georgia.

Mr. COX. I know that is true, because a question has just arisen in committee. I felt I should advise the gentleman of the situation at this moment.

Mr. McCORMACK. I am hopeful that the Committee on Rules, if they find that my statement is correct, and I think I have a distinct recollection of the understanding and agreement as to time, that the members on both sides of that committee will respect the understanding that has been made by the majority leader and the minority leader and also by the chairman and the ranking member of the Committee on Banking and Currency. Of course, I shall be governed by what the Rules Committee does. I know the Rules Committee is always willing to cooperate and accept as a piece of evidence that is worthy of consideration any agreements made between the leadership on both sides and also the chairman and ranking member of the committee concerned in the legislation that is to come up.

Mr. TABER. May I ask the gentleman if there is any program as to the legislative appropriation bill, when that may be brought before the House?

Mr. McCORMACK. I am very glad the gentleman asked that question. I will answer that. In the event the understanding I have referred to is carried out, then Bretton Woods will be on for Tuesday and Wednesday. Of course, if under the 5-minute rule it is not terminated on Wednesday it will go over until the next day. We all understand that.

Then after that the war agencies appropriation bill will be taken up. That is on the program for Thursday and Friday. If it is not finished it will be taken up again on Saturday. That bill will continue on Saturday unless it is disposed of. If it is disposed of on Friday, whether or not there will be something for next Saturday I will announce some day next week.

I am very anxious that appropriation bills be disposed of, because members of the Committee on Appropriations feel, and properly so, that bills started should not go over the week end.

June 30 is drawing near and shortly thereafter I am hopeful we will be able to have a recess. As far as I am concerned, it will be as early as possible and as long as it can possibly be, consistent with the legislative necessity that confronts the Congress and the country. That is only fair.

Now in response to the gentleman's question, the legislative appropriation bill will not be taken up on Monday or Tuesday. I cannot say beyond that. I do not think it will come up on Wednesday. In any event, I can definitely state to the House it will not be taken up on Monday or Tuesday. It is my frank opinion that it will not be taken up on Wednesday, and in all probability not before Thursday. But I definitely promise the House it will not be taken up Monday or Tuesday. Does that answer the gentleman?

Mr. TABER. Yes; I think so. I may say that the Appropriations Committee has a deficiency bill in process that will require at least 10 days of hearings. We have a schedule ahead of us.

Mr. McCORMACK. I thank the gentleman very much for the inquiry.

SPECIAL ORDER VACATED

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I have a special order for this afternoon, but having given my remarks during the consideration of the bill just passed I ask unanimous consent that the special order be vacated.

The SPEAKER pro tempore. Without objection, the special order will be vacated.

There was no objection.

EXTENSION OF REMARKS

Mr. RANDOLPH asked and was given permission to extend his own remarks in the RECORD and to include therewith certain letters and material pertinent to the subject of international peace.

Mr. JONKMAN asked and was given permission to revise and extend his remarks.

INVESTIGATION OF BEACH EROSION BY COMMITTEE ON RIVERS AND HARBORS

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 256 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Committee on Rivers and Harbors of the House of Representatives is authorized and directed to conduct an investigation and survey of certain shores and beaches in the United States with a view to determine if legislation should be enacted providing for protection against erosion by storms, waves, currents, and other causes.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigation, together with such recommendations as are deemed desirable.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places, whether or not the House is sitting, has recessed, or adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee or any members thereof may administer oaths to witnesses.

Mr. COX. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and yield myself one-half minute.

The SPEAKER pro tempore. The gentleman from Georgia is recognized.

Mr. COX. Mr. Speaker, the Committee on Rules was influenced to report this resolution upon the strength of a statement made by the chairman of the Committee on Rivers and Harbors.

Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD of Texas. Mr. Speaker, the purpose of this resolution is to authorize the Committee on Rivers and Harbors, or preferably a subcommittee thereof, to visit some of the beaches of the United States on this question of beach erosion. The law has been in existence for a number of years authorizing an investigation of it.

The damage in many places has become very great, especially on the New Jersey coast, the California coast, some places on the Gulf coast, and particularly on the shores of Lake Erie, and at Milwaukee on Lake Michigan.

The purpose is to have a personal investigation of this by the committee. I may say that during the 28 years I have been on that committee this is the first time it has ever asked for a consideration of this kind except when we went to Canada to look over the St. Lawrence a few years ago. I think the expense involved in going up there was money well spent.

Mr. Speaker, this is a new proposition. We have not made any expenditure on matters of this kind except for surveys up to this time and it is very important, in my opinion, for the committee to have some personal knowledge of it. This will be the best way to get that knowledge.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD of Texas. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. As I understand it, none of the members of the gentleman's committee are going to travel between now and the recess of the Congress?

Mr. MANSFIELD of Texas. That is correct, except on the Jersey coast.

Mr. McCORMACK. No traveling that will take them away for any protracted period?

Mr. MANSFIELD of Texas. Except to New Jersey, no travel is contemplated unless we have a vacation.

Mr. McCORMACK. A recess, as far as I am concerned, we are going to have a recess. I will take that responsibility insofar as I am able when the legislative business is over.

Mr. MANSFIELD of Texas. The gentleman will have lots of help on that.

Mr. ALLEN of Illinois. Mr. Speaker, there is no objection to this resolution on this side. We all know that the gentleman from Texas, JUDGE MANSFIELD, would not make such a request unless it were necessary and sound.

Mr. COX. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to and a motion to reconsider was laid on the table.

INVESTIGATION BY COMMITTEE ON TERRITORIES

Mr. COX. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 236 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas the recent trend of world affairs, including rapid changes in methods of commerce, transportation, and communications, have brought to the forefront vitally important questions relating to the Territories of Alaska and Hawaii; and

Whereas the Territories of Alaska and Hawaii are evidently bound to play an increasingly important part in the various phases of the life of our Nation; and

Whereas there is growing demand for a revision of the Organic Acts under which these Territories are governed; and

Whereas constant requests are being made on the part of the citizens and legislative bodies of these Territories for changes in various features of their legislative, judicial, and administrative laws; and

Whereas many inquiries are being made as to the availability within the Territories of areas suitable for homesteads; and

Whereas this question of providing homesteads within the Territories, especially Alaska, for men in the armed forces of our country, as well as for others interested in settling within the Territories, is one of growing importance and is deserving of careful and immediate attention; and

Whereas immediate inquiry seems to be essential into the matter of establishing small businesses in Alaska, and in determining new opportunities in fishing, lumbering, fur farming, and mining industries, as well as other industrial and agricultural opportunities; and

Whereas all these matters, as well as other important questions relating to these Territories which will most likely arise during the years immediately following the termination of the war, warrant a most careful study of the laws and policies by which these Territories are governed and the need for revision of these laws and policies in order to meet changed conditions; and

Whereas it has been many years since the Congress has had a thorough survey made of the conditions generally as they prevail in these Territories; and

Whereas in order for the Congress to give proper consideration to all of these matters, it appears most advisable that the Congress have a more intimate knowledge of the existing conditions within the Territories: Therefore be it

Resolved, That the Committee on the Territories, acting as a whole or by a subcommittee or subcommittees, is authorized and directed to conduct a study and investigation of the various questions and problems relating to the Territories of Alaska and Hawaii.

The committee shall report to the House (or to the Clerk of the House if the House is not in session), as soon as practicable during the present Congress, the results of its investigation, together with such recommendations as it deems advisable.

For the purpose of this resolution, the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee, or of any subcommittee, and may be served by any person designated by such chairman.

Mr. COX. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and for the moment I yield to the gentleman from Georgia [Mr. PETERSON] such time as he may desire.

Mr. PETERSON of Georgia. Mr. Speaker, this resolution clearly sets forth what the committee wishes to do. It provides that the House grant authority to the Committee on the Territories to more efficiently perform its duties.

Many vitally important issues have arisen relating to our Territories, particularly within the last few years, and we feel very strongly that these matters should be very closely studied and investigated. It is for these purposes that the pending resolution has been presented by me as chairman of the committee at the request of the committee.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. PETERSON of Georgia. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. Does the gentleman's committee contemplate making any examination to see whether or not the various police activities in the Territory of Alaska, for instance, may be consolidated and unified?

As I understand it, they have several different constabularies operating in that Territory. One has to do with game, one has to do with timber, and so forth. Does the gentleman contemplate making any examination to ascertain in regard to that matter?

Mr. PETERSON of Georgia. That would come within the purview of the resolution and the committee hopes to take that matter up as well as several other equally important matters that are now pending and which, in the opinion of the committee, should be looked into very carefully.

Mr. ALLEN of Illinois. Mr. Speaker, I have talked with the members of the minority on the Committee on Territories, and there is no opposition to this resolution. I hope it will be passed unanimously.

Mr. McCORMACK. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a letter from the War Food Administration.

Mr. THOM asked and was given permission to extend his remarks in the RECORD and to include a speech he delivered on Decoration Day at Newcomerstown, Ohio.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HEDRICK, for 3 days, on account of official business.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House

of the following titles, which were thereupon signed by the Speaker:

H. R. 1804. An act to amend the act of Congress entitled "An act for the relief of the Tingit and Haida Indians of Alaska," approved June 5, 1942; and

H. R. 2600. An act to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 46 minutes p. m.) the House, under its previous order, adjourned until Monday, June 4, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON ROADS

There will be a meeting of the Committee on Roads at 10:30 a. m., Monday, June 4, 1945, in Room 1011, New House Office Building, to resume hearings on H. R. 2840.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, June 5, 1945, at 10 o'clock a. m., at which time testimony will be heard on H. R. 170.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 o'clock a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary will conduct hearings on Friday, June 15, 1945, beginning at 10 a. m., on the bills H. R. 33 and H. R. 3338, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees: method of appointing, compensation, etc.). The hearing will be held in the Judiciary Committee room, 346 House Office Building.

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 125, House Joint Resolution 128, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles." The hearings will be held in the Judiciary Committee room, 346 House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

524. Under clause 2 of rule XXIV, a letter from the Archivist of the United States transmitting a report on records proposed for disposal by various Government agencies, was taken from the Speaker's table and referred to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANHAM: Committee on Public Buildings and grounds. H. R. 3322. A bill to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; without amendment (Rept. No. 651). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON of Missouri: Committee on Appropriations. House Joint Resolution 208. Resolution making an appropriation for emergency flood-control work, and for other purposes; without amendment (Rept. No. 652). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 3368. A bill making appropriations for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 653). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON of Florida: Committee on Rivers and Harbors. H. R. 2032. A bill authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936; with amendment (Rept. No. 654). Referred to the Committee of the Whole House on the State of the Union.

Mr. BATES of Kentucky: Committee on Rules. House Resolution 279. A resolution providing for the consideration of House Joint Resolution 208, a joint resolution making an apropriation for emergency flood control work, and for other purposes; without amendment (Rept. No. 655). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 280. A resolution providing for the consideration of H. R. 3314, a bill to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development; without amendment (Rept. No. 656). Referred to the House Calendar.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 2732) granting an increase of pension to Matthew Henson; Committee on Pensions discharged and referred to the Committee on Invalid Pensions.

A bill (H. R. 3259) granting a pension to Matthew Henson; Committee on Pensions discharged and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII,

Mr. BUCK introduced a bill (H. R. 3367) to amend Public Law 44, Seventy-eighth Congress, as amended, which was referred to the Committee on the Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. McGEHEE introduced a bill (H. R. 3369) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the naval auxiliary air station, Pungo, Norfolk, Va., on February 13, 1945, which was referred to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

825. By Mr. COCHRAN: Petition of Buford D. Cook and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

826. Also, petition of William Bierman and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

827. Also, petition of Buelah Mann and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

828. Also, petition of W. H. Werne and 26 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

829. Also, petition of E. L. Bugg and 27 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

830. By Mr. GEELAN: Resolution adopted by the State of Connecticut General Assembly, memorializing Congress in behalf of an amendment to the Constitution concerning the ratification of treaties; to the Committee on the Judiciary.

831. By Mr. LUTHER A. JOHNSON: Petition of Wade Watson, Hillsboro, Tex., suggesting amendments to the Emergency Price Control Act; to the Committee on Banking and Currency.

832. Also, petition of Hon. William C. Morrow of Hillsboro, Tex., favoring House bill 2536; to the Committee on Interstate and Foreign Commerce.

833. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, urging increase of subsistence allowances for war veterans while pursuing educational courses; to the Committee on Military Affairs.

834. Also memorial of the General Court of Massachusetts, urging enactment of unemployment insurance for the maritime service; to the Committee on Ways and Means.

835. By Mr. SHEPPARD: Memorial of the Senate of the Legislature of California relative to memorializing the officers and agencies of the Federal Government to take immediate action for the conversion of the Kaiser steel plant at Fontana, Calif., to a peacetime industry; to the Committee on Postwar Economic Policy and Planning.

836. By Mr. WELCH: Senate Joint Resolution 19 of the California Legislature, relative to memorializing Congress to maintain the existing gold reserve ratios and to enact legislation to increase the monetary value of gold; to the Committee on Banking and Currency.

837. Also memorial of the Senate of the Legislature of California, relative to memorializing the officers and agencies of the Federal Government to take immediate action for the conversion of the Kaiser steel plant at Fontana, Calif., to a peacetime industry; to the Committee on Postwar Economic Policy and Planning.

838. By the SPEAKER: Petition of the board of directors of the Chamber of Commerce of Leavenworth, Kans., peititioning consideration of their resolution with reference to the formation of a Missouri Valley Authority; to the Committee on Rivers and Harbors.

SENATE

MONDAY, JUNE 4, 1945

(Legislative day of Thursday, May 31, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou whose throne is truth, frail creatures of dust, serving out our brief day on the world's vast stage, we would set our little lives in the midst of Thine eternity and feel Thy greatness and Thy peace. Though other helpers fail and comforts flee and bitter loss darkens our path, let the noontide of Thy grace and love remain, for—

"We fear no foe, with Thee at hand to bless;
Ills have no weight, and tears no bitterness."

And now, seeing in the fair and firm fabric of the Nation's life that we are compassed about by so great a cloud of witnesses to the reality and glory of God, steady our hands as to us is handed on the torch of righteousness with a new commission in this Thy glorious day, "Arise, shine, for thy light is come, and the glory of the Lord is risen upon thee." In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, June 1, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the joint resolution (S. J. Res. 66) to extend the statute of limitations in certain cases, with an amendment in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2502. A bill readjusting the rates of postage on fourth-class mail matter, and for other purposes; and

H. J. Res. 206. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

NOTICE OF MEETING OF CONGRESSIONAL WAR PARENTS' ASSOCIATION

Mr. O'DANIEL. Mr. President, as vice president of the Congressional War Parents' Association, I want to notify the Senators and Members of Congress, through the medium of the CONGRESSIONAL RECORD, of a meeting of the Congressional War Parents' Association to be held on Wednesday, June 6, at 4 in the afternoon.

The meeting will be held in the Appropriations Committee room of the House of Representatives. We would appreciate as good attendance of Senators as possible.

NOTICE OF ADDRESS ON CONDITIONS IN THE PHILIPPINES

Mr. TYDINGS. Mr. President, as the Senate knows, the Commission appointed by President Truman to visit the Philippine Islands has returned to Washington. Some time today I hope to have a chance to talk with the President about it, but on Thursday when the Senate convenes, or as soon after it convenes as I may obtain the floor, I should like to tell the Senate what we saw, what the conditions are, and, in a general way, what our recommendations are in reference to the Philippines, past, present, and future. I hope Senators may find it possible to be present, because it is very difficult to get an understanding of the Philippines without going there, and therefore I have brought back many photographs and other pertinent data, which I am hopeful will be helpful in assisting us to find a solution to the problems of the Philippines insofar as they are related to our own. Therefore, next Thursday, as soon after the Senate meets as possible, I shall try to tell those who may do me the honor to be present what we encountered on our mission, some of the things that have been going on in the Philippines, prospects for the future, and some solutions which we respectfully but humbly suggest as applicable to the present situation.

LEAVE OF ABSENCE

Mr. BARKLEY. Mr. President, I ask unanimous consent that the senior Senator from North Carolina [Mr. BAILEY] be excused from attendance in the Senate during the present week on account of important public business.

The PRESIDENT pro tempore. Without objection, the leave is granted the senior Senator from North Carolina.

CHRISTENING AND COMMISSIONING OF AIRCRAFT CARRIER "LAKE CHAMPLAIN"—CAPTAIN RAMSEY'S MESSAGE

Mr. AUSTIN. Mr. President, on yesterday in a double ceremony conducted at the Norfolk Navy Yard at Portsmouth, Va., the aircraft carrier *Lake Champlain* was made a living unit of the greatest fleet the world has ever seen. I observed while visiting the navy yard for 2 days the remarkable achievements that are now going forward under the very expert and highly qualified leadership of Rear Admiral C. H. Jones and an excellent—I would say superior—staff of experts. I took some pains to notice the personnel, the manpower, the masters, the manner in which the business of that great yard was being conducted, and I wish to testify from personal observation that I think it is one of the most magnificent operations I have ever seen, and I believe it to be one of the finest operations of this character that our Navy has ever undertaken. This great ship, the *Lake Champlain*, is a further evidence of the efficiency of the officers, masters, and the men who have been building up a large part of the Navy of the United States at the Norfolk Navy Yard.

In the course of this dual ceremony involving both the christening and commissioning of the vessel, which was the first one of its kind that has ever occurred in the case of a ship of this size, an address was delivered by Capt. Logan Ramsey, who commands this ship. Although brief, this was a very inspiring address, and the full complement of the ship was there on the flight deck to receive his message. There was also a large audience seated on this vast plane carrier. To show how simple and direct it was, I want to say that my grandson, of the age of 14, sitting beside me, leaned over at the end of the speech and said, "Even Ned and I understand that." I think that the address delivered by Captain Ramsey is of such stimulating value that I ask unanimous consent that it be published in the RECORD at this point.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Officers and men of *Lake Champlain*, you and I have become members of the ship's company assigned to this aircraft carrier of the *Essex* class. All of our sister ships have the same size, outward appearance, and general characteristics. Yet this new carrier of ours is, in many respects, quite different from the original *Essex*. Alteration after alteration has been made in the basic design—all derived from the combat experience of the fast carrier task forces. Our armament, both offensive and defensive, has been increased, our protection against battle damage has been strengthened, and our equipment has been improved and augmented.

Conservatively speaking, our striking power is half again that originally possessed by *Essex*. We will be materially better equipped to repel hostile attacks and to resist battle damage than was U. S. S. *Franklin*. Incor-

porated into the structure of this new home of ours are the latest design improvements that the brains of America could conceive, the finest equipment that its wealth could buy, and the soundest construction its brawn could build. Therefore it is my considered opinion that, today, the finest aircraft carrier ever built is the U. S. S. *Lake Champlain*.

This ship was made possible by the purchase of War bonds by the citizens of New York. It was built by the New Construction Department of the Norfolk Navy Yard. Hundreds of companies throughout the United States have supplied material for her machinery and her equipage. But now these and all others who have contributed to the building of this vessel have finished their task. They have given this ship of ours everything it requires with one exception—life. That is our job.

In a few moments, when the watch is set, *Lake Champlain* will become a distinct entity. Its personality will be formed by the integration of our individual strengths and weaknesses. From that moment on our personal desires, hopes, and ambitions will be of secondary importance to the welfare and fighting efficiency of the ship.

Each of us has been given training in the individual duties assigned us on board. Each of us must now learn how to coordinate his efforts with those of the man at the next battle station. We must work together, live together, learn together, and think together in order that we may fight together effectively. Our teamwork must be developed to the point where no officer or man is indispensible. Regardless of who may become incapacitated, there must be a trained relief ready to step in and take over so that *Lake Champlain* may continue in action and to inflict damage on the enemy.

Yet it is incumbent upon us to realize the importance of the individual—no matter what his duty may be. Each of you has been assigned a task that definitely contributes to our general welfare and a battle station which permits him to add to the battle efficiency of the ship. Remember that—and remember it always.

When we join the fleet, *Lake Champlain* is going to be judged by a very high standard—the one set by the other fast carriers who have preceded us into action. While it will be most difficult to equal their superb performance we can, and will, succeed.

Our course is set—the task ahead clearly defined. As your commanding officer, I face the future with pride and confidence—pride in this magnificent ship of ours and confidence in you—its crew. For I feel certain that, when the last battle of the war has been fought and *Lake Champlain* hoists her homeward bound pennant, you will have earned the right to say—

"I have fought a good fight,
I have finished my course.
I have kept the faith."

Commander DeWolfe—Set the watch.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report stating all of the facts and pertinent provisions of law in the cases of 201 individuals whose deportation has been suspended for more than 6 months under the authority vested in him, together with a statement of the reason for such suspension (with accompanying papers); to the Committee on Immigration.

PERSONNEL REQUIREMENTS

A letter from the executive assistant to the Secretary of Commerce, transmitting, pursuant to law, revised estimates of personnel requirements for the Bureau of the Census for the quarter ending June 30, 1945 (with accompanying papers); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

"Senate Joint Resolution 19

"Joint resolution relative to memorializing Congress to maintain the existing gold reserve ratios and to enact legislation to increase the monetary value of gold

"Whereas the State of California is the leading gold-mining State in the Union, producing over $45,000,000 in virgin gold during the last year of unrestricted operation before the war, with many of its communities existing because, and dependent upon, this industry; and

"Whereas any congressional action in regard to gold reserve ratios or gold valuation is of vital and special interest to California, particularly when cost of labor, materials, and equipment makes gold mining less profitable; and

"Whereas there is now pending before Congress S. 510, by Senator WAGNER, to reduce the gold reserve ratios provided by the Federal Reserve Act of 1913, in order that currency may be expanded; and

"Whereas as an alternative to such action, Representative ENGLE has introduced H. R. 2343 and Senators MCFARLAND and SCRUGHAM have introduced S. 649, to continue existing gold reserve ratios required to be maintained against Federal Reserve notes in actual circulation and Federal Reserve bank deposits, by increasing the monetary value of gold; and

"Whereas by the latter proposal the dollar value of gold will be increased in precisely the same proportion and permit issuance of the same amount of currency as would be possible by reducing the reserve requirement, but without the inflationary dangers presented by the Wagner plan, and will at the same time benefit the gold-mining industry and do no harm in the international field: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature hereby expresses its opposition to S. 510 of the Seventy-ninth Congress, first session, and its approval of H. R. 2343 and S. 649 of said Congress, and hereby respectfully memorializes the President and the Congress of the United Statese to so act that the purpose sought to be achieved by H. R. 2343 and S. 649 may be effected; and be it further

"*Resolved*, That the Secretary of the Senate is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Federal Reserve Board."

A resolution adopted by the Oswego Advisory Committee, Fort Ontario Shelter, Oswego, N. Y., relating to the care of European war refugees at Fort Ontario Shelter, Oswego, N. Y.; to the Committee on Immigration.

By Mr. THOMAS of Oklahoma:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Senate Concurrent Resolution 10

"Concurrent resolution memorializing Congress to amend the Federal income-tax law so that it will not discriminate against 40 States including Oklahoma, in favor of the 8 States having community property laws

"Whereas the Federal income-tax laws for years have made a discrimination in favor of the 8 community property States and against 40 States including Oklahoma; and

"Whereas the Secretary of the Treasury of the United States in 1937 pointed out that the loss of revenue to the Federal Government due to this unjustifiable discrimination against the residents of 40 States amounts to millions of dollars; and

"Whereas said discrimination in favor of the residents of community property States has become increasingly sharp as Federal surtax rates have increased, and is now grossly unfair to Oklahoma and the other 39 States similarly situated; and

"Whereas due to this discrimination in the Federal income-tax law the State of Oklahoma may lose many of its residents to the State of Texas where they may cause one-half of their incomes to be reported by their wives and thus avoid paying the higher income taxes they would have to pay on the same income if they remained in Oklahoma; and

"Whereas it is evident that the Federal income-tax law should be amended to set aside this unjust and unreasonable discrimination and to provide that Federal income taxes shall be collected on the same basis, and in the same amount regardless of whether such income is earned by a resident of one of the 8 community property States or by a resident of one of the 40 States not having the community property system: Now, therefore, be it

"*Resolved by the Senate of the Twentieth Legislature of the State of Oklahoma (the House of Representatievs concurring therein)*:

"SECTION 1. That the Congress of the United States of America be and it is hereby memorialized to amend the Federal income-tax law so that it will not discriminate against the 40 States of the Union not having the community property system in favor of the 8 States having community property laws, but will provide that Federal income taxes shall be collected on the same basis and in the same amount regardless of whether such income is earned by a resident of 1 of the 8 community property States or by a resident of 1 of the 40 States not having the community-property system.

"SEC. 2. That the Members of the Oklahoma delegation in Congress be, and they are hereby, requested to diligently endeavor to have the Congress of the United States of America amend the Federal income-tax law as herein requested.

"SEC. 3. That the secretary of the senate be, and he is hereby, directed to forward a copy of this resolution to each House of the Congress of the United States of America, and to each Member of the Oklahoma delegation in Congress."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Indian Affairs:

"Senate Concurrent Resolution 24

"Concurrent resolution memorializing the Congress of the United States of America to speedily enact legislation to create an Indian Claims Commission for the special purpose of considering, adjusting, and settling Indian claims against the Government

"Whereas for many years Indian tribal claims involving millions upon millions of dollars have been prosecuted against the United States Government without satisfactory results to either the Government or to the Indians, and until these claims are settled or adjusted they will continue to be prosecuted at an enormous expense to both the Government and the Indian tribes; and

"Whereas the administration of Indian affairs in the United States is being continually hamstrung because of these pending claims, which involve the broad proposition of Government guardianship over its Indian wards, and not until said claims have been

settled or adjusted may it be reasonably expected that this obstacle will be leveled; and

"Whereas the basis of these claims emanate from solemn treaties entered into between the United States and many of the Indian tribes, and at this time when our Nation is fighting to maintain national and international integrity, it is well to lay a proper predicate at home for carrying out solemn obligations in order that the example might well be followed all over the world; and

"Whereas the two major political parties in their respective platforms in 1940 advocated and recommended that some effective legislation be enacted for the purpose of settling and disposing of Indian claims. The Democratic platform providing as follows:

"'We favor and pledge the enactment of legislation creating an Indian Claims Commission for the special purpose of entertaining and investigating claims presented by Indian groups, bands, and tribes, in order that our Indian citizens may have their claims against the Government considered, adjusted, and finally settled at the earliest possible date.'

"And the Republican platform provided as follows:

"'We pledge an immediate and final settlement of all Indian claims between the Government and the Indian citizenship of the Nation'; and

"Whereas the passage of such proposed legislation will keep faith with such pledges; and

"Whereas the present procedure for handling Indian claims is inadequate, expensive, and unsatisfactory, and in all likelihood the Court of Claims will be overburdened and cluttered with claims arising out of the present war; and

"Whereas the Honorable W. G. STIGLER, Congressman from the Second District of Oklahoma, has introduced in the House of Representatives House bill 1198, the provisions of which are in keeping with the foregoing pledge of the major political parties; and

"Whereas the enactment of such a bill will provide a feasible and expeditious method for disposing of Indian claims against the United States: Now, therefore, be it

"Resolved by the State Senate of the State of Oklahoma (the House of Representatives of the said State concurring therein), That the Congress of the United States be, and it is hereby, memorialized to speedily enact legislation to accomplish these purposes in keeping with the foregoing pledges; be it further

"Resolved, That a copy of this resolution be furnished each member of the Oklahoma delegation in Congress, and the chairman of the Committee on Indian Affairs of the House of Representatives of the United States, and of the Senate of the United States, and the Commissioner of Indian Affairs and the Secretary of the Interior."

INVESTIGATION OF VETERANS' ADMINISTRATION

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD, a resolution adopted at the regular meeting of Tim Running Post No. 24, American Legion, held at Devils Lake, N. Dak., on May 7, 1945, favoring an investigation of the Veterans' Administration.

There being no objection, the resolution was received, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas it has come to our attention that certain charges have been made against the Veterans' Administration, charging that the Administration is entwined with red tape and so immune to new ideas in treatment and otherwise that delays, neglect, inefficiency, and callous indifference to human values have characterized its operations; and

Whereas an investigation of the Veterans' Administration is now pending, so that the truth of these charges may be determined; and

Whereas it has further been charged that the power and authority of the Veterans' Administration is too centralized in Washington so that inefficiencies and delays occur: Now, therefore, be it

Resolved, That we favor the thorough investigation of the Veterans' Administration, so that the truth or falsity of these charges may be determined and so that the Veterans' Administration may be made more competent to render services for the returning veterans; and be it further

Resolved, That we ask our Senators and Representatives in Congress to aid and assist in such investigation to see that the Veterans' Administration is so constituted so as to give prompt, efficient and sympathetic consideration to the veterans of all wars, and that a copy of this resolution be sent to our two Senators and Representatives in Congress.

MAXWELL BOYD,
Post Commander.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. ELLENDER, from the Committee on Claims:

H. R. 2001. A bill for the relief of Betty Ellen Edwards; without amendment (Rept. No. 323); and

H. R. 3074. A bill for the relief of the heirs of Henry B. Tucker, deceased; without amendment (Rept. No. 324).

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate reports for the month of May 1945, from the acting chairman and chairmen of certain committees, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the table and to be printed in the RECORD, as follows:

APPROPRIATIONS

JUNE 4, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of May, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
John F. Feeney	1425 Rhode Island Ave. NW	General Accounting Office, Washington, D. C	$6,400
Harold E. Merrick	906 Aspen St. NW	do	4,800
Thomas J. Scott	1210 34th St. SE	Federal Bureau of Investigation, Department of Justice, Washington, D. C.	4,800
Mrs. Mamie L. Mizen	1434 Saratoga Ave	District of Columbia government	3,200

KENNETH MCKELLAR, *Acting Chairman.*

SUBCOMMITTEE ON WARTIME HEALTH AND EDUCATION

JUNE 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of May, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Lauretta April	2714 Quarry Rd. NW., Washington, D. C	War Production Board, 3d and Independence Ave. SW	$3,200
Groff Conklin	514 2d St. NW., Washington, D. C	do	5,600
Philip C. Curtis	4303 Russell Ave., Mount Ranier, Md	Navy Department, 18th and Constitution Ave. NW	3,800
Richard P. Daniels	1743 Columbia Rd. NW., Washington, D. C	Federal Public Housing Authority, 1201 Connecticut Ave. NW	1,440
Marion Dillon	3659 Minnesota Ave. SE., Washington, D. C	Navy Department, 18th and Constitution Ave. NW	3,200
Ruth Fine	804 Houston Ave., Takoma Park, Md	Federal Public Housing Authority, 1201 Connecticut Ave. NW	2,000
Rose Gerber	2513 14th St. NE., Washington, D. C	Navy Department, 18th and Constitution Ave. NW	2,000
Joseph McMurray	120 C St. NE., Washington, D. C	Department of Labor, 14th and Constitution Ave. NW	4,600
Carl Malmberg	1813 F St. NW., Washington, D. C	Federal Security Agency, 1825 H St. NW	5,600
Love Morgan	1607 18th St. SE., Washington, D. C	Veterans' Administration, Vermont Ave. and I St. NW	2,000
Ruth Morgenstein [1]	3022 Rodman St. NW., Washington, D. C	do	2,600
Sari Schwartz	1701 16th St. NW., Washington, D. C	Federal Public Housing Authority, 1201 Connecticut Ave. NW	2,000
Lt. Leslie Falk, AUS, Medical Corps.	2804 Terrace Rd. SE., Washington, D. C	U. S. Army, Pentagon Bldg	2,000
Lt. Comdr. John B. Truslow, Medical Corps, USNR.	2007 Peabody St., West Hyattsville, Md	U. S. Navy, 18th and Constitution Ave. NW	3,000

[1] On extended leave without pay.

CLAUDE PEPPER, *Chairman.*

UNITED STATES SENATE,
COMMITTEE ON MILITARY AFFAIRS,
May 31, 1945.

Hon. KENNETH MCKELLAR,
President, United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: Pursuant to Senate Resolution 319, I am transmitting herewith a list of employees of the War Contracts Subcommittee of the Senate Committee on Military Affairs who are not full-time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the department paying the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,
JOSEPH C. O'MAHONEY,
Chairman, War Contracts Subcommittee.

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Kurt Borchardt	6007 34th Pl. NW, Washington, DC	Smaller War Plants Corporation, Washington, D. C	$5,600
Ward Bowman [1]	Wilton Woods, Alexandria, Va	Justice Department, Washington, D. C	6,500
Bertram M. Gross	613 South Quincy St., Arlington, Va	Navy Department, Washington, D. C	8,000
Hilda Hamilton	705 18th St. NW., Washington, DC	Reconstruction Finance Corporation, Washington, D. C	2,200
Doris Phippen	40 Plattsburgh Court NW., Washington, D. C	Navy Department, Washington, D. C	2,200

[1] Mr. Bowman devoted approximately 50 percent of his time to the subcommittee.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER:

S. 1084. A bill for the relief of John C. May and Eva Jenkins May; to the Committee on Claims.

By Mr. THOMAS of Oklahoma (for himself and Mr. MOORE):

S. 1085. A bill to provide for payment of travel and other expenses of members of the tribal council, business committees, or other tribal organizations, of the Osage Tribe of Indians in Oklahoma;

S. 1086. A bill to prohibit the collection of fees by the Secretary of the Interior for administration of the funds of restricted Indians; and

S. 1087. A bill to amend section 27 of the act of May 18, 1916 (39 Stat. 159), an act making appropriations for the Bureau of Indian Affairs for the fiscal year ending June 30, 1917; to the Committee on Indian Affairs.

(Mr. WILEY introduced Senate bill 1088, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. LANGER:

S. 1089. A bill to amend the act entitled "An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended," approved January 24, 1942, and for other purposes; to the Committee on Civil Service.

S. 1090. A bill to amend title III of the Servicemen's Readjustment Act of 1944 so as to increase the limitation on amounts of loans which may be guaranteed by the Administrator of Veterans' Affairs under such act; to the Committee on Finance.

S. 1091. A bill relating to venue in prosecutions for offenses against the laws of the United States; to the Committee on the Judiciary.

S. 1092. A bill to prohibit the appointment of persons of less than one-half Indian blood to the Office of Commissioner of Indian Affairs; and

S. 1093. A bill to provide for removal of restrictions on property of Indians who serve in the armed forces; to the Committee on Indian Affairs.

S. 1094. A bill to amend the Railroad Retirement Act of 1937, as amended, so as to provide for retirement of individuals who are 63 years of age or over and who have completed 40 years of service; to the Committee on Interstate Commerce.

S. 1095. A bill to amend the Mustering-Out Payment Act of 1944 so as to increase the amounts payable under such act; to the Committee on Military Affairs.

S. 1096. A bill to establish the methods of advancement for post-office employees in the field service; to the Committee on Post Offices and Post Roads.

JURISDICTION OF CIRCUIT COURT OF APPEALS IN HABEAS CORPUS PROCEEDINGS

Mr. WILEY. Mr. President, I ask unanimous consent to introduce, for appropriate reference, a bill to relieve judges of the circuit court of appeals of jurisdiction to grant writs of habeas corpus. I ask that the bill be printed in the RECORD.

There being no objection, the bill (S. 1088) to relieve judges of the circuit courts of appeal of jurisdiction to grant writs of habeas corpus was received, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That subsection (a) of section 6 of the act entitled "An act to amend the Judicial Code, and to further define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes," approved February 13, 1925, is amended to read as follows:

"(a) In a proceeding in habeas corpus in a district court, or before a district judge, the final order shall be subject to review, on appeal, by the circuit court of appeals of the circuit wherein the proceeding is had."

SEC. 2. Subsection (c) of such act is hereby repealed.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—AMENDMENT

Mr. WILEY. Mr. President, I ask unanimous consent to submit an amendment intended to be proposed by me to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, which I ask may be printed in the RECORD and lie on the table.

There being no objection, the amendment was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

At the end of the joint resolution insert a new section, as follows:

"SEC. 3. Section 2 of the Emergency Price Control Act of 1942, as amended, is amended by inserting at the end of such section a new subsection, as follows:

"'(n) In establishing or maintaining maximum prices under this act or otherwise in the case of collect-on-delivery sales of any commodity where under established practices of the seller a uniform charge is added to the price to cover mailing costs, an increase in maximum prices shall be allowed equivalent to any increase in such costs heretofore or hereafter resulting from increased postal rates or charges.'"

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles and referred, as indicated:

H. R. 2502. An act readjusting the rates of postage on fourth-class mail matter, and for other purposes; to the Committee on Post Offices and Post Roads.

H. J. Res. 206. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code; to the Committee on Finance.

INVESTIGATION OF COTTON AND OTHER PRODUCTS IN ROAD BUILDING

Mr. LANGER. Mr. President, I ask unanimous consent to submit, for appropriate reference, a resolution providing that the Committee on Post Offices and Post Roads, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to the use of cotton products and byproducts and synthetic rubber made from waste products in the building of roads, and so forth.

There being no objection, the resolution (S. Res. 131) was received and referred to the Committee on Post Offices and Post Roads, as follows:

Resolved, That the Committee on Post Offices and Post Roads, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to the use of cotton products and byproducts and synthetic rubber made from waste products in the building of roads, with a view to ascertaining (1) the extent to which such products are being used for such purposes, and (2) means by which such use may be increased during the postwar period. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation together with such recommendaions with respect to necessary legislation as it deems desirable.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

BRETTON WOODS—ADVERTISEMENT FROM WASHINGTON POST

[Mr. HATCH asked and obtained leave to have printed in the RECORD an advertisement entitled "We Believe Bretton Woods Is Good Business," from the Washington

Post of May 13, 1945, which appears in the Appendix.]

DUCK DAMAGE TO CROPS—ARTICLE FROM BOTTINEAU COURANT

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "Duck Damage to Crops Stressed in Union Resolution," from the Bottineau (N. Dak.) Courant of May 2, 1945, which appears in the Appendix.]

PROPOSED FEDERAL FAIR EMPLOYMENT PRACTICE COMMISSION

Mr. BILBO. Mr. President, I want to read a pargraph from a letter written by Hon. DeWitt Emery, president of the National Small Business Men's Association, with national headquarters at Akron, Ohio. The letter is dated May 31, 1945, and in it Mr. Emery says:

An effort is being made to create a permanent Federal Fair Employment Practice Commission, which would be about the worst thing that could happen to business. This bill—H. R. 2232—would set up a Federal bureau practically unlimited as to both size and authority. A comprehensive analysis of H. R. 2232 has been made by Congressman CLARK FISHER, of Texas, and I'd suggest that you ask him to send you a copy. His address is House Office Building, Washington, D. C. We are working with a number of other associations to defeat this bill.

I not only want to place before my colleagues the opinion of the National Small Business Men's Association but I want also to show how erroneous is the idea some people have sought to disseminate in the minds of the American people that the only opposition to the FEPC is southern opposition.

In further confirmation of the fact that that is not a true statement, I ask that the list of the trustees of the National Small Business Men's Association, whose president wrote this letter, the companies with which they are connected, and their location, be made a part of my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

TRUSTEES

W. J. Boos, Walk-Easy Foot Rest Manufacturing Co., St. Louis, Mo.

C. R. Boyd, H. C. Boyd Lumber Co., Coraopolis, Pa.

Harry E. Brinkman, Foto-Lith, Inc., Cincinnati, Ohio.

DeWitt Emery, Monroe Letterhead Corp., Akron, Ohio.

L. M. Evans, Elliott & Evans, Inc., Cleveland, Ohio.

W. W. Gail, Gail-Billings Advertising Co., Billings, Mont.

Dr. Alfred P. Haake, economist, Park Ridge, Ill.

D. H. Holloway, insurance and real estate, Akron, Ohio.

Wilbur A. Jones, Northrop-Jones Co., Omaha, Nebr.

A. F. Mathews, Consolidated Freight Co., Saginaw, Mich.

Monroe Shakespeare, Shakespeare Co., Kalamazoo, Mich.

Russell Stover, Stover Candy Co., Kansas City, Mo.

J. Raymond Tiffany, attorney, Hoboken, N. J.

James S. Westbrook, investments, Bridgeport, Conn.

NOTICE OF HEARINGS ON MISSOURI VALLEY AUTHORITY BILL

Mr. OVERTON. Mr. President, I wish to announce that at a meeting of the Subcommittee of the Committee on Irrigation and Reclamation it was unanimously resolved that hearings on Senate bill 555, the Missouri Authority bill, will begin here in Washington on Monday, September 17.

Mr. LANGER. I did not hear the announcement. What date did the Senator mention?

Mr. OVERTON. Monday, September 17. I express the hope that all interested will be ready and prepared to be present at that time, or immediately thereafter, during the period in which the hearings will be conducted. When I have further information as to the number of witnesses who desire to appear I shall undertake to fix a definite schedule of days for the proponents and the opponents. I wish to say, however, that in view of the fact that the proponents wanted an earlier date and the opponents wanted a later date, we held a hearing upon that question, and after listening to both sides, the subcommittee was unanimously of the opinion that the hearings should not begin until September 17.

NATURALIZATION OF HANS WILLIAM ROHL

Mr. LANGER. Mr. President, former Senator Nye inserted a broadcast in the CONGRESSIONAL RECORD on December 7, 1943, Appendix, page A5315. Since that broadcast a report was submitted to the House of Representatives by Mr. MAY, of the Military Affairs Committee, on June 14, 1944, Report No. 1638, which refers to the naturalization of Hans William Rohl. A committee of the State Senate of California submitted a report on the same subject matter, which report was submitted by Senator Jack B. Tenney, of Los Angeles County, on April 16, 1945, page 1425, Journal, State Senate of California.

The report of the Committee on Military Affairs to the House of Representatives contained the official record of the proceedings before United States District Judge J. F. T. O'Connor, of Los Angeles, as follows:

Inquiry was made of the local office of the Federal Bureau of Investigation regarding this alien, immediately following the filing of his petition for naturalization, with negative results.

Mr. Rohl's petition for naturalization was heard by the court on September 15, 1941, along with the petitions of other aliens. It was the practice at that time, when a case had facts to be presented to the court, to prepare a written report to the court reciting the relevant facts. Enclosed herewith is a copy of this report to the court. The facts in the case were presented to the court without objection and without recommendation. After considering the facts the court entered an order admitting Mr. Rohl to citizenship on September 15, 1941.

"83608, HANS WILHELM ROHL—PETITION FILED MARCH 10, 1941

"No objection will be made to the granting of this petition. For the information of the court, however, the results of the investigation made in connection with the case are herewith presented.

"The petition was filed on March 10, 1941, under the provisions of section 310 (a) of the Nationality Act of 1940, which grants certain exemptions from the usual requirements of the naturalization law to the spouse of a United States citizen and which requires proof of good character for a period of at least 1 year immediately preceding the filing of the petition.

"The petitioner was born in Germany in 1886 and has resided in the United States since 1913. From about 1916 to 1925 he lived with one Marion Henderson in the State of California, but they were not legally married, and no marriage ceremony of any kind was performed. As a result of this relationship four children were born to them. On April 22, 1925, they entered into a written agreement under the terms of which Marion Henderson was to have the use of the home property in Sacramento, Calif., and to receive $70 per month during her lifetime or until she should marry. He was also to pay her $45 per month for the support of each child during minority. The investigation shows that the terms of this agreement have been fulfilled by the petitioner. He married his present wife, who is a citizen of the United States, on August 26, 1925, and has resided with her continuously since then.

"There is some evidence to indicate that the petitioner has represented himself as a United States citizen. The petitioner has stated, however, that he has never believed himself to be a citizen and has never willfully represented himself as a citizen of the United States.

"In 1932 the petitioner made 10 or 12 trips to Mexico in connection with a contract which he had to build roads there and on these trips left and reentered the United States at Laredo, Tex. The Immigration Service has reported that it has no record of his inspection upon his returns from these absences. The petitioner states that he was never questioned as to his citizenship but was only asked where he lived and was permitted to reenter the United States.

"On September 3, 1933, the petitioner arrived at San Diego, Calif., on the yacht *Ramona*, which was registered in the name of his wife, on a trip from New York. He was not listed on the manifests as a passenger or member of the crew, and there is no record that he was inspected as required by the immigration law. The petitioner has stated that the immigration officers came aboard but that he was not asked any questions by them.

"On January 21, 1938, the petitioner arrived at Honolulu, T. H., on the yacht *Vega*, which was registered in the name of his wife, on a trip from Jacksonville, Fla. The manifest data on file with the Immigration Service show that he was manifested as having been born in Kansas, and he was, therefore, not inspected. The petitioner has stated that he did not claim to have been born in Kansas and he was not asked any questions by the immigration officers.

"All of the facts in connection with the petitioner's reentries into the United States were presented to the Department in Washington, and it was decided on July 10, 1941, that, in view of all of the evidence, it was not a proper case in which to institute deportation proceedings.

"The records of the Bureau of Internal Revenue show that for the past several years it has been shown on the petitioner's income-tax returns that he is a citizen of the United States. The petitioner has stated that his returns were made out by an auditor; that he only went over the work sheets with the auditor and did not know that the completed forms showed that he was a citizen and that he believes the auditor assumed he was a citizen and he is certain that he did not state to him that he was. It is understood that the classification as a citizen

would not have changed the amount of the tax.

"The records of the Customs Service, Los Angeles, show that the Rohl-Connolly Co., of which the petitioner is the president, owned and operated a number of vessels from 1934 to 1940 in violation of the law in that the petitioner, who was the president of and a stockholder in the company, was an alien. The penalty provided is forfeiture of the vessels. The petitioner, however, made a cash settlement of the claim against the company on September 4, 1941, of $25,000. It does not appear that there was a willful violation of the law and no criminal action is contemplated.

"The petitioner is the president of the Rohl-Connolly Contracting Co., located at 4351 Valley Boulevard, Los Angeles, and has been awarded a secret contract in connection with a defense construction project in Honolulu. His participation in this project is being held up until he has been naturalized."

As the lawful spouse of an American citizen, he was entitled, under section 310 (a) of the Nationality Act of 1940, to make direct application for citizenship.

Mr. President, I am advised the official record further shows that, instead of the petitions of 2 other aliens being considered by the court at the time the Rohl petition was being considered there were 27 other petitions of aliens before the court and 9 civil matters; among the civil matters was one of the famous cases tried in California, known as the United States versus Ballard, which went to the Supreme Court of the United States. The courtroom was crowded. It was evidently an error to say that this was a "special hearing."

The State of California Joint Fact-Finding Committee on Un-American Activities made its report on this same matter to the State Senate of California on April 16, 1945, Senate Journal, page 1425. The report was presented by Senator Jack B. Tenney, Los Angeles County, and I quote from that report on the Rohl matter as follows:

When the immigration investigators had completed their work they recommended that Rohl's application for citizenship be denied and that he be prosecuted for violation of the Federal law. The report and recommendation of the investigators was made to the Chief of the Naturalization Bureau. In spite of the report and recommendation, no objection was raised by the Department of Justice in the memorandum handed the Federal district judge in the naturalization proceedings. Rohl was granted citizenship September 15, 1941, in the Federal district court in Los Angeles by Judge J. F. T. O'Connor.

It should be stated here that no implication of any kind is raised against Judge J. F. T. O'Connor. The chairman of the committee and its investigators have carefully examined the records of Judge O'Connor's court for September 15, 1941, and find no irregularities whatsoever in connection with the granting of citizenship to Rohl. The file of the Immigration and Naturalization Service and the recommendation of the Federal agents were not before Judge O'Connor at the time naturalization was granted. The memorandum before the judge at the time of Rohl's hearing stated that "No objection will be made to the granting of this petition," and concluded with the statement that the petitioner, as president of the Rohl-Connolly Contracting Co. had "been awarded a secret contract in connection with a defense construction project in Honolulu" and that "his participation in this project is being held up until he has been naturalized." With this memorandum before him and no legal objection having been raised in the hearing, the judge could do nothing less than grant Rohl naturalization. The memorandum had been prepared by the Department of Justice and handed to the court, and fully justified the decision of the judge in granting Rohl citizenship.

If the Government of the United States was satisfied to award a German alien an important "secret contract in connection with a defense construction project," certainly a judge of the United States district court could not refuse to grant citizenship under the circumstances. To do anything else would, in addition to a reversal by the circuit court, have subjected the judge to serious criticism, particularly in view of the disaster that occurred at Pearl Harbor 2½ months later.

The committee has learned that the procedure in the Rohl naturalization incident was the routine generally followed. Comment has been made that the Rohl proceeding was a "special" proceeding, but the record reveals that about 27 applicants were heard by Judge O'Connor on that day. There were no circumstances before the court that would have tended to put Judge O'Connor on inquiry and the committee finds that he acted with full integrity and patriotism.

Although Judge O'Connor was not aware of the fact, an attempt had been made to give the Rohl application preferential treatment. A letter written on the stationery of the United States Department of Justice is evidence of the insistence of someone that Rohl's application for citizenship be made "a special case." This letter was dated February 4, 1941, and marked "Special." It was directed to the District Director, Immigration and Naturalization Service, Los Angeles, Calif., and signed "Lemuel B. Schofield, Special Assistant to the Attorney General, by: P. B. Shoemaker, Deputy Commissioner." It reads as follows:

"It is understood that one (Hans or John) Wilhelm Rohl made application for the certificate of arrival in your office on the third instant.

"The services of this alien will be used in connection with the defense program. Please make it a special case. It is meant by this that the application for certificate of arrival should be made special, the filing of a petition also, and the hearing, if it can be immediately disposed of, after the 30 days after its filing.

"Report in connection in this case when it has been finally disposed of will be appreciated."

When asked on the witness stand why he had not made an application for admission to citizenship at an earlier date, Rohl merely shrugged his shoulders and stated: "Negligence—busy traveling—never gave it a thought" (vol. xv, p. 3807).

CONGRESSIONAL EXPENSE ALLOWANCE

Mr. OVERTON. Mr. President, at the last session of the Senate I referred to an editorial in the Washington Post with reference to the general expense account to be allowed to the House, and which was rejected by the Senate. I now should like to call the attention of the Senate to an editorial from the Washington Times-Herald. The Washington Times-Herald entertains a different view from that of the Washington Post, and is an earnest advocate of the allowance of the expense account.

I refer to these two newspapers, Mr. President, because they are our "home" papers, the Senate having solemnly decreed the other day that Washington is our home, and I know that Senators would like to be advised of what their home papers are saying.

I ask unanimous consent that an excerpt from the Times-Herald's editorial be printed in the RECORD as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

There is a good deal more to be said, we believe, on this general subject of Government salaries.

For one thing, the Nation has been edified in the last few days by the superheated episode of the $2,500 tax-free expense allowance which Members of the House recently voted for each Member. When a like proposition came before the Senate, the Senate decided against such allowances for its own Members but declined to interfere with the House grant of same to House Members.

CONGRESS SALARIES

The Senate's refusal was put on grounds of nobility; actually, it was because the Senate lacked enough Members with the courage to vote the allowance to Senators. The fact is, we are convinced, that both Senators and Congressmen should be paid $25,000 a year apiece instead of the present $10,000. It would seem in order to require that they pay regular income taxes on these salaries, so as to keep them as acutely conscious of income taxes as the rest of us are. They should, however, be entitled to take out for legitimate business expenses, necessary entertaining, etc., like any other taxpayers.

Plenty of people dislike the notion of higher congressional salaries. We can understand how a farmer, for instance, making only $1,000 cash a year, thinks $10,000 a year is enough for any Member of Congress.

Just the same, Members of both Houses of Congress should be paid $25,000. At that salary, any Federal lawmaker can afford to be somewhat more courageous, honest, resistant to pressure groups, and so on, than some Federal lawmakers can be on $10,000 a year.

It is of great importance, too, to strengthen Congress, so as to preserve the proper balance between it and the executive branch of the Government—which under Roosevelt was grabbing more and more power.

Mr. BARKLEY. Mr. President, inasmuch as the Washington Post has an editorial this morning on the subject, in order that the record may be complete, I ask unanimous consent that the editorial be printed following the excerpt from the other newspaper.

The PRESIDING OFFICER. Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL PAY

Since we mentioned, a few days ago, the Dirksen bill to set up a commission on congressional salaries, support for that proposal has come from various other sources. Legislators see in Mr. DIRKSEN's bill a chance to back away from the $2,500 expense allowance which the House recently voted for its Members, without giving up hope for increased remuneration to offset their higher expenses. This response confirms our belief that substitution of the Dirksen bill for the $2,500 expense allowance would be a constructive method of settling what has become, for the House, an embarrassing controversy.

Some Members of the House are especially annoyed because the Senate took a holier-than-thou attitude on the $2,500 expense allowance after approving various expense

funds for its own Members. One estimate places the value of these allowances for stationery, telephone calls and so forth at more than $4,000 additional per Senator. Here again the Dirksen bill comes into the picture. Whatever these allowances are, they should be brought to public notice. Some Members of the House are proposing to do precisely that by a public hearing, but the result would be to ensnarl the two Houses in a row that could scarcely be expected to evolve a constructive solution. Far more promising would be a thorough examination of the facts and the problem of congressional pay by an impartial and independent body.

Congress may as well face the fact that it will be criticized for any increase in compensation to its Members that originates within the Congress itself. It is the only body in the Government able to fix the pay of its own Members. For that very reason it has to move in this field with the utmost restraint. We think it would be a stroke of statesmanship on the part of Congress to place the whole issue in the hands of an impartial body beyond the influence of its own members. The findings of such a body would doubtless be accepted by the public with little question, and Congress would escape the necessity of lowering its prestige to enhance its Members' income.

EXTENSION OF STATUTE OF LIMITATIONS IN CERTAIN CASES

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 66) to extend the statute of limitations in certain cases, which was, on page 2, line 3, after "States", to insert "in connection with the Pearl Harbor catastrophe of December 7, 1941."

Mr. HATCH. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDENT pro tempore. The clerk will state the amendment passed over.

The amendment passed over was, under the heading "General fund, construction," on page 66, line 19, after the name "California", to strike out "$4,500,000" and to insert "$4,715,300, including $115,000 for planning of the Delta steam power plant and $100,000 for planning of transmission lines."

Mr. HAYDEN. Mr. President, this is a controversial matter, and I think it deserves a brief explanation on my part.

Mr. BURTON. Will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BURTON. There was a divided vote on this amendment in the committee of 9 to 8, and it was put over until today so that it might be argued. Would the Senator yield for the suggestion of the absence of a quorum?

Mr. HAYDEN. I yield for that purpose if the Senator so desires.

Mr. BURTON. It seems to me that if the Senator is about to make an explanation, we should have a quorum present.

Mr. HAYDEN. Very well.

Mr. BURTON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Hayden	Morse
Ball	Hickenlooper	O'Daniel
Bankhead	Hill	Overton
Barkley	Hoey	Radcliffe
Bilbo	Johnson, Calif.	Robertson
Burton	Johnson, Colo.	Saltonstall
Capper	Johnston, S. C.	Smith
Donnell	La Follette	Taft
Downey	Langer	Thomas, Okla.
Ellender	Lucas	Tydings
Gerry	McKellar	Walsh
Guffey	McMahon	Wiley
Hart	Moore	Wilson

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Missouri [Mr. BRIGGS] the Senator from Kentucky [Mr. CHANDLER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MURDOCK], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], the Senator from Idaho [Mr. TAYLOR], the Senator from Utah [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent in Europe visiting battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent in Europe on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent in Europe on official business for the Interstate Commerce Committee.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

Mr. BURTON. The Senator from Vermont [Mr. AIKEN], the Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. WHERRY], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent on official business of the Senate as a member of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Oregon [Mr. CORDON] are necessarily absent.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The PRESIDENT pro tempore. Thirty-nine Senators having answered to their names, a quorum is not present. The clerk will call the names of the absent Senators.

The Chief Clerk called the names of the absent Senators, and Mr. BUCK, Mr. BUTLER, Mr. HATCH, Mr. O'MAHONEY, and Mr. SHIPSTEAD answered to their names when called.

The PRESIDENT pro tempore. Forty-four Senators having answered to their names, a quorum is not present.

Mr. BARKLEY. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. CHAVEZ and Mr. BUSHFIELD entered the Chamber and answered to their names.

At 1 o'clock and 2 minutes p. m. Mr. WILLIS entered the Chamber and answered to his name.

ADJOURNMENT TO 2:30 O'CLOCK P. M.

Mr. BARKLEY. Mr. President, a number of Senators are on their way to the Senate, but rather than merely sit around waiting, I move that the Senate adjourn until 2:30 o'clock p. m. today.

The motion was agreed to; and (at 1 o'clock and 15 minutes p. m.) the Senate adjourned until 2:30 o'clock p. m. this day.

AFTER ADJOURNMENT

(Legislative day of June 4, 1945)

The Senate met at 2:30 o'clock p. m.

Rev. Daniel W. Justice, minister, Trinity Methodist Church, Washington, D. C., offered the following prayer:

Eternal God, in whose spirit is the remedy for the ills, the woes, and the injustices of our human society, may we always be true to Thee. Continue to teach us that justice, freedom, righteousness, and brotherliness are all natural fruits of our faith in the living God.

We beseech Thee to save nations from being torn from their foundations by force and folly. We would be alert and heed the promise that "blessed is the nation whose God is the Lord."

We especially pray that these our responsible representatives and lawmakers of this land we love shall be guided by Thee in all deliberations and decisions, and may we ever hold our citizenship as a sacred trust from Thee.

In the name of the redeeming Lord, we humbly and earnestly pray. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of that part of the calendar day of June 4, 1945, embraced in the legislative day of Thursday, May 31, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 66) to extend the statute of limitations in certain cases, and it was signed by the President pro tempore.

NOTICE OF HEARING ON NOMINATION OF DENNIS F. DONOVAN TO BE UNITED STATES DISTRICT JUDGE FOR DISTRICT OF MINNESOTA

Mr. HATCH. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, notice is hereby given that a public hearing has been scheduled for Tuesday, June 12, 1945, at 10:30 a. m., in the Senate Judiciary Committee Room, Capitol Building, upon the nomination of Dennis F. Donovan, of Minnesota, to be United States district judge for the district of Minnesota, vice George F. Sullivan, deceased. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee in charge consists of the Senator from Nevada [Mr. MCCARRAN], chairman, the Senator from New Mexico [Mr. HATCH], and the Senator from Michigan [Mr. FERGUSON].

REPORTS ON REAL PROPERTY EXEMPT FROM TAXATION IN THE DISTRICT OF COLUMBIA

The PRESIDENT pro tempore laid before the Senate a letter from the President of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, copies of reports of all institutions, organizations, corporations, and associations, other than the United States Government, government of the District of Columbia and foreign governments, owning in the District of Columbia real property which is exempt from taxation, which (with the accompanying papers), was referred to the Committee on the District of Columbia.

PETITIONS AND MEMORIALS

Petitions, etc., were presented, and referred as indicated:

By Mr. CAPPER:

A petition of sundry citizens of Colby, Kans., praying for the enactment of legislation to prohibit the advertising of alcoholic beverages in periodicals, newspapers, motion pictures, over the radio, or any other form of liquor advertising; to the Committee on Interstate Commerce.

By Mr. WALSH (for himself and Mr. SALTONSTALL):

Resolutions of the General Court of Massachusetts; to the Committee on Commerce.

"Resolutions memorializing Congress relative to the establishment of a system of unemployment insurance in the maritime industry

"Whereas there is pending before the Congress of the United States a bill to establish a system of unemployment insurance in the maritime industry, and for other purposes, printed as H. R. 1899; and

"Whereas the principal purpose of said bill is to protect maritime workers against the hazards of unemployment, said workers being the only group within the field of industry, trade, and transportation who are not so protected; and

"Whereas the persons employed in said maritime industry include thousands who are residents of Massachusetts and they are undergoing great hazards due to existing wartime conditions and are deserving of the benefits of said bill: Therefore be it

"Resolved, That the General Court of Massachussets respectfully urges the Congress to enact, and the President of the United States to sign, as soon as possible, the bill hereinabove mentioned; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

Resolutions of the General Court of Massachusetts, to the Committee on Finance:

"Resolutions memorializing Congress to increase the subsistence allowances for war veterans while pursuing educational courses under the GI bill of rights, so-called

"Whereas the thousands of veterans of World War II who are eligible to pursue educational courses at the expense of the Federal Government under the provisions of the GI bill of rights, so-called, are prevented from doing so by reason of the inadequacy of the subsistence allowances provided thereby; and

"Whereas no war veteran should be forced to lose the advantages of procuring further education under said law because of lack of money for the subsistence of such veteran and his or her dependents while such veteran is pursuing the educational courses: Therefore be it

"Resolved, That the General Court of Massachusetts hereby respectfully urges the Congress of the United States to immediately take such action as may be necessary to increase the subsistence allowances hereinabove mentioned to at least $80 per month in the case of veterans without dependents and to at least $125 per month in the case of veterans with dependents; and be it further

"Resolved, That copies of these resolutions be forthwith transmitted by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

PETITION FOR VOCATIONAL EDUCATION AND TRAINING

Mr. WILEY. Mr. President, I present a letter from W. A. Burdick, director of the Rice Lake Vocational and Adult Education School, Rice Lake, Wis., transmitting a petition signed by a number of farmers in the vicinity of Rice Lake, Mikana, and Haugen, Wis., relating to the bill (S. 619) to provide vocational education and retraining, including part-time training and work-experience programs for the occupational adjustment and readjustment of youth and adults, including persons demobilized from essential war work or from the armed services, in order that individuals and the Nation may attain economic stability and security.

I ask unanimous consent that Mr. Burdick's letter and the petition, without the signatures attached, be printed in the RECORD and appropriately referred.

There being no objection, the letter and petition, without the signatures attached, were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

RICE LAKE VOCATIONAL AND ADULT EDUCATION SCHOOL,
Rice Lake, Wis., May 29, 1945.

Hon. Senator WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: I am enclosing a petition signed by a number of farmers from the vicinity of Rice Lake, Mikana, and Haugen who happened to be enrolled in our farm machinery repair classes which were being offered under Public Law No. 373 and which are expiring this week. This law has been administered by the Wisconsin Board of Vocational and Adult Education for the United States Office of Education through our school and many others throughout the State.

These classes enable the farmers to bring in broken parts of machinery for repair or make entirely new machinery and parts. It also enables them to keep up their production of farm commodities. The farmers are in a very serious predicament due to the fact that they cannot secure parts for their machines nor can they find the skilled labor to do this work for them. The fact that the war in Europe is over has not affected this aspect of farm production as yet and in talking with these farmers, it is very obvious there is a definite need for such classes to teach the farmers how to make their own repairs.

Several of the leaders in these classes have circulated this petition without any request from the school. The vocational school is supported by city funds; therefore, it is impossible for us to use city funds to support a rural program. It is the hope of these men that you will be able to find some way to obtain an extension of Federal funds to carry on this program. While we are a city institution, we have felt that anything we could do to contribute to the war effort was within our scope and we hope that we can continue to do this work as long as there is a need for it. To do this we must have 100 percent reimbursement from Federal funds. On behalf of these farmers who have signed their names, I express my appreciation for any help or assistance you can give us.

With kindest personal regards and best wishes, I remain,

Very truly yours,

W. A. BURDICK,
Director.

P. S.—I have just learned that the number of the bill now in Congress is S. 619.

RICE LAKE VOCATIONAL AND ADULT EDUCATION SCHOOL,
Rice Lake, Wis., May 29, 1945.

To Whom It May Concern:

Inasmuch as we are in the busiest and most critical part of our productive season, using our various types of farm machines to the utmost, and due to the fact that we cannot secure repair parts or obtain skilled workers to assemble, repair, and put into operating condition our machinery, we wish to take this

means to petition you to do all in your power to continue such programs as the farm machinery repair shops that have been operating in Rice Lake and vicinity under Public Law No. 373, through the Rice Lake Vocational School. Up to the present time these classes have been our salvation through which we have learned to do much of this repair and the construction work ourselves. We cannot secure the tools or parts or even new machinery. We appreciate the fact that we have learned most of the fundamentals of this type of work in the classes involved at this school and therefore we petition you to continue these courses either through a new law or by some Federal and because the Rice Lake Vocational School cannot finance rural programs on city funds.

RESOLUTION FAVORING ST. LAWRENCE SEAWAY

Mr. AIKEN. Mr. President, I present for printing in the RECORD and appropriate reference a resolution adopted by the executive board of the United Automobile Workers, CIO, Detroit, Mich., endorsing the St. Lawrence seaway project.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

A postwar economy of full employment depends on the greatest possible development of our natural resources, including power, our transportation facilities, and our foreign trade. To serve these and other ends, President Roosevelt has advocated a series of regional development projects similar to the TVA. Of these, the one which would be of the utmost immediate benefit to the Middle West is the St. Lawrence seaway.

At a total estimated cost to the United States of $277,000,000, or only a little more than the present daily cost of the war, the St. Lawrence seaway project would produce an immense amount of power and would open the St. Lawrence River to navigation by fully loaded, oceangoing vessels. Power production, with an installed horsepower of 2,200,000, would amount to 13,000,000,000 kilowatt-hours annually—an amount greater than all the power produced by the TVA in 1943. Moreover, the power can be produced at a cost lower than anywhere else on the American Continent.

The St. Lawrence seaway would provide the most economical route from the Midwest to the Atlantic seaboard and would wipe out the handicap of high freight rates, which has hampered the Midwest in competing for foreign markets. It would bring Detroit and other Great Lake ports as close to the ports of northern Europe as New York, Philadelphia, and Baltimore.

The seaway would be a particular boon to the automobile industry, which before the war exported something like 10 percent of its total output, and which after the war must export more nearly one-fifth of its output if we are to maintain the high levels of employment in the industry which we hope for and expect. The United States Department of Commerce has calculated that savings to the industry in transportation costs would run into the millions of dollars, amounting to some $20 per car. An amount as large as this would have a significant effect in facilitating foreign shipments abroad.

The seaway will also add greatly to national defense by making use of the harbors of the Great Lakes during wartime for shipbuilding and shipping direct to ocean waters: Be it therefore

Resolved, That the UAW executive board endorse the St. Lawrence seaway project and instruct the legislative department to do what it can to assist those groups and those Members of Congress who are actively supporting the project.

RESOLUTION OF LEAVENWORTH, KANS., CHAMBER OF COMMERCE IN OPPOSITION TO MISSOURI VALLEY AUTHORITY BILL

Mr. CAPPER. Mr. President, I present and ask to have appropriately referred and printed in the RECORD, a letter from Mr. N. Jay Leonard, Secretary of the Leavenworth, Kans., Chamber of Commerce, and the accompanying resolutions adopted by the Leavenworth Chamber of Commerce on May 11, 1945.

I believe this resolution, opposing the enactment of S. 555, the so-called Missouri Valley Authority bill, expresses succinctly and correctly the basic objections of the large majority of the people living in the Missouri Valley to the enactment of such legislation. I know that is the way the people of Kansas feel about the matter, they are much disturbed over the economic power proposed to be placed in a Government corporation, and they have a right to be disturbed.

There being no objection, the letter and resolution were referred to the Committee on Irrigation and Reclamation, and ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE,
Leavenworth, Kans., May 29, 1945.

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We are enclosing herewith a copy of a resolution adopted by the board of directors of the Leavenworth Chamber of Commerce in regular session, Friday, May 11, 1945. Your cooperation in the support of said resolution will be greatly appreciated.

Cordially yours,

N. JAY LEONARD,
Secretary.

Whereas the Congress of the United States has enacted legislation providing for additional flood control and also for a further development of navigation and irrigation on the Missouri River; and

Whereas said improvements should be made at the earliest possible time in view of the destruction of life and property and the loss to industry, agriculture, and commerce caused by recent floods and the continuous waste of valuable water resources within this basin; and

Whereas improvements of the type contemplated have been carried on in the past by the Corps of Engineers, United States Army, and the Bureau of Reclamation, Department of Interior; and

Whereas the said Government agencies have had charge of such development for many years and have planned and are prepared to execute the said works of improvement without delay at the conclusion of the war; and

Whereas, it has been suggested that in order the further the progress of this development, a Missouri Valley Authority should be formed with broad powers similar to those of the Tennessee Valley Authority: Now, therefore, be it

Resolved by the Chamber of Commerce of Leavenworth, Kans.:

1. That we endorse the aforementioned improvement program and recommend and urge upon the Congress of the United States of America that the coordinated plan for the control and use of the waters of the Missouri River Basin, as now authorized by law, be given immediate adequate appropriation so that the plan can be executed as expeditiously as is consistent with the public economy.

2. That we commend the Corps of Engineers and the Bureau of Reclamation for their action in effecting coordination of their activities within the Missouri River Basin.

3. That we oppose Senate bill 555, introduced on February 15, 1945, and which has been referred to the Committee on Commerce, the Committee on Irrigation and Reclamation, and the Committee on Agriculture and Forestry, because such bill would—

(a) Create a Federal corporation clothed with the power of government, fortified by law with the functional flexibility of a private corporation, and freed of all the legal restraints which experience has demonstrated are necessary and desirable.

(b) Place the States within the Missouri Valley Basin subservient to a superstate controlled by three men, so far as the control and development of the water resources of the Missouri Valley are concerned.

(c) Stifle industrial growth, individual enterprise, and agricultural development inasmuch as the proposed Federal corporation would be in control of a basic economic resource.

(d) Grant to such administrative agency unchecked authority to engage in private business, operate farms, remove hundreds of thousands of acres from the tax roll, take over the administration of education and of local and State laws, and in general, do the economic planning for the entire area, and which would be detrimental to the best interests of the city of Leavenworth, the State of Kansas, and the Nation at large.

4. That a copy of this resolution be transmitted by the secretary of the Leavenworth Chamber of Commerce to the Speaker of the House of Representatives of the United States and to each Member from Kansas in the Senate of the United States and the House of Representatives of the United States.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WAGNER, from the Committee on Banking and Currency:

S. J. Res. 30. Joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended; with amendments (Rept. No. 325).

By Mr. O'MAHONEY, from the Committee on Indian Affairs:

S. 812. A bill to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes; without amendment (Rept. No. 326).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation five lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

MEAT DISTRIBUTION AND THE MEAT BLACK MARKET—REPORT OF CHESTER BOWLES

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the Report of Chester Bowles, Administrator, to Members of the United States Senate and the House of Representatives, dealing with meat distribution and the meat black market. I am glad to note that Mr. Bowles intends to file another report on the same subject at the end of this month.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF CHESTER BOWLES, ADMINISTRATOR, OFFICE OF PRICE ADMINISTRATION, TO MEMBERS OF THE UNITED STATES SENATE AND THE HOUSE OF REPRESENTATIVES, MAY 30, 1945

MEAT DISTRIBUTION AND THE MEAT BLACK MARKET

This report to Members of Congress will outline the steps taken by OPA to improve meat distribution and to combat meat black-market activities during the last few weeks.

Broadly speaking, there are two types of slaughterers:

1. The federally inspected slaughterers, who alone can legally meet the requirements of the armed forces, and who alone can legally ship meat across State lines and to supply those civilians living in States producing only limited supplies of meat.

2. The nonfederally inspected commercial slaughterers and farm slaughterers, who are limited in their distribution to the State in which they are situated.

The basic cause of maldistribution of meat during the last few months lies in the substantial growth of the amount of livestock being slaughtered in nonfederally inspected slaughterhouses. This growth has sharply reduced the amount of meat available to the federally inspected plants. Naturally the federally inspected slaughterers have had to take care of the needs of the armed services first. For this reason they have had less and less meat available to ship across State lines to the low meat-producing areas, principally our large cities.

CHANNELING MEAT TO LOW-PRODUCING AREAS

In April, as you know, OPA was given authority to control the slaughter of livestock by all nonfederally inspected slaughterers. A program was immediately worked out which called for the registry of all farm and nonfederally inspected commercial slaughterers throughout the country. This program was designed to increase the supply of livestock going to the federally inspected packers.

On May 14, under our new authority, the licenses previously issued by the Government to the 23,436 nonfederally inspected commercial slaughterers were canceled. At the same time, new licenses were issued with individual quotas to all nonfederally inspected slaughterers who registered and met our basic requirements.

These quotas were based on the number of animals which each nonfederally inspected slaughterer had killed and sold legitimately during 1944. All nonfederally inspected slaughterers who failed during any quarter of 1944 to turn in ration stamps to cover the meat they sold were refused quotas. All nonfederally inspected slaughterers who handed in fewer ration stamps than the amount of livestock which they claimed to have killed were given quotas based on the number of ration stamps they turned in.

In other words, we based our quotas on legitimate operations and not on black market inflated figures.

By May 25, only 15,220 nonfederally inspected slaughterers had registered with OPA for their quotas. No doubt, some of those who have not registered still intend to do so. It is safe to say, however, that the great majority of the 11,000 which failed to apply had been operating in the black market. Today they no longer can do business.

The legitimate, established nonfederally inspected slaughterers, although operating henceforth under a quota, will be rid of this chiseling black-market competition. With few exceptions, they will be assured a good return on their operations by the new pricing program announced recently. Those who operated profitably before the war will be protected against loss by a so-called "bail out" provision in a recent OPA regulation.

This program will result in the flow of additional livestock to the federally inspected plants. These extra supplies will enable this group of slaughterers to increase their shipments to low meat-producing areas.

To assure that this meat is actually shipped to the areas where the shortage has been greatest we are about to issue an "area distribution" order. This order will require all slaughterers to ship to all counties in the same proportion that they shipped in the first quarter of 1944 (a reasonably normal period).

PROGRESS IN ENFORCEMENT

As I have pointed out many times, OPA has been woefully short of investigators. In early April we had, on the average, only one investigator to cover each county in the United States. At that time Congress appropriated some additional funds to increase our investigative staff in meat. We have transferred additional investigators from other fields to the meat program. This has left us with a very short staff to obtain compliance with all our price control, rent control, and rationing regulations.

In the meat field, with our augmented staff, we have moved aggressively against black-market operations at the slaughtering level, and also among hotels, wholesalers, and retailers.

As a result of this stepped-up campaign, 462 new meat-enforcement cases were begun last week, 390 the preceding week, and 355 the week before, a total of 1,207 new cases. Cases are now being instituted at nine times the rate of 2 months ago and more than 15 times the rate of 1 year ago.

It has been our experience that vigorous enforcement action on a rationed product invariably leads to the increased use of counterfeit ration coupons. In the case of meat, these counterfeits are purchased by slaughterers, wholesalers, and retailers to attempt to cover up illegal sales.

During the last year we have checked this type of activity on gasoline through a scientific analysis of all used gasoline coupons as they flow from the trade through our verification centers. Through this method counterfeiting on gasoline has already been reduced to one-tenth of 1 percent.

Starting on May 1 in all OPA regions, a similar check was begun of all used ration coupons on meat, fats and oils, and sugar. Each individual coupon is now being examined under ultraviolet rays to establish its authenticity. All counterfeit coupons are traced as rapidly as they are discovered to the processor, wholesaler, or retailer from whom they originate.

Already as a result of this new activity our enforcement staff has established several important black-market cases.

The two programs outlined in this report, as I pointed out, will not increase our total supply of meat. This can only come through the stepped-up hog production, and through the increase in cattle feeding. Both of these objectives, as you know, have been dealt with in the program announced by the Vinson office a week ago.

The program which I have described above will assist greatly in establishing fair distribution of the supplies which we have available. It will also prove a powerful factor in defeating the black market in meat.

We have received many reports from legitimate slaughterers, wholesalers, and retailers welcoming the drastic action which we are taking. They don't like the black market. They want to see it licked.

I will again report within the next 30 days. At that time, I believe, considerably further progress will have been made.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RADCLIFFE:

S. 1097. A bill to establish the status of funds and employees of the midshipmen's store at the United States Naval Academy; to the Committee on Naval Affairs.

(Mr. HATCH (by request) introduced Senate bill 1098, which was referred to the Committee on Public Lands and Surveys, and appears under a separate heading.)

By Mr. AIKEN (for himself and Mr. PEPPER):

S. 1099. A bill to amend the Public Health Service Act so as to provide assistance to States in developing and maintaining dental health programs, and for other purposes; to the Committee on Education and Labor.

By Mr. ELLENDER (by request):

S. 1100. A bill for the relief of Clarence J. Spiker and Fred W. Jandrey; to the Committee on Claims.

By Mr. WALSH:

S. 1101. A bill for the relief of the estate of Manuel Rose Lima; to the Committee on Claims.

S. 1102. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the United States Naval Convalescent Hospital, Banning, Calif., on March 5, 1945; and

S. 1103. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in Quonset Hut No. 2, Hamoaze House, Plymouth, Devon, England, on December 31, 1944; to the Committee on Naval Affairs.

(Mr. O'MAHONEY (for himself, Mr. MCKELLAR, Mr. HAYDEN, Mr. CHAVEZ, Mr. ELLENDER, Mr. O'DANIEL, Mr. LANGER, Mr. BUCK, Mr. HICKENLOOPER, Mr. MORSE, Mr. SALTONSTALL, and Mr. DONNELL) introduced Senate Joint Resolution 73, which was referred to the Committee on Post Offices and Post Roads, and appears under a separate heading.)

LANDS ON THE PUBLIC DOMAIN

Mr. HATCH. Mr. President, by request I introduce a bill, for appropriate reference, declaring certain lands to be a part of the public domain and providing for the administration thereof, and in connection therewith I ask unanimous consent that a letter from the Secretary of the Interior, which explains the bill, be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (S. 1098) declaring certain lands to be a part of the public domain and providing for the administration thereof, introduced by Mr. HATCH (by request), was read twice by its title and referred to the Committee on Public Lands and Surveys.

The letter presented by Mr. HATCH is as follows:

THE SECRETARY OF THE INTERIOR,
Washington, D. C., May 28, 1945.

Hon. KENNETH MCKELLAR,
President of the Senate.

MY DEAR SENATOR MCKELLAR: There is submitted herewith the draft of a proposed bill, declaring certain lands to be a part of the public domain and providing for the administration thereof. The bill is substantially identical with H. R. 5860, Seventy-seventh Congress, second session, passed by the House of Representatives on March 16, 1942, and H. R. 838, Seventy-eighth Congress, first session, introduced in the House of Representatives on January 7, 1943. I request that this proposed bill be referred to the appropriate committee for consideration, and recommend its enactment.

In order to invoke the benefit of the provisions of the subsection (a), section 321, Part II, title III of the Transportation Act of 1940 (54 Stat. 954, 49 U. S. C. sec. 65), providing for the elimination of lower rates for certain Government transportation services, a number of railroad carriers filed under subsection (b) of that section releases of their claims to land grants in aid of railroad construction made to them or their predecessors.

By virtue of the approval by this Department of releases in accordance with the Transportation Act, claims for a considerable acreage of lands have been so released. The proposed legislation would prevent uncertainty and confusion in the administration of such lands and aid in the consolidation of checkerboard areas within existing reservations and withdrawals. Thus, it would be clear, under the bill, that lands lying within the exterior boundaries of a particular reservation, such as a national forest or a grazing district, would be a part of the reservation within which they lie and subject to the jurisdiction of the Federal agency administering that reservation.

The Bureau of the Budget has informed me that there is no objection to the presentation of this proposed legislation.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

UNIVERSAL MILITARY TRAINING—ARTICLE BY HON. JOHN J. McCLOY

[Mr. HILL asked and obtained leave to have printed in the RECORD an article entitled "We Do Not Want Another War," written by Hon. John J. McCloy, Assistant Secretary of War, which appears in the Appendix.]

WORLD SECURITY—EDITORIAL FROM VERMONT FARM BUREAU NEWS

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial on world security, published in the Vermont Farm Bureau News for June 1945, which appears in the Appendix.]

PROPOSED FAIR EMPLOYMENT PRACTICE COMMISSION—LETTER FROM REV. L. L. SCOTT

[Mr. BILBO asked and obtained leave to have printed in the RECORD a letter from Rev. L. L. Scott, of Savannah, Ga., replying to attacks made upon him because of his opposition to the so-called FEPC, which appears in the Appendix.]

CONTINENTAL CASUALTY CO. AND MONTGOMERY CITY LINES—CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1307) for the relief of Continental Casualty Co., a corporation, and Montgomery City Lines, Inc., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate and agree to the Senate amendments as follows: Page 1, line 5, strike out all after "to" over to and including "collision" on page 2, line 22, and insert: "Montgomery City Lines, Inc., Montgomery, Ala., the sum of $266.49, in full settlement of all claims against the United States for compensation for property damage sustained by it as the result of a collision involving one of its vehicles and a United States Army truck in the city of Montgomery, Ala., on September 30, 1940."

Amend the title so as to read: "An act for the relief of Montgomery City Lines, Inc."; and agree to the same.

ALLEN J. ELLENDER,
ALEXANDER WILEY,
Managers on the Part of the Senate.

DAN R. McGEHEE,
A. M. FERNANDEZ,
W. A. PITTENGER,
Managers on the Part of the House.

The report was agreed to.

INVESTIGATION AND DESTRUCTION OF GOVERNMENT COLLECTIVISM

Mr. WILEY. Mr. President, I ask unanimous consent to address the Senate for not to exceed 5 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. WILEY. Mr. President, recently, it was reported that former President Herbert Hoover had recommended last summer to Republican Party officials that they concentrate on this campaign issue: Shall we combat the creeping government collectivism which has invaded every phase of American life? Shall we throw out the imported totalitarianism, stamped "Made in Europe," from our Federal system?

Many persons feel that Mr. Hoover's advice was not followed as fully as it might have been. Personally, I am of the opinion that this crucial issue could have been and should have been presented more emphatically to the American voter. Whether it would have turned the tide of the last campaign is not the question now. The question now is: Shall we investigate and assemble all the facts on certain vital questions relating to this creeping collectivism? And when Congress gets these facts in answer to these questions, shall it relate them with all the force at its command to the American people?

Shall Congress present the facts not in isolation, not as fragments, but in a total picture of the insidious master-plan of Government collectivism?

What are the questions the answers to which must be assembled into this total picture? They are:

First. How much of Government is in business? How far has Government gone in invading the sphere of private enterprise? How much is Government engaged in wholesaling, retailing, banking, lending, providing electric power, distilling, insuring, mining, transporting, constructing, and the like, which are normally the functions of the people? How far have Government corporations gone in the manner of financial giants in stifling the independence of American enterprise?

I think that when we get the answer to those questions, it will be a shocking answer. I think that the answer will prove that it is 11:59 on the clock of the life of private enterprise as our people have known it for generations. I think the answer will show that the policies, thinking, and plans of many of those still in high places indicate that they intend nothing short of a collectivist State. I think when we get these answers, America will demand that Government immediately get out of business!

Second. How much has the Federal Government invaded the sphere of State and local Governments? How far has the bureaucracy of Washington, D. C., gone to centralize the powers which under the United States Constitution and our system of checks and balances should actually be in the hands of State and local authorities? I think that when the American people get the answer to these questions, they will demand that the Federal Government quit poaching in the domain of the States and localities!

Third. How much have business principles pervaded Government? Have our Federal agencies made any effective attempt to husband the money appropriated to them? How much have the American people lost through the inefficiency, extravagance, duplication, poor staffing, and overstaffing, of the Federal Government? The Bureau of the Budget is supposed to provide for efficiency in the executive branch of the Government in accordance with the wishes of the President. How good a job has it done?

I think that when we get the answer to those questions we shall find that business principles of conservation and economy have made little, if no headway, in our governmental life. I think that those answers will show that the financial wealth of our people has been recklessly thrown away in the most debonair collectivist manner. And I think that our people will demand that Government get some business sense into its system.

I think that our people will demand that a Government-owned enterprise such as the TVA, which was created by funds from the Federal Treasury—that of the 48 States—give some financial return to the Federal Government rather than merely providing benefits through uneconomical low rates to the people of the Tennessee Valley.

Uncle Sam is going to need every cent of income in order to take care of the interest charge on his 300 billion dollars of indebtedness and to take care of his high overhead.

It is high time that we view the American scene rather than look constantly abroad. It is high time that we get the facts on the invasion of the American scene by imported collectivism.

When we have the whole picture of those facts, our people will be able to form their own intelligent judgment, and Congress will be able to act forthrightly to eradicate Government collectivism.

The PRESIDENT pro tempore. Morning business is concluded.

FULL EMPLOYMENT BILL OF 1945—LETTER FROM JUDGE VINSON

Mr. WAGNER. Mr. President, on January 22 the Senator from Montana [Mr. MURRAY], the Senator from Utah [Mr. THOMAS], the Senator from Wyoming [Mr. O'MAHONEY], and I introduced the full-employment bill of 1945. This bill is now pending before the Committee on Banking and Currency.

Reports on the bill have been requested from almost every Federal agency. As the reports are being received, I am having them analyzed and digested so that a complete summary of all the reports will soon be available to the committee and to the general public.

At this time I should like to call special attention to the report of the Director of War Mobilization and Reconversion, which was released this morning from the White House. In this report, Judge Vinson wholeheartedly endorses the full-employment bill and describes it as "the necessary first step from which a full-dress program of economic policies to promote the well-being of our free competitive economy will stem."

History shows us—

Says Judge Vinson—

that business, labor, and agriculture cannot in themselves assure the maintenance of high levels of production and employment. The Government, acting on behalf of all the people, must assume this responsibility and take measures broad enough to meet the issues. Only by looking at the economy as a whole, and adopting national economic policies which will actively promote and encourage the expansion of business and the maintenance of markets and consumer spending, can we hope to achieve full employment. Senate bill 380 recognizes this responsibility of Government and seeks to provide a definite vehicle for the Congress and the President to measure the size of the employment need of the country and to provide specific programs for meeting it.

Mr. President, I ask unanimous consent that the report to the Banking and Currency Committee from the Director of War Mobilization and Reconversion be printed at this point in the RECORD in connection with my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DEAR BOB: This is in response to your letter of April 9 concerning S. 380, a bill to establish a national policy and program for assuring continuing full employment in a free competitive economy through the concerted efforts of industry, agriculture, labor, State, and local governments, and the Federal Government.

Next to a speedy and complete victory over Japan, a steady, well-paid job after the war is first in the minds and hearts of most Americans. The war has demonstrated that our economic system can provide jobs when demand for its product exists. It has done more. It has opened the eyes of all of us to the vast productivity of which American labor and the American genius for organization and management—working as a team—are capable.

But these jobs—this productivity—has been achieved in wartime through the creation of an unlimited market by the Government. To reach and maintain high levels of employment and a steadily rising standard of living in peacetime will call for a program suited to peacetime conditions and needs. In this program, business, agriculture, labor, and local, State, and Federal Governments must all play their parts.

We know we have an abundance of resources, plant, manpower, and managerial know-how to produce a standard of living far higher than anything we have ever known. Likewise, we know that we have unfilled needs in America so diverse and so great as to challenge the capacity of even the greatest producing nation on earth.

But needs are not demands, in the economic sense. People must have steady income and they must want to spend their income before needs become demands and people become customers.

Business management, large and small, has a great opportunity and a great challenge to help create these steady incomes, and to actuate demand by expanding their businesses, offering better goods and services at attractive prices. Labor and agriculture through their efforts to increase production per man-hour can contribute importantly to higher incomes and a higher standard of living.

But history shows us that business, labor, and agriculture cannot in themselves assure the maintenance of high levels of production and employment. The Government, acting on behalf of all the people, must assume this responsibility and take measures broad enough to meet the issues. Only by looking at the economy as a whole, and adopting national economic policies which will actively promote and encourage the expansion of business and the maintenance of markets and consumer spending, can we hope to achieve full employment. S. 380 recognizes this responsibility of Government and seeks to provide a definite vehicle for the Congress and the President to measure the size of the employment need of the country and to provide specific programs for meeting it.

It would be idle to pretend that it will be easy to reach and hold full-employment levels. It would be folly, on the other hand, to pretend that it is impossible. The American people will not be content to go back to protracted large scale unemployment. It is imperative that we find ways and means to provide jobs for those willing and able to work. Depressions are not acts of God, any more than wars are. They are the product of our man-made institutions and the way we organize our society. We can and must organize to prevent both.

We must be prepared to make changes. At the same time we must be jealous of any encroachment on our freedom. National economic policies must not be allowed to develop into regimentation of business, or labor, or agriculture, nor of the people. Direction of private output by public authority in peacetime is repugnant to American ways of thought. Instead the maximum possible freedom must be afforded every producer to produce what he wishes, in the amounts for which he can best find a profitable market. Given an adequate market, our producers will supply the goods and the employment. We can be sure of that.

We cannot, however, leave the creation of that market to chance. We must start now to find out what measures are needed to maintain markets and steady jobs. S. 380 does not profess to present a fully conceived program for the achievement of full employment. It is the necessary first step from which a full-dress program of economic policies to promote the well-being of our free competitive economy will stem.

As a former member of Congress, I have certain general reactions to the bill. I regard it as desirable that such a bill should limit itself to providing the machinery to be followed to assist in arriving at national policy and full employment, rather than attempting to specify in advance policy measures to be used to meet future conditions. I believe it wise to leave to the President full discretion in the matter of preparing estimates of the national production and employment budget. And I regard the consideration of proposed measures by a congressional joint committee, which can analyze the inter-relationships between the various matters of special concern to the House and Senate committees represented, as an important step in the process of preparing national policy to maintain full employment.

I heartily endorse the purposes and principles of the bill.

Sincerely,

FRED M. VINSON.

AMENDMENT OF FEDERAL RESERVE ACT

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 510) to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes, which was to strike out all after the enacting clause and insert:

That (a) the third paragraph of section 16 of the Federal Reserve Act, as amended, is amended by changing the first sentence of such paragraph to read as follows:

"Every Federal Reserve bank shall maintain reserves in gold certificates of not less than 25 percent against its deposits and reserves in gold certificates of not less than 25 percent against its Federal Reserve notes in actual circulation: *Provided, however,* That when the Federal Reserve agent holds gold certificates as collateral for Federal Reserve notes issued to the bank such gold certificates shall be counted as part of the reserve which such bank is required to maintain against its Federal Reserve notes in actual circulation."

(b) The first sentence of the fourth paragraph of section 16 of the Federal Reserve Act, as amended, is amended by striking therefrom "40 percent reserve hereinbefore required" and by inserting in lieu thereof "25 percent reserve hereinbefore required to be maintained against Federal Reserve notes in actual circulation."

(c) Subsection (c) of section 11 of the Federal Reserve Act, as amended, is amended to read as follows:

"(c) To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirements specified in this act: *Provided,* That it shall establish a graduated tax upon the amounts by which the reserve requirements of this act may be permitted to fall below the level hereinafter specified: *And provided further,* That when the reserve held against Federal Reserve notes falls below 25 percent the Board of Governors of the Federal Reserve System shall establish a graduated tax of not more than 1 percent per annum upon such deficiency until the reserves fall to 20 percent, and when said reserve falls below 20 percent a tax at the rate increasingly of not less than 1½ percent per annum upon each 2½ percent or fraction thereof that such reserve falls below 20 percent. The tax shall be paid by the Reserve bank, but the Reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Board of Governors of the Federal Reserve System."

SEC. 2. The second paragraph of section 16 of the Federal Reserve Act, as amended, is amended to read as follows:

"Any Federal Reserve bank may make application to the local Federal Reserve agent for such amount of the Federal Reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal Reserve agent of collateral in amount equal to the sum of the Federal Reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of section 13 of this act, or bills of exchange endorsed by a member bank of any Federal Reserve district

and purchased under the provisions of section 14 of this act, or bankers' acceptances purchased under the provisions of said section 14, or gold certificates, or direct obligations of the United States. In no event shall such collateral security be less than the amount of Federal Reserve notes applied for. The Federal Reserve agent shall each day notify the Board of Governors of the Federal Reserve System of all issues and withdrawals of Federal Reserve notes to and by the Federal Reserve bank to which he is accredited. The said Board of Governors of the Federal Reserve System may at any time call upon a Federal Reserve bank for additional security to protect the Federal Reserve notes issued to it."

SEC. 3. All power and authority with respect to the issuance of circulating notes, known as Federal Reserve bank notes, pursuant to the sixth paragraph of section 18 of the Federal Reserve Act, as amended by section 401 of the act approved March 9, 1933 (48 Stat. 1, 6), shall cease and terminate on the date of enactment of this act.

SEC. 4. All power and authority of the President and the Secretary of the Treasury under section 43 (b) (1) of the act approved May 12, 1933 (48 Stat. 31, 52), with respect to the issuance of United States notes, shall cease and terminate on the date of enactment of this act.

Mr. BARKLEY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. HAYDEN. I move that the Senate resume consideration of House bill 3024, the Interior Department appropriation bill.

The motion was agreed to; and the Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

Mr. HAYDEN. Mr. President, the Senate has completed consideration of all the committee amendments to the Interior Department appropriation bill save one, which appears on page 66, lines 19 to 22. I ask that the amendment be stated.

The PRESIDENT pro tempore. The amendment will be stated by the clerk.

The CHIEF CLERK. On page 66, after line 18, after the word "California", it is proposed to strike out "$4,500,000" and insert "$4,715,300, including $115,300 for planning of the Delta steam power plant and $100,000 for planning of transmission lines."

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BURTON. I understand that this is the one amendment presented by the committee upon which there was a divided vote in the committee, the vote being 9 in favor and 8 against the amendment as it now appears in the bill. This amendment is the one controversial matter in the bill which has been reserved for discussion in the Senate. Therefore, I believe a quorum should be present. Will the Senator yield so that I may suggest the absence of a quorum?

Mr. HAYDEN. I yield.

Mr. BURTON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Guffey	O'Daniel
Austin	Hart	O'Mahoney
Ball	Hatch	Overton
Bankhead	Hayden	Radcliffe
Barkley	Hickenlooper	Robertson
Bilbo	Hill	Saltonstall
Buck	Hoey	Shipstead
Burton	Johnson, Calif.	Smith
Bushfield	Johnson, Colo.	Taft
Butler	Johnston, S. C.	Thomas, Okla.
Capper	La Follette	Tydings
Chavez	Langer	Wagner
Donnell	Lucas	Walsh
Downey	McKellar	Wiley
Ellender	McMahon	Willis
Fulbright	Moore	Wilson
Gerry	Morse	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Missouri [Mr. BRIGGS], the Senator from Kentucky [Mr. CHANDLER], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MURDOCK], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent visiting battlefields in Europe.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent in Europe on official business for the Special Committee Investigating the National Defense Program.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senator from Arizona [Mr. MCFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business in Europe for the Interstate Commerce Committee.

Mr. BURTON. The Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. WHERRY], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent on official business of the Senate as a member of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Oregon [Mr. CORDON] are necessarily absent.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The PRESIDENT pro tempore. Fifty Senators having answered to their names, a quorum is present.

PUNISHMENT OF WAR CRIMINALS

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LUCAS. A week ago today I made a brief statement in the Senate with respect to the importance of proceeding with the trials of war criminals in Europe. During the past week I have watched with considerable care the dispatches which have come from Paris and London discussing the procedure proposed for such trials. Candidly I am somewhat disappointed in discovering that the procedure at the present moment is to try some of the small fry, and delay the trial of the major criminals who were responsible for the war of aggression, and for the torture and murder of millions of innocent men, women, and children.

Mr. President, there is no Member of the Senate who believes more strongly than I in attempting to achieve unity between all allied nations with respect to the grave international problems which now confront the world. But in connection with the war criminals of Europe who were responsible for the war it seems to me that a difference exists so far as unity is concerned. It is most desirable that there be unity among the allied nations with respect to the trials of the various war criminals who have been listed by the War Crimes Commission, and by the armies of the respective nations, and I wish to repeat what I said a week ago, namely, that I hope there may be unity in the trial of these war criminals. It is my earnest desire to see Russia, England, France, and America sit around the table, and finally arrive at the proper plan and procedure to be followed in connection with these trials. But at the same time, if those nations cannot agree, I repeat with emphasis, that as to the major criminals who at the present time are in custody of the American Army, it is the duty of this Nation to proceed with its own plans with respect to their trials.

In connection with that thought I ask unanimous consent to have printed in the RECORD at this point as a part of

my remarks an editorial from the St. Louis Globe-Democrat entitled "Get on With the War Crimes Trials." It is one of the most interesting editorials I have read in dealing with the trials of persons committing war crimes.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GET ON WITH THE WAR CRIMES TRIALS!

With every passing day it appears more and more likely that the Allied nations—the very countries which all but wrecked themselves to wipe out a monstrous evil—may fumble and dilly-dally and quibble over technicalities until the authors of that evil plant the seeds of another world holocaust and then die of a mocking old age.

From the moment top Nazis began their whining parade to captivity we have seen nothing but a series of hedging, timid, dilatory maneuvers by those responsible for their prosecution, apparently all springing from disagreements and rows over judicial methods. There has been none of the summary justice for these criminals the world expected. There has been none of the swift punishment which would be an object lesson to ambitious underlings who might later attempt to emulate Hitler. In fact, self-administered poison and bullets to date have been far more effective than war crimes courts in dealing justice to the Nazis. Wherever Himmler and previous German suicides are today, they must regret they didn't stick around awhile.

It has been many months since it was sternly announced the War Crimes Commission would list the enemy leaders destined for trial. It was intended as a fearsome warning which would hasten the Reich's defeat and heighten immeasurably the morale of the oppressed peoples. Yet today we have the official identification of only one "big name" on the list—Hermann Goering.

Justice Jackson, chief United States counsel for prosecution of war criminals, has just arrived in Paris. He was quoted yesterday as stating that Germans accused of crimes against American troops—the small fry—will go on trial within a few weeks, but sees no prospect of immediate trial of the higher-up Nazies. Not until the Allies can agree on "certain details" of the international military court can proceedings start. A ridiculous split over methods is holding up the entire program, and the only reason we learned this much about the mysterious goings-on was because the dispute generated so much steam it blew off the lid of secrecy for a moment.

What effect is all this subsequent dawdling going to have on the morale of the oppressed peoples? What effect on the soldiers who have left arms and legs on the battlefield that these men might be captured for trial? What effect on the mothers and fathers and wives of sons who will never come home? What effect on the small nations which look to the big ones for world justice?

What difference does it make if the criminals are tried by a military court or civil court? What difference if the jurists are American or French or British or Greek? Political repercussions? Perhaps. But they should be ignored. For they cannot be serious enough to justify delaying the trials until the crime is forgotten or misguided milksops win a campaign of "forgiveness." Whatever method is the fastest should be used.

Americans have had too good a view of stalling tactics in their own courts to be tolerant of the present situation. If felons here too often go free through legal technicalities, how much greater is the opportunity for the Nazis under a multitude of international niceties.

It is time to end this quibbling and muddling with a mob of gangsters responsible for the starvation, torture, and slaughter of millions of innocent persons. A meeting of the Big Three is due soon in London or Germany. A decision on how to cut red tape and swiftly start the punishment of the greatest criminals the world has ever known should get top billing.

Mr. LUCAS. Mr. President, I wish also to read into the RECORD at this time a letter which I received from an American soldier. The letter is as follows:

DEAR SENATOR LUCAS: I am an American soldier just back from the hell in Germany, and after reading the enclosed short news bulletin, I couldn't help but write you these few lines to let you know that I am 100 percent for you.

Also enclosed you will find a clipping that I took from a Reader's Digest while on the boat coming home. Everything in it, and a lot more that can't be printed, is absolutely true.

This letter came to me as a result of a short news bulletin in one of the Boston newspapers in which had been quoted three lines of what I had said in regard to trying the German general staff.

I continue reading:

German generals, every damn one of them, are just as guilty as the butchers who ran the prison camps in Europe.

I was looking over one of my first Boston newspapers that I have seen in a long time, only to get fighting mad as I looked at the grinning faces of German generals who thought their capture was only the end of a "game."

The "game" is over for them, for a while, but permanently for my buddies that fell, screaming with pain. They were just kids, like myself, who instead of being in college, were fighting a heartless enemy who would destroy everything and everyone they love.

The leaders of these so-called supermen are going to be let loose, they tell me. "Defeated leaders" is what one newspaper calls them, but "butchers" is better.

Please, sir, in the name of God and those kids that won't be coming back, don't let them get away with it. The next generation will be fighting the "next" war, unless Germany is made to pay this time.

God bless you, and your courage to speak up.

Mr. President, I understand that Mr. Justice Jackson is back in this country, or soon will be back. It seems to me that the American people at this time are entitled to know from his lips exactly what has been done up to this moment with respect to plans and procedures for the trial of the war criminals in the Old World.

COMMEMORATIVE POSTAGE STAMPS

Mr. O'MAHONEY. Mr. President, the remarks of the senior Senator from Illinois [Mr. LUCAS] call emphatic attention to the sacrifices which have been made by the fighting men of the United States. I think it may properly be said that the people of no nation in all history made a greater contribution to the fight for freedom than have the people of the United States. The casualties which we have suffered in this war to date number more than a million, and the war is not yet over.

Mr. President, I venture to make these few remarks because this morning all the members of the Committee on Post Offices and Post Roads who are in the city have joined me in sponsoring a joint resolution to authorize and direct the Postmaster General to issue appropriate commemorative postage stamps to honor the valor, the efforts, and the sacrifices of the members of all our fighting forces.

I ask unanimous consent that the joint resolution which I now introduce for myself and a number of other Senators be referred to the Committee on Post Offices and Post Roads and also that it be printed at length in the RECORD as a part of my remarks.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). The joint resolution will be received, referred to the Committee on Post Offices and Post Roads, and without objection, printed in the RECORD.

The joint resolution (S. J. Res. 73) providing for the issuance of a special series of stamps commemorating memorable victories in the cause of human freedom in Europe and Asia, introduced by Mr. O'MAHONEY (for himself, Mr. MCKELLAR, Mr. HAYDEN, Mr. CHAVEZ, Mr. ELLENDER, Mr. O'DANIEL, Mr. LANGER, Mr. BUCK, Mr. HICKENLOOPER, Mr. MORSE, Mr. SALTONSTALL, and Mr. DONNELL), was read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the RECORD, as follows:

Joint resolution providing for the issuance of a special series of stamps commemorating memorable victories in the cause of human freedom in Europe and Asia

Whereas the armed forces of the United States by unexampled heroism and sacrifice have achieved memorable victories in the cause of human freedom both in Europe and Asia; and

Whereas through remarkable coordination of military, naval, and air power they invaded the long-prepared strongholds of Nazi tyranny in Africa, Italy, and France, and by superior resourcefulness and efficiency drove the professional German Wehrmacht across the Rhine and crushed it; and

Whereas in the Pacific they have utterly defeated the Japanese Navy, driving its remnants into hiding while through amphibious landings they are seizing strategic islands within the network of Japan's imperial defenses, and through unprecedented air operations they are now destroying the industrial foundation of Japanese tyranny; and

Whereas they have retaken the Philippines and bestowed real liberty upon the loyal and courageous Filipinos, thus setting an example to all the nations of the world; and

Whereas these victories were won by citizen soldiers and sailors, more than three-fourths of whom had never fired a rifle or sailed in a war vessel before Pearl Harbor; and

Whereas to win these victories they have suffered in battle and in prison camps; and

Whereas more than 227,000 have lost their lives, and the total number of casualties already exceeds 1,000,000: Therefore be it

Resolved, etc., That the Postmaster General is hereby authorized and directed to issue a series of special postage stamps of suitable design to commemorate the valor, the effort, and the sacrifices of the members of the Army, Navy, Marine Corps, Coast Guard, and merchant marine.

SEC. 2. At least one stamp shall be issued to honor each branch of the armed services of the United States.

SEC. 3. The stirring photograph of the raising of the flag on Mount Suribachi, Iwo Jima, in the midst of battle by five marines and one sailor, three of whom have since been

slain, and the notable photograph of the Remagen Bridge across the Rhine, the capture of which by an American armored division took the enemy by surprise and appreciably hastened the collapse of Germany, are suitable designs.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

Mr. HAYDEN. Mr. President, the remaining committee amendment to be considered in connection with the Interior Department appropriation bill appears on page 66. The amendment is based upon a Budget Bureau estimate. In 1937 the senior Senator from California [Mr. JOHNSON] sponsored legislation authorizing the construction of what is known as the Central Valley project. In that authorizing legislation there is provision for the construction, operation, and maintenance of dams, canals, power plants, pumping stations, transmission lines, and other incidental works. So there is no question about the authority of law for Congress to appropriate $115,300 for the planning of the Delta steam power plant and $100,000 for planning transmission lines.

With respect to the amendment, which I should explain was not agreed to by the House of Representatives, but was included in the Budget Bureau estimate, and the Senate committee amendment is a restoration of that estimate, the committee report makes this suggestion:

> This legislative authorization cannot be repealed or modified by a failure to appropriate money for the planning and construction of transmission lines and power plants except that a consistent refusal to supply the necessary funds would inevitably lead to the conclusion that it is the desire of Congress that Central Valley project power should be sold only at the bus bars of the power plants and to only one customer, the Pacific Gas & Electric Co.

Under the law the Bureau of Reclamation has two specific duties to perform, and it has had those duties since 1906. One is that wherever a power plant or reclamation project is built the Bureau is to obtain revenue sufficient to pay into the Federal Treasury the cost of the project over a reasonable term of years. Where power is generated the Bureau of Reclamation is not authorized to give the power away, it is not authorized to sell it at less than cost, but it is authorized, under the law, to dispose of the power at a profit sufficient so that the power plants which have been built can be paid for over a period of time. That was what was done at Boulder Dam. The Federal Government built a great power development there; then the Bureau of Reclamation contracted with the city of Los Angeles and power companies in southern California to pay the cost back, and the cost is being paid back according to the contracts which have been made and according to the law. That is exactly what is proposed to be done in this instance. So anyone who fears that if the Federal Government undertakes to do in northern California the same thing it has done in southern California—that is, build a power plant and transmit the power and sell it, the Government will be put into the power business in unfair competition with private enterprise—is utterly mistaken. That cannot be done under the law. There must be obtained a price for the power which will reimburse the Government.

The other provision of law, which has been on the statute books since 1906, is that when the Federal Government builds a power plant and has power to sell it shall give preference to municipalities, to cooperatives, and to public power projects throughout the country, so that, if there is a limited amount of power, then a public power authority has the preference in the purchase of power. Those two policies are provided by law: first, to obtain a fair price for the power, and, second, if there is not sufficient power to go around, to give preference to public projects.

The other argument that seems to be worrying Senators with respect to this matter is that this is some sort of an entering wedge whereby the Federal Government will go into the retail distribution of power. Let me assure the Senate that the United States Reclamation Service never has been in that business. The Reclamation Service is a wholesaler of power. At no time has there been any action taken by the United States Reclamation Service to sell power other than as a wholesaler except in a few of its construction camps. I have talked with the Commissioner of Reclamation and asked him if in connection with these expenditures in California it was the desire of the Reclamation Service to transmit power from the mountains where it is generated down into central California, and then go into the retail power business. He said: "Positively no; we have no more intention of doing it here than anywhere else, and we thought, as a matter of principle, it would be a great mistake for any bureau of the Government to engage in the retail distribution of power anywhere in the United States."

The retail distribution of power is a local matter. If any city, county, or community desires to engage in that business it is done by vote of the people of the area, and then they have a preference right to purchase power from the Federal Government, but beyond that the Government is not in the business, never has been in the business, and does not expect to go into the business.

The last point I desire to make in this connection is that it is undisputed, so far as the testimony before our committee is concerned, and it is a fact, that there do not exist at this time transmission lines to carry the power from the Shasta Dam 150 or 200 miles down into central California. There is in existence a transmission line owned by the power company which carries the small amount of power that has been generated up to the present time. But the project has not been completed. Many other generators are to be put in, both at the Shasta and the Keswick Dams, and when those generators are all installed, someone must build a transmission line to take the power out from the mountains where it is generated down to where it can be consumed. The question before the Senate is, shall that transmission line be built by the Federal Government, or shall it be built by a private power company?

The action we take here today is notice to the company that they may expect that the Federal Government will plan and have available the means of building a transmission line, and when the power is transmitted down into central California, they will plan a way to distribute the power.

The streams of California fluctuate greatly in their flow. There is a wet and dry season. Up at the Shasta Dam, it is possible to generate about 200,000 kilowatts of firm power. The remainder, the dump power, is fluctuating power, that can be firmed up with steam. So that there are 350,000 to 400,000 kilowatts an hour without the steam plant, and it is only possible to sell the firm power; the dump power has no value.

The plan of the Reclamation Service is that of the power generated at these dams, 120,000 kilowatts will be used to pump water for farming. It is quite obvious that that is the larger part of the 200,000 kilowatts of firm power that will be available. So the Government should, in my judgment, build a transmission line for that reason, if for no other, because the farmer in California, who helps pay for this project, is entitled to the cheapest possible power obtainable by him; and, secondly, it should be done so as to carry out the purpose of the law, namely, reimburse the cost of the project.

Therefore, I say that we must decide now whether or not we shall give notice to the power company, by the rejection of the pending amendment, that we do not intended ever to build a transmission line, or whether they can depend upon its erection as a certainty, so they will not be justified in investing their money in a transmission line and standby steam plant.

If the company should go ahead and build the necessary transmission line, and then Congress should change its mind, the company could very properly come in and say, "We have a great investment; we have put millions of dollars into a transmission line and power plant, and now the Federal Government comes along and wants to parallel our line and build a steam plant to take the business away from us. That would be unfair."

So we should make up our minds now whether the Federal Government is going to take this action and not put the company in a position of having the values it would invest in these lines, which would have to be built by it in the future, confiscated.

Every other place where the Reclamation Service has generated power—and it had to generate power in the mountains, where the power sites are located—the Bureau of Reclamation has brought the power out in each instance by transmission line to the place where it could be marketed, and that is the sensible, sane, sound, business way to do it. In no instance has the Reclamation Service engaged in the actual distribution and sale of power in the localities.

I wish to repeat, the Reclamation Service is a wholesaler of power; it has never been in the retail business, and does not intend to engage in that business. Therefore, if there are any who have fears of that kind, their fears are not justified.

Mr. President, I think that is all the explanation I care to make at this time.

Mr. BURTON. Mr. President, speaking to the amendment to which the Senator from Arizona just referred, I believe the arguments as presented before the committee should be clearly before the Senate. This amendment appears as a committee amendment, but it appears by virtue of a vote of 9 to 8 in the committee. It is obvious that it was a matter of contention in the committee.

It is not a criticism of the Central Valley project as a whole. That great $362,000,000 project is not affected by this item except that our action is to determine whether or not some $75,000,000 is to be spent by the Government for a transmission line and steam plant, or whether the facilities of a local utility are made use of to accomplish substantially the same result.

It is the contention of those objecting to the amendment that, in the words of the Senator from Arizona, but reversing the application, "the sensible, sound, sane, and business way" to meet this is to allow the local company, which has the investment in that area, to spend the $75,000,000, or whatever it is necessary to spend. It is willing, able, and ready to do so, and here is a case where the purposes of the project will be carried out fully without the United States Government putting in $75,000,000 to accomplish that result.

If it be the purpose, as I have always understood, that the Federal Government would only go into one of these projects when there was a failure of private enterprise to go into it, we have here a case in which I believe the record shows that private enterprise is ready and willing and able to render all of the required service.

To make the issue clear, the amendment to which we refer is found on page 66, in lines 19 to 22. It appears in the form of an increase in the appropriation from four and a half million dollars to $4,715,300. That would look as though it involved only $215,300. As a matter of fact, it consists of two planning items, the first one of $115,300 for planning the Delta steam power plant, which, when erected, will cost $26,000,000; and the second item is $100,000, for planning transmission lines, which, when erected, together with switchyards, will cost some $49,000,000.

Therefore, while at the moment it looks like $215,300, there would be no point whatever in appropriating $215,300 for making these plans unless it were contemplated that we were to go through with the expenditure of $75,000,000 for certain transmission lines and a steam plant, which, however, the testimony shows are an unnecessary Federal expenditure.

I think perhaps the clearest way to present the issue in the first instance is to read to the Senate from the report of the House committee on this point. What we are doing here is attempting to restore two items to which the House committee critically referred and strongly objected. The language in the House committee report is found on page 18 of the report, in the following terms:

> Central Valley project, California: In recommending a reduction of $1,000,000 in the estimate of $5,500,000 for the Central Valley project the committee has specifically disapproved items of $115,300 for the Delta steam power plant (planning) and $100,000 for transmission lines and switchyards (planning). It is the intention of the committee that none of the funds appropriated in the bill, or heretofore appropriated, shall be used for any purpose in connection with the establishment of a steam plant or a transmission system. The committee is advised that power now available from the project is being sold near the Shasta Dam under a contract which guarantees to the Government a fair and equitable price and which preserves for public agencies the preference they are entitled to under the reclamation law. Under these conditions it is unnecessary for the Government to appropriate funds to construct either a steam plant, estimated to cost $26,000,000, or a transmission system which would cost approximately $48,000,000, which would not produce greater returns to the Government. There is no unserved market in the area. The proposed steam plant and transmission system would duplicate if not destroy existing taxpaying facilities and take much valuable property off the tax rolls to the detriment of many towns and counties in the State of California.
>
> In the case of the Central Valley project the committee wishes to point out that the estimated cost has risen in a few years from $170,000,000 to over $362,000,000.

The final sentences of the House report on this point read:

> Considering the need for economy, it would appear to be to the interest of the project to find ways and means of reducing rather than increasing estimates. The committee recommends that the Bureau of Reclamation give careful consideration to this situation.

If we now turn to the testimony given before the subcommittee of the Senate Committee on Appropriations, at page 864, we find there are four separate paragraphs which deal briefly with four separate points which I believe cover the issue adequately. First, as to the need for a steam plant—I may explain that this great Central Valley project extends through the center of California from the north to the south, about midway between the coast and the interior State line. The Shasta Dam, to which reference is made, is at the northern end of the project. The proposal is to build a 200-mile transmission line directly down through the territory now served by private interests, to place a steam plant just inland from San Francisco in order to firm that system and in order to help in the transmission of power to the irrigation system.

The principal arguments against this are that there already is an adequate private power development of that great area; that there are no new customers there; that there is plenty of power there, and that the local private power interests will buy all the power produced by the Government and transmit it on their lines and resell it to their users without the necessity for the erection of additional power lines by the Government.

On the first point, the need for the steam plant, one brief paragraph in the testimony is as follows—and this is from the testimony of the president of the local power company, who says:

> It is again claimed by the Bureau that the steam plant is required to "make firm" the output of the project's hydro plants. This is not so. The Pacific Gas & Electric Co.—

That is the local company—

> has offered and continue to offer to pay for all hydroelectric power generated on the project a price equal to the value it would have if "firmed" by an independent steam plant. We have further offered and continue to offer to "make firm" any power which the Bureau may sell to public agencies and to do this at a cost no greater than if such power were made firm by a project steam plant.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. AIKEN. I have been interested in the discussion by the Senator from Ohio. I realize that whether there is adequate supply of electric energy in an area or not depends largely on the price at which it is sold. Can the Senator tell us how the rates charged by the Pacific Gas & Electric Co. compare with the rates charged to the users of Bonneville power or TVA power? What I am getting at is, if the rates were low enough would there be an adequate supply of power, or would there not? We can always hold the rates so high that there will be a surplus, or they can be put so low that there will always be a deficiency, as I see it. So I was wondering what the situation is in this case.

Mr. BURTON. Mr. President, the testimony would indicate to me that there is no trouble with the rates being charged in that area, and that all the consumers who are seeking power obtain power. I refer to a quotation on page 872 of the record of the hearings, in which special reference is made to utility rates in that area. I quote from the report of the Railroad Commission of California for the fiscal year ending June 30, 1944, as follows:

> San Francisco retains its position with lowest-cost utility services (combined gas, electric, and telephone) of any of the 25 major cities of the United States, and Los Angeles has the lowest of any city in the Nation with over 1,000,000 population.

That is under the same regulation, and the rural areas, I understand, throughout that section are fully served. But the point is that the private customer offers to buy from the Shasta Dam—the Government—whatever power the Government produces, at a rate to be fixed by the State Railroad Commission of California and the Federal Power Commission, and to transmit that power to the ultimate consumer.

Mr. AIKEN. Mr. President, may I ask for further information whether San Francisco and Los Angeles have municipal distributing plants?

Mr. BURTON. I am afraid I will have to refer that question to the junior Senator from California [Mr. DOWNEY] for answer.

Mr. DOWNEY. Mr. President, Los Angeles largely does. San Francisco does not.

Mr. AIKEN. Can the Senator from California further advise me—if the Senator from Ohio will yield for that purpose?

Mr. BURTON. I yield.

Mr. AIKEN. As to how the rates in the area which will be served by the Central Valley project and which are now served by that project compare with the rates charged to users of Bonneville and TVA and other public power developments?

Mr. DOWNEY. I think that, generally speaking, the present electric rates in California are reasonably cheap compared to those elsewhere in the Nation. We think that one of the reasons therefor is that in the public-utility work of the city of Los Angeles we have had a most important yardstick by which to measure what are just and reasonable rates.

Mr. BURTON. Mr. President, therefore, on that first point, I wish clearly to bring out that, so far as there being need for a steam plant to firm the supply of power or to contribute firmness to the rates, the local company has offered and continues to offer to make firm any power which the Bureau may sell to public agencies, and to do so at a cost no greater than if such power were made firm by a Government project steam plant.

The second point: Is there a need for the transmission line? Here the testimony is clear. I summarize it, and then shall read it. The local company offers to take the power at the Shasta Dam and to deliver equivalent power at the other end of the system over its lines, of course allowing for line losses, without the necessity of building a new set of transmission lines by the Government down through the territory which the company is already serving.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. AIKEN. If the private utility took the power from the publicly constructed dam and passed it on to the consumers, it would pass on the saving, resulting from the construction of this dam with public money—we will say about $10,000,000 a year—the company would pass that on, but would avoid the establishment of a yardstick in that area by so doing.

Mr. BURTON. As I understand the issue, the rates charged by the company are not involved in the particular matter I am speaking of. The company is taking power from the dam and delivering power at the other end of its system. The only question is whether the company delivers the same power, after proper allowance is made for any loss en route. As the Senator points out, there is not a yardstick of rates established by the Government because there is one company already serving the whole area, and the justice of the rates depends on the stability of the Railroad Commission of California in fixing them. I may say that I have not heard a criticism of the rates as such or the work of the commission as such.

Mr. AIKEN. Am I to understand that the private company would distribute the power at prices to be fixed by the Federal Power Commission, or approved at least by the Federal Power Commission?

Mr. BURTON. The private company buys from the Government at rates which are approved by the Power Commission. When it sells, of course it must sell at retail subject to those rates. It operates under them directly.

Mr. AIKEN. Who approves the rates at which it would be sold to the private customer?

Mr. BURTON. The sale from the local power companies to the private consumer must be under the State commission, and the rate at which the United States Government sells to the power company at the other end is also indirectly under the local commission, because the commission only allows the company a credit for a reasonable price for the power it buys.

Mr. AIKEN. But the Federal Power Commission would have no control over retail rates?

Mr. BURTON. I think not.

Turning to the next paragraph on page 864 of the hearings, dealing with the need for the transmission line, I read again from the president of the local power company as follows:

> It is also claimed that the proposed transmission system is required in order to bring the project's power output into the market and to make it available for pumping plants required in the Delta division of the project. This likewise is not so. The company has offered and continues to offer to buy all of the project's hydroelectric power at the company's Shasta substation, 25 miles below Shasta Dam. It has also offered to supply the project's pumping plants on an exchange basis with power from the company's transmission system, the company to be paid in power delivered to it at its Shasta substation. The pumping plants would be assured of a power supply at all times, irrespective of the operation of the project's power plants. The steam plant and transmission system are therefore not only unnecessary, but appropriations for their construction would be a waste of public funds.

The third point to which I wish to refer in the record is the question of the need of this income by the Government project. I read the following brief paragraph from the testimony:

> The company is willing to make a long-term agreement or a short-term agreement for all hydroelectric power produced on the project, whichever the Bureau may deem to be to its best economic advantage. It is also willing to provide for the release from time to time of such quantities of power as the Bureau may wish to use itself or to sell to other buyers, including public agencies, as provided for in the reclamation law.

Finally, on the question of the need for service in the area, I quote the following paragraph:

> The territory in which the project's hydroelectric energy must be used is already completely served by this company. The company's system is the natural outlet for the project's hydroelectric energy; in fact it is the only outlet, unless wasteful duplicating lines and other facilities are constructed in an endeavor to take away existing consumers or to compete with the company for new customers.

Mr. AIKEN. Mr. President, will the Senator yield

Mr. BURTON. I yield.

Mr. AIKEN. I do not wish to tire the Senator from Ohio, but I have one further question in regard to this project, as to which I know very little. That is why I am seeking information.

If the power from the Central Valley project were sold to the Pacific Gas & Electric Co., would the Pacific Gas & Electric Co. have a virtual monopoly on the electric energy for that part of California. I do not know whether it operates in all of California, but would the result be to give this one company a virtual monopoly?

Mr. BURTON. As I understand the situation—and the Senator from California will correct me if I am mistaken—the Pacific Gas & Electric Co. already has a substantial monopoly in that area. This would merely mean the continuance of its existing situation, with additional sources of supply. If the power were supplied directly by the Government, there would be duplication of the existing supply system.

Mr. AIKEN. But the Pacific Gas & Electric Co. would continue to enjoy a monopoly, under regulation, would it not?

Mr. BURTON. It would continue it; yes.

Mr. President, I have no brief for the local company. I have no interest to serve in this matter except those of the public and I agree entirely with the House of Representatives that this is a case in which it appears that $75,000,000 may well be saved by the United States Government, and reliance may well be placed upon the local concern to supply the power, the transmission lines, and the plants needed. I therefore object to the adoption of the committee amendment providing for the planning of this expenditure.

Mr. DOWNEY. Mr. President, in the first place, I think it might be well for the Senate to know that, so far as I am advised, the only substantial opposition to these two comparatively small items of appropriation comes from the Pacific Gas & Electric Co., which, as has been very frankly stated on the floor of the Senate, at the present time enjoys a virtual monopoly on the production and distribution of electric energy in the great area of northern California.

I have no criticism of the Pacific Gas & Electric Co. in its opposition to these items of appropriation. The Pacific Gas & Electric Co. is a very able, powerful, and wealthy electric and gas utility. I may add, in all candor and fairness, that it is very potent in the political affairs of the State of California.

That company was represented before the congressional committees by a Mr. Black, president of the company, a most persuasive, eloquent, and able man, who undoubtedly was looking to the profits of his company. Beyond any doubt, if ultimately all of this power is sold to the Pacific Gas & Electric Co., it will legally and rightfully be entitled to a profit upon the electric energy which it buys from the United States Government and thereafter sells to consumers in the State of California.

Mr. President, I do not make any criticism of the Pacific Gas & Electric Co.'s being here and properly presenting its views to the Congress of the United States; but I think that the fact the only important opposition to these items is from the company which now has, and will continue to have, a monopoly of electric energy in the area in what it operates is of relevancy and importance.

I believe that the whole situation is more complicated and difficult than was expressed in the findings and the testimony read by the distinguished Senator from Ohio. The county of Sacramento lies about 100 miles down the Sacramento River from the great Shasta Dam, where this power is to be generated. About 5 years ago the people of that great county, a fine agricultural section, decided to form a municipal utility district for the purpose of taking over the retail distributing system of the Pacific Gas & Electric Co. After long years of most difficult and arduous litigation, after hearings before the California State Railroad Commission, and many appeals to appellate courts, judgment of condemnation was given in the lower court, fixing the damages, for the delivery of the retail distributing system of the Pacific Gas & Electric Co. to the public agency of the citizens of the county of Sacramento. In all candor, I may say that it happens that my brother, with whom I was formerly associated in the practice of law, was and is the attorney representing the Sacramento municipal utility district.

However, litigation is not finally concluded. The Pacific Gas & Electric Co. has taken an appeal from this final judgment to the Supreme Court of the State of California. The question now being considered by the courts there is how and when, and under what circumstances, pending the appeal, the utility district of the county of Sacramento should take over this property and pay the price fixed by the court.

The point I desire to make is this: At the present time there is great uncertainty in the minds of those who are operating the utility district in Sacramento County as to the conditions under which they should purchase power to carry on the retail electrical business in the county of Sacramento. As I have said, from now on this utility district will be expected to take a substantial part of the electric energy which will be produced at the Shasta Dam. It may very well be that ultimately the best arrangement that can be worked out will be through the Pacific Gas & Electric Co. However, it would be most unfortunate for the United States Government at this time virtually to serve notice upon the Pacific Gas & Electric Co. and upon the people of the State of California that the Congress of the United States is officially taking the position that it will not proceed with completion of the surveys for the transmission line, by virtue of which the Government could sell power directly to the people of Sacramento County and to great reclamation and farm agencies which will want this power, principally for pumping water from the Sacramento River over into the San Joaquin River.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. AIKEN. Can the Senator tell us what the productive capacity of the Central Valley project will be? How much power will it produce?

Mr. DOWNEY. I think the power presently provided for is about 200,000 kilowatts.

Mr. HAYDEN. The firm power that may be generated at Shasta Dam amounts to 200,000 kilowatts. It could be firmed up by a steam plant to between 350,000 and 400,000 kilowatts. The farm use, that is, the pumping use, to which the Senator referred, requires 120,000 kilowatts, to pump water out of the Sacramento River drainage over into the San Joaquin.

Mr. AIKEN. How many kilowatt-hours annually would that amount to?

Mr. HAYDEN. It is stated in the record that the expected output at Shasta for the calendar year 1945 will be in excess of 1,000,000,000 kilowatt-hours.

Mr. AIKEN. Is that kilowatt-hours?

Mr. HAYDEN. It is a billion kilowatt-hours.

Mr. AIKEN. A billion?

Mr. HAYDEN. Yes; a billion kilowatt-hours. It is a very large development.

Mr. AIKEN. What percentage of that would be used in pumping water and what percentage would be available for use by customers?

Mr. HAYDEN. Figuring it the other way, I have stated that of the 200,000 kilowatts of firm power, without any firming up, 120,000 kilowatts must be used for pumping. If it is firmed up, there will be that much more to sell to the municipalities and to others to help pay the cost of the project.

Mr. AIKEN. Does the Senator know how much power California now uses, annually?

Mr. HAYDEN. I cannot say, although it uses all that is produced by the Boulder Dam project and all that is produced by the other dams which are in existence. There is no question about the market for power, because the country is growing and expanding.

Mr. AIKEN. The market depends on the price. Of course, there is no doubt that all the power which will be produced anywhere will be used.

Mr. HAYDEN. This much I can say—and I am sure I am correct—that the price for power in Portland and Seattle, where the power comes from Bonneville and Grand Coulee, is less than it is in San Francisco, and the price at Los Angeles is also less, on the average. There is not quite so much difference between the prices in the Los Angeles and San Francisco areas which are served by this company as there is between the prices in the Los Angeles and the Portland and Seattle areas, where the power comes from the Bonneville and Grand Coulee developments.

Mr. AIKEN. Where does San Francisco get its power?

Mr. DOWNEY. Let me say first that a large part of the power now used by the city of Los Angeles comes from the Boulder Dam hydroelectric plant.

Mr. AIKEN. Does Los Angeles buy that power from the Government?

Mr. DOWNEY. Yes.

Mr. AIKEN. The Pacific Gas & Electric Co. does not control the power from Boulder Dam, does it?

Mr. DOWNEY. No. The Pacific Gas & Electric Co. does not operate in southern California. A parallel corporation, the Southern California Edison, operates there; and it buys some of the power at wholesale from Shasta Dam.

Mr. AIKEN. Did I correctly understand the Senator to say that the city of Los Angeles has the lowest rates of any large city having a population of a million or more?

Mr. DOWNEY. I believe that to be true. The Los Angeles Light & Power Co., a municipal agency, buys power directly from the Boulder Dam project.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. LANGER. Will the Senator tell us how many farmers will be affected?

Mr. DOWNEY. Mr. President, I should think that in the area which will be covered by this power distribution probably 30,000 farms will be affected.

Mr. LANGER. At the present time in that locality there is no Rural Electrification Administration development at all; is that correct?

Mr. DOWNEY. No; there is one small Rural Electrification Administration cooperative in the State of California, but it is not in this area.

Mr. LANGER. So, as I understand the situation, the Government would not be duplicating a system which has already been established there by the corporation; is that correct?

Mr. DOWNEY. Mr. President, the Pacific Gas & Electric Co. does have facilities over this general area; but in view of the development which will come from this power, I do not think there will be any excess facilities constructed, if the Government goes ahead with this program. In other words, all the facilities which would be constructed under this ultimate program would be necessary and would have to be constructed either by a private corporation or by the Government.

Mr. LANGER. As I understand, then, 30,000 farmers who today do not have power will be able to get it if the amendment is adopted; is that correct?

Mr. DOWNEY. No; I would not quite say that. Many of the farmers now have power, but additional power will be needed for farmers because of this great project which is under way.

Mr. AIKEN. Mr. President, will the Senator yield to me, so that I may ask him a question?

Mr. DOWNEY. I yield.

Mr. AIKEN. What would be the principal advantages entailed in having the Government have the right to build this transmission line and to put in a steam plant? Would it mean that more people would be served or that they would be better served or that they would be served at lower rates; or what would be the advantage?

Mr. DOWNEY. Mr. President, let me say that no contract has as yet been negotiated with the Pacific Gas & Electric

Co., for instance, for the area at Sacramento City or for the area where it will be necessary to pump the water. None of us know at this time what will be the contract which should be negotiated either between the Government and these public agencies or between the Pacific Gas & Electric Co. and these public agencies. I am advised that the power which presently exists will, in terms of money, be worth approximately $10,000,000 a year within the next 2 or 3 years. Looking ahead, the power which may be generated from similar hydro-electric projects in this area may be worth $15,000,000 or $20,000,000 or $25,000,000.

Here we have involved two items totaling $215,000. Until the two surveys are completed—the survey for the transmission line and the survey for the auxiliary steam plan to firm up the hydroelectric power—I do not think any of us is in a position to judge what would be the best arrangement which could be made for the people of the State of California.

These two items would represent a cost of approximately 2 percent of the value of this electric energy in 1 year. It seems to me to be most unfortunate that the Senate by rejecting these items would virtually serve notice upon everyone concerned that Congress is not going to allow the Government to build the transmission line and the auxiliary plant, in any event.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BURTON. The question I wished to ask in order to clear up the situation or to have the RECORD made clear was the one raised by the Senators from North Dakota and Vermont, because I am as deeply interested as they are in providing service for the rural areas and also in completing the Central Valley project and in its success. The issue before the Senate, as I have seen it and as I heard it in the committee, is not whether one method would result in providing more power for farmers or whether one method rather than the other would enable the transmission line to be completed, but, rather, which lines the power would go over, whether private lines or Government lines. In either event the same number of farmers would be served and the same service would result. The question is really one of mechanics within the system, not one of the system itself.

Mr. DOWNEY. Mr. President, I cannot entirely agree that that is an accurate statement, and later I shall point out why I do not think it is.

But first I yield to the Senator from New Mexico, who, I understand, wishes to be recognized.

Mr. HATCH. Mr. President, I should like to ask the Senator from California a question. Suppose the Government never builds the transmission line or the steam auxiliary plant, would the effect then be to freeze the monopoly which the Pacific Gas & Electric Co. now has in that section?

Mr. DOWNEY. Mr. President, I think that question can be very directly answered in the affirmative. It would forever give a monopoly of the distribution and sale of this power to the Pacific Gas & Electric Co.

Mr. BURTON. Mr. President, will the Senator yield on that point?

Mr. DOWNEY. I yield.

Mr. BURTON. Am I correct in understanding that the Senator is making his argument on the ground that he wants the people of the United States to spend $75,000,000 on local power projects in that section in order to prevent a local company from maintaining the monopoly it already has? Is that the business we are to be in?

Mr. DOWNEY. Mr. President, I do not think there is a meeting of the minds between the Senator from Ohio and me. The distinguished senior Senator from New Mexico [Mr. HATCH] asked me this question, as I understood: If we were never to build this transmission line and the auxiliary plant, would the result be that we would forever give a monopoly of the purchase of this electric energy to the Pacific Gas & Electric Co.? I answered that question in the affirmative; I said it would do that.

What conclusion did the Senator from Ohio draw from that?

Mr. BURTON. Then it seemed to me that the next step which was in the Senator's mind was that, therefore, we should spend the $75,000,000 so as to break into that monopoly.

Mr. DOWNEY. Mr. President, the Senate is not today or this year confronted with the ultimate decision whether we should build a transmission line and a steam plant. The only thing which is before the Senate today is the question whether we should complete surveys, which are already 50 percent, or two-thirds completed; and whether we should finish them, so that we will know where to go forward from there.

The Pacific Gas & Electric Co. has very generously said that it will buy this electric power at just as high a figure as the Government can sell it elsewhere directly to any public agency. Of course, the Pacific Gas & Electric Co. can safely make such an offer, because if it once buys the power and pays for it, and the people want the power, the State railroad commission, in fixing the price at retail, will, of course, allow the Pacific Gas & Electric Co. to recapture whatever amount of money it has paid for the power. The Pacific Gas & Electric Co. will be in the very happy position of being in the middle and will be able to buy this public power at whatever contract figure shall be agreed upon. The California State Railroad Commission will then allow the company to recapture the money which it has paid in the retail price which is fixed, plus whatever shall be agreed upon between the Pacific Gas & Electric Co. and the State railroad commission as a reasonable price, which, of course, will be an extraordinary sum, and which will represent a very fat contract for the utility company.

Mr. President, I am not saying that when all these plans are completed what I have stated would be the best way to work the problem out in northern California; but I believe that we would be surrendering a most valuable bargaining point if Congress were now to declare that it will make sure that the Pacific Gas & Electric Co. shall have a monopoly upon the power, even before the bargains are made, or before any order has been issued by the State railroad commission.

Mr. President, I do not believe that we can properly evaluate this whole situation until the surveys of the transmission lines shall have been completed and we know what they will be in extent, amount, and cost. I believe the same to be true in respect to the auxiliary plants. As I have already said, the surveys have been more than half completed, and more than half of the allotted funds have been spent. Now we are being asked to stop those surveys before completion, and give assurance to the great Pacific Gas & Electric Co. that it will not be interfered with in any bargain which it may wish to undertake.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BURTON. The Senator from California has stated that the Federal Government should provide the sum of $75,000,000, or whatever it may be, in order to establish a competitive agent in the locality under consideration, and enable the Government perhaps to sell the power more cheaply to the people of California, and that then the people of California, the users of the power, would pay a return on private capital which had been invested in order to serve them. In most places throughout the country it is true, and properly so, that the consumers of electric power pay a fair return upon the capital which has been invested for their use, and do so under the regulation of the local railroad or power commission, or whatever the name of the agency of that character may be. The local company must pay taxes, and so forth.

What seems extraordinary to me is that we are being asked to take out of the United States Treasury the sum of $75,000,000 and invest it in California where the users may obtain electric power more cheaply than they could obtain it from private capital invested in the normal and usual manner. I do not believe that to be the best public policy.

Mr. AIKEN. Mr. President, will the Senator from California yield?

Mr. DOWNEY. Reserving the right to answer the argument of the distinguished Senator from Ohio [Mr. BURTON], I yield to the Senator from Vermont.

Mr. AIKEN. One might easily derive the impression from the remarks of the Senator from Ohio that this sum of $75,000,000 is to be a gift to someone. Is that true, or is the project to be a self-liquidating one? Is the Government going to produce the power and give it to California, or will it make a charge to the people of California for the power which they use? If the latter is true, would not the $75,000,000 eventually come back to the Federal Treasury?

Mr. DOWNEY. Mr. President, under the reclamation law now on the statute books the principal of all investments must be repaid to the Government. The Government subsidizes a project by waiving any interest but repayment of the

principal is generally amortized over a period of 40 years.

Mr. BURTON. As I understand it, the sum proposed to be appropriated would be paid back to the people of the United States without interest over 40 or 50 years at the rate of 2 percent a year. Mr. President, that comes very close to being a gift.

Mr. DOWNEY. The distinguished Senator from Tennessee [Mr. MCKELLAR] was much more fortunate in getting Congress to agree to what was a very righteous cause in behalf of the people of the South, because under the TVA Act the $700,000,000 or $800,000,000 which was appropriated to build that great TVA project does not have to be repaid either in principal or interest. On the other hand, the reclamation projects in the West generally are required to pay interest. Under the equally great Boulder Dam project, which the senior Senator from California [Mr. JOHNSON] helped to secure for the great southwest, the people in that territory not only must repay the principal, but likewise must pay interest on the use of the money. However, Mr. President, I want the distinguished Senator from Ohio to know that we in California are not responsible for the present reclamation law. It is upon the statute books. It is the statute under which the project to which I have referred was built, and the Congress, in its wisdom, saw fit to provide that with regard to Reclamation Bureau projects the principal amount invested by the Government must be amortized and repaid.

Mr. BURTON. Mr. President, I wish to join with the Senator from California in recognizing that the reclamation law is an act of Congress. I support it thoroughly, and I believe in it. I think it is worth while. I think it has proved to be a valuable factor in connection with the development of our West. However, I object to carrying the irrigation program into a separate power project when already private capital is serving the area involved.

Mr. DOWNEY. Mr. President, before I conclude my remarks—and I am about ready to do so—I desire to repeat to the Members of the Senate that the issue is not as recently stated by the distinguished Senator from Ohio, namely, whether the Congress should appropriate $75,000,000 for auxiliary plants and transmission lines. The issue is whether at the present time the Congress of the United States should appropriate an additional $215,000 to complete surveys for this enterprise so that the Congress and the Bureau of Reclamation, as well as the interested persons, may form their own conclusions as to how the electric energy, which will amount in value to $10,000,000 or $20,000,000 a year, should be disposed of. From my own point of view, and speaking for the people of northern California, I would say that it would be most unfortunate at this time for the Congress officially to take the position that it will not even proceed with the completion of these surveys, but will do away with all bargaining power which would inure to the people of California in their dealings with the Pacific Gas & Electric Co.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. AIKEN. I believe I am about to ask my last question. If we appropriate $115,300 for planning of the Delta steam power plant, and $100,000 for planning of transmission lines, it will not necessarily mean that the steam plant will be built, or that the transmission lines will be built, or that the Pacific Gas & Electric Co. will not be the principal customer for the power produced. As I understand, the language in the bill provides for investigation and planning only, after which the Congress must act in making an appropriation for the steam power plant or the transmission lines before they may be constructed.

Mr. DOWNEY. Mr. President, the Senator from Vermont is correct. When these plans shall have been perfected by virtue of the proposed appropriation, the whole matter will have to be given most careful consideration by the Appropriations Committee. I am happy to yield to one of its distinguished members, the Senator from New Mexico [Mr. CHAVEZ].

Mr. CHAVEZ. Mr. President, this item is either good or bad. We should vote for it with our eyes open. Investigation as to whether or not we shall build the firm power plant, the steam plant, and the other plant, is being made by those who want the project to proceed. Let us not quibble about these things in the Senate. Either this project is good or it is not. Let us not say that if we give them $117,000,000 we might build it, because the people who are making the investigation are the ones who want to do the building, and there is nothing to it. If we give them the money, they are going to decide whether they should build the power plant. Let us do it with our eyes open. If it is good, let us do it; if it is not, let us not do it.

Mr. THOMAS of Oklahoma. Mr. President, as a member of the committee I have heard the testimony in the hearings on this issue for the past several years. It came before the Congress in connection with the last Interior Department appropriation bill. Practically the same arguments were made for and against the item last year. The House eliminated it from the bill; it came to the Senate, and hearings were held. In the Senate committee I voted against the item. The House conferees refused to accept it last year, and the money was not made available. This year the proponents of the project asked for money with which to make the surveys, $115,000 to make the survey for the Delta steam power plant, and $100,000 to make a survey and plans for the transmission line.

The other body refused to make the appropriation to cover these surveys and engineering works. When the matter came to the Senate the subcommittee heard the testimony, and as I recall by a substantial majority refused to recommend the item to the main committee. In the main committee it was taken up again, and by a slight majority was ordered placed in the bill.

Mr. President, this issue is not a local one. Were it a local issue, I should be disposed to follow the recommendation of the distinguished Senator from California. But there is involved a question of national policy. We are called upon, not to appropriate $115,000 to make plans for a steam plant, not to make an appropriation of $100,000 to make plans for a transmission line, but we are called upon to establish and set forth a national policy with respect to the generation and distribution of electricity.

The same issue has come before the United States engineers in developing flood-control works. In building great dams, they have, as an incident to their flood-control work, the development of power. So the issue there arises in connection with such construction; but, so far as I know, the Engineers have never requested money with which to build a transmission line and a distributing system. The Engineers are content to build the dams, to build the power plants, to develop the energy, and then sell the energy at the dam, at the bus bar.

My State of Oklahoma and the State of Texas are separated only by the Red River. Congress has authorized the expenditure of approximately $55,000,000 in the building of a giant hydroelectric plant at Denison, a town in Texas near the dam from which the dam took the name of Denison. It is on the Red River. This dam was constructed to create a reservoir in order to control floodwaters in the Red River, and eventually to control floods in the Mississippi, but as an incident of controlling floods, there was a power development. It is not a large power development, but still it is a power development. The engineers have decided, as the best policy, to sell the power at the dam. They have entered into a contract with two of the large power concerns in the area to sell the power generated at the Denison Dam to the private companies, and the private companies build their own transmission lines to the dam, take all the power, and distribute it.

In times when there is plenty of water, the maximum power is available. The private companies take all the power at high-water time, and when the power becomes low, as it does, and as it will continue to do, then they draw on the steam-generating facilities to supply their customers. But through this contract they take all the power, not only the prime power, but what is called the dump power, and they pay a good price for it.

It is the contention of the Engineers, I understand, that they can obtain more money for the sale of all their power, not only prime power, but the dump power, than they can obtain by selling merely what might be termed the prime power, or the power they can deliver 365 days in the year.

Mr. President, the Shasta Dam was started on an estimate of about $160,000,000 or $170,000,000. It was initiated as a reclamation proposition. We all voted for it, I think, when it was proposed; at least, I did. I was for the project then, and I am for it now; as an irrigation project. The law which authorized the creation of the Shasta Dam

provided that power should be generated as an incident to reclamation, and that such power should be disposed of, which made it a good business proposition. The project has developed until it is now a $362,000,000 proposition. A comparatively small project involving $160,000,000 has grown in the space of 2 years to a $362,000,000 project, including, of course, the steam plant and the transmission lines.

We have here an issue not only of $115,000 with which to make plans for a steam plant, not only an issue of $100,000 with which to make plans for transmission lines; but one involving an element of national policy, and the Congress must decide the policy. If it were a matter of only $115,000, I suppose it would be too small to talk about. In the section of the country from which I come the people are under the impression that nowadays that if a project does not contemplate the expenditure of a billion dollars, Congress has no time for it.

This project started on a small scale. That is the way smart people bring about legislative results. A camel, in order to get under the tent, must first get his nose under. Later he gets his head under. He keeps moving, as smart camels do, and eventually he gets his hump under, and in time the camel is under the tent. The first thing legislators learn when they come to a legislative body is to start on a small scale. That is the way a building is raised. That is the way a stump is removed from the ground. It is raised by elevating it half an inch or an inch, then putting a chock under it, getting a good hold, and lifting a little bit more. Senators from the timber sections of the country know what I am talking about.

Mr. President, the proposal before the Senate is not merely the appropriation of $115,000 and $100,000; but the issue involves approximately $75,000,000 for the building of a gigantic steam plant and the building of a transmission line to carry electricity from the Shasta Dam and the Keswick Dam to wherever the power can be sold.

Mr. President, I am against the policy that is sought to be established of having the Bureau of Reclamation become a Shasta Dam Authority for Central California. I am not against Central California; I am for it. I want the people there to have irrigation, and they have it. But I am opposed to Congress in effect creating a Shasta Dam Authority, and making that authority consist of the personnel of the Bureau of Reclamation. That is exactly what is pending before the Senate at this hour.

The proponents of this proposal do not want to stop merely with the building of a transmission line; they do not want to stop with the building of a power plant. If they get the transmission line and the power plant and firm up their power they will have power to sell. They have no power to sell from the Shasta Dam at the present time; they have some dump power at times of high water, but there will not be high water there at all times. It is said a plant is only good to the extent of its productive capacity, and if such capacity is 50,000 kilowatts at low-water time, that is all the power the plant can sell with assurance. So, in order to get a lot of power, so as to enable them to go into the power business, the proponents of the project want to take the power from the Shasta Dam and the Keswick Dam and then build an enormous steam plant, to be kept in a standby condition, so that when the water recedes in the two dams they can fire the steam plant and bring up the prime power to the extent of their contracts to sell.

One witness came before the committee and suggested that the way to firm the power from the Shasta Dam and the Keswick Dam was to build more hydroelectric plants. Anyone who is at all familiar with the subject knows that if two additional hydroelectric plants are built to firm up the power from the Shasta and Keswick plants, then it will be necessary to build more hydroelectric plants to firm up the power from the plants so built. Thus it would be an unending proposition, and it is not feasible.

Mr. President, there is one other feature of this matter which appeals to me, and that is the taxation feature. When the war is over I fear we are going to have a national debt of around $300,000,000,000. It may be more; I hope it will not be. If the national debt is only $300,000,000,000, at 2½ percent interest, making the computation of the interest charge, it follows that seven and one-half billion dollars must be raised in taxes each year in order to meet the interest on the national debt. That is item No. 1.

Item No. 2. For some time at least we must support a large military establishment. No one can tell how many men the Government will have to support in that establishment. We must have a large Navy. We must retain a large Army ground force. We must retain a large air force. It is my judgment from what I know, drawing on knowledge gained from my association with military authorities, that we will have to maintain a military establishment composed of a Navy and an Army and Air Corps at a cost of more than $5,000,000,000 a year for an indefinite period to come.

At the present time we do not dare to scrap our Navy as we did 25 years ago. We do not dare to scrap our Air Force, as we might do. We do not dare to discharge our ground forces down to 113,000 men, as we did after World War I. Until the world becomes rational again, until order is restored in Europe and in other parts of the world, I do not think the interests of America will be served unless we maintain a military force sufficiently large and well equipped to protect our interests everywhere. How long it will be necessary I cannot tell; but I am afraid that the necessity for it will not end in the immediate future.

So, $7,500,000,000 will be the annual interest rate on the national debt. Five billion dollars a year at least will be necessary for the Military Establishment. Senators may make their own computation.

Then we must take care of the returning soldiers. They must be hospitalized. They must receive education, as we have promised them. We must make them loans, as we have promised to do. These expenses are incident to the present war, and they will total in excess of $15,000,000,000 annually for years to come.

I have not as yet touched the regular expenses of the National Government. Fifteen billion dollars a year must be provided by reason of World War II, for the immediate future, and as far as I can see in the future. Then we must take care of the soldiers of World War I, that as yet costs a gigantic sum. Pensions will be coming along in a little while, and they will make a terrific drain on the Federal Treasury.

It is my forecast, Mr. President, that the American people will have to raise approximately $25,000,000,000 a year in taxes from this time henceforth in order to meet the running expenses of the Nation. If I am correct it will take many taxes to raise $25,000,000,000 a year. If the Congress begins to destroy taxpaying property, where are we going to get the needed revenue?

A few years ago the Reclamation Bureau asked for money to build a transmission line in connection with the Shasta project. The Congress did not appropriate the money. The Congress went on record for the time being as being opposed to the building of this line. Yet, the Bureau of Reclamation went ahead and built the line at an expense of one and one-half million dollars. I say the Bureau built it without authority of law and in contravention of the express orders of the Congress of the United States. When the Reclamation Bureau had built this line, costing one and a half million dollars, it leased or rented the line to the Pacific Gas & Electric Co. for $75,000 a year. It is now a publicly owned transmission line on which no taxes are paid. The company would have built the line; indeed the company agreed to build it; but the Government would not permit them to build a private line. It insisted on building its own line, and by that act not only used one and one-half million dollars of the taxpayers' money without authority of law, as I believe, but on the line thus built no taxes are collected, thus cheating the counties and the State of California of a considerable sum each year in taxes.

Mr. President, the San Francisco Bay area is an important section of California. It is an important section of the United States. It is growing rapidly. It will continue to grow rapidly. There has been no complaint to date that the local company has not furnished all the power that the citizens living in that area have requested, or even that the Government of the United States has requested. The company has served all the demands made upon it. There has been no complaint made before the committee that this private company has not furnished all the power that was wanted for the war effort, and for the cities and for the rural districts.

It is stated here on the floor, or the inference might have been left, that the farmers in that section were without electrical energy. Mr. President, the evidence does not sustain that contention. The evidence is that there are only one or two rural electrification co-

operatives in that area. The reason there are no more cooperatives there is because this local company has served and is serving the farmers. The Pacific Gas & Electric Co. has already created a gigantic REA covering that whole area, and I am advised that every farmer, unless he lives in a very isolated district, either has electrical current connected with his home or farm, or can obtain it by making application for it. So this plant is not needed to serve the city of San Francisco and other cities surrounding it and it is not needed to serve the farmers in that area, because they are served now.

Mr. OVERTON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Louisiana?

Mr. THOMAS of Oklahoma. I yield.

Mr. OVERTON. Is there any complaint that the rates being charged by the private power company are unreasonable or exorbitant?

Mr. THOMAS of Oklahoma. I attended, I think, all the meetings held by the subcommittee when this issue was raised last year and this year. There was no complaint made from any source that there was a shortage of power in that area. That is the first proposition.

The second is that there has been no complaint from any source that the rates were too high. So we are permitted to conclude that the company has the power needed, and it is being distributed at a reasonable charge. I understand the rates are fixed by the Railroad Commission of California. Naturally, therefore, if they were too high, resort could be had to that organization on an application to have the rates reduced. So far as I know no applications are pending, but I am not advised concerning that.

Mr. OVERTON. I should like to address one other question to the Senator.

Mr. THOMAS of Oklahoma. I yield.

Mr. OVERTON. Will the line proposed to be built at Government expense be competitive with the existing line of the private utility?

Mr. THOMAS of Oklahoma. Yes, indeed. It is proposed to start at these two dams and build transmission lines as far as necessary in order to distribute the electrical current generated there, and to build a gigantic power plant, and have it stand idly by in high-water times, so that it can be available when water is low, to generate steam power to firm up the waning power of the hydroelectric plant.

Mr. President, as I said a moment ago, even if the Congress desired to start out to destroy property, or to build competing lines upon which no taxes are paid, I think now is the wrong time to begin such a policy. I think the Congress should be looking for places to obtain revenue instead of places to get rid of revenue. If the proposed transmission line and the proposed surveys are provided for that will be authority for the Reclamation Bureau to come forward next year and say, "We want $10,000,000, $15,000,000, or $20,000,000 to start the lines and to start the building of the power plant." This is the entering wedge; if the Senate wants to go on record as desiring to have the United States put the Reclamation Bureau into the business of power development and distribution, then this is the way to go about it. They have not started it as yet to any considerable extent. At Boulder Canyon Dam, one of the largest in the country, the power is generated by the Government. But the power is sold at the bus bar, which means at the dam itself. I am advised that the Government has not a dollar invested in any transmission line taking power from Boulder Dam. Private power companies have built their own transmission lines to Boulder Dam. A private power company can obtain a permit to build a line to Boulder Dam and then take the power under contract. That is the policy which I favor. Under that system taxes are paid locally on the transmission line. Taxes are paid to the State, and to the Federal Government. If the proposed transmission line is built, it will be nontaxable. If the power plant is built, it will be nontaxable. It will be in competition with the private concern which is now serving the area.

I know only one person connected with the Pacific Gas & Electric Co. He is Mr. Black, who, I believe, is the president. He appeared before our committee last year and testified; and he appeared again this year. The information which I have is gathered from the hearings of last year and this year.

So, Mr. President, if the proposed transmission line is built, and the power plant is built, the Reclamation Bureau will be embarking upon a gigantic electrical energy development program, including distribution, not alone to cities, but to the people generally in the area. It will not stop with selling power to Sacramento City. It will not stop with selling power to the gas and electric company, or to the city of Oakland, or some other city. It has in mind not only building the transmission line and the power plant, but also building distributing lines to distribute the power throughout the cities in that area.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HAYDEN. I should like to have the Senator's authority for his last statement, because it is directly contradicted by the head of the Reclamation Bureau. The Reclamation Bureau never has engaged in that sort of activity since it was founded. How does the Senator know that the Reclamation Bureau plans to go into the local distribution of power? He is following a process of reasoning; but I am sure he has no basis of fact upon which to make that statement.

Mr. THOMAS of Oklahoma. I believe the Senator is correct so far as the record is concerned. So far as the record is concerned, the Bureau of Reclamation has not been so bold as to go to that extent. However, if the proposed transmission line and power plant were built, the Reclamation Service would have a vast power-generating system with no place to sell the power. What would it do with the power?

Mr. HILL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HILL. Would not the private power company be glad to buy it?

Mr. THOMAS of Oklahoma. Suppose it were not?

Mr. HILL. That is the very point. If it were not, we ought to have the transmission line, so that we should not be at the mercy of any private power company.

I saw the Government of the United States spend millions of dollars to build Wilson Dam during the last war. Then I saw the Government stand absolutely at the mercy of the private power companies in that area. Power went to waste over the dam, and the Government was unable to sell it because there was no Government transmission line there, and the private power companies either would not buy the power, or would not buy it at the price which the Government considered fair. The fact is that the power which was sold to private power companies at that time went to the private power companies for a mere song, and was resold to consumers in that area at a huge profit.

Mr. THOMAS of Oklahoma. We must keep the record straight. Wilson Dam was not completed during World War I. It stood for years half-completed, and not a kilowatt of power could be generated, because there was no power-generating machinery, save in the Gorgas Steam Plant.

Mr. HILL. The truth is that the Wilson Dam was started during the last war. It was not completed until after the war. It did remain uncompleted for about a year; but it was completed long before the Government established the TVA and went into the sale of power. For month after month and year after year huge blocks of that power went to waste over the dam. Other blocks of it were sold, as I have said, for a mere song, to private power companies, and then resold by the private power companies to consumers at a huge profit.

Mr. THOMAS of Oklahoma. Mr. President, the record shows that the Pacific Gas & Electric Co. has offered to make a contract with the Government to take all the power—not merely the prime power, but all the power, including power generated in times of low water, power generated in times of half-high water, and power generated in times of dam overflow, which is called dump power. It will take all the power.

It is the contention of those who are opposed to this amendment that the Government could obtain more money by selling all the power. First, it would save the expense of the survey, and then it would save the cost of building the transmission line and the power plant. It would save $75,000,000. It is the contention of those who claim to know, that the Government can sell all the power, including both the prime power and dump power, and obtain millions of dollars more for it than it could obtain by building the transmission line and building a steam power plant, and then finding a market for the electricity.

We have before us the offer of a contract to take all the power, prime power and dump power, over a period of 25

years. The Government would receive more money than it could possibly obtain—if the testimony is to be relied upon—if it were to build a transmission line and power plant, and then find an outlet for all the power it could provide. It could sell only what it could reasonably depend upon from the hydroelectric power facilities and the steam plant. Under the other plan, it could sell all the power, much of which would otherwise go to waste over the dam.

Mr. President, this amendment is only the beginning. If the amendment is adopted and the House conferees agree to it, and the money is made available, the plans will be made. Then next year at this time there will be requests before the Congress for sums ranging from $10,000,000 to $25,000,000 with which to start construction of the steam power plant and the transmission line. At present prices, the cost would be $65,000,000 or $70,000,000.

Mr. GUFFEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. GUFFEY. If we appropriate this $115,000, will not the Bureau of Reclamation, of which the Senator is afraid, have to come to Congress for further appropriations?

Mr. THOMAS of Oklahoma. Yes; but if the Congress goes on record as approving this proposal, next year the Bureau of Reclamation will say, "Last year you gave us the money to make a survey. You would not have done it if you had not expected us to go ahead and make the plans."

Mr. GUFFEY. I think it is reasonable to make a survey. The survey ought to be made. The cost of the survey is a small item compared with the total cost. When I operated utilities I had surveys made to estimate the cost of various projects.

Mr. THOMAS of Oklahoma. That is all right, if the Congress decides to build the power plant.

Mr. GUFFEY. I do not believe that construction of the transmission line would mean that the Government would be going into the utility business. I believe that if the Government were to build the power line, the consumers would obtain lower rates than if the Government were not to build it.

Mr. THOMAS of Oklahoma. Mr. President, that raises the issue raised by the Senator from Ohio [Mr. BURTON]. If it is good business to appropriate money to obtain a lower power rate for San Francisco and the bay area, when there is no complaint about the rates, then it certainly would be good business to make a survey on the Potomac and start construction, or talk about the construction of a number of power plants on the upper Potomac, in order to get lower rates in the District of Columbia. It would be good policy to revive a proposal in Maine for the development of power, to obtain cheaper power all along the Atlantic coast. If we were to follow that reasoning, where would it lead us? We would be appropriating money to develop facilities to obtain lower rates for every conceivable kind of project in the United States. We would even be building competing railroads to hold down railroad rates. We would be building power plants to bring power rates down. I contend, Mr. President, that that is not the proper way for the Congress of the United States to proceed. I am against this amendment, and I hope the amendment will not be approved.

Mr. HILL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HILL. I do not think the Senator is logical in what he says. He says that if we were to make this appropriation to complete the surveys and lay plans for the transmission line and the steam plant, the next logical step would be perhaps to investigate the possibilities of power production on the Potomac River, or in Maine, or some other State.

As I see it, in this case the Government is carrying out a Federal function. It is carrying out a program which we adopted some years ago, in connection with irrigation. When the Government builds a dam to carry out a function which it has undertaken, and power is developed incidentally, we should make sure that such power goes to the consumers in the particular area at a fair and reasonable price, and that the Government is not placed at the mercy of a private power company in the sale and distribution of the power.

Mr. THOMAS of Oklahoma. At this time we have assurances that the local company will contract with the Government to take all the power for 25 years to come, at a rate to be agreed upon.

Mr. HILL. Mr. President, will the Senator from Oklahoma yield further?

Mr. THOMAS of Oklahoma. I yield.

Mr. HILL. The Senator said, "At a rate to be agreed upon." There is a vast difference between a rate to be agreed upon and a definite rate which has been agreed upon. If the Congress of the United States, should it see fit to do so, votes down this proposal to complete these plans for a transmission line and the plans for a steam plant, then we will find that it will be far more difficult, in my opinion, to get fair and reasonable rates from the private power company than it would be if we were to go forward with these plans.

Mr. THOMAS of Oklahoma. Mr. President, this matter is not going to be decided this afternoon. If the amendment should be voted down, the offer of this company will continue to stand. It will be there for the consideration of the Government, and it will still stand, unless it is withdrawn. In case it is withdrawn, then probably my opinion would change. But as it now stands, I can see no use in appropriating $70,000,000 to build facilities for the sale of power, when the evidence shows that the Government can get more money without building the facilities than it could if the facilities were constructed.

Mr. President, take the case of the District of Columbia. The Congress could appropriate $70,000,000 to have a series of dams built on the upper Potomac River at the public expense. Then we would say to the electric company in Washington, "If you do not reduce your rates, we will build lines to compete with you." Of course, if we built the dams, we would have to build the lines, in order to compete. But with the expenditure of the public's money we could sell the power at any price we might see fit. If we tax the people to pay the bill, we can sell the power at whatever we can get for it—one mill or two mills a kilowatt. But private concerns could not compete in that event.

By legislation similar to this, proposing surveys for the building of hydroelectric plants and plans for building transmission lines and plans for building stand-by steam plants, we probably could reduce the rates in the District of Columbia, and that would affect all our pocketbooks and it would reduce the amount of all the checks for power paid by private consumers the first of each month. But who would be in favor of it? Not I.

Mr. HILL. Mr. President, will the Senator from Oklahoma yield again?

Mr. THOMAS of Oklahoma. I yield.

Mr. HILL. The Senator has again, in my opinion, gone far afield, when he has talked about building dams to reduce the cost of power in the District of Columbia. That question is not involved here. The question here is one involving the position of the Government after it has built a dam to carry out a Federal function, and when power is incidentally generated at the dam. The question is whether the Government will make sure that the power which is generated will go to consumers in that area at a fair and reasonable price or whether the Government will be protected in seeing that the power does go to consumers at a fair and reasonable price.

If the Senator will yield further to me, let me say that the question of power rates is one as to which we cannot consider only the matter of price. We remember when many of the public utilities had all kinds of watered stock, and the people of the United States were paying rates for power based on that watered stock.

What we seek to do is to make sure that in consuming areas where the Government has built a dam the public will get the benefit of the power at fair and reasonable rates.

Mr. THOMAS of Oklahoma. Mr. President, power is now being generated at this plant, and is being sold. Every kilowatt of power that is being generated at the Shasta Dam is now being sold, so far as I know. We have not spent any money for a transmission line; we have spent no money for a power plant; but still we are selling the power as fast as we can develop it, and the situation is such that as more power is developed at that plant it can be sold. The offer is standing.

Mr. FULBRIGHT and Mr. McKELLAR addressed the Chair.

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator yield; and if so, to whom?

Mr. THOMAS of Oklahoma. I yield first to the Senator from Arkansas, who first requested me to yield, and then I shall yield to the Senator from Tennessee.

Mr. FULBRIGHT. Mr. President, I was interested in the statement made a moment ago regarding taxes and the loss of taxes incident to the cessation of operations by the private distributing com-

pany. I have been told by those who know about the Tennessee Valley Authority and are interested in it that it is true that the taxes paid by the private power company which was displaced have been lost, but that in its place a great many private enterprises have grown up, and that the taxes they pay more than replace the taxes formerly paid by the private power company, and now lost. I should like to know whether the Senator believes that to be a sound argument.

Mr. THOMAS of Oklahoma. Mr. President, no doubt it is true that to that extent private industries have been built up because of the power. The Tennessee Valley Authority Act provides that a certain percentage of the gross income from the sale of power shall be used to reimburse local towns, cities, and the State itself for losses of taxes. I realize that.

Mr. FULBRIGHT. Aside from the initial loss of local taxes, for which reimbursement is made, I understand that the projects do not pay Federal income taxes. That point, in particular, interested me. I am told that there has been such a growth of purely private enterprises as a result of the operations of the Tenneseee Valley Authority that the taxes such enterprises pay much more than offset all the taxes the power companies used to pay. Does the Senator think that is true?

Mrr. THOMAS of Oklahoma. To the extent that such private companies have gone into that territory, that is true. To that extent I am able to advise the Senator.

Mr. McKELLAR. Mr. President, if the Senator from Oklahoma will now yield to me, I should like to state that so far as the Tennessee Valley Authority is concerned, it pays taxes to the State, the counties, and the cities, and those taxes are fixed on the basis that the State and counties and cities should be paid taxes. That is provided for in the Tennessee Valley Authority Act. The argument as to loss of taxes was made against the TVA bill when it was before the Congress, and one of the greatest fights I ever was in was to secure the enactment of a provision that the Tennessee Valley Authority, when organized, would have to pay taxes. There was quite a fight about that. We finally won that fight; and the TVA pays taxes, just as any other private company does. The same could be done with respect to the project involved in the pending amendment.

Mr. THOMAS of Oklahoma. Mr. President, I think that situation should be clarified. The TVA do not pay a Federal income tax; they do not pay a State income tax. They pay a certain percentage of their gross revenues to the State, on the basis of some sort of a formula which is fixed in the law.

Mr. McKELLAR. The payment is made to the State, the counties, and the cities.

Mr. FULBRIGHT. Mr. President, if the Senator from Oklahoma will further yield, I should like to ask the Senator from Tennessee about Federal income taxes. What is the Senator's belief about the effect on such taxes in the valley of the Tennessee by the creation of new private enterprises which do pay Federal income taxes? Has there been any substantial increase?

Mr. McKELLAR. Oh, yes; they have been substantially increased—although not to the proportion expected—and in that way the Federal Government receives more taxes.

But if it was desired to have this company, if it should be organized, pay a Federal income tax, that could be provided for. I am not sure that under the Tennessee Valley Authority arrangement the company should not pay Federal income taxes. I am rather inclined to believe that it should pay Federal income taxes, under the law.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. MOORE. In view of the inquiry made by the Senator from Alabama about the rates for the power, I wish to ask my colleague whether those rates are fixed by the Federal Power Commission and by the regulatory body of the State of California until they are assumed to be reasonable rates.

Mr. THOMAS of Oklahoma. Mr. President, the Senator is correct. The Federal Power Commission has control to a very large extent, but the Railroad Commission of California fixes the rates for the Pacific Gas & Electric Co. Those two organizations must be satisfied. The Federal Power Commission would not permit too high a rate, and neither would the Railroad Commission of California. So the rates which are charged to consumers in California must be fixed and agreed upon by the State regulatory body, the Railroad Commission of California, and by the Federal Power Commission.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 66, beginning in line 19.

Mr. LANGER. Mr. President, I suggest the absence of a quorum.

Mr. HAYDEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota withhold his suggestion of the absence of a quorum?

Mr. LANGER. I do.

SHIP-REPAIR LABOR ON THE WEST COAST

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MORSE. It is my understanding that it is the desire of the floor leaders to postpone further discussion and a vote on the amendment now pending before the Senate until tomorrow. Therefore, I shall address myself to another subject. Am I to understand, Mr. President, that the floor has been yielded to me in my own right?

The PRESIDING OFFICER. The Senator from Oregon has been recognized.

Mr. MORSE. Mr. President, I wish to discuss a very important issue which is before the country. It deals with the problem of ship-repair labor on the west coast. I assure the Members of the Senate that I regret the lateness of the hour, and I shall take no offense whatever if I address empty seats. The important thing is to get the material and the facts which I wish to present into the RECORD this afternoon for future reference by Members of the Senate, and by various governmental agencies concerned.

I wish to assure the Senate that I speak from one motive only, namely, that of being helpful to all possible extent in bringing to bear on this problem certain facts within my possession, and of being helpful in seeing to it that those ships which are being damaged in the great heroic battles of the Pacific these days are repaired in the quickest possible time.

I wish to have it distinctly understood that in my judgment there is a responsibility and an obligation of labor to see to it that necessary skilled help is provided for the repair of those vessels within the shortest possible time.

I am convinced that once certain misunderstandings in regard to labor policies are ironed out, labor and the governmental agencies concerned will see to it that those ships to which I have referred are sent back to the battles of the Pacific in record-breaking time.

However, Mr. President, I think it is important that we, and the governmental agencies concerned, keep in mind that there is considerable misunderstanding as of this hour in regard to the causes of the failure on the part of the shipyards of the west coast to have at the present time a sufficient number of men to do the repair work which the Government is calling upon those yards to do.

I wish to assure the Senate, by way of preliminary remarks, that whatever disagreements or misunderstandings may exist between the speaker and any official in the Navy Department, are of no concern to me in relation to the great problem which we must solve. I hope that my remarks will be helpful to the Navy Department, and to certain other governmental agencies as well, in proceeding without further delay to solve the labor problems which I consider to be basic to the crisis now existing in the ship-repair yards on the west coast.

Last week the Navy Department informed the press of a serious shortage of workmen in Pacific coast shipyards. It was pointed out that the lack of sufficient mechanics in the shipyards would prolong the war in the Pacific and cost the lives of additional sailors, soldiers, and marines. It was indicated in the press conference that during the past month the Mare Island Navy Yard had suffered a net loss of 600 workers, so that the yard is now operating 9,000 workers below its ceiling; that the Bremerton, Wash., Navy Yard had lost 600 workers during the past month, and was operating 5,000 workers under its ceiling; and that the Hunters Point naval drydock had lost approximately 700 employees during the past month and needed the services of 6,000 additional workers to complete its operational force.

It was also stated the private ship repair yards in the Puget Sound area needed 8,000 additional workers; that the San Francisco area needed 3,500 additional workers; and that the Los Angeles area needed 5,000.

The inferences flowing from the Navy Department press conference of May 30

were that employees in the navy yards and in the private ship repair yards were more concerned over their personal welfare than in the repairing of our fighting ships in the Pacific fighting zone, and that they were quitting their jobs or refusing to seek employment because they were interested in securing positions which would give them permanent employment when the war ends.

The public's reaction to the Navy Department press statement is that labor in some manner or other is responsible for the shortage of skilled mechanics to do repair work on the Pacific coast.

Undoubtedly the story given to the press by the Navy Department will reach the attention of many of our heroic soldiers, sailors, and marines in the Pacific area. The story as carried in the press cannot help but leave the impression among our fighting forces in the Pacific that labor is letting them down in their most critical hour.

All this is most unfortunate, and the manner of its presentation uncalled for at this time. I do not believe that patriotic support can be secured from workmen by unfair public statements on the part of high naval officials.

I know something relative to the attitude of labor on the Pacific coast. What they have accomplished in the field of shipbuilding is unsurpassed in wartime production in this or any other country.

It was those workmen and their leaders who blazed the way for zone standard agreements to cover the shipbuilding industry during the period of the war. Four zones were established: Great Lakes, Atlantic seaboard, Gulf of Mexico, and the Pacific coast. The Pacific coast was the zone selected for the effort to negotiate the first coastwise agreement for the very practical reason that management, and the shipbuilding and ship-repair industry, and labor on the Pacific coast had carried on collective bargaining to a much greater extent than it had been carried on in any other section of the country.

In the early days of our defense program, prior to Pearl Harbor, as a result of a conference held beginning the early part of February 1941, at which management, labor, and the procurement agencies were represented, an agreement was finally reached to which the Government agencies approved establishing a rate of $1.12 per hour for all competent mechanics employed in the zone between the Mexican border and the Canadian border.

Had it not been for the spirit of helpfulness and cooperation shown by organized labor on the Pacific coast, zone standard agreements would not have been set up in the other three zones.

Labor in the Pacific Northwest made a definite contribution to the policy of stabilizing wages throughout the Pacific zone. They were already receiving $1.12 and $1.15 per hour, but in the interest of national welfare they approved of the wage rates set up by the Pacific-coast zone standards, although this meant definitely that they received no increase in wages whatsoever.

I have not been supplied with all of the facts, but I have known workmen long enough to realize that they must be moved by some urgent motive when large numbers of them indicate this spirit. I am satisfied it was a demonstration of sincere patriotism.

I want to raise the question here whether labor itself is responsible for the present shortage of workmen to do ship repair work on the Pacific coast. Protests which I have received from the west coast allege that the Navy Department, faced with a sudden problem, has looked around for someone on whom the blame and responsibility may be placed.

There has been the over-all policy of the Navy Department for many years to pay approximately the wages paid for workmen in private industry. However, in this instance, seemingly the Navy Department has not been, and is not now, paying the wages to which it gave its approval to private industry on the Pacific coast in 1941.

In private industry the union agreements with employers provide a minimum-wage rate and no maximum. The policy of the Navy Department is to divide all classifications of labor employed in navy yards into first, second, and third class.

With the merits or demerits of the union minimum-wage rate or the Navy Department's policy, I am not concerned at the moment. I am interested in discovering why the present great shortage of labor in the Pacific coast shipyards exists.

In 1941 the rate for mechanics was established at $1.12. There was a proviso in that agreement that, should the cost of living increase 5 or more percent by April 1, 1942, the increase in the cost of living would be added to the $1.12.

It happened that the Bureau of Labor Statistics indicated an increase of slightly over 13 percent during the year. The President of the United States, in April 1942, was using his every effort to prevent the inflation which was threatening at that time.

To assist the President in his praiseworthy effort, the shipyard workers on the Pacific coast agreed to accept 8 cents an hour advance instead of the 13-percent increase to which their agreement entitled them. As I commented in connection with another issue a few days ago, the President, in April 1942, wired the Chicago conference and asked the shipbuilding organizations to dispense with the so-called escalator clause of their contract. As I pointed out, that was the clause which provided that as the index of the cost of living went up, wages under the contract would go up at stated intervals in accordance with the index. Labor did dispense with the escalator clause, and the representatives of labor reached this agreement to accept 8 cents an hour advance instead of the 13-cent increase to which their agreement entitled them. The Government was a party to that agreement. This made the rate for journeymen mechanics in the private ship-construction yards of the Pacific coast $1.20 per hour, and that is the present figure.

I ask my colleagues to keep constantly in mind that we are dealing with two types of yards as we consider this critical problem. We are dealing with the private industry yard, and we are dealing with the navy yard, or governmental yard. When I use the figure $1.20 an hour, I am talking about the rate paid in the private yard. That figure was established by the so-called shipbuilding stabilization agreements of April 1942.

Now, how does this $1.20 operate when the Navy Department endeavors to secure workmen? The navy yards on the Pacific coast pay for most skilled workmen a medium rate, a middle rate, of $1.20 per hour. Some workmen whom they consider especially skilled—comparatively speaking very few when we look at the total number of employees involved—receive $1.26 an hour, while the hiring-in rate, the beginning rate, paid as a general practice in the navy yards of the Pacific coast is $1.14, as compared with $1.20 in the private yard.

Should the Navy Department be surprised when workmen are unwilling to leave $1.20 or better to hire out in a Government navy yard at $1.14 per hour, without any provision, any assurance, any regulations which would indicate to them the steps by which they might eventually be placed in the $1.20 or $1.26 class?

But the difficulty now, the shortage of workmen, is not in the field of new ship construction, but in the repair yards. They are needed for the rapid repair of our fighting ships. It is most regrettable that the industrial policy of the Navy Department is producing some serious misunderstandings between the Navy and labor on the west coast.

Since the First World War there has been a special rate for private shipyard workers engaged in repair. It developed independently in the big ship repair ports of the Pacific coast immediately after the First World War. It was known as the "dirty hour," which in practice meant that the men working on ship repair received 9 hours' pay for 8 hours' work because of the skill required and the extremely dirty character and more dangerous nature of ship-repair work. I understand that there are those who question that greater skill is required in the repair yards but by and large, it is generally recognized that greater skill is required on ship-repair work.

I repeat, the rate to which I have referred was known as the "dirty hour" rate, because of the skill required and the extremely dirty character and more dangerous nature of ship-repair work.

Mr. President, I digress from my prepared remarks a moment to point out that we are dealing here with an historical phenomenon. We are dealing here with a wage structure which has great historical precedent behind it. Those who are familiar with the growth of collective bargaining recognize that in the field of labor relations we cannot pass over lightly historical precedents, we cannot, with a wave of the hand, in the light of some emergency which at the moment would seem at first thought to justify it, cast aside long-established precedents and past practices in the field of labor relations. Labor has had to fight too hard historically to get some of these advantages established in their contracts to take silently or without protest, at least without a plea for adjustment, a proposal by some Government official or

agency to wipe away a long-established historical wage pattern.

Please understand—and those familiar with my record I am sure need no persuasion on this point—that no man in the Senate would insist more than the present speaker, whenever it is in the interest of the war effort for labor or any other group in this country to sacrifice some present advantage or past practice in the interest of the war effort. But I do wish to point out that it is very easy, under patriotic sanctions, for officials of the Government to do a great injustice, so far as labor relations are concerned, by using first the argument, this past practice impedes the war effort and should be abolished.

In my experience as a member of the War Labor Board, when I heard that argument, which usually was presented at the beginning of a case, I would press for an analysis of the argument, and I frequently found what I am afraid will be found in the present controversy, that an analysis of the argument will show that the 11.6 percent differential uniformly applied will not impede the war effort but that the war effort will be served by preserving this historical wage rate about which I am speaking.

In fairness, let me point out that there is great dispute, apparently, among the agencies and the companies and the labor organizations concerned as to whether all the companies on the coast were parties to the so-called San Francisco amendments of 1942 or as to whether the procurement agencies were official parties to the amendments.

I am perfectly willing, however, Mr. President, to let the record speak for itself, and I want to say that the issue now is not whether any particular person or agency was or was not a party to the San Francisco amendments of 1942; the issue now is whether or not those amendments of 1942 ought to be applied on a coast-wide basis, not only in the interests of the prosecution of the war but simply in plain fairness and equity to all parties concerned. Unless this problem is solved in the immediate future I predict it is going to be a very hot labor issue in this country, and at a later date I intend to speak at some greater length than I shall this afternoon on this matter. At that time I will present to the Senate data which I think substantiates the thesis that there has been unfair discrimination against some of the ports of the West coast by the Navy, by the ODT, by the Army, by the War Shipping Administration, by these Government agencies that have had charge of the allocation of ships, railroad facilities, and the transportation of cargo to the Pacific war zone.

I digress at this point only long enough to say that for many months the great port of Portland, Oreg., has not been used anywhere near to full capacity. There have been times when 70 percent of the facilities of the port have not been used. My distinguished colleague the senior Senator from Oregon [Mr. CORDON] and I and other representatives of the West coast have pleaded time and time again with these Government agencies at least to show cause why the facilities of that port should not be used to a maximum, and each time we were told, "Just wait. Before long you will not be able to take care of the cargo that will go through that port."

The fact remains, Mr. President, that the port was discriminated against so far as the use of its facilities are concerned. Yes, they even went so far as to move longshore gangs from the port of Portland to San Francisco to handle surplus cargo that had reached San Francisco. Yet in the port of Portland railroad facilities were not being used to a maximum, dock facilities were not being used to a maximum. Longshoremen were not provided with full employment and they lost much time and pay waiting for the port to be used. We were continually told by representatives of the Army and the Navy, the War Shipping Administration, and the ODT, "Just wait. Soon you will not be able to take care of the cargo."

Mr. President, I am perfectly aware of the fact that under the exigencies of war clocklike efficiency cannot be expected. I am perfectly willing to be exceedingly charitable, but when months drag on to a 12-month period and the statistics show that after a year that port has not received the use which it should have received, I find it necessary to raise my voice in protest, and I shall speak on the subject, after certain data are supplied me by certain parties and officials in the State of Oregon, at greater length at another hour.

Mr. President, a more polite term for the "dirty hour" was established at the Pacific coast conference in May 1942, at which amendments were made to the existing coastwide ship-repair agreement. To adopt a term more gratifying to those interested in polite English, the "dirty hour" was translated into the 11.6-percent increase which in the pay envelope was identical to receiving the 9 hours' pay for the 8 hours' work on ship repair.

May I say parenthetically that we also need to keep in mind the fact that in peacetime ship-repair work is much more casual than in wartime. It is true that by and large there has been steady employment in the shipyards during the war; in fact, they have been constantly asking for more men. We need to keep in mind, however, the casual nature of the work as a general pattern of work in these yards in order to understand the insistence upon the part of labor that they cling to the historical advantage which they won through collective bargaining when they established the so-called dirty-hour rate of pay.

This pay formula had been in existence for many years, and it was only fair and right that it should be continued. The Government procurement agencies were represented at the April 1942 conference in Chicago, and they called for the amending of these ship-repair agreements on the west coast. They were parties to the San Francisco conference. They were members of the conference subcommittee at San Franciso. And in the end the amendments were officially approved by the Navy Department and the Maritime Commission, as Senators will see by certain exhibits which at the close of my remarks I shall ask to have inserted in the RECORD.

Thus the 11.6 percent became the standard rate for employees in the ship-repair yards on the Pacific coast. What does the 11.6 percent mean to the shipyard workers in private industry? Simply this, that instead of receiving $1.20 per hour, which is the rate on new ship construction, they receive $1.34 an hour when employed on ship repair.

I cannot help questioning the practical industrial understanding of some individuals in the Navy Department when they expect highly skilled workmen in the navy yard to work for $1.26 an hour, when in private industry in the same vicinity the Navy Department is officially party to an agreement which provides the payment of $1.34 an hour on ship repair.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. AIKEN. Would the Senator say that the fact that the workers in the navy yards are not covered by unemployment compensation insurance, whereas they are in the private yards, has a bearing on the possible reluctance of men to leave private yards to go to work in the navy yards, with a possibility of being thrown out of work within a few months without unemployment compensation?

Mr. MORSE. The answer is unquestionably yes, and I thank the Senator for his contribution.

Mr. President, the point raised by the Senator from Vermont [Mr. AIKEN] is simply another angle of the whole problem which shows, in my judgment, that the time has come for a revaluation of the whole labor policy of the Navy in these shipyards, in the interests of a more effective prosecution of the war. Before I get through I intend to discuss at some length the principle which has been applied by the War Labor Board in this case, and I hope to establish to the satisfaction of the Members of the Senate that certainly here is a case where the rare and exceptional case doctrine criterion should be applied by the War Labor Board as it reconsiders this case.

But disparity in labor policies between the Navy and private industry is not the only reason why a problem exists in the repair yards of the Pacific coast. In 1941, when the original ship construction agreement was negotiated by management and labor it covered the entire Pacific coast. There was a question of repair rate, but the Government representatives at that time held that they had not been authorized to negotiate for more than the new construction shipyards. However, they urged management and labor in the ship repair industry to get together and negotiate an agreement covering ship repair. This management and labor on the Pacific coast did within 3 days after the new ship construction agreement had been signed.

That agreement contained variations in the so-called shift premiums. It also continued the practice of many years to pay double time for overtime. I am speaking now of the 1941 agreement.

In 1942 a national shipbuilding conference was held in Chicago, Ill., at which the Government, shipyard management, and shipyard labor throughout the Nation were represented. Among the questions which came up at that conference was the question of the repair agreement on the Pacfic coast. It arose because the Navy Department insisted that some of it provisions should be modified.

I emphasized the point, Mr. President, that the record indicates to my satisfaction that in the Chicago conference in 1942 it was the Navy that insisted that the ship-repair agreement on the west coast be modified in some of its particulars.

For this reason the national conference instructed the Shipbuilding Stabilization Committee to immediately call a conference of ship-repair management and ship-repair labor on the Pacific coast for the purpose of amending the original coastwide ship-repair agreement of 1941. At this ship-repair conference labor agreed to accept time and a half instead of double time for overtime. It agreed to reduce the amount of shift premiums to the lowest rate then being paid in the Pacific Northwest. That agreement was ratified by a vote of ship-repair yards. It was ratified by a referendum vote of all local unions and all the metal trades councils on the Pacific coast.

In fairness, in behalf of western Senators, I have called upon the procurement agencies to supply us with any information which we do not have. Let me say that if they can supply us with any information not contained in the record which has been placed at our disposal to date, and if that record supports any statement contrary to the statements I am making based upon the record to date, I shall see to it that the correction is made. However, I repeat that to date the procurement agencies have not supplied us with any information at variance with the official records which have been place at our disposal.

All official records which I have seen to date indicate that the San Francisco ship-repair amendment conference was called as a coast-wide conference, and that it was a Pacific coast ship-repair conference. No question arose, I am told, that it was not a coast-wide ship-repair conference until the Navy Department and the Maritime Commission, late in 1943, began to put ship-repair work into what had been new-ship construction yards in southern California.

Let us have an understanding about that change in the direction of ship-repair work on the west coast. Up until the time the procurement agencies started using new-ship construction yards in Los Angeles for repair purposes, ship repair on the west coast was done primarily in the ship-repair yards from San Francisco north. I think we need to bear that material fact in mind when we evaluate at a later time the allegations now made by some parties to this dispute, that the 1942 San Francisco amendments did not cover the southern California yards because some of the principals were not present at that conference.

Incidentally, Mr. President, it has not been the policy—and justifiably so, in many instances—of our war agencies to refuse to apply a general principle to all parties concerned with a problem merely because some of the parties may not have originally been parties to the discussion at the time the principle was agreed upon. It would be very interesting to take some of the decisions of various Government agencies, including the War Labor Board, the Manpower Commission, the WPB, and some others, and try to test their orders and directives on the basis of whether or not all parties to the agreement were present when the agreement or policy was adopted by the Government agency concerned.

Do I need to illustrate the point? If so, I can do it by one very interesting example. Let us take the so-called wartime labor policy resting upon the no-strike, no-lockout agreement. Literally thousands and thousands of American employers and American labor organizations were not present when that agreement was reached with the Government, and yet the Government made it applicable to all, and took the position that it was no defense for employers or labor organizations to come before the War Labor Board and object to jurisdiction on the ground that they were not present when the agreement was reached. In view of the war emergency I defend the policy of the Government in such instances.

Up until 1942 practically all of the repair work being done on the west coast was being done in yards from San Francisco north. The question at this point is whether or not it should be said that the amendments adopted at the 1942 conference, to which the Government was a party, were not applicable to the southern California yards because the managements of the southern California yards were not at the San Francisco Conference. In my judgment we can say in this case, as we have in so many other cases, that we can take judicial notice of the fact that management knew that the parties concerned at the San Francisco Conference were dealing with a ship-repair program, and met to adopt policies which would be applicable on a coast-wide basis.

The Navy Department subsequently held, if I am correctly informed, that the Pacific coast ship repair agreement did not apply to southern California. It took this position in 1943. Some representatives of the Navy Department apparently informed ship-repair yards in the Los Angeles area that if they paid the 11.6 percent, the Government would not reimburse them. I am informed that the Navy Department denies that any such statements were made to ship-repair management by any of its representatives; but I am also informed that in spite of this denial, ship-repair management officials affirm their previous statements.

Be that as it may, it involves a question of fact. It certainly is a question of fact that can be—and I am satisfied will be—brought out when this great case is heard on appeal in the near future by the War Labor Board.

I know from records which I have examined that the managements of ship repair yards of San Francisco and the Pacific Northwest were convinced, when they attended the ship repair conference of 1942, that the amendments were coast wide in nature. Otherwise they would assuredly not have agreed to set up injurious competition by agreeing that southern California ship-repair yards should pay to ship-repair employees a lower rate than was to be paid on the rest of the coast.

Let me say again, by way of digression, that one of the basic problems here is the problem of discrimination in favor of the southern California yards, to the detriment of the northern yards. It seems to me that it stretches our credulity a bit to be asked to assume that labor and the representatives of the procurement agencies, as well as the representatives of management concerned would have entered into the San Francisco amendments of 1942 if they were not to be applied to the southern California area. At that time the southern California area was not doing ship-repair work to any appreciable extent. I do not mean that no ship might not have been repaired in Los Angeles; but I mean that so-called ship-repair work was being sent for the most part into the northern yards. So I say that in my judgment it was a bit late, in 1943, for the Navy Department to say, "The agreements do not apply to the southern California yards."

It is also very significant, Mr. President, to note that the record shows that after it was apparently decided by the procurement agencies that the agreement did not apply to the Los Angeles yards, ship repair work, all out of proportion to its direction to other yards, was directed to the Los Angeles area. I mention that point again to bring attention to bear on the fact that we are dealing here with a problem of discrimination in fact. It seems to me that the intent of those responsible for it is quite immaterial. If, in fact, that has been the result, then it is easy to understand how misunderstandings have developed between the procurement agencies and northern management and the labor organizations concerned.

For 16 months now this question has delayed of a final answer. Most of shipyard management on the Pacific coast is agreed. Shipyard labor on the Pacific coast, from Seattle to Los Angeles, are highly indignant; they feel that their own Government has dealt unjustly with them, that in fact it has short-changed them.

For some time there has been a threatened stoppage of work on ship repair in southern California.

Let me say that you will never hear from my lips any defense or any condonation of any stoppage of work in the California area, if it does occur. On the contrary, you will find me saying, as I have said before without exception, that no work stoppage or strike can be justified in time of war. I care not what may be the provocation or what may be the injustice involved; no group of workmen under any circumstances can, in my

judgment, justify a work stoppage in time of war.

However, my protests and yours are not going to change human nature. Under certain circumstances, my protests and yours will not stop men from acting emotionally when they should act on the basis of reason.

Hence I say it is the obligation of the Government to proceed without delay to get to the bottom of this controversy. That should be done, not on the basis of any threat of a strike—I would meet that one head on; I would make very clear that we are not going to tolerate threats—but on the basis of trying to find out what are the causes of the disagreements now existing. I think it is the obligation of the Government to analyze the case in all its details and to end the discrimination which, in my judgment, is the basis of this manpower problem which has arisen.

Mr. President, I repeat that for some time there has been a threatened stoppage of work on ship repair in the southern California yards. It has required most urgent pressure by the metal trades department and the international unions to prevent the taking of a strike vote. However, the situation is as acute as ever. In view of these facts, it is not surprising that labor on the Pacific coast is not flocking into the navy yards or flocking into the private ship-repair yards.

It is my measured opinion that the Navy Department would have been much more practical in its efforts to secure needed labor for ship repair on the Pacific coast if, instead of publicly criticizing labor and indirectly accusing it of a lack of patriotism, it had frankly faced the problem of the payment of the 11.6 percent for repair work done in navy yards on the Pacific coast and in the southern California yards. Personally I think the Navy in all good faith has been misled into believing that the amendments of 1942 did not cover southern California. In my judgment the Navy should publicly recommend to the War Labor Board that the 11.6 percent on ship-repair work be paid throughout the ship-repair yards on the Pacific coast. However, if the Navy is convinced that the 1942 amendments were not intended to cover southern California, then in my judgment the Navy should proceed on the basis that this case involves the rare and exceptional factors which the President had in mind when in all of his wage stabilization Executive orders he reserved the right of the War Labor Board to make exceptions in special or exceptional cases. On the basis of that criterion, I say the Navy should take the position, and should so recommend to the War Labor Board, that this case is one involving matters so vital to the successful prosecution of the war that the 1.6 percent should be a blanket rate paid up and down the Pacific coast.

Mr. President, I now request unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a letter published in a San Francisco newspaper—the San Francisco News—by Columnist Arthur Caylor. The letter is entitled "A Letter to the President on 'Battle of San Francisco Bay.'" In the letter the columnist sets out, as I have attempted to point out in some of my remarks, the source of the friction which has arisen between the procurement agencies and labor, and I think it has a very direct bearing upon the points I am making.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

A LETTER TO THE PRESIDENT ON "BATTLE OF SAN FRANCISCO BAY"

(By Arthur Caylor)

DEAR PRESIDENT TRUMAN: From the cold-chill facts they've just spilled to the public it seems valid to assume Secretary Forrestal, Admiral Horne, and Admiral Nimitz have told you we could lose the war with Japan right here on San Francisco Bay—unless we start getting those fighting ships repaired faster than Jap suicide bombers can rip them apart.

Probably they've told you Mare Island Navy Yard has been given the Nation's No. 1 manpower priority, yet that key repair center is 9,000 men short, and has been losing instead of gaining civilian workers since VE-day—which leaves the Jap one up.

But have they told you a big part of the manpower trouble comes about because, at Mare Island, where the need for men is greatest, the Navy can't pay as much, in many cases, as the Army pays for the same skill at Bernicia Arsenal, 5 miles away? Have they told you the Navy can't pay at the same rates men can get at Kaiser's and Moore's and other bay repair yards which actually operate under supervision of Admiral Tisdale, commandant at Mare Island—as agencies of the Navy itself?

The Navy is really appealing to the most highly skilled men in the country—and that's almost the only kind of manpower it can use—to work at Mare Island for sometimes as much as 50 cents an hour less than the Navy will pay them to work just around the corner, where they're not wanted half as much.

This sounds silly, Mr. President. But it's true. And that's the reason I make bold to suggest that, when you're out here a few days hence, you scoot over to Mare Island and fix this thing up. For, while nobody says so, I have a hunch it's one of those interdepartmental matters the President could fix up with a word when the brass hats might spend years getting nowhere. I do know for a fact that Navy higher-ups have been trying for months to bring Mare Island pay to the private-yard level—and they're exactly where they started.

RATIO OF 23 TO 1

You see, all work at the yard is done by civilians. The civilians are under civil service. Civil service sets up the scope of the jobs and the pay therefor. War crisis or no war crisis, that's what the Navy is stuck with. Admiral Tisdale may be the boss, but the only power he can exercise over a civilian worker is to fire him—and he is not likely to fire even the worst goldbricker these days, provided he can get a fraction of a day's work out of him for a day's pay.

The civil-service status of the yard also prevents the unions from moving in. In fact, so long as they could send men elsewhere, the unions naturally chose plants where their members got the union scale and the union had an agreement with the management. They could do that until Mare Island was boosted from No. 3 to No. 1 on the manpower-priority list.

The wonder is that they have anybody left at Mare Island, and the explanation seems to be that thing called patriotism. Thousands stick because they see those stove-in destroyers—because, working in the twisted superstructures where men have died, they realize what it means when Nimitz says Jap fliers who rode death onto their decks damaged 23 light craft off Okinawa in two successive tries.

Furthermore they realize from Nimitz's statement that only 1 destroyer was sunk while 23 light craft were hit that it is truly a "battle of ship repairs." They know, too, that it's vital to get every fighting ship back into the Pacific as soon as possible so they can inflict new hurt upon Japan before Japan can devise new ways to inflict hurt upon us. They've been told we crushed Germany just in time to escape new devastation by rocket and jet plane—even, the censors have allowed it to be said, by atomic power explosives—which it must be assumed a desperate Japan is trying to bring on.

REPAIRS BIG CHANGE

Skilled workers on the outside, however, don't see any reason they should work for the Navy at Mare Island for less than the Navy will pay them, for instance, at Kaiser's. Perhaps, sir, this has not even been made clear to you.

The reason is that ever since a Commander Farragut took charge in 1858 Mare Island has been primarily a repair yard. To it new construction has always been incidental. Hence it has the repair know-how. Hunters Point is also a specialist on repairs. Bethlehem is one private yard that knows its repair work. Other private yards on the coast are pretty much learning a new business. They just can't hit the Mare Island clip.

Shipbuilding and ship repair are just as different as auto building and auto repair. In the factory a man can spend his life putting fenders on Fords. In the shop he'd better know what makes Lizzy run—even when she's a Cadillac. You ought to see what an electrician is up against whe fire-control gets smacked—or what other craftsmen must figure out when they get into a damaged engine room. They just can't be enough supervisors to tell them the answers. The men must know for themselves.

That's why it's so important to get skilled workers to Mare Island in new thousands. That's why draft regulations have been eased. That's why they're muttering again about a labor draft. But while any new legislation might take months, maybe you, Mr. President, could break this pay bottleneck in a minute. It might make all the difference in "the battle of San Francisco Bay."

Mr. MORSE. Mr. President, I wish to read into the RECORD only one or two paragraphs from the letter. I shall read only that much of it at this time, in the interest of continuity of my remarks.

Mr. Caylor said:

DEAR PRESIDENT TRUMAN: From the cold-chill facts they've just spilled to the public it seems valid to assume Secretary Forrestal, Admiral Horne and Admiral Nimitz have told you we could lose the war with Japan right here on San Francisco Bay—unless we start getting those fighting ships repaired faster than Jap suicide bombers can rip them apart.

Probably they've told you Mare Island Navy Yard has been given the Nation's No. 1 manpower priority, yet that key repair center is 9,000 men short, and has been losing instead of gaining civilian workers since VE-day—which leaves the Jap one up.

But have they told you a big part of the manpower trouble comes about because, at Mare Island, where the need for men is greatest, the Navy can't pay as much, in many cases, as the Army pays for the same skill at Benicia Arsenal, 5 miles away? Have they told you the Navy can't pay at the same rates men can get at Kaiser's and Moore's and other Bay repair yards which actually operate under supervision of Admiral Tisdale, commandant at Mare Island—as agencies of the Navy itself.

Then the author discusses the other disparities and inconsistencies which you will find, if you analyze this problem, existing between and among shipyards on the west coast, including the private yards and the navy yards. Because of the lateness of the hour, I shall not read the entire letter; but Senators will be able to read it in the RECORD tomorrow.

Mr. President, a great deal of misunderstanding is being created on the west coast because of unfortunate press statements which have been made by high Navy officials. For example, this morning I received a letter from a citizen of Portland who is very much concerned with this problem. He refers to an admiral, whose name I will not state. He says that an admiral—

and some others are calling the shipyard workers slackers, and I, for one, don't like it.

Admiral Land came to the coast some time ago and stated publicly that the shipyards work would soon be cut down.

The yards have been firing workers right and left, sometimes as high as 2,000 a week, and at the same time taking on some new hands. Good men here from the Middle States have been let off, and can you blame any man with a family to look out for seeking to make himself secure when they keep preaching to him of the unemployment ahead?

I wonder if these admirals who cut down the shipbuilding so quickly think the Japs are a pushover, as we say.

The workers who have had some part in the program of shipbuilding which supplies the world and helps win the war should certainly not be called slackers by the men who are now complaining.

I imagine skilled mechanics are now needed to repair these broken ships that are coming in. A raise in their wage scale with a bonus on staying to the finish would probably get all the help needed. I only wish we could encourage the worker to do a good job, instead of calling him "slacker."

I wish to say that I think it is most regrettable that these name-calling tactics are being followed. Such a course creates misunderstandings. It is not helpful to the problem, and in my judgment it is entirely and totally uncalled for.

Mr. President, on May 21 I addressed a letter to George W. Taylor, Chairman of the National War Labor Board, in behalf of the Senators from Washington [Mr. MAGNUSON and Mr. MITCHELL], the senior Senator from Oregon [Mr. CORDON], and the junior Senator from California [Mr. DOWNEY]. I shall now read it.

MAY 21, 1945.

NATIONAL WAR LABOR BOARD,
Washington, D. C.
Attention: Dr. George W. Taylor, Chairman.

GENTLEMEN: I am writing this letter in behalf of Senators MITCHELL and MAGNUSON, of Washington, Senator CORDON, of Oregon, Senator DOWNEY, of California, and myself.

I wish to say, Mr. President, that the only reason why the name of the very distinguished senior Senator from California [Mr. JOHNSON] was not included in this letter is because of the fact that I was unable to reach him on that day. I have, however, discussed the matter with him since, and he has expressed to me his agreement that we should seek from the agencies concerned the information which I have asked for in this letter.

Continuing with the reading of my letter to Dr. Taylor, the letter states:

As Senators from the West, we are very much concerned over representations which have been made to us relative to the application of a wage differential in ship repair yards on the west coast whereby southern California ship repair yards are placed in a more favorable position than the ship repair yards from San Francisco north. It is our understanding that a recent decision of the Shipbuilding Commission of the War Labor Board holds to the effect that the 11.6-cent wage differential for ship repair work does not apply to the southern Californa yards. The implications of such a decision, if it becomes final, would have tremendous economic repercussions in every one of the west coast States.

As Senators from the States of Washington, Oregon, and California, we are very much concerned about the matter, and consider it our duty to call upon the National War Labor Board for a full report of the history of this case and of its present status.

At the present time we are seeking information as to the background of the matter and as to what is shown in the records of the case to date. It would be very helpful to us if the National War Labor Board would have prepared and submitted to us at an early date a report setting out in chronological outline the history, facts, and rulings to date pertaining to this case. In submitting a report to us, we would particularly like to be informed as to what your records show has been the position taken by the Army, the Navy, and the Maritime Commission throughout the history of this case. Some of the protests we have received allege that the procurement agencies were parties to the so-called San Francisco amendments but have, nevertheless, been instrumental in making representations to the fact that the 11.6 differential should not apply to the southern California yards.

Further, we would like to be informed as to whether or not the National War Labor Board has scheduled or contemplates scheduling a public hearing on the case when the appeal from the Shipbuilding Commission's ruling is heard.

If, in the opinion of the National War Labor Board, we would be given a better understanding of the case by attending a special session of the Board, at which session the case could be explained to us, we would try to meet with the Board because we are very anxious to make certain that we fully understand all the facts of the case before we take any further steps in regard to this very vital west-coast problem, and we would be glad to abide by your pleasure in regard to such a discussion meeting.

I am sure that the members of the Board will appreciate fully the sincerity of our interests in this matter because obviously, if the Ship Building Commission's decision has the effect of discriminating against ship-repair yards from San Francisco north, we shall wish to take such steps as may be necessary on a congressional level to remedy the situation.

Your immediate attention to our request would be very much appreciated.

Sincerely yours,

WAYNE MORSE.

As of the same date, in behalf of the Senators, whom I have previously mentioned, I sent a letter to the Secretary of the Navy which stated:

MAY 26, 1945.

Hon. JAMES FORRESTAL,
Secretary of the Navy,
Washington, D. C.

MY DEAR MR. SECRETARY: I am enclosing a copy of a letter which has been sent to the National War Labor Board on behalf of Senators MITCHELL and MAGNUSON, of Washington; Senator CORDON, or Oregon; Senator DOWNEY, of California; and myself. It pertains to the west coast ship-repair wage-differential issue, which has become a matter of great concern to us.

After we receive the report from the National War Labor Board which we have requested, we shall ask for the privilege of discussing the matter with you so that we may obtain an official statement of the Navy's position on this issue. If, in the meantime, there is any material which you would like to have us consider along with the NWLB report of the case, we will be very pleased to receive it.

Very sincerely yours.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks similar letters which were written to Hon. Henry L. Stimson, Secretary of War, and to Vice Admiral Emory S. Land, Chairman of the United States Maritime Commission.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

Hon. HENRY L. STIMSON,
Secretary of War, Washington, D. C.

MY DEAR MR. SECRETARY: I am enclosing a copy of a letter which has been sent to the National War Labor Board on behalf of Senators MITCHELL and MAGNUSON, of Washington; Senator CORDON, of Oregon; Senator DOWNEY, of California, and myself. It pertains to the west coast ship repair wage differential issue which has become a matter of great concern to us.

After we receive the report from the National War Labor Board which we have requested, we shall ask for the privilege of discussing the matter with you so that we may obtain an official statement of the Army's position on this issue. If, in the meantime, there is any material which you would like to have us consider along with the NWLB report of the case, we will be very pleased to receive it.

Very sincerely yours.

Mr. MORSE. Mr. President, on June 1, 1945, I received the following letter from Dr. Taylor, Chairman of the National War Labor Board:

MY DEAR SENATOR MORSE: I have your letter written on behalf of Senators MITCHELL and MAGNUSON, of Washington,; Senator CORDON, of Oregon; Senator DOWNEY, of California, and yourself, in which concern is expressed about the action of the National War Labor Board in denying payment of the 11.6 percent wage differential on repair and conversion work in the shipyards of southern California on the same basis upon which it is paid in the shipyards of San Francisco and the west coast north of San Francisco.

In response to the request made in your letter, we shall submit a report setting out the history, facts, and rulings of the Board pertaining to the ship-repair differential on the west coast. Such a report would have reached you before this date but for the fact that Mr. Keezer has been away from Washington. He is the public member of the Board who has been most consistently in touch with the recent developments of the ship repair differential issue and I therefore want to have him check our report to you. Mr. Keezer has now returned and will work with me in getting the detailed report to you promptly.

In the meantime, I am sending you with this letter a copy of an opinion explaining why the Board, on July 13, 1944, refused to order an extension of the ship-repair differential to the shipyards of southern California. This was when the issue was most recently before the Board.

That was July 13, 1944. Incidentally, the issue had been before a special commission of the board since then, but not before the Board itself. The Board has not had an opportunity to correct what in my judgment is a great wrong. I am trusting that upon appeal, when the matter is viewed from the angles of the exigencies of the present moment, and the case is viewed from the standpoint of the successful prosecution of the war, the Board will see fit to apply the rare and exceptional case doctrine to it.

I read further from Dr. Taylor's letter.

In reading this opinion—

That is, the opinion of the Board of July 13, 1944—

you will note that representatives of the United States Navy, the War Department, the Maritime Commission, and the War Shipping Administration urged the Board to deny extension of the ship-repair differential to the southern California yards and that in so doing said that such an extension would hamper them in getting ahead with winning the war.

I think that statement calls for a squaring of the position taken by representatives of the procurement agencies at the San Francisco Conference of 1942 with their subsequent representations before the National War Labor Board.

I return to the letter.

In this connection it was noted that the administration of the ship-repair differential in some of the northern yards had so far divorced it from compensation for the special requirements of ship-repair work that escort girls were paid a differential of 11.6 percent for escorting visitors through repair yards.

Mr. President, I digress for a moment to say that if abuses had developed under the ship-repair agreement I would be the first to insist that those abuses be eliminated. The existence of abuses did not, in my judgment, justify a discrimination in favor of the southern California yards as against the northern California yards. In my humble opinion, power existed to eliminate the abuses. But, as I see the facts of the case, there was no justification for setting out the southern California yards in a preferred position. However, I do not pass judgment at this time upon any alleged abuses or for that matter upon the merits of the Board's decision except to say that the decision has not solved the problem.

I return to Dr. Taylor's letter.

As is indicated by the opinion, the unions argued their case upon a construction placed by them upon an agreement made with the Government procurement agencies. This agreement, they claimed, required that the ship-repair differential should be made uniformly effective in all yards on the Pacific coast. It was our conclusion, however, that the procurement agencies were correct in their contention that there had in fact been no such agreement.

Also we were of the opinion that our shipbuilding commission had been correct in its conclusion that the extension of the differential to the southern California yards could not be justified by reference to the prevailing policies of wage stabilization.

While refusing to extend the ship-repair differential to southern California yards on the same basis it is paid in the north, the Board specifically recognized the propriety of special compensation for the special requirements of actual repair work. Such compensation is at present provided in a variety of forms and amounts by most of southern California yards. The Board, in effect, invited those engaged in ship-repair work in southern California to work out and submit plans adequately to provide such compensation but eliminating the abuses which had been demonstrated to characterize the application of the 11.6 percent differential in the northern yards. This attitude was not only expressed in the opinion I am enclosing but also in conferences with representatives of the workers in the southern California shipyards in which I participated along with Mr. Davis, while he was Chairman of the Board, and with representatives of the procurement agencies.

As you know, cases involving compensation for ship repair work for southern California shipyards will again be before the Board shortly. I shall gladly communicate to the Board your excellent suggestion that the Senators for whom you write meet with the Board in order to provide assurance that all aspects of the problem involved are fully understood. You may be assured of my personal desire, which I know is shared by the Board, to have you and your senatorial colleagues secure the data necessary for a complete understanding of what the Board has done in dealing with the issue in extending the ship-repair differential to southern California shipyards, and why.

If the detailed report which we shall send you shortly, leaves any questions unanswered, we should be eager to have the opportunity to answer them.

Yours sincerely,

GEORGE W. TAYLOR,
Chairman.

N. B.—I am enclosing enough copies of this letter and the opinion to enable you to furnish them to your colleagues if you so desire.

Mr. MORSE. Mr. President, I ask unanimous consent to have the War Labor Board's directive order of June 22, 1944, and its opinion of July 13, 1944, in this case, printed in the RECORD at this point in my remarks.

There being no objection, the order and opinion were ordered to be printed in the RECORD, as follows:

NATIONAL WAR LABOR BOARD,
June 22, 1944.

IN THE MATTER OF BETHLEHEM STEEL CO. (SHIPBUILDING DIVISION), TERMINAL ISLAND, CALIF., AND INDUSTRIAL UNION OF MARINE AND SHIPBUILDING WORKERS OF AMERICA, CIO, LOCAL NO. 9

(Case No. 2245–CS–D)

DIRECTIVE ORDER

By virtue of and pursuant to the powers vested in it by Executive Order 9017 of January 12, 1942, the Executive orders and regulations issued under the Act of Congress of October 2, 1942, and the War Labor Disputes Act of June 25, 1943, the National War Labor Board having accepted the petition for review filed in the above-entitled case and having reviewed the merits of the case, hereby decides the dispute between the parties and orders:

I. The directive order of the Shipbuilding Commission, dated December 1, 1943, in the above-entitled case is hereby affirmed and adopted as the order of the National War Labor Board.

II. Any clauses in the agreement regarding payment for work on ship repair which were made contingent on the ultimate disposition of the dispute regarding the 11.6 percent repair differential shall be renegotiated by the parties and, if necessary, resubmitted to the Shipbuilding Commission for approval or for determination by supplemental directive order.

Representing the public: Lloyd K. Garrison, Dexter M. Keezer, Edwin E. Witte.

Representing industry: Walter T. Margetts, Earl F. Blank, S. Bayard Colgate.

Representing labor: Dissenting: R. J. Thomas, John Brophy, Robert J. Watt.

NATIONAL WAR LABOR BOARD,
June 22, 1944.

IN THE MATTER OF LOS ANGELES SHIPBUILDING & DRY DOCK CORP., SAN PEDRO, CALIF., AND INDUSTRIAL UNION OF MARINE AND SHIPBUILDING WORKERS OF AMERICA, LOCAL 9, CIO

(Case No. 25–648–A)

DIRECTIVE ORDER

By virtue of and pursuant to the powers vested in it by Executive Order 9017 of January 12, 1942, the Executive orders and regulations issued under the act of Congress of October 2, 1942, and the War Labor Disputes Act of June 25, 1943, the National War Labor Board having accepted the petition for review filed in the above-entitled case, and having reviewed the merits of the case, hereby decides the dispute between the parties and orders:

I. The ruling of the Shipbuilding Commission dated December 1, 1943, in the above-entitled case is hereby affirmed and adopted as the order of the National War Labor Board.

II. Any clauses in the agreement submitted to the National War Labor Board which deal with the payment for work on ship repair and to which the union agreed on the assumption that either the dirty hour or the 11.6-percent ship-repair differential would be approved by this Board shall be renegotiated by the parties and, if necessary, resubmitted to the Shipbuilding Commission for approval or for determination by supplemental directive order.

Representing the public: Lloyd K. Garrison, Dexter M. Keezer, Edwin E. Witte.

Representing industry: Walter T. Margetts, Earl F. Blank, S. Bayard Colgate.

Representing labor (dissenting): R. J. Thomas, John Brophy, Robert J. Watt.

NATIONAL WAR LABOR BOARD,
July 13, 1944.

IN THE MATTER OF BETHLEHEM STEEL CO. (SHIPBUILDING DIVISION) TERMINAL ISLAND, CALIF., AND INDUSTRIAL UNION OF MARINE AND SHIPBUILDING WORKERS OF AMERICA, CIO., LOCAL NO. 9

(Case No. 2245–CS–D (25–373–4))

OPINION

The sole issue in this case is whether the decision of the Shipbuilding Commission of the National War Labor Board dated December 1, 1943, denying the union's request for the establishment of a wage differential of 11.6 percent to be applied to repair work should be affirmed or whether the Commission's decision should be reversed and the Bethlehem Steel Co., shipping division, at Terminal Island, Calif., be required to pay that differential for repair work.

This issue, now before the Board on appeal, has been fully discussed before the Board at two hearings the first on March 27, 1944, and the second on June 8, 1944. At the first hearing permission was granted to the Metal Trades Department, American Federation of Labor, to intervene. Parties having a major interest in the outcome of the case who were not present at the first hearing were invited to attend the hearing held on June 8, 1944. The Board has also had the benefit of numerous briefs, comments, and suggestions submitted by interested parties.

The background of the dispute, the history of the development on the west coast of a differential in pay for repair work and the reasons underlying the Commission's determination of the case are fully set forth in

the opinions of Cochairmen Paul A. Dodd and William E. Simkin, of the Shipbuilding Commission. They need not be repeated.

Representatives of Government procurement agencies, namely, the United States Navy, the War Department, the Maritime Commission, and the War Shipping Administration participated at the hearing conducted by the Board on June 8, 1944, and urged the Board to affirm the Shipbuilding Commission's decision and deny the application of the union to establish the repair differential in the southern California area. The procurement agencies concurred fully in the findings of the Commission that (a) the existence of the repair differential in the shipyards located in the San Francisco area and the areas to the north is not in itself sufficient to justify its extension under national wage stabilization policies to all areas in the Pacific coast, and (b) the need for the repair differential in southern California was not sustained on its own merits nor is the differential necessary to aid in the effective prosecution of the war.

The procurement agencies opposed the introduction of the repair differential into the Los Angeles-San Diego area and stated: (a) that the differential would increase the cost of production since there was no showing that there would be an increase in production or efficiency; (b) that as a matter of equity there is no basis for a differential between repair and new construction work; (c) that the differential cannot be justified as a premium for special skill; (d) that to introduce the differential into the Los Angeles area will create unstabilizing conditions and result in future pressure for equalization of rates on higher levels not only for new construction work in the shipbuilding industry but for other industries; (e) that there is no traditional background in the Los Angeles area for a repair differential; (f) that the entire Pacific coast is not a single labor market and that there have traditionally been differentials between regions on the Pacific coast and that, therefore, the payment of the differential in northern California, Oregon, and Washington, does not create an inequity in southern California; (g) that the operation of the repair differential in northern California has created conditions that interfere with the fully effective prosecution of the war program as demonstrated by recent difficulties in the San Francisco area.

In a letter addressed to the Shipbuilding Commission, dated October 15, 1943, interested Government agencies stated in part:

"The experience in the areas where the repair differential now exists has demonstrated that continual migration occurs through the effort of workers to transfer to shipyards where repair work is prevalent; that production is adversely affected through unrest caused by the desire of workers to increase their 'take-home'; that workers once assigned to repair work are reluctant to accept any employment under other conditions; that workers customarily employed on repair work frequently refuse to accept work on new construction and commonly will lay off whenever repair work runs short, rather than to remain continuously employed if they must accept new construction rates; that whenever both repair and new construction work must be assigned to the same yard, immediate unrest occurs, resulting in work stoppages or slow-downs because of the differing conditions."

In that part of its opinion dealing with some of the practical difficulties in administering the 11.6-percent repair differential, the majority of the Shipbuilding Commission remarked:

"An employee in the machine shop may work first on a piece of metal being tooled for a repair job, then on one for use on a new construction job, all during the course of a single shift's operation. Would he, were the repair differential in force in the yard, receive two different rates of pay for performing what in reality is identically the same work? Or, if this man worked on repair work only, say for a week, would he, upon completion of the repair job welcome returning to the new construction work at some 11 percent below his old rate? What would his work mate across the aisle say if he gets all—or even more than what is thought to be a proper share—of the repair work, while for the same type of work this man gets only the base pay without the differential?"

"It is not hard in the face of these realities," the Commission concluded, "to understand some of the difficulties and abuses which, according to the record in these cases, have developed along with the application of the differential in the yards along the west coast north of southern California."

It is the considered judgment of the National Board, that in the light of the statements by representatives of Government agencies and the findings of the Shipbuilding Commission the Board cannot in the absence of clear and convincing reasons to the contrary reverse the Shipbuilding Commission's determination.

We do not find justification for reversing the Commission's decision. The argument relied on in the main by the union at the recent hearings before the Board was that there exists an all-inclusive coastwise repair agreement on the west coast obligating all shipbuilding companies on the west coast engaged in ship-repair work to pay the 11.6 percent repair differential.

The 11.6-percent repair differential was first incorporated into a written agreement at Seattle, Wash., on April 1, 1941. Bethlehem Steel Co. was not represented at the Seattle conference nor did the company agree to be bound by the 11.6-percent repair differential which was negotiated at the conference by representatives of various shipbuilding companies and the American Federation of Labor. Representatives of the Government agencies were not present at the Seattle conference.

In May 1942 a ship-repair conference was held in San Francisco at which representatives of the Government were present. The agreement negotiated at the San Francisco conference included, among other provisions, a provision for the payment of the repair differential which had originally been agreed upon at Seattle. The agreement specifically provided that it was "subject to the final ratification or approval by the principals of the representatives attending the Pacific coast ship-repair conference in San Francisco, which convened May 29, 1942." No evidence was produced that Bethlehem Steel Co., Terminal Island, ever ratified or approved the Pacific coast ship-repair agreement.

Arguments have been made that nothing took place at the San Francisco repair conference which would have led the labor groups to believe that the repair agreement was not intended to be coastwise in the same manner as the master agreement covering new construction had been; that the procurement agencies did not indicate directly or indirectly that the repair agreement would not be coastwise; that the companies in southern California were bound as a matter of good faith to abide by the terms of the agreement which had been approved by the majority of the west-coast shipbuilding companies, and that the procurement agencies well know that the purpose of the ship-repair conference was to establish uniform conditions throughout the Pacific coast.

The testimony as to just what had been the intentions of the Government representatives and the participants at the San Francisco repair conference is conflicting. This is quite understandable. The Government representatives testified that at the San Francisco conference they sought to have the repair agreement, embodying the 11.6-percent differential made coastwise, but were turned down both by management and labor. Later when the leaders of the labor organizations engaged in shipbuilding on the west coast united in an effort to have the 11.6-percent differential extended to southern California, the representatives of the Government agencies had changed their minds on the desirability of having the differential made applicable up and down the Pacific coast because, in the words used by one of them at the hearing on June 8, "between 1942 and today we have seen how that 'darned' differential operates."

Nonetheless, it is quite clear that the agreement reached at San Francisco in 1942 specifically provided that it was subject to approval or ratification by the principals. It is equally clear that Bethlehem has never approved or ratified that agreement. Whatever may have been the intentions of the participants at the conference, we cannot hold that the company was bound by an agreement to which it was not a party. We cannot subscribe to the position of the union that there exists on the west coast a coastwise ship repair agreement binding not only the signatories to that agreement but all companies on the west coast engaged in ship repair.

Also we find no evidence that would justify us in upsetting the finding of the shipbuilding commission that the payment of the repair differential is not justified under wage stabilization policies. The Commission found that approval of the differential could not be made on the basis of correcting substandards of living; that no claim was made that further adjustments were due under the 15 percent Little Steel formula; that no justification for the differential exists under any reasonable interpretation of the principle of permitting adjustments up to the minimum of the brackets of the sound, the tested, going rates for the same or similar types of work within the area; that the differential cannot be justified on the ground that repair work as a whole is so much difficult than the new construction work that an inequity exists between the two that justifies the payment of the differential.

While on the basis of evidence presented, the Board must reject the union's contention that the 11.6 percent differential should be paid to all employees engaged in repair work on the Pacific coast, it does not follow that a perfect solution of the general problem presented in this case is thus attained. On the contrary much remains to be done before such a solution can be plausibly claimed.

The record in these cases makes it clear that in the Pacific coast shipbuilding areas now under consideration there is frequently substantial economic justification for special wage allowance for work on ship repair as opposed to new construction. The historical justification for such an allowance is that ship repair work is occasionally dirtier, frequently requires special skill, and affords less regular employment than work on new construction. During wartime the latter justification has largely disappeared, but the other two justifications may remain and apply in varying degrees to varying situations.

In San Francisco and the Pacific shipbuilding centers to the north, however, special compensation for ship repair work which was originally based upon special requirements of such work has been so standardized and generalized that it has in some instances lost all relation to its original economic justification. How far this process has gone in some cases can be illustrated by the fact that in one of the northern yards escort girls have been paid the repair differential of 11.6 percent for that part of their labors devoted to escorting visitors through the part of the yard devoted to repair work. Such an arrangement makes more understandable the opposition of the Government agencies to any extension of the differential south of San Francisco.

At the same time it appears that some of the small yards in southern California make no provisions for special compensation for repair work, while the adequacy of the provision made by other yards has not been tested by detailed inquiry. Representatives of the Bethlehem Co. testified that it makes a variety of provisions for special pay for repair work which are not made by the shipbuilding companies in the north, such as double pay for all Sunday repair work and double time for Saturday and holiday work on commercial repairs. Also the company's contract with the union provides for special compensation at one-half the regular hourly pay for unusually dirty work. It is the opinion of the majority of the Shipbuilding Commission, which is underlined in the concurring opinion of the Chairman of the Commission, that "the present program of the Government pocurement agencies which permits the contractor to pay premium rates to workers based upon exceptional skill and special qualifications, together with the contract provisions for 'unusually dirty work' * * * afford adequate and fair allowances for any real and permanent differences in work requirements or qualifications which the performance of one type of work may exact over the other type."

On this point the Board accepts the conclusion of its Shipbuilding Commission which is applicable to other companies having similar contract provisions. However, as the Commission recognizes, the conclusion does not necessarily apply in the case of some companies which have no such contract provisions. Also there has been no detailed inquiry into the actual practice of companies having such contract provisions in utilizing them together with the payment of premium rates to provide appropriate compensation for repair work. Thus work remains to be done to provide complete assurance that adequate compensation is consistently provided for repair work in the southern California shipyards, where in fact in any given instance the individual worker employs greater skill or the particular work is excessively dirty. It is work in which the Shipbuilding Commission, the procurement agencies, and the Shipbuilding Stabilization Committee can be expected to be actively and continuously interested.

However, the problem specifically before this Board is in this case not that of providing what seem to be some needed reforms in the administration of the 11.6 percent ship-repair differential in the north. Neither is it that of devising and prescribing an appropriate scheme of compensation for ship-repair work in the south—a task which is complicated by the fact that some contracts of the shipbuilding companies in southern California which make no provision for special payment for repair work run for the duration of the war. As stated at the outset, the sole issue before the Board is whether or not the Shipbuilding Commission should be affirmed in its decision denying the union's request that the Bethlehem Co. be required to pay a differential of 11.6 percent on repair work. On this issue a majority of the Board, with its labor members dissenting, sustains the decision of the Commission. To do otherwise would require the Board to disregard the assertion of representatives of our fighting forces that extension of the 11.6-percent differential would hamper them in getting ahead with winning the war, and the finding of our own Shipbuilding Commission after extensive study of the problem and hearings on the west coast that there is foundation for such an assertion. It would require the Board to do this in spite of the fact that neither contractual obligations nor principles of wage stabilization place any compulsion upon it to extend the differential southward to the Bethlehem Co. at Terminal Island. Under such circumstances the Board would be neglectful of its duties as a National War Labor Board if it were to order such an extension of the differential.

DEXTER M. KEEZER,
Public Member.

Mr. MORSE. Mr. President, on page 2 of the opinion we find this language:

The procurement agencies opposed the introduction of the repair differential into the Los Angeles-San Diego area and stated: (a) that the differential would increase the cost of production since there was no showing that there would be an increase in production or efficiency.

That is obviously true; if they paid 11.6 percent more, there would be an increase in cost.

(b) That as a matter of equity there is no basis for a differential between repair and new construction work.

That is a very disputed point, Mr. President, and of course it goes to the very issue as to whether or not this differential should have existed historically. But why should the procurement agencies take it upon themselves to make representations to the War Labor Board that this differential should not be continued?

In my judgment, the position they took when the case was before the Board is partly responsible for the bad feeling and the misunderstanding which has developed between the procurement agencies and the parties concerned.

(c) That the differential cannot be justified as a premium for special skill; (d) that to introduce the differential into the Los Angeles area will create unstabilizing conditions and result in future pressure for equalization of rates on higher levels not only for new construction work in the shipbuilding industry but for other industries; (e) that there is no traditional background in the Los Angeles area for a repair differential.

As to the last point, Mr. President, I repeat that the Los Angeles yards have been used as new-construction yards and not repair yards prior to the war and the repair work was initiated with this war. Does that justify the procurement agencies making the argument that because the southern California yards have not done the repair work before this war they should come in, upset a differential which has existed and been paid on the west coast since before the First World War in those yards which have done most of the repair work?

(f) That the entire Pacific coast is not a single labor market and that there have traditionally been differentials between regions on the Pacific coast, and that therefore the payment of the differential in northern California, Oregon, and Washington does not create an inequity in southern California.

They overlooked the point that we are dealing, in the shipping industry, with zone agreements. Of course, there are in other industries differentials on the west coast, but we are dealing here with an agreement which seeks to provide a uniform policy for the west coast in ship-repair work.

(g) That the operation of the repair differential in northern California has created conditions that interfere with the fully effective prosecution of the war program as demonstrated by recent difficulties in the San Francisco area.

I assume that the procurement agencies refer there to alleged abuses which have crept into various ship-repair and new-construction agreements on the west coast, but I do not think they are germane to the real issue before us, as to whether or not a discriminatory policy should have been set up on the west coast, aided and abetted by the procurement agencies.

It is an excellent opinion, Mr. President, in setting forth the War Labor Board's point of view. I do not agree with the findings, nevertheless, I respect the Board's judgment in the premises. I am convinced that present emergencies make the decision undesirable as a fixed policy.

It is interesting to note that the labor members of the Board dissented, and it is also interesting to note that this differential issue has continued over the months because of the great unrest in the shipyards on the west coast.

Mr. President, on May 28 I received a telegram from the Metal Trades Conference, meeting in convention in San Francisco, in regard to this problem, and I replied to it on May 29. In order to keep the record straight I ask unanimous consent to have the telegram and my answer to it inserted in the RECORD at this point in my remarks.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

MAY 29, 1945.

E. M. WESTON,
President, Pacific Coast District Metal Trades Council, Eureka Calif:

Wire signed by you and many other Metal Trades Council representatives received. Recently sent following letter to Secretary of Navy Forrestal, Secretary of War Stimson, and Admiral Land, Chairman of the Maritime Commission:

"I am enclosing a copy of a letter which has been sent to the National War Labor Board on behalf of Senators MITCHELL and MAGNUSON, of Washington, Senator CORDON, of Oregon, Senator DOWNEY, of California and myself. It pertains to west coast ship-repair wage differential issue which has become a matter of great concern to us.

"After we receive the report from the National War Labor Board which we have requested, we shall ask for the privilege of discussing the matter with you so that we may obtain an official statement of your department's position on this issue. If in the meantime there is any material which you would like to have us consider along with the NWLB report of the case, we will be very pleased to receive it."

Have also requested detailed report from National War Labor Board. In that request I stated, "As Senators from the States of Washington, Oregon, and California we are very much concerned about the matter and consider it our duty to call upon the National War Labor Board for a full report of the history of this case and of its present status. In submitting a report to us, we would particularly like to be informed as to what your records show has been the position taken by the Army, the Navy, and the Maritime Commission throughout the history of this case."

I wish to assure you that Senators from Washington, Oregon, and California will continue to seek clarification of this case. If present ruling favorable to southern California repair yards can be justified we shall insist that officials concerned demonstrate beyond question that it can be justified.

WAYNE MORSE,
United States Senator.

EUREKA, CALIF., *May 28, 1945.*

Hon. WAYNE MORSE,

United States Senate, Washington, D. C.:

Gathered now in Eureka, Calif., are the representatives of the local metal trades councils of the Pacific coast and also officers of the international unions comprising the metal trades department of the American Federation of Labor, whose members locally form the local metal trades councils, all of whom are parties to the Pacific coast ship-repair agreement as negotiated in 1941 by the repair shipyard agreement and the members of the metal trades department of the American Federation of Labor. Present at our conference in Eureka are the representatives of labor who took part in negotiating the repair agreement of 1941 and the amendments to that agreement negotiated May 1942 by labor, shipyard management, and the official representatives of the Navy, the Maritime Commission, and the War Production Board. These amendments were officially approved by the Assistant, and now Under Secretary of the Navy and by the Chairman of the Maritime Commission. One of the amendments provided for the payment of the 11.6 percent for ship-repair work above the wage rate for new-ship construction work throughout the Pacific coast. The Navy Department and the Maritime Commission has consistently refused to pay this repair rate or permit employers to pay it in southern California. This act of bad faith has now existed for 16 months, despite our continued efforts to have the appropriate Federal agencies correct this great injustice to ship-repair workmen in southern California. Because of the patriotic determination of the workers on the Pacific coast to keep our fighting ships in the Pacific repaired without delay, they have refrained from resorting to the use of their economic power to enforce the terms of the Pacific coast ship-repair agreement. This action of the Navy Department and Maritime Commission in repudiating the Pacific coast ship-repair agreement has so affected the morale of the members of the metal trades unions that they have completely lost faith in agencies of government to discharge their share of the responsibility of enforcing the provisions of a tripartite agreement. We have been informed of the sincere interest which the United States Senators and Congressmen from the Pacific coast are taking in this problem, which justifies our again appealing to you. We heartily appreciate your friendly assistance in a situation which we now believe can only be adjusted through your continued interest in our rights under the ship-repair amendments of 1942. We now earnestly request that should your present efforts in our behalf fail of success that you use your influence to institute a congressional investigation of this intolerable situation.

E. M. Weston, President, Pacific Coast District Metal Trades Council; M. H. Stafford, Executive Secretary, Pacific Coast District Metal Trades Council; Orrin Burrows, Bremerton (Wash.) Metal Trades Council; W. L. Rotermund, Eureka (Calif.) Metal Trades Council; Walter Gallant, Everett (Wash.) Metal Trades Council; Emil Schlecht, Kelso-Longview (Wash.) Metal Trades Council; A. L. Laster, Los Angeles (Calif.) Metal Trades Council; Roy C. Hill, Portland (Oreg.) Metal Trades Council; Cecil Seaman, Pasco (Wash.) Metal Trades Council; M. L. Ratcliff, San Diego (Calif.) Metal Trades Council; A. F. O'Neill, Seattle (Wash.) Metal Trades Council; Don Ahrens, Tacoma (Wash.) Metal Trades Council; A. T. Wynn, Bay Cities Metal Trades Council, San Francisco, Calif.; William Lazarini, International Molders Union of North America; Clayton Bilderback, United Association of Journeymen Plumbers and Steamfitters; J. Earl Cook, Sheet Metal Workers International Association; Joseph Clark, Brotherhood of Painters, Decorators, and Paperhangers of America; Don Cameron, United Brotherhood of Carpenters and Joiners of America; Tom Crowe, International ——— ——— America; Frank Weibel, International Brotherhood of Blacksmiths, Drop Forgers, and Helpers of America; J. A. Johnson, International Federation of Technical Engineers, Architects, and Draftsmen of America; Otto Reiman, International Brotherhood of Electrical Workers; R. Corey, International Union of Operating Engineers; George Castleman, International Association of Machinists.

Mr. MORSE. Mr. President, I wish to point out that for the past several months not only have many thousands of workers been let out of west coast shipyards, but the workers have had made available to them official reports of the Government showing that in the months to come shipyard employment is to be cut back drastically.

I understand that shipyard work is to be cut back; yet it seems to me, Mr. President, that until the war in the Pacific is won we can justify and we must accept, perhaps as one of the costly wastes of war—because war itself is wasteful—the maintaining in our shipyards of the manpower necessary to meet the emergencies of the war. I know it can be said, and I want to be fair, that when the agencies issued some of their public announcements, notifying labor there were to be these sharp cut-backs in shipyard employment, they did not anticipate the emergency in which we now find ourselves. I am not a military expert, and I am not prepared to say whether or not these agencies should have anticipated this emergency. Nevertheless I take it for granted that they did not anticipate that we were going to have this very heavy ship-repair job to do as the result of Japanese suicide attacks on our Pacific Fleet.

Be that as it may, Mr. President, the fact is that the shipyard workers have been told that thousands of them are going to be let out of employment. I have before me a report of the War Manpower Commission entitled "War Manpower Commission Estimate of Month-End Manpower Requirements in Six Major Shipbuilding Establishments—Ship Construction Only, Based on Present Contracts June 1, 1945." The report supports the statements which have been made by Government officials in recent weeks. The report shows the difficulty that confronts the War Manpower Commission in stemming the tide of manpower movements away from the shipyards.

The total figures found in the report, Mr. President, as of April 1, 1945, are not the figures of total shipyard employment during this war. The total shipyard employment was much higher than the figures as of April 15, 1945. But covering the yards concerned, the Oregon Shipbuilding, Kaiser Co., Inc., Vancouver, Kaiser Co., Inc., Swan Island, Willamette Iron and Steel, Commercial Iron Works, Albina Iron and Machine, all located in my own State of Oregon, the figure as of April 1, 1945, was 92,887. The estimated figure for December 1, 1945, is 41,000. In other words, the Government has pointed out to these shipyard workers that their number is going to be reduced in just these yards in my State from 92,887 to 41,000.

The same type of report has been issued in regard to other shipyards on the west coast—with what result? Well, Senators you know how the grapevine travels, as we say in labor circles. It just went down through those yards, "Boys, it is almost over. We are going to be let out in great numbers. We had better look for other jobs." And many of them have left the yards.

Let me point out, so I will not be misunderstood, that many of them were let out of the yards, too. There have been great numbers of dismissals in these yards in recent months.

Now, Mr. President, we come into an emergency situation. Officials of the Navy call men slackers because they have acted—and I think it is understandable why they have done so—on the basis of statements from this Government itself that there going to be these heavy cutbacks. So many of those who have jobs in the Middle West have gone back to them, and many of those who have farms in the Middle West have gone back to them.

What are we going to do about it? I can assure you, Mr. President, that according to my sights the answer is not "Give to the procurement agencies compulsory manpower control." They just make too many mistakes to have any such great power placed at their disposal. The answer is, in my judgment, that we have to be perfectly realistic about this problem, and recognize that if we are to get the men back there that are needed we must give them assurance that discriminatory policies will not be practiced. We must give them assurance that the Army and the Navy, as well as private concerns that are not paying the differential, will pay the differential as the first step in the ironing out of this problem.

Then, I think, Mr. President, we ought to be much, much more intellectually honest about this manpower problem in the shipyards. We have got to recognize that sometimes emergencies develop which require a greater use of manpower than we are able to use always day by day. I for one make no apologies, Mr. President, for the suggestion that we will back up our boys in the Pacific much better if we spend the millions of dollars that may be necessary to keep those men in the yards on the job available for work, than to encourage them, as we have in recent months, to go back to the Middle West, to leave the shipyards, and then find ourselves stranded when an emergency such as the present one develops.

Mr. President, I do not believe in unnecessary waste, but I say that we can ill afford to save dollars when it comes to protecting and saving lives in the Pacific.

I do not suggest that we pay men to loaf until their services are needed. But

I do say that it would be very sensible to place contracts in the shipyards on the west coast for peacetime construction which would keep the men working in that area so that when such an emergency as the present one arises they could be transferred quickly to the repair yards for work. The safety of our men in the Pacific demands such foresightedness. We must keep those workers available until this war is won no matter what the cost.

I also wish to introduce in the RECORD at this point, Mr. President, a series of telegrams which the west coast regional office of the War Manpower Commission has sent to the Portland office of the Manpower Commission, which show that the Manpower Commission has been doing its level best to see to it that the necessary priorities are given to these shipyards in order to stop, now that the emergency has arisen, this flow of manpower away from the yards. I want to commend the exceptionally able work which in my judgment the head of the Manpower Commission office in Portland, Oreg., Mr. L. C. Stoll, has done in this regard. In a letter which I received from him this morning, dated June 2, is a very interesting sentence. He wrote:

You just cannot compete in recruiting workers for the Navy against wage scales paid in private shipyards.

If the Navy is going to be realistic about the matter in my judgment it must recognize that the Manpower Commission cannot meet this emergency unless the Navy makes certain that it eliminates its discriminatory practices, and that there is an equalizing of these ship repair wage rates.

Mr. President, I ask unanimous consent to have the telegrams printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MAY 23, 1945.

L. C. STOLL,
State Manpower Director,
War Manpower Commission:

Following changes made in national production urgency list of May 21—Ship repair establishments—this item is amended to read as follows—"For repair and maintenance of the fleet and for repair and maintenance of all vessels in establishments under allocation from the office of the Coordinator for CWP repair and conversion upon verification by the Coordinator. All west coast shipyards, for repair and maintenance work only, shall be assigned urgency rating No. 1 on a par with the aircraft carriers specified in exhibit D, section 3. Where there is interference with the Manhattan district project, the Manhattan district project shall have preference." Field instruction incorporating changes will be issued shortly.

F. W. HUNTER,
Regional Director,
War Manpower Commission.

MAY 23, 1945.

L. C. STOLL,
State Manpower Director,
War Manpower Commission:

The following wire has been sent today by headquarters to all regions excepting regions XII and XI. Reasons for not transmitting to these regions are obvious. "At its meeting Monday the production executive committee accorded a No. 1 urgency rating to various ship repair yards located on the west coast. Yesterday the National Selective Service System granted blanket deferments to electricians, machinists, ordnancemen, instrument repairman, sheet-metal workers, coppersmiths, pipefitters, boilermakers, and riggers employed in these yards. These two actions are indicative of the degree of importance presently attached to the repair of ships disabled as the result of action in the Pacific. Furthermore, it is apparent from reports from most authoritative sources that failure to repair promptly, damage incurred in the Pacific theater, may seriously delay victory over the Japanese. The Navy repair yards are literally filled with ships requiring immediate repair.

The Navy Department is utilizing to maximum capacity the private repair facilities available on the west coast. Manpower must be recruited in sufficient numbers to meet critical requirements for highly skilled workers and a No. 1 priority, second only to Manhattan district recruitment, has been assigned.

At this time only the navy yards located at Mare Island, Hunters Point, and Puget Sound have orders in interregional recruitment. You are urged immediately to exert every possible effort to gear up recruitment for these yards giving full effect to the new priority rating that has been assigned.

Region XII, in an all-out effort to meet repair yards demands, has been recruiting with an emergency category No. 2 rating in bay area, and will recruit throughout region XII with a No. 1 rating in the future. Region XII gives unqualified support to the present needs for the workers in the classifications now in interregional recruitment and states that this demand should not be confused with the general easing of the labor market on the west coast in unskilled categories. When other yards approved with a No. 1 urgency rating enter the interregional recruitment field you will be advised and quotas assigned.

In view of the critical emergency existing on the west coast as the result of recent misfortunes in the Pacific theater we cannot overemphasize the importance of meeting your interregional recruitment quotas.

You will be advised within a few days of the demand for workers which will exist for June and July. Meanwhile your utmost efforts will be expected.

It has been determined administratively feasible to accord all ship repair recruitment not otherwise accorded a priority No. 1 rating nationally, an emergency No. 2 priority rating locally. The latter emergency No. 2 priority rating shall only be accorded recruitment for openings on ship-repair employment and shall be applied to combination ship repair, ship construction establishments only if the establishment has fully applied effective worker transfers from ship construction to ship repair and offers assurance that there will be no diversion of workers to ship construction for workers so recruited for ship repair.

F. W. HUNTER,
Regional Director,
War Manpower Commission.

MAY 28, 1945.

L. C. STOLL,
State Manpower Director,
War Manpower Commission.

As you were advised in my multi-teletype of May 23, headquarters has been pressing to remove any and all limitations which may in any way interfere with getting workers to ship-repair yards and returning battle-damaged boats back into action at the earliest possible moment.

To buttress your efforts, we too have been following through and have been in frequent consultation with commander, Western Sea Frontier, and staff, and the United States Civil Service Commission here.

The results of headquarters action were relayed to you in my May 23 wire. Results of our efforts in the regional office are as follows:

PUBLICITY

A. An all-out national publicity program is being prepared. This will feature statements by top Government officials—Army, Navy, War Manpower Commission, others.

B. Relaxation, for the first time, of security regulations which will permit the telling of much of the Pacific battle story which heretofore has not been revealed.

C. Closest possible tie-in between State information representatives and Navy public relations officers, to give fullest possible support to the campaign to staff west coast repair yards.

These programs are in the developmental stage in this writing, with selection of Navy publicity men soon to be named. These officers will work with your public relations staff at the appropriate time.

RECRUITMENT

A. The commander, Western Sea Frontier, has proposed to Navy headquarters a plan to use the recruiter organization of the Navy's west coast command construction program. This will mean the employment of some 40 or more experienced recruiters, who will assist the Civil Service and USES in the staffing problem, without interfering with duties, responsibilities, and processes of USCSC and USES.

B. The Under Secretary of the Navy has approved this proposal.

WAGES

A. The Navy has agreed to press for wages at the top of the present range so as to achieve maximum competitive position in recruitment for needed skills.

B. Every effort will be made through strong representations to the War Labor Board, to achieve wage scales that will attract and hold skilled craftsmen.

The Navy requested:

A. That all union officials, of the crafts involved, be fully advised of this program and of the need for concentration of all-out effort on recruitment for, and holding workers in, ship repair yards.

B. Selective Service, unions, and USES work coordinately and intensively on terminations to stop turnover and out-migration to the greatest extent possible. This phase of the program is considered by the commander, western sea frontier, and the Civil Service Commission as being as important as the intensiveness and extensiveness of stepped-up recruitment.

We are continuing to press for a "stretch-out" of maritime and Navy new ship schedules, with the exception of aircraft carriers, and postponement of new work, where possible, in the interests of the main objective of repair.

Please follow through on the items A and B under subject title "the Navy has requested" above and keep us advised of progress. We in turn will keep you posted on all developments in this vital program.

F. W. HUNTER,
Regional Director, War
Manpower Commission.

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the RECORD the memorandum sent by Paul R. Porter, chairman of the Ship Stabilization Committee, to Mr. Joseph B. Keenan, of the War Production Board, dated March 14, 1944.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MARCH 14, 1944.

Memorandum to: Joseph D. Keenan.
From: Paul R. Porter.
Subject: Application of differential for repair work to southern California shipyards.

1. When the original Pacific Coast Shipbuilding Zone Conference was held during

February and April 1941 (at San Francisco and Seattle), zone standards were adopted for new construction only. Concurrently, however, a Pacific coast repair agreement was negotiated directly between the AFL Metal Trades Unions and employers. The Government was not a party to this agreement as it was to the zone standards.

2. At that time no southern California yards under agreement with the AFL were engaged in repair work. No Los Angeles or San Diego yards therefore signed the repair agreement. It seems to have been the clear intent, however, that the terms of the repair agreement would apply in Los Angeles, at least, if and when AFL yards in that port performed repair work, since the agreement specifically refers to Los Angeles as one of the ports in which the agreement will apply. Furthermore, the agreement is consistently described as the Pacific coast ship-repair agreement.

3. Three Los Angeles yards then engaged in repair work—Bethlehem Steel, Los Angeles Dry Dock and Shipbuilding, and Craig—were and are under contract with the CIO. They have not paid the repair differential, though the Los Angeles yard appears to have paid a "dirty work" premium, which also prevailed in AFL yards before it was converted into a specific percentage payment.

4. Whether or not the repair differential would be paid in these three yards has been an unsettled issue for approximately 2 years. Last summer the Los Angeles Dry Dock and the CIO agreed to a repair differential of 11.6 percent. A dispute between Bethlehem (San Pedro yard) and the union was certified to the War Labor Board in April 1942, and was heard by a panel in the autumn of 1942. The panel referred the matter back to the company and the union for collective bargaining. They were unable to agree, and the dispute then went to the Shipbuilding Commission. About the same time the Los Angeles Dry Dock agreement was submitted to the WLB for approval.

5. About this same time a dispute concerning the repair differential between three small shipyards in San Diego and the San Diego Metal Trades Council was submitted on complaint of the San Diego unions to the Shipbuilding Commission. The commission combined these three cases with the two CIO cases—one a dispute, the other a form 10 case.

6. In the meanwhile, the A. F. of L. had signed agreements for new construction with a number of smaller yards in Los Angeles and vicinity. Several of these are also doing repair work. The Los Angeles Metal Trades Council has insisted upon these yards also signing the repair agreement (providing for an 11.6 percent differential). The yards have refused until they were assured of reimbursement from the procurement agencies. The A. F. of L. has asked the procurement agencies to recognize the Pacific coast ship repair agreement as applying to Los Angeles, but have not referred these cases to the War Labor Board.

7. The Shipbuilding Commission sent a division of the Commission to Los Angeles in late October 1943, to hear testimony in the two CIO cases and the A. F. of L. dispute in San Diego. The division recommended against the repair differential in southern California, and the Commission made this its ruling. At the time of the hearing in Los Angeles the Navy, Army, and Maritime Commission submitted a brief strongly opposing the differential.

8. It was universally recognized that the Commission ruling in these five cases would set the pattern for all southern California repair yards.

9. The CIO appealed the Shipbuilding Commission ruling to the War Labor Board. Upon learning of this, John Frey requested that he be permitted to intervene to support the request for a differential. The CIO agreed to his intervening. The WLB appeals committee turned down his request, but this decision was reversed by the WLB. Frey has now requested a hearing before the WLB, and it is assumed that a hearing date will soon be set, but no date has been announced.

10. At this hearing the relationship of the Navy, Maritime Commission, and War Production Board to the repair agreement will probably be one of the major issues in the case. The following paragraphs deal with that problem.

11. The Navy and the Maritime Commission from the beginning regretted that repair work on the Pacific coast had not been brought under the zone standards. In the zone conferences that followed on the Atlantic and Gulf coasts and the Great Lakes repair work was included in the zone standards in those zones.

12. When the national shipbuilding conference was held in Chicago in May 1942, the following amendment to the zone standards in each of the four zones was adopted (sec. 3 of Chicago amendments):

"The problem of bringing about the greatest possible degree of uniformity between shipbuilding, ship repair, and ship conversion with respect to overtime and shift premiums shall be referred to zone conferences for determination."

This was regarded by the Government agencies as offering an opportunity to bring repair work on the Pacific coast under the Pacific coast zone standards.

13. A zone conference, in accordance with the foregoing clause, of labor, ship repair employers, and Navy, Maritime, and WPB, was called in San Francisco later that month (May 29, 1942). Only A. F. of L. unions, since their repair agreement differed in various important respects from CIO agreements, were invited on behalf of labor. The CIO shipyard workers were advised that a separate conference would be held later in Los Angeles with their employers, and this was wholly acceptable to them.

14. The San Francisco repair conference adopted five amendments to the Pacific coast ship repair agreement, one of which provided:

"The wage rate for repair work shall be the rate specified for new construction work in schedule A of the Pacific coast master agreement covering new ship construction plus 11.6 percent."

The preamble to these amendments stated:

"A. F. of L. representatives of organized labor, management, the War Production Board, the Navy Department, and the United States Maritime Commission hereby propose to amend as follows the Pacific coast ship repair agreement dated April 1, 1941, at Seattle, Wash., subject to final ratification on approval by the principals of the representatives attending the Pacific coast ship repair conference at San Francisco, which convened May 29, 1942."

The fifth amendment concerning an effective date also provided:

"When ratified and approved by the parties hereto, all the foregoing modifications shall become effective on a date not more than 15 nor less than 30 days from the date on which the parties shall have notified the chairman of the Shipbuilding Stabilization Committee of ratification or approval and his certification of ratification and approval and his designation of the effective date, as above provided for, shall be final and binding."

No Los Angeles employers participated in this conference, since no yards in which the A. F. of L. was the bargaining agent were then engaged in repair work. The Los Angeles Metal Trades Council did participate, as did delegates from the five local unions in Los Angeles. One of them served on the conference working committee. The propriety of their participation was not raised. Nor was the application or nonapplication of the repair differential to Los Angeles raised. I think it accurate to say that the payment of the repair differential in Los Angeles A. F. of L. repair yards was assumed by all present. The only conference discussion concerning whether or not the repair differential was universally applicable in the zone was in reference to arguments made against it by small boat builders in the northwest who previously had not paid the differential. Their objections were not accepted by the conference, and they thereafter paid the repair rate for repair work.

Following the conference, I was notified in my capacity as chairman of the Shipbuilding Stabilization Committee of ratification or approval by the A. F. of L. unions (including the Los Angeles Metal Trades Council), by various shipyards who had participated (but none from Los Angeles), by Assistant Secretary of the Navy Bard, and by Chairman Land of the Maritime Commission. Mr. Lund verbally approved for WPB.

15. Initially the Government agencies had asked the conference to bring the repair agreement under the zone standards. The conference did not do so, insofar as specifically stating that the newly adopted clauses governing repair work were deemed to be an addition to zone standards. Whether or not, however, the repair amendments became a part of the zone standards in a technical sense, exactly that purpose was accomplished when the three Government agencies became a party to the repair amendments.

The conference action was at that time and for more than a year afterwards firmly regarded by WPB, the Navy, and the Maritime Commission as making them parties to the five amendments to the Pacific coast ship repair agreement. This view was supported by:

(a) The preamble's designation of the three agencies as parties to the agreement;

(b) The fact that the chairman of the Shipbuilding Stabilization Committee was designated as the person who would be notified of ratification, and who was authorized to proclaim the amendments upon ratification, to be in effect, and whose certification would be accepted by Government, management, and labor as final and binding;

(c) The formal notices of approval from the Navy and Maritime Commission; and

(d) The following excerpts from the official minutes:

(1) From page 4, Minutes of Working Committee, Monday afternoon session, June 1, 1942:

"Mr. Ring reported for the drafting committee. * * * Mr. Ring pointed out that both management and Government representatives of the drafting committee thought that any amendments arrived at at this conference would automatically make the Government a party to the existing agreements insofar as those amended rules were concerned, but that the labor members thought that the amendments arrived at would only change the existing agreement, but did not automatically make the Government a party thereto."

(2) Page 6, same:

"Mr. Wynn (chairman of labor delegation) again raised the question of whether or not the Government would now be a party to the existing repair agreement. Mr. Ring expressed the opinion of the Government representatives that it would be so considered insofar as these parts which would be amended would be concerned."

This ended the conference discussion of the Government as a party to the agreement, with the working (negotiating) committee, as distinct from the drafting committee, accepting the Government position without further question.

During July 1943, at the later Pacific Coast Zone Conference, one of the labor members of the 1942 conference working committee disputed the Government position that it had become a party to the repair amendments. Mr. Frey, who attended the repair conference, holds that the Government

agencies did become a party to the five amendments, and so far as I know has held that view consistently since the conference.

16. A second repair conference for the CIO and the employers with whom it has agreements was held at Long Beach, Calif., in early September 1942. The union requested adoption of the repair differential in CIO repair yards. The employers refused, and the conference adjourned without agreement. At that time the Bethlehem (San Pedro yard) dispute was pending before the WLB. On October 12, 1942, I wrote to the procurement agencies concerning the dispute case as follows:

"It is the opinion of the chairman that if a recommendation is to be made to the National War Labor Board by the Government agencies represented on the Shipbuilding Stabilization Committee it should recommend the allowance of payment of the ship repair differential for repair work in the Bethlehem Steel Co.'s San Pedro yard."

On October 21, 1942, Mr. Ring wrote to me:

"I am in favor of supporting the recommendations set forth in your memorandum of October 12, 1942, which would apply the 11.6 percent differential to repair work done in the San Pedro area."

Representatives of the Navy Department verbally stated that they believed no recommendation should be made to the WLB, and accordingly, none was made

17. Recently, the Navy, Army, and Maritime Commission have adopted the view that the Government agencies are not a party to the amendments to the repair agreement, a view contrary to that firmly held at the time the amendments were adopted and for more than a year afterward. When the Shipbuilding Commission held its hearing in Los Angeles last October on the question of the repair differential in five southern California yards, the procurement agencies, without consulting the WPB, filed a brief with the Commission objecting to a repair differential in southern California.

18. The procurement agencies, in taking this independent action, have apparently done so without careful study of the repair conference record or the formal approval of the conference action by the Navy Department and the Maritime Commission. From the conference record it seems clear that:

(a) WPB, Navy, and Maritime Commission are definitely parties to the repair amendments, one of which specifies repair rates 11.6 percent higher than new construction rates in the same classifications.

(b) No consideration was given by the repair conference to excluding Los Angeles from the repair amendments; the only consideration of any exception was in reference to small boat builders in the Puget Sound area and this was rejected.

19. No other portion of the repair amendments has been objected to at any time by the procurement agencies insofar as their application to Los Angeles is concerned.

20. The situation described above presents an especially difficult problems for me. It was upon my certification that the repair amendments were put into effect. I certainly would never have certified, as I did on July 14, 1942, that the repair amendments had been ratified without receipt of notices of approval from the Navy and Maritime Commission, because any other course would have been a breach of faith. All parties agreed that my certification would be final and binding. I desire not to embarrass the procurement agencies. But if I am called upon to testify at the War Labor Board hearing, which is likely, I will have no choice except to testify that the Navy and Maritime Commission became a party to the repair amendments.

Mr. MORSE. This record I think at least establishes prima facie evidence, if not controlling evidence, that the procurement agencies were parties to the San Francisco Conference, and certainly justified the parties to that conference in believing and assuming that the agreements reached were to be uniformly applied throughout the west coast. Thus I call attention to a telegram among this material which will be inserted in the RECORD, known as attachment A. It is dated June 30, 1942, from Mike Stafford, San Francisco, to Paul R. Porter, chairman, Shipbuilding Stabilization Committee, Office of the War Production Board, and reads as follows:

Unions affiliated with the following Pacific Coast Metal Trades Councils have unanimously ratified the proposed modifications of both the Chicago and the San Francisco conferences: San Diego, Los Angeles, Eureka, Portland, Tacoma, and Seattle. The Bay Cities Metal Trades Council voted 24 in favor of Chicago proposals, 2 unions against both Chicago and San Francisco proposals, and 3 unions favored one proposal and voted against the other proposals but overwhelmingly approved as it concerns the Pacific coast.

That telegram was sent to Mr. Porter who was representing the Government of the United States. It leaves no room for question that certainly the metal trades council was laboring under the impression that the agreement applied to the west coast.

The next telegram is dated Lost Angeles, June 30, 1942, as follows:

PAUL PORTER,
Chairman, Shipbuilding Stabilization Committee:

Seven additional unions affiliated with the Los Angeles Metal Trades Council have voted approval to both amendments recommended at Chicago and San Franciso shipbuilding conferences. All unions having members working in shipyards have voted approval to both propositions.

M. A. KOCH.

Then there is a letter under date of June 9, 1942, from Ralph A. Bard, Under Secretary of the Navy, to Paul R. Porter, chairman of the Shipbuilding Stabilization Committee, War Production Board, Washington, D. C., as follows:

The Navy Department hereby approves the proposed amendments to the Pacific coast repair agreement, dated April 1, 1941, adopted at the Pacific coast ship repair conference held in San Francisco, California, between the dates of May 29 and June 1, 1942.

Then follows a letter under date of June 15, 1942, addressed to Mr. Paul R. Porter, and signed by E. S. Land, Chairman, United States Maritime Commission, as follows:

DEAR MR. PORTER: The Maritime Commission hereby approves the proposed amendments to the Pacific coast ship repair agreement, dated April 1, 1941, adopted at the Pacific Coast Ship Repair Conference held in San Francisco, Calif., between the dates of May 29 and June 1, 1942.

Then a letter of October 21, 1942, to Mr. Porter from Daniel S. Ring, as follows:

I am in favor of supporting the recommendations set forth in your memorandum of October 12, 1942, which would apply the 11.6 percent differential to repair work done in the San Pedro area.

That is the Los Angeles area. On this occasion Mr. Ring was the representative and spokesman of the United States Maritime Commission.

A memorandum of October 12, 1942, referred to by Mr. Ring in his letter to Mr. Porter. The memorandum was sent by Mr. Porter to Admiral C. W. Fisher, Mr. Daniel S. Ring, and Capt. John J. Lane. Mr. President, in spite of the lateness of the hour, I shall read this memorandum into the RECORD.

OCTOBER 12, 1942.

Memorandum to: Admiral C. W. Fisher, Mr. Daniel S. Ring, Capt. John J. Lane.
From: Paul R. Porter.
Subject: Recommendation for extending repair differential to San Pedro shipyards.

A labor dispute between the Bethlehem Steel Co.'s San Pedro yard and Local 9, IUMSWA (CIO) involving wages and other conditions of work in that shipyard is now pending before the National War Labor Board. A hearing has been held and the panel is about to render its report to the Board. One of the most important issues to be decided is whether the 11.6 percent differer tial, established by the Pacific coast ship-repair agreement, as amended on May 29, 1942, should be applied to repair work done in the San Pedro area.

The importance of a decision by the National War Labor Board on this issue, insofar as it is closely related to the general program and policy of the Shipbuilding Stabilization Committee, makes it advisable to determine the position of the Government representatives and to examine the advisability of making a recommendation to the National War Labor Board.

The amendments of May 16, 1942, to the zone standards provided for a conference, to be held on the Pacific coast, to bring repair work under the Pacific coast zone standards agreements. On May 29, 1942, a conference convened at San Francisco. Representatives of the governmental agencies, of the AFL unions, and of the shipyards with whom the latter had contracts, participated. A tripartite amendment of the Pacific coast ship repair agreement, relating to the conditions of work in all repair yards having contracts with the Pacific Coast District Metal Trades Council, was adopted. As a result of the conference, a rate 11.6 percent above the standard skilled mechanics rate for new construction was agreed upon, and has been paid.

Representatives of the repair yards and of Local 9, IUSWA, CIO, in the San Pedro area, were not invited to this conference. The union has requested the same differential be granted to its members as has been allowed to AFL repair workers.

After several postponements, a conference was convened on September 3, 1942, at Los Angeles with representatives of the San Pedro repair yards, the union and the Government. The issue of extension of the differential was to be determined on the basis of a record of testimony taken there. The shipyard representatives opposed extension on the ground that there had never been a difference between repair and new construction in this area. The union demanded the differential since it had been applied elsewhere along the west coast.

In informal discussion among representatives of the Government agencies, the wisdom of extending the differential has been challenged on the ground that—

1. The extension of the differential to the Los Angeles area, where it did not exist by custom, provides a precedent which will be used to justify the establishment of differentials in the other three shipbuilding stabilization committee zones.

2. The application of Executive Orders 9240 and 9250 to the ship-repair industry could well be utilized to reevaluate the zone picture and to entirely eliminate the differential, rather than extend it.

It is the opinion of the chairman that if a recommendation is to be made to the

National War Labor Board by the Government agencies represented on the Shipbuilding Stabilization Committee it should recommend the allowance of payment of the ship-repair differential for repair work in the Bethlehem Steel Co.'s San Pedro yard. In that event, a copy of the recommendation, with a statement of the reasons for it, should be supplied to the Bethlehem Steel Co. The opinion of the chairman is founded on the following facts, which may be used as the basis for the recommendation:

1. The Shipbuilding Stabilization Committee program is predicated upon standards which apply uniformly throughout the zones. The operation of the Zone Standards Agreements has not demonstrated a need for the introduction of subzones, nor do grounds now appear to exist which establish the need for subzones.

2. The failure to extend the differential will unsettle labor relations in the area, since the CIO members will consider it an unwarranted preference of the A. F. of L. The potentiality exists, too, that the A. F. of L. may use the discriminatory treatment to create disaffection in the ranks of the CIO.

3. The cost of extending the differential in dollars and cents will be small, since the number of employees affected does not exceed 3,000. The number of repair workers already receiving the differential is many times larger. On the other hand, the potential of mischief that may result from a refusal is large.

Mr. President, in closing I wish to say three things:

First. I think it is imperative, if we are to settle the controversy which is raging on the west coast, that representatives of the procurement agencies, representatives of the National War Labor Board, and representatives of the other parties concerned, sit down at an early hour to see if they can reach some agreement as to how this dispute of many months standing can be settled on a nondiscriminatory basis.

Second, I respectfully urge upon the parties concerned that they recognize that if ever we had a case for the application of the rare and exceptional case doctrine, this is such a case. I grant that the doctrine has been used sparingly, and I wish to say in fairness that in decision after decision I have rejected the application of the doctrine where there was a failure to show that the wage sought was absolutely essential in the interest of the war effort. But I cannot imagine a state of facts which would to a greater extent justify the application of the doctrine than the particular facts of this case.

I believe that the hands of the Government are not clean in this case. I think they are not clean partly due to pure innocence and misjudgment. I think it is quite understandable that the workers should have been led to believe that there was to be a great cutback in employment, with the results which we are noting today in the press. Nevertheless, I think there is a great obligation on the part of the Government to proceed without further delay to stop the migration from the shipyards by bringing about immediately an equitable, nondiscriminatory settlement of the issue which is causing so much trouble.

Third and last. Irrespective of what blame may be laid at the door of Government, irrespective of whether or not the decisions in this case to date are sound decisions, the fact remains that organized labor on the west coast has a great opportunity in this instance to rise to great heights of industrial statesmanship and proceed without further delay to demonstrate to the Government and to the people of the country, as well as to the boys who are fighting the great battle of the Pacific, that its members are going to return to the shipyards in the great numbers needed even before this controversy is settled, to the end that the ships may be repaired at the earliest possible moment.

I am confident that when the problem is presented to the workers in that light they will meet the challenge and return to the yards and see to it that the ships are repaired. But their movement back should not be accepted by this Government as a justification for further laches. It should not be accepted by this Government as justification for the conclusion that the problem has been solved because labor once more has risen to its patriotic duty.

Mr. President, a great injustice is involved in this matter, and there is an obligation on the part of the Government officials concerned to see to it that the basic cause of it, which is the application of a discriminatory principle, is removed from the scene. I have great confidence that if the Government proceeds in good faith, it will find that management and labor on the west coast will see to it that manpower is provided immediately for the repair of those ships.

In closing, I trust that the policy of recrimination and name calling on the part of any governmental official toward labor will cease. It does not solve labor problems. It creates them.

EXTENSION OF OPERATIONS OF OPA—FILING OF MINORITY VIEWS

Mr. BARKLEY. Mr. President, today the Senator from New York [Mr. WAGNER], chairman of the Committee on Banking and Currency, filed a report of the committee on the bill extending the operations of the OPA. The Senator from Ohio [Mr. TAFT] has advised me that he desires to file minority views. I ask unanimous consent that he have until 12 o'clock tonight to file the minority views.

The PRESIDENT pro tempore. Without objection, it is so ordered.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

Mr. BARKLEY. Mr. President, it is my purpose to move in a moment that the Senate take a recess until Wednesday. Before doing so, let me say that after consulting the Senator from Arizona [Mr. HAYDEN], who is in charge of the pending appropriation bill, and the Senator from Ohio [Mr. BURTON], I ask unanimous consent that the Senate proceed to vote at an hour not later than 1:15 p. m., on Wednesday, on all pending amendments to the appropriation bill, and that the time be divided equally between the Senator from Ohio and the Senator from Arizona.

The PRESIDENT pro tempore. Is there objection?

Mr. BURTON. Mr. President, I understand that the requested unanimous-consent agreement refers to the Central Valley project amendment appearing on page 66, beginning in line 19. Are there any other amendments which are likely to be under consideration at that time?

Mr. BARKLEY. There are no other pending amendments, but I understand that the Senator from North Dakota will offer a slight amendment which the Senator from Arizona will accept and will agree to take to conference. Aside from them, I know of no others.

Mr. BURTON. Mr. President, the unanimous-consent agreement which has been requested is entirely satisfactory.

The PRESIDENT pro tempore. Without objection, the unanimous-consent agreement proposed by the Senator from Kentucky is entered into.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc and that the President be notified forthwith of the confirmation of the nominations.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be notified forthwith.

RECESS TO WEDNESDAY

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Wednesday next.

The motion was agreed to; and (at 6 o'clock and 12 minutes p. m.) the Senate took a recess until Wednesday, June 6, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 4, 1945:

DIPLOMATIC AND FOREIGN SERVICE

Paul H. Alling, of Connecticut, a Foreign Service officer of class 2, to act as diplomatic agent of the United States of America at Tangier, Morocco.

THE JUDICIARY

UNITED STATES DISTRICT JUDGE

Arthur A. Koscinski, of Michigan, to be United States district judge for the eastern district of Michigan, vice Arthur J. Tuttle, deceased.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

MEDICAL CORPS

To be colonel

Lt. Col. Henry Stevens Blesse, Medical Corps (temporary colonel), with rank from May 25, 1945.

To be majors

Capt. Tom French Whayne, Medical Corps (temporary colonel), with rank from May 16, 1945.

Capt. Erling Severre Fugelso, Medical Corps (temporary lieutenant colonel), with rank from May 17, 1945.

Capt. Joseph Garber Cocke, Medical Corps (temporary colonel), with rank from May 23, 1945.

Capt. Alfonso Michael Libasci, Medical Corps (temporary colonel), with rank from May 25, 1945.

Capt. Ralph Torrey Stevenson, Medical Corps (temporary colonel), with rank from May 29, 1945.

Capt. Frank Owings Alexander, Medical Corps (temporary lieutenant colonel), with rank from June 1, 1945.

Capt. John Benson Grow, Medical Corps (temporary colonel), with rank from June 2, 1945.

Capt. Daniel John Waligora, Medical Corps, (temporary colonel), with rank from June 10, 1945.

Capt. Dell Fred Dullum, Medical Corps (temporary lieutenant colonel), with rank from June 13, 1945, subject to examination required by law.

Capt. Byron Ludwig Steger, Medical Corps (temporary colonel), with rank from June 17, 1945.

Capt. Louie Render Braswell, Medical Corps (temporary colonel), with rank from June 19, 1945.

To be captains

First Lt. John Mark McIver, Medical Corps (temporary captain), with rank from May 15, 1945.

First Lt. George Thomas Kelleher, Medical Corps (temporary captain), with rank from May 16, 1945.

First Lt. Samuel Hope Sandifer, Medical Corps (temporary captain), with rank from May 19, 1945.

First Lt. John Charles Cressler, Medical Corps (temporary captain), with rank from June 3, 1945.

First Lt. Francis William Lanard, Medical Corps (temporary captain), with rank from June 17, 1945.

First Lt. Louis Axelrod, Medical Corps (temporary captain), with rank from June 24, 1945.

First Lt. Keith Duane Heuser, Medical Corps (temporary captain), with rank from June 25, 1945.

First Lt. Thomas Lewis Ozment, Medical Corps (temporary lieutenant colonel), with rank from June 26, 1945, subject to examination required by law.

CHAPLAIN

To be major

Chaplain (Capt.) Elmer Emil Tiedt, United States Army (temporary lieutenant colonel), with rank from June 17, 1945.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 4, 1945:

POSTMASTERS

TENNESSEE

Cecil G. Bowling, Rockvale.
Frances D. Thomas, Hickman.
Fred W. Butler, Pruden.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 4, 1945

The House met at 12 o'clock noon.

Lt. Col. Donald C. Stuart, post chaplain, Walter Reed Hospital, offered the following prayer:

Most gracious God, we humbly beseech Thee, as for the people of these United States in general, so especially for these their Representatives in Congress assembled, that Thou wouldst be pleased to direct and prosper all their consultations, to the advancement of Thy glory, the safety, honor, and welfare of Thy people; that all things may be so ordered and settled by their endeavors, upon the best and surest foundations; that peace and happiness, truth and justice, religion and piety may be established among us for all generations. Especially we pray that by Thy guidance these Thy servants may provide in all haste for the successful conclusion of the war and the establishment of a just and abiding peace among the nations of the earth. These and all other necessaries, for them, and for us, we humbly beg in Thy holy name. Amen.

The Journal of the proceedings of Friday, June 1, 1945, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 60. Concurrent resolution authorizing the printing as a public document of a revised edition of House Document No. 619, Seventy-seventh Congress, entitled "Our American Government: What Is It? How Does It Function?" and providing for the printing of additional copies thereof.

The message also announced that the Senate agrees to the amendment of the House to a joint resolution of the Senate of the following title:

S. J. Res. 66. Joint resolution to extend the statute of limitations in certain cases.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of the Treasury.
4. Department of War.
5. Federal Security Agency.
6. National Archives.
7. Office of Civilian Defense.
8. Selective Service System.
9. Tennessee Valley Authority.

CONTINUATION OF CERTAIN SUBSIDY PAYMENTS BY CORPORATIONS UNDER THE RECONSTRUCTION FINANCE CORPORATION ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, with a House amendment, insist on the amendment of the House, and ask for a conference, and that conferees be appointed.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. WOLCOTT, and Mr. CRAWFORD.

GEN. DWIGHT D. EISENHOWER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[Mr. McCORMACK addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include short addresses delivered by Mr. W. A. Lloyd and myself at the exercises held when the auditorium of the Department of Agriculture was dedicated in honor of Thomas Jefferson.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ELLIOTT asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. BATES of Kentucky asked and was given permission to extend his remarks in the RECORD and include a speech made on Memorial Day at Arlington National Cemetery by War Mobilization Director Fred M. Vinson.

Mr. KIRWAN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Columbus Dispatch.

Mr. EBERHARTER asked and was given permission to extend his remarks in the RECORD and insert an address delivered by Hon John J. Baker, assemblyman of the Commonwealth of Pennsylvania.

Mr. EBERHARTER asked and was given permission to extend his remarks in the RECORD and insert a memorandum concerning the authorship of the Pledge of Allegiance to the Flag of the United States of America.

Mr. ANDREWS of Alabama asked and was given permission to extend his remarks in the RECORD and include a speech by Jimmie Chappell.

Mr. ROGERS of Florida asked and was given permission to extend his remarks in the RECORD and include a resolution on the question of the punishment of war criminals.

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter and an article by Gen. George Rogers Clark. I have a statement from the Public Printer that the cost will be $121.41, or $17.34 more than the amount permitted. Notwithstanding that, I renew my request.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

FULL EMPLOYMENT LEGISLATION

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BIEMILLER. Mr. Speaker, Judge Vinson has today released to the press a letter which he had sent to Senator WAGNER pertaining to the bill S. 380, popularly known as the full employment bill. Its counterpart in this House is H. R. 2202, introduced by the gentleman from Texas [Mr. PATMAN], and cosponsored by 68 other Members.

I hope every Member of the Congress will pay particular attention to the message of Judge Vinson. I believe that the full employment bill is one of the most important in front of us, and I think Judge Vinson deserves the praise of everyone for his fearless stand in favor of that measure.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

THE MYSTERY ABOUT JOSE DEL CASTANO, SPANISH CONSUL GENERAL IN MANILA

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein an excerpt from a newspaper.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

[Mr. COFFEE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein a brief article by Frank R. Gannett.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PITTENGER asked and was given permission to extend his own remarks in two instances, one on the subject of aviation, and a second on the subject of executive agencies and bureaus and the present food shortage, and to include in the second excerpts from a letter.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include an article by Mark Sullivan.

Mr. AUCHINCLOSS asked and was given permission to extend his remarks in two instances, in one to include a set of resolutions and in the other an editorial.

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix on two subjects, in one to include a statement and in the other a newspaper article.

Mr. FULLER asked and was given permission to extend his remarks in the Appendix and include therein a memorial to the President and the Congress concerning the freedom of war refugees temporarily at Fort Ontario, Oswego, N. Y.

Mr. BUFFETT asked and was given permission to extend his remarks in the RECORD and include certain excerpts.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD and include an editorial by Harold Hartley, editor of the Toledo Times.

PERMISSION TO ADDRESS THE HOUSE

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes today following the legislative business of the day and other special orders.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent upon the conclusion of legislative business and other special orders on today, tomorrow, and Thursday, to address the House on each day for 10 minutes.

The SPEAKER. Is there objecton to the request of the gentleman from Michigan?

There was no objection.

NIGHT LIGHTING OF THE STATUE OF LIBERTY

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. DOLLIVER. Mr. Speaker, over the week end a matter of some urgency took me to New York City. Quite by accident I learned that some of our returning troops if they arrive in New York Harbor at night do not have the chance to see the Statue of Liberty because the lights are turned off. For some reason or other the appropriations do not seem to cover lighting of the statue during the late night or early morning hours.

Surely it is not asking too much that our soldiers returning to New York Harbor be greeted by the sight of that noble symbol of our freedom. If the transport arrives by day it is all right. But likewise, if the transport comes in after hours the servicemen should have the opportunity to see the torch of liberty enlightening the world.

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BUCK. Mr. Speaker, the able gentleman from Iowa [Mr. DOLLIVER] made an excellent suggestion when he proposed that the Statue of Liberty in New York Harbor be floodlighted at any and all hours during the night when transports bearing overseas veterans are entering the port. To millions of men who have undergone the privations of warfare, the first sight of the Statue of Liberty has symbolized in their minds actual return to their homeland. When they arrive at night, as many of them do, a darkened Statue of Liberty deprives them of something for which they have been hungering for months and even years. Let us have Liberty illuminated for these boys.

CAPT. JAMES KIMBLE VARDAMAN, JR., UNITED STATES NAVAL RESERVES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

MEMO ON HOOVER

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include therein a newspaper article entitled "Memo on Hoover."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. GROSS addressed the House. His remarks appear in the Appendix.]

FRANCE VERSUS SYRIA

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. ELLIS. Mr. Speaker, for the last few days the American people have been shocked by the ruthless killing of Syrians by the French troops.

France after a decade of political debauchery suffered an ignominious defeat.

Now, before the prison pallor is off her face she is shooting down patriotic and freedom-loving minorities. Oh! where are the "four freedoms."

The Syrian immigrants and their descendants are some of our best citizens. We have supplied the French with about $1,000,000,000 in lend-lease materials. We were told it was to be used to fight Germany, but now we find our tanks and bombers killing innocent people.

In connection with the incident in the Near East, we learn that the British have 600,000 troops there, and we are reminded that England will receive $5,700,000,000 in lend-lease this year.

It is about time we take stock of ourselves on lend-lease.

I am firm in the conviction it should be stopped forthwith all over the world except China.

FINAL VOTE ON BRETTON WOODS BILL

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to inquire of the majority leader about the vote on the Bretton Woods matter, consideration of which is scheduled for this week. I understand a report has only recently been published and also that some Members would like to have a definite date in order to make their own engagements. Can the majority leader tell us when he expects a vote on this matter?

Mr. McCORMACK. Mr. Speaker, one or two Members have spoken to me about certain Members going to West Point. Of course, that will be tomorrow, but I assume that some might want to remain a little longer than 1 day. As general debate on the Bretton Woods matter is scheduled for 2 days, with the understanding between the chairman of the committee and the ranking minority member that we will close debate on it before 3:30 on Wednesday, and then proceed under the 5-minute rule, I can see no objection, in the event the bill is completely considered on Wednesday, if agreeable to the gentleman from Massachusetts, to having the actual vote taken on Thursday. I am agreeable to that.

Mr. MARTIN of Massachusetts. That is agreeable to me. There will be no roll call on the measure until Thursday.

Mr. McCORMACK. No. Accordingly, we make that promise to the House.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I ask about any suspensions for today?

The SPEAKER. There are one or two. The gentleman from Texas [Mr. LANHAM], has one, and there may be another one. However, the bills may be passed by unanimous consent. I do not know whether the gentleman from Mississippi [Mr. RANKIN] thinks that the Chair is under promise to recognize him today or not.

Mr. RANKIN. Mr. Speaker, that is my understanding.

Mr. MARTIN of Massachusetts. What is that bill?

Mr. RANKIN. It is a bill from the Veterans' Committee which among other things will enable the Veterans' Administration to secure help vitally needed to carry on the work of processing the cases that are piling up in the Veterans' Administration. It will come up later in the day, first by unanimous consent.

Mr. RAMSPECK. Mr. Speaker, I desire to put the House on notice that I will have to oppose the bill to which the gentleman from Mississippi refers, because it will set up two pay scales in the same agency and it will disrupt the morale of the workers in the Government. I think it is bad legislation.

Mr. RANKIN. I think we will pass it all right, regardless of the opposition of the gentleman from Georgia [Mr. RAMSPECK] because it is vitally needed.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. CURTIS asked and was given permission to extend his remarks in the Appendix of the RECORD and to insert certain reports and excerpts.

Mr. ANGELL asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an article on housing in his district.

Mr. STEVENSON asked and was given permission to extend his remarks in the RECORD and include an article by a housewife on daylight saving.

BRETTON WOODS AGREEMENT

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I am taking this opportunity to go on record in behalf of the Bretton Woods agreement, H. R. 3314, which will come before the House later this week for action. Because of illness in my family, it will be impossible for me to be here to vote for this bill and I now wish to record myself as in favor of this cooperative effort to stabilize the currencies of the nations of the world.

Also, may I urge the defeat by what parliamentary procedure is possible of the so-called expense allotment of $2,500 to Members of Congress. I spoke against this proposal on May 10, have voted against it twice in the full Committee, and hope that the House will refuse to permit this form of legislation to prevail at this time.

EXTENSION OF REMARKS

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD and include an editorial and newspaper article.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I have conferred with the gentleman from Michigan [Mr. WOLCOTT] having stated last week that if desired the House would meet at 11 o'clock on Tuesday and Wednesday, and as a result of our talk, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. PATMAN. Mr. Speaker, reserving the right to object, has the gentleman conferred with the chairman of the Committee on Banking and Currency?

Mr. McCORMACK. I also talked with the chairman last week. Of course, the understanding was that if either one or both wanted it I would make the request. I have conferred with the gentleman from Michigan and he would like to have the House meet tomorrow at 11 o'clock.

Mr. PATMAN. We are conducting hearings on the OPA and start at 10 o'clock every morning.

Mr. McCORMACK. It was definitely understood if either or both of them wanted to meet at 11 o'clock on Tuesday or Wednesday, on either or both days, I would propound the unanimous-consent request.

Mr. RANKIN. Mr. Speaker, reserving the right to object, what is the necessity for meeting at 11 o'clock tomorrow?

Mr. McCORMACK. The gentleman from Michigan can best answer that.

Mr. WOLCOTT. Mr. Speaker, if the gentleman will yield, due to the fact that we thought we would need 2 days in an attempt to get the bill completely out of the way by Wednesday night, so far as general debate and the first reading of the bill are concerned, it is perfectly agreeable to the leadership, as I understand, to meet at 11 o'clock so that we can dispose of the matter in 2 days.

Mr. RANKIN. Mr. Speaker, may I suggest to the gentleman from Massachusetts that we are holding hearings before the Veterans' Committee, in regard to its investigation, trying our best to get through in order to take up the necessary legislation.

Mr. McCORMACK. Meeting tomorrow at 11 will not interfere with that because the day will be consumed in general debate. It is understood that committees, by unanimous consent, can proceed with their hearings in the afternoon except when bills are being considered under the 5-minute rule.

Mr. RANKIN. I understand that we already have permission to sit, but some members would like to hear some of this debate, and I am sure that the members of the committee that has charge of the bill do not want to speak to empty benches all the time, or virtually empty benches. In calling the House together at 11 o'clock they usually kill an hour by making the point of order that a quorum is not present and forcing a roll call. They call the roll and waste an hour and at the same time disturb the committees that are holding these hearings on investigations or future legislation.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Georgia.

Mr. COX. To make a statement for the benefit of the membership in connection with this request that the House meet tomorrow at 11. When the application for a rule on this bill was under consideration representations were made to the committee that more than 2 days of general debate was necessary. The Committee on Rules determined that the controversy was sufficiently important to warrant 3 days' debate. However, the committee's attention was called to the fact that an understanding had been reached between the majority and minority leaders, and the chairman and the ranking member of the committee sponsoring the bill felt that 2 full days of general debate would be sufficient. Upon the basis of the understanding that unanimous consent would be obtained to begin debate at 11 o'clock tomorrow and also at 11 o'clock on Wednesday, if desired, the committee reversed its position and reported the rule with provision for 2 days of general debate. An objection to the request would upset that arrangement, which was participated in and entered into with a view of saving the House 1 full day's consideration of this bill. I trust that no Member will see fit to object to the request.

Mr. SABATH. Mr. Speaker, if the gentleman will yield, is it not a fact also that the chairman of the Committee on Banking and Currency has suggested that this will be agreeable to him? This is in answer to the gentleman from Texas. It was generally agreed all around that this should be carried out.

Mr. COX. An objection to the request would upset the program and the agreement entered into in good faith.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. RICH. May I say to the majority leader that the chairman of the Committee on Expenditures in the Executive Departments has been working hard to bring in a bill shortly, and he has called for hearings set at 10 o'clock on both Tuesday and Wednesday. I know that he is very anxious to get through. He has planned this program weeks in advance. I am sure you are going to interrupt his plans unless the committee can sit during that time.

Mr. McCORMACK. Of course, the committee can sit during general debate, that is understood.

Mr. PATMAN. Mr. Speaker, reserving the right to object, I do not care to interfere with any arrangement that has been made by the leaders. I am not going to object, but I will point out the situation that is confronting this House right now on the OPA. The OPA expires June 30. If we do not start hearings until next week, at least the extensive hearings we hope to hold, we cannot possibly get that bill through before the 30th of June. Then that gives those who want to get the OPA extended 30 days or 6 months, which would be devastating to the program and devastating to the country, a good excuse to say, "We do not have time to have full hearings. Let us just extend it 30 days or 6 months." We do not want that situation to exist. Therefore, we commenced hearings this morning at 10 o'clock. The chairman said he hoped to continue all this week, although we have Bretton Woods coming up tomorrow, which our committee is handling.

In view of the statement of the gentleman from Georgia and the statement of the majority leader, I am not going to object, but I hope you will keep in mind that the OPA should be extended before June 30 for at least 1 year, not any 6 months.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PRINTING OF ADDITIONAL COPIES OF HOUSE REPORT NO. 629—INTERNATIONAL MONETARY FUND

Mr. BULWINKLE. Mr. Speaker, from the Committe on Printing, I report back favorably without amendment a privileged resolution (H. Res. 281) authorizing the printing of additional copies of House Report No. 629, current session, entitled "Participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development," and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved, That 2,000 additional copies of House Report No. 629, current session, entitled "Participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development,' being a report of the Committee on Banking and Currency to accompany H. R. 3314, shall be printed for the House document room.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXEMPTION OF MEMBERS OF ADVISORY BOARD FROM CERTAIN PROVISIONS OF CRIMINAL CODE

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1527) to exempt the members of the Advisory Board appointed under the War Mobilization and Reconservation Act of 1944 from certain provisions of the Criminal Code and Revised Statutes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Line 4, strike out all after "203)" down to and including "Congress)" in line 8.

Amend the title so as to read: "An act to exempt the members of the Advisory Board appointed under the War Mobilization and Reconversion Act of 1944 from certain provisions of the Criminal Code.'

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. MICHENER. Reserving the right to object, Mr. Speaker, this amendment removes some of the exemptions which were in the bill as it passed the House, so it really is a less liberal bill than it was when it passed the House, and maintains existing law as it is to a greater extent.

Mr. CRAVENS. Yes. It is one of the customary bills which the House has passed from time to time to exempt certain voluntary employees of the war agencies and emergency agencies from the provisions of the Federal Code. As it passed the House, the bill contained a provision exempting them from certain provisions of the law. When it got to the Senate, they thought the exemption was not necessary. Consequently, the bill as it comes back now is a more restricted bill than it was when it passed the House.

Mr. MICHENER. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

UNITED STATES CODE

The Clerk called the bill (H. R. 2200) to revise, codify, and enact into positive law, title 18 of the United States Code, entitled "Crimes and Criminal Procedure."

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DISCONTINUING CERTAIN REPORTS NOW REQUIRED BY LAW

The Clerk called the bill (H. R. 2504) to discontinue certain reports now required by law.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

IMMIGRATION AND NATURALIZATION SERVICE

The Clerk called the bill (H. R. 386) to amend the law relating to the authority of certain employees of the Immigration and Naturalization Service to make arrests without warrant in certain cases and to search vehicles within certain areas.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MASON. Reserving the right to object, Mr. Speaker, I wish to explain that this is a bill that passed the House last year. It seeks to give the officials of the Immigration and Naturalization Service the right to make arrests of aliens who are illegally in this country and to deport them. Certainly the gentleman from Mississippi would not want to oppose that kind of bill.

Mr. RANKIN. Does it state "aliens"?

Mr. MASON. It states definitely aliens who are illegally here.

Mr. RANKIN. Let us hear the bill reported first, Mr. Speaker, and see what it says.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi that the Clerk read the bill?

Mr. RANKIN. I want the bill read, Mr. Speaker. I want to hear the bill read.

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the fourth proviso of the second paragraph of the section entitled "Bureau of Immigration" of the act entitled "An act making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1926, and for other purposes," approved February 27, 1925 (43 Stat. 1049), as amended (8 U. S. C. 110), be, and it is hereby, amended to read as follows:

"Any employee of the Immigration and Naturalization Service authorized so to do under regulations prescribed by the Commis-

sioner of Immigration and Naturalization with the approval of the Attorney General, shall have power without warrant (1) to arrest any alien who in his presence or view is entering or attempting to enter the United States in violation of any law or regulation made in pursuance of law regulating the admission, exclusion, or expulsion of aliens, or any alien who is in the United States in violation of any such law or regulation and is likely to escape before a warrant can be obtained for his arrest, but the person arrested shall be taken without unnecessary delay for examination before an officer of the Immigration and Naturalization Service having authority to examine aliens as to their right to enter or remain in the United States; (2) to board and search for aliens any vessel within the territorial waters of the United States, railway car, aircraft, conveyance, or vehicle, within a reasonable distance from any external boundary of the United States; and (3) to make arrests for felonies which have been committed and which are cognizable under any law of the United States regulating the admission, exclusion, or expulsion of aliens, if the person making the arrest has reason to believe that the person so arrested is guilty of such felony and if there is likelihood of the person escaping before a warrant can be obtained for his arrest, but the person arrested shall be taken without unnecessary delay before the nearest available commissioner or before any other nearby officer empowered to commit persons charged with offenses against the laws of the United States; and such employee shall have power to execute any warrant or other process issued by any officer under any law regulating the admission, exclusion, or expulsion of aliens."

Mr. MASON. Mr. Speaker, in further explanation of the bill I may say that under the present law an official of the Immigration Service may arrest any person attempting to enter this country illegally, if he actually sees that person doing so; or under the present law he may go on any boat in any waters and search that boat, without a warrant, to see if there are any people there attempting to enter.

Mr. RANKIN. Now right on that point, does not the gentleman think that with the liberality with which they have admitted these people who have floated into this country for the last few years, it is pretty late to be authorizing some of these agents to go out and search vessels? If they really want to get rid of a lot of these aliens who should not be here there is not a man in the House who will go further in that direction than I will. No man will go further than I will to try to stop them from coming in here, but I think you are going far afield when you send agents out to search these vessels without warrants. You do not say whether they are our vessels, whether they are the vessels of friendly nations, or what vessels, but they may go and search them without warrants. I can see some of those agents who have been allowing people to pour in here in the past few years, going out and disturbing a friendly vessel and searching it, as if they were searching for a dangerous alien. I think that bill should come up under the regular rules of the House and be open for amendment.

Mr. MASON. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MASON. I wish to say that the bill does not authorize the officials of the Immigration Bureau to enter vessels and search the same. That is the law now and has been for years.

Mr. RANKIN. I understand, but you extend that authority. You extend that authority to people who have been, in my opinion, negligent in permitting these aliens to pour into this country for the last few years. I do not think you are helping the situation at all.

Mr. MASON. You are not extending that authority now. It was extended years ago and has been on the statute books for years.

Mr. LESINSKI. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. LESINSKI. I have a letter from the Department of Justice which states as follows:

One of the bills most desired by us is H. R. 386, giving us authority to arrest in certain cases without warrant. The last time the bill was up, objection was made to it on the ground that it should have gone through the Judiciary Committee, I assume, on the broad general principle that all matters of arrest should properly be considered by that committee. During the discussion on it, the statement was made that the bill originated in the Department and referred by the Department to the Immigration and Naturalization Committee.

That is, of course, not exactly true. A similar bill to this was introduced in the last Congress and was in the regular course of business sent to the Speaker of the House, whose office referred it to the Immigration and Naturalization Committee. We are not concerned with what committee handled it. Technically, of course, under the rule, the Judiciary Committee has lost jurisdiction because it did not follow its objection before the bill was reported by the Immigration and Naturalization Committee.

Mr. RANKIN. Who signed that letter?

Mr. LESINSKI. Mr. Shaughnessy.

Mr. RANKIN. Mr. Shaughnessy would do better if he would look after the Department of Justice and not try to lecture Congress on legislative procedure and tell us what bills should be referred to what committees, which I believe the House is better able to take care of than the Department of Justice at the present time. When we get a new Attorney General, and have a house cleaning of course, we may have some improvement down there; I hope so at least.

Mr. LESINSKI. The gentleman wants to understand——

Mr. RANKIN. I do not care to hear a great long lecture by anybody down in the Department of Justice. If they would discharge their duties as well as the Congress does even I would be better satisfied.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MASON. I object, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RANKIN. I object to the present consideration of the bill.

STATUS OF CERTAIN NATIVES AND INHABITANTS OF THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 712) relating to the status of certain natives and inhabitants of the Virgin Islands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (e) is here added to section 1 of the act entitled "An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto," approved February 25, 1927 (44 Stat. 1234), as amended, to read as follows:

"(e) All natives of the Virgin Islands of the United States who on the effective date of this subdivision (e) are residing in the continental United States or any Territory or insular possession of the United States and who are not citizens or subjects of any foreign country regardless of their place of residence on January 17, 1917."

SEC. 2. Section 1 of the act entitled "An act relating to the immigration and naturalization of certain natives of the Virgin Islands," approved June 28, 1932 (47 Stat. 336), is hereby revived and made fully operative as to natives residing in any foreign country on the effective date of this act, and section 2 of the act cited is hereby repealed.

SEC. 3. Section 2 of the act entitled "An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto," approved February 25, 1927 (44 Stat. 1234), is hereby reenacted and amended to read as follows:

"SEC. 2. All natives of the Virgin Islands of the United States who have been or may be admitted to the continental United States or to any Territory of the United States, the Virgin Islands of the United States, or Puerto Rico as nonquota immigrants and who are not citizens or subjects of any foreign country, if not ineligible to citizenship, may upon petition and upon full and complete compliance with all other provisions of the naturalization laws be naturalized without making a declaration of intention."

SEC. 4. Clauses (1) to (4), inclusive, of subsection (b) of section 328 of the Nationality Act of 1940 (54 Stat. 1137, 1152), are hereby amended to read as follows:

"(1) Entered the United States prior to July 1, 1924, and has resided in the United States continuously since such entry, or entered the Virgin Islands of the United States prior to July 1, 1938, and has resided in such islands continuously since such entry;

"(2) Is a person of good moral character; and

"(3) Is not subject to deportation, but this clause shall not relate to inadmissibility at time of entry into the Virgin Islands of the United States."

SEC. 5. Clause (1) of subsection (b) of section 342 of the Nationality Act of 1940 (54 Stat. 1137, 1161) is hereby amended to read as follows:

"For application for record of registry, $18, except that no fee shall be charged and collected in the case of an alien applicant who entered the Virgin Islands of the United States prior to July 1, 1938, and has resided continuously in the islands since such entry."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 28 (C) OF IMMIGRATION ACT—DEFINITION OF THE TERM "INELIGIBLE TO CITIZENSHIP"

The Clerk called the bill (H. R. 390) to amend section 28 (c) of the Immigration Act of 1924.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 28 (c) of the Immigration Act of 1924 (43 Stat. 163;

U. S. C., title 8, sec. 224 (c)), is hereby amended to read as follows:

"(c) The term 'ineligible to citizenship', when used in reference to any individual, includes an individual who is debarred from becoming a citizen of the United States under section 303 or 306 of the Nationality Act of 1940, as amended (54 Stat. 1140, 1141; U. S. C., title 8, secs. 703, 706), or section 3 (a) of the Selective Training and Service Act of 1940, as amended (55 Stat. 845; U. S. C., title 50, App. Supp. III), section 303 (a), or under any law amendatory of, supplementary to, or in substitution for, any such sections;".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEMBERSHIP OF UNITED STATES IN INTER-AMERICAN STATISTICAL INSTITUTE

The Clerk called the bill (H. R. 638) to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the joint resolution entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute," approved January 27, 1942, is amended by striking out the two provisos contained therein and inserting in lieu thereof the following: "*Provided*, That (1) the membership dues of the United States payable for any fiscal year shall not be paid unless, during the preceding fiscal year, at least eight other American nations shall have been in good standing as adhering members, and unless the dues paid by such other adhering members for the last preceding year for which such members were respectively obligated to pay dues shall have aggregated at least $10,000, and (2) the total cost to the United States for any fiscal year, for adhering membership, shall not exceed $35,000."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VETERANS' ADMINISTRATION—EMPLOYMENT OF PERSONNEL

The Clerk called the bill (H. R. 3118) to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RAMSPECK, Mr. MILLER, and Mr. HERTER objected.

DISPOSAL OF CERTAIN GOVERNMENT RECORDS

The Clerk called the bill (H. R. 44) to amend the act entitled "An act to provide for the disposal of certain records of the United States Government."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the disposal of certain records of the United States Government," approved July 7, 1943 (57 Stat. 380), is hereby amended as follows:

(a) By adding to section 4 the following paragraph:

"The Archivist may also submit to Congress, together with recommendations of the National Archives Council with respect thereto, and at such times as he may deem expedient, schedules proposing the disposal, after the lapse of specified periods of time, of records of a specified form or character common to several or all agencies that either have accumulated or amy accumulate in such agencies and that apparently will not, after the lapse of the periods specified, have sufficient administrative, legal, research, or other value to warrant their further preservation by the United States Government."

(b) By changing section 6 to read as follows:

"SEC. 6. If the joint committee reports that any of the records listed in a list or schedule referred to it do not, or will not after the lapse of the period specified, have sufficient administrative, legal, research, or other value to warrant their continued preservation by the Government, the Archivist shall notify the agency or agencies having such records in their custody of the action of the joint committee and such agency or agencies shall cause such records to be disposed of in accordance with regulations promulgated as provided in section 2 of this act: *Provided*, That authorizations granted pursuant to schedules submitted under section 4a of this act shall be permissive and not mandatory."

(c) By changing section 7 to read as follows:

"SEC. 7. If the joint committee fails to make a report during any regular or special session of Congress on any list or schedule submitted to Congress by the Archivist not less than 10 days prior to the adjournment of such session, the Archivist may empower the agency or agencies having in their custody records covered by such lists or schedules to cause such records to be disposed of in accordance with regulations promulgated as provided in section 2 of this act."

(d) By deleting the numerals "9" and "10" in the last line of section 12 and by inserting in lieu thereof the numerals "10" and "11."

With the following committee amendments:

Page 2, line 19, after the word "under", insert "the last paragraph of."

Page 2, line 20, strike out "4a", and insert "4."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COUNSEL SERVING HOUSE NAVAL AFFAIRS COMMITTEE

The Clerk called House Joint Resolution 132 to limit the operations of sections 109 and 113 of the Criminal Code, and sections 361, 365, and 366 of the Revised Statutes, and certain other provisions of law.

There being no objection, the Clerk read the bill, as follows:

Resolved, etc., That nothing in section 109 or 113 of the Criminal Code (U. S. C., 1940 ed., title 18, secs. 198 and 203), or in section 361, 365, or 366 of the Revised Statutes (U. S. C., 1940 ed., title 5, secs. 306, 314, and 315), or in any other provision of Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States, shall apply with respect to the general counsel of the House Naval Affairs Committee serving under the provisions of House Resolution 154, Seventy-ninth Congress, adopted March 19, 1945.

With the following committee amendment:

Page 2, line 3, strike out the words "the general."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEALTH PROGRAMS FOR GOVERNMENT EMPLOYEES

The Clerk called the bill (H. R. 2716) to provide for health programs for Government employees.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, I have carefully read the report on this bill and it is estimated that such a program would cost from two to three dollars per employee. This would mean an expenditure to be authorized of several million dollars; and, according to the agreement by the unofficial objectors, any legislation authorizing such a large sum will not be approved on the Consent Calendar.

I therefore ask, Mr. Speaker, unanimous consent that the bill may be passed over without prejudice.

Mr. RANDOLPH. Mr. Speaker, will the gentleman withhold his request?

Mr. KEAN. I shall be pleased to.

Mr. RANDOLPH. Mr. Speaker, I believe that the situation which exists would not abrogate the policy stated by the gentleman from New Jersey. I believe that will be apparent if I may have the opportunity of explaining to the House the provisions of this bill very briefly.

Mr. Speaker, we are not setting up a health program for the agencies or departments of the Government; we are simply saying that those agencies or departments which desire in the future to set up health programs must come before the Committee on Appropriations of this House before such money can be expended in any such program. We find that the money appropriated by the Congress to an agency or department for use in the operation of that department is diverted for the purposes of a health program and there is no legislative sanction by the Congress of the United States. I do not believe that it is quite correct to say that if a certain department put a health program into effect it would cost between two or three dollars per person, but certain departments have in some instances done so without legislative sanction. Also I think it is important that we realize that with a coordinated health program in the Government and the Congress giving it sanction, we will be able to cut absenteeism from about 7 days a week due to sick leave per year as it now exists in the Government down to 6 or even 5 days, and that in reality would be saving 20,000 full-time workers per year, or even 30,000 full-time workers per year.

We believe this legislation is in the interest of economy to the Government of the United States and I trust the gentleman will not insist on his objection because of an agreement has been made in

reference to no particular sum of money. The Civil Service Commission has reported the bill unanimously. I believe that there is an element here which is not involved in the agreement.

Mr. KEAN. Does the gentleman suggest that some of the departments of Government are carrying out functions contrary to law?

Mr. RANDOLPH. Yes, I do, and the gentleman from West Virginia has been one who has joined with other Members, notably the gentleman from New Jersey, in attempting at all times to have legislative sanction for the procedures adopted by the various agencies of Government.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Michigan.

Mr. DONDERO. Does this call for a contribution on the part of the Federal Government?

Mr. RANDOLPH. Yes; it will.

Mr. DONDERO. In what sum?

Mr. RANDOLPH. There is no certain sum to be set because each and every department of Government or agency setting up the program or programs would have to justify the program before the Appropriations Committee. Now there is no such procedure followed and we would have it instituted only after the United States Public Health Service and the Civil Service Commission were in agreement on such program.

Mr. DONDERO. Is there any way of ascertaining how much of a contribution this would require on the part of the Government?

Mr. KEAN. I may say to the gentleman that the report states two or three dollars per Government employee. If all the Government agencies went into the program, of course it would depend on the number of employees we had after the war. If there were 3,000,000 employees it would cost seven or eight million dollars.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Georgia.

Mr. RAMSPECK. The present situation as found by the committee is that some of the agencies do not have such programs. They are overlapping in some instances. There is no coordination and there is no one who has to pass on them before they are instituted. If they can get some money out of the Appropriations Committee and put in nurses and doctors, why they do it. There is a good deal of that going on in the Government now. Under the procedure provided in this bill, they would first have to take it up with the Civil Service Commission, they would have to consult with the Public Health Service and decide whether or not they should ask for such service; then they would have to go to the Budget and get a Budget estimate, then they would have to go to the Appropriations Committee, so that control of the amount of money is entirely in the hands of the Congress.

Mr. KEAN. I may say to the gentleman that the objectors when they announced their program, stated that they would object not only to bills that cost several million dollars but they also said they would object to items that instituted new policies. It seems to me that this bill falls under both categories and for the present I shall have to ask that it go over.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman spoke about some of these agencies having doctors and nurses to look after the people, I assume who are ill. Do those doctors and nurses follow along on those 30-day sick leaves that they get or is the attention limited to Washington and the departments here?

Mr. RAMSPECK. It is limited to the premises in which the department is located. It is really first aid.

Mr. HOFFMAN. Does the employee get a doctor to go with him on one of these recovery trips?

Mr. RAMSPECK. No.

Mr. KEAN. I may say to the gentlemen that from their explanation probably this is a meritorious bill, but I believe under the circumstances I shall ask unanimous consent to have the bill passed over without prejudice.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

TRANSFER OF BEN HILL COUNTY, GA. FROM WAYCROSS DIVISION OF SOUTHERN JUDICIAL DISTRICT OF GEORGIA TO THE AMERICUS DIVISION OF THE MIDDLE DISTRICT OF GEORGIA

The Clerk called the bill (H. R. 2668) to transfer Ben Hill County, Ga., from the Waycross division of the southern judicial district of Georgia to the Americus division of the middle judicial district of Georgia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Ben Hill County, Ga., of the Waycross division of the southern judicial district of Georgia be, and it is hereby, detached from said judicial district and attached to the Americus division of the middle district of Georgia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING CRIMINAL CODE TO PROTECT WITNESSES AND JURORS

The Clerk called the bill (H. R. 2709) to amend the Criminal Code so as to punish anyone injuring a party, witness, or juror on account of his having acted as such.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the bill (S. 633) to amend the Criminal Code so as to punish anyone injurying a party, witness, or juror on account of his having acted as such, an identical Senate bill to the House bill, be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 135 of the Criminal Code (35 Stat. 1113; 18 U. S. C. 241) be, and it hereby is, amended to read as follows:

"SEC. 135. Whoever corruptly, or by threats or force, or by any threatening letter or communication, shall endeavor to influence, intimidate, or impede any party or witness, in any court of the United States or before any United States commissioner or officer acting as such commissioner, or any grand or petit juror, or officer in or of any court of the United States, or officer who may be serving at any examination or other proceeding before any United States commissioner or officer acting as such commissioner, or who shall injure any party or witness in his person or property on account of his attending or having attended such court or examination before such commissioner or officer, or on account of his testifying or having testified to any matter pending therein, or who shall injure any such grand or petit juror in his person or property on account of any verdict, presentment, or indictment assented to by him, or on account of his being or having been such juror, or who shall injure any such commissioner or officer in his person or property on account of the performance of his official duties, or who corruptly or by threats or force, or by any threatening letter or communication, shall influence, obstruct, or impede, or endeavor to influence, obstruct, or impede, the due administration of justice therein, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both."

SEC. 2. Section 135a of the Criminal Code (54 Stat. 13; 18 U. S. C. 241a) is hereby amended to read as follows:

"SEC. 135a. Whoever corruptly, or by threats or force, or by any threatening letter or communication, shall endeavor to influence, intimidate, or impede any party or witness in any proceeding pending before any department, independent establishment, board, commission, or other agency of the United States, or in connection with any inquiry or investigation being had by either House, or any committee of either House, or any joint committee of the Congress of the United States, or who shall injure any party or witness in his person or property on account of his attending or having attended such proceeding, inquiry, or investigation, or on account of his testifying or having testified to any matter pending therein, or who corruptly or by threats or force, or by any threatening letter or communication shall influence, obstruct, or impede, or endeavor to influence, obstruct, or impede the due and proper administration of the law under which such proceeding is being had before such department, independent establishment, board, commission, or other agency of the United States, or the due and proper exercise of the power of inquiry under which such inquiry or investigation is being had by either House, or any committee of either House, or any joint committee of the Congress of the United States shall be fined not more than $5,000 or imprisoned not more than 5 years or both."

SEC. 3. Section 136 of the Criminal Code (35 Stat. 1113; 18 U. S. C. 242) is amended to read as follows:

"SEC. 136. If two or more persons conspire to violate any provision of section 135 or 135a of the Criminal Code, as amended, and one or more of such persons does any act to effect the object of the conspiracy, each of the parties to such conspiracy shall be punished in like manner as provided by sections 135 and 135a of the Criminal Code, as amended."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2709) was laid on the table.

TO ESTABLISH FIRST WEEK IN OCTOBER AS NATIONAL EMPLOY THE PHYSICALLY HANDICAPPED WEEK

The Clerk called the joint resolution (H. J. Res. 23) to establish the first week in October of each year as National Employ the Physically Handicapped Week.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, and I do not intend to, may I ask the author of the bill, the gentleman from California [Mr. VOORHIS], a question? I understand that this bill provides that the President of the United States may request the Governors of States, the mayors of cities, and the heads of other instrumentalities of government to set aside and designate 1 week in October of each year as National Employ the Physically Handicapped Week. Certainly I am in favor of any legislation that will aid the physically handicapped, as I assume every Member of Congress is, but I am wondering what effect it will have on the people during the other 51 weeks of the year if in this particular legislation you set aside 1 week of each year in which stress is given to the physically handicapped. Would there not be a tendency, if you set aside 1 week, for the people to think that they have done everything for the physically handicapped and ignore them for the other 51 weeks. What about the other 51 weeks of the year?

Mr. VOORHIS of California. I hope not. The fact that we have a Mother's Day to observe does not cause people to forget about the proper attitude for their mothers on other days of the year. I am sure the gentleman understands that the purpose of the resolution is not to get them to employ these people in that 1 week only. It is to emphasize the great importance to our country and to the physically handicapped people themselves of enabling them to get a hold on life in a normal regular way like other people. That is the aim of the thing. It is to try to emphasize the fact that the physically handicapped people, including, I am afraid, a good many hundreds of thousands of veterans coming out of this war physically handicapped, should be given an opportunity to participate in life as nearly like other people as possible. The whole emphasis of this thing would be to try to have an appropriate observance of the great help that the employers of the country can be to the physically handicapped by giving them jobs in due course.

Mr. CUNNINGHAM. I notice it refers to physically handicapped people without singling out the veterans. I assume the gentleman has at heart primarily the interest of the veterans in this resolution.

Mr. VOORHIS of California. I do.

Mr. CUNNINGHAM. I withdraw my reservation of objection, Mr. Speaker.

Mr. HOFFMAN. Mr. Speaker, further reserving the right to object, I want to ask the author of the bill if there is anything in it which will make it possible for these physically handicapped, if they find a job, to take that job without being required to pay a union fee and union dues?

Mr. VOORHIS of California. I will say to the gentleman that the bill does not go to that question.

Mr. HOFFMAN. Does the gentleman not think that the returning veteran who is wounded and who has a job offered ough to be able to take it without having to pay somebody for it?

Mr. VOORHIS of California. I think the returning veterans ought to have jobs under the best circumstances that they can get them.

Mr. RICH. Mr. Speaker, further reserving the right to object, I am very much in sympathy with the motive of this resolution, but it so happens that in the month of October we have so many campaigns on for finances for one thing or another. I wonder if you would not have this called more to the attention of the people of this country if you would make it 1 day instead of 1 week so that they would give real emphasis to the welfare of the physically handicapped. If you have 1 week, I question very much whether it will not interfere with many other things that we do.

Mr. VOORHIS of California. I think I have a good answer to the gentleman. For instance, I know of a particular school where blind people are being trained for employment in industry. I believe that over a period of a few days set aside for that purpose very effective demonstrations could be made to show the way in which people trained in that school have been fitted into industry even better than normal-sighted people have done in certain instances. I do not think there is any objection to having a week set aside in order that it might be possible in the various communities in the country to have real demonstrations of the manner in which the physically handicapped people have successfully competed in life.

Mr. RICH. You are going to have so many things that require a week or 2 weeks' time that whether the emphasis will be placed on this being set aside for a week rather than, we will say, for a day, should probably be made a matter of further study.

Mr. VOORHIS of California. May I say to the gentleman that that is a matter of judgment, but I believe there are sound reasons for devoting a week to it.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Whereas there is now, and will be for a long time to come, a necessity for utilizing fully all available manpower in America; and

Whereas the already acute problem of the physically handicapped, who number approximately 23,000,000 citizens, is being augmented not alone by the large numbers of men disabled in military service but also by an approximate average of 1,000,000 persons injured in industry yearly; and

Whereas this problem will be more severe at the conclusion of World War II than at any other period in the history of our country; and

Whereas rehabilitation and placement of the physically handicapped are among the most important problems in our national economy, since, if a means is provided to make many such people self-supporting, wholly, or in part, the entire Nation as well as the individuals in question will be beneficiary; and

Whereas Congress and the Chief Executive, as well as leaders in private industry, have expressed concern and have initiated constantly expanding programs on behalf of the physically handicapped: Now, therefore, be it

Resolved, etc., That hereafter the first week in October of each year shall be designated as National Employ the Physically Handicapped Week. During said week, appropriate ceremonies are to be held throughout the Nation, the purpose of which will be to enlist public support for and interest in the employment of otherwise qualified but physically handicapped workers.

The President is hereby authorized and directed to issue a suitable proclamation each year, and the governors of States, mayors of cities, and heads of other instrumentalities of government, as well as leaders of industry, educational and religious groups, labor, veterans, women, farm, scientific and professional, and all other organizations and individuals at interest are invited to participate.

With the following committee amendments:

Page 1, strike out all the preamble.

Page 2, line 9, strike out "authorized and directed" and insert "requested."

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAKING PERMANENT JUDGESHIP FOR DISTRICTS OF MISSOURI

The Clerk called the bill (H. R. 1196) to make permanent the judgeship provided for by the act entitled "An act to provide for the appointment of an additional district judge for the eastern and western districts of Missouri," approved December 24, 1942.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. JENNINGS. I object, Mr. Speaker.

CONVEYING CERTAIN LANDS TO THE UNIVERSITY OF ARIZONA

The Clerk called the bill (S. 118) authorizing the Secretary of the Interior to convey certain lands on the Gila reclamation project, Arizona, to the University of Arizona.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Arizona how much land is involved here.

Mr. MURDOCK. There are 80 acres in this tract covered by the bill.

Mr. RICH. This bill gives this land from the Federal Government to the University of Arizona?

Mr. MURDOCK. That is right. It has been used as an experimental farm for several years at the request of the Bureau of Reclamation.

Mr. RICH. The Federal Government permits the university to use it now?

Mr. MURDOCK. Yes; but it is the University of Arizona that is conducting the experimental work for the Government.

Mr. RICH. Is there any consideration for this transfer?

Mr. MURDOCK. No consideration, except that the land must continuously be used by the university for experimental purposes, or it reverts to the Government.

Mr. RICH. If that land is in the jurisdiction of the Department of the Interior now and the Department is permitting the university to use it for that purpose, why not just let the university continue to be permitted to use it for that purpose?

Mr. MURDOCK. The University of Arizona is conducting experimental farms in various parts of the State. It would be better if this piece of land were under their full management, as one is near my own home.

Mr. RICH. Who owns the University of Arizona?

Mr. MURDOCK. The State of Arizona.

Mr. RICH. The gentleman wants the Federal Government to give this land to the State?

Mr. MURDOCK. To convey title to the board of regents of the university on a conditional basis.

Mr. RICH. The gentleman wants the Government to give this to the State without any consideration as far as the Federal Government is concerned?

Mr. MURDOCK. No monetary consideration, but the experimental work done there is very valuable to the whole country. It is a piece of work that is going to mean much and more and more in the development of that section agriculturally.

Mr. RICH. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. PETERSON of Florida. Reserving the right to object, Mr. Speaker, may I say that the use of this particular tract by the University of Arizona fits into the reclamation project by showing the crops that can be raised in that particular area. Instead of the Federal Government having a demonstration area, the State will do that work and show the various crops that can be raised there and carry on the experimental work.

Mr. RICH. The gentleman may know that during the past 10 or 15 years we have given the Gila project in Arizona millions and millions of dollars. I do not believe we ought to turn this land over to the State of Arizona without any compensation. I think that is wrong. I believe the State of Arizona, if it wants this land, ought to be able to pay something for it. A fair and just price. I do not think a bill of this kind is right or just. I do not think the gentleman even ought to come in here and ask for it. Some people and some States are always looking to the Federal Government for something of value for no consideration. No wonder we are broke.

Mr. MURDOCK. If the gentleman will yield, the gentleman from Pennsylvania has helped to appropriate some of this money to the great Gila project. Does he want adequate return on the investment? This is not giving anything to the State of Arizona, it is merely providing a tract of 80 acres of land on which the University of Arizona can test out crops. This testing at State expense will add value to all the land in that corner of our country.

Mr. RICH. You took money from the Federal Government to develop this land to make it what it is. Now you want to hand it over to the university. I do not think you ought to do that. I think you ought to arrange with the Department of the Interior to sell his land at a sum that is fair to the Federal Government and fair to the State of Arizona.

Mr. Speaker, I insist on my request, that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MURDOCK. Mr. Speaker, the gentleman from Pennsylvania [Mr. RICH] has asked that this bill be passed over without prejudice. I assume that the gentleman seeks further information, and more information than one can give in answer to the questions raised while a bill is before the House on the Consent Calendar. I am sure that I can give that needed information, and I believe the gentleman can obtain it by a careful reading of the report on the Senate bill. I have an identical bill which is H. R. 2048, but I asked the Public Lands Committee of the House to report out the Senate bill in order to save time on this legislation.

As I said to the gentleman a moment ago, this bill gives title for 80 acres of land to the University of Arizona, so long as the university uses this land for agricultural experimentation. This experimentation has already proven very valuable in the agricultural development of the area and gives promise of furnishing untold benefits throughout coming years. The work done by the scientific men of the college of agriculture of the University of Arizona will add as much or more to the value of the surrounding lands in the project as will the engineering works which bring the water to the land. Not only that for the lands of the Gila project, but the experimental work will benefit similar lands in adjoining States to a degree which cannot be calculated.

This great reclamation project, known as the Gila project, is in the midst of Uncle Sam's sun parlor, but was known to the early Anglo-Saxon settlers as the hardest part of the desert to be conquered. The conditions encountered and the problems solved by this experimental farm in Yuma County, Ariz., will apply with equal effectiveness to the Imperial Valley and Coachella Valley in California, as well as other areas in the southwestern section of the United States. Let me state some of the actual facts which have been demonstrated.

Even California fruitmen have found this very area in Arizona highly suited to the growing of grapefruit. In this warm climate, potatoes have been grown in the last 12 months. A phenomenal growth of alfalfa has been produced on this experimental plot. Within gunshot of this experimental farm, sugar-beet seed and flax seed are now being produced. I don't mind saying that I am of the opinion that even better crops, even strange and unknown crops, may be found to be suitable and profitable for this soil and climate. I hope to see ramie tried out there. I am positive that safflower seed is suitable in that soil and climate. I hope, and should not be surprised to learn, that psyllium will grow luxuriantly on this project. You say you never heard of some of these things? Well, Americans are paying enough for these things produced abroad. If this experimental farm can show that any one of the last three mentioned may be grown on this project, it will be worth more than the Government has already spent on the project to date.

Building this project means more than construction of dams and canals and putting the water on the land. As I see it, carrying on this experimental work is the flowering of the project, capable of giving meaning to it and making possible its wealth-producing power. Surely the gentleman from Pennsylvania will remove all objections when he understands this matter. It is not giving the State or Arizona anything but an opportunity to spend money in such a way as to benefit our State, all Southwestern States, and the entire Nation.

AUTHORIZING STATE OF ALABAMA TO LEASE OR SELL CERTAIN LANDS

The Clerk called the bill (H. R. 2416) authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State of the act of March 2, 1819.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KEAN. Reserving the right to object, Mr. Speaker, and I am not going to object, I rise for the purpose of asking the chairman of the committee, as a matter of curiosity, why it was that in the organic act of 1819 it was provided that the Legislature of Alabama should never sell or lease all or any part of these salt-spring lands for a longer time than 10 years at any time?

Mr. PETERSON of Florida. Under the organic act of 1819, grants were made of lands on which there were salt springs. At that time salt was so valuable that the Federal Government did not want anybody to get a monopoly of those particular springs. They were used for a particular community. Those communities were dependent on these little springs. That was done in quite a number of States. This was one of the most valuable things to the frontiersmen at that time.

Mr. KEAN. They were dependent for their table salt on these springs?

Mr. PETERSON of Florida. They were dependent for their table salt on those springs. They did not want a monopoly on those salt springs. Conditions have changed now. Salt is still valuable but it is easy to get. For that reason we have eliminated many of these restrictions.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the State of Alabama shall be, and is hereby, authorized and empowered to lease or sell and convey, in such manner and on such terms and conditions as the legislature of said State has or may direct, the whole or any part of the Salt Springs land granted to said State for it use by the act entitled "An act to enable the people of Alabama Territory to form a constitution and State government, and for the admission of such State into the Union on an equal footing with the original States," approved March 2, 1819, and to apply the proceeds of such lease or leases, sale or sales, or conveyance or conveyances to such objects as the legislature of said State has directed or may in the future direct.

With the following committee amendment:

Page 1, line 6, after the word "has", insert the word "directed."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PLEDGE OF ALLEGIANCE TO THE FLAG

The Clerk called the joint resolution (H. J. Res. 180), giving official recognition to the Pledge of Allegiance to the Flag of the United States.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to to the present consideration of the resolution?

Mr. CUNNINGHAM. Reserving the right to object, Mr. Speaker, and I shall not object, I would like to ask the author of the bill or someone in charge whether or not the enactment of this bill would in fact make official the Pledge of Allegiance that has heretofore been used by various patriotic organizations, such as the American Legion, Veterans of Foreign Wars, Purple Heart, as well as in many of our schools, the only official Pledge of Allegiance to the Flag of the United States that could be used?

Mr. EBERHARTER. There is nothing in this bill that would prevent any other Pledge of Allegiance to the Flag. Is that the gentleman's question?

Mr. CUNNINGHAM. That is the question.

Mr. EBERHARTER. There is nothing in this bill or in the previous act that would make this pledge exclusively the pledge to be used.

Mr. CUNNINGHAM. But the enactment of this bill will put the Congress on record as making official by designation the Pledge of Allegiance that is now used by the veterans' organizations, the wording of which is set forth in the bill?

Mr. EBERHARTER. That is precisely the purpose.

Mr. CUNNINGHAM. This wording in the bill uses the word "republic", instead of the word "democracy", which would place the Congress in the position of stating the proper Pledge of Allegiance to the United States shall use the word "republic", instead of the word "democracy."

Mr. EBERHARTER. Well, I do not think they ever did use the word "democracy."

Mr. CUNNINGHAM. I think the gentleman is correct, but many people in the United States, including many writers and commentators have always referred to it as "democracy," when as a matter of fact we never have been a democracy. We have always been a republic, and we are now. I wish to commend the gentleman for sponsoring a bill that designates this as a republic under the Constitution, which it properly is.

I withdraw my reservation of objection.

Mr. KEFAUVER. Mr. Speaker, will the gentlaman yield?

Mr. CUNNINGHAM. I yield.

Mr. KEFAUVER. I hope the gentleman does not get any encouragement as far as this wording is concerned——

Mr. CUNNINGHAM. I am perfectly aware that the word "democracy" is in no way similar to the Democratic Party, nor is the word "republic" in any way connected with the Republican Party. Both "republic" and "democracy" were in use long before either political party was thought of.

Mr. KEFAUVER. It think it should be pointed out, Mr. Speaker, that section 7 of the act refers to this Pledge of Allegiance as if it were the Pledge of Allegiance. This merely makes it official. I think the gentleman from Pennsylvania [Mr. EBERHARTER] serves a very useful purpose in bringing this matter to the attention of the Congress.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. KEFAUVER. I yield.

Mrs. ROGERS of Massachusetts. Was this not the Pledge of Allegiance that was written by the former Clerk of this House, William Tyler Page?

Mr. KEFAUVER. No; it is not. That was the American's Creed which was made the official American's Creed. This has no reference to that.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That section 7 of the joint resolution of June 22, 1942, entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America", as amended, is amended to read as follows:

"SEC. 7. The following is designated as the pledge of allegiance to the flag: 'I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation indivisible, with liberty and justice for all'. Such pledge shall be rendered by standing with the right hand over the heart. However, civilians will always show full respect to the flag when the pledge is given by merely standing at attention, men removing the headdress. Persons in uniform shall render the military salute."

With the following committee amendments:

Page 1, line 3, strike out the words "the joint resolution" and insert "Public Law No. 623."

Page 1, line 4, strike out "Joint resolution to" and insert "To."

Page 2, line 3, strike out the word "shall" and insert the word "should."

The committee amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time and passed. A motion to reconsider was laid on the table.

Mr. EBERHARTER. Mr. Speaker, in connection with the bill just passed, I believe the following will be of interest:

I pledge allegiance to my flag,
And to the Republic for which it stands,
One nation indivisible,
With liberty and justice for all.

A BRIEF SYNOPSIS OF THE STORY OF THE ORIGIN OF THE PLEDGE TAKEN FROM THE DETAILED NARRATIVE BY FRANCIS BELLAMY, AUTHOR OF THE PLEDGE

At the beginning of the nineties patriotism and national feeling was at a low ebb. The patriotic ardor of the Civil War was an old story. The country was then in a period of dazzling prosperity and the chase for what was called the nimble dollar was most in people's minds. The time was ripe for a reawakening of simple Americanism and the leaders in the new movement rightly felt that patriotic education should begin in the public schools.

I was at that time with the Youth's Companion, of Boston, doing work with James B. Upham, a member of the firm. Mr. Upham felt that a flag should be on every schoolhouse. The Youth's Companion fostered a plan of selling flags to schools through the children themselves, at cost, which was so successful that 25,000 schools acquired flags in 1 year.

Mr. Upham also had a greater scheme, the result of which was that every school in the land on a certain day would have a flag raising, under most impressive conditions. The day was to be Columbus Day, 1892—the four hundredth anniversary of the discovery of America. Mr. Upham declared that that day should mark a new consecration of patriotism and to that end conceived the national Columbian celebration.

I was made chairman of the executive committee for that work and immediately began to enlist the support of not only the superintendents of education in all the States, but also worked with governors, Congressmen, and even the President of the United States. The result was a universal holiday declared for Columbus Day, 1892, by proclamation of Benjamin Harrison.

Of course, there had to be an official program for universal use in all the schools. It had to be more than a list of exercises. The ritual must be prepared with simplicity and dignity. An ode, rich in feeling and diction was written by Edna Dean Proctor. There was also an oration suitable for declamation.

Of course, the nub of the program was to be the raising of the flag, with a salute to the flag recited by the pupils in unison. That was the nub. There was not a satisfactory enough form for this salute. The Balch salute which ran "I give my heart and my hand to my country, one country, one language, one flag," seemed too juvenile and lacking in dignity. Mr. Upham and I spent many

hours in considering the revision of this salute. Each one suggested that the other write a new salute. It was my thought that a vow of loyalty or allegiance to the flag should be the dominant idea. I especially stressed the word "allegiance." So Mr. Upham told me to try it out on that line.

It was on a warm evening in August 1892 in my office in Boston, that I shut myself in my room alone to formulate the actual pledge. Beginning with the new word allegiance, I first decided that "pledge" was a better school word than "vow" or "swear"; and that the first person singular should be used, and that "my" flag was preferable to "the."

When those first words, "I pledge allegiance to my flag" looked up at me from the scratch paper, the start appeared promising. Then for the further reach: should it be country, nation, or Republic? That was hard. Republic won because it distinguished the form of government chosen by the fathers and established by the Revolution. The true reason for allegiance to the flag is the Republic for which it stands.

Now, how should the vista be widened so as to teach the national fundamentals? I laid down my pencil and tried to pass our history in review. It took in the sayings of Washington, the arguments of Hamilton, the Webster-Hayne debate, the speeches of Seward and Lincoln, the Civil War. After many attempts all that pictured struggle reduced itself to three words, one Nation indivisible. To reach that compact brevity, conveying the facts of a single nationality and of an indivisibility both of States and of common interests, was, as I recall, the most arduous phase of the task, and the discarded experiments at phrasing overflowed the scrap basket.

But what of the present and future of this indivisible Nation here presented for allegiance? What were the old and fought-out issues which always will be issues to be fought for? Especially, what were the basic national doctrines bearing upon the acute questions already agitating the public mind? Here was temptation to repeat the historic slogan of the French Revolution, imported by Jefferson, "liberty, fraternity, equality." But that was rather quickly rejected, as fraternity was too remote of realization, and as equality was a dubious word. What doctrines, then, would everybody agree upon as the basis of Americanism? Liberty and justice were surely basic, were undebatable, and were all that any one Nation could handle. If they were exercised for all they involved the spirit of equality and fraternity. So that final line came with a cheering rush. As a clincher it seemed to assemble the past and to promise the future.

That, I remember, is how the sequence of the ideas grew and how the words were found, on that August night with the cooling Boston sea breeze coming into the window.

I called for Mr. Upham and repeated it to him with full emphasis. He liked it. His colleagues on the Youth's Companion also approved of it, and it was printed in the official program.

That is the story of how these famous 23 words came to be written. In later years the words "to my flag" were changed to "to the flag of the United States of America" because of the large number of foreign children in the schools. This enlargement was probably done with good reason, but it did injure the rhythmic balance of the original composition.

ADDITIONAL APPOINTMENTS IN THE OFFICERS' CORPS OF THE REGULAR ARMY

The Clerk called the bill (S. 804) to authorize certain additional appointments in the Officers' Corps of the Regular Army in initial grades not above the grade of captain.

The SPEAKER. Is there objection to the present consideration of the bill.

Mr. KILDAY. Reserving the right to object, Mr. Speaker, this bill would authorize the War Department to issue 250 commissions in the Regular Army, to men now serving as temporary officers in the Army. Inasmuch as we have something less than 700,000 such temporary officers, many of whom are interested in commissions in the Regular Army, and the granting of these 250 commissions would quite likely establish a precedent and system upon which future commissions in the Regular Army should be granted, I feel it should not be considered in this manner.

In the committee a motion to table the bill lost by a tie vote. It was voted out of the committee by a majority of one vote.

For the purpose of securing more careful consideration at which the views of the large number of temporary officers may be taken into account, I object to its consideration at this time.

TO ELIMINATE PROVISIONS FOR RETIREMENT OF WING COMMANDERS OF THE AIR CORPS

The Clerk called the bill (S. 612) to amend the National Defense Act, as amended, so as to eliminate provisions for retirement of wing commanders of the Air Corps.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. O'HARA. Mr. Speaker, reserving the right to object, will the author of the bill explain its purpose?

Mr. MAY. Mr. Speaker, this bill relates to the higher echelons of the Army Air Corps, officers who are appointed to higher ranks in the Air Corps because of their service. The purpose of the bill is to prevent those who have served shorter periods of time from getting superior rank to those who have had longer service and shown their qualifications by their service. That is the only object of the bill.

Mr. O'HARA. Why should they not be retired the same as any other officer?

Mr. MAY. The bill provides specifically that any officer who shall have served 4 years as chief or assistant chief of a branch or as commanding general of the General Headquarters Air Force and who may subsequently be retired, shall be retired with the rank, pay, and allowances authorized by law for the highest grade held by him as such chief, assistant chief, or commanding general; with the proviso that the retirement in that way should not reduce the rank, pay, or allowances which such officer would otherwise be entitled to receive.

It does not change their status as far as retired pay is concerned.

Mr. O'HARA. Is that a specific provision made applicable only to wing commanders?

Mr. MAY. That is right.

Mr. O'HARA. Why should that be?

Mr. MAY. The reason is set forth in a letter from the Secretary of War.

Mr. O'HARA. I have not had a chance to get a copy of the bill or the report. Would the gentleman object to its being passed over? Is there any hurry?

Mr. MAY. I believe if the gentleman would allow me to read one clause from the report he would agree to let the bill be considered:

> The purpose of the bill is to prevent the accrual of special retirement benefits to officers of the Air Corps who are serving as wing commanders while officers senior to them are serving in higher commands not covered by the existing retirement provisions.

It is simply an effort to make them all equal.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

CREDIT FOR ACTIVE SERVICE TO CERTAIN MEMBERS OF THE ROTC

The Clerk called the bill (S. 889) to amend section 47c of the National Defense Act of June 3, 1916, as amended, so as to authorize credit to students now or hereafter enrolled in the senior division of the Reserve Officers' Training Corps for military training received while on active duty in the Army, Navy, Marine Corps, or Coast Guard, or while pursuing a course of instruction in the Naval Reserve Officers' Training Corps.

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That section 47c of the National Defense Act of June 3, 1916, as amended, be, and the same is hereby, amended by adding thereto the following additional proviso: "*Provided further*, That under such regulations as the Secretary of War follows: "Any officer who shall have served 4 years as chief or assistant chief of a branch or as commanding general of the General Headquarters Air Force and who may subsequently be retired, shall be retired with the rank, pay, and allowances authorized by law for the highest grade held by him as such chief, assistant chief, or commanding general: *Provided*, That this provision shall not reduce the rank, pay, or allowances with which such officer would otherwise be entitled to retire."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROHIBITING ILLEGAL POSSESSION OF DEVICES FOR RECOGNITION OF SERVICE OF MERCHANT SEAMEN

The Clerk called the bill (H. R. 2581) to amend the act entitled "An act to

provide for the issuance of devices in recognition of the services of merchant seamen", approved May 10, 1943 (57 Stat. 81), and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors," approved May 10, 1943 (57 Stat. 81), is amended by adding at the end thereof a new section to read as follows:

"SEC. 7. The manufacture, sale, possession, or display of any insignia, decoration, medal, award, or device, or the ribbon, button, or rosette thereof, or any colorable imitation of any insignia, decoration, medal, award, or device, provided for in this act, or the act of April 11, 1942 (Public Law 524, 77th Cong.; 56 Stat. 217), or any Executive order issued thereunder, or Executive Order 9472 of August 29, 1944 (9 F. R. 10613), or section 216 of the Merchant Marine Act, 1936, as amended, or in any rule or regulation issued pursuant to any such acts or Executive orders, is prohibited, except as authorized under any such acts or Executive orders, or any rule or regulation issued pursuant thereto. Whoever violates any provision of this section shall be punished by a fine not exceeding $250 or by imprisonment not exceeding 6 months, or both."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAFEGUARDING RADIO COMMUNICATIONS SERVICE OF SHIPS OF THE UNITED STATES

The Clerk called the bill (H. R. 3267) to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide additional safeguards to the radio communications service of ships of the United States in the interest of national defense, and for other purposes," approved December 17, 1941 (55 Stat. 808), as amended (57 Stat. 244; U. S. C., 1940 edition, Supp. III, title 47, sec. 353, note), is hereby further amended by striking out the words "During the period until July 1, 1945, or until such earlier time as the Congress by concurrent resolution may designate," and inserting in lieu thereof the following: "During the period ending with the termination of the present wars as determined by proclamation of the President or concurrent resolution of Congress, whichever is earlier, or until such date prior to such termination as the Congress by concurrent resolution may designate."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MADDEN. Mr. Speaker, that completes the call of the Consent Calendar.

DEFENSE HOUSING

The SPEAKER. The Chair recognizes the gentleman from Texas, to submit a unanimous consent request.

Mr. LANHAM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 3322) to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended.

The SPEAKER. Has the gentleman conferred with the objectors on either side of the House?

Mr. LANHAM. I have, Mr. Speaker, and also with the majority and minority leaders.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. KEAN. Mr. Speaker, reserving the right to object, the committee of objectors does not permit any bill to come up which is on the Consent Calendar but not eligible to be called. I would, however, ask the gentleman from Texas to explain to the House the urgency of this bill before we let it go.

Mr. LANHAM. Mr. Speaker, I shall be very glad to do so.

With the European theater of war closed, so far as hostilities are concerned, and production at many of the plants being decreased, we have available a number of temporary war dwelling units which are vacant and there has been a great urgency in an effort to get distressed families of veterans who are overseas and distressed cases of veterans who have returned to their families, sometimes wounded, the right to occupy these vacant buildings. They are not eligible under the present law for this purpose.

The bill provides the further right of retaining all the restrictions with reference to removal under the law of these temporary buildings, and it provides that some of them may be moved from one place to another if that is necessary to carry out the purpose.

It is also provided, in view of the fact that these are distress cases, that these veterans or their families will simply pay a rental that they are able to pay, although generally speaking the law calls for an economic rental.

I may say further that the bill does not in any way increase the authorization of funds which has already been passed, and any funds necessary will have to be procured under the present authorization and with the approval of the Appropriations Committee.

There are a number of these distress cases. Some of these veterans' families, in cases where the veterans are serving in combat areas overseas, are living in screened-in back porches, and I heard of some even living in renovated chicken coops. There have been a good many evicted from the houses in which they were living through sale of the houses. Many have been evicted from these temporary war units because they were eligible while they were war workers, but ceased to be eligible.

I recall one case in particular that was brought to my attention where the poor wife, shortly before the birth of her baby, had to give up her work and had nowhere to go. So the bill is simply to look after these distress cases. It is to meet only these distress cases that this bill makes provision.

Mr. HOLMES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Massachusetts.

Mr. HOLMES of Massachusetts. I think it is well to emphasize the fact that the reason why we have these vacancies, particularly out on the Pacific coast where our future activities for the prosecution of the war will take place, is that contracts, of course, have been cut back and we found many immigrant workers have moved away from the locations. We have many, many of these buildings now available, but under the law the administrators are not allowed to let the family of a veteran move in. This gives them permission, and makes it the law, to house these unfortunate people on the Pacific coast, those who have come back from overseas and are on the Pacific coast or the families that are there waiting for the soldier or veteran to go across the Pacific.

Mr. LESINSKI. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Michigan.

Mr. LESINSKI. If the National Housing Administration followed exactly what the gentleman has said right now I would have no objection, but the gentleman must realize that the National Housing Administration has put in its own rules, just as it has done in connection with this temporary construction work. They came into my district and are now attempting to build 1,400 temporary homes that are supposed to be wrecked 2 years hence. They are going to move them from Wayne and Inkster next door to the veterans hospital at a cost of three and a half million dollars. That is the thing I do not want to happen in this type of legislation.

Mr. LANHAM. I may say to the gentleman that, of course, this is not legislation of that character at all. This is legislation that will make these vacant houses available for the distressed families of veterans who are serving overseas and returning distressed veterans and their families. That is the purpose of this bill. We are either going to let these buildings remain idle for a while or we are going to let these people live in them. There are some very pitiful cases that would melt a heart of stone.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from California.

Mr. VOORHIS of California. I want to corroborate what the gentleman has said about some of these cases that have been brought to my attention and I am glad that the gentleman's committee has brought this bill in. I hope there will not be a vote against it. It is high time that we make some kind of provision for the cases of these veterans and their families.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Michigan.

Mr. DONDERO. It seems to me that what the gentleman so well described has been made more acute by the fact that restrictions have prevented private enterprises from building any houses during the period of the war, so consequently

there is no home or place for those folks to go.

Mr. LANHAM. That is it exactly. If they are able to build private homes, there are some provisions to help somewhat; effort is made to get the materials to do that. We are just trying to look after these awful cases of distress.

Mr. DONDERO. I think the bill ought to pass without a vote against it.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not a fact that every returning soldier wants a home to go to?

Mr. LANHAM. To be sure. This is merely a temporary provision for these distressed families, because under the law all of these buildings are to be disposed of later so that private capital and private enterprise can resume their normal operations. This housing is of a war-emergency nature.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Arizona.

Mr. MURDOCK. I want to confirm what the gentleman has said. I have letters from wives of servicemen needing living quarters in Arizona as described. I find in Phoenix and Tucson, Ariz., the same tragic instances that he related. I hope the bill will pass unanimously.

Mr. LANHAM. I may say to the gentleman that these instances are not restricted to any locality.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to expedite the provision of housing in connection with the national defense, and for other purposes," approved October 14, 1940, as amended (U. S. C., 1940 edition, Supp. III, title 42, secs. 1521 et seq.), is hereby amended by adding, after section 404, the following new title:

"TITLE V

"HOUSING FOR DISTRESSED FAMILIES OF SERVICEMEN AND VETERANS WITH FAMILIES

"SECTION 501. In those areas or localities where the Administrator shall find that an acute shortage of housing exists or impends and that, because of war restrictions, permanent housing cannot be provided in sufficient quantities when needed, the Administrator is authorized to exercise all of the powers specified in titles I and III of this act, subject to all of the limitations upon the exercise of such powers contained in such titles, to provide housing for distressed families of servicemen and for veterans and their families who are affected by evictions or other unusual hardships (where their needs cannot be met through utilization of the existing housing supply, including housing under the jurisdiction of the Administrator): *Provided*, That any housing constructed under the provisions of this title V shall be undertaken only where the need cannot be met by moving existing housing and shall be of a temporary character subject to the removal provisions contained in title III of this act: *And provided further*, That the Administrator shall fix fair rentals for housing constructed or made available pursuant to this title V which shall be within the financial reach of families of servicemen and veterans with families.

"SEC. 502. To carry out the purposes of this title V, and for administrative expenses in connection therewith, any funds made available until title I of this act are hereby made available.

"SEC. 503. As used in this title V the term 'families of servicemen' shall include the family of any person who is serving in the military or naval forces of the United States, and the term 'veterans' shall include any person who has served in the military or naval forces of the United States during the present war and who has been discharged or released therefrom under conditions other than dishonorable."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IMMIGRATION AND NATURALIZATION SERVICE

Mr. MASON. Mr. Speaker, I ask unanimous consent to return for immediate consideration to the bill (H. R. 366) to amend the law relating to the authority of certain employees of the Immigration and Naturalization Service to make arrests without warrant in certain cases and to search vehicles within certain areas. This bill was objected to on the call of the Consent Calendar and the objection has now been removed.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. PHILLIPS. Mr. Speaker, reserving the right to object, will the gentleman tell us what that bill does, briefly?

Mr. MASON. Yes. I am sorry the gentleman was not present when we discussed the bill. Under present law the officials of the Immigration Service have the right to arrest anyone that they see trying to enter the United States illegally, or they have the right to go on board ship in our waters and search for anyone who may be trying to enter this country illegally, but they have no right under the present law to arrest an alien who has entered illegally, for the purpose of deporting him, without first securing a warrant. If they take time to secure the warrant they sometimes cannot make the arrest, and this would give them that added right to arrest an alien in this country who entered illegally for the purpose of deporting him.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the fourth proviso of the second paragraph of the section entitled "Bureau of Immigration" of the act entitled "An act making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1926, and for other purposes," approved February 27, 1925 (43 Stat. 1049), as amended (8 U. S. C. 110), be, and it is hereby, amended to read as follows:

"Any employee of the Immigration and Naturalization Service authorized so to do under regulations prescribed by the Commissioner of Immigration and Naturalization with the approval of the Attorney General, shall have power without warrant (1) to arrest any alien who in his presence or view is entering or attempting to enter the United States in violation of any law or regulation made in pursuance of law regulating the admission, exclusion, or expulsion of aliens, or any alien who is in the United States in violation of any such law or regulation and is likely to escape before a warrant can be obtained for his arrest, but the person arrested shall be taken without unnecessary delay for examination before an officer of the Immigration and Naturalization Service having authority to examine aliens as to their right to enter or remain in the United States; (2) to board and search for aliens any vessel within the territorial waters of the United States, railway car, aircraft, conveyance, or vehicle, within a reasonable distance from any external boundary of the United States; and (3) to make arrests for felonies which have been committed and which are cognizable under any law of the United States regulating the admission, exclusion, or expulsion of aliens, if the person making the arrest has reason to believe that the person so arrested is guilty of such felony and if there is likelihood of the person escaping before a warrant can be obtained for his arrest, but the person arrested shall be taken without unnecessary delay before the nearest available commissioner or before any other nearby officer empowered to commit persons charged with offenses against the laws of the United States; and such employee shall have power to execute any warrant or other process issued by any officer under any law regulating the admission, exclusion, or expulsion of aliens."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MURPHY of Pennsylvania asked and was given permission to extend his remarks in the RECORD and include an article from the Philadelphia Inquirer.

FACILITATING EMPLOYMENT OF PERSONNEL BY THE VETERANS' ADMINISTRATION

Mr. RANKIN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 3118) to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes.

The Clerk read as follows:

Be it enacted, etc., That section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, is hereby amended to read as follows:

"SEC. 100. The Veterans' Administration is hereby declared to be an essential war agency and entitled to priority equal to the highest granted any department or agency of the Government in personnel, service, space, equipment, supplies, and material under any laws, Executive orders, and regulations pertaining to priorities. During the continuance of the present war and for 6 months after its termination, the Administrator is authorized, for the purpose of extending benefits to veterans and dependents, and to the extent he deems necessary, to procure and employ additional personnel on a full- or part-time basis without regard to section 3709 of the Revised Statutes (41 U. S. C. 5), and the civil-service laws and the Classification Act of 1923, as amended, but with full regard to veterans' preference, and to fix and pay the compensation of such personnel not to exceed the maximum provided for comparable classified positions under such laws, and to procure the necessary space for administrative, clinical, medical, and outpatient treatment purposes by lease, purchase,

or construction of buildings, or by condemnation or declaration of taking, pursuant to existing statutes: *Provided*, That any personnel so employed shall have the right to qualify by prescribed competitive examination for civil-service status and the employment of any person not receiving a civil-service appointment shall be terminated not later than 1 year after the end of the war."

The SPEAKER. Is a second demanded?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentlewoman from Massachusetts opposed to the bill?

Mrs. ROGERS of Massachusetts. I do not like certain provisions in it.

The SPEAKER. Is the gentlewoman opposed to the bill?

Mrs. ROGERS of Massachusetts. No, Mr. Speaker.

Mr. RAMSPECK. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. RAMSPECK. I am, Mr. Speaker.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Mississippi is entitled to 20 minutes and the gentleman from Georgia to 20 minutes.

Mr. RANKIN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this measure is brought forward for the purpose of enabling the Veterans' Administration to take care of the men who are coming home from this war wounded, or otherwise disabled. You have heard a great deal of newspaper criticism of the Veterans' Administration. Some of those people have been brought before the committee and questioned carefully

We are trying to find out what is wrong. There is one thing wrong in the Veterans' Administration, and that is the lack of the power that this bill would confer. I understand that the criticism of the gentleman from Georgia [Mr. RAMSPECK] is with reference to permitting the Veterans' Administration to employ people temporarily without going through the Civil Service. If that provision were voted down, it would simply kill any efforts of the Veterans' Administration to met this emergency. There are many people even here in Washington who are willing to work overtime, who are willing to work at odd hours, who are willing to work at night if necessary, if they can get the temporary employment to help clean up those thousands of cases now piled up in the Veterans' Administration, while the disabled veterans are suffering from the want of this service.

For that reason, we have brought this bill to the floor of the House by the unanimous vote of the Committee on World War Veterans' Legislation, without any thought that there would be any objection at all. Since it has been objected to, we are asking for its passage under suspension of the rules.

I can assure you now that being chairman of the Committee on World War Veterans' Legislation is not a pleasant duty at this time. During all these years it has been my object to try to see that the veterans are properly cared for. That is what we are driving at now. There is no way to get this power conferred upon the Administrator of Veterans' Affairs except through the passage of this bill. For that reason, the representatives of the administration have come before us in this emergency and asked us to give them this power now. I hope the House will stand by us and pass this bill by a unanimous vote.

Mr. RAMSPECK. Mr. Speaker, without minimizing in any manner the seriousness of the personnel problems which confront the Veterans' Administration, it is submitted that this proposed legislation is fundamentally unsound, and will do a great deal of harm both within and outside the Veterans' Administration.

The Civil Service Commission has consistently placed at the disposal of the Veterans' Administration all the recruiting resources which it has available. It has at all times shown a complete willingness to pool its resources with the resources of the Veterans' Administration.

And results have been achieved. On March 31, 1945 Veterans' Administration reported its total civilian employment as 58,350. Estimates submitted by the Veterans' Administration to the Bureau of the Budget for the quarter ending March 31, 1945, indicated a goal of 58,172 employees at the end of the quarter. By the end of April 1945, the total employment in the Veterans' Administration had risen to 60,038.

It is also interesting to note that from January 1944 through April 1945, 43,252 persons have been recruited and placed in the Veterans' Administration, with the entire operation being carried on in accordance with civil-service rules and procedures.

I have heard the statement made from time to time that the Veterans' Administration now has approximately 14,000 vacancies. If this is true, the officials of the Veterans' Administration have failed to file requisitions for all of them, because as of April 30, 1945, the Civil Service Commission had on file requisitions for 7,741 vacancies.

If the bill as proposed should become law, it would have the effect of removing the positions in the Veterans' Administration from the classified service for the duration of the war. Consequently, the Civil Service Commission would be unable to utilize its resources in an effort to assist the Veterans' Administration in meeting its personnel needs.

In other words, the situation now is that the Civil Service Commission and the Veterans' Administration are pooling their joint resources and doing everything possible to recruit the necessary number of people. This bill proposes to turn the Veterans' Administration loose on its own, and to deprive it of the resources which are available through the Civil Service Commission's Nation-wide organization. It would seem to be perfectly clear that such a step would have the effect of retarding rather than facilitating the filling of vacancies in the Veterans' Administration.

Unless the proponents of this bill desire to circumvent the provisions of the Veterans' Preference Act of 1944, it will not, if passed, introduce any more flexibility into the recruiting program of the Veterans' Administration than exists now under the war service regulations. All war agencies have been staffed without recourse to legislation of this kind.

I know that the bill, as drafted, provides that the recruitment by the Veterans' Administration shall be carried on "with full regard to veteran preference."

It is a well-known fact that there never has been and there cannot be any real enforcement of veteran preference except as jobs are kept under civil service. All this bill proposes to do is to let the Veterans' Administration pick and choose as they see fit without regard to the competitive rights of veterans of both World War No. 1 and World War No. 2.

The provision of the bill which would authorize the Veterans' Administration to hire persons at the maximum rather than the minimum of the schedule for a particular grade under the Classification Act is a perfect example of the kind of piecemeal approach to pay matters which creates chaos in the executive branch of the Federal Government.

In considering this section let us keep clearly in mind that it is only in the departmental service here in Washington that the Civil Service Commission has anything to do with the classifying of the jobs in the Veterans' Administration. All jobs in the field service of the Veterans' Administration are classified by the Administrator himself.

If such legislation should pass, it would be difficult for Government as an employer to explain to an employee in one agency why that employee, although placed in the same grade as an employee in the Veterans' Administration, is, nevertheless, receiving less pay.

Also it seems to me that it would be extremely difficult for the Veterans' Administration to explain to one of its own employees who has served, we will say, at grade CAF-5 for a period of time why he should be compensated at the minimum rate of the grade while someone is brought in from the outside and put in the same grade and compensated at the maximum of that grade. If the Veterans' Administration is in any way, shape, or manner back of this legislation, it constitutes an excellent example of a short-sighted personnel program. If they are back of this legislation, they are deliberately sponsoring a program which will be sure to wreck morale within the agency itself. There is no authority in this proposed bill to pay anyone other than the additional personnel which may be procured and employed after the passage of this act at the maximum rate of the grades of the Classification Act. Those who have been serving for a period of time will be rewarded for their service by being paid less money than those who are recruited after the passage of this bill.

The Senate has recently passed, and the Civil Service Committee of this body is considering, a pay bill which, if passed by the Congress and approved by the President, will improve the pay structure of the entire Government. It is clear that any other approach to a problem of this nature is both unsound and unfair.

Measures such as those proposed in this bill never provide a real solution for personnel problems. Before passing this kind of legislation this body should be assured, for example, that everything that can be done has been done in the direction of delegating authority to act in connection with personnel problems to field officers of the Veterans' Administration. Personally I do not believe that such is the case. Many of these personnel problems would be solved if the Administrator would break the Washington bottleneck.

Also, this body should be assured of the fact the Veterans' Administration is giving its field administrative officers the best possible staff help in the personnel field; that it has done everything it can to provide better housing conditions for persons required to live at veterans' facilities; and that it is doing everything possible to provide more adequate transportation facilities for persons who are required to travel a considerable distance in order to work at the veterans' facilities.

A careful exploration of these important phases of personnel administration would, I am convinced, reveal the fact that the Veterans' Administration has not done everything that it can to set its own house in order.

And so, we have before us here a proposal which, if passed, would deprive the Veterans' Administration of the recruiting resources of the Civil Service Commission. Unless it is intended by this law to evade the provisions of the Veterans' Preference Act of 1944, it would not introduce any more flexibility in the recruiting picture than is there right now.

We also have before us a proposal which would give the head of one agency of government the right to completely ignore, in recruiting additional personnel, the pay schedules fixed by the Congress of the United States. Other war agencies with tremendous responsibilities to discharge would be placed at a competitive disadvantage by deliberate action of the Congress of the United States.

We also have before us a proposal which, if passed, would mean that the Administrator of the Veterans' Administration would be hiring new persons at a higher rate of pay than persons would be receiving for comparable work who have been with the Veterans' Administration for a considerable period of time. We would not only create a morale situation as between the agencies of government, but we would also create a morale situation within the Veterans' Administration itself.

This measure is unsound legislation which, instead of solving the Veterans' Administration's personnel problems, would add to them. Instead of resorting to measures of this kind, it is time for the Congress and the head of the Veterans' Administration to make sure that the Veterans' Administration has, in effect, the most progressive personnel program which it is possible to put into operation. In this way, and only in this way, can we be fair to the veterans of this and other wars who look to the Veterans' Administration to carry out in an effective and efficient manner the policies adopted by the Congress.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. KEEFE. How many of the present employees of the Veterans' Administration are under civil service? Not in number but as to class.

Mr. RAMSPECK. All of them.

Mr. KEEFE. All of them, both in the field and in Washington?

Mr. RAMSPECK. That is right.

Mr. KEEFE. All of them presently are under civil service and subject to the present Classification Act?

Mr. RAMSPECK. No; only those in the Washington office are subject to the Classification Act.

Mr. KEEFE. That is what I wanted to get straight.

Mr. RAMSPECK. That is correct.

Mr. KEEFE. What about those out in the field?

Mr. RAMSPECK. The Administrator fixes those pay scales in accordance with Executive order.

Mr. KEEFE. And he further is governed by the qualifications of the civil-service requirements?

Mr. RAMSPECK. Yes; they get the jobs through civil-service examinations.

Mr. KEEFE. But as to the pay of those in the field, that is fixed by the Administrator entirely.

Mr. RAMSPECK. That is right.

Mr. KEEFE. Those in the Veterans' Administration here at the home office are subject to the Classification Act. Do I understand it correctly?

Mr. RAMSPECK. That is right; and may I show further right while we are on this point, while we are discussing it, some of the differences between the minimum and maximum levels? In other words, in grade CAF–2, which is usual for clerks and stenographers, employees are generally started at $1,440 a year. The top of that grade is $1,800. This bill would permit the employment of those people at $1,800. Then, too, it does not permit the raising of the pay of those already there. When you go on up the scale into the professional grade, for instance, professional grade 2 carries an entrance salary of $2,600. That goes up to $3,200. Under that you could have two professional people, one employed last month at $2,600 and one employed next month under this bill at $3,200, sitting at adjoining desks doing similar work.

Mr. KEEFE. Do I understand that the provisions of the pending bill give to the head of the Veterans' Administration the right to employ personnel between the minimum and maximum salaries of a certain grade as classified by the civil service?

Mr. RAMSPECK. That is right. He can go all the way up to the top.

Mr. KEEFE. Is that right?

Mr. RAMSPECK. Yes. That is what the bill permits.

Mr. KEEFE. Then, provided this bill passes, if I apply to the Civil Service Commission and qualify for a certain position within a certain grade as specified by the Civil Service Commission, the Veterans' Administration or the Director could fix the salary for me at any point between the maximum and the minimum established by the Classification act?

Mr. RAMSPECK. That is right.

Mr. KEEFE. But it makes no provision for any change in salary as to those who are already employed by the Veterans' Administration under civil service and who are subject to the Classification Act.

Mr. RAMSPECK. The gentleman is absolutely correct. That destroys the common sense of the classification theory; it would destroy every vestige of morale in the Veterans' Administration office here in Washington. It is an unfair method of employing personnel.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Minnesota.

Mr. PITTENGER. Is it not a fact—I have listened to this discussion here, listened to it carefully, is it not a fact that some of the agencies of the Government are doing just exactly what is attempted under this bill? And in some of the other agencies they are going out on the highways and byways, bringing people in here, paying them high salaries, giving them a high classification, and putting them alongside of people who have worked 3, 4, 5, or 10 years who are getting less money but doing more work?

Mr. RAMSPECK. If any such thing is being done I will say to the gentleman from Minnesota that it is being done only in those agencies where Congress has done what this bill proposes to do and has exempted them from the Classification Act.

Mr. PITTENGER. I am told that it is being done.

Mr. RAMSPECK. It cannot be done if they are under the Classification Act.

Mr. PITTENGER. Is the pending bill a temporary measure?

Mr. RAMSPECK. No; it is not limited according to the way I read it, not limited at all.

Mr. PITTENGER. Does the gentleman mean that people employed under the provisions of this bill would maintain that classification as long as they were in the service?

Mr. RAMSPECK. That is what the bill states.

Mr. KEEFE. Mr. Speaker, will the gentleman yield further?

Mr. RAMSPECK. I yield.

Mr. KEEFE. I should like to be specific on that very point. Will these people who are to be employed under the provisions of the pending legislation achieve permanent civil-service status, or are they to be hired as temporary employees?

Mr. RAMSPECK. I call the gentleman's attention to the language in line 19, on page 2 of the bill, reading:

> That any personnel so employed shall have the right to qualify by prescribed competitive examination for civil-service status and the employment of any person not receiving a civil-service appointment shall be terminated not later than 1 year after the end of the war.

To pass this bill means to provide a patronage grab. Once these people are

placed on the rolls, they have that advantage over others and are still given an opportunity to qualify under civil service.

Mr. KEEFE. In other words, this gives them a privileged status over all other Government employees who are under temporary wartime civil-service employment and for whom regulations are now being made so that they may qualify for permanent civil-service employment.

Mr. RAMSPECK. That is correct. It also gives them preference over veterans who return after these employees get on the pay roll.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Michigan.

Mr. DONDERO. In the meantime, however, what is the solution for the problem presented by the bill offered by the gentleman from Mississippi [Mr. RANKIN]?

Mr. RAMSPECK. I could give the gentleman my idea of the solution of it. The trouble in the Veterans' Administration is in the Washington office. Every small, minute personnel transaction that goes on in the Veterans' facility in your State of Michigan or in Georgia has to clear through the Washington office, which is absolutely absurd. The trouble with the Veterans' Administration is down here on Vermont Avenue. If they will adopt modern methods and modern practice, such as the War Department has used in this emergency, and it is working under the law which the gentleman is trying to repeal here, they can get along very well. General Somervell has over a million employees. He has not been held up at all. The trouble is down here because they make the facility managers and regional managers clear every minor appointment through the Washington office.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Kansas.

Mr. REES of Kansas. If we are going to apply this kind of legislation to the Veterans' Administration, then why not apply it to every department of Government? Is there any particular difference in principle?

Mr. RAMSPECK. There is not one single difference and, as a matter of fact, you would wreck the whole pay structure in Washington because you would have two pay scales for people doing exactly the same sort of work. It is just not common sense.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Pennsylvania.

Mr. RICH. If this bill passes, is an inefficient man liable to be placed in a position of responsibility?

MR. RAMSPECK. Well, there certainly would not be any examination procedure. It would be up to the Administrator of the Veterans' Administration as to what tests he applied. He could hire them without any test at all.

Mr. RICH. The fact that we have a civil-service test for efficiency would be practically thrown out the window.

Mr. RAMSPECK. It would be thrown out of the window, yes.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Am I correct in the interpretation according to the gentleman's understanding, who has made a very informative statement today, that if this bill passes, the head of the Veterans' Administration may employ willy-nilly whom he pleases and fix the salary without regard to civil-service qualifications or civil-service formalities within the pay grade fixed by the Civil Service Commission?

Mr. RAMSPECK. Absolutely.

Mr. KEEFE. And as to such an employee so hired without regard to civil-service requirements, such employee after he or she is hired may qualify by prescribed competitive examination and have a civil-service status?

Mr. RAMSPECK. That is correct.

Mr. KEEFE. And that qualification takes place after they have been on the pay roll?

Mr. RAMSPECK. Exactly.

Mr. KEEFE. In other words, they get on the pay roll, then they say, "You can now qualify for a permanent civil-service status"?

Mr. RAMSPECK. That is right.

Mr. KEEFE. The services of those who do not qualify are terminated not later than 1 year after the end of the war?

Mr. RAMSPECK. Yes.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Kentucky.

Mr. MAY. On this question of allowing these temporary employees to qualify after they have served this brief period which, I understand, is to relieve the very thing that we passed a resolution here setting up a committee to investigate, would they not be merely in the position of having 3 years' experience and training in the department? You would be depriving them of passing a civil-service examination, would you not?

Mr. RAMSPECK. I would not deprive them of competing with others, but I would not give them a preference over those who are fighting now in the Pacific and who may be coming back here and for whom we are trying to preserve these jobs under the war-service regulations. No one is getting a permanent civil-service status and has not since 1942, but these people would get a preference over those.

Mr. MAY. What are you going to do with the 35,000 veterans who return from the war and who have never been under the civil service? Are you going to say to them that they cannot qualify at the end of their service?

Mr. RAMSPECK. Oh, no. They would have exactly the same chance to qualify as they do now. The war-service regulations are still in effect and it gives them a preference over the others who do not get into the Veterans' Administration.

The SPEAKER pro tempore (Mr. WHITTINGTON). The time of the gentleman has expired.

Mr. RANKIN. Mr. Speaker, I yield 5 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I will tell the House why this bill is before the House today and why the Committee on World War Veterans passed it out of committee unanimously. Every member of the House, I am sure, knows what I think of the merit system and obeying the civil-service rules and regulations. I just wish the Civil Service would only obey their own rules and regulations more than they do. I considered the measure very carefully before voting for it. But we have an emergency and must have added personnel at once.

There is one reason, and one reason only, why this bill is before the Congress today and that is to try to save human life. Certainly the veterans should have priority over everyone else. The veterans' hospitals are short of attendants today because they are not paid enough. The nursing staff is short 1,000 nurses largely because of low pay, because the Civil Service has carried them in a subprofessional group. The families of veterans, the wives and orphans of veterans, are not receiving their insurance promptly because, as the head of the insurance section says, they cannot get the necessary stenographers and typists to do the work.

I feel very strongly about this. Only yesterday I visited the West Roxbury Hospital in Massachusetts. I learned that one of the boys that I saw there 3 weeks ago had died; a boy who had to lie flat on his stomach all the time. He had a very gallant war service. He did not die of neglect, but cases of that kind need constant watching and care. It is boys in his condition that particularly need nurses and hospital attendants.

There is also a great need for priorities, which is a part of this bill. Today the Veterans' Administration has priorities second only to the Army and the Navy. I was told at the West Roxbury Hospital that they needed 50 Balkan frames as well as Styker beds for the men with spinal-cord injuries. The only chance of these men to be able to walk again, to earn their livelihood, is being made possible by the use of Balkan frames in order that their arms may become strong again. I saw last night a boy who was in a wheel chair at the West Roxbury Hospital. He was in bed the last time I visited the hospital. His face was radiant. I asked how he was getting along. He said, "Fine, but I get tired running the wheel chair. If I only had a Balkan frame on my bed my arms would be strong." The boys need strong arms for crutches to help them in walking.

These Balkan frames have bars on them so that the men can lift themselves up and move themselves and prevent themselves from having horible bed sores. And they can constantly strengthen their arms by lifting themselves. Those cases also require constant nursing and care. Because the Veterans' Administration does not have the necessary priorities they have not received the Styker beds or the Balkan frames. Care of the servicemen is just as important after discharge as before. This bill provides equality

to the Army and Navy. More must be done to strengthen the Veterans' Administration. This bill is a stop gap for an emergency. The Grim Reaper does not wait for the passage of complicated legislation. I have steadily maintained that the Veterans' Administration should become a department, with a Cabinet head, a man who can fight for sufficient personnel to carry on the work of the Veterans' Administration. It should have also a permanent medical, surgical, and nurse corps, and other technical personnel. I have introduced numerous bills for that purpose. Do you realize that more than 1,500,000 men had been discharged from the Army before VE-day, and many more since then. Those men and their families need every attention, adjustment of all kinds of compensation, and pension claims. They need an explanation of the operations of the GI bill of rights, of the handling of insurance, of the handling of loans, everything that comes under the GI bill, such as unemployment insurance and educational allowances. It is only justice, it seems to me, Mr. Speaker, to pass this piece of legislation. It is a temporary measure for the duration of the war and 6 months thereafter. I believe many discharged veterans will find employment in this way. They may even qualify later upon taking an examination for civil service. I doubt whether there will be more than half a dozen votes against giving General Hines of the Veterans' Administration the necessary personnel in order to carry out the provisions of the legislation that the Congress has passed for the veterans.

There is one other matter that I am going to bring up, and that is the need for personnel in the new Veterans' Administration regional offices and the new medical and surgical clinics that are being started all over the country. It is a very vital bill, in my opinion.

The following letter from Dr. Donald Munro, of the Boston City Hospital, and one of the finest neuro surgeons in the United States, was sent me at my request:

Representative EDITH N. ROGERS,
House Office Building,
Washington, D. C.

MY DEAR MRS. ROGERS: I am happy to have the opportunity to express my views about the problems relative to the care and rehabilitation of veterans with wounds of the nervous system. I would like especially to deal with that part of it that has to do with the men who have been paralyzed as the result of a wound or wounds of the spinal cord, even though most if not all of what I have to say can apply as well to the care of men with wounds of the brain and peripheral nerves.

As you know, such patients are usually relegated to nursing homes and chronic hospitals as hopeless invalids. Very many of them have no control of their bowels or bladders with the result that they are soiled or wet and smell all the time. When left to themselves they become hermits and antisocial because of self-consciousness and shame of a condition that neither they nor the doctors appear to be able to help. No hope for ambulation or self-support under any circumstances is ever held out to them. Their morale is nonexistent. Indeed, because of deformities resulting from the nature of the injury, many have not only not been able to get into a wheelchair, but have not even been able to lie flat in bed. Tremendous bed sores, repeated attacks of fever and wasting from kidney infections, complicate all such cases. The ordinary end result in financial bankruptcy for the family and a welcome death for the patient after 2 or 3 years. Because of this an attitude of defeatism relative to this problem in particular and, to some extent, to neurosurgical problems in general has developed. Organizations and their individual members deputed to care for such veterans have tended to do no more than house, wash, and feed the patient. This has already gravely affected the morale of veterans of this present war. Inasmuch as the numbers of such wounded are already rising to tremendous heights, the public at large is also beginning to feel the impact of this point of view by way of the soldiers' friends and families.

It is the obvious duty of the Veterans' Department to deal with and correct this situation. There seems, however, to be good reason to believe that they have already or will shortly find it impossible to do so with their present set-up. I believe that failure to recognize this inability and failure to take immediate steps to correct it will do untold and unnecessary harm and make perpetual invalids out of men that under other circumstances would have been self-supporting. First of all, the attitude of defeatism must be abandoned and one of optimism substituted for it. This is justified because it is now possible by proper care to make all such patients sufficiently ambulatory so that with splints and crutches they can walk short distances, or about the house or on the job, get on and off a toilet, go up and down stairs, attend public performances or meetings and remain as clean, odorless, and dry as a normal person. For longer distances they can use a wheel chair and with proper adjustments can even drive their own automobiles. All this means that given the opportunity they can be made self-supporting again in spite of their paralysis. Since it is the duty of the Veterans' Department to see that these veterans get the kind of treatment that produces this result it behooves every individual member of the department to be aware of this possibility and being aware of it to strive to bring it about in the shortest possible time. This will require regrouping and reorganization within the department, the creation of certain new facilities, and a more efficient use of those already available.

ADMINISTRATIVE

In my opinion, before the veterans can be so treated as to be made ambulatory and potentially self-supporting certain administrative changes must be made in the department. The most important of these is to establish an elastic liaison between the armed services—particularly the Army—and the Veterans' Department. This is essential if the flow of the wounded from the Army general hospitals to the veterans' hospitals is to be properly controlled as to rate and timing. Unless such control is established either organization can and probably will be unnecessarily crowded and confused and convalescence prolonged for the soldier. It seems to me to be undesirable for this liaison to be a uniformed one. Such an arrangement would create too much inelasticity. I believe it much better to establish it on a civilian basis making use of what already exists in the Army and creating its counterpart in the Veterans' Department. This is the position of civilian neurosurgical consultant to the Surgeon General. There are three in the Army, one, Dr. Jason Mixter, of Boston, for the north and northeastern area; one, Dr. Claude Coleman, of Richmond, Va., for the southern area; and one, Dr. Loyal Davis, of Chicago, for the western area.

Other competent neurosurgeons should be chosen by the Veterans' Department and appointed, one for each area, and if possible from the same cities that the Army consultants come from. This will permit an accessibility and degree of liaison that would be difficult to duplicate under other circumstances. The Veterans' Department appointees should act in close cooperation with their Army analogues. They should be appointed from, and for administrative purposes be attached to, the headquarters of the Department in Washington. They should be responsible only to the Chief of the Department. They should be prepared to implement his policies; to act as liaison officers between him, the patients, and the armed services; make recommendations as to policy only to him and act as the consultative court of last resort, in purely professional consultations or therapeutic disputes. Otherwise, they shou'd have no set duties or time of service remaining subject to call by the head of the Department at any time. They should be paid on a per diem basis and only for time spent while on duty or traveling to and from that duty. They should be allowed to assign themselves to duty, however, if a hospital head in their area asks for help or if they have reason to believe that a situation has developed that requires their attention.

The improvement in the care of the neurosurgical cases and the facilitation of their transfer to the Veterans' Department from Army care through such a proposed arrangement is obvious. Not the least of the other advantages accruing from this arrangement will be the mutual confidence that would replace the suspicion that exists at present about the continuing proper care of these patients when they are considered ready to leave the Army and come under the control of the Veterans' Department. This would arise out of the mutual knowledge that each consultant was competent and free of the bureaucratic restraints that are inherent in a commission either in the armed services or in the Veterans' Bureau. This should be done at once.

HOUSING, PERSONNEL, AND EQUIPMENT

Eventually, a number of Veterans' Department hospitals should be designated as neurosurgical centers. The location of each should be carefully picked in relation to its possibility as a teaching center, the availability of supplies, such as splints, its proximity to a neurosurgical consultant, ease of access, and the like. The minimum number of beds should be 50. I suggest that a type center be set up now in Boston, Mass., to serve as a model for the others and that the others be neither located nor set up until experience has been had with this first one.

Such a center must have a trained neurosurgeon in charge. He should be given rank commensurate with his authority and regardless of his age. Under him should be two subordinates, one or more head orderlies, one or more especially trained operating room nurses, a social-service worker, one or more occupational therapists, and either a trained splintmaker or access to an orthopedic shop that is not already swamped with work. There should be a trained nurse anesthetist whose services are reserved exclusively for this department. The services of a clinical laboratory with adequately trained technicians must be available. Associated with him should be a genitourinary surgeon and a physiotherapist. Available to him for close consultation should be a medical man, a roentgenologist, a general surgeon, a plastic surgeon, an orthopedic surgeon, a neurologist, a psychiatrist, and a pathologist. There must be an adequate male and female nursing staff and adequate supplies. If head cases are to be handled there must be an electroencephalographic machine and an operator for it. There should be an operating suite—sterilizing equipment, operating room, supply cabinets, etc.—reserved exclusively for the neurosurgical department. There must be an adequate supply of instruments and special equipment. The house staff should consist of one resident or a resident and assistant resident, depending on the number of beds, and under him a house officer for each 10

patients. Under ordinary circumstances, the resident should be picked from previous house officers and should serve for 1 or 2 years depending on the number of beds. The house officers should have a term of service of 1 year. Shorter terms of service should be made available for older men who wish to take refresher courses. The house officers can be rotated to other services but this would lengthen their total service. It is essential that a teaching connection be set up whereby students are brought into contact with the staff. Only in this way will it be possible to persuade competent doctors to join the house, visiting, and consultant staffs. Finally, there should be a neurosurgical consultant designated by the director of the hospital after consultation with the staff and subject to approval by the area consultant and the Director of the Department. His duty is to act as a guide and stimulant to the various members of the center and on occasions to help out with the more difficult technical problems. He should be adequately paid on a yearly salary basis and be subject to call by the neurosurgeon, the director of the hospital, or the area consultant at any time.

PROCUREMENT OF EQUIPMENT

Arrangements should be made whereby any reasonable request for equipment is expedited and the equipment provided without unreasonable delay. In particular, such materials as glass and rubber tubing, irrigator bottles, Balkan frames, splints for patients, and the like—all of which are standard and are now difficult to get promptly—should be made available at once. Failure to do so prolongs the patient's convalescence, impairs his morale, and destroys the efficiency of the department.

REORGANIZATION OF THE VETERANS' DEPARTMENT

Your suggestion that a Veterans' Department Medical Corps and Nursing Corps or their equivalent be formed and substituted for the present antiquated civil-service provisions is most important and to my mind a change that cannot be brought about too quickly. Any system that permits, as the present one does, the doctors in a department responsible for the welfare of the surgically and medically sick to adopt the attitude that their work ceases and their responsibility towards their patients ends when they have completed 8 hours on duty is inexcusable. Union hours are incompatible with the Hippocratic oath, and any doctor who thus betrays his professional honor is unworthy of the name of doctor. Moreover, any department that countenances such a betrayal on the part of their members has forfeited the right to direct the care of patients. As I understand it, doctors in the Veterans' Department now go to work at 8:30 a. m. and stop work at 4:30 p. m. When they stop they stop completely, an officer of the day taking on the responsibility for the professional care of the patients. This arrangement is incompatible with the employment of a competent medical or surgical staff, because competent men won't work under such circumstances. The conviction by those that consent to work under such conditions that they cannot be dismissed except for gross misconduct, as well as the impossibility of using their imagination or developing their skills under such a system, leads to a total loss of initiative and the atrophy of any real ability that any of these doctors may have possessed when he first entered the service. Good men become mediocre, poor men become liabilities, and the patients are sacrificed to the god of bureaucracy. It is no wonder that the young competent doctor who is either in or about to enter the Army and who has ideals and experience as to the proper care of patients shudders and goes to all lengths to avoid the assignment when he learns that he is to be detailed for duty among the medical living-dead in the Veterans' Bureau. Only a system of appointment and promotion on the basis of demonstrated merit alone, with the converse of discharge and demotion on the demonstration of carelessness, lack of initiative, and laziness can correct these present evils. I believe that the doctors now in the service of the Veterans' Department should be given 6 months to demonstrate their ability and essentiality to the Department and after that either be given adequate rank and pay for the duties and responsibilities they carry or asked to accept reassignment to duty in the Army or to resign. Their places can be filled by selections from the Army and Navy Medical Corps, who will welcome the opportunity to serve under conditions that approach the realism of competitive civil practice.

I am enclosing herewith a very sketchy outline of the strictly medical requirements that must be set up before patients who have been paralyzed as the result of spinal cord injuries can be properly cared for. I am well aware of the fact that it, as well as the material in this letter, do not contain much detail that must be filled in before the ideas that I have expressed can be brought to full fruition. A start in the direction that both you and I have indicated is long overdue, however, and need not be postponed until the last detail is settled. Indeed, it is better not to make such an attempt. When your corps of medical men and nurses have been set up and a merit system consonant with the best ideals of the care of the patient has replaced civil-service bureaucracy with its preoccupation with hours of work, the missing details will all fall into place of their own accord. I do suggest, however, that to implement that procedure as it relates to one special group of the more seriously wounded, three civilian area consultants in neurosurgery be promptly created and attached as outlined to the Department's headquarters in Washington, and that a model neurosurgical center with the minimal staff and equipment detailed above be created at once at the West Roxbury Hospital outside of Boston, Mass. This will serve as a basis for the creation of similar centers throughout the continental United States. Only in these ways will it be possible to change the defeatist attitude which regards the veterans who have been paralyzed as the result of spinal-cord injuries as invalids who can have no future and who must be permanently housed by the veterans' department, to that more modern and optimistic point of view that regards such a veteran as a surgical challenge and is satisfied with nothing less than discharging him from the care of the bureau in the shortest possible time after making him again able to earn his own living.

Please feel free to make any use of this letter that you may consider appropriate and helpful.

Very sincerely yours,

DONALD MUNRO, M. D.

THE REHABILITATION OF VETERANS WHO HAVE SUSTAINED WOUNDS OF THE SPINAL CORD AND CAUDA EQUINA AND THEIR REESTABLISHMENT ON A SELF-SUPPORTING LEVEL

1. THE PROBLEM

To make all veterans who have been paralyzed as the result of wounds of the spinal cord and cauda equina independent, clean, ambulatory, and self-supporting.

2. SIZE OF THE PROBLEM

It is of the numerical magnitude of the problem presented by multiple amputations or peripheral nerve wounds. It is of the social magnitude approximating the neuropsychiatric problem.

3. THE MATERIAL TO BE DEALT WITH

a. Patients with spastic paraplegia.
b. Patients with flaccid paraplegia.
c. Patients with quadriplegia.
d. Patients disabled because of pain or urinary or bowel incontinence.

4. NECESSARY THERAPY

(a) *Spastic paraplegic patients*

Required

1. Cure of bed sores.
2. Control of urinary output by patient.
3. Control of bowel discharge by patient.
4. Substitution of flaccid for spastic paraplegia.
5. Stabilization of legs and body preliminary to mobilization.
6. Application of splints.
7. Reeducation in walking.
8. Psychotherapy, encouragement, etc.
9. Education in a trade.

How Accomplished

1, 2, 3, and 4 by dorso-lumbar anterior rhizotomy; by closure of any suprapubic cystostomy fistulae; by stretching the bladder to normal size and training in control of urination by tidal drainage and practice; by training in control of bowel emptying; and, with the aid of penicillin, tantalum wire sutures and sulfonamides, by secondary suture, skin graft, etc., of bed sores.

5, 6, 7. Application of caliper splints with lock knee joints and foot drop plates and if necessary a body brace, followed by training in walking, first in walker and then on crutches.

8, 9. Competent oversight by a physiotherapist and psychotherapist and occupational therapist together with rehabilitation facilities.

(b) *Flaccid paraplegic patients*

Required

Same as above with the exception of 4 which is already present.

How Accomplished

1, 2, and 3. Closure of any suprapubic cystostomy fistulae; by stretching the bladder to normal size and training in control of urination by tidal drainage and practice; by training in control of bowel emptying; and, with the aid of penicillin, tantalum wire sutures and sulfonamides, by secondary suture, skin graft, etc., of bed sores.

5, 6, 7, 8, and 9. As above under spastic paraplegic patients.

(c) *Quadriplegic patients*

Required

Same as under b., Flaccid Paraplegic Patients, with the addition of (10) some mechanical substitute for the paralyzed shoulders, arms, and hands, and (11) stabilization of the neck by proper splinting.

How Accomplished

1, 2, and 3. As under b., Flaccid Paraplegic Patients.

5. Unnecessary until 10 has been solved.

6 and 7. See 5 and 11.

8 and 9. As under b., Flaccid Paraplegic Patients.

10. Unsolved.

11. Application of modified Zimmer or other similar splint. Plaster of Paris is contraindicated.

(d) *Patients disabled because of pain or urinary or bowel incontinence*

Required

Same as under (a) Spastic Paraplegic Patients.

How accomplished

1. Uncommon complication. When present it is dealt with as above.

2 (a). If the bladder has been denervated; by closure of any suprapubic cystostomy fistulae; by stretching the bladder to normal size by tidal drainage; by the use of a constantly indwelling urethral catheter. This catheter should have its opening at the tip rather than on the side, by having the patient empty the bladder every 3 hours.

During the day the catheter is kept closed with a clamp, the rest of the time by at-

tachment of the catheter to a tidal drainage apparatus at night when the patient is in bed. By training the patient to catheterize himself once a week in a sterile manner, to adjust the catheter so that it remains in place during the week, to set up, take down, clean, sterilize, and operate his tidal drainage apparatus; and by teaching him to obtain and use either solution G or solution M properly.

(b) If the bladder has not been denervated; by closure of any suprapubic cystostomy fistulae; and by stretching the bladder to normal size by tidal drainage. If there is a spinal subarachnoid cerebrospinal fluid block by either measurement of the dynamics or a study of the chemical contents of the cerebrospinal fluid in the presence of any significant bladder symptoms, a decompressive laminectomy over the site of the cerebrospinal fluid block should be performed.

3, 4, 5, 6, 7, 8, and 9 All as under Spastic Paraplegic Patients.

10. Intractable disabling pain should be treated by a decompressive laminectomy if there is a spinal cerebrospinal fluid block present in addition. If there is no block present the doing of a laminectomy will be optional and other methods of relieving the pain can be tried. These will vary with the individual problem.

5. IN GENERAL CHARGE OF PROGRAM

A neurosurgeon. The fundamental problem is neurosurgical, although the work to be done on the various subsidiary problems such as the genito-urinary, the general surgical, the neuropsychiatric, and physiotherapeutic, the occupational therapeutic, etc., can be subcontracted to the various departments involved. General oversight and final determination of the methods and policies to be used should rest in the hands of a neurosurgical specialist.

6. HOUSING AND PERSONNEL

1. This work can only be done in a neurosurgical center or clinic. Attempts to have these patients cared for by general surgeons with only an itinerant knowledge of neurosurgery will not only not succeed but will make bad matters worse and lead to disaster. In particular, the general oversight and the technical requirements of neurosurgical operations on these patients are entirely outside the field of knowledge of a general surgeon or of any surgeon that has not been especially and adequately trained in neurosurgery.

2. Neurosurgical centers where these patients can be concentrated for treatment as indicated above should be set up throughout the United States in the near future.

3. In the absence of such centers permission should be given to transfer these patients temporarily from the hospital where they are being cared for to nearby recognized civilian neurosurgical clinics for all operative procedures and for any of the other treatments that cannot be handled as outlined at the veterans' hospital concerned.

4. A neurosurgeon familiar with the problem of spinal cord and cauda equina injuries should be appointed as a civilian consultant in neurosurgery to the Veterans' Bureau at the earliest possible moment. His duties should be analogous to those of the civilian consultants in neurosurgery to the Surgeon General of the Army. Until neurosurgical centers have been set up or designated for the treatment of spinal cord and cauda equina injury cases, his first duty should be to see that such patients are moved to appropriate civilian neurosurgical centers for their treatment. His second duty should be to establish a liaison with his opposite numbers in the offices of the various Surgeons General so that treatment looking toward eventual ambulation and self-support can be expedited, made more efficient, and carried out cooperatively among the various Government departments involved.

7. EXPECTED RESULTS

No figures are available from any series in which the injury to the spinal cord or cauda equina was caused by war wounds.

In a series of 53 civilian patients (including some bullet wounds) who lived more than 90 days after their injury and whose pathology was all between the second thoracic and second sacral segments or else was a destructive injury of the sacral cord and conus or a compressive injury of the cauda equina, 29, or 54.7 percent, are either ambulant or leading an active wheel-chair life, 24, or 45 percent, are ambulant, and 21, or 37.7 percent, are ambulant and working. They all have full 24-hour control of their bladders and bowels.

Under a therapeutic regime other than that outlined a high (estimated 50 percent or more) percentage of such cases die of sepsis eventually. At best only a few become self-supporting and practically none (with rare exceptions where the individual has unusual courage and determination) become ambulatory.

In another series of 44 civilian patients who lived long enough to leave the hospital alive and whose injuries were all to the cervical and first and second thoracic segments of the spinal cord, 38, or 86 percent, were either well or in a satisfactory condition when investigated from 1 to 15 years after their injury. Eighteen or 41 percent were not only living a satisfactory normal life, but were self-supporting Twenty or 45 percent were either leading essentially normal active lives although for various reasons were not working, or had died of some unconnected intercurrent disease in the course of such a life.

8. UNSOLVED PROBLEMS

1. The rehabilitation of the patients whose shoulders, arms, and hands are paralyzed.

2. The patient who has a partly transected cord and whose mobilization is prevented by involuntary painful irregular flexor spasms of the lower legs.

9. CONCLUSIONS JUSTIFIABLE ON THE BASIS OF TODAY'S EXPERIENCE WITH CIVILIAN CASES TREATED AS OUTLINED

If he has been properly treated, every patient that has a spinal cord or cauda equina injury and that is intelligent and cooperative, and has the use of his shoulder, arm and hand muscles can be made ambulatory; and can have such control of his bladder and bowel as to sleep through the night without either getting up or getting wet; can carry out ordinary activities throughout the day without soiling himself with feces or having to evacuate his bladder oftener than once every 3 hours, can lead a normal social life and within the limits of his intellectual capacity and the restrictions imposed by the necessary use of splints, braces, and crutches, can earn a satisfactory living at gainful labor.

Mr. CASE of South Dakota. Mr. Speaker, if the gentlewoman will yield, may I ask the chairman a question? Nothing has been said with respect to the bill that gives the Veterans' Administration authority to purchase or construct or take buildings by condemnation procedure.

Mr. RANKIN. I will answer that question later.

Mr. Speaker, I yield to the gentleman from Florida [Mr. HENDRICKS] 2 minutes.

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HENDRICKS. Mr. Speaker, I wonder if the Members of this House realize that there are about 100,000 of our servicemen who are eligible for discharge under the point system who are also subject to redraft and reinduction immediately. This situation was a little puzzling to me and I did not know of its existence until it was brought out in the hearings before the War Subcommittee of the Appropriations Committee. These practically 100,000 men who are eligible for discharge but who may be reinducted are the members of the National Guard who have been in the service from the very beginning of the war. I have not had the opportunity to study this matter properly but expect to go into it further. However, it seems as though the National Guard is placed in a different category from the servicemen in the Regular Army. In a circular issued by the War Department, circular 136, page 3, paragraph 5, section 2, you will find this language:

Action to terminate National Guard status is a prerogative of the State adjutant general and will not be taken by Army discharge authorities.

In section 3 you will find this language:

Enlisted members of the National Guard may be discharged from the Army of the United States as prescribed in the AR 615–360 to 369 series and when so discharged from the Army of the United States such enlisted men automatically revert to National Guard status and come under the control of the adjutant general of the State of origin.

And this is the portion of the section to which I wish to call your special attention:

Such enlisted members upon discharge from the Army of the United States are required to register with the Selective Service within 10 days after discharge unless they are already registered. If already registered they will be directed to report by letter to their local Selective Service boards within 10 days after discharge.

This matter came up for discussion in the presence of General Marshall. General Marshall admitted that they could be reinducted. Of course, he informed us that the Army would under no circumstances accept these men back into service, even though they were reinducted. But that still does not prohibit the local Selective Service boards from reinducting them and causing many of them a waste of time and great concern.

This matter also was discussed by Maj. Gen. John F. Williams when he was testifying on the appropriation for the National Guard, and he, too, stated that they were subject to reinduction.

I have not had the opportunity of discussing this with Selective Service headquarters in Washington and do not know what their attitude is in regard to the matter, but in any event, the fact still remains that they do have the authority and some indiscreet board may go so far as to reinduct some of these men who have been discharged under the point system. In spite of General Marshall's word that the Army would not accept them and in spite of any policy adopted by Selective Service headquarters and

the boards throughout the country, I think it only fitting and proper that these men who have been discharged or who are eligible for discharge under the point system be exempted by law from further service. And, therefore, I have introduced a bill amending the Selective Training and Service Act of 1940 to provide as follows:

No person who has served in the armed forces of the United States during the present emergency and has been honorably released therefrom by reason of total service, overseas, combat, and parenthood credits as evaluated by the head of the department concerned, shall be registered, reregistered, selected, or reinducted into the armed forces under the provisions of this act as amended: *Provided, however,* That nothing in this paragraph shall prevent such persons, when qualified under the law and department regulations, from enlisting or reenlisting in or otherwise voluntarily reentering the military service of the United States.

You will note, of course, that the amendment provides that anyone who wishes to may voluntarily reenlist.

In view of the fact that some of these men are now being discharged and others will be discharged and will be subject to reinduction, I request that the Military Affairs Committee take immediate action on this bill.

Mr. RANKIN. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, I rise to oppose the bill introduced by the gentleman from Mississippi that proposes to exempt employees of the Veterans' Administration from classified civil service. I agree that the civil service does not function in many cases as it should, but this bill is not the correct solution to the problem confronting the Veterans' Administration. No member in this House is more anxious than I am to make proper provision for employment and facilities to take care of the servicemen that are in the hospitals and give every service to which they are entitled, but this legislation will not do it.

The fault is largely with the Veterans' Administration itself. It is completely bogged down in red tape, and regulations, which is the result of its own lack of organization and proper administrative management. This bill gives the Veterans' Administration authority to procure additional personnel without complying with civil-service regulations or requirements and without the necessity of passing any examinations and to pay any salary within the maximum limits of civil-service laws. It will result in having one group of employees that have complied with civil-service regulations and another group appointed outside of civil service receiving maximum pay. One group will be civil service and the other may be political. The precedent established under this legislation will give rise to arguments that the same provisions should apply to the dependency-benefits allotments that are now far behind schedule.

If the Veterans' Administration is allowed to classify and fix salaries under the terms of this bill, I wonder if the 60,000 employees now working in the Veterans' Administration will then be satisfied. This legislation will hamper the morale of the present personnel of the Veterans' Administration if additional employees are performing similar service and receiving higher compensation. The legislation violates one of the basic and fundamental principles of personnel management, which is that employees should receive equal pay for equal work. I can foresee that within 6 months present employees of the Veterans' Administration will either go to other departments and agencies of the Government or leave and be rehired as emergency employees with higher rates of pay. I agree that Veterans' Administration, along with some other agencies, ought to be given higher priority with respect to personnel service, space, equipment, and supplies, but that can be done under existing procedures. I wish to reiterate that Members of the House who have spoken for economy and efficiency management in government cannot be consistent in voting for this legislation, because it will neither solve the problem for which it is designed nor result in either economy or efficiency.

Information is constantly coming to me regarding the overabundant and excessive red tape that exists in the Veterans' Administration in the processing of veterans' cases. The fault as I see it lies in the maze of red tape devised by the Veterans' Administration itself. I am not aware that the Veterans' Administration has taken any steps to correct these gross inefficiencies and I can safely predict the hiring of additional personnel will not solve the problem, but result in more and more red tape.

The Veterans' Administration has insisted upon having all of the power and authority, for example, in administering the loan functions under the GI bill of rights. A part of these functions could have been delegated to other agencies more familiar with this particular work. For example, the RFC could perform the functions dealing with loans to veterans on small business. The Federal Land Bank or some other experienced agency could handle loans on farms. The National Housing Agency could make loans on homes. If this procedure were followed, it would mean less Government employees and bring about far better, orderly, and more favorable action to the veterans concerned.

Mr. Speaker, this legislation does not even give the veterans now in the armed forces an equal chance for these jobs. This, for the reason that he cannot even compete for them. The Veterans' Administration can employ veterans or leave them out as they choose. I have always held that so far as it is possible and reasonable to do so, that priorities on all jobs in the Veterans' Administration and connected therewith ought to go to the veterans, but there is no protection whatsoever of any kind to protect the veterans in this respect. The Administration under this bill can employ anyone it chooses and without rules and regulations of any kind.

Personally, I feel veterans should be given greater preference than they now have in making application and qualifying for Government jobs. If we follow this kind of legislation, then the veterans' chances would not be as promising as they are at present, and they are none too good right now. Wherever a veteran can qualify for a Government job when he comes back, he ought to have it.

I regret this legislation has been brought to the floor under suspension of rules and without notice and with limited debate and only a few Members present to hear the discussion. Members will vote for it believing it will benefit our veterans. In my judgment, it will do the very opposite thing. It will not increase the efficiency of the Veterans' Administration and not protect the veterans in any way. If the Veterans' Administration really needs more assistance it ought to have it and can get it, but this is not the way to go about it.

Mr. RANKIN. Mr. Speaker, after listening to the gentleman from Kansas, [Mr. REES] and especially to the gentleman from Georgia [Mr. RAMSPECK] one would think that the Civil Service was fighting this war. They did not discuss the object of this bill, which is to help us take care of the disabled veterans. They were talking about the Federal pay roll.

The gentleman from Georgia took his full 20 minutes, the time allotted to the opposition without yielding a single minute to any other Member, to talk about how this bill would affect people on the Federal pay roll. He did not even refer to the priorities provided for here. He did not even refer to the fact that we need space, and that this gives the Veterans' Administration priority to get it. He did not refer to the fact that we need beds, as the lady from Massachusetts [Mrs. ROGERS] said.

The gentleman from Kansas [Mr. REES] says the difficulty is down here in the Department, and he talks about the War and the Navy Departments. The War Department has the WACS and the Navy Department has the WAVES to help in work of this kind. The Veterans' Administration is being loaded down now because of our casualty lists, which are pouring back here, and does not have the necessary personnel to take care of the work.

The gentleman from Georgia [Mr. RAMSPECK] says they are going to pay these employees more money than they are paying the people who are on the pay roll for life. Certainly if you employ somebody for 3 weeks or a month or 3 months or 6 months you are going to have to pay him or her more per day than you would pay somebody who is fixed there for life, who can hold the job for life and then be retired when he reaches a certain age. Certainly you are going to have to pay these temporary employees more.

They say this is not the way to go at it. Oh, where were these Rodericks when we were calling for information on this subject? Men who know about veterans' affairs, men who have spent their lives working on this proposition, came before the committee and urged the passage of this bill.

Talk about the veterans that are coming back wanting jobs, we provide in here for veterans' preference. I tell you right now, the gentleman from Georgia had better begin to exercise himself to bring

about some reforms inside the civil service in this country, and especially in Washington.

This stagnation here in the central office is worse than it is anywhere else in the country, because they cannot get the help. They came to the Veterans' Committee with this plea, we heard their testimony, and everybody that heard it agreed that this bill should pass. Now the gentleman from Georgia gets up and says that according to those three lines they can come in later and stand an examination and stay on the roll at that price. There is nothing in the bill to that effect. They can stand examination and, if they are accepted, their permanent pay scale will be regulated according to law governing the Civil Service.

What we are trying to do now is to take care of these men who are coming back who are disabled from gunshot wounds; who are disabled from shellshock; who are disabled from disease; who are disabled from nervous affliction and other illnesses necessarily incident to this war. We are trying to take care of the men who fought this war. They should come ahead of any civil-service roll or anyone else who is on the Federal pay roll temporarily or for life. We are asking you to pass this bill in order to help take care of these disabled men.

Now, with reference to the hospitals, we are having a great deal of trouble about that. The Army has built some very fine hospitals, and the chances are we can get some space there which will enable the Veterans' Administration to take care of the load for the time being. After this war, many of those hospitals will be transferred to the Veterans' Administration. Some of you are kicking because they are not building hospitals. Why build a hospital here when there is one already built only a few miles away that the Veterans' Administration will have to take over after the war closes? The Veterans' Administration in this instance is doing its best to meet the situation. For that reason they have come to the committee and asked for the passage of this bill.

I do not see how anyone can oppose it, even though it might circumvent temporarily that Ark of the Covenant, known as the civil-service roll.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RICH. Is the Veterans' Administration trying to use the facilities of the public hospitals in all cities of the land to help take care of these veterans temporarily?

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. There is an effort being made to have clinics at civilian hospitals make examinations to expedite rating of claims cases. The Boston City Hospital is taking a number of veterans. The Veterans' Administration wants to establish a clinic at Boston for the neuro-injury cases, the spinal-cord cases; men who will never have a chance to walk again without careful and continuous training. They need personnel for that. Also the Institute for the Crippled in New York is taking a number of veterans that are giving Veterans' Administration doctors special courses there.

I would say also the War Department has a great many non-civil-service employees.

Mr. RANKIN. Certainly.

I hope the bill passes without a dissenting vote.

The SPEAKER. The time of the gentleman from Mississippi has expired. All time has expired.

The question is, Will the House suspend the rules and pass the bill H. R. 3118 with an amendment?

Mr. RANKIN. On that I ask for the yeas and nays, Mr. Speaker.

The SPEAKER (after counting). Seventeen Members have arisen; not a sufficient number.

The yeas and nays were refused.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill.

The question was taken; and on a division (demanded by Mr. CASE of South Dakota) there were ayes 53 and noes 19.

Mr. RANKIN. Mr. Speaker, I object to the vote on the ground that there is no quorum present and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 225, nays 39, not voting 168, as follows:

[Roll No. 94]

YEAS—225

Abernethy	Cox	Hoeven
Adams	Cunningham	Hoffman
Allen, La.	Curtis	Holmes, Mass.
Andersen, H. Carl	D'Alesandro	Holmes, Wash.
Anderson, Calif.	Davis	Hope
Andresen, August H.	Delaney, John J.	Horan
Andrews, Ala.	Dingell	Howell
Andrews, N. Y.	Dirksen	Hull
Angell	Dolliver	Jenkins
Arends	Dondero	Jennings
Arnold	Doughton, N. C.	Jensen
Auchincloss	Doyle	Johnson, Ill.
Baldwin, Md.	Ellis	Johnson, Okla.
Barrett, Wyo.	Ellsworth	Jonkman
Bates, Ky.	Elston	Kean
Bates, Mass.	Engel, Mich.	Kee
Biemiller	Engle, Calif.	Keefe
Bishop	Ervin	Kefauver
Blackney	Fellows	Kelly, Ill.
Bolton	Flannagan	Kinzer
Boykin	Flood	Kirwan
Brehm	Fuller	Kunkel
Brooks	Gallagher	Landis
Brown, Ga.	Gardner	Lanham
Brown, Ohio	Gearhart	Larcade
Buffett	Gibson	Lea
Bulwinkle	Gifford	LeCompte
Burgin	Gillespie	LeFevre
Butler	Gordon	Lemke
Byrne, N. Y.	Gossett	Lesinski
Camp	Graham	Lewis
Campbell	Granahan	Link
Canfield	Granger	Luce
Cannon, Mo.	Gregory	Lyle
Carnahan	Griffiths	McCormack
Case, N. J.	Gross	McCowen
Case, S. Dak.	Gwynne, Iowa	McDonough
Chelf	Hagen	McGehee
Chenoweth	Hall, Edwin Arthur	McGregor
Chiperfield	Halleck	McKenzie
Church	Hare	McMillen, Ill.
Clevenger	Harris	Mahon
Cole, Kans.	Havenner	Maloney
Cole, Mo.	Hendricks	Manasco
Colmer	Heselton	Mansfield, Tex.
Combs	Hill	Martin, Mass.
Cooper	Hinshaw	Mason
Courtney	Hobbs	May
Crosser	Holifield	Michener
Culkin	Horton	Miller, Nebr.
Cullen	Huber	Mills
Curtis	Izac	Monroney
D'Alesandro	Jarman	Morgan
Davis	Johnson, Calif.	Mott
Delaney, John J.	Johnson, Ind.	Mundt
Dingell	Johnson, Luther A.	Murdock
Dirksen	Johnson, Lyndon B.	Murphy
Dolliver	Jones	Murray, Tenn.
Dondero	Kearney	Murray, Wis.
Doughton, N. C.	Kelley, Pa.	Neely
Doyle	Keogh	Norrell
Ellis	Kerr	O'Hara
Ellsworth	Kilburn	O'Konski
Elston	Knutson	O'Neal
Engel, Mich.	Kopplemann	Patrick
Engle, Calif.	Lane	Patterson
Ervin	Latham	Peterson, Fla.
Fellows	Lynch	Peterson, Ga.
Flannagan	McConnell	Phillips
Flood	McGlinchey	Pickett
Fuller	McMillan, S. C.	Poage
Gallagher	Mansfield, Mont.	Price, Fla.
Gardner	Marcantonio	Ramey
Gearhart	Martin, Iowa	Rankin
Gibson	Merrow	Reed, Ill.
Gifford	Morrison	Reed, N. Y.
Gillespie	O'Brien, Ill.	Resa
Gordon	O'Brien, Mich.	Richards
Gossett	O'Toole	Rizley
Graham	Pace	Robertson, Va.
Granahan	Patman	Robinson, Utah
Granger	Pfeifer	Robsion, Ky.
Gregory	Philbin	Rockwell
Griffiths	Ploeser	Roe, Md.
Gross	Plumley	Rogers, Fla.
Gwynne, Iowa	Powell	Rogers, Mass.
Hagen	Powers	Rogers, N. Y.
Hall, Edwin Arthur	Price, Ill.	Russell
Halleck	Priest	Ryter
Hare	Quinn, N. Y.	Sasscer
Harris	Rabaut	Schwabe, Mo.
Havenner	Rabin	Schwabe, Okla.
Hendricks	Rains	Scrivner
Heselton	Rayfiel	Shafer
Hill	Reece, Tenn.	Smith, Maine
Hinshaw	Riley	Smith, Ohio
Hobbs	Rivers	Smith, Va.
Holifield	Robertson, N. Dak.	Smith, Wis.
Horton	Rodgers, Pa.	Sparkman
Huber	Roe, N. Y.	Spence
Izac	Rooney	Springer
Jarman	Rowan	Starkey
Johnson, Calif.	Sabath	Stevenson
Johnson, Ind.	Sadowski	Stigler
Johnson, Luther A.	Sharp	Sullivan
Johnson, Lyndon B.	Sheppard	Sumner, Ill.
Jones	Sheridan	Sumners, Tex.
Kearney	Short	Sundstrom
Kelley, Pa.	Sikes	Talle
Keogh	Simpson, Ill.	Tarver
Kerr	Simpson, Pa.	Thom
Kilburn	Slaughter	Thomas, Tex.
Knutson	Snyder	Tibbott
Kopplemann	Somers, N. Y.	Tolan
Lane	Stefan	Traynor
Latham	Stewart	Trimble
Lynch	Stockman	Voorhis, Calif.
McConnell	Talbot	Vursell
McGlinchey	Taylor	Walter
McMillan, S. C.	Thomas, N. J.	Weiss
Mansfield, Mont.	Thomason	Welch
Marcantonio	Torrens	West
Martin, Iowa	Towe	Whittington
Merrow	Vinson	Wickersham
Morrison	Vorys, Ohio	Wigglesworth
O'Brien, Ill.	Wadsworth	Wilson
O'Brien, Mich.	Wasielewski	Winstead
O'Toole	Weaver	Wolcott
Pace	Welchel	Zimmerman
Patman	White	
Pfeifer	Whitten	
Philbin	Winter	
Ploeser	Wolfenden, Pa.	
Plumley	Wolverton, N. J.	
Powell	Wood	
Powers	Woodruff, Mich.	
Price, Ill.	Woodrum, Va.	
Priest	Worley	
Quinn, N. Y.		
Rabaut		
Rabin		
Rains		
Rayfiel		
Reece, Tenn.		
Riley		
Rivers		
Robertson, N. Dak.		
Rodgers, Pa.		
Roe, N. Y.		
Rooney		
Rowan		
Sabath		
Sadowski		
Sharp		
Sheppard		
Sheridan		
Short		
Sikes		
Simpson, Ill.		
Simpson, Pa.		
Slaughter		
Snyder		
Somers, N. Y.		
Stefan		
Stewart		
Stockman		
Talbot		
Taylor		
Thomas, N. J.		
Thomason		
Torrens		
Towe		
Vinson		
Vorys, Ohio		
Wadsworth		
Wasielewski		
Weaver		
Welchel		
White		
Whitten		
Winter		
Wolfenden, Pa.		
Wolverton, N. J.		
Wood		
Woodruff, Mich.		
Woodrum, Va.		
Worley		

NAYS—39

Baldwin, N. Y.	Geelan	Ludlow
Buck	Hale	Madden
Byrnes, Wis.	Hancock	Miller, Calif.
Celler	Healy	Norton
Coffee	Herter	Outland
Cravens	Hoch	Pittenger
Crawford	Hook	Ramspeck
De Lacy	Izac	Randolph
Douglas, Calif.	Jackson	Rees, Kans.
Eberharter	Judd	Rich
Elliott	Kilday	Savage
Feighan	King	Taber
Folger	LaFollette	Woodhouse

NOT VOTING—168

Allen, Ill.	Gerlach	Philbin
Anderson, N. Mex.	Gillette	Ploeser
Bailey	Gillie	Plumley
Barden	Goodwin	Powell
Barrett, Pa.	Gore	Powers
Barry	Gorski	Price, Ill.
Beall	Grant, Ala.	Priest
Beckworth	Grant, Ind.	Quinn, N. Y.
Bell	Green	Rabaut
Bender	Gwinn, N. Y.	Rabin
Bennet, N. Y.	Hall, Leonard W.	Rains
Bennett, Mo.	Hand	Rayfiel
Bland	Harless, Ariz.	Reece, Tenn.
Bloom	Harness, Ind.	Riley
Bonner	Hart	Rivers
Boren	Hartley	Robertson, N. Dak.
Bradley, Mich.	Hays	Rodgers, Pa.
Bradley, Pa.	Hébert	Roe, N. Y.
Brumbaugh	Hedrick	Rooney
Bryson	Heffernan	Rowan
Buckley	Henry	Sabath
Bunker	Hess	Sadowski
Burch	Hobbs	Sharp
Cannon, Fla.	Holifield	Sheppard
Carlson	Huber	Sheridan
Chapman	Jarman	Short
Clark	Johnson, Calif.	Sikes
Clason	Johnson, Ind.	Simpson, Ill.
Clements	Johnson, Luther A.	Simpson, Pa.
Cochran	Johnson, Lyndon B.	Slaughter
Cole, N. Y.	Jones	Snyder
Cooley	Kearney	Somers, N. Y.
Corbett	Kelley, Pa.	Stefan
Crosser	Keogh	Stewart
Curley	Kerr	Stockman
Daughton, Va.	Kilburn	Talbot
Dawson	Knutson	Taylor
Delaney, James J.	Kopplemann	Thomas, N. J.
Dickstein	Lane	Thomason
Domengeaux	Latham	Torrens
Douglas, Ill.	Lynch	Towe
Drewry	McConnell	Vinson
Durham	McGlinchey	Vorys, Ohio
Dworshak	McMillan, S. C.	Wadsworth
Earthman	Mansfield, Mont.	Wasielewski
Eaton	Marcantonio	Weaver
Fallon	Martin, Iowa	Welchel
Fenton	Merrow	White
Fernandez	Morrison	Whitten
Fisher	O'Brien, Ill.	Winter
Fogarty	O'Brien, Mich.	Wolfenden, Pa.
Forand	O'Toole	Wolverton, N. J.
Fulton	Pace	Wood
Gamble	Patman	Woodruff, Mich.
Gary	Pfeifer	Woodrum, Va.
Gathings	Philbin	Worley
Gavin	Ploeser	

So (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Martin of Iowa and Mr. Henry for, with Mr. Holifield against.

General pairs until further notice:

Mr. Rabaut with Mr. Stefan.
Mr. Whitten with Mr. Ploeser.
Mr. Sheppard with Mr. Johnson of Indiana.
Mr. Jarman with Mr. Grant of Indiana.
Mr. McGlinchey with Mr. Weichel.
Mr. Barrett of Pennsylvania with Mr. Bennett of Missouri.
Mr. Green with Mr. Simpson of Illinois.
Mr. Price of Illinois with Mr. Short.
Mr. Sikes with Mr. Allen of Illinois.
Mr. Wasielewski with Mr. Beall.
Mr. Morrison with Mr. Jones.
Mr. Rivers with Mr. Bennet of New York.
Mr. Drewry with Mr. Hess.
Mr. Gathings with Mr. Taylor.
Mr. Domengeaux with Mr. Knutson.
Mr. Beckworth with Mr. Carlson.
Mr. Grant of Alabama with Mr. Fulton.
Mr. Bryson with Mr. Eaton.
Mr. Pfeifer with Mr. Bradley of Michigan.
Mr. Keogh with Mr. Reece of Tennessee.
Mr. Cannon of Florida with Mr. Gillette.
Mr. Lane with Mr. Hartley.
Mr. O'Toole with Mr. Gamble.
Mr. Bloom with Mr. Clason.
Mr. O'Brien of Illinois with Mr. Harness of Indiana.
Mr. Rooney with Mr. Kilburn.
Mr. Heffernan with Mr. Fenton.
Mr. Kerr with Mr. Plumley.
Mr. Lynch with Mr. Rodgers of Pennsylvania.
Mr. Hobbs with Mr. Stockman.
Mr. James J. Delaney with Mr. Talbot.
Mr. Bailey with Mr. Winter.
Mr. Torrens with Mr. Wolverton of New Jersey.
Mr. Somers of New York with Mr. Thomas of New Jersey.

Mr. GEELAN changed his vote from "present" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

EXTENSION OF REMARKS

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include a newspaper clipping and a portion of a letter from a constituent.

Mr. OUTLAND asked and was given permission to extend his remarks in the RECORD and include a letter from Judge Vinson.

EMERGENCY FLOOD-CONTROL APPROPRIATION

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent for the present consideration under the Rules of the House of House Joint Resolution 208, making an appropriation for emergency flood-control work, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, I understand an amendment will be accepted striking on page 2 the figures "$200,000" and inserting "10 percent of the aggregate amount of loans and grants."

Mr. CANNON of Missouri. Mr. Speaker, I had an understanding with the gentleman from Illinois [Mr. DIRKSEN] who proposed this amendment, and I have assured him that we would have no objection to including it in the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that this resolution be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read as follows:

Resolved, etc., That the sum of $12,000,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, as an emergency fund to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers for the repair, restoration, and strengthening of levees and other flood-control works which have been threatened or destroyed by the recent floods, or which may be threatened or destroyed by later floods, and for completion of work begun under the acts entitled "An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes," approved, respectively, July 12, 1943, and May 29, 1944.

SEC. 2. Two million dollars of the balance of the appropriation of $15,000,000 made in the Second Deficiency Appropriation Act, 1943, for 1943 flood restoration loans, is hereby reappropriated and made available until June 30, 1946, to enable the Secretary of Agriculture, in such manner and upon such terms and conditions as he may prescribe, to make loans and grants to farmers whose property has been or may be destroyed or damaged by floods in 1945 and to service loans made under such appropriation in connection with the 1943 and 1944 floods: *Provided*, That of such amount not to exceed $300,000 shall be used for grants and not to exceed $200,000 shall be available for administrative expenses.

Mr. CANNON of Missouri. Mr. Speaker, the agricultural sections of the country have been swept by an unprecedented rainfall over the last few months and there has been a consequent congestion of all water courses, resulting in record-breaking floods extending from the upper Mississippi on the north to the Trinity River on the south and the Sacramento and San Joaquin Rivers on the western coast. In many sections, all-time flood records have been established, with corresponding damage to levees and other flood-control facilities—opening to devastation vast areas of farm lands throughout the country. These areas are, naturally, among the richest in the Nation. They are alluvial soils, in a high state of cultivation, and producing grain and stock urgently needed at this time for the national larder.

The breaching of the levees not only destroys growing crops, livestock, and farm facilities, but opens these areas to further inundation with each recurring rain. Unless the breaks can be repaired promptly, these fields cannot be reseeded for a 1945 crop, and the loss of indispensable food products will seriously affect the national economy at a very critical time.

Of course, the repair and strengthening of works of this character require special machinery, skilled workmen, and experienced engineering, which the farmers are not able to supply either individually or collectively on short notice. The task is of such magnitude and complexity as to preclude any hope of effective restoration in time to secure 1945 crops by any agency except the Government itself. It is, moreover, because of its wide geographical extent and the fact that much of the flood-control systems involved are originally of Federal construction, a National rather than a State or community problem.

This situation has received national recognition through the press, through the reports of surveys of the Board of Engineers of the War Department, and through legislation repeatedly enacted by the Congress.

Only a week or two ago the House, on the motion of the distinguished chairman of the Committee on Flood Control, the gentleman from Mississippi, Hon. WILL M. WHITTINGTON, passed legislation authorizing an appropriation for the repair, restoration, and strengthening of flood control and protection works damaged by these floods. The bill passed the House by a practically unanimous vote, and I desire to refer at this time to the exposition of the subject, and the discussion of this bill in particular, by the gentleman from Mississippi, Chairman WHITTINGTON, and by the gentlemen from Louisiana [Mr. ALLEN and Mr. BROOKS], and others, when the subject was under consideration by the House at that time.

The purpose of the pending resolution is to provide the funds to carry out the provisions of that bill. As will be noted, $12,000,000 is provided for the repair, restoration, and strengthening of flood-control works, the work to be done by the Government without charge to the landowner, in order to secure continued crop production this season; $2,000,000 for loans and grants to farmers whose property has been, or may be, destroyed by floods in 1945; and $8,055,000 for the construction of flood-control projects in California—an urgent and authorized flood-control project in California for the protection of vital railroads serving west coast military activities.

Under the circumstances, time is the essence of the matter, and if the appropriation is to be fully effective it should be available at the earliest date possible. For that reason consideration of the resolution has been advanced, and is being taken up at this time, in order to facilitate its passage and transmission to the Senate. The Board of Engineers of the War Department have been consulted and fully approve the project, and are in position to act promptly on passage of the resolution.

On the expedition with which the legislation is handled depends the production of large supplies of food products and the protection of transportation facilities to distribution centers and ocean ports for transshipment abroad, in prosecution of the war program.

I reserve the remainder of my time.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is all of the work provided for in this bill absolutely necessary to be done at this time?

Mr. CANNON of Missouri. It must be emergency work; otherwise it does not qualify.

Mr. RICH. Is the Army going to do all the flood-control work except what is specifically reserved here for the Department of Agriculture?

Mr. CANNON of Missiouri. The Board of Engineers will be in charge of all projects.

Mr. RICH. And it is not going to be let out by contract?

Mr. CANNON of Missouri. Of, yes; the Board of Engineers operate through contracts but they maintain complete supervision of all contracts in every stage of the work.

Mr. RICH. Will that be on a cost-plus basis?

Mr. CANNON of Missouri. No; it will be handled as river work has always been handled by the War Department.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Louisiana.

Mr. BROOKS. I wish to say also in answer to the question of the gentleman from Pennsylvania that this is extremely important work. A real emergency. I happened to fly over a good deal of that country, Mr. Speaker, which was inundated. Those levees are wide open now and another flood can sweep right in, covering the same land again. There is no protection at all against floods which may arise this very month and which may again inundate large sections of fertile valleys of the Nation. Mr. Speaker, these poor people in the flooded valleys of the Nation need this help and the Army engineers stand ready to act. I hope this House will immediately pass this bill and thereby send full authority and money to the Engineers with the instructions to begin work at once. There is nothing at all now to hold back the water, and it is vital that the work be attended to and attended to immediately. Every bit of the work under section 1 is handled by the Army engineers and every part of it is very vital and very urgent.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Minnesota.

Mr. O'HARA. Where is this work to be done? Is it designated in the bill where the work is to be done?

Mr. CANNON of Missouri. If the gentleman will examine the report he will find on page 2 a list of the rivers and the flood areas with a detailed estimate of the amount to be expended on each one.

Mr. TABER. Mr. Speaker, I offer an amendment, which I may say is one that the gentleman from Illinois [Mr. DIRKSEN] suggested.

The Clerk read as follows:

Amendment offered by Mr TABER: On page 2, line 15, strike out "$200,000" and insert "ten per centum of the aggregate amounts actually loaned or granted."

Mr. CANNON of Missouri. Mr. Speaker, we approve the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was agreed to.

The Clerk read as follows:

SEC. 3 For an additional amount, fiscal year 1946, for "Flood control, general", including the objects specified under this head in the War Department Civil Appropriation Act, 1946, to be immediately available and to remain available until expended, $8,055,000, and such sum is hereby appropriated out of any money in the Treasury not otherwise appropriated.

Mr. RICH. Mr. Speaker, I move to strike out the last word in order to ask the chairman of the Appropriations Committee a question. Where is that money to be spent? Is that to be spent on the same projects listed on page 2 of the report?

Mr. CANNON of Missouri. The appropriations in section 3 are to carry out an authorization recently made. They are for entirely new work. Three trunk line railroads that are menaced by flood waters from adjacent rivers. They are carrying a heavy war traffic from the interior to the coast. It would be disastrous in the extreme if this traffic were interfered with and this appropriation is being made as a part of the war program. It will all be under the control of the Board of Engineers of the War Department

Mr. RICH. Is this for the construction of a railroad?

Mr. CANNON of Missouri. It is for protection of railroads now in operation, against the flood waters of the Sacramento and San Joaquin rivers and these expenditures are to prevent the railroads from being cut by washouts.

Mr. RICH. Is it necessary that the Federal Government spend this money for the benefit of the railroads?

Mr. CANNON of Missouri. It is not spent for the benefit of the railroads. It is spent to keep indispensable traffic moving, in furtherance of the war program.

Mr. RICH. Why is the gentleman justified in recommending section 3?

Mr. CANNON of Missouri. It carries out the authorization provided by the act of December 22, 1944.

Mr. RICH. It seems to me you could have eliminated that from the bill and you would be $8,000,000 to the good?

Mr. CANNON of Missouri. I am certain the gentleman would not want to take the responsibility of cutting off supplies moving to the Pacific area at this critical time.

Mr. RICH. This is not going to the Pacific. This is going down the Mississippi River.

Mr. CANNON of Missouri. The gentleman is evidently not familiar with the situation. These railroads are carrying troop trains and war munitions across the continent to California ports for transshipment abroad.

Mr. RICH. It is river transportation?

Mr. CANNON of Missouri. No. It is railroad transportation. The purpose is to keep the rivers from overflowing and washing out the railroads, thereby stopping war transportation.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 279 will be laid on the table.

There was no objection.

The SPEAKER. Under previous special order of the House, the gentleman from California [Mr. GEARHART] is recognized for 10 minutes.

DISPOSITION OF ALIEN ENEMY PROPERTY

Mr. GEARHART. Mr. Speaker, VE-day has already arrived and we are well on our way to VJ-day and the end of the war, but, as far as anyone can discern, the administration has yet to evolve a program for the orderly disposition of the hundreds of millions of dollars of alien enemy properties which are now in our possession or for the reimbursement of our citizens for private war losses. The American people have the right to inquire: What is the American policy toward alien enemy property? What are we going to do about it?

More than a year ago, I offered a bill which, if then adopted, would have required, among other things, the cutting off of all enemy claims to seized and frozen assets; the immediate sale of all of such alien enemy properties to the highest bona fide American bidders; the deposit of the funds derived from such sale in the Treasury; the holding of such funds in trust for the benefit of American citizens who have suffered injuries by reason of enemy action. Their claims would be provable in American courts in accordance with Anglo-Saxon justice, not in protracted international negotiations nor before international commissions set up for the purpose.

But to this late date, nothing has been done in respect to my proposal. The Seventy-eighth Congress has expired and, with it, my bill. Today I have reintroduced it. Is it to be acted upon or is it, like its predecessor, to be left to gather dust in a pigeon hole in a committee secretary's office? This, as enemy aliens quietly maneuver to recapture and stealthily make away with their properties while American citizens, victims of Axis might, remain uncompensated for their losses.

Following the First World War, we blundered badly in our handling of this problem. As a result of our indifference and the contrivance of interested parties, over $100,000,000 of the war claims of our fellow citizens remain unpaid, even to this day.

All we have today to show for our almost criminal mismanagement of what was then a colossal estate—an estate which was then amply sufficient to have satisfied every legitimate claim which might have been then asserted against it—is a $500,000,000 German gold bond—a bond which is not worth the paper it is printed on.

The American people have a right to inquire as to whether this folly is to be repeated in the days that lie ahead. Are we to again witness a return engagement of this stupid performance of 20 years ago? Cannot the administration make

up its mind in respect to what should be done? The American people have a right to know just why nothing has been done in respect to this great question. Is it possible that this inactivity is due to design?

Mr. Speaker, discouraging though the prospects of immediate action appear to be, it would seem that the State Department has at last awakened to an appreciation of its responsibilities to our fellow citizens who have suffered loss and damage at the hands of our ruthless enemies, for the Secretary of State, the Honorable Edward Stettinius, has recently advised me by letter that he "is in agreement with the basic premise of" my bill, revealing a comprehension of the importance of this matter which, to his honor, let it be said, no other Cabinet official has evinced. From the other officials of Cabinet rank nothing has been heard on this subject for months.

There is no time to lose. The end of the war is upon us. If our Government does not act, and act promptly and decisively, we might just as well prepare ourselves for another scandalous betrayal of those of our fellow citizens who are expecting no more than the assistance of their Government in obtaining reimbursement of their monetary losses resulting from alien enemy wrongdoing, wrongdoing of which they, through no fault of their own, are the victims.

Amazing though the intelligence is, it is reliably reported that Nazi natives of captured German towns and villages are already pestering our commanding officers for information as to where and how they can file claims against the United States Government for damages to their properties resulting from American military action against the retreating German hordes. With these impudent German villagers already taking steps to assert war claims against the United States for bombarding their homes and business houses, it is tragic to observe that absolutely no provision has been made nor a single step taken by the Congress to protect our position or to gain reimbursement for the billions of dollars of private losses which American citizens have suffered at the hands of our Axis enemies. And still that is the American record of utter indifference to their own.

If our fellow citizens who have suffered private losses as a consequence of the war action of our detestable enemies are ever to be made whole, the bill which I have just proposed must be immediately enacted. Delay in defining a program can only result in a dissipation of assets, a lessening of the chances of our injured fellow citizens to recoup the damage they have suffered as a consequence of enemy ruthlessness.

Though the Germans and the Japanese are at war with us and are not supposed to have "friends" in our forums, strange though it may seem, they never lack protectors of their alien interests when protection is needed.

Already we hear their seductive voices in a strangely harmonious chorus, all protesting what they choose to denounce at the confiscation of the private properties of German and Japanese nationals, many of whom have been, as others still are, either in the uniforms of the Axis or in some related activity, plotting the destruction of our country or the murder of its citizens.

American lawyers, those who feel no compunction in accepting retainers from questionable friends of our country, and college professors, those who for a fee are always ready to plead a cause however shoddy, might well be devoting their talents to a better cause than opposing the enactment of legislation for the relief of their fellow American citizens.

But these ever present special pleaders, like vultures poised to sweep down upon their prey, are standing by with straw in their boots, always eager and ever ready to rush to the aid of those who would have destroyed, if they could have, all of that which right-thinking people hold near and dear.

Is it possible, Mr. Speaker, that this motley crew has made its shady influence felt in high places? Could they have had anything to do with the fastening upon us of the policy of inaction with which we are now so sorely vexed? The American people are entitled to know.

But all this notwithstanding, as between the enemy national, the former owner of these assets, and the innocent American citizen who has been the victim of Axis might, who, Mr. Speaker, has the first claim upon our sympathetic attention? Certainly it cannot be the Hun or the Nip.

If the German Nazi or the Japanese Shintoist feels that he has been made the victim of a situation for which he should not be held responsible, should we not refer him to the government that is the author of his unhappy predicament for the redress which he believes should be his? Or should we refer the innocent American citizen claimant to his long-suffering Uncle Sam for financial reimbursement of his monetary losses resulting from the wrongs for which the Jap and the Hun were alone responsible? Should the American taxpayer always be the goat? In the end, Mr. Speaker, it will be one or the other.

Gladly would our alien enemies shift the responsibility of their wrongdoing to the taxpayers of the country that they once set upon to destroy. But will we willingly accept this responsibility as the authors of our unhappiness go scot free?

Mr. BECKWORTH. Mr. Speaker, will the gentleman yield?

Mr. GEARHART. I am pleased to be able to yield to the distinguished gentleman from Texas.

Mr. BECKWORTH. I am very much interested in the statement the gentleman is making, and have had occasion to read quite a bit about the gentleman's work on this particular question heretofore. I certainly think the gentleman is doing a worthwhile service for this Nation in calling attention to the things that have gone on previously with reference to German nationals being able to get back property which this Government has taken into custody. I think it would be well for the Congress to bear in mind that about 80 percent of the property we took over during the First World War finally went back into the hands of the Germans. I am one of those who hopes that the Congress will not permit such nonsense to recur in the future.

Again I say I believe the gentleman is rendering a very great service by the efforts he has made and is making to see that our Nation does what is sound and right concerning the alien property we now hold.

Mr. GEARHART. I am very grateful to the gentleman from Texas. It is most gratifying to learn of the gentleman's interest in this legislative problem. As he points out, 80 percent of the alien-enemy assets we seized during World War I went back to the Germans, leaving unpaid over $100,000,000 of American claims. Certainly we do not want that to happen again. And it might well happen if we do not pass the bill I have introduced or, perchance, adopt the resolution to declare an American policy in this legislative field which the gentleman introduced a few weeks ago.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. GEARHART. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. I wish to commend the gentleman also on his bill and his fine statement. I understand the gentleman's bill would permit American citizens who have lost property within the occupied countries of our enemies or elsewhere as a result of the war and due to enemy acts to establish their claims in the courts of the United States and to receive payment out of the seized and frozen assets of the enemy countries. Is that correct?

Mr. GEARHART. My bill provides a rather novel procedure. Instead of anticipating the setting up of an international claims commission to pass upon the claims of our fellow citizens, my bill would open the American courts to American claimants, provide a procedure by which they can convert their claims into judgments in accordance with the principles of Anglo-Saxon justice; judgments which they can thereafter levy upon the funds on deposit with the Treasury, the funds which have been derived from the sale of alien enemy properties now in the possession of the Alien Property Custodian, or from the frozen assets of enemy countries which are already in the hands of the Treasury.

Mr. CUNNINGHAM. Even though those assets belong to the citizens of the enemy countries, the responsibility is the responsibility of the governments of those people.

Mr. GEARHART. The first result of the enactment of my bill would be to cut off all claims of alien enemies to these properties, some of which have been seized by the Alien Property Custodian and others of which have been seized and frozen by the Treasury of the United States.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. GEARHART. I am happy to yield to the distinguished gentleman from Pennsylvania.

Mr. RICH. It seems to me that when those people have caused this country to go to war against them, all of their property that has been seized and that is located in this country, especially, should

remain the property of this country as part payment for the great trouble, expense, and sorrow we have gone to in fighting those countries. I think Germany should pay to the limit of all her resources, at least those that we have in this country.

Mr. GEARHART. I thank the gentleman fo rhis contribution. That, I think, is the American policy, and until the legislation which the gentleman from Texas [Mr. BECKWORTH] referred to was passed by this Congress some 20 years ago, we had adhered to it throughout the entire span of the history of the United States.

Mr. RICH. That may be the policy now, but we get mighty soft and chickenhearted after a while and we give up things that we should retain. We should remember our own people and take care of them. It is about time we do that.

Mr. GEARHART. That is exactly the point. As between German nationals and Japanese nationals on the one hand, and American nationals on the other hand, certainly our first responsibility is to the American citizen, our own people.

Mr. Speaker, simple justice and a decent respect for the responsibility which is ours render it imperative that this vexing subject of seized and frozen alien enemy properties be taken up and dealt with by the Congress without any unnecessary delay. If a policy is not determined upon and a procedure providing for the disposition of the seized properties is not set up and placed in readiness before the last shot is fired over there, the administration and the Congress, equally guilty of nonfeasance in respect to this, one of the greatest problems which has arisen since the war began, will merit the condemnation of the country deserve the censure of an outraged citizenship.

Mr. Speaker, let us have action upon my bill. There is no time to spare. The war might end any day. In the name of those who have suffered through no fault of their own, the many who have been impoverished by reason of ruthlessness of enemy action, the innocent bystander victims of this terrible war, if you please, let us face this issue—and deal with it now.

The SPEAKER. The time of the gentleman from California has expired.

PERSONAL EXPLANATION

Mr. BECKWORTH. Mr. Speaker, I was not present when the vote was taken on the bill H. R. 3118 a few minutes ago. The gentleman from South Carolina, Representative JOE BRYSON, the gentleman from Arkansas, Representative E. C. GATHINGS, and I were attending a funeral. Had I been present I would have voted "aye" on that particular measure.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday may be dispensed with this week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. FLOOD asked and was given permission to extend his remarks and include therein an article by William Shirer.

PERMISSION TO ADDRESS THE HOUSE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that on next Thursday, after the conclusion of the legislative business, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The SPEAKER. Under previous order of the House the gentleman from Michigan [Mr. HOFFMAN] is recognized for 20 minutes.

THE FOOD SHORTAGE AND RACKETEERING IN NEW YORK

Mr. HOFFMAN. Mr. Speaker, when we have been told as we have that this country was capable of producing all of the food needed by our allies, by the hungry people of all other countries, by our armed forces and by our civilian population and when the Congress has given to the administration and its planners, as it has, all the power asked to control prices and production, upon the assurance that they would prevent inflation and see to it that there would be enough for all at reasonable prices, it is a little exasperating to learn, not only that the planners have defeated their announced objective, by their muddling and their own inability to avoid the effects of the laws of supply and demand and of nature, but that the administration permits the levying of unauthorized tribute upon those who would, if not interfered with by red tape, supply us with the needed food.

Nothwithstanding the fact that Selective Service was warned that the drafting of so many agricultural workers would result in a lack of production, and that Congress expressly provided for the deferment of such workers who were regularly so employed and who could not be replaced, General Hershey and those who controlled him insisted that local draft boards induct essential farm workers, who were subject to deferment under the Tydings amendment, that time and again Members of Congress repeated that warning to Selective Service, General Hershey, State authorities, and local boards of what would happen, the unauthorized procedure continued and the food shortage is with us.

OPA, by a series of directives and regulations made it impossible for those who produced cattle for the market to supply the needs of all. OPA interfered with the egg market to such an extent and so disastrously that 25,000,000 cases of 30 dozen each became unfit for human consumption. They fooled around with the lard situation and 20,000,000 pounds spoiled. A list of other rules, orders, and directives issued by OPA and which tended directly to bring about a shortage of food, might be lengthened indefinitely.

When the cities recently experienced a scarcity of butter and of meat, perhaps no one became hungry, no one really suffered for lack of food, but beyond any question many of the residents of the cities were exasperated almost beyond control when they learned from the New York Journal-American of May 21, 1945, as a result of an investigation of one of its reporters, that while the city was in need of butter, beef, and other staple products and while many of its people were turning to vegetables to eke out their scanty diet, teamsters' unions were levying tribute upon produce which was being hauled into the city market by farmers, by those who produced it; that, because of the action of the teamsters, city housewives were unable to get fruit and vegetables which were rotting on the market.

Let me quote from the New York Journal-American of May 21, 1945:

> While thousands of New York families, denied meat, poultry, and eggs by the wartime famine, turned to vegetables today for subsistence, thousands of cabbages approached the spoliation state on the curbs of Washington Market.
>
> Hospitals, with their sick in need of the vitamins afforded by fruits, clamored for fresh supplies—yet $5,000 worth of pineapples, bananas, and mangoes are rotting in a huge trailer truck rushed from Florida, their sale prohibited.
>
> In the same market stands a truck with a cargo of potatoes—the last staple of civilized peoples in the starving countries of Europe. No one can buy them. No one may remove them from the truck to offer them for sale.
>
> TAKE IT BACK
>
> The cabbages, the fruit, and the potatoes await the arbitrary pleasure of a group of minor union bosses who demand $56 in fees for each truckload of produce unloaded.
>
> The drivers, either too poor or unwilling to meet the exaction, curb their trucks and walk away leaving their cargoes to spoil.
>
> Or they are peremptorily ordered to "Take it back where you came from."

From the issue of May 22, I quote the following:

> Little or no produce went into the refuse cans in Washington Market today following the New York Journal-American exposé that vegetables and fruits were permitted to spoil in a city verging on famine because of a union's arbitrary demand for a $56 fee from truck drivers.

Another story from the same paper reads as follows:

> Food earmarked for New York is being diverted into other markets because of the embargo placed upon its delivery into the city by union demands, the New York Journal-American learned today.

You may recall that recently, due to a truck drivers strike in the city of Chicago, much of the food transportation of that city was tied up and stores and housewives were unable to obtain food which spoiled in warehouses.

The racketeering carried on by the teamsters union as indicated in the foregoing newspaper articles is possible because of a misconstruction of the Anti-racketeering Act of June 18, 1934, as passed by Congress.

When the teamsters of New York were requiring the drivers of all large over-the-road trucks to pay $9.42 and all over-the-road small trucks to pay $8.41 when they attempted to enter the city of New York with merchandise or produce, the United States Supreme Court in an opinion handed down on March 2, 1942, held

that inasmuch as the antiracketeering statute exempted from punishment any person who "obtains or attempts to obtain, by the use of, or attempt to use, of threat to use force, violence, or coercion, the payment of wages by a bona-fide employer to a bona-fide employee," members of unions were entitled to practice extortion.

To reach this absurd conclusion the Court held that the practice of the teamsters union of levying tribute upon transportation was an established union practice and further held that "Congress intended that these activities should be excepted from the prohibitions of this particular act."

Of the effect of this decision Mr. Chief Justice Stone, dissenting, among other things said:

Respondents, who are members of a labor union, were convicted of conspiracy to violate the Antiracketeering Act. They, or some of them, lay in wait for trucks passing from New Jersey to New York, forced their way onto the trucks, and by beating or threats of beating the drivers procured payments to themselves from the drivers or their employers of a sum of money for each truck, $9.42 for a large truck and $8.41 for a small one, said to be the equivalent of the union wage scale for a day's work. In some instances they assisted or offered to assist in unloading the trucks and in others they disappeared as soon as the money was paid, without rendering or offering to render any service.

The Antiracketeering Act condemns the obtaining or conspiracy to obtain the payment of money or delivery of property by "the use of * * * force, violence, or coercion." * * * To this definition of the offense Congress added two, and only two, qualifications. It does not embrace the "payment of wages by a bona fide employer to a bona fide employee" and the provisions of the act are not to be applied so as to "affect the rights of bona fide labor organizations in lawfully carrying out the legitimate objects thereof, as such rights are expressed in existing statutes of the United States."

There is abundant evidence in the record from which the jury could have concluded that respondents, or some of them, conspired to compel by force and violence the truck drivers or their employers to pay the sums of money to respondents or some of them; that the payments were made by the drivers or truck owners to purchase immunity from the violence of respondents and for no other reason; and that this was the end knowingly sought by respondents.

I can only conclude that such conduct accomplished by such a purpose constitutes a violation of the statute even though the defendants stood ready to unload the trucks in the event that they were hired to do so. Unless the language of the statute is to be disregarded, one who has rejected the proffered service and pays money only in order to purchase immunity from violence is not a bona fide employer and is not paying the extorted money as wages. The character of what the drivers or owners did and intended to do—pay money to avoid a beating—was not altered by the willingness of the payee to accept as wages for services rendered what he in fact intentionally exacted from the driver or owner as the purchase price of immunity from assault, and what he intended so to exact whether the proffered services were accepted or not. It is no answer to say that the guilt of a defendant is personal and cannot be made to depend upon the acts and intention of another. Such an answer if valid would render common-law robbery an innocent pastime. For there can be no robbery unless the purpose of the victim in handing over the money is to avoid force. Precisely as under the present statute, the robber's use of force and its intended effect on the victim are essential elements of the crime both of which the prosecutor must prove. Under this statute when both are present the crime is complete, irrespective of other motives which may actuate the offender, if he is also aware, as we must take it the jury found, that the money is not in fact paid as wages by a bona fide employer. It is a contradiction in terms to say that the payment of money forcibly extorted by a payee who is in any case a lawbreaker, and paid only to secure immunity from violence, without establishment of an employment relationship or the rendering of services, is a good faith payment or receipt of wages.

To overthrow that decision and to end the practice for which there was no justification, either in law or in morals, within 2 days after it was rendered, I offered an amendment to that act, striking out the language of the exception upon which the majority of the Court relied. Nothing came of that amendment. Apparently it was altogether too simple to merit the attention of the House Committee on the Judiciary, but that committee did report out the so-called Hobbs bill which would have ended the practice of racketeering of that type, insofar as Federal legislation can accomplish that purpose.

That bill passed the House by a substantial majority but it died in the other body because of the refusal or neglect of that body to give it consideration and the practice as shown by the news articles above referred to has gone merrily along.

On January 3 of this year the Hobbs bill was reintroduced. It was reported out by the Judiciary Committee on February 22, but the leadership of the majority party, which has control of legislation, has not seen fit to permit it to be considered by the House.

In view of the fact that now in wartime it is being acknowledged that there is a scarcity of essential food; that there will in the coming year continue to be a scarcity, not only in butter and of meat, but a deficit of at least 25 percent in canned fruits and vegetables, is there any reason why this House should not immediately, certainly before recess, pass the Hobbs bill, send it over to the other body and insist that some action either in approval or disapproval be taken by that body on the proposed legislation? All too long after its attention had been called to the situation, this Congress has by its inaction permitted and tacitly given its approval to racketeering.

It would seem, too, that although the Federal law under the decision of the Court does not apply to such racketeering, Governor Dewey, the New York Legislature, and the Governors and legislatures of other States where the practice is followed should act to remedy the situation.

The SPEAKER. Under previous order of the House the gentleman from New Jersey [Mr. CANFIELD] is recognized for 5 minutes.

THE WOOL TEXTILE INDUSTRY

Mr. CANFIELD. Mr. Speaker, according to Col. Charles F. H. Johnson, president of Botany Worsted Mills, of Passaic, N. J., one of America's most forward-looking industrialists, the production capacity of the wool textile industry is being paralyzed by three restrictive measures—War Production Board Order M-388, Office of Price Administration Order MAP and the so-called army freeze.

When I returned recently from Europe I wrote Colonel Johnson asking for his reactions on WPB Order M-388, which had been the subject of an investigation by a House committee shortly before my departure abroad. Colonel Johnson speaks out plainly and frankly in the following letter which should have the serious attention of every Member of the House. Most certainly we do not want to see irreparable damage wrought this important segment of the American textile industry and its workers. Nor do we want the American people deprived of good clothing.

The colonel's letter:

BOTANY WORSTED MILLS,
PASSAIC, N. J., *June 2, 1945.*

The Honorable GORDON CANFIELD,
House Office Building, Washington, D. C.

DEAR GORDON: Thanks for your wire regarding the present status of M-388. I had read in the local papers of your return from the trip to Germany, France, and England, which must have been a great experience from what you told me on the phone subsequent to your wire.

As I told you, the American public must be terribly confused as to what kind of an industry ours is, when, as a matter of fact, the entire textile industry and the wool group in particular has done an outstanding job of military and civilian production during the war period.

Army textile requirements give every evidence of being materially reduced during the third and fourth quarters of the year. The Navy has already cut back substantially and its future requirements will be less than in the past. While this is occurring, new and onerous restrictive orders of the WPB and the OPA threaten to reduce essential civilian wool textile production to a dangerous degree. I refer paricularly to M-388 of the War Production Board, Maximum Average Price of the Office of Price Administration, and the existing freeze of the WPB on worsted and woolen yarn facilities.

We and others in the industry have strongly recommended to the WPB that the following steps be taken:

(a) Rescind the existing freeze on woolen yarn;

(b) Relax the freeze on worsted tops at least 30 percent;

(c) Rescind M-388 at the mill level;

(d) Rescind the quota percentage limiting the units of apparel items which may be manufactured under the provisions of M-388. Rescind also the maximum price limitations at which they may be manufactured.

I am certain that such a program would enable the wool textile industry to meet fully all present and future military needs and at the same time enormously increase production. Unless some such steps are taken, disastrous consequences must ensue in both the wool-textile and clothing industries. Both valuable production and tremendous employment capacity are already being lost.

Botany opposes both M-388 and MAP as unsound and unworkable. They try to force an industry to manufacture, sell, and distribute regardless of the traditional practices of the manufacturer, whether of fabrics or of garments. They disregard the machinery equipment of fabric manufacturers and the labor experience of garment manufacturers.

Their approach seems to be more definitely a desire to control and regiment than to supply either military or civilian requirements. They show a complete lack of comprehension of practical manufacturing and marketing and are destructive of the very things they aim to accomplish. We have consistently pointed out that operations will only be expanded in a market free from restrictions. We know there is a war on. We don't need to be scared; neither does the public. We are all prepared to meet any demands placed upon us, but we most decidedly resent being disorganized through bureau rulings.

The production capacity of the wool textile industry is being paralyzed by three restrictive measures:

1. M-388, and its component parts, which reduces the quantities and types of essential apparel items that may be made and fixes maximum prices for them. Manufacturers cannot make items they are not equipped to make no matter what the heavy thinkers of the bureaus may decide. Industry has turned, and continues to turn, itself inside out to take care of military requirements, but it will resist being forced into unsound business practices for theoretical needs for civilian markets, or for export. Americans cannot be forced to buy things they don't want. Manufacturers and distributors cannot risk their capital in hazardous inventory.

2. Maximum average price of OPA: This order, which is being issued piecemeal, endeavors to roll back time as well as prices. It is an absolute order covering textiles and clothing with no appeals for hardships or exceptions. Where M-388C makes it impossible for wool textile manufacturers to continue their traditional business, maximum average price makes it impossible for the textile manufacturers' customers to stay in business. Those who suffer most are those who held their prices at the lowest point during the applicable base period of 1943. Whatever the intent of maximum average price, its effect has been to create a chaos of uncertainty when increased production at fair prices is wanted.

3. Army freeze: The freeze on worsted and woolen yarn production now takes 90 percent of the production of the industry for military purposes. Both Army and Navy orders are diminishing, and will continue to diminish at an increased rate, as we enter the fourth quarter of the year. The only markets for the increased civilian yardage that will become available is in channelled markets of medium- and low-priced apparel items. Many mills cannot make the price fabrics required for these garments.

Garment manufacturers using worsteds for dresses are out entirely and manufacturers of men's suits are limited to 40 percent of the volume produced in 1943, if the fabric necessary is available—which it is not because of other sections of the controls. No business, however efficient, can survive on a 40-percent-production basis especially where prices are based on mass-production costs.

M-388 attempts to change the clothing habits of the country by prohibiting the manufacture of traditional garments such as sportswear, wool bathrobes, neckties, mufflers, caps, etc., apparently under the impression that these important items of apparel are superfluous. The conclusions of the WPB with reference to types of garments which are regarded as essential and statistics regarding the existing differences between supply and demand have been repeatedly proven to be incorrect. The wool textile industry, we, as an individual company, the clothing industry, and retail merchants of the country, have all urged that the WPB endeavor to obtain any needed quantities of essential garments by industry cooperation instead of attempting regimentation and coercion. Despite Nation-wide, industry-wide condemnation, M-388 still remains in effect and each day of its existence it decreases the present ability of the wool textile industry to meet essential civilian requirements and threatens its future.

I stress this because I feel it is high time Congress either takes back some of the power granted these bureaus and their publicity departments or wipes them out. They are proving that they abuse rather than use the powers Congress has granted them. For many years I have had to go to Washington, and I have dealt with the then existent departments. I have always been listened to courteously and, where rules of the department were proven to be at variance with the law, the rules themselves were corrected. Chiefs of the departments or bureaus referred to themselves as public servants.

We seem to have developed a new type of bureaucrat. He resents what he calls interference with the Government's program and clothes himself with a holier than thou atmosphere that is presented to guard himself against criticism or suggestion. He has grown to such proportions that when Members of Congress ask him to testify or to discuss matters with them, he comes with a retinue of attorneys, paid for with taxpayers' money and allocated by Congress for war expenses. He answers questions by flaunting you and telling you, "It's none of your business" or indicating that clear and frank answers interfere with the war effort.

Please understand that throughout our industry and at Botany we know there is a war on, as does practically every businessman in the country. All of us have been working weekdays, Sundays, and holidays for far more hours than we have any right to. We are proud to meet any military or essential civilian requirements which the war effort or our national welfare makes necessary. We want, and we know how, to meet our problems. The onerous and destructive burdens and restrictions of M-388 and MAP are making it impossible for us to do so. I have just returned to the mill at the urgent requests of my associates to discuss with them cancellations of Government orders. I find that production facilities which will be available cannot be properly used because the WPB and OPA orders and the freeze, ostensibly established to increase production, make it practically impossible for us to operate efficiently.

Cordially yours,

CHAS. F. H. JOHNSON,
President.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DOMENGEAUX (at the request of Mr. LARCADE), for 5 days, on account of official business.

To Mr. STOCKMAN (at the request of Mr. HOLMES of Washington), for June 4, 5, and 6, 1945, on account of official business.

To Mr. AUGUST H. ANDRESEN, for 10 days, on account of official business.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 66. Joint resolution to extend the statute of limitations in certain cases.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on Friday, June 1, 1945, present to the President, for his approval, bills of the House of the following titles:

H. R. 1804. An act to amend the act of Congress entitled "An act for the relief of the Tlingit and Haida Indians of Alaska," approved June 5, 1942; and

H. R. 2600. An act to amend section 9 of the act entitled "An act to facilitate the construction, extension, or completion of interstate petroleum pipe lines related to national defense, and to promote interstate commerce," approved July 30, 1941, as amended.

ADJOURNMENT

Mr. FLOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 10 minutes p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, June 5, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, June 5, 1945, at 10 o'clock a. m., at which time testimony will be heard on H. R. 170.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments at 10 o'clock a. m., Tuesday, June 5, 1945, to resume hearings on H. R. 2117.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Tuesday, June 5, 1945, to resume and conclude public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports, and to amend existing law relating to air-navigation facilities.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Tuesday, June 5, 1945, 10 o 'clock, a. m., in the Committee Room, 356 Old House Office Building.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Wednesday, June 6, 1945, at 10 o'clock a. m., to continue hearings on H. R. 2630, a bill to provide for the public registering of patents available for licensing; H. R. 2631, a bill to limit the life of a patent to a term commencing with the date of the application; and H. R. 2632, a bill to require the recording of agreements relating to patents.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary will conduct hearings on Friday, June 15, 1945, beginning at 10 a. m., on the bills (H. R. 33 and H. R. 3338) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees—method of appointing, compensation, etc.). The hearing will be held in the Judiciary Committee room, 346 House Office Building.

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 125, House Joint Resolution 128, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles." The hearings will be held in the Judiciary Committee room, 346 House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

525. A communication from the President of the United States, transmitting a supplemental estimate of appropriation in the amount of $587,500, and a draft of a proposed provision affecting an existing appropriation, for the Department of Agriculture for the fiscal year 1946 (H. Doc. No. 216); to the Committee on Appropriations and ordered to be printed.

526. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of $11,410,600 for the War Department, together with a draft of a proposed provision pertaining to an existing appropriation (H. Doc. No. 217); to the Committee on Appropriations and ordered to be printed.

527. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1945, in the amount of $37,500, and for the fiscal year 1946, in the amount of $46,000, in all, $83,500, for the legislative branch, House of Representatives (H. Doc. No. 218); to the Committee on Appropriations and ordered to be printed.

528. A communication from the President of the United States, transmitting a supplemental estimate for the Federal Security Agency for grants to States for old-age assistance, aid to dependent children, and aid to the blind, and grants to States for unemployment compensation administration (H. Doc. No. 219); to the Committee on Appropriations and ordered to be printed.

529. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the United States Naval Convalescent Hospital, Banning, Calif., on March 5, 1945; to the Committee on Claims.

530. A letter from the executive assistant to the Secretary, Department of Commerce, transmitting revised estimates of personnel requirements for the quarter ending June 30, 1945, for the Bureau of the Census; to the Committee on the Civil Service.

531. A letter from the Attorney General, transmitting a report stating all of the facts and pertinent provisions of law in the cases of 201 individuals whose deportation has been suspended for more than 6 months under the authority vested in him, together with a statement of the reason for such suspension; to the Committee on Immigration and Naturalization.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 657. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 658. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 2860. A bill to name the Veterans' Administration facility to be constructed at Sioux Falls, S. Dak., the Royal Johnson Memorial Veterans' Hospital; without amendment (Rept. No. 659). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FLANNAGAN:

H. R. 3370. A bill to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes; to the Committee on Agriculture.

By Mr. GEARHART:

H. R. 3371. A bill to amend the Trading With the Enemy Act, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDRICKS:

H. R. 3372. A bill to amend the Selective Training and Service Act of 1940, as amended, to prohibit reinduction of military personnel after release from the armed forces by reason of total service, overseas, combat, and parenthood credits, as evaluated by the head of the department concerned; to the Committee on Military Affairs.

By Mr. KIRWAN:

H. R. 3373. A bill authorizing the reconstruction of the Spring Common Bridge on Mahoning Avenue, across the Mahoning River in the municipality of Youngstown, Mahoning County, Ohio; to the Committee on Interstate and Foreign Commerce.

By Mr. McGEHEE:

H. R. 3374. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in quonset hut No. 2, Hamoaze House, Plymouth, Devon, England, on December 31, 1944; to the Committee on Claims.

By Mr. RANDOLPH:

H. R. 3375. A bill to authorize domestic life insurance companies in the District of Columbia to make certain loans or investments; to the Committee on the District of Columbia.

H. R. 3376. A bill to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mrs. NORTON:

H. R. 3377. A bill to amend the act of October 14, 1940, as amended, entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes"; to the Committee on Public Buildings and Grounds.

By Mr. PITTENGER:

H. J. Res. 209. Joint resolution establishing joint congressional committees to obtain complete information with respect to the functioning of the executive departments and independent agencies of the Government; to the Committee on Rules.

By Mr. SPRINGER:

H. J. Res. 210. Joint resolution authorizing the President of the United States to award posthumously, in the name of Congress, a special medal of honor to Ernie Pyle; to the Committee on Military Affairs.

By Mr. WELCH:

H. J. Res. 211. Joint resolution to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction and maintenance of the United States naval stations and fortifications on the Philippine Islands; to the Committee on the Civil Service.

By Mr. BULWINKLE:

H. Con. Res. 62. Concurrent resolution authorizing the Committee on the Merchant Marine and Fisheries of the House of Representatives to have printed for its use additional copies of part 1 of the hearings on postwar disposition of merchant vessels held before said committee during the current session; to the Committee on Printing.

By Mr. TAYLOR:

H. Res. 282. Resolution granting 6 months' salary and $250 funeral expenses to Elizabeth Millard, wife of William C. Millard, late an employee of the House; to the Committee on Accounts.

By Mr. BULWINKLE:

H. Res. 283. Resolution authorizing the printing as a House document of the progress report and prospectus of program for Smaller War Plants Corporation, entitled "Small Business Possibilities in Alaska"; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States to investigate the new OPA regulations regarding the slaughtering of livestock; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States to return the employment services to the States, not later than 90 days following the collapse of organized resistance in the European theater of war, or the proclamation of VE-day. Also, to include Alaska under the Federal Aid and Federal Highway Acts; to the Committee on Labor.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States

to enact legislation declaring the Indians within the State of New York, whether residing within or without any of the reservations within such State, subject to the jurisdiction and laws of the State of New York in all respects excepting only those matters wherein jurisdiction has been or hereafter shall be expressly assumed by the Federal Government; to the Committee on Indian Affairs.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States to return the employment services to the several States at the earliest practicable moment, and specifically that the Texas State Employment Service be returned to the Texas Unemployment Compensation Commission; to the Committee on Labor.

Also, memorial of the Legislature of the State of Oklahoma, memorializing the President and the Congress of the United States to amend the Federal income tax law so that it will not discriminate against 40 States, including Oklahoma, in favor of the 8 States having community-property laws; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. AUCHINCLOSS introduced a bill (H. R. 3378) for the relief of John A. Logan, which was referred to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

839. By Mr. ANDREWS of New York: Petition by a group of citizens of Niagara County, urging passage of the Pace bill and closing taverns in the vicinity of Army camps; to the Committee on Military Affairs.

840. Also, petition by a group of citizens of Niagara County, urging passage of the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

841. By Mr. COCHRAN: Petition of Edward French and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

842. Also, petition of Mr. O'Brien and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

843. Also, petition of Jeff Gazina and 33 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

844. Also, petition of A. Moll and 26 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

845. Also, petition of John Prince and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

846. By Mrs. ROGERS of Massachusetts: Petition of the General Court of Massachusetts to increase the subsistence allowances for war veterans while pursuing educational courses under the GI bill of rights, so-called; to the Committee on World War Veterans' Legislation.

847. Also, petition of the General Court of Massachusetts relative to the establishment of a system of unemployment insurance in the maritime industry; to the Committee on the Merchant Marine and Fisheries.

848. By Mr. SULLIVAN: Petition of David M. Grant, Mildred Grant, and 295 other citizens of Missouri urging the passage of legislation enabling the tenants and occupants of the Delmo Labor Homes to purchase these homes on long-term low-interest rates, so that these Missourians will not be evicted and rendered homeless under the Farm Security program, now pending, to liquidate this project by sale to the highest bidder; to the Committee on Agriculture.

849. Also, petition of Mr. Satterfield and 33 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

850. Also, petition of E. Hein and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

851. Also, petition of C. Meletis and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

852. Also, petition of Mr. Allen and 25 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

853. Also, petition of Mr. Roshel and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

854. Also petition of Mr. Karros and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

855. By the SPEAKER: Petition of the executive board of the Gulf Coast Metal Trades District Council, petitioning consideration of their resolution with reference to the allocation of some ships now waiting for repairs and conversion from the east and west coast to the shipyards along the Gulf coast; to the Committee on the Merchant Marine and Fisheries.

856. Also, petition of the chairman, Oswego Advisory Committee, Fort Ontario Shelter, Oswego, N. Y., petitioning consideration of their resolution with reference to the freedom of war refugees temporarily living at Fort Ontario, Oswego, N. Y., to the Committee on Immigration and Naturalization.

857. Also, petition of the merchant crew, steamship *Willie Jones*, A. L. Burbank Co., care of postmaster, New York, N. Y., petitioning consideration of their resolution with reference to House bill 2346; to the Committee on the Merchant Marine and Fisheries.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 5, 1945

The House met at 11 o'clock a. m.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Most merciful and gracious God, we beseech Thee to be present and favorable unto these Thy servants, granting unto them grace and wisdom to meet the duties and responsibilities of their high calling with a loyal and steadfast devotion.

Help us to be faithful coworkers with Thee and with one another in ministering unto humanity's deep and bitter needs. May we be true, for there are those who trust us; may we be strong, for there are heavy burdens to carry; may we be brave, for there is much to do and dare.

We pray that the nations of the earth may be lifted into the loftier altitudes of amity and peace. Grant that the ultimate victory for which we are struggling may be that glorious day when men everywhere shall yield themselves in a willing obedience to the King of kings and Lord of lords.

To Thy name we give the glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1307) entitled "An act for the relief of Continental Casualty Company, a corporation, and Montgomery City Lines, Incorporated."

CONTINENTAL CASUALTY CO. AND MONTGOMERY CITY LINES, INC.

Mr. McGEHEE submitted the following conference report and statement on the bill H. R. 1307, an act for the relief of Continental Casualty Co., a corporation, and Montgomery City Lines, Inc.:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1307) for the relief of Continental Casualty Co., a corporation, and Montgomery City Lines, Inc., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the Senate amendments as follows: Page 1, line 5, strike out all after "to" over to and including "collision" on page 2, line 22, and insert "Montgomery City Lines, Incorporated, Montgomery, Alabama, the sum of $266.49, in full settlement of all claims against the United States for compensation for property damage sustained by it as the result of a collision involving one of its vehicles and a United States Army truck in the city of Montgomery, Alabama, on September 30, 1940."

Amend the title so as to read: "An act for the relief of Montgomery City Lines, Incorporated."

And agree to the same.

DAN R. McGEHEE,
A. M. FERNANDEZ,
W. A. PITTENGER,
Managers on the Part of the House.

ALLEN J. ELLENDER,
ALEXANDER WILEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1307) for the relief of Continental Casualty Co., a corporation, and Montgomery City Lines, Inc., submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report.

The bill as passed the House appropriated to Continental Casualty Co., a corporation, the sum of $9,202.12, and appropriated to the Montgomery City Lines, Inc., the sum of $266.49, for personal injuries and property damage sustained as the result of a collision between a bus operated by the Montgomery City Lines and a United States Army truck

in the city of Montgomery, Ala., on September 30, 1940.

The Senate amended the bill by striking out the amount payable to Continental Casualty Co. in the sum of $9,202.12, and at the conference the House conferees receded from the disagreement to the Senate amendments and agreed to same.

DAN R. MCGEHEE,
A. M. FERNANDEZ,
W. A. PITTENGER,
Managers on the Part of the House.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 1307) for the relief of Continental Casualty Co., a corporation, and Montgomery City Lines, Inc.

The Clerk read the title of the bill.

The SPEAKER. Is there obection to the request of the gentleman from Mississippi?

There was no objection.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PAYMENT OF CERTAIN CLAIMS FOR DAMAGE OF PROPERTY—WAR DEPARTMENT

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 981) to authorize payment of certain claims for damage to or loss or destruction of property arising prior to May 27, 1941, out of activities of the War Department or of the Army, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, lines 9 and 10, strike out "C. W. Elsea, $555."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was agreed to.

BLANCHE H. KARSCH

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1711) for the relief of Blanche H. Karsch, administratrix of the estate of Kate E. Hamilton, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out all after "$7,025.60" down to and including "act", in line 10.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was agreed to.

KATHERINE SMITH

Mr. McGEHEE. Mr. Speaker, I call up the conference report on the bill (H. R. 1567) for the relief of Katherine Smith.

The Clerk read the title of the bill.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1567) for the relief of Katherine Smith, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the figures "$4,772" insert the figures "$4,272", and agree to the same.

DAN R. MCGEHEE,
EUGENE J. KEOGH,
JOHN JENNINGS, Jr.
Managers on the Part of the House.

OLIN D. JOHNSTON,
JAMES M. TUNNELL,
GEORGE A. WILSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1567) for the relief of Katherine Smith, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report.

The bill as passed the House appropriated to Katherine Smith the sum of $4,772, for personal injuries sustained when the automobile in which she was riding was struck by a United States Army vehicle, near Wareham, Mass., on April 20, 1942.

The Senate reduced the amount appropriated from $4,772 to $3,772 and, at the conference, a compromise of $4,272 was agreed upon.

DAN R. MCGEHEE,
EUGENE J. KEOGH,
JOHN JENNINGS, Jr.,
Managers on the part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DAVID B. SMITH

Mr. McGEHEE. Mr. Speaker, I call up the conference report on the bill (H. R. 209) for the relief of David B. Smith.

The Clerk read the title of the bill.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 209) for the relief of David B. Smith, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the figures "$3,267.10" insert the figures "$2,667.10", and agree to the same.

DAN R. MCGEHEE,
EUGENE J. KEOGH,
JOHN JENNINGS, Jr.,
Managers on the Part of the House.

ALLEN J. ELLENDER,
W. LEE O'DANIEL,
WAYNE MORSE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 209) for the relief of David B. Smith, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report.

The bill as passed the House appropriated to David B. Smith the sum of $3,267.10, for personal injuries, medical, hospital, loss of earnings, and other expenses sustained as the result of being struck by a United States Navy truck, on February 18, 1944, on the highway, Edgewater, Fla.

The Senate reduced the amount to $2,067.10 and, at the conference, a compromise of $2,667.10 was agreed upon.

DAN R. MCGEHEE,
EUGENE J. KEOGH,
JOHN JENNINGS, Jr.,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

THE LATE JONATHAN MAYHEW WAINWRIGHT

Mr. GAMBLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GAMBLE. Mr. Speaker, I regret to have to advise the House of the death on June 3, 1945, at his home in Rye, N. Y., of my predecessor, Jonathan Mayhew Wainwright who served in the House in the Sixty-eighth, Sixty-ninth, Seventieth, and Seventy-first Congresses until his voluntary retirement in 1931.

Colonel Wainwright entered public life as a member of the New York State Legislature, serving in both the assembly and the senate from 1902 until 1912. While in the legislature he introduced and aided in the enactment of the New York State Workmen's Compensation Act, the first legislation of its kind in the country, and Colonel Wainwright then became the State commission's chairman.

Appointed in 1921 he served 2 years as Assistant Secretary of War. As Assistant Secretary of War he was interested in the development of aviation, the improvement of military life, and was a particularly militant advocate of preparedness for war and for an organized reserve for the Army of 4,000,000 men.

He was active too at that time in the revision of the National Defense Act.

In Congress he fought for a separate Army Air Corps and succeeded in his advocacy of a $75,000,000 appropriation to finance the same.

The Wainwright family has a distinguished record in the annals of American history, a tradition which Colonel Wainwright exemplified during his 80 years. The destroyer *Wainwright*, renowned in this war, was named for two members of the colonel's family; and his cousin, Lt. Gen. J. Mayhew Wainwright, was the last commander on Corregidor.

A soldier in his own right, Colonel Wainwright served in the New York National Guard, as a captain in the Spanish-American War with the New York Volunteers and was later commissioned lieutenant colonel with the State National Guard. On the Mexican border in 1916 Colonel Wainwright was a member of the Inspector General's Department. In July 1917 he was mustered into the Federal service as a lieutenant colonel, as division inspector with the Twenty-seventh Division and served in France in all of the engagements of that division. He was awarded the Legion of Honor, the Belgian Croix de Guerre with palm, the Silver Star for gallantry under fire, and the Distinguished Service Medal.

Admitted to the bar in New York in 1886, except for those periods in his life when he was in military service during three wars and his service in public life, he remained in active law practice until his death on Sunday.

He was always active in many civic affairs in Westchester County. He served on the Westchester County Parkway Commission and in 1941 he organized and became chairman of the Westchester County Defense Council.

In 1940 he urged the repeal of the Neutrality Act, enactment of the lend-lease law, and advocated compulsory military service for both men and women in time of war. He was very generous to me in giving me his advice and guidance in those difficult days of this country's preparedness and our early war years.

One of Westchester County's most distinguished citizens, the county, the State, and the Nation can ill afford to lose this statesman, soldier, and churchman.

EXTENSION OF REMARKS

Mr. DONDERO asked and was given permission to extend his remarks in the Appendix of the RECORD and include a short article.

Mr. JONKMAN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD and include a poem from a serviceman.

Mr. LUTHER A. JOHNSON asked and was given permission to extend his remarks in the RECORD and include a brief editorial.

DWIGHT RILEY

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, at West Point today there will be graduated about 1,000 of the finest young men in America. At the head of that class, ranking first in scholarship, stands a young man from my district, whom I had the honor to appoint to West Point. His name is Dwight Riley. All of his many friends at his home at Athens, Ohio, are overjoyed at his success. He is a brilliant, deserving young man.

However, it is to his widowed mother that joy and happiness in the superlative have come. Her fine courage and her motherly sacrifices to aid her son impressed me greatly and was a strong factor in inducing me to appoint him to West Point.

More than 60 years ago there graduated from West Point another young man from my district. This young man attained the highest grade ever attained by any graduate up to that time or since that time. His name was Oberlin M. Carter.

These are two of many reasons why I am proud to represent the Tenth Congressional District of Ohio.

THE HONORABLE MARVIN JONES

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a brief statement issued by Judge Jones.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

[Mr. LUTHER A. JOHNSON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. GAMBLE asked and was given permission to extend his remarks in the RECORD and include two newspaper articles from the New York Times and the New York Herald-Tribune, June 4, on the life of Col. J. Mayhew Wainwright.

Mr. WICKERSHAM asked and was given permission to extend his remarks in the RECORD and include a brief editorial.

Mrs. DOUGLAS of Illinois asked and was given permission to extend her remarks in the RECORD and include an address delivered by Hon. Edward E. Kelly, mayor of the city of Chicago, at the Midwest Conference of the American Slav Conference, held in Chicago, April 29, 1945.

Mr. PIÑERO (at the request of Mr. FERNANDEZ) was given permission to extend his remarks in the RECORD and include an address by Munoz-Marin.

Mr. FERNANDEZ asked and was given permission to extend his remarks in the RECORD and include an editorial on Puerto Rico which appeared in this morning's Washington Post.

WEST POINT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I was very glad to hear about the bright young man who was sent to West Point from a certain district in Ohio. There is one bright man that was not sent to West Point from Ohio, because I think we have a mighty fine Congressman that comes from that district as well.

JAPANESE PILOTS AND PLANES

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include two excerpts from newspapers.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Last night's Washington Star contained an AP dispatch which quoted Admiral Halsey, who has just returned to his Pacific command after a 4 months' absence, as saying, referring to the Kamikaze tactics of the Japs as being clearly a threat:

> They've exerted every effort to break up the Okinawa operation and have failed. * * * They're just a damned nuisance.

The admiral was further quoted as saying that the Japanese air power was suffering from "military cancer, it looks to me as if they had their fifth or sixth team in there now."

The Times-Herald of this morning prints a UP dispatch which, after referring to the bombing of Japan, said:

> Meanwhile, naval pilots of Admiral Halsey's third fleet carrier force reported that the Japanese have thrown a speedy new type fighter plane, manned by skillful pilots, into the raging battle to save their homeland from destruction at the hands of American airpower.
>
> A third fleet dispatch said the new enemy planes were so fast they could run away from the speedy United States Corsairs of the Navy. Pilots said they met the new planes when they attacked airfields on Kyushu on Saturday and Sunday.

The noon edition of the Washington Daily News carries a story headlined, "Japs uncork plane faster than Corsair," which, in part, reads as follows:

> (By United Press)
>
> WITH ADMIRAL HALSEY, off the Ryukyus, June 5.—Japan's "Midway Boys" were back in the war today, armed with a new plane that might turn out to be the world's fastest.
>
> Navy fliers said the new plane can "thumb his nose at us and run off," which meant it was faster than the Corsair. The exact speed of the Corsair still is a military secret.
>
> "Our Corsairs could not stay up with the new Jap planes, which are damn good," Navy pilots told UP Correspondent Ernie Hoberecht aboard Admiral McCain's flagship.
>
> ZOOTERS REPLACED
>
> The Navy men added that the enemy pilots they had met over Kyushu were first-line and pretty sharp. Those comments, coming from such battle-wise men as McCain's chief of staff, Capt. John S. Thach, and Lt. Commander Stockton B. Strong, are just the opposite from all recent estimates of enemy skill.
>
> They mean that the "Midway Boys," the better pilots who used to fly in early days in the Pacific, have replaced the "Zoot Suit Boys," the death-seeking Kamikaze suicide pilots.
>
> RESERVES UNVEILED
>
> It has been known for some time that the Japs have been holding back their experienced pilots. Most of the suicide squadrons which swept down on Okinawa had one or two good flight leaders, but that was all.

The Japs apparently have put in their home defense team because they fear the opening phase of the battle for their homeland is at hand with the return of Admiral "Bull" Halsey.

These news stories are a warning to us, here at home, as well as to some of the commanding officers at the front, that we should not be too optimistic about the inferiority of our enemies; too confident in our own superiority, or to the early ending of the Japanese war.

Some of those in authority, who do not actually fly the planes or meet the enemy fact to face in deadly combat, are too inclined to stress the enemy's weaknesses, overestimate his losses, express too much confidence in the quality of our own implements of war, minimize our losses. From those who do the actual fighting we get a more accurate picture of what they are up against.

If they overestimate the ability of the enemy or the efficiency of the enemy's war weapon, no harm is done. The net result is to spur us to greater effort. If commanding officers overestimate the efficiency of our own equipment, underestimate that of the enemy, the result is a let-down here at home and the death on the fighting front of hundreds or perhaps thousands of American boys.

We here at home should insist upon an ever-increasing effort to improve the tools we place in the hands of our men. No feeling of complacency should be permitted to slow down the efforts to improve our planes, guns, ships, anything and everything, the effectiveness of which will minimize the loss of lives. There is, there can be, no excuse for sending Americans into combat with weapons inferior to those possessed by the enemy.

YALTA CONFERENCE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. DIRKSEN addressed the House. His remarks appear in the Appendix.]

THE PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

MRS. ZELMA INEZ CHEEK

The Clerk called the bill (H. R. 1671) for the relief of Mrs. Zelma Inez Cheek.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McGREGOR, Mr. SPRINGER, and Mr. DOLLIVER objected, and, under the rule, the bill was recommitted to the Committee on Claims.

DR. J. D. WHITESIDE AND ST. LUKE'S HOSPITAL

The Clerk called the bill (H. R. 2930) for the relief of Dr. J. D. Whiteside and St. Luke's Hospital.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,259 to Dr. J. D. Whiteside, of Aberdeen, S. Dak., and to pay the sum of $7,828.66 to St. Luke's Hospital, of Aberdeen, S. Dak., in full settlement of all claims against the United States for medical and hospital expenses incurred by E. J. Gebhart, of Orient, S. Dak., as a result of an accident sustained on February 6, 1937, while acting as rural mail carrier in Orient, S. Dak.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIE A. ATANASIO

The Clerk called the bill (H. R. 795) for the relief of Marie A. Atanasio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marie A. Atanasio, of Point Pleasant, N. J., the sum of $29,950. Such sum represents the amount still due and unpaid to the said Marie A. Atanasio under a contract with the War Department dated October 2, 1917, for the rental and restoration of certain lands in Palisade Township, Bergen County, N. J., leased to and utilized by the United States Government during the First World War as a site for the sewage-disposal plant at Camp Merritt, N. J.

With the following committee amendment:

Page 1, line 5, after "appropriated", strike out the remainder of the bill and insert the following: "the sum of $9,000 to the duly appointed receiver of North Jersey Utilization & Sewage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof, in full settlement of all claims against the United States arising out of a contract with the War Department dated October 2, 1917, for the rental and restoration of certain lands in Palisade Township, Bergen County, N. J., leased to and utilized by the United States Government during the First World War as a site for the sewage-disposal plant at Camp Meritt, N. J.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of the duly appointed receiver of North Jersey Utilization & Sewage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof."

MRS. LAURA MAY RYAN

The Clerk called the bill (H. R. 1393) for the relief of Mrs. Laura May Ryan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000, to Mrs. Laura May Ryan, of Gloucester, Mass., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, and loss of wages as a result of being struck by a United States Coast Guard truck on November 8, 1943, in East Gloucester, Mass.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$5,000", and insert "$2,500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEWIS E. MAGWOOD

The Clerk called the bill (H. R. 3175) to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of South Carolina to hear and determine, and to render judgment, as if the United States were suable in tort, on the claim of Lewis E. Magwood, of Charleston, S. C., to recover damages for personal injuries sustained and expenses incurred by the said Lewis E. Magwood on account of a wound received while he was on duty on the tug *Mars*, which was towing targets during target practice of the Two Hundred and Fifty-second Coast Artillery, North Carolina National Guard, under the guidance and instruction of United States Army personnel, near Fort Moultrie, S. C., on August 3, 1932, if such suit is brought within 1 year after the enactment of this act.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the judgment, if any, rendered as the result of such suit, upon proper certification from the said United States District Court for the Eastern District of South Carolina.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. EDWARD MACAULEY

The Clerk called the bill (S. 643) to provide for the advancement of Capt. Edward Macauley, United States Navy, retired, to the rank of rear admiral.

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

VICE ADM. EMORY S. LAND

The Clerk called the bill (H. R. 2896) to provide for the advancement of Vice Adm. Emory S. Land, Construction Corps, United States Navy, retired, to the rank of admiral.

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AUGUST W. DIETZ

The Clerk called the bill (H. R. 1548) for the relief of August W. Dietz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $7,500 to August W. Dietz, of San Antonio, Tex., in full settlement of all claims against the United States for personal injuries and property damage suffered by him when his automobile was struck by a Government truck in San Antonio, Tex., on May 28, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$7,500" and insert "$6,000."

Mr. SPRINGER. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER to the committee amendment: On page 1, line 5, strike out "$6,000" and insert "$3,000."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 1, line 8, after "injuries", insert "medical and hospital expenses."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OSCAR N. McLEAN

The Clerk called the bill (H. R. 2666) for the relief of Oscar N. McLean.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Oscar N. McLean, of Abilene, Tex., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses as a result of being struck by a United States Army truck near Trent, Tex., on March 30, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELMIRA AREA SOARING CORP.

The Clerk called the bill (S. 842) for the relief of the Elmira Area Soaring Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Elmira Area Soaring Corp., a nonprofit organization, of Elmira, N. Y., the sum of $39,397.21, in full satisfaction of its claim against the United States for compensation for losses arising from a contract (No. W 535 ac-28134 (8147)) made with the Army Air Forces for the training of glider pilot personnel: *Provided*, That the money paid to such corporation under this act shall be used by it for making a pro rata distribution to its creditors on account of outstanding indebtedness which was incurred by such corporation between April 18, 1942, and January 14, 1943, the period during which such contract was in effect, and payment shall be made to such corporation under this act only upon condition that it file with the Secretary of the Treasury a written agreement to use such money for such purpose: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$39,397.21" and insert "$53,046.86."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. HERFURTH, JR., INC.

The Clerk called the bill (H. R. 2961) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of H. Herfurth, Jr., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of H. Herfurth, Jr., Inc., for reimbursement for the alleged loss of salvage material and additional costs incurred by such company as a subcontractor in the performance of a contract with the Department of the Treasury for the construction of the agriculture extensible building, dated May 16, 1932 (contract No. T1sa-3167). The general contractor in such contract has assigned all claims against the United States on account of such loss and costs to the said H. Herfurth, Jr., Inc. Such suit shall be brought within 1 year from the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NORA R. NEVILLE

The Clerk called the bill (H. R. 1350) to record the lawful admission to the United States for permanent residence of Nora R. Neville.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be, and is hereby, authorized and directed to record the lawful admission for permanent residence of Nora R. Neville, who entered the United States at New York, on July 15, 1924, and that she shall for all purposes under the immigration and naturalization laws, be deemed to have been lawfully admitted as an immigrant for permanent residence. Upon the enactment of this act, the Secretary of State shall direct the proper quota-control officer to deduct one number from the quota for Ireland (Eire) for the first year said quota for Ireland (Eire) is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEBRASKA WESLEYAN UNIVERSITY AND HERMAN PLATT

The Clerk called the bill (S. 392) for the relief of Nebraska Wesleyan University and Hermann Platt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nebraska Wesleyan University, of Lincoln, Nebr., the sum of $16,000, in full settlement of all claims against the United States as compensation for damage to its real estate described as west half of section 12, township, 13, range 13, in Sarpy County, Nebr., consisting of approximately 320 acres, more or less; to pay to Nebraska Wesleyan University, of Lincoln, Nebr., and its tenant, Herman Platt, of Fort Crook, Nebr., the sum of $5,727.70, in full settlement of all claims against the United States as compensation for crop damage in the years 1941 and 1942 respectively; all of which damages were caused by changes in the topography of land in connection with the construction of the Fort Crook aircraft assembly plant and testing field on the Fort Crook Military Reservation resulting in collection and discharge of water upon the university's land, and payment for which damages has been refused by the United States and its agent: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MADELINE J. MACDONALD

The Clerk called the bill (H. R. 892) for the relief of Madeline J. MacDonald.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Madeline J. MacDonald, 310 West Ten Mile Road, Royal Oak, Mich., the sum of $78.95, in full settlement of all claims against the United States for reimbursement of the cost of travel from Royal Oak, Mich., to Sweetwater, Tex., while under official orders to report for Women's Airforce Service Pilot training, which training was terminated while the claimant was en route to Sweetwater, Tex., as a result of administrative action based on recommendations by Members of the House of Representatives: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. BEATRICE BROWN WAGGONER

The Clerk called the bill (H. R. 1007) for the relief of Mrs. Beatrice Brown Waggoner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Beatrice Brown Waggoner, Ojai, Calif., the sum of $3,682.30. The payment of such sum shall be in full settlement of all claims of the said Mrs. Beatrice Brown Waggoner against the United States on account of personal injuries, medical and hospital expenses sustained on December 9, 1941, when a United States Army truck skidded into the automobile in which she was a passenger on Maricopa Highway, near Ojai, Ventura County, Calif.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 9, insert the words "medical and hospital expenses."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HARRIETTE E. HARRIS

The Clerk called the bill (H. R. 1008), for the relief of Mrs. Harriette E. Harris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Harriette E. Harris, Pacific Grove, Calif., the sum of $3,062. The payment of such sum shall be in full settlement of all claims of the said Mrs. Harriette E. Harris against the United States for damage to trees, driveway, and other property in Pacific Grove, Calif., caused by the crash of a United States Navy airplane on March 8, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$3,072" and insert "$3,062."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LESTER B. MCALLISTER AND OTHERS

The Clerk called the bill (H. R. 1313) for the relief of Lester B. McAllister and others.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McGREGOR and Mr. SPRINGER objected, and, under the rule, the bill was recommitted to the Committee on Claims.

M. ELIZABETH QUAY

The Clerk called the bill (H. R. 1320) for the relief of M. Elizabeth Quay.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to M. Elizabeth Quay, the sum of $205, in full settlement of all claims against the United States by reason of expenses incurred upon being instructed by the War Department to report for WASP training at Sweetwater, Tex., and upon arrival, having said instructions terminated by act of Congress, forcing her return to her home, Lakeland, Fla.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services, rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, an a motion to reconsider was laid on the table.

J. B. GRIGSBY

The Clerk called the bill (H. R. 1560) for the relief of J. B. Grigsby.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. B. Grigsby, Dallas, Tex., the sum of $123.44. This sum represents the amount of an overpayment made by the said J. B. Grigsby to the United States on account of an error in the calculation of the cost of certain lumber which the J. B. Grigsby Construction Co. purchased during April 1921, at the Universal and Midland Bridge Shipyards near Houston, Tex., from the Emergency Fleet Corporation.

With the following committee amendment:

At the end of the bill, strike out the period, insert a colon, and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOROUGH OF BEACH HAVEN, OCEAN COUNTY, N. J.

The Clerk called the bill (H. R. 1595) for the relief of the Borough of Beach Haven, Ocean County, N. J.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Borough of Beach Haven, Ocean County, N. J., the sum of $2,300. The payment of such sum shall be in full settlement of all claims of the said Borough of Beach Haven against the United States on account of property damage sustained on March 3, 1944, when a Navy Department airplane collided with the roof of the borough's elevator water tank.

With the following committee amendment:

At the end of the bill, strike out the period, insert a colon, and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BATISTA ILLINICO

The Clerk called the bill (H. R. 1678) for the relief of Batista Illinico.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum

of $316.25, to Batista Illinico, 38 Coryell Avenue, Lambertville, N. J., in full settlement of all claims against the United States for property damage sustained as a result of a collision between the car in which he was riding and a United States Army truck on New Jersey State Highway No. 4, near Tuckerton, N. J., on September 3, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 6, line 1, strike out the word "Batista" and insert "Mrs. Ada Wert."

Page 1, line 9, strike out the word "he" and insert the word "she."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read "A bill for the relief of Mrs. Ada Wert Illinico."

SOUTHWESTERN DRUG CO.

The Clerk called the bill (H. R. 1856) for the relief of the Southwestern Drug Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the claim of the Southwestern Drug Co., Houston, Tex., for draw-back, pursuant to section 3250 (1) of the Internal Revenue Code, of tax paid with respect to distilled spirits contained in nonbeverage products on hand April 1, 1944, and with respect to distilled spirits used in the manufacture of nonbeverage products during the period April 1, 1944, to June 30, 1944, filed in the office of the Collector of Internal Revenue, Austin, Tex., on October 2, 1944, is authorized to be considered and acted upon as if it had been filed within the period of limitations properly applicable thereto. Such claim was mailed and postmarked prior to the expiration of the period of limitations but was not received in the office of the collector until after such period had expired.

The bill was ordered to be engrossed and read a third time, was read the third time, and a motion to reconsider was laid on the table.

GRANDVIEW HOSPITAL

The Clerk called the bill (H. R. 1891) for the relief of the Grandview Hospital.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Grandview Hospital, of Edinburg, Tex., the sum of $251.40, in full satisfaction of the claims against the United States for services rendered 16 civilians, who were injured in an accident involving an Army vehicle which occurred on May 24, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN R. JENNINGS

The Clerk called the bill (H. R. 1917) for the relief of John R. Jennings.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John R. Jennings, South Jacksonville, Fla., the sum of $7,628. The payment of such sum shall be in full settlement of all claims of the said John R. Jennings against the United States on account of personal injuries and damage to his automobile sustained on April 22, 1943, near Camp Blanding, Fla., when such automobile was struck by a United States Army vehicle.

With the following committee amendment:

Page 2, line 2, insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

L. A. WILLIAMS

The Clerk called the bill (H. R. 1958) for the relief of L. A. Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to L. A. Williams, of Wesson, Miss., the sum of $5,000, in full settlement of all claims against the United States on account of personal injuries received by him on August 13, 1943, when a United States Army car at the prisoner of war camp, Clinton, Miss., which was braked improperly, left its parking place and ran into said L. A. Williams, thereby seriously injuring him: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 8, after the word "injuries", strike out "received by him" and insert "medical, hospital expenses, and loss of earnings as the result of an accident."

The committee amendment was agreed to.

Mr. SPRINGER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: Page 1, line 6, strike out "$5,000" and insert "$4,000."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. W. KEY

The Clerk called the next bill (H. R. 2060), for the relief of D. W. Key.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to D. W. Key, Gause, Tex., the sum of $258.40. The payment of such sum shall be in full settlement of all claims of the said D. W. Key against the United States for property damages sustained on May 13, 1943, when a United States Government 2½-ton truck, driven by Pvt. Harvey E. Lee, struck the automobile of D. W. Key, driven by D. W. Key as he was making mail delivery, at an angle corner of the U. P. Smith pasture about 4 miles northeast of Gause, Tex.

With the following committee amendments:

Line 7, after the word "claims", strike out "of the said D. W. Key."

Line 9, after the name "States", strike out "Government 2½-ton truck," insert in lieu thereof "Army vehicle."

Line 11, after the first name "Key", strike out "driven by D. W. Key."

At the end of bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HUGH P. GUNNELLS AND MRS. DEZAREE GUNNELLS

The Clerk called the bill (H. R. 2226), for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. BARDEN. Mr. Speaker, that concludes the call of the bills on the Private Calendar.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include a radio address delivered by him on Memorial Day.

PERMISSION TO ADDRESS THE HOUSE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that on June 14, at the conclusion of the legislative program

of the day and following any special orders heretofore entered, I may be permitted to address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

BRETTON WOODS AGREEMENTS ACT

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 280 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 2 days, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COX. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

I understand there is no objection to the rule, Mr. Speaker.

Mr. MICHENER. Mr. Speaker, on behalf of the gentleman from Illinois [Mr. ALLEN], I yield 5 minutes to the gentleman from Ohio, Dr. SMITH.

Mr. SMITH of Ohio. Mr. Speaker, I think it is very important that the Congress have a correct understanding of the Wolcott and CED amendments. These amendments were adopted to overcome the adverse criticism that the fund is so constituted as to permit it to make long-term loans which would cause its resources to quickly become frozen. The Congress is asked to believe that these two amendments would satisfy this objection.

The Wolcott amendment, we are told, would confine the fund to short-term lending and the CED amendment would authorize the bank to make long-term stabilization loans that would otherwise be made by the fund.

A reading of the Wolcott amendment would lead one to think that the present language in the agreement confines the fund to short-term lending, but that it is so unclear and doubtful that it requires clarification; or that the language is sufficiently clear to make it evident that the fund is authorized to make long as well as short-term loans, and therefore requires amendment to prohibit the former.

Then the fund shall promptly—that is, as soon as it has been organized and is ready for business—decide the issue, which is not in unequivocal terms whether it shall be limited in its operations to short-term lending, but "whether its authority to use its resources extends beyond current monetary stabilization operations to afford temporary assistance to members in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions."

If the answer is in the affirmative, then the United States' representative on the fund shall promptly offer an amendment to the articles of agreement not expressly to prohibit it from making long-term loans, but merely to negative such interpretation. If the amendment is adopted, then the fund shall be limited "to use its resources for current monetary stabilization operations to afford temporary assistance to members in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions."

But none of these terms except "current transactions" is defined either in the amendment or agreement. Current transactions are defined in article XIX (i) of the agreement, but no light is thrown on the Wolcott amendment from that source. The terms "temporary assistance" in connection with "cyclical" and "fluctuations in the balance of payments" could certainly be interpreted as embracing long-term loans.

How long is a cycle? Minor cycles are defined by James Arthur Estey, professor of economics, Purdue University, in his work, Business Cycles, as averaging close to 40 months, and major cycles as averaging 8 years. I have consulted numerous authorities on this subject, including the highest in the employ of the Federal Government, and without exception they said the term "cyclical" could not possibly be considered as coming within the scope of short-term lending.

How possibly could a loan to a country going through, say, a 5-year depression serve its purpose unless it could keep it for that period plus sufficient additional time to make it possible to pay it off?

In an article appearing in the May 31 Commercial and Financial Chronicle, titled "Is There a Joker in the Fund Interpretation?" written by Mr. Herbert M. Bratter, financial writer, appears the following:

> In view of the inclusion of the word "cyclical" in this amendment, the question may be raised as to whether the amendment really limits the fund in any way. The supposed purpose of the amendment is to restrict the fund to short-term operations. But "short term" and "cyclical" are two mutually exclusive concepts.
>
> This raises the question, therefore, whether the inclusion of the word "cyclical" may not make this entire amendment meaningless, even if it is adhered to by the fund after the fund begins operations.

Melchior Palyi says the Wolcott amendment—

> merely restates what is already in the statutes. Such restatement may be useful for the benefit of emphasis, but that's all it is.
>
> As a matter of fact, it leaves the function of the fund just as unclear as it was before. The idea is that only temporary disturbances of the debtor's balance of payment should be financed by the fund. But suppose Russia borrows from us to buy hydroelectric power equipment. When it comes to servicing or repaying the debt, her balance of payment may be distressed to that extent. That would fall under an "emergency fluctuation in the balance of payments," wouldn't it? But in reality, the alleged emergency arises out of a previous reconstruction credit and if the fund comes to Russia's rescue, as it would have to, then, in effect, it will finance Russian reconstruction.

It is my judgment that only a reconstitution of the entire fund set-up could possibly prevent it from using its resources to make long-term loans.

The second part of the Wolcott amendment is still more unusual than the first. Here the fund is to give an opinion as to whether it "has authority to use its resources to provide facilities for relief or reconstruction or to meet a large or sustained outflow of capital on the part of any member."

If the interpretation of the fund is in the affirmative the United States' representative shall promptly offer an amendment to the agreement "for the purpose of expressly negativing the agreement."

But the agreement already in so many words expressly prohibits the fund from using its resources for those purposes. Article XIV, section 1, reads:

> The fund is not intended to provide facilities for relief or reconstruction.

Article VI, section 1 (a), reads:

> A member may not make net use of the fund's resources to meet a large or sustained outflow of capital.

Why the fund should be called upon to interpret this language which could hardly be written in clearer terms is difficult to understand. So far as I can recall there was at no time any controversy in the committee as to the meaning of these two provisions. If this language, which seems to have all of the explicitness that it is possible to give to language, is nevertheless of such doubtful interpretation and requiries an anomalous procedure of clarification such as is here proposed, what shall we say respecting the language in many of the provisions of the proposal which is anything but explicit? However, the fund could demur to both of these propositions and refuse to take any action. No enforcement provision is provided. It could decide that it had the power to make loans for relief and reconstruction and to use the fund's resources to meet a large and sustained outflow of capital, and the United States would be helpless in the matter, notwithstanding any amendments of the United States' representative on the fund might offer to prevent it from doing these things.

These amendments raise a nice question. Take the second part of the Wolcott amendment, where the fund is to interpret whether it is authorized to use its facilities for relief and reconstruction activities or to meet a large or sustained outflow of capital, which are already definitely prohibited in the agreement.

Suppose the fund were to accept this amendment literally, that is, as implying that it possesses the power to say whether or not it is authorized to use its facilities for relief and reconstruction and to meet a large or sustained outflow of capital. That would be tantamount to the assumption by the fund that it was

vested with absolute power to interpret any part of the agreement as it saw fit.

The CED amendment is intended to authorize the bank to "make or guarantee loans for programs of economic reconstruction and the reconstruction of monetary systems, including long-term stabilization loans." This is to be achieved in the same way as the ostensible purpose of the Wolcott amendment.

Much ado has been made by the advocates of the bank that it is so constituted as to assure its liquidity. Loans would be made, so we were told, only on the basis of good security. It seems to me the CED amendment would open wide the door to loans of doubtful quality.

The gentleman from Michigan [Mr. WOLCOTT] advances the argument that these proposed so-called amendments are notice to the other 43 nations that the United States intends that the fund shall be operated in accordance with her interpretation of its provisions and that the United States stands ready to withdraw from the fund unless this is done.

Entirely aside from his amendment a word should be said on the matter of our being free to withdraw from the fund. Before we enter this scheme we should be prepared to remain a part of it until it runs its course and by its own power destroys itself. If the Federal bureaucracy can create by propaganda a sufficient amount of sentiment to force Congress to adopt this scheme now, what chance would there be in the future for the Congress to have anything to say about withdrawing from it? Only when Congress regains its independence as a legislative body will there be any hope of it being in a position to exercise sufficient power to determine whether the United States shall or shall not withdraw from it.

Mr. SABATH. Mr. Speaker, I yield myself 5 minutes.

BIG BANKING INTERESTS, FASCISTS, AND ISOLATIONISTS ALONE ARE OPPOSED TO THE BRETTON WOODS AGREEMENTS

Mr. SABATH. Mr. Speaker, House Resolution 280 now before us makes in order the consideration of H. R. 3314 to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, otherwise known as the Bretton Woods Agreements Act.

The rule provides for 2 days of general debate beginning at 11 a. m. Tuesday, June 5, and will continue until 3:30 p. m., Wednesday, June 6, after which the bill will be taken up under the 5-minute rule. All points of order are waived against the bill.

The bill was reported by the Committee on Banking and Currency after 9 weeks of hearings and consideration by a vote of 23 to 3. However, the three members of that committee voting against the reporting of the bill have indicated to the Committee on Rules, if I am not mistaken, that they favored the adoption of the rule. The report on the bill covers 123 pages.

Mr. Speaker, I have listened with interest to the remarks of the gentleman from Ohio [Mr. SMITH] because he appeared before the Committee on Rules and argued against two provisions of the bill. He and two other members of the Committee on Banking and Currency who signed a minority report on the bill were not strenuously opposed to the granting of a rule. I will now take only a few minutes to give some reasons why this bill should be passed without delay.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Indiana.

Mr. HALLECK. I think it is probably fair to say that the three members of the committee who filed a minority report opposing the bill also said they opposed the rule, although they expressed themselves as believing their opposition would likely be futile. They did say, I believe, they did not want the rule and that they did oppose it all the way down the line.

Mr. SABATH. I was sitting a little farther removed from the gentlemen when they addressed the committee than was the gentleman from Indiana, but I was under the impression that they said they did not have any real objection to the granting of the rule, but that they desired an opportunity to offer some amendments. This is an open rule. Am I wrong in stating that you were in favor of the rule being granted?

Mr. SMITH of Ohio. Mr. Speaker, if the gentleman will yield, I would like to make a correction. I objected to the passage of the rule.

Mr. SABATH. The gentleman did object?

Mr. SMITH of Ohio. I did, sir.

Mr. BUFFETT. Mr. Speaker, I objected to the passage of the rule.

Mr. SABATH. If you gentlemen were opposed to the rule, it was not made clear to me. I do not wish to place the gentlemen in a position that they do not want to be in. But, Mr. Speaker, my colleague the gentlewoman from Illinois [Miss SUMNER] also appeared against the bill, and I notice that the three Members opposed to the bill, or to some of its provisions, could not even agree among themselves. We have two different minority reports here. One is signed by the gentlewoman from Illinois [Miss SUMNER] and the other minority report is signed by the gentleman from Ohio [Mr. SMITH] and the gentleman from Nebraska [Mr. BUFFETT]. Being divided as they were, I am surprised that they did not divide into three ways instead of two to one. There were three members who could not agree among themselves as against 23 old outstanding members of the great Committee on Banking and Currency who, after 9 weeks of hearings and consideration, reported this bill.

From the evidence presented before the Committee on Rules I came to the conclusion that the Committee on Banking and Currency has given real, honest-to-God consideration and thought to the bill and to each and every one of its provisions because they agreed to two amendments, though it was deemed that they might not improve the bill, but in order to bring about cooperation and harmony the amendments were adopted by the committee. I feel that the committee is entitled to the thanks and appreciation of the House for the splendid service which they have rendered.

Mr. Speaker, under the provisions of the bill the President is authorized to accept membership for the United States in the International Monetary Fund and in the International Bank for Reconstruction and Development. He, by and with the advice of the Senate, shall appoint a governor of the fund who shall also serve as governor of the bank, and shall also appoint an executive director of the fund and an executive director of the bank who will also serve as provisional directors for the purposes of the respective articles of agreement. The term of governor of the fund and the bank shall be 5 years, while the term of office of the executive directors shall be 2 years or until their successors are appointed. The President is further empowered, by and with the consent of the Senate, to appoint alternates for the governor and executive directors with the same terms of service. No compensation shall be paid to the governor, executive directors, or to the alternates.

In order to safeguard and coordinate the policies and operations of the United States representatives on the fund and the bank and of all United States agencies which make or participate in making foreign loans or which engage in foreign financial, exchange, or monetary transactions, the bill provides for the establishment of a National Advisory Council on International Monetary and Financial Problems whose membership shall be composed of the Secretary of the Treasury, acting as chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System and the Chairman of the Board of Trustees of the Export-Import Bank of Washington.

It is provided that any Federal reserve bank shall act as depository or as fiscal agent for the fund or bank whose function shall be under the supervision of the Board of Governors of the Federal Reserve System.

The bill provides for the amendment of the Gold Reserve Act of 1934 directing the Secretary of the Treasury to use $1,800,000,000 of the fund established under that act to pay part of the subscription of the United States to the International Monetary Fund and the Secretary of the Treasury is further authorized to pay the balance of the subscription to the fund from time to time when payments are required to be made to the bank. To make these payments the Secretary of the Treasury is empowered to use the proceeds of any securities that may be issued under the Second Liberty Loan Act not to exceed $4,125,000,000, such sum to be used as a public-debt transaction.

I had planned to present a more detailed résumé of the provisions of the bill, but shall confine my remarks to observations on the effect of several provisions of the bill, knowing that the able chairman the gentleman from Kentucky [Mr. SPENCE] and other members of the Committee on Banking and Currency, who have devoted so much time and

study to the measure, are in better position to explain the provisions of the bill.

Mr. Speaker, I am pleased to state that the Committee on Banking and Currency has protected the country in this bill in every respect as it has embodied every possible restriction and at the same time provided that reports must be made to the House and to the President from time to time. I repeat that every safeguard has been placed around this important legislation. I know that the gentlemen who have been or who will be designated to serve as the advisory council are, or will be, outstanding Americans who will protect the interest of our Nation to the highest degree.

I hope and I feel that at this time no unnecessary and technical questions will be raised just for the purpose of seeking to make our enemies feel that there is discord among us. There should not be any. The matter is of such grave importance that we should have unanimity, we should have complete harmony, and we should consider the serious results that unguarded remarks frequently have.

The principle upon which this bill has been drawn was agreed to by 44 nations. I know that some gentlemen will claim that they do not know whether our share of contributions is not greater than that of some other nations, but, as I understand, the agreement was reached that the contributions and advances should be made in accordance with the wealth of each nation.

Mr. Speaker, at this point I desire to insert some excerpts from an appeal by the Union for Democratic Action, a national organization, with headquarters in New York City, as follows:

DON'T LET BRETTON WOODS BE DEFEATED

The Bretton Woods plan is an essential part of the Dumbarton Oaks proposals and of the peace. In fact, Bretton Woods is to world economy as Dumbarton Oaks is to world security.

* * * * *

If Bretton Woods is defeated, the peace itself is threatened.

* * * * *

Here is the simple A B C of Bretton Woods:

Question. What is the Bretton Woods plan?

Answer. It is a plan agreed upon by 200 financial experts representing 44 nations to aid in postwar reconstruction and to stabilize currencies for international trade.

Question. Why should we care about other countries after the war?

Answer. If the economic fabric of Europe falls apart, chaos and World War III will enmesh us all. More immediately, we need a market for our products, if we are to avoid unemployment and depression at home.

Question. How does the plan operate?

Answer. Through a world bank and a monetary fund. The bank will have a capital of $9,100,000,000 to which every nation contributes in proportion to its wealth. Our share is $3,175,000,000. Voting power and control correspond to contributions. The bank will approve and guarantee loans for reconstruction and development of countries ruined by the war.

The fund is an international stabilization pool of $8,800,000,000 to which we contribute $2,750,000,000 Members may borrow from it to the extent of 25 percent of their own contributions in any 1 year in order to stabilize their currencies. Currencies of all countries become interchangeable; losses are met by the common fund. The purpose of the fund is not profit but world security. The fund is a new approach toward controlling the evils of currency manipulation, speculative trading in currencies, and economic warfare which is the dread precursor of shooting warfare.

Mr. Speaker, this may not be a perfect bill. No legislation or treaties are perfect, and there cannot possibly be embodied in them every conceivable provision to cover all situations in anticipation of future happenings.

I am aware that some outstanding bankers and the "bankers' bund" are opposed to this legislation because it will prevent their manipulation of foreign currency as they have exercised it in the past. They have sought to have a free rein in setting the prices on various exchanges and interests, as well as in making loans to foreign governments at a high rate of interest as they did in the not-far-distant past.

This bill will have the effect of stabilizing the currency of all nations the world over. It is bound to be helpful in increasing our foreign trade and commerce. It will tend to bring about an early peace to all nations.

A great deal of the material and information which I have received, I find upon examination, has come from the bankers and the old isolationist groups. There are some who charged that we have yielded to the British influence and, on the other hand, there are some who criticized in stating that we have followed the British bankers and Tory groups. Personally, I feel that Great Britain's statesmen never overlooked anything that would aid their country or its commerce, as they have always maintained their policy "Great Britain First."

Again, most of the isolationists find fault with Russia's contribution to the fund as not being as great as ours or that she will derive certain advantages. These statements are unjustifiable and unwarranted and are made on the part of isolationist groups and some gentlemen for the purpose of creating friction between our country and Russia. I feel that if these gentlemen had the best interests of our country at heart, they would cease making such assertions and subside in their sniping and criticism of Russia. Surely, we have aided Russia, but no one can deny that without Russia it would have required the lives of 1,000,000 of our boys to bring about the defeat of Hitler. While we have aided Russia, she has more than reciprocated in the sacrifices which she has made to rid the world of the Nazi hordes.

I hope that what I have said will not be considered as unfriendly toward Great Britain, and I further hope we will receive full consideration from her in defeating Japan. We should also seek to obtain the cooperation of Russia, which is in a better and stronger position to aid us than Great Britain.

Thus, I feel we should desist in unnecessary attacks and criticisms of peoples of other countries and seek to retain the friendship and good will of all, so that we will not lose our leadership standing and our favorable positions amongst the nations of the earth, sustaining the influence that we have gained by our liberal and humanitarian policies, and that the peoples of the world will continue to look to us with real confidence for leadership, justice, and fair play. That leadership should remain ours, and we must not yield to any other nation.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this rule makes in order the consideration of H. R. 3314, a bill to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development. It is an open rule so that the bill will be subject to amendment under the 5-minute rule. Sufficient time has been given for debate. This act may be cited as the "Bretton Woods Agreement Act."

The Committee on Banking and Currency had full hearings on the Bretton Woods proposals extending over a period of 9 weeks. After the close of the hearings, certain strengthening and clarifying amendments were favorably acted on by the committee.

A great number of witnesses were heard. Nearly all witnesses were in agreement that the objectives of the fund and bank are essential to orderly international monetary and financial relations in the postwar period. The overwhelming testimony was for the approval of the Bretton Woods agreement.

The Bretton Woods agreement was preceded by more than 3 years of careful study and preparation. The Bretton Woods program is an essential part of a larger program for the establishment of an enduring peace. The importance of international economic relations was recognized in the Dumbarton Oaks plan, which provides for the establishment of an economic and social council through which countries can cooperate in securing sound economic and social conditions conducive to the maintenance of peace. The establishment of the fund and bank are important to the proper functioning of the economic and social council.

It is needless for me to state that immediately following the last war there were serious monetary disorders in many countries with sharp fluctuation in the value of many currencies, some of which were completely destroyed.

When the depression came in 1929, a world depression, not a depression solely confined to the United States, most countries were forced off the gold standard and the international exchange mechanism which was reestablished in the 1920's again broke down. Countries competed against each other. The national debt then was less than $30,000,000,000. Taxes, including income taxes, were very low. Men and women earning less than $2,000 a year were paying but a few dollars income tax. Now, under a $300,000,000,000 debt, they are paying over a fifth of their wages in income tax. They will as long as they live. In 1932, Mr. Hoover rightfully believed that the low-wage earner should not pay one-fifth of their wages in income tax. He well knew that they should not, consequently he opposed a gigantic spending program which was later inaugurated by Mr. Roosevelt. Mr. Hoover believed in the old common philosophy that income should balance expenditures. I subscribe to that theory.

It is contended that the Bretton Woods program is directly related to our domestic objective of providing jobs for our workers in industry and assuring prices and markets for our farmers.

I appreciate the sincerity, the earnestness, the abundant work of the members of the Banking and Currency Committee. For years I have respected the work of the gentleman from Kentucky [Mr. SPENCE], chairman of the Banking and Currency Committee, and the gentleman from Michigan [Mr. WOLCOTT], ranking minority member of the committee. In fact, I have the greatest respect for the entire membership of the committee. I think I am correct when I state that this bill was approved, 23 to 3, by the Banking and Currency Committee. I am well aware the committee studied every angle. It may be that this bill is not perfect. Is any measure?

For a considerable period I have studied this proposal. While in the House of Representatives, some of you have always voted to give everything to foreign nations, while others have always voted against the New Deal foreign policy. I have always endeavored to weigh everything with but one purpose and objective, "What is best for the United States."

In my opinion we should pass this bill for several reasons. I confess that the chief reason is because for a billion or two dollars we can at least attempt to take out an insurance policy for the $500,000,000,000 we are spending for the principles involved in this war. I consider that any expenditures under this bill should be considered an insurance premium. I am in hopes it will bring about more cordial relations among all nations. At least it is worth a try.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. BUFFETT].

Mr. BUFFETT. Mr. Speaker, I am opposed to this rule for a reason that reminds me of the story of the old lady who was being driven in a taxicab by a rather reckless driver. She got disturbed by the way they went around the corners. She leaned over and said to the driver, "Can't you please go around those corners a little slower? It disturbs me, and I am frightened the way you make those turns on two wheels." The driver said, "Don't mind that, lady, just shut your eyes, just as I do, don't worry, and everything will turn out all right."

The procedure on this bill suggests that we should shut our eyes and not be worried about it too much. The gentleman from Michigan [Mr. WOLCOTT] said at Detroit some weeks ago, in summarizing this situation, that the economic, social, and political life of America was at stake at Bretton Woods, and that is a very big order.

This bill comes before the House today without the membership of the House having any opportunity to inspect the more than 1,300 pages of testimony, to familiarize ourselves with it. There is no opportunity to familiarize ourselves with the testimony on this intricate international agreement. I know it has been the practice around here, though an objectionable one, to bring in hearings on the day the House takes up a bill, and perhaps that may be overlooked on domestic legislation.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. BUFFETT. Yes.

Mr. SABATH. The gentleman must know that the report was printed, 122 pages, and that it was available last Friday. And the gentleman is also familiar with the fact that the first volume of the hearings was already printed last Friday.

Mr. BUFFETT. The first volume was printed last week, but various Members who tried to get it were refused it by the committee. The report put out was a large piece of bulky propaganda, but that does not give this House any chance to inspect the testimony. Here is the most intricate international agreement that has ever come before the House of Representatives of the United States, and this House in 2½ days or 2 days is going to pass on that proposal. I declare that is not a deliberate way to pass legislation. That is not a parliamentary procedure; if the House continues to operate in that fashion, it is going to forfeit the esteem of the American people. We already have made several mistakes this year by hasty decisions. We pass a draft-labor bill and within 90 days we are becoming excited about unemployment. We passed the nurses' draft bill, and the Senate saved us from that. Then we passed a bill on compensation, and that hasty move still has a few of the Members figuratively standing on their heads. I say that it is about time that this House proceeded in an orderly and deliberate and parliamentary fashion.

Mr. BREHM. Mr. Speaker, will the gentleman yield?

Mr. BUFFETT. Yes.

Mr. BREHM. I am wondering if the House would really understand it if they had plenty of time to consider it. I base that on the following statement from an editorial in the Ohio State Journal:

> It would be supposed that proponents would know all about it and be agreed on what it proposes. But the contrary is true. Lord Keynes, who favors the plan, interprets it one way; Secretary Morgenthau, of the Treasury, interprets it in still another. Russia has a different understanding of it, and so do Australia and the Latin Republics. Since these men and these nations cannot agree on what Bretton Woods is and what it means, how could the House Banking and Currency Committee know enough about it to approve it by a one-sided vote, as they did last week.

Mr. BUFFETT. There was no credible testimony offered to this committee that the nations of the world had any meeting of the minds on this agreement. I know of no better method of breeding international ill will than for us to pass with our eyes closed an agreement on which they cannot offer testimony that the nations are agreed. In the first place, they say that this agreement was agreed to by 44 nations. That is absolutely not true, as is evidenced by Lord Keynes' declaration that—

> We merely submit it—
>
> The agreement—

for what it is worth to the attention of the legislators concerned.

The London Financial News, April 10, said:

> But the chances are that, when it comes to be applied in full, Congress and American opinion will realize that in the long run it will fail to bring stabilization.
>
> If sufficient attention had been paid in the United States to official British statements on the subject, this fact would have been duly realized over there. The Chancelor of the Exchequer had made it plain on more than one occasion that acceptance of the Bretton Woods plan would not mean legal stabilization of sterling, and that sterling would be devalued without hesitation whenever the maintenance of its stability involved deflation. He declared in his Mansion House speech in October 1944, that while His Majesty's Government would be prepared to consult the fund on the question of changing the value of sterling, it would reserve to itself the right of final decision.
>
> If the United States were to accept the final act in the opposite belief, the ultimate disillusionment of American opinion might be as painful as the discovery in the seventies of the true meaning of the Coinage Act of 1873.

Mr. Speaker, I am opposed to the granting of this rule under circumstances that preclude the possibility of deliberate parliamentary procedure. This Congress should understand this proposal before passing on international legislation of this kind.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 6 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Speaker, the United States has an Export-Import Bank with plenty of power to make any proper loan to any needy foreign governments. Last year the most competent bankers in the United States endorsed the Dewey bill, saying it would serve this purpose. I am surprised, Mr. Speaker, that you want this Bretton Woods money organization to be brought out here for discussion in the light of day. It is what you might call an international Ruml plan, by which the United States would agree in advance to forgive other governments the debts which they owe to governments, even to governments not the United States, by which we keep paying and paying as we go, to foreign governments. It has been thoroughly exposed in the financial journals both here and in England. In their dignified way the heavy thinkers both in the United States and in England have done their best to oppose it. They have rushed into print here in the United States in the financial pages, trying to be little Paul Reveres in their peculiar jargon about currency stabilization and fiscal policies. In 1943 they warned what the New Dealish group in England was doing, a group which it is said advocates the opposite of the sound fiscal policies recently advocated in a speech by Mr. Churchill. This Keynesian-New Dealish group is kept in power only because of its influence on New Dealers in the United States or so he said.

In 1943 our little Paul Reveres revealed that the Keynes plan had been introduced; that this plan was expressly intended to shift to the shoulders of the United States billions of dollars of debts which Great Britain owed to India,

Egypt, and other countries, not including the United States. It would even force the United States Government to pay interest on current balances owed to Americans. They warned that the American White plan had accepted the principles, or rather lack of principles, of the Keynes plan. The London Economist warned that this Keynes attempt to have the United States pay the balances owed to the United States would cost the United States $5,000,000,000 a year. It insisted that the British should instead "tighten the belt" and operate on traditionally sound fiscal principles. The London Economist said that it doubted that any American politician would ever accept this scheme which would authorize in advance the regular cancellation of American credits; but our Treasury officials did accept it. They called the nations together and adopted the so-called experts' draft, which was the one the Bretton Woods Conference was called to consider. A few weeks before the Conference Lord Keynes discussed the draft in Parliament and he proclaimed that the Americans had accepted, he said of "their own free will," a plan to impose what he called sanctions. That speech was put into the RECORD by Dr. SMITH, of Ohio, I believe on May 25. The sanction, Keynes mentioned, he said would force the United States either to buy goods from foreign governments which we did not want and would not otherwise buy, or keep lending more money to foreign governments which would not be repaid.

Sanctions! Reparations in kind! This bill raises the question: Who lost this war? The American people? It is, of course, the worst swindle in world history. Americans began to see what a swindle it was when the newspapers treated them to the spectacle of the Bretton Woods Conference where foreign governments scrambled over one another for shares in dollars. One government stalled the conference, newspapers said, until Mr. Morgenthau promised to commit the United States to an additional $300,000,000 in the bank. It should be emphasized, I repeat, the Prime Minister, Mr. Churchill, has come out for sound fiscal policies, and so have leading conservative economists, industrialists, and writers in Great Britain. It is the other group—Keynesian group—that is destroying Britain's credit in America and we ought not to help them destroy it as we would help them destroy it if we joined this organization.

Mr. MASON. The very group that Churchill is now fighting in his campaign in England.

The SPEAKER. The time of the gentlewoman from Illinois has expired.

Mr. ALLEN of Illinois. Mr. Speaker, may I inquire how much time I have remaining.

The SPEAKER. The gentleman from Illinois has 6 minutes remaining.

Mr. ALLEN of Illinois. I yield the balance of my time, 6 minutes, to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The magazine called the London Bank scoffed at what it called the amateur diplomats at Bretton Woods. It said they sacrificed British principles, calling Bretton Woods a Munich. This British magazine predicted that the American Congress would never accept the Bretton Woods agreement without amendment and that Parliament would not accept the Bretton Woods agreement without putting in those agreements important amendments.

With all due respect to the amateur diplomats who went to Bretton Woods from Congress, it seems to me they were babes lost in the Bretton Woods. Maybe it is old-fashioned to think so, but after that experience I think when it comes to conferences, a man's place when he is a Congressman is in the House.

The best-qualified experts in the United States have warned you that the Bretton Woods agreements are so cluttered up with big loopholes that the monetary organization would operate to promote and finance the very same vicious practices it is intended or supposed to prevent. This is a scheme to get American money under false pretenses. Ratify this bill and this agreement and it will be found that we have surrendered to a trustee-controlled monetary organization good American dollars in return for depreciated currencies probably put up at a high par value, though many of them are of little or no value. We would authorize in advance that they attempt to carry on practices like exchange controls, in which they are all now indulging, which are destroying their credit. The agreement expressly authorizes that they keep up those controls for a period in which the fund, the debtor-controlled fund, can prolong indefinitely its power to impose a sanction. That sanction is contained in section 7, the power to declare a dollar scarce. When it is declared scarce, authorize any member government to put on exchange controls or adopt any other devices limiting the freedom of passage of American dollars; in other words, stop payment of any dollars owed to American people or its government. This is a bill to authorize repudiation in advance. Do you think that were such a sanction threatened which could affect and stop American trade and isolate the United States you would not vote more money when requested? Do you think in the face of that threat you would have the courage to pull out? There are no real strings in this debtor-control organization. De Gaulle's government, now using American aid in a war, could use the $450,000,000 which this scheme gives him. Who is to prevent Russia from generating wars all over the world with the billion and a half dollars which this debtor-control organization gives to Russia and the Russian puppet governments?

This swindling, war-breeding Bretton Woods proposal would, in my judgment and in the judgment of really competent people—the most competent people in the United States—throw away our chance to do the good things we want to do in the future. This is forcing the American people to pay tribute to foreign governments. It will make the American people, the American taxpayers, the economic slaves of foreign governments.

Mr. Speaker, I am saying now what multitudes of Americans will be saying if you push this thing much further.

Mr. RICH. Mr. Speaker, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from Pennsylvania.

Mr. RICH. The United States, with 6 percent of the population and 7 percent of the area of the world is supposed to pay into this bank and stabilization fund 25 percent of the amount to be subscribed. Why are we asked to pay that enormous amount as our proportionate share?

Miss SUMNER of Illinois. Well, I suppose it is because of the kind of public officials we have and that we send them to these international conference. We are like the man who tried to be his own lawyer—he had a fool for a client.

The SPEAKER. The time of the gentlewoman from Illinois has expired.

Mr. SABATH. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

LONG STEP TO SECURE WORLD PEACE AND RESTORE INTERNATIONAL TRADE

Mr. PATMAN. Mr. Speaker, this is the finest, the longest, and the best step that has ever been attempted by the American Congress to secure peace in the world in the future and to encourage and restore international trade. If we had adopted proposals like this after the last war it is unlikely that this present war would have occurred. These proposals will prevent many of the things that caused World War II, which has resulted in a million casualties for the United States of America.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Indiana.

Mr. HALLECK. If the gentleman had discovered this, why did he not immediately after 1933 promote and adopt such policy?

Mr. PATMAN. Secretary Morgenthau commenced in 1934, which was pretty soon after 1933 and he has been working on it ever since. You cannot quickly agree with 44 governments. I believe that he has made just as much progress as could have been made by any Secretary of the Treasury.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. The gentleman, of course, is referring to the outstanding success that we had in the stabilization of the pound and the franc which resulted in a profit to this Government?

Mr. PATMAN. Absolutely.

Mr. Speaker, if we go on the assumption that all of these nations are dishonest and insincere we might just as well quit now because we cannot agree to anything or come to an agreement with them. Neither can we succeed if we go on the assumption that the administrators of these proposals, will not be capable and will not be honest. So, let us go into this discussion with the understanding that we believe the nations of the world, the 44 nations of the world that

have joined in these proposals, are sincere, honest, and want to do the right thing and for their own selfish, even greedy interest, if you want to put it that way, they should want to sincerely carry out these proposals.

It is in the selfish interest of each nation, and our country has more to gain by it than any nation on the face of this earth. Let us assume that we will have a qualified, capable administrator or administrators, we will say, of the bank and the fund; otherwise you would have to vote against any law that comes before Congress if you are going to assume that the people who are going to administer are dishonest, corrupt, insincere, or not capable of doing the job. So let us assume that we will have good administrators, and that all these nations are sincerely, for their own selfish interest, trying to make a success of these proposals. I know that this will encourage international trade.

NO CRITICISM OF RUSSIA

I heard some references of criticism about Russia a while ago. I am not going to criticize Russia. It is my belief that a million fighting men will come back across the Atlantic to the United States and take their places in the vacant chairs in the homes and before the firesides in America because of what Russia did. Russia saved a million men for the United States of America. So I am not just about to get into any fight with Russia in view of what she has done in the recent past to help save the world, as well as help save the United States.

Mr. OUTLAND. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. OUTLAND. Does not the gentleman think that a great deal of the criticism about Russia that is taking place in the press and over the air and in certain other places is doing a great deal of harm toward the building of an international peace organization?

Mr. PATMAN. Certainly; it is.

Mr. THOMAS of New Jersey. Mr. speaker, will the gentleman yield?

Mr. PATMAN. I yield for a question.

Mr. THOMAS of New Jersey. Does not the gentleman think that if Russia enters the war against Japan it may also save another million men?

Mr. PATMAN. We have people looking after that for us, and I am going to let them do so. I am not going to say a word about it. I am going to let them handle it. I believe they will do a better job if we keep ourselves out of it.

This is a bill to regulate the selfishness and restrain greed among the nations of the world. It will prevent international monopoly. It will stop international cheaters, chiselers, racketeers, and international desperadoes.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Illinois.

Mr. SABATH. Consequently the opposition that we hear on the part of a few comes from these bankers who did not get everything they desired, although some say we have yielded more to them than they were entitled to.

Mr. PATMAN. We have not yielded to the international bankers.

Mr. SABATH. I am glad to hear that.

OPPOSED BY INTERNATIONAL BANKERS

Mr. PATMAN. There is an international banking ring with headquarters in this country that is opposing this legislation with all their power and might. In every way possible they are opposing it. It is against their selfish, greedy interest for this bill to become a law. They do not want these agreements. It is against their interests. They are the vultures that sit around waiting for some country to get into trouble so that they can help bail it out at a big price and to the disadvantage of the other countries of the world. They are the ones who are fighting this bill.

I am not going to impugn or question the motives of any Member of this body. I never have and I never shall. Each Member has his own responsibility to his own constituents, and I am not here to impugn their motives. The people who are opposing this bill, in the references I make, are not the people who are Members of this body, but over the country generally. They are, first, that international banking ring who are fighting this bill. It is the international bankers, the clique—not all of them, but those who are profiting most by chaos in the world—who are opposing this legislation. Furthermore, I do not say that every person is an isolationist who opposes this bill; not at all.

There are some sincere, misguided, misinformed, or uninformed people in this country who are opposing it, but I do say, and I make the challenge here and now, that every isolationist in this Nation is opposing this legislation, every one, and I challenge anyone to deny that statement.

Mr. BREHM. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. If the gentleman wants to challenge that statement, I yield to him.

Mr. BREHM. Referring to what the gentleman said a moment ago——

Mr. PATMAN. No; I am yielding now on that statement about the isolationists.

Mr. BREHM. I am not condemning Russia. She has done a superb job of fighting. I am glad she was on our side. But, after all, was not Russia fighting to save Russia, not to save America? She was fighting an isolationist war.

Mr. PATMAN. At the same time, Russia did a mighty good job.

Mr. BREHM. I agree with the gentleman, but she was doing it for Russia, and any consideration of America was purely secondary.

Mr. PATMAN. Some people are always talking about the national debt, how high it is. I am ready to spend money any time to save American lives. That is what we were doing in this war, we were spending money, sending material, supplies, ammunition, guns, ships, planes, and everything to Russia, and Russia was using the equipment we furnished her to kill our common enemy, which made it possible for more of our boys to return. Yes, our national debt is high, but our casualty list is comparatively low by reason thereof. I much prefer a high national debt and a low casualty list than a high casualty list and a low national debt.

These are the questions we have had to face, and I think the national debt is one question we should consider. I know the opponents of this legislation point to the fact that it will cost the United States $6,000,000,000. It will not cost the United States anything because we are not going to lose anything; but let us say for the sake of argument that we will lose the entire amount, how much is $6,000,000,000? We spend more than that on the cost of the war in 1 month.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. SABATH. Mr. Speaker, I yield five additional minutes to the gentleman from Texas.

Mr. PATMAN. It is less than we are spending on the war in 30 days. So can we not afford to risk the expenditures of 1 month of war to make it possible for us not to have World War III, and to stabilize the currencies of the countries of the world, to help to reconstruct, rehabilitate, and redevelop these countries that have been overrun and destroyed?

May I point out also that all the nations will be in on it. If one nation borrows from the International Bank, that nation owes the 44 United Nations, and in case of default it defaults to 44 nations. Is not that better than doing as the gentlewoman from Illinois suggested we do it, through the Export-Import Bank, and then, if we make loans to a country, have it owe only the United States? Certainly it is preferable for the money to be loaned by all the countries of the world, so that a defaulter would be defaulting to all the countries of the world.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. Is it not true that in the last war we did exactly what the gentlewoman from Illinois suggests, we made the loans all by ourselves, we tried to help stabilize the currencies all by ourselves, and we lost our shirts on both of them?

Mr. PATMAN. And we helped Hitler, Mussolini, and Tojo build up their war machines in that way. We do not want to do that in the future.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Some complaint has been made about the hearings not being available. The first volume of the hearings appeared 2 weeks ago. In that volume appears the testimony of practically everybody who appeared for and against the bill. Volume 2 is just a repetition of volume 1.

Mr. PATMAN. I agree with the gentleman. May I ask the Members of the House to get this report and read it. It is one of the finest and most comprehensive reports I have ever seen. After you read it and read the minority report and read the bill and study the hearings, I am willing to leave it to those who are

thinking about the United States of America, our future, the peace of the world, and international trade, and I am sure you will vote for this legislation.

NO TAX REDUCTIONS UNTIL AFTER VJ-DAY

About the national debt, I agree with President Truman. We cannot afford to reduce taxes now, not until after the war with Japan is over. Naturally there are some adjustments we can make, like raising the excess-profits tax deduction from $10,000 to $25,000 or $50,000. That is a minor matter in the over-all picture of taxes. But generally we must not reduce taxes, we must pay taxes, pay just as much of the cost of this war as we go along as is possible. If instead of paying a dollar that we can pay we borrow that dollar on long-term bonds, by the time those bonds are paid we shall have paid another dollar or two in interest. Therefore, every time we pay a dollar in taxes now to pay current bills we save two or three dollars in the future. It is in our interest to pay just as much of the cost of this war as possible as we go along.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Illinois.

Mr. SABATH. Is it not better to pay taxes than be broke and not be able to earn any money to pay taxes?

Mr. PATMAN. Yes. As high as our national debt is today, it is more easily paid with the present national income than one-tenth of the debt was paid in 1932 with the low income of that year.

In addition to being called upon to pay a dollar now rather than two or three dollars in the future, it is not fair to have these 12,000,000 men fighting on the battle fronts of the world, win this war, and then come back here and have to pay off the debt with interest. We should make that burden as easy as it is possible for us to do. Furthermore, the more money we pay in the form of taxes as we go along, and the more this excess purchasing power is syphoned out, just so much does it make it easier to prevent inflation. Our No. 1 danger in this war, of course, is on the battlefields. Our No. 2 danger is inflation, and it is our duty to prevent inflation at home. Do not overlook the fact that the pressures in this war are 10 times as great as that in World War I. We have several times as much money in circulation that is available to buy goods. Take, for instance, during the inflationary period of the First World War, when prices were so high, we had only $50 per capita in circulation, while now we have four times that amount out in actual money, in circulation in the pockets and tills of the American people. So, let us pass this bill.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. GAMBLE. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

Mr. SPENCE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 95]

Andersen, H. Carl	Gathings	Pfeifer
Anderson, N. Mex.	Gavin	Ploeser
Bailey	Gillie	Plumley
Baldwin, N. Y.	Gore	Powers
Barrett, Pa.	Gorski	Price, Ill.
Bender	Grant, Ala.	Quinn, N. Y.
Bennet, N. Y.	Grant, Ind.	Rabaut
Bennett, Mo.	Hancock	Randolph
Bland	Hand	Reece, Tenn.
Bloom	Hart	Rivers
Bonner	Hébert	Roe, Md.
Boren,	Hedrick	Roe, N. Y.
Bradley, Mich.	Henry	Rooney
Bradley, Pa.	Hess	Rowan
Brooks	Hobbs	Sadowski
Brumbaugh	Holifield	Sasscer
Buckley	Howell	Savage
Burch	Izac	Sharp
Byrne, N. Y.	Jackson	Sheppard
Cannon, Fla.	Jarman	Sheridan
Carlson	Johnson, Calif.	Short
Celler	Johnson, Ind.	Sikes
Chapman	Johnson, Lyndon B.	Simpson, Ill.
Clark	Kee	Slaughter
Clason	Kerr	Snyder
Cochran	Knutson	Somers, N. Y.
Coffee	Lewis	Sparkman
Cole, N. Y.	Luce	Stefan
Cooley	Ludlow	Stewart
Daughton, Va.	McGlinchey	Stockman
Dawson	McMillan, S. C.	Taylor
Dickstein	Mansfield, Mont.	Thomason
Domengeaux	Mansfield, Tex.	Tolan
Drewry	Marcantonio	Torrens
Durham	Martin, Iowa	Vorys, Ohio
Dworshak	Martin, Mass.	White
Earthman	May	Whitten
Eaton	Merrow	Winstead
Fisher	Morrison	Winter
Fogarty	Norton	Wolverton, N. J.
Forand	O'Toole	Wood
Gardner	Pace	Worley

The SPEAKER. On this roll call, 304 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

BRETTON WOODS AGREEMENTS ACT

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3314), with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I understand the agreement is that the House will continue to consider the bill in general debate for the remainder of today and tomorrow until 3:30, when the bill will be read for amendment under the 5-minute rule, and the time of general debate is to be divided equally and controlled by the chairman of the committee and the ranking minority member. May I ask the gentleman from Michigan if that is the understanding?

Mr. WOLCOTT. I believe the gentleman is correct, in the light of the statement the majority leader made yesterday in respect to closing general debate tomorrow afternoon at 3:30, and in view of the fact that permission has just been granted that the House meet at 11 o'clock tomorrow.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from California.

Mr. HINSHAW. I understood from one member of the gentleman's committee that while the reading of the bill will take place tomorrow afternoon, any record vote would come on Thursday. Is that correct?

Mr. SPENCE. I do not believe we have entered into any specific agreement as to that.

Mr. HINSHAW. I happen to know that one member of the gentleman's committee is leaving town tomorrow afternoon on an engagement, with the understanding that that would be done. I was hoping the gentleman would confirm that agreement.

Mr. SPENCE. We have entered into no such agreement. I do not believe it is probable that the bill can be completed tomorrow afternoon, however.

Mr. HINSHAW. I understand the majority leader made the announcement that the vote would come on Thursday.

Mr. SPENCE. I am perfectly willing to accede to that. I have no desire to do anything contrary to an agreement that has been made.

Mr. Chairman, I ask unanimous consent that the Clerk may read two letters which I have received.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read as follows:

THE WHITE HOUSE,
Washington, June 1, 1945.

Hon. BRENT SPENCE,
House Office Building.

MY DEAR MR. CHAIRMAN: I have already made clear my conviction that the prompt enactment of the Bretton Woods legislation is of paramount importance in the establishment of a sound economic foundation for lasting peace.

I am confident that this legislation will be enacted. But my interest in its enactment is almost equaled by my interest in seeing that the Bretton Woods legislation continues to have the full bipartisan support so manifest by the action of your committee in reporting the bill. You and Mr. WOLCOTT, as well as the other members of the committee, have demonstrated a high degree of statesmanship and nonpartisanship for which America can be proud and her fighting men and women can be encouraged that their sacrifice has meaning in terms of tomorrow.

Let us hope and pray that the example set by your committee on the Bretton Woods legislation will become the pattern for American participation in international economic and security cooperation. An America united in its determination for lasting peace and prosperity can know no defeat.

Sincerely yours,

HARRY S. TRUMAN.

THE AMERICAN BANKERS ASSOCIATION,
New York, N. Y., May 28, 1945.

Hon. BRENT SPENCE,
Committee on Banking and Currency,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: Thank you for sending me the new bill H. R. 3314.

At the same time let me say in writing what I said orally, that we are all most appreciative of the courtesy and fairness shown by you and, in fact, by the whole committee to the representatives of the Bankers Association. We came away with the feeling that democracy was in operation.

While the new bill, of course, does not meet in every respect the suggestions that we made, it seems to us a substantial improvement over the original, and will aid in the effective accomplishment of the purposes of the whole program which is, after all, what we most desire.

Sincerely yours,

W. RANDOLPH BURGESS.

Mr. SPENCE. Mr. Chairman, we have just heard a letter read from the President of the United States urging the Congress to vote for this bill. The president of the American Bankers Association has also said he thinks the bill will attain the objectives sought. I am wondering now who is against this bill. I have never seen in my experience in Congress such unanimity of opinion in favor of legislation by all classes of the American people. They do not have to be experts, they do not have to be technicians or experienced bankers, to express their opinions about this measure. If the voice of the people is the voice of God, we certainly have irrefutable testimony in behalf of this legislation.

In every forward step that our country has made there have always been those who view with alarm; there have always been prophets of evil. The gentleman from Michigan [Mr. WOLCOTT] and I and Senator WAGNER and Senator TOBEY were delegates to the Bretton Woods Conference. The delegates to the Bretton Woods Conference agreed among themselves, but had no power to bind their governments. That is the reason we are here today—to have the Congress of the United States place its seal of approval on our participation in the bank and fund. Maybe those men who met there were not inspired by good motives, but it was an inspiring sight to me to see men from all the four corners of the earth—from Africa, from Europe, from the Americas, from Asia, and the islands of the Pacific—sitting around a table trying to adjust matters which they thought were of vital importance to their countries, to their children, and their children's children to the remotest generations. It is true that out of it came an agreement full of technicalities. It necessarily is technical, but it seems to me its purposes are remarkably clear, and its objectives cannot be misunderstood. It will probably need clarification.

Those men were of different creeds, of different political philosophies, different languages, and different modes of thought. From the four corners of the earth they came. They spoke in varied languages, and out of it all came this agreement that a radical improvement might be made in international relations.

The prophet of old has said, "Where there is no vision, the people perish." After the last war, there was a statesman who had vision—a vision of a federation of mankind; a vision of a world where the war drums beat no longer and the battle flags are furled in the parliament of man—in the federation of the world. We did not follow him. The realization of his vision was made impossible by those who could not see.

Now we have another opportunity to do what he wanted to do, in a small way. They prophesy where there is no vision, the people perish. That prophecy has been fulfilled because on the far-flung battle lines, on land and sea, in the air and under the sea, the best of our breed have perished—priceless, irreplaceable, courageous youth of America. I do not say this will prevent future wars; I say it is a step in that direction. International trade and commerce have been a scandal the world over. Nations have resorted to devices of fraud and chicanery and have endeavored to take mean advantages to themselves. This could not but produce international ill-will and hatred. Multiple currency practices, blocked currencies, competitive depreciation of currencies, and restrictive controls all were devices that did not make for justice, for fair dealing; all were methods of economic warfare that brought about ill-will and hatred amongst the nations of the earth.

Trade and commerce are things that all the nations devoutly wish, and no nation in the world is more interested in orderly foreign trade than ours. While the war lasts we are the arsenal of democracy. After the war we shall be the storehouse and the market place of all the nations of the world. Our productive capacity has been demonstrated. We are the greatest producing nation in the world and we want a market for our surplus; we want a market for the surplus of our manufactured goods, and we want a market for the surplus of our agricultural commodities. We are interested in the maintenance of fair international trade practices.

I realize that the millennium is not coming as soon as we enter into these agreements. There are many things to be done to bring about the result we desire, but what would be the effect if we disagree to these proposals? If we say to the 43 nations that met with us we do not agree to participate in agreements that may make for the stabilization of international trade, that may mean the reconstruction and development of their countries, it would not only prevent us from again taking steps to accomplish the result we are now trying to achieve, but it would create an everlasting source of ill-wind toward us. What would be the result in our country if instead of the Congress of the United States having control over interstate commerce the 48 States of our Union each were to adopt the devices in trading with one another that the nations of the earth have adopted? Do you think there would be any prosperity? Do you think we would be the greatest nation on earth? Do you not know that there would be nothing but bickering and ill-will amongst the States and that there would be no chance of fair and orderly commerce between them? I cannot understand why there can be any opposition to this legislation. While the people of America do not understand the technical details, in their hearts all of the men and women of the liberty-loving nations of the world hope that we may do something to prevent future wars, for the next war will be so indescribably horrible that no man living can envision it.

The implements of destruction will be far greater than in this war and the results will be more terrible. The people feel that in these international agreements there may be something that will make less possible the wars of the future.

The international bank was proposed to reconstruct the devastated areas of Europe. We cannot live in a world half chaotic and half orderly. Those devastated areas must be reconstructed. In the past the greatest burden has fallen upon the American people. Here we have 43 partners that have gone into the bank as shareholders. They were interested in their neighbors and the moral effect of having them as partners, I think, will be beneficial to the assets of the bank because nations 3,000 miles away from us may not feel the impelling duty to pay their loans and they otherwise would if their neighbors also had an interest in the repayments. So I say that the bank will save many of the nations of Europe and will also save much to the American people that they might otherwise lose in order to reconstruct the devastated areas.

We have established a fund for the stabilization of international exchange. Every witness who appeared before the committee, whether he was for these proposals or not, said that the objectives were something that the whole world desired. There was no dispute about that and there was no dispute about the evils that have resulted from the present practices in international trade. Now, I do not know of any organized body that is opposed to the bill as amended.

The bill as amended clarifies the agreements. In my opinion it does not change a word, a letter, or a punctuation mark of the spirit of the agreement. I think the agreement was made with the purpose of carrying out the objectives of the amendment that we have adopted. In other words, that the stabilization fund should be limited to current monetary stabilization operations and the bank's funds should be used for economic reconstruction, and the reconstruction of monetary systems including long-term stabilization loans. Those were the points that the Committee for Economic Development stressed. This committee is composed of very excellent gentlemen, men of high standing in the communities

in which they live and are highly regarded throughout the country.

You have heard the statement of Mr. Burgess, the president of the American Bankers Association, which was read today in which he said that he thinks the general objectives can be accomplished by the bill as introduced.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Chairman, I yield myself three additional minutes.

I am confident that, after all the argument is over, the House will approve this bill without much opposition. It was reported out of the committee by a vote of 23 to 3, and you have already heard the opponents in the committee speak against the bill.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Wisconsin.

Mr. KEEFE. May I say to the gentleman that, so far as I am concerned, I intend to support this bill. But what I should like to know is this: Have any of the other 43 signatory nations had this Bretton Woods agreement submitted to their legislative bodies? Does the gentleman know?

Mr. SPENCE. I do not know. But I want to say this, that America is the spiritual, political, and economic leader of the world. The United States inaugurated the Conference. It is proper that the United States should first approve it. I do not know whether they have been submitted to the other countries or not. It has been said that the delegates did not agree. The delegates did agree, but they could not bind their governments. There was no disagreement at Bretton Woods. The proposals were signed by the representatives of all the governments.

Mr. ROBERTSON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Virginia.

Mr. ROBERTSON of Virginia. The gentleman knows, of course, how deeply I am interested in this legislation. Does the gentleman agree with me that if we are to have postwar world prosperity that we must have international trade?

Mr. SPENCE. Absolutely, if we are going to have high levels of employment and if we are going to have full production. We certainly will produce more than the American people can consume.

Mr. ROBERTSON of Virginia. And if we are to have increased international trade, is it not just as essential that we stabilize international currency as it is to negotiate trade agreements that lower the tariff barriers to freer trade?

Mr. SPENCE. It seems to me that question answers itself. It is obviously necessary under those circumstances to have the stabilization of currencies. We want to deal with the nations of the world with honor and with fairness and without any of the devices resorted to by many nations in the past.

Under leave to extend my remarks at this point, I herewith insert the report of the Committee on Banking and Currency on H. R. 3314:

PARTICIPATION OF THE UNITED STATES IN THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Mr. SPENCE, from the Committee on Banking and Currency, submitted the following report:

The Committee on Banking and Currency, to whom was referred the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

I. GENERAL STATEMENT

The full hearings which this committee held on the Bretton Woods proposals for an International Monetary Fund and an International Bank for Reconstruction and Development, extending over a period of 9 weeks, were based on H. R. 2211. After the close of the hearings certain strengthening and clarifying amendments were favorably acted on by the committee. Rather than report H. R. 2211 to the House with amendments it was decided to introduce a new bill into which the amendments above referred to could be incorporated. The new bill was accordingly introduced and is the one here being reported by the committee.

A large number of witnesses have been heard and additional material has been placed in the record of the hearing for the consideration of the committee and the Congress. Nearly all witnesses were agreed that the objectives of the fund and bank are essential to orderly international monetary and financial relations in the postwar period. A few witnesses expressed the view that some changes should be made in the articles of agreement for the fund and bank. The overwhelming weight of the testimony, however, was for approval of the Bretton Woods agreements as set forth in the final act of the United Nations Monetary and Financial Conference, dated July 22, 1944.

It was the general view of the witnesses, and it is the view of this committee, that changes in the articles of agreement for the fund or the bank would endanger the establishment of both institutions and would delay, if not destroy, the opportunity for international monetary and financial cooperation. A number of competent witnesses suggested changes in the bill, as originally introduced, which would not impair the agreements for the fund and the bank, and certain of these changes which, in our opinion, improve the legislation have been included in the bill being reported.

The articles of agreement of the fund and bank require deposit of documents showing that the United States is in a position to carry out the obligations under the agreements. The legislation here proposed will make it possible to file these documents. The bill recommended by the committee, which is explained in detail hereinafter in this report, authorizes the President to accept membership on behalf of the United States in the fund and the bank, in accordance with the articles of agreement, contains the provisions of law necessary to make such membership effective, and establishes certain principles to guide this country's participation in the conduct of the affairs of these institutions.

Bretton Woods Conference

The Bretton Woods Conference was preceded by more than 3 years of careful preparation. In 1941 the technical staff of the Treasury prepared a memorandum on postwar monetary and financial problems, recommending the establishment of an international fund and an international bank. In 1942, at the direction of President Roosevelt, a committee representing a number of Government departments and agencies was formed to work on these proposals. In 1943 a tentative proposal for a fund was submitted to the finance ministers of the United Nations, and bilateral discussions were held with the technical representatives of some 30 countries. These discussions led to the publication in April 1944 of a joint statement of principles on the establishment of an international monetary fund. The joint statement provided sufficient basis for an agreement on international monetary cooperation to warrant the calling by President Roosevelt of the United Nations Monetary and Financial Conference in July 1944. (See pt. II of this report.)

Relation to the program for peace

The Bretton Woods program is an essential part of a larger program for the establishment of an enduring peace. Unless we provide a sound economic foundation for peace, there is danger that the political arrangements for maintaining the peace may not work well or may break down entirely. The importance of international economic relations was recognized in the Dumbarton Oaks plan, which provides for the establishment of an economic and social council through which countries can cooperate in securing sound economic and social conditions conducive to the maintenance of peace. The establishment of the fund and bank are important to the proper functioning of the Economic and Social Council. (See pt. III of this report.)

Experience of the 1920's and 1930's

The Bretton Woods program for the International Monetary Fund and the International Bank for Reconstruction and Development is based on the international currency and investment experience of the 1920's and 1930's. Immediately following the last war there were serious monetary disorders in many countries, with sharp fluctuations in the values of many currencies, some of which were completely destroyed. Even when most countries were able to stabilize their currencies in the latter part of the 1920's, many of them adopted rates which tended to overvalue or undervalue their currencies. This was an inevitable consequence of unilateral action and the absence of an effective means of international cooperation.

When the depression came in the early 1930's, one country after another was forced off the gold standard and the international exchange mechanism which was reestablished in the 1920's again broke down. Countries employed competitive currency depreciation, and some of them resorted to the use of other discriminatory monetary devices. Germany, for example, made effective use of monetary weapons as instruments of economic warfare which she waged years before she began her military conquests. The result of these monetary disorders was a drastic decline in both world trade and international investment. The low level of international trade and investment in the 1930's undoubtedly helped to make our own depression more severe and had a retarding effect upon our recovery after 1933.

Unless steps are taken to assure international cooperation, these same practices are likely to reappear after this war in even more extreme form. (See pts. IV and VI of this report.)

Policy of the United States

For more than 10 years it has been the policy of the United States to promote international cooperation for the maintenance of exchange stability and the elimination of restrictive and discriminatory exchange practices. Following the establishment of our exchange stabilization fund, the United States Treasury made bilateral stabilization agreements with a number of countries. These

agreements provide for financial assistance to countries in stabilizing their exchange rates and for consultation on common economic problems. In 1936 our Government took the lead in the formulation of the Tripartite Declaration with Great Britain and France, to which Belgium, the Netherlands, and Switzerland subsequently adhered. Although these arrangements were valuable in maintaining some degree of order and stability in international monetary relations, they could not, of course, adequately meet the growing crisis. On the basis of this experience the Treasury came to the conclusion that international monetary problems can only be solved by means of truly multilateral agreements, such as are provided by the fund and bank.

The Bretton Woods program is directly related to our domestic objective of providing jobs for our workers in industry and assuring fair prices and markets for our farmers. Although exports account for a relatively small part of the total market for our products, they nevertheless can mean the difference between prosperity and depression for both agriculture and industry. If we are to expand and stabilize the export demand for our products, we must remove the currency restrictions which have been imposed upon international trade in the past and encourage an adequate flow of international investment. Only by working for an expansion of world trade as a whole can we expect to increase our own exports. Before many countries can resume international trade, their economies must be reconstructed. For this reason the speedy inauguration of the bank is essential to a high level of American trade. (See pts. V and VII of this report.)

The fund and bank

The International Monetary Fund is primarily a means for international cooperation and collaboration on international monetary problems. It provides for a general agreement on international currency policies and practices. Among the important objectives of the fund are the promotion of exchange stability, the ultimate elimination of exchange restrictions on current international transactions, and outlawing the use of such weapons of economic warfare as multiple currency devices and other discriminatory exchange practices. The fund will have resources of $8,800,000,000 which it can use to help members that need such help in limited amounts to maintain stable and orderly exchanges. The United States subscription to the fund will be $2,750,000,000.

The International Bank for Reconstruction and Development has for its purpose the promotion of sound international loans to countries in need of foreign capital for the reconstruction of industries devastated by the war and for the development of their resources. The bank's operations will consist chiefly of guaranteeing international loans for sound productive projects made through the usual private investment channels. In exceptional cases the bank will make loans out of its own resources and out of funds raised by sale of its own securities. The bank will have capital amounting to $9,100,000,000 subscribed by 44 countries, of which the United States will subscribe $3,175,000,000. (See pts. VIII and IX of this report.)

Testimony before the committee

In the course of the committee's extensive hearings on H. R. 2211, a large number of witnesses were examined representing all shades of opinion with respect to the Bretton Woods program. The witnesses examined included representatives of the Treasury, State, and Commerce Departments, and of other Government agencies. In addition, the committee heard the testimony of bankers, businessmen, and economists, and representatives of agriculture, labor, and other groups interested in international affairs. More than 100 organizations have adopted resolutions and statements recommending approval of the Bretton Woods program. The Bretton Woods proposals have also had wide support from the press, and this support has come from all sections of the country, from supporters of both parties and independents, from conservatives as well as liberal newspapers.

On the whole, the testimony was overwhelmingly in favor of United States participation in the fund and the bank. In some instances witnesses indicated to the committee the desirability of making changes in the bill as originally introduced, and the desirable changes are incorporated in the present legislation. (See pts. X and XI of this report.)

Criticism of the fund and bank

Little testimony was given before the committee in opposition to the bank, the bulk of the opposition being directed at the International Monetary Fund. The criticisms of the fund were of two general types: First, it was said that the fund will not really stabilize currencies and will not abolish exchange controls because the provisions of the agreement are not sufficiently rigid; second, it was said that our subscription to the fund will be lost because there are not sufficient safeguards on the use of the fund's resources.

Regarding the first criticism, the committee believes that absolutely rigid exchange rates, even if desirable, would be completely unacceptable to other countries. The fund provides a large measure of exchange stability, while permitting necessary changes in exchange rates through an orderly process which avoids competitive exchange depreciation. Likewise, this country cannot insist upon the immediate removal by other countries of all exchange restrictions on current transactions. Some controls will be necessary in the transition period until countries adjust their economies to the great changes caused by the war.

The committee is of the opinion that the fund agreement contains all of the safeguards on the use of its resources which are necessary. The management of the fund clearly has the power to see that the fund's resources are used in accordance with its purposes. However, as a measure of caution, the bill provides for securing further assurance that the resources of the fund will be used only for current stabilization operations arising out of seasonal, cyclical, and emergency fluctuations in the balance of payments. (See pt. XII of this report.)

Alternatives to Bretton Woods

In the course of the hearings, it was suggested by some witnesses that no international stabilization arrangement is needed either because stabilization is regarded as a matter for each country to deal with by itself or because the adoption of the gold standard by all countries would remove the necessity for such a mechanism. The committee cannot agree that international currency stabilization is possible without close international cooperation. It believes, moreover, that the reestablishment of the gold standard by a substantial number of countries is most unlikely in the near future.

Another suggestion would substitute for the multilateral agreement under the fund bilateral agreements with individual countries for the stabilization of exchange rates of key currencies. It is the view of the committee that agreements on exchange rates and exchange practices must be multilateral in character and must include many countries if they are to succeed.

The committee is of the opinion that the alternatives presented by the witnesses during the course of the hearings do not offer a practical basis for international monetary policy after the war. (See pt. XIII of this report.)

Amendments and reservations

In the light of the testimony and suggestions presented by witnesses the committee has considered the possibility of amending the articles of agreement or accepting them with reservations as to the interpretation of certain provisions.

The committee believes that there is serious risk involved in proposing amendments to the present wording of the articles of agreement and that they should be avoided. An adequate amendment procedure is provided in the articles of agreement and changes of a specific character that appear advisable in the light of experience can be made without great difficulty. With regard to the proposals which have been made for reservations as to the proper interpretation of the articles of agreement, the committee after careful consideration has concluded that the supposed dangers to which they are directed do not warrant incurring the risk of other reservations on the part of the 43 nations which have not yet passed upon the Bretton Woods agreements. (See pt. XIV of this report.)

Recommendation

The committee believes that any safeguards, in addition to those in the agreements, necessary for the protection of our interests have been provided in the legislation in a manner that will prove acceptable to other countries and will avoid the necessity for a new conference. The committee, therefore, recommends the passage of the bill. (See pts. XV and XVI of this report.)

II. THE BRETTON WOODS CONFERENCE

The articles of agreement for the International Monetary Fund and the International Bank for Reconstruction and Development (which are set forth in full in the appendix to this report) were prepared by a conference of the United Nations, called by President Roosevelt, which met at Bretton Woods, N. H., from July 1 to 22, 1944, and were submitted to the governments of the participating countries for their approval.

The Conference was the outgrowth of a long period of consultation among the United Nations for the purpose of finding a practical means of assuring international monetary and financial cooperation after the war. The articles of agreement for the fund and bank represent a harmonization of the views of the delegates of all countries. Of necessity these documents cannot embody all of the preferences of any one country. In brief, they are a compromise designed to establish a practical basis for the cooperation of all the United Nations in dealing with postwar monetary and financial problems.

Origin of United States proposals

The proposals for the fund and the bank grew out of a long period of careful preparation. In 1941, Secretary Morgenthau asked the Treasury staff to study the international monetary and investment problems that would be faced after the war and to suggest a practical means of dealing with them. As a result, a memorandum was prepared recommending the establishment of an international fund and an international bank. In December 1941 it was agreed by the State and Treasury Departments that one of the recommendations of this memorandum—that for an international stabilization fund—should be presented to the Conference of Ministers of Foreign Affairs of the American Republics which was to meet at Rio de Janeiro in January 1942. A resolution was adopted by that conference calling for the participation of the American republics in a conference of finance ministers

to consider the establishment of an international stabilization fund.

In the meantime, the Treasury staff continued its work on the memorandum regarding the fund and bank. In the spring of 1942, the memorandum was revised and expanded, and then presented by Secretary Morgenthau to President Roosevelt. The President requested the Treasury to continue study of the problems in consultation with the Department of State, the Department of Commerce, the Board of Governors of the Federal Reserve System, the Foreign Economic Administration, and other interested departments and agencies of the Government. Accordingly, a technical committee representing a number of agencies was formed to work on these proposals. The membership of this committee was not confined exclusively to technical advisers. An Assistant Secretary of State, an Assistant Secretary of Commerce, at that time Mr. W. L. Clayton, and occasionally, a member of the Board of Governors of the Federal Reserve System, as well as other policy-making officials met directly with the technical committee. A committee of Cabinet officers and agency heads met from time to time with Secretary Morgenthau to review the work of the technical committee and to give it further instructions in matters of policy.

In the spring of 1943 the work of the technical committee had progressed so far that a tentative proposal for a fund was submitted to the Cabinet committee. With the approval of President Roosevelt and Secretary Hull, Secretary Morgenthau sent the tentative proposal for an International Stabilization Fund to the finance ministers of the United Nations for study by their technical advisers. Secretary Morgenthau appeared before three committees of the House (including this committee) and three committees of the Senate to explain to them the fundamental principles of the proposal for an International Fund. The tentative proposal was also published in the press. About the same time, in April 1943, a tentative proposal for an International Clearing Union, prepared by the United Kingdom Treasury, was also submitted to the finance ministers of the United Nations.

Discussions preceding the Conference

There followed a period of extended bilateral discussions in Washington which lasted for about a year, to which some 30 countries sent technical representatives. On occasion, representatives of 3 or 4 countries met together; and in June 1943 representatives of about 18 countries met as an informal group to exchange views on the proposed International Fund.

While these discussions were going on, work was in progress by members of the Treasury staff and by the technical committee on the problem of international investment. A revised draft of a proposal for a Bank for Reconstruction and Development was completed by the technical committee and submitted to the Cabinet committee. In October 1943 Secretary Morgenthau appeared before the interested committees of the House and Senate and explained to them the guiding principles of the tentative proposal for an International Bank. The next month, with the approval of President Roosevelt and Secretary Hull, this tentative proposal was submitted to the finance ministers of the United Nations. It was also published in the press. Bilateral discussions on this proposal were held with the technical experts of other countries.

In the meantime, extended discussions on the tentative proposals for the fund and bank were going on with interested groups in this country—with representatives of banking, business, agriculture, and labor, and with organizations interested in international problems—which resulted in revisions of the tentative proposals.

In the spring of 1944, after long and careful study, the technical representatives of various countries approved the publication of a joint statement of principles on the establishment of an International Monetary Fund. Prior to the publication of this joint statement, Secretary Morgenthau appeared before the interested committees of the House and Senate to inform them of the status of the proposals for a fund and bank. Considerable progress had also been made in the discussions on an International Bank, although no joint statement was issued on this proposal. Because there was sufficient agreement on principles, it appeared probable that definitive proposals could be prepared by a conference which would prove acceptable to the participating countries. President Roosevelt, therefore, invited the 44 United Nations to an International Monetary and Financial Conference, to consider the establishment of an International Monetary Fund, and if possible an International Bank.

In preparation for the formal conference in July 1944, a preliminary meeting was held in Atlantic City, attended by representatives of about 15 countries. At this meeting, the principles of the joint statement were expanded and alternative provisions submitted by a number of countries were discussed informally. It was agreed at the preliminary meeting to present all alternative proposals on the fund and bank to the Conference for its decision. An agenda for the work of the Bretton Woods Conference was also prepared.

United States delegation

As was expected, the United States delegation took a leading part in the work of the Conference. In the American delegation President Roosevelt included four congressional delegates—the chairmen and the ranking minority members of the House and Senate Committees on Banking and Currency. In addition, the chairman and the ranking minority member of the House Committee on Coinage, Weights, and Measures assisted in the work of the Conference as advisers to the American delegation. It is worth noting that this was the first of the United Nations conferences dealing with the problems growing out of this war in which congressional Members were included in the American delegation.

All the work of the Conference was made currently available to the representatives of the press so that they and the public could be fully informed on what was done at Bretton Woods. No proposal of consequence that was considered by the Conference was kept from the members of the press. Every alternative provision was available to them in the same form in which it was submitted to the Conference. Members of the United States delegation saw the press daily, as spokesmen for the Conference, to discuss the progress of the work.

At Atlantic City the agenda committee had recommended that the Conference be organized with three commissions, one on the fund, one on the bank, and one on other questions. Each commission had four committees—on purposes and policies, on operations, on organization and management, and on legal status. The Conference approved this form of organization. Secretary Morgenthau, the chairman of the United States delegation, was elected president of the Conference. Mr. Harry D. White, Assistant Secretary of the Treasury, was elected chairman of the Commission on the Fund; and Lord Keynes, the chairman of the United Kingdom delegation, was elected chairman of the Commission on the Bank.

The detailed work of the Conference was done, of course, in the commissions and in the committees. The American delegation all served on the commissions and the committees. Judge Fred M. Vinson, Director of War Mobilization and Reconversion, was the leader of the American delegation on Commission I. Dean Acheson, Assistant Secretary of State, was the leader of the American delegation on Commission II. The rest of the delegation, including the congressional representatives, assisted with the work of these commissions. Senators WAGNER and TOBEY, and Congressmen SPENCE, WOLCOTT, SOMERS of New York, and REED of Illinois took an important part in the deliberations of the Conference and the discussions of the delegation.

The United States delegation operated as a team. It met in Washington a number of times before the Conference to study the documents and to consider the problems to be worked out. At the Conference, the United States delegation met every day and on numerous occasions two and three times a day if an important issue required further consideration. Secretary Morgenthau, as chairman of the delegation, insisted that there must be opportunity for every member of the delegation to express his views on every issue at all times. And every important question was discussed in the fullest possible way. A point at issue was agreed, and agreed unanimously, only after the fullest discussion.

Attitude of the Conference

In every conference there are bound to be differences of opinion and these differences must be reconciled. There can be no benefit to anybody from a prolonged and bitter debate among the United States, England, Russia, China, France, and other countries on issues that could be settled by discussion and negotiation. The United States delegation took the lead in ironing out some of these problems. In fact, in considerable part the success of the Conference was due to this careful reconciliation of minor differences without permitting them to become the basis for division and opposition within the Conference.

The Conference worked in a spirit of complete cooperation and harmony. All the nations represented at Bretton Woods were interested in finding the best means for cooperation in dealing with international monetary and financial problems. Every country realized that the effectiveness of its own economic policies depended to a considerable extent upon removing the monetary disorders and obstructions that stifled world trade in the 1930's. At the same time, every country represented at Bretton Woods was concerned with protecting its own interests, the American delegation no less than the others. In this atmosphere of enlightened self-interest the United Nations found the basis for working together to their mutual advantage. Judge Vinson, the vice chairman of the American delegation, stated to the committee that the work of the Conference was an inspiration to all free people who believe that international problems can be solved by the method of discussion and agreement.

After extended consideration by the committees of the Conference, by the commissions of the Conference, and by the Conference meeting in plenary session, the articles of agreement for the fund and bank were embodied in a final act of the Conference and later submitted to all participating governments for their approval. The bill now reported by this committee provides for the acceptance of these agreements by the United States.

III. BRETTON WOODS AND THE STRUCTURE OF PEACE

The Bretton Woods program for the International Monetary Fund and the International Bank for Reconstruction and Development can be best understood by considering it in relation to the complete plan for securing international cooperation to establish a prosperous and peaceful world.

Economic basis for peace

There is widespread recognition of the principle that the establishment of an en-

during peace requires more than the setting up of political machinery for dealing with threatened aggression. It is necessary to provide a sound economic foundation for peace. The most continuous and extensive relations between countries are through their international economic transactions. The spirit manifested in these economic relations is carried over to the political field. That is why in the interest of peace it is essential to see that international economic relations contribute to the well-being of all countries and that they do not become points of conflict that endanger peace.

It is now accepted as a fundamental axiom that peace is possible only if countries work together and prosper together. For this reason, the economic aspects of the postwar peace are equally as important as its political aspects. This view was expressed most emphatically by Secretary of State Stettinius in a speech to the Chicago Council on Foreign Relations prior to the convening of the San Francisco Conference. He said:

"The close cooperation of the United Nations in a program for economic reconstruction and expansion * * * is fundamental to the success of the world organization. Without it the world will be able neither to recover from the effects of this war nor to prevent the next war."

Relation to International Security Organization.

The plan for an International Security Organization drafted in preliminary form at Dumbarton Oaks and now under consideration at San Francisco takes cognizance of this important aspect of peace. The Dumbarton Oaks plan provides for the establishment of an Economic and Social Council through which countries can cooperate in establishing sound economic and social conditions that will contribute to the well-being of all peoples and thereby facilitate the maintenance of peace. Developments at the San Francisco Conference, while the committee hearings were going on, have indicated the increased stress that is being placed by many countries on the importance of the Economic and Social Council in the maintenance of peace.

The establishment of the fund and bank, in which this country would participate under this bill, are important to the functioning of the Economic and Social Council. In many respects they are the very heart of the program for international economic cooperation. The rejection of the fund or the bank would make impossible any further progress on international economic cooperation; and, as many witnesses testified, failure to establish the fund and bank would hamper the efforts now being made by the United Nations to establish an enduring peace structure. Since the immediate and urgent problems of the postwar period are likely to be economic, failure to deal with them through international cooperation will have important political as well as economic and social consequences.

IV. THE EXPERIENCE OF THE 1920'S AND THE 1930'S

The Bretton Woods program for the International Monetary Fund and the International Bank for Reconstruction and Development grows out of the experience of the 1920's and the 1930's and is based on policies developed by this country to deal with international monetary problems through international cooperation.

Currency stabilization in the 1920's

After the First World War there were serious monetary disorders, with many currencies disrupted and some currencies completely destroyed. At considerable sacrifice, currencies were finally stabilized, some at the prewar parity, others at a new parity, and still others through the establishment of a new monetary system. By 1929 all major currencies were back on the gold standard. This process of stabilization was undertaken unilaterally, each country determining its policy for itself. In some cases there were stabilization loans, and in others there were informal discussions among the heads of central banks. But the fact remains that each country regarded currency stabilization as its own exclusive business and proceeded to establish the parity of its currency without regard to the effect of its action on other countries.

As a consequence of this method of dealing with international currency problems, some currencies that were stabilized with such great difficulty soon proved to be overvalued, while others were undervalued. In countries with overvalued currencies, exchange rates were under constant pressure. The effect was to increase the difficulty of maintaining exports and employment in these countries. In a vain effort to maintain the established value of these currencies, countries put pressure on their domestic wages and prices, inducing depression at home and reducing the demand in these countries for domestic and import goods. The depression in the countries with overvalued currencies affected to some extent business conditions in all countries. As experience later proved, the weakness of a major currency is a source of danger to all currencies.

When the great depression came, the whole pattern of exchange rates became untenable. The raw-material countries like Argentina, Australia, and Brazil were compelled to depreciate in 1929. In 1931 Great Britain and the rest of the British Empire, nearly all of Europe, most of South America, and Japan were forced off gold. In 1934, the United States and the rest of the Latin-American Republics devalued their currencies. And finally, in 1935 and 1936, the countries constituting the gold bloc were compelled to abandon gold.

If countries that departed from the gold standard had cooperated with each other to adjust the foreign exchange value of their currencies to the proper level, the world might have been saved from economic disaster. Unfortunately, again each country revalued its currency to suit its immediate interests, and there was a strong tendency toward competitive depreciation of currencies. In part, this was a reflection of an eagerness to avoid the mistakes of the 1920's, when important currencies were overvalued. In part, excessive depreciation was used to bring about a forced expansion of exports in an attempt to pull out of the depression. A number of countries resorted to the use of discriminatory currency devices—exchange control, multiple currencies, bilateral clearing, and other currency tricks—to secure a larger share of a shrinking volume of world trade. The over-all effect was to intensify monetary disorder and to spread depression from country to country.

Currency warfare used by Germany

When Germany, in 1931, established exchange control, she blocked the free transfer of funds by foreigners who wished to repatriate their holdings. To realize anything on their blocked funds, they had to sell their marks at a discount, a practice encouraged by Germany because it afforded a bounty to foreign importers of German goods. Whereas the official rate of the mark was 40 cents, some blocked marks, representing the repatriation of loans to Germany, were sold for as little as 15 or 20 cents. Buyers in other countries that used these marks secured a discount of 50 percent or more on their purchases in Germany.

This device of multiple rates of exchange for the same currency proved so useful in securing unfair trade advantages that Germany instituted the system on a wide scale. New types of marks were developed to exploit every possible demand, selling at different exchange rates, depending on who held them, to whom they were transferred, and to what uses they were put.

Multiple exchange rates were a device for exploiting creditors and competitors through the use of discriminatory monopoly prices in international transactions. Those who had to buy essential German goods were compelled to use high-priced marks. But in the sale of German goods for which the demand was not very great, for the transfer of remittances to Germany, including funds transferred by Germans abroad in anticipation of their return to Germany, marks were offered at bargain prices.

Bilateral clearing agreements

Another device developed by Germany was the bilateral clearing agreement. Because Germany did not generally permit the payment of external debts in the 1930's, some countries with a large import surplus from Germany threatened to withhold the funds due to German exporters and to use these funds to pay their own nationals. As a result of this pressure, Germany agreed that some of the proceeds of German exports could be used to pay foreign creditors. This was done through clearing agreements.

The Nazi masters of Germany soon recognized the great potentialities of this device. In many cases, the German exchange authorities refused to permit German importers to buy goods from some countries unless these countries undertook to accept payment in German goods. In other cases, particularly in southeastern Europe, the German Government entered into agreements for the bulk purchase of staple commodities for a period of years at apparently generous prices in marks. With this policy, Germany's imports from the Balkan countries increased enormously. In turn, Germany forced on these countries through bilateral clearing agreements the purchase at excessive prices of such goods as Germany was willing to export. During the period of German conquest, the bilateral clearing arrangements were extended to all the occupied countries of Europe and became the basis for compulsory multilateral clearing through Berlin. This clearing scheme enabled Germany to exploit occupied Europe through the accumulation of unpaid clearing balances amounting to 100,000,000,000 marks.

There can be no doubt that after Hitler came to power Germany deliberately used these devices as instruments of economic warfare, in preparation for the war to come. The multiple currencies, which began with the discount on blocked marks held by American and other creditors, were expanded until in 1938 there were more than 30 different kinds of marks. German clearing agreements, which numbered only 4 in 1932, and were largely concerned with repayment of debts, expanded until in 1938 there were more than 35 bilateral clearing agreements, designed to assure Germany access to the resources of Europe. Some of the German clearing agreements were made with countries in the Western Hemisphere, with the deliberate intention of destroying the close economic relations of the United States and other democratic countries with Latin America.

Effect on world trade and investment

Against this background of destructive currency tactics, it is little wonder that between 1929 and 1932 the value of world trade fell by nearly 70 percent. And even after considerable industrial recovery had taken place in nearly all countries the dollar value of world trade in the 1930's remained 40 percent below the level of the 1920's. In the decline in world trade, the United States suffered relatively more than did any other country. Our share of total world exports fell by more than 30 percent between 1928 and 1934.

The experience of the 1920's and the 1930's with international investment is equally disheartening. Throughout the 1920's this country invested freely abroad. In too many

instances, loans were made without consideration of their economic soundness or the ability of the borrower to repay. When the great depression came, we stopped lending almost completely, although we had an export surplus. And when the political and social disorders in Europe became a threat to peace, the capital flight to this country put added pressure on some currencies. The resulting currency disorders in turn were one factor in discouraging international investment after recovery began in 1933.

There can be no doubt that the failure to restore international trade and investment in the 1920's delayed and hampered the process of recovery. The widespread use of the devices of currency warfare prolonged and intensified the depression. This country, the United Kingdom, and other countries which made no use of such currency tactics, were their principal victims.

V. MONETARY POLICY OF THE UNITED STATES AFTER 1934

In this country there was an acute awareness of the dangers to world peace and prosperity arising from these disorderly currency practices. It was recognized that exchange problems are international in character and that no unilateral policy can, in fact, succeed. For this reason, the policy of the United States since 1934 has been directed toward securing international cooperation for the maintenance of stable and orderly exchange rates and the elimination of restrictive and discriminatory exchange practices.

Bilateral stabilization agreements

Through its Exchange Stabilization Fund, established in 1934, the United States Treasury has made bilateral agreements with a number of countries to help maintain exchange stability. These agreements provide for the purchase of the other country's currency with dollars, up to a stated amount, for the purpose of stabilizing its rate of exchange. The Treasury can terminate such agreements at any time, and after notice can require the other country to repurchase its currency within a reasonable period at a dollar rate which safeguards the Treasury against loss. The bilateral stabilization agreements also provide for consultation on common economic problems, and provide specifically that no change in the exchange rate will be made by the other country except after consultation with the Treasury. This same type of bilateral currency agreement has since been used by a number of other countries.

The tripartite declaration

An attempt at multilateral cooperation was made by the United States, England, and France, in the tripartite declaration of 1936. The immediate purpose of the declaration was to prevent further exchange depreciation as a consequence of the contemplated devaluation of the French franc. In the declaration, the three Governments stated their intention to consult on exchange policy in order to avoid new exchange disturbances that might result from the proposed adjustment. The declaration also called for the expansion of international trade and the relaxation and ultimate abolition of the quota system on imports and of controls on exchange transactions. Later, the Governments of Belgium, the Netherlands, and Switzerland affirmed their adherence to the declaration.

While our bilateral stabilization arrangements and the tripartite declaration helped maintain a degree of order and stability in international monetary relations, they were inadequate. In the first place, the political and economic insecurity of the 1930's resulted in steady pressure upon the currencies of some countries. In the second place, the aggressive German currency policy forced other countries in self-defense to adopt restructions of the very type that the tripartite declaration was designed to eliminate. For these reasons the bilateral arrangements and the tripartite declaration could not achieve their objectives.

Multilateral agreement necessary

On the basis of this experience, the Treasury had come to the conclusion, even before the war, that international monetary problems could be solved only if a truly multilateral arrangement could be devised. The proposal for the International Monetary Fund and the International Bank for Reconstruction and Development, now being considered by 43 other members of the United Nations, offers a unique opportunity to secure approval of the sort of international cooperation that the United States has urged upon the world for a decade. The action of the Bretton Woods Conference indicates that the United Nations are prepared to adopt such a policy.

VI. THREATS TO POSTWAR PEACE AND SECURITY

The world cannot afford to repeat the errors that were made in dealing with international currency and investment problems in the 1920's and the 1930's. If it should, the consequences would be far more disastrous than ever before since restrictive and discriminatory practices would be employed in many countries with greater ingenuity and increased efficiency. It is necessary, therefore, to take steps now to see that monetary and financial problems are dealt with through the cooperation of the United Nations. Otherwise, because of the disorganized and precarious condition of the world economy after the war, many countries may under the pressure of necessity deal with international monetary and investment problems on a unilateral basis. They will seem forced to employ direct controls over all international transactions as a means of restoring their balance of payments position. They will feel compelled to enter into bilateral political arrangements to secure the help they need. The inevitable result will be a world trading system dominated by governments.

Postwar reconstruction problem

The destruction resulting from this war is without parallel in magnitude. In many countries, transportation systems, roads, and bridges have been completely destroyed; factories have been bombed and stripped of their productive equipment; harbors and public utilities and public works have been wrecked and disorganized. Unexploded mines litter the fields. While such conditions persist, normal production cannot be resumed. In many countries, even the raw materials for production are completely lacking.

For 6 years world trade has been practically cut off from the European Continent and from parts of Asia. In the case of England, long-held international investments have been liquidated and large foreign obligations have been incurred to carry on the war. In all countries productive facilities and labor have been shifted away from the export industries to war production. Whatever international trade has gone on during the war has been largely intended to contribute to the prosecution of the war. In some of the greatest trading countries, these policies have been adopted rigorously with the sole purpose of facilitating victory.

The task of reconstructing the world economy will be difficult. As a first step, it will be necessary to restore to many countries their producing and trading power. They must be given the opportunity to secure equipment and materials as a means of opening the channels of trade. Nor can international trade and investment be restored until orderly currency arrangements have been established and the wartime restrictions that prevent or hamper the movement of goods and capital across national boundaries have been removed.

Postwar currency problems

In setting exchange rates after the war, some countries may be tempted to undervalue their currencies in order to facilitate the restoration of their position in the export markets. Others may be tempted to overvalue their currencies. In many countries the continuance of some wartime controls over exchange transactions is to be expected. The danger is that these controls will be made a part of the permanent exchange policy of the country. And if some countries utilize the devices of currency warfare to secure unfair advantages, other countries will feel compelled to do so in self-protection. The end result could only be a resumption of the disastrous currency warfare of the 1930's though more vicious in character and more extensive in scope.

The enormity of the task of postwar adjustment has led important sectors of opinion in some countries to advocate the use of direct control of international transactions by the State. The proponents of direct control urge that governments must act directly to assure a large and stable volume of world trade on advantageous terms. They urge that governments enter into bilateral clearing arrangements for the purpose. In this way, it is said, a large importing country could make advantageous agreements with raw-material-producing countries, eager for assured markets and fair prices, and willing to accept payment in the industrial goods of the importing country.

Some of the advocates of such a policy also recommend the maintenance of freely fluctuating exchange rates to permit a country to adjust its balance of payments promptly with countries with which it has no bilateral clearing arrangement. Moreover, they would use exchange controls to see that imports are confined to commodities of a character conforming to this general policy. Even in some of the countries that bitterly opposed the discriminatory and restrictive currency practices of the 1930's, an influential part of the public would apparently not object now to the use of these devices.

State control of international transactions

Some of the advocates of this policy no doubt believe that direct control of the balance of payments by the state is ideally suited under any conditions to secure the greatest advantages from international trade. But they are few in number. The majority of the people in these countries would prefer a solution along freer lines. If some of them seem prepared to support such a policy, it is because they fear that no other policy can deal with the enormous problems of the postwar period. The establishment of the fund and bank will offer enlightened public opinion in the United Nations the opportunity to support a policy of international cooperation for the benefit of all countries.

There is another danger to free enterprise in the reconstruction problem that will be faced by many countries. It is essential that war-torn countries restore promptly their industry and agriculture. Although to a considerable extent this will be done by domestic industry, some imports of capital equipment from other countries will be necessary. If this equipment can be secured on reasonable terms, there is every reason to hope that international investment on the basis of private enterprise and private loans will be restored and will continue. On the other hand, if some countries should find it difficult to secure through private investment the minimum capital needed from abroad, they will be tempted to seek this capital in other ways. Foreign loans may be arranged on a political rather than an economic basis. Such a policy would be most unfortunate, for it could only mean a resumption of the use of power politics in international economic relations.

The dangers of the postwar period must not be underestimated. What is at stake is the principle of free enterprise in international trade and investment. Direct control of the balance of payments requires extraordinary extension of state control. These dangers are widely recognized in many countries and are freely admitted. They would be accepted only if no alternative program were available. As compared with international cooperation on monetary and financial problems, it is certain that nearly all countries would prefer the latter.

Threat of economic blocs

Apart from its economic aspects, direct control of international trade and investment by the state through bilateral agreements would have unfortunate political consequences in a world of communities that must work together. Even if such bilateral arrangements were made in the friendliest spirit, the participating countries might be brought into sharp conflict with countries outside the agreement. Inevitably, therefore, such arrangements would result in a system of economic blocs. Countries that were unable or unwilling to organize their international trade along such lines would be compelled to revert to economic isolation.

The kind of world economic system we seek depends upon international arrangements to assure stable and orderly exchanges. It depends upon international arrangements to encourage sound and productive international investment. The people of this country have the greatest interest in maintaining a world in which international trade and investment are governed by economic rather than political considerations. We can have such a world only if we can secure the cooperation of other countries in matters of monetary and financial policy.

VII. THE BRETTON WOODS PROGRAM AND DOMESTIC POLICY

The Bretton Woods program for the International Monetary Fund and the International Bank for Reconstruction and Development must be considered in relation to our domestic economic policies. There is general agreement that the primary objective of our economic policy after the war must be to provide jobs for workers in industry and to assure fair prices and steady markets for farmers. We can achieve this objective only if we find markets at home and abroad to match the miraculous producing power of our factories and farms.

Our main dependence must always be on the home market. We have in this country the greatest concentration of consuming and investing power in all the world. The 140,000,000 American people buy most of the world's production of automobiles, refrigerators, and radios, and of machinery, equipment, and appliances. These are the goods typical of American mass production—symbolic of the high American standard of living.

Importance of foreign markets

While fully recognizing the predominant importance of the demand for our output by our own consumers and producers, we must not overlook the significance of foreign markets. During the 1920's about one-tenth of our agricultural and industrial production was sold abroad. Our exports declined drastically from 1929 to 1932, from more than $5,000,000,000 to slightly more than $1,500,000,000. Our exports may seem to be only a small part of our total production. They, nevertheless, mean the difference between prosperity and depression for both agriculture and industry. This is evident when we look at foreign markets in terms of particular industries.

In 1938 exports accounted for 27 percent of our production of aircraft parts, 22 percent of our office machinery and appliances, 18 percent of our printing and bookbinding machinery, 17 percent of our farm machinery and appliances, 15 percent of our pharmaceuticals, 14 percent of our industrial machinery, 14 percent of our automobiles and trucks, 12 percent of our radio equipment, and 11 percent of our refined-oil products. It is no less true that export markets are essential to our agriculture. In 1938 our exports accounted for 30 percent of our production of tobacco, 30 percent of our cotton, 19 percent of our rice, 16 percent of our pears, 13 percent of our apples, 12 percent of our wheat, 12 percent of our lard, and 11 percent of our hops.

To retain and expand our foreign markets, we must bear in mind that our imports are the principal means other countries have for paying obligations to Americans. When countries stop buying our exports one reason may be that they do not have enough dollar exchange. Our imports provide other countries with dollars they can use to buy our goods and to meet service requirements on our investments. At the same time imports are essential to provide our industries with raw materials and our consumers with many basic articles of consumption.

Only through imports are we able to consume a large variety of goods not produced in the United States or produced here in small amount. This is true of coffee and tea, silk, sugar, tropical fruits, and a score of other commodities of daily consumption. Furthermore, our industries depend upon imports for many indispensable raw materials. For example, to make the high-speed specialty steels which modern industry and transport require, we imported 40 different commodities from more than 50 countries. We depend on Bolivia for our tin, on Canada for nickel, and on a number of countries for our natural rubber. We must supplement our domestic supplies of bauxite for the production of aluminum, our supplies of manganese, copper, chromium, and other essential metals. The war has shown us the serious difficulties which develop when anything arises to interfere with these customary imports. Without these imports, our production would be seriously handicapped and our standard of living would be lowered.

The 44 nations that participated in the Bretton Woods Conference recognized that the expansion of international trade and the resumption of international investment are essential to the realization of our hopes for a prosperous and peaceful world. It will not be possible to secure the expansion and the steady growth of international trade unless we establish an environment of stability and order in exchange practices, free from the currency warfare and the restrictions of the 1930's, until the countries devastated by war have had an opportunity to reconstruct and restore their producing and trading power. Once the appropriate environment is created, international trade can be expanded far beyond the levels of the 1930's, and all countries can participate profitably in this trade.

If our exports of goods and services could reach $10,000,000,000 a year during the postwar decade, it would mean the employment of millions of our workers and farmers in the production of goods for foreign demand. To attain such a level of exports, it would be necessary for this country to buy imports and to make foreign investments in sufficient volume to provide other countries enough dollar exchange to pay for our exports. Our imports would provide us with raw materials for industry and a more varied collection of goods and services for consumers. At the same time, our international investment would facilitate reconstruction and development in countries which cannot provide for all of their urgent investment needs out of their own current savings.

If international investment is to be of continuing importance in the world economy, there must be assurance that creditor countries will import, that they will maintain a balance of payments that will make it possible for debtor countries to meet their obligations. These observations do not in any way conflict with the conclusion that an expansion of international trade and a resumption of international investment are desirable. They indicate that international trade and investment must be of a balanced character both among countries and from one period to another.

Currency arrangements necessary for trade

The expansion of international trade and the resumption of international investment will be facilitated if the great trading countries adopt a common international monetary policy. Such a policy must be directed toward securing and maintaining orderly and stable exchange arrangements and freedom in exchange transactions. The experience of the 1930's shows clearly that the use of exchange depreciation and the discriminatory currency practices to secure trade advantages inevitably encourages retaliatory measures that diminish the volume of international trade and investment, and distort the pattern of international payments. Only through international cooperation will it be possible to avoid such restrictive measures which inevitably affect all countries.

After the experience of the 1930's, it is quite obvious that orderly international currency arrangements, as well as national prosperity in the United States and in other countries, cannot be based on the prewar volume of international trade and investment. Unless measures are taken, national and international, to raise the real volume of international trade by at least 50 percent above the prewar level, direct control of the balance of payments in some countries will be difficult to avoid. With $80,000,000,000 of international trade a year during the postwar decade, it will be possible for the countries that must increase their prewar level of exports in order to obtain essential imports to secure the necessary expansion of exports without depressing their living standards and without the use of cutthroat tactics in international markets. With such a level of international trade, the countries that have suffered severe economic dislocation can pass from the postwar transition into a period of stability, order, and freedom in exchange relations.

Reconstruction will facilitate trade

Until the world has been restored to economic health, it will be difficult to secure adequate expansion of international trade and investment. The occupied areas of Europe and Asia are important factors in the world economy; they must be restored and reconstructed promptly.

Similarly, countries that have not had the opportunity for economic development should have access to the foreign capital they need, on reasonable terms. The volume of international trade is certain to rise as productivity is increased in all countries. The trade of the United States has always been largest with such countries as Canada and England, which are highly industrialized and have high standards of living.

There is no reason why this should not be equally true in other areas as they are developed. The measures that must be taken in each country for restoration of the national economy are primarily of a domestic character. But sound international investment for productive purposes will facilitate reconstruction and development, and international monetary cooperation will give every country the confidence it needs to proceed with the task of economic restoration.

The fund and bank can make an important contribution to the establishment of a balanced and growing world economy. They can help and encourage those countries whose economies have been disrupted by war and which must go through a period of transition or reconstruction to take the measures necessary to restore their position in the world economy. The fund and bank can set standards for international monetary and

investment policy. Together they can provide the means for constant and broad cooperation on international monetary and financial problems. In a world cooperating in this manner, the international trade and investment of the United States will make a substantial contribution to our industrial and agricultural prosperity.

VIII. ANALYSIS OF THE INTERNATIONAL MONETARY FUND

Despite the technical nature of the problems with which the International Monetary Fund must deal, its essential principles are quite simple and can be summarized in four statements. First, the members of the fund recognize that international monetary problems are an international responsibility and must be dealt with through international cooperation. Second, the members of the fund will establish the initial parities of their currencies in agreement with the fund and will not change these parities thereafter except after consultation with the fund and in accordance with the agreement. Third, the members of the fund agree, after the postwar transition, not to impose restrictive currency devices and to remove the restrictions they now have as soon as conditions permit. Fourth, countries that abide by these standards of fair exchange practice will be given limited help, under adequate safeguards, to supplement the use of their own monetary reserves in maintaining stable and orderly exchange arrangements.

These are the essential features of the agreement for the fund. The technical provisions in the articles of agreement are elaborated in great detail in order to state explicitly the safeguards that have been established to assure the proper operation of the fund. But these technical details do not modify in any way the fundamental principles upon which we must pass judgment.

A summary of the essential features of the fund follows:

Cooperation and collaboration

The fund agreement provides a means through which countries can cooperate and collaborate in the solution of international monetary problems. The member countries will find the fund a convenient place to discuss international monetary problems, exchange views, and work out practical programs. Moreover, the fund will establish standards of fair exchange practice that will assure all countries that their international economic position will not be impaired by arbitrary and destructive measures taken by others. Cooperation through the fund will facilitate for many countries the difficult task of adjustment from wartime to peacetime conditions.

Stable and orderly exchanges

One of the more important functions of the fund will be to provide orderly and stable exchange rates. The fund agreement provides that the initial par value of each member's currency, expressed in terms of gold or the United States dollar, will be based on exchange rates prevailing 2 months before the fund comes into force. If the member or the fund believes this par value is unsatisfactory and cannot be maintained without excessive use of the fund's resources, they must agree on a suitable par value. For countries occupied by the enemy, the period during which an initial par value is to be determined may be extended by agreement between the fund and the member country. In the meantime, the fund may engage in limited exchange transactions with such countries at a tentative parity under such conditions and in such amounts as the fund may prescribe. The bill before this committee requires the par value of the dollar to remain at its present gold content.

After initial parities have been established, member countries must maintain their currencies stable within a range 1 percent above or below parity. A change in parity can be made only on the proposal of a member after consultation with the fund and only for the purpose of correcting a fundamental disequilibrium. The present bill provides that no change in the par value of the dollar may be proposed without the authorization of Congress. A uniform change in the par values of all currencies may be made by a majority vote of the fund, with the approval of each country having 10 percent or more of the total quotas; that is, the United States, the United Kingdom, and the Soviet Union. The United States, therefore, retains a veto over any uniform change in par values, and such a change can be made only with the express approval of Congress. Any country that does not wish to have the parity of its currency changed as a result of such action may notify the fund of its decision to retain the same parity.

Because the war has brought great economic changes to which adjustment can be made only gradually in the postwar period, a method must be provided to correct promptly any errors in initial parities. Such correction is clearly preferable to allowing a persistent overvaluation or undervaluation of a currency, as happened in the 1920's. To assure prompt adjustment of minor errors in initial parities, the fund cannot object to a proposed change which, together with all previous increases or decreases, does not exceed 10 percent of the initial par value. On all other changes in parity a member must request the concurrence of the fund.

While the fund has every reason to object to exchange depreciation where equilibrium could be better restored in other ways, it is not desirable to force upon a member country a rigid exchange that can be maintained only by a sharp reduction of wage rates and domestic prices. Exchange stability is for the purpose of encouraging international trade and investment. To insist on exchange rigidity at the cost of a severe deflation would defeat these purposes and spread depression from country to country. Nor can it be expected that countries will cut their social-security programs or forego other social measures because they might affect exchange rates. For these reasons, the fund agreement provides that if a change in parity is necessary to correct a fundamental disequilibrium, the fund cannot object because of the domestic social or political policies of the country.

The fund agreement forbids multiple currency practices, except as approved by the fund, and the countries that now follow such practices must consult with the fund as to their progressive removal. In a number of American republics such multiple exchange rates are an important part of the tax structure. The spread between buying and selling rates has been a substantial source of revenue in many cases, and their removal must be undertaken gradually as other measures can be adopted to raise the needed revenues. There may be occasions when temporary use of multiple exchange rates may be necessary in connection with violent fluctuations in the balance of payments. The fund would have to pass on the need for multiple exchange rates at such times.

Under these provisions, the fund in practice will provide greater assurance of orderly and stable exchange arrangements than could be achieved under a precarious gold standard, with each country in a crisis changing the parity of its currency at will. If any change, beyond the minor changes aggregating 10 percent, is made in the parity of a currency after the fund has expressed its objection, the member becomes ineligible to use the resources of the fund, and if the difference between the member and the fund continues, the country may be compelled to withdraw from membership in the fund.

Freedom in exchange transactions

In general, exchange controls restrict and divert international trade and investment into uneconomic channels by limiting the amount of foreign exchange made available to pay for imports and to meet service requirements on foreign investments. To eliminate such practices, the fund agreement establishes the principle that no restriction may be imposed on payments and transfers for current international transactions, including interest and dividends on foreign investments and moderate amortization and depreciation payments.

To avoid capital flights, member countries are authorized to control international capital movements, and the fund may require a member to exercise controls to prevent use of the fund's resources for large or sustained outflows of capital. None of these provisions is intended to interfere with capital transactions required in the ordinary course of trade, banking, or other business, or to prevent capital investment for productive purposes when they are made out of a member's own resources. When capital controls are imposed, they may not be used to restrict payments for current transactions or to delay unduly the transfer of funds in settlement of commitments. Their sole purpose is to prevent international monetary instability originating in capital outflows.

Countries like the United States, with large resources, would be perfectly free to allow all outward capital movements, and no country could be required to introduce controls to prevent small and intermittent movements of capital. In cases where controls are necessary, supervision or reports might be sufficient for this purpose. Experience with foreign-funds control in this country has shown that banks can, without detailed controls, be relied upon to see that transactions are not carried out contrary to regulations. Supervision of a similar character would probably be adequate in countries like England and Canada. There are countries in which comprehensive control of payments may be needed to prevent an unauthorized outflow of capital. But the fund would, in any case, tend to minimize capital flights and thus reduce the necessity for controls.

Countries that now have exchange controls on current transactions must consult with the fund as to their progressive removal and could retain them only with the approval of the fund. Countries whose international payments must cover relief and reconstruction are permitted to continue exchange controls during the post-war transition, but they must withdraw such restrictions as soon as they are able to balance their international payments without excessive use of the fund. In all other cases exchange controls on current transactions require the approval of the fund. The fund would authorize a country to impose such controls temporarily if a serious adverse balance of payments could not be corrected promptly by other measures. Obviously, when a country finds that it cannot export enough to meet its current international payments it must either have help from the fund or be permitted to limit the obligations it incurs to make payments in foreign exchange. In some instances the temporary use of exchange controls, while corrective measures are put into effect, could be advantageous to both the country employing the controls and other members of the fund.

Scarce currencies

If any country should have a persistently large favorable balance of payments, its currency, from the point of view of other countries, would tend to become scarce. However, it appears unlikely that a scarcity of a currency will develop. But if this should occur, the fund will provide a means of dealing with the problem without a general revision of parities.

First, the fund would report on the causes of the scarcity and the measures necessary to correct it. The scarcity of a member's currency could be due to inadequate imports by that country or to excessive imports by other

countries. The appropriate remedies would depend on the facts in the particular case. Then, if its own holdings became inadequate to meet the demand, the fund could apportion its sales of the scarce currency with due regard to the relative needs of members and other pertinent considerations. The fund would, of course, never entirely exhaust its supply of any currency, for it would acquire gold and the scarce currency from its other transactions. The fund is also permitted to borrow a scarce currency with the approval of the member concerned. The present bill, however, provides that no loan shall be made by the United States to the fund without the express authorization of Congress.

When the currency of a country is generally scarce, other countries must take steps to curtail the demand. Without the fund, there would be no limit on the restrictions that could be imposed. Under the fund agreement, the limitations on exchange operations with respect to a scarce currency may be imposed only after consultation with the fund; they may be no more restrictive than is necessary to curtail the demand for the scarce currency; and the limitations must be removed as rapidly as conditions permit. In the meantime, the fund will use its resources to relieve the scarcity, and it will recommend corrective measures. While a country is bound to give consideration to the recommendations of the fund, it remains free to take whatever action it deems desirable in connection with the recommendations.

A more detailed discussion of scarce currency with relation to the United States is presented in part XII below.

Help from the fund

Exchange stability and freedom of exchange transactions are possible only if countries have resources out of which to meet an adverse balance of payments. Otherwise they are compelled to force a prompt adjustment in their accounts through exchange depreciation or exchange control. Either policy might restrict the volume of trade and have a depressing effect on business in all countries. If other adjustments are preferable, a country should have help in avoiding extreme measures.

The fund will have resources of $8,800,000,000 in gold and in national currencies, subscribed by 44 countries on the basis of appropriate quotas, to help members maintain the exchange policies of the fund. Of this amount, the United States would subscribe $2,750,000,000 and other countries $6,050,000,000 dollars. The subscription in gold for each country will amount to 25 percent of its quota, or 10 percent of its gold and dollar holdings, whichever is less. The gold portion of the subscription of the United States will be $687,500,000; the total for other countries, approximately $1,100,000,000. Under this bill, no change in the subscription of the United States may be made without prior authorization of Congress.

Although the fund's resources are not exceptionally large, they are extremely important. After urgent postwar needs are met, gold and dollar reserves of foreign countries may amount to about $16,000,000,000. It cannot be assumed, however, that these reserves will all be available for use in maintaining free and stable exchanges. Many countries will have far smaller reserves than they need to meet large fluctuations in their balance of payments. Even if these resources were better distributed, foreign countries as a group would hesitate to draw down their exchange reserves below $10,000,000,000 to maintain the fund's exchange policies. By making its resources available to member countries, the fund will give them confidence to use their own reserves, and the aggregate resources that can be used to maintain stable and free exchange will be considerably increased.

Conditions for use of the fund

A member country may purchase foreign exchange in limited amounts from the fund for its own currency without special action by the fund. It should be noted that the fund's holdings of currency are guaranteed against depreciation in terms of gold. Subject to quantitative and qualitative limitations, the fund gives each member a constitutional right to purchase foreign exchange for local currency; but the fund can terminate this right for any country that is not carrying out the purposes of the fund. This is substantially the same technique used in our own stabilization agreements.

On the quantitative side, unless the fund expressly waives these limits, a country may not acquire foreign exchange from the fund for its own currency in a net amount in excess of 25 percent of its quota in any 12-month period; nor can it purchase foreign exchange from the fund for its own currency if the fund's holdings of its currency exceed its quota by 100 percent. If a country has monetary reserves in excess of its quota, it must use its own reserves to the same extent that it draws upon the resources of the fund; and when its reserves exceed its quota, a country must use one-half of the increase in its monetary reserves to repurchase its currency from the fund.

On the qualitative side, the fund does not permit use of its resources to support an untenable exchange rate. The fund would not accept an initial party that would cause excessive use of its resources; nor would it begin exchange transactions with a country that is not in a position to maintain balance in its payments without excessive use of the fund. A country using the fund is expected to take steps to correct any continuing maladjustments in its international accounts. For violation of the purposes or provisions of the fund, a country may be suspended from using the fund's resources; and if the violation persists, it may be required to withdraw from membership.

The fund's resources are a revolving fund, available to member countries to meet an adverse balance of payments while they adopt measures to adjust their international accounts. The effectiveness of the fund would obviously be limited if its resources were not in readily usable form. To discourage unnecessary use of the fund, a charge of three-fourths of 1 percent is imposed on all exchange transactions with the fund. To encourage restoration of the fund's assets to their ideal combination (25 percent in gold and 75 percent in members' currencies, in proportion to quotas) charges are levied on balances held by the fund in excess of the quota. When any charge reaches 4 percent, the fund and the member must consider means of reducing the fund's holdings of that member's currency. If agreement is not reached, the charge continues to rise to 5 percent, and thereafter the fund may levy such charges as it deems appropriate.

Assurance of responsible management

Some critics have expressed doubt that in practice these safeguards will be adequate. It is quite clear to all countries that use of the fund's resources is conditioned upon maintaining policies in accord with the purposes of the fund. All countries will have an interest in the sound and constructive use of the fund.

Provision is made to assure responsible management for the fund. The United States and the other four countries with the largest quotas will appoint executive directors. The remaining members will elect seven executive directors by the method of proportionate representation. The voting power of members is closely related to their quotas. Special consideration is given to the position of creditor countries, the two largest of which will be entitled to name executive directors, if they do not already do so under other provisions of the agreement. And in voting on use of the fund's resources, the voting power of creditor countries is increased while that of debtor countries is decreased. Thus the vote of the United States might be increased from 28 percent to as much as 35 percent of the total vote.

IX. ANALYSIS OF THE BANK FOR RECONSTRUCTION AND DEVELOPMENT

The Bretton Woods Conference recognized that it will not be possible to assure orderly international economic relations in a devastated and undeveloped world. Before the war, Europe did one-half of the world's trade. More than half the people of the world still lack the modern means of production. Until Europe has been reconstructed, until the Far East and the American Republics have built up their economies, the postwar readjustment must be protracted and incomplete.

The process of reconstruction and development must be undertaken by each country largely with its own resources, using local labor and local materials. There will be need for some foreign capital, particularly for machinery and equipment. Foreign capital provided on reasonable terms for sound projects will be beneficial to the borrowing countries and the lending countries. Sound international investment will contribute to the expansion of world trade and will facilitate the maintenance of orderly exchange arrangements.

Principles of the bank

The Bretton Woods Conference recognized that international investment is an international problem and, therefore, proposed the establishment of an International Bank for Reconstruction and Development. The essential principles of the bank are simple. Private international investment for sound productive projects will be encouraged. If private investors are not prepared to make worth while foreign loans, the International Bank will guarantee the loans or make the loans directly out of funds raised through the sale of its debentures. In exceptional cases, the bank will make the loans out of its own resources.

It is almost certain that in the period immediately after the war, when loans for reconstruction will be most urgently needed, investors will hesitate to make foreign loans. The bank will facilitate foreign investment by assuming much of the risk. For this purpose the bank will have capital amounting to $9,100,000,000 subscribed by 44 countries. The subscription of the United States will be $3,175,000,000. Under this bill, no increase in the capital of the bank or in the subscription of the United States may be made without the authorization of Congress. Because the benefits of international investment are world-wide, the risks should be shared by all countries, and this would be done through the bank.

Guaranties of securities

The bank is designed to encourage private international investment by guaranteeing securities sold to private investors for approved projects of reconstruction and development. Where the market is not prepared to make a loan on reasonable terms, even with the bank's guaranty, the bank might make the loan directly from funds raised by issuing its own securities, or out of its own capital. Loans will be made or guaranteed by the bank only after a committee investigates the proposed project and reports that it will contribute to the productivity of the country and that it is within the capacity of the borrowing country to service. Each loan must be guaranteed by the government of the country in which the project is located, or by that country's central bank. Provision is made to assure the use of loans for the purposes for which they are made.

The bank will guarantee loans for approved projects in return for a commission of 1 to

1½ percent of the outstanding principal. A similar commission will be charged on direct loans, as the bank will offer the securities to the public if the market becomes favorable. The commissions collected by the bank must be held as a special reserve to meet obligations arising out of defaults. On the basis of loans liquidated in 30 equal annual payments, 3 percent or more interest to the market, 1½ percent commission to the bank, and 1¼ percent earnings on reserves, the special reserve of the bank would be more than enough to restore any capital used to meet losses even if one issue out of four should go into default. Nevertheless, if the accumulated reserves are inadequate to meet defaults, the bank may call upon its capital, of which 80 percent is set aside as a surety fund for this purpose. Calls on capital are payable in gold or United States dollars or in the currency needed to meet the bank's obligations. To give added security to investors, outstanding loans made or guaranteed by the bank may not exceed the unimpaired capital and reserves of the bank.

Effect on investment policy

The bank can be an important factor in placing international investment on a constructive basis. With full knowledge of the international economic position of a borrowing country, the bank could prevent it from undertaking excessive obligations to service loans. Furthermore, by maintaining reasonable interest rates, the bank places the greatest possible moral obligation on borrowers. In periods of exchange crisis, the bank could also utilize its resources to permit for a time the servicing of international investment in local currency under a guaranty of repurchase, thus avoiding defaults because of temporary conditions.

X. THE RECORD ON THE BRETTON WOODS PROGRAM

The committee's hearings on H. R. 2211 were thorough and extensive. The hearings continued through a period of 9 weeks, with a brief interruption during the congressional recess. The witnesses examined included representatives of the Treasury, State, and Commerce Departments, and of other Government agencies. In addition, there was testimony from bankers, businessmen, and economists, and from representatives of agriculture, labor, and organizations interested in international affairs. There were also a large number of statements and various exhibits submitted for the record.

It is significant that almost all witnesses examined accepted the objectives of the fund and the bank as desirable and agreed to the need for international cooperation to attain these objectives. Some of the objections appeared to be largely a matter of words, a way of phrasing. In some instances, the testimony of witnesses indicated to the committee the desirability of making changes in the bill as originally introduced, and these desirable changes have been made. On the whole the testimony was overwhelmingly in favor of participation in the fund and bank.

Position taken by President Roosevelt and President Truman

In a message to Congress prior to the introduction of this bill, the late President Roosevelt expressed his strong support for the Bretton Woods legislation. He said:

"If we are to measure up to the task of peace with the same stature as we have measured up to the task of war, we must see that the institutions of peace rest firmly on the solid foundations of international political and economic cooperation. The cornerstone for international political cooperation is the Dumbarton Oaks proposal for a permanent United Nations. International political relations will be friendly and constructive, however, only if solutions are found to the difficult economic problems we face today. The cornerstone for international economic cooperation is the Bretton Woods proposal for an International Monetary Fund and an International Bank for Reconstruction and Development.

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"In this message I have recommended for your consideration the immediate adoption of the Bretton Woods agreements and suggested other measures which will have to be dealt with in the near future. They are all parts of a consistent whole. That whole is our hope for a secure and fruitful world—a world in which plain people in all countries can work at tasks which they do well, exchange in peace the products of their labor, and work out their several destinies in security and peace; a world in which governments, as their major contribution to the common welfare, are highly and effectively resolved to work together in practical affairs, and to guide all their actions by the knowledge that any policy or act that has effects abroad must be considered in the light of those effects.

"The point in history at which we stand is full of promise and of danger. The world will either move toward unity and widely shared prosperity or it will move apart into necessarily competing economic blocs. We have a chance, we citizens of the United States, to use our influence in favor of a more united and cooperating world. Whether we do so will determine, as far as it is in our power, the kind of lives our grandchildren can live."

President Truman has made it clear and emphatic that he favors the enactment of the legislation for participation in the fund and bank in order to establish a sound foundation for peaceful trade among nations. In a message to Congress on April 16, President Truman said:

"We have learned to fight with other nations in common defense of our freedom. We must now learn to live with other nations for our mutual good. We must learn to trade more with other nations so that there may be—for our mutual advantage—increased production, increased employment, and better standards of living throughout the world."

At his first press conference, the next day, April 17, President Truman expressly endorsed the Bretton Woods legislation. He stated that he is for the fund and bank proposals all the way, and that he would have done everything possible as Vice President to help President Roosevelt get the Bretton Woods proposals through the Senate.

Position taken by Secretary Hull and Secretary Stettinius

The Honorable Cordell Hull, when Secretary of State, strongly urged the adoption of the proposals for currency stabilization and international investment. In April 1944, at the time the joint statement on the International Monetary Fund was published, the former Secretary of State said:

"If such programs can be put into operation before the end of the war, we will save much time in the task of bringing about domestic and world-wide prosperity when hostilities cease and immeasurably strengthen the prospects for an enduring peace.

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"In my estimation, world stabilization of currencies and promotion of fruitful international investment, which are basic to an expansion of mutually beneficial trade, are of first order of importance for the postwar period."

In a speech before the Council on Foreign Relations, in Chicago, the Secretary of State, Mr. Stettinius, expressed his emphatic approval of the Bretton Woods agreements. After discussing the need for reconstruction and for stabilization of currencies, Secretary Stettinius said:

"We have the International Bank and other financial measures to make possible the financing of this economic reconstruction and of further economic development in the immediate postwar years. And we have the Monetary Fund providing for stabilization of currencies on a basis of gold and for ending economic warfare in the form of currency manipulation and exchange restrictions.

"These are the foundations for building up the extensive and profitable international trade which is essential to high levels of production and employment in the United States."

Statement by Secretary Morgenthau

In testimony given before this committee, Secretary Morgenthau, who was chairman of the United States delegation and president of the Bretton Woods Conference, emphasized the great economic benefit that the United States will realize from the fund and bank. Secretary Morgenthau said:

"The legislation which you have been good enough to ask me to discuss with you today is perhaps the most important measure for postwar international cooperation yet to come before Congress.

"Right at the outset, therefore, I would like you to know that I have examined it just as carefully as I know how, and I am convinced of one fundamental fact: The Bretton Woods agreements are good for every American citizen.

"I have been in close contact with every step of their development. I have watched the many months of arduous preliminary work. I have taken part in the deliberations of the Conference at Bretton Woods, N. H. I have studied the discussion that has taken place in the 7 months since then. And I can assure you that the program we are advocating is definitely good business for the United States.

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"The Bretton Woods agreements are a firm step toward the solution of two problems which concern the American people more than anything except only the progress of our fighting men overseas. These problems are the organization of world security and the development of the world's resources for the benefit of all its people. Of course, the two objectives are as interdependent as the blades of a pair of scissors. One will not work very well without the other.

"Legislation to carry out the Bretton Woods program is the first practical test of our willingness to cooperate in the work of world reconstruction and stabilization. It is also one very important step toward the orderly expanding foreign trade upon which the future prosperity of our agriculture and our industry depends."

In calling attention to the broad implications of action on the pending legislation for the cause of peace, Secretary Morgenthau said:

"We cannot say that we will join the other nations in an organization to maintain peace, but will not help to remove one of the most dangerous causes of war—economic dislocations. We cannot say we believe in cooperation to beat fascism, but will not cooperate in the removal of one of fascism's chief weapons—economic aggression. We cannot say we want equality of all nations and leave some of them at the financial mercy of others.

"We are committed by all that we have said and done in these last 4 years to a community of power in the world, not to the irresponsible, unilateral wielding of power. The Bretton Woods agreements offer us the machinery for bringing the strength of 44 nations to the task of stabilizing the media by which peoples exchange their goods, conduct business with each other, and provide for a mutual rise in standards of living."

Statement by Mr. Dean Acheson

The Assistant Secretary of State, Mr. Dean Acheson, gave vigorous support to the present legislation. In the course of an able statement before this committee he called attention to the fact that the Bretton Woods proposals have been designed to prevent a repetition of the dangerous economic war-

fare of the interwar period. Mr. Acheson said:

"It is useless to talk about the International Bank and Fund out of the context of the conditions with which they will have to deal and the defects which they seek to correct.

"Perhaps the first fact to bear in mind is that great areas of the world have been devastated by the war. Military action between contending armies or by aircraft has left a wake of unexampled destruction in many countries. Many countries will have their economies and monetary systems so weakened or disrupted that in the absence of mutual help they must fight for survival with all the economic weapons the use of which they have so well learned during the war and the years preceding it.

"Import quotas, restrictions on current transactions involving foreign exchange, multiple currencies in a single country, each of which had its own value and could be used only for certain purposes, are the obvious weapons. They work only until other governments begin to utilize them. Then they become economic warfare. The net result is shrinking international trade, lower levels of living, and hostility between nations.

"The Bretton Woods proposals present us with a chance to avoid this disaster by acting in common with the other nations of the world to put aside the implements of economic warfare and make possible an expansion of production and consumption and trade. The proposals include plans for an International Monetary Fund and an International Bank for Reconstruction and Development."

In response to a question calling attention to the suggestion that the United States should delay signing the Bretton Woods agreements as a threat to other countries, Mr. Acheson pointed out that no country is more vulnerable to currency warfare than the United States. Our own interests require the prompt establishment of the fund and bank.

Statement by Mr. H. D. White

The Assistant Secretary of the Treasury, Mr. Harry D. White, offered comprehensive testimony on both the economic background of the Bretton Woods proposals and on their detailed character. He emphasized the importance of the agreements in establishing fair-exchange practices, and the remarkable degree of international agreement that had been achieved at the Conference. He stated:

"I would like to call your attention to the fact that the Bretton Woods proposals are not like the usual international agreements which have been proposed in the past, dealing with economic matters. They do not contain mere subscriptions to or adherence to a body of pious generalizations. They are not a statement of resolutions which reflect merely the hope of many nations but which contain no powers, and no resources, and no teeth. It is not that kind of a document.

"The proposals drafted at Bretton Woods consist of institutions with powerful resources. They contain powers which are great and specific and effective, which can influence the well-being of each country.

"Under those circumstances, how was it possible for the representatives of 44 countries to get together and agree on that document?

"It was possible only because of the simple fact that all the people who have knowledge of the situation that will confront us, all the experts on international money and credit, on foreign exchange, recognized that something must be done along those lines if we were to prevent the chaotic situation certain to occur during the postwar years if we do nothing about it now.

"It was the recognition of the fact that, unless something like the Bretton Woods proposals were put forward for the nations of the world to accept and adhere to, we could not have economic prosperity in the international sphere and without international economic prosperity—without what we might call international economic peace—international political peace would be much more difficult to maintain."

Mr. White also presented testimony showing how the restrictive currency practices of the interwar period affected adversely the economic position of the United States:

"Economic warfare helped diminish world trade and the decline in world trade helped intensify economic warfare. Countries became desperate and took every step possible to increase their trade.

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"Now, let us see how we fared in all this. We did not want to take part in economic warfare. Our policy in the foreign field was similar to that which we aimed at in the domestic field, a policy of free enterprise, of reasonable trade practices. We wanted export markets. We were eager to increase our exports, but we wanted to do it by producing goods at lower prices or by offering better goods for the same price. That is what we depended upon to increase our foreign trade and that is what we would like to depend upon to increase our foreign trade in the future."

Other Government testimony

The Board of Governors of the Federal Reserve System presented a statement to the committee strongly supporting the Bretton Woods agreements. In the statement the Board said:

"Without the institutions proposed by these agreements we would be confronted with disrupted currency conditions and with trade and exchange policies and practices which foreign countries might be forced to adopt in self-preservation but which would nevertheless have disorganizing effects on world trade. In rebuilding the machinery of international finance after the war it will be vital to avoid the recurrence of practices which developed after the First World War and to eliminate abuses which were prevalent in international lending. Effective action in these fields would form a counterpart to essential programs of domestic reconstruction. The greatest contribution to international prosperity and stability that the United States can make is to maintain full employment and a rising standard of living at home. In order to establish international trade on a sound and enduring foundation, it must be based upon a balanced exchange of goods and services. On such a basis it will contribute an important steadying influence to our domestic economy.

"The International Monetary and Financial Conference of representatives of 44 nations held last summer in Bretton Woods resulted in agreements for the creation of two new international financial institutions: the International Monetary Fund and the International Bank for Reconstruction and Development. The International Monetary Fund would exert an influence toward exchange stability and thus reduce the exchange risks for exporters and importers. It would require member countries to maintain established exchange rates and would provide machinery for making in an orderly manner by mutual agreement such changes in exchange rates as may be necessary. Members undertake to eliminate as soon as possible monetary practices which interfered with the flow of world trade before the war, such as discriminatory exchange restrictions, multiple currency arrangements, and bilateral clearing agreements. It would help to give assurance to member countries that the proceeds of sales to any country could be used for the purchase of goods in any other country.

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"As a companion institution to the fund, the Bank for Reconstruction and Development would be a lending institution to promote the international flow of long-term capital. It would make loans for productive and developmental purposes out of its own capital or out of funds borrowed in the market and would guarantee such loans offered to private investors. It is intended to make or guarantee such loans as would in the long run increase the borrower's ability to balance its international accounts. It would help to restore economies destroyed or disrupted by war, to reconvert their productive facilities to peacetime needs, and to develop the resources of less-developed countries.

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"From the point of view of the Board of Governors the establishment of the fund and the bank would be desirable because they would contribute to world recovery and to the maintenance of economic stability at a high level which is the main objective of the Board's policy. The monetary and credit structure of this country is continually and seriously affected by international transactions. In the past this country's monetary authorities have had to meet difficult situations when our banking system was called upon to absorb an excessive amount of foreign funds arising out of surplus commodity exports and capital movements from foreign countries. The adoption of the proposed agreements should help to moderate these disturbing influences."

In connection with this legislation, the Board suggested the addition of a provision for a council to provide the necessary guidance to the representatives of the United States on the fund and the bank. This suggestion has been incorporated in the bill.

Judge Fred M. Vinson, Director of War Mobilization and Reconversion, vigorously supported the Bretton Woods legislation in testimony before this committee. As vice chairman of the American delegation at the Bretton Woods Conference, he is in an excellent position to evaluate the spirit and accomplishments of that Conference. He stated:

"One of the most encouraging features of the Bretton Woods Conference was the fine spirit with which countries worked together. We had a number of problems on any of which irreconcilable differences might have developed. This did not happen because all countries showed a willingness to accommodate themselves to the general views of the Conference.

"Let me illustrate. The question of quotas was one of these difficult problems. The American delegation discussed and approved a tentative list of quotas for the fund. These quotas were discussed informally with each country to get its views. Finally, the quota committee, of which I was chairman, submitted a recommendation on quotas which was approved by the Commission. There were some countries that were not satisfied with their quotas, but the Conference sustained the report of the quota committee as generally fair to all alike."

After discussing the circumstances under which the Soviet Union increased its subscription to the bank from $900,000,000 to $1,200,000,000, Judge Vinson said:

"This is one dramatic instance that reveals the harmony and the spirit of cooperation that was manifested throughout the Conference. This is one of the many reasons why I feel that the Bretton Woods Conference is an inspiration to free people in all countries who believe in the democratic process of discussion and agreement, who believe that international problems can be dealt with through international cooperation.

"The Monetary Fund and the International Bank represent our first efforts in the field of international economic cooperation. If we believe in economic cooperation, we must not allow them to fail. If we cannot agree on such modest efforts as these, other nations will have little faith in our will to cooperate at all."

Mr. W. L. Clayton, Assistant Secretary of State in charge of economic matters, stated that he thoroughly approved of the Bretton Woods legislation. He discussed the Bretton Woods proposals from the point of view of his long experience in international trade and presented valuable testimony showing the restrictive effect of currency manipulation on the exports of the United States. He stated:

"Some time after Hitler came into power in Germany, they adopted what they called the barter system of trade, which they exercised through exchange controls. They started that system and we had an opportunity in the United States to make a deal with them on that basis but declined to do so. However, Germany did make these bilateral agreements, barter agreements, with a number of the principal cotton-producing countries of the world, Brazil being the principal one, and by 1938 Brazil was furnishing Germany 29 percent of Germany's imports of cotton, and the United States was furnishing 28 percent. So that between 1929 and 1938, about 9 years, we went down from 70 to 24 percent in the German cotton trade, and Brazil went up from a quarter of 1 to 29 percent.

"Now, I do not claim that that was entirely due to this bilateral exchange arrangement, but it was largely due to it, and I had occasion personally to observe the workings of it. They would make these deals that, for all the exports from Germany to Brazil they would have the exchange put aside and put in a fund to pay for the exports of commodities—cotton and one or two other commodities from Brazil to Germany. So they had set up an arrangement there which funneled these Brazilian cotton exports to the German cotton mills almost regardless of price, quality, or anything else. It was a bilateral arrangement which brought that about."

Mr. Wayne C. Taylor, President of the Export-Import Bank, strongly supported the bill. On the basis of his extensive experience in international banking, Mr. Taylor replied to the criticisms of the fund which have been made. He stated:

"The various possible alternatives to Bretton Woods which I have mentioned are all essentially negative rather than positive in character. They aim at rejection of the proposed fund but do not offer anything tangible in its place. However favorably disposed the critics of Bretton Woods may be toward the general idea of international monetary cooperation, they have failed to cope in a constructive manner with the down-to-earth problem of working out an alternative set of principles and procedures.

"Another suggestion that has been made is that we revive the international gold standard. This has the virtue of being a more positive proposal than any of the other alternatives. But we all know that, in fact, it would be utterly impossible to obtain anything approaching general acceptance of a rigid gold standard. However, the Bretton Woods plan contains the best and most practical features of the international gold standard."

Report of the Colmer committee

The Special Committee of the House on Postwar Economic Policy and Planning, in its sixth report, recommended principles for international monetary cooperation similar to those established by the proposed fund. The committee said:

"The committee believes that the monetary proposals made in this report will preserve most of the advantages of the gold standard while eliminating its disadvantages. It is hoped, by the means outlined, to establish a monetary system which is stable without being completely rigid. The proposals of the committee may be summarized in the following points:

"(1) An agreement should be reached between the leading nations of the world for stabilizing exchange rates at levels which, so far as possible, will create a balanced condition between supply and demand in the foreign exchange market of each country. Perhaps the best way to accomplish this objective is to relate all of the currencies involved to gold.

"(2) To enable the participating nations to maintain these exchange rates in the face of temporary discrepancies between supply and demand in their individual foreign exchange markets, an international reserve of foreign currencies should be established, and each country should be permitted, subject to proper safeguards, to purchase foreign currencies from this reserve.

"(3) To correct more fundamental and persistent discrepancies in the exchange markets, occasional changes in the par values of certain currencies may be necessary. The committee believes that these changes should be made in an orderly manner, through an international organization established for the purpose"

This same committee also expressed general approval of the proposed Bank for Reconstruction and Development. The committee said:

"The principal advantage of the proposed bank is its ability to deal with long-range development projects. Loans made through the bank are intended to be parts of broadly conceived development projects, and not isolated ventures. For the borrowing country as a whole, such loans might be very productive and profitable. But piecemeal and uncentralized, they might completely fail. Under the bank's leadership, it is therefore likely that much investment can be undertaken which would otherwise have been unproductive. Thus, the bank will serve a dual purpose. First, by guaranteeing private loans it will increase the flow of foreign investment; second, by participating in broad programs of industrial development, it will aid in increasing standards of living throughout the world."

Groups favoring Bretton Woods

The committee heard testimony from representatives of a large number of groups favoring the Bretton Woods proposals. These groups include banking, business, labor, agriculture, economic, civic, and peace organizations. In addition, many resolutions and statements endorsing the Bretton Woods proposals have been presented to the committee for inclusion in the record.

Testimony of bankers

While the principal witnesses in opposition to the Bretton Woods agreements represented the American Bankers Association, the committee heard testimony from other bankers in favor of the fund and the bank. Mr. E. E. Brown, chairman of the board of directors of the First National Bank of Chicago, and a delegate to the Bretton Woods Conference, gave able testimony in support of the fund and the bank. In stressing the need for the fund, he stated:

"The end of this war is not only going to leave most European countries which have been devastated by the war with currencies which it will be almost impossible to sustain without some mutual assistance, but it is also likely to leave other countries not devastated by the war, but whose economies have been disrupted by the war, with similar unstable currencies.

"Unless something is done to bring about at least relative stability of currencies, two things are going to happen: In the first place, you are going to have very little or no international trade. In the second place, you are going to have a situation in the various countries whose currency is unstable which is apt to produce economic chaos."

In his testimony, Mr. Brown stated that the fund should be established promptly and not be put off until after the period of transition.

Mr. Brown also stressed the fact that many bankers in the United States have strongly supported the Bretton Woods proposals. In reply to a question, he stated:

"Well, a great many of our large banks favor this plan. It is true that most of the banks in New York do not, but the banks of the American Bankers Association are by no means a unit. Very many of the large and prominent banks have not joined in their opposition to these agreements. * * * I have been told, for instance, that most of the Philadelphia banks have agreed to send a memorial; I do not know whether this committee has received it or not, expressing their belief that the plan should be adopted. I know a great many large banks in the Middle West; their presidents and officers have told me their banks are in favor of adopting the Bretton Woods agreements."

Evidence was presented to show that the Pennsylvania Bankers Association and the Independent Bankers Association have approved the Bretton Woods agreements. In a report submitted to the committee endorsing the fund and bank, the Independent Bankers Association urged Congress to act favorably on the Bretton Woods legislation at the earliest possible date and without crippling reservations.

The committee received a communication in favor of the fund and the bank signed by the presidents of 11 of the largest banking institutions in Philadelphia representing approximately $3,000,000,000 of resources. The memorandum submitted by the Philadelphia bankers states:

"We believe the agreements do provide a fair basis for effective financial collaboration among the United Nations as a counterpart of collective security in the political sphere.

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"In view of the broad principles and objectives of the Bretton Woods agreements, the undersigned join in recommending that the Congress, after full and free discussion, give favorable consideration to the passage of legislation toward these ends, since the agreements in our judgment give reasonable promise of avoiding the major financial errors committed after the last war, and seem flexible enough to be modified in the light of experience."

Testimony of business groups

The Bretton Woods proposals have received widespread support from business and industry. Innumerable business groups have expressed their complete approval of the proposals for the fund and the bank and have adopted resolutions to this effect. The analysis below covers only a small part of the favorable testimony of business groups.

The Committee for Economic Development, a group of outstanding business leaders, endorsed the proposals. Mr. Ralph Flanders, president of the Federal Reserve Bank of Boston and chairman of the Research Committee of the Committee for Economic Development, accompanied by Mr. Harry Scherman of the Research Committee, testified before this committee. Mr. Flanders said:

"Our study of this agreement extended over several months. It included meetings both with proponents and with those who are dubious about the undertaking. In the course of this study, we became convinced of the need for international action for financing reconstruction and development. All the nations of the earth, including our own, have a particular interest in this matter, but all have a common interest as well. Each nation of the United Nations will profit more from a general advance in production and living standards the world over, than would be the case if the improvement were confined to its own territory.

"We furthermore became convinced of the advantage of international action for the determination and stabilization of foreign exchange rates at practical levels. Unless a

practical measure of stabilization is attained and maintained, the desirable flow of international trade will be seriously handicapped and the world will face the danger of competitive exchange devaluations which, in the long run, will injure all and profit none."

The Committee on Economic Development made a helpful suggestion on the Bretton Woods legislation by proposing clarification of one of the provisions in the agreement for the bank. They proposed that the power of the bank to make stabilization loans, already implicit, should be made explicit. This suggestion has received support from Government, business, and banking groups and has been very favorably received by the committee. With this clarification, which can be made without modifying the articles of agreement, the Committee on Economic Development reported:

"We recommend the approval of the International Bank for Reconstruction and Development and also recommend that at an appropriate time, which would not delay its approval, its powers be broadened to include the extension of general long-term or short-term loans for stabilization purposes.

"After the bank is strengthened in this way we feel that the management of the fund should be able to use the fund strictly for currency transactions. Accordingly, the dangers inherent in the fund as it now stands would be substantially reduced and we would recommend that the fund be approved."

The suggestion of the Committee on Economic Development has been included in the present bill.

Mr. Carl M. Wynne, managing director of Overseas Industries, Inc., who has had 25 years' experience in international trade, expressed his wholehearted approval of the pending legislation. He also spoke for the Chicago Export Managers Club, which represents some 250 foreign sales managers of industrial and merchandising concerns in Chicago. On their behalf he offered for the record a resolution supporting the Bretton Woods proposals.

In a resolution the National Foreign Trade Council emphasized the importance of accepting the Bretton Woods proposals substantially as drafted. The resolution stated, in part:

"Rejection of the act would involve prolonged delays in pursuit of the broad objectives sought and would lay the United States open to the charge of failing to cooperate internationally at a time when such cooperation is of vital importance not only to the world at large but also to the United States itself. Any modifications of the act which would require renegotiation of the terms of the Bretton Woods agreements at this late date would involve risks greatly exceeding whatever risks may be involved in adopting them promptly and substantially as drafted in the proposed legislation."

The committee received a statement from Oscar Johnston, president of the National Cotton Council, vigorously supporting the legislation. Part of Mr. Johnston's statement follows:

"At the annual session of the National Cotton Council, which convened in Memphis, Tenn., January 24, 1945, the delegate members of the council unanimously approved the Bretton Woods program as that program had been announced. Because of this action on the part of its membership, I, as president of the council, am authorized to speak for the council in support of the Bretton Woods program.

"The delegate membership of the council is composed of representatives from each of the six raw-cotton interests, namely, cotton producers, ginners, warehousemen, merchants, spinners, and cottonseed crushers. The delegates to represent each interest are selected by their respective interest organizations within each of the 18 States in which cotton is produced. I speak, therefore, with respect to this subject matter, as the acredited and authorized representative of the entire raw-cotton industry.

"The South and the Cotton Belt should urge the Congress to approve the Bretton Woods monetary pact and the proposal for the International Bank for Reconstruction and Development without substantial changes. In our opinion, both represent steps forward toward the restoration of a stable and expanded international trade after the war. The cotton industry has a greater stake in the restoration of trade than have most other industries. The alternative to flourishing international trade after the war is a return to economic nationalism and more and more Government controls on the cotton industry and every other industry. If we are uneasy over the spread of totalitarianism and the expansion of bureaucracy, we should work to combat the forces which cause them by doing all in our power by reviving world commerce."

The National Planning Association, composed of leaders of business, agriculture, and labor experienced in foreign affairs, has also strongly supported the Bretton Woods proposals. The statement which it submitted to this committee reads, in part, as follows:

"The fate of the Bretton Woods proposals for an International Bank and an International Fund will be largely determined by this country's attitude. If the proposals are generally adopted, the nations of the world would stand committed to the principle of multilateral trade and free exchanges, and they would be afforded instruments with which to put this principle progressively into effect. Currencies would be defined in terms of gold; and the extent to which, and the methods by which parities once established could be changed are so circumscribed that the danger of a new period of competitive currency depreciation and multiple exchange rates as weapons of economic warfare would be removed. The agreements do not contemplate accomplishing the impossible overnight. They recognize fully that, after the war, in the early transitional period, the continuation of certain restrictive measures must be countenanced. Yet the way to their gradual elimination is clearly pointed.

"Failure to approve the agreements would be attended with the gravest consequences. It would involve at the very least prolonged delay in reaching any agreement in this field. Thus, we would enter the postwar period deprived of two extremely important weapons on the economic front. Under such circumstances, a new upsurge of economic nationalism, with all the disruptive features involved, would appear to be almost inevitable; and the hope of an expanding world economy might be lost overnight."

Views of economists

Almost all of the economists of the country have been united in their support of the Bretton Woods proposals.

Dr. O. M. W. Sprague, emeritus professor of economics, Harvard University, drew upon his long experience as an adviser and consultant to the United States Treasury, the Federal Reserve Board, and the Bank of England, and his connection with private firms engaged in international business, to emphasize his belief that the International Bank would be seriously weakened if the fund were not also established. On this point, he said:

"Now, if we are going to have disordered exchange and bilateral clearing arrangements, I think there are very, very few so-called productive foreign loans which are in any certain sense really secure.

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"That is partly my reason for feeling that I would not like to assent to or favor the adoption of the bank without at the same time favoring or securing the adoption of the fund proposal as well."

Dr. Sprague also emphasized that the fund will be well protected against the danger of excessive use of its resources by member countries. On this point, he said:

"I do not think that there is any sound reason for supposing that countries in general will, because of the fund, adopt a more reckless policy than they would in the absence of the fund.

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"That is, I think, the most important point that I have come here to emphasize, that I simply do not believe very many countries will use their quotas freely and improvidently."

Twenty-one economists from the University of North Carolina and Duke University have written to the committee urging full support for the agreements. Their letter states:

"Inauguration of the two institutions will go far in meeting the problems brought about by the changed circumstances of modern international trade. They are designed to facilitate the maximum practicable freedom of international trade, but at the same time provide adequate latitude to each member nation in the control of its own domestic economy.

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"It is our considered judgment that the proposed international financial institutions provide the facilities by and through which international financial problems can be worked out in concert and to the mutual advantage of all parties."

Seven economists from Stanford University have placed themselves on record as supporting the Bretton Woods proposals. They state:

"With the overwhelming majority of our academic-economist colleagues who have been polled, it is our conviction that the Bretton Woods agreements should be acted upon favorably by Congress with the least possible delay."

The committee received a letter from Prof. Seymour Harris, of Harvard University, representing the economists' committee on the Bretton Woods program, with which was submitted a statement in support of Bretton Woods signed by 224 of the members of the American Economic Association specializing in money, international trade, and related fields. Their statement reads in part as follows:

"We, the undersigned economists, urge the Congress to accept the Bretton Woods agreements providing for an International Monetary Fund and International Bank for Reconstruction and Development.

"If the expanding international trade is to make its much-needed contribution to the prosperity of the United States and of the world, exchange relations between currencies must be established on a stable and orderly basis and there must be a steady flow of international investment to increase the productive efficiency of the countries of the world. Action is, of course, required in other no less important fields such as trade barriers and commodities in world surplus. Although the Monetary Fund and the International Bank do not furnish a complete solution to the international economic problems, they will contribute substantially toward solving the exchange and investment problems."

The committee is informed that a subsequent poll by the Economists' Committee, covering all members of the American Economic Association, showed that 90 percent of those who replied favored approval of the Bretton Woods proposals.

Views of labor organizations

The committee heard the testimony of the larger labor organizations. The testimony was uniformly favorable to the Bretton Woods proposals.

Mr. William Green, president of the American Federation of Labor, testified that his

organization recommends the adoption of the Bretton Woods proposals. Mr. Green said:

"The American Federation of Labor, in accordance with its stated policy of supporting a world organization to aid in resolving differences between nations and in bringing about a lasting peace, recommends that the Congress adopt the Bretton Woods agreements, with necessary clarification and safeguards, as of vital importance in implementing the functions of such a world organization. We take this position because we experienced after the First World War the alternatives to cooperative action in this field and we know they would bring even more direful consequences now * * *.

"The policy followed between the wars of national self-interest in competitive currency depreciation, fostered depressions, discriminatory control of foreign exchange, bilateral agreements for barter, high tariffs, controlled reduction of imports, dumping, and similar forms of economic warfare, did in some cases aid temporarily in solving domestic problems for individual countries but in the long run contracted international trade and lowered the standard of living in all countries and strengthened trends toward isolation.

"The proposed fund provides a plan for the elimination of such practices and the gradual restoration of the orderly and stable exchange relationships essential to expanding international trade. It has been recognized that equitable exchange rates cannot be determined immediately because of the present disruption of international trade. Provision for flexibility has therefore been made in the agreements, permitting gradual relaxation of wartime exchange and currency controls, as well as limited currency devaluation. The fund should aid nations in relaxing these controls."

Mr. Philip Murray has written to the committee that the Congress of Industrial Organizations strongly supports the Bretton Woods proposals in their present form. His letter states:

"The Congress of Industrial Organizations, following the mandate of its members expressed at the 1944 convention, is in support of the bill to ratify the Bretton Woods agreement as it is now before your committee.

"This support is given in the firm belief that the agreement of the 44 United Nations worked out at Bretton Woods last summer is the best guaranty of a greatly expanded and stabilized world trade that will afford protection to American businessmen, markets to American farmers, and jobs for American workers.

"The agreement is also a concrete demonstration of the fact that the United Nations, even before final victory over the Axis, can work out successful solutions to their mutual problems in unity and accord. As such the agreement is a tribute to the leaders of this Nation and of all the United Nations. It is a long step in the direction of the collaboration of the free nations which is the keystone of world peace and security."

Supplementing the letter of Mr. Murray, the committee heard the testimony of Mr. James B. Carey, secretary-treasurer of the Congress of Industrial Organizations. Mr. Carey said:

"The Congress of Industrial Organizations stands squarely behind the International Monetary Fund and the International Bank for Reconstruction and Development proposed at the United Nations Monetary and Financial Conference held last summer at Bretton Woods and now before your committee in H. R. 2211. It is our considered opinion that both the fund and the bank should be endorsed by the United States without further delay and without amendments or changes.

"Bretton Woods represents one of the most important cornerstones on which full international cooperation so essential to winning and maintaining the peace must be built. Throughout America and in the Congress of Industrial Organizations Bretton Woods means jobs and security. Our president, Philip Murray, has estimated that some 5,000,000 jobs for Americans can be found in export trades after the war if the Bretton Woods proposals are adopted."

The committee heard testimony from Mr. B. A. Whitney, director of education and research, of the Brotherhood of Railroad Trainment. Mr. Whitney said:

"Unless through international cooperation we can develop fair rules of the game and encourage all the principal countries of the world to subscribe to them, we shall in all probability be faced again with the widespread use of multiple currency devices, barter agreements, dumping, import quotas, and restrictive exchange control.

"May I point out that it does not require a great deal of insight into the technical details of international finance to foresee that a world plunged into universal economic conflict is a world headed for poverty, suspicion, hatred, a world committed to live—and to die—by the sword.

"As I study the Bretton Woods proposals, I am impressed with the fact that they substitute cooperation for conflict, and they provide a means by which the risk of reconstructing the devastated countries and developing the backward countries can be profitably shared by every civilized nation."

In addition, a large number of local, State, and National labor unions have written to the committee to express their support of the Bretton Woods proposals.

Views of farm organizations

Representatives of the major national farm organizations appeared before this committee and testified in favor of the Bretton Woods proposals. The committee was impressed by their wholehearted support of the program for international monetary and financial cooperation.

Mr. Edward A. O'Neal, president of the American Farm Bureau Federation, urged the approval of the fund and the bank as an aid to peace and prosperity. Mr. O'Neal said in part:

"The farmers of the Nation are looking to Congress for leadership, and they are hoping that this distinguished body will exercise intelligent judgment and demonstrate a willingness to cooperate in plans which will lessen the likelihood of another war within the next generation. Certainly, if we can spend over $7,000,000,000 a month to fight a war, if we can sacrifice the lives of thousands of our best young men, we should be willing to risk nominal sums in an effort to promote peaceful relationships among the nations. The total commitments involved on behalf of this Nation in both the bank and the fund are less than $6,000,000,000. Furthermore, barring extremely unfortunate experiences, the most of these funds will be an investment, not an expenditure * * *.

"We believe that the proposed bank and the proposed fund are a necessary part of international cooperation, and also necessary for a satisfactory domestic economy. As we understand it, one of the primary purposes of the International Monetary Fund is to prevent the misuse of monetary manipulations (e. g., currency depreciation and exchange control), for the purpose of improving the competitive position of domestic producers, while the International Bank for Reconstruction and Development will facilitate international loans for the postwar reconstruction and the economic development of undeveloped areas and thus facilitate a larger volume of trade."

Mr. Russell Smith, legislative secretary of the National Farmers' Union, urged the committee to approve the Bretton Woods agreements without amendment. In his statement he said:

"Farmers always have been the traditional supporters of abundant production, of wide distribution, of the fewest possible barriers to the free flow of goods and services. We believe firmly that the Bretton Woods agreement offers a practicable way of stimulating demand for American products, thereby assisting in maintaining full employment in this country, and in turn providing an expanded and expanding market for agricultural products * * *.

"What impresses us as profoundly necessary is that the International Bank for Reconstruction be set up and that the International Monetary Fund start operating, both as soon as possible. Alongside the supremely beneficent moral effect for the world of American adherence to the objectives of the agreements, differences as to details sink into insignificance."

Albert S. Goss, master of the National Grange, also testified in support of the Bretton Woods proposal. The National Grange originally supported the bank but recommended dropping the fund. After further investigation, however, the executive committee became convinced that it would be possible to strengthen and preserve the fund for the performance of important stabilization activities. They, therefore, adopted the following resolution authorizing support of the Bretton Woods proposals:

"Resolved, That the Washington office be authorized to support the creation of an International Monetary Fund in connection with an International Bank, provided that adequate safeguards can be provided to protect the fund from losses due to diluting the assets with weak currency, and provision can be made for channeling transactions involving the use of credit through the bank.

"If the activities which can be classed as stabilization operations can be separated from those activities which rightfully belong in the field of credit, we believe that the Bretton Woods proposal holds very substantial promise for promoting sound trade. We believe this can be done."

Mr. Goss said that if the fund's stabilization operations were confined to providing assistance to meet short-period needs for foreign exchange, the suggestion of the Grange would be fully met. Other witnesses have suggested that the fund should not be used for relief or reconstruction purposes, and that it should be concerned with seasonal, cyclical, and emergency needs.

In the opinion of the committee, the articles of agreement already provide for the use of the fund's resources in this way. The committee has, nevertheless, incorporated in the bill a section calling for such an interpretation from the fund. Because of the varying duration of business cycles, it is not possible or desirable to restrict the operations of the fund further than to state that the fund's resources are to be used only for seasonal, cyclical, and emergency needs for foreign exchange in connection with current transactions.

Views of civic organizations

Representatives of a number of organizations interested in public affairs appeared before the committee and offered statements in favor of the Bretton Woods proposals.

Americans United for World Organization sent the committee a statement supporting the fund and bank. Their statement reads, in part, as follows:

"The temptation is very great for many countries to use war as an antitoxin to depression. Often this isn't done consciously. You merely start with the kinds of currency warfare that I've been discussing. On its heels inevitably come diplomatic warfare, and the growth of suspicions and bitterness among nations, and finally the spark—the incident—and war is again with us.

"The purpose of the Bretton Woods Conference in New Hampshire was to prevent that happening again. In a planet filled with nations of unequal strength and unequal wealth and prosperity the only basic

cure is an agreement not to engage in currency warfare. That's the real meaning of currency stabilization.

"The Conference at Bretton Woods was the first of the peace conferences of World War II. If it fails to be accepted by the United States, the peace itself has been deadlocked. Victory on the battlefields will not solve these questions. It will take a more intricate and difficult victory in our Nation's Capital."

Miss Anna Lord Strauss, president of the National League of Women Voters, informed the committee of the interest of the members of her organization in the Bretton Woods proposals. She pointed out that no one country could or should be solely responsible for dealing with international monetary problems and that other countries are eager to cooperate. Miss Strauss said:

"Not one, but all nations are concerned with monetary problems. The burden of solving them, therefore, should rest on every country, and not just on the United States. It is too much to ask us to carry so heavy a responsibility.

* * * * *

"I do not think all the good will be on our side. I think there will be plenty of it on the other side if we show the way, and I think it is incumbent upon us to show the way, because we are the most untouched country, because of the war, and the richest, and the one to which countries are looking; and I think, whether you like if or not, if you are big and strong and rich, you carry responsibility toward a country of a smaller size, and I think that is one of the important elements we have to remember in all our international dealings—that whether we like it or not we are looked to as leaders, and we must carry out that responsibility."

The committee has received a letter from the National Congress of Parents and Teachers urging the committee to approve the Bretton Woods proposals. They write:

"We believe, with our President and Commander in Chief, that 'the fund agreement spells the difference between a world caught again in the maelstrom of panic and economic warfare culminating in war—as in the 1930's, or a world in which members strive for a better life through mutual trust, cooperation, and assistance.' "

Dr. Helen Dwight Reed, representing the American Association of University Women, emphasized the importance of international agreement on currency and financial problems. She said:

"The stability of international finance is one of the cornerstones; and the universal recognition by these nations that there is that common interest of all of us in currency stabilization, in financial stability, and, on the other hand, in the reconstruction of devastated areas and the building up of the resources of the world, for the sake of the whole word, that that could be done through international processes without putting all the responsibility on selfish national interests; that is the great achievement and that is the thing that we must not block at this point."

The participants of the National Peace Conference also informed the committee of their support of the Bretton Woods proposals. Their resolution reads as follows:

"As reconstruction and economic prosperity are essential to world order, and as the Monetary Fund and the International Bank proposed in the Bretton Woods agreements will contribute to their attainment, the conferees of the National Peace Conference, voting as individuals, urge the adoption by the United States Congress of measures in support of these two international institutions.

"The United Nations Monetary and Financial Conference reached agreement on the stabilization of currency and the provision of capital loans for economic development. In such highly technical fields we are dependent upon expert knowledge. We, curselves, do not profess this knowledge. But common consent concerning economic measures must be achieved if war is to be avoided. We must find a way. Delegates from 44 nations assembled at Bretton Woods, N. H., reached a common decision. The proposals were adopted unanimously. The United States delegation was bipartisan.

"We consider the economic and monetary issue one of the most momentous in modern history. Here is an initial venture in international economic cooperation. We must make a beginning if the economic chaos that has repeatedly followed war is to be prevented. Heretofore, the lack of organization in this field has been a major factor leading to war."

The United Christian Council for Democracy, representing six church associations, wrote to the committee as follows:

"We offer for your consideration the enclosed statement on the Bretton Woods international monetary agreement. Our position as liberal churchmen is one of full support for the plan—both the fund and the bank. We favor its ratification by the Congress at once without crippling amendments or reservations.

"We trust that it is your judgment, also, that this plan for collective security in monetary matters constitutes a fundamental and necessary part of the total world security program which the San Francisco Conference is still further to advance."

Public support for Bretton Woods program

This brief analysis indicates, but does not fully cover the wide public support of the Bretton Woods proposals by the public. Support has come from all sections of the country and from people in all walks of life. More than 100 organizations, including nearly all large organizations concerned with public affairs, have adopted resolutions and issued statements recommending approval of the Bretton Woods program. The committee has received thousands of communications urging favorable action. In the light of this evidence, the committee cannot doubt that the American people are overwhelmingly in favor of the participation of this country in the proposed organizations for international monetary and financial cooperation.

XI. SUPPORT OF THE PRESS

The Bretton Woods proposals have had widespread support from the press. It is interesting to note that this support has come from all sections of the country, supporters of both parties and independents, conservative as well as liberal newspapers.

The argument presented by the press do not differ substantially from those given to the committee by the witnesses that were heard. Emphasis is given to the point that economic as well as political cooperation is essential to the maintenance of peace. The importance of an expansion of international trade and a resumption of international investment to the prosperity of this country is stressed. Finally, the press urges the enactment of the legislation for the Bretton Woods proposals without amendments or reservations to the agreements.

Some of the more important of the many editorial statements supporting the Bretton Woods proposals are given below.

Atlanta Constitution, March 12, 1945:

"The Bretton Woods plan is an essential part of the postwar program for the establishment of better conditions in the economic set-up of the world and for the creation of a world in which lasting peace may be achieved.

"It bodes ill for the plans we would make for a brave and secure new world if special interests succeed in spiking the first practical moves to create that security through cooperative organization between the nations."

The Sun, Baltimore, March 11, 1945:

"Though these hearings may seem to lack drama for the person unlearned in the jargon of economics, it is not an exaggeration to say that the eyes of the responsible authorities of every member of the United Nations are upon them. Consideration of the Bretton Woods proposals is in a sense a test case. This is the first of the series of international agreements by which the nations seek to patch up the ravages of war and restore stability in their dealings with each other. The fate of these proposals in Congress is bound to be taken abroad as an indication of our country's true willingness to collaborate with other nations.

* * * * *

"If Congress endorses these proposals, devised with so much labor, the cause of collaboration will be immensely strengthened. The formal adherence of the United States will, by a kind of gravity, attract the adherence of others; and the proposals will at least have a test. If Congress rejects them, then the fate of this particular experiment is settled. Such an agreement without American participation would be a farce. Further, if Congress rejects the proposals, the outlook for other forms of collaboration becomes less promising. The skeptics will say 'I told you so,' and their fingers will be crossed in future negotiations."

Evening Sun, Baltimore, March 9, 1945:

"The International Bank proposed at Bretton Woods, together with the Export-Import Bank, will, if the Johnson Act is repealed, provide machinery for arranging such credits. But can they be arranged by any institution in a world not committed to the maintenance of monetary stability? And what effect would American refusal to join in the Bretton Woods plan for monetary stability have on our economic position in general? Would it invite other countries to think more favorably of those bilateral trade and currency measures which were the plague of the interwar period? Would such a refusal have an unfortunate effect on all plans for international cooperation, political as well as economic? These are questions for Congress to consider with just as much care as it weighs the technical objections to the Monetary Fund itself."

Birmingham (Ala.) Age Herald, February 14, 1945:

"The attitude of Congress toward the Bretton Woods agreements will indicate the degree of earnestness and willingness with which it will approach the various phases of United States participation in world cooperation. It is important, therefore, that Congress rise above the levels of a petty partisanship.

"As the President's message to Congress said, political cooperation will not be enough to assure an enduring peace. There must also be economic cooperation. In a way, therefore, Congress is called upon now, in regard to the Bretton Woods agreement, to exercise the same high spirit of statesmanship, of compromise on the international level, as will be necessary in the case of the peace treaties to come."

Bismarck (N. Dak.) Tribune, March 26, 1945:

"The most important aspect of Bretton Woods is not the economic one. Its important aspect is its bearing on security—on the fact that the San Francisco Conference will meet on April 25. If Congress passes the bill before that, a great impetus will have been given to the success of the Dumbarton Oaks proposals or any other plan for world security. If Congress fails to pass the bill, the United States will again, as in 1920, appear in the eyes of the world to be withdrawing from international responsibility.

"All who believe in the cause of a world organization, whether it be Dumbarton Oaks or some other variety, should use their influence to urge the passage of Bretton Woods without change. They should wire their

Congressmen and their Senators, demanding passage of Bretton Woods as it stands."

Boston Globe, February 14, 1945:

"The President's message to Congress, urging ratification of the Bretton Woods agreements, will become a historic document, not only for the importance of the issue it presents, but also for the clear terms in which it states the choice between cooperation and chaos in the postwar world. * * * The other proposals that the President says are still to be submitted extend the area of economic cooperation. * * * They will not be achieved without cost, and this Nation must bear a large part of the cost. But the cost of peace is a small part of the cost of war. We learned last time that political peace without economic peace is like a house built on the sands. The purpose of these proposals is to put a secure foundation under the coming peace, that it may last."

Christian Science Monitor, Boston, April 20, 1945:

"To keep the lines of the controversy clear, we should point out that it is the stabilization features of the plan Bretton Woods proposes, not the bank, which are under fire. They are under fire from critics who contend the monetary plan is unworkable, that the United States contribution to the fund will be lost, and that a bilateral agreement between the United States and Britain is what is needed now to put us on the road to currency stability.

"There are, however, quite as many, if not more, pitfalls in the bilateral approach to currency stabilization as in the system proposed at Bretton Woods. Moreover, bilateral measures could hardly contribute to needed expansion of world trade as effectively as an all-round agreement among the United Nations to keep their currencies in an orderly relationship. The critics of Bretton Woods have given scant attention to the safeguards set up to protect American interests in the fund, and its advocates feel there has been a distinct tendency to exaggerate the dangers."

Chicago Daily News, September 5, 1944:

"The Bretton Woods agreement is one of the many steps that must be taken if the postwar world is to differ from the prewar world—if we are to cooperate with other nations in laying the economic foundations of a lasting peace. The agreement sets up cooperative machinery for the purpose of maintaining a stable basis of exchange for the world's goods. * * * The fund is not a bank. It is a mechanism for accomplishing by agreement what used to be accomplished by the automatic gold standard. And that system of exchange, whatever anybody may think of it, is dead, if only because one nation (our own) has cornered most of the world's gold."

Chicago Sun, March 13, 1945:

"In view of this broad base of public support for the general principle of world economic cooperation, Congress has a clear duty to adopt the Bretton Woods legislation. The danger is that special interests may persuade Congress to tinker with the machinery so laboriously put together by fiscal experts. * * *

"At bottom, then, the issue must be decided on the broad question of whether our own national interest justifies an investment of $6,000,000,000 in cooperative institutions intended to expand world trade. In other words, should America export and import more goods after the war than before?

"The answer is a clear affirmative. The world wants our exports, and we want the employment which producing them will yield; other countries likewise want to produce, and we want their goods in exchange for our own. Our stake in expanded world trade thus demands participation in a world bank and fund whose function is to stimulate expansion. It is on this basis that Congress should adopt the Bretton Woods agreements without substantial changes."

Cincinnati Enquirer, July 13, 1944:

"One of the brightest hopes of an enduring peace after this war has been the manner in which the United Nations have approached the postwar financial and economic problems in the Conference at Bretton Woods. According to all indications, the big powers, and small ones, too, are in notable harmony on the principle of a United Nations Bank and International Monetary Stabilization Fund.

"We cannot live in a bankrupt world. Because of our wealth and industrial capacity, it is greatly to our advantage if it is not outright essential to have the world's finances in a reasonable state of equilibrium. And to us it seems elemental that this can be achieved much better through a United Nations bank and international monetary fund supported morally or financially by all the nations than if we go back to the "Uncle Shylock" policy. The cost, we believe, would be less. And the danger of trouble would be much less.

"If we are to have an international monetary stabilization scheme, now is the time to arrange it, so it can grapple with, and, if possible, avert, world-wide financial chaos at the end of the war."

Corpus Christi (Tex.) Caller, July 19, 1944:

"The stabilization fund agreement reached by the experts seems to us sensible, equitable, and—yes—Christian. Under the plan, nations who have will help nations who have not. By so doing, the "haves" will help themselves and their people. The United States would invest about $2,750,000,000 in the $8,800,000,000 world-stabilization fund. It would not have a controlling voice, but it would have a dominant voice by virtue of its large investment. There is little chance that all the nations would gang up against us in operating the fund to the disadvantage of the United States. * * * The United States has been operating its own $2,000,000,000 stabilization fund since 1934 at a profit. There is no reason to believe that a world-stabilization fund operated by and for nations that conscientiously are trying to put their domestic economic houses in order would show a loss."

Des Moines (Iowa) Register, March 10, 1945:

"At Bretton Woods 44 nations came together and said, in effect: 'Look, this arbitrary juggling around of our currencies is hurting all of us. Why don't we agree to talk it over before any one of us alters the value of his money? Why don't we agree on certain definite values as a start and promise not to make total changes thereafter of more than 10 percent in our currency values without approval by the majority? Since we all do occasionally run into hard times, let's all chip in and create a fund from which anybody can draw temporarily if he gets in a tight spot, and thereby avoid the temptation to juggle his money. And, finally, let's agree to talk all these problems over and quit our dog-eat-dog policies.' Does it not make sense? It is up to our Congress whether we join in and make it work.

Detroit News, March 11, 1945:

"These plans can be perfected later. In fact, they almost inevitably will be, because they are all experimental in greater or less degree.

"If they are sufficiently experimental to offer hope of a future safer and better than the past has been, they must involve expedients that are new and untried and certain to be revised more than once in the light of subsequent experience.

* * * * *

"These are times in which boldness of spirit in the international field will be found more profitable than caution.

"It is a time for risking, not for holding back. It is a time for realizing to the fullest possible extent on the new sense of interdependence abroad in the world, and the opportunity thus offered is a fleeting one."

Jacksonville (Fla.) Journal, March 26, 1945:

"The Bretton Woods agreement is the first test of successful international cooperation. If that fails, the possibilities for success in other areas of United Nations activity are indeed remote. The Treasury Department is quite correct in alleging that the success of the bank plan depends on whether the plan is accepted in its entirety. For if this country amputates any important segment, another world-wide conference would have to be convened and vote on the amended agreement or draw up an entirely new formula. The psychological effect upon the San Francisco Conference would most certainly be an undesirable one. The Bretton Woods accord is vital to any system of harmonious international relationships and the monetary fund of the proposed international bank is vital to the former."

News, Los Angeles, February 15, 1945:

"American acceptance or rejection of economic isolationism is the major battle which moves into Congress in the next few days with bills to carry out the Bretton Woods agreements. The American people's unquestioned determination for a durable peace based on international collaboration swings in the balance. What will you do about it?

"The outlook is tough. The congressional road down which Bretton Woods must pass holds many perils. This is true largely because the people have not acquainted themselves with what Bretton Woods means in bread-and-butter, life-and-limb terms."

The Courier-Journal, Louisville, Ky., March 11, 1945:

"The most fateful of issues is involved—how fateful we well may see in light of the approaching conference of the United Nations in San Francisco, when the pattern of world organization will be shaped or discarded. What we do or refrain from doing as to the Bretton Woods proposals, the nature and support of reservations that are bound to be offered, as reservations to the League of Nations' compact were offered with intent to destroy in 1919—these things will show what we may be depended upon to do in the entire area of cooperation for peace and stability.

"The plan developed at Dumbarton Oaks, the subject of the San Francisco Conference, is a plan for ending the warfare of arms and physical destruction. The plan developed at Bretton Woods is a plan of ending the no less dangerous economic conflict, the warfare of dollars-competitive combinations, sinister provocations of bankruptcy for a profit, bitter trade rivalries."

Milwaukee Journal, March 27, 1945:

"Since the Bretton Woods proposals were developed by representatives of many nations, it would seem wise policy for our country to get the plan started by accepting it as it is. If we begin to insist on modifications as a basis for acceptance, many of the other nations may insist on other changes—and we may not get started at all.

"The minor objections that have been raised to the International Bank, and the somewhat stronger objections to the International Fund, do not seem important enough to risk losing the entire program. Let's accept both the bank and fund—and then work for modification later, if they appear desirable or necesary as experience indicates."

Minneapolis Tribune, March 14, 1945:

"In his speech here Monday night Secretary Morgenthau presented the monetary agreements made at Bretton Woods to Minneapolis and the Northwest in terms that meant something very definite to them. Exchange stability and foreign currency manipulation are

measures which seem far removed from the everyday life of the Minnesota farmer or businessman. When these monetary measures are translated into falling wheat prices and declining exports, as Secretary Morgenthau translated them for his audience Monday night, however, they become a matter of vital concern to us.

"It is the contribution which these monetary agreements can make in preventing a recurrence of the trade debacle that hit Northwest agriculture and business after the last war that makes Bretton Woods a live issue for the Northwest. Insofar as it can prevent 42-cent wheat, 23-cent corn, and 3-cent hogs, or head off $200,000,000 decline in the value of wheat exports, Bretton Woods and its proposals are something in which the Northwest has a substantial stake. Obviously, fluctuations in foreign exchange values are only secondary to depression in explaining a price collapse of this magnitude."

Tennesseean, Nashville, Tenn., March 12, 1945:

"It is to be regretted that the 2 times 20 nations which will be compelled to fall back on the restrictive controls of the thirties if we fail to accept the agreements cannot be heard as witnesses. There is no other choice to Bretton Woods than these vicious tools of economic nationalism. If the war has dimmed our memory of their paralyzing effect, a mere recital of a partial list of them should be sufficient to make them fresh again—exchange controls, punitive tariffs, import licenses, exchange quotas, embargoes, dumping, punitive administrative controls, aski marks, barter, cartels.

"It is not to be assumed that other nations will forego these controls which impoverish us as well as them unless America overcomes their skepticism by accepting a fully responsible place in a system of collective economic security."

Newark (N. J.) News, March 16, 1945:

"Conceding there are risks—there are risks all along the route to an enduring peace—the fact remains that the Monetary Fund agreement, as with the bank agreement, was the joint product of 44 nations. Naturally compromises had to be made, but the result was accepted as the best means toward maintaining stable and orderly exchange rates so essential to expansion of foreign trade. In view of our past failures in that sphere the move is entitled to a fair trial. The price is not too great."

The Journal of Commerce, New York, May 4, 1945:

"Actually, the Bretton Woods agreements represent a rudimentary and quite limited approach toward international economic collaboration. Because economic policies of particular countries which lead to international maladjustments first become clearly apparent in monetary instability, there is logic in making a Monetary Fund a central agency for economic cooperation between nations. However, unless this Monetary Fund is supplemented with suitable tariff, investment and other politics in individual countries to promote equilibrium in the balance of international payments, it will break down as its critics have freely predicted.

"The International Monetary Fund should not be launched with any expectation that it will end monetary or economic instability overnight or for all time. If such expectations exist, they will lead to disillusionment and disappointment. On the other hand, if the fund is launched as a limited and tentative effort to substitute cooperative for ex parte action by individual countries in shaping their monetary and foreign-trade policies, it could well prove a really significant step toward a lasting solution of these problems."

PM, New York, March 16, 1945:

"It is not the fact of monetary power, but the use to be made of it, that makes Bretton Woods a foundation stone of peace and security. Its purpose it to use the money systems of the world to promote its welfare. It is to repair the ravages of war, build up backward nations, make customers for progressive nations, and prevent the outbreak of economic wars which will lead inevitably to the bloody carnage of new battlefields.

"Let us keep the basic fact in mind that without Bretton Woods, Dumbarton Oaks will fall. The failure of either one will start us down the road to World War III and the destruction of civilization. The whole American will to peace must be put behind them both. They must not fail."

New York Post, April 27, 1945:

"Never has the importance of congressional approval of the Bretton Woods bill shone through so vitally and cleanly than it has at this United Nations Conference—for virtually every delegation has at one time or another during the last 3 days anxiously asked our representatives about the chances for its passage.

"To the delegates of the 45 other countries gathered at this parley, how Congress votes on our participation in the Bretton Woods bank and fund will be the key to how it will act on United States participation in a world peace and security organization."

Philadelphia Bulletin, March 24, 1945:

"Popular and political objection to such plans often takes the view that America is being asked to make sacrifices for the sole benefit of various weaker sisters in the family of nations. Surely the history of the depression years in this country has afforded convincing proof that financial chaos and social discontent affecting any considerable number of nations have hurtful reactions in every country of the globe, including the richest and most powerful.

"Bretton Woods treads the path of mutual aid for the benefit of all. Its object, as these local leaders in finance say, is to develop a more united and cooperative world. The bankers who take this broad view help the country to put the entire proposal on a high plane on which alone it can have proper consideration. They set an example to others in their calling by aiding the layman, the average citizen, to realize that he is helped as his country helps the rest of the world."

Philadelphia Record, March 23, 1945:

"We are gratified indeed to see 11 prominent Philadelphia bankers taking national leadership in the fight for the Bretton Woods program for postwar economic stability.

'In a memorandum to Congress, the heads of 11 of the city's biggest banks declare the Bretton Woods proposals, 'in our judgment give reasonable promise of avoiding the major financial errors committed after the last war, and seem flexible enough to be modified in the light of experience.'"

* * * * *

"True, we do not believe Bretton Woods a perfect instrument. With the 11 Philadelphia bankers, we expect it will be modified in the light of experience. But having spent more than two hundred billions to win this war, America can afford a $3,000,000,000 investment in peace."

Portland (Oreg.) Daily Journal, March 23, 1945:

"Both proposals are, in their details, hard for laymen to understand, and some of the so-called experts display confusion. Both are objectively essential. Underlying future trade, exchange, and international stability must be steady rehabilitation from war, revival of enterprise, opportunity in the markets, and incentive along the lines of trade. This means credit sustained by an international joining of hands. It means dependable money. It means stern bars against the juggling of exchange in the search for old-time speculative profits. It means the elimination of usury.

"That he fears the Bretton Woods proposal for an international stabilization fund will cause the United States again to be branded as 'Uncle Shylock,' was testified by President Burgess of the Bankers' Association. To the layman, it looks as if the Bretton Woods program will save the name-calling and permit the United States to continue a sane, service approach in meeting the obligations we have assumed in world leadership."

St. Louis Globe-Democrat, February 16, 1945:

"Congress should endorse both the International Monetary Fund and International Bank for Reconstruction and Development embodied in the Bretton Woods agreement. It should do so without undue hedging or delay.

* * * * *

"Certainly we cannot afford to do nothing. There can be no full employment for us without foreign trade, for on our 10 percent margin of that trade depends our high standard of wages. And there can be no foreign trade without world monetary stability. The fund proposes to insure that stability, while the bank's purpose is to see that needy nations get the loans by which alone they can rebuild their capacity to trade with us.

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"We can hold Dumbarton Oaks peace conferences until doomsday, but they will not prevent war unless some economic formula is accepted by all under which each nation has a fair opportunity to survive and prosper."

St. Louis Post-Dispatch, March 8, 1945:

"The Bretton Woods agreement on which Secretary Morgenthau now testifies before Congress is in somewhat the same case as the Crimea agreement. Perhaps no one likes it in every detail. But it is so great an advance in international cooperation that we cannot afford to lose it to misplaced perfectionism.

"The International Monetary Fund will maintain orderly relationships among the world's currencies, outlawing such manipulations as the Nazis used to prepare themselves for war. It will also cause progressive termination of the alarming restrictions that even the United Nations now find necessary in trading among themselves. A report of the American Bankers' Association, to be sure, worries because the proposed stabilization methods goes 'beyond what has been heretofore accepted.' That is true, but the older method failed in an orgy of throat-cutting and competitive interference with trade. Now that all governments are deeply involved in the business life of their countries, currencies must be kept stable by acts of governments or not at all."

St. Paul Pioneer Press, March 13, 1945:

"Banking opinion on the fund is far from unanimous. Those bankers in opposition, in final analysis, are against the fund as it stands because it does not provide for ordinary lending procedure. Secretary Morgenthau makes a very forceful point when he declares that this line of attack is based on a misconception, and possibly a most natural one in this case. The bankers put the emphasis on the loan procedure when that is not the primary consideration at all. The fund is not an investment institution. The essential aspect of the fund is its provision of standards for fair dealing in money rates among the nations. Giving help to some countries to maintain these standards after they have been set is incidental to the main objective. It is not a matter of making long-term stabilization loans but of establishing

constant cooperation in meeting international currency problems.

* * * * *

"Banking opinion is inherently conservative toward innovations in the field of finance; in this case, it is being overconservative.

Seattle Star, March 22, 1945:

"The Bretton Woods proposals, establishing a world currency stabilizing fund which in itself is expected to go a long way toward increasing world trade and, doing so, take away some of the causes of wars, has been given a formal O. K. by the Committee for Economic Development.

"This organization, formed of more than 2,000 big business firms, sees the place in our economic structure that the world fund will fill. And it is interested enough in the future of this world to be willing to overlook certain economic rules provided that, in the overlooking, they lead to peace."

Springfield (Mass.) Republican, March 23, 1945:

"In the month intervening before the San Francisco Conference on the Dumbarton Oaks proposals for a world security organization, Congress will have a timely opportunity to place the stamp of its approval on the international financial proposals, which are scarcely less necessary to the stability of the postwar world than organization for international security. The opportunity should not be missed or fumbled.

"The weight of expert American opinion obviously favors the Bretton Woods agreements unchanged, now that the bankers' committee has failed to command the unqualified support of the Committee for Economic Development. On this basis alone Congress may well approve the Bretton Woods bills as now drafted."

The Washington (D. C.) Post, March 8, 1945:

"The International Monetary Fund and Bank agreed upon at the Bretton Woods Conference are long-term propositions aimed at the establishment of enduring order in the economic sphere, just as the Dumbarton Oaks proposals are aimed at the establishment of permanent political machinery to curb aggression. They represent, therefore, the first concrete test of congressional willingness to endorse the practical measures for international cooperation agreed upon by representatives of the United Nations.

"Secretary Morgenthau presented the argument for endorsement of the Bretton Woods measures with admirable clarity, dignity, and restraint. In his testimony yesterday before the House Banking and Currency Committee he by no means sought to dodge an evaluation of the fund and the bank on their merits. But he emphasized, very properly in our judgment, that favorable action by Congress will be taken as a sign that 'we in the United States are thoroughly sincere in our devotion to the principles of international cooperation.' If there are imperfections in the machinery proposed, they can be corrected once the machinery is set in motion. It can be set in motion, however, only if we, along with other nations, are ready to waive superficial differences for the sake of basic agreement.

Winston-Salem (N. C.) Journal, March 31, 1945:

"Congress is now debating a bill the passage of which will be a vitally important first step to lasting peace. We refer, of course, to the measure providing for congressional ratification of the Bretton Woods agreements.

* * * * *

"If Bretton Woods is not perfect today, we should remember that neither was the Constitution of the United States when it was first accepted by the States. But just as the Constitution provided machinery for amendment, so does Bretton Woods.

"If Congress wants to strike an effective blow for lasting peace, it seems to us that the thing for it to do is to pass the bill ratifying the Bretton Woods agreements, with the understanding that they can be amended later."

Some part of the press has, of course, opposed the Bretton Woods proposals. In general, the arguments of opposing newspapers have been of the same character as those heard by the committee. These arguments are considered in part XII of the report.

XII. ARGUMENTS AGAINST THE FUND AND THE BANK

Little testimony was given before the committee in opposition to the proposal for the bank. One or two witnesses objected on the ground that there was no need for an international organization to encourage international investment. On the whole, almost all the witnesses favored the bank without qualification.

The opposition to this legislation is apparently directed at the International Monetary Fund. Some of the opposition witnesses represented the American Bankers Association; others represented business organizations. Several economists appeared in opposition. In general, the committee had little testimony or exhibits, except from some members of these groups, in opposition to the proposal for the International Monetary Fund.

The committee is cognizant of the earnest desire of the witnesses that opposed the fund or bank to be helpful in their criticisms. Many of these witnesses expressed their agreement with the objectives of the Bretton Woods proposals. Their opposition was based upon a fear that under the provisions of the agreement the resources of the fund might be used without adequate safeguards, and they proposed various amendments to the agreements and changes in H. R. 2211. The committee believes that the necessary safeguards are provided in the agreement. In addition the language of the bill establishes other safeguards. For this reason the committee is of the opinion that no changes in the agreements are necessary.

The testimony of the opponents is reviewed briefly below.

The fund is complex

One argument against the fund is that the articles of agreement of the fund are complex.

Admittedly, the fund agreement states in great detail the principles, procedures, and techniques for the operation of the fund. That is wholly to be expected in a basic document setting up two world organizations with large resources and important powers. In order to safeguard those assets adequately, and to assure a proper use of those powers, a considerable number of carefully drawn provisions dealing with technical aspects of the fund's operations are essential.

As was often pointed out, the essential principles of the fund are clear and simple. They provide for international consultation on international monetary problems, for the maintenance of stable and orderly exchange arrangements, for the gradual elimination of exchange restrictions and discriminations that affect international trade, and they provide help to members who abide by these principles.

It was clear from the testimony on the detailed provisions of the fund agreement that it was necessary to have the provisions stated in great detail in order to provide the necessary safeguards that would assure the proper operation of the fund. In fact, the committee heard no testimony that would indicate that there was any defect in the technical provisions for the fund.

The fund is novel

It has been stated that "the plant for the Monetary Fund introduces a method of lending which is novel and contrary to accepted credit principles."

In the view of the committee, not much weight can be given to the argument that the fund is novel. Clearly, there should be no objection to using new methods to deal with an unprecedented international situation. Even opponents of the fund admit that the economic and monetary situation after this war is likely to be of a character requiring new measures and concerted action.

The testimony introduced in the record shows that in fact the fund's method of operation will not be novel. The United States Treasury through our own stabilization fund has made about 15 bilateral stabilization agreements with 12 countries, with aggregate commitments of several hundred million dollars. After 8 years of operation under these agreements, this country has not lost one dollar. It appears that the International Monetary Fund would undertake exchange operations in much the same way and with much the same safeguards as the United States stabilization fund. The only significant difference is that the fund would operate on a multilateral rather than on a bilateral basis.

A good deal was made of the point that the fund makes credit available to members for stabilization purposes in a manner contrary to accepted credit principles.

In the opinion of the committee, this point was not sustained. The fund will not, of course, conduct its operations in the same way that a bank makes loans to a local merchant. The fund will sell foreign exchange in limited amounts, for a member's currency, to a country that needs such help to maintain stable exchange rates and freedom in exchange transactions. Such help will give a country time to take the necessary corrective measures without resorting to restrictions and discriminations that may cause and spread depression. When a country in good faith abides by the principles of the fund and meets the tests specified in the fund agreement, it is reasonable to say that the aid extended will be in accord with the credit principles that should govern stabilization operations.

This point is further discussed below.

The fund provides automatic credit

The charge has been made in the testimony of certain witnesses that the fund provides automatic credits for countries regardless of their credit worthiness or the purposes for which the credits are to be used. It is said that the management of the fund will have no real power over the use of the fund's resources because each member has an absolute right to credits up to the limit of its quota.

The committee has been assured, both by the delegates participating in the Bretton Woods Conference, and by bankers and experts in international finance who have studied the documents of the Conference, that the fund's management will have ample power to control the use of its resources and that there is no unqualified right to credits from the fund. There are both qualitative and quantitative limitations on the ability of a country to purchase foreign exchange from the fund with its own currency. In the words of a prominent banker who testified before the committee, the quotas are in the nature of a line of credit extended by a bank to its customers, the use of which is circumscribed by safeguards and subject to continual scrutiny.

Those who state that access to the fund is an automatic right to every member overlook certain very important safeguards found in the fund agreement. These safeguards may be summarized as follows:

(a) The fund would not begin exchange transactions with countries until those countries are in a position to keep exchange rates stable without excessive use of the fund.

(b) No country could purchase exchange from the fund except to help it to make payments for imports and other current

transactions. The fund could not be used to finance flights of capital.

(c) The executive directors of the fund could stop a country at any time from purchasing exchange if in the opinion of the directors the country was acting contrary to the purposes of the fund, including the fund's objective of promoting exchange stability and maintaining orderly exchange arrangements.

(d) All of the currency holdings of the fund are guaranteed against depreciation in terms of gold. A country using the fund's resources must use its own monetary reserves in equal amount if its monetary reserves are in excess of its quota and it must repurchase its currency with gold as soon as its balance of payments and its reserve position permit. If the repurchase is delayed unduly, the fund can impose such charges as it deems appropriate to bring about prompt repurchase.

If a member country agrees not to impose exchange restrictions on current transactions and not to allow a depreciation of its currency, it must be given assurance of assistance in periods of adversity, provided it abides by the principles of the fund and takes whatever measures are necessary to correct the situation. Just as a businessman who undertakes a business commitment needs to be able to count on a line of credit from his bank so long as he uses the credits extended to him in accordance with certain prescribed purposes, so must a nation be assured that it can count on obtaining stabilization help in time of need.

The fund is premature

It has been said by some of the critics of the fund that to establish the fund during the next year or so would be premature; that it would be better to wait several years until nations have attained a greater degree of economic stability before attempting to stabilize foreign exchange rates.

The committee believes that some of the most urgent problems in the postwar transition period will be international monetary problems and that the prompt establishment of the fund is essential to their solution.

The immediate problem will be the establishment of the initial pattern of exchange rates. Unless exchange rates of all countries are determined in relation to each other and through international consultation, we may have a repetition of the experience that followed the First World War. There would be danger of overvaluation of some currencies and undervaluation of others, and subsequent unilateral adjustment that might degenerate into competitive exchange depreciation. The fund is necessary to provide a means of establishing an initial pattern of exchange rates, through consultation, that will be suited to the changed conditions after the war.

During the transition period, countries will establish their postwar exchange policies. It is of the utmost importance to see that these policies include the maintenance of stable and orderly exchange arrangements and the elimination of multiple currency practices and other devices of currency warfare. In some countries, it will be necessary for a time to continue wartime controls on exchange transactions. There can be no objection to the temporary retention of such controls, provided the countries that use them accept now the obligation to remove them as soon as their international payments can be brought into equilibrium. This is precisely what they do under the fund.

The prompt restoration of international trade and investment after the war requires the establishment of the fund. Some countries will need help during the transition to meet a temporary adverse balance of payments. Otherwise they will feel compelled to maintain restrictions that can soon be abandoned. If they can get such help from the fund when they need it they will be in a position to accept the obligations with respect to fair exchange practices specified in the fund agreement.

To postpone the establishment of the fund is to risk the resumption of currency warfare. And if countries should establish policies contrary to the principles of the fund, their economies would become adjusted to such restrictions and it might become impossible to abandon them later on. The period immediately after the war—the transition period—is the time when future exchange policies will take final shape. The fund is necessary to see that these policies are in accord with the principles for which the United States stands.

The fund will be controlled by debtors

The criticism has been made that the fund will be managed by its debtors, because the United States alone does not have a majority of the votes.

This criticism seems to imply that the fund is merely a financial institution whose sole function is to lend money and it seeks to indicate that the United States is putting up more than half of the assets of the fund. Neither view is correct.

The fund is designed primarily to deal with international currency problems. It embodies an agreement on the maintenance of fair exchange standards. Policies on exchange rates, on exchange restrictions, and on multiple currencies will all be subject to the fund's supervision. In such an institution it would be entirely unreasonable and even unwise to give any country the deciding vote in its management. Each country should have influence based in its international position. It is on this basis that subscriptions to the fund were determined and the voting power was apportioned.

The United States, as the largest subscriber, will have the largest number of votes in the fund. Approximately 28 percent of the total number of votes will be cast by the governor and the executive director representing the United States. With so large a vote, there can be no doubt that the United States will have a substantial voice in the determination of its policies.

The aggregate subscription of countries other than the United States will be slightly more than $6,000,000,000 if all the countries represented at the Bretton Woods Conference become members of the fund. Of this amount, approximately $1,100,000,000 will be subscribed in gold and the remainder in local currencies bearing a gold value guaranty. Those who hold that these other currencies subscribed to the fund are worthless or that they would not be used are misinformed. These currencies are in demand every day the world over and are valuable for the same reason that other currencies are valuable, namely, their ability to purchase goods and services in the countries of issue.

Nor is there any basis for the assumption that United States dollars will be the only currency which the fund will be called upon to sell. No one can tell just how long and by how much the United States or any other country will continue to have a favorable or an unfavorable balance of payments. It is to be expected that for several years after the war the United States will be one of several countries—and doubtless the chief country—that will have an export surplus of goods and services. But how large that excess will be and how long it will continue depends upon a number of factors none of which can be accurately forecast. It depends upon the level of business activity here and abroad, upon the tariff changes we make, upon the amount of our tourist expenditures, the level of exchange rates that will finally emerge, and how much of the world's trade other leading countries will be able to regain, and finally how much short-term and long-term credit Americans are willing to extend during the postwar years. Altogether, it is completely unwarranted to assume that all or most countries will wish to purchase as much dollars from the fund as they can.

In any case the argument that the fund will be controlled by the countries which are purchasers of exchange from the fund seems to imply that a conspiracy can somehow establish policies contrary to the interests of the United States and other countries. This is an attitude that cannot be reconciled with the interests and the objectives of the 44 countries that would be members of the fund. No country has any reason to wish to see the fund's resources misused. It is difficult to believe that a fund in which the United States has 28 percent of the voting power, the United Kingdom and the rest of the British Commonwealth of Nations 25 percent, the Soviet Union, China, and France together 23 percent, the American republics 10 percent, and the Netherlands and Belgium 5 percent, would permit a combination that would impair the usefulness of the fund. The fund's resources constitute the second line of reserves for all countries, and few countries will approve the dissipation of these resources.

It should not be inferred that the influence of the United States will be limited simply to the proportion of its formal voting strength. The power and influence of the United States over decisions of the fund, if directed toward reasonable use of the fund's resources, will in all probability be far greater than its voting strength would indicate. Finally the right to withdraw from the fund will prove a powerful deterrent against any conspiracy aimed at any one country or group of countries.

The fund will not stabilize

The argument has been made that the adoption of the fund will not result in the stabilization of currencies, because of the provisions which permit changes in the par value of a currency after consultation with the fund and generally with its concurrence.

The fund agreement provides that the value of each member's currency must be defined in terms of gold or the United States dollar. Members agree not to permit their exchange rates to vary by more than 1 percent above or below par. Changes in the par value of a member's currency may be made only when a change is necessary to correct a fundamental disequilibrium and then only after consultation with the fund. If the change proposed by a member country plus all previous changes, whether increases or decreases, is less than 10 percent of the original parity, the member country need only consult with the fund before making the change in the par value of its currency. If the sum of the proposed change plus all previous changes is more than 10 percent, the fund by a majority of the member votes will either concur or object to the proposed change.

Stability and order in exchange rates does not mean absolute rigidity. No one pretends that the initial pattern of exchange rates adopted when the fund begins operations is going to be perfect or that the appropriate rate will be chosen in each case. Clearly some changes will be necessary and should be made in an orderly manner. The maintenance of stability and order in exchange rates does mean, however, the avoidance of unnecessary changes; and when changes become necessary, they are to be made only after consultation and with full consideration of their effects on other countries.

Unless positive steps are taken to establish fair exchange practices, the postwar period will inevitably be characterized by unstable exchange rates and chaotic exchange practices. Conditions under an agreement which provides for limited flexibility in exchange rates must be compared with conditions which would prevail in the absence of the fund. Except for a few years in the late

1920's, most countries were off the gold standard during the interwar period. Exchange rates during this period in many instances fluctuated widely from week to week, while in other cases they were fixed by means of rigid exchange controls. The stability offered by the fund will be far greater than the world has seen since 1914; and it will be far greater than we can possibly expect in the postwar world without international monetary cooperation.

The fund sanctions exchange controls

Some witnesses have criticized the fund on the ground that it permits the use of exchange controls for certain purposes and under certain conditions. It is said that instead of eliminating exchange controls, the fund will actually encourage their use.

In the view of this committee, this is essentially an argument for impossible perfection. In effect, the argument is that if we cannot abolish all exchange controls, we should not try to eliminate any. An international agreement that is to succeed must be realistic, and it must not commit countries to more stringent policies than they can in fact carry out. Moreover, it was generally recognized by financial experts who appeared as witnesses that exchange controls on capital movements are absolutely necessary for some countries, for some time at least, if they are to maintain order in their currency systems.

It is a fundamental purpose of the fund to eliminate the use of exchange controls in connection with current transactions. It is agreed by all countries that exchange controls on current trade and the blocking of the income from international loans and investments can only discourage international trade and investment. There is general agreement that such practices must be eliminated as soon as possible and this principle is recognized in the fund. Under the articles of agreement, a country will be permitted to restrict the transfer of funds involving large exports of capital. This is the only way in which a capital flight can be prevented. On the other hand, except during the transition period, restrictions on the transfer of the proceeds of exports and other current payments can be maintained only with the approval of the fund.

Since the fund is not designed to meet the enormous immediate demand for foreign exchange on the part of war-devastated countries, and since their gold and foreign-exchange resources are limited, it is to be expected that some of the existing restrictions on demands of their nationals for foreign exchange will have to be maintained by some countries until they are otherwise able to maintain an appropriate balance in their foreign-exchange position. For this reason, the fund agreement provides that during the transition period member countries may retain and adapt some of their exchange restrictions that have been in operation during the war. In accordance with the agreement, these restrictions will be withdrawn as soon as it is clear that a country will be able to settle its balance of payments, in the absence of such restrictions, without excessive use of the fund.

There is only one other provision under which the fund permits exchange control on current transactions. When the currency of a country becomes generally scarce, it is necessary for countries to restrict the obligations they incur in the scarce currency. There is no other way to which they can meet their obligations unless additional foreign-exchange resources are placed at their disposal. This question is discussed below.

In the opinion of this committee, these provisions regarding exchange control provide the maximum practical assurance of freedom in exchange transactions for current international trade wherever and whenever this is possible. No country is in a position to undertake greater obligations on the removal of exchange restrictions.

Effect of a scarcity of dollars

Objection has been made to article VII of the fund agreement because, when dollars become scarce, the fund may permit members to limit the sale of dollars. This argument seems to imply that somehow the fund will be responsible for a scarcity, and that it will give countries the power to do something which they could not have done in the absence of the fund.

If a scarcity of dollars develops, it will be notwithstanding the efforts of the fund to prevent it. The fund neither creates nor is responsible for the appearance of the scarcity. On the contrary, it serves to postpone, diminish, and sometimes prevent the development of a scarcity. When the fund authorizes its members to limit the sale of dollars, the members will be doing what they would be compelled to do in any event. The chief difference would be that limitations under the fund would be no more restrictive and of no longer duration than necessary in the light of each member's existing and accruing supply of dollars. Furthermore, other countries would be required to give sympathetic consideration to the views of the United States on the administration of limitations on the sale of dollars.

The committee was impressed with the testimony of several witnesses regarding the probable supply of gold and dollars that will become available to other countries to pay for exports from the United States. Except for a brief period during the 1930's, there has been no scarcity of dollars in time of peace. And even in the 1930's the scarcity of the dollar was almost entirely due to the perverse movement of capital to the United States seeking refuge from the political and economic disorders that gripped the world. Provided the United States maintains a reasonably high level of employment, and provided further that there is a reasonable volume of foreign investment, the supply of dollars is likely to be ample to meet the needs of the world taken as a whole. Temporary shortages of dollars and other currencies are likely to arise in certain countries, and it will be the function of the fund to help meet these needs. The provision of temporary exchange assistance by the fund to a few countries will prevent them from precipitating a wave of currency depreciation and exchange restrictions.

It is the view of this committee that the scarce currency provisions of the fund would not be harmful to the interests of the United States. Rather they are a frank recognition of a possible, although not highly probable, development in the postwar period, and they provide an orderly means of dealing with the scarcity of a currency if that should happen.

XIII. ALTERNATIVES TO THE BRETTON WOODS PROGRAM

In the course of the hearings on H. R. 2211, several alternatives to the Bretton Woods proposals were suggested by witnesses. The committee is of the opinion that these alternatives do not offer a practical basis for international monetary policy after the war.

The most important of these alternatives are discussed in the following paragraphs.

Let each country stabilize by itself

One alternative would be to reject both the fund and bank proposals on the ground that no international stabilization arrangement or lending agency is needed. According to this view, currency stabilization is wholly a matter of a country's internal policies. Any attempt to help other countries to stabilize their currencies would be futile, and in any event other countries could not be counted on to abide by their agreements. So far as international loans are concerned, all necessary loans to credit-worthy countries will be made by private institutions without the help of the fund or the bank.

The committee rejects the view that international monetary cooperation and financial assistance to other countries in stabilizing their currencies is either futile or wasteful. Past experience indicates that in general other nations are willing to abide by their commitments, provided they can do so without serious damage to their economies. Moreover, there is nothing in our past experience to indicate that the stabilization operations of the fund will be unsuccessful or accompanied by large losses.

In considering the view that private financial institutions will be able to handle all worthy foreign loans, it should be borne in mind that the rapid reconstruction of the war-torn areas of Europe and Asia is vital to the peace and prosperity of the world. In many cases the credit standing of these countries immediately after the war will not be sufficiently well established for such loans to be attractive to private lenders except at excessively high and burdensome interest rates; also, many countries will need foreign capital for the development of their resources—capital which cannot always be obtained at reasonable interest rates from the usual private investment sources.

It is a mistake to assume that because a loan is not attractive to private financial institutions at reasonable interest rates it is, therefore, unwise to make the loan. If made in moderate amounts and for productive purposes, these loans in the aggregate should prove a sound and profitable investment. By sharing the risk of loss among a large number of countries, the bank will make productive loans possible that could not be made by private financial institutions by themselves, but that will, nevertheless, prove to be of general benefit to the whole world.

Have all countries adopt the gold standard

This approach takes the position that the only workable international monetary standard is the automatic gold standard and that all other systems lead inevitably to currency instability and inflation. It is suggested that the United States might get the world back on gold by calling another world conference specifically for this purpose.

The assumption that countries will sooner or later return to the traditional gold standard after the war is unrealistic. The fact is that the United States is perhaps the only major country in the world that is prepared to maintain the gold standard as it existed in the last 1920's. Most countries believe that rigid adherence to the gold standard would force upon them adjustments harmful to domestic employment, and that they would become subject to alternate inflation and deflation with movements of gold in and out of the country. We in this country are in the fortunate position of having an abundance of gold, so that gold movements need not interfere with our domestic policies. We must face the fact, however, that nearly every other important country has gone on record opposing gold. Consequently, a policy based on imposing the gold standard on other countries is doomed to failure. If we should insist on such a program, an international agreement on monetary policy of any kind would be extremely difficult and would probably be impossible of attainment at this time.

The fund agreement embodies the fundamental advantages of stability and order that can be secured from the gold standard without forcing its rigidities on countries which are unwilling and unable to accept them. All currencies are defined in terms of gold, and with gold it will be possible to buy the currency of any member country at a nearly fixed price for the purpose of settling international payments. Also, in connection with current transactions, the currency of every member would be freely convertible by exporters and foreign investors into their own currencies.

The committee is impressed by the fact that entirely too much emphasis is put on the name to be given to the exchange provisions of the fund agreement. Because

some people in this country have called these arrangements a form of the gold standard and others in England have called them the opposite of a gold standard, there is said to be a misunderstanding on the meaning of these exchange provisions. In fact, the provisions are clear enough. They provide for defining currencies in terms of gold, for maintaining exchanges stable within 1 percent of parity, and for making changes in parity only after consultation with the fund. It is not of great consequence what name is given to these arrangements. It is significant that they provide for stability and order in exchange rates.

Key-currency approach

Advocates of the key-currency approach oppose an agreement for the general stabilization of the currencies of the United Nations. Instead, they propose that we seek to stabilize only the so-called key currencies, or the currencies in terms of which the bulk of the world's trade is carried on. For the time being, it is suggested that stabilization efforts be limited to stabilizing the dollar-sterling rate by means of a large stabilization loan or a grant-in-aid to Great Britain. Eventually it is intended that all other currencies will be tied more or less firmly to one or the other of the key currencies. The view is expressed by some of the advocates of this approach that the value of many of the other currencies should be permitted to fluctuate freely.

Stabilization of the rates of exchange of the so-called key currencies would not provide the world with the kind of international monetary policy necessary for a high level of world trade. While the dollar and sterling are the most important currencies for purposes of international trade, it is not possible to neglect the other currencies. Only a very small proportion of the trade of the entire world is represented by trade between Great Britain and the United States. It would appear to be excessively optimistic to think of exchange stability exclusively in terms of the dollar-sterling rate. The currencies of all countries are important to the extent that they affect international trade and investment.

In fact, if other currencies are permitted to fluctuate, even the stabilization of the dollar-sterling rate will become more difficult and may become impossible. It should be noted that a considerable number of currencies were depreciated before the sterling depreciation of 1931, and that the undervaluation of other currencies contributed to the weakness of sterling. Currency stabilization cannot be regarded as the special problem of the United States and Great Britain. It is an international problem that can be dealt with only through international cooperation among all countries.

Under the key-currency approach other currencies would be expected to attach themselves to the dollar or sterling and to pursue exchange policies conforming to those set for them by the United States or by the United Kingdom. Such a system based on key currencies would inevitably divide the world into economic blocs. It would have all the economic disadvantages of bilateralism, and all the political dangers of a world divided into conflicting groups. The fund is based on the principle that all countries have a common interest in international monetary problems, and all should cooperate in dealing with such problems.

Those who emphasize the stabilization of exchange rates between a few key currencies overlook what will be a significant postwar currency problem, namely, the retention of exchange restrictions and clearing arrangements which played such a large part in stifling world trade since the great depression and the break-down of the gold standard in the 1930's. Formally, at least, currencies may very well be stabilized after the war with reference to sterling, the dollar, or gold but in much the same way as the German mark was stabilized during the 1930's. Such stability has little meaning when trade is carried on in terms of special currencies with a wide variety of rates, under bilateral clearing arrangements, and with rigid control of foreign-exchange transactions.

Agreements on exchange rates and exchange practices must be multilateral in character. Nations cannot agree to give up exchange controls and other restrictive devices unless all nations enter into an agreement not to employ them. Likewise, nations cannot make commitments with regard to their exchange rates until similar commitments are made by other countries. It is a mistake to think that we can begin in a small way with an agreement with one country and ultimately get all other countries to subscribe to the kind of exchange policies that we have advocated. No important nation would be prepared to enter into a long-period agreement with us for the freeing of its exchanges and the stabilization of its exchange rate unless most other countries commit themselves to the same principles.

Reject the fund and amend the bank

The alternative that has perhaps received the widest attention is that the agreement for the fund be rejected and the agreement for the bank be changed to permit it to make stabilization loans and to enter into agreements with members regarding exchange policies. It is said by the proponents of this alternative that in this way the bank could perform the functions of both the fund and the bank more efficiently and with only half the capital.

If the question were whether all the functions of the bank and fund were to be performed by two institutions or by one, it would still be necessary to weigh the advantages of combined or separate organization. Conceivably, some minor advantages in the coordination of policy might be gained from having one institution instead of two. On the other hand, it should be recognized that the functions of the fund and the bank will be distinct and specialized, requiring the services of specialists in each field.

The functions of the two institutions are so different that in the opinion of the committee a separation of their operations is considered highly desirable. The fund is concerned with broad economic considerations that affect exchange policy and fluctuations in the exchange markets. It is concerned with the seasonal and cyclical developments that alter the balance of payments of a country and put pressure on its exchange rates. These are highly specialized problems. The bank on the other hand is concerned with the long-range problem of loans for reconstruction and development. It is concerned with the question whether countries can profitably use foreign loans to develop their economy and to expand their international trade, and whether their balance-of-payments position over two or three decades will be adequate for servicing and repaying the loans.

In this country, we have recognized the essential distinction between these functions in our domestic legislation. Under the Banking Act of 1933, commercial and investment banking were separated. The fund, whose functions comprise stabilization operations and the determination of exchange standards, is so far specialized in its work as to be even more remote from the work of the bank than is ordinary commercial banking.

The alternative under discussion, however, involves far more than merely combining the functions and the resources of the fund and the bank. If the fund is eliminated, under the proposal which has been made, we would automatically lose the basic agreement on exchange policy which was drawn up at the Bretton Woods Conference. The following are some of the important provisions of the fund agreement that would be dropped if the fund were not established:

(a) The fund provides a means for determining the initial pattern of exchange rates after the war. If countries are left to fix their own exchange rates without consultation with other countries, an appropriate pattern of exchange rates would be almost unattainable. Some currencies would be overvalued, others undervalued, without any basis for adjustment through consultation. Successful trade and financial relations in the future will depend in considerable measure upon common action in setting exchange rates after this war.

(b) The fund agreement provides for the stabilization of exchange rates, and a method for making necessary changes in exchange rates after consultation and with consideration of the effects on the economy of other countries. In this way, the fund establishes orderly exchange arrangements and eliminates competitive exchange depreciation.

(c) Members of the fund agree not to impose restrictions after the transition period on the making of payments or the transfer of such payments so long as the transactions arise out of current business.

(d) The fund agreement provides for the elimination of other currency devices of economic warfare which interfere with international trade and which in the past have often been directed against the exports of this country.

The proposal to give the bank power to make stabilization loans cannot be regarded as an adequate substitute for the fund. Without an agreement on exchange standards, stabilization loans would become meaningless. In fact, a number of witnesses testified that without the fund it would not be possible for the bank to operate successfully.

It is quite evident from the developments at the Bretton Woods Conference that the vast majority of the United Nations firmly believe that the best and most desirable solution is international cooperation through the fund in the working out of international monetary problems. It was fully recognized also that the objective of the bank for encouraging adequate international investment would be jeopardized without an international agreement on currency stabilization and exchange policy.

A final difficulty with the proposal to amend the bank and abolish the fund is that it would require another international conference. This would entail much delay, and there is little reason to believe that a satisfactory agreement could be reached on exchange policies if we rejected the basic structure of the Bretton Woods proposals. The rejection of the fund agreement by this country would crush the hopes of the vast majority of people in other countries who want to see a world in which international trade and investment can be carried on by businessmen, free from the stifling effect of discriminatory currency practices and complete government control of exchange transactions.

There is, nevertheless, much that can be done to secure coordination of the activities of the fund and bank. Clearly what is needed is the coordination of broad policies while recognizing and retaining the specialization and separation of the two institutions in their operations. In the opinion of the committee this has been accomplished by provisions in the bill.

XIV. AMENDMENTS AND RESERVATIONS TO THE AGREEMENTS

The committee has considered the possibility of amending the articles of agreement or accepting them with reservations as to the interpretation of certain provisions. This problem has been examined in the light of the testimony and the suggestions presented to the committee.

Some of the suggestions to improve the Bretton Woods proposals are not based on the amendment of any specific provisions of the articles of agreement of the fund and bank,

In some instances the modifications sought can be made adequately in the legislation that Congress enacts since they relate to the manner in which the United States will participate in the operation of the institutions rather than the content of the articles of agreement. The Committee for Economic Development has suggested that the bank's authority to make long-term stabilization loans be clarified. Although the provisions of the agreement itself are involved in this suggestion, the committee believes a satisfactory solution has been found without the necessity of calling another conference. The same consideration applies to the section of the legislation dealing with the currency transactions of the fund. This solution will be discussed in the next part of this report.

Some critics of the International Monetary Fund, whose principal spokesmen are the committees of the American Bankers Association, have proposed amendments to the articles of agreement. The pivotal suggestion is that the fund be not approved and that a department be set up in the bank to make stabilization loans. As stated above, the fund and bank operate for different purposes: the fund in the field of monetary stabilization; the bank in the field of economic stabilization, reconstruction, and development.

The committee has concluded that the device of amending the articles of agreement for the fund and bank involves serious risk. If the United States should propose amendments to the agreements, other countries would undoubtedly do this too. A whole new set of principles would have to be examined, and the difficult procedure of negotiation and compromise would have to begin all over again. The prospect of reaching a satisfactory agreement a second time would be dim indeed. Moreover, an adequate amendment procedure is provided in the articles of agreement. Changes of a specific nature that appear advisable in the light of experience can be made without great difficulty. The interests of the United States, moreover, are fully protected, since no amendment can go into effect without our approval, and the bill requires that Congress pass upon any proposed amendment before this country accepts it.

There have been several proposals for reservations as to the proper interpretation of the articles of agreement of the fund. The committee, after considering these carefully, has concluded that the supposed dangers to which they are directed are not serious. If accepted, these reservations would open the way for reservations on the part of the 43 nations that have not yet passed upon the Bretton Woods agreements. We believe that it would be unwise for the United States to jeopardize the establishment of the fund and the bank by attempting to formulate modifications in the articles of agreement by unilateral action. Nor do we see any possibility of postwar monetary and financial cooperation if other nations should follow such practices, thus requiring a reexamination of the whole problem anew.

XV. ANALYSIS OF THE BILL BY SECTIONS

Because of its conviction that the fund and bank are essential to successful political as well as economic cooperation and that they will play an important part in the establishment of a just and lasting peace, the committee has designed this legislation to give the American representatives every opportunity to make these institutions an outstandng example of what can be accomplished by right-minded nations acting in concert. The bill makes clear to the whole world that the United States will be guided by a unified policy in its participation in the fund and bank. The Congress, the administration officials concerned, and the American representatives will be enabled, under the provisions of the bill, to work together in bringing about the kind of international monetary and financial relations toward which the Bretton Woods agreements are directed.

The bill recommended by the committee has 14 sections. Sections 13 and 14 of the bill did not appear in H. R. 2211. Sections 3, 4, and 9 of the bill contain substantial modifications of the corresponding sections of H. R. 2211.

Short title

Section 1 provides a short title: "Bretton Woods Agreements Act."

Acceptance of membership

Section 2 authorizes the President to accept membership for the United States in the fund and the bank. This section, in effect, constitutes approval by the Congress of the articles of agreement formulated at the Bretton Woods Conference.

Appointment of Governor and executive directors

Section 3 provides for the appointment of United States representatives on the fund and bank. H. R. 2211 as originally introduced authorized the President, by and with the advice and consent of the Senate, to appoint one Governor and one alternate for the fund and another Governor and another alternate for the bank. The committee has amended this provision by requiring that the same person be named to serve as Governor of both the fund and bank. A similar provision has been inserted with respect in the alternates of the Governors, so that there will be only one alternate.

The committee believes that a single individual representing the United States as Governor on both institutions will be in a better position to coordinate the policies and practices of the fund and the bank. The great difference between their tasks, the specialized training that will be required for their personnel, and the difference in their methods of operation, make it essential that the fund and bank be organized and operated separately. It is only on basic questions of policy that coordination is required, and this can be achieved by placing the ultimate responsibility for their activities in the same individuals. In this way effective cooperation between the two institutions can be achieved at the highest level of responsibility without destroying their independence or their separate organization. It is believed that many other countries will follow the example of the United States and appoint one Governor to serve the two institutions.

The President, by and with the advice and consent of the Senate, is also authorized to appoint an executive director of the fund and an executive director of the bank. Under H. R. 2211 the executive directors, once appointed, would have selected and appointed their own alternates, with the approval of the President. The present bill provides that the President shall appoint the alternates, subject to confirmation by the Senate. The principle of having the executive director participate in the selection of his alternate is preserved by having the President appoint an alternate from among those persons recommended to him by the executive director.

The Governor and his alternate will serve for 5 years. Executive directors and their alternates will serve for 2 years, but executive directors will hold office until their successors are appointed in order that the fund and the bank may be able to function without interruption at all times.

While the fund and the bank are being organized, the executive directors are considered to be provisional in character. This distinction is made in the articles of agreement in order to preserve a voice in the management for all countries accepting membership before January 1, 1946, but at some date subsequent to the organization of the fund and the bank. Since the United States is entitled to appoint its own executive director, the provisional status of the first executive directors has no real significance so far as this country is concerned.

In view of the fact that the positions of Governor and alternate for the Governor will not require the full-time services of these officials, and in view of the fact that executive directors and their alternates will be paid by the fund and the bank, the bill provides that none of these persons shall receive any salary or other compensation from the United States for their services as Governor, executive director, or alternate.

National advisory council on international monetary and financial problems

In addition to the need for harmony in the formulation of policies by the two institutions, it is important that the policies to be followed by the American representatives be worked out by the officials responsible for American activities that will affect and be affected by the poerations of the fund and bank. It is equally important to coordinate the activities of those Government agencies making or participating in foreign loans or engaging in foreign financial, exchange, or monetary transactions.

The committee believes that these purposes can be accomplished through enactment of section 4 of the bill, which establishes a Council consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of Trustees of the Export-Import Bank of Washington. These officials will be familiar with the objectives of the United States in the fields where the fund and the bank operate and will, therefore, be in a position to see whether the representatives of the United States on the fund and bank exercise their authority in accordance with the best interests of the United States.

The Council's chief function will be to provide continuing contact between the representatives of the United States on the fund and the bank and the appropriate officials of the United States Government and especially the Congress. It will recommend to the President general policy directives for the guidance of the United States representatives on the fund and the bank; advise and consult with the President and the American representatives on the major problems arising in the administration of the fund and bank; coordinate the policies and operations of the representatives of the United States on the fund and bank, the policies and operations of the Export-Import Bank and other Government agencies to the extent that they make or participate in foreign loans or engage in foreign financial, exchange, or monetary transactions; and transmit, at least semiannually, reports to the President and the Congress.

Under the general direction of the President, the Council will also give or refuse the approval, consent, or agreement of the United States to proposed actions of the fund and bank when such approval, consent, or agreement is required, but in exercising this power the Council will be limited by the prohibitions contained in section 5. In addition, the American representatives must obtain the Council's approval before they vote in favor of a waiver of the conditions under which a member can purchase exchange from the fund, or before they vote in favor of a declaration of the United States dollar as a scarce currency.

The committee has recognized the possibility that the experience we will have with the fund and the bank may reveal adjustments that can be made in this Nation's cooperation with other countries on monetary and financial problems. The Council, therefore, is required to transmit to the President and the Congress every 2 years a special report on the operations and policies of the fund and bank.

Each report will cover and include: The extent to which the fund and the bank have achieved the purposes for which they were established; the extent to which the operations and policies of the fund and the bank have adhered to, or departed from, the general policy directives formulated by the Council, and the Council's recommendations in connection therewith; the extent to which the operations and policies of the fund and the bank have been coordinated, and the Council's recommendations in connection therewith; recommendations on whether the resources of the fund and the bank should be increased or decreased; recommendations as to how the fund and the bank may be made more effective; recommendations on any other necessary or desirable changes in the articles of agreement of the fund and of the bank or in this act; and an over-all appraisal of the extent to which the operations and policies of the fund and the bank have served, and in the future may be expected to serve, the interests of the United States and the world in promoting sound international economic cooperation and furthering world security.

In order that the Council may properly carry out its responsibilities the representatives of the United States on the fund and the bank, the Export-Import Bank and other affected agencies, are required to provide the Council with such information concerning their activities as the Council requires.

Acts not to be taken without authorization

Section 5 prohibits the making of fundamental changes in the fund or bank, or in the participation of the United States in these institutions unless Congress approves such changes. Except upon approval by Congress, it will prohibit:

1. Changing the quota of the United States in the fund.
2. Changing the par value of the United States dollar.
3. Increasing the capital stock of the bank.
4. Increasing the subscription of the United States to the bank.
5. Making loans to the fund or the bank by any agency of the United States Government.
6. Accepting any amendment to either the fund or bank agreements.

This last provision has the effect of preventing amendments to the agreements without the approval of Congress since United States acceptance is essential to the adoption of an amendment. This limitation will not, of course, apply to the amendments, if any, necessitated by sections 13 and 14 of the bill.

Par value of the dollar

Section 6 of the bill provides that when the United States is requested by the fund to communicate the par value of the dollar, such par value shall not be communicated as other than 15 21/21 grains of gold nine-tenths fine, which is the present weight of the gold dollar. Under the articles of agreement of the fund the par value thus communicated will be the par value of the dollar for the purposes of the fund until changed in the manner provided in the articles of agreement. Under section 5 of this bill no one on behalf of the United States is permitted to propose or agree to any change in the par value of the dollar unless expressly authorized by Congress, and under the articles of agreement the consent of the United States is required to any change in the par value of the dollar.

Depositories

Section 7 directs the Federal Reserve banks to act as depositories or fiscal agents of the fund and bank when requested to do so. In carrying out such functions, they will be supervised and directed by the Board of Governors of the Federal Reserve System.

Payment of subscriptions

Section 8 sets forth the procedure to be followed in paying the United States subscriptions to the fund and the bank. The subscription of the United States to the fund is $2,750,000,000, and to the bank, $3,175,000,000. The total subscription to the two institutions is, therefore, $5,925,000,000.

While the entire subscription to the fund must be paid when the fund has announced its intention of beginning exchange transactions, the subscription to the bank (except for $63,500,000, which must be paid immediately) is payable only as called by the bank from time to time. Eighteen percent of the subscription to the bank, or $571,500,000, can be called for the purpose of making loans, and at least $254,000,000 of this amount will be called in the first year of the bank's operations. The balance of the United States subscription to the bank, or $2,540,000,000, can be called only when needed to meet losses suffered by the bank in the course of its operations. In view of the fact that the United States must certify, when it signs the articles of agreement of the bank, that it is then prepared to carry out all its obligations under those articles, the balance must be readily available.

Partly because the entire amount of $5,925,000,000 must be made available at once even though a substantial portion, if needed at all, may not be used for a considerable number of years, and partly because the payments which must be made by the United States are investments and not expenditures, section 8 provides that the stabilization fund created by Congress in 1934 for the purpose of stabilizing the exchange value of the dollar will be used to meet part of our subscription. The remainder will be met by using the proceeds of United States Government bonds issued in the future as has been commonly done with investments in other Government corporations in the United States.

Section 8 (a) directs the Secretary of the Treasury to use $1,800,000,000 of the present stabilization fund to pay part of the subscription of the United States to the fund. The stabilization fund was originally created with $2,000,000,000 of the profit realized by the United States when the gold content of the dollar was reduced in 1934. During the 11 years of the stabilization fund's operation an additional $80,000,000 has been accumulated, so that its total assets now amount to $2,080,000,000. Section 10 of the Gold Reserve Act of 1934, as amended, provides that the powers in connection with the stabilization fund shall expire on June 30, 1945. Since the subscription to the International Monetary Fund will reduce the stabilization fund to about $280,000,000, the time limit is omitted and the reduced stabilization fund will become permanent. The smaller stabilization fund will continue to be extremely useful in supplementing the work of the International Monetary Fund with respect to those countries that have close economic ties with the United States, and particularly those with which we now have bilateral stabilization agreements. If the United States withdraws from the fund or the fund is liquidated and the money for the subscription paid out of the stabilization fund is returned to the United States, it will not go back into the stabilization fund but will be credited to the general fund of the Treasury and made available for use only in accordance with subsequent appropriations made by Congress.

Section 8 (b) authorizes the Secretary of the Treasury to issue United States Government bonds and to use the proceeds to pay that part of the United States subscription to the fund that is not covered by the transfer of money from the existing stabilization fund. He is authorized to raise the funds subscribed by the United States to the bank in the same way, but payments to the bank will be made from time to time as called in accordance with the articles of agreement. This method of financing has been used a number of times in the past, beginning in 1932, and is particularly appropriate when money must be raised to make investments as contrasted to expenditures. The same financing procedure is authorized by acts of Congress relating to the Reconstruction Finance Corporation, the Federal Farm Mortgage Corporation, the Federal Deposit Insurance Corporation, the Home Owners' Loan Corporation, the United States Housing Authority, the Tennessee Valley Authority, and the Commodity Credit Corporation.

Section 8 (c) will serve to reduce the cost to the United States of participation in the fund and bank. Both institutions will have large dollar balances on deposit in the Federal Reserve banks and these balances will frequently be greater than needed for immediate operating purposes. The articles of agreement permit the United States to substitute for such dollar balances nonnegotiable, non-interest-bearing notes payable on demand. With these notes the fund and bank will be in a position to obtain dollars when needed, and the United States will be relieved of the interest cost that would be involved if the full amount of the subscriptions to the fund and bank were provided in the form of cash. The amount of non-interest-bearing notes issued to the fund and outstanding is limited to the subscription of the United States, which is $2,750,000,000. The amount of such notes issued to the bank and outstanding is limited to the amount of the subscription of the United States to the bank actually paid in for the purpose of making loans, which will not exceed $635,000,000.

Section 8 (d) provides that any money received by the United States through the distribution of net income of the fund or the bank will be paid into the general fund of the Treasury, so that it can be used only in accordance with appropriations made by Congress.

Obtaining and furnishing information

Section 9 of H. R. 2211 authorized the President to collect information requested by the fund in accordance with the articles of agreement, and information essential for the guidance of the United States in its participation in the fund and bank. The procedure and penalties to be applied were those contained in section 5 (b) of the Trading With the Enemy Act. The committee has rewritten this section to provide that the President may, by order or regulation, require the furnishing of information he determines to be necessary to enable the United States to comply with requests of the fund for information. The information is to be collected only in such detail as is necessary to comply with the requests of the fund and is not to be furnished to the fund in such manner as to disclose the affairs of any person. If there is a refusal to furnish information, a court order can be obtained and disobedience will be punishable as contempt.

The committee has also added a provision making it unlawful for any officer, employee, adviser, or consultant of the Government to disclose information obtained under section 9, except in the course of his official duties, or to use such information for his personal benefit. Violation of this provision will subject the guilty person to 5 years imprisonment, $5,000 fine, or both.

The Johnson Act

Section 10 suspends with respect to members of the fund and bank the operation of the so-called Johnson Act of April 13, 1934. Under that act, no person can purchase the new security issues of, or lend money to, a government that is in default on its obligations to the Government of the United States. Since the fund and bank are to supplement private agencies, it will be necessary for member countries to use commercial and investment banking facilities as much as possible. Section 10 provides the minimum change necessary to enable the fund and bank to operate properly. It suspends the Johnson Act

restrictions in respect to those countries which are members of the fund and bank.

Jurisdiction and venue of actions

Section 11 confers upon the district courts of the United States jurisdiction to try any case to which the fund or bank is a party. It also authorizes the removal of cases from a State court to a Federal court when the fund or the bank is a defendant.

Status, immunities, and privileges

Section 12 gives full force and effect in the United States, its Territories, and possessions, to the provisions of the articles of agreement that confer upon the fund and the bank a legal status, and certain immunities and privileges, as follows:

1. They will have legal personality and the ability to contract, to acquire and dispose of property, and to sue in our courts.

2. The fund will be immune from suit unless it consents to be sued, and will not be subject to having its property attached except to execute a judgment.

3. The assets and the archives of the fund and the bank will be free from all types of interference.

4. The communications of the fund and bank will be treated with the same respect as those of foreign governments.

5. The officials and employees of the fund and the bank will be given treatment substantially similar to that accorded to persons in the diplomatic service.

6. The fund and bank will be immune from taxation, and each official and employee will be immune from taxation on his salary or emoluments by any country other than his own. In addition, securities issued or guaranteed by either institution will be protected against discriminatory taxation, but will have no special tax privilege.

Section 12 gives effect to that portion of the bank agreement which provides that if the bank should wind up its affairs and distribute its assets to the member countries, the recipients would be entitled to the same privileges and immunities with respect to those assets that the bank had prior to distribution. It also gives effect to that portion of the fund agreement which provides that when other member countries have exchanged controls which are consistent with the articles of agreement, United States courts will not enforce exchange contracts that violate such controls.

Stabilization loans by the bank

Section 13 is for the purpose of carrying out a suggestion originally made by the Committee for Economic Development. This suggestion, which met with the approval of many other interested organizations and with a considerable segment of public opinion, was that the bank should have clear power to make long-term stabilization loans when such loans are needed and appropriate. It is the view of the committee that the bank agreement, as drafted at Bretton Woods, provides such auhority. The committee agrees with the Committee for Economic Development, however, in the belief that the management of the fund will be in a better position to confine the use of the fund's resources to current stabilization operations if it can say that applications for such long-term stabilization loans should properly be made to the bank rather than the fund.

The committee has determined that an amendment or reservation is unnecessary because the articles of agreement of the bank already empower the bank to make such loans, and the result desired can be achieved through an official interpretation by the bank that it so construes the articles of agreement. Accordingly, section 13 requires the United States representatives to secure such an interpretation and, if the bank takes a contrary position, to propose and support an appropriate amendment to the articles of agreement of the bank. If it should become necessary to amend the agreement in this way—and the committee believes that this will not be necessary—the President is authorized and directed to accept such an amendment on behalf of the United States.

Stabilization operations of the fund

Section 14 is the result of the committee's reaction to doubts raised by some of the interested groups that have studied the fund proposal as to the scope of that institution's operations. Fear has been expressed that the fund's activities will not be limited to current monetary stabilization operations in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions. Fear has also been expressed that the fund's resources will be used for relief or reconstruction or to meet large or sustained capital outflows.

The committee believes that an amendment to the agreement will not be required to make it clear that the resources of the fund are to be used only in accordance with the principles stated in section 14 of the bill. It is the understanding of the committee that this is the intention under the fund agreement, and that it is so regarded by other countries. To avoid any doubt on this point, the bill requires the United States representatives to secure an official interpretation from the fund. If the interpretation should not be in accord with this understanding, the United States, as well as other countries, will make it manifest that the proper operation of the fund necessitates an amendment to the articles of agreement of the fund. In such a case, the American representatives are required to propose and support an appropriate amendment and the President is authorized and directed to accept such an amendment on behalf of the United States. By virtue of the reporting provisions of section 4 of the bill, Congress will be kept informed of the operations and policies of the fund and will be in a position to take such action as it may deem appropriate in the event such policies and operations do not conform to the spirit of section 14 of the bill.

XVI. CONCLUSION

The committee believes that international monetary and financial cooperation is essential if international trade and investment are to be resumed after the war. In its opinion, the most practical way to secure such cooperation is through the establishment of the International Monetary Fund and the International Bank for Reconstruction and Development. If the Bretton Woods proposals are not adopted, reconstruction in the devastated countries will be long delayed, and there is real danger that the currency warfare that preceded this war will be resumed in even more extreme form. Such a development would be a constant threat to the peace and prosperity of the world.

We believe that this legislation will strengthen the fund and bank and make the United States participation in these institutions more effective. These desirable objectives are accomplished by the bill without opening the agreements to amendments or reservations, and this is done in a manner that should meet with the approval of the other 43 nations represented at the Bretton Woods Conference.

The committee recommends that the bill be passed to authorize the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

XVII. CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

"Section 10 of Gold Reserve Act of 1934, as amended

"SEC. 10. (a) For the purpose of stabilizing the exchange value of the dollar, the Secretary of the Treasury, with the approval of the President, directly or through such agencies as he may designate, is authorized, for the account of the fund established in this section, to deal in gold and foreign exchange and such other instruments of credit and securities as he may deem necessary to carry out the purpose of this section. An annual audit of such fund shall be made and a report thereof submitted to the President.

"(b) To enable the Secretary of the Treasury to carry out the provisions of this section there is hereby appropriated, out of the receipts which are directed to be covered into the Treasury under section 7 hereof, the sum of $2,000,000,000, which sum when available shall be deposited with the Treasurer of the United States in a stabilization fund (hereinafter called the 'fund') under the exclusive control of the Secretary of the Treasury, with the approval of the President, whose decisions shall be final and not be subject to review by any other officer of the United States. The fund shall be available for expenditure, under the direction of the Secretary of the Treasury and in his discretion, for any purpose in connection with carrying out the provisions of this section, including the investment and reinvestment in direct obligations of the United States of any portions of the fund which the Secretary of the Treasury, with the approval of the President, may from time to time determine are not currently required for stabilizing the exchange value of the dollar. The proceeds of all sales and investments and all earnings and interest accruing under the operations of this section shall be paid into the fund and shall be available for the purposes of the fund.

[**"(c) All the powers conferred by this section shall expire June 30, 1945, unless the President shall sooner declare the existing emergency ended and the operation of the stabilization fund terminated.]**

"(c) The Secretary of the Treasury is directed to use $1,800,000,000 of the fund established in this section to pay part of the subscription of the United States to the International Monetary Fund; and any repayment thereof shall be covered into the Treasury as a miscellaneous receipt."

"Act of April 13, 1934 (Johnson Act)

An Act to prohibit financial transactions with any foreign government in default on its obligations to the United States

Be it enacted, etc., That hereafter it shall be unlawful within the United States or any place subject to the jurisdiction of the United States for any person to purchase or sell the bonds, securities, or other obligations of, any foreign government or political subdivision thereof or any organization or association acting for or on behalf of a foreign government or political subdivision thereof, issued after the passage of this Act, or to make any loan to such foreign government, political subdivision, organization, or association, except a renewal or adjustment of existing indebtedness while such government, political subdivision, organization, or association, is in default in the payment of its obligations, or any part thereof, to the Government of the United States. Any person violating the provisions of this Act shall upon conviction thereof be fined not more than $10,000 or imprisoned for not more than five years, or both.

"SEC. 2. As used in this Act the term 'person' includes individual, partnership, corporation, or association other than a public corporation created by or pursuant to special authorization of Congress, or a corporation in which the Government of the United States has or exercises a controlling interest through stock ownership or otherwise.

"Sec. 3. While any foreign government is a member both of the International Monetary

Fund and of the International Bank for Reconstruction and Development, this Act shall not apply to the sale or purchase of bonds, securities, or other obligations of such government or any political subdivision thereof or of any organization or association acting for or on behalf of such government or political subdivision, or to the making of any loan to such government, political subdivision, organization, or association."

Mr. WOLCOTT. Mr. Chairman, I yield myself 40 minutes.

Mr. Chairman, I think the committee can be proud of the fact that a legislative committee of the Congress, made up of members of three political parties, could study a question as intricate and involved as the Bretton Woods agreements seem to be and agree upon a report which approaches unanimity. Many of us were somewhat skeptical of the advisability of the United States entering into this agreement when it was originally proposed.

I recall the preliminary conferences with the Treasury, participated in by the Committee on Ways and Means, the Committee on Foreign Affairs, the Committee on Coinage, Weights and Measures, and the Committee on Banking and Currency, and how at that time so many questions were asked indicating a large degree of skepticism on the part of Members of Congress; and their skepticism was probably reflecting that of the American people. So frankly, and I speak only for myself, I started out in the consideration of the Bretton Woods proposals as a skeptic. I did not accept or take for granted anything. However, I desire to cooperate in arriving at an understanding of the problem.

The remark has been made frequently that no one understands these agreements. I do not think any of us have a perfect understanding of the agreements. I think the same thing can be said about a great deal of the legislation which is passed in Congress. If we had a perfect understanding of our acts and if we had the ability to put that understanding into English, then, of course, there would be no reason for courts, which are set up to interpret the acts of Congress and to aid in the enforcement of them after they have been interpreted.

So it is with this. Anyone who wants to take the time to sit down and diligently study the articles of agreement, the two volumes of hearings before the committee, the committee report, and reams of other publications on the subject, of more or less importance, can get a pretty clear understanding of what is intended by the Bretton Woods agreements.

As the success of all legislation which we enact is dependent almost wholly on the way in which it is administered, so the success of stabilization efforts largely depends upon the judgment and intellectual integrity of those who will be named to manage the International Monetary Fund and the International Bank for Reconstruction and Development, the agencies which were set up at Bretton Woods to effectuate these purposes. Any good act can become a bad act by mismanagement, and vice versa. It does not make any difference how good these Bretton Woods agreements may be, they can be made to react to the detriment of the world.

Likewise, it does not make much difference how bad they might be considered to be. As I say, by intelligent and honest management, they can be used as vehicles and instruments for the accomplishment of a world of good in the stabilization field.

We do not know who the directors of the bank are going to be. We cannot even conjecture as to that. As far as I am concerned, I will not accept the premise that other countries and the representatives of other countries are less honest than the United States or representatives of the United States. To be sure, we have had unpleasant experiences with our loans to other countries in years gone by. The Bretton Woods agreements, if properly administered, will prevent a recurrence of the mistakes which we made at the time the loans were made. I think that all of you—I assume that every Member of Congress has read the articles of agreement, probably several times—I hope. Any explanation of the fund and bank which I offer is predicated on the assumption that Members of Congress have read, as they always do, the hearings and the report of the commitee. I am sure that every Member of Congress is familiar with the fund and bank agreements. I do not think that the agreements in practice constitute a panacea for all of the world's economic and financial ills. I do think, however, that, properly administered, these agreements can be a controlling influence toward not only stabilizing currencies but, following through, the stabilizing of the economies of many nations of the world.

I believe almost everyone, everyone who is not blindly opposed to the obligation which every country has to every other country in international affairs, agrees that the purposes of the fund and bank are splendid.

I want to point out some of the influences in the fund toward stabilization. I want to start out by quoting from a statement by the president of the American Bankers Association, Mr. W. Randolph Burgess, before the House Committee on Banking and Currency. He says:

> The American Bankers Association agrees with the purposes and with a large part of the substance of the Bretton Woods plan.

Before I go any further, I think it is generally recognized that the American Bankers Association spearheaded the opposition to the bill and the agreements, not ever as to their objectives, but as the machinery by which the objectives are to be accomplished. So any report which they make and any statement made by their officers surely comes from those who were as skeptical of the whole plan as some of us were in the beginning.

Mr. Burgess goes on to say:

> The association has been on record since 1943 in favor of an international monetary organization to help achieve these purposes. We want international cooperation and exchange stability. The record of the association in this respect is clear and consistent. The report of our economic policy commission, issued September 1, 1943, said:
>
> "Some international institution is desirable to help nations to stabilize their currency, to provide a meeting place for the discussion of monetary questions, to collect information which is a necessary basis for sound decisions, and to make some arrangement for stabilization credits in cases where they are justified."
>
> "We are still in favor of these objectives as is shown in the association's report on the Bretton Woods proposals made on February 1 to our membership."

With that as a preamble, let us go to the articles of agreement themselves to determine what influences exist in respect to stabilization. The first thing we should read profitably would be the purposes of the International Monetary Fund, and I hope you will bear with me while I read them, in order that we may have clearly in mind what is intended to be done by this International Monetary Fund.

> The purposes of the International Monetary Fund are (1) to promote international monetary cooperation through a permanent institution which provides the machinery for consultation and collaboration on international monetary problems (art. 1).

It is pointed out in the report of the American Bankers Association and the report by the Committee on Economic Development that that is one very desirable part of the agreement, that we establish a forum for the discussion of monetary and financial problems the same as we are trying to establish at San Francisco a forum for the exchange of political and economic views, which we hope will result in lasting peace.

The second of the purposes as set forth in article 1 is to facilitate the expansion and growth of international trade and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policies.

Third. To promote exchange stability, to maintain orderly exchange arrangements among members, and to avoid competitive exchange depreciation.

Fourth. To assist in the establishment of a multilateral system of payment in respect of current transactions between members and in the elimination of foreign-exchange restrictions which hamper the growth of world trade.

Fifth. To give confidence to members by making the funds' resources available to them under adequate safeguards, thus providing them with opportunity to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity.

Sixth and lastly. In accordance with the above to shorten the duration and lessen the degree of disequilibrium in the international balances of payments of members.

And then we find at the end of article 1 the provision that the fund shall be guided in all of its decisions by the purposes set forth in this article.

So every action taken by the fund management must be in keeping with those purposes which I have just read.

On page 5 of the articles of agreement we find this language as a stabilizing influence:

> Each member undertakes to collaborate with the fund to promote exchange stability, to maintain orderly exchange arrangements

with other members, and to avoid competitive exchange alterations (art. IV, sec. 4).

The members bind themselves when they go into this fund to cooperate to effectuate the purposes as I have stated them.

We find as another stabilizing influence that the gold value of the funds' assets shall be maintained notwithstanding changes in the par or foreign exchange value of the currency of any member—article IV, section 8. I hope you will have that in mind throughout these discussions, because we shall undoubtedly discuss the question of parities in currencies and the right of any country to depreciate its currency; and have in mind that if a country depreciates its currency within certain limitations it must correct that difference by paying into the fund sufficient to offset the depreciation in its currency so that the gold value of all currency is always maintained. That is a very important stabilizing influence in the fund.

We also find that a member shall not propose a change in the par value of its currency except to correct a fundamental disequilibrium—article IV, section 5. The fund determines whether it is for the purpose of correcting a fundamental disequilibrium.

The statement has been made before and will be made again that the fund must accept a currency's par value as determined by the member country.

If you will turn to page 39 of the articles of agreement, you will find the manner in which the par values of currencies are determined. It provides:

When the fund is of the opinion that it will shortly be in a position to begin exchange transactions, it shall so notify the members and shall request each member to communicate within 30 days the par value of its currency based on the rates of exchange prevailing on the sixtieth day before the entry into force of this agreement (art. xx, sec. 4a).

Then follows this:

(b) The par value communicated by a member whose metropolitan territory has not been occupied by the enemy shall be the par value of that member's currency for the purposes of this agreement unless, within 90 days after the request referred to in (a) above has been received, (i) the member notifies the fund that it regards the par value as unsatisfactory, or (ii) the fund notifies the member that in its opinion the par value cannot be maintained without causing recourse to the fund on the part of that member or others on a scale prejudicial to the fund and to members.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. Not at this time; I am sorry.

Miss SUMNER of Illinois. The gentleman should yield, because he keeps talking about a statement I made, and he will not let me answer him.

Mr. WOLCOTT. I am not talking about any statement the gentlewoman made. She has not made a speech on this subject yet. I am not referring to any speech she has made.

Miss SUMNER of Illinois. It is in reference to a statement I made.

Mr. WOLCOTT. The gentlewoman will have time to answer me, if I am incorrect in any statements I have made.

When notification is given by the fund or the member on these par values of currencies within a period determined by the fund and in the light of all the relevant circumstances, they agree upon a certain par value for that currency. If the fund and the member do not agree within the period so determined, the member shall be deemed to have withdrawn from the fund on the date when the period expires—article 20, section 4 (b).

So the fund has, in the final analysis, determined the par value of a member's currency; and the language is there that all may read it.

You will find as a further stabilizing influence that the members have certain obligations, such as to avoid restrictions on currency payments and to avoid discriminatory currency practices, and so forth. You will find those on pages 15 and 16 of the articles of agreement (art. VIII). So much for those particular influences on stabilization.

It has been said that any country participating in the fund has an automatic right to come to the fund and get exchange up to the amount of the member's quota without any restriction at all, without telling the fund what it wants the exchange for, and for any purpose for which the member sees fit to use it. I think, if that were true, if there were not brakes against that procedure, many of us would still be skeptical of the advisability of going into this fund. The committee took action in addition to the language of the agreements themselves to give reasonable assurance against those practices. In an amendment to the bill, it defined the American interpretation of the limits within which the fund should operate. I hope you will bear with me while I review some of those. On page 8 of the articles of agreement we find this language:

Except as otherwise provided in this agreement, operations on the account of the fund shall be limited to transactions for the purpose of supplying a member, on the initiative of such member, with the currency of another member in exchange for gold or for the currency of the member desiring to make the purchase.

Then follows:

The member desiring to purchase the currency represents that it is presently needed for making in that currency payments which are consistent with the provisions of the agreement (art. V).

Before it gets the exchange the member must represent that it shall be used for one of the purposes for which the fund is set up. If it uses the exchange for any other purpose, it is subject to expulsion from the fund.

We find that at the end of each financial year of the fund a member must repurchase from the fund with gold or convertible currencies, as determined by the schedules set forth in the articles, part of the fund's holdings of its currencies under the conditions which are set forth—article V, section 7—for the purpose of preventing such use of these funds for other than currency stabilization purposes as to cause a scarcity in members' currency and to prevent the fund from being frozen in such a way that it cannot accomplish its purpose.

They have to pay for this exchange when they get it. A country must pay three-quarters of 1 percent, plus the parity price, for exchange which it gets from the fund up to the amount of its quota. No member can come to this fund and get an amount equal to its quota for nothing. They must pay three-quarters of 1 percent for it. They may get altogether up to 100 percent over their quota, but as soon as they withdraw from this fund more than their quota certain charges apply which increase as the amounts increase and as time goes on, so that eventually a member which desired to use this fund for other than stabilization purposes would find itself paying over 5 percent for the use of the money. We have set up the bank for the purpose of making long-term loans for relief and reconstruction and rehabilitation and development purposes, and I dare say that any member would think that it would be a better business from its standpoint to go to the bank and make a long-term loan which it can make under the language as we interpret it, at lower rates of interest than to take the chance of putting themselves in a position where they would eventually be paying 5 percent and perhaps putting themselves also in a position where they could not use the fund for stabilization purposes.

We further find a protection of the fund in language on page 12 of the articles of agreement, wherein a member may not make net use of the fund's resources to meet a large or sustained outflow of capital. The fund may request a member to exercise controls to prevent such use of the resources of the fund, and so forth—article VI. If the fund finds that the general scarcity of a particular currency is developing, the fund may so inform the members and may issue a report setting forth the causes of the scarcity—article VII. They sit down and talk over their problems and try to solve them within the framework of the fund.

We find also on page 29 of the articles of agreement that the fund is not intended to provide facilities for relief or reconstruction, or to deal with international indebtedness arising out of the war—article XIV.

Those are very pertinent provisions of the articles of agreement which seek to protect the fund, and perhaps might be considered ample to protect the fund if we were certain of certain interpretations of the language. The whole controversy on whether or not the fund should be set up was on whether the managers on the part of the fund would be in a position where they could operate within the limits of currency stabilization. The committee to meet the objections that the fund might be used for long-term transactions, to stabilize economies, to give relief, and for rehabilitation, reconstruction, and development, made very clear the interpretation which the American Government puts on this language. In addition to that interpretation, there has been issued, so that everyone may have a copy, interpretations put upon the fund language by the United States Treasury, in a little

brochure called The Bretton Woods Proposals: Questions and Answers:

The second question, I think, should be considered interpretative of the American position. The question is, "What is the fund intended to do?" The answer is that the fund is intended to accomplish three things, the third of which is as follows:

The fund shall provide a supplemental resource of foreign exchange to which a member, embarrassed because its international out-payments exceed its international in-payments, may apply for temporary assistance.

I stress the fact that the fund is to be used for temporary assistance, as contrasted with long-term loans. This assistance will give a breathing spell which may be all that is required to bring the international payments into balance. When, very significantly it says:

If unable to secure assistance, the member might be obliged to depreciate the exchange value of its currency, or resort to other measures that interfere with its trade.

Now, it is to prevent these currency wars that the Bretton Woods proposals are here before the Congress, and when we speak of scarcity of dollars in the fund, when we speak of any other nation being allowed to depreciate its currency and get an advantage in world trade, have this very definitely in mind, that at the present time there are no restrictions whatsoeve on currency wars. There is no body which operates as a consultant to prevent a coordinating influence against currency wars. These proposals do not constitute a panacea for all of the economic and financial ills of the world, but having in mind that they might influence stability and thus improve the American position in world trade.

I think we can justify gambling just a little bit with the taxpayers' money, if it might mean a saving of perhaps billions of dollars of their money in the years to come.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 15 minutes more. At the proper time I shall discuss, or try to discuss, the amendments. The amendments are designed to give further protection to American interests, to make more certain that the fund and the bank will not be in competition, and to make more certain that the fund will be used for currency stabilization, exchange stabilization, as opposed to economic stabilization. The amendments are designed to assure that the fund shall use its resources for current monetary stabilization operations to afford only temporary assistance to members in connection with seasonable, cyclical, and emergency fluctuations in the balance of payments of any member for purely current transactions. The fund shall not be used for relief, reconstruction, or development purposes; these loans are for the bank to handle. We have tried in the committee to harmonize all these differences. One of our attempts in these respects is very important. After we have set up language by which our interpretation may be effectually determined, a report to the Congress is to be made by a council. I want to stress the fact that for the first time, if this bill is passed, we will have set up machinery for the coordination of all activities of the United States Government in the foreign lending, financial, and monetary field, because we create a National Advisory Council on international monetary and financial problems. This Council is set up to coordinate the activities of this fund, the International Bank, the Export-Import Bank of Washington, and all other agencies of the Government to the extent that they are doing a foreign business in money or exchange or in the loaning field.

There will be introduced in the Congress very shortly, either by me or by someone else, a bill to set up the Export-Import Bank of Washington as an independent agency of the Government, with an increase in its capital stock from $700,000,000 to $2,200,000,000, or an increase of $1,500,000,000, the activities of which will be coordinated by this National Advisory Council. Let us take this thought home and think about it: If we participate in this fund, if we participate in the International Bank, if we increase the capital of the Export-Import Bank of Washington to $2,200,000,000, there will be no justification for the Treasury directly loaning to any foreign country one single dollar.

Now, check the possible investment in the fund and bank against what did happen after the last war and what must surely happen in America if this fund and this bank is not set up. Demands are going to be made upon the Federal Treasury for billions of dollars and the Congress of the United States is going to be asked to make available these billions for global rehabilitation and construction. So long as the assets of the International Bank and the Export-Import Bank of Washington hold out, there is no justification for the Treasury making any direct loans.

They may very conveniently refer all requests for loans to the International Bank wherein the risk is spread out among 44 nations, or to the Export-Import Bank of Washington, in which I think we should have a great deal of faith and confidence. They have done about $3,000,000,000 of business on a $700,000,000 capitalization and have shown a profit. That is the kind of financing we all want to see.

Now just a moment on this question of compromise or appeasement, or call it what you will. All legislation is a matter of compromise. I have already referred to statements, and reference is made to the statements by the American Bankers Association, which, spearheading the opposition to these proposals, are now reasonably satisfied with the amendments which were adopted.

The statement made by Mr. Burgess on May 25 reads:

The amendments adopted by the House Banking and Currency Committee to the Bretton Woods bill constitute a substantial improvement over the provisions of the original bill.

And the statement continues to comment quite favorably upon the amendments, some of which the American Bankers' Association recommended for adoption. The ABA and the Treasury both cooperated splendidly in coming to a common acceptable understanding of the problems, especially in respect to the amendments safeguarding the fund and coordinating the operations of the fund and bank.

There is a daily paper called the American Banker which, I presume, every banker in the United States subscribes to; it is the banker's daily paper. This is what it says editorially of the committee's action on this bill, under date of May 29, 1945; it is headed "Thank You, Messrs. Congressmen":

The compromise amendments to the Bretton Woods bill represent a grand and heartwarming accomplishment. American democracy can be proud of such a demonstration of wisdom and effectiveness. We can be proud of the work of the House Banking and Currency Committee for having drafted so wise a framework for United States participation in the International Monetary Fund and the International Bank or Reconstruction and Development.

* * * * *

The world has waited too long already for the pattern of economic cooperation in the peace.

* * * * *

There has been no sign that the interpretation which they place upon the fund as an instrument for short-term and temporary stabilization credits only will not be acceptable to the other 43 nations which formulated and signed the Bretton Woods agreements. Wherefore, it would seem, the world can proceed in the resumption of international trading upon the assumption that within the foreseeable near future the Bretton Woods fund and bank will be in operation.

* * * * *

Let us hope that the United Nations Conference on International Organization currently meeting at San Francisco is equally fruitful and that when the agreement arrived at there is before our Congress it will receive equally wise treatment and, if needed, interpretation, which will strengthen the cause of sanity and democracy in world order.

* * * * *

But, for the drafting of the compromise amendments and the approval of the bill by so great a majority as to assure House passage, we compliment and thank the members of the House Committee on Banking and Currency. Its members worked diligently and intelligently, first to understand the Bretton Woods proposals and the criticisms aimed at their weak points, and then ingeniously and swiftly resolved the conflicts into a compromise which gives the world the go-ahead signal on economic cooperation.

* * * * *

The prestige and influence of the entire membership of the House Banking and Currency Committee is handsomely enhanced by the fine handling of the hearings and issues involved in the Bretton Woods bill. We say again, we thank you.

* * * * *

We believe we can add that the little people of the world also are saying "Thank you." They cannot understand why anything, money or material, should be allowed to stand in the way of the effective democratic cooperation of nations toward the world economic peace which is necessary to end world wars and freedom from fear.

It will be remembered that at one time not so long ago in this Congress we had a gentleman whom I consider an expert

on these matters in the person of our good friend, the Honorable Charles Dewey, of Illinois. Mr. Dewey was on the Committee on Banking and Currency when the proposals were first made. He went to the Committee on Ways and Means, but continued his interest in stabilization proposals. He has been most helpful to this Congress and to the committee in consulting with the Members in respect to the Bretton Woods proposals. He opposed the original plans. He introduced a bill himself and made speeches here on the floor indicating the extent to which we should cooperate, the means that should be employed to bring about currency and economic stabilization. Last Friday I put in the RECORD a letter which Charles Dewey wrote to me in answer to a question by me as to what was his opinion of the present bill. I wish to read a part of the letter. If you wish to read the whole letter you will find it on page A2627 of the Appendix of the RECORD.

After analyzing the different proposals and after analyzing the bill and the agreements Mr. Dewey concludes his letter to me as follows:

Of course, nothing in this life is perfect, but it is my belief that the long and careful consideration of the fund and bank by the Banking and Currency Committee has produced good results. Further consideration in the Senate may bring out points that the Conference will wish to adopt. However, as it has now been amended and reported to the House, if I was still a Member of the Congress, I would vote in favor of H. R. 3314.

Very truly yours,

CHARLES S. DEWEY.

Mr. Chairman, we can be sure that because of the amendment adopted by the committee in respect to stabilization loans by the bank, the bill now has the approval of the Committee on Economic Development. It is reasonably satisfactory to the American Bankers Association, and in accordance with the testimony given by Albert Goss, Master of the Grange, we have a right to believe that the objections which he raised, very intelligent ones, too, have been removed, and that if Mr. Goss was to express his opinion of the bill today, he would be satisfied with it. We know that Mr. Edward O'Neal, of the American Farm Bureau Federation, has approved the bill. The independent bankers have approved the bill. The people who have to rely upon this fund to do the job, which, if left alone, they would have to do independently of these stabilizing influences, are for the legislation. So far as I now, as was stated by an outstanding columnist the other day, everyone is in favor of this bill excepting those who would vote against the Ten Commandments as a part of our national policy.

Mr. SPENCE. Mr. Chairman, I yield 20 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, the American people, after this cruel war is over, are expecting two things: one is peace, and the other is sound prosperity.

When the delegates from the Thirteen Original Colonies met to formulate a Constitution to be submitted to the people, their purpose was twofold—peace and sound prosperity. There was not a single man who obtained all that he desired at this convention, nevertheless a great document was produced at this convention. It was done by compromise. The delegates knew that the Constitution of the United States would have to be amended. Later on it was amended to meet the objections of many of the delegates of that day and time.

A witness testified before our committee as follows:

There has been some criticism of these plans. I think we can get some perspective on this criticism by listening to Benjamin Franklin's comments on the United States Constitution when its adoption was being sought:

"I doubt, too, whether any other convention we can obtain may be able to make a better Constitution. For, when you assemble a number of men to have the advantage of their joint wisdom, you inevitably assemble with those men all their prejudices, their passions, their errors of opinion, their local interests, and their selfish views.

"From such an assembly can a perfect production be expected? Thus I consent, sir, to this Constitution because I expect no better, and because I am not sure it is not the best. The opinions I have had of its errors I sacrificed to the public good."

Since those days, by the arts and inventions of man, foreign countries have become our neighbors. When at Bretton Woods 44 nations of the world met they met for the same reason that our forefathers did in formulating the Constitution. At that time they had adjoining areas of States. Today we are neighbors with all the nations of the world, and our problem is somewhat similar.

At Bretton Woods, the delegates met for 3 weeks, and they discussed the problems of how to prevent wars and bring about sound prosperity. They finally agreed to submit the Bretton Woods proposal in the same fashion that our delegates submitted the Constitution to the Thirteen Colonies.

The Bretton Woods proposals are the plan produced by the Conference. I doubt whether the Bretton Woods plan suited any particular delegate at that time, but this was the thing they agreed upon. To defeat this plan would be to call back the 43 other nations of the earth and engage in further long discussion when we know we can remedy whatever mistakes may have been made in this plan.

Numerous witnesses appeared before our committee. I want to say for the committee that when it began its hearings I do not believe there was a single member who knew how he was going to vote. But after 9 weeks of hearings pro and con the committee voted 23 to 3 to adopt this plan. Some people appeared for the plan and others against it, but all agreed that the bank was essential and that the bank was sound, and that the bank was not open to criticism.

The only criticism that was made was about the fund, and I will come to that in a few minutes. The main objection to the fund has been met by two amendments; one offered by me and the other offered by the gentleman from Michigan [Mr. WOLCOTT]. These amendments covered most of the points of the opponents of the fund led by the American Bankers Association as shown by the letter from the president of that association read here by the chairman.

Before we concludeed the hearings, I remember one of the main witnesses quoted economists as being against the Bretton Woods proposal. Before he finished his testimony I called to his attention the fact that the economists were almost 100 percent for Bretton Woods, and he agreed.

We gave thorough study to the bill providing for acceptance of membership in the fund and bank. Practically all of the early opponents finally came over on behalf of the bill. Why did they? Because everybody that appeared before this committee agreed that the objectives should be attained.

Everybody wanted stability of currency in all the countries so that when we trade we will know that we can rely upon currency of any country. No one offered a substitute to attain the objectives set forth in the bank and in the fund. No wonder that there was practically a solid vote for it with the clarifying amendments relative to the bank and the fund that the American Bankers Association and the other critics asked us to include.

I want to commend to every member within the sound of my voice to read the report of the committee. To my mind it is the best report that I have ever read explaining in detail everything connected with Bretton Woods. This report has been out for 7 days.

Some complaint has been made that the hearings have not been printed in time. The first volume came out three weeks ago. It discusses pro and con every point that has been made for and against the Bretton Woods agreements. Everybody has had an opportunity to read it. The other volume came out this morning. I commend to each one of you to get this report tonight and read it in detail. It is much better than a dozen men can explain it here in 6 hours.

Mr. Chairman, this bill merely authorizes the President on behalf of the United States to accept membership in the International Fund and in the International Bank for Reconstruction and Development.

We learned during the 1920's and 1930's that depression leads to economic conflict, that economic conflict breeds practices, political as well as economic, that can only result in the outbreak of open hostilities. The purpose of the fund and bank is to create the conditions most favorable to an expansion of world trade. And while this is not the whole answer to postwar peace and prosperity, it is an essential part of the whole. It is the part without which the rest of the peace structure would be only a hollow promise.

Perhaps the term "world trade" sounds a little remote. Let us narrow the field of discussion; let us see what world trade means in terms of domestic industry and agriculture.

During the 1920's about one-tenth of our agricultural and industrial production was sold abroad. Our exports declined drastically from 1929 to 1932, from more than $5,000,000,000 to slightly more than $1,500,000,000. This may seem to

be only a small part of our total production, but it means the difference between prosperity and depression for both agriculture and industry. This is evident when we look at foreign markets in terms of particular industries.

In 1938, exports accounted for 27 percent of our production of aircraft parts; 22 percent of our office machinery and appliances; 17 percent of our farm machinery and appliances; 14 percent of our industrial machinery; 14 percent of our automobiles and trucks; and 12 percent of our radio equipment. It is no less true that export markets are essential to our agriculture. In 1938, our exports accounted for 30 percent of our production of cotton; 30 percent of our tobacco; 19 percent of our rice; 14 percent of our pears and apples; 12 percent of our wheat; and 12 percent of our lard.

To retain and expand our foreign markets we must bear in mind that our imports are the principal means other countries have for securing the funds to pay their obligations to Americans. When countries stop buying our exports, one reason may be that they do not have enough dollar exchange. Our imports provide other countries with dollars they can use to buy our goods and to meet service requirements on our investments. At the same time, imports are essential to provide our industries with raw materials and our consumers with many basic articles of consumption.

Of special concern to me are the problems of the American farmer, who now, more than ever before, is aware of the importance of foreign trade. This awareness is nothing new for the cotton growers of my State, the wheat growers of Kansas, or the tobacco growers of North Carolina. These farmers, together with the growers of a half dozen other crops, have always relied heavily upon markets abroad, have always understood that the benefits of foreign trade are not limited to the relatively small groups who produce for the export market.

But the striking thing about this new farmer interest in foreign trade is that farmers who have never produced for export, and have no intention of doing so, are beginning to realize that they too have a stake in foreign trade—foreign trade in manufactured goods as well as agricultural produce.

This is a sound and promising development. The farmers' best market is the American market. Here, throughout the length and breadth of these 48 States, is perhaps the largest and richest trading area in the world, inhabited by 140,000,000 people, all speaking the same language, all using the same currency.

When the United States enjoys a large volume of foreign trade, all America prospers, including the farmer who sells only at home. What happens when foreign trade falls off? Some farmers are affected directly through the contraction of their outlets abroad. But all farmers feel the pinch when exports of machinery, tools, automobiles, and typewriters fall off.

A decline in our over-all exports quickly touches the profit and loss position of thousands of American business concerns, and is then translated into reduced wages, insecurity, and unemployment. This unemployment spills over and spreads. It hits the butcher and the grocer, the haberdasher and the clothier—all of whom become poor customers for the food and fiber produced on the farm.

The farmer appreciates this. That is why he is interested in the Bretton Woods proposals. He believes that the fund and the bank will go a long way toward stabilizing the value of other currencies in terms of the dollar. He believes that the fund and bank will encourage reconstruction and development abroad, will help to create a demand for American machines and equipment. And as a result of these developments, the farmer has every reason to expect that American agricultural prosperity will in the future rest on a broader, sounder foundation than ever before.

The farmer knows what exchange stability means to farm exports, farm prices, and farm incomes. Even General Ayres admits that pegging the value of sterling in 1919 and 1920 helped American farm exports. The farmer also knows what exchange depreciation can mean to his income. He saw it drop by 75 percent between 1929 and 1932. And a significant part of this drop was due to exchange depreciation abroad and to discriminatory exchange policies.

Fortunately, after 1934, the worst of these effects were partly offset by domestic measures. Consider what has happened to cash farm income in recent years. From a low of $4,700,000,000 in 1932, cash farm income rose to $9,000,000,000 in 1940, and by 1944 had climbed to more than $20,000,000,000.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. Yes.

Mr. PATMAN. The gentleman is a recognized expert in farm products. Will he tell us what effect it has upon the farmer, the adoption of these proposals.

Mr. BROWN of Georgia. Mr. Chairman, I am very glad that the gentleman asked that question. Cotton farmers have suffered severely in the past from disorderly currency practices. Exchange depreciation forced down the price of cotton. Exchange controls and clearing agreements kept American cotton out of many countries. We cannot maintain American cotton production and sell our cotton at a fair price without markets in foreign countries. As it is, when we grow surplus crops, in the absence of foreign markets we cannot dispose of the surplus at fair prices without the help of the Commodity Credit Corporation. It will ruin the cotton farmers unless we can sell a large part of our production abroad as we did before. We used to sell half of the cotton produced in this country to foreign markets.

Cotton was the chief export for years and years. The only way we kept a fair price for cotton when foreign markets were closed to us in the last few years was by stabilizing the price of this commodity through Commodity Credit Corporation loans. It was not necessary for everybody to borrow from the Commodity Credit Corporation. Those who did not borrow received the same benefit as those who did borrow. They knew they could go to the bank and keep their product off the market. If the foreign markets are taken away, the cotton farmers will have to go into some other kind of business.

The modest increase in farm income through the recovery period of the 1930's was accompanied by a corresponding increase in the total volume of our foreign trade. But the spectacular increase since 1940—an increase of more than 100 percent in 4½ years—rests on the insecure sands of a war economy.

When purchases for military and lend-lease fall off and eventually cease altogether, where will the farmers turn for ready markets that will continue to absorb their output?

That is the question that troubles the farmer.

Where will labor find productive employment to take the place of the almost 10,000,000 jobs now provided by war work?

That question also troubles the farmer.

It is clear that if we are to maintain cash farm income at somewhere near the present level, if we are to provide jobs for all our people and utilize our expanded agricultural and industrial capacity, we must increase enormously our exports of many industrial and agricultural goods.

Unless we increase our exports, it means we will be in the position of having surplus crops in this country and that will depress the market price of all crops produced in this country. We will then have to go back again to giving subsidies to the growers of agricultural products in order for them to be in a position to feed and clothe the people of this country.

What is the substitute? This bill has been advertised in every State of this country. It has been in all the papers of this country, and not a single witness has appeared from any district or any State to offer anything better. They all realize we must gain these objectives as outlined at Bretton Woods.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. BROWN of Georgia. We have the opportunity on the bill now before the House to show the farmer, the manufacturer, and the factory worker that we can and will help to build a sound foundation for prosperity in the peaceful years ahead.

Let us now take a clear lock at the fund and bank proposals.

I said nobody has criticized the bank, but there has been some criticism of the fund. I think we have corrected the criticism to satisfy the American Bankers Association. When we have done that, as they spearheaded the opposition, then we have a conclusive case and we ought to have every vote in this chamber to sustain the position that the members of this committee took.

What is the fund? A lot of people think you borrow money from the fund. You do not borrow any money from the fund. You go there and buy exchange from the fund. You pay for it with what? You pay for it with your own money.

The fund is intended to promote exchange stability. Here is how it does this. First. It will stabilize the value of currencies in terms of each other; second, every country will agree to hold the value of its currency within 1 percent of the defined value; third, if it becomes necessary for a country to alter the value of its currency, it will consult with the fund before making a change; fourth, if the proposed change and all previous changes total less than 10 percent the country will not need the approval of the fund; fifth, on all other changes, the country must request the concurrence of the fund.

Is that sound? Who has offered anything preferable? Who knows better than each one of you that unless you stabilize your currency in some form you cannot do any more world trade? What other suggestions have you got? I invite you to state them.

I think this is as sound as any man can figure out. Then, since everybody is for the objectives and nobody has offered anything better, why should there be a single vote against these proposals which will help bring prosperity and peace to our country?

Somebody has said something about Russia's borrowing money from the bank. The bank officials run it just like they do a bank in your own country. They make the investigations and the Government is behind it. Then what about the fund? Do not forget, if you want to criticize the position of Russia here, God bless you! Russia's currency will always be sound. And Russia, the British Empire and the United States have 65 percent of the quota and the voting stock in the fund. So if you want to help Russia but fear you are going to lose some money on Russia, I say there is no man within the sound of my voice who has any reason to believe we will lose on Russia.

The stabilization of the world economy on some such plan as is here proposed offers the only solution that will maintain a sound economic basis for peace. This and the bill that we passed last week extending the reciprocal trade program will do the job. Without Bretton Woods, the reciprocal trade program is not worth the paper it is written on. You have got to have a stable currency before you can trade with other countries with security.

The fund is intended to free international trade from the restrictive and discriminatory currency practices that hamper world trade.

First. It will eliminate multiple-currency practices.

Second. After the transition period it will eliminate exchange restrictions on current transactions, except as approved by the fund.

Third. This means that exporters can bring home in their own currencies the proceeds of their exports to foreign countries.

Countries that undertake these obligations can get help from the fund to enable them to maintain their currencies stable and to avoid restrictions on current exchange transactions. The fund will sell foreign exchange to countries for their own currency, in limited amounts and under specified safeguards, to meet foreign payments due on current business. This assistance will give the member a breathing spell, which may be all that is required to bring its international payments into balance. And when the balance turns, the member will be required to reverse the operation, that is, repurchase excessive amounts of its currency held by the fund, paying the full price in gold.

These transactions will be surrounded by many safeguards, so that a country may not receive from the fund more than a stipulated amount of assistance in any one year. A country getting help from the fund will have to use its own gold reserves in equal amount. And it will have to repurchase its currency with gold when its reserves are increased. A member whose currency is held by the fund in excess of its quota will have to pay charges on the excess varying with the amount of foreign currencies that a country purchases and the length of time the currencies are held. Moreover, every member country pledges itself to maintain the gold value of its currency held by the fund, so that although the composition of the fund's assets will change, their gold value will remain the same.

So long as a member conscientiously abides by the standards of fair-exchange practice set by the fund, it will be able to get assistance in time of need. In a crisis, therefore, when its out payments temporarily exceeds its in payments, a member will not have to impose restrictive measures which unfortunately lead to canceled orders, reduced production, and unemployment in other countries.

If we sit back and doubt everybody on earth we will not do any business. We have got to have confidence. Any country that is foolish enough to repudiate its obligation to the fund will find itself without credit in every money market in the world.

Now, let us take a look at the proposed bank.

If we are to enjoy a substantial volume of exports in the immediate postwar period, a portion of the total will have to be financed by American investment abroad. During the next few years, if foreigners are to buy the productive machinery and equipment in the United States that they desperately need, and that we are ready and eager to produce, American investors will have to provide credit for part of the purchase price.

Everyone within the sound of my voice knows that from the standpoint of industry making goods, from the standpoint of the farmer who produces something to eat, that within 2 years after this war is over they will be in a position to export more than ever before. So let us make the monetary situation of the world safe in order that we may keep open foreign markets for American industry and American farmers.

We talk about peace. It will take years for the devastated farms of Europe to be put in condition so that they may be cultivated. It will take years to replace destroyed machines so that they can turn the wheels of industry. We need economies in other countries that can trade and buy. These countries will need some foreign loans to get started.

The bulk of such loans should be made, as in the past, by private lenders who see an opportunity to make advantageous investments abroad. Since the bank is intended to supplement rather than supplant the private capital market, its sphere of operations will begin where private investment leaves off. When its assistance is sought on a loan that the private market cannot handle on reasonable terms the bank will, in general, function in the following manner:

It will assure itself of the productive character of the project for which the loan is sought, particularly with respect to its capacity to enlarge a country's national income.

It will require assurance that the loan cannot be floated in the private investment market in the usual way and at reasonable rates of interest. If satisfied on this point, it will secure the guaranty of the government of the country in which the project is to be located. Then, and only then, will it add its own guaranty. Thus the risks associated with foreign loans will not fall entirely on the investors, but will be distributed through the bank to all member countries. This is only fair, since all countries will derive benefits from an expansion of international investment.

The proposals for the fund and bank were prepared by a conference of 44 nations. We did not go into Bretton Woods with the intention of forcing our plans upon anybody. That is not our way of doing business. To be sure, we had a program; we had something to sell.

We can take pride in the fact that proposals originating in this country have, with few basic changes, become the United Nations program for dealing with international monetary and financial problems. We can also take pride in the fact that we have in the development of this measure an example of democracy at its best.

The Banking and Currency Committee held hearings on the fund and bank that extended over a period of 9 weeks. During the course of the hearings, witnesses representing all shades of public opinion were examined—bankers, businessmen, economists, and numerous groups concerned with international affairs. I want to commend the committee for the thoroughness with which it went into the proposals and the legislation. And I want to commend the witnesses for the help they gave the committee.

One of the most helpful suggestions came from the Committee for Economic Development, an organization composed of many of the Nation's most prominent businessmen and bankers. They suggested that in order to make sure that the resources of the fund are used only for short-term stabilization purposes the power of the bank to make long-period stabilization loans, already implicit in the agreement, should be made explicit.

The impression which the CED amendment made on me was so great that I proposed to the committee an amendment to the bill that was before us, and the committee saw fit to adopt it as section 13 of the new bill, which is now being considered by the House. I believe that this section will in time prove to be

one of the most important in the legislation.

There are many sound reasons why there should be two independent organizations. Their functions are quite different; the personnel which they will need must have entirely different background and training, and they will not carry on their operations in the same manner. The fund is concerned with the need of countries for foreign exchange with which to meet temporary deficits in their balance of payments.

If the fund's resources could be used by countries for long-term-capital purposes, the whole mechanism would be in danger of becoming frozen and the revolving feature of its assets would be lost. Of course, this would defeat the purposes of the agreement.

Long-term needs are intended to be met by the bank, and the management of the fund should be in a position to channel all such applications to the bank. We can certainly expect that this will be the practice, so long as we know that the bank will be in a position to meet such needs when they are justified. Thus, by making clear the power of the bank to make long-term stabilization loans, we will not only have made a more effective institution of the bank but we will have made a tremendous contribution to the success of the International Monetary Fund.

I am sure you are all aware of the fact that certain committees of the American Bankers' Association formed the principal opposition to the fund proposal. Their president, Mr. W. Randolph Burgess, appeared before the committee shortly after the CED report was made public. I took that opportunity to ask him about his committee's views on the suggestion made by the CED, and I was happy to learn that his group felt very much the same way as the CED. I think it would be worth the time of the House to listen to this brief portion of the record of the hearings. It reads as follows:

Mr. BROWN. Have you read the report of the Committee of Economic Development?

Mr. BURGESS. Yes, sir; with great interest.

Mr. BROWN. What is their position?

Mr. BURGESS. I have not talked at length with them. I did immediately call up one or two of them to talk to them about it. The interesting part of their position was perhaps threefold to me:

First. That they tended to support what we say about the fund; that is, they recognize that there was ground for legitimate criticism about the lending powers of the fund. They said the critics who say that it is pretty wide open have something to be said for their point of view. So they want to do something about that. What do they do?

Second. They adopted the proposal that our association has made—that the lending powers of the bank be opened on the stabilization side, so that the bank can clearly make stabilization loans. I hope you will have these gentlemen before you, because it is a very representative and fine group of people, who have made careful study of it. What they say is this, as I understand it: The fund might have a lot of loans offered to it that were not too good. So, let us do this: Let us throw all the doubtful loans over into the bank and make it clear that the bank can consider those through its machinery, for investigating it, and so on.

All that was left in the fund then would be good loans—short-term loans—by countries whose position is, let us say, in equilibrium. You would not have to worry about the goodness of the fund, and instead of lasting for 4 or 5 years it might last for 10 years, or 15, or something like that. That is an interesting suggestion.

Then they put that over in the bank. Those seem to me to be two good ideas. We think they are good partly because they are so similar to our ideas, perhaps, but I am intrigued by this: They suggest doing that in a very simple way, which is just by an interpretation of this document.

It seems to me that if a new committee comes along and makes an interesting suggestion like that, that might be accomplished without violating any of the arrangements reached at Bretton Woods—just an interpretation—that maybe we are beginning to get somewhere, and that if we keep hammering at this we will find a via media here which will satisfy our objections and meet the needs of the Treasury. I do not know.

I have one or two questions about the CED report. It opens up the bank so that you can put loans into the bank. But does it close the fund to these doubtful loans? That is what I am not quite clear about. It says that it makes it easier for the managers of the fund to turn off a loan that is doubtful because here is another place you can send it, but that is not going to be too easy to do because the loans of the fund are made at a very much lower rate, and there is no maturity and it does not require all the investigation, among other things.

I think that the provisions of the fund perhaps cover that and the clause that would cover it would be section 4 of article XX. I think it is paragraph (i) which provides that the fund may postpone exchange operations with any country where they think it might be prejudicial to the purposes of the fund, or to the best interests of the fund. It may be that under that provision they could toss all these loans over into the bank, and then you would have a much sounder proposition.

The difficulty is going to be to draw the line. What are the loans that the fund would take and what are the loans that the bank would take? It seems to me a very powerful argument for suggesting that the two things ought to be in one institution, with one board of directors, so you do not have them competing with each other as to who can shove the loan off on the other, or who can struggle to make it. Sometimes it works one way or sometimes it works the other way.

Mr. BROWN. Since you agree with this report, would it be a fair statement to say that the report states that the fund is vital, and should be accepted, but must be protected by the bank? Is that a fair statement of this report?

Mr. BURGESS. The CED report?

Mr. BROWN. Yes.

Mr. BURGESS. I would not think they stated it quite that strongly. I think they would say that the function of the fund must be protected, yes. There was a little ambiguity of language. I suppose every report is a compromise.

Mr. BROWN. I think they state that this is vital and should be protected, but it should be protected by the bank. That is a fair statement, is it not?

Mr. BURGESS. I think it is; yes. I am not going to quibble.

The committee determined that the result desired can be achieved through an official interpretation by the bank to the effect that it has the power to make long-term stabilization loans. However, if the bank management should take a countrary view, the United States representatives on the bank are required to propose and support an appropriate amendment to the articles.

The committee has heard other valuable testimony. It has weighed all suggestions; it has accepted some and rejected others.

Before you are the final results. This bill provides for American participation in the International Fund and Bank. It will make possible international cooperation on postwar currency and investment problems. It will assure American businessmen, farmers, and just plain citizens, that Congress is aware of these difficult problems, and that it is prepared to take positive steps toward the attainment of their great postwar objectives—peace and prosperity.

Mr. GAMBLE. Mr. Chairman, I yield 30 minutes to the gentleman from Nebraska [Mr. BUFFETT].

Mr. BUFFETT. Mr. Chairman, I listened with interest to the glowing discussion about postwar commercial-trade prospects under this bill. A few weeks ago a gentleman sent me a mouse trap and on the top of that mouse trap it said "Bretton Woods." I did not pay much attention to that mouse trap for a few days; then I thought how appropriate it was—for Bretton Woods is a trap baited with American dollars. Commercial trade is one kind of bait they are using to sell this plan.

It has proven to be good bait in the past and it is good bait yet, as is apparent from the way this plan has been sold to the American people through the efforts of certain selfish and greedy interests. But it is pretty expensive bait for the people according to my way of thinking.

There is another kind of bait they have used in connection with this plan. What is that bait? It is the desperate longing of the common people everywhere for peace and that longing I share with every fiber of my being. It is because I share that longing that I want to talk to you about this plan, not in flowery oratory like its partisans, but to give some of the facts about it. I propose to report some of the facts brought out by the testimony given before the committee. The job this Congress should do is to try to get at the facts. This is perhaps the most intricate economic document that has ever come before Congress in the history of the country.

Mr. Chairman, I confess at the outset that I am not an expert on this plan, but I may also say that I spent 16 years of my life doing nothing else but carrying out financial transactions for people. Never did I have any trouble over those transactions. Why? The reason was because we had a clear understanding at the outset of each one of those transactions. There is no evidence that there has been a common understanding reached at the outset of this scheme.

How did they promote this plan? They make all kinds of claims to cover up this green folding-currency bait they are using.

The first of those claims is that Bretton Woods has been agreed to by 44 nations. What is the truth about that

claim? Here is what Lord Keynes said at the conclusion of the Conference:

We (the British delegation) in common with other delegations, reserve the opinion of our Government on the document as a whole and on every part of it * * * We do not even recommend our Government to adopt the result. * * * We merely submit it for what it is worth to the attention of the legislators concerned.

Does that sound like an out and out agreement among 44 nations? I believe not.

What is the next claim that they make? It is that Bretton Woods is vital to Dumbarton Oaks and the San Francisco Conference. That claim has been broadcast throughout this land from one coast to the other, up and down, over the radio, in the thousand different ways that propagandists know how to use in carrying out political terrorism to bring people to their point of view. They are capitalizing on the desperate longing of the people for peace.

What does the New York Herald Tribune say about this claim? There is as international a newspaper as there is in this country. I quote from their editorial of March 4, "for the issue of isolationism here is a synthetic one, created for purely political purposes."

That is what an international paper said about this tying up of isolationism with Bretton Woods. But it is a cunning trick of political terrorism and it has fooled a lot of people. It has fooled many in this Congress.

They say this plan is going to bring currency stabilization. If it is going to bring currency stabilization they should have offered some creditable testimony to the committee indicating that the British Government so understands it.

The New York Times on January 19 carried this dispatch from London:

Both Sir John Anderson, Chancelor of the Exchequer, and Lord Keynes have declared that the British Government will adjust the value of the pound whenever Whitehall considers it necessary.

Does that sound to you like stabilization? Does that sound like they have agreed to stabilize their currency?

What did Paul Einzig say in the Banker, London:

Briefly, the Bretton Woods system is welcomed as a gold standard in the United States and (according to Lord Keynes) "exactly the opposite" of the gold standard in Great Britain. Clearly, this will not do.

That is the kind of a document that they tell you is an agreement for currency stabilization.

Then we have the Financial News, London. What does it say?

The Bretton Woods final act has been submitted to Congress for ratification, and its supporters claim that its adoption would mean stabilization. * * * But the chances are that, when it comes to be applied in full, Congress and American opinion will realize that in the long run it will fail to bring stabilization.

That is what they are saying in London.

What kind of testimony did we have before our committee? Leon Fraser, who, incidentally, said he was a lifelong confirmed internationalist and who spearheaded, while he lived, opposition to this stabilization fund, answered Mr. Brown in these words:

Furthermore, you speak of stable currencies. I think that this plan is an unstable currency plan, and not a stable one, because it states, first, that you may reduce 10 percent, and then you may come to the fund for additional changes, and finally if you do not like that, you leave the fund without any penalty and without any period of notice.

What does the Wall Street Journal say about currency stabilization in an editorial dated April 30?

One only has to read the newspapers to learn that Great Britain already is making agreements with her neighbors which fix a relationship between their currencies and the British pound.

Such agreements have already been made throughout their Commonwealth with Belgium, Switzerland, Sweden, and France, and they are in preparation now with Holland, Norway, and Turkey. Does that sound like stabilization? No; but stabilization is a good cloak to cover this scheme up with. You would not want to put out the commercial greed of many advocates before the American people. That has already cost the American people too much in blood and tears.

What does the New York Times say about the free-trade aspects of this program? That is another one of the claims—that this is going to bring about free trade. What does the New York Times say in an editorial dated February 10?

But, if Secretary Morgenthau is correctly quoted, he now tells us not only that governments are going to restrict foreign-exchange markets but under the agreements are going to run them entirely. This means that no one would be allowed to make a single import or export, or to use his dollars to make a trip abroad, without the government's consent. Such an argument is hardly likely to appeal to believers in a freer world trade.

That is the New York Times—certainly an authority on this subject.

What does the Wall Street Journal say on the prospects of freer world trade? I quote an editorial of March 15:

It seems clear that for an indefinite number of years the fund would not make for freer international trade—unless, as might happen, international payments escape its grasp.

That, of course, would mean black markets in currency.

Yesterday in Barron's Weekly there was an article by Paul Wohl. What does he say about this freer international trade in relation to Britain? You should read the whole article, but I quote:

In countries which have linked their currencies to that of Britain, especially in the Middle East, her position is even stronger than was that of Germany under Dr. Schacht.

You heard about the currency warfare of the Germans. The position of Britain, says Mr. Woll, will be stronger than that of Germany under Dr. Schacht.

Commercial interests find it impossible to place orders in the United States or other countries outside the sterling bloc without London's consent.

Does that sound like free world trade? This is what Mr. Woll says about the way we are going to get that trade, the trade that these dollars for bait are going to be used to attract:

The only way for the United States to bolster its exports would then be to finance them by supplying prospective buyers with the funds with which to pay for American goods or services—not exactly a commercial transaction.

Not exactly a commercial transaction, of course not, when we put up the money, the savings of the American people.

We heard the claim made that this scheme was going to stop economic warfare. Here is what Leon Fraser said before the committee, and I quote his exact words, which appear on page 440:

I am skeptical about the elimination from the world of what is called economic warfare. I have not the slightest expectation that the British will not resort to what we are going to call economic warfare and they are going to call economic necessity.

This is what Melchior Palyi, a great American economist, who was once an adviser to the Reichsbank and who left that land because of the Nazis, said in his exchange with a member of the committee:

Mr. TALLE. I understand that exchange restrictions are not forbidden under these agreements.

Mr. PALYI. Not at all. They are actually encouraged. Some of them, at least.

Mr. TALLE. So that while it is said that these agreements will remove economic warfare, they do not do so insofar as exchange restrictions are concerned.

Mr. PALYI. That is absolutely correct. Of course, the purpose of it is, and I am sure it is genuinely the purpose of the agreements, to remove monetary methods of economic warfare, but in practice it does not accomplish it.

You have heard the claim made as one of the methods to secure acceptance of this plan that it is a simple plan, that it is easy to understand. I have heard that over the radio, that this is an easy plan to understand, and there would be no trouble in knowing just what it means.

A member of the committee said to Leon Fraser:

I am a little dumb. I cannot see—so much confusion or misunderstanding or inability to understand—what this means.

This is Mr. Fraser's answer:

Well, sir, you should be the Chancelor of the British Exchequer then. He says he cannot understand it; that it is a very hard document; and Lord Keynes said it is written in Cherokee.

Earlier Mr. Fraser had told the committee:

The fund has a great advantage of meaning different things in different countries.

It is a document that means different things in different countries. Will that kind of document contribute to international good will? I think not.

They tell you this plan is simple, but at no time did the committee dare to discuss this plan without Treasury experts at their elbows. Even when the committee were in executive session they dared not send the Treasury partisans from the room for fear they would get tangled up in the tricky and complicated wording of every phrase in the plan and the amendments.

Does that sound like a simple plan? This scheme involves a lot of money

through the fund, a drawing account, that we are going to set up for all of these nations—a generous dollar drawing account. They are supposed to take only 25 percent in a year, and they tell you that they are going to restrict that carefully. Here is what Mr. Synsczak says about the restriction:

Once the fund has begun operations with any member, however, that member can proceed with the assurance that it can come to the fund and receive help in meeting payments due for foreign goods and services without delay. This feature of the fund proposal lies at the very core of the whole agreement. It assures the availability of exchange.

In other words, they come in and say that they need this money, that they have to pay certain bills, that they want to buy cotton-spinning machinery or some other kind of machinery, or to buy cotton from Brazil, or to do this and that, or go this place or the other, and they get the money. Yet, they tell you that this is a clearing-house proposal.

I admire Russian frankness. I think it is very admirable in this connection. Here is what Mr. E. E. Brom, an American delegate wrote. Russia was assigned a credit of $1,200,000,000. Mr. Brom said:

To give her a credit of $1,200,000,000, with the realization that it will be used to buy foreign capital goods and not for strictly stabilization purposes, is not too high a price to pay for her cooperation.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I will be very glad to yield to anyone, if I get through. They tell you that nobody borrows money from this. They just purchase American dollars with rubles, lei, lits, lats, escudos, or drachmas. You can call that a purchase or a loan, if you want to.

I am not going to talk about whether or not we can afford this experiment, because we can afford almost anything that will bring peace to this country. They tell us that we can afford to go a long way, but I say to you that this committee cannot pass on this bill intelligently, with the welfare of the American people thoroughly in mind, without knowing the total of loans and gifts abroad, either promised or pending. You cannot get that information, or at least we have not been able to get it thus far. There are 48 different American agencies lending and spending, or engaged in other hand-out procedures. I think that this committee should know the total of those commitments.

Of course, behind this scheme is a scheme of world stabilization, so they say. Its operations are designed to stabilize prices. Will it actually do so? The gentleman from Iowa [Mr. TALLE] asked that question of Mr. Palyi. I have already quoted what Mr. Palyi said about once the spending starts, that we would have to have a policeman behind every store and every consumer. Furthermore, he pointed out that if we make all this money available for the nations, they will be able to come in and compete for the scarce supplies in this country at the very time when inflationary dangers in America will be at their peak. Here is what Mr. Hazlitt, of the New York Times editorial staff, says about the inflationary aspects:

The most ominous provision of the fund, from an inflationary standpoint, is that which permits it by a majority of voting power to make uniform proportionate changes in the par value of the currencies of all members. While such things must be approved by each member with 10 percent of voting power for itself, devaluation of all other currencies would be sure to cause a prompt drop in commodity prices within a nondevaluating nation. All nations would be virtually forced to participate in devaluation. This provision of the fund is a provision for periodic world inflation.

In other words, we devalue and we depreciate our currency hand in hand. We do not do it competitively. We just all go down the road of currency cheatery together.

Mr. THOM. Will the gentleman yield?

Mr. BUFFET. After I have finished my speech. If I have time I will yield. Mr. Hazlitt continues:

This provision of the fund is a provision for periodic world inflation.

Does that sound like stabilization? That is what Henry Hazlitt, of the New York Times says about this fund.

If some of you Members are in doubt about how the folks back home feel about Bretton Woods, ask yourselves this question: What kind of American dollar would you prefer for the payment of your wages, your war bonds, your savings, and your life insurance: An American gold-standard dollar or a managed paper dollar, largely under control of a governmentally appointed international board of directors? That is the question you should ask yourself, and on that question, you should be getting the pulse of your people.

The bill calls for an immediate outlay of $6,000,000,000. Now, I would be interested in any Member of this House getting up before this Committee and telling them what the term "fundamental equilibrium" means in this agreement. I could not find it defined in the agreement. I do not think it was defined before the committee, yet the interpretation of that term is at the very heart of the whole agreement. We should have some testimony on this vital aspect of this scheme before we lay six billion on the line.

The hope of peace—that is the thing the people are interested in. Here is the sobering situation that this Congress faces in that respect:

Almost everywhere in the world today the common people are being killed or held in despotism by modern death-dealing weapons, and those instruments have been supplied in whole or in part by American industry and frequently paid for by savings of the common people of America.

To me that fact is shocking beyond words. Is it true?

Listen to the words in Human Events, in an article by Carleton Beals entitled "The Pot Boils in Central America." What does he say?

Two revolutions have taken place in Guatemala, two in Salvador; unsuccessful attempts at overthrow of the governments have been made in Nicaragua, Honduras, and Costa Rica; and every Central American country has been involved in tension with one or more of its neighbors.

Before the war, all but Costa Rica were governed by dictatorships, and the war gave these a fresh hold on life. United States loans and lend-lease provided them with unparalleled revenues and armaments with which to terrorize their people and a screen of censorship hid their doings—until economic conditions caught up with them.

The first to crack was the dictator of Salvador, whose lend-lease guns and planes failed to prevent a general strike of peasants, workers, and business elements.

Mr. Chairman, I do not mind so much this money being thrown away on commercial experiments. But I do not want to see the tragedy of lease-lend repeated. Lease-lend gave us an opportunity to say to those screaming for our help, "Live up to the principles of liberty and morality that you profess or we do not extend lease-lend." We passed up that golden opportunity to extend the area of freedom. Instead we went with lease-lend first, and today, all over the world, wherever people are being held in despotism, American weapons and American machinery have made that possible in whole or in part.

When you learn what is happening in these lands you will find that the troublemakers have lend-lease tanks; that the uniforms they have came from America.

I was in a factory some time ago in Ohio, when many of their shipments were going to Japan. I did not realize that those shipments were going to come back in the form of death-dealing bullets for American boys. At that time the New Deal considered Japan's orders good commercial business.

Regardless of our military victories, if liberty is to be saved in America it will be preserved only by the firm reestablishment of the stability of the American dollar. The American heritage of a stable monetary system was not free to us. It was not free to this generation and it is not free for this generation to squander.

An honorable government will not give away this stability, because this stable monetary system does not belong to the government. It belongs to the people. It is my belief that he who would save others must first save himself. Obviously this means in the case of a nation, that we must restore the stability of our own currency.

Until this Congress develops the courage to deal with that problem realistically, all efforts to help other nations are temporary expedients that make more difficult the final climb upward toward stability.

The physical ravages of this war, plus the ruthless breaking of international promises, as evidenced by the flouting of the Atlantic Charter, have gone far toward the break-down of trust by the average man in the integrity of government officials. If this Government now adopts, without fully informing the people, an economic policy which, in the words of one expert proponent, necessarily takes us down the road hand in hand with others toward currency destruction, the people of this land will have been cruelly deceived and basely betrayed.

Mr. Chairman, I do not worry about this money that is going to be paid out to these commercial enterprises nearly as much as I worry about what this thing is going to do to the future of America's boys and girls if we adopt this scheme now before we come to agreement with these other countries about the use of dollars they will get. We will have again given up our best weapon to encourage those nations to turn away from militarism and away from despotism and away from totalitarian practices. These deadly practices have been the scourge of the common people everywhere. Now they are threatening this broad land of America. Here is the underlying problem that is involved here. It is a problem that is not being satisfactorily approached if we make agreements that duplicate the mistakes that were made with lend-lease. Again we will hand over our treasure and then send notes around afterward asking for explanations.

All we have to do to find out how that method works is to look over our problems today. Before our eyes we see what happens when we make agreements in a hurry and do not understand each other. We have had plenty of examples before this country in the last few months of what happens when you make agreements too hastily and then have disagreements and trouble afterward. We do not need to always make that kind of mistake.

But the American inferiority complex folks say we must show our cooperation with other nations. I say we have cooperated already to the tune of 1,000,000 American lives and to a war cost that is currently exceeding that of all combatants on both sides put together. Does anybody need any more evidence than that to show that we are cooperating? No.

What we need is an agreement from each of the other nations that they are going to work to solve their internal problems. We need to tell them what Churchill told Greece. He said to the people of Greece that the solution of their internal economic problems was up to them.

I now yield to the gentleman from Ohio.

Mr. THOM. The gentleman spoke about making a change in the par values of all currencies. The gentleman will remember that Dr. White, Assistant Secretary of the Treasury, as well as others who were concerned in the writing of this agreement said that the purpose of that particular provision was to change the par of currencies in case there was an unexpectedly large production of gold or on the other hand a great diminution in the production of gold; and that that is the only reason for this provision in the text, and that its use will probably never be needed. Furthermore, a uniform change in the par values of all the currencies cannot be made until all the members who have a 10-percent interest in the fund agree to it, and any individual country has a right to refuse to permit its own par value to be changed.

Mr. BUFFETT. The gentleman will find from reading Mr. Hazlitt's testimony that he points out that a uniform change would create such a decline in commodity prices that it would be impossible for any country not to change. There are other reasons for this provision for general depreciation of currencies. I think the reason that was given me by a student of international affairs who favors this agreement is probably the real reason. He says:

> From the standpoint of practical internal politics in the United States there is an advantage in the Bretton Woods agreement which provides for simultaneous depreciation of all member currencies. If as a result of purely internal policies it is necessary to depreciate the dollar in terms of gold, it will have a more disrupting psychological influence on American citizens if the Nation has to do this alone rather than if our Government can state that depreciation is taking place as a result of international action, and if it can at least imply that the action partially is made necessary by sinfulness in others. The fund may provide a useful alibi.

Mr. ROBSION of Kentucky. Some years ago after we devaluated our gold dollar we created a stabilization fund, which I believe started out with $2,000,000,000. Then it was $1,800,000,000, and the Secretary of the Treasury stated that that fund should be kept inviolate. In this proposition, as I understand the bill, we put that stabilization fund of $1,800,000,000 into this fund?

Mr. BUFFETT. That is right.

Mr. ROBSION of Kentucky. What stabilization fund will the United States have after we do that? It has been said all through the years that this is tremendously important. Now we put it into the fund.

Mr. BUFFETT. We have this questionable protection: We are going into the fund and we will say we do not understand certain provisions in the fund, but we think it means so-and-so. If the other Members do not think it means thus-and-so we invite them to accept our definition. If they do not accept our definition, we might pull out. I believe this method is a new one in making international agreements.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Illinois.

Mr. MASON. I want to clear up the question asked by the gentleman from Kentucky. The stabilization fund that is behind our own currency and set aside definitely for that purpose is now to be placed as a stabilization fund for the international currency that will be set up.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. ROBSION of Kentucky. Then our $1,800,000,000 is taken from the position it now occupies, being behind our fund and no other fund, and placed into this international fund, and placed behind the currencies of China, India, and every other country in the world?

Mr. BUFFETT. That is the purpose of it, yes.

Mr. ROBSION of Kentucky. I have one other question in mind. Does this fund authority, the Governors or Administrators who control the fund, have the power to devalue or to change the currency of the United States?

Mr. BUFFETT. I believe they do not have that power—absolutely.

Mr. ROBSION of Kentucky. It does have something to say about the currencies of other countries, does it not?

Mr. BUFFETT. Yes, that is correct.

Mr. ROBSION of Kentucky. But we are in it and we have one member of the board of directors, while the other countries have eleven. What is to keep them from operating on our currency too if we can operate on the others?

Mr. BUFFETT. I think that may be explained in this way: The fund fixes the value of the currency of a country and if that country does not like it, it may get out of the fund.

Mr. ROBSION of Kentucky. But when we get out of the fund we leave our money there.

Mr. BUFFETT. No; we take what is left, if there is any left.

Mr. ROBSION of Kentucky. We take what is left?

Mr. BUFFETT. Yes.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. As the gentleman knows, the experts who appeared in opposition to this bill were limited to a very short time and with little opportunity to be asked any questions.

Mr. BUFFETT. That is largely true.

Miss SUMNER of Illinois. Except the American Bankers Association that seemed to have a priority position. May I say to the Committee that according to one of the best experts in Chicago who did not testify, section C, page 9, in this expert's opinion, is an authorization to this fund to create money that will be given back to the United States and voted into our banking system. It is the most inflationary thing you can possibly get. That is in addition to what we put in there. Watch that. I have not checked it, but this one expert says it is one of the most terrifying provisions in the whole thing.

Mr. MASON. Those special notes that they are permitted to issue under section C, page 9, noninterest-bearing notes, can and will be circulated exactly the same as money.

Miss SUMNER of Illinois. It is thought by this particular expert that the fund is an international organization which will reduce our banks to nothing but currency exchanges, the signing of checks, and routine operations.

Mr. BUFFETT. The gentlewoman has made quite a study of this fund and is one of the best informed of the committee on it. In that connection, may I say in answer to a question that she asked Mr. Leon Fraser, he answered: "When you set up a fund like this, you set up a totalitarian plan and your managers have to be such great fellows that they are able to run everything in the world. That is why you have to have a gestapo to protect them." Fraser pointed out in that testimony a sobering fact: You cannot have a managed currency without a gestapo. That is the final solution

when a nation resorts to a managed currency.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Michigan.

Mr. WOLCOTT. The provision referred to by the gentlewoman from Illinois covers notes we put in instead of cash. If you will refer to page 10 you will find that these notes are non-negotiable, non-interest-bearing notes, and merely represent our indebtedness to the fund and the bank which would otherwise have to be called in cash. When you say that they are negotiable and affect world currencies and are inflationary, they surely would not be any more inflationary than if we put the cash in, and we put these notes in instead of having to put the cash in and make them non-negotiable so that they will not circulate.

Mr. MASON. Mr. Chairman, if the gentleman will yield, what is more inflationary than printing money and putting it in lieu of these special notes?

Mr. WOLCOTT. What is the difference between putting cash in and putting the notes in?

Mr. MASON. Not a thing except——

Mr. WOLCOTT. We put the notes in instead of putting the cash in.

Miss SUMNER of Illinois. Mr. Chairman, if the gentleman will yield, the point is that this line can be interpreted to authorize this fund to create dollars that come back in addition to these extra notes that we put in, just as the Federal Reserve bank now creates money.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Michigan.

Mr. CRAWFORD. May I ask the gentleman from Nebraska or the gentlewoman from Illinois how much of those special notes they understand will be issued as to dollar value?

Miss SUMNER of Illinois. Where is the limit? It says that after paying the subscription of the United States to the fund and any part of the subscription of the United States to the bank, then you are authorized to give these special ones to them in addition.

Mr. BUFFETT. This discussion illustrates the complexity of this scheme. There has never been a plan on which it is easier to become befuddled, without making any effort to do so. However, if you have any inferiority complex as you try to understand this, just remember that you have good company. The Chancelor of the British Exchequer and Leon Fraser, and other experts admit their confusion.

Mr. Chairman, is all the talk about peace in high places in this country and elsewhere ghastly campaign oratory? Unless it is, genuine efforts toward peace must start immediately by the elimination of militarism. Should we not postpone this financial scheme until satisfactory assurances are received that the money thus made available in this scheme is not going to be used to make possible more killing of the common people everywhere? That is the job we should do now, but adoption of this plan will foreclose that chance.

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Ohio.

Mr. THOM. I think there ought to be an answer to the question of the gentleman from Kentucky about our own stabilization fund. That was created in the thirties, and I believe we are operating with 12 countries now, with commitments of several hundred million dollars. In our contracts with these countries we agree to furnish dollars to those countries in exchange for their currency in order to adjust their trade balance. During the operation of that fund we made $100,000,000, when many men said it was a great hoax and would not work.

What do we want to do in this case? We want to extend the same idea that we have been using in the United States stabilization fund to the whole world, so all the currencies will be stabilized, so that all of the countries will desist from using monetary warfare methods. That is why I am for this bill. Our stabilization fund is a success and the men who operate it are going to help operate the international fund. It will be a success, too, because they have efficiently managed our own stabilization fund. Let me quote from the committee report on this bill:

> It appears that the international monetary fund would undertake exchange operations in much the same way and with much the same safeguards as the United States stabilization fund. The only significant difference is that the fund would operate on a multilateral rather than on a bilateral basis.

Mr. BUFFETT. That fund was used during a period when this country was supplying the implements of war to other nations to start this war. I do not want to see that happen again, and I do not think the people want to see that done again.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. May I say that the gentleman from Ohio had better study the operations of the present stabilization fund and compare it to this. He will find there is about as much difference between that and the present proposal as there is between day and night, and in saying that I am not recommending the present stabilization fund, either.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Let us be as factual about this as we can.

Mr. BUFFETT. That is what I am trying to do.

Mr. CRAWFORD. Referring to line 4 on page 10, this goes back to the question I raised a while ago:

> The face amount of special notes issued to the fund under the authority of this subsection and outstanding at any one time shall not exceed in the aggregate the amount of the subscription of the United States actually paid to the fund, and the face amount of such notes issued to the bank and outstanding at any one time shall not exceed in the aggregate the amount of the subscription of the United States actually paid to the bank under article II, section 7 (i) of the articles of agreement of the bank.

How can you read into that language an unlimited issue of a special note?

Mr. BUFFETT. I have made no reference to special notes.

Mr. CRAWFORD. I am replying now to the gentlewoman from Illinois. I asked the question seriously, "What is the limit?" and the answer came back, figuratively speaking, "There is no limit." I disagree with that. We might just as well take this language as it is written here. Show me where there is no limit.

Mr. BUFFETT. The gentleman can talk that over with the gentlewoman from Illinois on his own time. We start out on this thing with a $6,000,000,000 entrance fee. If that $6,000,000,000 would bring world peace, I would be for it. Instead, it moves us toward the morass of inflation, repudiation, and continual war. The common people of America have earned a better future than the disasters toward which this scheme leads them.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. D'ALESANDRO].

Mr. D'ALESANDRO. Mr. Chairman, President Roosevelt devoted his life to winning the war and securing a lasting peace. He realized, and I am sure we all must realize, that permanent peace can only come when there is mutual understanding and trust between nations. There must also be a means whereby nations may trade with each other, and when temporary assistance is needed by any nation so that it may buy more goods from another nation, there must be some international bank set up to provide the necessary funds.

The chaotic financial conditions which occurred in this country after 1929 may be traced in part to the financial disorders in Europe and elsewhere. I believe that the present Bretton Woods agreement, even if not perfect, should be approved. Other nations must be made to realize that we do not intend to crawl back into our shell of isolation as we did in World War I. We do intend to participate in world affairs so that the peace will be kept. Bretton Woods and San Francisco should be our notice to the world we mean an end to isolationism.

Mr. SPENCE. Mr. Chairman, I yield 20 minutes to the gentleman from California [Mr. OUTLAND].

Mr. OUTLAND. Mr. Chairman, I am firmly convinced that the bill we are considering here today, H. R. 3314, providing for the participation by the United States in the International Bank and International Stabilization Fund drawn up at Bretton Woods last summer, is one of the most important measures, if not the most important that the present Congress will be called upon to consider. It is important not only

because it will be of immediate and direct assistance in reconstructing world economy, sorely strained by war, but also because by our acceptance we shall be proclaiming to the world in no uncertain terms that this time we are not going to make the mistake that we made back in 1919; that this time we stand ready to cooperate with the other nations, economically as well as politically, in preserving world peace, and in preventing those conditions which endanger world peace.

Before I commence the regular statement I intend to make, may I take this opportunity to answer a few of the remarks made by the gentleman who preceded me, the distinguished gentleman from Nebraska. I was very much interested in his statement. I thought he made a very able defense of an indefensible position. I was very much intrigued by his bringing into this chamber a mouse trap and some dollar bills. I do not know whether that technique is designed to clarify the picture further, and he told us that we needed to have the picture clarified, but if the use of a mouse trap will help to bring about clarification, then I should say that we should all use mouse traps here in this Chamber.

The gentleman said there was no relationship between our acceptance or rejection of the Bretton Woods agreements and the San Francisco Conference. Let us look at this point for a moment.

Mr. Chairman, the Committee on Banking and Currency attempted to write into the bill amendments which would meet the principal objections that were raised. One amendment was proposed by the gentleman from Michigan [Mr. WOLCOTT], another by the gentleman from Georgia [Mr. BROWN], and a third by the gentleman from New York [Mr. BARRY]. In my judgment, those three changes in the bill have met the principal objections that have been raised.

What objections do we still have? There are only two that I can see: One is the objection from those who bow down and worship the great god gold and think that all human relations have to be stated only in terms of gold. The other objection comes from those whom I shall term, for want of a better word—and there is no better word—"isolationists." The principal opposition to this bill is now coming from those same people who opposed lend-lease, who opposed the reciprocal trade treaties, who opposed UNRRA, and who for the past 5 or 10 years have opposed every single measure of international cooperation that this Nation has attempted.

When the vote on this bill is counted, it is my sincere judgment that those who vote against it will be telling the American people by that vote that they are opposed to the United States taking its rightful place as one of the leaders in the postwar world.

I should like to comment upon another point, too, that was mentioned by the gentleman from Nebraska. He cited various economists in his remarks. He referred to one, Mr. Palyi, who incidentally was a former director of the Reichsbank in Germany. He used this gentleman's statement as testimony to refute the words and the statements of our Treasury Department, our State Department, and of the representatives who attended from this Government at Bretton Woods.

I listened to the statement made to the committee by the gentleman who was cited and to other economists, and I say the best way for the Members of this House to get a full enlightenment of the purposes and the motives of those back of this bill and of those opposing this bill is to read the hearings and, moreover, to read the report which, as has already been pointed out, is one of the best reports that has ever accompanied a bill to the floor of this House.

I say that Mr. Palyi and the others who so testified represent a school of economists who have not learned that there has been much written since the day of Smith, and I wish to make it quite clear that I refer to Adam Smith, not the gentleman from Ohio. As a matter of fact, one of these economists actually cited Adam Smith in his testimony before the committee as an authority for what he was saying.

Mr. Chairman, not every generation has the opportunity to draw a new plan for world peace. And not every plan that is drawn finds the world in a mood to cast off its old ways, ready and waiting for new methods, for new goals.

It has been the fate of this generation to be given two chances to alter the entire course of human history. When I say this generation, I mean this generation of Americans. And I think few will deny that this country now, as it was 25 years ago, is cast in the leading role. For muffing the first chance, we have already paid a million casualties—captured, missing, wounded, or killed in action—and have appropriated upward of $360,000,000,000.

Now we are given that which is seldom given to nations or individuals—a second chance. Whether we seize it will depend to a large extent on our ability to look to the past for a guide to the future, to profit by our mistakes. As we review the eventful years between the wars, some of us may be impressed most by one aspect of the past, while others may be more impressed by another. But just as we all stand appalled at the frightful cost of this great war, so must we all recognize that the peace after the last war was only an armistice.

The question is, What was wrong? Unless we, the Members of this Congress, find the answer to that question, the peace that will follow this war may likewise be only an armistice.

One of the lessons we should have learned, I submit, is that it is not enough merely to desire peace. We must work for peace and organize for peace. Yes; we must sacrifice for peace. Moreover, it is not enough to plan for peace on the political level. To be sure, a world security organization to punish aggressors is necessary and important. But something more is required. And that something more, in my opinion, is that the daily contacts between nationals of different countries must be placed on a friendly, harmonious basis. The measure before us, in essence, is the first big step in that direction.

How often do the ambassadors of foreign nations call upon our Secretary of State? Once a month—perhaps once a week. And how often do our bankers, importers, and exporters do business with the nationals of other countries—with England, France, Canada, the Latin-American countries? Not once a week, and not once a day, but thousands of times every day. Taken alone, any one of these transactions is not likely to be of any great importance. But taken in the aggregate, they offer immense potentialities for creating good or ill will, and in fact determine the basic pattern of our economic relations with other countries.

Fortunately work is going forward on both of these levels—the over-all and the day-to-day—at the present time. The job begun at Dumbarton Oaks, and now being perfected at San Francisco, is concerned with security matters at the diplomatic, political, and military levels. And the plans drawn up at the Bretton Woods Conference last summer, now before this House in H. R. 3314, aim to eliminate friction and promote economic stability at the level of daily contacts.

I have no doubt that the Conference at San Francisco will succeed. It must, because the alternatives are simply not acceptable to nations familiar with modern technology, or to nations that have seen how horrible modern warfare can be. And a most important aspect of the world security organization there being planned is the Economic and Social Council, which in time may prove to be the very heart of the entire structure. It will be the council's job to make certain that in the long run all economic relations between member countries are placed on a constructive and mutually profitable basis. As a first step, however, will come the task of reconstruction.

Europe has been liberated. But the aftermath of war is economic chaos and human dislocation. The economic system that the Nazis built up in the occupied countries has been torn apart. Mines are flooded. Oil fields have been destroyed. Rich agricultural lands lie under salt water. Railroads that formerly hauled half of the world's trade are now a mass of twisted steel. In France, factories are closed because there is no coal, no power. In Belgium, they are closed because there are no raw materials.

In all fairness to ourselves as well as to the unfortunate millions in the countries overrun by the Axis, we must emphasize over and over that despite the great suffering they have already borne, they must yet bear the major burden of reconstruction. They must provide the labor for building new dams, repairing highways, railroads, and bridges. They must rebuild their factories and mills and mines. They must repair their homes and remove the debris of war.

But in order to get ahead with the job of cleaning up, repairing, and reconstruction, they must import from overseas a certain minimum of machines, tools, and materials. And even before

they can do that, they must establish a workable exchange relationship between their currencies and those of other countries.

Their objectives, of course, are economic and political stability. And I may add that it is to our advantage as well as theirs that they attain them quickly.

The people have waited many years for liberation which they hoped would mean some addition to the small and simple things of life. They expected food, clothing, and jobs. Now the Allied Powers are everywhere in command. Yet the specter of want and disease stalks the length and breadth of the land. If we delay the enactment of the measure before us, which is so intimately connected with the restoration of devastated countries, we only strengthen the myth, the dangerous myth, that has already begun to take hold of the people in some of the liberated areas. They are beginning to believe that, although the price of German occupation was heavy, at least the Germans knew how to organize. There is danger that they will see the democracies as idealistic dreamers, incapable of the cooperation necessary for the solution of the world's economic problems. As they turn from democracy, they will place their faith in economic blocs modeled after the pattern of Germany and her satellites. These could well turn out to be the forerunners of a new fascism.

Enduring peace cannot be built on such a structure. Economic blocs will re-create economic nationalism and encourage the sort of economic warfare that contributed to the present war.

There is another compelling reason why we are interested in political and economic stability abroad. We cannot achieve prosperity for ourselves if half the people of the world are unable to produce or trade with their neighbors. Is it not therefore just good business, just good common horse sense, to try to keep our customers going?

The proposed fund and bank will not solve the whole problem. To assume that they would, would be to play into the hands of the enemies of Bretton Woods, who would like nothing better than for us to make such an extreme claim. But they will make an important contribution to the reestablishment of prosperous, stable conditions both on the Continent of Europe and in Asia. They will accomplish these ends by means that are by now fairly familiar to all of us.

First, through the fund will be established machinery for international consultation on important economic problems. And one of the first problems to be considered will be the value of currencies after the war—their value in relation to gold and to other currencies. This problem, which by its very nature involves all trading countries, must be solved before businessmen can begin to buy and sell; to make contracts beyond national boundary lines.

Once exchange rates are established, the fund will help each country to maintain the value of its currency. It will also work to bring about the removal of exchange restrictions, multiple currency practices, and will put an end to the employment of currency tricks to undermine the economies of other countries.

The bank, on the other hand, will help countries to obtain the long-term foreign capital they require for reconstruction and development. It will protect private investors who make productive loans abroad, and it will protect debtors by making it possible for them to get funds under reasonable interest and amortization terms. Both lender and borrower will be safeguarded by the bank's insistence that borrowed funds shall be used only for the specific productive purpose for which they were intended.

These proposals and their objectives to me seem so simple, so obviously desirable, that it is difficult to understand how anyone could take exception to them. Moreover, the people of these United States appear to be for them. For months I have been receiving communications from every possible kind of organization urging the enactment of the Bretton Woods proposals. Many of these group statements have appeared in the RECORD as extensions of remarks of some member of our Banking and Currency Committee. I cannot begin to even list them. A great many are listed in the committee report. However, some are so important, that I do take this occasion to quote brief excerpts to illustrate the thinking of the great mass of the American people on this subject.

For example, the Citizens Conference on International Economic Union, composed of some of the most outstanding educators, authors, and businessmen of the United States, in their open letter to the President and the Congress, state:

> The time for glowing speeches and promises is past. The machinery of the future world must be put together. Now that Germany is crushed, time is of the essence. No greater lift could be given to the success of the San Francisco Conference or to peoples everywhere who are hoping and praying for a constructive solution of our tangled affairs, than the prompt adoption of the Bretton Woods agreement by our Congress. It would prove that the most powerful nation economically, without which no lasting world order is possible, is ready to do its part. * * * Something bigger than trade or money is at stake. The real problem presented by the Bretton Woods agreement to the Congress of the United States is not so much the specific provisions which represent the best compromise obtainable, but whether we are sincere in our promise of international cooperation.

And that, Mr. Chairman, seems to me to be the very essence of this whole problem: Are we sincere when we say we are going to cooperate with the rest of the world? Or are we just making promises, are we just saying: "Oh, yes; we want international cooperation—but." I am getting tired of hearing people say, "We want international cooperation—but." I would rather they would say: "We do not believe in international cooperation; we believe in isolationism." Let us not make a smoke screen here and say, "Yes, we are all for international cooperation, but it is not yet the right time—but this is not the right way to do it—but the United States does not have 100 percent control of its funds—but this, or but that." Let us make the issue clear: Do we stand for cooperation with the other nations of the world or do we stand for a position of definite isolationism? And that I think is something we cannot dodge, and the American people are going to tell us that we have not been able to dodge it when the vote is finally counted. Let us face this basic issue frankly, fairly, and openly.

This point of view is expressed in the action bulletin of the United Christian Council for Democracy. And it is important to note that the cooperating organizations listed by this council include the Evangelical and Reformed Council for Social Reconstruction, the Presbyterian Fellowship for Social Action, the Unitarian Fellowship for Social Action, the Church League for Industrial Democracy—Episcopal—the Methodist Federation for Social Service, and the Rauschenbaush Fellowship of Baptists. In the council's judgment:

> The fund is both sound and necessary for the stabilization of currency, making possible an expanding and free-flowing international trade. It should be established at once. * * * An agreement on finance is a foundation on stone upon which other security measures must be built. Our attitude on Bretton Woods becomes the token of whether we really mean to cooperate with other nations.

Numerous other religious groups have expressed exactly these same sentiments; for example, the legislative committee of the Council for Social Action of the Congregational Christian Churches puts the matter in a nutshell:

> Failure by Congress to vote favorably on these proposals would be a disastrous setback for future international legislation.

Bishop Oxnam, of the Methodist Episcopal Church, is even more specific when he states that—

> If the economies of war-devastated areas are to be restored, vast undeveloped areas are to become productive, if our own economy is to be maintained, the Bretton Woods agreement should be adopted, and, in the light of experience, improved in the years ahead. Economic matters of this kind really become moral issues.

Agricultural organizations swing behind the Bretton Woods plans. Again we could quote at length from the numerous statements made by farm leaders, but I will limit this part of my discussion to a few words spoken during the hearings on the bill by Mr. Edward A. O'Neal, president of the American Farm Bureau Federation. Making one of the strongest appeals for H. R. 3314, Mr. O'Neal mentioned that the membership in his organization represented some three and one-half million farm people, and pointed out that—

> While we may not understand all the technical details of international finance, we do know that the results of chaotic international monetary conditions have fallen very heavily upon the farm people of our Nation. * * * We believe that the proposed bank and the proposed fund are a necessary part of international cooperation, and also necessary for a satisfactory domestic economy. * * * The farmers of the Nation favor these proposed organizations as an attempt to improve the chaotic conditions which have existed in the past, and as an attempt to cooperate with other nations of the world with the hope of lessening the likelihood of another war.

So far as I know, every outstanding labor organization in this country is solidly behind the Bretton Woods proposals. Several leaders from the CIO and the AFL testified before our committee to this effect; their statements may be read in the hearings. From my own State of California have come numerous letters from individual labor leaders and organizations urging that I support these essential proposals. I emphasize again that such letters have come from all phases of organized labor, including A. F. of L., CIO, railroad brotherhoods, and others. The opinion of all of them might be well summarized in the words of Mr. Frank G. Pellett, chairman of the joint legislative council of the Railroad Brotherhoods of Southern California, when he writes me:

Economics on the basis of facts and experience dictate that finances must enter the picture if there is to be any hope. Except on a moral basis, we cannot assist our neighbor to rehabilitate himself unless we give of goods and/or of our finances to do the job.

One of the especially encouraging features of the publicity that has attended the Bretton Woods proposals has been the emphatic manner in which the great women's organizations of the country have endorsed them. One or two quotations will illustrate. The president of the California League of Women Voters—and the letters from the various chapters of this particular organization have been many and encouraging—states:

The League of Women Voters is extremely anxious that the United States approve the Bretton Woods agreements at once. We believe that this decision will be the first and essential illustration of our sincerity in advocating world organization. Without careful plans for financial reconstruction and currency stabilization the nations of the world will relapse into economic warfare of the same type that preceded the present conflict.

The National Federation of Business and Professional Women's Clubs, Inc., takes identically the same stand—their national legislative chairman writes:

We believe that the Bretton Woods proposals represent in Congress the first real test of our willingness toward international cooperation and we believe that the fundamental purpose of the Bretton Woods proposals to devise monetary and financial measures which can deal with the problems arising out of international trade and finance is a most vital step toward the establishment of general world peace and prosperity.

Again we could continue indefinitely the statements of other women's organizations, including the American Association of University Women, but time presses.

I think the Members of this Congress are especially interested in the backing which is being given to Bretton Woods by various business and industrial groups throughout the country, and here again I shall confine myself to citing an example or two which are typical of the vast number of letters and statements that have been sent to me. The business and industry committee for Bretton Woods, Inc., organized for the specific purpose of marshaling the forces of leading American businessmen for this important measure, write as follows:

We believe American business needs a program for the expansion of foreign trade and for orderly international currency relations. We think the Bretton Woods agreements are a splendid foundation for such a program.

Our committee includes members of both major political parties.

We feel that the issue of Bretton Woods should be decided solely on its merits and in line with the interests of this country in increased and orderly world trade. To this end we respectfully urge the passage of the Bretton Woods legislation in substantially its present form.

Two members of the nationally known Committee for Economic Development presented powerful statements before our committee, backing up the favorable report issued by the CED at an earlier date. Certain minor changes in the bill were recommended by this organization, and these changes have been incorporated in the present measure, having been adopted practically without opposition by the Banking and Currency Committee. I should like to take this opportunity to congratulate the Committee on Economic Development for making such a thorough study of the Bretton Woods proposals, and on the basis of this study for coming forth with the concrete and constructive suggestions which, in my judgment, have improved the bill.

The San Francisco Chamber of Commerce, in its letter to the chairman of the committee endorsing H. R. 3314, stated that—

If the bitter mistakes of the last 20 years are to be avoided, decisive steps should be taken toward international economic collaboration which will insure stabilization of the exchanges, wise granting of credits, and an early end to excessive trade restrictions of all kinds that have grown up and tend to impede the normal flow of trade.

Perhaps one of the best statements of all about the Bretton Woods agreements was made by the Independent Bankers Association. This association gives its full and unqualified support to the act, urges immedate favorable action on both the bank and the fund, and opposes crippling reservations. As I go down the list of the officers and members of the executive council of this organization, I note with interest that they represent banks in Long Prairie, Minn., and Huron, S. Dak., and Anniston, Ala.; I note that while we do not find many of the big banks of the Atlantic seaboard listed we do find the names of Pine Bluff, Ark., and Topeka, Kans., of Fort Collins, Colo., and Sheridan, Wyo.; of Manchester, Ga., and Wahoo, Nebr., and Beckley, W. Va. Here, Mr. Chairman, is the voice of the small banker of America, telling us in no uncertain terms that those members of his profession who oppose Bretton Woods do not represent the great mass of the American people, and that tremendous number of independent bankers who are so important to our domestic economic system.

Let us turn for a moment to the opposition to Bretton Woods. At another time I expect to make a detailed statement on this opposition and to attempt to answer some of the charges that have been raised. So far as I have been able to ascertain, opposition to the Bretton Woods proposals comes from three sources: One is the executive committee of the American Bankers Association, and earlier in the debate today our chairman read a letter from the president of the ABA stating that many of the objections of that organization have been met by the changes that our committee has made in the bill. The second source of opposition is from a certain small but vociferous number of classical economists, most of whom are thinking in terms of a laissez faire economy of the early nineteenth century, all of whom bow down in obeisance to the great god gold, and one of whom actually cited Adam Smith in his testimony before our committee. The third source of opposition to Bretton Woods comes from the last remnants of the isolationist gang in America—those who would have us retreat once more behind the Atlantic and Pacific Oceans, and have nothing whatsoever to do with the other nations of the world. To all of these groups I freely grant the right to their opposition to Bretton Woods or to any other proposed legislation. We are all thankful that in American democracy, freedom of discussion is still a cornerstone of our system. But I am firmly convinced that this opposition is in the great minority, just as I am convinced that the opposition in this Congress is in the minority.

It is worth noting, however, that the forces of reaction are at work, and that they are very powerful. If one line of attack does not produce results, they try another. They contend, for example, that these plans are novel. I think that is not entirely true. But accepting that view for the moment, is it not a fact that the old methods, the old techniques, only produced the kind of economic disorder that helped to bring us to war? Something different, if not entirely new, will be needed to deal with the unprecedented conditions ahead.

Secondly, the critics say that these proposals involve a risk, that we stand to lose part or all of our subscription capital.

Of course, there is some risk involved. There is risk in every great undertaking. But the risks of war are infinitely greater than those we assume in these proposals, and I for one am not afraid to invest the cost of running this war for 20 days if that investment will bring reassurance to this war-torn world and improve the chances for a prosperous, enduring peace.

The critics have raised another point that deserves special mention, namely, that the only way to achieve international economic stability is to return to the old gold standard. These critics, I am afraid, ignore the fact that the United Kingdom and many other countries have already made it quite plain that they will not accept gold. They will not accept it because the harmful rigidities imposed by the gold standard have, since the First World War, more than offset the advantages of stability—a stability that in fact was never achieved because the gold standard could not be maintained.

The bill before us gives us many of the advantages of the gold standard as it worked out in practice prior to 1914, and it imposes none of the disadvantages that were experienced during the inter-war period. Countries will define their currencies in terms of gold, and most important, arrangements will have been

made for continuing consultation and cooperation by all nations on monetary and financial problems.

Through the measure now before us we are given an opportunity to line up and be counted. We can choose the way of economic isolation, which will prove that we have learned very little indeed from the past. Or we can choose the way of international cooperation, and along with it a definite, practical program for economic betterment throughout the world.

Let us seize the opportunity now to correct the mistake we made after the last war. Let us assure the rest of the world that we are ready to exercise the leadership that our armed forces, our imaginative industrial leaders, and our millions of resourceful war workers have placed in our hands.

I can think of no better words to mark my conclusion on this subject today than those used by our departed President, Franklin D. Roosevelt, on February 20 of this year, when he urged upon us here in this Congress the adoption of the Bretton Woods proposals:

> The point in history at which we stand is full of promise and of danger. The world will either move toward unity and widely shared prosperity or it will move apart into necessarily competing economic blocs. We have a chance, we citizens of the United States, to use our influence in favor of a more united and cooperating world. Whether we do so will determine, as far as it is in our power, the kind of lives our grandchildren can live.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from California.

Mr. HINSHAW. I have been very much interested in the remarks made by members of the committee concerning this bill, but it seems to me most of the remarks come in the nature of a justification for an action taken rather than an expression of exactly what goes on in these various funds. I know it is somewhat set forth in the report of the committee, but I would like to hear the members of the committee actually discuss the workings of this thing, instead of this business of accusing one party of doing this and another party of doing that, or of thinking one way or the other. I think we ought to have a discussion of the mechanics of this thing.

Mr. OUTLAND. If I may reply to the gentleman, answering the second part of his statement; first, I hope I have not made an accusation against any party. Certainly I did not intend to do so. The 23 to 3 vote by which this bill passed out of the committee shows that it was done by a bipartisan vote. I do not think there was anything political in it.

Mr. HINSHAW. I did not mean "political," of course.

Mr. OUTLAND. I am sorry if I misunderstood the gentleman.

Mr. HINSHAW. I did not mention the word "political."

Mr. OUTLAND. The gentleman said "party."

Mr. HINSHAW. No.

Mr. OUTLAND. I understood the gentleman to say "party."

Mr. HINSHAW. What I had in mind was that one side of the argument takes one position; in other words, that it is no good, while the other side says it is good. Now, what is it? Let us know what you are talking about.

Mr. OUTLAND. The gentleman's position is well taken.

Mr. HINSHAW. I would like to know what the mechanics of it are in simple language. Of course, the other committees of the House have been busy with other matters while the gentleman's committee has studied this for weeks and months. Is there not some simple statement or reasonably simple statement which can be made that will accurately describe the operation of it.

Mr. OUTLAND. I think the gentleman's point is well taken. May I say that I doubt that you could do justice to an explanation of this bill in a speech of less than 2 hours' time if every detail were to be brought out. In the articles of agreement as published by the Treasury Department we have the exact wording of the agreement surrounding the fund. That is point one. Point two is that in the committee report as published you have an explanation of what the bank does and the fund does, which is probably better than could be done here short of several hours' discussion which none of us can give. The gentleman's point, however, is well taken. It would be well for us to study these documents and I hope the gentleman along with the rest of the Members of the House will study the report very carefully. I am certain that in this way he will find the answers to his questions.

Mr. HINSHAW. I admit to having read the agreement and I admit to knowing something about finances; still I will have to admit that it is not altogether Greek but almost Greek to me to read the agreement itself, not having had the opportunity to give it the careful study the gentleman's committee gave it.

Mr. OUTLAND. Did the gentleman hear the statement made this afternoon by the ranking minority Member, the gentleman from Michigan [Mr. WOLCOTT]?

Mr. HINSHAW. I heard his statement and it was very excellent, but I am hoping that the thing could be stated even more simply than that.

Mr. OUTLAND. It seems to me the gentleman from Michigan [Mr. WOLCOTT] took up especially those points upon which misunderstanding had prevailed. While he did not give a detailed analysis of the bank or the fund, he did discuss the points that have been in controversy and I thought perhaps the gentleman's particular question would be answered there. It is not possible, within the time limits that have been set for general debate on this bill, to analyze every portion of every section. I would welcome the opportunity to attempt to enlighten the gentleman on the details of both the bank and the fund.

Mr. HINSHAW. For the benefit of the people as well as the Members of Congress I think they ought to understand how this thing works. It is a very difficult thing, and if it could be stated in any reasonably simple language I know that the gentleman from California would be able to state it, as he has had long experience as a teacher, and I thought perhaps he would be willing to do so.

Mr. OUTLAND. I thank the gentleman, and I may say that I would be only too glad to attempt to do as he requests did I have a few hours or more time.

Mr. McMILLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Illinois.

Mr. McMILLEN of Illinois. Assuming that the bank and the fund are established and made available to the foreign countries, does the gentleman think that will be sufficient after that is done, or will it be necessary to offer further help to the foreign countries if they come here and ask for loans from our country to them, such as we read about in the newspapers, of $6,000,000,000 to Russia and so much to England? Is this fund going to be sufficient, in the opinion of the gentleman, to look after the rehabilitation requirements of those countries or are we going to have to loan them more, and if we are asked to loan them more, would the gentleman favor doing so?

Mr. OUTLAND. The gentleman's question is a very good one and a very fair one. May I say to begin with that I have personally checked many of these statements that appeared in the press that we have loaned so many billion dollars to a certain country, as well as the type of statement that is more generally made: "We intend to loan so many billion dollars to this country," and in many cases those statements are exaggerations and in certain cases they are false.

As to the second part of the gentleman's question, the bank and the fund in themselves are not a cure-all for all our international economic evils. If we pass this particular bill I look to see the fund greatly assist in the stabilization of the currencies of the various nations. I look to see the bank help immensely through long-term rehabilitation loans. The fund does not make loans for rehabilitation purposes. It is for temporary stabilization purposes only.

Mr. BROWN of Georgia. Mr. Chairman, if the gentleman will yield, the general fund does not make any loans at all.

Mr. McMILLEN of Illinois. I understand that the bank makes the loans, but they being made available, will that be sufficient, in the gentleman's opinion, or will it be necessary to loan further funds direct from our Government to Russia, England, or China for rehabilitation purposes?

Mr. OUTLAND. I could not answer that. I do not know as any Member of this Congress can answer just what the economic conditions will be 5 years from now. I hope that they will be such that further loans will not be necessary, and I certainly would not vote for any loan in this Congress that in my judgment was not tremendously important for the interests of this country.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. May I save the gentleman a little embarrassment by saying that nobody else on this earth

knows what we will have to do in the future.

Mr. OUTLAND. That is what I was trying to say.

Mr. GAMBLE. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from New York.

Mr. GAMBLE. I was going to add that it is not contemplated that these loans are all to be made by the bank itself. Most of the loans will be private loans guaranteed by the bank so that the capital of the bank is not used to that extent. We do not know how many loans will be made of a private character, but such as are will be guaranteed by the bank and by the country or central bank of origin.

Mr. OUTLAND. The gentleman is correct.

May I say a further word regarding the answer which I gave to my colleague the gentleman from California [Mr. HINSHAW] whose question evidently I misunderstood. I thought he was referring to political parties. In the final discussion of this bill in the committee I think it ought to be stated that under the very able and fair chairmanship of the gentleman from Kentucky [Mr. SPENCE] there was an absolute minimum of partisanship in the discussion. The bill was passed out by a vote of 23 to 3. Republicans and Democrats joined together, and I would deplore and condemn any action on the part of anybody to turn the Bretton Woods agreement into a partisan political matter. It is not. It is an American issue which far surpasses any party line.

Mr. SUMNERS of Texas. Mr. Chairman, if the gentleman will yield further, may I make the observation that the members of this committee have placed this matter upon a very high plane of statesmanship, it seems to me. I do not observe, as an outsider, any spirit of partisanship or any purpose of partisanship. I think it is recognized that this committee cannot see into the future. We do not know what is going to have to be done. Could the gentleman indicate to us what there is in this bill that will protect this country from the position of being easy? That is what a good many people are becoming concerned about. It has been said that we are making contributions on the theory that we are pretty easy. Is there not an obligation on the part of people who are going to get benefits from this thing to come along and do their part of the job?

Mr. OUTLAND. I think that is a very fair question and one which a great many individuals and groups in America will be asking. I would say, in the first place, that the American delegates who went up there, including Members of this Congress—I would not say, as one of our colleagues did this afternoon, that they were amateur diplomats—represented as they were by our committee chairman, our ranking minority member, two Senators, representatives of the State Department and other departments of Government, went up there with the primary motive of guarding the interest of the United States.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I yield two additional minutes to the gentleman from California.

Mr. OUTLAND. I asked Mr. Acheson, and I believe I asked Dr. White, when they appeared before our committee, after the Bretton Woods Conference was over, did they believe the interests of the United States had been adequately protected. Both answered in the affirmative, and they cited as evidence of that certain provisions which tended to safeguard the use of the funds.

In addition, I would say to the gentleman that the addition of the last two sections of the revised bill, amendments which were added in the committee, one proposed by the gentleman from Michigan [Mr. WOLCOTT] and one by the gentleman from Georgia [Mr. BROWN], threw further safeguards around the one phase of the agreements that many people were concerned about, namely, the fund. By limiting the use to which the fund could be put and by definitely expanding the use to which the bank can be put, it seems to me the interests of the American people are more than safeguarded. I doubt very much that anyone can say this is another case of Uncle Sam playing Santa Claus.

Mr. SUMNERS of Texas. The gentleman is making a very clear statement.

Mr. OUTLAND. I thank the gentleman.

Mr. GAMBLE. Mr. Chairman, I yield 20 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

AMERICAN TRADE POLICY

Mr. ELLSWORTH. Mr. Chairman, the legislation now before Congress to ratify Bretton Woods and authorize executive reductions in the tariff marks a new commercial policy for the United States. The same thinking runs through the discussions of world security at San Francisco and the whole gamut of current planning and propaganda for organizing an era of peace.

In our zeal for a new and better world, we are—for practical purposes—inviting economic partnership with all men. We propose to underwrite a vast program for financing the world's reconstruction and stabilizing international credit. We propose to aid economic recovery and link the nations together in trade by opening our own markets widely to foreign goods.

No tender of partnership could be more specific or more welcome than a general reduction in American tariffs. The United States represents the one large hard money market on the globe. It is the one great trading and consuming area whose currency is maintained at par and consequently brings a premium in exchange for any other currency. Every other nation is eager to sell its goods in the United States and take our hard dollars home to bolster its own economy.

I recognize that the United States is committed to leadership in international relations and must break new ground in its commercial policy. But in our desire to lead the way in economic cooperation, let us not overlook a few cold realities.

Every other country will take our proffered partnership with its own reservations and holdbacks. It will think first of its own interests. Take the basis for all world trade—the relative value of a nation's currency.

Under Bretton Woods every participating nation declares its own rate of parity, or discount in American dollars, as it existed 60 days prior to inauguration of the plan. Any nation may raise or lower its exchange discount 10 percent at will; and no discount rate can be changed without concurrence of the nation directly concerned. With all its noble phrases on international cooperation and stabilization, Bretton Woods leaves in the hands of each country the most powerful factor in its own trading position, namely, the value of its currency in relation to other currencies.

Let me illustrate by a typical business transaction. The Canadian dollar is fixed by decree of the Dominion at 10 percent under the American dollar. A Canadian manufacturer may sell lumber in Minneapolis or New York, in competition with American sawmills, at $40 per thousand board-feet. The domestic operator takes home 40 American dollars for wages and other costs of production; but his competitor takes home 44 Canadian dollars on exactly the same product, although at home the Canadian dollar has greater buying power for labor and goods than the American dollar has within the United States.

If the Canadian lumberman bids $39 per thousand feet to take business from his American rival, he still gets $42.90 in Canadian currency for wages and other costs of production.

If we box the compass of world trade, we find the same competitive handicap against American goods at almost every point. If the actual costs of production and transportation were identical, British textiles could still undersell American fabrics in our home markets by virtue of the current discount of 18 percent on sterling. Swedish wood pulp could undersell American pulp, right in New York, as it has often done, by the low exchange rate on kroner, which invariably sticks closely to the discount on sterling. The world map is studded with adverse exchange discounts—the most effective of all barriers against American goods. The power to quote lower prices created by favorable exchange covers every market where American goods attempt to compete with foreign goods. Wherever American lumber, paper, wheat, or flour competes with similar products from Canada—in Liverpool, Amsterdam, Buenos Aires, Shanghai, or Boston—it must either overcome the deadly handicap of 10 percent in currency value or surrender the market.

I submit that no country will voluntarily give up this tremendous commercial advantage which Bretton Woods offers to freeze under its own control.

Many countries will fight as hard to hold the benefits of preferential tariffs, of shipping or export subsidies, of their special trade deals and discriminations which are often of long standing. The nearer we approach the end of war, the more dim and foggy become the noble sentiments expressed in the Atlantic Charter; indeed, the specific commitments to eliminate trade barriers writ-

ten in article XII of the lend-lease agreements. We hear much more today about the need for economic solidarity within the British Empire. We read of new trade agreements between Russia and Filand, between Great Britain and Sweden. It is obvious that the reciprocal trade policy of the United States will run afoul of many old discriminations and preferential alliances, often reinforced by the urgency of immediate recovery. The very nations who want more sales in the United States will be hard and tough in holding every trade advantage they now have.

I do not ask that the Government draw back from its leadership in international cooperation. But I do urge that it be alert to the intense economic rivalry and struggle for selfish advantage, to the hard, realistic bargaining it will meet everywhere in the postwar world. In plain terms, let us follow no theory of idealistic cooperation to the practical result of selling short either American labor, American standards of living and social security, or the natural resources and economic advantages of the United States.

I wish to apply these general observations to an important group of natural-resource industries and the labor which they support. These are the industries maintained by our forests.

I come from a region where 80 percent of the acreage today is forest-growing land; where 60 percent of the peacetime pay rolls and 75 percent of rail and water traffic are created by the forests. But I wish to speak no less for the great forest industries of the Central, Eastern, and Southern States; for the one-third of the soil of the Union which is forest land and whose future usefulness depends upon sustained and prosperous forest industries. I speak especially for the nearly 1,000,000 workers who are employed by our forest-borne industries and for the postwar employment available in forest growing and forest utilization.

The sustained timber cropping of the 460,000,000 acres of commercial forest land, spread through forty-odd States, offers one of our greatest opportunities for economic progress. Let me show by a practical illustration from home what this may mean to a community.

An average acre of Douglas-fir forest, adequately protected from fire, will produce and harvest 41,000 board feet of lumber in 60 years. In the process of conversion and transportation to market, that 60-year crop from 1 acre now pays: $664 in wages, $387 for operating supplies, $44 for local taxes and social and industrial insurance, $172 in State and Federal taxes, $676 in rail and waterborne freight.

This example could be matched in every other forest region of the United States and with many other forest products. Not merely our billions of feet of merchantable timber—our millions of acres of forest-growing land is a great latent source of economic strength.

We are still a long way from full use of the productive power of this land, but we are gaining steadily. Aside from the well-advanced sustained-yield management of most of the public forests, there are now 786 private tree farms in the United States with a total of some 10,000,00 acres. These lands are committed to the continuous production of timber crops. Other large forest holdings are, in fact, under the same kind of long-range management. A survey by the State forest departments in 1940 showed that 90 percent of all industrially owned forest lands is in productive condition. It is growing timber, though often only a partial crop.

An appraisal of the forest resources of the United States, as the war will leave them, is now under way. In advance of its completion it would be foolish to attempt a reckoning of just where we stand in timber supply and regrowth. But from the standpoint of forest policy a few broad facts are clear.

The virgin forests of the United States are gradually disappearing. Our source of wood has already shifted, probably by one-half, to regrown forests. This shift will continue until the timber crop becomes our main—ultimately our only—source of supply.

The prewar annual timber crop of about 11,000,000 cubic feet was less by 17 percent than the total of yearly cut and fire loss. The prewar crop of saw timber was less than the total drain by 33 percent. This was the result of forest fires, of destructive logging practices, and unsound taxation and other forms of economic insecurity surrounding forest ownership.

However, the annual timber crop is steadily increasing. This comes about from more widespread protection against fire, from the cooperative and educational work of the Federal services and many State departments, from laws controlling destructive practices in several States, and from a constantly expanding commercial interest in timber growing as a business.

Industrial forestry, expressed in tree farms and many similar enterprises, is the most promising phase of our timber supply. In most regions of the United States it has been demonstrated that timber growing pays, and American business is gradually taking over the job. Therein, in my judgment, is the key to our national policy.

While the growth of timber in this country is still short of our combined requirements for forest products and wastage from forest fires, we are moving steadily toward a balance between growth and drain.

There is ample evidence that the general application of methods of fire control and timber culture now in practice in every forest region by private and public forest owners alike, will yield an annual timber crop in excess of the greatest cut taken from our forests in the heyday of past exploitation.

Many are concerned over the inroads of the war upon our forests. While war demands have been heavy and have caused overcutting in some parts of the United States, the over-all "take" of timber has been less than in many of our peacetime years of active building. On the other hand, the war has brought positive benefits to American forestry. It has brought into use much low-grade and second-quality timber which previously could not be marketed. Loggers in the Pacific Northwest now salvage 15 percent more timber, in the form of low-grade logs which formerly were consumed in slash fires. The war has introduced and proven many new technologies in timber utilization and the recovery of useful things from mill and logging wastes. And the generally higher scale of values for forest products has stabilized land ownership and markedly stimulated commercial reforestation.

The effects of war will disappear in a few years of increasing growth from our vast area of forest land. I am much more concerned over the effects upon American forestry in the long run of the new commercial policy of the United States.

I do not subscribe to an economy of scarcity for our forests. I do not believe in hoarding this resource or in seeking imports to restrict the use of the timber at home. Rather let us bring our 500,000,000 acres of forest land into full production. Let us create and expand forest industry—not restrict it. Let us give every encouragement to farm forestry and industrial forestry. And particularly let us surround this use of land with the economic security of assured markets at home and abroad under a consistent national policy.

With lumber growing as a field for private initiative and investment, goes more complete timber use and the conversion of waste into new pay rolls and new products. There will soon go into production in Oregon, the first plant in the Western Hemisphere for converting sawdust, shavings, and other sawmill wastes into wood sugar and thence into ethyl alcohol. A plant now in production on Puget Sound recovers ethyl alcohol from the waste in manufacturing wood pulp. These examples illustrate recent gains in forest-using technology, gains in wood lamination, wood pulping, wood plastics and a hundred new forms of processing or frabrication. They all add up to making more hours of work, more dollars, more salable goods, and tons of traffic out of the same tree.

In addition to the volume of employment, the total of yearly man-hours, obtainable under a coordinated policy of forestry, we should be concerned with maintaining high wage and living standards for the workers in forest industry. In the Pacific Northwest, the average lumber-industry wage in 1944 was $9.28 per 8-hour day; and the average yearly payment for industrial insurance, unemployment compensation, and security benefits was not far from $200 per employee. These are some of the practical things our negotiators should keep in mind when they bargain across the table for world trade.

It is my conviction that all of these goals of a successful forest policy cannot be attained—either in the Pacific Northwest or in New England or in the southern pineries—without vigorous and profitable forest industries. We must provide a commercial incentive for the continuous growing of timber and for expanding investments in new forms of wood utilization. We must make it pay to grow trees. Say what you will about

governmental power to regulate industry in this and that, we will never solve the forest problems of the United States on a plane of full use of land and maximum production and employment without the driving power of private enterprise and the profit motive.

Nor, in our schemes for world cooperation, should we take this productive power of American capitalism for granted. It should be the constant concern of the Government to encourage industrial and farm forestry through a coordinated national policy. Like our agriculture, this is one of the cornerstones of national well-being. Do not forget that it affects 460,000,000 acres of land, more than we have in all farm crops excluding pasturage. Here is a great resource that should not be impaired or bartered down around international council tables.

Let us be specific. Ten or twelve years ago I saw the wood-pulp industry of the Pacific Northwest down to one-third of its normal production because of excessive importations of Scandinavian pulps, produced in the "sterling area" of depreciated currency and sold in the United States at around 70 or 80 cents against the American dollar. But the Treasury Department refused to invoke its antidumping powers to protect American forestry and forest labor from this invasion of cheap European currency.

When the Canadian dollar was officially pegged at 89 cents of American money in 1939 and imports of Canadian lumber rapidly increased, the State Department refused to exercise the very rights reserved in the Canadian Trade Agreement, to protect American producers from this form of competition.

If our Government follows this pattern of negotiation under the exchange discounts of today, which will be official rates by the specific terms of Bretton Woods, it can result only in American pulp plants, sawmills, and other timber-using factories standing aside in our own domestic markets until cheap foreign goods produced under depreciated currencies, have taken what they choose.

The reciprocal trade policy was launched nearly 10 years ago. But there has been almost a total lack of reciprocity in its dealings with lumber. The net effect of two trade agreements with Canada and one with Great Britain has been to cut the American lumber duty in half and, by generalization, to extend the benefit of this reduction to every lumber exporting country in the world. On the other side of the ledger, a few reductions in foreign lumber duties have been made; but with no practical effect on the volume of trade. From 1934 to 1942, all exports of American lumber declined 74 percent, from 1,331,000,000 board feet to 355,000,000. In this same period, lumber imports increased 80 percent, from 287,000,000 board-feet to 1,480,000,000. The position of the United States in world lumber trade has been reversed. From a lumber-exporting country we have become a lumber-importing country.

The greatest and most deliberate discrimination in world trade, the system of preferential tariffs running through the British Empire, remains practically unbreached by the American reciprocal-trade policy.

Now we are about to start a new era in world relations. We still thrill to the exaltation created by the efforts and sacrifices of war. We still cling to the hopes inspired by the Atlantic Charter and the moral obligations of lend-lease. We are fired by promise of world collaboration at San Francisco.

But we will shortly descend from this high plane of idealism into cold, tough bargaining with selfish nations, each striving to reestablish its own economy and to hold every trade advantage it can.

It is my plea that our President and executive departments temper their zeal for world-wide cooperation with a practical business understanding of the realities necessary to our own recovery and reemployment. It would not help the rest of the world very long to take the economic progress of the United States for granted, and by too liberal monetary or trade concessions head this country back into unemployment and depression. We can best help the world by reestablishing our own economy securely, by maintaining full employment and high wages at home, and by zealously developing our own natural resources like agriculture and forestry.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentlewoman from Connecticut [Mrs. WOODHOUSE].

Mrs. WOODHOUSE. Mr. Chairman, the proposals before us for the establishment of an International Bank for Reconstruction and Development and for an International Monetary Fund must be viewed both from the angle of technical efficiency and from the angle of our broad economic and social goals. The first cannot be reviewed in detail here in our few hours of debate. These agreements come to us after some 3 years of discussion by technical experts and as the work of representatives of 44 nations.

There has been no important opposition to the bank. None of the opponents of the fund have proven defects in plans for its technical operations. They have referred to them as complex and impossible to understand. Actually the techniques of the fund are neither complex nor novel. They represent no more than an extension to multilateral agreement between 44 nations of the methods used by our own Stabilization Fund, which has operated since 1936 without loss. True, the terms are unfamiliar to the layman; but so are the terms used by the engineers who build the bridges over which we all drive. The fund is in a very real sense an economic bridge over which we may hope to move from international monetary confusion to international monetary stability.

The real issue before us today is, Will the acceptance of the Bretton Woods agreements be a step toward our economic and social goals? The answer is a definite "Yes."

The peoples of the world want peace—the security of peace which will give them freedom to live and develop a finer civilization. Science has made peace necessary. It has made the world one great neighborhood. It has made war world-wide. And peace to be lasting must likewise be world-wide.

This war is being won not only by military and political cooperation, but also by economic cooperation. It has brought home to us what we had been gradually learning—that our major economic problems are world-wide problems and that they can be solved only by world-wide cooperation.

Any charter for world organization coming out of the San Francisco Conference will function only if propelled by suitable international economic machinery. Unemployment, economic depression, diminishing world trade, competitive currency depreciation, and trade controls are ultimately as fatal to world peace as are acts of political aggression.

Economic nationalism was a decisive factor leading to the outbreak of the war in 1939. Competitive devaluation of currencies, trade barriers, exchange controls, multiple currencies, clearing agreements, trade quotas, all were weapons of economic warfare which eventually meant shooting warfare. The 1920's and 1930's should have taught us that we have a choice only between economic warfare and economic international cooperation.

At San Francisco eyes have been focused primarily on the Security Council—and under the circumstances quite justifiably. The Security Council is geared to deal with aggression or potential aggression. But the much less discussed Economic and Social Council has the great potentialities for preventing aggression. The peoples over the earth are demanding a higher standard of living, freedom from want, freedom from fear of periodic semistarvation or of periodic unemployment. There will be turmoil and fear of war unless their demand is met.

The Bretton Woods agreements offer a first step in this direction. The proposed International Bank for Reconstruction and Development and the International Monetary Fund operating under the Economic and Social Council will provide the basic machinery for reconstructing the economic life of the world.

These proposals which come before us today have been given careful consideration by the House Committee on Banking and Currency. Mr. W. Randolph Burgess, president, American Bankers Association, who opposed certain features of the original bill is quoted in the press as saying:

> If you read the records I think you will agree that the hearings have been of high quality and in good spirit. The committee has impressed me by its full attendance, its very great interest in the question, and its obviously careful study of the highly technical and difficult problems. Every witness has been given a fair hearing and the questioning has mostly been of high order. It has been to me an encouraging demonstration of the workings of our American system of democracy.

The New York Times, which likewise opposed certain parts of the original bill, makes the same general comment editorially, June 4, stating in part:

> The result illustrates the working of the democratic process. * * *
>
> As these * * * amendments to the Bretton Woods agreements are sound and in

the right direction, and as well considered amendments are unlikely to be offered on the floor, the best course for House Members, we think, should be to approve the agreements with the amendments as drafted by the committee.

Critics of the fund are chiefly from the ranks of those who do not favor an expanding economy at home nor tangible cooperation abroad. But as Secretary of State Stettinius in his report on San Francisco, May 29, stated:

We must choose between a constantly expanding economy throughout the world or mass unemployment in our own country. Full participation in the economic and social council provides us with our greatest opportunity to break, once and for all, the vicious circle of isolationism, depression, and war.

The proponents of the fund base their case on the need for stability, order, and freedom in exchange transactions without which we cannot have the expansion of world trade and the international investments essential to the attainment and maintenance of prosperity in our own country and elsewhere. Further, world conditions since World War I indicate very clearly that stability in the international exchange structure is impossible without such implemented international cooperation as is provided by the fund.

It would not be enough to attempt to stabilize the exchanges of a few key countries. We are directly interested in the exchange rate of all countries, in international trade on a world-wide scale. Exchange stability of the currencies even in small countries is important to other countries. Exchange depreciation is contagious, and spreads whether it starts in a small country or in a large one. Real exchange stability demands real international cooperation.

We should not, as some have suggested, put off the establishment of the fund until some future date when economic conditions in various countries are more stable. Monetary stability is a factor in arriving at economic stability in the now disrupted countries. The fund will give them confidence to use their own limited resources in helping attain internal stability and revive production and trade. The need for the fund is greatest in the days immediately ahead. It will prevent violent swings of exchange rates. Without the fund such fluctuations will force individual countries to take action each to protect itself regardless of the resulting injury to other countries. This would mean a return to the unilateral action of the 1930's and a return of the old weapons of economic warfare, or at best the development of blocs of countries grouped about a strong currency, such as the sterling bloc. The opportunity for world-wide economic cooperation, for a firm basis for peace is before us. The fund presents to us this chance for economic stability and peace.

The fund offers an orderly method for determining initial parity values for the currencies of the member nations and for making changes in the parity of the currency of any country as changes in economic conditions make this necessary. Changes will be made as world conditions change. The fund provides for the desirable flexibility without injury to other nations.

The alternative to mutual agreement provided by the fund is not a return to the old pre-World War I ways of conducting international trade. The alternative to the fund is a system of international trade under Government control and bilateral agreements with the United States standing alone waging a losing fight for free enterprise in a free world market.

Nor is a return to the old international gold standard a possibility. Conditions today are very different from those under which it operated with a high degree of efficiency before World War I. Then trade was relatively free over a wide area of the world, tariffs were relatively stable, the most-favored-nation clause was usual; there was almost complete freedom of capital movements. There was an atmosphere of confidence.

All these conditions are gone. The gold standard broke down at the outset of World War I and in spite of heroic efforts on the part of Great Britain and other countries it never again functioned in the old way.

The great difficulty is that the rigidity of the gold standard forces a country to adjust its internal level of income, wages, and prices to the fixed exchange rates. Today the governments and the people are not willing to operate in this way. They are determined to do the opposite; to maintain a high wage level and the social services at home and where necessary, because of a change in their trade relations with other countries, to adjust the rate of exchange. The fund provides a way of doing this in an orderly fashion and without disrupting conditions in other countries.

The dangers some see in the management of the fund are largely based on dislike of certain current social policies, not on any technical flaws in the fund. For example, dollars will not be chronically scarce if the United States follows a program of full employment, liberal trade policies, and long-range investments in underdeveloped countries, all of which seem indicated as having the backing of the majority of the American people.

There are adequate controls to guarantee that access to the resources of the fund will be safeguarded and that it will not be dissipated. Its success is important, not only to us but to the other 43 nations. It would be no more to their interest than to ours to wreck the fund. Moreover, no international accord will ever be achieved if we view other countries with suspicion and expect them to try to outdo us and exploit our generosity. We and other countries must and will learn to work together to our mutual advantage. Our choice is—cooperating, working, and living together, or each going our own way, and eventually fighting and dying together.

And as to the cost, as pointed out by Senator TOBEY, our total subscription to the fund and the bank is the cost of this war for only 23 days. This is a very inexpensive insurance, a very low payment for a real opportunity of establishing international machinery which will stabilize the currencies of the world and thus make possible a great step toward a cooperating international economic system which is the true basis for world peace.

The very widespread backing for this bill would seem to indicate that the common sense of the great mass of the people in the United States recognizes the Bretton Woods agreements for what they are, the first step in the building of an economic world organization that will make peace possible.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Illinois [Mr. RESA] such time as he may desire.

Mr. RESA. Mr. Chairman, the wisdom, importance, and necessity of the Bretton Woods proposals have been amply revealed in the proceedings before the House Committee on Banking and Currency and by the able statements made during this discussion of the bill providing for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development. From my first study of the Bretton Woods proposals I have consistently advocated their adoption. So firm was my conviction that they should be agreed to by our Nation that I made support of them the keystone of my campaign for election to membership of this honorable body. The very considerable plurality by which the votes cast for me exceeded the votes cast for my opponent clearly indicates that my advocacy of the Bretton Woods proposals has been and is in accordance with the judgment and the wishes of the people of the Ninth Congressional District of Illinois which I have the honor of representing in this Congress.

Accordingly, I take great satisfaction in the cogent reasons offered to this body in support of this bill. The gentleman from Michigan [Mr. WOLCOTT] has caused to be published in the CONGRESSIONAL RECORD a letter in which my predecessor, Hon. Charles S. Dewey, states that if he were a Member of this Congress he would vote in favor of this bill. The gentleman from Michigan also referred to this letter in the statement made upon this floor by him today. I conceive that he regards the letter and his reference to it as offering support to the bill. I do but wish that he had indicated at greater length the extent to which the letter and his remarks may be so regarded. The intrinsic merits of the Bretton Woods proposals are shown most clearly by the great distance which a study of them has brought Mr. Dewey from his original position of opposition to them. I think that the extent of this change of position is a strong endorsement of these measures and its implications should not be underestimated. It is, of course, unnecessary for me to call to the attention of the Members of the House the unconditional and unqualified opposition to the Bretton Woods proposals expressed by Mr. Dewey at Bretton Woods on the occasion of his unofficial presence there during the conference. Members of the House desiring to appreciate the full significance of his change of heart need only to read the position outlined by him at length in an address before this honorable body on August 14, 1944, appearing in the CONGRESSIONAL

RECORD of the Seventy-eighth Congress at pages 7000–7004.

An examination of the proceedings of the Committee on Banking and Currency in the consideration of this bill shows the thorough and statesmanlike consideration given by the committee to this important legislation and invites a respectful and confident consideration of its conclusions.

I am voting for this bill not only because I believe it is right but because my constituents expect me to do so in fulfillment of commitments made by me to them in the campaign which resulted in my election.

Mr. GAMBLE. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. KUNKEL].

Mr. KUNKEL. Mr. Chairman, it is not my purpose to make any extended speech, but just to make a few remarks and observations on this International Monetary Fund and the bank and the Bretton Woods proposal. In the first place, it is admitted at the outset by nearly everyone that the whole proposal is at least 50-percent good. Agreement on the advantages of the bank is almost universal. While the bank has not been discussed at great length here today, there is one feature of the International Bank which I would like to stress. At the end of the last war the United States lent a great deal of money to various countries, and most of it was never repaid.

At that time those countries called us "Uncle Shylock." Whether they were in the right or we were in the right is a question that has long since ceased to be material, and there is no use in resurrecting it now. The fact remains that the odium of being the only creditor fell upon us. As the only creditor, we lost our money and received criticism instead of sympathy.

If these loans are made to other countries from an international bank in which 44 nations are all participating, then any defaulting nation is repudiating an obligation which is partially owned by each of the other 43, and there will be a tendency in that respect to cause a nation to be more anxious to repay. If it did not, it would be in the bad graces of the society of nations.

It is somewhat like the case of a loan from one man to another man. If you loan a man $5, the first time he sees you he says, "I am sorry, I cannot pay it," and the next time he manages to dodge you before you can ask for it. Eventually you lose a friend. That is what happened to us after the last war. If you deal through a bank which has its methods of orderly collection, that is avoided. Payment is systematic, punctual, and orderly. Nonpayment ruins the debtor's credit generally. I believe that in the international field an international bank will operate to some extent the same way in international relationships as in the case cited above of an individual debtor and a bank.

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I yield to the gentleman from Ohio.

Mr. THOM. May I observe in connection with something that was asked here previously about the security of these loans that it is a fact that each country in which a loan is made by the bank guarantees that loan.

Mr. KUNKEL. The central bank of the country guarantees the loan and also the central bank of the country in which the loan is floated, if it is a guaranteed loan, so that there is a double guarantee there.

Mr. THOM. Also, any country in which it is attempted to float a loan has the right to reject that loan.

Mr. KUNKEL. That is correct. If a guaranteed loan is attempted to be floated in the United States, the United States would have the veto power and could refuse to permit the loan to be floated.

In the second place, the final bill as reported by the committee is a most successful compromise between a number of conflicting viewpoints, due in great measure to the spirit of cooperation by all the members of the committee and also by the officials of the Treasury Department and the other interested parties.

It should be frankly stated in this connection that there are certain objections and certain flaws and certain provisions in the fund which are still very dangerous. They can be misused. But the amendments adopted go as far as can be gone in the direction of eliminating them without changing the articles of agreement signed by the 44 nations. If you changed the articles of agreement of the fund or the bank, either one, it would be necessary to have each of the other 43 countries assent to those changes. You would have to establish a new contract, so to speak. That might be extremely difficult to do. As a matter of fact, reading about the San Francisco Conference during the last few weeks, coming as it did on top of the Dumbarton Oaks Conference, where more or less of an agreement was reached, it strikes me that the dangers inherent in a new conference on a monetary question would have been greater than I anticipated during the time in which the committee hearings were being held.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Have any other of the signatories or proposers had legislative or official approval of the fund or the bank up to date?

Mr. KUNKEL. No. That was the next point I was going to touch on. We attached these amendments which state the viewpoint of the United States and the interests of the United States which we wish to protect. It is interesting to note, in my opinion, at least, that those amendments state not only what is necessary for the protection of the interests of the United States of America, but they also state, or restate, you might say, the purposes of the fund as set forth in the first article of the fund. The fact that we will have passed this legislation with those amendments incorporating our viewpoints in our legislative act of acceptance is a notice to every other nation that accepts the plan hereafter that they are doing it with full knowledge that our interpretation is as set out in this act of acceptance, and they should be governed accordingly. I believe that acting first is an advantage, and that it will establish our interpretations in preference to the interpretations that other countries might have desired to place upon it.

Mr. VORYS of Ohio. Would not these series of interpretations have the same force as changes in the agreement without the diplomatic and psychological consequences of attempting to get the agreement changed.

Mr. KUNKEL. No; because these are not changes in the agreement. These are merely directions to our director of the steps he is to take. He is to ask for an interpretation. If the interpretation is adverse, then he is to ask that the articles be amended in accordance with the directions of the Congress, so that it does not touch the agreement. It leaves with the fund the power to reject our interpretation. It contemplates action through the fund's organization. It does not operate directly upon the fund.

Mr. VORYS of Ohio. On the other hand, for instance, section 14, which would seem to me to be a rather strong suggestion on our part as to what the limitation should be on the fund, would be rather compelling, would it not, on other countries that come along and accept the agreement after they know that we have placed that interpretation on it?

Mr. KUNKEL. I do not think it would be exactly compelling, but at the same time they would make their acceptance will full knowledge of what our interpretation was and what our instructions to our governor and our director were.

Mr. HINSHAW. The gentleman from Pennsylvania has had the opportunity of going abroad and discussing this question with some of the leading lights among other member countries which are interested in this Bretton Woods fund. I wonder if the gentleman would tell us whether the statement made heretofore on the floor to the effect that their understanding of this matter and ours do not coincide, is correct; and I would like the gentleman to elaborate on that as much as he can.

Mr. KUNKEL. There is considerable opposition to the fund in Great Britain, stemming from directly opposite causes to those actuating the opposition started in this country. In England they are much opposed to the gold standard and have been ever since their disastrous experience in trying to resume it too quickly at the wrong figure, in the late twenties or early thirties. So, ever since then England does not want anything that savors of the gold standard. England had operated on the gold standard successfully for many, many years before and I believe that difficulty might in time be eliminated. But the most troublesome question with the English and the one that bothers them most is this: England's vital interest is export trade. Export trade is important to the United States, but it is vital to England. It might be called the cream of the bottle for the United States, but it is the cream and the milk in the bottle for England. So that they do not want to take any chance of doing anything destructive of, or even jeopardizing their foreign trade. They know they will have a tough battle

to regain it anyhow. They have these currency restrictions in effect. They may want to devalue a little. At the end of 5 years they are supposed to remove the currency restrictions, under the terms of the fund, unless the fund gives England permission to extend them. England is afraid that if she accepts the fund, at some time the fund will insist that those restrictions on their currency be withdrawn, and that that insistence or order from the fund will come at a time that will seriously cripple and interfere with their recovery or their success in the foreign trade.

Mr. HINSHAW. Is the gentleman speaking of the sterling bloc restrictions that we have heard of?

Mr. KUNKEL. Well, partially. The sterling area would not be affected by this fund at all, as conducted before 1939. Before 1939 the sterling area consisted mainly in balances carried in London as a central bank. There were some few exceptions, of course. For instance, before 1939, the general pattern was: if somebody in Australia wanted to buy goods in America he could tell his London banker to spend so many dollars for that, and London would supply the dollars. The Australian balance was in sterling but it could be freely exchanged for dollars. Then in 1939 it changed. London put certain restrictions on the outflow of all kinds of foreign currency. London induced other sterling countries, namely the dominions, to do likewise. The United Kingdom established what is known as the dollar pool, which draws in the dollars from all countries in the sterling area to London, and London distributes them, mainly as London thought wise for the war effort. The dollar pool part of it would eventually have to be abolished under the fund, but the sterling area system existing with the coordination between London and the dominions and certain other countries—I think Sweden was one of them—could and would continue with or without the fund. England would never have gone into the fund if the sterling area would have been abolished under it. Incidentally, one thing that is of interest and generally overlooked is that Canada is not in the sterling area. Also Canada has no blocked balances in London. Canada provided materials through a policy of mutual aid, somewhat like our lend-lease.

Mr. HINSHAW. May I ask one further question? As I understand it, and if I am wrong I trust the gentleman will correct me, at the present time a country which has blocked funds in England—and I am speaking of such a country as Brazil or Chile or any other country of that sort—is unable to transfer its demand upon England to any other country. For example, they would not liquidate the demand that they have upon their funds in London by selling them to the United States. Hence they are required, as I understand, at present to deal through London in the repayment of that fund. Does the Bretton Woods agreement provide for any loosening of that situation?

Mr. KUNKEL. It does not touch blocked balances at all. I have also heard the statement that it is a scheme to permit the British to shove the blocked balances over on us. I cannot see how blocked balances are affected one way or the other by the Bretton Woods agreement. That is really a deal between the United Kingdom and these countries. There are about $14,000,000,000 in blocked balances and it is mainly owed to the dominions and possessions. I mean members of the Empire. India is the largest holder of blocked balances. It is a debt that England will have to settle some time, somehow, with those countries.

While, of course, blocked balances are a liability, they are at the same time an asset in a way. It is just like the case where a person owes another $10,000. The one to whom the debt is owed will try to collect it if he can. If the person owing the debt goes to his creditor and offers to sell him $500 worth of coal at the market price and to take half cash and the other half in credit on the note, that is a good inducement for the creditor to deal with that debtor instead of with some other coal dealer. So there are trade advantages, as I see it, to the United Kingdom in the blocked balances. At the same time it is a tremendous debt which the debtor country will have to take care of somehow. I have dealt with the matter in a practical way for I confess I cannot answer dogmatically as to whether a country can sell its blocked balances assuming it could find a buyer. I imagine it would be rather difficult to find a buyer for the blocked balances; and also it is perfectly possible that there was a type of agreement at the time the blocked balances started to pile up which would prohibit the country from turning them over to some other country.

Mr. HINSHAW. That is what I wondered and what I have understood, that there were definite agreements, and as long as the agreements are in effect it was going to be very difficult for us to trade with a country that holds those blocked balances. I wondered if the Bretton Woods agreement took care of that in any way.

Mr. KUNKEL. I cannot see how Bretton Woods would affect it one way or the other.

It is a proposition the United Kingdom will have to work out with the nations who hold the blocked balances.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, there has always been one thing I hoped I could avoid, and that was needless or unnecessary talk. I am afraid I am about to violate that rule in this instance. When I remember the speeches delivered before the membership by the chairman of the Committee on Banking and Currency and the ranking minority member; and knowing they have been familiar with this subject from the beginning, I am impressed with the conviction that for me to undertake to add to their statements or amplify them or stress any part would be a useless undertaking. But having in mind the very great importance of the occasion I have been willing to violate such a rule in undertaking to discuss some of the things connected with the legislation which engages our attention now.

I suppose there has never been even among all the trials and important issues that we have been called upon to consider in the last 3 or 4 years a more important subject than that which is embodied in this proposed legislation. There has been nothing we could do except to prepare for war, because the most lazily minded person must have seen as far back as 1939 and 1940 that it was a practical impossibility that the United States should not be drawn into the great world conflict into which we were drawn of necessity. We come now after having gone through at least half of the great ordeal that came upon us and yet not forgetting that we must lend ourselves to the completion of the task of winning a complete victory with unconditional surrender on the part of the powers who in their meanness have brought on so much suffering, grief, sorrow, destruction, pain, and death to establish peace and order. The only thing we can do is to complete that task and then undertake to make ourselves somewhat worthy of the unusual and extreme sacrifices made by the men who have died on the several battlefields of the world for the cause of freedom and the purposes of peace, that we shall here dedicate ourselves to the enactment of such laws as will give promise at least of reasonable assurance that this thing shall not occur again.

Early in the realization of our bounden duty, to those who will not be on earth as our companions again, to those who have made the supreme sacrifice, to those who have had to give up their sons, never to see them on earth again, to those who have suffered every manner of privation and sorrow beyond words, we owe the duty, the solemn obligation, to do everything we can that will lend promise with whatever assurances there may be that this thing shall not happen again.

We have in that realization declared that we will dedicate ourselves and all we have, and all we hope or expect to be, to a just and lasting peace. We are undertaking to meet that promise today and it is not an idle suggestion to say that that is what is involved in this legislation.

We are going to remain true to that promise or we are going to despise it and be untrue to the obligation we took when we passed the resolution that we would dedicate ourselves to the accomplishment of a just and lasting peace in the world. I am of the opinion that in large measure it will be an idle gesture of the charter that is to be adopted at San Francisco if we fail here, and that it will be finally stymied if we in this instance fail to follow up with a concrete and symbolic assurance that we propose to do what that charter promises to do. Economic disaster will bring about political and actual war. The Bretton Woods agreement is in reality one of the important cornerstones of the structure which we mean to build for the peace and security of the world. I am not trying to frighten anybody, any Member of this body, or the

coordinated body of the Congress, by the assertion of this truth, but I will ask every Member to examine his own conscience and his own soul with all the intellectuality or intelligence he possesses, and then inquire if he can answer if this is not, as a matter of fact, one of the cornerstones necessary to the building of a structure for peace and security in this world.

I want to read the purposes of the fund and the bank. I may be a little bit too much inclined to believe in and accept the good intentions of other men, but I do not propose to seek another avenue of life on this earth. I believe in men. By and large I believe that wherever they may be found, they have been made in the image of God and after His own likeness, and, therefore, I put a whole lot of faith in what they propose and say.

In this instance we have 44 nations that have declared the purpose of the fund and of the bank, and it is not an idle stand to accept as fundamentally true the announced purposes in these two great instruments that we call the Bretton Woods agreement.

The purposes of the International Monetary Fund are:

1. To promote international monetary cooperation through a permanent institution which provides the machinery for consultation and collaboration on international monetary problems.

That is something that we did not heretofore have; a thing devoutly to be wished by every freedom-loving man on the earth, and against which I would not dare to raise a finger in any pretext or through any element of doubt after I have come to the point where I believe in the good intentions of men generally.

2. To facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy.

This is to promote exchange stability rather than to make economic warfare year in and year out, each seeking by some intrigue or trick to secure a selfish advantage lest some other country or some other people take an advantage that they themselves want.

3. To promote exchange stability, to maintain orderly exchange arrangements among members, and to avoid competitive exchange depreciation.

4. To assist in the establishment of a multilateral system of payments in respect of current transactions between members and in the elimination of foreign exchange restrictions which hamper the growth of world trade.

That is to build up an orderly way of doing business, a decent program of economic conduct that is worthy of high-minded men and men of good will who would seek to aid the United States in accomplishing that to which we have dedicated ourselves and all that we have in the building of a just and lasting peace upon the earth.

5. To give confidence to members by making the fund's resources available to them, under adequate safeguards, thus providing them with opportunity to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity.

That is a worthy objective; one that I accept as meaning what it says; written by men such as our own represe:.tatives indicate to us is the truth, men of high purpose and understanding among the 44 nations of the earth who signed this agreement or subscribed to its purposes.

6. In accordance with the above, to shorten the duration and lessen the degree of disequilibrium in the international balances of payments of members.

Then comes the final sentence in that article:

The fund shall be guided in all its decisions by the purposes set forth in this article.

I would not want to live if I did not have enough faith in my fellow men to believe that they meant just what they said, that is, that the fund shall be guided in all its decisions by the purposes set forth in the article which I have just read to you.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. FOLGER. Next comes the bank. The purposes of the bank are:

1. To assist in the reconstruction and development of territories of members by facilitating the investment of capital for productive purposes, including the restoration of economies destroyed or disrupted by war—

I do not believe I have heard anyone say he was opposed to the objectives there contained—

the reconversion of productive facilities to peacetime needs and the encouragement of the development of productive facilities and resources in less developed countries.

2. To promote private foreign investment by means of guaranties or participations in loans and other investments made by private investors; and when private capital is not available on reasonable terms, to supplement private investment by providing, on suitable conditions, finance for productive purposes out of its own capital, funds raised by it and its other resources.

In that we of the United States of America are committing ourselves to the principle which we all subscribe to, and that is the recognition of the right of private enterprise to its place in the economy of this Nation and in the world.

3. To promote the long-range balanced growth of international trade and the maintenance of equilibrium in balances of payments by encouraging international investment for the development of the productive resources of members, thereby assisting in raising productivity, the standard of living, and conditions of labor in their territories.

4. To arrange the loans made or guaranteed by it in relation to international loans through other channels so that the more useful and urgent projects, large and small alike, will be dealt with first.

5. To conduct its operations with due regard to the effect of international investment on business conditions in the territories of members and, in the immediate postwar years, to assist in bringing about a smooth transition from a wartime to a peacetime economy.

Then it is written:

The bank shall be guided in all its decisions by the purposes set forth above.

Then the subscriptions to the quotas for the bank and the fund are solemnly made. According to their several abilities to provide whatever of those quotas may be required, each nation says, "I will come in, I will help. Here is my subscription."

I call attention to the fact that one nation, to which some of our citizens sometimes seem to be allergic, because others thought they ought to do it, raised their subscription higher than they first thought they were able to meet, and that nation is Russia.

I remember suggesting to the chairman of the board of the First National Bank of Chicago, "I see you are not allergic to Russia." He said, "No, I certainly am not. I have done business with Russia and I have never lost a dollar. They kept their word in every instance."

From a business standpoint, this is wise in that we do not leave ourselves in the position we were at the end of World War I, where we undertook, maybe to be altruistic in our disposition or maybe to make a little money, to carry the thing on ourselves, and we lost all we put into it.

This is where each stockholder borrows from his own bank. Each subscriber to the fund purchases from the fund the things that he needs. It is a part of him and he is a part of it, all interested that both shall succeed. Even if you were to put it on so low a ground as self-preservation, no man is willing to pull his own house down upon his own head.

I thought when I had read that fund agreement and the bank agreement about 10, 15, or 20 times that I would never subscribe to an amendment to any part of it, but when the amendments which were proposed were brought forth I saw the wisdom of them. I rather congratulate myself upon the fact that I readily accepted them, those offered by the gentleman from Michigan [Mr. WOLCOTT], the gentleman from New York [Mr. GAMBLE], the gentleman from Georgia [Mr. BROWN], and the gentleman from New York [Mr. BARRY], because I felt they were wise; and they were accepted.

As we heard a while ago, it is a fortunate thing that the United States is the first Nation to proceed, because we have said in one of these amendments, "We desire the fund, we will not disturb it, we will not tear down this house, but we wish you to know how we interpret this language." The other amendments are helpful and in no way crippling.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. GAMBLE. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, the pending bill seeks to interpret provisions of the Bretton Woods agreements relating to the uses which may be made of the resources of the two proposed institutions. It appears, however, that an interpretation of the interpretation will be necessary. Inclusion of the word "cyclical" in the clause which purports to limit the activities of the Monetary Fund

to short-term credits for currency stabilization makes it doubtful whether the purpose of the language is accomplished. In fact, there seems ground for the belief that under this interpretation it would be entirely possible for the fund to become frozen with long-term credits.

Section 14 (a) of H. R. 3314 directs the Governor and executive director appointed by the United States to obtain promptly an official interpretation by the fund as to "whether its authority to use its resources extends beyond current monetary stabilization operations to afford temporary assistance to members in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions."

If the interpretation is in the affirmative, the Governor of the fund representing the United States is directed to propose promptly and support an amendment to the articles of agreement for the purpose of expressly negativing such interpretation.

If the word "cyclical" were not included, the intention of the clause would be clear. It is difficult, however, to understand how assistance to members in connection with cyclical fluctuations in the balance of payments can be kept on a temporary basis.

The duration of a busines cycle, as the term is commonly understood by economist, is at least 3 or 4 years and may be 5, 6, or 7 years, or even more.

A business cycle is one of four distinct types of economic changes. The proposed interpretation appears to include three of the four when it refers to seasonal, cyclical, and emergency fluctuations. Emergency fluctuations seem to correspond with what the economists refer to as random or accidental variations. The fourth type, which is not covered by the language of the bill, is the long-term or so-called secular trend.

Seasonal variations have to do with varying conditions due to climatic or other causes in the different seasons of the year. Temporary shortages of foreign exchange frequently result from seasonal conditions and are corrected when, for example, a seasonal product of industry or agriculture becomes available for export. This is a type of adjustment of the international balance of payments which the Monetary Fund is intended to facilitate.

The random or accidental variations are abnormal in character and have no definite pattern as to occurrence or duration. Among causes of changes of this chaacter are strikes, wars, and earthquakes. Every economic process is affected by influences which cannot be classified easily. Presumably, credits in the form of foreign exchange to meet fluctuations in the balance of payments due to causes of this nature would be short term in character although not necessarily so.

Secular trends, which are outside the scope of fluctuations for which assistance would be granted by the fund, are due to factors which influence economic conditions in a uniform or regularly changing fashion over long periods of time. For example, the growth of population and technological advances were responsible for a long-time upward trend in industrial activity in the United States.

Business cycles are in duration between the seasonal variations, which are of short duration, and the long-time secular trends. A business cycle is a period of time in which occurs a regular sequence of expansion and contraction in activity. During such a period there comes in turn expansion, boom, contraction, and depression. Prior to the great depression, the periods of expansion and boom usually took from 2 to 3 years and the periods of recession from 1 to 1½ years, a total for the entire cycle of 3 or 4 years. Sometimes the cycle required 6 or 7 years. Major cycles, characterized by extreme inflation and deflation, occurred at intervals, with minor cycles of less intensity and shorter duration between them.

Prof. Wesley C. Mitchell, of Columbia University, in an article in the Encyclopedia of the Social Sciences tabulates the periods of duration of 19 business cycles in the United States between 1855 and 1927. The average for the full cycle was 46.1 months, periods of expansion averaging 25.4 months and those of contraction, 16.5 months. For 13 cycles between 1885 and 1927 the average for the full cycle was 39.3 months, with the expansion averaging 22.8 months and the contraction, 16.5 months.

The cycle in the great depression, including expansion and boom in the late twenties and contraction and depression in the early thirties, was of much longer duration than earlier cycles. On the basis of that experience there can be no assurance that a business cycle will run its course in as short a period as the former average of 3 or 4 years.

"Temporary assistance" would have been of little value to nations with fluctuating balances of payments during the great depression. Credits would have been frozen for a period of several years.

Even on the basis of earlier experience, credits to tide over a nation between the low point and the peak of a business cycle would be for at least 2 years.

Cyclical fluctuations are not easily discernible at the time they occur. Usually, other factors make it difficult to trace the progress of a business cycle until a considerable time afterward. Hence, while it will be difficult for a nation to prove that an excess of imports over exports is due to cyclical fluctuations it also will be difficult for the authorities of the fund to prove to the contrary. The cyclical criterion in the proposed interpretation opens wide the door to credits which may be of a far different character than for temporary adjustments of the balance of payments.

Thus it appears that even if the fund accepts the proposed interpretation its significance will be doubtful. The word "cyclical" is clearly inconsistent with the term "temporary assistance." The interpretation gives no assurance of the maintenance of the revolving character of the fund. Without further restrictions upon the right of member nations to obtain foreign exchange under a procedure almost automatic in character, the dangers in the operation of the fund will continue to be very great.

Mr. GAMBLE. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the gentleman from Michigan [Mr. WOLCOTT], in his remarks this afternoon read a portion of an editorial entitled "The Bretton Woods Compromise," which appeared in the May 29 issue of the American Banker. He omitted a very important paragraph, due to his innate modesty, referring to the gentleman from Kentucky [Mr. SPENCE] and himself, and I believe the members of the Committee on Banking and Currency would like to have that paragraph incorporated in the RECORD.

It is as follows:

Chairman of the Committee BRENT SPENCE displayed extraordinary skill in legislative leadership in bringing about this result and in keeping the committee hearings on a high plane when there was so much temptation to indulge in political demagoguery. Representative JESSE WOLCOTT, who as Republican congressional delegate to the Bretton Woods Conference, kept himself uncommitted, so that as a member of the House Banking and Currency Committee he could make up his own mind, performed a public service of world-wide significance when he saw how sensible were the criticisms of the fund and then sponsored the cause of compromise to incorporate them in the bill. These two men, one a Democrat, the other a Republican, proved themselves talented legislative workmen.

I wholeheartedly agree with the sentiments expressed, and I am sure the other members of the committee who supported the bill in the committee will approve it also.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, earlier in the debate this afternoon reference was made by the gentleman from Nebraska in speaking against this legislation and aspersions were cast by him on lend-lease. I would like to say that if the Bretton Woods agreement does as much for the future of America and the United Nations as lend-lease has done for America and the United Nations in the immediate past, and if the Bretton Woods agreement and its operations when put into effect do as much to destroy monetary warfare and economic anarchy among the nations of the world as lend-lease has done to destroy Nazi Germany and its armed might, then 10,000 times the efforts of the proponents of this bill and this committee will not have been in vain. I shall vote for the Bretton Woods agreement will the same confidence that I voted for lend-lease.

The old adage that "Opportunity only knocks once" has been proven wrong by this record opportunity given to the United States to participate with the nations of the world in a constructive plan for collective security and world peace. The Bretton Woods agreements are the record opportunity. And Congress had its opportunity to speak the voice of the people by voting overwhelmingly for the matter as reported by the Banking and Currency Committee—by the same overwhelming majority as voted by the committee itself when its action was taken last week after 9 weeks of strenuous work

and hearings, 23 to 3. True it is that certain amendments were attached to the original proposals by the action of the committee; but it is readily agreed that these amendments are important and had as their object clarification of the fund and the bank, with the laudable purpose of protecting these great institutions from abuse and misunderstanding. These results illustrate the working of the democratic process.

To pass the reciprocal trade-agreements bill as this House did last week makes it obvious that we must pass the Bretton Woods agreements. It would be absurd to pass the one without the other. As night follows day, when this war ends the nations of the earth will start trading with one another. It is clear through the pages of history that foreign trade among the nations will, to a great extent, determine the quality of the peace the world will experience. When there is buying and selling among nations, as among people, there must be money, and it is the stability of that money that will determine the quality of trade, and thus of international relationships. With world money markets and standards the subject of economic warfare, anyone trading on the world market never could tell, from one moment to the next, where his business was. The only profits made in this type of financial piracy were made by the small handful of economic freebooters who unscrupulously manipulated the rates of exchange, sending the value of all moneys affected up and down in a sea of chaos and money madness. Is it any wonder war followed? Small wonder, indeed.

The chain of causation has been clear and distinct—regardless of what the actual, the official causis belli might be said to be, in most cases, the real behind-the-scenes cause of countless wars, big and small, has been depreciation of currency resulting from a lack of international control, followed by depression, hunger, starvation, war.

Bretton Woods, is then, no mystery thriller from financial wizards. It is a reasonably workable plan and agreement among the several nations to stop once and for all this traditional and staged rise and fall of the different monies of the world, and to provide a clearing house, a fiscal community welfare agency for the United Nations to help them help themselves when they most need help and that, of course, is in time of need.

These proposals are not the brain children of long-haired, guess-work amateur diplomats. Rather, they are the results of the tireless efforts of technical experts of 44 United Nations, dedicated as true artisans to creating a plan that would work—and work this time for the people—not just the "right people," but all the people.

There was one significant thing that developed from the long and detailed hearing on this legislation before the committee, and that was that nearly every objection raised against Bretton Woods, after it was carefully examined and looked into, turned out to be a point in favor, rather than against, Bretton Woods. Certainly when the amendments were proposed and adopted, there was no doubt that the double talk and the mental gymnastics of the die-hard opposition always reacted to the favor of the agreements—always there was the two-edged sword.

Why do not the isolationists still left in the House announce themselves as such and let it go at that. The only mystery here is that they have the idea no one knows who they are. Their continued opposition to the committee legislation holds them up so all who care to, may see the unpleasant fact. The old moth-eaten isolationist leopard does not change his spots. He still snarls at any suggestion, good, bad, or indifferent, that has as its object cooperation with the nations of the world. "A rose by any other name—." Well, the people are at liberty to substitute a number of other words for "rose." As this bill stands today the opposition with the rarest of exceptions, is isolationist, pure and simple, and not so pure at that. Truly it can be said of the Bretton Woods proposals, "We love it for the enemies it has made."

Omnia homines non est perfectum—man is not perfect. And neither is his work. It is not argued that the Bretton Woods agreements are perfect—not even that they will work perfectly. Indeed, the proposals alone will come to nothing. But the spirit of trust and confidence and hope and faith engendered by the Bretton Woods agreements, taken with the cooperation of the United Nations in every sphere of activity.

The Four Horsemen will ride again at the end of this war if we do not unseat them at the beginning of the end. This is it.

Mr. Chairman, let the high objectives of the Bretton Woods agreements speak my conclusion for me. They are:

First. To promote international monetary cooperation.

Second. To promote international trade, expand employment, and raise incomes.

Third. To promote exchange stability and prevent competitive depreciation.

Fourth. To help eliminate foreign-exchange restrictions.

Fifth. To build confidence.

Sixth. To promote postwar readjustments.

Seventh. To assist in reconstruction and development.

Eighth. To promote private investment.

Ninth. To help arrange loans "so that the more useful and urgent projects, large and small alike, will be dealt with first."

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 3314, directed him to report that it had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. THOM asked and was given permission to extend his remarks and include a speech by the gentleman from Minnesota [Mr. FITTENGER].

Mr. DE LACY asked and was given permission to extend his remarks in three instances and to include in each an article.

Mr. OUTLAND (at the request of Mr. DE LACY) was granted permission to extend his remarks and include an article.

Mr. HOOK asked and was given permission to extend his remarks and to include a radio address delivered by him on the Bretton Woods agreement on May 4, 1945, in his district.

Mr. SPENCE asked and was given permission to extend the remarks he made in Committee of the Whole and to include therein the report of the committee on the bill H. R. 3314.

Mr. ANDERSON of California (at the request of Mr. WOLCOTT) was granted permission to extend his remarks in the RECORD and to include two letters.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a radio talk.

FAIR EMPLOYMENT PRACTICE COMMITTEE

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Speaker, it was with considerable surprise and disappointment that I read of the Appropriation Committee's decision not to appropriate funds for the next fiscal year for the Fair Employment Practice Committee.

This Committee, as we all know, was created by Executive order to answer a very vital wartime need. It has done an extremely effective job, even with the handicap of not possessing enforcement powers. The war is not over. The need for the Fair Employment Practice Committee is still a war need. I hope that the Appropriations Committee will find it possible to reconsider its action in depriving the FEPC of funds, and, in light of the vital war job it is doing, will provide the moneys for the continuation of this job.

The close of hostilities in the European theater has not decreased the incidence of discrimination in employment. The cut-backs and contract cancellations resulting from the European victory has, if anything, further complicated the picture as far as discriminatory employment is concerned. I believe it is absolutely essential to continue the FEPC, with adequate funds, if we are not willing to flirt with unrest and disorders on the home front. The successful prosecution of the war against Japan, no less than the war against Germany, demands the fullest participation by all Americans on the production front, without regard to race, color, or creed. This is no time to open the doors to economic discrimination.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. PLUMLEY (at the request of Mr. MARTIN of Massachusetts), for 10 days, on account of official business.

To Mr. H. CARL ANDERSEN (at the request of Mr. PITTENGER), for the remainder of the week, on account of illness in the family.

ADJOURNMENT

Mr. SPENCE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p. m.), under its previous order, the House adjourned until tomorrow, Wednesday, June 6, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Wednesday, June 6, 1945, at 10 o'clock, in the committee room, 356 Old House Office Building.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments at 10 a. m., Wednesday, June 6, 1945, to resume hearings on H. R. 2177.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Wednesday, June 6, 1945, at 10 a. m., to continue hearings on H. R. 2630, a bill to provide for the public registering of patents available for licensing; H. R. 2631, a bill to limit the life of a patent to a term commencing with the date of the application; and H. R. 2632, a bill to require the recording of agreements relating to patents.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary will conduct hearings on Friday, June 15, 1945, beginning at 10 a. m., on the bills (H. R. 33 and H. R. 3338) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (referees—method of appointing, compensation, etc.). The hearing will be held in the Judiciary Committee room, 346 House Office Building.

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 125, House Joint Resolution 128, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles." The hearings will be held in the Judiciary Committee room, 346 House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

532. A letter from the Acting Secretary of State, transmitting a draft of a proposed bill, for the relief of Clarence J. Spiker and Fred W. Jandrey; to the Committee on Foreign Affairs.

533. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the fiscal year 1945, in the amount of $50,000, for the Executive Office of the President, Executive Mansion and Grounds (H. Doc. No. 221); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COLE of Kansas: Committee on Claims. H. R. 2805. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rousseau, Port Hueneme, Calif., on December 22, 1944; without amendment (Rept. No. 675). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLE of Kansas: Committee on Claims. H. R. 2806. A bill to reimburse certain Navy personnel for personal property lost or damaged in a fire at naval base 2, Rosneath, Scotland, on October 12, 1944; without amendment (Rept. No. 676). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLE of Kansas: Committee on Claims. H. R. 2807. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E-172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945; without amendment (Rept. No. 677). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLE of Kansas: Committee on Claims. H. R. 2853. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States Naval Hospital, Seattle, Wash., on May 10, 1944; without amendment (Rept. No. 678). Referred to the Committee of the Whole House of the State of the Union.

Mr. GATHINGS: Committee on Agriculture. H. R. 699. A bill to amend paragraph 682 of title 16 of the United States Code; without amendment (Rept. No. 679). Referred to the Committee of the Whole House on the State of the Union.

Mr. FLANNAGAN: Committee on Agriculture. S. 427. An act to repeal section 3 of the act approved April 13, 1938, as amended, relating to hops; without amendment (Rept. No. 680) Referred to the Committee of the Whole House on the State of the Union.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 2285. A bill to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County, Pa., for highway purposes and for ornamental-park purposes; without amendment (Rept. No. 681). Referred to the Committee of the Whole House on the State of the Union.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 3321. A bill to provide that the several States shall continue effective measures of control and protection against the importation, introduction, and spread of noxious weeds, injurious insects, and animal and plant diseases, and to guarantee that purchasers or recipients of seeds, livestock, and poultry feeds, nursery stocks, fertilizers, and other agricultural chemicals shall have the protection guaranteed them under the laws enacted by the several States; with amendment (Rept. No. 682). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 2538. A bill to incorporate The Mothers of World War No. Two, to set forth and establish the purposes and aims of the organization, fixing its corporate powers and establishing the rights of membership, and for other purposes; without amendment (Rept. No. 683). Referred to the House Calendar.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 3370. A bill to provide assistance to the States in the establishment, maintenance operation, and expansion of school-lunch programs, and for other purposes; without amendment (Rept. No. 684). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 1647. A bill to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn.; with amendment (Rept. No. 685). Referred to the Committee of the Whole House on the State of the Union.

Mr. FENTON: Committee on Military Affairs. H. R. 2477. A bill to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army; with amendment (Rept. No. 686). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURDOCK: Committee on Indian Affairs. H. R. 3288. A bill to amend section 8 of the San Carlos Act (43 Stat. 475-476), as supplemented and amended, and for other purposes; without amendment (Rept. No. 687). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURDOCK: Committee on Irrigation and Reclamation. H. R. 520. A bill to facilitate settlement of returning veterans on farms in projects constructed, operated, and maintained by the Bureau of Reclamation; with amendment (Rept. No. 688). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. McGEHEE: Committee of conference. H. R. 1307. A bill for the relief of Continental Casualty Co., a corporation, and Montgomery City Lines, Inc.; with amendment (Rept. No. 660). Ordered to be printed.

Mr. HEDRICK: Committee on Claims. S. 311. An act for the relief of Philip Kleinman; without amendment (Rept. No. 661). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. S. 426. An act for the relief of Mr. and Mrs. Walter M. Johnson; without amendment (Rept. No. 662). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 213. A bill for the relief of Mrs. Ruth C. Stone; without amendment (Rept. No. 663). Referred to the Committee of the Whole House.

Mr. BARRETT of Pennsylvania: Committee on Claims. H. R. 241. A bill for the relief of Mrs. Ruby H. Hunsucker; with amendment (Rept. No. 664). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 1067. A bill for the relief of the estate of, and/or the heirs at law of, Frank D. Howells, former treasurer of the city of Richmond, Ind.; without amendment (Rept. No. 665). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 1089. A bill for the relief of Albert Cantalupo; with amendment (Rept. No. 666). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 1257. A bill for the relief of George C. Tyler and Doris M. Tyler; with amendment (Rept. No. 667). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 1301. A bill for the relief of Madeline Winter; with amendment (Rept. No. 668). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. H. R. 1346. A bill for the relief of Alaska D. Jennette; without amendment (Rept. No. 669). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. H. R. 1882. A bill for the relief of R. L. Whittington, Mrs. R. L. Whittington, and Mrs. J. B. Whittington; with amendment (Rept. No. 670). Referred to the Committee of the Whole House.

Mr. STIGLER: Committee on Claims. H. R. 2265. A bill for the relief of owners of land and personal property of the Fort Knox area of Hardin County, Ky.; without amendment (Rept. No. 671). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2321. A bill for the relief of the Springfield Cooperative Bank; with amendment (Rept. No. 672). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2511. A bill for the relief of Patricia M. Kacprzyk and Alex D. Leontire; with amendment (Rept. No. 673). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2621. A bill for the relief of Haselden & Huggins Co.; with amendment (Rept. No. 674). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 2667), granting an increase of pension to Matthew A. Summers, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H. R. 3379. A bill to establish uniform qualifications of jurors in the Federal courts, and for other purposes; to the Committee on the Judiciary.

H. R. 3380. A bill to provide for a jury commission for each district court of the United States, to regulate its compensation, to prescribe its duties, and for other purposes; to the Committee on the Judiciary.

H. R. 3381. A bill relating to the payment of fees, expenses, and cost of jurors; to the Committee on the Judiciary.

H. R. 3382. A bill to amend section 3 of the act of June 18, 1934, relating to the establishment of foreign-trade zones; to the Committee on Ways and Means.

By Mr. LEA:

H. R. 3383. A bill to amend the Civil Aeronautics Act of 1938, as amended, with respect to Federal and State jurisdiction over the regulation of civil aviation; to the Committee on Interstate and Foreign Commerce.

By Mr. RANKIN:

H. R. 3384. A bill to protect honorably discharged veterans in their rights to join or refrain from joining labor and other organizations; to the Committee on World War Veterans Legislation.

By Mr. WELCH:

H. R. 3385. A bill to alleviate the effect on seamen's wages of the annual accounting period for the purposes of the Federal income tax; to the Committee on Ways and Means.

By Mr. MURDOCK:

H. R. 3386. A bill authorizing the Bureau of Reclamation, Department of the Interior, to make payment to school districts as compensation for education of children of Federal employees residing on federally owned property; to the Committee on Irrigation and Reclamation.

By Mrs. SMITH of Maine:

H. R. 3387. A bill to provide for maintaining the regiment of midshipmen at the United States Naval Academy at full strength; to the Committee on Naval Affairs.

By Mr. BECKWORTH:

H. Res. 284. A resolution to authorize the Committeee on Interstate and Foreign Commerce, as a whole or by subcommittee, to investigate the effect of cartels on commerce with foreign nations and among the several States; to the Committee on Rules.

By Mr. CANNON of Missouri:

H. J. Res. 212. A joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes; to the Committee on Appropriations.

By Mr. BENNET of New York:

H. J. Res. 213. A joint resolution declaring that it is the sense of Congress that the United Nations assume responsibility for the repatriation of the Hebrews in Europe; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BIEMILLER:

H. R. 3388. A bill for the relief of Mrs. Jeannette B. Stedman; to the Committee on Claims.

By Mr. LESINSKI:

H. R. 3389. A bill granting a pension to Anna Eleanor Roosevelt; to the Committee on Invalid Pensions.

By Mr. McCORMACK:

H. R. 3390. A bill for the relief of the estate of Thomas McGarroll; to the Committee on Claims.

By Mrs. SMITH of Maine:

H. R. 3391. A bill for the relief of Lawrence Portland Cement Co.; to the Committee on Claims.

By Mr. VINSON:

H. R. 3392. A bill conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claim of Mrs. Velma G. Turner, as successor trustee to Allen W. Turner, for the uses and benefit of Allen W. Turner, Jr., under deed executed October 13, 1931, recorded in book 401, page 368, clerk's office, Bibb Superior Court, and/or Allen W. Turner, Jr., of Macon, Ga.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

858. By Mr. BRYSON: Petition of Mrs. Edna Z. Sheldon and 18 citizens of Copenhagen, N. Y., urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

859. Also, petition of Esley B. Higgins and 49 citizens of the State of Indiana, urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

860. Also, petition of D. B. Weintz and 20 citizens of the State of Oregon, urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

861. Also, petition of Mrs. A. C. Wolff and 1,083 citizens of the State of California, urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

862. Also, petition of Mrs. Mary S. Russell and 7,715 citizens of the State of Georgia, urging enactment of H. R. 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

863. By Mr. CANNON of Missouri: Petition of landowners, tenants, and others along Missouri River in the Ninth District of Missouri, to remove piling and other so-called improvements which cause their land to be flooded; to the Committee on Flood Control.

864. By Mr. COCHRAN: Petition of Henry Schnurr and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

865. Also, petition of H. Pinson and 27 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

866. Also, petition of Lyle E. Tenting and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

867. Also, petition of W. Hopfe and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

868. Also, petition of O. J. Davis and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

869. By Mr. SHARP: Petition of 40 signatures of citizens residing in Riverhead, N. Y., and contiguous communities, in advocacy of the passage of H. R. 2082, prohibiting the manufacture or sale of alcoholic beverages containing in excess of one-half of 1 percent of alcohol; to the Committee on the Judiciary.

870. By Mr. LYNCH: Petition of the Assembly and Senate of the State of New York, memorializing Congress to enact legislation for the establishment of a permanent FEPC; to the Committee on Labor.

871. By Mr. SABATH: Petition adopted by the Chicago City Council, urging the Members of the Illinois congressional delegation in the House of Representatives to support H. R. 2346, which renders minimum benefits to American merchant seamen; to the Committee on the Merchant Marine and Fisheries.

872. By Mr. SHARP: Petition of 28 signatures of citizens residing at Riverhead, N. Y., and contiguous communities, urging the enactment of H. R. 752, prohibiting the sale of alcoholic liquors on or near military or naval reservations; to the Committee on Military Affairs.

873. By Mr. SULLIVAN: Petition of Mrs. Jennie Mitchell and 167 other citizens of Missouri, urging the passage of legislation enabling the tenants and occupants of Delmo Labor Homes to purchase these homes on long terms at low interest rates so that these Missourians will not be evicted and rendered homeless under the Farm Security program, now pending, to liquidate this project by sale to the highest bidder; to the Committee on Agriculture.

874. Also, petition of Marshall Currin and 252 other citizens of Missouri, urging the passage of legislation enabling the tenants and occupants of Delmo Labor Homes to purchase these homes on long terms at low interest rates, so that these Missourians will not be evicted and rendered homeless under the Farm Security program, now pending, to liquidate this project by sale to the highest bidder; to the Committee on Agriculture.

SENATE

WEDNESDAY, JUNE 6, 1945

(Legislative day of Monday, June 4, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rabbi Solomon H. Metz, Adas Israel Congregation, Washington, D. C., offered the following prayer:

Our God and God of our fathers, Thine is the power and the glory and the victory. Thou art the rock of our lives and the shield of our salvation through every generation. May the light of Thy presence enlighten the eyes of the nations to see in the revelations of Thy Book the highway to lasting peace. We are humbly aware of our momentous responsibilities in this crucial hour of history. In the scales of our decisions there trembles the fate of the future.

In the welter of many voices, O save man's mind from confusion and his spirit from the corrosive blight of cynicism. Let not the gusts of passion extinguish the prophetic vision nor the designs of those of little faith degrade the sacrifices of our noblest and bravest into vain oblations. Let the perspective of towering justice and the lodestar of universal brotherhood guide us as we set out to build the world of tomorrow upon the ghastly ruins of today, wrought by national selfishness, greed, and pride.

O Soul of our souls, may we be among the blessed who, unmindful of the jeers of the ungodly and the gibes of the uninspired, steadfastly march under the banner of Thy kingdom of truth and love. As in the days of old, may the pillar of Thy wisdom lead Thy people out of the wilderness of fear and strife into the land of promise and fulfillment; for with Thee is the fountain of life. In Thy light may we see the light for the sanctification of Thy name and the redemption of Thy children. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of that part of the calendar day Monday, June 4, 1945, embraced in the legislative day beginning on that date was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 5, 1945, the President had approved and signed the act (S. 938) to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—MINORITY VIEWS FILED DURING RECESS (PT. 2 OF REPT. NO. 325)

Under authority of the order of the fourth instant,

Mr. TAFT submitted on June 4, 1945, the views of the minority of the Committee on Banking and Currency on the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 392. An act for the relief of Nebraska Wesleyan University and Herman Platt;

S. 633. An act to amend the Criminal Code so as to punish anyone injuring a party, witness, or juror on account of his having acted as such; and

S. 889. An act to amend section 47c of the National Defense Act of June 3, 1916, as amended, so as to authorize credit to students now or hereafter enrolled in the senior division of the Reserve Officers' Training Corps for military training received while on active duty in the Army, Navy, Marine Corps, or Coast Guard, or while pursuing a course of instruction in the Naval Reserve Officers' Training Corps.

The message also announced that the House insisted upon its amendment to the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. WOLCOTT, and Mr. CRAWFORD were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the bill (S. 842) for the relief of Elmira Area Soaring Corp., with an amendment in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 981. An act to authorize payment of certain claims for damage to or loss or destruction of property arising prior to May 27, 1941, out of activities of the War Department or of the Army; and

H. R. 1711. An act for the relief of Blanche H. Karsch, administratrix of the estate of Kate E. Hamilton.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1527) to exempt the members of the Advisory Board appointed under the War Mobilization and Reconversion Act of 1944 from certain provisions of the Criminal Code and Revised Statutes.

The message also announced that the House had agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendment of the Senate to each of the following bills of the House:

H. R. 209. An act for the relief of David B. Smith; and

H. R. 1567. An act for the relief of Katherine Smith.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1307) for the relief of Continental Casualty Co., a corporation, and Montgomery City Lines, Inc.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 44. An act to amend the act entitled "An act to provide for the disposal of certain records of the United States Government";

H. R. 386. An act to amend the law relating to the authority of certain employees of the Immigration and Naturalization Service to make arrests without warrant in certain cases and to search vehicles within certain areas;

H. R. 390. An act to amend section 28 (c) of the Immigration Act of 1924;

H. R. 688. An act to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute";

H. R. 712. An act relating to the status of certain natives and inhabitants of the Virgin Islands;

H. R. 795. An act for the relief of the duly appointed receiver of North Jersey Utilization and Sewerage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof;

H. R. 892. An act for the relief of Madeline J. MacDonald;

H. R. 1007. An act for the relief of Beatrice Brown Waggoner;

H. R. 1008. An act for the relief of Mrs. Harriette E. Harris;

H. R. 1320. An act for the relief of M. Elizabeth Quay;

H. R. 1350. An act to record the lawful admission to the United States for permanent residence of Nora R. Neville;

H. R. 1393. An act for the relief of Mrs. Laura May Ryan;

H. R. 1548. An act for the relief of August W. Dietz;

H. R. 1560. An act for the relief of J. B. Grigsby;

H. R. 1595. An act for the relief of the Borough of Beach Haven, Ocean County, N. J.;

H. R. 1678. An act for the relief of Mrs. Ada Wert Illinico;

H. R. 1856. An act for the relief of Southwestern Drug Co.;

H. R. 1891. An act for the relief of Grandview Hospital;

H. R. 1917. An act for the relief of John R. Jennings;

H. R. 1958. An act for the relief of L. A. Williams;

H. R. 2060. An act for the relief of D. W. Key;

H. R. 2416. An act authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819;

H. R. 2581. An act to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors," approved May 10, 1943 (57 Stat. 81), and for other purposes;

H. R. 2666. An act for the relief of Oscar N. McLean;

H. R. 2668. An act to transfer Ben Hill County, Ga., from the Waycross division of the southern judicial district of Georgia to the Americus division of the middle judicial district of Georgia;

H. R. 2930. An act for the relief of Dr. J. D. Whiteside and Saint Luke's Hospital;

H. R. 2961. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of H. Herfurther, Jr., Inc.

H. R. 3118 An act to amend section 100 of Public Law Numbered 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes;

H. R. 3175. An act to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood;

H. R. 3267. An act to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes;

H. R. 3322. An act to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended;

H. J. Res. 23. Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week;

H. J. Res. 132. Joint resolution to limit the operation of sections 109 and 113 of the Criminal Code, and sections 361, 365, and 366 of the Revised Statutes, and certain other provisions of law;

H. J. Res. 180. Joint resolution giving official recognition to the pledge of allegiance to the flag of the United States;

H. J. Res. 208. Joint resolution making an appropriation for emergency flood-control work, and for other purposes; and

H. J. Res. 212. Joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes.

LEAVES OF ABSENCE

Mr. WILEY. Mr. President, representing the Commerce Committee of the Senate, I have been appointed by the Senator from North Carolina [Mr. BAILEY], chairman of that committee, one of the members of the Board of Visitors to the United States Merchant Marine Academy at Kings Point, N. Y. The time for the visitation has been set June 7 and 8.

I hope to leave this afternoon, June 6, at 4 p. m., on the Congressional Limited.

I have been in constant attendance in the Senate since last November. I have not missed a single Senate session, nor have I been out of Washington. This appointment came to me on January 22, 1945, and the United States Merchant Marine Academy has made special arrangements for the committee which has been appointed.

I ask to be excused from the sessions of the Senate which occur during this period, this being public business.

The PRESIDENT pro tempore. Without objection, leave of absence is granted the Senator from Wisconsin.

Mr. WHITE. Mr. President, I ask unanimous consent that the senior Senator from Indiana [Mr. WILLIS] may be excused from attendance upon the sessions of the Senate for an indefinite period.

The PRESIDENT pro tempore. Without objection, leave of absence is granted the Senator from Indiana.

EXTENSION OF LEAVE OF ABSENCE

Mr. TUNNELL. Mr. President, some days ago the Senator from West Virginia [Mr. KILGORE] asked permission for himself and certain other members of the Special Committee to Investigate the National Defense Program to be absent from the Senate for the period, I believe he said, of 14 days. At Caserta, Italy, I left the members of the committee who have not yet returned, the Senator from West Virginia [Mr. KILGORE], the Senator from Michigan [Mr. FERGUSON], and the Senator from Washington [Mr. MITCHELL]. I told them that I would, at their request, ask permission for further absence from the Senate for six more days.

Mr. President, I now ask unanimous consent that this extension of leave of absence may be granted.

The PRESIDENT pro tempore. Without objection, the extension of the leave of absence is granted.

ORDER OF BUSINESS

Several Senators addressed the Chair.

The PRESIDENT pro tempore. It was ordered by unanimous consent at the last session of the Senate that on Wednesday, June 6, 1945, at not later than 1:15 o'clock p. m., the Senate proceed to vote on the pending amendment to H. R. 3024, and all other amendments that may be offered to said bill, and that the time be equally divided, and controlled, respectively, by the Senator from Arizona [Mr. HAYDEN] for the proponents, and by the Senator from Ohio [Mr. BURTON] for the opponents of the amendment.

The Senator from Arizona is recognized. To whom does he yield?

Mr. HAYDEN. I have no objection to yielding for mere routine business and insertions in the RECORD for a few moments but as Senators realize the time is short.

NOTICE OF HEARINGS BEFORE THE SPECIAL COMMITTEE TO INVESTIGATE PETROLEUM RESOURCES

Mr. O'MAHONEY. Mr. President, for the information of the Senate, I desire to ask unanimous consent to have printed in the body of the RECORD a statement which I have prepared with respect to the forthcoming sessions of the Special Committee to Investigate the Petroleum Resources, which will be held on June 19 next.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The next hearing of the Special Committee Investigating Petroleum Resources will begin on June 19 at 10 a. m. in the Senate Office Building. This hearing will be on the subject of sources of petroleum in the United States. The committee is charged by the Senate with investigating all aspects of petroleum resources, both domestic and foreign, with a view to recommending the formulation of a national oil policy.

"The forthcoming hearing will be among the most important in the series conducted by the committee," said Senator O'MAHONEY. "We shall receive evidence from Government, industry, and other witnesses on such vital matters as the relation of the domestic petroleum supply to national defense; methods of production of liquid and gaseous petroleum, and means of conservation through secondary recovery; the public lands; synthetic production; petroleum substitutes; factors affecting production, such as governmental competition, price, taxation, etc."

Chairman O'MAHONEY also stated that the committee was interested in the much-discussed question of oil resources under the territorial waters off the coast of the United States. It is expected that witnesses from the State, Interior, War, and Navy Departments will go into this subject before the committee.

"Several years ago when the Public Lands Committee was hearing evidence on the synthetic fuels bill," said Senator O'MAHONEY, "I ran across a geologist who was of the very firm opinion that the producing oil sands which have yielded large amounts of oil in continental United States probably extend far out to sea, not only beyond the Pacific coast, but under the Gulf of Mexico, and possibly even into the Atlantic Ocean.

"There has already been substantial production from the submerged coastal area in California, and the question of title to these tidewater properties has become a lively issue. Seventeen resolutions have been introduced in the House and one in the Senate releasing all claims of the United States, if any, to all lands within the 3-mile limit or beyond when the State boundary extends to a greater distance offshore.

"It will be an important question of national policy to determine the boundaries of State and Federal jurisdiction, and of international policy if oil and other valuable minerals are likely to be found under the maritime belt around our coast, for the continental shelf at some points extends as far as 100 miles off our shores. The status of such resources under international law presents many novel and important questions which must be examined by the committee in determining upon a long-range oil policy for this Nation."

Among the witnesses from the Government will be Assistant Secretaries of the Interior Michael Straus and Oscar Chapman; Charles Rayner, Petroleum Adviser, Department of State; William A. Brophy, Commissioner of Indian Affairs; Capt. W. G. Greenman, Director of the Office of Naval Petroleum Reserves; Capt. C. P. Franchot, United States Naval Reserve; and Brig. Gen. H. L. Peckham, War Department Liaison Officer for Petroleum.

The presentation by the oil industry will be under the direction of John M. Lovejoy, president of Seaboard Oil Co. of Delaware. Mr. Lovejoy has arranged for various experts to discuss the numerous subjects under investigation Such witnesses will be, among others, J. Edgar Pew, president, Sun Oil Co.; E. L. DeGolyer, consulting engineer; M. C. Haider, production research engineer, Standard Oil Co. of New Jersey; Walter S. Hallanan, president, Plymouth Oil Co.; and A. C. Mattei, president, Honolulu Oil Corp.

Senator CARL A. HATCH, Democrat, New Mexico, chairman of the Senate Public Lands Committee, and the members of that committee, have been invited to attend and to participate in the hearing insofar as questions relating to public lands are concerned.

A tentative outline of the subject matter to be considered follows:

TENTATIVE OUTLINE OF HEARINGS

SOURCES OF PETROLEUM IN THE UNITED STATES

A. Character of petroleum:
1. Liquid.
2. Gaseous.
B. Location and extent of present reserves of oil and gas; percentage of ownership by American capital; percentage in public lands.
C. Factors affecting production:
1. Conservation laws and practices as to oil and gas.
2. Connally hot oil law.
3. Interstate oil compact.
4. Taxation.
5. Price.
(a) Industry basis.
(b) Governmental price-fixing.
D. Subsoil under territorial waters:
1. Bays.
2. Maritime belt.
3. State or Federal jurisdiction.
E. Subsoil under continental shelf:
1. International questions involved.
F. How may explorations be stimulated (a) on the public domain and (b) in other areas?
1. By relaxation of governmental controls?
2. By affirmative governmental action?
G. Production methods:
1. Primary.
2. Secondary.
3. Maintenance of stripper wells.
H. Substitutes for natural petroleum:
1. Shales.
2. Coal.
3. Other substitutes.

THE INDEPENDENT COMPANY

A. History and character.
B. What are the problems incident to the operation of an independent company in exploration, transportation, refining, and selling?
1. Advantages of individual operation.
2. Difficulties inherent in small capital and nature of petroleum business.
3. Artificial difficulties.
(a) Unintentional effects of operations of larger companies.
(b) Governmental policies.
(c) Discriminatory practices.
C. What could or should be done by the Federal Government in respect of any difficulties under B above?
D. History of operation of antitrust laws in relation to petroleum companies.
1. Appraisal of effect of such laws.

POSTWAR DISPOSAL OF PIPE LINES, REFINERIES, AND TANKERS

A. Pipe lines:
1. Should Government-owned lines be sold or leased, and under what conditions?
2. Or should they continue to be owned by the Government for national-defense purposes and leased to private interests in peacetime?
B. Refineries:
1. Should any preference be given to purchase or lease by smaller companies?
2. Should Government credit be furnished to buyers or lessees?
(a) To make original purchase or lease.
(b) Additional capital for modernization purposes.
3. Should there be a maximum limit to the term of a lease?
4. Should any refineries be disposed of to foreign interests?
C. Tankers:
1. Should unsold tankers be disposed of to foreign companies or governments?
2. Should unsold tankers be scrapped?
3. Should the Government operate a fleet of tankers?

PETROLEUM REQUIREMENTS

A. Prewar consumption in United States by products.
B. Estimated postwar requirements in United States by products.
1. New uses and applications of petroleum.
C. Estimated world requirements by countries.
D. Estimated postwar productive capacity by countries.
E. Movements of petroleum in world trade.
1. United States imports and exports.
F. What should be our policy as to imports and tariffs?
1. Effect on cost to consumer.
2. Effect on domestic industry.
3. Considerations of national defense.

AMERICAN PETROLEUM INTERESTS IN FOREIGN COUNTRIES

A. History and extent.
B. History of diplomatic protection since World War I.
1. Middle East.
2. Netherland East Indies.
3. Mexico.
4. Venezuela.
5. Other producing countries.
6. Consuming countries.
C. Reasons for varying degrees of success.
D. How can diplomatic protection be made more effective?

MARCH 1945 REPORT OF RECONSTRUCTION FINANCE CORPOPRATION

The PRESIDENT pro tempore laid before the Senate a letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a confidential report of the Corporation for the month of March 1945, which, with the accompanying report, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the President pro tempore and referred as indicated:

A resolution adopted by the Western Governors' Conference at Reno, Nev., favoring the enactment of legislation for the return of employment services to the States; to the Committee on Education and Labor.

A resolution adopted by the Western Governors' Conference at Reno, Nev., favoring the enactment of legislation to include Alaska under the Federal Aid and Highway Acts; to the Committee on Post Offices and Post Roads.

TEXAS STATE EMPLOYMENT SERVICE—RESOLUTION OF TEXAS LEGISLATURE

Mr. O'DANIEL. Mr. President, I ask unanimous consent to present and to have printed in the RECORD and appropriately referred House Concurrent Resolution 100, adopted by the Texas State Legislature, asking the Government kindly to return the employment services to the several States at the earliest practicable moment and specifically that the Texas State Employment Service be returned to the Texas Unemployment Commission.

There being no objection, the resolution was received, referred to the Committee on Education and Labor, and, under the rule, ordered to be printed in the RECORD, as follows:

House Concurrent Resolution 100

Whereas on December 18, 1941, the President of the United States, as a war measure, directed the several States to turn over to the Federal Government the State employment services, under which mandate the Texas State Employment Service, a division of the Texas Unemployment Compensation Commission, was federalized on January 1, 1942, becoming known as the United States Employment Service, which is operated by the War Manpower Commission. In Senate Concurrent Resolution 45, adopted at the forty-eighth regular session, the Texas Legislature expressed its interest in the return of the employment service to the Texas Unemployment Compensation Commission and further expressed opposition to any form of federalization of the State unemployment compensation agencies; and

Whereas the war in Germany has ceased with Germany's unconditional surrender and responsible officials connected with the prosecution of the war have indicated publicly that reconversion is imminent in many war industries; and

Whereas employers who contribute approximately $25,000,000 a year to job insurance in Texas and wage earners who are the beneficiaries of the system are entitled to the best service possible by locally responsible officials; and

Whereas it is of vital importance in the restoration of postwar industry and commerce in Texas that the inseparable functions of job placing and payment of benefits be restored to unified State control; and

Whereas this condition is accentuated by the imminent return of veterans to civilian life and economy and the transfer of hundreds of thousands of war-plant workers to peacetime production; and

Whereas article 5221b–10, Vernon's Civil Statutes of Texas, requires the Texas Unemployment Compensation Commission to maintain a system of public employment offices; and

Whereas the House of Representatives, the Senate of Texas concurring, believe that in mobilization for peace the restoration of this State agency to State control is imperative: Now, therefore, be it

Resolved by the House of Representatives of Texas (the Senate concurring), That we respectfully request of the President of the United States that he return the employment services to the several States at the earliest practicable moment, and, specifically, that the Texas State Employment Service be returned to the Texas Unemployment Compensation Commission; and be it further

Resolved, That copies of this resolution be transmitted to President Truman and to all of the members of the Texas delegation in the Congress.

JOHN LEE SMITH,
President of the Senate.
C. H. GILMER,
Speaker of the House.

I hereby certify that House Concurrent Resolution 100 was adopted by the house on May 23, 1945.

CLARENCE JONES,
Chief Clerk of the House.

I hereby certify that House Concurrent Resolution 100 was adopted by the senate on May 24, 1945.

NOEL K. BROWN,
Secretary of the Senate.

RESOLUTION IN SUPPORT OF SAN FRANCISCO PEACE CONFERENCE

Mr. AUSTIN. Mr. President, I ask unanimous consent to present and to have printed in the RECORD a resolution adopted by the citizens of the city of Vergennes, Vt., supporting the resolutions of the San Francisco Conference, and together with the resolution the certificate appended thereto. I do not ask to have all the names printed in the RECORD, but I should like to have the resolution and certificate referred to the Committee on Foreign Relations.

There being no objection, the resolution and certificate were received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, without all the appended names, as follows:

Resolved by the citizens of Vergennes:

That we, citizens of Vergennes, approve and support without reservations, the aims, purposes, and hopes of the world conference now being held at San Francisco, Calif., understanding as we do that the organization of world security arising therefrom will be based upon the plans formulated at Dumbarton Oaks.

That the mayor of Vergennes forward copies of these resolutions to the Members of Congress from Vermont, requesting them to give their active support to this world conference, and to the treaty that emerges therefrom without reservations.

BARRY EVANS,
MRS. C. H. HAWLEY,
(And sundry other citizens of Vergennes, Vt.)

STATE OF VERMONT,
County of Addison, ss:

I, Susanne M. Booth, clerk of the city of Vergennes, in the said county and State, do hereby certify the foregoing resolution was adopted at a public meeting, called a mass meeting, of the citizens of the community, held May 8, at 8 o'clock in the evening. Nearly all that attended the meeting signed their names, and then asked the privilege of circulating the resolution among the churches and people generally, for their expression of interest in the same. Thus there are separate sheets of the resolutions in this presentation.

Dated at Vergennes, Vt., this 2d day of June 1945.

Attest: S. M. BOOTH,
City Clerk.

In harmony with the said resolution, I, F. M. Dana, mayor of the said city of Vergennes, Vt., do herewith forwafd the several copies of the resolution, with total number of names on same.

F. M. DANA, *Mayor.*

SHORTAGE OF FOODS—RESOLUTION OF COUNCIL OF BRIDGEPORT, CONN.

Mr. McMAHON. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Common Council of the City of Bridgeport, Conn., relating to the shortage of essential foods, particularly meat.

There being no objection, the resolution was received, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Whereas the city of Bridgeport, Conn., is and for some years has been a highly concentrated center of industrial activity devoted almost exclusively to war production, and has had a population increase of at least 50 percent over normal; and

Whereas for the past several weeks the people of Bridgeport have suffered and are still suffering from a critical shortage of essential foods, particularly meat, which, unless it is promptly relieved, is likely to have serious results on the public health and may substantially impair the war effort through reduced industrial production; and

Whereas apparently reliable press and radio reports indicate that there are some supplies of meat in the Dominion of Canada which may be available for export to the United States thus relieving existing food shortages, but that such export is prevented by policies and orders of various agencies of the Federal Government; and

Whereas the food problem in Bridgeport, and in other communities similarly situated, has now become so acute as to demand immediate relief if serious consequences to the public are to be averted and the creation or extension of vast black-market activities is to be prevented: Now, therefore, be it

Resolved, That the Common Council of the City of Bridgeport hereby requests each United States Senator and each Congressman from the State of Connecticut to take and initiate immediate, vigorous steps to ascertain the truth of said reports concerning availability of meat, whether from Canada or elsewhere, and to promote such immediate steps consistent with the public interest, as may be necessary to make such supplies available to the consumers of this country, and to initiate and to take such other immediate measures as may be practicable to relieve the existing and growing critical shortages of meat and other food supplies in the area of Bridgeport, Conn.

REDUCTION OF TARIFF RATES ON SALT—LETTER FROM UNITED MINE WORKERS OF AMERICA

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I have received from the United Mine Workers, of Hutchinson, Kans., asking me to oppose further reduction in tariff rates on salt as proposed in H. R. 2652. I am in accord with the request made by this organization.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DISTRICT NO. 50,
UNITED MINE WORKERS OF AMERICA,
LOCAL UNION 12606,
Hutchinson, Kans., May 18, 1945.

The Honorable ARTHUR W. CAPPER,
Senate Office Building,
Washington, D. C.

HONORABLE SIR: There is now before the Congress, a new bill, H. R. 2652, which if enacted would empower the State Department to further reduce the tariff on salt and many other products which require salt in their manufacturing processes.

Further reductions on import tariffs on salt might result in heavy importations from foreign countries, where very low wage rates prevail, where consequently cost of production would be substantially lower than those in the United States. Therefore be it

Resolved, That we of the United Mine Workers, District No. 50, Local No. 12606, representing 170 employees engaged in the salt industry, in Hutchinson, Kans., one of the leading salt producing areas in the United States, and being vitally interested in employment, do hereby go on record as being opposed to the further reduction of tariff rates on salt below the 1939 level, and respectfully ask you, as our Senator, to vote against H. R. 2652.

Yours very respectfully,
ARLIE COLEMAN,
Recording Secretary.

UNIFORM MARRIAGE AND DIVORCE LAWS — EDITORIAL FROM ZIONS HERALD

Mr. CAPPER. Mr. President, the Zions Herald, an influential religious publication, published in Boston, recently published an able editorial in support of Senate Joint Resolution 47 introduced by me providing for an amendment to the Constitution, which would allow Congress to enact uniform divorce and marriage laws for the Nation. I ask unanimous consent to have the editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNIFORM MARRIAGE AND DIVORCE LAWS

Senator ARTHUR CAPPER, of Kansas, has recently introduced a bill providing for an amendment to the Constitution allowing Congress to make uniform divorce and marriage laws for the Nation. Senator CAPPER'S resolution has the support of many criminologists, police organizations, and ministers. We add our hearty support to the proposal.

One of the major crimes of our social order is the ever-increasing divorce rate and the serious break-down of our home life. We cannot go on in this direction without seriously weakening our entire social structure. Marriage laws differ and travel is easy; hence persons who, for health or mental reasons, do not qualify in one State, can readily be married in another State. Divorce laws have been used as lures by the real estate dealers in Florida, Nevada, and other States. The famous "marrying parsons" of Elkton, Md., present another bit of nasty evidence in the whole matter.

Obviously, we must have uniform laws; laws that will prevent certain persons from being married; laws that will require a waiting period between the granting of the license and the actual marriage ceremony. This is a proper function for a Federal Govern-

ment, for it is protecting the people from a major interstate racket that is rapidly affecting the welfare of our Nation.

Zions Herald feels that this matter is of such vital importance that we are planning a special issue on May 10, when we will present the best articles we can find on the subject of American home life. We will have a committee of nationally famous religious and social leaders to select manuscripts that are submitted. The returning war veteran, the war marriage, the ex-defense worker, and many other factors will enter into our thinking as we contemplate the future of our American home life.

TRAVEL RESTRICTIONS ON RELIGIOUS ORGANIZATIONS AND GATHERINGS

Mr. BUTLER. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD a short statement I released this morning.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, from time to time I have received written protests from clergymen and church members in Nebraska protesting against the travel restrictions which have been imposed upon religious organizations by the War Committee on Conventions, an off-shoot of the Office of Defense Transportation.

I am sure that other Senators and Members of the House of Representatives have received the same type of protest, particularly since the ban on horse racing was lifted May 9. I personally have no fault to find with lifting the ban on horse racing, but I cannot understand why the War Committee on Conventions persists in its double-talk regarding travel to and from meetings called for purely religious purposes.

Hundreds of summer camps, previously held by church groups, may not meet this summer if the restrictions now in effect are not lifted by the ODT. Right here in Washington, just the other day permission was refused a group that wanted to hold a Sunday-school conference in a nearby Maryland spot.

I realize as well as anyone that travel facilities are overtaxed and that every American should refrain from traveling, particularly on trains, unless he must. But I know that religious organizations do not usually call meetings for frivolous purposes and that they do not urge people to attend meetings just for the train ride.

Literally tens of thousands of other persons who are riding the trains for no good reason except to spend their war money could be penalized before the church people who are going to church conventions, campgrounds, or summer camps held under auspices of churches should be so penalized.

I shall not go into the constitutionality of the War Committee on Convention's Act in restricting the holding of church meetings or demanding that "permits" be received from the ODT before some meetings are held but, like others of my colleagues who have spoken on the subject, I am convinced that the order is utterly unconstitutional. It should be revoked by the War Committee on Conventions itself. I am asking Col. J. Monroe Johnson, the chairman of the committee, to call a meeting of the committee at the earliest possible moment to repeal this onerous restriction on religious organizations of this Nation.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on June 4, 1945, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 66) to extend the statute of limitations in certain cases.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of May 1945 from the chairman of a certain committee in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

UNITED STATES SENATE,
SPECIAL COMMITTEE TO STUDY
PROBLEMS OF AMERICAN SMALL BUSINESS,
June 4, 1945.

Mr. LESLIE L. BIFFLE,
Secretary of the Senate,
United States Capitol,
Washington, D. C.

DEAR MR. BIFFLE: Pursuant to Senate Resolution 55, I am transmitting herewith a list of employees of the Special Committee to Study Problems of American Small Business who are not full-time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the department paying the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,
JAMES E. MURRAY,
Chairman.
By DEWEY ANDERSON,
Executive Secretary.

SPECIAL COMMITTEE TO STUDY AND SURVEY PROBLEMS OF SMALL BUSINESS ENTERPRISES

JUNE 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of May 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual [1]	Address	Name and address of department or organization by whom paid	Annual rate of compensation
F. O. Billings	Dodge Hotel, Washington, D. C	Bonneville Power Administration, Portland, Oreg	$3,800
Agnes E. Crivella	1408 Buchanan St. NW., Washington, D. C	War Production Board, Washington, D. C	2,700
Emerald G. Devitt	2425 27th St. South, Arlington, Va	do	2,100
Elsie A. Digges	120 C St. NE., Washington, D. C	do	1,800
Parley P. Eccles	4408 1st Pl. NE., Washington, D. C	War Department, Washington, D. C	6,500
Herman Edelsberg	2141 Suitland Ter. SE., Washington, D. C	Foreign Economics Administration, Washington, D. C	6,500
Harry J. Evans	3010 Gainesville St. SE., Washington, D. C	Reconstruction Finance Corporation, Washington, D. C	6,500
F. Preston Forbes	502 Four-mile Road, Alexandria, Va	Department of Commerce, Washington, D. C	4,600
Carol M. Fuller	2101 S St. NW., Washington, D. C	Office of Price Administration, Washington, D. C	2,100
Scott K. Gray, Jr	119 Joliet St. SW., Washington, D. C	Reconstruction Finance Corporation, Washington, D. C	4,600
Stella J. Groeper	1127 Branch Ave. SE., Washington, D. C	War Production Board, Washington, D. C	2,600
Kathleen Kimball	1701 Park Rd. NW., Washington, D. C	do	2,600
Elizabeth P. Lucas	1730 N. Quincy St., Arlington, Va	do	1,800
John W. Nelson	The Delano Apartments, Washington, D. C	do	5,600
Vernice M. O'Mullane	Alcott Hall, Washington, D. C	do	1,620
Jack H. Pollack	4307 Russell Ave., Mount Rainier, Md	War Manpower Commission, Washington, D. C	4,600
Grace F. Purdy	230 Rhode Island Ave. NE., Washington, D. C	Office of Price Administration, Washington, D. C	3,200
Martha G. Ray	5909 32d St. NW., Washington, D. C	War Production Board, Washington, D. C	2,100
Lt. George H. Soule	4020 Beecher St. NW., Washington, D. C	Navy Department, Washington, D. C	2,400
L. Evelyn Spicer	1708 Kilbourne Pl. NW., Washington, D. C	War Production Board, Washington, D. C	2,600
Frederick W. Steckman	4000 Cathedral Ave. NW., Washington, D. C	Maritime Commission, Washington, D. C	5,600
Margie L. Strubel	4632 12th St. NE., Washington, D. C	War Production Board, Washington, D. C	1,800
Allen G. Thurman	210 E. Shepherd St., Chevy Chase, Md	Maritime Commission, Washington, D. C	6,500
Alfred J. Van Tassel	1622 Mount Eagle Pl., Alexandria, Va	War Production Board, Washington, D. C	6,500
Olga Yelencsics	2400 13th St. NW., Washington D. C	do	2,100

[1] The following numbers of employees gave approximately 12 hours of their time during this month in a consultant capacity: War Production Board, 5; National Housing Agency, 1; Federal Works Administration, 1; Agriculture, 1.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

S. 1104. A bill to amend the act entitled "An act to provide for cooperation with Central American republics in the construction of the Inter-American Highway," approved December 26, 1941; to the Committee on Post Offices and Post Roads.

By Mr. MAGNUSON:

S. 1105. A bill to amend the Hatch Act; to the Committee on the Judiciary.

S. 1106. A bill for the relief of Malcolm K. Burke; to the Committee on Naval Affairs.

(Mr. LANGER introduced Senate bill 1107, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. MEAD:

S. 1108. A bill conferring jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of Carl G. Allgrunn against the United States for the use of his invention in rifling guns during the last war in 1918 and thereafter by the Symington-Anderson Co. at Rochester, N. Y., said invention being shown and described in his Letters Patent No. 1,311,107, issued by the Patent Office of the United States on or about July 22, 1919, and conferring jurisdiction upon said Court of Claims to reopen and further adjudicate the claim of said Carl G. Allgrunn for the use

of his invention by companies or in shops other than the Symington-Anderson Co. in 1918 and thereafter, which claim has heretofore been settled on the basis of the judgment of the Court of Claims of February 8, 1937; to the Committee on Claims.

By Mr. TYDINGS (by request):

S. 1109. A bill to restore to the Territory of Hawaii certain lands designated under section 203, title II, as available within the meaning of the Hawaiian Homes Commission Act of 1920, as amended; to the Committee on Territories and Insular Affairs.

By Mr. FULBRIGHT:

S. 1110. A bill for the relief of Edward C. Ellenbrook; and

S. 1111. A bill for the relief of Marvin C. Murrell; to the Committee on Claims.

By Mr. THOMAS of Oklahoma (for himself and Mr. MOORE):

S. 1112. A bill to provide for nomination of candidates for election as officers of the Osage Tribe of Indians in Oklahoma; to the Committee on Indian Affairs.

By Mr. HILL:

S. 1113. A bill relating to age limits for admission of appointees to the United States Military Academy; to the Committee on Military Affairs.

S. 1114. A bill granting a pension to Thomas F. Ferguson; to the Committee on Pensions.

S. 1115. A bill to amend the Rural Electrification Act to provide for rural telephones, and for other purposes; to the Committee on Agriculture and Forestry.

EMPLOYMENT OF CRIPPLED VETERANS AS BASEBALL PLAYERS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce, for appropriate reference, a bill to provide that at least 10 percent of the players on each major league baseball team shall be persons who have lost one or more limbs. The bill reads:

Be it enacted, etc., That effective at the beginning of the 1946 baseball season each baseball team in the major leagues shall henceforth maintain on its roster of players such number of persons who have lost at least one arm, or one hand, or one leg, or one foot, as shall equal not less than 10 percent of its authorized roster of players, in accordance with such regulations as the commissioner of baseball shall promulgate from time to time.

SEC. 2. Any individual, corporation, partnership, or association willfully violating the provisions of this act shall, upon conviction thereof, be subject to a fine of not more than $1,000 or to imprisonment for not more than 1 year, or to both such fine and imprisonment.

Mr. President, this measure I am introducing is of vital interest to returning war veterans.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LANGER. Thousands of young men have returned who have lost an arm, a leg, or a foot in the war.

The PRESIDENT pro tempore. The Senator from Arizona has asked the Senator from North Dakota to yield. The Senator from Arizona is controlling the time for the proponents of the pending amendment, and has the right to make the request.

Mr. HAYDEN. Would the Senator mind placing the statement in the RECORD, because the time is limited?

Mr. LANGER. I understand. I ask unanimous consent that the statement explaining my bill be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill introduced by the Senator from North Dakota will be received, and appropriately referred, and the statement will be printed in the RECORD.

The bill (S. 1107) to provide that at least 10 percent of the players of each major league baseball team shall be persons who have lost one or more limbs, introduced by Mr. LANGER, was read twice by its title and referred to the Committee on the Judiciary.

The statement of Mr. LANGER is as follows:

Mr. President, I am offering a measure to this body which is of vital interest to the disabled war veterans.

Thousands of young men have returned who have lost an arm, hand, leg, or foot in war.

Many of these men were athletes who played baseball on the sand lots at high school or in college, and now, because of the disabilities inflicted upon them while serving their country, they are, to all practical purposes, barred from professional baseball.

As Senator A. B. CHANDLER, the baseball czar, has announced he is in favor of some baseball clubs hiring some of these men as coaches, but manifestly that does not solve the situation because of its entire inadequacy.

Lieutenant Shepard, with the Washington baseball group, who has lost a leg in the service, has shown what a pitcher with a wooden leg can do. Pete Gray of the St. Louis Browns made a remarkable record with the Southern League last year and is now perhaps the greatest drawing card, next to Pitcher Jakucki, of Houston, Tex., for the St. Louis Browns.

Last week some of the sports writers announced that when the war was over both of these men would likely be relegated to the minor leagues.

It is my belief that baseball, under the laws of this country, is interstate commerce, and as such we have a right to regulate it. The reason Lieutenant Shepard is not playing is likely because the management of the Washington group must feel that his temporary opponent has an advantage. But, if the opposing team also had a one-legged pitcher there would be no advantage.

Frankly, I believe that the passing of this proposed measure would be a great stimulus to the game itself. The thousands of disabled veterans who otherwise would not attend would go to see their comrades play. But, over and above that, I believe that the American public, believing in true sportsmanship, would welcome the fact that men who had served in the armed forces, being disabled, would not permanently and forever be discriminated against because of that fact. Men disabled in the method I have stated are not discriminated against in business and they should not be barred from taking their places in the great American national game.

I hope, therefore, when this bill is referred to the appropriate committee they will promptly recommend it favorably, that we can pass the same before any recess is taken by this Congress so that the veterans, whether in hospitals or out, will know that a great Congress as representatives of the people is determined to help them by giving them the opportunities that they have so well earned.

BENEFITS TO WIDOWS OF SERVICEMEN—AMENDMENTS

Mr. MAGNUSON. Mr. President, I ask unanimous consent to submit, for appropriate reference and printing, amendments intended to be proposed by me to the bill (S. 866) to extend benefits under the Servicemen's Readjustment Act of 1944 to the widows of persons whose death results from service in the armed forces. It seems to me that the existing statute is sadly lacking in the particulars which the amendments would affect.

The PRESIDENT pro tempore. Without objection, the amendments submitted by the Senator from Washington will be received, referred to the Committee on Finance, and printed.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—AMENDMENTS

Mr. THOMAS of Oklahoma submitted an amendment and Mr. TAFT submitted two amendments intended to be proposed by them, respectively, to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, which were severally ordered to lie on the table and to be printed.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 44. An act to amend the act entitled "An act to provide for the disposal of certain records of the United States Government"; to the Committee on the Library.

H. R. 386. An act to amend the law relating to the authority of certain employees of the Immigration and Naturalization Service to make arrests without warrant in certain cases and to search vehicles within certain areas;

H. R. 390. An act to amend section 28 (c) of the Immigration Act of 1924;

H. R. 712. An act relating to the status of certain natives and inhabitants of the Virgin Islands;

H. R. 1350. An act to record the lawful admission to the United States for permanent residence of Nora R. Neville; to the Committee on Immigration.

H. R. 628. An act to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute"; to the Committee on Foreign Relations.

H. R. 795. An act for the relief of the duly appointed receiver of North Jersey Utilization and Sewerage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof;

H. R. 892. An act for the relief of Madeline J. MacDonald;

H. R. 1007. An act for the relief of Beatrice Brown Waggoner;

H. R. 1008. An act for the relief of Mrs. Harriette E. Harris;

H. R. 1320. An act for the relief of M. Elizabeth Quay;

H. R. 1393. An act for the relief of Mrs. Laura May Ryan;

H. R. 1548. An act for the relief of August W. Dietz;

H. R. 1560. An act for the relief of J. B. Grigsby;

H. R. 1595. An act for the relief of the borough of Beach Haven, Ocean County, N. J.;

H. R. 1678. An act for the relief of Mrs. Ada Wert Illinico;

H. R. 1856. An act for the relief of Southwestern Drug Co.;

H. R. 1891. An act for the relief of Grandview Hospital;

H. R. 1917. An act for the relief of John R. Jennings;

H. R. 1958. An act for the relief of L. A. Williams;

H. R. 2060. An act for the relief of D. W. Key;

H. R. 2666. An act for the relief of Oscar N. McLean;

H. R. 2930. An act for the relief of Dr. J. D. Whiteside and St. Luke's Hospital;

H. R. 2961. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of H. Herfurth, Jr., Inc.;

H. R. 3175. An act to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood; to the Committee on Claims.

H. R. 2416. An act authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819; to the Committee on Public Lands and Surveys.

H. R. 2581. An act to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors," approved May 10, 1943 (57 Stat. 81), and for other purposes; to the Committee on Commerce.

H. R. 2668. An act to transfer Ben Hill County, Ga., from the Waycross division of the southern judicial district of Georgia to the Americus division of the middle judicial district of Georgia;

H. J. Res. 23. Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week;

H. J. Res. 132. Joint resolution to limit the operation of sections 109 and 113 of the Criminal Code, and sections 361, 365, and 366 of the Revised Statutes, and certain other provisions of law; and

H. J. Res. 180. Joint resolution giving official recognition to the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

H. R. 3118. An act to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 2, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes; to the Committee on Finance.

H. R. 3267. An act to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes; ordered to be placed on the calendar.

H. R. 3322. An act to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; to the Committee on Education and Labor.

H. J. Res. 208. Joint resolution making an appropriation for emergency flood-control work, and for other purposes; and

H. J. Res. 212. Joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes; to the Committee on Appropriations.

JEFFERSON DAY ADDRESS BY SENATOR GUFFEY AT INDIANAPOLIS, IND.

[Mr. MYERS asked and obtained leave to have printed in the RECORD the address delivered by Senator GUFFEY before a Jefferson Day meeting held at Indianapolis, Ind., on June 2, 1945, which appears in the Appendix.]

OPPORTUNITY AND RESPONSIBILITY OF YOUTH IN THE POSTWAR WORLD—ADDRESS BY HON. BRECKINRIDGE LONG

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD an address entitled "Opportunity and Responsibility of Youth in the Postwar World," delivered by the Honorable Breckinridge Long, at the commencement exercises of Lincoln Memorial University, at Harrogate, Tenn., on June 4, 1945, which appears in the Appendix.]

LIVESTOCK IN THE POSTWAR FARM PICTURE—ADDRESS BY MARVEL L. BAKER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an address delivered by Prof. Marvel L. Baker, of the University of Nebraska College of Agriculture, before the Rotary Club at North Platte, Nebr., which appears in the Appendix.]

VALUE OF SCHOOLS AND EDUCATIONAL OPPORTUNITY—ADDRESS BY FRANK P. GRAHAM

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an address entitled "New England as a National Example of the Value of Schools and the South as a National Challenge Toward the Equalization of Educational Opportunity in America," delivered by Frank P. Graham, delivered in Boston, Mass., December 8, 1944, before the annual meeting of the New England Association of Colleges and Secondary Schools, which appears in the RECORD.]

EDITORIAL TRIBUTE TO HON. GUY M. GILLETTE

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an editorial from the Washington Post with reference to Hon. Guy M. Gillette, which appears in the Appendix.]

REVIEW BY RICHARD L. NEUBERGER OF THE AUTOBIOGRAPHY OF GEORGE W. NORRIS

[Mr. HILL asked and obtained leave to have printed in the RECORD a review by Richard L. Neuberger of the Fighting Liberal, the autobiography of the late George W. Norris, which appears in the Appendix.]

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

Mr. HAYDEN. Mr. President, the pending committee amendment relates to the Central Valley project in California, and provides for an appropriation of $115,300 for planning of the Delta steam power plant and $100,000 for planning of transmission lines.

I should like to point out to the Senate, very briefly, that without exception on every United States reclamation project now under construction, and on every other project proposed for construction, in connection with which the impounding of flood waters for irrigation is involved, that same water can also be used to generate power. The use of water for irrigation and the use of water for power dovetail completely, and the receipts from power, in each instance, are of material aid in repaying to the United States Treasury the money advanced for the construction of the project.

The reservoirs where flood waters are impounded are always located back in the mountains, and in order to get the most money for the power it is necessary to transport it from where it is generated to centers of population where it can be put to use. Hence the need for transmission lines.

Power available every day in the year sells at a higher price than power which fluctuates due to the height of water in the reservoirs. Consequently in order to get the highest value out of hydroelectric power it must be firmed up by steam plants. To obtain that advantage is the reason for this provision for the Delta steam power plant. The engineers of the United States Reclamation Service advise us—and that is the basis for the pending amendment—that a larger amount of money will be paid into the Federal Treasury in less time if they are permitted to build transmission lines and a steam power plant for the Central Valley project. That is why an amendment to provide plans for that kind of development appears in this bill.

Senators should be greatly concerned about the fact that at the close of the present war our country will probably have a national debt of $300,000,000,000. Let me suggest that one way to make it difficult to pay that debt is to deny the further use of the credit of the United States to make capital investments to develop the natural resources of the United States. Without a national reclamation policy crops worth over $4,000,000,000 would not have been produced in the United States between 1906 and 1944 on otherwise desert and arid lands. In the same period of 38 years the Federal Government expended $318,000,000 on irrigation works, but the return in crop values was 18 times the investment. The over 4,000,000 acres of land which have been placed under cultivation with water from reclamation projects are all on the tax rolls in some State or some county at greatly enhanced values. The profits made by the growers of crops by the railroad and truck lines transporting them to market, by the middlemen, by the processors, by those handling them in the wholesale and retail trade, all are taxable under Federal income tax laws. Federal taxation of all such profits pays a handsome interest to the National Government on the money it has invested in reclamation projects.

In order to amplify what I have just said I ask unanimous consent to have included in the RECORD at this point a statement prepared by the United States Reclamation Service.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Bureau of Reclamation projects in the 15 Western States have contributed to the total national wealth through irrigation and power developments as follows:

1. Through crop returns which add to the Nation's purchasing power. The accumulated gross crop value of completed irrigation projects from 1906 to 1944, inclusive, was $4,007,382,000, on conservative reports. The cost to the Federal Government of irrigation facilities actually in operation at the end of 1944 was slightly in excess of $318,000,000, of which more than $67,000,000 has already been repaid by the water users under the operation of the reclamation law. Thus the increased purchasing power accruing to the Nation from operating irrigation projects was approximately 13 times the cost of the irrigation works. The 1944 gross crop value alone was $411,000,000, or 129 percent of the cost of the irrigation facilities serving them.

2. Through irrigation development: 4,065,000 acres of land have been either reclaimed from barren desert or provided a protective supplemental water supply. The current value of this land with a full reliable water right is estimated at $750,000,000. This land is taxable by the local governments, and thus represents a powerful support to them.

3. Through providing a steady demand for the services of skilled and professional workers and for other nonfarm workers in servicing the reclamation farms and the farmer's families: 338 cities, towns, and villages with a combined population of 906,343 persons have developed on or immediately adjacent to these Federal reclamation projects. The estimated value of this village and urban property is estimated at $1,300,000,000.

4. Through extended purchasing power. The value of extended benefits accruing to the Nation from basic production in agriculture is variously estimated at three and one-half to seven times the return to the farmer. Based on the least optimistic figures, these extended benefits which are evidenced in the supporting towns, villages, and cities are placed at $1,435,000,000 in 1944.

5. Through the value of reliable low-cost power. The installed power generating capacity of Bureau projects in 1944 was 2,440,275 kilowatts. Through the 1944 fiscal year, the power production from Bureau projects amounted to 13,500,000,000 kilowatt-hours. This energy was used in cities and towns having a combined population of over 4,000,000 persons. To supply this power the Bureau has invested approximately $400,000,000. In 1944 electric energy sales from Bureau developments aggregated $18,902,000.

6. Through farm living values. Perhaps one of the greatest contributions of Reclamation to the Nation is found in the 91,000 family-sized farms which provide desirable and healthful living for 351,000 persons. The value of farm living, including food, fuel, and shelter, to these people on Reclamation farms is about $80,000,000 annually, which, of course, is in addition to their cash return from crops.

Mr. HAYDEN. Let me repeat, Mr. President, preventing the Federal Government from obtaining the best price for electric power generated at Shasta Dam, denying even money to pay for preparing plans for transmission lines, or for a steam plant to firm up that power, is one certain way of making it difficult to pay the national debt.

Mr. President, I reserve the remainder of my time.

The PRESIDENT pro tempore. The Senator from Ohio [Mr. BURTON] is recognized.

Mr. BURTON. Mr. President, I expect to divide the time allotted to the opponents by using part of the time myself, and then allotting 15 minutes to the Senior Senator from Oklahoma [Mr. THOMAS].

First, as to the issue before the Senate, the only thing that is before us at this time is the committee amendment proposed on page 66, lines 19 to 22, of the appropriation bill for the Department of the Interior. As proposed to be amended the provision would read as follows:

Central Valley project, Calif., $4,715,300, including $115,300 for planning of the Delta steam power plant and $100,000 for planning of transmission lines.

As the item passed the House of Representatives, it provided for $4,500,000 for the Central Valley project. What the committee amendment proposes to do is to add $215,300 for planning purposes.

It should be kept clearly in mind, however, that this means much more than merely these appropriations for planning purposes. Obviously it would be improper to spend $115,300 for planning the Delta steam power plant, which will cost $26,000,000, unless it were reasonably contemplated that that $26,000,000 plant would be built.

Likewise the $100,000 requested for planning the transmission lines looks to the expenditure of some $49,000,000 for transmission lines and switchyards which are being planned to cost that sum. Therefore I believe it is appropriate to point out that there is really at issue $75,000,000 in this item. Furthermore, the item raises a rather fundamental point in the consideration of the development of power on irrigation projects.

The opposition to the amendment developed during the hearings in the Senate committee. I may say that in the Senate subcommittee, which heard all the testimony, there was not sufficient support for these planning items that the amendment was even brought to a vote, but when it came to the full committee, one of the members did present the amendment to provide for these planning items, and by a vote of 9 to 8 the full committee reported in favor of the committee amendment.

I am presenting, therefore, the opposition of at least eight members who participated in a 9-to-8 vote on this issue, and I am presenting the opposition of the House of Representatives in opposing the item, because the House objected to these two items in detail and by name.

The clearest way, I think, to present the position of the House of Representatives is to read a paragraph from the report of the House, which appears on page 18 of the House committee report, as follows:

Central Valley project, California: In recommending a reduction of $1,000,000 in the estimate of $5,500,000 for the Central Valley project the committee has specifically disapproved items of $115,300 for the Delta steam power plant (planning) and $100,000 for transmission lines and switchyards (planning). It is the intention of the committee that none of the funds appropriated in the bill, or heretofore appropriated, shall be used for any purpose in connection with the establishment of a steam plant or a transmission system. The committee is advised that power now available from the project is being sold near the Shasta Dam under a contract which guarantees to the Government a fair and equitable price and which preserves for public agencies the preference they are entitled to under the reclamation law. Under these conditions it is unnecessary for the Government to appropriate funds to construct either a steam plant, estimated to cost $26,000,000, or a transmission system which would cost approximately $48,000,000, which would not produce greater returns to the Government. There is no unserved market in the area. The proposed steam plant and transmission system would duplicate if not destroy existing taxpaying facilities and take much valuable property off the tax rolls to the detriment of many towns and counties in the State of California.

In the case of the Central Valley project the committee wishes to point out that the estimated cost has risen in a few years from $170,000,000 to over $362,000,000. Considering the need for economy, it would appear to be to the interest of the project to find ways and means of reducing rather than increasing estimates.

My opposition is not to the $362,000,000 for the project itself. My opposition is solely to the further addition of $75,000,000, which is unnecessary to the development of the project. It is unnecessary, I say, particularly because the area is already adequately served by a private utility that is supplying electricity in that area. If this $75,000,000 is expended, it necessarily will be spent to take customers away from the private company, or to build lines and a plant which might just as well be provided by the private company, which has offered to supply them.

It is easy to point out exactly what has taken place, if we refer to the testimony that was taken before the Senate committee. First of all, as to the need of the steam plant—and perhaps, Mr. President, I might explain now the relation of the steam plant to the whole project. The Central Valley project is located in the center of the State of California, extending from a point about 200 miles north of San Francisco to a point about the same distance south of San Francisco, and about midway between the Pacific Ocean and the State line in the interior. It is to serve a great area in need of irrigation, but that entire area, so far as electric power is concerned, is already being served by the Pacific Gas & Electric Co., which has now offered to buy from the Government the power that the irrigation project will produce, to buy it at prices to be set by the Railroad Commission of California, or to be set by the Federal Power Commission, and also to distribute whatever power may be produced by the Government to whatever point it is needed in the irrigation system.

I refer now to the argument presented for the steam plant, and present the testimony in opposition to it. The president of the local company testified as follows:

It is again claimed by the Bureau that the steam plant is required to "make firm" the output of the project's hydro plants. This is not so. The Pacific Gas & Electric Co. has offered and continues to offer to pay for all hydroelectric power generated on the project a price equal to the value it would have if "firmed" by an independent steam plant. We have further offered and continue to offer to "make firm" any power which the Bureau may sell to public agencies, and to do this at a cost no greater than if such power were made firm by a project steam plant.

Mr. President, here is a case where the private utility already is in a position to make firm the power supply to which reference is made by the Government. It has agreed to continue to do so, and it agrees to pay for the Government power a price, for whatever power the Government may produce, which would be the same price that it would be able to demand for that power if the Government did have a steam plant to firm its power. In other words, the Government does not need this steam plant to firm its supply; it does not need this steam plant to establish a better price for its products.

As to the need for the transmission line, which is an even more clearly unnecessary bit of construction, the testimony shows, at page 864 of the Senate hearings—again the president of the local company testifying—the following:

It is also claimed that the proposed transmission system is required in order to bring the project's power output into the market and to make it available for pumping plants required in the Delta division of the project. This likewise is not so. The company has c 'ered and continues to offer to buy all of the project's hydroelectric power at the company's Shasta substation, 25 miles below Shasta Dam. It has also offered to supply the project's pumping plants on an exchange basis with power from the company's transmission system, the company to be paid in power delivered to it at its Shasta substation. The pumping plants would be assured of a power supply at all times, irrespective of the operation of the project's power plants. The steam plant and transmission system are therefore not only unnecessary, but appropriations for their construction would be a waste of public funds.

Mr. President, the transmission line which it is proposed to build would follow practically the same route as that on which the company lines are now constructed. It may be that the company would be compelled to build additional lines to carry the full load that may be supplied, but the company has offered to do so and is willing to do so.

It is my understanding, Mr. President, that the people of the United States are not in the business of investing $75,000,000 in California or elsewhere merely to put existing private companies out of business. It is clear that in this case the power supplied will reach the public, and reach the public at prices which will be approved by the local authorities in California, and will completely absorb the power of the Government project at Shasta Dam.

Furthermore, in case the power is needed at the southern end of the project, the local company makes a very clear and economical proposition. It will accept power at the northern end of the project at Shasta Dam, and will deliver power over its own lines to the southern end of the project.

If we wish to conserve $75,000,000 of public money, this is the place at which to do it, because the private company will supply whatever is necessary to distribute the power, will make the investment, will pay taxes on the investment, and the public will be adequately served.

I recognize that an irrigation project may properly supply power in addition to its irrigation services; but there is no purpose in an irrigation project going into the power business if there is immediately available at its power dam a private distributing agency able to reach that entire area and willing and able to buy whatever is produced at the dam.

We have that situation here. It is unique in that there is no claim made that anyone in the area will not be supplied with electric power in the absence of the Government line. The community is already supplied. What will happen with the Government line is that it will proceed to take away customers from the private line already serving the public.

There is no need for the Government to build this line for the sake of income. It is receiving that income. There is no need for it to build the line for the sake of supplying service, for the service is being supplied through the private company, and the private company agrees to transmit whatever power will be made available. Therefore I believe here is a case where the House is entirely correct.

Mr. President, we should not spend $75,000,000 of public money to do over again what the private company has done, or to build lines in addition to those which the private company is willing to build, and the public will be served fully and adequately without the investment of $75,000,000 of money coming from all over the United States, in the State of California, where there is a local company able and willing and ready to give this service.

I believe, therefore, that we should vote down this committee amendment, and that we should sustain the position of the House of Representatives.

Mr. HAYDEN. Mr. President, the proponents and the opponents of the committee amendment are dividing the time equally. I now yield 10 minutes to the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, I had not intended to speak further on the amendment until its opponents brought out on Monday last that the proposed project might be used for the purpose of determining policy regarding the sale of power developed at public plants. On that day the Senator from Ohio [Mr. BURTON] made this statement, which appears in the RECORD on page 5479:

The proposal is to build a 200-mile transmission line directly down through the territory now served by private interests, to place a steam plant just inland from San Francisco in order to firm that system and in order to help in the transmission of power to the irrigation system.

The principal arguments against this are that there already is an adequate private power development of that great area; that there are no new customers there; that there is plenty of power there, and that the local private power interests will buy all the power produced by the Government and transmit it on their lines and resell it to their users without the necessity for the erection of additional power lines by the Government.

Mr. President, these arguments are the stock arguments of the utility companies which have been used against virtually every public power development in the United States, including the TVA.

The fact is that our country will need every kilowatt-hour of electric energy that it is economically feasible to produce.

We are now using six times as much electric energy as we did at the end of the last war, and it has been estimated by the private utilities themselves that the demand will continue to increase after this war, and even now many of them are seeking new sources of power.

American manufacturers of generating equipment and electrical apparatus have many orders from other countries of the world for postwar delivery. The development of hydroelectric power is going forward in Russia, in China, in South America, in Africa—in virtually every part of the world. Our country must keep pace with this worldwide development.

Let us not be misled by the same old arguments that we do not need the power which were put forward at the end of the First World War and are constantly presented to us whenever new public developments are mentioned. America does need the power, and at rates which will permit us to hold our place in world affairs.

Let us turn for a moment to another stock argument used by the power companies against public development for more than a generation—the argument that the communities and the country lose taxes when power is publicly developed and sold.

I have no time to go into the question as to why the States of the Union and the Federal Government need to employ the power companies as tax collectors, but I wish to place before the Senate one concrete example showing the utter fallacy of the contention that public revenue is lost through public development and distribution of power.

This striking example will be found in the city of Burlington, Vt., which has its own municipally owned lighting system and is also served by the Green Mountain Power Co., a private system with good local management, and whose president I hold in high esteem.

These two systems sell light and power at exactly the same rates.

On June 30, 1944, the fixed assets of the publicly owned system amounted to $489,488.14.

For the fiscal year ending on that date, the publicly owned system turned over to the city treasurer its profits of $99,802.91 and $30,000 worth of free power for street lighting.

The property of the private utility is appraised for tax purposes at $434,700, although I understand it is carried on the corporation books at a much higher figure. It will pay to the city this year $13,041 in taxes.

The municipal plant contributes to the city government $130,000 annually, while the private plant contributes $13,000 on virtually the same valuation.

During the past 17 years the municipal plant has turned in to the city treasury profits amounting to $1,285,808.11, although the total valuation of fixed assets is only $489,000.

I ask leave to have printed in the RECORD the report of the superintendent of the electric-light department of Burlington, Vt., for the year ending June 30, 1944, and a telegram received this morning from the city clerk of Burlington setting forth in detail the assessed valuation of the private-utility company and the amount of taxes paid.

There being no objection, the report and telegram were ordered to be printed in the RECORD, as follows:

To the Board of Electric Light Commissioners of the City of Burlington, Vt.:

GENTLEMEN: An analysis of the books of the department for the fiscal year ended

June 30, 1944, shows a gross revenue of $393,563.32, operating expenses of $253,099.76, depreciation of $45,939.82, doubtful accounts of $1,237.54, resulting in a net profit for the year of $93,286.20. The total net cash balance is $110,891.91 of which $99,802.91 was turned over to the sinking fund for the payment of the city's general bonds and $11,089 has been deposited in the department's special reserve fund. Including the interest for the year of $632.40 this fund's balance is $48,884.23.

A general overhauling of the underground system has been done during the past year as it was found to be in a hazardous condition. The cable installation on Winooski Avenue from Main Street to Pearl Street was completed and also the new underground system on Overlake Park. The latter is a replacement of the cable system which had broken down several times and was beyond repair. A new substation was installed at the Burlington Rendering Co. plant to provide adequate service where the old equipment was found to be overloaded.

Postwar plans call for new transformer vaults and more duct lines in all the business section as the present system is working up to its capacity.

Since the general public has been unable to procure new equipment and appliances, there has been a great demand for repair service which has been taken care of in spite of an undermanned crew.

The commissioners and all the city officials have been most helpful in making the department a success and the loyalty and cooperation of the employees has been most commendable.

Respectfully submitted.

H. I. WILLIAMS,
Acting Superintendent.

BURLINGTON, VT., *June 6, 1945.*

GEORGE D. AIKEN,
United States Senator, Senate Office Building, Washington, D. C.:

Green Mountain Power properties assessed valuation as of April 1945: Office, stores, and showroom building, $30,600; gas properties, $236,300; electric properties, $140,300; personal property, $37,500; total, $434,700. Taxes paid fiscal year July 1, 1944, to July 1, 1945: Office, stores, and showroom building, $918; gas properties, $7,089; electric properties, $5,706; personal property, $825; total, $14,538. Total tax due fiscal year beginning July 1, 1945, $13,041.

W. T. ABELL,
City Clerk.

Mr. AIKEN. Mr. President, throughout my State are many small municipal electric systems which make a practice of charging the going rate for electricity and paying the entire cost of the village government out of the profits.

The question before us today concerns a development in the State of California. It is a long way from Vermont to California, but the opponents of the proposed amendment have stated that this is a matter of policy. I assume that they hope that if they can succeed in blocking the sale of power to the public in California, this policy may be extended to the rest of the country.

It has been said that California enjoys low rates for power. It has also been said that this is due to the yardsticks provided by the municipal power system of the city of Los Angeles and the nearness to the public power developments of Washington and Oregon.

Upon checking the records of the Federal Power Commission, found on page 3335 of the CONGRESSIONAL RECORD, April 16 of this year, I find that in 1944 the people of California paid $246,000,000 for electric light and power; and that their neighbors in Tacoma, Wash., would have paid $145,000,000 for the same amount of power.

What part of this $101,000,000 spread in the price of power charged to people of Tacoma and people of California was returned to the people of California in taxes, I cannot say.

I find that in the Eastern States, about one-half the overcharge on power rates is returned in the form of taxes.

I know little about the Pacific Gas & Electric Co. I am informed by reliable authorities that it is substantially controlled by the North American Co., a holding company which also substantially controls the Potomac Electric Power Co. of this city, the Union Electric Light & Power Co. of St. Louis, the Cleveland Electric Illuminating Co., and other Ohio properties, and many properties in the State of Wisconsin.

I bring this out to show that in considering this matter we are not considering a small local power company in California, for which there might perhaps be some sympathy. We are considering a matter affecting one of the great holding companies of North America.

I am also told that for a generation the Pacific Gas & Electric Co. has successfully thwarted a provision of Congress in what was known as the Raker bill, which provided that the power developed at the Hetch-Hetchy Dam in California should be sold to the people of California and not turned over to private utilities for private profit. That matter has been in the courts for years.

It would appear from this record that the Pacific Gas & Electric Co. is attempting to control the output of the Central Valley development in order to perpetuate its airtight monopoly on this region. On Monday the Senator from Ohio told us that the rejection of the pending amendment would result in perpetuating the monopoly which this company holds in that section of the United States.

The question of policy on which we are voting is whether the great natural resources of the United States shall be developed with public funds and the benefits derived therefrom turned over to a corporation which will resell such benefits to the public at a substantial profit or whether the benefits from such development of natural resources—in this case derived from the falling rains and the melting snows—shall be disposed of with benefit to the greatest number of people without the levying of tribute in the interest of monopoly and private gain.

Mr. LANGER. Mr. President, I wish to compliment the distinguished junior Senator from Vermont on the splendid analysis he has made of the pending amendment. The history of small towns in North Dakota which have municipal light plants, such as Valley City and Grafton, is identical with that of Burlington, Vt.

Mr. BURTON. Mr. President, I now yield to the senior Senator from Oklahoma [Mr. THOMAS]

Mr. THOMAS of Oklahoma. Mr. President, I submitted some remarks on the pending amendment at a previous session of the Senate. I presume that I convinced Senators of the correctness of my position, because apparently they are not now interested in the amendment, as there are only about 20 Members present in the Chamber. I have only one or two additional suggestions to make with respect to the amendment.

I am for the Reclamation Service. I am for the irrigation program, and have always been since I have been a Member of Congress. The western side of my State of Oklahoma is a rather dry territory. In that section frequently we do not have more than 20 inches of rainfall in any one year. The average rainfall over a long period of time is not heavy. Too often it is not heavy enough to mature the crops which are planted. So in order to make the western part of Oklahoma a really productive section of the country, it is necessary to develop some irrigation systems in that territory. The pending bill carries appropriations for the completion of such a system in western Oklohma.

Approximately 10 years ago the Congress began work upon a program for making tests of the feasibility of irrigation in western Oklahoma. A site was selected at what is known as the Altus-Lugert Damsite. The dam has been constructed; a vast reservoir has been created and it is now full of water. The flume from the dam to the land to be irrigated is now in process of construction. The money carried in this bill will complete the flume to get the water onto the land; and, if nothing happens, by next year—1946—we shall have an experimental test in Oklahoma of approximately 20,000 acres under water. If the experimental plant is a success, in western Oklahoma there are other sites which can be considered in the future. I feel certain that if the one we now have under construction is a success, future Congresses will initiate and will complete the construction of other irrigation plants in my State. So I am strictly in favor of irrigation and the continuation of irrigation where it is held to be feasible.

Mr. President, I am also in favor of the development of hydroelectric power from reservoirs which produce surplus water. But irrigation and hydroelectric-power development are contradictory. In order to have a maximum of hydroelectric power created a large amount of water must be stored; or if there is no such storage, there must be a running stream which will flow into the reservoir, and if the water is not used by being run through the turbines it will run over the dam. In a case of that kind, where there is a large reservoir or a constant supply of water, I am in favor of using the excess water for the creation of hydroelectric power. So, Mr. President, it cannot be said that because I am against this amendment, I am against irrigation; it cannot be said that because I am opposed to the amendment I am against the creation of hydroelectric power, where it can be created. That is not the issue.

I cannot quote with authority those in charge of the Reclamation Bureau, but I can hazard an opinion. It is my opinion

that the head of the Reclamation Bureau, now and in the past, is not particularly interested in the development of hydroelectric power in connection with irrigation projects. In the case of most projects under the Bureau no hydroelectric power is possible, because they want all the water which falls on the drainage area to run into the reservoir, and they hope from year to year to have each reservoir filled, so that when the spring comes there will be a full reservoir of impounded water for use on the lands below the dams for irrigation purposes. So, as I have said, although I cannot define the position of the Reclamation Bureau in this matter, it is my opinion from long association with the officials that they are not interested in the development and use of hydroelectric power, save as an incident to the construction of dams for irrigation and to the maintenance of irrigation works. If they have surplus water, if they can develop hydroelectric energy, and if they can sell the energy, they can use the revenue to pay off the debt created by the construction of the reclamation works; and to that extent the Reclamation Bureau is interested in the use of hydroelectric power, as incidental to the use of surplus water created in the existing plants.

Mr. President, I wish to give my viewpoint as to why this amendment is now before the Senate. It is not before the Senate because the Reclamation Bureau wishes to handle the power. It is not before the Senate because the Reclamation Bureau wishes to build the transmission lines. It is not before the Senate because the Reclamation Bureau wishes to build the stand-by steam plant. The amendment is not in the bill because the Reclamation Bureau wishes to distribute the power. It is in this bill because the Interior Department wishes to have it there. If the amendment is adopted the plans will be made. Next year the Bureau of the Budget will no doubt recommend the appropriation of money with which the plant and transmission lines can be built, and when the transmission lines and the steam stand-by plant is constructed, they will be taken from the Reclamation Bureau and will be placed directly under the Secretary of the Interior.

Mr. President, I hold in my hand a copy of the Congressional Directory. On page 375 I call the attention of the Senate to the agencies under the Interior Department which have to do with electric power. The first is the Bonneville Power Administration, which was created in the Interior Department for the express purpose of disposing of the power created at the Bonneville and Grand Coulee Dams. The Administration, for this particular group, has an Administrator, an Assistant Administrator, a general counsel, a controller, a power manager, a chief engineer, and a consulting engineer. I am not complaining about the set-up, but that is only one set-up for electric power in the Department of the Interior.

The second one is the Division of Power, which is under a Director. The Director is listed in the Congressional Directory as being Mr. Arthur E. Goldschmidt. That is the second group in the Department of the Interior in connection with electric power.

The third group under the Department of the Interior is the National Power Policy Committee, which is made up of a number of eminent gentlemen who already are in the Federal service. For the RECORD I shall read their names, but they are all under the chairmanship of the Secretary of the Interior, Mr. Harold L. Ickes. The Chairman of the National Power Policy Committee is Harold L. Ickes, Secretary of the Interior; the Vice Chairman is Leland Olds, Chairman of the Federal Power Commission. The members of the committee are the following: Philip B. Fleming, Administrator of the Federal Works Agency; Ganson Purcell, Chairman of the Securities and Exchange Commission; Robert P. Patterson, Under Secretary of War; David E. Lilienthal, Chairman of the Tennessee Valley Authority; Paul J. Raver, Administrator of the Bonneville Power Administration; and Charles B. Henderson, Chairman of the Reconstruction Finance Corporation, and Administrator of the Rural Electrification Administration. The executive secretary of the committee is Joel David Wolfsohn.

Then there is a fourth division in the Department of the Interior dealing with electric power. It is known as the Southwestern Power Administration. The Administrator is Douglas G. Wright. He happens to have his office in my State of Oklahoma; it is located at the city of Tulsa.

Mr. President, this is a movement to expand and increase the power activities of the Federal Government under the direction of the Secretary of the Interior. Of course, the Reclamation Bureau wishes to develop power if it has the water. The Reclamation Bureau can get more money for such power by selling it at the bus bar than it can by building transmission lines and power plants and undertaking to distribute the power.

So we are faced with this issue: Does the Congress of the United States wish to set a precedent or to expand the existing precedent by going forward with this public power program to the extent of building transmission lines and steam plants in competition with private companies which now are serving the various sections of the United States? I think we have here a good illustration, because there is no complaint before the committee that a private company is not serving the particular area in California. It is serving it so well that there is no room in that territory for the creation of any additional Rural Electrification Administration activities. The witnesses before the committee stated that there are two small REA cooperatives in that section. They found a sufficient number of people who were not being served by the existing company there in California to make two small cooperatives. It is obvious that those are the only cooperatives which are needed in that section. It is obvious that, aside from those two small cooperatives, the present power company is serving everyone else. Not only are the cities being served, but the farmers are being served, the towns are being served, and the villages are being served; and they are being served now. There is no complaint before the committee that they are not being served. There is no complaint before the committee that the existing rates are too high.

Of course, whatever the rates may be, there is no doubt that the consumers would like to have them lowered. If we embark on the proposed power program on a grand scale and spend the remainder of the $362,000,000, which it will cost in toto, the proposed vast expenditure of money and the contemplated gigantic power development will then be under the control of the Federal Government. Of course, the Government could go into that territory and undersell, so far as rates are concerned, any existing power company there. If the existing power company wants 3 mills a kilowatt for the power which it produces, the Government could go into the territory and lower the rate to 2½ mills, or even 2 mills, or to any rate which it might choose, in order to get for its power an outlet which it otherwise would not have. Of course, cutting the rates would secure a low rate in the territory involved, and would make that section of the country a favored spot. But the Government would be put into the power business in order to reduce rates in a locality where no question has been raised about the fairness of the rates.

Mr. President, I am opposed to the amendment because it would lead to an unnecessary expenditure of approximately $70,000,000. There is no claim that such an expenditure is necessary. The territory in question is now being served by electric power companies. There is no complaint that the existing rates are too high. That being true, I am opposed to the further encroachment upon the territory of this private concern, whatever it may be, by the expenditure of vast Federal sums. Such a program has but one purpose, namely, to establish an outlet for the power to be generated, in spite of the fact that all power now being produced and all power that may be produced may be sold without the building of either the transmission line or the stand-by steam-power plant.

Mr. President, this item will probably go to conference, and will have to be worked out there. The only purpose I have in addressing the Senate at this time is to set forth the viewpoint of one Member of this body so that such viewpoint may be before the conference committee.

Mr. HAYDEN. Mr. President, I yield 15 minutes to the Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, I rise to support the committee amendment. I consider the issue before the Senate to be important. The question is whether great power projects, self-liquidating in nature, shall be operated for the public good, or shall be turned over, lock, stock, and barrel, to a private corporation for gain. In this case the private corporation is the Pacific Gas & Electric Co.

Mr. President, there has been some indication in the debate that this issue is a new one. Indeed, it is not new; it is an old fight. The issue has been fought out on the floor of the Senate many times in the past during my service in the Senate.

Back in 1913, with respect to this same company, the P. G. & E., the Congress of the United States voted that the products of a public investment should not be turned over to a monopoly for its private profit. I refer to the case of Hetch Hetchy. Energy from the Hetch Hetchy plant cannot, under the law, be delivered to any private power company for resale. Down through the years, again and again, from Muscle Shoals in the 1920's to the Flood Control Act of 1944, Congress has reaffirmed this sound policy of preserving and developing public resources so that the people, who own these resources, may prosper and need not pay toll to any corporation standing between them and their own property. Only last December the Senate defeated an attempt to change that policy when it voted down the Bailey amendment to the Flood Control Act.

The basic argument against the committee amendment on Central Valley, which was made by the Senator from Ohio [Mr. BURTON] last Monday, and reiterated to some extent today, was that it seemed "extraordinary to take out of the United States Treasury the sum of $75,000,000 and invest it in California where the users may obtain electric power more cheaply than they could obtain it from private capital invested in the normal and usual manner."

There is nothing extraordinary in attempting to provide cheaper power for the people. During the last 20 years, as every Senator well knows, the development of many sections of our country has been aided by cheap power; in fact, I believe it is generally conceded by everyone that without the great low-cost Federal power developments in the Tennessee and Columbia River Valleys, we would not have been able in so short a time to make anywhere near so great a production record in this war as our people have made. It has not only astounded ourselves, but the entire world as well. Cheap power, a better life on the farm, and the growth of industry all go hand in hand. In the case of the Central Valley we have already appropriated more than $147,000,000 to build the great dams there, and to generate power. We have already built the basic and substantial part of this project. The question now is, Are we to adhere to our historic and progressive policy of using these great projects as a means of developing the area and helping the people by means of low-cost power?

Without Government transmission lines, the Pacific Gas & Electric Co. will stand between the dams already appropriated for to the tune of $147,000,000, and the people who want the power. Was this Federal money spent, and Shasta and Keswick dams built by the people of the United States simply to increase the business and the profits of the Pacific Gas & Electric Co.? If so, then I wish to state that, so far as I am concerned—and I believe my viewpoint is shared by other Senators who do not live in the western arid States, but who have given consistent and wholehearted support to the great western reclamation projects—I shall be reluctant to support any more of these projects if they are to be built at great cost, and the benefits are to flow in part to private corporations which will reap profit from the investment of the Federal Government.

We can conscientiously support expenditures which build up other regions and help the people there, but we cannot support projects designed for the welfare and the profit of any corporate monopoly.

The Senator from Ohio said that one purpose of the transmission lines would be to bring "cheap" power to the people. That is correct. The power would be cheaper if it were not sold by the Pacific Gas & Electric Co. If the transmission lines are built by the Government, and the power is firmed up, it could be sold to municipalities and industries in California for an average of one-half cent per kilowatt hour, which is 30 percent less than the municipalities are now paying to the Pacific Gas & Electric Co. If the power is turned over near Shasta Dam to the corporation for resale, with the company building the lines, of course the consumers will have to pay more than they now pay. Their rates will reflect not only a proper charge on the capital investment, but also a handsome profit to the company, and will also be reflected in the taxes which the company pays. The courts have permitted public utility companies to charge taxes to their operating expense accounts. In 1943 this included more than $11,000,000 in excess-profit taxes alone on the Pacific Gas & Electric Co. system. The Government does need to build these transmission lines and does need to make the surveys included in this amendment, if the people of California are to derive the real benefit from the great dams which the Government has built.

The Senator from Ohio spoke of spending $75,000,000 in order to bring cheaper power to the people. Let us not forget that the Government of the United States has spent $147,000,000 to harness the water of the valley and to make possible the development of electric power and energy to the extent of a billion kilowatt-hours a year. The greater part of the investment has already been made. It was a public investment made for the public good, and made, I submit, under that understanding because of the basic provisions of the reclamation statute. Are we now suddenly to transform this investment into an instrument for private gain?

All of this investment, including the cost of the dams, and the eventual cost of the transmission lines and steam plant mentioned in the amendment, will of course be repaid to the Government. The Senator from Ohio said something on Monday about the principal being repaid without interest over a 50-year period. That is not the situation, as I understand it. The Bureau of Reclamation has made its plans and set its estimated rate, on the basis of having the power project pay out with interest at 3 percent. In fact, the proceeds from the sale of power will not only fully amortize, with interest, the direct power investment in the Central Valley project but will also produce additional revenue, and thus reduce the charges for water which would otherwise have to be paid by the farmers irrigating their lands in the valley. I do not want the Senate to get the idea that this $75,000,000 is some kind of a free gift out of the Public Treasury. It is nothing of the sort. It is a sound business investment.

On the other hand, if we do not build these transmission lines, the soundness of the much greater investment in the Shasta Dam itself will come into question. We are told that the Pacific Gas & Electric Co. will gladly buy all the power and pay the same price for it as if it were firm power. But since when has it been sound business for anyone, including the Reclamation Bureau and the Federal Government, to tie up to only one all-powerful customer? If the Government builds no transmission lines, it will be completely at the mercy of the only possible customer for Shasta power at the bus bar, namely, the Pacific Gas & Electric Co., which could dictate its own terms. The Senator from Alabama [Mr. HILL] on Monday last recalled the experience we had in the case of the Muscle Shoals project, when there was in the field only one private company in a position to bid for the power being developed at the dam there.

The Senator from Oklahoma [Mr. THOMAS] indicated on Monday last that to have the Reclamation Bureau go into the business of power development would be something new. Actually, it is anything but new. The great dam at Grand Coulee is a Bureau of Reclamation dam. The power developed at Grand Coulee will produce sufficient revenue to make it possible to develop the vast Columbia Basin irrigation project, which otherwise would be far too expensive for the farmers. Because Grand Coulee power, although selling at an extremely low rate, provides more than enough money to amortize the power investment, the water charges to farmers in the Columbia Basin project can be reduced to a point which makes the project feasible for the farmers, while the whole development is self-liquidating from the standpoint of the Government and the taxpayers. Grand Coulee is only one example. There are multiple-purpose reclamation projects in Montana, Wyoming, Idaho, and in the Southwest, all of which use power revenues to help make the irrigation features of the project feasible and to supply water to the farmers at a price which they can afford to pay, and at the same time enable them to repay what they borrow from the Government. The Central Valley project is not a startling new departure. It is based on sound and tested policy. Indeed, I may remind the Senate that Congress first amended the Reclamation Act to permit power development as far back as 1906.

Mr. President, the Senator from Oklahoma also mentioned that on the border of his State, at the Denison Dam, power has been sold from the Federal dam at

the bus bar to two private companies The Senator from Oklahoma said:

The engineers have decided as the best policy to sell the power at the dam.

Actually the sale of power at that dam is under the control of the Secretary of the Interior, who has consistently fought against any requirement that power must be sold at the bus bar. In the Flood Control Act of last December Congress provided for the sale of power from this and other dams by the Secretary of the Interior, and provided that within certain limitations transmission lines could be built. The Administrator of the Southwestern Power Administration in the Department of the Interior has always been frank in stating his belief that the best policy involves the construction of transmission lines when war conditions permit. I venture the assertion that when the time comes that it is possible to construct transmission lines from Denison Dam the local Rural Electrification Administration cooperatives of the region, particularly in Oklahoma, will eagerly embrace the opportunity to buy cheaper power.

The Senator from Oklahoma also mentioned the taxes which the Government would receive if the proposed transmission line were built by the Pacific Gas & Electric Co. instead of by the Government. As I have already pointed out, such taxes would come from the consumers, not from the company. We cannot have it both ways. Either we make a great self-liquidating investment, bringing cheap power to the people and developing the whole area, with the ultimate great increase in Federal revenues which comes from any prosperous area, or we hand over to a private company power which will be generated as a result of the expenditure of $147,000,000 of the taxpayers' money and collect a small tax on the company's operations.

Finally, the Senator from Oklahoma suggested that by selling the power at the bus-bar to the company the Government could make more money than by carrying out its plans for transmission to public bodies throughout the valley. Even if that statement were true, it would not be good business, for in the long run the Government would be the loser. Development of the Central Valley would be impeded with consequent loss to the country and to the Treasury. But there is no reason to believe that the statement of the Senator from Oklahoma is correct. As I said before, if we do not appropriate for the transmission lines, the company has the Reclamation Bureau and the Secretary of the Interior by the throat.

In all the discussion about this matter, clear definite figures are missing. A representative of the company is reported to have said that the company would pay an adequate price; but it is not stated what other conditions the company will insist upon in the contract—conditions which may be utterly unacceptable to the Government. The rejection of this amendment would go far toward putting the Government as well as the power consumers of California in the area affected completely at the mercy of the Pacific Gas & Electric Co. Of course, the company is in a position to make a generous offer for this power, because it will then simply go to the public-service commission and be allowed the money it has paid for the power and also for the recapture of its transmission lines, and it will take it out of the consumers of the Central Valley.

To sum up, Mr. President, if these transmission lines are not built, what was undertaken as a public project will be transformed into an instrument of private gain. There will be no gain whatsoever to the Government of the United States. Rather, the Government will lose its freedom of action in dealing with its own resources. It will become completely subservient to a single power company. It will not save any money. There will be no gain to the people of California, nor to the people of the country. Rather, there will be a great loss because the prospect of cheap power will vanish and with it the prospect of a great development in the Central Valley. All the people throughout the country are affected by the growth and prosperity of any given area. Congress, representing all the people, authorized the Central Valley project 10 years ago because the flourishing of industrial and agricultural life in the Central Valley, at no cost to the taxpayers, would benefit not only the people of California but indirectly the people of America. The question now is whether we shall make that development possible, or instead to turn this whole project over to a single powerful corporation. I favor the committee amendment, because I want to see this great public investment utilized for the public good, and I express the hope that the amendment will be adopted.

The PRESIDENT pro tempore. The time of the Senator from Wisconsin has expired.

Mr. BURTON. Mr. President, just a few words in concluding the argument in opposition to the amendment.

As has been pointed out, it involves the expenditure—at a later date, to be sure, but based upon the plans now sought to be authorized—of about $75,000,000 of Government money to build transmission lines and a steam plant, which are not needed, because a private company is in a position to supply the same service.

In these days, when the taxpayer is burdened with Federal taxes and the Government is confronted by a huge national debt, if we have a chance to avoid payment from the Federal Treasury of $75,000,000, we should take advantage of the opportunity, and this is a good place to do that. The money asked for is not needed. The people will be supplied with this power, and it will be supplied at fair rates under the regulation of their State utilities commission. Therefore I believe the House was entirely right when it concluded that this is a good place to start the economy program, and not to spend $75,000,000 of public money to duplicate a private investment.

In the second place, it has been pointed out that possibly if the Governmen constructs these transmission lines, the consumer in California might be able to receive his power at a slightly lower rate than he would receive it from the private company. That means that the consumer in California will be paying a lower rate because the taxpayers of the United States endow him with transmission lines which enable him to enjoy benefit. I believe that our Government is based on the principle that we are willing to have private capital obtain a fair return; we are willing that a fair return be paid for expenses incurred, we are willing to have services supplied by private industry when private industry can and will supply them. In this case private industry can and will supply the service and supply it at fair rates, determined by the public utility regulating body of California.

There is no need, therefore, of appropriating $75,000,000, contributed by all the taxpayers of the United States, in order to give power consumers of this particular area of California a lower rate than they would be entitled to, or that other consumers throughout the United States would pay.

It it were true that this area could not be irrigated, if it were true that it could not be developed, if it were true that the power were not available without this Government line, then the investment might be justified; but that is not the case. There is no need for $75,000,000 of public money being spent in order to provide a lower rate for California users than is being paid for comparable services elsewhere in the United States.

Mr. HAYDEN. Mr. President, under the unanimous-consent agreement all amendments must be offered before 1:15 o'clock, and the committee has agreed to accept two amendments proposed by the Senator from North Dakota [Mr. LANGER]. I ask that the amendments be read in my time.

The PRESIDENT pro tempore. The amendments will be stated.

The CHIEF CLERK. On page 35, after line 7, it is proposed to insert:

North Dakota: Standing Rock, $8,500.

On page 35, in line 13, it is proposed to strike out "729,250" and to insert "$737,750."

The PRESIDENT pro tempore. Is there objection to the present consideration of the amendments?

Mr. HAYDEN. They cannot be considered at this time, but I want them made a matter of record, so that the Senate can vote on them immediately after the pending amendment is disposed of.

Mr. President, how much time have I remaining?

The PRESIDENT pro tempore. Half a minute.

Mr. HAYDEN. That is hardly sufficient time to make any argument. I suggest that a vote be taken on the pending amendment.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 66, lines 19 to 22.

The amendment was agreed to.

The PRESIDENT pro tempore. The clerk will now state the first amendment offered by the Senator from North Dakota.

The CHIEF CLERK. On page 35, after line 7, it is proposed to insert the following:

North Dakota: Standing Rock, $8,500.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment of the Senator from North Dakota is an amendment to a committee amendment which has been agreed to, and it will be necessary to reconsider the vote by which the amendment was agreed to. Is there objection to reconsidering the vote by which the committee amendment on page 35, line 13, was agreed to? The Chair hears none, and the vote is reconsidered. The clerk will now state the amendment proposed by the Senator from North Dakota to the committee amendment.

The CHIEF CLERK. In the committee amendment on page 35, line 13, it is proposed to strike out "$729,250" and insert "$737,750."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 3024) was read the third time and passed.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the clerk be authorized to correct the totals.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SUGGESTED FEDERATION OF EUROPE'S WESTERN DEMOCRACIES

Mr. WILEY. Mr. President, as we look around the world today, we recognize that this great and happy land is like an oasis in the desert. We want to keep our own land and our own national economy productive and sustaining. And we want to help other like-minded nations to help themselves so that they may realize the blessings which are ours. The Allies have had a unified purpose during the war. Can we establish such a purpose for peace?

On the stage of San Francisco, there is enacted a replica of Europe as it has been for a thousand years or more. Yet the division, the national bickering, the national fears so evident at the Golden Gate need not be, for there are living precedents in this world—in the United States and in Switzerland—which prove that peoples need not always be divided because of different backgrounds, tongues, and cultures.

Several years ago that great statesman, Gen. Jan Christiaan Smuts, spoke of a plan whereby the democracies of Europe would organize themselves into a great confederacy. General Smuts' position reflects a viewpoint which I have repeatedly expressed through the years.

In 1939, a few days before Hitler marched into Poland, I was in Oslo, Norway, as the representative of this Government at the Interparliamentary Union Conference. At that time I had a private audience with King Haakon. I suggested the same idea of a European federation of nations to him. I asked him why the western democracies—Scandinavia, the Lowlands, France, and Britain—could not form a great commonwealth of Nations like the British Commonwealth. The King's answer was apparently based upon his fear of the imminent European war. He stated in substance that during the last war, Norway was able to remain neutral while the Kaiser flooded Europe with war. And King Haakon expected that by pursuing a lone course of action, Norway could remain neutral in the forthcoming crisis. How mistaken he was, and how mistaken were other statesmen of the western democracies.

America has occasion to wonder now if Europe has learned anything from its ordeal. We wonder, for example, if the present crisis between England and France over the Near East signifies that any lesson has been learned which would make for collaboration. I do not pass judgment upon the Syrian and Lebanese situation; but I do ask whether France and England will continue separate and conflicting lines of national policy and whether the other western European democracies will continue to play lone hands.

Have they not learned at least one great teaching which they should have learned by now? That teaching, which is evidenced in Europe, itself, is this: Peoples of different bloodstreams, of different cultures, can come together in union, can shed their blood feuds, their national hatreds, their desires to divide and conquer. In so doing, they can develop a new breed of men, such as, in the Old World, the Swiss, and in the New World, the American.

Is not Russia herself a precedent for such union? Russia has over 70 different nationalities which are at different levels of development. Yet, those nationalities have apparently been amalgamated in peace and in war into a strong union. Even the Arab nations now meeting in Cairo seem to be getting together.

Of course, America and Switzerland are the great examples of voluntary, democratic union. And it is these examples which we hold up for all the world to see and emulate. It is not for any American to advise Europe's peoples on how to act. I do not now propose to do so. But in all humility, I repeat my suggestion that the western democracies of Europe take the lead in establishing a strong democratic union. In so doing, they would serve to end the blood-letting, the dickering and the boundary disputes. They would manifest that "common sense of the hour" which is so vitally needed today. They could take as an example, too, the British Commonwealth of Nations. In that commonwealth the nations have their separate governments and institutions. Yet, there are bonds between them stronger than steel—bonds of common aspirations, common devotions to liberty and freedom.

The western democracies of Europe have not been the breeding ground of wars; yet wars have come to them. They, by their union, could set an example which the other nations, which have not known democracy, might well follow. Thereby the cause of world peace would be served.

I believe this suggestion of regional unions will become more and more pertinent and vital as time goes on. We, of course, want some kind of an organization for all nations. After all, the San Francisco Conference at its best is only a step forward, and we hope that similar conferences will follow so that a final plan may be developed. We are hoping that San Francisco will be the beginning of the march upward to a point where a full realization of that hope and desire will be brought about.

In this world today—after the fall of Germany—it is very apparent that differences in background, in economic, political, and social philosophy among the nations, constitute a barrier that must be broken down before this "consummation devoutly to be wished" becomes a reality. Therefore, it is to be at least very apparent that these regional setups are becoming more and more necessary in the international picture. Through them the will, purpose, and conscience of democratic concepts can vitalize the globe.

I spoke of the differences in the approaches of the nations to this much-hoped-for unity. We have an illustration of that right now in San Francisco. The Russians are insistent that the veto power apply so that any member of the Big Five could veto any discussion brought before the Security Council. This clearly points up what I am talking about. This would mean that any of the Big Five could stop discussion in the Council on any subject. This approach is very difficult for Americans, as well as all other democratic peoples, to understand. We have freedom of discussion not only in our political assemblies, but in our newspapers and in every public or private forum which exists. Russia does not have that. We all remember that a few days ago she asked the Swedish Government to crack down on one of the newspapers which published an attack on Stalin. This and other blunt statements made by the Russian representatives in San Francisco should indicate very clearly that our philosophy of the "four freedoms" only finds lodgment among democratic peoples, and the democratic peoples of earth are a very small minority.

We admire the bluntness, the straightforward expression of the representatives of that great nation in bringing to us their approach to this complicated international question. We do not agree, however, that their way is the better way. This conflict of ideologies presents the issue. It calls for consultation—repeated consultation. It calls for our understanding of their viewpoint and their understanding of ours. And out of that clash of ideas we must find the way—if there is in this day and generation a way—to a peaceful world.

I might say that the Russians seem to be correct in their interpretation of the language in the Yalta agreement. But San Francisco is a conference of 50 nations, not 4.

It is very clear that while geographically we live in one world, from a standpoint of political and social approaches we live in many worlds.

One of those worlds is the democratic world in which we and the Scandinavian peoples find ourselves. And it is in that world, in the European region, that I suggest the regional union idea be voluntarily initiated.

We know, of course, of the well-justified pride with which the Scandinavian countries hold their own institutions and their friendship with America. Mr. President, in this connection, I ask that a Tribute to America, which was delivered in San Francisco on May 17 by the Norwegian Ambassador to the United States, His Excellency, Wilhelm Morgenstierne, who is also the head of the Norwegian delegation at San Francisco, be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

NORWAY'S TRIBUTE TO AMERICA

I have been given the task, on this wonderful day, to voice Norway's tribute to America.

It is a challenging task, a deeply gratifying task for one who for more than a generation, in the service of Norway, has come very close to you, and has learned to know and love the friendliness, the generosity, the genuine human quality which is America.

I know that on this first 17th of May after the liberation of Norway, when her people are experiencing a new lease on life, a happiness beyond my power to express—I know that today, thoughts, happy thoughts, grateful thoughts, find their way across the great waters. They go to the American people as a whole, and they go to thousands of homes on the prairies, the towns and the hamlets of America.

There is hardly a Norwegian family which does not have someone close to them in this wide land. There are in the United States almost as many men and women of Norwegian descent as there are people in Norway.

But it is not only the mystic chord of memory and kinship which stretches across the ocean. There are also the chords of common ideals and aspirations; of faith in the inherent wisdom and decency and destiny of the common man of your country and mine.

However, not even common aspirations are all that bind you and us together today.

Our brotherhood has been sealed and hallowed by our fighting shoulder to shoulder in a common crusade against those powers of darkness which came only too close to overwhelming the peace, freedom, and justice loving world.

Today, in the flush and exhilaration of victory, we Norwegians do not forget that it was a tough and terribly close fight. We do not for a moment forget the sacrifices, the courage, the devoted and unyielding underground and overground resistance of the indomitable Norwegian home front.

We do not forget the understanding and spontaneous sympathy of the American people and press, which leaped to our side from the very first—even when uninformed and unimaginative individuals made an unsuccessful attempt to smear the good name and the honor of the Norwegians.

Nor do we forget, nor will the Norwegian people ever forget, the vision, the courage, the never-wavering friendship of an eminent statesman and humanitarian, a great leader of men and high causes everywhere, an immortal President of the United States of America, Franklin Delano Roosevelt.

In the darkest hours of the long saga of Norway, when the men and women of the home front wandered through the valley of shadows, the clear voice and the steady faith of President Roosevelt sustained them and gave them new reassurance that evil could not prevail.

Today, when fighting has ceased in Europe, and when, after five long years the Norwegian people can once more breathe freely, talk and act freely under the protection of Norwegian law and Norwegian courts, the only thing that mars our happiness is that America is not yet at peace. We gratefully think of the tremendous contribution of America to the victory just won; to the miracle of American war production and to the burning, freedom-loving spirit of the American people. We cannot for a moment forget that America is still in the midst of a cruel and bitter war. The glorious youth of America is still fighting and suffering and dying for us all in humanity's common war against a last and a reckless aggressor.

Our hearts go out to thousands upon thousands of American homes not yet sharing the blessings of peace, but still anxiously awaiting the tidings from beyond the western seas.

But one of these days—we, your Norwegian friends, pray it may be soon—"the tumult and the shouting dies," and peace once more comes to America.

Then a new day, a new opportunity opens for you and for us. With the ugly, stupid scourge of war removed forever, if we are wise and steadfast; with the resources and productive forces of the world dedicated to human progress and happiness, it is within the will and power of civilized mankind at long last to move definitely forward. Forward to the century, the coming, long centuries of the common man; of security and freedom for men and women everywhere.

God bless America and Norway, and our common future of peace, justice, and human brotherhood.

THE VALUE OF A FREE PRESS IN ACHIEVING INTERNATIONAL UNDERSTANDINGS

Mr. WILEY. Mr. President, a year ago today was D-day. What changes have occurred in 365 days. A year ago our boys landed on the beaches of Normandy. Hitler was still supreme. A year ago today much of the now sunken Japanese Navy was still in existence and the Japanese Air Force was intact. We had not heard of Iwo Jima and Okinawa. While in our hearts there was no doubt of the outcome, both our enemies were then riding high.

This suggests another question. A year from now what will the situation be? I do not only mean will Japan be defeated but how far will we have worked out our understanding with Russia and with the other nations? How far will we in this country have approached reconversion and the restoration of our eonomy to a healthy condition? How far will reemployment be an actuality?

The hour for constructive thinking has struck not only for the individual but for the Nation.

Mr. President, there appeared in the St. Louis Post Dispatch of May 31 a letter addressed to a writer for Pravda, the Russian newspaper. The letter contains some questions addressed to Russia. Perhaps it suggests the way for these two nations to better understand each other. In America it is the free press and the free forum which provide the anvil on which are lit sparks that bring out better understanding. I ask that this editorial letter be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

A LETTER TO MR. ZASLAVSKY

DAVID ZASLAVSKY,
Pravda, Moscow, U. S. S. R.

DEAR MR. ZASLAVSKY: You have written an interesting and informative article in Pravda about an unfortunately protracted impasse—the so-called misunderstanding between the English-speaking Allies and Russia. Your tone is frank, yet temperate, which is just the approach best suited to ironing out difficulties among friends.

When you agree with a British newspaper which says, "The main interests of the Allied Powers are to create the possibility of mutual understanding in the struggle against fascism," you are approving something that deserves close attention among all supporters of American-Russian unity.

So we take the liberty of directing a few lines to you and to Pravda, and through you to the Soviet Government, in the same frank and friendly spirit, and for the same constructive purpose, as your article.

First, we want to make a few points about how the great majority of Americans feel on the subject that has troubled you:

1. The American people are friendly to the Russian people. This is shown by the great enthusiasm with which news of Red Army victories was received in this country, and by the fine spirit of camaraderie which prevails between Russian and American soldiers when they meet.

2. The American people can and do make allowances for the Russians' natural suspicions toward us, resulting from our former hostile attitude toward their country.

3. The American people agree that the Soviet Union has a right to consider the security of its frontiers, and to discourage, even to prevent, the establishment of unfriendly governments as neighbors. We have safeguarded our own security in somewhat similar fashion around the Panama Canal and elsewhere in this hemisphere.

4. However, the American people are puzzled by some of the Soviet Government's methods.

5. The American people have noted with some dismay the frequent references in Soviet statements to other countries' "misunderstanding" of the Soviet attitude.

6. If there are misunderstandings, the American people want them removed.

Accordingly, in order to help in the removal of those misunderstandings, we ask you, in all good faith, the following questions:

1. Why have the Russians rarely, if ever, admitted our officers to their front lines?

2. Why have they not permitted American correspondents freely to enter and remain in Berlin?

3. Why have our ambassadors and ministers not been permitted to move about freely, but rather have been turned back even when flying the American flag on their diplomatic cars?

4. Why so much secrecy about the arrest of the 16 Polish envoys, described in some accounts as democratic leaders, and in other accounts as spies and saboteurs?

5. Granting Russia's right to border security, why has it not been possible, in the light of the Yalta Agreement, for a new Polish Provisional Government to be set up including Mikolajczyk or other men of his type?

6. Why have not the Russians joined the United Nations War Crimes Commission?

7. Now that the war in Europe is over, could not Premier Stalin come to the United States for the next meeting of the Big Three? Such a visit by him would help greatly toward removing misunderstanding.

The great American objective is to prevent World War III. That also is Russia's great objective. Both countries know that each needs the support of the other to accomplish this, so that our two peoples may build and prosper, and so that our sons need not sacrifice their lives a generation hence.

This newspaper is and has been deeply sympathetic to the Russian cause. We admire the achievements of the Russian people, in peace and in war, and we hope for fulfillment of their aspirations to security and prosperity. In that spirit, the Post-Dispatch asks these questions of you, Mr. Zaslavsky, and of Pravda. We hope for an early reply.

PROTEST OF EMPLOYEES OF AMERICAN WOOLEN CO. AGAINST EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

Mr. AIKEN. Mr. President, on April 23 there was reported in the Burlington Free Press an interview with the resident manager of the American Woolen Co.'s mills at Winooski, Vt. The manager of these mills, apparently, is much opposed to H. R. 2652, which is practically identical with House bill 3240, which was subsequently passed by the House, and which proposes to extend the Reciprocal Trade Agreements Act. However, the last paragraph in the newspaper item attracted my interest. It reads as follows:

Posters which describe the likely outcome of the passage of this resolution are being put up in the American Woolen mills and employees are instructed to write their Reprcsentatives and Senators in Congress.

It seemed rather incredible to me that anyone would undertake to instruct a couple of thousand employees to write to their Senators and their Representative in Congress, and it also seemed unlikely to me that 2,000 employees would accept such instructions. However, the plan apparently worked, for I have received about 1,700 identical form letters signed by employees of the American Woolen Co. mills at Winooski protesting against the passage of H. R. 2652, which, as I have said, is almost identical with House bill 3240, which was the measure passed by the House.

It is apparent that the employees of the mill are not very familiar with the provisions of the act, and it is also apparent to me that I cannot communicate with 1,700 of them individually and explain it to them. So I have written one letter to Mr. Anthony Jenkins, president of the Vermont State Industrial Union Council, at Burlington, Vt., setting forth the effect of the Reciprocal Trade Agreement Act as proposed, and its probable effect, as I see it, on the American woolen trade. I ask unanimous consent to have this letter printed in the RECORD in connection with the remarks I have made.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

JUNE 6, 1945.

Mr. ANTHONY JENKINS,
President, Vermont State
Industrial Council, Burlington, Vt.

DEAR MR. JENKINS: I have received identical letters from apparently nearly all the employees of the American Woolen Co., at Winooski, protesting against the enactment of H. R. 2652. As it is a physical impossibility to reply to each one personally, I am writing this letter to you, as president of the Vermont State Industrial Union Council, with the purpose of sending a copy of it to each of those who wrote to me.

H. R. 2652 is a bill to provide for the extension of the Reciprocal Trade Agreements Act of 1934, plus authority for further changes in tariff rates up to 25 percent. This act, which was sponsored by former Secretary of State Cordell Hull, has been in effect for 10 years. It authorizes the President, in agreements with foreign countries, to reduce import tariffs by not more than 50 percent of the rates in force in 1934. In return, countries with which agreements are made reduce trade barriers which they maintain against the United States.

Under this act we have concluded trade agreements with 28 foreign nations covering a multitude of articles of commerce and agriculture, both exported and imported.

At the time the act was passed the bottom had virtually dropped out of our foreign trade, which normally amounts to from 8 to 12 percent of our national economy, and we were in the depth of a severe depression. Whether the high tariffs and restrictive measures maintained by the different countries, including our own, were responsible for the loss of our foreign trade and thus accentuated the depression or whether the depression itself was responsible for the reduction in foreign commerce is still a subject of ardent debate. The fact is, however, that after the Trade Agreements Act of 1934 was passed and barriers which prevented or lessened the amount of business done by the United States with foreign countries were reduced our foreign business did increase with those nations with which we made agreements. With the few prominent nations with which we made no agreement our business continued to decline.

There are those who say that foreign commerce is not necessary to the prosperity of the United States and that we should devote our efforts to improving and maintaining for ourselves the domestic market. I think you will agree with me, however, that when even 10 percent of our business is prostrated or 10 percent of our labor is unemployed that it will almost inevitably bring the other 90 percent down with it.

The bill providing for the extension of the Trade Agreements Act does not apply simply to woolen goods as a few of my communicants seem to believe, but to thousands of other items of manufacture and farm production. Therefore, we cannot consider the pending bill in the light of the woolen trade alone. Certainly the Reciprocal Trade Agreements Act has proven of great value to many industrial manufacturers and farm people as well.

Since 1934, 21 nations have granted concessions to the growers of apples, 24 nations have granted concessions on canned fruits, 21 nations have let down the bars against grains and cereals produced and manufactured in the United States. We have received many other concessions from foreign countries on meats, dairy products, tobacco, paper and, paper products, wood and wood products, industrial machinery, chemicals, and numberless other items.

It goes without saying that if machine-tool workmen, quarrymen, fruit growers, and others receive increased income as a result of lowered trade barriers against American exports, those people will have more money to buy new suits, stockings, shirts, and sweaters which the American woolen trade produces. Therefore, we must consider whether extremely high protection for the American woolen trade will make that business better if it is obtained at the expense of the workmen engaged in other industries which are benefited by the lowering of the barriers by other countries and who, when they have the purchasing power, are the best customers of American industry.

As a result of the Trade Agreements Act of 1934, there has been a reduction in the tariff of certain high quality woolen goods manufactured in Great Britain. The fear of some manufacturers that the American market will be flooded with inferior foreign goods seems unfounded in view of the fact that the average unit foreign value of imports was $1.23 per pound in 1939, which, with the duty, would have resulted in a landed cost of $2.33 per pound as compared with an average unit value of $1.32 per pound for American production for that same year.

The agreement lowering this tariff went into effect January 1, 1939. There has been no evidence as yet that this agreement has adversely affected the American Woolen Co. or its employees. It is quite true that England went to war in September of 1939 and the United States went to war on December 7, 1941. The agreement has not been in effect long enough for us to properly evaluate its effect on the American woolen trade. However, I find from information furnished me by the Library of Congress that although a deficit was incurred by the American Woolen Co. for 7 of the 10 years immediately preceding the agreement with England, that the company has made a substantial profit every year since the agreement went in effect.

The net income of the American Woolen Co., after provision for taxes, interest, depreciation, contingencies, etc., for the years 1929 to 1944, as indicated by Moody's Industrials and Standard and Poor's Corporation Records, was as follows:

1929,	deficit	$4,228,191
1930,	deficit	4,897,584
1931,	deficit	2,836,826
1932,	deficit	7,269,822
1933,	profit	7,053,088
1934,	deficit	5,458,495
1935,	profit	2,740,590
1936,	profit	1,929,983
1937,	deficit	1,854,902
1938,	deficit	4,911,503
1939,	profit	2,311,887
1940,	profit	3,154,464
1941,	profit	6,943,886
1942,	profit	4,823,831
1943,	profit	5,475,421
1944,	profit	5,294,909

These figures, which were furnished me by the Legislative Reference Service of the Library of Congress, do not indicate that the American Woolen Co. has as yet suffered in any way from the trade agreement with England and, in fact, made a substantial profit during 1939, a year when imports from Great Britain were quite heavy under the new agreement, although still amounting to only 6,626,000 pounds as compared with 9,873,000 pounds for the year 1929.

I was quite impressed by the testimony of Emil Rieve, the general president of the Textile Workers Union of America, before the House Ways and Means Committee on the extension of the Reciprocal Trade Agreements Act on May 10, 1945.

Mr. Rieve told that committee:

"We of the Textile Workers Union of America are not prepared to shoulder the responsibility of telling the world that we are not going to aid them; that we will isolate ourselves; and that the plans for economic cooperation between the nations of the world cannot be undertaken. We must extend the act and announce our willingness to be part of the family of nations. We must formulate a realistic international trade program for our own guidance. The Reciprocal Trade Agreements Act permits such a conscious formulation of policy."

Later in his testimony Mr. Rieve said this:

"The issue, as we comprehend it, is whether the enabling legislation permitting negotiations of trade agreements with foreign countries is to be passed. In view of the tremendous significance attached to it by the

world and its symbolic importance, it appears to us that its extension is imperative."

Again I quote from his testimony:

"The Reciprocal Trade Agreements Act must therefore be renewed to reassure the nations of the world that we shall share in the orderly conduct of international trade."

On the day before, Mr. Jacob A. Potofsky, chairman of the CIO Latin-American Affairs Committee and secretary-treasurer of the Amalgamated Clothing Workers, stated:

"The time has come to face the facts: our foreign customers can increase purchases from us only as we increase our purchases of both goods and services from them."

Mr. George Harrison of the Railway Clerks Union (AFL) urged extension of the trade-agreements program, and on May 11 Samuel Fraser, secretary of the International Apple Association advocated extension of the program contending that the agreements have stopped the upward spiral of trade barriers and obtained concessions which were of distinct benefit.

The same day, May 11, James B. Carey, secretary-treasurer of the CIO, told the committee:

"The Congress of Industrial Organizations supports without qualification H. R. 2652."

He further stated that "economic cooperation is the practical, hard-headed, realistic basis for political cooperation."

Ralph Flanders, speaking for the research committee of the Committee for Economic Development argued that—

"Negotiations under the act should be pressed vigorously so as to bring about substantial rate reductions."

He further pointed out that we are going to have accentuated demands for American production in the postwar period and said that "repayment for our expanded exports will be impossible, or extremely difficult, under the existing tariff laws."

I am inclined to agree with Mr. Rieve, who most certainly would not advocate any legislation harmful to the welfare of the textile workers and with Mr. Flanders, whose position as head of the Federal Reserve Bank of Boston should certainly identify him as a genuine friend of New England industry.

Should anyone require further assurance that American industry will be protected from unfair foreign competition under reciprocal trade agreements, such assurances will be found in a statement by Assistant Secretary of State Clayton before the House Ways and Means Committee on May 18, 1945. Mr. Clayton's statement is as follows:

"It is the understanding of the committee that it is the intention of the trade-agreements organization to recommend to the President the inclusion of broad safeguarding provisions along the lines of article XI of the Mexican agreement in future trade agreements."

Article XI of the Mexican trade agreement provides that should articles be "imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, the government of either country shall be free to withdraw the concession, in whole or in part, or to modify it to the extent and for such time as may be necessary to prevent such injury."

On May 30, 1945, Mr. Clayton, testifying before the Senate Finance Committee, made this statement:

"In order that there be no possible misunderstanding of the position of the State Department in this matter, I just want to make it clear now to this committee that the Ways and Means Committee statement accurately represents the policy which will be followed in the administration of the Trade Agreements Act."

I do not believe that the United States can long remain an island of wealth and prosperity in a world of distress and destitution. There is no surer road to war than to use the strength of our great Nation to acquire the wealth of the world for ourselves while denying to the rest of the 2,000,000,000 people of other nations the right to a decent existence.

In concluding let me say this: I freely admit that the Trade Agreements Act could be used by a President so minded to sell out American industry or American agriculture. I do not think that any member of the Textile Workers Union will claim that President Roosevelt did this. We have President Truman's absolute assurance that the Trade Agreements Act, if renewed and extended, will not be used in a manner destructive to American industry. To vote against extending this act, which has been in existence for 10 years, would be a vote of no confidence in President Truman. I do have confidence in him, and I do believe that he will use this legislation to promote the prosperity of American industry, agriculture, and labor, and until he has demonstrated that this is not the case, I feel it my duty to support him in this matter.

Sincerely yours,

GEORGE D. AIKEN.

EXTENSION OF EMERGENCY PRICE CONTROL ACT OF 1942 AND STABILIZATION ACT OF 1942.

Mr. WAGNER. Mr. President, I move that the Senate proceed to the consideration of Senate Joint Resolution 30.

The PRESIDENT pro tempore. The clerk will state the joint resolution by title.

The CHIEF CLERK. A joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from New York.

The motion was agreed to; and the Senate proceeded to consider the joint resolution, which had been reported by the Committee on Banking and Currency, with amendments.

Mr. WAGNER. Mr. President, as chairman of the Committee on Banking and Currency, I wish to make a statement with respect to Senate Joint Resolution 30, which is now before the Senate. The resolution extends the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended. The only amendments which the committee proposes in the resolution as introduced are amendments reducing the period of extension from 18 months to 12 months from June 30, 1945.

In January 1942 and in September 1942 the Congress, in enacting the two laws now before the Senate, made plain its determination not to let the dollar be depreciated by inflation. To this end, it firmly resolved to bring about the stabilization of the cost of living, and in the act of October 2, 1942, it forbade all unnecessary increases in prices, wages, and salaries.

Last June, in the Stabilization Extension Act, the Congress repeated that determination.

The amendments Congress then made in the stabilization legislation were designed to effectuate its purposes by removing inequities and procedural harshnesses.

When in March of this year, the stabilization legislation again came before the Banking and Currency Committee, the same spirit, the same determination prevailed. While our boys were driving the Nazis back to the Rhine, we were not going to weaken the defenses of the home front.

Moreover, as we listened to the testimony of the business, labor, and consumer groups which came before us, we were struck by the fact that most of the criticisms which we heard were different from the complaints which had been voiced the year before. The points which were well taken this year were points which required, not amendment of the legislation, but administrative adjustments which could be made within its framework. As a matter of fact, a number of these difficulties were ironed out during the course of our deliberations, and several are mentioned in the committee report.

We came to the end of the hearing, therefore, with a very general agreement that the legislation should be renewed for a year without amendment. However, at that time, the meat shortage was beginning to appear. Although the problems it raised seemed largely to concern the distribution of a short supply, certain aspects did involve the OPA's pricing policies. Since the Committee on Agriculture and Forestry had already launched an extended investigation of the matter, we deemed it wise to await the results of that inquiry before reporting the renewal resolution to the Senate.

Perhaps no more perplexing problem has confronted the supply and price agencies than the maintenance of an adequate supply of meat at stable prices at a time when vast quantities are being set aside for military and lend-lease purposes. I shall not attempt here to determine the extent to which the difficulty was avoidable and to apportion the blame if any, among the several Government agencies and services for failing to do all that might have been done to minimize it. I think it is enough to state now that, insofar as it is within their power to solve the meat supply problem, consistently with their other obligations, the responsible agencies and services have taken the necessary action.

The new meat program, the last features of which were perfected after the report of the Committee on Agriculture and Forestry, is summarized in the Banking and Currency Committee's report on this joint resolution. As to the price aspects, I wish only to report that, by subsidy and price increases, none of which has been at the retail level, the OPA has authorized additional income to the meat-packing and feeder industries for the year 1945 of a quarter of a billion dollars. This amount is more than four times the average annual earnings of the packing industry in the prewar years, 1936–39.

More than a proportionate share of this huge sum has been earmarked for the small, nonprocessing slaughterers.

Once this program has been announced there seemed no occasion whatever to write new requirements into the law to compel further administrative action. Hence the way seemed open for a unanimous report recommending the renewal of the statutes for another year.

To my deep regret I find that our ranks are now divided. We no longer have unanimous adherence to that fundamental principle of stabilization which forbids all unnecessary price increases. Instead, proposals are being advanced which have as their avowed effect and purpose the raising of a great many prices. Equally alarming are proposals that the statutes should not be renewed for a year but should instead be extended for only 6 months.

What has led to this sudden change in front? I think I can put my finger on the causes. They are two, and they are related.

First. There is the feeling—subconscious if not express—that the war is just about finished and the need for price controls will soon be over.

Second. There is the feeling that the stabilization policy is too rigorous, that it is hurting business, that to pass price increases around more liberally would help tide us over the transition period.

From the very start, those who have been determined to make price control succeed have dreaded the time when overconfidence would join forces with war weariness in a demand for relaxation in our vigilance.

I am happy to report that a majority of the members of the Banking and Currency Committee have turned a deaf ear to this seductive appeal.

Stabilization is a stern remedy for a dread disease. Neither we nor the stabilization agencies wish to see it administered a day longer than is necessary. But neither do we wish to see it scrapped or weakened a day sooner.

We cannot predict when the worst danger will be over, but we do know that that time has not yet come.

A vast war is still being fought against a fanatic foe. Though we are demobilizing 2,000,000 men in the coming year, it is estimated that we shall still have over 10,000,000 in arms at the year's end. To keep that gigantic force in battle strength across the broad stretches of the Pacific will tax even our war-expanded resources.

The cut-backs which VE-day has made possible will not suddenly take us out of the danger zone. For the first quarter of the next fiscal year, WPB estimates that war spending, after a 12-percent cut-back, will be at the rate of $83,000,000,000 a year. For the second half of the next fiscal year, cut-backs are estimated at 30 percent. These will leave war spending at an annual rate of $73,000,000,000 a year. These billions of dollars which will continue to flow from the Treasury will swell the huge hoard of savings which the public has been accumulating since Pearl Harbor at the rate of approximately $3,000,000,000 every month.

This Nation now has well over $118,000,000,000 in fresh savings plus an annual income after taxes of over one hundred and thirty-seven billion available to spend on just about $98,000,000,000 worth of goods produced for other than war purposes. For us to be heedless of the danger of inflation is just about as sensible as to light a match in a powder factory.

I sometimes think that the Office of Price Administration has been too successful. By holding the rise in the cost of living down to a bare 1.6 percent for two whole years, it has dulled our fears until some of us are beginning to think "It can't happen here."

I only wish someone could prove that. We have had inflation after every war we have ever fought. Moreover, never have we built up so explosive an inflationary pressure.

Other nations are not escaping runaway prices now. One after another, the nations to the south, to the east, and to the west of us are seeing their prices soar and their currencies shrink in value. The United States has escaped so far only because our magnficent forces have kept the enemy from our shores, so that our productive capacity has not been impaired, and because we have held steadfastly to the principle of stabilization.

In time our ability to produce will restore the balance between effective demand and supply that is now so badly upset. But until that day, our safeguard from the ruin of inflation is and must continue to be the effective control of prices and wages.

The fact that our great productive capacity would check an inflationary spiral before it had reduced the dollar to the level to which Chinese money has fallen today is no reason for complacency. Let our grip on prices loosen and it would not take long to reduce our war bonds to 75 percent, or to 50 percent, of their present value. Of course, when the inevitable crash came, this value might be restored, but only to those who had been able to hold on to their bonds through the storm of bankruptcies, foreclosures, and unemployment which comes when an inflationary bubble bursts.

I know that the gentlemen who want us to abandon stabilization now or 6 months hence do not want to see soaring prices. They want prices to rise—but gently. They think they have discovered the secret of painless price control, and they have written their prescriptions for the patient.

The patient, incidentally, looks very healthy. In fact, all figures show that he has never thrived better than under price control. Let me state, for example, what has happened to the business death rate. Back in 1929, when the New Era was at its peak, Dun & Bradstreet reported 22,909 business failures. Naturally most of them were small businesses. Even in 1940, generally accepted as a good year for business, we had well over 13,000 failures. In 1942, the first year of price control, however, the figure dropped to only 9,400. Then in 1943 it tobogganed to 3,221, and the fall continued until it reached only 1,222 for the entire year 1944. It seems scarcely credible that the number of business failures could drop any lower, but that is exactly what is happening. At this very time when OPA is said to be driving small business to the wall, business failures hit the all-time low of 221 for the first quarter of 1945, a rate of less than a thousand a year for the entire United States.

Meanwhile, corporate profits, both before and after taxes, profits of unincorporated business, net farm income, weekly take-home pay, and landlord's net income, all stand at unprecedented levels. We have taken a few of these figures from the testimony and placed them in the committee report.

Some Senators seem to think that price control is stifling production. We all know the miracles of production for war needs which American industry and American farmers have achieved. But how about production for civilian needs? Has price control let that wither while war production boomed? The figures give the answer. In 1929 our gross national income hit the all-time peacetime high of $87,000,000,000. Now, under price control, this Nation has produced $97,500,000,000 worth of civilian goods and services. In other words, with more than 12,000,000 able-bodied men away, with our factories turning out more than $90,000,000,000 in war goods, we have beaten our 1929 record for civilian production by more than $10,000,000,000.

The doctors who want to write a new prescription for price control do not seem interested in the figures. Instead, they gravely warn us that the patient is dying by degrees, and offer price increases as a sure cure.

The prescriptions differ in various particulars, but they are basically alike. In a word, they call for cost-plus pricing for every major product—whatever a major product may be. The OPA is to close its eyes to the general over-all prosperity of an industry and look for particular products on which the industry may not be making as much money as it did in peacetime. The prices of these products must then be raised until each of them shows a normal or reasonable profit, thereby boosting the industry's over-all earnings to a level that may be far above what is normal or reasonable. Such increases, when given to manufacturers, must then be passed down the distributive stream, pyramided at every stage, until, at length, they hit the consumer's pocketbook.

Of course, many consumers are businesses. Whenever a price increase hits a corporate pocketbook, it forthwith becomes a cost increase.

Mr. TAFT. Mr. President, will the Senator yield; or does he prefer not to be interrupted?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from New York yield to the Senator from Ohio?

Mr. WAGNER. Mr. President, I prefer not to yield at this time.

The PRESIDING OFFICER. The Senator from New York declines to yield.

Mr. WAGNER. Under cost-plus pricing, any industry which has sustained a succession of these increases gets in line for a price increase itself. Thus initial price increases breed further price increases.

From a purely scientific standpoint, it would be a very interesting experiment to see how rapidly prices would accelerate under such a system of control. But such an experiment could never be completed. Long before the second round of increases had come to an end,

the administrative machinery would have collapsed. No agency of government has yet been created which could suddenly and simultaneously keep books for every major product that American industry produces. American business itself does not keep its books that way. Certainly the OPA could not.

I urge the Senate to be realistic about this business of price control. We have statutes which have stood the test of three trying years. There are administered by agencies which have done an extraordinary job in protecting the dollar and keeping down the cost of living.

The laws as they are written are broad enough and flexible enough to permit the necessary adaptation to changing circumstances. Already the agencies have developed a promising plan for reconversion pricing which is described in the committee's report and which will enable business, large and small alike, to get back to civilian production on a sound basis. Moreover, they are firmly committed to the principles of selective termination of controls—commodity by commodity—as rapidly as conditions will permit.

Under such circumstances, I ask the Senate, Why should we force those agencies to depart from the standards under which they have operated so successfully simply to experiment with some new standards which might look appealing on paper? The majority of the committee is convinced that this is both unnecessary and unwise.

Above all, we should not put a time bomb under business in the form of a 6 months' extension of the laws. If we want to start a scramble for inventories, if we want to start businessmen and consumers hoarding, if we want speculation instead of production, and dissension, and delay in the negotiation of labor contracts, there is nothing more effective that this Congress could do to produce such results than to give the public notice that in 6 months the stabilization legislation might be allowed to die or be emasculated.

Our present intention might be merely to revise the laws; but the speculators and the black marketeers, remembering how controls were dropped after World War I and the inflation which followed, would bet that history would repeat itself.

Instead, let us profit by experience. Let us not devalue the GI bill of rights or sell war bonds short. We can have a sound dollar, a stable price level, and a safe transition to a prosperous peace if we do not let our resolution weaken at this critical hour.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. TAFT. As I understand, the Senator has said he is in favor of having the OPA say to a man, "You must manufacture this product at a loss, because on this other product and on this other product you are making a profit." Did I correctly understand the Senator?

Mr. WAGNER. No; that is not correct. I did not say that.

Mr. TAFT. That is what I understood the Senator to say, and he criticized amendments which had been offered; he criticized them because they proposed to right this situation.

Mr. WAGNER. The Senator's amendments proposed to have the OPA determine the cost of every item, no matter how many items there are. It would not be a question of an over-all profit, but as to each particular item there would have to be a determination of whether there was a profit. I do not know how it would be possible to do that.

Mr. TAFT. Let me suggest that every manufacturer in the United States knows the cost of each major product he makes; otherwise he would stop making it. He has cost figures on each item, and it is perfectly simple to determine the cost of each.

I should like to ask the Senator a further question: If the OPA says, "You must make this product at a loss," how can we hope to get new people to go into the business of making that product? How can we hope to create employment in the postwar era, if we are going to say, "Here are a lot of products, and if you make them at all you must make them at a loss?"

Mr. WAGNER. I do not think the OPA has said such a thing.

Mr. TAFT. The Senator has contended that that shall be the principle. I am sure the Senator knows that, as a matter of fact, the textile mills are being told, "You must make these products at a loss, because on this other product and on this other product you are making a profit."

The OPA has done the same thing in the case of beef and in the case of the meat packers and in the case of a number of other industries. It seems to me that in fixing the maximum price for the postwar reconversion period, the price put on each product must be such as to make it reasonably profitable to manufacture the product. Otherwise, we will not secure employment; we will not secure the expansion we are endeavoring to achieve as we dismiss in the next 6 months 2,000,000 men from the armed forces and 2,000,000 men from the war industries.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. ELLENDER. In answer to the query of the distinguished senior Senator from Ohio, let me say that it is my recollection that in the committee one of the largest meat packers doing business in this country testified that it would be impracticable for his company to keep books as to every item his organization manufactured. I believe the same principle would apply to all companies which manufacture four to five or perhaps a dozen different items.

Mr. TAFT. I should like to have the Senator furnish me with any statement by any businessman that he could not give the separate cost of each major item he manufactures.

Mr. ELLENDER. I will give it to the Senator.

Mr. President, will the Senator from New York further yield?

Mr. WAGNER. I yield.

Mr. ELLENDER. I notice that the joint resolution which the Senator originally introduced proposed to renew the act until December 31, 1946, which would be for a period of a year and a half, instead of a year.

Mr. WAGNER. Yes.

Mr. ELLENDER. Why has that been changed?

Mr. WAGNER. In the committee we discussed it.

Mr. ELLENDER. I should like to know why the change was made.

Mr. WAGNER. I suppose a majority of the members of the committee thought we should reexamine the whole situation within 1 year.

Mr. ELLENDER. Was any vote had on the change?

Mr. WAGNER. Yes; there was a vote on it.

Mr. ELLENDER. Did a majority of the committee members vote to make the period a year, instead of a year and a half?

Mr. WAGNER. Yes; and the distinguished senior Senator from Ohio [Mr. TAFT] was one of those who insisted upon making it a year, but now I believe he has a proposal that the period be only 6 months.

Mr. TAFT. Let me explain the situation regarding the proposed period of 1 year. We felt that conditions might change and that 1 year was long enough. When we considered this measure, VE-day had not arrived. We did not know when the war might end. We thought 1 year was a sufficient time. Since then VE-day has come, and since then we face the whole reconversion period. In my opinion the act should be renewed for only 6 months, unless we are now prepared to write a proper price policy for the reconversion period, which I think should be different from the policy during the war period.

So I am going to propose amendments, and other Senators will propose amendments. If the joint resolution is amended so as to provide what seems to be a proper policy for the reconversion period, I shall be in favor of having provision made for a period of a year or even a year and a half. If not, I believe it would be a great mistake to go beyond 6 months, and then in the fall I think we should consider the whole reconversion question with respect to what the proper price policy should be.

Incidentally, let me say that, in my judgment, no matter for how long a time we extend this act, I think we shall have to extend it again. But when we extend it again, I think it should be extended with respect to only a limited number of products as to which there is a possibility of inflation.

Mr. WAGNER. Mr. President, a majority of the members of the committee took a position different from that of the Senator from Ohio. They thought the Price Control Administration was doing a wonderful job and performing a valuable work. The figures indicate the success it has made and the results it has achieved in keeping down the cost of living. So we are in favor of continuing it, with perhaps some amendments, but not with those which my friend the Senator from Ohio has suggested, namely, that we should have an entirely different method, such as one he would propose, which I think would be most disastrous.

Mr. ELLENDER. Does the Senator from New York state that the committee as a whole is definitely in favor of renewing the act for more than 1 year?

Mr. WAGNER. No, not that; but a majority of the committee was in favor of renewing it for 1 year.

Mr. ELLENDER. I asked the question because I think it is essential to renew the act for 2 years, rather than for 1 year.

Mr. WAGNER. I hope the Senator will not urge that, because I think 1 year is sufficient.

Mr. ELLENDER. If the committee is against a 2-year extension, I do not wish to butt my head against a brick wall.

Mr. WAGNER. The committee is against a 2-year extension. A majority of the committee considered that 1 year would be sufficient.

Mr. President, at this point, I desire to read into the RECORD a letter which was sent to the senior Senator from Kentucky [Mr. BARKLEY] by the American Farm Bureau Federation, signed by the president of the organization, Edward A. O'Neal. The letter reads as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., June 6, 1945.

Hon. ALBEN W. BARKLEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BARKLEY: At its meeting on June 1, our board of directors reviewed existing price control legislation and authorized us to support the renewal of these laws without amendment at this time. We believe that the existing laws for price control and wage control are adequate if properly interpreted and administered.

Unfortunately, some serious mistakes have been made in the past in the administration of price control, and these mistakes have seriously handicapped farmers. We have made repeated protests to the proper officials and have been assured that these conditions will be corrected. These are matters which must be corrected by administrative action, and there is ample authority in existing laws to do this.

We have asked that adequate assurances be obtained from appropriate officials that these conditions will be corrected through administrative actions. Assurances have been given that parity prices of farmers are going to be protected through price ceilings and price supports; that subsidies will be withdrawn as soon as practicable, but not in such manner as to impair agriculture's parity position; that the various provisions of law to safeguard agriculture will be fully carried out; that the provisions of the Bankhead-Brown amendment with respect to cotton and cotton textiles will be interpreted and applied as intended by Congress; that price ceilings and price floors on livestock and other agricultural commodities hereafter will be announced sufficiently far in advance of production periods to enable producers to make their plans accordingly and will not be reduced during such periods except for emergencies; and that price ceilings will be removed as rapidly as abundant supplies are available.

We believe that too much attention is being given to protecting the interests of processors, handlers, and distributors of agricultural commodities and not enough to the producers. We do not believe that Congress will be justified in enacting additional provisions for the benefit of processors and distributors, as the existing laws are adequate to properly protect their interests.

There is also a lack of coordination between the various governmental agencies responsible for food policies. We have insisted in the past and are going to continue to insist that such coordination of administration be effectively carried out.

Despite the mistakes that have been made, a great majority of farmers feel that it is imperative to continue price control and wage control at this time. The alternative would be disastrous inflation, which would wreck our entire economy.

We therefore hope that the Senate will pass Senate Joint Resolution 30, as reported by the Banking and Currency Committee.

Sincerely yours,

EDW. A. O'NEAL,
President.

Mr. MOORE. Mr. President, in discussing the pending legislation I wish to say at the outset that I am aware of the pressure that is being exerted to secure its passage. Apropos of some aspects of that pressure I desire to call attention to a press release which was issued yesterday by the OPA itself in its effort to have itself perpetuated for future time. I am aware that the officials of the OPA, seeking an extension of time, were protected against the members of the Senate except those who happen to be on the committee, and while their testimony may have been reduced to writing I have not as yet seen it. The hearings were held behind closed doors. The release to which I have referred is, in substance, that penalties were imposed upon more than 28,900 violators of price, rent and rationing regulations during the first 4 months of this year, which is a short period. Of this number, 480 were sent to jail; 12,087 paid fines totaling more than $8,000,000; 4,349 violators were suspended from business for varying periods of time; many for the duration of rationing, which, in the opinion of the OPA, may be indefinitely; 7,296 were placed under court injunctions ordering them to obey regulations; 4,081 consumers' rationings were revoked or suspended; 456 violators were placed on probation; 151 violators are not classified.

Now, Mr. President, I desire to read into the RECORD a telegram from a group of chambers of commerce in one of the western counties of Oklahoma, of which Buffalo is the county seat. It is one of the wheat-producing counties of the State. It is populated by men who work for a living, who produce food crops, and who have always been self-reliant. They are begging somebody to allow them the means of harvesting one of the big wheat crops in their neighborhood. The means that they ask of someone is permission to use their own resources, their own money, and their own food, raised by themselves, and not knowing where to turn for assistance, they have appealed to me, with an almost futile hope that I might be able to procure for them action on the reasonable request they make, the request to be granted by somebody who lives in Washington.

I regret to say, Mr. President, that I scarcely knew what to do or what course to take to advise them how to proceed legally to achieve their objective for which they so humbly petition. The one thing that I knew to do was to appeal to a man by the name of Chester Bowles, Price Administrator, Washington, D. C. I pleaded with him by letter. I telegraphed the distressed citizens of Harper County that I was making an appeal, not only to Mr. Chester Bowles but also to Judge Marvin Jones, War Food Administrator, and promised them that I would do all I could to get some sort of relaxation of orders from Washington so that they might, within the law, do such a reasonable thing as to employ their own resources to harvest the crops which they have raised, and then be permitted to deliver those crops wherever the markets of the country afforded an outlet.

To my knowledge, I have never seen this man, Chester Bowles. He testified, so I am told, a few days ago at a closed hearing. As an American Senator, I sought permission of the Chairman of the Banking and Currency Committee to be present so that I might listen to the reasons Mr. Bowles would present for the continuation of such orders as I have referred to, and so that I might also see what manner of man Mr. Bowles is and "upon what meat he doth feed that he should so bestride the pigmy world."

The telegram from the Harper County Chambers of Commerce is as follows:

BUFFALO, OKLA.,
May 29, 1945.

ED H. MOORE,
United States Senate:

Harper County is facing an emergency which will restrict procurement of outside labor to harvest one of its largest wheat crops. To relieve the situation the undersigned chambers of commerce were called together by the county organization to meet with the local meat slaughterers and restaurant operators which are this week threatened with closing for want of meat. On a basis of last year's statistics harvest laborers will increase the county population at least 20 percent. Slaughtering has been reduced 25 percent on beef and 50 percent on pork. With this unreasonable predicament it will be impossible for the harvest crews to be fed. Harper County has a surplus of medium to good grade beef cattle. Grant us permission to process our local meat and we will need no packing-house products. We face no harvester shortage but these men must be fed, if we save our wheat. We beg your assistance in this crisis.

Harper County Chamber of Commerce by O. A. Maddox, Laverne Chamber of Commerce by J. C. Holmes, Rosston Chamber of Commerce by C. C. German, May Chamber of Commerce by R. O. Allen, Selman Chamber of Commerce by Ernest Branch, Buffalo Chamber of Commerce by Ross Murray.

Mr. President, I also desire to read into the RECORD another telegram which I have received from the chairman of the Agriculture Department of the Tulsa, Okla., Chamber of Commerce. This telegram says that they are confronted with one of the most serious livestock marketing and food situations in the history of the livestock industry; that there exists in this important farming area the largest number of food livestock on the hoof in history; that Government orders prevent the slaughtering of more than a very limited number of the large crop of meat animals from the ranges of that locality; that the stockyards, built by the citizens of Tulsa, are daily refusing many hundreds of cattle; that these poor farmers, not knowing of this condition, haul their cattle to the stockyards and then have to haul them back to their farms, and that this same condition exists in many other localities in

this southwestern cattle area. They have pleaded with me to do something or have something done to remedy this ridiculous situation, and they appealed to me after a large meeting of business and professional men in the chamber of commerce at Tulsa.

Now, Mr. President, what can be done so long as we are fearful of some mysterious thing we hardly know how to define and, through that fear, are deterred from exercising our authority for relief in such cases, but yield, instead, to the course recommended by the Committee on Banking and Currency, at the vehement demands of Chester Bowles and his kind of thinking?

The telegram from the chairman of the Agriculture Department of the Tulsa Chamber of Commerce, Mr. C. W. Cotton, is as follows:

TULSA, OKLA., *May 30, 1945.*

Hon. E. H. MOORE,
United States Senate:

We are confronted here with one of most serious livestock marketing and food situations in the history of our livestock industry. There exists in this important farming area largest number of food livestock on the hoof in history. As you are aware the normal marketing period for grass fat cattle is just beginning and will continue until middle of October. Present Government restrictions prevent local packers from slaughtering more than very limited number of these cattle. Therefore, they are entirely helpless to care for normal offerings. Our local stockyards are daily refusing acceptance many hundreds of head cattle and large percentage are being returned to ranches and farms because these cattle are brought into stockyards in small numbers by hundreds of farmers who have no other available market. Many other localities in Southwest are also confronted with this very serious problem. When cattle are fat and there is no market it naturally causes economic loss to producer as well as food loss to public. At large meeting business and professional men at Tulsa Chamber of Commerce today resolution was passed respectfully asking agriculture committee to request you to provide means of immediate relief and to suggest increased killing quotas for local packers.

C. W. COTTON,
Chairman, Agriculture Department,
Tulsa Chamber of Commerce.

These telegrams I have read are only sample complaints of literally hundreds that are coming from the people. There is, however, another class of complaints that are growing more and more numerous, to which I should like to refer. These are from men of long experience in business, men who head substantial business organizations. In many cases they have acted or are now acting in an advisory capacity to OPA or some other war-control agency—men who from patriotic zeal have tried desperately to believe in the soundness of production and price control, at least as a wartime measure; men who are able to diagnose the situation, and who are now condemning the theory and the philosophy of price and production control experiment. They have witnessed the debacle first hand. They have felt the sting of the regimentor's whip. As law-abiding citizens, they conscientiously attempted to comply with the complicated and irresponsible regulations, but in so doing have seen their business disintegrate and taken over by the black market gangster.

Many letters from this type of businessman telling the sordid story are being received, but always end with the amazing and chilling statement: "This letter is for your personal information. Please do not use it in any manner or give publicity to my name."

Why? We all know the reason. It has been answered on the floor of the Senate many times, but it cannot be repeated too often. The dictatorial power which we in Congress have delegated to the regimentors is so great, so all-inclusive, and is actually being used to such devastating extent, that businessmen who accept seriously the responsibilities of their investors, who feel they must protect their families and their own future, dare not speak up in public. This, indeed, is tyranny personified.

It is said that there is a growing number of people—businessmen—who despair of a restoration of private enterprise. And there are some who do not want controls removed. Government control of supply and demand, the creation of artificial channels, and the regimentation of business have caused some to see advantages. Their initiative has been removed and they find they like it. They always have an excuse to give to their importunate customers for goods. Their markets are ready-made for them and their methods of distribution charted. After many months of this kind of artificial life, they have come to enjoy the shelter afforded. Their business enterprise is gone, but so are their competitive worries. They are like a bird which has been placed in a cage and which, after release, flutters around and then returns to the cage for protection.

I cannot believe that this is true of the great mass of businessmen. I cannot help hoping that when businessmen see their enterprise being absorbed by Government controls, they will rise up and place the blame definitely where it belongs, and that is on the Congress of the United States, which has delegated its power and constituted these authorities which now tyrannize over the lives and activities of the people as a whole.

Mr. President, the Congress is about to be called upon to extend OPA. The manner in which we meet the challenge inherent in this request will be the measure of our faith in American democracy under the Constitution.

There are a few fundamentals on which our decisions should be based:

First. Artificial control of prices and arbitrary distribution of commodities are repugnant to the conception of free trade and enterprise as encompassed by the Constitution. Both are the essence of a socialistic state.

Second. The Constitution is the supreme law of the land, in war or in peace. The guaranties of the Bill of Rights and other provisions of the Constitution protecting essential liberties are not suspended by the existence of a state of war. The war powers of the several branches of government are both created and delimited by the Constitution. There are constitutional boundaries which the Congress, the executive, or the judiciary may not transgress.

Third. It is axiomatic that the law of supply and demand may not be diverted from its economic orbit without a corresponding punishment to those subject to the law.

Fourth. Our experiment in the field of governmental rationing and price control has failed to accomplish even a small degree of the benefits hoped for by those who were persuaded to depart from the Constitution, because of their fear of the devastating effects of inflation and shortages of the necessities of life for our people. On the contrary, it has become a monster of oppression, a vehicle for crime, the instrumentality of destruction, the breeder of greed, and the perpetrator of shortages and hardships.

Who is there that can successfully deny these plain facts?

OPA has failed under the management of un-American-minded men who have no confidence in the principles of the Constitution or the integrity of the American way of life. It has failed under the management of men who live in a world of theories, and most of whom are totally minus the practical experiences that make for sound judgment.

The effects of its failure have been doubly severe because of these facts, but I want to emphasize that OPA was doomed to failure under the most capable and conservative personnel that could have been selected for it, because it was wrong in principle, contrary to our Constitution, and repugnant to Americanism. No system that usurps the liberties of the people, as guaranteed by the Constitution and the Bill of Rights, can ever succeed in America, so long as those instruments stand as the charter of our Government.

There are those who plead that this retreat from the Constitution is justified on the ground that without OPA we would have had run-away prices. Two answers to this argument are apparent. First, we do have illegal run-away prices; and second, we frankly say, certainly we would have been burdened with legally high war prices. No realistic person will deny that high prices and shortages are the burdens of a nation at war. But I do undertake to say that had those burdens been laid upon us in a constitutional and legal manner, they would have been borne with grace and a high feeling of patriotic pride. We would not have had the disgrace, shame, crime, and loss of morale engendered by this un-American experiment.

OPA officials and those who have been tricked into supporting the theory of OPA on the fallacious philosophy that it is justified by war are making dire predictions of what will happen if the heavy hand of Government control is withdrawn.

I saw a propaganda press release only a few days ago in which Mr. Bowles said that without OPA, steel used by the Government for war purposes would have cost the American people $26,000,000,000 in excess of what had been expended. On its face this sounds good, but it is a snare to the unsuspecting. Steel purchased by the United States for war purposes should have and could have been bought on contract under terms that would have protected the Government, and at

the same time given due regard to the cost of production and a reasonable profit to the manufacturer. The same is true of every item of our war material, including military food supplies. If the $26,000,000,000 saving on steel, claimed by Mr. Bowles, is reflected by a loss to private enterprise, then he has performed a very great disservice to his country.

No one objects to the Army and the Navy declaring a priority upon all the resources of this country as may be necessary for conducting war. But, there is a rising tide of revulsion against the bureaucratic destruction of our ability to produce not only for war but for the peace that is to come. The record of OPA is replete with instances of destruction and planned shortages. The meat shortage is directly in point.

The recent reports of both the Senate and the House committees is an exposé that should embarrass every American citizen. The bungling of OPA personnel is, of course, inexcusable, but, let us not forget that OPA was set up for the express purpose of holding prices in a fixed groove, regardless of result. OPA is not concerned with production. It has no concern with who goes broke. It has no anxiety as to the future of our economy. OPA is charged only with the responsibility of "holding the line"—the country be damned. The application of this philosophy in the hands of any group would have necessarily caused the same result, however wisely it may have been administered.

The bitter experiences of the Russians with controlled economy are beginning to show their effect. A few days ago the Associated Press carried a dispatch from Moscow stating that "the Red Army Command in Russian-occupied Germany has reestablished free trade and the 'profits system' to encourage the selling and bargaining of surplus produce in the open market, in a move to combat the serious threat of famine in the cities."

Sugar is another example of the application of the same philosophy. The refusal of OPA to increase the price of Cuban sugar sufficiently to cover the increased cost of production has resulted in a 600,000-to-a-million-ton shortage for this year.

Not long ago OPA decided to make a survey to determine the consumptive demand for sugar. At considerable expense and effort it took groups of figures from the census and set up estimates of demand. I am now told these were never even checked against actual registrations with ration boards. In the first quarter of 1945 civilians consumed 140,000 tons more than OPA's allocations. In the second quarter, consumption in excess of current supply rose to 193,000 tons.

Last fall the War Food Administration encouraged western growers to plant a heavy crop of sugar beets, which will now come on the market before Cuban cane sugar. Obviously, this will cause an expensive derangement of distribution, not only costly in terms of food production, but in use of transportation facilities and manpower. Against all economic practices, western beet sugar will now cross the continent to meet eastern markets. Then the Cuban sugar production, from the acreage that is now being planted, will recross the continent to fill the deficit created by the situation in the West. In a word, beet sugar will be shipped to fill an artificial shortage in the East, and cane sugar will be shipped back over the same route to fill an artificial shortage in the West, the whole fantastic operation being directly traceable to OPA.

While OPA is busy planning and executing a sugar shortage, other agencies and departments of government are urging the housewife to can a greater proportion of the fruit and berry crop than ever before.

This is only another example of the natural result of artificial restraints upon supply and demand, when the guesser who applies the restraints misses his guess, as he usually does.

The milk shortage, which was only remedied temporarily by resorting to the iniquity of a subsidy, was caused by the same forces, namely, a failure to permit the milk producer to meet the cost of production.

The dried bean shortage is still another example of OPA bungling. The Farm Bureau for the State of New York has adopted a resolution calling attention to the deplorable situation with respect to the production of beans. Beans are a vegetable protein that can be used when meat is not available. The more complete meat proteins on a dry basis cost from $1.50 to $2 a pound. For one of the best vegetable substitute proteins, which can be had in beans, OPA has established a price range of from 8 to 9 cents a pound. Beans cannot be produced for the market under war conditions at this price. Had the public been permitted to pay 15 cents a pound, beans would have been available in abundance, the public would have had one of the best, although incomplete, protein substitutes for meat at one-tenth the cost of meat, and the public would have been enormously benefited.

I am advised that we may be faced with a severe shortage of poultry and eggs unless the abnormal demand for these products is relieved by an increased meat supply. On January 1, 1945, our poultry and egg production stood near an all-time peak. According to the Department of Agriculture, supplies of poultry and eggs had dropped 19½ percent by April 1. In the South Atlantic States, according to the Department's figures, the decline was over 23 percent; in New England, it was over 27 percent. Poultry growers flatly deny the accuracy of these Government figures. They declare that the over-all decrease has been far greater than the 19½ percent claimed by the Department.

We have 80,000,000 cattle on the range today, approximately 30 percent more than ever before in history. Outside the demands of our armed forces, why should we not slaughter a sufficient amount to satisfy the civilian demand? The answer is that a group of individuals have decided how many cattle may be slaughtered, where they shall be marketed, and at what price. Economic dislocations follow, with resultant loss of production, black-market prices, and a reduction of quantity available to the consumer. The guessers in this case are obviously wrong. The result is a shortage in a land of plenty.

To further complicate the situation, OPA is making a drive—and may I add that the chairman of the Senate Committee on Agriculture and Forestry has charged that it is a premeditated design for subversive purposes—to eliminate the nonfederally inspected packer by the issuance of Control Order No. 1. My office has been deluged with letters from local packers throughout the country who are being forced to abandon their businesses under the oppressive terms of this order. A few days ago 12 independent slaughterers supplying 70 percent of the meat consumed by the war workers of the Gary, Ind., area were forced to suspend business by reason of the quota limitations placed on them by Control Order No. 1.

I am advised that OPA, wholly outside the scope of its authority and outside the purposes for which it was created, brought meat from other sources into this area. Where did OPA get the meat? What other area was discriminated against in order to quiet the protest of these war workers, who had been denied a necessary part of their diet? The Gary situation is only one example. Multiply this by the several hundred thousand communities of America, and you have a slight indication of the chaos into which OPA has led us.

Controlled prices and arbitrary distribution lead to inequality, both as to price and as to distribution. Inequality and discrimination are the very theory of rationing. Under rationing, all share and share alike, from the cradle to the grave, whether infant, munitions worker, farmer, or octogenarian. Under this system, some have more than they need. Others go without or patronize the black market. Yet, rationing is sold to the public on the basis of equality. Everyone, regardless of need, gets an equal number of meat coupons. This test of equity cannot stand the test of time.

The packers, meat wholesalers, and local butchers have long known that it was a farce. The public, who was supposed to be protected, is getting a real lesson in the inequality of rationing. Some are eating much more meat than normally and some much less. There has been no time in history when distribution was so inequitable as at the present time.

Under the present system a family of two can have meat for dinner 15 to 18 days out of the month, while a family with four or five children can have meat three times a day for 30 days, if they can find it on the market.

Equality may be the battle cry of the regimentor, but both man and nature bear testimony to its nonexistence.

The theorists that sold the "share and share alike from the cradle to the grave" plan should talk to the housewives of the Nation. They will quickly learn that equal numbers of red ration tokens do not result in equal treatment or equal sacrifice. Rationing is the essence of inefficiency. Free prices are the

final judgment of the people. Under a free economy everyone is on the committee and serves without pay.

People have always followed the dictates of relative prices. When prices are low, consumption goes up, and prices rise until consumption goes down. Within this cycle, the law of supply and demand furnishes a variation of price that insures distribution to all. When this age-old guide is taken away, we are thrown into confusion.

No one knows enough to set prices. To set prices on food, for instance, the price fixer must know the acreage that will be planted with a given schedule of prices. He must know what the weather is going to be like, what the supply and demand for the various classifications of food and their various food forms will be, in the various markets throughout this country and abroad. He must know what the general level of all prices is going to be and what the situation among competing foods will be. In addition, he must have information on such factors as labor supply, machinery available for producing and processing, transportation, and numerous other pertinent factors. All these must be known well in advance. Such a task is beyond the ability of any man or agency. Price fixers must necessarily be erroneous forecasters.

Shortages, created by the same method used to develop a meat shortage, are by no means confined to foods. The shelves of the hardware merchant, the clothing store, the drug store, the department store, and many other types of merchants and shopkeepers, are bare or filled with substitutes at tremendously inflated prices for greatly inferior quality.

The report of the Senate Committee Investigating OPA has recommended a complete removal of price control from all commodities, "as fast as they become sufficiently plentiful to permit the law of supply and demand to operate." But, may I suggest to the learned gentlemen of the committee that until incentive prices are developed under the free play of the law of supply and demand, commodities will never become sufficiently plentiful to permit removal of price controls. Under this formula, we are doomed to a perpetual OPA.

Incentive prices are necessary to stimulate increased production. Increased production, in turn, depresses high prices. Thus production and prices complement each other as checks and balances. During the past several years there has been an effort to indoctrinate people with the idea that a free price system is associated with inflation, excessive profits, exploitation, planned scarcity, greed and inequality, and is harmful to the war effort.

But let us examine the comparative situation of America at the close of the last war, operating under a free economy, with our position today under controlled prices. Our food agencies are discussing with fear and trembling the fact that we expect to ship 12,000,000 tons of food to the peoples of Europe in the coming year. During the first 12 months following the close of World War I, America delivered in Europe more than 23,000,000 tons of food. How were we able to accomplish this immense task? It was because the producers were fired by the incentive of profitable prices.

Today, however, faced as we are with the great humanitarian obligation to alleviate the sufferings of the people of Europe, instead of releasing the restraints upon the great productive capacity of this country, we continue to engage in the very practices that destroy our productivity.

Our bureaucratic czars of today, and those who have been persuaded to follow them, earnestly insist that food rationing was an absolute necessity, in order that our armies abroad might be well fed during this war. I deny this, and again point to the comparison of our food consumption today, as compared with the years of World War I—a comparison between compulsion and patriotism.

During the 3-year period from 1942 to 1944, inclusive, average civilian consumption of meat was 6 percent greater than during the World War years of 1917 and 1918. During the same period civilians ate 28 percent more chicken than during World War I, 10 percent more lard and cooking fats, and 12 percent more sugar. To the average city dweller, with the average income, who cannot find meat, chickens, or sugar on the market, it is hard to understand how it is possible that consumption today is greater than it was during the years of World War I.

The answer, of course, is the operation of the black market, which has fed a small proportion of the population much better than usual and a very large proportion much poorer. The answer also lies in the fact that the black market has filled the pantries and meat lockers of the hoarders who patronize the black market. These are the direct evils of OPA.

There is a deep significance in these figures. During World War I, the conservation of food was organized on a voluntary, patriotic basis through cooperative measures with consumers and producers. There were no ration boards, ration cards, harassments, black markets, gangsters. The expense was trivial.

Today, we have submitted ourselves to compulsion. We have saddled ourselves with ration boards and ration cards, elaborate and unintelligible regulations over every trade, business, and enterprise; black markets, gangsterism, and untold inconvenience to the public by expensive, complicated, and irresponsible administration.

It is indeed of interest to compare the results of the two methods in these four most critical commodities. The figures demonstrate that the American people, by voluntary effort, motivated by patriotic desires, will make greater sacrifices than under any plan of dictatorship and coercion.

Now let us examine the argument that abolishing OPA would bring about uncontrolled and ruinous inflation. The fact is that we are confronted by a severe inflationary condition today. If anyone doubts my word, let him talk to any housewife who has the responsibility of making the pay check stretch from one pay day to the next. Talk to anyone who is frank enough to tell of the black market on scarce commodities. The A. F. of L. and the CIO say that available figures indicate a 40- to 50-percent increase in the cost of living over the last prewar year. Our inflationary condition, however, is not reflected in the high prices that are paid and received across the counters of our merchants, although in many cases they have increased substantially. The severe and most devastating inflation is that which has accrued by reason of a deliberate avoidance of OPA regulations.

The man's suit of clothes that sold for $50 prewar comes on the market slightly changed and, consequently, as a new style, with a ceiling price of $75, $80, or $90. Prices of women's and children's clothing have been raised by the same process of avoidance and evasion. A prewar pair of shoes sold for $10. Today the same brand of shoes may sell for $11. OPA contends that that is only a 10-percent increase, but studiously avoids the fact that the $11 shoes of today are only $4 prewar quality.

Inferior qualities of foodstuffs have joined the inflation parade in the same manner.

Hotel managers have closed out their apartments as fast as possible and have converted their rooms to day rentals. I know one case where an apartment rented for $250 in 1941. Today it must be rented by the day at a rate of $15 a day. Not only this, but the prewar $5 room, by the addition of a new piece of furniture, is now a $10 room. Hotel dining rooms now serve an inferior quality of $1.50 prewar dinners, but they appear on the waiter's check as pheasant dinners at $5.

These practices, and hundreds of others with which we are all familiar, are only a small part of the inflation that is consuming the country and, at the same time, is depressing our production.

The black markets are the real source of our inflation. The black market takes its toll all along the line, from producer to consumer. Press reports from New York say that the farmers of that State are refusing to surrender their live poultry to buyers at the OPA ceiling price of approximately 30 cents a pound, and are continuing to market directly with the consumer, without benefit of the middle man, at from 65 to 70 cents a pound. Here in Washington the press reports chickens selling at farmers' markets for as much as $9 apiece.

These instances are not peculiar to New York and Washington, nor are they confined to the poultry market. As a matter of fact, they include practically every type of farm produce. Throughout the length and breadth of this country the farmers and consumers are doing business at substantially above-ceiling prices. I may add that red points are not a consideration in these dealings.

The man with the C card, new tires, and the money is going out after his food, and he is getting it, nothwithstanding inflation or OPA. The result is that a few are eating well, at tremendously inflated prices, but the great majority who are not in a position to compete with

food on this basis are being poorly fed. The produce that normally supplies the industrial areas, over-the-market counters of the large cities, is going to supply roadside sales. The markets are bare, and they will continue to be bare until OPA is abandoned.

Then, there is, of course, the black-market wholesaler, who does business with the black-market retailer, who, in turn, must pass along the black-market prices to his customers. This calls for evading OPA regulations and resorting to counterfeit rationing stamps. I notice that OPA claims that since July 1 it has confiscated over 330,000,000 counterfeit red points, representing over 55,000,000 pounds of meat.

The extent of inflation involved in these black-market transactions, measured by prewar prices, cannot be estimated. The inflation represented by this type of transaction has gone underground. It has filled the strongboxes of the country with currency. It has made tax dodgers and petty criminals out of a substantial portion of our people and, if continued, it will lead to a gangsterism that will put to shame the prohibition days of Capone. It is this type of transaction that has led the Secretary of the Treasury to call upon Congress for an army of 10,000 additional tax agents.

Inflation, as the economist knows it, comes from two sources: First, when the Government debt grows to such proportions that the people lose confidence in the Government's ability to repay, with a dollar having purchasing power equal to the dollar borrowed. Such loss of confidence results in a discontinuance of bond buying, and the Government is forced to take up the slack with printing-press money. This is the kind of inflation that destroyed the economy of France, Germany, and Italy. When this condition has been reached, it means that the Government must adopt a new medium of exchange, at the expense of wiping out savings, credits, and a complete collapse of the existing economic order.

The second cause of inflation, and the one under which the American people are suffering today, arises from a surplus of income and a shortage of consumer goods. When the demand is in excess of available consumer goods, those with surplus spending power begin to bid up the price. If it cannot be done legally, then there are those who will do it illegally, and the economy of this country is so far-flung and so intricate that no administrator can amass a force great enough to prevent it. The only remedy known to man for this kind of inflation is an increase in production. So far, healthy prices have been the best stimulant for increased production.

As some indication of the inflation spiral in which we find ourselves, I call attention to the fact that consumer expenditures during 1944 rose to $97,000,000,000, as compared with ninety-one billions in 1943, although there was a slight decrease in civilian consumption. Thus, we spent $6,000,000,000 for less and, consequently, we had an over-all inflationary jump of equal proportions.

In 1944, individual incomes increased to $156,000,000,000, as compared with one hundred and forty-two billions in 1943. Personal taxes rose from $18,000,000,000 in 1943 to $23,000,000,000 in 1944. With 1944 consumer expenditures at ninety-seven billions, surplus income amounted to $36,000,000,000, as compared with thirty-three billion surplus in the previous year, and with less consumer goods available for purchase.

The job that confronts America today is an increase of production. America is starving, not alone for food, but for new, durable goods of better quality. These can be had only through price incentive.

The bureaucratic mind answers the problem by subsidies. But subsidies merely emphasize the trouble. Subsidies are merely another form of inflation. The money represented by subsidies must first be borrowed from the public and, thus, the public debt is increased and, at the same time, the public income is further enlarged to the extent of the interest paid.

Subsidies, like price control and rationing, are alien to the American concepts of a free economy. The subsidy is of European origin. It is part of a controlled economy. No businessman or industry is free of the dictates of the government officials who administer the subsidy. As a practical matter, subsidies usually fail to reach the producer, and are largely consumed by the middleman. Even in cases where they reach the producer, there is little incentive for the producer to respond with increased production, since government subsidies may be withdrawn at will, and the producer always labors under the psychological handicap that the bonanza is only temporary.

In an address delivered before the annual meeting of the National Grange, on November 10, 1943, Mr. Albert S. Goss, Master of the Grange, had the following to say:

> Subsidies will lead to economic chaos. If we maintain price ceilings with subsidies to meet the rising costs, we will develop an increasingly unbalanced price structure. When war ends, if we are to escape that swift road to printing-press inflation, we will have to think about balancing the budget. Subsidies will be one of the first items cut off. Then either farmers will have to raise prices to get production costs or go out of business. If during these days, when our surplus spending power is one of our greatest problems, we are not willing to pay the cost of producing our food, what would the chances be of raising prices when the boys come home looking for jobs? The answer is none, whatever. The result would be complete collapse.

It is my honest belief that if price control were relaxed through abolishing OPA, in order that our surplus incomes might be matched with consumer goods, the productive power of this country is such that we would bring supply and demand in balance in short order. Thus, shortages would be averted and high prices would be curbed by the operation of the natural laws of economics.

As a matter of fact, it has never been established that a moderate degree of inflation is harmful. In times of war it is necessary to increase the price of practically all commodities. Price incentive has been and always will prove to be the greatest encouragement to production.

Historically, the free price system has always invoked a certain degree of inflation during wartime, which resulted in advantageous production. This, in turn, retarded excess consumption. Prices are made by economic laws rather than political laws. We have seen this truth demonstrated many times. During the 7 years from 1933 to 1939, when billions were spent in an effort to restore parity prices for agricultural products, the average of all farm products brought only 77 percent of parity. The efforts to hold farm prices down during the past 4 years have been no more efficient than our previous efforts to push them up.

Eventually, the economic forces of supply and demand must triumph. The artificial efforts of the bureaucrat to soften the blow merely prolong the agony. A free economy emanating from the operations of the law of supply and demand will always render the final judgment.

During the period of reconversion, shifts must be made in farm and industrial production. These can only be satisfactorily accomplished under a system of free prices. The program for reconversion is being discussed by the bureaucrats in terms of substituting one control for another. This leads to interminable conflict. What particular control should be adopted and how should it be enforced? The simple, desirable, constitutional plan would be to relax price controls and rationing, and to permit the free flow of the economic forces that have made this the greatest and the strongest country in the world.

To prolong regimentation, as exemplified by OPA, is to play with the same fire that consumed both Germany and Italy.

The men who wrote the Constitution of the United States were fresh from the experience of political tyranny and economic oppression. They were fresh from the experiences of war. They had witnessed an economic collapse in Europe. With true vision they forsaw that some day America again must meet war, tyranny and economic oppression. With that experience and foresight they wrote into the Constitution a prohibition against the very things which we seek to adopt today. The Constitution has withstood the strain of many emergencies. It has cured many national ills, both political and economic.

For more than 12 years, in both peace and in war, the administration in power has sought to abdicate the principles of the Constitution. We have embraced almost complete regimentation. I want to take this occasion to say to the majority party in Congress that it must take full responsibility for the economic collapse which will necessarily follow a further continuation of the present regimentation.

Even more, it must take the responsibility for the destruction of the morale of a great nation. It must assume the responsibility of creating and maintaining a bureaucratic tyrant that now boasts of imposing millions of dollars in fines upon thousands of businessmen, without any authority of law—a bureaucratic tyrant that has driven thousands out of business, even in the past year, and is preventing others from entering business, as

well as depriving returning soldiers of an opportunity to gain a livelihood by starting their own business enterprise. It is a bureaucratic tyrant which says that it has turned the names of 3,000 individuals over to the Treasury Department for investigation of their income-tax returns, a bureaucratic tyrant that is driving a nation to illegal dealings in the black market, a bureaucratic tyrant whose word cannot be trusted, and in whom the public has lost confidence.

These are the responsibilities of the administration, and if it fails now to meet the issue courageously by abandoning this un-American experiment, the party it represents will be doomed to oblivion. I have faith that the American people will not desert the Constitutional principles on which this country was founded and which have so long protected and encouraged our people and our commerce at home and abroad, in peace and in war.

In closing, Mr. President, permit me to say that I am not optimistic enough to believe that we will abandon this un-American experiment until it is too late to avoid at least some of the punishment that must follow our transgressions. There are two reasons why we will be deterred. First, the propaganda mills of the bureaucrats have had their effect upon the people. The bogeyman of inflation has been sold to the public. The public mind is confused. There is popular acceptance of the propaganda that OPA has held prices down and effected a fair distribution of available supplies. Nothing could be farther from the truth.

Second, the administration will exert its influence to preserve OPA, because of its reluctance to admit the horrible mistake it made when it created this bureaucratic tyrant.

Churchill has said:

> Controls under the pretext of war or its aftermath which are, in fact, designed to favor the accomplishment of totalitarian systems, however innocently designed or whatever guise they take, whatever liveries they wear, whatever slogans they mouth, are fraud which should be mercilessly exposed to the British public.

Americans, and freedom-loving people everywhere, should take heed.

REGULATIONS OF THE OPA

Mr. O'DANIEL. Mr. President, the longer the OPA continues to exist the more confusion it brings about and also a greater increase in the shortage of meat and other food products. To substantiate that statement I ask unanimous consent to present for printing in the RECORD, and appropriate reference, three documents from citizens on the suffering from the OPA debauchery. One is an editorial contained in the Longview Daily News. This newspaper is known as Carl L. Estes' paper as Carl L. Estes is chairman of the board, and at present is in the service of the United States Navy.

The next document is a letter from Jasper Burcham, a small businessman of Shamrock, Tex., stating what he thinks of the OPA. The third document is a resolution adopted by the House of Representatives of the State of Texas imploring our President, Hon. Harry S. Truman, to investigate the new and unwise regulations promulgated by the OPA, which are causing such hardships among both cattle raisers and consumers of the United States.

The PRESIDENT pro tempore. Without objection, the documents presented by the Senator from Texas will be received, printed in the RECORD, and referred to the Committee on Banking and Currency.

The editorial, letter, and resolution of the house of representatives of the State of Texas, presented by Mr. O'DANIEL, are as follows:

(From the Longview Daily News, June 1, 1945)

A CLEVER IDEA

The livestock-meat program which Chester Bowles of the OPA has adopted in desperation as the result of pressure from areas distant from production centers is now so complicated that the farmer and small slaughterer must be accompanied to the stock pens by two Philadelphia lawyers carrying an unabridged dictionary, an encyclopedia, and a pushcart full of forms.

To begin with, if the individuals referred to were in a position to cope with all the Government regulations they would not be farmers and small slaughterers. But stern Mr. Bowles disregards this fact and brands almost all who do not attempt to meet his requirements as "black marketers." This is in strange contrast with the efforts of the Agriculture Department and the War Production Board to assist, respectively, the farmer and little business.

If Mr. Bowles ever studied economics and heard of the law of diminishing returns, or ever got out among the folks and heard the expression "too much sugar for a dime," he would know that rather than attempt to comply with requirements entirely out of the average person's line, most individuals will throw up their hands. It is easier to quit raising or killing meat, and that is what many individuals will do. This, of course, will create a greater scarcity, giving the OPA a pretext to put into effect still more drastic regulations, which will require still more bureaucrats to try to enforce. Eventually, of course, there will be a revival of that popular prewar ballad, The Merry-Go-Round Broke Down. There won't be meat for most people at any price. Mr. Bowles will then discover that you cannot "channel" meat that has not been calved, farrowed, or lambed.

In one way you have to admire Mr. Bowles' frankness, for instance in regard to the way he admits making lawbreakers out of the people.

"It has been our experience that vigorous enforcement action on a rationed product invariably leads to the increased use of counterfeit ration coupons. In the case of meat, these counterfeits are purchased by slaughterers, wholesalers, and retailers to attempt to cover up illegal sales."

Maybe Mr. Bowles never heard, either, of the Biblical injunction against placing a stumbling block in the path of the weaker brother. Since the regulations to date have simply resulted in fewer people getting meat and less meat being produced, the net result of the campaign to fatten up the bureaucrats, whose flesh is not fit for human consumption, is about equal to what you would achieve by baiting a fishing hook with red stamps, with souls lost in the process.

Right here in east Texas, where live cattle are abundant, meat counters are closed and in some instances the operators have gone fishing, but they aren't using "Bowles-berries" for lures. Sitting on the creek bank they have plenty of time to think about the blessings of Government management and wonder if Chester wouldn't like to put on a white apron and answer the angry demands for their patrons.

Naturally, all we need is five more years of "we planned it that way."

SHAMROCK, TEX., *June 2, 1945.*

Senator W. LEE O'DANIEL,
Washington, D. C.

DEAR SENATOR: I am writing you in opposition to the OPA gestapo rule imposed on us people of the United States of America.

I own and operate a filling station in Shamrock, Tex., on Highway No. 66. This week two OPA agents came to my station with OPA forms for me to sign as to what price I charge for fixing flat tires, greasing and washing cars. I told them to go straight to hell. That this was the silliest and the most absurd thing I had ever heard from any intelligent person capable of holding a job of any kind.

I can't understand how our Government has the guts to ask the people to buy more bonds and then turn around and spend millions of dollars of the peoples' money on the OPA just to torture the people with their silly ideas.

I have had hundreds of people stopping at my station tell me that they never expect to buy another bond on account of the way our Government is allowing the OPA run this Nation.

You know that the OPA has caused thousands of stockmen to sell off large numbers of their cattle unfit for the market, because of high cost of feed and high-priced labor. The OPA has caused thousands of little businessmen to go out of business. They have forced thousands of farmers off the farms to go to towns to find work in order to live. They are causing the people to distrust and hate the Government. They are lying, scheming, and planning in every way possible to hold their jobs. They are costing the taxpayers millions of dollars. This money is an absolute waste.

The OPA treat the returning servicemen with ill-contempt. They refuse them tires and gas to go home. They do not cooperate with discharged servicemen who are trying to start a little business of their own. To make the story short, the OPA is making this country a hell on earth.

Yours truly,

JASPER BURCHAM.

House Resolution 258

Whereas within the past few weeks, the OPA has imposed new and additional regulations regarding the slaughtering of livestock, and such regulations are now so restrictive as to impose severe hardships throughout the State of Texas; and

Whereas there are now within the State a vast number of cattle, sheep, and all forms of livestock suitable for human consumption and such regulations are preventing the marketing of such livestock, and are causing financial loss to the farmers and ranchers of Texas; and

Whereas it would be impossible, under the present regulations, for the people of Texas to obtain sufficient food although an abundance exists on all sides, and it is evident that such regulations have been issued without a proper study and appreciation of the true facts and conditions existing not only in Texas, but throughout all cattle-raising States: Now, therefore, be it

Resolved by the house of representatives, That we urge our President, Harry S. Truman, to investigate these new and unwise regulations which are causing such hardships among both the cattle raisers and consumers of our Nation, and that such restrictions be so modified that a practical and reasonable basis of operation may be effectuated in order that ample food may be

available and proper markets afforded; be it further

Resolved, That a copy of this resolution be sent to our President, Harry S. Truman, and to the Members of the Texas delegation in Congress.

Bell of Bexar, Hartzog, Bell of De Witt, Nicholson, Cousins, McLellan, Smith of Hays, Favors.

C. H. GILMER,
Speaker of the House.

I hereby certify that H. S. R. No. 258 was adopted by the house on May 28, 1945.

CLARENCE JONES,
Chief Clerk of House.

Mr. TAFT. Mr. President, the Senate Banking and Currency Committee held the pending joint resolution for perhaps 2 months, at least from the time when the original hearings were held before VE-day until last week. I believe that conditions at the present time are very different from what they were when the committee first took up the bill and held hearings. The report of the committee has been filed, and on the desk of every Senator will be found a copy of the minority views of the committee. The minority consists of six Senators, namely, the senior Senator from Idaho [Mr. THOMAS], the senior Senator from Nebraska [Mr. BUTLER], the Senior Senator from Kansas [Mr. CAPPER], the junior Senator from Delaware [Mr. BUCK], the junior Senator from Iowa [Mr. HICKENLOOPER], and myself.

I am authorized to say for the junior Senator from Colorado [Mr. MILLIKIN], who is ill in a hospital, that he has read the report and joins in the minority views.

I do not wish at this time to make any extended speech on the position held by the minority members of the committee, but I shall make a very brief statement on the general position which the minority members of the committee have taken.

I was active in approving and securing the passage of the Price Control Act of 1942. I believe that price control is necessary during the war in order to prevent runaway inflation. I believe that, as to certain products, we will have to extend it from time to time until perhaps a year after the end of the war. Price and wage control, however, is the most extreme form of regimentation in which a government can indulge. The Government's hand enters into millions of transactions every day, and a wide field of individual freedom is destroyed. We do not want it any longer than it is absolutely necessary to have it. The left-wing believers in regulation are already talking about price control for 3 years more, and many of them consider it to be permanently necessary. The Senator from New York [Mr. WAGNER] has talked of rationing until 1950. I believe the American people want to get rid of it just as soon as the danger of serious inflation has passed.

Already, conditions are different from what they were before VE-day. Two million men are to be dismissed from the Army this year. Millions will be released from war work. It is vitally important that we encourage the production of civilian goods and the resumption of the manufacture of refrigerators, radios, automobiles, and thousands of other products. In short, we are now in the reconversion period, and war production is falling off instead of increasing. In my opinion, the time has come to relax the price-control regulations. I believe many minor products should be removed entirely from price control, certainly by the end of the year. OPA, like all Government bureaucracies, is demanding that price control be extended, instead, to moving-picture theaters, barbers, beauty shops, and commercial rents.

Secondly, I believe that the price for every product should be fixed by adding to the cost of manufacture the same margin over cost which was in effect in the industry in 1941 before the war. We must encourage every manufacturer to expand his facilities in the manufacture of various articles, and we must encourage many others, including returning GI's, to make similar articles. If there is to be no margin over cost, people cannot be put to work making a product.

Under the doctrine enunciated by the Senator from New York, the OPA claims the right to force, and is now forcing, many products to be sold at a loss because other products in the same line happen to be made and sold at a profit. Of course, the products priced to sell at a loss cannot be made hereafter by anyone. No expansion in that field will be in any way possible during the reconversion period.

Up to this time the OPA has held the official price level, but only by arbitrary and unjust methods. They have held it so tight as to discourage production in many lines, particularly in meat. We cannot buy cheap cotton goods today because of the OPA pricing policies. While the OPA has frozen prices, it has had to let wages go up more than 10 percent in 2 years, and also many other costs. It has compelled the manufacturers and the distributors to absorb the difference until many small industries like the little meat packers have actually been forced out of business. With the shortage of meat, this situation has thrown the whole business into the black market. Even while the war continues, there are signs that the whole control policy is breaking down, because it has been dammed up beyond reason. If wages go up 10 percent, it will probably be necessary to let retail prices go up at least 5 percent. In any event, our concern from now on is to secure production. Increasing the supply of goods is the best method of getting prices down to normal level. We must retain sufficient control to keep the price of a few scarce articles from going through the ceiling but we must have enough leeway to get production. OPA has made a fetish of the price freeze. To it they have sacrificed production and justice. That policy cannot continue without destroying the reconversion of industry and increase of employment.

Mr. TAFT. Mr. President, the committee has recommended two amendments, one presented by the Senator from Oklahoma [Mr. THOMAS], chairman of the Committee on Agriculture and Forestry, and one which I prepared along the lines of the statement I have just made.

I now wish to offer two amendments and ask that they be printed and lie on the table. The first is printed in the minority report. The second has not been discussed by the committee, but relates to the question of rents. It provides that:

No maximum rent shall be fixed on any housing accommodation the construction of which is begun after July 1, 1945—

If we want to resume construction of houses, I do not believe we can do it under rent control—

and no maximum rent shall be fixed on any housing accommodations which does not return to the owner thereof his costs of operation, if any, plus a reasonable return on the value of his property on January 1, 1941, or January 1, 1946, whichever is lower.

I do not see how anyone can contend that the owner of property should be told, "You must continue to rent your property at a figure which does not yield you a reasonable return on the investment you have made in the property." Yet that is exactly what OPA is doing today.

The PRESIDING OFFICER (Mr. DONNELL in the chair). The amendments intended to be proposed by the Senator from Ohio will be received, printed, and lie on the table.

STATEMENT BY SENATOR WILLIS ON THE OPA

Mr. TAFT. Mr. President, I have in my hand the manuscript of an address on the subject of the OPA, which has been prepared by the distinguished senior Senator from Indiana [Mr. WILLIS] for delivery at this time. As the Senator from Indiana is now in the hospital and will be unable to be here during the debate on the pending bill, I ask unanimous consent that the address prepared by him be inserted in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, the address will be printed in the RECORD.

The address is as follows:

TIME FOR THE OPA TO EXAMINE ITSELF

Mr. WILLIS. Mr. President, when Chester Bowles, head of the Office of Price Administration, testified yesterday before the House Banking Committee he used a descriptive term that has been commonplace to all who are familiar with the pressure tactics used by OPA and other bureaus that want to stay in existence. He declared that the next 12 months will be—I quote—"the most dangerous period that OPA has faced" in its fight on inflation.

That statement had a familiar ring to it. So I looked over my OPA file and quickly learned why. The OPA has been talking about dangerous periods every year—oddly enough, around May and June—and advocates of the OPA were talking about how dangerous our condition would be without it even before it was born.

We all realize, of course, that inflation is a dangerous thing, but I am convinced that the officials of OPA—that this Administration, if you please—have never been wholly honest with the American people in advertising just what inflation really is. The whole emphasis has been on the price level, when, as every economist knows, runaway prices are only a manifestation of an inflation that already existed. We now have inflation. Of that, there can be no doubt. But we still have Mr. Bowles telling us what a dangerous period lies ahead, as he continues

his emphasis on prices and forgets to take into account that millions of people are living on a meatless diet because of the policies of his agency.

Mr. Bowles brings elaborate charts up on the Hill to prove how much the price for this or that commodity has or has not risen. But he fails to bring charts up here to show the amount of dollars that have been thrown to the four winds, carelessly, thoughtlessly, wantonly, all contributing to the pressure which is causing our real inflation problem.

For some unexplained reason, Mr. Bowles has been silent about one of the biggest factors that causes inflation—Federal spending. He has failed to tell the people that the consumer subsidies which were inaugurated during this administration are the winds that are making more inevitable the inflation whirlwind.

Mr. Bowles would be terribly right if he were to say that not OPA but the American people face the most dangerous period in our Nation's fiscal history in the next year or two. And if he were to add that the blame for this situation lies in the policies which have been followed by this administration regularly for more than 12 years, he would have been even more eminently correct.

A FEW FUNDAMENTAL FACTS

Mr. President, I do not arise today to speak as a partisan. I do not want my colleagues on the other side of the aisle—many of whom feel as I do that OPA must be controlled and restrained, even as it wants to control and restrain others—to think that I am generating heat instead of light. Yet, I ask the Senate and the Nation to consider with me again just a few fundamental facts which we must know if we are to hold back the flood of inflation that threatens us.

Let us consider, first, whether or not, in this year of our Lord, 1945, the OPA is the great success its officials and many of the members of the majority party say it is.

Frequently, when Mr. Bowles gets out his exhibits, he has some elaborately drawn graphs showing how much the price of this or that commodity rose during the World War I period and how much less the same commodity has risen during this war.

Let me discuss that line of reasoning for one moment.

In the first place, note that he always refers to the World War I period, when, as we all know, most of that period came after the war and not during the war. Comparing the World War I period with this actual war is fallacious, because as we all know, people can be persuaded by appeals to their patriotism to do something during a war that they cannot be persuaded to do the day the war is over. Until we have successfully gone through a year or two of actual postwar, Mr. Bowles had better not be so proud of his graphs. For unless all the signs fail and unless present policies are changed, we are in for a price rise of no mean proportions, no matter how many millions of dollars we vote to OPA or any similar price-fixing organization.

In the second place, I have to point out that when the Democratic administration points to World War I to show what a bad job was done then of price control, it is really—although perhaps unconsciously—condemning the administration of that great Democrat, Woodrow Wilson. It was during his administration that the war come on and it was during his administration that these outlandish price rises we have heard so much about occurred. It is difficult for me—a Republican—to understand why the present-day New Dealers are so anxious to convince everybody that Woodrow Wilson knew so little about keeping prices down. I should think they would be trying to praise his memory, not damn it.

In the third place, Mr. President, forgetting these facts, it is an invidious and, in many respects, untruthful parallel to compare the America of today with the America of 1917 to 1920. Actually, the technological advances have been so great that the country—economically speaking—is not the same America today it was in the last war period.

For example, Mr. President, motorcars sold in that period for $2,000 and more. Few persons had cars. But by 1933 the average man could buy a Ford or a Chevrolet or any kind of good car for less than $1,000. That was because of technological advances. The OPA, I have to admit sadly, can never take credit for the cheap motorcars we once could buy in this country.

True, under the inflationary policies followed in this Nation, the price of motorcars began to advance each year beginning along about 1934 and, strange to relate, even used cars are selling in Washington today for $2,000, despite the existence of national headquarters of the OPA here.

But the point I am making is still good. Scientific, technological advances have been great, as we all know, in every possible field of endeavor since World War I. Better lettuce can be grown more economically and in greater quantities on the same acreage today than was the case in 1918. Any farmer will tell you that the same is true of almost any crop you can name.

The American scientist, the American farmer, the American industrialist, the American laboring man—each of these, working in his own way and developing new tools and new techniques, has done more to keep prices down in our great Nation than all the thousands of OPA snoopers wasting both money, time, and energy trying to police arbitrary price levels set by men with unrealistic but determined minds in Washington.

On the basis of simple logic alone, Mr. President, I assert that commodities should be cheaper today than they were in World War I, even if such an organization as the OPA had never been known. We have learned to produce more goods for less cost in the quarter of a century that has elapsed since World War I. Our industrial potential has been, is now, and always will be the real reason why we have kept prices down as well as we have. Scant credit should go to the bureaucrats here in Washington who tride to hamstring and channelize and regiment American industry and agriculture, although many of them did not know whether a steer could be used for calf-bearing purposes or not.

But, Mr. President, I wonder—and millions of intelligent Americans wonder—if, everything taken into consideration, the OPA really has held the line. I have an idea that if all the factors were considered, it would be seen that prices have risen more during this period of war than during the World War I period, although unquestionably on this or that particular commodity favorable parallels can be drawn to prove the OPA's case.

Let me explain. If you will take the real increase in the cost of living—and not the low, mythical increased claimed by OPA—and add to that cost of living the amount of money spent by the Federal Government in its unsuccessful attempt to keep prices down, and add to that total the amount of money spent on consumer subsidies, it is my belief that you will find that prices have risen startlingly in the past 4 years.

The reason people do not see the increases is apparent to all who will stop and think. The increases have been camouflaged in dozens of different ways. Official Government statistics have been used to confound both the scholarly and the thoughtless. The whole of the Federal propaganda machine has been turned loose to convince the people that something is so that is not so—that a mythical price line has been held.

Now, Mr. President, I should like to point out that any graphs or charts that Mr. Bowles brings up to the Hill, if they are based on Government statistics, are not accurate charts. Let us consider for a moment the unit we know as the Bureau of Labor Statistics, which, for many years, has issued the official cost-of-living index.

Everyone who has studied this index and the manner in which it is made up knows that it is not correct and does not give an accurate picture of prices as they actually are. The great labor organizations, who maintain accurate statistical records, have pointed out time and again—in letters to us and in letters to the President—that the cost of living has risen at least 10 percent and possibly 15 or 20 percent higher than the percentage reported by the Bureau of Labor Statistics.

The fact is, and you and I know it, the labor organizations are absolutely right in their contentions. They are conservative, in my judgment, in computing the rise in prices, for they, too, leave out some very important factors.

First, I want to point out to you that the Bureau of Labor Statistics, by its own admission, does not include taxes in its cost-of-living computations. There was a time when the reasons given for leaving taxes out of the computation were perfectly valid, but that day has gone, long gone. Today, taxes are used to pay subsidies, which are used to pay part of the Nation's food bill. Taxes are used to sell war bonds. Taxes are used to support the OPA, designed to keep prices down. Taxes are used in a hundred and one ways directly and indirectly connected not with simply running the Government, but in paying for the items we buy. Therefore, I submit that that portion of taxes used to pay partly for items consumed by the average American should be computed as part of the average American's cost of living. It is dishonest double talk not to include this portion of the tax money in the cost of living, but the Bureau of Labor Statistics does not do it.

Second, the Bureau of Labor Statistics computes the cost-of-living index without taking into account all of the quality changes that have come about because of the war. The officials of the Bureau admit as much. Such admissions have been published. They say that it is impossible to take into account all the changes that have been made in the goods that we buy.

But every man who buys shirts, or socks, or shoes, or pants knows that such quality changes have taken place to a marked degree. In 1940, you could take $2 and buy a shirt. The buttons would last for months on end. The fabric would take as many as 40 or 50 washings, sometimes without fraying, and it would have a comfortable-length tail.

Now go buy a $2 shirt and what happens? Why, within a month the flimsy buttons break off, or crumble in your fingers. After three or four launderings the collar frays. It is not worth half as much—in actual wear—as the $2 shirt of peacetime.

How much have prices risen on $2 shirts? The OPA will say they have risen not at all. But you know and I know that to get a shirt comparable to the one for which we paid $2 in 1940, we will have to pay at least $4 and possibly more today.

That is a 100-percent increase in the cost of shirts. And that illustrates what I mean by OPA double talk. Every Senator knows this is the fact; every man who wears shirts knows that I speak the truth.

A third reason why Mr. Bowles' graphs and charts are not accurate is because the Bureau of Labor Statistics does not take into account the black-market prices that must be paid for goods and services if a person is going to live comparably to the way he lived 4 or 5 years ago.

The Bureau of Labor Statistics, for instance, never did admit that cigarettes were sold on the black market. But everyone knows that to get cigarettes, persons who smoke had to dish out a tip to the right person, or had to pay actually higher prices.

A friend of mine the other day told me of a little boy who sidles up to passers-by in downtown Washington and sells cigarettes for a quarter a package.

Was it an increase in the cost of living if a person had to pay 16 cents a package for a brand of inferior cigarettes whereas formerly he could get a package of first-rate cigarettes for 16 cents? You and I know that there was an increase in the cost of smoking for millions of people, but the Bureau of Labor Statistics never recorded this increase.

Mr. President, I could stand here all afternoon and give you comparable examples which would prove that the cost of living is not what Mr. Bowles, and not what our Bureau of Labor Statistics says it is. The figures they use are rank subterfuges, put out for the express purpose of trying to make the people believe something that is not true. The eternal puzzle to me is how so many voters can swallow this type of double talk with the greatest of ease. They look at the number of dollars in their pocket, think of how good these dollars feel, and forget that the purchasing power of the dollars is slowly but surely being eaten away, although all the time Mr. Bowles tells them that the line is being held.

Mr. President, we are frequently asked if this administration has not done a good job of holding the line. All the figures, it is said, indicate that the cost of living has risen only 35, or only 45 percent, depending upon whose figures are used.

If a person will but stop and think, he will understand why I say this administration has not done a good job of holding the line. Actually, in World War I there were no guides to follow in fighting inflation. The whole experience of World War I was a new experience—to the economists, to administrators, to the public.

But this certainly was not true when we entered World War II. Only a few short years before, we had stumbled through a terrible war and had made every mistake that possibly could have been made by sensible men in the field of price control. All of these mistakes and all of the useful policies had been duly recorded by economists and historians. Men were still living who had gone through the experiences of the past.

There was no reason for the price of living to increase more than 5 or 10 percent in this war, Mr. President, if this administration had heeded the warnings of the recent past. Bernard Baruch, one of the men who played a principal part in World War I, was here in Washington in 1941 and 1942, urging overall control of prices. Not just control over farm prices, as so many wished. Not just control over salaries, as so many others wished. But control over farm prices, wages, salaries, dividends, and every other possible leak in the dike that should have been raised quickly against inflation. But where did Bernard Baruch's over-all plan end? Somewhere in the wastebacket up at 1600 Pennsylvania Avenue. We were assured that the job could be done, although one of the most vital holes in the inflation dike—wage control—would not be plugged. Later, after the flood of inflation had overtaken us—after prices had risen more than 15 percent in 1 year—the administration decided to hold the line. But the water was seeping through by then. The line could not be held. Since then, prices have inched up little by little, and, meantime, the pressure against the dike has become almost unbearable.

This brings me to a question that was ably discussed the other day in the House of Representatives by a Nebraska legislator, Representative HOWARD BUFFETT. Because what he said is so true and because he phrased it so well, I should like to read it to the Senate at this time:

"What is inflation? That sounds like an easy question, but it is not. Politicians, plus the OPA and officialdom generally, have told the people that high prices are inflation. That claim is incorrect. High prices, a result of inflation, follow from creation by the Government of a larger supply of money than the amount of goods produced.

"Let us see what the definition of inflation is as taken from Webster's Collegiate Dictionary, fifth edition:

" 'Inflation: Disproportionate and relatively sharp and sudden increase in the quantity of money or credit, or both, relative to the amount of exchange business.'

"Then note the next sentence: 'Inflation always produces a rise in the price level.'

"Notice that inflation produces the rise in the price level. Inflation is not the high prices, inflation is the deficit spending that creates money and credit that put prices up.

"In the hearings on this bill this vital distinction was made clear by the two authorities who testified, Mr. Randolph Burgess, head of the American Bankers Association, and Mr. Marriner Eccles, Chairman of the Board of Governors of the Federal Reserve System.

"I said to Mr. Burgess: 'In other words, when we talk about holding the line on the part of prices, that is just incidental to holding the line on governmental debt.'

"Mr. Burgess answered: 'That is correct. The fundamental cause is debt spending.'

"Answering similar questioning, Mr. Eccles answered me: 'Inflation cames from appropriations of congressional or legislative bodies in excess of their willingness to impose taxes to pay for the expenditures.'

"That is an entirely different notion about inflation than some of the definitions we hear on the floor—some of the uses of the term—but that is the definition of the experts.

"Stated more simply, these authorities tell us that when the Government spends more than the amount it collects in taxes it is inflating. Inflation is deficit spending by the Government. High prices are the final effects of symptoms of deficit spending. We cannot come to grips with this evil until we separate inflation itself from the high price level that is the result of governmental spending beyond income."

Mr. President, it is doubtful if OPA or any other agency could, by artificially setting a price on commodities, hold any kind of price line in the next few years. There are several ways we can ease inflationary pressures in this country, but I do not hear them discussed very often by members of the majority party here.

The first of these ways is to get the controls off production as quickly as possible so that a flood of civilian goods can be put on the market. If enough production of civilian goods is allowed, there is a chance that the inflation dike will not break before we can end the Jap war and get all industry into civilian goods production.

The second of the ways to lessen the danger of a worse inflation than we have is to cut down, in every way possible, the amount of money we appropriate in this very body. The Congress of the United States, I am sure unwittingly, has done more to contribute to inflation than any other single body in this Nation. We have done it by making possible the spending, without checkreins, of huge sums by Federal bureaus. The majority party can take credit for the subsidies all its members desire, but I tell you that subsidies are nothing in the world but deferred debts. Through voting a subsidy program in the first place, you made it possible for hundreds of millions at first and now billions of dollars to be added to the public debt, leaving it to be collected later at a time when the national income may not be as great as it is now and when the servicemen now fighting this war will be back at home and will have to bear the burden of paying both the principal and the interest.

And what a travesty on justice and patriotism it is that men now fighting for freedom abroad must return home to help pay a part of the grocery bill of the millions who remained behind. They will have to pay because the subsidies, inaugurated by this administration, will sooner or later have to be paid back in taxes—with interest.

Mr. President, I notice that there is speculation that OPA may have to keep its controls on until 1950. This is what is termed in some quarters, I think, as a "feeler." But Mr. Bowles denies this. He says that he wants the controls taken off as quickly as possible.

Well, Mr. President, I would like at this time to give Mr. Bowles a chance to make good on his statement. Why does he not try taking price controls off of one commodity—meat, for example—although retaining the rationing controls on this commodity?

Since the average American can get no meat anyway, except through the black market, obviously it would do no one any more harm than he is suffering to take price controls off meat just to see what happened.

If the price went up out of sight, we would know that price controls could not be lifted on a plentiful commodity, and that price control was necessary. But it may be that, if given a chance to get a fair and equitable price, men who market meat might not let its price go out of sight. They might even voluntarily see that it went into the proper distributive channels and that most everyone could get his fair share of meat.

As things stand today, Mr. Bowles can point to the price of beefsteak on his charts and say: "See, we have held the line." But he can't put a steak on anybody's plate. And I challenge him, or anyone, to go out and buy meats—regularly and as they are needed—at the prices listed by OPA.

What is the use of having a myth in operation, Mr. President? That is what OPA price control on meat is today. It is utterly nonsensical to say that you are holding the price line when all that you are doing is shrinking the waistline.

It has been so long since the "planners" in this town have considered trying to promote free markets instead of Government controls that I know my suggestion will likely cause some of them to reel. But I make this recommendation in all sincerity—and I submit to you and to the people that it should be given a trial. Let's take price control off a few necessities to see what happens.

I predict that the normal laws of economics would operate to insure the cost of production, plus a fair profit—and thus the machine of distribution would be greased in every wheel. And we would have a steady flow of food from producer to consumer. In addition to that, the sound incentives for production thus provided, supported by Government price guarantees, if necessary, would produce a supply of food that would keep prices down at the consumer level.

Otherwise, we may be confronted with a more serious situation in the future, a situation portended by food riots in several places and by strikes in the coal mines because the workers could not get meat. It is possible, under the impact of complete confusion engendered by more Government control, for the American price economy to fall apart. That would cause untold harm to all of us. That must not happen.

Despite all the wild assertions to the contrary, Mr. President, we have witnessed a terribly poor job of preventing inflation by this administration in the past 4 years, considering all factors. Now, we are told, we have another dangerous period coming up. I agree that it is dangerous—but, in my judgment, the coming period will be dangerous in a different manner from the way Mr. Bowles thinks it will be.

As I view the signs of the times, we are going to be asked again and again this year and next to deliver more power into the hands of bureaus to stave off the threatening rise in prices. We are going to see more and

more control vested in the Executive, unless the good men and true who believe in free government unite as never before. For with the tremendous deferred purchasing power in this country, with more than $120,000,000,000 in liquid assets in the hands of our people, I can see nothing but storm warnings ahead on the inflation front, unless we in this Senate and we in this country tread carefully every inch of the way, skillfully steering the ship of state beyond the threatening waves that would engulf us.

Mr. President, no man can look at the facts on the inflation front without becoming fearful. No American can do more than to pledge to do his best to see that we do not fall prey to the same ills which turned the Old World into a den of thieves. And no American could do less than to hope and work and pray that we will come through safely to a more peaceful day—economically as well as militarily.

Mr. BARKLEY. Mr. President, I do not intend at this time to engage in a lengthy or detailed discussion of the pending joint resolution extending the Stabilization Act and the Emergency Price Control Act of 1942. I wish to state that back in February and March the committee held exhaustive hearings on the question of the proposed extension. The joint resolution as introduced provided for an extension until December 31, 1946, which would have been an 18 months' extension from the date of the expiration of the act on the 30th day of June of this year.

There did not develop in the hearings, as I recall as a member of the Committee on Banking and Currency, any sustained opinion against an extension of the Price Control Act. I think it is generally agreed that there must be an extension of it, because, if for no other reason, the war is not over yet and the emergency which brought the act into existence has not terminated; and, in the second place, because of our experience following the last war. The most injurious inflation took place after that war had been concluded. Prices skyrocketed following the termination of the war in 1918 and following Armistice Day in November of that year.

I do not recall that in the committee hearings or in the committee there was any serious consideration given to the proposition that the act ought to be allowed to terminate on the 30th day of June of this year. Therefore, the committee—I do not remember the date, but early in March, as I recall, and certainly during the month of March—voted without serious division to extend for 1 year the Price Control Act and the Stabilization Act, both of which expire on the 30th day of this month. As I have said, the joint resolution as introduced provided for an extension of one year and a half, but the membership of the committee voted, practically unanimously, in favor of 1 year instead of 18 months. Therefore, the amendment reducing the time of the extension from 18 months to 12 months is the only committee amendment now pending to the joint resolution.

After the committee took that action, it appointed a subcommittee to draw up a report, because there had been discussion in the committee and in the hearings regarding the interpretation of the law as it had been enacted by the Congress; and it was the view of the committee that, instead of trying to amend the law to affect individual industries or enterprises, it might be wiser to include in the report of the committee its own interpretation of certain provisions of the law for whatever influence it might have upon the Administrator of the Office of Price Administration and the Administrator of the Stabilization Act.

While that subcommittee was engaged in writing the report, the meat situation became acute and an investigation was ordered by the Committee on Agriculture and Forestry of the Senate, and in the House of Representatives a committee of that body was also investigating the meat situation. Because of that the report of the subcommittee to the full committee was held up in the hope that the matter might be clarified before the joint resolution was finally reported to the Senate, and the two committees of the two Houses made certain recommendations.

The committee recognizes that time is running against us; the 30th of June will soon be here. Meantime the Office of Price Administration, sanctioned by the Administrator of Economic Stabilization, Judge Vinson, had issued certain orders with reference to the meat situation, particularly, and also with reference to the pricing situation as it might apply to reconversion in the postwar period and beginning at once, which it was hoped might solve the problem as it affected meat, foods, and pricing policies in the reconversion period.

The committee met last week with all that situation confronting it, and felt that it was its duty to report this joint resolution, as it had done back in March, with the same amendment, cutting down the time from 18 to 12 months as the period of extension. So that amendment is the only amendment now pending before the Senate.

I do not know how long it will be necessary to extend the price control and stabilization acts. I am as much opposed as anyone can be to any unnecessary controls, or what we call regimentation, but I think we all recognize that we are not out of the woods yet on the military situation, we are not out of the woods on our economic situation, and certainly we cannot stop now in the middle of the fracas to withhold or withdraw controls, by whatever name we may designate them, which will prevent runaway prices and an inflation situation such as that we experienced as a result of the last war, when every branch of American industry and every American activity, whether it affected farmers, or laborers, or capital, or what not, suffered a terrific punishment because we had not exercised any effort to keep the hand of the only agency which can control these things, that is, the Government, on prices and economic conditions.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. In just a moment. I wish we might hold out the hope that we could abandon this policy in 6 months or a year. I do not know how long it will take; I do not think we can abandon it when the last shot is fired in the war in the Pacific. I think the world economic situation and our own are such that we will have to extend for a reasonable period, at least, some measure of control, when the war is ended. I do not want such controls to affect any activity except where it is absolutely necessary; I do not want them to be extended 1 day beyond the period when they are necessary; but I do not believe that we can with any dogmatic idea say at this time how long it will require to taper them off, as we used to say in our childhood days, "Let the cat die," when we were swinging to and fro. I do not know how long it will take, but I do say that we must go through that process for a while.

So I am hoping that the Senate will agree to the amendment of the committee fixing the period of extension for 1 year, which is a 6 month's reduction from the period provided in the original joint resolution. I might say that if we can agree to that amendment it will be my purpose to move that the Senate take a recess until tomorrow, because I understand the Senator from Ohio is not prepared to indulge in an extended discussion of the policy today, but that he will be tomorrow. There may be other Senators who will be much better prepared tomorrow than we are today.

I now yield to the Senator from Ohio.

Mr. TAFT. I merely wanted to say that I agree with much the Senator has said, particularly as to "letting the cat die." The whole purpose of my amendment is to "let the cat die" gradually, and not maintain this stringent control and let it all go at once.

I should like to say also that, in my opinion, the question is one of degree. I agree with the Senator that we cannot remove all controls, for we do not want a tremendous inflation of prices during the reconversion period.

I also maintain, however, that it is just as dangerous to have prices too low in the reconversion period, as it is to swing the other way, and I personally have been convinced, after months of constant consideration and discussion with Mr. Brownlee and Mr. Bowles, that that is the policy to which they are committed.

As to the period of extension, I am quite willing to agree to a year's extension. There is no question in my mind that even after that we will probably have to have one more extension, at least as to a limited number of products. I feel, however, that if no amendments are adopted to the present act, a year is too long, because it would take us far into the reconversion period, and might result in irreparable damage. However, at the present time I am perfectly willing to have the committee amendment adopted and disposed of at the present time.

Mr. BARKLEY. I thank the Senator from Ohio. I take it for granted there will be no opposition to the committee amendment.

Mr. President, I wish to take advantage of this opportunity to say that, notwithstanding disagreements between individual Senators and individual producers and many others in this country as to the policies of the Office of Price Administration and of the Stabilization Director, and notwithstanding the fact

that I freely concede and have stated to them that I think they have made mistakes here and there, they were charged by Congress with the performance of a very difficult and delicate task. It is an enormous undertaking to control prices of millions of American products, even in time of war, when the people are willing to accept restrictions, restraints, and controls of various kinds. I have said to the OPA sometimes that if I had any criticism to make of them it would be to the effect that they had sometimes delayed too long the inauguration of changes which they were finally compelled to make, by the force of circumstances and as a result of obtaining greater information.

I have always assumed that the changes which they made were based upon a belief that they were sound. Sometimes I have felt that if they had made those changes a little more promptly they might have satisfied the dissident elements, they might at least have gone a long way toward satisfying those who were discontented, and there might not have been some of the controversies and difficulties which have arisen because of the conception of the OPA from the beginning that it was charged by Congress with doing a particular job, namely, to keep down prices for the benefit of our economy, for the benefit of the Government itself, and the Army and the Navy. Of course, it is not possible to restrain in any way 130,000,000 or 140,000,000 people without running the risk of creating dissatisfaction here and there. It is not possible to satisfy everyone.

I think it is fair to say that, on the whole, industry in this country has succeeded and prospered, notwithstanding these restraints and these controls, to a degree never before experienced in our history. A larger percentage of industry is prospering and making money today than was making money before the war, and, as a whole, the American people, no matter what their occupations, have enjoyed more income than they ever enjoyed before, and the natural tendency among human beings is to use increased income to buy more things. Many of us are always short of something we would like to have. Even Senators find it difficult now and then to buy and to afford to buy everything they might like, and which they would enjoy, and which they sometimes regard as necessities. Our people on the whole have enjoyed an income not only greater than they ever enjoyed before, but which within the last decade would have been regarded as incredible and almost inconceivable. Despite all that, and the tendency to spend money, the OPA has done what I think is a magnificent job in keeping down inflation and controlling prices.

You may talk to Mr. Bowles, who is the head of the OPA, and who came into the situation when it was in an embarrassing and in a rather chaotic condition; you may talk to Mr. Field, the general counsel, who was drawn from the private practice of law to take the legal leadership in the OPA, and you may talk to Mr. Brownlee, the Deputy Administrator, who is in charge of prices, and any of them will tell you that they would be glad to give up the job, and surrender it to someone else if someone else would come in and assume the responsibility. They are as anxious as anyone is to release these controls as soon as it is possible to do so.

Mr. President, I think on the whole the Administrator and his staff of employees have done a magnificent job in trying to keep the economy of the American people on a fairly level basis. They could not have done it without criticism and without discontent on the part of some. I do not believe the American people would be satisfied to release these controls now and let prices go astray, as they would go with our accumulated purchasing power and with the accumulated demand, if we released control at this time or at any time before it is wise to do so.

I appreciate the attitude of the Senator from Ohio [Mr. TAFT], who does not oppose the committee amendment that this extension should be for 12 months, and, therefore, I hope we may vote upon the committee amendment, and if we adopt it, it will be my purpose then to move that the Senate take a recess until tomorrow, when we can take up some of the other phases of the legislation, and I hope we may be able to dispose of the measure this week.

I say that, Mr. President, because the Committee on Finance has finished the hearings on the trade-agreements legislation which has passed the House and will meet on Friday in executive session to take up the Trade Agreements Act, and we hope to have that before the Senate next week.

Mr. President, I might indulge also the hope out loud that if we can enact the bills which necessarily must be enacted before the 1st day of July, including the extension of the Emergency Price Control Act and the Stabilization Act, which expire then, and the Trade Agreements Act, which expires on the 12th day of June—within only a few days—and the necessary appropriation bills the Senate and the House might recess at least during the month of July. I express that as a hope, not as a firm conviction, because our ability to do that will depend upon the status of legislation.

I do not know when the Bretton Woods proposal will be before the Senate. I understand the House will act upon it probably this week, and thereafter the Senate committee will begin hearings on it. It does not have to be passed by the 1st of July. It does not deal with something which expires on June 30 and which we must reenact during June.

I do not know when the San Francisco Conference will adjourn and when the agreement reached there will be submitted by the President to the Senate. I imagine there will be a period of some 2 or 3 weeks at least after the San Francisco Conference has adjourned before the President will be in a position to submit to the Senate the treaty or the agreement, with whatever accompanying papers he may wish to submit, and then I imagine the Committee on Foreign Relations will be required to deliberate upon it. I do not know how long hearings may be advisable or just when it may be reported to the Senate.

Personally, I wish we might be the first Nation to act upon the agreement arrived at in San Francisco. That may be a vain hope for the reason that many of the countries represented at San Francisco are not required to go through the detailed consideration in committee and in debate that we are required and expected to do in the Senate. But I think it would be a happy omen and a most wholesome example if, when the work of the San Francisco Convention has been terminated and has been submitted to the Senate of the United States, our Government could be the first to act upon it. I think it would be a noble example, one which would inspire the rest of the world. Whether that can be accomplished, of course I cannot now say. I do not know when it will be submitted to us or how long it will take for the Senate to dispose of it.

With all of that in mind, however, Mr. President, I think we can complete our work so as to give Senators a recess at least during the month of July. Until that time arrives, I hope that Members of the Senate will resist any temptation to leave Washington on any trips, whether domestic or foreign. We now have many committees of the Senate engaged in very valuable work in Europe. I wish it were possible for every Senator and every Member of the House to go over there. I really wish it were possible for every American citizen to make a personal investigation of some of the conditions which exist in all parts of the world, but that is impossible. I hope, however, that during the remainder of this month we may concentrate upon our duties in the Senate so that we might take a recess in July if our legislative situation permits, and that whatever visiting or traveling may be desirable or possible, Senators will postpone until that time, so we may be assured of sufficient attendance to transact the business of the Senate with a representative membership on the floor.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. The majority leader spoke a moment ago of a committee meeting on Friday in executive session. Did he refer to the committee which has been working on the trade-agreements legislation?

Mr. BARKLEY. Yes; the Finance Committee.

Mr. WHITE. Is it the thought of the Senator from Kentucky that the Senate itself will be in session on Friday?

Mr. BARKLEY. I am not certain, I will say in answer to the Senator from Maine. It is my purpose, when the committee amendments for the pending measure are agreed to, that the Senate take a recess until tomorrow. Whether in the meantime there can be worked out any program with respect to any further amendments to the joint resolution I do not know. If we can complete consideration of the joint resolution by meeting on Friday I would strongly favor doing it, so that we may clear the decks of this measure. If we cannot do that, it might have to go over until Monday.

Mr. WHITE. I asked the question only because the Senator spoke of a committee being in session on Friday, and I was afraid the conclusion might be drawn that the Senate itself would not be in session on Friday. I merely wanted to be sure of that.

Mr. BARKLEY. No; I did not speak of the Senate itself. I spoke of the Finance Committee having an executive meeting on Friday. The committee would meet tomorrow on the trade-agreements measure except that the committee has agreed to give to the Senator from California [Mr. JOHNSON] and some witnesses whom he desired to produce, a hearing tomorrow on the bill pending in the committee to repeal the Johnson Act which forbids private institutions in the United States from making loans to any foreign countries that are in default in the payment of their debts to us. Because of that, the committee cannot meet tomorrow on the trade-agreements measure. I do not know whether it can conclude its consideration on Friday. It is going to meet on Friday, however, regardless of whether the Senate is in session.

Mr. WHITE. Then, Mr. President, in view of what the Senator from Kentucky has said about the committee amendments fixing the time of expiration of this extension, and of what the Senator from Ohio [Mr. TAFT] has said, I think we may safely proceed with the adoption of the amendments.

Mr. BARKLEY. Yes. That is the purpose of my present move.

The PRESIDENT pro tempore. The clerk will state the first committee amendment.

The first amendment of the Committee on Banking and Currency was, on page 1, line 5, after the word "substituting", to strike out "December 31, 1946" and insert "June 30, 1946."

Mr. THOMAS of Oklahoma. Mr. President, I do not desire to oppose the committee amendment. I wish to speak for just a moment about another issue pertaining to the joint resolution.

On May 21 I submitted an amendment to Senate Joint Resolution 30. The amendment was referred to the Committee on Banking and Currency, which was proper. It was considered by that committee. I am advised that on a vote on the amendment it was rejected in the committee by a slight majority.

Mr. President, the purpose of the amendment when submitted was further to clarify three sections of the existing law. It sought to clarify section 3 of the original act, which created the Office of Price Administration. This section in the original law sought to protect the prices of agricultural products. It was presumed that when the section was adopted by the Congress the administrators would follow the recommendations and the policy outlined by section 3, under the title "Agricultural Commodities."

I ask unanimous consent that a portion of section 3 of Public Law No. 421, Seventy-seventh Congress, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

AGRICULTURAL COMMODITIES

SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below the highest of any of the following prices, as determined and published by the Secretary of Agriculture: (1) 110 percent of the parity price for such commodity, adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials, or in cast a comparable price has been determined for such commodity under subsection (b), 110 percent of such comparable price, adjusted in the same manner, in lieu of 110 percent of the parity price so adjusted; (2) the market price prevailing for such commodity on October 1, 1941; (3) the market price prevailing for such commodity on December 15, 1941; or (4) the average price for such commodity during the period July 1, 1919, to June 30, 1929.

(b) For the purposes of this act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law. In the case of any agricultural commodity other than the basic crops corn, wheat, cotton, rice, tobacco, and peanuts, the Secretary shall determine and publish a comparable price whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

(c) No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in subsection (a).

Mr. THOMAS of Oklahoma. Mr. President, the record shows that the Office of Price Administration, whoever was Administrator, disregarded, ignored, and failed to observe the injunctions and requirements of that section. As evidence of that statement of fact, let me say that when the proposed amendment of the Emergency Price Control Act of 1942 was again considered, in a bill which was approved by the President on October 2, 1942, because of the fact that the Administrator of OPA had failed to observe the injunctions and requirements of the section to which I have referred, the Congress approved what is known as the McKellar amendment. The McKellar amendment is a portion of section 3 of Public Law No. 729, Seventy-seventh Congress, which was approved on October 2, 1942.

I ask unanimous consent that a portion of section 3 be printed in the RECORD at this point as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Provided further, That in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing: *Provided further*, That in fixing price maximums for agricultural commodities and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, as provided for by this act, adequate weighting shall be given to farm labor.

Mr. THOMAS of Oklahoma. Mr. President, even that section, containing specific provisions which are directives to the Office of Price Administration, was disregarded. The directives were ignored, and the law was flouted.

So that when the Congress had a third opportunity to consider this matter, in connection with the consideration of the bill which afterward became Public Law 383 of the Seventy-eighth Congress, which was approved on June 30, 1944 the Congress again, for the third time, sought to place in the law a reiteration of the two previous sections of law. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a portion of section 201 of the law just referred to, which is found on page 12 of Public Law 383, Seventy-eighth Congress.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

SEC. 201. (a) The first proviso contained in section 3 of the Stabilization Act of October 2, 1942, as amended, is amended to read as follows: "*Provided*, That the President shall, without regard to the limitation contained in clause (2), adjust any such maximum price to the extent that he finds necessary to correct gross inequities; but nothing in this section shall be construed to permit the establishment in any case of a maximum price below a price which will reflect to the producers of any agricultural commodity the price therefor specified in clause (1) of this section:".

(b) Section 3 of such act of October 2, 1942, as amended, is amended by adding at the end thereof the following new paragraphs:

"On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price for any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity which will reflect to the producers of such agricultural commodity a price below the highest applicable price standard (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) of this act.

"The President, acting through any department, agency, or office of the Government, shall take all lawful action to assure that the farm producer of any of the basic agricultural commodities (cotton, corn, wheat, rice, tobacco, and peanuts) and of any agricultural commodity with respect to which a public announcement has been made under section 4 (a) of the act entitled "An act to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes," approved July 1, 1941, as amended (relating to supporting the prices of nonbasic agricultural commodities), receives not less than the higher of the two prices specified in clauses (1) and (2) of this section (the latter price as adjusted for gross inequity).

Mr. THOMAS of Oklahoma. Mr. President, it was to clarify those three sections that I offered the original amendment, which was referred to the Committee on Banking and Currency, and which was rejected by that committee. Since that time conditions have changed. Disregarding the terms of these three provisions, the Office of Price Administration proceeded to control prices and to control rationing.

Some of the orders made pursuant to those three sections of the law were construed by the Office of Price Administration in a manner which did not please some of our citizens who were affected, whereupon an appeal was taken from the orders of the OPA to the Emergency Court of Appeals established by law. The Emergeny Court of Appeals, as provided by law, heard the appeal and found that the OPA was within its rights in ignoring these three sections of the law, because it sustained the orders which had been made by the Office of Price Administration.

The citizens who were adversely affected appealed to the Supreme Court. They asked for a writ of certiorari, which means that they asked permission to go before the Supreme Court and present their case upon appeal and have it heard by the highest judicial tribunal of the land. The Supreme Court refused the writ, and held in effect that the order of the Emergency Court of Appeals was a proper one. By so holding, the Supreme Court, the Emergency Court of Appeals, and the Office of Price Administration nullified in toto the three sections of the law, first the provision in the original act; second, the McKellar amendment; and, third, the provision in the act extending the stabilization law. So now the country has nothing on the law books with respect to the prices of agricultural products.

As I say, the condition has changed. Unless we adopt something to govern the OPA, its ukase will be the law, and from this time henceforward, without the directive of the first law, without the directive of the McKellar amendment, and without the directive in the third law, it can go forward as it pleases.

Mr. President, I originally offered the amendment to clarify those three sections of the law. Now there is nothing to clarify; so I resubmit my amendment and ask that it be printed in the RECORD at this point as a part of my remarks; also that the amendment be ordered to lie on the table and be printed, for the further consideration of the Senate.

There being no objection, the amendment submitted by Mr. THOMAS of Oklahoma, intended to be proposed by him, was ordered to lie on the table and be printed, and to be printed in the RECORD, as follows:

On page 1, line 9, insert the following new section:

"SEC. 3. That section 3 of the Stabilization Act of 1942 as amended June 30, 1944, is amended by inserting at the end thereof the following: '*Provided further*, That on and after the date of the enactment of this proviso, it shall be unlawful to establish or maintain against any processor a maximum price for any major project (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) resulting from the processing of any agricultural commodity, or maximum prices for the products of any species of livestock (such as cattle, hogs, or sheep) (the products of each species of livestock to be taken as a group in establishing or maintaining such maximum prices) which does or do not equal all costs and expenses (including all overhead, administrative, and selling expenses allowed as expense deductions in computing Federal income and excess profits tax lability) incurred in the acquisition of the commodity or species of livestock and in the production and distribution of such product or products plus a reasonable profit thereon, not less than the profit earned thereon by such processor during a representative base period.'"

Mr. BARKLEY. Mr. President, I do not wish to indulge in any controversy with my good friend from Oklahoma with reference to the matters which he has discussed. There is an honest difference of opinion—and I should dislike to think it was otherwise than an honest difference—as to the degree to which the Office of Price Administration has attempted to carry out the laws enacted by Congress, including the amendment to which the Senator from Oklahoma has referred.

In the hearings before the Committee on Banking and Currency in March, and in the action of the committee following those hearings, there was no serious difference of opinion. The committee voted to extend the act for 1 year, without amendment. I believe the vote was unanimous.

The amendment submitted by the Senator from Oklahoma, which was later referred to the Committee on Banking and Currency, was not submitted until after the committee had acted with unanimity in regard to the extension of the law for a period of 1 year. While the subcommittee was engaged in writing a report, the meat situation became more or less acute, not due altogether, if at all, to any price ceilings, but due to a shortage in the slaughtering of certain types of meat and the processing of those types of meat in the packing institutions of this country.

A year or two ago, the OPA fixed a ceiling price on hogs which was sufficiently attractive to bring about an overproduction of hogs. We read in the press at that time, and it was a matter of common knowledge, that hogs were shipped to the principal hog markets in quantities which the markets were unable to absorb. The result was that the producers had to ship the animals back home or take a reduced price. In other words, the law of supply and demand came into effect, and the producers of hogs were required to accept a price lower than the ceiling price. There was widespread complaint because of the drop in the price of hogs on the foot. That automatically resulted in a reduction in the production of hogs. When the ceiling price was reached—and it was at a figure which attracted the production of hogs—those who produced them found that, taking the country as a whole, they had produced more hogs than the market could absorb at the ceiling prices. Therefore, the price went down, and the reduction in the price of hogs automatically reduced the production of hogs, and there has been a shortage of hogs in this country.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HICKENLOOPER. At that point I should like to remind the Senator that last year the War Food Administration and other agencies joined in requesting the farmers of the country to reduce their hog production for this year by approximately 16 percent. That was partly the reason for the decrease in production, in addition to some discouragement because of the reduction of the price.

Mr. BARKLEY. Yes. That was because there were too many hogs at the time when that request was made. A reduction in the production was requested in order that the price might be maintained. Just as the production probably went up inordinately when the ceiling price was reached, it went down inordinately when the market price did not justify the production level then in existence; and that decrease in production probably was fortified by the request, which was in the nature of an effort to aid the hog market by a reduction of the surplus, so that the price would automatically go back up toward the ceiling price. The result was a shortage in the production of hogs. The complaint which I have received from many of the packers in my State has been that they did not have the hogs to process, and therefore they were not in a position to carry on their operations to the fullest extent of their capacity.

But, be that as it may, that situation had not developed and there was no real complaint, or, at least, no widespread complaint, last year or before the committee in February or March in regard to this situation. It developed after the committee had taken action on the joint resolution, and it was in part responsible for the delay in reporting it to the Senate. If it had not been for that situation, in all likelihood the joint resolution would have been enacted 2 months ago, and probably it would now be the law. But because of that situation, action has been held up.

Mr. HICKENLOOPER. Mr. President, will the Senator further yield at that point?

Mr. BARKLEY. I yield.

Mr. HICKENLOOPER. Tomorrow I shall discuss some particular phases of the hog situation; but at this point I believe it is fair to say, at least from my viewpoint, that in part the difficulty which faces us today in respect to the meat shortage has arisen, first, because of the vacillating price policy last year in the face of a surplus of hogs at that time and, second, a doubt on the part of the producers of hogs that any kind of a reliable market would be maintained for this year, and the further factor, which acted in combination with the others, in the form of a request for a reduction of approximately 16 percent in hog production. I think there was a combination of elements which entered into the present shortage which we all know exists this year.

Let me say further that at the time when the committee was considering the matter of extension of the OPA Act, the bulk of spring pigs had not begun to come on the market, so there was not available at that time the data regarding the number of hogs which would be in the market and regarding just what the meat supply would be. I hope I can discuss that matter at a little greater length tomorrow, in connection with the presentation of some figures in respect to it.

Mr. BARKLEY. I appreciate the Senator's suggestions.

However, Mr. President, whatever the cause may be, the result which we now find in the hog market is that the price is practically fixed by the ceiling which has been set by the OPA, and we find a shortage of hogs, resulting in a decrease in the processing of the kind of meats as to which the packers complain of a shortage. They do so with some justification, but I think that condition has been brought about, not by the price situation, but by the fluctuation in the supply of and the demand for hogs in the American market.

But, whatever the situation may be, the OPA has undertaken to meet it, and I think it has made an honest effort to correct it by the order which was issued a few days ago by the OPA or by Judge Vinson, as Economic Stabilizer, in which he has set up a new program for the production of meats of all kinds. That program is intended to solve this problem, and at least it will go a long way toward solving it, if it does not completely do so. I realize how difficult it is to satisfy everyone in a matter of this kind. I realize how difficult it is for everyone to make a profit out of the processing of meats; but I think it should be said that more people are making profits out of meat processing now than before the war.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BARKLEY. I will yield in a moment.

Mr. President, let me further say that, of course, the Government cannot guarantee to everyone, either in time of war or in time of peace, that he will make a profit out of whatever effort he embarks upon.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. BARKLEY. Yes. I promised to yield to the Senator from New York, but I yield to the Senator from Iowa.

Mr. HICKENLOOPER. I thank the Senator. There is a question regarding the profit on meat. I did not discuss that matter this afternoon.

Mr. BARKLEY. I did not, either, but I believe the remarks made by the Senator from Oklahoma call for some comment.

Mr. HICKENLOOPER. I believe it can be shown beyond dispute that no meat processor—except processors who are specialists in certain types of meats, such as soup meats and certain canned meats—is today making a profit consistently; I believe it can be shown that today there is no slaughterer in this country who is operating legitimately who is making a consistent profit or has made a profit since about last November. I merely wish to take issue with the Senator for a moment on the question whether the processors are making more money today than ever before.

Mr. BARKLEY. I said more people are making profits. I do not know whether they are making more profits, but more people are making money.

Mr. HICKENLOOPER. I may suggest that there are black-market operators in meat who are making unconscionable amounts of money today.

Mr. BARKLEY. I am not talking about them, and the OPA has taken steps to curb the black market.

We have about 25,000 or 26,000 processors of meat in this country, and until recently only about 10,000 of them were federally inspected, because they did not qualify under the Federal inspection law. Some 15,000 were not federally inspected. The OPA has undertaken to reduce the number who are not inspected by the Federal Government, and it has been quite successful in recent weeks in that effort.

Mr. HICKENLOOPER. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield.

Mr. HICKENLOOPER. I believe the number of federally inspected slaughterers in this country has never exceeded approximately 700, and there are some 10,000 who are called class 2, and approximately the same number class 3 slaughterers. They include both the farm slaughterers and the individual slaughterers for local consumption. But the federally inspected meat has been confined to a comparatively small number of slaughterers, in comparison with the total number who kill commercially and for local distribution.

Mr. BARKLEY. It should also be said that in January the OPA, in an effort to obtain accurate information, addressed inquiries to 68 meat processors in the United States, including the large and medium-sized ones, requesting information upon which it might base any order which it might issue or any program which it might inaugurate. It does not seem to me that that was an unreasonable request on the part of the OPA in its effort to obtain information. But of the 68, only 13 ever replied or have replied up to now. That made it more or less difficult for the OPA to obtain the information it sought, and which was later revealed by the hearings before the Senate committee and the House committee.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HICKENLOOPER. I apologize for taking so much of the Senator's time. I had not intended to impose upon him in this way.

Mr. BARKLEY. It is all right. The Senator need not apologize.

Mr. HICKENLOOPER. I am reliably informed that on the 15th of last March, 19 of the 55 packing plants which had been originally requested——

Mr. BARKLEY. I may say that 68 had been requested.

Mr. HICKENLOOPER. Eventually the total was 68. Originally the requests had been sent to approximately 62 packers, and they were later increased to approximately 65 or 68. However, on the 15th of March 1945, packers representing approximately 70 percent of all the federally inspected meat processed in this country had furnished all the information which the OPA had requested. Packers representing only about 30 percent of the federally inspected meat products had failed to reply. Therefore, the OPA had the complete data on March 15 from packers representing approximately 70 percent of the federally inspected meat production of this country. Today I have a letter over the signature of the American Meat Institute in which it is stated that every one of those packers has now completed the forms in detail, and that the information requested has for some weeks been in the hands of the OPA.

Mr. BARKLEY. Mr. President, in that connection I may say that even 19 out of 68 packers is not a large proportion of those who had been requested to furnish information. If what the Senator says is true, that the 19 packers who replied represented a large proportion of the product, it must have included the larger packers, and those who did not reply were the smaller packers, who have been complaining, and are now complaining, that the program of the OPA has been unfair to them. I cannot now understand why they did not comply with the request of the OPA and give the OPA the information which it had sought.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HICKENLOOPER. I again apologize for speaking.

Mr. BARKLEY. The Senator does not need to apologize, but if he insists on doing so I shall accept his apology. [Laughter.]

Mr. HICKENLOOPER. I believe I can satisfactorily reply to the statement which has been made. Only the Big Four and the largest of the independent packers had any bookkeeping system which would in any way indicate the detailed break-downs into such minutiae as the OPA had demanded. The smaller packers did not have the accountants or the records, and they could not give the information which had been requested by the OPA within the period of time allotted. However, the OPA received the information which it had requested from the producers of 70 percent of the federally inspected meat. I do not say, Mr. President, that that necessarily represented a complete reply to the OPA, but I contend that it was not only a representative reply with regard to costs and conditions, but that it certainly furnished an overwhelming volume of figures upon which any businessman or any group attempting to compile statistics could operate with confidence.

Mr. BARKLEY. I do not believe that any one can deny that the OPA has made an honest effort to obtain information from a cross section of the industry representing the large, the medium-sized, and the small packers, and that it did not receive such information from those of the category who have been making complaints, and are still making complaints. I do not know, and I would not predict, to what extent the OPA's program might have been modified if it had received the information from all packers which it had requested. I do believe, however, that the packers owed the duty to the OPA of making an honest effort to supply it with information. If they could not have furnished all the information requested by the OPA, they could have made an honest effort to furnish as much as they had available. Only 19

out of 68 packers made any effort to reply.

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BROOKS. In discussing the fluctuation in production costs, there is no question that it is traceable completely to the OPA's changing regulations. The farmers of the United States have been most patriotic and devoted. I do not assert that they have been more so than have those in other groups, but they have not failed in responding to any reasonable requests on the part of the Government. When asked to produce more hogs, they wanted an increase in weight. An increase was allowed, and the farmers increased the weight to 150 pounds. As the Senator from Kentucky knows, that weight represents what has long been forgotten as the prize hog of the market. Then the price was changed, and the floor was taken from under the fat hog. The farmers were subsequently told that not as many hogs were needed. Cattle are now on the ranges, and farmers have the breeding stock with which to produce all meat that we need if the OPA or someone in authority will tell the farmers definitely what the program is to be, and assure them that it will not be changed, and allow them to receive a profit on their effort.

Mr. BARKLEY. What I have said is intended in no way as a complaint against any person who produces either hogs or cattle. We are all human, and are all subject to the same reactions. When prices are high we produce as much as we can, and when they go down we become discouraged and curtail production. We all know that there was a surplus of hogs at one time which resulted in a reduction in price to a point below the ceiling. The ceiling was not changed. The ceiling was $14.75 a hundred pounds, or approximately that.

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. BARKLEY. I will yield in a moment. As I have said, the ceiling price was not changed, but it was high enough to encourage large production. As a result, the supply of hogs increased, which in turn resulted in a reduction in the price. Hogs did not bring the ceiling price. When that situation was reached, of course those who produced hogs curtailed their production. That did not happen on account of any change in the ceiling price, because the ceiling price was not changed at all.

Mr. BROOKS. As the Senator knows, hogs are produced much faster than most animals which are raised for butchering purposes.

Mr. BARKLEY. That is true.

Mr. BROOKS. At one time there was a plentiful supply of hogs, and many of us, in representing the farmers, from time to time asked the OPA to take off the points and allow the pork to be consumed, but the OPA would not comply. They forced the price down by accumulating meat, and consequently hogs were not produced in such quantities as theretofore because there was not a market for so much meat.

Mr. BARKLEY. I do not believe that the requirements of points for pork of itself reduced the price of hogs on the hoof.

Mr. BROOKS. It helped to do so.

Mr. BARKLEY. It may have been a contributing factor, but if the points had been taken off pork, the Senator knows of the difficulty which the OPA probably would have had in dealing with other types of flesh which go into food. But I do not want to get into a prolonged discussion.

Mr. BROOKS. I think it is a vital subject.

Mr. BARKLEY. It is a vital subject, and one in which I am very much interested.

I think the recent order of the OPA and the Director of Economic Stabilization was issued in an honest effort to solve the problem not only as to cattle, but as to hogs as well. I think that in the order issued by Judge Vinson, which was, of course, based on the recommendation of the OPA, an honest effort was made to solve the problem of the meat producer and the meat processor. Whether it goes as far as the processor desired is another matter. I do not suppose it does; I do not know whether it does; but taking into consideration the entire picture, it seems to me that the order is a long advance toward the solution of the problem. I think it should be allowed to be made effective if it is workable. I do not thing the OPA desired deliberately to put anybody out of business or to compel anybody to lose money. We all differ with regard to economic conditions. It may be that the OPA has made a too meticulous comparison between the profits and losses of some of the industries in their operations before the war and what they have been since the war started. I do not know. I have no way of obtaining detailed information which comes through all kinds of channels. I believe, however, that since the bill was unanimously reported out in March by the committee, in light of the new information which has been gathered, and the investigation which has taken place in both Houses of Congress, an honest and sincere effort has been made to meet the problem involved. Whether the OPA has gone as far as those interested would like to have it go, may be doubted.

Mr. BUTLER. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. BUTLER. In the discussion a moment ago between the Senator from Kentucky and the Senator from Illinois with reference to the selling price on hogs, it was spoken of as being $14.75.

Mr. BARKLEY. I was not meticulous in the statement. That was my recollection of the selling price that was in effect at the time referred to.

Mr. BUTLER. I have in my hand an editorial from the Omaha Daily Journal-Stockman which is entitled "Getting Nowhere Fast," and I think it takes no explanation to enable one to understand what the editor is getting at.

Mr. BARKLEY. I suppose he is getting somewhere fast.

Mr. BUTLER. As to pork, the editorial says:

> Anything constructive done to turn production upward has been so insignificant that it is hardly worth mentioning. When pork production was in the greatest slump in history, the planners took occasion to announce a cut of $1.25 a hundred pounds in the floor price, effective October 1, 1944—
>
> Not very long ago—
>
> reducing it from $13.75, Chicago basis, to $12.50.

I ask unanimous consent that the entire editorial be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GETTING NOWHERE FAST

A city man asks us what the Government has been doing the last year or so to increase meat production. Here is the only answer we could give him: Farmers reduced their production because there was not enough profit margin, and sometimes there was a loss in operations. So the food planners stepped in to save the day by paying the packers a good-sized subsidy. Farm production went down still more, because there was no change in conditions for farmers, so the Government raised the subsidy for packers again. Still more cuts were made in farm output because of lack of profit, so the planners increased the subsidy payments to packers still more.

This may all sound rather ridiculous and fantastic, but it is exactly what happened. It also affords a good picture of the approach made by the planners to the problem.

Not long ago it was suggested, as a means to increasing meat production, that the Government take over and reopen some of the packing plants that were forced to close because there were not enough animals produced to keep them open. The approach with the subsidy money is along the same line. If one important group loses money and is forced to cut production, the answer is not to pay that group a subsidy, but give the money to somebody else.

That is what has been going on for a long time, so that now packers can collect up to $3.40 a hundred pounds subsidy from the Government on some kinds of cattle, while the farmer gets a paltry 50 cents, and that amount only on certain classes.

The producers and feeders of hogs get no subsidy, but the pork packer now can collect $1.70 a hundred pounds. The sheep raisers and feeders get no subsidy, but 95 cents is paid to the packers on sheep they slaughter.

Most farmers and packers do not believe in the subsidy, yet they fight to get more of it. That is not hard to understand. They all pay part of the expense involved through heavier taxation, and they cannot be blamed for wanting their share of the gravy. The real trouble lies in the fact that the farmer has so far not been able to get his share.

Anything constructive done to turn production upward has been so insignificant that it is hardly worth mentioning. When pork production was in the greatest slump in history, the planners took occasion to announce a cut of $1.25 a hundred pounds in the floor price, effective October 1, 1944, reducing it from $13.75, Chicago basis, to $12.50. It was emphasized that this price would be supported for only a small percentage of certain weights of good to choice hogs. Long after it was too late to do any good for the current season, it was announced that the floor price would be raised back to $13 and that hogs up to 270 pounds would be supported at this price, instead of the 240-pound limit. Later planners grudgingly agreed to support hogs up to 300 pounds, and just recently announced all butcher hogs, regardless of weight, would be eligible to the $13 support price. Always, however, the good to choice

loophole was inserted, through which it would be possible to buy hogs below the floor level.

The penny pinching whenever it comes to giving the farmers a price conducive to wartime production, at the same time that others are fed generously at the Federal trough, is really the crux of the present-day meat famine.

Mr. MORSE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield, but I do want to obtain a vote on the amendment as soon as possible.

Mr. MORSE. I do not desire to participate in an extended discussion this afternoon on the meat situation, although at a later time, when other amendments are before the Senate, I do intend to speak on the subject. Nevertheless, I do not wish to vote on the pending amendment—and I assure the Senator I shall vote for the amendment—until there is inserted in the RECORD a point of view answering one point just expressed by the distinguished Senator from Kentucky in regard to this matter of hog surplus.

I am very glad the distinguished Senator from Illinois [Mr. BROOKS] made the statement he made in regard to rationing points. I do not think we serve OPA well, or the objectives of OPA well, if we try to cover up the mistakes of OPA with a whitewash brush. I think a pretty big brush is being used on Capitol Hill these days in whitewashing what I think is an inexcusable bungling of the meat situation in this country.

To think that in time of war, when whole sections of the world are starving, and when for that matter at no time during the war has our own population had all the meat it was able to and should have consumed, an agency of the Government should request our farmers to reduce by 16 percent their production of hogs. Such a program of scarcity was and is inexcusable. It does have a very direct bearing upon our whole ration-point policy. It seems to me that OPA has not taken into account to the degree it should the relation of ration points to meat production. When the distinguished Senator from Kentucky, if I understand him correctly, speaks in defense of the handling of the so-called hog surplus, which was never a legitimate surplus in an economic sense, he raises his voice in defense of false economics. I say that because American consumers could have used the meat if they had been allowed to purchase it. To have applied the doctrine of economic scarcity in the midst of war, when we needed every single pound of meat we could get, shows how uncoordinated the policies of the Government agencies charged with our food policies have been.

I wish to point out something OPA overlooks too frequently, that the spending of money for the necessities of life is not inflationary. Money spent by American workers for more meat during the war would not have caused inflation but would have benefited the Nation and would have prevented what amounts to the waste of millions of pounds of meat by the policy of the War Food Administration and OPA of urging the nonproduction of pork by 16 percent. Time and time again there have been serious meat losses and financial losses suffered by farmers, packers, and consumers because OPA has been unwilling to adjust its ration-point system to the realities of livestock production. We have been served more false economies instead of more meat.

I wish to state to the Senate—and it involves a point I shall discuss at a later time—that several days ago, I sent to Mr. Bowles a telegram asking for a statement of his policy in regard to the handling of the western lamb situation.

That telegram reads as follows:

MAY 30, 1945.

Hon. CHESTER BOWLES,
Administrator, Office of Price Administration,
Washington, D. C.:

Respectfully call your attention to fact that apparently OPA has taken no effective steps to date to prevent repetition of costly mistakes of past 2 years in regulations controlling marketing of Oregon lambs. OPA policies relating to Oregon lamb market have not only cost sheep producers of my State a great many thousands of dollars of losses during past 2 years but have resulted in large reduction in size of flocks of sheep in Oregon because sheep producers cannot continue to take losses which OPA policies have forced upon them. You will recall that at close of lamb season last year you personally recognized in a conference held at Portland Airport that OPA was mistaken in policy which it followed last year in respect to Oregon lamb situation. Your fairness and broad understanding manifested by statement which you released in Portland at time of that conference were very reassuring to sheep producers in my State. However, many communications which I am receiving from sheep producers in Oregon are to the effect that the same mistake in policy will be followed by OPA again this year unless you take a hand in matter and see to it that policy which you put into effect at end of lamb season last year is put into execution at beginning of lamb season this year which is now. The experts in your livestock division recognize and I am sure will inform you that Oregon lambs are so-called soft lambs which cannot stand shipment long distances and therefore must be slaughtered in local slaughterhouses and for the most part consumed locally. Therefore respectfully suggest that immediate consideration be given to advisability of either freeing entirely or reducing ration points in that region of country on lamb so that losses to lamb producers of last 2 years will not be repeated again this year. Unless OPA proceeds without delay to treat Oregon lamb problem on an exceptional basis because of type of lamb involved it not only will be guilty of gross injustice to Oregon lamb producers but also will be guilty in fact of wasting millions of pounds of otherwise available meat because history of Oregon lamb problem shows that unless OPA regulations are so modified as to meet this particular and exceptional regional meat situation the bulk of these lambs do not flow to market because they cannot be sold at a reasonable profit. The result is that they are held over week after week by producers in hope that something will be done by your organization to relieve their situation until when nothing is done final effect is that lambs have changed into less desirable mutton with not only resulting financial losses but meat losses as well. I appreciate fact that it is desirable wherever possible for OPA to maintain uniform policies but when those policies conflict with laws of nature itself then I think OPA should recognize the physical facts concerned as well as principles of fairness and equity by treating such cases on basis of their individual merits and facts. I shall appreciate it very much if you will have prepared for me a memorandum as to what steps your organization is taking to meet Oregon lamb problem which now at beginning of marketing season is already critical. My colleague, the senior Senator of Oregon, Senator CORDON, shares my views in this matter and joins in my request for report on matter.

WAYNE MORSE,
United States Senator.

We have suffered great losses in the production of sheep in the West during the past 2 years because of OPA policies. Reliable statistics show that the reduction in production of sheep varies from 25 to 40 percent in various sections of the West. Next year it will be greater unless OPA is required to change its policies in regulating the sheep industry.

For 2 years our sheepmen in the West have lost thousands and thousands and thousands of dollars because OPA apparently would not recognize the laws of nature and recognize that lamb in a very few days can change from profitable lamb into unprofitable mutton.

Mr. HICKENLOOPER. Mr. President, will the Senator from Kentucky yield to me to ask a question?

Mr. BARKLEY. I yield.

Mr. HICKENLOOPER. Does not the Senator from Oregon recall that that matter was solved here by the suggestion that when the lamb situation became acute, the lambing season be postponed for another couple of months? [Laughter.]

Mr. MORSE. Yes; that sounds like them. But I want the RECORD to show that last September, at a conference at the airport in Portland, Oreg., Mr. Bowles admitted that their handling of the lamb situation last year in my State was a serious mistake, and he then gave assurance that something would be done to prevent its happening again. I have called upon him to make good on that assurance, and to this hour I have not heard from him. I now notify him from the floor of the Senate that the lamb season in Oregon is on, some lambs are ready for market, and we in that section of the country want to know what he is going to do about it. Is he again to cost the sheepmen of my State and of the West generally great financial losses or is he going to proceed to recognize that we have to approach the western lamb situation from the standpoint of ration points? He should either reduce them or lift them entirely, in order to avoid the great loss that is going to be suffered unless the lambs are allowed to go to market and the consumers in that region are encouraged to buy them.

So far as I am concerned, I am going along with the objectives of the OPA, but I am not going to whitewash OPA's bungling, and I think the time has come to ask OPA to make clear what its policy is going to be in regard to the Nation's meat problems.

Mr. BARKLEY. Mr. President, I am not attempting to whitewash OPA or anybody else. I have never brought a whitewash brush into the Senate on behalf of anybody. Even though we may admit that the policy of OPA in regard to hogs was a mistake, it was a mistake

because of their attempt to increase the price to the hog producers, namely, the farmers all over the United States.

I do not wish to go into any further details about this matter. I hope we can get a vote on the pending amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on page 1, line 5.

Mr. HICKENLOOPER. Mr. President, what is the amendment?

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. In section 1, page 1, line 5, after the word "substituting", it is proposed to strike out "December 31, 1946" and insert "June 30, 1946", so as to make the section read:

That section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

The amendment was agreed to.

The next amendment was, in section 2, page 1, line 8, after the word "substituting", to strike out "December 31, 1946" and insert "June 30, 1946", so as to make the section read:

SEC. 2. Section 6 of the Stabilization Act of 1942, as amended, is amended by striking out "June 30, 1945" and substituting "June 30, 1946."

The amendment was agreed to.

DECORATION AND CITATION OF LT. COMDR. EDWARD JOSEPH HICKEY, JR., UNITED STATES NAVAL RESERVE

Mr. WALSH. Mr. President, the Senate will be interested to know that the son of Edward J. Hickey, Journal Clerk of the Senate, and Acting Parliamentarian in the absence of Mr. Charles L. Watkins, has made a distinguished record for himself as lieutenant commander in the Navy. He has been presented with the Bronze Star Medal, and I shall at this time read his citation. It is as follows:

The President of the United States takes pleasure in presenting the Bronze Star Medal to Lt. Comdr. Edward Joseph Hickey, Jr., United States Naval Reserve, for service as set forth in the following citation:

"For meritorious achievement as a member of the staff of the Commander Seventh Amphibious Force operating against enemy Japanese forces in the Pacific war area from July 1943, to February 1945. As a member of the training section of the staff during the beginning of the operations, Lieutenant Commander Hickey coordinated and standardized the amphibious training procedures for maximum effectiveness against enemy-held bases extending from southeastern New Guinea through the Bismarck Archipelago and Molucca Islands to Leyte and Luzon in the Philippines. As flag secretary, he handled with exceptional skill and efficiency many important administrative problems and, by his outstanding devotion to duty, contributed essentially to the success of these major amphibian operations. His gallant service throughout a period of intensive and sustained action reflects the highest credit upon Lieutenant Commander Hickey and the United States naval service."

For the President:

JAMES FORRESTAL,
Secretary of the Navy.

Mr. President, I wish to take this occasion to extend congratulations to Mr. Hickey, our efficient and most accommodating Journal Clerk, and also, through him, on behalf of myself and of the other Members of the Senate, to extend our congratulations to his son on the occasion of his being presented this medal and accorded this citation.

Mr. BARKLEY. Mr. President, inasmuch as our efficient Journal Clerk does not have the privilege of the floor, I take the liberty of making vicarious reply to the congratulations of the Senator from Massachusetts, by thanking him on behalf of Mr. Hickey for calling this outstanding service of his son to the attention of the Senate and of the country.

Mr. President, I also join with the Senator from Massachusetts, the chairman of the Committee on Naval Affairs, in congratulating Mr. Hickey and his son upon their outstanding services, and for his contribution and that of his son to the defense of our country.

Mr. WHITE. Mr. President, may I join with the Senator from Massachusetts and the distinguished majority leader in congratulations to our Journal Clerk and to his son? They have brought credit not only to themselves, but I feel that in a way they have added credit to the Senate of the United States.

ADDITIONAL SAFEGUARDS TO SHIP RADIO COMMUNICATIONS SERVICE

Mr. WALSH. Mr. President, I ask unanimous consent for the present consideration of House bill 3267, which is on the calendar. The House bill is identical with calendar No. 315, Senate bill 1024, which was introduced by me at the request of the Navy.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 3267) to further extend the effectiveness of the act approved December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States, as amended, and for other purposes.

Mr. WHITE. Mr. President, I understand the bill simply extends the present provision of law for a further period of time. Am I correct in my understanding?

Mr. WALSH. The Senator is correct. Unless the bill is enacted into law, the present provision of law dealing with radio communications will expire on July 1. The bill merely extends the effectiveness of the act for the duration of the war.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts for the present consideration of the House bill?

There being no objection, the bill (H. R. 3267) was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 1024 will be indefinitely postponed.

DISSOLUTION OF CERTAIN SUBSIDIARIES OF THE RECONSTRUCTION FINANCE CORPORATION

Mr. BARKLEY. Mr. President, there is on the calendar a measure, Senate Joint Resolution 65, which was unanimously reported from the Committee on Banking and Currency, in effect abolishing certain subsidiary corporations of the RFC. It is desirable that the measure be enacted into law as soon as possible, and I ask unanimous consent for immediate consideration of the joint resolution at this time.

Mr. WHITE. Mr. President, reserving the right to object, I will state that I have made such inquiries as I can concerning the proposed piece of legislation, and I find no objection to it in its present form. I have been disturbed, however, by a rumor that some amendments to the joint resolution are to be offered.

Mr. BARKLEY. That rumor is without foundation, I will say to the Senator from Maine. No amendment will be offered.

Mr. WAGNER. No amendment will be offered.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 65) to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations, which had been reported from the Committee on Banking and Currency with amendments, on page 1, line 9, after the words "administered by", to strike out "the board of directors of" and at the end of the joint resolution to add two new sections 2 and 3, so as to make the joint resolution read:

Resolved, etc., That, notwithstanding any other provision of law, all functions, powers, duties, and authority of the corporations hereinafter designated are hereby transferred, together with all their documents, books of account, records, assets, and liabilities of every kind and nature, to Reconstruction Finance Corporation, and shall be performed, exercised, and administered by that Corporation in the same manner and to the same extent and effect as if originally vested in Reconstruction Finance Corporation, and the designated corporations are hereby dissolved: Defense Plant Corporation, Metals Reserve Company, Rubber Reserve Company, the Defense Supplies Corporation, created by Reconstruction Finance Corporation pursuant to the act of June 25, 1940 (54 Stat. 572), and Disaster Loan Corporation, created by the act of February 11, 1937 (50 Stat. 19), are hereby designated as the corporations to which this joint resolution applies.

SEC. 2. The Reconstruction Finance Corporation shall assume and be subject to all liabilities, whether arising out of contract or otherwise, of the corporations dissolved by this joint resolution. No suit, action, or other proceeding lawfully commenced by or against any of such corporations shall abate by reason of the enactment of this joint resolution, but the court, on motion or supplemental petition filed at any time within 12 months after the date of such enactment, showing a necessity for the survival of such suit, action, or other proceeding to obtain a determination of the questions involved, may allow the same to be maintained by or against the Reconstruction Finance Corporation.

SEC. 3. This joint resolution shall take effect on July 1, 1945.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Monnett B. Davis, of Colorado, now my personal representative to Denmark, with the rank of Minister, to be Envoy Extraordinary and Minister Plenipotentiary to Denmark;

Paul H. Alling, of Connecticut, a foreign-service officer of class 2, to act as diplomatic agent at Tangier, Morocco;

Robert Rossow, Jr., of Indiana, to be a foreign-service officer of class 8, a vice consul of career, and a secretary in the diplomatic service;

Lynn W. Franklin, of Maryland, now a foreign-service officer of class 3 and a secretary in the diplomatic service, to be also a consul general; and

Theodore C. Achilles, of the District of Columbia, now a foreign-service officer of class 4 and a secretary in the diplomatic service, to be also a consul.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

CONFIRMATIONS OF NOMINATIONS OF JOHN E. LYNCH, JR., AND WENDELL McHENRY, JR.

Mr. WALSH. Mr. President, the President has today sent to the Senate certain nominations in the Navy. I ask unanimous consent that the rule be suspended in respect to two midshipmen who have been nominated by the President to be ensigns. These two young men, John E. Lynch, Jr., and Wendell McHenry, Jr., have already been confirmed by the Senate to be ensigns through the regular nominations submitted of midshipmen entitled to be promoted. They failed in their physical examinations to qualify for line officers in the Navy, and the President has now nominated them to be assistant paymasters in the Navy, with the rank of ensign. As this is their graduation day, and since after today they will neither be ensigns nor midshipmen unless their nominations are immediately confirmed, I ask the unusual privilege of having the rule suspended, and the nominations of these two young men immediately confirmed.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts for the immediate consideration of the two nominations? The Chair hears none, and the nominations will be stated.

The legislative clerk read the nominations of John E. Lynch, Jr., and Wendell McHenry, Jr., to be assistant paymasters in the Navy, with the rank of ensign, from the 6th day of June 1945.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed.

Mr. WALSH. I ask that the other nominations today submitted by the President be referred to the Committee on Naval Affairs.

The PRESIDENT pro tempore. Without objection, the nominations will be referred to the Committee on Naval Affairs.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. On behalf of the distinguished senior Senator from Tennessee, our distinguished President pro tempore, chairman of the Committee on Post Offices and Post Roads, and acting chairman of the Committee on Appropriations, I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 18 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 7, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 6 (legislative day of June 4), 1945:

IN THE NAVY

The following-named midshipmen to be assistant paymasters in the Navy, with the rank of ensign, from the 6th day of June 1945:

John E. Lynch, Jr.
Wendell McHenry, Jr.

Lt. (jg) Elbert W. King, D. C., United States Naval Reserve, to be an assistant dental surgeon in the Navy, with the rank of lieutenant (junior grade), to rank from the 1st day of May 1944.

Ensign Everett A. Malcom, United States Navy, to be an assistant paymaster in the Navy, with the rank of ensign, to rank from the 7th day of February 1941.

Ensign Hartsel F. McCue, A1, United States Naval Reserve, to be an ensign in the Navy, to rank from the 16th day of November 1942.

IN THE MARINE CORPS

Col. Ray A. Robinson to be a brigadier general in the Marine Corps, for temporary service, from the 2d day of April 1943.

Col. William C. James to be a brigadier general in the Marine Corps, for temporary service, from the 31st day of July 1944.

Col. William O. Brice to be a brigadier general in the Marine Corps, for temporary service, from the 25th day of January 1945.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Hulon McGraw, Anderson, Ala. Office became Presidential July 1, 1943.

Charles W. Jordan, Roanoke, Ala., in place of J. A. Brittain, resigned.

ILLINOIS

Earl Allen, Oakford, Ill. Office became Presidential July 1, 1944.

Henry W. Roehrkasse, Red Bud, Ill., in place of Albert Schrieber, retired.

INDIANA

Joseph T. Patrick, Carbon, Ind., in place of S. P. Downing, transferred.

MICHIGAN

Milton C. Kibler, Marshall, Mich., in place of Thomas Johnson, transferred.

MINNESOTA

Gust A. Oberg, Deerwood, Minn., in place of J. A. Oberg, removed.

MISSISSIPPI

Annie B. McKay, Dossville, Miss. Office became Presidential July 1, 1943.

MISSOURI

J. Ralph Brown, Patton, Mo. Office became Presidential July 1, 1944.

OHIO

James L. May, Mineral Ridge, Ohio, in place of James Woodward, removed.

Charles W. Kaiser, New Philadelphia, Ohio, in place of John Maurer, deceased.

PENNSYLVANIA

John C. Dunlap, Cherry Tree, Pa., in place of R. A. Murphy, resigned.

WEST VIRGINIA

Lula M. Morton, Rand, W. Va., in place of E. C. Huff, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate, June 6 (legislative day of June 4), 1945:

APPOINTMENTS IN THE NAVY

To be assistant paymasters in the Navy, with rank of ensign, from June 6, 1945:

John E. Lynch, Jr.
Wendell McHenry, Jr.

POSTMASTERS

ILLINOIS

Donald E. Palmer, Harvard.
Fred H. Miller, Northbrook.
Charles R. Wilson, Virginia.

NEW MEXICO

Agnes R. Avila, Taos.

VIRGINIA

Claude A. Reynolds, Meadows of Dan.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 6, 1945

The House met at 11 o'clock a. m.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who didst guard and protect us during the hours of the night, we pray that Thou wilt guide and provide for us during the hours of the day. Enrich us with the tokens of Thy everlasting favor and the blessedness of Thy abounding grace, whereby we may enjoy the comforts, undergo the cares, endure the trials, and perform the duties of life as becometh the sons of God.

Enlighten our minds with a knowledge of Thy truth, and may we desire what Thou dost promise and will to do what

Thou dost command. May Thy spirit take possession of our souls—a presence to purify, a light to lead, and a loveliness to transfigure us into Thy likeness.

Grant that our President, our Speaker, and all the Members of this legislative body may be blessed with a clear vision of Thy wise and holy will and a courageous desire to carry out Thy plans and purposes for the building of a world in which there shall be righteousness and peace.

We seek Thy blessings through the merits and mediation of the Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

The SPEAKER. The Chair suggests to Members that the House is rather pressed for time today in the consideration of the Bretton Woods bill. The Chair therefore will not recognize Members to proceed for 1 minute.

Mr. MAY asked and was given permission to extend his remarks in the RECORD and include an address by Gen. Omar N. Bradley, commanding general of the Twelfth Army Group, delivered yesterday to the graduating class of the United States Military Academy at West Point.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and to include an editorial from the Baltimore Sun of June 5.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD in two instances, in the first to include an editorial from the Boston Globe of recent date and in the second to include three articles from the New York Herald Tribune with reference to veterans' matters.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an address delivered by Admiral Vickery before the New York Metropolitan Section of the Society of Naval Architects and Marine Engineers at the Downtown Athletic Club in New York City on the subject The Adaptability of Postwar Service of United States Maritime Commission C-Type and Victory-Type Ships. Notwithstanding the fact that the speech is estimated to take three and one-third pages of the RECORD, at a cost of $173.40, I ask that it may be included in the RECORD.

The SPEAKER. Notwithstanding the additional cost and without objection, the request is granted.

There was no objection.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and to include a newspaper article on the death of Alton P. Tisdel, Superintendent of Documents at the Government Printing Office.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a letter written by him to Secretary of War Stimson and in the other to include an article written by James I. Dissette.

Mr. HEFFERNAN asked and was given permission to extend his remarks in the RECORD and to include a letter from Max Abelman, secretary to the board of the Brooklyn Jewish Hospital, received from Maj. Theodore Barnett, former resident physician of that hospital.

Mr. MASON asked and was given permission to extend his own remarks in the RECORD and include an editorial from the Washington Times-Herald of yesterday.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD.

Mr. HOEVEN asked and was given permission to extend his remarks in the RECORD and to include a newspaper clipping.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and to include a letter with regard to the peace conference and the signers of the letter.

Mr. HOPE asked and was given permission to extend his remarks in the RECORD.

Mr. RICH asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a statement entitled "Will the CIO Prohibit Employers From Taking Jobs Away From the Veterans?" which appeared in this morning's Times-Herald.

APPROPRIATION FOR CHILDREN'S BUREAU, DEPARTMENT OF LABOR, FISCAL YEAR 1945

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent for the present consideration under the rules of the House of House Joint Resolution 212, making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, this allows the Federal Security Board to anticipate the amount which will be required to meet the July 1 installment for old-age pension payments out of the 1946 appropriations.

By this means we advance money to the States so that they may allocate it to the localities in time. It also contains a provision for child welfare in connection with the wives of veterans. Two million two hundred thousand dollars for the month of June 1945 has been estimated to meet the deficiency. This money also has to be available for allocation to the States before the 10th of June. I can see nothing for the committee or the House to do but to go along with it.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the joint resolution be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, namely:

DEPARTMENT OF LABOR

CHILDREN'S BUREAU

Grants to States for emergency maternity and infant care (national defense): An additional amount for fiscal year 1945 for "Grants to States for emergency maternity and infant care (national defense)," including the objects under this head in the Labor-Federal Security Appropriation Act, 1945, $2,200,000.

FEDERAL SECURITY AGENCY

SOCIAL SECURITY BOARD

Grants to States for old-age assistance, aid to dependent children, and aid to the blind; and grants to States for unemployment compensation administration: Such sums as may be necessary for making for the first quarter of the fiscal year 1946 (1) grants to States for assistance to aged needy individuals, needy dependent children, and needy individuals who are blind, as authorized in titles I, IV, and X, respectively, of the Social Security Act approved August 14, 1935, as amended, and (2) grants to States for unemployment compensation administration: *Provided*, That the obligations incurred and expenditures made for each of such purposes under the authority of this joint resolution shall be charged to any appropriations therefor in the Labor-Federal Security Appropriation Act, 1946.

Mr. CANNON of Missouri. Mr. Speaker, this resolution continues the greatest philanthropy ever undertaken by any nation.

It provides for the security and comfort of old age, for the care and nurture of childhood, for the safety and assurance of motherhood, and for the maintenance and respect of the unemployed. The bill embodies in its brief and stereotyped language the most elementary of the "four freedoms" so graphically outlined by President Roosevelt—freedom from want.

When Franklin Roosevelt came to the Presidency he found the unattached aged dependent on the poorhouse and grudging local alms; he found homeless children in neglect and destitution; he found a high rate of infant and maternity mortality; and he found millions of unemployed walking the streets without bread for their families.

One of his first official acts was his message to Congress urging the enactment of legislation which is the basis and authorization of the appropriation carried in the pending resolution. And through the entire course of his continuing administrations he emphasized and reaffirmed his faith in these activities bringing health and comfort and security to the Nation and its dependents.

The resolution appropriates $2,200,000 for the remainder of the fiscal year of 1945, providing also for the advance obligation of two pending appropriations for medical, nursing, and maternity and infant care, including prenatal and postnatal service, for the wives and infants of enlisted men in the armed forces. It is impossible to even approximate the advantages accruing from this standardized service to the families of our fighting men—and the increased morale of our men overseas and at remote sta-

tions, reassured in the knowledge that their wives and children back home were receiving the best care and hospitalization to be secured anywhere in the world. And that is exactly what we are providing for them in this resolution.

The resolution also makes permissible for the remainder of the current fiscal year, the obligation of appropriations in the sum of $416,000 for grants to the State for old-age assistance, dependent children, and aid to the blind. It further apportions $32,000 to supplement the annual fund for grants to the States for unemployment-compensation administration.

There is no additional appropriation involved. The allocation deals solely with moneys to be appropriated in the regular appropriation bill now pending in the Senate.

Mr. Speaker, as there is no request for additional time for debate, I move the previous question.

The previous question was ordered.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON RIVERS AND HARBORS

Mr. COCHRAN. Mr. Speaker, I offer a privileged resolution, House Resolution 285, from the Committee on Accounts, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective June 1, 1945, the expenses of conducting the study and investigation authorized by House Resolution 256 of the Seventy-ninth Congress incurred by the Committee on Rivers and Harbors acting as a whole or by subcommittee, not to exceed $10,000, including expenditures for the employment of experts, and clerical, stenographic, and other assistants shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on Accounts.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia unless otherwise officially engaged.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON THE TERRITORIES

Mr. COCHRAN. Mr. Speaker, I offer a privileged resolution, House Resolution 286, from the Committee on Accounts, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective June 1, 1945, the expenses of conducting the study and investigation authorized by House Resolution 236 of the Seventy-ninth Congress incurred by the Committee on Territories, acting as a whole by subcommittee, not to exceed $20,000, including expenditures for the employment of experts, and clerical, stenographic, and other assistants shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on Accounts.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia unless otherwise officially engaged.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELIZABETH MILLARD

Mr. COCHRAN. Mr. Speaker, I offer a privileged resolution, House Resolution 282, from the Committee on Accounts, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Elizabeth Millard, wife of William C. Millard, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed $250 toward defraying the funeral expenses of the said William C. Millard.

The resolution was agreed to.

A motion to reconsider was laid on the table.

BRETTON WOODS AGREEMENTS ACT

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 3314, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Chair states for the information of the Committee that when the Committee rose yesterday at the conclusion of the debate the gentleman from Kentucky [Mr. SPENCE] had consumed 2 hours and 3 minutes and the gentleman from Michigan [Mr. WOLCOTT] had consumed 2 hours and 3 minutes, so the time has been equally used to this point in the debate.

Mr. SPENCE. Mr. Chairman, may I say in regard to the division of the time that we have agreed upon a dead line this afternoon at which the general debate shall be discontinued. The time runs not only during the debate but in the interspaces of time between the debate. Any delay in the debate shortens the time just that much. We have endeavored to give all who have requested time an opportunity to present their views, but under the conditions that prevail we do not know how many can be accommodated and just how much time can be consumed in debate. I want the Members to know that, and I want them to know that their names have been listed, and time has been allotted to them.

Already some 20 minutes have been consumed which might otherwise have been devoted to debate.

Mr. WOLCOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, on yesterday a special election was held in the Second Montana District to fill the vacancy caused by the death of our late colleague, Hon. Jim O'Connor. The campaign was waged on the basis of national issues which were fully debated and reported in the press. Addresses were made over the radio in order that the people of the Second Montana District be further informed as to the issues and the stand of the candidates on the issues. The argument for supporting the new President was constantly heard. There was no indulgence in personalities.

But at about midnight last night the Democratic candidate conceded defeat and WESLEY D'EWART, of Wilsall, Mont., the Republican candidate, has won decisively. It is well to bear in mind that this district in the 1944 election went Democratic by almost 10,000 votes. Likewise, it should be noted that the figures, insofar as the votes of yesterday are concerned, indicate a very heavy vote was recorded for a special election.

The Republican victory in Montana is doubly significant. First, we on our side have recaptured a district which has been heavily Democratic in the last seven congressional elections.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. HALLECK. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Chairman, secondly the result confirms once more America's rededication to the fundamentals of orderly constitutional government, to a two-party government, balanced and guided by a strong independent Congress. It is clear evidence that the people are turning to the Republican Party and its policies for leadership and guidance. In this special election, the first, except for the Virginia election a few months ago, where the result was a foregone conclusion, called since the 1944 Presidential balloting, the voters of Montana have forecast next year's political weather—a Republican Congress in 1946.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. SPENCE. Mr. Chairman, it seems to me we have heard many similar statements from the other side in the last year and the preceding year. But they did not forebode the results which they claim.

Mr. Chairman, I yield to the gentleman from California [Mr. OUTLAND].

OBJECTIONS AND OBJECTORS TO THE BRETTON WOODS AGREEMENTS

Mr. OUTLAND. Mr. Chairman, it is obvious that the sentiment of the American people is overwhelmingly in favor of Congress adopting the Bretton Woods proposals. From all over the Nation have come letters and telegrams pleading with us that we take this concrete step forward in international economic cooperation. The action of our Banking and Currency Committee in reporting the bill favorably by the vote of 23 to 3 is evidence that we in Congress are going to follow the sentiments of our people in this matter.

But what about the objections that have been raised to this measure? And what about those who are the objectors? In American democracy there is always the opportunity for all sides to be heard, and the case of the Bretton Woods agreements is no exception. Many honest and sincere people have opposed the adoption of these agreements on grounds that they

consider to be adequate. In some cases these objections have come from the last remnants of the isolationists, in others from old-time economists who bow down at the shrine of Adam Smith and a completely laissez faire economy. The most publicized and probably the most intelligent opposition has come from the American Bankers Association. It is my purpose this afternoon to attempt to summarize the principal objections that have been raised to the Bretton Woods Act, to refute these objections, and to show that they have been magnified out of all proportion. Certainly they do not constitute evidence for us in this Congress to turn down the taking of this vital step in international cooperation.

Probably the most continuous and the best organized opposition has come from the American Bankers Association. In their publication Practical International Financial Organization Through Amendments to Bretton Woods Proposals, published February 1, 1945, this association outlines frankly its objections to the bank and to the fund as recommended by our delegates. I was most gratified, therefore, to see the statement by the president of that association, Mr. Burgess, in which he stated that the new bill was a considerable improvement, and had met many of the objections of that organization. In view of the fact that such wide circulation has been given to the publication of the ABA report, however, I thought it would be of benefit to the Members of this House if I discussed some of the objections that had been raised. I repeat, I am gratified that many of these objections have now been met.

Before doing so, however, I should like to point out that in the past the American Bankers Association has objected to many financial reforms in this country which we now take for granted. Because such strenuous objections have been raised in the past to measures which are now looked upon as beneficial for the great mass of the American people, I venture to express the opinion that in years to come, when the wisdom of the Bretton Woods proposals has been demonstrated, the American Bankers Association will realize that its present fears were unfounded, and that it, too, will come to appreciate the importance of the International Bank and Stabilization Fund in the whole picture of world economy. Let me be specific about these objections to past financial reforms.

(A) POSTAL SAVINGS

Postal savings was established in the United States by legislation enacted on June 25, 1910, "after nearly 40 years of discussion of postal savings in the United States, during which time 8 Postmasters General had urged the establishment of postal-savings banks; after 80 bills had been introduced in Congress for this purpose; after all political parties had advocated such a system in their platforms; and after Presidents Roosevelt and Taft had urged the establishment of a Postal Savings System—see the Postal Savings System of the United States, American Bankers Association Committee on Banking Studies, at page 7.

Both before the establishment of the Postal Savings System and virtually to the present time, the American Bankers Association has officially opposed Postal Savings in general or particular phases of its operation.

The American Bankers Association opposed the establishment of postal savings banks, condemning it as unwise:

It is the sense of this association that we should condemn in unqualified terms the proposition for the establishment of postal-savings banks. (Proceedings, American Bankers Association, 1909, p. 252.)

The savings bank division resolved that—

It deprecates the agitation for an enlarged system of postal savings banking paying an increased rate of interest, and hereby protests against any legislation to that end. (Proceedings, Commercial and Financial Chronicle, 1921, p. 198.)

The committees on Federal legislation opposed the Steenerson bill—to amend the postal-savings law by increasing the maximum deposit and the rate of interest to be paid to depositors—and adopted a motion to "oppose any increase in the powers of the Postal Savings System including the rate of interest which they pay and disfavor any compromise with the proponents of the Steenerson bill by which the existing powers of postal-savings banks be in any respect enlarged." (Proceedings, Commercial and Financial Chronicle, 1922, p. 119.)

As late as December 1935, the association passed a resolution condemning as inequitable the "competition of the Postal Savings System with privately owned banks through the relatively high interest rate and liberal interest privileges allowed its depositors." (Proceedings, Commercial and Financial Chronicle, 1935, p. 39.)

(B) GUARANTY OF BANK DEPOSITS BY THE FEDERAL GOVERNMENT

The demands for insurance of deposits were virtually as old as that for establishment of a Postal Savings System. The American Bankers Association has at all times opposed the institution of a deposit guaranty system, and the establishment of the Federal Deposit Insurance Corporation by the Banking Act of 1933 was insufficient to quell the opposition of the association.

The American Bankers Association successfully resisted all early attempts to guarantee deposits. Its legislative committee reported that it was "opposed to the guaranteeing of deposits by either State or Federal Government." (Proceedings, 1908, p. 283.)

Its report was adopted, and the association stated that it was "unalterably opposed to any arbitrary plan looking to the mutual guaranty of deposits either by a State or the Nation, believing it to be impractical, unsound, and misleading, revolutionary in character and subversive to sound economics, placing a tool in the hands of the unscrupulous and inexperienced for reckless banking, and knowing further that such a law would weaken our banking system and jeopardize the interest of the people." (Proceedings, 1903, p. 286.)

Similar opposition was voiced in 1909 (Proceedings, pp. 250, 260). After the adoption of the Federal Reserve System, attempts were again made to provide for the guaranty of deposits. Again the association objected. Its Federal legislative committee reported:

As our association is on record, by resolution, as opposed to the guaranty of bank deposits by the States or by the Nation, we have opposed the bill introduced in the last session providing for the guaranty of deposits in banks of the Federal Reserve System. * * * This bill * * * is a measure which, if enacted into law, would seriously affect the banks of this country. (Proceedings, Commercial and Financial Chronicle, 1932, p. 34.)

And in 1933:

The American Bankers Association hereby records its deliberate judgment that the dangers involved in attempting to initiate at the beginning of 1934 the provisions for deposit insurance contained in the Bank Act of 1933 are genuine and serious. (Proceedings, Commercial and Financial Chronicle, 1933, p. 36.)

An editorial in the American Bankers Association Journal for June 1933, at page 28, took the position that—

It is entirely possible that the unwarranted burden that the—

Deposit insurance provisions of the Banking Act of 1933—

would place on good banks might threaten the stability of the entire banking structure.

The President of the American Bankers Association stated that the scheme is not "different in essential principles from the guaranty-of-deposit schemes that have been tried in eight Western States and invariably failed," and that "the economic policy commission of the American Bankers Association has just completed a searching restudy of the history and results of the guaranty plans, and the simple facts of these cases put them beyond the pale of sound remedies for the banking problem." (See 56 Trust Companies 680 (June 1933).)

The American Bankers Association remained skeptical of the Federal deposit insurance in 1941 when it was stated by its research council, in reply to a questionnaire of the United States Senate Committee on Banking and Currency, that Federal deposit insurance "must still, in view of previous experience with State insurance funds, be considered as experimental and not tested in the crucible of experience under varied economic conditions."

(C) THE FEDERAL RESERVE SYSTEM

The Federal Reserve System was an outgrowth of proposals for central-reserve-banking facilities which had been pending for many years. The first action by the executive council of the American Bankers Association approving any central-reserve system was in 1911. At that time the president of the association pointed out that:

It is almost inconceivable that bankers should have taken 37 years in coming to some solution satisfactory to themselves, and it is to be hoped that the present convention will give its approval of the action of the executive council in such a positive way that the whole country will understand that the bankers have at last agreed with practical unanimity on the cause of the trouble and the remedy.

The measure approved by the association was, however, not acceptable to the

Congress, and new measures were introduced by CARTER GLASS, chairman of the House Banking and Finance Committee. The Glass measure, which was the basis of the Federal Reserve Act, was disapproved by the American Bankers Association apparently for the reasons, among others, that investment in the stock of the Federal Reserve banks was compulsory and the individual banks had a minority representation in the Federal Reserve banks and no voice whatever in the selection of the Federal Reserve Board. (See Proceedings, 1913, pp. 64–65, 75.)

The American Bankers Association then presented certain amendments to the Committee on Banking and Currency for the purpose of partially restoring the features which it deemed desirable. (See Proceedings, 1913, at pp. 112–113.)

The basic objections by the American Bankers Association were, however, not met in the Federal Reserve Act as enacted.

Today the American Bankers Association apparently has on the whole approved the Federal Reserve Act as relatively good legislation. (See, for example, statement of Mylander, representing the American Bankers Association, in hearings before the Committee on Agriculture, Seventy-sixth Congress, third session, on H. R. 8748, 1940, at p. 450.)

(D) EXTENSION OF FEDERAL CREDIT

The general attitude of the American Bankers Association with respect to the extension of credit by the United States Government is somewhat indicated by the statement of ABA's position on socialized credit.

The American Bankers Association has long been opposed to the socialization of credit by the Government. By socialization we mean the extension of credit and the making of loans by the Federal Government with costs and losses paid out of the Federal Treasury either directly or indirectly. Our position supports the stand maintained by leading farm organizations, as they oppose the control of agricultural credit by political forces.

It is recognized that direct relief by the Government in times of serious economic stress may involve some granting of loans from public funds as a temporary emergency expedient. However, the continued practice of making uneconomic loans from public funds, without the adequate consideration of the ability of the borrower to repay and with the losses socialized at the expense of the taxpayers, violates the principles on which credit rests and thereby endangers the foundation of a sound credit structure. (Statement of President Hemingway, of the American Bankers Association, of Jan. 21, 1943; approved by the executive council Apr. 12, 1943; see printed release of the American Bankers Association.)

The point of view of the ABA on this particular financial policy is well illustrated by a letter sent out from its central Washington office on July 22, 1943, to members throughout the country. I quoted this letter in my remarks to this House on March 2, 1944, in connection with the work of the Production Credit Associations, but I believe it to be so important in connection with the topic I am discussing, that I quote it here again:

THE AMERICAN BANKERS ASSOCIATION,
Washington, D. C., July 22, 1943.

To the Member Banks:

Please give this letter to the officer of the bank who is most interested in—

1. Federal legislation.
2. Government competition with private credit.
3. Preserving private enterprise.
4. Direct personal action on the legislative front.

"DEAR SIR: There has been a lot of talk among bankers in recent months about what Congress ought to do or not to do. Most of this talk has been among ourselves. The time now has come for bankers to do some talking directly with the only people who can do anything about these matters—the Members of Congress, your Representatives in Washington and your Senators.

"Congress is in recess for the summer and most of the Congressmen are at home. They are at home for two purposes: First, to get away from the strain and turmoil of Washington; and, second, to get the viewpoint of the people at home. That gives us an opportunity and a responsibility. The only question is whether we will perform this duty and utilize this opportunity now to give our Washington, representatives facts about banking and our views on legislative matters.

"The ABA can do certain things in Washington such as: Secure the introduction of bills; conduct hearings and investigations; plead the cause of chartered banking before congressional committees, administrative agencies, etc. There is one thing it cannot do—it cannot contact a majority of the 435 Representatives and the 96 Members of the Senate on a legislative proposal. That is a job that only the folks back home can do. On banking legislation it is a job that only you and the other bankers can do.

"The winter session of Congress probably will witness a show-down on the question of Government subsidized and socialized credit. How your Senators and Representatives vote on legislation involving these issues may be determined by the information and viewpoint that you and other bankers give them this summer.

"As chairman of your committee on Federal legislation, I am calling on you to perform that service for chartered banking and to do it now.

"Two major fights in the field of agricultural credit are just ahead. One is to compel the production credit system to pay its own way. This should be done by eliminating the Government subsidy it now enjoys to the extent of the income on $120,000,000 of Government funds which it has been using for the past 8 years. The PCA's use $3,000,000 of income per year from these funds to make artificially low interest rates on loans and to pay expenses and losses.

"Private capital naturally cannot compete with such credit that is subsidized by the Government. Furthermore, other Government agencies and employees help drum up business for the PCA's. All of this is at the taxpayers' expense. Advertisements for loans are deceptive and untruthful, claiming a rate of 4½ percent when the actual cost to the borrower is usually 6 percent or higher. If a private business followed such a practice it would quickly feel the hand of Government prosecution.

"The second fight is in the field of socialized credit—United States Treasury disbursements under the guise of loans through the RACC, the Emergency Crop and Feed Loan Office, and the Farm Security Administration—three separate agencies, three Nationwide governmental organizations, using hundreds of millions of dollars of Treasury funds now solely needed in the war effort, while billions of dollars of bank deposits are starving for opportunities for employment. The least the Government should do is to consolidate these agencies, reduce expenses and costs, and lay down conditions for loans by act of Congress rather than to give administrators free rein to determine loaning policies. Then set up simple machinery whereby the money may be provided by banks and other private credit agencies under an arrangement similar to Commodity Credit Corporation loans.

"Most bankers know the facts about the operations of these agencies in their own States. It is highly important to know the facts before you talk to your Congressman. Tell him something about the job banking is doing in the war effort—selling bonds, making war loans, handling ration banking. Tell him some of the problems of banks, particularly of country banks.

"This is your task as a banker and as a citizen. Talk the matter over with a few other bankers, then make an appointment and call on your Representative and your Senators.

"Their vote might decide the issue. Your effort might determine their vote. A great responsibility is yours.

"Yours very truly,
"A. L. M. WIGGINS,
"Chairman, Committee on Federal Legislation."

The report of the committees of the American Bankers Association on the Bretton Woods proposals contains 10 principal criticisms of the agreements formulated by the representatives of 44 nations:

I. The plan for the Monetary Fund introduces a method of lending which is novel and contrary to accepted credit principles (p. 8).

Under the fund agreement, member countries have a conditional right to purchase limited amounts of foreign exchange from the fund with their own currency. This procedure has been used in stabilization operations for a number of years by the United States Treasury and by some European countries. The experience with it has been so extensive that it cannot be termed a novel device.

It is unnecessary to quibble about the character of the exchange purchase provisions since this criticism overlooks the fundamental provisions of the fund agreement. It provides for basic monetary reforms and the establishment of sound monetary policies by all of the United Nations. The fact that 44 nations have been willing to take this enormous step in the direction of true international cooperation is apparently subordinated, in the minds of the American Bankers Association, to the fact that other countries will be able to obtain dollars in limited amounts under circumstances prescribed by the agreement. They seem to look upon the fund as merely a credit mechanism like a commercial bank and they conceive of the relationship of the member countries as simply that of debtor and creditor.

The currency transactions provided for by the fund agreement are not really loans because the purchasing member pays its own currency for the foreign exchange, there is no fixed time for repayment, and there are no regular fixed charges. There is an element of credit involved, however, and if the American Bankers Association wants to call these transactions loans, they may do so, but this will not prove their case.

The type of transaction which will be engaged in when the fund is in operation has not only been used in the past, but it is the technique adopted by the Belgian, Dutch, French, and British Governments in a series of recently executed agreements for the stabilization of their exchange rates. Similarly, the protective devices of the fund agreement which are specifically designed to prevent abuse, are those which have been used in bilateral agreements. The most important of these is that the conditional right to buy exchange can be terminated immediately if it is not used to promote the purposes of the agreement.

Although a person reading the American Bankers Association report would not get this impression, the real objective of the fund agreement is to obtain the adherence by all of the United Nations to nondiscriminatory monetary policies. These are the policies that the United States prefers and that many other countries would like to adopt but which they cannot adhere to unless certain conditions exist. The desirable policies include the maintenance of exchange rates, the removal of exchange restrictions and the abandonment of the vicious economic warfare devices which have caused serious difficulties in the past. Any country which is financially less strong than the United States would find it impossible to adopt these policies unless it knows not only that they are being adopted by most of the other countries in the world, but also that resources will be available to them, under reasonable conditions, with which they can maintain the policies adopted.

If they must look to their own resources alone, or the slight assistance which might be obtained from a commercial type of bank, they will not have the confidence which is essential to their adoption of the proper policies at this time. The fund agreement gives them this confidence. It will provide a supplementary reserve for the joint benefit of all of its members. All countries will know that if they have temporary difficulty with their balance of payments they will not be forced to choose between deflation and unemployment at home or the adoption of the vicious monetary practices used by Nazi Germany. They will not have to seek discriminatory devices which will hold their heads above water while they make fundamental changes in their economies, for they will be able to acquire the needed foreign exchange from the fund and can thus gain time in which to put their houses in order.

II. The Monetary Fund also * * * goes far beyond the principles heretofore accepted by the United States in recognizing and approving changes in currency values and the maintenance of exchange controls. * * * Naturally many countries are reluctant to make firm commitments now as to currency values and removing exchange controls. The commitment is so slight that Lord Keynes has some justification for saying in the House of Lords, "These proposals are the exact opposite to the gold standard" (p. 8).

It is difficult to see how there is any real meaning to be gathered from the criticism that by adopting the fund agreement, the United States will recognize and approve changes in currency values and maintenance of exchange controls. A cursory glance at the history of the last 25 years will give adequate proof that recognition by the United States is not a factor considered by other countries when they are thinking of depreciating their currencies or imposing exchange controls. Some countries use these tactics as part of a program of political and economic aggression. Others follow suit because they are forced by the aggressors to protect themselves. In neither case is any weight given to the opinion of the United States as to the propriety of such action.

The same unrealistic attitude is evident in the criticism that many countries cannot make firm commitments now as to currency values and the removal of exchange controls. It is undoubtedly true that some of the countries which have suffered most heavily during the war are unable to commit themselves today as to the value of their currency for all time, or as to the exact date on which they will be able to remove the last of their exchange controls. But this does not mean they will not make firm commitments as to currency values and the removal of exchange controls, because this is just what they have done in the fund agreement. There will, of course, be a transition period in which rates may have to be adjusted and in which exchange controls will be progressively removed. But each country will be under pressure to achieve, at the earliest possible date, a stable currency and a system of trade free of exchange controls.

To further confuse this point the American Bankers Association has quoted the now famous statement of Lord Keynes on the gold standard. It is interesting to note, however, that the report does not propose an immediate return to the old gold standard. The American Bankers Association is sufficiently familiar with international monetary problems to realize that an immediate return to the monetary system which existed before the First World War is not possible today. The fact that the fund agreement does not contain all of the elements of the old gold standard has apparently led Keynes to say that it is the exact opposite of the old gold standard, but his statement cannot change the fact that many elements of the gold standard are preserved in the fund proposal. Currencies must be defined in gold, countries are obligated to maintain their exchange rates and at the end of the transition period exchange controls on current transactions will have been completely removed. These are facts and not matters of technical definition as to whether the fund is or is not the old gold standard. Later in my remarks I shall discuss more at length some of the implications of the gold standard in regard to the fund.

III. * * * if credit is too easily available, governments are apt to use it instead of making the maximum effort to put their economic affairs in order (p. 10).

Although it is conceivable that a credit mechanism could be set up which would make it so easy for governments to borrow that they would relax their efforts to straighten out their economic affairs, there is no justification whatever for the implication that the International Monetary Fund is such a credit mechanism. In the first place, its resources would soon be exhausted if it could be used in this manner, and it would not really provide a substitute for necessary economic adjustments. In the second place, the use of the fund's resources is limited by many provisions of the articles of agreement and the management of the fund not only could but undoubtedly would cut off the right of a country to make use of the fund if it were following any such policy.

IV. Some governments can borrow intermediate funds privately in this country, as the Dutch are doing; * * * (p. 12).

The fund agreement is concerned with balance of payments problems and the monetary reserves available to its members. It is a considerable stretch of the imagination to intimate that a country which can borrow in the manner in which the Dutch Government has recently borrowed will be able to supplement its monetary reserves. The Dutch were required to pledge as collateral security for the loan which they received an equivalent amount of their gold reserves. Thus their monetary reserves have not been increased at all by the loan and they are obtaining no greater amount of funds than would be possible if they sold the gold instead of borrowing against it. If these are the terms which the American Bankers Association have in mind for loans to foreign governments, it is perfectly obvious that private investment cannot possibly be a substitute for the International Monetary Fund.

V. The fund, on the other hand, has no such definite or effective provisions to safeguard it against misuse (p. 15).

If this criticism were correct, the fund agreement could be a very short and simple document. Its length and its complexity result from the fact that use of the fund's resources is safeguarded in many ways. It will be a revolving fund whose assets will be kept liquid so that they will always be available to assist those members who have temporary balance of payments difficulties.

To refute this argument, it should be sufficient to describe, briefly, the four principal safeguards prescribed in the agreement itself. They are:

1. Before the fund begins transactions in any currency it must accept an exchange value for that currency. If the fund believes that a country's circumstances will lead to the freezing of its resources and will prejudice the other members, it can postpone the beginning of exchange transactions in that country's currency.

2. The right of a member country to buy exchange from the fund is subject to quantitative limitations; it must be used to make payments which are consistent with the agreement and it can be cut off if a member acts in a manner contrary to the purposes of the agreement.

3. No member can hoard its own resources while using the fund's. The fund is a secondary reserve and members must use their own monetary reserves to the same extent that they purchase exchange from the fund. In addition, when their situation improves and they have a favorable balance of pay-

ments they must use at least one-half of any increase in their monetary reserves to buy back their own currency from the fund.

4. There are heavy charges involved in purchasing exchange from the fund. There is an initial charge when the exchange is purchased, and there are periodical charges which increase as the purchases increase, and also increase as the time extends during which the country fails to repurchase its own currency.

This particular criticism has probably caused more concern to all students of the fund than any other single one. The American Bankers Association was certainly not alone in its fears here. The Committee for Economic Development was more concerned about this point than about any other portion of the Bretton Woods agreements, and other thoughtful individuals and organizations likewise commented upon it. The Banking and Currency Committee, in an attempt to allay all fears and all suspicions in this connection added section 13 to H. R. 3314, making explicit the position of this country on stabilization loans by the bank, and section 14, explicitly stating our position on stabilization loans by the fund. I quote here this latter section, as I am positive that, taken in connection with section 13, and added to the safeguards in the fund agreement itself, this objection has been more than adequately met.

STABILIZATION OPERATIONS BY THE FUND

SEC. 14. (a) The governor and executive director of the fund appointed by the United States are hereby directed to obtain promptly an official interpretation by the fund as to (i) whether its authority to use its resources extends beyond current monetary stabilization operations to afford temporary assistance to members in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions, and (ii) whether it has authority to use its resources to provide facilities for relief or reconstruction or to meet a large or sustained outflow of capital on the part of any member.

(b) If the interpretation by the fund answers in the affirmative either of the questions stated in subsection (a), the governor of the fund representing the United States is hereby directed to propose promptly and support an amendment to the articles of agreement for the purpose of expressly negativing such interpretation. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

Moreover, it is a basic error to assume in examining the fund agreement that foreign countries will want to abuse their privileges. A slight advantage might be gained, temporarily, but in relation to the total volume of trade of the various countries and their postwar economic needs it would be small indeed. Nor would a country be free of obligations if it adopted such tactics. Ultimately, it would have to repurchase its currency from the fund or if the fund were liquidated, it would have to repurchase it from the members to whom it was distributed. A default on an obligation of this type would mean the failure to pay a debt due to nearly all the countries of the world. This would do serious injury to the credit standing of the defaulting nation, so that the assumption that a foreign country would act in this manner not only assumes bad faith, but also assumes that it will not have sufficient vision to understand the effect such behavior would have on it in the future.

VI. When the dollars we put into the fund are exhausted, as they may well be, we shall then be faced with the same problem, in even more pressing form, than we are faced with today—that is, of putting up dollars or running the risk of seeing this scheme of currency collaboration break down, with consequent centering of the responsibility for failure upon the United States (p. 17).

There is no indication in the report as to how the American Bankers Association feels that the problems involved if a scarcity of dollars should develop would be avoided by not approving the International Monetary Fund. A scarcity of dollars will not be caused by the fund. On the contrary, the fund will go a long way toward preventing the dollar from ever becoming a scarce currency. Moreover, if a situation should arise which would cause the dollar to be declared scarce, the solution of the problems involved would be greatly facilitated by the existence of the fund.

The United States is under no obligation, either legal or moral, to put up more money if the dollars subscribed to the fund are exhausted. We might well refuse a request of the fund for a loan or an increase of our subscription. But this would not mean, as the bankers imply, that the plan for currency collaboration would break down. It would still continue to function but would be unable, of course, to provide dollars on the same scale as it had previously. It would continue to obtain new dollar holdings, particularly through the repurchase provisions and these new acquisitions would be available to the member countries. Even more important, however, the countries consulting together with the fund would be able to work out a solution of the scarcity problem much more effectively than would be possible if each country tackled the issue independently.

The idea that responsibility for scarcity would center on the United States certainly does not stem from any provisions of the articles of agreement. Responsibility for a dollar scarcity might center on the United States if there were no fund and we clearly could not avoid being blamed for a scarcity if we refuse to join in a cooperative effort to bring about balance in international trade.

VII. * * * with the fund we should be handing over to an international body the power to determine the destination, time, and use of our money (p. 18).

It is true, of course, that an international body will operate the resources which make up the fund. A statement such as the one quoted from the American bankers' report must, however, be greatly qualified. In the first place, the United States will have 28 percent of the voting power of the international body. In the second place, the fund will have the same authority with respect to the currency and gold subscriptions of all the other member countries. In the third place, the international body can operate the fund only as authorized by the articles of agreement which contain numerous safeguards against abuse. And, finally, the United States is free to withdraw from the fund at any time and would undoubtedly do so if it found that the fund's resources were being used for purposes contrary to the international objectives of the United States.

VIII. Who knows what kind of world we are facing for the next 5 years—what political, social, and economic conditions? (p. 19).

It is precisely because we do not know what the world faces in the next 5 years and what the political, social, and economic conditions of the various countries will be that we need the International Monetary Fund. This country can exercise an enormous influence in shaping the postwar world, but it cannot do so if it sits idly by and waits for conditions to stabilize themselves and then say it is ready to help. We must take affirmative action and we must take it now.

We may not have again, for generations, the opportunity which will exist at the end of hostilities. It is in the early postwar period that every country will have to formulate the policies to which it will adhere in its international relations. They can be worked out jointly or each nation can go its own way with inevitable clashes as a result. We can, if we have the will and the courage, preserve the working partnership of the United Nations politically and economically. We can work out in consultation harmonious policies which will put an end to cutthroat competition that stifles trade and injures the economies of all countries.

Those who advise us to wait a while and see what happens have been willing to spend over $300,000,000,000 on a war loan which we hope to emerge into a peaceful and prosperous world, but they will not risk a single dollar on monetary stability until the job has been done in some other way which does not require the assistance of the United States. The dangers involved in delay are extremely serious. We can work together on these problems now or we can wait until they have become far more difficult and until it is completely impossible to solve many of them.

IX. If the Congress should decide to create only a single institution, the bank might by minor changes in its charter, as suggested later in this report, carry on the desirable functions of the fund (p. 20).

The principal suggestions of the American Bankers Association are that the fund should be scrapped and the bank be adopted with additional authority to negotiate agreements among the members on stabilization of currencies, general rules of monetary policy and removal of exchange controls, and authority to make stabilization loans just as it makes reconstruction and development loans.

Authorizing the bank to negotiate agreements on monetary policies does not give us any assurance that agreements will ever be executed. One of the reasons that countries will be willing to adopt the fund agreement is because they will know that 43 other nations will be following similar monetary policies. They could not have this assurance under the American Bankers Association proposal. Thus they are really suggesting that we establish credit facilities but

that we leave the problem of monetary policies untouched.

Nor would the bank by making stabilization loans be able to do the job prescribed for the fund. Its resources would be insufficient and, since the conditions under which stabilization loans would be made would not be known in advance to member countries, they would not have the confidence essential to the adoption of proper monetary policies today. In addition, the bank already has authority to make stabilization loans, as it may be necessary in some cases to provide countries with long-term credit for the purpose of stabilizing their currencies. This is a function supplemental to the fund and is in no sense a substitute for it.

Here again, however, the Committee on Banking and Currency made a change in the original bill which, it is hoped, will invalidate this objection. You will note in section 3 (a) it is provided that there shall be appointed "a Governor of the fund who shall also serve as a Governor of the bank." In this way the committee changed the original provision which stipulated a Governor for each agency, and has brought about, in my judgment, a closer arrangement between the bank and the fund which should meet the major portion of this particular objection.

X. They believe that it (a modified bank and no fund) would be accepted as readily by other countries and would wear better in the realities of this chaotic world (p. 26).

This last point is undoubtedly true. It is true because under the American Bankers Association proposal countries accepting a slightly modified bank would be able to obtain credit for reconstruction, for development, and for currency stabilization, but would not be required to make any commitments whatever as to future monetary policies. Obviously, they are ready to accept such an offer, but it is a proposal under which the United States gains little or nothing. The real advantage to the United States of the Bretton Woods proposals is the simultaneous adoption by 44 nations of monetary policies consistent with our own desires. If this benefit should be discarded through rejection of the fund, the United States would be the principal loser.

These, then, are the principal objections to the Bretton Woods agreements as outlined in the report of the American Bankers Association. I believe that the changes made by our committee have met the most important of these objections; the others, it seems to me, are comparatively unimportant; certainly they are not sufficiently important to warrant this body rejecting the bill under consideration, or amending that bill in any way. Mr. Burgess' letter would indicate that the ABA is now fairly well satisfied with the bill.

Let us turn now to some of the objections raised by the economists of the gold-standard school. Several of these economists testified before our committee in opposition to the Bretton Woods proposals; many of their points duplicate those that were raised by the American Bankers Association, and these I shall not comment upon further. Certain of them go even further in their criticism, however, and these I should like to discuss briefly.

Perhaps the best known of these economists, and the one who presented the most lengthy testimony is Dr. Edwin Walter Kemmerer, emeritus professor of international finance at Princeton University. Professor Kemmerer's complete statement appears in the hearings. I should like to take three of his principal points and analyze them briefly, it being remembered that in one form or another these same points were elaborated upon by the other gold-standard economists.

First. Dr. Kemmerer claims that the fund makes depreciation so easy that currency instability and competitive currency wars will be encouraged. He implies that, in the absence of the fund, countries would quickly stabilize their currencies.

My answer to this argument is threefold:

1. Dr. Kemmerer has evidently misunderstood the situation. The fund will operate as a strong deterrent to unnecessary currency depreciation, and as a protection against the development of currency warfare.

2. In the uncertain economic situation which is now developing in Europe, countries, if left to themselves, are not likely to establish parities rapidly. After the last war many years passed before the western nations succeeded in stabilizing exchange values. The situation will be complicated this time by the greater destruction and economic disorganization which has occurred and by the fact that the world has had a decade of experience with the attractive, although temporary, advantages to be obtained from currency manipulation.

Countries will face serious balance of payments difficulties, and each will try to obtain a competitive trade advantage from a favorable exchange rate. For a short period, while supplies are still scarce, they will benefit from overvaluation. Later, when each country is anxious to expand its exports, there will be strong pressure to depreciate. Every nation will appear to gain by delaying, as long as possible, the determination of its rate and by retaining its freedom of action. Under these circumstances, if the fund should not be established and each nation is left to take its own course, we face the certain prospect of currency instability and disorder. If any nation should happen to overvalue its currency and later attempt to devalue, its action might very well become the signal for the opening of a serious currency war.

3. The fund has been proposed to prevent the development of such a situation and the necessity for currency changes. It will make certain that initial rates are determined by international consultation and agreement and that the interests of all are protected. It will work to establish rates which can be maintained, and it will give members the financial assistance needed to maintain these rates.

Not only does the fund not encourage currency manipulation, as Dr. Kemmerer states, but in fact, it will greatly restrict a member's freedom of action in changing its exchange rate. Under the gold standard, a country may take any action on a unilateral basis which it wishes. As a member of the fund, however, no country may change its rates without prior consultation with the fund, and if the proposed change would alter the initial rate by more than 10 percent, the consent of the fund must also be obtained. Furthermore, members agree that they will not propose any change to secure a competitive advantage.

The specific provisions which Dr. Kemmerer has singled out for criticism, such as the initial 10-percent change which a country may make without the fund's consent or the requirement that the fund shall not object to a proposed change if it is required to correct a fundamental disequilibrium, merely mean that the fund does not aim at a rigidity which would be impossible to maintain. The purpose of the fund is to achieve monetary stability and to use its resources to help members maintain the established parities. The fund recognizes, however, that stability and rigidity are not synonymous and that a change in rates may on occasion be needed. When such occasions arise, the existence of the fund assures international consideration of the problem and safeguards against the development of a currency war.

Second. Professor Kemmerer states that the fund will lead to an increase in the use of exchange controls and cites the following as evidence:

1. The fund permits exchange controls during the transitional period, for the control of capital movements, and in the case of scarce currencies;

2. Groups in Britain favor the use of bilateral devices, and Latin-American countries are already extending their systems of exchange controls.

1. It seems to me that the fund approaches the problem of exchange controls in a realistic fashion and permits their use under certain circumstances.

The fund recognizes that the regulations which have been in use for many years could not be removed suddenly without causing serious economic dislocation. It also recognizes that in the immediate postwar period many nations will face difficult balance of payments problems, which may require exchange controls for some years. Countries are therefore permitted to use these controls during the transitional period, subject to supervision by the fund. All members, however, accept the obligation to work for the removal of restrictions on current trade transactions as rapidly as possible, and the fund may at any time require that a member discontinue any restriction which the fund beleives is not necessary. Although it would be impossible to aim at completely multilateral trade at once, these provisions give assurance that the world will move in that direction as rapidly as possible.

The fund also permits the use of exchange restrictions for the purpose of controlling capital movements. Such controls will be needed by most countries after the war and will help to maintain exchange stability. The fund does not

require that such controls be imposed, however, unless they are needed to prevent the dissipation of the fund's resources through capital transfers.

The fund permits controls over transactions in scarce currencies because it recognizes that when a scarcity occurs countries must husband their resources. The fund, however, will never contribute to the scarcity. On the contrary, its operations will keep to a minimum and help correct any scarcity which may develop. The fund will also be in a position to make certain that the controls imposed are no greater than is absolutely required and that they are relaxed as rapidly as conditions permit. It will also protect the country whose currency is declared to be scarce by giving it the right to protest if any member's administration of the restrictions is needlessly severe.

These limitations on the use of exchange controls will be a marked contrast to the development of the prewar decade when countries were forced to adopt exchange restrictions and the world was not in a position to impose any restraints.

2. Professor Kemmerer's testimony, showing that powerful groups in Great Britain favor the use of bilateralism and that the Latin-American countries are already increasing the use of exchange restrictions is in itself evidence of the urgent need for the International Monetary Fund. If the fund is established, it will help Britain to avoid the pressures toward bilateralism. If action is not taken to increase world trade on a multilateral basis, Britain will have no alternative but to adopt bilateral trade arrangements.

The action now being taken by the Latin-American countries is designed to prevent the dissipation of their wartime balances and to assure their use for necessary industrial imports. The fund will have a very important role to play in the postwar years in preventing such measures from becoming permanent arrangements.

Third. Dr. Kemmerer pleads for the reestablishment of the gold standard as the solution for all our postwar monetary ills.

1. Dr. Kemmerer's plea for the pre-1914 gold standard shows that he has failed to fully realize the causal factors in the montary disorders of the interwar period. His belief that the depreciation of exchange rates is a result of domestic inflation is entirely inconsistent with the experience of the 1930's. He ignores the fact that the economic difficulties which developed during the depression made it impossible for nations to maintain the value of their currencies; he ignores the fact that countries depreciated their currencies at a time when their chief domestic problem was deflation rather than inflation. His statement that no currency reform is possible until countries balance their budgets is also completely unrealistic. Because most nations will have to borrow in the postwar years, Dr. Kemmerer would abandon the world to monetary disorder and instability.

2. Dr. Kemmerer takes cognizance of the fact that Great Britain and many of the other nations will not consider a return to the gold standard by saying that the time will soon arrive, as it did after the last war, when the countries will wish to return to the gold standard. To such omniscience there is no reply. We are only in a position to say that at the present time they would not consider it.

3. Even if it were possible to force Great Britain and the other nations to reestablish the gold standard, such an undertaking would be of doubtful advantage, for the gold standard would establish parities on an undesirably rigid basis. An early decision on exchange rates is essential to the revival of world trade. However, conditions during the postwar years will change rapidly and it is reasonable to expect that some changes in exchange rates will be desirable. The reestablishment of the gold standard would not provide any method for international cooperation on necessary changes.

The gold-standard system is also deficient in that it fails to provide countries with the temporary assistance which may be required to maintain the par value of their currencies. The gold-standard system relies on supposedly automatic adjustments. During the interwar period, however, the world had become too complicated and economic life too rigid for the corrective short-term capital movements and other supposedly automatic adjustments to take place. Countries were unwilling to suffer the severe deflation which maintenance of the gold standard would have required and the system broke down. The gold standard was abandoned and countries were free to pursue policies of competitive depreciation and direct restriction of trade.

Surely, the only answer to our monetary problems is not to restore a system which has twice within a generation broken down. It is no use to argue that if countries would only make the necessary adjustments the gold standard could be maintained. Since countries find such adjustments impossible to make, the reestablishment of the gold standard would merely re-create the rigidities which contributed to the monetary disorder of the 1930's.

4. The International Monetary Fund has been designed as an improvement on the old gold standard. It will work to create monetary stability without imposing unnecessary and harmful rigidities. If changes in exchange rates are necessary, they will be made on an orderly, responsible basis. If countries need assistance to maintain their parities, the fund will provide it. The fund will also be a considerable improvement over the old gold standard in that it will create an opportunity for continuing consultation by members on international economic problems. Only through such orderly economic arrangements and continuing cooperation can we expect to maintain the harmony among nations which is necessary for prosperity and peace.

There is one statement often made as an implied criticism of the Bretton Woods Act with which I am in complete agreements, although I must admit that no criticism of the act itself follows. That is the statement that Bretton Woods does not go far enough, that additional measures are necesasry if we are to have that international economic cooperation which will truly insure world stability. So far as I know, no proponent of H. R. 3314 has claimed that in itself it will solve our international economic ills; such a claim would be the height of foolishness. What the Bretton Woods agreements will do, however, is to make that first big initial contribution to international stability without which political arrangements will be ineffectual indeed.

Stability in foreign exchange will make it considerably easier for the additional measures to be taken. As a matter of fact we in this House have already taken one of those additional steps when we passed the Reciprocal Trade Agreements Act, making it possible for our Government to negotiate with other nations for the further reduction of trade barriers. I have no doubt that additional steps will be taken in the future to further reduce the causes of international economic conflict. We must not lose sight of the fact, however, that while Bretton Woods is not in itself the panacea for our ills, it is an essential part of the cure, without which the additional measures will be considerably nullified.

Mr. Chairman, I repeat my earlier observation that I believe the sentiment of the United States is overwhelmingly in favor of this Congress adopting the Bretton Woods agreements; the American people are telling us that this time they want no return to isolationism such as happened back in 1919 after the last war. It is important that we here take every possible step to prevent a return to economic isolationism as well as to political isolationism. I hope that my analysis of the objections that have been raised to the international stabilization fund may help in some small way to the success of this bill.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. THOM].

Mr. THOM. Mr. Chairman, for weeks now, the Banking and Currency Committee of the House of Representatives has been hearing the testimony of proponents and opponents of the Bretton Woods agreement. This agreement in the product of the labors of financial experts from 44 countries of the world. In setting up the blueprints of two structures of international finance, the International Bank for Reconstruction and Development and secondly, the International Monetary Fund, they have sought an object everybody professes to endorse—the expansion of world trade by means of the stabilization of currencies and by opening the world to foreign investment by countries that have surplus capital. The humblest worker in the land can understand that such goals, if reached, will assure more employment for him and his fellows in the mills and factories. For the farmer, it holds out hope for the disposal of crop surpluses that may again plague him.

If at the outset there was intimation, wholly unfounded as it was in my opinion, that there was intention to railroad hastily and without due consideration

the approval of the Bretton Woods agreement, surely the proceedings have refuted this assumption. As a matter of fact, open enemies of the agreement on the committee have monopolized the hearings in the examination of witnesses.

Tragically, death has reached out to gather in two of the men who were playing leading parts in this historic debate. There might be all sorts of resolutions by business organizations about the elimination of the weapons of currency warfare, profound speeches about a sound and stable currency from high places, but these would avail nothing unless some strong man boldly led the battle for action to realize these things. This role fell to President Roosevelt. If he had lived, around him would have swirled the battle, for with his political technique of courageous advocacy he would have, when the time was propitious, stepped in to carry the struggle to a successful issue. He at least was spared to start the proposal well on its way.

Quite at home in the difficult field of international finance, a group leading bankers has undertaken to convince Congress that whilst they join in the general purposes of Bretton Woods, two institutions are unnecessary as planned after years of consultation of Government financial experts from all the world, and that the international bank could handle both the extension of loans for productive investment and the granting of short-time loans to make it possible for countries to meet their balance of payments, and thus make unnecessary resort to currency depreciation, rationing of foreign exchange, and increase of tariffs. Their most colorful leader, Mr. Leon Fraser, who, without even having worked behind the counter of a bank, went from the field of law to become the adviser of the Dawes Commission and then to the presidency of the International Bank of Settlements, appeared before the committee in the full vigor of his life to blast the Bretton Woods agreement, then returned to his home to die even before his words were turned into type for the committee's printed hearings.

Sitting on this committee are only a few men who have actually engaged in the business of banking. For myself, I have spent most of my life in the newspaper field and in the legal profession. However, I am not dismayed by the intellectual difficulty of grasping the problem. Neither am I overawed by the testimony of financial experts, for I reflect that I left college convinced that the Federal Reserve bank bill was sound and in accord with the best economic doctrine when at the time bankers all over the country were in opposition and hailing the late Elihu Root for denouncing the Federal Reserve bill as dangerously inflationary and the product of William J. Bryan's monetary theories.

I am convinced, as a practical legislator, that the evils of unstable money conditions in the world ought to be dealt with if we have any hope of using to its full capacity our great productive machinery so largely augmented by World War II and now soon to be minus huge orders for war materials that have begun to slump. Furthermore, that it is the business of the legislator to pay sympathetic heed to the prescription for the cure that has been so laboriously arrived at in a conference of good will and of obvious sincere desire to start the world on the path of economic recovery.

I have not failed to observe in this debate over the radio and in public meeting that resort has been made to the familiar technique of all opponents of prospective legislation, by implanting in the minds of the people a description of the content of the proposed legislation that is not in accord with the facts. This befogs the public mind. This leaves to the proponents the task of both correcting and dispersing the error, before the real presentation can be made. It is not to be overlooked, also, that by tagging the Bretton Woods agreement with the names of Secretary Morgenthau and Lord Keynes, of England, a subtle effort is on foot to stir the ugly thing we know as prejudice.

Strangely enough, those who have preached loudest the need of withdrawal of government from all fields of private business have been telling the Banking and Currency Committee, evidently without consciously realizing their inconsistency, that the International Bank for Reconstruction and Development is soundly conceived and ought to come into being. This institution, as a joint cooperative undertaking of 44 nations, is to make and guarantee loans for investment in productive works in all parts of the world, and the bonds stamped with the guaranty of the bank are to be sold to investors everywhere.

I think it is not unfair to say that literally thousands of saving men and women after the era of bank failures would have hung back, perhaps for years, from again entering the door of a savings bank had the United States Congress not guaranteed bank deposits. Bankers of my acquaintance told me that it was this law that brought money out of hiding and emptied the hidden cans and receptacles in which money sought protection.

I gain from the testimony I have heard in the last weeks that the stunning losses suffered in the foreign lending spree of 1920–30 with high interest rates, and lavish bonuses paid to agents who negotiated the loans with foreign governments, have left such bad memories with the American people that they will run as from a plague from the salesman of foreign bonds in the future unless government guides and supervises these loans. That through the intervention of government we shall make safe foreign investment, by prudent management and supervision, does not array me against the International Bank for Reconstruction and Development, but I want to tell this tale to show you how government and under what circumstances it often enters the realm of private business to restore confidence and faith. Frankly, I think government is entitled to some credit occasionally for helping business out of a hole.

Let me say that when the first rush of buying that follows the conclusion of the war, to supply us with things that we have been deprived of, comes to an end, and remember always that our productive capacity has probably been greatly increased, we will be looking around to sell heavy machinery, railroad supplies, and so forth. We will need foreign markets, and need them badly to keep our employment up. If the International Bank for Reconstruction and Rehabilitation is functioning properly, we can expect that our heavy industries will be getting the orders that flow from these loans, because we are the most efficient in many lines. All these lend-lease shipments have advertised our wares, and the Europeans and Asians are going to want them, if they can get the dollars to buy them with.

Some speakers think we are setting up these institutions solely for the benefit of other countries. Let me point out that we are getting the other countries of the world to share in any losses that these construction or rehabilitation loans may occasion, and if the loans are good our exporters are going to profit, our workmen are going to have employment, and the Government is going to receive taxes from profit-making manufacturing institutions. Here is an alternative to provide employment, instead of resorting to PWA or WPA that so many of you dread.

Let me here quote President Green of the AFL:

> It is particularly important for a small country to have an opportunity to satisfy its economic needs through international agencies, instead of being forced to bilateral agreements with a dominant power. These bilateral agreements might well bring the small country within the political orbit of the dominant power, thus jeopardizing its national integrity and independence.

Since those who ordinarily oppose Government in business and likewise those who have no basic objection to the intervention of Government in the private business field when the general welfare can be served are, figuratively, like the lamb and the lion lying down together, and supporting the International Bank, I am persuaded to devote the rest of my remarks to the contentious subject of the creation of a monetary fund.

The Monetary Fund has three outstanding objectives. It will fix the value of currencies in terms of gold, and will not alter the gold content without reporting to the fund or receiving its approval. It will, as soon as feasible, induce countries to remove exchange controls. It will furnish a supplementary source of foreign exchange to which countries may resort for temporary assistance when international out-payments overbalance international in-payments.

The mechanism of the Monetary Fund is difficult to understand, unless one has a working knowledge of the foreign exchange operations that go on between the trading countries of the world.

To most of us the outstanding financial operation of a country is what we know as control and management of the Budget. Every man, however humble, understands the business of reconciling his expenditures with his income, and if he does not, he lands in bankruptcy court. With this personal knowledge, it is easy for him to grasp the budget problems of his country.

However, there is another balancing of payments that confronts a country, and it has to do with its imports and exports. When the trading of any two particular countries is summed up, there is usually a balance owing by one country to another. It becomes the business of government to facilitate the adjustment of these intercountry payments, and if it fails to do so it stands in danger of a fluctuating exchange rate. To stabilize exchange rates, therefore, is the purpose of the Monetary Fund.

The first lesson one must learn is that when American goods are shipped to a foreign country, the seller wants his pay in United States dollars. Either he specifies that he will draw on the purchaser a draft payable in American dollars, or if he accepts the money of the nation of the buyer of the goods, be it denominated francs, or what not, he wants to be able to exchange these francs for American dollars. Manifestly the shipper of automobiles to France does not want francs, because they cannot be used in the pay envelopes of his workers, neither in payment to the farmer or the mine owner for raw materials.

All of this is elementary to the financial expert, but it is learned with some difficulty by the layman who does not deal in such matters.

How, then, does the foreign country accumulate a supply of dollars, so that these demands coming from American manufacturers for goods sold, can be met. There are a number of ways through which dollars or dollar credits flow to a foreign country. They are created, first and foremost, by the purchases of Americans from the producers of a foreign country. Secondly, by investments which Americans make in a foreign country, involving transfer of dollars to that foreign country. Then if you patronize the ships of the foreign country, you pay them dollars. You will understand this movement of money from country to country best when you recall the circumstances of a trip into a foreign country. if you have been fortunate enough to make one. You visit an American bank or express company, turn in a certain number of dollars, and receive in return express or bank checks that you can use in France or England. You personally deliver these paper rights to American dollars to some agency in the foreign country that deals in foreign exchange, and in return you receive currency of the country in which you are traveling, and where you need to meet local expenses. The dollars you have left with the foreign exchange agency are eventually used by some English or French merchant to pay for goods he bought in the United States.

It is plain that when the export of goods, insurance, and other services by country A to the United States falls below the imports into that country from the United States, there are not enough dollars in the possession of country A to meet the demands of the United States.

What happens then?

The central bank or stabilization fund of country A in debt to the United States must use its gold reserves to buy dollars for its nationals. If this gold supply is meager, the indebted country decides that the future demands for dollars must be controlled, so that it does not break down the money system of the debtor country. It proclaims that if you want in the future to buy American goods, you must procure a license permitting you to buy American goods, the value of the purchases to be regulated so that the total will be roughly equivalent to the number of American dollars flowing into the country. That, of course, stops appreciable amount of buying of American goods, and shuts down or curtails your exporting industries in the United States.

But there is another thing the debtor country unable to rectify an imbalance in its exports and imports account can do. It can attract foreign currencies or perhaps gold to its banking system by depreciating its currency, chiefly through manipulating the price of gold. What exactly happens under these circumstances. Country A, to which I heretofore alluded as the country in distress, will sell for an American dollar, 20 francs, if that be its monetary unit, instead of 17 francs. It is obvious that this reduces the cost of an article for export purpose, because if the article cost 17 francs, you are now able with a dollar to buy one of these articles and have 3 francs over to spend for someing else. To sum up this step of depreciation increases export sales in the country A and at the same time cuts down the imports. Why do the imports fall off? Because if a citizen of country A wants to buy an article in the United States priced at a dollar, he finds that while formerly he could by the article for 17 francs, under the depreciated condition of his money he has paid 20 francs for a dollar to buy the same article. In other words the national of country A find that prices of import goods have risen, and he accordingly stays out of the market. Out of the situation, however, country A has increased her exports and reduced her imports, and thus brought her trade into balance.

A third step country A can take is to enter into a bilateral agreement with another country, which, for instance, grows and sells cotton. Country A will sell certain of its products to the other partner to the agreement in exchange for the cotton. This is barter. If country A has been in deficit position with the United States, as before inferred, it can reduce the dollar demands on it by just transferring its cotton business to the other partner of the bilateral agreement just described and thus, perhaps, bring its trade position with the United States into balance.

Now, to revert to the position of country A which found itself owing dollars to America, without enough dollars in sight for the moment to meet the demands. I related to you three things it could do, and all of these things would be directly hurtful to the trade position of the United States. Now, what, under the same circumstances, can country A, short of dollars, do when the Monetary Fund is established and operating? Here is a remedy to her to tide over her financial situation.

Country A goes to the Monetary Fund, presents her case, and with her own currency buys dollars, from the basket, you might call it, in which each of the signatory countries would have a supply of its money, originally almost equal to its quota or share in the fund. This is not quite an accurate statement, because part of the quota must be in gold.

It then uses the dollars so loaned or bought, to meet the dollar demands and thus keep its exchange at par. This imbalance it corrects in this way must be due to a crop failure, to a cyclical business disturbance, or some emergency, and when that crisis has been met, country A must proceed to get its imports and exports balanced. Of course, the exchange country A buys from the fund will not cure the lack of balance in its trade, but it will make it possible for country A to take steps to get back into balance without disrupting the trade of other countries by resorting to one of the practices I have just discussed.

Incidentally, it must be looking around in the near future to buy back from the Monetary Fund the excess currency of its own which it exchanged for dollars as above related. If it accumulates gold reserves during the year following the loan or purchase of American dollars, it must use part of this gold to buy back the excess of national currency in its quota. This enables a restoration of the fund of dollars to meet the recurring demands of other countries.

Many wild and unfounded statements have been made that the United States, if it enters the fund, surrenders its rights under the well-known constitutional provision "to coin money and regulate the value thereof," and hands them over to the monetary fund. But the truth is that no other nation can alter or, under the proposed agreement, even propose to alter the gold value of the dollar. By the Spence bill, enabling the President to sign the Bretton Woods agreement, it is specified that neither the President of the United States nor any person or agency, unless Congress authorizes such action, shall propose or agree to any change in the par value of the United States dollar. It is to be remembered, moreover, that the traditional attitude of the United States is in opposition to manipulation in currency values, and its eagerness to set up this machinery is to bring to an end, as far as possible, to changes in the gold value of money unless a nation's life depends on it. In the final analysis, the United States Congress will retain its right to devalue the dollar. It could do so either under the threat of sanctions being imposed by the fund or it could withdraw from the fund if it felt that such action was in the national interest.

So I think reasonable persons will see that there is extravagance of the worst kind in the statement that Congress "would be shorn of its powers over our money."

There is an equally fallacious argument that the fund will be invested with

powers to compel the United States to lower its tariffs if the supply of dollars in the fund would be exhausted. The fund could investigate the causes of dollar shortage, and it is conceivable that it might decide that the United States is not absorbing enough imports to furnish dollars for payment of its export. Further, however, the fund could do nothing. Outstanding opponents of the fund testified that the fund had no powers over tariffs.

There is an attempt to show that the participating countries would contribute as their share to the fund worthless paper currencies, while the United States would be investing dollars which, as a banker witness described it, "are the financial anchor of the world." Nations outside of the United States now hold over $20,000,000 in gold or American exchange. South American countries alone have reserves of $3,500,000,000. Let us examine the quotas which limit stabilization borrowing by a few countries of South America and the January gold reserves reported for these countries.

Bolivia has a borrowing quota of $10,000,000, and now has reserves of gold and other exchange of $24,000,000.

Brazil has a borrowing quota of $150,000,000, and now has gold reserves and exchange of $600,000,000.

Chile has a borrowing quota of $50,000,000, and has reserves of gold and foreign exchange of $104,000,000.

Columbia has a borrowing quota of $50,000,000, and has reserves of gold and foreign exchange of $160,000,000.

This is enough to show that our sister republics are not pauperized, and that their borrowings would have a satisfactory element of safety, especially for the reason that, under the terms of the fund, no country could make a stabilization loan in any year exceeding 25 percent of its quota.

Borrowings from the fund are not to be made by individuals but only by the Government banks of stabilization funds of the subscribing countries, and must be used for the technical purpose of stabilization; that is, in meeting temporary imbalance of accounts. Further, the agreement for the fund provides ways by which these borrowings or purchases of another country's currencies will be returned, so that a revolving fund is in existence to help all that come for aid.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. BUCK].

Mr. BUCK. Mr. Chairman, the Bretton Woods agreements, as per a dissertation of the American Labor Party which recently reached my office, are easier to understand than a recipe for apple pie or the rules of gin rummy. I grant that the bank is relatively simple, but when its enthusiastic proponents argue that the fund is simple, they are thinking only of its objective and are ignoring its mechanics and the ability of those mechanics to accomplish the objective. These people remind me of a group who propose building a great bridge. The purpose of the bridge is simple. It is to permit dry-shod crossing of a body of water. But if these people concentrate solely on the objective, fail to heed the advice of competent engineers, and utilize designs, devices, and materials proven by experience to be unsafe, their bridge will fall and their investment will be lost. The objective, however, was good.

The objective of the fund is currency stabilization among nations. That objective is good, but the devices proposed to accomplish that stabilization will, in my opinion, fail and the investment will be lost.

Banking experience through the centuries has proven that in no field of activity does the law of supply and demand act with more deadly certainty than in fields of currency and foreign exchange. The fund is another attempt to set aside that law. Previous attempts to set it aside have all ended in failure.

Proponents of the fund tell us that foreign exchange fluctuations cause wars and prevent active foreign trade.

Back in 1913, the year before World War I broke out. I made my first trip to Europe. I carried traveler's checks to meet my expenses and on each $20 check there was engraved the exact amount of pounds, guilders, francs, marks, or lire into which that $20 could be changed. Of course, that fixed exchange value was only possible because the countries of the world at that time were on the gold standard. The gold standard in intervening years has gone out of fashion, and regrettably. The point I wish to make, however, is that we had stable exchange immediately prior to World War I and World War I was not thereby prevented.

Now as to the point that world trade does not function properly unless currency relationships are stabilized. It is stated that merchants can neither buy abroad nor sell abroad if exchange relationships fluctuate up and down. Mr. Chairman, this just is not the case.

The very existence of the small business with which I have been associated for the past 25 years rests on foreign trade. In normal times it buys raw materials in the Amazon, in Mexico, in Nigeria, in Malaya, and in the Dutch East Indies. It manufactures these raw materials into finished products and sells these products in America, in Mexico, in Canada, in England, in Holland, in Scandinavia, in Egypt, in Australia, in the Philippines, in Japan. Why are exchange fluctuations no hazard in this sort of business? For the simple reason that on the buying side we contract with our bank on the day of purchase for a sufficient amount of foreign currency for future delivery, at a named price, to meet our obligation to the seller. That fixes our buying price in American dollars. On the selling side the situation is equally simple. On the day a foreign sale is made we likewise sell to our bank at a set price the foreign currency we expect to receive from our overseas customer. That fixes our selling price in American dollars. Fluctuations thereafter do not concern us.

Through these ordinary and established means, therefore, foreign trade can be carried on and always has been carried on without benefit of artificially stabilized exchange.

I expect to be absent from the floor the balance of the week on official business of the Congress. Were I to be here, I would vote in favor of H. R. 3314, not because I feel that it will accomplish the fund's objective, but rather because the people of the United States, for the present, seem convinced that our country should continue financing the entire world.

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, I am opposed to this International Monetary scheme, the so-called Bretton Woods proposals, because I am an American, love my country, and refuse to surrender any part of it to foreign powers.

I am opposed to it because I am determined not to have any share in further enchaining my people in slavery.

I am opposed to it because I believe it is the most colossal monetary and financial swindle ever attempted. Nothing even remotely comparable to it has ever been heard of before.

This is largely a scheme to share the wealth of the United States with the rest of the world, but principally with Great Britain. We say to the rest of the world, "Here it is, come and get it."

The issue of isolationism versus internationalism, which is being posited in this debate on Bretton Woods, is a trumped up political issue. The real issue here is whether our country shall continue on its retrogressive course towards state control of foreign trade and commerce, or redeem itself by about-facing and once again pursuing the course of progress toward free and voluntary dealing by our private citizens with those of other countries—the true road to internationalism.

Yes; I am old fashioned enough to believe in the gold standard, which only means that I believe in liberty and am against slavery—that prices should be made in the market and not by the state.

I believe it is a sin to waste or misuse taxpayers' money.

I believe in a balanced budget and the kind of government Thomas Jefferson believed in:

> A wise and frugal government which shall restrain men from injuring one another, shall leave them otherwise free to regulate their own pursuits of industry and improvement and shall not take from the mouth of labor the bread it has earned.

These are the principles upon which I take my stand against this scheme.

The Bretton Woods monetary scheme is the most technical and far-reaching proposal ever to be presented to Congress. Many weeks of study and research are necessary for even a limited appraisal of its complicated mechanism and the uncharted course upon which our Nation will embark, should the Bretton Woods agreements be adopted.

It is doubtful if any two individuals, even among monetary economists who devote their lives to the study of money and finances, agree as to the meaning of the text or the manner of operation of some of its provisions.

It is humanly impossible to comprehend the implications of the scheme. Even now there is fundamental disagreement between England and the United States as to the meaning of the whole plan. The British claim it means a return to the gold standard, which they do not want. The American promoters of the scheme refuse to take a definite stand, preferring to be "all things to all men" and thus avoid giving offense to either those who want a return to the gold standard or to those who are opposed to it.

From its inception to the present, instead of an open and honest effort to acquaint the Congress and the public with the real nature of the proposals of Bretton Woods, its promoters have first shrouded it in secrecy and then demanded haste in its adoption. Thus they have hoped to prevent our people from learning the truth.

In April 1943, the first Morgenthau monetary scheme was presented, in secret, to certain congressional committees, by Mr. Morgenthau. In May 1943 considerable ground work for the proposal was done at the United Nations Food Conference. That Conference, as you remember, was so secret that not even Members of Congress were admitted to the sessions. However, I was there and mingled with the guests and know that monetary and financial schemes were the primary interest of the delegates. While at Bretton Woods the public was not barred by United States armed guards, as was the case at Hot Springs, yet its remote location, together with travel restrictions, made it practically inaccessible.

The Bretton Woods Conference took place in July 1944, a Presidential election year. Propaganda put out by the proponents of the scheme at that time was to the effect that Bretton Woods must not be discussed, as such discussion would endanger the unity of the United Nations, as well as of the United States, and thus endanger our victory as well as the peace.

The United States Treasury Department has, of course, been the chief dispenser, both by press and radio, of propaganda for the adoption of the scheme. It would be interesting to know the amount of the taxpayers' money that has been spent for this purpose. It is just another instance of the people being taxed by a Government agency in order that that agency may propagandize the people. Thus again a Government bureau seeks to force legislation by pressure.

During the hearings on this bill, which began last March 12, the opponents of the measure were hampered by various means. First we had only a few days' advance notice of the time at which the hearings would begin. Then we were importuned that not only should the hearings be finished but the measure adopted by Congress before the San Francisco Conference which was scheduled for April 25. We were told that the success of the Conference, of peace itself, would otherwise be endangered. At the same time a 2 weeks' recess had already been scheduled by Congress which would interrupt the hearings. Thus only about 27 days, exclusive of Saturdays and Sundays, remained to dispose of the measure; that is, the hearings and debates by both houses, the conferences, and so forth. The gentleman from Michigan [Mr. CRAWFORD], member of the committee, objected to the haste that was being urged.

I have made some calculations here—

He said—

as to the days involved, and it seems to me that if this bill is to be enacted in time for the San Francisco Conference, that we will have hearings probably running about 4 or 5 days.

Mr. Morgenthau, appearing as the first witness before the committee, urged that the Bretton Woods proposals be passed quickly.

The world securty organization—

He said—

which was outlined at Dumbarton Oaks and will be completed, we all hope, at San Francisco needs the Bretton Woods agreements. Time—

He said further—

is the most valuable commodity we have.

No changes whatever must be made in the proposals. If any changes were made another international conference would become necessary, and it would be difficult or impossible to get the several nations to agree on any change. Do not change anything; hurry the bill through by April 25. The San Francisco Conference must have Bretton Woods as one of the main pillars of the peace structure, otherwise chaos and night will overtake the world. Such was the substance of much of Mr. Morgenthau's testimony, and he seemed to call the tune for most of the witnesses for Bretton Woods. Read the testimony for yourself.

It is true we were allowed more time to conduct hearings, but only at the urgent insistence of minority members.

Some of the minority members had requested the chairman, Mr. SPENCE, to invite certain witnesses we had selected to testify against Bretton Woods. He invited nine such witnesses. Tentative arrangements were made for them to come to Washington to appear before the committee. We requested the chairman to let us know in sufficient time in advance of their appearance in order that we might notify them when to come. Then quite abruptly, on either a Friday or Saturday, the gentleman from Kentucky [Mr. SPENCE] called me into his office and said, "You can have your witnesses here by next Tuesday. I'll give you 2 days, Tuesday and Wednesday, for them to testify." To this I naturally protested. I explained to him how impossible it was for our witnesses to testify in 2 days—that nine witnesses could not testify in 2 days. I explained that it would be difficult to get them here on such short notice because of travel conditions and hotel accommodations. and so forth. Nevertheless, we were forced to cancel three invitations regardless of the fact that this caused inconvenience and embarrassment to persons who had been invited to testify. In the end, however, we were allowed about 5 days for our witnesses to appear.

Each member of the committee was allowed only one set of galley proofs. To my knowledge this is a procedure not previously followed and I have been on the committee nearly 5 years. Inasmuch as we had to return our corrected galley proofs we were left without any of the hearings for our own use most of the time. It is true, we had access at the office of the chairman to the daily transcripts of the hearings. But with the daily tasks at our offices and legislative work on the floor, there was little time left to go to Mr. SPENCE's office to work on the transcripts.

Several years ago our committee adopted a rule to print the hearings daily, so that they would be available to Members on their desks the next morning. So far as I know that rule has not been formally suspended or revoked. Anyway, hearings on Bretton Woods were not printed daily. I asked the gentleman from Kentucky [Mr. SPENCE] about this and his reply was, "I looked into the matter and found that it is too expensive." It is indeed revealing to learn that "expense" should be made an excuse for hampering the work of the committee, especially in view of the great amount of money spent by the Treasury Department for promoting the scheme.

Let us now briefly consider some of the important parts of the majority report. This was probably written by the Treasury. Judging from the character of this document the Treasury probably availed itself of the services of some of the thousands of Government employees who are skilled in the art of plausibility and propaganda.

As a whole the majority report represents, first, a marshalling of the synthetic public sentiment favoring Bretton Woods which has been created by what is perhaps the most colossal program of propaganda to force Congress, at taxpayers' expense, to pass a piece of legislation ever undertaken in the United States; second, self quotation by Treasury and other Government officials who are actively promoting the scheme; third, partial statements which if completed would show a different picture than that presented; fourth, not a little material which comes near to transcending the rules of propriety.

In order to have the full picture of the true origin of the Bretton Woods agreement it is necessary to examine each one of the Treasury's drafts.

It was in 1941, the year in which the report says preliminary steps were taken to set up an international fund, that Lord Keynes, according to newspaper reports, spent more than 2 months in this country. Lord Keynes is credited with having drafted the plan for an International Clearing Union which the report states was made public in April 1943.

In the hearings beginning on page 1307, and also on page 4903 of the CONGRESSIONAL RECORD, May 22, 1945, will be found a study of the origin and evolution of the so-called Bretton Woods proposals. That study I think presents sufficient evidence to prove that this international monetary scheme was not written at Bretton Woods, N. H., but that practically every substantive provision

contained in it was derived from Lord Keynes' International Clearing Union plan.

The delegates at Bretton Woods did little more than further spell out provisions in Lord Keynes' International Clearing Union plan.

Lord Keynes is in my judgment a very dangerous man, not only to the United States, but his own country as well. He is credited with being responsible for our Government's policy of deficit financing, though strangely enough his government refused to follow him and maintained a balanced budget up to the outbreak of the war in Europe.

I believe if this scheme is put into operation it will work grave harm upon the United States and that England will not escape serious injury from it either. I take this view because I believe the whole business rests on a false foundation and that it lacks the integrity that is required to sustain any useful and enduring monetary and financial institution. If this is true it must, in the long run, injure all who participate in it.

Some of the material in the majority report is quite interesting. On page 34 is to be noted what, no doubt, is intended to be a recommendation by the Colmer committee of Bretton Woods. Note that it says the Colmer committee "recommended principles for international monetary cooperation similar to those established by the proposed fund."

In the first place, the persons who wrote this statement omitted to tell the whole story:

In some respects—

Says the sixth report of the Colmer committee on page 33—

these proposals are similar to those contained in the Bretton Woods agreements for the establishment of an International Monetary Fund. Since the committee has held no hearings on the details of the Bretton Woods agreements, its recommendations are limited to the broad needs of our postwar monetary system. It expresses no opinion as to the adequacy of any particular method for fulfilling these needs.

Nevertheless, the manner of presentation of the article in the Colmer report can give the impression that it favors Bretton Woods, which brings up an interesting question as to who wrote that article and why it happened to be in that report just at that time.

Marion B. Folsom is the director of staff of the Colmer committee. Mr. Folsom is also chairman of the CED board of trustees.

The technical staff of the CED is furnished rent, telephone, light, and tax-free quarters in the Commerce Department.

Mr. Henry A. Wallace, Secretary of the Commerce Department, when testifying before the Small Business Committee a few days ago, said that the technical staff of the CED could not pride itself on being altogether free of government. He said, "I think it has been a mutually advantageous relationship." Talk about interlocking directorships!

On page 36 of the majority report it says:

The Committee for Economic Development, a group of outstanding business leaders, endorsed the proposals.

Why should not they, when the Government furnishes them free quarters? How long would the CED enjoy its public largess if they opposed Bretton Woods?

This is merely a sample of the contents of the majority report.

On page 38 of the majority report it is stated that Prof. Seymour E. Harris, of Harvard University, representing the Economists' Committee on the Bretton Woods program, submitted a statement in support of Bretton Woods signed by 224 of the members of the American Economic Association, specializing in money, international trade, and related fields. Here can be shown to the Congress and to the country a true picture of the methods used by the proponents of this scheme to impel Congress to adopt it.

However, before dealing with this statement I should like to remind the Congress that the propagandists of this scheme were very careful not to get too close to polling those men who devote their lives to the study of monetary and financial problems. Nowhere do they say a word as to the position taken on Bretton Woods by the members of the Economists' National Committee on Monetary Policy, which is made up of such persons.

Seventy-six members belong to that committee. Sixty-nine members who were in a position to receive a telegram were polled to determine their position on Bretton Woods. Of 61 replies received, 9 approved the proposed International Monetary Fund without qualification. Eight approved provided there are modifications. Thirty-seven favored its rejection. In respect to the proposed International Bank, 13 approved without qualification, 37 approved provided there are modifications and 5 favored its rejection. Some votes could not be counted because of lack of clarity or failure to reply regarding certain items. Eight members of the committee did not respond for reasons unknown. This is the result of an honest effort to find out the truth. It is not propaganda.

Dr. Seymour E. Harris, formerly with OPA, and others organized the economists' committee on Bretton Woods for the specific purpose of promoting the adoption of Bretton Woods by Congress. Therefore, the presumption is that every member of this committee would be for this proposal. This probably explains why no opposition from this committee is mentioned. This committee, as the following will show, is made up of a goodly number of persons presently or formerly employed by the Government.

Some of the members of the economists' committee on the Bretton Woods program and their connections:

John D. Black, Department of Agriculture.

Howard S. Ellis, is or was with the Federal Reserve Board.

J. K. Galbraith, was with OPA.

Seymour E. Harris, was with OPA.

Albert G. Hart, member of CED and now employed in the Treasury Department.

Calvin B. Hoover is somehow connected with the military branch of the Government and who wrote the CED report.

Wassily Leontief, with Leo Crowley.

Mabel Newcomer, she was sent by State Department to Bretton Woods as an adviser and paid on per diem basis.

Winfield Riefler was or is an American Minister to London.

Arthur Smithies, Bureau of the Budget and attended Bretton Woods.

Alvin H. Hansen, adviser to Federal Reserve.

Jacob Viner, adviser to Treasury.

Milton Abelson, Department of Commerce.

Moses Abramovitz, War Production Board.

E. M. Bernstein, Treasury Department.

Ernest G. Draper, Federal Reserve.

Eleanor Lansing Dulles, State Department.

E. Dana Durand, United States Tariff Commission.

Henry H. Edmiston, Federal Reserve Bank of St. Louis.

J. Edward Ely, Bureau of the Census.

Harry L. Franklin, United States Tariff Commission.

Eunice B. Gettell, Board of Economic Warfare.

Henry F. Grady, former Assistant Secretary of State.

Michael A. Heilperin, on the Polish Delegation at Bretton Woods.

V. M. Longstreet, Board of Governors of the Federal Reserve.

Raymond F. Mikesell, Treasury Department.

Rolf Nugent, was with OPA.

Carl E. Parry, Federal Reserve.

N. M. Petruzzelli, Bureau of Foreign and Domestic Commerce.

Joseph E. Reeve, Bureau of the Budget.

Lawrence H. Seltzer, Research Division of the Treasury.

A. Eugene Staley, was with UNRRA in China and formerly with the State Department.

LeRoy D. Stinebower, State Department.

C. B. Upham, Treasury Department.

Ivar Axelson, Treasury Department.

Arthur I. Bloomfield, Federal Reserve, New York.

John S. deBeers, Division of Monetary Research, Treasury Department.

Willy J. A. Feuerlein, Board of Economic Warfare.

Jacob Horak, Treasury Department.

Otto T. Mallery, Economic Union and Durable Peace.

On page 39 of the majority report the statement is made that the House Banking and Currency Committee "is informed that a subsequent poll by the Economists' Committee, covering all members of the American Economic Association, showed that 90 percent of those who replied favored approval of the Bretton Woods proposals." Dr. Seymour E. Harris informs me that less than half of the number polled even replied. The requirement for admission to membership to the American Economic Association is $5 plus an interest in economics.

Assistant Secretary of State Clayton who testified for Bretton Woods admitted he had not read the agreement.

As will be noted on page 39, William Green, president of the American Federation of Labor, testified in behalf of Bretton Woods, not unqualifiedly, however, but only "with necessary clarification and safeguards." Have those been provided? Bretton Woods is being presented to Congress in the same form as it was when Mr. Green testified.

Also on page 41 will be noted that Mr. Albert A. Goss, master of the National Grange, testified in support of the Bretton Woods proposals, but also by no means unqualifiedly. He presented to the committee a resolution which was adopted by his organization which reads as follows:

Resolved, That the Washington office be authorized to support the creation of an International Monetary Fund in connection with an International Bank, provided that adequate safeguards can be provided to protect the fund from losses due to diluting the assets with weak currency, and provision can be made for channeling transactions involving the use of credit through the bank.

If the activities which can be classed as stabilization operations can be separated from those activities which rightfully belong in the field of credit, we believe that the Bretton Woods proposal holds very substantial promise for promoting sound trade. We believe this can be done.

Have adequate safeguards been proprovided to protect the fund from losses due to diluting the assets with weak currency? Such safeguards have not been provided, as time will amply prove, if the plan is adopted.

If Mr. Goss meant that the bank should deal only in credits and not become involved in long-term stabilization loans then it can hardly be considered that he favors the scheme.

On page 57 of the majority report it is stated that:

For this reason, the fund agreement provides that during the transition period member countries may retain and adapt some of their exchange restrictions that have been in operation during the war.

If this statement is intended to convey the idea that member governments are permitted to retain only some of the exchange restrictions they exercised during the war, but not all of them, and that they are not permitted to engage in new ones, then it is not a statement of fact, as will be pointed out later.

LEGALIZING CURRENCY DEBASEMENT

Down through the ages currency debasement has been universally regarded as the most deadly form of state robbery. It has brought upon the peoples of the world untold distress and suffering, hunger, revolutions, wars, and according to some historians, left in its wake ruins of once grand empires.

The very essence of politically managed currency is debasement. It has as its result the expropriation of the fruits of the people's labor. When peace arrives it will be the source of the most fearful evil which will beset our troubled world.

Hermann Rauschning in his work, The Redemption of Democracy, says:

It is more than a mere joke that managed currency and concentration camps differ only in degree.

Bretton Woods means managed currency.

When the Constitutional Convention at Philadelphia was considering the question of giving to the Congress power to emit bills of credit, a managed currency from which the colonists had suffered so severely, Mr. George Read thought the words—"to emit bills of credit"—if not struck out, would be as alarming as the mark of the Beast in Revelations. And Mr. John Langdon said he had rather reject the whole plan—Constitution—than retain the three words, "and emit bills."

Now, will the Congress of the United States proceed to make the scourge of civilization, currency debasement, legal and respectable, easy of accomplishment, unlimited in amount, permanent and world-wide?

Article IV, section 5 of the fund agreement, starts out by saying:

A member shall not propose a change in the par value of its currency except to correct a fundamental disequilibrium.

But the term "fundamental disequilibrium" is not defined in the agreement. Although a number of witnesses before the committee considered the term, nearly all of them admitted that they did not know what it meant. One or two stated what they thought it might mean.

After making specific provisions for member governments to debase their currencies 10 percent without the concurrence of the fund and by additional unspecified amounts with it, the provision in effect concludes by saying that any member government may debase its currency by any amount so long as it believes that to be necessary to the proper functioning of its domestic social or political policies. Is there any other reason for debasing a currency except an alleged disordered condition of domestic social or political policies?

Spearheaded by Treasury officials, the proponents of this scheme have sold it to the American people as a peace measure, largely on the basis that it would provide stabilization of currencies and prevent currency wars. It will do neither. Indeed, it will do just the opposite.

"The world needs currency stabilization to restore international trade. Bretton Woods will give us stabilized currencies and do the job." If it is asked how the scheme stabilizes currencies, the answer is that that is one of the purposes of the plan, and that the fund would fix the par value of the currency of each country. The proponents of the scheme then deliberately convey the idea that while a country is permitted to change the par value of its currency by 10 percent without the concurrence of the fund that, nevertheless, the fund would hold all par values at the rates fixed by it.

The Congress is made to believe that no country shall be permitted to have control of the par value of its currency but that the fund shall exercise this control and that if any country fixes a par value that does not suit the fund, it will be expelled.

It is not true that the fund controls the par values of currencies. That is entirely left to each country.

Lord Keynes, the man who devised the scheme, has said over and over that any country can give to its currency any par value it pleases. In a speech, after discussing at some length five advantages it afforded Great Britain, he said:

We are determined that, in the future, the external value of sterling shall conform to its internal value as set by our own domestic policies, and not the other way round.

My noble friend Lord Addison asks who fixes the value of gold. If he means, as I assume he does, the sterling value of gold, it is we ourselves who fix it initially in consultation with the fund; and this value is subject to change at any time on our initiative, changes in excess of 10 percent requiring the approval of the fund, which must not withhold approval if our domestic equilibrium requires it.

For instead of maintaining the principle that the internal value of a national currency should conform to a prescribed de jure external value, it provides that its external value should be altered if necessary so as to conform to whatever de facto internal value results from domestic policies, which themselves shall be immune from criticism by the fund. Indeed, it is made the duty of the fund to approve changes which will have this effect. That is why I say that these proposals are the exact opposite of the gold standard. They lay down by international agreement the essence of the new doctrine, far removed from the old orthodoxy.

To assure the delegates at Bretton Woods that the fund would not in any way interfere with the par values of the currencies of any members the Conference released for publication July 21, 1944, the following:

More specifically, the fund proposes to limit the right of member countries to change their exchange rates without going through a certain procedure.

Note that the only requirement of any country to change the par value of its currency would be to go through a certain procedure.

Quoting further:

Furthermore, the proposal provides that a country which after having made a 10-percent change finds itself under the necessity of making another change without delay may request the fund's concurrence in such a change and a reply must be given within 72 hours. Other changes can be obtained with the fund's concurrence and there are no prescribed limitations on such authorized changes.

Stability does not mean rigidity, and rigidity, in the past has resulted in extreme instability. A country which finds that its domestic economy is suffering greatly from inability to sell abroad, because of an inappropriate rate of exchange and also finds it impossible to make other adjustments to correct the situation, has no alternative but to change the rate.

In order to protect the economies of the country from any untoward influences resulting from excessive rigidity of the rate, there is an explicit provision that the fund shall not reject a requested change that is necessary to restore equilibrium, on the ground that it does not approve of the domestic social or political policies of the member country proposing the change.

And finally, this gem of deluded monetary thinking which should set aside any

claim that there is even any thought that this scheme stabilizes currencies:

To summarize, the fund attempts to provide the greatest degree of exchange stability that is consistent with the economic necessities of the members. It introduces stability without rigidity and elasticity without looseness.

As the following taken from the New York Herald Tribune of March 22, 1945, will show, the author of this plan and other high English Government officials have stated in no uncertain terms that the scheme must not prohibit their government from setting the par value of the pound sterling at any rate it may choose:

Both Sir John Anderson, Chancelor of the Exchequer, and Lord Keynes, have declared that the British Government will adjust the value of the pound whenever Whitehall considers it necessary. The chancelor even said that the policy pursued here would be similar to that of 1933. He said that the government would commit itself only to consult the International Monetary Fund before changing the value of the pound sterling, reserving its right to persist with its intention should the fund refuse consent.

Anyone who knows the state of England's financial and trade position should realize that she could not possibly, under the system of inconvertible paper money that prevails, do other than reserve the right to establish any par value for her currency which she might deem proper. The other countries no doubt reserve the same right. Indeed, it is impossible to conceive that a single country would even think of entering this scheme if there was any doubt that it would have this right.

In addition to providing for currency debasement by individual countries article IV, section 7, further provides for uniform debasement of the currencies of all member governments. Russia, Britain, and the United States would be given the power to put this provision into effect.

But section 5 of H. R. 3314 prohibits this from being done except with approval of Congress. This prohibition becomes ominous when we reflect upon its real meaning. Legalizing currency debasement, whether by individual governments or collectively, would be tantamount to legalizing welshing by governments on their international as well as national debts, for such debasements would inevitably lead to such repudiation. The passage of section 5 of H. R. 3314 would be recognition by Congress of the need or inevitability of universal repudiation of international and national debts. Does Congress wish to do this?

What the fund would actually do, if it operated according to the stated plan, would be, not to stabilize currencies, but by authoritarian means peg some foreign exchange, in terms of the dollar at an overvalued rate. This would naturally result in lowering the price of dollars in terms of foreign currencies, or lowering the price of our goods to foreigners.

A stable, dependable money is a vital prerequisite to genuine international cooperation and a durable peace. However, an unconditional prerequisite to a stable currency is a stable government, a government which lives within its income from taxes. The United States cannot successfully stabilize the currency of any country. It can lend money to a government and temporarily give support to its currency and thus help to tide it over a passing financial difficulty. But unless that government determines to put its own house in order, any help it might receive from the outside must remain palliative and cannot possibly be curative.

These facts are basic to the consideration of the so-called Bretton Woods agreements.

The greatest and indeed the only enduring contribution the United States can make to stabilizing the currencies of other countries and to general prosperity throughout the world is to see to it that her own currency, the dollar, is kept stable and the credit of her government secure.

Great Britain and other countries will no doubt need financial assistance in the postwar period, and the United States should give them what aid is appropriate. But the United States should retain full control over any lending transactions she may undertake. Any other policy must be harmful to our welfare.

The basic structure of the International Monetary Fund and Bank would consist of a coalition of 44 governments and would constitute a world-wide authoritarian trade and monetary cartel. This world embracing corporate body would usurp the social or private function of carrying on international trade and commerce, and substitute therefor authoritarian domination over such pursuits.

It would be well to distinguish between the kind of cooperation the proponents of this scheme are thinking of and that to which we have been in the past accustomed. The kind of cooperation they have in mind undertaking is basically different from that which Americans have in the past experienced. We commonly think of cooperation as voluntary association and dealing of private individuals with each other, whether within the confines of a single country or across national boundary lines.

Now, the only cooperation that is involved in this international monetary scheme is that which is required to bind the governments concerned to a common agreement to take over and operate functions of international lending, of foreign exchange markets, of regulating foreign trade, and so forth, which functions are now being performed by private individuals and institutions.

Thus, instead of promoting true international cooperation, which the advocates of the scheme so loudly proclaim to be their goal, they would destroy what is left of this and give us in its stead international authoritarianism.

WHERE IS THE MONEY TO COME FROM TO FINANCE THE SCHEME?

The capitalization of the International Monetary Fund and Bank would be roundly $18,000,000,000. The share of the United States would be about one-third of this total or $6,000,000,000. About $4,000,000,000 of this would be raised by a public-debt transaction to be authorized by the Secretary of the Treasury, an insidious method of taxation. This would be added to the public debt.

The remainder of our subscription would be derived from the gold stabilization fund, which consists of the so-called profit the Government acquired by debasing the gold dollar.

This method of financing would be highly inflationary. Does not its very nature bode ill?

QUOTAS OF THE FUND, ARTICLE III

The aggregate of all quotas of the fund would be $8,800,000,000.

Each member is given a quota, which shall be equal to its "subscription" of shares. Quotas are not based alone on economic considerations, but military and political as well.

The quotas are in general divided into two categories, those of creditor and debtor countries. To a creditor country a quota means an amount of money it places in the fund to be lent to debtor countries. To a debtor country a quota means an amount of money it can borrow from the creditor countries, principally the United States. The United States would be the principal creditor country, would furnish about 31 percent of the total subscription which would represent about 75 percent of the lendable assets.

Each member would be required to pay 25 percent of its quota in gold, or 10 percent of its net gold holdings and United States dollars. The remainder of its subscription would consist of Government IOU's. However, the total subscription of the United States would be gold or the same as gold, since dollars are internationally fully convertible into gold. This is not true of the other currencies. They vary in quality from being as good or nearly as good as the dollar to being practically worthless.

It is probable that if we had a true picture of the situation we might find that much of the gold other countries would pay into the fund was somehow obtained by them through lend-lease or credits in some form. For example, China's gold contribution could all be raised by the purchase of gold with the credits voted her by Congress.

The United States would have 28 percent of the voting power when the fund started operating and considerably less when other members not presently included in the proposed set-up are admitted to membership. The borrowing countries would be in overwhelming control of the fund's resources and lending policies.

An outstanding feature of the quota arrangement is that it would establish a right for each one of the 43 other nations to draw upon the resources of the United States. It could foreshadow rationing of world trade.

VESTING IN FOREIGN POWERS CONTROL OVER UNITED STATES FOREIGN TRADE AND TARIFF POLICIES—ARTICLE VII

This is one of the most basic provisions in the whole scheme. It deals with "scarce" currencies. If dollars became scarce in the fund any member government could step in and block exchange

operations in dollars. The fund would then ration dollars, that is, American exports.

Assume we put $2,750,000,000 into the scheme and that this caused our exports to rise so as to provide the many jobs claimed by its proponents. Sooner or later the dollars in the fund would become exhausted. Insofar as our export trade was dependent upon the available supply of dollars in the fund, there would then be a slow down of all industry producing export goods. Then the fund would come to Congress for more dollars. Could Congress refuse such a request? Manufacturers, wage earners, farmers, and others would be desperate. Under those circumstances replenishing dollars in the fund could become a long drawn out repetitious process.

But article VII has other implications. Like all the other basic provisions in the scheme this one was derived from Lord Keynes' international clearing union plan. Mr. Harry D. White, Assistant Secretary and chief monetary expert of the Treasury, admitted before the committee that article VII contains provisions which in effect specifically provide a penalty which the fund can invoke against the United States and force her to release other countries from any obligation to take its—United States—exports, or if taken, to pay for them.

In case dollars had been declared scarce in the fund, foreign countries might say to the United States, and they would have the power to do so, "We will permit you to put more dollars into the fund on condition that we need not repay you in dollars, goods, or services."

Or, they might say to the United States, "We prefer replenishing the fund's holding of dollars by increasing our exports to the United States. Therefore, remove your tariff barriers and permit free entry into your country of our goods."

To both of these propositions the United States could demur. But the foreign countries in control of the fund could then elect to temporarily or permanently ration our export trade.

Here is the crux and modus operandi of Lord Keynes' pressure mechanism, the far-reaching formula contained in article VII of the Bretton Woods proposal for an International Monetary Fund, by which Great Britain and other countries could force the United States to maintain equilibrium in her balance of payments with the rest of the world, or failing in this, penalize her by compelling her to give her goods away, or preadventure compel her to lower or abrogate her tariffs.

In this connection it may be well to quote from Ragnar Nurkse, Economic, Financial, and Transit Department, League of Nations, Princeton, N. J., who, it should be mentioned, apparently favors the scheme. He says:

> Besides, the Bretton Woods scheme is not strictly confined to monetary policy. That part of it which provides for the apportionment of any currency declared by the fund to be "scarce" represents essentially a measure of commercial policy. A hypothetical example will make this clear. If the dollar were to become a scarce currency under the fund arrangement, the rationing of dollars which would then come into operation would discriminate against the exports of the United States. Such rationing would, for example, divert Britain's demand for cotton from the United States to, say, Brazil, even if cotton were cheaper in the United States; and it would similarly divert Brazil's purchases of automobiles from the United States to England, even if automobiles were cheaper in the United States. In sum, it would divert the effective demand of the outside world away from United States' products in order to make it equal to the United States demand for the products of the outside world. In monetary terms, this would mean cutting down the international demand for dollars so as to make it fit the available supply. The same result of equating demand and supply could be achieved if, in the circumstances considered, the United States were to lower its tariff. The only difference would be that in this case demand and supply would be equated by increasing the supply of dollars rather than by cutting down the demand for them.

Mr. Harry White is quoted as having said:

> The fund might find that the causes of the scarcity were high trade barriers in the country whose currency was scarce, or a failure to undertake adequate international investment, and it (the fund) would propose appropriate remedies.

This whole arrangement is an integral part of the terms of the contract to which the proponents of this scheme are asking the United States to permanently bind herself.

Should the Congress surrender to foreign powers so important a part of our national sovereignty?

Much has been said about the need of our surrendering some of our sovereignty to foreign powers. But who else besides the United States would be surrendering any sovereignty? We largely finance the scheme and put our resources back of it. This alone makes possible such a program as is here proposed.

On the other hand, Great Britain or Russia, or both, and most of the other governments could drop out without losing anything or stopping the operation of the fund.

Lord Keynes has made this point clear. In an address before the House of Lords, May 23, 1944, he delineated the many advantages that would accrue to Great Britain through the establishment of this scheme, one of which was that it would help restore London as the world's financial ruler. The whole tenor of that address was what Great Britain could get out of the program, not what she could put into it. He said nothing about his country surrendering any soverignty or running any risks. May 18, 1943, he said:

> But if, in the event, our trust should prove to be misplaced and our hopes mistaken, we can, nevertheless, escape from all obligations and recover our full freedom with a year's notice. I do not think that we can reasonably ask any completer safeguards than that.

CONTROL OF THE FUND

The United States would have one executive director in the fund who would have 23 percent of the votes. Britain would have two and probably three with 25 percent, and Russia one with 12 percent, unless she should ask admission to the fund of her 15 vassel states as she has to the assembly of the proposed League of Nations.

The proportionate voting power between the United States and Great Britain should not be taken as representing the same relative influence each would exercise in the fund's operation. Debtor countries would be in control of the resources of the fund and since Great Britain would be the principal debtor country she could be expected to largely dominate the policies having to do with their disposition.

Furthermore, the very close tie-in which Great Britain has with many other countries through the sterling bloc and her many bilateral trade agreements, and, because of the common interest in foreign trade such arrangements engender, would place her in an advantageous position to influence the conduct as well as votes of those countries.

Britain's blocked sterling balances would give her considerable bargaining power in alining her debtors on her side.

AUTHORITARIAN CONTROL OF CAPITAL—TRANSFERS AND CURRENCY TRANSACTIONS

Authoritarian restrictionism of capital movements and currency transactions is of the essence of the scheme.

To make effective control of capital movements would require "the machinery of exchange control for all transactions, even though a general permission is given to all remittances in respect to current trade." Not only is this machinery necessary in the country desiring it, but in those not desiring it as well. Unilateral action would be inadequate. Only by the control at both ends could capital movements be effectively controlled. Lord Keynes here suggests that the United States should set up exchange control machinery similar to that of the British exchange control, which "has now gone a long way toward perfecting."

Capital transfers may be effected by exporting gold, currency, commodities, or services, travel. To effectively prevent outward movement of capital requires total control of all international transactions whatsoever, censorship of mails, telegrams, telephone calls, cablegrams. Foreign travel must be restricted. Persons wishing to travel abroad must be searched. Restrictions on exports through licensing must be required.

Would the United States provide the bureaucratic machinery that would be necessary at both ends to successfully prevent the importation of capital from Britain and other countries which might be able to evade their authoritarian guards? Would not the United States be morally obliged to provide the army of supervisors, inspectors, and policemen to accommodate those countries, and Great Britain in particular? And if she failed to do this, what would become of the much-vaunted international cooperation of which we hear so much from the proponents of the scheme?

The statute would legalize for an indefinite period exchange restrictions, blocking and rationing of currencies—article VII, section 3, 4; discriminatory currency arrangements or multiple currency practices—article VIII, section 3; restrictions on payments and transfers for current transactions—article XIV, section 2, and control of foreign exchange rates—article IV, section 3.

Mr. Leon Fraser, former President of the Bank for International Settlements, in referring to the machinery that would be required to enforce all these restrictions said:

> Then, of course, you come to the primordial problem of all these questions, Who are the managers? Who are these great fellows who know so much better how to run the world than anybody else? That is where the thing breaks down, and that is why you have to have a Gestapo to protect the managers.

It is made to appear in the text of the statute—article XIV—that these restrictions would be retained only for a short time, the so-called transition period. But that is not defined, and it is specifically provided that it can be extended without any limit. Dr. O. M. Sprague, when asked to give his opinion on how long the transition period might last, replied:

> Well, it may last a long time. * * * maybe we may live in a permanent condition of transition; who knows?

Did we ever get out of the transition period following the other war?

Under article VIII, section 4 (a), it is provided that the blocked sterling balances held in London and representing debts Great Britain owes to other countries amounting to $12,000,000,000 need not be paid at all. Even debts recently incurred need not, under certain conditions, be paid.

Under article VII, section 1.3 (b) borrowing countries are automatically given the right after they had exhausted their quotas and could no longer borrow from the fund to default on their debts. Who has ever heard of a creditor legalizing in advance the defaulting of his creditor? Who, knowing the facts, is going to invest his money in any foreign securities with such an arrangement as this?

Article IV, section 2, in effect repeals sections 8 and 9 of the Gold Reserve Act of 1934. This takes from the President the power to buy and sell gold at any price and vests in foreign countries the power to manipulate the price of gold. The Congress cannot under the Constitution delegate this power to foreign nations. This seems to be a clean violation of the Constitution.

The claim that is being made by the proponents of this scheme that the United States could withdraw from it at any time if things did not go to suit her is a delusion and snare. Once it were in operation, we could not pull out without causing serious economic and political repercussions throughout the world. Other countries are already expecting the United States to increase her initial subscription to the fund. That was stated by Lord Keynes in the House of Lords May 23, 1944.

Anyway, we should not be talking about what the Congress would do until it regains its independence as a legislative body—until something on the order of a two-party system is restored.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is it the gentleman's opinion that this stabilization fund, by which this country, with 6 percent of the population, pays in 25 percent of the total amount is sound?

Mr. SMITH of Ohio. It amounts to more than 30 percent.

Mr. RICH. The United States pays 30 percent of the total amount into this fund.

Mr. SMITH of Ohio. In the form of good assets.

Mr. RICH. Will this country, with the vote of 44 nations, be permitted to do anything but pay into this fund as long as the 44 nations ask us to do so? And if that be a fact, when will we be able to stop, if we are unable to pay in anything?

Mr. SMITH of Ohio. What has happened to lend-lease? What has happened to the Reconstruction Finance Corporation? What has happened to the Commodity Credit Corporation? Does Congress have any control over those agencies? That is the answer.

Mr. RICH. The gentleman means, then, that the executive department will be the only one that will be able to control it?

Mr. SMITH of Ohio. The same power that is running the Government now.

Mr. RICH. If these 44 nations feel it is our duty to cough up, as it were, every time they request it, what is going to be the ultimate outcome of the financial structure of the American form of government?

Mr. SMITH of Ohio. If we examine the record of the gentleman from Pennsylvania [Mr. RICH] I believe he can answer the question as well as I can, because he has an outstanding record as an American citizen, fighting for all those principles that have made this country great.

Mr. RICH. I am interested in America, I am interested in the policy of America to perpetuate our form of government, and I do not want to see anything done that will disrupt this policy; I do not want to see anything done that will drag us down to the point where we will wreck our Nation in order to do something to try to build up other countries and which may ultimately destroy us. I hope that the Congress will see to it that there is nothing in this bill or nothing in the recommendations that we are going to make to the conference at San Francisco that will tear down America in our desire to try to lift the world up to the American standard of living. I am for America first, last, and all the time, and I am going to do everything I can for America, and at the same time I want to do as much as I can to help the other nations, but not to the extent of wrecking this country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Chairman and Members of the House, the Bretton Woods proposal provides for two separate institutions, to wit, an International Bank and an International Fund. The bank will make and guarantee loans for the reconstruction of war-torn countries and for the development of economically backward areas. It will be a sort of international RFC. It has been approved by the American Bankers Association and others. In fact, very little opposition to the bank has appeared anywhere. The International Monetary Fund has been the center of controversy. To describe the fund briefly, each member country subscribes to it in gold and in its own currency a certain fixed quota. The minimum gold contribution is the smaller of 25 percent of its quota or 10 percent of its net holdings of gold and United States dollars at the time when the fund operations begin. When a country is admitted to membership the par value of its currency will be agreed upon with the fund and will be expressed in terms of gold or in terms of United States dollars of the weight and fineness in effect on July 1, 1944. A change in the par value of a member's currency can only be approved of by the fund "if the change is necessary to correct a fundamental disequilibrium."

A member country deals with the fund only through its central bank or similar institution. The fund is the banker for central banks. Many people have the erroneous idea that the fund will be an enormous organization and that every transaction throughout the world would have to be cleared through its offices. The fund as is planned will have very little to do with everyday business. When the fund begins to operate members will buy from the fund other member's currency; thus, if the Bank of France needs dollars, it will be permitted to draw against the fund's account with the Federal Reserve Bank of New York. The fund's dollar account will go down, and its franc account with the Bank of France will go up. It should be kept in mind that the fund will only be used to balance temporarily unbalanced situations, while the overwhelming amount of international payments are cleared without the help of the fund. The purpose of the proposed International Monetary Fund is to shorten the duration and lessen the degree of disequilibrium in the international balances of payments of members and to help the members to correct maladjustments without resorting to measures destructive of national or international prosperity.

We are all familiar in some measure with the chaotic monetary situation in Europe after the last war and again during the thirties. If it is at all possible to avoid a repetition of the inflation and deflation of those days, all of us should be for it. That is what the fund primarily proposes to try and accomplish.

It is my feeling that the success or failure of both the fund and the bank will depend largely on what attitude the debtor nations take. If they are sincere and just in their dealings with us and do not try to take advantage simply because we are the most important creditor nation in the world, I believe that both the fund and the bank will have an excellent chance of accomplishing their objectives.

Because of the terrible destruction caused by World War I and World War II, the world today is thinking in terms of international cooperation to prevent future wars. I am, therefore, hopeful that our friends abroad will take a somewhat different attitude than they did

after the last war. At any rate the only way of finding out the answer to that question is by passing this bill.

Most of Europe and Asia is in such a desperate plight that anything can happen. If one form of totalitarianism supplants another, most Americans will feel that our sacrifices were not worth while and that our victory was a hollow one indeed. To date we have had over a million casualties and have spent billions and billions of dollars to win the war. I feel that it is wisdom on our part to gamble a fraction of that amount in an effort to build up an orderly and stable world where nations and people will have a chance to live in peace.

Dictators and wars come primarily as a result of economic and financial upheavals. Because the world has grown much smaller it is to our own self-interest to try and prevent such dislocations occurring whenever possible.

Our international monetary machinery and practices have failed us in the past at critical times; they are failing us now. Inflation is rampant in many countries. Affirmative action of some kind is necessary.

Bretton Woods proposals are in my opinion the best plans offered to the world thus far.

I, therefore, recommend the passage of H. R. 3314.

When the Bankers Association appeared before our committee, its main objection was directed toward the fund. It was suggested by some that the fund be abolished entirely, and it was suggested by others that the fund become a sort of branch of the bank so that both the fund and the bank would be supervised by the same people and there would, therefore, not be an overlapping of activities or a conflict in policies.

The committee, as a compromise, adopted an amendment I proposed, which compels the Executive to appoint one Governor, who will be Governor of both the fund and the bank. Of course, that applies only to the United States, but we are hopeful that other countries who have not as yet adopted the Bretton Woods proposals will follow wherever possible the precedents established by the United States. It is our hope that they will also appoint one Governor for both the fund and the bank. That will do away with much of the criticism that was directed at having two institutions operating separately and without being compelled to confer, communicate, or cooperate with each other.

Some other amendments were adopted, offered by other members, and they will be or have been discussed during this debate. Out of the compromise as a result of these amendments, the bill was reported out by a vote of 23 to 3.

We spent several months studying the testimony and listening to witnesses. I feel that under the circumstances, not being a financial expert with respect to international exchange, the committee did a very good job, and I hope the House supports it overwhelmingly.

Mr. ABERNETHY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 96]

Andersen, H. Carl	Gorski	Ploeser
Andresen, August H.	Grant, Ala.	Plumley
Bailey	Grant, Ind.	Powell
Bennet, N. Y.	Hancock	Powers
Blackney	Hand	Price, Fla.
Bloom	Harless, Ariz.	Price, Ill.
Bonner	Hart	Rabaut
Boren	Hartley	Randolph
Bradley, Mich.	Hébert	Reece, Tenn.
Bradley, Pa.	Hedrick	Reed, Ill.
Buckley	Henry	Rivers
Bunker	Hess	Rizley
Burch	Hobbs	Robertson, N. Dak.
Canfield	Holifield	Roe, N. Y.
Cannon, Fla.	Izac	Rowan
Carlson	Jarman	Schwabe, Okla.
Celler	Johnson, Calif.	Sharp
Chapman	Johnson, Ind.	Sheppard
Chiperfield	Johnson, Lyndon B.	Sheridan
Clason	Jones	Short
Clements	Kee	Sikes
Cole, N. Y.	Keefe	Simpson, Pa.
Cooley	Kefauver	Slaughter
Crosser	Kerr	Smith, Wis.
Curtis	Knutson	Stefan
Daughton, Va.	LaFollette	Stewart
Davis	Latham	Stockman
Dawson	Lemke	Sumner, Ill.
Dingell	McGlinchey	Sumners, Tex.
Domengeaux	McMillan, S. C.	Thomason
Drewry	Mansfield, Mont.	Weaver
Durham	Martin, Iowa	West
Earthman	Mason	White
Eaton	Merrow	Whitten
Elliott	Monroney	Wilson
Elston	Morrison	Winter
Fellows	Mundt	Wolfenden, Pa.
Fulton	Neely	Wolverton, N. J.
Gallagher	Pace	Worley

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. COOPER] having assumed the chair, the gentleman from Texas [Mr. LANHAM], Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill, H. R. 3314, and finding itself without a quorum, he had directed the roll to be called, when 315 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Colorado [Mr. HILL].

THE BRETTON WOODS AGREEMENTS ACT DOES NOT SOLVE INTERNATIONAL EXCHANGE NOR STABILIZE CURRENCY

Mr. HILL. Mr. Chairman, the bill pending before the House, H. R. 3314, embodying the agreements reached at Bretton Woods, N. H., by financial experts of some 44 nations, for the purpose of stabilizing the monetary systems of the world and the creation of an international bank to promote world trade and assist the devastated areas of the Old World to rebuild their national economy, has many sound and logical ideas with which I am in complete accord. But will this act we are considering do the job, perform the task, and become the proper vehicle through which the world can act to bring about more international trade, more international accord and direct all nations toward that peace and good will, or world brotherhood, we are all striving for? Personally, I am fearful that this legislation will not help but actually hinder the progress of peace and contentment in this world of realism in which we all move and live and have our existence.

I am in accord with the idea of stabilizing international exchange which will directly make more stable international trade. I favor the assistance that a stable international exchange will give to the war-torn countries of Europe. But I fail to see how this act will accomplish or even assist in this most worthy program.

International questions involving a large number of people of different social and political views and aims, offer head-splitting problems. These problems cannot be solved by any laws or agreements passed by this Congress. When you consider the divergence of views that exists right here at home on our own domestic issues, how do you expect countless nations of different languages, political philosophy, home surroundings to come to final agreement on such a bill as is presented to us here today? This bill must not be viewed as a national or a partisan issue. This bill is strictly an international measure and nothing less. This bill is in reality an international agreement among many nations, yet we, as a House of Representatives, propose to legislate upon this matter. Moreover, we must bear in mind that no international treaty or agreement will be respected by any country when the aims, the desires, and the ambitions of a sovereign nation run counter to the agreement. This measure will be no exception. To some extent we have developed international rules or regulations to which many nations have adhered, some nations religiously, the International Red Cross, the International Rules of Navigation, International Postal Union. From these we might discover a basis of operation in the field of financial stability.

The wording of this bill and the wording of the Bretton Woods Agreements Act are so involved, so ambiguous, so evasive, so full of provisions and exceptions at cross-purposes to each other, that they defy understanding. No two supporters of this measure agree as to what certain provisions means. No two economists agree as to its meaning or as to its effect on the nations embracing it. And where there is a lack of clear understanding there can never exist a clear mode of execution. Most of the points brought out in the agreement and the bill defy answering or explanation. Therefore they defy execution because of the ambiguities and contradictions. It does seem to me that the drafters and the all-out supporters of this measure have lost all sense of practical values, all sense of realities, and expect us to accept this entire bill on faith.

Surely the stabilization of the monetary systems of the world and by it the stabilization of international exchange, the reconstruction of the war-torn nations of the world—all can be effected by much simpler means based on realities and not on fiction. We in the Americas must make up our minds and state in plain, simple language that everyone can understand just what we think should

be done by way of stabilization of currencies and foreign exchange. No problem in this world is so difficult, so complex that it cannot be stated so that the average intelligence can understand. Therefore, there is no sound reason why the proposed Bretton Woods agreements could not have been written in plain, simple language for all English-speaking people to understand. As the greatest creditor Nation, if we are to lead the world into an organization for the stabilization of currency and international exchange, let us do the job in a straightforward manner.

What are some of the objections to this measure? And if these objections are justified and reasonable what can we offer to correct them. To oppose such agreements is not enough. We should offer constructive criticism. New and better plans should be offered. This I purpose to do.

First. Several of the countries mentioned in this agreement have never had any appreciable amount of trade relations with us. And I can see little opportunity for such trade to develop in the future. Further, many of the countries mentioned as supporting this agreement have not been touched by the present war. Wherein would they be interested in assisting devastated areas? Actually some of the nations were undoubtedly assisting our enemies.

Second. At the present moment with the exception of gold and silver bullion there is nothing in existence that might be designated as an international currency. Nations having no such bullion how are they to obtain their fund for the bank?

Third. Since 1930 there has existed the International Bank in Switzerland. This bank instead of improving international trade relations really embarrassed the financial world by assisting Germany and acting as a clearinghouse whereby the Germans acquired foreign funds, particularly from the United States and Britain, gold with which they built up their military machine and nearly brought the world under their domination and control. Will this new bank fall into the same trap?

Fourth. An international bank as proposed by this bill could not possibly have any funds but a dollar fund. Such a fund could come from no other nation but the United States and be created by appropriations from the Congress, or by gold and silver bullion as a basic reserve. Anything else would be mere fiction, not reality. Can anyone explain to me how Britain or Russia, who at the present moment cannot pay for goods we are now sending them, could possibly create dollar reserves in the United States for the proposed fund or the bank?

Fifth. The quotas assigned to the various countries border on the absurd when we consider the real trouble France and Britain had in settling their World War I debts. Have they settled them? No. We probably will have a bill in the House before many days to write them all off. Maybe we should. We can never collect them. Just how are these countries going to find money or funds to support such a measure as we have here today?

Will some member of the Banking and Currency Committee arise and explain to us how Ethiopia, Haiti, Liberia, or Iraq are going to meet their quota for the Bank of Reconstruction or what interest they might have in helping the countries of Europe rebuild their industries?

Sixth. The United States has accumulated the greatest portion of the gold reserve and the silver reserve of the entire world. Unless these precious metals are distributed among nations they become worthless and useless as monetary bases. Is it wise to allow other nations to send out of their country the small amount of gold and silver they now possess in order to create a proposed fund for the use of international currency stabilization? Such an act would only make their own currency more unstable. In fact as I view the situation such acts would prevent any monetary stabilization in the years to come and really forestall and prevent the very thing the act wishes to establish.

Seventh. The proportion of international settlement of trade balances by means of gold bullion, has always been but a fraction of 1 percent of the total volume of world trade. Contrary to common belief, gold or silver play but a very small part, in international trade which is based solely on exchange of goods. It will be many years before the devastated countries of Europe will be in a position to ship or export surplus goods to the United States. Europe will need much material which the United States alone can supply. Dollars for these goods must be supplied by the American Government or by the people of America. The creation of the bank or this fund will not make 1 cent more available to pay for our exports.

The United States is one of the leading exporters. We should be interested in the stabilization of international exchange on a sound and permanent basis. Yet, following the First World War, we seemed the least willing of the leading exporters to work toward this end. The First World War was hardly over before we began to withdraw our moral and material support from Europe, with disastrous results not only to American trade and foreign relations, but to the entire world.

Stablization of the monetary systems of the world, and through it the stabilization of international exchange, can be achieved I am sure without any unnecessary complexities and a multitude of provisions too confusing and many of the provisions at cross purposes to each other.

To stabilize the monetary systems of the world, or rather those nations who wish to paricipate in an international organization, these nations will have to decide on a common basis. As I see it that basis must be founded on two measures—the thing itself—and how much of it. There is only one thing upon which a sound basis for world monetary system can be anchored. That is gold. Silver can be added in a proper ratio, which by natural law is 16 times more abundant than gold. This by world record in production for nearly 500 years. Therefore, there is no reason why a world monetary system could not be anchored to gold and silver on a ratio of 16 to 1.

The second measure necessary to decide is how much of that gold-silver standard is to be used to form the basis of a nation's currency. Here we must decide on a simple rule, workable and reasonable and understandable. Some economists suggest the 5–1–5 rule. It is simple, workable, and I offer it for your serious consideration. This rule will vary slightly from the old international gold standard which worked very effectively for many decades. Let me explain: by taking the American dollar in terms of gold weight as a basis for key monetary unit, let the British sterling be equal to five times the present gold dollar. Then let the American dollar equal five times the value of the gold franc. And let the Russian ruble be equal to half a gold dollar—which was the equivalent of the old ruble under the czars. This plan of valuing currency on an international basis can be readily understood by the average citizens of all countries.

The gold dollar, as a coin, is a fiction. It was never minted by our country but once and found to be impractical. The United States has minted $2.50, $5, and $10 gold pieces. The British had two similar coins, known as half sovereign and sovereign. The only hard dollar we know is the silver dollar, and the British, French, and the Russians had similar coins of nearly equal value. So there seems to be no sound reason why silver as a precious metal cannot be considered and put to work with gold on the natural basis of 16 to 1. This would simply mean that in all transactions involving hard cash, which are very rare, 16 ounces of silver would be worth 1 ounce of gold, both 0.900 fine. The currencies of all nations could be based on that relationship in precious metals to be followed by a readjustment after the 5–1–5 rule, instead of having all kinds of unnecessary fractions in currency valuations so confusing and so unnecessary in international exchange. Under the 5–1–5 rule:

	Old value	*5–1–5 rule*
British pound	$4.86±	$5.00
Franc	.19	.20 (5=$1)
Ruble	.46	.50 (1 ruble)

GOLD STANDARD FICTION

In developing an international monetary standard, I am sure you will agree with me that it is immaterial how many grains of gold are put into an American dollar or a British pound sterling. It is equally immaterial what the price of gold is to be in terms of the kind of currencies. In speaking of international monetary standard we speak of a dollar or a sterling as so much gold of a fixed fineness, weight for weight, which is universally accepted and understood.

When once we have made up our mind as to the gold content of the dollar which will serve as a basis for anchoring world currencies, we must abide by that decision. We must not repeat the mistake of the Gold Act of 1934 in automatically increasing the price of an ounce of gold as such arbitrary pricing of currencies has repercussions on the currencies of every nation of the world. Undoubtedly, the Gold Act of 1934 upset the monetary systems of most of the world, and it ac-

complished very little for the producers and exporters of the United States.

The United States will have to show willingness and a spirit of cooperation with other nations in the matter of currency stabilization, both as to national and international programs. Monetary matters are international in scope. Probably the Gold Act of 1934 should remain on the statute books. This act arbitrarily and artificially made the ounce of gold worth $35 instead of the old rate of $20.67. The Gold Act of 1934 gave foreign gold mines extra dollars for nothing, while the American gold producing companies had their extra earnings absorbed by special tax.

The stabilization of world currencies based on international gold-silver standard will bring a stabilization in the rates of international exchange. This rate should be subject to international control. The Bretton Woods Agreements Act tries to effect that control, but falls wide of the mark. This agreement calls for a fluctuation of only 1 percent for spot exchange, and an undeterminate rate for other exchanges, both of which are far beyond the realm of reality, and will aid little in the stabilization of currency. In our trade relations with foreign nations, many of them doing business as states or individual governments, our business will be done through individual firms, companies, or corporations. The question we must resolve is how individual firms can compete and succeed in developing our foreign trade under such a complex, intricate, and involved situation.

CONTROL OF NATIONAL CURRENCIES

If we are going to have some kind of stabilization in the world monetary systems and their exchanges, some kind of control over national currencies will have to exist and be observed religiously by all nations. This control, in my opinion, must have for its objectives the maintenance of a gold-silver reserve to back or support the paper money issued by any government anywhere. A reserve in gold-silver bullion of probably 30 or 35 percent could be agreed upon by the nations supporting the program. This bullion support would be for the redemption of paper money. A control of this character would make paper money of any country as valuable as if it were in gold or silver. Such control would create an international confidence among all nations regarding paper currencies.

In a number of countries it would require some time to readjust their monetary system and bring it into line with such an international agreement. The important point is to decide upon a stable policy and abide by it. Enough gold and silver exists in this world, if properly distributed and shared by all nations, that we could easily stabilize all currencies. Under this plan no individual nation would accomplish any definite advantage to itself or its own currencies by collecting large amounts of gold and silver bullion.

Next to gold, silver is considered a precious metal and has been used as money from time immemorial. You will find it mentioned in the Bible. Silver exists in nature on an average of 16 times the quantity of gold, and there seems to be no sound reason why it cannot be considered on a basis of 16 ounces of silver equal to 1 ounce of gold to form the basis of the monetary systems of the world. By using silver as a cometal for the international gold standard, on the basis of 16 to 1, countries shy or short of gold would be materially assisted in the stabilization of their currency under this planned world standard. More countries use silver as a base for their currency than use gold. Copper and nickel are widely used as money. So far, no government has ever attempted to fix the price of copper or nickel because they were using these metals for money. Therefore, I see no reason why the prices of gold and silver as metals used in industry should be fixed by any government. It seems possible that a two-price system of silver and gold could easily be agreed upon by the nations desiring to work out international exchange and stabilized national currencies.

The value of gold and silver for monetary bases, if we are to have currency stabilized, is an international matter and by no means a national one. The value should be fixed and stabilized for monetary purposes only. When gold and silver are not to be used as a basis for currency backing, then they should sell at whatever price the world market can offer. Only a certain quota of these precious metals would be absorbed by governments for monetary bases. Industries need gold and silver, copper, nickel, and other metals, and I see little need or benefit through any plan that would fix the price on these metals when used for industrial purposes. The price of gold and silver ought to be left alone to follow the law of supply and demand, the same as other metals. The singular fact that these two metals are used for monetary bases should have no relation or influence on their market prices. This would mean that a nation short on silver or gold for monetary base would be able to obtain a supply in the world market at whatever price the material was selling at, and its value as a monetary base would constitute a seignorage, which would mean a government profit. The United States Government makes a handsome profit on seignorage in the minting of copper, nickel, and silver coins. In passing, it is interesting to note that while we speak of being on a gold standard, no gold coins are being minted or have been minted for more than 30 years. As a matter of fact, we pretend to be on a gold standard when it is illegal to trade with gold coins or even handle gold except under Government license.

Sooner or later the United States Government will have to abandon some of its gold and silver hoards and probably put it on the market as precious metal, and under this plan it could be acquired by the nations who need certain definite amounts to stabilize their own currencies. Some of our trouble today is caused by the second world-wide conflict coming so soon after World War I. This first conflict upset the world's monetary systems and it had never recovered before the present war began. When this present struggle is over, provided there is a genuine spirit of cooperation among all nations concerned, it would seem reasonable and plausible to develop a world-wide monetary system that will actually work. As a rich and undevastated country, the United States is in a position to offer cooperation to all foreign countries wishing to stabilize their own currencies, as well as cooperate toward the development of international stabilization. No new bank or new fund is necessary for this collaboration. Every nation in Europe will be needing dollar exchange to purchase materials from the United States manufactured products that we will have in abundance. Russia may be able to pay in part with gold and silver, but no one knows at the present what amount of gold and silver Russia may be able to produce. The United States dollar must come to the aid of the nations of Europe. Consequently, we must use our great influence to stabilize national currencies as far as is humanly possible. A stable, universal monetary standard will help to forestall the inevitable inflation—that is more money to buy less goods—which the world is bound to have after war industries have ceased to asborb manpower and materials. Currency stabilization is absolutely essential for the interests of all nations. In 1922 the International Monetary Conference at Genoa published the following recommendation, which unfortunately was frustrated by the rise of the Nazis in Germany:

> An essential requisite for the economic reconstruction of the countries devastated by the war (of 1914–18) is stability in the value of their currency. * * * It is desirable that all currencies be anchored to a common standard. And gold is the common standard which has been accepted by all countries for generations.

Dr. Randolph Burgess, past president of the American Bankers Association, said in 1934:

> Our gold price is the peg on which monetary stability throughout the world has hung. Its continued stability is essential to any effective program for stabilization of world currencies.

As we all know, the unilateral move by the United States to tamper with the gold standard in 1934, was not only a grave mistake, but its unstabilizing influence was keenly felt all over the world.

I am firmly convinced an international stability of currencies can be effected only on a gold-silver standard adopted and observed by all nations cooperating. A new international bank or an international fund, will not accomplish the desired results. Nations wishing to cooperate in this program must refrain from tampering with their national currencies. There should be no exception to this rule.

The United States can support and assist other nations of the world to stabilize their own monetary systems by the use of our huge supply of gold and silver bullion. How this plan can be carefully considered and fully developed requires the use of the best brains of the financial experts not only in our own country, but in the world. To me, such a positive and definite plan would aid in the stabilization of national currencies and the

stabilization of national exchange far greater than any treaties, agreements, or basic law passed by this Congress.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. BRUMBAUGH].

Mr. BRUMBAUGH. Mr. Chairman, despite the fact that I supported the Sumner amendment in committee designed to eliminate the International Monetary Fund I voted on final consideration for the Bretton Woods proposal in its entirety mindful that the legislation is heralded as a definite step toward the coveted objective of universal peace.

While I am wholeheartedly in favor of the creation of the international bank, I am skeptical of the success of the International Monetary Fund since the world is in turmoil making it practically impossible to establish the true value of money in the 44 nations comprising the membership of the fund. This uncertainty with regard to stabilizing world currency at a fixed value threatens the economic security of the world through the possible collapse of the exchange in some of the member nations.

It is my honest opinion that a sound approach to the problem would be to establish the International Bank at this time but defer the creation of the International Monetary Fund for at least a year during which time greater study could be given to its functions. If we postpone consideration of the fund feature of this legislation until hostilities cease we will have a more clear concept of the monetary problem in the member nations and be in better position to establish the International Monetary Fund on a sound basis.

It is my belief that the International Bank and the International Monetary Fund should be under the same management. Although this objective was partially achieved by adoption of the amendment giving the Governor of one jurisdiction over the other from the standpoint of economy it would be more economical and result in more intelligent and safe operation to have the same management given authority over the granting of short-time loans to stabilize exchange which is the function of the fund and also over the long-time loans to be approved by the bank.

Under the provisions of the proposed legislation the fund feature represents an uncertain venture with the prospect that this Nation could lose the $2,750,000,000 which is our contribution to the International Monetary Fund. However, if we had any definite assurance that our contribution would remain at the fixed amount of $2,750,000,000 I would be disposed to accept the fund feature of this legislation, regarding it as payment of an insurance premium to stabilize world currency and safeguard the welfare of all nations by promoting economic security and world peace.

Yet the unsettled conditions in a war-torn world are a barrier in guaranteeing any degree of success for the operation of the fund with the result that this Nation has every possibility of being called upon to make further contributions to the fund to meet emergencies that are destined to arise and which must be met if another world-wide depression is to be averted and which, if experienced again, could easily pave the way for involvement in another devastating war. Such a catastrophe would defeat the purpose of this legislation which the authors in good faith have characterized as a measure essential to the promotion of international friendship among all nations and the preservation of world peace.

There is no doubt in my mind that the bank can function in a loaning capacity independent of the fund. I am convinced that the purpose of the fund in stabilizing world currency is a noble and laudable function if its objective could be achieved. But I am of the firm opinion that it cannot succeed in its avowed purpose at this time because of the disturbed monetary conditions in various nations of the world. The failure of the fund to function properly will have an adverse effect on world economy since all member nations will be involved and especially this Nation who would suffer a staggering loss by reason of our initial contribution and the possibility of further sums of money expended in an effort to rescue the world from impending financial collapse. Therefore, I feel I am bound in conscience to express my honest opinion that we should defer approval of the fund feature of this legislation until we have had at least a year to study the monetary problems of the member nations.

The world is sick and tired of the fury of war and its aftermath of desolation and destruction. It is questionable whether civilization can withstand another devastating World War.

Therefore, it is foregone conclusion that the security of the world depends upon the soundness of future planning. The greatest period of progress that the world has ever known was the Golden Age which was the period extending from the end of the Napoleonic Wars in 1815 to the beginning of the First World War in 1914. Values were safeguarded because practically all nations adhered to the gold standard which proved a reasonable and sound solution to the monetary problem. Until the world returns to a sound monetary policy we cannot hope to enjoy economic security among the family of nations.

During the First World War and following the Armistice of 1918 we made many loans to our allies and to Germany. As a result a period of inflation followed which ended in disaster and world chaos. You will recall loans were made not only by the Federal Government but also by investment bankers, individuals, and by the League of Nations.

Many of the debtor nations defaulted and even failed to pay the annual interest on their loans. The false prosperity created by the reckless loaning policy became apparent when the practice of extending credit ceased and the world found itself at the edge of the precipice that hurled us into a world-wide depression which proved the seedbed for World War II.

Surely we should have learned a bitter lesson from our experiences in World War I and we should realize that this bill will authorize the extension of large lines of credit to countries who will only be able to pay with goods that will be shipped into this country in competition with the products of American labor. If we refuse to accept payment in kind the loans will have to be canceled and our loss will be appalling since we will have the largest investment both in the bank and the fund and we will be the only Nation that stands to lose any great amount.

This country was founded on sound principles that have permitted its development as the greatest Nation on the earth. We are now embarking on an uncharted sea hoping to solve the world's problem and establish a lasting peace. For that reason we cannot afford to throw caution to the winds and risk weakening our Nation and inviting the loss of our cherished inheritance.

In all sincerity I have sounded a warning in connection with our proposal to establish the International Monetary Fund at this time when we have so little assurance of its successful operation.

Yet despite my reluctance to accept the fund feature of the legislation, if the Bretton Woods proposal will promote international friendship and world peace, such a goal cannot be measured in monetary terms, and for that reason I shall support this bill in its present form. However, I am hopeful that an amendment will be adopted postponing the establishment of the fund for at least 1 year and then making it part of the bank. I regard this legislation as providing nothing more than a pious hope that its enactment will prevent future wars. I assure you I have high respect and deep admiration for the sincerity of the authors of this legislation in their efforts to provide a means of achieving a lasting peace for a troubled world; but I am of the honest opinion that we should establish the bank first and approve creation of the International Monetary Fund after we have had sufficient time to gage world conditions in the 44 member nations.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. BALDWIN].

Mr. BALDWIN of Maryland. Mr. Chairman, it is almost useless for me to take up the time of the Committee in urging the necessity for the passage of this legislation. However, I just want to take the few minutes allotted me to point out one or two things which seem to me to make it absolutely necessary for America to become a part of an international organization and to start out with the passage of the Bretton Woods agreement.

I know there is some opposition to the United States participating in this sort of an arrangement, and I have every sympathy for the people who conscientiously believe in that. But at this time we should certainly, by our experience in this war and faced with conditions which we will face after the war, consider this in a favorable light. Fifty years ago the arguments of the opposition to this proposal might have been well taken. But in the last few years it has been demonstrated clearly that America can no longer live alone and

remain secure and prosperous and happy. The only thing worth while today, the most important thing for America to think about, is peace. Yes; I am just as much interested in our domestic economy as any Member of this House, but what matters the kind of domestic economy we have if we do not have some sense of security; if we cannot feel that for at least a long period of time we can devote our energies and abilities to the production of the things that make life worth while, and not be afraid we will be attacked, and the security of our Nation endangered? That, my friends, is what is most worth while for us. After we have once formed an international organization that will give us some semblance of security, we can devote our time and energies to the solution of our domestic problems, and I do not doubt that the American people and this Congress have every ability to solve them just as we always have done.

But, remember, this war has shown us rather completely that we are so much a part of the world that we can no longer afford not assume the responsibility that entails. We pride ourselves, and I hear a great many Members of this House properly pride themselves, in being citizens of the greatest Nation on the face of the earth, and I thoroughly agree with them; but that greatness, Mr. Chairman, imposes upon us responsibilities, imposes upon us obligations. I heard our distinguished colleague, the gentleman from Illinois [Mr. DIRKSEN] make his very eloquent address to the House last week. I was much impressed by it. The main theme of his discourse was that we were a part and would have to be a part of a world order; that we were practically living in the back door of our neighboring countries; that this world, because of the inventions, mostly American inventions, has so shrunk that we can no longer live alone and be happy and secure. Another point he made was that in his travels throughout the various countries of the world he had become convinced that the peoples of those countries were looking to America as their salvation, as the nation with the ability and the resources to lead them out of the chaos in which they now find themselves and will still find themselves with the termination of the war. They are looking to us because they believe in us.

Mr. Chairman, is it not trivial for us here in this country, after spending several hundred billions of dollars for the prosecution of a war that might have been avoided with the proper attitude of our people toward our foreign neighbors, to complain about the few billions we may lose if this is not successful? After we have found what a costly thing war is, if by the enactment of this legislation we can make even one small step toward a lasting peace, it would be worth America's entire contribution.

I was much impressed with the arguments of our colleague the gentleman from Michigan [Mr. WOLCOTT] in explanation of this legislation. It is not so much the legislation but its administration which will decide whether it is going to be beneficial or detrimental to this country. We should not presume that any legislation this Congress passes is going to be poorly administered, for if we make that presumption we should not pass the legislation. We have got to proceed on the assumption that it will be administered in the way Congress intends it to be and to the betterment of the interests of this country. I have every confidence in the people, whoever they may be, who will be entrusted with the administration of this act, to administer it so that it will be beneficial to all concerned, and with that very thing in mind it will mean the cooperation of this country with foreign nations and giving to them the help they need and the impression that the United States stands ready to help them in their emergency; help them to rehabilitate themselves and also that we recognize the principle that we must live in unity with the other peoples of the world; and learn to coperate with them, just as the people of the various States of this country realize that they must live on a friendly basis with the people of their neighboring states. That is the great thing that can result from the passage of this bill and is the real reason why this legislation should be passed at this time when we are trying to form an organization of nations to perpetuate peace. It would be unthinkable at such a time if the United States were to serve notice to her allies and other friendly nations that we would not make this first step toward world cooperation.

Mr. Chairman, this country, as I said a moment ago, because of its greatness, has a terrific responsibility. Through the policies we adopt and the thinking of the American people in the next few years, we will go a long way in molding not only the future of this country but of the entire world for generations to come. So in our actions we must think not only of America from a selfish standpoint, and of Americans from their selfish standpoint, but in the terms of the effect our policy is going to have on world affairs and indirectly on our own selfish interests. We have a definite responsibility in connection with the passage of this bill.

Mr. Chairman, the present Congress and the next Congress will have a grave responsibility, even greater than the war Congress, because everyone was united in winning the war. In winning the peace, however, and formulating a lasting peace we may not have that same unity, which makes it more necessary than ever that we assume the responsibility that is ours and that we realize that we have learned the lesson which isolationism has taught us. We should be big enough men and women and nonpartisan enough to assume those responsibilities and obligations regardless of how they may affect us personally.

I hope that the House of Representatives will unanimously pass this bill and serve notice on our allies that we are not going to break faith with them, that we are sincere and honest in our proclamation, that we want a world organization for peace.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentleman from Iowa [Mr. TALLE].

Mr. TALLE. Mr. Chairman, the measure now before the House of Representatives is an attempt to write international law. More specifically, the bill before the House provides for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development proposed in the so-called Bretton Woods agreements. These agreements are the handiwork of the representatives of 44 nations who strove last July to find common meeting grounds for cooperation in the field of money and banking.

It is not a novel thing for nations to make such attempts. Down through the centuries there has been ample proof of the truth that "New occasions teach new duties. Time makes ancient good uncouth."

The ancient Romans were faced with the need of finding a workable code of laws to cover foreign affairs when those affairs became vital and were not adequately covered by their civil law. The answer of the Romans was the enactment of the Jus gentium, or the Law of Tribes, or the Law of Nations, whichever term one may choose.

The law merchant is a well-known illustration of a code which was developed during the Middle Ages and enforced in the pie-powder courts for the purpose of providing justice and equity among customers and the foreign merchants who met to do business at the fairs and in the early towns of that day.

These illustrations are old and may not have complete application to the issue before us but they are evidence of the attempts of nations to cooperate when "new occasions teach new duties."

Following World War I there was much discussion centering around the purposes of what are called the fund and the bank in the Bretton Woods agreements. The fund arrangement then used was in the nature of an informal agreement among certain bankers and the results achieved were no better than anyone could have expected from a loose and informal arrangement in a field in which agreements should be neither loose nor informal.

On the banking side the machinery was much better. The Bank for International Settlements, located at Basel, Switzerland, did a creditable job until its operations were suspended because of the current war. It is worthy of no little note that there is almost universal agreement that an institution like the bank advocated in the proposal now before us should be established. It is also worthy of note that opposition to the fund is not opposition to its purpose. The purposes of both institutions are generally approved. The disagreement centers largely around the mechanics of organization.

Mr. Chairman, why should we in the United States bother with these agreements? The answer is pretty well stated in the words of James Bryce, who spent much time in the United States and who wrote so well of our life and institutions,

Said Mr. Bryce on April 3, 1913—and the year is significant:

> The world is becoming one in an altogether new sense. * * * More than four centuries ago the discovery of America marked the first step in the process by which the European races have now gained dominion over nearly the whole earth. * * * As the earth has been narrowed through the new forces science has placed at our disposal * * * the movements of politics, of economics, and of thought, in each of its regions, become more closely interwoven. * * * Whatever happens in any part of the globe has now a significance for every other part. World history is tending to become one history.

If that was true in 1913, what shall we say of conditions in 1945? The application of science and invention to industry of all kinds in our century has changed our economic life in a degree never contemplated in the heyday of the industrial revolution of the eighteenth century or the still livelier progress of the nineteenth.

Mr. Chairman, there is a special reason why cooperation among nations is of great significance in the field of money and banking. Barring the influence of such obstacles to financial freedom as those used by dictators, money behaves the same everywhere. As one seasoned student of the subject says:

> Money will collect where it is safe, hide itself in hoards if it be menaced, occupy itself where the largest return is available, and command a higher rate contemporaneously with an augmented risk, whether the government be a monarchy or a republic, and whether the dominant religion be Christianity, Mohammedanism, or the worship of the sun.

This is not true of political principles. They stop easily at the borders which mark off national boundaries. They change, in fact, at every frontier.

The fundamental aspects of sound finance, on the other hand, are the same everywhere.

What attitudes must the 44 nations have toward the fund and the bank to make these institutions succeed?

First. Good faith: The measure before us contains interpretation of what the United States understands the words in the agreements to mean. These agreements must not be regarded as mere scraps of paper. It must be assumed that these nations will act honorably. If they do not, the agreements will fail, the law of survival of the fittest will have free play, and it will be proper to recall what Iago, the villain in Shakespeare's Othello said, after he had induced Roderigo to kill Cassio:

> Now whether he kill Cassio
> Or Cassio him, or each kill the other,
> Every way makes my gain.

Cutthroat competition among nations in money and banking results in loss to everyone in the long run. The nations that engage in it commit financial suicide and bring down upon themselves and upon other nations the destruction we have witnessed in this century.

Second. Honesty: This virtue is a continuous test of good faith. Benjamin Franklin said "honesty is the best policy." You will get on better if you are honest, said he. That is the practical man's manner of extolling this virtue. Robert Burns said, "An honest man's the noblest work of God." Be honest because it is right, said he. That is the philosopher's manner of extolling this virtue. Whether the practical view or the philosopher's view has the greater appeal—honesty is essential in money and banking locally, nationally, and internationally.

Third. Self-respect: If it is not already clear, it should be made crystal clear that the fund and the bank are to be operated on a sound business basis. They are not intended to be givers of alms.

Uncle Sam has always been generous to foreign nations. Sympathy for people in distress is an American ideal as old as our existence as a people. Not many years ago we sent several million dollars as a gift to Japan when a severe earthquake wrought destruction there. And yet there are those among our own citizens who sit on the mourners' bench pointing an accusing finger at Uncle Sam and saying that his behavior is the cause of this world's ills. What Uncle, pray, in any other land has been equally generous and considerate?

Let it be understood then that Uncle Sam intends to maintain his self-respect and that he will not go into the market to buy friendship. A friend who must be bought is not worth it, no matter what the price.

These attitudes must be shared by the 44 nations, if the fund and the bank are to succeed. These—and one more—insistence upon good management. In his book, the Romance and Tragedy of Banking, written by Thomas P. Kane, who served in the Comptroller of the Currency's office for 36 years—he points out that the principal cause of bank failures is lack of good management.

Mr. Chairman, a memorable event has occurred in the field of money and banking during these war years. The financial center of the world has moved across the Atlantic from its long-established home in London. Time alone can tell how significant this change will prove to be. The degree of significance will in large measure be determined by the skill and the will of American leadership.

The history of supremacy in finance is filled with romance and tragedy. Before the Norman conquest Italy was the great lending center and Edward the First borrowed money there in 1306. Later, Italy shared international lending with Germany where the Fugger family, like the Peruzzi in Italy, engaged in this business. The corporation in the modern sense had not yet come into being and large-scale lending was a function of wealthy families. When the kings to whom they lent money failed to pay, these international lenders were weakened, and the center of finance would move to a new location.

What, for instance, brought about the shift of financial supremacy from Germany to Holland? Philip of Spain borrowed money from the Fugger family in 1596 and repudiated the debt. He apparently was not ashamed and had no fear of reprisals. What could a family, though rich, do to a mighty king who chose not to honor his debt?

Now let us suppose Philip had borrowed the money from a bank owned and operated by 44 nations, his neighbors among them. Would he have dared to commit such a dishonorable act?

The loss to the Fugger family was so disastrous that financial supremacy moved from Germany to Holland, and Amsterdam became the new lending center.

London in turn displaced Amsterdam. There—in London—it remained from the Battle of Waterloo until World War I when the United States entered in the race for supremacy.

In the years that followed World War I three cities contended for first place—London, Paris, and New York. London regained supremacy, English writers say, because of that city's first, prewar superiority; second, advantageous geographical position; and third, intangible assets like (a) tradition, (b) experience, and (c) the international mentality of her banking community.

In addition to these assets English writers stress the following special factors as important in determining the location of a financial center:

First. Ample capital resources available for lending abroad.

Second. An adequate banking organization.

Third. Freedom of the financial market.

Fourth. An investing public willing to acquire and keep foreign securities.

Fifth. A stable currency.

Sixth. A good money market.

Seventh. A good foreign exchange market.

How well does a city like New York—let us say—measure up in these tests?

Time does not permit individual analysis of these factors but it may be said that our largest city is superior in all save number four—"an investing public willing to acquire and keep foreign securities." This factor is, however, very important because it involves the political stability of foreign governments.

Mr. Chairman, we are living in a sick world. It is sick politically and sick financially. The best of our youth are paying a terrible price because that is so.

The world needs a doctor in whom it has confidence. What an opportunity for leadership. To restore hope and confidence among nations in a world that has been torn asunder for 6 terrible years is at once a stupendous task and a great opportunity for service.

No other Nation is so well equipped to lead in the restoration of confidence as is ours. In the military field, in the food production field, in the industrial field, in the business field, in the transportation field, in the financial field, in the professional field—our accomplishments in this war have aroused the admiration of the civilized world. What could be more natural than that our Nation should be the leader in bringing mankind back to the orderly pursuits of peaceful living?

What is the alternative to the proposal before us, Mr. Chairman? I will leave each Member to answer that for himself, but, as for me, I believe the time is at

hand for Uncle Sam to hold high the torch of leadership, for—

There is a tide in the affairs of men,
Which, taken at the flood, leads on to fortune;
Omitted, all the voyage of their life
Is bound in shallows and in miseries.
On such a full sea are we now afloat;
And we must take the current when it serves,
Or lose our ventures.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield.

Mr. GROSS. I am glad the gentleman has brought a man into the picture that we have not heard of for about 12 years, namely, Uncle Sam, who symbolizes all of us and, after all, pays the bill. I have observed that in all the foreign propaganda printed, which cost us perhaps a billion dollars, amounting to trainloads, Uncle Sam never appeared. It was always some other individual. So I am glad the gentleman has made his speech and brought back again the grand old man we are going to have to begin to think about soon and who always inspires when we see a picture of him. I think you have done very well.

Mr. TALLE. I thank the gentleman from Pennsylvania. I assure him that I know he is always solicitous of the welfare of Uncle Sam.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield.

Mr. CRAWFORD. I think it was item No. 4 of your statement where you referred to the capacity of New York as a trade and finance center and you spoke of the willingness or unwillingness of the American people to invest in foreign securities. It seems to me that is the crux of this whole operation. The Federal Government will put up the capital structure for the fund and bank, that is, our portion of it, but does the gentleman agree with me that the real intestines of this proposal is the support of it by the public, through the purchase of the debentures that are to be issued by the International Credit Bank, and, in the absence of that support, the banking phase of it, with which so many people are friendly, falls by the wayside. Would the gentleman care to comment on that?

Mr. TALLE. The gentleman is absolutely right.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. CRAWFORD. Would the gentleman further agree that perhaps the unwillingness of our people to so invest in foreign securities is largely due to the fact that in the United States we have had for 150 years or more what might be termed a stabilized government?

Mr. TALLE. That is right.

Mr. CRAWFORD. While in those foreign countries where the loans are perhaps more likely to be made, we have a historical background of unstable governments?

Mr. TALLE. That is correct.

Mr. CRAWFORD. Government instability. Does the gentleman believe that the American public will, over a long period of time, support the banking phase of this proposal—I now refer to long-time loans—in the absence of stability of government in those respective countries?

Mr. TALLE. No, indeed. Our people will not. That is why in my remarks I stressed the importance of good management.

Mr. CRAWFORD. That brings us down to the thought that this proposal is so entirely dependent upon some such working arrangement as is now being considered in San Francisco?

Mr. TALLE. That is right.

Mr. CRAWFORD. In other words, in the absence of stabilized government throughout the world, there can be little, if any, stability to the operation of the fund, or success in the operation of the bank?

Mr. TALLE. The gentleman is eternally right. Stability of government is fundamental. Neither the fund nor the bank can succeed if the governments of the participating nations are not stable.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from South Carolina [Mr. RILEY].

Mr. RILEY. The progress of the human race until recent years has been slow, no matter whether that progress was in chemistry or medicine, industry or finance. Not only has it been slow, but in many cases methods have been reversed. For instance, at one time the medical profession thought that bleeding the patient was a cure for almost any ailment that he might have. Nowadays we know that a blood transfusion is very invigorating under certain conditions.

All developments have been gradual, and the use of exchange is no exception. Everyone realizes, of course, that money is nothing more nor less than a medium—an easy way of transferring a bushel of wheat for a day's work, or a suit of clothes for a beef. In other words, the individual who wishes to specialize in a certain field of endeavor must exchange his services in that field—the products of his labor or his mill—for the services and products of other individuals if he would live. At first, the system of barter was developed, where the actual goods were exchanged. Then gold and silver were used. As time went on, paper money was issued, with gold as a reserve, and then, a system of credits was set up through the development of commercial banks. The early banks served a very restricted territory, most of them being State institutions. As transportation and communication methods improved and trade began to expand into broader and more distinct fields, it became necessary to have a medium of exchange that would be acceptable not only within the States, but within the entire Nation. Again the development was slow and a satisfactory national currency and credit system was not reached until recent years with the enactment of the Federal Reserve Act and other kindred legislation.

The tendency through the years has been toward an exchange that was not bulky or weighty, as gold and silver, but easy to handle and to carry, as paper money. All of this progress came about through the efforts of the individual to have his medium of exchange as convenient as possible.

Now it becomes necessary to go a step further. We must have a standard international medium of exchange. An institution for carrying on the business of the world is just as essential as one to carry on trade within the borders of the Nation. The proposed international fund provides a clearing house for the currencies of the world, makes short time loans available to member countries, and requires that the various nations maintain their currencies within certain definite relationships to the currencies of other countries. All of this is but a further growth of exchange facilities. The fund tends to standardize world trade transactions, and is as necessary in global affairs as the commercial bank is in the local community.

The International Bank provides machinery for the making or guaranteeing of long-time reconstruction and development loans at reasonable rates of interest in those countries which have suffered from the destruction of war, or which have need of power plants or industries for the development of their natural resources.

The various nations of the world can be considered as large individuals. Each nation, broadly speaking, renders services or produces articles which can be exchanged for available goods with other nations of the world. As long as nations are in a position to exchange these services and these products with each other on an equitable basis, they acquire the means of a national livelihood, and, of course, make possible individual livelihood. No nation can obtain the currencies of another country unless it is able to sell to that country goods and services, just as no individual can buy a can of pork and beans from the grocery shelves unless he earns the money to make the purchase through his individual labor or through rendering a service for which his fellowman is willing to pay. and just as no individual can continue to buy unless he earns something with which to buy, no nation can continue to trade with another nation unless it is given the opportunity to obtain the currency of that country by selling goods and services to it. Of course, a nation can borrow from another nation to pay for its purchases, but in the end, if that nation's economy is kept sound, it must repay the loan, and it must be repaid, in the final analysis, in goods and services.

We have had drastic examples of economic aggression in the past quarter century because of the lack of such a cooperative system. Consequently, the currencies and economies of the world have been upset to such an extent that some peoples have felt compelled to go to war to obtain the things which were necessary for their existence.

When people are given the opportunity of earning an honest living, of exchanging the results of their toil with others, they are not going to surrender these privileges to follow false doctrines; but if they do not have the chance to earn those things which are necessary for a livelihood, they are bound to resort to

anything that promises relief. So we in America are protecting America from future aggression when we make it possible, through the International Fund and the International Bank for Reconstruction and Development, for nations to have banking and exchange facilities to make the marketing of their goods easier. The reciprocal trade agreements, the Dumbarton Oaks and San Francisco agreements are companion measures to assist peoples everywhere to cooperate, thus removing the desire of aggression.

A great deal has been said about the views of Washington and Jefferson, two of the founding fathers of the United States. When they found themselves at the crossroads of history, they did not hesitate to take a new and untried way to open to the peoples of this country the greatest and most liberal democracy of all time. They did not shirk their responsibilities when they were faced with the decision of taking an easy, passive, negative course in contrast to an energetic, determined, positive method. They adopted a far-sighted, revolutionary course—a decision which requires great courage and great determination. As a result they helped to establish a Government which extends the greatest privileges and the greatest opportunities to its citizens of any government heretofore known to man.

The question with us today is whether we, at another crossroads in history, shall expand our thinking and broaden our horizon, in keeping with the technical and scientific advances of the world, and accept the peoples of the whole earth as our neighbors in truth and in deed; or, as after the last war, we shall seal ourselves within a narrow cell of self-complacency and there wither away in shame from shirked responsibility, leaving the world leaderless to slide bewilderedly once more into the quagmire of despair. There threshing about in blind agony, as in other like periods of the past, she will listen to the false philosophies of any power-seeking gangster who happens to hold out promises of a better existence, and so hatch another Mussolini or another Hitler.

What a hollow mockery this would be for the 12,000,000 brave boys and girls who have risked all—many sacrificing their lives—that the torch of liberty might not be extinguished, and that representative government should not perish from the earth. I cannot believe that we will ever again suffer such an indictment of our boasted civilization. I believe that we are ready to assist the peoples of the world on this commonsense basis, and that they will respond to our overtures by assisting us. Together we can maintain and preserve a world in which we can all take pride, and from which we can all derive benefits. We can create a condition that none of us will wish to destroy—a world of common understanding and cooperative faith, which like the rainbow, after a storm, resolves all the varied colors into one beautiful spectrum, but each color distinctive within itself.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS. Mr. Chairman, it is a great privilege to follow the gentleman from Iowa after his scholarly presentation of the purposes of this legislation. It seems to me that his comment fits in with what the President of the United States said in his first message to the Congress when he suggested that the great states are not to dominate but to serve. It is not national egotism for us to say that the greatest of the great states wants to serve the world in its present crisis. The gentleman from Iowa has rendered an unusual service not only in the Banking Committee deliberations but also in the Committee of the Whole today and has brought to this problem an insight that has been most helpful.

It prompts me to say something, Mr. Chairman, about the partisan angles of this problem with which we are dealing. It is apparent that consideration of the measure has been singularly free from partisanship.

The committee can be proud of its accomplishment on that point. I wish therefore to pay tribute to our beloved chairman, the gentleman from Kentucky [Mr. SPENCE], for his fairness and his insight, and for the gracious way in which he welcomed the constructive criticism of the proposed legislation by the minority members—and that is their function under our system of government. I wish also, as one of the members of the committee, to express my appreciation for the great contribution that has been made by the ranking minority member, the gentleman from Michigan [Mr. WOLCOTT]. In my judgment we could not have brought to the Congress a bill of this kind except for both influences, and it is a very happy circumstance that enables us to speak without partisanship in undertaking to protect the interests of our common country. It leads me to say that we ought also to have something more than this personal provision for eliminating partisanship in legislation of this type. We are concerned, Mr. Chairman, with something that affects the national security. Bretton Woods is one of those measures that are designed to protect the peace of the world. It is my opinion, therefore—and I ask the indulgence of the House to express it, although it is not directly related to the issues involved—it is my opinion that we ought to make official provision for the consideration of such measures as this on a bipartisan basis.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. BUFFETT. The gentleman speaks of this as being a very important bill. It is. Does not the gentleman believe that such a basic term as "fundamental disequilibrium" should be defined?

Mr. HAYS. I prefer not to be drawn into a technical discussion, and, furthermore, I think it is unrelated to the issue here, I may say to my good friend from Nebraska.

Mr. BUFFETT. Does the gentleman know of anything more vital to this agreement than that phrase relating to the devaluation of currencies?

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I am not sure that I know the gentleman's interpretation of fundamental disequilibrium.

Mr. BUFFETT. I am asking where I can find it in the bill.

Mr. HAYS. I yield to the gentleman from California.

Mr. VOORHIS of California. It seems to me, I may say to the gentleman from Arkansas that the meaning of the phase is patent. It seems to me it means a situation where a nation either is buying from abroad far in excess of its exports or where it is exporting far in excess of its imports. In other words, I think it is very plain that it means its credit balance is too heavily in its favor or that its debit balance is too heavily against it.

Mr. HAYS. I agree with the gentleman and thank him for having expressed it more accurately than I could.

Mr. VOORHIS of California. Is there any doubt as to the fundamental meaning of the term? That that is fundamentally what it means?

Mr. HAYS. I agree with the gentleman in his interpretation.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. BUFFETT. I am looking for that in the bill or in the testimony. Will the gentleman tell me where I can find it?

Mr. HAYS. I may say to the gentleman that my fears on that point were completely allayed by the testimony of those who are thoroughly familiar with the procedures authorized by the agreements. I regret very much that all fears were not allayed.

It was not an easy problem, of course; it was not an easy task for those gentlemen, the financial experts, who first undertook to prepare the documents which became the basis for these agreements. They rendered a splendid service.

It was not easy for the committee and in spite of the fact that a considerable degree of unanimity appears in our report, a critical point of view was taken from the outset. It is fair to say that the committee made some important improvements in the bill.

I was diverted in my discussion of the question of official recognition of the advantage of a bipartisan approach to the problems of international security. I shall not labor the point but it seems to me that the committee's actions prove the wisdom of that approach and I hope ultimately to see some changes in our procedure that will make it appropriate for all measures of this kind to be considered strictly on a bipartisan basis.

Our decision regarding this bill is geared to our attitude on this larger problem of world peace. It is not true to state that we are deciding here between America's interests and the interests of other peoples of the world. We can be just as much concerned about the welfare of America as my good friend, the gentleman from Ohio [Mr. SMITH], is, and yet see this as protecting the interests of our own Nation. It is not a matter of America's interests against the interests of the world. Certainly we would not refuse to do a thing that was for our own interest and which was also in the interest of other nations.

The real issue, Mr. Chairman, it seems to me, is whether we are to have economic nationalism as the term is generally defined or economic collaboration. It is utterly impossible for us to maintain national self-sufficiency under modern conditions. Neither have we undertaken to think in terms of some narrow interest within America's economic society, as for example the interest of cotton farmers. I point out, however, that we are helping them, for we must have not only our domestic market but a foreign market as well for American cotton, and that is going to be increasingly true when the war is over. When I talked to a buyer in England last September I asked him whether they were still interested in purchasing American cotton. He said, "We will even pay more for American cotton; we prefer it." But he added, "We cannot continue to buy your products unless you make it possible for us to get American dollars." So I am interested in the Bretton Woods agreement for one reason because I believe it will make it easier so far as improving the condition of the cotton producers of the South is concerned. Of course, this does not mean solving all the problems of getting American dollars into the hands of foreign buyers or our products, but it will help. Thus some of us have a narrow interest as well as a larger national interest and the two are not in conflict at all.

Now to considerations of the peace. Today we are engaged in fighting a world war at a terrible cost in lives and an enormous cost in terms of money and goods. We have fought two wars, worldwide in their scope, within 25 years. Surely that is sufficient proof that we are unable to shelter ourselves on these shores and escape involvement elsewhere in battles for domination or survival.

If, then, we wish to live at peace, it is of extreme importance that we try to discover what the conditions are that will permit a lasting peace and how we can achieve those conditions.

There is very little doubt in anybody's mind that our enemies must be disarmed and rendered impotent in a military sense. That is simply the first act of self-preservation, and it underlies much of the intensive and determined effort that is being made in San Francisco to bring the might of the United Nations to bear upon the problem of preventing the Axis nations from again waging war upon us. It also underlies our efforts there to find a solution for the prevention of aggression wherever it may arise. On the need for such antiseptic action we are not divided. The security of our homes and our families is the concern of each of us.

But is it possible to maintain the peace and satisfy the legitimate needs of the people of every land without recourse to war if we create a security organization and do nothing more? I do not believe it is, and I do not believe that anyone who seriously considers the question will contend that it is.

No peace, however hard we want and pray for it and however hard we may work to secure it, can long endure unless it is grounded on a sound economic foundation.

Our day-to-day and month-to-month relations with other countries are principally economic relations. We buy goods from abroad and sell goods abroad; we travel to foreign countries and we invest money there. These are the usual points of contact. Only when these relationships break down do our armies meet on foreign shores and our battleships and carriers fight across the seas.

To the extent that we can buy and sell and invest profitably and with a measure of insurance, we provide the framework within which we and other nations can live in an orderly and prosperous manner.

The plans for both the International Monetary Fund and the International Bank for Reconstruction and Development represent the work of representatives of 44 nations which are all eager to act together to outlaw the devices of economic warfare, which, no less than the increased armaments production and expanding military establishments, helped Germany and Japan to lay their plot for war and the conquest of the world.

The Monetary Fund provides the rules of the game. Under its terms, the member nations agree to define their currencies in terms of gold and to keep their currencies at such defined values. If changes have to be made, they will be made only after consultation or with the consent of the fund. More important still, the members agree that their currencies will be fully available for current transactions, so that business can be done free of artificial restraints and discriminatory devices.

The fund seeks stability and order so that trade may expand and money can be invested with reasonable assurance. The bank provides the mechanism for the increase of productive investments in areas where currency matters are governed by the fund.

This, in essence, is what the Bretton Woods agreements seek to achieve, and I am fully convinced that such an effort is essential as part of our larger effort to secure a peaceful and healthy world.

I do not claim that the adoption of the Bretton Woods agreements will cure all of the world's ills. Those ills are too numerous and too complex to be cured by any one medicine.

We must continue and expand the trade-agreements program; we must seek agreement with other nations in the whole broad field of commercial policy; we must use our wealth and our might wisely and well. But the important thing, Mr. Chairman, is that we begin to use our wealth and our might. We have done so in San Francisco and we can do so by passing this bill. They are both threads in the same fabric—the fabric of a peaceful world for which all of us hope so eagerly.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, as a member of the greatest legislative body on earth, at this most crucial moment in our history and in the history of the world, I yearn to take a broad view, and I want to take as broad a view as I am capable of taking. Now, this subject before us, taken in relation to several other equally important measures, is so broad as to encompass the future security of our Nation, probably of the world, for many generations yet to come. I fear it is too broad in the significance for me adequately to comprehend it. I hope I may be pardoned if I am limited because of my natural limitations to a narrower view.

Only a few days ago a telegram from Phoenix, Ariz., informed me that I now have a second grandson, who is only about 4 years younger than his brother, the only other grandson I have. The older grandson is named David, after his Uncle Dave, my older son, who lost his life in 1943 while leading his Infantry company against enemy machine guns in Sicily. These two grandsons would be about of military age for the third world war if the nations of the world, while looking to the United States, again follow an insane course as they did after 1918. I mention this to show that I have an additional personal reason for determining with all the strength of my soul to work for an enduring peace.

When I think what my own flesh and blood have contributed in the awful human cost of this war, even news of a second grandson can scarcely add to my determination. It hurts me through and through when I think of the blundering hellishness, the human cupidity, the mass stupidity which caused our Nation, after winning the war in 1918 at such a teriffic cost, only to turn around, robbing ourselves, to pour money and wealth into Europe in a criminally blundering way, to rebuild the very nation whom we had conquered! Helping Europe in a proper manner would have been well, had we not erected tariff walls so that they could not, even if they had wanted to, repay the war debts and the postwar debts. To think what our soldiers now dying lacked in childhood because of this blundering makes me so blinding mad I cannot see. The very essentials of life were denied my own sons and probably your sons in their formative years before they donned the uniforms they are now wearing, some of them to the grave. God help us.

I cannot be sure whether the Bretton Woods plan will enable America to play her rightful part in helping reconstruct a chaotic world. It is a different plan and it cannot be any worse than our economic folly after the other war. I do believe we have got to take some hand in trying to bring about economic order throughout the world, just as I believe we have got to take a powerful hand in maintaining military order throughout the world. Therefore, I support this bill as one-third of the tripartite arrangement to provide an enduring peace. If any one of these props fails, we may be sure the structure of civilization will crumble over our heads. I think this is our last chance.

Mr. GAMBLE. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. ELLIS].

Mr. ELLIS. Mr. Chairman, after some extended study and listening to the debate yesterday it is evident that, despite the talking and writing on this subject, there is still very little real understanding of the Bretton Woods agreement.

All of us are impressed with the fact that this plan is the brain child of Lord Keynes, British economist, who, it is said, was knighted by the British Crown because of his tremendous influence over the fiscal policies of the United States.

You are reminded that if all countries were financially sound and their currency good, there would be no demand for the Bretton Woods agreement. We must not forget in considering this legislation that the United States is today possibly the only solvent country in the world. Consequently, the dollar is the standard of value throughout the world.

Under this proposal the United States surrenders her financial leadership to the debtor nations, or for a better designation, "an assignment by a creditor for the benefit of debtors." We are told that the fund is to stabilize currency and the bank is to promote trade, but after a study of the bill it is revealed that the plan is to peg weak currencies at a false value and to loan money on weak security with little or no chance of it ever being paid.

Whether we can make the sacrifice, assume additional financial burdens, and live under the restrictions is a matter of vital concern to every Member of this House. Whether it is prudent to commit the United States to such a revolutionary plan while millions of its citizens who will have to carry most of the burden, are fighting overseas, is a grave question.

The objective of the plan is to enable other countries of the world to turn large amounts of their more or less spurious money into American dollars at the international exchange fund and to borrow additional American dollars at the International Bank largely underwritten with funds taken from the American Treasury.

This bill is brought on the floor almost unannounced and hearings composed of 1,334 printed pages were available only a day or so ago. No Member of this body can possibly digest this subject in a week, and the only conclusion is that it is planned that we not have time to digest it.

Remember no other country has acted upon it as yet because its success, as far as our 43 partners are concerned, depends upon the good old American dollar, and because of the adoption of the scheme depends upon the willingness of the United States to make the sacrifice, accept the restrictions and carry the burden. It has not been given to us because the document embodies so many basic contradictions and is so loaded with ambiguities it defies understanding as anything but an elaborate contrivance to give away American money and fetter the United States almost like a conquered Nation.

We all remember the defaulted loans of our Allies of 25 years ago that was extremely distasteful. The lend-lease agreements which made a piker out of our fiscal operations of World War I, is fast becoming obnoxious. So here we have a brand new sugarcoated plan which is trying to be made painless to continue giving away our resources.

There is no support in common sense or in the experience of mankind for a theory that, in the days to come, we, staggering under a debt greater than all the rest of the world combined, can carry the same disproportionate burden that we have carried in time of war. If this administration carries us into the international field, adopting the underlying theory of the WPA and other New Deal hairbrained spending plans of unhappy memory, heaven alone will be able to save the United States and the world from economic chaos. If we are to continue giving away money, in the name of common sense let us control the giving.

This country now has forty-odd agencies through which money and credits can go to foreign fields. We have the Export-Import Bank with plenty of power to make any proper loan to any needy foreign government.

Following the last war we loaned money to foreign countries with which to buy American goods. The loans were never paid; therefore, the prosperity of that time was brought about by the manufacturing and giving away of goods to the peoples of the earth. If our people again fall under this false philosophy of prosperity, to wit: Giving away goods paid for out of the United States Treasury and in turn paid for by the taxpayer, may a kind providence help us.

It is conservative to assert that this measure constitutes the greatest surrender of resources and economic advantages by any country in the history of the world and signalizes the inauguration of a plan under which a prodigally generous nation puts itself at the mercy of its debtors.

In the light of all the provisions, it is easy to answer the question of where the program, if adopted, would leave the United States. It would leave us in the position of being obligated to finance any hairbrained scheme a foreign nation may adopt. To call such a program international cooperation is manifestly absurd. It is simply financial frenzy on the international level.

Mr. GAMBLE. Mr. Chairman, I yield 12 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, I am talking today for Americans, the 135,000,000 who prefer their own country—who will not sell it short. I am not talking today to foreign nations, or to foreign subsidized Americans who prefer other countries to their own.

America's program is to build, ever, a greater and stronger Nation, to raise, not lower, its standard of living. We will never consent to bring our standard of living down to the level of the Latin-American peon, the oriental coolie, or the untouchables in India. We believe in cooperation and collaboration for a just and permanent peace. Not permanent protection for imperialists, aggressors, and oppressors. This is, and will continue to be, America's program.

When this devastating war is over, it will be our duty to help rebuild the ravaged nations. We must provide food for the hungry. This through the Red Cross, who have had experience and is devoid of graft and corruption. We must provide material to rebuild productive enterprises. This from out of our surpluses—not out of our own necessities. No assistance must be given to foreign politicians in aid of suppression, aggression, or oppression. That is not a productive enterprise.

Let us clear away the wreckage and help to build the world anew, but, all the time let us keep in mind that charity begins at home. America will not sell its domestic markets in order to bribe good neighbors. Neighbors you have to bribe are not neighbors, but enemies. We have gone far enough with that nonsense. We will not mingle our standard of living with the poverty of other nations, but, we will assist them in bringing their standard up to ours.

I cannot support Bretton Woods. I will not sell America to the lowest bidder for worthless foreign currency. The able chairman of the Banking and Currency Committee tells us that the passage of the Bretton Woods bill will keep us out of war. He said something about vision, but let me assure him that our vision is all right, but that he has lost his hindsight. He refuses to profit by experience.

History repeats itself and falsehood doubles up on itself. In World War I, we had the slogans "Too proud to fight," "Peace without victory," "He kept us out of war," "Make the world safe for democracy," and then "War to end all wars." After victory, the League of Nations was born and proclaimed the everlasting dove of peace. But, because of internal dissension—because of greed and deception—the League failed in its laudable purpose.

Again, in World War II, we have had the slogans "Raise the arms embargo and save our boys," "Draft the youth and stay out", "Give us lend-lease and we will keep you out", "The Atlantic Charter" and "Never again," and then "Unconditional surrender", "One world", Dumbarton Oaks," "The San Francisco Conference" and now "Bretton Woods." Each and every one of these slogans we were told, and are told, would give us permanent and lasting peace, but, unfortunately, they were and are founded upon deception.

The Bretton Woods Conference labored and brought forth twin octopuses—international octopuses designed to suck the lifeblood and energy out of the American people. Secretary Morgenthau and his special assistants, White and Bernstein, are sort of stooge daddies to these ugly, un-American twins.

Here is how we are to be humbugged. There are to be created two international institutions, one with a capital of $8,800,000,000, and the other with a capital of $9,100,000,000, or a total of $17,900,000,000. While each nation is to furnish a portion of the $17,900,000,000, yet by deception, we are to furnish most, if not all, of it. The first institution is known as the fund—the jackpot. It is the grab bag out of which the other 44 nations take what we put in—American dollars.

Each nation is given an arbitrary amount it is to put into this fund. Our quota was fixed at $2,750,000,000. The initial payment required is 25 percent in gold or American dollars. Do not forget American dollars. But, there is a catch. A nation that has no gold, or American dollars, may buy gold, or dollars, from us with its worthless paper money at a value put upon it by the governors of the fund. Outside of ourselves, Great Britain and Russia are the only two nations that have any gold worth while.

Therefore, the initial 25 percent to be paid into the grab bag in gold, or dollars, by all the nations, would be $2,200,000,000. Our share would be $687,500,000. But, the bankrupt nations have no gold or dollars; therefore, under the scheme, we will sell them the dollars, at a value given their currency by the governors of the fund. They will put into the fund the dollars that we give them for their worthless printing-press money.

A very slick scheme by which the foreign bankrupt nations can buy American goods, bonds, and other obligations with the taxpayers' dollars acquired by an exchange of their worthless money. By this device, these nations get our goods for nothing at the taxpayers' expense, while the international bankers and manufacturers get the dollars from them that they got from us for nothing.

We are to have only 28 percent of the voting strength of this organization. While the borrowing nations—the nations that want to get our goods for nothing—the nations that will take 100 percent out of the bag, are to have 72 percent. Would you form a partnership with a man who asked you to put your property in, but who had nothing to put in, and then give him 72 percent of the, say, while you retained 28 percent? That is exactly what Mr. Morgenthau and his bureaucratic assistants, aided by the British economist, Lord Keynes, whose long fingers have long been itching for American dollars, agreed to.

The other twin octopus—the International Bank—is not a bank but merely an institution to guarantee bankrupt nations' debts. Each nation is to put in an initial 20 percent of its quota in gold or dollars. The nations who have no gold, or dollars, will again be able to buy dollars with printing-press money. Again, we have only 28 percent say, but somewhere near 100-percent responsibility.

The truth is that Bretton Woods is simply an arrangement whereby we give to foreign nations credit—the money—with which to buy our goods. This in exchange for their more or less worthless currency. In the end, we will be out both the money we gave them, and the goods we furnished.

In place of fooling around with Bretton Woods let us consider America's problem. All of us, except a few, are primarily concerned with the welfare of our own Nation. Yes, I repeat, we are Americans first, last, and all the time. Let that soak deep into your conscience. Anyway, what is wrong with being an American first? Churchill is an Englishman first. Stalin is a Russian first. Chiang Kai-shek is a Chinese first. Our armed forces are giving their lives for America. Then, why should not we all be Americans first? Can anyone but a disloyal person object?

When the war drums cease to beat, there will be 15,000,000 thrown out of employment. In addition, there will be 12,000,000 soldiers demanding that the Government that interrupted their lives give them an opportunity to get a new start.

When that time comes we will owe $300,000,000,000 Federal debts. We, 135,000,000 possessing less than 10 percent of the world's resources, will owe more than all the other nations together—more than the over 2,000,000,000 that possess 90 percent of the world's resources.

All I have heard for weeks and months here on the floor is how to give America away. I have not heard a single word of how some these foreign nations are to give us something. We are to be Santa Claus to all, but none so far has offered to be Santa Claus to us.

The time has arrived when we begin to think of what we are going to do with the veterans when they return, and in place of giving away the substance of our Nation, we at least give them a new start in life, by putting them in the same position they would have been in if their Uncle Sam had not inducted them into the armed services. Up to this time we spent billions for foreign civilians but comparatively little for our discharged veterans.

Unless we forget about foreign nations and think about our own, there will again be deflation; there will again be unemployment; there will again be overproduction or, rather, underconsumption; there will again be an agricultural problem, a home owner's problem, this unless we meet these issues intelligently. There will again be unpaid taxes and debts by the billions. There will be a financial collapse unless we adopt an American program.

Not only have we furnished, and are furnishing, the sinews of war and the men with which to win the war, but we have and are financing nations that are taking no active part in this war. We have used billions of the taxpayers' money to finance nations in other than war efforts. The time has arrived that we ask ourselves, Where are we going? Our national indebtedness now amounts, if it were paid today in cash, to some $2,000 for every man, woman, boy, and girl, and babe in its mother's arms. Before we will ever pay this, it will amount to over $4,000 with interest.

One would think that the international beggars would be satisfied with the sacrifices we have already made. But not so. They still play us for suckers. One of the Members of Congress, who is informed, and who attended the Bretton Woods meetings, stated that they have come here with empty bags and expect to get them filled. I warn again it is time to arouse ourselves. It is time to stop "mouthing" and look after America's interest. "Charity begins at home."

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield.

Mr. THOM. The gentleman said the United States and England had all the gold supply.

Mr. LEMKE. No; not all.

Mr. THOM. The fact is there is about $20,000,000,000 of gold held by countries outside of the United States at the present time.

Mr. LEMKE. May I answer that by saying I said the United States, Russia, and Great Britain had all the gold worth while, and the gentleman misunderstood me.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. CRAWFORD. Mr. Chairman, I yield the gentleman one additional minute.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield.

Miss SUMNER of Illinois. The gentleman knows that this fund can require the United States to buy an unlimited amount of gold in exchange for American dollars?

Mr. LEMKE. I know, and this bank is intended to fleece the American people for another $17,900,000,000, and no one who understands Bretton Woods can deny it.

The CHAIRMAN. The time of the gentleman from North Dakota has again expired.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. RAINS].

Mr. RAINS. Mr. Chairman, this measure, often referred to as the Bretton Woods legislation, is of paramount importance to all the people of America.

Primarily, this legislation is an essential part of a program for the establishment and maintenance of an enduring peace. Without a sound economic foundation, such as I believe is represented in this legislation, and without the reciprocal-trade-agreements legislation which this House has heretofore adopted, there is great danger that the international peace structure now being evolved at San Francisco may completely fail. The adoption of the Bretton Woods proposals by this legislation, is a plan to end the dangerous economic warfare which has always been, in modern times, the forerunner of great world conflicts.

I, for one, am willing to concede that the entrance of the United States into the International Monetary Fund and the International Bank for Reconstruction and Development entails the assumption of risk on our part. The proper consideration, it seems to me, is to examine the fearful and awful risk which would be ours in failing to enter into an agreement written by the representatives of 44 nations for the express purpose of removing one of the accepted causes of war. Nothing, surely, can erase from our memories, the paralyzing effect upon the nations of the world, large and small, of exchange controls, unreasonable tariffs, prohibitive licenses on imports, embargoes, forced barters and exchange, cartel arrangements, and numerous other methods and mediums of devastating war-provoking methods

of economic warfare. Judge Fred Vinson, a distinguished former Member of this House, and a delegate to the Bretton Woods Conference, in his appearance before the Banking and Currency Committee, made this significant statement:

The Monetary Fund and the International Bank represent our first efforts in the field of international economic cooperation. If we believe in economic cooperation we must not allow them to fail. If we cannot agree on such modest efforts as these, other nations will have little faith in our will to cooperate at all.

No country in the modern world can live in peace and prosperity in economic isolation. Without economic peace there can be no political peace. Economic isolationism is as dangerous to world peace as political isolationism. Indeed, without economic cooperation among the nations there is little hope of lasting political cooperation. Nations which cannot work together to provide for order and stability in their economic relations are not likely to be good guardians of the peace.

There are those, few in number, who contend that this plan, nor any other, can solve the economic ills which have in the past and will in the future beset the world. It appears to me that they base their belief on the false premise that other nations cannot be trusted. I am willing to agree no plan looking toward a peaceful world will work if nations are to be suspicious and distrustful of one another. The age in which we live calls for faith among men and faith among nations.

The proposals adopted by this legislation are not perfect. No one makes that claim. Neither will the articles of agreement at San Francisco be perfect. In reality and truth, we need not look for perfection in any man-made plan. And yet in the hearings before the committee much of the opposition voiced to this legislation was based on the premise that there was a chance for the United States to lose its participating investment in the monetary fund and in the bank. While it definitely appears adequate safeguards have been planned in this legislation and in the agreements for the protection of all the member countries, I insist this is not sufficient reason to oppose the enactment of this legislation. Will the people of a country who has spent $300,000,000,000 of its treasure and given in battle a million of its men in casualties in a war brought on in part by the operation of forces which this legislation seeks to correct, even hesitate at an investment of eight and three-quarter billion dollars in the effort to prevent another war? To say the least of that kind of opposition, it is penny-wise and pound-foolish and extremely short-sighted.

If we can appropriate the vast sums of money which this Congress has appropriated for the successful winning of the war and can conscript and send to battlefields all over the world the flower of American manhood, we can certainly provide, without fear, this contribution in the hope for peace. The people of America expect it. The young men and women who fight this war demand it.

Across my desk the other day there came a letter from a young lieutenant colonel from my district, containing a paragraph pertinent to this issue. He said:

I sincerely hope that all of you in position to do so will take the proper action to preserve the victory we have won and will win. We in the service can fight the armies of our enemies, but when we defeat them you must step in and do the rest.

Too often, heretofore, the people have fought the wars and won the victories, made the sacrifices in blood and tears, only to lose their chance for lasting peace because their representatives failed and refused to provide the machinery for the preservation of the peace. The people of America say that this must not happen again. They agree, and on this statement, I have not the slightest doubt, with the late President Roosevelt in his message to Congress on March 1, when he said:

There can be no middle ground, we shall have to take the responsibilities for world collaboration, or we shall have to bear the responsibility for another world conflict.

In the light of bitter experience, I do not see how any American can disagree with the truth of that statement.

In another message to this Congress on February 12 of this year, urging the enactment of the legislation we are presently considering, the late President reminded us:

Victory does not insure the achievement of these larger goals—it merely offers us the opportunity, the chance, to see their attainment. Whether we will have the courage and vision to avail ourselves of this tremendous opportunity—purchased at so great a cost—is yet to be determined. On our shoulders rests the heavy responsibility for making this momentous decision. I have said before, and I repeat again: This generation has a rendezvous with destiny.

Speaking further, with particular reference to the stabilization fund, President Roosevelt said:

In a nutshell, the fund agreement spells the difference between a world caught again in the maelstrom of panic and economic warfare culminating in war, as in the 1930's, or a world in which the members strive for a better life through mutual trust, cooperation, and assistance. The choice is ours.

President Truman, the great American now in the White House, recognizes this legislation as of prime importance, and said in his message to Congress on April 16:

We have learned to fight with other nations in common defense of our freedom. We must now learn to live with other nations for our mutual good. We must learn to trade more with other nations so that there may be—for our mutual advantage—increased production, increased employment, and better standards of living throughout the world.

There are those of little faith, who say our plans for world peace, Bretton Woods proposals, the Dumbarton Oaks agreements, and the agreement which will come out of the San Francisco Conference, will not succeed. In the light of history, in the light of our own experience and observation, think of the awful and terrifying consequences of the failure of these plans for peace.

During the latter part of April, while I was in London, as a representative of the House Banking and Currency Committee, to confer with British officials and members of Parliament on the proposed International Bank and Currency Stabilization Fund, I was requested by General Eisenhower, along with seven other of my colleagues, to witness the concentration camps in Germany. We were flown by special military plane from London to Paris, and from Paris across France and Belgium to Weimar, Germany. Military command cars and jeeps took us from the landing field through Weimar, out into the hill country to a barbed-wire enclosure with several ramshackle buildings, a modern up-to-date administration building, over the entrance of which I saw the name "Buchenwald." There I saw the consequences of war in stark reality. Time will not permit a detailed and accurate description of all surroundings, but I shall give you, as nearly as my limited vocabulary will permit, a look inside a torture camp that only murderers and fiends could conceive and operate.

So terrible and heart-rending were the scenes, and so shocked in body and haunted in mind have I been from the recollection of the unspeakable horror of these hellholes of degradation and death, until I have been compelled for physical reasons to refrain from telling what I saw with my own eyes.

However, I feel it my duty to give to you, the elected Representatives of the people, the true picture of how the German people carried out a calculated and diabolical program of planned torture and extermination. I give you this first-hand account in the hope that it will keep alive in the hearts and minds of the people of our country the determination to control and curb the German people in their lust for power and love for the cold, premeditated, deliberate killing of innocent human beings.

The first sight that greeted my eyes was a long truck upon which dead prisoners were stacked like cordwood. Over against the crematory was another stack of dead human beings about 4 feet high and 12 to 14 feet long. The bodies were nothing but skin and bones, the eyes glassy and luminous; the feet sticking out stiffly at odd angles; many of the young mouths fixed in an eternal scream. It was clearly evident that the starved and emaciated bodies had been inhumanly beaten before death.

But I found the dead, hardly human as they were, like horrified and grotesque waxen figures, less pitiful and less moving than the starved, suffering, agonizing living. They lay crowded together on the dirty, filthy floor, or on torn scraps of blankets and quilts; their eyes enormous, their heads beaten and bloody; their mentality practically gone, crawling about like vermin, cringing and dodging in fear from everything that moved, little tadpoles or grasshoppers of men with big bullet skulls and matchstick limbs.

From this terrible scene in the courtyard of Buchenwald, we proceeded into the cold, filthy, dirty, ramshackle building that still held hundreds of the victims of the Nazi atrocities. Human beings, starved, sick, and emaciated, were

lying all over the floors, unable to move, unable to speak, and many in the last throes of death. I shall never forget one building in which there were hundreds of cases of dysentery, typhus, and tuberculosis. No sewerage or toilet facilities of any kind had been provided for the inmates. They were without clothes, without beds or bedding of any kind, in a building that, we were told by officials, had, during German control, housed 2,300 prisoners, with hardly as much floor space as an ordinary four-room bungalow.

I saw the installation, a striking example of German industrial efficiency, known by the inmates of the prison as the assembly line of death. The assembly line began with a small door in a fence in the back yard of the prison at a point adjacent to the incinerator building. The door opened inward against a door stop which held it in a position parallel to the wall of the building. Thus was created a narrow corridor about 4 feet wide; at the far end was an opening about 4 feet by 4 feet. As a prisoner was pushed through the door in the fence, he inevitably fell through the opening into a concrete shaft and crashed 13 feet or more down to the cement cellar floor. This room on the cellar floor was known as the strangling room. As the prisoner fell to the floor he was garroted with a short double noose by the burly and inhuman SS guards, and hung on an iron hook along the side walls about 6½ or 7 feet above the floor. There were some 50 hooks on the walls of this strangling room. At the time I saw the room, the walls were blood spattered and it was easy to see where the dying struggles of the victims had been made, as their lives ebbed away, hanging by a rope from these iron pins. I saw also in this room the wooden mallet which was used to bash out the brains of the poor unfortunates who still struggled after they were hung up on these iron pins. We were informed that the bodies were left on the hook until called for by the incinerator crew. I saw the electric elevator, which moved out of the basement which I have just described, up to the incinerator room on the floor above. We were told that the day's quota of approximately 200 bodies for the incinerator was made up from those prisoners who had died from starvation and disease, supplemented by the 60 or 80 who were killed on the assembly line of death.

I saw the clinical chamber which was used for medical experiments and vivisections, where human beings were used as guinea pigs, and where no anesthetic of any kind was used. I was told that medical scientists and doctors came from Berlin at intervals to assist the experimental staff. A prisoner would be carried into the clinic, acid poured on his arm or back; he would then be treated by the medical authorities in an effort to find a cure for acid burns, which could be used in the treatment of German soldiers. All kinds of new toxins and antitoxins were tried out on prisoners who entered this clinic, many of them causing convulsions and death. Very few prisoners who entered this clinic ever emerged alive. Adjacent to the clinic were two enormous noise-making machines which were turned on to drown out the cries of agony of the suffering victims of this inhuman treatment. It is an awful, but true, indictment of the medical scientists of Germany that they engaged in such bestial and sadistic treatment of innocent fellow beings.

Before going to Buchenwald, like many people in this country, I did not completely believe everything that had been printed about the horrors of the German concentration camps. I have always taken the atrocity stories with a grain of salt. But after I had visited this prison and then sat down in the commandant's office in Buchenwald, and saw with my own eyes lamp shades and dancing girl designs in picture frames on the walls, made from the skin of human beings, at the request of, and to please the whims of, the brutish wife of the commandant of this prison, then I am compelled to accept as true the awful brutalities by which the German people debased themselves and tortured the human race.

Worse than any sight or sound was the smell that overhung the whole place. Even after several days of intensive cleaning up, there was a stuffy, sweetish-sour smell, mixed with the odor of death and decay; a stench, compounded of excrement, dirty blankets, disinfectants, and decomposing flesh which seemed to pervade even the air one breathed. To this day, here in the sweet, free air of America, the terrible, horrible stench of this prison haunts me still. To me, always, the memory of this camp will be a terrifying nightmare. I doubt that I ever can erase from my mind the weird, eerie screams of the dying. I pray God that never again on this earth will any human being be made to suffer the agonies and indignities inflicted on the poor inmates of Buchenwald, likewise at a hundred other such camps in Germany, and I hope that never again will I be called upon to witness such unbelievable atrocities.

I realize that I have failed, because of the limitation of language, to make you see, as I saw, this prison. I have only the hope that this incomplete description will cause you to affirm, as I do, that men of all nations and all tongues must resist eternally every theory, every ideology, every creed, every ism that debases mankind and fails to remember that all men were made in God's own image, and entitled to life, liberty, and the pursuit of happiness.

If we are to fail in our efforts for world peace, it is of little concern whether we have prosperity or depression; whether we have a balanced budget or an unbalanced budget; whether we are a creditor nation or a debtor nation; since another world war, fought as it would be with the new and ingenious devices of devastation and death, would mean the complete destruction of our Nation, the obliteration of the world, and a total blackout for civilization. That, Mr. Chairman, is our stake in world peace. It is our opportunity, and I believe our duty, to all those who have sacrified in this war, and to the generations of the future, to erect among the nations of the earth every conceivable barrier to war, and, in our hope for peace, to support with unwavering determination every plan which tends to build security, faith, and good will among all the peoples of the earth.

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, from the first it seemed to me that a deliberate attempt was being made to draw attention away so that the committee would never get a real understanding of the tremendous financial powers surrendered to foreign governments' international bureaucrats by this Bretton Woods bill and monetary agreement.

In 1919 and 1920 we lent $3,000,000,000 to foreign governments for stabilization purposes, but with no real strings attached, much as this does. These borrowers did not stabilize their currencies. They only used the money to create a price boom in the United States which ended in the sharp depression of 1921 when the American people got disgusted and stopped lending. In that depression soldier boys sold apples. Remember?

Again in 1927 our Federal Reserve banks, at the request of foreign governments, adopted the loose-money policy in order to help great Britain. It did not help Britain. It set the match to an inflationary stock-market boom in the United States so that when, a few months later, the Federal Reserve tightened up, it was too late. It was only a matter of time until the 1929 crash.

According to the book by Mr. Moley, who was President Roosevelt's representative at the Conference, the President's adviser on the boat when he sent the wire torpedoing the Conference which agreed to the gold standard was Secretary Morgenthau, who has led the fight for the Bretton Woods monetary agreement. Now he gives this monetary superstate clippings from the gold dollars concerning which he said:

[Extract from the hearings before the Ways and Means Committee, May 31, 1940, on the Revenue Act of 1940, 76th Cong., 3d sess., p. 9]

Mr. TREADWAY. One other inquiry, Mr. Chairman. There has been handed me a memorandum in relation to the stabilization fund. I would like to make inquiry of you (Secretary Morgenthau) in relation to that. Just what use, if any, is being made of that so-called stabilization fund?

Secretary MORGENTHAU. The position that I have taken on the stabilization fund, ever since Congress created it and did me the honor of giving the administration of it to me, under the supervision of the President, is this. This is a nest egg which belongs to the people of the United States which should be carefully conserved for some great emergency which at this time we in the Treasury do not foresee. But in this rapidly changing world there have been so many emergencies that have come to pass in the last few months that nobody foresaw, that I still feel very, very strongly that this $2,000,000,000 fund should remain inviolate and should be there against the rainy day, or when some situation arises when we may need that money for some great national emergency. I strongly urge that it be left intact.

Secretary MORGENTHAU (continuing on page 10). We do not consider today's emergency sufficiently great to spend the money in the stabilization fund. Over and above that, when you gentlemen originally created

it, I said, and I was backed up by the President of the United States, that that fund would be kept intact against the day when we might retire outstanding obligations with it. Now I feel that should be left the way it is for one of two purposes, either the retiring of outstanding United States Government obligations or for use against some emergency when I, or my successor, may have his back to the wall and cannot borrow money except at exorbitant rates. That occasion may arise. I do not foresee it, but there may come a day when a Secretary of the Treasury is unable to borrow money at a reasonable price, and, when that day comes, that money is there to be used.

The world monetary supergovernment to which this bill surrenders the United States will be controlled by foreign governments. The United States' vote is usually estimated as—at most 28 percent.

The currencies of most countries are depreciated now, some of them are really worth little or nothing. But we contribute billions of good American dollars for these depreciated currencies which will be considered at par value unless the fund—with foreign debtor governments having the majority of votes—objects. Lord Keynes assured Parliament that the British would set their only value on the British pound, after consultation with the fund. The real value of the British pound, experts tell us, would be very low if it were permitted to go to its real value. The real value of the franc is now one-half cent, but its official value is 2 cents.

A member government can depreciate its currency if it wishes, providing the fund does not object. But article IV, section F—page 6 of the pamphlet—says that there must be no objection to the proposed change "because of the domestic, social, or political policies of the member proposing the change." And currency depreciations usually arise from such policies. That is a complete loophole. But another loophole in the previous paragraph permits a member to change par value of its currency without concurrence of fund if the change does not affect internal transactions.

Bear in mind that currency depreciation is debt default to the extent the currency is depreciated.

Bear in mind, also, that foreign exchange control is stopping payment on debts owed. It prevents honoring and paying obligations owed to the United States. One witness testified that every Allied government intends using exchange controls and is now using them. The fund agreement expressly authorizes foreign-exchange control during a transition period. But—and this is the big loophole—the fund—and remember, foreign debtor governments have votes enough to control this decision—article XIV gives the fund the right to decide how long the period may last and a government having the controls is to be given the "benefit of any reasonable doubt." (See p. 30 of the pamphlet.)

Article VII is the "sanction," presumably, referred to by Lord Keynes when he told Parliament that the Americans had, of their own free will, given the right to impose a sanction forcing the United States either to buy more than our people would otherwise buy from foreign governments or lend money to foreign governments that would not be repaid, or "excuse what was already owed." Section VII, page 14, says if a currency becomes scarce the fund can say so and, with the approval of the member, borrow its currency or it can require the member to sell its currency for gold.

Now, dollars are already scarce in foreign countries and likely to become more so. But section 3 of article VII says if the fund makes formal declaration a currency is scarce—a formal declaration that the American dollar, for instance, would be scarce—that declaration operates as an authorization to any member, after consultation with the fund, temporarily to impose limitations on the freedom of exchange operations in the scarce currency, the member to have complete jurisdiction in determining the nature of the limitations which, it adds, shall be relaxed and removed as rapidly as conditions permit.

This provision—and remember the use of this power can be decided without the vote of the United States—is a tremendous power. It is a real and effective sanction. If threatened it could surely force the United States either to lend or give more money. Section 3 of article VII gives the fund the power to ration currency with due regard to relative need of members.

However, I do not see that they would have to use this section to have to come back to Congress for more money since the powers are so expansible.

I cannot see that the amount of money those foreign bureaucrats would obtain from this would be limited to any $6,000,000,000, whether or not they came back to Congress.

There are, to be sure, restrictions saying a foreign government can take only a limited percent of its quota each year. But article V, section 4, of the agreement specifically gives the fund the right to waive restrictions limiting the right to buy the currency of another member from the fund in exchange for its own currency.

This power to ration currency means the international bureaucrats operating the fund could grant dollar balances to some countries and deny them to other countries. They could give the dollars to one country and deny them to every other country. It says the fund can waive any limitations on either selling or lending currencies as to volume, time, or purpose.

I had no opportunity to question any witnesses regarding this who, I thought, would give me a reliable answer. I was worried because I knew that the fund is a bank. If you were to combine our Reconstruction Finance Corporation and Federal Reserve bank, I cannot think of any power they would have which this fund would not have under the terms of this bill and the Bretton Woods fund and bank agreement.

I also know that a bank in the United States can start out with a capital of $60,000 and soon be making loans to the extent of one or two million dollars.

In 1940, the banks in the United States had a capital and surplus total of approximately $7,500,000,000, yet there were forty billion bank-created dollars circulating in the United States. While in 1944 after the total capital and surplus had increased only about four-tenths of one billion, the total created money circulating in the United States was over one hundred billions.

It does seem that the fund would have power, thanks to the Bretton Woods agreement and the bill, to create an amount the limits of which I would not be able to estimate, but certainly it could extend to much more than $6,000,000,000, depending on how the international bureaucrats controlling the fund exercise their power.

Those powers are contained in the following provisions of the Bretton Woods monetary agreement: Article V, sections 3 and 4, pages 8 and 9. These sections give the power to the fund to sell currencies and lend currencies. Article V, section 4, gives the fund power to waive any limitations on either selling or lending currencies as to volume and time, and article XIX gives power to change the purposes.

The provision relative to a national advisory counsel giving approval before the United States representative on the fund could vote in favor of any waiver of conditions under this provision would not prevent such waiver since the United States has only one-fourth of the voting power. Even if it were to increase to 35 percent, as one expert thought, the other governments could still outvote us.

Where does the fund obtain the dollars to lend?

The bill before you authorizes the Secretary of the Treasury to issue two billion seven hundred and fifty million United States Government obligations, which the fund takes. The fund can either use them as circulating money or bank deposits, so why would it not use them as bank reserves, since this would enable the fund to create more money as a bank does?

Second. The fund agreement, article VII, section 2i, gives the fund the right to borrow dollars within or without the United States with the approval of the American representative—article VII, section 2. I see no disposition on the part of the administration to disapprove it.

The fund agreement, article V, section 4, would give the fund sufficient power to pledge foreign currency, or foreign gold, or securities, or foreign private bonds. It says "or other acceptable assets." The commercial banks on the basis of this security would lend money, or as some would call it, "create new and additional billions of dollars," to let international bureaucrats get American-made machines and goods for nothing.

The fund agreement, article VII, section 11ii, requires a member government to sell its currency for gold to the fund if requested. Thus, the fund has power to dump any amount of newly mined gold in the United States.

Thus, it seems that our $6,000,000,000 contribution is only the beginning—only the initiation fee. It is possible that the United States could acquire a great deal more gold, and $6,000,000,000 could expand to a very large sum in the manner indicated. But the United States would have shipped to foreign countries, if the

foreign bureaucrats controlling the fund desired to use its power in a manner indicated so as to expand the six billion. If they desired to do so, they could—and all at American expense—continually siphon off and drain out of the United States American machine tools, machinery, and other supplies which might be used for war by foreign governments, some of which may not be on our side in the next war.

Mr. BREHM. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. BREHM. Although the gentlewoman has practically answered the question I have in mind in her last sentence, may I inquire if there is any restriction on the purposes for which this money might be spent? Could they borrow from the fund and then use it to rearm for war?

Miss SUMNER of Illinois. As I tried to say, it was almost impossible for me to get an opportunity to question a witness who was reliable because when there was such a witness the session of the committee would come to a close and I would not have an opportunity to question him inasmuch as it would not be my turn; or the witness would not come back or would go to San Francisco or somewhere else. I am giving you these things as I see them.

I know at least two experts in Chicago with whom I have checked this who did not appear before the committee. Now here is $1,500,000,000 that you know is going to Russia and the puppet governments Czechoslovakia, Poland, and Yugoslavia. You know what Russia is doing with that aid now. Here are $450,000,000 that you know are going to France. You know that De Gaulle is making war already with lend-lease goods given him since the war. Now, that is the sum you know is going there. To me that is enough. The rest is something that I am leaving in the RECORD in the hope that at least one body of this Congress will really look into this thing.

Mr. ROBSION of Kentucky. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. ROBSION of Kentucky. In this agreement is the United States required to take gold at $35 an ounce?

Miss SUMNER of Illinois. That is my understanding.

Mr. ROBSION of Kentucky. I understand one of the purposes of this bill is to stabilize the currency of foreign countries. If we start out with billions of various kinds of currency that have been issued in China, France, and other countries of the world, what becomes of all those billions and billions of currency circulating in those countries? They are all of very small value. How do you place any value on them, and what do you do with all those currencies?

Miss SUMNER of Illinois. They are virtually worthless.

Mr. ROBSION of Kentucky. In that connection, suppose we put in this money to stabilize the currencies now, and then these various countries refuse, by taxes and other wise policies, to strengthen or keep their countries stabilized, is this proposition merely a blood transfusion that must be repeated time and time again through the years?

Miss SUMNER of Illinois. There is nothing to prevent it being that kind of a blood transfusion. Of course, you understand this kind of thing, as I see it, is like our own Government. We have bureaucrats over here and we have given them vast powers. It depends on how they use them. You gave powers to price control, and they do anything they want. All these powers which can be construed in all kinds of ways are given to all kinds of bureaucrats.

Mr. GWYNNE of Iowa. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. GWYNNE of Iowa. I have heard this plan described as being an assignment of the creditor for the benefit of his debtors. Is that not about what it amounts to?

Miss SUMNER of Illinois. I think that is a very apt description, but I think you will find there are numerous Members of Parliament, like Boothby, in England, and other people in other governments, who are afraid, just as you and I are, that it is very wrong to give these great monetary powers to international bureaucrats who may be members of a cartel. The British might suffer just as much as we. It all depends on who the international bureaucrats are and who their friends are.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, all of us are familiar with the destructive cost of modern warfare. Within a few years, much of the progress achieved by decades of toil has been brought to ruin. Great cities lie in shambles; huge ships which thousands of men labored to build for months have been sent to the bottom of the ocean in 2 minutes; hundreds of thousands of vehicles have been wrecked a short time after they came off the production lines; fields have been torn or flooded so that agriculture has been paralyzed; all these are but few of the items of destruction. The millions of dead; the other millions broken in body and mind; the price the nations of the world have paid and are paying until we establish a system of international order and security.

Small wonder that the great majority of the peoples of this earth now realize that we cannot go back to the old way of doing things. Science has eliminated frontiers and the technology of war is reaching to a point of mass murder. In the first few months of this year, the robot bombs destroyed or damaged hundreds of thousands of homes in England. Unless this Frankenstein is destroyed, humanity will, unwittingly, commit suicide. Within a few years, the robot bomb will be able to travel under accurate control over thousands of miles. A man in Europe may press a button which will destroy a city in Massachusetts. This is no longer a flight of fancy conceived by Jules Verne or a comic strip artist. It is a deadly reality of which, in this war, we have a warning foretaste.

In this one world, we have got to learn to cooperate for the world's welfare. We cannot have prosperity in this country and destitution abroad. The peace and security of the United States is inescapably tied in with the problem of world peace and world security.

To win this peace we must work as hard if not harder than we are doing to win the war. It will be difficult because it will require more than physical effort; it will demand faith and patience; it will ask that all of us think through these problems if we are to earn a solution. It is a job which must be done. It is a job we have started to do.

When the guns became silent on November 11, 1918, the world celebrated because it thought peace had come. No greater mistake was ever made. Military war had stopped but a new and far more subtle type of war—economic warfare—had just begun. Most of us at the time were unaware of the danger. Now we know better. In the 1920's, we boarded the dizzy merry-go-round of an artificial prosperity. Credit was free. Speculation became a national vice. We even asked other nations to borrow money from us; then suddenly and abruptly the bubble burst. We stopped lending. Then followed the depression, the long, dismal hangover of the early 1930's.

We knew what happened in this country from our own personal experience. But what happened among the nations that led to another and more frightful war? At the outset we must bear in mind that international trade is as necessary to progress as trade within the country itself. We discovered that fact since 1941. All along we had assumed that the United States was self-sufficient; that, although the nations of the world needed us, we did not need them. The outbreak of war dispelled that illusion forever. We had no quinine, no rubber, no tin, to mention but a few key commodities. During the deceptive peace between the wars we had been able to get these because our credit as a wealthy nation was sound. Other nations were not as favorably situated, and that led to certain restrictive trade practices. We must always keep in mind that people who buy or sell abroad need to know today what their money will be worth tomorrow, and a year from now, in terms of their own currency.

Unstable exchange rates seriously interfered with trade and the settlement of international balances during this restless period. In some countries importers were not permitted to purchase the dollars or pounds required to buy goods in the United States or England. In other countries, such as Germany, foreign trade was disrupted by the use of so-called multiple currencies. Germany also relied heavily on barter arrangements, saying to one country: "We will buy your coffee if you will accept our machine tools in payment," and to another: "You can have chemicals from us only in exchange for wheat." Barter, the primitive form of exchange, is at the opposite end of the scale from freedom in international trade. Other nations reacted to this with economic reprisals.

Cartels and preferred areas of trade followed and the world was split up into mutually exclusive economic units which paralyzed the circulation of money and goods.

Tensions grew. The democracies, burdened by domestic problems and incapable by their very nature of trading in this authoritarian manner, seemed weak and indecisive before the challenge. The Nazis and Fascists estimated that we were ripe for the picking. Backed by military might, they set forth to loot and enslave the world.

Caught by surprise and rocked back on our heels, we had to come from behind. While the thin line of our fighting men sought to stem the tide of aggression, we worked mightily at home to raise armies and equip them and give assistance to our allies until we finally fought back on even terms and are now going forward to complete victory.

Out of this grim and near-disastrous experience, we and other peace-loving nations have learned an unforgettable lesson. Peace does not just happen. We have got to build it, and that takes brains and brawn and spiritual faith beyond anything else that man has been called upon to do.

Even before the final defeat of Germany, the United Nations were meeting in San Francisco to establish a world organization to guarantee a lasting peace. Preliminary to this Conference, the nations had met on two separate occasions to lay the foundations for world security.

The representatives of 44 nations met at Bretton Woods, N. H., in July 1944 and drafted proposals calling for the establishment of two international institutions, namely, the International Monetary Fund and the International Bank for Reconstruction and Development. To simplify it, let us call one the International Fund and the other the International Bank. Although related in purpose, these institutions will perform quite different functions.

The fundamental aim of the International Fund is to promote the balanced growth of international trade. It will do this in three ways. First, it will stabilize the value of all currencies in terms of each other. Second, it will progressively remove barriers against making payments across boundary lines. Third, it will provide a supplementary source of foreign exchange to which a member country may apply for the assistance necessary to enable it to maintain stable and unrestricted exchange relationships with other members.

The fund is designed to prevent or minimize the possibilities of the temporary shortages of foreign exchange which sometimes cause nations to resort to violent nationalistic and discriminatory monetary practices, such as were common during the turbulent trade conditions of most of the 1930's.

In order to visualize what this fund is all about, let us imagine that each of the 48 States in this country had different kinds of money. From this we can see how difficult it would be to carry on trade between the States if these currencies were always fluctuating in value.

It is exactly that way in trade between the nations when currencies are unstable, but it is even worse when nations engage in the competitive currency practices, popular during the thirties, when, without notice, countries would alter the value of their currencies in surprise to gain temporary advantage. Imagine the dismay and loss of confidence by American businessmen who exported goods to Germany a few years before the war. Let us assume that the American businessman stood to make a profit of $1,000 on the contract shipment under the prevailing rate of exchange, only to discover that, overnight, that profit had been cut to $300 by a deliberate and fraudulent juggling of the exchange by the Nazi Government. The American would take the loss. There was nothing which he, the individual, could do about it. But he would not feel like trading with a German concern again. To that extent, the market for his goods and the employment of his labor were both curtailed.

During the between-war years, the simultaneous use of several different kinds of currencies was one of the favorite tricks of the Axis Nations. The value of special currencies was purely artificial, created and maintained to gain trade advantages by means which, to us, appeared unfair. Germany used a variety of special marks, some of which could be purchased at 3 or 4 to the dollar as against the official rate of 2½, to stimulate the export of goods for which the foreign demand otherwise would not have been great—wooden toys, aspirin tablets, or cheap manufactured goods. For such goods as cameras, optical lenses, and precision instruments she exacted all the traffic would bear in terms of foreign exchange. In certain instances "bargain counter" marks could be bought from American owners of frozen German bank balances which could not be withdrawn in cash. It was the Germans who got the bargain, however, since by this device they were able to force merchandise upon customers who otherwise might have bought elsewhere. Discriminatory practices employed by Germany were variously applied from country to country, and even from firm to firm, and extended to foreigners exporting to as well as buying from Germany. Inasmuch as these discriminatory practices obstruct the free flow of trade, members of the International Fund must agree not to resort to their use.

On the mechanical side, the fund is an international pool of $8,800,000,000 in gold and currencies which would supply central banks of member countries with such foreign currencies as they do not possess, owing to temporary shortages, with which to make possible payments for imports on current trade account.

The United States' contribution to the fund would be $2,750,000,000. It would have 28 percent of the total voting power as against 26 percent for the British Commonwealth. Other large subscribers are Russia, China, and France.

According to the Bretton Woods proposals, 44 nations invest more or less in a huge capital fund, according to their national wealth, and enjoy voting power in proportion. This fund would be used to supply limited emergency short-term credit to the participating nations.

Some bankers oppose the fund, claiming that it is too ambitious. They believe it is better to approach the problem through stabilization of the currency of key countries—through the American dollar, the English pound, and possibly a few others. Their theory is that if the dollar and the pound were kept in line, the other currencies would not fluctuate dangerously.

On this point, however, it is well to remember that in 1937 almost 75 percent of world trade was by countries other than the United States and England, and more than 75 percent of our own trade was with nations other than England and those under English control.

The essence of the proposed International Monetary Fund is that it would substitute order and stability for the dog-eat-dog attitude that has in the past characterized international currency practices. The fund's resources are to be used to aid members in meeting a temporary adverse trade balance of payments on current international account. When a member's balance turns favorable, it will repurchase its own currency from the fund with gold and foreign exchange. Thus the fund's resources will be continually paid out and replenished. If a member's adverse balance is not temporary but chronic, it will have to undertake corrective measures. The fund's resources are not to be used to finance a persistent deficit. Similarly, the fund's resources are not to be used to accumulate foreign balances or to make permanent investments abroad. Member countries are limited both as to the rate and amount of assistance they can get from the fund. So much for the International Monetary Fund as drafted at Bretton Woods. Now we come to the twin proposal for an International Bank for Reconstruction and Development.

The bank is designed to pool the resources and responsibility of the nations in meeting the valid needs of countries for loans with which to reconstruct war-torn areas, rehabilitate their industries, or promote general improvement in economic conditions. Whereas the fund attempts to knit the nations together by a single price structure and a money which is freely interchangeable, the bank advances a limited amount of capital resources in order that there may be a revival of production throughout the member nations. While both projects are novel in that they are based on cooperation on a world basis, they are in reality merely extensions of stabilization and banking techniques which have been tried out in more limited areas in the past.

The United States share in the proposed $9,100,000,000 capital of the bank would be $3,175,000,000, of which only a small part would need to be paid at the outset. Our share in the voting power would be 31.4 percent. The bank will be concerned with long-range productive international investment.

Factories, dams, power plants, transportation systems, and public buildings in the countries ravaged by war will have

to be rebuilt. Outside capital will be needed to help replace this wealth. Though the major burden of the reconstruction burden must be borne by the affected countries themselves, they cannot get started without certain items of capital equipment which have been destroyed by shelling, bombing, and pillage.

There are also the long-standing needs of certain backward and undeveloped areas inhabited by more than half of the world's population, notably the Far East and some of the Latin-American republics. These will need extensive investment by foreign capital in order that their resources may be developed. A full-scale and prosperous participation by these countries will help to solve their political as well as economic problems and thereby contribute to world stability in the difficult days following the war.

A few countries will emerge from this conflict with heavy industries in this group. The United States ranks first in importance. American investors in foreign securities remember only too well the epidemic of defaults that took place during the 1920's and 1930's. The bank seeks to eliminate these speculative risks and thereby encourage investment.

Though the reconstruction and development of other countries is necessary to a healthy world economy, the United States is primarily interested in bringing about an increased volume of investment for our own benefit. After this war we must strive for full employment and the full utilization of our greatly enlarged industrial plant. We cannot succeed in this, however, unless we can find new markets for our products. We cannot allow full-time war production to slacken off to part-time peace production.

Foreign trade depends upon imports as well as exports. We cannot expect another country to buy our goods unless it is able to sell its goods. For many years after the war certain devastated countries will need many years to rebuild their export industries. If other countries are to buy a large volume of productive machinery and equipment in the United States, American investors will have to lend part of the purchase money. In our own country we have learned that lesson. During the depression, when millions were unemployed, American business also suffered because it thereby lost millions of customers. However, when those men and women got jobs and became producers, exchanging the fruit of their labor with others through the medium of money, business picked up. It is the same in the international field. Other nations must be in a position to produce and sell before they can buy our products.

The American investor, once burnt, is now twice cautious. He will want some assurance that he is lending money on a sound basis. The bank would be much more conservative in its reserve-to-loan ratios than any commercial bank in the United States, the agreement providing for 100-percent capital, reserve, and surplus backing of all loans, guaranties, and participations. The bulk of the bank's business would be in guaranteeing private commercial loans, as not more than 20 percent of its capital could be used for loans of its own. The risk of seeing that investors are fully protected, therefore, will fall not on the investors, not even on any one country, but upon all of the 44 member countries. This is only fair, since all of the countries associated for the purpose of making the bank possible will derive benefits from an expansion of international investment.

The fund and the bank together are known as the Bretton Woods agreement. All kinds of nations have come together—the agrarian and industrialized; the primitive or technically backward and poor, on one hand, the wealthy and most advanced, on the other; even capitalists and Communists have sat down together to iron out differences in terms of overall world welfare. These plans will promote stability and security in financial and commercial relationships and hence remove some of the age-old differences that have led to war. At the same time they will help to open the way for increased trade and prosperity throughout the world. Our acceptance of the Bretton Woods proposals will mean to other countries that we are renouncing forever the policy of economic isolation and are leading the way toward financial cooperation with other members of the family of nations for the mutual protection and enrichment of all.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS of California. Mr. Chairman, victory in Europe has not altered the fact that our energies must still be directed in great measure to winning a war. But even as we fight Japan on land, and on sea, and from the skies above Tokyo, conditions in Europe are making all of us think seriously about basic issues of peace. We are aware that the same energy, courage, perseverance and devotion demonstrated by Americans in war must be dedicated to winning the peace. We are wondering about the various proposed international organizations. What will they accomplish? Will they insure peace? Will they prevent another war? Will they promote full employment? Will they help us to build a strong, secure, prosperous world where our children and our children's children can grow up in peace and prosperity?

Like many of my colleagues on both sides of the House, I have followed with keen interest the development of the Bretton Woods proposals.

One does not have to be an economic expert to understand that these proposals represent an attempt to find a substitute for the dog-eat-dog type of currency warfare that characterized the twenties and thirties. I might add that I am no military expert, either. But every woman is both an economic expert and a military expert in this sense: She has to make the family income meet expenses; she rears the sons that finally do the fighting and the dying in war. It is therefore natural that the women of America are for Bretton Woods. They know enough about finances and enough about war to want to be absolutely certain that we do everything possible toward the building of a stable world economy and thereby help to insure a permanent peace.

Peace—that is the part of the Bretton Woods proposals that means most to me. As I understand the proposals, they offer a big step in the direction of substituting international cooperation for destructive economic warfare. Here is what the fund and bank do:

First. They provide for consultation and collaboration in the solution of international monetary and investment problems.

Second. The fund sets standards for fair exchange dealings to help international trade.

Third. The bank encourages and helps to make possible sound international investment for productive purposes.

To me this means that nations will no longer engage in competitive currency depreciation. It means that no country will ever again be able to spread depression to other countries by resorting to unfair currency practices. It means that the United Nations are ready to substitute economic cooperation for economic warfare. It means that the United Nations are agreed on the necessity of building a sound economic foundation for peace.

The critics object to some of the features of the fund and bank. What are their objections? They say that the fund in particular introduces new and untried ways of doing things. Look who is talking. The fiscal architects of World War II. I can see no great objection to trying something new.

But, in fact, the fund does not operate in a new and untried way. The United States Treasury through the Exchange Stabilization Fund has made just such agreements with Mexico, Brazil, China, Cuba, and a half dozen other countries. Under these stabilization agreements, we have undertaken commitments amounting to several hundred million dollars, and we have never lost a cent. In addition, we have had a tripartite agreement with England and France. The international fund will operate under much the same safeguards as our own stabilization fund. The big difference is that it will be done through an agreement among 44 countries rather than an agreement between 2 or 3 countries.

Of course, the Bretton Woods proposals are not perfect; no doubt they will have to be amended. Why not? In order to be useful, an institution must be adaptable. But amendments ought to be based on experience. After the fund and bank have been in operation, we can tell what changes are needed.

The critics do not dare stand up boldly and say that they are opposed to international cooperation. They know that the people are on the other side. Out of the United Nations' gigantic war effort they have seen cooperation produce military victory. If cooperation is helping us win this terrible war, people are asking why in the name of common sense can't we use cooperation to win the peace. Cooperation means mutual benefit. That is what the bank and the fund seek to promote.

No, the critics are not willing to oppose cooperation outright. They say only that they want cooperation by some other means. And so they propose to

amend; they would write in reservations; they would wait.

But who is to be hoodwinked by these maneuvers? To be sure, they were successful a quarter of a century ago. I have too much faith in this House, which is close to the people and in this matter of international concern has a voice, to believe the critics, the yes-but boys, will ever succeed again.

In a book written by former Senator James E. Watson, he refers to a conversation between himself and another prominent Member of the Senate concerning the proposed League of Nations. He wrote:

"Senator," I said to him, "I don't see how we are ever going to defeat this proposition. It appears to me that 80 percent of the people are for it. Fully that percentage of the preachers are right now advocating it, churches are very largely favoring it, all the people who have been burdened and oppressed by this awful tragedy of war and who imagine this opens a way to world peace are for it, and I don't see how it is possible to defeat it."

He turned to me and said, "Ah, my dear James, I do not propose to try to beat it by direct frontal attack, but by the indirect method of reservations."

It is this "indirect method of reservations" that is being tried again today. Again, the people are for international cooperation, and again the people want to adopt reasonable and practicable instruments that will help to lay the foundation for a lasting peace and save our children from the horrors of future wars. That is what the men and women of America want.

But again the "ifs," "ands," and "buts" of the "indirect method" are beginning to take shape to thwart their desires.

We know what the ifs, ands, and buts mean: quite simply they mean another attempt to secede into isolation, another attempt to live apart from the rest of the world while seeking to dominate that world.

It is well to remember that this Congress may have the last chance of our generation to build a peaceful and prosperous world. I, for one, want to be able to look my children in the eyes 20 years from now.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BALDWIN].

Mr. BALDWIN of New York. Mr. Chairman and fellow Members of this House, I rise in support of this bill primarily on the same grounds that I supported the reciprocal trade treaties. It is not my intention to go into all of the important things involved so far as the future of this country and the future of the world is concerned, in creating one world not only in the ordinary terms of peace but also economically.

The opponents of this bill, and I believe they are very few, have made two statements which I want to take up briefly. In the first place they say that it gives this country away, and that it is so complicated that nobody can understand it anyhow. In that regard let me say this, that those very opponents who suggest that we should, of course, help the rest of the world by lending them money so that they can rebuild themselves are asking us to repeat the experience that we had after the last World War in which we ended the era holding the bag for some $11,000,000,000 which we never got back.

In creating this bank we join with 44 other nations in supplying the money for reconstruction, and we have them with us holding the bag for all this money, and that makes a great deal more sense and protects America and America's interests a great deal more, in my opinion, than the suggestion of the opponents that we blandly lend our money abroad as we did the last time.

The other, and to me the most sinister and most vital point that they make against this bill, is that we are giving money to countries who will use it to attack us at some future date. Fellow Members, let me say this, and I think it is very, very important. Most of you have children; sons and daughters. Some of you may have grandchildren. I have children. I have one of them with me on this floor today, a 10-year-old boy. Those people who today are suggesting that we prepare to fight another war because it is sure to come are betraying the interest of these young Americans, and I want no part of it. There is something very sinister being done by the people who are attacking this attempt to create one world. Their favorite point is to say that Russia is going to attack us some day and that we might as well prepare to fight her. I wish that somehow we could get through the heads of these people that ideology is one thing, to wit, Russia's ideology, communism, and that foreign policy is another thing, to wit, Russia's foreign policy. If they would take the trouble to read their history and study Russia's present foreign policy, they would find that Russia's foreign policy has not changed one single bit in the last 500 years. Russia has never attempted to invade Europe, but every time there has been a world war Russia has been invaded. I do not believe that today there is any chance that Russia has any desire to invade Europe, and I, as an American, am prepared to work with Russia for world peace, and anyone who has any children will feel the same way that I do. That does not necessarily mean yielding anything. I have no fear about the success of democracy or the success of capitalism and the success of our way of life if we set it up in competition with the kind of government and the kind of ideology that Russia has; but that is not what is involved in this.

Russia has a foreign policy which has always been the same, as I have said, and, in my opinion, much of what she is demanding she has a right to demand in order to protect her own borders and not again and again and again be invaded by Europe or some nation with whom she really did not know she had any quarrel.

That is something you have to remember, because if this kind of talk continues there will be built up in the consciousness of the American people a theory that we must fight certain enemies, and the first one they always mention is Russia. I tell you that such talk is a crime. We have passed the stage when certain newspapers and certain individuals have a right to go through the country—not that they ever did have the right—building up hatred and suspicion against our neighbors. It cannot be repeated. If my small son and my other son who is in the service have to fight another war, I will point the finger at those people and go to them and say, "You started this by stirring up trouble that did not exist."

I hope that we pass this overwhelmingly, and that in so doing we demonstrate to the world that this is not partisan, that it is not even national, that while we protect our own interests—and they are protected in this bill—we are prepared to go along with one world for peace and security.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of New York. I yield to the gentleman from Ohio.

Mr. BREHM. England has had the opportunity for several hundred years to keep the peace in Europe and has failed. Would the gentleman be willing now for Europe to go communistic if it would preserve the future peace of the world?

Mr. BALDWIN of New York. Mr. Chairman, I think the answer to that is self-evident. Europe will not go Communist if Europe is not starving, any more than Europe will go Fascist. If this country plays her proper role with the rest of the world, we need not worry about Europe's preference for democracy as against dictatorship or communism. That does not enter into this.

Mr. BREHM. I am not in any manner criticizing the gentleman's talk, nor am I criticizing Russia. I am honestly seeking light and information on this important question.

Mr. BALDWIN of New York. I realize that.

Mr. BREHM. However, I wonder if Poland, Lithuania, Latvia, Finland, and some of those other countries will not, regardless of whether or not we enter into this Bretton Woods agreement, eventually go Communist. Are they not even now under communistic control and influence?

Mr. BALDWIN of New York. It is my opinion that they are not and that they will not be. One of the most distinguished bishops in the English Church recently returned from a visit to Poland, and if you will read his quotations you will find that he says that what they are saying about the possibilities of Poland in that regard is absolute nonsense.

Mr. BREHM. I have talked to some church people who feel just the opposite. They fear destruction of the church by communistic influences.

Mr. BALDWIN of New York. As an ardent churchman, I do not talk to everyone in the church, but I have talked to a great many, and I think that most of them will sustain my point of view on this matter.

Mr. BREHM. I trust the gentleman is right.

Mr. BALDWIN of New York. I think I am.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN of New York. I yield to the gentleman from California.

Mr. OUTLAND. Does not the gentleman believe that the enactment of the Bretton Woods agreements, putting them into effect as they eventually will be, an international bank and an international stabilization fund, by lessening economic competition and lessening economic warfare, will help to prevent the very things the gentleman asked about a moment ago?

Mr. BALDWIN of New York. Such is my firm belief. Let us not forget that the fund is an important item in the very world trade that is so important to you and me as well as to the other nations. I happen to be a director of a corporation that occasionally does have to do business outside this country, and I can say that we do not like to pay a premium to the bankers in order to buy francs or sell francs or pounds or whatever the case may be, so as to be sure to get $10 worth of our selling price when we sell a product for $10. This fund is going to insure us against that.

Mr. BREHM. In reply to the gentleman from California, may I say that I have read the hearings carefully and I am undecided as to what I intend to do on the bill, so do not think I am up here opposing it. Again I say that I am simply seeking light and information in order to satisfy my own conscience before called upon to vote.

Is there anything in the hearings to definitely show that these funds cannot be used by these other nations to rearm and to prepare for war? I would like to have a "Yes" or "No" answer on that.

Mr. OUTLAND. I will answer, but I will answer in my own way.

Mr. BALDWIN of New York. Mr. Chairman, I will answer the gentleman's question. The answer is "No," they will not be able to use such funds for that purpose.

Mr. BREHM. They will not be able to use the funds for the purpose of rearming for war?

Mr. BALDWIN of New York. No.

Mr. BREHM. I thank the gentleman. His answer relieves my mind of one doubt.

Mr. OUTLAND. There are definite safeguards with respect to that. May I further say the two amendments added in committee definitely prevent what the gentleman is inquiring about.

Mr. BALDWIN of New York. That is right; and that is the reason for the amendments.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. HOCH].

Mr. HOCH. Mr. Chairman, I wish to address my remarks particularly to the Members of the House, who, like myself, are without extensive banking experience, and I imagine there are a few.

I do not understand the intricacies of banking. Now, what do I do when other questions come up concerning which I feel that I do not have sufficient information? This is what I do.

When I am confronted with a matter with which I am not familiar I must take the word of those who do know the subject and who have thoroughly considered it from an unbiased and unselfish standpoint.

I am convinced that those who represented the United States at Bretton Woods gave far more study to the subjects that were handled there than has anyone else before or since that Conference.

The decisions made there were not arrived at hastily. During 2 years preceeding the Conference representatives of the 44 nations there represented were consulting concerning the questions to come before that body. At the invitation of the President these representatives visited America and discussed these matters with our State Department and our Treasury Department.

Some of them remained here for more than a month, some a lesser time. All, however, sincere in their effort to prepare for the Conference to which all looked forward.

Finally the Conference was held. Again there was no semblance of haste. For 5 weeks those accredited representatives of the nations which are bending every energy to prevent future wars conferred and finally brought forth the plan as we have it before us, excepting that the committee has inserted a few amendments. Personally, I would have preferred the original plan. The representatives of the United States were unanimous in their support of this plan. They feel that it is workable and that it will prove a great blessing to each of the United Nations.

The Treasury Department, the State Department, the Department of Commerce, the Board of Governors of the Federal Reserve System approve it.

The National Foreign Trades Council, the American Farm Bureau Federation, and organized labor have endorsed it. The Independent Bankers of America endorse the plan.

If there still remained any doubt in my mind, it would be completely dispelled by the fact that the Pennsylvania Bankers' Association, by resolution, approved the plan in its original form.

Likewise the 11 banks of Philadelphia, by separate action, gave their approval.

When the Pennsylvania financiers take action it may well be considered the last word.

Yes, the American Bankers Association opposed it. However, that organization agrees with the objective, approves the bank, but is suspicious of the fund. Now with the amendments inserted this organization approves.

All those who favor the plan are unselfish in their interest. They support it because they feel it will be a long step toward the future peace of the world.

Those who appeared in opposition may well be suspected of having selfish interests. They seem to fear that it might interfere with their private banking enterprises.

Most of those who have been present at the hearings do not feel that this fear is well founded.

Now tell me—what must be the natural conclusion that one not versed in finance would arrive at?

Naturally he would say: "When practically all those qualified to pass upon the subject agree that the conclusions arrived at at the conference are sound, it must be so."

He would feel that about the only ones who are out of step are a few of the leaders of the American Bankers Association, for many individual members of that organization do not agree with those who appeared before the committee in opposition. And so I feel that the proper position for those of us who do not profess to know all there is to know about finance—the proper position for us to take is to support the plan as presented.

If there were no other reason why we should support it, the fact that those who have no ax to grind, no selfish interest to serve, are for the plan, should be sufficient reason.

There is no question but that the rest of the world is watching us now. Their hopes are pinned upon what the American Congress will do in this first step toward building a lasting peace.

Let us not disappoint them. Let us confidently take the lead. With faith in ourselves and faith in the nations associated with us, let us lead in this movement to bring about a safe, sane, sound economic world policy.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. Mr. Chairman, how can any person oppose the use of this opportunity to enter into concourse with the nations of this earth on a business-like basis assigning uncertainty as a reason and yet offering as an opposing plan nothing but the old rabbit's foot system?

Only a few short years and one war ago we took national action by the rabbit's foot system and the money thus loaned yet stands unpaid. By the Bretton Woods agreements we can participate in a fund. All nations that become a part of it have a common interest in its soundness and the general wisdom of its works. And if there is one country in the world which should be more eager than any other to employ this Bretton Woods plan in its dealings that country is the United States of America.

This is no poet's dream. This bill gets right down to business. It sets out a national advisory council on international monetary and financial problems to help guide and safeguard our agents on the fund and all who participate. And who compose this council? The chairman is the Secretary of the Treasury. Other members are the Secretary of State, the Secretary of Commerce, the chairman of the Board of Governors of the Federal Reserve System, and the chairman of the Board of Trustees of the Export-Import Bank of Washington, D. C. This should indicate the care with which our steps are being chosen. We remember the consequences of the rabbit's foot method that followed the other World War.

All whom I have thus far heard to oppose this plan have nothing to offer but the lonesomeness of the lost cause of isolationism.

Forty-four nations have agreed to follow the principle upon which H. R. 3314 is based. It has been studiously and carefully worked out for justice and parity. The agreement was measured by the relative wealth of the nations to

participate. Each shall participate according to its ability. Such justice in action cannot fail to make for amity. The fact that the United States' contribution runs high gives her strength above that of other countries but that comes as a natural consequence of her wealth. We should be the last Nation to make a point of this.

This will not solve all our postwar reconstruction problems but will stabilize money for world trade.

This will not prevent controversy and contention between countries with varied and opposing interests, but it will aid in providing an economic fabric and course by which countries can move in a more general direction.

This will not guarantee against a World War III, but it will supply a clearing house common to all participating countries with a tendency toward understanding instead of toward misunderstanding.

This will not provide that each country attends the welfare of every other country, but it will help keep the channels of trade open and provide a system for the handling of goods and products of trade.

This will not guarantee international goodwill, but it will provide a focal point for financial cooperation on an international basis.

It all bears many a promise. It is broader in scope and more unselfish in purpose than anything ever before advanced as a part of a monetary plan. It is something new in the world. It is the first time such an opportunity has ever come to the children of men and we cannot afford to let it pass.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, I rise to support H. R. 3314. My first reason for the support of this history-making proposal in world relationships and world cooperation is that it is conceived and designed for the high purpose and necessary essential of participation of the United States in the field of stabilization of currency as between the nations of the world. A reading of the history of the currency, investment, and banking experiences of the 1920's and 1930's clearly indicates that it is from this date henceforth absolutely necessary that there be multilateral or international cooperation and action in the field of international currency and international banking for the purposes of reconstruction and development along term loans to nations where private capital does not make the loan, instead of unilateral action and functioning as between two nations only.

This present bill before us is designed not only to create but to prevent the development of those currency, banking, and monetary destructive conditions which admittedly arose largely as a result of and out of the last World War.

Secondly, I support this bill because I am sure that present history and world relationships speak out with irresistible logic to the effect that there can be no lasting political cooperation as a result of the Conference at San Francisco unless there is a corresponding collaboration internationally in the economic, monetary, and currency field. The Dumbarton Oaks plan bespoke this necessity by the establishment of the economic and social council thereof; so, because admittedly the establishment of both the fund and the bank as proposed in this bill before us today is absolutely essential to the maintenance of political world collaboration, I vote for the bill.

Is there any question in the mind of any Member of this great body but that our Nation must immediately undertake the duties and responsibilities of being a world neighbor? Is there any question but that our great Nation has already become a neighbor in a world neighborhood? Is there any question but that this world neighborhood must either live together in neighborliness and neighborhood collaboration and understanding, or fight each other unto death or survival of the fittest?

Mr. Chairman, I say to you and the Members of this House that there is no security for our Nation if there is insecurity for any mass of people any place in this world neighborhood. There can be no economic soundness and security which endures in our Nation very long from this date henceforth, by our trying to live unto ourselves, if there is economic insecurity for any bulk of population in any part of the world. We do not have to live with all of those people in our own homes and within our own national boundaries; but, nevertheless, they also must live with reasonable economic soundness and security if we, too, are to have that measure of human happiness, health, and security for which our sons have died in this war.

Is not the investment of $6,000,000,000 relatively a small one in the light of the necessary objective of finding common ground with other nations, for enduring peace? Already we have spent about $300,000,000,000. Already hundreds of thousands of the flower of our youth have either already made the supreme sacrifice, or yet will be called upon to do so, I fear. What do dollars count compared to lives? Does any Member of this House measure his life or his son's life in terms of dollars? Do we think that any American parent has a less high or a less unselfish love for his son than do we for ours? You know they do not. Dollars do not count in the honest, sincere, and sound search for enduring world peace. This bill, gentlemen, actively and soundly reaches out for the absolute necessity of an enduring world peace. Wars must cease. We shall work and pray until wars do cease. God is a God of peace.

I challenge you to the proposition that this House shall now dedicate its time, its talent, its resources of mind and spirit to the desirable end that this present pending legislation, and all other legislation which comes before us, shall be required to stand the test of whether or not it aids in the setting up and carrying forward of collaborating in a world neighborhood, living in peace instead of another World War. This bill is designed to help prevent another World War; therefore I am for it. I am for a world at peace at honorable terms of world collaboration.

Is not the objective of all legislation the happiness, the health, the security, and the lasting welfare of humankind? Should not the ultimate objective of all legislation be to the end that the people of the world shall be aided and assisted in achieving happy and abiding progress? In the presence of the tragedy of this Global War, in the presence of the trials and tribulations of the peoples of the earth arising from this Global War, I cannot believe that there are very many people who will, knowingly, still continue to place huge pecuniary profit ahead of the happiness, health, and the prosperity of the masses of the peoples of the world.

Charge me with being idealistic if you will. I say to you that a person, a nation, and a world without practical idealism is lost. Let us not be afraid to emphasize that America is a nation founded on spiritual idealism. Let us not throw that idealism into the ash can, on the grounds it is too hard to keep and maintain in this world crisis, or in the new-world neighborhood. Those same spiritual forces which led our forefathers to these very eastern shores of our continent are the same continuing spiritual forces which deserve to and must continue to dominate our purpose, to the end that we shall legislate objectively and likewise soundly in all our legislation.

In these brief remarks I have not undertaken to discuss the technical or formal provisions of this bill for the reason that the members of this great Banking and Currency Committee have so ably done so. I compliment the committee on its resourcefulness and efficiency. I am very happy that the bill comes to the floor of this body with almost unanimous bilateral support—23 committee members for it and only 3 committee members against it.

It is inspiring to me as a new Member of this great body to listen to the bilateral speeches in support of this necessary international legislation. Never will we legislate with less reference to international relationships than we are this day. Finally, gentlemen, I urge most sincerely and emphatically that although we recognize that this legislation is not expected to totally solve the problem involved, it will be another foundation stone in the pathway to enduring world peace. Do Members of this House realize that during the past 5 years preceding the San Francisco Conference that there were almost 120 international conferences, committees, delegations of one sort or another in which our Nation participated? If you are not familiar, I specifically call your attention to page 4076 of the CONGRESSIONAL RECORD, May 2, 1945, in which I have inserted as part of my speech on amending the Constitution an imposing list of these conferences as prepared very cordially and thoroughly by our great Congressional Library. A perusal of this list will further convince you that world enduring peace is possible. It is practical idealism to place a further footstep in the pathway to enduring world peace.

This bill should be passed unanimously by this great legislative body.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. LAFOLLETTE].

Mr. LAFOLLETTE. Mr. Chairman, I am in favor of H. R. 3314, to provide for the participation of the United States in an international monetary fund and the international bank for reconstruction and development, which is the bill recommended by the Committee on Banking and Currency and contains certain modifications of H. R. 2211, the legislation originally introduced for this purpose. It is apparent to everyone who is acquainted with the feeling of the membership of this body that this legislation will pass with an overwhelmingly favorable vote. The vote on passage on this measure will not be so close that the affirmative vote of any one Member will be needed in order to assure passage. This being true, since I can not be present at the time of final passage and since it is highly probable that I will not be able to arrange a pair because of the preponderance of support for the measure, I have asked for this opportunity to state my position, the occasion for my absence and make a few pertinent observations with reference to the effectiveness of the democratic processes operating in this body as have been demonstrated by the work of the committee on this legislation.

As I have previously pointed out, the standing with reference to this legislation in this body, at this time, is so well known that the presence of any Member is not demanded in order to assure its passage. Under those circumstances I have considered it proper to permit myself to be absent on Thursday and Friday to witness the commencement ceremonies in connection with the completion of the high school course of my only child and daughter. I do not believe that, under the circumstances, any Member of this body or any of my constituents will feel that the need for my presence when the vote on final passage is taken, is so urgent as to justify my denying myself one of the privileges and pleasures of parenthood.

As the report of the committee points out, legislation for the purpose of implementing the agreements reached at Bretton Woods was originally started in the House through the medium of a bill designated as H. R. 2211. Almost immediately upon the introduction of this legislation, Members of Congress, including myself, were deluged with letters and demands from all sorts of people and organizations, few of whom had ever seen the legislation or had any understanding of the terms, demanding that we promise to support H. R. 2211 as written, without any amendments whatsoever. Consistent with the policy which I have adopted ever since I have been here, and which I shall continue to adopt, I refused to make any such commitments.

The Banking and Currency Committee, acting under the legislative processes presently existing in this Congress and in this body, proceeded to hold extensive hearings. As a result of those hearings and the intelligent, open-minded approach to these questions, a great majority of the committee considered that it was possible to amend H. R. 2211 so that the same could contain certain provisions, advisory in their nature and directed to the American representatives in the two financial bodies as to the position of the Government of the United States, particularly its legislative and executive branches, with reference to the operation of the monetary organizations established at Bretton Woods. As a result of the hearings and the cooperative effort of a vast majority of the members of the committee and certain branches of the executive department, a vastly improved piece of legislation was created, which is H. R. 3314, introduced and favorably reported by the committee, being the legislation which is now presently before this body.

The whole method of conducting these hearings and the intelligent, constructive approach to the subject evidenced particularly by the ranking Republican Member, the gentleman from Michigan [Mr. WOLCOTT], and those who supported him, and also by the chairman of the committee and the majority Members who evidenced their willingness to consider intelligent amendments to H. R. 2211, reestablishes clearly the possibility for the Congress of the United States to adequately perform the functions assigned to it by our Constitution. This result deserves the sincere and unstinted praise of every Member of this body, primarily because the history of this legislation, including particularly the results obtained, in my opinion, has done more to demonstrate the capacity of a democratic society, which considers its parliamentary institution as the cornerstone of its operations, to meet and cope with the complex economic problems which are confronting and shall continue to confront not only this Nation, but the whole world today and in the future.

Of almost equal significance is the politically courageous and intensely decent approach of the present President of the United States to this whole question of the legislative functions of this Congress under our constitutional system; certainly, on this occasion, this President has evidenced his belief in constitutional government in the intelligent and progressive sense of those words. Those of us who happen to believe that the terms "liberalism" and "progressivism" include the use of democratic means in attaining sound economic and social goals, if we want to be objective and decent ourselves, must express our approval of the thinking behind the letter which the President of the United States, on this occasion, addressed to the chairman of this committee, and at the same time to express our fervent hope that he shall retain, and, in fact, be permitted to retain, that attitude, despite the importunings of antidemocratic left-wing groups, antidemocratic so-called liberals and political opportunists who, in the past, have sought to preserve their own, often undeserved, position of importance upon the American scene or in government by riding on the coat-tail of a so-called leader whom they have built up, through the development of the leader complex in America, not in the interest of developing democracy in America, but for the purely selfish interests which I have heretofore set out.

As far as I am concerned, no matter how far-reaching in their economic effect the monetary agreements, which we shall approve in this legislation, may be, the methods and approaches which have been evidenced here by the members of this committee, by the various executive agencies, and by the President of the United States on this occasion will have a far greater significance and do more to preserve man's freedom and to establish man's individual dignity in the future, provided that their significance is recognized by all people of good will and good intention in this country, and that the pattern so established shall be followed as a guide for future conduct.

I wish that the opportunists, the emotional liberals, and left-wing pressure groups generally will also profit from this demonstration and in the future adopt more democratic means in attempting to present their support of measures to the Members of Congress of the United States and also to its Chief Executive, whoever he might be. I understand, however, that those people in America whose sole purpose is to establish an authoritarian state, through which they can implement their own personal superintelligent ideas and vent their own personal hates, will not be interested either in the possibilities of the democratic processes which have been demonstrated here or in the proposed change of conduct and approach which I have recommended. Since I presently enjoy their disapproval, I am not concerned with their reaction.

I believe more than anything else that the development of a Congress which is actually representative of the masses of the people of America, which is staffed and equipped to ably perform the policy-making obligation of the legislative body and which operates under rules which are fluid enough, not only to permit, but to require a submission of all legislation, calculated to reflect the demands of the people of this country for better material standards of living, to all of the Members of that body for debate and action, is the cornerstone upon which the expansion and development of the democratic way of life in this country must be built.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, the Bretton Woods proposals are now before the House. They have been the subject of a good deal of vigorous public discussion. Approval of them by Congress without the crossing of a "t" or the dotting of an "i" has been demanded by a considerable section of the population, many of whom, I am afraid, have little conception of what Bretton Woods is really like. They have felt and I believe with justification that the action of the Congress in the matter of Bretton Woods would be something of a test of our readines to cooperate with other nations in the building of a peaceful world, and so they have gone "all out" for Bretton Woods and have become extremely impatient with any questioning of the agreements on the part of anyone.

Much as I have admired the aims and purposes of this group of people and much as I wish their general attitude were that of the entire population of America, I do not feel that Congress is called upon to adopt the Bretton Woods agreement with its eyes closed nor do I think it wrong for Members of Congress to demand to know just what the implications and meanings of the agreement are. It is the duty of Congress to scrutinize all these proposals with the utmost care and while the decision should be decidedly weighted in favor of any move which will increase international cooperation and weighted against any action which would discourage it, it would be no service to the cause of international cooperation for us to agree to something which would not work or which would work to the detriment of the best interest of the United States or the common people of other nations.

On the other hand, Bretton Woods has been bitterly assailed by two groups of people. On the one hand, it has been assailed by a group of people with whose general position on monetary matters I find myself generally in agreement. These people have said that Bretton Woods represented an attempt on the part of the large international bankers to fasten their control more securely upon the economic life of the nations of the world. They have, I think, in many instances confused the Bretton Woods proposal with the Bank for International Settlements, which institution I have myself condemned in no uncertain terms and which institution was likewise condemned by the delegates to Bretton Woods, who called for its immediate liquidation. This group of people in opposing Bretton Woods has failed to see that, unlike the Bank for International Settlements which was set up not by governments but by private central banks, the whole machinery of Bretton Woods will be in the hands of governmental representatives of the nations selected by responsible political heads of those governments and not by self-appointed private bankers.

Another group which has attacked Bretton Woods is the big bankers themselves. Unlike the other groups to which I have made reference, this group has not, I think, attacked Bretton Woods because it did not understand it; rather it has attacked Bretton Woods because it did understand it. It is significant that the Independent Bankers Association has endorsed the entire Bretton Woods proposal. But the opposition of the great international bankers to Bretton Woods has stemmed from the fact that they see in it a proposal which for the first time in all history would take from them the opportunity to manipulate international monetary movements for private gain and without reference to the effect of such movements upon the economic well-being of millions of people within the nations of the world. Under the old gold standard it was always possible for the international financial fraternity to buy and sell currencies of nations, to move quantities of gold back and forth across national boundary lines, and thus to increase or decrease the only recognized base for money and by such means to reap huge profits while at the same time causing economic convulsions in the different countries. As I see it, under the Bretton Woods agreement, such things would be far less possible than they have been in the past, if, indeed, they would be possible at all.

My own position on the Bretton Woods proposal has not been an easy one to arrive at. In my judgment there are some things the matter with Bretton Woods. From my own point of view there is in the agreement too much recognition of a certain ancient superstition which runs somewhat as follows:

> There is only one thing in all the universe which is capable of affording mankind a proper medium of exchange, and that one thing is gold. The Almighty, Himself, has so planned it that gold miners would discover gold at the same relative rate as the rest of the society of the world was increasing its production of real useful wealth. Money not based upon gold is no good; and, however much economic suffering and distress it may cause, money which is based upon gold is good money. It is altogether proper for mankind to wager its whole existence upon the bare chance that the supply of gold will increase in the same proportion as the supply of goods and that by some mysterious means the gold will become fairly and equitably distributed both among the nations and among the various elements of population within the nations.

I should like to have seen Bretton Woods come before us as a real declaration of the adulthood of mankind with all reference to this gold superstition stricken from it. I believe it would have been far, far better to have provided for the original valuation of the currencies of the nations in terms of a selected list of basic commodities of general use throughout the world than to have valued such currencies in terms of gold. For, had that been done, it would then have followed, as night does day, that action taken by nations to maintain stability of exchange ratios would necessarily have been the same action as would have been required of those same nations in maintaining a stability of buying power of their money in the domestic markets of their own countries. Even as it is, however, it is a fact that neither the agreement for the International Monetary Fund nor the agreement for the International Bank for Reconstruction and Development contains provisions which would rob any nation of the freedom to manage its own monetary system as it sees fit. Neither agreement would prevent a nation from expanding its monetary supply in order to combat unemployment and deflation. Neither agreement contains any provision which would prevent contraction to combat inflation. Neither agreement presumes to say what any nation shall use for money. Neither agreement contains any requirement compelling any nation to maintain any particular sort of metal reserves.

I think it a matter of the greatest importance that before the House votes on Bretton Woods we have clearly in our minds some of the things that Bretton Woods will not do. Bretton Woods will not solve the basic economic problem of free societies like the United States. It will not even affect the all-important core of that problem. It will not solve the unemployment problem. It will not even provide any assurance of international monetary stabilization. In a certain very fundamental respect the fact that we are acting on Bretton Woods at this time is a definite case of putting the cart before the horse. These statements obviously require considerable further explanation. We have had full employment during the war in the United States. We never had it before. The reason for this difference is clear upon a moment's reflection. Full employment during the war has been due to the fact that there has existed an unlimited demand backed by the money to pay for all the goods that America could produce. The solution of the unemployment problem and all the related pattern of problems which has afflicted our country and other countries similar to it is to be found in the maintenance of a high-enough level of demand to afford a market for a volume of goods and services equal to what this Nation can produce. That same rule applies to every other Nation in the world. And if any Nation in the world fails to afford this full market on the part of its own people for the equivalent of its own full production when all its people are employed, it will inevitably contribute to the next world-wide depression and possibly to another war. Bretton Woods cannot solve this problem for us. It remains the field of the most important domestic policies by far which we must develop in this Congress. Foreign trade cannot solve unemployment problems. It can only postpone them. For however much foreign trade a nation may have the basic question is whether or not its people possess sufficient buying power to purchase what that nation can produce at full employment minus its exports plus its imports. An attempt to solve the unemployment problem by dumping exports abroad without accepting corresponding imports is equivalent to attempting to throw the unemployment problem into other countries and this policy will inevitably set in motion the chain of events which led directly to World War II. But foreign trade is important because it can be the means of raising the standard of living of millions of people in various countries of the world. Some foreign trade furthermore is essential to our own country and even more essential to many other nations which are far less self-dependent than we. Assuming therefore that some foreign trade is necessary and that from the point of view of raising standards of living it is highly desirable, it becomes very important that that foreign trade be conducted in such a way as to make for peace rather than for conflict. To this end it is my belief that Bretton Woods can make a real contribution, for the Bretton Woods proposals can, and I believe, will put international exchanges for the first time on an orderly basis, bring them out into the light of day and take control of them away from private manipulators and place it in the hands of representatives of the governments of the world.

A moment ago I said Bretton Woods could not even bring about an international monetary stabilization. What I

meant by that is this: It is true that under Bretton Woods exchange ratios between the money of different countries would be kept at a reasonably constant figure, or to put it more accurately, changes in such ratios would be brought about in an orderly, understandable way, and only because there were sound reasons for them. This is another of the strong arguments in favor of Bretton Woods. However, true stabilization depends ultimately upon each nation in the world achieving a sound monetary system within its own boundaries. It will do comparatively little good to maintain constant exchange ratios between the money of different countries if each of those countries permits inflation and deflation to take place within its borders. If for example the dollar and pound are kept in constant ratio with one another through the years, and if steps are not taken to see that both the dollar and pound purchase from year to year and decade to decade approximately the same amount of real wealth within the borders of America on the one hand and England on the other, we will only have a condition where a couple of balloons will be rising and falling in the air, rising and falling together to be sure, but rising and falling nonetheless with bad consequences for both nations.

Half of the Bretton Woods proposals has to do with the establishment of the International Bank for Reconstruction and Development. From the point of view, which I personally hold, of money and human societies there ought ideally to be no necessity for international lending. Each nation should have a monetary system which would enable it to capitalize on its own motion its own capacity to produce and would thus render it unnecessary for that nation to borrow money abroad. And when we consider that ultimately the only way in which debts can be paid by a country is out of production, it becomes quite evident that any nation can save itself untold amounts of money if it provides for the advancement of necessary funds for its own development by its own national action, thus in effect owing the money to itself instead of to foreigners.

However, I am realistic enough to recognize that the achievement of this sort of monetary system is not a matter of the immediate present. I must see that in the immediate postwar future there will be international lending and that the old monetary system will continue to be used probably in most of the world. Under these circumstances, international loans will be called for for the very purpose set forth in the Bretton Woods agreements, namely, for reconstruction and development of nations which have either been devastated by the war or whose economies are generally termed "backward" ones. And so from what I must admit is the immediate practical point of view, I am in support of the proposal for the International Bank for Reconstruction and Development as an alternative vastly to be preferred to what we will otherwise get. The setting up of this bank under the control of representatives of the various nations of the world would go a long way toward putting an end to the sort of control that private financial houses have in the past exerted over sovereign nations. Ever since the Middle Ages international bankers responsible to no one but themselves have, as a condition of lending money to weak or backward nations, imposed conditions which in effect constituted a violation of the sovereignty of those nations. Nation after nation has been compelled to go to the big bankers of Paris, London, Berlin, Tokyo, or New York and ask on bended knee to be saved.

The International Bank for Reconstruction and Development, if agreed to by the nations, would be run not by private international banking houses but by representatives of the governments of the participating nations. Under the terms of the agreement, this bank would substitute decent low-interest loans made only for the purpose of developing the productive capacity of the borrowing nations for this old system. These loans could either be made directly by the bank or the bank could guarantee loans made from private sources under conditions and terms approved by the bank. The repayment of such loans would have to be guaranteed by the governments of the borrowing nations and would in turn be guaranteed by the International Bank—thus removing the possibility of the United States going through the same experience as it did after the last World War, when most of the loans made by this country were never repaid.

The agreement provides that if money were loaned to some nation, let us say, to China, for the construction of a dam, a railroad, or a power system, it would be made available to her only as the actual work for which the loan was made progressed. Thus, it would be possible to make certain that the money was actually used for the purpose for which it was supposed to be borrowed.

The importance of the low interest rates provided for is impossible to overemphasize. For this means that the rate of interest on the loan would be low enough so that out of the increased productive capacity and general prosperity of the borrowing nation the loan might be repaid without undue burden and without setting up a vicious spiral necessitating the borrowing of more and more money and the constantly increasing indebtedness of the nation in question.

The kind of loans proposed to be made by this International Bank are, I submit, the only sort of loans which could conceivably make possible an improvement in the international economic situation in which our own country finds herself. America desires to have a high level of exports. At the same time, we are a creditor nation and presumably we want our loans to be repaid. We desire also to maintain a merchant marine of considerable magnitude; and if we do so, it will, of course, mean that payments formerly made by us to foreign countries for shipping services, and thus affording a market for our exportable goods, will be no longer made, and our export market will, in the absence of counteracting forces, be correspondingly reduced. Loans whose purpose is to enable the debtor country to buy consumable goods from the creditor never have and never will be of the slightest advantage to a creditor seeking to expand its trade. For the debtor must repay with interest, and to do so must reduce in the future its imports from the creditor to a point below its exports to the creditor. Only loans which actually increase the productive standards and the living standards of other nations, and thus remove America's natural fear of imports produced by woefully underpaid workers, can help to correct the dilemma in which our foreign trade will otherwise find itself. Again, only loans of this character can promote international peace and good will. And since they will be made by an international institution, it will be impossible for them to increase the strangle hold of any one wealthy nation over the internal life of borrowing nations.

It is true most of the loans would probably be made with private money, but the terms, conditions, and the guaranty would be fixed and made by the Bank for Reconstruction and Development.

I now come to a discussion of the International Monetary Fund. By way of introduction to this portion of my speech I want to lay down a few principles which in my judgment must increasingly guide the thinking of Americans on matters of international trade. America has grown up with the idea that if exports out of our country substantially exceed imports we have what is called a "favorable balance of trade." In other words what we have learned to desire to do is to be able to work very hard and to produce a lot of goods and then sell them abroad but to refrain from buying from abroad anything like a similar volume of goods for the benefit of our own people and their standards of living. It is perfectly plain and it was dramatically demonstrated to us over the past few years that the only circumstances under which a nation can pursue such a policy are two. First, if it is a debtor nation and must pay considerable sums of money in interest and principal to foreign creditors. This is the condition in which the United States found itself through most of the nineteenth century and this is probably the reason we got this idea about favorable balances of trade. The only other way in which a net export surplus can be maintained is by accepting payment either in gold, in the capital assets of other countries, or in promises to pay which are never made good. We have had all three of these experiences. I am afraid there are some people who think that we can go on indefinitely acquiring the capital assets of other countries as a means of paying us for exports which we give other nations no other means of paying for. I am certain that in the present temper of the world that this is an utterly impractical thing to depend upon.

I just do not believe that there is any nation on earth which is going to see its capital assets pass into foreign ownership without doing something drastic about the situation. Furthermore, it will do the common people of America exactly no good at all to have American capital own plants, factories, and mines in foreign countries, thus putting itself

in a position to undersell its own workers here in the United States.

The most important method by which we obtained payment for our excess of exports over imports in the period between the two World Wars was by accepting gold in payment. We got plenty of gold. Indeed, we got so much that when our delegates went to Bretton Woods they were up against a very difficult dilemma. If this gold was going to be worth anything at all, it was necessary to get the other nations to recognize it some way, but they could not obviously be expected to recognize gold unless they had at least a little of it. The net result therefore of this idea of having over a long period of time an excess of exports over imports is that you get a "Fort Knox" somewhere all full of gold and then you have to figure out some way to give it away to other countries so that you can start all over again with the same process. It all seems a bit silly to me and it brings us back to the fundamental point which is that the only way over the long pull that a nation can expect to sell is if it buys to a corresponding volume to its sales. Other countries can and will make payment to us for American goods if other countries are able to sell their goods here. And we must write it down in very big letters indeed that if we want to restrict imports we have got also to restrict exports and that the constructive way to restrict exports is to increase the buying power of our own people here at home so they can purchase, in raising their own standard of living, an increased percentage of what America herself produces. Otherwise, if we want a large volume of export trade, we must be prepared to have a corresponding volume of import trade.

The success of Bretton Woods, therefore, and the solution of all problems of foreign trade as well as the solution of the central problem which we absolutely must solve, namely the problem of full employment here at home—all of these come back again to the fundamental matter of maintaining an American market which is in balance with American production. All other nations will benefit by such a policy as well as ourselves for the American market is the best market by far in the whole world and upon other nations having a chance to share in it will depend to a considerable extent their opportunity for economic recovery, and hence their chance for stable political institutions.

A healthy international trade is one in which all participating countries achieve over long periods a reasonable balance between their exports and their imports. A situation in any given country which departs radically and for long periods from that balance is likely to be an unhealthy one for that country and for the rest of the world. It is not difficult to understand that if a country, for example, pushes its exports and restricts its imports to the point where every year it is maintaining an enormous outflow of goods relative to its intake of goods, then some other country, or countries, must be taking in those goods in much larger quantities than they are exporting their own. As a result they are having to pay out much larger sums of money than they are taking in. Eventually they are going to run short of money. When this occurs, if the creditor country then proceeds to loan tremendous sums of money to the debtor countries in order to help them finance the purchase of its goods, and at the same time refuses to take their goods, it is only making the situation worse. What it amounts to is this: the country in question is exporting its real wealth and taking, in exchange, money which is only of value in purchasing more real wealth. But instead of using it to purchase commodities which would be useful, this country, by tariff barriers and other means, says in effect to its debtors, "We do not want your goods—your real wealth—we will accept only your money." In the long run a country which pursues this policy may be depriving its own people of goods and services which they themselves have produced and could use, as well as useful goods from other nations.

From the over-all point of view of world trade, this policy will result eventually in a state of imbalance in which one country holds a preponderant share of the gold in the world. International trade cannot successfully function if one country holds most of the prevailing medium of exchange. Therefore, if we in the United States insist on, and enforce by artificial means, a so-called favorable balance of trade, we will only aggravate the present unbalanced situation.

Here, in my judgment, we come to the most important arguments for the Bretton Woods International Monetary Fund. For the impact of the Bretton Woods agreement would be to encourage the nations of the world to bring their export and import trade into balance. It is true Bretton Woods could not force this to take place nor do I believe that it would be at all right to give this international agency the power to force any nation to adopt policies against its will, but the influence of Bretton Woods so far as it would go would be in the direction that I have indicated. The whole philosophy of the operation of the International Montary Fund is that exchange rates between nations shall only be altered when sound reason for such alteration appears. And the sound reasons are in every case, so far as I am able to determine, grounded in the existence of what, for want of a simpler term, is known as a fundamental disequilibrium. What the authors of the proposal mean by fundamental disequilibrium is exactly the sort of thing I have been talking about in the last few minutes. They mean a condition where a country's exports over a long period of time greatly exceed its imports or where a country's imports greatly exceed its exports.

Some of the opposition to Bretton Woods has been based upon expressions of fear as to what would happen in case the United States dollar might be declared to be a scarce currency. Under the agreement, if American exchange became scarce certain measures would be taken to give all the members of the fund a fair share of the dollar exchange available. Of course, the way in which the dollar would become scarce would be because the United States was constantly exporting much more than it was importing and thus draining the supply of American exchange out of other nations. The effect of the operation of the fund, therefore, would be to try to induce our country to stop depriving our own people of goods which they on the basis of their production were entitled to. What I mean by this is that if we at one and the same time fail to expand the buying power of our own people for goods produced in America and also refuse to admit imports to balance our exports we are in effect saying that the people of America shall not be able to consume as much as they produce. Bretton Woods at that point would say, "Your policies are wrong and should be adjusted." They could not compel the United States to change its policies, of course, but what they could do would be to say that in the absence of enough American exchange in the world each country shall have its fair share of such exchange. This in effect would be notice to the United States to increase the buying power of our people here at home. That is all we would have to do to change that situation. For increased buying power at home would afford a better market for the goods of other countries and more important would afford a better market for our own goods, thus helping to adjust the balance between exports and imports.

The International Monetary Fund proposed at Bretton Woods will not bring about a rigidity of exchange rates. On the other hand it would bring about a situation where changes in exchange rates would take place on a controlled basis and in accordance with sound and far-sighted policies. Bretton Woods does not set up the rigidity of the old gold standard and I am very thankful that it does not. For as Fortune magazine stated in September 1944:

> It was the essence of the old gold standard, to which most nations tried to repair after World War I, that internal price levels and fiscal policies should be adjusted to maintaining rigid exchange rates. After this war the reverse philosophy will prevail. All nations, including our own, will put domestic employment and freedom to expand or contract their own internal economies first on the agenda.

And Lord Keynes in explaining the operation of the fund has said this:

> We have already dethroned gold as the fixed standard of value. The plan—for the international monetary fund—not merely confirms the dethronement but approves it by expressly providing that it is the duty of the fund to alter the gold value of any currency if it is shown that this will be serviceable to equilibrium.
>
> In fact, the plan introduces in this respect an epoch-making innovation in an international instrument * * * for instead of maintaining the principle that the internal value of a national currency should conform to a prescribed de jure external value, it provides that its external value should be altered if necessary so as to conform to whatever de facto internal value results from domestic policies, which themselves shall be immune from criticism by the fund. Indeed, it is made the duty of the fund to approve changes which will have this effect. That is why I say that these proposals are the exact opposite of the gold standard. They lay down by international agreement the es-

sence of the new doctrine, far removed from the old orthodoxy.

What we really have under Bretton Woods is a new monetary standard among the nations. It is a multilateral standard based upon the currencies of different countries. It removes the halo of sanctity which has surrounded the gold stndard under which standard creditor groups throughout the world have always been prepared to subject their own country and other countries to deflation with falling prices and growing unemployment rather than to sanction a change in monetary policies to accord with the truth of industrial and economic conditions.

What Bretton Woods seeks to accomplish is the maximum exchange stability which is consistent with national and world welfare but which also contains enough flexibility to protect the economies of the nations from the chaos of deflations which periodically have occurred under the gold standard. Under Bretton Woods we would not have the extreme rigidity of exchange rates which has prevailed in the past, which over the long pull could not be maintained, and which therefore has periodically and suddenly broken down thus causing economic convulsions in various parts of the world. But Bretton Woods provides controlled change of exchange rates and their orderly management so as to make it impossible for a country to artificially change its exchange rates in order to gain an unfair advantage over other nations in the markets of the world. Any nation under Bretton Woods can make a change of 10 percent in the exchange value of its money without the consent of the fund and simply by informing the fund that it intends to do so. Nations which can show that they have a "fundamental disequilibrium," in their economies can secure permission from the fund to make further changes in order to adjust that fundamental disequilibrium. But no nation having advantage of the use of the fund could do what Germany did in the years just before the war, namely, trade on the basis of blocked balances which would compel another nation selling to it to purchase in all cases an equivalent amount of its own goods. Neither could any nation discriminate in the matter of exchange rates by giving one nation a more favorable rate than that given by other nations. We ourselves have had experience where certain nations have done this in the recent past.

The principle of the fund is to assure each nation that if it maintains a reasonable stability and exchange value of its money and does not try to take unfair advantage of other nations, then it can obtain through the fund reasonable amounts of the money of the other nations for the purpose of carrying on its trade. Thus all nations, great and small, would know that they need not fear that artificial barriers would be placed against their trade in the future.

Nations needing foreign exchange for legitimate trade purposes would be able within certain limits to purchase the currencies of other countries with their own currency. This I submit, Mr. Speaker, would contribute greatly to the feeling of security of the smaller nations of the world. Insofar as our own country is concerned it is my judgment that by the acceptance of the Bretton Woods proposals, we will be working toward the only really sound basis for American trade on the one hand, and toward an orderly method for the building of a healthy functioning world economy on the other. Of course, it is possible for any nation to withdraw from the fund at any time it sees fit. There are no restrictions upon the right of a country to do this and therefore by our approval of Bretton Woods we are running no real risk, so far as I can see, particularly since America has become undisputably the economic center of the world.

It is true we will not create a creditor's paradise by means of Bretton Woods such as some of our financial people in this country seem to want. But that creditor's paradise has turned out enough times to be a veritable hell for the common people of the nations of the world, so that I do not honestly believe it is a result to be desired.

Bretton Woods represents the first official recognition that gold is not necessary as the backing of the money of nations and as such I believe it represents a most important forward step. Bretton Woods recognizes that international monetary movements should be controlled by the cooperative action of representatives of the governments of the world and not by private individuals for private gain. It recognizes that international exchange rates should be adjusted in orderly fashion for domestic needs and domestic policies that will promote full employment.

Bretton Woods will not create the kind of monetary system in the nations of the world, our own included, which I have worked for through the years and for which I will continue to work. But I do not think that Bretton Woods will set that cause back. On the contrary, I think it will generate sound influences for putting international trade on the kind of basis where it belongs, namely, on the basis of a balance between the exports and imports of different countries. Before I close, let me emphasize once again that the one thing which America could do which would be most certain to bring about the very result sought by the International Fund agreement, would be for us to resolutely maintain the highest practicable national income, full employment of our people and resources, and a full home market for an amount of goods and services equivalent at least to what we ourselves are able to produce if all our people and resources are reasonably employed. Indeed, none of these plans will be successful unless America does this. For to the extent that we were foolish enough, short-sighted enough—I was about to say cruel enough—to permit a period of depression and unemployment to engulf our Nation—to that same extent our own home market would become inadequate to absorb even our own production. We would begin, as was done by every industrial nation in the war-breeding period before this conflict began, to seek desperately for export markets, to shut out imports, to take measures which would lead to further a flow of gold into this Nation in exchange for exports, and do all the other things which lead ultimately only to economic disaster and, in the present instance, to war itself.

The whole impact of the fund agreement so far as our own country is concerned would be to encourage us to resolutely keep the volume of active purchasing power in our country at a level high enough to provide not only a market for what we can produce, but a market for a volume of import goods equivalent to the value of the exports which we, of course, earnestly hope to make.

Returning once again, however, to the core of this great question and its overall aspect, I have no opportunity to choose between exactly what I want, on the one hand, and Bretton Woods on the other. My choice instead is between Bretton Woods, on the one hand, and the kind of economic and financial chaos which swept through the world in the period between the two World Wars. The outstanding fact about the economic conditions during that period was that on all sides artificial scarcity was being brought upon the peoples of the world. Our own country tried to combat it in various ways, but to be perfectly honest we no doubt contributed to it in some other ways.

Bretton Woods, in my opinion, will work against anything of this sort, not ideally I agree, but it will at least set in motion certain influences in that direction.

Bretton Woods will be the outstanding attempt at international economic cooperation thus far in the history of the world. It contains sufficient flexibility and sufficient safeguards against any attempts to control the domestic policies of the nations, either their monetary policies or other policies, so that I do not believe it dangerous for America to adhere to it. As I have said we are not by our action on the Bretton Woods proposals establishing the kind of scientific monetary system which one day the world must have, but, on the other hand, should the stated objectives of the Bretton Woods proposals be realized, more especially should some of the basic conceptions contained in it grow and expand through the years, then it may well be that we will look back upon the action taken by the American Congress on this occasion as an important forward step along the sometimes slow path of human progress.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, I intend to support this bill.

H. R. 3314 provides for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, growing out of the agreements entered into at the Bretton Woods Conference. H. R. 2211 was the original bill designed for this purpose, but after the hearings ended certain clarifying and strengthening amendments were adopted by the Committee on Banking and

Currency of the House which were incorporated in the legislation, and a new bill, H. R. 3314, was reported by the committee.

The purpose of this legislation in its broad outline is similar to the objectives of the San Francisco Conference; namely, to provide blueprints, working agreements, and commitments between the nations of the world in order to insure a lasting and enduring peace and to that end to stabilize the currency of the several nations and to provide for world trade and insure a stable economic world. The San Francisco Conference is concerned largely with political objectives, whereas the Bretton Woods Conference concerned itself with economic problems.

In order to understand the purposes of this legislation it is helpful to consider its background and the proceedings which led up to the Bretton Woods agreements. More than 3 years of careful preparation was taken before the Bretton Woods Conference took place. In 1941 the Treasury of the United States, through its technical staff, prepared a memorandum on postwar monetary and financial problems and recommended the establishment of an international fund and an international bank. Later in 1942 the President was instrumental in securing a committee composed of a number from Government departments and agencies to work on these proposals. In 1943 tentative proposals were considered by the finance ministers of some 30 countries and as a result in April 1944 a joint statement of principles of the stabilization of an International Monetary Fund was published.

In July of the same year the United Nations Monetary and Financial Conference was called in Bretton Woods. It is believed by students of these world problems that a sound foundation for peace must provide for sound economic relationships between the nations of the world. The Dumbarton Oaks plan recognizes this and provides for the establishment of an Economic and Social Council through which countries can cooperate in securing sound economic and social conditions conducive to maintenance of world peace. It is the purpose of the establishment of the fund and the bank as provided in this legislation to set up machinery for the proper functioning of economic and social controls. We in this country several years ago set up our exchange stabilization fund and for many years the United States has proceeded on the policy of promoting international cooperation for the maintenance of exchange stability and the elimination of restrictions and discriminatory exchange practices.

To bring this about we have heretofore entered into various agreements with other governments; notably in 1936 we were party to the tripartite declaration with Great Britain and France, which later Belgium, the Netherlands, and Switzerland joined. All of these agreements, however, were only a partial solution of the problem of international cooperation and exchange stabilization and involved only a few of the countries making up the family of nations. It is the purpose of this proposal in establishing the International Monetary Fund and the International Bank to bring under the terms of one agreement all of the nations of the world insofar as possible. If this bill is adopted by the Congress and approved by the President, it will provide for the participation by the United States and 33 other nations in these two world agencies.

The International Monetary Fund has for its purpose international cooperation and collaboration on international monetary problems. It sets up general agreements on international currency problems and practices. Among its objectives are the promotion of exchange stabilization, the ultimate elimination of exchange restrictions on current international transactions, and outlawing the use of such weapons in economic warfare as multiple currency devices and other discriminatory exchange practices, including cartels and embargoes. The fund will have resources of $8,800,000,000, which can be used under limitations and restrictions to maintain stable and orderly exchanges. The United States portion of the fund will be $2,750,000,000.

The International Bank for Reconstruction and Development has for its objective the providing of a vehicle for sound international loans to countries in need of foreign capital for the reconstruction of industries devastated by the war and for the development of their resources. Its main function will be guaranteeing international loans made through private investment channels. In some cases the bank is authorized to make loans on its own account from its own resources and out of funds raised by the sale of its own securities. These powers, however, are hedged about by limitations and restrictions intended to preserve the integrity of the fund and to prevent any one country from making improper use of the fund, not in line with the objectives sought to be accomplished by it. It is not the purpose that the United States shall play the role of Santa Claus in this undertaking.

Mr. Chairman, during the hearings some criticisms against the proposal developed and the Committee on Banking and Currency adopted certain amendments to which I have referred, designed to meet these criticisms. Two of these are set forth in section 13 of the bill, which directs the governor and executive director of the bank appointed by the United States to obtain official interpretation in certain respects and if the interpretation of this country with respect thereto is not upheld, to propose amendments of the articles of agreement so that the interpretation of the Governor will be put into force and effect.

All of us without exception, feel that the lives and resources of our country expended in the prosecution of this great conflict, World War II, will have been in vain unless the nations of the world join together in an effective organization to prevent, so far as humanly possible, another world war and to provide a stable and enduring peace, including the maintenance of stability of exchange, the elimination of restrictive and discriminatory trade practices which lead to jealousies and disagreements and ultimately to war. This legislation is designed to put the United States definitely on record as willing to take its part in world cooperation for political and economic peace. For these reasons, Mr. Chairman, I shall vote for the bill.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. BIEMILLER].

Mr. BIEMILLER. Mr. Chairman, recently the Wisconsin Legislature unanimously passed a resolution endorsing the Bretton Woods Agreements. The resolution was sponsored by members of all three political parties represented in that body.

I am convinced this action was taken because the legislators of our great State recognize the overwhelming sentiment of the people of Wisconsin to abandon isolationism in all its forms.

All Americans can see now, as we did not see after the last war, that bringing the enemy to his knees is not enough. We know that victory does not insure the peace, that it does not solve the complex economic problems that always follow in the wake of a great war.

On the contrary, in the victorious war of today lie hidden the germs of another depression. We realize this danger now and we are trying to do something about it. That in itself is a cause for hope and encouragement.

One of the great lessons that we as a Nation have learned in recent years is that in order to sell in world markets, a nation must buy in world markets. We have also learned that our most profitable trade is always with countries that have advanced methods of production and relatively high standards of living. And we have learned that policies colored by political and economic isolation are not only bound to fail, they are bound to end in disaster.

Our growing national awareness of these facts of political and economic life is a sign, and a most encouraging one, that we are determined to cooperate with the other United Nations in building a lasting structure of peace and prosperity.

It is just as well to keep reminding ourselves, however, that we as a nation got our schooling the hard way. We must keep reminding ourselves that political and economic isolation can never solve problems. They simply neglect them.

The experience of the 25 years since the close of the last war, with all its glittering promise at the outset, followed by unemployment, and the ultimate disillusionment of war—that experience we must not, we dare not, repeat. To make sure, we must face postwar economic problems boldly. We have before us in the Bretton Woods proposals a great opportunity to take an affirmative step toward carrying out that determination—an opportunity to help get political security through economic statesmanship.

No one contends that wars and depressions can be warded off by passing a bill in this Congress. It is apparent to most of us, however, that H. R. 3314 is a measure which, taken with others looking toward the revival of international trade, will go far toward preventing the next world depression, and, to that extent,

lessening the likelihood of another war. At the same time the expansion of international trade will make a substantial contribution to increased employment and higher living standards in the United States and abroad.

What has our own international trade meant to us in the past?

During the 1920's about 10 percent of our agricultural and industrial output entered into foreign trade. But, beginning with the depression in 1929, our exports declined sharply, and by 1932 had dropped to less than one-third of their former level. International investment stopped entirely. The effect was to intensify and prolong the great depression. We need international trade and investment if we are to have an employed and prosperous America.

I am told that an export trade of $10,000,000,000 a year is a modest postwar goal for a country with our great producing power, contrasted with $3,000,000,000 a year in the period immediately before the war. Exports at that level would provide employment for 5,000,000 people, as compared with perhaps 2,000,000 jobs connected with foreign trade before the war.

What can we do to revive world trade and to build it up?

It is clear that we cannot achieve this goal alone, but only as part of a worldwide increase in trade. As a first step in that direction, we must do our part to get rid of the restrictions that hampered international trade during the 1930's—restrictions and impediments which, incidentally, dealt a particularly heavy blow to our trade.

There was arbitrary and competitive exchange depreciation, the use of all kinds of monetary tricks—blocked balances, multiple currencies, and discriminatory exchange arrangements—which the Nazis and their associates employed so effectively during the economic warfare that preceded the shooting. The use of these devices spread from country to country, and although we have eliminated the Nazis, we have by no means eliminated all the evil work they started.

Of necessity, new restrictions on international trade and exchange have been added as part of the wartime controls, imposed by all countries in recent years, including even the United States, the United Kingdom, and Canada. As a first step toward the revival of trade, therefore, it will be necessary to end the economic warfare. That is one of the principal purposes of the Bretton Woods proposals.

The International Monetary Fund offers a practical means of getting the orderly currency arrangements essential to a high level of trade. Without the fund, the world will move in the direction of increased restrictions, toward a system of permanent exchange and trade controls that is foreign to the American way of life. The fund, with its emphasis on fair rules of the game, will help to create the kind of environment in which free enterprise in international trade will have unlimited opportunity to expand.

International trade means doing business with other countries. No one can do much business with countries whose productive equipment has been destroyed or with countries whose markets and resources are as yet largely undeveloped. If we are to have a high level of exports, we must be prepared to help in the reconstruction and development of these countries.

The International Bank proposed at Bretton Woods will encourage foreign investment by private investors. Our foreign-investment policies under the bank will be in sharp contrast to those of the 1920's. Many of the loans of the 1920's served no good purpose and had little chance of being repaid. The International Bank will encourage private loans for sound and productive purposes, for the development of rich areas in South America and Asia. Such investments will prove beneficial to this country not only because they will open new markets for automobiles, machinery, manufactures, and some of our farm surpluses, but also because they will assure American industry of another supply of raw materials to fill the gap left in our own resources by heavy wartime demands.

The International Bank will also provide a means of spreading the risks of reconstruction loans made to the war-devastated countries. These countries must revive their export industries—they must be restored to normal functioning before they can become good customers for American products, before they can carry their own weight in the new security organization.

It cannot be said too often that the object of increased foreign trade, on our part, is not simply to give our goods away. The object is rather to broaden the basis of trade, of buying as well as selling, to open up to the United States an inexhaustible supply of raw materials, to bring in a more varied assortment of consumer goods and services, and to make steady, productive jobs a reality.

Bretton Woods is an essential part of a postwar world that must live together in peace and prosperity. It is not a cure-all. The Bretton Woods program can be only one part of a farseeing policy of economic statesmanship on domestic and foreign measures that will give business, labor, and agriculture confidence in the future; that will encourage the people to move forward to new and higher levels of industrial and agricultural production, with full employment at decent wages, and rising standards of living.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I wish to discuss part of the language which appears on pages 8 and 9 of the bill. In the first place, the obligation of the United States under this proposal as best we can see it at the present time is $2,750,000,000 for the fund, to be made up of $687,500,000 in gold, which is 25 percent, and $2,062,500,000 in currency, giving a total of $2,750,000,000.

For the bank 20 percent is to be paid in or be subject to call as follows: Two percent in gold or $63,500,000; 18 percent in currency, $571,500,000. That is a total of $635,000,000. The balance of 80 percent is $2,540,000,000, making a total of $3,175,000,000.

This last figure plus the fund contribution makes a total of $5,925,000,000.

Referring to page 8 of the bill we find that the Secretary of the Treasury is authorized to use—as a matter of fact he is directed to use—$1,800,000,000 of the fund established some time ago as a stabilization fund, and this is to go in as a part of our contribution to the fund under the Bretton Woods agreement. The balance, $950,000,000—and I am still dealing with our contribution to the fund—the Secretary of the Treasury is authorized to pay to the fund. You will find that mentioned at the bottom of page 8 of the bill. Then to help finance the $950,000,000 which is paid to the fund after paying the $1,800,000,000 and the $3,175,000,000 at the bank, at the top of page 9 you will find the Treasury is authorized to use as a public-debt transaction not to exceed $4,125,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Loan Act.

Why does the administration approach the problem in that way? I do not see any other practical way to do it. This matter could not be handled through the regular channels of appropriations satisfactorily. Here we are authorizing the Treasury to proceed in this manner and I think it is the proper approach.

On page 9 there is another special feature in this bill which interests me very much. Beginning in line 10 the following is stated:

> For the purpose of keeping to a minimum the cost to the United States of participation in the fund and the bank, the Secretary of the Treasury, after paying the subscription of the United States to the fund, and any part of the subscription of the United States to the bank required to be made under article II, section 7, of the articles of agreement of the bank, is authorized and directed to issue special notes of the United States.

Which in turn, according to this language as I understand it and interpret it, may be exchanged for dollars previously paid into the fund by the Treasury, which means further the dollars come back to you and those special notes remain there in the fund, in the bank you may say, as a demand call on us for dollars as, when, and if the management of the fund or the bank wishes to have those dollars on hand. These special notes do not draw interest.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Nebraska.

Mr. BUFFETT. The gentleman is one of the few speakers who is talking about what the bill actually does. Maybe he can give me some help. The fund provides that there shall be deflation of currency whenever a change is necessary to correct a fundamental disequilibrium. Can the gentleman tell the Committee whether "fundamental disequilibrium" is described in the document?

Mr. CRAWFORD. Personally, I do not think it is.

Mr. BUFFETT. Does the gentleman think it was described in the testimony before the committee?

Mr. CRAWFORD. Not to my satisfaction.

Mr. BUFFETT. Does the gentleman think that any other nation ever presented a statement to us to tell what "fundamental disequilibrium" means to them?

Mr. CRAWFORD. I have not seen anything that satisfies me on that, and I do not expect to find any definition that satisfies me.

Mr. BUFFETT. Does the gentleman not think that that is a very vital factor in this whole proposition?

Mr. CRAWFORD. I think so; at least, one of the vital aspects.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. WOLCOTT. Personally I do not see whether it makes very much difference what interpretation is placed on the term "fundamental disequilibrium." The articles of agreement say that the members shall not propose changes in parities except to correct a fundamental disequilibrium, so regardless of what it means it is a limitation upon the deflation of currency.

Mr. CRAWFORD. I should think that as we journey down this unknown road, with the human and national and international problems that will come into the picture, plus all of the emotions of the various nations involved, and the nations' interests that will be represented on those boards of governors and boards of directors, that definition may be brought up and discussed many, many hours without anyone ever receiving any material satisfaction out of it; in other words, you will have to work along and do the best you can.

Mr. BUFFETT. Certainly, if the nations of the world are going to get along with each other, they are going to have to agree on the meaning of "fundamental disequilibrium."

Mr. CRAWFORD. You can hardly find any two technicians, whether in the medical field or the legal field or the accounting field or the economic field that agree on terminology. The question of terminology, of course, causes great difficulty in all of these matters. But I have this in mind, that this plan will never be very successful any way unless the people of the United States are willing to export their savings from this country to other countries for the purpose of rehabilitation and development, the creation of industries and the placing in the hands of the workers of the world tools with which to produce goods. We have them in this country, but they do not have them in other countries to any great extent. We have two and one-half times as many tools in the hands of the workers of this country as they have in England, and we might as well forget the comparison with the rest of the world. But unless we are willing to export our dollars into other countries to put tools into the hands of their workers, I do not believe this plan is going to amount to a whole lot.

How many bonds or debentures issued by the International Bank do you want to buy, Mr. DONDERO, of Michigan, Mr. BUFFETT, of Nebraska, or Miss SUMNER, of Illinois? How many bonds do you want to buy? How many bonds do you want to buy, Mr. SPENCE, Mr. BROWN, Mr. FOLGER, or Mr. DOUGHTON of North Carolina? That is what this comes down to. How many of your dollars do you want to export to other countries for them to invest?

If you do not want to purchase those debentures, from what source is the money to be received? I am now talking about the money which creates loans; I am not talking about the capital structure. I have already discussed that. If this program is to end with the creation of the capital structure, where are we?

The Securities and Exchange Commission spokesmen told me that one of the principal objectives of this program is to export out of the United States dollars to be invested in long-term loans in other countries, so that those countries may be economically developed. If that is true, then there is a great selling job ahead which somebody is going to have to perform to inveigle and tease and induce the people of this country to put their funds in these debentures which are to be issued and guaranteed by the International Credit Bank. To me, that is the big issue.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HAVENNER].

Mr. HAVENNER. Mr. Chairman, this is an occasion when I feel particularly proud that I am privileged to be a Member of the Congress of the United States. Today it is obvious that this House of Representatives of the people of America will rise to the full measure of its responsibility to lead the governments of all other nations along a practical path to the establishment of a just and permanent world peace. The passage of this bill, which we are about to approve by an overwhelming vote, may well be regarded by watching peoples everywhere as a convincing test of the determination of the American people that the high purposes for which we have waged this global war will not be cast aside when final victory is attained.

The pending measure, known as the Bretton Woods bill, offers the first legislative opportunity for the American Government to demonstrate the sincerity of its professed objectives in fighting this war. It establishes a sound, economic foundation for a great, over-all structure of international peace. It is a legal pledge to all of the other governments of the earth that America will join in underwriting the peace with its great wealth and vast financial resources. It is an earnest of our intention to abolish economic wars, which have always been the forerunners of military warfare. Only through real economic and social cooperation with all other nations can we hope to achieve a secure and permanent peace. That is the high objective of this bill.

Its detailed provisions and the intricate machinery which it creates for peaceful economic relations throughout the world have already been ably explained by the distinguished chairman and members of the Banking and Currency Committee. I shall not attempt to amplify the convincing presentation which they have made. But I would like to express my profound conviction that failure to enact this measure would be a devastating blow to the high hopes of the American people, and, indeed, of peoples everywhere, for an enduring peace when this cruel war is over. So intense is my belief in the truth of this statement that I do not hesitate to say that the defeat of this measure would have social and political repercussions here in America the effect of which I do not want even to contemplate.

I must confess, Mr. Chairman, that in recent weeks I have frequently experienced feelings of deep discouragement about the progress of the negotiations to organize a union of nations to prevent military depredations throughout the world. The atmosphere of suspicion and mistrust and, at times, active hostility which has enveloped these negotiations has been most depressing. I cannot escape the feeling that ill-considered utterances here in Congress and widespread editorial criticism in the American press concerning the attitude and policies of some of the nations we invited to join in these negotiations have been largely responsible for this distressing situation.

I can readily understand the resentment manifested by representatives of foreign governments, whom we invited to this country to discuss the paramount problem of world peace, when they found themselves subjected to denunciation and abuse from official sources here in America and from segments of the American press whose freedom we had proclaimed we were fighting to preserve. And if these negotiations which are being conducted in my home city of San Francisco should not succeed, which God forbid, some American officials and a part of the American free press could not escape a major share of the responsibility.

But, Mr. Chairman, I would like to assure our visitors from abroad, who have come here at our invitation to engage with us in this most important undertaking of all history, that although we may have honest disagreements about policy and procedure in the making of the peace, the overwhelming sentiment of the American people is for the success of this great undertaking.

Indeed, Mr. Chairman, the people of America will not tolerate failure in their quest for peace, nor will their sons abroad, who have fought and are still fighting in many sections of the world to win this war to end all wars in the future. I shudder to think what form the disappointment and the righteous wrath of these fighting men of ours might take if they returned home to find that all their sacred hopes of a permanent peace, for which they have offered their lives, have been dissipated by petty quarrels over the details of peacemaking and a division of the spoils of war.

The dictators of the European and Asiatic war machines, who were responsible for the great world conflict, had no respect for anything except military power. Their individual ambitions and their philosophy of national expansion prompted them to attack all territory which they believed they could conquer. It was their policy to take whatever they could get by force. They converted their entire populations into reservoirs of

trained individuals from which they selected the most efficient for their military adventures. They did this with peoples who had never known real democracy and they dedicated their military machines to the destruction of democracy elsewhere on the earth.

America, the great exponent of peace in the modern world, found herself compelled to adopt much of the military technique of these totalitarian war machines in order to protect herself against their threats. But America adopted this technique not for the destruction of democracy but for its preservation and perpetuation. And America by the miracle of its productive genius and the heroism of its fighting men has overthrown the military dictatorships of Europe. Surely, after such a tremendous achievement, the end must justify the means, and the end for which American boys have been fighting throughout the world of a just and enduring peace. We of the American Congress cannot let them down. They would not permit us to let them down, nor would the American people.

So today, I repeat, that I am proud to be a Member of the Congress of the United States, because the Congress is about to pass this first great measure for permanent peace by a majority so decisive that it will make a profound impression in all parts of the world.

RUSSIA'S HELP

Mr. SPENCE. Mr. Chairman, I yield the balance of the time to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I deplore the statements that are made daily on the floor of this House and elsewhere about Russia, the statements that are calculated to cause trouble or disunity between these two great countries. Let us not overlook the fact that had it not been for the very fine job that Russia has done in this war against the international desperados who were attempting to take charge of the world, by a conservative estimate at least 1,000,000 fine American soldiers would not be returning safely and soundly to our shores today but would probably be buried in the soil of foreign countries. That is how valuable Russia's help was to the United States of America. So I deplore these statements that are made daily that are calculated to cause disunity and disrupt the fine relations existing between these two great countries that have worked shoulder to shoulder and together for such a fine undertaking, which has been successfully accomplished against Germany and Italy.

SPEARHEAD OF OPPOSITION

May I say, too, that I am willing to accept as a symbol of the opposition to the Bretton Woods proposal the spearhead often referred to in these days. I refer to him only as a symbol. Mr. Leon Fraser was mentioned several times by our opponents as being the man who represented the opposition, the spearhead of the opposition. Mr. Fraser was a great international banker. I shall not say anything against Mr. Fraser, because he has departed this life, and I refer to him only as a symbol, but as a symbol he represented, I guess, the biggest bank of its kind in the entire world. I do not believe that bank had anything in common with the ordinary banks of our country. It was a bank that had only 1,200 customers. No person could maintain a deposit in the bank of less than $1,000,000. In other words, every customer had to have more than $1,000,000 on deposit at all times—$1,000,000. If you had $500,000, the teller at the bank window would convince you that they could not render you the service that you were entitled to receive from that bank, and that you should go to another institution. So that bank is a symbol of the spearhead of the opposition to the Bretton Woods proposals. I repeat that the principal opposition to these proposals comes from an international banking ring many of the members of which have a selfish, greedy interest in mind in opposing these proposals.

PROGRAM OF INTERNATIONAL COOPERATION

The Bretton Woods proposals constitute a program for international cooperation. This program for monetary and financial cooperation embodies the American principle of economic freedom in international affairs. Begun under the leadership of President Roosevelt, it will be completed under the leadership of President Truman.

The Bretton Woods proposals for the International Fund and the International Bank are an essential part of the overall program for a lasting peace. Unless we build a sound economic foundation, the structure which we create is bound to be shaky and unstable. The fund and the bank are cornerstones in this economic foundation for peace.

I am proud of the fact that our Government had the foresight to prepare for the difficult problems of currency stabilization and reconstruction with which we shall be confronted after the war. Back in 1941, the Treasury Department, on the instructions of Secretary Morgenthau, began to work on plans for international monetary and financial cooperation. The plans that were developed were an extension of the policy of cooperation with friendly governments that Secretary Morgenthau began in 1934.

The preparation and development of these proposals are an excellent example of the democratic process. The technical staffs of the Treasury, the State Department, the Federal Reserve Board, the Foreign Economic Administration, and other agencies worked together to prepare the American proposals for fund and bank. A cabinet committee of the same agencies met with Secretary Morgenthau to give policy direction to the technical men and to review their work.

When the tentative proposal for the fund was agreed to by the cabinet group, Secretary Morgenthau came before the committees of the House and Senate to explain its provisions. The proposal was published in the newspapers and discussed with a large number of banking and business groups in this country. Out of these discussions came some important suggestions that were included in later drafts of the American proposal for the fund. Exactly the same procedure was followed with the proposal for the bank. This is an excellent demonstration of the way in which difficult problems should be handled in a democratic country.

At the same time, the proposals for the fund and bank were sent to the United Nations for study by their technical staffs. For about a year informal discussions were held at the technical level, and as a result many points that might have caused disagreement were ironed out. As useful suggestions were made, they were included in later revisions. This careful preparation explains why the Bretton Woods Conference was able to complete the drafting of agreements for the fund and bank in 3 weeks.

Despite the difficult problems that could have divided the Conference and led to irreconcilable differences, all the countries represented worked together. The American delegation labored unceasingly to mediate the differences that arose and to keep the Conference true to the course—the way to international monetary and financial cooperation.

One reason why the American delegation was so successful at the Conference was that it was a well-balanced team, under the able leadership of Secretary Morgenthau. Here was a delegation that included high officials of the executive departments and the leaders of the House and Senate committees concerned with monetary and financial problems. And this delegation, by all reports, did a splendid job in presenting the American point of view and embodying that point of view in the final act of the Conference.

This House, without regard to party, can be proud of its four Members who were on the American delegation—Hon. BRENT SPENCE, Hon. JESSE WOLCOTT, Hon. CHAUNCEY REED of Illinois, and Hon. ANDREW SOMERS. They, together with Senators WAGNER and TOBEY, gave the American delegation a thoroughly congressional flavor with real benefit to the work of the delegation and the later work of Congress. These men, steeped in the tradition of Congress, know that progress is possible only through agreement and they know how to reach agreement through compromise.

One point about the work of the American delegation is worth noting. Judge Fred Vinson, vice chairman of the American delegation, a former Member of this House, testified before the House committee that every question was discussed thoroughly at the American delegation meetings. And on all questions the position finally taken by the delegation was agreed unanimously. This is a remarkable achievement. It is an indication of the determined leadership of the head of the delegation, Secretary Morgenthau. It was he who insisted on the fullest discussion of all issues, and it was he who had faith that out of discussion would come agreement.

The House committee held hearings over a 9-week period. It had the complete cooperation of the members of the State and Treasury Departments. The committee was given access to all the documents used by the Conference.

When these hearings began, it was said that the Treasury and the State Department didn't want the legislation on

the Bretton Woods agreements changed even to the dotting of an "i" or the crossing of a "t." Well, I think, the developments during the hearings showed how unfair this charge was. The fact is that Secretary Morgenthau was eager to cooperate with the committee in getting a bill that would provide for our membership in the fund and bank, the guidance of our representatives through a council that would submit reports to Congress, and the clarification of the safeguards on the use of the resources of the fund and bank.

TRIBUTE TO MR. MORGENTHAU

No discussion of the Bretton Woods program would be complete without a tribute to the man who is primarily responsible for this opportunity to build a solid economic foundation for world peace and world progress. I refer to Henry Morgenthau, Jr., the Secretary of the United States Treasury. He has held that position longer than any other person in the history of the United States, with one exception; he has done more during his incumbency than any other Secretary of the Treasury, with no exception.

The Bretton Woods program for the International Bank and Fund is the culmination of the policy of international monetary and financial cooperation which the Treasury Department inaugurated under Secretary Morgenthau.

The decade of the 1930's, partly as a result of the depression, was a period of serious monetary disorder. Countries were unable to maintain the value of their exchanges and world trade declined rapidly. Difficulties were intensified by the fact that Germany, girding for a war of aggression, inaugurated a virtual economic reign of terror, using restrictive and discriminatory exchange controls to attack established trade relations and to obtain a large supply of war materials.

Secretary Morgenthau realized very early that only through international cooperation would it be possible to free world trade from the mounting volume of currency restrictions.

The fact that in the latter part of the 1930's the exchanges of the Latin-American republics were relatively stable is largely due to arrangements we made with them.

Secretary Morgenthau's keen awareness of the imminence of war in Europe and the possibility it might become world-wide, endangering the United States, was demonstrated as early as 1936. In that year the impending devaluation of the French franc held treats of grave trouble. If the devaluation should have set off a new international-exchange war, the French economic structure might be so weakened by riots and strikes that Hitler, even with a military machine only half built, would have been encouraged to march in, with the thought that he could take France with little or no struggle.

This was part of the reasoning that resulted in the United States, Great Britain, and France joining in the tripartite agreement of 1936. The purpose of the agreement was to maintain a reasonable parity between the currencies of the cooperating nations. Holland, Belgium, and Switzerland soon joined the originators of the plan and the members of the so-called sterling bloc likewise benefited from exchange stabilization.

If, at that time, there had been the machinery under which economic and political cooperation could have been developed along with this monetary cooperation, the Axis Powers might well have been curbed and this terrible war prevented. Unhappily, there was no such machinery.

Secretary Morgenthau remained, however, constant in his knowledge that economic cooperation must underlie political cooperation and must provide a solid foundation for any enduring peace. He awaited the propitious time for bringing the peace-loving nations of the world together and the Bretton Woods Conference came as the result of his untiring efforts and unflagging zeal.

Let no one think of the present Secretary of the Treasury as a starry-eyed idealist intent upon only distant goals. His entire record shows a deep realization that his job is to serve the United States of America and its people.

In the years preceding the outbreak of World War II he was outstanding in his recognition of the necessity of seeing that the United States should be prepared to meet any eventualities.

It was largely due to Secretary Morgenthau's insistence on American preparedness that American aircraft factories were tooled up, well in advance of President Roosevelt's historic plea for 50,000 airplanes, to assume their obligations.

It was largely due to investigations launched by the Treasury Department, even before Hitler's attack on Poland, that this country knew what critical and strategic materials it might require, if war should bottle up our customary sources of supply, across the Atlantic and the Pacific.

It was largely due to Secretary Morgenthau's personal interest that realistic programs of helping China and pan-American countries meet their urgent economic problems were launched. But for these programs Japan might have crushed China in relatively short order and Hitler and Mussolini might have been able to establish, in our own hemisphere, military bases for war against the United States.

Some may say that such reasoning is too much in the category of what might have been. But there can certainly be no disputing the solid evidence of facts and figures.

Let us turn to the matter of war financing, Secretary Morgenthau's record resounds to his credit at every point. He has urged, in one Congress after another, revenue programs designed to keep the Nation's finances upon a sound basis. His advice has not always been followed to the letter. It is to his credit that he has urged sound financing at all times and that he has opposed such plans as the forgiveness of $6,500,000,000 of taxes due, when income taxes were placed on a pay-as-we-go basis. It is unfortunate that in this matter a past Congress failed to heed his advice. But his leadership has been preeminent at all times. And it is due to his careful planning that the great expansion in the Federal debt has been echieved with stable interest rates—far lower than have ever been achieved in any previous war. If you who hear me will think back to the 4½-percent rate which prevailed during World War I, and contrast this with the 1¾-percent rate prevailing today, you will need no further argument on this point.

As a result, this country is saving approximately $4,000,000,000 a year.

This fact is not merely a tribute to Secretary Morgenthau's war record. It comes about as the result of careful planning, prudent management of the Nation's fiscal affairs in time of peace, plus intelligent development of new ideas for the benefit of the Government and its people.

Arrangements for war financing are a case in point. Back in 1935, when United States Savings bonds were first offered to the public, there was no threat of war. But it seemed to Secretary Morgenthau that it would be a good thing for the Government to have the national debt distributed as widely as possible, and that it would be a good thing for the people to encourage their thrift, and their interest in National Government, as its bondholders.

We called them "Baby bonds" then. But the Baby bonds of 1935 and succeeding years grew into the Defense bonds that enabled this country to finance its preparedness program, and after December 7, 1941, they became the war bonds that are held by 85,000,000 Americans today. And but for the start that was made, long before war clouds hung over the world, this Nation would never have been able to distribute its bonds so widely or to make effective generally the economic safeguards that have been established.

The people of this country recognize what has been done and what is being done. And their record in oversubscribing every war loan to date will, I am confident, be matched in the Mighty Seventh Drive, now in progress.

The people know Secretary Morgenthau is right, not only because they see the results of his policies, but because they know his philosophy. It is the philosophy of Thomas Jefferson, of Andrew Jackson, of Abraham Lincoln, of Franklin Roosevelt, of Harry Truman. These men knew the people. They trusted the reasoned, informed judgment of the people. And so does Henry Morgenthau, Jr.

I hardly need to remind you of the pressure that was so evident, early in the war, for a system of compulsory savings. But Secretary Morgenthau was adamant upon this issue. He wanted people to invest their savings in Government bonds, not under compulsion, but of their free will—because they wanted to win the war and because United States bonds were the world's best and safest investment. And Secretary Morgenthau's reasoning on this issue is so significant of the philosophy guiding all his actions that I quote from what he said, back in 1941, when he first asked authorization from Congress to borrow from the general public, through a defense savings bond campaign. The Secretary said:

There exists in the country today an overwhelming desire on the part of nearly every man, woman and child to make some direct and tangible contribution to the national defense. We ought to give them a sense of personal participation beyond that which comes from doing their daily job faithfully and well. Every day, letters come to me from people who ask "What can I do to help?" Our plan to offer securities attractive to all classes of investors is an attempt to answer this question. I can think of no other single way in which so many people can become partners of their Government in facing this emergency.

Some people in this country today are seeing another side of Secretary Morgenthau. It is quite in keeping with his trust in the people as a whole that he should be shocked at the discovery of malefactors. It is quite in keeping with his determination to protect the interests of the millions of men in uniform, the 50,000,000 individual taxpayers and the 85,000,000 bondholders that he has declared unrelenting war upon the black marketeers, the racketeers and the other war profiteers who see in this terrible conflict only an opportunity to amass personal wealth—and dodge their taxes.

I predict stern justice for these tax evaders, because I know the spirit that animates Secretary Morgenthau and I know, too, what delight he takes in administrative efficiency, in accomplishing results, whatever he undertakes.

It is, perhaps, a long cry from the tripartite accord of 1936 to the campaign against tax evasion, and some of my hearers may say there is little connection between war-bond campaigns and Bretton Woods. But I want to point out that the record of a man provides the best yardstick to measure his stature. I point to the record of Secretary Morgenthau because it is an outstanding record. He has foreseen developments on occasion after occasion. He has acted promptly and effectively. He saw, long ago, the necessity for a stable economic order if the world was to enjoy peace. Today we have an opportunity to take advantage of his foresight, his planning, his wisdom.

PRINCIPAL OPPOSITION TO PROPOSAL

In conclusion, may I state I want to repeat where the principal opposition to these proposals come from. First, the international banking ring that has so much at stake. The prize is high, the stakes are high. There is good reason why they should oppose these proposals.

Another group is represented by misinformed people, by uninformed people or misguided people, people who have not had time or who have not taken the trouble to have considered these proposals as they should have been considered. Honest and sincere, but I believe wrong.

ALL ISOLATIONISTS OPPOSE

But the third group I am sure is represented by the isolationists of this country. The isolationists are opposed to them. I do not say that all who oppose these proposals are isolationists. I do not say that at all. But I do say that all isolationists oppose the Bretton Woods proposals.

The vote of this House will be a reflection of the will of the people to have the United States join with other friendly countries in a practical program for international monetary and financial cooperation. The vote of this House will be an expression of confidence in the American delegation, our six congressional colleagues who were members of the delegation. The vote of this House will be a recognition of the businesslike and statesmanlike job done at Bretton Woods, to get countries to work together in providing an economic basis for a lasting peace.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc.,

SHORT TITLE

SECTION 1. This act may be cited as the "Bretton Woods Agreements Act."

ACCEPTANCE OF MEMBERSHIP

SEC. 2. The President is hereby authorized to accept membership for the United States in the International Monetary Fund (hereinafter referred to as the "fund"), and in the International Bank for Reconstruction and Development (hereinafter referred to as the "bank"), provided for by the articles of agreement of the fund and the articles of agreement of the bank as set forth in the final act of the United Nations Monetary and Financial Conference dated July 22, 1944, and deposited in the archives of the Department of State.

Miss SUMNER of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Miss SUMNER of Illinois: Page 1, strike out all of section 2 and insert:

"The President is hereby authorized to accept membership for the United States in the International Bank for Reconstruction and Development (hereinafter referred to as the bank) provided for by the articles of agreement of the fund and the articles of agreement of the bank as set forth in the final act of the United Nations Monetary Financial Conference dated July 22, 1944, and deposited in the archives of the Department of State."

Miss SUMNER of Illinois. Mr. Chairman, as you know, the amendment you have just heard has the effect of preventing the United States joining the International Monetary Fund.

The opposition to this bill is against the Monetary Fund for reasons which we have all stated at great length. If any Member present does not know them, they may be found in the report.

For my part I have not made a deep study of the bank. I do not know of any particular reason that I should be against the world bank if the fund were not in here, but I regard the fund as a swindle and a fraud for one reason outstanding above all others—that it promotes and finances the very purposes and practices it is supposed to correct. As a person who has been in the banking business, and still is, I cannot conceive of anybody wanting to put his capital in any kind of a sound bank and at the same time set up some kind of corporation or fund or monetary agreement, or whatever you may call it, which would finance currency depreciation, debt repudiation, and exchange control, and ruin the credit of the institution lending the money—the sound bank, if it is sound. For this reason I would not vote for the bank unless the fund were deleted from this bill.

At the proper time I shall offer a motion to recommit embodying this same amendment.

Mr. Chairman, I do not care to say anything further because the subject has been thoroughly covered.

Mr. SPENCE. Mr. Chairman, this proposed amendment is not a frontal attack on the bill, it is an attack from ambush.

Under the agreement one of the prerequisites to joining the bank is that the country must be a member of the fund. If you pass this amendment you destroy the agreement, you destroy all the work we have done. It is in effect an amendment to strike out the enacting clause of this bill.

The first objective of the Bretton Woods Conference was the organization of the fund; it was the main objective of the Conference. In the agreement it is provided that in order to become a stockholder in the bank one must be a member of the fund. Certainly it is obvious to every Member of the House that the purpose of this amendment is to destroy this legislation.

We have debated these matters in the committee, and the committee reported this bill 23 to 3. It seems to me it is unnecessary again to repeat the arguments that have been presented here and in the Committee on Banking and Currency. This amendment goes to the very fundamentals of the proposals, and I ask the Committee to vote down the amendment.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from New York.

Mr. BARRY. Unless we stabilize world currencies, will it not be very uncertain as to what kind of interest we get back on their bank loans?

Mr. SPENCE. Of course, that is true; and, furthermore, if you strike out the fund you strike out the very basis of this legislation and make it impossible either to have a fund or a bank. It would be necessary to have another conference. It would be necessary for the conferees to again come from the four corners of the earth. It would be impossible to get them together again.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. Do not misunderstand me. I think it is for the best interests of the United States to use the Export-Import Bank. I would not even bother to make a speech against the bank; I would have no objection to it except for this fund.

Mr. SPENCE. I do not know what the gentlewoman's ideas are in introducing this amendment, but it scuttles the whole thing.

Mr. GAMBLE. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from New York.

Mr. GAMBLE. This amendment was offered in the committee and defeated?

Mr. SPENCE. Yes, by a vote of 22 to 4, and I think it will be defeated by about

the same proportionate vote in the Committee.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BUFFETT. Mr. Chairman, I rise in favor of the pending amendment.

Mr. Chairman, certainly I would not attempt to match some of the rabble rousing that has come from the lips of some supporters of this bill. But I would like to call attention to one or two reasons why some of us oppose this fund.

In the first place, it is stated that no alternative was offered. But what are the facts on that subject? On that point I quote a question raised by the gentleman from Michigan, the ranking minority member, in a speech made in Detroit:

> Government and other organized propaganda has focused attention on the Bretton Woods program to the exclusion of other solutions of the problem. The President instructed the American delegation at Bretton Woods to accept no other alternative plan.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I think in fairness to the gentleman from Michigan who is speaking, the gentleman should say that that was one of the objections which I had enumerated and did not necessarily reflect my own attitude and if the gentleman will look at that speech he will find I enumerated 56 alleged objections to the fund and the bank, of which the gentleman has read one.

Mr. BUFFETT. That is correct, but it reads as I stated.

Mr. WOLCOTT. As far as I am concerned that has been substantially answered in the debate, in the hearings and in the report.

Mr. BUFFETT. Does the gentleman think there was full opportunity for opponents of the plan to be heard?

Mr. WOLCOTT. Where, at Bretton Woods?

Mr. BUFFETT. Any place.

Mr. WOLCOTT. Not at Bretton Woods, no.

Mr. BUFFETT. At any place else?

Mr. WOLCOTT. Or anywhere else, no. If that is the point, I agree with the gentleman.

Mr. BUFFETT. That settles the question whether or not there has been a fair opportunity to present alternative plans.

Mr. WOLCOTT. Has the gentleman an alternative plan?

Mr. BUFFETT. I would not arrogate to myself the expert knowledge necessary to furnish an alternative plan, but there are alternative methods available.

Mr. WOLCOTT. Did the gentleman offer any alternative plan in the committee?

Mr. BUFFETT. No I concede that in the committee things moved too fast at the end of the hearings for any alternative plan to receive consideration. Our side folded up with a suddenness that startled me.

Yesterday I told the House that there are 48 agencies in the United States lending, spending or giving away, or whatever term you want to call it, transferring our wealth to other countries abroad. I suggested that perhaps this committee should find the total amount of those commitments. Certainly, a good housekeeper, a good businessman, a good banker—perhaps I should not mention bankers because it is a bad word around here today, but if anyone had charge of my money I would want them to know what their total commitments were before they expended amounts of this magnitude.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. It is a good word since it has been approved by the Bankers Association, we are told.

Mr. BUFFETT. You were told how the independent bankers approved this plan. That brings up an interesting method of propaganda that was used. The independent bankers' official was on the stand before the committee, and I asked him how his group came to a decision on this issue. He said, "Well, we had a meeting in St. Louis." I asked, "Who appeared before that meeting? How did you come to a decision"? He said, "Well, the Treasury sent out a man from Washington and he explained this plan to us and we talked it over." I asked, "Who appeared as an expert from the other side"? He said, "Oh, well, we had some of our own directors who did not like this plan so much. They presented the other side." In other words his organization got one side of this picture, and that is the only side they got, the Government viewpoint. That is the way that was used so successfully in Europe—for a time. Getting back to the fund, I quote from testimony given before the committee by one of the economists:

> Mr. PALYI. The problem is briefly this: We ourselves are very short of a great many things, especially capital goods, and it will take years to refill our depleted supplies. The point is what we need now is cutting down on exports, at least in those goods which are most in demand abroad and at home rather than to enhance artificially those exports.
>
> COMMITTEE MEMBER. I think that answers it very well because it seems to me we are by design specifically laying a plan here which will force the toughest kind of economic regimentation here in our own country.

I do not want that kind of regimentation and I do not believe the Members of this House should vote for a plan that may bring that kind of regimentation.

The proposed adoption of this scheme now would duplicate what history may record as the greatest political blunder of the twentieth century—the failure by the United States to secure from the other United Nations appropriate agreements and commitments at the time lend-lease and was extended to them. The ultimate consequences of that failure are impossible to measure.

If we were realistic about this problem we would find guidance from the statement by the great Prime Minister of Great Britain when he came back from Greece a few weeks ago. He declared:

> The Foreign Secretary remained a day longer in Athens than I did, and he was at pains to bring home to the Greek authorities the fact that, now that political stability has been achieved, financial and economic problems must take first place, and that the burden and responsibility are upon the Greek nation, and that they must, on no account, sit back and leave these tasks to foreigners.

The road to stabilization is for nations to attack their own problems. The way for me to stabilize my own finances is to put my own house in order. The way for America to help the world is to start to put America's house in order. When Congress has courage enough to get at that job, it will be a great day for the American people.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think I should correct the statement made by my esteemed colleague from Nebraska. I have on occasions been very critical of legislative committees of which I have been a member for so-called steam-rolling practices. In the years gone by I think I have taken my lickings on such practices about as much as anyone.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. I think the gentleman from Nebraska stated before the Committee on Rules that we had a full and fair hearing all the way through.

Mr. WOLCOTT. If he did, he was correct in that particular, because if there ever was a bill considered freely and openly, with everyone having the right to produce the witnesses whom he wished to produce and discuss all the merits or demerits of the bill as he wished to discuss them, this was surely such a bill. In my opinion, the committee hearings in respect to this bill were conducted on as high a plane as any hearings in which I have ever participated. Surely I, a member of the minority party, cannot in all fairness to the situation let the statement go unchallenged that this bill was steam-rollered through the committee in any respect whatever.

The gentleman from Nebraska has called attention to the fact that it is possible under the fund agreement to finance a cradle-to-the-grave social scheme which Great Britain or some other country might adopt.

Yesterday in discussing the manner in which the fund is protected, I called attention to a great many provisions in the fund agreement itself as well as in the amendments adopted by the committee which protect the fund against its use for the purposes mentioned by the gentleman from Nebraska. In particular I called attention to the language in subsection (i) of section 3 of article V, which is as follows:

> The member desiring to purchase the currency represents that it is presently needed for making in that currency payments which are consistent with the provisions of this agreement.

It would not be consistent with the provisions and purposes of the agreement to use this money for social purposes.

As the gentleman from Kentucky has very ably pointed out, to adopt the amendment offered by the gentlewoman from Illinois is in fact striking out all

after the enacting clause for the reason that article II, section 1, of the bank agreement provides that—

(a) The original members of the bank shall be those members of the International Monetary Fund which accept membership in the bank before the date specified in article XI, section 2 (e).

So if there is no fund in which the members may accept membership, then it naturally follows there can be no bank. If this amendment is adopted, there is no fund, and it follows ipso facto there is no bank. It follows, further, of course, that the Bretton Woods agreements have been destroyed in toto. For that reason, and for the reasons that have been given in general debate, I urge the Committee to defeat the amendment.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. SPENCE. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. HINSHAW. I yield.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. HINSHAW. Mr. Chairman, at the outset I am going to say to you, so that I will not be misunderstood in the remarks I have to make, that I intend to vote for this bill approving the Bretton Woods agreement, as it has been written and presented to the committee in the form of H. R. 3314. I would like to talk with my friend the gentleman from Texas [Mr. PATMAN] because he seems to think this bill chases the moneychangers out of the temple. At least that is what I understood him to say in effect on the floor of the House a while ago.

May I say to the gentleman from Texas, if he does not already know it, that this bill really lets the moneychangers right square into the temple. That is what it is for. As a matter of fact, never before in the history of the world, that I know of, has a private loan in a foreign country been guaranteed by the United States. But under the terms of the provisions of this bill, after the guarantee of that loan by the Government, or central bank, of the country in which the loan is made, the International Bank in turn can guarantee that loan. Now that is a banker's paradise. That is what bankers have been looking for, lo, these many years, because there is no better security than one which has been guaranteed by both the country of its origin and by an international bank such as the one proposed.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. Yes; I would be glad to yield.

Mr. PATMAN. The gentleman does not mean to infer that the United States would guarantee the loans in their entirety? The United States is only one of the countries which stands back of the loan through the International Bank.

Mr. HINSHAW. Oh, no; the United States only participates in the guarantee to the extent of its capital in the bank.

Mr. PATMAN. And the loan must be guaranteed first by the central bank of the country where the loan is made.

Mr. HINSHAW. I just said that. That is a banker's paradise if I ever heard of one in my life. I say that having been earlier in my life engaged in the banking business, or at least in the securities end of it. I have had some experience in it.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to my colleague, the gentleman from California.

Mr. OUTLAND. The gentleman realizes also that no guaranty is given by the bank until a complete investigation is made of the reasons why the loan is requested, the purposes for which the money is to be used, and only after there is a certainty on the part of the bank that the loan is a safe one?

Mr. HINSHAW. Yes; of course it is the same process engaged in by any of the big international banking houses in New York, Chicago, London, Tokyo, Berlin, or anywhere else. They all make investigations of these loans, very carefully. They all say in their prospectuses to their ultimate purchasers that such and such is the case, and furthermore, they have arranged to obtain some discount on those loans for the purpose of covering the cost of flotation and distribution and for profit.

Now the only thing that has not been mentioned with reference to this bill which I think should have been mentioned and discussed is, What are you going to do about the loans which have already been made in some of these foreign countries which are in default and for which there is no provision for payment? I realize that it may be necessary to put some more money into those countries in order to build them up so they may be able to pay off the loans which have already been made. But I see no effort on the part of the committee to consider that fact. It seems to me they might very well consider how much those potential borrowing countries, municipalities, for example, are already in default. I am speaking now of the local loans. I am not speaking of the Government loans that come under the terms of the Johnson Act, but those that have heretofore been made which in the future will be guaranteed by the International Bank. It seems to me they should have considered that aspect of it and let the public, who have invested in those bonds, know whether or not there is any intention on the part of the borrowing agencies of those countries to repay those moneys.

I just call those things to your attention because nobody can tell me that the bankers of the United States would be in favor of this bill if it chased them out of the temple. This bill puts them in the temple by the front door, and a wide open door at that. My friends of the so-called liberal persuasion, all of whom appear to be for this bill, could not do a better job for the so-called international bankers if they tried.

Mr. Chairman, under authority granted to extend my remarks, I include the following which is section 4 of article III of the articles of agreement of the International Bank for Reconstruction and Development. It speaks for itself. Section 4 follows:

SEC. 4. Conditions on which the bank may guarantee or make loans: The bank may guarantee, participate in, or make loans to any member or any political subdivision thereof and any business, industrial, and agricultural enterprise in the territories of a member, subject to the following conditions:

(i) When the member in whose territories the project is located is not itself the borrower, the member or the central bank or some comparable agency of the member which is acceptable to the bank, fully guarantees the repayment of the principal and the payment of interest and other charges on the loan.

(ii) The bank is satisfied that in the prevailing market conditions the borrower would be unable otherwise to obtain the loan under conditions which in the opinion of the bank are reasonable for the borrower.

(iii) A competent committee, as provided for in article V, section 7, has submitted a written report recommending the project after a careful study of the merits of the proposal.

(iv) In the opinion of the bank the rate of interest and other charges are reasonable and such rate, charges and the schedule for repayment of principal are appropriate to the project.

(v) In making or guaranteeing a loan, the bank shall pay due regard to the prospects that the borrower, and, if the borrower is not a member, that the guarantor, will be in position to meet its obligations under the loan; and the bank shall act prudently in the interests both of the particular member in whose territories the project is located and of the members as a whole.

(vi) In guaranteeing a loan made by other investors, the bank receives suitable compensation for its risk.

(vii) Loans made or guaranteed by the bank shall, except in special circumstances, be for the purpose of specific projects of reconstruction or development.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentlewoman from Illinois [Miss SUMNER].

The question was taken; and on a division (demanded by Miss SUMNER of Illinois and Mr. THOM) there were—ayes 18, noes 120.

So the amendment was rejected.

The Clerk read as follows:

APPOINTMENT OF GOVERNORS, EXECUTIVE DIRECTORS, AND ALTERNATES

SEC. 3. (a) The President, by and with the advice and consent of the Senate, shall appoint a governor of the fund who shall also serve as a governor of the bank, and an executive director of the fund and an executive director of the bank. The executive directors so appointed shall also serve as provisional executive directors of the fund and the bank for the purposes of the respective articles of agreement. The term of office for the governor of the fund and of the bank shall be 5 years. The term of office for the executive directors shall be 2 years, but the executive directors shall remain in office until their successors have been appointed.

(b) The President, by and with the advice and consent of the Senate, shall appoint an alternate for the governor of the fund who shall also serve as alternate for the governor of the bank. The President, by and with the advice and consent of the Senate, shall appoint an alternate for each of the executive directors. The alternate for each executive director shall be appointed from among individuals recommended to the President by the executive director. The terms of office for alternates for the governor and the executive directors shall be the same as the terms specified in subsection (a) for the governor and executive directors.

(c) No person shall be entitled to receive any salary or other compensation from the United States for services as a governor, executive director, or alternate.

Mr. DE LACY. Mr. Chairman, I move to strike out the last word.

I ask unanimous consent to revise and extend my remarks, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DE LACY. Mr. Chairman, it is a moving experience to listen to these historic debates and to read the solid, workmanlike report from our Committee on Banking and Currency, in support of H. R. 3314. Its nonpartisan character strikingly revealed in its submission by 23 of the committee's 26 members, the report, and the hearings at greater length, demonstrate that leaders in all parts of American life have troubled to inform themselves on the Bretton Woods proposals and have come forward virtually unanimously in their support.

I am pleased to report the widest favorable response to this legislation from the people of my own district. Mr. W. B. Greeley, for example, secretary-manager of the West Coast Lumbermen's Association wrote:

Here in the Pacific Northwest, we are all anxious to resume trade with China as soon as possible, both to restore old outlets for West coast lumber, pulp, and other products and to build up future economic relations that should be of benefit to both countries. But it is impossible almost to start in this direction until some commercial stability is placed over Chinese exchange. Even if it remains terribly depreciated, there must at least be some bottom ratio between Chinese and American dollars on which trade can be conducted—before trade will get on any but a wildly speculative basis.

Similarly, Mr. Jay G. Larsen, vice president of the Seattle-First National Bank, wrote me:

Certainly we are a part of the world. We will be engaged in world commerce and trade. Without it our position would be extremely precarious. If we can contribute to the stabilization of currencies it will certainly facilitate such trade and minimize the risks involved. If in order to do that we must invest some of our national funds and even risk losing some or all of these funds during the period of organization and experimentation, I think it is justified.

I am inclined to think that the loan limits of the bank are ultra conservative. I think they could be more generous and yet remain a sound and solvent guarantor of credit, but should the capital of the bank be lost because of failure of such bank to function as anticipated, I still think the attempt is worthwhile. Certainly we have spent much more than this for the purpose of stabilizing the world politically and socially, and have sacrificed the lives of many men for this purpose. The cost in dollars is small compared to that.

I heard to the same purpose from trade associations, citizens' associations, several strong labor unions, the Washington Pension Union, and many other organizations and informed individuals.

It is natural, I think, that the people of the west coast and our evergreen Northwest should eagerly welcome action to speed the development of a prosperous trade with our neighbors across the Pacific Ocean.

A great share of our postwar employment and business opportunity must come from shipping and trade. In the Puget Sound area after the war, we will need an estimated half a million jobs for the skilled hands and brains of the great labor force we have assembled to produce and transport our share of the weapons which are carrying death to Japanese imperialism.

We are acutely conscious that when war production and transport end on the coast, what are now our chief industrial activities will end, and tens of thousands of our people will be unemployed. We need, perhaps even more than certain parts of the longer established industrial sections of the East, the interim protection of a national unemployment compensation system, as proposed by President Truman. We need long range development programs for our river valleys, our irrigable lands, our unmatched hydroelectric and untapped mineral resources. We need steel, aluminum, and plastic industries, new industries to make up for the closing of excess ship and plane building facilities, new industries to produce wealth for the American people and American goods for Chinese, Siberian, and Indian markets which our bread and butter depends upon opening.

On this point the committee report, page 3, speaks our language:

The Bretton Woods program is directly related to our domestic objective of providing jobs for our workers in industry and assuring fair prices and markets for our farmers. Although exports account for a relatively small part of the total market for our products, they nevertheless can mean the difference between prosperity and depression for both agriculture and industry. If we are to expand and stabilize the export demand for our products, we must remove the currency restrictions which have been imposed upon international trade in the past and encourage an adequate flow of international investment.

There is no question of the desire and need of our North Pacific neighbors, the people of Soviet Asia, for American goods. Both the late Wendell Willkie and the Honorable Secretary of Commerce, Mr. Wallace, visited Siberia's rapdily developing areas. Both found an amazing frontier spirit, a great thirst for knowledge, a strong demand for better machinery and more goods.

Mr. Wallace reported, June 9, 1944:

I found American flour in the Soviet far east, American aluminum in Soviet airplane factories, American steel in truck and railway repair shops, American compressors and electrical equipment on Soviet naval vessels, American electric shovels in open-cut coal mines, American core drills in copper mines of Central Asia, and American trucks and planes performing strategic transportation functions in supplying remote bases. I found the people, both in positions of management and at the work benches, appreciative of the aid rendered by the United States and other Allies.

China's 400,000,000 need everything—railways, airports, flood control and irrigation works, power stations, fleets of river boats, improved agricultural techniques, fertilizer, farm machinery, schooling, elementary and technical, small and large scale machine tools and shops, clothes, houses, trucks—everything. Estimates of the productive investments that could be made in China vary from her Minister of Economic Affairs' 5-year $10,000,000,000 reconstruction plan to Dr. Staley's—World Economic Development, Montreal, 1944, publication ILO, page 68 and following pages—more elaborate estimate—based upon a projection of the rate at which investment was actually made in Japan between 1900 and 1936—of one hundred and fifty billion in a 40-year program of agricultural and industrial development.

Yet, China and India, with 39 percent of the world's population, before the war had together only 5 percent of international trade.

That there is no natural bar to a great, mutually profitable, postwar volume of trade with Soviet Asia is unequivocally stated by Assistant Secretary of State, Archibald MacLeish, in a radio talk underscored as the State Department's official position by Acting Secretary Grew, in a recent conversation with Members of this House. Mr. MacLeish said:

There is no necessary reason * * * in the logic of geography, or in the logic of economics, or in the logic of national objectives, why the United States and the Soviet Union should ever find themselves in conflict with each other, let alone in the kind of conflict reckless and irresponsible men have begun now to suggest. (Broadcast May 26, 1945, over NBC.)

The facilities offered for the mutual exchange of goods between the United States and Soviet Asia by H. R. 3314 and for the safe investment of surplus American capital will speed the maximum realization of the trade from which both our nations will profit.

In all candor, however, it must be said that passage of the legislation before us will not of itself immediately open China's vast markets to American products.

We must first smash the Japanese imperialists. And in China, we must use our great influence to end the threat of civil war between the Chungking dictatorship and the northern Communist guerrillas. Neither currency stabilization, nor any long or short range developmental program is possible for China or profitable to ourselves, until a stable, unified, and democratic solution is found that will insure a strong, representative, central Chinese Government and promote lasting friendship and mutually profitable commerce between that potentially great nation, ourselves, the Soviet Union, and Great Britain, all of whom must get along if there is to be peace in Asia and the Pacific.

Both for the sake of the peace which the peoples of the earth are demanding and to throw the full strength of the Chinese people into the last phase of the war against Japan, it is important that our Government renew its pressure for the formation of a genuine coalition government in China.

Such a government, dedicated to the development of China's great resources and to raising the living standards and buying power of its people, and aided by the far-sighted currency stabilization and developmental funds proposed in H. R. 3314, could open the way for us in America to manufacture and ship through west coast ports and in ships made and repaired in west coast yards an almost endless line of goods, coming and going, leaving the peoples of this continent and of Asia with more to eat and wear, more secure in their jobs and on their farms, more hopeful for their children's future.

By unanimous consent the pro forma amendments were withdrawn.

The Clerk read as follows:

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

SEC. 4. (a) In order to coordinate the policies and operations of the representatives of the United States on the fund and the bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange or monetary transactions, there is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the "Council"), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of Trustees of the Export-Import Bank of Washington.

(b) (1) The Council, after consultation with the representatives of the United States on the fund and the bank, shall recommend to the President general policy directives for the guidance of the representatives of the United States on the fund and the bank.

(2) The Council shall advise and consult with the President and the representatives of the United States on the fund and the bank on major problems arising in the administration of the fund and the bank.

(3) The Council shall coordinate, by consultation or otherwise, so far as is practicable, the policies and operations of the representatives of the United States on the fund and the bank, the Export-Import Bank of Washington and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions.

(4) Whenever, under the articles of agreement of the fund or the articles of agreement of the bank, the approval, consent or agreement of the United States is required before an act may be done by the respective institutions, the decision as to whether such approval, consent, or agreement shall be given or refused shall (to the extent such decision is not prohibited by section 5 of this act) be made by the Council, under the general direction of the President. No governor, executive director, or alternate representing the United States shall vote in favor of any waiver of condition under article V, section 4, or in favor of any declaration of the United States dollar as a scarce currency under article VII, section 3, of the articles of agreement of the fund, without prior approval of the Council.

(5) The Council from time to time, but not less frequently that every 6 months, shall transmit to the President and to the Congress a report with respect to the participation of the United States in the fund and the bank.

(6) The Council shall also transmit to the President and to the Congress special reports on the operations and policies of the fund and the bank, as provided in this paragraph. The first report shall be made not later than 2 years after the establishment of the fund and the bank, and a report shall be made every 2 years after the making of the first report. Each such report shall cover and include: The extent to which the fund and the bank have achieved the purposes for which they were established; the extent to which the operations and policies of the fund and the bank have adhered to, or departed from, the general policy directives formulated by the Council, and the Council's recommendations in connection therewith; the extent to which the operations and policies of the fund and the bank have been coordinated, and the Council's recommendations in connection therewith; recommendations on whether the resources of the fund and the bank should be increased or decreased; recommendations as to how the fund and the bank may be made more effective; recommendations on any other necessary or desirable changes in the articles of agreement of the fund and of the bank or in this act; and an over-all appraisal of the extent to which the operations and policies of the fund and the bank have served, and in the future may be expected to serve, the interests of the United States and the world in promoting sound international economic cooperation and furthering world security.

(7) The Council shall make such reports and recommendations to the President as he may from time to time request, or as the Council may consider necessary to more effectively or efficiently accomplish the purposes of this act or the purposes for which the Council is created.

(c) The representatives of the United States on the fund and the bank, and the Export-Import Bank of Washington (and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange, or monetary transactions) shall keep the Council fully informed of their activities and shall provide the Council with such further information or data in their possession as the Council may deem necessary to the appropriate discharge of its responsibilities under this act.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California: On page 3, line 22, strike out the word "and"; and on page 3, line 24, strike out the period, insert a comma and the following: "the chairman and ranking minority member of the Banking and Currency Committee of the House of Representatives and the chairman and ranking minority member of the Banking and Currency Committee of the Senate."

Mr. VOORHIS of California. Mr. Chairman, I am hoping that perhaps the Committee will accept this amendment. I need not point out that it in no way affects the Bretton Woods agreement. It only affects this Council which, in my judgment, the committee has very wisely included in the bill as an agency of the Government of the United States to consult with and in some instances to control the decisions of the American governors and members of the executive committees of the fund and the bank.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield.

Mr. VOORHIS of California. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. The gentleman ties up the legislative branch with the executive department?

Mr. VOORHIS of California. I think this question is bigger than the Executive. I point out to the gentleman from Georgia that in the committee bill there are certain matters which have to be approved by act of Congress itself, that the committee has specifically reserved that with regard to some of the more important questions. I am frank to say, Mr. Chairman, that it is my general point of view that the Congress of the United States needs to have a more active part in the administration of some of these things than has been true in the past. I should like to see people who are representatives, not only of this body, but of the American people sit on the Council and participate in the decisions that will have to be made under this Bretton Woods proposal.

As I said in my speech a while ago, I am going to support this bill, but I am certainly able to see that the success of this whole plan will depend almost entirely upon the manner in which it is administered and the integrity with which that is done. Personally, I think it would be altogether proper for these Members of Congress from the Committee on Banking and Currency to be members of this council. It is my opinion that the American people would approve of such action, and I would like to see this amendment adopted.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from California.

Mr. OUTLAND. The gentleman suggests that he would like to see the Council further extended to include representatives of the American people, if I am not misquoting him. Does he not believe that the Secretary of the Treasury and the Secretary of State and the others appointed are representative of the American people?

Mr. VOORHIS of California. I said elected representatives of the American people, and I feel that the Members of Congress on the whole are somewhat closer to the people than any other Government official can possibly be.

Mr. OUTLAND. I think the gentleman is correct when he states the elected Members of this and the other body are closer to the people, but it seems to me there are added safeguards elsewhere in the bill so that Congress can effectively control any action taken by our representatives in handling the fund.

Mr. VOORHIS of California. What is the objection to my amendment? What is wrong with it?

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Minnesota.

Mr. GALLAGHER. Should Members of Congress be both judge and jury?

Mr. VOORHIS of California. I think in this particular instance that this Council was set up for the purpose of guiding most important decisions, and I certainly believe that it would be a

constructive and proper thing for Members of Congress to participate in so doing.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Texas.

Mr. PATMAN. Possibly the gentleman's amendment has great merit; I do not know. It has not been considered by the committee. Under those circumstances, does the gentleman not think that it would be the better course to pursue to offer a bill along those lines and let the committee consider it, because the gentleman did not give the committee the benefit of his suggestion and advice, and this is entirely new? Does the gentleman not think it should be explored some before just offering to change a bill here on the floor of the House?

Mr. VOORHIS of California. I will say to the gentleman that it seems to me it is a very simple proposal. The proposal came to my mind when I read the bill as the gentleman's committee reported it, which, as I have said, I think is a very good bill. But it does seem to me that this small change would strenghen the whole picture, and I still believe it.

Mr. PATMAN. Does not the gentleman believe it would be a dangerous way to legislate—to have a thought and then offer an amendment?

Mr. VOORHIS of California. No; not at all. If I felt that way, I would oppose every amendment offered here on the floor on the basis of that reasoning.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Illinois.

Mr. MASON. In view of the fact that Congress does have to approve some things that are in this set-up, would it not be wise to have liaison between the Congress and the activities of the executive committee in the shape of these representatives of the Committees on Banking and Currency of both Houses?

Mr. VOORHIS of California. It certainly seems to me so. It seems to me we are engaging in an enterprise of international cooperation which is somewhat broader and a great deal bigger, in some of its aspects, than the administration of the executive department of our own Government, so I feel differently about this matter for that reason.

Mr. FOLGER. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from North Carolina.

Mr. FOLGER. Does not the gentleman think that this is going unnecessarily far in placing the Members of Congress and the executive officials in a position of having the same duty, and putting upon the chairman and the ranking minority Member a burden that they should not carry? I call attention to the fact that the Council from time to time, but not less frequently than every 6 months, shall transmit to the President and to the Congress a report with respect to all of their activities.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Section 93 of the Constitution of the United States reads:

> No Senator or Representative shall, during the time for which he was elected, be appointed to any civil office under the authority of the United States, which shall have been created, or the emoluments whereof shall have been increased, during such time.

Mr. SPENCE. I do not know whether this is a salary position or not or whether it would be considered an office that would make it incompatible with the office of Member of Congress, but I think it would be very ill advised to pass this amendment at this time. For 9 weeks we considered this bill. Every person who considered himself as an expert or who had any opinion as to this legislation was invited to appear before the committee. This proposal was never made.

The management of the fund and the bank is an administrative, not a legislative matter. The reports that are made by the Council will come to the President and the Congress. It seems to me that the chairman and the ranking minority member of the Committee on Banking and Currency have enough to do without attempting to see that the fund and the bank are operated according to law and according to the spirit of the legislation that has been passed by this Congress.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from California.

Mr. VOORHIS of California. I think that is the one real argument against my amendment—the amount of work it would give to the chairman and the ranking minority member of the committee. I recognize that they have heavy burdens, indeed, but I feel that it would add great strength to this proposal just the same. That is the reason I offered the amendment.

Mr. SPENCE. As far as the report of the operations of the fund and the bank is concerned, that will be submitted to the President and transmitted to the Congress, and the Congress can pass upon it in a judicial attitude, without bias or without the personal opinions of any particular Member of Congress. I think it would be a great mistake to adopt this amendment under the circumstances, as there has been no consideration given to it. We do not know what the effect would be, but it certainly would make the chairman and the ranking minority member of the Committee on Banking and Currency very much less efficient than they could be if they did not have these additional duties imposed upon them—duties which in themselves would probably constitute a full-time job.

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Ohio.

Mr. THOM. Is it not a fact that if the chairman of the Committee on Banking and Currency served on this council and assisted in drafting the policies he would then go back to the committee to advocate those policies? He would lose his independence and would try to control the committee to accept the things the council did.

Mr. SPENCE. I do not know what the implication would be as we have had no chance to investigate the effect of this amendment.

Mr. VOORHIS of California. If the gentleman yill yield further, I certainly think we would want the policies to be pursued which the Congress wanted pursued. That is the very purpose of my amendment.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Texas.

Mr. PATMAN. The question brought up by the gentleman from Georgia raises this point. The Constitution states that no person holding any office under the United States shall be a Member of either House during his continuance in office. It would probably automatically put him out of office as a Member of Congress.

Mr. VOORHIS of California. These members would be serving in that capacity as Members of Congress. It would not be an office that they would hold.

Mr. SPENCE. There is at least a legal question that has never been considered. I do not know just what effect the adoption of the amendment would have or whether being a member of the Council would be incompatible with being a Member of Congress. The question raises a doubt in my mind and is certainly worthy of investigation and consideration before the adoption of any such amendment.

Mr. PATMAN. Is it not a fact that under this bill the Council will transmit to the Congress and to the President, every 2 years, a report on all its activities?

Mr. FOLGER. If the gentleman will yield, that report will be transmitted not less frequently than every 6 months.

Mr. PATMAN. This is a special report.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. VOORHIS].

The amendment was rejected.

The Clerk read as follows:

CERTAIN ACTS NOT TO BE TAKEN WITHOUT AUTHORIZATION

SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States (a) request or consent to any change in the quota of the United States under article III, section 2, of the articles of agreement of the fund; (b) propose or agree to any change in the par value of the United States dollar under article IV, section 5, or article XX, section 4, of the articles of agreement of the fund, or approve any general change in par values under article IV, section 7; (c) subscribe to additional shares of stock under article II, section 3, of the articles of agreement of the bank; (d) accept any amendment under article XVII of the articles of agreement of the fund or article VIII of the articles of agreement of the bank; (e) make any loan to the fund or the bank. Unless Congress by law authorizes such action, no governor or alternate appointed to represent the United States shall vote for an increase of capital stock of the bank under article II, section 2, of the articles of agreement of the bank.

Mr. THOM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think this is a very important section of the bill. This morning one of the speakers left the impression that the President of the United States on his own authority could dump money into either the bank or the fund. Of course that is entirely erroneous. For instance, the participation of the countries in the fund is known as a quota. The fund agreement says "a four-fifths majority of the total voting power shall be required for any change in quotas and no quota shall be changed without the consent of the member concerned."

If it was proposed to change our quota the American director or Governor would have to go back and consult with the advisory council we have set up. Furthermore, this provision of the law says specifically that you cannot make any loan to the fund or to the bank from the Treasury of the United States unless Congress by law authorizes such action. So you see that any increase in the fund or the resources from a monetary standpoint of either institution lies within the control of the Congress of the United States. Therefore, there can be no unauthorized payment of American money into either the fund or the bank.

The pro forma amendment was withdrawn.

The Clerk read as follows:

PAR VALUE OF UNITED STATES DOLLAR

SEC. 6. When the United States is requested by the fund to communicate the par value of the United States dollar, such par value shall not be communicated as other than 15 21/31 grains of gold nine-tenths fine.

DEPOSITORIES

SEC. 7. Any Federal Reserve bank which is requested to do so by the fund or the bank shall act as its depository or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

PAYMENT OF SUBSCRIPTIONS

SEC. 8. (a) Subsection (c) of section 10 of the Gold Reserve Act of 1934, as amended (U. S. C., title 31, sec. 822a), is amended to read as follows:

"(c) The Secretary of the Treasury is directed to use $1,800,000,000 of the fund established in this section to pay part of the subscription of the United States to the International Monetary Fund; and any repayment thereof shall be covered into the Treasury as a miscellaneous receipt."

(b) The Secretary of the Treasury is authorized to pay the balance of $950,000,000 of the subscription of the United States to the fund not provided for in subsection (a) and to pay the subscription of the United States to the bank from time to time when payments are required to be made to the bank. For the purpose of making these payments, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed $4,125,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include such purpose. Payment under this subsection of the subscription of the United States to the fund or the bank and repayments thereof shall be treated as public-debt transactions of the United States.

(c) For the purpose of keeping to a minimum the cost to the United States of participation in the fund and the bank, the Secretary of the Treasury, after paying the subscription of the United States to the fund, and any part of the subscription of the United States to the bank required to be made under article II, section 7 (i), of the articles of agreement of the bank, is authorized and directed to issue special notes of the United States from time to time at par and to deliver such notes to the fund and the bank in exchange for dollars to the extent permitted by the respective articles of agreement. The special notes provided for in this subsection shall be issued under the authority and subject to the provisions of the Second Liberty Loan Act, as amended, and the purposes for which securities may be issued under that act are extended to include the purposes for which special notes are authorized and directed to be issued under this subsection, but such notes shall bear no interest, shall be nonnegotiable, and shall be payable on demand of the fund or the bank, as the case may be. The face amount of special notes issued to the fund under the authority of this subsection and outstanding at any one time shall not exceed in the aggregate the amount of the subscription of the United States actually paid to the fund, and the face amount of such notes issued to the bank and outstanding at any one time shall not exceed in the aggregate the amount of the subscription of the United States actually paid to the bank under article II, section 7 (i), of the articles of agreement of the bank.

(d) Any payment made to the United States by the fund or the bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

OBTAINING AND FURNISHING INFORMATION

SEC. 9. (a) Whenever a request is made by the fund to the United States as a member to furnish data under article VIII, section 5, of the articles of agreement of the fund, the President may, through any agency he may designate, require any person to furnish such information as the President may determine to be essential to comply with such request. In making such determination the President shall seek to collect the information only in such detail as is necessary to comply with the request of the fund. No information so acquired shall be furnished to the fund in such detail that the affairs of any person are disclosed.

(b) In the event any person refuses to furnish such information when requested to do so, the President, through any designated governmental agency, may by subpena require such person to appear and testify or to appear and produce records and other documents, or both. In case of contumacy by, or refusal to obey a subpena served upon any such person, the district court for any district in which such person is found or resides or transacts business, upon application by the President or any governmental agency designated by him, shall have jurisdiction to issue an order requiring such person to appear and give testimony or appear and produce records and documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(c) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Government, to disclose, otherwise than in the course of official duty, any information obtained under this section, or to use any such information for his personal benefit. Whoever violates any of the provisions of this subsection shall, upon conviction, be fined not more than $5,000, or imprisoned for not more than 5 years, or both.

(d) The term "person" as used in this section means an individual, partnership, corporation, or association.

Mr. GAMBLE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. GAMBLE. Mr. Chairman, section 9 of H. R. 3314, entitled "Obtaining and Furnishing Information," is a substitute for and replaces section 9 of the original House bill, H. R. 2211. It is one of the five amendments adopted by the Banking and Currency Committee, in reporting the bill to the House. I offered the amendment and it was adopted unanimously.

A provision in the fund agreement makes this section necessary. Article VIII, section 5, provides that the fund may require its members to furnish it with such information as it deems necessary for its operations, necessary for the effective discharge of the fund's duties, provided that members shall be under no obligation to furnish information in such detail that the affairs of individuals or corporations are disclosed, and incidentally practically all this information is now furnished to the Treasury Department domestically and made public.

Section 9 of H. R. 2211—the original bill—provided, however, a broader requirement, that so long as the United States is a member of the fund or of the bank the President may require at any time in the manner and under the penalties provided in section 5 (b) of the Trading With the Enemy Act, as amended (U. S. C., title 50, App., sec. 5), the furnishing of (a) any data that may be requested by the fund under article VIII, section 5 of the articles of agreement of the fund; and (b) any data of the type which may be required under section 5 (b) of the Trading With the Enemy Act, as amended, and which in his—the President's—judgment is essential for the guidance of the United States in the participation in the fund and the bank, although this latter information was not required under either the fund or bank agreements.

I have been very much opposed, as were other members of the Banking and Currency Committee, as well as a number of the witnesses who testified before it, to section 9 in the original bill as it went far beyond providing information which the fund agreement may require or information which the United States agrees to furnish. All that we are required to furnish is what may be requested by the fund, but under section 9 of the original bill persons, as hereinafter defined, could be required by the President to furnish any information which in his judgment was essential, and in order to obtain this information the President was authorized to invoke the Trading With the Enemy Act—an act for use entirely in wartime or in an emergency and the title of the act is a wording that is not only offensive and repugnant in times of peace, but a misnomer.

I am also opposed to carrying over into peace extraordinary powers necessary in wartime. This bill hopes to aid and assist in keeping the world at peace. Therefore, no war powers carried over into peace should be necessary to enforce it. We must terminate all extraordinary war powers as rapidly as possible

and I am unalterably opposed to continuing the wartime powers of the Trading With the Enemy Act into the peace. I am glad the Committee on Banking and Currency and the representatives of the Treasury and State Departments agreed with these conclusions and the Banking and Currency Committee struck out all of section 9 in H. R. 2211 and unanimously substituted in its place an entirely new section 9 now in the bill before you.

Section 9 now provides as follows:

(a) Whenever the fund (the bank has been eliminated because there is no similar provision in the bank agreement) requests the United States to furnish data under article VIII, section 5 of the Articles of Agreement to the fund, the President may require any person to furnish such information as he determines to be essential to comply with such request, but only in such detail as is necessary to comply with the request of the fund. Information so acquired, however, shall be furnished only so that the affairs of any person are not disclosed.

Subdivision (b) is the enforcement provision and instead of prosecution under the Trading With the Enemy Act, subdivision (b) provides that the President may by subpena require such person to appear and testify and/or to produce records and other documents, or both. In case of refusal to obey a subpena of a United States district court, upon application by the President it shall have jurisdiction to issue an order requiring such person to appear and give testimony, produce records, or both, and any failure to obey such order of the court may be punished by such court under a contempt order.

The committee added a new subdivision (c) providing that any officer, employee, adviser, or consultant of the Government who shall disclose otherwise in the course of his official duty any information obtained under this section or to use any such information for his personal benefit by sale or otherwise, shall, upon conviction, be fined not more than $5,000 or imprisoned for not more than 5 years, or both.

Subdivision (d) defines the term "person."

I believe the new section 9 of the bill is a great improvement over section 9 of the original bill containing the Trading With the Enemy Act and is a much needed safeguard of the rights of the American people in connection with the disclosure of their private affairs and business. I hope section 9 will be unanimously adopted by the committee.

The pro forma amendment was withdrawn.

The Clerk read as follows:

FINANCIAL TRANSACTIONS WITH FOREIGN GOVERNMENTS IN DEFAULT

SEC. 10. The act entitled "An act to prohibit financial transactions with any foreign government in default on its obligations to the United States", approved April 13, 1934 (U. S. C., title 31, sec. 804a), is amended by adding at the end thereof a new section to read as follows:

"SEC. 3. While any foreign government is a member both of the International Monetary Fund and of the International Bank for Reconstruction and Development, this act shall not apply to the sale or purchase of bonds, securities, or other obligations of such government or any political subdivision thereof or of any organization or association acting for or on behalf of such government or political subdivision, or to the making of any loan to such government, political subdivision, organization, or association."

JURISDICTION AND VENUE OF ACTIONS

SEC. 11. For the purpose of any action which may be brought within the United States or its Territories or possessions by or against the fund or the bank in accordance with the articles of agreement of the fund or the articles of agreement of the bank, the fund or the bank, as the case may be, shall be deemed to be an inhabitant of the Federal judicial district in which its principal office in the United States is located, and any such action at law or in equity to which either the fund or the bank shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of any such action. When either the fund or the bank is a defendant in any such action it may, at any time before the trial thereof, remove such action from a State court into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

STATUS, IMMUNITIES, AND PRIVILEGES

SEC. 12. The provisions of article IX, sections 2 to 9, both inclusive, and the first sentence of article VIII, section 2 (b), of the articles of agreement of the fund, and the provisions of article VI, section 5 (i), and article VII, sections 2 to 9, both inclusive, of the articles of agreement of the bank, shall have full force and effect in the United States and its Territories and possessions upon acceptance of membership by the United States in, and the establishment of, the fund and the bank, respectively.

STABILIZATION LOANS BY THE BANK

SEC. 13. The governor and executive director of the bank appointed by the United States are hereby directed to obtain promptly an official interpretation by the bank as to its authority to make or guarantee loans for programs of economic reconstruction and the reconstruction of monetary systems, including long-term stabilization loans. If the bank does not interpret its powers to include the making or guaranteeing of such loans, the governor of the bank representing the United States is hereby directed to propose promptly and support an amendment to the articles of agreement for the purpose of explicitly authorizing the bank, after consultation with the fund, to make or guarantee such loans. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

STABILIZATION OPERATIONS BY THE FUND

SEC. 14. (a) The governor and executive director of the fund appointed by the United States are hereby directed to obtain promptly an official interpretation by the fund as to (i) whether its authority to use its resources extends beyond current monetary stabilization operations to afford temporary assistance to members in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions, and (ii) whether it has authority to use its resources to provide facilities for relief or reconstruction or to meet a large or sustained outflow of capital on the part of any member.

(b) If the interpretation by the fund answers in the affirmative either of the questions stated in subsection (a), the governor of the fund representing the United States is hereby directed to propose promptly and support an amendment to the articles of agreement for the purpose of expressly negativing such interpretation. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, pursuant to House Resolution 330 he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Miss SUMNER of Illinois. Mr. Speaker——

The SPEAKER. For what purpose does the gentlewoman from Illinois rise?

Miss SUMNER of Illinois. To offer a motion to recommit, which is at the Clerk's desk.

The SPEAKER. Is the gentlewoman opposed to the bill?

Miss SUMNER of Illinois. I am.

The SPEAKER. The gentlewoman qualifies. The Clerk will report the motion.

The Clerk read, as follows:

Miss SUMNER of Illinois moves to recommit the bill to the Committee on Banking and Currency with instructions to report the bill back to the House forthwith with the following amendment: Strike out all after the enacting clause and insert the following:

"SHORT TITLE

"SECTION 1. This act may be cited as the 'Bretton Woods Agreements Act.'

"ACCEPTANCE OF MEMBERSHIP

"SEC. 2. The President is hereby authorized to accept membership for the United States in the International Bank for Reconstruction and Development (hereinafter referred to as the 'bank'), provided for by the articles of agreement of the bank as set forth in the final act of the United Nations Monetary and Financial Conference dated July 22, 1944, and deposited in the archives of the Department of State, except that such acceptance shall be conditioned on the establishment in the bank of a current exchange transaction department which would provide exchange stability for short-term transactions running not beyond 18 months.

"APPOINTMENT OF GOVERNORS, EXECUTIVE DIRECTORS, AND ALTERNATES

"SEC. 3. (a) The President, by and with the advice and consent of the Senate, shall appoint a governor of the bank and an executive director of the bank. The executive director so appointed shall also serve as provisional executive director of the bank for the purposes of the articles of agreement. The term of office for the governor of the bank shall be 5 years. The term of office for the executive director shall be 2 years, but the executive director shall remain in office until his successor has been appointed.

"(b) The President, by and with the advice and consent of the Senate, shall appoint an alternate for the governor of the bank. The President, by and with the advice and consent of the Senate, shall appoint an alternate for the executive director. The alternate for the executive director shall be appointed from among individuals recommended to the President by the executive

director. The terms of office for alternates for the governor and the executive director shall be the same as the terms specified in subsection (a) for the governor and executive director.

"(c) No person shall be entitled to receive any salary or other compensation from the United States for services as a governor, executive director, or alternate.

"NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

"SEC. 4. (a) In order to coordinate the policies and operations of the representatives of the United States on the bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange, or monetary transactions, there is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the 'Council'), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of Trustees of the Export-Import Bank of Washington.

"(b) (1) The Council, after consultation with the representatives of the United States on the bank, shall recommend to the President general policy directives for the guidance of the representatives of the United States on the bank.

"(2) The Council shall advise and consult with the President and the representatives of the United States on the bank on major problems arising in the administration of the bank.

"(3) The Council shall coordinate, by consultation or otherwise, so far as is practicable, the policies and operations of the representatives of the United States on the bank, the Export-Import Bank of Washington and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange, or monetary transactions.

"(4) Whenever, under the articles of agreement of the bank, the approval, consent, or agreement of the United States is required before an act may be done by the bank, the decision as to whether such approval, consent, or agreement, shall be given or refused shall (to the extent such decision is not prohibited by sec. 5 of this act) be made by the Council, under the general direction of the President.

"(5) The Council from time to time, but not less frequently than every 6 months, shall transmit to the President and to the Congress a report with respect to the participation of the United States in the bank.

"(6) The Council shall also transmit to the President and to the Congress special reports on the operations and policies of the bank, as provided in this paragraph. The first report shall be made not later than 2 years after the establishment of the bank, and a report shall be made every 2 years after the making of the first report. Each such report shall cover and include: The extent to which the bank has achieved the purposes for which it was established; the extent to which the operations and policies of the bank have adhered to, or departed from, the general policy directives formulated by the Council, and the Council's recommendations in connection therewith; recommendations on whether the resources of the bank should be increased or decreased; recommendations as to how the bank may be made more effective; recommendations on any other necessary or desirable changes in the articles of agreement of the bank or in this act; and an over-all appraisal of the extent to which the operations and policies of the bank have served, and in the future may be expected to serve, the interests of the United States and the world in promoting sound international economic cooperation and furthering world security.

"(7) The Council shall make such reports and recommendations to the President as he may from time to time request, or as the Council may consider necessary to more effectively or efficiently accomplish the purposes of this act or the purposes for which the Council is created.

"(c) The representatives of the United States on the bank, and the Export-Import Bank of Washington (and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transaction) shall keep the Council fully informed of their activities and shall provide the Council with such further information or data in their possession as the Council may deem necessary to the appropriate discharge of its responsibilities under this act.

"CERTAIN ACTS NOT TO BE TAKEN WITHOUT AUTHORIZATION

"SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States (a) approve any general change in par values under article IV, section 7; (b) subscribe to additional shares of stock under article II, section 3, of the articles of agreement of the bank; (c) accept any amendment under article VIII of the articles of agreement of the bank; (d) make any loan to the bank. Unless Congress by law authorizes such action, no governor or alternate appointed to represent the United States shall vote for an increase of capital stock of the bank under article II, section 2, of the articles of agreement of the bank.

"DEPOSITORIES

"SEC. 6. Any Federal Reserve bank which is requested to do so by the bank shall act as its depository or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

"PAYMENT OF SUBSCRIPTIONS

"SEC. 7. (a) The Secretary of the Treasury is authorized to pay the subscription of the United States to the bank from time to time when payments are required to be made to the bank. For the purpose of making these payments, the Secretary of the Treasury is authorized to use as a public-debt transaction so much as may be necessary of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payment under this subsection of the subscription of the United States to the fund or the bank and repayments thereof shall be treated as public-debt transactions of the United States.

"(b) For the purpose of keeping to a minimum the cost to the United States of participation in the bank, the Secretary of the Treasury, after paying any part of the subscription of the United States to the bank required to be made under article II, section 7 (i), of the articles of agreement of the bank, is authorized and directed to issue special notes of the United States from time to time at par and to deliver such notes to the bank in exchange for dollars to the extent permitted by the respective articles of agreement. The special notes provided for in this subsection shall be issued under the authority and subject to the provisions of the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include the purposes for which special notes are authorized and directed to be issued under this subsection, but such notes shall bear no interest, shall be nonnegotiable, and shall be payable on demand of the bank. The face amount of special notes issued to the bank and outstanding at any one time shall not exceed in the aggregate the amount of the subscription of the United States actually paid to the bank under article II, section 7 (i), of the articles of agreement of the bank.

"(c) Any payment made to the United States by the bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

"FINANCIAL TRANSACTIONS WITH FOREIGN GOVERNMENTS IN DEFAULT

"SEC. 8. The act entitled 'An act to prohibit financial transactions with any foreign government in default on its obligations to the United States,' approved April 13, 1934 (U. S. C., title 31, sec. 804a), is amended by adding at the end thereof a new section to read as follows:

" 'SEC. 3. While any foreign government is a member of the International Bank for Reconstruction and Development, this act shall not apply to the sale or purchase of bonds, securities, or other obligations of such government or any political subdivision thereof or of any organization or association acting for or on behalf of such government or political subdivision, or to the making of any loan to such government, political subdivision, organization, or association.'

"JURISDICTION AND VENUE OF ACTIONS

"SEC. 9. For the purpose of any action which may be brought within the United States or its Territories or possessions by or against the bank in accordance with the articles of agreement of the bank, the bank shall be deemed to be an inhabitant of the Federal judicial district in which its principal office in the United States is located, and any such action at law or in equity to which the bank shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of any such action. When the bank is a defendant in any such action, it may, at any time before the trial thereof, remove such action from a State court into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

"STATUS, IMMUNITIES, AND PRIVILEGES

"SEC. 10. The provisions of article VI, section 5 (i), and article VII, sections 2 to 9, both inclusive, of the articles of agreement of the bank shall have full force and effect in the United States and its Territories and possessions upon acceptance of membership by the United States in, and the establishment of, the bank.

"STABILIZATION LOANS BY THE BANK

"SEC. 11. The governor and executive director of the bank appointed by the United States are hereby directed to obtain promptly an official interpretation by the bank as to its authority to make or guarantee loans for programs of economic reconstruction and the reconstruction of monetary systems, including long-term stabilization loans. If the bank does not interpret its powers to include the making or guaranteeing of such loans, the governor of the bank representing the United States is hereby directed to propose promptly and support an amendment to the articles of agreement for the purpose of explicitly authorizing the bank to make or guarantee such loans. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States."

Amend the title so as to read: "A bill to provide for the participation of the United States in the International Bank for Reconstruction and Development."

Miss SUMNER of Illinois (interrupting the reading of the motion). Mr. Speaker, I ask unanimous consent that

the further reading of the motion to recommit be dispensed with. It strikes out the fund.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I think the effect of the motion to recommit should be explained.

Miss SUMNER of Illinois. I did explain it. I said it strikes out the fund.

Mr. WOLCOTT. That is the same amendment the gentlewoman offered in the Committee of the Whole.

Miss SUMNER of Illinois. Yes.

The SPEAKER. Without objection, the further reading of the motion to recommit will be dispensed with, the motion to be printed in the RECORD.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, having stated to the House yesterday that the final vote on this bill would occur tomorrow, Thursday, I ask unanimous consent, so that the rights of the gentlewoman from Illinois on the motion to recommit may be preserved, that further consideration of this bill be postponed until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, and of course I will not, do I understand that when the House convenes at 11 o'clock tomorrow the first order of business will be the vote on the bill we have just been considering?

Mr. McCORMACK. I am glad the gentleman asked me that question. Yes; the first order of business will be the vote on the pending bill.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

Is there objection?

There was no objection.

CORRECTION

The SPEAKER. Without objection, the spelling of the word "information" in line 20 on page 11 of the bill will be corrected.

There was no objection.

GENERAL LEAVE TO EXTEND ON H. R. 3314

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks on the bill H. R. 3314.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

LEGISLATIVE APPROPRIATION BILL, 1946

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 287, Rept. No. 698), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution the bill H. R. 3109, making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments thereto, and the same is hereby taken from the Speaker's table to the end that all Senate amendments be, and the same are hereby, agreed to.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON POSTWAR DISPOSITION OF MERCHANT VESSELS

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 699) back favorably without amendment a privileged resolution (H. Con. Res. 62), authorizing the Committee on the Merchant Marine and Fisheries of the House of Representatives to have printed for its use additional copies of part 1 of the hearings on postwar disposition of merchant vessels, held before said committee during the current session, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on the Merchant Marine and Fisheries of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 750 additional copies of part 1 of the hearings on postwar disposition of merchant vessels held before said committee during the current session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROCEEDINGS OF THE LAUNCHING OF THE U. S. S. *FRANKLIN D. ROOSEVELT*

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 700) back favorably without amendment a privileged resolution (H. Res. 237), providing for the printing as a House document the proceedings of the launching of the U. S. S. *Franklin D. Roosevelt*, and ask for immediate consideration of the resolution.

The Clerk read the resolution as follows:

Resolved, That the proceedings held at the Brooklyn Navy Yard on April 29, 1945, attendant upon the launching of the aircraft carrier U. S. S. *Franklin D. Roosevelt* be printed, with an illustration, as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SMALL BUSINESS POSSIBILITIES IN ALASKA

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 701) back favorably without amendment a privileged resolution (H. Res. 283), authorizing the printing as a House document of the progress report and prospectus of program for Smaller War Plants Corporation, entitled "Small Business Possibilities in Alaska," and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved, That the progress report and prospectus of program for Smaller War Plants Corporation, entitled "Small Business Possibilities in Alaska," be printed with an illustration as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WASIELEWSKI asked and was given permission to extend his remarks and to include an editorial from the Sunday World-Herald of Omaha, Nebr., in which comment is made on a speech made by the Honorable James A. Farley at Milwaukee, Wis.

EXTENSION OF RENEGOTIATION ACT

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent that it may be in order at any time next week to consider the bill (H. R. 3395) to extend through December 31, 1945, the termination date under the Renegotiation Act, and that there be not to exceed 2 hours of general debate, one-half of the time to be controlled by myself and one-half by the ranking minority member of the Committee on Ways and Means.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, this just simply waives the rule and allows 2 hours general debate?

Mr. DOUGHTON of North Carolina. That is right.

Mr. MARTIN of Massachusetts. When is the bill coming up?

Mr. DOUGHTON of North Carolina. Any day that the leadership agrees on next week. We will be ready at any time. Any day that the gentleman from Massachusetts [Mr. McCORMACK] and the gentleman from Massachusetts [Mr. MARTIN] and other Members may agree on.

Mr. MARTIN of Massachusetts. That is satisfactory to the Republican members of the Ways and Means Committee?

Mr. DOUGHTON of North Carolina. The gentleman from New York [Mr. REED] has agreed to it as well as other Members.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to include in the remarks I made in the Committee of the Whole today certain excerpts from the committee report.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

McGREGOR ASKS INVESTIGATION OF OPA

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House

for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, I view the present sugar and meat shortage with alarm. If there had been forethought and intelligent management by the Office of Price Administration in the control of both these items, there would be a fair distribution now in effect. The OPA, which controls meat and sugar, and other products, has broken faith with the people, and has issued inconsistent rules and regulations that hinder production and distribution. The OPA has made promises and broken them, all because, in my opinion, this agency is deluged with individuals and theorists who have no practical knowledge of the subjects they are attempting to administer.

The people of the Seventeenth District of Ohio, whom I have the honor to represent, are sacrificing and doing everything within their power to bring the war to an early and successful conclusion, but they certainly are becoming disgusted—and rightfully so—with the bungling of the OPA.

I contact the OPA almost daily in an effort to aid my constituents, but about all the assistance I obtain is a promise that something will be done. It is beyond the stretch of my imagination how the officials of the OPA can sit day after day and let these difficulties crowd around them, and only give theoretical replies stating we will have relief.

Mr. Speaker, I urge a complete investigation of the OPA and the removal of those individuals who are responsible for the deplorable activities of this agency. I fully recognize this agency does contain some individuals who are very capable and who are endeavoring to do a good job, but it appears their hands are tied by official red tape as they are not given the power to use their own good judgment. It is my hope that the new Secretary of Agriculture will be of assistance in centralizing the control of the food problem, and that prompt action will be taken, so that our people will secure relief and be shown an example of good government.

PROGRAM FOR TOMORROW

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I would like to inquire of the majority leader as to what the program will be for tomorrow?

Mr. McCORMACK. The first order of business tomorrow will be consideration of the bill which was before the House today. Thereafter, a rule on the legislative appropriation bill will be taken up, which will mean 1 hour's debate, after which there will be a roll call. After that there will be general debate on the war agencies appropriation bill. I understand a rule is necessary in connection with the war agencies appropriation bill which has not been reported as yet, but we will proceed with general debate on the assumption that a rule will be reported.

Mr. MARTIN of Massachusetts. The war agencies appropriation bill will not be in the amendment stage tomorrow? If you have not a rule, of course it cannot be.

Mr. McCORMACK. Of course not. I do not see any member of that committee present, but I will take the responsibility as leader of definitely stating that amendments will not be considered tomorrow. The general debate will probably take longer than tomorrow anyway. In case general debate concludes tomorrow, I will take the responsibility of stating that amendments to the bill will not be considered tomorrow.

Of course, I am not particularly pressing it. All I wanted was a thorough understanding.

Mr. CASE of South Dakota. Mr. Speaker, if the gentleman will yield, is it contemplated, then, completing the war agencies bill on Friday?

Mr. McCORMACK. No; I would not want to state that. That is a matter for the committee. So far as general debate is concerned, I leave that to the members of the committee to determine. I have no knowledge of the time agreed upon, if it has been. But I shall expect to be governed by the time that the members of the subcommittee in charge of the bill agree upon.

Mr. MARTIN of Massachusetts. What other legislation will come up this week following the war agencies appropriation bill?

Mr. McCORMACK. There is nothing else up this week.

Mr. MARTIN of Massachusetts. If that is completed, it will end the week's program?

Mr. McCORMACK. In answer to the question asked by the gentleman from South Dakota [Mr. CASE], if the bill is disposed of by Friday, then, of course, we will not meet on Saturday.

Mr. MARTIN of Massachusetts. Will we or will we not meet on Saturday?

Mr. McCORMACK. We will not meet on Saturday if the war agencies appropriation bill is disposed of by Friday.

Mr. MARTIN of Massachusetts. Otherwise we will take it up on Saturday?

Mr. McCORMACK. I would not want to be committed to that now except that the probabilities are the committee would want to dispose of it, in which event I feel as though we should meet on Saturday.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

EXTENSION OF REMARKS

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in Committee today and include certain excerpts relating to the position of the British on the Bretton Woods proposal, and certain other material relative thereto.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances, and include in each a letter.

Mrs. NORTON asked and was given permission to extend her remarks in the RECORD and include an article by Melvina Lindsay appearing in today's Washington Post.

Mr. LINK asked and was given permission to extend his remarks in the RECORD.

Mr. KELLEY of Pennsylvania (at the request of Mr. HOCH) was given permission to extend his remarks in the RECORD.

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD in three instances; to include in one an address delivered by Charles J. Zinn in New York City, May 30; in one to include a copy of the report filed by a committee of the House in the Thirtieth Congress; and in one to include an editorial with respect to the speech delivered by Mr. Farley on Presidential succession.

SURPLUS-PROPERTY ADJUSTMENT

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, for sometime past I have been the recipient of numerous complaints regarding the difficulties the returning veterans are having in obtaining from the Surplus Property Disposal Board any preferences when they attempt to buy certain items that are being disposed of. I am happy to learn that within the last few days the War Surplus Property Board has designated the Smaller War Plants Corporation to handle this matter as one of its duties. It will impose a very heavy task on that Corporation, but I feel sure that the veterans will receive better treatment and will get the preferences that the Congress intended that they should have. I look forward to having the complaints that we have been receiving cease. Congress intended that veterans should get preferential treatment, and I confidently believe the Smaller War Plants Corporation will see to it that such a policy will be carried out.

THE WARSAW GOVERNMENT

Mr. DE LACY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an article from PM.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DE LACY. Mr. Speaker, my purpose of rising is to introduce this article and call it to the attention of the Members so that they can read it in the RECORD. It constitutes a different approach to the Polish situation than we have heretofore heard and seen. This article is written by Mr. Irving Brant, who is a journalist, historian, and editor, a former St. Louis newspaperman and frequent contributor to PM. I believe the Members will feel it stimulating to read this statement.

The article is as follows:

[From PM of June 3, 1945]

THE WARSAW GOVERNMENT IS HERE TO STAY—RUSSIANS GAIN AS BRITAIN, UNITED STATES ALIENATE POLES

(By Irving Brant)

WASHINGTON, June 2.—In a realistic appraisal of the near future in Poland, this one fact stands out: The Warsaw-Lublin provisional government is going to remain in power.

It will remain in power either as it stands, or enlarged under the Yalta agreement. Any enlargement of its membership will broaden its popular support, but will not alter its fundamental policies; friendship with Soviet Russia, distribution of land to peasants, industrial development along socialistic or prolabor lines. Also, there will be no let-up in the determination to keep Pilsudski militarists, feudal landlords and big businessmen out of power.

Overlooking all else, the Polish Government and its policies will not be changed in an anti-Russian direction either by internal action or by outside intervention or influence, during this formative period, because they cannot be changed without the consent of Soviet Russia. That consent will not be given. Soviet leaders look on a friendly Poland—which means also a strong, prosperous, anti-Fascist Poland—as essential to Russia's security and to the future peace of Europe. All the diplomats in the world laid end to end—as most of them ought to be—will find that policy stretching out ahead of them.

FIRST NECESSITY

If this is true, the first necessity in a rational American policy toward Poland is to build on the foundation of the Warsaw-Lublin Government. The plain truth is that Russia had a choice, and chose. We have no choice, unless we want to send 10,000,000 men to Europe to do what Hitler failed to do.

Russia and Poland have a past of long and bitter hostility, grounded in czarist tyranny and Sanacja nationalism, but also turning Polish peasants and Socialists against the Soviets. There were only two ways, when Nazi retreat brought the issue to life, by which Russia could secure a friendly government in Poland. One was by setting up a Communist regime and liquidating the dissenters. The other, chosen by Stalin, was to foster a Polish program of domestic reform which would win the support of democratic elements, especially the land-starved peasants; and to build up Poland's national strength and resources at the expense of Germany.

For this purpose Russia sponsored the Lublin government, dedicated primarily to agrarian reform, especially the splitting up of huge estates, with a leaning also toward socialized industry. It is a noncommunistic program, conducted by a government which includes 4 Communists among about 20 ministers.

For this purpose also, Russia gave East Prussia to Poland—gave it in advance of a peace conference, by encouraging the distribution of German Junker estates among Polish peasants, and by securing a favorable declaration at Yalta. So, too, Russia has come close to a final delivery of Silesia to Poland, and has approved the Oder-Neisse western boundary with apparent finality. These tremendous territorial and industrial gains can be restrained permanently by Poland only by means of a firm and lasting friendship with Russia.

The effect of this policy, combined with gratitude for liberation from the Nazi regime, has been to split the democratic political parties of Poland into pro-Soviet and anti-Soviet elements. Only the big business and landlord parties, with their military aides or overlords, remain completely intransigent, and individual conservatives have split off even from them. The growing pro-Soviet parties rebuild leadership and membership in Poland. The anti-Soviet elements dwindle under a London leadership.

As an example of what is taking place, observe recent changes in the Warsaw government. The chairman of the Polish Socialist Party, rescued from a German concentration camp, becomes Minister of Justice. A Polish newspaper editor, once a Pilsudski adherent, is found by the Polish Army which is affiliated with the Red army, and, not knowing at first whether he will be welcomed or shot, becomes Poland's new foreign minister. These things represent, not a shift in the policies of the Warsaw government, but the conversion of Poles, including underground leaders, to cooperation with Russia. Arciszewski and Mikolajczyk do not have to come back from London to bring the Socialist and Peasant parties into the provisional government. They are there already, with 10 ministers including the premier, and with high officials of both parties among these ministers.

Poland's industrialization works for the new regime. A prewar population of 35,000,000 Poles, Ukrainians, and White Russians shrinks to a purely Polish population of 20,000,000. The net reduction of Poles—8,000,000—is less than the number Hitler murdered. Losing agricultural lands in the east and gaining both farms and industrial wealth in the west, Poland is the one country of Europe where living standards are sure to rise. The Warsaw government and Soviet Russia will get the credit, and labor will grow in political power.

Now, with all this in train, what happens when Great Britain and the United States treat the Warsaw-Lublin government as nonexistent or seek to change its character by insisting on the admission of Poles who are basically opposed to its program, if not also anti-Soviet?

In the first place, we get nowhere at all, because Russia is not going to consent to anything of the sort.

In the second place, we alarm Stalin and other Russian leaders with apparent evidence that the western democracies are seeking to perpetuate the old order in Europe—an order synonymous with anti-Soviet intrigue as well as the exploitation of peasants and workers. The farther this is carried, the farther Russia will go in countermeasures based on national security.

ONLY RELIANCE

In the third place, we notify Polish peasants that Soviet Russia is their only reliance against a loss of their newly won farms. The Soviet Union becomes their sole guaranty against a return of the London group and consequently resurgence of the military-landlord autocracy.

Finally—and this becomes more important week by week—we put Russia in the position of standing forth as the only friend of Poland as a nation, while Britain and America assume the role of Poland's antagonists.

All of these results are inevitable, regardless of whether we are right or wrong in our contentions about the Yalta agreement, or in our estimate of the existing Polish provisional government.

Poland has a government. It is functioning. It will continue to function. The people of Poland know and feel it as their government, the only one in existence. Peasants by the hundred thousand are getting new lands from it. It will determine the future of Silesian industry. It controls and will continue to control the new Polish army.

With this in mind, let us put down the questions the people of Poland ask, and give the answers they must give, as they look upon their own affairs and observe the conduct of the three great powers.

Who liberated Poland from the Nazis? Soviet Russia.

Who gave East Prussia to Poland? Soviet Russia.

Who is giving Silesia to Poland? Soviet Russia.

Who advocates the Oder-Neisse line? Soviet Russia.

Who wants Poland in the United Nations? Soviet Russia. Who keeps her out? The United States of America and Great Britain.

Who wanted Poland at San Francisco? Soviet Russia. Who kept her out? The United States of America and Great Britain.

The list can be extended into other fields where Polish requests may or may not have reached the formal stage. What will be said, or what has been said, in response to the desire of Poland to be represented on European commissions which vitally affect her national interests? The answers in every case must be the same:

Polish membership on the Reparations Commission: Russia, yes;. America and Britain, no.

On the Allied Economic Commission: Russia, yes; America and Britain, no.

On the European Coal Commission: Russia, yes; America and Britain, no.

On the European Inland Transportation Authority: Russia, yes; America and Britain, no.

If all the experts in the world should set out to devise a scheme for throwing Poland completely into the arms of Russia, they could not find a better one than the means used by Great Britain and the United States of America to keep her out. Here is one of the jests current today among Poles:

"They admitted the Ukraine and White Russia to San Francisco. What should Poland do to get in—become the seventeenth Soviet Socialist Republic?"

It would be understandable if Stalin refused to carry out the Yalta agreement for the actual purpose of forcing closer and closer relationship between Russia and Poland, and of widening the estrangement between Poland and the western countries, since that is the only possible result of the deadlock. But the evidence all points to a contrary responsibility. It is the British and American members of the Moscow commission, not the Russian, who refuse to accept the logical, natural, and literal meaning of the Yalta agreement and decline to consult with Poles in accordance with its terms.

The Anglo-American attitude cannot help creating a belief in Warsaw and Moscow that the Yalta agreement is being deliberately sabotaged by Great Britain and the United States of America. That certainly is not true of President Truman, for the American position was formulated before he entered the White House. Nor was it true of President Roosevelt. He was not the reluctant one at Yalta, and there is every indication that the tail-to-the-Churchill-kite policy was adopted without his approval, possibly even without

his knowledge, and certainly without a true knowledge of the facts.

GENERAL ANDERS' ROLE

That Mr. Churchill's policy has taken a distinctly anti-Polish and perhaps an anti-Soviet turn is suggested by the new British attitude toward the Polish Army of General Anders. That army, recruited in Russia, was transferred to Persia, Palestine, north Africa, and the western front. A large part of its members, at any time, would have gone back to Russia to fight for Poland on the home front. Anders imprisoned the leaders of that movement. Most of the men in it would go home now, as cilivians, if allowed to.

Until recent weeks, all public discussion and all negotiation concerning the return of the Anders army centered on the time and manner of demobilization. The Warsaw government was ready to welcome its members, if they would agree to accept the new regime. Polish officers under Anders, perhaps unknown to him, asked for contact with Russian generals to arrange the return.

Now, after VE-day, with no more fighting to be done, Churchill authorizes recruiting for Anders' army among Poles freed in Germany. A hundred thousand Poles are to be used as part of the British army of occupation.

WORSE THAN SOSNKOWSKI

To realize the import of this, one must know General Anders. The break between Soviet Russia and the Polish Government-in-exile was made unbridgeable by the appointment of anti-Soviet General Sosnkowski as Polish commander-in-chief. When one of the men responsible for that action was asked why he did it, he replied:

"Sosnkowski is not so bad. At least we did not appoint an out-and-out Fascist like Anders." Later they did just that, and today Churchill uses this Fascist general as an instrument of policy in Germany.

One motive for use of Anders' army is to release British soldiers for domestic reconstruction. But nobody seriously seeking an understanding with the governments of Poland and Russia would wave the black flag of fascism in their faces. The provocative folly of Churchill's course is revealed by the British themselves, in their promise that this anti-Soviet army will not be stationed near the Russian zone of occupation.

The United States of America cannot afford to abet such policies, or to be tied up with them in any way. President Truman's decision to send Harry Hopkins to Moscow and Joseph F. Davies to London is a cheering augury. It gives reason to hope that he is penetrating the realities of the Polish dispute, that he realizes its true relationship to the building of friendly understanding among the great powers which control the future peace of the world.

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD and include a letter from Hon. Marvin Jones, and also certain excerpts and statements.

Mrs. DOUGLAS of California asked and was given permission to extend her remarks in the RECORD and include a poem on President Roosevelt.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the San Francisco Labor Council.

PERMISSION TO ADDRESS THE HOUSE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that on Friday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SHAFER (at the request of Mr. MICHENER), indefinitely, on account of illness.

To Mr. HAND (at the request of Mr. THOMAS of New Jersey), indefinitely, on account of illness.

To Mr. BRUMBAUGH (at the request of Mr. GRAHAM), until June 11, on account of death in the family.

To Mr. DAUGHTON of Virginia (at the request of Mr. BLAND), for the day, on account of sickness in the family.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 392. An act for the relief of Nebraska Wesleyan University and Herman Platt;

S. 633. An act to amend the Criminal Code so as to punish anyone injuring a party, witness, or juror on account of his having acted as such; and

S. 889. An act to amend section 47c of the National Defense Act of June 3, 1916, as amended, so as to authorize credit to students now or hereafter enrolled in the senior division of the Reserve Officers' Training Corps for military training received while on active duty in the Army, Navy, Marine Corps, or Coast Guard, or while pursuing a course of instruction in the Naval Reserve Officers' Training Corps.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 46 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 7, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Thursday, June 7, 1945, at 10 o'clock, in the committee room, 356 Old House Office Building.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill (H. R. 2788) to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a public hearing at 10:30 a. m., on Tuesday, June 12, 1945, on H. R. 3263.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, June 12, 1945, at 10 a. m., at which time hearings will be resumed on H. R. 3235, a bill readjusting the rates of postage on books.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

COMMITTEE ON THE JUDICIARY

The Committee on the Judiciary has scheduled hearings, to begin at 10 a. m., on Monday, June 18, 1945, on the following joint resolutions: House Joint Resolution 67, to declare the policy of the Government of the United States in regard to tide and submerged lands; and House Joint Resolution 118, House Joint Resolution 119, House Joint Resolution 122, House Joint Resolution 123, House Joint Resolution 124, House Joint Resolution 125, House Joint Resolution 128, House Joint Resolution 129, House Joint Resolution 130, House Joint Resolution 134, House Joint Resolution 137, House Joint Resolution 138, House Joint Resolution 146, House Joint Resolution 148, House Joint Resolution 153, House Joint Resolution 172, and House Joint Resolution 193, entitled "To quiet the titles of the respective States and others to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles." The hearings will be held in the Judiciary Committee room, 346 House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

534. Under clause 2 of rule XXIV, a letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to authorize the Secretary of the Navy to convey Casa Dorinda estate in Santa Barbara County, Calif., to Robert Woods Bliss and Mildred B. Bliss, was taken from the Speaker's table and referred to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 285. Resolution providing for the expenses of conducting the study and investigation authorized by House Resolution 256 of the Seventy-ninth Congress, a resolution authorizing the Committee on Rivers and Harbors to investigate certain shores and beaches to protect the shores of the United States; without amendment (Rept. No. 689). Referred to the House Calendar.

Mr. COCHRAN: Committee on Accounts. House Resolution 286. Resolution providing for the expenses of conducting the study and investigation authorized by House Resolution 236 of the Seventy-ninth Congress, a

resolution directing the Committee on the Territories to study and investigate various questions and problems of Alaska and Hawaii; without amendment (Rept. No. 690). Referred to the House Calendar.

Mr. COCHRAN: Committee on Accounts. House Resolution 282. Resolution granting 6 months' salary and $250 funeral expenses to Elizabeth Millard, wife of William C. Millard, late an employee of the House; without amendment (Rept. No. 691). Referred to the House Calendar.

Mr. CANNON of Missouri: Committee on Appropriations. House Joint Resolution 212. Joint resolution making a supplemental appropriation for the fiscal year ending June 30, 1945, for the Children's Bureau, Department of Labor, and for other purposes; without amendment (Rept. No. 692). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDERSON of California: Committee on Naval Affairs. H. R. 3193. A bill to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes; without amendment (Rept. No. 693). Referred to the Committee of the Whole House on the State of the Union.

Mr. IZAC: Committee on Naval Affairs. H. R. 3269. A bill further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; with amendment (Rept. No. 694). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SMITH of Maine: Committee on Naval Affairs. H. R. 3287. A bill to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 10 to 14, inclusive, 1945; without amendment (Rept. No. 695). Referred to the Committee of the Whole House on the State of the Union.

Mr. BIEMILLER: Committee on Naval Affairs. H. R. 3345. A bill to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of under age at the time of enlistment, and for other purposes; without amendment (Rept. No. 696). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 715. A bill to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes; without amendment (Rept. No. 697). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 287. Resolution providing for the consideration of H. R. 3109, making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 698). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Printing. House Concurrent Resolution 62. Concurrent resolution authorizing the Committee on the Merchant Marine and Fisheries of the House of Representatives to have printed for its use additional copies of part 1 of the hearings on postwar disposition of merchant vessels, held before said committee during the current session; without amendment (Rept. No. 699). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Printing. House Resolution 237. Resolution providing for the printing as a House document the proceedings of the launching of the U. S. S. *Franklin D. Roosevelt*; without amendment (Rept. No. 700). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Printing. House Resolution 283. Resolution authorizing the printing as a House document of the progress report and prospectus of program for Smaller War Plants Corporation, entitled "Smaller Business Possibilities in Alaska"; without amendment (Rept. No. 701). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. JACKSON:

H. R. 3393. A bill to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes; to the Committee on the Civil Service.

By Mr. PATMAN:

H. R. 3394. A bill to amend section 6 of the Pay Readjustment Act of 1942, relating to an allowance for rental of quarters; to the Committee on Military Affairs.

By Mr. DOUGHTON of North Carolina:

H. R. 3395. A bill to extend through December 31, 1945, the termination date under the Renegotiation Act; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of Kansas:

H. R. 3396. A bill authorizing the Secretary of the Interior to cancel the fee patents heretofore issued on two Potawatomi Indian allotments; to the Committee on Indian Affairs.

By Mr. DOUGHTON of North Carolina:

H. R. 3397. A bill for the relief of Claude S. Crouse; to the Committee on Claims.

By Mr. TIBBOTT:

H. R. 3398. A bill granting a pension to Mary Murphy; to the Committee on Invalid Pensions.

By Mr. WOODHOUSE:

H. R. 3399. A bill for the relief of Philibert L. Bergeron and Mrs. Alfred Quist; to the Committee on Claims.

H. R. 3400. A bill for the relief of Herbert W. Rogers; to the Committee on Claims.

H. R. 3401. A bill for the relief of Mrs. Hattie Main Babcock, Mr. Chester N. Main, Mr. and Mrs. Earl Norman; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

875. By Mr. COCHRAN: Petition of G. Hanna and 27 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committe on the Judiciary.

876. Also, petition of Emil Koch and 25 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

877. Also, petition of C. A. West and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

878. Also, petition of George Buterin and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

879. Also, petition of William L. Perry and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

880. By Mr. DWORSHAK: Petition of Dr. Frank B. Robinson on behalf of the Physchiana Religion for Protection Against Religious Persecution Incited and Carried on by Better Business Bureaus; to the Committee on Un-American Activities.

881. By Mr. LECOMPTE: Petition of J. R. Jones and sundry other citizens of Ottumwa, Iowa, in protest of legislation to continue the Office of Price Administration; to the Committee on Banking and Currency.

882. By Mr. SULLIVAN: Petition of Thelma Casten and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committe on the Judiciary.

883. Also, petition of John Baltus, Jr., and 32 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

884. Also, petition of Joe Pullaro and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

885. Also, petition of Joe Pullaro and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

886. Also, petition of John McClune and 28 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

887. Also, petition of Christ Frank and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

888. By Mr. WOLCOTT: Petition of 28 residents of Lapeer County, Mich., urging the enactment of legislation for the relief of our merchant seamen, known as the merchant seamen's bill of rights; to the Committee on the Merchant Marine and Fisheries.